

(A free translation of the original in Portuguese)

Hapvida Participações e Investimentos S.A.

**Parent company and consolidated interim
statements for the six-month period ended June 30,
2024**

(A free translation of the original in Portuguese)

Hapvida Participações e Investimentos S.A.
Parent company and consolidated interim statements
for the six-month period ended
June 30, 2024

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Hapvida Participações e Investimentos S.A.

Statements of Financial Position at June 30, 2024 and December 31, 2023

(Amounts expressed in thousands of reais)

(A free translation of the original in Portuguese)

Assets	Notes	Parent Company		Consolidated		Liabilities and equity	Notes	Parent Company		Consolidated	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023			06/30/2024	12/31/2023		
Cash and cash equivalents	34.(iii).d	6,663	857,991	419,682	1,430,144	Loans, financing and debentures	19	955,070	1,800,299	1,274,341	2,109,941
Short and long term investments	10	9,105	226,979	7,371,940	5,573,479	Suppliers		2,841	2,241	279,857	292,018
Trade accounts receivable	11	-	-	1,767,755	1,610,003	Technical reserves for health care operations	21	-	-	3,721,318	3,999,446
Inventories		-	-	403,939	318,605	Health care operation charges payable		-	-	68,931	58,038
Recoverable taxes	12	172,651	203,423	814,025	835,057	Social security charges	22	37,329	1,545	909,289	657,640
Deferred sales expenses	13	-	-	354,309	391,228	Taxes and contributions payable	23	16,757	20,145	398,961	467,460
Other assets	15	13,192	13,114	392,824	353,856	Income tax and social contribution	33.a	-	-	60,569	28,261
		201,611	1,301,507	11,524,474	10,512,372	Dividends and interest on shareholders' equity payable	14 and 26.c	2,552	2,552	12,629	12,629
Net assets of subsidiaries intended for sale		-	-	-	14,880	Leases payable	20	15	1	480,616	475,179
Total current assets		201,611	1,301,507	11,524,474	10,527,252	Derivative financial instruments	34	-	-	114,898	25,088
Short and long term investments	10	141	133	553,331	886,276	Other obligation to related parties	14	242,720	224,261	4,018	5,737
Deferred tax assets	33.b	1,830,607	1,495,115	3,386,444	3,096,139	Other accounts payable	25	100,228	22,251	440,082	406,911
Judicial deposits	24	10,978	10,689	2,575,578	2,226,206	Total current liabilities		1,357,512	2,073,295	7,765,509	8,538,348
Deferred sales expenses	13	-	-	578,754	570,132	Loans, financing and debentures	19	8,939,866	7,610,115	10,486,984	9,416,473
Derivative financial instruments	34	-	-	12,154	772	Taxes and contributions payable	23	-	-	141,911	161,394
Other credits with related parties	14	940	1,688	3,289	5,219	Technical reserves for health care operations	21	-	-	1,423,824	945,451
Other assets	15	6,185	8,585	125,880	121,774	Leases payable	20	153	167	2,842,607	2,862,830
Total long-term assets		1,848,851	1,516,210	7,235,430	6,906,518	Deferred tax liabilities	33.b	-	-	1,493,246	1,263,524
Investments	16	57,346,227	55,977,758	4,728	5,518	Provision for tax, civil and labor risks	24	2,170	2,074	1,314,933	1,267,316
Property and equipment	17	4,073	4,363	6,756,877	6,882,558	Derivative financial instruments	34	-	-	-	24,100
Intangible assets	18	1	2	50,228,213	50,833,995	Other accounts payable	25	18,700	22,000	1,195,543	1,582,847
Total non-current assets		59,199,152	57,498,333	64,225,248	64,628,589	Total non-current liabilities		8,960,889	7,634,356	18,899,048	17,523,935
						Equity	26				
						Share capital		38,866,199	38,866,199	38,866,199	38,866,199
						Treasury shares		(423,099)	(451,967)	(423,099)	(451,967)
						Capital reserve		9,771,190	9,892,386	9,771,190	9,892,386
						Legal reserve		201,486	201,486	201,486	201,486
						Profit reserves		599,887	599,887	599,887	599,887
						Other comprehensive income		(106,613)	(15,802)	(106,613)	(15,802)
						Retained earnings		173,312	-	173,312	-
						Equity attributable to controlling shareholders		49,082,362	49,092,189	49,082,362	49,092,189
						Non-controlling interest		-	-	2,803	1,369
						Total equity		49,082,362	49,092,189	49,085,165	49,093,558
Total assets		59,400,763	58,799,840	75,749,722	75,155,841	Total liabilities and equity		59,400,763	58,799,840	75,749,722	75,155,841

The accompanying notes to the parent company and consolidated interim statements.

Hapvida Participações e Investimentos S.A.

Statements of profit or loss

Periods ended June 30, 2024 and June 30, 2023

(Amounts expressed in thousands of reais)

(A free translation of the original in Portuguese)

	Notes	Parent Company				Consolidated			
		Year to date 06/30/2024	Quarter 06/30/2024	Year to date 06/30/2023	Quarter 06/30/2023	Year to date 06/30/2024	Quarter 06/30/2024	Year to date 06/30/2023	Quarter 06/30/2023
Net operating revenue	28	-	-	-	-	14,141,846	7,150,399	13,566,017	6,839,824
Cost of services rendered	29	-	-	-	-	(10,078,966)	(5,162,053)	(10,275,981)	(5,229,299)
Gross income		-	-	-	-	4,062,880	1,988,346	3,290,036	1,610,525
Selling expenses	30	(247)	(247)	(626)	(27)	(1,047,200)	(495,980)	(1,001,995)	(482,049)
Administrative expenses	31	(513,385)	(236,713)	(441,040)	(227,286)	(2,259,709)	(1,137,785)	(2,182,083)	(1,103,701)
Equity in net income of subsidiaries	16	846,162	412,771	191,764	213,368	-	-	-	-
Other operating (expenses) revenues, net		2,632	1,576	(59,498)	(59,532)	32,486	26,217	51,351	39,197
Subtotal		335,162	177,387	(309,400)	(73,477)	(3,274,423)	(1,607,548)	(3,132,727)	(1,546,553)
Profit/(loss) before financial income (loss) and taxes		335,162	177,387	(309,400)	(73,477)	788,457	380,798	157,309	63,972
Financial income	32	7,276	1,207	30,013	29,519	566,769	291,173	548,028	354,430
Financial expenses	32	(504,618)	(255,087)	(535,574)	(288,232)	(1,054,406)	(522,593)	(1,224,986)	(601,360)
Net financial income (expenses)		(497,342)	(253,880)	(505,561)	(258,713)	(487,637)	(231,420)	(676,958)	(246,930)
Profit (loss) before income tax and social contribution		(162,180)	(76,493)	(814,961)	(332,190)	300,820	149,378	(519,649)	(182,958)
Current income tax and social contribution	33.a	-	-	-	-	(193,545)	(84,528)	(214,021)	(147,856)
Deferred income tax and social contribution	33	335,492	166,299	311,512	171,319	60,583	25,585	230,175	168,873
Net income/(loss) from continuing operations		173,312	89,806	(503,449)	(160,871)	167,858	90,435	(503,495)	(161,941)
Net income/(loss) from discontinued operations	38	-	-	-	-	5,965	-	803	803
Net income/(loss) for the period		173,312	89,806	(503,449)	(160,871)	173,823	90,435	(502,692)	(161,138)
Attributable to:									
Non-controlling shareholders		-	-	-	-	511	629	757	(267)
Controlling shareholders		173,312	89,806	(503,449)	(160,871)	173,312	89,806	(503,449)	(160,871)
Basic and diluted earnings/(losses) per share	26.e	0.02	0.01	(0.07)	(0.02)	0.02	0.01	(0.07)	(0.02)

The accompanying notes to the parent company and consolidated interim statements.

Hapvida Participações e Investimentos S.A.

Statements of comprehensive income

Periods ended June 30, 2024 and June 30, 2023

(Amounts expressed in thousands of reais)

Notes	Parent Company				Consolidated			
	Year to date 06/30/2024	Quarter 06/30/2024	Year to date 06/30/2023	Quarter 06/30/2023	Year to date 06/30/2024	Quarter 06/30/2024	Year to date 06/30/2023	Quarter 06/30/2023
Net income (loss) for the period	<u>173,312</u>	<u>89,806</u>	<u>(503,449)</u>	<u>(160,871)</u>	<u>173,823</u>	<u>90,435</u>	<u>(502,692)</u>	<u>(161,138)</u>
Other comprehensive income to be reclassified to future income								
Net gain/(loss) on cash flow hedge	34, (iv) (90,811)	(51,420)	16,115	7,027	(90,811)	(51,420)	16,115	7,027
Total comprehensive income	<u>82,501</u>	<u>38,386</u>	<u>(487,334)</u>	<u>(153,844)</u>	<u>83,012</u>	<u>39,015</u>	<u>(486,577)</u>	<u>(154,111)</u>
Attributable to non-controlling shareholders	-	-	-	-	511	629	757	(267)
Controlling shareholders	82,501	38,386	(487,334)	(153,844)	82,501	38,386	(487,334)	(153,844)

The accompanying notes to the parent company and consolidated interim statements.

Hapvida Participações e Investimentos S.A.

Statements of changes in equity

Periods ended June 30, 2024 and June 30, 2023

(Amounts expressed in thousands of reais)

Notes	Attributable to controlling shareholders							Total	Non-controlling interest	Total equity
	Capital	Treasury shares	Capital reserves	Profit reserve		Other comprehensive income	Retained earnings (deficit)			
				Legal reserve	Profit reserve					
Balances at January 1, 2023	37,833,969	(427,776)	9,844,362	201,486	1,339,580	(42,184)	-	48,749,437	7,274	48,756,711
Loss for the period	-	-	-	-	-	-	(503,449)	(503,449)	757	(502,692)
Capital increase/(decrease)	1,059,155	-	-	-	-	-	-	1,059,155	(314)	1,058,841
Share issuance costs	(24,744)	-	-	-	-	-	-	(24,744)	-	(24,744)
Repurchase of shares	-	2,209	-	-	-	-	-	2,209	-	2,209
Share-based payments	-	-	46,842	-	-	-	-	46,842	-	46,842
Gain on cash flow hedge, net	-	-	-	-	-	16,115	-	16,115	-	16,115
Equity valuation adjustments	-	-	(12,636)	-	76	-	-	(12,560)	-	(12,560)
Balances at June 30, 2023	38,868,380	(425,567)	9,878,568	201,486	1,339,656	(26,069)	(503,449)	49,333,005	7,717	49,340,722
Balances at December 31, 2023	38,866,199	(451,967)	9,892,386	201,486	599,887	(15,802)	-	49,092,189	1,369	49,093,558
Net income for the period	-	-	-	-	-	-	173,312	173,312	511	173,823
Capital increase	-	-	-	-	-	-	-	-	923	923
Repurchase of shares	26.d	(19,387)	-	-	-	-	-	(19,387)	-	(19,387)
Share-based payments	-	48,255	(121,378)	-	-	-	-	(73,123)	-	(73,123)
Loss on cash flow hedge net	34.(iv)	-	-	-	-	(90,811)	-	(90,811)	-	(90,811)
Equity valuation adjustments	-	-	182	-	-	-	-	182	-	182
Balances at June 30, 2024	38,866,199	(423,099)	9,771,190	201,486	599,887	(106,613)	173,312	49,082,362	2,803	49,085,165

The accompanying notes to the parent company and consolidated interim statements.

Hapvida Participações e Investimentos S.A.

Statements of cash flows - Indirect method

Six-month periods ended June 30, 2024 and June 30, 2023

(Amounts expressed in thousands of reais)

	Parent Company		Consolidated	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Cash flows from operating activities				
Net income (loss) for the period	173,312	(503,449)	173,823	(502,692)
Adjustments to reconcile net income (loss) to cash from operations				
Depreciation and amortization	387,551	346,554	974,870	933,381
Amortization of right-of-use	3	2	115,616	102,371
Write-off of fair value surplus of property and equipment	-	60,467	-	93,560
Sale and leaseback operation	-	-	-	(112,540)
Technical reserves for health care operations	-	-	(37,178)	26,848
Equity in net income of subsidiaries	(846,162)	(191,764)	-	-
Provision for expected credit losses	-	-	275,234	280,107
Write-off of property and equipment	-	-	7,867	1,508
Write-off of intangible assets	-	-	4,342	32,326
Provision for tax, civil and labor risks	473	696	201,104	216,290
Mark-to-market of short and long term investments	-	-	197	611
Yield from short and long term investments	(5,849)	(18,457)	(386,501)	(310,775)
Loss (gain) with derivative financial instruments	-	8,289	(27,411)	(11,763)
Amortization of deferred sales expenses	-	-	318,724	323,433
Accrued interest and inindexation charges -leasae	8	7	159,960	120,307
Accrued interest and charges - loans, financing and debentures	501,472	507,171	662,554	799,437
Unrealized forcing exchange rate (gains) losses	27	-	34,099	(16,991)
Share-based payments	72,340	46,842	72,340	46,842
Income tax and social contribution expense	-	-	193,545	214,021
Deferred taxes	(335,492)	(311,512)	(60,583)	(230,175)
Other	-	-	-	(7,072)
	(52,317)	(55,154)	2,682,602	1,999,034
(Increase) decrease in operational assets:				
Trade accounts receivable	-	-	(432,986)	(240,344)
Inventories	-	-	(85,334)	(685)
Recoverable taxes	30,772	(6,008)	(27,901)	(68,512)
Judicial deposits	(289)	(2,390)	(353,990)	(193,228)
Other assets	2,322	9,294	3,461	40,201
Other assets	-	-	(290,427)	(361,260)
Increase (decrease) in operational liabilities:				
Technical reserves for health care operations	-	-	237,423	181,127
Health care operation charges payable	-	-	10,893	26,285
Social security charges	(125)	49	215,740	79,617
Suppliers	573	(226)	(20,731)	(76,213)
Taxes and contributions payable	(3,388)	(4,047)	(80,969)	(46,460)
Provision for tax, civil and labor risks	(377)	(179)	(123,843)	(100,799)
Other accounts payable	(7,103)	30,500	(158,466)	(69,358)
Cash generated by (used in) operating activities	(29,932)	(28,161)	1,575,472	1,169,405
Income tax and social contribution paid	-	-	(140,595)	(137,374)
Net cash flow from (used in) continuing activities	(29,932)	(28,161)	1,434,877	1,032,031
Net cash flow from (used in) discontinued activities	-	-	5,621	(10,074)
Net cash flow from (used in) operating activities	(29,932)	(28,161)	1,440,498	1,021,957
Cash flows from investing activities				
(Payments) receipts from related parties	19,207	12,381	211	(3,830)
Acquisition of property and equipment	-	(229)	(87,445)	(146,007)
Acquisition of intangible assets	-	-	(202,455)	(92,451)
Acquisition of investments	-	-	-	(630,641)
Paid-up capital in investees	-	(740,005)	-	-
Acquisition of investees	-	-	-	3,194
Advance for future capital increase	(1,000,100)	(376,777)	-	-
Dividends received	-	116,475	-	-
Proceeds from sale and leaseback operations	-	-	-	1,250,000
Short and long term investments	(31,440)	(849,900)	(9,762,642)	(12,205,721)
Redemption of short and long term investments	255,155	580,952	8,704,708	10,325,000
Cash flow used in investing activities	(757,178)	(1,257,103)	(1,347,623)	(1,500,456)
Cash flow used in discontinued activities	-	-	(29,167)	(32,385)
Cash flow used in investing activities	(757,178)	(1,257,103)	(1,376,790)	(1,532,841)
Cash flows from financing activities				
Issue of debentures	1,000,000	750,000	1,000,000	750,000
New loans and financing	330,000	-	-	260,000
Proceeds from issuance of shares	-	1,059,155	-	1,059,155
Share issuance costs	-	(24,744)	-	(24,744)
Repurchase of own shares	(20,724)	2,209	(20,724)	2,209
Payment of loan principal, financing and debentures	(750,000)	(34,373)	(750,000)	(1,276,492)
Payment of interest from loans, financing and debentures	(591,043)	(430,663)	(697,265)	(660,479)
Debt issuance costs	(5,907)	-	(5,907)	(2,655)
Acquisition of subsidiaries - payments	-	-	(308,194)	(7,942)
Lease installments paid	(8)	(8)	(242,248)	(211,689)
Payment of stock grant plan	(26,536)	-	(26,536)	-
Payments of derivative financial instruments	-	(29,228)	(17,082)	(78,272)
Net cash from (used in) financing activities	(64,218)	1,292,348	(1,067,956)	(190,909)
Net cash from discontinued activities	-	-	8,666	112
Net cash from (used in) financing activities	(64,218)	1,292,348	(1,059,290)	(190,797)
Increase (decrease) in cash and cash equivalents from continuing operations	(851,328)	7,084	(980,702)	(659,334)
Decrease in cash and cash equivalents from discontinued operations	-	-	(14,880)	(42,347)
Increase (decrease) in cash and cash equivalents	(851,328)	7,084	(995,582)	(701,681)
Cash and cash equivalents at the beginning of the period	857,991	3,242	1,430,144	1,267,915
Cash and cash equivalents at the end of the period	6,663	10,326	419,682	547,962
Change in cash and cash equivalents from discontinued operations	-	-	(14,880)	(18,272)
Increase (decrease) in cash and cash equivalents	(851,328)	7,084	(995,582)	(701,681)

The accompanying notes to the parent company and consolidated interim statements.

Hapvida Participações e Investimentos S.A.

Statements of added value

Six-month periods ended June 30, 2024 and June 30, 2023

(Amounts expressed in thousands of reais)

	Parent Company		Consolidated	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Revenues (1)	3,300	1,134	14,336,683	14,210,485
Revenue from contracts with customers	-	-	14,592,114	14,123,918
Other revenues	3,300	1,134	19,803	366,674
Allowance for expected credit losses	-	-	(275,234)	(280,107)
Inputs purchased from third parties (3)	(13,907)	(7,901)	(9,414,324)	(9,677,978)
Materials, energy and others	(1,871)	(1,483)	(1,850,444)	(2,027,909)
Outsourced services, net commissions	(12,036)	(6,418)	(6,933,802)	(7,022,638)
Selling expenses	-	-	(630,078)	(627,431)
Gross added value (1) - (2) = (3)	(10,607)	(6,767)	4,922,359	4,532,507
Depreciation and amortization (4)	(387,554)	(346,556)	(1,090,488)	(1,035,752)
Net added value produced by the Company (3) - (4) = (5)	(398,161)	(353,323)	3,831,871	3,496,755
Added value received as transfer (6)	852,731	221,153	566,013	531,965
Equity in net incomes of subsidiaries	846,162	191,764	-	-
Financial income	7,276	30,013	566,769	548,010
Other	(707)	(624)	(756)	(16,045)
Undistributed value added from continuing operations (5)+(6)=(7)	454,570	(132,170)	4,397,884	4,028,720
Undistributed value added from discontinued operations (8)	-	-	5,965	803
Total added value to be distributed (7) + (8)	454,570	(132,170)	4,403,849	4,029,523
Distribution of added value				
Personnel	(109,176)	(83,916)	(2,043,951)	(1,988,696)
Direct remuneration	(108,988)	(83,855)	(1,778,754)	(1,665,826)
Benefits	(196)	(18)	(188,582)	(186,010)
FGTS	8	(43)	(76,615)	(136,860)
Taxes, rates and contributions	332,384	308,121	(1,094,165)	(996,289)
Federal	332,424	308,171	(1,030,361)	(742,578)
State	(40)	-	(1,779)	(633)
Municipal	-	(50)	(62,025)	(253,078)
Third-party capital remuneration	(504,466)	(595,484)	(1,091,910)	(1,547,230)
Interest	(503,690)	(534,869)	(944,775)	(1,172,940)
Leases	(102)	-	(14,154)	(24,938)
Other	(674)	(60,615)	(132,981)	(349,352)
Remuneration of own capital	(173,312)	503,449	(173,823)	502,692
Retained earnings/(losses)	(173,312)	503,449	(173,312)	503,449
Non-controlling interest in accumulated deficit	-	-	(511)	(757)
Distributed added value	(454,570)	132,170	(4,403,849)	(4,029,523)

The accompanying notes to the parent company and consolidated interim statements.

Notes to the financial statements

(Amounts expressed in thousands of reais)

1 Operations

Hapvida Participações e Investimentos S.A. ("Company") is a holding company organized as a corporation with registered offices at Av. Heráclito Graça, 406 in the city of Fortaleza/CE. The parent company and consolidated interim statements include the Company and its subsidiaries ""("Group"). The Group is mainly engaged in: (i) sale of health insurance plans and providing health care at its own network (hospitals, clinics, imaging diagnostics and laboratories); and (ii) the sale of dental insurance plans with the services provided by accredited network.

Hapvida Participações e Investimentos S.A. obtained the registration as a publicly-held company on April 20, 2018 and started trading its shares in the Novo Mercado (New Market) special segment at [B]3 - Brasil Bolsa Balcão, on April 25, 2018, under ticker HAPV3.

The Company's shareholding structure is presented as follows:

Partner	Number of shares	(%) Interest
PPAR Pinheiro Participações S.A.	2,713,267,990	36.20%
Outstanding shares	4,781,122,060	63.80%
(-) Treasury shares	45,073,213	-
Total	7,539,463,263	100.00%

As of June 30, 2024, the Company and its subsidiaries present positive Working Capital of R\$ 3,758,965 (positive Working Capital of R\$ 1,988,904 as of December 31, 2023).

The Company (parent company) presented negative Working Capital of R\$ 1,155,901 (negative by R\$ 771,788 as of December 31, 2023), mainly due to debentures classified as current liabilities. The Group operates a centralized cash management model enabling it to reallocate cash to meet the needs of subsidiaries. The Company may receive distributed profits from its operating subsidiaries.

Management has assessed the ability of the Company and its subsidiaries to continue as a going over the coming 12 months and, has not identified any significant doubts affecting the sustainability of its business. Thus, these parent company and consolidated interim statements were prepared based on the going concern assumption.

2 Other matters

2.1 Climate change-related risk

Floods in the State of Rio Grande do Sul

The Company and its subsidiaries have been closely monitoring the impacts of the floods that occurred in the state of Rio Grande do Sul. In this regard, the Company's management has evaluated the direct and indirect exposures, and the key impacts are highlighted below. The Group has 1 hospital, 1 emergency care unit, 9 clinics, and 13 diagnostic imaging and laboratory collection units in the state of Rio Grande do Sul, serving a portfolio of approximately 188,000 beneficiaries (approximately 1% of the total) for the period ending June 30, 2024. Some units were affected by the floods and had to close their operations temporarily, but currently, all units are operating normally.

The Company's management has assessed the immaterial impacts on its business and interim financial statements and believes that the Company and its subsidiaries are not exposed to any additional direct or indirect risks or effects beyond those previously mentioned.

Climate Risk and Opportunity Study

The Company and its subsidiaries carried out a study of climate risks and opportunities focusing on the time horizons of 2030 and 2050, for the main physical risks linked to global warming and the effects of climate change on the increase in demand for health services in the short, medium and long term, aiming to obtain a better understanding and technical information to assist decision-making.

The possible impacts of extreme weather events on the units and facilities were assessed, as well as the consequences of climate change on the health of the population in general and demands for medical care.

The Group seeks to mitigate risks to the physical integrity of its units from events such as storms, floods, cyclones and hail when planning works and renovations. In certain cases, the ability to relocate facilities within safety and quality standards is also assessed. Insurance policies in place provide coverage for extreme events.

The increasing number of cases of respiratory diseases resulting from a drop in temperature or an increase in pollution, cardiovascular diseases caused by an increase in temperature and diseases limited in certain geographic areas (such as dengue, whose vector is related to the accumulation of water and may be impacted by the rainfall regime) are monitored by the Company and its subsidiaries on a recurring basis.

Ongoing investments are made in the geographic diversification of care units, in preventive medicine programs and in educational and awareness-raising actions through communication channels.

Up to June 30, 2024, no significant impacts arising from climate change risks were identified by Management for: i) impairment of non-financial assets; ii) financial instruments; iii) contingent provisions and liabilities; iv) fair value measurements; v) deferred taxes; vi) material judgments and estimates; or any other impacts.

2.2 Consumption tax reform

On December 20, 2023, Constitutional Amendment ("EC") 132 was enacted, which establishes the Tax Reform ("Reform") on consumption. Several matters including the rates of new taxes, are still pending regulation by Complementary Laws ("LC"), which must be 'to Congress within 180 days.

The Reform model is based on a VAT divided into two competences ("dual VAT"): one federal (Contribution on Goods and Services – "CBS"), with the transition set to be completed by 2027 and one sub-national (Tax on Goods and Services – "IBS"), which will replace the taxes currently known as PIS, COFINS, ICMS, and ISS.

A Selective Tax ("IS") was also created, under federal jurisdiction, which will apply to the production, extraction, trading or import of goods and services that are harmful to health and the environment, under the terms of a "LC").

There will be a transition period from 2024 to 2032, for the IBS, in which the two tax systems – old and new – will coexist. The impacts of the Reform on the calculation of the aforementioned taxes, from the beginning of the transition period, will only be fully known when the process of regulating pending issues through a Complementary Law is finalized.

As of June 30, 2024, there are already bills under consideration, including the approval of Bill (PL) 68/2024 by the House of Representatives, as well as the ongoing discussion of PL 108/24 (Establishment of the Management Committee for the Goods and Services Tax – CG-IBS). The initial estimated rate was set at 26.5% – (17.7% for IBS and 8.8% for CBS).

There was no effect of the Reform on the Company's parent company and consolidated interim financial statements and its subsidiaries.

2.3 Clarification on letter 13/2024/CVM/SEP/GEA-2

As disclosed in the Material Fact notice dated January 19, 2024, the Company and its subsidiaries clarify that they received notification from the Public Ministry of the State of São Paulo regarding a civil proceeding that investigates issues related to assistance coverage and compliance with court decisions. The Company and its subsidiaries inform that they have presented the relevant clarifications and will monitor the progress accordingly.

3 Subsidiaries

The Parent Company and Consolidated interim statements include the following direct and indirect subsidiaries of Hapvida Participações e Investimentos S.A.:

Entity		Acquisiti on date	Merger date	06/30/2024		12/31/2023	
				Direct	Indirect	Direct	Indirect
Hapvida Assistência Médica S.A. (a)	Health care plan	-	-	100%	-	100%	-
Hapvida Call Center e Tecnologia Ltda.	Technology	-	-	-	100%	-	100%
Maida Health Participações Societárias S.A. *	Technology	09/01/2019	-	-	-	-	75.00%
Maida Haptech Soluções Inteligentes Ltda. *	Technology	-	-	-	-	-	74.99%
Maida Infoway Tecnologia e Gestão em Saúde Ltda. *	Technology	09/01/2019	-	-	-	-	74.99%
Tercepta Consultoria em Informática Ltda. *	Technology	09/01/2021	-	-	-	-	75.00%
Lifepace Maida Ltda. *	Agency services	-	-	-	-	-	75.00%
Lifepace Hapvida Ltda.	Agency services	-	-	100%	-	100%	-
HB Saúde Group (c)		01/01/2023					
H.B. Saúde S.A.	Health care plan	-	-	-	100%	-	100%
H.B. Saúde Prestação de Serviços Médicos Ltda.	Health	-	-	-	100%	-	100%
H.B. Saúde Centro de Diagnóstico Ltda.	Health	-	-	-	100%	-	100%
Centro Integrado de Atendimento Ltda.	Health	-	-	-	100%	-	100%
Grupo Notre Dame Intermédica - GNDI (b)		02/01/2022					
Notre Dame Intermédica Participações S.A.	Holding	-	-	100%	-	100%	-
BCBF Participações S.A.	Holding	-	March 28, 2024	-	-	18.85%	81.15%
Notre Dame Intermédica Saúde S.A.	Health care plan	-	-	16.40%	83.60%	-	100%
São Lucas Saúde S.A.	Health care plan	-	-	-	100%	-	100%
São Lucas Serviços Médicos Ltda.	Health	-	-	-	100%	-	100%
Hospital São Lucas S.A.	Health	-	-	-	97.63%	-	87.75%
Clinipam - Clín. Médica Paranaense de Assistência Médica Ltda.	Health care plan	-	-	-	99.99%	-	100%
Hospital e Maternidade Santa Mônica S.A.	Health	-	-	-	100%	-	99.94%
INCORD - Inst. de Neurologia e de Coração de Divinópolis Ltda.	Laboratorial	-	-	-	100%	-	100%
Bioimagem Diag. por Imagem e Lab. de Análises Clín. Ltda.	Laboratorial	-	-	-	97.75%	-	96.33%
SMV Serviços Médicos Ltda.	Management	-	-	-	99.62%	-	99.30%
Lifecenter Sistema de Saúde S.A.	Health	-	-	-	100%	-	100%
Bio Saúde Serviços Médicos Ltda.	Health care plan	-	-	-	100%	-	100%
Hospital do Coração de Londrina Ltda.	Health	-	-	-	100%	-	100%
Notre Dame Intermédica Minas Gerais Ltda.	Holding	-	-	-	100%	-	100%
Notre Dame Intermédica Minas Gerais Saúde S.A.	Health care plan	-	-	-	99.96%	-	100%
Hospital e Maternidade Maringá S.A.	Health	-	-	-	100%	-	100%
IMESA - Instituto de Medicina Especializada Alfenas S.A.	Health	-	-	-	99.87%	-	99.77%
Hospital Varginha S.A.	Health	-	-	-	99.90%	-	99.87%
Casa de Saúde e Maternidade Santa Martha S.A.	Health	-	-	-	100%	-	100%
CCG Participações S.A.	Holding	-	-	-	100%	-	100%
Centro Clínico Gaúcho Ltda.	Health care plan	-	-	-	100%	-	100%
Hospital do Coração Duque de Caxias Ltda.	Health	-	-	-	100%	-	100%

* Companies sold in the first quarter of 2024 (Note 38).

The main subsidiaries operate with the following activities:

(a) Hapvida Assistência Médica S.A.

An insurance company which began operations on July 15, 1991, and is registered in the National Regulatory Agency for Private Health Insurance and Plans (ANS) under no. 36.825-3. It is primarily engaged in the sale of health and dental insurance plans focused on providing health care assistance through the network of companies under control of the Company and its subsidiaries.

(b) Grupo Notre Dame Intermédica - GNDI

Founded in 1968 and domiciled in Brazil, with headquarters in São Paulo/SP, the Grupo Notre Dame Intermédica operates healthcare plans, dental plans and occupational health. Its own Service Network operates through a structure of hospitals, clinical centers, independent emergency rooms, preventive medicine centers, clinical analysis collection points, imaging exam units and health centers dedicated exclusively to the elderly.

(c) HB Saúde Group

Founded in 1998, HB Saúde Group operates as a healthcare operator under this name, a hospital, outpatient units, a children's clinic, clinical and diagnostic centers, preventive and occupational medicine spaces and an oncology center, located in the municipalities of São José do Rio Preto and Mirassol, in São Paulo. It also covers Barretos, Fernandópolis, Votuporanga, Catanduva, Araçatuba, Três Lagoas and Uberaba.

4 Basis of preparation

Statement of compliance

(a) Parent company and consolidated statements

Except for the non-application of Technical Pronouncement IFRS 17 (CPC 50) - Insurance Contract, accounting standard which became effective from January 1, 2023, the parent company and consolidated interim financial statements were prepared in accordance with CPC 21 (R1) - Interim Financial Reporting, compatible to IAS 34, as issued by the International Accounting Standards Board (IASB) and the rules and regulations of the Brazilian Securities Commission (CVM), applicable to the preparation of Quarterly Information,. These disclosures are limited to information of significance to the financial statements, which is consistent with the information utilized by management in the performance of its duties.

The insurance contracts are recognized, measured and disclosed in these interim financial statements in accordance with IFRS 4 (CPC 11) - Insurance Contracts.

(b) Statement of added value

The presentation of the Parent Company and Consolidated Statement of Added Value is required by Brazilian corporate law and the accounting practices adopted in Brazil applicable to publicly-held companies. The Statement of Added Value was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 (R1) - "Statement of Added Value". The IFRS do not require the presentation of this statement. Accordingly, for IFRS purposes, this statement is presented as supplementary information.

5 Functional and presentation currency

These parent company and consolidated statements are being presented in Brazilian Real/ Reais (R\$) which is the functional currency of the Company and its subsidiaries. All balances have been rounded to the nearest thousands, except when otherwise indicated.

6 Use of estimates and judgments

In the preparation of these parent company and consolidated interim statements, management used judgments, estimates and assumptions that affect the application of accounting policies of the Company and its subsidiaries, and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed continuously. Reviews of estimates are recognized on a prospective basis.

(a) Judgments

Judgment made in the adoption of accounting policies impact significantly the amounts recognized in the parent company and consolidated interim statements and are included in the following notes:

- **Note 11** - Allowance for expected credit losses from accounts receivable. Recognition and measurement of the allowance for expected credit losses from trade accounts receivable, based on assumptions about the risk of default and defined expected loss rates. Judgments are applied to establish these assumptions and select data for calculating impairment, based on the history of receivables of the Company and its subsidiaries, existing market conditions and future estimates.
- **Note 13** - Deferred selling expenses. Identification average client turnover in the Company's portfolio under the same contract to determine the time of deferral of commissions;

- **Note 17** - Review of economic useful life of property and equipment. Estimate of useful life of property and equipment to determine the depreciation rate over our assets;
- **Note 18** - Intangible assets. Determination of estimated useful life of intangible assets, and the amortization rate used. Goodwill impairment test. The recoverable amount of Cash Generating Unit (CGU) was determined based on the value in use calculations, by an specialized firm based on estimates and budgetary projections approved by management;
- **Note 20** - Leases payable and sale and leaseback. The Company and its subsidiaries are not able to determine the implicit discount rate to be applied to their lease contracts. Therefore, the lessee's incremental borrowing rate is used to calculate the present value of lease liabilities at the initial recording of the lease. The loan incremental interest rate of the lessee is the interest rate that the lessee would have to pay when borrows funds for the acquisition of asset similar to the asset object of the lease agreement for a similar term and with similar collateral, the funds required to obtain the asset with a value similar to the right-of-use asset, in a similar economic environment. Sale and leaseback: The determination of gain or loss in the transaction, based on the fair value of the assets sold.
- **Note 21** - Technical reserves for health care operations. Determination of the actuarial methodology to estimate claims already incurred but not reported (PEONA and PEONA SUS). Determination of the actuarial methodology to estimate future cash flows and definition of the discount rate applied in the Liability Adequacy Test (LAT);
- **Note 24** - Provision for tax, civil and labor risks. The Company and/or its subsidiaries are party to administrative and judicial claims of a labor, tax, civil and regulatory nature, establishing provisions when claims are assessed as probable losses. The determination of loss probability is carried out by carrying out the assessment of available evidence, law hierarchy, available case laws, the most recent decisions in courts and its relevance to the legal system, as well as the advice of legal counsel;
- **Note 27** - Share-based remuneration. Determination of the methodology for pricing options on the share grant dates;
- **Note 33** - Deferred income tax and social contribution. Determination of realization and availability of future taxable income against which deductible temporary differences and tax losses may be used; and
- **Note 34** - Financial instruments and risk management. Determination of fair value of derivative and non-derivative financial instruments.

(b) *Uncertainties on critical assumptions and estimates*

Accounting estimates and judgments are constantly assessed and are based on prior experience and other factors, including expected future events considered to be reasonable in the circumstances. Revisions of accounting estimates are recognized in the period in which the estimates are made. The actual results in future periods may be different from those estimates and judgments.

The Company and its subsidiaries make use of assumptions for estimates of the future. By definition, resulting accounting estimates are seldom equal to the respective taxable income. The estimates and assumptions which present a significant risk, possibility of significant adjustment to the book value of assets and liabilities are shown below:

- **Note 11** - Allowance for expected credit losses from accounts receivable. Recognition and measurement of the allowance based on assumptions as to risk of default and expected loss rates. Judgments are applied for assumptions and selection of data for calculating impairment, based on the history of receivables of the Company and its subsidiaries, existing market conditions and future estimates;
- **Note 13** - Deferred selling expenses. Identification of client average turnover in the Company's portfolio under the same contract to determine the time of deferral of commissions;
- **Note 17** - Review of economic useful life of property and equipment. Estimate of useful life of property and equipment to determine the depreciation rates;
- **Note 18** - Determination of estimated useful life of intangible assets, and as a result, of the amortization rate to be used. Goodwill impairment test. Recoverable amounts of Cash Generating Unit (CGU) were determined based on the value in use calculations, by an external firm based on estimates and budgetary projections approved by the management;
- **Note 20** - Leases payable. Determination of the lease term and definition of the discount rate to be applied to lease agreements. The Company and its subsidiaries are not able to determine the implicit discount rate to be applied to their lease contracts. Therefore, the lessee's incremental borrowing rate is used to calculate the present value of lease liabilities at the initial recording of the lease. The loan incremental interest rate of the lessee is the interest rate that the lessee would have to pay when borrows funds for the acquisition of asset similar to the asset object of the lease agreement for a similar term and with similar collateral, the funds required to obtain the asset with a value similar to the right-of-use asset, in a similar economic environment.
- **Note 21** - Technical reserves for health care operations. Determination of the actuarial methodology to estimate claims already incurred but not reported (PEONA and PEONA SUS). Determination of the actuarial methodology to estimate future cash flows and definition of the discount rate applied in the Liability Adequacy Test (LAT);

- **Note 24** - Provision for tax, civil and labor risks. The Company and/or its subsidiaries are party to administrative and judicial claims of a labor, tax, civil and regulatory nature, in which they establish accounting provisions in relation to claims assessed as probable losses. The determination of loss probability assesses available evidence, law hierarchy, available case laws, the most recent decisions in courts and its relevance to the legal system, as well the advice of legal counsel;
- **Note 27** - Share-based remuneration. Determination of the methodology for pricing options on the share grant dates; and
- **Note 33** - Deferred income tax and social contribution. Determination of realization and availability of tax carryforward losses against which deductible temporary differences and tax losses may be offset.

(i) Fair value measurement

A number of the Company and its subsidiary's accounting policies and disclosures requires the measurement of fair value, for both financial and non-financial assets and liabilities.

The Company and its subsidiaries establish a control structure for measurement of fair value. This includes an assessment team that has overall responsibility for reviewing all significant fair value measurements, which discusses strategies for establishing the breakdown of the investment portfolio in the Finance and Capital Markets Committee.

Appraisal team regularly reviews significant non-observable data and valuation adjustments. If third-party information, such as brokerage firms' quotes or pricing services, is used to measure fair value, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS/CPC standards, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring fair value of an asset or liability, the Company and its subsidiaries use market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- **Level 1:** prices quoted (not adjusted) in active markets for identical assets and liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3:** inputs for assets or liabilities, which are not based on observable market data (non-observable inputs).

The Company and its subsidiaries recognize transfers between fair value hierarchic levels at the end of the period/year of parent company and consolidated interim statements in which changes occurred.

Additional information on the assumptions adopted in the measurement of fair values is included in the following notes:

- **Note 20** - Leases payable - Sale and leaseback operation; and
- **Note 34** - Financial Instruments.

7 Basis of measurement

The parent company and consolidated interim statements were prepared based on the historical cost, except for the following items which are measured at fair value (as described below) and recognized in the statements of financial position:

- derivative financial instruments (at each base date);
- short- and long-term investments - investment funds (at each base date); and
- contingent payments assumed in a business combination (on each base date).

8 Material accounting policies

The accounting policies used in the preparation of these parent company and consolidated interim statements are the same as those adopted in the preparation of the Company's audited annual parent company and consolidated financial statements for the year ended December 31, 2023. Therefore, this parent company and consolidated interim statements should be read together with the Company's annual parent company and consolidated financial statements for the year ended December 31, 2023, issued on March 28, 2024, which comprise the complete set of notes.

9 Operating segments

The Company and its subsidiaries render a standardized and uniform service for all Brazilian regions. Thus, it provides supplementary health sector in a vertical model, in which the beneficiary is primarily served by the network of the Company and its subsidiaries, providing medical and dental care. Accordingly, it has a single operating segment, whose operating and financial results are regularly reviewed by the Board of Directors on an aggregate basis. This reflects the way in which the management monitors operations and decisions are made about business continuity.

Although the Group owns several hospitals, clinics and other service units in its organizational structure, they serve to meet the demand of clients who are the beneficiaries of the health and dental plans of the operators belonging to the Group, within an integrated verticalized model, to grow operations in the geographical regions, generating synergy gains.

Quantitative and qualitative factors are assessed by management of the Company and its subsidiaries for monitoring and decision-making. The Board of Directors determines that the Statutory Executive Board, represented by the Chief Executive Officer (CEO), receives and analyzes information on the operating and financial results of the business and its decision-making, use of technologies and marketing strategies for the different products and services in a centralized manner.

Revenues and expenses are from providing services to beneficiaries located in Brazil with no concentration of sales by client.

10 Short- and long-term investments

The short- and long-term investments of the Company and its subsidiaries are as follows:

	Annual remuneration	Maturities	Parent Company		Consolidated	
			06/30/2024	12/31/2023	06/30/2024	12/31/2023
Government and private bonds						
Bank deposit certificates (CDB)	99.5-100.2% CDI	Jan 2024-Apr 2026	-	-	200,055	229,845
National Treasury Bill B (NTN-B)	IPCA + 6% p.a.	Up to Sep 2024	-	-	42,237	42,508
National Treasury Note B (NTN-B) - Collateral Assets (a)	IPCA + 4.81 p.a.	Mar 2025-Sep 2025	-	-	147,579	143,101
Financial Treasury Bill (LFT)	88.54%-100.0% CDI	Aug 2024-Mar 2027	-	-	71,112	369,896
Financial Treasury Bill (LFT) - Collateral Assets (a)	113.7% SELIC	Sep 2024-Sep 2025	-	-	231,160	223,112
Subtotal - Government and private bonds			-	-	692,143	1,008,462
Investment funds						
Fixed income - Collateral assets (a)	92.12%-108.56% CDI	No maturity	-	-	3,129,350	2,823,179
Fixed income - Exclusive (b)	94.9%-110.56% CDI	No maturity	9,105	226,979	3,753,350	2,362,000
Fixed income - non-exclusive	90.30%-101.60% CDI	No maturity	141	133	350,428	266,114
Subtotal - Investment funds			9,246	227,112	7,233,128	5,451,293
Total			9,246	227,112	7,925,271	6,459,755
Current			9,105	226,979	7,371,940	5,573,479
Non-current			141	133	553,331	886,276

- (a) The collateral assets are used to back the technical provisions of the health care operators.
- (b) Three exclusive funds are administered and managed by Banco do Brasil, Banco Santander, Banco Itaú and Banco Bradesco. These funds invest their resources in quotas of other funds administered by the managing banks. The investment policies of exclusive funds determine the concentration of resources in financial assets with low credit risk (ANBIMA classification).

The changes in Short- and long-term investments of the Company and its subsidiaries are as follows:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Balance of the beginning of the period	227,112	903	6,459,755	4,596,741
Acquisition of company	-	-	-	60,765
Investments	31,440	1,070,036	9,762,642	21,386,486
Yield	5,849	20,840	407,779	742,127
(-) Redemptions	(255,155)	(864,667)	(8,704,708)	(20,327,536)
(-) Provision for losses on yield	-	-	-	(88)
(-) Foreign exchange effects	-	-	-	(41)
Mark-to-market	-	-	(197)	1,351
Reclassification of items for sale	-	-	-	(50)
Balance at the end of the period/year	9,246	227,112	7,925,271	6,459,755

The restricted short and long term investments refer to the escrow originated by the following acquisitions:

Acquisition	06/30/2024	12/31/2023
São Francisco group	74,980	332,314
Medical group	389	31,166
São José group	22,414	25,251
NDI MG group	137,202	131,540
UNIMED ABC	-	1,026
Clinipam	173,766	165,916
Lifecenter	-	25,778
Total	408,751	712,991

11 Trade accounts receivable

From members of the health and dental care insurance plans as follows:

	Consolidated	
	06/30/2024	12/31/2023
Accounts receivable		
Health and dental care plans	1,700,662	1,596,869
Agreements and individuals	791,368	687,479
Other trade accounts receivable	-	1,046
Subtotal	2,492,030	2,285,394
(-) Allowance for expected credit losses from accounts receivable	(724,275)	(675,391)
Total	1,767,755	1,610,003

Aging of amounts receivable is as follows:

	Consolidated	
	06/30/2024	12/31/2023
Not yet due (A)	648,863	514,227
Overdue - in days: (B)	1,843,167	1,771,167
≤30	404,516	501,810
31-60	205,063	191,743
61-90	156,799	131,453
>90	1,076,789	946,161
Total (A) + (B)	2,492,030	2,285,394

Changes in accounts receivable balances are shown below:

	Consolidated		Total
	Health care plan	Not related to the health care plan	
Balances at January 1, 2023	1,076,943	403,858	1,480,801
Reclassification of items for sale	-	(23,778)	(23,778)
Acquisitions of companies	12,278	4,087	16,365
Net consideration	27,964,271	-	27,964,271
Revenues from health care operations not related to Operator's health plans	3,877	7,094,472	7,098,349
(-) Receipts	(27,384,748)	(6,993,061)	(34,377,809)
Reversal/(Formation) of impairment loss	(111,543)	75,952	(35,591)
Reversal/(constitution) of expected disallowance	-	4,919	4,919
(-) Write-off due to effective credit losses	(424,167)	(90,417)	(514,584)
Reclassification	(3,091)	151	(2,940)
Balances at December 31, 2023	1,133,820	476,183	1,610,003
Net consideration	14,677,411	-	14,677,411
Revenues from health care not related to Operators' health plans	-	604,464	604,464
(-) Receipts	(14,363,683)	(489,661)	(14,853,344)
Reversal/(Formation) of impairment loss	(32,522)	(20,210)	(52,732)
Reversal/(Constitution) of expected disallowance	-	4,464	4,464
(-) Write-off due to effective credit losses	(210,918)	(11,584)	(222,502)
Reclassification	-	(9)	(9)
Balances at June 30, 2024	1,204,108	563,647	1,767,755

Changes in the allowance for expected credit losses from accounts receivable were as follows:

	Consolidated		
	Health care plan	Not related to the health care plan	Total
Balances at January 1, 2023	(348,775)	(289,939)	(638,714)
Acquisitions of companies	(9,533)	(54)	(9,587)
Reclassification of items for sale	-	431	431
Reclassification	5,716	(5,716)	-
New allowance	(1,168,254)	(526,830)	(1,695,084)
Reversal of allowance	1,056,710	607,701	1,664,411
Other changes	39	3,113	3,152
Balances at December 31, 2023	(464,097)	(211,294)	(675,391)
Reclassification	120	(120)	-
New allowance	(797,531)	(286,218)	(1,083,749)
Reversal of allowance	765,009	270,472	1,035,481
Other changes	(63)	(553)	(616)
Balances at June 30, 2024	(496,562)	(227,713)	(724,275)

The Company has intensified its receivables collection management with the support of specialized consultants. Processes were reviewed and stricter policies were adopted, allowing for the recovery of overdue securities, generating (i) highest receipt of long overdue credits that had been provisioned; and (ii) the write-off of uncollectible securities.

12 Recoverable taxes

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Income tax - IRPJ (i)	20,340	37,221	267,930	323,555
Social contribution on income - CSLL (i)	-	-	49,093	45,306
Withholding income tax - IRRF	149,200	163,090	404,378	368,847
Social security	-	-	19,201	26,844
FGTS	-	-	4,282	4,282
PIS and COFINS	2,405	2,405	34,830	30,554
ISS	-	-	29,154	30,511
Advance of payments in installments	706	707	4,367	4,367
Other	-	-	790	791
Total	172,651	203,423	814,025	835,057

- (i) The balance refers mainly to the monthly advance payments for Income Tax and Social Contribution. Advances are offset with the taxes payable at year end

13 Deferred selling expenses

Represented by commissions paid for the sale of collective and individual plans charged to income over the estimated average term of the beneficiaries' in the customer portfolio.

The changes in deferred selling expenses are as follows:

	Consolidated	
	06/30/2024	12/31/2023
Balance of the beginning of the period	961,360	982,152
Deferral	290,427	643,625
(-) Amortization	(318,724)	(664,417)
Balances at the end of the period/year	933,063	961,360
Current	354,309	391,228
Non-current	578,754	570,132

14 Related party transactions and balances

The main balances and from operations with related parties, are as follows:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Assets				
Other credits with related parties				
Receivable from shareholders	-	-	1,258	1,258
PPAR COM Investimentos Ltda. - Amounts receivable	-	-	1,988	1,988
Other assets	940	1,688	43	1,973
Subtotal	940	1,688	3,289	5,219
Total assets	940	1,688	3,289	5,219
Liabilities				
Dividends and interest on shareholders' equity payable				
Dividends payable	1,979	1,979	12,056	12,056
Interest on shareholders' equity	573	573	573	573
Subtotal	2,552	2,552	12,629	12,629
Other receivables from related parties				
Shareholders	2,517	2,517	2,552	2,635
Investees	4,568	-	-	-
Canadá Administradora de Bens Imóveis Ltda.	1,343	1,343	1,343	1,343
Hapvida Assistência Médica S.A. (h)	234,190	219,850	-	-
Other	102	551	123	1,759
Subtotal	242,720	224,261	4,018	5,737
Leases payable				
Leases payable with related parties (a)	168	168	1,210,090	1,285,175
Leases payable with related parties - LPAR Imóveis Ltda. (b)	-	-	864,294	805,428
Subtotal	168	168	2,074,384	2,090,603
Debentures				
Debentures - 6 th private issue (g)	502,454	500,000	-	-
Commercial notes (i)	330,000	-	-	-
Subtotal	832,454	500,000	-	-
Total liabilities	1,077,894	726,981	2,091,031	2,108,969
	Parent Company		Consolidated	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Transactions in income (loss)				
Revenue from health care services (c)	-	-	560	489
Media broadcasting expenses (d)	-	-	-	(150)
Shared asset costs (e)	-	-	(1,226)	(826)
Interest on leases - Canadá Administradora de Bens Imóveis Ltda. (f)	(8)	(7)	(24,263)	(22,767)
Interest on leases - Fundação Ana Lima (f)	-	-	(1,374)	(834)
Interest on leases - Quixadá Participações Ltda. (f)	-	-	(23,851)	(20,821)
Interest on leases - LPAR Imóveis Ltda. (f)	-	-	(53,449)	(17,612)
Total	(8)	(7)	(103,603)	(62,521)

- (a) Lease of commercial property and movable property for the development of economic activities, pursuant to an agreement entered into among related parties (Canadá Administradora de Bens Imóveis Ltda., Quixadá Participações Ltda. and Fundação Ana Lima, non-consolidated entities under common control of the same shareholders of the Company and its subsidiaries) with an average maturities of 20 and 40 years, based on the appraisal of the market value performed by specialized firms, comprising: a) review of the base value every 60

- months of the lease term; and b) inflation indexed to the IPCA. Increase observed in the 2nd quarter of 2024, primarily due to the addition of the new lease contract for the Hospital Ariano Suassuna, with the related party Canadá Administradora de Bens Imóveis Ltda.
- (b) Lease of ten real estate properties (previously owned by the Company's subsidiaries), subject to a Sale and leaseback operation, with an investment vehicle owned by the Pinheiro Family (LPAR Imóveis Ltda.), the Company's parent company. The cap rate is 8.5% p.a., inflation indexed to the IPCA, for a lease term of 20 years (with an option to renew for the same period and an option to buy back), by the Company, under predetermined conditions.
 - (c) Revenues from health care plans of the Company and its subsidiaries with services to the companies that are part of Sistema Opinião de Comunicação, under common shareholding control, in the category of collective plans.
 - (d) Expenses with advertising hired by the Company and its subsidiaries belonging to 'Sistema Opinião de Comunicação,' under common shareholding control, with the purpose of promoting the sales of health care and dental care plans through marketing actions.
 - (e) The balance refers mainly to the use of aircraft belonging to the related party Canadá Administradora de Bens Imóveis Ltda. on business trips by management of the Company and its subsidiaries.
 - (f) Effect of interest on lease agreements with related parties.
 - (g) On December 29, 2023, the minutes of the meeting of the Board of Directors of the Company and its subsidiaries approved the placement of 500,000 simple debentures, not convertible into shares, in a single series and privately placed, subscribed and paid up exclusively by Casa de Saúde e Maternidade Santa Martha S.A.
 - (h) Includes the acquisition process of the PROMED group, carried out by Ultra Som Serviços Médico (later merged into Hapvida Assistência Médica S.A., in accordance with the Addendum agreed between the parties (PROMED x Ultra Som sellers), on October 18, 2022. The Company repurchased shares on behalf of the seller, in which case it must transfer these amounts to its subsidiary Hapvida Assistência Médica S.A.
 - (i) On June 28, 2024, the Company's board of directors approved the Term of issuance of the 1st issue of book-entry commercial notes, with its subsidiary Casa de Saúde e Maternidade Santa Martha S.A. The total amount of the issue was R\$ 330,000, in a single series, maturing in June 2034.

The Company also has the following related companies, which, as they meet the criteria of IAS 24 (CPC 05) - Related Party Disclosures, are classified as related parties, although the Company has no transactions. These are: Canadá Táxi Aéreo Ltda.; Angiomed Angiologia de Manaus Ltda.; Canadá Participações e Investimentos Ltda.; Canada Investments Ltd.

Remuneration of key management personnel

Members of the Board of Directors and members of the Statutory Executive Board are considered key management personnel of the Company and its subsidiaries. Total management remuneration were R\$ 85,339 in the period ended June 30, 2024 (R\$ 47,709 as of June 30, 2023), including salary, Directors' fees, bonuses, short-term benefits, profit sharing, in addition to long-term incentive (Note 27).

15 Other assets

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Advances to suppliers	1,363	22	69,359	124,602
(-) Provision for losses on advances to suppliers	(22)	(22)	(26,729)	(46,645)
Advances to employees	1	2	44,255	41,383
Advances for lawsuits	-	-	2,041	2,041
Prepaid expenses	1,446	2,282	78,923	68,329
Security deposit	-	-	3,595	2,360
Retention premiums to be appropriated (i)	11,219	13,200	34,984	19,383
Court-ordered freezing	-	-	54,745	44,506
Sale of São Francisco Resgate (iii)	-	-	6,631	46,631
Other securities receivable (ii)	5,370	6,215	250,900	173,040
Total	19,377	21,699	518,704	475,630
Current	13,192	13,114	392,824	353,856
Non-current	6,185	8,585	125,880	121,774

(i) Accrued bonuses for Company executives.

(ii) Accounts receivable from credit card transactions resulting from medical-hospital services.

(iii) Amounts receivable from the sale of São Francisco Resgate Ltda.

16 Investments (parent company)

a. Composition

	Assets	Liabilities	Equity	Net assets for the period	Percentage of interest	Investment at 06/30/2024	Investment at 12/31/2023
Hapvida Assistência Médica S.A.	17,607,781	7,563,912	10,043,869	389,582	100%	10,043,869	9,745,162
Notre Dame Intermédica Participações S.A.	11,293,292	766,048	10,527,244	377,770	100%	45,201,886	44,198,801
BCBF Participações S.A.	-	-	-	208,643	-	-	2,033,790
Notre Dame Intermédica Saúde S.A. (NDI Saúde)	20,586,961	7,782,777	12,804,184	246,864	16.40%	2,100,503	-
Life Place Hapvida Ltda.	101	132	(31)	(36)	100%	(31)	5
Total						57,346,227	55,977,758

b. Changes in balances

	Hapvida Assistência Médica S.A.	Notre Dame Intermédica Participações S.A.	BCBF Participações S.A.	NDI Saúde S.A.	Life Place Hapvida Ltda.	Total
Balance at 01/01/2023	7,034,537	43,472,543	-	-	-	53,816,608
Amortization of fair value increment of net assets	-	(798,037)	-	-	-	(798,037)
Equity in net income of subsidiaries	410,470	268,505	81,642	-	-	680,643
Dividends and interest on shareholders' equity	(607,727)	-	-	-	-	(962,437)
Capital increase (a)	-	833,777	1,828,277	-	5	2,662,059
Advances for future capital increase	-	559,700	-	-	-	559,700
Merger	2,877,329	-	(1,599)	-	-	-
Dilution of interest in subsidiaries	3,761	(128,864)	127,844	-	-	(1,020)
Other comprehensive income	20,526	-	-	-	-	26,382
Other	6,266	(8,823)	(2,374)	-	-	(6,140)
Balance at 12/31/2023	9,745,162	44,198,801	2,033,790	-	5	55,977,758
Amortization of fair value increment of net assets	-	(387,264)	-	-	-	(387,264)
Equity in net income of subsidiaries	389,582	377,770	37,189	41,657	(36)	846,162
Capital increase	-	505,700	-	-	-	505,700
Advances for future capital increase	-	494,400	-	-	-	494,400
Merger	-	-	(2,060,043)	2,060,043	-	-
Dilution of interest in subsidiaries	(164)	12,479	(10,936)	(1,197)	-	182
Other comprehensive income	(90,811)	-	-	-	-	(90,811)
Other	100	-	-	-	-	100
Balance at 06/30/2024	10,043,869	45,201,886	-	2,100,503	(31)	57,346,227

17 Property and equipment

	Annual average depreciation rate	Consolidated			
		Cost	Accumulated depreciation	Net 06/30/2024	Net 12/31/2023
Right-of-use	7.80%	3,603,121	(807,201)	2,795,920	2,830,204
Land	-	466,124	-	466,124	459,862
Real estate	2.70%	1,390,969	(314,388)	1,076,581	1,096,603
Vehicles	11.60%	24,811	(20,721)	4,090	5,164
IT equipment	17.30%	460,142	(314,774)	145,368	150,905
Machinery and equipment	10.40%	1,717,974	(971,673)	746,301	807,849
Furniture and fixtures	9.80%	368,476	(192,101)	176,375	187,595
Facilities	3.30%	1,480,873	(470,072)	1,010,801	1,021,345
Construction in progress	-	335,317	-	335,317	323,031
Total		9,847,807	(3,090,930)	6,756,877	6,882,558

Changes in property and equipment were as follows:

	Consolidated						
	12/31/2023	Additions	Write-offs	Depreciation	Transfers	Remeasurement	06/30/2024
Right-of-use	2,830,204	166,272	(33,828)	(115,616)	-	(51,112)	2,795,920
Land	459,862	2,079	(660)	-	4,843	-	466,124
Real estate	1,096,603	5,419	-	(25,747)	306	-	1,076,581
Vehicles	5,164	-	-	(1,291)	217	-	4,090
IT equipment	150,905	11,536	(15)	(29,742)	12,684	-	145,368
Machinery and equipment (a)	807,849	14,691	(178)	(72,868)	(3,193)	-	746,301
Furniture and fixtures	187,595	2,657	(51)	(16,120)	2,294	-	176,375
Facilities	1,021,345	39	(6,706)	(25,207)	21,330	-	1,010,801
Construction in progress (b)	323,031	51,024	(257)	-	(38,481)	-	335,317
Total	6,882,558	253,717	(41,695)	(286,591)	-	(51,112)	6,756,877

	Consolidated									
	12/31/2022	Acquisition of companies	Additions	Write-offs	Depreciation	Transfers	Remeasurement	Reclassification of items for sale	Sale and leaseback effect	12/31/2023
Right-of-use	2,090,968	6,510	83,328	(55,248)	(213,051)	(129)	354,258	(4,371)	567,939	2,830,204
Land	459,217	5,682	-	(39,249)	-	34,212	-	-	-	459,862
Real estate	2,080,135	1,280	-	(55,011)	(55,638)	32,396	-	(26)	(906,533)	1,096,603
Vehicles	21,469	-	-	485	(4,522)	3,538	-	(15,806)	-	5,164
IT equipment	166,830	638	23,870	(257)	(66,399)	27,329	-	(1,106)	-	150,905
Machinery and equipment	939,656	12,835	69,599	(1,190)	(149,810)	(56,372)	-	(6,869)	-	807,849
Furniture and fixtures	201,896	945	12,073	(427)	(31,745)	6,310	-	(1,457)	-	187,595
Facilities	855,138	268	3,061	-	(42,732)	207,944	-	(2,334)	-	1,021,345
Construction in progress	489,426	34,394	59,663	(490)	-	(255,228)	-	(4,734)	-	323,031
Total	7,304,735	62,552	251,594	(151,387)	(563,897)	-	354,258	(36,703)	(338,594)	6,882,558

- (a) Surgical equipment, communications equipment, machinery and non-hospital accessories, as well as refrigeration and ventilation equipment.
- (b) Construction in progress refers substantially to investments made in hospitals and clinics to improve and expand the physical facilities.

18 Intangible assets

	Annual average rate of amortization	Consolidated			
		Cost	Accumulated amortization	Net 06/30/2024	Net 12/31/2023
Client portfolio (b)	16.80%	7,763,606	(4,682,115)	3,081,491	3,735,908
Software	15.20%	868,996	(380,477)	488,519	378,636
Trademarks and patents	5.70%	2,797,436	(570,064)	2,227,372	2,311,648
Non-compete	20.00%	37,922	(33,896)	4,026	6,918
Goodwill	-	44,228,142	-	44,228,142	44,228,203
Other (a)	21.20%	211,395	(12,732)	198,663	172,682
Total		55,907,497	(5,679,284)	50,228,213	50,833,995

Changes in intangible asset balances were as follows:

	Consolidated					
	12/31/2023	Additions	Write-offs	Amortization	Transfers	06/30/2024
Client portfolio (b)	3,735,908	-	-	(654,417)	-	3,081,491
Software	378,636	-	(4,281)	(62,034)	176,198	488,519
Trademarks and patents	2,311,648	-	-	(84,276)	-	2,227,372
Non-compete	6,918	-	-	(2,892)	-	4,026
Goodwill	44,228,203	-	(61)	-	-	44,228,142
Others (a)	172,682	202,455	-	(276)	(176,198)	198,663
Total	50,833,995	202,455	(4,342)	(803,895)	-	50,228,213

	Consolidated							
	12/31/2022	Acquisitions of companies	Additions	Write-offs	Amortization	Transfers	Reclassification of items for sale	12/31/2023
Client portfolio (b)	4,944,063	69,779	-	-	(1,294,828)	16,894	-	3,735,908
Software	200,392	207	22,919	(136)	(95,691)	265,375	(14,430)	378,636
Trademarks and patents	2,480,718	22	-	-	(168,560)	(529)	(3)	2,311,648
Non-compete	11,590	-	-	(166)	(4,662)	156	-	6,918
Goodwill	43,862,750	532,705	-	(167,099)	-	92	(245)	44,228,203
Other	251,233	(1,811)	220,901	(12,552)	(878)	(281,988)	(2,223)	172,682
Total	51,750,746	600,902	243,820	(179,953)	(1,564,619)	-	(16,901)	50,833,995

(a) Software under development.

(b) An analysis of the client portfolios is shown below:

Hapvida Participações e Investimentos S.A.
Parent company and consolidated interim statements
for the six-month period ended
June 30, 2024

Client portfolio	Cost	Accumulated amortization	Net balance 06/30/2024	Net balance 12/31/2023
Promed Assistência	134,646	(118,617)	16,029	35,264
Promed Brasil	6,682	(6,682)	-	-
Promed Saúde	22,707	(22,707)	-	-
Sf Documenta	16,874	(16,874)	-	-
RN Metropolitan	32,354	(32,354)	-	-
Premium	19,937	(17,019)	2,918	5,835
Gram Jardim America Saúde	7,539	(7,539)	-	-
Gram América	4,770	(4,770)	-	187
Gram Promed	6,445	(6,445)	-	-
Sf Operadora	2,379,572	(1,876,846)	502,726	703,817
Sf Odonto	98,068	(98,068)	-	10,507
Sf Gsfrp Sfss	9,009	(7,815)	1,194	1,672
Sf Gsfrp Sfo	20,765	(20,765)	-	2,005
Gmed Medical	60,509	(51,200)	9,309	16,291
Gsj Operadora	51,789	(48,412)	3,377	10,132
Gndi Ndi Part	3,301,862	(1,622,949)	1,678,913	2,014,695
Uniplan	10,148	(10,148)	-	90
Freelife	7,602	(7,602)	-	41
Sta Casa Pirassununga	1,674	(1,524)	150	232
Tres Lagoas	552	(488)	64	91
Santa Casa Barretos	3,600	(3,143)	457	654
Fwbp	4,000	(3,245)	755	952
Irm Sta Casa Mis Leme	2,900	(2,233)	667	810
Medporto Assist Medica Ltda	400	(308)	92	112
Amhpla	24,434	(17,198)	7,236	8,442
Assoc Forn Cana Piracicaba	4,119	(2,899)	1,220	1,423
Irm Sta Casa Mis Sjrjo Preto	15,301	(8,360)	6,941	7,698
Prosaude De Araras	5,652	(2,732)	2,920	3,203
Bucal Help	901	(789)	112	154
Opsfelder Help Odonto	36	(30)	6	7
Benefit	848	(572)	276	318
Oral Brasil Planos	1,050	(643)	407	459
Apo	8,000	(4,267)	3,733	4,133
Soesp	8,533	(4,732)	3,801	4,224
Dental Norte	1,367	(720)	647	714
Cojun	125	(60)	65	71
MEDES	1,800	(1,800)	-	-
AMICO	3,100	(3,100)	-	-
CLIMEP	180	(180)	-	-
SOMED	700	(700)	-	-
CRAM	1,800	(1,800)	-	-
BENEMED	9,584	(9,584)	-	-
Plamheg	23,000	(15,979)	7,021	9,418
Samedh	18,691	(12,461)	6,230	8,099
HB group	69,861	(2,214)	67,647	69,782
HRF	3,617	(2,035)	1,582	1,846
Grupo Notre Dame	8,159	(7,861)	298	307
Santamália group	18,923	(18,923)	-	-
Unimed ABC	21,892	(15,915)	5,977	7,061
Cruzeiro do Sul group	18,684	(11,060)	7,624	8,415
SAMED group	30,313	(21,538)	8,775	10,493
Green Line group	154,271	(75,668)	78,603	84,909
Mediplan group	59,122	(30,815)	28,307	31,039
Belo Dente	46,462	(26,145)	20,317	22,335
São José group	6,378	(4,321)	2,057	2,442
São Lucas group	111,005	(49,083)	61,922	66,912
Clinipam group	178,804	(126,944)	51,860	61,545
Ecole	15,030	(10,686)	4,344	5,494
Santa Mônica group	6,554	(6,554)	-	-
Lifeday	25,491	(15,429)	10,062	12,144
Climepe	41,833	(21,928)	19,905	22,140
Bio Saúde	29,661	(18,597)	11,064	13,672
Medisanitas group	223,671	(46,765)	176,906	183,464
Serpram group	41,093	(13,661)	27,432	29,330
CCG group	301,799	(62,256)	239,543	250,828
Family	17,358	(17,358)	-	-
Total	7,763,606	(4,682,115)	3,081,491	3,735,908

Goodwill

The goodwill balances (intangible assets with an indefinite useful life) were submitted to an impairment test on December 31, 2023. The Company and its subsidiaries perform the impairment test annually.

The Company and its subsidiaries prepared the impairment test considering the history of business combinations, as shown in the table below:

Breakdown of goodwill	06/30/2024
NDI group	30,799,552
São Francisco group	1,679,040
Promed Group	1,756,282
América Group	305,399
Medical	194,406
São José	236,656
Premium	262,413
Madrecor	68,043
Octaviano Neves	109,158
Luis França	16,064
RN Metropolitan	32,723
São Lucas	39,058
Cariri	6,603
Cetro	23,682
Parauapebas	11,117
Sagratcor	15,022
Viventi	19,234
HB group	533,177
Grupo Notre Dame	480,134
Santamália group	125,405
Hospital Family	79,030
Unimed ABC	71,476
SAMCI/IBRAGE	24,052
Hospital São Bernardo	153,509
Nova Vida group	151,673
Cruzeiro do Sul group	60,578
SAMED Group	196,737
Green Line group	832,941
Mediplan group	230,334
Hospital Jacarepaguá	48,118
Belo Dente	23,916
Ghelfond group	163,187
São José group	94,264
São Lucas group	218,093
Clinipam group	2,313,674
Ecole	39,633
LabClin	4,464
Hospital Coração Balneário Camboriú	37,945
Santa Mônica group	130,829
Hospital e Maternidade Santa Brígida	22,882
Lifeday	114,405
Lifecenter	211,719
Climepe	91,023
Bio Saúde	77,594
Hospital do Coração de Londrina	197,179
NDI MG group	855,856
Hospital e Maternidade Maringá	50,117
Serpram group	112,354
Casa de Saúde Maternidade Santa Martha	129,861
CCG group	700,591
Hospital do Coração Duque de Caxias	55,818
Other	21,122
Total	44,228,142

In addition, the Company and its subsidiaries presented a sensitivity analysis of the key assumptions used in the last calculation of CGU's recoverability on the base date December 31, 2023 (Note 34).

According to the recoverability analysis prepared by an independent consultant hired by the Company and its subsidiaries to support Management's conclusion, for the year ended December 31, 2023, the value in use of the CGU is higher than its respective book value, indicating that there were no indications of impairment.

No impairment indicators were observed for the period ending June 30, 2024.

19 Loans, financing and debentures

a. Balances

Type	Maturity	Interest rate	Parent Company		Consolidated	
			06/30/2024	12/31/2023	06/30/2024	12/31/2023
Working capital	until Feb 2026	USD 5.2 + 6.84 p.a.	-	-	282,758	247,728
Commercial notes (v)	June 2034	Fixed rate	330,000	-	-	-
	until July		867,405	875,299	867,405	875,299
Debentures - 1 st issue - Hapvida Participações	2026	109% to 110.55% DI rate	-	-	-	-
	until to Apr		2,540,610	2,545,843	2,540,610	2,545,843
Debentures - 2 nd issue - Hapvida Participações	2029	CDI + 1.45% to 1.65% p.a.	-	-	-	-
Debentures - 3 rd issue - Hapvida Participações	May 2029	CDI + 1.60% p.a.	2,024,027	2,026,182	2,024,027	2,026,182
Debentures - 4 th issue - Hapvida Participações	Feb 2024	CDI + 1.70% p.a.	-	838,292	-	838,292
Debentures - 5 th issue - Hapvida Participações	Jan 2030	CDI + 1.75% p.a.	993,782	995,656	993,782	995,656
Debentures - 6 th private issue - Hapvida Participações (iii)	Jan 2030	Fixed rate	502,454	500,000	-	-
Debentures - 7 th issue - Hapvida Participações	May 2031	CDI + 1.60% p.a.	1,009,657	-	1,009,657	-
Debentures - 3 rd issue - NDI Saúde	Aug 2024	CDI + 1.60% p.a.	-	-	279,481	281,226
Debentures - 4 th issue - Hapvida Participações (ii)	Sep 2025	CDI + 2.65% p.a.	101,467	101,386	101,467	101,386
Debentures - 5 th issue - Hapvida Participações (ii)	Nov 2025	CDI + 2.65% p.a.	297,150	297,165	297,150	297,165
Debentures - 6 th issue - Hapvida Participações (ii)	Oct/27	CDI + 1.45% p.a.	1,228,384	1,230,591	1,228,384	1,230,591
CRI - Hapvida Assistência Médica (i)	Dec 2031	IPCA + 5.7505%	-	-	1,117,919	1,083,401
CRI - NDI Saúde - series 1 (iv)	Dec 2027	CDI+0.75% p.a.	-	-	534,746	533,697
CRI - NDI Saúde - series 2 (iv)	Dec 2029	IPCA + 7.0913 p.a.	-	-	383,014	372,063
CRI - NDI Saúde - series 3 (iv)	Dec 2034	IPCA + 7.2792 p.a.	-	-	100,925	97,885
Total			9,894,936	9,410,414	11,761,325	11,526,414
Current			955,070	1,800,299	1,274,341	2,109,941
Non-current			8,939,866	7,610,115	10,486,984	9,416,473

Hedge instrument, aimed at swapping the IPCA rate + 5.7505% for the CDI rate of 113.32%. Upon the merger of Ultra Som Serviços Médicos S.A. into Hapvida Assistência Médica S.A. on December 1, 2023, the latter assumed the debt previously held by Ultra Som Serviços Médicos S.A.

- (i) Debentures assigned by the former subsidiary BCBF Participações S.A. to the Company, with the Company becoming the issuer of the respective debentures for all purposes and effects. The transfer is part of the streamlining of the Company's corporate structure.
- (ii) On December 29, 2023, the Board of Directors approved the placement of 500,000 simple debentures, not convertible into shares, in a single series and privately placed, subscribed and paid up exclusively by Casa de Saúde e Maternidade Santa Martha S.A.
- (iii) On March 28, 2024, the subsidiary BCBF Participações S.A. (BCBF) was merged into Notre Dame Intermédica Saúde S.A., which currently holds the Real Estate Receivables Certificate - CRI previously issued by BCBF.
- (iv) On June 28, 2024, the board of directors approved the Term of issuance of the 1st issue of book-entry commercial notes, with its subsidiary Casa de Saúde e Maternidade Santa Martha S.A. The total amount of the issue was R\$ 330,000, carried out in a single series, maturing in June 2034.

b. Changes in balances

	Parent Company			Consolidated			
	Debentures	Commercial note	Total	Loans and financing	Debentures	Real Estate Receivables Certificate - CRI	Total
Balances at January 1, 2023	6,089,004	-	-	328,434	9,379,856	2,009,391	11,717,681
Acquisitions of companies	-	-	-	10,833	-	-	10,833
Transfer of debentures	1,823,832	-	-	-	-	-	-
Funding	2,250,000	-	-	260,000	1,750,000	-	2,010,000
Appropriation of issue costs	(2,085)	-	-	-	10,799	7,964	18,763
Accrued interest	1,060,442	-	-	17,451	1,212,531	237,733	1,467,715
Payment of principal	(819,335)	-	-	(332,909)	(1,946,003)	-	(2,278,912)
Payment of interest and exchange-rate changes	(993,314)	-	-	(20,998)	(1,217,413)	(165,387)	(1,403,798)
Exchange-rate changes	-	-	-	(15,083)	-	-	(15,083)
Debt issue costs	1,870	-	-	-	1,870	(2,655)	(785)
Balance at December 31, 2023	9,410,414	-	9,410,414	247,728	9,191,640	2,087,046	11,526,414
Funding	1,000,000	330,000	1,330,000	-	1,000,000	-	1,000,000
Appropriation of issue costs	2,822	-	2,822	-	3,265	12,517	15,782
Accrued interest	498,650	-	498,650	9,621	512,344	124,807	646,772
Payment of principal (i)	(750,000)	-	(750,000)	-	(750,000)	-	(750,000)
Payment of interest and exchange-rate change	(591,043)	-	(591,043)	(8,672)	(609,379)	(79,214)	(697,265)
Exchange-rate changes	-	-	-	34,081	-	(8,552)	25,529
Debt issue costs	(5,907)	-	(5,907)	-	(5,907)	-	(5,907)
Balances at June 30, 2024	9,564,936	330,000	9,894,936	282,758	9,341,963	2,136,604	11,761,325

- (i) Due to the re-profiling of financial liabilities, the debentures were settled as part of a financial strategy as the financial cost of the debenture, represented by the CDI rate plus 1.70% p.a., exceeded the percentage applied in the aforementioned operation.

The loans and financing of the Company and its subsidiaries are guaranteed by: (i) guarantors, (ii) chattel mortgage of the financed hospital assets, or (iii) short- and long-term investments held in the same institutions where the credits were contracted.

Working capital loan agreements have restrictive contractual clauses with covenants, which, if not complied with, may result in the early maturity of the respective operations.

These clauses, among other conditions, require that the Company and its subsidiaries to avoid defaulting on their obligations; lawsuits, claims or proceedings pending or about to be filed, which, if decided against the Company and its subsidiaries, would have a detrimental effect on their financial condition or impair their ability to fulfill their obligations.

The management of the Company and its subsidiaries assesses compliance with the contractual clauses of financial and non-financial covenants monthly, through a detailed analysis of each restrictive clause formalized in a memorandum. On June 30, 2024, the Company and its subsidiaries in full compliance with the contractual clauses and restrictions related to early maturity.

c. Aging

At June 30, 2024 and December 31, 2023, loans, financing and debentures have the following maturity schedule:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
2024	959,286	1,800,299	1,281,128	2,109,941
2025	705,624	706,937	697,646	703,266
2026	1,136,293	1,137,396	1,404,724	1,905,387
2027	1,019,675	1,020,769	1,554,123	1,017,097
>2028	6,074,058	4,745,013	6,823,704	5,790,723
Total	9,894,936	9,410,414	11,761,325	11,526,414

d. Debentures

d.1 Issue of debentures

Information on debentures issued by the Company and its subsidiaries is detailed below:

Issuer	Security	Type	Issued units	Issue	Final maturity	Average charges	Funding
Hapvida Part. e Inv. S.A.	HAPV11	1 st Issue - series 1	1,764,888	07/10/2019	07/10/2024	109% CDI	R\$ 1,764,888
Hapvida Part. e Inv. S.A.	HAPV21	1 st Issue - series 2	235,112	07/10/2019	07/10/2026	110.55% CDI	R\$ 235,112
Hapvida Part. e Inv. S.A.	HAPV12	2 nd Issue - series 1	1,250,000	10/30/2021	04/30/2027	CDI + 1.45% p.a.	R\$ 1,250,000
Hapvida Part. e Inv. S.A.	HAPV22	2 nd Issue - series 2	1,250,000	10/30/2021	04/30/2029	CDI + 1.65% p.a.	R\$ 1,250,000
Hapvida Part. e Inv. S.A.	HAPV13	3 rd Issue	2,000,000	05/10/2022	05/10/2029	CDI + 1.60% p.a.	R\$ 2,000,000
Hapvida Part. e Inv. S.A.	HAPV15	5 th Issue	1,000,000	12/27/2023	01/27/2030	CDI + 1.75% p.a.	R\$ 1,000,000
NDI Saúde S.A.	NDMI13	3 rd Issue	800,000	08/01/2019	08/01/2024	CDI + 1.60% p.a.	R\$ 800,000
Hapvida Part. e Inv. S.A.	BCBF 14	4 th Issue	750,000	09/22/2020	09/22/2025	CDI + 2.65% p.a.	R\$ 750,000
Hapvida Part. e Inv. S.A.	BCBF 15	5 th Issue	700,000	11/04/2020	11/04/2025	CDI + 2.65% p.a.	R\$ 700,000
Hapvida Part. e Inv. S.A.	BCBF 16	6 th Issue	1,200,000	10/07/2021	10/07/2027	CDI 1.45% p.a.	R\$ 1,200,000
Hapvida Part. e Inv. S.A. - Private	HAPV16	6 th Issue	500,000	12/29/2023	01/29/2030	Fixed rate	R\$ 500,000
Hapvida Part. e Inv. S.A.	HAPV17	7 th issuance	1,000,000	05/10/2024	05/10/2031	CDI + 1.60% p.a.	R\$ 1,000,000

d.2 Collateral

The debentures of the 1st series, 2nd series and single series (first, second, third, fifth and seventh issues, respectively), placed by Hapvida Participações e Investimentos S.A., have a personal guarantee in the form of a surety bond provided by the guarantor Hapvida Assistência Médica S.A., a subsidiary of the Company, as joint and several debtor and principal payer of all the obligations assumed.

The third issue of single series debenture, issued by Notre Dame Intermédica Saúde S.A., has a personal guarantee in the form of a surety bond.

The debentures of single series, fourth, fifth and sixth series, initially issued by BCBF Participações S.A. and subsequently transferred to Hapvida Participações e Investimentos S.A., have a personal guarantee in the form of a surety bond provided by the guarantor Notre Dame Intermédica Saúde S.A. - "NDI Saúde S.A.", as joint and several debtor and principal payer of all the obligations assumed.

d.3 Covenants

The debentures and Real Estate Receivables Certificates (CRI) issued by the Company and its subsidiaries have contractual clauses and restrictions related to early maturity, including, but not limited to, those that require the Company and its subsidiaries to comply with the "financial

covenant ratio" defined in their respective deeds, measured quarterly. Below are the contractual ratios to be complied with for each issuance:

Title	Required Financial Ratio
HAPV11	Net Debt/Adjusted EBITDA \leq 3,0
HAPV21	Net Debt/Adjusted EBITDA \leq 3,0
HAPV12	Net Debt/Adjusted EBITDA \leq 3,0
HAPV22	Net Debt/Adjusted EBITDA \leq 3,0
HAPV13	Net Debt/Adjusted EBITDA \leq 3,0
HAPV15	Net Debt/Adjusted EBITDA \leq 3,0
NDMI13	Net Debt/Adjusted EBITDA \leq 2,5
BCBF 14	Net Debt/Adjusted EBITDA \leq 3,0
BCBF 15	Net Debt/Adjusted EBITDA \leq 3,0
BCBF 16	Net Debt/Adjusted EBITDA \leq 3,0
HAPV16	Net Debt/Adjusted EBITDA \leq 3,0
HAPV17	Net Debt/Adjusted EBITDA \leq 3,0

In addition to the financial covenants, the debentures and CRIs have non-financial restrictive contractual clauses that involve a series of conditions such as compliance, transfer of corporate control and others, which, if not met, may result in the early maturity of the respective operations.

On June 30, 2024, the Company and its subsidiaries were in full compliance with the financial and non-financial restrictive contractual clauses related to early maturity.

e. Real Estate Receivables Certificates (CRI)

- e.1 CRI Issue - Ultra Som Serviços Médicos S.A. (Incorporated by Hapvida Assistência Médica S.A.)*
On November 2, 2021, the Company approved the grant of a personal guarantee, in the form of a surety bond, to guarantee the obligations assumed by its direct subsidiary, Ultra Som Serviços Médicos S.A. (Ultra Som) within the scope of its 1st issue of unsecured simple debentures, not convertible into shares, in a single series (Ultra Som Debentures). The Ultra Som Debentures are linked to the 378th series of the 4th issue of real estate receivables certificates by Virgo Companhia de Securitização of R\$ 1,001,700, (Hapvida CRI Guarantee), in the context of a securitization operation. The Hapvida CRI Guarantees are the object of a public distribution, which was carried out under the terms of CVM Instruction 400 of December 29, 2003.

The funds are intended for: i) payment of expenses, costs and expenditures not yet incurred directly related to the construction, expansion, development and refurbishment of certain properties and real estate projects; and ii) reimbursement of predetermined real estate expenses, costs and expenditures incurred by the Company and its subsidiaries in the 24 months immediately prior to the closing date of the public offering of the CRI, directly related to the acquisition, construction and/or refurbishment of business units located in the projects backed by this operation.

The funds were raised on December 21, 2021, and will mature in December 2031 (principal + inflation indexation charges). The interest is paid every six months.

With the merger of Ultra Som Serviços Médicos S.A. into Hapvida Assistência Médica S.A. on December 01, 2023, the latter assumed the debt previously held by Ultra Som Serviços Médicos S.A.

e.2 CRI Issue - BCBF Participações S.A. (Incorporated by NDI Saúde S.A.)

On December 12, 2022, the subsidiary BCBF Participações S.A. signed the "First Amendment to the Private Deed of Issue of Unsecured Simple Debentures, Not Convertible into Shares, with Additional Personal Guarantee, in up to three series 'for the 7th issue. The debentures are linked to the 62nd issue, in up to three series of Real Estate Receivables Certificates (CRI) by Virgo Companhia de Securitização, of R\$ 1,000,000, with a nominal unit value of R\$ 1.

The total CRI issued was in three series, the first series of 542,426 CRI, the second series 362,151 CRI and the third series 95,423 CRI.

The funds are intended for: i) payment of expenses, costs and expenditures not yet incurred directly related to the construction, expansion, development and refurbishment of certain properties and real estate projects; and ii) reimbursement of predetermined real estate expenses, costs and expenditures; and iii) partial early redemption of debts.

The fundraising was completed on December 27, 2022. The remuneration of the three series issued is as follows:

- **1st series of CRI:** remuneration will be paid on December 15, 2027 (principal + interest corresponding to 100% of the accumulated change of the average daily DI rates) exponentially increased by a spread or surcharge of 0.75%;
- **2nd series of CRI:** remuneration will be paid on December 17, 2029, (Principal + fixed compensatory interest corresponding to 7.0913% p.a., based on 252 Business Days).
- **3rd series of CRI:** remuneration will be paid on December 15, 2034, (Principal + fixed compensatory interest corresponding to 7.2792% p.a., based on 252 business days).

With the merger of BCBF Participações S.A. by Notre Dame Intermédica Saúde S.A. on March 28, 2024, the latter assumed the debt previously held by BCBF Participações S.A.

On June 30, 2024, the Company and its subsidiaries were in full compliance with the financial and non-financial restrictive contractual clauses related to early maturity.

20 Leases payable

The Company and its subsidiaries have real estate lease agreements with third parties and related parties, as well as other lease and service agreements with terms of more than 12 months.

a) Discount rate

The Company and its subsidiaries use discount rates based on risk-free interest rates observed in the Brazilian market for the terms of its contracts, adapted to Group's reality. The spreads were obtained through surveys of potential investors in the debt securities of the Company and its subsidiaries. The table below shows the rates charged by the Group:

<u>Terms (years)</u>	<u>Rate % p.a.</u>
≤02 years	10.45%
02–04	10.12%
04–06	9.34%
06–08	9.51%
08–10	9.53%
>10	9.54%

b) Changes in lease balances

	<u>Consolidated</u>	
	<u>06/30/2024</u>	<u>12/31/2023</u>
Balance at the beginning of the period	3,338,009	2,350,044
Acquisitions of companies	-	7,384
New contracts (addition)	166,271	53,355
New contracts (addition) - Sale and leaseback	-	805,827
Remeasurements / Write-offs of contracts	(98,769)	288,853
Accrued interest	159,960	292,657
Payments	(242,248)	(455,568)
Reclassification of items for sale	-	(4,543)
Total	3,323,223	3,338,009
Current	480,616	475,179
Non-current	2,842,607	2,862,830

c) Maturity of contracts

The future payments for lease contracts are detailed below:

	<u>Consolidated</u>	
	<u>06/30/2024</u>	<u>12/31/2023</u>
2024	240,198	475,178
2025	478,891	462,280
2026	456,348	441,032
2027	428,277	414,569
>2028	8,147,143	7,785,337
Nominal value	9,750,857	9,578,396
(-) Embedded interest	(6,427,634)	(6,240,387)
Present value of minimum lease payments	3,323,223	3,338,009

d) Additional information

In accordance with IFRS 16 (CPC 06 (R2)) and Circular Letter CVM/SNC/SEP 02/2019, Management used the incremental rate as the criterion for calculating the assets and liabilities within the scope of IFRS 16 (CPC 06 (R2)) and are thus presented in the statement of financial position of the Company and its subsidiaries.

Management believes that the rate used approximates its actual rate matching the characteristics of its contracts, as determined by item 27.b of the CVM official letter.

The effects on the statement of financial position, comparing a nominal interest vs. effective interest is as below. To calculate the effective rate, index for the contracts was used, mostly the IPCA, applied to the flow of annual payments, as per Banco Bradesco's projections for the up to 2025, with a five year perpetuity factor.

	Consolidated	
	06/30/2024	12/31/2023
Nominal flow		
Lease liabilities	9,750,857	9,578,396
(-) Embedded interest	(6,427,634)	(6,240,387)
Total	3,323,223	3,338,009
Inflated real flow		
Lease liabilities	10,046,005	9,983,600
(-) Embedded interest	(6,622,191)	(6,504,377)
Total	3,423,814	3,479,223

e) Sale and leaseback Operation

On March 27, 2023, a sale and leaseback agreement was executed for ten properties owned by the Company's subsidiaries with an investment vehicle of the Pinheiro Family (LPA), the Company's parent company, to generate cash for working capital purposes. The cap rate was 8.5% p.a., adjusted annually by the IPCA, for a lease term of 20 years (with an option to renew for the same period, with an option to buy back), by the Company, under predetermined conditions.

21 Technical reserves for health care operations

	Consolidated	
	06/30/2024	12/31/2023
Provision for unearned premiums or consideration - PPCNG (a)	551,018	527,779
SUS provision (b)	2,808,010	2,660,774
Provision for events to be settled (c)	829,546	762,598
Provision for Events Occurred and Not Reported - PEONA (d)	953,561	990,238
Provision for remission	3,007	3,508
Total	5,145,142	4,944,897
Current	3,721,318	3,999,446
Non-current	1,423,824	945,451

- (a) PPCNG refers to the amount charged by the operators of the Company and its subsidiaries to cover a contractual risk proportional to the days not yet elapsed within the monthly coverage period, for appropriation as revenue only in the subsequent period, when the term is effectively incurred.
- (b) The balance refers to events relating to reimbursement of medical expenses to the Brazilian Unified Health System (SUS), including collection notifications already sent, as well as an estimate of future notifications under the analysis process, calculated according to its own methodology, based on a court decision. Furthermore, the balance of the provision for events occurred and not reported in the Brazilian Unified Health System (PEONA-SUS) is presented in this caption, which is calculated based on the estimate of the amount of events/claims originated in the SUS, which have occurred and have not been reported.
- (c) The provision for unsettled events is recorded at the full amount informed by the hospitals/clinics or by the beneficiary at the time the charge is presented to the Company and its subsidiaries. It is subsequently adjusted, if necessary, during the claim adjustment process.
- (d) Provision for payment of events that have already occurred and that were not informed to the operator before the end of the period, on an actuarial methodology. The calculations were obtained based on run-off triangles that consider the historical development of events paid in the last 12 months, to establish a future projection by period of occurrence. When it is possible to measure the volume of unbilled services by providers, the provision reflects the actual value of invoices that have not yet been presented.

The technical reserves represent the calculation of expected risks inherent to the health care operations of the operators of the Company and its subsidiaries, which are subject to the mandatory maintenance of financial guarantees intended to cover such risks, as described below:

Changes in technical reserves

	SUS provision		Provision for events to be settled		Provision for remission		Total
	PPCNG	(*)	PEONA	PEONA	PEONA	PEONA	
Balances at 01/01/2023	463,038	2,258,977	783,299	998,777	4,184	4,508,275	
Acquisitions of companies	5,597	12,918	38,182	13,499	-	70,196	
Formations (*)	27,537,944	1,220,243	15,244,926	151,031	20,377	44,174,521	
Appropriations/Reversals (*)	(27,478,800)	(837,966)	-	(173,069)	(21,053)	(28,510,888)	
Charges	-	68,249	-	-	-	68,249	
Settlements	-	(61,647)	(15,303,809)	-	-	(15,365,456)	
Balances at 12/31/2023	527,779	2,660,774	762,598	990,238	3,508	4,944,897	
Formations	13,217,386	429,787	7,727,082	24,841	87	21,399,183	
Appropriations/Reversals	(13,194,147)	(320,464)	-	(61,518)	(588)	(13,576,717)	
Charges	-	63,319	-	-	-	63,319	
Settlements	-	(25,406)	(7,660,134)	-	-	(7,685,540)	
Balances at 06/30/2024	551,018	2,808,010	829,546	953,561	3,007	5,145,142	

(*) The Company has restated provisions for SUS, for better presentation of Formations and Appropriations/Reversals previously disclosed of R\$ 2,638,945 and R\$ (2,256,668), respectively, aiming to reflect actual changes. The net effect was unchanged.

22 Social security charges

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023 (restated)(iii)
Salaries payable	1,419	1,284	221,440	136,340
Provision for vacation pay and year-end bonus	-	259	558,937	394,535
Performance bonus payable (i)	-	-	61,138	116,352
Cash-settled share-based payment plan (ii)	35,909	-	35,909	-
Other social security obligations	1	2	31,865	10,413
Total	37,329	1,545	909,289	657,640

- (i) Provision for performance bonuses payable to eligible employees of the Company and its subsidiaries.
(ii) Amount payable related to the cash-settled share-based payment plan (Note 27).
(iii) The Group identified an amount R\$ 51,921 relate to Performance bonus payable, previously presented under Salaries payable. For a better presentation of the Social security charges the balance was reclassified to the line that represents its correct nature.

23 Taxes and contributions payable

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Service Tax (ISS)	-	-	41,036	40,800
Social security contribution	13	1,459	79,335	73,409
Contribution to the Severance Indemnity Fund (FGTS)	-	-	14,340	17,310
PIS and COFINS	16,412	16,348	70,266	100,133
Trade union and assistance contributions	-	-	104	191
Income tax payable on interest on shareholders' equity	-	-	-	37,500
Other	(15)	19	5,411	1,859
Taxes due payable	16,410	17,826	210,492	271,202
Income Tax - Employees	470	2,371	31,014	43,439
Income Tax - Third parties	-	22	14,707	9,746
Service Tax	14	9	15,734	14,564
Social security contribution retained	-	-	2,618	3,120
Retention of PIS/COFINS/CSLL	(137)	(83)	41,955	38,653
Withholding taxes payable	347	2,319	106,028	109,522
Installment payment of taxes, fines and rates - Federal	-	-	185,202	217,210
Installment payment of taxes, fines and rates - Municipal	-	-	3,584	4,184
Installment payment of taxes, fines and rates - Other	-	-	35,566	26,736
Installment payment of taxes, fines and rates	-	-	224,352	248,130
Total	16,757	20,145	540,872	628,854
Current	16,757	20,145	398,961	467,460
Non-current	-	-	141,911	161,394

24 Provision for tax, civil and labor risks

The Company and its subsidiaries are party to judicial and administrative lawsuits in several courts and government forum, arising from the regular course of its operations, involving tax, labor, civil and contingency matters with the regulatory agency (ANS).

A provision is made for all legal and administrative proceedings classified as probable loss risk, which it considers sufficient based on the legal advice. No provision is made for possible risk of loss contingencies

The main lawsuits and administrative proceedings classified as probable losses by the Company and its subsidiaries are described below:

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>06/30/2024</u>	<u>12/31/2023</u>	<u>06/30/2024</u>	<u>12/31/2023</u>
Provision for tax lawsuits (ANS included)	-	-	498,414	502,502
Provision for civil lawsuits	1,436	973	547,662	500,863
Provision for labor lawsuits	734	1,101	268,857	263,951
Total	<u>2,170</u>	<u>2,074</u>	<u>1,314,933</u>	<u>1,267,316</u>

Changes in provisions for tax, civil and labor risks for the period ended June 30, 2024 and year ended December 31, 2023 are detailed as follows:

	<u>Consolidated</u>			
	<u>Civil</u>	<u>Labor</u>	<u>Tax</u>	<u>Total</u>
Balances at January 1, 2023	<u>445,439</u>	<u>266,119</u>	<u>649,416</u>	<u>1,360,974</u>
Acquisitions of companies	3,927	210	400	4,537
Reclassification of items for sale	(378)	(8,735)	(672)	(9,785)
Net additions and reversals	165,945	78,078	(28,466)	215,557
Payments	(114,070)	(71,721)	(118,176)	(303,967)
Balance at December 31, 2023	<u>500,863</u>	<u>263,951</u>	<u>502,502</u>	<u>1,267,316</u>
Net additions and reversals	142,459	33,128	25,517	201,104
Payments	(80,795)	(21,557)	(21,491)	(123,843)
Offsetting	(14,865)	(6,665)	(8,114)	(29,644)
Balances at June 30, 2024	<u>547,662</u>	<u>268,857</u>	<u>498,414</u>	<u>1,314,933</u>

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The estimated risk of loss from as possible loss contingencies for the period ended June 30, 2024, and the year ended December 31, 2023 are:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Tax (ANS included)	16,820	16,637	5,083,234	4,858,147
Civil	9,949	13,291	1,804,891	1,708,825
Labor	4,471	4,228	923,083	799,385
Total	31,240	34,156	7,811,208	7,366,357

The main lawsuits and administrative proceedings classified as probable and possible losses by the Company and/or its subsidiaries are described below:

Type	Theme	Object	Probable		Possible	
			06/30/2024	12/31/2023	06/30/2024	12/31/2023
Civil	Indemnity lawsuits - Medical Acts	Civil proceedings filed by beneficiaries seeking compensation for damages suffered by allegedly inadequate medical conduct. In such cases, the plaintiffs seek to assign the Company and/or its subsidiaries the joint liability to the Company for the medical act practiced by their accredited professionals.	126,987	117,428	747,428	688,187
	Legal and/or contractual coverage exclusion	Civil lawsuits filed by beneficiaries seeking coverage for services not covered by law and/or contract: aesthetic, experimental procedures, not provided for in the ANS mandatory coverage list or outside the Use Guidelines - DUT, Home Care, artificial insemination, services outside the geographic scope etc. Judicial decisions may deviate from applicable legislation, ignoring limits defined by law and/or contractually.	78,790	72,040	126,765	114,518
	Contractual Grace Period	Civil lawsuits filed by beneficiaries seeking to obtain health care coverage from its health care plan without proper compliance with the grace periods. Judicial decisions may deviate from applicable legislation, ignoring limits defined by law and/or contractually.	48,787	45,160	58,654	62,007
	Debts with Providers in General	Civil lawsuits filed by service providers in general, seeking to obtain payment of amounts supposedly owed by the Company and/or its subsidiaries on several grounds, such as: disallowances of hospital bills, contractual terminations, etc.	82,059	75,852	193,864	200,005
	Other civil matters	Contingencies with various issues arising from civil lawsuits.	211,039	190,383	678,180	644,108
Total - Civil			547,662	500,863	1,804,891	1,708,825

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Type	Theme	Object	Probable		Possible	
			06/30/2024	12/31/2023	06/30/2024	12/31/2023
Labor						
	Acknowledgment of employment relationship	Labor lawsuits filed by individuals, service providers, seeking to obtain recognition of an alleged employment relationship maintained with the Company and/or its subsidiaries, or secondary obligations from an employment relationship. Include physicians, radiology technicians, physiotherapists, phono audiologists, etc.	99,614	111,310	211,371	192,415
	Labor amounts/severance pay	Labor lawsuits filed by former employees or employees, individually or collectively, who claim contesting severance pay, including: overtime, hazardous exposure and night work bonuses, equal pay, job deviation and accumulation, fines under Articles 467 and 477 of the Brazilian Labor Code (CLT), etc.	151,522	141,104	433,255	353,852
	Tax Assessment Notices / NDFC / NFGC / NFRC	Tax Assessment Notices and Debit/Fiscal Notices related to FGTS for administrative fines and FGTS payments from alleged violations of regulations governing labor and employment relations.	2,028	1,917	218,520	218,555
	Other labor matters	Various issues arising from labor lawsuits.	15,693	9,620	59,937	34,563
		Total - Labor	268,857	263,951	923,083	799,385

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Type	Theme	Object	Probable		Possible	
			06/30/2024	12/31/2023	06/30/2024	12/31/2023
Tax						
	ANS Administrative Fines/ Reimbursement to SUS (regulatory aspects)	Administrative proceedings and tax foreclosures filed by the National Regulatory Agency for Private Health Insurance and Plans (ANS), in which administrative fines are charged due to alleged breaches to the standards regulating the activity of health care companies, and amounts related to reimbursement to SUS, resulting from the attendance of beneficiaries of the Company and/or its subsidiaries in the public network and in the Unified Health System (SUS), based on article 32 of Law 9656/98.	220,785	120,759	760,119	507,187
	Service Tax (ISS)	Administrative and court lawsuits filed by Municipal Treasury Secretaries, for service tax allegedly due by the Company and/or its subsidiaries as a result of its operating activities.	97,504	95,520	1,586,868	1,426,644
	Tax Foreclosures - Business Succession	Tax foreclosures originally filed against other health care companies, and now as secondary obligors on the grounds of alleged business succession arising from operations of disposal of the portfolio of beneficiaries.	95,322	92,752	175,208	166,533
	Social Security Matters	Tax notices of violation filed against the Company and its subsidiaries for tax credits due to alleged irregularities or lack payment of social security contributions, among other social security matters.	26,168	32,303	315,876	514,414
	Tax assessment notices - IRPJ/CSLL - goodwill	Administrative proceeding arising from tax assessment notices issued for undue collection of Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL).	-	-	1,197,800	955,141
	Accident Prevention Factor (FAP) on the rate set for the SAT/RAT contribution	Accident Prevention Factor (FAP) on the rate set for the contribution to the SAT/RAT, demanding to refrain from carrying out any acts aimed at collecting the amounts allegedly due, due to the application of this factor, among them the refusal to renew the Tax Regularity Certificate. Furthermore, recognition of the Petitioner's right to credit is required. The case is in the higher levels are on hold.	14,704	14,308	8,120	7,901
	Special Tax Regularization Program (PERT)	The Company's subsidiaries have tax foreclosures on debits included in the Special Tax Regularization Program (PERT).	-	-	47,617	26,894
	Stock option	Requests for provisional injunctive relief, against the Federal Government (Brazilian Treasury), to declare the non-existence of a legal tax relationship between the Plaintiff and Defendant regarding the requirement, due to the (past and future) exercises of stock options in the Stock Option Plan instituted in 2014. From the Plaintiff Companies, social security contributions on payroll and other third-party contributions (Education Allowance, INCRA, SESC, SENAC and Sebrae) in relation to the Participants who act as plaintiff of this claim; from the Plaintiff Companies, a fine for the alleged failure to withhold income tax when the options were exercised by the Participants who act as plaintiff of this claim; from the Participating Plaintiffs, income tax on alleged income derived from work when exercising the options.	-	-	612,907	596,383
	Health services solid waste charge (TRSS)	The Company's Subsidiaries have filed tax foreclosures for the collection of debts relating to the Health Services Solid Waste Charge (TRSS).	139	137	11,571	14,897

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Type	Theme	Object	Probable		Possible	
			06/30/2024	12/31/2023	06/30/2024	12/31/2023
	Enrollment	Annulment request aimed at canceling the asset seizure procedure initiated against the Company's subsidiaries.	-	-	77	36,233
	Other tax matters	Contingencies with various issues arising from tax proceedings.	43,792	146,723	367,071	605,920
		Total - Tax	498,414	502,502	5,083,234	4,858,147

Judicial deposits

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Tax judicial deposits	562	543	497,717	448,058
Regulatory judicial deposits (i)	-	-	1,270,032	1,208,179
Civil judicial deposits	9,677	9,468	736,035	501,100
Labor judicial deposits	739	678	71,794	68,869
Total	10,978	10,689	2,575,578	2,226,206

- (i) Judicial deposits for reimbursement of medical expenses to SUS.

25 Other accounts payable

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Contractual obligations (a)	-	-	829,237	1,110,941
Third-party deposits	86	86	53,880	81,608
Advances from clients	80	80	47,598	65,608
Private Health Insurance Regulatory Tax	-	-	4,232	4,232
Health care operations and not related to the plan (i)	-	-	6,811	10,074
Provisions for employee benefit plans	-	-	17,531	23,253
Deferred portion of the acquisition price	-	-	57,816	17,152
ANS fine payable	-	-	25,952	29,700
Financial institution partnership advance	25,300	28,600	37,504	42,104
Retention bonus payable (ii)	12,000	12,000	12,000	12,000
PROMED Settlement Agreement (iii)	-	-	125,070	125,070
Rentals payable	-	-	10,990	17,224
Sundry	81,462	3,485	407,004	450,792
Total	118,928	44,251	1,635,625	1,989,758
Current	100,228	22,251	440,082	406,911
Non-current	18,700	22,000	1,195,543	1,582,847

- (i) Obligations with health service providers and medical teams.
(ii) Provision for retention bonuses payable to Company executives.
(iii) On August 14, 2023, the subsidiary Ultra Som Serviços Médicos entered into the "Agreement and Other Covenants" with certain sellers of the PROMED Group. The agreement is the result of negotiations related to the acquisition of the PROMED Group, according to the Minutes of the Board of Directors' Meeting held on August 16, 2023.

(a) Contractual obligations (consolidated)

This substantially refers to contingent consideration relating to acquisitions of companies resulting from business combinations, as shown in the changes in balances below:

	Consolidated	
	06/30/2024	12/31/2023
Balance at the beginning of the period	1,110,941	1,207,398
Purchase consideration for companies	-	664,370
Payments	(308,194)	(727,696)
Accruals	46,794	139,088
Compensation balances	(14,268)	(167,917)
Price Adjustments/Re-measurements	(6,036)	(4,302)
Balance at the end of the period/year	829,237	1,110,941
Current	65,578	83,912
Non-current	763,659	1,027,029

26 Equity

a) Share capital

On June 30, 2024 and December 31, 2023, the subscribed and paid-up share capital was comprised as follows:

	06/30/2024	12/31/2023
Number of shares	7,539,463,263	7,539,463,263
Share capital	39,121,274	39,121,274
Costs with issue of shares	(255,075)	(255,075)
Total	38,866,199	38,866,199

b) Legal reserve

Formed by appropriating 5% of net income for the year, until it reaches 20% of the share capital.

c) Dividends

Consolidated changes in dividends and interest on shareholders' equity payable are as follows:

Balance of dividends and interest on shareholders' equity as of January 1, 2023	13,604
Reclassification of items for sale	(975)
Balance of dividends and interest on shareholders' equity as of December 31, 2023	12,629
Balance of dividends and interest on shareholders' equity as of June 30, 2024	12,629

d) Repurchase of shares

On June 30, 2024, the Company has a balance of R\$ 423,098 referring to the repurchase of shares, equivalent to 45,073,213 common shares issued by the Company, carried out throughout 2021, 2022, 2023 and 2024.

e) Earnings/(losses) per share

Basic earnings/(losses) per share are calculated by dividing net income/(losses) for the period attributed to controlling shareholders, by the weighted average number of outstanding common shares.

	06/30/2024	06/30/2023
Net income/(loss) attributable to the Company and its subsidiaries (R\$ thousand)	173,823	(502,692)
Net income/(loss) attributable to controlling shareholders (R\$ thousand)	173,312	(503,449)
Weighted average number of shares (thousands of shares)	7,647,584	7,417,923
Basic and diluted earnings/(losses) per share (R\$)	0.02	(0.07)

27 Share-based remuneration plan

Stock Option

The Company has a share-based remuneration plan to promote long-term growth and profitability of the Company and its subsidiaries, providing professionals 'with the opportunity to acquire an ownership right in the Company, to: (a) providing incentive for the integration, expansion, success and achievement of the social goals of the Company and its subsidiaries; and (b) to align the interests of the Company's shareholders to the interests of the Participants.

They are long-term incentive programs with the grant of restricted shares, managed by the Board of Directors, whose plans were approved on March 29, 2021, and April 30, 2021, and whose effectiveness was conditional on the closing of the business combination between the Company and NotreDame Intermédica Participações S.A., which took place on February 14, 2022.

Shares Granted and Strike Price

125,542,812 shares were granted on February 14, 2022, (1st grant) and 13,660,008 on July 1, 2022 (2nd grant) to Plan Participants. The Strike Price of each Option granted under the terms of the Plan will be a fixed amount of R\$ 6.50 per Share.

Exercise of the Options

The Options shall become vested to the extent that the respective participants remain continuously bound as a director or employee of the Company and its subsidiaries, as the case may be, until the vesting periods specified below have elapsed:

- one third of the Options granted may be exercised from August 31, 2022;
- one third of the Options granted may be exercised after 24 months from the closing date of the business combination between the Company and Notre Dame Intermédica Participações S.A., i.e., February 14, 2024; and
- one third of the Options granted may be exercised after 36 months from the closing date of the business combination between the Company and Notre Dame Intermédica Participações S.A., i.e., February 14, 2025.

Fair value measurement

The Black & Scholes method was used to price the options on the dates of respective grants and end of period/year.

The information used in fair value measurement on the grant date of share-based payment is as follows:

	1st grant	2nd grant
Fair value on grant dates (R\$)	6.12–7.80	0.23–2.22
Share price on grant date (R\$)	12.19	5.62
Exercise price (R\$)	6.50	6.50
Expected volatility (weighted average)	41.91%	52.61%
Option life (weighted-average life expectation in years)	0.55–3.00	0.17–2.64
Risk-free interest rate (average based on government bonds)	11.46–12.23%	12.59–13.35%

For the respective grant or year-end dates, the market price of the share on the date and the historical volatility (over a 12-month period) were used.

The strike price of the options was adjusted by projected dividends for the period/year and the risk-free rate based on the curve of fixed future federal government bonds in the expected average term of exercise of each lot.

	Stock option plan			
	Total number of shares granted	Number of canceled shares (*)	Current number of shares granted	Value of shares
1 st grant	125,542,812	(52,855,107)	72,687,705	505,023
2 nd grant	13,081,874	(7,117,404)	5,964,470	8,088
Total	138,624,686	(59,972,511)	78,652,175	513,111

* Shares canceled referring to executives of the Company and its subsidiaries who left during the period.

Restricted shares are measured at fair value on the grant date and are recognized as an expense over the period in which the right is acquired, against equity, as options granted.

The expense related to the fair value of the restricted shares, recognized in the period ended June 30, 2024, according to the period elapsed for the vesting of the restricted shares, was R\$ 36,431 (R\$ 24,597 on June 30, 2023).

Cash-settled share-based payment plan

At the Board of Directors' Meeting held on December 20, 2023, the new cash-settled share-based payment plan of the Company was approved.

The Plan aims to grant beneficiaries the right to receive an extraordinary award corresponding to the value of the Virtual Retention Shares, to foster: (a) the attraction and retention of Beneficiaries in the Company with a focus on their permanence in the Company and long-term development; (b) the alignment of the interests of the Company's shareholders with those of the Beneficiaries covered by the Plan; and (c) the valuation of the shares and the Company's growth potential.

Virtual Retention Shares

Virtual Retention Shares are defined as units representing the right to payment based on shares issued by the Company and granted to Beneficiaries. Each unit of Virtual Retention Share is equivalent to the gross value corresponding to the quotation of one re-issued by the Company in the last trading session of the current period/year immediately prior to the end of each Vesting Period in question, which must be paid to the Beneficiary as an award on an extraordinary basis.

Grace period

The right to Virtual Retention Shares will be subject to compliance by the Beneficiary with the Service Condition; that is, the Beneficiary must remain continuously linked as an employee, administrator or service provider of the Company or a company under its control during each of the Vesting Periods below:

- (i) 25% of the Virtual Retention Shares will have completed their Vesting Period of the first anniversary of the Grant Date ("1st Vesting Period");
- (ii) 25% (of the Virtual Retention Shares will have completed their Vesting Period on the anniversary of the Grant Date ("2nd Vesting Period");
- (iii) 25% of the Virtual Retention Shares will have completed their Vesting Period on the third anniversary of the Grant Date ("3rd Vesting Period"); and
- (iv) 25% of the Virtual Retention Shares will have completed their Vesting Period on the fourth anniversary of the Grant Date ("4th Vesting Period").

* January 1, 2024, or another date that may be defined in the Beneficiary's Grant Agreement.

Grant date	Number of shares granted	Accumulated appropriation of the plan
<u>01/01/2024</u>	<u>75,400,000</u>	<u>35,909</u>

The Company recognizes personnel expenses related to grants from the Plan against the social charges caption in liabilities, based on the fair value of the virtual shares granted. The expenses recognized in income (loss) for the period ended June 30, 2024 totaled R\$ 35,909.

28 Net revenue from services rendered

	Consolidated			
	06/30/2024		06/30/2023	
	Accumulated	Quarter	Accumulated	Quarter
Gross considerations	14,276,473	7,198,288	13,549,230	6,851,351
Revenues from other activities	465,274	246,807	700,952	339,509
(-) Taxes on revenue	(450,269)	(218,086)	(557,901)	(281,216)
(-) Unconditional discounts and other deductions	(149,632)	(76,610)	(126,264)	(69,820)
Total	14,141,846	7,150,399	13,566,017	6,839,824

29 Cost of services rendered

	Consolidated			
	06/30/2024		06/30/2023	
	Accumulated	Quarter	Accumulated	Quarter
Medical and hospital costs and others	(8,373,822)	(4,327,127)	(8,399,011)	(4,291,942)
Change of PEONA	36,677	37,655	(27,037)	(28,795)
Material and medication cost	(1,163,120)	(578,301)	(1,265,481)	(648,447)
Cost with location and operation	(491,088)	(255,700)	(442,699)	(228,666)
Costs with outsourced services	(198,161)	(105,525)	(192,926)	(94,611)
Depreciation and amortization cost	(216,083)	(103,818)	(213,031)	(102,511)
(-) Co-participation	437,101	228,887	384,888	208,471
SUS reimbursement	(111,970)	(55,803)	(74,770)	(28,925)
Change of PEONA-SUS	1,500	(2,321)	(45,914)	(13,873)
Total	(10,078,966)	(5,162,053)	(10,275,981)	(5,229,299)

30 Selling expenses

	Consolidated			
	06/30/2024		06/30/2023	
	Accumulated	Quarter	Accumulated	Quarter
Publicity and advertising expenses	(36,446)	(23,935)	(23,627)	(11,264)
Commissions	(630,078)	(314,282)	(627,431)	(306,046)
Impairment loss on trade receivables	(275,234)	(104,546)	(280,107)	(126,031)
Personnel expenses	(85,628)	(42,071)	(63,533)	(34,274)
Other	(19,814)	(11,146)	(7,297)	(4,434)
Total	(1,047,200)	(495,980)	(1,001,995)	(482,049)

31 Administrative expenses

	Parent Company			
	06/30/2024		06/30/2023	
	Accumulated	Quarter	Accumulated	Quarter
Personnel expense	(39,597)	(7,557)	(40,062)	(18,864)
Stock option plan expenses (Note 27)	(36,431)	(11,996)	(24,597)	4,534
Stock grant plan expenses	-	-	(22,245)	(13,151)
Cash-settled share-based payment plan (Note 27)	(35,909)	(18,484)	-	-
Outsourced service expenses	(9,490)	(3,560)	(4,936)	(2,252)
Location and operation	(1,752)	(866)	(1,402)	(394)
Depreciation and amortization	(387,554)	(193,321)	(346,556)	(196,064)
Tax expenses	(349)	(202)	(404)	(401)
Indemnification, legal costs and contingency provisions	(2,299)	(751)	(856)	(697)
Other	(4)	24	18	3
Total	(513,385)	(236,713)	(441,040)	(227,286)

	Consolidated			
	06/30/2024		06/30/2023	
	Accumulated	Quarter	Accumulated	Quarter
Personnel expense	(531,810)	(273,908)	(568,765)	(283,169)
Stock option plan expenses (Note 27)	(36,431)	(11,996)	(24,597)	4,534
Stock grant plan expenses	-	-	(22,245)	(13,151)
Cash-settled share-based payment plan (Note 27)	(35,909)	(18,484)	-	-
Outsourced service expenses	(355,094)	(161,065)	(345,608)	(171,452)
Location and operation	(145,386)	(77,061)	(150,165)	(72,702)
Depreciation and amortization (i)	(874,405)	(442,798)	(822,721)	(430,259)
Tax expenses	(48,837)	(24,546)	(58,257)	(27,432)
Indemnification, legal costs and contingency provisions	(223,650)	(130,225)	(155,718)	(91,504)
Other	(8,187)	2,298	(34,007)	(18,566)
Total	(2,259,709)	(1,137,785)	(2,182,083)	(1,103,701)

32 Net finance income (expenses)

	Parent Company				Consolidated			
	06/30/2024		06/30/2023		06/30/2024		06/30/2023	
	<u>Accumulated</u>	<u>Quarter</u>	<u>Accumulated</u>	<u>Quarter</u>	<u>Accumulated</u>	<u>Quarter</u>	<u>Accumulated</u>	<u>Quarter</u>
Financial income								
Interest on investments, except for collateral assets	5,849	773	18,457	18,425	214,793	118,939	156,818	108,698
Financial revenue from investments - Collateral Assets	-	-	-	-	171,708	81,257	153,957	91,208
Other revenues from short- and long-term investments	-	-	-	-	2	1	4,794	4,132
Late receipt	-	-	-	-	58,062	28,893	57,106	28,665
Revenues from derivative financial instruments - Debt	-	-	-	(355)	42,837	23,841	50,162	49,807
Revenues from derivative financial instruments - Equity	-	-	11,516	11,516	-	-	11,516	11,516
Foreign exchange gains	(7)	(7)	-	-	7	6	17,119	13,365
Indexation adjustments - SUS	-	-	-	-	32,301	16,000	40,170	18,565
Indexation adjustments	-	-	14	14	36,931	18,742	46,746	27,640
Other	1,434	441	26	(81)	10,128	3,494	9,640	834
Subtotal - Finance income	7,276	1,207	30,013	29,519	566,769	291,173	548,028	354,430

	Parent Company				Consolidated			
	06/30/2024		06/30/2023		06/30/2024		06/30/2023	
	<u>Accumulated</u>	<u>Quarter</u>	<u>Accumulated</u>	<u>Quarter</u>	<u>Accumulated</u>	<u>Quarter</u>	<u>Accumulated</u>	<u>Quarter</u>
Financial expenses								
Interest - debentures	(498,650)	(253,127)	(509,766)	(283,878)	(521,965)	(269,478)	(639,318)	(322,214)
Interest - right-of-use	(8)	(3)	(7)	(3)	(159,960)	(79,465)	(120,307)	(68,793)
Discounts granted	-	-	-	-	(8,917)	(4,576)	(10,131)	(5,420)
Bank expenses	(202)	(82)	(81)	(44)	(16,495)	(8,104)	(22,153)	(10,968)
Tax charges	-	-	-	-	(204)	(144)	(1,669)	(925)
Financial expenses - derivative instruments - Debt	-	-	-	-	(15,426)	(3,490)	(30,110)	10,577
Financial expenses - derivative instruments - Equity	-	-	(19,805)	(339)	-	-	(19,805)	(339)
Foreign exchange losses	(20)	(20)	-	-	(34,106)	(34,100)	(128)	(124)
Interest = loans and financing	-	-	-	-	(124,807)	(51,860)	(146,276)	(101,719)
Indexation charges- SUS	-	-	-	-	(52,610)	(22,793)	(72,276)	(33,673)
Indexation charges	(10)	(10)	(2)	(1)	(107,864)	(52,221)	(136,407)	(67,047)
Other	(5,728)	(1,845)	(5,913)	(3,967)	(12,052)	(3,638)	(26,406)	(715)
Subtotal - Financial expenses	(504,618)	(255,087)	(535,574)	(288,232)	(1,054,406)	(522,593)	(1,224,986)	(601,360)
Total - Net financial income (loss)	(497,342)	(253,880)	(505,561)	(258,713)	(487,637)	(231,420)	(676,958)	(246,930)

33 Income tax and social contribution

a. Reconciliation to effective rate of income tax and social contribution in income (loss)

As the parent company interim statements tax charge is not significant, only the reconciliation for the consolidated interim statements is presented:

	06/30/2024		06/30/2023	
	Year to date	Quarter	Year to date	Quarter
Profit/loss before income tax and social contribution	<u>300,820</u>	<u>149,378</u>	<u>(519,649)</u>	<u>(182,958)</u>
Statutory rates				
IRPJ, plus the additional tax rate	25%	25%	25%	25%
CSLL	9%	9%	9%	9%
Tax at nominal rates	<u>102,279</u>	<u>50,789</u>	<u>(176,681)</u>	<u>(62,206)</u>
Permanent differences				
Tax assets not recorded (i)	18.03% 54,247	35.85% 53,545	-17.10% 88,844	-22.58% 41,305
Debt Adjustment - Business Combination	-0.00% -	0.03% 46	-0.05% 236	-0.01% 21
Non-deductible provision	-12.76% (38,399)	-30.86% (46,103)	-3.76% 19,521	18.93% (34,631)
Others	4.93% 14,835	0.45% 666	-10.26% 53,306	-19.02% 34,794
Subtotal	10.20% <u>30,683</u>	5.46% <u>8,154</u>	-31.16% <u>161,907</u>	-22.68% <u>41,489</u>
Entities taxed on the presumed profit regime				
Reversal of the tax effect	0.00% -	0.00% -	0.43% (2,256)	0.41% (756)
Income tax and social contribution calculated	0.00% -	0.00% -	-0.17% 876	-0.25% 456
Subtotal	0.00% -	0.00% -	0.27% <u>(1,380)</u>	0.16% <u>(300)</u>
Income and social contribution taxes	44.20% <u>132,962</u>	39.46% <u>58,943</u>	3.11% <u>(16,154)</u>	11.49% <u>(21,017)</u>
Current income tax	47.31% 142,320	41.59% 62,127	-31.38% 163,061	-59.77% 109,359
Current social contribution	17.03% 51,225	15.00% 22,401	-9.81% 50,960	-21.04% 38,497
Deferred income tax	-14.44% (43,446)	-12.70% (18,969)	32.36% (168,177)	67.88% (124,200)
Deferred social contribution	-5.70% (17,137)	-4.43% (6,616)	11.93% (61,998)	24.42% (44,673)
Income tax and social contribution	44.20% <u>132,962</u>	39.46% <u>58,943</u>	3.11% <u>(16,154)</u>	11.49% <u>(21,017)</u>

- (i) Balance arising mainly from Notre Dame Intermédica Participações S.A., BCBF Participações S.A. and CCG Participações S.A. for tax loss carryforwards which were not recognized as deferred tax assets, given that these are holding companies.

Changes in liabilities payable from deferred income tax and social contribution in the period ended June 30, 2024 and the year ended December 31, 2023 are as follows:

	Consolidated	
	06/30/2024	12/31/2023
Balance at the beginning of the period	<u>28,261</u>	<u>31,798</u>
Calculated income tax and social contribution	193,545	190,713
Recoverable income tax and social contribution	3,942	94,051
Withheld income tax and social contribution	(24,584)	(73,663)
(-) Payments made	(140,595)	(214,638)
Balance at the end of the period	<u>60,569</u>	<u>28,261</u>

The Company and its subsidiaries have no income tax and social contribution expenses recorded directly in equity.

b. Deferred income tax and social contribution

b.1 Changes

Changes in deferred income tax and social contribution, in the period ended June 30, 2024 and year ended December 31, 2023 are as follows:

	Parent Company				
	Balance at 01/01/2023	Recognized in income (loss)	Balance at 12/31/2023	Recognized in income (loss)	Balance at 06/30/2024
Provision for tax, civil and labor risks	309	397	706	33	739
Credit on tax loss and negative basis	442,242	344,728	786,970	221,202	1,008,172
Debentures issue costs	6,852	(15,626)	(8,774)	(2,547)	(11,321)
Deferred tax on right-of-use	16	(10)	6	1	7
Share-based payment plan expenses	184,492	20,972	205,464	(41,269)	164,195
Amortization of fair value - Assets acquired in business combination	260,350	250,402	510,752	131,669	642,421
Other tax credits/debits	6,276	(6,286)	(9)	26,403	26,394
Total	900,537	594,577	1,495,115	335,492	1,830,607

	Consolidated					
	Balance at 01/01/2023	Recognized in income (loss)	Reclassification of items for sale	At 12/31/2023	Recognized in income (loss)	At 06/30/2024
Provision for tax, civil and labor risks	309,552	(74,937)	(2,945)	231,670	208,805	440,475
Allowance for expected credit losses	218,489	22,784	(794)	240,479	26,532	267,011
Deferred commissions	(89,583)	(4,193)	-	(93,776)	(1,323)	(95,099)
Tax loss carryforwards (i)	1,081,127	245,654	-	1,326,781	174,846	1,501,627
Amortization of fair value - Assets acquired in business combination	619,691	124,373	-	744,064	59,140	803,204
Deferred tax on goodwill in business combination (ii)	(808,303)	(470,280)	15,059	(1,263,524)	(229,722)	(1,493,246)
Debentures issue costs	86,843	89,088	(184)	175,747	(12,669)	163,078
Cost with issue of debentures	6,901	(25,612)	-	(18,711)	(1,927)	(20,638)
Share-based payment plan expenses	184,492	20,971	-	205,463	(41,270)	164,193
Other	87,371	196,691	360	284,422	(121,829)	162,593
Total	1,696,580	124,539	11,496	1,832,615	60,583	1,893,198
Deferred tax assets	2,504,883			3,096,139		3,386,444
Deferred tax liabilities	(808,303)			(1,263,524)		(1,493,246)

- (i) Tax assets recorded when projected taxable income is sufficient to offset assets in the future.
(ii) Deferred tax liability constituted on the tax amortization of goodwill arising from business combinations, in accordance with Article 22 of Law 12973/14.

b.2 Expected realization of deferred taxes

The expected periods for realizing the net deferred taxes of the Company and its subsidiaries, based on projections that may change in the future, are below:

	Parent Company	Consolidated
	06/30/2024	06/30/2024
2024	82,244	39,157
2025	82,244	39,157
2026	92,325	54,173
2027	183,061	189,320
2028	344,368	429,580
>2029	1,046,366	1,141,811
	1,830,607	1,893,198

Tax losses and negative social contribution bases have no statute of limitation, under the terms of current legislation. Following the business combinations in 2019, the Company and its subsidiaries carried out their strategic corporate restructuring to support the realization of these

taxes which contemplated: a) implementation of proprietary systems; b) corporate reorganization aimed at tax optimization and synergies; and c) realization of deferred taxes and consumption of current goodwill inventories.

During the period ended June 30, 2024, the Company carried out a corporate merger, in line with its strategic planning.

34 Financial instruments

(i) Fair value hierarchy

When measuring fair value of an asset or liability, the Company and its subsidiaries use market observable data as far as possible. Fair values are classified at different levels according to hierarchy based on information (inputs), as presented in the Note 6 (c), which is used in valuation techniques.

In the period ended June 30, 2024 and year ended December 31, 2023, there were no transfers between financial assets or transfer among hierarchic levels.

The financial instruments of the Company and its subsidiaries are presented in the following table, with the book value of financial assets and liabilities, including their hierarchy levels of assessment:

June 30, 2024	Consolidated						
	Book value				Fair value		
	Amortized cost	Fair value through profit or loss	FVOCI	Total	Level 1	Level 2	Total
Financial assets measured at fair value							
Short- and long-term investments - Investment Funds	-	7,233,128	-	7,233,128	-	7,233,128	7,233,128
Derivative financial instruments - Long position	-	-	-	-	-	-	-
Total	-	7,233,128	-	7,233,128	-	7,233,128	7,233,128
Financial assets not measured at fair value							
Short- and long-term investments - Bank Deposit Certificate (CDB)	200,055	-	-	200,055	-	-	-
Short- and long-term investments - Brazilian Treasury Note (NTN-B)	189,816	-	-	189,816	-	-	-
Short- and long-term investments - Financial Treasury Bill (LFT)	302,272	-	-	302,272	-	-	-
Total	692,143	-	-	692,143	-	-	-
Financial liabilities not measured at fair value							
Loans and financing (ii)	(282,758)	-	-	(282,758)	-	-	-
Debentures (ii)	(9,341,963)	-	-	(9,341,963)	-	-	-
Real Estate receivables certificate - CRI (ii)	(2,136,604)	-	-	(2,136,604)	-	-	-
Dividends and interest on shareholders' equity	(12,629)	-	-	(12,629)	-	-	-
Leases payable	(3,323,223)	-	-	(3,323,223)	-	-	-
Derivative financial instruments - Short position	-	(8,285)	(106,613)	(114,898)	-	(114,898)	(114,898)
Total	(15,097,177)	(8,285)	(106,613)	(15,212,075)	-	(114,898)	(114,898)
Financial liabilities measured at fair value							
Contingent consideration (i)	-	(829,237)	-	(829,237)	-	(829,237)	(829,237)
Total	-	(829,237)	-	(829,237)	-	(829,237)	(829,237)

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December 31, 2023	Consolidated						
	Book value			Fair value			
	Amortized cost	Fair value through profit or loss	FVOCI	Total	Level 1	Level 2	Total
Financial assets measured at fair value							
Short- and long-term investments - Investment Funds	-	5,451,293	-	5,451,293	-	5,451,293	5,451,293
Derivative financial instruments - Long position	-	772	-	772	-	772	772
Total	-	5,452,065	-	5,452,065	-	5,452,065	5,452,065
Financial assets not measured at fair value							
Short- and long-term investments - Bank Deposit Certificate (CDB)	229,845	-	-	229,845	-	-	-
Short- and long-term investments - Brazilian Treasury Note (NTN-B)	259,868	-	-	259,868	-	-	-
Short- and long-term investments - Financial Treasury Bill (LFT)	518,749	-	-	518,749	-	-	-
Total	1,008,462	-	-	1,008,462	-	-	-
Financial liabilities not measured at fair value							
Borrowings and financing	(247,728)	-	-	(247,728)	-	-	-
Debentures	(9,191,640)	-	-	(9,191,640)	-	-	-
Real Estate Receivables Certificates - CRI	(2,087,046)	-	-	(2,087,046)	-	-	-
Dividends and interest on shareholders' equity	(12,629)	-	-	(12,629)	-	-	-
Leases payable	(3,338,009)	-	-	(3,338,009)	-	-	-
Derivative financial instruments - Short position	-	(33,386)	(15,802)	(49,188)	-	(49,188)	(49,188)
Total	(14,877,052)	(33,386)	(15,802)	(14,926,240)	-	(49,188)	(49,188)
Financial liabilities measured at fair value							
Contingent consideration	-	(1,110,941)	-	(1,110,941)	-	(1,110,941)	(1,110,941)
Total	-	(1,110,941)	-	(1,110,941)	-	(1,110,941)	(1,110,941)

- (i) Contingent consideration (contractual obligations, net of their respective indemnification assets) (Note 25 (a)).
- (ii) Measurements at amortized cost and fair value of the Company's loans, financing, debentures and Real Estate Receivables Certificates - CRI have approximate amounts.

Cash and cash equivalents, accounts receivable and suppliers are not included in the table above as their book value is close to their fair value due to the short-term maturities of these financial instruments.

The short- and long-term investments in CDBs have a fair value similar to the book value, as they have a grace period of up to 90 days, are remunerated at interest rates indexed to the DI (Interbank Deposits) curve and are issued by leading financial institutions.

(ii) Measurement at fair value

Assets and liabilities at fair value are measured as follows:

a) Investment funds

As disclosed by financial institutions.

b) Derivative financial instruments

The fair value of derivative financial instruments is determined based on the values disclosed by the financial institutions.

(iii) Risk management

a) Market risks

The Company and its subsidiaries have a formal policy for investments for financial instruments in its activities.

The investment policy is: (i) limit exposure to credit, liquidity, market, operational and legal risks in respect of short and long term investments, guaranteeing the preservation of the long-term assets of the Company and its subsidiaries; (ii) maintain efficient and optimized management in order to guarantee sufficient cash flow; (iii) not to trade derivatives of any kind or foreign currencies and financial assets with foreign exchange exposure, except when they are intended to hedge financial or operating liabilities; (iv) invest through entities of the Company and its subsidiaries or, indirectly, through open, restricted or dedicated investment funds, of which they are shareholders of: a) Federal government bonds; b) securities issued by a financial institution (CDBs, LF, LCI, LCA, DPGE, CCBs and other fixed-income products); c) securities issued by publicly traded companies (debentures, promissory notes, CRI, CRA, the like); d) repurchase agreements backed by the aforementioned assets; and e) the allocation of Collateral Assets, or Linked Short and long term investments, must follow the concentration limits in accordance with RN ANS 392 and subsequent updates.

On a regular basis, the Financial area consolidates indicators and reports on the management of investments and financial instruments with a detailed analysis of the distribution, risks, maturities, interests, performances and results, addressing the most relevant aspects of the macroeconomic environment and ensuring alignment with the financial instruments investment policy.

Market risk also involves the Company and its subsidiaries monitoring interest rate risk in a timely manner, monitoring any fluctuations and, where applicable, assessing the use of hedging instruments.

Sensitivity analysis of financial instruments

As of June 30, 2024, the Company and its subsidiaries have the following sensitivity for financial assets and liabilities based on the change in the basic interest rate of the economy (CDI), as projected under the scenarios below: The Company and its subsidiaries consider the CDI published for the base date of June 30, 2024, as a probable scenario.

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			Scenario (-50%)	Scenario (-25%)	Scenario (Probable)	Possible (+25%)	Possible (+50%)
	Risk						
	CDI		5.20%	7.80%	10.40%	13.00%	15.60%
	IPCA		2.11%	3.17%	4.22%	5.28%	6.33%
06/30/2024	SELIC		5.25%	7.88%	10.50%	13.13%	15.75%
Short- and long-term investments							
Balance of pledged short- and long-term investments	3,129,350	110.40% CDI	162,726	244,089	325,452	406,816	488,179
Balance of short term and long-term investments (free)	4,374,945	110.40% CDI	227,497	341,246	454,994	568,743	682,491
Balance of short term and long-term investments (NTN-B)	42,237	4.22% IPCA	891	1,337	1,782	2,228	2,674
Balance of short term and long-term investments (pledged NTN-B)	147,579	10.06% IPCA	3,114	4,671	6,228	7,785	9,342
Balance of Short- and long-term investments (pledged Financial Treasury Bills)	231,160	10.50% SELIC	12,136	18,204	24,272	30,340	36,408
Total	7,925,271						
			Scenario (-50%)	Scenario (-25%)	Scenario (Probable)	Scenario (+25%)	Scenario (+50%)
	Risk						
06/30/2024	CDI		5.20%	7.80%	10.40%	13.00%	15.60%
Loans and financing							
Working capital	282,758	110.40% CDI	14,703	22,055	29,407	36,759	44,110
Total	282,758						
			Scenario (-50%)	Scenario (-25%)	Scenario (Probable)	Scenario (+25%)	Scenario (+50%)
	Risk						
06/30/2024	CDI		5.20%	7.80%	10.40%	13.00%	15.60%
Debentures							
Debentures - series 1 - 1 st issue - Hapvida Part.	619,620	110.40% CDI	32,220	48,330	64,440	80,551	96,661
Debentures - series 2 - 1 st issue - Hapvida Part.	247,785	110.40% CDI	12,885	19,327	25,770	32,212	38,654
Debentures - series 1 - 2 nd issue - Hapvida Part.	1,270,102	110.40% CDI	66,045	99,068	132,091	165,113	198,136
Debentures - series 2 - 2 nd issue - Hapvida Part.	1,270,508	110.40% CDI	66,066	99,100	132,133	165,166	198,199
Debentures - 3 rd issue - Hapvida Part.	2,024,027	110.40% CDI	105,249	157,874	210,499	263,124	315,748
Debentures - 5 th issue - Hapvida Part.	993,782	110.40% CDI	51,677	77,515	103,353	129,192	155,030
Debentures - 7 th issue - Hapvida Part.	1,009,657	110.40% CDI	52,502	78,753	105,004	131,255	157,506
Debentures - 3 rd issue - NDI Saúde	279,481	110.40% CDI	14,533	21,800	29,066	36,333	43,599
Debentures - 4 th issue - Hapvida Part. (*)	101,467	110.40% CDI	5,276	7,914	10,553	13,191	15,829
Debentures - 5 th issue - Hapvida Part. (*)	297,150	110.40% CDI	15,452	23,178	30,904	38,630	46,355
Debentures - 6 th issue - Hapvida Part. (*)	1,228,384	110.40% CDI	32,220	48,330	64,440	80,551	96,661
Total	9,341,963						
			Scenario (-50%)	Scenario (-25%)	Scenario (Probable)	Scenario (+25%)	Scenario (+50%)
	Risk						
06/30/2024	CDI		5.20%	7.80%	10.40%	13.00%	15.60%
	IPCA		2.11%	3.17%	4.22%	5.28%	6.33%
Real estate receivables certificate							
CRI - single series - Hapvida Assistência Médica	1,117,919	10.06% IPCA	23,588	35,382	47,176	58,970	70,764
CRI - series 1 - NDI Saúde (**)	534,746	110.40% CDI	27,807	41,710	55,614	69,517	83,420
CRI - series 2 - NDI Saúde (**)	383,014	10.06% IPCA	8,082	12,122	16,163	20,204	24,245
CRI - series 3 - NDI Saúde (**)	100,925	10.06% IPCA	2,130	3,194	4,259	5,324	6,389
Total	2,136,604						

(*) Debentures assigned in 2023 by the subsidiary BCBF Participações S.A. to the Company, with the Company becoming the issuer of the respective debentures for all purposes and effects.

(**) With the merger of BCBF Participações S.A. into Notre Dame Intermédica Saúde S.A. on March 28, 2024, the latter assumed the debt previously held by BCBF Participações S.A.

Sensitivity analysis - goodwill

An analysis of the sensitivity of the Company and its subsidiaries to an increase or decrease of 0.2% in the main assumptions used to calculate the recoverability of the CGU on the base date December 31, 2023, assuming that all other variables remain constant, is presented below.

December 31, 2023

Significant premise affected by possible deterioration	Sensitivity of the premise	Impact
Operating margin - Claims	0.2% increase	Value in use > Carrying amount = 1,684,395
Discount rate	0.2% increase	Value in use > Carrying amount = 106,584
Growth rate in perpetuity	0.2% decrease	Value in use > Carrying amount = 815,409

b) Underwriting risk

Underwriting risk includes insurance risk, policyholder behavior risk and expense risk.

- **Insurance risk:** the risk transferred from the insurer to the Company, other than financial risk. Insurance risk arises from the inherent uncertainty about the occurrence, value or timing of claims.
- **Policyholder behavior risk:** the risk that a policyholder will cancel a contract (i.e., lapse or persistency risk), increase or reduce premiums, withdraw deposits or cancel a contract sooner or later than expected.
- **Expense risk:** the risk of unexpected increases in the administrative costs associated with servicing a contract (and not in the costs associated with the insured's events).

Pricing policy

Companies that operate in health and dental care business are exposed to risks related to cost volatility. Dental plans are less exposed than health plans due to lower frequency of use and lower complexity of the treatments.

When the Company and its subsidiaries are developing a new product it assesses variables to define the price of this product, such as the demographic area where the product will be offered, the frequency profile established in the area calculated with historical records, and the costs of main inputs in the area it will be sold (doctors, health care professionals, market price of main procedures). Based on these analyses, the Company and its subsidiaries determine the price of health and dental plans.

For each medium or large company client the medical losses ratio is calculated every year when the Company and its subsidiaries are negotiating annual price increase for health and/or dental insurance plans (individual clients are regulated by ANS). Based on historical usage of the service network controlled by biometrics, and based on expectations of costs related to these clients, the price increase of this contract is determined. This practice mitigates the exposure of risks of clients with losses to the Company and its subsidiaries.

Regarding individual clients, the pricing of the products considers an additional value because this type of client historically has a greater use of service network.

Sensitivity analysis

Variables that may be affected due to the product subscription process or insufficient prices are assessed. The sensitivity analyses below simulate the possible impacts on the income (loss) and equity of changes in operational parameters before and after hiring:

	June 30, 2024 - Consolidated	
	Effect on income (loss) before taxes	Effect on income (loss) after taxes and impact on equity
5% increase in claims	(503,948)	(332,606)
5% increase in administrative and sales expenses	(165,345)	(109,128)
5% decrease in claims	503,948	332,606
5% decrease in administrative and sales expenses	165,345	109,128

c) Operating risk

Operating risk is defined as the possibility of losses resulting from failure, weakness or inadequacy of internal processes, people and systems or external events.

The purpose of operational risk monitoring and management is to mitigate the materialization of risks that could result in damage to the quality of operations during the provision of contracted coverage and/or the provision of services. Operational risks and their associated controls are identified by mapping organizational flows, so that when they are identified, the impacts of these risks are quantified, considering the expected standard in terms of frequency and severity, using specific methodologies applicable to each risk assessed.

Mitigating actions provide greater stability and control, insofar as they have an effectively preventive. The implementation of procedural protocols that guide the actions of the professionals who work in the operation makes a significant contribution to ensuring that the services are carried out within the technical and safety standards established by the areas responsible for drawing up the manuals. In addition, there are 24-hour control areas that monitor in real time the main user service indicators at the Company's own network units and those of its subsidiaries. Both tools are important instruments for identifying situations that are out of line with what is expected, allowing Management to act quickly and effectively before they have an impact on operations.

d) Credit risks

Credit risk is the risk the Company and its subsidiaries have of incurring losses from a client or a party to a financial instrument, arising from their failure to comply with their contractual obligations. Risk is mainly due to trade accounts receivable and short- and long-term investments.

Accounts receivable

Credit risk for the Company and its subsidiaries is considered as low for the health care company to which the monthly billings are made before services are rendered. Most of accounts receivable of the Company and its subsidiaries is related to the coverage period (over time). In addition, in order to reduce risk of having the beneficiary's treatment costs without having been paid, the Company adopts the practice of canceling overdue plans as regulated by the National Regulatory Agency for Private Health Insurance and Plans (ANS) for the health care company.

The Company and its subsidiaries established an allowance for expected losses adjusting historical series to reflect the current conditions and reasonable and feasible estimates of future economic conditions related to accounts receivable and other accounts receivable. The Company and its subsidiaries recognize impairment losses as a write-off of accounts receivable unless the Company and its subsidiaries evaluate that it is not possible to recover the amount due. These amounts are considered irrecoverable and are recorded against the financial asset directly.

In general, the Company and its subsidiaries mitigate their credit risks by providing services to a widely dispersed client base with no concentration. For non-paying clients, the Company and its subsidiaries cancel the plans in accordance with ANS rules.

Short- and long-term investments

For credit risks from short- and long-term investments, the table below presents with quantitative information of maximum risk exposure risk, including information on the ratings of financial institutions, counterparties of investments of the Company and its subsidiaries:

		Ratings of Financial Institutions (*)						
		Fitch (*)		Moody's (*)		S&P (*)		
	06/30/2024	12/31/2023	SHORT-TERM	LONG-TERM	SHORT-TERM	LONG-TERM	SHORT-TERM	LONG-TERM
Banco Itaú Unibanco S.A.	3,412,755	2,827,565	F1+	AAA	BR-1	Aaa.br	brA-1+	brAAA
Banco Santander S.A.	2,865,586	2,235,553	-	-	BR-1	Aaa.br	brA-1+	brAAA
Banco Bradesco S.A.	90,318	196,062	F1+	AAA	BR-1	Aaa.br	brA-1+	brAAA
Caixa Econômica Federal	81,596	95,898	F1+	AA	BR-1	Aaa.br	brA-1+	brAAA
Banco do Brasil S.A.	1,133,502	513,385	F1+	AA	BR-1	Aaa.br	brB	brB
Banco Safra S.A.	22,414	25,404	-	-	BR-1	Aaa.br	brA-1+	brAAA
Banco Votorantim	1,623	1,541	-	AAA	-	Aaa.br	brA-1+	brAAA
Credit Suisse	71,124	337,943	F1+	AAA	BR-1	Aaa.br	brB	brB
BTG Pactual	13,685	111,894	F1+	AAA	-	Aaa.br	-	-
Other	232,668	114,510	-	AAA	-	Aaa.br	-	-
Total	7,925,271	6,459,755						

(*) Last disclosure. National scale.

Cash and cash equivalents

The Company and its subsidiaries held "Cash and cash equivalents" of R\$ 419,682 as of June 30, 2024 (R\$ 1,430,144 as of December 31, 2023), mainly comprised of balances in cash, banks and short- and long-term investments with immediate liquidity. Balances of cash and cash equivalents are maintained with banks and financial institutions with AA and AA+ rating, as the list disclosed by Fitch, and besides having immediate liquidity in cash, they are subject to an insignificant risk of change in value.

e) Liquidity risks

Liquidity risk is the risk of the Company and its subsidiaries encountering difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset. The approach of the Company and its subsidiaries in liquidity management is to guarantee, as much as possible, that it always has sufficient liquidity to perform its obligations upon maturity, under normal and stress conditions, without causing unacceptable losses or with a risk of sullyng the reputation of the Company and its subsidiaries.

The Company and its subsidiaries use medical loss controls to price its products and services, which helps it with the monitoring of cash flow requirements and the optimization of its cash return on investments. The Company and its subsidiaries seek to maintain the level of its cash and cash equivalents and other highly negotiable investments at an excess amount of cash outflows on financial instruments (other than trade accounts payable). The Company and its subsidiaries also monitor expected level of cash inflows deriving from 'trade accounts receivable and other receivables' as well as expected cash outflows related to 'trade accounts payable and other accounts payable.'

The main sources of funds used by the Company and its subsidiaries are the volume of funds from the trading of their services. The income from investments from cash deposits is added to this amount.

As to the exposure to liquidity risk, contractual maturities of financial liabilities on the base date:

Financial liabilities	Contractual cash flows							Total
	Notes	Book value	2024	2025	2026	2027	>2028	
Suppliers	-	279,857	279,857	-	-	-	-	279,857
Technical reserves (i)	21	829,546	829,546	-	-	-	-	829,546
Loans, financing, debentures and CRI	19	11,761,325	1,792,629	1,807,554	2,368,076	2,395,554	9,141,977	17,505,790
Leases payable	20	3,323,223	240,198	478,891	456,348	428,277	8,147,143	9,750,857
Other accounts payable	25	1,635,625	440,082	1,195,543	-	-	-	1,635,625
Dividends and interest on shareholders' equity payable	26.c	12,629	12,629	-	-	-	-	12,629
Total		17,842,205	3,594,941	3,481,988	2,824,424	2,823,831	17,289,120	30,014,304

(i) Composed of provisions for events to be settled (Note 21).

The cash flow forecast is prepared by the Company and its subsidiaries, and continuous forecasts of liquidity requirements are monitored to ensure that the Company and its subsidiaries have sufficient cash to meet legal and operating needs. This forecast takes into consideration the cash generation of the Company and its subsidiaries.

Liquidity risk management

The Company and its subsidiaries use medical loss controls to price its products and services, which helps it with the monitoring of cash flow requirements and the optimization of its cash return on investments. The Company and its subsidiaries seek to maintain the level of its cash and cash equivalents and other highly negotiable investments at an excess amount of cash outflows on financial instruments (other than trade accounts payable). The Company and its subsidiaries also monitor expected level of cash inflows deriving from 'trade accounts receivable and other receivables' as well as expected cash outflows related to 'trade accounts payable and other accounts payable'.

The main sources of funds used by the Company and its subsidiaries are the volume of funds from the trading of their services. The income from investments from cash deposits is added to this amount.

(iv) Derivative financial instruments and hedge accounting

The activities of the Company and its subsidiaries expose it to various financial risks. Risk management is carried out centrally by the Financial Vice-Presidency to minimize the adverse effects of financial risks affecting the Company and its subsidiaries.

On June 30, 2024, the Company and its subsidiaries had derivative financial instrument contracts, used to reduce exposure to interest rate and exchange rate fluctuations (interest rate swap and exchange rate swap), with no speculative purpose.

The Company and its subsidiaries adopted the cash flow hedge accounting methodology, in line with IAS 39, for their IPCA x CDI interest rate swaps intended to hedge the financial debt of the 1st issue of Real Estate Receivables Certificates (CRI) of Ultra Som Serviços Médicos S.A. (merged into Hapvida Assistência Médica S.A.) and for their foreign exchange hedge swaps. Under this system, balances are recorded as follows:

- (i) the effective portion of the gain or loss resulting from the hedge instrument is directly recorded in equity (other comprehensive income); and
- (ii) the ineffective portion of the gain or loss resulting from the hedging instrument is recognized in the financial result in the statement of profit or loss.

The fair value of cash flow contracts is presented in the statement of financial position account (assets, liabilities and equity). For outstanding hedge operations, the Company and its subsidiaries calculated the market value - MTM (Mark to Market).

The openings of the swap contracts of the Company and its subsidiaries, as well as their fair values on the base date are as follows:

Hapvida Participações e Investimentos S.A.
Parent company and consolidated interim statements
for the six-month period ended
June 30, 2024

<u>Instrument</u>	<u>Maturity</u>	<u>Long position</u>	<u>Short position</u>	<u>Fair value</u>	<u>Notional (R\$)</u>	<u>Position at 06/30/2024</u>	<u>Position at 12/31/2023</u>
Swap - Interest rate	Dec 2031	IPCA + 5.7505% p.a.	107.50% CDI	(51,596)	503,475	(51,596)	(9,225)
Swap - Interest rate	Dec 2031	IPCA + 5.7505% p.a.	107.50% CDI	(63,302)	617,303	(63,302)	(15,863)
Foreign exchange swap	Feb 2026	USD + 6.84% p.a.	CDI + 1.6% p.a.	12,154	260,000	12,154	(23,328)
Total				(102,744)		(102,744)	(48,416)
					Assets	12,154	-
					Liabilities	(114,898)	(48,416)

The change in interest rate swap derivative financial instruments of the new contracts is shown below:

	<u>06/30/2024</u>	<u>12/31/2023</u>
Balance at the beginning of the period - Liabilities/(Assets)	25,088	-
Accrual	(1,001)	9,287
Market value - MTM	90,811	15,801
Balance at the end of the period/year - Liabilities/(Assets)	114,898	25,088

On June 30, 2024, as part of the prospective assessment of effectiveness, Management carried out an analysis of the economic relationship of its hedge structures and did not identify any material impacts on the hedge relationships. Thus, the hedge transactions were considered effective.

35 Insurance coverage (unaudited)

The Company and its subsidiaries maintain insurance contracts with coverage determined in under the advice of specialists, considering the nature and the degree of risk, in amounts considered sufficient to cover possible losses on its assets and/or responsibilities.

The insurance coverage of the Company and its subsidiaries is as follows:

<u>Item</u>	<u>Type of coverage</u>	<u>Insured amount</u>
Buildings, facilities, machinery, furniture, fixtures, and inventories	Fire (including due to riots, strikes and lock-outs), lightning, explosions of any kind and aircraft crashes, electrical damage, equipment leased or assigned to third parties, movable and fixed equipment RD, falling glass, fixed expenses (6 months), rental losses/payments (6 months), theft/general theft of goods, windstorm, impact of vehicles through smoke, landslides, electronic equipment, portable objects (in Brazil) and theft of medicines.	713,821
D&O	Civil liability, officers, administrators and directors.	100,000
Cyber	Cyber risk insurance.	25,000
Judicial litigation	Legal disputes in the civil, tax and labor spheres, and acquisition and tax law guarantees.	2,393,637
Vehicle fleet	Comprehensive, property damage, bodily injury and mobile equipment.	100% FIPE table per vehicle
Employees	Group Life Insurance. Trainees, disability and funeral assistance.	Variable according to salary range
Guarantee insurance	Guarantees on customer contracts.	1,153
Other insurance	Tax, Tax management, construction, supply or provision of services	22,209

36 Transactions that do not involve cash or cash equivalents

During the periods ended June 30, 2024 and 2023, the Company and its subsidiaries carried out the following investment and financing activities not involving cash; therefore, they are not reflected in the statement of cash flows:

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>06/30/2024</u>	<u>06/30/2023</u>	<u>06/30/2024</u>	<u>06/30/2023</u>
Right of use - Additions/Write-offs and remeasurements	-	238	81,332	19,372
Share transfer write-off - Stock grant (i)	48,256	-	48,256	-
Other accounts payable - Contractual obligations	-	-	-	34,359
Capital increase in investee by debt assumption	-	1,828,277	-	-

- (i) Partial transfer of shares from the Stock Grant Plan to its beneficiaries.

37 Adjusted equity and Regulatory capital

To operate in the health insurance market regulated by the National Agency for Supplementary Health (ANS), health operators must comply with solvency indices, as set out in NR 569/22. Adjusted Equity (PLA), for example, needs to be higher than the legal requirement for Risk-Based Capital (RBC). The PLA is calculated considering the equity minus i) direct or indirect holdings in other regulated entities, ii) tax credits arising from tax losses and negative bases, iii) deferred and iv) prepaid expenses, v) intangible non-current assets and vi) the value of goodwill from direct or indirect holdings in other non-regulated entities, as indicated in Article 7 of NR 569/2022.

The operators controlled by the Company adopted the standard RBC model in advance when calculating regulatory capital. Therefore, in accordance with the criteria set out in Article 9 of Section II of Chapter III of NR 569/2022, the calculation of their regulatory capital, as of January 2023, considered the highest value between the Base Capital and the RBC. The RBC considers the following risks: (i) Underwriting risk, (ii) Credit risk, (iii) Operating/legal risk, and (iv) Market risk.

In the period ended June 30, 2024, consolidated solvency, when observed on an aggregate basis involving the operators controlled by the Company, reached the sufficiency indicated below:

	<u>Consolidated</u>
	<u>06/30/2024</u>
Adjusted equity (PMA) (A)	7,470,484
Risk-based capital (CBR) (B)	4,333,622
Sufficiency calculated (A) - (B)	<u>3,136,862</u>

38 Discontinued operations

The Maida Health Participações Societárias S.A. and subsidiaries "business are not compatible with the Company's core business and for this reason are treated as a discontinued operations.

Maida Health Participações Societárias S.A. and subsidiaries

On October 27, 2023, the subsidiary BCBF Participações S.A. entered into a share purchase agreement and other covenants for the sale of the subsidiary Maida Health Participações Societárias S.A. and its subsidiaries to MV Sistemas SP Ltda.

On February 1, 2024, the subsidiary BCBF Participações S.A. (merged into Notre Dame Intermédica Saúde S.A.) signed the Closing Agreement for the Purchase and Sale of Shares and Other Covenants with the buyer MV Sistemas SP Ltda. for the sale of the wholly-owned subsidiary Maida Health Participações Societárias S.A. and its subsidiaries Maida Infoway Tecnologia e Gestão em Saúde Ltda.; Maida Haptech Soluções Inteligentes Ltda.; Lifeplace Maida Ltda.; and Tercepta Consultoria em Informática Ltda.

Under the agreed terms, the enterprise value of the transaction is R\$ 26,700, subject to price adjustment mechanisms common in similar transactions, as well as potential additional annual installments (earn-out) to be priced over the next 5 years.

The consolidated result of Maida Health and its subsidiaries in the period (one month of 2024) up to the date of the effective sale is presented below.

Retained earnings of the period

On June 30, 2024, the consolidated net income from discontinued operations for the period of Maida Health Participações Societárias S.A. and its subsidiaries was R\$ 5,965.

39 Subsequent events

(i) New hospitals - Rio de Janeiro and São Paulo

The Company entered into a memorandum of understanding with Riza Gestora de Recursos Ltda. for two new hospitals under a Build to Suit (BTS) model. The properties, in the final stage of negotiation by the Company, will be located in the cities of Rio de Janeiro/RJ and São Paulo/SP.

The transaction foresees an initial consideration of R\$ 300,000, which will be used to acquire the land under negotiation. In addition, Riza will raise an additional amount of up to R\$ 300,000, under the best-efforts regime, for the full development of the BTS works, totaling R\$ 600,000.

The transaction is in line with the Company's strategy of seeking to be asset light, optimizing capital allocation for the business, which will enable the acceleration of other assistance projects foreseen in the investment plan (Capex) for 2024/2025.

The operation will have a Cap rate of 9.5% p.a. until the completion of the BTS, according to Riza's disbursement flow. After the obtainment of the occupancy permits for properties, 9% adjusted annually by the IPCA. The lease term will be 20 years, with the option to renew for additional 20 years, with the option to purchase at pre-determined periods and conditions, according to stipulated multiples.

The transaction close depends on the fulfillment of normal conditions precedent, including, but not limited to, the satisfactory completion of the due diligence on the assets subject to acquisition and the approval of the Transaction by Riza's investment committee.

* * *

Cândido Pinheiro Koren de Lima
Chairman of the Board of Directors

Jorge Fontoura Pinheiro Koren de Lima
President

Luccas Augusto Adib
Vice-President and Chief Finance and Investor Relations Officer

Fernando Miguel Augusto
Diretor de contabilidade
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