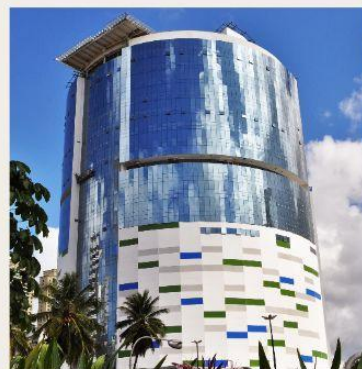


# Earnings Release 3Q23








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Earnings Video Conference  
November 13<sup>th</sup>, 2023 (Tuesday)  
10am Brasília | 9am EST



Zoom Webcast in Portuguese  
(Simultaneous translation to English)

## HIGHLIGHTS

Belo Horizonte, November 13<sup>th</sup>, 2023 - **Rede Mater Dei de Saúde** (“Mater Dei” or “Company”) (B3: MATD3) announces its results for the third quarter of 2023 (3Q23). The financial statements presented in this report refer to the consolidated figures in Reais (BRL) million, except when otherwise indicated. The comparisons are made with the third quarter of 2022 (YoY comparison) and the second quarter of 2023 (QoQ comparison). The quarter information follows the Brazilian and International (IFRS) accounting rules and were revised by independent auditors. The acquisitions information is reported after the conclusion of each transaction.

### Operational and Financial Highlights

- ✚ **Occupancy rate:** higher 1.3pp YoY and drop of 3.2pp QoQ, reaching 69.6% in the quarter. If the patient Day Hospital are taken in account, this rate reaches **73.1%**;
- ✚ **Patients-day:** increase of 27.8% in the sum of nine months of 2023 compared to the same period of last year;
- ✚ **Average Ticket:** reached BRL 2.19 million per used bed in the quarter, a growth of 6% against the second quarter of 2023;
- ✚ **Net Revenue:** reached BRL 1,646 million in the year to date, exceeding 32% YoY;
- ✚ **EBITDA:** totaled BRL 413 million in the 9M23 (+26% YoY), with and **EBITDA Margin** of 25.1%;
- ✚ **Adjusted net income:** reached BRL 167 million in the year to date, it was considered the adjustment for the provision for deferred income tax and social contribution in the Parent Company, reaching an adjusted **Net Margin** of 10.1%;
- ✚ **Operational Cash Flow** of BRL 252 million in the first nine months of the year, with a significant drop in working capital in the quarter compared to the previous quarters of 2023;
- ✚ **Net Debt** of BRL 924 million, with a debt cost below CDI and **leverage index** of 1.7x (net debt/EBITDA LTM), below of the covenant fixed in the Company’s 1st debentures issue (<3.5x until June 2025);

BRL Million (except when indicated)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 3Q23	9M23	9M22	Δ 9M23
<b>Operational Indicator</b>								
Operational Beds (proforma <sup>1</sup> )	1,590	1,496	6.3%	1,572	1.1%	1,565	1,303	20.1%
Patients-day (total of the period)	101,809	89,673	13.5%	104,206	(2.3%)	303,537	237,458	27.8%
Occupancy rate (proforma <sup>1</sup> )	69.6%	68.3%	1.3pp	72.8%	(3.2pp)	71.0%	70.5%	0.5pp
<b>Financial Indicator</b>								
Average Ticket (BRL mm / bed)	2.19	2.07	6.2%	2.08	5.6%	2.12	2.06	3.0%
Net Revenue	568.2	473.9	19.9%	554.2	2.5%	1,646.4	1,251.0	31.6%
Gross Profit	185.5	169.5	9.5%	184.5	0.5%	549.1	450.9	21.8%
Gross Margin	32.6%	35.8%	(3.1pp)	33.3%	(0.6pp)	33.4%	36.0%	(2.7pp)
EBITDA <sup>2</sup>	134.3	119.8	12.1%	147.0	(8.7%)	413.1	327.2	26.2%
EBITDA Margin	23.6%	25.3%	(1.7pp)	26.5%	(2.9pp)	25.1%	26.2%	(1.1pp)
Adjusted Net Income	53.2	58.6	(9.2%)	62.9	(15.4%)	166.6	172.8	(3.6%)
Adjusted Net Margin	9.4%	12.4%	(3.0pp)	11.4%	(2.0pp)	10.1%	13.8%	(3.7pp)

1. Considering the units acquired and opened during all the periods

2. In 9M22 and 3Q22 there was adjusted expenses referring to M&A advisory and Salvador’s preoperational

## Highlights and Opportunities

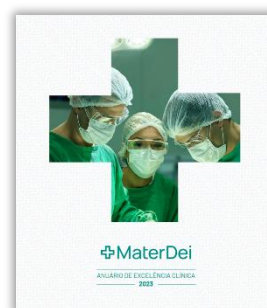
### Management Changes

On November 10<sup>th</sup>, 2023, in addition to the material fact disclosed on June 26<sup>th</sup>, 2023, was announced the conclusion of the succession process. With that, Dr. Henrique Salvador leave the post as President which will be held by Mr. José Henrique Salvador, current Chief Operating Officer, Mr. Felipe Salvador Ligório, current Chief Medical Officer, will start the post as Assistance Vice-President, Mrs. Renata Sabino Salvador Grande, current Chief Commercial & Marketing Officer, will start the post as Commercial & Marketing Vice-President and Mr. André Soares de Moura Costa, current general director of Betim-Contagem unit, will start the post as Chief Operating Officer.

Dr. Henrique Salvador, Dr. Maria Norma Salvador and Dr. Márcia Salvador continue serving as board members of the Company.

### Clinical Excellence Yearbook

Rede Mater Dei de Saúde believes in and works to deliver appropriate care, with quality and safety, through organizational processes, accreditations, certifications, and protocols based on scientific evidence, bringing greater efficiency and sustainability to the sector. Clinical excellence linked to the best care experience is developed organically, supported by a robust Corporate Governance structure tied to Clinical Governance.



Mater Dei continuously monitors, using indicators, adherence to the clinical protocols implemented to guarantee a safe and quality practice. In October, we launched our Clinical Excellence Yearbook, which brings together our main indicators with external validation by independent auditors. [Click here](#) to access the document.



### Mater Dei in the open innovation ranking

Rede Mater Dei de Saúde won sixth place in the Health Services category of the TOP Open Corps ranking organized by Open Startups. The announcement was made on October 18<sup>th</sup> and this is the first time we have appeared in the ranking, which is in its 8<sup>th</sup> edition and is a benchmark for open innovation in Brazil and other countries, used as a reference by companies and investors looking for startups.

### JCI reaccreditation

Hospitals of Santo Agostinho and Betim-Contagem received, in the second semester, the Joint Commission International (JCI) auditors, one of the largest international certification organizations that measures and shares best practices in quality and patient safety. The reaccreditation process assessed procedures in various areas of the hospital.



Mater Dei Contorno and Porto Dias also possess JCI accreditation.

## New Services

### Inauguration of the Human Reproduction Center in Salvador

In August, the Hospital Mater Dei Salvador, opened a Human Reproduction Center, offering specialized services for assisted reproduction procedures. The clinic has a hospital structure and state-of-the-art technology, space for specialized consultations, complementary exams and interconsultations, as well as a highly qualified team.

The structure of the clinic includes the experience of a specialized team, offering not only technology, but also a better welcome, attention and dedication to the patient. An exclusive floor is dedicated to human reproduction, with high-tech equipment and a complete surgical center.



### New medical offices in Mater Dei Porto Dias Hospital

In line with the strategy of creating new services and continuously improving patient care, a new exclusive clinic has opened at the Porto Dias unit. The new structure for outpatient care has 11 new consulting rooms, modern and welcoming facilities, specialized medical staff and state-of-the-art technology. Outpatient care began with 20 specialties.

### Expansion of the Mater Dei Contorno Hemodialysis service

Mater Dei Contorno has expanded its Hemodialysis Service, with the aim of increasing the number of boxes available. The new in-hospital structure brings even more comfort, welcome and personalization to our kidney patients throughout the treatment period, offering a complete and individualized journey of care.

### Hemodialysis inauguration in Salvador

We began offering hemodialysis services in Salvador in July, with the inauguration of the Hemodialysis Clinic at the Mater Dei Salvador Hospital. Located in the Medical Center, the new clinic has 15 individual boxes. It will offer services such as conventional hemodialysis, high-volume hemodiafiltration and peritoneal dialysis with the most modern machines available on the national market.



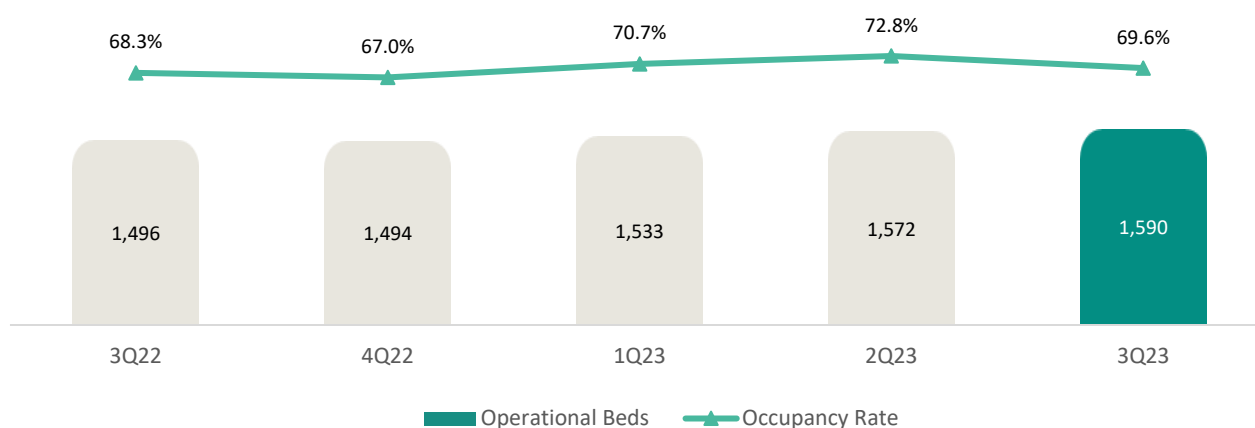
## REVENUE

Gross revenue consists mainly of health services, such as admissions, surgeries, oncology, medical appointments, and laboratory tests, among others, either through healthcare operators, self- management and autarchy or out-of-pocket patients.

In the third quarter of 2023, the average number of operational beds reached 1,590, 94 beds higher than 3Q22 (proforma<sup>2</sup>) and 18 beds higher than 2Q23, with an occupancy rate of 69.6%, 1.3pp higher than 3Q22. Historically, in the third quarter, it is observed an occupancy rate seasonality lower than the second quarter, mainly due to the school vacations in July.

The occupancy rate calculation only considers the patients who stay overnight in the hospitals. If Day Patients, those who stay in the hospital for a period of 6 hours or less, were considered, the occupancy rate would increase to **73.1%**.

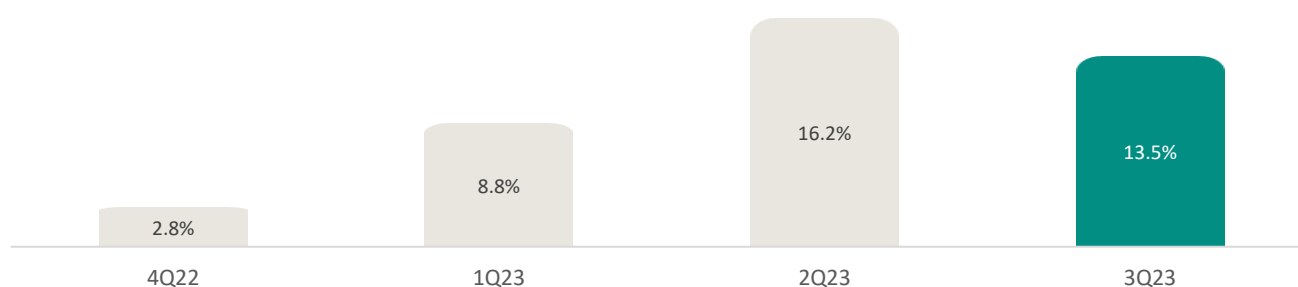
Quartely evollution of the average operational beds and occupancy rate



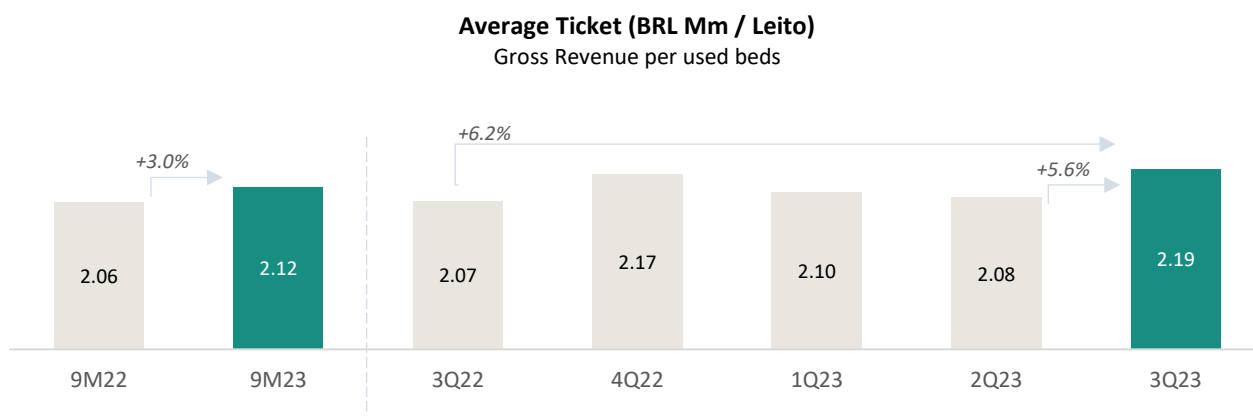
2. Considering the units acquired during all the periods

In the third quarter, the volume of patients-day hospitalized at Rede Mater Dei, increased 13.5% when compared to 3Q22 and a drop of 2.3% when compared to 2Q23, due to seasonality in our hospitals.

% change in number of patients-days vs. 3Q22



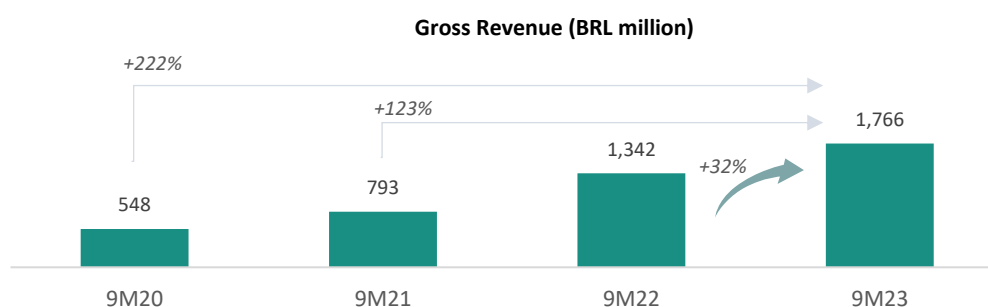
The consolidated average ticket for the second quarter had an increase of 6.2% when compared to 3Q22 and 5.6% to 2Q23, reaching BRL 2.19 million per used beds. The year-to-date average ticket was BRL 2.12 million per used beds, growth of 3.0% against the same period of the previous year. The composition and variation of the ticket are explained by: (i) hospital mix in the consolidation, (ii) mix of services and procedures; (iii) accreditation portfolio, and (iv) readjustment of the price list with payors.



In 3Q23, the Company reported the highest gross revenue since the consolidation of all units, reaching BRL 612 million, a growth of 21% compared to 3Q22 and of 3% compared to 2Q23. For the year to date, the gross revenue totaled BRL 1,766 million, a growth of 32% compared to the same period of 2022. The gross revenue is deducted, mainly, by: (i) taxes levied on gross revenue (federal contributions and municipal contributions) and (ii) cancellations. The Company's gross revenue is showed net of medical disallowances.

In the third quarter of 2023, in line with the record gross revenue the Company, net revenue also registered the highest level for a quarter, totaling BRL 568 million, an increase of 20% in the annual comparison and of 3% against 2Q23. In the first nine months of 2023, net revenue hit BRL 1,646 million, an increment of 32% versus the same period of 2022. When compared to the nine months of previous years, we see growth of 123% against 2021 and 222% against 2020, the result of the company's organic and inorganic growth strategy.

Consolidated (BRL million)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 3Q23	9M23	9M22	Δ 9M23
Healthcare operators	563.7	470.7	19.7%	552.6	2.0%	1,636.7	1,242.8	31.7%
Out-of-pocket patients	39.2	31.0	26.3%	33.7	16.2%	105.6	81.3	29.8%
Other revenues	9.1	5.9	55.6%	7.1	27.8%	23.9	17.5	36.4%
<b>Gross Revenue</b>	<b>611.9</b>	<b>507.6</b>	<b>20.6%</b>	<b>593.5</b>	<b>3.1%</b>	<b>1,766.2</b>	<b>1,341.6</b>	<b>31.6%</b>
Tax and deductions	(43.7)	(33.7)	29.7%	(39.3)	11.2%	(119.8)	(90.6)	32.2%
<b>Net Revenue</b>	<b>568.2</b>	<b>473.9</b>	<b>19.9%</b>	<b>554.2</b>	<b>2.5%</b>	<b>1,646.4</b>	<b>1,251.0</b>	<b>31.6%</b>





## COSTS AND EXPENSES

### Cost of services provided

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

In 3Q23, the costs of services provided totaled BRL 383 million, representing 67.4% of net revenues, an increase of 3.2pp in the annual comparison and of 0.7pp versus 2Q23. The main offenders were the personnel and medical services lines, partly offset by the improvement in medical supplies and drug. The consolidation profile of the Company and the significant growth of Salvador (break-even unit) in the Company's numbers help to analyze the results.

For the period of 9M23, the cost of services provided reached BRL 1,097 million and represented 66.6% of net revenues, a growth of 2.6pp in the comparison with the same period of last year.

Consolidated (BRL million)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 3Q23	9M23	9M22	Δ 9M23
Medical Supplies and Drug	(135.4)	(115.9)	16.9%	(134.9)	0.4%	(395.9)	(304.9)	29.8%
% of net revenue	23.8%	24.5%	(0.7pp)	24.3%	(0.5pp)	24.0%	24.4%	(0.4pp)
Personnel	(108.7)	(77.8)	39.6%	(104.5)	4.0%	(306.0)	(220.9)	38.5%
% of net revenue	19.1%	16.4%	2.7pp	18.9%	0.2pp	18.6%	17.7%	0.9pp
Medical services	(67.5)	(50.3)	34.4%	(60.8)	11.1%	(185.6)	(119.1)	55.8%
% of net revenue	11.9%	10.6%	1.3pp	11.0%	0.9pp	11.3%	9.5%	1.8pp
Maintenance and conservation	(22.1)	(17.0)	30.4%	(22.2)	(0.3%)	(63.9)	(41.5)	54.1%
% of net revenue	3.9%	3.6%	0.3pp	4.0%	(0.1pp)	3.9%	3.3%	0.6pp
Depreciation and amortization	(20.6)	(19.6)	5.2%	(20.2)	2.0%	(61.7)	(48.6)	26.9%
% of net revenue	3.6%	4.1%	(0.5pp)	3.6%	0.0pp	3.7%	3.9%	(0.2pp)
Other costs	(28.4)	(23.9)	18.7%	(27.0)	5.0%	(84.3)	(65.1)	29.5%
% of net revenue	5.0%	5.0%	0.0pp	4.9%	0.1pp	5.1%	5.2%	(0.1pp)
<b>Costs of services provided</b>	<b>(382.7)</b>	<b>(304.4)</b>	<b>25.7%</b>	<b>(369.7)</b>	<b>3.5%</b>	<b>(1,097.3)</b>	<b>(800.1)</b>	<b>37.1%</b>
% of net revenue	67.4%	64.2%	3.2pp	66.7%	0.7pp	66.6%	64.0%	2.6pp
<b>Gross Margin</b>	<b>185.5</b>	<b>169.5</b>	<b>9.5%</b>	<b>184.5</b>	<b>0.5%</b>	<b>549.1</b>	<b>450.9</b>	<b>21.8%</b>
% gross margin	32.6%	35.8%	(3.1pp)	33.3%	(0.6pp)	33.4%	36.0%	(2.7pp)

In these terms, the gross margin totaled 32.6%, with a gross profit of BRL 186 million in 3Q23, representing a drop of 0.6pp against 2Q23. For the first nine months of 2023, the gross profit was of BRL 549 million, with a gross margin of 33.4%.



## General expenses, administrative and others

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

In 3Q23, the relevance of general and administrative expenses over the net revenue reached 13.4%, reducing 1.0pp when compared to the same period of last year, a period that have an adjustment of M&A expenses, and 0.3pp above 2Q23. In relation to adjusted net operating expenses, the increase compared to 2Q23 refers to a positive adjustment resulting from the reversal of provisions for labor contingencies.

For the first nine months of 2023, the adjusted net operating expenses fell by 2.1pp compared to 9M22, reaching 12.9% of net revenue, as a result of the dilution of general and administrative expenses with the company's growth.

Consolidated (BRL million)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 3Q23	9M23	9M22	Δ 9M23
Personnel	(48.2)	(43.8)	10.0%	(46.7)	3.1%	(139.4)	(108.4)	28.6%
% of net revenue	8.5%	9.2%	(0.7pp)	8.4%	0.1pp	8.5%	8.7%	(0.2pp)
Depreciation and amortization	(4.9)	(4.1)	20.2%	(4.7)	5.2%	(14.3)	(11.3)	26.6%
% of net revenue	0.9%	0.9%	0.0pp	0.8%	0.1pp	0.9%	0.9%	0.0pp
Third-party services	(15.6)	(15.4)	1.1%	(14.9)	4.7%	(45.2)	(50.0)	(9.6%)
% of net revenue	2.7%	3.3%	(0.6pp)	2.7%	0.0pp	2.7%	4.0%	(1.3pp)
Other expenses	(7.6)	(7.1)	6.3%	(6.4)	18.7%	(21.3)	(21.9)	(2.8%)
% of net revenue	1.3%	1.5%	(0.2pp)	1.2%	0.1pp	1.3%	1.8%	(0.5pp)
<b>General and Adm. Expenses</b>	<b>(76.2)</b>	<b>(70.4)</b>	<b>8.3%</b>	<b>(72.6)</b>	<b>4.9%</b>	<b>(220.3)</b>	<b>(191.7)</b>	<b>14.9%</b>
% of net revenues	13.4%	14.9%	(1.5pp)	13.1%	0.3pp	13.4%	15.3%	(1.9pp)
M&A advisory	-	2.0	(100.0%)	-	-	-	14.0	(100.0%)
Salvador's pre-operating	-	-	-	-	-	-	2.9	(100.0%)
<b>Adjusted General and Adm. Expenses</b>	<b>(76.2)</b>	<b>(68.4)</b>	<b>11.5%</b>	<b>(72.6)</b>	<b>4.9%</b>	<b>(220.3)</b>	<b>(174.8)</b>	<b>26.1%</b>
% of net revenues	13.4%	14.4%	(1.0pp)	13.1%	0.3pp	13.4%	14.0%	(0.6pp)
Other Operational Rev. and Exp. <sup>1</sup>	(0.5)	(4.9)	(90.0%)	10.3	(104.8%)	8.3	(13.1)	(163.4%)
% of net revenue	0.1%	1.0%	(0.9pp)	(1.9%)	2.0pp	(0.5%)	1.0%	(1.5pp)
<b>Adjusted net operating expenses</b>	<b>(76.7)</b>	<b>(73.3)</b>	<b>4.7%</b>	<b>(62.3)</b>	<b>23.1%</b>	<b>(212.0)</b>	<b>(187.8)</b>	<b>12.9%</b>
% of net revenue	13.5%	15.5%	(2.0pp)	11.2%	2.3pp	12.9%	15.0%	(2.1pp)

1. Includes Equity Pickup

## EBIT and EBITDA

In the quarter, the EBITDA reached BRL 134 million, with a margin of 23.6%. This result represents an increase of 14% compared to 3Q2 and 12% when adjusted by non-recurring items regarding M&A advisory last year, and a decrease of 9% versus 2Q23.

For the first nine months of 2023, EBITDA hit BRL 413 million with a margin of 25.1%, an increase of 26% and a drop in the margin of 1.1pp compared to the same period of the last year. For the 9M23 period, the growth of Salvador (break-even unit) is an important point to highlight, as explained in the cost.

Consolidated (BRL million)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 3Q23	9M23	9M22	Δ 9M23
Net revenue	568.2	473.9	19.9%	554.2	2.5%	1,646.4	1,251.0	31.6%
Costs of services provided	(382.7)	(304.4)	25.7%	(369.7)	3.5%	(1,097.3)	(800.1)	37.1%
Net operating expenses	(76.7)	(75.3)	1.9%	(62.3)	23.1%	(212.0)	(204.8)	3.5%
<b>EBIT</b>	<b>108.8</b>	<b>94.1</b>	<b>15.5%</b>	<b>122.1</b>	<b>(11.0%)</b>	<b>337.1</b>	<b>246.1</b>	<b>37.0%</b>
<i>% of net revenue</i>	<i>19.1%</i>	<i>19.9%</i>	<i>(0.8pp)</i>	<i>22.0%</i>	<i>(2.9pp)</i>	<i>20.5%</i>	<i>19.7%</i>	<i>0.8pp</i>
Depreciation and amortization	25.5	23.6	7.8%	24.9	2.6%	76.0	60.0	26.6%
<b>EBITDA</b>	<b>134.3</b>	<b>117.8</b>	<b>14.0%</b>	<b>147.0</b>	<b>(8.7%)</b>	<b>413.1</b>	<b>306.1</b>	<b>34.9%</b>
<i>% of net revenue</i>	<i>23.6%</i>	<i>24.9%</i>	<i>(1.3pp)</i>	<i>26.5%</i>	<i>(2.9pp)</i>	<i>25.1%</i>	<i>24.5%</i>	<i>0.6pp</i>
M&A advisory	-	2.0	(100.0%)	-	-	-	14.0	(100.0%)
Salvador's pre-operating	-	-	-	-	-	-	7.1	(100.0%)
<b>Adjusted EBITDA</b>	<b>134.3</b>	<b>119.8</b>	<b>12.1%</b>	<b>147.0</b>	<b>(8.7%)</b>	<b>413.1</b>	<b>327.2</b>	<b>26.2%</b>
<i>% of net revenue</i>	<i>23.6%</i>	<i>25.3%</i>	<i>(1.7pp)</i>	<i>26.5%</i>	<i>(2.9pp)</i>	<i>25.1%</i>	<i>26.2%</i>	<i>(1.1pp)</i>

## NET FINANCIAL RESULT

For the quarter, financial income totaled BRL 14 million, a decrease of 25% compared to the same period last year. Effect, mainly caused, because of a lower average cash for the period. In relation to 2Q23, there was a growth of 4%.

Financial expenses reached BRL 70 million, a growth of 20% in relation to 3Q22 and aligned with the previous quarter. In the annual comparison, the main increase was in interest on loans, financing, and acquisitions due to a higher debt and the reclassification of the monetary corrections of contingencies in line of others that last year was being accounted for in the line of other operational expenses.

As a result, from the above, the 3Q23 net financial result reached negative BRL 56 million, against negative BRL 40 million in 3Q22 and aligned with 2Q23. We observe a normalization in financial expenses over the quarters of 2023.

Year-to-date, the net financial result was negative BRL 170 million, with a growth of 75% against 9M22. The deterioration in the net financial result is related to a lower financial revenue, due to a lower average cash, as well as a higher financial expense, given a higher interest rate (SELIC), lease interest (entry of new rents) and the reclassification of the monetary corrections of contingencies, previously explained.

Consolidated (BRL million)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 3Q23	9M23	9M22	Δ 9M23
Financial Revenue	14.4	19.3	(25.4%)	13.8	3.9%	40.7	74.3	(45.2%)
Financial Expense	(70.3)	(58.8)	19.5%	(70.5)	(0.4%)	(210.7)	(171.5)	22.9%
Interest on loans, financing and acquisitions	(35.7)	(29.3)	21.6%	(40.0)	(10.7%)	(119.6)	(105.3)	13.6%
Lease interest	(20.9)	(18.9)	10.5%	(20.8)	0.6%	(62.3)	(51.9)	20.2%
Others	(13.6)	(10.5)	30.0%	(9.7)	40.0%	(28.7)	(14.3)	101.4%
Net Financial Result	(55.9)	(39.5)	41.5%	(56.7)	(1.4%)	(169.9)	(97.2)	74.9%

## NET INCOME

In this quarter, adjusted net income totaled BRL 53 million, raise of 9% compared to the same period last year and of 16% compared to 2Q23. The adjusted net margin hit 9.4% this quarter, representing a decrease of 3.0pp in the annual comparison and of 2.0pp in the quarterly comparison.

For the quarter, as well as in the previous ones, it was adjusted in the net income BRL 18 million, referring to the provision for deferred income tax liabilities on amortization of goodwill in the Parent Company. Since it is an accounting provision, there is no cash impact, and therefore this adjustment helps to better reflect the Company's profitability, since it generates a cash disbursement reduction for the income tax payment.

Year-to-date, the net income reached BRL 167 million, representing a drop of 4% versus the previous year, with a net margin of 10.1%.

Consolidated (BRL million)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 3Q23	9M23	9M22	Δ 9M23
EBIT	108.8	94.1	15.5%	122.1	(11.0%)	337.1	246.1	37.0%
Net financial result	(55.9)	(39.5)	41.5%	(56.7)	(1.4%)	(169.9)	(97.2)	74.9%
<b>EBT</b>	<b>52.9</b>	<b>54.6</b>	<b>(3.2%)</b>	<b>65.4</b>	<b>(19.2%)</b>	<b>167.2</b>	<b>148.9</b>	<b>12.3%</b>
Income tax and Social Contribution	(17.6)	(15.4)	14.9%	(20.5)	(13.9%)	(54.4)	(43.9)	23.9%
<b>Net Income</b>	<b>35.2</b>	<b>39.3</b>	<b>(10.3%)</b>	<b>44.9</b>	<b>(21.6%)</b>	<b>112.7</b>	<b>105.0</b>	<b>7.4%</b>
<i>% of net revenue</i>	<i>6.2%</i>	<i>8.3%</i>	<i>(2.1pp)</i>	<i>8.1%</i>	<i>(1.9pp)</i>	<i>6.8%</i>	<i>8.4%</i>	<i>(1.6pp)</i>
Deferred Income tax (goodwill)	18.0	18.0	-	18.0	-	53.9	53.9	-
M&A advisory	-	1.3	(100.0%)	-	-	-	9.2	(100.0%)
Salvador's pre-operating	-	-	-	-	-	-	4.7	(100.0%)
<b>Adjusted Net Income</b>	<b>53.2</b>	<b>58.6</b>	<b>(9.2%)</b>	<b>62.9</b>	<b>(15.4%)</b>	<b>166.6</b>	<b>172.8</b>	<b>(3.6%)</b>
<i>% of net revenue</i>	<i>9.4%</i>	<i>12.4%</i>	<i>(3.0pp)</i>	<i>11.4%</i>	<i>(2.0pp)</i>	<i>10.1%</i>	<i>13.8%</i>	<i>(3.7pp)</i>



## DEBT AND LEVERAGE

At the end of 3Q23, the total debt was of BRL 1,287 million, an increase of 3% against the final amount of the previous quarter. All of the Company's debt is in local currency.

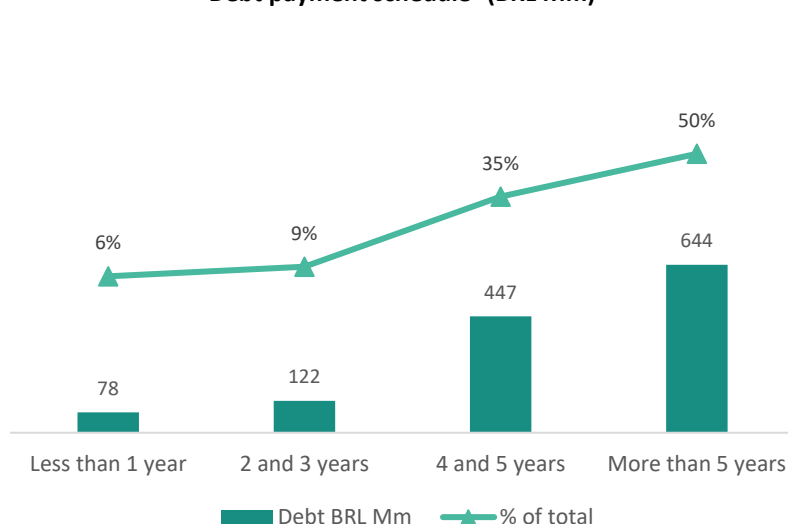
The leverage index (net debt / EBITDA LTM) reached 1.7x in 3Q23, an improvement compared to the previous quarter.

Consolidated (BRL million)	3Q23	3Q22	Δ 3Q23	2Q23	Δ 2Q23
Short-term debt	77.4	63.5	22.0%	56.8	36.3%
Long-term debt	1,210.2	1,158.7	4.4%	1,213.2	(0.2%)
Derivative financial instruments (+/-)	(0.3)	2.8	(109.2%)	(13.6)	(98.1%)
<b>Total debt<sup>1</sup></b>	<b>1,287.4</b>	<b>1,225.0</b>	<b>5.1%</b>	<b>1,256.5</b>	<b>2.5%</b>
Cash and equivalents and financial investments	363.7	481.5	(24.5%)	316.9	14.8%
<b>Net Debt</b>	<b>923.6</b>	<b>743.4</b>	<b>24.2%</b>	<b>939.6</b>	<b>(1.7%)</b>
EBITDA LTM	534.9	365.0	46.5%	518.5	3.2%
<b>Net debt/EBITDA (LTM)</b>	<b>1.7x</b>	<b>2.0x</b>	<b>(0.3)</b>	<b>1.8x</b>	<b>(0.1)</b>

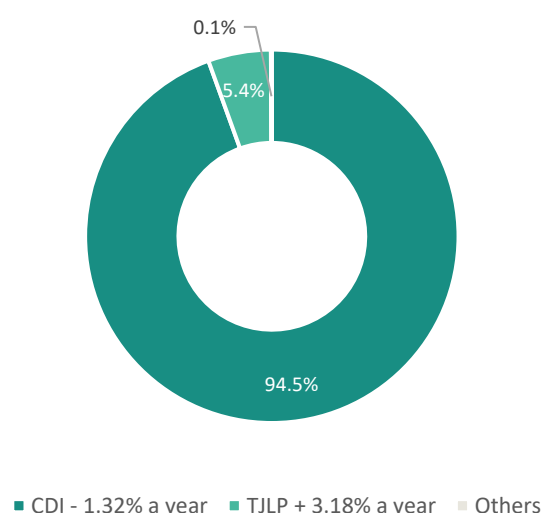
1. According to the covenant of the 1<sup>st</sup> debenture issue of the Company, considering the sum of the balances of loans, financing and debentures net of all derivative financial instruments (current and non-current). It does not consider liabilities for lease and acquisition of companies payable.

Mater Dei's weighted average amortization term is 5.0 years, with 50% of the total amortizations for a term over 5 years. The cost of debt for 3Q23 was of CDI – 0.7% a year.

Debt payment schedule<sup>5</sup> (BRL Mm)



Average Cost of debt and Indexation



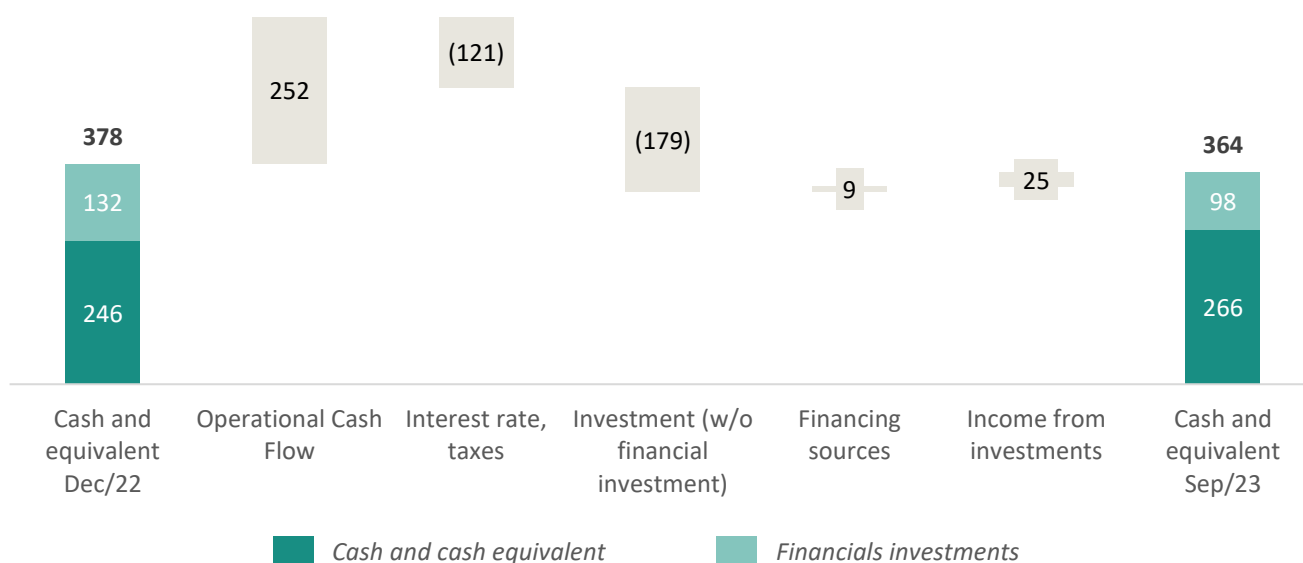
5. Does not consider transaction cost.

## CASH FLOW

Considering the position of cash, cash equivalents and financial investments, the company ended the third quarter of 2023 with BRL 364 million, a decrease of 4% compared to the cash at the end of the previous year and an increase of 15% compared to the end of the previous quarter, with improved cash generation in the quarter and working capital.

In the first nine months of the year, cash generated by operations amounted to BRL 252 million, although BRL 175 million was consumed by changes in assets and liabilities (accounts payable, suppliers, inventories, among others). To complete the net cash flow generated by operating activities, we had BRL 121 million paid in interest and income tax and social contribution.

Investment activities consumed BRL 179 million, of which BRL 137 million was for the payment of expansion and maintenance Capex, which was gradually reduced throughout the year, reaching BRL 33 million in 3Q23, BRL 46 million in 2Q23 and BRL 58 million in 1Q23. In this same investment account, we have the payment of acquisitions in the amount of BRL 42 million concentrated in the first quarter, relating mainly to the payment of the second installment of the purchase of Hospital Premium. In addition, there was an inflow of BRL 9 million in financing activities and the generation of BRL 25 million in investment income, net of redemptions.



## APPENDIX

## P&amp;L

<i>Consolidated (BRL thousand)</i>	3Q23	3Q22	2Q23	9M23	9M22
<b>Gross Revenue</b>	<b>611,947</b>	<b>507,586</b>	<b>593,472</b>	<b>1,766,206</b>	<b>1,341,643</b>
Healthcare Operator	563,664	470,724	552,644	1,636,686	1,242,758
Out-of-pocket patients	39,151	30,994	33,680	105,602	81,347
Other revenue	9,132	5,868	7,148	23,918	17,537
<b>Taxes and Deductions</b>	<b>(43,720)</b>	<b>(33,702)</b>	<b>(39,317)</b>	<b>(119,765)</b>	<b>(90,625)</b>
<b>Net Revenue</b>	<b>568,227</b>	<b>473,884</b>	<b>554,155</b>	<b>1,646,441</b>	<b>1,251,018</b>
<b>Costs of services provided</b>	<b>(382,742)</b>	<b>(304,428)</b>	<b>(369,680)</b>	<b>(1,097,335)</b>	<b>(800,148)</b>
Medical Supplies and drugs	(135,431)	(115,892)	(134,909)	(395,866)	(304,935)
Personnel	(108,681)	(77,832)	(104,545)	(306,001)	(220,921)
Medical services	(67,526)	(50,252)	(60,792)	(185,587)	(119,085)
Maintenance and conservation	(22,259)	(16,986)	(22,216)	(63,907)	(41,481)
Depreciation and amortization	(20,591)	(19,566)	(20,193)	(61,686)	(48,739)
Other costs	(28,253)	(23,900)	(27,025)	(84,288)	(64,987)
<b>Gross profit</b>	<b>185,485</b>	<b>169,456</b>	<b>184,475</b>	<b>549,105</b>	<b>450,870</b>
<b>General and administrative expenses</b>	<b>(76,235)</b>	<b>(70,420)</b>	<b>(72,642)</b>	<b>(220,292)</b>	<b>(191,693)</b>
Personnel	(48,157)	(43,792)	(46,709)	(139,398)	(108,396)
Depreciation and amortization	(4,905)	(4,081)	(4,661)	(14,315)	(11,308)
Third-party services	(15,580)	(15,405)	(14,875)	(45,248)	(50,047)
Other expenses	(7,593)	(7,142)	(6,397)	(21,331)	(21,943)
<b>Equity pickup</b>	<b>17</b>	<b>1,150</b>	<b>(259)</b>	<b>2,039</b>	<b>1,296</b>
<b>Other operating income (expenses)</b>	<b>(509)</b>	<b>(6,053)</b>	<b>10,559</b>	<b>6,254</b>	<b>(14,377)</b>
<b>Earnings before financial income and expenses</b>	<b>108,758</b>	<b>94,133</b>	<b>122,133</b>	<b>337,107</b>	<b>246,096</b>
Financial revenue	14,382	19,271	13,843	40,739	74,279
Financial expenses	(70,260)	(58,777)	(70,545)	(210,660)	(171,454)
<b>Net financial result</b>	<b>(55,878)</b>	<b>(39,506)</b>	<b>(56,702)</b>	<b>(169,921)</b>	<b>(97,175)</b>
<b>Earnings before income tax and social contribution</b>	<b>52,880</b>	<b>54,627</b>	<b>65,431</b>	<b>167,186</b>	<b>148,921</b>
<b>Income Tax and Social Contribution</b>	<b>(17,649)</b>	<b>(15,365)</b>	<b>(20,487)</b>	<b>(54,431)</b>	<b>(43,924)</b>
<b>Net Income</b>	<b>35,231</b>	<b>39,262</b>	<b>44,944</b>	<b>112,755</b>	<b>104,997</b>
<i>Deferred Income tax (goodwill)</i>	17,955	17,972	17,953	53,880	53,916
<i>M&amp;A</i>	-	1,338	-	-	9,225
<i>Salvador's pre-operating</i>	-	-	-	-	4,694
<b>Adjusted net income</b>	<b>53,186</b>	<b>58,572</b>	<b>62,897</b>	<b>166,635</b>	<b>172,832</b>
Net income attributed to controlling partners	28,548	33,725	38,092	93,853	89,531
Net income attributed to noncontrolling partners	6,683	5,537	6,852	18,902	15,466

<i>(BRL thousand)</i>	3Q23	3Q22	2Q23	9M23	9M22
<b>EBIT</b>	<b>108,758</b>	<b>94,133</b>	<b>122,133</b>	<b>337,107</b>	<b>246,096</b>
Depreciation and amortization	25,496	23,648	24,854	76,001	60,047
<b>EBITDA</b>	<b>134,254</b>	<b>117,781</b>	<b>146,987</b>	<b>413,108</b>	<b>306,143</b>
<i>M&amp;A</i>	-	2,027	-	-	13,978
<i>Salvador's pre-operating</i>	-	-	-	-	7,111
<b>Adjusted EBITDA</b>	<b>134,254</b>	<b>119,808</b>	<b>146,987</b>	<b>413,108</b>	<b>327,232</b>

## Balance Sheet

Consolidated (BRL thousand)	09/30/2023	12/31/2022	09/30/2022
<b>Asset</b>			
<b>Current</b>			
Cash and Cash Equivalents	265,675	246,414	345,909
Financial Investments	98,061	131,884	135,626
Accounts receivable	790,725	609,347	562,109
Inventories	60,297	64,286	56,993
Derivatives	259	-	-
Construction Reimbursement	39,021	35,769	42,357
Construction assets to be deployed	4,875	23,528	19,621
Other current assets	49,982	48,920	46,389
<b>Total current assets</b>	<b>1,308,895</b>	<b>1,160,148</b>	<b>1,209,004</b>
<b>Non-current</b>			
Construction Reimbursement	301,622	279,841	263,197
Construction assets to be deployed	68,260	56,071	51,271
Judicial deposits	48,705	69,551	76,409
Deferred taxes	18,867	43,626	45,380
Investments	759,846	719,828	-
Right of use	719,793	666,011	710,652
Fixed Assets	1,851,174	1,844,301	513,841
Intangible assets	95,210	93,787	1,953,524
Other non-current assets	<b>3,863,477</b>	<b>3,773,016</b>	<b>3,614,274</b>
<b>Total non-current assets</b>	<b>5,172,372</b>	<b>4,933,164</b>	<b>4,823,278</b>
<b>Liabilities</b>			
<b>Current</b>			
Suppliers	128,333	139,178	126,153
Loans and financing	77,414	52,973	63,477
Leasing	79,656	76,228	76,286
Salaries & social security contribution	108,397	70,504	79,917
Taxes and contributions payable	39,986	27,316	28,359
Installment payment of taxes	3,449	5,861	5,572
Accounts payable of company acquisition	37,351	28,161	30,734
Dividends payable	3,108	34,792	12,743
Other current liabilities	10,769	8,420	16,143
<b>Total current liabilities</b>	<b>488,463</b>	<b>443,433</b>	<b>439,384</b>
<b>Non-current</b>			
Loans and financing	1,210,208	1,150,207	1,158,679
Swap	-	2,620	2,819
Leasing	763,127	701,049	683,679
Redemption liability	410,824	378,586	303,654
Deferred taxes liabilities	9,088	9,735	8,094
Installment payment of taxes	84,666	84,867	10,936
Accounts payable of company acquisition	169,528	196,865	275,043
Provision for contingencies	264,156	254,591	218,427
Other non-current liabilities	9,106	8,589	8,858
<b>Total non-current liabilities</b>	<b>2,920,703</b>	<b>2,787,109</b>	<b>2,670,189</b>
<b>Equity Capital</b>			
Capital	1,301,019	1,301,019	1,301,019
Capital reserves	373,192	390,648	387,698
Income reserves	306,120	306,120	239,725
Treasury stocks	(1,962)	(1,962)	-
Period Results	93,853	-	89,531
Equity valuation adjustment	(409,954)	(378,334)	(378,789)
<b>Total equity attributable to the Company's shareholder</b>	<b>1,662,268</b>	<b>1,617,491</b>	<b>1,639,184</b>
Share of noncontrolling shareholders	100,938	85,131	74,521
<b>Total Shareholders' equity</b>	<b>1,763,206</b>	<b>1,702,622</b>	<b>1,713,705</b>
<b>Total Liabilities</b>	<b>5,172,372</b>	<b>4,933,164</b>	<b>4,823,278</b>



## Cash Flow

<i>Consolidated (BRL thousand)</i>	<b>9M23</b>	<b>9M22</b>
<b><u>Cash flow from operating activities</u></b>		
Net profit for the period	112,755	104,997
<b>Adjustments to reconcile net income to cash from operations</b>		
Depreciation and amortization	76,001	60,047
Write-off of fixed and intangible assets	2,822	7,613
Establishment (reversal) of allowance for doubtful accounts	8,771	11,513
Establishment (reversal) of provision for disallowances	36,351	33,087
Establishment (reversal) of provision for contingencies	5,648	14,697
Share-Based Payment provision	8,754	8,754
Equity pickup gains	(2,039)	(1,296)
Derivative gains	4,443	8,595
Income from financial investments	(23,182)	(59,583)
Net financial expenses	177,525	158,207
Provision for income tax and social contribution - current & deferred	19,164	14,984
	<b>427,013</b>	<b>361,615</b>
<b>Variations in Operating Assets and Liabilities</b>		
Accounts Receivable	(226,983)	(150,229)
Inventories	3,989	(9,729)
Other assets	(4,373)	(36,352)
Judicial deposits	(9,922)	(13,251)
Suppliers	(13,191)	4,620
Salaries and social security contributions	37,858	26,644
Taxes and contributions payable	41,012	40,847
Tax installments	(4,454)	(4,754)
Other liabilities	897	(9,933)
	<b>(175,167)</b>	<b>(152,137)</b>
Income tax and social contributions paid	(29,484)	(18,255)
Interest paid	(91,911)	(80,319)
<b>Net cash generated by operating activities</b>	<b>130,451</b>	<b>110,904</b>
<b><u>Cash Flow of Investment activities</u></b>		
Acquisition of fixed assets	(103,931)	(143,551)
Acquisition of intangible assets	(8,854)	(13,534)
Developments with construction to be deployed	(24,502)	(107,350)
Investment acquisition	(41,783)	(637,704)
Controlled consolidation of initial cash	388	23,868
Financial investments made, net redemptions	58,850	202,285
<b>Net cash used in investment activities</b>	<b>(119,832)</b>	<b>(675,986)</b>
<b><u>Cash flow from financing activities</u></b>		
Loans and financing	82,484	97,202
Payments of loans and financing	(23,594)	(133,574)
Lease payments	(23,056)	(19,228)
Derivative settlement	(2,610)	809
Dividends paid	(24,582)	(34,418)
<b>Net cash generated (used) in financing activities</b>	<b>8,642</b>	<b>(89,209)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>19,261</b>	<b>(654,291)</b>
Cash and cash equivalents at the beginning of the period	246,414	1,000,200
Cash and cash equivalents at the end of the period	265,675	345,909
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>19,261</b>	<b>(654,291)</b>

## GLOSSARY AND OTHER INFORMATION

### Glossary

- **AoP:** Average of period
- **LTM:** Last Twelve Months
- **Net Debt:** Short-term and long-term debt, net of cash, cash equivalents and short-term investments. The term "net debt" is a measure of the Company and may not be comparable with similar terms adopted by other companies.
- **IFRS 16:** As of January 1<sup>st</sup>, 2019, all companies had to adapt to the new rules of IFRS 16. With this new standard, lessees now have to recognize the asset of rights over leased assets and the liability of future payments for medium or long-term leases, including operating leases. The biggest impact we had was on the real estate lease 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
- **SELIC:** is the Brazilian economy's basic interest rate
- **CDI:** Interbank Deposit Certificate
- **IPCA:** Extended National Consumer Price Index
- **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

### About Rede Mater Dei de Saúde

Rede Mater Dei de Saúde is an integrated platform that provides hospital and cancer services, being a national reference in health and the largest private hospital network in Minas Gerais. The Company has more than 2,500 beds of capacity in its 9 units located in the metropolitan region of Belo Horizonte ("MRBH"), Salvador, Belém, Uberlândia, Goiânia and Feira de Santana.

Rede Mater Dei has a clinical expertise that is recognized by patients, medical community, healthcare operators, suppliers, and relevant sectors of the Brazilian Society, and focuses on innovation and medical pioneering.

### Relationship with independent auditors

In accordance with CVM Resolution CVM 162/22, 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.

*For additional Investor Relations information, please access the website: <https://ri.materdei.com.br/en/> or e-mail [ri@materdei.com.br](mailto: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/en/>).*

# MaterDei

Rede de Saúde

 MaterDei  
Hospital Santo Agostinho

 MaterDei  
Hospital Betim-Contagem

 MaterDei  
Hospital Nova Lima

 MaterDei  
Hospital Contorno

 MaterDei  
Hospital Salvador

 MaterDei  
Rede de Saúde

 A3Data

 MaterDei  
Rede de Saúde

 SANTA  
GENOVEVA  
Complexo hospitalar

 MaterDei  
Rede de Saúde

 CD  
CENTRO DE  
DIAGNÓSTICO  
POR IMAGEM

 MaterDei  
Rede de Saúde

 hospital  
santa clara

 MaterDei  
Rede de Saúde

 HOSPITAL  
emec

 MaterDei  
Rede de Saúde

 HOSPITAL PREMIUM  
CENTRO DE MEDICINA AVANÇADA

 MaterDei  
Rede de Saúde

 HPPD HOSPITAL  
PORTO DIAS

TUDO  
PRA  
VOCÊ  
FICAR  
BEM