

EARNINGS RELEASE **2Q22**

The Smart Fit logo is displayed on a yellow banner. It consists of the words "smart fit" in a lowercase, sans-serif font, with a curved line underneath the word "fit" resembling a smile.

RESULTS WEBINAR

August 11, 2022

11a.m. (Brasília) / 10 a.m. (New York)

Videoconference in Portuguese

With simultaneous translation into English

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2Q22 EARNINGS RELEASE

São Paulo, August 10, 2022 – Smart Fit (SMFT3), the leader in the fitness sector across Latin America in membership¹, announces its results for 2Q22. To facilitate analysis, the results are shown without the effect of IFRS 16/CPC 06 (R2). The effects of IFRS 16/CPC 06 (R02) on the result are detailed from page 15 onwards.

HIGHLIGHTS OF THE PERIOD

- **13 consecutive months of membership growth at clubs across all regions**
Smart Fit added 1.2 million members at clubs over 13 consecutive months of growth until June 2022, with the member base reaching 3.1 million, growing 58% in relation to June 2021
- **Member base in 2Q22 reached 84% of March 2020 levels at Smart Fit clubs existing before the pandemic**
Member base recovered 3 p.p. versus 1Q22, with gain in its three regions of operations, despite the historically negative seasonal effect in Brazil in 2Q22. In July, base reached 86% of March 2020 levels, recovering 2 p.p. in the month
- **Net revenue totaled R\$689 million, +11% vs. 1Q22, with revenue near historical levels at units existing before the pandemic**
In June 2022, revenue per Smart Fit club existing before the pandemic reached 98% versus Jan/Feb 2020, with all regions posting above 90%
- **Cash cost of clubs opened until 2019² significantly below inflation in the period**
Thanks to sharp focus on cost management in the last 2.5 years, cash cost in 2Q22 per club opened until 2019 was only 6.6% higher than in January and February 2020
- **Return to pre-pandemic levels of cash gross margin and EBITDA margin in Other Latin America region**
In Other Latin America, the second largest region, cash gross margin in 2Q22 was 51.4% and EBITDA margin was 45.5%, in line with historical levels
- **Significant and continuous improvement in profitability and operating cash flow**
Continued recovery of member base and cost management led to operating leverage, with 6.9 p.p. gain in EBITDA margin to R\$121.4 million (+83% versus 1Q22), and operating cash flow of R\$197 million in 2Q22

2Q22 Highlights	2Q22	2Q21	2Q22 vs. 2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs. 6M21
Clubs	1,121	981	14%	1,090	3%	1,121	981	14%
Total Members (000) ^a	3,438	2,381	44%	3,279	5%	3,438	2,381	44%
Net Revenue (R\$ million)	689	343	101%	622	11%	1,311	715	83%
EBITDA ^b (R\$ million)	121.4	(13.7)	(988%)	66.4	83%	187.8	7.6	2374%
EBITDA Margin	17.6%	(4.0%)	21.6 p.p.	10.7%	6.9 p.p.	14.3%	1.1%	13.3 p.p.
Operating Cash Flow ^c (R\$ million)	196.7	41.8	370%	75.0	162%	271.7	49.6	448%

(a) Includes members of clubs, studios and digital channel; (b) Excludes the effects of IFRS 16/CPC06 (R2). See section "EBITDA Breakdown." (c) See section "Operating cash flow."

(1) According to the International Health, Racquet & Sportsclub Association data, disclosed in 2020, with base date 2019 ("IHRSA"). (2) For better analysis of our operational performance, we have shown "Cash Cost of Services Provided," which excludes the effects of IFRS-16, depreciation and amortization. To enable comparison of the costs in 1Q22 with pre-pandemic costs (January and February 2020), we compared the evolution of "Cost Cash" of the units opened until 2019 in the respective periods.

OPERATING PERFORMANCE

CLUB NETWORK

In the second quarter of 2022, 31 clubs were added to our network, which ended the period with 1,121 units, up 14% from 2Q21 and 3% from 1Q22, mainly due to the opening of own clubs. Twenty-two own clubs were added (34 openings and 12 closures), accounting for 71% of the additions in the quarter. At the end of the period, the club network consisted of 879 own units (78% of total) and 242 franchises.

Considering the Smart Fit brand, 34 units were added to the network, which include 25 own units (74%) and 9 franchises. Of the units added, 18 are located in Other Latin America, 12 in Mexico and 4 in Brazil. Additions of new units in the quarter were affected by 12 closures, of which 4 units were closed in Brazil as they were located in supermarkets that will remain closed for a few quarters for renovation, 3 Corporate Bioritmo units that were located inside a company and remained non-operational due to hybrid work, and 2 units that will be relocated to better commercial points.

Evolution of Club Network

Clubs	End of Period					Growth 2Q22 vs.		Variation 2Q22 vs.	
	2Q21	3Q21	4Q21	1Q22	2Q22	1Q22	2Q21	1Q22	2Q21
Total	992	1,020	1,077	1,102	1,134	32	142	3%	14%
Clubs	981	1,009	1,065	1,090	1,121	31	140	3%	14%
By Type									
Owned	746	781	834	857	879	22	133	3%	18%
Franchised	235	228	231	233	242	9	7	4%	3%
By Brand									
Smart Fit	950	978	1,033	1,059	1,093	34	143	3%	15%
Owned	720	755	807	831	856	25	136	3%	19%
Brazil ^a	366	394	408	415	416	1	50	0%	14%
Mexico	173	173	192	199	209	10	36	5%	21%
Other Latin America ^b	181	188	207	217	231	14	50	6%	28%
Franchised	230	223	226	228	237	9	7	4%	3%
Brazil	187	162	165	169	172	3	(15)	2%	(8%)
Mexico	10	10	9	6	8	2	(2)	33%	(20%)
Other Latin America ^b	33	51	52	53	57	4	24	8%	73%
Bio Ritmo and O2	31	31	32	31	28	(3)	(3)	(10%)	(10%)
Owned	26	26	27	26	23	(3)	(3)	(12%)	(12%)
Franchised	5	5	5	5	5	0	0	0%	0%
By Region									
Brazil	581	584	602	614	615	1	34	0%	6%
Mexico	183	183	201	205	217	12	34	6%	19%
Other Latin America ^b	217	242	262	271	289	18	72	7%	33%
Studio^c	11	11	12	12	13	1	2	8%	18%

(a) In August 2021, Smart Fit acquired 26 clubs from SmartExp Escola de Ginástica e Dança S.A., which began to be reported as “own” instead of “franchises; (b) The “Other Latin America” region includes own operations in Argentina, Chile, Colombia, Costa Rica, Paraguay, Peru and Panama and the franchises in El Salvador, Ecuador, Guatemala, Dominican Republic and Honduras; (b) Studios include own clubs and franchises.

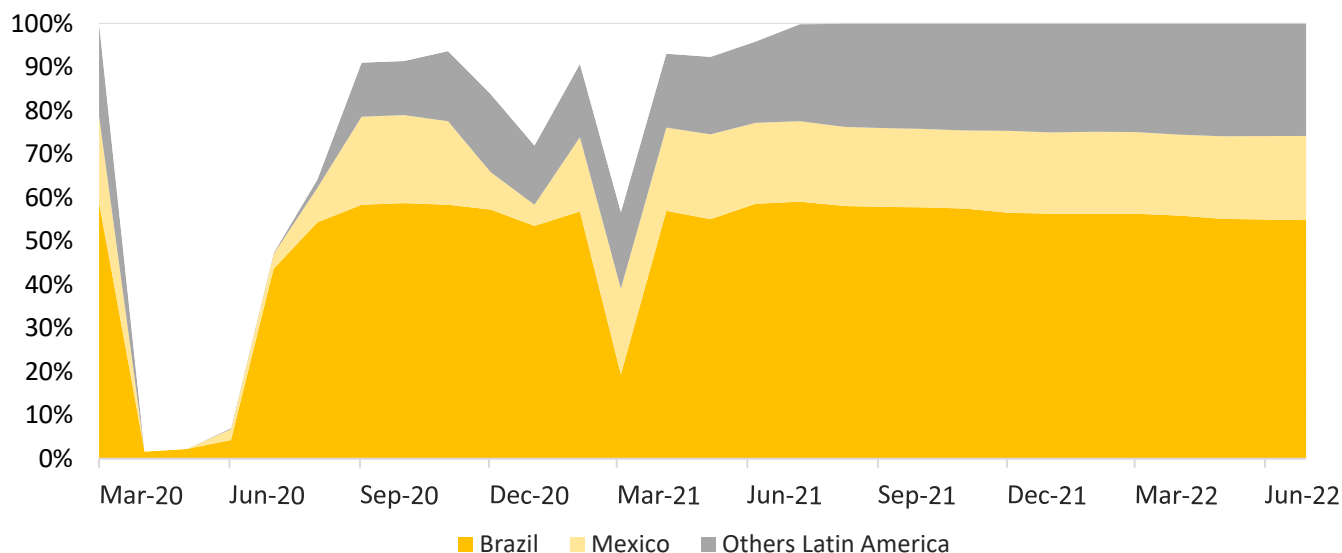
IMPACT OF COVID-19

The high percentage of population vaccinated and the measures taken by the Company since the outbreak of the pandemic to keep the clubs clean enabled 100% of the clubs to remain open throughout 2Q22, compared to 87% in 2Q21.

This quarter, clubs continued to relax the restrictions on their normal functioning in different regions. For example, Goiânia ended the use of masks in closed spaces and increased the number of people allowed in clubs at the same time. However, in some regions or cities where the Company operates, a few restrictions were brought back, such as Belo Horizonte, in Minas Gerais state, which had ended in April the mandatory use of masks in closed spaces but backtracked in June, extending the mandatory use of masks until August 15. Similarly, Mexico City once again determined the mandatory use of masks in closed spaces. In Peru, since the reopening, the use of two masks in closed spaces, including clubs, remains mandatory.

The main restrictions in place on the normal functioning of clubs include the requirement to wear masks in important markets and the limit on the number of clients that can use the units at the same time and the services offered, such as group classes.

% of Smart Fit Clubs in Operation



MEMBER BASE

The member base continued expanding in 2Q22 to reach 3.4 million, up 5% from 1Q22 and 44% from the same period last year. The combination of growing mobility in different regions where the company operates, the gradual loosening of restrictions on the functioning of clubs and the organic expansion with maturation of new units has contributed to the growth in the member base. Member base grew across all regions in 2Q22, with 1.2 million members added to clubs since May 2021. In July, 89 thousand club members were added, up 2.9% in the month, and the 14th consecutive month of growth in all regions.

Member base of clubs grew 190 thousand in 2Q22 to 3.1 million, 9% higher than the pre-pandemic base (1Q20) and 7% higher than in 1Q22. This expansion led to the 6% increase in average membership per club in 2Q22 in relation to 1Q22, with own clubs registering growth of 7%.

Considering only the Smart Fit clubs that predate the pandemic, member base reached 84% of March 2020 levels, up 3p.p. in the quarter, with recovery across all regions, notably Mexico, which registered 6 p.p. growth, and the Other Latin America region, which surpassed 100% of the pre-pandemic base. In July, due to higher sales volume, member base expanded 2% and reached 86% of March 2020 levels.

Evolution of Member Base

Clients ('000)	End of Period					Growth 2Q22 vs.		Variation 2Q22 vs.	
	2Q21	3Q21	4Q21	1Q22	2Q22	1Q22	2Q21	1Q22	2Q21
Total	2,381	2,763	3,007	3,279	3,438	158	1,057	5%	44%
Clubs	1,942	2,332	2,573	2,879	3,069	190	1,127	7%	58%
By Type									
Owned	1,465	1,785	1,989	2,258	2,404	146	939	6%	64%
Franchise	477	547	584	621	664	44	188	7%	39%
By Brand									
Smart Fit	1,901	2,291	2,529	2,834	3,024	190	1,123	7%	59%
Owned	1,430	1,750	1,951	2,220	2,367	147	937	7%	65%
Brazil	693	864	956	1,025	1,039	15	346	1%	50%
Mexico	333	374	422	548	606	58	273	11%	82%
Other Latin America ^a	404	512	572	647	722	75	318	12%	79%
Franchise ^b	471	541	578	614	657	43	187	7%	40%
Bio Ritmo and O2	41	41	44	45	44	0	4	(1%)	9%
By Region									
Brazil	1,083	1,285	1,407	1,500	1,526	26	443	2%	41%
Mexico	360	404	449	566	630	64	270	11%	75%
Other Latin America ^a	498	644	717	812	913	101	414	12%	83%
Studio	4	3	4	4	4	0	0	(3%)	(10%)
Digital^c	435	428	430	397	365	(32)	(70)	(8%)	(16%)

(a) The "Other Latin America" region includes own clubs in Argentina, Chile, Colombia, Costa Rica, Paraguay, Peru and Panama, and the franchises in El Salvador, Ecuador, Guatemala, Dominican Republic and Honduras; (b) In August 2021, Smart Fit acquired 26 clubs from SmartExp Escola de Ginástica e Dança S.A., which began to be reported as "own" instead of "franchises"; (c) Due to the acquisition of the digital platform Queima Diária, the number of members in the digital channel began to be reported in 3Q20. To avoid double counting, members of our clubs who are also subscribers to our Smart Fit and Smart Nutri digital plans are considered only as members of clubs or Studios.

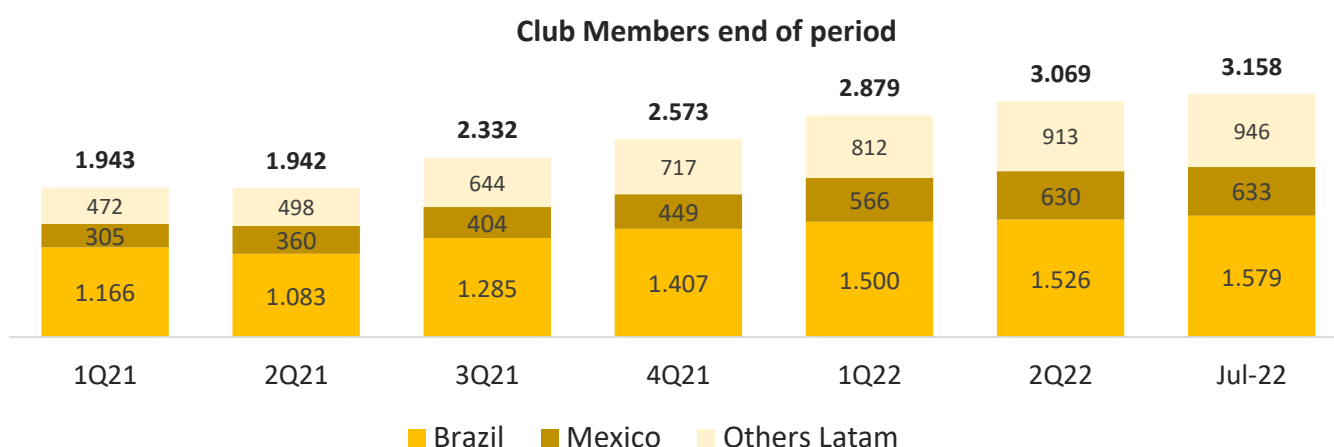
In Brazil, 1.5 million members were added, a 2% increase in relation to 1Q22, equivalent to 93% of the member base in March 2020. This expansion led to an increase of 3% in average membership per club in 2Q22 in relation to 1Q22. Despite the historically negative seasonality in the second quarter in member additions on a same-store sales base, considering only Smart Fit clubs inaugurated before the pandemic, in June 2022 the country reached 75% of its member base in March 2020, growing 1 p.p. versus 1Q22, in a quarter when, historically, units operating for more than 12 months register a 1.1% decline in their member

base. In July, Brazil continued registering growth, with a positive variation of 3% and the units inaugurated before the pandemic reaching 77% of member base in March 2020.

In Mexico, member base expanded strongly in yet another quarter. Historically, the second quarter in Mexico has a positive seasonal effect, with new members added due to the start of summer. In 2Q22, member base in Mexico totaled 630 thousand, with 64 thousand members added in the quarter, 11% more than in 1Q22 and equivalent to 114% of the member base in March 2020. Considering only Smart Fit clubs inaugurated before the pandemic, in 2Q22 the country reached 90% of its member base in March 2020, recovering 6p.p. from 1Q22.

In the Other Latin America region, 101 thousand club members were added in 2Q22, 12% more than in 1Q22, taking the member base to 913 thousand, equivalent to 147% of the base in March 2020. This expansion led to the 7% increase in average membership per club in 2Q22 in relation to 1Q22. Considering only Smart Fit clubs inaugurated before the pandemic, in 2Q22 the region had already surpassed 100% of its member base in March 2020, recovering 6p.p. in relation to 1Q22. Chile and Peru, the two most important countries after Colombia, recovered their member bases by 10p.p. and 8p.p., respectively, in relation to 1Q22.

The advanced stage of recovery across the Other Latin America region is due to the lower impact on the operations by the 2nd wave of COVID-19 (e.g.: clubs in Colombia have remained open since September 2020) and, consequently, fewer restrictions imposed on clubs in that region.



The digital services offering has expanded and improved since 2020. Currently, Smart Fit offers on-demand video classes and nutritional follow-up services. At the end of June 2022, exclusively digital members totaled 365 thousand. The digital products and services are complementary to the training experience at clubs and are designed to expand relations with, and consequently the loyalty of, members.

Queima Diária, Latin America's leader in on-demand fitness, is a digital platform that offers access to a varied assortment of physical exercise programs. At the end of 2Q22, the service had 352 thousand members, 18% lower than the peak membership in March 2021 during the closure of clubs in Brazil on account of COVID-19, but 184% above the December 2019 level. The biggest chunk of the member base is located in Brazil, with the platform offering 128 programs, including 16 in Spanish.

Smart Fit Nutri, the app-based service for nutritional follow-up and teleconsultations with nutritionists, reached 70 thousand active subscribers at the end of 2Q22. In 2Q22, 101 thousand measurements, up 3% from 1Q22, and 14 thousand teleconsultations were made. The expansion is due to initiatives taken to provide a better member experience, such as the installation of bioimpedance scales at the clubs.

FINANCIAL PERFORMANCE

Main financial indicators ^a (R\$ million)	2Q22	2Q21	2Q22 vs. 2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs. 6M21
Gross Revenue	741.6	372.3	99%	669.5	11%	1,411.1	776.3	82%
Net Revenue	689.1	343.2	101%	622.0	11%	1,311.1	715.0	83%
Cash costs of services ^b	(416.2)	(264.7)	57%	(385.3)	8%	(801.5)	(507.8)	58%
Cash gross profit^b	272.9	78.5	248%	236.6	15%	509.6	207.2	146%
(+) Pre-operating Costs	(7.3)	(1.3)	480%	(5.7)	28%	(13.0)	(3.0)	335%
Cash gross profit before pre-operating costs ^b	280.2	79.8	251%	242.3	16%	522.5	210.2	149%
<i>Gross margin before pre-operating costs</i>	<i>40.7%</i>	<i>23.2%</i>	<i>17.4 p.p.</i>	<i>39.0%</i>	<i>1.7 p.p.</i>	<i>39.9%</i>	<i>29.4%</i>	<i>10.5 p.p.</i>
SG&A	(154.0)	(89.2)	73%	(170.9)	(10%)	(324.9)	(186.6)	74%
% Net Revenue	22.3%	26.0%	(3.7) p.p.	27.5%	(5.1) p.p.	24.8%	26.1%	(1.3) p.p.
Selling expenses ^c	(71.1)	(32.1)	121%	(71.2)	(0%)	(142.3)	(76.3)	86%
% Net Revenue	10.3%	9.4%	1.0 p.p.	11.4%	(1.1) p.p.	10.9%	10.7%	0.2 p.p.
General and administrative expenses ^d	(81.3)	(54.6)	49%	(83.1)	(2%)	(164.4)	(109.1)	51%
% Net Revenue	11.8%	15.9%	(4.1) p.p.	13.4%	(1.5) p.p.	12.5%	15.3%	(2.7) p.p.
Pre-operating expenses	(4.4)	(0.6)	606%	(5.5)	(20%)	(9.9)	(1.6)	503%
Other (expenses) revenues	2.9	(1.9)	(255%)	(11.2)	(126%)	(8.3)	0.4	(2256%)
Equity Income	2.5	(3.0)	(184%)	0.6	282%	3.1	(12.9)	(124%)
EBITDA ^e	121.4	(13.7)	(988%)	66.4	83%	187.8	7.6	2374%
<i>EBITDA Margin</i>	<i>17.6%</i>	<i>(4.0%)</i>	<i>21.6 p.p.</i>	<i>10.7%</i>	<i>6.9 p.p.</i>	<i>14.3%</i>	<i>1.1%</i>	<i>13.3 p.p.</i>
EBITDA before pre-operating expenses^f	133.1	(11.8)	(1227%)	77.5	72%	210.6	12.2	1625%
<i>EBITDA Margin before pre-operating costs and expenses</i>	<i>19.3%</i>	<i>(3.4%)</i>	<i>22.7 p.p.</i>	<i>12.5%</i>	<i>0.5 p.p.</i>	<i>16.1%</i>	<i>1.7%</i>	<i>8.4 p.p.</i>
Depreciation and amortization	(116.9)	(104.9)	11%	(115.3)	1%	(232.2)	(215.0)	8%
Profit (loss) for the period	(40.0)	(161.2)	(75%)	(75.4)	(47%)	(115.4)	(305.9)	(62%)

(a) All indicators exclude the effects of IFRS 16 in relation to the leases of clubs and offices; (b) For better analysis of our operational performance, we have shown "Cash Cost of Services", which excludes the effects of IFRS 16, depreciation and amortization. "Cash gross profit before pre-operating expenses" excludes depreciation and costs with opening new units. See section "Gross Profit" for the calculation of these measurements; (c) "Selling expenses" exclude expenses with opening new units; (d) "General and administrative expenses" exclude depreciation; (e) See section "EBITDA Breakdown" for the calculation of this measurement; (f) "EBITDA before pre-operating costs and expenses" excludes costs and expenses with opening new units. See section "EBITDA Breakdown" for the calculation of this measurement.

NET REVENUE

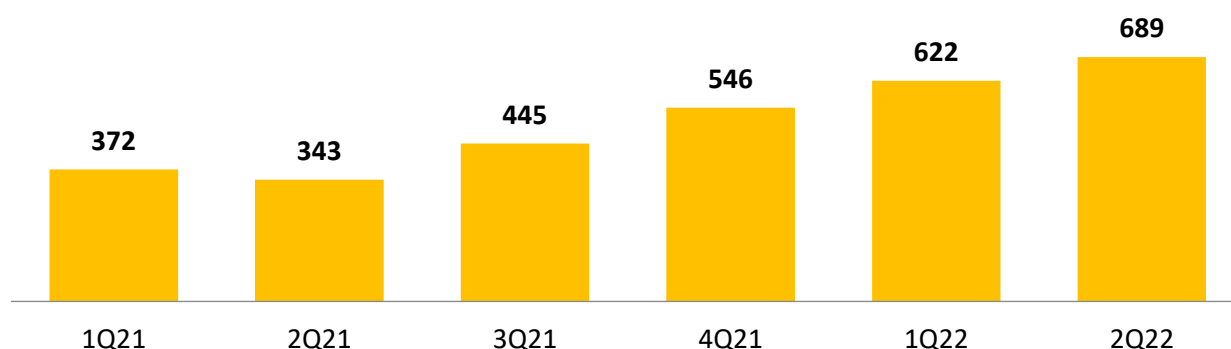
Net revenue in 2Q22 was R\$689.1 million, up 101% from 2Q21, due to the return of monthly fee collections since the clubs remained open throughout 2Q22, compared to 87% in 2Q21, the 53% increase in average club membership in relation to 2Q21, and the inauguration of 133 own clubs in the last 12 months, which represents 18% growth in own clubs in relation to 2Q21. Note that the period between March 2020 and July 2021 was marked by high instability in monthly fee collections due to the temporary closure of clubs on account of the COVID-19 pandemic.

Net Revenue by Brand and Region

Net Revenue (R\$ million)	2Q22	2Q21	2Q22 vs. 2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs. 6M21
Smart Fit	621.2	296.1	110%	550.2	13%	1,171.3	614.5	91%
Brazil	294.4	149.7	97%	260.7	13%	555.1	324.3	71%
Mexico	144.1	77.0	87%	125.7	15%	269.7	143.8	88%
Other Latin America ^a	182.6	69.4	163%	163.9	11%	346.5	146.3	137%
Bio Ritmo e O2	24.7	10.4	138%	23.7	5%	48.4	23.8	104%
Others ^b	43.2	36.7	18%	48.2	(10%)	91.3	76.8	19%
Total	689.1	343.2	101%	622.0	11%	1,311.1	715.0	83%
International Revenue (% total)	48%	43%	5.1 p.p.	47%	1 p.p.	47%	41%	6.6 p.p.

(a) "Other Latin America" considers only own operations controlled in the region (Colombia, Chile, Peru, Argentina and Paraguay); (b) "Other" includes royalties received from franchises in Brazil and abroad, and other brands operated by the Company in Brazil.

Evolution of Net Revenue (R\$ million)



The growth in average revenue per Smart Fit club in 2Q22, combined with the expansion of own clubs and franchises, drove revenue growth for the fourth consecutive quarter and an increase of 11% (R\$67 million) from 1Q22. Considering only Smart Fit clubs inaugurated up to 2019, net revenue in 2Q22 reached 94% of the result in January and February 2020 (pre-pandemic) and 98% in June 2022.

In Brazil, net revenue from Smart Fit clubs totaled R\$294.4 million, increasing 13% from 1Q22, thanks to the 3% growth in average member base per club in the period, the 8% increase in average ticket and the expansion of the own club network. At the Smart Fit clubs opened until 2019, net revenue in 2Q22 reached 87% of the result in January and February 2020 (pre-pandemic), reaching 90% in June (compared to 83% in March 2022), positively impacted by higher average ticket caused by the increase in prices last year and the higher share of clients subscribing to the Black Plan versus the Smart Plan, and member base expansion in the period.

In Mexico, net revenue increased 15% to R\$144.1 million in 2Q22 compared to 1Q22, due to the 13% growth in average member base per club in the period and the expansion of the own club network. Considering only

Smart Fit clubs inaugurated until 2019, net revenue in 2Q22 reached 89% of the result in January and February 2020 (pre-pandemic), reaching 92% in June (versus 85% in March 2022), mainly due to the 6p.p. expansion of the member base.

Net revenue from Smart Fit clubs in the Other Latin America region totaled R\$182.6 million, up 11% from 1Q22, mainly due to the 6% increase in average member base per club in the period and the increase in the number of own clubs across the region. Considering only Smart Fit clubs inaugurated until 2019, net revenue reached 113% of the result in January and February 2020 (pre-pandemic) in 2Q22, reaching 120% in June (versus 111% in March 2022), mainly due to the 6p.p. expansion of the member base.

CASH COST OF SERVICES PROVIDED

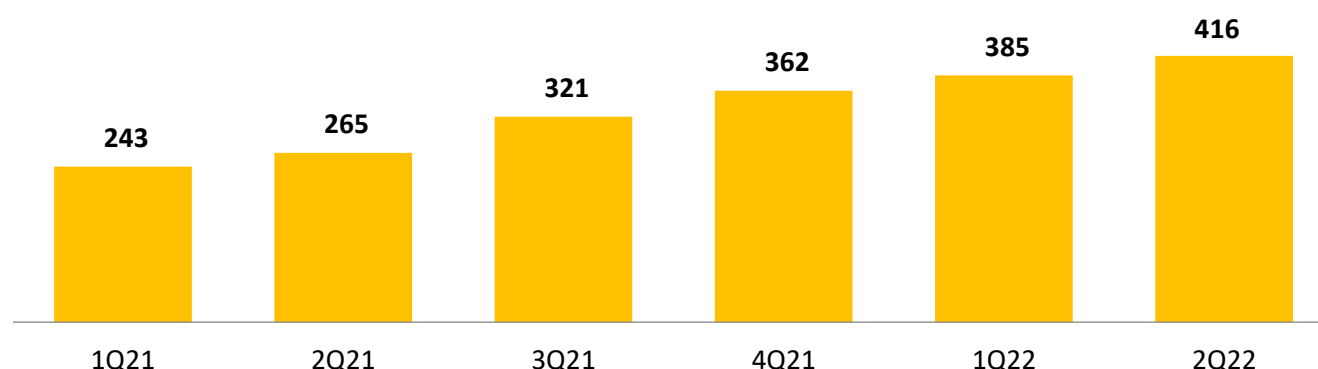
Cash cost of services provided totaled R\$416.2 million in 2Q22, 57% higher than in the same period the previous year, due to the 19% growth in average membership of own clubs compared to 2Q21 and the fact that clubs remained open throughout 2Q22, compared to 87% in 2Q21, which significantly reduced the cost base in 2Q21.

Cash Cost of Services Provided by Type

Cash Cost of Services Rendered ^a (R\$ million)	2Q22	2Q21	2Q22 vs.2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs.6M21
Occupation	164.7	118.0	40%	160.6	3%	325.3	221.7	47%
Personnel	101.4	67.9	49%	93.8	8%	195.2	128.8	52%
Consumption	76.1	44.6	71%	65.3	17%	141.4	87.5	62%
Other	74.0	34.3	116%	65.7	13%	139.7	69.9	100%
Cash Cost of Services Rendered	416.2	264.7	57%	385.3	8%	801.5	507.8	58%

(a) For better analysis of our operational performance, we have shown "Cash Cost of Services Provided", which excludes the effects of IFRS-16, depreciation and amortization. The rent of properties is considered in this caption, including discounts obtained during the pandemic.

Evolution of Cash Cost of Services Provided (R\$ million)



Compared to 1Q22, cash cost in 2Q22 increased R\$30.8 million, up 8% from the previous quarter, due to the 3% increase in the number of own clubs and the 17% increase in average member base of own clubs, which contributed to the increase of 3% in occupancy costs and 12% in other operating costs (personnel, consumption and others) in relation to 1Q22.

The Company remains focused on cost management in order to mitigate the impact of the pandemic and the inflationary scenario on its operations, thereby protecting its profitability. Considering only the clubs opened until 4Q19, the cash cost of services provided in 2Q22 increased 6.6% (R\$17.0 million) in relation to the baseline in January and February 2020, due to the reduction of 13% in personnel costs and constant negotiations of rents and other agreements with suppliers. In 2Q22, the cash cost of clubs added from 2020 and Queima Diária, acquired in 2020, totaled R\$107.4 million, versus R\$92.4 million in 1Q22.

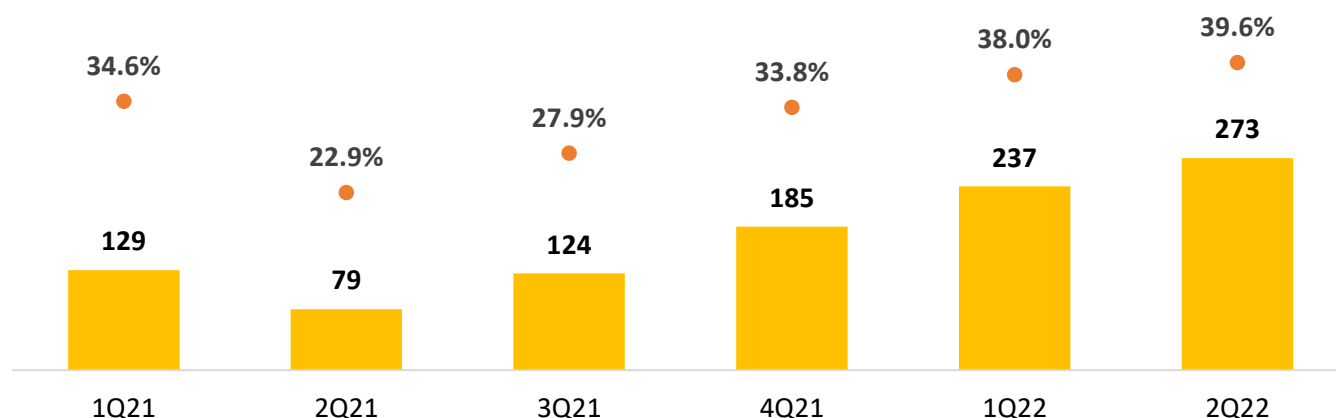
CASH GROSS PROFIT

Cash gross profit in 2Q22 totaled R\$272.9 million, increasing 248% from 2Q21, driven by the robust growth in revenues and the focus on cost management, which helped dilute fixed costs. Cash gross margin rose 16.7 p.p. to 39.6% in 2Q22.

Cash Gross Profit ^a (R\$ million)	2Q22	2Q21	2Q22 vs.2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs.6M21
Net Revenue	689.1	343.2	101%	622.0	11%	1,311.1	715.0	83%
(-) Costs of Services Provided	529.3	368.7	44%	494.7	7%	1,024.0	721.1	42%
Gross Profit	159.8	(25.4)	(728%)	127.3	26%	287.1	(6.1)	(4778%)
(+) Depreciation ^b	113.1	104.0	9%	109.4	3%	222.5	213.3	4%
Cash Gross Profit^c	272.9	78.5	248%	236.6	15%	509.6	207.2	146%
Cash Gross Margin	39.6%	22.9%	16.7 p.p.	38.0%	1.6 p.p.	38.9%	29.0%	9.9 p.p.
(+) Pre-Operating Costs	7.3	1.3	480%	5.7	28%	13.0	3.0	335%
Cash Gross Profit before Pre-Operating Costs^d	280.2	79.8	251%	242.3	16%	522.5	210.1	149%
Cash Gross Margin before Pre-Operating Costs	40.7%	23.2%	17.4 p.p.	39.0%	1.7 p.p.	39.9%	29.4%	10.5 p.p.

(a) For better analysis of the performance of our operations, all indicators exclude the effects of IFRS-16, depreciation and amortization. (b) "Depreciation" relates to other depreciations included in the cost of services other than lease as it was already excluded from the "Cost of Services" calculation; (c) "Cash gross profit" excludes depreciation and amortization; (d) "Cash gross profit before pre-operating costs" excludes depreciation, amortization and the cost of opening new units.

Evolution of Cash Gross Profit and Cash Gross Margin (R\$ million and % of net revenue)



Compared to 1Q22, cash gross profit increased 15% (R\$36.3 million) in 2Q22, while cash gross margin rose 1.6 p.p., mainly driven by Other Latin America, which registered cash gross margin of 51.4%, returning to

historical levels. Cash gross margin from Smart Fit expanded across all regions compared to 1Q22, due to the continuous increase in average revenue per club, fueled by the recovery of member base and the increase in average ticket, combined with rigorous cost management, all of which has provide operational leverage in clubs.

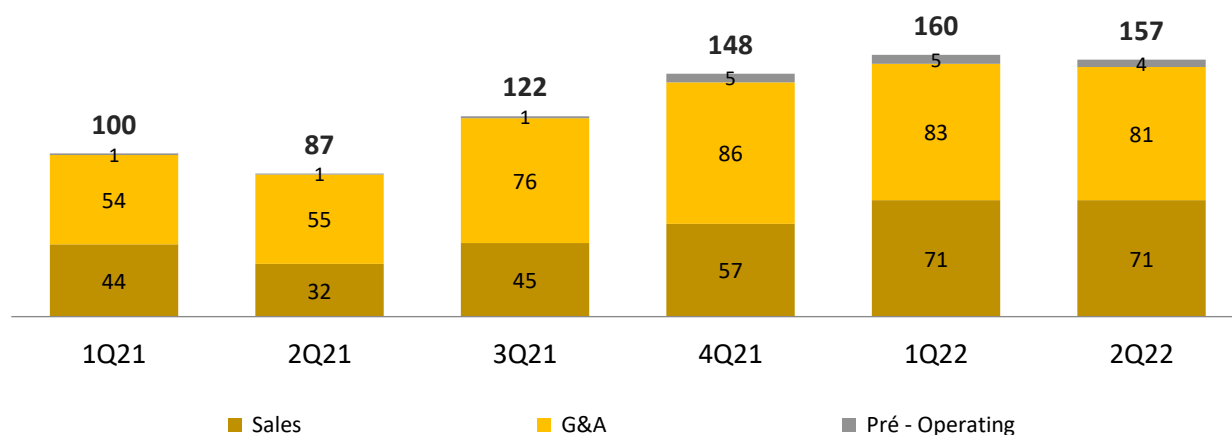
SELLING AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses ^{a,b} (R\$ million)	2Q22	2Q21	2Q22 vs. 2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs. 6M21
Selling expenses	71.1	32.1	121%	71.2	(0%)	142.3	76.3	86%
General and administrative expenses	81.3	54.6	49%	83.1	(2%)	164.4	109.1	51%
Pre-operating expenses	4.4	0.6	606%	5.5	(20%)	9.9	1.6	503%
Total	156.9	87.4	80%	159.7	(2%)	316.6	187.0	69%

(a) For better analysis of our operational performance, all indicators exclude the effects of IFRS 16 regarding commercial leases related to the rents of clubs and offices. (b) Excludes "Other (expenses) / revenues."

Selling, general and administrative expenses totaled R\$156.9 million in 2Q22, R\$69.5 million more than in 2Q21, due to the increase and normalization of administrative and selling expenses to attract members in a quarter when the clubs remained open throughout the period, compared to 87% in 2Q21.

Evolution of Selling, General and Administrative Expenses and Pre-Operating Expenses (R\$ million)



Compared to 1Q22, selling and administrative expenses declined 2%, corresponding to 22.8% of net revenue, representing a dilution of 2.9 p.p. in the quarter. Selling expenses as a percentage of net revenue started dilution (-1.1 p.p. versus 1Q22), corresponding to 10.3% of net revenue in the quarter, impacted by the continuous recovery of revenues per club.

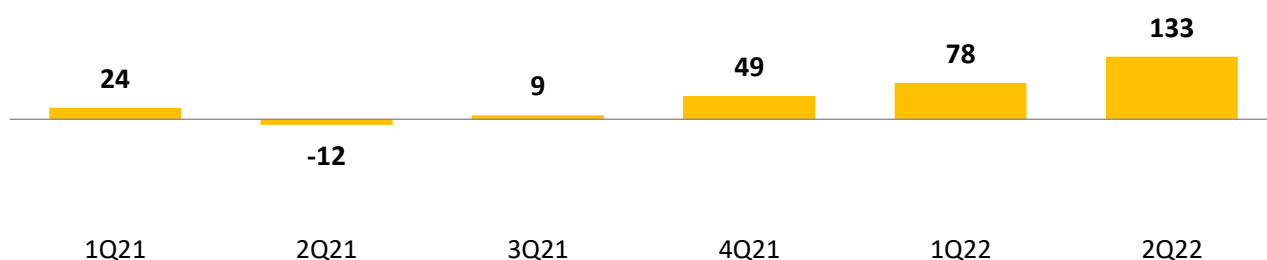
EBITDA

Composição do EBITDA ^a (R\$ milhões)	2T22	2T21	2T22 vs.2T21	1T22	2T22 vs. 1T22	6M22	6M21	6M22 vs.6M21
Lucro (prejuízo) líquido	(40.0)	(161.2)	(75%)	(75.4)	(47%)	(115.4)	(305.9)	(62%)
(+) IR & CSLL	(0.4)	(10.9)	(97%)	2.7	(113%)	2.4	(9.4)	(125%)
(+) Resultado Financeiro	44.9	53.5	(16%)	23.7	89%	68.6	107.8	(36%)
(+) Depreciação	116.9	104.9	11%	115.3	1%	232.2	215.0	8%
EBITDA	121.4	(13.7)	(988%)	66.4	83%	187.8	7.6	2374%
Margem EBITDA	17.6%	(4.0%)	21.6p.p.	10.7%	6.9p.p.	14.3%	1.1%	13.3p.p.
(+) Gastos pré-operacionais	(11.7)	(1.9)	522%	(11.2)	4%	(22.8)	(4.6)	394%
EBITDA antes dos Gastos Pré-Operacionais	133.1	(11.8)	(1227%)	77.5	72%	210.6	12.2	1625%
Mg. EBITDA antes dos Gastos Pré-Operacionais	19.3%	(3.4%)	22.7p.p.	12.5%	6.8p.p.	16.1%	1.7%	14.4p.p.

(a) For better analysis of our operational performance, all indicators exclude the effects of IFRS 16 regarding commercial leases related to the rents of clubs and offices.

2Q22 was the fourth straight quarter of strong EBITDA growth, which attests to the high operating leverage of the business. EBITDA before pre-operating expenses totaled R\$133.1 million, compared to R\$(11.8) million in 2Q21, due to the fact that units remained open throughout 2Q22, as well as the continued expansion of member base and consequent revenue growth and dilution of costs and expenses.

Evolution of EBITDA before Pre-Operating Expenses (R\$ million)



Compared to 1Q22, EBITDA before pre-operating expenses increased R\$55.5 million, up 72% from the previous quarter, positively affected by the 11% revenue growth and the consequent dilution of costs and expenses, which led to another increase of 6.8 p.p. in EBITDA margin before pre-operating costs, ending the quarter with EBITDA margin of 19.3%.

EBITDA by Region

To enable better analysis of the performance and contribution of each region to the consolidated EBITDA of the Company, starting from 3Q21, the Company calculates the EBITDA of each region by subtracting the respective selling expenses from its cash gross profit. General and administrative expenses (G&A) and other operating expenses will be analyzed on a consolidated basis as they sustain the operations of the entire Company.

EBITDA ^a (R\$ million)	2Q22	2Q21	2Q22 vs.2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs.6M21
Brazil ^b	70.5	21.1	235%	57.2	23%	127.8	65.1	96%
Mexico ^b	43.8	11.1	295%	32.4	35%	76.2	26.4	189%
Other Latin America ^b	83.1	13.6	511%	70.3	18%	153.4	37.7	306%
G&A expenses and other operating expenses	(78.5)	(56.5)	39%	(94.2)	(17%)	(172.7)	(108.7)	59%
Equity Income	2.5	(3.0)	(184%)	0.6	282%	3.1	(12.9)	(124%)
EBITDA	121.4	(13.7)	n/a	66.4	83%	187.8	7.6	774%

(a) For better analysis of our operational performance, all indicators exclude the effects of IFRS 16 regarding commercial leases related to the rents of clubs and offices. (b) For EBITDA of Regions, considers cash gross profit less selling expenses. General and administrative expenses (G&A) and other operating expenses will be analyzed on a consolidated basis as they sustain the operations of the entire Company.

In 2Q22, EBITDA from the Brazilian business was R\$70.5 million, compared to R\$21.1 million in 2Q21, up 235%, mainly due to the 46% increase in average member base of own clubs and the consequent revenue growth and dilution of costs. Compared to 1Q22, EBITDA from Brazil increased 23%, due to the 13% growth in Smart Fit's revenues combined with the dilution of selling expenses.

In Mexico, EBITDA grew 295% in relation to 2Q21 to R\$43.8 million, since the 2Q21 results were strongly affected by the closure of clubs during the 2nd wave of the pandemic. Compared to 1Q22, EBITDA from Mexico grew 35%, due to 13% revenue growth combined with dilution of costs and selling expenses.

The Other Latin America region registered EBITDA of R\$83.1 million in 2Q22, with EBITDA margin of 45.5%, returning to the region's historical levels. This result was positively affected by the reopening of clubs and the advanced stage of recovery of member base, which significantly increased revenue and diluted costs. Compared to 1Q22, EBITDA from Other Latin America grew 18% due to the focus on recovering the member base, which increased net revenue by 11%, combined with the dilution of costs and selling expenses.

NET PROFIT (LOSS) FROM THE PERIOD

Compared to 2Q21, the Company registered a decline of R\$121.2 million in net loss to R\$40.0 million in 2Q22, mainly due to the increase of R\$135.1 million in EBITDA.

Compared to 1Q22, net loss decreased R\$35.4 million, mainly due to the R\$55.0 million growth in EBITDA, which was partially offset by higher financial expenses in the period, mainly costs with prepayment of the 4th issue of debentures.

OPERATING CASH FLOW

Operating Cash Flow ^a (R\$ million)	2Q22	2Q21	2Q22 VS. 2Q21	1Q22	2Q22 VS. 1Q22	6M22	6M21	6M22 VS. 6M21
EBITDA	121.4	(13.7)	n/a	66.4	83%	187.8	7.6	2374%
Items of result with no impact on cash ^a	43.8	(1.2)	n/a	57.8	(24%)	101.6	23.7	329%
IR/CSLL Paid	(5.0)	0.8	n/a	(11.6)	(57%)	(16.7)	(1.2)	1235%
Working capital variation	36.5	55.9	(35%)	(37.6)	n/a	(1.1)	19.5	n/a
Receivables	32.3	34.1	(5%)	(21.9)	n/a	10.3	3.8	168%
Suppliers	20.6	6.1	237%	(26.5)	n/a	(5.9)	1.9	n/a
Wages, provisions and social contributions	10.4	15.5	(33%)	7.6	36%	18.0	22.3	(19%)
Taxes ^b	(26.7)	0.2	n/a	3.2	n/a	(23.5)	(8.5)	176%
Operating Cash Flow	196.7	41.8	370%	75.0	162%	271.7	49.6	448%

(a) Includes mainly equity income, asset write-offs, deferred revenue and provisions; (b) Includes taxes on sales and services.

In 2Q22, operating cash flow was positive at R\$196.7 million, higher than in 2Q21, due to the reopening of clubs and the recovery of member base, which contributed to the R\$135.1 million growth in EBITDA, positively impacting operating cash flow. Compared to 1Q22, operating cash flow increased R\$121.5 million, mainly due to the R\$55.0 million increase in EBITDA and the positive variation in working capital.

CAPEX

Capex (R\$ million)	2Q22	2Q21	2Q22 vs.2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs.6M21
Capex	280.6	53.4	426%	213.3	32%	493.9	107.6	359%
Expansion ^a	235.0	41.3	469%	191.8	23%	426.8	74.6	472%
Maintenance	32.3	6.9	364%	16.5	95%	48.8	20.8	134%
Corporate and Innovation	13.3	5.1	159%	5.0	166%	18.3	12.2	50%

(a) Excludes expansion capex of R\$8.1 million advanced in 1Q21 to the units of SmartExp Escola de Ginástica e Dança, which was a subsidiary with shared control with external investors. This subsidiary was merged with the Company in 4Q21.

In 2Q22, capex was R\$280.6 million, R\$227.2 million higher than in 2Q21 and R\$67.3 million higher than in 1Q22, due to the accelerated pace of opening and higher utilization of clubs. This quarter, expansion capex totaled R\$235.0 million, due to the higher number of clubs under construction and the inauguration of 34 own units during the period. Maintenance capex totaled R\$32.3 million, up R\$25.4 million from 2Q21, due to the reopening and higher utilization of clubs. Capex on corporate and innovation projects totaled R\$13.3 million in 2Q22, versus R\$5.1 million in 2Q21.

Compared to 1Q22, expansion capex increased 23%, due to the higher number of clubs inaugurated this quarter in relation to 1Q22. Maintenance capex increased R\$15.7 million, due to more maintenance work carried out this quarter. In 1H22, maintenance capex totaled R\$48.8 million, which is close to normal levels.

CASH AND DEBT

Cash and Debt (R\$ million)	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21	4Q20	3Q20
Cash and Cash Equivalents ^a	2,764	3,461	3,677	3,372	907	908	1,064	832
Gross Debt ^b	3,144	3,639	3,755	3,085	2,815	2,896	2,833	2,822
By nature:								
Loans and debentures	3,018	3,506	3,590	2,915	2,641	2,684	2,616	2,597
Lease liability - equipment	126	134	165	170	174	212	217	225
By maturity								
Short-term	463	537	552	599	542	590	345	402
Long-term	2,681	3,103	3,203	2,485	2,273	2,307	2,488	2,420
Net Debt (Net cash) ^c	381	178	78	(287)	1,908	1,988	1,770	1,990
Net Debt/ EBITDA LTM ^d	0.62x	0.33x	0.18x	(0.76x)	6.72x	15.75x	5.69x	8.94x

(a) "Gross Debt" includes the operational lease liability of equipment; (b) "Net debt" considers short- and long-term loans, financing, and operating leases (excluding property leases) with financial institutions, less cash and guarantees; (c) the "Net Debt/EBITDA LTM" indicator uses the definition of net debt and EBITDA of the Company's debentures.

At the end of 2Q22, Smart Fit held a solid cash position of R\$2,764 million and gross debt of R\$3,144 million, 85% of it maturing in the long term. Net debt ended the quarter at R\$381 million, resulting in a net debt/EBITDA LTM ratio of 0.62x. In April 2022, the Company fully prepaid the long series of the 4th issue of debentures in the amount of R\$499 million, as mentioned in the allocation of proceeds from the 6th issue of debentures, concluded in December 2021. The Company's financial liquidity position remains solid due to the proceeds of R\$2.6 billion from the primary public offering of shares and loans of over R\$1.9 billion in the last 12 months, which enabled the Company to increase its cash position and lengthen its debt profile.

The Company seeks to align the maturities of loans and financing to its capacity to generate operating cash flow and access local financing lines in order to drive its organic expansion in the countries where it operates. At the end of 2Q22, the debt maturity schedule was as follows:

Gross Debt Maturities ^a	2022 ^b	2023	2024	2025	2026	2027	2028	Total
% do total	8%	16%	22%	17%	13%	12%	11%	100%
Total	258	504	707	535	421	367	351	3,144
Brazil	61	87	288	141	351	351	351	1,629
Mexico	89	182	152	67	19	8	0	518
Other Latin America ^c	108	235	266	327	52	9	0	997

(a) In this table, "Financial Debt" is defined as short- and long-term loans, financing, and leasing of equipment with financial institutions; (b) Includes maturities in remaining months until the end of the year; (c) "Other Latin America" includes financial debt in Chile, Colombia, and Peru.

Financial numbers shown from this point reflect the adoption of IFRS-16

IMPACT OF THE ADOPTION OF IFRS 16

On January 1, 2019, the Company adopted the IFRS 16/CPC 06 (R2) – Leases standard. The application of the standard substantially affected the booking of lease agreements for spaces where the Company's clubs operate. Future commitments from lease agreements are recognized as lease liabilities and the right to use the spaces is recognized as an asset of the same value. For the purpose of effects in the result, the fixed lease payments are replaced by depreciation of the lease right and a financial expense on the lease liability. Variable lease payments continue to be recognized as costs of services provided.

The Company chose to adopt IFRS 16/CPC 06(R2) by the modified retrospective method applied only from January 1, 2019. The impacts of IFRS 16/CPC 06(R2) on the Company's results are detailed below.



Statement of Profit and Loss (R\$ million)	2Q22 Reported	Impacts of IFRS 16	2T22 excluding IFRS 16	2T21 Reported	Impacts of IFRS 16	2T21 excluding IFRS 16	6M22 Reported	Impacts of IFRS 16	6M22 excluding IFRS 16	6M21 Reported	Impacts of IFRS 16	6M21 excluding IFRS 16
Net Revenue	689.1	-	689.1	343.2	-	343.2	1,311.1	-	1,311.1	715.0	-	715.0
Cost of services	(491.8)	37.5	(529.3)	(362.4)	6.3	(368.7)	(949.0)	75.0	(1,024.0)	(721.1)	(0.0)	(721.1)
Rents	(37.3)	131.7	(168.9)	11.7	86.9	(75.2)	(69.7)	263.1	(332.7)	(62.5)	160.2	(222.8)
Depreciation and amortization (cost)	(207.2)	(94.1)	(113.1)	(184.6)	(80.6)	(104.0)	(410.6)	(188.1)	(222.5)	(373.6)	(160.3)	(213.3)
Gross profit	197.3	37.5	159.8	(19.1)	6.3	(25.4)	362.1	75.0	287.1	(6.2)	(0.0)	(6.1)
SG&A	(156.9)	0.9	(157.8)	(89.6)	0.6	(90.2)	(332.8)	1.8	(334.6)	(187.3)	1.1	(188.3)
Selling expenses	(71.1)	-	(71.1)	(33.8)	-	(33.8)	(142.3)	-	(142.3)	(78.0)	-	(78.0)
General and administrative	(79.5)	1.9	(81.3)	(53.0)	1.7	(54.6)	(160.7)	3.7	(164.4)	(106.0)	3.1	(109.1)
Rents	(1.2)	1.9	(3.1)	1.8	1.7	0.1	(1.9)	3.7	(5.6)	(0.8)	3.1	(4.0)
Depreciation and amortization (costs)	(4.8)	(1.0)	(3.8)	(2.0)	(1.0)	(1.0)	(11.6)	(1.8)	(9.7)	(3.7)	(2.0)	(1.7)
Outras (despesas) receitas	2.9	-	2.9	(1.9)	-	(1.9)	(8.3)	-	(8.3)	0.4	-	0.4
Equity accounting	2.5	-	2.5	(3.0)	-	(3.0)	3.1	-	3.1	(12.9)	-	(12.9)
Operating profit (loss) before financial result	42.9	38.4	4.5	(111.6)	7.0	(118.6)	32.4	76.8	(44.4)	(206.4)	1.1	(207.4)
Financial Result	(99.2)	(54.3)	(44.9)	(74.5)	(21.0)	(53.5)	(176.5)	(107.8)	(68.6)	(144.5)	(36.7)	(107.8)
Income tax and Social Contribution	0.4	-	0.4	10.9	-	10.9	(2.4)	-	(2.4)	9.4	-	9.4
Net profit	(55.9)	(15.9)	(40.0)	(175.2)	(14.0)	(161.2)	(146.4)	(31.0)	(115.4)	(341.5)	(35.7)	(305.9)

Impacts of IFRS-16 in the breakdown of Gross Profit excluding depreciation, amortization, and EBITDA

Gross profit	197.3	37.5	159.8	(19.1)	6.3	(25.4)	362.1	75.0	287.1	(6.2)	(0.0)	(6.1)
Depreciation and amortization (costs)	207.2	94.1	113.1	184.6	80.6	104.0	410.6	188.1	222.5	373.6	160.3	213.3
Gross profit excluding depreciation	404.6	131.7	272.9	165.5	86.9	78.5	772.6	263.1	509.6	367.4	160.2	207.2
Gross Margin excluding depreciation	58.7%	0.0%	39.6%	48.2%	0.0%	22.9%	58.9%	0.0%	38.9%	51.4%	0.0%	29.0%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit	(55.9)	(15.9)	(40.0)	(175.2)	(14.0)	(161.2)	(146.4)	(31.0)	(115.4)	(341.5)	(35.7)	(305.9)
(-) IR & CSLL	(0.4)	-	(0.4)	(10.9)	-	(10.9)	2.4	-	2.4	(9.4)	-	(9.4)
(-) Financial Result	99.2	54.3	44.9	74.5	21.0	53.5	176.5	107.8	68.6	144.5	36.7	107.8
(-) Depreciation and amortization	212.0	95.1	116.9	186.6	81.6	104.9	422.2	189.9	232.2	377.3	162.3	215.0
EBITDA	255.0	133.5	121.4	74.9	88.6	(13.7)	454.5	266.8	187.8	170.9	163.3	7.6
EBITDA Margin	37.0%	0.0%	17.6%	21.8%	0.0%	-4.0%	34.7%	0.0%	14.3%	23.9%	0.0%	1.1%

*Costs and Selling, General and Administrative Expenses include pre-operating expenses



PRESENTATION OF RESULTS

The Company has its own operations in Brazil, Mexico, Colombia, Chile, Peru, Panama, Costa Rica, Argentina, and Paraguay and franchised operations in Brazil, Mexico, Colombia, Dominican Republic, El Salvador, Ecuador, Guatemala, and Honduras. The consolidation in the Income Statement for each period is detailed below:

Operation	Recognition in Income Statement for the period		Recognition in Balance sheet for the period	
	2Q22	2Q21	2Q22	2Q21
Brazil, Mexico, Colombia, Chile, Peru, Argentina, Paraguay and Queima Diária	Consolidated	Consolidated	Consolidated	Consolidated
Panama and Costa Rica	Equity accounting ^a	Equity accounting ^a	Investment	Investment
Dominican Republic, El Salvador, Ecuador, Guatemala and Honduras	Royalties for use of brand	Royalties for use of brand	N/A	N/A

a) In 1Q20, the Company acquired shared control of the operation in Panama, holding shared control with local partners and its results are now included through equity accounting.

INCOME STATEMENT

INCOME STATEMENT (R\$ million)	2Q22	2Q21	2Q22 vs.2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs.6M21
Net Revenue	689.1	343.2	101%	622.0	11%	1,311.1	715.0	83%
Costs of Services Rendered	(491.8)	(362.4)	36%	(457.3)	8%	(949.0)	(721.1)	32%
Gross Profit	197.3	(19.1)	(1132%)	164.7	20%	362.1	(6.2)	(5970%)
Operating revenues (expenses)								
Sales	(75.5)	(32.8)	131%	(76.7)	(2%)	(152.2)	(78.0)	95%
General and administrative	(84.3)	(54.9)	53%	(88.1)	(4%)	(172.3)	(109.7)	57%
Equity accounting	2.5	(3.0)	(184%)	0.6	283%	3.1	(12.9)	(124%)
Other (expenses) revenues	2.9	(1.9)	(255%)	(11.2)	(126%)	(8.3)	0.4	(2254%)
Profit before financial result	42.9	(111.6)	(138%)	(10.5)	(507%)	32.4	(206.4)	(116%)
Financial result	(99.2)	(78.3)	27%	(77.2)	28%	(176.5)	(144.5)	22%
Profit before IR/CS	(56.3)	(189.9)	(70%)	(87.8)	(36%)	(144.1)	(350.9)	(59%)
Income tax and Social Contribution	0.4	51.1	(99%)	(2.7)	(113%)	(2.4)	9.4	(125%)
Net profit (loss)	(55.9)	(138.9)	(60%)	(90.5)	(38%)	(146.4)	(341.5)	(57%)

BALANCE SHEET

ASSETS (R\$ million)	2Q22	4Q21
CURRENT	3,269	4,170
Cash and cash equivalents	2,764	3,720
Trade receivables	185	196
Other receivables	320	255
NON-CURRENT	7,550	7,485
Permanent assets	2,859	2,697
Right-of-use assets	2,720	2,810
Intangible assets	1,437	1,520
Investment	138	127
Other assets	397	330
TOTAL ASSETS	10,820	11,654

LIABILITY (R\$ million)	2Q22	4Q21
CURRENT	1,442	1,429
Borrowings	408	489
Lease liabilities	405	390
Suppliers	195	201
Deferred revenue	241	181
Current tax payable	20	7
Other liabilities	173	162
NON-CURRENT	5,228	5,796
Borrowings	2,610	3,102
Lease liabilities	2,543	2,631
Other liabilities	75	63
SHAREHOLDERS' EQUITY	4,149	4,429
Share capital	2,970	2,970
Capital reserves	2,290	2,286
Accumulated losses	(1,433)	(1,286)
Other comprehensive income	304	427
Noncontrolling interest	18	33
TOTAL LIABILITY AND SHAREHOLDERS' EQUITY	10,820	11,654

CASH FLOW

Cash Flow Statement (R\$ million)	2Q22	2Q21	2Q22 vs. 2Q21	1Q22	2Q22 vs. 1Q22	6M22	6M21	6M22 vs. 6M21
Cash Flow from Operating Activities								
Result for the Period	(55.9)	(175.2)	(68%)	(90.5)	(38%)	(146.4)	(341.5)	(57%)
Depreciation and amortization	212.0	184.3	15%	210.1	1%	422.2	377.3	12%
Write-off of intangible assets and fixes assets	17.6	10.3	71%	18.1	(3%)	35.7	18.3	94%
Accrued interest on debt and exchange variation	116.7	50.3	132%	96.2	21%	212.9	84.6	152%
Accrued interest on leases	63.6	(4.5)	(1513%)	64.8	(2%)	128.4	123.2	4%
Others	(45.5)	(29.1)	57%	(48.4)	(6%)	(94.0)	(72.0)	31%
Working capital variation	(13.0)	24.3	(153%)	(26.4)	(51%)	(39.3)	(36.3)	8%
Cash generated by (used in) operating activities	295.5	60.4	389%	224.0	32%	519.5	153.6	238%
Interest paid on loans and debentures	(154.9)	(48.3)	221%	(27.2)	469%	(182.1)	(60.6)	200%
Interest paid on leases	(62.5)	(51.1)	22%	(63.6)	(2%)	(126.0)	(91.3)	38%
Income tax and social contribution paid	(5.0)	0.8	(729%)	(11.6)	(57%)	(16.7)	(1.2)	n/a
Net cash generated by (used in) operating activities	73.1	(38.2)	(291%)	121.6	(40%)	194.7	0.5	n/a
CASH FLOW FROM INVESTMENT ACTIVITIES								
Additions to fixed asset	(280.2)	(53.4)	425%	(212.1)	32%	(492.2)	(107.6)	357%
Additions to intangible assets	(0.7)	(1.9)	(63%)	(14.0)	(95%)	(14.7)	(3.2)	362%
Payments for the acquisition of group of assets, subsidiary and joint venture	0.0	0.0	n/a	0.0	n/a	0.0	(50.9)	(100%)
Capital increase in subsidiary and joint venture	(0.8)	(1.2)	(30%)	(4.4)	(81%)	(5.3)	(3.7)	41%
Financial Investments	332.3	(37.2)	(993%)	(64.4)	(616%)	267.9	(50.0)	n/a
Related parties and loans with third parties	(2.0)	14.4	n/a	(0.3)	537%	(2.4)	(2.2)	6%
Net cash used in investment activities	48.6	(79.3)	(161%)	(295.3)	(116%)	(246.7)	(217.6)	13%
CASH FLOW FROM FINANCING ACTIVITIES								
Payment of loans and costs	(616.0)	(142.0)	334%	(111.9)	450%	(727.9)	(174.0)	318%
Proceeds from loans	115.8	246.7	(53%)	107.1	8%	222.9	246.7	(10%)
Payment of lease	(92.1)	(53.0)	74%	(98.7)	(7%)	(190.8)	(113.4)	68%
Capital Increase - controllers	(5.0)	0.0	n/a	5.0	(200%)	0.0	64.3	(100%)
Repurchase of shares, net of receipts	0.0	0.0	n/a	0.0	n/a	0.0	0.0	n/a
Others	1.3	0.8	66%	(6.6)	(120%)	(5.3)	0.0	n/a
Net cash generated by (used in) financing activities	(595.9)	52.5	(1235%)	(105.1)	467%	(701.1)	23.7	n/a
INCREASE (REDUCTION) OF BALANCE OF CASH AND EQUIVALENT	(474.2)	(65.0)	630%	(278.9)	70%	(753.1)	(193.5)	289%
Opening balance	1,611.7	863.1	87%	1,957.8	(18%)	1,957.8	1,019.6	92%
Closing balance	1,149.6	792.0	45%	1,611.7	(29%)	1,149.6	792.0	45%
Cash acquired by acquisition of group of assets and business combination	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Exchange variation on cash and cash equivalents	(12.2)	(6.0)	103%	(67.3)	(82%)	(55.1)	(34.1)	61%