



## EARNINGS RELEASE 3Q20



### HIGHLIGHTS | 3Q20 vs. 3Q19

#### *Beneficiaries Growth and Cash MLR Reduction Translate into Margin Expansion*

- **Net Revenue (NR):** R\$2,698.6 million, +24.1% vs. 3Q19
  - **Avg Beneficiaries:** 3,620.1 thousand in Health (+24.8%) and 2,556.5 thousand in Dental (+4.6%)
  - **Beneficiaries EoP:** 3,694.6 thousand in Health (+25.4%) and 2,599.8 thousand in Dental (+5.1%)
  - **Avg. Ticket:** R\$229.1 in Health, +3.8% vs. 3Q19
  - **Hospital Services:** R\$135.9 million, 25.3% reduction compared to 3Q19 and 69.0% better than 2Q20
- **Cash MLR:**
  - **Consolidated Cash MLR:** 68.6%, 2.0p.p. better than 3Q19
- **Cash G&A:** 8.9% of Net Revenue, 0.4p.p. better than 3Q19
- **Adjusted EBITDA:** R\$458.4 million (17.0% margin), +43.4% vs. 3Q19
- **Adjusted Net Income:** R\$265.5 million (9.8% margin), 70.5% increase vs. 3Q19
- **Net Cash:** R\$103.9 million in 3Q20
- **M&A:** Closing of **Santa Mônica (MG)** and **H. Santa Brígida (PR)** and signing of **MediSanitas (MG)**, **BioSaúde (SP)**, **LifeDay (SC)** and **Serpram (MG)**
- **Owned Network:** Opening of **Santo Andre Advanced Unit** and **Hemodinamic Center** in São Bernardo Hospital

**GNDI3:** R\$74.50/share  
**52W Max:** R\$76.33/share  
**52W Min:** R\$33.50/share

Total Shares: 609,787,507  
*Free-Float:* 76.1%  
Market Cap: R\$45.4bn

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Summary	3Q20	3Q19	Var. %	9M20	9M19	Var. %
Hospitals	26	21	23.8%			
Beds - End of Period	3,092	2,659	16.3%			
Beneficiaries - EoP ('000)	6,294.4	5,419.9	16.1%			
Health plans	3,694.6	2,945.3	25.4%			
Dental Plans	2,599.8	2,474.6	5.1%			
Average Beneficiaries ('000)	6,176.6	5,346.1	15.5%	6,101.6	4,902.9	24.5%
Health plans	3,620.1	2,901.6	24.8%	3,547.7	2,781.1	27.6%
Dental Plans	2,556.5	2,444.4	4.6%	2,553.9	2,121.8	20.4%
Net Revenues - R\$mnn	2,698.6	2,174.6	24.1%	7,862.1	6,110.9	28.7%
IBNR Provision	(6.8)	(6.2)	10.6%	(27.1)	(11.7)	132.1%
SUS Provision	(2.8)	(11.0)	-74.2%	(50.0)	(27.4)	82.3%
Cash Medical Losses	(1,852.1)	(1,536.3)	20.6%	(5,282.2)	(4,348.6)	21.5%
Cash MLR	-68.6%	-70.6%	2.0pp	-67.2%	-71.2%	4.0pp
Gross Profit (Ex-D&A) - R\$mnn	836.8	621.2	34.7%	2,502.9	1,723.2	45.2%
(-) Cash G&A	(241.1)	(201.6)	19.6%	(718.7)	(563.7)	27.5%
(-) Selling Expenses	(143.1)	(109.5)	30.6%	(403.6)	(302.0)	33.6%
(+) Interest Revenue (Restricted Cash)	5.8	9.6	-40.4%	22.6	23.5	-3.8%
Adjusted EBITDA - R\$mnn	458.4	319.6	43.4%	1,403.2	881.1	59.3%
Adjusted EBITDA Margin	17.0%	14.7%	2.3pp	17.8%	14.4%	3.4pp
Net Income - R\$mnn	196.8	99.7	97.4%	580.6	292.2	98.7%
Adjusted EBITDA Margin	7.3%	4.6%	2.7pp	7.4%	4.8%	2.6pp
Adjusted Net Income - R\$mnn	265.5	155.7	70.5%	777.3	434.0	79.1%
Adjusted Net Margin	9.8%	7.2%	2.7pp	9.9%	7.1%	2.8pp

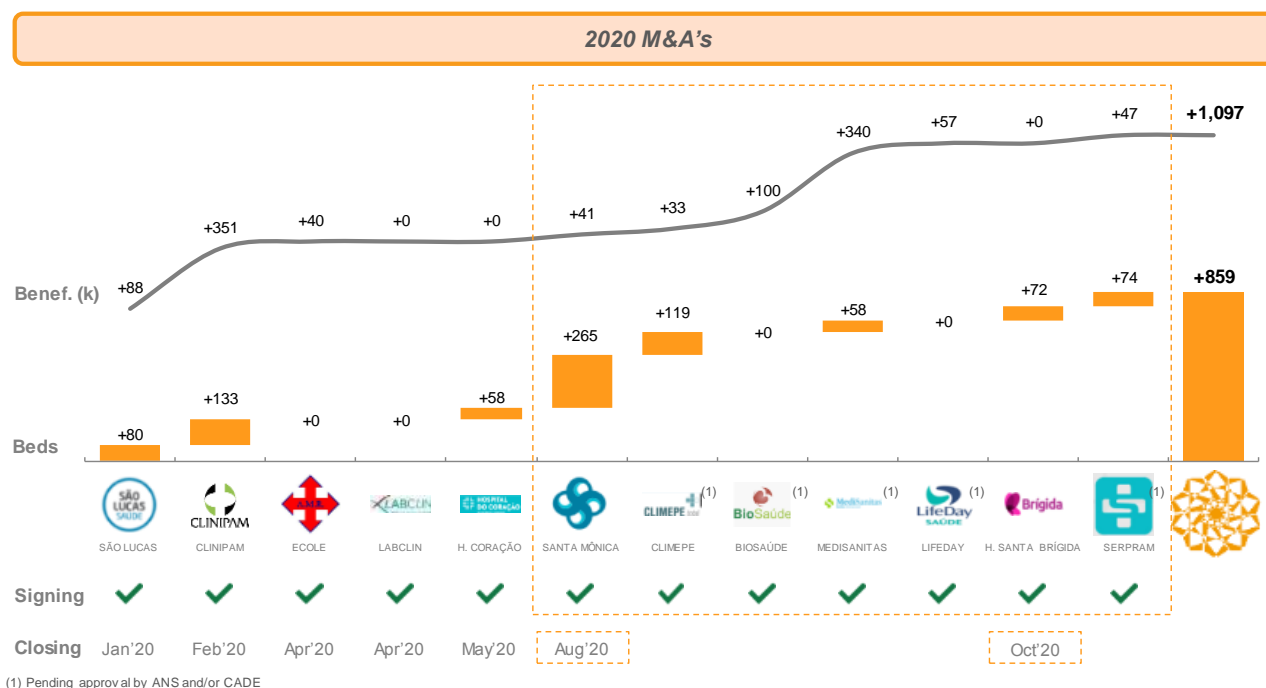


## OPERATIONAL HIGHLIGHTS

### M&A

Throughout 2020, we were able to execute our M&As strategy, with **12 acquisitions totaling 1,097k beneficiaries and 859 beds**, especially entering some of the most relevant private health markets in **Brazil**, such as Paraná, Santa Catarina, and Minas Gerais.

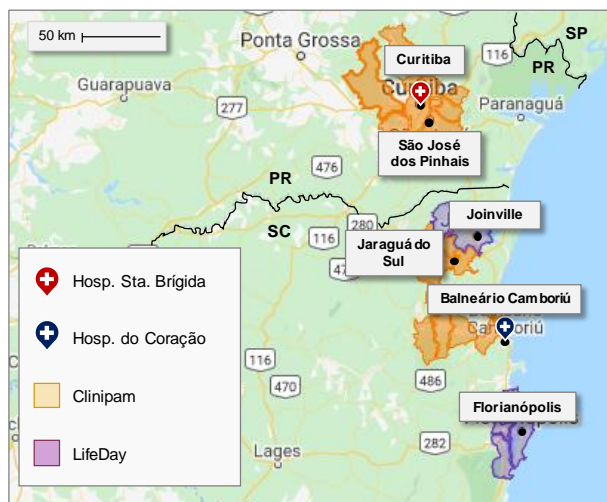
Since July 2020 we have acquired 618k beneficiaries and 588 beds.



### Paraná and Santa Catarina: Access to 4.3 million private health beneficiaries

We began 2020 by expanding our access to Brazil's South Region — a new growth hub for GNDI operations — with the acquisition of Clinipam. Operating mainly in the metropolitan region of Curitiba/PR, in the following months, we added two important hospitals: Hospital do Coração of Balneário Camboriú/SC and Santa Brígida Hospital in Curitiba/PR, which will allow us to increase the verticalization level of the operations. Later, we also acquired **LifeDay** health operator, one of the last relevant independent players in Santa Catarina.

Since the beginning of this year, we have already made **4 acquisitions in the southern region of the country, totaling approximately 408 thousand health beneficiaries and 4 hospitals (263 beds)**, in addition to several clinics, emergency rooms, and laboratories.





In October 2020, GNDI acquired the **Santa Brígida Hospital** in Curitiba/PR, seeking to expand the Owned Network in the region and **increase the verticalization of medical care and hospitalizations**. The hospital has 72 beds, 21 of which are ICUs, in addition to 4 obstetric rooms, 5 emergency rooms, and a diagnostic wing with ultrasound, endoscopy, radiography, and a clinical analysis laboratory.



*Hospital Santa Brígida*

Also in October 2020, the Company celebrated a purchase and sale intent agreement to acquire **LifeDay**, a healthcare operator with approximately 57,000 health plan beneficiaries (95.8% corporate / SME) in the states of Santa Catarina and Rio Grande do Sul. Pending approval by ANS.



*H. do Coração*

In May 2020, the Company acquired **Hospital do Coração of Balneário Camboriú** in Santa Catarina, strengthening and expanding Clinipam's operation, which has approximately 12,000 beneficiaries in the Vale do Itajaí region. This highly complex hospital has 58 beds, 10 of which are ICUs, in addition to two operating rooms and 8 emergency rooms, a hemodynamics unit, an oncology ward, and a clinical analysis laboratory. The property also has a 32 beds expansion potential that would require marginal investments, amounting to 90 potential hospital beds.

In February 2020, the Company completed the acquisition of the **Clinipam Group**, with a portfolio, at the time, of approximately 351 thousand health plan beneficiaries, mainly located in the metropolitan region of Curitiba and Vale do Itajaí, in Santa Catarina. Additionally, it has a modern and vertical Owned Network in the States of Paraná and Santa Catarina, including 2 hospitals (133 beds, 30 of which are ICUs), four 24-hour emergency units, 19 clinics, a diagnostic imaging center, a preventive treatment center and 10 clinical analysis laboratories.



*H. Ônix Batel*



*Diagnostic Center*



*H. Ônix Mateus Leme*



*Outpatient ER*





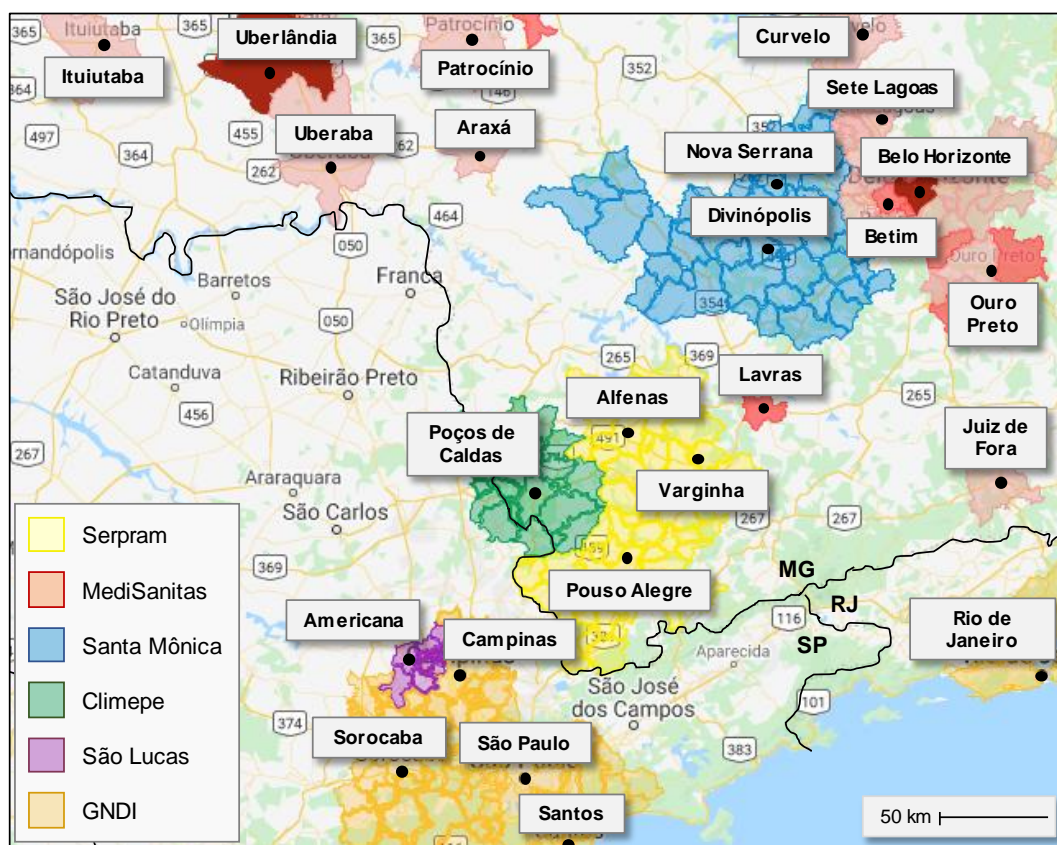


### Minas Gerais: 4 Acquisitions, 461k Beneficiaries and 6 Hospitals (516 Beds) in 2020

In 2020, we acquired 4 important assets in the State of Minas Gerais, fostering growth in the **geographic expansion** of GNDI's operations.

To date, the Company performed **4 acquisitions in the State, totaling 461k health beneficiaries, 368k dental beneficiaries, and 6 hospitals (516 beds)**. This strategy started in 2019, with the acquisition of dental operator Belo Dente, followed by Santa Monica, Climepe Total, MediSanitas and Serpram.

The state of Minas Gerais has the country's third-highest GDP and, in recent years, it has shown fastest economic growth than other states in the country, especially in the services, industry and agriculture sectors. With a population of approximately 20.1 million inhabitants, 25.8% of them assisted by private health plans (86.5% corporate/affinity), it is an important state for GNDI, which, with its expansion and investment strategy, has rapidly increased the supply of high-quality health plans at affordable prices.





In October 2020, GNDI signed an a purchase and sale intent agreement of shares for the acquisition of the **Serpram** group, which operates in Alfenas, Varginha, Extrema, and Pouso Alegre (South of the State of Minas Gerais), only 100 km from Climepe's operations — recently acquired by the Company in Poços de Caldas-MG. Serpram is a vertical healthcare operator with 29 years of experience, a portfolio of approximately 47,000 health plan beneficiaries (96% corporate/affinity) and 2 hospitals with 74 beds (21 of which are ICU), one located in the municipality of Alfenas/MG (ONA certificate 2) and another in the municipality of Varginha/MG (ONA certificate 1). Pending approval by ANS and CADE.



*H. IMESA – Serpram*



*Imaging Center – H. IMESA*



*H. Varginha – Serpram*



*Surgery Center – H. Varginha*



*H. Barreiro – MediSanitas*



*CC.of Venda Nova – MediSanitas*

In August 2020, GNDI signed a purchase and sale intent agreement to acquire **MediSanitas** group, which operates in several regions of the State of Minas Gerais, mainly in the Belo Horizonte metropolitan area. The company has a portfolio of approximately 340,000 health plan beneficiaries and 3 thousand dental plan beneficiaries, mainly located in Minas Gerais (85.0%), 84.3% of them in the corporate category. Besides, the group has a vertical owned network in the state with 1 hospital (58 beds), 1 standalone emergency room, 5 clinical centers, 5 clinical analysis laboratories, 3 dental clinics, 1 ophthalmological center and 1 oncology clinic. Pending approval by ANS and CADE.

Still in August 2020, GNDI signed a purchase and sale intent agreement to acquire **Climepe Total Ltda**, located in Poços de Caldas, in the south region of Minas Gerais – just 130 km from the Company's existing operations in Campinas-SP. The company has a portfolio of approximately 33,000 health plan beneficiaries in the region (81% corporate/affinity) and a high-quality hospital (launched in 2016) with 119 beds (16 of which are ICU) in addition to a modern Day Clinic (specialized in low complexity procedures such as minor surgery, clinical observation and therapies) and 1 Diagnostic Imaging Center. Pending approval by CADE.



*H. de Poços de Calda*

Also in August 2020, the Company completed the acquisition of the **Santa Mônica Group**, located in the Divinópolis and Nova Serrana region in the State of Minas Gerais. The Santa Mônica Group is the largest vertical healthcare operator in the Midwest region of Minas Gerais. It has a portfolio of approximately 41,000 health plan beneficiaries in the region (88% corporate), with two hospital units in the municipalities of Divinópolis (119 beds) and Nova Serrana (146 beds, opening in October 2020), totaling 265 beds (65 of



which are ICU). The Group also has a complete image infrastructure (including tomography and magnetic resonance equipment), a clinical analysis laboratory and an owned hemodynamic services operation.



*H. de Divinópolis*



*Surgery Center - H. de Divinópolis*



*Tomography - H. de Divinópolis*



*H. de Nova Serrana*

### Americana and São Paulo

In August 2020, the Company signed a purchase and sale intent agreement to acquire **BioSaúde**, located in the metropolitan region of São Paulo. The operator has a portfolio of approximately 100 thousand health plan beneficiaries, more than 70% of them in the corporate/SME category. Pending approval by ANS and CADE.

In April 2020, the Company completed the acquisition of **Ecole**, a healthcare operator with approximately 40,000 health plan beneficiaries, mainly in the metropolitan region of São Paulo. Ecole has posted a net income of R\$82 million in 2019, with a cash loss ratio of 80.0%.

Still in April 2020, we acquired **LabClin** for R\$7.4 million, in Americana/SP, in the same region as the São Lucas Group. Specialized in clinical analysis, it has 7 collection units and performs more than 100,000 tests per month.

LabClin is one of the main providers in the region, with revenues of R\$10.9 million and EBITDA of R\$2.7 million in 2019.

In January 2020, GNDI concluded the acquisition of the **São Lucas Group**, with a portfolio of approximately 88 thousand health plans beneficiaries, 3 clinics, and a hospital with 80 beds (14 of which are ICU beds).







## INTEGRATIONS AND SINERGIES

GNDI continues to execute an efficient integration agenda and capturing synergies from acquisitions, despite the restrictions imposed by the COVID-19 pandemic.

Ghelfond significantly increased the number of tests performed, reaching approximately 320 thousand tests per month. Currently, GNDI's beneficiaries represent 80% of the exams performed by Ghelfond. These actions result in cost savings, gains in operational synergy, and agility in the operational processes.

As important as the medical assistance processes standardization is for synergy gains, legal entities incorporation also brings savings, eliminating duplication of third-party expenses and benefiting from goodwill for tax purposes. Since 2015, the Company has been diligent in this theme, with 13 of the 21 completed acquisitions already merged, 5 of which only in 2020 (Belo Dente-MG, São José dos Lirios-RJ, LabClin-SP, AMR Ecole-SP, and Ghelfond-SP).

The Integration Area has a new leader, Dr. Massanori Shibata Jr., who has the mission to continue to execute our flawless integration efforts and now disseminate our medical best practices in the new regions of Santa Catarina, Paraná and Minas Gerais. Mr. Shibata was our Medical Director since 2015, playing a key role in all of our integrations.

### Clinipam – Curitiba/PR

Clinipam launched a **new health plan portfolio** with even more attractive and competitive products, in addition to **further expanding its relationship with customers**, doubling the number of partner brokers, and training current GNDI's brokers to sell Clinipam products. As a result, Clinipam has been able to demonstrate **organic growth** of beneficiaries.

**Verticalization indicators are starting to improve** in Santa Catarina and will also increase in Curitiba with the newly acquired hospital.

**We encourage the exchange of knowledge, processes and medical protocols among GNDI regionals and hospitals**, allowing to address quickly and efficiently the COVID-19 in the South Region. These exchanges of knowledge and equipment between units have proven to be essential to get through this moment with more structure and resources available to our beneficiaries.

We continued to invest in improving digital tools for accessing health services, including the **Dr. Clinipam** application, which went from 4 thousand consultations per month to 29 thousand per month, representing about 30% of the total volume of consultations.

We started to capture G&A synergies, generating savings of R\$ 1.7 million per year so far, and implemented the Leadership Development Program as an important step in cultural integration and professional's development.



## OWNED NETWORK

The Company currently has 26 hospitals, 89 Clinics, 23 Autonomous Emergency Rooms, 17 Preventive Medicine Centers, 70 clinical analysis collection points, 12 units for imaging tests, and 2 Health Centers exclusively dedicated to the elderly ("NotreLife 50+").

In September 2020 we opened the Santo André Advanced Unit, which became the region's newest reference for emergencies and urgent care. With a capacity of +30,000 consultations per month without appointment, it offers quality care in pediatrics, medical clinic, orthopedics, and emergency care for adults and children, 24 hours a day. The new unit with 6,000 m<sup>2</sup> of built-up area has a complete technological infrastructure with +20 consultation offices, 20 adult emergency room beds, 10 children's emergency room beds, 4 rooms for small surgical procedures, 2 x-ray equipment, 1 tomography equipment and ultrasound equipment, in addition to clinical analysis collection (NotreLabs).



For more information on the Santo André Advanced Unit, access the link:  
<https://www.youtube.com/watch?v=JXv1W1rrexM>





To improve the performance of the surgical center, raise quality and safety standards of the diagnosis, our beneficiaries in the ABC Region now have the Hemodynamics Center in the São Bernardo Hospital (launched in 3Q20). The Hospital has one of the best Hemodynamics teams in country, with the latest image-guided therapy equipment, the same model used in several hospitals across Europe and the United States.

The new equipment assists daily activities and reduces the time for procedures not only for GNDI's beneficiaries but also for other health plans.



Investments in the ABC Region started with Santamalia's clinics back in 2015, then with the acquisition of Intermédica ABC hospitals in 2016 (formerly Unimed ABC), São Bernardo, and NotreCare ABC (formerly Baeta Neves) in 2017.



*Hospital São Bernardo*



*Hospital São Bernardo*



*Hospital Unimed ABC*



*Hospital Intermédica ABC (formerly Unimed ABC)*



*Hospital Baeta Neves*



*Hospital NotreCare ABC (formerly Baeta Neves)*





GNDI continued to invest in the region, with profound facilities renovations and medical equipment and materials update. We also renovated and inaugurated Standalone ERs and Clinical Centers in Diadema, Mauá, Ribeirão Pires, among others. The investments translated into one of GNDI's fastest-growing regions.



*Diadema*



*Mauá*



*Ribeirão Pires*

Another highlight is our Clinical Analysis Laboratory, NotreLabs, a strategy initiated in late 2017, officially launched in 2018, centralizing small laboratory operations as we acquired Santamalia, Samed, and Greenline. We currently have a central laboratory in São Paulo, small processing units within hospitals, and 70 collection points.

Investments in technology allowed NotreLabs to carry out IgM/IgG serology tests for COVID-19 to subsequently perform RT\_PCR tests within the new Molecular Biology center, certified by the Adolfo Lutz Institute. Thus, in June 2020, we were the first Brazilian Laboratory to validate and perform Total Serology exams at the Roche Laboratory, which was widely publicized around the world, given the high sensitivity of the test. In July 2020, we were also the first Brazilian Laboratory to validate the Siemens Total Antibody test, published in the Brazilian Congress of Clinical Pathology and Laboratory Medicine in September 2020.

In August 2020, we expanded the automation of NotreLabs Central treadmills, increasing productivity and expanding capacity from 3.0 million to 4.0 million exams per month.



In September 2020, the Microbiology sector at NotreLabs acquired state-of-the-art mass spectrometry equipment for microbial identification (*Maldi ToF*). This technology will allow for swifter exam processes and better use of antibiotics in hospitals, especially in the ICUs, with an estimated launch date in January 2021.

Also, in September 2020, we achieved a new operational record by processing approximately 1.9 million exams in the month, in addition to unifying LabClin operations with NotreLabs, centralizing the execution of ambulatory exams in the city of Americana and the contiguous region.





## QUALITY

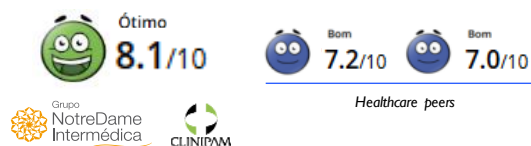
The search for continuous quality and excellence improvements in comprehensive health care service is a commitment of the Group and for this reason, we continue to make relevant investments in our assets and operations.

In recognition of this improvement, we obtained ONA 3 accreditation at Bosque da Saúde Hospital. The Company currently has 11 hospitals and 11 clinical centers certified by the **National Accreditation Organization (“ONA”)**, also 1 hospital and 1 preventive center with **Qmentum quality certification by Accreditation Canada International**.

The **“Good Practice Journey”** will be a space to promote and disseminate best practices, favoring knowledge sharing and encouraging the production of new knowledge, respecting ethical aspects and GNDI’s codes of Medical Ethics and Ethical Conduct, encouraging the active participation of the GNDI community in interdisciplinary projects related to medical assistance security, economy, and sustainability.

**“Quality Meeting”** is a weekly event for the entire GNDI community that took place between April and September 2020, addressing issues related to quality and medical assistance safety, with the participation of more than 5,400 employees.

The **Reclame Aqui** indicator granted an 8.1 score to Grupo NotreDame Intermédica and Clinipam, being part of an exclusive group classified as “Great”, with the highest score in the health sector.



## ESG – Environmental, Social and Governance

In October 2020, a new **Vice Presidency focused on ESG** (Environmental, Social and Governance) was created, aiming to **deepen the Company's actions, communication, and transparency for its stakeholders**, reinforcing the Group's business model's commitment to sustainability, whether in assistance, environmental, and social matters, in addition to ensuring the consolidation of the highest level of corporate governance.

The ESG is now under the command of Anderlei Buzelli, a senior executive at GNDI, reporting directly to chairman Irlau Machado, with a mission to develop ESG action plans in a structured manner within GNDI's long-term sustainability strategy.





## GNDI EASY AND TELEMEDICINE

The GNDI Easy application surpassed the mark of **+2.0 million downloads**. Users of the application **rated GNDI Easy 4.2** in August 2020, while the average of the competitors is 2.4. We have been working to reduce the error rate of the application, which went from 0.83% in September 2019 to 0.1% in August 2020 and included new features in addition to those traditionally known (a digital card, access to exam results, list of accredited assistance network, and scheduling appointments at the Owned Network). Now, the refund process has become 100% digital, bringing more agility and comfort to our beneficiaries.

Currently, in-application consultation scheduling already represents 47% of total appointments in the Owned Network, also using georeferencing. These have been the results of the Company's actions to bring more agility in services, more convenience to our beneficiaries and cost savings.

Due to the Coronavirus pandemic outbreak and the current moment of social distancing in different parts of the country, the NotreDame Intermédica Group implemented **Telemedicine** care to assist in disease prevention and diagnosis, seeking to ensure our beneficiaries with safe access to consultations with our medical team.

Since its implementation in April 2020, there have been **+406 thousand consultations, ~667 thousand prescriptions, 111 thousand special prescriptions**, with a resolution level of **90.0% of patients discharged on the consultation** and more than 900 doctors able to work remotely.

In June, we started **Elective Consultations by Telemedicine**, in basic specialties, such as General Clinic, Pediatrics, Geriatrics, and Gynecology.





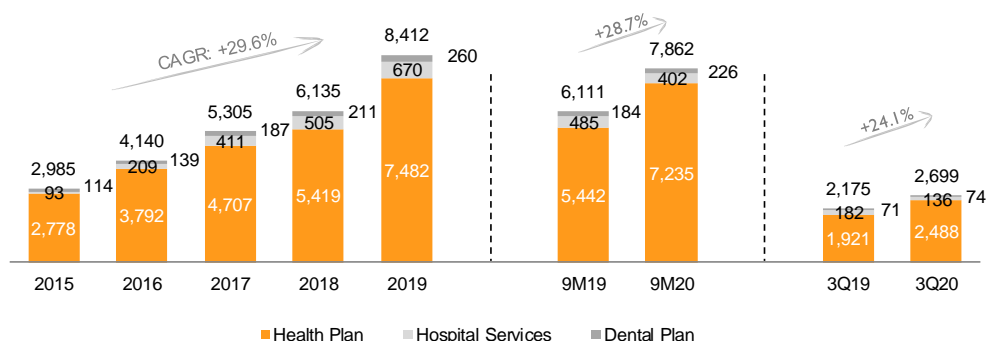
## NET REVENUE

Consolidated net revenue totaled R\$2,698.6 million in 3Q20, a 24.1% increase over the same period in 2019, driven by health and dental plans business growth. Hospital services revenue still suffered negative impact from the pandemic and social distancing, especially at the beginning of the quarter.

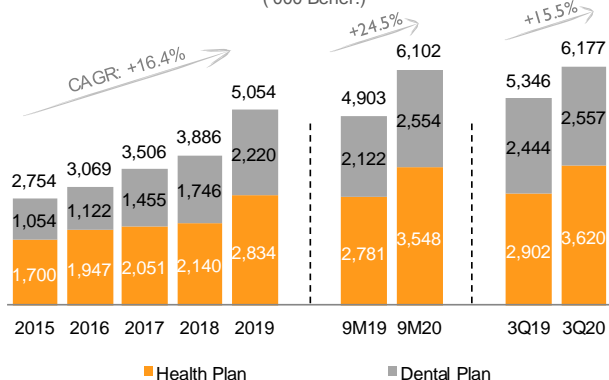
In 3Q20, GNDI consolidated the revenue from Santa Mônica (Aug'20), Ecole (Apr'20), LabClin (Apr'20) and Hospital do Coração of Balneário Camboriú (May'20), in addition to the acquisitions of São Lucas (Jan. '20) and Clinipam (Feb'20).

R\$mm	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
<b>Net Revenue</b>	<b>2,698.6</b>	<b>2,174.6</b>	<b>524.0</b>	<b>24.1%</b>	<b>7,862.1</b>	<b>6,110.9</b>	<b>1,751.2</b>	<b>28.7%</b>
Health plans	2,488.3	1,921.2	567.1	29.5%	7,234.7	5,441.6	1,793.1	33.0%
Dental Plans	74.4	71.4	3.0	4.2%	225.7	184.3	41.4	22.5%
Hospital Services	135.9	182.0	(46.1)	-25.3%	401.7	485.0	(83.3)	-17.2%

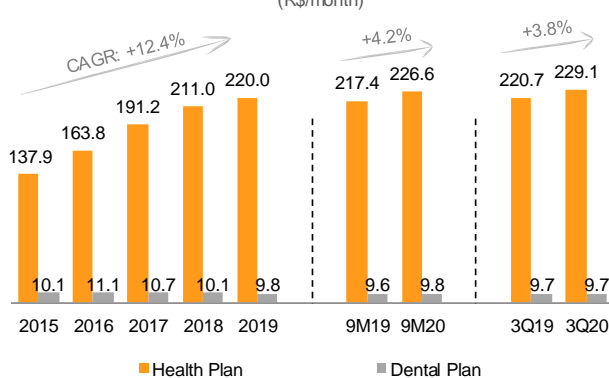
**Net Revenue**  
(R\$mm)



**Average Number of Beneficiaries**  
('000 Benef.)



**Net Monthly Average Ticket**  
(R\$/month)

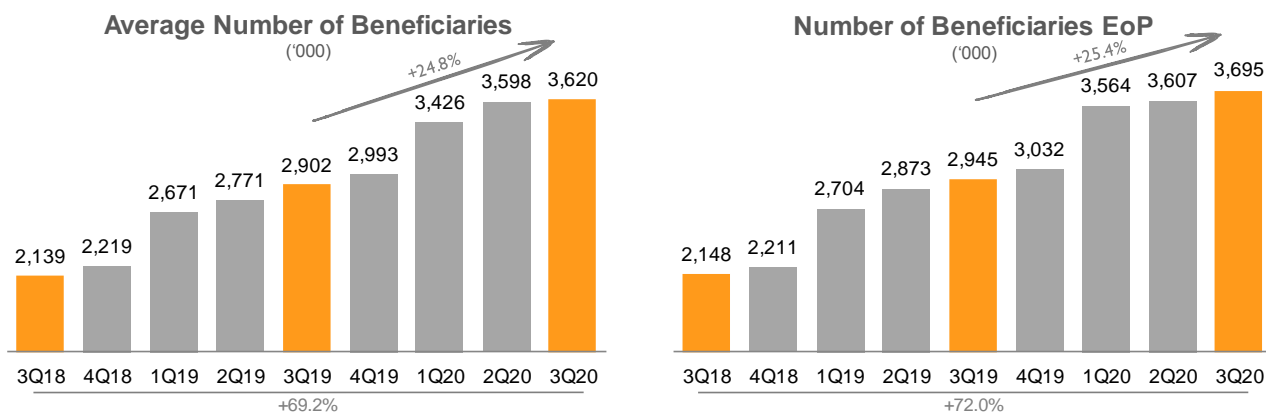




## HEALTH PLANS

In 3Q20, Net revenue from Health Plans totaled R\$2,488.3 million, a 29.5% increase over 3Q19 due to (i) 24.8% increase in the average number of beneficiaries, from 2,901.6 thousand to 3,620.1 thousand and (ii) 3.8% higher average monthly net ticket, from R\$220.7 to R\$229.1.

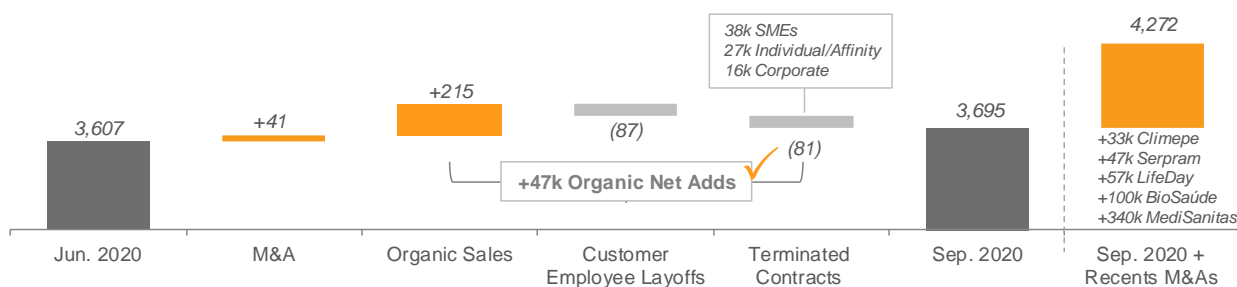
### Number of Beneficiaries



In 3Q20, the Company presented net adds of 87.3 thousand health plans beneficiaries, with 46.6 thousand new beneficiaries added organically and 40.8 thousand added from the acquisition of Santa Mônica. Despite the adverse macroeconomic scenario caused by the socio-economic impact of the pandemic translating into a negative impact on formal jobs and household income, the Company was able to grow its base of beneficiaries organically and inorganically.

The organic growth is mainly a reflection of: (i) the maintenance of a high level of gross sales with 214.7 thousand beneficiaries, (ii) the loss of 81.2 thousand beneficiaries due to contract cancellations (38.4k SMEs, 26.5k Individual/membership and 16.3k Corporate) and (iii) a negative turnover (net layoffs in existing contracts) of 86.9 thousand beneficiaries. Gross adds was the main positive highlight in this quarter, based on the launch of new products, new commercial partnerships, in addition to our health service value proposition and the acceptance of GNDI's products in the market. Another important aspect was the stabilization of turnover at a level similar to 2Q20.

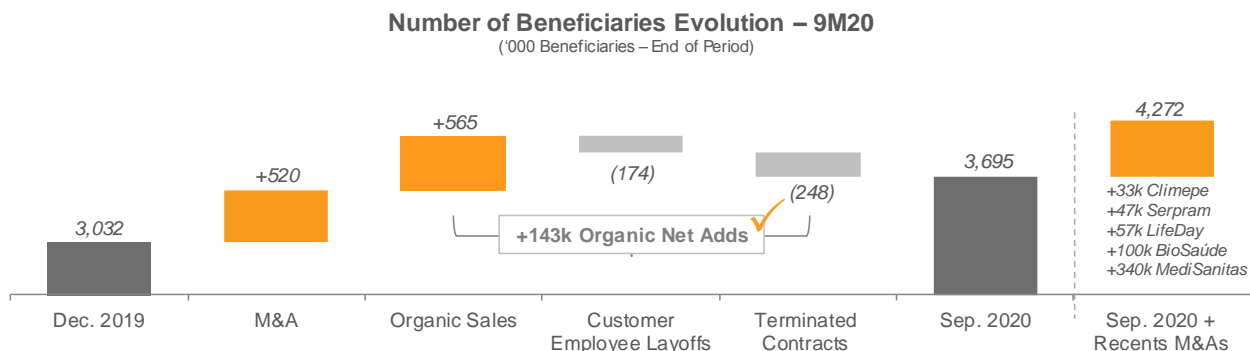
### Number of Beneficiaries Evolution – 3Q20 (‘000 Beneficiaries – End of Period)





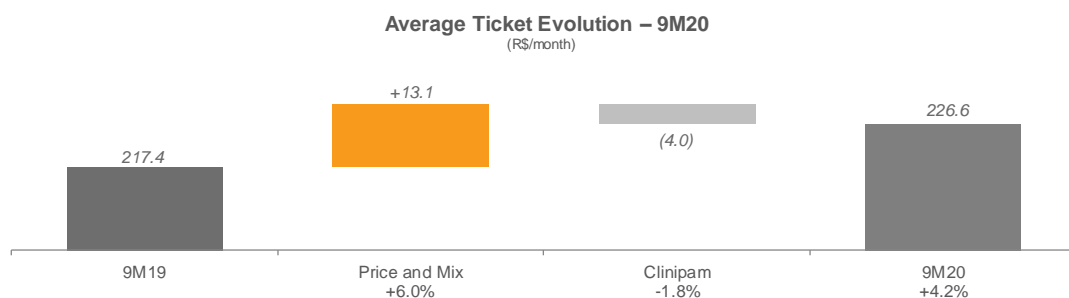
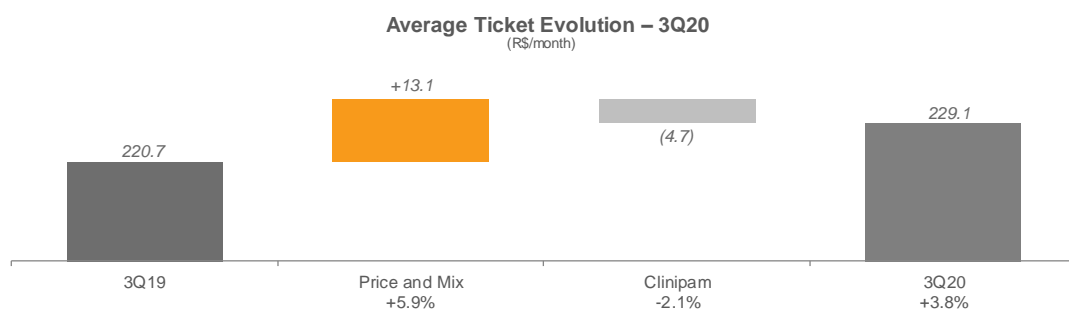


From January to September 2020, GNDI total health plan net addition was 662.6 thousand, with 143.0 thousand organic net adds and 519.6 thousand from the acquisitions of the Clinipam, São Lucas, Ecole and Santa Monica. The source of the organic growth includes (i) the gross sales of 565.0 thousand beneficiaries, which were partially consumed by (ii) 422.0 thousand beneficiaries from cancellations and turnover, mainly reflected by the economic impact from Covid19 in the regions where we operate.



### Average Ticket

Average monthly ticket this quarter increased from R\$220.7 in 3Q19 to R\$229.1 in 3Q20, increasing 3.8%. This was due to (i) the increase of 5.9% from price readjustments and a more verticalized product mix and (ii) the full impact of Clinipam's Acquisition (3 months), with lower ticket than GNDI products. It also reflects the adverse economic scenario, with occasional one-on-one negotiations with customers and the postponement of the SME and Affinity price readjustment. The competitive advantage of the vertical business model and the offer of health services with a complete product range (HMO and PPO) allows GNDI, in certain moments, to offer alternative solutions with the best commercial proposition for our customers.



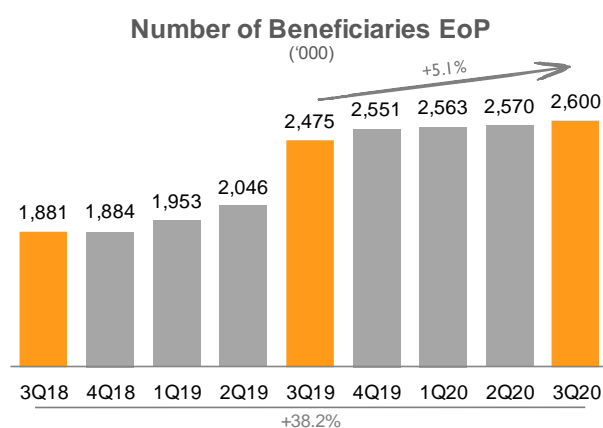
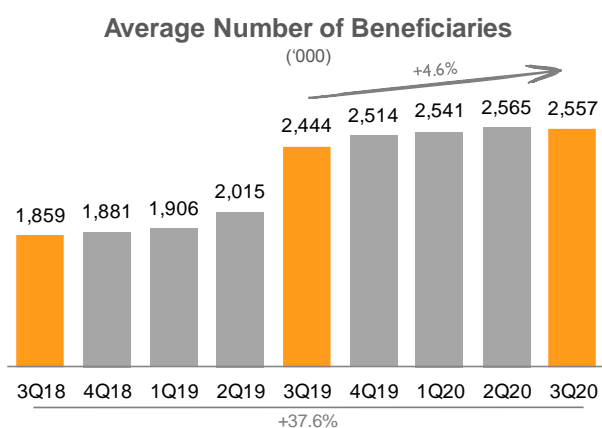


## DENTAL PLANS

Net revenue from Dental Plans was R\$74.4 million in 3Q20, up 4.2% vs. 3Q19. The growth was driven by a 4.6% increase in the average number of beneficiaries, from 2,444.4 thousand to 2,556.5 thousand (+112.1k), and a flat average monthly ticket at R\$9.7.

we continue cross-sell efforts in the sale of health plans and in the portfolio of lives of the recently acquired companies. The expansion in the number of beneficiaries continues to occur in corporate customers, which traditionally have lower levels of utilization when compared to individual segment, allowing compatible and competitive pricing.

The dental portfolio growth potential expands as we implement the cross-sell strategy in the acquired companies Clinipam, São Lucas, Ecolé and Santa Mônica.

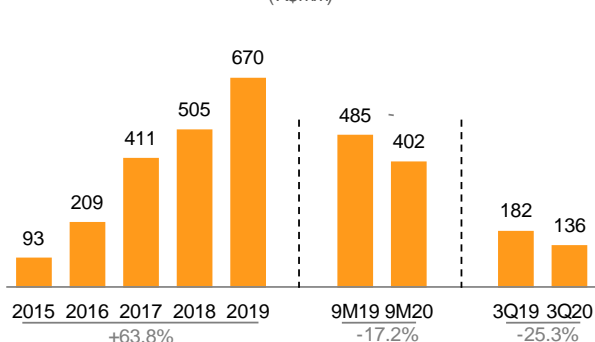




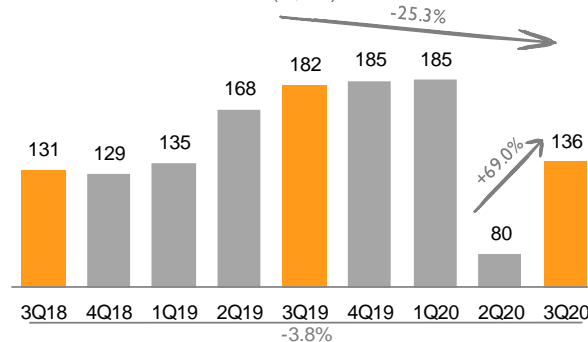
## HOSPITAL SERVICES

Revenue from hospital services was R\$135.9 million in 3Q20, a 25.3% reduction when compared to 3Q19, still affected by the social distance, especially at the beginning of the quarter. When comparing the figures for 3Q20 and 2Q20, it demonstrates a 69.0% increase, which, at first, could indicate a return to normality in hospital service sales to other medical plans.

**Hospital Services Revenue**  
(R\$m)



**Hospital Services Revenue**  
(R\$m)



In 3Q20, revenue from new hospitals acquired over the last 12 months (H. São José, Ghelfond, H. São Lucas, LabClin, H. do Coração, and Santa Monica) contributed with R\$39.9 million, while “same hospitals” revenue decreased 47.2% compared to 3Q19, as a result of the factors mentioned above.





## COST OF SERVICES (MLR)

Cost of services comprises Depreciation and Amortization (D&A), provision for Events Incurred but Not Reported (IBNR), provision for SUS, and Cash Medical Losses, as detailed below:

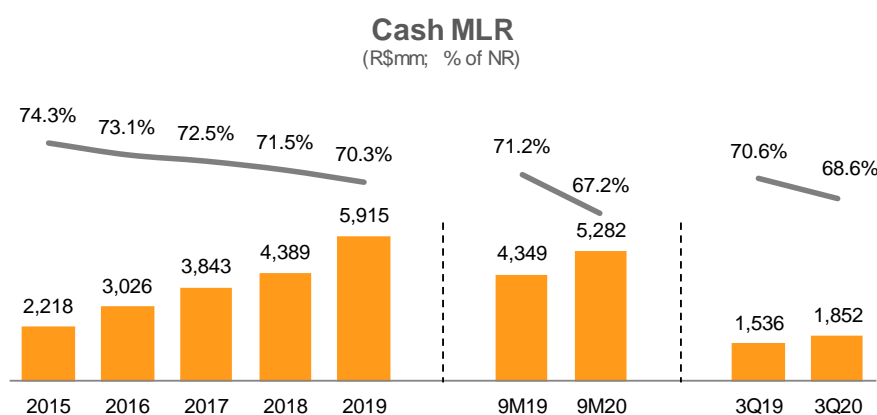
R\$m	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
D&A and IFRS16 Amortization	45.7	14.6	31.1	213.2%	120.5	58.7	61.7	105.1%
IBNR Provision	6.8	6.2	0.7	10.6%	27.1	11.7	15.4	132.1%
SUS Provision	2.8	11.0	(8.1)	-74.2%	50.0	27.4	22.6	82.3%
Medical Losses	1,852.1	1,536.3	315.8	20.6%	5,282.2	4,348.6	933.6	21.5%
Cash MLR	68.6%	70.6%	-2.0pp		67.2%	71.2%	-4.0pp	
<b>Cost of services rendered</b>	<b>1,907.5</b>	<b>1,583.5</b>	<b>324.0</b>	<b>20.5%</b>	<b>5,479.7</b>	<b>4,461.8</b>	<b>1,017.9</b>	<b>22.8%</b>
% margin	70.7%	72.8%	-2.1pp		69.7%	73.0%	-3.3pp	

In 3Q20, “D&A and Amortization IFRS16” increased 20.0% over 2Q20, mainly impacted by R\$7.0 million in depreciation and amortization expenses related to Clinipam's “surplus value” from previous quarters, with the conclusion of the PPA (Purchase Price Allocation).

## CASH MEDICAL LOSSES (CASH MLR)

Cash MLR is the most relevant item in the cost of services and reflects effective healthcare costs, as well as, the Company's verticalization initiatives, subject to the seasonality of the business.

During 3Q20, despite the return of elective medical procedures suspended by ANS in 2Q20 due to the pandemic, GNDI continued to improve the Cash MLR as a result of an increase of the costs within the Owned Network (verticalization) and capturing the synergies from acquired companies.



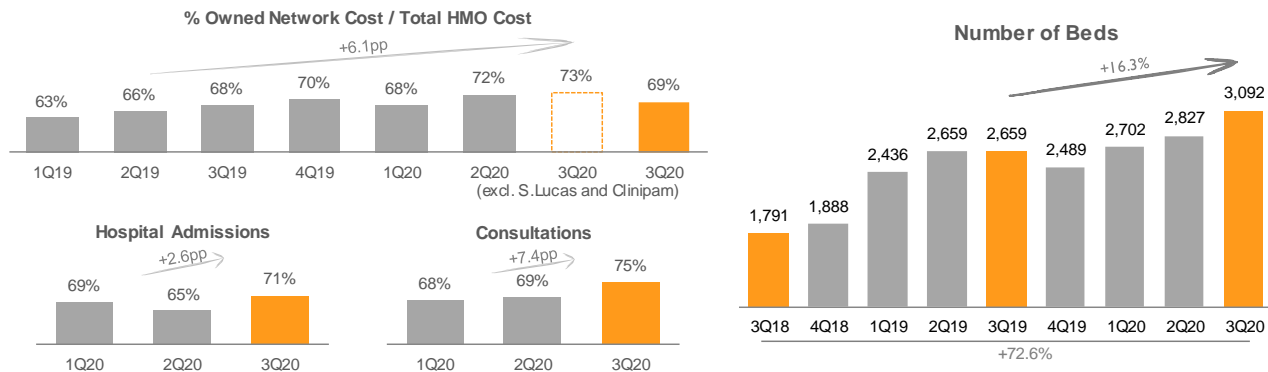
In 3Q20, Cash MLR increased 20.6% compared to the same period last year, from R\$1,536.3 million to R\$1,852.1 million, below the 24.1% net revenue growth, reducing Cash MLR by 2.0p.p., as a result of GNDI vertically integrated business model designed to tackle medical inflation in the country.

GNDI has been able to control and consistently reduce Cash MLR over the past few years due to the verticalization strategy and our capacity to successfully integrate the M&A's until this moment.

Some of the main factors driving improved Cash MLR included:



### 1. Verticalization strategy:



**Verticalization:** The gradual resumption of elective procedures (which had a significant reduction in 2Q20 due to COVID-19), as well as the increase in bed supply from the Owned Network, resulted in 69% HMO Cost Verticalization Level in 3Q20, and 71% Hospital Admissions within our Network.

- **Telemedicine** was an important tool for the increase of verticalization of Consultations to 75%.
- **NotreLabs and Ghelfond** have significantly insourced the exams demand for GNDI beneficiaries, as well as increased their total volume of exams.

**Synergies:** we continue to extract synergies from acquired companies and during 2020 13 legal entities were merged to streamline processes and allow a leaner integration.

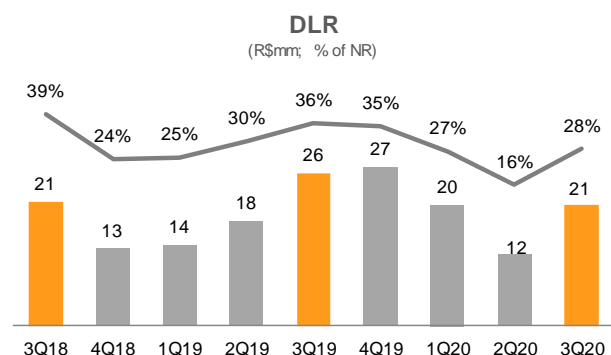
**COVID-19:** during 3Q20 healthcare volumes continued to recover, progressively trending toward our historical averages.

### 2. Copay:

The Company presented a net increase of 18.3% in the 3Q20 when comparing to 3Q19. This growth was positively impacted by the consolidation of Clinipam and negatively compensated by the low usage of the Owned and Contracted Network (causes of co-participation payments) due to the reduction in elective procedures motivated by social isolation. It is worth noting that the Company maintains its partnership with customers to align the incentive in the usage of the Network, allowing a reduction in price adjustments (including SMEs).

### 3. Growth in Dental:

The social distance continues to influence the low use of dental services, therefore, reflected positively in the dental cash loss ratio, from 36.0% in 3Q19 to 27.7% in 3Q20. When comparing it to 2Q20, we see, at first, a trend to return to normality with the DLR rising from 16.0% to 27.7%.

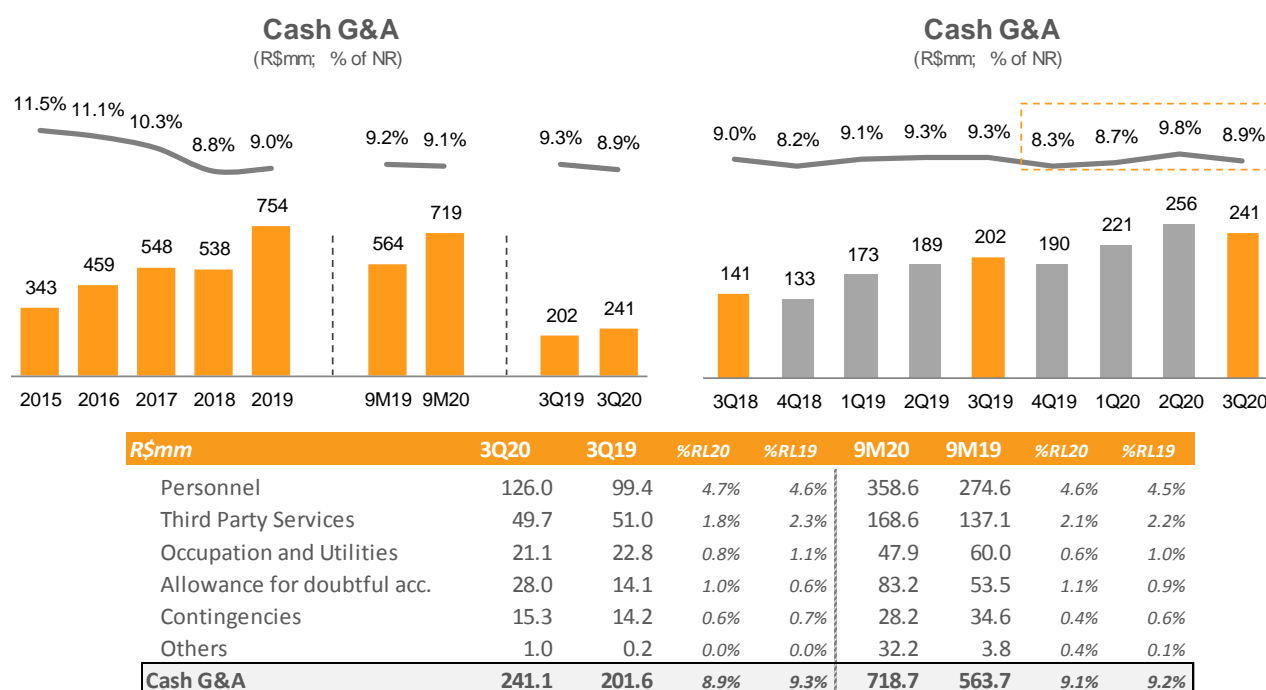




## ADMINISTRATIVE AND COMMERCIAL EXPENSES

### ADMINISTRATIVE EXPENSES

General & Administrative expenses (Cash G&A), including Clinipam, São Lucas, and Santa Mônica, totaled R\$241.1 million in 3Q20, or 8.9% of Net Revenue, a dilution of 0.4pp when compared to 3Q19 and 0.9pp compared to 2Q20.



In 3Q20, Cash G&A came 5.9p.p.lower than 2Q20, as we continue to implement our efforts to integrate the recently acquired companies. Business savings and M&A synergies supported G&A Cash dilution from 9.3% in 3Q19 to 8.9% in 3Q20. Most G&A expenses presented savings, when comparing 3Q19 to 2Q20, with the exception of Personnel and Allowance for doubtful accounts:

- **Personnel:** In addition to the impact of recent acquisitions, we made important investments to support our rapid, sustainable and continuous expansion, notably as we entered some new regions (States of SC, PR and MG)
- **Allowance for doubtful accounts:** decreased from 1.3% in 2Q20 to 1.0% in 3Q20, reflecting the overall recovery of the economy. Delinquency in 3Q20 is still higher than 3Q19, however we see signs of a continuous improvement





#### Cash G&A reconciliation with Financial Statement:

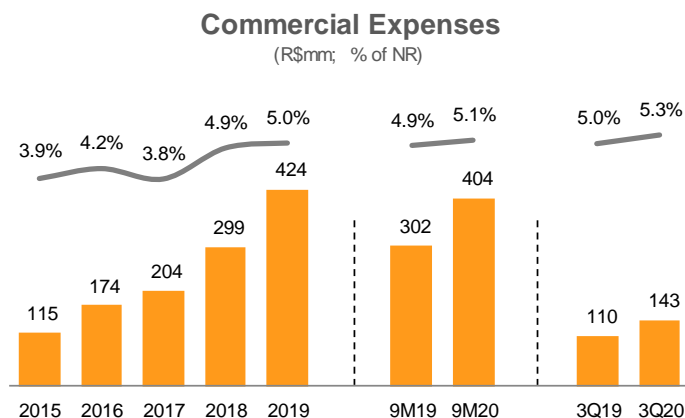
R\$m	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
<b>Cash G&amp;A</b>	<b>241.1</b>	<b>201.6</b>	<b>39.4</b>	<b>19.6%</b>	<b>718.7</b>	<b>563.7</b>	<b>155.1</b>	<b>27.5%</b>
(+/-) Stock Options	12.6	13.5	(0.9)	-7.0%	36.1	32.8	3.2	9.8%
(+/-) M&A Expenses	2.6	2.7	(0.1)	-4.9%	13.5	15.0	(1.5)	-10.1%
(+/-) D&A	42.3	54.2	(11.9)	-21.9%	127.2	115.5	11.7	10.1%
<b>G&amp;A (IS)*</b>	<b>298.5</b>	<b>272.1</b>	<b>26.5</b>	<b>9.7%</b>	<b>895.5</b>	<b>727.0</b>	<b>168.5</b>	<b>23.2%</b>

\* including Administrative expenses, Impairment of receivables and Other income, net

In 3Q20, the adjustments referred to non-cash items, such as expenses with stock option plans, depreciation and amortization, and R\$2.6 million of non-recurring expenses, related to our M&A initiatives.

#### COMMERCIAL EXPENSES

Commercial expenses amounted to R\$143.1 million in 3Q20, representing 5.3% of total net revenue, up 0.3p.p. from the same period last year, as a result of the increase in gross sales.



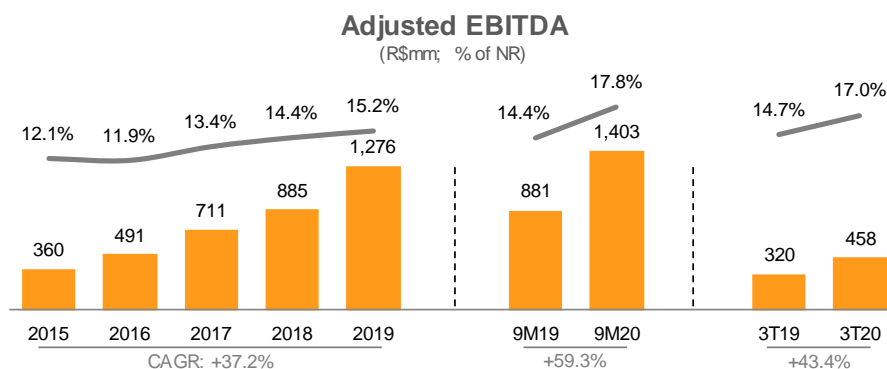


## ADJUSTED EBITDA

GNDI Adjusted EBITDA was R\$458.4 million in 3Q20, or 17.0% of net revenue, an increase of R\$138.8 million, or 43.4% when compared to the same period last year.

The consistent revenue growth, continuous improvement in Cash MLR and Cash G&A dilution drove the Adjusted EBITDA increase.

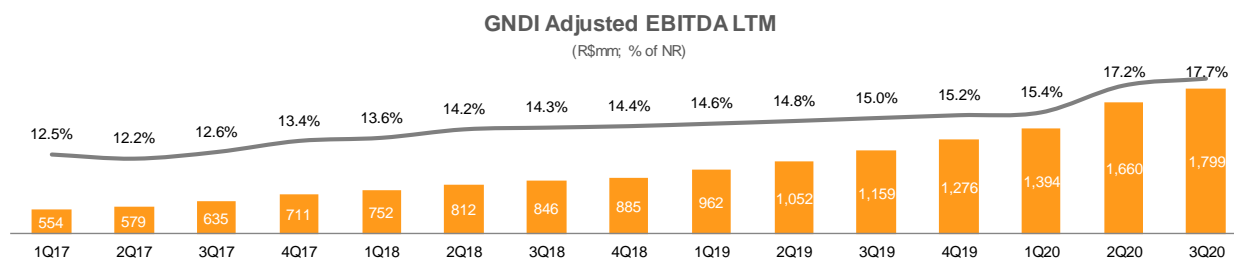
During 9M20, Adjusted EBITDA was negatively impacted in R\$38.0 million by (i) IBNR increased R\$15.4 million vs. 9M19 due to the increase in the Company's operations in the last 12 months, and (ii) SUS Reimbursements increased R\$22.6 million vs. 9M19, reflecting the acceleration of ANS charges started at the end of 2019.



R\$m	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
Net Income	196.8	99.7	97.1	97.4%	580.6	292.2	288.4	98.7%
Income tax and social contribution	120.8	59.3	61.5	103.8%	408.9	205.3	203.5	99.1%
Net Interest	31.9	50.6	(18.7)	-37.0%	93.9	122.5	(28.6)	-23.4%
Depreciation and Amortization	88.0	68.8	19.2	28.0%	247.7	174.3	73.4	42.1%
EBITDA	437.5	278.4	159.1	57.2%	1,331.0	794.3	536.7	67.6%
(+/-) Stock Options	12.6	13.5	(0.9)	-7.0%	36.1	32.8	3.2	9.8%
(+/-) M&A/Integration Expenses	2.6	18.1	(15.5)	-85.7%	13.5	30.4	(16.9)	-55.6%
(+/-) Inter. Revenue (Restricted Cash)	5.8	9.6	(3.9)	-40.4%	22.6	23.5	(0.9)	-3.8%
Adjusted EBITDA	458.4	319.6	138.8	43.4%	1,403.2	881.1	522.1	59.3%
% margin	17.0%	14.7%	2.3pp		17.8%	14.4%	3.4pp	

Excluding Clinipam and São Lucas, Adjusted EBITDA reached R\$402.7 million in 3Q20, or 16.5% of Net Revenue, 26.0% better when compared to the same period last year.

The impact of IFRS16 was R\$25.1 million in 3Q20. Excluding that impact, Adjusted EBITDA would have been R\$433.3 million (16.1% of Net Revenue), 42.5% better than 3Q19 excluding IFRS16 impact.





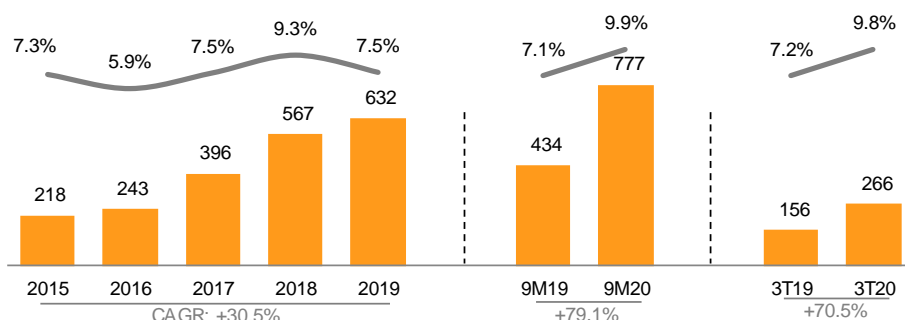
## ADJUSTED NET INCOME

Net Income was R\$196.8 million in 3Q20, a 97.4% increase over 3Q19, with a margin improvement of 2.7p.p., because of the continuous efforts in cost control.

The Company's Adjusted Net Income in 3Q20 was R\$265.5 million, 70.5% better than 3Q19.

### Adjusted Net Income

(R\$m; % of NR)

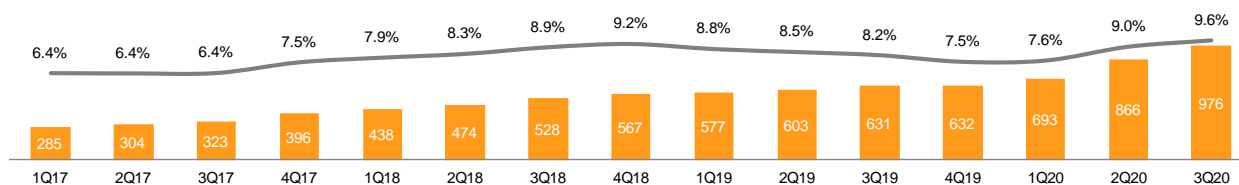


R\$m	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
<b>EBITDA</b>	<b>437.5</b>	<b>278.4</b>	<b>159.1</b>	<b>57.2%</b>	<b>1,331.0</b>	<b>794.3</b>	<b>536.7</b>	<b>67.6%</b>
Income tax and social contribution	(120.8)	(59.3)	(61.5)	103.8%	(408.9)	(205.3)	(203.5)	99.1%
Net Interest	(31.9)	(50.6)	18.7	-37.0%	(93.9)	(122.5)	28.6	-23.4%
Depreciation and Amortization	(88.0)	(68.8)	(19.2)	28.0%	(247.7)	(174.3)	(73.4)	42.1%
<b>Net Income</b>	<b>196.8</b>	<b>99.7</b>	<b>97.1</b>	<b>97.4%</b>	<b>580.6</b>	<b>292.2</b>	<b>288.4</b>	<b>98.7%</b>
(+/-) Stock Options	12.6	13.5	(0.9)	-7.0%	36.1	32.8	3.2	9.8%
(+/-) Intang. asset amort. *	37.6	33.5	4.1	12.2%	99.3	65.8	33.5	50.9%
(+/-) Deferred taxes	18.6	9.0	9.6	106.2%	61.4	43.2	18.2	42.1%
<b>Adjusted Net Income</b>	<b>265.5</b>	<b>155.7</b>	<b>109.8</b>	<b>70.5%</b>	<b>777.3</b>	<b>434.0</b>	<b>343.3</b>	<b>79.1%</b>
% margin	9.8%	7.2%		2.7pp	9.9%	7.1%		2.8pp

\* Intangible asset amortization of acquired companies

### Adjusted Net Income

(R\$m; % of NR)



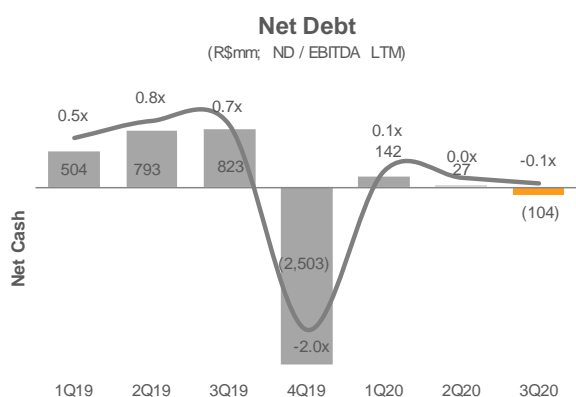




## INDEBTEDNESS

In 3Q20, the Company Net Cash was R\$103.9 million, including the disbursement related to Santa Mônica acquisition, as well as investments in the improvement of the Owned Network.

In the same period, from a cash/liability management perspective and to maintain the expansion of its business, the Company decided to raise R\$1,050 million using debt instruments.



R\$mm	3Q20	2Q20	Var.	Var. %
Seller Note	67.5	78.7	(11.2)	-14.2%
Debentures - BCBF	810.3	121.9	688.4	564.6%
Debenture - NDI Saúde	801.2	812.4	(11.3)	-1.4%
Loan	1,237.5	1,001.5	235.9	23.6%
<b>Total Debt</b>	<b>2,916.4</b>	<b>2,014.5</b>	<b>901.9</b>	<b>44.8%</b>
Cash and Short-term investments	3,020.3	1,987.3	1,033.0	52.0%
<b>Net Debt</b>	<b>(103.9)</b>	<b>27.2</b>	<b>(131.1)</b>	<b>-481.8%</b>
Adjusted EBITDA - LTM	1,798.5	1,659.7	138.8	8.4%
<b>Net Debt/Adjusted EBITDA</b>	<b>-0.1x</b>	<b>0.0x</b>	<b>-0.1x</b>	<b>-452.3%</b>

On June 20, 2020, the Seller Note, that guarantees contingencies under the responsibility of the former owner of Interodonto, NotreDame Seguros and Intermedica, was due. Considering the existence of administrative and judicial lawsuits still in progress and that exceed the adjusted amount of the retained portion, the amounts will remain retained.

The chart below presents GNDI's debt profile breakdown:

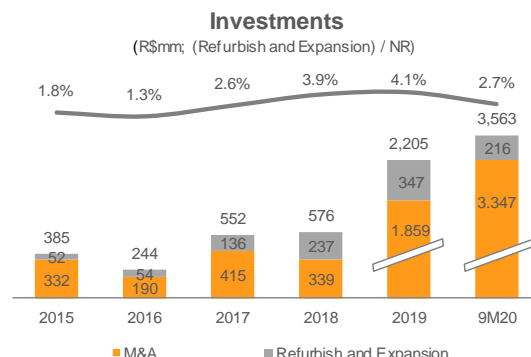
	June 2020	September 2020
<b>NDIPar</b>	<u>Seller's Note</u> R\$78.7mm (10.0% a.a.) Jun/2020	<u>Seller's Note</u> R\$67.5mm (10.0% a.a.) Jun/2020
<b>BCBF</b>	<u>Debenture (BCBF12)</u> R\$121.9mm (CDI+2.25% a.a.) Aug'20/Feb'21	<u>Debenture (BCBF12)</u> R\$60.1mm (CDI+2.25% a.a.) Feb'21
	<u>Promissory Note</u> R\$366.8mm (CDI+1.40% a.a.) Aug'20/Feb'21/Aug'21/Feb'22	<u>Promissory Note</u> R\$277.5mm (CDI+1.40% a.a.) Feb'21/Aug'21/Feb'22
	<u>Bank Loan</u> R\$521.6mm (CDI+2.49% a.a.) Jun'22/May'23/Jun'23/Jun'24	<u>Bank Loan</u> R\$526.1mm (CDI+2.49% a.a.) Jun'22/May'23/Jun'23/Jun'24
<b>NDISaúde (OpCo)</b>	<u>4131 (II)</u> R\$66.4mm (85%CDI+1.955%a.a.) Dec'20	<u>4131 (II)</u> R\$66.4mm (85%CDI+1.955%a.a.) Dec'20
	<u>Debenture (NDM13)</u> R\$812.4mm (CDI+1.60% a.a.) Aug'22/Aug'23/Aug'24	<u>Debenture (NDM13)</u> R\$801.2mm (CDI+1.60% a.a.) Aug'22/Aug'23/Aug'24
	<u>Bank Loan</u> R\$298.7mm (CDI+2.3% a.a.) Sep'23/Sep'24/Sep'25	<u>Bank Loan</u> R\$298.7mm (CDI+2.3% a.a.) Sep'23/Sep'24/Sep'25
<b>Acquired Subsidiaries</b>	<u>Other Borrowings: R\$46.7mm</u>	<u>Other Borrowings: R\$68.8mm</u>



## INVESTMENTS

From January to September 2020, the Company invested R\$3,563 million, mainly in the recent acquisitions:

- **R\$2,642mm:** Clinipam
- **R\$377mm:** São Lucas
- **R\$206mm:** Santa Mônica
- **R\$66mm:** H. do Coração de B. Camboriú
- **R\$49mm:** Ecole
- **R\$7mm:** LabClin
- **R\$216mm:** Invested in Owned Network improvement and technology, especially with new systems and equipment.



## REGULATORY REQUIREMENTS

On September 30, 2020, operational subsidiary Intermédica Saúde S.A. (“OpCo” or “NDIS”) presented solvency sufficiency of de R\$41.3 million, with R\$1,395.3 million of Adjusted Minimum Equity versus a Required Solvency from ANS of R\$1,354.0 million.

R\$mm	3Q20	2Q20	Var.	Var. %
Solvency ANS	(1,805.3)	(1,747.0)	(58.3)	3.3%
<i>Current Solvency Ratio</i>	75.0%	75.0%		0.0 pp
Solvency Required	(1,354.0)	(1,310.3)	(43.7)	3.3%
Ajusted Equity	1,395.3	1,561.0	(165.8)	-10.6%
<b>Excess Solvency</b>	<b>41.3</b>	<b>250.8</b>	<b>(209.5)</b>	<b>-83.5%</b>

Minimum Adjusted Equity went from R\$1,561.0 million in 2Q20 to R\$1,395.3 million in 3Q20, positively impacted by (i) the OpCo’s net income of R\$212.2 million in the period and partially offset by (ii) R\$213.2 from the merger operations of Ghelfond, São José and LabClin, (iii) R\$111.7 million from the acquisition of Santa Mônica and (iv) R\$26.7 million in sales commission increases.

Required solvency went from R\$1,310.3 million in 2Q20 to R\$1,354.0 million in 3Q20 as a result of the Company’s growth.

In April 2020, the Company agreed with the National Supplementary Health Agency for the early implementation of Risk-Based Capital for calculating Regulatory Capital, in accordance with Normative Resolution No. 451. With that, Regulatory Capital will become the highest amount between the fixed percentage of 75% of the solvency margin and the risk-based calculation. In September 30, 2020, the Regulatory Capital calculated was equivalent to 75% of the solvency margin.

On September 30, 2020, the Company had a restricted cash balance of R\$600.2 million (including São Lucas and Clinipam) with ANS, invested at the CDI/SELIC rate to meet regulatory requirements.



## OWNERSHIP STRUCTURE AND GNDI3 STOCK PERFORMANCE

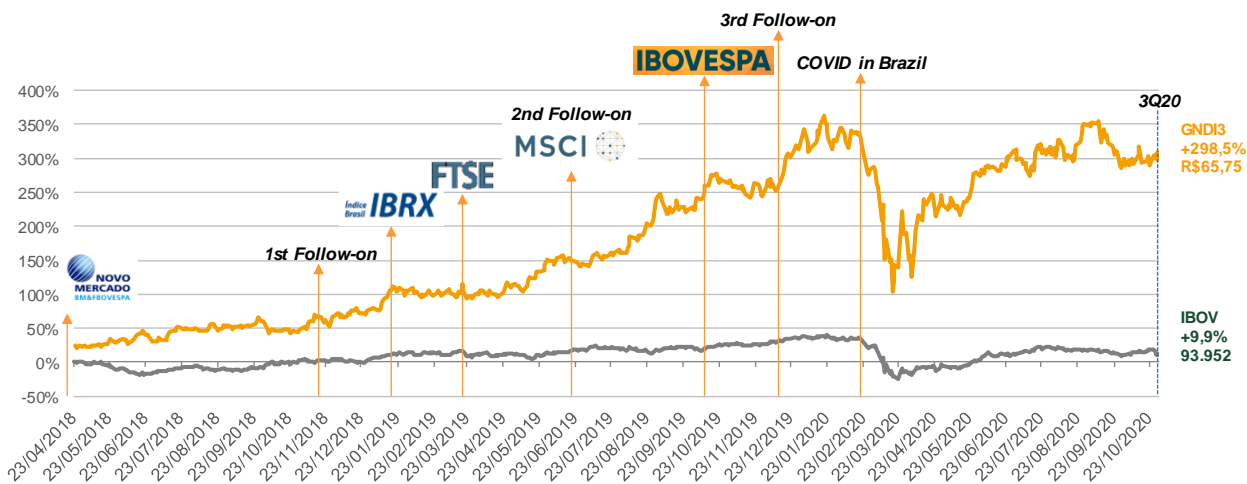
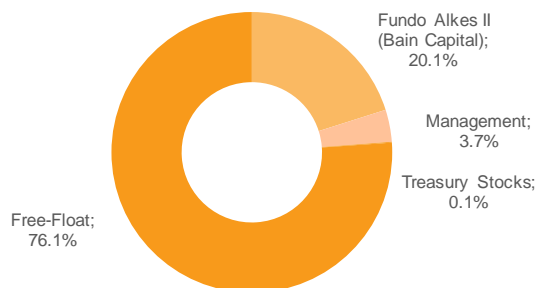
The NotreDame Intermédica Group has 609,787,507 common shares issued, with 76.1% free float. In 3Q20, 98.1% of the free float was owned by institutional investors.

On August 25, 2020, GNDI paid dividends in the amount of R\$100,600,795.43, equivalent to 25% (twenty-five percent) of the Company's net income for the fiscal year that ended on December 31, 2019 (adjusted after allocation to the legal reserve), corresponding to R\$0.16672735 per share issued by the Company.

In September 2020, the Board of Directors approved an increase in the Company's capital stock with the creation of 6,094,325 new shares due to the exercise of the stock option granted under the Company's Stock Option Plan, within the limits of its authorized capital.

The following chart shows the IPO's (04/23/2018) stock performance until the closing of November 13, 2020. The GNDI3 share increased by 351.5% in this period while the Ibovespa index increased by 22.5%.

Free – Float	3Q20
Non-Institucional Investor	1.9%
Institucional Investor	98.1%
<b>TOTAL</b>	<b>100.0%</b>
National Investor	26.9%
International Investor	73.1%
<b>TOTAL</b>	<b>100.0%</b>







## FINANCIAL STATEMENT

### INCOME STATEMENT

R\$m	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
<b>Net operating revenue</b>	2,698.6	2,174.6	524.0	24.1%	7,862.1	6,110.9	1,751.2	28.7%
Cost of services rendered	(1,907.5)	(1,583.5)	(324.0)	20.5%	(5,479.7)	(4,461.8)	(1,017.9)	22.8%
<b>Gross Profit</b>	<b>791.1</b>	<b>591.2</b>	<b>200.0</b>	<b>33.8%</b>	<b>2,382.4</b>	<b>1,649.1</b>	<b>733.3</b>	<b>44.5%</b>
Operational revenues/expenses:								
Administrative expenses	(266.7)	(274.6)	7.9	-2.9%	(804.7)	(695.4)	(109.3)	15.7%
Selling expenses	(143.1)	(109.5)	(33.6)	30.6%	(403.6)	(302.0)	(101.6)	33.6%
Allowance for doubtful accounts	(28.0)	(14.1)	(13.9)	98.9%	(83.2)	(53.5)	(29.7)	55.6%
Other income, net	(3.8)	16.6	(20.4)	-122.9%	(7.6)	21.9	(29.5)	-134.7%
<b>Earnings before finance income and c</b>	<b>349.5</b>	<b>209.6</b>	<b>139.9</b>	<b>66.8%</b>	<b>1,083.3</b>	<b>620.1</b>	<b>463.3</b>	<b>74.7%</b>
Financial revenues	27.9	42.3	(14.3)	-33.9%	108.6	114.5	(5.9)	-5.2%
Financial expenses	(59.8)	(92.9)	33.1	-35.6%	(202.5)	(237.1)	34.6	-14.6%
<b>Earnings before income tax and social</b>	<b>317.6</b>	<b>159.0</b>	<b>158.6</b>	<b>99.8%</b>	<b>989.4</b>	<b>497.5</b>	<b>491.9</b>	<b>98.9%</b>
Income tax and social contribution:								
Current	(102.6)	(50.3)	(52.4)	104.2%	(374.3)	(162.1)	(212.2)	130.9%
Deferred	(18.2)	(9.0)	(9.2)	102.0%	(34.5)	(43.2)	8.7	-20.1%
<b>Net Income</b>	<b>196.8</b>	<b>99.7</b>	<b>97.1</b>	<b>97.4%</b>	<b>580.6</b>	<b>292.2</b>	<b>288.4</b>	<b>98.7%</b>

R\$m	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
<b>Net Income</b>	<b>196.8</b>	<b>99.7</b>	<b>97.1</b>	<b>97.4%</b>	<b>580.6</b>	<b>292.2</b>	<b>288.4</b>	<b>98.7%</b>
Income tax and social contribution	120.8	59.3	61.5	103.8%	408.9	205.3	203.5	99.1%
Net Interest	31.9	50.6	(18.7)	-37.0%	93.9	122.5	(28.6)	-23.4%
Depreciation and Amortization	88.0	68.8	19.2	28.0%	247.7	174.3	73.4	42.1%
<b>EBITDA</b>	<b>437.5</b>	<b>278.4</b>	<b>159.1</b>	<b>57.2%</b>	<b>1,331.0</b>	<b>794.3</b>	<b>536.7</b>	<b>67.6%</b>
(+/-) Stock Options	12.6	13.5	(0.9)	-7.0%	36.1	32.8	3.2	9.8%
(+/-) M&A/Integration Expenses	2.6	18.1	(15.5)	-85.7%	13.5	30.4	(16.9)	-55.6%
(+/-) Inter. Revenue (Restricted Cash)	5.8	9.6	(3.9)	-40.4%	22.6	23.5	(0.9)	-3.8%
<b>Adjusted EBITDA</b>	<b>458.4</b>	<b>319.6</b>	<b>138.8</b>	<b>43.4%</b>	<b>1,403.2</b>	<b>881.1</b>	<b>522.1</b>	<b>59.3%</b>
% margin	17.0%	14.7%		2.3pp	17.8%	14.4%		3.4pp

R\$m	3Q20	3Q19	Var.	Var. %	9M20	9M19	Var.	Var. %
<b>EBITDA</b>	<b>437.5</b>	<b>278.4</b>	<b>159.1</b>	<b>57.2%</b>	<b>1,331.0</b>	<b>794.3</b>	<b>536.7</b>	<b>67.6%</b>
Income tax and social contribution	(120.8)	(59.3)	(61.5)	103.8%	(408.9)	(205.3)	(203.5)	99.1%
Net Interest	(31.9)	(50.6)	18.7	-37.0%	(93.9)	(122.5)	28.6	-23.4%
Depreciation and Amortization	(88.0)	(68.8)	(19.2)	28.0%	(247.7)	(174.3)	(73.4)	42.1%
<b>Net Income</b>	<b>196.8</b>	<b>99.7</b>	<b>97.1</b>	<b>97.4%</b>	<b>580.6</b>	<b>292.2</b>	<b>288.4</b>	<b>98.7%</b>
(+/-) Stock Options	12.6	13.5	(0.9)	-7.0%	36.1	32.8	3.2	9.8%
(+/-) Intang. asset amort.*	37.6	33.5	4.1	12.2%	99.3	65.8	33.5	50.9%
(+/-) Deferred taxes	18.6	9.0	9.6	106.2%	61.4	43.2	18.2	42.1%
<b>Adjusted Net Income</b>	<b>265.5</b>	<b>155.7</b>	<b>109.8</b>	<b>70.5%</b>	<b>777.3</b>	<b>434.0</b>	<b>343.3</b>	<b>79.1%</b>
% margin	9.8%	7.2%		2.7pp	9.9%	7.1%		2.8pp

\* Intangible asset amortization of acquired companies



## BALANCE SHEET

<i>R\$mm</i>	<b>3Q20</b>	<b>4Q19</b>
<b>Current Assets</b>	<b>4,832.1</b>	<b>5,973.4</b>
Cash and cash equivalents	1,390.9	3,514.4
Short-term investments	1,629.5	1,285.1
Trade receivables	589.3	492.8
Inventories	90.1	50.8
Tax and social security credits	233.4	186.1
Deferred selling expenses	439.9	121.0
Other current assets	459.0	323.2
<b>Noncurrent Assets</b>	<b>11,028.9</b>	<b>7,174.7</b>
<u>Long-term assets</u>	<u>2,266.5</u>	<u>1,595.6</u>
Long-term investments	151.9	-
Deferred tax assets	383.2	312.4
Judicial and tax deposits	740.7	493.4
Deferred selling expenses	225.8	178.7
Other noncurrent assets	764.9	611.0
Investments	0.5	0.0
Property, plant and equipment	2,147.8	1,758.6
Right to Use	454.1	478.8
Intangible assets	6,160.0	3,341.7
<b>Total Assets</b>	<b>15,860.9</b>	<b>13,148.0</b>
<b>Current Liabilities</b>	<b>3,105.0</b>	<b>2,434.0</b>
Trade payables	124.5	133.8
Salaries payable	273.8	165.1
Taxes and social charges payable	536.0	360.4
Dividends payable	0.0	100.6
Loans and financing	289.2	220.7
Debentures	64.0	169.6
Provision for income tax and social contrib	373.2	57.0
Technical Provisions	1,189.1	945.4
Payable for acquisition of subsidiary	-	119.0
Lease	35.2	33.5
Other current liabilities	219.9	129.0
<b>Noncurrent Liabilities</b>	<b>5,650.4</b>	<b>4,343.7</b>
Taxes and social charges payable	60.5	62.0
Loans and financing	948.2	35.2
Debentures	1,547.5	1,752.5
Technical Provisions	507.6	342.8
Payable for acquisition of subsidiary	67.5	-
Deferred tax liabilities	328.4	262.8
Provision for lawsuits	882.7	887.6
Lease	450.7	464.4
Other noncurrent liabilities	857.4	536.3
<b>Equity</b>	<b>7,105.5</b>	<b>6,370.4</b>
Issued capital	5,643.7	5,526.0
(-) Treasury shares	(2.9)	(2.9)
(-) Costs with public offering of shares	(113.9)	(113.9)
Capital reserve and stock options granted	997.2	961.2
Earnings reserve	581.2	-
Non controllership participation	0.2	-
<b>Total Liabilities and Equity</b>	<b>15,860.9</b>	<b>13,148.0</b>