

EARNINGS RELEASE 1Q21

REDE D'OR
SÃO JUIZ





ABOUT THIS REPORT

Rede D'Or São Luiz presents its results for the first quarter 2021 based on managerial analyses that the administrators believe best interpret the Company's business, reconciled with the international Financial Statement reporting standards (IFRS).

For further information, we recommend reading the Financial Statements of March 31, 2021, available on the Rede D'Or São Luiz's Investor Relations website:

<http://www.rededor.com.br/ri>.

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Any press-related questions should be referred to the [Rede D'Or São Luiz's Press Office](#).

If you are interested in working with us, please visit the [Opportunities page](#) on the Rede D'Or São Luiz website.

Any issues not related to investor relations, press and opportunities should be referred to [Contact Us Rede D'Or São Luiz](#).

Shareholder services for Rede D'Or São Luiz S.A. are provided by the commercial branches of Banco Itaú S.A. or through the following channels:

Shareholder Service Center - Business days, 9 a.m. to 6 p.m.

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REDE D'OR SÃO LUIZ

Rede D'Or São Luiz ("Rede D'Or" or "Company"), the largest private integrated healthcare network in the country, in existence for 43 years, is present in eight states (Rio de Janeiro, São Paulo, Pernambuco, Bahia, Maranhão, Sergipe, Ceará, Paraná) and the Federal District.

On March 31, 2021, the Company operated 54 hospitals with a total of 9,034 beds and the country's largest integrated cancer treatment network. In addition, Rede D'Or has one of the largest diagnostic networks in Brazil, an extensive blood bank operation and the nation's largest health consultancy.

Rede D'Or São Luiz brings to the sector a complete health proposal for all persons, ranging from prevention to high-complexity treatments, also combining integrated, continuous and coordinated care services.



Furthermore, Rede D'Or is responsible for the most important Brazilian research and teaching institute funded by a private healthcare company, the D'Or Institute (IDOR), which operates in essential fields of medicine such as neurology, cardiology and oncology.

Historically, the Company's growth strategy has been to expand its business through the development of new units, expansions of existing units and acquisitions.

HIGHLIGHTS (1/2)

Operational Recovery

- › In 1Q21, Rede D'Or's operational indicators continued to show the recovery movement begun in 3Q20, despite the increase of Covid-19 cases in Brazil in March 2021.
- › Since September 2020, the Company added 1,082 operational beds organically, from which 644 beds during 1Q21, by opening new beds in existing hospitals and reopening beds that had been suspended last year. Considering the integration of beds from two acquisitions formally completed in 1Q21, 798 operational beds were added in the quarter.
- › Even with the significant addition of beds into the operation, the strong increase in the volume of care led Rede D'Or to reach an average bed occupancy rate in 1Q21 of 79.5%, the third consecutive rise since the initial phase of the pandemic, and the highest rate recorded since 2Q19.
- › Digital initiatives have had space to continue expanding. As an example, the digital platform available to patients at Rede D'Or's units registered a 10x increase in the number of online exam schedules.
- › Until the publication date of this report, the Company continued to observe the maintenance of solid operational indicators, with the reduction, since April 2021, of hospitalized Covid-19 patients and the increase in patients with other pathologies.

Record results

- › As a consequence of the operational recovery and the continuation of its growth strategy, Rede D'Or posted record results in 1Q21. The amounts mentioned below were the highest ever recorded by the Company in a single quarter:
- › Gross revenue increased 42.2% vs. 1Q20 and 13.2% over 4Q20, reaching R\$5,303.7 M.
- › EBITDA exceeded the mark of one billion, totaling R\$1,134.5 M, 86.0% higher than 1Q20 and 11.5% over 4Q20. Adjusted EBITDA reached R\$1,330.4 M, an increase of 95.3% and 16.4% over 1Q20 and 4Q20, respectively.
- › Net profit was R\$402.4 M, 254.6% higher than 1Q20, and 32.9% higher than 4Q20. Adjusted operating cash generation reached R\$777.6 M in the quarter.

HIGHLIGHTS (2/2)

Inorganic growth

- › In line with its growth strategy, Rede D'Or took advantage of market opportunities to acquire new hospitals and expand its national presence.
- › In an event subsequent to the first quarter - in April 2021 - the Company announced the signing of agreements to acquire stakes in Hospital Biocor, in Belo Horizonte (MG), and in Hospital Nossa Senhora das Neves together with Clim Hospital, in João Pessoa (PB).
- › When completed, these acquisitions will mark the entry of Rede D'Or into two important new states for the private health sector, with significant assets and opportunities to add new services and units in these regions.
- › Since October of last year, Rede D'Or has announced stake acquisitions in nine hospitals, totaling 1,290 beds. Of this total, 585 beds were announced in 2021.

••• Other subsequent events

- › In May 2021, Rede D'Or announced the expansion of its business relationship with Amil, through accreditation or expansion of accreditation, into 21 of the Company's assets. Among them are hospitals that have never been accredited by Amil, such as Glória D'Or and Niterói D'Or, as well as the three Star line hospitals.
- › Also in May, MSCI, a company responsible for maintaining important stock indexes around the world, announced that Rede D'Or's shares will be included in the index dedicated to emerging markets - the "MSCI Emerging Markets Index" - effective in the next rebalancing of the index, scheduled for May 28, 2021.

INCOME STATEMENT

Managerial Consolidated Results

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Gross revenue	5,303.7	3,729.9	42.2%	4,683.2	13.2%
<i>Hospitals and others</i>	4,897.5	3,408.6	43.7%	4,312.9	13.6%
<i>Oncology (infusions)</i>	406.3	321.3	26.4%	370.3	9.7%
Deductions from gross revenue	(584.0)	(430.4)	35.7%	(514.9)	13.4%
<i>Glosses (disallowances)</i>	(269.0)	(209.7)	28.3%	(239.1)	12.5%
<i>Taxes on revenue</i>	(314.9)	(220.7)	42.7%	(275.8)	14.2%
Net revenue	4,719.7	3,299.5	43.0%	4,168.3	13.2%
Cost of services rendered	(3,528.5)	(2,664.3)	32.4%	(3,144.7)	12.2%
<i>Personnel</i>	(1,273.8)	(1,094.1)	16.4%	(1,174.2)	8.5%
<i>Materials and medicines</i>	(1,158.4)	(741.0)	56.3%	(1,012.0)	14.5%
<i>Third-party services</i>	(760.9)	(576.4)	32.0%	(683.6)	11.3%
<i>Utilities and services</i>	(76.1)	(73.2)	4.0%	(76.3)	-0.3%
<i>Rents</i>	(17.5)	(2.2)	695.8%	(14.1)	24.2%
<i>Depreciation and amortization</i>	(242.0)	(177.5)	36.3%	(184.5)	31.1%
General and administrative expenses	(217.9)	(150.0)	45.2%	(116.6)	86.8%
<i>Personnel</i>	(139.2)	(94.4)	47.5%	(62.4)	123.1%
<i>Third-party services</i>	(28.3)	(21.9)	29.3%	(16.4)	72.4%
<i>Travel and accommodation</i>	(11.1)	(11.2)	-1.2%	(9.1)	22.2%
<i>Depreciation and amortization</i>	(28.4)	(22.6)	26.0%	(26.0)	9.4%
<i>Provision of contingencies and others</i>	(10.9)	-	n/a	(2.7)	297.3%
Commercial expenses	(7.2)	(3.3)	115.8%	(9.1)	-20.7%
Equity pickup	(2.3)	(8.2)	-71.9%	(20.8)	-88.9%
Other operating income (expenses)	(99.7)	(63.9)	56.0%	(70.0)	42.3%
Earnings before taxes and financial result	864.1	409.8	110.9%	807.0	7.1%
Financial results	(391.4)	(248.1)	57.8%	(344.5)	13.6%
<i>Financial revenues</i>	61.0	62.7	-2.7%	32.3	88.6%
<i>Financial expenses</i>	(445.5)	(380.4)	17.1%	(355.2)	25.4%
<i>Net exchange variation and other</i>	(6.9)	69.6	n/a	(21.6)	-68.3%
Earnings before taxes	472.7	161.7	192.3%	462.5	2.2%
Income Tax and Social Contribution	(70.3)	(48.2)	45.8%	(159.6)	-56.0%
<i>Current</i>	(171.0)	(47.7)	258.2%	(59.0)	189.8%
<i>Deferred</i>	100.7	(0.5)	n/a	(100.6)	n/a
Net income	402.4	113.5	254.6%	302.9	32.9%
<i>Net income attributed to controlling partners</i>	372.4	110.5	237.1%	278.5	33.7%
<i>Net income attributed to non-controlling partners</i>	30.0	3.0	889.8%	24.4	23.2%

Indicators	1Q21	1Q20	Δ %	4Q20	Δ %
EBITDA	1,134.5	609.8	86.0%	1,017.5	11.5%
<i>EBITDA Margin (%)</i>	24.0%	18.5%	5.6 p.p.	24.4%	-0.4 p.p.
Adjusted EBITDA	1,330.4	681.2	95.3%	1,142.6	16.4%
<i>Adjusted EBITDA Margin (%)</i>	28.2%	20.6%	7.5 p.p.	27.4%	0.8 p.p.
ROIC (LTM)	9.2%	12.1%	-2.9 p.p.	8.0%	1.2 p.p.
Adjusted ROIC (LTM)	15.1%	17.3%	-2.2 p.p.	15.6%	-0.5 p.p.

COVID-19

March 11, 2021, marked the anniversary of the first year since the World Health Organization declared a global state of pandemic and, on the next day, the first death caused by Covid-19 in Brazil was recorded.

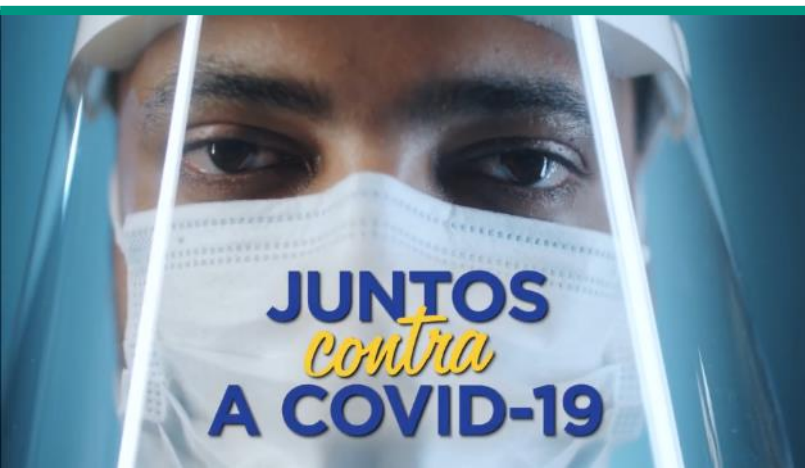
Since then, the pandemic and its devastating effects have forced Rede D'Or to fight the disease quickly and precisely, based on planning, focus, and determination. Besides assuring that the supply of resources to its units continued unhampered, the organization's full structure was mobilized, not only to maintain patient care excellence at the Company's facilities but also to support the public authorities.

Together with partner companies, Rede D'Or supported the activation of 1,350 new hospital beds dedicated exclusively and free of charge to SUS (public health) patients, 400 of them operated by the Company in two field hospitals set up in Rio de Janeiro. In addition, Rede D'Or donated medical and hospital equipment and supplies to all states of the Federation in which it has operations, as well as other states where the Company has no activities, as is the case of Amazonas, Rondônia, and Amapá.

In total, Rede D'Or earmarked more than R\$260 million for these actions, placing it among the five largest donor companies in the fight against the pandemic. When we add to this amount another R\$100 million donated by partner companies in projects carried out by the company, we arrive at a total of R\$360 million in philanthropic initiatives, with 100% of the funds coming from non-incentivized private capital. For innovation and research alone, R\$40 million was invested.

Through the Instituto Dor de Pesquisa e Ensino (D'Or Institute for Research and Teaching - IDOR), 10 lines of research were developed to help fight Covid-19, including a mental health platform that reached more than 60,000 people through the "Dados do Bem" (Data for the Common Good) software app, which tracks data intelligence to analyze how the population immunization program is evolving.

The Company also contributed to the tests for vaccine development and the dissemination of relevant and reliable information to society by strengthening communication channels, such as Rede D'Or's official website and its profiles on social networks, which have more than 2 million visitors per month.



DIGITAL PLATAFORM

Rede D'Or's permanent ambition is to be on the frontier of technological and digital developments in the fields of patient care, in particular, and health, in general. The Company has built a digital platform that allows users to schedule in-person or remote medical appointments, complementary exams, second medical opinions, and also allows them to receive orientation, access their exam results, and even manage their health coordinated with extremely qualified health professionals.

As a result of this ongoing effort, the Company's website - www.rededorsaoluiz.com.br - reported a large increase in visits YoY, rising from 2 million accesses in 1Q20 to 6 million accesses in 1Q21, 81% in organic traffic (vs. 72% in 2020). The number of examinations viewed in the "patient area" of the platform also registered significant growth recently, increasing 42% over the Dec-20 to Mar-21 period.

In the first quarter of 2021, scheduling through the platform accounted, for 24% of total appointments at Rede D'Or; this represented growth of 132% compared to the same period of the previous year, when online scheduling corresponded to 15% of the total. On the other hand, online scheduling of exams exceeded 925% YoY growth, reaching 5% of the total.

The platform has been built so that, over time, it will be the only site patients will need to access to arrange all their health management needs. The digital environment offers its users and physicians a unique experience, by integrating the different areas of a broad ecosystem, ensuring fast and safe navigation as well as convenience and availability.

Portal do Paciente
Resultados Online de Exames

CONFIRA



GROWTH OF OPERATIONAL CAPACITY (BEDS)

SUBSEQUENT EVENTS: +585 BEDS ACQUIRED FROM 3 HOSPITALS⁽¹⁾

Over the past 20 years, the Company's growth strategy has been characterized by a high volume of acquisitions, accompanied by successful integration processes.

Since September 2020, despite the challenges introduced by the pandemic, the Company continued to seize opportunities, and announced the acquisition of nine hospitals, totaling 1,290 beds.

Four of these acquisitions have been already formally concluded (Clínica São Lucas and Cárdio Pulmonar in 4Q20, and Hospital de Clínicas Antônio Afonso and Hospital Central de Guaianases in 1Q21), while other three hospitals were announced subsequently in

April 2021 (Hospital Biocor, Hospital Nossa Senhora das Neves and Clim Hospital Geral).

On April 5, 2021, the Company executed a binding memorandum of understanding, through its affiliate Clínica São Lucas Ltda., for the acquisition of a 51% stake in Biocor Hospital de Doenças Cardiovasculares Ltda. The acquisition marked the Company's entry into the state of Minas Gerais, in the city of Belo Horizonte, through a renowned highly complex general hospital and 350 beds in operation. The construction of a new "Star" premium flag tower (BH Star) is planned, estimated at an additional 150-200 beds. As of the date of this report, the transaction is under analysis by Brazilian anti-trust agency (CADE).



⁽¹⁾ Subsequent events: The acquisitions of Hospital Biocor (Belo Horizonte, MG) and Hospital Nossa Senhora das Neves (João Pessoa, PB), which in turn has as subsidiary Clim Hospital Geral, were formally announced through Material Facts published on April 5 and 9, 2021, respectively. Both are subject to the verification of certain usual conditions, among them the approval by CADE, confirmation of diligence and signing of definitive instruments.

GROWTH OF OPERATIONAL CAPACITY (BEDS) (cont'd)

Shortly thereafter, on April 9, 2021, the Company executed a binding memorandum of understanding, through its affiliate Diagno São Marcos Ltda., for the acquisition of a 51% stake in Hospital Nossa Senhora das Neves SA (HNSN) which in turn has as subsidiaries Clim Hospital Geral, Luppá Laboratórios, Unigastro and Neves Medicina Diagnostic. The acquisition marked the Company's entry into the state of Paraíba, in the city of João Pessoa. HNSN and Clim are general hospitals of high complexity that together have 235 beds in operation and the capacity to expand up to 400 beds. As of the date of this report, the transaction is under analysis by Brazilian anti-trust agency (CADE).

The returns of Rede D'Or's integration strategy are generated by the gains in scale and the effects of synergies in the optimization of operating costs, in addition to the potential gains in revenue through higher care volumes and complexity of procedures performed in the units. Added to this are the benefits of improving the technological facilities of the units, the relationship with the medical profession, and the level of quality and variety of services provided by each unit.

Hospital	Location	Total beds	Announcement	Conclusion	Accounting consolidation
Clínica São Lucas	Macaé, RJ	58	Oct-20	Oct-20	Nov-20
Cárdio Pulmonar	Salvador, BA	181	Nov-20	Dec-20	Dec-20
Guaianases ⁽²⁾	São Paulo, SP	153	Nov-20	Mar-21	Apr-21
Balbino	Rio de Janeiro, RJ	141	Nov-20	-	-
América	Mauá, SP	112	Nov-20	-	-
Antônio Afonso ⁽³⁾	Jacareí, SP	60	Dec-20	Feb-21	Mar-21
Biocor	Belo Horizonte, MG	350	Apr-21	-	-
Nossa Senhora das Neves	João Pessoa, PB	235	Apr-21	-	-
Total		1,290			

(2) As announced through a Notice to the Market, the acquisition of Hospital Central de Guaianases (São Paulo, SP) was formally concluded on March 16, 2021; despite incorporating the number of beds in 1Q21, financial results were only consolidated in April 2021.

(3) As announced through a Notice to the Market, the acquisition of Hospital Antônio Afonso (Jacareí, SP) was formally concluded on February 22, 2021; its financial results were consolidated in March 2021.

GROWTH OF OPERATIONAL CAPACITY (BEDS) (cont'd)

ORGANIC GROWTH

In addition to the acquisitions described on the previous page, and in addition to the opportunities to acquire new hospitals over the short- and medium-term, Rede D'Or intends to maintain its focus on building new hospitals and expanding existing ones.

After the recent round of inaugurations in the past few years, of Vila Nova Star Hospital in the city of São Paulo, Hospital DF Star in the city of Brasília, the new tower at Hospital Niterói D'Or in the city of Niterói, in April 2020 the Company inaugurated Hospital Gloria D'Or, located in the city of Rio de Janeiro (RJ).

The project also encompasses a dedicated structure assigned to receive future Rede D'Or education segment initiatives.

At the end of the quarter, Rede D'Or had more than 30 projects for new units and expansions of existing ones in different stages of development. For example, seven projects currently are underway: Hospital Memorial Star in the city of Recife, Hospital São Rafael in Salvador, Maternidade São Luiz Star and Hospital Itaim Star in the city of São Paulo, Hospital São Luiz Campinas in the city of Campinas, the new tower of Hospital São Luiz Osasco in the city of Osasco, and expansion of Clínica São Vicente in the city of Rio de Janeiro.

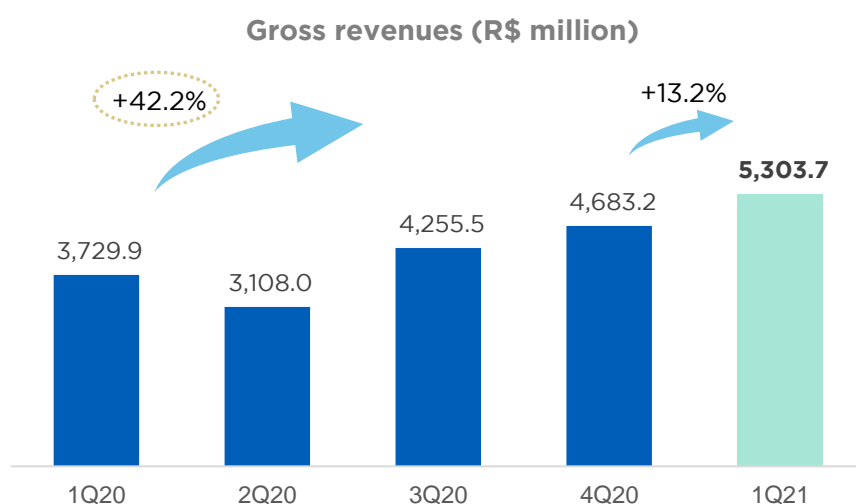


REVENUES

In 1Q21, gross revenue reached R\$5,303.7 million – the highest quarterly revenue ever recorded in the Company's history – an increase of 42.2% compared to 1Q20, given the first relevant impacts of the pandemic in Mar-20, and 13.2% above 4Q20.

The average ticket, based on revenues divided by patients-day, increased 16.6% YoY in 1Q21. It is important to note that this indicator is impacted by the increase in the share of treatments of greater complexity and the growth of other business units, such as oncology, diagnosis, among others.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Gross revenues	5,303.7	3,729.9	42.2%	4,683.2	13.2%
<i>Hospitals and other</i>	4,897.4	3,408.6	43.7%	4,312.9	13.6%
<i>Oncology (infusions)</i>	406.3	321.3	26.4%	370.3	9.7%



GROSS REVENUE BREAKDOWN

Rede D'Or São Luiz's gross revenue is mainly composed of revenue from health services, which includes hospital daily rates, medicines, hospital supplies, examinations and medical fees, and is provided mainly to healthcare plan operators.

The Company details its gross revenue in two segments as follows:

'Hospitals & other services' accounted for 92.3% of gross revenues in 1Q21, totaling R\$4,897.4 million in the period, 43.7% above the value recorded in 1Q20 and 13.6% higher than 4Q20.

'Oncology (infusions)' accounted for 7.7% of gross revenue in the quarter, reaching R\$406.3 million in 1Q21; an increase of 26.4% over the same period of the previous year and 9.7% higher than in 4Q20.

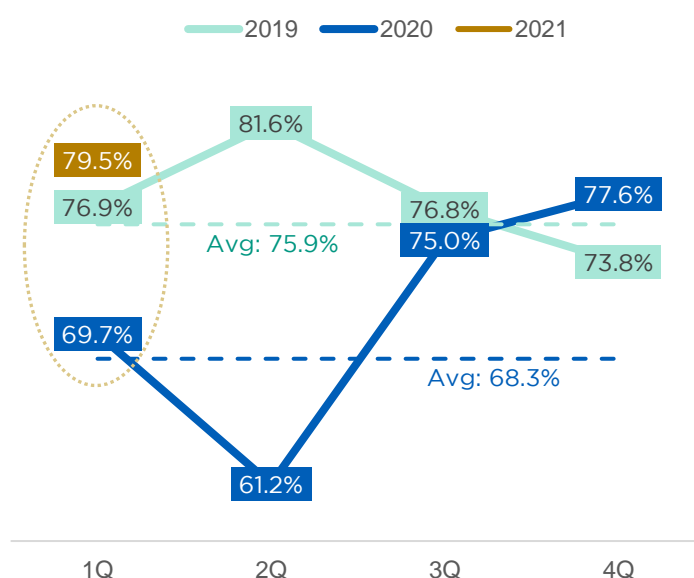
It is worth noting that, historically, the Company's revenues mostly are impacted by (i) price adjustments in contracts signed, principally, with health operators, (ii) volume of patients, (iii) variety and complexity of services provided, and (iv) evolution of the number of care beds, either organically, through the development of new units or extensions of existing units, or through acquisitions of third-party units.

BED OCCUPANCY RATE

The occupancy rate of Rede D'Or São Luiz's hospital beds reached 79.5% in 1Q21, the highest quarterly rate recorded since 2Q19, and 190 b.p. above the occupancy registered in 4Q20.

The upward trend in the bed occupancy rate since April 2020, when the lowest recent monthly levels were recorded, illustrates the gradual recovery in numbers of patients, who are returning to seek healthcare facilities as hospital safety protocols have been established to mitigate the risks of contagion and knowledge about COVID-19 has evolved.

Hospital beds average occupancy rate (%)



NUMBER OF BEDS EVOLUTION

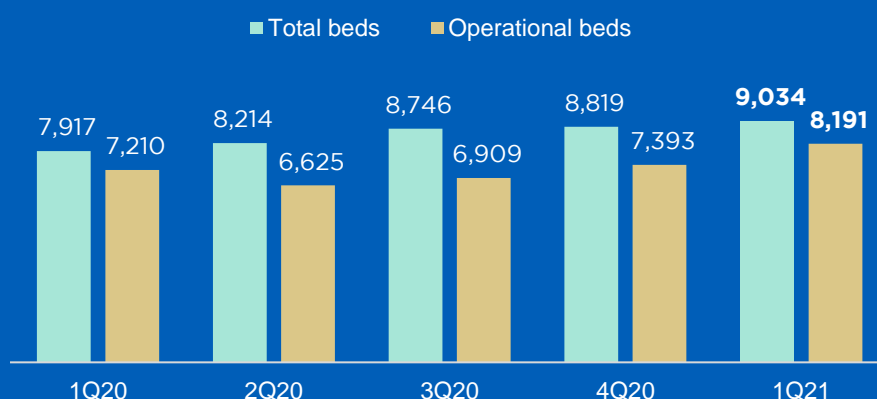
Rede D'Or ended 1Q21 with 9,034 total beds, of which 8,191 were in operation; this represented 798 more operational beds than at the end of the previous quarter.

The chart below shows the sequence of increases in the number of operational beds since 2Q20, when the Company adopted the strategy of temporarily suspending the

operation of unused beds at the beginning of the pandemic, due to a decline in the number of procedures, in favor of balancing the operational costs of its assets.

The main investments responsible for the increase in the number of total beds in 1Q21 were the acquisitions of new hospitals (Antônio Afonso, SP; and Guaianases⁽⁴⁾, SP).

Evolution of beds (end of period)



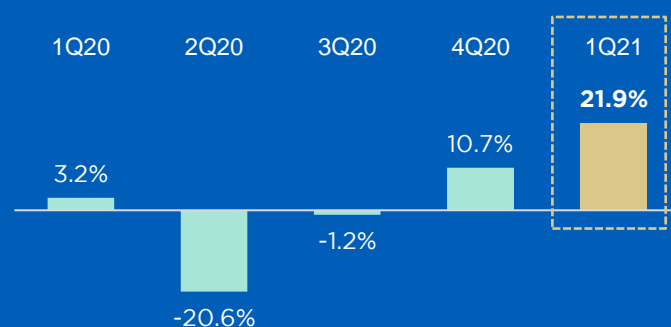
(4) Despite incorporating the number of beds in 1Q21, financial results were only consolidated in April 2021.

VOLUME OF PATIENTS

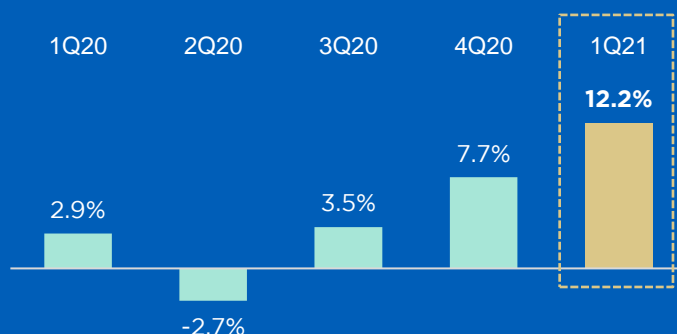
In 1Q21, Rede D'Or recorded 553,900 hospitalization days (patient-day) in its hospitals, an increase of 21.9% over 1Q20 and 7.9% over the previous quarter. In addition, 48 thousand drug infusions were performed in their own cancer treatment units, along with another 4 thousand oncology infusions in clinics invested by the Company (whose results are accounted for by the equity pickup method).

The clear recovery in the number of care and procedures performed since 2Q20 reflects Rede D'Or's efforts and initiatives to bring more safety and wellness to its patients, employees and society during the pandemic.

Patients-day (YoY)



Volume of oncological infusions (YoY)



DEDUCTIONS FROM GROSS REVENUES

The Company's gross revenue is deducted by two main factors. The first deals with cancellations and rebates, which consist basically of the medical disallowances (*g/losas*) that the Company incurs as a result of the review (audit of disallowances), with health plan operators, of materials and services provided. The second corresponds to taxes levied on gross revenue, mainly PIS and COFINS, which are federal contributions, with levy rates of 0.65% and 3.0%, respectively; and ISS, which comprises municipal taxes and levies ranging between 2% and 5%, depending on the

municipality in which the Company effectively provides health services

The deductions on gross revenue recorded, combined, growth levels similar to those of the revenue itself, as indicated in the following table.

As a result, Rede D'Or's consolidated net revenue in 1Q21 reached R\$4,719.7 million, representing a growth of 43.0% over the revenue of the same period of the previous year, and of 13.2% in relation to the amount recorded in 4Q20.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Gross revenues	5,303.7	3,729.9	42.2%	4,683.2	13.2%
<i>Glosses (disallowances)</i>	(269.0)	(209.7)	28.3%	(239.1)	12.5%
<i>Taxes on revenue</i>	(314.9)	(220.7)	42.7%	(275.8)	14.2%
Net revenues	4,719.7	3,299.5	43.0%	4,168.3	13.2%

COSTS AND EXPENSES

COST OF SERVICES PROVIDED

The costs of services rendered line item is composed of the accounts for personnel, materials and medicines, third-party services, utilities and services, rents, depreciation, and amortization.

Costs of services provided totaled R\$3,528.5 million in 1Q21, an increase of 32.4% over the same period of the previous year.

The progress recorded in the quarter mainly reflects (i) increases related to acquisitions made

by the Company in 2020, (ii) higher costs for materials and medicines that reflects both the extraordinary purchases related to the COVID-19 pandemic and the expansion of the oncology business (drug-intensive); (iii) higher personnel costs, as well as third-party services, resulting from hirings related to the COVID-19 pandemic and salary adjustments through collective bargaining agreements to which Rede D'Or is a party; and (iv) rent increase due to the addition of new companies.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Net Revenues	4,719.7	3,299.5	43.0%	4,168.3	13.2%
Cost of services provided	(3,528.5)	(2,664.3)	32.4%	(3,144.7)	12.2%
<i>Personnel</i>	(1,273.8)	(1,094.1)	16.4%	(1,174.2)	8.5%
<i>Medical supplies</i>	(1,158.4)	(741.0)	56.3%	(1,012.0)	14.5%
<i>Third-party services</i>	(760.9)	(576.4)	32.0%	(683.6)	11.3%
<i>Utilities and services</i>	(76.1)	(73.2)	4.0%	(76.3)	-0.3%
<i>Rents</i>	(17.5)	(2.2)	695.8%	(14.1)	24.2%
<i>Depreciation and amortization</i>	(242.0)	(177.5)	36.3%	(184.5)	31.1%
Costs over net revenues (%)	74.8%	80.7%	-6.0 pp	75.4%	-0.7 pp
Costs (ex-D&A) over net revenues (%)	69.6%	75.4%	-5.7 pp	71.0%	-1.4 pp



GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses are composed of administrative and executive staff costs, third-party services, travel and lodging, and depreciation and amortization of the Company's corporate assets.

In the quarter, general and administrative expenses reached R\$217.9 million, impacted by expenses related to the stock options plan as detailed in the EBITDA section. Excluding such effect in both quarters, general and administrative expenses increased 23.0%, while personnel expenses grew 8.8% in 1Q21 when compared to the same period last year.

In addition to the aforementioned effects, the increase in general and administrative expenses was mainly due to (i) higher expenses with IT

services; (ii) third-party extraordinary hiring related to the COVID-19; and (iii) higher provisions related to updated amounts and probability of loss in labor and civil lawsuits, which are recurring in the Company's operation, and were not updated during the year 2020, due to the pandemic.

Despite the nominal increase over same quarter last year, the percentage of general and administrative expenses over net revenues was stable at approximately 5%.

SELLING EXPENSES

In the quarter, selling expenses stood at R\$7.2 million, a 115.8% increase when compared to R\$3.3 million registered in 1Q20. Selling expenses are composed exclusively by marketing expenses.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Net revenues	4,719.7	3,299.5	43.0%	4,168.3	13.2%
General and administrative expenses	(217.9)	(150.0)	45.2%	(116.6)	86.8%
<i>Personnel</i>	(139.2)	(94.4)	47.5%	(62.4)	123.1%
<i>Third-party services</i>	(28.3)	(21.9)	29.3%	(16.4)	72.4%
<i>Travel and accommodation</i>	(11.1)	(11.2)	-1.2%	(9.1)	22.2%
<i>Depreciation and amortization</i>	(28.4)	(22.6)	26.0%	(26.0)	9.4%
<i>Provision of contingencies and other</i>	(10.9)	-	n/a	(2.7)	297.3%

O estado da arte
em hospital

EQUITY PICKUP

In 1Q21, the equity pickup, referring to the movements of the Company's main investees, recorded a negative result of R\$2.3 million, with an improvement of R\$5.9 million when compared to the negative result of R\$8.2 million in 1Q20.

The result reflected the following factors: (i) exclusion of the equity result of investees that are now fully consolidated by the Company (mainly Córdio Pulmonar da Bahia S.A.); and a negative result related to Hospital Badim, which more than offset the positive contribution of the other investees of R\$2.5 million in the quarter.

Despite positive results from Qualicorp its contribution to equity pickup was negative due to the accounting effect of allocating the fair value of the assets and liabilities paid in the acquisition of the stake.

In 1Q21, the Company increased its stake in Qualicorp S.A. to 22.38% from 10%. The increase in participation will be reflected in the equity

pickup balance effective next quarter (2Q21). In 1Q21, the result related to the incremental stake was reflected in the financial result.

OTHER OPERATING EXPENSES/REVENUES

In 1Q21, other operating income and expenses were negative R\$99.7 million, a 56.0% lesser performance when compared to the same quarter last year. Company's donations to combat Coronavirus pandemic are being accounted in this line.



CYBERKNIFE

A NEW PERSPECTIVE TO
FIGHT CANCER



EBITDA

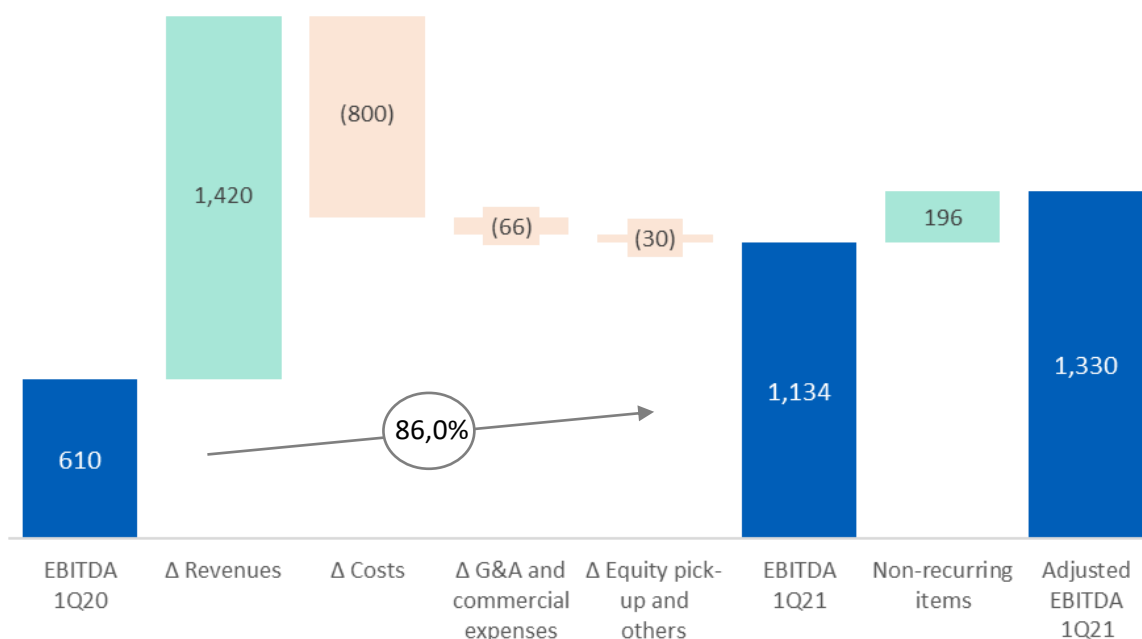
Rede D'Or posted record EBITDA of R\$1,134.5 million in 1Q21, an expansion of 86.0% compared to 1Q20. EBITDA margin reached 24.0%, solid growth of 5.6 p.p. compared to 18.5% reported in 1Q20.

The result evidences the Company's operational recovery amid the effects of the COVID-19 pandemic, with strong revenue expansion driven by a greater number of elective surgical procedures, which led to a higher occupancy

rate despite the increase of 798 operational beds in the first quarter.

However, as expected, the non-recurring effects related to the pandemic continued impacting the Company's results. In 1Q21, the impact on costs and expenses composed mainly of materials and medicines and of hiring professionals and services related to the fight against Covid-19, totaled R\$127.3 million.

EBITDA breakdown in 1Q21, compared to same period last year (R\$ million)



(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Net income	402.4	113.5	254.6%	302.9	32.9%
(+) Financial result	391.4	248.1	57.8%	344.5	13.6%
(+) Income tax and social contribution	70.3	48.2	45.8%	159.6	-56.0%
(+) Depreciation and amortization	270.4	200.1	35.2%	210.5	28.4%
EBITDA	1,134.5	609.8	86.0%	1,017.5	11.5%
EBITDA margin (%)	24.0%	18.5%	5.6 pp	24.4%	-0.4 pp

EBITDA (cont'd)

Excluding the effects of the pandemic and other non-recurring items, adjusted EBITDA reached R\$1,330.4 million, posting an expressive growth

of 95.3% when compared to 1Q20. Adjusted EBITDA margin reached 28.2%, 7.5 p.p. higher over 1Q20.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
EBITDA	1,134.5	609.8	86.0%	1,017.5	11.5%
(+) EBITDA of recently opened hospitals	(6.0)	31.9	n/a	0.1	n/a
(+) Expenses with Stock Options/RSU	61.1	22.5	171.3%	-	n/a
(+) Costs of business combinations	5.6	11.6	-52.1%	2.8	98.6%
(+) Incentive laws	1.0	1.0	6.8%	1.2	-18.3%
(+) Covid-19 pandemic	127.3	0.4	n/a	117.4	8.4%
(+/-) Other non-recurring/non-operational	7.0	4.0	78.0%	3.5	101.1%
Adjusted EBITDA	1,330.4	681.2	95.3%	1,142.6	16.4%
Adjusted EBITDA margin (%)	28.2%	20.6%	7.5 pp	27.4%	2.8%

FINANCIAL RESULT

The financial result ended the quarter with a negative balance of R\$391.4 million, 57.8% worse than in 1Q20.

Financial revenues reached R\$61.0 million, down 2.7% when compared to the same quarter of the previous year due to the effect of interest rate reduction, which more than offset the increase in the cash position, at R\$13,663.1 million by the end of 1Q21 (vs R\$9,140.2 million in 1Q20).

The financial expense totaled R\$445.5 million, with an increase of 17.1% compared to 1Q20,

mainly due to the effect of mark-to-market of the additional equity stake in Qualicorp S.A (12,38%)⁽⁵⁾ which impacted the other financial income/expense line.

Interest on financing and bonds totaled R\$ 236.6 million, with a slight decrease of 1.4% compared to 1Q20 due to the reduction of interest rates (CDI) in the period, which more than offset the increase in average indebtedness in the amount of R\$2.9 billion.

(5) Throughout 1Q21, the Company increased its shareholding in Qualicorp S.A. to 22.38% from 10%. The incremental stake was accounted for as securities and, therefore, affected the financial result in the line of other financial income/expenses. As of 2Q21, the effects of Qualicorp's stake will no longer impact the financial result due to the recognition of equity interest.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Financial result (a+b+c)	(391.4)	(248.1)	57.8%	(344.5)	13.6%
Financial revenues (a)	61.0	62.7	-2.7%	32.3	88.6%
Financial expenses (b)	(445.5)	(380.4)	17.1%	(355.2)	25.4%
<i>Interest and monetary adjustments</i>	(236.6)	(239.8)	-1.4%	(244.1)	-3.1%
<i>Taxes and charges</i>	(6.9)	(5.2)	32.3%	(3.1)	122.1%
<i>Leasing ⁽¹⁾</i>	(85.3)	(95.7)	-10.9%	(98.4)	-13.3%
<i>Other financial expenses/revenues</i>	(116.8)	(39.7)	194.5%	(9.6)	1112.7%
Net exchange variation and other ⁽²⁾ (c)	(6.9)	69.6	n/a	(21.6)	-68.3%

(1) Referring mainly to the effects of IFRS-16. For more information, see note 11 to the ITR.

(2) Considers the effects of net exchange variation, fair value of debt and the fair value and settlement of derivatives (swap). For more information, see note 25 to the ITR

NET INCOME

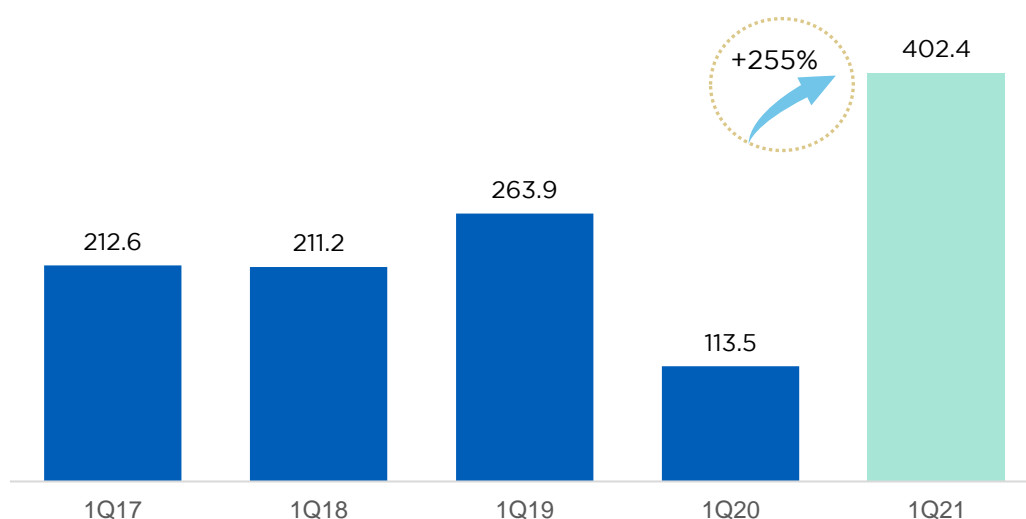
Due to the aforementioned factors, the Company's net income reached a record of R\$402.4 million in 1Q21, expanding by about 255% when compared to the result of the same quarter of the previous year.

In addition to the solid growth in the operating result, the net income was positively impacted by the payment of Interest on Equity (IoE) announced at the end of 1Q21.

Effective tax rate in 1Q21 reached 15%, compared to 30% in the same quarter of the previous year.

IFRS-16: In 1Q21, leasing expenses booked by the Company as interest and depreciation totaled R\$165.8 million. Considering the cash effect, the Company's rent expenses would have totaled R\$135.9 million.

Net income (R\$ million)



DEBT

At the end of 1Q21, the Company's gross debt balance was R\$21,118.3, up 4.0% over the same period last year. Of this amount, 59.6% is denominated in Brazilian Real, while the remainder is US dollar denominated, hedged for fully contracted currency exposure.

The Company enters into derivative financial instruments (swaps) with the purpose of hedging against (i) fluctuations in foreign exchange rates and currencies, exchanging the exposure arising from variations in foreign currency for the exposure arising from an interest rate in Brazilian Reals; and (ii) interest rate variations, exchanging the exposure arising from interest rates for the exposure arising from a fixed interest rate.

At the end of the period, 68.8% of the Company's gross debt was linked to floating interest rates, mostly at the DI rate, while 31.2% was linked to fixed interest rates.

The gross debt of Rede D'Or, on March 31, 2021, recorded an average cost equivalent to CDI + 1.30%, and an average term of 5.1 years.

The Company's cash and cash equivalents position was R\$13,663.1 million at the end of 1Q21, 49.5% higher than at the end of the previous year, due to the raising of funds via IPO that impacted cash in 4Q20 and more than compensated investments made in the last 12 months.

As a result, the Company's net debt reached R\$7,215.3 million in 1Q21, down 35.3% from the same period last year.

At the end of 1Q21, the Company's leverage ratio measured by the Net Debt/EBITDA ratio was 2.4x, an improvement when compared to the 3.3x recorded in 1Q20, due to the reduction of Company's net debt followed by better operational results as evidenced by strong EBITDA growth in the period.

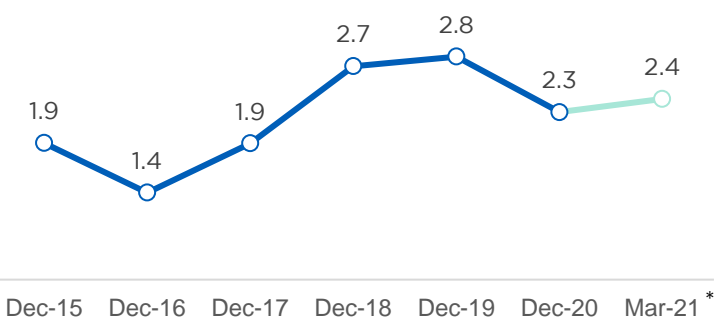
The Company has no financial covenants regarding debt levels or based on EBITDA and financial expenses.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Cash and cash equivalents	(13,663.1)	(9,140.2)	49.5%	(15,727.3)	-13.1%
<i>Cash and cash equivalents</i>	<i>(115.7)</i>	<i>(49.3)</i>	<i>134.5%</i>	<i>(146.9)</i>	<i>-21.2%</i>
<i>Securities</i>	<i>(13,547.4)</i>	<i>(9,090.9)</i>	<i>49.0%</i>	<i>(15,580.4)</i>	<i>-13.0%</i>
Gross debt	20,878.4	20,299.3	2.9%	21,341.0	-2.2%
<i>Loans, financing and bonds</i>	<i>23,918.1</i>	<i>22,882.3</i>	<i>4.5%</i>	<i>23,938.5</i>	<i>-0.1%</i>
<i>Derivative financial instruments</i>	<i>(3,039.6)</i>	<i>(2,583.0)</i>	<i>17.7%</i>	<i>(2,597.5)</i>	<i>17.0%</i>
Net debt	7,215.3	11,159.1	-35.3%	5,613.8	28.5%

DEBT (cont'd)

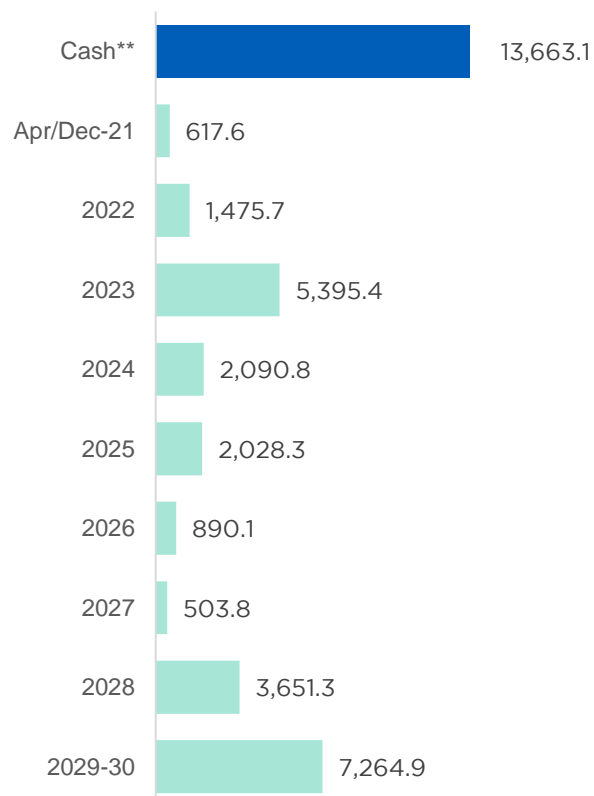
The following charts below show the evolution of the leverage index, as well as the amortization schedule of loans, financing and debentures for the coming years.

Net debt / EBITDA



(*) Last 12 months EBITDA.

Debt amortization schedule
(R\$ million)



(**) Cash equivalents and securities

SUBSEQUENT EVENTS

ISSUANCE OF CERTIFICATE OF REAL ESTATE RECEIVABLES (CRI)

On May 11, 2021, the Company, through a securitization company, made the disbursement of its 6th issue of Certificates of Real Estate Receivables ("CRI") nominative, book-entry, in the amount of R\$1.5 billion, maturing on May 15, 2036 in three annual amortizations in 2034, 2035, and 2036.

The CRI will be remunerated by the IPCA + 4.9347% per year, to be paid semiannually. Concomitantly, the Company contracted a derivative financial instrument to protect the IPCA inflation rate, converting it into interest corresponding to 100.0% of the CDI plus 1.35% per year.

CASH FLOW (Managerial)

OPERATIONAL CASH FLOW

As a result of the solid operating performance achieved in the quarter, the Company registered operating cash generation of R\$439.7 million in 1Q21. Excluding non-recurring items, adjusted operational cash flow totaled R\$777.6 million in the quarter, an increase of 612.7% over 1Q20.

INVESTMENTS (CAPEX)

In the quarter, investments (ex-M&A) reached R\$379.5 million, an increase of 42.8% over 1Q20, due to Company's robust growth program which has more than 30 projects of new units or expansion of existing ones and seven constructions under way by the end of 1Q21.

Maintenance capex totaled R\$109.8 million in the quarter or 2.3% of net revenues (vs 2.8% in 1Q20).

Merger and acquisition's (M&A) capex was mostly concentrated in the acquisition of the additional stake in Qualicorp S.A. which amounted approximately R\$1 billion.

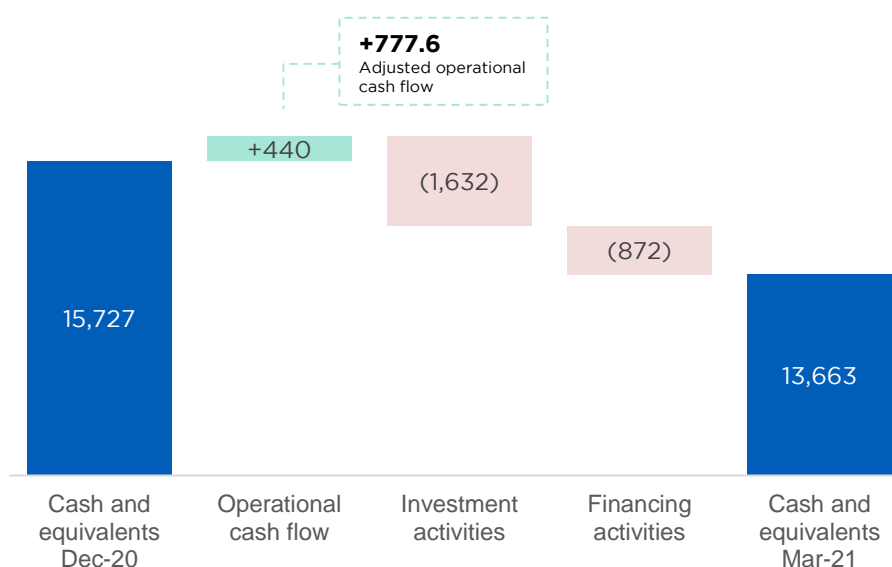
FUNDING ACTIVITIES

Cash flow generated by financing activities was negative by R\$ 872.3 million in the quarter, mainly due to the announcement (on Mar-21) of R\$ 245.8 million of Interest on Equity (IoE).

Considering the impact of cash generation, investments and funding activities, the Company recorded a reduction in its cash position of R\$ 2,064.2 million over December 2020.

(R\$ million)	1Q21	1Q20	Δ %	4Q20	Δ %
Investments (ex-M&A)	(407.4)	(277.3)	46.9%	(589.1)	-30.8%
<i>Maintenance</i>	<i>(109.8)</i>	<i>(93.9)</i>	<i>16.8%</i>	<i>(89.2)</i>	<i>23.1%</i>
<i>Expansion</i>	<i>(297.6)</i>	<i>(183.4)</i>	<i>62.3%</i>	<i>(499.9)</i>	<i>-40.5%</i>
Merger and acquisitions (M&A)	(1,224.2)	(841.1)	45.6%	(249.4)	390.9%

Cash flow - 1Q21 (R\$ million)



RDOR3 PERFORMANCE

The price of Rede D'Or São Luiz's share (RDOR3) ended the first quarter of 2021 quoted at R\$64.91, a 12.1% increase since the IPO, compared to a 3.5% increase in the IBOV index in the same period

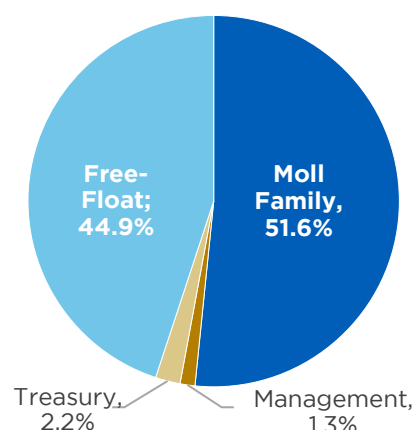
The average daily trading value in 1Q21 was R\$140.7 million (equivalent to USD25.7 million⁽⁶⁾), while the daily average trading volume was 8,238.

RDOR3 is listed on 67 indexes, including several belonging to the FTSE and S&P groups.

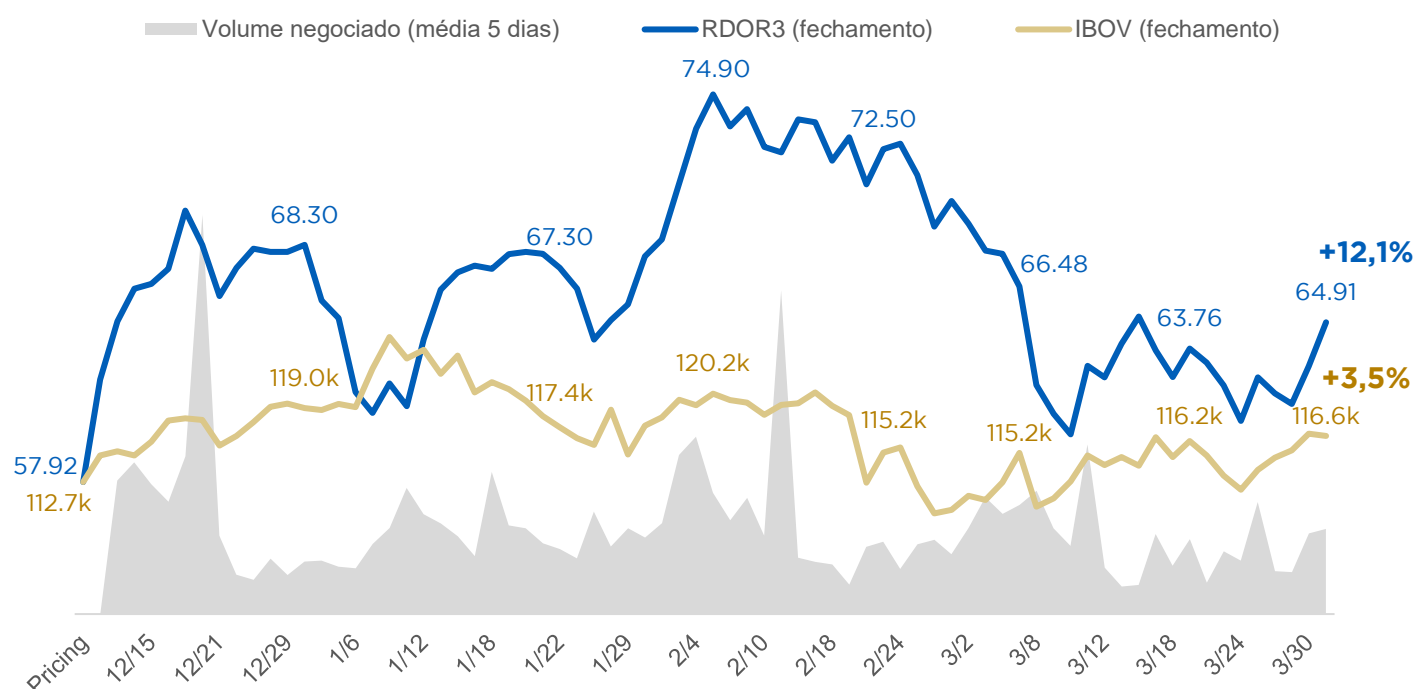
As of March 31, 2021, the Moll Family held, directly and indirectly, 51.6% of the Company's shares, while Free-Float comprised 44.9% of the shares. The sum of Management⁽⁷⁾ and Treasury shares represented 3.5%.

RDOR3 at B3	1Q21
Outstanding shares – end of period	1,985,327,155
Treasury shares – end of period	42,800,664
Closing price (R\$) - end of period	64.91
Average closing price (R\$)	66.83
Average daily traded volume (R\$ million)	140.7
Number of trades daily average	8,238
Market Cap (R\$ million) - end of period	126,089

Shareholder composition 03/31/2021



RDOR3, volume traded, and IBOV since the IPO of Rede D'Or (ending 03/31/2021)



(6) Considering the average exchange rate, informed by the Central Bank, of R\$5.4833/USD in 1Q21.

(7) Management represents only members of Board of Directors and Statutory Management.

APPENDIX

BALANCE SHEET

Balance Sheet (R\$ thousands)	3/31/2021	12/31/2020	3/31/2020
Assets			
Current			
Cash and cash equivalents	115,701	146,884	49,344
Marketable securities	13,547,399	15,580,374	9,090,885
Accounts receivable	5,890,859	5,163,870	4,556,709
Inventories	570,601	607,948	368,095
Taxes recoverable	398,895	297,897	118,090
Derivative financial instruments	163,275	266,355	292,223
Related parties	-	-	-
Dividends receivable	63	63	-
Receivables from disposal of properties	18,465	18,425	18,281
Assets held for sale	-	-	-
Other	331,975	350,085	342,268
Total Current Assets	21,037,233	22,431,901	14,835,895
Noncurrent			
Related parties	32,796	51,987	45,876
Deposit for acquisition of property	97,701	97,644	97,644
Judicial deposits	296,834	276,895	196,274
Deferred income tax and social contribution	546,579	528,901	363,387
Derivative financial instruments	3,653,185	2,743,616	2,882,911
Investments in subsidiaries, affiliates and jointly controlled subsidiaries	2,160,048	1,089,231	1,223,296
Property and equipments	7,569,115	7,368,945	6,704,940
Intangible assets	7,984,762	7,809,898	6,093,060
Right of use - leases	2,983,518	2,998,021	2,385,814
Others	254,557	260,005	139,755
Total noncurrent assets	25,579,095	23,225,143	20,132,957
Total assets	46,616,328	45,657,044	34,968,852
Liabilities			
Current			
Trade account payable	950,257	846,883	532,886
Derivative financial instruments	249,870	324,510	279,094
Loans, financing and debentures	617,584	662,956	744,030
Salaries, provisions and social charges	798,100	671,164	600,085
Tax liabilities	422,970	364,994	228,258
Accounts payable for acquisitions	140,380	58,367	169,236
Dividends payable	270,052	346,600	345,697
Deferred gain on the disposal of real estate	3,920	3,920	3,920
Leases	340,327	415,472	184,188
Others	154,442	166,184	64,103
Total current liabilities	3,947,902	3,861,050	3,151,497
Noncurrent			
Derivative financial instruments	526,947	87,968	313,053
Loans, financing and debenture	23,300,491	23,275,581	22,138,294
Related parties	29,124	42,794	350
Tax obligations	266,036	228,061	251,794
Accounts payable for acquisitions	420,130	456,247	335,616
Deferred income tax and social contribution	351,766	325,956	355,746
Provision for lawsuits	332,324	319,863	249,934
Provision for investment losses	-	-	-
Deferred gain on the disposal of real estate	63,483	64,460	67,393
Leases	2,912,912	2,822,337	2,392,181
Others	156,913	170,545	165,555
Total noncurrent liabilities	28,360,126	27,793,812	26,269,916
Equity			
Capital	6,472,948	6,472,948	867,776
Capital reserves	4,675,693	4,680,412	2,366,859
Treasury shares	(263,384)	(263,384)	(474,462)
Income reserves	2,496,100	2,789,480	2,401,696
Retained earnings	372,404	-	110,468
Advance for future capital increase	4,224	4,224	4,224
Other reserves	158,323	(70,558)	36,170
Total equity	13,916,308	13,613,122	5,312,731
Share of noncontrolling shareholders	391,992	389,060	234,708
Total shareholders' equity, advance for future capital increase and participation of non-controlling shareholders	14,308,300	14,002,182	5,547,439
Total liability	46,616,328	45,657,044	34,968,852

APPENDIX

ACCOUNTING CASH FLOW

Cash flows (R\$ thousands)	1Q21	1Q20
<i>Income before income tax and social contribution</i>	472,714	161,696
Adjustments to reconcile pre-tax profit to cash generated by operating activities		
<i>Depreciation and amortization</i>	270,396	200,065
<i>Gain on the disposal of real estate</i>	(977)	(977)
<i>Fair value of debt</i>	(641,240)	166,205
<i>Interest and monetary and exchange variations, net</i>	980,698	94,425
<i>Share-based payment</i>	30,479	22,500
<i>Provision for contingencies</i>	10,885	-
<i>Equity pickup</i>	2,301	8,201
<i>Allowance for doubtful accounts and provision for disallowances</i>	269,046	209,737
(Increase) decrease in assets and liabilities		
<i>Trade accounts receivable</i>	(994,854)	(621,449)
<i>Inventories</i>	37,347	(27,551)
<i>Recoverable taxes</i>	(100,997)	(19,046)
<i>Judicial deposits</i>	(19,609)	(6,088)
<i>Other assets</i>	(753)	(32,467)
<i>Trade accounts payable</i>	101,968	27,556
<i>Salaries, provisions and social charges</i>	93,371	78,340
<i>Tax obligations</i>	95,449	(56,345)
<i>Related parties</i>	5,521	(7,065)
<i>Provision for contingencies</i>	(523)	(1,440)
<i>Leases</i>	-	-
<i>Other liabilities</i>	(1,474)	(150,301)
	609,748	45,996
<i>Interest payment</i>	(370,770)	(100,274)
<i>Payment of income tax and social contribution</i>	(164,323)	(68,022)
Net cash generated by (applied in) operating activities	74,655	(122,300)
Cash flows from investment activities		
<i>Payment in business acquisition, net of acquired cash</i>	(796,647)	(793,738)
<i>Acquisition of equity interest</i>	-	-
<i>Advance for future capital increase</i>	(5,000)	(6,374)
<i>Asset purchases</i>	(341,437)	(273,298)
<i>Sale of property, plant and equipment</i>	-	-
<i>Acquisitions of intangible assets</i>	(60,801)	(33,331)
<i>Acquisitions of securities</i>	(10,641,657)	(15,875,099)
<i>Redemptions of securities</i>	12,471,490	12,026,266
<i>Receipts of dividends and interest on equity</i>	5,390	1,755
Net cash invested in investment activities	631,338	(4,953,819)
Cash flows from financing activities		
<i>Capital increase, net</i>	-	-
<i>Treasury shares</i>	-	-
<i>Acquisition of non-controlling interest</i>	-	-
<i>Distribution of dividends and interest on equity</i>	(361,772)	(2,449)
<i>Borrowing, financing and debentures</i>	-	5,331,217
<i>Loan payments, financing and debentures</i>	(385,954)	(273,156)
<i>Swap Settlement</i>	24,859	1,309
<i>Accounts payable for acquisitions</i>	(14,309)	(142)
Net cash generated in financing activities	(737,176)	5,056,779
Increase (Decrease) in cash and cash equivalents	(31,183)	(19,340)
Cash and cash equivalents at the beginning of the year	146,884	68,684
Cash and cash equivalents at the end of the year	115,701	49,344

RELATIONSHIP WITH INDEPENDENT AUDITORS

In line with the determination of CVM Instruction 381/2003, we inform you that our policy of hiring independent auditors considers the best principles of governance, which preserve the independence of the auditor, according to internationally accepted criteria.

Ernst & Young Auditors Independentes S.S. is contracted by the Company for external audit services, and, for the purpose of CVM Normative Instruction 381/2003, we declare that, in the period ended March 31, 2021, in addition to these services, Ernst & Young Auditores Independentes S.S. was hired to provide financial, accounting, labor, social security and tax due diligence services, and agreed procedure services on contractual clauses. The services were contracted for less than one year and involve R\$152 thousand in fees, which represents 1.0% of the fees related to external audit services.

The Company understands that, due to the nature of the contracted service and its representativeness compared to external audit services, there is no conflict of interest or loss of independence in relation to the work of the auditors.