(A free translation of the original in Portuguese)

Hapvida Participações e Investimentos S.A.

Parent company and consolidated financial statements at December 31, 2023

(A free translation of the original in Portuguese)

Contents

4Q23
Earnings Release

Earnings Call Presentation

April 1st, 2024 (Monday)

Portuguese (with simultaneous translation to English)

2pm (EDT – NY) | 3pm (BRT)

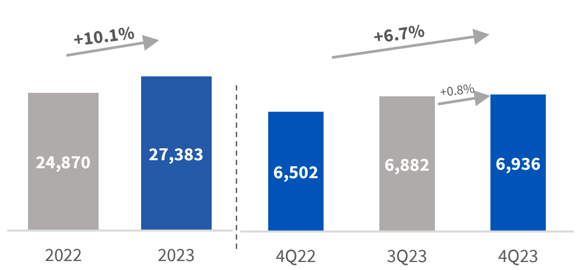
ri.hapvida.com.br

Summary

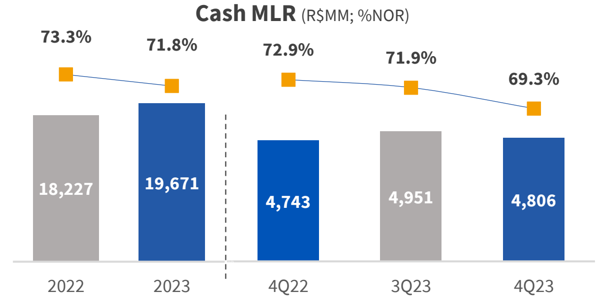
Quarter after quarter, we have continued a consistent path of margin recovery and Adjusted EBITDA expansion. This is the result of an orchestrated effort on two main fronts: (i) cost control through verticalization and integration of the acquired companies that now operate under Hapvida's system and (ii) a policy of price readjustment, necessary for the financial balance of the contracts, but attentive to the elasticities of our channels.

In a challenging year in terms of beneficiaries, we grew Net Revenue, had important reductions in Cash MLR and in the Administrative Expenses[1] ratio. We also highlight the robust cash generation and the maintenance of the Company's gradual deleveraging process (now down to 1.38x).

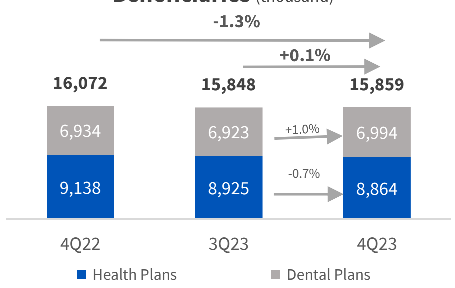
Net Revenue (R$MM)



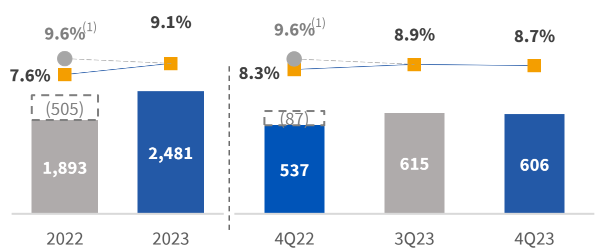
Cash MLR (R$MM; %NOR)



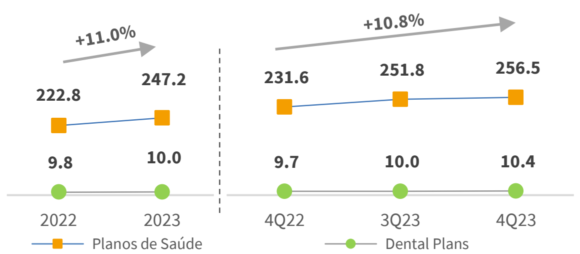
Beneficiaries (thousand)



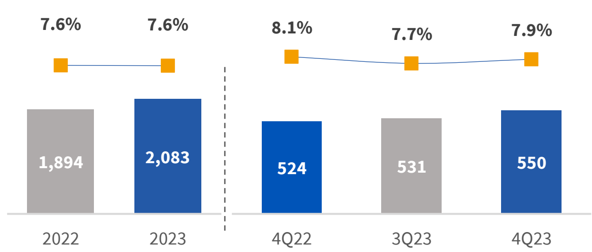
Cash G&A (R$MM; %NOR)



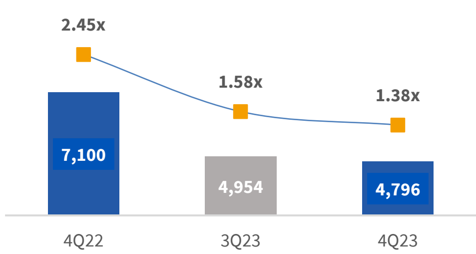
Average Ticket (R$/month)



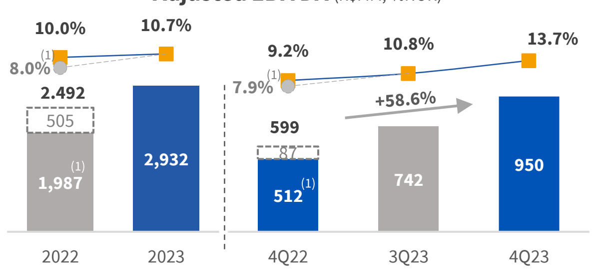
Sales Expenses (R$MM; %NOR)



Net Debt[2] (R$MM; ND/EBITDA LTM)



Adjusted EBITDA (R$MM; %NOR)

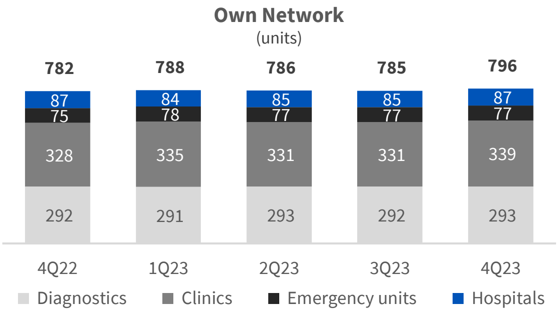


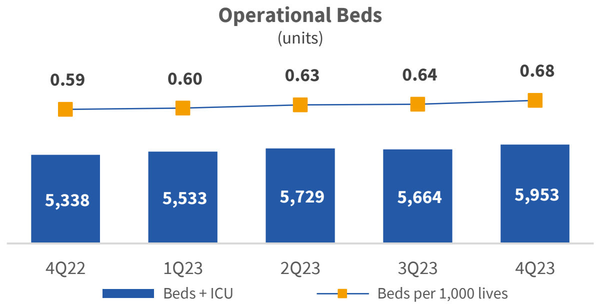
2022 data include the simple sum of the January'22 numbers of BCBF Participações S.A. to the Hapvida Investimentos e Paticipações results
(1) 3Q22 and 4Q22 excluding the positive impact of R$417.4 million and R$87.2 million, respectively, related to the reimbursement of expenses of acquired companies
(2) *Contractual covenant*

Operational Highlights

OWN NETWORK

We have once again increased our level of verticalization, ending 2023 with 87 hospitals, 77 emergency units, 339 clinics and 293 diagnostic imaging and laboratory collection units, making a total of 796 of own service points, accessible to our beneficiaries throughout the country.





The expansion of our own network is important not only to maintain an adequate level of cost control in line with the business strategy, which is an important pillar in the accessibility of our products, but mainly because it allows us to better control the care quality indicators, an increasingly important theme for management.

In the period, we added 17 units from the acquisition of HB Saúde and opened 32 new units throughout Brazil. Among the new units, we highlight the opening of 3 hospitals in key regions, 19 clinics, 4 emergency units and 6 diagnostic imaging and laboratory collection units.

In addition, we ended 2023 with a total of 52 units exclusively for Autism Spectrum Disorder (ASD), an important investment for controlling the impact of therapies on the composition of our MLR and internalizing higher quality care. We ended the period with +80% verticalization in the North/Northeast/Midwest operations in ASD therapies and +30% in the South/Southeast with room, therefore, to continue with our internalization efforts.

Throughout 2023, our own and accredited networks carried out 2.0 million daily hospital admissions (+4.9% vs. 2022), 44.1 million outpatient and emergency consultations (+2.2% vs. 2022), 145.1 million imaging and clinical analysis tests (+7.6% vs. 2022) and 27.0 million therapy sessions (+27.8% vs. 2022).

Rio Preto Hospital – São José do Rio Preto/SP – oct'23

Rio Solimões Pediatric Hospital – Manaus/AM – oct'23

Lifecenter Contagem Hospital/MG – apr'23

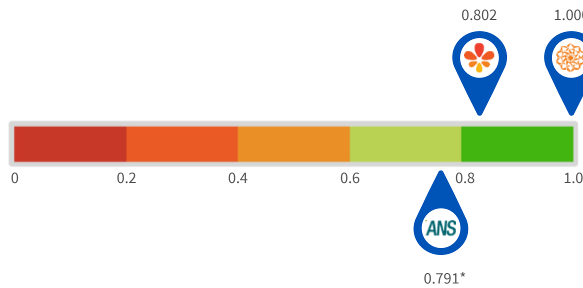
Contorno New Emergency unit – Belo Horizonte/MG– apr'23

QUALITY OF CARE & CARE FOR PEOPLE

The theme of Quality of Care and Care for People pf 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.

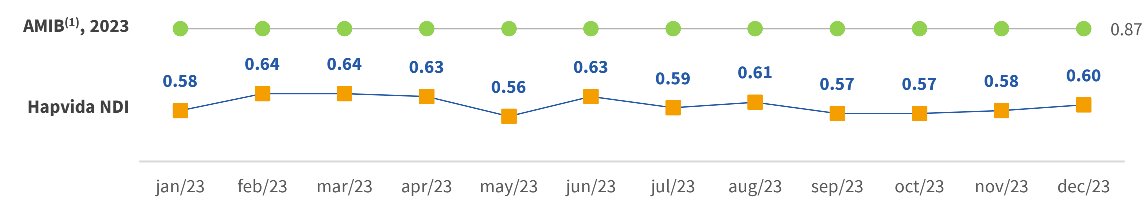
The theme permeates the entire company, becoming part of the management's new variable compensation, which includes quality of care metrics for the entire organization - from care to administration; as well as being a priority for the Board of Directors, which has an exclusive committee to monitor it.

The IDSS (Supplementary Health Performance Index) is an indicator developed by the National Supplementary Health Agency (ANS) for the annual assessment of the performance of Brazilian health plan operators. The Company maintained, for another consecutive year, its high-quality standards measured by the IDSS (base year 2022).



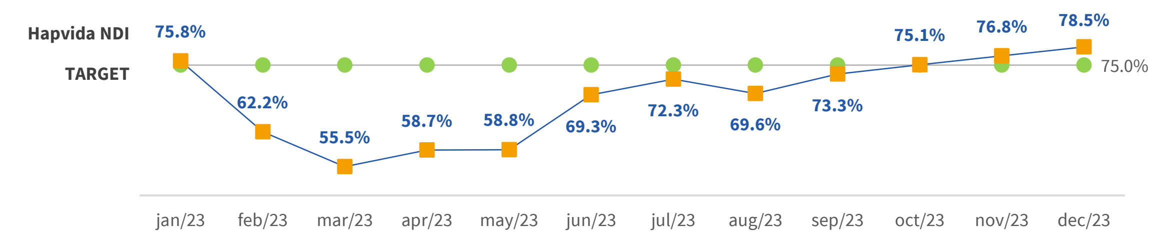
SMR - Standardized Mortality Rate in ICU

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.



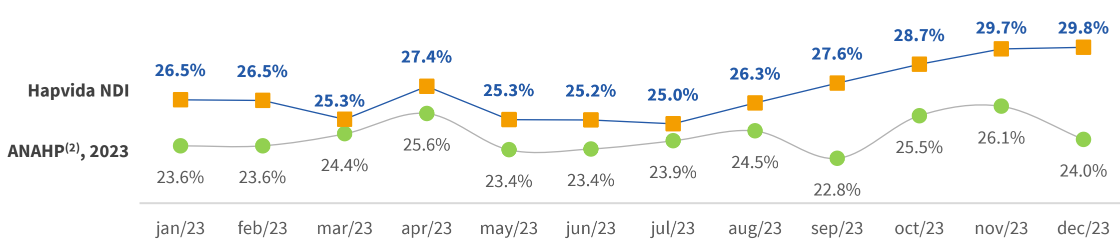
Waiting times in Emergencies

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.



*ANS consists of the weighted average by beneficiaries of the 3 largest operators/insurers
(1) AMIB - Brazilian Intensive Care Medicine Association (2) ANAHP - National Association of Private Hospitals

RESEARCH, DEVELOPMENT AND EDUCATION

Hapvida NotreDame Intermédica recognizes the importance of research and education as a fundamental pillar for excellence in the practice of medicine. The company has reinforced this commitment by creating the International Institute for Research and Education (IPE) in 2023.

The company invests in generating knowledge and innovation, seeking to improve care practices, develop new technologies and promote better quality and faster treatment for its beneficiaries.

Research and Development

We currently have research in the following areas:

Oncology:

- Breast
- Prostate
- Colon/Rectum
- Lung
- Cervical cancer
- Lymphoma

Neurological:

- Spinal Muscular Atrophy
- Amyotrophic Lateral Sclerosis
- Multiple Sclerosis
- Alzheimer
- Parkinson
- Huntington
- Cerebral Vascular Accident
- Psychiatric

Relevant chronic non-communicable diseases:

- Crohn
- Ulcerative colitis
- Arthritis
- Psoriasis

Our Research Institute has 7 own units, equipped with modern technology and highly qualified professionals. The IPE also has partnerships with renowned institutions, further expanding its research and development capacity.

Our research is fully compliant with the strictures of the National Research Ethics Committee (CNPE), ensuring the protection of participants' rights and respect for ethical principles. We strictly follow the guidelines of the General Data Protection Act (LGPD), guaranteeing the privacy and security of our patients' information.

Education

The education and training of qualified and committed professionals is also part of the company's guidelines, and it invests in its own internship and medical residency programs or in partnership with higher education institutions recognized for their quality and benchmark.

Through IPE, we offer interns and residents the opportunity to experience medical practice in an environment of excellence, under the guidance of experienced professionals and with access to state-of-the-art resources. Immersion in day-to-day care allows residents to develop the skills and knowledge they need to become exceptional professionals, prepared for the challenges of the health market and to contribute to building a healthier future for all.

Currently, we are developing approximately 590 professionals in the most diverse medical specialties such as: gynecology/obstetrics, pediatrics, emergency, surgery, ICU and cardiology, among others.

Progress in the educational and research fields also translates into the production of knowledge. In 2023, 85 publications were made, including 3 in international journals such as "The Lancet". The company also held 3 national scientific congresses and symposia.

ESG – ENVIRONMENT, SOCIAL AND GOVERNANCE

Environment

During 2023, the Company mapped the legal compliance index of the care units present throughout the national territory, through on-site auditing and analysis of the processes implemented, in order to enable the integration of businesses and the improvement of their operation. From there, processes were unified and manuals and procedures were created and disseminated to employees.

In this scenario, the Company, in order to ensure the protection of workers, the preservation of public health and natural resources, prioritized the awareness of employees to the importance and necessity of the topic, so that it enabled mandatory training, through the Learning Portal, where topics such as eco-efficiency (water, energy, composting), regulatory documents and waste management were addressed.

The Company expanded the implementation of the project called "Guardians of the Environment" to 100% of hospital units and Emergency Rooms. The project, which aims to engage employees, enabling them to be multipliers of environmental education. In 2023, more than 1500 employees participated in the Project and acted in a preventive manner through inspection, training and audits in waste disposal processes in order to ensure the daily maintenance of processes and environmental regularity in their respective units. This project is still in operation.

Social

In 4Q23, we continued with development actions for our employees in relation to the Diversity theme, maintaining affinity groups, as well as initiatives and prioritizing themes connected to human rights. Below are our main actions in this period:

- Approval of Hapvida NotreDame Intermédica's Policy Against Harassment and Discrimination;
- Actions to raise awareness of National Black Awareness Day and the International Day for the Elimination of Violence against Women;
- Maintenance of the Women's Channel (Canal Delas), with expansion to serve our entire customer base, in addition to the Company's employees who have been served since 2022;
- Pink October campaign with a talk by the Amor em Mechas Institute, highlighting a social enterprise that impacts several women facing breast cancer and its founder's journey of overcoming the disease, as well as talks by our specialists on breast cancer prevention and care;
- Red December campaign, focused on raising awareness about HIV/AIDS and other STIs (Sexually Transmitted Infections), with the aim of combating stigmas, mainly related to the LGBTI+ population;
- Campaign for International Human Rights Day, presenting Hapvida NotreDame Intermédica's Diversity, Equity and Inclusion Journey and the main achievements in terms of actions and improvements in the representation of historically minoritized groups, especially among the company's leadership;
- Inauguration of the Lactation Room in the Fortaleza/CE administrative building, the first room in a corporate unit available for employees returning from maternity leave to extract and properly store breast milk to take to their children at the end of the working day.

Governance

In 4Q23, the Company reviewed and approved the corporate policies on Compensation, Contracting of Services Outside Audit, Information Security Policy; prepared and approved the work plans and the annual calendar of the meetings of the Governance Bodies for 2024, in addition to the methodology for evaluating its governance bodies and reviewed the scope of the investment process. Based on the mapping carried out during the evaluation of ESG rating agencies in 2023, there was an evolution in the CSA-S&P Global score of 17% and MSCI went from BBB to A, prepared and validated action plans focused on improving governance practices and, consequently, its rating.

The Company completed the project to unify the processes in the area of Privacy and Data Protection, including the approval of the privacy notices and policy and integration of the privacy management system. It also continued the Privacy Champions Program and held another edition of Information Security and Privacy Week, which featured presentations, workshops and the participation of the CEO and IT and HR leaders.

From the perspective of risk management, the corporate risk management matrix was revised, including the collection of perceptions from executives and independent members of the Management, thus directing efforts to critical issues for the Company. In addition, the actions foreseen in the program for the dissemination of the risk management culture (PDCR) were carried out, with corporate training for 4,000+ employees (including internal and outsourced employees) through corporate learning platforms and workshops. The Company also made progress in mapping what is necessary for the adoption of advanced corporate governance practices, with an emphasis on risk management and internal controls, as recommended by Normative Resolution 518 of the Supplementary Health Agency – ANS.

Financial Results

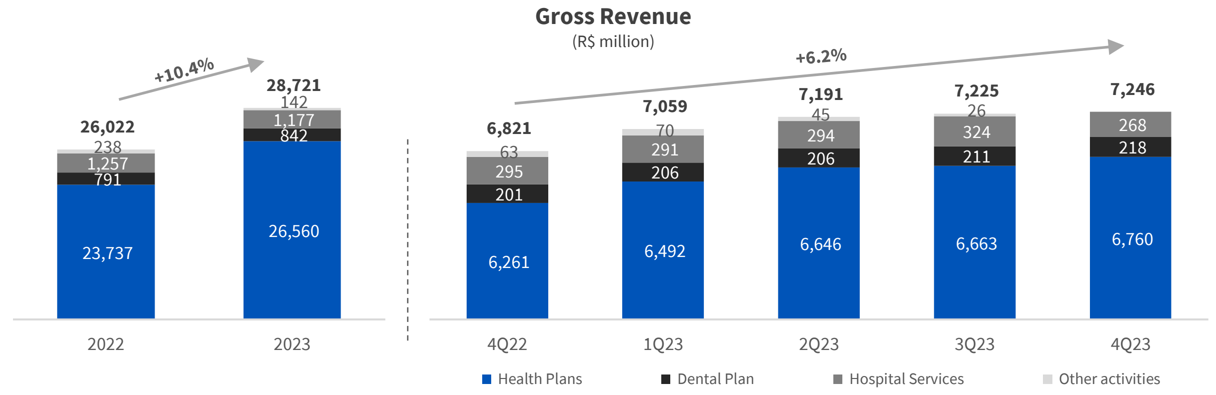
NET REVENUE

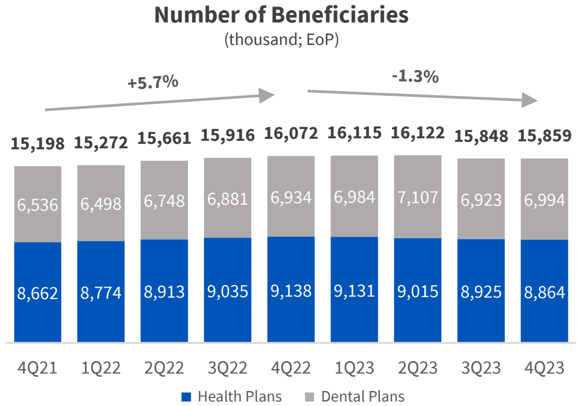
In 4Q23, Net Revenue totaled R$6,935.5 million, an increase of 6.7% when compared to 4Q22.

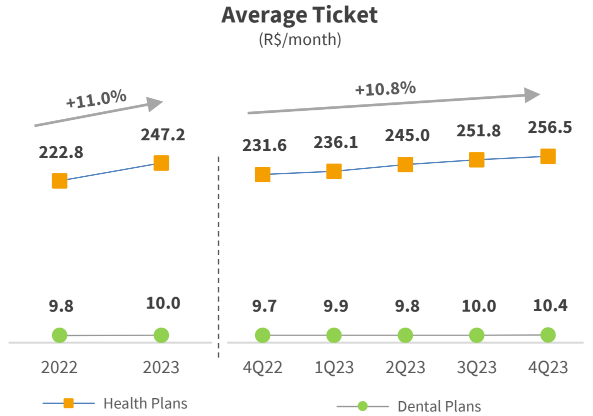
In 2023, Net Revenue totaled R$27,383.4 million, up 10.1% from the previous year, benefiting mainly from the growth of the Health and Dental Plans business lines, as a result of price readjustments necessary for the financial balance of the contracts and the evolution of the average ticket despite the retraction in the number of beneficiaries and the reduction in Revenue from Hospital Services and Other Activities, as detailed in the section of the same name.

It is important to mention the conclusion of the acquisition of HB Saúde in January'23, which added R$334.3 million to Net Revenue for the period.

(R$ million)	4Q23	3Q23	Var. % 4Q23/3Q23	4Q22	Var. % 4Q23/4Q22	2023	2022	Var. % 2023/2022
Health Plans	6,759.8	6,663.3	*1.4%*	6,261.1	*8.0%*	26,560.4	23,736.5	*11.9%*
Dental Plans	218.0	211.4	*3.1%*	200.7	*8.6%*	841.8	790.5	*6.5%*
Hospital Services	268.1	323.6	*-17.1%*	295.4	*-9.2%*	1,176.9	1,256.7	*-6.3%*
Other Activities	-	26.4	*-100.0%*	63.5	*-100.0%*	141.7	238.3	*-40.6%*
Net Revenue	**7,245.9**	**7,224.7**	***0.3%***	**6,820.6**	***6.2%***	**28,720.7**	**26,022.0**	***10.4%***
Deductions	(310.3)	(342.8)	*-9.5%*	(318.2)	*-2.5%*	(1,337.3)	(1,151.6)	*16.1%*
Net Revenue	**6,935.5**	**6,881.9**	***0.8%***	**6,502.5**	***6.7%***	**27,383.4**	**24,870.4**	***10.1%***







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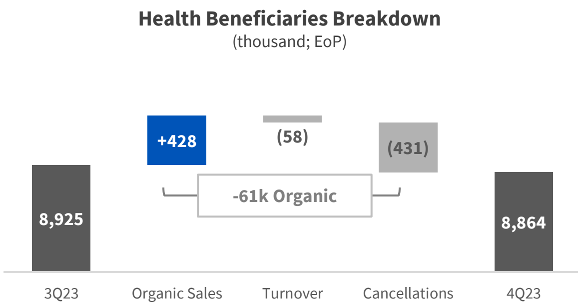
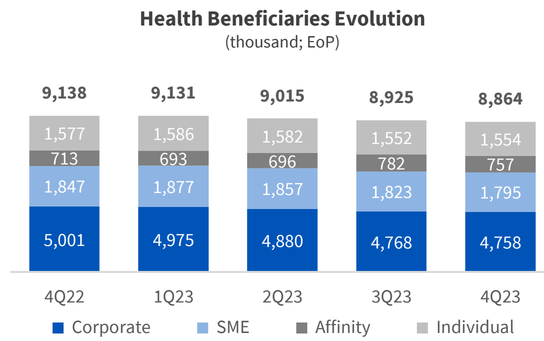
HEALTH PLANS

Net revenue from health plans totaled R$6,759.8 million in 4Q23 and R$26,560.4 million in 2023, a growth of 8.0% compared to 4Q22 and 11.9% to 2022. This growth is the result of an increase in the average monthly ticket, from R$231.6 in 4Q22 to R$256.5 in 4Q23.

Beneficiaries





In 4Q23, we had a net reduction of 61.3 thousand beneficiaries in health plans compared to 3Q23. Among the main aspects that impacted the quarter, we highlight:

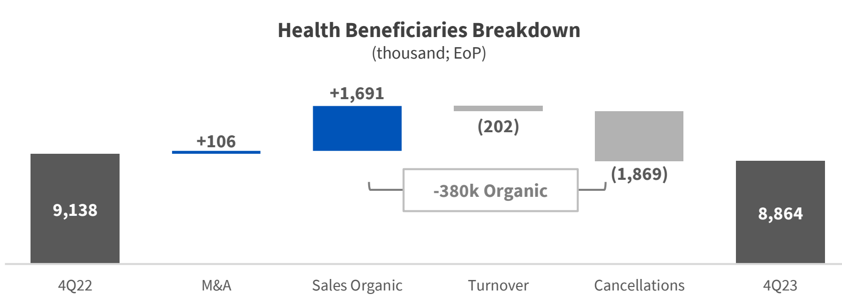
- Addition of 428.2 thousand beneficiaries, as a result of a robust gross sales quarter (211.0k Corporate, 68.5k SME and 148.7k Individual)
- Reduction of 431.3 thousand beneficiaries, reflecting the reduction of loss-making contracts and the increase in cancellations due to delinquency (200.2k Corporate, 118.0k SME and 131.1k Individual/Affinity)
- Net loss of 58.2 thousand lives due to negative turnover (net dismissals and admissions within existing corporate contracts)

At the end of 4Q23, the company had 441,400 beneficiaries in preferred provider organization plans (PPO), a net reduction of 21,100 compared to 3Q23 and 49,100 compared to 4Q22, the result of a strategy to rationalize this portfolio.

In 2023, we had a net reduction of 273.9 thousand beneficiaries in health plans, of which 379.6 thousand were organic, partially offset by the addition of 105.7 thousand lives from HB Saúde.

Among the main aspects that impacted the year, we highlight:

- Addition of 1,691.4 thousand beneficiaries, the result of dynamic and robust gross sales (760.6k Corporate, 362.5k SME and 568.4k Individual/Affinity)
- Loss of 1,869.3 thousand beneficiaries reflecting the increase in delinquency, a challenging macroeconomic environment impacting certain sectors to which the Company has greater exposure and the reduction of loss-making contracts (936.2k Corporate, 438.4k SME and 494.7k Individual/Affinity)
- Net loss of 201.8 thousand beneficiaries due to still negative turnover (firings minus hirings in existing corporate contracts), also impacted by our sector exposure



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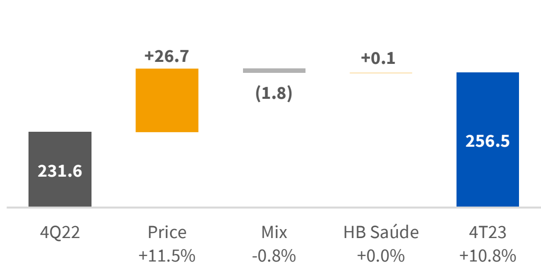
HEALTH PLANS

Average ticket

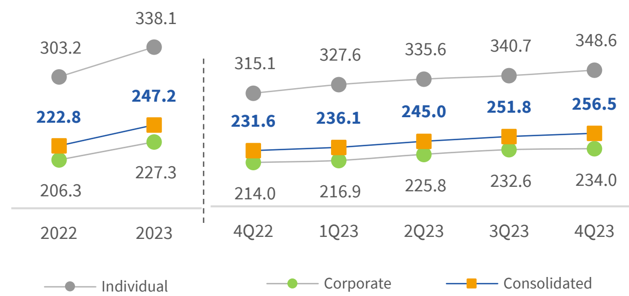
The consolidated average health ticket increased by 10.8%, reflecting the strategy of repricing and reviewing the client portfolio, in line with our portfolio profitability and sustainability strategy. As a result, we had the following impacts on the evolution of the average ticket over the quarters:

- 11.5% result of readjustments to existing contracts necessary for their financial balance
- -0.8% net negative impact of the mix of sales and cancellations, due to the departure of customers with a higher average ticket but higher MLR, being replaced by new customers with a lower average ticket but expected lower MLR

Average Ticket Breakdown
(R$/month)



Average Ticket Evolution
(R$/month)

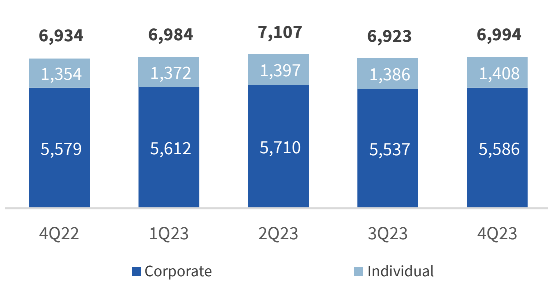


DENTAL PLANS

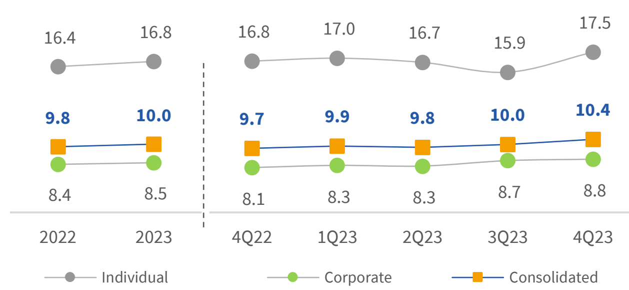
In 4Q23, revenue from Dental Plans reached R$218.0 million, an increase of 8.6% compared to 4Q22. This was the result of an increase of 65.3 thousand average beneficiaries and the average monthly ticket, which rose from R$9.7 in 4Q22 to R$10.4 in 4Q23.

In 2023, revenue from Dental Plans reached R$841.8 million, an increase of 6.5% compared to 2022, as a result of the increase of 287.6 thousand average beneficiaries and the average monthly ticket, which went from R$9.8 in 2022 to R$10.0 in 2023.

Dental Beneficiaries Evolution
(thousand; EoP)



Average Ticket Evolution
(R$/month)



During 4Q23, the Company added 71.7 thousand lives organically. Thus, in 2023 there was an increase of 60.7 thousand lives, 36.5 thousand of which were organic and 24.2 thousand from HB Saúde.

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.

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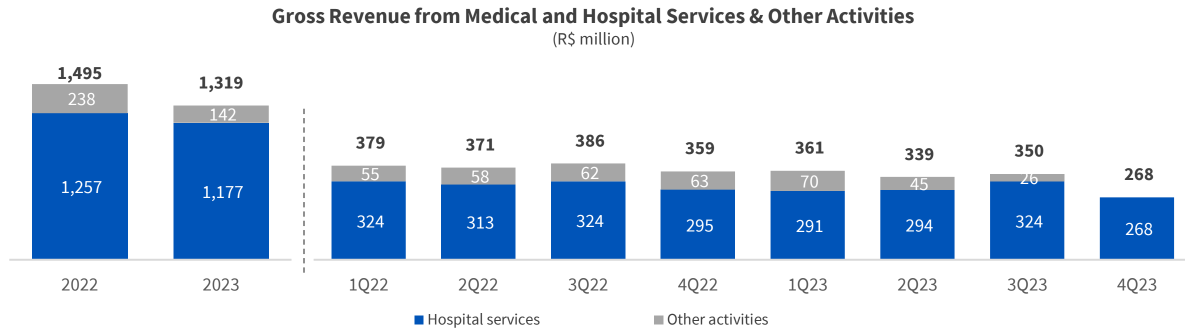
Hospital Services & Other Activities

In 4Q23, revenue from Hospital Services and Other Activities totaled R$268.1 million, a decrease of 23.4% compared to 4Q22.



In 2023, revenue from Hospital Services and Other Activities reached R$1,318.6 million, a reduction of 11.8%, or R$176.4 million, compared to 2022. This variation was due to reductions in:

- **R$96.6 million** in Other Activities due to the divestments of São Francisco Resgate and Maida Health; and
- **R$79.8 million** in Hospital Services, where in addition to reflecting seasonality, we were also more selective in offering services to third parties, reducing our exposure to credit risk while taking the advantage to seek organic growth in beneficiaries in regions where we have idle capacity.

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MEDICAL COSTS AND CASH MLR

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

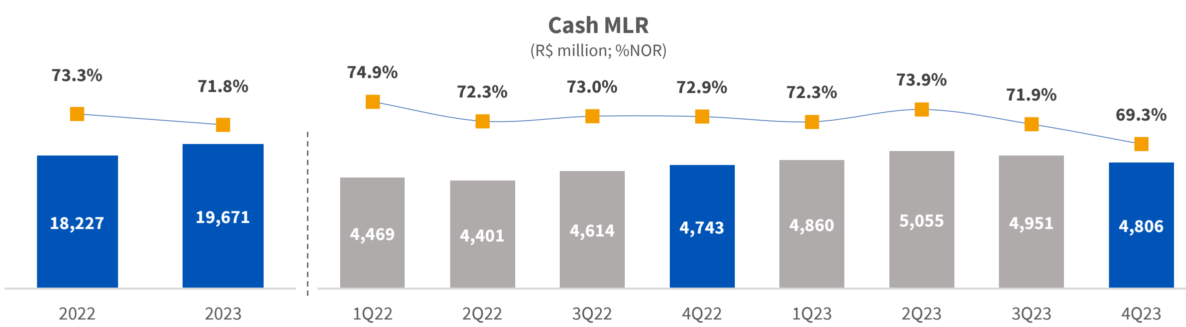
(R$ million)	3Q23	2Q23	Var. % 3Q23/2Q23	3Q22	Var. % 3Q23/3Q22	3Q23	2Q23	Var. % 3Q23/2Q23
IBNR	(41.1)	(8.0)	*416.1%*	44.1	*-193.2%*	(22.0)	56.0	*-139.4%*
SUS Reimbursement	65.1	51.1	*27.5%*	55.4	*17.6%*	236.9	308.7	*-23.3%*
Depreciation and Amortization	109.8	105.6	*3.9%*	154.5	*-28.9%*	428.5	512.9	*-16.5%*
Cash Medical Losses	4,805.5	4,950.7	*-2.9%*	4,743.3	*1.3%*	19,671.4	18,227.0	*7.9%*
Cash MLR	0.7	0.7	*-264.9%*	0.7	*-365.8%*	0.7	0.7	*-145.1%*
Total Medical Costs	**4,939.3**	**5,099.4**	***-3.1%***	**4,997.3**	***-1.2%***	**20,314.7**	**19,104.6**	***6.3%***

In 2023, we notice:

- **R$22.0 million** in Reversal of IBNR, as a result of increased verticalization, especially in the NDI vertical, and improvement in the profile of the cost of care in the accredited network
- **R$71.8 million** reduction in the SUS provision according to the receipt of the charges sent by ANS

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.

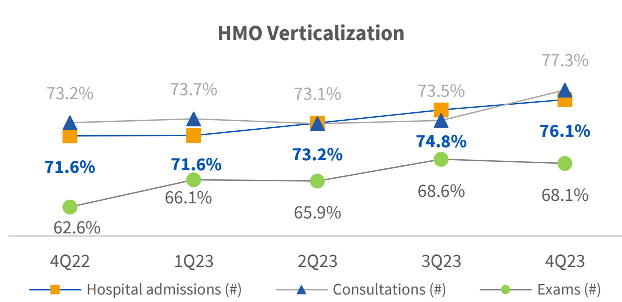


In 4Q23, the Cash MLR (which excludes D&A, IBNR and SUS Provision) was 69.3%, a disciplined reduction of 3.6 p.p. and 2.6 p.p. compared to 4Q22 and 3Q23, respectively.

It is important to point out that the 4Q23 reduction in Cash MLR compared to 2Q23 of 4.6 p.p. was better than the historical pro forma average[(1)] of 3.3 p.p. The decrease captured was superior to the implicit seasonality and reflects the successful price readjustment trajectory (still in progress), as well as the increase in verticalization, standardizing protocols and controlling costs from the integration of our operations in Minas Gerais and in the South of Brazil. Full year Cash MLR decreased by 1.5p.p.

We also point out that the consolidated Cash MLR was negatively impacted by 2.0 p.p. by our operations in RJ, MG, and in the South.

Frequency of use has remained high since 2022, including a considerable increase in therapies, which went from 0.17 procedure per beneficiary in 1Q22 to 0.25 in 4Q23. In any case, we have been able to reduce our exposure to medical inflation in the accredited network by intensifying verticalization efforts in consultations, hospitalizations and exams carried out in our own network, as shown on this page, which also brings more agility, quality and uniformity to the care provided to our beneficiaries.



2022 data include the simple sum of the January'22 numbers of BCBF Participações S.A. to the Hapvida Investimentos e Participações results
(1) Considering the average for the years 2017, 2018 and 2019 from the combination of the information disclosed by Hapvida Participações and NotreDame Intermédica for Cash MLR

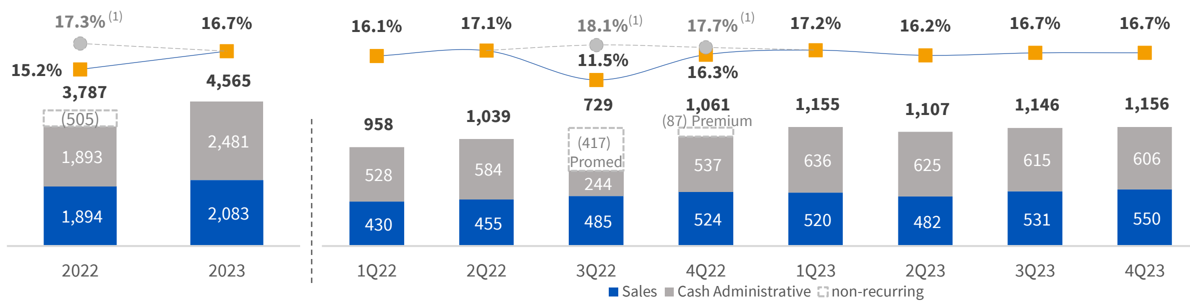
ADMINISTRATIVE & SALES CASH EXPENSES

Sales, General & Administrative Cash Expenses – Cash SG&A for 4Q23 amounted to R$1,156.3 million (16.7% ROL), a dilution of 1.0 p.p. compared to 4Q22 (excluding the one-off effect of the Premium price adjustment).

In 2023, SG&A totaled R$4,564.8 million (16.7% NOR), a dilution of 0.6p.p. compared to 2022 (excluding the one-off effects of the Premium and Promed price adjustment).

Cash Administrative & Sales Expenses

(R$ million; % NOR)



Cash Administrative Expenses

(R$ million)	4Q22	1Q23	2Q23	3Q23	4Q23
Personnel	291.6	285.6	283.2	287.8	237.8
Third Party Services	182.6	174.2	171.5	190.3	165.3
Occupation and Utilities	78.1	77.5	72.7	72.6	93.9
Contingencies & Taxes	63.3	95.0	118.9	96.6	122.1
Other (revenue)/expenses	(78.5)	3.3	(21.4)	(32.4)	(12.9)
Cash G&A	**537.1**	**635.5**	**624.8**	**614.9**	**606.3**
%NOR	*8.3%*	*9.4%*	*9.1%*	*8.9%*	*8.7%*

In 4Q23, Cash Administrative Expenses totaled R$606.2 million, a nominal reduction of R$8.6 million compared to 3Q23 (0.2 p.p.). The main positive impacts were:

- **R$49.9 million** in Personnel, due to (i) the one-off reversal of R$40.0 million in variable compensation provisioned during the year, which included employees who are no longer part of the company and the partial achievement of targets; and (ii) the reallocation of R$9.6 million to sales expenses
- **R$25.0 million** in Third Party Services, which have been showing a consistent reduction throughout the year, reflecting the gradual capture of synergies from the merger. Compared to the previous quarter, additional and one-off expenses occurred in 3Q23 with acquired companies, including services related to systems implementation (MG, RJ and South) and integration consultancies totaling R$18.9 million, which were not repeated in 4Q23

And they were partially offset by:

- **R$25.5 million** in Contingencies and Taxes, in line with previous quarters. It is important to note that 3Q23 was positively impacted by the reversal of R$20 million in Promed contingencies following the price adjustment agreement
- **R$21.2 million** in Occupation and Utilities, mainly due to an additional infrastructure load of the newly integrated units, which are now running internally in terms of maintenance, processing and storage, links and non-recurring expenses related to the implementation of systems in the South, Rio de Janeiro and Minas Gerais

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(1) 3Q22 and 4Q22 excluding the positive impact of R$417.4 million and R$87.2 million, respectively, related to the reimbursement of expenses under the purchase and sale agreement of companies acquired by the Company, Promed and Premium

ADMINISTRATIVE & SALES CASH EXPENSES

Sales Expenses

(R$ million)	4Q22	1Q23	2Q23	3Q23	4Q23
Commission	301.6	321.4	306.0	334.9	332.1
Provision for credit losses	153.7	154.1	126.0	131.2	138.9
Marketing & Advertise	35.7	12.4	11.3	20.0	25.1
Personnel	27.8	29.3	34.3	33.4	43.1
Other expenses	5.0	2.9	4.4	11.7	10.9
Sales Expenses	**523.9**	**519.9**	**482.0**	**531.2**	**550.0**
%NOR	*8.1%*	*7.7%*	*7.0%*	*7.7%*	*7.9%*

In 4Q23, we saw an increase in the Sales Expenses lines compared to 3Q23, except for the Commissions and other expenses lines, summarized below:

- **R$9.6 million** reclassification of Personnel, where we reallocated from administrative expenses to sales, of which R$7.2 million was retroactive from January to September'23
- **R$7.7 million** in Provision for loan losses (PDD), mainly impacted by a specific client who, after contract cancellation, we reduced the expectation of receipt by R$6.0 million
- **R$5.1 million** in Marketing & Advertise, the result of marketing campaigns concentrated in the second half of the year in an effort to strengthen the brand in all regions

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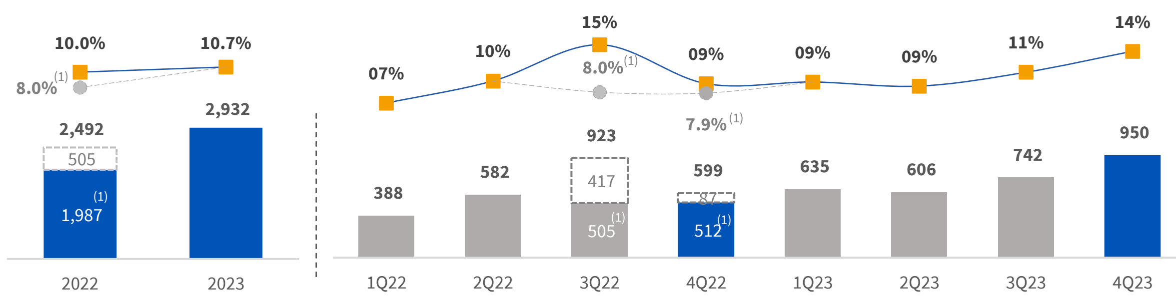
ADJUSTED EBITDA

2023 Adjusted EBITDA reached R$2,932.4 million (10.7% NOR), an increase of R$945.1 million, 47.6% higher and a 2.7p.p. margin expansion when compared to 2022 - excluding the non-recurring and non-cash effects of Premium and Promed in 2022, as shown in the chart below in both ways.

In 4Q23, we reported R$959.7 million in Adjusted EBITDA with a margin of 13.7%, the highest since the business combination, reflecting growth of 28.0% compared to 3Q23 and 85.7% compared to 4Q22 - excluding the one-off effect of Premium's price adjustment.

Adjusted EBITDA
(R$ million; %NOR)



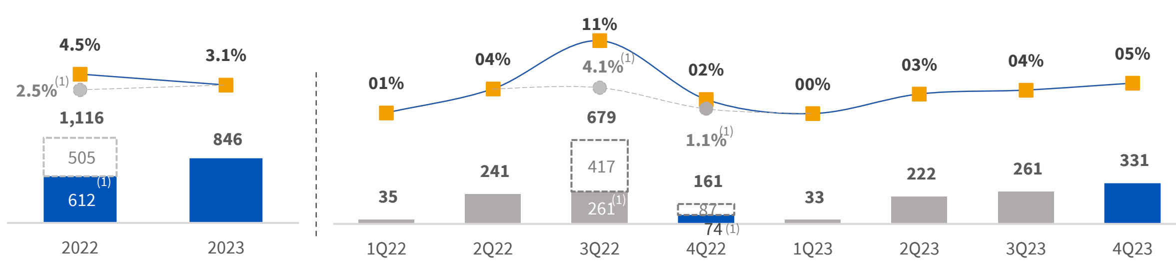
When we compare 2023 with 2022, excluding the effects of Premium and Promed(1), we highlight:

- Increase of 10.1% 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 1.5p.p. in the Cash MLR
- Dilution of 0.6p.p. in Cash Administrative Expenses

ADJUSTED NET INCOME

Adjusted Net Income totaled R$845.6 million in 2023, an increase of R$234.3 million compared to 2022 - excluding the non-recurring and non-cash effects of Premium and Promed.

Adjusted Net Income
(R$ million; %NOR)



(R$ million)	4Q23	3Q23	Var. % 4Q23/3Q23	4Q22	Var. % 4Q23/4Q22	2023	2022(1)	Var. % 2023/2022(1)	2022
Net Income (Losses)	**(29.9)**	**(206.7)**	*-85.6%*	**(316.7)**	*-90.6%*	**(739.2)**	**(1,370.9)**	*-46.1%*	**(866.3)**
(+) Long term Incentive Plan (LTIP) and SOP	(20.5)	35.3	*-158.0%*	69.8	*-129.4%*	61.7	486.3	*-87.3%*	486.3
(+) Intangible Amortization	380.9	372.0	*2.4%*	408.2	*-6.7%*	1,463.4	1,496.4	*-2.2%*	1,496.4
(+) Non-recurring expenses	-	60.4	*100.0%*	-	*100.0%*	60.4	-	*100.0%*	-
Adjusted Net Income	**330.5**	**261.0**	***26.6%***	**161.4**	***104.8%***	**846.2**	**611.8**	***38.3%***	**1,116.4**
(+) Income tax and social contribution	141.3	(59.0)	*-339.7%*	(299.7)	*-147.1%*	66.2	(691.2)	*-109.6%*	(691.2)
(+) Financial result	306.5	371.4	*-17.5%*	515.7	*-40.6%*	1,354.9	1,346.9	*0.6%*	1,346.9
(+) Depreciation and Amortization	171.4	168.5	*1.7%*	221.3	*-22.5%*	665.1	719.8	*-7.6%*	719.8
Adjusted EBITDA	**949.7**	**742.0**	***28.0%***	**598.7**	***58.6%***	**2,932.4**	**1,987.3**	***47.6%***	**2,491.9**
% margin	*13.7%*	*10.8%*	*2.9pp*	*9.2%*	*4.5pp*	*10.7%*	*8.0%*	*2.7pp*	*10.0%*

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(1) 3Q22 and 4Q22 excluding the positive impact of R$417.4 million and R$87.2 million, respectively, related to the reimbursement of expenses under the purchase and sale agreement of companies acquired by the Company, Promed and Premium

FINANCIAL RESULT

The net financial result totaled a net expense of R$306.5 million in 4Q23, a reduction of R$64.8 million or 17.5% compared to the net expense of R$371.4 million presented in 3Q23.

(R$ million)	4Q23	3Q23	Var. 4Q23/3Q23	4Q22	Var. 4Q23/4Q22
Income from investments	184.1	208.0	*(23.9)*	112.7	*71.4*
Late payments penalties	31.9	28.6	*3.3*	24.6	*7.3*
Indexation credits - SUS	17.7	20.6	*(2.8)*	16.9	*0.8*
Indexation credits - Other	18.4	30.5	*(12.1)*	13.8	*4.5*
Derivative instruments - Equity	1.7	7.7	*(5.9)*	1.3	*0.4*
Exchange Revenue	11.1	(9.4)	*20.5*	0.0	*11.0*
Other financial revenues	7.2	2.3	*4.9*	3.7	*3.5*
Financial Revenues	**272.0**	**288.1**	***(16.1)***	**173.0**	***99.0***
Interest on debentures and loans	(339.9)	(437.7)	*97.7*	(444.4)	*104.4*
Interest on leases	(86.0)	(86.3)	*0.3*	(100.5)	*14.5*
Indexation charges - Other	(98.7)	(85.7)	*(12.9)*	(99.0)	*0.3*
Derivative instruments - Equity	(7.4)	(6.6)	*(0.9)*	(20.9)	*13.5*
Bank expenses	(8.1)	(8.3)	*0.2*	(11.7)	*3.6*
Other finance expenses	(38.5)	(34.9)	*(3.6)*	(12.3)	*(26.2)*
Financial Expenses	**(578.6)**	**(659.5)**	***80.9***	**(688.7)**	***110.2***
Net Financial Result	**(306.5)**	**(371.4)**	***64.8***	**(515.7)**	***209.2***

Financial Revenue fell by R$16.1 million, from R$288.1 million in 3Q23 to R$272.0 million in 4Q23, impacted mainly by the reduction in the basic interest rate, which had a negative impact on:

- **R$14.9 million** in Indexation credits (others and SUS)
- **R$23.9 million** in Income from financial Investments

These results were partially offset by gains of R$20.5 million in exchange variation income, due to the positive variation in the BRL x USD parity between the 3rd and 4th quarters, based on a debt of US$50.0 million. This debt is hedged to protect against the exchange rate variation, which is recorded in the hedge instruments account along with other instruments of the same nature.

Financial Expenses reduced R$80.9 million, from R$659.5 million in 3Q23 to R$578.6 million in 4Q23, mostly explained by the reduction of R$97.7 million in Interest on debentures and loans, as a result of:

- **R$62.5 million** of one-off adjustment with no cash effect relating to the exchange of Ultra Som's CRI swap that occurred in 3Q23 and had no effect in 4Q23
- Reduction in gross debt due to amortizations in 3Q23 and 4Q23 (noting that the Company's 5th issue of debentures, worth R$1.0 billion, was settled in the last days of December)
- Reduction of the basic interest rate

This item was partially offset by the increase in expenses for Indexation Credits on Contingencies and Retained Installments.

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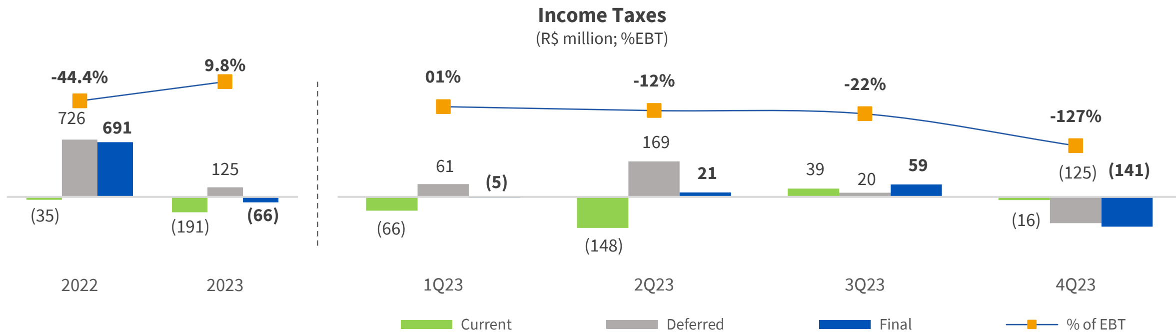
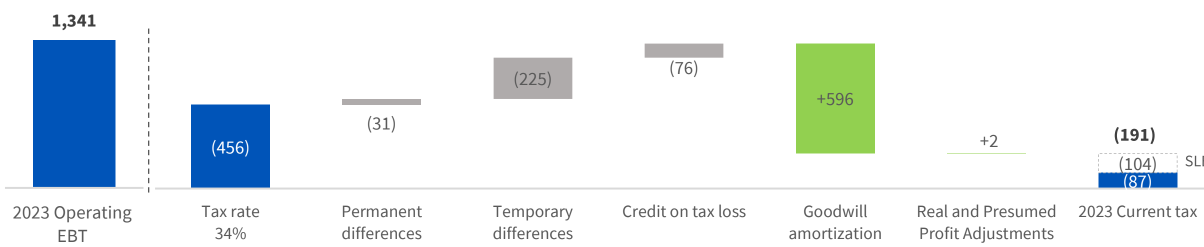
INCOME TAXES



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	(190.7)	0.0	(190.7)
Deferred	(470.0)	594.6	124.5

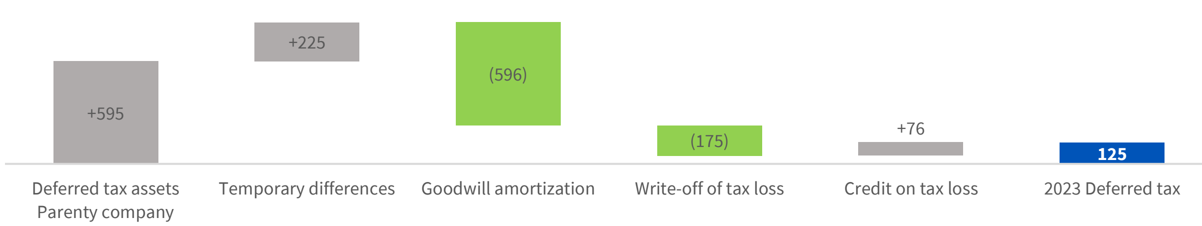
Current Tax - Operating



In 2023, the Operating entities had a Current Tax of R$190.7 million, mainly as a result of the gradual resumption of operating performance, of which R$103.9 million from the Sale & Leaseback operation, R$71.2 million from the NDI vertical and R$15.6 million from the Hapvida vertical. We point out the tax amortization of goodwill and value added from acquisitions incorporated up to December 23 as the main reducer of current tax, despite the impact of:

- **R$225.3 million** in Temporary Differences on the movement of provisions. This year, we mainly had an impact on the Re-SUS provisions and the right of use base difference, which will be recovered after payment or reversal
- **R$76.2 million** deferred credit on tax losses that will be used in future years

Deferred Tax - Operating



In 2023, Hapvida Participações e Investimentos S.A. (parent company) generated R$594.6 million in deferred tax asset, of which R$344.7 million in deferred tax on tax losses and R$250.4 million on value added from the business combination with NotreDame Intermédica, which will be used after the corporate merger of the operating entities. A tax loss of R$175.3 million was also written off as a result of the mergers of Ultra Som, H. Antônio Prudente and S.F. Rede Assistencial.

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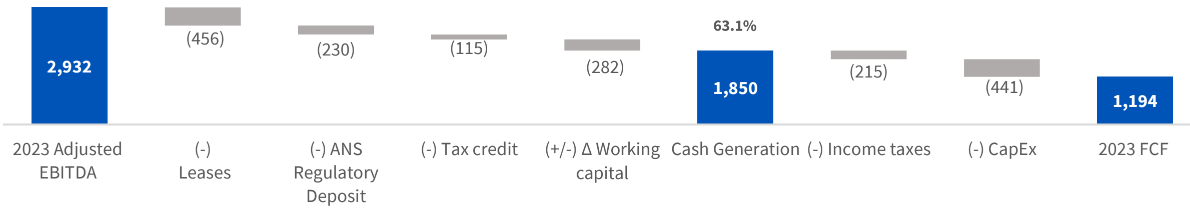
2023 CASH FLOW

The company's net cash increased by R$2,052.2 million in 2023, from R$5,864.7 million in December'22 to R$7,889.9 million in December'23. This variation was due to the generation of R$1,194.2 million from Free Cash Flow and R$1,236.0 million from Financing Activities, which were partially consumed by the negative result of R$404.9 million in M&A Activities.

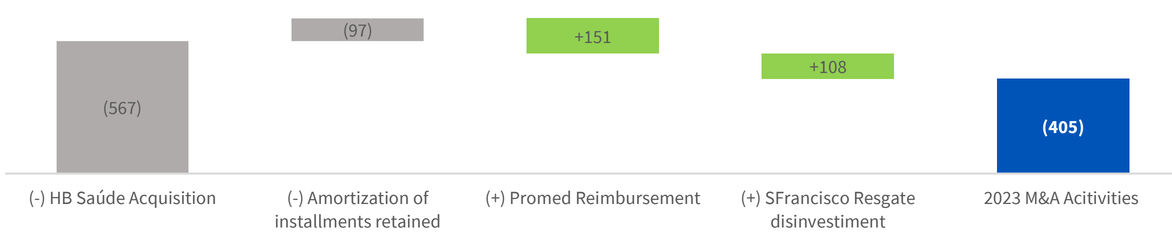
Free Cash Flow



Free Cash Flow was positive at R$1,194.2 million and Cash Generation of R$1,849.5 million, representing 63.1% of Adjusted EBITDA 2023, returning to historical levels. The main uses of cash include:

- **R$455.6** million in Leases referring to rental contracts, which increased during the year following the Sale & Leaseback operation
- **R$229.9 million** ANS Regulatory Deposit to cover Re-SUS charges
- **R$115.1 million** in tax credits from quarterly advances and withholding taxes, such as income tax on financial investments and interest on equity. These credits are recorded in assets (Taxes recoverable) and will be used in subsequent years, reducing future tax payments
- **R$214.6 million** in income taxes, although the current tax was R$190.7 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)
- **R$440.7 million** in CapEx, consistent with the strategy of preserving cash and deleveraging, while guaranteeing the quality and integrity of our own network, including new units such as the 3 hospitals, 19 clinics and 52 ASD rooms that we inaugurated in 2023

M&A Activities



M&A activities had a cash consumption of R$404.9 million in 2023:

- **R$567.4 million** from the acquisition of HB Saúde in January'23. This amount is net of a R$630.6 million disbursement to the sellers and a R$63.3 million cash balance
- **R$97.1 million** Amortization of the installments retained of the acquisitions made by the Company during the year

Partially offset by receipts from:

- **R$151.1 million** in Reimbursement of Promed expenses in 3Q23
- **R$108.4 million** from the sale of the São Francisco Resgate operation in August'23. This divestment allows us to remain focused on the Company's core operations

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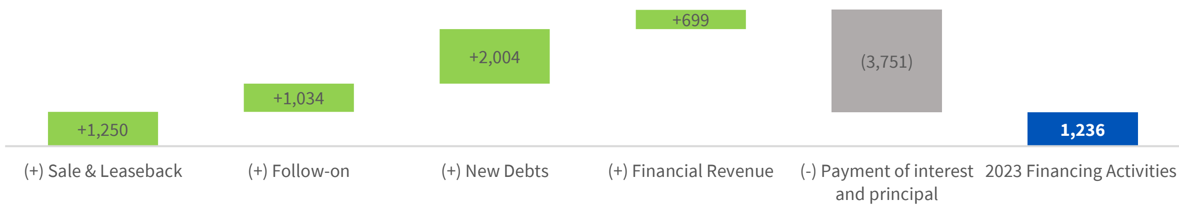
2023 CASH FLOW

Financing Activities



The Company's Financing Activities were in surplus of R$1,236.0 million, mainly explained by:

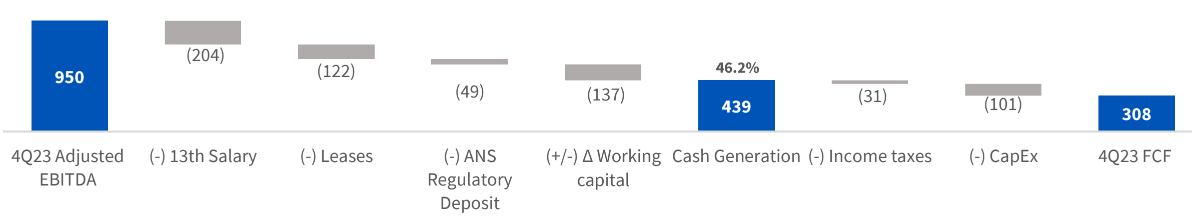
- **R$1,250.0 million** resulting from the Sale & Leaseback operation in May'23, in which 10 care properties were sold. The capitalization rate was 8.5% p.a., adjusted annually by the IPCA, with a buyback option in years 3 and 5
- **R$1,034.4 million** from the 3rd Follow-on in April'23 to further strengthen the company's cash position
- **R$2,004.0 million** raised through the issue of debentures and loans to extend maturities to 2023
- **R$699.1 million** in Financial Revenue, a yield of 12.1% on the company's weighted cash, slightly below the CDI rate due to the deterioration of the credit market in 1Q23

And they were partially offset by payments of R$3,751.4 million in interest and principal.

4Q23 CASH FLOW

In 4Q23, the company's net cash increased by R$765.0 million compared to 3Q23, from R$7,124.9 million to R$7,889.9 million. This variation was due to the generation of R$308.0 million from Free Cash Flow and R$504.5 million from Financing Activities, which was partially offset by the payment of R$47.5 million in retained installments from acquisitions.

Free Cash Flow



The company had a positive free cash flow of R$308.0 million and Cash Generation of R$439.1 million, representing 46.2% of Adjusted EBITDA in 4Q23. Among the main uses we highlight:

- **R$214.6 million** for the payment of the 13th salary, provisioned throughout the year. Excluding this event, 4Q23 Cash Generation would represent 67.7% of Adjusted EBITDA
- **R$121.5 million** in Leases referring to rental contracts, which increased during the year following the Sale & Leaseback operation
- **R$48.7 million** ANS Regulatory Deposit to cover Re-SUS charges

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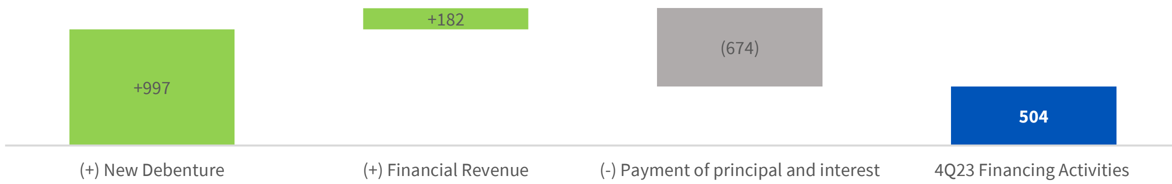
4Q23 CASH FLOW & NET DEBT

Financing Activities



In 4Q23, the Company had positive Financing Activities of R$504.5 million:

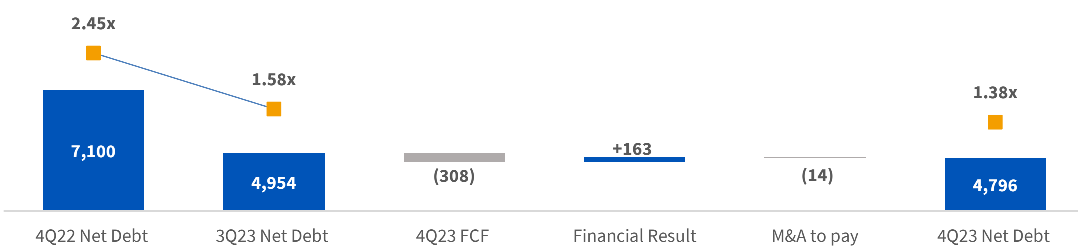
- **R$996.6 million** from the 5th issue of debentures by Hapvida Participações e Investimentos S.A. to cover the maturity of the Company's 4th issue, in February'23, with a balance of R$838.3 million
- **R$181.7 million** in Financial Revenue, yielding 2.8% on the company's weighted cash, equivalent to 100% of the CDI rate for the period

Partially offset by the payment of R$673.8 million in principal and interest.

Net Debt

In 4Q23, the company's Net Debt reached 1.38x EBITDA (R$4,795.9 million - contractual covenant), a significant reduction compared to 2.45x EBITDA (R$7,099.7 million) in 4Q22 and 1.58x EBITDA (R$4,954.3 million) in 3Q23 mainly due to (i) the Cash Generation above the Financial Result and (ii) the increase in EBITDA LTM from R$3,133.8 million in 3Q23 to R$3,481.9 million in 4Q23.

Net Debt Evolution
(R$ million; ND/EBITDA LTM)



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

(R$ million)	4Q23	3Q23	Var. R$	Var. %
Loans, financing and debentures	11,526.4	10,898.2	*628.2*	*5.8%*
Installments retained from acquired companies	1,110.9	1,137.5	*(26.6)*	*-2.3%*
Derivative financial instruments	48.4	43.4	*5.0*	*11.5%*
Gross Debt	**12,685.8**	**12,079.2**	***606.6***	***5.0%***
(-) Cash and cash equivalents and Investments	(7,889.9)	(7,124.9)	*(765.0)*	*10.7%*
Net Debt	**4,795.9**	**4,954.3**	***(158.5)***	***-3.2%***
EBITDA LTM[1]	3,482.6	3,133.8	348.8	11.1%
Net Debt/ EBITDA LTM	**1.38x**	**1.58x**		

(1) EBITDA LTM comprises Adjusted EBITDA without the effect of provisions for impairment of accounts receivable.

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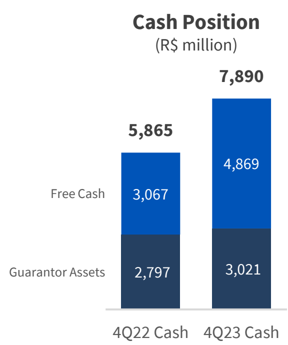
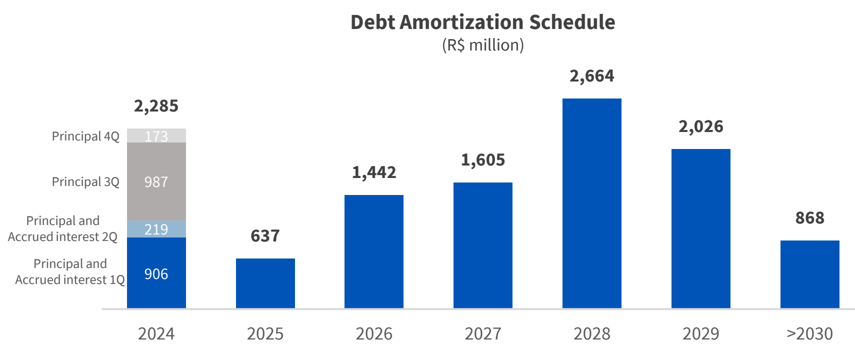
DEBT

There was no change in the duration (average term of 3.1 years) of the debt, with the equivalent cost remaining practically stable between 3Q23 and 4Q23 (from CDI+1.55% p.a. to CDI+1.56% p.a.). At the end of December'23 debentures totaling R$1.0 billion were issued, extending the maturities of 1Q24 at a cost of CDI+1.75% maturing in December 2028.

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





REGULATORY REQUIREMENTS

Technical Provisions / Guarantor Assets

Free cash flow went from R$4,099.0 million in 3Q23 to R$4,869.1 million at the end of 4Q23, an increase of R$770.0 million. This variation was mainly due to the increase in cash and financial investments with the company's 5th debenture issue.

(R$ million)	4Q23	3Q23	Var. R$	4Q22	Var. R$
Required Technical Provisions	**3,139.8**	**3,145.5**	***(5.7)***	**3,031.7**	***108.1***
(+) SUS Provisions (net of judicial deposits)	1,383.5	1,405.1	*(21.6)*	1,280.7	*102.7*
(+) IBNR Provision	990.2	1,031.3	*(41.1)*	998.8	*(8.5)*
(+) Outstanding claims reserve	762.6	705.2	*57.4*	748.0	*14.6*
(+) Reserve for benefit granted	3.5	3.9	*(0.4)*	4.2	*(0.7)*
Assets	**8,008.9**	**7,244.6**	***764.3***	**6,099.2**	***1,909.7***
(+) Cash and financial investments	7,889.9	7,124.9	*765.0*	5,864.7	*2,025.2*
(+) Real estate pledged	119.0	119.7	*(0.7)*	234.5	*(115.6)*
Free Cash	**4,869.1**	**4,099.0**	***770.0***	**3,067.5**	***1,801.6***

Required Technical Provisions were practically stable, rising from R$3,145.5 million in 3Q23 to R$3,139.8 million in 4Q23.

Cash and financial investments increased by R$765.0 million in 4Q23, positively impacted by:

- **R$1.0 billion** raised by the 5th debenture issue
- **R$308.0 million** generated from Free Cash Flow
- **R$181.7 million** in income from financial investments

And with negative impacts of:

- **R$673.8 million** in principal and interest payments
- **R$47.5 million** in retained installments from acquisitions

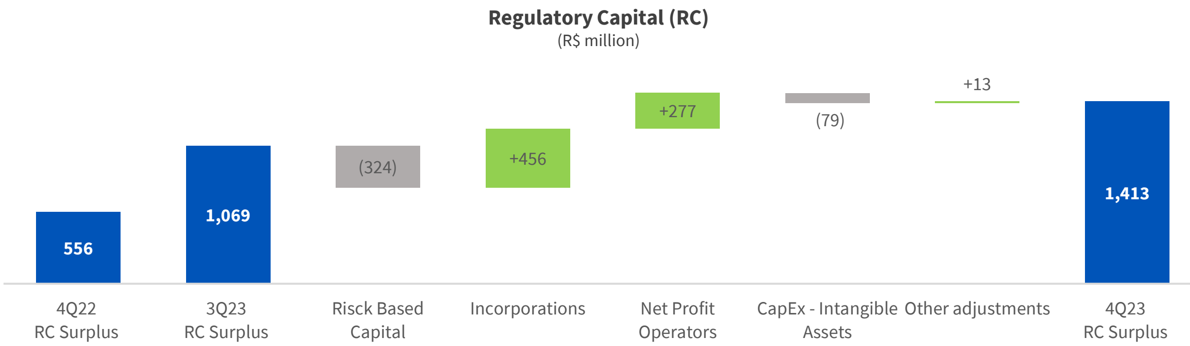
2022 data include the simple sum of the January'22 numbers of BCBF Participações S.A. to the Hapvida Investimentos e Participações results

REGULATORY REQUIREMENTS

Regulatory Capital

On December 31, 2023, all of the group's operators had a Regulatory Capital (RC) surplus, totaling R$1,412.7 million (simple sum of the operators), an increase of 154.3% compared to 4Q22, with R$5,484.1 million in Adjusted Shareholders' Equity (PLA) compared to R$4,071.5 million in Risk-Based Capital (CBR).

All the group's operators showed a Regulatory Capital surplus.



Risk Based Capital went from R$3,747.2 million in 3Q23 to R$4,071.5 million in 4Q23, mainly reflecting the nominal increases in Revenue and MLR and the effects of the incorporation of Ultra Som by the operator Hapvida Assistência Médica.

Adjusted Shareholders' Equity went from R$4,816.5 million in 3Q23 to R$5,484.1 million in 4Q23, an increase of R$667.6 million, mainly due to the positive impacts of:

- **R$456.0 million** from the corporate merger of Ultra Som S.A., São Francisco Rede Assistencial S.A. and Hospital Antônio Prudente S.A. by Hapvida Assistência Médica S.A. (HAM), as a result of the corporate optimization in progress, which had a positive impact of R$2,837.2 million on the Operators' Net Assets (HAM), partially offset by the reclassification of R$2,381.2 million in Intangible Assets due to the same event
- **R$277.3 million** in net income for the operators after the payment of Interest on Equity to their parent companies

And negatively impacted by:

- **R$79.1 million** in Intangible Assets for investments in technology

2022 data include the simple sum of the January'22 numbers of BCBF Participações S.A. to the Hapvida Investimentos e Participações results

Investor Relations
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(A free translation of the original in Portuguese)

Annual report from the Statutory Audit, Risk, Internal Controls and Compliance Committee

To the Member of the Board of Directors of Hapvida Participações and Investimentos S.A. ("Company")

1 Presentation

The Statutory Audit, Risk, Internal Controls and Compliance Committee ("Committee") is an advisory body to the Company's Board of Directors that plays a strategic role in supporting the management of its business with the objective of supervising and ensuring the integrity and the transparency of its main financial processes, consequently generating sustainable value for shareholders.

The Committee reports to the Board of Directors and acts independently from the Executive Board. Its competencies and responsibilities meet the applicable legal and statutory attributions and as defined in its Internal Rules of Procedures.

2 Composition of the Audit Committee

The Audit Committee is made up of five members with expertise and skills in accounting, finance and areas related to compliance, risks and controls.

Jose Luís Camargo Junior - Fellow at Harvard University, Advanced Leadership Initiative 2023, where he developed research in the areas of social impact, environment and governance (ESG). He is an investor in startups abroad and supports the professionalization of non-governmental organizations. He was one of the founding partners of Madrona Advogados, having led more than a hundred M&A transactions and joint ventures in various sectors of the economy, notably in the health services sector, as well as advising private equity funds and founding shareholders. Previously he was a partner at Vieira Rezende Advogados and an associate at Pinheiro Neto Advogados.

Luiz Pereira Gomes Junior - Graduated in Accounting Sciences in 2011 from Faculdade Lourenço Filho and postgraduate in Accounting and Tax Planning from the Federal University of Ceará - UFC.

Maria Paula Soares Aranha - Holds a degree in business administration from FGV EAESP, a postgraduate degree in finance and accounting from the same college, and a master's degree in financial controllership and accounting from FEA-USP. In addition to being a professor and consultant, she also holds significant roles on other committees and boards of directors.

Wagner Aparecido Mardegan - Bachelor of Accounting Sciences, with Specialization in Finance, Specialization in Foreign Trade and International Business, MBAs in General Education for Senior Executives and in Business Technology: AI, Data Science and Big Data.

Wanderbilt Cavalcante Maia - Graduated in Accounting Sciences in 1985 from University of Fortaleza and postgraduate in Controlling in 2004 from the Federal University of Ceará.

3 Committee Responsibilities

The Committee is an independent body, with operational autonomy and its own budget, of an advisory and permanent nature, responsible for reviewing and supervising:

(i) the accounting and financial reporting processes;
(ii) the internal control and risk management processes;
(iii) the activities of the Internal Audit and the Independent External Audit;
(iv) the activities of the Integrity and Compliance area.

Pursuant to the Committee's Internal Rules of Procedure, meetings of the Committee are held whenever necessary and no less than four times a year, when convened by its Coordinator.
In 2023, the Committee met 14 times.

The topics discussed, as well as the Committee's guidelines and recommendations were formalized in meeting minutes, which are signed by the Committee members present and remain on file at the Company's headquarters and on the platform used by the Company's Corporate Governance area.

During 2023, the Committee carried out its responsibilities as set out in the legislation, the Company's bylaws and its Internal Rules of Procedure, including, but not limited to:

a. Analysis of Financial Statements
Up to the date of preparation and approval of this report, the Committee analyzed and recommended the approval of the Company's financial statements for the year ended 2022 and for the first, second and third quarters of 2023, as it believes they are in conformity with the applicable accounting standards and regulations.

Also, during 2023 the Statutory Audit, Risk, Internal Controls and Compliance Committee monitored the implementation of the process for conformity with the requirements of IRFS 17.

b. *Internal Audit*
In addition to analyzing the conclusion of the work presented by the Internal Audit area, during 2023 this Committee followed up on the work plan approved by the Board of Directors and analyzed, among other issues, the process audits, works, systems and investigative audits, the latter related to the whistleblowing channel, issuing specific recommendations whenever necessary.

c. *Supervision of External Audit Work*
Regarding the work of the External Audit, the Committee analyzed, in addition to the work related to accounting information, the independence of the external auditor in relation to the contracting of non-audit services (cybersecurity). It also monitored the review of the scope and of the audit planning and evaluated the indication of engagement of external audit firm for 2024, recommending to the Board of Directors the engagement of the current audit firm.

d. *Compliance*
During 2023, this Committee evaluated the performance of the work proposed and developed by the compliance area and of diligence work carried out during the year. It also monitored the implementation of unification of Compliance processes in all the group companies, and included in these processes the monitoring of diligences that were considered "High Risk" and the adequacy of the system-based engagement process, for the companies from the NDI Group.

The Committee monitored the regulatory adequacy of the works and structures of the Company's units, analyzed and recommended to the Executive Board the appointment of the DPO Iof the group's companies and required a periodic monitoring of indicators and metrics related to the privacy and data protection area.

Throughout the year, the Committee analyzed and issued an opinion on the proposal for engagement of third parties that would entail assumption of risk considered "high" in terms of the criteria adopted by the Company for classification.

Finally, in compliance with the Related Party Transactions Policy, the Committee analyzed the proposals for engagement of firms submitted to it.

e. *Risks and Internal Controls*
This Committee, in accordance with the annual schedule, reassessed the corporate risk matrix with emphasis on equalizing the impact rules and risk probability. During 2023, it also discussed the degree

of risk measured, action plans and measures suggested to deal in particular with cyber risks, prevention of fires and accidents in care units.

Finally, it evaluated and recommended the approval of the annual risk, privacy and data protection plan to be executed in 2024 and monitored the risk appetite.

f. *Governance Instruments*

This Committee analyzed and recommended the approval by the Board of Directors of the following policies:

(i) Information Security Policy;
(ii) Policy for Engagement of External Audit Firm and non-audit services.

4 Conclusions - Main Activities and Results

During 2023, the Audit Committee carried out the following main activities:

(i) Conducted meetings to review and discuss issues related to audit, internal controls, compliance and financial reporting.
(ii) Analyzed the external and internal audit reports, including their findings, recommendations and action plans.
(iii) Evaluated and recommended the approval of the Company's quarterly and annual financial statements.
(iv) Assessed the independence and performance of the external audit firm.
(v) Collaborated with other committees of the board of directors to supervise the Company's corporate risks and governance.

Fortaleza, March 28, 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

(A free translation of the original in Portuguese)

Opinion of the Audit Committee on the parent company and consolidated financial statements for the year ended December 31, 2023

The Audit Committee of Hapvida Participações e Investimentos S.A., in compliance with legal and statutory provisions, reviewed the parent company and consolidated Financial Statements at December 31, 2023, accompanied by the audit report of the independent auditor PricewaterhouseCoopers Auditores Independentes Ltda., and unanimously opined that said documents do not adequately reflect the financial position of the Company and its subsidiaries as of December 31, 2023, specifically in accordance with IFRS 17 (CPC 50), and therefore should not be submitted to the Ordinary 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, reflect, the financial position of the Company under this accounting standard, being fit to be submitted for the Board of Directors' approval.

Fortaleza, March 28, 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

(A free translation of the original in Portuguese)

Declaration of Officers on the parent company and consolidated financial statements for the year ended December 31, 2023

In accordance with article 27, paragraph 1, item VI, of CVM Resolution 80/22, the officers responsible for the respective parent company and consolidated financial statements of the Company and its subsidiaries declare that they have reviewed, discussed and agreed with the parent company and consolidated financial statements for the year ended December 31, 2023.

Fortaleza, March 28, 2024.

Jorge Fontoura Pinheiro Koren de Lima
CEO

Luccas Augusto Adib
Chief Financial and Investor Relations Officer

(A free translation of the original in Portuguese)

Declaration of Officers on the Independent auditor's report

In accordance with article 27, paragraph 1, item V, of CVM Resolution 80/22, the officers responsible for the parent company and consolidated financial statements of the Company and its subsidiaries declare that they have reviewed, discussed and agreed with the opinions expressed in the report of the Company and its subsidiaries' independent auditors, PricewaterhouseCoopers Auditores Independentes Ltda., on the parent company and consolidated financial statements for the year ended December 31, 2023.

Fortaleza, March 28, 2024.

Jorge Fontoura Pinheiro Koren de Lima
CEO

Luccas Augusto Adib
Chief Financial and Investor Relations Officer

(A free translation of the original in Portuguese)

Independent auditor's report on the parent company and consolidated financial statements

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

Adverse opinion

We have audited the accompanying parent company financial statements of Hapvida Participações e Investimentos S.A. ("Company" or "Parent company"), which comprise the statement of financial position as at December 31, 2023 and the statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of Hapvida Participações e Investimentos S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, because of the significance of the matter discussed in the "Basis for adverse opinion" section of our report, the financial statements referred to above do not present fairly the financial position of Hapvida Participações e Investimentos S.A. and of Hapvida Participações e Investimentos S.A. and its subsidiaries as at December 31, 2023, and the financial performance and the cash flows for the year then ended, nor the consolidated financial performance and the cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for adverse opinion

As mentioned in Note 5, the 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 1, 2023, including the restatement of the comparative balances. 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 financial statements of the failure to adopt such accounting standard has not yet been determined by the Company.

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Other information accompanying the parent company and consolidated financial statements and the independent auditor's report

The Company's management is responsible for the other information that comprises the Management Report.

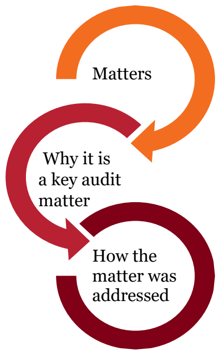
Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. As described in the "Basis for adverse opinion" section, the Company has not adopted Technical Pronouncement CPC 50 - Insurance Contracts, the adoption of which is required for annual reporting periods beginning on or after January 1, 2023. The effects on the financial statements of the failure to adopt such accounting standard has not yet been determined by the Company. We have concluded that other information is materially misstated for the same reason and for amounts which have not been quantified and for other aspects mentioned in the "Basis for adverse opinion" section.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the the current year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the "Basis for adverse opinion" section, we have determined the matters described below to be the key audit matters to be communicated in our report.



Why it is a Key Audit Matter	How the matter was addressed in the audit
Impairment of intangible assets with indefinite useful lives - for goodwill justified based on expectations for future profitability (Notes 9(e) and 20)	
At December 31, 2023, the Company has intangible assets with indefinite useful lives represented by goodwill justified based on expectations of future profitability arising from the 2023 business combinations and from prior year acquisitions which are material in relation to the financial statements. Management tests goodwill on an annual basis to assess the need for an impairment provision.	As an audit response to address the subjective nature of the assumptions and take account of the materiality of balances, we performed the following main procedures: We updated our understanding of the key internal controls in place over the goodwill impairment testing and of the processes for preparing projections and their approvals.

Why it is a Key Audit Matter	How the matter was addressed in the audit
Impairment testing relies on significant estimates and judgments. For these reasons, and considering the control deficiencies identified, this continued to be an area of focus in our audit, since the selection by management of a different set of variables and assumptions to project future profitability could significantly change the calculation of the recoverable amount of goodwill and, consequently, materially impact the financial statements.	We evaluated the technical qualifications of the internal professionals and external advisors hired to support the impairment testing process. We compared key management assumptions with the Company budget and the approved business plan and, with the support of our asset valuation specialists, (i) evaluated the reasonableness of key assumptions used in the projections, including comparisons with estimates disclosed by independent market sources, where applicable, (ii) performed independent calculation of the discount rate and inflation projections and comparison with the criteria used by management and its consultants, (iii) tested the logical coherence and arithmetical consistency of the model prepared by management, and (iv) back-tested the consistency of the projected results in comparison with the results achieved in prior years. We also discussed with management the impacts of not applying Technical Pronouncement CPC 50 - Insurance Contracts, as described in the "Basis for adverse opinion" section. Finally, we read the disclosures on the goodwill impairment tests. Our procedures indicated that the criteria and assumptions adopted by management, as well as the disclosures about the goodwill impairment test are consistent with the data and information obtained in our audit, without considering the effects of applying Technical Pronouncement CPC 50 - Insurance Contracts.
Tax, civil and labor contingencies (Notes 9(j) and 26)	
The Company and its subsidiaries are party to tax, civil and labor lawsuits and administrative proceedings. The Company contracts external attorneys to assist in determining the likelihood of loss and the amounts relating to probable outflows of resources which are the basis for recording the provisions. Estimating the expected probable losses on ongoing lawsuits requires the Company's management to apply critical judgment. The	Our audit procedures included, among others, obtaining an understanding the lawsuits and the internal controls established by management for the identification, measurement, recognition and disclosure of the tax, civil and labor lawsuits in the financial statements. We obtained confirmations from the Company's external legal advisors of their prognoses regarding the likelihood of loss and the amounts involved for the lawsuits in which the Company is

Why it is a Key Audit Matter	How the matter was addressed in the audit
estimates are periodically reviewed as developments in the lawsuits at the various judicial levels arise and or applicable case law is modified. This matter continued as a key audit matter due to the large number of lawsuits, the amounts involved and, consequently, the contingent liabilities provisioned and/or disclosed, and because it involves significant judgment by Management in determining the risk of loss.	a defendant. We also evaluated on a sample basis, with the assistance of our specialists from the tax and legal areas, the estimates and criteria used by management in its analyses of the main lawsuits in progress, in order to assess the reasonableness of the prognoses determined by the Company, with the support of its legal advisors, as well as the arguments and underlying case law referred to by them. In addition, we performed a retrospective analysis to evaluate the consistency and the likelihood of loss for closed lawsuits. We consider that the disclosures made in the notes to the financial statements are consistent with the data and information obtained in our audit.

Other matters

Statement of Value Added

The parent company and consolidated Statements of Value Added for the year ended December 31, 2023, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, due to the significance of the matter described 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 are not presented consistently with the parent company and consolidated financial statements taken as a whole.

Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the ability of the Company and its subsidiaries to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.
We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Hapvida Participações e Investimentos S.A.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Fortaleza, March 28, 2024

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

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

Hapvida Participações e Investimentos S.A.

Statements of financial position at December 31, 2023 and December 31, 2022

(Amounts stated in thousands of Reais)

(A free translation of the original in Portuguese)

		Parent company		Consolidated	
Assets	**Notes**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022 (Restated)**
Cash and cash equivalents	36.d	857.991	3.242	1.430.144	1.267.915
Short and long term investments	12	226.979	230	5.573.479	3.331.741
Trade receivables	13	-	-	1.610.003	1.480.801
Inventory		-	-	318.605	280.759
Recoverable taxes	14	203.423	173.610	835.057	708.114
Dividends and interest on equity receivable	16	-	47.821	-	-
Deferred commission	15	-	-	391.228	471.940
Other assets	17	13.114	21.257	353.856	390.632
		1.301.507	**246.160**	**10.512.372**	**7.931.902**
Net assets of subsidiaries held for sale	40	-	-	14.880	-
Total current assets		**1.301.507**	**246.160**	**10.527.252**	**7.931.902**
Short and long term investments	12	133	673	886.276	1.265.000
Deferred tax assets	35.b	1.495.115	900.537	3.096.139	2.504.883
Judicial deposits	26	10.689	3.790	2.226.206	1.822.767
Deferred commission	15	-	-	570.132	510.212
Derivative financial instruments	36	-	-	772	-
Other related party receivable	16	1.688	345	5.219	3.498
Other assets	17	8.585	13.200	121.774	113.620
		7			
Total long-term receivables		**1.516.210**	**918.545**	**6.906.518**	**6.219.980**
Investments	18	55.977.758	53.816.608	5.518	6.367
Property and equipment	19	4.363	5.029	6.882.558	7.304.735
Intangible assets	20	2	17	50.833.995	51.750.746
Total non-current assets		**57.498.333**	**54.740.199**	**64.628.589**	**65.281.828**
Total assets		**58.799.840**	**54.986.359**	**75.155.841**	**73.213.730**

		Parent company		Consolidated	
Liabilities and shareholders' equity	**Notes**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022 (Restated)**
Borrowings, financing and debentures	21	1.800.299	781.592	2.109.941	1.726.508
Trade payables		2.241	1.550	292.018	414.703
Technical provisions for health care operations	23	-	-	3.999.446	3.636.795
Health care payables		-	-	58.038	13.240
Payroll obligations	24	1.545	1.694	657.640	647.753
Taxes and contributions payable	25	20.145	4.799	467.460	436.350
Income and social contribution taxes	35.a	-	-	28.261	31.798
Dividends and interest on equity payable	16 and 28.c	2.552	2.552	12.629	13.604
Leases payable	22	1	148	475.179	351.286
Derivative financial instruments	36	-	18.468	25.088	18.468
Other related party payable	16	224.261	104.480	5.737	3.998
Other accounts payable	27	22.251	13.061	406.911	387.837
Total current liabilities		**2.073.295**	**928.344**	**8.538.348**	**7.682.340**
Borrowings, financing and debentures	21	7.610.115	5.307.412	9.416.473	9.991.173
Taxes and contributions payable	25	-	-	161.394	157.076
Technical provisions for health care operations	23	-	-	945.451	871.480
Leases payable	22	167	260	2.862.830	1.998.758
Deferred tax liabilities	35.b	-	-	1.263.524	808.303
Provision for tax, civil and labor risks	26	2.074	906	1.267.316	1.360.974
Derivative financial instruments	36	-	-	24.100	42.184
Other accounts payable	27	22.000	-	1.582.847	1.544.731
Total non-current liabilities		**7.634.356**	**5.308.578**	**17.523.935**	**16.774.679**
Shareholders' equity	**28**				
Share capital		38.866.199	37.833.969	38.866.199	37.833.969
Treasury shares		(451.967)	(427.776)	(451.967)	(427.776)
Capital reserve		9.892.386	9.844.362	9.892.386	9.844.362
Legal reserve		201.486	201.486	201.486	201.486
Profit reserve		599.887	1.339.580	599.887	1.339.580
Other comprehensive income		(15.802)	(42.184)	(15.802)	(42.184)
Equity attributable to controlling shareholders		**49.092.189**	**48.749.437**	**49.092.189**	**48.749.437**
Non-controlling interests		-	-	1.369	7.274
Total shareholders' equity		**49.092.189**	**48.749.437**	**49.093.558**	**48.756.711**
Total liabilities and shareholders' equity		**58.799.840**	**54.986.359**	**75.155.841**	**73.213.730**

The accompanying notes are an integral part of the parent company and consolidated financial statements.

Hapvida Participações e Investimentos S.A.

Statements of profit or loss

Years ended December 31, 2023 and 2022

(Amounts stated in thousands of Reais) **(A free translation of the original in Portuguese)**

	Notes	Parent company 12/31/2023	Parent company 12/31/2022	Consolidated 12/31/2023	Consolidated 12/31/2022
Net revenue from services provided	30	-	-	27.383.408	23.748.803
Cost of services rendered	31	-	-	(20.314.699)	(18.093.707)
Gross profit		**-**	**-**	**7.068.709**	**5.655.096**
Selling expenses	32	(626)	(349)	(2.083.280)	(1.820.449)
Administrative expenses	33	(876.355)	(1.284.584)	(4.391.220)	(4.542.423)
Equity in results of subsidiaries	18	680.643	712.092	-	-
Other operating income (expenses), net		(56.695)	119	86.943	551.909
Subtotal		**(253.033)**	**(572.722)**	**(6.387.557)**	**(5.810.963)**
Profit (loss) before income tax and net finance income (expenses)		**(253.033)**	**(572.722)**	**681.152**	**(155.867)**
Finance income	34	44.011	91.929	1.108.190	927.537
Finance expenses	34	(1.125.324)	(826.364)	(2.463.060)	(2.219.479)
Net finance expenses		**(1.081.313)**	**(734.435)**	**(1.354.870)**	**(1.291.942)**
Loss before tax		**(1.334.346)**	**(1.307.157)**	**(673.718)**	**(1.447.809)**
Current income and social contribution taxes	35.a	-	-	(190.713)	(22.581)
Deferred income and social contribution taxes	35	594.577	529.923	124.539	694.551
Loss for the year from continuing operations		**(739.769)**	**(777.234)**	**(739.892)**	**(775.839)**
Profit for the year from discontinued operations	**40**	**-**	**-**	**645**	**-**
Loss for the year		**(739.769)**	**(777.234)**	**(739.247)**	**(775.839)**
Attributable to:					
Non-controlling interest		-	-	522	1.395
Controlling shareholders		(739.769)	(777.234)	(739.769)	(777.234)
Loss per share - Basic and diluted	28.e	(0,10)	(0,11)	(0,10)	(0,11)

The accompanying notes are an integral part of the parent company and consolidated financial statements.

Hapvida Participações e Investimentos S.A.

Statements of comprehensive income

Years ended December 31, 2023 and 2022

(Amounts stated in thousands of Reais) **(A free translation of the original in Portuguese)**

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Loss for the year	**(739.769)**	**(777.234)**	**(739.247)**	**(775.839)**
Other comprehensive income to be reclassified to loss for the year in subsequent periods				
Net gain (loss) on cash flow hedge	26.382	(42.184)	26.382	(42.184)
Total comprehensive income (loss)	**(713.387)**	**(819.418)**	**(712.865)**	**(818.023)**
Non-controlling interest	-	-	522	1.395
Controlling shareholders	(713.387)	(819.418)	(713.387)	(819.418)

The accompanying notes are an integral part of the parent company and consolidated financial statements.

Hapvida Participações e Investimentos S.A.

Statements of changes in shareholders' equity

Years ended December 31, 2023 and 2022

(Amounts stated in thousands of Reais) **(A free translation of the original in Portuguese)**

		Attributable to controlling shareholders									
					Profit reserve						
	Notes	Share capital	Treasury shares	Capital reserve	Legal reserve	Profit reserve	Other comprehensive income	Accumulated (deficit) earnings	Total	Non-controlling interest	Total shareholders' equity
Balances at January 1, 2022		**8.124.185**	**(299.826)**	**429.544**	**201.486**	**2.116.752**	**-**	**-**	**10.572.141**	**853**	**10.572.994**
Loss for the year		-	-	-	-	-	-	(777.234)	(777.234)	1.395	(775.839)
Capital increase		29.709.784	-	15.563.088	-	-	-	-	45.272.872	5.026	45.277.898
Discount on share issuance		-	-	(6.628.873)	-	-	-	-	(6.628.873)	-	(6.628.873)
Shares repurchased		-	(127.950)	-	-	-	-	-	(127.950)	-	(127.950)
Share-based payment		-	-	486.316	-	-	-	-	486.316	-	486.316
Net loss on cash flow hedge		-	-	-	-	-	(42.184)	-	(42.184)	-	(42.184)
Acquisition of non-controlling interests		-	-	(5.713)		62	-	-	(5.651)	-	(5.651)
Allocations:											
Retained earnings (losses)		-	-	-	-	(777.234)	-	777.234	-	-	-
Balances at December 31, 2022		**37.833.969**	**(427.776)**	**9.844.362**	**201.486**	**1.339.580**	**(42.184)**	**-**	**48.749.437**	**7.274**	**48.756.711**
Loss for the year		-	-	-	-	-	-	(739.769)	(739.769)	522	(739.247)
Capital increase	28.a)	1.059.155	-	-	-	-	-	-	1.059.155	(6.427)	1.052.728
Share issuance costs	28.a)	(26.925)	-	-	-	-	-	-	(26.925)	-	(26.925)
Shares repurchased	28.d)	-	(24.191)	-	-	-	-	-	(24.191)	-	(24.191)
Share-based payment	29	-	-	61.682	-	-	-	-	61.682	-	61.682
Net gain on cash flow hedge		-	-	-	-	-	26.382	-	26.382	-	26.382
Carrying value adjustments		-	-	(13.658)	-	76	-	-	(13.582)	-	(13.582)
Allocations:											
Retained earnings (losses)		-	-	-	-	(739.769)	-	739.769	-	-	-
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**

The accompanying notes are an integral part of the parent company and consolidated financial statements.

Hapvida Participações e Investimentos S.A.

Statements of cash flows - Indirect method

Years ended December 31, 2023 and 2022

(Amounts stated in thousands of Reais) ***(A free translation of the original in Portuguese)***

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash flows from operating activities				
Loss for the year	**(739.769)**	**(777.234)**	**(739.247)**	**(775.839)**
Adjustments to reconcile loss for the year to cash from operating activities:				
Depreciation and amortization	738.237	766.674	1.915.465	1.981.288
Amortization of right-of-use assets	4	767	213.051	205.995
Write-off of fair value increment of properties	60.468	-	93.560	-
Sale & leaseback	-	-	(121.279)	-
Technical provisions for health care operations	-	-	(22.714)	47.545
Equity in results of subsidiaries	(680.643)	(712.092)	-	-
Allowance for losses on credits	-	-	550.175	424.837
Write-off of property and equipment	-	-	2.579	34.875
Write-off of intangible assets	-	-	179.953	731
Provision for tax, civil and labor risks	1.859	(25.382)	215.557	284.441
Mark-to-market adjustment on financial investments	-	-	(1.263)	(252)
Income accrued on short and long term investments	(21.993)	(81.381)	(699.065)	(734.825)
Loss with derivative financial instruments	13.385	18.468	88.277	100.897
Amortization of deferred commission	-	-	664.417	645.690
Interest and indexation accruals on lease liabilities	15	168	292.657	224.733
Interest and charges accrued on borrowings, financing and debentures	1.058.357	745.849	1.486.478	1.398.418
Foreign exchange gains/losses accrued	(7)	-	(17.803)	(4.907)
Share-based payment	61.682	486.316	61.682	486.316
Change in fair value of contingent consideration	-	-	-	(503.780)
Income and social contribution taxes	-	-	190.713	22.581
Deferred taxes	(594.577)	(529.923)	(124.539)	(694.551)
Other	-	-	-	(5.765)
	(102.982)	**(107.770)**	**4.228.654**	**3.138.428**
(Increase) decrease in assets:				
Trade receivables	-	-	(662.904)	(886.997)
Inventory	-	-	(33.921)	43.455
Recoverable taxes	(29.813)	(101.807)	(104.912)	(329.864)
Judicial deposits	(6.899)	(1.165)	(398.958)	(257.251)
Other assets	5.314	(84)	86.667	185.361
Deferred commission	-	-	(643.625)	(746.251)
Increase (decrease) in liabilities:				
Technical provisions for health care operations	-	-	389.140	150.254
Health care payables	-	-	43.094	1.410
Payroll obligations	(149)	(2.157)	6.461	133.789
Trade payables	698	1.257	(124.577)	(29.060)
Taxes and contributions payable	16.499	(311)	(10.205)	(39.917)
Provision for tax, civil and labor risks	(691)	(190)	(303.967)	(162.671)
Other accounts payable	27.765	(177)	74.552	(156.750)
Cash generated by (used in) operating activities	**(90.258)**	**(212.404)**	**2.545.499**	**1.043.936**
Income and social contribution taxes paid	-	-	(214.638)	(72.029)
Net cash generated by (used in) operating activities from continuing operations	**(90.258)**	**(212.404)**	**2.330.861**	**971.907**
Net cash generated by operating activities form discontinued operations	-	-	3.805	-
Net cash generated by (used in) operating activities	**(90.258)**	**(212.404)**	**2.334.666**	**971.907**
Cash flows from investing activities				
Related party receivables (payables)	118.438	100.145	18	(9.183)
Acquisition of property and equipment	(231)	(1.754)	(168.266)	(523.718)
Acquisition of intangible assets	-	(1)	(243.820)	(212.273)
Acquisition of subsidiaries	-	-	(630.641)	(3.213.979)
Capital paid-up in investees	(833.782)	(5.712.096)	-	-
Cash and cash equivalents arising from acquisitions	-	-	3.194	202.956
Advance for future capital increase	(559.700)	-	-	-
Dividends received	1.010.258	2.456.238	-	-
Proceeds from sale & leaseback operations	-	-	1.250.000	-
Short and long term investments	(1.070.036)	(733.023)	(21.386.486)	(14.343.113)
Redemption of short and long term investments	864.667	3.486.893	20.327.536	20.199.198
Net cash generated by (used in) investing activities from continuing operations	**(470.386)**	**(403.598)**	**(848.465)**	**2.099.888**
Net cash used in investing activities from discontinued operations	-	-	(29.167)	-
Net cash generated by (used in) investing activities	**(470.386)**	**(403.598)**	**(877.632)**	**2.099.888**
Cash flows from financing activities				
Proceeds from issuance of debentures	2.250.000	2.000.000	1.750.000	2.000.000
Proceeds from borrowings and financing	-	-	260.000	1.321.260
Dividends and interest on equity	-	(17.945)	-	(1.017.145)
Proceeds from issuance of shares	1.059.155	1.089	1.059.155	1.089
Share issuance costs	(26.925)	-	(26.925)	-
Shares repurchased	(24.191)	(127.950)	(24.191)	(127.950)
Payments of principal on borrowings, financing and debentures	(819.335)	(588.295)	(2.278.912)	(2.452.853)
Payments of interest on borrowings, financing and debentures	(993.314)	(642.342)	(1.403.798)	(1.359.667)
Transaction costs related to funding	1.870	(9.760)	(785)	(32.908)
Acquisition of subsidiaries - Payments	-	-	(97.055)	(81.474)
Lease installments paid	(15)	(928)	(455.568)	(326.958)
Payments of derivative financial instruments	(31.852)	-	(68.696)	(74.530)
Net cash generated by (used in) financing activities from continuing operations	**1.415.393**	**613.869**	**(1.286.775)**	**(2.151.136)**
Net cash generated by financing activities from discontinued operations	-	-	8.666	-
Net cash generated by (used in) financing activities	**1.415.393**	**613.869**	**(1.278.109)**	**(2.151.136)**
Increase (decrease) in cash and cash equivalents from continuing operations	**854.749**	**(2.133)**	**195.621**	**920.659**
Decrease in cash and cash equivalents from discontinued operations	-	-	(16.696)	-
Increase (decrease) in cash and cash equivalents	**854.749**	**(2.133)**	**178.925**	**920.659**
Cash and cash equivalents at the beginning of the year	3.242	5.375	1.267.915	347.256
Cash and cash equivalents at the end of the year	857.991	3.242	1.430.144	1.267.915
Changes in cash and cash equivalents from discontinued operations	-	-	(16.696)	-
Increase (decrease) in cash and cash equivalents	**854.749**	**(2.133)**	**178.925**	**920.659**

The accompanying notes are an integral part of the parent company and consolidated financial statements.

Hapvida Participações e Investimentos S.A.

Statements of value added

Years ended December 31, 2023 and 2022

(Amounts stated in thousands of Reais) **(A free translation of the original in Portuguese)**

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Revenues (1)	**4.448**	**268**	**28.307.320**	**24.289.672**
Operating revenue	-	-	28.458.800	24.640.572
Other (expenses) revenues	4.448	268	406.000	73.937
Allowance for losses on credits	-	-	(557.480)	(424.837)
Inputs acquired from third parties (2)	**(15.159)**	**5.117**	**(19.314.434)**	**(17.102.808)**
Cost of services rendered	-	-	(13.350.619)	(12.696.246)
Materials, energy, outsourced services and other	(15.159)	5.117	(5.963.815)	(4.406.562)
Gross added value (1) - (2) = (3)	**(10.711)**	**5.385**	**8.992.886**	**7.186.864**
Depreciation and amortization (4)	(738.241)	(767.441)	(2.128.516)	(2.187.283)
Net added value produced by the Company (3) - (4) = (5)	**(748.952)**	**(762.056)**	**6.864.370**	**4.999.581**
Added value received as transfer (6)	**723.282**	**803.380**	**1.286.354**	**898.336**
Equity in results of subsidiaries	680.643	712.092	(53)	-
Finance income	44.011	91.929	1.108.190	927.537
Other	(1.372)	(641)	178.217	(29.201)
Added value from continuing operations to distribute (5)+(6)=(7)	**(25.670)**	**41.324**	**8.150.724**	**5.897.917**
Added value from discontinued operations to distribute (8)	**-**	**-**	**645**	**-**
Total added value to distribute (7) + (8)	**(25.670)**	**41.324**	**8.151.369**	**5.897.917**
Added value distribution				
Personnel	**(117.247)**	**(517.568)**	**(3.897.082)**	**(4.209.590)**
Direct compensation	(117.020)	(517.396)	(3.283.478)	(3.462.351)
Benefits	(131)	(77)	(377.979)	(330.813)
Governance Severance Fund (FGTS)	(96)	(95)	(235.625)	(416.426)
Taxes, fees and contributions	**572.230**	**480.255**	**(2.013.655)**	**(830.724)**
Federal	572.419	480.477	(1.526.348)	(450.541)
State	(175)	-	(1.735)	(1.238)
Municipal	(14)	(222)	(485.572)	(378.945)
Third-party capital remuneration	**(1.169.082)**	**(781.245)**	**(2.979.879)**	**(1.633.442)**
Interest	(1.108.069)	(781.229)	(2.071.842)	(2.012.620)
Rentals	-	165	(38.737)	(55.139)
Other	(61.013)	(181)	(869.300)	434.317
Remuneration of own capital	**739.769**	**777.234**	**739.247**	**775.839**
Dividends and interest on equity	-	-	-	-
Accumulated (deficit) earnings	739.769	777.234	739.769	777.234
Non-controlling interests - accumulated deficit (earnings)	-	-	(522)	(1.395)
Legal reserve	-	-	-	-
Distributed added value	**25.670**	**(41.324)**	**(8.151.369)**	**(5.897.917)**

The accompanying notes are an integral part of the parent company and consolidated financial statements.

Notes to the parent company and consolidated financial statements

(Amounts stated in thousands of Reais)

1 Operations

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

Hapvida Participações e Investimentos S.A. obtained the registration as a publicly listed company on April 20, 2018, and started trading its shares in the Novo Mercado special segment at B3 S.A. - Brasil, Bolsa, Balcão, on April 25, 2018, under the ticker symbol HAPV3.

The Company's shareholding structure is presented as follows:

Shareholder	Number of shares	Equity interest %
PPAR Pinheiro Participações S.A.	2,713,267,990	36.20%
Shares outstanding	4,781,839,001	63.80%
(-) Treasury shares	44,356,272	-
Total	**7,539,463,263**	**100.00%**

At December 31, 2023, at a consolidated level, the Company and its subsidiaries presented positive net working capital of R$ 1,988,904 (positive R$ 249,562 at December 31, 2022), primarily due to the proceeds from the 'follow-on' transactions and the sale & leaseback operation in the second quarter of 2023, and from the proceeds from the Company's 5th issue of debenture, issuance in December 2023.

The Company (parent company) presents negative net working capital of R$ 771,788 (negative R$ 682,184 at December 31, 2022), primarily due to debentures classified as current liabilities. The Group has centralized cash management mechanisms, so that if cash is needed in a particular company within the Group, entities will perform cash reallocation. In the case of the Company, its subsidiaries (particularly its healthcare operators) will proceed profit distributions.

Management has assessed the Company and its subsidiaries' ability to continue as going concerns and is confident that they have access to sufficient resources required to operate into the foreseeable future. Management is not aware of any material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, these parent company and consolidated financial statements have been prepared on a going concern basis.

The disclosure of the parent company and consolidated financial statements was authorized by the Company's Board of Directors on March 28, 2024.

2 Other matters

2.1 Risks related to climate change

The Company and its subsidiaries conducted a study of climate risks and opportunities through to 2030 and 2050, assessing the main risks associated with global warming and the effects that climate change may have by increasing demand for health services. The short-, medium- and long-term aspects were considered to assist in the decision-making process for plans adapted to meet climate change.

The study addressed the possible impacts of extreme weather events on the units and facilities and the effects of the climate change on the health of the population and demand for medical care.

The Company and its subsidiaries constantly seek to mitigate the risks to the physical integrity of the units, from weather events such as storms, floods, cyclones and hail in the planning of works and renovations.

Changes of location for assets may be considered if infrastructure facilities are unable to be adapted within safety and quality standards. Insurance policies provide coverage for extreme events.

The increase in cases of respiratory diseases was contemplated due to the drop in temperature or increase in pollution, as also cardiovascular diseases due to the increase in temperature and diseases affecting certain geographic areas (such as dengue, the spread of which can be aggravated by excessive rainfall). These are continually monitored by management.

Continual investments are made to assure geographical diversification of care units, for preventive medicine programs and programs for educational and awareness actions through communication channels.

At December 31, 2023, Management has not identified any significant impacts from climate change risks in the Company and its subsidiaries affecting: i) impairment of non-financial assets; ii) financial instruments; iii) provisions and contingent liabilities; iv) fair value measurements; v) deferred taxes; vi) significant judgments and estimates; or any other impacts.

2.2 Consumption tax reform

On December 20, 2023, Constitutional Amendment ("EC") 132 was enacted, establishing the Tax Reform ("Reform") on consumption. Several issues, including the rates of the new taxes, are pending regulation by complementary laws ("LC") that must be sent to the National Congress for evaluation within 180 days.

The Reform model is based on a VAT ("dual VAT") divided into two jurisdictions, one federal (Contribution on Goods and Services - CBS) and one subnational (Tax on Goods and Services - IBS), which will replace the PIS, COFINS, ICMS and ISS taxes.

A Selective Tax was also created - under federal jurisdiction, which will apply to the production, extraction, trade or import of goods and services that are harmful to health and the environment, under the terms of 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 once the process of regulation of the pending issues by LC is finalized. Consequently, there is no effect of the Reform on the parent company and consolidated financial statements at December 31, 2023.

2.3 Corporate restructuring

The Company and its subsidiaries, through their strategic plans, seek continuous growth and expansion via corporate restructuring by rationalizing and unifying their administrative activities to achieve gains and operational benefits. These efforts are reflected in the following incorporation events in the year ended December 31, 2023:

Company	Date of merger / reorganization	Net assets	Description
Pró-Infância SJC Hospital e Pronto Socorro Pediátrico Ltda.	3/1/2023	1,372	The Minutes of the Quotaholders' Meeting held on March 1, 2023 record the approval of the protocol and justification of the merger of Pró-Infância SJC Hospital e Pronto Socorro Pediátrico Ltda. into subsidiary Ultra Som Serviços Médicos S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.
Sociedade Hospitalar de Uberlândia S.A. (Madrecor)	3/'/2023	4,129	The Minutes of the Shareholders' Meeting held on March 1, 2023 record the approval of the protocol and justification of the merger of Sociedade Hospitalar de Uberlândia S.A. into subsidiary Ultra Som Serviços Médicos S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.
RN Metropolitan Ltda.	4/1/2023	76,861	The Minutes of the Shareholders' Meeting held on January 27, 2023 record the approval of the protocol and justification of the merger of RN Metropolitan Ltda. into subsidiary Hapvida Assistência Médica S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.
Laboratório Marques D'Almeida Ltda.	5/1/2023	3,786	On May 1, 2023, the protocol and justification of the merger of Laboratório Marques D'Almeida Ltda. into subsidiary Centro Clínico Gaúcho Ltda. was approved. The appraisal report on the net assets of the merged company was issued by an independent firm.
Hospital CCG Saúde Ltda.	5/1/2023	108,330	On May 1, 2023, the protocol and justification of the merger of Hospital CCG Saúde Ltda. into subsidiary Centro Clínico Gaúcho Ltda. was approved. The appraisal report on the net assets of the merged company was issued by an independent firm.
Gralha Azul Administração e Participação Ltda.	7/1/2023	80,827	On July 1, 2023, the protocol and justification of the merger of Gralha Azul Administração e Participações Ltda. into subsidiary Clinipam - Clín was approved Médica Paranaense de Assistência Médica Ltda. The appraisal report on the net assets of the merged company was issued by an independent firm.
Hospital do Coração de Balneário Camboriú Ltda.	7/1/2023	29,430	On July 1, 2023, the protocol and justification of the merger of Hospital do Coração de Balneário Camboriú Ltda. into subsidiary Clinipam - Clín was approved. Médica Paranaense de Assistência Médica Ltda. The appraisal report on the net assets of the merged company was issued by an independent firm.

Hospital e Maternidade Santa Brígida S.A.	7/1/2023	26,442	On August 1, 2023, the protocol and justification of the merger of Hospital e Maternidade Santa Brígida S.A. into subsidiary Clinipam - Clín was approved Médica Paranaense de Assistência Médica Ltda. The appraisal report on the net assets of the merged company was issued by an independent firm.
Hapvida Participações em Tecnologia Ltda.	9/1/2023	(655)	On September 1, 2023, the protocol and justification of the merger of Hapvida Participações em Tecnologia Ltda. into subsidiary BCBF Participações S.A. was approved. The appraisal report on the net assets of the merged company was issued by an independent firm.
Hospital Antônio Prudente Ltda.	12/1/2023	58,704	The Minutes of the Shareholders' Meeting held on September 25, 2023 record the approval of the protocol and justification of the merger of Hospital Antônio Prudente Ltda. into subsidiary Hapvida Assistência Médica S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.
Ultra Som Serviços Médicos S.A.	12/1/2023	2,818,620	The Minutes of the Shareholders' Meeting held on September 25, 2023 record the approval of the protocol and justification for the merger of Ultra Som Serviços Médicos S.A. into subsidiary Hapvida Assistência Médica S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.
São Francisco Sistemas de Saúde Sociedade Empresária Ltda.	12/1/2023	287,912	The Minutes of the Shareholders' Meeting held on September 25, 2023 record the approval of the protocol and justification for the merger of São Francisco Sistemas de Saúde Sociedade Empresária Ltda. into subsidiary Hapvida Assistência Médica S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.
GSF Administração de Bens Próprios S.A.	12/1/2023	32,057	The Minutes of the Shareholders' Meeting held on September 25, 2023 record the approval of the protocol and justification for the merger of GSF Administração de Bens Próprios S.A. into subsidiary Hapvida Assistência Médica S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.
São Francisco Rede de Saúde Assistencial S.A.	12/1/2023	253,800	The Minutes of the Shareholders' Meeting held on September 25, 2023 record the approval of the protocol and justification for the merger of São Francisco Rede de Saúde Assistencial S.A. into subsidiary Hapvida Assistência Médica S.A. The appraisal report on the net assets of the merged company was issued by an independent firm.

2.4 Restatement of comparative figures

To improve the presentation of Leases payable and to better reflect the Company and its subsidiaries' short-term liabilities, reclassifications between short and long-term were made by the Company and its subsidiaries in the balance sheets as of January 1, 2022, and for the year ended December 31, 2022, as detailed below:

	Consolidated					
	December 31, 2022			January 1, 2022		
	Original	Adjustment	Restated	Original	Adjustment	Restated
Statement of financial position						
Assets						
Current	**7,931,902**	**-**	**7,931,902**	**3,318,191**	**-**	**3,318,191**
Non-current	**65,281,828**	**-**	**65,281,828**	**18,041,864**	**-**	**18,041,864**
Total assets	**73,213,730**	**-**	**73,213,730**	**21,360,055**	**-**	**21,360,055**
Liabilities and shareholders' equity						
Current	**7,474,525**	**207,815**	**7,682,340**	**3,184,452**	**95,996**	**3,280,448**
Leases payable	143,471	207,815	351,286	57,035	95,996	153,031
Other current liabilities	7,331,054	-	7,331,054	3,127,417	-	3,127,417
Non-current	**16,982,494**	**(207,815)**	**16,774,679**	**7,602,609**	**(95,996)**	**7,506,613**
Leases payable	2,206,573	(207,815)	1,998,758	1,076,590	(95,996)	980,594
Other non-current liabilities	14,775,921	-	14,775,921	6,526,019	-	6,526,019
Shareholders' equity	**48,756,711**	**-**	**48,756,711**	**10,572,994**	**-**	**10,572,994**
Total liabilities and shareholders' equity	**73,213,730**	**-**	**73,213,730**	**21,360,055**	**-**	**21,360,055**

2.5 Clarification regarding Official Letter No. 13/2024/CVM/SEP/GEA-2

As disclosed in the Relevant Fact of January 19, 2024, the Company clarifies that it has received notification from the Public Prosecutor's Office of the State of São Paulo regarding a civil proceeding that investigates issues related to healthcare coverage and compliance with court decisions. The Company informs that it has provided relevant clarifications and will monitor the progress of the proceeding.

3 Subsidiaries

The parent company and consolidated financial statements include the following direct and indirect subsidiaries of Hapvida Participações e Investimentos S.A.:

				12/31/2023		12/31/2022	
Entity	**Main activity**	**Date of acquisition**	**Date of merger**	**Direct**	**Indirect**	**Direct**	**Indirect**
Hapvida Assistência Médica S.A. (a)	Health Plan	-	-	100%	-	96.35%	3.65%
Ultra Som Serviços Médicos S.A. (b)	Health Plan	-	12/01/2023	-	-	100%	-
RN Metropolitan Ltda.	Health Plan	01/01/2020	04/01/2023	-	-	-	100%
Hospital Antônio Prudente Ltda.	Health	-	12/01/2023	-	-	100%	-
Hapvida Participações em Tecnologia Ltda. (c)	Technology	-	09/01/2023	-	-	100%	-
Hapvida Call Center e Tecnologia Ltda. (c)	Technology	-	-	-	100%	-	100%
Maida Health Participações Societárias S.A. (c)***	Technology	09/01/2019	-	-	75.00%	-	75.00%
Maida Haptech Soluções Inteligentes Ltda. (c)***	Technology	-	-	-	74.99%	-	74.99%
Maida Infoway Tecnologia e Gestão em Saúde Ltda. (c)***	Technology	09/01/2019	-	-	74.99%	-	74.99%
Tercepta Consultoria em Informática Ltda. (c)***	Technology	09/01/2021	-	-	75.00%	-	75.00%
São Francisco Group		**11/01/2019**					
São Francisco Sistemas de Saúde S/E Ltda. (d)	Holding Company		12/01/2023	-	-	-	99.99%
São Francisco Rede de Saúde Assistencial S.A.	Health		012/01/2023	-	-	-	99.99%
GSF Administração de Bens Próprios S.A.	Asset Management		12/01/2023	-	-	-	99.99%
São Francisco Resgate Ltda. **	Health		-	-	-	-	100%
Pró-Infância SJC Hospital e Pronto Socorro Pediátrico Ltda.	Health	12/01/2020	03/0'/2023	-	-	-	73.80%
Sociedade Hospitalar de Uberlândia S.A. (Madrecor)	Health	11/01/2021	03/01/2023	-	-	-	99.42%
Lifeplace Hapvida Ltda.	Agency	-	-	100%	-	100%	-
Lifeplace Maida Ltda. ***	Agency	-	-	-	75.00%	-	75.00%
HB Saúde Group (f)		**01/01/2023**					
H.B. Saúde S.A. *	Health Plan		-	-	100%	-	-
H.B. Saúde Prestação de Serviços Médicos Ltda. *	Health		-	-	100%	-	-
H.B. Saúde Centro de Diagnóstico Ltda. *	Health		-	-	100%	-	-
Centro Integrado de Atendimento Ltda. *	Health		-	-	100%	-	-
Notre Dame Intermédica Group - GNDI (e)		**02/01/2022**					
Notre Dame Intermédica Participações S.A.	Holding Company		-	100%	-	100%	-
BCBF Participações S.A.	Holding Company		-	18.85%	81.15%	-	100%
Notre Dame Intermédica Saúde S.A.	Health Plan		-	-	100%	-	100%
São Lucas Saúde S.A.	Health Plan		-	-	100%	-	100%
São Lucas Serviços Médicos Ltda.	Health		-	-	100%	-	100%
Hospital São Lucas S.A.	Health		-	-	87.75%	-	87.07%
Clinipam - Clín. Médica Paranaense de Assistência Médica Ltda.	Health Plan		-	-	100%	-	100%
Gralha Azul Administração e Participação Ltda.	Asset Management		07/01/2023	-	-	-	100%
Hospital do Coração de Balneário Camboriú Ltda.	Health		07/01/2023	-	-	-	98.99%
Hospital e Maternidade Santa Monica S.A.	Health		-	-	99.94%	-	99.89%
INCORD - Inst. de Neurologia e de Coração de Divinópolis Ltda.	Laboratory		-	-	100%	-	100%
Bioimagem Diag. por Imagem e Lab. de Análises Clín. Ltda.	Laboratory		-	-	96.33%	-	96.33%
SMV Serviços Médicos Ltda.	Administration		-	-	99.30%	-	99.30%
Hospital e Maternidade Santa Brígida S.A.	Health		07/01/2023	-	-	-	99.87%
Lifecenter Sistema de Saúde S.A.	Health		-	-	100%	-	100%
Bio Saúde Serviços Médicos Ltda.	Health Plan		-	-	100%	-	100%
Hospital do Coração de Londrina Ltda.	Health		-	-	100%	-	100%
Notre Dame Intermédica Minas Gerais Ltda.	Holding Company		-	-	100%	-	100%
Notre Dame Intermédica Minas Gerais Saúde S.A.	Health Plan		-	-	100%	-	99.78%
Hospital e Maternidade Maringá S.A.	Health		-	-	100%	-	100%
IMESA - Instituto de Medicina Especializada Alfenas S.A.	Health		-	-	99.77%	-	99.74%
Hospital Varginha S.A.	Health		-	-	99.87%	-	99.56%
Casa de Saúde e Maternidade Santa Martha S.A.	Health		-	-	100%	-	100%
CCG Participações S.A.	Holding Company		-	-	100%	-	100%
Centro Clínico Gaúcho Ltda.	Health Plan		-	-	100%	-	100%
Centro Gaúcho de Medicina Ocupacional Ltda. **	Occupational Medicine		-	-	-	-	100%
Hospital Centro Clínico Gaúcho Saúde Ltda.	Health		05/01/2023	-	-	-	100%
Laboratório Marques D'Almeida Ltda.	Laboratory		05/01/2023	-	-	-	100%
Hospital do Coração Duque de Caxias Ltda.	Health		-	-	100%	-	100%

* Companies acquired in 2023 (Note 4).
** Companies sold in 2023 (Note 40).
*** Companies classified as Available for sale (Note 40).

The more significant subsidiaries are summarized below:

(a) Hapvida Assistência Médica S.A.
Operating from July 15, 1991, registered with the National Supplementary Health Agency (ANS) under no. 36,825-3. Its main corporate purpose is the sale of health and dental care plans focused on the provision of health care services, through a network of hospital, clinical and outpatient care companies, under common control of the Company and its subsidiaries.

(b) Ultra Som Serviços Médicos S.A.
Operating from February 25, 1988, its main activities include the provision of medical and paramedical, laboratory, diagnostic, imaging and ultrasound services, covering all areas of medicine, as well as participation as a partner or shareholder in other companies.

In December 2023, Ultra Som Serviços Médicos S.A. was merged into Hapvida Assistência Médica S.A.

(c) Hapvida Participações em Tecnologia Ltda. and subsidiaries
Operating from May 2011, its corporate purpose is to participate as a partner or shareholder in other companies, predominantly technology companies.

It participates in niche activities (healthtech) with the purpose of promoting access to health through technology, innovation and transformation. The subsidiaries provide health management systems services, advice and implementation of health management models.

In September 2023, the holding company Hapvida Participações em Tecnologia Ltda. was merged into subsidiary BCBF Participações S.A. and, consequently, its investments were assumed by the subsidiary.

(d) São Francisco Sistemas de Saúde S/E Ltda.
Headquartered in Ribeirão Preto-SP, its purpose is the administration, assistance, implantation and commercialization of individual, family and collective health systems and plans, for its own execution or through the hiring and/or accreditation of legally qualified third parties and the reimbursement of medical, dental, hospital and outpatient expenses to its beneficiaries; outpatient medical care; and the organization of courses, lectures, seminars and other events in its area of expertise.

It is a health operator of São Francisco Sistemas de Saúde S/E Ltda. which migrated to Hapvida Assistência Médica S.A. in October 2021.

On August 8, 2022, pursuant to Official Letter 392/2022/COCAL/GERER/GGAER/DIRAD-DIOPE/DIOPE, at request, the registration ANS 30.209-1 of operator of São Francisco Sistemas de Saúde S/E Ltda. was cancelled, through administrative process 33910.033291/2022-22, in accordance with art. 23 of Normative Resolution (RN) 543, of 2022, considering that all legal requirements and assumptions were met.

In December 2023, São Francisco Sistema de Saúde S/E Ltda. was merged into Hapvida Assistência Médica S.A.

(e) Notre Dame Intermédica Group - GNDI

Founded in 1968 in São Paulo/SP, Notre Dame Intermédica group operates health plans, dental care plans and occupational health. Its Own Service Network is served by hospitals, Clinical Centers, Autonomous Emergency Departments, Preventive Medicine Centers, clinical analysis collection points, imaging units and Health Centers exclusively dedicated to the elderly. It seeks excellence in management of care based on the high-quality reception and safety for patients.

(f) HB Saúde group

Founded in 1998, the HB Saúde Group comprises the health care operator of the same name, hospital, outpatient units, children's clinic, clinical and diagnostic centers, preventive and occupational medicine spaces and oncology center, located mainly in São José do Rio Preto and Mirassol, state of São Paulo.

The health areas include, in addition to São José do Rio Preto, the regions of Barretos, Fernandópolis, Votuporanga, Catanduva, Araçatuba, Três Lagoas and Uberaba. The transaction brought synergy to the operations of the Hapvida Notredame Intermédica Group, from a geographic and operational point of view, since the city of São José do Rio Preto is located approximately 200 km from Ribeirão Preto and Uberaba, cities with acquired operations and recently integrated by the Company and its subsidiaries.

4 Business combinations

The following business combinations completed in 2023 and acquisitions still in progress are presented below.

Acquisitions in 2023

4.1 Acquisition of HB Saúde Group

On January 2, 2023, the Company, through its subsidiary Hapvida Assistência Médica S.A., following the completion of regulatory approvals and the fulfillment of conditions precedent outlined in the Agreement, concluded the acquisition of the HB Saúde group, in line with its strategy of expansion and national consolidation.

The HB Saúde Group of São José do Rio Preto (SP) is composed of the following entities: H.B. Saúde S.A., H.B. Saúde Prestação de Serviços Médicos Ltda., Centro Integrado de Atendimento Ltda. and HB Saúde Centro de Diagnóstico Ltda. (HB Saúde Group and HBS transaction, respectively). The HB Saúde Group comprises the healthcare operator of the same name, Hospital HBS Mirassol, eight outpatient units, a children's clinic, clinical and diagnostic centers, preventive and occupational medicine spaces and oncology center, located mainly in São José do Rio Preto and Mirassol, state of São Paulo.

The health area covers, in addition to São José do Rio Preto, the regions of Barretos, Fernandópolis, Votuporanga, Catanduva, Araçatuba, Três Lagoas and Uberaba, with a population of 3.8 million inhabitants and around 1.1 million beneficiaries of private healthcare plans. The HBS transaction brought synergy from a geographic and operational point of view, since the city of São José do Rio Preto is located approximately 200 km from Ribeirão Preto and Uberaba where acquired operations were recently integrated by the Hapvida Notredame Intermédica Group. The acquisition of HB Saúde Group is aligned with the strategy of growth and gains on market share in the state of São Paulo, expanding the potential for vertical growth in the region.

(a) Consideration transferred

	Original	Adjustments		Final
Total consideration transferred (1)	665,000	(15,000)	(a)	650,000
Assets acquired and liabilities assumed at fair value (2)	39,833	76,991	(b)	116,824
Goodwill (1) - (2)	**625,167**	**(91,991)**		**533,176**

(a) Refers to the variation in the consideration transferred within the measurement period.
(b) Refers to the update of the fair value measurement assumptions.

Consideration transferred (Cash payment)	615,641
Contingent consideration	34,359
Total consideration transferred	**650,000**

(b) Fair value measurement

Item "(c)" below demonstrates the consideration transferred and the fair values of the assets acquired and liabilities assumed on the acquisition date. Fair value measurement techniques were prepared by an independent consultant hired by the Company and its subsidiaries to support management's conclusion.

The measurement of the fair value of the assets acquired and liabilities assumed was initially carried out on a provisional basis and the process was completed within the period of issue of these parent company and consolidated financial statements.
The valuation techniques and methodology applied to each asset class is aligned with their nature and function in the business operation:

Assets	Method
Intangible assets - Life portfolio	Income approach (Multi-Period Excess Earnings)
Property and equipment	Replacement cost

The valuation methodology is presented below:

Replacement cost - being the current cost of a similar new asset, which most closely approximates the intended function of the asset being appraised.

Multi-Period Excess Earnings Model - MPEEM - measures the present value of the future income to be generated over the remaining useful life of an asset. The operating costs and expenses are deducted from the future cash flows directly attributable to the asset, and the contributory charges are deducted from the resulting margin to arrive at the free flows to be deducted for calculation of the present value.

(c) Goodwill and measurement

The purchase consideration and fair values of the assets and liabilities on the acquisition date.

	Assets acquired at fair value
Consideration transferred (1)	**650,000**
Assets	
Cash and cash equivalents	3,194
Short-term investments	60,057
Trade receivables	16,473
Inventory	3,925
Recoverable taxes	1,643
Judicial deposits	4,482
Other assets	649
Property and equipment	60,270
Intangible assets	70,008
Total assets acquired at fair value	**220,701**
Liabilities	
Borrowings and financing	(9,334)
Trade payables	(4,653)
Technical provisions for health care operations	(70,196)
Health care payables	(1,704)
Payroll obligations	(3,425)
Income and social contribution taxes	(3)
Taxes and contributions payable	(2,571)
Provision for tax, civil and labor risks	(4,537)
Leases payable	(7,384)
Other accounts payable	(70)
Total liabilities assumed at fair value	**(103,877)**
Assets acquired and liabilities assumed at fair value (2)	**116,824**
Total goodwill (1) - (2)	**533,176**

The goodwill and excess purchase amount will be deductible for income and social contribution tax purposes. This reflects the expectation of future profitability, based on the operational synergies to the Company and its subsidiaries.

From the date of acquisition up to December 31, 2023, (as described in Note 3) HB Saúde Group contributed to the consolidated net revenues a total of R$ 334,314 and a consolidated profit of R$ 25,640.

Trade receivables comprises gross contractual amounts, after eliminations, of R$ 16,238, of which R$ 7,420 are estimated as non-recoverable.

5 Basis of preparation

Statement of compliance

(a) Parent company and consolidated financial statements

With the exception of the application of the International Financial Reporting Standard 17 (CPC 50) - 'Insurance Contracts', the accounting standard effective from January 1, 2023, the parent company and consolidated financial statements were prepared in accordance with the accounting practices adopted in Brazil, including the technical pronouncements, guidance and interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC), and with the International

Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) (referred to by the IFRS Foundation as "IFRS® accounting standards") including the interpretations issued by the IFRS Interpretations Committee (IFRIC® Interpretations).

Insurance contracts are recognized, measured, and disclosed in these financial statements in accordance with IFRS 4 (CPC 11) **-** 'Insurance Contracts'. Based on preliminary assessments by management, it is estimated that the adoption of CPC 50 will result in a potential significant impact on the evaluation, individually or collectively, of liabilities and assets arising from contracts with insurance risk, and consequently impacts on net operating revenue and costs of services rendered, among others, considering the new IFRS 17 (CPC 50) framework.

(b) Statement of value added

The presentation of the parent company and consolidated statements of value added (DVA) is required by the Brazilian corporate legislation and the accounting practices adopted in Brazil applicable to listed companies. The DVA was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 **-** "Statement of Value Added". The IFRS do not require the presentation of such statement. Therefore, under the IFRS, the presentation of such statement is considered supplementary information, and not part of the set of financial statements.

6 Functional and presentation currency

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

7 Use of estimates and judgments

In the preparation of these parent company and consolidated financial statements, Management used judgments, estimates and assumptions in implementing the accounting policies of the Company and its subsidiaries and for recording assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

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

(a) Judgments

The areas in which Management's use of estimates is more significant in applying the accounting policies in the parent company and consolidated financial statements are addressed in the following notes:

- **Note 4 -** Business combination. Determination of the fair value of assets acquired and liabilities assumed, based on the selection of specific methodology for each class of asset/liability;

- **Note 13 -** Allowance for doubtful accounts **-** trade receivables. Recognition and measurement of the Allowance for doubtful accounts **-** trade receivables, based on assumptions about the risk of default and the defined expected loss rates. Judgments are applied to establish these assumptions and to select the data for impairment calculation, based on the Company and its subsidiaries' receivables history, existing market conditions, and future estimates at the end of each fiscal year;

- **Note 15 -** Deferred marketing expenses. Identification of the average contract duration to determine the deferral period for commissions and, consequently, their recognition in the accounting result for the period/fiscal year;

- **Note 19 -** Review of the economic useful life of fixed assets. Determination of the estimated useful life of assets and, consequently, the depreciation rate to be used in calculations and accounting records in the result for the period/fiscal year;

- **Note 20 -** Intangible assets. Impairment test of goodwill. Determination of the estimated useful life of intangible assets and, consequently, the amortization rate to be used in calculations and accounting records in the result for the period/fiscal year. The recoverable amounts of Cash Generating Units (CGUs) were determined based on calculations of the value in use, according to estimates and budget projections approved by Management;

- **Note 22 -** Leases payable and Sale & Leaseback (SLB). Management is not able to determine the implicit discount rate to be applied to its lease contracts. Therefore, the lessee's incremental borrowing rate is used to calculate the present value of the lease liabilities upon the initial recognition of the contract. The lessee's incremental borrowing rate is the interest rate that the lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value 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 23 -** Technical provisions for health care operations. Determination of the actuarial methodology to estimate incurred but not reported claims (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 26-** Provision for tax, civil and labor risks. The Company and/or its subsidiaries are parties to judicial and administrative proceedings involving labor, tax, civil and regulatory matters and they recognize provisions for probable losses. The likelihood of loss is assessed based on the available evidence, hierarchy of laws, available case laws, most recent court decisions and their relevance within the legal system, as well as on the advice of its legal advisors;

- **Note 29 -** Share-based payment. Main assumptions in relation to the granting of shares; Determination of the methodology for pricing options on the grant dates of the shares; and

- **Note 35 -** Deferred income and social contribution taxes. Determination of the realizable and estimated future taxable income against which deductible temporary differences and tax losses may be offset; and

- **Note 36 -** Financial instruments and risk management. Determination of the fair value of derivative and non-derivative financial instruments.

(b) Uncertainties on critical assumptions and estimates

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances of the Company and its subsidiaries. Revisions of accounting estimates are recognized in the period in which they are made and in any future periods affected.

Based on assumptions, the Company and its subsidiaries make estimates concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are addressed below:

- **Note 4 -** Acquisition of subsidiary. Determination of the fair value of the consideration transferred (including contingent consideration) and the fair value of assets acquired and liabilities assumed, based on the selection of specific methodology for each class of asset/liability.

- **Note 13 -** Allowance for doubtful accounts - trade receivables. Recognition and measurement of the Allowance for doubtful accounts - trade receivables, based on assumptions about the risk of default and the defined expected loss rates. Judgments are applied to establish these assumptions and to select the data for impairment calculation, based on the Company and its subsidiaries' receivables history, existing market conditions, and future estimates at the end of each fiscal year;

- **Note 15 -** Deferred marketing expenses. Identification of the average contract duration to determine the deferral period for commissions and, consequently, their recognition in the accounting result for the period/fiscal year;

- **Note 19 -** Review of economic useful life of property and equipment. Determination of estimated useful life of assets, and as a result, of the depreciation rate to be used in the calculation and book records in the profit (loss) for the period/year;

- **Note 20 -** Determination of estimated useful life of intangible assets, and as a result, the amortization rate to be used in the calculation and book records in the profit (loss) for the period/year. Impairment test of goodwill. The recoverable amounts of Cash Generating Units (CGUs) were determined based on calculations of the value in use, by an external specialized consulting firm hired by the Company and its subsidiaries, according to estimates and budget projections approved by management;

- **Note 22 -** Leases payable. Determination of the lease term and definition of the discount rate to be applied to lease agreements. The Company and its subsidiaries are not able to determine the implicit discount rate to be applied to its lease contracts. Therefore, the lessee's incremental borrowing rate is used to calculate the present value of the lease liabilities upon the initial recognition of the contract. The lessee's incremental borrowing rate is the interest rate that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment;

- **Note 23 -** Technical provisions for health care operations. Determination of the actuarial methodology to estimate incurred but not reported claims (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 26-** Provision for tax, civil and labor risks. The Company and/or its subsidiaries are party to judicial and administrative proceedings involving labor, tax, civil and regulatory matters and they recognize provisions for probable losses. The likelihood of loss is assessed based on the available evidence, hierarchy of laws, available case laws, most recent court decisions and their relevance within the legal system, as well as on the advice of its legal advisors;

- **Note 29 -** Share-based payment. Determination of the methodology for pricing options on the grant dates of the shares; and

- **Note 35 -** Deferred income and social contribution taxes. Determination of the realization and estimated future taxable income against which deductible temporary differences and tax loss carryforwards may be offset.

(c) Fair value measurement

A series of accounting policies and disclosures of the Company and its subsidiaries require the measurement of fair value, for financial and non-financial assets and liabilities.

The Company and its subsidiaries have a control structure for measuring fair values. This includes an appraisal team with general responsibility for reviewing all significant fair value measurements, which discusses the strategies to accompany investment portfolios within the Finance and Capital Market Committee.

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

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

- **Level 1**: quoted prices (not adjusted) in active markets for identical assets or liabilities.
- **Level 2**: inputs other than quoted prices included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices).
- **Level 3**: inputs, for assets or liabilities, which are not based on observable market inputs (non-observable inputs).

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

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

- **Note 4 -** Business combination;
- **Note 22 -** Leases payable - Sale & Leaseback transaction; and
- **Note 36 -** Financial instruments.

8 Basis of measurement

The parent company and consolidated financial statements were prepared based on the historical cost, except for the following measured at fair value in the statements of financial position:

- derivative financial instruments (at each reporting date);
- financial investments - Investment funds (at each reporting date); and
- contingent payments assumed in a business combination (at each reporting date).

9 Material accounting policies

The Company and its subsidiaries applied the accounting policies described below consistently to all the years presented in these parent company and consolidated financial statements, unless otherwise indicated.

(a) Basis of consolidation

(i) Business combinations

Business combinations are recorded using the acquisition method when control is transferred to the Group. The consideration transferred is measured at fair value, as well as the identifiable net assets acquired. Gains on a bargain purchase are immediately recognized in profit (loss). Transaction costs are recorded in profit (loss) as incurred, except for costs related to the issue of debt or equity instruments.

Consideration transferred does not include amounts referring to payment of pre-existing relations. These amounts are recognized in profit (loss) for the year. Any contingent consideration payable is measured at its fair value on acquisition date. If the payment is classified as an equity instrument, it is not remeasured and the liquidation is recorded in equity. The remaining contingent consideration is remeasured at fair value on each reporting date, and subsequent changes in fair value are recorded in the income statement for the year.

(ii) Subsidiaries

The Company and its subsidiaries control an entity when they are exposed to or have a right to variable returns arising from their involvement with the entity and have the ability to affect those returns exerting their power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements as from the date the Company and its subsidiaries obtain the control until the date such control ceases.
In the parent company financial statements, investments in subsidiaries are recognized under the equity method.

(iii) Non-controlling interest

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the proportion acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded directly in equity, in the line item "Carrying value adjustments".

(iv) Loss of control

When the Company and its subsidiaries lose control over a subsidiary, they derecognize assets and liabilities and any non-controlling interest and other components recorded in equity referring to that subsidiary. Any gain or loss resulting from loss of control is recognized in profit (loss). If the Company and its subsidiaries hold any interest in former subsidiary, this interest is measured at fair value on the date control is lost.

(v) Transactions eliminated in the consolidation

Intragroup balances and transactions, and any unrealized revenues and expenses derived from intragroup transactions, are eliminated. Unrealized gains originating from transactions with an investee recording using the equity method are eliminated against the investment in the proportion of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, as long as there is no evidence of impairment loss.

(b) Revenue from insurance contracts and from customers contracts

The Company and its subsidiaries are engaged in selling health and dental care plans and providing clinical, hospital, laboratory and diagnostic services.

These services are sold through separate contracts, individually by customer or bundled together as a service package. Health and dental care plans are treated in accordance with the requirements of IFRS 4 (CPC 11) - Insurance Contracts. For items not covered by this pronouncement, the Company and its subsidiaries adopt as a policy for the recognition of revenue the criteria set out in IFRS 15 (CPC 47) - Revenue from Contracts with Customers.

(i) Revenues from consideration

The health and dental care services are performed through their hospitals and accredited network. The Company and its subsidiaries assess the services provided over time as the client receives and benefits from the services. Revenues from considerations are appropriated to correspond to the daily apportionment - *pro rata day* - of the individual coverage period of each contract, starting from the first day of coverage.

(ii) Revenues from other activities

Revenues generated by medical and hospital assistance to third parties and which are recognized through the rendering of services and when economic benefits arising from the transaction are considered probable.

(c) Income and social contribution taxes

The income and social contribution taxes for the year, both current and deferred, are calculated based on the rates of 15% plus a surcharge of 10% on taxable income in excess of R$ 240 for income tax and 9% on taxable income for social contribution on net income and consider the offsetting of tax losses and negative basis of social contribution, limited to 30% of the taxable income in any single year.

Income and social contribution taxes expense comprises both current and deferred income and social contribution taxes. Current and deferred taxes are recognized in profit or loss unless they are related to business combination, or items directly recognized in equity or other comprehensive income.

(i) Expenses with current income and social contribution taxes

Current tax expense is the tax payable or receivable on the taxable income or loss for the year and any adjustments to taxes payable in relation to prior years. The amount of current taxes payable or receivable is recognized in the statement of financial position as a tax asset or liability at the best estimate of the expected amount of taxes to be paid or received reflecting the uncertainties related to its calculation, if any. It is measured based on tax rates enacted at the reporting date.

i.1 Uncertainties Regarding Tax Treatment of Profits

The Company and its subsidiaries conducted a review and classification of tax positions, as well as assessed potential quantitative and qualitative impacts for disclosure purposes, including:

- Identification of uncertain tax treatments;
- Classification and assessment of uncertain tax treatments;

Based on the internal procedures adopted by the Company and its subsidiaries, it was concluded that there were no significant effects requiring accounting adjustments in tax provisions due to uncertainties in tax treatment.

(ii) Expenses with deferred income and social contribution taxes

Deferred tax assets and liabilities are recognized in relation to the temporary differences between the carrying amounts of assets and liabilities for financial statements and those used for taxation purposes. The changes in deferred tax assets and liabilities for the year are recognized as deferred income and social contribution taxes expense. Deferred taxes are not recognized for:

- temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination, and not affecting the taxable profit (loss);

- temporary differences related to investments in subsidiaries, associates and joint ventures, to the extent in that the Company and its subsidiaries are able to control the timing of the reversal of the temporary difference and it is probable that they will not be reversed in the foreseeable future; and

- taxable temporary differences arising from the initial recognition of goodwill.

A deferred tax asset is recognized for unused tax carryforward losses, tax credits and unused deductible temporary differences, to the extent that it is probable that future taxable income will be available against which the credits can be utilized. The reversal of taxable temporary differences depends on sufficient future taxable income. If the projected taxable income is insufficient to fully recognize a deferred tax asset, the future taxable income, adjusted for reversals of the existing temporary differences, will be considered, based on the business plans of the parent company and of its individual subsidiaries.

Deferred tax assets are reviewed at each reporting date and reduced when their realization is no longer probable. At December 31, 2023, a large portion of the deferred tax asset consists of income and social contribution taxes carryforward losses.

Deferred tax assets and liabilities are measured at tax rates expected to be applied to temporary differences when they are reversed, based on rates enacted at the reporting date and estimates of uncertainty related to income tax (if any).

Measurement of deferred tax assets and liabilities reflects the manner by which the Company and its subsidiaries expect to recover or settle their assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(iii) Global implementation of OECD "Pillar Two" model rules

In December 2021, the Organization for Economic Cooperation and Development ("OECD") released the rules of the Pillar Two model aiming to reform international corporate taxation in order to guarantee that multinational economic groups within the scope of these rules pay tax on the minimum profit at the rate of 15%. The effective tax rate on profit for each country, calculated in this model, was called "GloBE effective tax rate". These rules must be approved by the local legislation of each country, some countries have already enacted new laws or are in the process of discussing and approving them. The application of the rules and determination of the impact will probably be very complex, which poses a number of practical challenges.

In May 2023, the IASB issued scope changes to IAS 12 "Income Taxes" to allow temporary exemption in accounting for deferred taxes arising from enacted or substantially enacted legislation implementing OECD Pillar Two.

To date, Brazil has not yet endorsed the Pillar Two model rules in its tax legislation. The Company and its subsidiaries do not expect to be materially affected by these rules.

(d) Property and equipment

(i) Recognition and measurement

Property and equipment items are stated at historical acquisition or construction cost, including loan cost capitalized, net of accumulated depreciation and impairment losses.

When significant parts of a Property and equipment item have different useful lives, they are accounted for as separate items (major components) of Property and equipment.

Any gains and losses on disposal of a Property and equipment item are recognized in profit (loss).

(ii) Subsequent costs

Subsequent costs are capitalized based on the probability that associated future economic benefits may be earned by the Company and its subsidiaries.

(iii) Depreciation

Depreciation is calculated to amortize the cost of Property and equipment items, net of their estimated residual values, using the straight-line method based on their estimated useful lives. Depreciation is recognized in profit (loss). Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Intangible assets and goodwill

(i) Recognition and measurement

Goodwill
Goodwill is measured at cost, less accumulated impairment losses.

Other intangible assets
Other intangible assets acquired by the Company and its subsidiaries with definite useful lives are carried at cost, less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditures
Subsequent expenditures are capitalized only when they increase the future economic benefits embedded to the specific asset to which they relate. All other expenditures, including expenditures with internally-generated goodwill and trademarks and patents, are recognized in profit (loss) as incurred.

(iii) Amortization
Amortization is calculated using the straight-line method based on estimated useful lives of such items, net of estimated residual values. Amortization is recognized in profit (loss). Goodwill is not amortized.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted, when appropriate.

(f) Financial instruments

(i) Initial recognition, classification and measurement
Trade receivables and debt securities issued are initially recognized on the date that they were originated. All other financial assets and liabilities are initially recognized when the Company and its subsidiaries become parties to the instrument's contractual provisions.

A financial asset (other than trade receivables without material financing components) or a financial liability is initially measured at fair value, plus, for an item not measured at FVTPL, transaction costs which are directly attributable to its acquisition or issue.

Financial assets
Upon initial recognition, a financial asset is classified as measured: at amortized cost; at fair value through other comprehensive income (FVOCI) - debt instrument; at FVOCI - equity instrument; or at FVTPL.

Financial assets are not reclassified after initial recognition, unless the Company and its subsidiaries change the business model for the management of financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period subsequent to the change in the business model.

A financial asset is measured at amortized cost if it meets both conditions below and is not designated as measured at FVTPL:

- it is held within a business model whose purpose is to maintain financial assets to receive contractual cash flows; and
- its contractual terms generate, on specific dates, cash flows only related to the payment of principal and interest on outstanding principal value.

A debt instrument is measured at FVOCI if it meets both conditions below and is not designated as measured at FVTPL:

- it is maintained within a business model whose purpose is achieved by both the receipt of contractual cash flows and the sale of financial assets; and
- its contractual terms generate, on specific dates, cash flows which are only payments of principal and interest on outstanding principal value.

In the initial recognition of an investment in an equity instrument not held for trading, the Company and its subsidiaries may irrevocably choose to present subsequent changes in the fair value of the investment in Other comprehensive income (OCI). This choice is made on an investment basis.

All financial assets not classified as measured at amortized cost or at FVOCI as described above are classified as FVTPL. This includes all derivative financial assets. At initial recognition, the Company and its subsidiaries may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI, as FVTPL if it eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Evaluation of business model

The Company and its subsidiaries carry out an evaluation of the purpose for which a financial asset is held in the portfolio, since this better reflects the way in which the business is managed and the information is provided to management. The information considered includes:

- the policies and goals established for the portfolio and practical operation of these policies. They include the question of whether management's strategy focuses on obtaining contractual interest income, maintaining a certain interest rate profile, matching the duration of financial assets with the duration of related liabilities or expected cash outflows, or the realization of cash flows through the sale of assets;

- how the performance of the portfolio is evaluated and reported to the Company's and its subsidiaries' management;

- risks that affect the performance of the business model (and the financial assets held in that business model) and the way those risks are managed;

- how business managers are remunerated - for example, if the remuneration is based on the fair value of managed assets or in contractual cash flows obtained; and

- the sales frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and future sales expectations.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales, which is consistent with the ongoing recognition of the assets of the Company and its subsidiaries.

Financial assets held for trading or managed for performance are evaluated based on fair value measured at fair value through profit or loss.

(ii) Classification and subsequent measurement

Financial assets - Subsequent measurement and gains and losses

Financial assets (FVTPL)	These assets are subsequently measured at fair value. The net income (expense), plus interest or dividend revenue, is recognized in profit (loss).
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced due to impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit (loss). Any gain or loss on derecognition is recognized in profit (loss).
Debt instruments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit (loss). Other net income is recognized in other comprehensive income. In derecognition, the retained earnings in other comprehensive income is reclassified to profit (loss).
Equity instruments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as a gain in profit (loss) unless the dividend clearly represents a recovery of part of the investment cost. Other net income is recognized in OCI and not reclassified to profit (loss).

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities were classified as measured at amortized cost or at FVTPL. A financial liability is classified as measured at fair value through profit or loss if it is classified as held for trading if it is a derivative or assigned as such in initial recognition. Financial liabilities measured at FVTPL are measured at fair value and net income (expense), plus interest, is recognized in profit (loss). Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in profit (loss). Any gain or loss on derecognition is also recognized in profit (loss).

(iii) Derecognition

Financial assets

The Company and its subsidiaries derecognize a financial asset when the contractual rights to the cash flow of the asset expire, or when the Company and its subsidiaries transfer the contractual rights to the receipt of contractual cash flows over a financial asset in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company and its subsidiaries nor transfer or maintain all ownership risks and rewards of the financial assets and also do not hold the control over the financial asset.

The Company and its subsidiaries carry out transactions in which they transfer assets recognized in the statement of financial position, but retain all or substantially all risks and rewards of the assets transferred. In such cases, financial assets are not derecognized.

Financial liabilities
The Company and its subsidiaries derecognize a financial liability when their contractual obligations are discharged or canceled or have expired. The Company and its subsidiaries also derecognize a financial liability when the terms are modified, and the cash flows of the modified liability are substantially different if a new financial liability based on the modified terms is recognized at fair value.

In the derecognition of a financial liability, the difference between the former book value and the consideration paid (including assets transferred that do not involve cash or assumed liabilities) is recognized in profit (loss).

(iv) Offsetting
Financial assets or liabilities are offset and the net value reported in the statement of financial position only when the Company and its subsidiaries currently have a legally enforceable right to set off and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(v) Derivative financial instruments - hedge accounting
The Company and its subsidiaries use derivative financial instruments to hedge their exposures to foreign currency and interest rate fluctuations related to the issuance of Real Estate Receivables Certificates and cash flow contracts entered into with financial institutions. For the contracts entered into, they are identified and qualified for hedge accounting if they meet all of the following effectiveness requirements:

(i) There is an economic relationship between the hedged item and the hedging instrument;
(ii) The effect of credit risk does not affect changes in value that result from this economic relationship; and
(iii) The hedge ratio of the hedging relationship is the same as that resulting from the amount of the hedged item that the Company actually hedges and the amount of the hedging instrument that the Company and its subsidiaries actually use to hedge that amount of the hedged item.

Documentation includes identification of the hedging instrument, the hedging item or transaction being hedged, the nature of the risk being hedged, the nature of the risks excluded from the hedging relationship, the prospective demonstration of the effectiveness of the hedging relationship and the manner in which the Company and its subsidiaries will assess the effectiveness of the hedging instrument, in order to offset the exposure to changes in the fair value of the hedged item or cash flows related to the hedged risk.

Initial recognition and subsequent measurement
The derivative financial instruments are initially recognized at fair value on the date a derivative is entered into and are remeasured at their fair value.

Derivatives are recorded as financial assets when the fair value is positive, and as financial liabilities when the fair value is negative. Transaction costs attributable to the derivative financial instrument are recognized in the income statement when incurred. Except of the effective portion of cash flow hedges, which is recognized directly in equity in other comprehensive income and subsequently reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of preparing these individual and consolidated financial statements, the Company and its subsidiaries have adopted the hedge accounting methodology, which can be classified as fair value hedges for their foreign currency x CDI and IPCA x CDI swaps intended to hedge financial debt. Under this approach, both the derivative and the hedged risk are measured at fair value, namely:

Cash flow hedges
Cash flow hedges that meet the accounting criteria are recorded as follows: (i) the effective portion of the gain or loss on the hedging instrument is recognized directly in equity (other comprehensive income); and (ii) the ineffective portion of the gain or loss arising from the hedging instrument is recognized in "Net finance income (expenses)".

When the Company's documented risk management strategy for a particular hedge relationship excludes from the hedge effectiveness assessment a specific gain or loss component, or the respective cash flows of the hedging instrument, this component of the excluded gain or loss is recognized in the "Net finance income (expenses)".

The amounts recognized under other comprehensive income are immediately transferred to the statement of profit or loss when the hedged item affects profit or loss If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other book value of the hedged asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its classification as a hedge is revoked, or when the hedge no longer meets the hedge accounting criteria, gains or losses previously recognized in comprehensive income remain separately in equity until the forecast transaction takes place or the firm commitment is fulfilled.

(g) Share capital

(i) Common shares
Additional costs directly attributable to the issue of shares and share options are recognized to reduce equity.

(ii) Repurchase and re-issuance of shares (treasury shares)
When shares recognized as equity are repurchased, the value of the consideration paid which includes any directly attributable costs is recognized as a deduction of equity. The repurchased shares are classified as treasury shares and presented as a deduction from equity. When treasury shares are sold or reissued subsequently, the value received is recognized as an increase in equity, and gains or losses resulting from transactions are presented as a capital reserve.

(h) Impairment

(i) Non-derivative financial assets

Measurement of expected credit losses
Expected credit losses are estimated weighted by the probability of credit losses. Credit losses are measured at present value for cash insufficiencies (that is, the difference between the cash flows owed to the Group in accordance with the contract and the cash flows that the Group expects to receive). The expected credit losses are discounted by the effective interest rate of the financial asset.
For trade receivables and contract assets, the Company and its subsidiaries adopt a simplified approach in calculating expected credit losses. The Company and its subsidiaries have established a reserve matrix based on their historical experience with credit losses, adjusted for specific prospective factors for debtors and for the economic environment, considering independent variables such as type of coverage, contract term, number of days in that the note is overdue and the client's outstanding amount.

The Company and its subsidiaries adopt a hybrid model of expected and incurred losses, with a simplified approach, recording expected losses over the entire cycle of trade receivables, segregating the analyses into operations for corporate customers, large contracts, small and medium-sized corporate customers (collective plans) and individual plans (individuals), taking into account the risk factor inherent in each of these relationships. The model starts from the credit assessment carried out for each customer profile. From the calculated result, the Company and its subsidiaries analyze and compare with the historical losses, in order to determine if the calculated amount is reasonable.

(ii) Non-financial assets

At each reporting date, the Company and its subsidiaries review the book value of non-financial assets (except for inventories, contract assets and deferred taxes) to determine if there is any indication of impairment. If indicators are in evidence, the recoverable amount of the asset is determined. For goodwill, the recoverable value is tested on an annual basis.

For impairment testing purposes, the Company and its subsidiaries consider for the definition of CGU the consolidated structure of the group (national) that more adequately reflects the way in which the Group's management monitors the operations and the manner in which decisions on business continuity are made. In defining the UGC, the Company considers qualitative and quantitative factors of the operation, which are used in the monitoring and decision-making regarding the business verticalization strategy, and aims to expand operations into other geographical regions, generating synergy gains and strengthening both the Company and its subsidiaries.

Among the information analyzed by management are the analytical reviews of revenues and loss ratios, as well as the profitability of products involving the creation, continuation, and discontinuation of new health plan products. The analyses also monitor the costs incurred and compare them with estimated projections to identify any distortions that may arise from hospitalizations and elective surgeries.

The test is conducted using the "Value in Use" methodology, which consists of economic evaluation through discounted cash flow, projecting the cash inflows and outflows resulting from the use of a certain asset over a period of 5 (five) years, applying an appropriate discount rate to bring it to present value.

After conducting the test, the Company and its subsidiaries disclose the following information, but not limited to:

a) the amount of impairment loss (or reversal of impairment loss) recognized in the period and possible effects of revaluations;
b) the composition of the cash-generating unit;
c) whether the recoverable amount is the value in use and the discount rate used in the assessment; and
d) the events and circumstances that led to the recognition or reversal of the impairment.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value-in-use is based on estimated future cash flows discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized when the book value of an asset or CGU exceeds its recoverable amount. No adjustment was made to reduce the amount of assets in the years ended December 31, 2023 and 2022.

Impairment losses are recognized in profit (loss). Recognized losses from CGUs are initially allocated to reduce any goodwill allocated to that CGU (or group of CGUs), and then to reduce the book value of the other assets of that CGU (or group of CGUs) on a pro rata basis. An impairment loss related to goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(i) Provisions

Provisions are determined by discounting the estimated future cash flows at a pre-tax discount rate which reflects current market assessments of the time value of money and the risks specific to the obligation. Effects from derecognition of discount for the passage of time are recognized in profit (loss) as finance expense.

Provision for tax, civil and labor risks

They are recognized based on management's estimates, under the advice of legal counsel considering the nature of the lawsuits, similarity with previous cases with the same complexity and legal precedents, whenever the loss is considered to result in a probable outflow of funds for settlement of the obligations and when the amounts involved can be reliably measured. The contingent liabilities for possible risk losses are not recorded, however, disclosure is provided in the notes, when significant. The liabilities classified as remote are neither provided for nor disclosed.

Technical provisions for health care operations

The Reserve for Incurred but Not Reported Claims (IBNR) is actuarially calculated based on the estimate of claims occurred but not yet reported, based on monthly run-off triangles, which consider the historical development of claims reported in the last 12 months, future payments of claims related to events prior to the calculation base date, aiming to establish a future projection by occurrence period.

The outstanding claims reserve is recorded based on claim notices received up to the reporting date, including judicial claims plus interest accruals.

The provision for the federal government Unified Health System (SUS) events is calculated based on the notifications sent by SUS, representing the refund of expenses in providing care to beneficiaries that have already been effectively charged, and an estimate of future collection notifications that are under analysis, calculated to conform to a court decision for the Company to adopt its own methodology.

The Unearned Premium Reserve (UPR) is calculated on a pro rata basis based on health and dental premiums, representing the amount charged by the operator in proportion to the days not yet elapsed within the month in which the risk coverage term becomes effective for the benefit of the client.

(j) Leases

At contract inception, the Company and its subsidiaries assess whether a contract is or contains a lease. The Company and its subsidiaries assess whether the contracts entered into are or contain elements of leases and recognize the rights to use the leased assets and liabilities for the future flow of the contracts entered into for the right to control and obtain benefits over the use of an identified asset for a period of time in exchange for consideration.

The Company and its subsidiaries recognize a right-of-use asset and a lease liability on the lease start date. The right-of-use asset is initially measured at cost, which comprises the initial measurement value of the lease liability, adjusted for any lease payments through to the start date, plus any initial direct costs incurred by the lessee, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date through to the end of the lease term, unless the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise the purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of Property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of lease payments that are not made on the start date, discounted at the incremental interest rate calculated by the Company. The incremental rate on the lessee's loan is the interest rate that the lessee would have to pay when borrowing, for a similar term and with a similar guarantee, the resources necessary to obtain the asset with a value similar to the right-of-use asset in a similar economic environment.

The Company and its subsidiaries lease several assets, including real estate, hospital equipment and IT equipment.

The lease liability is measured at amortized cost, using the effective interest method. It is remeasured when there is a change in future lease payments resulting from a change in remuneration index or rate, if there is a change in the amounts that are expected to be paid in accordance with the residual value guarantee, if the Company and its subsidiaries change their intention as to the exercise of a purchase, extension or termination option or if there is a revised in-substance fixed payment.

When the lease liability is remeasured in this way, an adjustment is made corresponding to the book value of the right-of-use asset or is recorded in the statement of profit or loss if the book value of the right-of-use asset has been reduced to zero.

Leases of low-value assets
The Company and its subsidiaries opted not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company and its subsidiaries recognize lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Sale & Leaseback (SLB)
Sale & Leaseback transactions occur when the Company and its subsidiaries sell an asset and leases it back (sale and leaseback). These transactions are initially analyzed within the scope of IFRS 15/CPC 47 "Revenue from Contracts with Customers", with the purpose of verifying whether the performance obligation was satisfied to account for the sale of the asset. Once this requirement is met, the determination of the recognition of the result of SLB transactions uses the fair value of the traded asset as a reference. For new assets, the source of information for obtaining the fair value are market quotations for items of a similar nature, considering the condition of the asset.

For the calculation of fair value, the Company and its subsidiaries hired an independent consultancy to support Management's conclusion, with the issuance of a technical report. The valuation was conducted using the Income Capitalization Approach, where the property's selling value is determined by capitalizing the potential net income that can be obtained. This is done through the analysis of a discounted cash flow, which takes into account all revenues and expenses for the operation, discounted at a rate that corresponds to the Company's and its subsidiaries' opportunity cost, considering the risk level of the operation. After defining the fair value, the gains or losses are initially calculated based on the difference between the fair value and the carrying amount of the assets and subsequently adjusted according to the proportionality of the right of use transferred to the lessor (the latter being the amount recognized as a gain or loss in the statement of profit or loss). The calculation of proportionality is made considering the present value of lease payments adjusted by advance payments or additional financing.

The Company and its subsidiaries assess the "SLB" transaction in the context of IFRS 15/CPC 47 "Revenue from Contracts with Customers" in order to identify the presence of a "sale" and satisfaction of the performance obligation. Once identified, the Company and its subsidiaries analyze the fair value versus the selling price of the properties. If the fair values of the properties do not match the selling price, the differences are recorded as prepaid expenses (Other assets) or additional financing (Other accounts payable), if applicable. The Company and its subsidiaries measure gains in "SLB" through the percentage of transferred right of use (performance obligation fulfilled), recognizing, in the context of IFRS 16 (CPC 06 (R2)) "Leases", the right-of-use asset, lease liability, prepaid expense, and gain/loss with "SLB" on the satisfied performance obligation.

(k) Measurement of fair value
Fair value is the price that would be received upon the sale of an asset or paid for the transfer of a liability in a non-forced transaction between market participants at the measurement date, on the primary market or, in the absence thereof, on the most advantageous market to which the Company and its subsidiary have access on such date. Fair value of a liability reflects its risk of not being performed.

The accounting policies and disclosures of the Company and its subsidiaries require the measurement of fair value, for financial and non-financial assets and liabilities.

When available, the Company and its subsidiaries measure the fair value of a security using the price quoted on an active market for such securities. A market is considered as active if the transaction for the asset or liability has sufficient trading frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, the Company and its subsidiaries use valuation techniques that maximize the use of relevant observable data and minimize the use of unobservable data. The chosen valuation technique incorporates all the factors market participants would consider when pricing a transaction.

If an asset or a liability measured at fair value has a purchase price and a sale price, the Company and its subsidiaries measure assets based on purchase prices and liabilities based on selling prices. The best evidence of the fair value of a financial instrument upon initial recognition is usually the transaction price - i.e., the fair value of the consideration given or received. If the Company and its subsidiaries determine that the fair value upon initial recognition differs from the transaction price and the fair value is not evidenced by either a price quoted on an active market for an identical asset or liability, or based on a valuation technique for which any non-observable data are judged to be insignificant in relation to measurement, then the financial instrument is initially measured at fair value adjusted to defer the difference between the fair value upon initial recognition and the transaction price.

Subsequently, this difference is recognized in profit (loss) at an appropriate basis over the life of the instrument, or when the assessment is fully supported by observable market data or the transaction is terminated, whichever comes first.

(l) Liability Adequacy Test (LAT)

The Company and its subsidiaries prepare the Liability Adequacy Test (LAT) for all active contracts as of each reporting date and those contracts in force at the date of execution of the test. This test is conducted annually and reviewed quarterly, considering current estimates of future cash flows, using the reference date of active clients without new entrants. The methodology projects inflows and outflows of financial resources, considering technical and financial adjustments, changes in value due to age bracket shifts, variations in healthcare costs, administrative and commercial expenses, investment returns, and the time value of money using the risk-free Term Structures of Interest Rates (ETTJ) discount rate.

The Liability Adequacy Test conducted was segregated for individual plans, group corporate plans, and group collective plans.

As of December 31, 2023, the adequacy test did not show any insufficiency.

If any insufficiency is identified, the Company and its subsidiaries immediately recognize the loss as an expense in the income statement, first reducing acquisition costs to zero and then making additional provisions for liabilities already recorded as of the test date.

10 New accounting standards in effect

(i) **Amendments to IAS 12/CPC 32 "Income Taxes":**
Disclosures relating to known or reasonably estimable exposure to income taxes under Pillar Two are required for annual financial statements for years beginning on or after January 1, 2023, and are not required to be disclosed in interim disclosures during 2023.

For the purposes of IFRS Accounting Standards, amendments to IAS 12 are applicable immediately and retrospectively. The Brazilian Federal Accounting Council ("CFC") approved the revision of NBC 22 on December 7, 2023, which amends NBC TG 32 (R4) **-** Income Taxes, including items that provide for the implementation of Pillar Two model rules.

For the purposes of IFRS Accounting Standards, amendments to IAS 12 are applicable immediately and retrospectively. However, the Company and its subsidiaries do not qualify for the application of the rule, since the rule establishes, as an application assumption, being a multinational that presents consolidated revenues exceeding 750 million Euros in at least two of the last four financial years.

Therefore, the Group, in its assessment, concluded that the amendments to IAS 12 are not applicable and, consequently, do not generate impacts on its parent company and consolidated financial statements.

(ii) **Amendments to IAS 1/CPC 26 (R1) and IFRS Practice Statement 2 - Disclosure of accounting policies**: changing the term "significant accounting policies" to "material accounting policies". The amendment also defines what is "material accounting policy information", explains how to identify it and clarifies that immaterial accounting policy information does not need to be disclosed, but if so, that it should not obscure relevant accounting information. The "IFRS Practice Statement 2 Making Materiality Judgments", also amended, provides guidance on how to apply the concept of materiality to accounting policy disclosures.

The amendments mentioned above had no material impact on the Company and its subsidiaries.

(iii) **Amendment to IAS 8/CPC 23 "Accounting Policies, Changes in Accounting Estimates and Errors":** the amendment clarifies how entities should make a distinction between changes in accounting policies and changes in accounting estimates, since changes in accounting estimates are applied prospectively to future transactions and other future events, and changes in accounting policies are generally applied retrospectively to past transactions and other past events, as well as to the current period/year.

The amendments mentioned above had no material impacts on the Company and its subsidiaries.

(iv) ***IFRS 17 (CPC 50) - Insurance Contracts***
IFRS 17 (CPC 50), which supersedes IFRS 4 (CPC 11) **-** Insurance Contracts, establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. This information provides a basis for users of financial statements to evaluate the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. IFRS 17/CPC 50, approved by CVM, through CVM Resolution 42/2021, is effective for annual periods beginning on January 1, 2023. The Company has been making efforts to implement this Standard, which is in the final stages of completion

due to its complexity. Financial Statements following the requirements of this new accounting standard will be disclosed as soon as they are completed.

11 Operating segments

The Company and its subsidiaries provide standardized and uniform service in all Brazilian regions. The Company and its subsidiaries operate in the supplementary health sector and their strategy is to provide services through a verticalized framework based on their own service network, and provide medical and dental assistance, as a single segment. Consequently, their operations are confined to a single operational segment, with operational and financial results regularly reviewed by the Board of Directors on an aggregated basis. This approach more accurately reflects how the Company's management and its subsidiaries monitor operations and make decisions regarding business continuity.

Although the Group's organizational structure has a large number of hospitals, clinics and other units, they operate as executors of the services demanded by the beneficiaries of the health and dental plans of the operators belonging to the Group, in a vertically integrated model, the objective of which is the expansion of operations in other geographic regions, generating synergy gains and strengthening the Company and its subsidiaries.

The information analyzed by management includes quantitative and qualitative factors of the operation of the Company and its subsidiaries used in the monitoring and decision-making. The Board of Directors has determined that the Statutory Board is the Chief Executive Officer (CEO). He receives, reviews and analyzes information about the operational and financial results of the business and makes strategic decisions as to use of technologies and marketing strategies for different products and services.

The operations (revenues and expenses) of the Company and its subsidiaries are entirely derived from customers in Brazil and there is no concentration of sales by customer.

12 Short-term and long-term investments

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

			Parent company		Consolidated	
	Annual remuneration	**Maturities**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Government and private bonds						
Bank Deposit Certificates (CDB)	99.5% to 100.2% of CDI	Jan/24 to Apr/26	-	230	229,845	164,764
National Treasury Bills (LTN) - Collateral assets (a)	-	-	-	-	-	2,963
National Treasury Notes B (NTN-B)	IPCA 6% p.a.	Up to Sep/24	-	-	42,508	40,750
NTN-B - Collateral assets (a)	IPCA + 4.81 p.a.	Mar/25 to Sept/25	-	-	143,101	169,026
Financial Treasury Bills (LFT)	88.54% to 100.0% of CDI	Aug/2024 to Mar/2027	-	-	369,896	326,923
LFT - Collateral assets (a)	113.7% of SELIC	Sept/24 to Sept/25	-	-	223,112	97,788
Subtotal - Government and private bonds			**-**	**230**	**1,008,462**	**802,214**
Investment funds						
Fixed income - Collateral assets (a)	92.12% to 108.56% of CDI	No maturity date	-	-	2,823,179	2,746,945
Fixed income - Exclusive (b)	94.9% to 110.56% of CDI	No maturity date	226,979	531	2,362,000	855,109
Fixed income - Non-exclusive	90.30% to 101.60% of CDI	No maturity date	133	142	266,114	192,473
Subtotal - Investment funds			**227,112**	**673**	**5,451,293**	**3,794,527**
Total			**227,112**	**903**	**6,459,755**	**4,596,741**
Short-term investments			226,979	230	5,573,479	3,331,741
Long-term investments			133	673	886,276	1,265,000

(a) Collateral assets are to cover technical provisions of health care operators.
(b) 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 banks. The investment policies of exclusive funds determine that financial assets present a low credit risk (ANBIMA classification).

Changes in short-term and long-term investments are shown below:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Balance at the beginning of the year	**903**	**2,673,392**	**4,596,741**	**7,510,832**
Acquisition of companies (i)	-	-	60,765	2,206,959
Investments	1,070,036	733,023	21,386,486	14,343,113
Earnings	20,840	81,381	742,127	734,825
(-) Redemptions	(864,667)	(3,486,893)	(20,327,536)	(20,199,198)
(-) Provision for loss on earnings	-	-	(88)	(6,334)
(-) Expenses losses	-	-	(41)	(42)
Mark-to-market adjustment	-	-	1,351	6,586
Reclassification to held for sale (ii)	-	-	(50)	-
Balance at the end of year	**227,112**	**903**	**6,459,755**	**4,596,741**

(i) Balance arising from acquired subsidiaries.
(ii) Reclassification of the balance of subsidiaries São Francisco Resgate Ltda. and Centro Gaúcho de Medicina Ocupacional Ltda. to operations held for sale (Note 40).

Restricted financial investments include R$ 712,991 for escrow investments arising from the following acquisitions:

Acquisition	**12/31/2023**
São Francisco Group	332,314
Medical Group	31,166
São José Group	25,251
NDI MG Group	131,540
Unimed ABC	1,026
Clinipam	165,916
Lifecenter	25,778
Total	**712,991**

13 Trade receivables

Primarily receivables from members of the health and dental care plans of the Company and its subsidiaries, as follows:

	Consolidated	
	12/31/2023	12/31/2022
Breakdown of trade receivables		
Healthcare and dental care plans	1,596,869	1,435,980
Agreements and individual plans	687,479	662,558
Other trade receivables	1,046	20,977
Subtotal	**2,285,394**	**2,119,515**
(-) Allowance for doubtful accounts - trade receivables	(675,391)	(638,714)
Total	**1,610,003**	**1,480,801**

The aging of receivables is presented as follows:

	Consolidated	
	12/31/2023	**12/31/2022**
Not yet due, not impaired (A)	**514,227**	**464,896**
Overdue (B)	**1,771,167**	**1,654,619**
Up to 30	501,810	505,269
31-60	191,743	140,081
61-90	131,453	121,445
>90	946,161	887,824
Total (A) + (B)	**2,285,394**	**2,119,515**

Changes in Trade receivables are presented below:

	Consolidated		
	Health plan	**Not related to health plan**	**Total**
Balances at January 1, 2022	**380,116**	**94,188**	**474,304**
Acquisitions of companies	352,113	192,636	544,749
Net premiums with dental care plan	24,511,344	-	24,511,344
Revenue from healthcare operations not related to the Operator's healthcare plans	-	5,874,863	5,874,863
(-) Receipts	(23,908,331)	(5,579,489)	(29,487,820)
Reversal/(constitution) of recoverable amount loss	(62,791)	(181,501)	(244,292)
(-) Write-off due to loss of credits	(178,698)	(1,847)	(180,545)
(-) Provision for expected disallowances	-	(11,802)	(11,802)
Reclassification	(16,810)	16,810	-
Balance at December 31, 2022	**1,076,943**	**403,858**	**1,480,801**
Reclassification to held for sale (a)	-	(23,778)	(23,778)
Acquisitions of companies (b)	12,278	4,087	16,365
Net premiums with dental care plan	27,964,271	-	27,964,271
Revenue from healthcare operations not related to the Operator's healthcare plans	3,877	7,094,472	7,098,349
(-) Receipts	(27,384,748)	(6,993,061)	(34,377,809)
Reversal/(constitution) of recoverable amount loss	(111,543)	75,952	(35,591)
Reversal/(constitution) of expected disallowances	-	4,919	4,919
(-) Write-off due to loss of credits	(424,167)	(90,417)	(514,584)
Reclassification	(3,091)	151	(2,940)
Balance at December 31, 2023	**1,133,820**	**476,183**	**1,610,003**

(a) Reclassification of the balance of subsidiaries São Francisco Resgate Ltda., Centro Gaúcho de Medicina Ocupacional Ltda. and Maida Health Participações and its subsidiaries to operations held for sale (Note 40).
(b) Balances arising from acquired companies (Note 4).

Changes in the allowance for doubtful accounts - trade receivables were as follows:

	Consolidated		
	Health plan	**Not related to health plan**	**Total**
Balances at January 1, 2022	**(232,435)**	**-**	**(232,435)**
Acquisitions of companies	(76,442)	(246,304)	(322,746)
Reclassification	(151,598)	151,598	-
(Constitution) of provisions	(772,765)	(459,980)	(1,232,745)
Reversal of provisions	709,975	278,478	988,453
Loss on receivables	174,490	(3,195)	171,295
Provision for expected disallowances	-	(10,536)	(10,536)
Balance at December 31, 2022	**(348,775)**	**(289,939)**	**(638,714)**
Acquisitions of companies (a)	(9,533)	(54)	(9,587)
Reclassification to held for sale (b)	-	431	431
Reclassification	5,716	(5,716)	-
(Constitution) of provisions	(1,168,254)	(526,830)	(1,695,084)
Reversal of provisions	1,056,710	607,701	1,664,411
Other transactions	39	3,113	3,152
Balance at December 31, 2023	**(464,097)**	**(211,294)**	**(675,391)**

(a) Balance arising from acquired companies.
(b) Reclassification of the balance of subsidiaries São Francisco Resgate Ltda. and Centro Gaúcho de Medicina Ocupacional Ltda. to operations held for sale (Note 40).

The Company has intensified receivable collection management with the support of a specialized consultancy firm. Process reviews and the adoption of stricter policies have enabled the collection of overdue credits in 2023, resulting in (i) the collection of long-overdue credits that had been provisioned and (ii) the write-off of accounts deemed uncollectible.

14 Recoverable taxes

The recoverable taxes are composed as follows:

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Income tax (i)	37,221	37,187	323,555	157,629
Social contribution on net income (i)	-	-	45,306	48,948
Withholding Income Tax	163,090	135,716	368,847	399,170
Social security credit	-	-	26,844	33,425
FGTS credits	-	-	4,282	-
Social integration program (PIS) and social contribution on revenues (COFINS) credits	2,405	-	30,554	30,612
Services tax credit	-	-	30,511	23,629
Installment payment advance	707	707	4,367	9,607
Other recoverable taxes	-	-	791	5,094
Total	**203,423**	**173,610**	**835,057**	**708,114**

(i) Refers mainly to the monthly advance payment of Income and Social Contribution Taxes. At the end of the year a reconciliation is made with the taxes payable.

15 Deferred commission (Consolidated)

Represented by commissions paid for the sale of collective and individual plans recognized in profit or loss over the average period of permanence of beneficiaries in the customer portfolio.

The changes in deferred commission of the Company and its subsidiaries are shown below:

	Consolidated	
	12/31/2023	**12/31/2022**
Balance at the beginning of the year	**982,152**	**393,521**
Acquisitions of companies (i)	-	488,070
Commissions deferred	643,625	746,251
(-) Amortization	(664,417)	(645,690)
Balance at the end of year	**961,360**	**982,152**
Current	391,228	471,940
Non-current	570,132	510,212

(i) Balance arising from acquired companies.

16 Related-party balances and transactions

The main assets and liabilities balances at December 31, 2023 and December 31, 2022, and the underlying related party transactions affecting results in the years to December 31, 2023 and December 31, 2022, are presented below:

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Assets				
Dividends and Interest on equity receivable from investees	-	47,821	-	-
Subtotal	**-**	**47,821**	**-**	**-**
Other related party receivable				
Receivables with shareholders	-	-	1,258	1,411
PAR COM Investimentos Ltda. - Amounts receivable	-	-	1,988	1,988
Other credits	1,688	345	1,973	99
Subtotal	**1,688**	**345**	**5,219**	**3,498**
Total assets	**1,688**	**48,166**	**5,219**	**3,498**
Liabilities				
Dividends and interest on equity payable				
Dividends payable	1,979	2,552	12,056	13,604
Interest on equity payable	573	-	573	-
Subtotal	**2,552**	**2,552**	**12,629**	**13,604**
Other related party payable				
Debts with shareholders	2,517	2,517	2,635	2,552
Debts with investees	-	1,848	-	-
Canadá Administradora de Bens Imóveis Ltda.	1,343	1,343	1,343	1,343
Ultra Som Serviços Médicos S.A.	-	98,670	-	-
Hapvida Assistência Médica S.A. (h)	219,850	-	-	-
Other debts	551	102	1,759	103
Subtotal	**224,261**	**104,480**	**5,737**	**3,998**
Leases payable				

Leases payable with related parties (a)	168	169	1,285,175	1,070,919
Leases payable with related parties - LPAR Imóveis Ltda. (b)	-	-	805,428	-
Subtotal	**168**	**169**	**2,090,603**	**1,070,919**
Debentures				
Debentures 6th private issue (g)	500,000	-	-	-
Subtotal	**500,000**	**-**	**-**	**-**
Total liabilities	**726,981**	**107,201**	**2,108,969**	**1,088,521**

	Parent		**Consolidated**	
Transactions carried out with related parties	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Revenue from medical care services (c)	-	-	1,044	948
Media broadcasting expenses (d)	-	-	(300)	(862)
Expenses with the use of shared assets (e)	-	-	(1,272)	(4,058)
Interest on leases with Canadá Administradora de Bens Imóveis Ltda. (f)	(15)	(14)	(57,449)	(74,315)
Interest on leases with Fundação Ana Lima (f)	-	-	(1,660)	(145)
Interest on leases with Quixadá Participações Ltda. (f)	-	-	(40,929)	(41,252)
Interest on leases with LPAR Imóveis Ltda. (f)	-	-	(70,434)	-
Total	**(15)**	**(14)**	**(171,000)**	**(119,684)**

(a) Lease of commercial properties and movable assets for the development of economic activities, pursuant to a contract between related parties (Canadá Administração de Bens Imóveis Ltda. and Quixadá Participações Ltda., being unconsolidated entities under common control of the same shareholders of the Company and its subsidiaries) with an average term between 20 and 40 years. These are adjusted to the market value by specialized firms, for: a) revision of the base value every 60 months of the lease term; and b) annual update based on the IPCA inflation index.

(b) Lease of ten properties (previously owned by the Company's subsidiaries), included in sale & leaseback transaction, with an investment vehicle from the Pinheiro Family (LPAR Imóveis Ltda.), the Company's parent company. The capitalization rate (cap rate) is 8.5% p.a., adjusted annually based on the IPCA, for a lease term of 20 years (with an extension option for the same period with a repurchase option), by the Company, under predetermined conditions.

(c) Revenue from health plans for services to the companies comprising the Opinion of Communication System, under common control of shareholders in the form of collective plans.

(d) Advertising expenses for companies of the Opinion of Communication System, under common control of the shareholders, to promote health and dental plans.

(e) The balance mainly refers to the use of aircraft of the related party Canada Administração de Bens Imóveis Ltda. on business trips.

(f) Effect of interest on lease agreements with related parties.

(g) On December 29, 2023, the meeting minutes 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 for private placement, being subscribed and paid up exclusively by Casa de Saúde e Maternidade Santa Martha S.A.

(h) Involves amounts related to the acquisition process of the PROMED group, carried out by Ultra Som Serviços Médico (later incorporated by Hapvida Assistência Médica S.A., according to the Addendum agreed upon between the parties (PROMED sellers x Ultra Som), on October 18, 2022. The Company repurchased shares on behalf of the seller, in which it must transfer such amounts to its subsidiary Hapvida Assistência Médica S.A.

The Company also has the following related parties, 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 with them Canadá Táxi Aéreo Ltda.; Angiomed Angiologia de Manaus Ltda.; Canadá Participações e Investimentos Ltda.; Canada Investments Ltd.

Compensation of key management personnel

The key management personnel of the Company and its subsidiaries comprise the Board of Directors and the Statutory Executive Board of the Company. Total management compensation expenses were R$ 147,845 in the year ended December 31, 2023 (R$ 243,253* at December 31, 2022), including salary, pro-labore, bonuses, short-term benefits, profit sharing, in addition to a long-term incentive (Note 30).

*To improve comparability and presentation of information related to the compensation o key management personnel, the Company is restating the previously disclosed amount (R$ 100,230 at December 31, 2022),. The identified inconsistency arose from changes in personnel within the Company's management, in addition to the Business Combination, such that the entirety of key individuals and their respective compensation was not captured, with the main discrepancy corresponding to the values of the Stock Options Plan for key management personnel included in the total value of the Stock Options Plan, previously disclosed in the explanatory note "Equity-based compensation plan". Although such a specific inconsistency in the disclosed value was noted in this explanatory note, the net values of the Stock Options Plan were correctly disclosed in the explanatory note "Equity-based compensation plan.

17 Other assets

The other assets balance is comprised as follows:

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Advances to suppliers	22	42	124,602	198,632
(-) Allowance for losses on advances to suppliers	(22)	(42)	(46,645)	(11,023)
Advances to employees	2	-	41,383	20,102
Advance of legal proceedings	-	-	2,041	2,041
Prepaid expenses	2,282	1,348	68,329	60,073
Security deposit	-	-	2,360	2,342
Retention rewards to be appropriated (ii)	13,200	18,996	19,383	31,729
Judicial assets	-	-	44,506	23,472
Reimbursement of sellers	-	-	-	21,330
Sale São Francisco Resgate (iii)	-	-	46,631	-
Other notes receivable (ii)	6,215	14,113	173,040	155,554
Total	**21,699**	**34,457**	**475,630**	**504,252**
Current	13,114	21,257	353,856	390,632
Non-current	8,585	13,200	121,774	113,620

(i) Premiums to be appropriated paid to Company executives for length of stay at the Company.
(ii) Includes amounts receivable from credit cards and other amounts receivable not related to healthcare plans.
(iii) Amounts receivable from the sale of São Francisco Resgate Ltda.

18 Investments (Parent company)

a. Selected information on subsidiaries

	Assets	Liabilities	Equity	Profit (loss) for the year	Equity interest	Investments at 12/31/2023	Investments at 12/31/2022
Hapvida Assistência Médica S.A.	17,180,444	7,435,290	9,745,154	423,853	100%	9,745,162	7,034,537
Ultra Som Serviços Médicos S.A.	-	-	-	(49,531)	100%	-	3,221,983
Hospital Antônio Prudente Ltda.	-	-	-	(25,101)	100%	-	83,802
Hapvida Participações em Tecnologia Ltda.	-	-	-	(5,342)	100%	-	3,743
NotreDame Intermédica Participações S.A.	9,913,488	776,591	9,136,897	268,505	100%	44,198,801	43,472,543
BCBF Participações S.A.	12,473,670	1,684,326	10,789,344	432,069	18.85%	2,033,790	-
Life Place Hapvida Ltda.	5	-	5	-	100%	5	-
Total						**55,977,758**	**53,816,608**

b. Changes

	Hapvida Assistência Médica S.A.	Ultra Som Serviços Médicos S.A.	Hospital Antônio Prudente Ltda.	Hapvida Participações em Tecnologia Ltda.	Hapvida Participações e Investimentos II S.A.	Notre Dame Intermédica Participações S.A.	BCBF Participações S.A.	Life Place Hapvida Ltda.	Total
Balance at 01/01/2022	**6,657,587**	**5,239,228**	**132,863**	**1,568**	**-**	**-**	**-**	**-**	**12,031,246**
Acquisitions of companies	-	-	-	-	-	36,309,250	-	-	36,309,250
Amortization of asset goodwill	-	-	-	-	-	(765,734)	-	-	(765,734)
Equity in the results of subsidiaries	314,887	566,708	(14,061)	2,111	-	(157,553)	-	-	712,092
Dividends and interest on equity	(1,632,528)	(789,530)	(35,000)	-	-	-	-	-	(2,457,058)
Capital increase	-	-	-	-	3,202,766	2,509,330	-	-	5,712,096
Merger	-	-	-	-	(3,202,766)	5,576,886	-	-	2,374,120
Spin-off	1,652,546	(1,652,546)	-	-	-	-	-	-	-
Dilution effect on interest in subsidiaries	42,040	(48,194)	-	-	-	(907)	-	-	(7,061)
Other comprehensive income	-	(42,184)	-	-	-	-	-	-	(42,184)
Discount on share issuance	-	(48,303)	-	-	-	-	-	-	(48,303)
Other equity movements	5	(3,196)	-	64	-	1,271	-	-	(1,856)
Balance at December 31, 2022	**7,034,537**	**3,221,983**	**83,802**	**3,743**	**-**	**43,472,543**	**-**	**-**	**53,816,608**
Amortization of asset goodwill	-	-	-	-	-	(798,037)	-	-	(798,037)
Equity in the results of subsidiaries	410,470	(49,531)	(25,101)	(5,342)	-	268,505	81,642	-	680,643
Dividends and interest on equity	(607,727)	(354,710)	-	-	-	-	-	-	(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	(2,818,627)	(58,702)	1,599	-	-	(1,599)	-	-
Dilution effect on interest in subsidiaries	3,761	(3,761)	-	-	-	(128,864)	127,844	-	(1,020)
Other comprehensive income	20,526	5,856	-	-	-	-	-	-	26,382
Other equity movements	6,266	(1,210)	1	-	-	(8,823)	(2,374)	-	(6,140)
Balance at 12/31/2023	**9,745,162**	**-**	**-**	**-**	**-**	**44,198,801**	**2,033,790**	**5**	**55,977,758**

(a) In the second quarter of the year, there was a capital increase in subsidiary BCBF Participações S.A. resulting from the assumption, by the Company, of all the rights and obligations assumed related to the debentures of the 4th, 5th and 6th issue of the subsidiary.

19 Property and equipment

The composition of property and equipment is as follows:

	Annual depreciation rate	Consolidated			
		Cost	**Accumulated depreciation**	**Net 12/31/2023**	**Net 12/31/2022**
Right-of-use assets	5.80%	3,625,497	(795,293)	2,830,204	2,090,968
Land	-	459,862	-	459,862	459,217
Buildings	3.63%	1,383,833	(287,230)	1,096,603	2,080,135
Vehicles	21.29%	24,609	(19,445)	5,164	21,469
IT equipment	23.96%	436,002	(285,097)	150,905	166,830
Machinery and equipment	11.77%	1,711,030	(903,181)	807,849	939,656
Furniture and fixtures	10.89%	364,969	(177,374)	187,595	201,896
Facilities	4.04%	1,466,797	(445,452)	1,021,345	855,138
Assets under construction	-	323,031	-	323,031	489,426
Total		**9,795,630**	**(2,913,072)**	**6,882,558**	**7,304,735**

The changes in property and equipment balances in the years ended December 31, 2023 and 2022 were as follows:

	Consolidated									
	12/31/2022	**Acquisitions of companies (c)**	**Additions**	**Net write-offs (f)**	**Depreciation**	**Transfers**	**Remeasurement**	**Reclassification to held for sale (b)**	**Sale & leaseback effect (e)**	**12/31/2023**
Right-of-use assets	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
Buildings	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 (a)	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
Assets under construction (b)	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**

	Consolidated							
	12/31/2021	**Acquisitions of companies**	**Additions**	**Net write-offs**	**Depreciation**	**Transfers**	**Remeasurement**	**12/31/2022**
Right-of-use assets	1,054,564	774,816	315,482	(14,534)	(205,995)	-	166,635	2,090,968
Land	102,071	318,696	12,852	(2,652)	-	28,250	-	459,217
Buildings	595,221	1,488,197	20,115	(1,317)	(66,461)	44,380	-	2,080,135
Vehicles	18,328	2,856	9,601	(253)	(8,590)	(473)	-	21,469
IT equipment	96,173	61,689	45,817	(287)	(67,323)	30,761	-	166,830
Machinery and equipment	408,005	567,941	122,874	(2,668)	(175,775)	19,279	-	939,656
Furniture and fixtures	98,964	102,781	25,441	(815)	(33,781)	9,306	-	201,896
Facilities	477,946	238,237	10,951	(20,105)	(41,529)	189,638	-	855,138
Assets under construction	159,107	381,615	276,067	(6,778)	-	(320,585)	-	489,426
Other	556	-	-	-	-	(556)	-	-
Total	**3,010,935**	**3,936,828**	**839,200**	**(49,409)**	**(599,454)**	**-**	**166,635**	**7,304,735**

(a) Refers to surgical equipment, communication equipment, non-hospital machinery and accessories, refrigeration and ventilated devices.
(b) Assets under construction refer substantially to hospitals and clinics which will improve and expand physical facilities.
(c) Balances arising from acquired companies (Note 4).
(d) Reclassification of the balance of subsidiaries São Francisco Resgate Ltda., Centro Gaúcho de Medicina Ocupacional Ltda. and Maida Health Participações and its subsidiaries to operations held for sale (Note 40).
(e) Effect arising from the sale & leaseback transaction (Note 22).
(f) The write-offs that occurred during the fiscal year, in the amount of R$ 93,560, relate to the write-off of gains on the sale of real estate and land and were recorded under "Other operating (expenses) income, net".

20 Intangible assets

The composition of intangible assets is as follows:

		Consolidated			
	Annual amortization rate	**Cost**	**Accumulated amortization**	**Net 12/31/2023**	**Net 12/31/2022**
Customer portfolio (c)	19.90%	7,763,607	(4,027,699)	3,735,908	4,944,063
Software	19.91%	697,194	(318,558)	378,636	200,392
Trademarks and patents	5.89%	2,797,435	(485,787)	2,311,648	2,480,718
Non-compete agreement	20.00%	37,922	(31,004)	6,918	11,590
Goodwill	-	44,228,203	-	44,228,203	43,862,750
Other	21.20%	185,138	(12,456)	172,682	251,233
Total		**55,709,499**	**(4,875,504)**	**50,833,995**	**51,750,746**

The changes in intangible asset balances in the years ended December 31, 2023 and 2022 were as below:

	Consolidated							
	12/31/2022	**Acquisitions of companies (a)**	**Additions**	**Net write-offs**	**Amortization**	**Transfers**	**Reclassification to held for sale (b)**	**12/31/2023**
Customer portfolio (e)	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 agreement	11,590	-	-	(166)	(4,662)	156	-	6,918
Goodwill	43,862,750	532,705	-	(167,099) (c)	-	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) Balance arising from acquired companies.

(b) Balances related to the reclassification of Maida Health Participações and its subsidiaries to operations held for sale, in addition to balances written off due to the sale of São Francisco Resgate Ltda, as described in Note 40.

(c) Write-off of goodwill occurred during the period mainly due to the sale of São Francisco Resgate Ltda., as explained in Note 40

(d) Balances primarily relate to software under development.

	Consolidated						
	12/31/2021	**Acquisitions of companies**	**Additions**	**Net write-offs**	**Amortization**	**Transfers**	**12/31/2022**
Customer portfolio (e)	1,899,409	3,598,734	-	(510)	(1,338,210)	784,640	4,944,063
Software	150,901	36,854	39,143	(221)	(65,214)	38,929	200,392
Trademarks and patents	313,878	3,130,250	-	-	(159,397)	(804,013)	2,480,718
Non-compete agreement	18,275	-	-	-	(6,685)	-	11,590
Goodwill	5,092,448	38,770,302	-	-	-	-	43,862,750
Other	81,598	34,384	173,130	-	(18,323)	(19,556)	251,233
Total	**7,556,509**	**45,570,524**	**212,273**	**(731)**	**(1,587,829)**	**-**	**51,750,746**

(e) The customer portfolio is comprised as follows:

Customer portfolio	Cost	Accumulated amortization	Net balance at 12/31/2023	Net balance at 12/31/2022
SF Resgate	-	-	-	1,515
Promed Assistência	134,646	(99,382)	35,264	73,735
Promed Brasil	6,682	(6,682)	-	2,450
Promed Saúde	22,707	(22,707)	-	8,326
Sf Documenta	16,874	(16,874)	-	1,235
RN Metropolitan	32,354	(32,354)	-	2,489
Premium	19,937	(14,102)	5,835	11,671
Gram Jardim América Saúde	7,539	(7,539)	-	897
Gram América	4,770	(4,583)	187	1,310
Gram Promed	6,445	(6,445)	-	1,578
Sf Operadora	2,379,572	(1,675,755)	703,817	1,144,709
Sf Odonto	98,068	(87,561)	10,507	(22,238)
Sf Gsfrp Sfss	9,009	(7,337)	1,672	2,627
Sf Gsfrp Sfo	20,765	(18,760)	2,005	6,016
Gmed Medical	60,509	(44,218)	16,291	30,254
Gsj Operadora	51,789	(41,657)	10,132	23,643
Gndi Ndi Part	3,301,862	(1,287,167)	2,014,695	2,639,891
Uniplan	10,148	(10,058)	90	361
Freelife	7,602	(7,561)	41	124
Sta Casa Pirassununga	1,674	(1,442)	232	397
Três Lagoas	552	(461)	91	144
Santa Casa Barretos	3,600	(2,946)	654	1,046
Fwbp	4,000	(3,048)	952	1,346
Irm Sta Casa Mis Leme	2,900	(2,090)	810	1,096
Medporto Assist Médica Ltda.	400	(288)	112	151
Amhpla	24,434	(15,992)	8,442	10,854
Assoc Forn Cana Piracicaba	4,119	(2,696)	1,423	1,829
Irm Sta Casa Mis Sjrio Preto	15,301	(7,603)	7,698	9,212
Prosaude De Araras	5,652	(2,449)	3,203	3,768
Bucal Help	901	(747)	154	238
Opsfelder Help Odonto	36	(29)	7	11
Benefit	848	(530)	318	403
Oral Brasil Planos	1,050	(591)	459	562
Apo	8,000	(3,867)	4,133	4,933
Soesp	8,533	(4,309)	4,224	5,069
Dental Norte	1,367	(653)	714	849
Cojun	125	(54)	71	84
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	(13,582)	9,418	14,212
Samedh	18,691	(10,592)	8,099	11,837
HB Group	69,862	(80)	69,782	-
HRF	3,617	(1,771)	1,846	-
Notre Dame Group	8,159	(7,852)	307	331
Santamália Group	18,923	(18,923)	-	-
Unimed ABC	21,892	(14,831)	7,061	9,303
Cruzeiro do Sul Group	18,684	(10,269)	8,415	10,269
SAMED Group	30,313	(19,820)	10,493	14,519
Green Line Group	154,271	(69,362)	84,909	99,691
Mediplan Group	59,122	(28,083)	31,039	37,444
Belo Dente	46,462	(24,127)	22,335	27,065
São José Group	6,378	(3,936)	2,442	3,426
São Lucas Group	111,005	(44,093)	66,912	78,610
Clinipam Group	178,804	(117,259)	61,545	79,311
Ecole	15,030	(9,536)	5,494	8,194
Santa Mônica Group	6,554	(6,554)	-	21
Lifeday	25,491	(13,347)	12,144	16,888
Climepe	41,833	(19,693)	22,140	27,951
Bio Saúde	29,661	(15,989)	13,672	19,786
Medisanitas Group	223,671	(40,207)	183,464	198,837
Serpram Group	41,093	(11,763)	29,330	34,262
CCG Group	301,799	(50,971)	250,828	279,521
Family	17,358	(17,358)	-	-
Total	**7,763,607**	**(4,027,699)**	**3,735,908**	**4,944,063**

Goodwill

Goodwill and intangible assets with indefinite useful lives were tested for impairment at December 31, 2023, using a discounted cash flow model for the respective cash-generating unit ("CGU"). The Company and its subsidiaries perform an impairment test annually.

To define CGUs, Management considered qualitative and quantitative factors used for monitoring and decision-making through the verticalization strategy of the business, expanding the geographic footprint of operations, in addition to gaining synergy and strengthening of the Company and its subsidiaries, for 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, continuity and discontinuity of new health care plans. In the analyses, the costs incurred are also monitored and compared with the estimated projections, in order to identify possible distortions that may arise from hospitalizations and elective surgeries.

To define CGUs, the Company and its subsidiaries considered the consolidated structure of the group, which more adequately reflects the way in which the Group's management monitors operations and the manner in which decisions on business continuity are made. Therefore, the analyses of cash flow projections and definition of the book value were carried out based on the defined CGUs.

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

Hence, the Company and its subsidiaries prepared an impairment test considering the history of business combinations, as presented in the table below:

Book value of goodwill	**12/31/2023**
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
Notre Dame Group	480,134
Santamália Group	125,405
Hospital Family	79,030
Unimed ABC	71,476
SAMCI/IBRAGE	24,052
Hospital São Bernardo	153,509
Nova Vida Group	151,673
Cruzeiro do Sul Group	60,578
SAMED Group	196,737
Green Line Group	832,941
Mediplan Group	230,334
Hospital Jacarepaguá	48,118
Belo Dente	23,916
Ghelfond Group	163,187
São José Group	94,264
São Lucas Group	218,093
Clinipam Group	2,313,674
Ecole	39,633
LabClin	4,464
Hospital Coração Balneário Camboriú	37,945
Santa Mônica Group	130,829
Hospital e Maternidade Santa Brígida S.A.	22,882
Lifeday	114,405
Lifecenter	211,719
Climepe	91,023
Bio Saúde	77,594
Hospital do Coração de Londrina Ltda.	197,179
NDI MG Group	855,856
Hospital e Maternidade Maringá S.A.	50,117
Serpram Group	112,354
Casa de Saúde e Maternidade Santa Martha S.A.	129,861
CCG Group	700,591
Hospital do Coração Duque de Caxias Ltda.	55,818
Infoway	62
Other	21,121
Total	**44,228,203**

The Company and its subsidiaries adopted the following assumptions in the impairment test, by CGU:

Consolidated CGU	
Expected return rate	34.6% p.a.
Discount rate	13.0% p.a.
Perpetuity growth rate	5,8% p.a.

Additionally, the Company and its subsidiaries provided a sensitivity analysis of the key assumptions used in the recoverability calculation of the UGC as of the reporting date, as disclosed in explanatory note Note 36.

Management concluded that the value in use of the CGUs is higher than their respective book value, indicating that there is no evidence of impairment.

21 Borrowings, financing and debentures

a. Breakdown of borrowings, financing and debentures

			Parent company		Consolidated	
Type	**Maturity**	**Interest rate**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Working capital	Up to Feb/26	USD 5.2 + 6.84% p.a.	-	-	247,728	254,445
1st issue Debentures - Hapvida Participações	Up to Jul/26	109% to 110.55% DI rate	875,299	1,506,611	875,299	1,506,611
2nd issue Debentures - Hapvida Participações	Up to Apr/29	CDI + 1.45% to 1.65% p.a.	2,545,843	2,551,467	2,545,843	2,551,467
3rd issue Debentures - Hapvida Participações	May 2029	CDI + 1.60% p.a.	2,026,182	2,030,926	2,026,182	2,030,924
4th issue Debentures - Hapvida Participações	Feb/24	CDI + 1.70% p.a.	838,292	-	838,292	-
5th issue Debentures - Hapvida Participações	Jan/30	CDI + 1.75% p.a.	995,656	-	995,656	-
6th private issue Debentures - Hapvida Participações (iii)	Jan/30	Fixed	500,000	-	-	-
3rd issue Debentures - NDI Saúde	August 24	CDI + 1.60% p.a.	-	-	281,226	564,838
4th issue Debentures - Hapvida Participações (ii)	Sept/25	CDI + 2.65% p.a.	101,386	-	101,386	778,422
5th issue Debentures - Hapvida Participações (ii)	Nov/25	CDI + 2.65% p.a.	297,165	-	297,165	713,603
6th issue Debentures - Hapvida Participações (ii)	Oct/27	CDI + 1.45% p.a.	1,230,591	-	1,230,591	1,233,991
CRI - Hapvida Assistência Médica (i)	Dec/31	IPCA + 5.7505%	-	-	1,083,401	1,031,208
CRI - BCBF - 1st series	Dec/27	CDI + 0.75% p.a.	-	-	533,697	530,659
CRI - BCBF - 2nd series	Dec/29	IPCA + 7.0913 p.a.	-	-	372,063	354,205
CRI - BCBF - 3rd series	Dec/34	IPCA + 7.2792 p.a.	-	-	97,885	93,319
Cooperative of Credit	-	-	-	-	-	254
Other	-	-	-	-	-	73,735
Total			**9,410,414**	**6,089,004**	**11,526,414**	**11,717,681**
Current			1,800,299	781,592	2,109,941	1,726,508
Non-current			7,610,115	5,307,412	9,416,473	9,991,173

(i) Contracted hedge swapping from the IPCA rate + 5.7505% to 113.32% of the CDI rate.
Upon the merger of Ultra Som Serviços Médicos S.A. into Hapvida Assistência Médica S.A. on December 1, 2023, the latter assumed the debt previously held by Ultra Som Serviços Médicos S.A.

(ii) Debentures assigned by subsidiary BCBF Participações S.A. to the Company, which became the issuer of the respective debentures, for all intents and purposes. The assignment is part of the streamlining strategy for the Company's corporate structure.

(iii) On December 29, 2023, the meeting minutes 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 for private placement, being subscribed and paid up exclusively by Casa de Saúde e Maternidade Santa Martha S.A.

b. Changes in balances - Borrowings, financing and debentures

	Parent company	Consolidated				
	Debentures	Borrowings and financing	Debentures	Certificate of Real Estate Receivables - CRI	Promissory notes	Total
Balances at January 1, 2022	**4,583,552**	**42,074**	**4,583,552**	**970,305**	**-**	**5,595,931**
Acquisitions of companies	-	1,604,613	3,546,104	-	99,512	5,250,229
Issuance	2,000,000	321,260	2,000,000	1,000,000	-	3,321,260
Recognition of issuance costs	3,148	5,331	7,167	3,777	-	16,275
Interest accrual	742,701	84,580	1,179,851	117,466	246	1,382,143
Payment of principal	(588,295)	(1,507,891)	(854,962)	-	(90,000)	(2,452,853)
Payment of interest and exchange rate change	(642,342)	(218,804)	(1,072,096)	(59,009)	(9,758)	(1,359,667)
Exchange rate changes	-	(2,729)	-	-	-	(2,729)
Issuance costs	(9,760)	-	(9,760)	(23,148)	-	(32,908)
Balance at December 31, 2022	**6,089,004**	**328,434**	**9,379,856**	**2,009,391**	**-**	**11,717,681**
Acquisitions of companies (a)	-	10,833	-	-	-	10,833
Assignment of debentures (b)	1,823,832	-	-	-	-	-
Issuance	2,250,000	260,000	1,750,000	-	-	2,010,000
Recognition of issuance costs	(2,085)	-	10,799	7,964	-	18,763
Interest accrual	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 changes	-	(15,083)	-	-	-	(15,083)
Issuance costs	1,870	-	1,870	(2,655)	-	(785)
Balance at December 31, 2023	**9,410,414**	**247,728**	**9,191,640**	**2,087,046**	**-**	**11,526,414**

(a) Debt financial instruments (borrowings) from acquired companies.
(b) On May 31, 2023, the 4th, 5th and 6th issue debentures, previously held by the subsidiary BCBF Participações S.A., were assigned to the Company, which became the issuer of the respective debentures, for all intents and purposes. The assignment is part of the streamlining strategy for the Group's corporate structure.

The borrowings and financing are guaranteed by: (i) guarantors, (ii) fiduciary alienation of the financed hospital assets or (iii) financial investments held by the same financing entity.

The working capital credit agreements have restrictive contractual clauses specific to the nature of each operation, which, if not met, may lead to the early maturity.

Financial restrictions for some obligations include lawsuits, demands or proceedings pending or to be proposed, which, if decided against the Company and its subsidiaries, would have a detrimental effect on its financial condition or impair their ability to meet the obligations.

The management of the Company and its subsidiaries evaluates monthly the compliance with financial and non-financial covenant clauses by thoroughly analyzing each restrictive clause, performed by the respective department responsible for the Company and its subsidiaries, formalized in a memorandum. At December 31, 2023, the Company and its subsidiaries were fully in compliance with financial covenants.

c. Maturities - Borrowings, financing and debentures

At December 31, 2023 and December 31, 2022, borrowings, financing and debentures have the following maturity schedule:

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
2023	-	781,592	-	1,726,508
2024	1,800,299	584,517	2,109,941	1,323,010
2025	706,937	114,306	703,266	1,237,157
2026	1,137,396	739,342	1,905,387	1,130,765
2027	1,020,769	622,375	1,017,097	1,556,405
2028 onwards	4,745,013	3,246,872	5,790,723	4,743,836
Total	**9,410,414**	**6,089,004**	**11,526,414**	**11,717,681**

d. Debentures

d.1 *Issuance of debentures*

Summary information on the issuance of debentures by the Company and its subsidiaries is detailed below:

Issuer	Title	Modality	Issued units	Issue date	Final maturity	Average charges	Issuance
Hapvida Part. e Inv. S.A.	HAPV11	1st Issue - 1st series	1,764,888	07/10/2019	07/10/2024	109% of CDI	R$ 1,764,888
Hapvida Part. e Inv. S.A.	HAPV21	1st Issue - 2nd series	235,112	07/10/2019	07/10/2026	110.55% of CDI	R$ 235,112
Hapvida Part. e Inv. S.A.	HAPV12	2nd Issue - 1st series	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 - 2nd series	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.	HAPV14	4th Issue	750,000	02/24/2023	02/24/2024	CDI + 1.70% p.a.	R$ 750,000
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	R$ 500,000

(*) Debentures assigned by subsidiary BCBF Participações S.A. to the Company, which became the issuer of the respective debentures, for all intents and purposes. The assignment is part of the streamlining strategy for the Company's corporate structure.

d.2 *Guarantees*

The 1st series, 2nd series and single series debentures (first, second, third, fourth and fifth issue, respectively), issued by Hapvida Participações e Investimentos S.A., carry a personal guarantee provided by Hapvida Assistência Médica S.A., a subsidiary of the Company, as joint debtor and principal obligor.

The single series debenture of third issue, issued by Notre Dame Intermédica Saúde S.A., carries a guarantee provided by BCBF Participações S.A., a subsidiary, as joint debtor and principal obligor.

The single series debentures of fourth, fifth and sixth issue, issued by BCBF Participações S.A. and subsequently assigned to Hapvida Participações e Investimentos S.A., carry a guarantee provided by Notre Dame Intermédica Saúde S.A. - "NDI Saúde S.A.", as joint debtor and principal obligor.

d.3 *Covenants*

The debentures and Certificates of Real Estate Receivables (CRI) issued by the Company and its subsidiaries have contractual clauses and restrictions that may trigger accelerated maturities, including, but not limited to, a financial index, defined in contract and measured on a quarterly basis.

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

At December 31, 2023, the Company and its subsidiaries were fully in compliance with the financial and non-financial restrictive covenants.

e. Certificates of Real Estate Receivables

e.1 *Issuance of CRI - Ultra Som Serviços Médicos S.A.*
On November 2, 2021, the granting of a guarantee by the Company was approved, in the form of a surety, guaranteeing the obligations assumed by its direct subsidiary, Ultra Som Serviços Médicos S.A. (Ultra Som) for the 1st issue of simple, non-convertible, unsecured debentures, in a single series (Ultra Som Debentures). The Ultra Som Debentures are linked to the 378th series of the 4th issue of certificates of real estate receivables from Virgo Companhia de Securitização, in the amount of R$ 1,001,700 (CRI Lastro Hapvida), under a securitization transaction. The CRI Lastro Hapvida are raised through a public distribution pursuant to CVM Instruction No. 400, of December 29, 2003.

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

Fundraising was completed on December 21, 2021, with maturity in December 2031 (Principal + accruals). The payment of the spread is made on a semi-annual basis.

Upon the merger of Ultra Som Serviços Médicos S.A. into Hapvida Assistência Médica S.A. on December 1, 2023, the latter assumed the debt previously held by Ultra Som Serviços Médicos S.A.

e.2 *Issuance of CRI - BCBF Participações S.A.*
On December 12, 2022, the subsidiary BCBF Participações S.A. entered into the First Amendment to the Private Instrument of Deed of Private Issuance of Simple Debentures, Non-Convertible into Shares, Unsecured, with Additional Guarantee, in up to three series, of the 7^{th} issue of the Company. The debentures are linked to the 62nd issue, in up to three series of Certificates of Real Estate Receivables (CRI) of Virgo Companhia de Securitização, in the amount of R$ 1,000,000, with a par value of R$ 1.

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

The funds will be used for: i) expenditures, costs and expenses not yet incurred directly related to the construction, expansion, development and renovation of certain properties and real estate developments; and ii) reimbursement of expenditures, costs and expenses, of a real estate nature and predetermined; and iii) early partial redemption of debts.

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

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

At December 31, 2023, the Company and its subsidiaries were fully in compliance with the financial and non-financial restrictive covenants.

22 Leases payable

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

a) Discount rate

The Company and its subsidiaries use discount rates reflecting the risk-free interest rates observed in the Brazilian market, adjusted to the Group's circumstances. The spreads were obtained through surveys with potential investors of the debt securities of the Company and its subsidiaries. The table below shows the rates used by the Group:

Term	Rate % p.a.
Up to 2 years	8.20%
From 2 to 4 years	9.06%
From 4 to 6 years	9.75%
From 6 to 8 years	9.68%
From 8 to 10 years	9.52%
Over 10 years	9.50%

b) Changes in lease balances

	Consolidated	
	12/31/2023	12/31/2022 (Re-presented)
Balance at the beginning of the year	**2,350,044**	**1,133,625**
Acquisitions of companies (i)	7,384	853,352
New contracts (addition)	53,355	315,705
New contracts (addition) - Sale & Leaseback	805,827	-
Remeasurements / write-off	288,853	149,587
Interest accrual	292,657	224,733
Payments	(455,568)	(326,958)
Reclassification to held for sale (ii)	(4,543)	-
Balance at the end of the year	**3,338,009**	**2,350,044**
Current	475,179	351,286
Non-current	2,862,830	1,998,758

i) Balance arising from acquired companies.
ii) Reclassification of the balance of subsidiaries São Francisco Resgate Ltda. and Maida Health Participações and its subsidiaries to operations held for sale (Note 40).

c) Contract maturity dates

The future schedule for payments of leasing agreement is as below:

	Consolidated	
	12/31/2023	**12/31/2022**
2023	-	351,286
2024	475,178	320,000
2025	462,280	303,858
2026	441,032	290,845
2027	414,569	268,340
2028 onwards	7,785,337	3,509,785
Par value	**9,578,396**	**5,044,114**
(-) Embedded interest	(6,240,387)	(2,694,070)
Present value of minimum payments of leasing	**3,338,009**	**2,350,044**

d) Supplementary information

In accordance with IFRS 16 (CPC 06 (R2)) and CVM/SNC/SEP/Nº Instruction 02/2019, Management used the incremental borrowing rate for the calculation of assets and liabilities within the scope of IFRS 16 (CPC 06 (R2)) and disclosed in the statement of financial position of the Company and its subsidiaries.

Management believes that the rate used reflects the cash flows being consistent with the characteristics of the agreements, pursuant to item 27.b of the CVM letter.

To comply with the guidance of the official letter and required transparency, the table below shows the impacts on the statement of financial position using nominal interest x real interest rates. The real rate reflects the index in the contracts, mostly inflation indexed to the IPCA, applied to the annual payment flow. These are consistent with the Banco Bradesco projections up to 2025, each five years.

	Consolidated	
	12/31/2023	**12/31/2022**
Nominal flow		
Lease liabilities	9,578,396	5,044,114
(-) Embedded interest	(6,240,387)	(2,694,070)
Total	**3,338,009**	**2,350,044**
Effective actual inflated flow		
Lease liabilities	9,983,600	5,270,500
(-) Embedded interest	(6,504,377)	(2,814,964)
Total	**3,479,223**	**2,455,536**

e) Sale & Leaseback Transactions (SLB)

On March 27, 2023, a binding instrument was entered into for the SLB operation of ten properties owned by the Company's subsidiaries with an investment vehicle from the Pinheiro Family (LPAR), the Company's parent company, with the aim of reinforcing the cash flow of the Company and its subsidiaries. The capitalization rate (cap rate) 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 a repurchase option, by the Company, under predetermined conditions.

This SLB transaction generated a net gain of R$ 121,279, recorded in "Other operating income (expenses), net". Below is a summary of the categories impacted by the SLB operation:

Received resources - Cash	1,250,000
Right of use (Note 19)	567,939
Property and equipment (Note 19)	(906,533)
Prepaid expenses (Note 17)	15,700
Leases payable (Note 22)	(805,827)
Net gain on SLB operation	**121,279**
(-) Write-off of property goodwill (Note 19)	(93,560)
Net effect on Other Operating Income (Expenses),	**27,719**

23 Technical provisions for health care operations

	Consolidated	
	12/31/2023	**12/31/2022**
Unearned Premium Reserve - UPR (a)	527,779	463,038
SUS provisions (b)	2,660,774	2,258,977
Outstanding claims reserve (c)	762,598	783,299
Incurred But Not Reported claims - IBNR (d)	990,238	998,777
Reserve for benefit granted	3,508	4,184
Total	**4,944,897**	**4,508,275**
Current	3,999,446	3,636,795
Non-current	945,451	871,480

(a) Unearned premiums reserve (UPR) consists of the accounting recognition of amounts charged by the Company and its subsidiaries to their customers on a pro rata die basis within the monthly coverage period. Revenue is recognized as realized in the subsequent period once the period of the coverage comes into effect.

(b) The Company and its subsidiaries record reimbursements of medical expenses to SUS including the collection notifications submitted and an estimate of future notifications under analysis, calculated according to their own methodology, relying on past judicial decision. This includes the provision for events occurred and not reported in the SUS (IBNR-SUS) estimated based on the number of events/claims originated in the Unified Health System (SUS), which have occurred but not yet been notified.

(c) The provision for events to be settled is recorded for the full amount informed by the hospitals/clinics or by the beneficiary at the time the collection is presented to the Company and its subsidiaries. It is subsequently adjusted, if necessary, as part of the claim adjustment process.

(d) Provision for losses that occurred but had not yet been reported before the end of the period, based on an actuarial calculation. The calculations are made quarterly using run-off triangle models considering historic development of claims paid in the past 12 months, to establish a future forecast per occurrence period. For certain providers for which it is possible to measure the volume of unbilled services, this provision is not constituted on a statistical basis but rather for the actual number of accounts not yet submitted.

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

Changes in technical provision balances

	UPR	SUS provisions	Outstanding claims reserve	IBNR	Reserve for benefit granted	Total
Balance at January 01, 2022	**188,764**	**843,940**	**236,141**	**303,884**	**2,241**	**1,574,970**
Acquisitions of companies	209,948	1,181,094	695,173	646,836	2,455	2,735,506
Issuance	23,722,848	420,981	11,890,343	332,053	-	36,366,225
Appropriations/Reversals	(23,658,522)	(169,482)	(410,487)	(283,996)	(512)	(24,522,999)
Changes	-	111,237	-	-	-	111,237
Payments	-	(128,793)	(11,627,871)	-	-	(11,756,664)
Balance at December 31, 2022	**463,038**	**2,258,977**	**783,299**	**998,777**	**4,184**	**4,508,275**
Acquisitions of companies (i)	5,597	12,918	38,182	13,499	-	70,196
Issuance	27,537,944	2,638,945	15,244,926	151,031	20,377	45,593,223
Appropriations/Reversals	(27,478,800)	(2,256,668)	-	(173,069)	(21,053)	(29,929,590)
Changes	-	68,249	-	-	-	68,249
Payments	-	(61,647)	(15,303,809)	-	-	(15,365,456)
Balance at December 31, 2023	**527,779**	**2,660,774**	**762,598**	**990,238**	**3,508**	**4,944,897**

(i) Balance arising from acquired companies.

24 Payroll obligations

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Salaries payable	1,284	1,440	188,261	189,616
Provision for vacation pay and 13th month salary	259	254	394,535	373,596
Performance awards payable (i)	-	-	64,431	74,800
Other social security obligations	2	-	10,413	9,741
Total	**1,545**	**1,694**	**657,640**	**647,753**

(i) Provision for performance awards payable to eligible employees of the Company and its subsidiaries.

25 Taxes and contributions payable

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Service Tax - ISS	-	-	40,800	40,980
Social security contribution	1,459	681	73,409	64,327
Guarantee Fund for Length of Service (Accumulated Severance Pay) (FGTS)	-	-	17,310	17,661
Social Integration Program (PIS) and Social Contribution on Revenues (COFINS)	16,348	3,332	100,133	75,387
Union dues and social assistance contributions	-	-	191	-
Income tax withheld on interest on equity	-	-	37,500	-
Other	19	(6)	1,859	31,263
Taxes due to be paid	**17,826**	**4,007**	**271,202**	**229,618**
Income Tax - Employees	2,371	768	43,439	36,825
Income Tax - Third Parties	22	36	9,746	12,921
Services Tax - ISS	9	39	14,564	17,278
Social security contribution withheld	-	-	3,120	9,718
PIS/COFINS/Social Contribution on net income withheld	(83)	(51)	38,653	45,418
Income tax withheld on interest on equity	-	-	-	2,100
Withholding taxes payable	**2,319**	**792**	**109,522**	**124,260**

Installment taxes, fines and fees - Federal	-	-	217,210	197,893
Installment taxes, fines and fees - Municipal	-	-	4,184	6,862
Installment taxes, fines and fees - Other	-	-	26,736	34,793
Installments taxes, fines and fees	**-**	**-**	**248,130**	**239,548**
Total	**20,145**	**4,799**	**628,854**	**593,426**
Current	20,145	4,799	467,460	436,350
Non-current	-	-	161,394	157,076

26 Provision for tax, civil and labor risks

The Company and its subsidiaries are party to judicial and administrative proceedings in various courts and government agencies, arising from the normal course of operations, involving tax, labor, civil issues and contingencies with the regulatory agency (ANS).

The Company and its subsidiaries record provisions for all proceedings when classified as a probable risk of loss; for cases where there is a possible risk of loss no provisions are made.

The judicial and administrative proceedings, classified as probable risk of loss are as below:

	Parent company		**Consolidated**	
Causes classified as probable loss - nature:	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Provisions for tax matters (including ANS)	-	-	502,502	649,416
Provisions for civil matters	973	799	500,863	445,439
Provisions for labor matters	1,101	107	263,951	266,119
Total	**2,074**	**906**	**1,267,316**	**1,360,974**

Changes in the balances of provision for risks in the years ended December 31, 2023 and 2022:

Provision for tax, civil and labor risks	**Parent company**
Balances at January 1, 2022	**26,478**
Additions and reversals, net	(25,382)
Payments	(190)
Balance at December 31, 2022	**906**
Additions and reversals, net	1,859
Payments	(691)
Balance at December 31, 2023	**2,074**

	Consolidated			
	Civil	**Labor**	**Tax**	**Total**
Balances at January 1, 2022	**172,194**	**65,904**	**190,693**	**428,791**
Acquisitions of companies	205,788	189,557	415,068	810,413
Additions and reversals, net	144,715	58,615	81,111	284,441
Payments	(77,258)	(47,957)	(37,456)	(162,671)
Balance at December 31, 2022	**445,439**	**266,119**	**649,416**	**1,360,974**
Acquisitions of companies (a)	3,927	210	400	4,537
Reclassification to held for sale (b)	(378)	(8,735)	(672)	(9,785)
Additions and reversals, net	165,945	78,078	(28,466)	215,557
Payments	(114,070)	(71,721)	(118,176)	(303,967)
Balance at December 31, 2023	**500,863**	**263,951**	**502,502**	**1,267,316**

(a) Balance arising from acquired companies.
(b) Reclassification of the balance of subsidiaries São Francisco Resgate Ltda., Centro Gaúcho de Medicina Ocupacional Ltda. and Maida Health Participações and its subsidiaries to operations held for sale (Note 40).

The matters classified as probable risk of loss for the years ended December 31, 2023 and 2022 are as below:

	Parent company		Consolidated	
Causes classified as possible loss - nature:	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Tax matters (includes ANS)	16,637	15,406	4,858,147	4,846,622
Civil matters	13,291	10,251	1,708,825	1,450,567
Labor matters	4,228	5,078	799,385	650,848
Total	**34,156**	**30,735**	**7,366,357**	**6,948,037**

The more significant lawsuits, judicial and administrative proceedings, classified as probable and possible risk of loss by the Company and/or its subsidiaries are described below:

			Probable		Possible	
Nature	**Theme**	**Object**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Civil	Indemnity lawsuits - Medical Acts	Civil proceedings filed by beneficiaries seeking compensation for damages suffered by allegedly inadequate medical conduct. Seeking to assign joint liability to the Company and/or its subsidiaries for the medical practices performed by their accredited professionals.	117,428	141,497	688,187	357,238
	Legal and/or contractual exclusion of coverage	Civil lawsuits filed by beneficiaries seeking to obtain coverage for services not covered by law and/or contract, such as: aesthetic procedures, experimental procedures not included in the Mandatory List of the ANS or in disagreement with the Guidelines of Use - DUT, Home Care, artificial insemination, care outside the geographic coverage, etc. In this scenario, many court decisions are issued contrary to applicable legislation, without considering the assistance limits imposed by law and/or contract.	72,040	35,681	114,518	50,576
	Contractual Grace Period	Lawsuits filed by beneficiaries seeking to obtain health care coverage from the health care plan ignoring compliance with the grace periods. Court decisions are frequently made disregarding the applicable legislation, ignoring grace periods provided by law and/or contracts.	45,160	80,768	62,007	36,193

	Debts with Providers in General	Civil lawsuits filed by service providers, seeking to obtain payment of amounts supposedly owed by the Company and/or its subsidiaries on several grounds, such as: improper charges from hospitals, contractual rescissions, etc.	75,852	65,791	200,005	84,589
	Other civil matters	Contingencies with different themes arising from civil proceedings.	190,383	121,702	644,108	921,971
		Total - Civil	**500,863**	**445,439**	**1,708,825**	**1,450,567**
Labor	Acknowledgment of employment relationship	Labor lawsuits filed by service providers, seeking to obtain recognition of an alleged employment relationship maintained with the Company and/or its subsidiaries, despite the absence of a traditional employment relationship. These include physicians, radiology technicians, physiotherapists, phono-audiologist, etc.	111,310	108,179	192,415	172,000
	Labor/ amounts and severance pay	Labor lawsuits individually or jointly filed by former employees or employees, who claims compensation and severance pay related to the period in which they worked for the Company and its subsidiaries, including overtime, additional pays related to health hazard and night work allowances, salary equalization, deviation and accumulation of functions, fines provided for in articles 467 and 477 of the Brazilian Labor Code (CLT), etc.	141,104	140,624	353,852	295,616
	Assessment Notices / Notice of Debt from the Guarantee Fund and Social Contribution (NDFC) / Notification for Payment of FGTS and Social Contribution (NFGC) / Notification for Withdrawal of FGTS and Social Contribution (NFRC)	Assessment Notices and Debt/Tax Notices related to the Severance Fund (FGTS) filed against the Company and/or its subsidiaries claiming administrative fines and FGTS payments arising from alleged violations of the labor regulations and employment relationships.	1,917	-	218,555	158,470
	Other labor matters	Contingencies with different themes arising from labor proceedings.	9,620	17,316	34,563	24,762
		Total - Labor	**263,951**	**266,119**	**799,385**	**650,848**
Tax	ANS Administrative Fines/ Reimbursement to SUS (regulatory aspects)	Administrative proceedings and tax foreclosures issued by ANS, in which administrative fines are charged for alleged noncompliance with the norms regulating the activity of health plan providers, and amounts related to reimbursement to Unified Health System (SUS), resulting from the attendance of beneficiaries of the Company and/or its subsidiaries in the public network and in the SUS, based on article 32 of law 9656/98.	120,759	103,441	507187	812,944
	Services Tax (ISS)	Administrative and legal proceedings filed by Municipal Finance Departments through which tax on services allegedly owed by the Company and/or its subsidiaries is collected as a result of their operating activities.	95,520	144,883	1,426,644	1,198,501
	Tax Foreclosures - Business Succession	Tax foreclosures originally filed against other health care companies, in which the National Treasury requested the redirection to the Company and/or its subsidiaries, on the grounds of alleged business succession arising from operations of disposal of the portfolio of beneficiaries.	92,752	-	166,533	157,807

Social Security Matters	Tax notices for violation filed against the Company and its subsidiaries alleging irregularities or lack of payment of social security contributions, among other social security matters.	32,303	211,836	514,414	311,310
Tax assessment notices - IRPJ/CSLL - goodwill	The Company's subsidiaries are involved in an administrative proceeding arising from tax assessment notices for alleged incorrect Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL").	-	-	955,141	911,040
Accident Prevention Factor (FAP) on the expected rate for the contribution to the SAT/RAT	The lawsuit relates to the FAP (an index applied to calculate the occupational accident insurance owed by employers) on the expected Occupational Accident Insurance (SAT)/Occupational Environmental Risk (RAT) contribution rate, and the Authority that jointly filed the lawsuit was requested to abstain from taking any actions in connection with the collection of amounts that are allegedly payable by virtue of this index, such as denying to renewal of the tax clearance certificate. The acknowledgment of the Petitioner's credit right is also requested. The lawsuit is pending at the higher courts.	14,308	-	7,901	-
Special Tax Regularization Program (PERT)	The Company's subsidiaries have tax foreclosures on debts that are included in the Special Tax Regularization Program (PERT).	-	-	26,894	-
Stock options	Requests for temporary injunction, before the Federal Government (National Treasury), in order to uphold the claim for the purpose of declaring the non-existence of a legal tax relationship between the Plaintiff and Defendant parties regarding the requirement, depending on the fiscal years (past and future) of stock options in the Stock Option Plan established in 2014. The plaintiff Companies, social security contributions on the payroll and other contributions from third parties (Salary-Education, INCRA, SESC, SENAC and Sebrae) in relation to the Plaintiff Participants members of an active claim; the Plaintiffs claim a fine for alleged no withholding of income tax when the options are exercised by the Plaintiff Participants who are part of the plaintiff of this claim; of the Participating Plaintiffs, of income tax on alleged income arising from work when exercising the options.	-	-	596,383	567,540
Fee of solid waste from health services (TRSS)	Tax foreclosures on debts for charging the TRSS (health services solid waste fee)	137	-	14,897	-
Liens on assets	Annulment request aimed at canceling the liens on assets proceeding filed against the Company's subsidiaries.	-	-	36,233	-
Other tax matters	Contingencies (various) arising from tax proceedings.	146,723	189,256	605,920	887,480
	Total - Tax	**502,502**	**649,416**	**4,858,147**	**4,846,622**

Judicial deposits

Judicial deposits held in escrow were as follows:

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Tax judicial deposits	543	543	448,058	501,590
Regulatory judicial deposits (i)	-	-	1,208,179	978,237
Civil judicial deposits	9,468	3,033	501,100	286,515
Labor judicial deposits	678	214	68,869	56,425
Total	**10,689**	**3,790**	**2,226,206**	**1,822,767**

(i) Substantially judicial deposits of reimbursement of medical expenses to SUS.

27 Other accounts payable

	Parent company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Contractual obligations (a)	-	-	1,110,941	1,207,398
Third party deposit	86	86	81,608	47,153
Advances from clients	80	80	65,608	35,347
Supplemental health fee	-	-	4,232	4,204
Health care operations and not related to health care plan (i)	-	-	10,074	53,068
Provisions for employee benefit plan	-	-	23,253	20,492
Deferred portion of the acquisition price	-	-	17,152	38,755
ANS fine	-	-	29,700	36,622
Advance to financial institution	28,600	-	42,104	18,619
Retention reward payable (ii)	12,000	12,000	12,000	12,000
PROMED Agreement Term (iii)	-	-	125,070	-
Rent payable	-	-	17,224	17,223
Sundry	3,485	895	450,792	441,687
Total	**44,251**	**13,061**	**1,989,758**	**1,932,568**
Current	22,251	13,061	406,911	387,837
Non-current	22,000	-	1,582,847	1,544,731

(i) Refers to obligations with health care service providers and medical teams.
(ii) Provision for retention reward payable to Company executives for length of stay at the Company.
(iii) On August 14, 2023, the subsidiary Ultra Som Serviços Médicos entered into the "Term of Agreement and Other Covenants" with certain sellers from the PROMED Group. This agreement resulted from negotiations pertaining to the acquisition of the PROMED Group, in accordance with the minutes of the Board of Directors' Meeting held on August 16, 2023.

(a) **Contractual obligations (consolidated)**

Refers, substantially, to contingent considerations related to the acquisitions of companies, in the years ended December 31, 2023, and 2022:

	Consolidated	
	12/31/2023	**12/31/2022**
Balance at the beginning of the year	**1,207,398**	**869,821**
Purchase consideration (i)	664,370	3,229,645
Contractual obligations arising from acquired companies (ii)	-	834,841
Payments	(727,696)	(3,302,631)
Indexation/interest charges	139,088	225,555
Adjustment to present value	-	113,416
Indemnity balances	(167,917)	(300,116)
Purchase price adjustment/Remeasurements	(4,302)	(463,133)
Balance at the end of the year	**1,110,941**	**1,207,398**
Current	83,912	100,748
Non-current	1,027,029	1,106,650

(i) Balance arising from acquired companies.
(ii) Existing contractual obligations at the date of acquisition of the companies.

28 Shareholders' equity

a) Share capital

At December 31, 2023, and December 31, 2022, the subscribed and paid-up share capital is as follows:

	12/31/2023	12/31/2022
Number of shares (i)	7,539,463,263	7,144,255,743
Share capital (i)	39,121,274	38,062,119
Share issuance costs (i)	(255,075)	(228,150)
Total	**38,866,199**	**37,833,969**

(i) The April 12, 2023 Board of Directors meeting approved an increase in the Company's capital, within the limit of its authorized capital, of R$ 1,059,155, increasing capital from R$ 38,062,119, represented by 7,144,255,743 common shares, to R$ 39,121,274, represented by 7,539,463,263 common shares.

b) Legal reserve

Appropriations are made to the legal reserve, as required by law, at the rate of 5% of net income for the year until it attains 20% of the share capital balance.

c) Dividends

Changes in dividends and interest on equity payable were as follows:

Balance of dividends and interest on equity as of January 1, 2022	**31,859**
Acquisitions of companies	1,001,493
Extraordinary dividends (NDI)	(999,200)
Interest on equity effectively paid in the year	(17,945)
Other	(2,603)
Balance of dividends and interest on equity payable as of December 31, 2022	**13,604**
Reclassification to held for sale (i)	(975)
Balance of dividends and interest on equity payable as of December 31, 2023	**12,629**

(i) Reclassification of the balance of subsidiary Maida Health Participações to operations held for sale (Note 40).

d) Shares repurchased

At December 31, 2023, the balance of own shares repurchases totaled R$ 451,967, equivalent to 44,356,272 common shares purchased in 2021, 2022 and 2023.

e) Loss per share

The calculation of basic earnings (loss) per share was based on net profit (loss) attributed to controlling shareholders and the weighted average number of common shares outstanding.

	12/31/2023	12/31/2022
Loss attributable to the Company and its subsidiaries (R$ thousand)	(739,247)	(775,839)
Loss attributable to controlling shareholders (R$ thousand)	(739,769)	(777,234)
Weighted average number of shares (thousands of shares)	7,506,086	6,837,931
Basic and diluted loss per share (R$ thousand)	(0.10)	(0.11)

29 Share-based payment

Stock Grant

At the Extraordinary Shareholders' Meeting, held on April 30, 2021, the Performance Premium Policy of the Company and its subsidiaries was approved paying a premium in common shares issued by the Company, net of any taxes, in the event of extraordinary performance by eligible executives.

The Company recognizes personnel expenses related to the Stock Grant Plan with a contra entry to the capital reserve in shareholders' equity, based on the fair value of the share on the grant date. Expenses recognized in income for the year ended December 31, 2023 amount to R$ 45,199 (R$ 56,305 at December 31, 2022).

At December 31, 2023, the balance of the Plan recognized in the Company's equity is as follows:

Grant date	Number of shares granted *	Fair value on the grant date (R$ per share)	Total value of the estimated plan (including charges)	Accumulated appropriation of the plan
04/30/2021	11,663,103	14.44	223,800	157,809

* The Premium Policy covers a maximum of 13,191,215 shares, originating from shares held in treasury (which may be issued by the Company, in whole or in part, if the Company does not have treasury shares sufficient at the time of awarding the Premium, as defined below), net of any withholding taxes.

Among the conditions for receiving the Premium are: (a) 50% of the Premium is conditioned to the beneficiary's remaining in employment for three years (as of January/2021); and (b) 50% of the Premium is conditioned to the achievement of at least 95% of the targets established by the Board of Directors (50% of the target linked to EBITDA indicators, and 50% of the target linked to growth indicators). The achievement of the goals can be cumulative over a period of three years, calculated to the end of March for the years 2022, 2023 and 2024.

Stock Option

The Company has a share-based compensation plan with the objective of promoting the long-term growth and profitability of the Company and its subsidiaries, providing professionals who are or will be involved in the Company's growth the opportunity to acquire shares in the Company, with a view to: (a) encouraging the alignment, expansion, success and achievement of the social objectives of the Company and its subsidiaries; and (b) aligning the interests of the Company's shareholders with those of the Participants.

These are long-term incentive programs that grant restricted shares, managed by the Board of Directors. The plans were approved on March 29, 2021 and April 30, 2021, with effectiveness conditioned to the closing of the business combinations between the Company and NotreDame Intermédica Participações S.A., consummated on February 14, 2022.

Granted Shares and Exercise Price

125,542,812 Company shares were granted on February 14, 2022 (1st grant) and 13,660,008 on July 1, 2022 (2nd grant) to Plan Participants. The Exercise Price of each Option granted under the Plan will be fixed at the amount of R$ 6.50 (six Reais and fifty cents) per Share.

Exercise of Options
The Options will become vested to the extent that the respective Participants are employed as managers or employees of the Company until the vesting periods specified below elapse:

- 1/3 of the Options granted may be exercised as of August 31, 2022;
- 1/3 of the Options granted may be exercised after 24 months from the closing date of the business combination transaction between the Company and Notre Dame Intermédica Participações S.A., that is, February 14, 2024; and
- 1/3 of the Options granted may be exercised after 36 months have elapsed from the closing date of the business combination transaction between the Company and Notre Dame Intermédica Participações S.A., that is, February 14, 2025.

Fair value measurement
The Black & Scholes method was used to price the options on the dates of the respective grants and at the end of period/year.
The assessment of fair values on the grant date of the share-based payment was based on:

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

For the respective grant or year-end dates, the market price of the share on the date was adopted, with historical volatility (within 12 months).

The exercise price of the options was adjusted by dividends projected for the year and the risk-free rate based on the yield curve for Brazilian Federal Government bonds over the average expected period of exercise of each lot.

	Stock Option Plan			
	Total number of shares granted	**Number of cancelled shares (*)**	**Current number of shares granted**	**Share value**
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**

* Canceled shares for executives of the Company and its subsidiaries who were terminated in 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, with a contra entry to shareholders' equity, as options granted.

The expense related to the fair value of the restricted shares, recognized in the year ended December 31, 2023, according to the period elapsed for the acquisition of restricted share rights, was R$ 16,483 (R$ 430,011 at December 31, 2022).

30 Net revenue from services provided (Consolidated)

	Consolidated	
	12/31/2023	**12/31/2022**
Insurance revenue	27,402,729	23,474,669
Revenue from other activities	1,317,982	1,402,990
(-) Taxes on revenues	(1,075,392)	(891,769)
(-) Unconditional discounts grant and other deductions	(261,911)	(237,087)
	27,383,408	**23,748,803**

31 Cost of services rendered (Consolidated)

	Consolidated	
	12/31/2023	**12/31/2022**
Medical, hospital and other costs	(16,725,724)	(14,466,112)
Change in IBNR	22,038	(48,057)
Costs with material and medicines	(2,454,632)	(2,265,291)
Costs with rentals and utilities	(915,836)	(810,680)
Costs with outsourced service	(388,551)	(412,805)
Depreciation and amortization	(428,468)	(492,277)
(-) Coinsurance	813,325	664,532
SUS reimbursement	(167,659)	(245,852)
Change in IBNR SUS	(69,192)	(17,165)
Total	**(20,314,699)**	**(18,093,707)**

32 Selling expenses (Consolidated)

	Consolidated	
	12/31/2023	**12/31/2022**
Advertising and marketing	(68,784)	(92,448)
Commissions	(1,294,379)	(1,185,429)
Provision for expected losses	(550,175)	(424,837)
Own personnel expenses	(140,021)	(99,498)
Other selling expenses	(29,921)	(18,237)
Total	**(2,083,280)**	**(1,820,449)**

33 Administrative expenses

	Parent company	
	12/31/2023	**12/31/2022**
Payroll expenses	(61,350)	(36,248)
Stock option plan expenses (Note 29)	(16,483)	(430,011)
Stock grant plan expenses (Note 29)	(45,199)	(56,305)
Outsourced service expenses	(8,691)	(14,820)
Rentals and utilities	(4,012)	(2,401)
Depreciation and amortization (i)	(738,241)	(767,441)
Tax expenses	(874)	(338)
Indemnity, court cost and provisions for contingencies	(1,633)	23,013
Other income (expenses), net	128	(33)
Total	**(876,355)**	**(1,284,584)**

	Consolidated	
	12/31/2023	**12/31/2022**
Payroll expenses	(1,094,357)	(1,077,384)
Stock option plan expenses (Note 29)	(16,483)	(430,011)
Stock grant plan expenses (Note 29)	(45,199)	(56,305)
Outsourced service expenses	(701,239)	(663,310)
Rentals and utilities	(316,682)	(291,908)
Depreciation and amortization (i)	(1,700,048)	(1,695,006)
Tax expenses	(117,160)	(74,533)
Indemnity, court cost and provisions for contingencies	(315,487)	(210,328)
Other income (expenses), net	(84,565)	(43,638)
Total	**(4,391,220)**	**(4,542,423)**

(i) Amortization of surplus value on property and equipment and intangible assets from the acquisition of NDI.

34 Net finance income (expenses)

	Parent company		Consolidated	
Finance income	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Income from investments, other than collateralized assets	21,993	77,584	358,110	395,655
Income from investments - Collateralized assets	-	-	340,955	262,342
Other income from financial investments	-	-	8,483	4,109
Late payments penalties	-	-	117,607	89,005
Income from derivative financial instruments - Debt	-	-	50,713	-
Income from derivative financial instruments - Equity	20,384	14,331	20,384	15,955
Exchange rate gains	7	-	18,724	7,450
Exchange rate gains	-	-	78,443	63,314
Indexation credits	1,053	-	95,582	58,739
Income from other indexations	574	14	19,189	30,968
Subtotal - Finance income	**44,011**	**91,929**	**1,108,190**	**927,537**

	Parent		Consolidated	
Finance expenses	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Interest on debentures	(1,060,442)	(742,701)	(1,212,531)	(1,179,851)
Interest on leases	(15)	(168)	(292,657)	(224,733)
Discounts granted	-	-	(21,769)	(23,031)
Bank expenses	(198)	(160)	(38,517)	(40,095)
Tax charges	-	-	(3,300)	(5,351)
Finance expenses with derivative instruments - Debt	-	-	(125,605)	-
Finance expenses with derivative instruments - Equity	(33,769)	(32,799)	(33,769)	(116,852)
Exchange rate losses	-	-	(921)	(2,501)
Interest on loans and borrowings	-	-	(255,184)	(202,292)
Indexation charges	-	-	(138,557)	(111,237)
Expenses with other indexations	(196)	(19)	(254,542)	(226,675)
Interest on equity received, charges	(15,686)	(44,334)	(39,405)	(45,785)
Other finance expenses	(15,018)	(6,183)	(46,303)	(41,076)
Subtotal - Finance expenses	**(1,125,324)**	**(826,364)**	**(2,463,060)**	**(2,219,479)**
Total - Net finance income (expenses)	**(1,081,313)**	**(734,435)**	**(1,354,870)**	**(1,291,942)**

35 Income and social contribution taxes

a. Reconciliation of the statutory to the effective rate of income and social contribution taxes

The reconciliation of the consolidated expense is presented below (the parent company amounts are not significant):

	12/31/2023		12/31/2022	
Loss before income and social contribution taxes		**(673,718)**		**(1,447,809)**
Statutory tax rates				
Income tax, plus the additional tax rate		25%		25%
Social contribution		9%		9%
Income and social contribution taxes at the statutory rate		**(229,064)**		**(492,255)**
Permanent differences				
Tax loss carryforwards not treated as deferred tax assets (ii)	-7.36%	49,575	-4.65%	67,376
Debt adjustment business combination	-0.06%	412	11.87%	(171,903)
Non-deductible provisions	1.51%	(10,187)	0.20%	(2,871)
Interest on equity	0.01%	(63)	-	-
Other differences	-38.21%	257,460	5.10%	(73,901)
Subtotal	**-44.11%**	**297,197**	**12.52%**	**(181,299)**
Effects of entities taxed on the presumed tax regime (i)				
Reversal of the tax under the taxable income regime	0.54%	(3,633)	0.02%	(357)
Income and social contribution taxes at the statutory rate	-0.25%	1,674	-0.13%	1,941
Subtotal	**0.29%**	**(1,959)**	**-0.11%**	**1,584**
Income and social contribution taxes	**-9.82%**	**66,174**	**46.41%**	**(671,970)**
Current income tax	-21.66%	145,906	-1.12%	16,220
Current social contribution	-6.65%	44,807	-0,44%	6,361
Deferred income tax	13.46%	(90,658)	35,30%	(511,085)
Deferred social contribution	5.03%	(33,881)	12,67%	(183,466)
Income and social contribution taxes	**-9.82%**	**66,174**	**46.41%**	**(671,970)**

(i) Exclusion of statutory rates on the profit before income and social contribution taxes of the result of the entities taxed under the presumed profit tax regime, under the terms of the current legislation.

(ii) The balance primarily arises from 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, as the operation of these companies consists of equity participation in other entities (Holdings).

The changes in liabilities for income and social contribution taxes for the years ended December 31, 2023 and 2022 were as follows:

	Consolidated	
	12/31/2023	12/31/2022
Balance at the beginning of the year	**31,798**	**58,645**
Income and social contribution taxes balance of acquiree (i)	-	22,601
Income and social contribution taxes calculated	190,713	22,581
Income and social contribution taxes recoverable	94,051	-
Withholding income and social contribution taxes	(73,663)	-
(-) Payments	(214,638)	(72,029)
Balance at the end of the year	**28,261**	**31,798**

(i) Balance arising from acquired companies.

No income and social contribution tax effects are recorded directly in equity.

b. Deferred income and social contribution taxes

b.1 Changes

The changes in deferred income and social contribution taxes for the years ended December 31, 2023 and 2022 were as follows:

	Parent company				
	Balance at 01/01/2022	Recognized in profit (loss)	Balance at December 31, 2022	Recognized in profit (loss)	Balance at 12/31/2023
Provision for tax, civil and labor risks	9,003	(8,694)	309	397	706
Credit on tax loss and negative basis	336,887	105,355	442,242	344,728	786,970
Debentures issuance cost	4,590	2,262	6,852	(15,626)	(8,774)
Deferred tax on right-of-use assets	104	(88)	16	(10)	6
Share-based payment plan expenses	19,144	165,348	184,492	20,972	205,464
Performance reward provision	902	(902)	-	-	-
Amortization of fair value - Assets acquired in a business combination	-	260,350	260,350	250,402	510,752
Other tax credits/debits	(16)	6,292	6,276	(6,286)	(9)
Total	**370,614**	**529,923**	**900,537**	**594,577**	**1,495,115**

	Consolidated						
	Balance as of 01/01/2022	Recognized in profit (loss)	Acquisitions of companies	Balance at December 31, 2022	Recognized in profit (loss)	Reclassification to held for sale (iii)	Balance at 12/31/2023
Provision for tax, civil and labor risks	131,459	80,063	98,030	309,552	(74,937)	(2,945)	231,670
Allowance for doubtful accounts - trade receivables	82,478	31,033	104,978	218,489	22,784	(794)	240,479
Deferred commissions expenses	(87,226)	(2,357)	-	(89,583)	(4,193)	-	(93,776)
Tax loss carryforwards (i)	498,944	420,244	161,939	1,081,127	245,654	-	1,326,781
Amortization of fair value - Assets acquired in a business combination	327,005	191,912	100,774	619,691	124,373	-	744,064
Deferred tax on goodwill (ii)	(166,052)	(313,452)	(328,799)	(808,303)	(470,280)	15,059	(1,263,524)
Deferred tax on right-of-use assets	28,756	34,196	23,891	86,843	89,088	(184)	175,747
Debentures issuance cost	(7,761)	14,662	-	6,901	(25,612)	-	(18,711)
Share-based payment plan expenses	19,144	165,348	-	184,492	20,971	-	205,463
Other tax credits	41,647	72,902	(27,178)	87,371	196,691	360	284,422
Total	**868,394**	**694,551**	**133,635**	**1,696,580**	**124,539**	**11,496**	**1,832,615**
Deferred tax (asset)	1,034,446			2,504,883			3,096,139
Deferred tax (liability)	(166,052)			(808,303)			(1,263,524)

(i) Only entities presenting probable future taxable income were considered for deferred income and social contribution assets.

(ii) Deferred tax liabilities recorded on the tax amortization of goodwill from business combinations, according to article 22 of Brazilian Law 12,973/14.

(iii) Reclassification of the balance of subsidiaries São Francisco Resgate Ltda., Centro Gaúcho de Medicina Ocupacional Ltda. and Maida Health Participações and its subsidiaries to operation held for sale (Note 40).

b.2 Expected realization of deferred taxes

Below are the expected periods for realization of the net deferred taxes of the Company and its subsidiaries; projections may change in the future:

	Parent company	Consolidated
	12/31/2023	12/31/2023
2024	70,815	152,232
2025	70,815	453,427
2026	322,051	453,237
2027	350,548	269,695
2028	326,815	251,105
2029 onwards	354,070	252,919
Total	**1,495,115**	**1,832,615**

Income and social contribution tax losses do not prescribe. Following the 2019 business combinations, the Company and its subsidiaries executed a strategic corporate restructuring plan in order to support the realization of the deferred tax assets.

The main pillars of this planning are: a) Implementation of proprietary systems; b) Corporate restructuring aiming at tax optimization and synergies; and c) Realization of deferred taxes and consumption of current goodwill stocks.

During the year ended on December 31, 2023, the Company carried out 14 (fourteen) corporate mergers and 3 (three) implementations of proprietary systems, in line with the envisioned strategic planning.

36 Financial instruments

(i) Fair value hierarchy

When measuring fair value of an asset or liability, the Company and its subsidiaries use observable market data as far as possible. Fair values are classified at different levels in a hierarchy based on information (inputs), Note 7 (c), to which are applied valuation techniques.

In the years ended December 31, 2023 and 2022, the Company and its subsidiaries had no transfers between financial assets, nor did they transfer between hierarchical levels.

The book values of financial asset and liability financial instruments of the Company and its subsidiaries are shown below classified by valuation hierarchy:

	Consolidated						
12/31/2023	**Book value**				**Fair value**		
Financial assets measured at fair value	**Amortized cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Total**	**Level 1**	**Level 2**	**Total**
Financial 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-term and long-term investments - Bank Deposit Certificates (CDB)	229,845	-	-	229,845	-	-	-
Short-term and long-term investments - Brazilian Treasury Note (NTN-B)	259,868	-	-	259,868	-	-	-
Short-term 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 (ii)	(247,728)	-	-	(247,728)	-	-	-
Debentures (ii)	(9,191,640)	-	-	(9,191,640)	-	-	-
Certificate of Real Estate Receivables- CRI (ii)	(2,087,046)	-	-	(2,087,046)	-	-	-
Dividends and interest on 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 (i)	-	(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)**

December 31, 2022	**Consolidated**							
	Book value				**Fair value**			
Financial assets measured at fair value	**Amortized cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Short-term and long-term investments - Investment fund	-	3,794,527	-	3,794,527	-	3,794,527	-	3,794,527
Total	**-**	**3,794,527**	**-**	**3,794,527**	**-**	**3,794,527**	**-**	**3,794,527**
Financial assets not measured at fair value								
Short-term and long-term investments - Bank Deposit Certificates (CDB)	164,764	-	-	164,764				
Short-term and long-term investments - Brazilian Treasury Note (NTN-B)	209,776	-	-	209,776	-	-	-	-
Short-term and long-term investments - National Treasury Bill (LTN)	2,963	-	-	2,963	-	-	-	-
Short-term and long-term investments - Financial Treasury Bill (LFT)	424,711	-	-	424,711	-	-	-	-
Total	**802,214**	**-**	**-**	**802,214**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings and financing (ii)	(328,434)	-	-	(328,434)	-	-	-	-
Debentures (ii)	(9,379,856)	-	-	(9,379,856)	-	-	-	-
Certificate of Real Estate Receivables- CRI (ii)	(2,009,391)	-	-	(2,009,391)	-	-	-	-
Dividends and interest on equity	(13,604)	-	-	(13,604)	-	-	-	-
Leases payable	(2,350,044)	-	-	(2,350,044)	-	-	-	-
Derivative financial instruments - Short position	-	(18,468)	(42,184)	(60,652)	-	(60,652)	-	(60,652)
Total	**(14,081,329)**	**(18,468)**	**(42,184)**	**(14,141,981)**	**-**	**(60,652)**	**-**	**(60,652)**
Financial liabilities measured at fair value								
Contingent consideration (i)	-	(1,207,398)	-	(1,207,398)	-	(1,207,398)	-	(1,207,398)
Total	**-**	**(1,207,398)**	**-**	**(1,207,398)**	**-**	**(1,207,398)**	**-**	**(1,207,398)**

(i) Contingent payments (contractual obligations, net of their respective indemnity assets) as presented in Note 27 (a).

(ii) Measurements at amortized cost and at fair value of borrowings, financing, debentures and Certificate of Real Estate Receivables - CRI of the Company have approximate amounts.

Cash and cash equivalents, trade receivables and trade payables are not included above since their book values approximate their fair values due to the short-term maturities.

The book value of short- and long-term investments in CDB approximate their fair value since they mature in up to 90 days, remunerated at DI (Interbank Deposits) rates and issued by top-tier financial institutions.

(ii) Measurement at fair value

Assets and liabilities measured at fair value are as follows:

a) <u>Investment funds</u>
Obtained from the quota values disclosed by financial institutions.

b) <u>Derivative financial instruments</u>
Based on the fair value derivative financial instruments disclosed by financial institutions.

(iii) Risk management

a) Market risks

The formal risk policy of the Company and its subsidiaries addresses investments and the use of financial instruments in their activities.

The investment policy establishes the following parameters: (i) limits exposure to credit, liquidity, market, operational and legal risks regarding financial investments, ensuring the preservation of the long-term equity of the Company and its subsidiaries; (ii) maintains efficient and optimized management in order to guarantee cash sufficiency; (iii) prohibits derivatives of any nature or foreign currencies and financial assets with exchange exposure, except when their purpose is to establish a hedge for financial or operating liabilities; (iv) investments 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) bonds or securities issued by a financial institution (CDBs, LF, LCI, LCA, DPGE, CCBs and other fixed income products); c) bonds or securities issued by publicly-held companies (debentures, promissory notes, CRI, CRA, etc.); d) commitments backed by the aforementioned assets; and e) allocation of Guarantor Assets, or Bound Financial Investments, must follow concentration limits detailed in RN ANS 392.

The financial area consolidates data and reports on the management of investments and financial instruments on a regular basis providing a detailed analysis of the distribution, risks, maturities, interest, performances and results, addressing the more relevant aspects of the macroeconomic environment and ensuring alignment with the financial instruments investment policy.

Market risk also includes monitoring by the Company and its subsidiaries of interest rate risk in a timely manner, of any fluctuations and, when applicable, evaluating the contracting of hedging instruments.

Sensitivity analysis of financial instruments

At December 31, 2023, the Company's and its subsidiaries' financial assets and liabilities are exposed to variations of the basic interest rate (CDI); the effects are projected under different scenarios below. The Company and its subsidiaries consider the CDI rate on December 31, 2023 as a probable scenario.

		Risk	**Scenario (-50%)**	**Scenario (-25%)**	**Scenario (Probable)**	**Possible (+25%)**	**Possible (+50%)**
		CDI	5.94%	8.90%	11.87%	14.84%	17.81%
		IPCA	2.20%	3.30%	4.40%	5.50%	6.60%
	12/31/2023	**SELIC**	6.52%	9.78%	13.04%	16.30%	19.56%
Short-term and long-term investments							
Balance of short-term and long-term investments (collateral assets)	2,823,179	111.87% of CDI	167,556	251,334	335,111	418,889	502,667
Balance of short-term and long-term investments (free)	3,227,855	111.87% of CDI	191,573	287,360	383,146	478,933	574,720
Balance of short-term and long-term investments (NTN-B)	42,508	4.40% IPCA	935	1,403	1,870	2,338	2,806
Balance of short-term and long-term investments (NTN-B collateral)	143,101	4.40% IPCA	3,148	4,722	6,296	7,871	9,445
Balance of short-term and long-term investments (LFT-B collateral)	223,112	13.04% of SELIC	14,547	21,820	29,094	36,367	43,641
Total	**6,459,755**						

		Risk	**Scenario (-50%)**	**Scenario (-25%)**	**Scenario (Probable)**	**Possible (+25%)**	**Possible (+50%)**
	12/31/2023	**CDI**	5.94%	8.90%	11.87%	14.84%	17.81%
Borrowings and financing							
Working capital	247,728	111.87% of CDI	14,703	22,054	29,405	36,757	44,108
Total	**247,728**						

	12/31/2023	Risk	Scenario (-50%)	Scenario (-25%)	Scenario (Probable)	Possible (+25%)	Possible (+50%)
		CDI	5.94%	8.90%	11.87%	14.84%	17.81%
Debentures							
Debentures - Series 1 - 1st Issue - Hapvida Part.	625,137	111.87% of CDI	37,102	55,653	74,204	92,755	111,306
Debentures - Series 2 - 1st Issue - Hapvida Part.	250,162	111.87% of CDI	14,847	22,271	29,694	37,118	44,541
Debentures - Series 1 - 2nd Issue - Hapvida Part.	1,272,716	111.87% of CDI	75,536	113,304	151,071	188,839	226,607
Debentures - Series 2 - 2nd Issue - Hapvida Part.	1,273,127	111.87% of CDI	75,560	113,340	151,120	188,900	226,680
Debentures - 3rd Issue - Hapvida Part.	2,026,182	111.87% of CDI	120,254	180,381	240,508	300,635	360,762
Debentures - 4th Issue - Hapvida Part.	838,292	111.87% of CDI	49,753	74,629	99,505	124,382	149,258
Debentures - 5th Issue - Hapvida Part.	995,656	111.87% of CDI	59,092	88,638	118,184	147,730	177,277
Debentures - 3rd Issue - NDI Saúde	281,226	111.87% of CDI	16,691	25,036	33,382	41,727	50,072
Debentures - 4th Issue - Hapvida Part. (*)	101,386	111.87% of CDI	6,017	9,026	12,035	15,043	18,052
Debentures - 5th Issue - Hapvida Part. (*)	297,165	111.87% of CDI	17,637	26,455	35,273	44,092	52,910
Debentures - 6th Issue - Hapvida Part. (*)	1,230,591	111.87% of CDI	73,036	109,553	146,071	182,589	219,107
Total	**9,191,640**						

	12/31/2023	Risk	Scenario (-50%)	Scenario (-25%)	Scenario (Probable)	Possible (+25%)	Possible (+50%)
		CDI	5.94%	8.90%	11.87%	14.84%	17.81%
		IPCA	2.20%	3.30%	4.40%	5.50%	6.60%
Certificate of Real Estate Receivables							
CRI - Single series - Hapvida Assistência Médica (**)	1,083,401	4.40% IPCA	23,835	35,752	47,670	59,587	71,504
CRI - Series 1- BCBF	533,697	111.87% of CDI	31,675	47,512	63,350	79,187	95,025
CRI - Series 2- BCBF	372,063	4.40% IPCA	8,185	12,278	16,371	20,463	24,556
CRI - Series 3- BCBF	97,885	4.40% IPCA	2,153	3,230	4,307	5,384	6,460
Total	**2,087,046**						

(*) Debentures assigned by subsidiary BCBF Participações S.A. to the Company, which became the issuer of the respective debentures, for all intents and purposes. The assignment is included in the context of streamlining of the Company's corporate structure.
(**) Upon the merger of Ultra Som Serviços Médicos S.A. into Hapvida Assistência Médica S.A. on December 1, 2023, the latter assumed the debt previously held by Ultra Som Serviços Médicos S.A.

Sensitivity analysis of goodwill

An analysis of the sensitivity of the Company and its subsidiaries to a parallel increase or decrease of 0.52% in the main assumptions used in calculating the recoverability of the CGU at the reporting date, with all other variables held constant, is presented below.

December 31, 2023

Significant premise affected by potential deterioration	Sensitivity of the premise	Impact
Operating margin – Claims ratio	Increase of 0,2%	Fair value > Carrying amount = 106,584
Discount rate	Increase of 0,2%	Fair value > Carrying amount = 815,409
Perpetuity growth rate	Decrease of 0.2%	Fair value > Carrying amount = 1,684,395

b) Underwriting risk

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

• **Insurance risk**: the risk transferred from the insurer to the Company, other than financial risk. The insurance risk arises from the inherent uncertainty about the occurrence, amount or timing of claims.

• **Policyholder behavior risk**: the risk that a policyholder will cancel a contract (i.e., lapse or persistence risk), increase or decrease premiums, withdraw deposits, or annul a contract sooner or later than expected.

• **Expense risk**: the risk of unexpected increases in administrative costs associated with fulfilling a contract (rather than in costs associated with insured events).

Pricing Policy

Companies that operate in health and dental care business are exposed to risks related to cost volatility. Dental care 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 they analyze numerous variables to define the product/ service price, such as the demographic area where it will be offered, the frequency of use of services established in the area from historical records, and the costs of main inputs in the area it will be sold (physicians, health care professionals, market price of main procedures). Based on these analyses, the Company and its subsidiaries determine the price of health and dental care plans.

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

For individual clients, the pricing of the products takes into account a premium as these clients historically make greater use of service network.

Sensitivity analysis

Underwriting risks are assessed based on variables that affected the product subscription process or from insufficient prices.

The sensitivity analyses below simulate the hypothetical impacts on results and equity, of changes in operating parameters before and after contracting:

	December 31, 2023 - Consolidated	
	Effect on income before taxes	**Effect on income after taxes and impact on equity**
5% increase in claims	(1,015,735)	(670,385)
5% increase in administrative and selling expenses	(323,725)	(213,659)
5% decrease in claims	1,015,735	670,385
5% decrease in administrative and selling expenses	323,725	213,659

c) Operating risk

Operational risk arises from losses being incurred from failure, deficiency or inadequate internal procedures, personnel and systems, or external events.

The operational risk monitoring and management activity aims to mitigate risks from losses due to the quality of operations in delivering contracted coverage and/or the provision of services. The identification of operational risks and associated controls is carried out through the mapping of organizational flows, so that, when identified, the impacts of such risks are quantified, considering the expected pattern regarding their frequency and severity through specific methodologies applicable to each risk assessed.

Mitigating actions provide greater stability and control. Procedural protocols guide the performance of professionals as they deliver services within technical and safety standards as per the manuals. Control areas are fully engaged in monitoring the main indicators of customer service in the own network units in real time. Both tools are important instruments for identifying situations outside the expected standard, allowing management to act quickly and efficiently before developments occur with impacts on the operation.

d) Credit risk

Credit risk is the risk that the Company and its subsidiaries will incur losses arising from a client or a counterparty in a financial instrument, resulting from their failure to comply with their contractual obligations. The risk basically arises from trade receivables and short- and long-term investments.

Accounts receivable

Credit risk for the Company and its subsidiaries is considered low by Management, mainly because, as a health plan operator, the monthly payments are paid before the provision of services is delivered. Most of the accounts receivable of the Company and its subsidiaries are related to the risk of the coverage period. In addition, to reduce the credit risk for treatment costs, the operator can cancel overdue plans, as regulated by ANS for the health plan operator.

The Company and its subsidiaries record an allowance using recently observed factors, historical rates of losses to reflect current conditions and reasonable and reasonable forecasts of future economic conditions. The allowance for doubtful accounts - trade receivable is used to record impairment losses, unless the Company and its subsidiaries assess that it is not possible to recover the amount due; in this case the losses are irrecoverable and are charged against the financial asset directly.

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

Short-term and long-term investments

For credit risks related to financial investments, the quantitative information on maximum exposure to risk below is consistent with the credit ratings granted by financial institutions that are counterparties to the investments of the Company and its subsidiaries:

			Ratings of financial institutions (*)					
			Fitch (*)		Moody´s (*)		S&P (*)	
	12/31/2023	12/31/2022	Current	Non-current	Current	Non-current	Current	Non-current
Banco Itaú Unibanco S.A.	2,827,565	1,620,738	F1+	AAA	BR-1	Aaa.br	brA-1+	brAAA
Banco Santander S.A.	2,235,553	1,790,755	-	-	BR-1	Aaa.br	brA-1+	brAAA
Banco Bradesco S.A.	196,062	293,395	F1+	AAA	BR-1	Aaa.br	brA-1+	brAAA
Caixa Econômica Federal	95,898	125,161	F1+	AA	BR-1	Aaa.br	brA-1+	brAAA
Banco do Brasil S.A.	513,385	232,582	F1+	AA	BR-1	Aaa.br	brB	brB
Banco Safra S.A.	25,404	35,593	-	-	BR-1	Aaa.br	brA-1+	brAAA
Banco Votorantim	1,541	1,416	-	AAA	-	Aaa.br	brA-1+	brAAA
Credit Suisse	337,943	299,918	F1+	AAA	BR-1	Aaa.br	brB	brB
BTG Pactual	111,894	102,752	F1+	AAA	-	Aaa.br	-	-
Other	114,510	94,431	-	AAA	-	Aaa.br	-	-
Total	**6,459,755**	**4,596,741**						

(*) Most recent financial disclosure of each financial institution. Brazil scale.

Cash and cash equivalents

The Company and its subsidiaries have cash and cash equivalents of R$ 1,430,144 at December 31, 2023 (R$ 1,267,915 at December 31, 2022) consisting mainly of cash, banks and highly liquid financial investments. Cash and cash equivalent balances are held in banks and financial institutions that are rated between AA and AA+, according to Fitch, in addition to being readily convertible into cash and subject to an insignificant risk of change in value.

e) Liquidity risk

Liquidity risk is the risk that the Company and its subsidiaries will have difficulties in complying with obligations associated with their financial liabilities settled with cash payments or with another financial asset. The approach of the Company and its subsidiaries to liquidity management is to ensure, as far as possible, that they always have sufficient liquidity to meet their obligations upon maturity, under normal and stress conditions, without causing unacceptable losses or with the risk of damaging the reputation of the Company and its subsidiaries.

The Company and its subsidiaries use medical loss controls to price their products and services, which assists in monitoring cash flow requirements and the optimization of their cash return on investments. The Company and its subsidiaries seek to maintain a level of cash and cash equivalents and other highly negotiable investments surplus to cash outflows needs (other than trade payables). The Company and its subsidiaries also monitor expected level of cash inflows from trade and other receivables as well as expected cash outflows related to trade payables and other accounts payable.

The main sources of funds used by the Company and its subsidiaries are self-generated from the rendering of services. The income from investments from cash deposits is added to this amount.

The exposure to liquidity risk, the contractual maturities of financial liabilities at the reporting date are shown below:

			Contractual cash flows					
Financial liabilities	**Notes**	**Book value**	**2024**	**2025**	**2026**	**2027**	**2028 onwards**	**Total**
Trade payables	-	292,018	292,018	-	-	-	-	292,018
Technical provisions	23	762,598	762,598	-	-	-	-	762,598
Borrowings, financing, debentures and CRI	21	11,526,414	3,110,735	1,764,529	2,805,683	1,772,672	6,974,762	16,428,381
Leases payable	22	3,338,009	475,179	462,280	441,032	414,569	7,785,337	9,578,397
Other accounts payable	27	1,989,762	406,911	1,582,851	-	-	-	1,989,762
Dividends and interest on equity payable	28.c	12,629	12,629	-	-	-	-	12,629
Total		**17,921,430**	**5,060,070**	**3,809,660**	**3,246,715**	**2,187,241**	**14,760,099**	**29,063,785**

(i) Comprising provisions for events to be settled, as per explanatory note Note 23.

Cash flow forecasts are prepared by the Company and its subsidiaries; continuous forecasts of liquidity requirements are monitored to ensure that the Company and its subsidiaries have sufficient cash to meet operating needs. This forecast considers the cash generation of the Company and its subsidiaries.

Liquidity risk management
The Company and its subsidiaries use medical loss controls to price their products and services, which assists in monitoring cash flow requirements and the optimization of their cash return on investments. The Company and its subsidiaries seek to maintain a level of cash and cash equivalents and other highly negotiable investments surplus to cash outflows needs (other than trade payables). The Company and its subsidiaries also monitor expected level of cash inflows from trade and other receivables as well as expected cash outflows related to trade payables and other accounts payable.

The main sources of funds used by the Company and its subsidiaries are self-generated from the rendering of 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 them to various financial risks. Risk management is conducted centrally by the Vice President of Finance with the aim of minimizing the adverse effects of financial risks affecting the Company and its subsidiaries.

As of December 31, 2023, the Company and its subsidiaries have derivative financial instrument contracts, used to reduce exposure to interest rate fluctuations (interest rate swap) and foreign exchange rate fluctuations (currency swap), with no speculative purpose.

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

(i) the effective portion of the gain or loss arising from the hedging instrument is recognized directly in shareholders' equity (other comprehensive income); and
(ii) the ineffective portion of the gain or loss arising from the hedging instrument is recognized in "Net finance income (expenses)" in the statement of profit or loss.

The fair value of cash flow contracts is presented on the balance sheet (assets, liabilities, and Equity). For open hedge transactions, the Company and its subsidiaries calculated the market value - MTM (Mark to Market).

In the table below are the swap contracts of the Company's and its subsidiaries, as well as their fair values on the base date.

In September 2023, the Company and its subsidiaries replaced the derivative instrument they held related to the exchange of the CRI indexation issued in December 2021, reducing the passive rate from 113.3% CDI to 107.5% CDI, while maintaining their strategy with IPCA as the active end and CDI as the passive end.

The impacts on the Company's and its subsidiaries' Statement of Profit and Loss and Statement of Equity amounted to R$ 62,514 (financial expense) and R$ 17,966 (Other comprehensive income), respectively, resulting from the net effect of the unwinding and the new operation.

Instrument	Maturity	Long position	Short position	Fair value	Notional (R$)	Position at 12/31/2023	Position at 12/31/2022
Swap - Interest rate (i)	Dec/31	IPCA 5.7505% p.a.	112.3% of CDI	-	200,000	-	(7,138)
Swap - Interest rate (i)	Dec/31	IPCA 5.7505% p.a.	113.8% of CDI	-	250,000	-	(11,241)
Swap - Interest rate (i)	Dec/31	IPCA 5.7505% p.a.	113.95% of CDI	-	300,000	-	(13,897)
Swap - Interest rate (i)	Dec/31	IPCA 5.7505% p.a.	112.9% of CDI	-	251,700	-	(9,908)
Swap - Interest rate (ii)	Dec/31	IPCA 5.7505% p.a.	107.50% of CDI	(9,225)	503,475	(9,225)	-
Swap - Interest rate (ii)	Dec/31	IPCA 5.7505% p.a.	107.50% of CDI	(15,863)	617,303	(15,863)	-
Swap - Exchange	Feb/26	USD + 6.84% p.a.	CDI + 1.6% p.a.	(23,328)	260,000	(23,328)	-
Subtotal				**(48,416)**		**(48,416)**	**(42,184)**

Instrument	Maturity	Long position (Average value)	Short position	Fair value	Notional (R$)	Position at 12/31/2023	Position at 12/31/2022
Equity swap	Nov/23	3.905	113.65% of CDI	-	10,826	-	(3,825)
Equity swap	Nov/23	3.904	113.65% of CDI	-	5,465	-	(3,952)
Equity swap	Nov/23	4.064	113.65% of CDI	-	5,822	-	(3,574)
Equity swap	Nov/23	3.984	113.65% of CDI	-	5777	-	(3,652)
Subtotal				**-**		**-**	**(18,468)**
Total				**(48,416)**		**(48,416)**	**(60,652)**
					Assets	772	-
					Liabilities	(49,188)	(60,652)

The changes in derivative financial instruments (interest swaps) (i) were as follows:

	12/31/2023	12/31/2022
Balance at the beginning of the year - Liability (Asset)	**42,184**	**18,289**
Accrual	(16,913)	(56,558)
Market value - MtM	11,573	154,983
Payment of interest	(36,844)	(74,530)
Balance at the end of the year - Liability (Asset)	**-**	**42,184**

The movement of derivative financial instruments (interest swap) (ii) of the new contracts is shown below:

	12/31/2023	12/31/2022
Balance at the beginning of the year - Liability (Asset)	-	-
Accrual	9,287	-
Market value - MtM	15,801	-
Balance at the end of the year - Liability (Asset)	**25,088**	-

On December 31, 2023, as part of the prospective effectiveness assessment, Management conducted an analysis of the economic relationship of its hedging structures and did not identify significant impacts on the hedge relationships. Therefore, the hedge transactions were deemed effective.

37 Insurance coverage (unaudited)

The Company and its subsidiaries have insurance contracts with coverage considered sufficient to cover potential losses on their assets and/or liabilities, taking into account the nature and degree of risk at amounts, under the advice of their brokers.

The details of the insurance coverage of the Company and its subsidiaries are shown below:

Item	Type of coverage	Insured amount
Buildings, facilities, machinery, furniture, fixtures, and inventories	Fire (including resulting from riots, strikes and lock-out), lightning, explosion of any nature and aircraft crash, electrical damage, equipment leased and assigned to third parties, mobile equipment, falling glass, fixed expenses (6 months), loss/rental payments (6 months), theft/qualified theft of goods, windstorm, impact of vehicles until smoke, collapse, electronic equipment, portable objects (national territory) and theft of medicines.	689,030
D&O	Civil liability - officers, management and directors.	100,000
Cyber	Cyber risk insurance.	25,000
Litigation	Litigation for the civil, tax and labor risks, and guarantee of acquisitions and tax legal.	697,184
Vehicle fleet	Complete coverage, property damage, personal injury and movable equipment.	100% of the average vehicle price table, per vehicle
Employees	Group life insurance. Interns, disability and funeral assistance.	Variable according to salary range
Insurance guarantee	Warranties on customer contracts.	1,153
Other insurance	Tax, Tax, construction, supply or provision of services.	26,437

38 Transactions not involving cash or cash equivalents

During the years ended December 31, 2023 and 2022, the Company and its subsidiaries carried out the following non-cash investing and financing activities, with no effects on the statements of cash flows:

	Parent		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Balance attributed to the acquisition of investees	-	38,684,622	-	38,684,622
Right-of-use assets - Additions/write-offs and remeasurements	240	2,745	382,338	462,009
Other accounts payable - Contractual obligations	-	-	34,359	15,666
Capital increase in investee by debt assumption (i)	1,828,277	-	-	113,416

(i) Capital increase in subsidiary BCBF Participações S.A. to the detriment of the assumption, by the Company, of all the rights and obligations acquired under the debentures of the 4th, 5th and 6th issue of the subsidiary.

39 Adjusted Equity and Regulatory Capital

To operate in the market of healthcare plans regulated by ANS, healthcare operators must comply with solvency ratios, as provided by RN 569/22. Adjusted Equity (AE), for example, must be higher than the legal requirement of Risk-Based Capital (RBC). The AE is calculated considering equity less i) direct or indirect interests in other regulated entities, ii) tax credits arising from tax loss carryforwards, iii) deferred and iv) prepaid expenses, v) non-current intangible assets and vi) goodwill of the direct or indirect interests of other non-regulated entities, as indicated in art. 7 of RN 569/2022.

The Company's controlled operators (subsidiaries) early adopted the standard RBC model in the determination of the regulatory capital. Pursuant to the criteria provided for in art. 9, Section II, Chapter III of RN 569/2022, the determination of their regulatory capital, as of January 2023, considered the higher of the Base Capital and the RBC. The RBC considers the following risks: (i) Underwriting Risk, (ii) Credit Risk, (iii) Operational/Legal Risk and (iv) Market Risk.

In the year ended December 31, 2023, the consolidated solvency, on an aggregate basis involving the operators controlled (subsidiaries) by the Company, reached the sufficiency level indicated below:

	Consolidated
	12/31/2023
Adjusted Minimum Equity (A)	5,114,442
Risk-based capital (RBC) (B)	4,071,485
Sufficiency/(Insufficiency) determined (A) - (B)	**1,042,957**

40 Discontinued operations

The businesses of São Francisco Resgate Ltda. (SF Resgate), Centro Gaúcho de Medicina Ocupacional Ltda. (CGMO) and Maida Health Participações Societárias S.A. and subsidiaries were not part of the Group's core business and are classified as discontinued operations.

São Francisco Resgate Ltda. (SF Resgate)

On August 2, 2023, the subsidiary Ultra Som Serviços Médicos S.A. and E&P Infraestrutura S.A. signed the Closing Agreement for the Sale and Purchase of Quotas and Other Covenants for the sale of the wholly-owned subsidiary São Francisco Resgate (SF Resgate).

As per the agreed terms, the enterprise value of the transaction was R$159.000 (R$114.000 in advance, R$40.000 deferred, and R$5.000 in service credits), subject to customary price adjustments for similar transactions.

Centro Gaúcho de Medicina Ocupacional Ltda. (CGMO)

On October 2, 2023, the subsidiaries Centro Clínico Gaúcho Participações S.A. and Centro Clínico Gaúcho Ltda. signed the Closing Agreement for the Sale and Purchase of Quotas and Other Covenants with the buyer Premium Saúde Ocupacional Ltda. for the sale of the wholly-owned subsidiary Centro Gaúcho de Medicina Ocupacional Ltda (CGMO).

As per the agreed terms, the enterprise value of the transaction was R$9.000 (R$ 2.500 in cash, R$ 6.500 in installments), subject to customary price adjustments for similar transactions.

Maida Health Participações Societárias S.A. and its subsidiaries

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

As per the agreed terms, the enterprise value of the transaction is R$ 26.700, subject to customary price adjustments for similar transactions, in addition to potential additional annual installments (earn-out) to be priced over the next five years.

Below are the parent company statements of financial position at December 31, 2023, the parent company statements of profit or loss up to the time of disposal of the investments for sale and the parent company profit or loss accumulated in the period (twelve months of 2023) of these companies:

Statements of financial position at December 31, 2023

	12/31/2023			
	SF Resgate	**CGMO**	**Maida Health and its subsidiaries**	**Total**
Assets				
Cash and cash equivalents	-	-	3,354	3,354
Short-term and long-term investments	-	-	2	2
Trade receivables	-	-	1,866	1,866
Recoverable taxes	-	-	11,738	11,738
Judicial deposits	-	-	385	385
Deferred tax assets	-	-	1,589	1,589
Other related party receivable	-	-	1,861	1,861
Other assets	-	-	947	947
Property and equipment	-	-	12,454	12,454
Intangible assets			16,711	16,711
Total assets held for sale	**-**	**-**	**50,907**	**50,907**
Liabilities				
Borrowings and financing	-	-	(4,219)	(4,219)
Trade payables	-	-	(1,730)	(1,730)
Payroll obligations	-	-	(4,032)	(4,032)
Income and social contribution taxes	-	-	(32)	(32)
Dividends/ interest on equity payable	-	-	(6,533)	(6,533)
Taxes and contributions payable	-	-	(2,849)	(2,849)
Provision for tax, civil and labor risks	-	-	(1,138)	(1,138)
Leases payable	-	-	(4,447)	(4,447)
Deferred tax liabilities	-	-	-	-
Other related party payable	-	-	(5,877)	(5,877)
Total liabilities held for sale	**-**	**-**	**(30,857)**	**(30,857)**
Total net assets held for sale	**-**	**-**	**20,050**	**20,050**
Owners of the Company			19,840	**19,840**
Non-controlling interests			210	**210**
Total net assets held for sale - Controlling shareholders (75%)			**14,880**	**14,880**

Statements of profit or loss up to the time of disposal of investments for sale

	SF Resgate 04/30/2023	**CGMO 05/31/2023**	**Maida Consolidated 09/30/2023**	**Total**
Net operating revenue	55,638	2,142	66,096	123,876
Cost of services rendered	(47,501)	(1,623)	(34,558)	(83,682)
Gross profit	**8,137**	**519**	**31,538**	**40,194**
Selling expenses	271	(48)	(6,501)	(6,278)
Administrative expenses	(5,484)	23	(20,064)	(25,525)
Other operating income (expenses), net	-	-	(153)	(153)
Subtotal	**(5,213)**	**(25)**	**(26,718)**	**(31,956)**
Profit before finance result and taxes	**2,924**	**494**	**4,820**	**8,238**

Finance income	1,031	36	32	1,099
Finance costs	(43)	(15)	(752)	(810)
Net finance income (expenses)	**988**	**21**	**(720)**	**289**
Profit (loss) before tax	**3,912**	**515**	**4,100**	**8,527**
Current income and social contribution taxes	(1,059)	(103)	(3,227)	(4,389)
Deferred income and social contribution taxes	(265)	(9)	24	(250)
Profit from discontinued operations for the period	**2,588**	**403**	**897**	**3,888**

Accumulated profit or loss for the period/year and cash flows from discontinued operations

At August 2, 2023, the accumulated profit for the period of São Francisco Resgate Ltda. was R$ 8,126.

At October 2, 2023, the accumulated loss for the period of Centro Gaúcho de Medicina Ocupacional Ltda. was R$ 1,462.

At December 31, 2023, the accumulated consolidated loss for the year of Maida Health Participações Societárias S.A. and its subsidiaries was R$ 2,131.

The individual profit or loss of discontinued operations (unconsolidated) are shown in the table below:

CGMO	
Accumulated loss for the year at the base date - 10/02/2023 (A)	(1,462)
Profit at the base date of the disposal for sale - 05/31/2023 (B)	403
Unconsolidated loss (C) = (A) - (B)	**(1,865)**

SF Resgate	
Accumulated profit for the year at the base date - 08/02/2023 (D)	8,126
Profit at the base date of the disposal for sale - 04/30/2023 (E)	2,588
Unconsolidated profit (F) = (D) - (E)	**5,538**

Maida Health Participações Societárias S.A. and its subsidiaries	
Accumulated loss for the year at the base date - 12/31/2023 (D)	(2,131)
Profit at the base date of the disposal for sale - 09/30/2023 (B)	897
Unconsolidated loss (I) = (G) - (H)	**(3,028)**

Profit from discontinued operations - Unconsolidated (C) + (F)	**645**

	12/31/2023
Net cash generated by operating activities from discontinued operations	3,805
Net cash used in investing activities from discontinued operations	(29,167)
Net cash generated by financing activities from discontinued operations	8,666
Decrease in cash and cash equivalents from discontinued operations	**(16,696)**

41 Events after the reporting period

(i) Debentures - Early settlement

On January 5, 2024, the Company made an early settlement of the 4th issue of debentures of Hapvida Participações e Investimentos S.A. (HAPV14), issued on February 24, 2022, in the total amount of R$ 841,301.

(ii) Sale of Maida Health Participações Societárias S.A. and its subsidiaries - Closing of the transaction

On February 1, 2024, the subsidiary BCBF Participações 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.

As per the agreed terms, the enterprise value of the transaction is R$ 26.700, subject to customary price adjustments for similar transactions, in addition to potential additional annual installments (earn-out) to be priced over the next five years. The transaction is part of the context of optimizing and strengthening the Company's capital structure as well as greater focus on its core business.

(iii) Nev share buyback program

On February 15, 2024, at a meeting of the Board of Directors, a new share buyback program for the Company shares was approved.

The purpose of the New Program is to maximize the generation of value for shareholders through efficient management of its capital structure. Up to 200,000,000 shares may be acquired within the context of the New Program for a period of 18 months.

(iv) New Share-Based Payment Plan with cash settlement

On January 1, 2024, the new share-based payment plan with cash settlement came into force, approved by the Company's Board of Directors.

The plan contemplates a total of 62,850,000 shares and aims to grant beneficiaries the right to receive awards corresponding to a value referenced in the price of the Company's shares, net of any taxes, aiming to promote: (a) the attraction and retention of Beneficiaries in the Company with a focus on their staying 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 appreciation of shares and the Company's growth potential.

(v) Corporate Restructuring - Merger of BCBF Participações S.A.

On March 28, 2024, the effects of the resolutions approved by the shareholders became effective, as per the Minutes of the Extraordinary General Meeting held on March 28, 2024, approving the Merger Protocol and Justification for the merger of the subsidiary BCBF Participações S.A. by the also subsidiary Notre Dame Intermédica Saúde S.A. The appraisal report of the net equity of the merged company was issued by an independent company.

*   *   *

Cândido Pinheiro Koren de Lima
Chairman of the Board of Directors

Jorge Fontoura Pinheiro Koren de Lima
CEO

Luccas Augusto Adib
Chief Financial and Investor Relations Officer

Gilson Ramos
Chief Accounting Officer

.

DocuSign

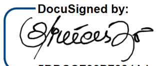
Certificado de Conclusão

Identificação de envelope: 197D0F84EC704B45B1DA9FE8DA9CC78F
Status: Concluído
Assunto: Hapvida Participações 2023 | DFs Free Translate
LoS / Área: Assurance (Audit, CMAAS)
Tipo de Documento: Relatórios ou Deliverables
Envelope fonte:

Documentar páginas: 119 Certificar páginas: 2 Assinatura guiada: Ativado Selo com EnvelopeId (ID do envelope): Ativado Fuso horário: (UTC-03:00) Brasília	Assinaturas: 1 Rubrica: 0	Remetente do envelope: Rena Adao Avenida Brigadeiro Faria Lima, 3732, 16º e 17º andares, Edifício Adalmiro Dellape Baptista B32, Itai São Paulo, São Paulo 04538-132 rena.adao@pwc.com Endereço IP: 134.238.159.65

Rastreamento de registros

Status: Original 10 de abril de 2024 | 17:16	Portador: Rena Adao rena.adao@pwc.com	Local: DocuSign
Status: Original 11 de abril de 2024 | 17:40	Portador: CEDOC Brasil BR_Sao-Paulo-Arquivo-Atendimento-Team@pwc.com	Local: DocuSign

Eventos do signatário	Assinatura	Registro de hora e data
Vinicius Rego vinicius.rego@pwc.com PwC BR Nível de segurança: E-mail, Autenticação da conta (Nenhuma), Certificado Digital **Detalhes do provedor de assinatura:** Tipo de assinatura: ICP Smart Card Emissor da assinatura: AC SERASA RFB v5 **Termos de Assinatura e Registro Eletrônico:** Não oferecido através do DocuSign	DocuSigned by:  5DDCCF00B7834A4... Adoção de assinatura: Desenhado no dispositivo Usando endereço IP: 18.231.224.38	Enviado: 10 de abril de 2024 | 17:19 Visualizado: 11 de abril de 2024 | 17:38 Assinado: 11 de abril de 2024 | 17:40

Eventos do signatário presencial	Assinatura	Registro de hora e data

Eventos de entrega do editor	Status	Registro de hora e data

Evento de entrega do agente	Status	Registro de hora e data

Eventos de entrega intermediários	Status	Registro de hora e data

Eventos de entrega certificados	Status	Registro de hora e data

Eventos de cópia	Status	Registro de hora e data
Rena Adao rena.adao@pwc.com Nível de segurança: E-mail, Autenticação da conta (Nenhuma) **Termos de Assinatura e Registro Eletrônico:** Não oferecido através do DocuSign	**Copiado**	Enviado: 11 de abril de 2024 | 17:40 Visualizado: 11 de abril de 2024 | 17:40 Assinado: 11 de abril de 2024 | 17:40

Eventos com testemunhas	Assinatura	Registro de hora e data

Eventos do tabelião	Assinatura	Registro de hora e data

Eventos de resumo do envelope	Status	Carimbo de data/hora

Eventos de resumo do envelope	Status	Carimbo de data/hora
Envelope enviado	Com hash/criptografado	10 de abril de 2024 | 17:19
Entrega certificada	Segurança verificada	11 de abril de 2024 | 17:38
Assinatura concluída	Segurança verificada	11 de abril de 2024 | 17:40
Concluído	Segurança verificada	11 de abril de 2024 | 17:40

Eventos de pagamento	Status	Carimbo de data/hora