3Q20 RESULTS

hapvida

Quarterly Results – 3Q20

- Net Revenues of R$2.1 billion (+61.6%)
- Health and dental beneficiaries grow 56.9%
- MLR ex-SUS of 59.8% (-0.6 p.p.)
- EBITDA of R$512.2 million (+93.8%)
- EBITDA Margin of 24.1% (+4.0 p.p.)

Earnings Call
November 13th, 2020 (Friday)
Portuguese (with simultaneous translation into English)
1pm (Brazil) | 11am (US/EST)
Webcast: ri.hapvida.com.br/en
Phone number: Brazil: +55 (11) 3181-8565 | USA: +1 (412) 717-9627

Message from Management

Quarter after quarter Hapvida grows in a sustainable manner, with great solidity and efficiency. We have grown and, therefore, we have changed. We are in a new moment, but our essence will always be maintained. All these changes led us to renew our brand, because it is through it that we communicate who we are. We envisioned the importance to adopt a new corporate brand to further ensure more recognition and performance for our business. This is an important step for Hapvida, and we want to share with the market our new purpose, which has become: “to ensure access to quality healthcare to our people”. This is our focus, to do our best to welcome people with the quality they deserve.

The third quarter of 2020 was marked by smart and complementary acquisitions to our existing verticalized and integrated platform, allowing us to execute our purpose and reinforcing the commitment to create value for our shareholders. In September, the acquisition of Grupo Promed (awaiting regulatory approvals) will enable our robust entry into the capital of Minas Gerais. The region has a high growth potential due to both the increase in penetration of private plans and market share gains, contributing to our consolidation in the state of Minas Gerais, the third largest private healthcare market in Brazil. The Promed Group is composed by healthcare operators with approximately 270,000 beneficiaries and care infrastructure with 3 hospitals, 1 day-hospital and 7 primary care clinics. In the state of Goiás, we acquired the portfolios of two healthcare operators, Samedh and Plamheg, each with approximately 18,000 health plan beneficiaries. Also in September, we announced the acquisition of the Santa Filomena Group, composed by the health operator Filosanitas with approximately 5,500 beneficiaries and the Santa Filomena Hospital in Rio Claro/SP. Recently, in November, we announced the acquisition of the operator Premium Saúde, a transaction that is totally synergistic and complementary to our previous acquisitions. Premium is composed of approximately 125 thousand beneficiaries concentrated in Belo Horizonte and Montes Claros/MG and Brasília/DF. All the aforementioned transactions are awaiting regulatory approvals. We also announced the lease of Sinhá Junqueira maternal and children hospital in Ribeirão Preto/SP, one of the best and most traditional maternity hospitals in the region that, since October, has been under our management.

Continuing the execution of the integration plans of previously acquired companies, we concluded the incorporation of the healthcare operators belonging to Grupo América. By the end of 2020, we will also complete the incorporation and implementation of the systems in dozens of health units that formed Grupo América, being able to fully integrate them in about one year after the closing of the acquisition. Grupo São Francisco's integration plan continues to be executed delivering results in line with those originally planned. We are certain that we will achieve operational and administrative synergies in a shorter period than originally planned in both acquisitions.

The Covid-19 pandemic continues to hit Brazil and the world, with very different impacts from region to region. In our operations, 100% of the elective surgical procedures postponed during 2Q20 have already been performed in regions where there are no medical or hospital restrictions. More recently, we have seen an increase in care services for respiratory diseases in some specific regions, but this has not been accompanied by an increase in the number of hospitalizations since the treatment at the beginning of the symptoms has been effective. In fact, a recently scientific research was also published with support from Hapvida with the Yale School of Public Health, *Universidade Federal do Ceará* and *Universidade de Fortaleza* whose conclusions attested to the effectiveness in the early treatment of the disease and enabled Hapvida’s mortality coefficient to be about half of the rest of Brazil. We remain vigilant and prepared to care for our customers and employees with the same excellence as always.

Even in the face of a challenging period due to the ongoing pandemic, we continue to show robust growth. Net revenue grew 61.6%, with the number of health plan beneficiaries evolving 48.0% compared to the same quarter of the previous year. The number of beneficiaries of dental plans also showed significant growth, increasing by 69.7%. The medical care ratio ex-SUS of Hapvida in the quarter was 59.8%, an improvement of 0.6 p.p., even with additional costs after the start of new assistance units and with the consolidation of acquisitions that operate with a higher medical care ratio. The ratio was positively impacted in the quarter - even though our elective and urgent services are receiving a gradual increase in demand and have returned to operating at levels close to the historic period before the pandemic – frequency of utilization has not yet been fully normalized. With the proper management of selling expenses, at a ratio of 7.9%, and administrative expenses, with a ratio of 9.4%, EBITDA grew 93.8% and reached R$ 512.2 million.

We continue to invest in expanding and improving our proprietary care delivery units, more than doubling our infrastructure since last year due to acquisitions and the inauguration of new units. For example, our operation in Joinville/SC, which started in May last year organically, demonstrates that our decision to enter the South region of Brazil was correct: in just over a year, the operation should soon reach approximately 50 thousand beneficiaries, showing faster growth and profitability levels than we have originally planned. In the last few months, 5 service units and 1 pharmaceutical supply distribution center were opened. Our permanent investments to develop our own network and the consequent verticalization of medical claims will allow us to continue offering a quality product at an affordable cost to everyone.

We are pioneers in the creation, use and improvement of new technologies here at Hapvida. We believe that innovation can promote people's health, improve the quality of care, increase accessibility and make the business more efficient. An example is the partnership we signed with Roche to consolidate our laboratory and diagnostic activities in a single, state-of-the-art technology central unit. The Operational Technical Center (NTO in Portuguese), in the city of Recife/PE, will be the first such facility outside of Europe and will have the capacity to process up to 5 million exams per month, replacing the current 18 regional NTO and processing about 95% of lab tests, further increasing our level of verticalization. Our continued investments in technology and data intelligence have enabled us to create one of the most robust telemedicine platforms in the country. Today we already have the most varied types of digital assistance such as: outpatient telemedicine with 6,500 appointments/month, digital emergency care totaling 20,000 appointments/month and elective remote consultations started with the specialties of gastroenterology and endocrinology that already have 1,000 appointments/month. To bring safety and convenience to interactions via telemedicine, we are adopting the identification of beneficiaries through facial recognition.

We were elected as the most innovative company in the "Insurance and Health Plans" segment and one of the 100 most innovative companies in Brazil (out of 3 thousand applicants), receiving the Whow! 2020 Innovation Award. This award recognizes companies and institutions that produce consistent innovation, both incremental and disruptive, with effective repercussions on business. In the most recent edition of the Conarec Award, we were recognized as the best "Relationship Sector" of the Health category in Brazil. This award is the greatest recognition of relational intelligence and engagement among players in the customer relationship market.

During the third quarter, we received the sad news of the death of Roberto Mendes, an independent member of our board of directors. Roberto Mendes, a tireless executive of large companies for more than three decades, had been playing a fundamental role not only as a board member but also engaged in the improvement of our governance instances and his loss will be felt by the Company, its shareholders and employees. In the reorganization of the board of directors, in yet another move to prepare the Company for the coming years, we are pleased to be able to count on the arrival of Igor Lima, an executive with proven experience in integration, technology and innovation, fundamental issues at the current moment of Hapvida. The new member will chair two committees: the Integration Committee and a new Strategic Projects Committee. Other board advisory committees were also reorganized, such as the Governance, People and Sustainability Committee, which, in addition to stimulating and creating mechanisms to integrate sustainability into the Company's management process, will establish guidelines and principles related to the sustainable development of Hapvida in social, environmental, economic pillars and within the best corporate governance practices.

We trust in our business model and we are certain that the Company is solid and resilient to get through the current period. We are prepared to make the best possible use of the opportunities that will arise. To customers, employees, medical and dental providers, brokers, business partners, shareholders, advisors and other stakeholders, thank you again for your trust.

Jorge Pinheiro
CEO

Our Pillars

Quality **Care** **Innovation** **Cost Efficiency**

Summary

1. INTEGRATION AND REPORTING CRITERIA

In order to report a clear view on the impact of the acquisitions of Grupo São Francisco (GSF), Grupo América (GA) and RN Saúde (RN), we presented, until the 2Q20's release, the operational and financial data with and without these acquisitions, identified as "Hapvida including acquisitions" and "Hapvida ex-acquisitions", respectively. We also presented the same operating and financial data for companies acquired separately, identifying them as "Acquired companies".

However, as of 3Q20, due to the conclusion of the incorporation of the operators and dozens of care units that made up Grupo América and the consequent implementation of our systems (SAP and Hapvida operator and hospital systems), the individual opening of operational and financial data of the acquired companies is no longer viable. Additionally, in 4Q20 onwards, new acquisitions will be concluded, which will also prevent the comparability of the previous numbers. Therefore, Hapvida's results will be presented only on a consolidated basis and will consider a sum, following the norms and accounting criteria for consolidation, of Hapvida's results added by those of Grupo São Francisco, América and RN Saúde.

2. HIGHLIGHTS

FINANCIAL HIGHLIGHTS (R$ million)	3Q20	3Q19	Var. %	2Q20	Var. %	9M20	9M19	Var. %
Net Revenues	2,126.4	1,315.8	*61.6%*	2,076.3	*2.4%*	6,281.5	3,849.0	*63.2%*
Medical Costs - Cash	1,227.0	799.0	*53.6%*	1,088.5	*12.7%*	3,476.2	2,222.0	*56.4%*
Medical Costs - Ex-SUS	1,271.0	793.9	*60.1%*	1,115.6	*13.9%*	3,590.5	2,242.4	*60.1%*
Total Medical Costs	1,284.4	818.6	*56.9%*	1,132.6	*13.4%*	3,696.6	2,296.4	*61.0%*
Sales Expenses	167.1	125.1	*33.6%*	179.8	*-7.1%*	501.4	373.2	*34.4%*
Administrative Expenses[1]	200.6	131.9	*52.1%*	200.3	*0.2%*	610.9	385.3	*58.6%*
EBITDA	512.2	264.3	*93.8%*	607.8	*-15.7%*	1,587.8	858.6	*84.9%*
Net Income	247.8	212.4	*16.7%*	278.6	*-11.1%*	691.0	641.2	*7.8%*

CONSOLIDATED RATIOS (% ROL)	3Q20	3Q19	Var. %	2Q20	Var. %	9M20	9M19	Var. %
Cash MLR (ex-Peona; ex-SUS; ex-D&A)	57.7%	60.7%	*-3.0 p.p.*	52.4%	*5.3 p.p.*	55.3%	57.7%	*-2.4 p.p.*
Ex-SUS MLR	59.8%	60.3%	*-0.6 p.p.*	53.7%	*6.0 p.p.*	57.2%	58.3%	*-1.1 p.p.*
Total MLR	60.4%	62.2%	*-1.8 p.p.*	54.5%	*5.9 p.p.*	58.8%	59.7%	*-0.8 p.p.*
Sales Expenses	7.9%	9.5%	*-1.6 p.p.*	8.7%	*-0.8 p.p.*	8.0%	9.7%	*-1.7 p.p.*
Administrative Expenses[2]	9.4%	10.0%	*-0.6 p.p.*	9.6%	*-0.2 p.p.*	9.7%	10.0%	*-0.3 p.p.*
Ebitda Margin	24.1%	20.1%	*4.0 p.p.*	29.3%	*-5.2 p.p.*	25.3%	22.3%	*3.0 p.p.*
Net Income Margin	11.7%	16.1%	*-4.5 p.p.*	13.4%	*-1.8 p.p.*	11.0%	16.7%	*-5.7 p.p.*

OPERATING HIGHLIGHTS	3Q20	3Q19	Var. %	2Q20	Var. %
Health and Dental Members (thousands)	**6,401**	**4,079**	***56.9%***	**6,266**	***2.2%***
Health Members	3,553	2,401	*48.0%*	3,500	*1.5%*
Dental Members	2,848	1,678	*69.7%*	2,766	*2.9%*
Proprietary care network	**446**	**220**	***102.7%***	**438**	***1.8%***
Hospitals	41	28	*46.4%*	39	*5.1%*
Emergency Units	42	19	*121.1%*	41	*2.4%*
Clinics	188	83	*126.5%*	184	*2.2%*
Diagnostics	175	90	*94.4%*	174	*0.6%*

[1]Administrative Expenses without depreciation and amortization. [2]Administrative Expenses ratio measured by dividing total administrative expenses without depreciation and amortization by net revenues.

Quality of Care

3. QUALITY OF CARE

Hapvida's culture values operational excellence, cost control, innovation, and, above all, high quality care. Our efforts seeking for new solutions through several ongoing initiatives always aim to increase operational efficiency and improve the customer's perception of the quality of the services we provide. We created innovative solutions with substantial results in our operations and the level of service offered to our beneficiaries.

5-STAR SERVICE

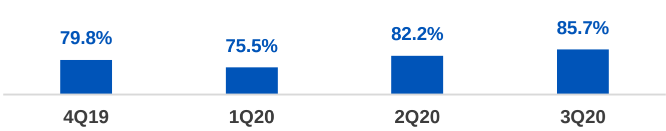
The 5 star service, implemented in 2019, is an instant satisfaction survey with ratings between 1 and 5 stars carried out by our customers after each eligible interaction. This program is a valuable tool for the entire Company as it will enable us to see opportunities for improvement and recognize the best performance in serving our customers. Our hospitals, clinics, diagnostic units, walk-in emergency centers, laboratory collection points, dentistry services, preventive medicine units, telemedicine and the wellness and well-being promotion programs (such as Nascer Bem, Viver Bem and Family Doctor) are evaluated. Throughout the program's existence, we have received almost 3 million evaluations. In the third quarter of 2020 more than 553 thousand evaluations were received. The overall average for the month of September 2020, based on 227,000 evaluations, was 4.51.

5-star service

WAITING TIME FOR URGENT/EMERGENCY CARE

Hapvida has a tech platform with a system that allow us to monitor all of our units in real time 24x7. This system, along with video cameras present in all units, allows the Company's Observation and Control Center to monitor the service and waiting times in all walk-in emergency centers. If the waiting time exceeds 15 minutes, the system signals the Control Center to take immediate actions to speed up the operation. In 3Q20, 85.7% of all of 0.9 million urgent and emergency consultations carried out in our hospitals and walk-in emergency services took place within 15 minutes.

Service in 15 minutes or less



VIVER BEM – A VIDAHAP PROGRAM

Viver Bem is a wellness program for Hapvida's beneficiaries that offers a resolutive and efficient service aiming to reduce diabetes complications. A robot system identifies through patients' blood tests with some alterations that indicate that they have or may have type 2 diabetes mellitus. The contact with the patient is carried out by a trained professional from our exclusive call center for the wellness programs. Available in Fortaleza, Recife and Salvador, it comprises doctors, nursing technicians and nutritionists specialized in the treatment of people with diabetes and aims to encourage a change in the people's lifestyle. The program also has a management center conducted by a nursing team trained in the remote care of patients with diabetes. Until December 2019, the group of monitored patients presented a very significant difference in glycated hemoglobin reduction when compared to the control group. At the end of September 2020, around 6,200 patients were enrolled in this program.

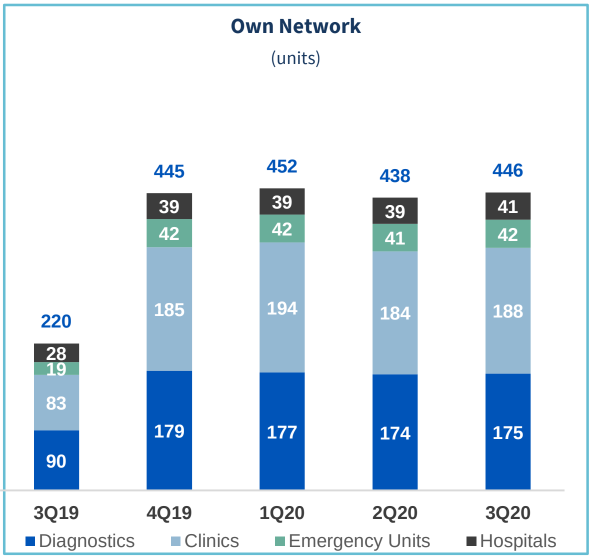
Reduction of glycated hemoglobin

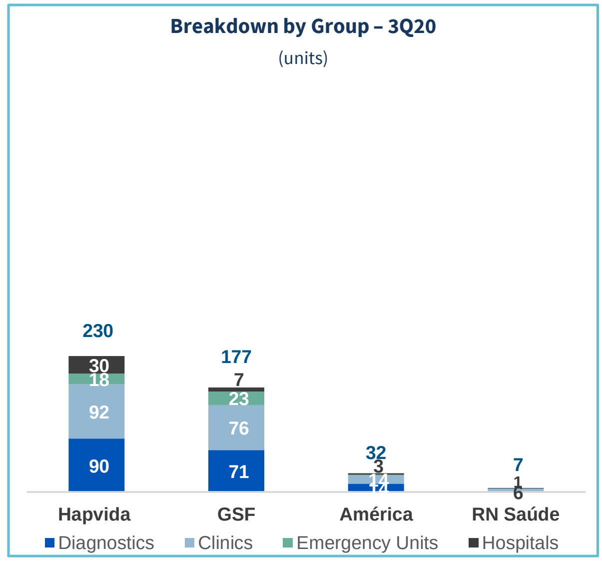
181.0%

higher than control group

4. PROPRIETARY CARE NETWORK

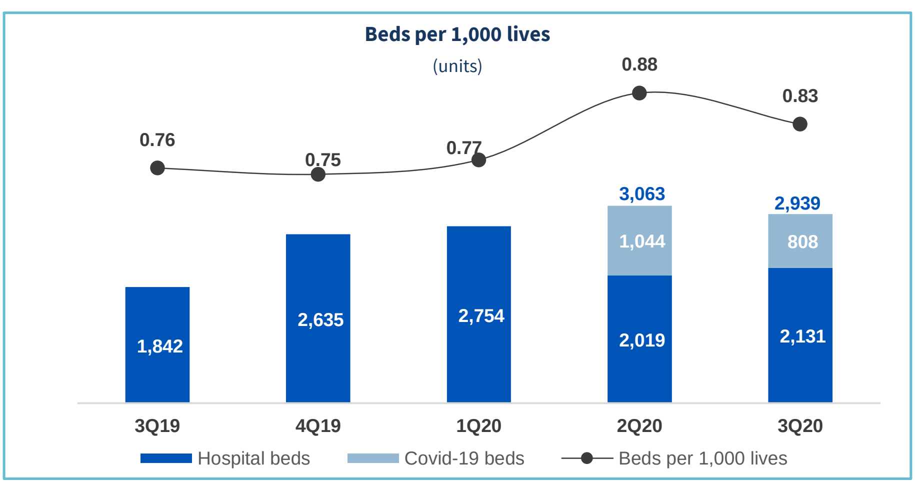
Hapvida continues to expand its own network through the inauguration of new units, and the expansion and remodeling of the existing ones. We remain focused on our strategy of increasing verticalization levels to guarantee the quality of care, cost efficiency, better control losses and frequency of utilization (usage).





Including assets from acquired companies, the Company ended 3Q20 with 41 hospitals, 42 emergency care units, 188 clinics and 175 diagnostic imaging and laboratory collection units, thus totaling 446 service units accessible to our beneficiaries, in all five regions of Brazil.

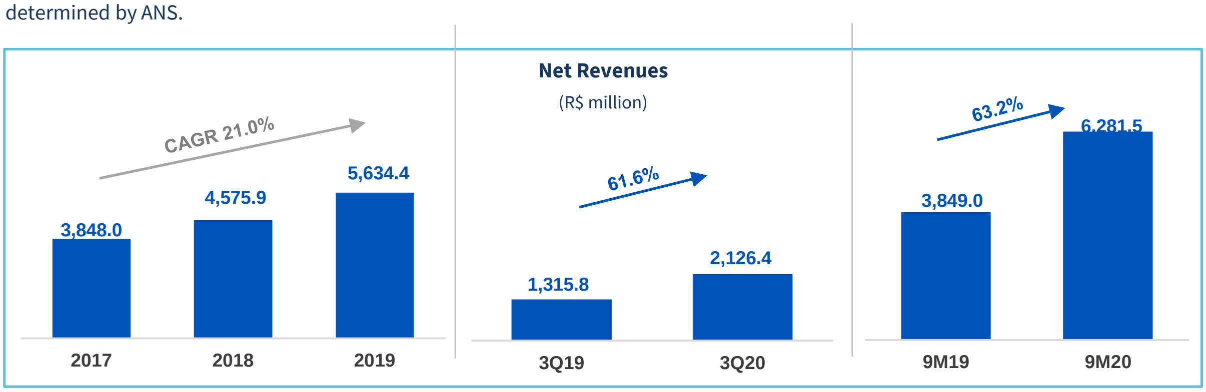
During this quarter, 2 hospitals were opened (Lauro de Freitas in Bahia and Mário Palmério in Minas Gerais), 11 medical clinics (7 were closed), 2 emergency care (1 closure) and 8 diagnostic units (7 closures) in the period as part of the consolidation of service in new and larger units.



The company ended 3Q20 with a total of 2,939 hospital beds in operation, which represents an increase of 1,097 beds in comparison with the same quarter of the previous year. The main changes were: 35 beds at Hospital das Clínicas de Parauapebas (PA), 16 beds in Mossoró/RN (32 beds with the inauguration of Hospital Celina Guimarães and reduction of 16 beds with the closure of Hospital Rodolfo Fernandes), 42 beds at Hospital Lauro de Freitas (BA) and 23 beds at Mário Palmério Hospital (MG). In the same comparison we also have: 537 beds of Grupo São Francisco (reduction of 8 beds this quarter) and 204 beds of Grupo América (increase of 35 beds this quarter). The reduction of 124 beds compared to 2Q20 was mainly due to the demobilization of beds dedicated to the treatment of patients with Covid-19.

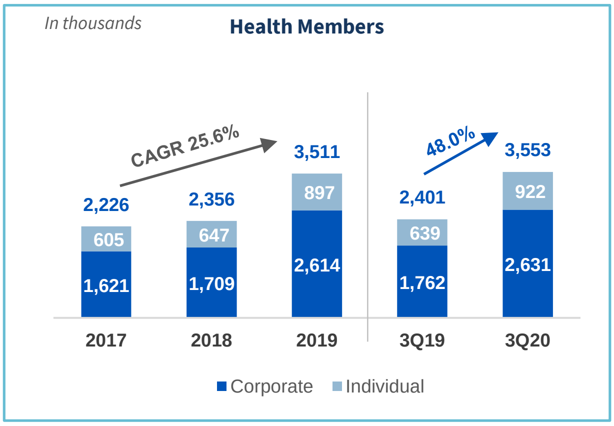
5. NET REVENUES

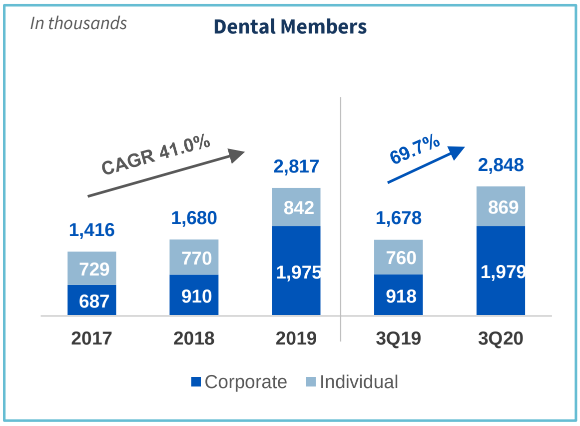
In 3Q20 net revenues grew by 61.6% when compared to 3Q19, mainly influenced by: (i) R$523.0 million from Grupo São Francisco, R$73.7 million from Grupo América (Jul and Aug/20) and R$35.6 million from RN Saúde; (ii) a 7.6% increase in the average ticket for medical plans, reflecting the price adjustments implemented in the existing contracts necessary for their economic balance and new sales; and (iii) a 2.3 million increase in the health and dental beneficiary base (1.8 million from Grupo São Francisco, 235 thousand lives from Grupo América, 221 thousand lives from Hapvida and 39 thousand from RN Saúde). It is important to highlight that we voluntarily suspended the monthly fee readjustments for 90 days (contracts with anniversary date in May, June and July) for individual or family medical-hospital plans, affinity and small companies with up to 29 lives. In September, according to ANS' notice number 85 from 08/31/2020, the readjustments were suspended and, therefore, health operators were unable to charge their beneficiaries. The suspension, which will last until the end of this year, applies to all types of contracts except for the corporate contracts with 30 or more beneficiaries (which may be readjusted upon the contractor's request). There will be no annual adjustment for individual/family plans for the period from May/2020 to April/2021. The recovery of the amounts not charged in this period will be determined by ANS.



6. MEMBERS

The number of health plan beneficiaries at the end of the quarter increased by 48.0% compared to the same period last year. Inorganic growth highlights were the entrance of 872 thousand lives (153 thousand lives in individual plans and 719 thousand lives in group plans) resulting from the acquisition of Grupo São Francisco, 230 thousand lives in health (122 thousand lives in individual plans and 108 thousand lives in group plans), coming from the acquisition of Grupo América and 46 thousand lives in health (7 thousand lives in individual plans and 39 thousand lives in group plans) from the acquisition of RN Saúde. In comparison to 3Q19 and without considering acquisitions, there was a net increase of 5,000 lives in health plans at Hapvida (4 thousand in group plans and 1 thousand in individual plans). The acquired companies added 32 thousand lives organically in 9M20.



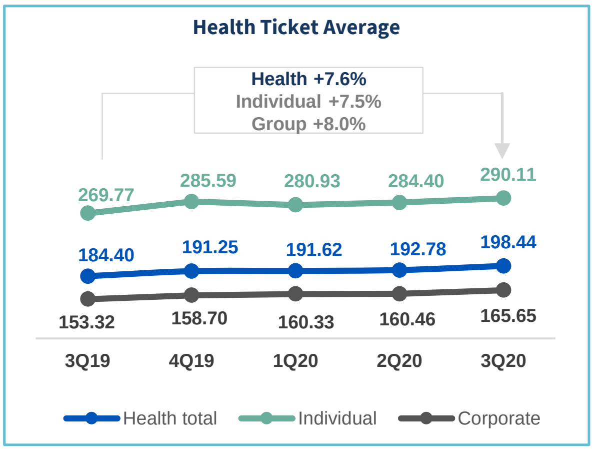


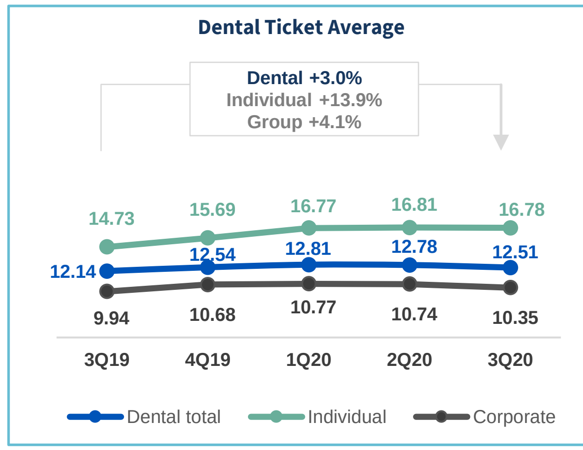
6. MEMBERS (continued)

The number of dental plan beneficiaries grew by 69.7% in the quarter compared to the same period last year. There were the entry of 947 thousand lives (70 thousand in individual plans and 877 thousand in group plans) with the acquisition of Grupo São Francisco, 5,000 lives (4.5 thousand in individual plans and 500 in group) with the acquisition of Grupo América and 806 lives from group plans with the acquisition of RN Saúde. Organically, there was an increase of 50 thousand lives in individual plans and 95 thousand lives in group plans.

7. AVERAGE TICKET

The average ticket for the health segment grew by 7.6% compared to 3Q19 mainly due to the readjustments of existing contracts and new sales, in addition to the entry of RN Saúde's higher average ticket. The GSF average ticket continues like its history presented in previous quarters. The average RN ticket, on the other hand, increased by 3.6% compared to 2Q20.





The average ticket in the dental segment grew 3.0% in comparison with the same period of the previous year due to a higher average ticket of the acquired companies. The average ticket for GSF remains similar to its historical value presented in previous quarters and RN's showed a decrease of 17.1% compared to 2Q20, impacted by the average ticket for new sales in the quarter.

8. MLR AND MEDICAL COSTS

The cost of medical services comprises cash medical costs and some non-cash items, such as depreciation and amortization (D&A) with IFRS16, provision for events Incurred But Not Reported (IBNR) and SUS reimbursement provisions.

8.1 MLR and Medical Costs

Composition of MLR and Medical Cost

(R$ million)	3Q20	3Q19	3Q20 x 3Q19	2Q20	3Q20 x 2Q20	9M20	9M19	9M20 x 9M19
Medical Costs – Cash	(1,227.0)	(799.0)	53.6%	(1,088.5)	12.7%	(3,476.2)	(2,222.0)	56.4%
Depreciation and Amortization (IFRS 16)	(38.0)	(24.0)	57.9%	(44.1)	(14.0%)	(115.3)	(64.4)	79.1%
Change in IBNR provision	(6.0)	29.1	(120.8%)	17.1	(135.3%)	1.0	43.9	(97.7%)
Change in SUS reimbursement provision	(13.5)	(24.6)	(45.4%)	(17.0)	(20.8%)	(106.1)	(53.9)	96.8%
Medical Costs - Total	**(1,284.4)**	**(818.6)**	**56.9%**	**(1,132.6)**	**13.4%**	**(3,696.6)**	**(2,296.4)**	**61.0%**
Cash MLR (ex-IBNR; ex-SUS; ex-D&A)	**57.7%**	**60.7%**	**-3.0 p.p.**	**52.4%**	**5.3 p.p.**	**55.3%**	**57.7%**	**-2.4 p.p.**
MLR (ex-SUS)	**59.8%**	**60.3%**	**-0.6 p.p.**	**53.7%**	**6.0 p.p.**	**57.2%**	**58.3%**	**-1.1 p.p.**
Total MLR	**60.4%**	**62.2%**	**-1.8p.p.**	**54.5%**	**5.9p.p.**	**58.8%**	**59.7%**	**-0.8p.p.**

8. MLR AND MEDICAL COSTS (continued)

8.1 Medical costs and MLR (continued)

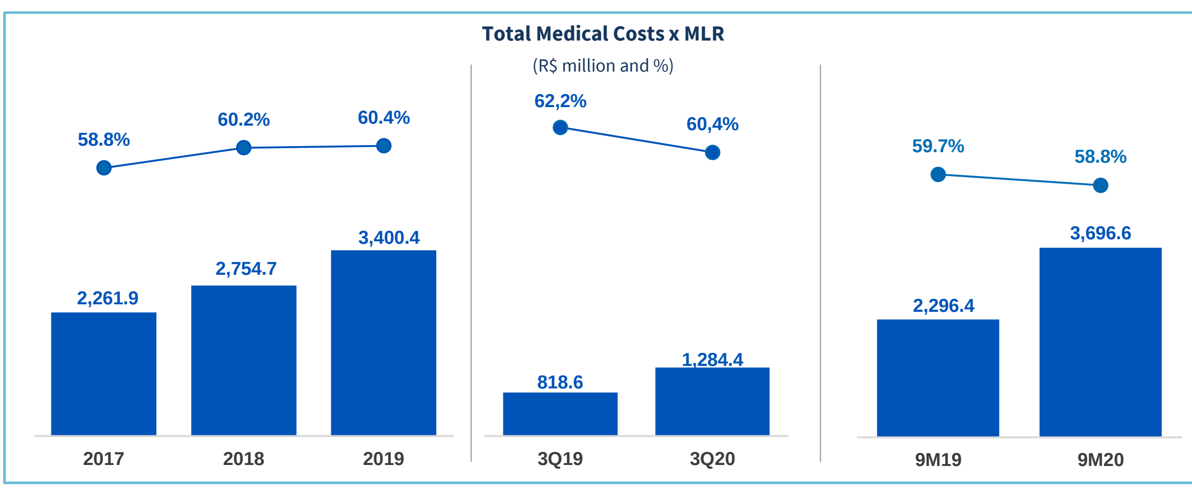
Hapvida's ex-SUS MLR ratio, the index that best represents the performance of our operations and which excludes the variation in the provisions for reimbursement to SUS, was 59.8% in 3Q20 and 57.2% in 9M20, a reduction of 0.6 p.p. and 1.1 p.p. relative to the same comparative periods. When looking at Cash-MLR, it was 57.7%, a significant reduction of 3.0 p.p. compared to 3Q19 and 2.4 p.p. in 9M20.

The Company continues to show gains in operational efficiency as a result of medical loss management projects and stronger wellness promotion programs. We also presented growth in verticalization of medical costs with an increase of 5.3 p.p. and 3.8 p.p. in the total volume of appointments held in our own network in 3Q20 and 9M20. This caused the share of our own network cost to increase by 2.2 p.p. in 3Q20 and by 0.4 p.p. in 9M20 compared to the same periods of the previous year.

In June we began to address the backlog of elective surgeries that had not yet been performed since they were suspended by ANS. As of the date of this report, 100% of the elective surgical procedures postponed during 2Q20 have already been performed in regions where there are no medical or hospital restrictions, without impacts on our operations. Throughout this quarter, there was a gradual return to elective appointments and urgent/emergency care, but that has not yet returned to pre-pandemic historical levels. The volume of services below historical levels positively impacted the medical claims of the accredited network (excluding GSF, GA and RN) by R$55.0 million and R$149.5 million in 3Q20 and 9M20 respectively.

The MLR showed significant improvements in 3Q20 and 9M20 even though it was negatively impacted: (i) by the cost of the acquired companies that are included in Hapvida's numbers in 2020 but are not present in the comparative periods; (ii) personnel, material and logistics expenses due to the measures adopted to face the Covid-19 pandemic and other viruses (R$32.3 million in 3Q20 and R$80.6 million in 9M20); (iii) the collective bargaining agreement and the hiring of new employees, including personnel expenses from the new units (R$16.2 million in 3Q20 and R$47.5 million in 9M20); and (iv) the increase in expenses of the new units in operation, including the Parauapebas hospital and other new emergency care units and clinics (R$5.6 million in 3Q20 and R$24.2 million in 9M20, including the Joinville hospital, Parauapebas and Cariri).

Total MLR (which includes D&A with IFRS16 and changes in IBNR provisions and SUS reimbursement) was 60.4% in 3Q20, a decrease of 1.8 p.p. versus 3Q19, due to the decrease in SUS reimbursement provisions (R$13.5 million in 3Q20 versus R$ 24.6 million in 3Q19) in addition to the same reasons explained above. In 9M20 the MLR was 58.8%, a decrease of 0.8 p.p. versus 9M19, in this case by the increase in reimbursement to SUS (R$106.1 million in 9M20 against R$53.9 million in 9M19). The medical loss ratio of the acquired companies is on a downward trend, respecting the seasonality among quarters.



8. MLR AND MEDICAL COSTS (continued)

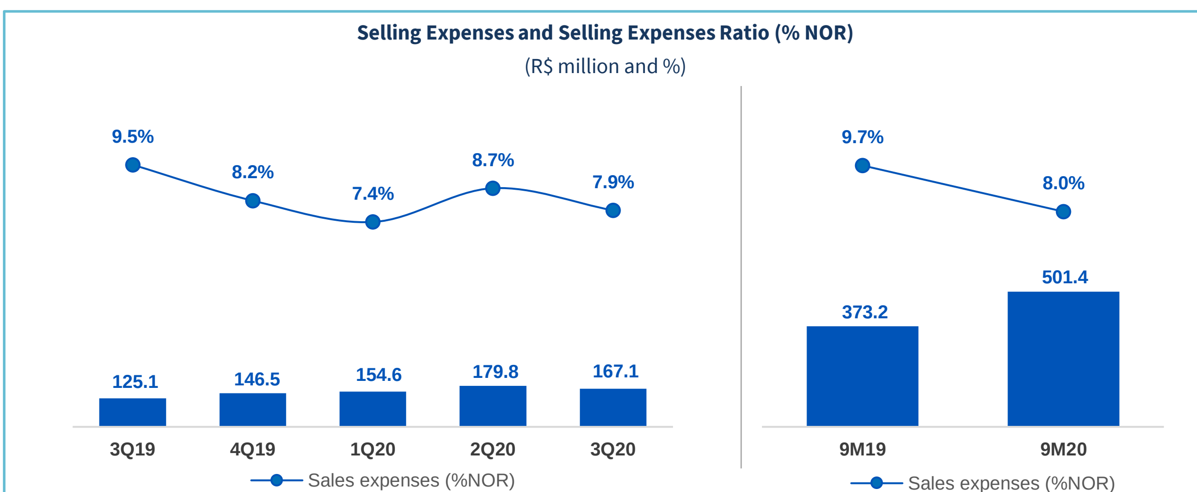
8.2 SUS reimbursement provisions

In accordance with the National Supplementary Health Agency (ANS), the Company must record in its liabilities with a corresponding entry in the results (Total Medical Costs), a provision related to the Identified Beneficiary Notices (ABIs) according to the percentage defined by ANS itself, which is unique for each operator and varies from time to time. Subsequently, if our defense to an ABI is rejected by ANS, the Company may need to record a supplementary provision at the new value of the GRU (an invoice for federal taxes). GRU invoices that miss the payment deadline are subjected to a fine in addition to interest and monetary adjustments for the period elapsed. As of 4Q19, interest, monetary restatement and possible fines are recorded in financial expenses.

With the issuance of Provisional Measure number 928, of March 23, 2020, with the suspension of regulatory deadlines, ANS could not issue GRUs referring to the services not challenged related to the ABIs received in 2020 (ABIs 80 and 81) nor the ones that were in the appeal process phase at the time, which explains the relevant reduction in the amounts provisioned in both 2Q20 and 3Q20. According to the 10th Informative Bulletin – “Use of SUS by Health Plan Beneficiaries and ANS SUS Reimbursement”, the expectation is that the process will return to normal throughout 4Q20 and early 2021.

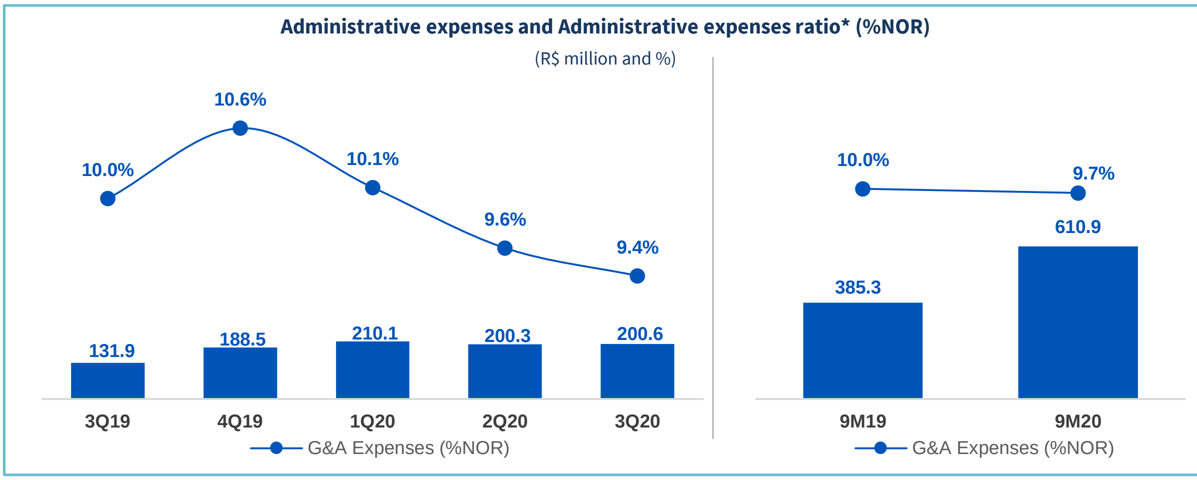
R$ million	**3Q20**	**3Q19**	**9M20**	**9M19**
ABIs’ provision	9.3	6.6	55.0	16.3
GRUs’ principal	-	12.4	38.8	21.5
Interest, monetary adjustments and fines	-	5.6	-	16.1
SUS Reimbursement – Acquired Companies	4.2	-	12.4	-
SUS Reimbursement – Medical Cost	**13.5**	**24.6**	**106.1**	**53.9**
Interest, monetary adjustments and fines	13.5	-	52.5	-
SUS Reimbursement – Financial Result	**13.5**	**-**	**52.5**	**-**
SUS Reimbursement - Total	**26.9**	**24.6**	**158.7**	**53.9**

9. SELLING EXPENSES



The selling expenses ratio was 7.9% in 3Q20 and 8.0% in 9M20, a reduction of 1.6 p.p. and 1.7 p.p. compared to the same periods of the previous year due to the lower representativeness of expenses with commissions (-1.3 p.p. in 3Q20 and -1.4 p.p. in 9M20) and provisions for credit losses (-0.6 p.p. in 3Q20 and -0.3 p.p. in 9M20) due to the acquired companies that operated, until then, with a lower ratio than Hapvida. For 9M20, there is also advertising and publicity expenses that lost its representativeness by -0.4 p.p. when compared to 9M19.

10. ADMINISTRATIVE EXPENSES



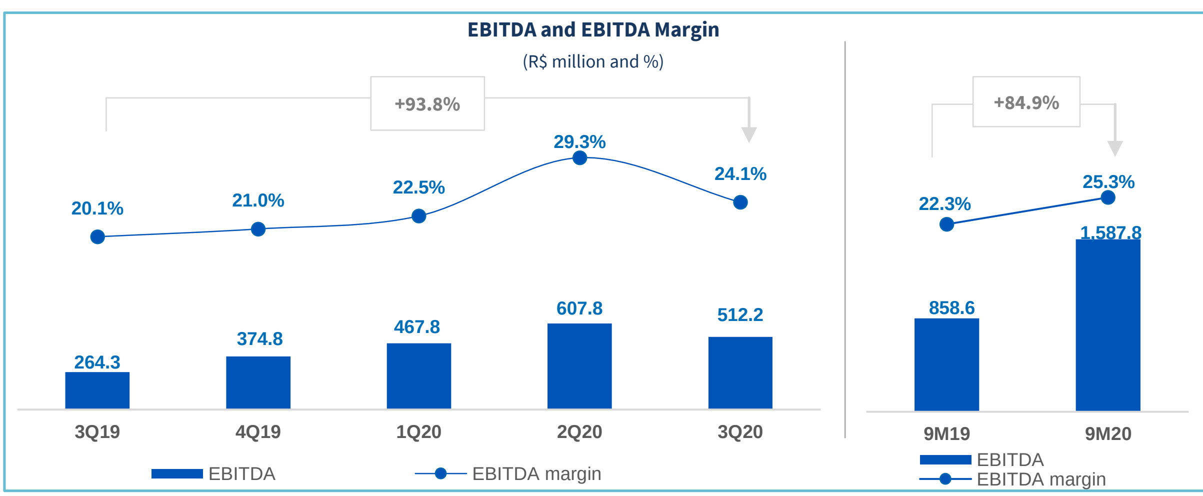
Current and past figures are being presented without depreciation and amortization charges.

The administrative expenses ratio was 9.4% in 3Q20 and 9.7% in 9M20, a reduction of 0.6 p.p. and 0.3 p.p. in comparison, respectively, with 3Q19 and 9M19 even considering the entry of administrative expenses of acquired companies (GSF and RN) in the amount of R$46.9 million in 3Q20 (GSF and RN) and R$185.5 million in 9M20 (GSF, RN, besides GA being considered only for 1Q20 and 2Q20).

The ratio was positively impacted by: (i) a lower representativeness of the administrative expenses from the acquired companies (GSF, GA and RN), which went from 10.6% in 1Q20 to 8.4% in 3Q20 (GSF and RN); (ii) R$7.8 million in 3Q20 and 9M20 for reclassification of amounts that were recorded in the administrative expenses account related to certain services provided in the operations of the companies Resgate and Documenta, which are, by their nature, medical costs; (iii) reversal of provision related to labor contingencies (reduction of R$3.9 million in 3Q20 and 9M20); and (iv) a decrease in travel and accommodation expenses due to the pandemic with a reduction impact of R$3.1 million in 9M20.

The negative impacts were: (i) collective bargaining and hiring of new employees (R$10.0 million in 3Q20 and R$20.6 million in 9M20); and (ii) higher semiannual variable compensation (R$6.9 million in 3Q20 and R$15.6 million in 9M20).

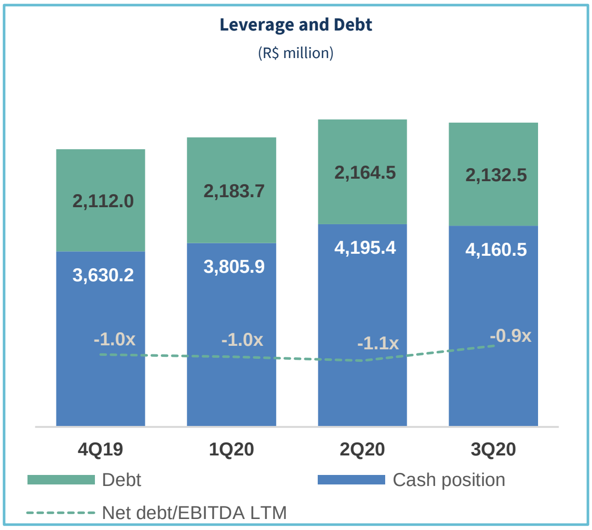
11. EBITDA



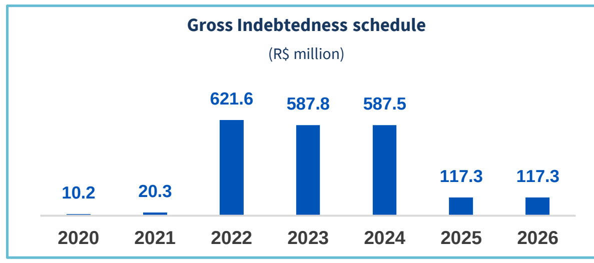
EBITDA reached R$512.2 million in 3Q20 and R$1,587.8 million in 9M20, an increase of 93.8% and 84.9%, respectively, compared to the same comparative periods of 2019 due to the factors previously explained. EBITDA Margin in 3Q20 was 24.1% and 25.3% in 9M20, increases of 4.0 p.p. and 3.0 p.p. respectively versus the same periods in 2019.

12. DEBT

At the end of the third quarter of 2020, the Company had a balance of R$2,005.7 billion comprised of the balance of debentures outstanding as well as the balance of outstanding debt inherited from the acquired companies of R$38.6 million. The chart below shows the payment schedule for the consolidated debt. The net financial debt/EBITDA ratio in 3Q20 is -0.9x due to the net cash position of R$2.0 billion.

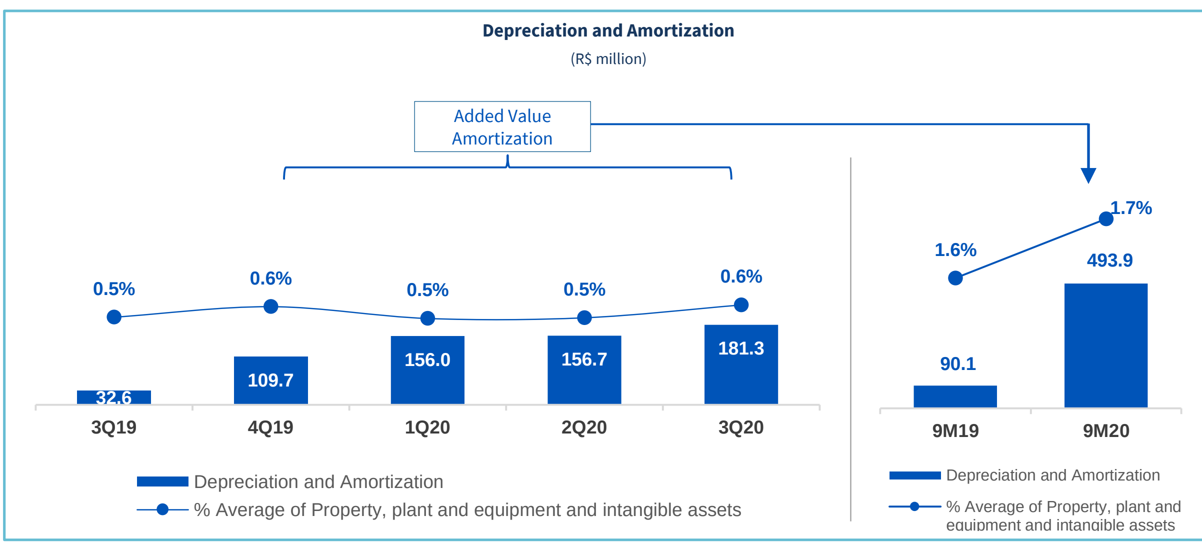


Net Debt/ EBITDA (R$ million)	09/30/2020
Short-term debt*	25.4
Long-term debt*	2,018.9
Other accounts payable (acquired companies)	88.2
Total debt	**2,132.5**
(-) Cash and cash equivalents and short-term and long-term investments (proforma)	4,160.5
Net debt	**(2,028.0)**
EBITDA LTM**	2,185.4
Net debt/EBITDA LTM**	**-0,9x**



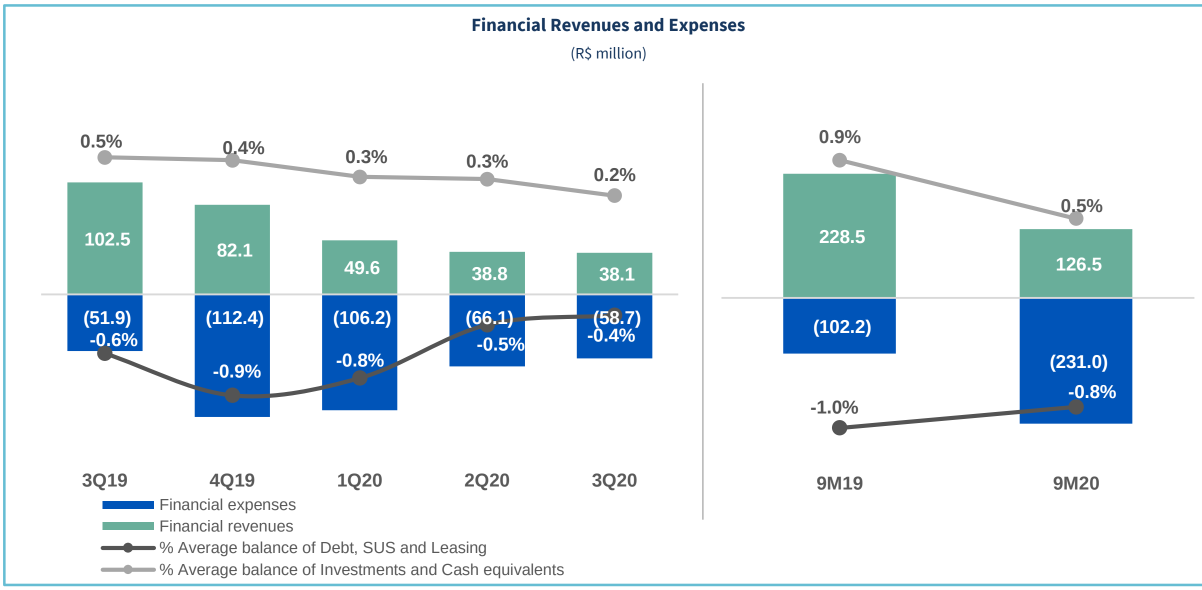
* Debt balance considers the value of debentures net of its respective transaction costs plus other financing lines net from financial instruments.
** Adjusted EBITDA excluding provisions for impairment of accounts receivable.

13. DEPRECIATION AND AMORTIZATION



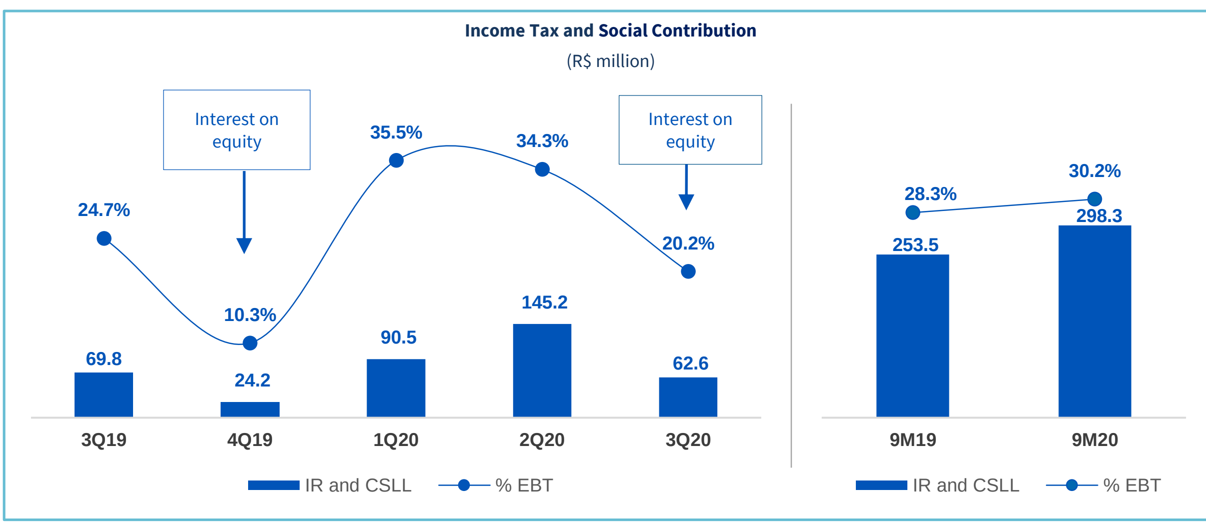
Depreciation and amortization expenses totaled R$181.3 million in 3Q20 and R$493.9 million in 9M20, equivalent to 0.6% and 1.7%, respectively, of the average balance of the respective equity assets. The main increase in this account refers to the amortization of the added value of acquired portfolios of clients and of the acquired companies' brands due to the determination of their useful life. Altogether, the charges were R$125.4 million in 3Q20 and R$323.3 million in 9M20.

14. FINANCIAL RESULTS



Net financial results in 3Q20 totaled an expense of R$20.5 million (R$58.7 million in financial expenses and R$38.1 million in income) and an expense of R$104.5 million in 9M20 (R$231.0 million in financial expenses and R$126.5 million in income), influenced by: (i) the pro-rata recognition of accrued interest related to debentures issued in the amount of R$11.5 million in 3Q20 and R$50.5 million in 9M20; (ii) the recognition of lease interest of R$20.2 million in 3Q20 and R$61.6 million in 9M20; (iii) higher volume of expenses with interest, fines and monetary restatement related to the reimbursement to SUS, which, as of 4Q19, started to be recorded in financial expenses, in the amount of R$13.5 million in 3Q20 and R$52.5 million in 9M20; and (iv) lower financial income as a result of a lower balance of investments (due to the payment of acquisitions) and a decrease on the SELIC interest rate.

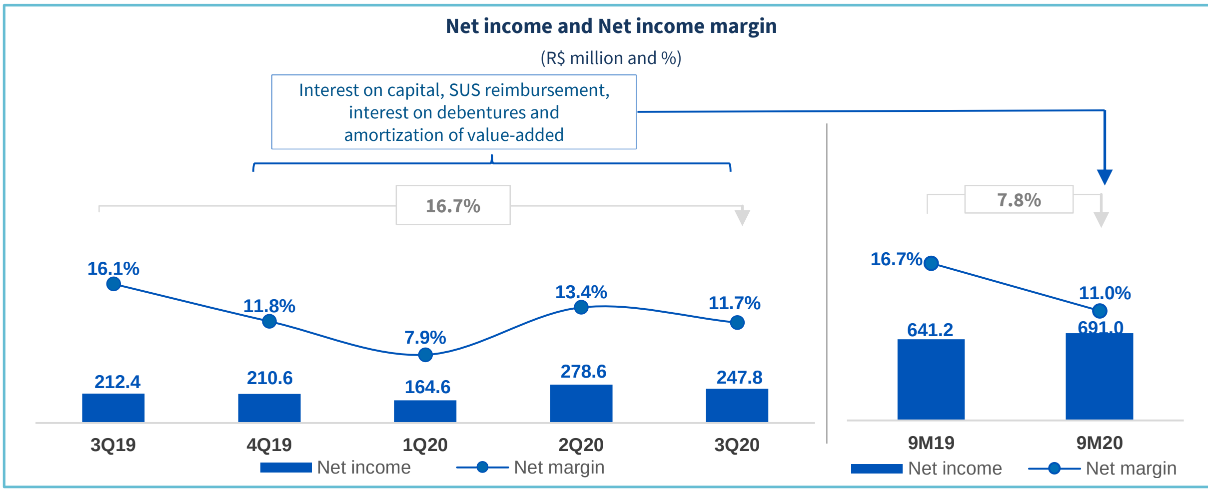
15. INCOME TAX AND SOCIAL CONTRIBUTION



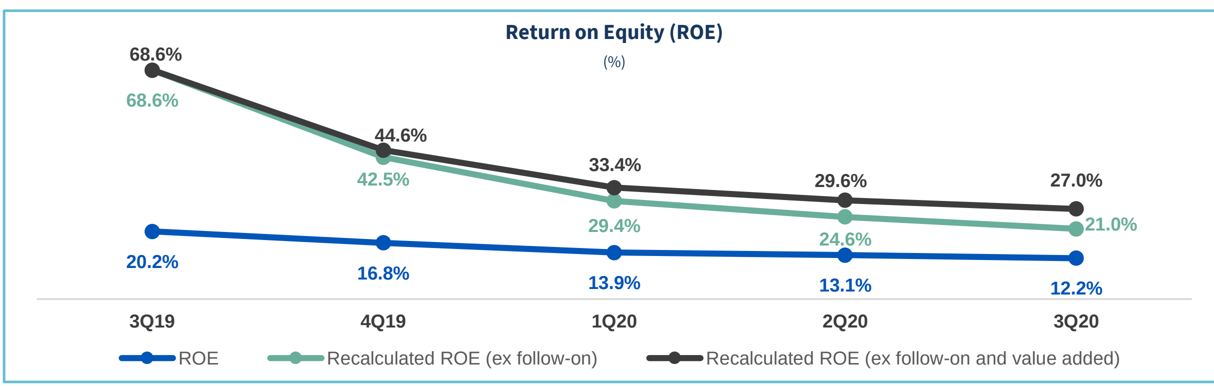
The effective rate in 3Q20 was 20.2% and 30.2% in 9M20. Compared to 9M19, the effective rate was 1.9 p.p. higher due to the recognition of the tax credit on expenses with the issue of shares in that period due to the follow-on in July/2019, which was partially offset by the tax credit on the goodwill of the acquired companies that have already complied with corporate and tax requirements for taking the benefit (subject to the limitation of proportional assets imposed by current tax legislation). Compared to 3Q19 it was lower by 4.5 p.p., in addition to the events described above that were observed in the third quarter of both years, in the 3Q20 there was a declaration of interest on equity in the amount of R$110.8 million, not observed in the comparative period.

16. NET INCOME

Hapvida net income totaled R$247.8 million in 3Q20 and R$691.0 million in 9M20, showing an increase of 16.7% and 7.8% when compared with the same periods of the previous year, mainly due to the reduction in the MLR and lower costs and expenses related to SUS reimbursement. The net margin decreased by 4.5 p.p. and 5.7 p.p., respectively, when compared to 3Q19 and 9M19, impacted by: (i) non-cash items, such as the increase in depreciation and amortization, which went from R$32.6 million in 3Q19 to R$181.3 million in 3Q20; and (ii) higher financial expenses related to SUS reimbursement and lower financial income as a result of a decrease in both the balance of investments and on the SELIC interest rate.



17. ROE



Recalculated LTM ROE (Return on Average Equity) was 21.0% at the end of 3Q20, a reduction of 21.5 p.p. mainly due to the full consolidation of the equity of the companies acquired at the end 2019 and partial consolidation of results (only 2 months for Grupo São Francisco and 1 month for Grupo América in 4Q19), in addition to the entry of the new acquired company, RN Saúde in 1Q20. Recalculated ROE for 3Q20 excludes the amount of R$2.6 billion from the subsequent share offer (follow on) which had not yet been invested until the end of this quarter. Additionally, we also show a view disregarding the effect on the net profit of the capital gain and the amortization of the brands.

In R$ million	**3Q19**	**4Q19**	**1Q20**	**2Q20**	**3Q20**
Net income (LTM) with IFRS16 (a)	875.3	851.8	811.0	866.2	901.7
Net income (LTM) with IFRS16 and ex-value added (b)	875.3	894.8	920.4	1,041.8	1,158.1
Equity	6,820.4	7,261.9	7,426.4	7,705.4	7,842.4
Average equity (c)[1]	4,323.7	5,064.5	5,829.1	6,606.1	7,388.7
ROE (LTM) = (a)/(c)	**20.2%**	**16.8%**	**13.9%**	**13.1%**	**12.2%**
Equity excluding Follow on	1,598.3	4,671.9	4,836.4	5,115.3	5,252.4
Average equity excluding Follow on (d)	1,275.7	2,004.5	2,757.1	3,522.1	4,292.7
ROE (LTM) recalculated ex-follow on = (a)/(d)	**68.6%**	**42.5%**	**29.4%**	**24.6%**	**21.0%**
ROE (LTM) recalculated ex-follow on and value added = (a)/(d)	**68.6%**	**44.6%**	**33.4%**	**29.6%**	**27.0%**

[1]2017, 2018 e 2019 = Average equity considers the previous 5 quarters.

18. CASH GENERATION AND CAPEX

Free cash flow (ex-acquisitions) was R$414.6 million in 3Q20, an increase of 93.9% versus 3Q19, positively impacted by: (i) amortization of the added value of acquired portfolios of clients and of the acquired companies' brands due to the determination of their useful life (R$125.4 million in 3Q20 and R$323.3 million in 9M20); and (ii) by a positive working capital variation due to a greater balance of liabilities. The main impacts on working capital, in turn, were: (i) balance of technical reserves (R$ 17.6 million); (ii) social obligations (R$17.3 million); and (iii) a lower balance of inventories (R$19.3 million). Capex rose from additions to property, plant and equipment and intangible assets totaled R$122.8 million in 3Q20 mainly due to investments in Hapvida's proprietary network, which include 2 hospitals (Lauro de Freitas in Bahia and Mário Palmério in Minas Gerais), 11 new clinics, 2 walk-in emergency and 8 diagnostic units.

R$ million	3Q20	3Q19	3Q20 x 3Q19	9M20	9M19	9M20 x 9M19
EBIT	**331.0**	**231.7**	**42.9%**	**1,094.0**	**768.4**	**42.4%**
Effective income tax rate	20.2%	24.7%	(4.6 p.p.)	30.2%	28.3%	1.8 p.p.
NOPAT	**264.3**	**174.4**	**51.6%**	**764.1**	**550.7**	**38.8%**
(+) Depreciation and amortization	181.3	32.6	456.1%	493.9	90.1	448.3%
(+/-) Change in working capital[1]	91.8	69.2	32.7%	171.5	44.5	285.4%
(-) Cash CAPEX	(122.8)	(62.4)	96.8%	(289.5)	(196.6)	47.3%
Free cash flow (ex-acquisitions)	**414.6**	**213.8**	**93.9%**	**1,140.0**	**488.7**	**133.3%**
(-) Companies acquisitions	-	(17.4)	(100.0%)	(94.3)	(17.4)	442.0%
Free cash flow	**414.6**	**196.4**	**111.1%**	**1,045.7**	**471.3**	**121.9%**

([1]) Includes variations: **(i)** current assets: accounts receivable, inventories, other credits and advances to suppliers and **(ii)** current liabilities: suppliers, technical provisions for health care operations net of PPCNG, debts of health care operations net of prepayments, other payables and social obligations.

Appendices

19. INCOME STATEMENT

R$ mm	3Q20	3Q19	Var. % 3Q20/3Q19	2Q20	Var. % 3Q20/2Q20	9M20	9M19	Var. % 9M20/9M19
Revenues from gross payments	2,160.7	1,394.4	55.0%	2,106.0	2.6%	6,378.6	4,032.0	58.2%
Revenue from other activities	80.3	7.6	954.9%	70.9	13.3%	227.6	18.1	1156.4%
Deductions	-114.6	-86.3	32.8%	-100.6	13.9%	-324.7	-201.1	61.5%
Net revenues	**2,126.4**	**1,315.8**	**61.6%**	**2.076.3**	**2.4%**	**6,281.5**	**3,849.0**	**63.2%**
Medical cost and others	-1,227.0	-799.0	53.6%	-1,088.5	12.7%	-3,476.2	-2,222.0	56.4%
Depreciation and amortization	-38.0	-24.0	57.9%	-44.1	-14.0%	-115.3	-64.4	79.1%
Change in IBNR	-6.0	29.1	-120.8%	17.1	-135.3%	1.0	43.9	-97.7%
Change in SUS reimbursement provision	-13.5	-24.6	-45.4%	-17.0	-20.8%	-106.1	-53.9	96.8%
Total cost	**-1,284.4**	**-818.6**	**56.9%**	**-1,132.6**	**13.4%**	**-3,696.6**	**-2,296.4**	**61.0%**
Gross profit	**841.9**	**497.2**	**69.3%**	**943.7**	**-10.8%**	**2,584.9**	**1,552.7**	**66.5%**
Gross margin	***39.6%***	***37.8%***	***1.8 p.p.***	***45.5%***	***-5.9 p.p.***	***41.2%***	***40.3%***	***0.8 p.p.***
Selling expenses	**-167.1**	**-125.1**	**33.6%**	**-179.8**	**-7.1%**	**-501.4**	**-373.2**	**34.4%**
Advertise expenses	-13.8	-9.1	51.6%	-12.5	10.6%	-35.1	-36.1	-3.0%
Comission expenses	-98.2	-78.2	25.6%	-94.7	3.7%	-276.8	-222.4	24.5%
Provision for credit losses	-47.9	-37.7	27.0%	-66.7	-28.1%	-170.6	-114.6	48.8%
Other sales expenses	-7.1	0.0	0	-5.9	20.3%	-19.0	0.0	0
Administrative expenses	**-346.9**	**-138.4**	**150.6%**	**-310.3**	**11.8%**	**-990.6**	**-406.6**	**143.7%**
Personnel	-94.3	-56.8	66.1%	-94.7	-0.5%	-273.1	-154.9	76.3%
Third party services	-46.5	-25.9	79.4%	-48.1	-3.2%	-155.4	-71.8	116.3%
Location and operation	-30.9	-21.5	44.1%	-27.6	12.0%	-87.5	-68.2	28.3%
Depreciation and amortization	-143.3	-8.5	1577.0%	-112.5	27.4%	-378.6	-25.8	1369.7%
Taxes	-3.1	-1.2	154.5%	-3.4	-8.3%	-9.9	-11.2	-11.7%
Provisions for civil. labor and tax risks	-21.1	-21.0	0.7%	-20.3	4.0%	-62.7	-66.6	-5.9%
Miscellaneous expenses	-7.6	-3.5	116.0%	-3.7	106.1%	-23.4	-8.0	192.3%
Other expenses/operational revenues	**3.0**	**-2.0**	**-250.2%**	**-2.5**	**-220.4%**	**1.1**	**-4.5**	**-123.6%**
Total expenses	**-511.0**	**-265.5**	**92.5%**	**-492.6**	**3.7%**	**-1,491.0**	**-784.2**	**90.1%**
Operational income	**331.0**	**231.7**	**42.8%**	**451.2**	**-26.6%**	**1,093.9**	**768.4**	**42.4%**
Operational margin	*15.6%*	*17.6%*	*-2.0 p.p.*	*21.7%*	*-6.2 p.p.*	*17.4%*	*20.0%*	*-2.5 p.p.*
Financial revenues	38.1	102.5	-62.8%	38.8	-1.8%	126.5	228.5	-44.6%
Financial expenses	-58.7	-51.9	12.9%	-66.1	-11.3%	-231.0	-102.2	126.0%
Financial result	**-20.5**	**50.6**	**-140.6%**	**-27.3**	**-24.7%**	**-104.5**	**126.3**	**-182.8%**
EBIT	**310.4**	**282.3**	**10.0%**	**423.9**	**-26.8%**	**989.4**	**894.7**	**10.6%**
IR and CSLL current	-146.1	-93.1	56.9%	-210.9	-30.7%	-490.3	-304.2	61.2%
IR and CSLL deferred	83.5	23.3	258.7%	65.7	27.1%	192.0	50.8	278.2%
IR and CSLL	**-62.6**	**-69.8**	**-10.4%**	**-145.2**	**-56.9%**	**-298.3**	**-253.5**	**17.7%**
Net income	**247.8**	**212.4**	**16.7%**	**278.6**	**-11.1%**	**691.0**	**641.2**	**7.8%**
Net margin	*11.7%*	*16.1%*	*-4.1 p.p.*	*13.4%*	*5.5 p.p.*	*11.0%*	*16.7%*	*-6.3 p.p.*

EBITDA

R$ mm	3Q20	3Q19	Var. % 3Q20/3Q19	2Q20	Var. % 3Q20/2Q20	9M20	9M19	Var. % 9M20/9M19
EBIT	**331.0**	**231.7**	**42.8%**	**451.2**	**-26.6%**	**1,093.9**	**768.4**	**42.4%**
Depreciation	42.6	27.3	56.0%	41.0	3.8%	122.6	73.3	67.3%
Amortization	138.7	5.3	2519.9%	115.6	19.9%	371.3	16.8	2104.6%
EBITDA	**512.2**	**264.3**	**93.8%**	**607.8**	**-15.7%**	**1,587.8**	**858.6**	**84.9%**
EBITDA margin	*24.1%*	*20.1%*	*4.0 p.p.*	*29.3%*	*-5.2 p.p.*	*25.3%*	*22.3%*	*3.0 p.p.*

Some percentages and other amounts included in this document have been rounded for ease of presentation and may therefore differ from quarterly information tables and notes. Additionally, some total values in certain tables may not reflect the arithmetic sum of the preceding values.
Values consider IFRS 16.

Appendices

20. BALANCE SHEET

R$ mm	3Q20	4Q19	Var. R$	Var. %
Assets	**13,152.8**	**12,453.7**	**699.1**	**5.6%**
Current assets	**3,432.5**	**2,161.3**	**1,271.2**	**58.8%**
Cash and cash equivalents	172.2	224.2	-52.0	-23.2%
Short-term investments	2,396.2	1,180.4	1,215.8	103.0%
Trade receivables	314.8	297.0	17.8	6.0%
Inventory	108.7	72.7	35.9	49.4%
Recoverable tax	183.2	160.5	22.7	14.2%
Derivative financial instruments	4.7	0.0	4.7	0
Other assets	94.3	81.3	13.0	15.9%
Deferred commission	158.6	145.2	13.4	9.2%
Non-current assets	**9,720.3**	**10,292.4**	**-572.1**	**-5.6%**
Long-term investments	1,592.2	2,225.6	-633.4	-28.5%
Deferred taxes	481.5	289.5	192.0	66.3%
Judicial deposits	256.3	187.6	68.7	36.6%
Deferred commission	137.5	127.5	10.0	7.9%
Related party receivable	3.4	8.1	-4.7	-57.9%
Other credits with related parties	13.0	2.0	11.0	548.0%
Other assets	44.7	45.9	-1.2	-2.6%
Property. plant and equipment	2,195.1	2,100.3	-95.6	-4.5%
Intangible assets	4,996.1	5,305.9	-118.9	-5.8%
Liabilities and shareholders' equity	**13,152.8**	**12,453.7**	**699.1**	**5.6%**
Current liabilities	**1,887.8**	**1,745.4**	**142.4**	**8.2%**
Lending and Financing	30.1	75.0	-44.9	-59.9%
Trade payables	116.4	95.0	21.3	22.5%
Technical provisions for health care operations	1,009.3	858.1	151.2	17.6%
Health care payables	3.5	8.8	-5.3	-59.8%
Payroll obligations	235.7	172.5	63.3	36.7%
Taxes and contributions payable	178.5	152.4	26.1	17.1%
Income and social contribution taxes	133.9	62.0	71.9	116.0%
Dividends and interest on shareholders' equity payable	111.1	220.0	-108.9	-49.5%
Leases payable	35.6	36.9	-1.3	-3.5%
Related party payables	4.0	4.0	-0.0	-1.2%
Other accounts payable	29.7	60.6	-30.9	-50.9%
Non-current liabilities	**3,422.5**	**3,446.4**	**-23.9**	**-0.7%**
Lending and Financing	2,031.9	2,037.0	-5.1	-0.3%
Taxes and contributions payable	23.8	26.1	-2.4	-9.2%
Leases payable	882.2	921.9	-39.8	-4.3%
Provision for tax. civil and labor risks	389.6	388.7	0.9	0.2%
Other accounts payable	95.1	72.7	22.4	30.9%
Shareholders' equity	**7,842.4**	**7,261.9**	**580.6**	**8.0%**
Capital	5,650.5	5,650.5	0.0	0.0%
Legal reserve	137.4	137.4	0.0	0.0%
Capital reserve	222.9	222.9	0.0	0.0%
Accumulated profits	691.9	0.0	691.9	0
Profit reserves	1,138.0	1,248.7	-110.8	-8.9%
Equity attributable to controlling shareholders	7,840.7	7,259.6	581.1	8.0%
Non-controlling interest	1.8	2.3	-0.5	-23.3%

Some percentages and other amounts included in this document have been rounded for ease of presentation and may therefore differ from quarterly information tables and notes. Additionally, some total values in certain tables may not reflect the arithmetic sum of the preceding values.
Values consider IFRS 16.

Appendices

21. CASH FLOW STATEMENT

R$ mm	3Q20	2Q19	9M20	9M19
Net income	**247.8**	**212.4**	**691.0**	**641.2**
Adjustments to reconcile net income with cash	**339.9**	**99.4**	**1,064.8**	**418.1**
Depreciation and amortization	164.3	17.3	437.9	50.5
Depreciation of usage rights	17.0	15.3	56.0	39.6
Technical provisions for health care operations	6.0	-4.4	-1.0	10.0
Provision for losses on receivables	47.9	37.7	170.6	114.6
Write-off of property. plant and equipment	10.9	4.2	12.3	4.5
Write-off of intangible assets	13.4	1.3	19.0	11.4
Provision for tax. civil and labor risks	12.2	16.5	32.3	56.6
Income from financial investments	-26.2	-99.4	-73.8	-199.3
Earning on derivative financial instruments	-2.6	0.0	-20.2	0.0
Interest and monetary restatement of leases	20.2	19.1	61.6	54.6
Interest and financial charges on loans and financing	11.5	22.0	52.4	22.0
Exchange rate	2.6	0.0	19.5	0.0
Tax income and social contribution	146.1	93.1	490.3	304.2
Deferred taxes	-83.5	-23.3	-192.0	-50.8
(Increase) decrease in asset accounts	**-50.0**	**-8.9**	**-368.5**	**-218.0**
Accounts receivable	-35.3	-7.9	-180.5	-105.8
Inventory	19.3	-0.8	-35.5	-1.8
Taxes recoverable	-7.1	-13.2	-20.2	-31.0
Judicial deposits	-53.5	-33.2	-100.1	-64.6
Other assets	35.0	52.4	-8.8	-8.7
Deferred Sales Expense	-8.3	-6.3	-23.4	-6.0
Increase (decrease) in liability accounts:	**-254.2**	**-46.2**	**-212.4**	**-209.2**
Technical provisions for health care operations	19.8	75.7	131.2	71.2
Debts of health care operations	-3.7	-41.3	-5.3	-40.2
Social obligations	17.4	13.6	62.2	26.4
Suppliers	0.5	-6.0	21.3	-22.1
Taxes and contributions payable	-71.0	7.6	7.3	11.8
Other accounts payable	-17.0	14.7	-10.7	8.8
Income tax and social contribution paid	-200.0	-110.5	-418.4	-265.1
Net cash provided by operating activities	**283.6**	**256.7**	**1,174.9**	**632.2**
Cash flow from investing activities	**-40.2**	**-4,761.7**	**-803.5**	**-4,959.6**
Payments to related parties	-0.1	-38.6	4.7	-38.6
Acquisition of property. plant and equipment	-114.1	-53.6	-240.9	-153.5
Acquisition of intangibles	-8.7	-29.0	-48.6	-47.2
Acquisition/sale of investments	0.0	-17.2	-94.3	-232.6
Business combination price adjustment	56.5	0.0	56.5	0.0
Balances attributed to the acquisition of investees	0.0	0.9	5.2	0.9
Financial investments	26.3	-4,624.1	-486.0	-4,488.6
Cash flow from financing activities	**-278.1**	**4,531.6**	**-423.4**	**4,311.6**
Issuance of Debentures	0.0	2,000.0	0.0	2,000.0
Obtaining loans	0.2	0.0	2.3	0.0
Receipt of derivative financial instruments	-0.1	0.0	4.6	0.0
Expenses with share issuance	84.2	-79.6	0.0	-79.6
Payment / Acquisition of loans and financing	-124.3	0.0	-124.3	0.0
Payment of dividends and interest on own capital	-204.7	-2.5	-204.7	-191.1
Principal payments - Leases	-33.5	-28.9	-101.6	-77.8
Capital contribution	0.0	2,664.5	0.0	2,664.5
Non-controlling shareholding stake	0.0	-22.0	0.3	-4.5
Change in cash and cash equivalents	**-34.7**	**26.7**	**-52.0**	**-15.9**
Cash and cash equivalents at the beginning of the period	206.9	143.0	929.1	471.5
Cash and cash equivalents at the end of the period	172.2	169.6	877.1	455.6

Some percentages and other amounts included in this document have been rounded for ease of presentation and may therefore differ from quarterly information tables and notes. Additionally. some total values in certain tables may not reflect the arithmetic sum of the preceding values.
As of 2019, our financial statements have been prepared in accordance with IFRS 16 / CPC 06 (R2). Therefore, in order to make this report more objective, both current and retroactive figures will be presented in accordance with the said regulation. The reconciliation without IFRS 16 / CPC 06 (R2) can be found in the fundamental's spreadsheet on the Company's investor relations website at ri.hapvida.com.br