

Hypera Pharma grew Net Revenue by 45.2% and EBITDA from Continuing Operations by 45.9% in 2021, with organic market share gains and all the guidance set for the year being reached

São Paulo, February 24, 2022 – Hypera S.A. (“Hypera Pharma” or “Company”; B3: HYPE3; Bloomberg: HYPE3 BZ; ISIN: BRHYPEACNOR0; Reuters: HYPE3.SA; ADR: HYPMY) announces its financial results for 2021. Financial data disclosed here are taken from the consolidated financial statements of Hypera S.A., prepared in accordance with the Brazilian Accounting Pronouncement Committee (CPC) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

4Q21 Highlights

- Net Revenue of R\$1,626.5 million in the quarter, up 43.3% over 4Q20
- Organic sell-out growth of 15.2%¹, or 2.5 p.p. higher than the market growth³
- Organic sell-out growth in Consumer Health more than 2 times higher than the market growth
- EBITDA from Continuing Operations of R\$566.9 million, or 62.4% higher than 4Q20

2021 Highlights

- Net Revenue of R\$5,937.4 million, or 45.2% higher than 2020, according to the guidance set for the period
- Organic sell-out growth of 16.3%² in the year, or 2.1 p.p. higher than market growth³
- EBITDA from Continuing Operations growth of 45.9%, in line with the guidance set for the year
- Net Income from Continuing Operations of R\$1,617.7 million, according to the guidance set for the period
- Highest ever recorded Operating Cash Flow of R\$1,399.1 million, or 18.3% higher than the previous year
- Interest on Equity Approval of R\$779.0 million (R\$1.23 per share), or 5% higher than in 2020
- Conclusion of the Takeda brands acquisition and announcement of the acquisition of 12 brands from Sanofi
- New structure assembled to focus on the institutional market
- Announcement of 2022 Guidance for Net Revenue, EBITDA and Net Income from Continuing Operations

Table 1

(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	2020	% NR	2021	% NR	Δ %
Gross Revenue, net of Returns and Unconditional Discounts	1,318.4	116.2%	1,876.1	115.3%	42.3%	4,666.5	114.1%	6,798.3	114.5%	45.7%
Net Revenue	1,134.8	100.0%	1,626.5	100.0%	43.3%	4,088.9	100.0%	5,937.4	100.0%	45.2%
Gross Profit	699.7	61.7%	1,018.9	62.6%	45.6%	2,629.3	64.3%	3,802.9	64.0%	44.6%
SG&A (ex-Marketing and R&D)	(180.0)	-15.9%	(193.9)	-11.9%	7.7%	(625.3)	-15.3%	(735.1)	-12.4%	17.6%
Marketing	(214.7)	-18.9%	(244.7)	-15.0%	13.9%	(787.0)	-19.2%	(1,032.7)	-17.4%	31.2%
EBITDA from Continuing Operations	349.0	30.8%	566.9	34.9%	62.4%	1,440.4	35.2%	2,101.7	35.4%	45.9%
Net Income from Continuing Operations	324.9	28.6%	366.0	22.5%	12.6%	1,321.6	32.3%	1,617.7	27.2%	22.4%
Cash Flow from Operations	195.2	17.2%	301.1	18.5%	54.2%	1,183.1	28.9%	1,399.1	23.6%	18.3%

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Replay: +55 (11) 3193-1012 or +55 (11) 2820-4012 (code – 5476238#) or website ir.hypera.com

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Webcast: [click here](#) / **Phone:** US Toll Free +1 412 717-9627 (code – Hypera)

Replay: +55 (11) 3193-1012 (code – 8440138#) or website ir.hypera.com

IR contacts

+55 (11) 3627-4206

+55 (11) 3627-4097

ri@hypera.com.br

Note: (1) Sell-out PPP 4Q21, as informed by IQVIA ref. Dec/2021. It does not consider the sell-out of the portfolio acquired from Takeda; (2) Sell-out PPP 2021, as informed by IQVIA ref. Dec/2021. It does not consider the sell-out of the Buscopan brands and the portfolio acquired from Takeda (3) As informed by IQVIA, it excludes the infant formula segment

Operating Scenario

Net Revenue grew 45.2% in 2021 and reached R\$5,937.4 million, in line with the guidance set by the Company for the year. This performance was driven by the contribution from the portfolio of medicines acquired from Takeda and the Buscopan family, as well as the 16.3% organic sell-out² growth in the period, which was 2.1 percentage points higher than the market growth². In 4Q21, organic sell-out grew 15.2%, or 2.5 percentage points above market growth.

The organic sell-out growth above the market in the year and in the quarter is a result of the Company's initiatives to boost its sustainable growth, with emphasis on the acceleration of the launches pace in recent years, the increase in production capacity and investments in its leading brands.

Prescription Products was the main highlight of the year, with sell-out growth of 20.1%, or 6.7 percentage points higher than the market growth. This performance benefited from the growth in chronic medicines, a segment in which the Company has been reinforcing its participation with several relevant launches, and by the growth of leading acute brands such as **Rinosoro, Alivium and Predsim**.

In Consumer Health, the main highlights of the year were the Gastrointestinal, Nutritional and Anti-flu categories, whose performance helped Hypera Pharma to expand its market share throughout the year. In 4Q21, the sell-out growth in Consumer Health was more than twice the market and was driven by the significant growth of anti-flu medicines as a result of the recent increase in influenza (H3N2) cases observed in Brazil.

In Skincare, Hypera Pharma expanded its market share once again, driven mainly by the important brand extensions from recent quarters, and by the growth of the portfolio of medicines acquired from Glenmark in early 2020. In **Similar and Generics**, the growth was benefited by the acceleration in the number of launches in generics and by the expansion of production capacity.

The sell-out growth and operational synergies from the integration of the portfolio of medicines acquired from Takeda and the Buscopan family allowed the Company to reach EBITDA from Continuing Operations of R\$2,101.7 million in 2021, or 45.9% higher than 2020. **When excluding the contribution of Other Net Operating Income and Expenses, EBITDA from Continuing Operations reached R\$2,053.0 million, in line with the guidance set for the year, up 70.6% versus 2020 and registered margin of 34.6%, compared to 29.4% from last year.**

This growth also helped the Company to achieve Net Income from Continuing Operations of R\$1,617.7 million in the year, in line with the guidance set for the period, and to register the highest ever recorded operating cash flow of R\$1,399.1 million.

In 2021, Hypera created a new structure focused on the institutional market, which already has more than 20 experienced professionals and continues to advance in the creation of a Research and Development area for the institutional market, as well as in the development of a pilot plant with more than 10 thousand square meters to support the growth expected for this market. The Company already mapped an innovation pipeline to launch over 70 molecules in the coming years in Oncology, Specialties and Biologics, in addition to the Bionovis business, in a potential market of around R\$12 billion.

The Company also invested significantly to expand its production capacity in Anápolis in 2021, with emphasis on: (i) the completion of the project to increase solids production capacity by 75%; (ii) the investments to expand VMS production capacity to more than 1 billion tablets/year in 2022; and (iii) the beginning of investments to increase in 3 times the current production capacity in injectables by 2023. **The expansion of the production capacity over the last few years aims to contribute to the sell-out growth in the pharmaceutical retail market, internalize the production of Buscopan and support Hypera Pharma's entrance in the institutional market.**

In addition to the important operational and financial advances recorded in the year, the Company also made significant progress in several topics related to the sustainability of its businesses and did not lose sight of its commitment to preserving the well-being of its stakeholders.

In order to reinforce its leadership in Consumer Health and its operations in the Dermatology, Central Nervous System and Gastrointestinal categories, the Company concluded the acquisitions of Simple Organic and Bioage and announced the acquisition of 12 products from Sanofi, which comprise iconic brands of Consumer Health products such as AAS, Naturetti and Cepacol, in addition to prescription drugs Buclina and Hidantal. Hypera Pharma also invested more than

Note: (1) Sell-out PPP 4Q21, as informed by IQVIA ref. Dec/2021. It does not consider the sell-out of the portfolio acquired from Takeda; (2) Sell-out PPP 2021, as informed by IQVIA ref. Dec/2021. It does not consider the sell-out of the Buscopan brands and the portfolio acquired from Takeda (3) As informed by IQVIA, it excludes the infant formula segment

R\$330 million in Research and Development in 2021 and launched important products in several segments of the Brazilian pharmaceutical retail market.

Hypera Pharma also took important steps in promoting its digital transformation with the launch of Parceiro Hypera in 1Q21, its B2B omnichannel platform that allows all its customers and points of sale in the pharmaceutical market to have access to the innovations and special conditions of the Hypera Pharma portfolio of products. **The Company sold around R\$100 million to more than 12 thousand drugstores through Parceiro Hypera in 2021, and it is committed to its goal of exceeding R\$300 million in sales through the platform in 2022.**

In 2021, Hypera Pharma was once again certified by the Great Place to Work as an excellent place to work in Brazil and **became part of B3's IGPTW index**. Additionally, the Company received the WOB – Women on Board certificate for the representation of women on its Board of Directors and presented important improvement in the main global ESG rankings, such as DJSI, MSCI and CDP.

Hypera Pharma also became part of the Juntos pelo Araguaia project to increase water availability in the Araguaia Basin through forest recovery, regeneration, densification and soil conservation actions, **supporting the minimization of the effects of climate change on the region.**

The Company continued to invest in its sustainable growth and in the well-being of its stakeholders, without losing sight of its commitment to return to its shareholders. **In 2021, the Board of Directors approved the payment of Interest on Equity of R\$779.0 million (R\$1.23/share), or 5% higher than in 2020.**

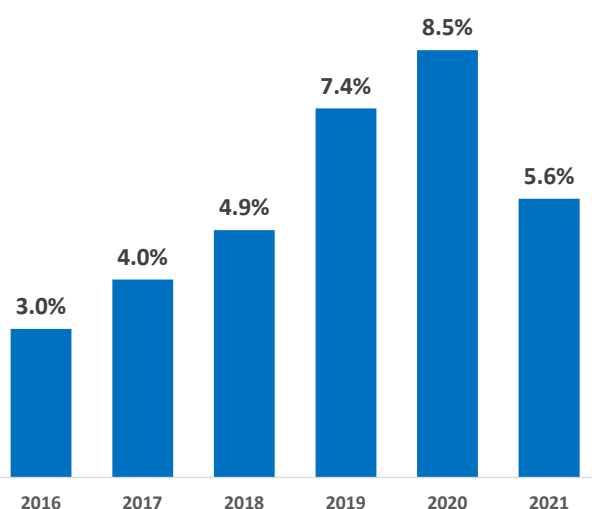
The year of 2021 presented very important advances for Hypera Pharma. Approximately R\$2.0 billion were invested in production, innovation and promotion of its leading brands to further strengthen its business platform, more than any other Brazilian pharmaceutical industry invested in the year.

These investments also helped the Company to expand its market-share organically in 2021 and start 2022 with a strong performance. The Company estimates approximately 30% of sell-out growth in the first two months of 2022, which is above the market growth expectations for the same period, reiterating that Hypera Pharma remains the pharmaceutical industry best prepared to capture the growth opportunities in the Brazilian pharmaceutical market.

The Company also announced its 2022 guidance: Net Revenue of around R\$7,400 million, EBITDA from Continuing Operations of around R\$2,650 million, and Net Income from Continuing Operations of around R\$1,700 million. The EBITDA from Continuing Operations guidance did not consider “Other Operating Revenues/Expenses”.

Innovation & Launches

% R&D over Net Revenue¹



In 2021, the Company invested more than R\$330.7 million in Research and Development, or 5.6% of Net Revenue, and surpassed R\$1.1 billion invested since 2018, when it started to focus its operations exclusively on the Brazilian pharmaceutical market.

The innovation index, corresponding to the percentage of Net Revenue from products launched in the last five years, was 24% in the 4Q21. When excluding the portfolio of medicines acquired from Takeda and the Buscopan family, the innovation index reached 31% in 4Q21 and 30% in the year.

In 2021, the Company reinforced its portfolio with several launches in all pharmaceutical retail segments.

Hypera Pharma has entered the largest therapeutic class of prescription in Brazil with the launches of **Vabam** and **Rivaroxabana**, for the treatment of atrial fibrillation and deep

vein thrombosis, and also in the Vitamin C market, with the **Benegrip Immuno Energy**, the **Benegrip Immuno Complex** and **Vitaminas Neo Química Vitamina C** and **Vitamina C + Zinco**.

The Company was the first to launch the melatonin supplement in Brazil after the ANVISA approval with **Melatonum**, **Vitasay Melatonina** and **Vitamina Neo Química Melatonina**, and it also launched **Lune SL**, for the treatment of insomnia in sublingual pharmaceutical form, **Blumel**, a line of natural products for the treatment and prevention of cold, and **Amome**, for the treatment of symptoms of allergic rhinitis.

Hypera Pharma has also launched several line extensions of its leading brands, such as **Addera Flash**, the first brand of Vitamin D in Brazil on a film pharmaceutical form, **Colflex Muscular** and **Colflex Hialu**, **Engov After Red Hits** and **Alektos Ped**, line extension of the patented antihistamine Alektos acquired from Takeda to be promoted with pediatricians.

In Skincare, the line extensions of the **Blancy**, **Glycare**, **Reville**, **Urby** and **Nouve** brands stood out, in addition to the **Pielus MX**, (minoxidil), part of the protocol for treating baldness. In generics, **Donepezil**, **Pregabalin**, **Celecoxib**, **Zolpidem** and **Quetiapine** were the main highlights of the year and helped the Company to increase its coverage of molecules in the pure generic market.



Note: (1) Includes R&D expenses and the amount capitalized as intangible assets and excludes the effect of the Lei do Bem and R&D amortizations

Earnings Discussion

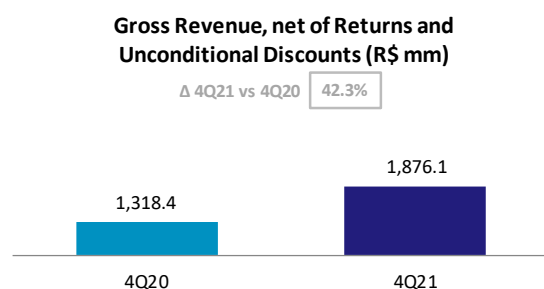
Income Statement

Table 2

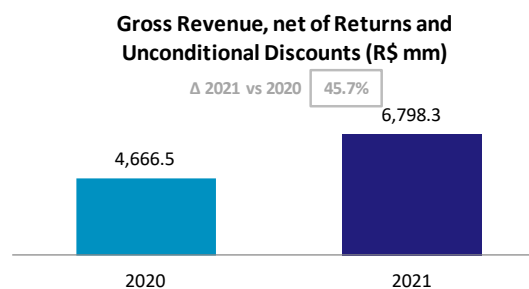
(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	2020	% NR	2021	% NR	Δ %
Net Revenue	1,134.8	100.0%	1,626.5	100.0%	43.3%	4,088.9	100.0%	5,937.4	100.0%	45.2%
Gross Profit	699.7	61.7%	1,018.9	62.6%	45.6%	2,629.3	64.3%	3,802.9	64.0%	44.6%
Marketing Expenses	(214.7)	-18.9%	(244.7)	-15.0%	13.9%	(787.0)	-19.2%	(1,032.7)	-17.4%	31.2%
Selling Expenses	(151.4)	-13.3%	(143.3)	-8.8%	-5.4%	(568.6)	-13.9%	(624.2)	-10.5%	9.8%
General and Administrative Expenses	(63.2)	-5.6%	(64.1)	-3.9%	1.4%	(208.4)	-5.1%	(237.6)	-4.0%	14.0%
Other Operating Revenues (Expenses)	43.7	3.8%	(40.3)	-2.5%	-	236.8	5.8%	48.7	0.8%	-79.4%
Equity in Subsidiaries	4.8	0.4%	4.2	0.3%	-12.4%	16.8	0.4%	11.0	0.2%	-34.9%
EBIT from Continuing Operations	318.8	28.1%	530.9	32.6%	66.5%	1,318.9	32.3%	1,968.0	33.1%	49.2%
Net Financial Expenses	(36.0)	-3.2%	(134.6)	-8.3%	273.6%	(75.4)	-1.8%	(323.7)	-5.5%	329.1%
Income Tax and CSLL	42.2	3.7%	(30.3)	-1.9%	-	78.2	1.9%	(26.6)	-0.4%	-
Net Income (Loss) from Continuing Operations	324.9	28.6%	366.0	22.5%	12.6%	1,321.6	32.3%	1,617.7	27.2%	22.4%
Net Income from Discontinued Operations	(10.1)	-0.9%	(12.9)	-0.8%	28.1%	(26.5)	-0.6%	(287.4)	-4.8%	984.2%
Net Income (Loss)	314.9	27.7%	353.1	21.7%	12.1%	1,295.1	31.7%	1,330.3	22.4%	2.7%
EBITDA from Continuing Operations	349.0	30.8%	566.9	34.9%	62.4%	1,440.4	35.2%	2,101.7	35.4%	45.9%

Net Revenue

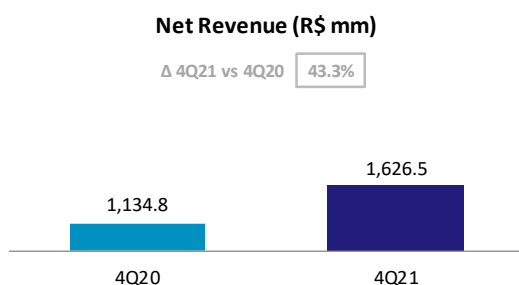
Graph 1



Graph 2



Graph 3



Graph 4

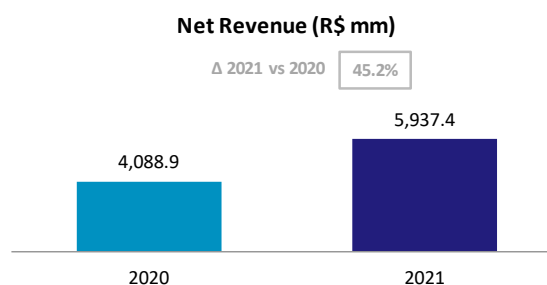


Table 3

(R\$ million)	4Q20	4Q21	Δ %	2020	2021	Δ %
Gross Revenue, net of Returns and Unconditional Discounts	1,318.4	1,876.1	42.3%	4,666.5	6,798.3	45.7%
Promotional Discounts	(84.8)	(119.8)	41.3%	(234.3)	(385.6)	64.6%
Taxes	(98.7)	(129.8)	31.5%	(343.3)	(475.3)	38.5%
Net Revenue	1,134.8	1,626.5	43.3%	4,088.9	5,937.4	45.2%

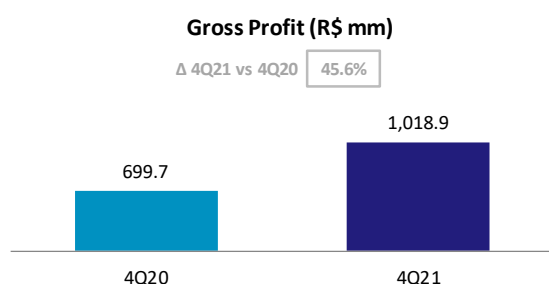
The growth in Net Revenue was 43.3% in 4Q21, when compared to the same period of the previous year, and reached R\$1,626.5 million. This growth is mainly a result of the contribution to the Net Revenue in the 4Q21 of the portfolio of medicines acquired from Takeda and the growth in the quarter's sell-out. When excluding the contribution from the portfolio of medicines acquired from Takeda, the growth in Net Revenue reached 16.4% in the quarter.

In 2021, Net Revenue grew 45.2% and reached R\$5,937.4 million, in line with the guidance set for the year, and was mainly driven by the contribution of the portfolio of medicines acquired from Takeda and the Buscopan family and by the sell-out growth in Prescription Products, Skincare and Similar and Generics.

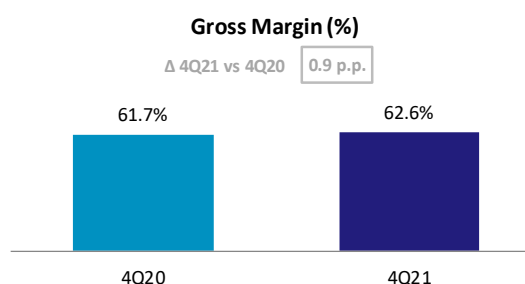
When excluding the contribution of the portfolio of medicines acquired from Takeda and the Buscopan family, the growth of Gross Revenue, net of Returns and Unconditional Discounts, reached 16.1%, and Net Revenue growth reached 15.2% in 2021, in line with the 16.3% sell-out growth in the period.

Gross Profit

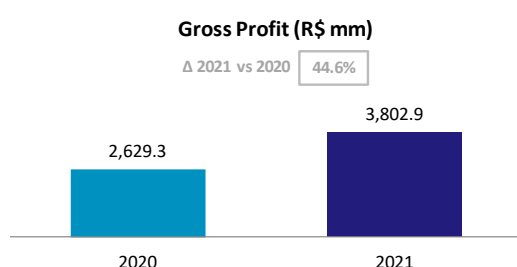
Graph 5



Graph 6



Graph 7



Graph 8

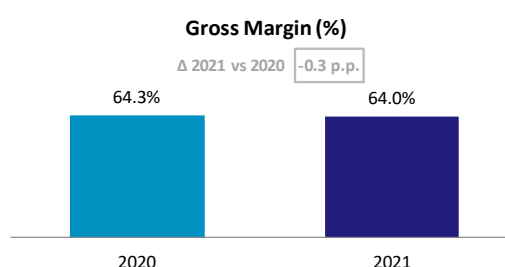


Table 4

(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	Δ p.p.	2020	% NR	2021	% NR	Δ %	Δ p.p.
Gross Profit	699.7	61.7%	1,018.9	62.6%	45.6%	0.9 p.p.	2,629.3	64.3%	3,802.9	64.0%	44.6%	-0.3 p.p.

Gross Profit grew 45.6% in the quarter and reached R\$1,018.9 million, with a Gross Margin of 62.6%. The variation of Gross Margin compared to 4Q20 is mainly the result of the positive contribution of the portfolio of medicines acquired from Takeda and the Buscopan family, the devaluation of the Real against the US Dollar in the period and the increase of other costs, such as raw material and freight, at a higher level than the price increase.

In 2021, **Gross Profit was R\$3,802.9 million, an increase of 44.6% compared to 2020**, and Gross Margin reached 64.0%, in line with the Gross Margin level presented in 2020. In the year, the acquisitions of the portfolio of medicines from Takeda and the Buscopan contributed positively to the Gross Margin, while the devaluation of the Real against the US Dollar and the mix of products sold contributed negatively.

The Company carried out operations with foreign exchange derivatives (currency hedge) for the future purchase of raw material indexed to the US Dollar estimated until July 2022 with the objective of mitigating the impact of the devaluation of the Real against the US Dollar and hedge against currency volatility.

Marketing Expenses

Table 5

(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	2020	% NR	2021	% NR	Δ %
Marketing Expenses	(214.7)	-18.9%	(244.7)	-15.0%	13.9%	(787.0)	-19.2%	(1,032.7)	-17.4%	31.2%
Advertisement and Consumer Promotion	(66.9)	-5.9%	(77.1)	-4.7%	15.2%	(240.7)	-5.9%	(333.8)	-5.6%	38.7%
Trade Deals	(34.7)	-3.1%	(40.2)	-2.5%	15.8%	(112.6)	-2.8%	(160.0)	-2.7%	42.1%
Medical Visits, Promotions and Others	(113.1)	-10.0%	(127.4)	-7.8%	12.6%	(433.7)	-10.6%	(538.8)	-9.1%	24.2%

Marketing Expenses grew 13.9% in 4Q21, when compared to the same period of the previous year. The growth of Marketing Expenses at a lower level than the growth of Net Revenue in the quarter was mainly due to the capture of synergies from the integration of the portfolio of medicines acquired from Takeda and the Buscopan family.

In 2021, Marketing Expenses exceeded the level of R\$1.0 billion and grew 31.2%, reducing its share of Net Revenue by 1.8 percentage point. This reduction was mainly due to the decrease in the share of Medical Visits, Promotions and Others over Net Revenue, consequence of: (i) the acceleration of sell-out and Net Revenue growth in Prescription Products; and (ii) the operational synergies from the integration of the prescription portfolio acquired from Takeda.

Selling Expenses

Table 6

(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	2020	% NR	2021	% NR	Δ %
Selling Expenses	(151.4)	-13.3%	(143.3)	-8.8%	-5.4%	(568.6)	-13.9%	(624.2)	-10.5%	9.8%
Commercial Expenses	(88.7)	-7.8%	(97.6)	-6.0%	10.1%	(311.7)	-7.6%	(375.9)	-6.3%	20.6%
Freight and Logistics Expenses	(28.1)	-2.5%	(32.2)	-2.0%	14.5%	(105.2)	-2.6%	(121.7)	-2.0%	15.6%
Research & Development	(34.7)	-3.1%	(13.5)	-0.8%	-61.1%	(151.7)	-3.7%	(126.7)	-2.1%	-16.5%

Selling Expenses decreased by 5.4% in 4Q21 and represented 8.8% of Net Revenue, reflecting mainly the reduction of expenses with Research and Development on account of additional provision for losses related to canceled innovation projects carried out in 4Q20, in the amount of R\$23.9 million. In 4Q21, the benefit from Lei do Bem was R\$24.5 million, compared to R\$28.2 million in 4Q20.

When excluding the Lei do Bem benefit and the additional provision for losses effects in both periods, Research and Development expenses reached R\$40.9 million in 4Q21, versus R\$38.9 million in 4Q20.

In the year, Selling Expenses represented 10.5% of Net Revenue, a reduction of 3.4 percentage points when compared to 2020. This reduction was mainly due to the capture of synergies from the integration of the brands acquired from Takeda and the Buscopan family.

General and Administrative Expenses & Other Operating Revenues / Expenses, Net

Table 7

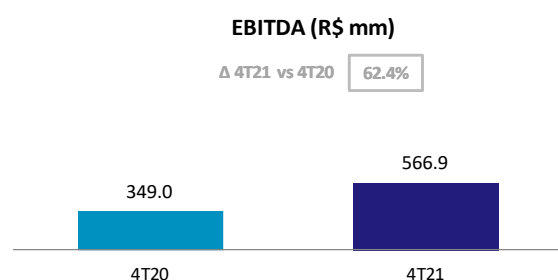
(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	2020	% NR	2021	% NR	Δ %
General & Administrative Expenses	(63.2)	-5.6%	(64.1)	-3.9%	1.4%	(208.4)	-5.1%	(237.6)	-4.0%	14.0%
Other Operating Revenues (Expenses)	43.7	3.8%	(40.3)	-2.5%	-	236.8	5.8%	48.7	0.8%	-79.4%

General and Administrative Expenses grew 1.4% in the quarter and 14.0% in the year, when compared to 4Q20 and to the previous year. This growth, lower than the growth of Net Revenue in both periods, mainly due to the synergies from the integration of the brands acquired from Takeda and the Buscopan family.

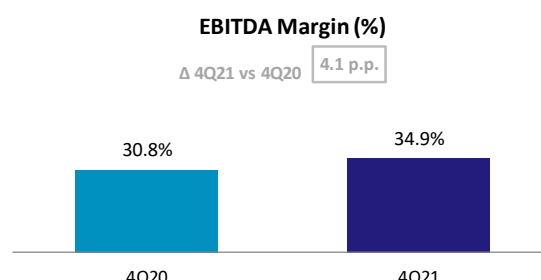
Other Operating Income showed a negative balance of R\$40.3 million in 4Q21, compared to a positive balance of R\$43.7 million, and were mainly impacted by the accounting of tax debts.

EBITDA from Continuing Operations

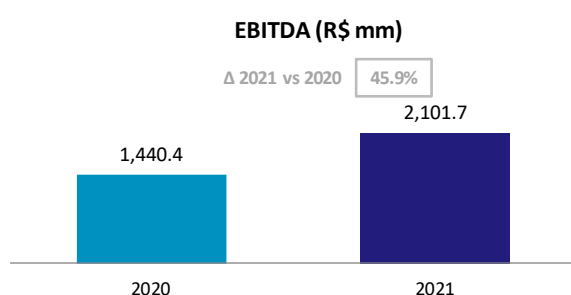
Graph 9



Graph 10



Graph 11



Graph 12

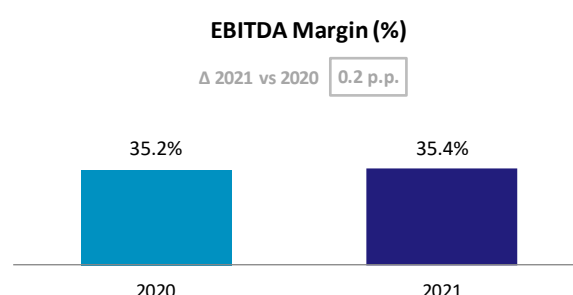


Table 8 – EBITDA from Continuing Operations

(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	2020	% NR	2021	% NR	Δ %
EBITDA from Continuing Operations	349.0	30.8%	566.9	34.9%	62.4%	1,440.4	35.2%	2,101.7	35.4%	45.9%

EBITDA from Continuing Operations was R\$566.9 million in 4Q21, with 34.9% margin, an increase of 4.1 percentage points over 4Q20, mainly due to the dilution of Selling, Marketing, General and Administrative Expenses.

In 2021, EBITDA from Continuing Operations reached R\$2,101.7 million, or 45.9% higher than in 2020, driven mainly by the 45.2% growth in Net Revenue in the period. When excluding the contribution of Other Operating Revenues/Expenses, EBITDA from Continuing Operations reached R\$2,053.0 million, in line with the guidance set for the year, up 70.6% versus 2020 and registered margin of 34.6%, compared to 29.4% from last year.

Net Financial Expenses

Table 9

(R\$ million)	4Q20	% NR	4Q21	% NR	Δ R\$	2020	% NR	2021	% NR	Δ R\$
Financial Result	(36.0)	-3.2%	(134.6)	-8.3%	(98.6)	(75.4)	-1.8%	(323.7)	-5.5%	(248.2)
Net Interest Expenses	(19.5)	-1.7%	(113.7)	-7.0%	(94.3)	(29.9)	-0.7%	(262.1)	-4.4%	(232.1)
Cost of Hedge and FX Gains (Losses)	(6.6)	-0.6%	(4.9)	-0.3%	1.7	(1.2)	0.0%	(8.7)	-0.1%	(7.5)
Other	(10.0)	-0.9%	(15.9)	-1.0%	(6.0)	(44.3)	-1.1%	(52.8)	-0.9%	(8.6)

The Financial Result presented a negative balance of R\$134.6 million in 4Q21 and R\$323.7 million in 2021. The variation of the Financial Result in both periods is a result of the increase in interest expenses due to the Company's greater debt, mainly due to the payment for the portfolio of medicines acquired from Takeda, and the *Selic* interest rate increase.

Net Income

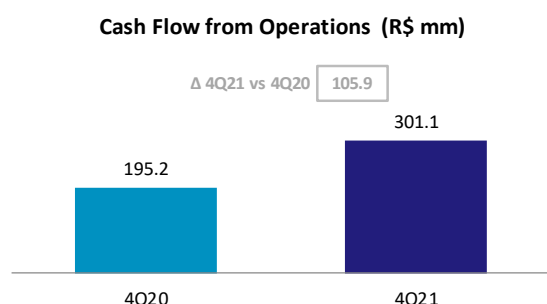
Table 10

(R\$ million)	4Q20	4Q21	Δ %	2020	2021	Δ %
EBIT from Continuing Operations	318.8	530.9	66.5%	1,318.9	1,968.0	49.2%
(-) Net Financial Expenses	(36.0)	(134.6)	273.6%	(75.4)	(323.7)	329.1%
(-) Income Tax and Social Contribution	42.2	(30.3)	-	78.2	(26.6)	-
Net Income from Continuing Operations	324.9	366.0	12.6%	1,321.6	1,617.7	22.4%
(+) Net Income from Discontinued Operations	(10.1)	(12.9)	28.1%	(26.5)	(287.4)	984.2%
Net Income	314.9	353.1	12.1%	1,295.1	1,330.3	2.7%
EPS	0.50	0.56	12.3%	2.05	2.11	2.6%
EPS from Continuing Operations	0.51	0.58	13.0%	2.09	2.56	22.3%

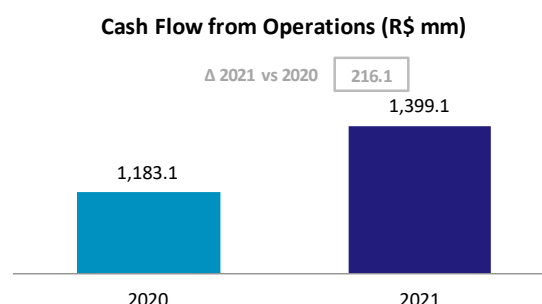
Net Income from Continuing Operations totaled R\$366.0 million in the quarter, an increase of 12.6% over 4Q20. **In the year, Net Income from Continuing Operations totaled R\$1,617.7 million, in line with the guidance set for the period,** and presented a growth of 22.4% over the previous year, mainly reflecting the 49.2% growth in EBIT from Continuing Operations and the increase of R\$248.3 million in Net Financial Expenses.

Cash Flow (Continuing and Discontinued Operations)

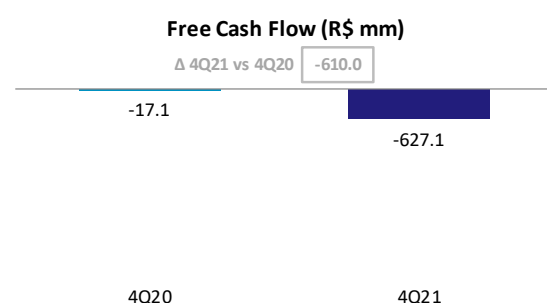
Graph 13



Graph 14



Graph 15



Graph 16

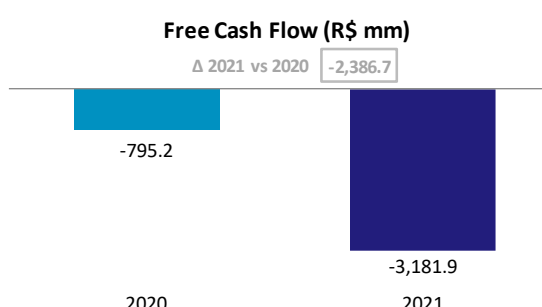


Table 11

(R\$ million)	4Q20	4Q21	2020	2021
Cash Flow from Operations	195.2	301.1	1,183.1	1,399.1
Capital increase in subsidiaries/associates	0.0	(20.0)	(0.4)	(40.4)
Purchase of Property, Plant and Equipment	(126.9)	(254.5)	(447.4)	(632.7)
Purchase of Intangible Assets	(53.7)	(60.1)	(1,479.8)	(206.2)
Acquisitions of Subsidiaries, Net of Cash Acquired	0.0	(81.7)	(45.5)	(3,635.2)
Sale of Property, Plant and Equipment	(31.8)	(511.8)	(5.1)	(66.6)
(=) Free Cash Flow	(17.1)	(627.1)	(795.2)	(3,181.9)

Operating Cash Flow was R\$1,399.1 million in 2021, Hypera Pharma's highest level ever recorded, driven mainly by the growth in EBIT from Continuing Operations.

The free cash flow generation was negative in R\$3,181.9 million in the year, mainly as a result of the R\$3.3 billion paid for the brands acquired from Takeda, net of the proceeds from the sale of the ex-Brazil portfolio and the Xantinon brand, and additional investments to expand the manufacturing capacity in Anápolis during the year. In 4Q21, Free Cash Flow was negative by R\$627.1 million, mainly due to the agreement set with Ontex related to the divestment of the disposables business in 2017.

Net Debt

Table 12

(R\$ million)	4Q21
Loans and Financing	(7,361.0)
Notes Payable	(45.4)
Gross Debt	(7,406.4)
Cash and Cash Equivalents	2,287.1
Net Cash / (Debt)	(5,119.3)
Unrealized Gain/Loss on Debt Hedge	(24.6)
Net Cash / (Debt) After Hedge	(5,143.9)

The Company ended 2021 with a Net Debt After Hedge position of R\$5,143.9 million, compared to R\$764.1 million at the end of 2020. The increase in Net Debt after Hedge was mainly due to the payment for the portfolio of medicines acquired from Takeda, net of the proceeds from the sale of the ex-Brazil portfolio and the Xantinon brand, in the amount of R\$3.3 billion, and the agreement set with Ontex related to the divestment of the disposables business in 2017.

Other Information

Cash Conversion Cycle – Continuing Operations

Table 13

(Days)	4Q20	1Q21	2Q21	3Q21	4Q21	(R\$ million)	4Q20	1Q21	2Q21	3Q21	4Q21
Receivables ⁽¹⁾	111	108	98	91	103	Receivables	1,564	1,546	1,796	1,807	2,039
Inventories ⁽²⁾	190	237	200	188	193	Inventories	921	1,099	1,153	1,230	1,303
Payables ⁽²⁾⁽³⁾	(148)	(170)	(135)	(125)	(117)	Payables ⁽³⁾	(716)	(791)	(778)	(816)	(791)
Cash Conversion Cycle	153	174	163	154	179	Working Capital	1,769	1,854	2,171	2,222	2,552
						% of Annualized Net Revenue ⁽⁴⁾	39%	40%	36%	34%	39%

(1) Calculated based on Continuing Operations Gross Revenue, Net of Discounts

(2) Calculated based on Continuing Operations COGS

(3) Includes Suppliers' Assignment of Receivables

(4) Annualized Net Revenue for the last 3 months

Tax Credits to offset Income Tax payment

- i) Federal Recoverable Taxes: R\$912.6 million (please refer to Explanatory Note 13 of the Financial Statements);
- ii) Cash effect of Income Tax and Social Contribution Losses Carryforward: R\$1,907.0 million (please refer to Explanatory Note 23(a) of the Financial Statements).

Reconciliation of Adjusted EBITDA, or EBITDA from Continuing Operations

Table 14

(R\$ million)	4Q20	% NR	4Q21	% NR	Δ %	2020	% NR	2021	% NR	Δ %
Net Income	314.9	27.7%	353.1	21.7%	12.1%	1,295.1	31.7%	1,330.3	22.4%	2.7%
(+) Income Tax and CSLL	(47.4)	-4.2%	24.0	1.5%	-	(89.1)	-2.2%	(121.0)	-2.0%	35.7%
(+) Net Interest Expenses	36.0	3.2%	134.6	8.3%	273.6%	75.4	1.8%	323.7	5.5%	329.1%
(+) Depreciations / Amortizations	30.2	2.7%	36.1	2.2%	19.4%	121.5	3.0%	133.7	2.3%	10.0%
EBITDA	333.7	29.4%	547.7	33.7%	64.2%	1,402.9	34.3%	1,666.7	28.1%	18.8%
(-) EBITDA from Discontinued Operations	15.3	1.4%	19.2	1.2%	25.3%	37.5	0.9%	435.0	7.3%	1060.4%
Adjusted EBITDA (EBITDA from Continuing Operations)	349.0	30.8%	566.9	34.9%	62.4%	1,440.4	35.2%	2,101.7	35.4%	45.9%

EBITDA is a non-accounting measure prepared by the Company and it is calculated based on net income, added by income taxes, financial expenses net of financial income, depreciation and amortization. The Adjusted EBITDA, or EBITDA from Continuing Operations, represents the EBITDA, excluding the effects related to discontinued operations that affected the Company's EBITDA. The Company uses Adjusted EBITDA, or EBITDA from Continuing Operations, as a non-accounting measure, in order to present its performance in a way that better translates the operating cash generation potential of its business.

Disclaimer

This release contains forward-looking statements that are exclusively related to the prospects of the business, its operating and financial results, and prospects for growth. These data are merely projections and, as such, based exclusively on our management's expectations for the future of the business and its continued access to capital to fund its business plan. These forward-looking statements substantially depend on changing market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors, as well as the risks shown in our filed disclosure documents, and are therefore subject to change without prior notice.

Additional unaudited information herein reflects management's interpretation of information taken from its financial information and their respective adjustments, which were prepared in accordance with market practices and for the sole purpose of a more detailed and specific analysis of our results. Therefore, these additional data must also be analyzed and interpreted independently by shareholders and market agents, who should carry out their own analysis and draw their own conclusions from the results reported herein. No data or interpretative analysis provided by our management should be treated as a guarantee of future performance or results and are merely illustrative of our directors' vision of our results.

Our management is not responsible for compliance or accuracy of the management financial data discussed in this report, which must be considered as for informational purposes only, and should not override the analysis of our audited consolidated financial statements or our reviewed quarterly information for purposes of a decision to invest in our stock, or for any other purpose.

Consolidated Income Statement (R\$ thousand)

Table 15

	4Q20	4Q21	2020	2021
Net Revenue	1,134,848	1,626,490	4,088,871	5,937,373
Cost of Goods Sold	(435,161)	(607,576)	(1,459,596)	(2,134,487)
Gross Profit	699,687	1,018,914	2,629,275	3,802,886
Selling and Marketing Expenses	(366,159)	(387,922)	(1,355,581)	(1,656,942)
General and Administrative Expenses	(63,222)	(64,087)	(208,397)	(237,597)
Other Operating Revenues (Expenses)	43,651	(40,278)	236,754	48,703
Equity in Subsidiaries	4,825	4,229	16,833	10,951
Operating Income Before Equity Income and Financial Result	318,782	530,856	1,318,884	1,968,001
Net Financial Expenses	(36,029)	(134,598)	(75,428)	(323,672)
Financial Expenses	(64,386)	(185,373)	(221,942)	(445,106)
Financial Income	28,357	50,775	146,514	121,434
Profit Before Income Tax and Social Contribution	282,753	396,258	1,243,456	1,644,329
Income Tax and Social Contribution	42,175	(30,290)	78,173	(26,580)
Net Income from Continuing Operations	324,928	365,968	1,321,629	1,617,749
Net Income from Discontinued Operations	(10,063)	(12,892)	(26,513)	(287,444)
Income for the Period	314,865	353,076	1,295,116	1,330,305
Earnings per Share – R\$	0.50	0.56	2.05	2.11

Consolidated Balance Sheet (R\$ thousand)

Table 16

Assets	12/31/2020	12/31/2021	Liabilities and Shareholders' Equity	12/31/2020	12/31/2021
Current Assets	7,899,047	6,491,633	Current Liabilities	2,623,249	2,776,526
Cash and Cash Equivalents	4,743,298	2,287,062	Suppliers	275,539	327,133
Accounts Receivables	1,564,341	2,039,474	Suppliers' Assignment of Receivables	440,256	463,627
Inventories	920,796	1,303,480	Loans and Financing	461,816	565,648
Recoverable Taxes	274,017	597,195	Salaries Payable	224,479	284,290
Financial Derivatives	85,674	29,305	Income Tax and Social Contribution	10,570	984
Other Assets	306,823	232,348	Taxes Payable	63,659	68,865
Dividends and IOC receivables	4,098	2,769	Accounts Payable	273,353	276,647
			Dividends and IOC Payable	671,654	704,808
			Notes Payable	23,980	36,840
			Financial Derivatives	177,943	47,684
Non-Current Assets	9,350,763	13,326,329	Non-Current Liabilities	5,385,846	7,207,965
Long Term Assets	1,217,542	1,097,410	Loans and Financing	5,051,233	6,795,339
Deferred Income Tax and Social Contribution	194,716	355,115	Deferred Income Tax and Social Contribution	46,017	73,993
Recoverable Taxes	680,495	492,676	Taxes Payable	7,651	12,495
Other Assets	342,331	249,619	Accounts Payable	74,557	99,548
			Provisions for Contingencies	206,388	193,494
			Notes Payable	0	8,544
			Financial Derivatives	0	24,552
Fixed Assets and Investments	8,133,221	12,228,919	Shareholders' Equity	9,240,715	9,833,471
Investments	34,233	111,001	Capital	4,478,126	4,478,126
Investment Properties	154,318	25,616	Capital Reserve	1,266,381	1,251,417
Property, Plants and Equipments	1,546,409	2,095,140	Equity Valuation Adjustments	(336,724)	(181,839)
Intangible Assets	6,398,261	9,997,162	Profit Reserves	3,833,210	4,360,237
			Treasury Stock	(278)	(81,350)
			Attributed to non-controlling shareholders	0	6,880
Total Assets	17,249,810	19,817,962	Total Liabilities and Shareholders' Equity	17,249,810	19,817,962

Consolidated Cash Flow Statement (R\$ thousand)

Tabela 17

	4Q20	4Q21	2020	2021
Cash Flows from Operating Activities				
Income (Loss) Before Income Taxes including Discontinued Operations	267,424	377,053	1,205,967	1,209,329
Depreciation and Amortization	30,205	36,072	121,482	133,686
Asset Impairment	22,894	7,844	63,023	3,123
Gain on Permanent Asset Disposals	16,648	18,929	2,203	420,834
Equity Method	(4,531)	(4,109)	(15,387)	(10,566)
Foreign Exchange (Gains) Losses	6,510	4,948	(21,295)	8,745
Net Interest and Related Revenue/Expenses	29,519	129,650	96,723	314,927
Expenses Related to Share Based Remuneration	4,875	7,580	19,193	24,954
Provisions	16,170	25,879	33,054	49,998
Adjusted Results	389,714	603,846	1,504,963	2,155,030
Decrease (Increase) in Assets	(272,229)	(308,484)	(696,188)	(917,478)
Trade Accounts Receivable	(83,188)	(222,222)	(220,724)	(511,810)
Inventories	(42,251)	(76,680)	(329,245)	(405,538)
Recoverable Taxes	(57,255)	707	648	(136,262)
Judicial Deposits and Others	7,440	(13,665)	17,803	2,929
Other Accounts Receivable	(96,975)	3,376	(164,670)	133,203
Increase (Decrease) in Liabilities	77,720	5,716	374,279	161,579
Suppliers	37,385	(17,327)	(49,037)	28,882
Suppliers' Assignment of Receivables	18,877	(14,445)	316,238	26,476
Financial Derivatives	29,788	62,274	88,145	52,448
Income Tax and Social Contribution Paid	(1,507)	(100)	(10,745)	(7,046)
Taxes Payable	(5,970)	(9,337)	14,254	5,809
Salaries and Payroll Charges	(9,745)	(29,330)	17,091	45,758
Accounts Payable	46,027	2,674	112,236	5,676
Operations Interest Paid	(35,637)	(7,497)	(99,018)	(4,977)
Other Accounts Payable	(1,498)	18,804	(14,885)	8,553
Net Cash Provided by Operating Activities	195,205	301,078	1,183,054	1,399,131
Cash Flows from Investing Activities				
Capital Increase/Decrease in Subsidiaries/Affiliates	0	(20,000)	(445)	(40,365)
Acquisitions of Subsidiaries, Net of Cash Acquired	0	(81,717)	(45,500)	(3,635,180)
Acquisitions of Property, Plant and Equipment	(126,866)	(254,544)	(447,411)	(632,719)
Intangible Assets	(53,690)	(60,149)	(1,479,804)	(206,163)
Proceeds from the Sale of Assets with Permanent Nature	(31,768)	(511,787)	(5,059)	(66,566)
Interest and Others	18,885	31,479	78,212	67,303
Investment Hedge	(40,121)	55,895	4,894	101,265
Net Cash From Investing Activities	(233,560)	(840,823)	(1,895,113)	(4,412,425)
Cash Flows from Financing Activities				
Capital Integralization	2,067	0	29,309	0
Borrowings	0	0	4,115,000	2,221,183
Treasury Stock Purchase / Sale	0	(43,548)	12,102	(109,974)
Repayment of Loans - Principal	(43,372)	(141,497)	(98,979)	(519,687)
Repayment of Loans - Interest	(84,810)	(105,572)	(166,037)	(308,417)
Dividends and IOC Paid	(23,205)	(25,053)	(682,474)	(745,936)
Loan Derivatives	0	0	0	19,889
Net Cash From Financing Activities	(149,320)	(315,670)	3,208,921	557,058
Net Increase (Decrease) in Cash and Cash Equivalents	(187,675)	(855,415)	2,496,862	(2,456,236)
Statement of Increase in Cash and Cash Equivalents, Net				
Cash and Cash Equivalents at the Beginning of the Period	4,930,973	3,142,477	2,246,436	4,743,298
Cash and Cash Equivalents at the End of the Period	4,743,298	2,287,062	4,743,298	2,287,062
Change in Cash and Cash Equivalent	(187,675)	(855,415)	2,496,862	(2,456,236)