

Odontoprev S.A.

Financial Statements (FS)

at December 31, 2020

(A free translation of the original in Portuguese)

(A free translation of the original in Portuguese)

Financial Statements (FS) - 12/31/2020 - ODONTOPREV S.A.

Company financial information/capital breakdown

Number of shares (units)	Current period 12/31/2020
From paid-in capital	
Common	531,294,732
Preferred	-
Total	531,294,732
Treasury shares	
Common	893,541
Preferred	-
Total	893,541

Company financial information/balance sheet - assets

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year 12/31/2020	Prior year 12/31/2019
1	Total assets	1,859,934	1,708,498
1.01	Current assets	928,593	761,509
1.01.01	Cash and cash equivalents	33,446	25,579
1.01.02	Financial instruments	682,265	499,401
1.01.02.01	Financial instruments measured at fair value through income	682,265	499,401
1.01.02.01.03	Financial investments that guarantee technical provisions	158,502	130,749
1.01.02.01.04	Financial investments for trading portfolio	523,763	368,652
1.01.03	Trade receivables	144,108	150,189
1.01.03.01	Customers	132,854	141,858
1.01.03.01.01	Dental care/premium receivables	154,325	180,002
1.01.03.01.02	Allowance for doubtful accounts	(30,557)	(46,887)
1.01.03.01.03	Participation of beneficiaries in indemnifying events/claims	1,486	1,669
1.01.03.01.05	Dental care operators	7,600	7,074
1.01.03.02	Sundry receivables	11,254	8,331
1.01.03.02.01	Advances to suppliers and other	788	295
1.01.03.02.02	Advances to employees	4,860	5,315
1.01.03.02.03	Other receivables	5,606	2,721
1.01.06	Taxes recoverable	36,462	55,913
1.01.06.01	Current taxes recoverable	36,462	55,913
1.01.06.01.01	Tax and social security credits	36,462	55,913
1.01.07	Prepaid expenses	32,312	30,427
1.01.07.01	Deferred acquisition costs (DAC)	26,152	28,394
1.01.07.20	Other	6,160	2,033
1.02	Non-current assets	931,341	946,989
1.02.01	Long-term receivables	81,452	107,234
1.02.01.03	Financial investments measured at amortized cost	16,541	15,824
1.02.01.03.01	Financial investments that guarantee technical provisions	16,541	15,824
1.02.01.07	Deferred taxes	32,601	38,634
1.02.01.07.01	Deferred income tax and social contribution	32,601	38,634
1.02.01.10	Other non-current assets	32,310	52,776
1.02.01.10.03	Judicial deposits	17,831	13,485
1.02.01.10.04	Other receivables	14,379	14,943
1.02.01.10.05	Securities and credits receivable	100	100
1.02.01.10.06	Tax and social security credits (taxes recoverable)	-	24,248
1.02.02	Investments	54,783	52,049
1.02.02.01	Equity interests	54,783	52,049
1.02.02.01.02	Interests in subsidiaries	49,589	47,756
1.02.02.01.03	Interests in joint ventures	5,194	4,293
1.02.03	Property, plant and equipment	40,435	41,634
1.02.03.01	Property, plant and equipment in use	18,652	16,553
1.02.03.01.01	Property, plant and equipment for own use	13,179	9,866
1.02.03.01.02	Other fixed assets	5,473	6,687
1.02.03.02	Right of use in leasehold	21,783	25,074
1.02.03.02.01	Right of use (IFRS 16)	21,783	25,074
1.02.03.03	Fixed assets in progress	-	7
1.02.03.03.01	Fixed assets in progress	-	7
1.02.04	Intangible assets	754,671	746,072
1.02.04.01	Intangible assets	754,671	746,072
1.02.04.01.02	Goodwill on acquisition of investments	638,669	638,669
1.02.04.01.03	System development and software use licenses	82,625	65,778
1.02.04.01.05	Allocated intangible assets	33,377	41,625

Company financial information/balance sheet - liabilities and equity

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year 12/31/2020	Prior year 12/31/2019
2	Total liabilities and equity	1,859,934	1,708,498
2.01	Current liabilities	504,497	463,629
2.01.01	Social security and labor charges	31,168	34,399
2.01.01.01	Social charges	3,174	4,376
2.01.01.01.01	Charges payable	3,174	4,376
2.01.01.02	Labor charges	27,994	30,023
2.01.01.02.01	Salaries, vacation pay and fees	27,994	30,023
2.01.02	Suppliers	16,450	10,257
2.01.02.01	Domestic suppliers	16,450	10,257
2.01.02.01.01	Commissions payable	2,619	5,806
2.01.02.01.02	Suppliers of goods and services	11,072	3,420
2.01.02.01.03	Other debits of dental care operations	193	241
2.01.02.01.04	Consideration/premiums to be repaid	219	268
2.01.02.01.05	Lease liability (IFRS 16)	3,856	2,584
2.01.02.01.06	Present value adjustment (PVA) - lease liability (IFRS 16)	(1,509)	(2,062)
2.01.03	Tax liabilities	31,484	28,343
2.01.03.01	Federal tax liabilities	22,598	19,633
2.01.03.01.01	Income tax and social contribution payable	9,797	6,029
2.01.03.01.02	Other federal tax liabilities	12,801	13,604
2.01.03.03	Municipal tax liabilities	8,886	8,710
2.01.05	Other liabilities	81,813	67,696
2.01.05.02	Other	81,813	67,696
2.01.05.02.01	Dividends and interest on capital payable	10,611	12,083
2.01.05.02.04	Advances from customers	600	1,310
2.01.05.02.05	Sundry payables	65,271	50,312
2.01.05.02.08	Investment payable	5,331	3,991
2.01.06	Provisions	343,582	322,934
2.01.06.02	Other provisions	343,582	322,934
2.01.06.02.04	Unsettled claims (UC)	71,148	46,242
2.01.06.02.05	Incurred but not reported claims (IBNR)	91,102	94,565
2.01.06.02.06	Unearned premiums (UP)	181,332	182,127
2.02	Non-current liabilities	153,158	133,504
2.02.02	Other liabilities	92,800	91,593
2.02.02.02	Other	92,800	91,593
2.02.02.02.03	Other liabilities	14,114	14,640
2.02.02.02.04	Fees payable	1,068	1,068
2.02.02.02.05	Put option in subsidiary	38,140	31,184
2.02.02.02.06	Investment payable	10,662	11,975
2.02.02.02.07	Lease liability (IFRS 16)	24,634	32,067
2.02.02.02.08	Present value adjustment (PVA) - Lease liability (IFRS 16)	(4,869)	(6,779)
2.02.02.02.09	Long-term incitement program	9,051	7,438
2.02.04	Provisions	60,358	41,911
2.02.04.01	Contingent liabilities (tax, social security, labor and civil)	46,777	30,537
2.02.04.01.01	Tax	34,201	24,198
2.02.04.01.02	Social security and labor	1,704	1,859
2.02.04.01.04	Civil	10,872	4,480
2.02.04.02	Other provisions	13,581	11,374
2.02.04.02.04	Installments of debts from taxes and contributions	2,196	2,983
2.02.04.02.05	Taxes and contributions payable	11,385	8,236
2.02.04.02.06	Installments of tax and social contribution debts (other payables)	-	155
2.03	Equity	1,202,279	1,111,365
2.03.01	Capital	607,869	607,869
2.03.02	Capital reserves	(10,672)	(2,262)
2.03.02.01	Goodwill on the issue of shares	48,392	48,392
2.03.02.04	Options granted	3,636	5,325
2.03.02.08	Additional paid-up capital	(23,267)	(23,643)
2.03.02.10	Put option in Subsidiary	(39,433)	(32,336)
2.03.04	Earnings reserves	605,082	505,758
2.03.04.01	Legal reserve	32,295	14,238
2.03.04.07	Tax incentive reserve	129	129
2.03.04.08	Additional dividend proposed	100,713	35,983
2.03.04.09	Treasury shares	(14,349)	(21,028)
2.03.04.10	Statutory reserve of regulatory capital	243,147	238,218
2.03.04.11	Investment and expansion reserve	243,147	238,218

Company financial information/statement of income

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
3.01	Gross sales and/or services revenue	1,736,993	1,778,599
3.01.01	Net premiums with dental care plan	1,819,670	1,842,530
3.01.04	Taxes on dental care plan operations	(82,677)	(63,931)
3.02	Cost of sales and/or services rendered	(711,176)	(810,151)
3.02.01	Indemnifiable claims, net	(665,253)	(776,457)
3.02.02	Social charges on services	-	40
3.02.03	Dental materials	(15,100)	(16,356)
3.02.04	Other operating costs	(34,286)	(5,301)
3.02.05	Variation of IBNR	3,463	(12,077)
3.03	Gross income	1,025,817	968,448
3.04	Operating revenues/expenses	(513,934)	(584,715)
3.04.01	Selling expenses	(191,901)	(201,748)
3.04.01.01	Selling expenses	(191,901)	(201,748)
3.04.02	General and administrative expenses	(264,672)	(285,114)
3.04.02.01	Administrative expenses	(264,496)	(279,252)
3.04.02.02	Right of use amortization (IFRS 16)	(3,183)	(3,316)
3.04.02.03	Leases	(3,137)	(6,810)
3.04.02.04	Leases (IFRS 16)	6,032	4,757
3.04.02.05	Income (loss) from the sale or disposal of non-current and other assets	112	(493)
3.04.04	Other operating revenues	3,371	3,597
3.04.04.01	Other operating revenues from dental care	1,261	519
3.04.04.02	Revenue from dental care not related to company's plans	2,110	3,078
3.04.05	Other operating expenses	(69,606)	(109,579)
3.04.05.01	Stock option plan	-	(2,755)
3.04.05.02	Allowance for doubtful accounts	(48,616)	(78,438)
3.04.05.03	Profit sharing	(10,813)	(14,241)
3.04.05.04	Long-term incitement program	(10,177)	(14,145)
3.04.06	Earnings of equity method	8,874	8,129
3.05	Income before financial results and taxes	511,883	383,733
3.06	Financial results, net	6,599	19,307
3.06.01	Financial income	20,377	31,918
3.06.01.01	Financial income	20,377	31,918
3.06.02	Financial expenses	(13,778)	(12,611)
3.06.02.01	Financial expenses	(64,353)	(72,990)
3.06.02.02	Present value adjustment (PVA) - Lease liability (IFRS 16)	(2,443)	(2,177)
3.06.02.03	Reversal of interest on capital	53,018	62,556
3.07	Income before income taxes	518,482	403,040
3.08	Income tax and social contribution	(157,354)	(118,277)
3.08.01	Current	(151,321)	(114,411)
3.08.02	Deferred	(6,033)	(3,866)
3.09	Net income for the year from continuing operations	361,128	284,763
3.11	Income for the year	361,128	284,763
3.99	Earnings per share – (reais/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common	0.68104	0.53711
3.99.02	Diluted earnings per share		
3.99.02.01	Common	0.67990	0.53579

Company financial information/statement of comprehensive income

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
4.01	Income for the year	361,128	284,763
4.03	Comprehensive income for the year	361,128	284,763

Company financial information/statement of cash flows - indirect method

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
6.01	Net cash provided by operating activities	299,817	291,324
6.01.01	Cash from operations	596,367	535,744
6.01.01.01	Income for the year	361,128	284,763
6.01.01.02	Depreciation and amortization	21,610	19,211
6.01.01.03	Monetary variations, net	1,559	990
6.01.01.05	Contingent liabilities (tax, social security, labor and civil)	19,750	(717)
6.01.01.06	Income (loss) from the sale or disposal of non-current and other assets	(112)	493
6.01.01.07	Earnings of equity method	(8,874)	(8,129)
6.01.01.08	Allowance for doubtful accounts	48,616	78,438
6.01.01.09	Stock option plan	-	2,755
6.01.01.10	Variation of IBNR	(3,463)	12,077
6.01.01.11	Income tax and social contribution	157,354	118,277
6.01.01.12	Unearned premiums (UP)	(795)	26,850
6.01.01.13	Right of use amortization (IFRS 16)	3,183	3,316
6.01.01.14	Leases (IFRS 16)	(6,032)	(4,757)
6.01.01.15	Present value adjustment (PVA) - Lease liability (IFRS 16)	2,443	2,177
6.01.02	Changes in assets and liabilities	(296,550)	(244,420)
6.01.02.01	Financial instruments measured at fair value through income	(182,864)	(76,893)
6.01.02.02	Customers	(39,612)	(84,702)
6.01.02.03	Taxes recoverable, other receivables and prepaid expenses	14,643	(37,072)
6.01.02.05	Other non-current assets	21,259	36,081
6.01.02.06	Unsettled claims (UC)	24,906	7,890
6.01.02.09	Tax liabilities (taxes and contributions payable)	(367)	682
6.01.02.10	Labor charges, suppliers, advances from customers and other payables (sundry payables)	20,873	8,878
6.01.02.11	Non-current liabilities	(3,446)	17,545
6.01.02.13	Income tax and social contribution paid	(147,553)	(117,259)
6.01.02.14	Social charges	(1,202)	1,010
6.01.02.15	Commissions payable	(3,187)	(580)
6.02	Net cash used in investing activities	(27,097)	(18,326)
6.02.01	Purchases of property, plant and equipment	(7,158)	(9,063)
6.02.02	System development and software use licenses	(25,222)	(20,980)
6.02.05	Write-off of incorporated investments	-	14,187
6.02.06	Purchase of investments	-	(9,473)
6.02.07	Dividends received from Subsidiaries and Jointly-Controlled Subsidiaries	6,000	8,615
6.02.08	Advance for future capital increase and capital increase in investments	-	(1,015)
6.02.11	Financial investments measured at amortized cost	(717)	(597)
6.03	Net cash used in financing activities	(264,853)	(264,016)
6.03.01	Dividends and interest on capital paid	(270,219)	(250,714)
6.03.02	Repurchase of shares - in treasury	-	(41,781)
6.03.04	Receipt of stock options granted	5,366	28,479
6.05	Increase in cash and cash equivalents	7,867	8,982
6.05.01	Cash and cash equivalents at the beginning of the year	25,579	16,597
6.05.02	Cash and cash equivalents at the end of the year	33,446	25,579

Company financial information/statement of changes in equity - 01/01/2020 to 12/31/2020

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Capital	Capital reserves, options granted and treasury shares	Earnings reserves	Retained earnings	Total equity
5.01	Opening balance	607,869	(23,290)	526,786	-	1,111,365
5.03	Adjusted opening balance	607,869	(23,290)	526,786	-	1,111,365
5.04	Equity transactions with owners	-	(1,731)	64,730	(333,213)	(270,214)
5.04.05	Treasury shares sold	-	5,366	-	-	5,366
5.04.06	Dividends	-	-	(35,983)	(179,482)	(215,465)
5.04.07	Interest on capital	-	-	-	(53,018)	(53,018)
5.04.13	Additional dividend paid	-	-	100,713	(100,713)	-
5.04.19	Put option in Subsidiary	-	(7,097)	-	-	(7,097)
5.05	Total comprehensive income for the year	-	-	-	361,128	361,128
5.05.01	Income for the year	-	-	-	361,128	361,128
5.06	Internal changes in equity	-	-	27,915	(27,915)	-
5.06.01	Constitution of reserves	-	-	27,915	(27,915)	-
5.07	Closing balance	607,869	(25,021)	619,431	-	1,202,279

Company financial information/statement of changes in equity - 01/01/2019 to 12/31/2019

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Capital	Capital reserves, options granted and treasury shares	Earnings reserves	Retained earnings	Total equity
5.01	Opening balance	506,557	(7,806)	528,705	-	1,027,456
5.03	Adjusted opening balance	506,557	(7,806)	528,705	-	1,027,456
5.04	Equity transactions with owners	101,312	(15,484)	(87,347)	(199,335)	(200,854)
5.04.01	Capital increase	101,312	-	(101,312)	-	-
5.04.03	Stock options granted	-	2,755	-	-	2,755
5.04.04	Treasury shares acquired	-	(41,781)	-	-	(41,781)
5.04.05	Treasury shares sold	-	28,479	-	-	28,479
5.04.06	Dividends	-	-	(22,018)	(100,796)	(122,814)
5.04.07	Interest on capital	-	-	-	(62,556)	(62,556)
5.04.19	Put option in subsidiary	-	(4,937)	-	-	(4,937)
5.05	Total comprehensive income for the year	-	-	-	284,763	284,763
5.05.01	Income for the year	-	-	-	284,763	284,763
5.07	Closing balance	607,869	(23,290)	526,786	-	1,111,365

Company financial information/statement of value added

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
7.01	Revenue	1,771,054	1,764,092
7.01.01	Net premiums with dental care plan	1,819,670	1,842,530
7.01.04	Provision for/reversal of allowance for doubtful accounts	(48,616)	(78,438)
7.02	Inputs acquired from third parties	(1,020,273)	(1,147,633)
7.02.01	Cost of sales and services	(665,253)	(776,457)
7.02.02	Materials, energy, outsourced services and other	(19,500)	(21,000)
7.02.04	Other	(335,520)	(350,176)
7.02.04.01	Other operating revenues	(25,814)	3,489
7.02.04.02	Selling expenses	(191,162)	(201,072)
7.02.04.03	Administrative expenses	(122,007)	(140,516)
7.02.04.04	Variation of IBNR	3,463	(12,077)
7.03	Gross value added	750,781	616,459
7.04	Retentions	(24,793)	(22,527)
7.04.01	Depreciation, amortization and depletion	(21,610)	(19,211)
7.04.02	Other	(3,183)	(3,316)
7.04.02.01	Right of use amortization (IFRS 16)	(3,183)	(3,316)
7.05	Net value added generated by the entity	725,988	593,932
7.06	Value added received through transfer	29,251	40,047
7.06.01	Earnings of equity method	8,874	8,129
7.06.02	Financial income	20,377	31,918
7.07	Total value added to distribute	755,239	633,979
7.08	Distribution of value added	755,239	633,979
7.08.01	Personnel	110,202	116,497
7.08.01.01	Direct compensation	82,621	89,802
7.08.01.02	Benefits	21,459	20,754
7.08.01.03	Severance Indemnity Fund for Employees (FGTS)	6,122	5,941
7.08.02	Taxes and contributions	273,026	215,300
7.08.02.01	Federal	244,954	200,807
7.08.02.02	State	50	43
7.08.02.03	Municipal	28,022	14,450
7.08.03	Remuneration of third-party capital	10,883	14,664
7.08.03.02	Leases	(2,895)	2,053
7.08.03.03	Other	13,778	12,611
7.08.03.03.01	Financial expenses	13,778	12,611
7.08.04	Remuneration of own capital	361,128	284,763
7.08.04.01	Interest on capital	53,018	62,556
7.08.04.02	Dividends	280,195	136,779
7.08.04.03	Retained earnings	27,915	85,428
7.08.05	Other	-	2,755
7.08.05.01	Stock option plan	-	2,755

Consolidated financial information/balance sheet - assets

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year 12/31/2020	Prior year 12/31/2019
1	Total assets	1,921,049	1,768,742
1.01	Current assets	990,135	818,478
1.01.01	Cash and cash equivalents	34,847	27,067
1.01.02	Financial instruments	701,999	517,210
1.01.02.01	Financial instruments measured at fair value through income	701,999	517,210
1.01.02.01.03	Financial investments that guarantee technical provisions	159,388	131,619
1.01.02.01.04	Financial investments for trading portfolio	542,611	385,591
1.01.03	Trade receivables	171,327	177,496
1.01.03.01	Customers	146,674	161,666
1.01.03.01.01	Dental care/premium receivables	154,488	180,185
1.01.03.01.02	Allowance for doubtful accounts	(30,738)	(47,075)
1.01.03.01.03	Participation of beneficiaries in indemnifying events/claims	1,486	1,669
1.01.03.01.05	Dental care operators	7,631	7,920
1.01.03.01.07	Other healthcare plan receivables	13,807	18,967
1.01.03.02	Sundry receivables	24,653	15,830
1.01.03.02.01	Advances to suppliers and other	2,859	2,231
1.01.03.02.02	Advances to employees	6,518	6,902
1.01.03.02.03	Other receivables	15,276	6,697
1.01.04	Inventories	3,882	3,443
1.01.06	Taxes recoverable	45,098	62,401
1.01.06.01	Current taxes recoverable	45,098	62,401
1.01.06.01.01	Tax and social security credits	45,098	62,401
1.01.07	Prepaid expenses	32,982	30,861
1.01.07.01	Deferred acquisition costs (DAC)	26,152	28,394
1.01.07.20	Other	6,830	2,467
1.02	Non-current assets	930,914	950,264
1.02.01	Long-term receivables	88,106	113,890
1.02.01.03	Financial investments measured at amortized cost	16,541	15,824
1.02.01.03.01	Financial investments that guarantee technical provisions	16,541	15,824
1.02.01.07	Deferred taxes	35,659	41,508
1.02.01.07.01	Deferred income tax and social contribution	35,659	41,508
1.02.01.10	Other non-current assets	35,906	56,558
1.02.01.10.03	Judicial deposits	20,104	15,944
1.02.01.10.04	Other receivables	15,702	16,266
1.02.01.10.05	Securities and credits receivable	100	100
1.02.01.10.06	Tax and social security credits (taxes recoverable)	-	24,248
1.02.02	Investments	12,992	9,453
1.02.02.01	Equity interests	12,992	9,453
1.02.02.01.04	Interests in joint ventures	11,785	9,318
1.02.02.01.05	Interests in other companies	1,207	135
1.02.03	Property, plant and equipment	64,004	68,188
1.02.03.01	Property, plant and equipment in use	30,784	28,474
1.02.03.01.01	Property, plant and equipment for own use	23,554	19,719
1.02.03.01.02	Other fixed assets	7,230	8,755
1.02.03.02	Right of use in leasehold	33,220	38,961
1.02.03.02.01	Right of use (IFRS 16)	33,220	38,961
1.02.03.03	Fixed assets in progress	-	753
1.02.03.03.01	Fixed assets in progress	-	753
1.02.04	Intangible assets	765,812	758,733
1.02.04.01	Intangible assets	765,812	758,733
1.02.04.01.02	Goodwill on acquisition of investments	647,057	647,390
1.02.04.01.03	System development and software use licenses	85,378	69,718

Consolidated financial information/balance sheet - liabilities and equity

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year 12/31/2020	Prior year 12/31/2019
2	Total liabilities and equity	1,921,049	1,768,742
2.01	Current liabilities	545,538	499,943
2.01.01	Social security and labor charges	42,357	44,822
2.01.01.01	Social charges	5,340	6,200
2.01.01.01.01	Charges payable	5,340	6,200
2.01.01.02	Labor charges	37,017	38,622
2.01.01.02.01	Salaries, vacation pay and fees	37,017	38,622
2.01.02	Suppliers	23,531	15,289
2.01.02.01	Domestic suppliers	23,531	15,289
2.01.02.01.01	Commissions payable	3,212	6,118
2.01.02.01.02	Suppliers of goods and services	15,933	6,629
2.01.02.01.03	Other debits of dental care operations	193	240
2.01.02.01.04	Consideration/premiums to be repaid	219	268
2.01.02.01.05	Lease liability (IFRS 16)	6,258	5,208
2.01.02.01.06	Present value adjustment (PVA) - lease liability (IFRS 16)	(2,284)	(3,174)
2.01.03	Tax liabilities	36,923	32,267
2.01.03.01	Federal tax liabilities	26,549	23,084
2.01.03.01.01	Income tax and social contribution payable	10,114	5,881
2.01.03.01.02	Other federal tax liabilities	16,435	17,203
2.01.03.02	State tax liabilities	1,183	30
2.01.03.03	Municipal tax liabilities	9,191	9,153
2.01.05	Other liabilities	85,549	69,952
2.01.05.02	Other	85,549	69,952
2.01.05.02.01	Dividends and interest on capital payable	10,611	12,095
2.01.05.02.04	Advances from customers	883	1,442
2.01.05.02.05	Sundry payables	68,724	52,424
2.01.05.02.08	Investment payable	5,331	3,991
2.01.06	Provisions	357,178	337,613
2.01.06.02	Other provisions	357,178	337,613
2.01.06.02.04	Unsettled claims (UC)	71,178	46,349
2.01.06.02.05	Incurred but not reported claims (IBNR)	91,586	95,130
2.01.06.02.06	Unearned premiums (UP)	181,389	182,196
2.01.06.02.07	Other technical provisions (OTHER)	13,025	13,938
2.02	Non-current liabilities	168,926	152,306
2.02.02	Other liabilities	106,846	108,521
2.02.02.02	Other	106,846	108,521
2.02.02.02.03	Other liabilities	15,437	15,963
2.02.02.02.04	Fees payable	1,068	1,068
2.02.02.02.05	Put option in subsidiary	39,433	32,336
2.02.02.02.06	Investment payable	10,670	11,975
2.02.02.02.07	Lease liability (IFRS 16)	37,166	49,209
2.02.02.02.08	Present value adjustment (PVA) - Lease liability (IFRS 16)	(7,445)	(10,520)
2.02.02.02.09	Long-term incitement program	10,517	8,490
2.02.04	Provisions	62,080	43,785
2.02.04.01	Contingent liabilities (tax, social security, labor and civil)	48,499	32,411
2.02.04.01.01	Tax	35,486	25,377
2.02.04.01.02	Social security and labor	2,141	2,287
2.02.04.01.04	Civil	10,872	4,747
2.02.04.02	Other provisions	13,581	11,374
2.02.04.02.04	Installments of debts from taxes and contributions	2,196	2,983
2.02.04.02.05	Taxes and contributions payable	11,385	8,236
2.02.04.02.06	Installments of tax and social contribution debts (other payables)	-	155
2.03	Equity	1,206,585	1,116,493
2.03.01	Capital	607,869	607,869
2.03.02	Capital reserves	(10,672)	(2,262)
2.03.02.01	Goodwill on the issue of shares	48,392	48,392
2.03.02.04	Options granted	3,636	5,325
2.03.02.08	Additional paid-up capital	(23,267)	(23,643)
2.03.02.10	Put option in Subsidiary	(39,433)	(32,336)
2.03.04	Earnings reserves	605,082	505,758
2.03.04.01	Legal reserve	32,295	14,238
2.03.04.07	Tax incentive reserve	129	129
2.03.04.08	Additional dividend proposed	100,713	35,983
2.03.04.09	Treasury shares	(14,349)	(21,028)
2.03.04.10	Statutory reserve of regulatory capital	243,147	238,218
2.03.04.11	Investment and expansion reserve	243,147	238,218
2.03.05	Retained earnings	-	-
2.03.09	Non-controlling shareholders	4,306	5,128

Consolidated financial information/statement of income

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
3.01	Gross sales and/or services revenue	1,765,338	1,808,926
3.01.01	Net premiums with dental care plan	1,831,222	1,854,465
3.01.02	Sales of goods and services	13,445	16,645
3.01.04	Taxes on dental care plan operations	(83,415)	(64,636)
3.01.05	Taxes on sales of goods and services	(12,721)	(13,739)
3.01.06	Insurance	16,807	16,191
3.02	Cost of sales and/or services rendered	(713,143)	(810,365)
3.02.01	Indemnifiable claims, net	(662,534)	(772,143)
3.02.02	Social charges on services	(7)	29
3.02.03	Dental materials	(7,373)	(7,956)
3.02.04	Other operating costs	(44,285)	(15,463)
3.02.05	Variation of IBNR	3,544	(12,057)
3.02.06	Claims	(2,621)	(2,790)
3.02.07	Claims reserves	133	15
3.03	Gross income	1,052,195	998,561
3.04	Operating revenues/expenses	(537,332)	(612,237)
3.04.01	Selling expenses	(193,787)	(203,758)
3.04.01.01	Selling expenses	(193,787)	(203,758)
3.04.02	General and administrative expenses	(281,186)	(301,750)
3.04.02.01	Administrative expenses	(281,257)	(292,394)
3.04.02.02	Right of use amortization (IFRS 16)	(5,113)	(5,496)
3.04.02.03	Leases	(5,255)	(10,080)
3.04.02.04	Leases (IFRS 16)	10,295	6,859
3.04.02.05	Income (loss) from the sale or disposal of non-current and other assets	144	(639)
3.04.04	Other operating revenues	4,639	4,599
3.04.04.01	Other operating revenues from dental care	2,365	1,485
3.04.04.02	Revenue from dental care not related to company's plans	2,274	3,114
3.04.05	Other operating expenses	(73,671)	(116,370)
3.04.05.01	Stock option plan	-	(2,755)
3.04.05.02	Allowance for doubtful accounts	(48,659)	(78,762)
3.04.05.03	Profit sharing	(13,239)	(18,893)
3.04.05.04	Long-term incitement program	(11,773)	(15,960)
3.04.06	Earnings of equity method	6,673	5,042
3.05	Income before financial results and taxes	514,863	386,324
3.06	Financial results, net	5,148	19,400
3.06.01	Financial income	21,079	33,129
3.06.01.01	Financial income	21,079	33,129
3.06.02	Financial expenses	(15,931)	(13,729)
3.06.02.01	Financial expenses	(65,054)	(73,160)
3.06.02.02	Present value adjustment (PVA) - Lease liability (IFRS 16)	(3,895)	(3,125)
3.06.02.03	Reversal of interest on capital	53,018	62,556
3.07	Income before income taxes	520,011	405,724
3.08	Income tax and social contribution	(160,290)	(120,903)
3.08.01	Current	(154,441)	(117,669)
3.08.02	Deferred	(5,849)	(3,234)
3.09	Net income for the year from continuing operations	359,721	284,821
3.11	Income for the year	359,721	284,821
3.11.01	Assigned to controlling shareholders	361,128	284,763
3.11.02	Assigned to non-controlling shareholders	(1,407)	58
3.99	Earnings per share - (reais/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common	0.68104	0.53711
3.99.02	Diluted earnings per share		
3.99.02.01	Common	0.67990	0.53579

Consolidated financial information/statement of comprehensive income

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
4.01	Net income for the year	359,721	284,821
4.02	Other comprehensive income	(639)	(918)
4.02.01	Translation adjustments for the year	(639)	(918)
4.03	Comprehensive income for the year	359,082	283,903
4.03.01	Assigned to controlling shareholders	360,489	283,845
4.03.02	Assigned to non-controlling shareholders	(1,407)	58

Consolidated financial information/statement of cash flows - indirect method

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
6.01	Net cash provided by operating activities	305,267	308,794
6.01.01	Cash from operations	604,314	540,829
6.01.01.01	Income for the year	359,721	284,821
6.01.01.02	Depreciation and amortization	24,847	20,991
6.01.01.03	Monetary variations, net	1,559	932
6.01.01.05	Contingent liabilities (tax, social security, labor and civil)	19,818	(69)
6.01.01.06	Income (loss) from the sale or disposal of non-current and other assets	(144)	639
6.01.01.07	Earnings of equity method	(6,673)	(5,042)
6.01.01.08	Allowance for doubtful accounts	48,659	78,762
6.01.01.09	Stock option plan	-	2,755
6.01.01.10	Variation of IBNR	(3,544)	12,057
6.01.01.11	Income tax and social contribution	160,290	120,903
6.01.01.12	Unearned premiums (UP)	(807)	22,318
6.01.01.13	Right of use amortization (IFRS 16)	5,113	5,496
6.01.01.14	Leases (IFRS 16)	(10,295)	(6,859)
6.01.01.15	Present value adjustment (PVA) - Lease liability (IFRS 16)	3,895	3,125
6.01.01.16	Unearned revenue (IFRS 15)	1,742	-
6.01.01.17	Change in claims reserves	133	-
6.01.02	Changes in assets and liabilities	(299,047)	(232,035)
6.01.02.01	Financial instruments measured at fair value through income	(184,789)	(56,816)
6.01.02.02	Customers	(33,667)	(85,731)
6.01.02.03	Taxes recoverable, other receivables and prepaid expenses	6,359	(39,547)
6.01.02.04	Inventories	(439)	(331)
6.01.02.05	Other non-current assets	21,463	61,696
6.01.02.06	Unsettled claims (UC)	24,829	6,781
6.01.02.09	Tax liabilities (taxes and contributions payable)	683	(208)
6.01.02.10	Labor charges, suppliers, advances from customers and other payables (sundry payables)	24,663	10,658
6.01.02.11	Non-current liabilities	(3,262)	(10,433)
6.01.02.13	Income tax and social contribution paid	(150,208)	(120,928)
6.01.02.14	Social charges	(860)	1,132
6.01.02.15	Commissions payable	(2,906)	(907)
6.01.02.16	Other technical provisions	(913)	2,599
6.02	Net cash used in investing activities	(32,634)	(38,710)
6.02.01	Purchases of property, plant and equipment	(9,931)	(11,020)
6.02.02	System development and software use licenses	(25,329)	(21,763)
6.02.04	Write-off of investments	333	-
6.02.06	Acquisition of investment	-	(9,473)
6.02.07	Dividends received from Subsidiaries and Jointly-Controlled Subsidiaries	5,000	4,143
6.02.08	Advance for future capital increase and capital increase in investee	(1,990)	-
6.02.11	Financial investments measured at amortized cost	(717)	(597)
6.03	Net cash used in financing activities	(264,853)	(264,159)
6.03.01	Dividends and interest on capital paid	(270,219)	(250,857)
6.03.02	Repurchase of shares - in treasury	-	(41,781)
6.03.04	Receipt of stock options granted	5,366	28,479
6.05	Increase in cash and cash equivalents	7,780	5,925
6.05.01	Cash and cash equivalents at the beginning of the year	27,067	21,142
6.05.02	Cash and cash equivalents at the end of the year	34,847	27,067

Consolidated financial information/statement of changes in equity - 01/01/2020 to 12/31/2020

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Capital	Capital reserves, options granted and treasury shares	Earnings reserves	Retained earnings	Other comprehensive income	Total equity	Non-controlling shareholders	Consolidated equity
5.01	Opening balance	607,869	(23,290)	526,786	-	(918)	1,110,447	6,046	1,116,493
5.03	Adjusted opening balance	607,869	(23,290)	526,786	-	(918)	1,110,447	6,046	1,116,493
5.04	Equity transactions with owners	-	(1,731)	64,730	(333,213)	-	(270,214)	-	(270,214)
5.04.05	Treasury shares sold	-	5,366	-	-	-	5,366	-	5,366
5.04.06	Dividends	-	-	(35,983)	(179,482)	-	(215,465)	-	(215,465)
5.04.07	Interest on capital	-	-	-	(53,018)	-	(53,018)	-	(53,018)
5.04.13	Additional dividend paid	-	-	100,713	(100,713)	-	-	-	-
5.04.19	Put option in Subsidiary	-	(7,097)	-	-	-	(7,097)	-	(7,097)
5.05	Total comprehensive income for the year	-	-	-	361,128	279	361,407	(1,101)	360,306
5.05.01	Income for the year	-	-	-	361,128	-	361,128	(1,407)	359,721
5.05.02	Other comprehensive income	-	-	-	-	279	279	306	585
5.05.02.04	Translation adjustments for the year	-	-	-	-	279	279	306	585
5.06	Internal changes in equity	-	-	27,915	(27,915)	-	-	-	-
5.06.01	Constitution of reserves	-	-	27,915	(27,915)	-	-	-	-
5.07	Closing balance	607,869	(25,021)	619,431	-	(639)	1,201,640	4,945	1,206,585

Consolidated financial information/statement of changes in equity - 01/01/2019 to 12/31/2019

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Capital	Capital reserves, options granted and treasury shares	Earnings reserves	Retained earnings	Other comprehensive income	Total equity	Non-controlling shareholders	Consolidated equity
5.01	Opening balance	506,557	(7,806)	528,705	-	(2,638)	1,024,818	6,870	1,031,688
5.03	Adjusted opening balance	506,557	(7,806)	528,705	-	(2,638)	1,024,818	6,870	1,031,688
5.04	Equity transactions with owners	101,312	(15,484)	(87,347)	(199,335)	-	(200,854)	-	(200,854)
5.04.01	Capital increase	101,312	-	(101,312)	-	-	-	-	-
5.04.03	Stock options granted	-	2,755	-	-	-	2,755	-	2,755
5.04.04	Treasury shares acquired	-	(41,781)	-	-	-	(41,781)	-	(41,781)
5.04.05	Treasury shares sold	-	28,479	-	-	-	28,479	-	28,479
5.04.06	Dividends	-	-	(22,018)	(100,796)	-	(122,814)	-	(122,814)
5.04.07	Interest on capital	-	-	-	(62,556)	-	(62,556)	-	(62,556)
5.04.19	Put option in subsidiary	-	(4,937)	-	-	-	(4,937)	-	(4,937)
5.05	Total comprehensive income for the year	-	-	-	284,763	1,720	286,483	(824)	285,659
5.05.01	Income for the year	-	-	-	284,763	-	284,763	58	284,821
5.05.02	Other comprehensive income	-	-	-	-	1,720	1,720	(882)	838
5.05.02.04	Translation adjustments for the year	-	-	-	-	1,720	1,720	(882)	838
5.06	Internal changes in equity	-	-	85,428	(85,428)	-	-	-	-
5.06.01	Constitution of reserves	-	-	85,428	(85,428)	-	-	-	-
5.07	Closing balance	607,869	(23,290)	526,786	-	(918)	1,110,447	6,046	1,116,493

Consolidated financial information/statement of value added

(R\$ thousand)

(A free translation of the original in Portuguese)

Account Code	Account description	Current year from 01/01/2020 to 12/31/2020	Prior year from 01/01/2019 to 12/31/2019
7.01	Revenue	1,812,815	1,808,539
7.01.01	Net premiums with dental care plan	1,831,222	1,854,465
7.01.02	Other income	30,252	32,836
7.01.02.02	Sales and services rendered	13,445	16,645
7.01.02.03	Insurance	16,807	16,191
7.01.04	Provision for/reversal of allowance for doubtful accounts	(48,659)	(78,762)
7.02	Inputs acquired from third parties	(974,183)	(1,101,195)
7.02.01	Cost of sales and services	(665,155)	(774,933)
7.02.02	Materials, energy, outsourced services and other	(11,835)	(12,634)
7.02.04	Other	(297,193)	(313,628)
7.02.04.01	Other operating revenues	(20,523)	3,373
7.02.04.02	Selling expenses	(193,048)	(203,082)
7.02.04.03	Administrative expenses	(87,299)	(101,877)
7.02.04.04	Variation of IBNR	3,544	(12,057)
7.02.04.05	Claims reserve	133	15
7.03	Gross value added	838,632	707,344
7.04	Retentions	(29,960)	(26,487)
7.04.01	Depreciation, amortization and depletion	(24,847)	(20,991)
7.04.02	Other	(5,113)	(5,496)
7.04.02.01	Right of use amortization (IFRS 16)	(5,113)	(5,496)
7.05	Net value added generated by the entity	808,672	680,857
7.06	Value added received through transfer	27,752	38,171
7.06.01	Earnings of equity method	6,673	5,042
7.06.02	Financial income	21,079	33,129
7.07	Total value added to distribute	836,424	719,028
7.08	Distribution of value added	836,424	719,028
7.08.01	Personnel	167,352	172,969
7.08.01.01	Direct compensation	124,712	133,042
7.08.01.02	Benefits	33,262	30,945
7.08.01.03	Severance Indemnity Fund for Employees (FGTS)	9,378	8,982
7.08.02	Taxes and contributions	298,460	241,533
7.08.02.01	Federal	264,090	220,190
7.08.02.02	State	2,514	2,913
7.08.02.03	Municipal	31,856	18,430
7.08.03	Remuneration of third-party capital	10,891	16,950
7.08.03.02	Leases	(5,040)	3,221
7.08.03.03	Other	15,931	13,729
7.08.03.03.01	Financial expenses	15,931	13,729
7.08.04	Remuneration of own capital	359,721	284,821
7.08.04.01	Interest on capital	53,018	62,556
7.08.04.02	Dividends	280,195	136,779
7.08.04.03	Retained earnings	27,915	85,428
7.08.04.04	Non-controlling shareholders	(1,407)	58
7.08.05	Other	-	2,755
7.08.05.01	Stock option plan	-	2,755

Dear shareholders,

The Management of Odontoprev S.A. (Odontoprev or Company) submits for your examination the Financial Statements for the years ended December 31, 2020 and 2019.

Company's Overview and sector of activity

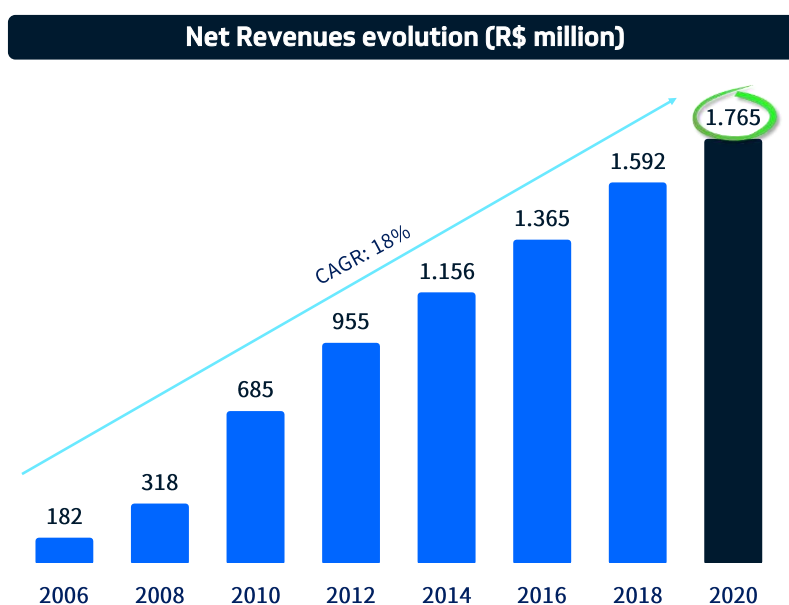
Odontoprev operates private dental plans.

Founded in 1987, Odontoprev has been the leader of its industry since the 1990s, with more than 7.5 million beneficiaries, providing quality oral health solutions. Odontoprev's technological platform is proprietary, with a world-class recognition. The Company has an accredited network of approximately 31 thousand dentists, covering over 2,700 municipalities, across the country.

Adaptations in the pandemic and Financial Performance

In 2020, with the beginning of the pandemic, the Company delivered over 6 thousand Personal Protection Equipments (PPE's) to selected accredited dentists. In a few weeks, Odontoprev adapted its clinics, throughout Brazil, to provide 24/7 services for those clients in need of urgent dental care, or emergency treatments.

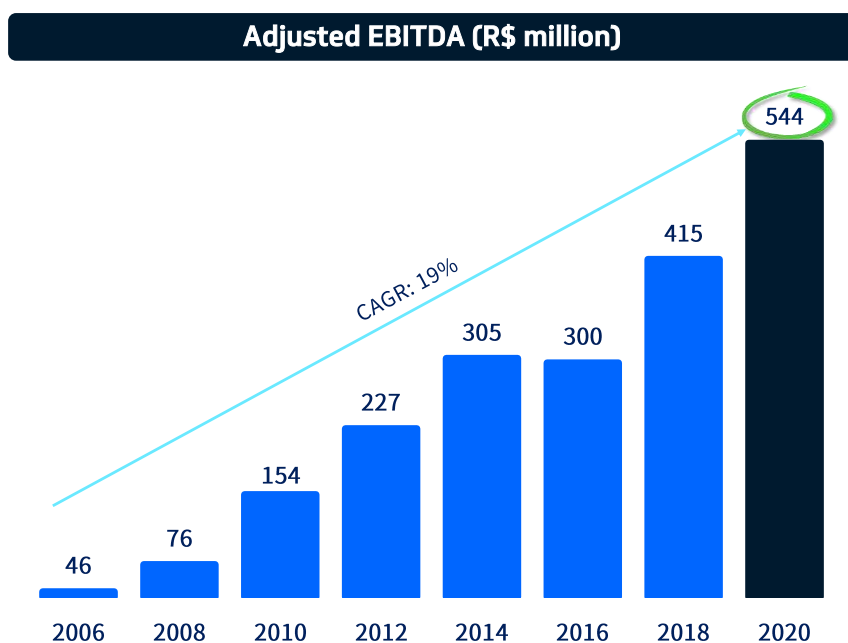
Net revenue fell by 1.7% in the period, coming from R\$1,795 million in 2019 to R\$ 1,765 million in 2020, with an average ticket of R\$20.47 per member/per month, versus R\$21.13 in the previous year.



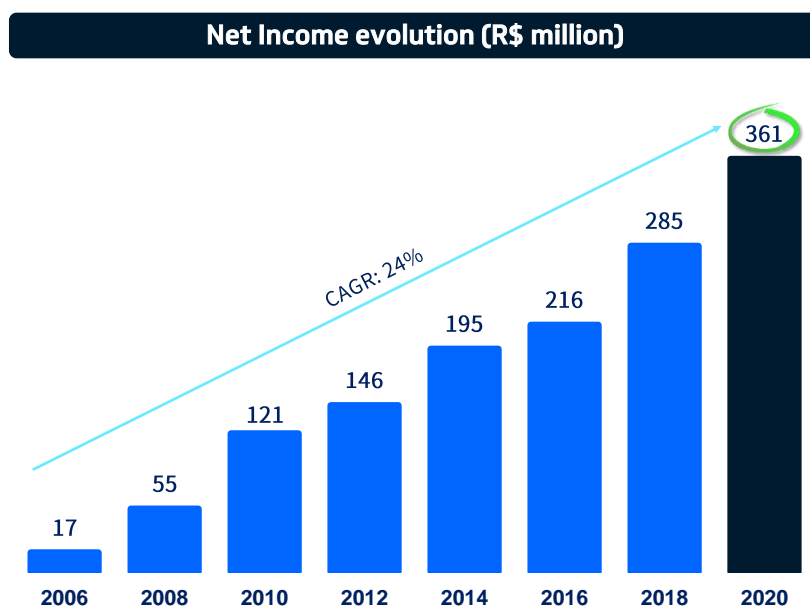
Odontoprev reached 7,510,149 members in 2020. The portfolio consisted of 71% of corporate clients, with the remaining 29% dedicated to small and medium-sized enterprises (SMEs) and individuals.

The cost of services represented 40.6% of revenues in 2020, versus 44.5% recorded in 2019. Selling and administrative expenses were 25.2% of the 2020 revenues, compared to 26.6% in the previous year, demonstrating a continuous search for efficiency.

The cash generation, as measured by EBITDA, net of incurred but not reported provisions (IBNR), reached R\$544 million in 2020, 30% above 2019. As a portion of revenues, EBITDA margin was 30.8%, higher than the 23.3% of the previous year.



Net income was R\$361 million, 26.8% higher than 2019. The Company ended 2020 with a net cash of R\$753 million, and zero debt.

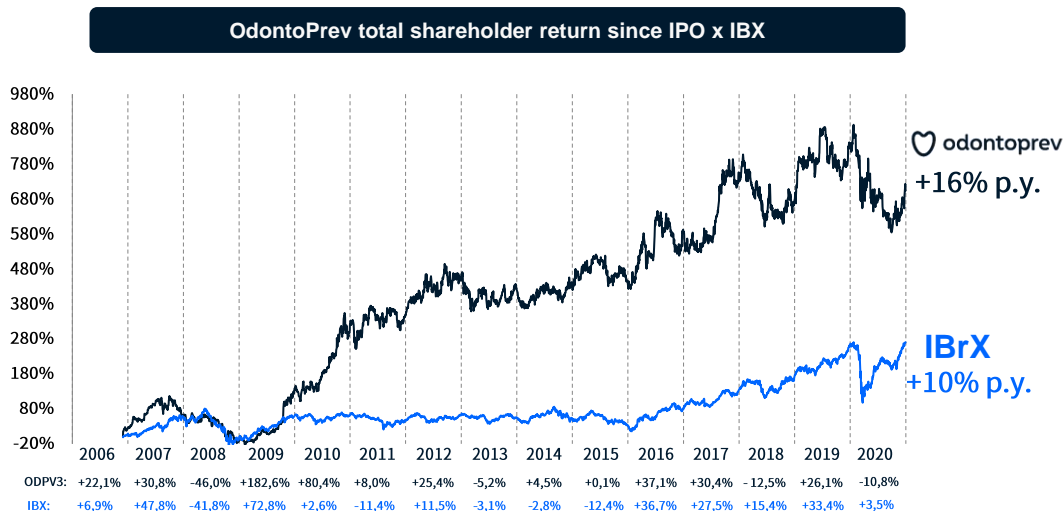


The results demonstrate the Company's unique strategic positioning, with specialized operations for each client segment, optimizing the capture of opportunities for expansion and value creation.

R\$ million	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	CAGR
Net Revenues	182	259	318	382	685	835	955	1,070	1,156	1,250	1,365	1,437	1,592	1,795	1,765	18%
Average ticket (R\$/member/month)	12.25	12.53	12.07	12.80	12.87	13.66	14.33	15.22	16.07	17.04	18.58	19.66	20.43	21.13	20.47	4%
Number of members (000)	1,492	2,113	2,460	4,175	4,978	5,533	5,976	6,172	6,316	6,409	6,267	6,309	7,230	7,400	7,510	12%
EBITDA	46	60	76	81	154	208	227	273	305	327	300	352	415	418	544	19%
EBITDA Margin (%)	25.1	23.3	23.9	21.1	22.4	24.9	23.8	25.5	26.4	26.2	22.0	24.5	26.1	23.3	30.8	24.6
Net Income	17	48	55	59	121	145	146	188	195	221	216	245	285	285	361	24%
Market Cap	872	1,122	587	2,833	4,443	4,711	5,701	5,223	5,239	5,021	6,694	8,453	7,305	8,963	7,730	17%
ODPV3 Return (%)	22	31	-46	183	80	8	25	-5	5	0	37	30	-13	26	-14	16%
IBX-100 (%)	7	48	-42	73	3	-11	12	-3	-3	-12	37	28	15	33	4	10%

Capital markets

In 2020, Odontoprev completed 14 years since the IPO in the B3's "Novo Mercado", and has reached, at the end of the year, a market cap of R\$7.7 billion. The total return to shareholders since the IPO equals 16% p.y., versus 10% p.y. of the IBX-100.



Since 2017, Odontoprev has been part of FTSE4Good Index's portfolio, a British index that assesses sustainability criteria in listed companies around the world. In January 2021, the Company, for the second consecutive year, was selected to compose the Bloomberg GEI, a global index of publicly traded companies committed to supporting gender equality through the development of policies, representation and transparency.

Corporate Governance

Odontoprev has been listed in the Novo Mercado, the highest level of Corporate Governance at B3. On top of the segment rules, the Company has differentiated practices, such as distinct Chairman from the CEO, Board of Directors without executive function and high Dividend Yield.

Statement of the Statutory Executive Board

In compliance with CVM, the Statutory Executive Board of Odontoprev declares that has discussed, reviewed and agreed with the opinions expressed in the Independent Accountants' report and with the financial statements for the year ended December 31, 2020, authorizing its disclosure.

Relations with independent auditors

The Company contracts PricewaterhouseCoopers Auditores Independentes to provide external audit services on financial statements and, for the purpose of CVM Regulatory Instruction no. 381/03, we declare that we have hired in 2020 to prepare the evaluation report ("Valuation Report") for the incorporation of Rede Dental. The remuneration for the mentioned service was R\$ 45 thousand, which corresponded to 5.8% of the total financial of the total financial statements audit remuneration. The auditors comprehend that the additional services mentioned do not constitute an independence loss related to the financial statements audit service. We also highlight that eventual services not referred to external audit are previously submitted to the Audit Committee approval.

Barueri, March 04th, 2021.
Executive Officers

(A free translation of the original in Portuguese)

Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

1. Operations and general information

Odontoprev S.A. ("Company" or "Odontoprev"), a listed company headquartered at Avenida Marcos Penteado de Ulhôa Rodrigues, 939 – 14th floor, suite 1401, Jatobá Building, Castelo Branco Office Park, Tamboré - Barueri, São Paulo - Brazil, started to operate on August 28, 1987. Its corporate purpose is to provide private dental care plans, the management, sale or availability of these plans to corporations and/or individuals, as well the participation, as partner, shareholder or quotaholder in other civil or commercial companies, in commercial enterprises of whatever nature, in Brazil and/or overseas, and the management of its own assets and/or those of third parties.

The Company is classified as a dental operator in the tertiary sector, according to Resolution 39 of the Collegiate Board (RDC) of the Brazilian Supplementary Health Agency (ANS) of October 27, 2000.

Odontoprev has its shares traded on B3 under the code "ODPV3" and it has been listed, since December 1, 2006, in the corporate governance segment called New Market.

The Company holds direct and indirect interests in the following companies:

	Holding percentage (%)							
	December 31, 2020				December 31, 2019			
	Subsidiaries	Associate	Joint		Subsidiaries	Associate	Joint	
Direct	Indirect	Indirect	Venture	Direct	Indirect	Indirect	Venture	
COMPANIES:								
Clidec - Clínica Dentária Especializada Cura D'ars Ltda. (Clidec)	99.9	-	-	-	99.9	-	-	-
Odontoprev Serviços Ltda. (OdontoPrev Serviços)	99.9	-	-	-	99.9	-	-	-
Easy Software S.A. (Easy)	-	51.0	-	-	-	51.0	-	-
Dental Partner Comércio de Produtos e Equipamentos Odontológicos Ltda. (Dental Partner)	-	99.9	-	-	-	99.9	-	-
G2D Serviços Tecnológicos S.A. (G2D)	-	-	-	-	-	-	15.9	-
SF 210 Participações Societárias S.A. (SF 210)	-	-	18.1	-	-	-	-	-
Clidec Participações S.A. (Clidec Participações)	-	90.6	-	-	-	90.6	-	-
TERTIARY SECTOR DENTAL OPERATOR - RDC 39 ANS:								
Brasilidental Operadora de Planos Odontológicos S.A. (Brasilidental)	-	-	-	25.0	-	-	-	25.0
Rede Dental Operadora de Planos Odontológicos Ltda. (Rede Dental)	100.0	-	-	-	99.9	-	-	-
INSURANCE COMPANY:								
Odontored CV Sociedad Anónima de Capital Variable (Odontored)	60.0	-	-	-	60.0	-	-	-
Oprev Administradora Sociedad Anónima de Capital Variable (Oprev)	-	60.0	-	-	-	60.0	-	-
CHAIN OF DENTAL RADIOLOGY CLINICS:								
Clínicas Radiológicas Papaiz (Papaiz Group)	-	-	-	49.0	-	-	-	49.0

Clidec: established on July 02, 1970 with the purpose of providing dental care services.

Odontoprev Serviços: established on December 03, 1999 for the provision of commercial advisory, consulting and business management services and holding of interests in other companies as partner or shareholder.

Easy: established on November 03, 1993, Subsidiary of Odontoprev Serviços, for the development and licensing of software programs and the holding of interests in other companies as partner or shareholder.

Dental Partner: established on November 14, 2008, Subsidiary of Clidec, it sells, in the retail and wholesale markets, products and equipment, sanitizers, drugs, medicines, pharmaceutical inputs and related items, as well as the wholesale of medicines and drugs for human consumption, provision of services of warehousing, storage, loading, organization, custody of goods of any kind, provision of services of: (i) technical and administrative programming and organizing services; (ii) general management of goods and business; (iii) collecting, sending or delivering mail, documents, objects or goods.

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Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

G2D: established on December 19, 2011 as an Associate of Odontoprev Serviços, for the purpose of managing a platform for scheduling appointments for consultations with health professionals through the Internet. On October 29, 2020, it was acquired by SF 210. For consolidation purposes, the Company uses its financial statements with one-month gap in relation to the consolidated financial statements.

SF 210: established on October 29, 2020 for the purpose of investing in other companies as a shareholder or quotaholder. The previous investment of Odontoprev Serviços in G2D was converted into this new company, which was maintained as an Associate. For consolidation purposes, the Company uses its financial statements with one-month gap in relation to the consolidated financial statements.

Clidec Participações: established on June 11, 2012, Subsidiary of Clidec, its purpose is to hold interests in other companies as shareholder or quotaholder and its shareholders are Clidec and some of the sellers and current executives of the Papaiz Group.

Brasildental: established on March 12, 2014, it is a joint venture with BB Seguros Participações S.A. for the operation of private dental care plans in the management, sale or provision of such plans to corporations and/or individuals.

Rede Dental: established on August 31, 1990 for the operation of private dental care plans and management, sales, or provision of these plans to corporations and/or individuals.

On January 04, 2021, the Extraordinary General Shareholders' Meeting (AGM) approved the merger of Rede Dental into Odontoprev and this process was completed on February 03, 2021 through the approval of ANS by means of the official letter 14/2021/ASSNT-DIOPE/DIRAD-DIOPE/DIOPE.

Odontored: established on August 13, 2009 in Mexico, for the development of dental care plans, including their operation, management and sale, as well as the provision of dental care services directly or indirectly through third parties. On June 06, 2013, Odontored was authorized by the Mexican Health Department to operate as an insurance company specialized in health and, on July 15, 2013, the National Insurance and Bond Commission (CNSF) allowed the operation of accident and diseases in the lines of health and medical expenditures. For consolidation purposes, the Company uses its financial statements with one-month gap in relation to the consolidated financial statements.

Oprev: established on December 12, 2019, Subsidiary of Odontoprev Serviços located in Mexico, for the provision of specialized services related to accidents and diseases, besides to actuarial, financial, administrative, commercial and risk management services. For consolidation purposes, the Company uses its financial statements with one-month gap in relation to the consolidated financial statements.

Papaiz Group: share of dental radiology clinics acquired on January 31, 2013 through Clidec Participações, a joint venture with the Fleury Group.

Approval of the financial statements

The issue of the company and consolidated financial statements was authorized and approved by the Company's Board of Directors (BD) on March 04, 2021.

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Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

Statement of income

(R\$ thousand, except when otherwise indicated)

	Company			Consolidated		
	Year ended December 31, 2020			Year ended December 31, 2020		
	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)
Effective considerations/net premiums with dental care plan	1,736,993	-	1,736,993	1,747,807	-	1,747,807
Indemnifiable claims, net	(661,790)	-	(661,790)	(658,990)	-	(658,990)
NET INCOME FROM OPERATIONS WITH HEALTHCARE PLANS	1,075,203	-	1,075,203	1,088,817	-	1,088,817
Other operating revenues	(94,631)	-	(94,631)	(80,642)	-	(80,642)
GROSS INCOME	980,572	-	980,572	1,008,175	-	1,008,175
Selling expenses	(191,901)	-	(191,901)	(193,787)	-	(193,787)
Administrative expenses	(264,672)	(2,849)	(267,521)	(281,186)	(5,182)	(286,368)
Administrative expenses	(264,496)	-	(264,496)	(281,257)	-	(281,257)
Right of use amortization (IFRS 16)	(3,183)	3,183	-	(5,113)	5,113	-
Leases	(3,137)	-	(3,137)	(5,255)	-	(5,255)
Leases (IFRS 16)	6,032	(6,032)	-	10,295	(10,295)	-
Income (loss) from the sale or disposal of non-current and other assets	112	-	112	144	-	144
Long-term incitement program	(10,177)	-	(10,177)	(11,773)	-	(11,773)
Profit sharing	(10,813)	-	(10,813)	(13,239)	-	(13,239)
Financial results, net	6,599	2,443	9,042	5,148	3,895	9,043
Financial income	20,377	-	20,377	21,079	-	21,079
Financial expenses	(13,778)	2,443	(11,335)	(15,931)	3,895	(12,036)
Financial expenses	(64,353)	-	(64,353)	(65,054)	-	(65,054)
Reversal of interest on capital	53,018	-	53,018	53,018	-	53,018
Present value adjustment (PVA) - Lease liability (IFRS 16)	(2,443)	2,443	-	(3,895)	3,895	-
Earnings of equity method	8,874	-	8,874	6,673	-	6,673
INCOME BEFORE INCOME TAXES	518,482	(406)	518,076	520,011	(1,287)	518,724
Income tax and social contribution	(157,354)	-	(157,354)	(160,290)	-	(160,290)
INCOME FOR THE YEAR	361,128	(406)	360,722	359,721	(1,287)	358,434
Assigned to:						
Controlling shareholders	361,128	(406)	360,722	361,128	(1,287)	359,841
Non-controlling shareholders	-	-	-	(1,407)	-	(1,407)
NET INCOME FOR THE YEAR	361,128	(406)	360,722	359,721	(1,287)	358,434

Statement of comprehensive income

(R\$ thousand)

	Company			Consolidated		
	Year ended December 31, 2020			Year ended December 31, 2020		
	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)
INCOME FOR THE YEAR	361,128	(406)	360,722	359,721	(1,287)	358,434
Translation adjustments for the year	-	-	-	(639)	-	(639)
COMPREHENSIVE INCOME FOR THE YEAR	361,128	(406)	360,722	359,082	(1,287)	357,795
Assigned to:						
Controlling shareholders	361,128	(406)	360,722	360,489	(1,287)	359,202
Non-controlling shareholders	-	-	-	(1,407)	-	(1,407)
COMPREHENSIVE INCOME FOR THE YEAR	361,128	(406)	360,722	359,082	(1,287)	357,795

(A free translation of the original in Portuguese)

Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

Statement of cash flows (indirect method)¹

(R\$ thousand)

	Company			Consolidated		
	Year ended December 31, 2020					
	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)
CASH FLOW FROM OPERATING ACTIVITIES						
Net income for the year	361,128	(406)	360,722	359,721	(1,287)	358,434
Adjustments for the reconciliation of net income to cash generated by operating activities:						
Sundry adjustments	235,645	-	235,645	245,880	-	245,880
Right of use amortization (IFRS 16)	3,183	(3,183)	-	5,113	(5,113)	-
Present value adjustment (PVA) - Lease liability (IFRS 16)	2,443	(2,443)	-	3,895	(3,895)	-
Leases (IFRS 16)	(6,032)	6,032	-	(10,295)	10,295	-
Cash from operations	596,367	-	596,367	604,314	-	604,314
Decrease (increase) in operating assets	(186,574)	-	(186,574)	(191,073)	-	(191,073)
Increase (decrease) in operating liabilities	(109,976)	-	(109,976)	(107,974)	-	(107,974)
CASH GENERATED BY OPERATING ACTIVITIES	299,817	-	299,817	305,267	-	305,267
CASH USED IN INVESTING ACTIVITIES	(27,097)	-	(27,097)	(32,634)	-	(32,634)
CASH USED IN FINANCING ACTIVITIES	(264,853)	-	(264,853)	(264,853)	-	(264,853)
INCREASE IN CASH AND CASH EQUIVALENTS	7,867	-	7,867	7,780	-	7,780
CASH AND CASH EQUIVALENTS						
Opening balance	25,579	-	25,579	27,067	-	27,067
Closing balance	33,446	-	33,446	34,847	-	34,847
INCREASE IN CASH AND CASH EQUIVALENTS	7,867	-	7,867	7,780	-	7,780

¹In accordance with Normative Resolution (RN) 435/2018 from ANS, for the purposes of publication of financial statements the indirect method can be used for cash flow preparation.

Statement of changes in equity

(R\$ thousand)

	Share capital	Capital reserves	Earnings reserves	Treasury shares	Additional dividend proposed	Retained earnings	Other comprehensive income	Company's equity	Non-controlling shareholders	Consolidated equity
DECEMBER 31, 2019	607,869	(2,262)	490,803	(21,028)	35,983	1,762	(918)	1,112,209	6,046	1,118,255
Treasury shares exercised (9th and 12th grants)	-	(1,313)	-	6,679	-	-	-	5,366	-	5,366
Put option in subsidiaries (includes adjustment to present value and exchange rate variation)	-	(7,097)	-	-	-	-	-	(7,097)	-	(7,097)
Translation adjustments (other comprehensive income)	-	-	-	-	-	-	279	279	306	585
Additional dividends paid	-	-	-	-	(35,983)	-	-	(35,983)	-	(35,983)
Impact on income for the year (IFRS 16)	-	-	-	-	-	(1,287)	-	(1,287)	-	(1,287)
Net income for the year	-	-	-	-	-	361,128	-	361,128	(1,407)	359,721
Net income allocation proposal:	-	-	27,915	-	100,713	(361,128)	-	(232,500)	-	(232,500)
Legal reserve	-	-	18,057	-	-	(18,057)	-	-	-	-
Interest on capital	-	-	-	-	-	(53,018)	-	(53,018)	-	(53,018)
Interim dividends	-	-	-	-	-	(179,482)	-	(179,482)	-	(179,482)
Statutory reserve of regulatory capital	-	-	4,929	-	-	(4,929)	-	-	-	-
Investment and expansion reserve	-	-	4,929	-	-	(4,929)	-	-	-	-
Additional dividend proposed to be submitted to the AGM	-	-	-	-	100,713	(100,713)	-	-	-	-
DECEMBER 31, 2020	607,869	(10,672)	518,718	(14,349)	100,713	475	(639)	1,202,115	4,945	1,207,060

Statement of value added

(R\$ thousand)

	Company			Consolidated		
	Year ended December 31, 2020					
	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)	Includes effects (IFRS 16)	Effects	Excludes effects (IFRS 16)
Revenue	1,771,054	-	1,771,054	1,812,815	-	1,812,815
Inputs acquired from third parties	(1,020,273)	-	(1,020,273)	(974,183)	-	(974,183)
GROSS VALUE ADDED	750,781	-	750,781	838,632	-	838,632
Retentions	(24,793)	3,183	(21,610)	(29,960)	5,113	(24,847)
Depreciation and amortization	(21,610)	-	(21,610)	(24,847)	-	(24,847)
Other	(3,183)	3,183	-	(5,113)	5,113	-
Right of use amortization (IFRS 16)	(3,183)	3,183	-	(5,113)	5,113	-
NET VALUE ADDED GENERATED BY THE COMPANY	725,988	3,183	729,171	808,672	5,113	813,785
Value added received through transfer	29,251	-	29,251	27,752	-	27,752
Earnings of equity method	8,874	-	8,874	6,673	-	6,673
Financial income	20,377	-	20,377	21,079	-	21,079
TOTAL VALUE ADDED TO DISTRIBUTE	755,239	3,183	758,422	836,424	5,113	841,537

DISTRIBUTION OF VALUE ADDED:

Personnel and charges	(110,202)	-	(110,202)	(167,352)	-	(167,352)
Taxes and contributions	(273,026)	-	(273,026)	(298,460)	-	(298,460)
Remuneration of third-party capital	(10,883)	(3,589)	(14,472)	(10,891)	(6,400)	(17,291)
Financial expenses	(13,778)	2,443	(11,335)	(15,931)	3,895	(12,036)
Financial expenses	(64,353)	-	(64,353)	(65,054)	-	(65,054)
Reversal of interest on capital	53,018	-	53,018	53,018	-	53,018
Present value adjustment (PVA) - Lease liability (IFRS 16)	(2,443)	2,443	-	(3,895)	3,895	-
Leases	2,895	(6,032)	(3,137)	5,040	(10,295)	(5,255)
Leases	(3,137)	-	(3,137)	(5,255)	-	(5,255)
Leases (IFRS 16)	6,032	(6,032)	-	10,295	(10,295)	-
Remuneration of own capital	(361,128)	406	(360,722)	(361,128)	1,287	(359,841)
Non-controlling shareholders	-	-	-	1,407	-	1,407
VALUE ADDED DISTRIBUTED	(755,239)	(3,183)	(758,422)	(836,424)	(5,113)	(841,537)

(A free translation of the original in Portuguese)

Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

2.2 Consolidated financial statements

(a) Subsidiaries

Subsidiaries are all entities over which the Company has direct or indirect control over the financial and operating management, generally accompanying a shareholding of more than one half of the voting rights or most of the risks and rewards originated from these investments, in accordance with IFRS. Subsidiaries are consolidated from the date on which control is transferred to Odontoprev.

The Company applies the acquisition method to account for business combinations, which are recorded at the fair value of transferred assets, liabilities and equity calculated on the acquisition date. Acquisition-related costs are recorded in the statement of income as incurred. Non-controlling interests in Subsidiaries are recognized proportionally based on the fair value at the acquisition date.

The excess of the amount paid over the fair value of assets and liabilities assumed on the acquisition date of any equity interest is recorded as goodwill, after the allocation to tangible and/or intangible assets.

Investments in Subsidiaries and equity in their results, as well as assets, liabilities, income and expenses from intercompany transactions were eliminated in the consolidated financial statements.

(b) Associates

Associates are all entities over which the Company has significant influence and the power to take part in decisions related to financial and operating policies, without holding control. Investments in Associates are initially recognized at cost value and after they are accounted for using the equity accounting method.

(c) Joint ventures

Joint ventures are all entities in which there is the sharing, contractually agreed upon, of the business control, which only exists when decisions on significant activities require the unanimous consent by the parties sharing the control. Joint ventures are accounted for using the equity accounting method.

2.3 Company financial statements

In the company financial statements, the Subsidiaries are accounted for using the equity accounting method.

2.4 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Company's chief operating and strategic decision-maker, i.e. the Statutory Board, which is responsible for allocating resources and assessing the performance of the operating segments (note 18).

2.5 Currency

(a) Functional and presentation currency

Items included in the company and consolidated financial statements are measured using the currency of the primary economic environment in which the Company operates (the functional currency), and these financial statements are presented in Brazilian reais (R\$).

(A free translation of the original in Portuguese)

Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

(b) Translation of transactions and balances in foreign currency

For the Subsidiaries Odontored and Oprev (note 1), the functional currency is the Mexican peso, which is converted into currency of the Company for presentation purposes, using the closing exchange rate on the date of the respective balance (current assets and liabilities), the date of the transactions (non-current assets and liabilities and equity) and monthly average (revenues and expenses). Gains or losses on the conversion of balances denominated in foreign currency resulting from the settlement of such transactions and the conversion of balances at the closing date are recognized in equity.

2.6 Current assets

2.6.1 Classification

(a) Available (cash and cash equivalents)

Cash represents funds without restriction for investment in the Company's operations and for which there is no restriction on immediate use (note 5).

Cash equivalents are highly liquid assets held to meet short-term cash commitments with original maturities of up to three months from their acquisition and insignificant risk of change in value (note 5).

(b) Financial instruments (financial assets measured at fair value through income)

A financial asset is stated at fair value through income if the Company manages these investments and makes purchase and sale decisions based on their fair values according to the risk management and investment strategy. These financial assets correspond to financial investments accounted for in current assets (notes 4.1.1 and 6) and changes in their fair value are recognized in the statement of income.

(c) Financial investments measured at amortized cost

Acquired with the intention and financial ability to hold them in the portfolio to maturity, they are classified in non-current assets when maturity is greater than 12 months and are recorded at cost at the acquisition date, including income earned (notes 4.1.1 and 6).

(d) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified in current assets, except for maturities greater than 12 months after the balance sheet date (these are classified in non-current assets). The loans and receivables of the Company and its Subsidiaries comprise dental care and insurance receivables (note 7).

Receivables are reported in the balance sheet at the nominal values of the notes representing them, with the corresponding entry recorded in net premiums with dental care plan or insurance in the statement of income or unearned premiums in current liabilities, according to the risk coverage period of the contracts in force at the balance sheet date, and at the amounts receivable from reimbursement of events. In Subsidiary Odontored, they are reported in the balance sheet at the nominal values of the policies representing these receivables, with the corresponding entry recorded in the insurance account in the statement of income according to the risk coverage period of the contracts in force.

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2.6.2 Recognition and measurement

Financial assets are recognized at fair value, and the costs, gains and losses arising from the transaction are recorded in the statement of income in a specific account. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Company and its Subsidiaries have transferred substantially all the risks and rewards of ownership.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired (note 2.6.4).

2.6.3 Fair value estimation

The Company applies IFRS 13 - Fair Value Measurement for financial instruments that are measured in the balance sheet at fair value, which requires disclosure of this measurements by level of the hierarchy as presented below, and its financial risk management policy is to contract financial products available in the Brazilian market, whose market value can be reliably measured, seeking high liquidity to honor its future liabilities (note 4.1.1).

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: discounted cash flow or another methodology for pricing the asset based on observable market data.
- Level 3: inputs for the asset or liability that are not based on observable market data.

2.6.4 Impairment of financial assets measured at amortized cost

The Company and its Subsidiaries assess at the end of each reporting period whether there is evidence that the credit quality of an asset or group of assets is impaired, and impairment losses are incurred as a result of a loss event that has an impact on the estimated future cash flows of the asset or group of financial assets.

The Company and its Subsidiaries recognize allowance for doubtful accounts for invoices that are more than 60 days past due for individual contracts and 90 days for corporate contracts, plus an average loss percentage based in a portfolio behavior study. Losses on trade receivables are recorded in the account "allowance for doubtful accounts" in the statement of income.

Amounts more than 180 days past due, which Management does not expect to recover anymore, are accounted for as effective loss.

By assessing the existence of objective evidence of impairment, the Company and its Subsidiaries measure the provision, reducing the carrying amount to its recoverable amount and recognizing the amount of the provision. If, in a subsequent period, the amount of the impairment loss decreases and this decrease can be related objectively to an event occurring after the impairment was recognized, the recovery and reversal are recognized in the statement of income.

The other types of financial assets classified as loans and receivables do not include assets classified as impaired. The maximum exposure to credit risk at the balance sheet date is the carrying amount of each class of accounts receivable previously mentioned.

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2.6.5 Deferred Acquisition Costs (DAC)

These are expenditures directly incremental and related to the origin or renewal of contracts, that is, the amounts paid for agency services in corporate contracts and commissions paid in annual individual contracts, both recognized in the statement of income over a 12-month period. Other expenditures are recorded as selling expenses, as incurred.

2.7 Non-current assets

2.7.1 Long-term receivables

(a) Deferred taxes (income tax and social contribution – offset assets and liabilities)

Deferred tax assets with probable deductibility are recognized in respect to taxable temporary differences, that is, on those differences that will result in amounts to be excluded from the calculation of taxable income relating to income tax and social contribution of future years, when the carrying amount of the asset will be recovered (note 9.1).

Deferred tax is measured based on the rates expected to be applied to temporary differences when these are reversed.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets and liabilities, and when they refer to taxes charged by the same tax authorities and on the same entity subject to taxation, or on separate taxable entities but when there is the intention to liquidate the current tax assets and liabilities on a net basis or when the tax assets and liabilities will be realized simultaneously.

Deferred income tax and social contribution assets are revised at each reporting date and are reduced to the extent that realization is no longer probable.

(b) Judicial deposits

These refer to tax and civil lawsuits, monetarily restated according to the Sistema Especial de Liquidação e Custódia (SELIC) index, and labor lawsuits monetarily restated according to savings account index (notes 9.2 and 16.1).

2.7.2 Investments

These are represented by investments in Subsidiaries, associates and joint ventures accounted for using the equity accounting method based on their respective balance sheets (note 10).

2.7.3 Property, plant and equipment

(a) Property, plant and equipment in use

Stated at cost of acquisition, less accumulated depreciation calculated using the straight-line method at annual rates (note 11).

Gains and losses on disposals are determined by comparing the proceeds from the sale and the carrying amount and are recognized in the statement of income.

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(b) Right of use (IFRS 16)

Recognition of the present value estimate of payments of lease liabilities measured according to the requirements of IFRS 16 - Leases (notes 11 and 26).

2.7.4 Intangible assets

(a) Goodwill on acquisition of investments

Refers to goodwill based on expected future profitability, paid on the acquisition of investments (note 12.1). Goodwill represents the excess of the amount paid for business acquisition over the net fair value of assets and liabilities of the acquired subsidiary, including the allocation of intangible assets.

Goodwill is tested for impairment at least annually (note 12.1), and it is carried at cost less accumulated impairment losses, if any, which are not reversed.

(b) System development and software use licenses

Development expenditures related to software system and licenses that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets until they are ready for use. They are amortized on a straight-line basis over 60 months (note 12.2). After its conclusion, maintenance expenditures are recognized as expenses.

(c) Allocated intangible assets

Amounts attributable to the brand, client portfolio and non-competition agreement by the investee Odonto System which are amortized using the straight-line method according to the terms identified in the appraisal report (note 12.2).

2.8 Impairment of non-financial assets

In accordance with CVM Instruction 639/2010 and IAS 36 - Impairment of Assets, assets are tested for impairment in order to: (i) verify whether there is any indication of impairment of assets; and (ii) measure any impairment of existing assets to complement or reverse the provision for impairment of assets, when applicable.

Assets that are subject to depreciation/amortization are reviewed for impairment periodically or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized when the assets' carrying amount exceeds its recoverable amount (higher of an assets' fair value less costs to sell and its value in use).

Assets which have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually (note 12.1).

2.9 Dental care plan and insurance contracts - Liability Adequacy Test (LAT)

The Company and its Subsidiaries issue dental care and insurance contracts, in which they assume the insurance risk, which includes the frequency of use and fluctuation of dental care costs (note 4.2).

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If any insufficiency is identified, the Company records the loss immediately as expense in the statement of income for the year, first reducing the acquisition costs up to the limit of zero and then making additional reserves for insurance liabilities already recorded on the test date.

The last test was performed on the base date of December 31, 2020 in accordance with the business segments of the Company following the criteria established by Normative Resolution (RN) 435/2018 and it considered technical reserves (notes 2.10 and 13.2), net premiums with dental care plans, and administrative and selling expenses. To estimate future claims, the Company used the claim ratio per segment, taking into consideration the BR-EMSsb-v.2015 mortality table and the cancellation rate seen in its portfolio. To calculate the present value of projected flows, the Company used the risk-free forward rates (ETTJ) pre-published by the Brazilian Association of Financial and Capital Market Entities (ANBIMA). The methodology of this test considers the net carrying amount as all liabilities from insurance contracts under IFRS 4, less the assets that are directly related to these contracts. LAT results did not present insufficiencies on its performing date, therefore, the established reserves did not need to be adjusted.

2.10 Technical reserves of dental care operations

In accordance with Normative Resolution (RN) 393/2015, amended by RN 442/2018, the Company and its Subsidiaries (dental care operators) recognize monthly in current liabilities:

- (i) **Provision for Unearned Premiums (UP):** calculated on a *"pro rata die"* basis according to the premiums issued and recognized in income according to the risk coverage period (note 13.2).
- (ii) **Provision for Unsettled Claims for Other Welfare Services Providers (UC):** classify the events to be settled with dental care operations. Costs of services rendered are recorded based on claims reported by accredited service providers regarding the analysis of events covered by the plans, with a corresponding entry to the account "Indemnifiable claims, net" in the statement of income (note 13.2).
- (iii) **Provision for Incurred But Not Reported Claims (IBNR):** actuarially estimated to cover payment of events that have already occurred and have not been recorded in the accounting books by the Company (notes 2.18 and 13.2) in given occurrence period. The calculation of IBNR was prepared according to actuarial methodology based on structuring of development triangles of claim records by occurrence of events (run off triangles), which consider experience period of events reported in the last 18 months.

2.11 Taxes and contributions payable

(a) Federal tax liabilities

- (i) **Income tax (IRPJ) and social contribution (CSLL):** these are calculated based on criteria established by the legislation in force. IRPJ is calculated at the rate of 15% of taxable income, plus 10% as surtax on taxable income exceeding R\$240 per year and includes the tax incentive portion (notes 14 and 24). CSLL is calculated at the rate of 9% on taxable income (notes 14 and 24).
- (ii) **Other federal tax liabilities:** these comprise mainly provisions for Social Integration Program (PIS) and Contribution to Social Security Financing (COFINS) which are calculated based on the criteria established by the legislation in force, using the rates of 0.65% and 4%, respectively, both over the billing less paid indemnifiable claims (note 14).

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(b) Municipal tax liabilities

These comprise the provision for Service Tax (ISS) calculated based on criteria established by the legislation in force. ISS is calculated at rates between 2% and 5% (note 14).

(c) Charges payable (social contributions)

Corresponds to the contributions to the National Institute of Social Security (INSS) and the Government Severance Indemnity Fund for Employees (FGTS).

2.12 Commissions payable

Payables related to brokerage service provided by brokers and commissions payable, which are generally settled monthly.

2.13 Suppliers of goods and services

These refer to unsettled obligations for goods or services acquired in the normal course of businesses which are classified as current liabilities, except if the maturity is over 12 months after the balance sheet date, which are classified as non-current liabilities.

2.14 Other liabilities

Labor charges (salaries, vacation pay and fees), advances from customers, dividends and interest on capital, investments payable, and other payables (note 15), lease liabilities and present value adjustment (IFRS 16) (note 26).

2.15 Contingent liabilities (tax, social security, labor and civil)

The Company and its Subsidiaries assess their contingencies based on the requirements of the accounting pronouncement IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, which for the lawsuits assessed as “probable losses” based on the assessments of internal and external attorneys, the similarity with previous disputes, the complexity of the lawsuit and the opinion of legal courts, the Company established a reserve for 100% of intended amounts (note 16.1).

In addition, the administrative lawsuits assessed by consumer protection agencies (such as Procon), ANS and trade associations, with the application of monetary fines and pending judgment, are analyzed on a case-by-case basis. For these, individual estimates are established, and they may be changed according to the phase of the proceeding or the definition of the understanding by the agencies or associations. The Company and its Subsidiaries consider such administrative proceedings material.

The lawsuits with ANS, depending on their outcome, may generate an impact on the health operators' performance indicators and other assessments at the regulatory level, and the lawsuits with the consumer protection agencies and trade associations may result in material losses or damage to the image of the Company and its Subsidiaries. Accordingly, the administrative lawsuits with ANS to which the Company and its Subsidiaries and associates are parties, which are considered “possible losses”, were recognized in a provision at amounts equivalent to 25% of the assessed/sentenced amounts for as long as this expectation of loss is maintained.

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Legal, tax and social security obligations arising from lawsuits related to tax obligations whose legality or constitutionality is being challenged, are fully recognized in the financial statements, since they are considered legal obligations, and they are monetarily restated in accordance with current tax legislation.

2.16 Share capital

Common shares are classified as equity (note 17.1).

The Company buys back shares to back up the stock option plan (notes 17.4 and 17.7).

2.17 Revenue/retained premiums recognition

(a) Net premiums with dental care plan

Income derived from operations related to private dental care plans in the form of previously agreed prices which have to be appropriated as the amount corresponding to the daily allocation *pro rata die* during the individual coverage period of each contract, since the first day of coverage (notes 18 and 19). The net premiums with dental care plan corresponding to the future coverage are recorded in "unearned premiums" (notes 2.10 and 13.2).

Contracts related to corporate post-payment plans are recorded in the statement of income under "net premiums with dental care plan" at cost amounts.

(b) Insurance

Corresponds to income from dental care insurance provided by subsidiary Odontored (note 1) recognized in the statement of income according to the risk coverage (notes 18 (d) and 19).

(c) Sales of goods and services

Revenues provided by Subsidiaries are allocated to the statement of income on accrual basis as they meet their performance obligations (notes 18 (d) and 19).

(d) Financial income

Income arises from financial instruments and monetary restatement (note 23).

2.18 Cost of sales and/or services rendered

The services provided by accredited professionals and dental clinics are recognized in the statement of income on accrual basis, when claims covered by the plans are reported and analyzed, together with the recording of IBNR. The costs of the company-owned dental care chain are recognized in the statement of income on accrual basis (note 20).

The claims arising from subsidiary Odontored are recognized in the statement of income on accrual basis, according to the claim notices received, together with the respective technical claims reserve (note 20).

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2.19 Employee and management benefits

Regarding the employee and management benefit program, even in the form of financial instruments, the Company and its Subsidiaries adopt the following procedures: (i) employee profit sharing expenses are classified as profit sharing results in operating expenses, according to IAS 19 - Employee Benefits; (ii) all the expenses of long-term incitement program are classified as operating expenses, according to IAS 19 - Employee Benefits; and (iii) all the estimated costs of stock options granted under share-based payment contracts are classified as operating expenses, with a corresponding entry in equity as stock options granted, in accordance with IFRS 2 - Share-based Payment (note 17.7).

2.20 Dividends and interest on capital

The distribution of dividends and interest on capital to Odontoprev's shareholders is recognized as a liability in the financial statements based on the Company's Bylaws that establish a compulsory minimum dividend of 50% calculated over net income. Any amount that exceeds the minimum required is recorded in equity, in the account "additional dividend proposed", until it is approved by the shareholders at the General Meeting (GM) (note 17.5).

2.21 Earnings per share

The Company calculates basic and diluted earnings per share in accordance with IAS 33 - Earnings per Share (note 25).

2.22 New standards, amendments and interpretations

The main new standards and interpretations of standards that affect the Company and its Subsidiaries are summarized below:

IFRS 9 - Financial Instruments: effective since January 01, 2018, it replaces the guidance of IAS 39 - Financial Instruments: Recognition and Measurement, including new models for the classification and measurement of financial instruments and measurement of expected credit losses for financial and contractual assets, besides new requirements on hedge accounting.

Management concluded that both in the Company and in Consolidated, its activities are predominantly related to insurance, therefore, the Company choose to apply the temporary exemption benefit of IFRS 15, allowed by the CPC Review from December 12, 2017, and will continue to apply IAS 39 for annual periods until December 31, 2022, adopting the related pronouncement as of January 01, 2023.

IFRS 17 - Insurance Contracts: effective date is January 01, 2023, it will replace IFRS 4 – Insurance Contracts, and it aims to help investors and other stakeholders understand better aspects inherent to the Company's operations, such as risk exposure, profitability and financial position. The Company is evaluating the full impact of its adoption.

3. Accounting estimates and judgments

For the preparation of financial statements, Management used judgments, estimates and assumptions that affect the application of accounting policies of the Company and Consolidated and the reported amounts of assets, liabilities, income and expenses, however, actual results may differ from these estimates.

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Estimates and assumptions are reviewed on a continuous basis and their impacts are recognized on a prospective basis in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

(a) Judgments

Judgments Information about judgment referring to the adoption of accounting policies which impact significantly the amounts recognized in the financial statements included: (i) evaluation of insurance liabilities (notes 2.9, 2.10 and 13) and (ii) evaluation of tax, social security, labor and civil contingent liabilities (notes 2.15 and 16.1).

(b) Uncertainties about assumptions and estimates

Information about uncertainties related to assumptions and estimates that have a high risk of resulting in a material adjustment included: (i) calculation of impairment of financial assets (notes 2.6.4 and 7), (ii) evaluation of deferred tax assets (notes 2.7.1 (a) and 9.1), (iii) calculation of impairment of non-financial assets (notes 2.7.4 (a), 2.8 and 12.1) and (iv) measurement of right of use, lease liability and related present value adjustments (notes 2.7.3 (b), 2.14, and 26).

4. Risk management

The main risks arising from the businesses of the Company and its Subsidiaries listed below are managed by different departments and comprise several fund allocation strategies and policies considered appropriate by Management.

Policies and strategies are monitored by the Audit Committee, created and installed on March 26, 2010, by determination of the Board of Directors and in accordance with the Company's Bylaws.

4.1 Financial risk factors

4.1.1 Market risk (interest rate)

Arises from the possibility that the Company and its Subsidiaries being subject to changes in interest rates that may generate impacts on the fair value of the financial investments portfolio.

The Company and its Subsidiaries adopt the policy to invest in securities issued by financial institutions (Bank Deposit Certificate - CDB) and short-term funds, complying with internal assessment criteria and limits established based on qualitative and quantitative information, including the requirement to allocate resources in compliance with RN 392/2015, amended by RN 419/2016, both from ANS, to guarantee the technical provisions. Almost the whole Company's and its Subsidiaries' financial investments portfolio is exposed to fluctuations in interest rates on the domestic market.

As of December 31, 2020, 74.4% (71.7% as of December 31, 2019) of the amounts in Consolidated are held in investment funds, these funds are substantially affected by variations in the SELIC/CDI rates.

In compliance with IFRS 7 - Financial Instruments: Disclosures, the Company and its Subsidiaries performed a sensitivity analysis of their financial instruments, based on the variations in the SELIC, CDI, Broad Consumer Price Index (IPCA), and Mexican bond rates, as shown in the table below:

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	Consolidated										Total financial investments
	December 31, 2020 (note 6)										
	Indexed to SELIC					Other		Indexed to IPCA			
SELIC/CDI (p.y)¹	CDBs	FI ANS	FI fixed income	LFT	LF	Mexican bond (p.y)³	CETES	IPCA (p.y)¹	NTN-B		
Hierarchic level ²	-	2	2	2	1	1	-	1	-	1	-
Investments	-	3,723	886	533,865	132,897	21,882	-	8,746	-	16,541	718,540
Forecast profitability for the next 12 months:											
Probable	2.85%	106	25	15,215	3,788	624	4.19%	366	-1.55%	(256)	19,868
25% decrease	2.14%	80	19	11,411	2,841	468	3.14%	275	-1.16%	(192)	14,902
50% decrease	1.43%	53	13	7,608	1,894	312	2.10%	183	-0.78%	(128)	9,935
25% increase	3.56%	133	32	19,019	4,734	780	5.24%	458	-1.94%	(320)	24,836
50% increase	4.28%	159	38	22,823	5,681	935	6.29%	550	-2.33%	(385)	29,801

¹Based on the interest rate curves informed by B3 S.A. Brasil Bolsa Balcão.

²Hierarchic level classification (note 2.6.3).

³Rates available at Bank of Mexico.

Financial investments - distribution and classification

	Consolidated				Ratings of financial institutions					
	December 31, 2020	Average yield % of the CDI	December 31, 2019	Average yield % of the CDI	Fitch		Moody's		S&P	
					ST	LT	ST	LT	ST	LT
Caixa Econômica Federal	3,723	103.0%	12,437	100.8%	F1+	AA	NP	Ba2	brA-1+	brAAA
Banco Santander (Brasil) S.A.	680	103.0%	1,982	103.0%	F1+	AAA	P-3	Baa3	brA-1+	brAAA
Banco Safra S.A.	17,884	105.8%	17,471	103.0%	F1+	AA+	NP	Ba1	brA-1+	brAAA
Itaú Unibanco S.A.	2,988	102.3%	2,328	94.0%	F1+	AAA	NP	Ba1	brA-1+	brAAA
Banco Bradesco S.A.	684,189	101.4%	494,601	94.0%	F1+	AAA	NP	Ba1	brA-1+	brAAA
BNP Paribas	330	103.7%	-	-	F1	A+	P-1	Aa3	-	brAAA
Mexican government	8,746	-	4,215	-	-	-	-	-	-	-
	718,540		533,034							

4.1.2 Credit risk

Arises from the possibility of the Company and its direct and indirect Subsidiaries not receiving the amounts arising from financial instruments, premiums with dental care plan and services (notes 6, 7 and 19). The credit policy takes into consideration the specific characteristics of dental care plan operations and is focused on maintaining the flexibility required by market conditions. The Company constantly follows its receivables and calculates the allowance for doubtful accounts (note 2.6.4).

None of the Company's customers represents 10% of revenues or more of the total of the respective class of financial assets.

4.1.3 Liquidity risk

The liquidity risk management objective is to monitor the settlement terms of the rights and obligations of the Company and its Subsidiaries and of their financial instruments, preparing projected cash flow analysis and periodically reviewing the liabilities assumed and the financial instruments used, mainly those related to assets that guarantee the technical provisions.

The receivables comprising the Company's and its Subsidiaries' cash flows arise mainly from corporate and individual contracts in prepayment model, which establish the settlement of monthly payments mainly at the beginning of each month for use of benefits. On the other hand, the payments to the accredited chain, the main suppliers, occur throughout the month. These are short-term assets and liabilities.

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4.2 Insurance risk and dental materials cost fluctuation risk

Odontoprev's business model is based on the customers' monthly or yearly payments and is exposed to a risk of insurance and dental materials cost fluctuation, taking into consideration that in the dental care plan sector the risk is limited to the frequency of utilization and the low cost of the treatments given.

In the development and structuring of dental care plans the following factors are taken into consideration:

Risk model: determines who is responsible for the cost of the dental treatment: (i) prepaid, at a per capita monthly rate, including the actuarial estimate of dental costs, administrative and selling expenses; and (ii) postpaid, at a per capita monthly rate, including administrative and selling expenses plus the entire cost of dental treatments when they are used.

Service model: in accordance with contract coverage, it defines how the beneficiary will receive contracted dental care: (i) accredited chain; (ii) free choice; (iii) own service units; and (iv) exclusive dental offices in the client's establishment.

Enrollment model: this determines if the entire group (mandatory enrollment) or part of the group (free enrollment) of beneficiaries will be included in the plan and how the payment of the *per capita* monthly rate will be made.

Type of coverage: this describes all the dental care treatments whose costs are totally or partially covered in the dental care plan contracted, the ANS determines minimum dental care coverage.

Usage moderating factors: rules to use and access the covered dental services that contribute to define cost and avoid predatory and abusive use, most used are as follows: (i) co-participation and (ii) grace periods.

Fees: specific remunerations for professionals of accredited chain and several levels of free choice reimbursement.

In addition to insurance risk, the risk of dental material cost fluctuation also has direct impact on dental care plans, as they may rise because of usage volume, legislation and increase in dental material values.

To manage these risks, the Company has its own system that permits individual evaluation of all treatments, monitoring dental costs and promoting clinical governance of performed events.

Corporate contracts have average term of 24 months, with a clause establishing fine for breach of contract and annual adjustments of rates practiced using claim ratio (cost of services in the last 12 months, divided into the net premiums with dental care plan) and/or inflation adjustment at official rate established in contract. They are also traded in an average term of 12 months automatically renewable for an indeterminate period, with clauses establishing fine for rescission and adjustment clause using official rate established in contract as reference.

The Company constantly monitors its contracts to minimize risks and maintain their financial balance.

In general claim ratio of up to 60% allows contribution margin (gross income deducted by selling expenses and divided by gross sales and/or services revenue) able to support the Company's administrative expenses. As of December 31, 2020, the consolidated claim ratio was 40.6% (44.5% as of December 31, 2019) and the contribution margin was 48.4% (44.2% as of December 31, 2019).

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	Consolidated: increase/decrease in contribution margin					
	Year ended		Changes in the claims ratio			
	December 31, 2020		Equal to 60%		Equal to 40%	
Sales revenue (notes 18 and 19)	1,765,338	100.0%	1,765,338	100.0%	1,765,338	100.0%
Cost of services ¹ (notes 18 and 20)	(716,821)	-40.6%	(1,059,203)	-60.0%	(706,135)	-40.0%
Gross income	1,048,517	59.4%	706,135	40.0%	1,059,203	60.0%
Selling expenses (notes 18 and 21)	(193,787)	-11.0%	(193,787)	-11.0%	(193,787)	-11.0%
Contribution margin	854,730	48.4%	512,348	29.0%	865,416	49.0%
(Decrease)/increase in margin			(342,382)	-19.4 p.p	10,686	0.6 p.p

¹Do not include incurred but not reported events (IBNR) and claims reserves (note 18).

	Consolidated: increase/decrease in contribution margin					
	Year ended		Changes in the claims ratio			
	December 31, 2019		Equal to 60%		Equal to 40%	
Sales revenue ² (notes 18 and 19)	1,795,126	100.0%	1,795,126	100.0%	1,795,126	100.0%
Cost of services ¹ (notes 18 and 20)	(798,323)	-44.5%	(1,077,076)	-60.0%	(718,050)	-40.0%
Gross income	996,803	55.5%	718,050	40.0%	1,077,076	60.0%
Selling expenses (notes 18 and 21)	(203,758)	-11.4%	(203,758)	-11.4%	(203,758)	-11.4%
Contribution margin	793,045	44.2%	514,292	28.6%	873,318	48.6%
(Decrease)/increase in margin			(278,753)	-15.5 p.p	80,273	4.5 p.p

¹Do not include incurred but not reported events (IBNR) and claims reserves (note 18).

²Do not include R\$13,800 related to reversal of provision for ISS calculated over the amounts of events through favorable decision received by the Company in March 2019.

4.3 Strategy risk - market of operations (competition)

The Company operates in a competitive market, competing with operators of health insurance and dental care exclusive, hospital medical plans, dental care cooperatives and charity entities that offer dental care plans with similar benefits.

Odontoprev sells dental care plans to companies, associations, and individuals through: (i) an internal sales team; (ii) external brokers; (iii) commercial associations and new distribution ways; (iv) Bradesco and (v) Banco do Brasil.

The factors that encourage the growth in the dental care plan sector are the following: (i) structural imbalance between the supply and demand of services; (ii) lack of alternatives in the public system; (iii) inclusion of dental care plans in employee benefit programs; (iv) opportunities represented by the increasing interest of new distribution ways and (v) regulation.

4.4 Legal and regulatory risks – capital

The Company carries out its capital risk management activities based on a centralized model, with the main purpose of meeting the requirements of minimum regulatory capital for its segment, according to the capital requirements defined by ANS, as well as increase the return on capital to the shareholders. The strategy and model used by Management consider both "regulatory capital" and "economic capital".

The Company keeps capital levels above the regulatory requirements (note 13.1).

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5. Available (cash and cash equivalents)

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Cash	10	13	66	66
Amounts in transit	13,462	17,696	13,497	17,727
Checking accounts	2,841	2,137	3,916	3,221
Financial investments (interest-bearing current account)	17,133	5,733	17,368	6,053
	33,446	25,579	34,847	27,067

6. Financial investments (financial assets measured at fair value through income and at amortized cost)

	Classification	Company		Consolidated	
		December 31,		December 31,	
		2020	2019	2020	2019
CDBs	Current assets	3,723	12,533	3,723	12,533
FI ANS	Current assets	-	-	886	870
FI fixed income	Current assets	523,763	368,556	533,865	381,280
LFT	Current assets	132,897	96,211	132,897	96,211
LF	Current assets	21,882	22,101	21,882	22,101
CETES	Current assets	-	-	8,746	4,215
Fair value through income		682,265	499,401	701,999	517,210
NTN-B	Non-current assets	16,541	15,824	16,541	15,824
Amortized cost		16,541	15,824	16,541	15,824
		698,806	515,225	718,540	533,034

CDBs: fixed-income private securities issued by banking financial institutions, with floating yields indexed to the interbank deposit certificate daily interest rates (CDI) and which are part of the Company's managed portfolio (note 4.1.1.).

ANS investment funds (FI ANS): investment fund quotas intended to restrict on technical provisions required by ANS which are valued based on the value disclosed by the financial institution.

Investment funds (FI fixed income): investment fund quotas on Bradesco FI RF Bond and BRAM FI RF Referenced DI Coral which are valued based on the value disclosed by Bradesco Asset Management.

Financial Treasury Bills (LFT): fixed-income federal government securities, issued by the National Treasury, with floating yields indexed to the SELIC rate and registered in the same clearing house linked to the Central Bank of Brazil, which are assets part of the Company's managed portfolio.

Financial Bills (LF): private securities acquired issued by a banking financial institution, with floating yields, which are part of the Company's managed portfolio.

Certificados de la Tesorería de la Federación (CETES): fixed-income public bonds held by Odontoprev issued by the Mexican government.

Federal Treasury Bonds (NTN-B): federal public bonds acquired since March 28, 2016, refer to the assets from managed portfolio, which are managed by Bradesco Asset Management. As of December 31, 2020, the fair value is R\$18,462 (R\$19,111 as of December 31, 2019).

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		Investment portfolio by original maturity dates – Company					
	Classification	No maturity date	01 up to 180 days	181 up to 360 days	Over 360 days	Total	
CDBs	Current assets	-	-	3,723	-	3,723	
FI fixed income	Current assets	523,763	-	-	-	523,763	
LFT	Current assets	-	-	99,468	33,429	132,897	
LF	Current assets	-	11,513	1,710	8,659	21,882	
Fair value through income		523,763	11,513	104,901	42,088	682,265	
NTN-B	Non-current assets	-	6,040	-	10,501	16,541	
Amortized cost		-	6,040	-	10,501	16,541	
December 31, 2020		523,763	17,553	104,901	52,589	698,806	
December 31, 2019		368,556	-	1,739	144,930	515,225	

		Investment portfolio by original maturity dates – Consolidated					
	Classification	No maturity date	01 up to 180 days	181 up to 360 days	Over 360 days	Total	
CDBs	Current assets	-	-	3,723	-	3,723	
FI ANS	Current assets	886	-	-	-	886	
FI fixed income	Current assets	533,865	-	-	-	533,865	
LFT	Current assets	-	-	99,468	33,429	132,897	
LF	Current assets	-	11,513	1,710	8,659	21,882	
CETES	Current assets	-	8,746	-	-	8,746	
Fair value through income		534,751	20,259	104,901	42,088	701,999	
NTN-B	Non-current assets	-	6,040	-	10,501	16,541	
Amortized cost		-	6,040	-	10,501	16,541	
December 31, 2020		534,751	26,299	104,901	52,589	718,540	
December 31, 2019		382,150	-	1,739	149,145	533,034	

		Changes in the investment portfolio – Company						
		Fair value through income					Non-current Amortized cost	
		Current					NTN-B ¹	
		CDBs	FI fixed income	LFT	LF	Total		Total
December 31, 2018		16,430	306,043	96,072	3,963	422,508	15,227	437,735
Incorporation of Odonto System ²		211	23,260	-	-	23,471	-	23,471
Investments		-	953,269	6,094	17,527	976,890	-	976,890
(-) Withdrawals		(5,098)	(932,216)	(11,299)	(2)	(948,615)	(842)	(949,457)
Income		990	18,200	5,344	613	25,147	1,439	26,586
December 31, 2019		12,533	368,556	96,211	22,101	499,401	15,824	515,225
Investments		4	904,003	41,766	1,746	947,519	-	947,519
(-) Withdrawals		(9,160)	(760,698)	(7,819)	(2,457)	(780,134)	(782)	(780,916)
Income		346	11,902	2,739	492	15,479	1,499	16,978
December 31, 2020		3,723	523,763	132,897	21,882	682,265	16,541	698,806

¹Withdrawals corresponding to interest payments.

²Subsidiary merged on January 02, 2019.

		Changes in the investment portfolio – Consolidated								
		Fair value through income						Non-current Amortized cost		
		Current						NTN-B ¹		
		CDBs	FI ANS	FI fixed income	LFT	LF	CETES	Total		Total
December 31, 2018		16,641	835	341,847	96,072	3,963	1,236	460,394	15,227	475,621
Investments		-	1,860	975,945	6,094	17,527	11,958	1,013,384	-	1,013,384
(-) Withdrawals		(5,098)	(1,866)	(955,249)	(11,299)	(2)	(9,144)	(982,658)	(842)	(983,500)
Income		990	41	18,937	5,344	613	165	26,090	1,439	27,529
December 31, 2019		12,533	870	381,280	96,211	22,101	4,215	517,210	15,824	533,034
Investments		4	-	926,342	41,766	1,746	53,731	1,023,589	-	1,023,589
(-) Withdrawals		(9,160)	-	(785,926)	(7,819)	(2,457)	(49,484)	(854,846)	(782)	(855,628)
Income		346	16	12,169	2,739	492	284	16,046	1,499	17,545
December 31, 2020		3,723	886	533,865	132,897	21,882	8,746	701,999	16,541	718,540

¹Withdrawals corresponding to interest payments.

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Coverage of guarantee financial investments (according to RN 393/2015, amended by RN 419/2016 from ANS)					
	Classification	Company		Consolidated	
		December 31,		December 31,	
		2020	2019	2020	2019
Technical provisions					
Unsettled claims (over 30/60 days)	Current liabilities	31,016	3,406	31,016	3,410
IBNR	Current liabilities	91,102	94,565	91,586	95,130
Restriction required by ANS		122,118	97,971	122,602	98,540
Unsettled claims (total)	Current liabilities	71,148	46,242	71,178	46,349
IBNR	Current liabilities	91,102	94,565	91,586	95,130
Required guarantee by ANS		162,250	140,807	162,764	141,479
Restriction and guarantee of technical provisions					
CDBs	Current assets	3,723	3,622	3,723	3,622
FI ANS	Current assets	-	-	886	870
LFT	Current assets	109,252	74,572	109,252	74,572
LF	Current assets	4,017	3,953	4,017	3,953
NTN-B	Non-current assets	16,541	15,824	16,541	15,824
Restricted financial investments		133,533	97,971	134,419	98,841
CDBs	Current assets	23,645	8,815	23,645	8,815
LFT	Current assets	17,865	21,639	17,865	21,639
LF	Current assets	-	18,148	-	18,148
Guarantee financial investments		175,043	146,573	175,929	147,443

7. Credits of operations with health care plans (customers)

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Dental care/premium receivables (invoices)	154,325	180,002	154,488	180,185
Allowance for doubtful accounts	(30,474)	(46,836)	(30,624)	(46,994)
Dental care/premium receivables	123,851	133,166	123,864	133,191
Participation of beneficiaries in indemnifying events/claims (debit notes)	1,486	1,669	1,486	1,669
Allowance for doubtful accounts	(83)	(51)	(83)	(51)
Participation of beneficiaries in indemnifying events/claims	1,403	1,618	1,403	1,618
Dental care operators (invoices operators)	7,600	7,074	7,631	7,920
Allowance for doubtful accounts	-	-	(31)	(30)
Dental care operators	7,600	7,074	7,600	7,890
Other health care plan receivables (insurance)	-	-	13,807	18,967
Credits of operations with health care plans (customers)	132,854	141,858	146,674	161,666
Invoices, debit notes, operators and insurance	163,411	188,745	177,412	208,741
Allowance for doubtful accounts	(30,557)	(46,887)	(30,738)	(47,075)
Credits of operations with health care plans (customers)	132,854	141,858	146,674	161,666

Credits of operations with health care plans by maturity age

Maturity	Company				Consolidated			
	Invoices, debit notes, and operators invoices	Allowance for doubtful accounts	December 31, 2020	December 31, 2019	Invoices, debit notes, operators and insurance	Allowance for doubtful accounts	December 31, 2020	December 31, 2019
	Falling due	107,199	(423)	106,776	108,891	121,021	(423)	120,598
Up to 30 days	24,802	(3,555)	21,247	22,216	24,802	(3,555)	21,247	22,218
From 31 to 60 days	8,331	(4,559)	3,772	9,188	8,331	(4,559)	3,772	9,189
From 61 to 90 days	4,588	(3,567)	1,021	1,157	4,588	(3,567)	1,021	1,157
Over 91 days	18,491	(18,453)	38	406	18,670	(18,634)	36	407
	163,411	(30,557)	132,854	141,858	177,412	(30,738)	146,674	161,666

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	Changes in allowance for doubtful accounts and customers			
	December 31,		December 31,	
	2020	2019	2020	2019
Invoices	154,325	180,002	154,488	180,185
Debit notes	1,486	1,669	1,486	1,669
Invoices operators	7,600	7,074	7,631	7,920
Insurance	-	-	13,807	18,967
	163,411	188,745	177,412	208,741
Allowance for doubtful accounts: opening balance	(46,887)	(49,181)	(47,075)	(51,211)
Allowance for doubtful accounts: provisions (reversals) recorded	(48,616)	(78,438)	(48,659)	(78,762)
Allowance for doubtful accounts: actual losses	64,946	80,732	64,996	82,898
	(30,557)	(46,887)	(30,738)	(47,075)
Credits of operations with health care plans (customers)	132,854	141,858	146,674	161,666
Advances from customers	(600)	(1,310)	(883)	(1,442)
Customers, net	132,254	140,548	145,791	160,224

8. Tax and social security credits (taxes recoverable)

INSS: Refer to credits arising on payments made in the five years prior to the filing of the INSS lawsuit, monetarily restated (favorable decision issued in 2017, confirming the right to the nonpayment of INSS on the compensation paid to accredited dentists). The amounts started to be offset in September 2019 and will be completed within 2 years, therefore, the employer's INSS credits can be offset with all own social security debts.

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
INSS (current assets)	32,120	46,608	32,120	46,608
IRPJ	2,148	532	3,836	1,601
CSLL	459	109	2,150	1,533
IRRF	98	160	1,055	1,354
PIS and COFINS	50	246	2,134	2,381
ISS ¹	1,587	8,258	1,594	8,264
Other	-	-	2,209	660
	36,462	55,913	45,098	62,401
INSS (non-current assets)	-	24,248	-	24,248
	-	24,248	-	24,248

¹Credits related to the payments of ISS between March and August 2018 arising from the inclusion of events in the calculation basis. In March 2019, there was a final and unappealable decision in favor of the Company and the amounts started to be offset in December 2019.

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9. Long-term receivables

9.1 Deferred tax assets (income tax and social contribution - asset and liability)

Temporary differences	Classification	Expected realization	Note	Company		Consolidated			
				December 31,	Debit (credit) to	December 31,	Debit (credit) to		
				2019	income	2020	income		
Allowance for doubtful accounts	Assets	Up to 12 months	7	15,942	(5,553)	10,389	16,006	(5,555)	10,451
Non-deductible losses (recovery)	Assets	Over 12 months	-	2,442	(2,442)	-	2,442	(2,442)	-
Provision for contingent liabilities	Assets	Over 12 months	16.1	10,383	5,521	15,904	11,020	5,470	16,490
Other provisions	Assets	Up to 12 months	15	5,900	7,092	12,992	6,024	7,015	13,039
Long-term incentive program	Assets	Over 12 months	-	4,809	845	5,654	5,426	1,475	6,901
Other	Assets	Up to 12 months	-	9,150	(1,346)	7,804	10,582	(1,653)	8,929
Amortization of goodwill	Liabilities	Over 12 months	-	(9,992)	(10,150)	(20,142)	(9,992)	(10,159)	(20,151)
Deferred income tax/social contribution				38,634	(6,033)	32,601	41,508	(5,849)	35,659
Deferred income tax				29,310	(5,339)	23,971	31,665	(5,197)	26,468
Deferred social contribution				9,324	(694)	8,630	9,843	(652)	9,191
Deferred income tax/social contribution				38,634	(6,033)	32,601	41,508	(5,849)	35,659

9.2 Judicial deposits

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Tax	12,707	9,546	14,595	11,435
ISS ¹	11,385	8,236	11,385	8,236
Other	1,322	1,310	3,210	3,199
Social security and labor	3,393	2,356	3,778	2,926
Civil	1,731	1,583	1,731	1,583
	17,831	13,485	20,104	15,944

¹Challenge arising from the subsidiary Odonto System, and the full amount of ISS, without deducting the events from the calculation basis (subject matter of the court challenge) was deposited in court. This amount is fully recognized in a provision in non-current liabilities in the "Taxes and Contributions" account.

9.3 Other receivables

Provision for potential risks determined in the review of accounting, tax and labor procedures of acquired companies (note 12.1), which has a corresponding entry to "other payables" (note 16.3). By means of an agreement, the former owners of the acquired companies guarantee the reimbursement of any payments the Company and its Subsidiaries are required to make.

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Prontodente ¹	-	157	-	157
Papaiz Group	-	-	1,323	1,323
Odonto System ²	14,379	14,786	14,379	14,786
	14,379	14,943	15,702	16,266

¹Corresponds to installment payments of tax debts made in 2017 and settled over the course of 2020.

²Amounts guaranteed by a guarantee insurance and a letter of bail.

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10. Investments – equity interests

	Company						
	Regulated		Interests in Subsidiaries			Joint ventures	
	entities		Other companies			(regulated entities)	
	Odontoprev		Total			Total	
December 31, 2020	Rede Dental	Clídec	Serviços	Odontored ¹		Brasildental	investments
Share capital	1,162	12,790	9,700	3,128	-	9,500	-
Quotas/shares	1,162	12,790	9,700	3,128	-	380,000	-
Interest (%)	100.0	99.9	99.9	60.0	-	25.0	-
Assets	8,015	31,084	37,112	27,546	-	47,155	-
Liabilities	5,573	31,345	35,016	19,852	-	23,552	-
Equity	2,462	23,219	15,641	7,694	-	2,826	-
Net revenue	11,169	15,900	52,885	16,807	-	66,745	-
Costs and expenses	7,365	15,679	50,789	18,978	-	30,450	-
Taxes and profit sharing	1,361	483	-	-	-	12,693	-
Income (loss) for the period	2,443	(262)	2,096	(2,171)	-	23,602	-
December 31, 2019	3,461	23,358	15,445	5,492	44,295	4,293	52,049
Put option in subsidiary	-	(140)	-	-	(140)	-	(140)
Dividends	(1,000)	-	-	-	-	(5,000)	(6,000)
Earnings (expenses) of equity method	2,443	(262)	2,095	(1,303)	530	5,901	8,874
December 31, 2020	4,904	22,956	17,540	4,189	44,685	5,194	54,783

¹For consolidation purposes, financial statements with a one-month gap are used (note 1).

	Consolidated			
	Investments		Earnings of equity method	
	December 31,		December 31,	
	2020	2019	2020	2019
Investments/earnings (expenses) of equity method - Company	54,783	52,049	8,874	8,129
Eliminations to consolidated:	(49,589)	(47,756)	(2,973)	(3,301)
Subsidiaries (regulated entities)	(9,093)	(8,953)	(1,140)	(1,143)
Subsidiaries (other companies)	(40,496)	(38,803)	(1,833)	(2,158)
Interests in joint ventures – other companies	6,591	5,025	(401)	384
Interests in other companies	1,207	135	1,173	(170)
	12,992	9,453	6,673	5,042

11. Property, plant and equipment

	Changes in property, plant and equipment - Company									
	December 31,					December 31,			Net book value	Annual depreciation rate (%)
	2019	Additions	Write-offs	Transfers	Depreciation	2020	Acquisition cost	Depreciation		
Computer equipment	4,738	6,138	(9)	(3)	(1,980)	8,884	30,249	(21,365)	8,884	20
Vehicles	932	580	(233)	-	(239)	1,040	1,283	(243)	1,040	20
Facilities	1,415	35	-	2	(365)	1,087	2,856	(1,769)	1,087	10
Machinery and equipment	403	-	-	-	(65)	338	1,924	(1,586)	338	10
Furniture and fixtures	1,533	-	-	-	(371)	1,162	5,247	(4,085)	1,162	10
Communication equipment	788	-	-	8	(172)	624	2,272	(1,648)	624	10
Dental care equipment	57	8	-	(2)	(19)	44	465	(421)	44	10
PP&E for own use	9,866	6,761	(242)	5	(3,211)	13,179	44,296	(31,117)	13,179	
Fixed assets in progress	7	-	(7)	-	-	-	-	-	-	-
Other fixed assets	6,687	397	(1)	3	(1,613)	5,473	13,385	(7,912)	5,473	20
Total fixed assets	16,560	7,158	(250)	8	(4,824)	18,652	57,681	(39,029)	18,652	
Right of use (IFRS 16)	25,074	-	(108)	-	(3,183)	21,783	28,283	(6,500)	21,783	-
Total PP&E	41,634	7,158	(358)	8	(8,007)	40,435	85,964	(45,529)	40,435	

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	Changes in property, plant and equipment - Consolidated										
	December 31,					December 31,					Annual depreciation rate (%)
	2019	Additions	Write-offs	Transfers	Depreciation	2020	Acquisition cost	Depreciation	Net book value		
Computer equipment	5,352	6,686	(9)	(120)	(2,266)	9,643	32,337	(22,694)	9,643	20	
Vehicles	1,021	755	(328)	(4)	(286)	1,158	1,403	(245)	1,158	20	
Facilities	1,781	73	(8)	52	(471)	1,427	3,509	(2,082)	1,427	10	
Machinery and equipment	480	28	(4)	125	(82)	547	2,328	(1,781)	547	10	
Furniture and fixtures	2,238	207	-	(22)	(498)	1,925	6,845	(4,920)	1,925	10	
Communication equipment	886	-	(1)	6	(191)	700	2,467	(1,767)	700	10	
Dental care equipment	884	688	(1)	(1)	(204)	1,366	3,782	(2,416)	1,366	10	
Buildings	7,077	-	-	-	(289)	6,788	7,221	(433)	6,788	-	
PP&E for own use	19,719	8,437	(351)	36	(4,287)	23,554	59,892	(36,338)	23,554		
Fixed assets in progress	753	-	(753)	-	-	-	-	-	-	-	
Other fixed assets	8,755	1,494	(39)	12	(2,992)	7,230	18,253	(11,023)	7,230	20	
Total fixed assets	29,227	9,931	(1,143)	48	(7,279)	30,784	78,145	(47,361)	30,784		
Right of use (IFRS 16)	38,961	-	(628)	-	(5,113)	33,220	43,780	(10,560)	33,220	-	
Total PP&E	68,188	9,931	(1,771)	48	(12,392)	64,004	121,925	(57,921)	64,004		

12. Intangible assets

12.1 Goodwill on acquisition of investments

	Historical data relating to the acquisition and/or approval						December 31, 2020			December 31, 2019
	Date	Total value	Asset value	Strategic focus	CGU	Date of merger	Goodwill	Amortization/write-off ¹	Net goodwill	Net goodwill
Bradesco Dental	10/18/2009	723,392	313,752	Business and individual	Bradesco	07/01/2010	409,640	-	409,640	409,640
Biodent	06/19/2008	2,837	98	Premium segment	Care Plus	12/01/2008	2,739	(319)	2,420	2,420
Care Plus	06/19/2008	13,113	(230)	Premium segment	Care Plus	12/01/2008	13,343	(1,563)	11,780	11,780
SRJSPE	06/26/2008	13,720	(130)	Premium segment	Care Plus	12/01/2008	13,850	(1,616)	12,234	12,234
Rede Dental ⁶	10/08/2007	7,584	(119)	Regionalization	Rede Dental	Not merged	7,703	(1,544)	6,159	6,159
OdontoServ ²	02/27/2009	30,841	10,025	Regionalization	OdontoServ	12/01/2009	20,816	-	20,816	20,816
Prontodente	12/22/2008	5,445	(235)	Medium and large companies	Odontoprev ³	12/01/2009	5,680	-	5,680	5,680
Sepao	10/24/2008	9,203	82	Medium and large companies	Odontoprev ³	12/01/2009	9,121	(303)	8,818	8,818
DentalCorp	02/09/2007	25,244	386	Small and medium companies	Odontoprev ³	03/03/2008	24,858	(9,529)	15,329	15,329
Odonto System ⁴	08/07/2018	203,084	4,668	Complementarity portfolio	Odonto System	01/02/2019	145,793	-	145,793	145,793
Company		1,034,463	328,297				653,543	(14,874)	638,669	638,669
Easy	07/08/2008	3,100	456	Verticalization	-	Not merged	2,644	(264)	2,380	2,380
G2D ⁵	08/09/2012	750	416	Verticalization	-	Not merged	333	(333)	-	333
Papaiz Group	01/31/2013	5,487	780	Verticalization	-	Not merged	6,008	-	6,008	6,008
Consolidated		1,043,800	329,949				662,528	(15,471)	647,057	647,390

¹Amortization on a straight-line basis up to December 31, 2008 and after this date impairment tests are performed.

²Includes Adcon merged on May 01, 2014.

³Equivalent to the total result of the Company deducted from Bradesco, Care Plus, OdontoServ and Odonto System CGUs, including Prontodente, Sepao and DentalCorp. Such grouping is due to the strategic focus of these acquisitions being closely related to the commercial and retention activities of OdontoPrev, as well as to the identification of independent cash inflow.

⁴Includes the amounts referring to the brand, client portfolio and non-competition agreement allocated in the intangible assets incorporated to the Company on January 2, 2019 and shown in consolidated amounts on December 31, 2018.

⁵Goodwill written off due to the transfer of the investment in G2D to SF 210 (note 1).

⁶Merged on January 4, 2021 (nota 1).

The Company evaluates its recoverability through impairment tests (note 2.7.4 (a)) for goodwill from acquisitions of investments allocated to cash generating units (CGU's).

In the application of the test, the income approach was used through the discounted cash flow methodology (value in use) based on the nature of each CGU, the existence of financial and operational control, history and availability of financial projections. The main assumptions used to estimate the recoverable amount represent the assessment of future trends by management in relevant industries and were based on historical data from internal and external sources.

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Assumptions on December 31, 2020						
Measurement period:	5 years, from January 01, 2021 to December 31, 2025 and perpetuity					
Growth rate in perpetuity:	3.2 p.y. based on a long-term inflation rate (IPCA)					
Forecast currency:	Nominal R\$, including the inflationary effect					
Discount rate:	12.8% according to the CAPM ¹ methodology					
Specific assumptions:	(i) accounting and managerial statements of the CGU and Odontoprev; (ii) managerial information that include the group's budget					
Macroeconomic assumptions:	Description	2021P	2022P	2023P	2024P	2025P
	GDP variation	3.39%	2.43%	2.43%	2.41%	2.41%
	IGP-M	4.44%	3.99%	3.78%	3.74%	3.69%
	Inflation - IPCA	3.32%	3.41%	3.31%	3.24%	3.24%

¹CAPM - Capital Asset Pricing Model

Assumptions on December 31, 2019						
Measurement period:	5 years, from January 01, 2020 to December 31, 2024 and perpetuity					
Growth rate in perpetuity:	3.5 p.y. based on a long-term inflation rate (IPCA)					
Forecast currency:	Nominal R\$, including the inflationary effect					
Discount rate:	12.7% according to the CAPM ¹ methodology					
Specific assumptions:	(i) accounting and managerial statements of the CGU and Odontoprev; (ii) managerial information that include the group's budget					
Macroeconomic assumptions:	Description	2020P	2021P	2022P	2023P	2024P
	GDP variation	2.09%	2.56%	2.64%	2.64%	2.64%
	IGP-M	4.23%	4.08%	3.98%	3.86%	3.71%
	Inflation - IPCA	3.60%	3.74%	3.56%	3.50%	3.50%

¹CAPM - Capital Asset Pricing Model

In view of the possible impacts arising from COVID-19, the Company carried out, in August 2020 and December 2020, the impairment test and concluded that, on both dates, the value in use obtained by applying these assumptions is higher than the carrying amount; therefore, there are no indications of impairment.

12.2 Intangible assets - changes

	Company				Consolidated			
	Goodwill on acquisition of investments	System development and software licenses	Allocated intangible assets	Intangible assets	Goodwill on acquisition of investments	System development and software licenses	Allocated intangible assets	Intangible assets
December 31, 2019	638,669	65,778	41,625	746,072	647,390	69,718	41,625	758,733
Additions	-	25,222	-	25,222	-	25,329	-	25,329
Write-offs	-	-	-	-	(333)	(413)	-	(746)
Transfers	-	163	-	163	-	64	-	64
Amortization	-	(8,538)	(8,248)	(16,786)	-	(9,320)	(8,248)	(17,568)
December 31, 2020	638,669	82,625	33,377	754,671	647,057	85,378	33,377	765,812
Cost	653,543	128,298	61,150	842,991	662,528	133,309	61,150	856,987
Accumulated amortization	(14,874)	(45,673)	(27,773)	(88,320)	(15,471)	(47,931)	(27,773)	(91,175)
Net book value	638,669	82,625	33,377	754,671	647,057	85,378	33,377	765,812
Amortization period		5 years	Useful life - appraisal report			5 years	Useful life - appraisal report	

13. Minimum capital and technical reserves

ANS establishes the rules for recognizing technical provisions and minimum capital requirements, according, currently, to RN 451/2020, amended by RN 461/2020.

RN 451/2020 also provides for the adoption of a regulatory capital model based on risks, which is mandatory for all operators as from 2023, however, early adoption is permitted. In May 2020, the Company filed an instrument of commitment (early adoption) that allows the freezing of the solvency scale at 75%.

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Due to the option for the early use of the standard capital model based on risks under the terms of Article 14 of RN 451/2020, the determination of the regulatory capital must take into consideration, as from the month indicated by DIOPE (Board of Standards and Qualification of Operators), the highest of the following amounts: (i) base capital; (ii) the solvency margin taking into consideration the fixed percentage of 75%; (iii) capital based on risks.

13.1 Minimum capital

- (a) Adjusted minimum equity (AME) represents the minimum amount of net assets, calculated by multiplying the K Factor by the capital base.
- (b) The solvency margin (SM) corresponds to the amount of adjusted equity (AE) enough (S) to cover the higher of 0.20 times the sum of the last 12 months premium or 0.33 times the annual average of the last 36 months of indemnifiable claims, net.
- (c) Subscription risk: Uncertainty measure related to an adverse economic position that goes against the operator's expectation at the time of the preparation of its subscription policy regarding the uncertainties existing in the estimate of the technical provisions and provisions related to pricing. Subscription risk-based capital is composed of the following amounts: (i) pricing risk-based capital and (ii) provision risk-based capital.

Company: calculation of AME, AE, SM and S		
	December 31,	
	2020	2019
Base capital	8,977	8,790
(x) K Factor ¹	3.23%	3.23%
Adjusted minimum equity (AME)	290	284
Equity	1,202,279	1,111,365
Legal obligations	-	2
Equity interests in regulated entities	(10,098)	(7,754)
Deferred acquisition costs	(26,152)	(28,394)
Prepaid expenses	(6,160)	(2,033)
Intangible assets	(754,671)	(746,072)
Adjusted equity (AE)	405,198	327,114
(-) Effects of IFRS 16 ⁴	329	736
Adjusted equity, excluding IFRS16 (AE ANS)	405,527	327,850
(A) 0.20 times the sum of the premiums – past 12 months	356,827	359,739
(B) 0.33 times the average of the events – past 36 months	223,825	219,330
Solvency margin (SM) total = higher between (A) and (B)²	356,827	359,739
SM required ³ (%)	75.000%	77.900%
SM required ³ (R\$)	267,620	280,236
Sufficiency required (AE – SM required)	137,907	47,614
Underwriting risk	142,720	-

¹K Factor corresponds to classification: dentistry group, tertiary sector, region 1, according to annex RN 461/2020.

²Total solvency margin should be set up until December 31, 2022 according to RN 451/2020.

³ 75% frozen due to early adoption of RN 451/2020.

⁴This refers to the effects on income of IFRS 16 – Leases, which had not been approved by ANS until December 31, 2020.

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13.2 Changes in technical reserves

According to IFRS 4, the changes in reserves related to claims/events (insurance liabilities) and the assets directly related to these contracts are as follows:

	Company				Consolidated			
	UP	UC	IBNR	DAC ¹	UP	UC	IBNR	OTHER
December 31, 2018	155,277	38,352	82,403	22,280	159,878	39,568	83,073	11,339
Incorporation of Odonto System ²	4,537	1,124	85	-	-	-	-	-
Indemnifiable claims, net	-	776,457	-	-	-	772,143	-	-
Paid events	-	(769,691)	-	-	-	(765,362)	-	-
Variation of IBNR	-	-	12,077	-	-	-	12,057	-
Unearned premiums	1,864,843	-	-	-	1,876,783	-	-	-
Premiums recognized in income	(1,842,530)	-	-	-	(1,854,465)	-	-	-
Deferred acquisition expenses	-	-	-	(28,005)	-	-	-	-
Amortized acquisition expenses	-	-	-	34,119	-	-	-	-
Insurance recognized in income	-	-	-	-	-	-	-	16,191
Insurance ³	-	-	-	-	-	-	-	(4,016)
Incurred claims	-	-	-	-	-	-	-	2,775
Paid claims ³	-	-	-	-	-	-	-	(12,351)
December 31, 2019	182,127	46,242	94,565	28,394	182,196	46,349	95,130	13,938
Indemnifiable claims, net	-	665,253	-	-	-	662,534	-	-
Paid events	-	(640,347)	-	-	-	(637,705)	-	-
Variation of IBNR	-	-	(3,463)	-	-	-	(3,544)	-
Unearned premiums	1,818,875	-	-	-	1,830,415	-	-	-
Premiums recognized in income	(1,819,670)	-	-	-	(1,831,222)	-	-	-
Deferred acquisition expenses	-	-	-	(24,643)	-	-	-	-
Amortized acquisition expenses	-	-	-	22,401	-	-	-	-
Insurance recognized in income	-	-	-	-	-	-	-	16,807
Insurance ³	-	-	-	-	-	-	-	(19,890)
Incurred claims	-	-	-	-	-	-	-	2,621
Paid claims ³	-	-	-	-	-	-	-	(451)
December 31, 2020	181,332	71,148	91,102	26,152	181,389	71,178	91,586	13,025

¹Asset directly related to insurance contracts for Company and Consolidated.

²Subsidiary merged on January 02, 2019.

³Control of Odontored assumed on April 01, 2016 (note 1).

14. Tax liabilities

	December 31,		December 31,	
	2020	2019	2020	2019
Income tax and social contribution payable	9,797	6,029	10,114	5,881
IRPJ	6,739	4,074	6,962	3,960
CSLL	3,058	1,955	3,152	1,921
Other federal tax liabilities	12,801	13,604	16,435	17,203
COFINS	3,701	3,543	3,981	3,693
PIS	601	576	661	607
PIS, COFINS and CSLL (PCC)	1,249	1,663	1,257	1,673
IRRF	5,916	5,956	6,565	6,424
IVA ¹	-	-	2,612	2,771
ANS fee	571	835	571	836
Tax payments in installments ²	737	1,020	737	1,020
Other	26	11	51	179
State tax liabilities	-	-	1,183	30
Municipal tax liabilities³	8,886	8,710	9,191	9,153
	31,484	28,343	36,923	32,267

¹Tax on added value from Subsidiary Odontored.

²Installments made by the Subsidiary Odonto System (note 16.2) incorporated on January 02, 2019.

³In January and February 2018, the Company complied with the determinations of Complementary Law (LC) 157/2016, which introduced changes in the calculation of ISS and, since March 2018, the Company is under determination of Unconstitutionality Direct Action (ADI) number 5.835 which suspended temporarily these changes. On September 11, 2018, the Company obtained a first instance injunction to collect ISS over the effective value of the services provided and, in March 2019, the Company obtained a favorable final decision (note 16.1 (a) (ii)).

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15. Other payables

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Other provisions	38,212	17,353	38,349	17,718
Commissions	5,243	5,388	5,243	5,388
IT support and service	839	994	844	1,014
Telecommunications	494	1,635	494	1,662
Services	1,801	1,418	1,866	1,593
Travel	-	136	16	227
Indemnifiable claims	6,165	5,573	6,165	5,573
Free choice ¹	23,297	-	23,297	-
Marketing	329	2,117	347	2,134
Insurance	44	92	77	127
INSS refund ²	17,497	19,606	17,497	19,606
ISS refund ³	-	775	-	775
Unidentified credits ⁴	9,064	12,268	9,064	12,268
Unearned revenue (IFRS 15)	-	-	1,743	-
Other	498	310	2,071	2,057
	65,271	50,312	68,724	52,424

¹Provisions for individual plans with free choice of professionals with the bank channel (note 20).

²Refers to amounts to be reimbursed to customers due to the success obtained in the lawsuit related to INSS.

³Refers to the refund of the amount to Brasidental due to the success obtained in the lawsuit related to ISS.

⁴Refers to amounts received from customers and not identified, not exceeding a period of 60 days.

16. Non-current

16.1 Provisions for contingent liabilities

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Tax	34,201	24,198	35,486	25,377
Social security and labor	1,704	1,859	2,141	2,287
Civil	10,872	4,480	10,872	4,747
	46,777	30,537	48,499	32,411

Changes	Company						December 31, 2019
	December 31, 2020						
	TPS ¹	Tax Other	Civil ANS	Civil Other	Social security and labor	Total	
Opening balance	24,161	37	2,696	1,784	1,859	30,537	23,341
Incorporation of Odonto System ²	-	-	-	-	-	-	2,217
Provisions	9,212	507	6,954	596	80	17,349	17,286
Write-offs (payments/reversals)	-	(515)	(1,017)	(755)	(241)	(2,528)	(13,754)
Monetary restatement	783	16	509	105	6	1,419	1,447
Provisions	34,156	45	9,142	1,730	1,704	46,777	30,537
Judicial deposits ³ (note 9.2)	-	(1,322)	-	(1,731)	(3,393)	(6,446)	(5,249)
Net provisions	34,156	(1,277)	9,142	(1)	(1,689)	40,331	25,288
Number of lawsuits						559	278

¹Corresponds to the provision for the payment of TPS as described in item (a) (i).

²Subsidiary merged on January 02, 2019.

³Related to lawsuits filed by the Company and its Subsidiaries, therefore, no provisions are made.

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Changes	December 31, 2020						Consolidated
	Tax		Civil	Social security	Total	December 31,	
	TPS ¹	Other	ANS	Other			and labor
Opening balance	24,183	1,194	2,708	2,039	2,287	32,411	27,214
Provisions	9,227	591	6,959	602	494	17,873	17,788
Write-offs (payments/reversals)	-	(515)	(1,037)	(1,017)	(654)	(3,223)	(14,046)
Monetary restatement	789	17	512	106	14	1,438	1,455
Provisions	34,199	1,287	9,142	1,730	2,141	48,499	32,411
Judicial deposits ² (note 9.2)	-	(3,210)	-	(1,731)	(3,778)	(8,719)	(7,708)
Net provisions	34,199	(1,923)	9,142	(1)	(1,637)	39,780	24,703
Number of lawsuits						639	309

¹Corresponds to the provision for the payment of TPS as described in item (a) (i).

²Related to lawsuits filed by the Company and its Subsidiaries, therefore, no provisions are made.

The amounts related to possible losses not accrued of the Company and its Subsidiaries refer to 51 labor lawsuits, 16 tax lawsuits and 1,255 civil lawsuits. As of December 31, 2020, these lawsuits amount to R\$104,352 (R\$79,352 as of December 31, 2019).

(a) Tax

(i) Regulatory tax per health care plan (TPS)

Coupled with a lawsuit distributed on August 16, 2017, the Company and its Subsidiary Rede Dental filed a petition to waive the mandatory requirement of the Regulatory tax per health care plan ("TPS"), authorized by article 20, item I, of Law 9,961/2000, as well as reimbursement of amounts paid in the last five years. A decision granting an urgency protection (injunction) has already been issued to determine the suspension of the enforceability of the TPS. Also, on May 07, 2018, a decision was issued considering the lawsuit with grounds to declare the tax not to be applicable, thus sentencing ANS to reimburse the amounts paid since August 16, 2012. ANS has filed an appeal, however, until December 31, 2020, this decision was not yet concluded.

(ii) ISS

On October 05, 2018, Rede Dental filed a lawsuit to adjust the ISS tax base to pay ISS on the actual amount of the services rendered, that is, on the balance of the invoiced amount less the transfers made to the providers of dental services. On October 9, 2018, a decision was passed granting provisional emergency protection to deduct the amount of transfers paid to providers of dental services in determining the ISS calculation base, that is, to collect it on the effective value of the services provided. Despite the preliminary judicial decision, Rede Dental has collected the full amount up to the present moment, but it is being adjusted to the City Hall for the payment under the terms of the decision. The final decision is still pending.

(iii) COFINS

The Subsidiary Clidec filed a lawsuit requesting to pay COFINS as established by Complementary Law LC7/1970 rather than in accordance with Law 9,718/1998, and to offset the difference in amounts paid at the rate of 3% against social contribution. The Company was partially successful, since the increase in the COFINS calculation basis was determined unconstitutional. Clidec awaits the granting of its claim for offsetting the amounts due, because of the partially valid decision.

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(b) Social security and labor

(i) INSS

The Subsidiary Rede Dental also challenged in court the payment of the social security contribution levied on compensations paid to accredited dentists and the final and unappealable decision awarded on September 12, 2019 was favorable to the company. Rede Dental is currently offsetting the credits related to the periods prior to the date the lawsuit was filed but this offset has not yet been confirmed.

(ii) Other

The Company and its Subsidiaries are parties to several labor lawsuits, most of them relating to: (i) recognition of employment relationship; (ii) equal pay; (iii) overtime; (iv) union classification; and (v) indemnities.

(c) Civil claims

The Company and its Subsidiaries are parties to civil lawsuits, mainly involving requests for indemnification for property damage and pain and suffering.

(d) Tax assessment notices on stock options

On August 31, 2015, tax authorities issued assessment notices summarized below, claiming that the Company compensated Managers and Employees who had joined the stock option programs and had exercised that option in calendar years 2010, 2011 and 2012.

(i) Tax credits consisting of social security contributions for calendar years 2010, 2011 and 2012, plus late payment interest and tax deficiency penalty in the amounts of R\$33,645 (company contribution and GILRAT/SAT) and R\$5,437 (third parties), and on December 31, 2020, the monetarily restated amounts correspond to R\$39,082. The challenge presented was judged by the 9th Panel of DRJ/Ribeirão Preto, partially accepting the appeal to recognize the compensatory nature. The tax credit recorded was maintained, excluding the portion of the benefit corresponding to the shares subject to calculation basis lock-up. Both parties appealed to the Administrative Board of Tax Appeals (CARF). In October 2019, the Company was notified of the decision on the appeal, which was unfavorable and revises the previous decision, including to reinstate the previously won lock-up portion. Also in October 2019, the Company filed a Bill of Review, which was not accepted by the appeal panel and Odontoprev became aware of this decision on January 2017, 2020. Odontoprev filed an appeal with CARF and it is still pending assessment. Relying on the opinion of Company's legal counsel, Management considers that an unfavorable outcome is possible.

(ii) Isolated fine resulting from alleged non-withholding of Withholding Income Tax (IRRF) related to calendar years 2010, 2011 and 2012, in the total amount of R\$20,010, restated through December 2020. The challenge presented was judged by the 3rd Panel of DRJ/Ribeirão Preto, partially accepting the appeal to recognize the compensatory nature. The tax credit recorded was maintained, excluding the portion of the benefit corresponding to the shares subject to calculation basis lock-up. Both parties appealed to the Administrative Board of Tax Appeals (CARF). In October 2019, the Company was notified of the decision on the appeal, which was unfavorable and revises the previous decision, including to reinstate the previously won lock-up portion. Also in October 2019, the Company filed a Bill of Review, which was not accepted, so Odontoprev filed a special appeal

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with CARF in January 2020 that is still awaiting admissibility. Relying on the opinion of the Company's legal counsel, Management considers that the probability of an unfavorable outcome is remote.

The Company, in compliance with decision made at the Board of Directors' Meeting held on March 28, 2017, contracted a court guarantee insurance in order to guarantee and support obligations of lawsuits of the Company and of beneficiaries of the stock option plan approved in a General Meeting of Shareholders (which have or will have seized assets or assets under restriction and/or that are required for court discussion), as a result of legal and administrative procedures started by tax authorities as a result of exercise of options by beneficiaries mentioned above. The amounts insured for such policies to guarantee the lawsuits involving stock options total R\$5,243 to date.

16.2 Installments of tax and social contribution debts (other provisions)

Installments of debts referring to different federal taxes and social security contributions of the Subsidiary Odonto System to be settled until September, 2024.

	Company and Consolidated	
	December 31,	
	2020	2019
Social security	957	1,210
Federal debts	1,239	1,773
Non-current liabilities	2,196	2,983
Social security	239	326
Federal debts	498	694
Current liabilities (note 14)	737	1,020

16.3 Other liabilities

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Other payables (contingencies)	14,114	14,640	15,437	15,963
Papaiz Group	-	-	1,323	1,323
Odonto System ¹	14,114	14,640	14,114	14,640
Other payables (installment plans)	-	155	-	155
Prontodente ¹	-	155	-	155
	14,114	14,795	15,437	16,118

¹Provision for potential contingencies and tax installment plans of acquired investments, with a corresponding entry to other receivables (note 9.3).

16.4 Put option in Subsidiary

Date	Company (note 1)	Subsidiary (note 1)	Exercise date	Assumptions	Shareholders' Agreement				Consolidated	
					Account	Corresponding entry (note 17.2)	Accounting			
							December 31, 2020	December 31, 2019		
04/01/2016	Odontoprev	Odontored	Since 04/01/2019	(a) base strike price of the option: greater amount of (i) capital contributions made by minority shareholders up to option exercise date x 3; (ii) 9 x EBITDA for the 12 months preceding the date of exercise; (b) discount rate: Mexican government bonds remuneration rate used (8.01% p.y.); conversion rate: equivalent to Brazilian real vs. Mexican peso; (d) prospective changes in the present value of strike price are recorded directly in equity.	Put option in Subsidiaries (Non-current liabilities)	Other capital reserves (Equity)	38,140		31,184	
01/19/2017	Clidec	Clidec Participações	During the year 2021	(a) price is equivalent to 4 x EBITDA for the last 12 months preceding the exercise notification plus debts and deducted from cash and cash equivalents; (b) discount rate: CDI Fixed Long-Term (720 days) - (12.20% p.y.)	Put option in Subsidiaries (Non-current liabilities)	Other capital reserves (Equity)	1,293		1,152	
							39,433		32,336	

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16.5 Investment payable

According to Odonto System's purchase agreement, to secure the obligation to indemnify the sellers, the Company maintains a portion of the investment payable within five years by disbursing 20% upon each anniversary of the agreement. The Subsidiary Odontoprev Serviços acquired a 60% interest in Oprev (note 1) and the changes in its investments are presented below:

	Company		Consolidated	
	December 31,		December 31,	
	2020	2019	2020	2019
Opening balance – investment payable	15,966	17,500	15,966	17,500
(+) New investments - Oprev	-	-	7	-
(+) Monetary restatement	433	1,439	434	1,439
(-) Write-off of contingencies	(406)	(2,973)	(406)	(2,973)
	15,993	15,966	16,001	15,966
Current liabilities	5,331	3,991	5,331	3,991
Non-current liabilities	10,662	11,975	10,670	11,975
	15,993	15,966	16,001	15,966

17. Equity

17.1 Share capital

	Company	
	December 31,	
	2020	2019
Subscribed and paid-up capital (R\$ thousands)	607,869	607,869
Common shares with no par value (number of shares)	531,294,792	531,294,792
Article 7 of Bylaws – authorization to issue shares with no changes in the Bylaws (number of shares)	80,000,000	80,000,000
Closing price: ODPV3 - B3 S.A. - Brasil Bolsa Balcão (R\$/share)	14.55	16.87
Book value (R\$/share)	2.26	2.09

17.2 Capital reserves

	Company and Consolidated	
	December 31,	
	2020	2019
Goodwill on the issue of shares	48,392	48,392
Stock option plan	(19,631)	(18,318)
Options granted	3,636	5,325
Additional paid-up capital	(23,267)	(23,643)
Other capital reserves	(39,433)	(32,336)
	(10,672)	(2,262)

Options granted: amounts from the 9th, 10th and 12th grants of options using the Black & Scholes methodology (note 17.7).

Additional paid-up capital: amount of the difference between the constitution estimated by the Black & Scholes methodology and the amount of the exercise from 1st to 12th grants of options.

Other capital reserves: corresponding entry of the put option recorded in non-current liabilities (note 16.4).

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17.3 Earnings reserves

	Company and Consolidated	
	December 31,	
	2020	2019
Legal reserve	32,295	14,238
Statutory reserve of regulatory capital	243,147	238,218
Investment and expansion reserve	243,147	238,218
Tax incentive reserve	129	129
	518,718	490,803

Legal reserve: this reserve must be recorded by the Company through the allocation of 5% of the net income for the year, up to 20% of the share capital.

Statutory reserve of regulatory capital: constituted by the Company, with the allocation of up to 50% of the net income of the year, limited to 40% of the share capital, whose purpose and objective is to meet the capital requirement regulation related to the solvency margin required by ANS.

Reserve for investment and expansion: constituted by the Company, with the allocation of up to 50% of the net income for the year, limited to 40% of the share capital, whose purpose and objective is to finance the development, growth and expansion of the Company's business, allowing the realization of new investments, including acquisitions of software and hardware, investments in facilities and equipment, acquisition of equity interests, business units and commercial establishments.

17.4 Treasury shares

The balance of treasury shares as of December 31, 2020 is R\$14,349, which is equivalent to 893,541 shares (R\$21,028, equivalent to 1,309,409 shares as of December 31, 2019).

17.5 Retained earnings and additional dividend proposed

In compliance with IAS 1, we present the changes in the retained earnings account for December 31, 2020 and 2019:

	Company	
	December 31,	
	2020	2019
Net income for the year	361,128	284,763
Net income allocation proposal:	(361,128)	(284,763)
Legal reserve	(18,057)	(14,238)
Interest on capital	(53,018)	(62,556)
Interim dividends	(179,482)	(100,796)
Additional dividend proposed	(100,713)	(35,983)
Statutory reserve of regulatory capital	(4,929)	(35,595)
Investment and expansion reserve	(4,929)	(35,595)
	-	-

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	Company	
	December 31,	
	2020	2019
Net income for the year	361,128	284,763
(-) Legal reserve	(18,057)	(14,238)
Adjusted calculation basis	343,071	270,525
(%) Minimum dividend percentage pursuant to the Bylaws	50	50
Mandatory minimum dividend	171,536	135,263
Interim dividends	179,482	100,796
Interest on capital ¹	45,065	53,172
Additional dividend above the mandatory minimum	100,713	35,983
Approved dividends and interest on capital	325,260	189,951
Amount in excess of mandatory minimum dividend	(153,725)	(54,689)
Mandatory minimum dividend	171,536	135,263

¹Net of 15% withholding income tax (IRRF).

17.6 Deliberations

Approval	Type	Date	Deliberation		Company	
			Earnings per share (R\$)	Payment date	2020	2019
BDM	Interest on capital	03/18/2019	0.03323	05/03/2019	-	17,636
BDM	Interest on capital	06/17/2019	0.02989	07/03/2019	-	15,831
BDM	Interest on capital	09/24/2019	0.02812	10/09/2019	-	14,893
BDM	Interest on capital	12/16/2019	0.02678	01/08/2020	-	14,196
BDM	Interest on capital	03/12/2020	0.02614	04/02/2020	13,864	-
BDM	Interest on capital	06/10/2020	0.02525	07/03/2020	13,390	-
BDM	Interest on capital	09/11/2020	0.02508	10/07/2020	13,304	-
BDM	Interest on capital	12/10/2020	0.02349	01/04/2021	12,460	-
			Interest on capital		53,018	62,556
BDM	Dividends	05/02/2019	0.09529	05/16/2019	-	50,565
BDM	Dividends	08/01/2019	0.05239	09/04/2019	-	27,761
BDM	Dividends	10/30/2019	0.04239	12/06/2019	-	22,470
BDM	Dividends	04/29/2020	0.04478	10/07/2020	23,747	-
BDM	Dividends	07/29/2020	0.15682	10/07/2020	83,173	-
BDM	Dividends	10/28/2020	0.13681	12/09/2020	72,562	-
			Interim dividends		179,482	100,796
AEGM	Additional dividend	04/28/2020	0.06785	07/03/2020	-	35,983
AGM	Additional dividend proposed	04/05/2021	0.18988	07/06/2021	100,713	-
			Additional dividend		100,713	35,983
			Total approved dividends		333,213	199,335

BDM = Board of Directors Meeting.

AGM = Annual General Meeting.

AEGM = Annual and Extraordinary General Meeting.

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17.7 Stock option plan

(i) Stock option plan (Plan)

Stock option plan definitions	Grants awarded in accordance with the stock option plan (Plan) ¹	
	1st to 8th (2007 to 2014)	9th to 12th (2015 onwards)
Strike price	Monetarily restated by IGP-M of Fundação Getúlio Vargas, after deduction of remuneration paid to shareholders. Its settlement will be made with the beneficiary's own resources.	Monetary restatement and deductions no longer apply Its settlement will be made with the beneficiary's own resources
Vesting period (permanence of the beneficiary in the Company)	3 years from the date of the granting of the options	3 years from the date of the granting of the options
Deadline for exercising	6 years, with full or partial exercise with written communication 1 month in advance of each BDM or term communicated	5 years, with full or partial exercise with written communication 1 month in advance of each BDM or term communicated
Lock-up (blocking period)	3 years from the exercise date of the option	2 years from the exercise date of the option

¹Approved at the AGM held on April 19, 2007 and amended at the AGM held on May 20, 2015. Managed by the Board of Directors and limited to 5% of total capital.

(ii) Options granted

No.	Year	Date of approval	Recommendation ¹	Approval	Quantity	Strike price	Grants			Risk-free rate (%)	Expected annualized volatility (%)	Fair value per unit of benefit upon grant (R\$) ¹			
							Original Market price	After splits ²	Market price			Original	After splits ¹		
1 ^a	2007	08/02/2007	P	BD	221,859	44.85	53.79	2,662,308	3.74	4.48	11.3	33.9	20.18	1.68	
2 ^a	2008	02/28/2008	P	BD	353,494	32.42	45.85	4,241,928	2.70	3.82	11.4	24.3	19.72	1.64	
3 ^a	2009	03/25/2009	P	BD	255,002	17.60	24.30	3,060,024	1.47	2.03	9.3	40.6	14.17	1.18	
4 ^a	2010	08/11/2010	HRC	BD	698,707	12.93	16.88	2,096,121	4.31	5.63	4.0	26.6	7.00	2.33	
5 ^a	2011	09/20/2011	HRC	BD	583,815	20.87	28.20	1,751,445	6.96	9.40	5.3	30.1	13.23	4.41	
6 ^a	2012	09/20/2012	HRC	BD	1,609,097	8.22	11.60	1,609,097	8.22	11.60	0.4	36.1	5.01	5.01	
7 ^a	2013	08/20/2013	HRC	BD	3,000,000	7.44	9.25	3,000,000	7.44	9.25	5.1	36.2	3.66	3.66	
8 ^a	2014	02/25/2014	P	BD	228,497	7.30	8.70	228,497	7.30	8.70	5.7	33.4	3.25	3.25	
9 ^a	2015	05/26/2015	HRC	BD	2,679,397	10.79	11.31	2,679,397	10.79	11.31	12.9	28.2	4.43	4.43	
10 ^a	2015	11/19/2015	HRC	BD	2,572,186	9.81	10.18	2,572,186	9.81	10.18	15.4	27.3	4.29	4.29	
11 ^a	2016	07/01/2016	HRC	BD	392,680	11.41	13.55	392,680	11.41	13.55	12.2	29.5	6.03	6.03	
12 ^a	2016	10/26/2016	P/RHC	BD	2,889,498	13.03	12.35	2,889,498	13.03	12.35	11.4	29.2	4.04	4.04	
								27,183,181							

P = President / HRC = Human Resources Committee / BD = Board of Directors.

¹In the first seven grants Randal Luiz Zanetti (former President since April 01, 2014 and President of the Board of Directors until April 02, 2019) was voluntarily a non-beneficiary.

²Splits of shares on July 01, 2010 and April 02, 2012.

³Estimate based on the Black & Scholes option valuation model.

(iii) Changes

Year	Beginning of the period		Cancellations		Options exercised		End of period			
	Eligible	Options	Option's fair value	Maximum cost (R\$ thousand)	Eligible terminated	Cancelled options ¹	Eligible	Exercised options ²	Eligible	Existing options
2007	31	2,662,308	1.68	4,477	10	989,304	21	1,673,004	-	-
2008	46	4,241,928	1.64	6,970	9	977,544	37	3,264,384	-	-
2009	51	3,060,024	1.18	3,614	10	839,916	41	2,220,108	-	-
2010	47	2,096,121	2.33	4,894	8	199,803	39	1,896,318	-	-
2011	45	1,751,445	4.41	7,726	7	221,174	38	1,530,271	-	-
2012	51	1,609,097	5.01	8,055	12	358,112	39	1,250,985	-	-
2013	52	3,000,000	3.66	10,994	12	672,650	40	2,327,350	-	-
2014	1	228,497	3.25	742	-	-	1	228,497	-	-
2015	47	2,679,397	4.43	11,858	7	395,749	37	2,173,152	3	110,496
2015	57	2,572,186	4.29	11,030	10	404,111	45	2,100,539	2	67,536
2016	1	392,680	6.03	2,367	-	-	1	392,680	-	-
2016	59	2,889,498	4.04	11,674	2	549,693	44	1,632,872	13	706,933
		27,183,181		84,401		5,608,056		20,690,160		884,965

¹The total number of grants deducted from cancellations is 21,575,125 shares representing 4.1% of the total capital of 531,294,792 shares.

²Disposal approved by BD.

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An expense was recognized on stock option plans due to the end of the vesting period, with the corresponding entry made to equity in a specific capital reserve account in the amount of R\$2,755 as of December 31, 2019.

18. Operating segments

The activities of the Company and its Subsidiaries are organized in the following business segments:

(a) **Corporate:** includes customers over 200 beneficiaries;

(b) **Small and Medium Sizes (SMS):** customers sized between 3 and 199 beneficiaries;

(c) **Individual:** monthly and annual plans sold to individuals;

(d) **Others:** several less significant segments to the Company's total revenue: (i) dental care service in the Company's dental clinics (Clidec); (ii) management and advisory services provided (Odontoprev Serviços and Oprev); (iii) acquisition and distribution of dental care materials for the accredited network (Dental Partner); (iv) software development (Easy) and (v) health insurance (Odontored).

Contribution margin by operating segment - Consolidated										
	CORPORATE		SMS		INDIVIDUAL		OTHER		TOTAL	
	Year ended December 31,		Year ended December 31,		Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Net premiums with dental care plan	1,053,250	1,062,816	321,386	311,746	456,586	479,903	-	-	1,831,222	1,854,465
Taxes on dental care plan operations ²	(44,163)	(39,303)	(16,602)	(14,718)	(22,650)	(24,415)	-	-	(83,415)	(78,436)
Revenue from sales and services	-	-	-	-	-	-	13,445	16,645	13,445	16,645
Taxes on sales of goods and services	-	-	-	-	-	-	(12,721)	(13,739)	(12,721)	(13,739)
Insurance	-	-	-	-	-	-	16,807	16,191	16,807	16,191
SALES REVENUE	1,009,087	1,023,513	304,784	297,028	433,936	455,488	17,531	19,097	1,765,338	1,795,120
Cost of services ¹	(425,002)	(520,763)	(86,655)	(112,673)	(200,917)	(162,097)	(4,246)	(2,790)	(716,820)	(798,323)
OPERATING RESULT	584,085	502,750	218,129	184,355	233,019	293,391	13,285	16,307	1,048,518	996,803
Selling expenses	(65,747)	(64,784)	(39,315)	(38,637)	(88,106)	(99,864)	(619)	(473)	(193,787)	(203,758)
CONTRIBUTION MARGIN	518,338	437,966	178,814	145,718	144,913	193,527	12,666	15,834	854,731	793,045
Sales revenue (%)	57.2	57.0	17.3	16.5	24.6	25.4	1.0	1.1	100.0	100.0
Margin x sales revenue (%)	51.4	42.8	58.7	49.1	33.4	42.5	72.2	82.9	48.4	44.2
Margin x total (%)	60.6	55.2	20.9	18.4	17.0	24.4	1.5	2.0	100.0	100.0

¹Do not include incurred but not reported events (IBNR) and claims reserves (note 20).

²Do not include R\$13,800 related to reversal of provision for ISS calculated over the amounts of events through favorable decision received by the Company in March 2019.

19. Sales revenue

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2020	2019	2020	2019
Net premiums with dental care plan	1,819,670	1,842,530	1,831,222	1,854,465
Taxes on dental care plan operations ¹	(82,677)	(63,931)	(83,415)	(64,636)
Effective considerations/net premiums with dental care plan	1,736,993	1,778,599	1,747,807	1,789,829
Sales of goods and services	-	-	13,445	16,645
Insurance	-	-	16,807	16,191
Taxes on sales of goods and services	-	-	(12,721)	(13,739)
	1,736,993	1,778,599	1,765,338	1,808,926

¹In March 2019, the Company reversed R\$13,800 related to the provision for ISS calculated over the amounts of events through favorable decision received.

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20. Cost of services

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2020	2019	2020	2019
Indemnifiable claims, net	(665,253)	(776,457)	(662,534)	(772,143)
Variation in IBNR	3,463	(12,077)	3,544	(12,057)
Indemnifiable events net/retained claims	(661,790)	(788,534)	(658,990)	(784,200)
Social charges on services	-	40	(7)	29
Dental materials	(15,100)	(16,356)	(7,373)	(7,956)
Other operating costs	(34,286)	(5,301)	(46,773)	(18,238)
Operating materials	(4,400)	(4,645)	(4,462)	(4,678)
Own units	-	-	(9,938)	(10,155)
(Provisions)/reversals ¹	(29,886)	(656)	(29,885)	(630)
Claims	-	-	(2,621)	(2,790)
Claims reserve	-	-	133	15
	(711,176)	(810,151)	(713,143)	(810,365)

¹Includes provisions for individual plans with free choice of professionals of the bank channel (note 15).

21. Selling expenses

Refer to commissions paid to independent brokers and other distribution channels. As of December 31, 2020, these expenses totaled R\$191,901 and R\$193,787 (R\$201,748 and R\$203,758 as of December 31, 2019) in the Company and Consolidated, respectively.

22. Administrative expenses (AE)

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2020	2019	2020	2019
Personnel and third-party services	(190,609)	(191,115)	(195,265)	(193,623)
Leases and occupancy	(23,604)	(31,836)	(28,680)	(37,967)
Publicity and advertising	(10,857)	(19,226)	(11,560)	(20,064)
Taxes	(11,011)	(12,060)	(11,641)	(12,483)
Depreciation and amortization	(21,610)	(19,211)	(24,847)	(20,991)
Right of use amortization (IFRS 16)	(3,183)	(3,316)	(5,113)	(5,496)
Leases	(3,137)	(6,810)	(5,255)	(10,080)
Leases (IFRS 16)	6,032	4,757	10,295	6,859
Income (loss) from the sale or disposal of non-current and other assets	112	(493)	144	(639)
Other	(6,805)	(5,804)	(9,264)	(7,266)
	(264,672)	(285,114)	(281,186)	(301,750)

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23. Financial results, net

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2020	2019	2020	2019
Income from financial investments	16,978	26,586	17,545	27,529
Monetary restatement of INSS 5 previous years	49	85	58	105
Monetary restatement of judicial deposits	733	2,312	733	2,312
Other	2,617	2,935	2,743	3,183
Financial income	20,377	31,918	21,079	33,129
Reversal of interest on capital	53,018	62,556	53,018	62,556
Interest on capital	(53,018)	(62,556)	(53,018)	(62,556)
Bank fees	(4,940)	(4,817)	(4,962)	(4,841)
Present value adjustment (PVA) - Lease liability (IFRS 16)	(2,443)	(2,177)	(3,895)	(3,125)
Monetary restatement of provisions for contingent liabilities	(1,419)	(1,447)	(1,438)	(1,455)
Monetary restatement over INSS refund	(250)	(611)	(250)	(611)
Monetary restatement - investment payable ¹	(433)	(1,439)	(434)	(1,439)
Other	(4,293)	(2,120)	(4,952)	(2,258)
Financial expenses	(13,778)	(12,611)	(15,931)	(13,729)
	6,599	19,307	5,148	19,400

¹This refers to the adjustment of part of the price retained to ensure the obligation to pay the former partners of Odonto System.

24. Income tax and social contribution calculation

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2020	2019	2020	2019
IRPJ and CSLL calculation basis	518,482	403,040	520,011	405,724
(x) Current rate (%)	34	34	34	34
Expected income tax and social contribution expenses at the effective rate	(176,284)	(137,034)	(176,804)	(137,946)
Effect of income tax and social contribution on permanent / temporary differences:				
Earnings of equity method	3,017	2,764	2,269	1,714
Provisions for contingent liabilities (note 9.1)	(5,521)	(2,447)	(5,470)	(1,767)
Allowance for doubtful accounts (note 9.1)	5,553	780	5,555	1,406
Other provisions (note 9.1)	(7,092)	(1,261)	(7,015)	(1,229)
Long-term incitement program (note 9.1)	(845)	(4,809)	(1,475)	(5,426)
Amortization of goodwill (Note 9.1)	10,150	9,992	10,159	9,992
Interest on capital	18,026	21,269	18,026	21,269
Stock option plan	-	(937)	-	(937)
Other	1,675	(2,728)	314	(4,745)
Current IRPJ and CSLL	(151,321)	(114,411)	(154,441)	(117,669)
Deferred IRPJ and CSLL	(6,033)	(3,866)	(5,849)	(3,234)
IRPJ and CSLL total	(157,354)	(118,277)	(160,290)	(120,903)
Effective rate	-30.3%	-29.3%	-30.8%	-29.8%

25. Earnings per share

(a) Basic

	Year ended December 31,	
	2020	2019
Income assigned to the Company's shareholders (R\$ thousand)	361,128	284,763
Weighted average number of common shares outstanding (thousand)	530,261	530,180
Basic earnings per share (R\$)	0.68104	0.53711

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(b) Diluted

	Year ended December 31,	
	2020	2019
Income assigned to the Company's shareholders (R\$ thousand)	361,128	284,763
Common shares (thousand)		
Weighted average number of outstanding shares	530,261	530,180
Adjustment of stock option plan	885	1,301
Weighted average number of shares for diluted earnings per share	531,146	531,481
Diluted earnings per share (R\$)	0.67990	0.53579

26. Right of use and lease liability – adoption of IFRS 16

The Company and its Subsidiaries recognized lease liabilities related to the rental of real estate properties in accordance with the assumptions in IFRS 16 – Leases. These liabilities were measured considering the present value of future lease payments, discounted using the average rate of 6.9%, which refers to the rate used by the Company in its projections, and the corresponding entry was recorded as right of use in assets. The measured impacts of the adoption are presented below:

	Classification	Company		Consolidated	
		December 31,		December 31,	
		2020	2019	2020	2019
Right of use	Non-current assets	28,283	28,390	43,780	44,457
Accumulated amortization	Non-current assets	(6,500)	(3,316)	(10,560)	(5,496)
		21,783	25,074	33,220	38,961
Lease liability	Current liabilities	3,856	2,584	6,258	5,208
Present value adjustments (PVA)	Current liabilities	(1,509)	(2,062)	(2,284)	(3,174)
		2,347	522	3,974	2,034
Lease liability	Non-current liabilities	24,634	32,067	37,166	49,209
Present value adjustments (PVA)	Non-current liabilities	(4,869)	(6,779)	(7,445)	(10,520)
		19,765	25,288	29,721	38,689

The calculations of the projections were not reviewed due to the temporary exemption from IFRS 16 until June 2021, a benefit granted because of COVID-19.

27. Related parties

Assets/(Liabilities)	Nature	Transactions with Subsidiaries and Associates (note 1)						
		Odontoprev	Cildec	Odontoprev Serviços	Easy	Dental Partner	Rede Dental	Brasilidental
Other receivables	Administrative services	4,478	-	654	-	152	-	-
Suppliers of goods and services	Administrative services	(152)	-	-	-	-	(258)	(4,874)
Revenue/(Expenses)								
Net premium with dental care plan	Dental care plans	134	-	-	-	-	-	-
Net premium with dental care plan	Assumed/transferred co-responsibility	47,925	-	-	-	-	-	(45,283)
Other costs of service	Dental care services and materials	-	(29)	-	-	-	-	-
Sales of goods and services	Administrative services	-	14,400	51,726	-	15,787	-	-
Indemnifiable claims, net	Dental care services	(5,935)	-	-	-	-	(2,642)	-
Other operating costs	Dental care materials	(15,417)	(370)	-	-	-	-	-
Administrative expenses	Administrative services	(60,143)	-	9,429	(51)	-	-	(9,531)
December 31, 2020		(33,436)	14,001	61,155	(51)	15,787	(2,842)	(54,814)
December 31, 2019		(26,891)	14,146	53,940	(52)	17,436	(3,709)	(55,070)

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Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

The Company and its Subsidiaries conduct transactions with companies of the Bradesco Group, of which Bradesco Saúde S.A., shareholder of Odontoprev, is part.

Transaction	Companies related to Banco Bradesco	Nature	Consolidated	
			2020	December 31, 2019
Assets/(Liabilities)				
Available/Financial investments	Banco Bradesco S.A.	Checking accounts	17,413	5,963
Financial investments	Banco Bradesco S.A.	Financial Investment	706,072	515,617
Dental care/premium receivables	Banco Bradesco S.A.	Dental care/premium receivables	4,787	4,781
Trade receivables	Bradesco Capitalização S.A.	Capitalization certificates	1,853	428
Suppliers of goods and services	Bradesco Vida e Previdência S.A.	Life insurance for employees	(65)	(127)
Suppliers of goods and services	Bradesco Cartões S.A.	Travel expenses	(35)	(228)
Revenue/(Expenses)				
Net premium with dental care plan	Banco Bradesco S.A.	Revenue from sales	57,736	77,505
Other operating revenues from dental care	Mediservice	Administration fees	396	518
Selling expenses	Bradseg Promotora de Vendas S.A.	Commissions	(20,793)	(18,720)
Selling expenses	Banco Bradescard S.A.	Commissions	(8,040)	(8,605)
AE - Personnel and third-party services	Banco Bradesco S.A.	Bookkeeping expenses	(170)	(97)
AE - Personnel and third-party services	Bradesco Saúde S.A.	Medical assistance for employees	(13,679)	(10,976)
AE - Personnel and third-party services	Bradesco Vida e Previdência S.A.	Life insurance for employees	(435)	(173)
AE - Leases and occupancy	Banco Bradesco S.A.	Leases expenses	(92)	(87)
AE - Other	Banco Bradesco Cartões S.A.	Travel expenses	(739)	(3,276)
AE - Other	Bradesco Auto Re Cia de Seguros	Insurance expenses	(306)	(389)
Financial expenses	Banco Bradesco S.A.	Financial investments management	(307)	(220)
Financial expenses	Banco Bradesco S.A.	Banking expenses	(2,563)	(2,469)
Financial income	Banco Bradesco S.A.	Financial investments income	16,807	27,316
Financial income	Bradesco Capitalização S.A.	Capitalization certificates	-	10
Donations	Fundação Bradesco	Donations	(857)	(709)
			26,958	59,629

As mentioned in note 16.1 (e), the Company contracted a court guarantee insurance related to the tax assessment notices on the stock options whose policies were contracted together with Swiss Re Corporate Solutions Brasil Seguros S/A ("Swiss Re Brasil"), which has a joint venture with Bradesco Seguros S.A. ("Bradesco Seguros").

The Company and its Subsidiaries pay profit sharing to their employees and officers, subject to the achievement of operational goals and specific objectives established and approved at the beginning of each year. As of December 31, 2020, the profit sharing was recognized in the amounts of R\$10,813 (R\$14,241 as of December 31, 2019) and of R\$13,239 (R\$13,239 as of December 31, 2019) for the Company and Consolidated, respectively.

In 2019, the Company implemented a long-term incitement program (ILP Program), which establishes the criteria for the payment of cash bonuses, corresponding to salary multiples, to be made by the Company and its Subsidiaries to the eligible beneficiaries after the measurement period, provided that the goals and conditions established in the terms are met. The stock options program remains in effect, as approved by the GM with the last granting being made in 2016.

The measurement period corresponds to three years and the payment is conditioned upon the achievement of the corporate performance goals established by the Board of Directors and the service condition.

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Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

On an exceptional basis, for the first and second concessions of the ILP Program, the year 2019 will be considered for the payment in 2020, and the years 2019 and 2020 together will be considered for the payment in 2021, and so on, and the other conditions established will be maintained. As of December 31, 2020, the amounts of R\$10,177 and R\$11,773 for the Company and the Consolidated (R\$14,145 and R\$15,960 as of December 31, 2019, respectively) were allocated to the statement of income.

The annual fixed compensation attributed to the Board of Directors and the Fiscal Council and the fixed/variable compensation attributed to the Statutory Board were as follows:

	Year ended December 31,	
	2020	2019
Statutory Board	9,386	10,734
Pro-labore	5,004	5,303
Benefits	531	472
Bonuses	3,851	4,959
Board of Directors	1,388	1,422
Pro-labore	1,388	1,422
Fiscal Council	332	332
Pro-labore	332	332
	11,106	12,488

The members of the Statutory Board hold stock options in accordance with the stock option plan (note 17.7):

Year	Beginning of the period		Cancellations		Options exercised		End of period	
	Eligible	Options	Eligible terminated	Cancelled options	Eligible	Exercised options	Eligible	Existing options
2007	6	1,285,488	3	584,424	3	701,064	-	-
2008	5	1,397,592	2	488,916	3	908,676	-	-
2009	7	1,378,356	3	678,084	4	700,272	-	-
2010	5	787,521	-	-	5	787,521	-	-
2011	5	533,829	1	126,934	4	406,895	-	-
2012	7	617,288	1	100,000	6	517,288	-	-
2013	7	1,202,331	1	212,264	6	990,067	-	-
2014	1	228,497	-	-	1	228,497	-	-
2015	7	1,160,215	1	94,057	6	1,066,158	-	-
2015	8	1,128,360	1	89,658	7	1,038,702	-	-
2016	1	392,680	-	-	1	392,680	-	-
2016	7	1,029,342	1	130,677	4	580,245	2	318,420
		11,141,499		2,505,014		8,318,065		318,420

The Board of Directors and Fiscal Council, as well the Audit Committee and the Human Management Committee include members of the Statutory Board of Bradesco Seguros.

The Company does not sponsor a supplementary pension plan or any other post-employment benefit or termination of employment contract.

28. Insurance

The policy of the Company and of its Subsidiaries is to maintain enough insurance coverage to cover the risks involved, as follows:

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Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

	Consolidated	
	Year ended December 31,	
	2020	2019
Building	79,407	52,398
Machinery, furniture and fixtures	4,200	5,700
Vehicles	6,050	7,299
Property damage	89,657	65,397
Loss of profits	20,000	20,000
Directors & Management civil liability insurance	78,450	85,542
	188,107	170,939

29. Cash flows – direct method

	Company	
	Year ended December 31,	
	2020	2019
OPERATING ACTIVITIES		
Proceeds from healthcare plan	1,779,585	1,781,100
Withdrawals of financial investments (note 6)	763,938	922,871
Income from financial investments (note 6)	16,978	26,586
Other operating proceeds	5,370	32,696
Payments to suppliers of goods and services/healthcare providers (note 13.2)	(640,347)	(769,691)
Commission payments	(192,926)	(207,865)
Personnel payments	(81,463)	(76,370)
Pro-labore payments	(8,834)	(6,347)
Payments of third-party services	(78,389)	(82,933)
Tax payments	(213,650)	(212,182)
Payments of lawsuits (civil/labor/tax)	(13,501)	(11,604)
Leases payments	(4,626)	(6,811)
Promotion/advertising payments	(11,407)	(19,732)
Investments (note 6)	(964,497)	(1,026,948)
Other operating payments	(52,450)	(31,881)
CASH GENERATED BY OPERATING ACTIVITIES	303,781	310,889
INVESTING ACTIVITIES		
Dividends received	6,000	8,615
Payment for acquisition of property, plant and equipment (note 11)	(7,158)	(9,063)
Payments for acquisition of interests in other companies	-	(10,488)
Other payments of investing activities (note 12.2)	(25,222)	(20,980)
CASH USED IN INVESTING ACTIVITIES	(26,380)	(31,916)
FINANCING ACTIVITIES		
Other proceeds from financing activities (Statement of Changes in Equity)	5,366	28,479
Profit sharing payments	(11,847)	(13,693)
Other payments of financing activities	(270,219)	(292,495)
CASH USED IN FINANCING ACTIVITIES	(276,700)	(277,709)
INCREASE IN CASH AND CASH EQUIVALENTS	701	1,264
CHANGES IN CASH, NET		
Opening balance	2,150	886
Closing balance	2,851	2,150
INCREASE IN CASH AND CASH EQUIVALENTS	701	1,264
Risk-free assets at the beginning of the period (notes 5 and 6)	394,231	323,615
Risk-free assets at the end of the period (notes 5 and 6)	557,209	394,231
INCREASE IN FINANCIAL INVESTMENTS – AVAILABLE FUNDS	162,978	70,616
CASH GENERATED BY OPERATING ACTIVITIES (direct method)	303,781	310,889
(+/-) Amounts classified differently in each method		
Amounts in transit	(4,234)	3,995
Financial investments (interest-bearing current account)	11,400	3,723
Financial investments measured at amortized cost	717	597
Profit sharing	(11,847)	(13,693)
Write-off of merged investments	-	(14,187)
CASH GENERATED BY OPERATING ACTIVITIES (indirect method)	299,817	291,324

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Odontoprev S.A.

Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

30. COVID-19 effects

On March 11, 2020, the World Health Organization (WHO) declared the COVID-19 disease to be a pandemic, reaching most countries. Companies have been affected and there are uncertainties in the macro economy and businesses in all industries.

The Company did not record impacts of the pandemic on the results for the 1st quarter.

As from the 2nd quarter, the Company observed a slowdown in the requests for passwords by dental surgeons and in the appointments made by beneficiaries, thus reducing the cost of services. This was also seen in the 3rd quarter, with the gradual resumption in the frequency of the use of the benefit seen, particularly, in the 4th quarter.

The profile of the corporate contracts, the largest part of the portfolio, reflects a long-term, multi-annual commercial relationship, with the minimum level of the provision for credit losses.

Over the course of the 2nd, 3rd and 4th quarters, the maturities of some corporate contracts amounting to R\$7,050 were extended. By December 31, the equivalent to R\$6,993 had already been received. The financial discounts that were negotiated totaled R\$1,263.

Management continues to take prudential measures, including:

- To preserve the health of staff, it organized, in a matter of days, for all employees to work from their homes, maintaining all operations in progress. In July, employees who were working from their homes returned to their offices in some departments of the Company. Most employees continue to work remotely.
- Daily, meetings for operational monitoring and tracking key metrics are carried out virtually by the Company's senior management.
- Renegotiations with suppliers and lessors saved R\$618 and R\$174, respectively. Flights not taken saved the Company R\$3,534 and postponements of discretionary expenditures, such as publicity and advertising expenses, helped the Company maintain R\$8,504 in its cash.
- The Company opted for the new terms for tax payments (INSS, PIS and COFINS, FGTS financing) and used the suspension of employment contracts provided for in Provisional Measure (MP) 936. As a result, there was a reduction in payroll charges of R\$1,182.
- The Company also adhered to Chapter IX of the Provisional Measure (MP) 927/2020, postponing the deposit of the Government Severance Indemnity Fund (FGTS) for active employees with respect to March, April and May, with the subsequent payment in installments of the amounts until December 2020.

In August and December 2020, impairment tests were carried out (notes 2.7.4 (a) and 12.2) on the goodwill arising from the acquisitions of investments, and the Company concluded, on both dates, that there were no indications of impairment.

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Explanatory notes to the financial statements (Company and Consolidated)

As of December 31, 2020 and 2019

(All amounts in thousands of Brazilian reais unless otherwise stated)

The Liability Adequacy Test (LAT) was carried out in December 2020 (note 2.9) and no insufficiency was verified; therefore, no adjustments to the recognized technical reserves were necessary.

31. Subsequent events

The BDM held on March 4, 2021 approved Management's proposal for the allocation of net income for 2020 to be submitted to the AGM of April 5, 2021, which includes the allocation of R\$100,713 as additional dividends to the mandatory minimum dividend, which, if approved will be paid on July 6, 2021.

On December 31, 2020, the statutory reserves "Regulatory capital" and "Investment and expansion" reached their limits. Accordingly, a proposal will be submitted to the AGM of April 5, 2021 for the capitalization of the capital reserve "Goodwill on the issue of shares", in the amount of R\$48,392, and of the statutory reserve "Investment and expansion", in the amount of R\$194,756, totaling a capital increase of R\$243,148. This is intended to ensure capital integrity so as to allow new allocations of funds.

Comments on the behavior of business projections

The Company has no practice to disclose financial projections.

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Financial Statements (FS) - 12/31/2020 - ODONTOPREV S.A.

Other relevant information

Shareholders with more than 5%

SHAREHOLDERS HOLDING MORE THAN 5% OF THE COMPANY'S SHARES						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Bradesco Saúde S/A	265,648,397	50.01	-	-	265,648,397	50.01
Treasury shares	893,541	0.17	-	-	893,541	0.17
Genesis Investment Management, LLP	26,669,880	5.02	-	-	26,669,880	5.02
Invesco Ltd.	27,925,023	5.26	-	-	27,925,023	5.26
Outstanding shares	210,157,951	39.55	-	-	210,157,951	39.55
Total	531,294,792	100.00	-	-	531,294,792	100.00

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: Bradesco Saúde S/A						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Bradseg Participações S.A.	20,870,945	100.00	-	-	20,870,945	100.00
Total	20,870,945	100.00	-	-	20,870,945	100.00

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: Bradseg Participações S.A.						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Banco Bradesco S.A.	7,965	97.26	-	-	7,965	97.26
Tapajos Holding Ltda	224	2.74	-	-	224	2.74
Total	8,189	100.00	-	-	8,189	100.00

*According to the Reference Form of January 05th, 2021, available in Bradesco's Bank Investors Relationship website.

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: Banco Bradesco S.A.						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Cidade de Deus Companhia Comercial de Participações	2,020,842,964	45.56	1,067,881	0.02	2,021,910,845	22.79
Fundação Bradesco	755,761,681	17.04	-	-	755,761,681	8.52
NCF participações S.A.	373,463,490	8.42	98,987,578	2.23	472,451,068	5.33
Others	1,277,731,181	28.81	4,307,672,110	97.13	5,585,403,291	62.97
Treasury shares	7,307,259	0.16	27,378,542.00	0.62	34,685,801	0.39
Total	4,435,106,575	100.00	4,435,106,111	100.00	8,870,212,686	100.00

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: Cidade de Deus Companhia Comercial de Participações						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Fundação Bradesco	2,776,765,252	35.41	-	-	2,776,765,252	35.41
Nova Cidade de Deus Participações S.A.	3,755,570,513	47.89	-	-	3,755,570,513	47.89
Others	1,309,623,759	16.70	-	-	1,309,623,759	16.70
Total	7,841,959,524	100.00	-	-	7,841,959,524	100.00

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: NCF Participações S.A.						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Cidade de Deus Companhia Comercial de Participações	1,259,587,222	74.72	-	-	1,259,587,222	39.51
Fundação Bradesco	423,598,233	25.13	1,502,370,308	100.00	1,925,968,541	60.41
Nova Cidade de Deus Participações S.A.	2,521,897	0.15	-	-	2,521,897	0.08
Total	1,685,707,352	100.00	1,502,370,308	100.00	3,188,077,660	100.00

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: Nova Cidade de Deus Participações S.A.						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
BBD Participações S.A.	189,425,112	53.70	-	-	189,425,112	26.07
Fundação Bradesco	163,332,621	46.30	373,794,914	100.00	537,127,535	73.93
Total	352,757,733	100.00	373,794,914	100.00	726,552,647	100.00

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: BBD Participações S.A.						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Treasury shares	59,966,105	38.04	21,202,618	14.00	81,168,723	26.26
NCD Participações Ltda	-	-	74,784,306	49.38	74,784,306	24.20
Others	97,664,672	61.96	55,459,209	36.62	153,123,881	49.54
Total	157,630,777	100.00	151,446,133	100.00	309,076,910	100.00

DISTRIBUTION OF THE COMPANY'S CAPITAL (COMPANY SHAREHOLDERS) DOWN TO THE INDIVIDUAL HOLDINGS						
Name: NCD Participações Ltda						
Shareholder	Position at 12/31/2020					
	Common shares		Preferred shares		Total	
	Number	%	Number	%	Number	%
Fundação Bradesco	793,303,109	99.99	-	-	773,303,109	99.99
Others	1	0.01	-	-	1	0.01
Total	793,303,110	100.00	-	-	773,303,110	100.00

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Financial Statements (FS) - 12/31/2020 - ODONTOPREV S.A.

Other relevant information

Shareholders' positions

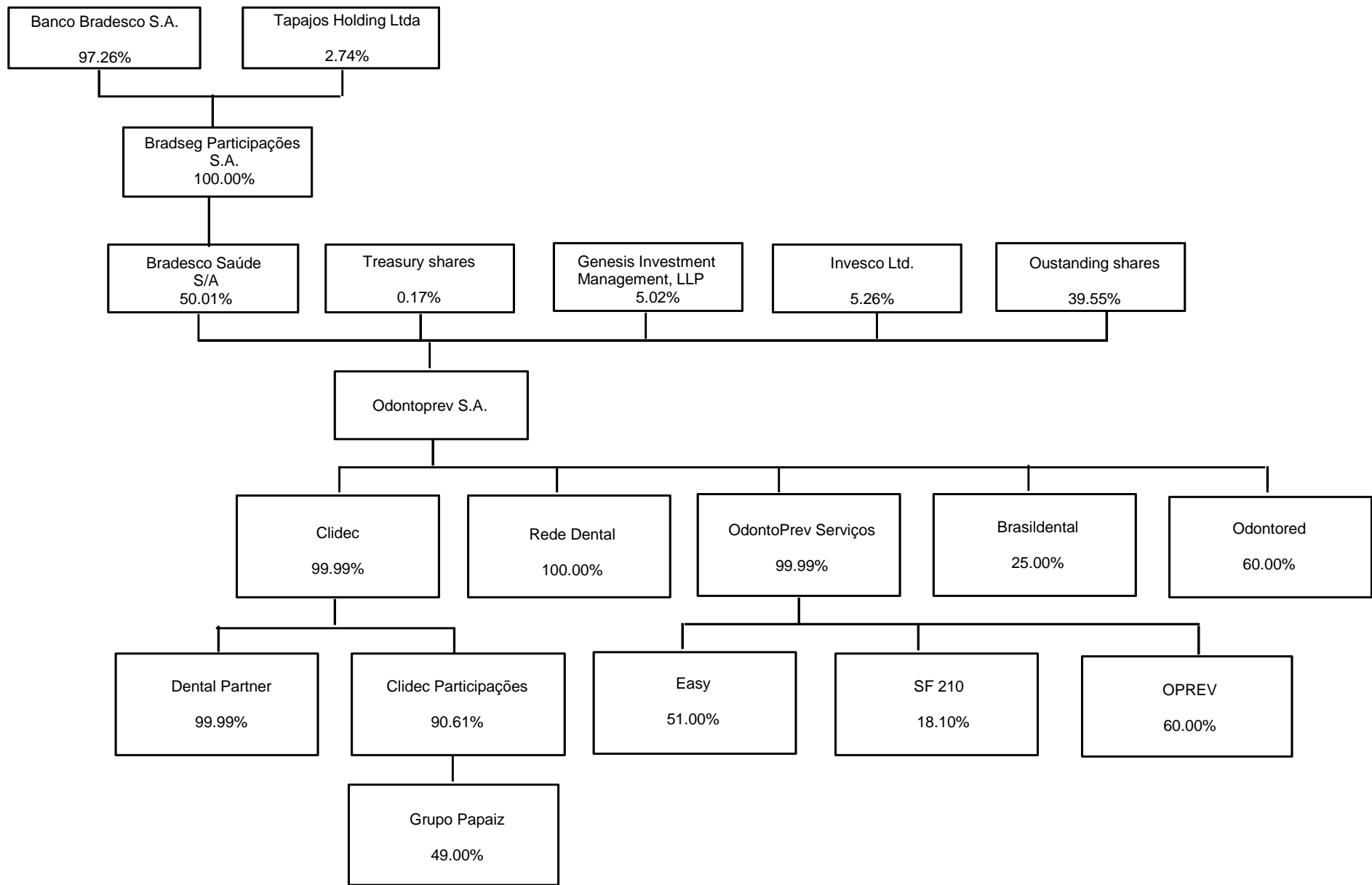
CONSOLIDATED SHAREHOLDING POSITION OF CONTROLLING SHAREHOLDERS AND MANAGEMENT AND OUTSTANDING SHARES				
Position at 12/31/2020				
Shareholder	Amount of common shares (in units)	%	Total amount of shares (in units)	%
Controlling shareholders	265,648,397	50.01	265,648,397	50.01
Management	1,301,788	0.25	1,301,788	0.25
Treasury shares	893,541	0.17	893,541	0.17
Others	263,451,066	49.58	263,451,066	49.58
Total	531,294,792	100.00	531,294,792	100.00
Outstanding shares	263,451,066	49.58	263,451,066	49.58

CONSOLIDATED SHAREHOLDING POSITION OF CONTROLLING SHAREHOLDERS AND MANAGEMENT AND OUTSTANDING SHARES				
Position at 12/31/2019				
Shareholder	Amount of common shares (in units)	%	Total amount of shares (in units)	%
Controlling shareholders	265,648,397	50.01	265,648,397	50.01
Management	1,454,128	0.27	1,454,128	0.27
Treasury shares	1,309,409	0.25	1,309,409	0.25
Others	262,882,858	49.47	262,882,858	49.47
Total	531,294,792	100.00	531,294,792	100.00
Outstanding shares	262,882,858	49.47	262,882,858	49.47

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Financial Statements (FS) - 12/31/2020 - ODONTOPREV S.A.

Other relevant information - Company's general chart



V – Commitment Clause

The Arbitration Commitment Clause is mentioned in chapter VI – Arbitration, contained in the Bylaws (approved in the Ordinary & Extraordinary General Meeting of 04/01/2019).

Article 36 – The Company, its shareholders, its management and the members of the Fiscal Council, effective and substitutes, if any, are commitment to resolve, through arbitration, face to Market Arbitration Chamber and according to its rules, any and all disputes that may arise between them, related or deriving of their issuer condition, shareholders, managers and members of the fiscal council, mainly related to the provisions comprised in Law 6,385/1976 and Law 6,404/1976, in the Company's Bylaws, in the regulations issued by the National Monetary Council, Brazilian Central Bank and Brazilian Stock Exchange, as well other regulations applicable to the working of capital markets in general, besides those comprised in the Regulations of the New Market Listing, the B3 rules and in the Contract of Participation in the New Market.

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Odontoprev S.A.
Parent company and consolidated
financial statements
at December 31, 2020
and independent auditor's report





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Independent auditor's report

To the Board of Directors and Stockholders
Odontoprev S.A.

Opinion

We have audited the accompanying parent company financial statements of Odontoprev S.A. (the "Company"), which comprise the balance sheet as at December 31, 2020 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We have also audited the accompanying consolidated financial statements of Odontoprev S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2020 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Opinion on the parent company financial statements

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Odontoprev S.A. as at December 31, 2020, and its financial performance and cash flows for the year then ended, in accordance with accounting practices adopted in Brazil.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Odontoprev S.A. and its subsidiaries as at December 31, 2020, and their financial performance and their cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

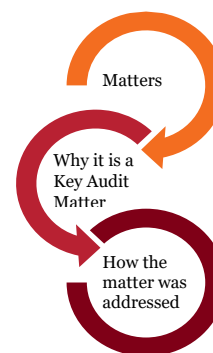
Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our audit for the year ended December 31, 2020 was planned and executed considering that the operations of the Company and its subsidiaries did not present significant changes compared to the previous year. In this context, the Key Audit Matters, as well as our audit approach have remained substantially in line with those the previous year.



Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>Recoverable value of goodwill Arising from Business Combination (Notes 2.7.4 (a) and 12.1)</p> <p>The Company has recorded goodwill related to acquisitions made in prior years whose value is significant in relation to the parent and consolidated financial statements.</p> <p>Annually, Management performs tests to assess the need to reduce goodwill to its recoverable value. Those tests involve significant estimates and judgments.</p> <p>For these reasons, we consider this to be an area of focus of our audit, since different assumptions used by Management in the projection of future results may significantly alter the evaluation of the recoverable value of the goodwill, and consequently, impact the parent and consolidated financial statements.</p>	<p>We obtained an understanding of the relevant internal controls related to the test of the recoverable value of the goodwill performed by Management.</p> <p>Together with our specialists, we carried out, among other procedures, the analysis of the methodology used to determine the recoverable amount of the goodwill, the understanding and analysis of the reasonableness of the most relevant assumptions adopted by Management in its process related to the test of the recoverable value of the goodwill of the most representative business combinations, as well as the general logical and arithmetic coherence of the projection calculations made by Management and its external consultants.</p> <p>We analyzed the reasonableness of the criteria and the main assumptions that supported the construction of the calculations.</p>

Why it is a Key Audit Matter**How the matter was addressed in the audit**

We held meetings with Management to obtain an understanding of the process of preparing the projections, considering the cash generating units and their approvals, as well as conducting tests on the consistency of expected results in comparison with results obtained in previous years.

We believe that the criteria and assumptions adopted by Management to perform the impairment tests are reasonable in their most relevant aspects in the context of the parent and consolidated financial statements.

Technical Provisions (Notes 2.9, 2.10 and 13.2)

The Company has liabilities related to dental assistance contracts called Technical Provisions for which Management carries out backtests to assess their sufficiency, among which we highlight the Incurred But Not Reported Claims (IBNR) and the Liability Adequacy Test (LAT), considering that they are based on actuarial methodology.

The process of determining and measuring the Incurred But Not Reported Claims (IBNR) and carrying out the Liability Adequacy Test (LAT) require judgment and the involvement of actuaries in the determination of methodologies and assumptions that include, among others, development of claims, choice of actuarial factors and discount rates.

Due to the relevance of technical provisions arising from dental care contracts and the impact that any changes in the IBNR and LAT assumptions could cause in the financial statements, we consider this an area of focus in our audit.

We have obtained an understanding of the relevant internal controls related to the determination and accounting record of Technical Provisions by Management.

With the support of our specialists in the actuarial area, among other procedures, we carried out the assessment of the reasonableness of the methodologies and assumptions used by Management and its external consultants in the measurement of the Incurred But Not Reported Claims (IBNR) and the Liability Adequacy Test (LAT), such as development of claims, choice of actuarial factors and discount rates, and compared them with the assumptions used by the market and/or historical data of the Company.

We obtained the IBNR Actuarial Technical Note and verified that the calculation methodology had been submitted and approved by the local regulator, the Agência Nacional de Saúde Suplementar (“ANS”), as well as inspected that the methodology had been uniformly applied over the actuarial databases of the Company. Regarding the actuarial databases, we performed a documental inspection test of critical fields to measure technical provisions.

We believe that the actuarial calculation base, methodology and assumptions used in determining these technical provisions are reasonable and the disclosures made are consistent with the information obtained.

Other matters

Statements of Value Added

The parent company and consolidated Statements of Value Added for the year ended December 31, 2020, prepared under the responsibility of the Company's Management and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

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

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

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

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

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

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

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Barueri, March 4, 2021

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Edison Arisa Pereira
Contador CRC 1SP127241/O-0

Fiscal Council Statement

The Fiscal Council of Odontoprev S.A., in compliance with the legal and statutory provisions, examined the Company's Management Report and the Company and Consolidated Financial Statements for the year ended December 31, 2020 and the Proposal for the Allocation of Net Income for the Year. Based on the examinations and taking into consideration the unqualified Independent Auditor's Report on the Financial Statements issued by PricewaterhouseCoopers *Auditores Independentes* on March 04, 2021, the opinion of the Fiscal Council is that the aforementioned documents, as well as the proposal for capital increase, without the issue of new shares, amounting to R\$243,148, by means of the capitalization of R\$48,392 of the reserve of goodwill on the issue of shares and R\$194,756 of the statutory reserve of investments and expansion of the Company, can be analyzed and voted by the General Meeting.

Barueri, March 04, 2021.

Statutory Audit Committee Statement

The Statutory Audit Committee (“SAC” or “Committee”) of Odontoprev S.A. (“Company”) was established at the Extraordinary General Meeting, held on 04.02.2018, in terms of CVM Instruction 308/99. The SAC is an independent advisory body to the Company’s Board of Members, of a consultative and permanent nature, and operates in accordance with the Company’s Bylaws, as well as with its internal regulation, approved by the Board of Directors.

Under the terms of the SAC’s Internal Regulations, the Committee is responsible, among other matters: (i) opine on the hiring and dismissal of the independent audit services and those responsible for the internal audit, internal controls and compliance functions; (ii) assess the integrity of the quarterly information, the interim statements and the financial statements; (iii) monitor the activities performed by the Company’s internal audit, internal controls, risk management and compliance departments; (iv) evaluate and monitor the Company’s risk exposures; (v) evaluate, monitor and recommend to the Company’s Management the correction or improvement of internal policies, including the risk management policy; (vi) evaluate the means for receiving and handling information about non-compliance with legal and normative provisions applicable to the Company, in addition to internal regulations and codes, including provision for specific procedures to protect the provider and the confidentiality of information; (vii) to supervise the audit services provided by the independent audit company, in order to assess their effectiveness and independence. It must also assess and discuss the annual work plan of the independent audit firm and forward it to the Board of Directors for consideration; and (viii) analyze the proposals of other services of the independent auditing company, prohibiting those that may compromise its independence.

In relation to the fiscal year 2020, SAC developed its activities based on a work plan prepared in accordance with its internal regulations, which mainly included: (i) meetings with senior management and with the main managers; (ii) monitoring and monitoring the work of the responsible areas for preparing the financial statements, the internal control system, risk management and compliance activities; (iii) evaluation of the planning, scope and effectiveness of the work performed by the internal audit; (iv) assessment of the scope, performance, effectiveness and independence of the independent auditors; (v) evaluation of the structure, functioning and effectiveness of the internal control, risk management and compliance systems; (vi) assessment of the quality and integrity of the financial statements; and (vii) monitoring the work carried out by the Company to face the effects of the crisis generated by COVID-19.

The Company’s management is responsible for preparing the quarterly information and the interim and annual financial statements in accordance with accounting practices adopted in Brazil. It is also its responsibility to establish procedures that ensure the quality of the information and processes used in the preparation of the financial statements, the operations risk management and the implementation and supervision of the internal control and compliance activities.

The independent audit is responsible for examining the financial statements and issuing a report on their adequacy in accordance with Brazilian auditing standards established by the Federal Accounting Council (CFC).

The scope of the Internal Audit encompasses, but is not limited to, the examination and assessment of the adequacy and effectiveness of the Company's risk management, controls and internal processes.

The SAC acts through meetings, in which it conducts analyzes based on documents and information submitted to it, in addition to other procedures it deems necessary. The Committee's evaluations are based on information received from Management, independent auditors, internal auditors, those responsible for risk management, internal controls, Compliance and on their own analysis resulting from direct observation.

The SAC established a regular communication channel with the independent auditors, having been made aware of the annual work plan and the work carried out and its results, including the Independent Auditors' Report that is being issued on this date. The SAC also assessed the independent auditors' adherence to the policies and standards that address the maintenance and monitoring of the objectivity and independence with which these activities should be performed. The SAC evaluated the processes for preparing the financial statements and discussed with the Management and the independent auditors the relevant accounting practices used and the information disclosed.

The SAC held regular meetings with the Chief Executive Officer and with other Directors of Odontoprev S.A., and, at these meetings, had the opportunity to present suggestions and recommendations to the Management on matters related to the areas that are within the scope of its activities.

The SAC was not aware of the occurrence of an event, denunciation, non-compliance with rules, absence of controls, act or omission by the Management or evidence of fraud that, due to its relevance, would jeopardize the continuity of the operation or the reliability of its statements financial

The SAC operates through regular quarterly meetings, and, whenever necessary, in extraordinary meetings with representatives designated by the Management to provide information and respond to questions formulated by the members of the SAC. In the past 12 months, SAC has met on the following dates: March 25, April 22, May 22, June 17, July 22, August 19, September 23, October 7, October 21, 04 November, November 18, December 3, 2020 and February 24, 2021.

In addition to the activities indicated above, the following important issues were considered by the SAC: (i) assessment of the impacts of the early adoption of ANS RN 451/20 (regulatory capital of healthcare operators); (ii) monitoring the implementation of projects that will ensure the Company's adherence to the General Data Protection Law (GDPL); (iii) monitoring of the Company's convergence plan to ANS RN 443/19 (minimum corporate governance practices); (iv) Review of the new version of the Institutional Policy for Corporate Governance, Risk Management and Internal Controls and recommended the approval by the Board of Directors; (v) Review of the new version of the Anti-Corruption and Other Unlawful Acts Policy, recommending approval by the Board of Directors; (vi) Evaluation of the Management's proposal for the corporate incorporation of Rede Dental Operadora de Planos Odontológicos Ltda. by the Company; (vii) Analysis and monitoring the Company's convergence plan with the new rules issued by B3 for the Novo Mercado.

At the meetings of April 22, 2020, July 22, 2020, October 21, 2020 and February 24, 2021, the quarterly information related to the 1st, 2nd and 3rd quarters of 2020 and the financial statements for the fiscal year ended on of December 31, 2020, were evaluated. as respectively.

After fulfilling its duties, as described above, the SAC is of the opinion that the financial statements of Odontoprev SA, related to the year ended on December 31, 2020, duly audited by PricewaterhouseCoopers Auditores Independentes, are in a position to be approved by the Board of Directors.

Barueri, March 04, 2021.

Audit Committee Statement

The members of the Audit Committee of Odontoprev S.A., in the exercise of their duties and legal responsibilities, as provided for in paragraph 4 of article 27 of the Company Bylaws and in Company's Internal Rules, have examined the Financial Statements, accompanied of the independent auditors' report and the annual Management Report for the year ended December 31, 2020, as well the Proposal for the Allocation of Net Income for the Year and, taking into consideration the information provided by the Company's Management and by PricewaterhouseCoopers *Auditores Independentes*, opine, unanimously, that they reflect fairly, in all relevant aspects, the Company's equity and financial position, and recommend the approval of the referred documents by the Board of Directors followed of its submission to the Annual General Meeting pursuant Law 6,404/1976.

Barueri, March 04, 2021.

Statement of directors about the financial statements

We declare, as the Statutory Directors of Odontoprev S.A., a listed company, with its head office located in the city of Barueri, State of São Paulo, at Marcos Penteado de Ulhôa Rodrigues Avenue, 939 – 14º Floor, Jatobá Building, Tamboré, registered with CNPJ/MF number 58.119.199/0001-51 (Company) in accordance with the terms of subsection VI of paragraph 1 of article 25 of ICVM Instruction 480 issued on December 07, 2009, that we have reviewed, discussed and agreed with the Company's financial statements for the year ended December 31, 2020.

Barueri, March 04, 2021.

Statement of directors about the independent auditor's report

We declare, as the Statutory Directors of Odontoprev S.A., a listed company, with its head office located in the city of Barueri, State of São Paulo, at Marcos Penteado de Ulhôa Rodrigues Avenue, 939 – 14º Floor, Jatobá Building, Tamboré, registered with CNPJ/MF number 58.119.199/0001-51 (Company) in accordance with the terms of subsection V of paragraph 1 of article 25 of ICVM Instruction 480 issued on December 07, 2009, that we have reviewed, discussed and agreed with the opinions expressed in the report issue by the Company's independent auditors, PricewaterhouseCoopers *Auditores Independentes*, with respect to the Company's financial statements for the for the year ended December 31, 2020.

Barueri, March 04, 2021.