

EARNINGS 1Q21



HAPV
B3 LISTED NM



- **1Q21 Financial figures**
- **Organic and inorganic growth**
- **Covid-19 update**
- **Approval by the Companies' Shareholders - Hapvida and GNDI Merger**
- **Follow-on**
- **Innovation and Transformation**
- **Sustainability**

1Q21 Figures

Main financial and operational indicators¹

Net Revenues

+ 11.8%

Cash MCR²

61.1%

(+5.3 p.p. vs 1Q20)

Net income
ex-value added

+ 14.0%

Beneficiaries

+ 7.5%

Ebitda Margin

20.1%

(-2.4 p.p. vs 1Q20)

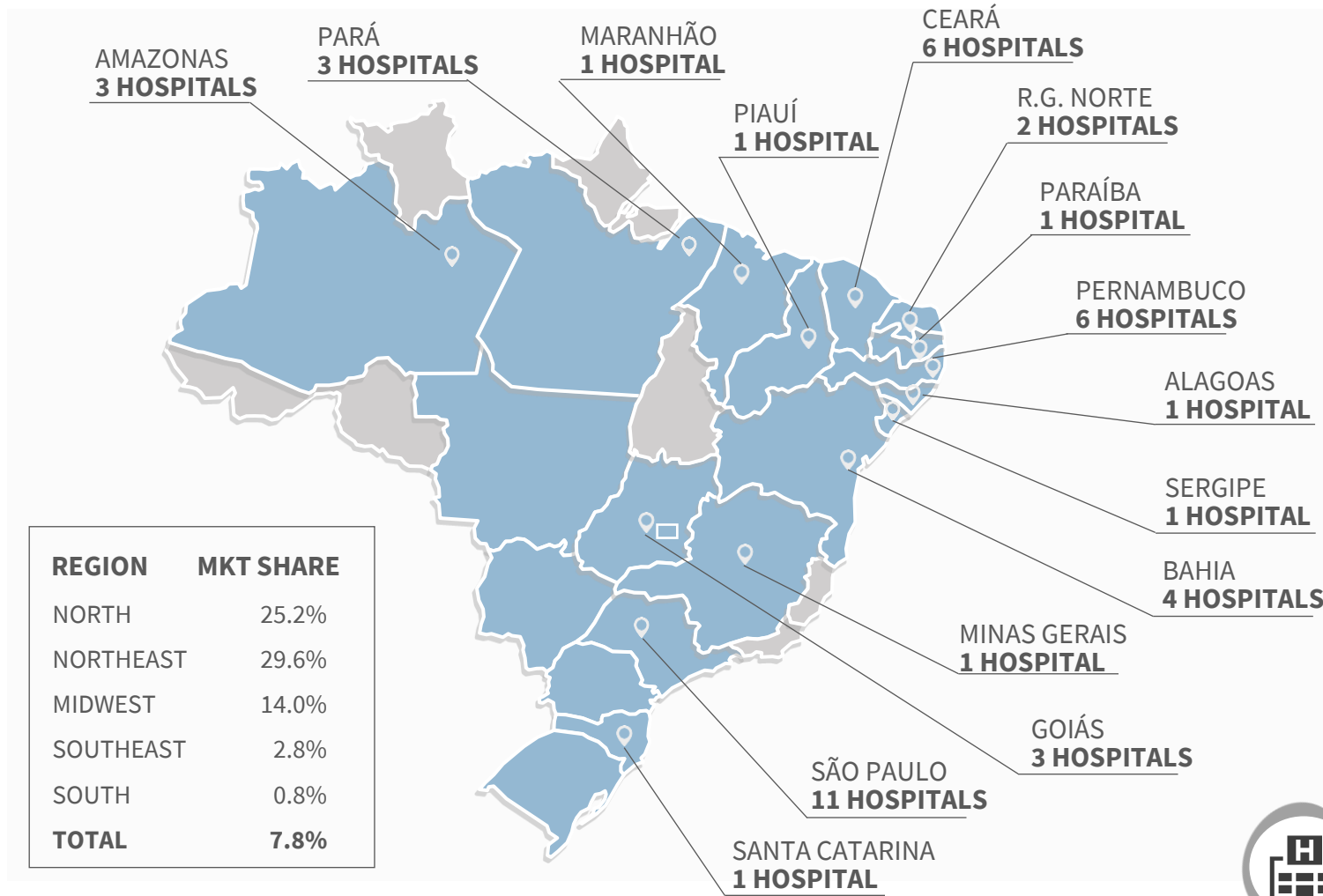
Net income margin
ex-value added

+ 12.9%

(+0.3 p.p. vs 1Q20)

¹ Consolidated numbers. ² Medical Care Ratio.

Hapvida's Infrastructure



45 hospitals



3,876 beds



194 clinics



45 walk-in emergencies



173 diagnostic centers



+8 hospitals under construction



Operation Schedule

- ✓ **Approval of the Merger Agreement by the Board of Directors of both Companies**
- ✓ **Signing of the Merger Agreement by the Executive Directors of both Companies**
- ✓ **Deal Announcement**
- ✓ **Protocol and Justification of Merger**
- ✓ **Extraordinary General Meetings Approvals (GNDI & HAPV)**
- **Antitrust Council (CADE) and Regulatory Authority (ANS) Approval (¹)**
- **Closing (Expected by 1H22)**

¹ Transaction conclusion is conditioned by the approval of the Brazilian Antitrust Council (CADE) and Brazilian Healthcare Regulatory Authority (ANS)

Innovation

Maida.Health



Artificial Intelligence Initiatives

- Sponsorship of the **Center for Applied Research in Artificial Intelligence** at the **Federal University of Ceará**
- Projects in the health area: internet of things, big data, digital transformation aimed at low-cost diagnosis, prevention and therapy.

Telemedicine



- Facial recognition
- **85k medical appointments/month** (3x greater than the number of consultations performed by our largest physical structure)

ESG

Initiatives

- Inclusion in the FTSE4GOOD index (Jan/ 21)
- **UN Women signatories** - one of the goals for 2030: Achieving gender equality (SDG 5 + 12 global goals)
- **Fórum de Empresas e Direitos LGBTI+**



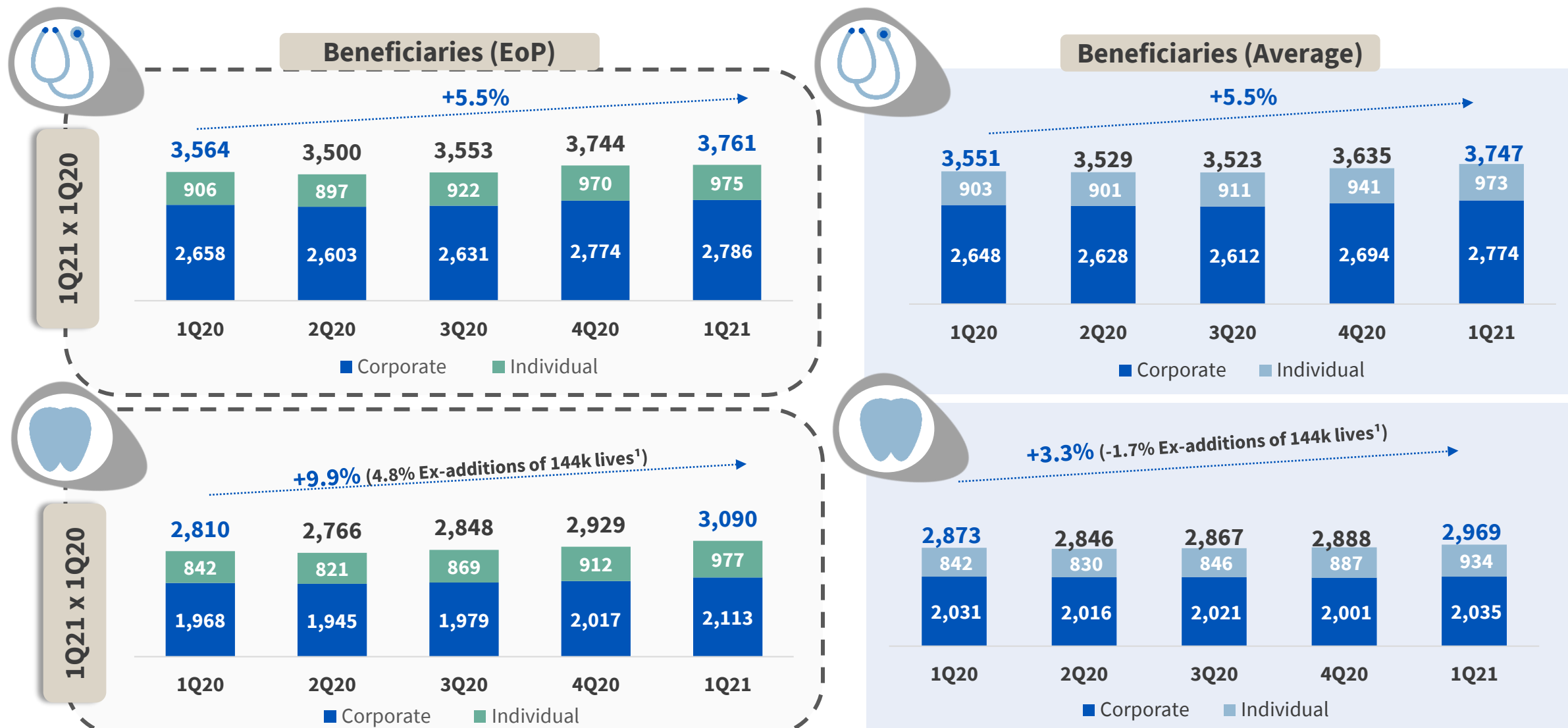
FTSE4Good



FÓRUM DE
EMPRESAS
E DIREITOS
LGBTI+

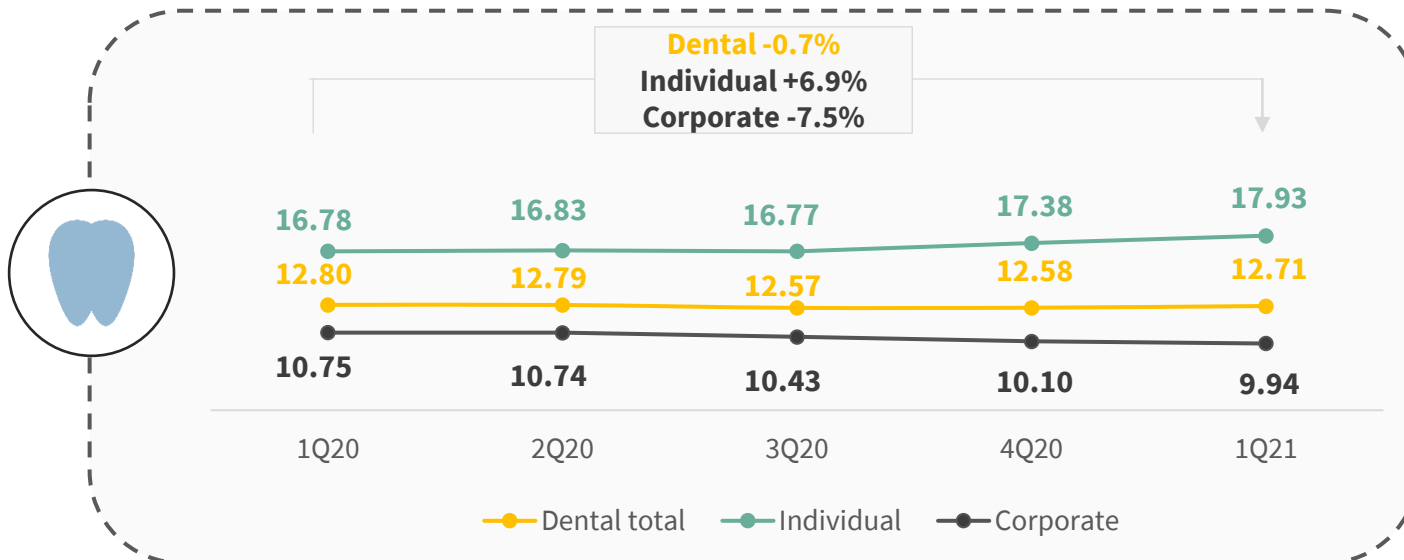
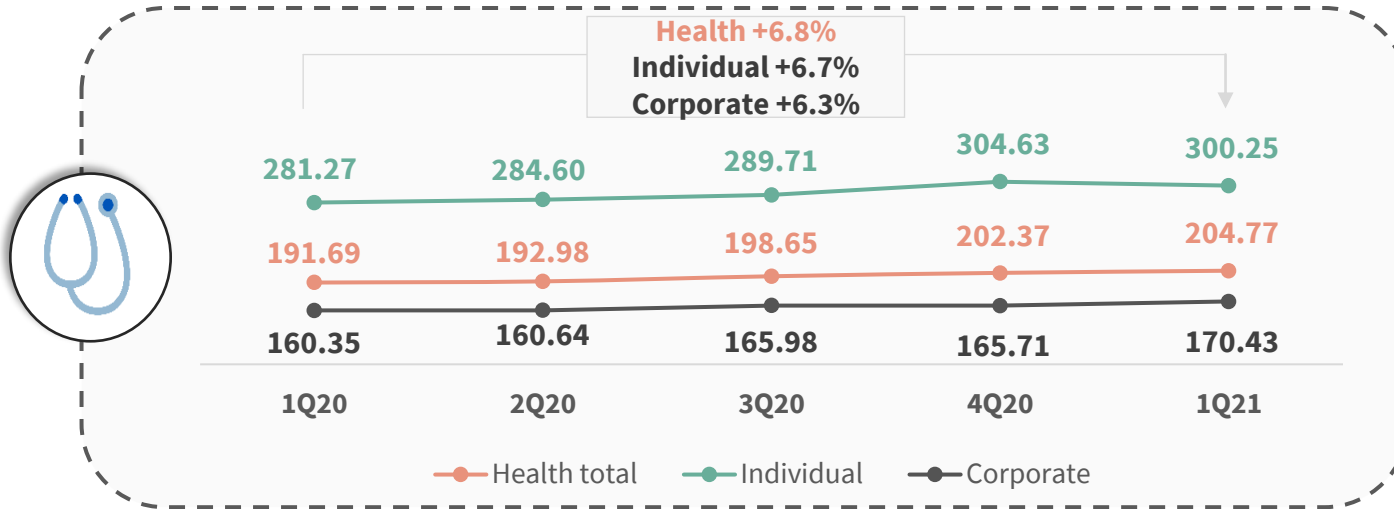
- The Board of Directors with the assistance of the **Governance, People and Sustainability Committee** monitors monthly the strategic planning of sustainability at Hapvida
- **2nd Sustainability Report** will be published in the next weeks

Beneficiaries

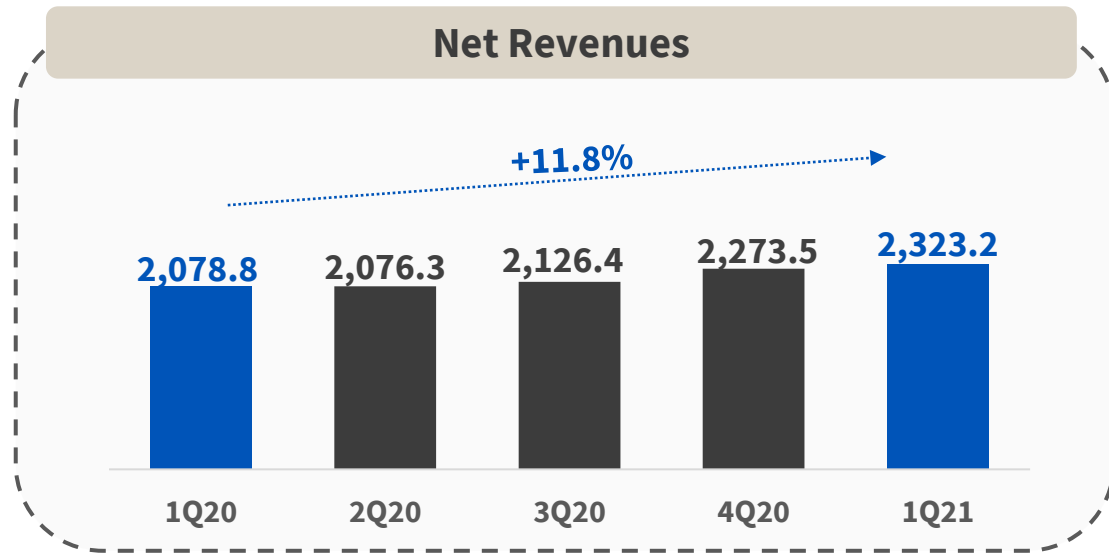


¹Net effect of the movement described in detail in topic 6.2 of the earnings release.

Average Monthly Ticket



Net Revenues

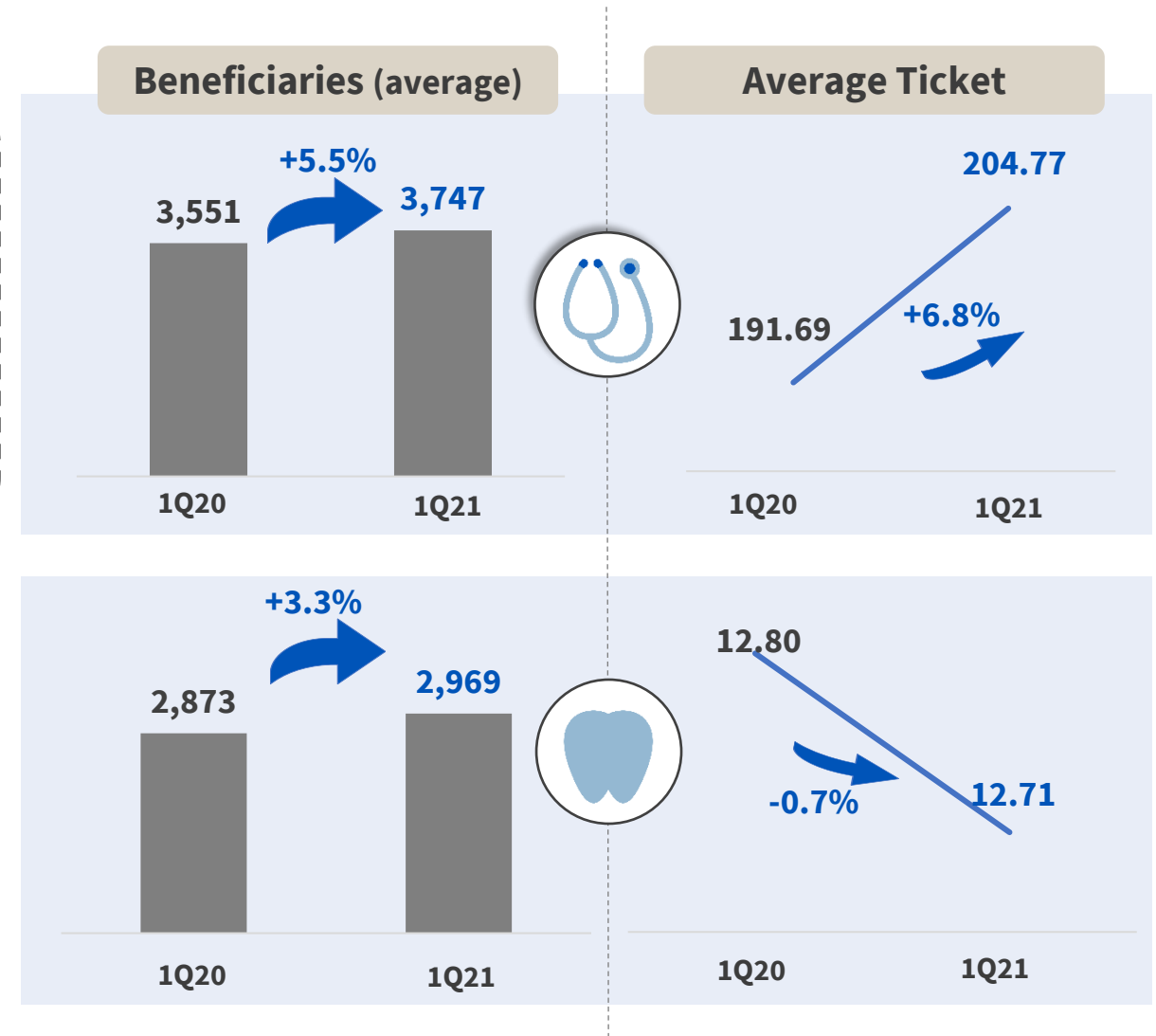


Organic increase of 318k lives - health and dental

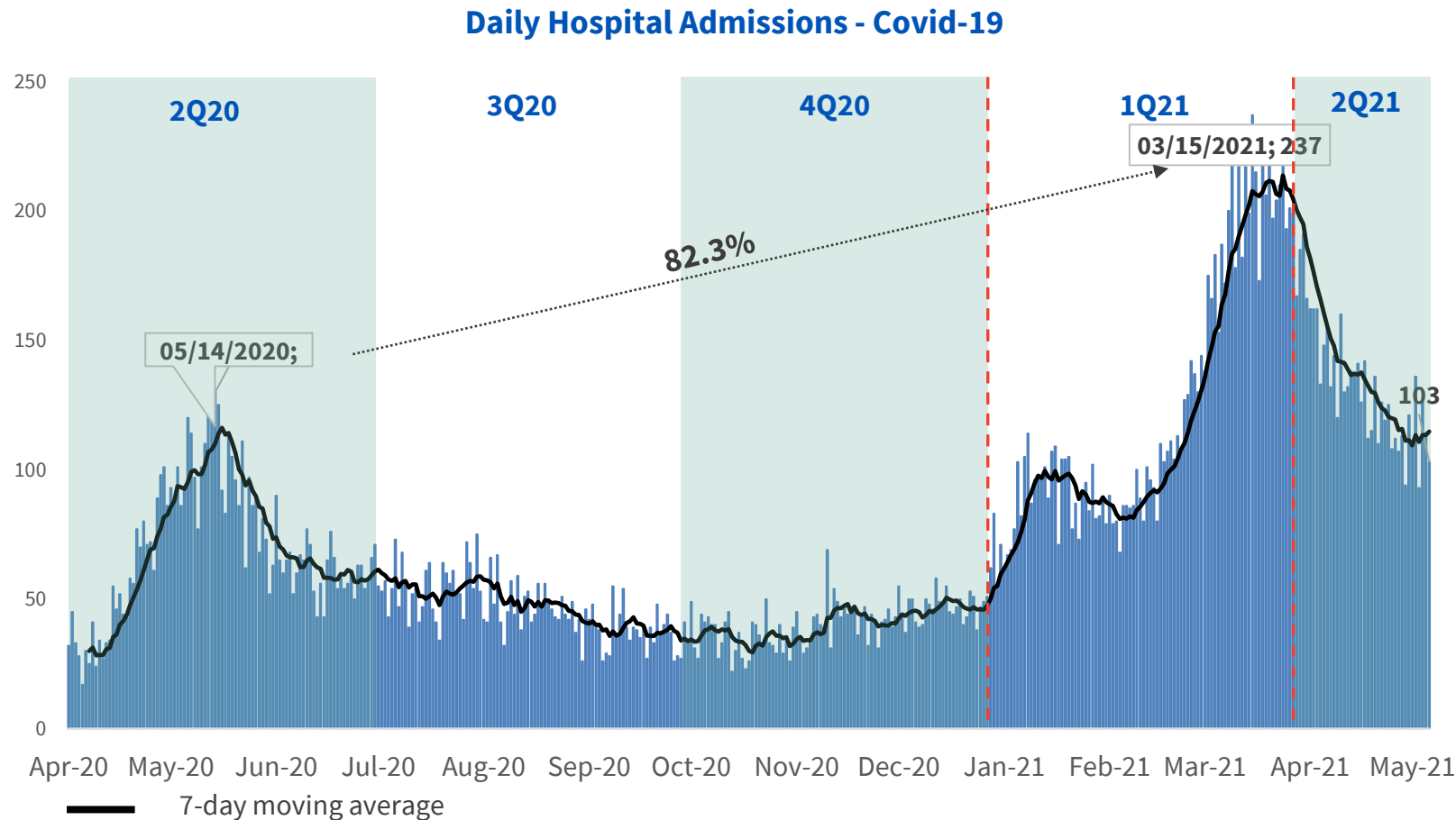
6.8% increase in average health ticket

Revenues of R\$45.7 million (Medical) and R\$46.1 million (Grupo São José)

13.6k lives from Samedh and 15.5k lives from Plamheg



Covid-19 Scenario



1st wave peak: 05/14/2020 – 130 hospitalizations

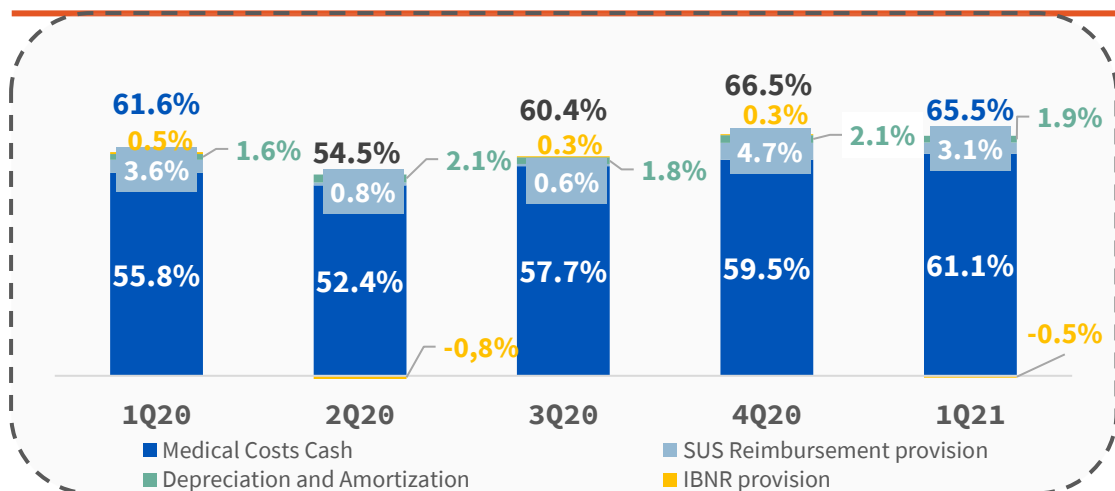
2nd wave peak: 03/15/2021 – 237 hospitalizations

Suspension of elective procedures by ANS

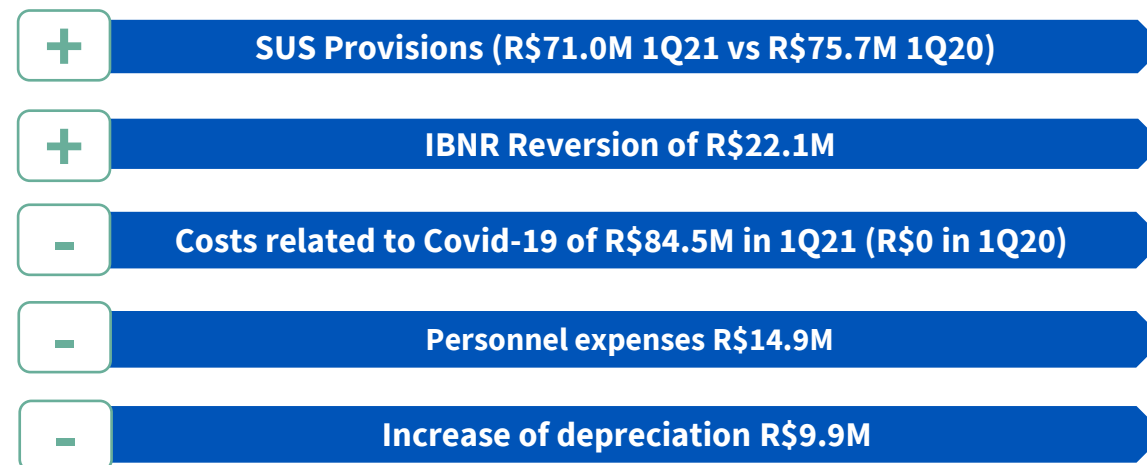
Without suspension of elective procedures by ANS

Medical Costs and Medical Care Ratio

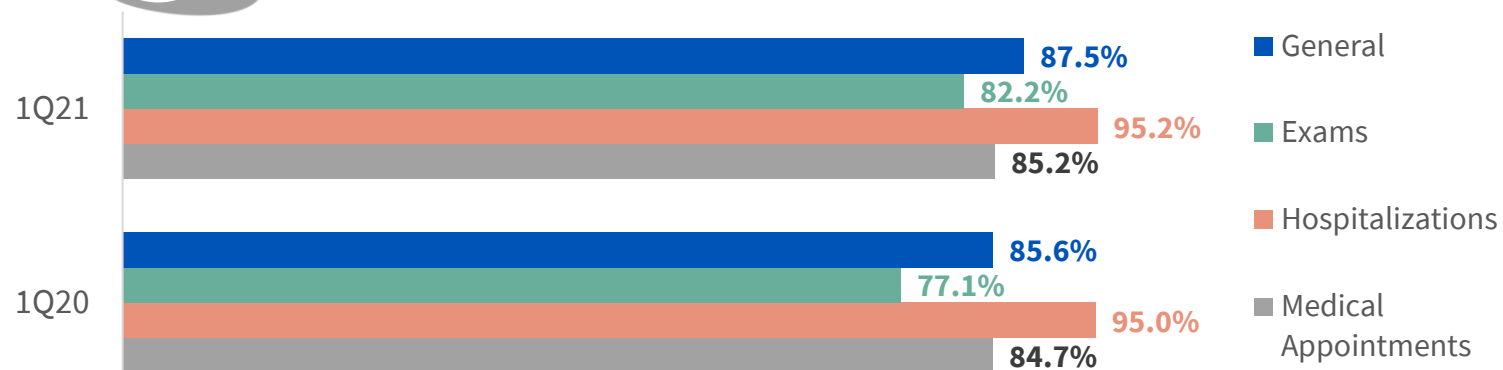
MCR Breakdown



Main Impacts

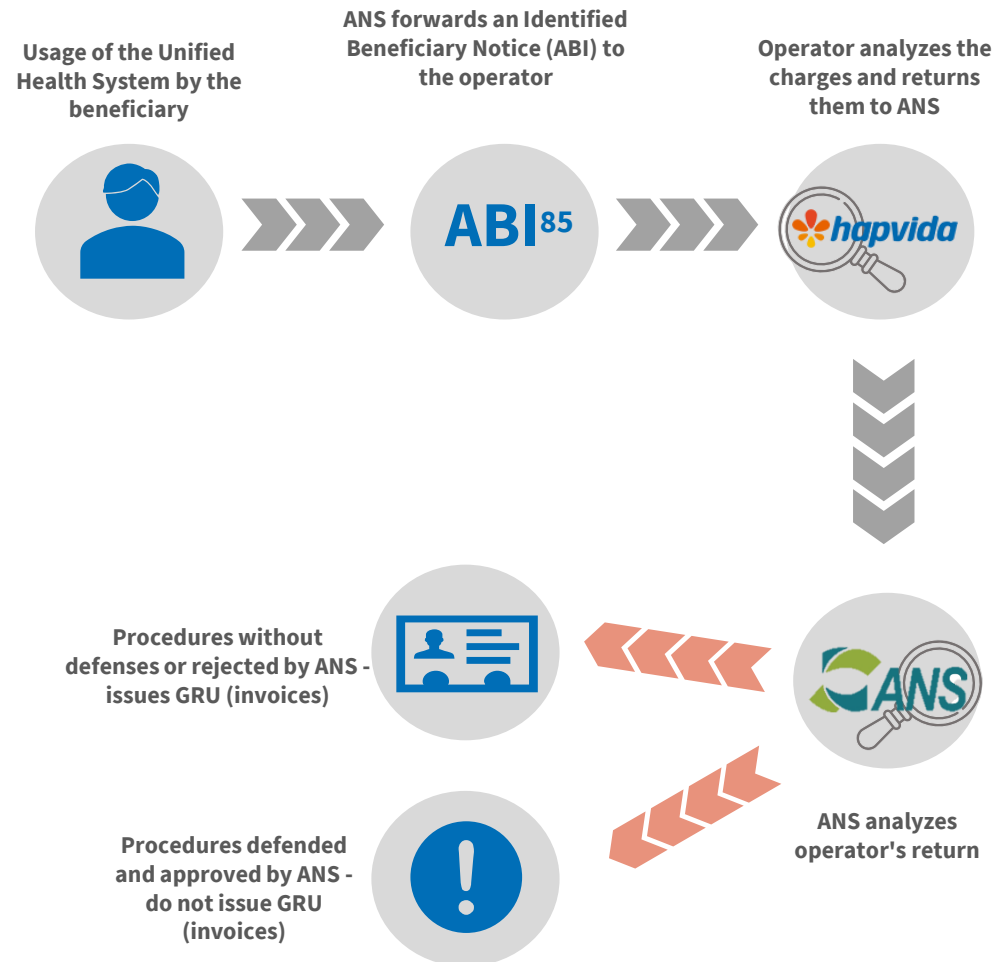


VERTICALIZATION – 1Q21¹



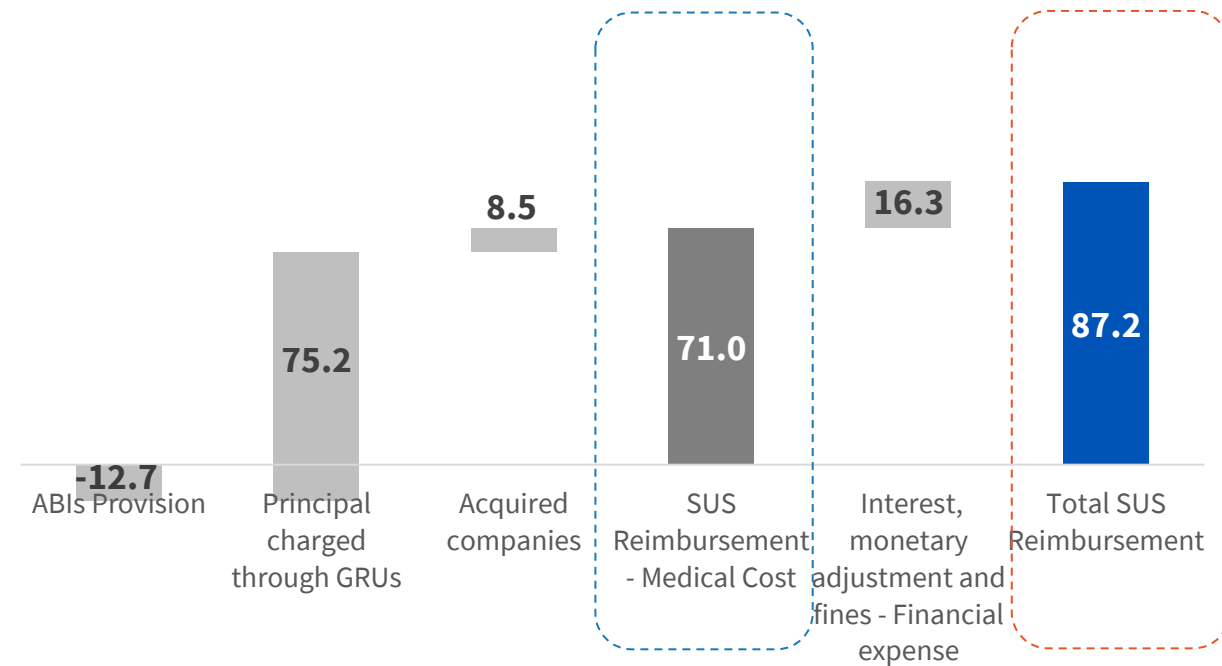
¹% calculated by volume of internalized services (own network) in 1Q21 – only Hapvida (ex-acquisitions).

Reimbursement Flow



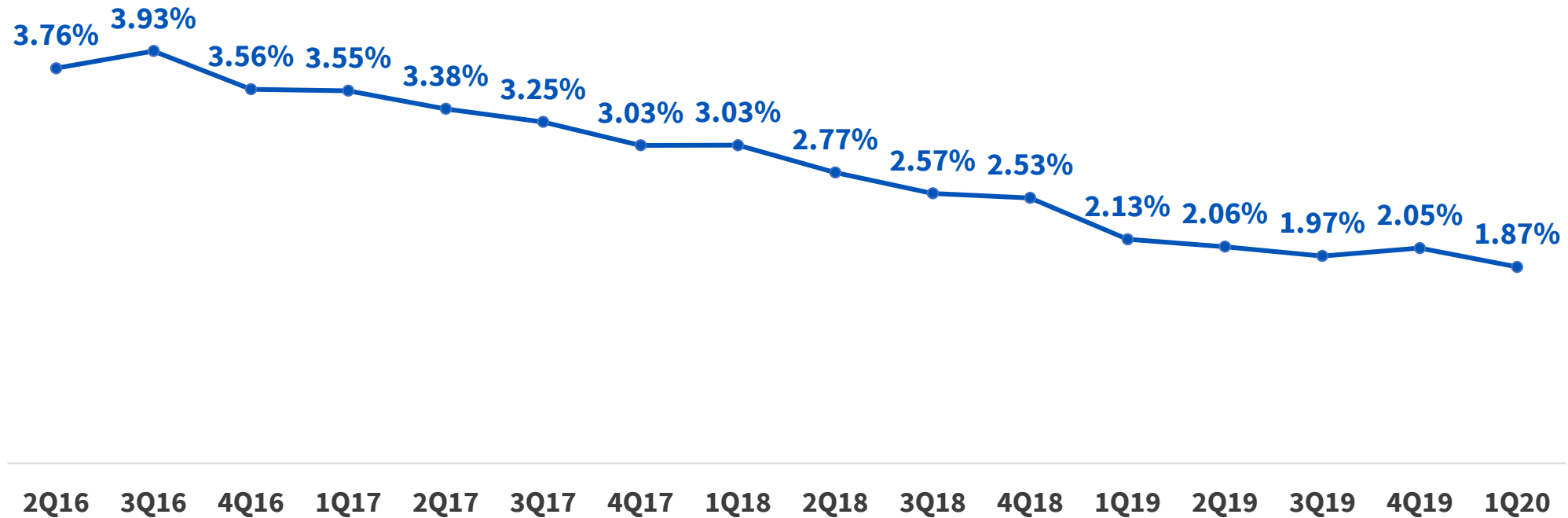
Reimbursement Breakdown - 1Q21 Impact

In R\$ Millon



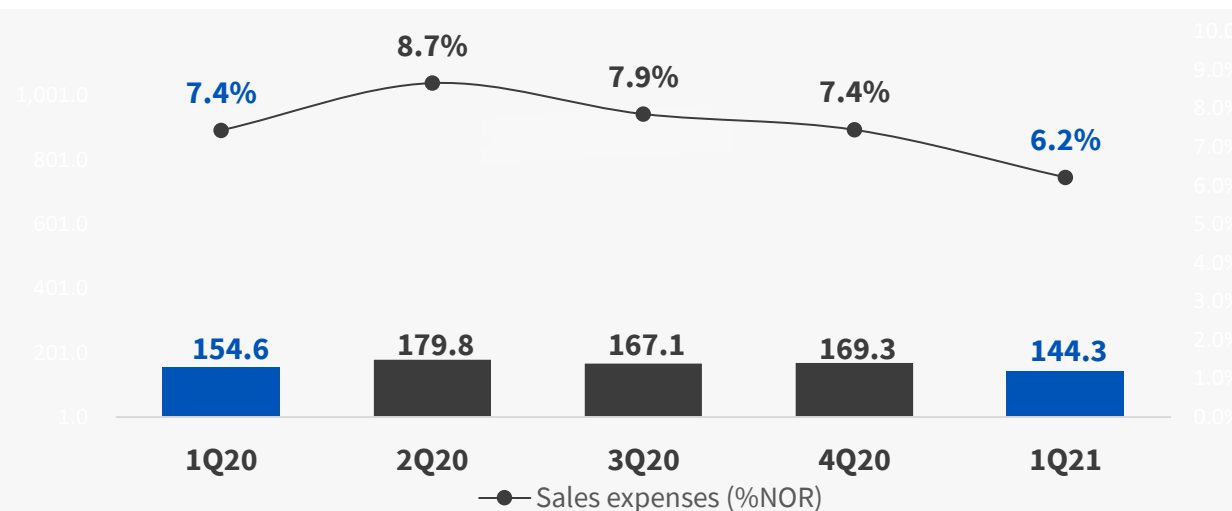
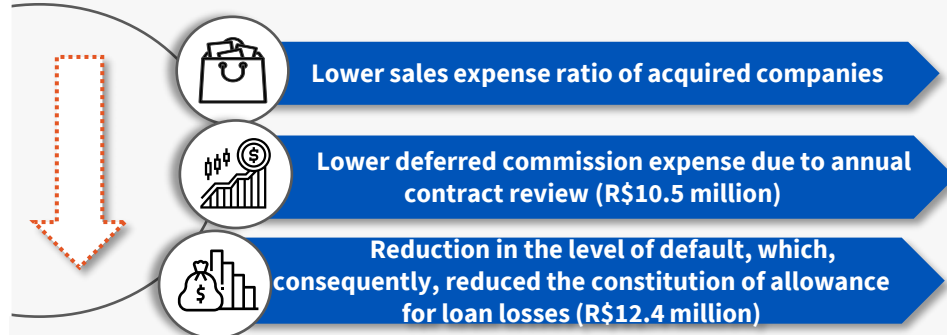
SUS Reimbursement – ABI/Medical care costs

Amount of ABIs received divided by the amount of medical care costs for the corresponding quarter

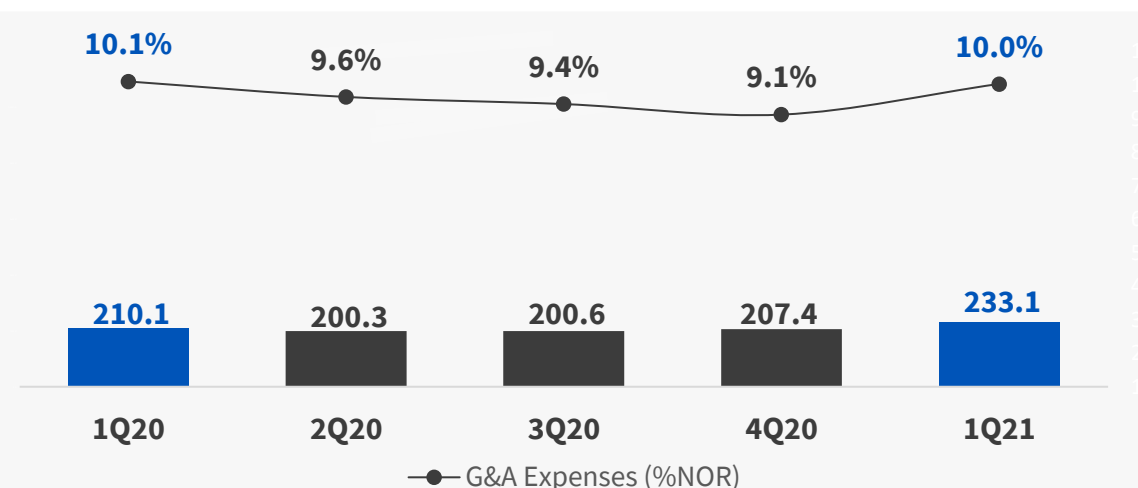
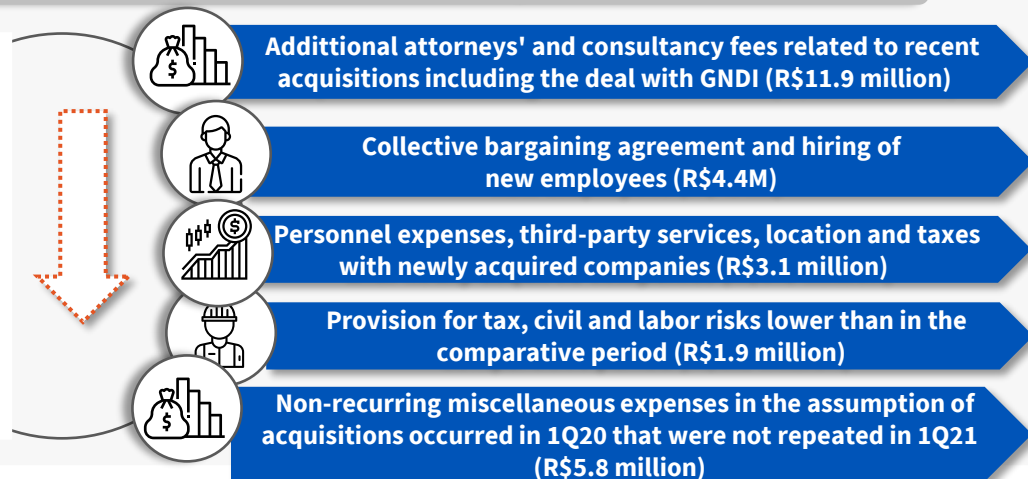


Operational Expenses

Selling Expenses

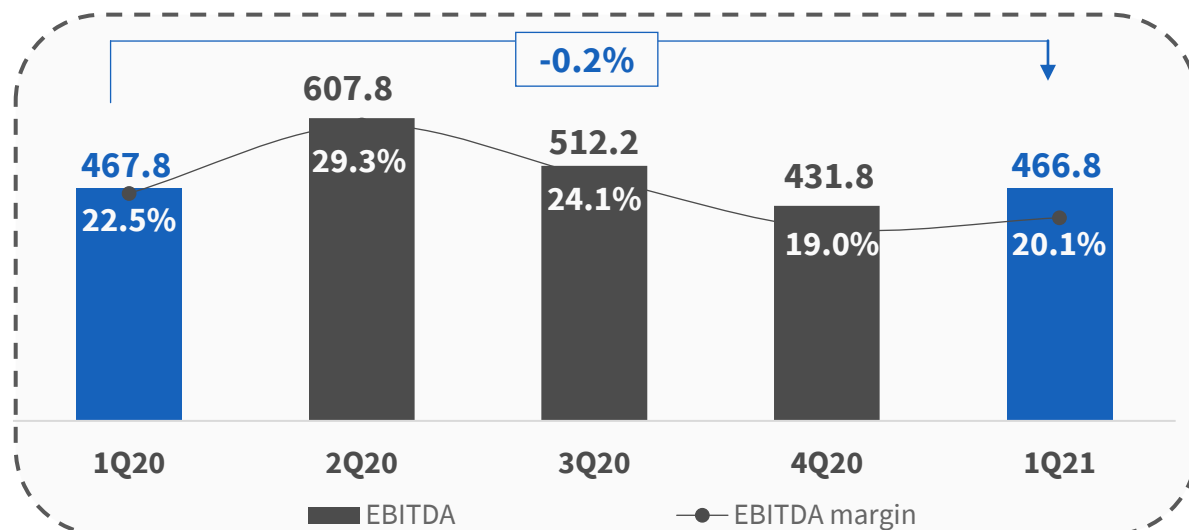


Administrative Expenses

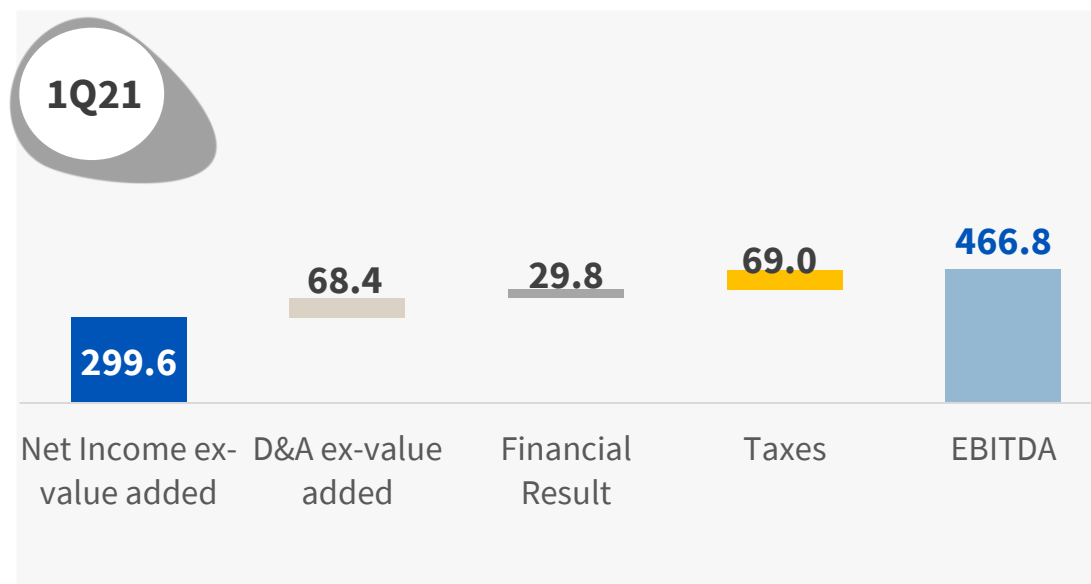
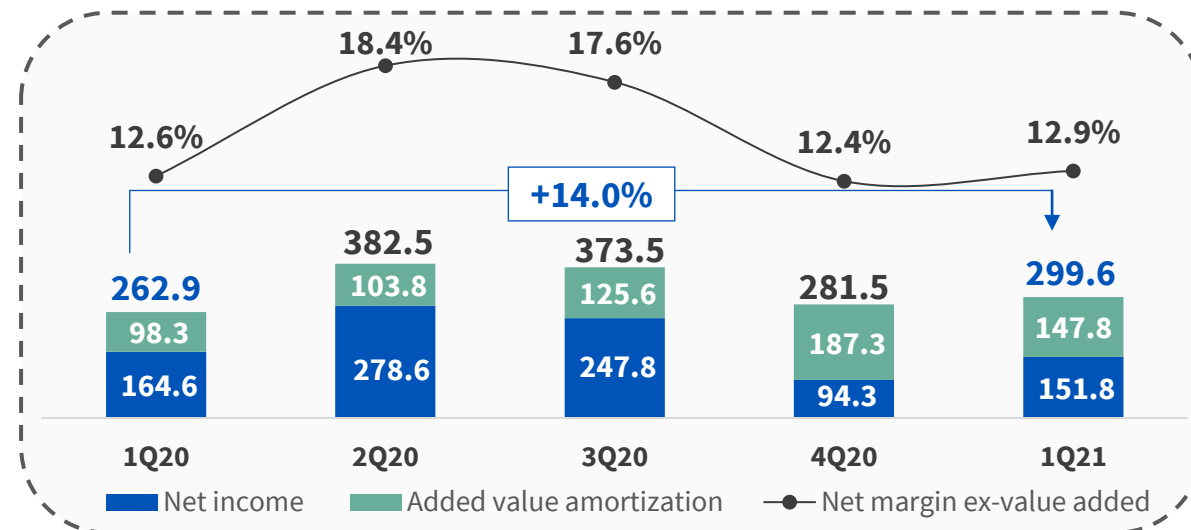


EBITDA and Net Income ex-value added

EBITDA



Net Income ex-value added



Free Cash Flow and Capex

Cash Flow

-	Increased balance in suppliers payable
-	Greater variation in reimbursement to SUS
+	Decrease in income tax and social contribution
-	Capex: investments on own network

R\$ million	1Q21	1Q20	1Q21 x 1Q20
EBITDA	466.8	467.8	(0.2%)
(+/-) Change in working capital ¹	80.1	102.7	(22.0%)
(-) Income Tax and Social Contribution	(69.0)	(90.5)	(23.8%)
(-) Cash Capex	(134.4)	(74.3)	80.9%
Free cash flow (ex-acquisitions)	343.5	405.6	(15.3%)
(-) Companie acquisitions	-	(46.7)	(100.0%)
Free cash flow	343.5	358.9	(4.3%)

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

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