



Oncoclínicas

3Q23 Earnings Call Presentation

November 14th, 2023

ONCOCLINICAS & CO

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MESSAGE FROM THE CEO

1. 3Q23 AND 9M23 HIGHLIGHTS



Gross Revenue of R\$ 1.5 billion: +23% in 3Q23 vs. 3Q22

**EBITDA Ex-LTIP¹ of R\$ 269 million (19.2% margin)
+ 39% YoY**



3Q23 Net Income: R\$ 149 million, +2.6x (R\$ 163 million Ex-LTIP)

9M23 Net Income: R\$ 226 million, +13.4x (R\$ 261 million Ex-LTIP)



3Q23 Operational Cash Flow (OCF): R\$ 322 million

OCF - Financial Expenses - Capex: R\$ 87 million

Agreement with Unimed Recife for 30 years to provide oncology and immune-mediated treatment services



Subsequent events: (i) acquisition of additional 25% stake in the JV with Unimed Nacional, increasing ownership to 75%; and (ii) CADE approval of Grupo Santa strategic agreement

FINANCIAL HIGHLIGHTS

1 GROSS REVENUE

Strong Gross Revenue growth

↑ +23.4%

in 3Q23 vs. 3Q22

100.0%

Organic Growth

2 GROSS MARGIN

80 bps Gross Margin expansion in 9M23 vs. 9M22

**↑ 35.6% in 9M23
vs.
34.8% in 9M22**

3 EBITDA

R\$ 269 million

EBITDA Ex-LTIP¹ in 3Q23, **+39% YoY**

R\$ 814 million

in EBITDA Ex-LTIP¹ in 9M23, **+87% YoY**

4 NET PROFIT

R\$ 149 million

Net Income in 3Q23

R\$ 226 million

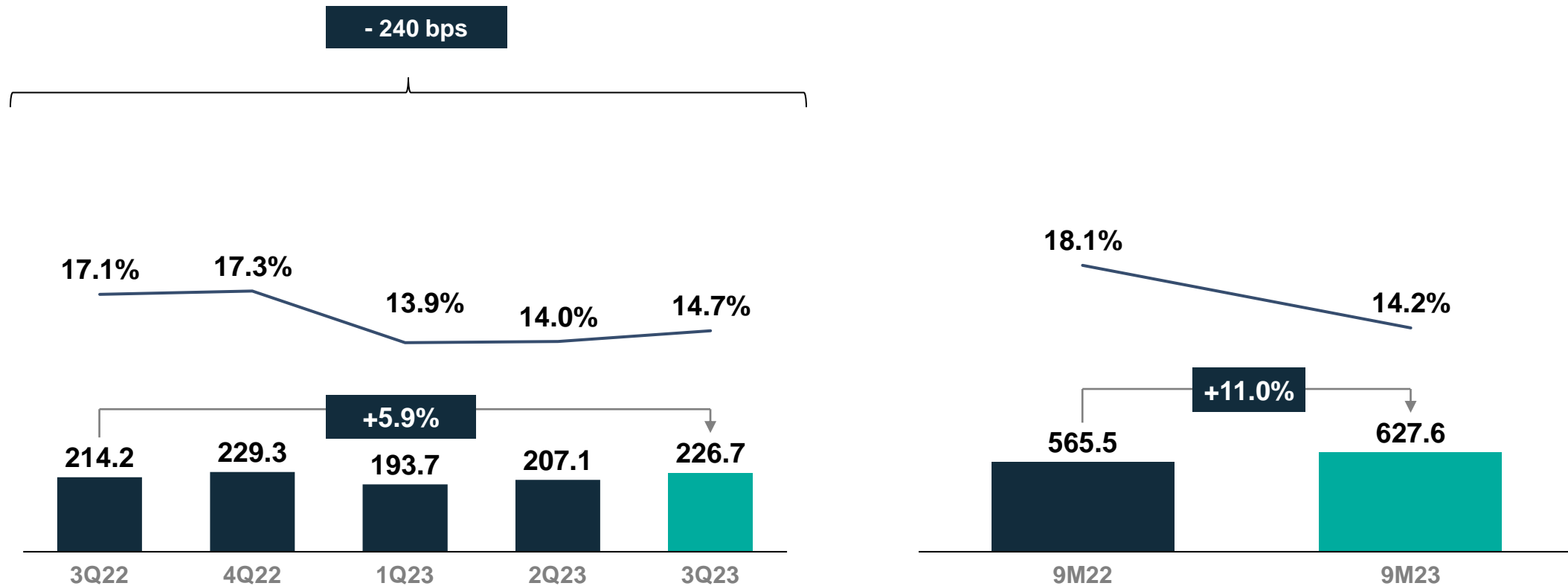
Net Income in 9M23

OPEX SYNERGIES PROCESS EXECUTED SUCCESSFULLY

240 bps Reduction in Cash Operating Expenses / Gross Revenue Ratio in the comparison 3Q23 vs. 3Q22

Cash Operating Expenses¹ (and % of Gross Revenue)

R\$ million

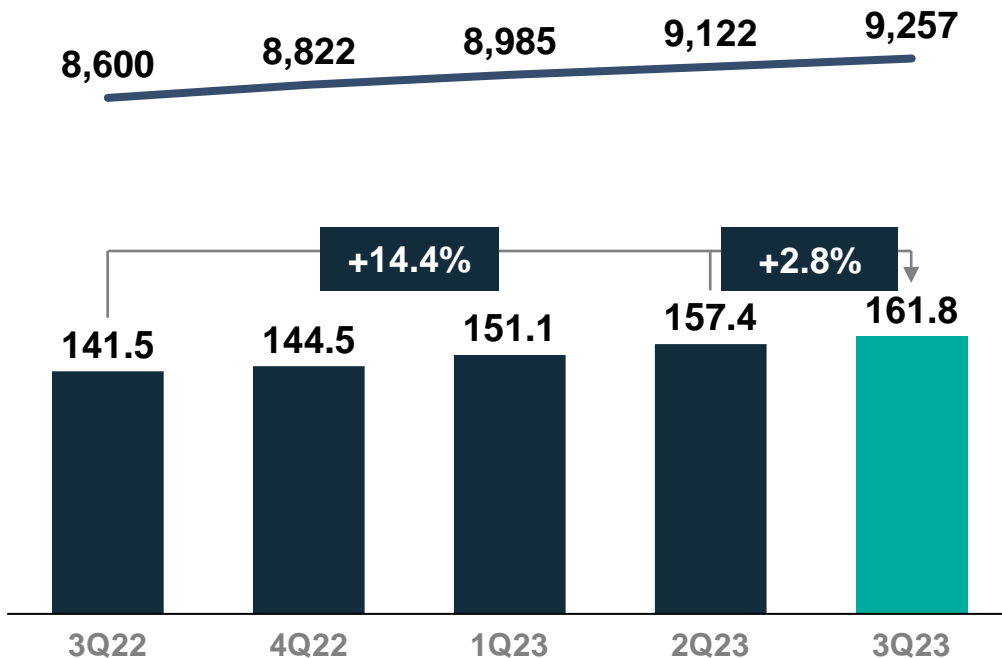


1- Operating Expenses before depreciation and amortization and excluding the non-cash charge related to fair value of long-term equity incentive plan (LTIP).

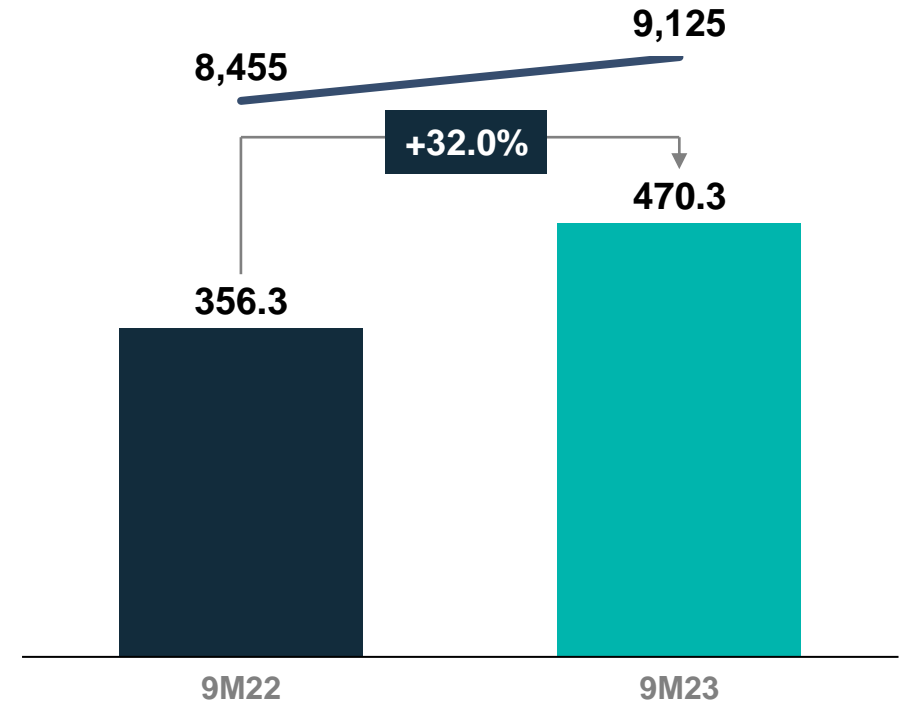
NUMBER OF PROCEDURES GREW VERY STRONGLY, BOTH IN THE COMPARISON 3Q23 vs. 3Q22 AS WELL AS SEQUENTIALLY

Procedures growing 14.4% in 3Q23 vs. 3Q22 and Average Ticket reflecting higher complexity in the mix

Procedures (in Thousands) and Average Ticket (R\$) per Quarter



Procedures (in Thousands) and Average Ticket (R\$) for the Nine Months Periods

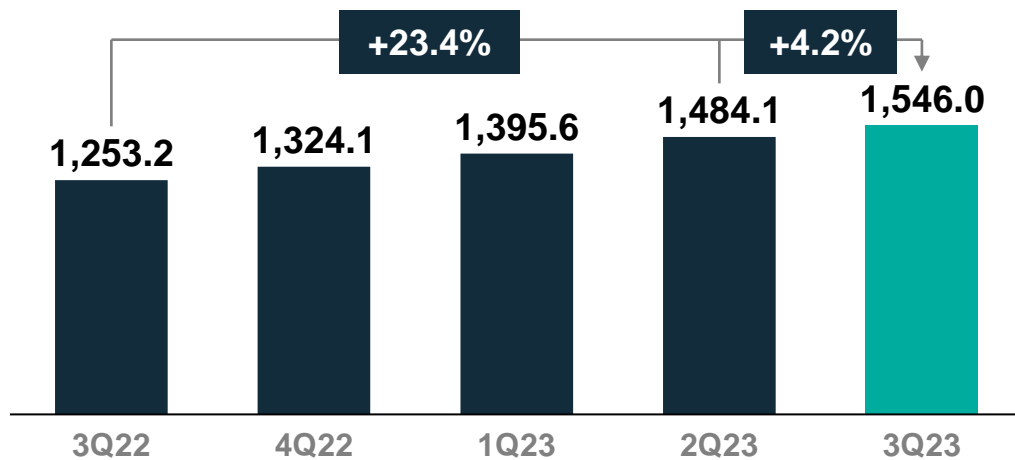


GROSS REVENUE REACHED R\$ 1.5 BILLION IN 3Q23, TOTALLY ORGANIC

Gross Revenue grew 23.4% in 3Q23 vs.3Q22 and 4.2% on a sequential basis (vs. 2Q23)

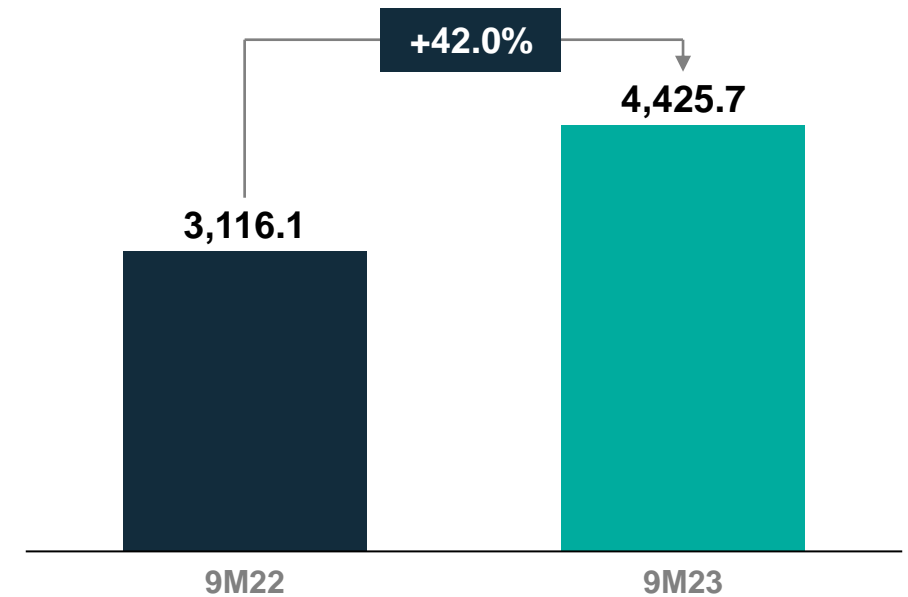
Net Revenue (Quarterly)

R\$ million



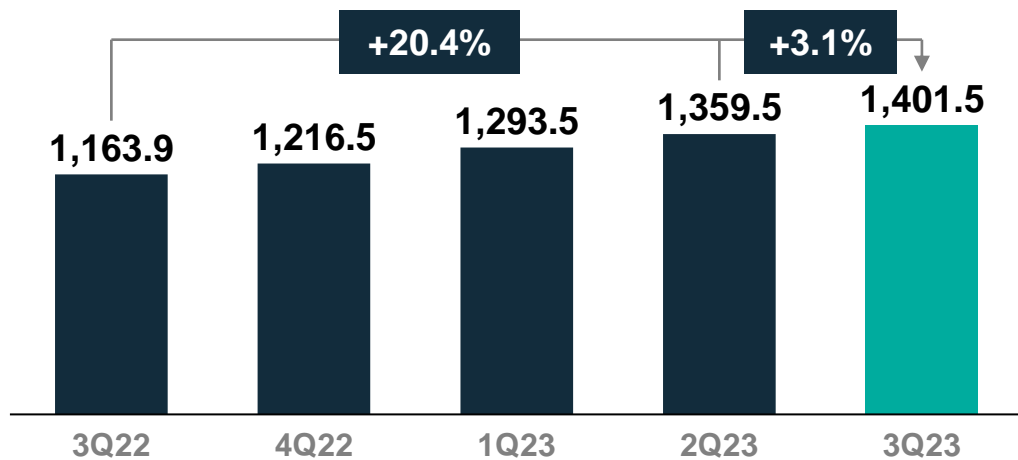
Net Revenue (9M)

R\$ million

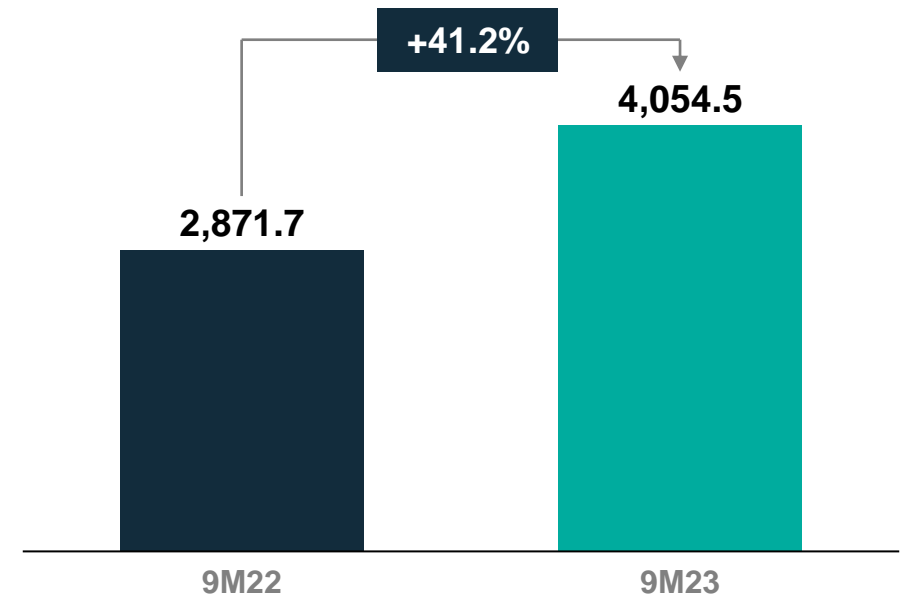


NET REVENUE REACHED R\$ 1.4 BILLION IN 3Q23, IMPACTED BY TRANSITORY EFFECT OF PCLD¹
 Net Revenue grew 20.4% in 3Q23 vs.3Q22 and 3.1% on a sequential basis (vs. 2Q23)

Net Revenue (Quarterly)
 R\$ million



Net Revenue (9M)
 R\$ million



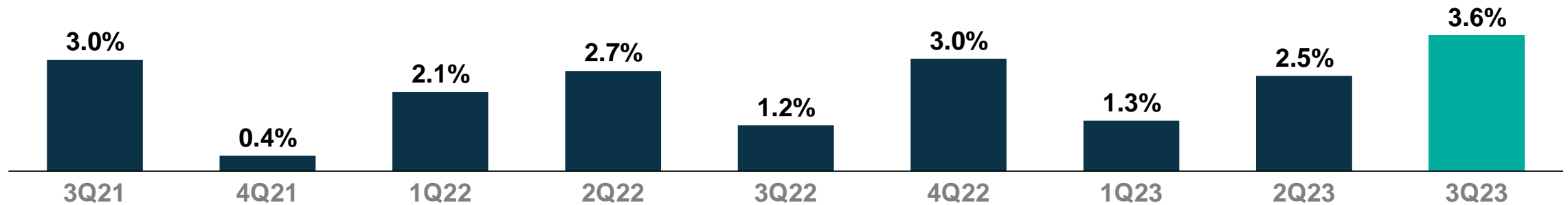
1- Provision for Disallowances and Doubtfull Accounts.

PCLD PROVISIONS¹ AT 3.6% OF GROSS REVENUE IN 3Q23, BUT CLOSE TO HISTORICAL AVERAGE (2.5%)

Increase concentrated in receivables from government-sponsored health plans (“autarquias”)

Evolution of PCLD Provisions¹ as a % of Gross Revenue per Quarter

Average since 3Q21: 2.2%
Average 9M23: 2.5%



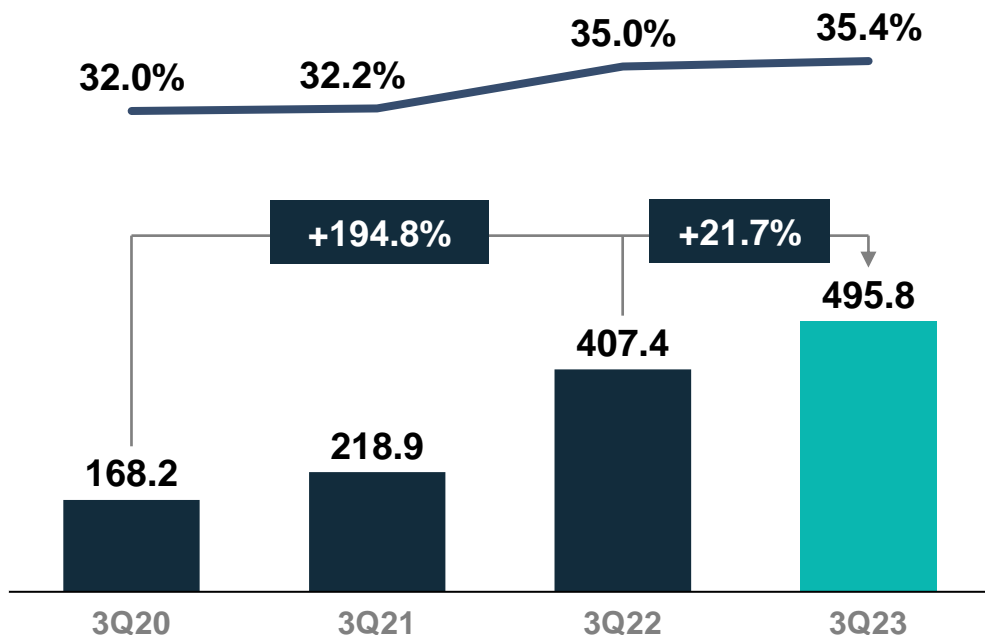
1- Provision for Disallowances and Doubtfull Accounts.

GROSS MARGIN: 80 BASIS POINTS EXPANSION IN 9M23 vs. 9M22, UNDERSCORING STRUCTURAL GROWTH OBSERVED SINCE 3Q20

Gross Profit grew 21.7% in 3Q23 vs. 3Q22 and 44.2% in 9M23 vs. 9M22

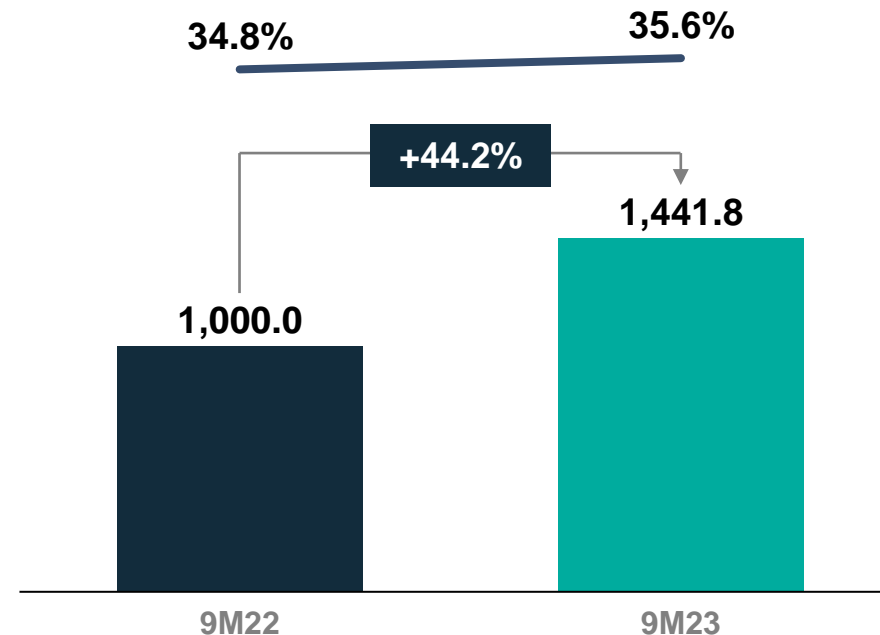
Gross Profit and Margin (Quarterly)

R\$ million



Gross Profit and Margin (9M)

R\$ million

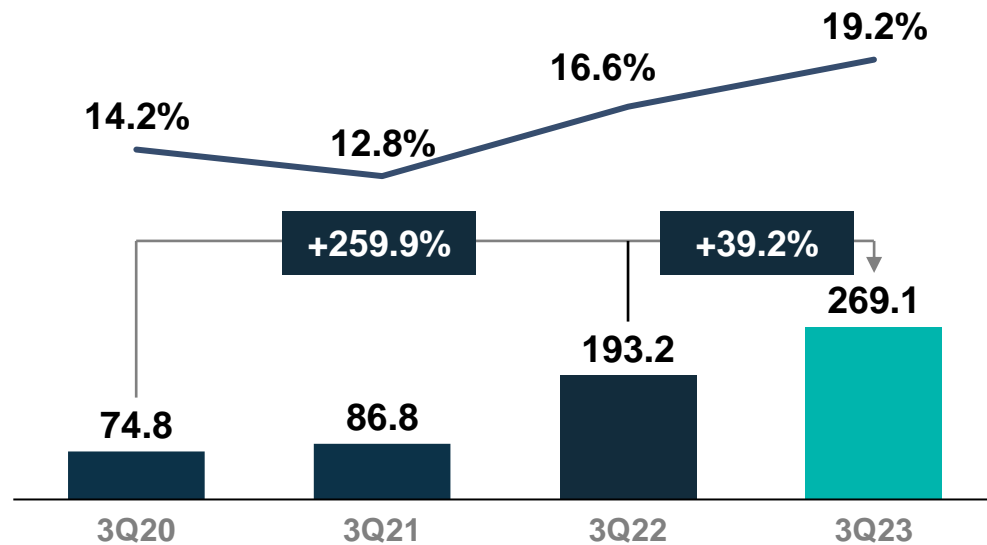


EBITDA Ex-LTIP¹ REACHED R\$ 269 MILLION, + 39% YoY

260 bps expansion in EBITDA margin vs. 3Q22 and 500 bps in 9M23 vs. 9M22, as a result of (i) synergies captured and (ii) operational leverage, from active management of operating expenses

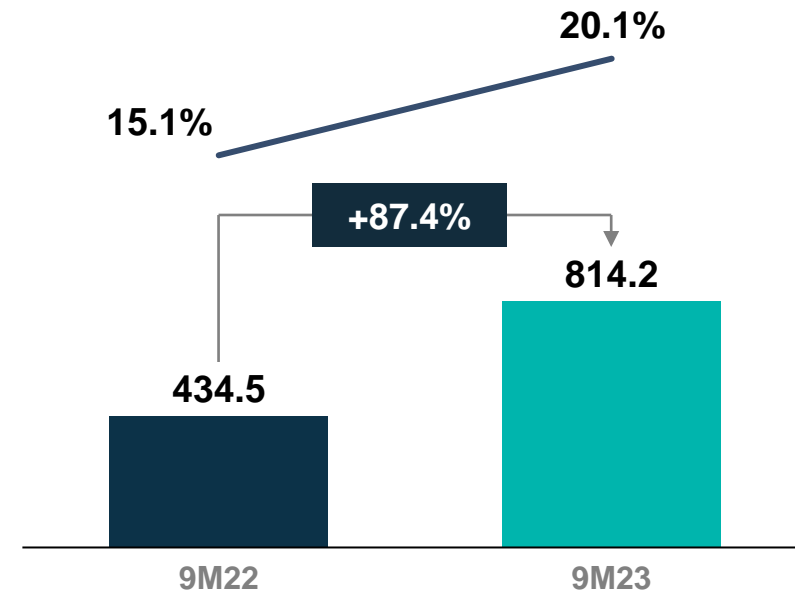
EBITDA Ex-LTIP¹ and Margin (Quartely)

R\$ million



EBITDA Ex-LTIP¹ and Margin (9M)

R\$ million



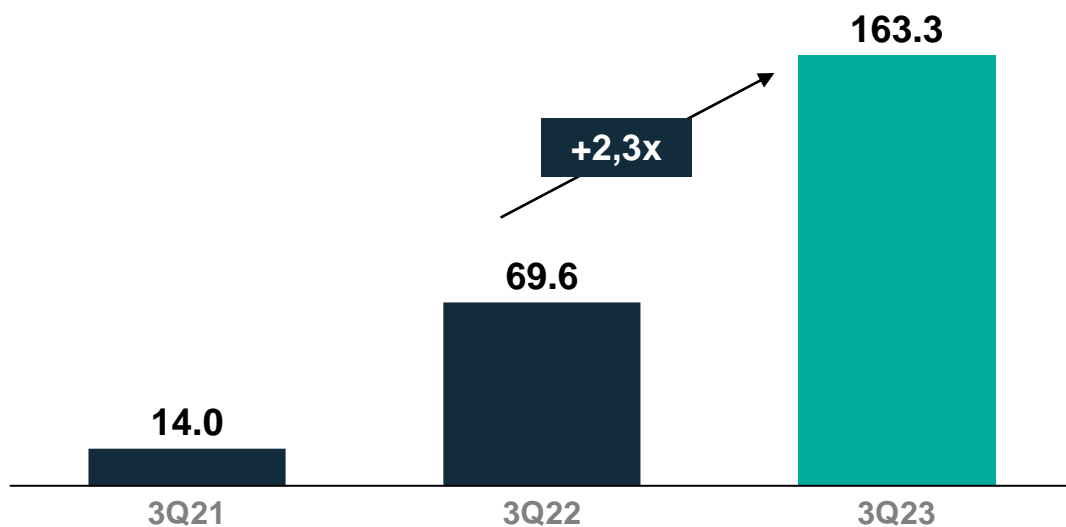
1- Excluding non-cash charge related to fair value of long-term equity incentive plan (LTIP).

NET INCOME: STRONG GROWTH DUE TO INCREASED PROFITABILITY AND OPTIMIZATION OF THE COMPANY'S EFFECTIVE INCOME TAX RATE

R\$ 149 million in 3Q23 (R\$ 163 million Ex-LTIP¹)

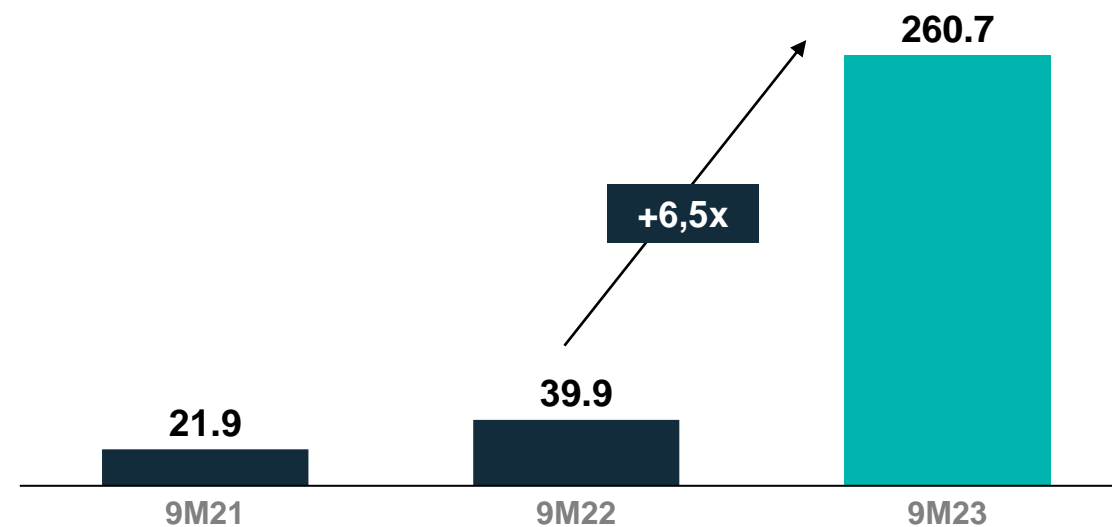
Net Income, Ex-LTIP¹ (Quarterly)

R\$ million



Net Income, Ex-LTIP¹ (9M)

R\$ million

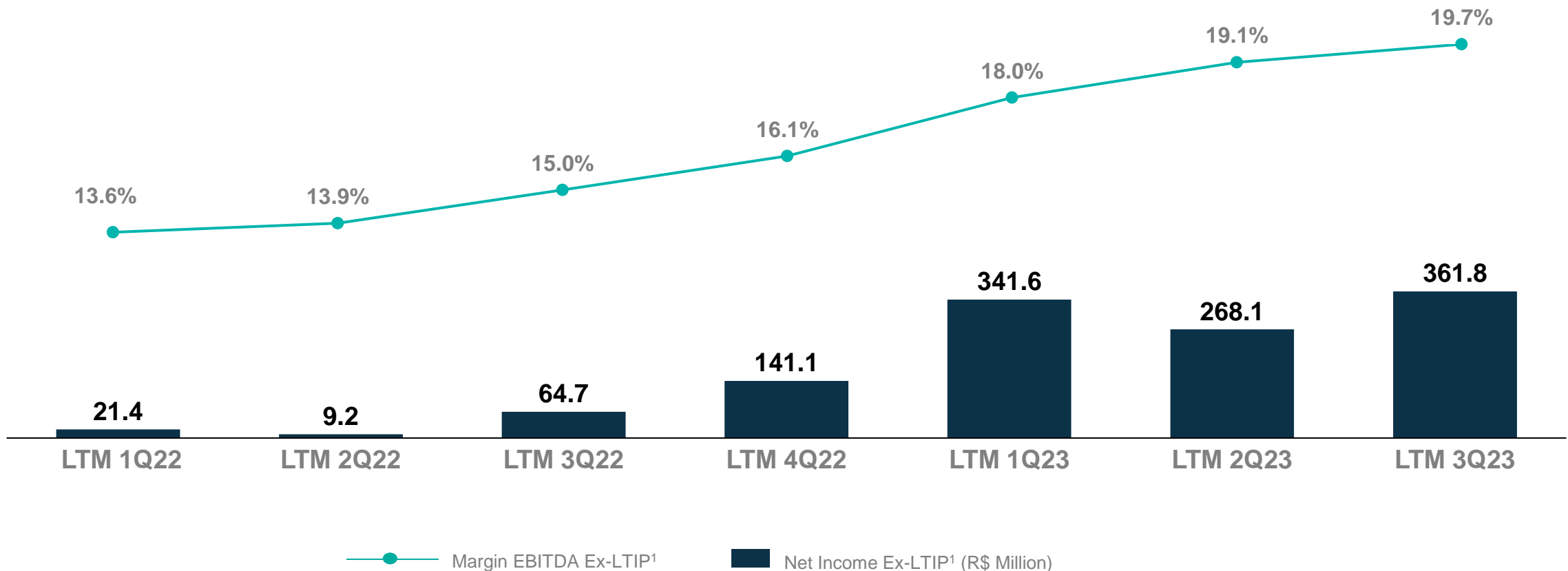


1- Excluding non-cash charge related to fair value of long-term equity incentive plan (LTIP).

NET INCOME: CONSISTENT EXPANSION FROM EXECUTION QUARTER AFTER QUARTER

Performance goes hand in hand with increasing margins and tackling of tax inefficiencies

Evolution of LTM EBITDA Ex-LTIP¹ Margin and Net Income Ex-PILP¹ by Quarter



1- Excluding non-cash charge related to fair value of long-term equity incentive plan (LTIP).

WORKING CAPITAL: SUBSTANTIAL IMPROVEMENT IN 3Q23 FROM ACTIVE INITIATIVES IMPLEMENTED BY THE COMPANY ON (1) COLLECTION, (2) INVENTORY MANAGEMENT, AND (3) STRATEGY OF EXTENDING AVERAGE PAYABLE DAYS WITH SUPPLIERS

Average Working Capital Days by Quarter (90 Days Base Calculation)

In days

	3Q22	4Q22	1Q23	2Q23	3Q23
Receivables (A)	85	94	105	103	101
Inventory (B)	16	19	17	13	13
Suppliers (C)	58	93	58	73	80
Net WK Days ¹	43	20	64	43	34

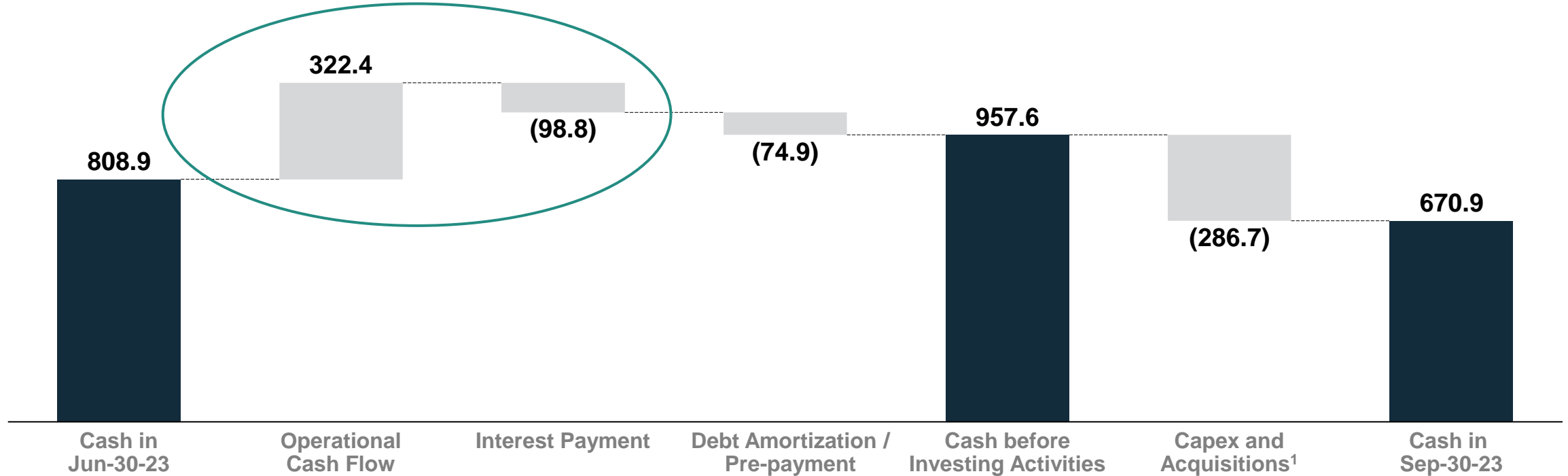
¹ – Calculation: (A) + (B) - (C).

CASH FLOW: R\$ 322 MILLION OPERATIONAL CASH FLOW GENERATION FROM OPERATIONAL PERFORMANCE AND IMPROVED WORKING CAPITAL MANAGEMENT

Managerial Cash Flow for 3Q23

R\$ million

(1) R\$ 224 million Cash Flow generation, even after debt service
 (2) R\$ 87 million even after: (1) above and Capex (maintenance, physician and expansion)

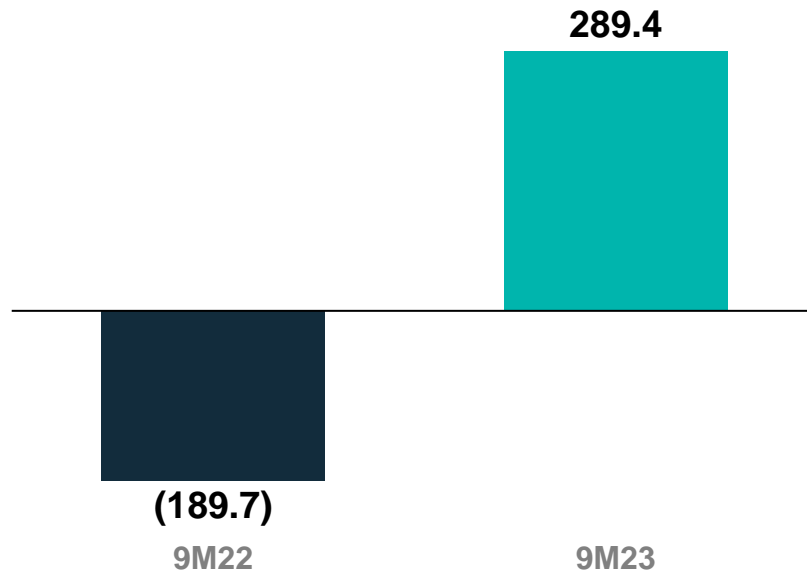


1- Includes R\$ 150 million in payments for acquisitions and sellers financing.

OPERATIONAL CASH / EBITDA CONVERSION: APPROXIMATELY 40% CONVERSION RATIO IN 9M23, WITH R\$ 290 MILLION CUMULATIVE OCF YTD

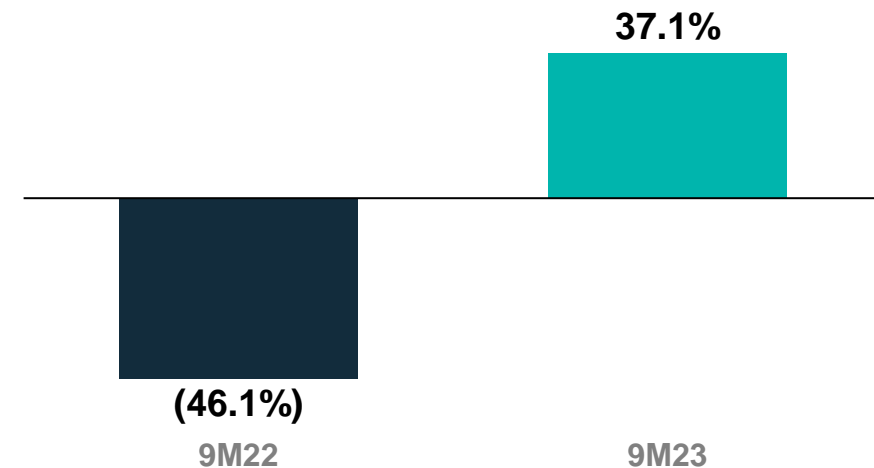
Operational Cash Flow (OCF) 9M

R\$ million



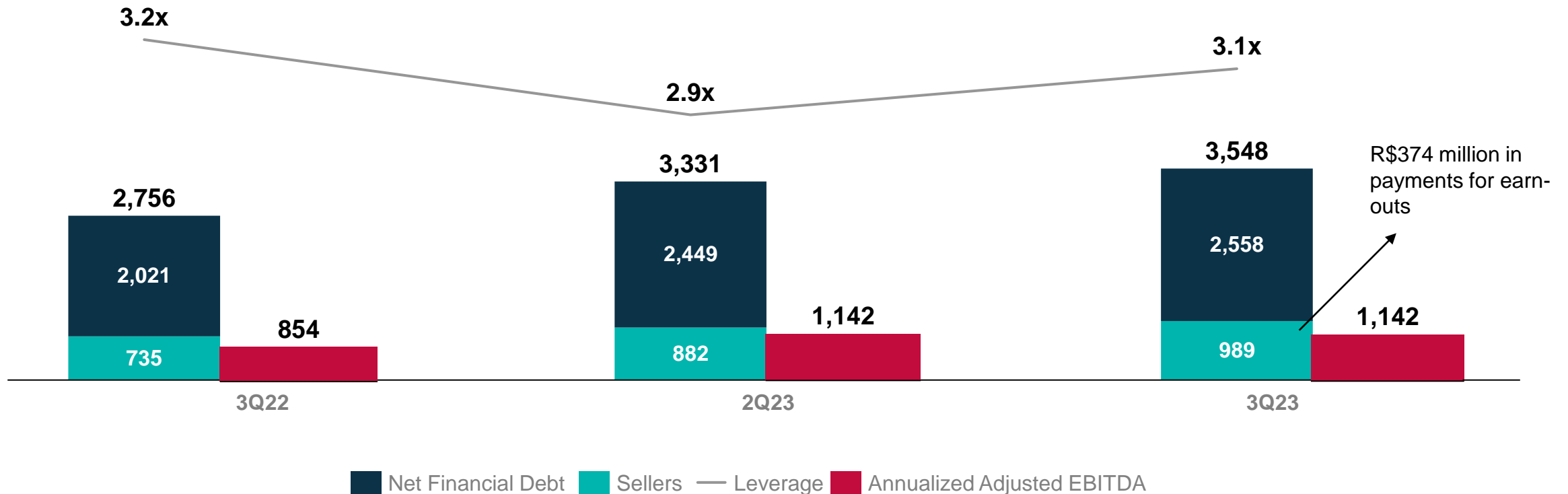
OCF / EBITDA Conversion 9M

R\$ million



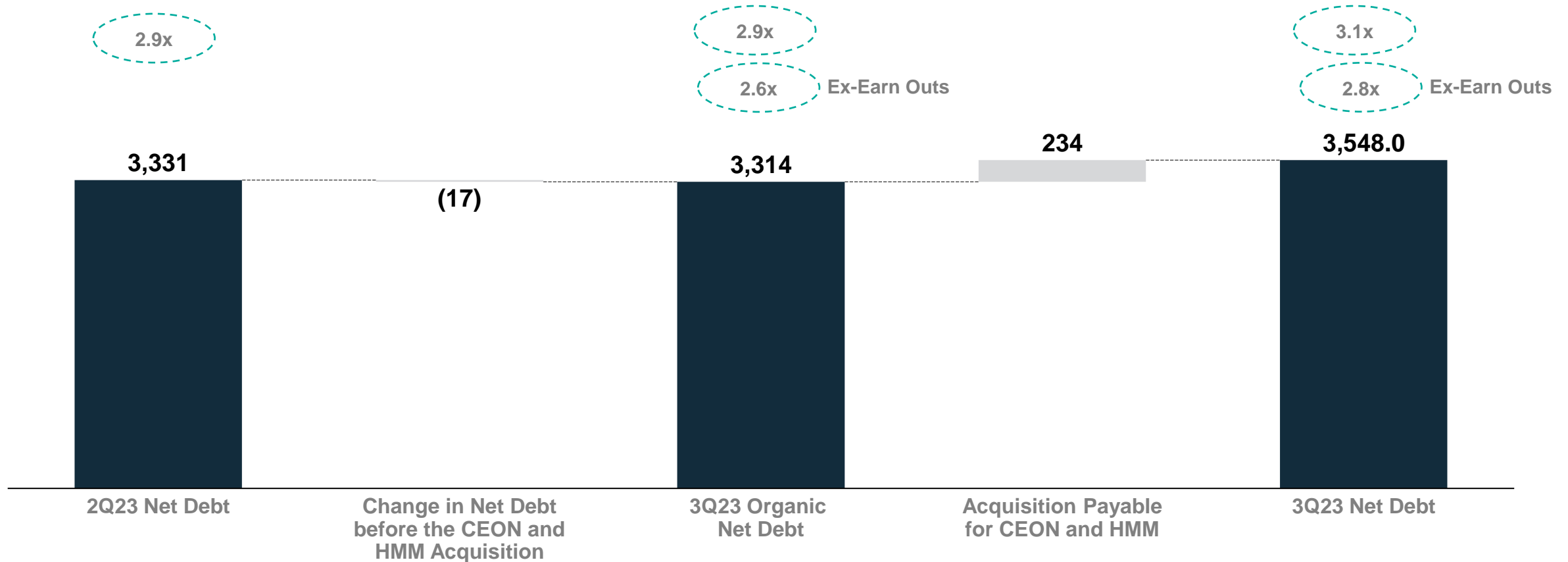
FINANCIAL LEVERAGE: 0.2x INCREASE FROM THE ACQUISITION OF CEON AND HMM...

Net Debt (Financial Debt + Sellers Finance - Cash) / Annualized Adjusted EBITDA
 R\$ million



**...WITH ORGANIC LEVERAGE (WITHOUT THE EFFECT OF THE CEON AND HMM ACQUISITION)
STABLE AT 2.9x**

Net Debt Variation (R\$ million) and Leverage

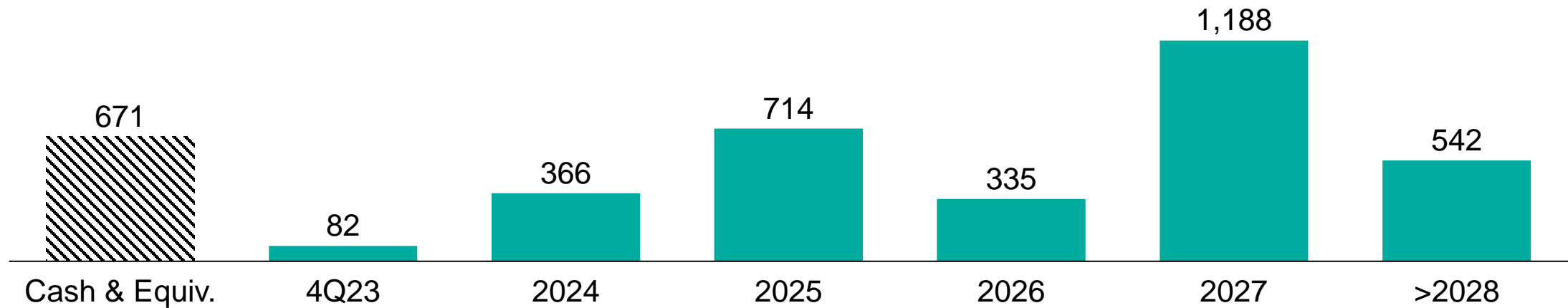


FINANCIAL DEBT PROFILE

Well-Distributed Debt Amortization Profile

3Q23 Amortization Schedule of Financial Debt

R\$ million



THANK YOU

Contact IR

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