Hapvida Participações e Investimentos S.A.

Parent company and consolidated interim statements for the three-month period ended March 31, 2024

Contents

1Q24
Earnings Release

hapvida NotreDame Intermédica

Earnings Call Presentation

May 14th, 2024 (Tuesday)

Portuguese (with simultaneous translation to English)

12h30pm (EDT – NY) | 1h30pm (BRT)

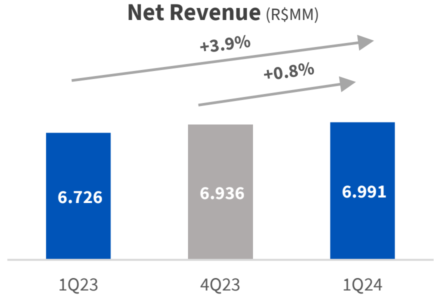
ri.hapvida.com.br/en

Summary

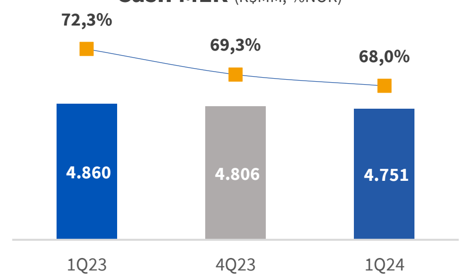
In 1Q24, the company reached more than R$1.0 billion in Adjusted EBITDA, the highest level since the business combination. This is the result of disciplined work to build an increasingly healthy portfolio with sustainable margins, while striving for a quality and efficient verticalized network. Month after month, we can see the results of our cost control initiatives, while we see our quality indicators improving.

Even in a challenging period in terms of beneficiaries, we grew our Net Revenue and had important reductions in Cash MLR. We also highlight the robust cash generation and the maintenance of the Company's gradual deleveraging process during this period.

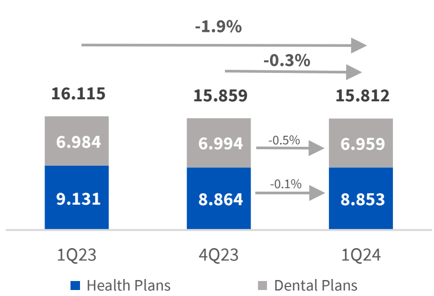
Net Revenue (R$MM)



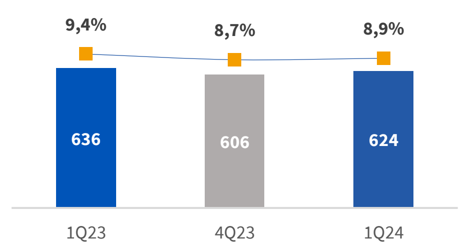
Cash MLR (R$MM; %NOR)



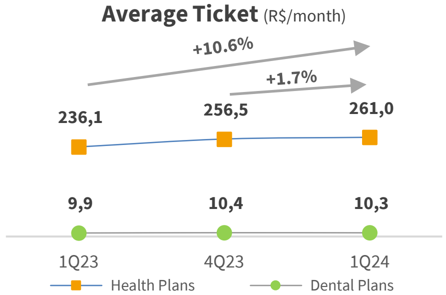
Beneficiaries (thousand)



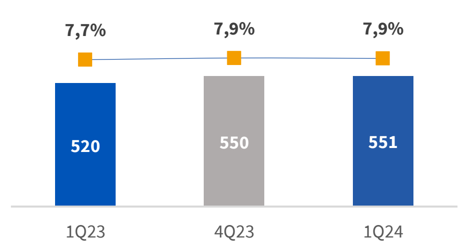
Cash G&A (R$MM; %NOR)



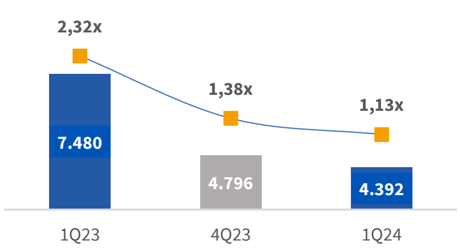
Average Ticket (R$/month)



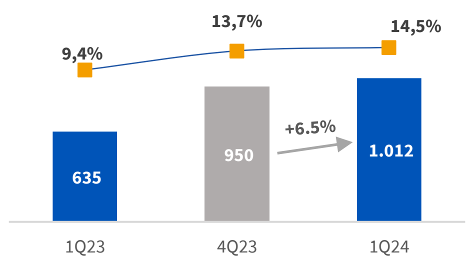
Sales Expenses (R$MM; %NOR)



Net Debt[1] (R$MM; ND/EBITDA LTM)



Adjusted EBITDA (R$MM; %NOR)

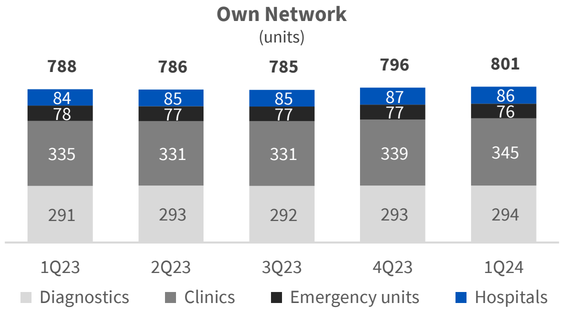


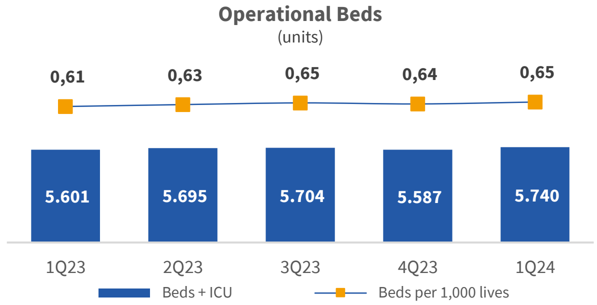
(1) *Contractual covenant*

Operational Highlights

OWN NETWORK

At the end of the quarter, we had 86 hospitals, 76 emergency units, 345 clinics and 294 diagnostic imaging and laboratory collection units, making a total of 801 of own service points, accessible to our beneficiaries throughout Brazil.



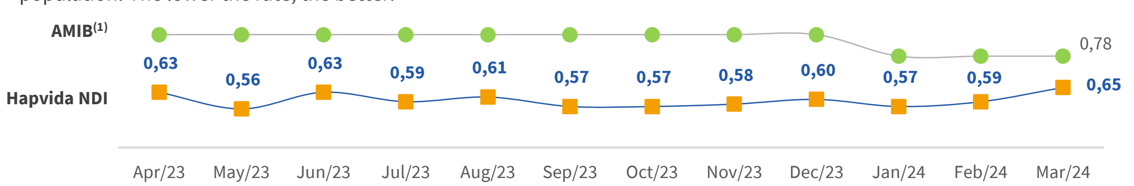


QUALITY OF CARE & CARE FOR PEOPLE

The theme of Quality of Care and Care for People of our more than 16 million beneficiaries has increasingly been the keynote of the Company's management, with major efforts contracted throughout 2023 to improve our operation, which is now in continuous integration.

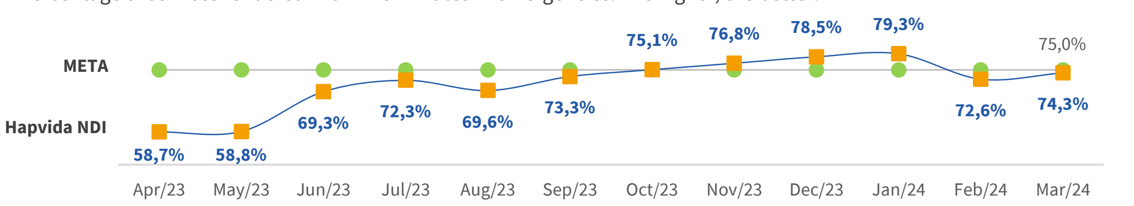
SMR - Standardized Mortality Rate in ICU

The standardized mortality ratio is the ratio between deaths observed in the study group and deaths expected in the general population. The lower the rate, the better.



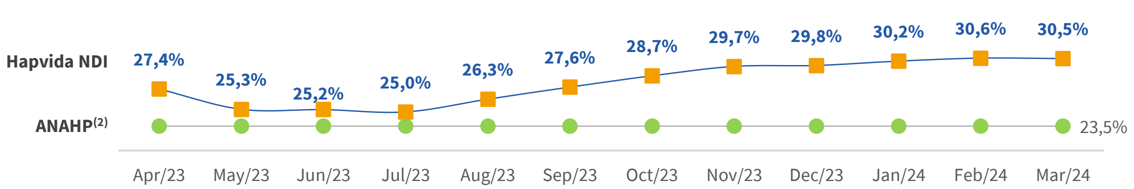
Waiting times in Emergencies

Percentage of services rendered within 15 minutes in emergencies. The higher, the better.



Natural Birth

Rate of natural birth deliveries per total number of deliveries. The higher, the better.



(1) AMIB - Brazilian Intensive Care Medicine Association (2) ANAHP - National Association of Private Hospitals

Financial Results

NET REVENUE

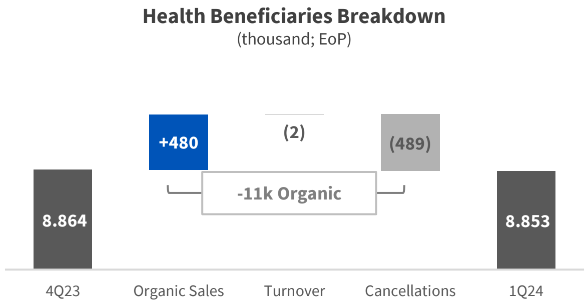
In 1Q24, Net Revenue totaled R$6,991.4 million, an increase of 3.9% when compared to the previous quarter, benefiting mainly from the growth of the Health and Dental Plans business lines, because of price readjustments necessary for the financial balance of the contracts and the evolution of the average ticket despite the slight retraction in the number of beneficiaries and the reduction in Revenue from Hospital Services and Other Activities.

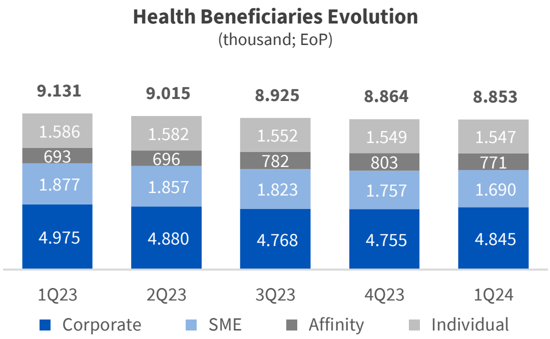
(R$ million)	1Q24	4Q23	Var. % 1Q24/4Q23	1Q23	Var. % 1Q24/1Q23
Health Plans	6,863.5	6,759.8	*1.5%*	6,491.8	*5.7%*
Dental Plans	214.7	218.0	*-1.5%*	206.4	*4.0%*
Hospital Services	218.5	268.1	*-18.5%*	290.8	*-24.9%*
Other Revenues	-	-	*0.0%*	70.3	*-100.0%*
Gross Revenue	**7,296.7**	**7,245.9**	***0.7%***	**7,059.3**	***3.4%***
Deductions	(305.2)	(310.3)	*-1.7%*	(333.1)	*-8.4%*
Net Revenue	**6,991.5**	**6,935.5**	***0.8%***	**6,726.2**	***3.9%***

HEALTH PLANS

Net revenue from health plans totaled R$6,863.5 million in 1Q24, a growth of 5.7% compared to 1Q23. This growth is the result of an increase in the average monthly ticket, from R$236.1 in 1Q23 to R$261.1 in 1Q24.

Beneficiaries





In 1Q24, we had a net reduction of 10.8 thousand beneficiaries in health plans compared to 4Q23. Among the main aspects that impacted the quarter, we highlight:

- Addition of 480.1 thousand beneficiaries, as a result of a robust gross sales quarter (294.8k Corporate, 93.2k SME and 92.1k Individual);
- Reduction of 488.9 thousand beneficiaries, reflecting the reduction of loss-making contracts (232.9k Corporate, 129.5k SME and 126.4k Individual/Affinity); and
- Net loss of 2.0 thousand lives due to negative turnover (net dismissals and admissions within existing corporate contracts).

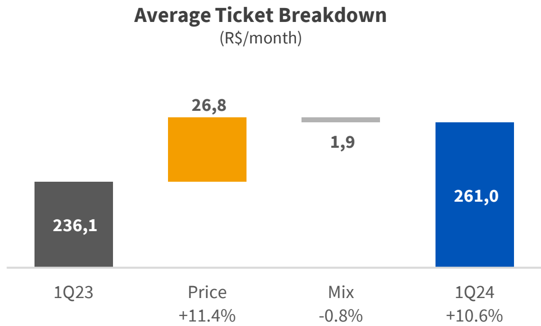
At the end of 1Q24, the company had 418,800 beneficiaries in preferred provider organization plans (PPO), a net reduction of 22,600 compared to 4Q23, due to our strategy to rationalize this portfolio.

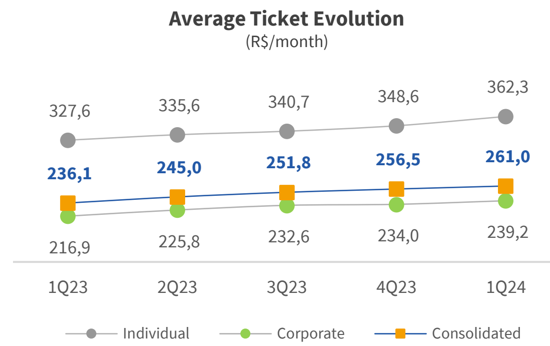
HEALTH PLANS

Average Ticket

The consolidated average health ticket increased by 10.6%, reflecting the strategy of repricing and reviewing the client portfolio. The main impacts on the average ticket over the quarters are:

- +11.4% of Net Price, a result of necessary readjustments to existing contracts, partially offset by the increase of verticalization and copay; and
- -0.8% net negative impact of the mix of sales and cancellations, due to the loss of customers with a higher average ticket but higher MLR, being replaced by new customers with a lower average ticket but expected lower MLR.

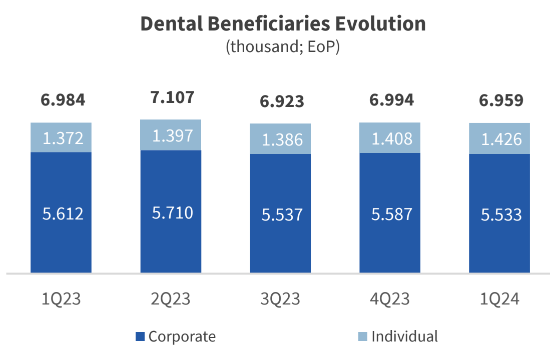


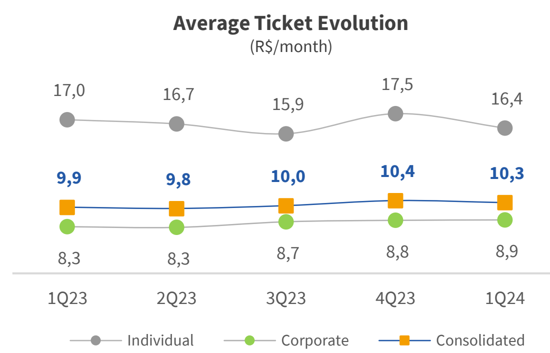


DENTAL PLANS

In 1Q24, revenue from Dental Plans reached R$214.7 million, an increase of 4.0% compared to 1Q23. This was the result of an increase of the average monthly ticket (which rose from R$9.9 in 1Q23 to R$10.3 in 1Q24) more than offsetting the reduction of around 25,000 lives in the period.

It is important to point out that the Cash MLR of the dental plans' operation remains under control year after year, allowing for lower readjustments and competitive prices, expanding the cross-selling and loyalty strategy.

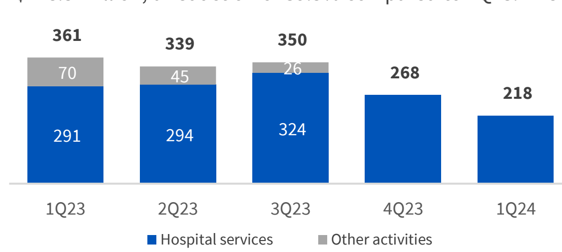




Hospital Services & Other Activities

In 1Q24, revenue from Hospital Services and Other Activities reached R$218.5 million, a reduction of 39.5% compared to 1Q23. The reductions were due to:

- Decrease of **R$72.4 million** in Hospital Services, reflecting the lower demand in the first quarter, as well as our more selective approach in offering services to third parties, reducing our exposure to credit risk; and
- A reduction of **R$70.3 million** in Other Activities due to the divestments of São Francisco Resgate, Maida Health and Occupational Health.



MEDICAL COSTS AND CASH MLR

Total cost of services comprises Cash Medical Losses, Depreciation and Amortization (D&A), Incurred But Not Reported (IBNR) provisions, SUS provisions, and Medical Cash Accounts as detailed below:

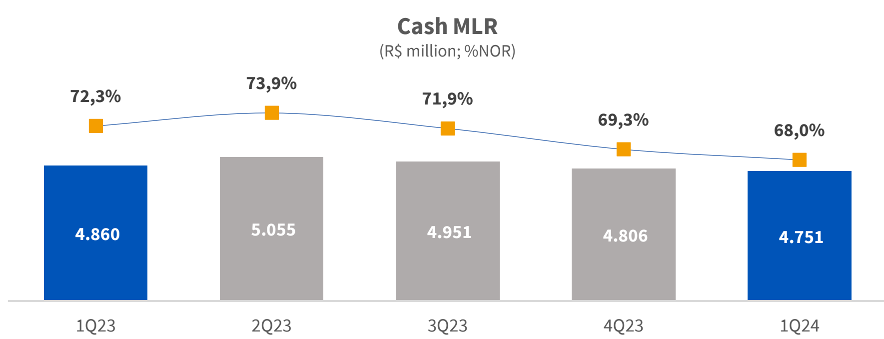
(R$ million)	1Q24	4Q23	Var. % 1Q24/4Q23	1Q23	Var. % 1Q24/1Q23
IBNR	1.0	(41.1)	*-102.4%*	(1.8)	*-155.6%*
SUS Reimbursement	52.3	65.1	*-19.6%*	77.9	*-32.8%*
Depreciation and Amortization	112.3	109.8	*2.3%*	110.5	*1.6%*
Cash Medical Losses	4,751.4	4,805.5	*-1.1%*	4,860.0	*-2.2%*
Cash MLR	*68.0%*	*69.3%*	*-1.3pp*	*72.3%*	*-4.3pp*
Total Medical Costs	**4,917.6**	**4,940.0**	**-0.5%**	**5,047.4**	**-2.6%**

In 1Q24, we notice:

- IBNR provisions were below historical levels, reflecting the continuity of strategies to increase verticalization, especially in the South and Southeast regions, and an improvement in the profile of the cost of care in the accredited network.
- SUS IBNR reversal (within SUS Provision) was due to the reduction in reported events under SUS, reflecting a lower utilization in the post-pandemic period of Covid-19.

Cash MLR

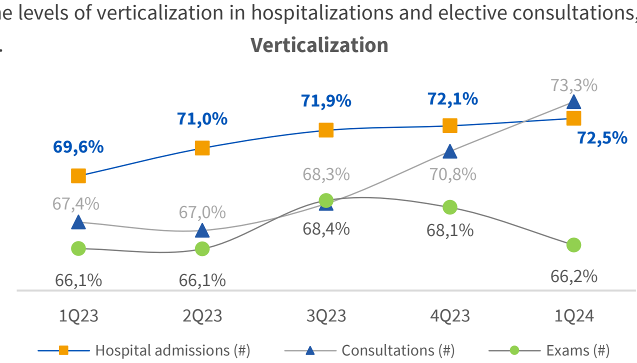
Cash MLR is the most important item in the cost of services provided and reflects the actual cost of care. It is the line most affected by cost control initiatives, increases or decreases in the level of utilization, verticalization and seasonality of the business.



In 1Q24, the Cash MLR (which excludes D&A, IBNR and SUS Provision) was 68.0%, a disciplined reduction of 4.3 p.p. and 1.3 p.p. compared to 1Q23 and 4Q23, respectively. The decrease captured was superior to the implicit seasonality and reflects a lower utilization in the period, the continuity of several successful strategies to recover our margins, and other initiatives as price readjustments, increased verticalization, standardizing protocols, optimization of the provider network and other measures to control costs.

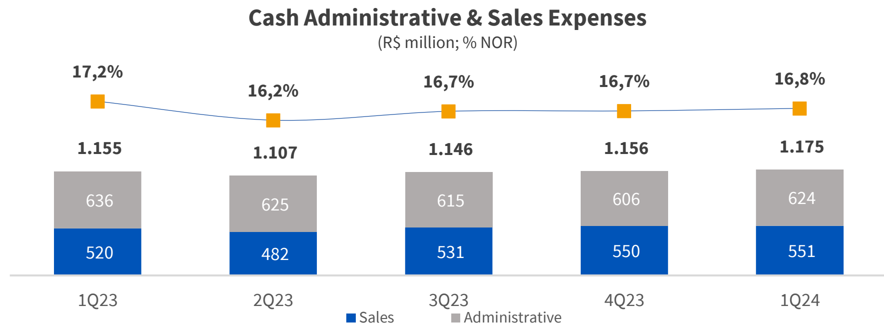
We continue to invest in rationalizing the use of our own network, resulting in a consequent reduction in our exposure to the accredited network. As a result, there was an expansion in the levels of verticalization in hospitalizations and elective consultations, leading to a consequent reduction in unit cost per procedure.

Over the months of January and February, the frequency of use was within the expected range for the period. However, in March, we saw the impact of the dengue epidemic, with a significant increase in the number of consultations and exams, which was reflected, at a lower level, in hospitalizations. These increases occurred mainly in the accredited network, which must present its invoices in subsequent months.



ADMINISTRATIVE & SALES CASH EXPENSES

Sales, General & Administrative Cash Expenses – Cash SG&A for 1Q24 amounted to R$1,175.2 million (16.8% ROL), a dilution of 0.4 p.p. compared to 1Q23.



Cash Administrative Expenses

(R$ million)	1Q23	2Q23	3Q23	4Q23	1Q24	Var. R$ 1Q24/4Q23
Personnel	285.6	283.2	287.8	237.8	257.9	*20.1*
Third Party Services	174.2	171.5	190.3	165.3	194.0	*28.7*
Occupation and Utilities	77.5	72.7	72.6	93.9	68.3	*(25.6)*
Contingencies & Taxes	95.0	118.9	96.6	122.1	117.7	*(4.4)*
Other (revenue)/expenses	3.3	(21.4)	(32.4)	(12.9)	(14.0)	*(1.1)*
Cash G&A	**635.5**	**624.8**	**614.9**	**606.3**	**624.0**	**17.7**
%NOR	*9.4%*	*9.1%*	*8.9%*	*8.7%*	*8.9%*	*0.2%*

In 1Q24, Cash Administrative Expenses totaled R$624.0 million, an increase of R$17.7 million compared to 4Q23 (+0.2 p.p.).

In 4Q23, there were some one-off and positive impacts which were not repeated in 1Q24:

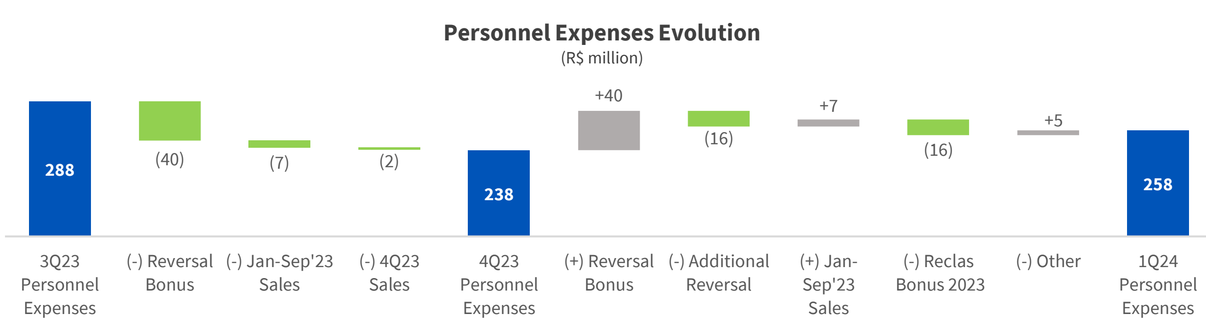
- **R$40.0 million** related to the one-off reversal of 2023 variable remuneration;
- **R$7.2 million** from the expense reclassification (retroactive to Jan-Sept '23) for the dental sales team;
- Extraordinary expenses on travel, maintenance and concessionaires in Location and Operation.

In 1Q24, there was a one-off reclassification of R$16.8 million in system maintenance expenses, previously recorded in Location and Operation, now recognized with other contracts in Third-Party Services (with no retroactive effect). Additionally, the Third-Party Services line was negatively impacted by R$14.2 million due to IT expenses associated with process implementation and systemic integration.

Finally, the main positive impacts in Personnel were:

- **R$16.0 million** from the additional reversal of the 2023 variable compensation, following the final measurement of target achievement;
- **R$15.8 million** from the allocation of 2023 variable compensation to costs (R$10.5 million) and sales expenses (R$5.3 million), which had been fully provisioned in administrative expenses throughout 2023.

These gains were partially offset by the provision for severance pay included in Other (Personnel).



ADMINISTRATIVE & SALES CASH EXPENSES

Sales Expenses

(R$ million)	1Q23	2Q23	3Q23	4Q23	1Q24	Var. R$ 1Q24/4Q23
Commission	321.4	306.0	334.9	332.1	315.8	*(16.3)*
Provision for credit losses	154.1	126.0	131.2	138.9	170.7	*31.8*
Marketing & Advertise	12.4	11.3	20.0	25.1	12.5	*(12.6)*
Personnel	29.3	34.3	33.4	43.1	43.6	*0.5*
Other expenses	2.9	4.4	11.7	10.9	8.7	*(2.3)*
Sales Expenses	**519.9**	**482.0**	**531.2**	**550.0**	**551.2**	**1.2**
%NOR	*7.7%*	*7.0%*	*7.7%*	*7.9%*	*7.9%*	*0.0%*

In 1Q24, Selling Expenses totaled R$551.2 million, showing net stability compared to 4Q23. The main positive impacts were:

- **R$16.3 million** in Commissions due to (i) a reduction in amortization of deferred acquisition costs because of a lower level of contract cancellations and (ii) an extension of the deferral period for Clinipam and NDI Minas Gerais after procedures standardization related to systems implementation;
- **R$12.6 million** reduction in Marketing & Advertise, in line with the seasonality that reflects a period for preparing and planning the year's campaigns.

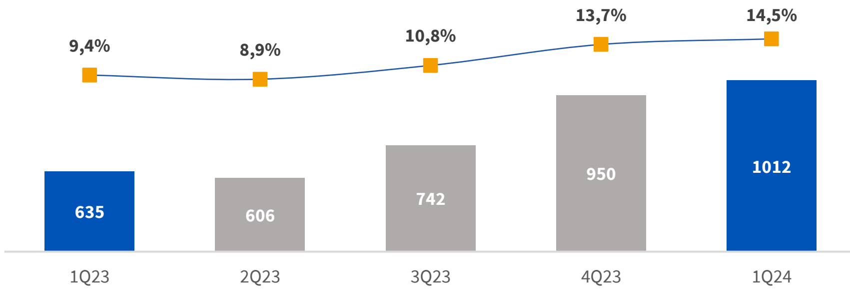
This was partially offset by:

- **R$31.8 million** in Provision for loan losses (PDD) impacted by (i) R$25.0 million due to increased rigor in our credit analysis (IFRS-9); and (ii) R$7.2 million from a specific client.

ADJUSTED EBITDA

In 1Q24, we reported R$1,011.6 million in Adjusted EBITDA with a margin of 14.5%, the highest since the business combination, reflecting growth of 59.4% compared to 1Q23 and 6.5% compared to 4Q23.

Adjusted EBITDA
(R$ million; %NOR)



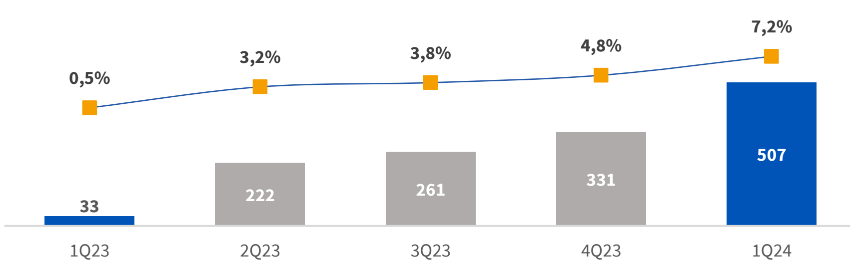
When we compare 1Q24 with 1Q23, we highlight:

- Increase of 3.9% in net revenue, reflecting the contract readjustments implemented, which were necessary for financial rebalancing, despite the reduction in the beneficiary base and the discontinuation of ancillary activities (Resgate and Maida Health);
- Reduction of 4.3p.p. in the Cash MLR, a result of intense verticalization and cost control efforts; and
- Dilution of 0.5p.p. in Cash Administrative Expenses.

ADJUSTED NET INCOME

Adjusted Net Income totaled R$506.8 million in 1Q24, an increase of R$473.8 million compared to 1Q23 and R$176.3 million compared to 4Q23, including the non-recurring adjustment of R$12.3 million resulting from the write-off of investments with the sale of Maida Health.

Adjusted Net Income
(R$ million; %NOR)



(R$ million)	1Q24	4Q23	Var. % 1Q24/4Q23	1Q23	Var. % 1Q24/1Q23
Net Income (Losses)	**83.4**	**(29.9)**	*-379.3%*	**(341.6)**	*-124.4%*
(+) Long term Incentive Plan (LTIP) and SOP	41.9	(20.5)	*-304.3%*	38.2	*9.5%*
(+) Intangible Amortization	369.4	380.9	*-3.0%*	336.4	*9.8%*
(+) Non-recurring expenses	12.3	-	*100.0%*	-	*100.0%*
Adjusted Net Income	**506.9**	**330.5**	***53.3%***	**33.1**	***1433.6%***
(+) Income tax and social contribution	74.0	141.3	*-47.6%*	4.9	*1422.1%*
(+) Financial result	256.2	306.5	*-16.4%*	430.0	*-40.4%*
(+) Depreciation and Amortization	174.5	171.4	*1.8%*	166.6	*4.7%*
Adjusted EBITDA	**1,011.6**	**949.7**	***6.5%***	**634.5**	***59.4%***
%NOR	*14.5%*	*13.7%*	*0.8pp*	*9.4%*	*5.0pp*

FINANCIAL RESULT

The Net Financial Result totaled a net expense of R$256.2 million in 1Q24, a reduction of R$50.3 million or 16.4% compared to the net expense of R$306.5 million presented in 4Q23.

(R$ million)	1Q24	4Q23	Var. % 1Q24/4Q23	1Q23	Var. % 1Q24/1Q23
Income from investments	186.3	184.1	*1.2%*	111.5	*67.1%*
Late payments penalties	29.2	31.9	*-8.5%*	28.4	*2.6%*
Indexation credits - SUS	16.3	17.7	*-8.0%*	21.6	*-24.5%*
Indexation credits - Other	18.2	18.4	*-1.0%*	19.1	*-4.8%*
Derivative instruments - Equity	19.0	1.7	*989.2%*	0.4	*5251.0%*
Exchange Revenue	0.0	11.1	*-100.0%*	3.7	*-100.0%*
Other financial revenues	6.6	7.2	*-7.7%*	8.9	*-25.2%*
Financial Revenues	**275.6**	**272.0**	***1.3%***	**193.6**	***42.4%***
Interest on debentures and loans	(337.4)	(339.9)	*-0.8%*	(402.3)	*-16.1%*
Interest on leases	(80.5)	(86.0)	*-6.4%*	(51.5)	*56.3%*
Indexation charges - Other	(85.5)	(98.7)	*-13.4%*	(108.0)	*-20.8%*
Derivative instruments - Equity	-	(7.4)	*-100.0%*	(19.5)	*-100.0%*
Bank expenses	(8.4)	(8.1)	*3.8%*	(11.2)	*-25.0%*
Charges on Interest on Equity Received	-	(23.1)	*-100.0%*	-	*0.0%*
Other finance expenses	(20.1)	(15.3)	*31.0%*	(31.2)	*-35.5%*
Financial Expenses	**(531.8)**	**(578.6)**	***-8.1%***	**(623.6)**	***-14.7%***
Net Financial Result	**(256.2)**	**(306.5)**	***-16.4%***	**(430.0)**	***-40.4%***

Financial Revenue in 1Q24 remained stable in relation to 4Q23, rising from R$272.0 million to R$275.6 million. However, we observed a negative effect from the reduction in foreign exchange gains in 4Q23, which were offset by the asset side of the debt swap due to the increase in the IPCA, presented under the heading of Derivative financial instruments.

Financial Expenses reduced R$46.8 million, from R$578.6 million in 4Q23 to R$531.8 million in 1Q24, mostly explained by:

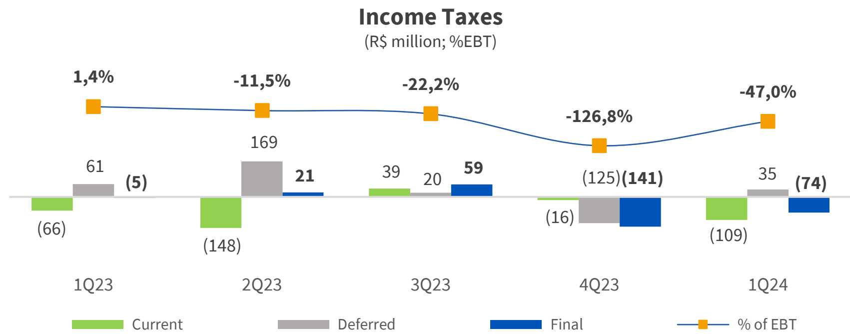
- **R$30.5 million** in negative impacts that occurred in 4Q23 and were no longer repeated in 1Q24, such as: (i) R$23.1 million in charges on Interest on Equity received; (ii) R$7.4 million in derivative instruments - Equity, an operation that was fully dismantled in November'23; and

- **R$34.8 million** mainly due to a reduction in (i) Monetary Updates (R$13.2 million), of which R$9.1 million from monetary updates on Re-SUS liabilities; and (ii) Interest on debentures and loans (R$21.6 million) due to the reduction of the interest rate and payment of principal.

This was partially offset by the adverse effect of the rise in the IPCA rate on the "Interest on Debentures and Loans" item. It's worth mentioning that, given the nature of this swap, the liability side of the debt is offset by the asset side of the swap, resulting in a negative effect on “Financial Expenses” while leaving “Net Financial Income” unaffected.

In addition, we observed the negative impact of R$6.4 million in Other financial expenses, as a result of the exchange rate variation in the period.

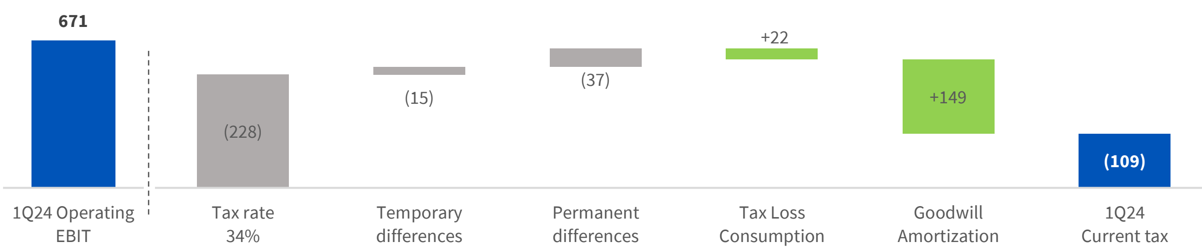
INCOME TAXES



The consolidated Income Taxes line is the result of the individual assessment of the companies controlled by the Company, including the holding company, which may show a profit or loss in certain periods, as well as the effects of eliminations and consolidations. This means that there may be a negative tax rate on a consolidated basis, but positive current income tax rates when looked at individually, for example.

(R$ million)	Operational	Controlling	Consolidated
Current	(109.0)	-	(109.0)
Deferred	(134.2)	169.2	35.0

Current Tax - Operating



In 1Q24, the Operating entities had a Current Tax of R$109.0 million, mainly because of the gradual resumption of operating performance, of which R$85.4 million from the NDI vertical and R$23.6 million from the Hapvida vertical.

The main current tax reducers in the period were the tax amortization of goodwill and capital gains from merged acquisitions (R$149.2 million) and the tax loss consumption (R$22.0 million).

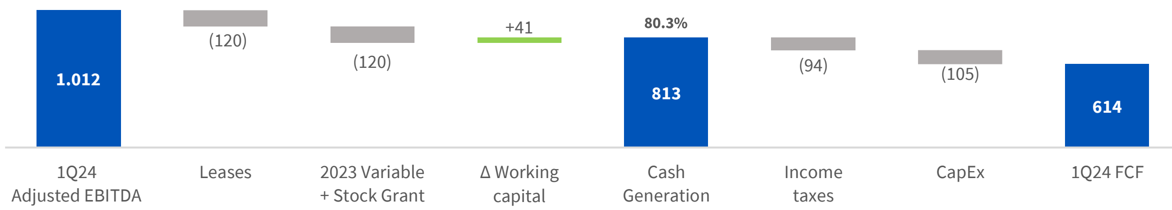
Deferred Tax - Operating

In 1Q24, Hapvida Participações e Investimentos S.A. (parent company) generated R$169.2 million in deferred tax asset, of which R$119.2 million in deferred tax on tax losses and R$66.0 million on value added from the business combination with NotreDame Intermédica, which will be used after the corporate merger of the operating entities.

CASH FLOW

The company's net cash decreased by R$132.4 million in 1Q24, from R$7.889,9 million in December'23 to R$7.757,5 million in March'24. This variation was due to the consumption of R$946.6 million in principal and interest payments; and was partially offset by the generation of R$613.9 million from Free Cash Flow and R$186.3 million from income on financial investments in the period.

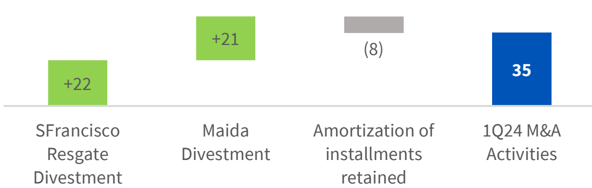
Free Cash Flow



Free Cash Flow was positive at R$613.9 million and Cash Generation of R$812.5 million, representing 80.3% of Adjusted EBITDA 1Q24. The main uses of cash include:

- **R$120.0 million**, of which R$100.0 million referred to the payment of the 2023 Variable Compensation in March, in previous years the event took place in April; and R$20.0 million as a result of the 2021 Stock Grant Plan;
- **R$93.4 million** in income taxes, although the current tax was R$109.0 million, there is a shift between the calculation and the actual disbursement (cash disbursement of income taxes in January'23 referring to December'22, for example); and
- **R$104.8 million** in CapEx, showing a gradual recovery of its normal investment levels.

M&A Activities



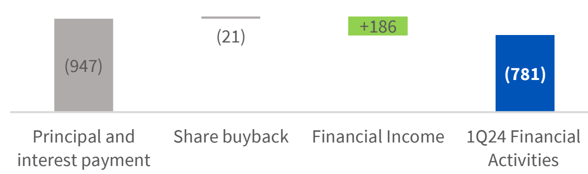
M&A Activities had a cash generation of R$34.8 million, mostly explained by:

- **R$21.7 million** from the sale of the São Francisco Resgate operation in August'23;
- **R$20.8 million** from the sale of the Maida *Health* operation in February'24.

Partially offset by:

- **R$7.7 million** of retained amounts payments from the acquisitions made by the Company.

Financing Activities



Financing Activities had a cash consumption of R$781.0 million, mainly explained by:

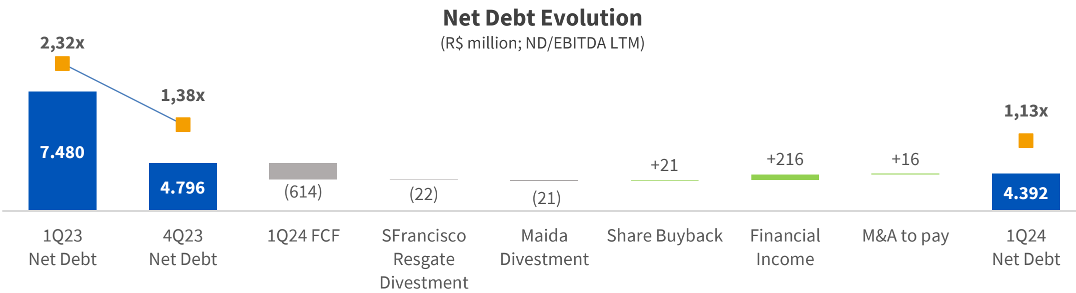
- **R$946.6 million** of interest and principal payments, of which R$841.3 million refers to the 4th issue of debentures, using the funds raised at the end of 2023;
- **R$20.7 million** with the share buyback contemplated in the Plan announced in February'24.

Partially offset by:

- **R$186.3 million** in Financial Income, a yield of 2.5% on the company's average cash, close to the CDI for the period.

NET DEBT

In 1Q24, the company's Net Debt reached 1.13x EBITDA (R$4,392.3 million - contractual covenant), a significant reduction compared to 1.38x EBITDA (R$4,795.9 million) in 4Q23 mainly due to (i) the Cash Generation above the Financial Result and (ii) the increase in EBITDA LTM from R$3,482.6 million in 4Q23 to R$3,876.2 million in 1Q24.



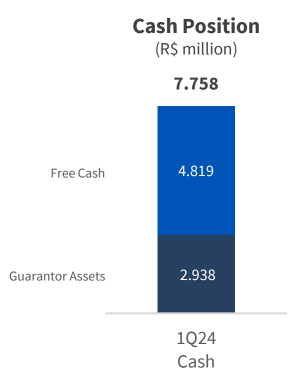
Net Debt/EBITDA LTM calculation according to the issue deeds (contractual covenant):

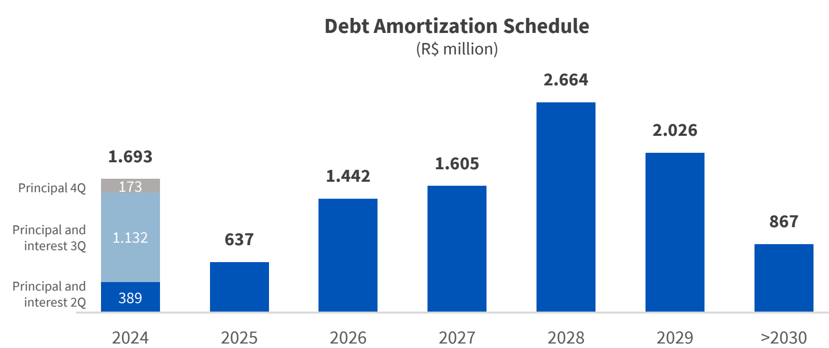
(R$ million)	1Q24	4Q23	Var. R$	Var. %
Loans, financing and debentures	10,933.9	11,526.4	*(592.6)*	*-5.1%*
Installments retained from acquired compa	1,143.7	1,110.9	*32.8*	*3.0%*
Derivative financial instruments	72.2	48.4	*23.8*	*49.1%*
Gross Debt	**12,149.8**	**12,685.8**	***(536.0)***	***-4.2%***
(-) Cash and cash equivalents and Investme	(7,757.5)	(7,889.9)	*132.4*	*-1.7%*
Net Debt	**4,392.3**	**4,795.9**	***(403.6)***	***-8.4%***
EBITDA LTM(1)	3,876.2	3,482.6	*393.7*	*11.3%*
Net Debt/ EBITDA LTM	**1.13x**	**1.38x**	***-0.24x***	***-17.7%***

DEBT

In 1Q24, the company used the funds raised in December'23 (R$1.0 billion) to pay off the 4th debentures issue in an amount of R$856.9 million. At the end of 1Q24, the company's duration (3.1 years) and cost of debt (CDI+1.56% p.a.) remained stable in relation to 4Q23.

Below is the current debt amortization schedule (Loans, Financing and Debentures).





On May 6th, 2024, the board of directors approved the company's 7th debentures issue in an amount of R$1.0 billion, with cost of debt of CDI + 1.60% per year and expiration date in 2031 (the specific numbers were not presented in the graphic above).

REGULATORY REQUIREMENTS

Technical Provisions / Guarantor Assets

Free cash flow went from R$4,993.9 million in 4Q23 to R$4,819.3 million at the end of 1Q24, a decrease of R$174.5 million. This variation was mainly due to a reduction in the company's cash position.

(R$ million)	1Q24	4Q23	Var. R$ 1Q24/4Q23	1Q23	Var. R$ 1Q24/1Q23
Required Technical Provisions	**(3,056.4)**	**(3,015.0)**	***(41.4)***	**(3,083.8)**	***27.4***
(-) SUS Provisions (net of judicial deposits	(1,042.4)	(1,057.6)	*15.2*	(1,356.8)	*314.3*
(-) IBNR Provision	(991.2)	(990.2)	*(1.0)*	(1,010.5)	*19.3*
(-) Outstanding claims reserve	(1,019.5)	(963.6)	*(55.9)*	(712.4)	*(307.1)*
(-) Reserve for benefit granted	(3.2)	(3.5)	*0.3*	(4.1)	*0.8*
Assets	**7,875.7**	**8,008.9**	***(133.1)***	**5,957.0**	***1,918.7***
(+) Cash and financial investments	7,757.5	7,889.9	*(132.4)*	5,565.9	*2,191.6*
(+) Real estate pledged	118.2	119.0	*(0.8)*	391.1	*(272.9)*
Free Cash	**4,819.3**	**4,993.9**	***(174.5)***	**2,873.2**	***1,946.1***

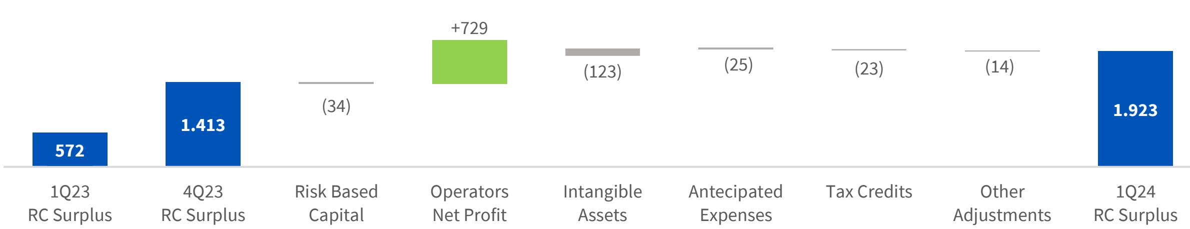
Required Technical Provisions went from R$3,015.0 million in 4Q23 to R$3,056.4 million in 1Q24, an increase of R$41.4 million, mainly explained by a higher medical costs received at the end of the quarter and paid in April (Outstanding claims reserve).

Cash and financial investments decreased by R$132.4 million in 1Q24, with R$946.6 million from the payment of principal and interest, using the funds raised in December'23; this decrease was partially offset by:

- **R$613.9 million** generated from Free Cash Flow; and
- **R$186.3 million** from income from financial investments.

Regulatory Capital

On March 31, 2024, all of the group's operators had a Regulatory Capital (RC) surplus, totaling R$1,923.2 million (simple sum of the operators), an increase of R$510.5 million to 4Q23, with R$6,028.3 million in Adjusted Shareholders' Equity (PLA) compared to R$4,105.2 million in Risk-Based Capital (CBR).



Risk-Based Capital increased R$33.7 million, primarily reflecting nominal increases in Revenue and MLR.

Adjusted Shareholders' Equity rose from R$5,484.1 in 4Q23 to R$6.028.3 million in 1Q24, an increase of R$544.2 million, mainly due to the positive impact of:

- **R$729.5 million** in operators' net income after Equity Interest payment to their parent companies and excluding the effect of amortization.

And negatively offset by:

- **R$123.4 million** in Intangible Assets mainly due to investments in technology;
- **R$25.2 million** in Anticipated Expenses with software licenses and IPTU, which will be amortized over the year;
- **R$22.7 million** in Tax Credits resulting from the utilization of accumulated tax losses from previous periods;
- **R$13.9 million** in Other Adjustments related to indirect operators' losses.

DISCLAIMER

Hapvida Participações e Investimentos S.A. informs its shareholders and the market in general that the financial information contained in this document derives from the audited financial statements, relating to three months period ended on March 31, 2024, prepared in accordance with IFRS 4 – Contracts of Insurance, internalized in Brazil by CPC 11, which were disclosed, on an extraordinary basis, for the purposes of monitoring business performance and comparability between periods. Therefore, this financial information does not consider the accounting standard currently in force, IFRS 17 – Insurance Contracts, internalized in Brazil by CPC 50, which must be considered for all purposes of applicable legislation and regulations, and which will result in financial information different from that presented in this material.

Audit Committee’s Opinion on the parent company and consolidated interim statements for the period ended March 31, 2024

The Audit Committee of Hapvida Participações e Investimentos S.A., in compliance with legal and statutory provisions, reviewed the parent company and consolidated interim financial statements for the year ended March 31, 2024, accompanied by the Independent Auditor’ Report of PricewaterhouseCoopers Auditores Independentes Ltda., and unanimously issued its opinion that the aforementioned documents do not fairly reflect the financial situation of the Company and its subsidiaries as of March 31, 2024, specifically in accordance with IFRS 17 (CPC 50), so they should not be submitted to the Annual General Meeting. However, the Financial Statements prepared in accordance with IFRS 4 (CPC 11), audited based on the activities, information and clarifications received during the year, fairly reflect, in their relevant aspects, the Company’s financial situation under this accounting standard, and can be submitted to the Board of Directors.

Fortaleza, May 13, 2024.

Audit Committee	
Coordinator	José Luis Camargo Junior
Member	Luiz Pereira Gomes Júnior
Member	Maria Paula Soares Aranha
Member	Wagner Aparecido Mardegan
Member	Wanderbilt Cavalcante Maia

Statement of the Executive Officers on the parent company and consolidated interim statements for the period ended March 31, 2024

Pursuant to Article 27, Paragraph One, item VI of CVM Resolution 80/22, the officers responsible for preparing the respective parent company and consolidated interim statements of the Company and its subsidiaries hereby declare that they have reviewed, discussed and agreed with the parent company and consolidated interim statements for the period ended March 31, 2024.

Fortaleza, May 13, 2024.

Jorge Fontoura Pinheiro Koren de Lima
President

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

Statement of the Executive Officers Report on the review of quarterly information

Pursuant to Article 27, Paragraph One, item V of CVM Resolution 80/22, the officers responsible for preparing the respective parent company and consolidated interim statements of the Company and its subsidiaries hereby declare that they have reviewed, discussed and agreed with the opinions expressed in Review Report of the Independent Auditors' quarterly information of the Company and its subsidiaries, issued by PricewaterhouseCoopers Auditores Independentes Ltda., regarding the parent company and consolidated interim financial statements for period ended March 31, 2024.

Fortaleza, May 13, 2024.

Jorge Fontoura Pinheiro Koren de Lima
President

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

(A free translation of the original in Portuguese)

Report on review of parent company and consolidated interim financial statements

To the Board of Directors and Stockholders
Hapvida Participações e Investimentos S.A.

Introduction

We have reviewed the accompanying interim statement of financial position of Hapvida Participações e Investimentos S.A. ("Company") as at March 31, 2024 and the related statements of profit or loss and comprehensive income for the quarter then ended, and the statements of changes in equity and cash flows for the quarter then ended, as well as the accompanying consolidated statement of financial position of Hapvida Participações e Investimentos S.A. and its subsidiaries ("Consolidated") as at March 31, 2024 and the related consolidated statements of profit or loss and comprehensive income for the quarter then ended, and the consolidated statements of changes in equity and cash flows for the quarter then ended, and notes, comprising material accounting policies and other explanatory information.

Management is responsible for the preparation and presentation of these parent company and consolidated interim financial statements in accordance with the accounting standard CPC 21 - "Interim Financial Reporting", of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - "Interim Financial Reporting", of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", and ISRE 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for adverse conclusion

As mentioned in Note 5, the interim financial statements have not been prepared based on the requirements of Technical Pronouncement CPC 50 - "Insurance Contracts", the adoption of which is required for annual reporting periods beginning on or after January 1st, 2023.

PricewaterhouseCoopers Auditores Independentes Ltda., Av. Desembargador Moreira, 1300, Sala 1513,
Torre Norte, BS Design Corporate Towers, Fortaleza, CE, Brasil, 60170-002
T: 4004-8000, www.pwc.com.br

Hapvida Participações e Investimentos S.A.

Due to the large number and significance of the insurance contracts held by the Company and its subsidiaries, many elements in the accompanying financial statements would have been materially affected. The effects on the parent company and consolidated interim financial statements of the failure to adopt such accounting standard has not yet been determined by the Company.

Adverse conclusion

Based on our review, because of the significance of the matter discussed in the "Basis for adverse conclusion" section of our report, the parent company and consolidated interim financial statements included in the quarterly information referred to above have not been prepared, in all material respects, in accordance with the Technical Pronouncement CPC 21 - "Interim Financial Reporting" and the international accounting standard IAS 34 - "Interim Financial Reporting", as issued by the International Accounting Standards Board (IASB).

Other matters

Statements of value added

The interim financial statements referred to above include the parent company and consolidated statements of value added for the quarter ended March 31, 2024. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the interim financial statements for the purpose of concluding whether they are reconciled with the interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". In our opinion, because of the significance of the matter discussed in the "Basis for adverse opinion" section of our report, the parent company and consolidated statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this Technical Pronouncement and presented consistently with the parent company and consolidated interim financial statements taken as a whole.

Fortaleza, May 13, 2024

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2CE003292/F-9

DocuSigned by
Signed By: VINICIUS FERREIRA BRITTO REGO:92933610515
CPF: 92933610515
Signing Time: 27 de maio de 2024 | 20:53 BRT
O: ICP-Brasil, OU: Secretaria da Receita Federal do Brasil - RFB
C: BR
Issuer: AC SERASA RFB v5
ICP Brasil

Vinicius Ferreira Britto Rego
Contador CRC 1BA024501/O-9

Hapvida Participações e Investimentos S.A.

Statements of Financial Position at March 31, 2024 and December 31, 2023

(Amounts expressed in thousands of reais)

		Parent Company		Consolidated	
Assets	**Notes**	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Cash and cash equivalents	34.d	48.806	857.991	826.582	1.430.144
Short and long term investments	10	90.012	226.979	6.116.774	5.573.479
Trade accounts receivable	11	-	-	1.743.134	1.610.003
Inventories		-	-	332.316	318.605
Recoverable taxes	12	197.312	203.423	830.913	835.057
Dividends and interest on shareholders' equity receivable	14	-	-	-	-
Deferred sales expenses	13	-	-	355.832	391.228
Derivative financial instruments	34	-	-	-	-
Other assets	15	13.725	13.114	329.011	353.856
		349.855	**1.301.507**	**10.534.562**	**10.512.372**
Net assets of subsidiaries intended for sale		-	-	-	14.880
Total current assets		**349.855**	**1.301.507**	**10.534.562**	**10.527.252**
Short and long term investments	10	134	133	814.160	886.276
Deferred tax assets	33.b	1.664.308	1.495.115	3.245.998	3.096.139
Judicial deposits	24	10.427	10.689	2.383.763	2.226.206
Deferred sales expenses	13	-	-	567.244	570.132
Derivative financial instruments	34	-	-	-	772
Other debits with related parties	14	1.014	1.688	3.171	5.219
Other assets	15	7.385	8.585	119.265	121.774
Total long-term assets		**1.683.268**	**1.516.210**	**7.133.601**	**6.906.518**
Investments	16	56.178.154	55.977.758	7.735	5.518
Property, plant and equipment	17	4.214	4.363	6.501.078	6.882.558
Intangible assets	18	2	2	50.492.745	50.833.995
Total non-current assets		**57.865.638**	**57.498.333**	**64.135.159**	**64.628.589**
Total assets		**58.215.493**	**58.799.840**	**74.669.721**	**75.155.841**

		Parent company		Consolidated	
Liabilities and equity	**Notes**	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Loans, financing and debentures	19	1.142.052	1.800.299	1.480.814	2.109.941
Suppliers		3.801	2.241	277.673	292.018
Technical reserves for health care operations	21	-	-	3.764.705	3.999.446
Debits from health care operations		-	-	59.699	58.038
Social security charges	22	23.145	1.545	718.800	657.640
Taxes and contributions payable	23	33.584	20.145	456.250	467.460
Income tax and social contribution	33.a	-	-	41.431	28.261
Dividends and interest on shareholders' equity payable	14|26.c	2.552	2.552	12.629	12.629
Leases payable	20	15	1	443.445	475.179
Derivative financial instruments	34	-	-	59.189	25.088
Other debits with related parties	14	234.294	224.261	3.960	5.737
Other accounts payable	25	110.442	22.251	483.534	406.911
Total current liabilities		**1.549.885**	**2.073.295**	**7.802.129**	**8.538.348**
Loans, financing and debentures	19	7.612.117	7.610.115	9.453.045	9.416.473
Taxes and contributions payable	23	-	-	153.226	161.394
Technical reserves for health care operations	21	-	-	1.376.675	945.451
Leases payable	20	153	167	2.580.188	2.862.830
Deferred tax liabilities	33.b	-	-	1.378.385	1.263.524
Provision for tax, civil and labor risks	24	2.045	2.074	1.284.302	1.267.316
Derivative financial instruments	34	-	-	12.998	24.100
Other accounts payable	25	20.350	22.000	1.597.008	1.582.847
Total non-current liabilities		**7.634.665**	**7.634.356**	**17.835.827**	**17.523.935**
Equity	**26**				
Share capital		38.866.199	38.866.199	38.866.199	38.866.199
Treasury shares		(424.435)	(451.967)	(424.435)	(451.967)
Capital reserve		9.759.493	9.892.386	9.759.493	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		(55.193)	(15.802)	(55.193)	(15.802)
Retained earnings/(losses) in the period		83.506	-	83.506	-
Equity attributable to controlling shareholders		**49.030.943**	**49.092.189**	**49.030.943**	**49.092.189**
Non-controlling interest		-	-	822	1.369
Total equity		**49.030.943**	**49.092.189**	**49.031.765**	**49.093.558**
Total liabilities and equity		**58.215.493**	**58.799.840**	**74.669.721**	**75.155.841**

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

Hapvida Participações e Investimentos S.A.

Statements of profit or loss

Periods ended March 31, 2024 and March 31, 2023

(Amounts expressed in thousands of reais)

	Notes	Parent Company Accumulated 03/31/2024	Parent Company Accumulated 03/31/2023	Consolidated Accumulated 03/31/2024	Consolidated Accumulated 03/31/2023
Net operating revenue	28	-	-	6.991.447	6.726.193
Costs of services rendered	29	-	-	(4.916.913)	(5.046.682)
Gross income		**-**	**-**	**2.074.534**	**1.679.511**
Sales expenses	30	-	(599)	(551.220)	(519.946)
Administrative expenses	31	(276.672)	(213.754)	(1.121.924)	(1.078.382)
Equity in net income of subsidiaries	16	433.391	(21.604)	-	-
Other operating (expenses) revenues, net		1.056	34	6.269	12.154
Subtotal		**157.775**	**(235.923)**	**(1.666.875)**	**(1.586.174)**
Income/(loss) before financial income (loss) and taxes		**157.775**	**(235.923)**	**407.659**	**93.337**
Financial revenues	32	6.069	494	275.596	193.598
Financial expenses	32	(249.531)	(247.342)	(531.813)	(623.626)
Net financial revenues (expenses)		**(243.462)**	**(246.848)**	**(256.217)**	**(430.028)**
Income (loss) before income tax and social contribution		**(85.687)**	**(482.771)**	**151.442**	**(336.691)**
Current income tax and social contribution	33.a	-	-	(109.017)	(66.165)
Deferred income tax and social contribution	33	169.193	140.193	34.998	61.302
Net income/(loss) from continued operations for the year		**83.506**	**(342.578)**	**77.423**	**(341.554)**
Net income/(loss) from discontinued operations for the year	**38**	**-**	**-**	**5.965**	**-**
Net income/(loss) for the year		**83.506**	**(342.578)**	**83.388**	**(341.554)**
Attributable to:					
Non-controlling shareholders		-	-	(118)	1.024
Controlling shareholders		83.506	(342.578)	83.506	(342.578)
Basic and diluted earnings/(losses) per share	26.e	0,01	(0,05)	0,01	(0,05)

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

Hapvida Participações e Investimentos S.A.

Statements of comprehensive income

Periods ended March 31, 2024 and March 31, 2023

(Amounts expressed in thousands of reais)

	Parent Company		Consolidated	
	Accumulated 03/31/2024	**Accumulated 03/31/2023**	**Accumulated 03/31/2024**	**Accumulated 03/31/2023**
Net income (loss) for the year	**83.506**	**(342.578)**	**83.388**	**(341.554)**
Other comprehensive income to be reclassified to income for the year in subsequent period				
Net gain/(loss) on cash flow hedge	(39.391)	9.088	(39.391)	9.088
Total comprehensive income	**44.115**	**(333.490)**	**43.997**	**(332.466)**
Attributable to non-controlling shareholders	-	-	(118)	1.024
Controlling shareholders	44.115	(333.490)	44.115	(333.490)

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

Hapvida Participações e Investimentos S.A.

Statements of changes in equity

Periods ended March 31, 2024 and March 31, 2023

(Amounts expressed in thousands of reais)

		Attributable to controlling shareholders									
					Profit reserves						
	Notes	Capital	Treasury shares	Capital reserves	Legal reserve	Profit reserve	Other comprehensive income	(Losses)/ Retained earnings	Total	Non-controlling interest	Total equity
Balances at January 01, 2023		**37.833.969**	**(427.776)**	**9.844.362**	**201.486**	**1.339.580**	**(42.184)**	**-**	**48.749.437**	**7.274**	**48.756.711**
Income (loss) for the period		-	-		-	-	-	(342.578)	(342.578)	1.024	(341.554)
Capital increase		-	-		-	-	-	-	-	897	897
Repurchase of shares		-	2.209		-	-	-	-	2.209	-	2.209
Transactions with share-based payments		-	-	38.225	-	-	-	-	38.225	-	38.225
Net gain/(loss) on cash flow hedge		-	-		-	-	9.088	-	9.088	-	9.088
Equity valuation adjustments		-	-	(1.354)		76	-	-	(1.278)	-	(1.278)
Balances at March 31, 2023		**37.833.969**	**(425.567)**	**9.881.233**	**201.486**	**1.339.656**	**(33.096)**	**(342.578)**	**48.455.103**	**9.195**	**48.464.298**
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**
Income (loss) for the year		-	-	-	-	-	-	83.506	83.506	(118)	83.388
Capital increase (reduction)		-	-	-	-	-	-	-	-	(429)	(429)
Repurchase of shares	26.d)	-	(20.723)	-	-	-	-	-	(20.723)	-	(20.723)
Transactions with share-based payments		-	48.255	(133.374)	-	-	-	-	(85.119)	-	(85.119)
Net gain (loss) on cash flow hedge		-	-	-	-	-	(39.391)	-	(39.391)	-	(39.391)
Equity valuation adjustments		-	-	481	-	-	-	-	481	-	481
Balances at March 31, 2024		**38.866.199**	**(424.435)**	**9.759.493**	**201.486**	**599.887**	**(55.193)**	**83.506**	**49.030.943**	**822**	**49.031.765**

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

Hapvida Participações e Investimentos S.A.

Statements of cash flows - Indirect method

Periods ended March 31, 2024 and March 31, 2023

(Amounts expressed in thousands of reais)

	Parent Company		Consolidated	
	03/31/2024	**03/31/2023**	**03/31/2024**	**03/31/2023**
Cash flows from operating activities				
Net income (loss) for the year	**83.506**	**(342.578)**	**83.388**	**(341.554)**
Adjustments to reconcile net income (loss) for the year with cash generated by operating activities:				
Depreciation and amortization	194.231	150.491	486.843	451.941
Amortization of right-of-use	2	1	57.030	51.040
Technical reserves for health care operations	-	-	713	(1.868)
Equity in net income of subsidiaries	(433.391)	21.604	-	-
Provision for losses and effective credit losses	-	-	170.688	154.076
Write-off of property, plant and equipment	-	-	7.094	868
Write-off of intangible assets	-	-	4.342	11.817
Provision for tax, civil and labor risks	109	178	68.188	126.594
Mark-to-market of short and long term investments	-	-	197	(597)
Yield from short and long term investments	(5.076)	(32)	(186.305)	(110.820)
Loss (gain) with derivative financial instruments	-	19.111	(7.060)	20.428
Amortization of deferred sales expenses	-	-	161.351	164.915
Interest and inflation adjustment of lease	5	4	80.457	51.514
Interest and financial charges from loans, financing and debentures	247.425	219.699	333.816	397.922
Exchange-rate change	-	-	5	(3.686)
Share-based payment transactions	41.860	38.225	41.860	38.225
Income tax and social contribution	-	-	109.017	66.165
Deferred taxes	(169.193)	(140.193)	(34.998)	(61.302)
Other	-	-	-	(537)
	(40.522)	**(33.490)**	**1.376.626**	**1.015.141**
(Increase) decrease in asset accounts:				
Trade accounts receivable	-	-	(303.819)	(34.627)
Inventories	-	-	(13.711)	20.533
Recoverable taxes	6.111	(2.457)	2.171	(27.952)
Judicial deposits	262	(834)	(158.884)	(84.791)
Other assets	589	1.623	69.829	26.810
Deferred sales expenses	-	-	(123.067)	(179.021)
Increase (decrease) in liability accounts:				
Technical reserves for health care operations	-	-	195.770	49.809
Debits from health care operations	-	-	1.661	843
Social security charges	4.175	(80)	43.735	30.227
Suppliers	1.560	3.469	(11.223)	(57.027)
Taxes and contributions payable	13.735	(3.631)	(25.589)	(33.827)
Provision for tax, civil and labor risks	(138)	(82)	(49.875)	(41.900)
Other accounts payable	(3.023)	3.348	9.018	26.602
Cash (used in) generated by operating activities	**(17.251)**	**(32.134)**	**1.012.642**	**710.820**
Income tax and social contribution paid	-	-	(93.874)	(36.324)
Net cash flow (used in) from continued operating activities	**(17.251)**	**(32.134)**	**918.768**	**674.496**
Net cash flow (used in) from discontinued operating activities	-	-	5.621	-
Net cash flow (used in) from operating activities	**(17.251)**	**(32.134)**	**924.389**	**674.496**
Cash flows from investing activities				
(Payments) Receipts from related parties	10.707	7.936	271	24
Acquisition of property, plant and equipment	-	(229)	(41.056)	(85.821)
Acquisition of intangible assets	-	-	(63.759)	(30.801)
Acquisition of investments	-	-	-	(630.641)
Paid-up capital in investees	-	(5)	-	-
Balances attributed to the acquisition of investees	-	-	-	3.194
Advance for future capital increase	-	(742.150)	-	-
Dividends received	-	116.475	-	-
Short and long term investments	(6.999)	-	(4.056.995)	(6.856.135)
Redemptions of short and long term investments	148.745	45	3.778.135	6.430.921
Cash flow (used in) from continued investment activities	**152.453**	**(617.928)**	**(383.404)**	**(1.169.259)**
Cash flow (used in) from discontinued investment activities	-	-	(29.167)	-
Cash flow (used in) from investment activities	**152.453**	**(617.928)**	**(412.571)**	**(1.169.259)**
Cash flows from financing activities				
Issue of debentures	-	750.000	-	750.000
Funding of loans and financing	-	-	-	257.380
Repurchase of own shares	(20.724)	2.209	(20.724)	2.209
Payment of loan principal, financing and debentures	(750.000)	-	(750.000)	(1.113.526)
Payment of interest from loans, financing and debentures	(153.861)	(102.525)	(179.498)	(197.664)
Transaction costs related to funding	191	-	-	-
Acquisition of subsidiaries - Payments	-	-	(1.706)	(4.888)
Payment of lease	(6)	(4)	(120.169)	(102.420)
Payment of Stock grant plan	(19.987)	-	(19.987)	-
(Payment)/Receipt of derivative financial instruments	-	-	(17.082)	-
Net cash from (used in) continued financing activities	**(944.387)**	**649.680**	**(1.109.166)**	**(408.909)**
Net cash from (used in) discontinued financing activities	-	-	8.666	-
Net cash from (used in) financing activities	**(944.387)**	**649.680**	**(1.100.500)**	**(408.909)**
Increase (Decrease) in cash and cash equivalents from continued operations	**(809.185)**	**(382)**	**(573.802)**	**(903.672)**
Increase (Decrease) in cash and cash equivalents from discontinued operations	-	-	(14.880)	-
Increase (Decrease) in cash and cash equivalents	**(809.185)**	**(382)**	**(588.682)**	**(903.672)**
Cash and cash equivalents at the beginning of the year	857.991	3.242	1.430.144	1.267.915
Cash and cash equivalents at the end of the year	48.806	2.860	826.582	364.243
Change in cash and cash equivalents from discontinued operations	-	-	(14.880)	-
Increase (Decrease) in cash and cash equivalents	**(809.185)**	**(382)**	**(588.682)**	**(903.672)**

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

Hapvida Participações e Investimentos S.A.

Statements of added value

Periods ended March 31, 2024 and March 31, 2023

(Amounts expressed in thousands of reais)

	Parent Company		Consolidated	
	03/31/2024	**03/31/2023**	**03/31/2024**	**03/31/2023**
Revenues (1)	**1.650**	**34**	**7.054.931**	**6.832.258**
Revenue from contract with customer	-	-	7.223.631	7.002.878
Other revenues	1.650	34	(2.248)	(16.544)
Estimated losses on doubtful accounts - Reversal / (Formation)	-	-	(166.452)	(154.076)
Inputs purchased from third parties (3)	**(8.484)**	**(4.488)**	**(4.589.733)**	**(4.803.826)**
Materials, energy and others	(1.006)	(1.045)	(930.921)	(1.256.733)
Outsourced services, net commissions	(7.478)	(3.443)	(3.343.016)	(3.419.089)
Sales expenses	-	-	(315.796)	(128.004)
Gross added value (1)-(2)=(3)	**(6.834)**	**(4.454)**	**2.465.198**	**2.028.432**
Depreciation and amortization (4)	(194.233)	(150.492)	(543.872)	(502.981)
Net added value produced by the Company (3)-(4)=(5)	**(201.067)**	**(154.946)**	**1.921.326**	**1.525.451**
Added value received as transfer (6)	**439.107**	**(21.110)**	**275.210**	**205.399**
Equity in net income of subsidiaries	433.391	(21.604)	-	-
Financial revenues	6.069	494	275.596	193.598
Other	(353)	-	(386)	11.801
Undistributed value added from continued operations (5)+(6)=(7)	**238.040**	**(176.056)**	**2.196.536**	**1.730.850**
Undistributed value added from discontinued operations (8)	**-**	**-**	**5.965**	**-**
Total added value to be distributed (7)+(8)	**238.040**	**(176.056)**	**2.202.501**	**1.730.850**
Distribution of added value				
Personnel	**(70.526)**	**(59.423)**	**(996.489)**	**(1.088.608)**
Direct remuneration	(70.435)	(57.927)	(863.535)	(849.015)
Benefits	(99)	(9)	(95.568)	(90.841)
FGTS	8	(1.487)	(37.386)	(148.752)
Taxes, rates and contributions	**165.672**	**140.189**	**(565.394)**	**(392.154)**
Federal	165.666	140.191	(534.051)	(267.612)
State	6	-	(1.046)	(306)
Municipal	-	(2)	(30.297)	(124.236)
Third-party capital remuneration	**(249.680)**	**(247.288)**	**(557.230)**	**(591.643)**
Interest	(249.057)	(247.056)	(464.922)	(565.822)
Rentals	-	-	(10.829)	(10.994)
Other	(623)	(232)	(81.479)	(14.827)
Remuneration of own capital	**(83.506)**	**342.578**	**(83.388)**	**341.555**
Retained earnings/(losses)	(83.506)	342.578	(83.506)	342.578
Non-controlling interest in retained (losses)/retained earnings	-	-	118	(1.023)
Distributed added value	**(238.040)**	**176.056**	**(2.202.501)**	**(1.730.850)**

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

Notes to the parent company and consolidated statements

(Amounts expressed in thousands of reais)

1 Operations

Hapvida Participações e Investimentos S.A. (the "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 ("Company and its subsidiaries") or ("Group"). The Company and its subsidiaries are mainly engaged in: (i) sale of health insurance plans being also responsible for the majority of 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	4,780,979,713	63.80%
(-) Treasury shares	45,215,560	-
Total	**7,539,463,263**	**100.00%**

As of March 31, 2024, the Company and its subsidiaries recorded positive Net Working Capital of R$ 2,732,433 (positive Net Working Capital of R$ 1,988,904 as of December 31, 2023).

The Company (parent company) presented negative Net Working Capital of R$ 1,200,030 (negative by 771,788 on December 31, 2023), mainly due to its obligations arising from debentures in the short term. The Group has centralized cash management mechanisms so that, if there is a need for cash in a specific company within the Group, the entities will reallocate cash. In the case of the Company, its subsidiaries (mainly operators) will distribute profits.

Management assessed the ability of the Company and its subsidiaries to continue as a going concern in the next twelve months and, based on its analysis, believes it has the required resources to allow the going concern of its business for the future. Additionally, Management is not aware of any material uncertainty that may generate significant doubts about its ability to continue operating. Thus, these parent company and consolidated interim statements were prepared based on the going concern assumption.

The disclosure of the parent company and consolidated interim statements was authorized by the Board of Directors on May 13, 2024.

2 Other matters

2.1 Climate change-related risk

The Company and its subsidiaries carried out a study of climate risks and opportunities considering the time horizons of 2030 and 2050, assessing 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 in climate change adaptation plans.

Among the aspects identified in the study, it is worth highlighting the possible impacts of extreme weather events on the units and facilities , as well as the consequences of climate change on the health of populations and the search for medical care.

The Company and its subsidiaries work constantly to mitigate risks to the physical integrity of the units, considering the occurrence of storms, floods, cyclones and hail when planning works and renovations.

In certain cases, the possibility of changing the address of an asset based on the impossibility of adapting the infrastructure to provide service within the established safety and quality standards is also assessed. Moreover, the insurance policies of the Company and its subsidiaries include coverage for extreme events.

The increase in 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 to 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.

Finally, 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.

Until March 31, 2024, no relevant impacts arising from climate change risks were identified by Management in the parent company and consolidated interim statements of the Company and its subsidiaries, regarding: 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 topics, including the rates of new taxes, are still pending regulation by Complementary Laws (“LC”), which must be submitted for evaluation by Brazil’s National 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”) 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”) [a type of excise tax] 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 Complementary Law (“LC”).

There will be a transition period from 2024 to 2032, 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 March 31, 2024, there was no effect of the Reform on the Company’s parent company and consolidated interim financial statements and its subsidiaries.

2.3 Corporate restructuring

The Company and its subsidiaries, through its strategic plan of continuous growth and expansion via corporate restructuring, with the purpose of streamlining and unifying administrative activities, as well as achieving operational synergy gains, carried out the following merger events for the period ended March 31, 2024:

Company	**Date of corporate merger and reorganization event**	**Net assets**	**Description**
BCBF Participações S.A.	03/28/2024	3,259,366	On March 28, 2024, the merger and justification protocol for the merger of BCBF Participação S.A. by the subsidiary Notre Dame Intermédica Saúde S.A. was approved. The valuation report of the accounting equity of the merged company was issued by an independent company.

2.4 Clarification on Official Letter 13/2024/CVM/SEP/GEA-2

As disclosed in the Material Fact dated January 19, 2024, the Company clarifies that it 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 informs that it has presented the relevant clarifications and will monitor the progress of such proceeding.

3 Subsidiaries

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

				03/31/2024		12/31/2023	
Entity		**Acquisition date**	**Merger date**	**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%
Lifeplace Maida Ltda.*	Agency services	-	-	-	-	-	75.00%
Lifeplace 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*		03/28/2024	-	-	18.85%	81.15%
Notre Dame Intermédica Saúde S.A.	Health care plan		-	17.82%	82.18%	-	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		-	-	87.75%	-	87.75%
Clinipam – Clín. Médica Paranaense de Assistência Médica Ltda	Health care plan		-	-	99.99%	-	100%
Hospital e Maternidade Santa Mônica S.A.	Health		-	-	99.95%	-	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		-	-	96.33%	-	96.33%
SMV Serviços Médicos Ltda.	Management		-	-	99.30%	-	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		-	-	99.86%	-	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, as described in Note 38.

The main subsidiaries operate with the following activities:

(a) Hapvida Assistência Médica S.A.

The insurance company came into operation 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 has a robust structure of hospitals, Clinical Centers, Independent Emergency Rooms, Preventive Medicine Centers, clinical analysis collection points, imaging exam units and Health Centers exclusively dedicated to the elderly.

(c) HB Saúde Group

Founded in 1998, HB Saúde Group is made up of a healthcare operator of the same name, a hospital, outpatient units, a children's clinic, clinical and diagnostic centers, preventive and occupational medicine spaces and an oncology center, located mainly in the municipalities of São José do Rio Preto and Mirassol, in São Paulo. The region of operation covers, in addition to São José do Rio Preto, the regions of 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 application of Technical Pronouncement IFRS 17 (CPC 50) – Insurance Contract, accounting standard in force as of January 1, 2023, the parent company and consolidated interim financial statements were prepared in accordance with CPC 21 (R1) – Interim Financial Reporting, equivalent to IAS 34, issued by the International Accounting Standards Board (IASB) and with the rules issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Quarterly Information, and evidence all relevant information specific to the interim financial statements, and only them, which are in compliance with those used by the Management in its management.

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, in conformity with IFRS, this statement is presented as supplementary information, without prejudice to financial statements as a whole.

5 Functional and presentation currency

These parent company and consolidated statements are being presented in Brazilian Real, functional currency of the Company and its subsidiaries. All balances have been rounded to the nearest thousand, 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 in a continuous manner. Reviews of estimates are recognized on a prospective basis.

(a) Judgments

Information about judgment referring to the adoption of accounting policies which impact significantly the amounts recognized in the parent company and consolidated interim statements are included in the following notes:

- **Note 11 -** Provision for impairment of accounts receivable. Recognition and measurement of the provision for the recoverable value of 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 at the end of each year.

- **Note 13 -** Deferred sales expenses. Identification of average time that clients remain 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, plant and equipment. Estimate of useful life of property, plant and equipment to determine the depreciation rate over our assets;

- **Note 18 -** Intangible assets. Determination of estimated useful life of intangible assets, and as a result, of the amortization rate to be used in the calculation and book records in the income (loss) for the period/year. Goodwill impairment test. Recoverable amounts of Cash Generating Units (CGUs) were determined based on the value in use calculations, by an external specialized advisory hired by the Company and its subsidiaries, which were, in turn, based on estimates and budgetary projections approved by the Management;

- **Note 20 –** Leases payable and Sale & Leaseback (SLB). 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 & Leaseback (SLB): 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 parties 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 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 opinions of its legal advisors;

- **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 as reasonable in view of circumstances of the Company and its subsidiaries. Reviews 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 to establish estimates for 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 causing an important adjustment to the book value of assets and liabilities are shown below:

- **Note 11 -** Provision for impairment of accounts receivable. Recognition and measurement of the provision for the recoverable value of 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 at the end of each year;

- **Note 13 -** Deferred sales expenses. Identification of average time that clients remain 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, plant and equipment. Estimate of useful life of property, plant and equipment to determine the depreciation rate over our assets;

- **Note 18 -** Determination of estimated useful life of intangible assets, and as a result, of the amortization rate to be used in the calculation and book records in the income (loss) for the period/year. Goodwill impairment test. Recoverable amounts of Cash Generating Units (CGUs) were determined based on the value in use calculations, by an external specialized advisory hired by the Company and its subsidiaries, which were, in turn, 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 contracts. 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 parties 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 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 opinions of its legal advisors;

- **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 future taxable income against which deductible temporary differences and tax losses may be used.

(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 much 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 & 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 have a standardized and uniform service in all Brazilian regions. Thus, it directs its operations in the supplementary health sector and its strategy to providing services in a vertical manner, in which the beneficiary is primarily served by its own network, providing medical and dental care. In this sense, its operation takes place in just one operating segment, whose operating and financial results are regularly reviewed by the Board of Directors on an aggregate basis, which more adequately reflects the way in which the Management of the Company and its subsidiaries monitors operations and the way in which decisions are made about business continuity.

Although the Group has several hospitals, clinics and other service units in its organizational structure, they operate as executors of the services demanded by the beneficiaries of the health and dental plans of the operators belonging to the Group, within the integrated verticalization model, in which the purpose is to expand operations in other geographical regions, generating synergy gains and strengthening the Company and its subsidiaries.

Among the information analyzed by Management, quantitative and qualitative factors of the operation of the Company and its subsidiaries are considered, used in 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.

The entire operation (revenues and expenses) of the Company and its subsidiaries comes from providing services to beneficiaries located geographically in Brazil and there is no concentration of sales by client contract.

10 Short and long term investments

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

			Parent Company		Consolidated	
	Annual remuneration	**Maturities**	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Government and private bonds						
Bank deposit certificates (CDB)	99.5−100.2% CDI	Jan 2024−Apr 2026	-	-	170,721	229,845
National Treasury Bill (LTN) - Collateral Assets (a)	-	-	-	-	-	-
National Treasury Note B (NTN-B)	IPCA + 6% p.a.	until Sep 2024	-	-	42,237	42,508
National Treasury Note B (NTN-B) – Collateral Assets (a)	IPCA + 4.81 p.a.	Mar 2025–Sep 2025	-	-	142,925	143,101
Financial Treasury Bill (LFT)	88.54−100.0% CDI	Aug 2024–Mar 2027	-	-	375,208	369,896
Financial Treasury Bill (LFT) – Collateral Assets (a)	113.7% SELIC	Sep 2024−Sep 2025	-	-	225,892	223,112
Subtotal – Government and private bonds			**-**	**-**	**956,983**	**1,008,462**
Investment Funds						
Fixed income - Collateral assets (a)	92.12−108.56% CDI	No maturity	-	-	2,510,042	2,823,179
Fixed income - Exclusive (b)	94.9−110.56% CDI	No maturity	90,012	226,979	3,163,915	2,362,000
Fixed income - non-exclusive	90.30−101.60% CDI	No maturity	134	133	299,994	266,114
Subtotal – Investment funds			**90,146**	**227,112**	**5,973,951**	**5,451,293**
Total			**90,146**	**227,112**	**6,930,934**	**6,459,755**
Current			90,012	226,979	6,116,774	5,573,479
Non-current			134	133	814,160	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 stated as follows:

	Parent Company		Consolidated	
	03/31/2024	12/31/2023	03/31/2024	12/31/2023
Balance of the beginning of the period/year	**227,112**	**903**	**6,459,755**	**4,596,741**
Acquisition of company	-	-	-	60,765
Investments	6,999	1,070,036	4,056,995	21,386,486
Yield	4,780	20,840	192,516	742,127
(-) Redemptions	(148,745)	(864,667)	(3,778,135)	(20,327,536)
(-) Provision for losses on yield	-	-	-	(88)
(-) Foreign exchange rate expenses	-	-	-	(41)
Mark-to-market	-	-	(197)	1,351
Reclassification of items for sale	-	-	-	(50)
Balances at the end of the period/year	**90,146**	**227,112**	**6,930,934**	**6,459,755**

Of the total balance of short and long term investments considered restricted by the Company and its subsidiaries, the amount below refers to the escrow originated by the following acquisitions:

Acquisition	03/31/2024	12/31/2023
São Francisco group	350,584	332,314
Medical group	29,390	31,166
São José group	21,875	25,251
NDI MG group	134,881	131,540
UNIMED ABC	-	1,026
Clinipam	170,626	165,916
Lifecenter	-	25,778
Total	**707,356**	**712,991**

11 Trade accounts receivable

Basically refers to amounts receivable from members of the health and dental care insurance plans of the Company and its subsidiaries, as follows:

	Consolidated	
	03/31/2024	12/31/2023
Breakdown of accounts receivable		
Health and dental care plans	1,742,421	1,596,869
Agreements and individuals	739,785	687,479
Other trade accounts receivable	-	1,046
Subtotal	**2,482,206**	**2,285,394**
(-) Provision for impairment losses	(739,072)	(675,391)
Total	**1,743,134**	**1,610,003**

Breakdown of amounts receivable by maturity age is as follows:

	Consolidated	
	03/31/2024	**12/31/2023**
Falling due (A)	**558,954**	**514,227**
Overdue – in days: (B)	**1,923,252**	**1,771,167**
≤30	491,846	501,810
31−60	244,509	191,743
61−90	149,043	131,453
>90	1,037,854	946,161
Total (A)+(B)	**2,482,206**	**2,285,394**

The changes in Trade accounts receivable is shown below:

	Consolidated		
	Health care plan	**Not related to the health care plan**	**Total**
Balances at January 01, 2023	**1,076,943**	**403,858**	**1,480,801**
Reclassification of items for sale	-	(23,778)	(23,778)
Acquisition of companies	12,278	4,087	16,365
Net consideration	27,964,271	-	27,964,271
Revenues from health care not related to Operators' 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	7,210,861	-	7,210,861
Revenues from health care not related to Operators' health plans	-	293,609	293,609
(-) Receipts	(6,959,150)	(236,076)	(7,195,226)
Reversal/(Formation) of impairment loss	(46,060)	(12,196)	(58,256)
Reversal/(Constitution) of expected disallowance	-	(5,425)	(5,425)
(-) Write-off due to effective credit losses	(106,216)	(6,216)	(112,432)
Balances at March 31, 2024	**1,233,255**	**509,879**	**1,743,134**

Changes in the provision for impairment losses in accounts receivable are as follows:

	Consolidated		
	Health care plan	**Not related to the health care plan**	**Total**
Balances at December 31, 2022	**(348,775)**	**(289,939)**	**(638,714)**
Acquisition of companies	(9,533)	(54)	(9,587)
Reclassification of items for sale	-	431	431
Reclassification	5,716	(5,716)	-
(Formation) of provision	(1,168,254)	(526,830)	(1,695,084)
Reversal of provision	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	989	(989)	-
(Formation) of provision	(404,195)	(130,565)	(534,760)
Reversal of provision	358,135	112,944	471,079
Other changes	-	-	-
Balances at March 31, 2024	**(509,168)**	**(229,904)**	**(739,072)**

The Company has intensified its receivables collection management with the support of specialized consultants. Processes were reviewed and stricter policies were adopted, which made it possible to capture overdue securities, generating, among other benefits, the (i) highest receipt of long overdue credits that had been provisioned; and (ii) the write-off of uncollectible securities.

12 Recoverable taxes

The taxes recoverable of the Company and its subsidiaries are as follows:

	Parent Company		Consolidated	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
Income Tax – IRPJ (i)	29,893	37,221	285,866	323,555
Social contribution on income - CSLL (i)	-	-	47,174	45,306
Withholding income tax - IRRF	164,307	163,090	399,492	368,847
Social security credit	-	-	24,158	26,844
FGTS credits	-	-	4,282	4,282
PIS and Cofins credits	2,405	2,405	34,434	30,554
ISS credit	-	-	30,350	30,511
Advance of installment payments	707	707	4,367	4,367
Other recoverable taxes	-	-	790	791
Total	**197,312**	**203,423**	**830,913**	**835,057**

(i) The balance refers mainly to the monthly advance payment of the amount due for Income Tax and Social Contribution on income. At the end of the year, the accounts are reconciled with the taxes payable.

13 Deferred sales expenses

Represented by commissions paid for the sale of collective and individual plans recognized amortized in income for the estimated average term of the beneficiaries' permanence in the customer portfolio.

The changes in deferred sales expenses of the Company and its subsidiaries are stated as follows:

	Consolidated	
	03/31/2024	**12/31/2023**
Balance of the beginning of the period/year	**961,360**	**982,152**
Formations	123,067	643,625
(-) Amortization	(161,351)	(664,417)
Balances at the end of the period/year	**923,076**	**961,360**
Current	355,832	391,228
Non-current	567,244	570,132

14 Related party transactions and balances

The main balances of assets and liabilities on March 31, 2024 and December 31, 2023, as well as the transactions that influenced the income (loss) on March 31, 2024 and March 31, 2023, relating to operations with related parties, are as follows:

	Parent Company		Consolidated	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
Assets				
Other debits with related parties				
Receivables with shareholders	-	-	1,258	1,258
PPAR COM Investimentos Ltda- Amounts receivable	-	-	1,817	1,988
Other credits	1,014	1,688	96	1,973
Subtotal	**1,014**	**1,688**	**3,171**	**5,219**
Total assets	**1,014**	**1,688**	**3,171**	**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 debits with related parties				
Debits with shareholders	2,517	2,517	2,498	2,635
Debit with investees	4,379	-	-	-
Canadá Administradora de Bens Imóveis Ltda.	1,343	1,343	1,343	1,343
Hapvida Assistência Médica S.A. (h)	225,954	219,850	-	-
Other debts	101	551	119	1,759
Subtotal	**234,294**	**224,261**	**3,960**	**5,737**
Leases payable				
Leases payable with related parties (a)	168	168	1,000,589	1,285,175
Leases payable to related parties - LPAR Imóveis Ltda. (b)	-	-	805,269	805,428
Subtotal	**168**	**168**	**1,805,858**	**2,090,603**
Debentures				
Debentures of the 6th private issue (g)	501,206	500,000	-	-
Subtotal	**501,206**	**500,000**	**-**	**-**
Total liabilities	**738,220**	**726,981**	**1,822,447**	**2,108,969**

	Parent Company		Consolidated	
Transactions in income (loss)	**03/31/2024**	**03/31/2023**	**03/31/2024**	**03/31/2023**
Revenue from health care services (c)	-	-	279	229
Media broadcasting expenses (d)	-	-	-	(75)
Expenses for the use of shared assets (e)	-	-	(731)	(492)
Interest on leases with Canadá Administradora de Bens Imóveis Ltda. (f)	(5)	(4)	(12,559)	(11,807)
Interest on leases with Fundação Ana Lima (f)	-	-	(787)	(418)
Interest on leases with Quixadá Participações Ltda. (f)	-	-	(12,591)	(10,683)
Interest on leases with LPAR Imóveis Ltda. (f)	-	-	(26,404)	-
Total profit or loss	**(5)**	**(4)**	**(52,793)**	**(23,246)**

(a) Lease of commercial property and movable property intended for the development of economic activities, pursuant to an agreement entered into between 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, entered into based on the appraisal of the market value performed by specialized companies, comprising: a) review of the base value every 60 months of the lease term; and b) annual updating based on the accumulated change of the IPCA.

(b) Lease of ten real estate properties (previously owned by the Company's subsidiaries), subject to a sale & leaseback (SLB) operation, with an investment vehicle owned by the Pinheiro Family (LPAR Imóveis Ltda.), the Company's parent company. The cap rate involved is 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 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 to advertise in companies 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 the 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 issue 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) It includes amounts related to 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.

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. Expenses with total management remuneration were R$ 42,087 in the period ended March 31, 2024 (R$ 41,093 as of March 31, 2023), including salary, Directors' fees, bonuses, short-term benefits, profit sharing, in addition to long-term incentive, as highlighted in the Note 27.

15 Other assets

The balance classified under "Other Assets" is made up as follows:

	Parent Company		Consolidated	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
Advance to suppliers	22	22	88,291	124,602
(-) Provision for loss with advance to suppliers	(22)	(22)	(44,353)	(46,645)
Advance to employees	2	2	34,543	41,383
Advance of lawsuits	-	-	2,041	2,041
Prepaid expenses	2,483	2,282	96,792	68,329
Security Deposit	-	-	2,362	2,360
Retention premiums to be appropriated (i)	12,628	13,200	19,593	19,383
Court-ordered freezing	-	-	49,334	44,506
Sale of São Francisco Resgate (iii)	-	-	6,631	46,631
Other securities receivable (ii)	5,997	6,215	193,042	173,040
Total	**21,110**	**21,699**	**448,276**	**475,630**
Current	13,725	13,114	329,011	353,856
Non-current	7,385	8,585	119,265	121,774

(i) Accrued bonuses paid to Company executives for their time at the Company.
(ii) It mainly refers to 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	Income (loss) for the year	Percentage of Interest	Investment at 03/31/2024	Investment at 12/31/2023
Hapvida Assistência Médica S.A.	17,255,477	7,325,848	9,929,629	223,859	100%	9,929,629	9,745,162
Notre Dame Intermédica Participações S.A.	10,097,303	776,623	9,320,680	172,368	100%	44,188,502	44,198,801
BCBF Participações S.A.	-	-	-	208,643	17.82%	-	2,033,790
Notre Dame Intermédica Saúde S.A. (NDI Saúde)	19,312,827	7,755,290	11,557,537	-	17.82%	2,060,043	-
Life Place Hapvida Ltda.	5	25	(20)	(25)	100%	(20)	5
Total						**56,178,154**	**55,977,758**

b. Changes

	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 surplus of 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
Advance for future capital increase	-	559,700	-	-	-	559,700
Merger	2,877,329	-	(1,599)	-	-	-
Effect from dilution of interest in subsidiaries	3,761	(128,864)	127,844	-	-	(1,020)
Other comprehensive income	20,526	-	-	-	-	26,382
Other property changes	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 surplus of assets	-	(194,085)	-	-	-	(194,085)
Equity in net income of subsidiaries	223,859	172,368	37,189	-	(25)	433,391
Capital increase	-	505,700	-	-	-	505,700
Advance for future capital increase	-	(505,700)	-	-	-	(505,700)
Merger	-	-	(2,060,043)	2,060,043	-	-
Effect from dilution of interest in subsidiaries	-	11,418	(10,936)	-	-	482
Other comprehensive income	(39,392)	-	-	-	-	(39,392)
Balance at 03/31/2024	**9,929,629**	**44,188,502**	**-**	**2,060,043**	**(20)**	**56,178,154**

17 Property, plant and equipment

The breakdown of property, plant and equipment is as follows:

		Consolidated			
	Annual average depreciation rate	**Cost**	**Accumulated depreciation**	**Net 03/31/2024**	**Net 12/31/2023**
Right-of-use	7.80%	3,340,972	(840,034)	2,500,938	2,830,204
Land	-	466,784	-	466,784	459,862
Real estate	2.70%	1,390,967	(301,352)	1,089,615	1,096,603
Vehicles	11.60%	24,826	(20,236)	4,590	5,164
IT equipment	17.30%	441,949	(300,231)	141,718	150,905
Machinery and equipment	10.40%	1,706,341	(935,880)	770,461	807,849
Furniture and fixtures	9.80%	366,798	(174,775)	192,023	187,595
Facilities	3.30%	1,476,616	(467,009)	1,009,607	1,021,345
Construction in progress	-	325,342	-	325,342	323,031
Total		**9,540,595**	**(3,039,517)**	**6,501,078**	**6,882,558**

Changes in property, plant and equipment for the period ended March 31, 2024 and year ended December 31, 2023 are as follows:

	Consolidated						
	12/31/2023	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Remeasurement**	**03/31/2024**
Right-of-use	2,830,204	22,894	(4,698)	(57,030)	-	(290,432)	2,500,938
Land	459,862	2,079	-	-	4,843	-	466,784
Real estate	1,096,603	5,420	-	(12,714)	306	-	1,089,615
Vehicles	5,164	-	-	(791)	217	-	4,590
IT equipment	150,905	4,493	(7)	(14,946)	1,273	-	141,718
Machinery and equipment (a)	807,849	2,811	(123)	(36,865)	(3,211)	-	770,461
Furniture and fixtures	187,595	911	(32)	(7,884)	11,433	-	192,023
Facilities	1,021,345	40	(6,706)	(12,976)	7,904	-	1,009,607
Construction in progress (b)	323,031	25,302	(226)	-	(22,765)	-	325,342
Total	**6,882,558**	**63,950**	**(11,792)**	**(143,206)**	**-**	**(290,432)**	**6,501,078**

	Consolidated									
	12/31/2022	**Acquisition of companies**	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Remeasurement**	**Reclassification of items for sale**	**Sale & 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) The balance refers to surgical equipment, communications equipment, machinery and non-hospital accessories, as well as refrigeration and ventilation equipment.

(b) The balance of construction in progress refers substantially to investments made in hospitals and clinics to improve and expand the physical facilities.

18 Intangible assets

The breakdown of intangible assets is as follows:

		Consolidated			
	Annual average rate of amortization	**Cost**	**Accumulated amortization**	**Net 03/31/2024**	**Net 12/31/2023**
Client portfolio (b)	16.80%	7,763,606	(4,354,934)	3,408,672	3,735,908
Software	15.20%	759,721	(348,151)	411,570	378,636
Trademarks and patents	5.70%	2,797,435	(527,926)	2,269,509	2,311,648
Non-compete	20.00%	37,922	(32,450)	5,472	6,918
Goodwill	-	44,228,142	-	44,228,142	44,228,203
Other	21.20%	181,974	(12,594)	169,380	172,682
Total		**55,768,800**	**(5,276,055)**	**50,492,745**	**50,833,995**

Changes in property, plant and equipment for the period ended March 31, 2024 and year ended December 31, 2023 are as follows:

	Consolidated					
	12/31/2023	**Additions**	**Write-offs**	**Amortization**	**Transfers**	**03/31/2024**
Client portfolio (b)	3,735,908	-	-	(327,236)	-	3,408,672
Software	378,636	-	(4,281)	(29,708)	66,923	411,570
Trademarks and patents	2,311,648	-	-	(42,139)	-	2,269,509
Non-compete	6,918	-	-	(1,446)	-	5,472
Goodwill	44,228,203	-	(61)	-	-	44,228,142
Others (a)	172,682	63,759	-	(138)	(66,923)	169,380
Total	**50,833,995**	**63,759**	**(4,342)**	**(400,667)**	**-**	**50,492,745**

	Consolidated							
	12/31/2022	**Acquisition 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) Balances refer mainly to software under development.
(b) The opening of client portfolios is shown below:

Breakdown of client portfolio	Cost	Accumulated amortization	Net balance 03/31/2024	Net balance 12/31/2023
Promed Assistência	134,646	(109,000)	25,646	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	(15,561)	4,376	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	(1,776,300)	603,272	703,817
Sf Odonto	98,068	(92,815)	5,253	10,507
Sf Gsfrp Sfss	9,009	(7,576)	1,433	1,672
Sf Gsfrp Sfo	20,765	(19,763)	1,002	2,005
Gmed Medical	60,509	(47,709)	12,800	16,291
Gsj Operadora	51,789	(45,034)	6,755	10,132
Gndi Ndi Part	3,301,862	(1,455,058)	1,846,804	2,014,695
Uniplan	10,148	(10,125)	23	90
Freelife	7,602	(7,582)	20	41
Sta Casa Pirassununga	1,674	(1,483)	191	232
Três Lagoas	552	(475)	77	91
Santa Casa Barretos	3,600	(3,044)	556	654
Fwbp	4,000	(3,147)	853	952
Irm Sta Casa Mis Leme	2,900	(2,162)	738	810
Medporto Assist Medica Ltda	400	(298)	102	112
Amhpla	24,434	(16,595)	7,839	8,442
Assoc Forn Cana Piracicaba	4,119	(2,797)	1,322	1,423
Irm Sta Casa Mis Sjrio Preto	15,301	(7,982)	7,319	7,698
Prosaude de Araras	5,652	(2,590)	3,062	3,203
Bucal Help	901	(768)	133	154
Opsfelder Help Odonto	36	(29)	7	7
Benefit	848	(551)	297	318
Oral Brasil Planos	1,050	(617)	433	459
Apo	8,000	(4,067)	3,933	4,133
Soesp	8,533	(4,521)	4,012	4,224
Dental Norte	1,367	(686)	681	714
Cojun	125	(57)	68	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	(14,780)	8,220	9,418
Samedh	18,691	(11,527)	7,164	8,099
HB group	69,861	(1,145)	68,716	69,782
HRF	3,617	(1,922)	1,695	1,846
Grupo Notre Dame	8,159	(7,858)	301	307
Santamália group	18,923	(18,923)	-	-
Unimed ABC	21,892	(15,352)	6,540	7,061
Cruzeiro do Sul group	18,684	(10,671)	8,013	8,415
SAMED Group	30,313	(20,693)	9,620	10,493
Green Line group	154,271	(72,566)	81,705	84,909
Medical group	59,122	(29,471)	29,651	31,039
Belo Dente	46,462	(25,153)	21,309	22,335
São José group	6,378	(4,135)	2,243	2,442
São Lucas group	111,005	(46,629)	64,376	66,912
Clinipam group	178,804	(122,101)	56,703	61,545
Ecole	15,030	(10,120)	4,910	5,494
Santa Mônica group	6,554	(6,554)	-	-
Lifeday	25,491	(14,388)	11,103	12,144
Climepe	41,833	(20,587)	21,246	22,140
Bio Saúde	29,661	(17,314)	12,347	13,672
Medisanitas group	223,671	(43,540)	180,131	183,464
Aperam group	41,093	(12,523)	28,570	29,330
CCG group	301,799	(56,697)	245,102	250,828
Family	17,358	(17,358)	-	-
Total	**7,763,606**	**(4,354,934)**	**3,408,672**	**3,735,908**

Goodwill

The goodwill balances (intangible assets with an indefinite useful life) were submitted to an impairment test on December 31, 2023, by means of the discounted cash flow for each cash-generating unit ("CGU"), giving rise to the value in use. The Company and its subsidiaries perform the impairment test annually.

In defining CGUs, the Management of the Company and its subsidiaries considered qualitative and quantitative factors, which are used in monitoring and decision-making through the strategy of verticalizing the business by expanding operations in other geographical regions, in addition to gaining synergies and strengthening the Company and its subsidiaries in the sale of health and dental plans.

Among the information analyzed by Management are the analytical reviews of revenues and claims and the profitability of products involving the creation, continuation and discontinuation of new health plans. The analysis also monitors the costs incurred and compares them with the estimated projections, to identify any distortions arising from hospitalizations and elective surgeries.

For the definition of CGU, the Company and its subsidiaries considered the consolidated structure of the group (national), which more adequately reflects the way in which the Group's Management monitors operations and the way in which decisions on business continuity are made. Thus, the analyses carried out, cash flow projections and definition of the Carrying amount were based on the defined CGU.

Goodwill for expected future profitability does not generate cash flows independently of other assets or groups of assets and often contributes to the cash flows of multiple CGUs and should be tested for impairment at a level that reflects the way in which the entity manages its operations and with which goodwill would naturally be associated.

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

Breakdown of goodwill	**03/31/2024**
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
Medical 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
Aperam 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**

Therefore, the Company and its subsidiaries adopted the following assumptions in the impairment test:

Consolidated CGU	
Operating margin	34.8% p.a.
Loss Ratio	65.2% p.a.
Discount rate	13.0% p.a.
Growth rate in perpetuity	5.8% p.a.

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, as per 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, it was concluded that the value in use of the CGU is higher than its respective book value, indicating that there were no indications of impairment.

No contrary indications were observed for the period ending March 31, 2024.

19 Loans, financing and debentures

a. Breakdown - Loans, financing and debentures

			Parent Company		Consolidated	
Type	**Maturity**	**Interest rate**	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Working capital	until Feb 2026	USD 5.2 + 6.84% p.a.	-	-	250,504	247,728
Debentures – 1st issue – Hapvida Participações	until July 2026	109−110.55% CDI	843,751	875,299	843,751	875,299
Debentures – 2nd issue – Hapvida Participações	until Apr 2029	CDI + 1.45−1.65% p.a.	2,623,048	2,545,843	2,623,048	2,545,843
Debentures – 3rd issue – Hapvida Participações	May 2029	CDI+1.60% p.a.	2,087,980	2,026,182	2,087,980	2,026,182
Debentures – 4th issue – Hapvida Participações	Feb 2024	CDI + 1.70% p.a.	-	838,292	-	838,292
Debentures - 5th issue - Hapvida Participações	Jan 2030	CDI+1.75% p.a.	1,025,130	995,656	1,025,130	995,656
Debentures – 6th private issue – Hapvida Participações (iii)	Jan 2030	Fixed rate	501,206	500,000	-	-
Debentures – 3rd issue - NDI Saúde	Aug 2024	CDI+1.60% p.a.	-	-	271,281	281,226
Debentures - 4th issue - Hapvida Participações (ii)	Sep 2025	CDI+2.65% p.a.	98,026	101,386	98,026	101,386
Debentures - 5th issue - Hapvida Participações (ii)	Nov 2025	CDI+2.65% p.a.	307,206	297,165	307,206	297,165
Debentures - 6th issue - Hapvida Participações (ii)	Oct 2027	CDI+1.45% p.a.	1,267,822	1,230,591	1,267,822	1,230,591
CRI – Hapvida Assistência Médica (i)	Dec 2031	IPCA + 5.7505%	-	-	1,122,769	1,083,401
CRI – NDI Saúde – series 1 (iv)	Dec 2027	CDI + 0.75% p.a.	-	-	549,715	533,697
CRI – NDI Saúde – series 2 (iv)	Dec 2029	IPCA + 7.0913 p.a.	-	-	385,257	372,063
CRI – NDI Saúde – series 3 (iv)	Dec 2034	IPCA + 7.2792 p.a.	-	-	101,370	97,885
Total			**8,754,169**	**9,410,414**	**10,933,859**	**11,526,414**
Current			1,142,052	1,800,299	1,480,814	2,109,941
Non-current			7,612,117	7,610,115	9,453,045	9,416,473

(i) Transaction with a contracted hedge instrument, aimed at swapping the IPCA rate + 5.7505% for the CDI rate of 113.32%. 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.

(ii) 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 simplification of the Company's corporate structure.

(iii) On December 29, 2023, the minutes of the meeting of the Board of Directors of the Company and its subsidiaries approved the issue 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.

(iv) 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.

b. Changes - Loans, financing and debentures

	Parent Company	Consolidated			
	Debentures	**Loans and financing**	**Debentures**	**Real Estate Receivables Certificate - CRI**	**Total**
Balances at January 01, 2023	**6,089,004**	**328,434**	**9,379,856**	**2,009,391**	**11,717,681**
Acquisition 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
Incurred 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 change	(993,314)	(20,998)	(1,217,413)	(165,387)	(1,403,798)
Exchange-rate change	-	(15,083)	-	-	(15,083)
Issue costs	1,870	-	1,870	(2,655)	(785)
Balances at December 31, 2023	**9,410,414**	**247,728**	**9,191,640**	**2,087,046**	**11,526,414**
Appropriation of issue costs	1,902	-	2,123	6,259	8,382
Incurred interest	245,523	2,868	252,487	70,079	325,434
Payment of principal (i)	(750,000)	-	(750,000)	-	(750,000)
Payment of interest and exchange-rate change	(153,861)	(7,301)	(172,197)	-	(179,498)
Exchange-rate change	-	7,209	-	(4,273)	2,936
Issue costs	191	-	191	-	191
Balances at March 31, 2024	**8,754,169**	**250,504**	**8,524,244**	**2,159,111**	**10,933,859**

(i) Due to the re-profiling of financial liabilities, the debentures were settled as part of a financial strategy. This action was motivated by the finding that 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 that are specific to the nature of the operation, 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 do not default 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 by the respective responsible area of the Company and its subsidiaries, formalized in a memorandum. On March 31, 2024, the Company and its subsidiaries are fully complying with the contractual clauses and restrictions related to early maturity.

c. Aging - Loans, financing and debentures

As of March 31, 2024 and December 31, 2023, loans, financing and debentures had the following maturity:

	Parent Company		**Consolidated**	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
2024	1,145,033	1,800,299	1,160,021	2,109,941
2025	706,650	706,937	1,027,800	703,266
2026	1,137,199	1,137,396	1,913,092	1,905,387
2027	1,020,576	1,020,769	1,016,904	1,017,097
>2028	4,744,711	4,745,013	5,816,042	5,790,723
Total	**8,754,169**	**9,410,414**	**10,933,859**	**11,526,414**

d. Debentures

d.1 *Issue of debentures*

The main information regarding debenture issues by the Company and its subsidiaries is detailed below:

Issuer	Security	Modality	Issued units	Issue	Final maturity	Average charges	Funding
Hapvida Part. e Inv. S.A.	HAPV11	1st 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	1st issue – series 2	235,112	07/10/2019	07/10/2026	110.55% CDI	R$ 235,112
Hapvida Part. e Inv. S.A.	HAPV12	2nd 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	2nd 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	3rd 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	5th issue	1,000,000	12/27/2023	01/27/2030	CDI+1.75% p.a.	R$ 1,000,000
NDI Saúde S.A.	NDMI13	3rd 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	4th 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	5th 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	6th 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	6th issue	500,000	12/29/2023	01/29/2030	Fixed rate	R$ 500,000

(*) 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 simplification of the Company's corporate structure.

d.2 *Collaterals*

The debentures of the 1st series, 2nd series and single series (first, second, third and fifth issues, respectively), issued 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 oblige the Company and its subsidiaries to comply with the “ financial ratio“ defined in their respective deeds, measured quarterly.

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 March 31, 2024, the Company and its subsidiaries fully complied 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 adjustment). The spread 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 of the Company's 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 (one billion reais), with a nominal unit value of R$ 1 (one thousand reais).

The total CRI issued was in three series, the first series of 542,426 (five hundred and forty-two thousand four hundred and twenty-six) CRI, the second series 362,151 (three hundred and sixty-two thousand one hundred and fifty-one) CRI and the third series 95,423 (ninety-five thousand four hundred and twenty-three) 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 take place 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 take place on December 17, 2029, (Principal + fixed compensatory interest corresponding to 7.0913% (seven integers and nine hundred and thirteen ten thousandths of a percent) p.a., based on 252 (two hundred and fifty-two) Business Days).
- **3rd series of CRI:** remuneration will take place on December 15, 2034, (Principal + fixed compensatory interest corresponding to 7.2792% (seven integers and two thousand seven hundred and ninety-two ten thousandths of a percent) p.a., based on 252 (two hundred and fifty-two) 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 March 31, 2024, the Company and its subsidiaries fully complied 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 achieved 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:

Terms (years)	Rate % p.a.
≤02	8.26%
02−04	9.07%
04−06	9.78%
06−08	9.76%
08−10	9.50%
>10	9.53%

b) Changes in leases

	Consolidated	
	03/31/2024	**12/31/2023**
Balance at the beginning of the year	**3,338,009**	**2,350,044**
Acquisitions of companies	-	7,384
New contracts (addition)	18,507	53,355
New contracts (addition) - Sale & Leaseback	-	805,827
Remeasurements / Write-offs of contracts	(293,171)	288,853
Incurred interest	80,457	292,657
Payments	(120,169)	(455,568)
Reclassification of items for sale	-	(4,543)
Total	**3,023,633**	**3,338,009**
Current	443,445	475,179
Non-current	2,580,188	2,862,830

c) Maturity of contracts

The future payments of consideration for lease contracts are detailed below:

	Consolidated	
	03/31/2024	12/31/2023
2024	334,586	475,178
2025	432,925	462,280
2026	412,883	441,032
2027	385,141	414,569
>2028	7,360,798	7,785,337
Nominal value	**8,926,333**	**9,578,396**
(-) Embedded interest	(5,902,700)	(6,240,387)
Present value of minimum lease payments	**3,023,633**	**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 represents the cash flow closest to the real and is in line with the characteristics of our contracts, as determined by item 27.b of the CVM official letter.

Aiming to comply with the guidance in the circular letter and the transparency required, we inform below the impacts on the statement of financial position, with a comparison of nominal interest vs. effective interest. To calculate the effective rate, we used the index of our contracts, most of which is the IPCA, applied to the flow of annual payments, obtained by disclosing Banco Bradesco's projections for the indicators up to 2025, with the longest rate repeated for the future flow from 5 years onwards.

	Consolidated	
	03/31/2024	**12/31/2023**
Nominal flow		
Lease liabilities	8,926,333	9,578,396
(-) Embedded interest	(5,902,700)	(6,240,387)
Total	**3,023,633**	**3,338,009**
Inflated real effective flow		
Lease liabilities	9,262,164	9,983,600
(-) Embedded interest	(6,124,773)	(6,504,377)
Total	**3,137,391**	**3,479,223**

e) Sale & Leaseback (SLB) Operation

On March 27, 2023, a binding instrument was signed for the Sale & Leaseback (SLB) of 10 properties owned by the Company's subsidiaries with an investment vehicle of the Pinheiro Family (LPAR), the Company's parent company, to strengthen the cash flow of the Company and its subsidiaries. The cap rate involved is 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	
	03/31/2024	**12/31/2023**
Provision for unearned premiums or consideration - PPCNG (a)	526,709	527,779
SUS provision (b)	2,740,110	2,660,774
Provision for events to be settled (c)	880,102	762,598
Provision for Events Occurred and Not Reported - PEONA (d)	991,216	990,238
Provision for remission	3,243	3,508
Total	**5,141,380**	**4,944,897**
Current	3,764,705	3,999,446
Non-current	1,376,675	945,451

(a) PPCNG refers to the accounting record of 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, that 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, as part of 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, which was incorporated based on 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. For some providers, for whom it is possible to measure the volume of unbilled services, said provision is not formed statistically, but rather by the actual value of bills 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

	PPCNG	**SUS provision (*)**	**Provision for events to be settled**	**PEONA**	**Provision for remission**	**Total**
Balances at 01/01/2023	**463,038**	**2,258,977**	**783,299**	**998,777**	**4,184**	**4,508,275**
Acquisition 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)
Restatements	-	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	6,419,133	241,400	3,747,859	14,309	60	10,422,761
Appropriations/Reversals	(6,420,203)	(183,294)	-	(13,331)	(325)	(6,617,153)
Restatements	-	34,184	-	-	-	34,184
Settlements	-	(12,954)	(3,630,355)	-	-	(3,643,309)
Balances at 03/31/2024	**526,709**	**2,740,110**	**880,102**	**991,216**	**3,243**	**5,141,380**

(*) For better comparability and presentation of information related to the formations/reversals of provisions for SUS, the Company is restating the amounts of Formations and Appropriations/Reversals previously disclosed of R$ 2,638,945 and R$ (2,256,668), respectively, aiming to reflect the real changes occurred during the year. The net effect of changes remained the same.

22 Social security charges

	Parent Company		Consolidated	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
Salaries payable	5,718	1,284	158,235	136,340
Provision for vacation pay and year-end bonus	-	259	462,744	394,535
Performance bonus payable (i)	-	-	50,519	116,352
Cash-settled share-based payment plan (ii)	17,425		17,425	-
Other social security obligations	2	2	29,877	10,413
Total	**23,145**	**1,545**	**718,800**	**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, as detailed in Note 27.

23 Taxes and contributions payable

	Parent Company		Consolidated	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
Service tax (ISS)	-	-	43,607	40,800
Social security contribution	3,984	1,459	95,460	73,409
Contribution to the Severance Indemnity Fund (FGTS)	-	-	13,744	17,310
PIS and COFINS	16,797	16,348	78,340	100,133
Union and assistance contributions	-	-	100	191
Income tax payable on interest on shareholders' equity	-	-	-	37,500
Other	(19)	19	6,842	1,859
Taxes due payable	**20,762**	**17,826**	**238,093**	**271,202**
Income tax – Employees	12,658	2,371	64,916	43,439
Income Tax – Third parties	40	22	13,148	9,746
Service tax	152	9	15,321	14,564
Social security contribution retained	-	-	2,017	3,120
Retention of PIS/COFINS/CSLL	(28)	(83)	39,613	38,653
Withholding income tax on interest on shareholders' equity	-	-	-	-
Withholding taxes payable	**12,822**	**2,319**	**135,015**	**109,522**
Installment payment of taxes, fines and rates – Federal	-	-	209,937	217,210
Installment payment of taxes, fines and rates – Municipal	-	-	2,473	4,184
Installment payment of taxes, fines and rates – Other	-	-	23,958	26,736
Installment payment of taxes, fines and rates	**-**	**-**	**236,368**	**248,130**
Total	**33,584**	**20,145**	**609,476**	**628,854**
Current	33,584	20,145	456,250	467,460
Non-current	-	-	153,226	161,394

24 Provision for tax, civil and labor risks

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

The Company and its subsidiaries make a provision for all legal and administrative proceedings classified as probable loss risk, which it considers sufficient to cover possible losses, as well as discusses other lawsuits for which the legal advisers estimate as possible loss, not creating an accounting provision.

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

	Parent Company		Consolidated	
Lawsuits with probable loss forecast - Nature:	03/31/2024	12/31/2023	03/31/2024	12/31/2023
Provision for tax lawsuits (ANS included)	-	-	496,017	502,502
Provision for civil lawsuits	1,504	973	527,152	500,863
Provision for labor lawsuits	541	1,101	261,133	263,951
Total	**2,045**	**2,074**	**1,284,302**	**1,267,316**

Changes incurred in provision for risks for the period ended March 31, 2024 and year ended December 31, 2023 are detailed as follows:

Provision for tax, civil and labor risks	**Parent Company**
Balances at January 01, 2023	**906**
Net additions and reversals	1,859
Payments	(691)
Balances at December 31, 2023	**2,074**
Net additions and reversals	109
Payments	(138)
Balances at March 31, 2024	**2,045**

	Consolidated			
	Civil	Labor	Tax	Total
Balances at January 01, 2023	**445,439**	**266,119**	**649,416**	**1,360,974**
Acquisition 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)
Balances at December 31, 2023	**500,863**	**263,951**	**502,502**	**1,267,316**
Net additions and reversals	58,322	6,077	3,789	68,188
Payments	(30,706)	(8,895)	(10,274)	(49,875)
Offsetting	(1,327)	-	-	(1,327)
Balances at March 31, 2024	**527,152**	**261,133**	**496,017**	**1,284,302**

Below is a breakdown of the risk amounts arising from lawsuits and administrative proceedings classified as possible loss, in which the Company and/or its subsidiaries are party, related to the period ended March 31, 2024 and year ended December 31, 2023:

	Parent Company		**Consolidated**	
Lawsuits with possible loss forecast - Nature:	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Tax (ANS included)	16,637	16,637	5,219,945	4,858,147
Civil	13,415	13,291	1,791,925	1,708,825
Labor	4,276	4,228	872,685	799,385
Total	**34,328**	**34,156**	**7,884,555**	**7,366,357**

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

			Probable		**Possible**	
Type	**Theme**	**Object**	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Civil	Indemnity lawsuits - Medical Acts	The contingency addressed comes from 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.	136,664	117,428	52,116	688,187
	Legal and/or Contractual Coverage Exclusion	The contingency in question arises from 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. In this scenario, many judicial decisions are made in non-compliance with the applicable legislation, without due obedience to the care limits defined by law and/or contractually.	78,730	72,040	127,409	114,518
	Contractual Grace Period	The contingency addressed comes from civil lawsuits filed by beneficiaries seeking to obtain health care coverage from its health care plan without proper compliance with the grace periods. In this scenario, many court decisions are made disregarding the applicable legislation, without due obedience to the grace periods provided by law and/or contractually.	47,489	45,160	63,746	62,007
	Debts with Providers in General	This contingency arises from 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.	77,098	75,852	204,499	200,005
	Other civil matters	Contingencies with various issues arising from civil lawsuits.	187,171	190,383	44,155	644,108
		Total – Civil	**527,152**	**500,863**	**791,925**	**1,708,825**

			Probable		Possible	
Type	**Theme**	**Object**	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Labor	Acknowledgment of employment relationship	The contingency addressed comes from labor lawsuits filed by individuals, service providers, seeking to obtain recognition of an alleged employment relationship maintained with the Company and/or its subsidiaries, even without the presence of the typical assumptions of an employment relationship. In this scenario, we can mention: physicians, radiology technicians, physiotherapists, phonoaudiologists, etc.	103,537	111,310	208,009	192,415
	Labor amounts/severance pay	The contingency addressed arises from labor lawsuits filed by former employees or employees, individually or collectively, who claim the receipt of labor amounts and severance pay related to the period in which they worked for the Company and/or its subsidiaries, 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.	143,454	141,104	392,073	353,852
	Tax Assessment Notices / NDFC / NFGC / NFRC	The contingency arises from Tax Assessment Notices and Debit/Fiscal Notices related to Employee Severance Guarantee Fund issued against the Company and/or its subsidiaries, in which administrative fines and FGTS payments are levied arising from alleged violations of the legal rules governing labor and employment relations.	2,086	1,917	218,520	218,555
	Other topics labor	Contingencies with various issues arising from labor lawsuits.	12,056	9,620	54,083	34,563
		Total - Labor	**261,133**	**263,951**	**872,685**	**799,385**

			Probable		Possible	
Type	**Theme**	**Object**	**03/31/2024**	**12/31/2023**	**03/31/2024**	**12/31/2023**
Tax	ANS Administrative fines / Reimbursement to SUS (regulatory aspects)	The contingency addressed arises from 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.	115,802	120,759	81,056	07,187
	Service tax (ISS)	The contingency now treated comes from administrative and court lawsuits filed by Municipal Treasury Secretaries, which intend to collect the service tax allegedly due by the Company and/or its subsidiaries as a result of its operating activities.	96,341	95,520	1,569,282	1,426,644
	Tax Foreclosures - Business Succession	The contingency refers to tax foreclosures originally filed against other health care companies, in which the National Treasury requested the redirection to the Company and its subsidiaries, on the grounds of alleged business succession arising from operations of disposal of the portfolio of beneficiaries.	4,141	92,752	166,533	166,533
	Social security matters	The contingency mainly results from 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.	25,896	2,303	548,227	514,414
	Tax assessment notices – IRPJ/CSLL - Goodwill	The Company's subsidiaries have an administrative proceeding arising from tax assessment notices issued for undue collection of Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL).	-	-	1,182,951	955,141
	Accident Prevention Factor (FAP) on the rate set for the SAT/RAT contribution	The contingency arises from the application of the Accident Prevention Factor (FAP) on the rate set for the contribution to the SAT/RAT, ordering the co-authoring Authority 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.	14,522	14,308	8,019	.901
	Special Tax Regularization Program (PERT)	The Company's subsidiaries have tax foreclosures on debits included in the Special Tax Regularization Program (PERT).	-		27,297	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.	-		605,309	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	37	11,552	14,897
	Enrollment	Annulment request aimed at canceling the asset seizure procedure initiated against the Company's subsidiaries.	-	-	78	36,233
	Other tax matters	Contingencies with various issues arising from tax proceedings.	149,176	146,723	619,641	605,920
		Total – Tax	**496,017**	**502,502**	**5,219,945**	**4,858,147**

Judicial deposits

The Company and its subsidiaries have judicial deposits held in assets in the following amounts:

	Parent Company		Consolidated	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
Tax judicial deposits	562	543	498,165	448,058
Regulatory judicial deposits (i)	-	-	1,216,861	1,208,179
Civil judicial deposits	9,188	9,468	598,604	501,100
Labor judicial deposits	677	678	70,133	68,869
Total	**10,427**	**10,689**	**2,383,763**	**2,226,206**

(i) It refers substantially to judicial deposits for reimbursement of medical expenses to SUS.

25 Other accounts payable

The balance of this group of accounts is comprised as follows:

	Parent Company		Consolidated	
	03/31/2024	**12/31/2023**	**03/31/2024**	**12/31/2023**
Contractual obligations (a)	-	-	1,143,726	1,110,941
Third-party deposits	86	86	75,158	81,608
Advance from clients	80	80	63,961	65,608
Private Health Insurance Regulatory Tax	-	-	4,232	4,232
Debits from health care operations and not related to the plan (i)	-	-	8,077	10,074
Provisions for employee benefit plans	-	-	19,185	23,253
Deferred portion of the acquisition price	-	-	11,074	17,152
ANS fine payable	-	-	27,615	29,700
Financial institution partnership advance	26,950	28,600	40,510	42,104
Retention bonus payable (ii)	12,000	12,000	12,000	12,000
PROMED Settlement Agreement (iii)	-	-	125,070	125,070
Rentals payable	-	-	17,911	17,224
Sundry debits (iv)	91,676	3,485	532,023	450,792
Total	**130,792**	**44,251**	**2,080,542**	**1,989,758**
Current	110,442	22,251	483,534	406,911
Non-current	20,350	22,000	1,597,008	1,582,847

(i) It refers to obligations with health service providers and medical teams.
(ii) Provision for retention bonuses payable to Company executives for time spent with the Company.
(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.
(iv) The increase was due to the granting of shares through the Stock Grant program.

(a) Contractual obligations (consolidated)

It substantially refers to contingent consideration relating to the acquisitions of companies resulting from business combinations, as shown below for the changes below for the period ended March 31, 2024 and year ended December 31, 2023:

	Consolidated	
	03/31/2024	**12/31/2023**
Balance of the beginning of the period/year	**1,110,941**	**1,207,398**
Acquisition price of Companies	-	664,370
Payments	(1,706)	(727,696)
Inflation adjustment	24,278	139,088
Compensation balances	16,249	(167,917)

Price Adjustments/Re-measurements	(6,036)	(4,302)
Balance at the end of the period/year	**1,143,726**	**1,110,941**
Current	83,450	83,912
Non-current	1,060,276	1,027,029

26 Equity

a) Share capital

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

	03/31/2024	**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 compulsorily on the allocation of 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 March 31, 2024	**12,629**

d) Repurchase of shares

On March 31, 2024, the Company has a balance of R$ 424,435 referring to the repurchase of shares, equivalent to 45,215,560 (forty-five million, two hundred and fifteen thousand, five hundred and sixty) 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 basically calculated by dividing net earnings/(losses) for the period attributed to controlling shareholders, by the weighted average number of outstanding common shares.

	03/31/2024	03/31/2023
Net income/(loss) attributable to the Company and its subsidiaries (R$ thousand)	83,388	(341,554)
Net income/(loss) attributable to controlling shareholders (In thousands of Reais)	83,506	(342,578)
Weighted average number of shares (thousands of shares)	7,646,823	7,226,101
Basic and diluted earnings/(losses) per share (In thousands of Reais)	0.01	(0.05)

27 Share-based remuneration plan

Stock option

The Company has a share-based remuneration plan to promote the pursuit of long-term growth and profitability of the Company and its subsidiaries, providing professionals who are or will be involved in the Company's growth 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 01, 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 (six reais and fifty cents) 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:

- 1/3 (one third) of the Options granted may be exercised from August 31, 2022;
- 1/3 (one third) of the Options granted may be exercised after 24 (twenty-four) 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
- 1/3 (one third) of the Options granted may be exercised after 36 (thirty-six) 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
Strike 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**
1st grant	125,542,812	(52,855,107)	72,687,705	505,023
2nd 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 March 31, 2024, according to the period elapsed for the vesting of the restricted shares, was R$ 24,435 (R$ 29,131 on March 31, 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 (1)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% (twenty-five percent) of the Virtual Retention Shares will have completed their Vesting Period on the 1st (first) anniversary of the Grant Date ("1st Vesting Period");

(ii) 25% (twenty-five percent) of the Virtual Retention Shares will have completed their Vesting Period on the 2nd (second) anniversary of the Grant Date ("2nd Vesting Period");

(iii) 25% (twenty-five percent) of the Virtual Retention Shares will have completed their Vesting Period on the 3rd (third) anniversary of the Grant Date ("3rd Vesting Period"); and

(iv) 25% (twenty-five percent) of the Virtual Retention Shares will have completed their Vesting Period on the 4th(fourth) anniversary of the Grant Date ("4th Vesting Period").

*January 01, 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
01/01/2024	75,350,000	17,425

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 March 31, 2024 totaled R$ 17,425.

28 Net revenue from services rendered

	Consolidated	
	03/31/2024	**03/31/2023**
Gross considerations	7,078,185	6,697,879
Revenues from other activities	218,467	361,443
(-) Taxes on revenue	(232,183)	(276,685)
(-) Unconditional discounts and other deductions	(73,022)	(56,444)
	6,991,447	**6,726,193**

29 Cost of services rendered

	Consolidated	
	03/31/2024	**03/31/2023**
Medical and hospital costs and others	(4,046,695)	(4,107,069)
Change of PEONA	(978)	1,758
Material and medication cost	(584,819)	(617,034)
Cost with location and operation	(235,388)	(214,033)
Costs with outsourced services	(92,636)	(98,315)
Depreciation and amortization cost	(112,265)	(110,520)
(-) Co-participation	208,214	176,417
SUS Reimbursement	(56,167)	(45,845)
Change of PEONA SUS	3,821	(32,041)
Total	**(4,916,913)**	**(5,046,682)**

30 Sales expenses

	Consolidated	
	03/31/2024	**03/31/2023**
Publicity and advertising expenses	(12,511)	(12,363)
Commission expenses	(315,796)	(321,385)
Provision for losses and effective credit losses	(170,688)	(154,076)
Own personnel expenses	(43,557)	(29,259)
Other sales expenses	(8,668)	(2,863)
Total	**(551,220)**	**(519,946)**

31 Administrative expenses

	Parent Company		Consolidated	
	03/31/2024	**03/31/2023**	**03/31/2024**	**03/31/2023**
Own personnel expense	(32,040)	(21,198)	(257,902)	(285,596)
Stock option plan expenses (Note 27)	(24,435)	(29,131)	(24,435)	(29,131)
Expenses with cash-settled share-based payment plan (Note 27)	(17,425)	(9,094)	(17,425)	(9,094)
Outsourced service expenses	(5,930)	(2,684)	(194,029)	(174,156)
Expenses with location and operation	(886)	(1,008)	(68,325)	(77,463)
Expenses with depreciation and amortization	(194,233)	(150,492)	(431,607)	(392,462)
Tax expenses	(147)	(3)	(24,291)	(30,825)
Indemnification, legal costs and contingency provisions	(1,548)	(159)	(93,425)	(64,214)
Sundry revenues (expenses), net	(28)	15	(10,485)	(15,441)
Total	**(276,672)**	**(213,754)**	**(1,121,924)**	**(1,078,382)**

32 Net financial revenues (expenses)

	Parent Company		Consolidated	
Financial revenues	**03/31/2024**	**03/31/2023**	**03/31/2024**	**03/31/2023**
Interest on investments, except for collateral assets	5,076	32	95,854	48,120
Financial revenue from investments - Collateral Assets	-	-	90,451	62,749
Other revenues from short and long term investments	-	-	1	662
Late receipt	-	-	29,169	28,441
Revenues from derivative financial instruments - Debt	-	355	18,996	355
Foreign exchange gains	-	-	1	3,754
Revenues from inflation adjustments - SUS	-	-	16,301	21,605
Revenues from other inflation adjustments	-	-	18,189	19,106
Other financial revenues	993	107	6,634	8,806
Subtotal - Financial revenues	**6,069**	**494**	**275,596**	**193,598**

	Parent Company		Consolidated	
Financial expenses	**03/31/2024**	**03/31/2023**	**03/31/2024**	**03/31/2023**
Interest from debentures	(245,523)	(225,888)	(252,487)	(317,104)
Interest from right-of-use	(5)	(4)	(80,495)	(51,514)
Discounts granted	-	-	(4,341)	(4,711)
Bank expenses	(120)	(37)	(8,391)	(11,185)
Charges on taxes	-	-	(60)	(744)
Financial expenses with derivative instruments - Debt	-	-	(11,936)	(40,687)
Financial expenses with derivative instruments - Equity	-	(19,466)	-	(19,466)
Expense on exchange rate change	-	-	(7,221)	(4)
Interest on loans and financing	-	-	(72,947)	(44,557)
Expenses with inflation adjustments - SUS	-	-	(29,817)	(38,603)
Expenses with other inflation adjustments	-	(1)	(55,643)	(69,360)
Charges on interest on shareholders' equity received	-	-	-	-
Other financial expenses	(3,883)	(1,946)	(8,475)	(25,691)
Subtotal - Financial expenses	**(249,531)**	**(247,342)**	**(531,813)**	**(623,626)**
Total - Net financial income (loss)	**(243,462)**	**(246,848)**	**(256,217)**	**(430,028)**

33 Income tax and social contribution

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

Since the amounts recorded in the parent company interim statements are not relevant. Only the reconciliation of the consolidated interim statements is presented below:

	03/31/2024		03/31/2023	
Income/(Loss) before income tax and social contribution		**151,442**		**(336,691)**
Rates				
IRPJ, plus the additional tax rate		25%		25%
CSLL		9%		9%
Receivables (Debits) with income tax and social contribution at official rates		**51,490**		**(114,475)**
Permanent differences				
Tax loss on which a deferred tax asset was not formed (i)	0.46%	702	-14.12%	47,539
Debt Adjustment - Business Combination	-0.03%	(46)	-0.06%	215
Non-deductible provision	5.09%	7,704	-16.08%	54,152
Other additions and exclusions	9.36%	14,169	-5.50%	18,512
Subtotal	**14.88%**	**22,529**	**-35.77%**	**120,418**
Impacts of the tax on entities taxed by deemed profit				
Reversal of the tax effect by the actual profit	0.00%	-	0.45%	(1,500)
Income tax and social contribution calculated at deemed profit	0.00%	-	-0.12%	420
Subtotal	**0.00%**	**-**	**0.32%**	**(1,080)**
Income tax and social contribution	**48.88%**	**74,019**	**-1.44%**	**4,863**
Current income tax	52.95%	80,193	-15.95%	53,702
Current social contribution	19.03%	28,824	-3.70%	12,463
Deferred income tax	-16.16%	(24,477)	13.06%	(43,977)
Deferred social contribution	-6.95%	(10,521)	5.15%	(17,325)
Income tax and social contribution	**48.88%**	**74,019**	**-1.44%**	**4,863**

(i) Balance arising mainly from the companies Notre Dame Intermédica Participações S.A., BCBF Participações S.A. and CCG Participações S.A. from tax losses which were not recognized as deferred tax assets, given that the operation of these companies is of holding interests in other entities (holding companies).

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

	Consolidated	
	03/31/2024	**12/31/2023**
Balance at the beginning of the year	**28,261**	**31,798**
Calculated income tax and social contribution	109,017	190,713
Recoverable income tax and social contribution	7,953	94,051
Withheld income tax and social contribution	(9,926)	(73,663)
(-) Payments made	(93,874)	(214,638)
Balance at the end of the year	**41,431**	**28,261**

The Company and its subsidiaries do not recognize income tax and social contribution expenses directly in the equity.

b. Deferred income tax and social contribution

b.1 Changes

c. Changes in deferred income tax and social contribution, in the period ended March 31, 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 03/31/2024
Provision for tax, civil and labor risks	309	397	706	(10)	696
Credit on tax loss and negative basis	442,242	344,728	786,970	119,218	906,188
Costs with issue of debentures	6,852	(15,626)	(8,774)	(1,108)	(9,882)
Deferred tax on right-of-use	16	(10)	6	-	6
Share-based payment plan expenses	184,492	20,972	205,464	(45,347)	160,117
Provision for performance premium	-	-	-	-	-
Amortization of fair value - Assets acquired in business combination	260,350	250,402	510,752	65,990	576,742
Other tax credits/debits	6,276	(6,286)	(9)	30,450	30,441
Total	**900,537**	**594,577**	**1,495,115**	**169,193**	**1,664,308**

	Consolidated					
	Balance at 01/01/2023	Recognized in income (loss)	Reclassification of items for sale	Balance at 12/31/2023	Recognized in income (loss)	Balance at 03/31/2024
Provision for tax, civil and labor risks	309,552	(74,937)	(2,945)	231,670	164,745	396,415
Impairment loss on trade receivables	218,489	22,784	(794)	240,479	23,017	263,496
Expenses with deferred commissions	(89,583)	(4,193)	-	(93,776)	(318)	(94,094)
Credit on tax loss and negative basis (i)	1,081,127	245,654	-	1,326,781	97,203	1,423,984
Amortization of fair value - Assets acquired in business combination	619,691	124,373	-	744,064	31,688	775,752
Deferred tax on goodwill in business combination (ii)	(808,303)	(470,280)	15,059	(1,263,524)	(114,861)	(1,378,385)
Deferred tax on right-of-use	86,843	89,088	(184)	175,747	4,085	179,832
Cost with issue of debentures	6,901	(25,612)	-	(18,711)	(798)	(19,509)
Share-based payment plan expenses	184,492	20,971	-	205,463	(45,348)	160,115
Other tax credits	87,371	196,691	360	284,422	(124,415)	160,007
Total	**1,696,580**	**124,539**	**11,496**	**1,832,615**	**34,998**	**1,867,613**
Deferred tax assets	2,504,883			3,096,139		3,245,998
Deferred tax liabilities	(808,303)			(1,263,524)		(1,378,385)

(i) Only the transaction of entities for which it is probable that future taxable income are made available for the Company and its subsidiaries to be able to use the respective benefits were included in the calculation of deferred income tax and social contribution.

(ii) Deferred tax liability constituted on the tax amortization of goodwill arising from business combinations, in accordance with Article 22 of Law 12973/14.

c.1 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
	03/31/2024	03/31/2024
2024	75,813	44,363
2025	75,813	44,363
2026	365,109	58,603
2027	397,923	186,761
2028	370,595	414,599
>2029	379,055	1,118,924
Total	**1,664,308**	**1,867,613**

The Company and its subsidiaries have tax losses and negative social contribution bases in the calculation of taxable income which represent a right with no statute of limitation, under the terms of current legislation. After the business combinations that took place as of 2019, the Company and its subsidiaries carried out their strategic corporate restructuring planning to support the realization of these taxes.

The main pillars of this planning are: 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 March 31, 2024, the Company carried out one (1) 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 much 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 March 31, 2024 and year ended December 31, 2023, the Company and its subsidiaries made no transfer between financial assets or transfer among hierarchic levels.

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

	Consolidated						
March 31, 2024	**Book value**				**Fair value**		
Financial assets measured at fair value	**Amortized cost**	**Fair value through profit or loss**	**FVOCI**	**Total**	**Level 1**	**Level 2**	**Total**
Short and long term investments - Investment Funds	-	5,973,951	-	5,973,951	-	5,973,951	5,973,951
Derivative financial instruments - Long position	-	-	-	-	-	-	-
Total	**-**	**5,973,951**	**-**	**5,973,951**	**-**	**5,973,951**	**5,973,951**
Financial assets not measured at fair value							
Short and long term investments - Bank Deposit Certificate (CDB)	170,721	-	-	170,721	-	-	-
Short and long term investments - Brazilian Treasury Note (NTN-B)	185,162	-	-	185,162	-	-	-
Short and long term investments - Financial Treasury Bill (LFT)	601,100	-	-	601,100	-	-	-
Total	**956,983**	**-**	**-**	**956,983**	**-**	**-**	**-**
Financial liabilities not measured at fair value							
Loans and financing (ii)	(250,504)	-	-	(250,504)	-	-	-
Debentures (ii)	(8,524,244)	-	-	(8,524,244)	-	-	-
Real Estate receivables certificate - CRI (ii)	(2,159,111)	-	-	(2,159,111)	-	-	-
Dividends and interest on shareholders' equity	(12,629)	-	-	(12,629)	-	-	-
Leases payable	(3,023,633)	-	-	(3,023,633)	-	-	-
Derivative financial instruments - Short position	-	(16,994)	(55,193)	(72,187)	-	(72,187)	(72,187)
Total	**(13,970,121)**	**(16,994)**	**(55,193)**	**(14,042,308)**	**-**	**(72,187)**	**(72,187)**
Financial liabilities measured at fair value							
Contingent consideration (i)	-	(1,143,726)	-	(1,143,726)	-	(1,143,726)	(1,143,726)
Total	**-**	**(1,143,726)**	**-**	**(1,143,726)**	**-**	**(1,143,726)**	**(1,143,726)**

December 31, 2023	Consolidated						
	Book value				Fair value		
Financial assets measured at fair value	Amortized cost	Fair value through profit or loss	FVOCI	Total	Level 1	Level 2	Total
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) as presented in 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 because 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

Obtained from the values of the shares 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 formalized policy to make investments and to use financial instruments in its activities.

The investment policy has the following characteristics: (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 – Financial instruments

As of March 31, 2024, the Company and its subsidiaries have the following sensitivity of its financial assets and liabilities based on the change in the basic interest rate of the economy (CDI), whose impacts are projected according to the scenarios below: The Company and its subsidiaries consider the CDI published for the base date of March 31, 2024, as a probable scenario.

		Risk	**Scenario (-50%)**	**Scenario (-25%)**	**Scenario (Probable)**	**Scenario (+25%)**	**Scenario (+50%)**
		CDI	4.58%	6.86%	9.15%	11.44%	13.73%
		IPCA (NATIONAL AMPLIFIED CONSUMER PRICE INDEX)	5.03%	7.55%	10.06%	12.58%	15.09%
	03/31/2024	**SELIC**	6.52%	9.78%	13.04%	16.30%	19.56%
Short and long term investments							
Balance of pledged short and long term investments	2,510,042	109.15% CDI	114,834	172,252	229,669	287,086	344,503
Balance of short and long term investments (free)	4,009,838	109.15% CDI	183,450	275,175	366,900	458,625	550,350
Balance of short and long term investments (NTN-B)	42,237	10.06% IPCA	2,125	3,187	4,249	5,311	6,374
Balance of short and long term investments (pledged NTN-B)	142,925	10.06% IPCA	7,189	10,784	14,378	17,973	21,567
Balance of Short and long term investments (pledged Financial Treasury Bills)	225,892	13.04% SELIC	14,728	22,092	29,456	36,820	44,184
Total	**6,930,934**						

		Risk	**Scenario (-50%)**	**Scenario (-25%)**	**Scenario (Probable)**	**Scenario (+25%)**	**Scenario (+50%)**
	03/31/2024	**CDI**	4.58%	6.86%	9.15%	11.44%	13.73%
Loans and financing							
Working capital	250,504	109.15% CDI	11,461	17,191	22,921	28,651	34,382
Total	**250,504**						

		Risk	**Scenario (-50%)**	**Scenario (-25%)**	**Scenario (Probable)**	**Scenario (+25%)**	**Scenario (+50%)**
	03/31/2024	**CDI**	4.58%	6.86%	9.15%	11.44%	13.73%
Debentures							
Debentures – series 1 – 1st issue – Hapvida Part.	602,742	109.15% CDI	27,575	41,363	55,151	68,939	82,726
Debentures – series 2 - 1st issue – Hapvida Part.	241,009	109.15% CDI	11,026	16,539	22,052	27,565	33,078
Debentures – series 1 – 2nd issue – Hapvida Part.	1,310,999	109.15% CDI	59,978	89,967	119,956	149,946	179,935
Debentures – series 2 – 2nd issue – Hapvida Part.	1,312,049	109.15% CDI	60,026	90,039	120,052	150,066	180,079
Debentures – 3rd issue – Hapvida Part.	2,087,980	109.15% CDI	95,525	143,288	191,050	238,813	286,575
Debentures – 5th issue – Hapvida Part.	1,025,130	109.15% CDI	46,900	70,350	93,799	117,249	140,699
Debentures – 3rd issue – NDI Saúde	271,281	109.15% CDI	12,411	18,617	24,822	31,028	37,233
Debentures – 4th issue – Hapvida Part. (*)	98,026	109.15% CDI	4,485	6,727	8,969	11,212	13,454
Debentures – 5th issue – Hapvida Part. (*)	307,206	109.15% CDI	14,055	21,082	28,109	35,137	42,164
Debentures – 6th issue – Hapvida Part. (*)	1,267,822	109.15% CDI	58,003	87,004	116,006	145,007	174,009
Total	**8,524,244**						

		Risk	**Scenario (-50%)**	**Scenario (-25%)**	**Scenario (Probable)**	**Scenario (+25%)**	**Scenario (+50%)**
		CDI	4.58%	6.86%	9.15%	11.44%	13.73%
	03/31/2024	**IPCA (NATIONAL AMPLIFIED CONSUMER PRICE INDEX)**	1.72%	2.58%	3.44%	4.30%	5.16%
Real estate receivables certificate							
CRI – single series – Hapvida Assistência Médica	1,122,769	3.44% IPCA	19,312	28,967	38623	48,279	57,935
CRI – series 1 – NDI Saúde (**)	549,715	109.15% CDI	25,149	37,724	50,299	62,874	75,448
CRI – series 2 – NDI Saúde (**)	385,257	3.44% IPCA	6,626	9,940	13253	16,566	19,879
CRI – series 3 – NDI Saúde (**)	101,370	3.44% IPCA	1,744	2,615	3487	4,359	5,231
Total	**2,159,111**						

(*) 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 analyzes many 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.

Each client that is considered medium or large company has its medical losses ratio 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 risks of clients bringing constant 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

One way to measure possible impacts on income (loss) and equity resulting from subscription risks is to evaluate the variables that may be affected due to the product subscription process or insufficient prices.

The sensitivity analyses below simulate the possible impacts on the income (loss) and equity of changes in operational parameters before and after hiring:

	March 31, 2024 – Consolidated	
	Effect on income (loss) before taxes	**Effect on income (loss) after tax and impact on equity**
5% increase in claims	(245,846)	(162,258)
5% increase in administrative and sales expenses	(83,657)	(55,214)
5% decrease in claims	245,846	162,258
5% decrease in administrative and sales expenses	83,657	55,214

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 are relevant to providing an environment with greater stability and control, insofar as they have an effectively preventive purpose. In this sense, 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 fail 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 by Management mainly 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 a provision for impairment which consists in the use of factors related to losses noted in recent time series, 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; On this occasion, the 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 client base that is very dispersed and has an undefined concentration. For non-paying clients, the Company and its subsidiaries cancel the plans in accordance with ANS rules.

Short and long term investments

Regarding the credit risks from short and long term investments, a table 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 (*)**	
	03/31/2024	**12/31/2023**	**SHORT-TERM**	**LONG-TERM**	**SHORT-TERM**	**LONG-TERM**	**SHORT-TERM**	**LONG-TERM**
Banco Itaú Unibanco S.A.	2,721,293	2,827,565	F1+	AAA	BR-1	Aaa.br	brA-1+	brAAA
Banco Santander S.A.	2,427,368	2,235,553	-	-	BR-1	Aaa.br	brA-1+	brAAA
Banco Bradesco S.A.	150,825	196,062	F1+	AAA	BR-1	Aaa.br	brA-1+	brAAA
Caixa Econômica Federal	70,204	95,898	F1+	AA	BR-1	Aaa.br	brA-1+	brAAA
Banco do Brasil S.A.	1,013,474	513,385	F1+	AA	BR-1	Aaa.br	brB	brB
Banco Safra S.A.	21,875	25,404	-	-	BR-1	Aaa.br	brA-1+	brAAA
Banco Votorantim	1,590	1,541	-	AAA	-	Aaa.br	brA-1+	brAAA
Credit Suisse	346,807	337,943	F1+	AAA	BR-1	Aaa.br	brB	brB
BTG Pactual	111,880	111,894	F1+	AAA	-	Aaa.br	-	-
Other banks	65,618	114,510	-	AAA	-	Aaa.br	-	-
Total	**6,930,934**	**6,459,755**						

(*) Last disclosure. National scale.

Cash and cash equivalents

The Company and its subsidiaries held "Cash and cash equivalents" of R$ 826,582 as of March 31, 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 sullying the reputation of the Company and its subsidiaries.

The Company and its subsidiaries use medical losses control 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.

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

			Contractual cash flows					
Financial liabilities	**Notes**	**Book value**	**2024**	**2025**	**2026**	**2027**	**>2028**	**Total**
Suppliers	-	277,673	277,673	-	-	-	-	277,673
Technical reserves (i)	21	880,102	880,102	-	-	-	-	880,102
Loans, financing, debentures and CRI	19	10,933,859	1,852,276	2,043,312	2,779,298	1,749,799	7,500,694	15,925,379
Leases payable	20	3,023,633	334,586	432,925	412,883	385,141	7,360,798	8,926,333
Other accounts payable	25	2,080,542	483,534	1,597,008	-	-	-	2,080,542
Dividends and interest on shareholders' equity payable	26.c	12,629	12,629	-	-	-	-	12,629
Total		**17,208,438**	**3,840,800**	**4,073,245**	**3,192,181**	**2,134,940**	**14,861,492**	**28,102,658**

(i) Composed of provisions for events to be settled, according to 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 losses control 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 March 31, 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:

Instrument	Maturity	Long position	Short position	Fair value	Notional (R$)	Position at 03/31/2024	Position at 12/31/2023
Swap - Interest rate	Dec 2031	IPCA+5.7505% p.a.	107.50% CDI	(24,895)	503,475	(24,895)	(9,225)
Swap - Interest rate	Dec 2031	IPCA+5.7505% p.a.	107.50% CDI	(34,294)	617,303	(34,294)	(15,863)
Foreign exchange swap	Feb 2026	US$+6.84% p.a.	CDI + 1.6% p.a.	(12,998)	260,000	(12,998)	(23,328)
Total				**(72,187)**		**(72,187)**	**(48,416)**
					Assets	-	-
					Liabilities	(72,187)	(48,416)

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

	03/31/2024	12/31/2023
Balance of the beginning of the period/year - Liabilities/(Assets)	**25,088**	-
Accrual	(5,291)	9,287
Market value - MTM	39,392	15,801
Interest payment	-	-
Balance at the end of the period/year - Liabilities/(Assets)	**59,189**	**25,088**

On March 31, 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 accordance with the orientation 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 breakdown of the insurance coverage of the Company and its subsidiaries is as follows:

Item	Type of coverage	Insured amount
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 (Brazilian territory) and theft of medicines.	669,062
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.	1,595,687
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 management, construction,, supply or provision of services	21,609

36 Transactions that do not involve cash or cash equivalents

During the periods ended March 31, 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:

	Parent Company		**Consolidated**	
	03/31/2024	**03/31/2023**	**03/31/2024**	**03/31/2023**
Right of use - Additions/Write-offs and remeasurements	1	239	272,236	34,853
Share transfer write-off - Stock grant (i)	48,256	-	48,256	-
Other accounts payable - Contract obligations	-	-	-	34,359

(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 March 31, 2024, consolidated solvency, when observed on an aggregate basis involving the operators controlled by the Company, reached the sufficiency indicated below:

	Consolidated
	03/31/2024
Adjusted equity (PMA) (A)	6,028,350
Risk-based capital (CBR) (B)	4,105,166
Sufficiency/(Insufficiency) calculated (A) - (B)	**1,923,184**

38 Discontinued operations

The divestment of Maida Health Participações Societárias S.A. and subsidiaries fits into the context of focusing Management's efforts on its core business. In this scenario, the Company and its subsidiaries classified these transactions as 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 March 31, 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) 7th Issue of Debentures – Hapvida Participações e Investimentos S.A.

On May 06, 2024, the Company’s Board of Directors approved the 7th issue of simple debentures, not convertible into shares, unsecured with additional personal guarantee totaling R$ 1,000,000.

The Debentures will have a personal guarantee as a surety granted by a wholly-owned subsidiary and will be the subject of a public offer for distribution in accordance with the Resolution 160 of the Securities and Exchange Commission, dated July 13, 2022, and other applicable legal and regulatory provisions, under the firm guarantee regime for the total amount of the issue. The offer will be aimed exclusively at professional investors, as defined in Article 11 of CVM Resolution 30, of May 11, 2021.

The issue will be carried out in a single series, and the debentures will be entitled to interest corresponding to 100% of the accumulated change in the average daily DI rates (DI Rate), compounded by a surcharge of 1.60% p.a., based on 252 business days, maturing in 2031, with annual amortizations on May 10, 2029, 2030, and 2031.

The net resources to be raised will be used to re-profile the Company’s financial liabilities. The completion of the Issue and the financial settlement of the Debentures are subject to the fulfillment of precedent conditions, as is customary in similar operations.

*　*　*

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

Gilson Ramos
Chief Accounting Officer
CRC SP-339585/O-9