

Earnings Release 3Q21



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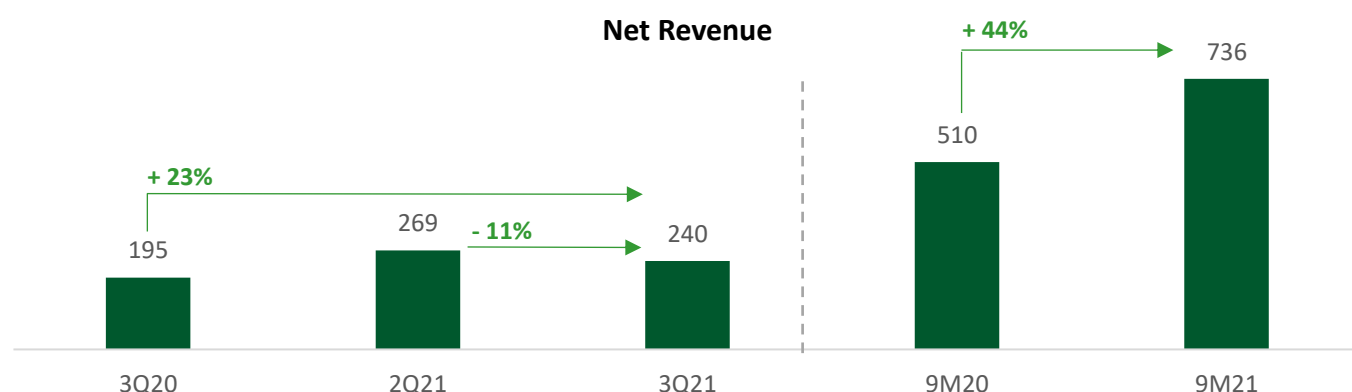
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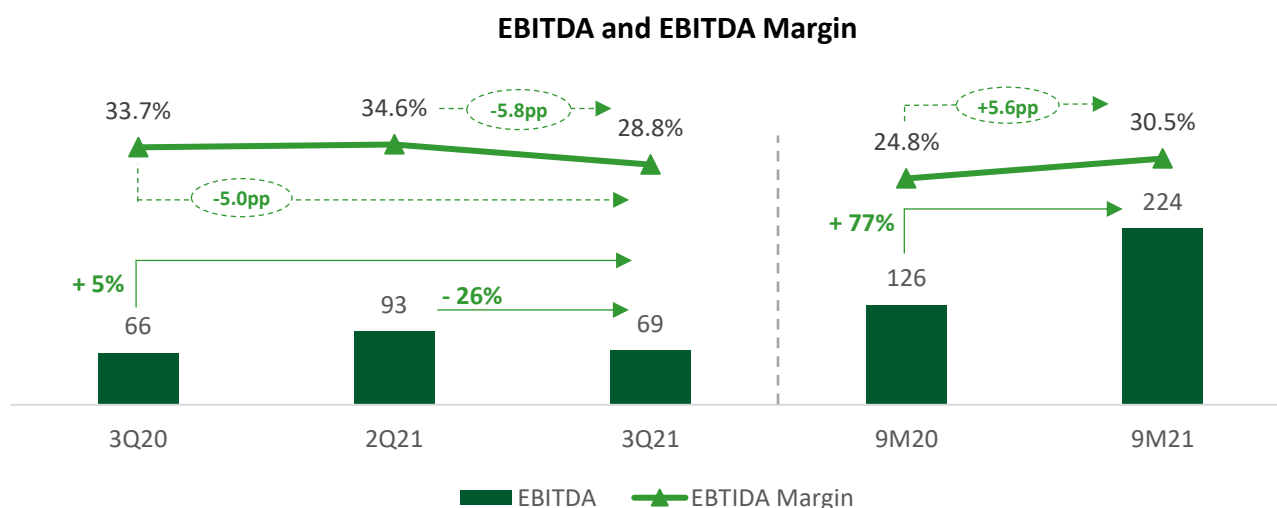
Highlights

Operational and financial

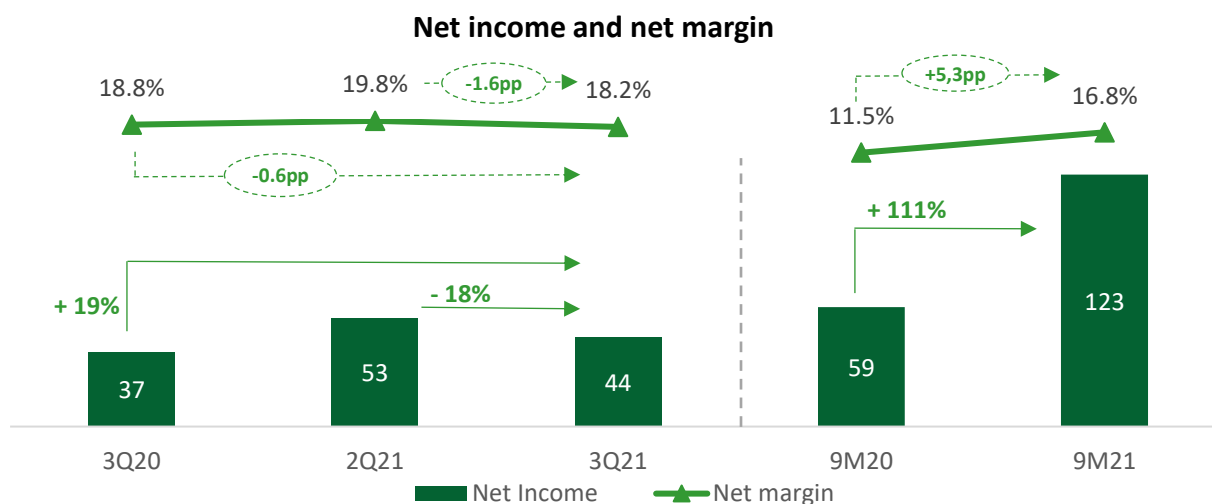
Net revenue reached BRL 736 million in the first nine months 2021, a 44% increase compared to 9M20. In 3Q21, net revenue totaled BRL 240 million, 23% higher than the same period of the previous year and 11% lower than 2Q21, due to a drop in the number of operational beds and occupancy rate, resulted from a sudden decrease in the number of COVID-19 patients that were hospitalized at Rede Mater Dei de Saúde and gradual return of elective patients.



The 2021 accumulated EBITDA reached BRL 224 million, an increase of 77% compared to the same period of the previous year, with the consolidated margin of 30.5%, 5.6pp above 9M20. For the quarter, EBITDA totaled BRL 69 million, representing an increase of 5% compared to 3Q20 and a decrease of 26% compared to 2Q21. The margin EBITDA reached 28.8%, a decrease of 5.0pp and 5.8pp compared to 3Q20 and 2Q21, respectively.



The Net Income in 9M21 accumulated BRL 123 million, an increase of 111% compared to 9M20, and reached 16.8% of net margin in the year, 5.3pp above the previous year. In 3Q21, net income reached BRL 44 million, an increase of 19% compared to 3Q20 and a decrease of 18% versus the previous quarter. The net margin reached 18.2%, a reduction of 0.6pp in annual comparison and 1.6pp compared to 2Q21.



The first semester of 2021 was highlighted by an elevated level in the number of COVID-19 patients hospitalized in the Company, with a daily average of 141 patients in 1Q21 and 196 in 2Q21. However, during the second quarter, the number of patients started to reduce and at the end of the semester there were around 100 patients hospitalized. In 3Q21, with vaccination progress, was noted a substantial drop in the number of COVID-19 patients hospitalized in the Company, reaching around 30 patients at the end of the third quarter, which had an average of 55 patients in the period.

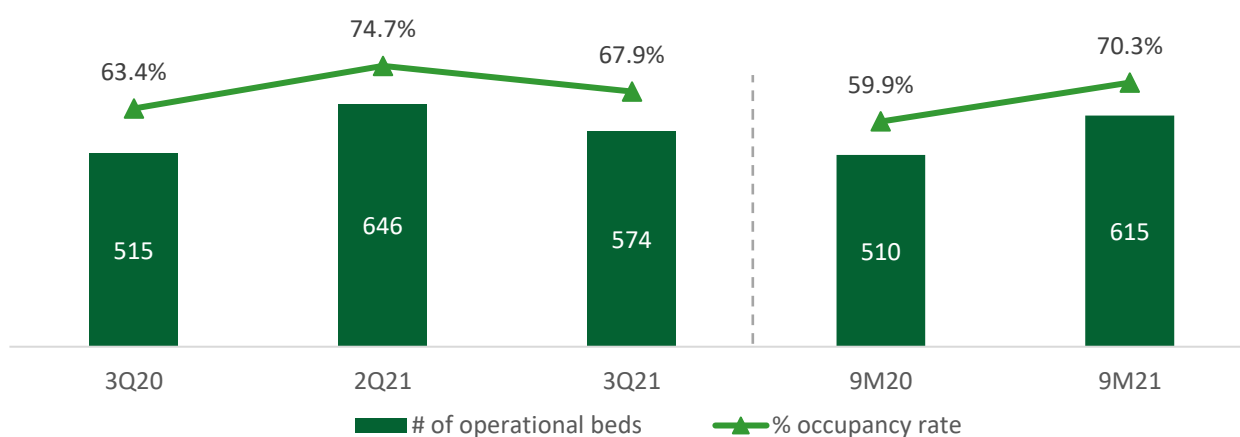
Evolution of COVID-19 patients (confirmed and suspected)



* Values from September onwards were measured on a weekly basis

In the third quarter, with a lower demand from COVID-19 patients and a gradual return of elective patients, Mater Dei had a decrease in the number of operational beds and occupancy rate, which averages in the third quarter were 574 and 67.9%, respectively. In the first nine months of this year, the operational beds average reached 615, with an occupancy rate of 70.3%, a 21% and 17% increase, respectively, in the yearly comparison.

Evolution of the average operational beds and occupancy rate



A3Data

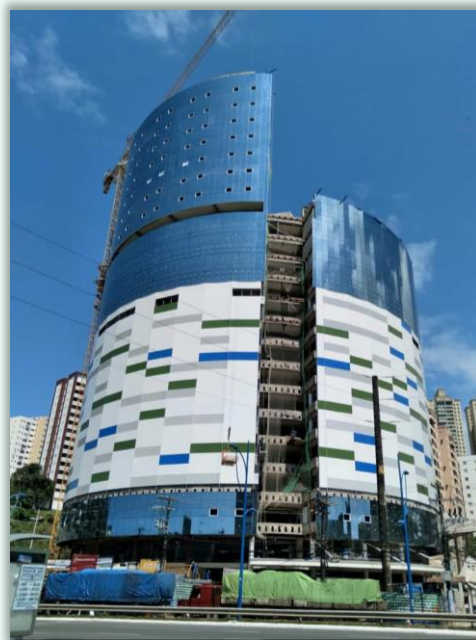
In September, Mater Dei signed an agreement to purchase 50.1% stake in A3Data, company specialized in data and artificial intelligence, with a focus on companies' cultural and analytical transformation.

Upon the fulfillment of all precedent conditions, the transaction closing was carried out on November 1st, 2021, allowing the Company to continue its strategy of developing data intelligence for the application in new compensation models.



Mater Dei Salvador

The Mater Dei Salvador-BA unit is on schedule, with the inauguration on the 1st semester of 2022.



Grupo Porto Dias

The acquisition of the Porto Dias Group was carried out on October 31, 2021, with the signing of the closing term between the parties, after a corporate reorganization and the issue of 27,272,728 new MATD3 shares. This was the Company's first step towards the execution of its inorganic growth strategy, consolidating assets that are reference in assistance quality in regions where they operate.



Corporate Education

Rede Mater Dei continues to consolidate partnerships with institutions that are reference in its area, developing courses aligned with its strategy.

1) Postgraduate course in Sports Medicine

Launch of the postgraduate course in Sports Medicine in partnership with the healthcare vertical of Ânima group, Inspirali. The first class started in September and the course has a workload of 360 hours, with 8 months of digital content (synchronous and asynchronous activities) and 4 months of practical activities. This project is structurally innovative, knowledge intensive in medical and healthcare education and in technology.



Ânima
EDUCAÇÃO



inspirali

2) Robotics course

Launch of the Robotics course in partnership with Falke Institute, which objective is to prepare surgeons to perform robotic surgeries. The course consists of 3 modules: the first with a theoretical program and live surgeries; the second with a simulator training; and the third called "in-service", tissue training, with the robotic platform, to complete the certification. The course is designed to meet all the requirements of different societies, ensuring that students receive the training required by their societies.



FLK INSTITUTE FOR MEDICAL
ENHANCED DEVELOPMENT

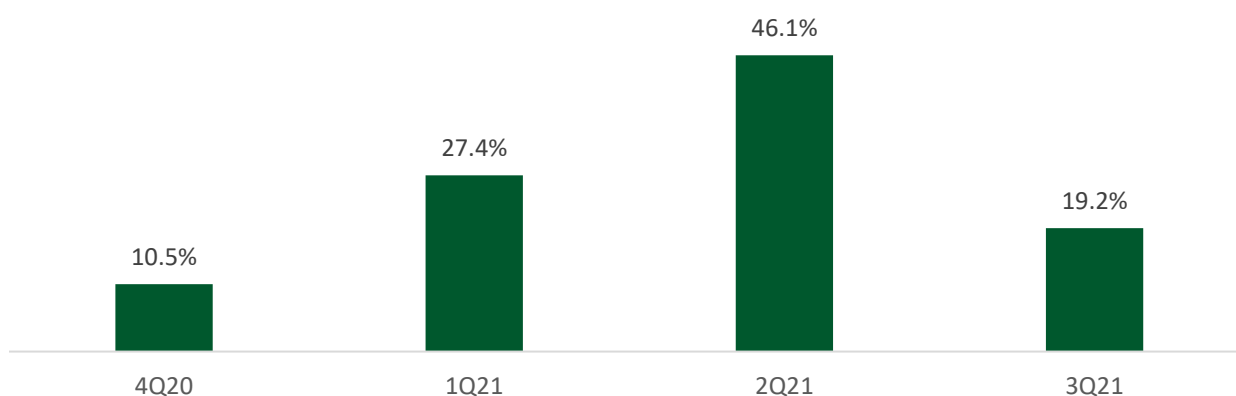
Revenues

Gross and Net Revenue

Gross revenue is consisted mainly of health services, such as admissions, surgeries, medical appointments, laboratory tests, hospital supplies and drugs, among others, either through healthcare operators or out-of-pocket patients.

In the third quarter 2021, the volume of patient-days hospitalized at Rede Mater Dei grew 19.2% compared to 3Q20, with the recovery of elective procedures that were postponed due to the population's lack of confidence in going to hospitals during the lockdown. However, there was a drop of 26.9pp compared to 2Q21, mainly caused by the decrease of 141 COVID-19 patients hospitalized (and 86 compared to 1Q21) per day, on average, at Rede Mater Dei.

% change in number of patients-days versus 3T20

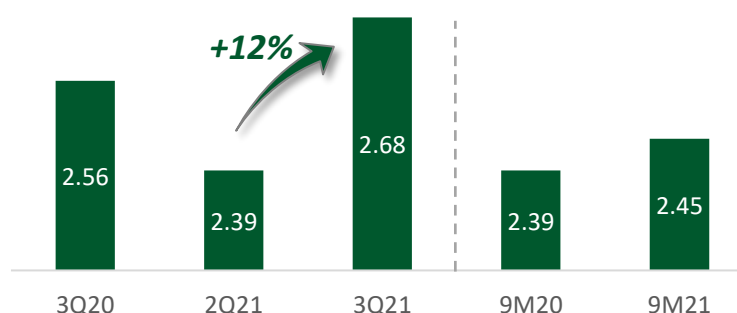


On the other hand, the reduction in admissions has been gradually offset by the increase in the number of high-complexity elective patients, which directly reflects on the average ticket.

The average ticket increased 12% in 3Q21 compared to 2Q21, and 4% year-on-year, reaching BRL 2.68 million per used bed.

Average ticket - BRL Mm

(Gross revenue per used bed)



Considering the multiplication of admissions by the average ticket, in the first nine months of 2021, gross revenue totaled BRL 793.4 million, a growth of 44.9% compared to the same period of the previous year. In 3Q21, gross revenue reached BRL 260.6 million, representing an increase of 24.5% compared to 3Q20, and a decrease of 9.7% compared to 2Q21.

Net Revenue reached BRL 736.1 million in 9M21, an increase of 44.5% compared to the same period in 2020. In the third quarter this year, net revenue totaled BRL 240.4 million, an increase of 23.1% year-on-year and 10.6% down from 2Q21.

<i>(BRL milhões)</i>	3Q21	3Q20	Δ 3Q21	2Q21	Δ 3Q21	9M21	9M20	Δ 9M21
Healthcare operators	240.8	188.9	27.5%	263.2	(8.5%)	726.2	501.1	44.9%
Out-of-pocket patients	14.8	14.5	2.5%	21.1	(29.9%)	53.7	31.3	71.3%
Other revenues	5.0	6.0	(16.4%)	4.1	21.2%	13.5	15.3	(11.9%)
Gross revenue	260.6	209.3	24.5%	288.5	(9.7%)	793.4	547.7	44.9%
Taxes and Deductions	(20.2)	(14.0)	44.8%	(19.5)	3.5%	(57.3)	(38.2)	50.2%
Net Revenue	240.4	195.4	23.1%	268.9	(10.6%)	736.1	509.6	44.5%

The net medical disallowances, a result from the review of invoices along with the healthcare operators, are already deducted from the healthcare operator's item, and totaled BRL 12.1 million in 3Q21, representing 4.8% of total healthcare operators' revenue.

Costs and Expenses

Costs of services provided

The costs of services provided mainly include medical supplies and drugs, personnel, physicians, depreciation and amortization, and maintenance and conservation.

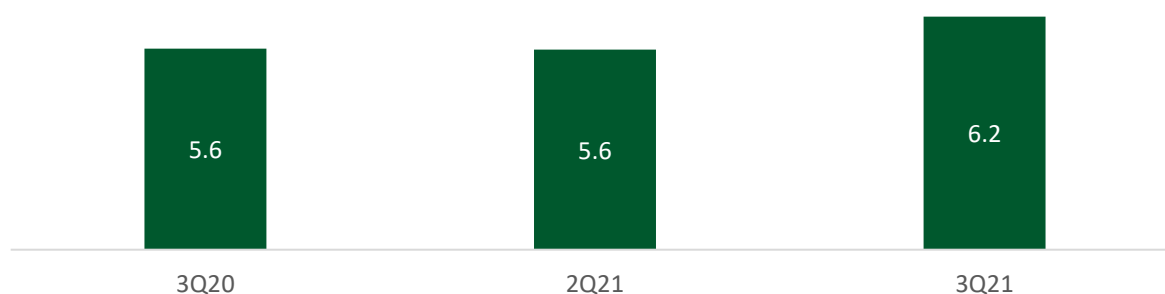
Due to the fast closure of beds for COVID-19 patients in this third quarter, this period was marked by the maintenance of costs related to COVID-19, but without the respective revenue, such as the increase in costs of medical supplies and drugs and personnel both for the quarterly and annual comparisons, that led to a reduction in the margin.

In 9M21, cost represented 60.3% of revenue, a 3,9pp dilution compared to the previous year. In 3Q21, in the annual comparison, cost's relevance increased by 7.2pp, representing 64.9% of net revenue, while comparing to 2Q21 costs increased by 9.2pp.

(BRL milhões)	3Q21	3Q20	Δ 3Q21	2Q21	Δ 3Q21	9M21	9M20	Δ 9M21
Medical Supplies and Drugs	(73.1)	(48.9)	49.5%	(71.0)	3.0%	(210.0)	(136.4)	54.0%
Personnel	(39.3)	(28.4)	38.6%	(39.2)	0.3%	(112.1)	(81.6)	37.3%
Medical services	(12.7)	(8.0)	59.6%	(9.8)	30.1%	(32.0)	(25.2)	26.8%
Maintenance and conservation	(8.7)	(7.3)	18.1%	(8.4)	3.4%	(25.5)	(23.4)	8.9%
Depreciation and amortization	(7.4)	(5.8)	26.3%	(7.3)	0.7%	(21.7)	(20.8)	4.8%
Other costs	(14.9)	(14.4)	3.3%	(14.3)	4.0%	(42.6)	(40.0)	6.5%
Costs of services provided	(156.1)	(112.9)	38.3%	(150.0)	4.1%	(444.0)	(327.4)	35.6%
<i>% of net revenue</i>	<i>64.9%</i>	<i>57.8%</i>	<i>7.2pp</i>	<i>55.8%</i>	<i>9.1pp</i>	<i>60.3%</i>	<i>64.3%</i>	<i>(3.9pp)</i>

The number of employees per operational bed had an increase of 10% both versus the previous quarter and year. The increase in this indicator directly reflects in the personnel cost item, which had an increase in its net revenue relevance in both quarterly and annual comparisons.

Employee per operational bed



Operating income and expenses

General and administrative expenses consist mainly of personnel, depreciation and amortization and other expenses related to back-office activities.

In the first nine months of the year, general and administrative expenses were diluted by 2.6 pp compared to the same period of the previous year, reaching 10.5% of net revenue. Year-to-date, net operating expenses decreased 3.7pp compared to last year and reached 12.9% of net revenue.

In the quarter, general and administrative expenses decreased 0.6pp quarter-on-quarter and 0.5pp year-on-year. As for net operating expenses, the relevance of net revenue decreased 2.9pp this quarter compared to 2Q21 and 3.4pp compared to 3Q20, reaching 10.2% of net revenue.

<i>(BRL milhões)</i>	3Q21	3Q20	Δ 3Q21	2Q21	Δ 3Q21	9M21	9M20	Δ 9M21
Personnel	(21.2)	(14.7)	44.5%	(23.3)	(9.0%)	(65.4)	(50.7)	28.8%
Depreciation and amortization	(1.8)	(3.8)	(51.2%)	(1.8)	0.7%	(5.4)	(7.5)	(27.6%)
Other expenses	(1.9)	(3.1)	(38.6%)	(1.4)	34.9%	(6.5)	(8.3)	(21.3%)
General and Adm. Expenses	(25.0)	(21.5)	15.9%	(26.6)	(6.0%)	(77.3)	(66.5)	16.2%
<i>% of net revenue</i>	<i>10.4%</i>	<i>11.0%</i>	<i>(0.6pp)</i>	<i>9.9%</i>	<i>(0.5pp)</i>	<i>10.5%</i>	<i>13.1%</i>	<i>(2.6pp)</i>
Other Operational Rev. and Exp.	0.6	(4.9)	(111.4%)	(8.6)	(106.5%)	(17.9)	(18.0)	(1.1%)
Net operating expenses	(24.4)	(26.5)	(7.8%)	(35.2)	(30.6%)	(95.2)	(84.6)	12.5%
<i>% of net revenue</i>	<i>10.2%</i>	<i>13.5%</i>	<i>(3.4pp)</i>	<i>13.1%</i>	<i>(2.9pp)</i>	<i>12.9%</i>	<i>16.6%</i>	<i>(3.7pp)</i>

EBIT and EBITDA

Year-to-date, EBIT grew 101.9% and totaled BRL 197.0 million. In 3Q21, the Company's EBIT reached BRL 59.9 million, an increase of 6.9% compared to 3Q20 and a decrease of 28.5% compared to 2Q21.

Regarding EBITDA, in 9M21 it totaled BRL 224.2 million, with a margin of 30.5%, an increase of 77.2% and 5.7pp compared to the same period of the previous year, respectively. In this quarter, EBITDA reached BRL 69.1 million, with a margin of 28.8%, representing an increase of 5.0% compared to 3Q20 and a decrease of 25.6% compared to 2Q21.

Adjusted EBITDA reached BRL 229.8 million in the year to date, with a margin of 31.2%. In the quarter, it totaled BRL 72 million with a margin of, approximately, 30%.

<i>(BRL milhões)</i>	3Q21	3Q20	Δ 3Q21	2Q21	Δ 3Q21	9M21	9M20	Δ 9M21
Net revenue	240.4	195.4	23.1%	268.9	(10.6%)	736.1	509.6	44.5%
Costs of services provided	(156.1)	(112.9)	38.3%	(150.0)	4.1%	(444.0)	(327.4)	35.6%
Net operating expenses	(24.4)	(26.5)	(7.8%)	(35.2)	(30.6%)	(95.2)	(84.6)	12.5%
EBIT	59.9	56.0	6.9%	83.8	(28.5%)	197.0	97.6	101.9%
<i>% of net revenue</i>	<i>24.9%</i>	<i>28.7%</i>	<i>(3.8pp)</i>	<i>31.2%</i>	<i>(6.3pp)</i>	<i>26.8%</i>	<i>19.1%</i>	<i>7.7pp</i>
Depreciation and amortization	9.2	9.8	(6.3%)	9.1	0.9%	27.2	28.9	(5.9%)
EBITDA	69.1	65.9	5.0%	92.9	(25.6%)	224.2	126.5	77.2%
<i>% of net revenue</i>	<i>28.8%</i>	<i>33.7%</i>	<i>(5.0pp)</i>	<i>34.6%</i>	<i>(5.8pp)</i>	<i>30.5%</i>	<i>24.8%</i>	<i>5.7pp</i>
Stock Options	2.8	-		2.8	0.7%	5.6	-	
Adjusted EBITDA	72.0	65.9	9.2%	95.7	(24.8%)	229.8	126.5	81.7%
<i>% of net revenue</i>	<i>29.9%</i>	<i>33.7%</i>	<i>(3.8pp)</i>	<i>35.6%</i>	<i>(5.7pp)</i>	<i>31.2%</i>	<i>24.8%</i>	<i>6.4pp</i>

Net Financial Result

The net financial result reached a positive BRL 5.7 million against a negative BRL 1.0 million in 3Q20 and a negative BRL 3.6 million in 2Q21.

Financial income totaled BRL 21.5 million, an increase of 397.3% compared to the same period of the previous year (BRL 4.3 million) and 55.7% compared to 2Q21 (BRL 13.8 million). This growth was due to higher yields from financial investments considering an increase in the cash position resulted from the IPO carried out in April/21, which added approximately BRL 1.14 billion to the Company's cash.

Financial expenses reached BRL 15.8 million, an increase of 195.2% compared to 3Q20, mainly due to the accounting of lease interest, which increased by BRL 9.9 million due to the beginning of the rent, after the spin-off of the properties in the end of 2020. Comparing to 2Q21, it decreased by 9.0%.

(BRL milhões)	3Q21	3Q20	Δ 3Q21	2Q21	Δ 3Q21	9M21	9M20	Δ 9M21
Financial Revenue	21.5	4.3	397.3%	13.8	55.7%	39.9	10.1	296.2%
Financial Expense	(15.8)	(5.4)	195.2%	(17.4)	(9.0%)	(51.5)	(19.8)	160.2%
Interest on loans and financing	(6.4)	(1.9)	242.6%	(5.3)	21.0%	(16.7)	(9.1)	83.2%
Lease interest	(9.8)	0.1	(8,161.2%)	(9.8)	(0.3%)	(29.4)	-	-
Others	0.3	(3.6)	(108.7%)	(2.3)	(113.6%)	(5.5)	(10.7)	(49.0%)
Net Financial Result	5.7	(1.0)	(651.5%)	(3.6)	(260.1%)	(11.6)	(9.7)	19.0%

Net Income

Net Income totaled BRL 123.3 million in 9M21, an increase of 110.7% in the annual comparison, and reached 16.8% of net margin.

In this quarter, net income totaled BRL 43.6 million, an increase of 19.0% compared to the same period of the previous year (BRL 36.7 million) and a decrease of 18.0% compared to the 2Q21 (BRL 53.2 million). The net margin reached 18.2% this quarter, representing a decrease of 0.6pp in the annual comparison and 1.6pp in the quarterly comparison.

<i>(BRL milhões)</i>	3Q21	3Q20	Δ 3Q21	2Q21	Δ 3Q21	9M21	9M20	Δ 9M21
EBIT	59.9	56.0	6.9%	83.8	(28.5%)	197.0	97.6	101.9%
Net financial result	5.7	(1.0)	(651.5%)	(3.6)	(260.1%)	(11.6)	(9.7)	19.0%
EBT	65.6	55.0	19.3%	80.2	(18.2%)	185.4	87.9	111.0%
Income tax and Social Contribution	(22.0)	(18.3)	19.8%	(27.0)	(18.6%)	(62.1)	(29.3)	111.7%
Net Income	43.6	36.7	19.0%	53.2	(18.0%)	123.3	58.5	110.7%
<i>% of net revenue</i>	<i>18.2%</i>	<i>18.8%</i>	<i>(0.6pp)</i>	<i>19.8%</i>	<i>(1.6pp)</i>	<i>16.8%</i>	<i>11.5%</i>	<i>5.3pp</i>

Debt and leverage

The Company keeps low leverage levels, with net debt and net debt by EBITDA ratios below 0.

Due to the amount of around BRL 1.14 billion raised in the Initial Public Offering (IPO), cash, cash equivalents and financial investments reached BRL 1.4 billion in 3Q21, an increase of 380.2% year-on-year and a decrease in 2.2% compared to 2Q21. In this quarter, the leverage ratio (net debt / EBITDA) reached -4.3x.

Additionally, the Company (i) disbursed, on November 1st, 2021, BRL800 million for the acquisition of Grupo Porto Dias and BRL 24 million for the acquisition of A3Data; and (ii) concluded, on November 5th, 2021, its 1st debentures' issuance of BRL 700 million with amortizations in 2027/28 and interest rates of CDI + 1.60%.

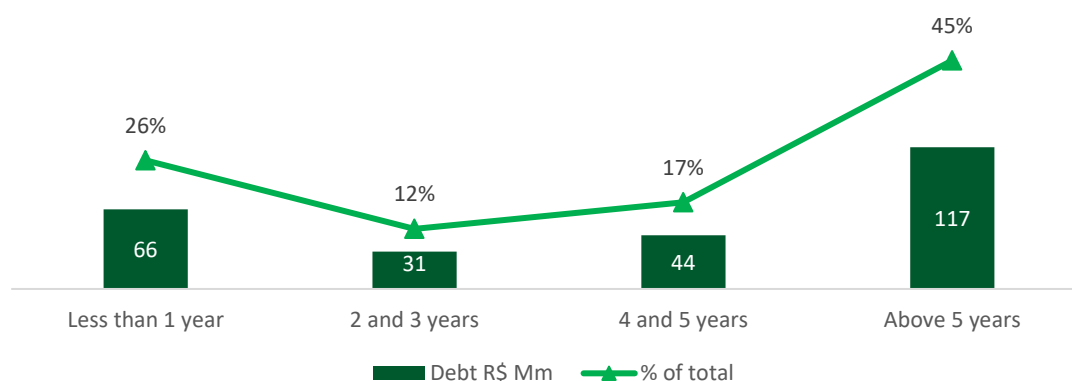
Mater Dei's 1st issue of debentures received the AA+.br rating by the risk rating agency Moody's Local.

Mater Dei was rated AA+.br by Moody's Local and AA(br) by Fitch.

(BRL milhões)	3Q21	3Q20	Δ 3Q21	2Q21	Δ 3Q21
Short-term debt	65.9	28.2	133.9%	60.2	9.5%
Long-term debt	192.3	191.7	0.3%	220.5	(12.8%)
Total debt	258.2	219.8	17.5%	280.7	(8.0%)
Cash and equivalents and financial investments	1,353.5	281.9	380.2%	1,384.5	(2.2%)
Net Debt	(1,095.2)	(62.0)	1,665.7%	(1,103.8)	(0.8%)
<i>Net debt/EBITDA (LTM)</i>	<i>-4.3x</i>	<i>-0.2x</i>	<i>-4.0</i>	<i>-4.3x</i>	<i>0.0</i>

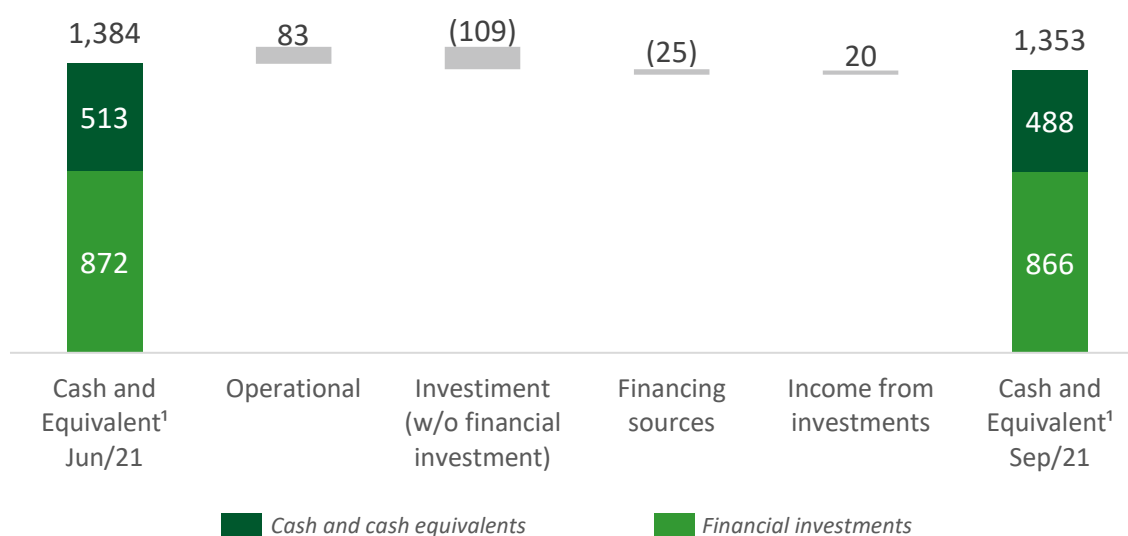
Mater Dei's weighted average amortization term is 5.6 years, with 45% of the total amortization above 5 years.

Amortization term (BRL million)



Cash flow

The Company's cash, cash equivalents and financial investments ended the third quarter at BRL 1.4 billion, a decrease of 2.2% when compared to the cash at the end of the previous quarter. This change was composed by (i) BRL 83 million added due to cash generated from operating activities; (ii) disbursement of BRL 109 million from cash used in investment activities; (iii) BRL 25 million from cash invested in financing activities; (iv) BRL 20 million from investment income, net of redemptions.



¹ Cash and cash equivalents and financial investments

Anexo

P&L

<i>(BRL thousand)</i>	3Q21	3Q20	2Q21	9M21	9M20
Gross revenue	260,627	209,326	288,477	793,411	547,745
Healthcare Operator	240,826	188,899	263,231	726,224	501,080
Out-of-pocket patients	14,818	14,463	21,135	53,694	31,349
Other revenue	4,983	5,964	4,111	13,493	15,316
Taxes and Deductions	(20,225)	(13,968)	(19,547)	(57,319)	(38,170)
Net revenue	240,402	195,358	268,930	736,092	509,575
Costs of services provided	(156,084)	(112,868)	(149,991)	(443,970)	(327,413)
Medical Supplies and drugs	(73,123)	(48,927)	(71,005)	(210,033)	(136,394)
Personnel	(39,295)	(28,361)	(39,174)	(112,113)	(81,635)
Medical services	(12,728)	(7,977)	(9,787)	(31,983)	(25,219)
Maintenance and conservation	(8,667)	(7,338)	(8,382)	(25,519)	(23,443)
Depreciation and amortization	(7,368)	(5,832)	(7,316)	(21,738)	(20,752)
Other costs	(14,903)	(14,433)	(14,327)	(42,584)	(39,970)
Gross profit	84,318	82,490	118,939	292,122	182,162
General and administrative expenses	(24,967)	(21,549)	(26,562)	(77,309)	(66,541)
Personnel	(21,243)	(14,706)	(23,339)	(65,355)	(50,747)
Depreciation and amortization	(1,842)	(3,777)	(1,828)	(5,434)	(7,507)
Other expenses	(1,882)	(3,066)	(1,395)	(6,520)	(8,287)
Other operating income (expenses)	558	(4,912)	(8,597)	(17,854)	(18,049)
Earnings before financial income and expenses	59,909	56,029	83,780	196,959	97,572
Financial revenue	21,525	4,328	13,827	39,930	10,079
Financial expenses	(15,828)	(5,361)	(17,385)	(51,484)	(19,788)
Net financial result	5,697	(1,033)	(3,558)	(11,554)	(9,709)
Earnings before income tax and social contribution	65,606	54,996	80,222	185,405	87,863
Income Tax and Social Contribution	(21,972)	(18,341)	(26,998)	(62,093)	(29,335)
Net income	43,634	36,655	53,224	123,312	58,528

<i>(Em mil de reais)</i>	3Q21	3Q20	2Q21	9M21	9M20
EBIT	59,909	56,029	83,780	196,959	97,572
Depreciation and amortization	9,229	9,847	9,144	27,191	28,911
EBITDA	69,138	65,876	92,924	224,150	126,483
Stock Options	2,816	-	2,796	5,612	-
Adjusted EBITDA	71,954	65,876	95,720	229,762	126,483

Balanço Patrimonial

(BRL thousand)	09/30/2021	06/30/2021
Assets		
Current		
Cash and Cash Equivalents	865,895	871,556
Financial investments	487,562	512,942
Accounts receivable	289,735	309,511
Inventories	27,168	34,282
Derivatives	1,208	1,225
Construction Reimbursement	32,500	32,500
Other current assets	8,817	9,742
Total current assets	1,712,885	1,771,758
Non-current		
Construction Reimbursement	96,421	40,317
Construction assets to be deployed	41,938	42,048
Judicial deposits	31,032	29,348
Deferred taxes	69,627	63,791
Investments	35	35
Investment properties	-	-
Right of use	388,264	392,320
Fixed Assets	156,430	104,520
Intangible assets	7,709	5,174
Total non-current assets	791,456	677,553
Total assets	2,504,341	2,449,311
Liabilities		
Current		
Suppliers	61,226	59,773
Loans and financing	65,913	60,208
Leasing	43,317	43,842
Salaries & social security contribution	31,221	26,786
Taxes and contributions payable	65,594	48,674
Installment payment of taxes	6,685	7,277
Dividends payable	787	3,297
Other current liabilities	6,476	543
Total current liabilities	281,219	250,400
Non-current		
Loans and financing	192,336	220,497
Leasing	356,733	357,585
Installment payment of taxes	13,908	14,963
Provision for contingencies	114,099	116,854
Other non-current liabilities	14,421	3,669
Total non-current liabilities	691,497	713,568
Shareholders' equity		
Capital	1,273,477	1,273,645
Capital reserves	5,612	2,796
(-) Treasury shares	-	-
Equity valuation adjustment	-	-
Profit reserves	252,536	208,902
Total Shareholders' equity	1,531,625	1,485,343
Total liabilities	2,504,341	2,449,311

Fluxo de Caixa

<i>(BRL thousand)</i>	9M21	9M20
<u>Cash flow from operating activities</u>		
Net profit for the period	123,312	58,528
Adjustments to reconcile net income to cash from operations		
Depreciation and amortization	27,191	28,911
Write-off of fixed and intangible assets	817	1,393
Establishment (reversal) of allowance for doubtful accounts	14,939	21,737
Establishment (reversal) of provision for disallowances	25,023	13,294
Establishment (reversal) of provision for contingencies	4,639	737
Share-Based Payment provision	5,612	-
Derivative gains	(49)	(5,463)
Income from financial investments	(33,369)	(2,651)
Net financial expenses	46,848	17,927
(+) Provision for income tax and social contribution - current & deferred	(25,623)	(12,631)
	66,028	63,254
Variations in Operating Assets and Liabilities		
Accounts Receivable	(73,445)	(23,102)
Inventories	(7,059)	(7,194)
Other assets	(5,303)	(1,080)
Judicial deposits	(3,381)	(1,976)
Suppliers	3,284	(6,892)
Salaries and social security contributions	15,254	10,177
Taxes and contributions payable	98,518	60,823
Tax installments	(5,758)	(324)
Other liabilities	4,258	(3,235)
	26,368	27,197
Income tax and social contributions paid	(68,574)	(69,791)
Interest paid	(19,719)	(4,694)
Net cash generated by operating activities	127,415	74,494
<u>Cash Flow of Investment activities</u>		
Acquisition of fixed assets	(59,612)	(43,130)
Acquisition of intangible assets	(6,735)	(46)
Construction assets to be deployed	(140,303)	-
Capital investment	-	-
Financial investments made, net redemptions	(304,590)	(31,961)
Net cash used in investment activities	(511,240)	(75,137)
<u>Cash flow from financing activities</u>		
Loans and financing	64,000	26,706
Payments of loans and financing	(49,981)	(13,466)
Lease payments	(3,279)	(2,242)
Derivative settlement	3,426	2,256
Capital increase	1,141,640	-
Dividends paid	(27,293)	(26,548)
Net cash generated (used) in financing activities	1,128,513	(13,294)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	744,688	(13,937)
Cash and cash equivalents at the beginning of the period	121,207	123,671
Cash and cash equivalents at the end of the period	865,895	109,734
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	744,688	(13,937)

Glossary and Other Information

Glossary

- **ANAHP:** National Association of Private Hospitals
- **CAGR:** Compound Annual Growth Rate
- **LTM:** Last Twelve Months
- **Net debt:** Short and long-term indebtedness, net of cash, cash equivalents and short-term investments. The term “net debt” is a Company parameter and may not be comparable with a similar term adopted by other companies.
- **IFRS 16:** As of January 1, 2019, all companies had to adapt to the new rules of IFRS 16. With this new standard, lessees now must recognize the asset of the rights over leased assets and the liability of future payments for medium or long-term leasing contracts, including operational ones. The biggest impact we had was the real estate rental contracts of our operational and administrative units.
- **EBITDA:** Earnings before Interest, Taxes, Depreciation and Amortization
- **EBITDA Margin:** EBITDA divided by net revenue
- **EBIT:** Earnings before Interest and Taxes
- **EBIT Margin:** EBIT divided by net revenue
- **Occupancy rate:** Number of beds occupied by patients per day added up over a given period, divided by the number of beds that were operational each day added up during the same period.

Relationship with independent auditors

In accordance with CVM Instruction 381/2003, we inform that our policy for hiring independent auditors considers the best governance principles, which reserve the auditor's independence, in accordance with internationally accepted criteria.

About Mater Dei

Mater Dei Healthcare Network is an ecosystem that provides hospital and cancer services, being a national reference in health and the largest hospital network in Minas Gerais in number of private beds and all hospital units with JCI accreditation (Joint Commission International - one of the most respected hospital accreditations in the world).

For additional Investor Relations information, please access the website: <https://ri.materdei.com.br>, or e-mail: ri@materdei.com.br

This material contains summary information, which is not intended to be complete and should not be considered by shareholders or potential investors as an investment recommendation. Information about Mater Dei, its activities, economic and financial situation, and the risks inherent to its activities, as well as its financial statements, can be obtained on the world wide web, on the Mater Dei website (<https://ri.materdei.com.br/>).

