EARNINGS RELEASE

1Q23

RESULTS WEBINAR

May 12, 2023

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

Videoconference in Portuguese
with simultaneous translation into English

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1Q23 EARNINGS RELEASE

São Paulo, May 11, 2023 – Smart Fit (SMFT3), the leader in the fitness sector across Latin America in memberships[1], announces its results for 1Q23. 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 16 onwards.

HIGHLIGHTS OF THE PERIOD

- ***Record addition of 399,000 new members at clubs in the quarter, with the Company registering in January 2023 its highest members addition ever***

At Smart Fit clubs existing before the pandemic, member base increased 7p.p. in the quarter, reaching 96% of the baseline, the highest quarterly expansion level since 3Q21.

- ***Net revenue totaled R$982 million, +15% vs. 4Q22, with increase in all regions of operation***

In 1Q23, considering only Smart Fit clubs inaugurated until 2019, net revenue reached 117% of the baseline in January and February 2020, a 7p.p. expansion in the period.

- ***Cash cost of clubs opened until 2019[2] significantly below inflation in the period***

Considering Smart Fit clubs inaugurated until 2019, cash cost increased only 11% compared to the baseline in January and February 2020 and only 1p.p. from the previous quarter, which attests to the sharp focus on cost management over the last years.

- ***Cash gross margin returned to historical levels at Smart Fit clubs opened until 2019 and totaled 52%***

Company's cash gross margin rose 5.1p.p. to 50.3% vs. 4Q22, with growth in all segments and regions of operation, especially in Mexico and Brazil, which grew 5.8p.p. and 5.4p.p. vs. 4Q22, respectively.

- ***EBITDA margin of 31%, with expansion in all regions and the second highest historical level of margin***

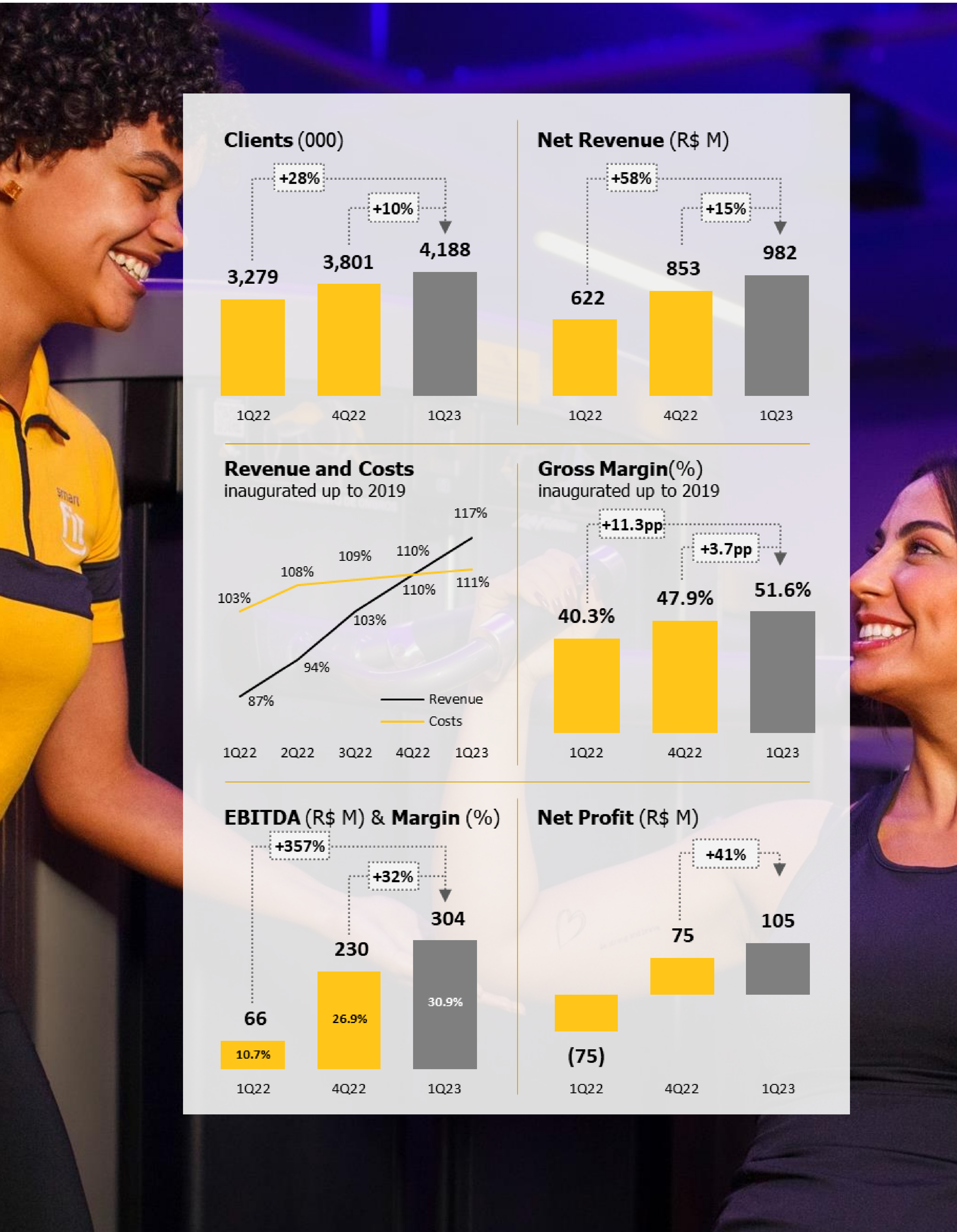
EBITDA of R$304 million, up 32% from 4Q22. The recovery of revenue combined with strict cost management helped significant operating leverage, with EBITDA margin expanding 4p.p. from 4Q22 and 20.3p.p. from 1Q22 and operating cash flow of R$368 million in the period.

- ***Net income of R$105 million, 41% higher than in 4Q22***

Continuous improvement in profitability consolidates the net income growth uptrend for the third straight quarter, with net margin of 10,7% in 1Q23.

1Q23 Highlights[a]	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
Clubs	1.231	1.090	13%	1.223	1%
Total Members (000)[b]	4.188	3.279	28%	3.801	10%
Net Revenue (R$ million)	982	622	58%	853	15%
EBITDA[c] (R$ million)	304	66	357%	230	32%
EBITDA Margin	30,9%	10,7%	20,3 p.p.	26,9%	4,0 p.p.
Net Income (R$ million)	105	(75)	-	75	41%
Operating Cash Flow[d] (R$ million)	368	75	391%	158	132%

(a) In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023; (b) Includes members of clubs, studios and digital channel; (c) Excludes the effects of IFRS 16/CPC06 (R2). See section "EBITDA Breakdown". (d) 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 a 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 1Q23 with pre-pandemic costs (January and February 2020), we compared the evolution of "Cash Cost" of the units opened until 2019 in the respective periods.



Clients (000)
+28%
+10%
3,279
3,801
4,188
1Q22
4Q22
1Q23
Net Revenue (R$ M)
+58%
+15%
622
853
982
1Q22
4Q22
1Q23
Revenue and Costs
inaugurated up to 2019
103%
108%
109%
110%
111%
87%
94%
103%
110%
117%
Revenue
Costs
1Q22
2Q22
3Q22
4Q22
1Q23
Gross Margin(%)
inaugurated up to 2019
+11.3pp
+3.7pp
40.3%
47.9%
51.6%
1Q22
4Q22
1Q23
EBITDA (R$ M) & Margin (%)
+357%
+32%
66
10.7%
230
26.9%
304
30.9%
1Q22
4Q22
1Q23
Net Profit (R$ M)
+41%
(75)
75
105
1Q22
4Q22
1Q23

OPERATING PERFORMANCE

CLUB NETWORK

The Company ended the first quarter of 2023 with 1,231 units, an increase of 13% from 1Q22, mainly due to the opening of own clubs under the Smart Fit brand, up 15% on the same period last year. In the quarter, 7 own units and 1 franchise were opened. Note that the 28 units in Panama and Costa Rica were considered own clubs when they were opened for classification purposes in the table below. At the end of the period, the club network consisted of 974 own units (79% of total) and 257 franchises.

Of the additions under the Smart Fit brand, 6 are in Mexico and 2 in Other Latin America. In Brazil, the Company acquired 2 franchises, enabling the accelerated expansion of own units in a region with high growth potential.

Evolution of Club Network

Clubs	End of Period					Growth 1Q23 vs.		Variation 1Q23 vs.	
	1Q22	2Q22	3Q22	4Q22	1Q23	4Q22	1Q22	4Q22	1Q22
Total	**1,102**	**1,134**	**1,169**	**1,236**	**1,244**	**8**	**142**	**1%**	**13%**
Clubs	**1,090**	**1,121**	**1,157**	**1,223**	**1,231**	**8**	**141**	**1%**	**13%**
By Type									
Owned	857	879	908	967	974	7	117	1%	14%
Franchised	233	242	249	256	257	1	24	0%	10%
By Brand									
Smart Fit	1,059	1,093	1,129	1,196	1,204	8	145	1%	14%
Owned	831	856	885	945	952	7	121	1%	15%
Brazil	415	416	419	429	431	2	16	0%	4%
Mexico	199	209	223	245	250	5	51	2%	26%
Other Latin America[a]	217	231	243	271	271	0	54	0%	25%
Franchised	228	237	244	251	252	1	24	0%	11%
Brazil	169	172	175	179	177	(2)	8	(1%)	5%
Mexico	6	8	9	9	10	1	4	11%	67%
Other Latin America[a]	53	57	60	63	65	2	12	3%	23%
Bio Ritmo and O2	31	28	28	27	27	0	(4)	0%	(13%)
Owned	26	23	23	22	22	0	(4)	0%	(15%)
Franchised	5	5	5	5	5	0	0	0%	0%
By Region									
Brazil	614	615	621	634	634	0	20	0%	3%
Mexico	205	217	232	254	260	6	55	2%	27%
Other Latin America[a]	271	289	304	335	337	2	66	1%	24%
Studio[b]	**12**	**13**	**12**	**13**	**13**	**0**	**1**	**0%**	**8%**

(a) 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.

MEMBER BASE

The member base continued expanding in 1Q23 to reach 4.2 million, up 10% from 4Q22 and 28% from the same period last year. The combination of the successful efforts to attract members and the organic expansion with maturation of new units have contributed to the growth of the member base. The first quarter is characterized by having more positive seasonal effects in the year in attracting new members to mature clubs and, in 2023, it also registered an excellent ramp-up performance at units opened at the end of 2022.

In clubs, member base grew 399,000 in 1Q23 to 3.9 million, up 34% year on year and 12% higher than in 4Q22. In the quarter, the Company obtained record sales per unit. Average membership per club expanded 4% in 1Q23 in relation to 4Q22, with growth in own clubs and franchises.

Due to the seasonal effects, the first quarter is typically marked by an increase in the member base at units opened for more than one year. Considering only Smart Fit clubs inaugurated before the pandemic, member base in 1Q23 reached 96% of March 2020 levels, increasing 7 p.p. from 4Q22, better than the historical seasonality in the period and the second-best recovery quarter, only lagging 3Q21, when the reopening of clubs started. The recovery occurred in all regions, especially in Brazil and Mexico, which registered strong growth above historical seasonality. Note that in the last seven quarters, that is, after the reopening of 100% of units in 3Q21, member base at Smart Fit clubs existing before the pandemic expanded 35 p.p. in the period.

Evolution of Member Base

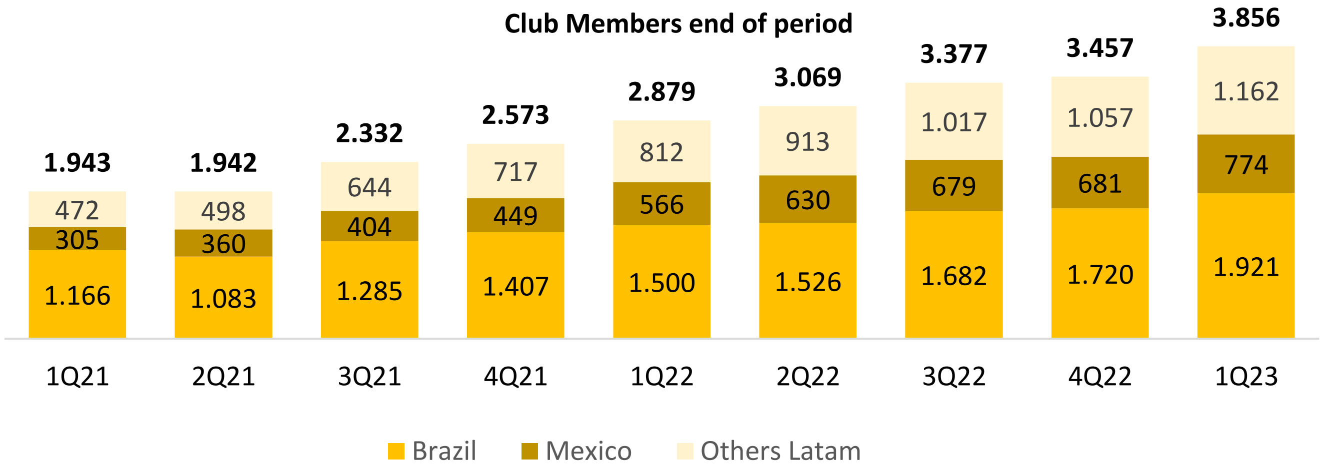
Clients ('000)	End of Period					Growth 1Q23 vs.		Variation 1Q23 vs.	
	1Q22	2Q22	3Q22	4Q22	1Q23	4Q22	1Q22	4Q22	1Q22
Total	**3,279**	**3,438**	**3,728**	**3,801**	**4,188**	**387**	**909**	**10%**	**28%**
Clubs	**2,879**	**3,069**	**3,377**	**3,457**	**3,856**	**399**	**978**	**12%**	**34%**
By Type									
Owned	2,258	2,404	2,642	2,705	3,026	320	768	12%	34%
Franchise	621	664	735	752	831	79	210	11%	34%
By Brand									
Smart Fit	**2,834**	**3,024**	**3,329**	**3,407**	**3,805**	**398**	**971**	**12%**	**34%**
Owned	2,220	2,367	2,601	2,663	2,982	319	762	12%	34%
Brazil	1,025	1,039	1,140	1,165	1,307	142	282	12%	28%
Mexico	548	606	652	655	743	88	195	14%	36%
Other Latin America[a]	647	722	809	843	932	89	284	11%	44%
Franchise	614	657	728	744	822	79	209	11%	34%
Bio Ritmo and O2	**45**	**44**	**48**	**50**	**52**	**1**	**7**	**3%**	**16%**
By Region									
Brazil	1,500	1,526	1,682	1,720	1,921	201	420	12%	28%
Mexico	566	630	679	681	774	93	208	14%	37%
Other Latin America[a]	812	913	1,017	1,057	1,162	105	350	10%	43%
Studio	**4**	**4**	**3**	**4**	**4**	**0**	**0**	**0%**	**5%**
Digital[b]	**397**	**365**	**348**	**340**	**328**	**(12)**	**(69)**	**(4%)**	**(17%)**

(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) Members of clubs who are also subscribers to Smart Nutri e Smart Coach digital plans are considered only as members of clubs or Studios.

In 1Q23, member base in Brazil totaled 1.9 million, 12% more than in 4Q22 and 17% above the member base in March 2020. A total of 201,000 members were added in the quarter mainly due to the good performance in January, which registered the Company's highest sales ever in Brazil and record sales per unit, leading to an increase of 7% in average membership per unit. Considering only Smart Fit clubs inaugurated before the pandemic, in March 2023 the country reached 90% of its member base in March 2020, growing 8 p.p. from the previous quarter and above the historical seasonality in the period. In March, member base at these units remained in line with February, above the month's historical performance.

Member base in Mexico totaled 774,000 in 1Q23, with 93,000 members added in the quarter, 14% more than in 4Q22 and 37% above the same period of previous year. In 4Q22, the number of units in Mexico increased 9%, which contributed to the higher membership in the quarter. Considering only Smart Fit clubs inaugurated before the pandemic, in 1Q23 the country reached 92% of its member base in March 2020, growing 6p.p. from 4Q22, above the seasonal effect in the quarter for the region.

In the Other Latin America region, member base reached 1.2 million in 1Q23, up 10% from 4Q22 and 43% from 1Q22, with the addition of 105,000 club members in the quarter. Considering only Smart Fit clubs inaugurated before the pandemic, in 1Q23 the region reached 114% of its member base in March 2020, recovering 5p.p. from 4Q22. The recovery was registered in all the countries of the region with own operations, notably in Colombia and Peru, two of the three most important markets in the region.



The digital services offering has been expanded and improved since 2020. Currently, the Company offers on-demand video classes, nutritional follow-up services and online personal trainers. At the end of the first quarter of 2023, exclusively digital members totaled 328,000. 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 over 130 physical exercise programs and other content on nutrition and healthy habits totaling more than 5,000 classes. At the end of 1Q23, this service had 332,000 members, 160% more than in December 2019 (before the pandemic). The number of members in 1Q23 decreased 3% from 4Q22 due to lower sales in B2C clients.

Smart Fit Nutri, the app-based service for nutritional follow-up and teleconsultations with nutritionists, reached 128,000 active subscribers at the end of 1Q23, the highest level ever, expanding 30% from the previous quarter, mainly driven by the increase in member base in Brazil. The expansion of membership is due to initiatives taken to provide a better member experience and greater engagement, such as the installation of bioimpedance scales at more clubs. Currently, the service is available in three countries: Brazil, Mexico and Ecuador.

FINANCIAL PERFORMANCE

Main financial indicators[a,b] (R$ million)	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
Gross Revenue	1,050.8	669.5	57%	917.1	15%
Net Revenue	**981.9**	**622.0**	**58%**	**853.1**	**15%**
Cash costs of services[c]	(488.5)	(385.3)	27%	(467.9)	4%
Cash gross profit[c]	**493.5**	**236.6**	**109%**	**385.2**	**28%**
Cash gross margin	*50.3%*	*38.0%*	*12.2 p.p.*	*45.2%*	*5.1 p.p.*
(+) Pre-operating Costs	(2.6)	(5.7)	(55%)	(6.2)	(58%)
Cash gross profit before pre-operating costs[c]	496.0	242.3	105%	391.3	27%
Gross margin before pre-operating costs	*50.5%*	*39.0%*	*11.6 p.p.*	*45.9%*	*4.6 p.p.*
SG&A	(191.6)	(170.9)	12%	(159.1)	20%
% Net Revenue	*19.5%*	*27.5%*	*(8.0) p.p.*	*18.7%*	*0.9 p.p.*
Selling expenses[d]	(76.8)	(71.2)	8%	(70.8)	8%
% Net Revenue	*7.8%*	*11.4%*	*(3.6) p.p.*	*8.3%*	*(0.5) p.p.*
General and administrative expenses[e]	(94.8)	(83.1)	14%	(85.9)	10%
% Net Revenue	*9.7%*	*13.4%*	*(3.7) p.p.*	*10.1%*	*(0.4) p.p.*
Pre-operating expenses	(4.3)	(5.5)	(21%)	(3.0)	45%
Other (expenses) revenues	(15.6)	(11.2)	40%	0.6	n.a
Equity Income	1.8	0.6	177%	3.6	(50%)
EBITDA[f]	303.7	66.4	357%	229.7	32%
EBITDA Margin	*30.9%*	*10.7%*	*20.3 p.p.*	*26.9%*	*4.0 p.p.*
EBITDA before pre-operating expenses[g]	**310.6**	**77.5**	**300%**	**238.8**	**30%**
EBITDA Margin before pre-operating costs and expenses	*31.6%*	*12.5%*	*19.2 p.p.*	*28.0%*	*3.6 p.p.*
Depreciation and amortization	(145.7)	(115.3)	26%	(131.0)	11%
Financial Result	(31.5)	(23.7)	33%	(28.2)	12%
Income tax and Social Contribution	(21.1)	(2.7)	675%	4.4	n.a
Profit (loss) for the period	**105.3**	**(75.4)**	**n.a**	**74.8**	**41%**
% Net Revenue	*10.7%*	*(12.1%)*	*22.8 p.p.*	*8.8%*	*2.0 p.p.*

(a) All indicators exclude the effects of IFRS 16 in relation to the leases of clubs and offices; (b) In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023; (c) For a 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 the "Gross Profit" section for the calculation of these measurements; (d) "Selling expenses" exclude expenses with opening new units; (e) "General and administrative expenses" excludes depreciation and effects of IFRS 16; (f) See the "EBITDA Breakdown" section for the calculation of this measurement; (g) "EBITDA before pre-operating costs and expenses" excludes costs and expenses with opening new units. See the "EBITDA Breakdown" section for the calculation of this measurement.

NET REVENUE

Net revenue in 1Q23 was R$981.9 million, up 58% from 1Q22, mainly due to the 18% increase in average membership per own unit, the recovery of member base in the period, the 16% expansion on average of the own club network and the increase in average ticket per member.

The latter is explained by the transfer of prices during 2021 in diverse regions and by the several initiatives conducted in the last quarters to optimize, in a sustainable manner, revenue per club. Some of the initiatives have contributed to the increase in the percentage of members enrolled in the Black plan, accounting for 61% of the member base of clubs at the end of the quarter, 3 p.p. higher than in the previous quarter.

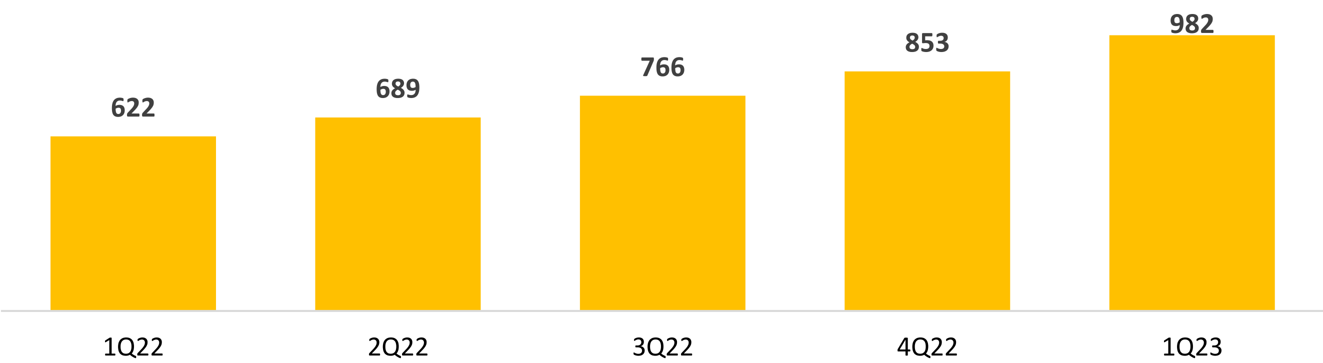
Moreover, with the acquisition of 100% of the operations in Panama and Costa Rica, the Company started to consolidate in 1Q23 the results of operations of these two countries under the Other Latin America region, accounting for R$35 million of the revenue in the quarter, which increase the importance of international revenues.

Net Revenue by Brand and Region

Net Revenue (R$ million)	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
Smart Fit	895.5	550.2	63%	768.9	16%
Brazil	383.5	260.7	47%	346.6	11%
Mexico	226.9	125.7	81%	197.6	15%
Other Latin America [a]	285.1	163.9	74%	224.8	27%
Bio Ritmo e O2	32.4	23.7	37%	29.8	9%
Others [b]	54.0	48.2	12%	54.3	(1%)
Total	**981.9**	**622.0**	**58%**	**853.1**	**15%**
International Revenue (% total)	52%	47%	*5.5 p.p.*	50%	*2.6 p.p.*

(a) "Other Latin America" considers only own operations controlled in the region (Colombia, Chile, Peru, Argentina and Paraguay) until 4Q22. With the acquisition of 100% of the operation in Panama and Costa Rica in 1Q23, their results are now consolidated in the Company's financial statements starting from 2023; (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 1Q23, combined with the expansion of own club and franchise network, drove revenue growth of 15% (R$128.9 million) in relation to 4Q22. At Smart Fit clubs inaugurated up to 2019, net revenue increased 7 p.p. compared to the previous quarter, with expansion in all regions, and reached 117% of the Company's consolidated net revenue of the baseline in January and February 2020.

In Brazil, net revenue from Smart Fit clubs totaled R$383.5 million, increasing 11% from 4Q22, thanks to the 6% growth in average member base per club, the 3% increase in average ticket and the expansion of the own club network. At Smart Fit clubs inaugurated up to 2019, net revenue in 1Q23 continued its uptrend, reaching 108% of the January and February 2020 levels (in relation to 101% in 4Q22).

In Mexico, net revenue in the quarter was R$226.9 million, increasing 15% from 4Q22, due to the 6% growth in average number of clubs combined with the increase in average ticket. At Smart Fit clubs inaugurated up to 2019, net revenue in the period reached 119% of the January and February 2020 levels, expanding 8 p.p. in relation to the previous quarter (111% in 4Q22).

Net revenue from Smart Fit clubs in Other Latin America totaled R$285.1 million, up 27% from 4Q22, mainly due to the consolidation of Panama and Costa Rica results after the acquisition of 100% of these operations, which represented R$35 million of the revenue in the period, and the 5% increase in the average number of own clubs across the region. At Smart Fit clubs inaugurated up to 2019, net revenue in 1Q23 reached 134% of the January and February 2020 levels, up 5 p.p. on 129% in 4Q22.

CASH COST OF SERVICES PROVIDED

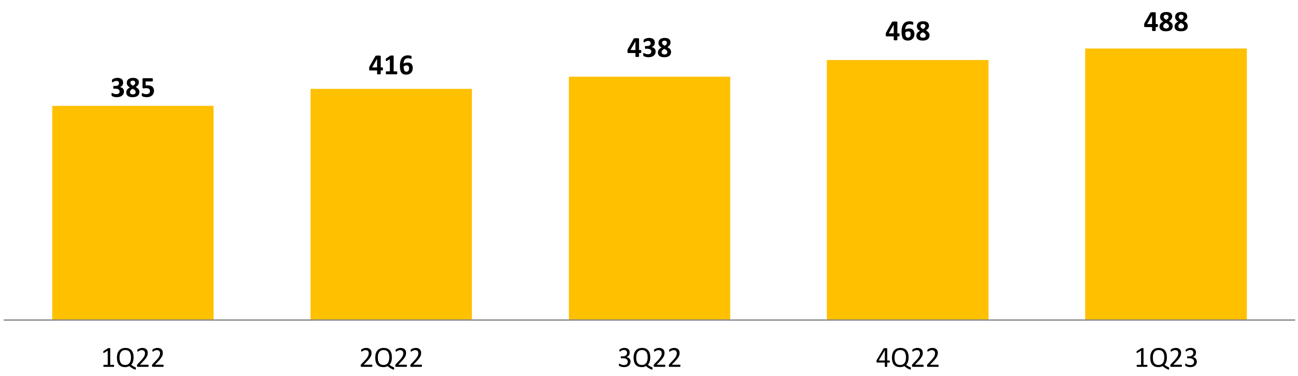
Cash cost of services provided totaled R$488.5 million in 1Q23, 27% higher than in the same period the previous year, chiefly due to the 15% increase in the average number of own clubs compared to 1Q22, the recovery of the member base near pre-pandemic levels with the consequent increase in costs in the same units, and the consolidation of the result of operation in Panama and Costa Rica, which accounted for R$14 million of cash cost in the quarter, which is equivalent to 4% of the cost increase.

Cash Cost of Services Provided by Type

Cash Cost of Services Rendered[a,b] (R$ million)	1Q23	1Q22	1Q23 vs.1Q22	4Q22	1Q23 vs. 4Q22
Occupation	202.3	160.6	26%	183.0	11%
Personnel	127.6	93.7	36%	121.5	5%
Consumption	85.0	65.3	30%	82.7	3%
Other	73.6	65.7	12%	80.7	(9%)
Cash Cost of Services Rendered	**488.5**	**385.3**	**27%**	**467.9**	**4%**

(a) For a 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; (b) In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023.

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



Compared to 4Q22, cash cost in 1Q23 increased R$20.6 million, up 4%, mainly due to the consolidation of cash costs of operation in Panamá and Costa Rica (R$14 million of cash cost in the quarter). Occupancy costs increased 11% vs. 4Q22 and other operating costs (personnel, consumption and others) remained stable in relation to 4Q22, reflecting the positive effects of higher operating efficiency and the renegotiation of agreements with suppliers and the lower impact of costs related to the opening of new units.

Assuming a recurring base by excluding cash cost of operation in Panama and Costa Rica, cash cost would have increased 1% in relation to the previous quarter, lower than the 4% increase in average number of own stores, with occupancy costs increasing 8%, negatively affected by the high number of units opened in the last quarter. Other costs decreased 3% compared to the previous quarter, despite the increase in the average base of own clubs and members, which attests to the efforts for higher operating efficiency at units.

The Company remains focused on cost management to mitigate the impact of the inflationary scenario on its operation, thereby protecting its profitability and competitiveness. Considering only the units opened until 2019, costs increased 11% from the baseline (January/February 2020), due to the reduction in personnel costs as a result of changes in the headcount at the units in the last years, constant negotiations of rents, projects to improve operating efficiency, renegotiation of agreements with suppliers, and energy efficiency projects. Note that cumulative inflation from 2020 to March 2023 was 24.3% for IPCA and 53.3% for IGP-M in Brazil, 21.2% in Mexico and 26.9% in Colombia, showing the Company's diligent cost management.

In these units, costs decreased 2 p.p. from 4Q22, due to the combination of operating efficiency projects and the cost base in 2022 that was concentrated in 4Q22, such as provision for profit sharing. Compared to the recurring cost basis of the previous quarter, costs in these units increased 1p.p. in relation to 4Q22, below cumulative inflation in the period in these markets, which shows the Company's diligent cost management.

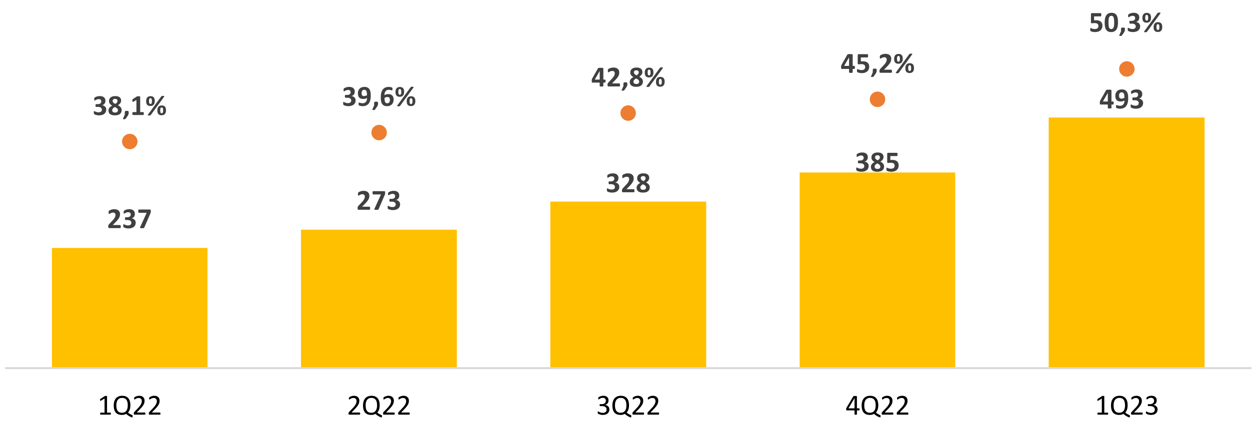
CASH GROSS PROFIT

Cash gross profit in 1Q23 totaled R$493.5 million, increasing R$256.8 million from 1Q22, due to the consistent opening of new clubs and the recovery of margin at existing units. Moreover, the consolidation of the operation in Panamá and Costa Rica in 1Q23 accounted for R$20 million of cash gross profit in the period. Cash gross margin stood at 50.3% in 1Q23, increasing 12.2p.p. from 1Q22, the Company's second-best quarter ever, driven by the high revenue growth and a rigorous focus on cost management, which allowed strong dilution of fixed costs.

Cash Gross Profit[a,b] (R$ million)	**1Q23**	**1Q22**	**1Q23 vs.1Q22**	**4Q22**	**1Q23 vs. 4Q22**
Net Revenue	**981.9**	**622.0**	**58%**	**853.1**	**15%**
(-) Cash Costs of Services Provided	488.5	385.3	27%	467.9	4%
Cash Gross Profit[d]	**493.5**	**236.6**	**109%**	**385.2**	**28%**
Cash Gross Margin	*50.3%*	*38.0%*	12.2 p.p.	*45.2%*	5.1 p.p.
(+) Pre-Operating Costs	2.6	5.7	(55%)	6.2	(58%)
Cash Gross Profit before Pre-Operating Costs[e]	**496.0**	**242.3**	**105%**	**391.3**	**27%**
Cash Gross Margin before Pre-Operating Costs	*50.5%*	*39.0%*	11.6 p.p.	*45.9%*	4.6 p.p.

(a) For a better analysis of the performance of our operations, all indicators exclude the effects of IFRS-16, depreciation and amortization; (b) In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023; (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 4Q22, cash gross profit increased R$108.3 million in 1Q23, or 28%, while cash gross margin rose 5.1 p.p., with expansion in all segments and regions, mainly driven Mexico and Brazil, whose cash gross margin increased 5.8 p.p. and 5.4 p.p. respectively in relation to the previous quarter. Cash gross margin expanded due to operating leverage resulting from the continuous increase in average revenue per club, fueled by the recovery of the member base and the increase in average ticket, combined with rigorous cost management.

At Smart Fit clubs inaugurated until 2019, net revenue reached 117% of the baseline in January and February 2020, surpassing cash cost baseline for the first time, which totaled 111%, totaling a gross margin of 52% in 1Q23, mainly due to intense and successful efforts on operating efficiency and member attraction combined with initiatives to optimize revenue per club in a sustainable manner. Under the mature stores concept[1], gross income per annualized unit in the quarter was R$2.1 million.

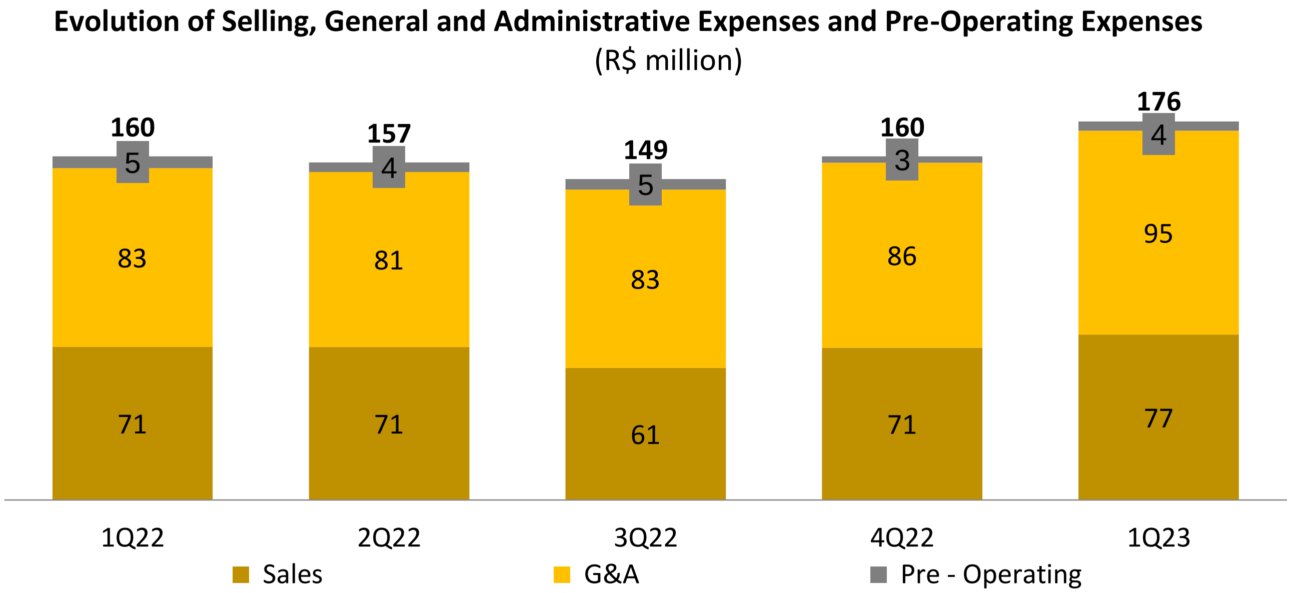
GENERAL AND ADMINISTRATIVE EXPENSES:

Selling, general and administrative expenses[a,b,c] (R$ million)	1Q23	1Q22	1Q23 vs.1Q22	4Q22	1Q23 vs. 4Q22
Selling expenses	76,8	71,2	8%	70,8	8%
General and administrative expenses	94,8	83,1	14%	85,9	10%
Pre-operating expenses	4,3	5,5	(21%)	3,0	45%
Total	**176,0**	**159,7**	**10%**	**159,8**	**10%**

(a) For a 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"; (c) In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023.

Selling, general and administrative expenses totaled R$176.0 million in 1Q23, 10% more than in 1Q22, due to the increase in general and administrative expenses, the increase in selling expenses incurred to attract more members, partially linked to the growing number of Company's units, and the consolidation of results of operation in Panama and Costa Rica, which added R$3.3 million in selling, general and administrative expenses in 1Q23. Excluding Panamá e Costa Rica in 1Q23, these expenses would have increased 8% vs. 1Q22.

(1) A club is considered mature when it is at least 24 months old at the start of the calendar year.



Assuming a recurring basis of selling, general and administrative expenses by excluding expenses of operation in Panama and Costa Rica in 1Q23, these expenses would have increased 8% in relation to the previous quarter. In this scenario, selling expenses would have increased 7% compared to 4Q22 and general and administrative expenses would have increased 8%.

Compared to 4Q22, selling, general and administrative expenses increased 10%, corresponding to 17.9% of net revenue, representing a dilution of 0.8 p.p. in the quarter. Selling expenses increased 8% vs. 4Q22, explained by the consolidation of selling expenses of the operation in Panama and Costa Rica and the seasonal effects in the quarter, since more marketing investments are made in the period considering that the first quarter is the most important for the sector in sales of new plans. In the quarter, selling expenses diluted 0.5 p.p. as a percentage of net revenue in relation to 4Q22, despite the unfavorable seasonal effects in the quarter, and accounted for 7.8% of revenue in 1Q23. General and administrative expenses increased 10% in relation to 4Q22, chiefly due to the expenses with new businesses, the annual event with managers and leaders of clubs from the different countries, and the consolidation of general and administrative expenses of the operation in Panama and Costa Rica. General and administrative expenses corresponded to 9.7% of net revenue in the quarter, representing a dilution of 0.4 p.p. in the period, given the continuous recovery of revenue at mature clubs and the maturation of new units.

EBITDA

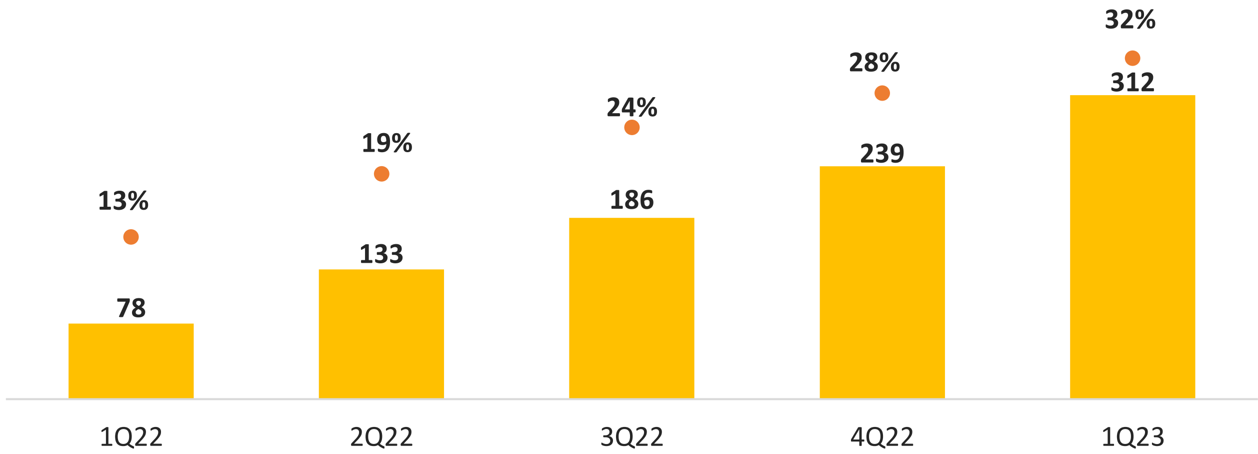
EBITDA Breakdown[a,b] (R$ million)	**1Q23**	**1Q22**	**1Q23 vs.1Q22**	**4Q22**	**1Q23 vs. 4Q22**
Net Income	**105,3**	**(75,4)**	**-**	**74,8**	**41%**
(+) Income Taxes (IR & CSLL)	21,1	2,7	675%	(4,4)	-
(+) Financial Result	31,5	23,7	33%	28,2	12%
(+) Depreciation	145,7	115,3	26%	131,0	11%
EBITDA	**303,7**	**66,4**	**357%**	**229,7**	**32%**
EBITDA Margin	*30,9%*	10,7%	*20,3p.p.*	*26,9%*	*4,0p.p.*
(+) Pre-operating costs and expenses	(6,9)	(11,2)	(38%)	(9,1)	(24%)
EBITDA before pre-operating expenses	**310,6**	**77,5**	**300%**	**238,8**	**30%**
EBITDA margin before pre-operating costs and expenses	*31,6%*	12,5%	*19,2p.p.*	*28,0%*	*3,6p.p.*

(a) For a 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) In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023.

1Q23 was the seventh straight quarter of strong EBITDA growth, which attests to the high operating leverage of the business. EBITDA before pre-operating expenses totaled R$310.6 million, compared to R$77.5 million in 1Q22, with a 19.2 p.p. increase in EBITDA margin before pre-operating expenses in the period, due to the continued expansion of the member base in the period and the consequent revenue growth and dilution of costs and expenses. The consolidation of the operation in Panamá and Costa Rica accounted for R$16.7 million of EBITDA in the quarter.

Evolution of EBITDA and EBITDA Margin before Pre-Operating Expenses

(R$ million and % of net revenue)



Compared to 4Q22, EBITDA before pre-operating expenses increased R$71.8 million in 1Q23, up 30%, positively affected by the 15% revenue growth and consequent dilution of costs and expenses, which once again led to an increase of 3.6 p.p. in EBITDA margin before pre-operating costs, which ended the quarter at 31.6%, with expansion in all regions, one of the Company's highest profitability levels ever.

EBITDA by Region

To enable a 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 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,b] (R$ million)	1Q23	1Q22	1Q23 vs.1Q22	4Q22	1Q23 vs. 4Q22
Brazil[c]	177,3	57,2	210%	133,3	33%
Mexico[c]	87,4	32,4	170%	71,4	22%
Other Latin America[c]	147,6	70,3	110%	106,7	38%
G&A expenses and other operating expenses	(110,5)	(94,2)	17%	(85,3)	30%
Equity Income	1,8	0,6	177%	3,6	(50%)
EBITDA	**303,7**	**66,4**	**357%**	**229,7**	**32%**

(a) For a 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) In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023; (c) 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 Brazil, EBITDA was R$177.3 million in 1Q23, compared to R$57.2 million in 1Q22, up R$120.0 million due to the higher average revenue per club. Compared to 4Q22, EBITDA from Brazil increased 33%, due to the 9% growth in revenue in the region caused by the increase in average membership per club and average ticket, resulting in strong operating leverage with dilution of costs and selling expenses as a percentage of net revenue. EBITDA margin in the quarter was 37.9%, expanding 6.8 p.p. in relation to the previous quarter.

In Mexico, EBITDA was R$87.4 million in 1Q23 compared to 1Q22, up R$55.0 million due to the higher average revenue per club. Compared to 4Q22, EBITDA from Mexico increased 22%, due to the 15% growth in revenue in the region caused by the increase in number of clubs and the increase in average ticket, resulting in solid operating leverage with strong dilution of costs partially offset by higher selling expenses. EBITDA margin in the quarter was 38.5%, expanding 2.4 p.p. in relation to the previous quarter.

In Other Latin America region, EBITDA was R$147.6 million in 1Q23, compared to R$70.3 million in 1Q22, up R$77.3 million due to the strong increase in average revenue per club and the full recovery of member base, which led to significant increase in revenue and dilution of costs compared to 1Q22. Compared to 4Q22, EBITDA in the region increased 38%, positively affected by the consolidation of EBITDA of operations in Panama and Costa Rica that added R$18.8 million of EBITDA, before general and administrative expenses, in the quarter and the increase in average revenue per club, resulting in operating leverage and dilution of selling expenses.

NET PROFIT FROM THE PERIOD

In 1Q23, the Company registered net profit for the third straight quarter, amounting to R$105.3 million, which is the Company's highest net profit ever, and net margin of 10.7%, reversing the loss in 1Q22, mainly due to EBITDA growth of R$237 million in the last 12 months. Compared to 4Q22, net profit in the period increased 41%, mainly due to the R$74.0 million added to EBITDA, partially offset by the increase in income taxes (IRPJ and CSLL).

OPERATING CASH FLOW

Operating Cash Flow[a] (R$ million)	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
EBITDA	**303.7**	**66.4**	**357%**	**229.7**	**32%**
Itens of result with no impact on cash[b]	23.9	57.8	(59%)	30.6	(22%)
IR/CSLL Paid	(2.7)	(11.6)	(76%)	(2.3)	20%
Working capital variation	**43.1**	**(37.6)**	**n/a**	**(99.6)**	**n/a**
Receivables	(30.1)	(21.9)	37%	(63.0)	(52)%
Suplliers	27.1	(26.5)	n/a	(3.0)	n/a
Wages, provisions and social contributions	18.2	7.6	138%	(14.4)	n/a
Taxes[c]	27.9	3.2	780%	(19.3)	n/a
Operating Cash Flow	**367.9**	**75.0**	**391%**	**158.4**	**132%**

(a) In 1Q23, the Company acquired 100% of the operation in Panama and Costa Rica and, hence, its results and balance sheet are now consolidated in the Company's financial statements starting from 2023, for cash generation purposes the balance considered in the balance sheets of the Panama operation, referring to January 1 of 2023; (b) Includes mainly equity income, asset write-offs, deferred revenue and provisions; (c) Includes taxes on sales and services.

In 1Q23, operating cash flow was R$367.9 million, better than the performance in 1Q22, thanks to the continuous revenue growth resulting from the strong recovery of member base and the increase in average ticket. These factors, combined with the Company's cost and expense control measures, enabled EBITDA growth of R$237.3 million in 1Q23 versus 1Q22, positively impacting operating cash flow. Compared to 4Q22, operating cash flow increased R$209.5 million, positively affected by the increase in EBITDA in the period and the positive variation in working capital.

CAPEX

Capex[a] (R$ million)	1Q23	1Q22	1Q23 vs.1Q22	4Q22	1Q23 vs. 4Q22
Capex	**228,4**	**213,3**	**7%**	**293,3**	**(22%)**
Expansion	177,6	191,8	(7%)	243,6	(27%)
Maintenance	35,0	16,5	112%	37,8	(7%)
Corporate and Innovation	15,8	5,0	218%	11,9	32%

(a) In 1Q23, the Company acquired 100% of the operation in Panama and Costa Rica and, hence, its results and balance sheet are now consolidated in the Company's financial statements starting from 2023

In 1Q23, capex was R$228.4 million, up R$15.1 million from 1Q22, due to the higher investments in maintenance and corporate/innovation projects. In the quarter, expansion capex totaled R$177.6 million, due to the end of measurement of construction works of units opened in 4Q22, the construction of units inaugurated this quarter and the start of investments in the construction of units that will be inaugurated in the following quarters, with the maintenance of average investment per unit in local currency. Expansion capex decreased R$14.2 million compared to the same quarter of the previous year, due to the lower number of units opened in the period. The maintenance capex totaled R$35.0 million, up R$18.5 million from 1Q22, due to the higher utilization of clubs, representing 5.1% of gross revenue of mature units in the period. Capex on corporate and innovation projects totaled R$15.8 million in 1Q23, versus R$5.0 million in 1Q22.

Compared to 4Q22, capex decreased 22%, mainly due to lower investments in expansion. Expansion capex decreased 27% when compared to 4Q22, due to the lower number of units opened in the period, but affected by the end of measurement of construction works of units opened in 4Q22 and the start of construction of units to be inaugurated in the coming quarters. Maintenance capex decreased 7% (R$2.8 million), due to the acquisition and replacement of equipment in some units. Capex on corporate and innovation projects increased R$3.8 million in relation to 4Q22, mainly due to the necessary renovation of one of the Company's corporate offices.

CASH AND DEBT

Cash and Debt[a] (R$ million)	1Q23	4Q22	3Q22	2Q22	1Q22
Cash and Cash Equivalents	2,772	2,923	2,711	2,764	3,461
Gross Debt [b]	3,520	3,538	3,205	3,144	3,639
By nature:					
Loans and debentures	3,405	3,420	3,074	3,018	3,506
Lease liability - equipment	115	118	131	126	134
By maturity					
Short-term	678	542	514	463	537
Long-term	2,842	2,995	2,691	2,681	3,103
Net Debt (Net cash) [c]	748	615	495	381	178
Net Debt/ EBITDA LTM [d]	0.66x	0.83x	0.58x	0.62x	0.33x

(a) In 1Q23, the Company acquired 100% of the operation in Panama and Costa Rica and, hence, its results and balance sheet are now consolidated in the Company's financial statements starting from 2023; (b) "Gross Debt" includes the operational lease liability of equipment; (c) "Net debt" considers short- and long-term loans, financing and operating leases (excluding property leases) with financial institutions, less cash and guarantees; (d) the "Net Debt/EBITDA LTM" indicator uses the definition of net debt and EBITDA of the Company's debentures.

At the end of 1Q23, Smart Fit held a solid cash position of R$2,772 million and gross debt of R$3,520 million, 81% of it maturing in the long term. Net debt ended the quarter at R$748 million, resulting in a net debt/EBITDA LTM ratio of 0.66x, lower than in 4Q22, due to the strong increase in EBITDA in the last twelve months. 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 from borrowings, whose terms have improved gradually in the last 12 months, which enabled the Company to increase its cash position and lengthen its debt maturities.

In January 2023, the Company concluded the payment of the first installment related to the exercise of put option by the shareholders of Sporty Panamá in the amount of R$130 million, now remaining USD33.1 million to be paid to former shareholders of the joint venture in January 2024. During the quarter, the Company reduced compensatory interest rate levying on some borrowings, which reflects the continuous improvement in its credit profile. Two examples of this initiative are the renegotiation of interest rate of the fifth issue of debentures from CDI + 2.25% to CDI + 2.15% and the issue of R$267 million in Credit Notes at the cost of CDI + 2.15% using the proceeds to prepay the same amount of debt at the cost of CDI + 2.50%, both contributing to reduce the Company's weighted average debt cost.

The Company maintains the maturities of loans and financing in line with its capacity to generate operating cash flow and accesses local financing lines in order to drive its organic expansion in the countries where it operates. At the end of 1Q23, the debt maturity schedule was as follows:

Gross Debt Maturites [a]	2023[b]	2024	2025	2026	2027	2028	2029	Total
% of total	15%	23%	16%	13%	15%	14%	4%	**100%**
Total	544	800	558	463	540	483	132	**3,520**
Brazil	153	248	121	359	490	483	132	**1,986**
Mexico	165	202	115	57	40	0	0	**579**
Other Latin America [c]	226	350	322	48	9	0	0	**955**

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

<u>Financial numbers shown from this point reflect the adoption of IFRS-16</u>

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.

smart fit

Statement of Profit and Loss (R$ million)	1Q23 Reported	Impacts of IFRS 16	1Q23 excluding IFRS 16	1Q22 Reported	Impacts of IFRS 16	1Q22 excluding IFRS 16
Net Revenue	981.9	-	981.9	622.0	-	622.0
Cost of services	(579.7)	49.7	(629.5)	(457.3)	37.4	(494.7)
Rents and other occupation costs	(31.9)	171.7	(203.7)	(32.4)	131.4	(163.8)
Depreciation and amortization (cost)	(263.0)	(122.0)	(141.0)	(203.4)	(94.0)	(109.4)
Gross profit	402.2	49.7	352.5	164.7	37.4	127.3
SG&A	(195.6)	0.8	(196.3)	(175.9)	1.0	(176.9)
Selling expenses	(76.8)	-	(76.8)	(71.2)	-	(71.2)
General and administrative	(92.9)	1.9	(94.8)	(81.3)	1.8	(83.1)
Rents and other occupation costs	(1.4)	1.9	(3.2)	(0.8)	1.8	(2.5)
Depreciation and amortization (costs)	(5.8)	(1.1)	(4.7)	(6.8)	(0.8)	(6.0)
Others (expenses) revenue	(15.6)	-	(15.6)	(11.2)	-	(11.2)
Equity accounting	1.8	-	1.8	0.6	-	0.6
Operating profit (loss) before financial result	208.4	50.5	157.9	(10.5)	38.4	(49.0)
Financial Result	(103.4)	(71.9)	(31.5)	(77.2)	(53.5)	(23.7)
Income tax and Social Contribution	(21.1)	-	(21.1)	(2.7)	-	(2.7)
Net profit	83.9	(21.4)	105.3	(90.5)	(15.1)	(75.4)

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

Gross profit	402.2	49.7	352.5	164.7	37.4	127.3
Depreciation and amortization (costs)	263.0	122.0	141.0	203.4	94.0	109.4
Gross profit excluding depreciation	665.2	171.7	493.5	368.1	131.4	236.6
Gross Margin excluding depreciation	*67.7%*		*50.3%*	*59.2%*		*38.0%*

Net profit	83.9	(21.4)	105.3	(90.5)	(15.1)	(75.4)
(-) IR & CSLL	21.1	-	21.1	2.7	-	2.7
(-) Financial Result	103.4	71.9	31.5	77.2	53.5	23.7
(-) Depreciation and amortization	268.8	123.1	145.7	210.1	94.8	115.3
EBITDA	477.3	173.6	303.7	199.6	133.2	66.4
EBITDA Margin	*48.6%*	*0.0%*	*30.9%*	*32.1%*	*0.0%*	*10.7%*

**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	
	1Q23	1Q22 and 4Q22	1Q23	1Q22 and 4Q22
Brazil, Mexico, Colombia, Chile, Peru, Argentina, Paraguay and Queima Diária	Consolidated	Consolidated	Consolidated	Consolidated
Panama and Costa Rica	Consolidated	Equity accounting [a]	Consolidated	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. In 1Q23, the Company acquired 100% of the operation in Panamá and Costa Rica and, hence, its results are now consolidated in the Company's financial statements starting from 2023.

INCOME STATEMENT

INCOME STATEMENT (R$ million)	1Q23	1Q22	1Q23 vs.1Q22	4Q22	1Q23 vs. 4Q22
Net Revenue	**981,9**	**622,0**	**58%**	**853,1**	**15%**
Costs of Services Rendered	(579,7)	(457,3)	27%	(552,1)	5%
Gross Profit	**402,2**	**164,7**	**144%**	**301,0**	**34%**
Operating revenues (expenses)					
Sales	(81,2)	(76,7)	6%	(73,8)	10%
General and administrative	(98,8)	(88,1)	12%	(90,0)	10%
Equity accounting	1,8	0,6	178%	3,6	(50%)
Other (expenses) revenues	(15,6)	(11,2)	40%	0,6	n/a
Profit before financial result	208,4	(10,5)	n/a	141,4	47%
Financial result	(103,4)	(77,2)	34%	(94,3)	10%
Profit before IR/CS	105,0	(87,8)	n/a	47,0	123%
Income tax and Social Contribution	(21,1)	(2,7)	675%	4,4	n/a
Net profit (loss)	**83,9**	**(90,5)**	**n/a**	**51,4**	**63%**

BALANCE SHEET

ASSETS (R$ million)	1Q23	1Q22
CURRENT	**3.430**	**3.964**
Cash and cash equivalents	2.772	3.492
Customers	301	218
Derivative financial instruments	9	0
Other receivables	348	254
NON-CURRENT	**9.008**	**7.162**
Permanent assets	3.447	2.635
Right-of-use assets	3.293	2.660
Intangible assets	1.694	1.385
Investment	43	136
Other assets	532	345
TOTAL ASSETS	**12.438**	**11.126**

LIABILITY (R$ million)	1Q23	1Q22
CURRENT	**2.091**	**1.418**
Borrowings	624	483
Lease liabilities	482	384
Suppliers	290	174
Deferred revenue	235	216
Accounts Payable	73	0
Other liabilities	387	161
NON-CURRENT	**5.980**	**5.574**
Borrowings	2.781	3.023
Lease liabilities	3.102	2.480
Other liabilities	97	70
SHAREHOLDERS’ EQUITY	**4.366**	**4.134**
Share capital	2.970	2.970
Capital reserves	2.300	2.290
Accumulated losses	(1.293)	(1.377)
Other comprehensive income	366	217
Noncontrolling interest	23	34
TOTAL LIABILITY AND SHAREHOLDERS’ EQUITY	**12.438**	**11.126**

CASH FLOW

Cash Flow Statement (R$ million)	1Q23	1Q22	1Q23 vs.1Q22	4Q22	1Q23 vs. 4Q22
Cash Flow from Operating Activities					
Result for the Period	83,9	(90,5)	n/a	51,4	63%
Depreciation and amortization	268,8	210,1	28%	246,8	9%
Write-off of intangible assets and fixes assets	17,0	18,1	(06%)	(1,5)	n/a
Accrued interest on debt and exchange variation	119,5	96,2	24%	108,8	10%
Accrued interest on leases	79,9	64,8	23%	79,1	1%
Others	(66,3)	(48,4)	37%	(72,0)	(8%)
Working capital variation	21,2	(26,4)	n/a	(44,3)	n/a
Cash generated by (used in) operating activities	**524,0**	**224,0**	**134%**	**368,3**	**42%**
Interest paid on loans and debentures	(54,6)	(27,2)	101%	(133,3)	(59%)
Interest paid on leases	(79,0)	(63,6)	24%	(77,1)	2%
Income tax and social contribution paid	(2,7)	(11,6)	(76%)	(2,3)	20%
Net cash generated by (used in) operating activities	**387,6**	**121,6**	**219%**	**155,5**	**149%**
CASH FLOW FROM INVESTMENT ACTIVITIES					
Additions to fixed asset	(224,9)	(212,1)	6%	(292,7)	(23%)
Additions to intangible assets	(3,5)	(6,5)	(47%)	(5,5)	(37%)
Initial direct costs of right-of-use assets	(8,2)	(7,5)	9%	(11,6)	(30%)
Payments for the acquisition of group of assets, subsidiary and joint venture	(85,9)	0,0	n/a	0,0	n/a
Capital increase in subsidiary and joint venture	0,0	(4,4)	n/a	0,0	n/a
Financial Investments	299,7	(64,4)	n/a	(5,0)	n/a
Related parties and loans with third parties	(2,3)	(0,3)	n/a	7,4	n/a
Payment of contingent consideration	(0,5)	0,0	n/a	0,0	n/a
Net cash used in investment activities	**(25,5)**	**(295,3)**	**(91%)**	**(307,3)**	**(92%)**
CASH FLOW FROM FINANCING ACTIVITIES					
Payment of loans and costs	(194,4)	(111,9)	74%	(91,5)	112%
Proceeds from loans	36,4	107,1	(66%)	461,3	(92%)
Payment of lease	(118,5)	(98,7)	20%	(104,0)	14%
Capital Increase - controllers	0,0	5,0	(100%)	(11,8)	(100%)
Others	(4,9)	(6,6)	(26%)	5,6	n/a
Net cash generated by (used in) financing activities	**(281,4)**	**(105,1)**	**168%**	**259,7**	**n/a**
INCREASE (REDUCTION) OF BALANCE OF CASH AND EQUIVALENT	**80,6**	**(278,9)**	**n/a**	**107,9**	**(25%)**
Opening balance	1.251,4	1.957,8	(36%)	1.128,6	11%
Closing balance	1.337,1	1.611,7	(17%)	1.251,4	7%
Exchange variation on cash and cash equivalents	5,0	(67,3)	n/a	14,9	(66%)