

# Second Quarter 2022 Results

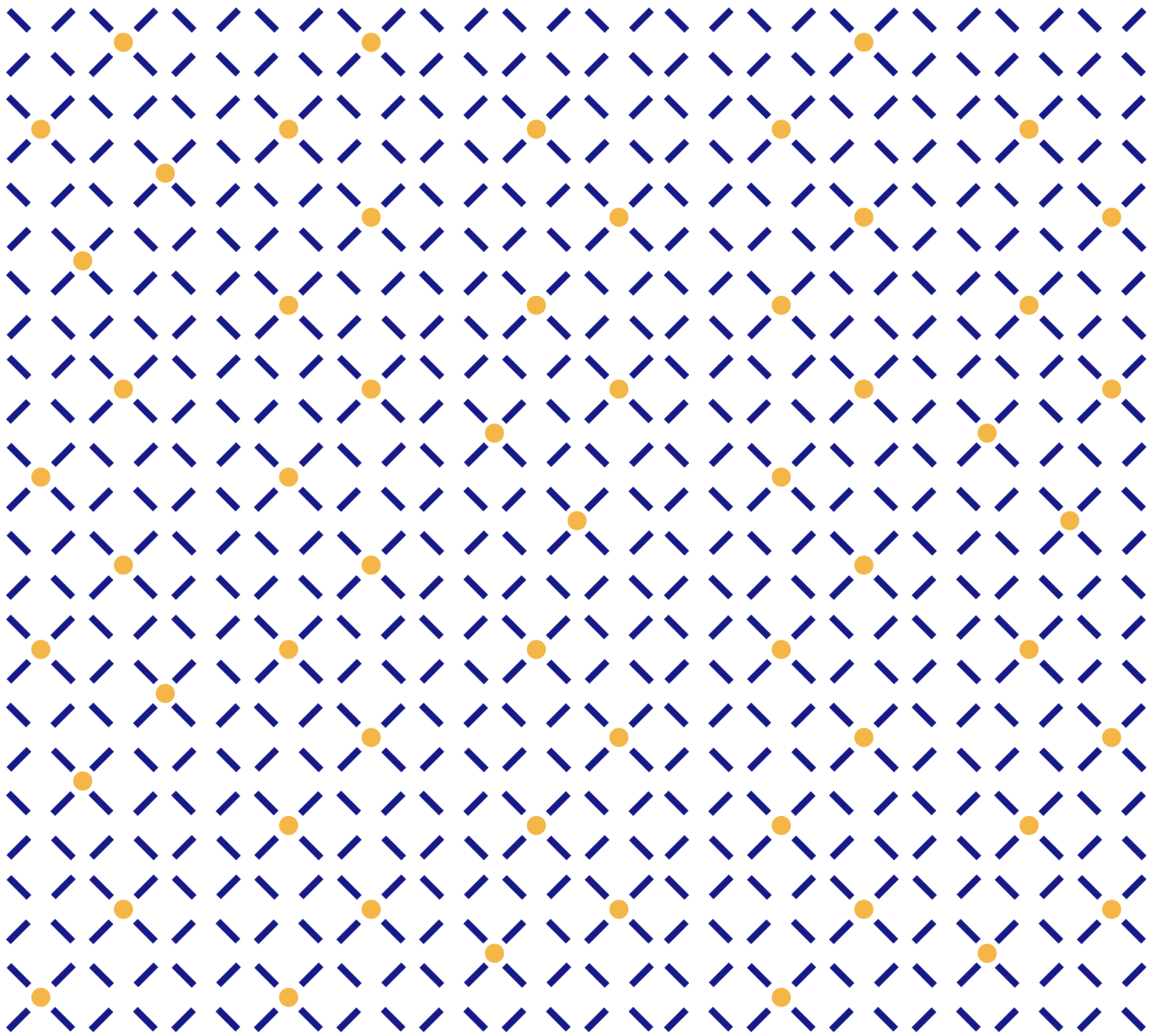
## Second Quarter 2022 Results

**São Paulo, August 11<sup>th</sup>, 2022.** Qualicorp Consultoria e Corretora de Seguros S.A. (B3: QUAL3) ("Quali" or "Company"), a leading full-service healthcare benefits broker, administrator, and health management services provider in Brazil, announces its consolidated results for the second quarter of 2022 (2Q22) and first semester of 2022 (1H22). The operating and financial data are presented on a consolidated basis in Reais ("BRL" or "R\$"), in accordance with Corporate Law and regulations of "Comissão de Valores Mobiliários" – CVM. The figures as well as their historical series are available in MS Excel format on the website [ri.qualicorp.com.br](http://ri.qualicorp.com.br).

### Highlights:

- **Lives Portfolio:** 1.13 million Affinity Health lives in 2Q22, with organic gross adds of 113.2k lives (-1.7% vs. 1Q22) and 133.9 cancellations (-3.2% vs. 2Q21 and +2.1% vs. 1Q22). SME portfolio reached 80 thousand lives in 2Q22 (+42% vs. 2Q21 and +11.2% vs. 1Q22).
- **Net Revenue** of R\$489 million in 2Q22 (-2.6% vs. 1Q22) and R\$991.3 million in 1H22.
- **Adjusted EBITDA** of R\$234.2 million in 2Q22 (-3.2% vs. 2Q21), with 47.9% margin (+113 bps vs. 2Q21), and R\$487 million in 1H22, with 49.1% margin (-88 bps YoY).
- **Net Income** of R\$49.4 million in 2Q22 and R\$123.4 million in 1H22.
- **Free Cash Flow** of R\$60.9 million before acquisitions in 2Q22 and R\$127.3 million in 1H22, with cash commissions of R\$177 million in 1H22 (-2.5% vs 1H21). ROIC of 29.6% LTM.
- **Net Debt** of R\$1.6 billion, or 1.5x Adjusted EBITDA LTM in 2Q22, vs. 1.4x in 1Q22.

Key Indicators (R\$ MN)	2Q22	YoY	QoQ	1S22	YoY
Affinity Portfolio (thous. lives)	1,661.5	1.8%	-1.2%	1,661.5	1.8%
Affinity Health (thous. lives)	1,132.4	-4.7%	-1.8%	1,132.4	-4.7%
Gross Adds - organic (thous. lives)	113.2	-14.3%	-1.7%	228.3	-1.7%
Churn (thous. lives)	-133.9	-3.2%	2.1%	-265.0	-8.1%
Net Revenue	489.0	-5.4%	-2.6%	991.3	-4.7%
Adjusted EBITDA <sup>1</sup>	234.2	-3.2%	-7.4%	487.0	-6.4%
<i>Adjusted EBITDA Margin</i>	47.9%	113 bps	-246 bps	49.1%	-88 bps
Net Income	49.4	-45.3%	-33.3%	123.4	-39.7%
Net Debt	1,564.0	65.2%	2.9%	1,564.0	65.2%
<i>Net Debt / Adj. EBITDA LTM</i>	1.5x	0.7x	0.1x	1.5x	0.7x
Cash Flow Before Acq.	60.9	193.7%	-8.3%	127.3	-31.6%
ROIC	29.6%	-12.4 p.p.	-117 bps	29.6%	-12.4 p.p.



More choices for you.  
**More Quali for your life.**

## Management Highlights

The move of our office to Paulista Ave., which occurred in April 2022, brought us new possibilities. Considering one of our most important strategic pillars, which is the Customer Focus, we are launching, still this August, at the ground floor of the same address, our **Customer's House**. This new and contemporary space was idealized to bring a new experience with greater hospitality, agility and quality into in-person service to Quali's beneficiaries.

In addition, within Quali's digital transformation path, we are launching a new version of our **Customer app**, which forms a link between our innovation and retention strategies. This self-service channel not only brings convenience to our clients, through a more innovative design, new functionalities, and performance improvements, but also reduces operating costs at the call centers.

In our Culture & Governance pillar, we reached an important milestone last July with the launch of our first **Sustainability Report**, which is Quali's main ESG actions statement. It reports achievements related to Quali's growth, our financial performance, actions related to our people, our attention to the society and the maturing of our strategic sustainability agenda. The document was inspired in GRI's (Global Reporting Initiative Standard) guidelines, Essential option, and in the integrated reporting principles of the IIRC (International Integrated Reporting Council), and was audited and reviewed by Ernst & Young. In addition to the Report, we published our **Sustainability Policy** that formalizes our commitment to the sustainable development in all of our activities. Along with its stakeholders, Quali will be able to incorporate sustainability through actions guided by environmental, social, and governance (ESG) criteria, connected to its business.

Regarding our Growth Pillar, we continued to expand our portfolio with the distribution, since June, of affinity health plans from **Seguros Unimed**, one of the largest HMOs of the Unimed system in the country. At first, the portfolio includes plans in the greater São Paulo (SP), in the Distrito Federal, in greater Salvador (BA), and in São Luís (MA). In addition, we continued to invest in the multi-product strategy through our digital marketplace platform, **Qualiseguros**, which recently launched a new campaign in the digital media to advertise its eight main products, addressing the importance of good insurance for unforeseen events of the everyday life, with exclusive benefits and prices for Quali's clients.

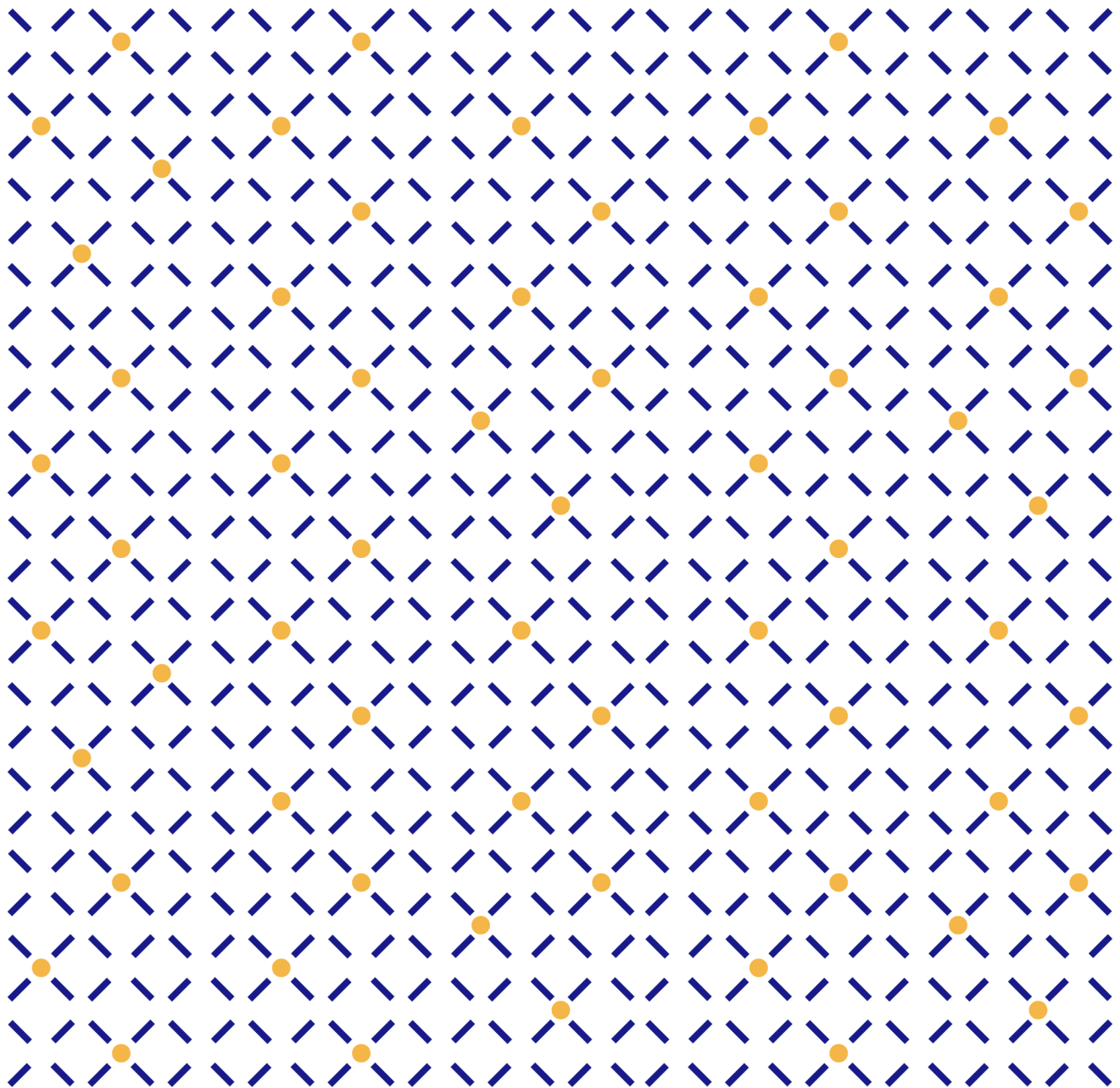
From the operational point of view, we had an excellent quarter regarding our SME plans portfolio, which had an 8 thousand lives organic growth and reached 80 thousand beneficiaries. SME is an essential part of our new products' growth strategy, and we see great potential for Quali within this segment.

On the other hand, we continued to face challenges regarding the Affinity Health Lives portfolio growth, which had negative net adds in 2Q22. We highlight that we have been able to maintain gross sales at levels close to those achieved in 2021, and maintained in 2Q22 a cancellation level similar to the previous quarter.

Despite a decline in net revenues, our 2Q22's Adjusted EBITDA margin increased by 110 bps to 47.9%, mainly due to a 10% drop in COGS and SG&A expenses. Our net income, with the financial expenses and depreciation increasing effect, reached R\$49.4 million in 2Q22.

As for financial management, we highlight the funds raising through Quali's **6<sup>th</sup> Debentures issue** in the amount of R\$2.2 billion, aiming to address the Company's short-term maturities and improving capital structure suitability alongside future cash flow.

Finally, in spite of a challenging scenario for the healthcare sector, with HMOs applying high price readjustments due to increased MLRs and inflation, we continue to believe in our growth strategy and to invest in mid and long-term levers that will ensure Quali's transformation into a multiproduct and multichannel distribution platform.



# Lives Portfolio

# Lives Portfolio

Portfolio	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>Affinity Health Lives</b>								
Total Portfolio (BOP)	1,153,068	1,193,304	-3.4%	1,169,061	-1.4%	1,169,061	1,190,920	-1.8%
(+) Gross Adds	113,159	132,067	-14.3%	115,157	-1.7%	228,316	232,174	-1.7%
(-) Churn	(133,876)	(138,287)	-3.2%	(131,157)	2.1%	(265,033)	(288,481)	-8.1%
(+) Portfolio Acquisition	2	678	NM	7	NM	9	53,149	-100.0%
New Lives Added (net)	(20,715)	(5,542)	NM	(15,993)	NM	(36,708)	(3,158)	NM
<b>Total Portfolio (EOP)</b>	<b>1,132,353</b>	<b>1,187,762</b>	<b>-4.7%</b>	<b>1,153,068</b>	<b>-1.8%</b>	<b>1,132,353</b>	<b>1,187,762</b>	<b>-4.7%</b>
<b>Affinity Other (Massified)</b>								
Total Portfolio (BOP)	528,723	415,673	27.2%	538,936	-1.9%	538,936	411,388	31.0%
New Lives Added (net)	421	29,146	NM	(10,213)	NM	(9,792)	33,431	NM
<b>Total Portfolio (EOP)</b>	<b>529,144</b>	<b>444,819</b>	<b>19.0%</b>	<b>528,723</b>	<b>0.1%</b>	<b>529,144</b>	<b>444,819</b>	<b>19.0%</b>
<b>Affinity Portfolio</b>	<b>1,661,497</b>	<b>1,632,581</b>	<b>1.8%</b>	<b>1,681,791</b>	<b>-1.2%</b>	<b>1,661,497</b>	<b>1,632,581</b>	<b>1.8%</b>
Corporate	239,112	309,715	-22.8%	237,913	0.5%	239,112	309,715	-22.8%
Gama	593,185	584,078	1.6%	592,176	0.2%	593,185	584,078	1.6%
SME	79,886	56,261	42.0%	71,847	11.2%	79,886	56,261	42.0%
<b>Corp., Gama and SME Portf.</b>	<b>912,183</b>	<b>950,054</b>	<b>-4.0%</b>	<b>901,936</b>	<b>1.1%</b>	<b>912,183</b>	<b>950,054</b>	<b>-4.0%</b>
<b>Total Portfolio</b>	<b>2,573,680</b>	<b>2,582,635</b>	<b>-0.3%</b>	<b>2,583,727</b>	<b>-0.4%</b>	<b>2,573,680</b>	<b>2,582,635</b>	<b>-0.3%</b>

Quali ended 2Q22 with a 2.57 million lives portfolio, practically in line with the previous quarter (-0.4% QoQ). The Affinity portfolio decreased 1.2% QoQ, while other segments (Corporate, SME and Gama) presented 1.1% increase QoQ. In the annual comparison, the total lives portfolio was also flattish versus the previous year (-0.3% YoY), due to 1.8% growth in the Affinity portfolio that offset a 4% drop in other segments.

## Affinity Portfolio

We presented in our main Affinity Health Lives portfolio a retraction of 1.2% QoQ in 2Q22, with negative net variation of 20.7 thousand lives. That was the result of a slight sequential deceleration in gross sales to 113.2 thousand lives in the quarter (-1.7% QoQ and -14.3% YoY).

Furthermore, we had 133.8 thousand lives cancelled in 2Q22 (churn rate of -11.1%), practically stable compared to the previous quarter. The cancellation level was affected by higher on-demand cancellations due to high readjustments applied in specific portfolios.

It is important to highlight that the price readjustments negotiated with HMOs and that are being applied in 3Q22 are around 20%, which is higher than initially expected for this year and, consequently, may negatively affect our churn this quarter.

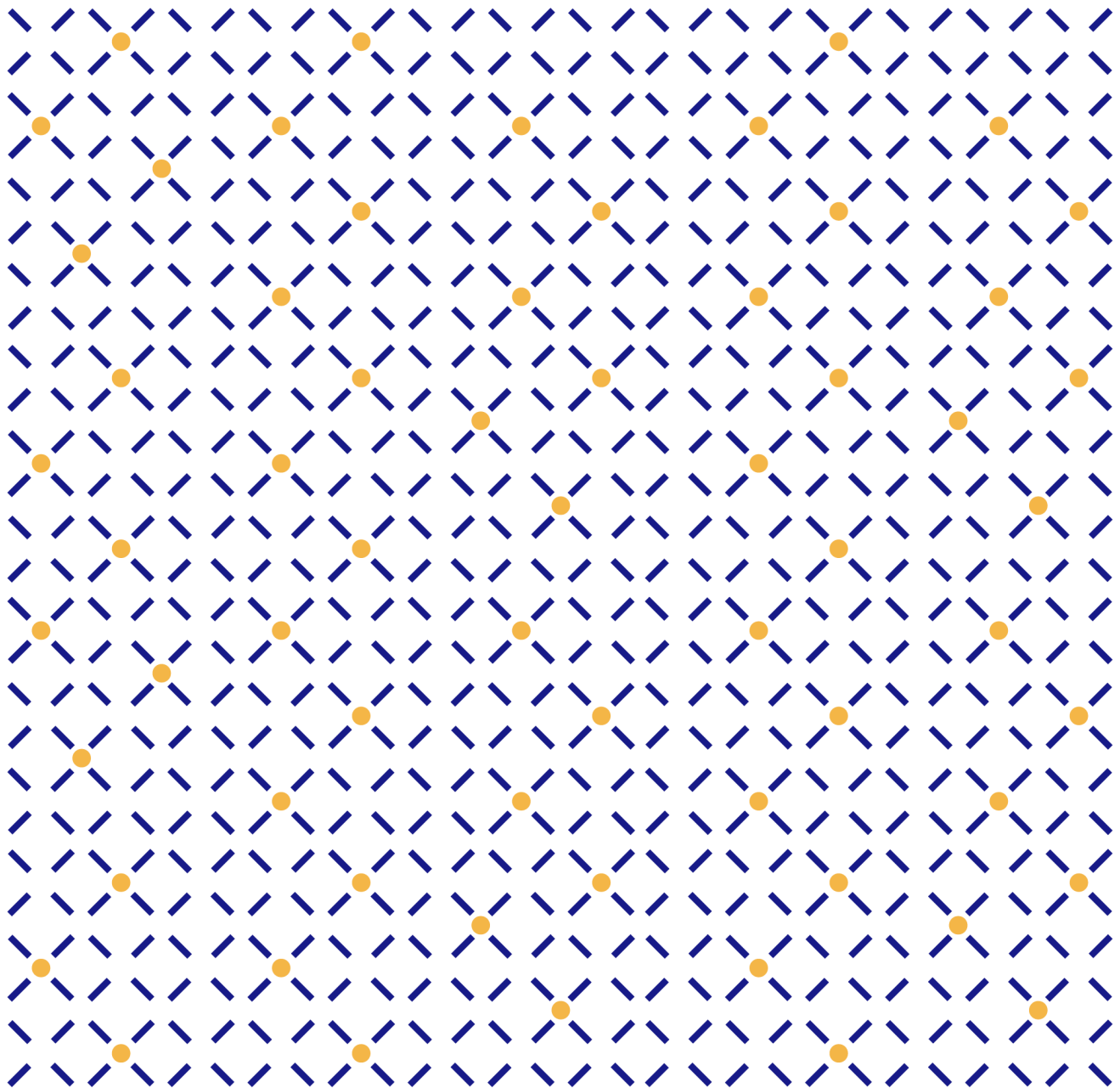
Considering the remaining Affinity portfolio, which includes mass-market plans, we had an 84.3 thousand lives growth in 2Q22 (+19% YoY) reaching 529.1 thousand lives, or virtually at the same level of the previous quarter (+0.1% QoQ).

### **Corporate, SME and Gama Portfolios**

In 2Q22, our SME portfolio increased by 8 thousand lives from the previous quarter (+11.2%), the largest quarterly growth for this segment in Quali's recent history. In the YoY comparison, the SME segment continued to grow strongly by 42%, reaching 79.9 thousand lives, almost twice of 2 years ago.

Our traditional Corporate segment portfolio had a 0.5% QoQ increase to 239.1 thousand lives in 2Q22. Meanwhile, Gama's portfolio, our HMO business, grew 1.6% YoY and 0.2% QoQ, reaching 593.2 thousand lives.





# 2Q22 Results

## 2Q22 Results

Income Statement (R\$ MN)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>Net Revenue</b>	<b>489.0</b>	<b>517.2</b>	<b>-5.4%</b>	<b>502.2</b>	<b>-2.6%</b>	<b>991.3</b>	<b>1,040.2</b>	<b>-4.7%</b>
(-) COGS and SG&A	(226.2)	(251.3)	-10.0%	(221.9)	1.9%	(448.1)	(477.5)	-6.2%
(-) Contingencies and Legal Exp.	(10.5)	(10.5)	0.4%	(5.7)	NM	(16.2)	(19.5)	-17.1%
(-) Bad Debt Provision	(24.9)	(13.9)	79.2%	(24.3)	2.6%	(49.2)	(31.8)	54.6%
(+/-) Other Oper.	3.7	(7.5)	-148.8%	1.2	NM	4.8	(6.3)	-176.7%
<b>EBITDA</b>	<b>231.1</b>	<b>234.0</b>	<b>-1.2%</b>	<b>251.5</b>	<b>-8.1%</b>	<b>482.7</b>	<b>505.0</b>	<b>-4.4%</b>
<b>EBITDA Margin</b>	<b>47.3%</b>	<b>45.2%</b>	<b>201 bps</b>	<b>50.1%</b>	<b>-283 bps</b>	<b>48.7%</b>	<b>48.6%</b>	<b>14 bps</b>
(+/-) EBITDA Adj.	3.0	7.8	-60.9%	1.3	141.7%	4.3	15.1	-71.4%
<b>Adjusted EBITDA</b>	<b>234.2</b>	<b>241.8</b>	<b>-3.2%</b>	<b>252.8</b>	<b>-7.4%</b>	<b>487.0</b>	<b>520.1</b>	<b>-6.4%</b>
<b>Adjusted EBITDA Margin</b>	<b>47.9%</b>	<b>46.8%</b>	<b>113 bps</b>	<b>50.3%</b>	<b>-246 bps</b>	<b>49.1%</b>	<b>50.0%</b>	<b>-88 bps</b>
(-) D&A	(99.0)	(88.7)	11.6%	(97.9)	1.2%	(196.9)	(175.1)	12.5%
(+/-) Fin. Inc. (Exp.)	(52.2)	(13.3)	293.4%	(40.5)	28.9%	(92.6)	(22.6)	309.6%
(-) Income Tax./Social Contrib.	(28.0)	(39.4)	-29.0%	(36.9)	-24.1%	(64.9)	(97.6)	-33.6%
(-) Minority Interest	(2.5)	(2.3)	10.9%	(2.3)	10.3%	(4.8)	(4.9)	-1.6%
<b>Net Income Controlling</b>	<b>49.4</b>	<b>90.3</b>	<b>-45.3%</b>	<b>74.1</b>	<b>-33.3%</b>	<b>123.4</b>	<b>204.8</b>	<b>-39.7%</b>
<b>Net Margin</b>	<b>10.1%</b>	<b>17.5%</b>	<b>-736 bps</b>	<b>14.7%</b>	<b>-465 bps</b>	<b>12.5%</b>	<b>19.7%</b>	<b>-723 bps</b>

In 2Q22, Quali presented a 5.4% decline in net revenue versus 2Q21. Even so, the Adjusted EBITDA margin had a 113 bps YoY expansion and reached 47.9%, as result of a 10% drop in COGS and SG&A expenses. Our net income decreased 45% YoY in 2Q22, due to a 3.2% reduction in Adjusted EBITDA, as well as 11.6% increase in depreciation and amortization (D&A) expenses and net financial expenses almost 4x higher than the previous year.

In 1H22, we reached R\$991.3 million in net revenue (-4.7% YoY), Adjusted EBITDA of R\$487 million (-6.4% YoY) with Adjusted EBITDA margin of 49.1% (-88 bps), and a net income of R\$123.4 million which presented a -39.7% YoY variation.

We will now present comments about main variations in the income statement, balance sheet and cash flow lines.

## Revenue by Segment

Revenue (R\$ MN)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>Affinity</b>	<b>492.3</b>	<b>523.4</b>	<b>-5.9%</b>	<b>507.3</b>	<b>-3.0%</b>	<b>999.7</b>	<b>1,058.2</b>	<b>-5.5%</b>
<b>Health Lives</b>	<b>489.1</b>	<b>517.6</b>	<b>-5.5%</b>	<b>503.6</b>	<b>-2.9%</b>	<b>992.6</b>	<b>1,047.1</b>	<b>-5.2%</b>
Agency	30.2	31.8	-4.9%	32.1	-5.9%	62.3	69.4	-10.2%
Administration Fee	327.9	341.0	-3.8%	334.1	-1.8%	661.9	687.1	-3.7%
Brokerage	130.7	144.4	-9%	137.1	-4.7%	267.8	289.8	-7.6%
Other Income	0.3	0.5	-42.1%	0.2	6.5%	0.5	0.9	-39.7%
<b>Other Affinity</b>	<b>3.3</b>	<b>5.8</b>	<b>-43.3%</b>	<b>3.8</b>	<b>-13.8%</b>	<b>7.1</b>	<b>11.0</b>	<b>-35.8%</b>
<b>Corporate</b>	<b>4.6</b>	<b>7.1</b>	<b>-35.9%</b>	<b>4.6</b>	<b>-1.2%</b>	<b>9.2</b>	<b>13.0</b>	<b>-29.4%</b>
<b>SME total</b>	<b>10.4</b>	<b>6.9</b>	<b>51%</b>	<b>7.5</b>	<b>37.1%</b>	<b>17.9</b>	<b>12.8</b>	<b>39.8%</b>
<b>Gama</b>	<b>23.0</b>	<b>24.2</b>	<b>-5.1%</b>	<b>25.3</b>	<b>-9.2%</b>	<b>48.3</b>	<b>47.3</b>	<b>2.2%</b>
<b>Gross Revenue</b>	<b>530.3</b>	<b>561.6</b>	<b>-5.6%</b>	<b>544.9</b>	<b>-2.7%</b>	<b>1,075.1</b>	<b>1,131.3</b>	<b>-5.0%</b>
Income Taxes	(41.0)	(44.1)	-7%	(42.1)	-2.7%	(83.1)	(90.5)	-8%
Cancellations and rebates	(0.3)	(0.3)	-16.3%	(0.6)	-52.8%	(0.8)	(0.6)	31.2%
<b>Net Revenue</b>	<b>489.0</b>	<b>517.2</b>	<b>-5.4%</b>	<b>502.2</b>	<b>-2.6%</b>	<b>991.3</b>	<b>1,040.2</b>	<b>-4.7%</b>

Quali's gross revenue decreased 5.6% in 2Q22 in comparison with 2Q21, and 2.7% compared to 1Q22. In the first half of this year, the decrease was 5.0%.

In the Affinity Health Lives segment, agency revenues, which are directly related to gross adds, decreased by 4.9% YoY and 5.9% QoQ, due to lower remuneration level paid by the HMOs related to the sales ticket. Recurring/lifetime revenues from Administration and Brokerage fees were down 2.7% QoQ and 5.5% YoY, following the portfolio's average premium and volume variation. In 1H22, the Affinity Health Lives gross revenue presented a reduction of 5.2%.

Revenues from Other Affinity (mass-market plans) had a reduction of 43.3% YoY and 13.8% QoQ. In 1H22 the variation was -35.8%.

Revenues from Other segments (Corporate, SME and Gama) presented 1.1% growth QoQ, and a 0.8% YoY reduction in 2Q22. We highlight: i) continuing strong growth in SME (+51.1% YoY and +37.1% QoQ), following the acceleration in the portfolio growth; ii) retraction in Corporate revenue (-35.9% YoY and -1.2% QoQ), similar to the previous quarter; iii) normalization in Gama revenue (-5.1% YoY, -9.2% QoQ), after one-off project revenue booked in 1Q22. In 1H22, the other Segments grew 3.1%, driven mainly by SME's performance (+39.8% YoY).

## Costs and Expenses

Costs and Expenses (R\$ MN)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>Total COGS e SG&amp;A</b>	<b>(226.2)</b>	<b>(251.3)</b>	<b>-10.0%</b>	<b>(221.9)</b>	<b>1.9%</b>	<b>(448.1)</b>	<b>(477.5)</b>	<b>-6.2%</b>
COGS	(102.1)	(108.6)	-6.0%	(102.7)	-0.6%	(204.8)	(215.8)	-5.1%
Administrative Expenses	(60.8)	(75.8)	-19.8%	(54.1)	12.4%	(114.9)	(134.5)	-14.6%
Commercial Expenses	(63.3)	(66.9)	-5.3%	(65.1)	-2.7%	(128.4)	(127.2)	0.9%
<b>Total COGS e SG&amp;A</b>	<b>(226.2)</b>	<b>(251.3)</b>	<b>-10.0%</b>	<b>(221.9)</b>	<b>1.9%</b>	<b>(448.1)</b>	<b>(477.5)</b>	<b>-6.2%</b>
Personnel	(89.9)	(100.0)	-10.1%	(95.3)	-5.7%	(185.2)	(189.3)	-2.1%
3rd-party Services	(49.1)	(57.0)	-13.8%	(47.8)	2.7%	(96.9)	(111.0)	-12.7%
Occupancy	(6.1)	(4.7)	27.9%	(5.0)	21.0%	(11.1)	(9.6)	15.9%
Marketing and Trade	(9.4)	(25.8)	-63.5%	(9.8)	-3.4%	(19.2)	(45.5)	-57.9%
Commissions and Transf.	(58.3)	(51.1)	14.0%	(53.9)	8.1%	(112.1)	(97.2)	15.3%
Other Costs and SG&A	(13.4)	(12.7)	5.8%	(10.1)	33.6%	(23.5)	(24.9)	-5.7%
<b>Contingencies and Legal Exp.</b>	<b>(10.5)</b>	<b>(10.5)</b>	<b>0.4%</b>	<b>(5.7)</b>	<b>85.2%</b>	<b>(16.2)</b>	<b>(19.5)</b>	<b>-17.1%</b>
<b>Bad Debt Provision</b>	<b>(24.9)</b>	<b>(13.9)</b>	<b>79.2%</b>	<b>(24.3)</b>	<b>2.6%</b>	<b>(49.2)</b>	<b>(31.8)</b>	<b>54.6%</b>
<b>Other Operating</b>	<b>3.7</b>	<b>(7.5)</b>	<b>NM</b>	<b>1.2</b>	<b>NM</b>	<b>4.8</b>	<b>(6.3)</b>	<b>NM</b>
<b>Total Consolidated</b>	<b>(257.9)</b>	<b>(283.2)</b>	<b>-8.9%</b>	<b>(250.7)</b>	<b>2.9%</b>	<b>(508.6)</b>	<b>(535.2)</b>	<b>-5.0%</b>
(+/-) EBITDA Adj.	3.0	7.8	-60.9%	1.3	141.7%	4.3	15.1	-71.4%
<b>Total Consol. Ex-Adj.</b>	<b>(254.9)</b>	<b>(275.4)</b>	<b>-7.4%</b>	<b>(249.4)</b>	<b>2.2%</b>	<b>(504.3)</b>	<b>(520.1)</b>	<b>-3.0%</b>

\*COGS and SG&A expenses without depreciation and amortization.

Quali presented in 2Q22 a 2.2% QoQ increase in total consolidated costs and expenses, excluding adjustments to EBITDA that are essentially from a non-recurring nature. On a YoY basis, there was a 7.4% reduction in adjusted costs and expenses. Year-to-date we had a 3% reduction.

In 2Q22 we presented a 1.9% increase in COGS and SG&A expenses over the previous quarter, and a significant 10% decrease over 2Q21, with improvements in several lines. Highlights for: (i) Personnel (-10.1% YoY and -5.7% QoQ) due to cost reductions and outsourcing of some customer service activities; (ii) 3<sup>rd</sup> party services (-13.8% YoY and +2.7% QoQ), with improvement in the year-over-year view due to lower spending on consultancy services, lawyers and technology; (iii) Marketing and Trade (-63.5% YoY and -3.4% QoQ) following the same reduction observed in the previous quarter regarding expenses with leads, advertising and publicity.

On the other hand, there was an increase in: (i) Commissions and Transf. (+8.1% QoQ and +14% YoY); (ii) Other Costs and SG&A (+33.6% QoQ and +5.8% YoY) with increase in travel expenses due to the resumption of in-person meetings; and (iii) Contingencies and Legal Expenses (+85.2% QoQ and +0.4% YoY) with the effect of around R\$5 million provision for two new lawsuits.

Total Bad Debt Provision (+79.2% YoY and +2.6% QoQ) showed an increase on a YoY basis due to delinquency growth and a comparison basis in 2Q21 that included reversal of provisions and recovery of losses (around R\$4 million non-recurring). However, 2Q22 provisions were practically in line with the previous quarter.

Finally, in Other Operating Income/Expenses line we observed in the quarterly comparison (i) income of R\$10 million from PIS and COFINS Credit; (ii) expenses of R\$4.4 million from IFRS adjustments; (iii) expense of R\$2.7 million from Escalé's equity income.

## EBITDA and Adjusted EBITDA

EBITDA (R\$ MN)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>Net Revenue</b>	<b>489.0</b>	<b>517.2</b>	<b>-5.4%</b>	<b>502.2</b>	<b>-2.6%</b>	<b>991.3</b>	<b>1,040.2</b>	<b>-4.7%</b>
(-) COGS	(102.1)	(108.6)	-6.0%	(102.7)	-0.6%	(204.8)	(215.8)	-5.1%
(-) SG&A	(124.1)	(142.7)	-13.0%	(119.2)	4.1%	(243.3)	(261.7)	-7.0%
(-) Contingencies and Legal Exp.	(10.5)	(10.5)	0.4%	(5.7)	85.2%	(16.2)	(19.5)	-17.1%
(-) Bad Debt Provision	(24.9)	(13.9)	79.2%	(24.3)	2.6%	(49.2)	(31.8)	54.6%
(-) Other Oper. Inc. (Exp.)	3.7	(7.5)	NM	1.2	NM	4.8	(6.3)	NM
<b>EBITDA</b>	<b>231.1</b>	<b>234.0</b>	<b>-1.2%</b>	<b>251.5</b>	<b>-8.1%</b>	<b>482.7</b>	<b>505.0</b>	<b>-4.4%</b>
<b>EBITDA Margin</b>	<b>47.3%</b>	<b>45.2%</b>	<b>201 bps</b>	<b>50.1%</b>	<b>-283 bps</b>	<b>48.7%</b>	<b>48.6%</b>	<b>14 bps</b>
(+/-) EBITDA Adj.	3.0	7.8	-60.9%	1.3	141.7%	4.3	15.1	-71.4%
Severance Costs	0.6	-	NM	0.2	176.1%	0.9	-	NM
Equity	2.3	1.1	111.1%	0.8	195.9%	3.0	1.1	NM
Other EBITDA Adj.	0.1	6.7	-97.9%	0.3	-47.4%	0.4	14.0	-97.1%
<b>Adjusted EBITDA</b>	<b>234.2</b>	<b>241.8</b>	<b>-3.2%</b>	<b>252.8</b>	<b>-7.4%</b>	<b>487.0</b>	<b>520.1</b>	<b>-6.4%</b>
<b>Adjusted EBITDA Margin</b>	<b>47.9%</b>	<b>46.8%</b>	<b>113 bps</b>	<b>50.3%</b>	<b>-246 bps</b>	<b>49.1%</b>	<b>50.0%</b>	<b>-88 bps</b>

Reported EBITDA decreased 8.1% QoQ to R\$231.1 million in 2Q22, chiefly due to lower net revenues and higher Contingencies and Legal Expenses, as well as higher SG&A expenses and Bad Debt provisions, as previously discussed. Regarding the YoY basis, there was a 1.2% decline in EBITDA, due to lower revenues and higher Bad Debt Provision. EBITDA margin in 2Q22 was 47.3%, with an expansion of 201 bps YoY and a contraction of 283 bps QoQ. In 1H22 reported EBITDA reached R\$482.7 million (-4.4% YoY) and margin of 48.7% (+14 bps).

We had only R\$3 million of adjustments to EBITDA in 2Q22, mostly related to equity income from subsidiaries. As a result, Quali's Adjusted EBITDA reached R\$234.2 million in the quarter, with -3.2% YoY and -7.4% QoQ variations. The Adjusted EBITDA margin was 47.9% in the quarter, up +113 bps YoY, but contracting -246 bps QoQ. Year-to-date Adjusted EBITDA was R\$487 million (-6.4% YoY) with 49.1% margin (-88 bps).

## Financial Results

Financial Results (R\$MN)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
Net Debt Income (Exp.)	(49.4)	(7.2)	591.3%	(40.6)	21.6%	(90.1)	(11.8)	666.2%
Financial Investments	19.7	7.3	169.4%	17.0	15.8%	36.8	12.6	191.3%
Hedge Accounting	(17.1)	(0.2)	NM	(19.3)	-11.6%	(36.4)	(0.2)	NM
Interest on Loans and Financing	(52.1)	(14.2)	265.7%	(38.4)	35.8%	(90.4)	(24.1)	274.5%
Interest and Fine on Late Paym.	8.1	8.1	-0.6%	7.6	6.2%	15.7	16.0	-2.2%
Monetary Adjustments	(0.6)	(0.5)	18.7%	(0.5)	19.8%	(1.0)	(1.1)	-10.6%
Other Financ. Income (Exp.)	(10.3)	(13.8)	-25.4%	(7.0)	47.4%	(17.2)	(25.8)	-33.1%
<b>Net Financial Results</b>	<b>(52.2)</b>	<b>(13.3)</b>	<b>293.4%</b>	<b>(40.5)</b>	<b>28.9%</b>	<b>(92.6)</b>	<b>(22.6)</b>	<b>309.6%</b>

We had net financial expenses of R\$52.2 million in 2Q22, which was 293% higher YoY and 28.9% higher QoQ. This increase in the quarterly comparison reflects the increase in the average CDI

(base interest rate) for the period (+20% QoQ), while the year-on-year variation is also due to the increase in net debt.

On June 10<sup>th</sup>, 2022, Quali raised funds through its 6<sup>th</sup> debenture issue. Approved by the Board of Directors on May 31<sup>st</sup>, 2022, the new issue in the amount of R\$2.2 billion has a 5-year term and a cost of CDI + 1.85%. The funds were earmarked for the Company's short-term maturities (early payment of the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> debenture issues) and to better adapt its capital structure and future cash flow.

## Net Income

Net Income (R\$ MN)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>EBITDA</b>	<b>231.1</b>	<b>234.0</b>	<b>-1.2%</b>	<b>251.5</b>	<b>-8.1%</b>	<b>482.7</b>	<b>505.0</b>	<b>-4.4%</b>
D&A	(99.0)	(88.7)	11.6%	(97.9)	1.2%	(196.9)	(175.1)	12.5%
Intangible/Fixed Assets	(36.0)	(40.3)	-10.7%	(36.4)	-1.1%	(72.3)	(82.7)	-12.5%
Amort. Commissions	(60.1)	(46.2)	30.2%	(57.6)	4.5%	(117.7)	(87.1)	35.2%
Amort. Leases	(2.9)	(2.2)	30.8%	(4.0)	-25.9%	(6.9)	(5.3)	29.4%
<b>EBIT</b>	<b>132.1</b>	<b>145.3</b>	<b>-9.1%</b>	<b>153.7</b>	<b>-14.0%</b>	<b>285.8</b>	<b>330.0</b>	<b>-13.4%</b>
Fin. Inc. (Exp.)	(52.2)	(13.3)	293.4%	(40.5)	28.9%	(92.6)	(22.6)	309.6%
<b>Earnings before taxes</b>	<b>79.9</b>	<b>132.0</b>	<b>-39.5%</b>	<b>113.2</b>	<b>-29.4%</b>	<b>193.1</b>	<b>307.4</b>	<b>-37.2%</b>
Income Tax./Social Contrib.	(28.0)	(39.4)	-29.0%	(36.9)	-24.1%	(64.9)	(97.6)	-33.6%
<b>Net Income Consolidated</b>	<b>51.9</b>	<b>92.6</b>	<b>-43.9%</b>	<b>76.4</b>	<b>-32.0%</b>	<b>128.3</b>	<b>209.7</b>	<b>-38.8%</b>
(-) Minority Interest	(2.5)	(2.3)	10.9%	(2.3)	10.3%	(4.8)	(4.9)	-1.6%
<b>Net Income Parent Co.</b>	<b>49.4</b>	<b>90.3</b>	<b>-45.3%</b>	<b>74.1</b>	<b>-33.3%</b>	<b>123.4</b>	<b>204.8</b>	<b>-39.7%</b>

Our net income for 2Q22 was R\$49.4 million, after minority interests, and presented a 33.3% QoQ decrease, as result of the 8.1% EBITDA reduction and by the 28.9% higher financial expenses. In the YoY view, the net income declined 45.3% due to the 1.2% drop in EBITDA as well as higher amortization and financial expenses. In the year-to-date, we presented a 39.7% drop in net income, which reached R\$123.4 million.

## Managerial Cash Flow

Cash Flow	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>EBITDA</b>	<b>231.1</b>	<b>234.0</b>	<b>-1.2%</b>	<b>251.5</b>	<b>-8.1%</b>	<b>482.7</b>	<b>505.0</b>	<b>-4.4%</b>
Non cash	8.0	(1.0)	-882.7%	2.4	233.9%	10.4	15.3	-31.6%
Amount Paid for Leasing	(2.8)	(2.8)	0.9%	(3.4)	-16.4%	(6.2)	(6.3)	-1.3%
Commissions	(112.4)	(109.1)	3.1%	(64.6)	74.2%	(177.0)	(181.6)	-2.5%
Interest Paid	(27.3)	(36.4)	-25.0%	(36.8)	-26.0%	(64.1)	(78.4)	-18.3%
Chang. In Working Capital	(26.0)	(46.9)	-44.6%	(67.0)	-61.2%	(93.0)	(36.7)	153.3%
Trade Receivable	6.2	(4.1)	-252.5%	(12.7)	-148.6%	(6.5)	(28.8)	-77.2%
Taxes Payable	(18.7)	(2.2)	761.6%	(5.3)	256.0%	(24.0)	(10.7)	125.2%
Health Care operators	(25.2)	(28.7)	-12.2%	(44.0)	-42.6%	(69.2)	(8.1)	751.3%
Personnel	15.2	(8.7)	-275.6%	8.6	77.7%	23.8	7.1	236.0%
Other Assets/Liabilities	(3.4)	(3.3)	4.7%	(13.6)	-74.7%	(17.0)	3.7	-556.6%
<b>Cash Prov. by Op. Act.</b>	<b>70.6</b>	<b>37.8</b>	<b>87.0%</b>	<b>82.2</b>	<b>-14.0%</b>	<b>152.8</b>	<b>217.3</b>	<b>-29.7%</b>
Capex (Intang. + Imob.)	(9.8)	(17.1)	-42.8%	(15.7)	-38.1%	(25.5)	(31.2)	-18.3%
<b>Cash Flow Fin. Activ. After Capex</b>	<b>60.9</b>	<b>20.7</b>	<b>193.7%</b>	<b>66.4</b>	<b>-8.3%</b>	<b>127.3</b>	<b>186.1</b>	<b>-31.6%</b>
Acquisitions portfolio/companies	(58.7)	(217.7)	-73.0%	(46.3)	26.8%	(25.0)	(94.2)	-73.4%
<b>Free Cash Flow to Firm</b>	<b>2.1</b>	<b>(197.0)</b>	<b>-101.1%</b>	<b>20.1</b>	<b>-89.4%</b>	<b>22.2</b>	<b>(41.8)</b>	<b>-153.2%</b>
Financial Income/Expenses	(64.6)	2.7	NM	(32.8)	96.8%	(97.4)	(14.6)	567.3%
Loans and Funding	518.9	350.0	48.3%	(52.9)	NM	466.1	350.0	33.2%
Financial Investments	(4.7)	4.6	-202.0%	(7.8)	-39.8%	(12.4)	25.4	-148.9%
Dividends Paid	(3.2)	(0.0)	-98.4%	(0.0)	NM	(3.2)	(233.2)	-98.6%
<b>Cash Prov. Financing Activ.</b>	<b>446.5</b>	<b>155.0</b>	<b>188.0%</b>	<b>(93.5)</b>	<b>-577.7%</b>	<b>353.0</b>	<b>127.6</b>	<b>176.7%</b>
<b>Cash Flow</b>	<b>448.6</b>	<b>(42.0)</b>	<b>NM</b>	<b>(73.4)</b>	<b>NM</b>	<b>375.2</b>	<b>85.8</b>	<b>337.4%</b>

Operating cash generation (before investments) was R\$70.6 million in 2Q22, a reduction of 14% QoQ, but an increase of 87% compared to 2Q21. Year-to-date we presented R\$152.8 million, a decrease of 29.7%.

It is worth mentioning that the R\$112.4 million cash commissions in 2Q22 diverge from the increase in the same account on intangible assets, which was R\$106.1 million, due to temporary differences between accrual and disbursement. In addition, as of 2Q22, we started to capitalize part of the investments in leads generation for our sales team, due to the new CPA-based hiring model with Escale. We also had a R\$6.4 million investment related to sales campaigns that rewarded Quali's best brokers over the past months.

Working capital consumption was R\$26.0 million in 2Q22, down 61% QoQ and 45% YoY. After Capex investments, but before acquisitions, our cash flow generation was R\$60.9 million in 2Q22, decreasing 8.3% QoQ and 193% YoY. In addition, we disbursed R\$58.7 million with acquisitions in the quarter, mostly related to the earn-out payment of Plural, acquired in late 2020. As a result, we had a free cash flow of R\$2.1 million.

## Investments

Capex (R\$ MM)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
Acquisitions and Rights	-	14.0	-100.0%	40.0	-100.0%	40.0	14.0	185.7%
IT Capex	10.9	10.5	4.1%	9.9	9.7%	20.8	21.9	-4.7%
PP&E/Other Capex	3.8	5.5	-31.4%	7.4	-49.2%	11.2	9.0	24.0%
<b>Total</b>	<b>14.7</b>	<b>30.0</b>	<b>-51.1%</b>	<b>57.4</b>	<b>-74.4%</b>	<b>72.0</b>	<b>44.9</b>	<b>60.5%</b>

Our Capex was R\$14.7 million in 2Q22, down 51.1% YoY and 74.4% QoQ. The largest investment was in IT Capex related to acquisition of software licenses and operating software in use.

## Indebtedness

Capital Structure (R\$ MM)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
Current Debt <sup>(1)</sup>	428.5	1,389.7	-69.2%	1,745.6	-75.5%	428.5	1,389.7	-69.2%
Long Term Debt	2,191.9	291.8	651.1%	300.7	628.9%	2,191.9	291.8	651.1%
Derivatives	34.8	20.8	67.4%	112.8	-69.2%	34.8	20.8	67.4%
<b>TOTAL</b>	<b>2,655.2</b>	<b>1,702.3</b>	<b>56.0%</b>	<b>2,159.1</b>	<b>23.0%</b>	<b>2,655.2</b>	<b>1,702.3</b>	<b>56.0%</b>
Cash and cash equivalents <sup>(2)</sup>	1,091.2	755.6	44.4%	638.9	70.8%	1,091.2	755.6	44.4%
<b>Net Debt</b>	<b>1,564.0</b>	<b>946.7</b>	<b>65.2%</b>	<b>1,520.2</b>	<b>2.9%</b>	<b>1,564.0</b>	<b>946.7</b>	<b>65.2%</b>
Net Debt / Adj. EBITDA LTM	1.54x	0.88x	65.9%	1.37x	16.4%	1.54x	0.88x	66%

(1) Includes acquisitions payable.

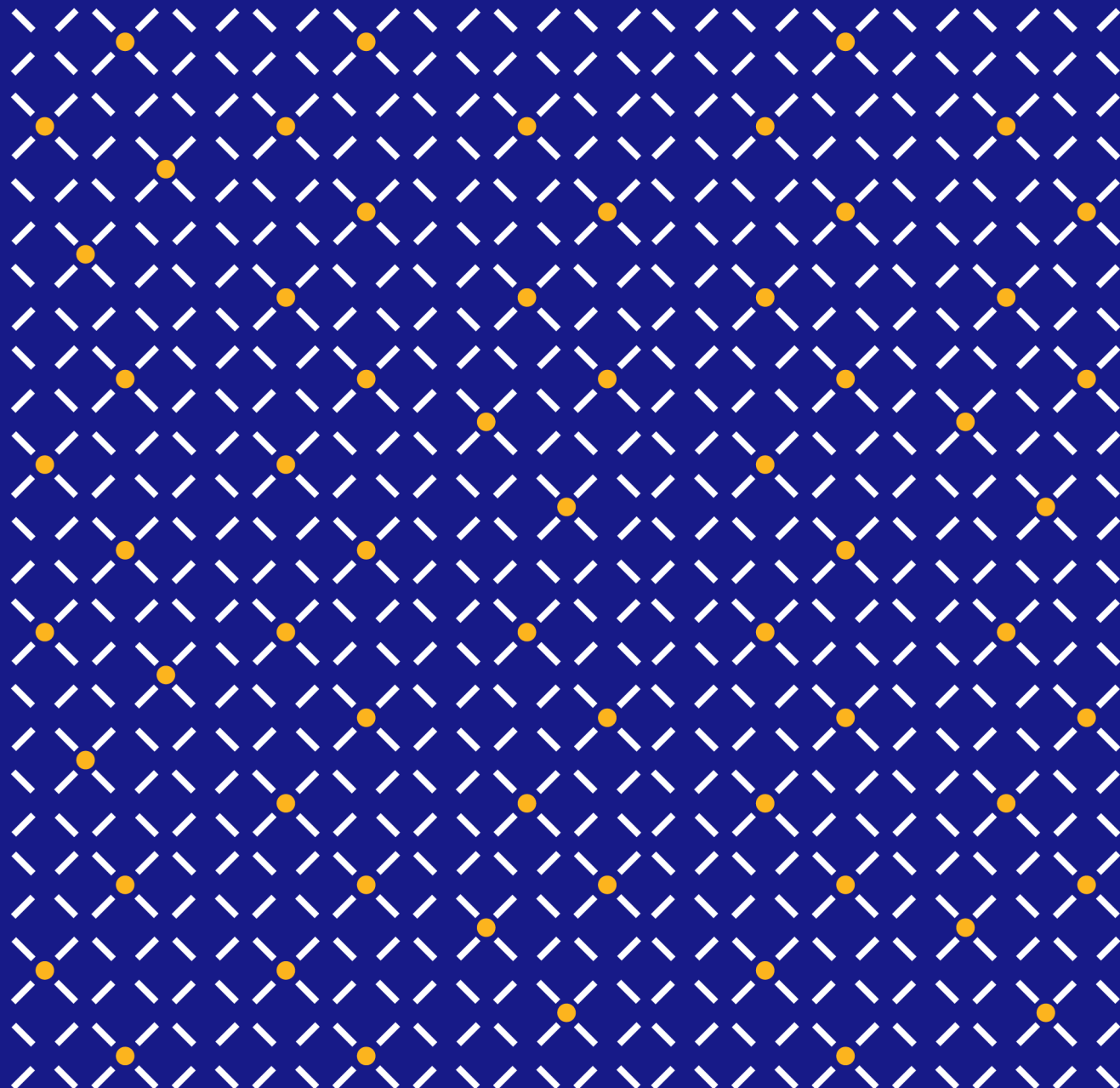
(2) Does not include the financial investment held as collateral for the Qualicorp's companies regulated by ANS.

Our net debt was R\$1,564 million in 2Q22, a 2.9% increase compared to 1Q22 and 65.2% higher than in 2Q21. Our leverage was 1.5x LTM Adjusted EBITDA in 2Q22, compared to 1.4x in 1Q22 and 0.9x in 2Q21. With the funding of the new Debentures, we have extended our debt profile, with most of our maturities in 2027. Moreover, we now have sufficient cash to pay off debt maturities over the next three years.



## ROIC

Return on Investment	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ
Non Current Assets	3,140	2,460	27.6%	3,010	4.3%
Working Capital	(62)	(133)	-53.2%	(93)	-33.4%
<b>Invested Capital</b>	<b>3,078</b>	<b>2,327</b>	<b>32.3%</b>	<b>2,917</b>	<b>5.5%</b>
Adjust. to Invested Cap.	927	939	-1.3%	927	0.1%
<b>Adj. Invest. Cap. (Average LTM)</b>	<b>2,151</b>	<b>1,388</b>	<b>54.9%</b>	<b>1,990</b>	<b>8.1%</b>
Adj. EBITDA LTM	965	884	9.1%	928	4.0%
(-) Taxes (34%)	(328)	(301)	9.1%	(316)	4.0%
<b>NOPAT LTM</b>	<b>637</b>	<b>584</b>	<b>9.1%</b>	<b>612</b>	<b>4.0%</b>
<b>ROIC</b>	<b>29.6%</b>	<b>42.0%</b>	<b>-12.4 p.p.</b>	<b>30.8%</b>	<b>-117 bps</b>



# Attachments Financial Statements

# Attachments – Financial Statements

## Income Statement - Consolidated

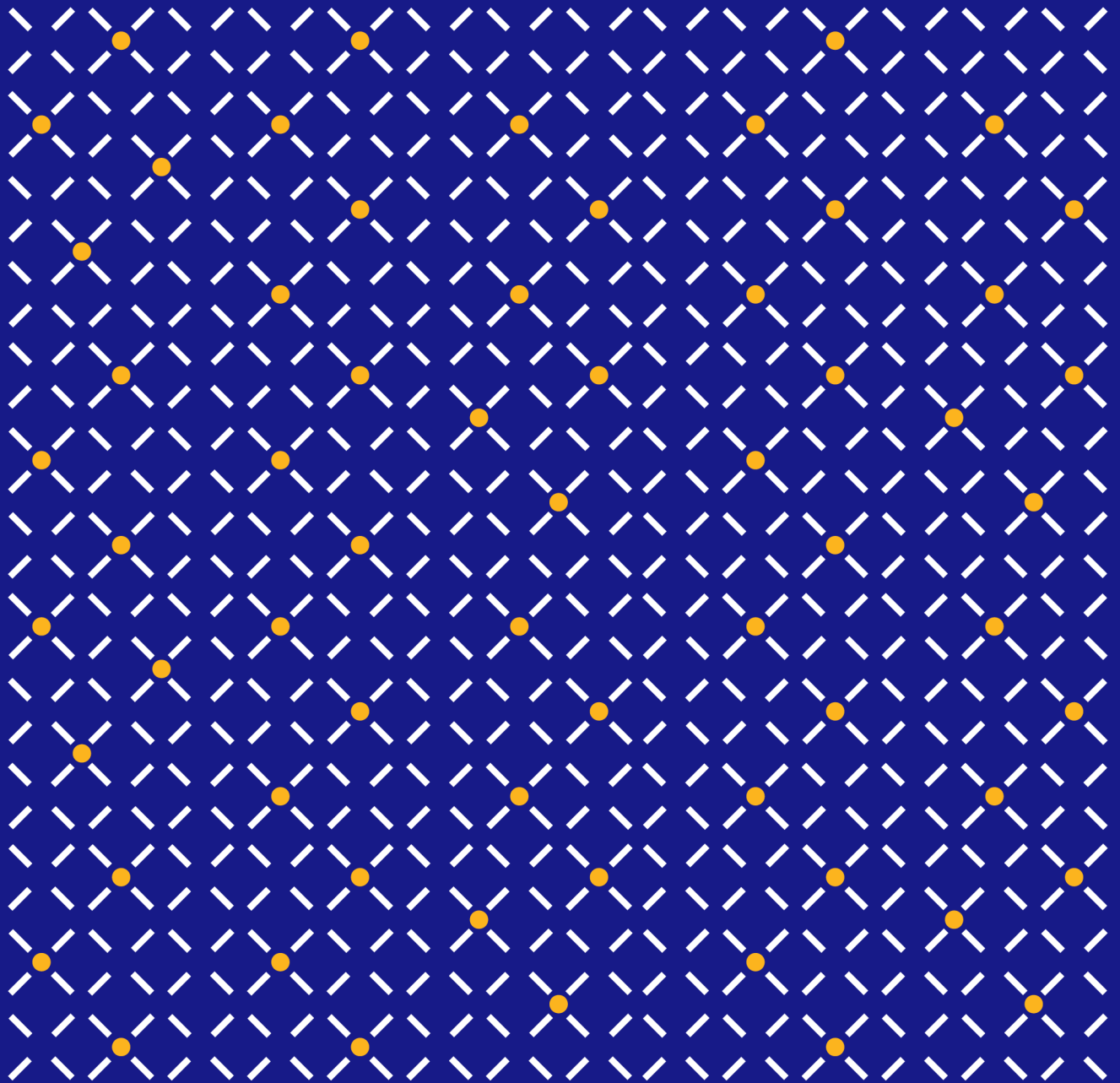
INCOME STATEMENT (R\$ MM)	2Q22	2Q21	Var. YoY	1Q22	Var. QoQ	1H22	1H21	Var. YoY
<b>Net Operating Revenue</b>	<b>489.0</b>	<b>517.2</b>	<b>-5.4%</b>	<b>502.2</b>	<b>-2.6%</b>	<b>991.3</b>	<b>1,040.2</b>	<b>-4.7%</b>
COGS	(102.1)	(108.6)	-6.0%	(103.5)	NM	(205.6)	(215.8)	-4.7%
<b>Gross Profit</b>	<b>387.0</b>	<b>408.6</b>	<b>-5.3%</b>	<b>398.7</b>	<b>-2.9%</b>	<b>785.7</b>	<b>824.4</b>	<b>-4.7%</b>
<b>Operating Income (expenses)</b>	<b>(254.9)</b>	<b>(263.3)</b>	<b>-3.2%</b>	<b>(245.0)</b>	<b>4.0%</b>	<b>(499.9)</b>	<b>(494.4)</b>	<b>1.1%</b>
Administrative expenses	(99.7)	(118.3)	-15.8%	(92.8)	7.5%	(192.4)	(222.5)	-13.5%
Selling expenses	(123.4)	(113.1)	9.2%	(123.5)	0.0%	(246.9)	(214.3)	15.2%
Provisions for Bad Debt	(24.9)	(13.9)	79.2%	(24.3)	2.6%	(49.2)	(31.8)	54.6%
Other operating income (expenses)	(6.8)	(18.0)	-62.0%	(4.5)	51.3%	(11.4)	(25.8)	-56.0%
<b>Inc. form Op. Before Financial Income</b>	<b>132.1</b>	<b>145.3</b>	<b>-9.1%</b>	<b>153.7</b>	<b>-14.1%</b>	<b>285.8</b>	<b>330.0</b>	<b>-13.4%</b>
Financial income (expenses)	(52.2)	(13.3)	293.4%	(40.5)	28.9%	(92.6)	(22.6)	309.6%
<b>Income Before Income Tax Social Contributic</b>	<b>79.9</b>	<b>132.0</b>	<b>-39.5%</b>	<b>113.2</b>	<b>-29.4%</b>	<b>193.1</b>	<b>307.4</b>	<b>-37.2%</b>
Income Tax and Social Contribution	(28.0)	(39.4)	-29.0%	(36.9)	-24.1%	(64.9)	(97.6)	-33.6%
<b>NET (LOSS) INCOME FOR PERIOD</b>	<b>51.9</b>	<b>92.6</b>	<b>-43.9%</b>	<b>76.4</b>	<b>-32.0%</b>	<b>128.3</b>	<b>209.7</b>	<b>-38.8%</b>
<b>Attributable to</b>								
Noncontrolling interest	(2.5)	(2.3)	10.9%	(2.3)	10.3%	(4.8)	(4.9)	-1.6%
<b>Controlling interest</b>	<b>49.4</b>	<b>90.3</b>	<b>12.4%</b>	<b>74.1</b>	<b>-33.3%</b>	<b>123.4</b>	<b>204.8</b>	<b>5.3%</b>

## Balance Sheet - Consolidated

ASSETS (R\$ MN)	Jun/22	Dec/21	Var. %	LIABILITIES & SHAREHOLDERS EQUITY (R\$ MM)	Jun/22	Dec/21	Var. %
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
Cash and cash equivalents	824.7	449.5	83.5%	Loans, Financing and Debentures	414.4	1,909.5	-78.3%
Short-term investments	315.5	303.1	4.1%	Derivative financial instruments	34.8	-	NM
Trade receivables	228.4	221.9	2.9%	Taxes payable	50.2	45.8	9.7%
Other assets	343.6	247.9	38.6%	Technical Reserves	12.3	10.1	21.4%
Other financial assets	329.1	239.1	37.6%	Premiums to be transferred	221.3	217.8	1.6%
Other non-financial assets	14.4	8.7	65.5%	Financial transfers payable	23.6	23.3	1.2%
Derivative financial instruments	-	27.1	NM	Payroll and related taxes	63.3	41.7	51.8%
Related Parties	-	-	NM	Transferable prepayments	43.4	57.2	-24.3%
<b>Total current assets</b>	<b>1,712.2</b>	<b>1,249.4</b>	<b>37.0%</b>	Related parties	70.9	70.9	0.0%
<b>NONCURRENT ASSETS</b>			<b>0.0%</b>	Other payables	138.6	231.5	-40.1%
<b>Long-term assets</b>			<b>0.0%</b>	Leases	8.2	10.3	-21.0%
Related Parties	-	-	NM	<b>Total current liabilities</b>	<b>1,080.9</b>	<b>2,618.1</b>	<b>-58.7%</b>
Income tax and social contribution	96.7	69.9	38.3%	<b>NONCURRENT LIABILITIES</b>			
Other assets	159.6	162.0	-1.5%	Loans, Financing and Debentures	2,184.8	289.8	654.0%
Other financial assets	159.3	161.3	-1.2%	Income tax and social contribution	0.0	0.3	-88.4%
Other non financial assets	0.2	0.7	-64.5%	Premiums to be transferred	0.2	-	NM
<b>Total long-term assets</b>	<b>256.3</b>	<b>232.0</b>	<b>10.5%</b>	Payroll and related taxes	2.5	1.6	53.2%
Investments	128.3	131.3	-2.3%	Deferred income tax and social contribution	<b>76.7</b>	<b>44.1</b>	74.0%
Property, plant and equipment	53.3	55.1	-3.2%	Options for non-controlling interests acquiring	77.4	71.9	7.7%
<b>Intangible assets</b>				Provision for risks	84.5	79.5	6.3%
Goodwill	1,854.7	1,854.7	0.0%	Other payables	<b>11.5</b>	<b>6.7</b>	72.0%
Others intangible assets	929.9	881.1	5.5%	Leases	9.1	16.6	-45.5%
<b>Total noncurrent assets</b>	<b>3,222.6</b>	<b>3,154.2</b>	<b>2.2%</b>	<b>Total noncurrent liabilities</b>	<b>2,446.7</b>	<b>510.4</b>	<b>379.4%</b>
				<b>EQUITY</b>			
				Capital	875.6	875.6	0.0%
				Treasury Shares	(117.1)	(128.6)	-9.0%
				Capital reserves	128.9	133.3	-3.3%
				Profit reserves	387.9	387.9	0.0%
				Earnings	123.4	-	NM
				Others	(1.9)	(1.7)	8.0%
				<b>Total Equity of controlling shareholders</b>	<b>1,396.9</b>	<b>1,266.4</b>	<b>10.3%</b>
				Noncontrolling interest in subsidiaries	10.2	8.6	18.7%
				<b>Total equity</b>	<b>1,407.1</b>	<b>1,275.0</b>	<b>10.4%</b>
<b>TOTAL ASSETS</b>	<b>4,934.7</b>	<b>4,403.6</b>	<b>12.1%</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4,934.7</b>	<b>4,403.6</b>	<b>12.1%</b>

## Cash Flow – Consolidated

STATEMENTS OF CASH FLOWS (R\$ MN)	1H22	1H21	Var. %
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit (losses) before income tax and social contribution	193.1	307.4	-37.2%
<b>Adjustments:</b>			
Depreciation and Amortization	196.9	175.1	12.5%
Impairment	(1.6)	(4.2)	-61.2%
Equity Accounting	3.0	1.1	182.5%
Restricted Shares	4.0	5.4	-24.9%
Financial Income/Expenses	130.0	28.5	356.8%
Losses with disproportionate dividends	(0.0)	0.5	-104.2%
Readjustments Provision	-	25.8	NM
Provision for Risks	5.0	(13.3)	NM
<b>Origin Cash provided by operating activities</b>	<b>(95.1)</b>	<b>(39.8)</b>	<b>139.2%</b>
<b>Cash provided by operating activities</b>	<b>435.3</b>	<b>486.4</b>	<b>-10.5%</b>
Interest paid on debentures	(115.7)	(20.3)	471.2%
Income tax and social contribution paid	(64.1)	(78.4)	-18.3%
<b>Net cash provided by operating activities</b>	<b>255.5</b>	<b>387.7</b>	<b>-34.1%</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investments in intangible assets	(217.1)	(298.8)	-27.4%
Purchase of property, plant and equipment	(10.4)	(8.1)	28.9%
Increase (decrease) in financial investments - exclusive FI fund	(10.3)	28.4	-136.3%
Amount paid in acquisition (Elo)	(16.4)	-	NM
Amount paid in acquisition (APM)	(11.0)	-	NM
Amount paid in acquisition (550 LLC)	-	(49.5)	NM
Amount paid in acquisition (Escale Health)	-	(84.2)	NM
Earn Out - Plural e Oxcorp	(52.7)	-	NM
<b>Net cash used in investing activities</b>	<b>(265.2)</b>	<b>(278.5)</b>	<b>-22.9%</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Rents Paid	(6.2)	(6.3)	-1.3%
Cost of Raising Debentures	(19.0)	-	NM
Other costs of raising debentures	(0.2)	(0.2)	-18.7%
Loans	-	-	NM
Amount paid upon debentures issued	(1,300.0)	-	NM
Amount received upon debentures issued	2,200.0	-	NM
Loans and swap Paid	(433.9)	-	NM
Dividends paid to minorities	(3.2)	(2.3)	40.8%
Dividends and Interest on equity paid	-	(230.9)	NM
<b>Cash provided by (used in) financing activities</b>	<b>437.6</b>	<b>110.3</b>	<b>296.7%</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS, NET</b>	<b>375.2</b>	<b>85.8</b>	<b>337.4%</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>449.5</b>	<b>418.8</b>	<b>7.3%</b>
<b>Cash and cash equivalents at end of period</b>	<b>824.7</b>	<b>504.6</b>	<b>63.4%</b>



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**A free translation from Portuguese into English of Independent Auditor's Review Report on individual and consolidated condensed interim financial information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB)**

## **Independent auditor's review report on individual and consolidated condensed interim financial information**

To the Shareholders, Board of Directors and Officers  
Qualicorp Consultoria e Corretora de Seguros S.A.  
São Paulo - SP

### **Introduction**

We have reviewed the accompanying individual and consolidated condensed interim financial information, contained in the Quarterly Information Form (ITR) of Qualicorp Consultoria e Corretora de Seguros S.A. ("Company") for the quarter ended June 30, 2022, comprising the statement of financial position as of June 30, 2022, and the related statements of profit or loss and of comprehensive income for the three and six-month periods then ended and of changes in equity and of cash flows for the six-month period then ended, including explanatory information.

The Board of Directors is responsible for preparation of the individual and consolidated condensed interim financial information in accordance with Accounting Pronouncement NBC TG 21 and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this individual and consolidated condensed interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Conclusion on the individual and consolidated condensed interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated condensed interim financial information included in the quarterly information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR) and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

## **Other matters**

### *Statements of value added*

The abovementioned quarterly information include the individual and consolidated statements of value added (SVA) for the six-month period ended June 30, 2022, prepared under the responsibility of the Board of Directors of the Company, and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the individual and consolidated condensed interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, pursuant to such standard and consistently with the individual and consolidated condensed interim financial information taken as a whole.

São Paulo, August 11, 2022.

ERNST & YOUNG Auditores Independentes S.S.  
CRC- 2SP034519/O-6



Alessandra Aur Raso  
CRC-1SP248878/O-6



## CONDENSED BALANCE SHEET AS AT JUNE 30, 2022 AND DECEMBER 31, 2021

All amounts in thousands of reais

(A free translation of the original in Portuguese)

ASSETS	Note	Parent company		Consolidated		LIABILITIES AND EQUITY	Note	Parent company		Consolidated	
		June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021			June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents	8.1	632,624	298,120	824,680	449,462	Interest-bearing loans and borrowings and debentures	15	414,440	1,909,455	414,440	1,909,455
Financial investments	8.2	2,679	2,545	315,500	303,075	Taxes and contributions payable		27,270	25,253	50,222	45,788
Amounts receivable from customers	9	58,379	51,957	228,423	221,879	Technical reserves for healthcare operations		-	-	12,304	10,132
Other assets		116,822	99,114	343,575	247,855	Premiums to be transferred	17	-	-	221,264	217,776
Other financial assets	10	108,211	95,656	329,138	239,130	Financial transfers payable		-	-	23,595	23,306
Other non-financial assets		8,611	3,458	14,437	8,725	Payroll and related charges		42,934	27,607	63,286	41,693
Derivative financial instruments	5	-	27,102	-	27,102	Transferable prepayments		-	-	43,358	57,247
Receivables from related parties	12.1	16,110	10,133	-	-	Payables to related parties	12.1	74,978	71,141	70,946	70,946
Total current assets		826,614	488,971	1,712,178	1,249,373	Other payables	18	17,463	98,794	138,603	231,452
NON-CURRENT ASSETS						Derivative financial instruments	5	34,757	-	34,757	-
Deferred income tax and social contribution	11	100,107	72,062	96,733	69,922	Lease liabilities	16	5,545	5,927	8,163	10,332
Receivables from related parties	12.1	9,048	16,867	-	-	Total current liabilities		617,387	2,138,177	1,080,938	2,618,127
Other assets		9,398	8,974	159,582	162,033	NON-CURRENT LIABILITIES					
Other financial assets	10	9,277	8,785	159,339	161,348	Interest-bearing loans and borrowings and debentures	15	2,184,840	289,783	2,184,840	289,783
Other non-financial assets		121	189	243	685	Taxes and contributions payable		-	-	29	251
Total long-term receivables		118,553	97,903	256,315	231,955	Premiums to be transferred	17	-	-	167	-
						Payroll and related charges		421	1,236	2,506	1,636
Investments in subsidiaries and joint venture	13	1,938,741	1,840,396	128,281	131,325	Deferred income tax and social contribution	11	-	-	76,701	44,076
Property and equipment		43,900	41,651	53,328	55,113	Call option over non-controlling interests	5	40,204	34,695	77,413	71,874
Intangible assets:						Provision for contingencies	19	8,568	7,549	84,478	79,468
Goodwill	14.2	626,653	626,653	1,854,712	1,854,712	Other payables	18	3,155	644	11,486	6,676
Other intangible assets	14.1	701,792	654,011	929,920	881,103	Lease liabilities	16	4,810	11,082	9,064	16,641
Total non-current assets		3,429,639	3,260,614	3,222,556	3,154,208	Total non-current liabilities		2,241,998	344,989	2,446,684	510,405
						EQUITY					
						20					
						Share capital		875,575	875,575	875,575	875,575
						Treasury shares		(117,051)	(128,605)	(117,051)	(128,605)
						Capital reserve		128,901	133,299	128,901	133,299
						Revenue reserves		387,868	387,868	387,868	387,868
						Retained earnings		123,431	-	123,431	-
						Other comprehensive loss		(1,856)	(1,718)	(1,856)	(1,718)
						Total equity attributable to equity holders of the parent		1,396,868	1,266,419	1,396,868	1,266,419
						Non-controlling interests		-	-	10,244	8,630
						Total equity		1,396,868	1,266,419	1,407,112	1,275,049
TOTAL ASSETS		4,256,253	3,749,585	4,934,734	4,403,581	TOTAL LIABILITIES AND EQUITY		4,256,253	3,749,585	4,934,734	4,403,581

The accompanying notes are an integral part of these interim condensed financial statements.

QUALICORP CONSULTORIA E CORRETORA DE SEGUROS S.A.

CONDENSED STATEMENT OF INCOME

FOR THE PERIODS ENDED JUNE 30, 2022 AND 2021

All amounts in thousands of reais, except earnings per share

(A free translation of the original in Portuguese)

	Note	Parent company				Consolidated			
		Six months to June 30, 2022	Six months to June 30, 2021	Three months ended June	Three months ended June	Six months to June 30, 2022	Six months to June 30, 2021	Three months ended June	Three months ended June
<b>NET OPERATING REVENUE</b>	<b>26.d</b>	<b>314,341</b>	<b>348,158</b>	<b>155,555</b>	<b>172,320</b>	<b>991,253</b>	<b>1,040,189</b>	<b>489,044</b>	<b>517,201</b>
COST OF PROVIDING SERVICES	22	(23,321)	(20,018)	(12,076)	(10,517)	(204,765)	(215,823)	(102,087)	(108,623)
OPERATING INCOME (EXPENSES)									
Administrative expenses	22	(71,989)	(110,258)	(39,731)	(59,760)	(194,107)	(222,535)	(99,690)	(118,342)
Selling expenses	22	(212,441)	(184,672)	(106,881)	(95,001)	(246,087)	(214,260)	(123,447)	(113,082)
Losses on uncollectible receivables	9.1	(952)	(132)	(402)	(13)	(49,185)	(31,819)	(24,905)	(13,900)
Share of net profits of equity-accounted investees	13	205,122	189,780	101,738	87,264	(3,044)	(1,077)	(2,275)	(1,077)
Other income (expenses), net		7,816	3,306	5,979	1,234	(8,314)	(24,710)	(4,563)	(16,900)
<b>OPERATING PROFIT BEFORE FINANCE INCOME AND COSTS</b>		<b>218,576</b>	<b>226,164</b>	<b>104,182</b>	<b>95,527</b>	<b>285,751</b>	<b>329,965</b>	<b>132,077</b>	<b>145,277</b>
Finance income	23	291,204	21,577	135,671	21,095	342,463	51,611	161,190	37,268
Finance costs	23	(414,322)	(44,616)	(203,207)	(34,717)	(435,081)	(74,220)	(213,354)	(50,529)
<b>PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>		<b>95,458</b>	<b>203,125</b>	<b>36,646</b>	<b>81,905</b>	<b>193,133</b>	<b>307,356</b>	<b>79,913</b>	<b>132,016</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>24</b>	<b>27,973</b>	<b>1,658</b>	<b>12,731</b>	<b>8,398</b>	<b>(64,859)</b>	<b>(97,650)</b>	<b>(27,996)</b>	<b>(39,423)</b>
Current		-	-	-	2,986	(58,974)	(77,839)	(24,814)	(30,446)
Deferred		27,973	1,658	12,731	5,412	(5,885)	(19,811)	(3,182)	(8,977)
<b>PROFIT FOR THE PERIOD</b>		<b>123,431</b>	<b>204,783</b>	<b>49,377</b>	<b>90,303</b>	<b>128,274</b>	<b>209,706</b>	<b>51,917</b>	<b>92,593</b>
<b>ATTRIBUTABLE TO:</b>									
Equity holders of the parent		123,431	204,783	49,377	90,303	123,431	204,783	49,377	90,303
Non-controlling interests		-	-	-	-	4,843	4,923	2,540	2,290
		<b>123,431</b>	<b>204,783</b>	<b>49,377</b>	<b>90,303</b>	<b>128,274</b>	<b>209,706</b>	<b>51,917</b>	<b>92,593</b>
<b>EARNINGS PER SHARE (EPS)</b>									
Basic (R\$ per share)	28	0.44349	0.72131	0.17741	0.31807	0.44349	0.72131	0.17741	0.31807
Diluted (R\$ per share)	28	0.44331	0.72108	0.17734	0.31797	0.44331	0.72108	0.17734	0.31797

The accompanying notes are an integral part of these interim condensed financial statements.

Note	Parent company				Consolidated			
	Six months to June 30, 2022	Six months to June 30, 2021	Three months ended June 30, 2022	Three months ended June 30, 2021	Six months to June 30, 2022	Six months to June 30, 2021	Three months ended June 30, 2022	Three months ended June 30, 2021
PROFIT FOR THE PERIOD	123,431	204,783	49,377	90,303	128,274	209,706	51,917	92,593
<b>Other comprehensive income</b>								
<b>Items that may be reclassified to profit or loss in subsequent periods</b>								
Cash flow hedges - effective portion of changes in fair value	(63,428)	(21,231)	73,787	(21,231)	(63,428)	(21,231)	73,787	(21,231)
Cash flow hedges - reclassification to profit or loss	50,824	20,571	(73,524)	20,571	50,824	20,571	(73,524)	20,571
Cost of hedge reserve - fair value changes	12,395	709	(2,292)	709	12,395	709	(2,292)	709
Taxes relating to gains on cash flow hedges	71	80	690	80	71	80	690	80
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>123,293</b>	<b>204,912</b>	<b>48,038</b>	<b>90,432</b>	<b>128,136</b>	<b>209,835</b>	<b>50,578</b>	<b>92,722</b>
<b>ATTRIBUTABLE TO:</b>								
Equity holders of the parent	123,293	204,912	48,038	90,432	123,293	204,912	48,038	90,432
Non-controlling interests	-	-	-	-	4,843	4,923	2,540	2,290

The accompanying notes are an integral part of these interim condensed financial statements.

		Share capital								Non-controlling interests	
Note	Paid-up capital	Share issue costs	Treasury shares	Capital reserve	Revenue reserves		Retained earnings	Other comprehensive loss	Attributable to equity holders of the parent	Non-controlling interests	Consolidated total
					Legal reserve	Other revenue reserve					
AT DECEMBER 31, 2020											
	896,558	(20,983)	(5,357)	127,603	115,345	554,548	-	-	1,667,714	2,052	1,669,766
Restricted stock plan	-	-	-	7,363	-	-	-	-	7,363	-	7,363
Restricted stock grant	-	-	3,899	(3,899)	-	-	-	-	-	-	-
Cash flow hedges - effective portion of changes in fair value	-	-	-	-	-	-	-	(21,231)	(21,231)	-	(21,231)
Cash flow hedges - reclassification to profit or loss	-	-	-	-	-	-	-	20,571	20,571	-	20,571
Cost of hedge reserve - fair value changes	-	-	-	-	-	-	-	709	709	-	709
Taxes relating to gains on cash flow hedges	-	-	-	-	-	-	-	80	80	-	80
Interest on capital	-	-	-	-	-	-	(17,669)	-	(17,669)	-	(17,669)
Proposed additional dividends paid	-	-	-	-	-	(188,829)	-	-	(188,829)	-	(188,829)
Profit for the period	-	-	-	-	-	-	204,783	-	204,783	4,923	209,706
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(2,277)	(2,277)
Equity transactions with shareholders	-	-	-	405	-	-	-	-	405	4	409
Disproportionate dividends	-	-	-	-	-	-	-	-	-	544	544
AT JUNE 30, 2021											
	896,558	(20,983)	(1,458)	131,472	115,345	365,719	187,114	129	1,673,896	5,246	1,679,142
AT DECEMBER 31, 2021											
	896,558	(20,983)	(128,605)	133,299	133,636	254,232	-	(1,718)	1,266,419	8,630	1,275,049
Cash flow hedges - effective portion of changes in fair value	-	-	-	-	-	-	-	(63,428)	(63,428)	-	(63,428)
Cash flow hedges - reclassification to profit or loss	-	-	-	-	-	-	-	50,824	50,824	-	50,824
Cost of hedge reserve - fair value changes	-	-	-	-	-	-	-	12,395	12,395	-	12,395
Taxes relating to gains on cash flow hedges	-	-	-	-	-	-	-	71	71	-	71
Restricted stock plan21	-	-	-	7,156	-	-	-	-	7,156	-	7,156
Restricted stock grant	-	-	11,554	(11,554)	-	-	-	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,206)	(3,206)
Equity transactions with shareholders	-	-	-	-	-	-	-	-	-	(23)	(23)
Profit for the period20	-	-	-	-	-	-	123,431	-	123,431	4,843	128,274
AT JUNE 30, 2022											
	896,558	(20,983)	(117,051)	128,901	133,636	254,232	123,431	(1,856)	1,396,868	10,244	1,407,111

The accompanying notes are an integral part of these interim condensed financial statements.

CONDENSED STATEMENT OF CASH FLOWS  
FOR THE PERIODS ENDED JUNE 30, 2022 AND 2021

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax and social contribution		95,458	203,125	193,133	307,356
Adjustments for:					
Depreciation and amortization	22	154,154	128,500	196,898	175,070
Impairment losses		(587)	(2,073)	(1,623)	(4,185)
Share of net profits of equity-accounted investees	13	(205,122)	(189,780)	3,044	1,077
Restricted stock		(276)	600	4,029	5,365
Finance costs		132,887	21,566	129,988	28,458
Losses on disproportionate dividends		(23)	158	(23)	544
Share of net profits of equity-accounted investees		1,019	(8,846)	5,010	(13,349)
Provision for premium increases		-	9,809	-	25,799
		<b>177,510</b>	<b>163,059</b>	<b>530,456</b>	<b>526,135</b>
<b>Changes in operating assets and liabilities:</b>					
Increase (decrease) in amounts receivable from customers		(6,422)	(3,083)	(6,544)	(28,754)
Increase in other assets		11,733	2,855	(3,204)	790
(Decrease) increase in taxes and contributions payable		(627)	(1,590)	6,646	(2,954)
Increase in taxes recoverable		(23,151)	(7,237)	(30,649)	(7,706)
Losses on disproportionate dividends		-	-	3,655	26,833
Decrease (increase) in financial transfers payable		-	-	289	(569)
Increase (decrease) in technical reserves for healthcare operations		-	-	2,172	2,612
Increase (decrease) in payroll and related charges		14,049	3,249	23,816	7,089
Increase (decrease) in other payables		(21,458)	(15,108)	(16,015)	331
Decrease in transferable prepayments		-	-	(13,889)	(15,015)
Increase in payables to / receivables from health care plan operators		-	-	(59,291)	(19,382)
Decrease (increase) in related parties		6,907	(1,903)	-	-
Increase in financial investments (restricted cash)		-	-	(2,112)	(3,048)
<b>Cash from operations</b>		<b>158,541</b>	<b>140,242</b>	<b>435,330</b>	<b>486,362</b>
Interest paid on debentures	15	(115,701)	(15,737)	(115,701)	(20,257)
Income tax and social contribution paid		-	(952)	(64,085)	(78,427)
<b>Net cash flows from operating activities</b>		<b>42,840</b>	<b>123,553</b>	<b>255,544</b>	<b>387,678</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Increase of share capital of subsidiaries	13	(7,658)	-	-	-
Capital contribution to subsidiary	13	-	-	-	-
Dividends received from subsidiaries	13	118,261	97,583	-	-
Additional payment for acquisition of Elo		-	-	(16,371)	-
Additional payment for acquisition of Apm		(10,989)	-	(10,989)	-
Payment for acquisition of 500 LLC		-	(49,455)	-	(49,455)
Payment for acquisition of Escale Health		-	(84,248)	-	(84,248)
Earn-out consideration - Oxcorp		(52,710)	-	(52,710)	-
Additions to intangible assets		(187,629)	(226,993)	(217,083)	(298,849)
Purchase of property and equipment		(10,435)	(7,099)	(10,431)	(8,092)
Increase (decrease) in financial investments - exclusive investment fund	8.2	(134)	33,199	(10,313)	28,448
<b>Net cash flows used in investing activities</b>		<b>(151,294)</b>	<b>(237,013)</b>	<b>(317,897)</b>	<b>(412,196)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Payment of principal portion of lease liabilities	16.ii	(3,989)	(3,659)	(6,190)	(6,273)
Cost of issue of debentures		(18,950)	-	(18,950)	-
Early repayment of debentures	15	(1,300,000)	-	(1,300,000)	-
Proceeds from issue of debentures	15	2,200,000	-	2,200,000	-
Repayment of loans and swaps	I b) iii and 1!	(433,926)	-	(433,926)	-
Other costs of issue of debentures		(177)	(144)	(157)	(193)
Proceeds from borrowings		-	350,000	-	350,000
Dividends paid to non-controlling interests		-	-	(3,206)	(2,277)
Dividends and interest on capital paid		-	(230,947)	-	(230,947)
<b>Net cash flows from financing activities</b>		<b>442,958</b>	<b>115,250</b>	<b>437,571</b>	<b>110,310</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>334,504</b>	<b>1,790</b>	<b>375,218</b>	<b>85,792</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>298,120</b>	<b>16,580</b>	<b>449,462</b>	<b>418,767</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>632,624</b>	<b>18,370</b>	<b>824,680</b>	<b>504,559</b>

The accompanying notes are an integral part of these interim condensed financial statements.

CONDENSED STATEMENT OF VALUE ADDED  
FOR THE PERIODS ENDED JUNE 30, 2022 AND 2021

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>REVENUE</b>				
Service revenue	348,667	388,917	1,075,140	1,131,300
Other operating income	11,111	4,486	94,528	13,038
Provision for credit losses, cancellations and returns	(1,787)	(768)	(51,797)	(35,035)
<b>Total revenue</b>	<b>357,991</b>	<b>392,635</b>	<b>1,117,871</b>	<b>1,109,303</b>
<b>INPUTS ACQUIRED FROM THIRD PARTIES</b>				
Cost of providing services	(11,990)	(7,184)	(139,718)	(149,330)
Materials, electricity, outsourced services and other	(66,244)	(93,855)	(118,608)	(154,071)
Impairment/recovery of assets	-	(1,352)	-	(1,352)
Other operating expenses	(322,526)	(22,885)	(441,016)	(60,184)
<b>Total inputs acquired from third parties</b>	<b>(400,760)</b>	<b>(125,276)</b>	<b>(699,342)</b>	<b>(364,937)</b>
<b>GROSS VALUE ADDED</b>	<b>(42,769)</b>	<b>267,359</b>	<b>418,529</b>	<b>744,366</b>
DEPRECIATION, AMORTIZATION AND DEPLETION	(154,154)	(128,500)	(196,898)	(175,070)
<b>NET VALUE ADDED GENERATED BY THE ENTIT</b>	<b>(196,923)</b>	<b>138,859</b>	<b>221,631</b>	<b>569,296</b>
<b>VALUE ADDED RECEIVED THROUGH TRANSFER</b>				
Finance income	291,204	21,577	342,463	51,611
Share of net profits of equity-accounted investees	205,122	189,780	(3,044)	(1,077)
<b>Total value added received through transfer</b>	<b>496,326</b>	<b>211,357</b>	<b>339,419</b>	<b>50,534</b>
<b>TOTAL VALUE ADDED TO DISTRIBUTE</b>	<b>299,403</b>	<b>350,216</b>	<b>561,050</b>	<b>619,830</b>
<b>DISTRIBUTION OF VALUE ADDED</b>				
To employees (salaries and social charges)	72,119	80,395	185,069	183,452
To government (taxes and duties)	7,309	38,566	149,769	188,257
Federal taxes	(4,336)	25,421	123,235	160,032
Municipal taxes	11,645	13,145	26,534	28,225
To providers of capital	96,544	26,472	97,938	38,415
To shareholders	123,431	204,783	128,274	209,706
<b>Total value added distributed</b>	<b>299,403</b>	<b>350,216</b>	<b>561,050</b>	<b>619,830</b>

The accompanying notes are an integral part of these interim condensed financial statements.

## QUALICORP CONSULTORIA E CORRETORA DE SEGUROS S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2022

All amounts in thousands of reais unless otherwise stated

### 1. General information

#### a) Corporate information

Qualicorp Consultoria e Corretora de Seguros S.A. (the "Company" and, together with its subsidiaries, the "Group") is a stock corporation that was incorporated on May 19, 2010 in São Paulo, Brazil, and commenced its operations on July 1, 2010. There were no changes in the interim period ended June 30, 2022 that affect the disclosures in Note 1.a to the annual parent company and consolidated financial statements for the year ended December 31, 2021. These interim condensed parent company and consolidated financial statements for the period ended June 30, 2022 should be read in conjunction with the annual parent company and consolidated financial statements for the year ended December 31, 2021.

#### b) Significant events in the second quarter of 2022

##### I. Issue and settlement of debentures

At the Board of Directors' meeting held on May 31, 2022, the Board authorized the sixth issue of a single series of 2,200,000 simple, non-convertible, unsecured debentures that are backed only a personal guarantee, at a unit face value of R\$ 1, totaling R\$ 2,200,000, and maturing five years from the date of issue ("Debentures").

The proceeds from the issue of the Debentures were used to early redeem the third issue of the Company, fourth issue of Qualicorp Administradora de Benefícios S.A. (merged into the Company during the spin-off in 2021), and the fifth issue of Qualicorp Corretora de Seguros S.A. (merged into the Company) in the amount of R\$ 1,300,000; repay loans (under Law 4,131) by the due dates, and the remaining funds were used to further strengthen cash position of the Company. The other features and conditions of the issue were approved by the Board of Directors and are set forth in the debenture indenture.

##### II. COVID-19 pandemic

The Group continues to closely monitor COVID-19 developments across the world and has carefully evaluated the impacts of COVID-19 on its operations in the period ended June 30, 2022 and provides the appropriate respective disclosures in light of their materiality. Detailed information is provided in Note 29.

##### III. Repayment of loan

On May 13, 2022, the Company had a cash outflow of R\$ 379,247 to repay one of its loans denominated in US dollar for R\$ 346,435 (equivalent to US\$ 67,605), where the gain on the cross-currency swap hedging the loan was R\$ 32,812.

## *2. Presentation of interim condensed financial statements*

### *I. Statement of compliance*

The interim condensed parent company and consolidated financial statements have been prepared in accordance with CPC 21 (R1)/IAS 34 *Interim Financial Reporting*, and contain the minimum disclosures required under that accounting standard and other information considered relevant. The interim condensed parent company and consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2021 prepared in accordance with International Financial Reporting Standards (IFRS) and accounting practices adopted in Brazil as issued by CPC and approved by the Brazilian Securities Commission (CVM).

### *II. Basis of preparation*

These unaudited interim condensed parent company and consolidated financial statements for the period ended June 30, 2022 have been prepared on the same basis as the audited parent company and consolidated financial statements for the year ended December 31, 2021 (see Note 2.ii of the December 31, 2021 financial statements).

## *3. Significant accounting policies*

The same accounting policies are applied in the interim condensed parent company and consolidated financial statements for the period ended June 30, 2022 as in the annual parent company and consolidated financial statements for the year ended December 31, 2021 (See Note 3 of the December 31, 2021 financial statements).

## *4. Significant estimates and judgments*

The key assumptions used and accounting estimates made in preparing these interim condensed parent company and consolidated financial statements for the period ended June 30, 2022 are the same as those applied in the parent company and consolidated financial statements for the year ended December 31, 2021 (see Note 4 of the December 31, 2021 financial statements).



## 5. Financial instruments

### a) Classification and fair value of financial instruments

Set out below are the carrying amounts of financial assets and liabilities by the following categories:

Parent company						
	June 30, 2022			December 31, 2021		
	Financial assets and liabilities at fair value through profit or loss	Financial assets and liabilities at fair value through other comprehensive income	Amortized cost	Financial assets and liabilities at fair value through profit or loss	Financial assets and liabilities at fair value through other comprehensive income	Amortized cost
<b>Financial assets:</b>						
Financial investments classified as cash equivalents	-	-	630,991	-	-	217,771
Financial investments	2,679	-	-	2,545	-	-
Amounts receivable from customers	-	-	58,379	-	-	51,957
Other financial assets – current and non-current	-	-	117,488	-	-	104,441
Receivables from related parties – current and non-current	-	-	25,158	-	-	-
Derivative financial assets	-	-	-	-	27,102	-
<b>Financial liabilities:</b>						
Interest-bearing loans and borrowings and debentures – current and non-current	-	-	2,599,280	-	-	2,199,238
Derivative financial liabilities	-	34,757	-	-	-	-
Payroll and related charges – current and non-current	-	-	43,355	-	-	28,843
Other payables – current and non-current	-	-	20,618	-	-	99,438
Call option over non-controlling interests	40,204	-	-	34,695	-	-
Lease liabilities – current and non-current	-	-	10,355	-	-	17,009

	Consolidated					
	June 30, 2022			December 31, 2021		
	Financial assets and liabilities at fair value through profit or loss	Financial assets and liabilities at fair value through other comprehensive income	Amortized cost	Financial assets and liabilities at fair value through profit or loss	Financial assets and liabilities at fair value through other comprehensive income	Amortized cost

**Financial assets:**

Financial investments classified as cash equivalents	-	-	793,904	-	-	288,979
Financial investments	315,500	-	-	303,075	-	-
Amounts receivable from customers	-	-	228,423	-	-	221,879
Other financial assets – current and non-current	-	-	488,477	-	-	400,478
Derivative financial assets	-	-	-	-	27,102	-

**Financial liabilities:**

Interest-bearing loans and borrowings and debentures – current and non-current	-	-	2,599,280	-	-	2,199,238
Derivative financial liabilities	-	34,757	-	-	-	-
Premiums to be transferred – current and non-current	-	-	221,431	-	-	217,776
Technical reserves for healthcare operations	-	-	12,304	-	-	10,132
Financial transfers payable	-	-	23,595	-	-	23,306
Transferable prepayments	-	-	43,358	-	-	57,247
Payroll and related charges – current and non-current	-	-	65,792	-	-	43,329
Other payables – current and non-current	-	-	150,089	-	-	238,128
Payables to related parties – current	-	-	70,946	-	-	-
Call option over non-controlling interests	77,413	-	-	71,874	-	-
Lease liabilities – current and non-current	-	-	17,227	-	-	26,973

**Fair value measurements recognized in the balance sheet**

The following table provides an analysis of the financial instruments that are measured at fair value after initial recognition and categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole.

The fair value measurements of the Company's financial assets and financial liabilities categorized into Level 1, Level 2 and Level 3 are the same as in the annual parent company and consolidated financial statements as at December 31, 2021.

Consolidated	June 30, 2022			December 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss – financial investments	315,500	-	-	303,075	-	-
Derivative financial assets – current assets	-	-	-	-	27,102	-
Derivative financial liabilities – current liabilities	-	34,757	-	-	-	-
Call option over non-controlling interests	-	-	77,413	-	-	71,874

There were no transfers between levels of the fair value hierarchy during the period.

The carrying amount of the other financial assets and financial liabilities approximates their fair value, except for debentures recorded in non-current liabilities (Note 15).

#### Fair value measurement of hedging instruments (cross-currency swaps) and hedged items

For the US dollar-denominated loans obtained via Law 4,131, the Company has executed cross-currency swaps to swap the proceeds of the debt issued in US dollar (US\$) into the Brazilian real (R\$). In the receiving leg, the Company receives the US dollar fluctuation + rates of 1.68% to 2.16% p.a. and, in the payment leg, pays 100% of CDI + rates of 1.11% to 1.60% p.a. These hedging instruments were entered into together with the bank loans (debt in US dollar + cross-currency swap into Brazilian real linked to the CDI rate). The critical terms of the loans and the swaps match so that economically the result of these transactions is a debt in Brazilian reais indexed to the CDI rate.

These derivatives were designated in a cash flow hedge of the foreign currency risk. The Company's risk management strategy is to hedge 100% of the foreign exchange risk.

The fair value is measured by valuation techniques that are commonly used in the market, based on observable inputs. The US dollar leg was calculated based on the interest rate and exchange rate curves published by Brazil's stock exchange B3 using the linear interpolation of the rates in order to identify different vertices associated with the contractual flows discounted to present value. The CDI leg has used the same data and was discounted to present value at a risk-free rate on a continuous basis.

Additionally, the Company assessed the difference between the fair value and the carrying value of the debt being hedged by the swap as at December 31, 2021. A fair value measurement using observable inputs, interest rate and exchange rate curves published by B3 and present value discount would result in a decrease of R\$ 1,857 in the amount of the debt as at June 30, 2022. Since the fair value of the debt instruments was measured using observable inputs, the instruments were categorized within Level 2 of the fair value hierarchy.

The designated hedge ratio was 100% at the date of designation and there is an economic relationship between the hedging instrument and the hedged item. As at June 30, 2022, the Company tested the hedge effectiveness and determined that the hedge continues to meet the hedge effectiveness criteria.

	Parent company and Consolidated Cash flow hedge
<b>Balance at December 31, 2020</b>	-
Effective gains and losses recognized in OCI (cash flow hedge reserve)	60,594
Effective gains and losses recognized in OCI (cost of hedge reserve)	(15,201)
Gains and losses in profit or loss	(18,291)
<b>Balance at December 31, 2021</b>	<b>27,102</b>
Effective gains and losses recognized in OCI (cash flow hedge reserve)	(63,428)
Effective gains and losses recognized in OCI (cost of hedge reserve)	12,395
Ineffectiveness of derivative settled in the period	23,278
Gains and losses in profit or loss	(34,104)
<b>Balance at June 30, 2022</b>	<b>(34,757)</b>

**Reconciliation of fair value measurements of financial liabilities categorized within Level 3 of the fair value hierarchy**

	Fair value through profit or loss	Fair value through profit or loss	Fair value through profit or loss	Fair value through profit or loss	Total
	Plural	Oxcorp	Uniconsult	Clube de Saúde	Consolidated
<b>As at December 31, 2021</b>	<b>37,179</b>	<b>21,053</b>	<b>12,391</b>	<b>1,251</b>	<b>71,874</b>
Remeasurement at fair value	29	5,447	74	(11)	5,539
<b>As at June 30, 2022</b>	<b>37,208</b>	<b>26,500</b>	<b>12,465</b>	<b>1,240</b>	<b>77,413</b>

The Company has call options over non-controlling interests related to the acquisition of Uniconsult Administradora de Benefícios e Serviços Ltda, Oxcorp Gestão Consultoria e Corretora de Seguros Ltda, Plural Gestão em Planos de Saúde Ltda and Clube de Saúde.

The purchase price of non-controlling interests was determined according to the terms of the acquisition agreements for a period of 12 months prior to the exercise of the option. This liability is measured based on the fair value of non-controlling interests which is determined using the discounted cash flow method.

**b) Management of major risks**

There were no changes in the period ended June 30, 2022 that affect the disclosures in Note 5.b to the annual parent company and consolidated financial statements for the year ended December 31, 2021.

**Credit risk**

There were no changes in the period ended June 30, 2022 that affect the disclosures in Note 5.b to the annual parent company and consolidated financial statements for the year ended December 31, 2021.

**Foreign exchange risk**

Foreign exchange risk arises from exchange rate fluctuations that may adversely affect the Company's liabilities or cash flows. The Company constantly monitors its net exposure in foreign currency to decide whether to hedge the non-operating cash flows.

The amounts of items designated as hedging instruments and hedged items (loans denominated in foreign currency) are as follows:

Parent company and Consolidated		
	Foreign exchange risk exposure (BRL Notional)	Change June 30, 2022
Swap (USD 2.16% p.a. vs BRL CDI 1.60% p.a.)	250,000	(20,260)
Loan denominated in foreign currency (1.58% p.a.)	250,000	(3,174)
Swap (USD 1.68% p.a. vs BRL CDI 1.11% p.a.)	150,000	(14,497)
Loan denominated in foreign currency (1.43% p.a.)	150,000	949

The mark-to-market and ineffectiveness of the swaps designated as hedging instruments are presented below. With the swaps the Company avoided volatility in profit or loss of R\$ 2,827 in the period ended June 30, 2022 by recycling 100% of the impact of the foreign exchange risk of the loans taken in US dollar.

Description of transactions	Parent company and Consolidated at June 30, 2022					Amount reclassified from hedge reserve to profit or loss (recycling)
	Foreign exchange risk exposure (BRL Notional)	Mark-to-market (MtM)	Changes in fair value of hedging instrument recognized in OCI (hedge reserve)	Cost of hedge reserve recognized in OCI	Hedge ineffectiveness recognized in profit or loss	
Swap (USD 2.16% p.a. vs BRL CDI 1.60% p.a.)	250,000	(20,260)	(198)	(1,513)	(18,549)	198
Swap (USD 1.68% p.a. vs BRL CDI 1.11% p.a.)	150,000	(14,497)	(2,634)	(1,294)	(10,568)	2,629
<b>Derivative financial assets</b>		<b>(34,757)</b>	-	-		-
<b>Amounts recognized in OCI</b>		-	<b>(2,832)</b>	<b>(2,807)</b>	-	<b>2,827</b>
<b>Amounts recognized in profit or loss</b>		<b>(34,757)</b>	-	-	<b>(29,117)</b>	<b>(2,827)</b>

#### Foreign exchange rate sensitivity analysis

The fluctuations in exchange rates may have positive or negative effects on the Group's financial statements as foreign exchange rates fluctuate, the value of foreign currency payables and receivables also fluctuate. The Company performs a sensitivity analysis for the foreign exchange rate risk that it is exposed to at the reporting date. The sensitivity analysis shows the effect on the profit or loss and equity of reasonably possible changes in the relevant risk variable. In this context, the analysis determined the potential impact on the Company of adverse movements in exchange rates:

Description of transactions	Parent company and Consolidated at June 30, 2022			
	Foreign exchange risk exposure	Probable	Possible	Remote
	BRL Notional	(Base-case scenario)	Δ + 25%	Δ + 50%
	USD forward exchange rates	5.3014	6.6267	7.9521
Swap (USD 2.16% p.a. vs BRL CDI 1.60% p.a.)	250,000	(20,260)	63,398	126,796
	USD spot exchange rates	5.2380	6.5475	7.8570
Loan denominated in foreign currency (1.58% p.a.)	250,000	(3,174)	(63,293)	(126,587)
<b>Sensitivity to impact</b>		<b>(23,434)</b>	<b>105</b>	<b>209</b>

Description of transactions	Parent company and Consolidated at June 30, 2022			
	Foreign exchange risk exposure	Probable	Possible	Remote
	BRL Notional	(Base-case scenario)	Δ + 25%	Δ + 50%
	USD forward exchange rates	5.3435	6.6794	8.0153
Swap (USD 1.68% p.a. vs BRL CDI 1.11% p.a.)	150,000	(14,497)	24,845	58,604
	USD spot exchange rates	5.2380	6.5475	7.8570
Loan denominated in foreign currency (1.43% p.a.)	150,000	949	(18,868)	(52,452)
<b>Sensitivity to impact</b>		<b>(13,548)</b>	<b>5,977</b>	<b>6,152</b>
<b>Total sensitivity to impact</b>		<b>(36,982)</b>	<b>6,082</b>	<b>6,361</b>

#### Interest rate risk of financial instruments

Interest rate risk is the potential risk of financial losses from fluctuations in interest rates that affect the Company's assets and liabilities. As the average term of receipts/payments of the Company and its subsidiaries is 30 days, Management uses the change in the Interbank Deposit Certificate (CDI) rate as an assumption to analyze fluctuations in interest rates, as shown below:

Line item	Parent company			
	Balance sheet	Note	June 30, 2022	December 31, 2021
Financial investments classified as cash equivalents (i)	Current assets	8.1	630,991	217,771
Financial investments (i)	Current assets	8.2	2,679	2,545
Interest-bearing loans and borrowings and debentures (ii)	Current and non-current liabilities	15	(2,599,280)	(2,199,238)
Lease liabilities (iii)	Current and non-current liabilities	16	(10,355)	(17,009)
<b>Total exposure</b>			<b>(1,975,965)</b>	<b>(1,995,931)</b>

Line item	Consolidated			
	Balance sheet	Note	June 30, 2022	December 31, 2021
Financial investments classified as cash equivalents (i)	Current assets	8.1	793,904	288,979
Financial investments (i)	Current assets	8.2	315,500	303,075
Interest-bearing loans and borrowings and debentures (ii)	Current and non-current liabilities	15	(2,599,280)	(2,199,238)
Lease liabilities (iii)	Current and non-current liabilities	16	(17,227)	(26,973)
<b>Total exposure</b>			<b>(1,507,103)</b>	<b>(1,634,157)</b>

- i) Highly liquid financial investments mainly accrue interest linked to the CDI interest rate, and reflect normal market conditions during the period (Note 8).

The Company's financial investment policy determines the financial institutions with which the Company and its subsidiaries may do business, and the fund allocation limits and objectives (Note 3.iii. to the annual parent company and consolidated financial statements as at December 31, 2021).

- ii) The loans, borrowings and debentures issued by the Group accrue interest at a rate of 100% of the accumulated variation of the daily average rates for overnight interbank deposits (DI rate) expressed in percent per annum considering a year of 252 business days (B3) plus a spread of 1.85% p.a. for debentures and 1.43% to 1.58% p.a. for borrowings (Note 15).
- iii) Lease liabilities bear interest as specified in the agreement or estimated through market analyses.

#### Interest rate sensitivity analysis

Fluctuations in interest rates, e.g. CDI, may impact the parent company and consolidated financial statements in either a negative or positive way as the value of financial investments and cash equivalents, and debentures and loans and borrowings may rise or fall with changes in interest rates. At June 30, 2022, if the CDI interest rate had been 10% p.a. higher/lower with all other variables held constant, pre-tax profit for the period would have been R\$ 4,837 higher/lower.

With regard to the derivative financial instruments, in the worst-case scenario an interest rate (CDI) hike of 25% and 50% would cause a drop in the gain on swap contracts as at June 30, 2022, as shown below:

Parent company and Consolidated at June 30, 2022						
Description of transactions	Risk factor	Probable	Possible	Fair value	Remote	Fair value
	Increase in interest rate (CDI)	(Base-case scenario)	Δ + 25%		Δ + 50%	
	BRL Notional	13.32%	16.65%		19.98%	
Swap (USD 2.16% p.a. vs BRL CDI 1.60% p.a.)	250,000	(20,260)	86	(20,175)	170	(20,091)

Parent company and Consolidated at June 30, 2022						
Description of transactions	Risk factor	Probable	Possible	Fair value	Remote	Fair value
	Increase in interest rate (CDI)	(Base-case scenario)	Δ + 25%		Δ + 50%	
	BRL Notional	13.45%	16.81%		20.17%	
Swap (USD 1.68% p.a. vs BRL CDI 1.11% p.a.)	150,000	(14,497)	97	(14,400)	191	(14,306)

<b>Total sensitivity to impact</b>		<b>(34,757)</b>	<b>183</b>	<b>(34,575)</b>	<b>361</b>	<b>(34,397)</b>
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#### Supplementary sensitivity analysis for financial instruments

Based on the projections made by the Brazilian Central Bank, Management estimated, for the current period, future interest rates of 13% p.a. plus a spread of 1.15% to 1.90% p.a., and shows the effect of interest rate changes on the fair value of financial instruments:

	Scenario			
	June 30, 2022	Probable	Possible	Remote
Assumptions		CDI 13.75% p.a.	CDI 17.19% p.a.	CDI 20.63% p.a.
Financial investments classified as cash equivalents and financial investments	1,109,404	1,261,947	1,300,111	1,338,274
Loans, borrowings, debentures and lease liabilities	(2,616,507)	(3,771,936)	(4,016,147)	(4,256,703)
<b>Net exposure</b>	<b>(1,507,103)</b>	<b>(2,509,989)</b>	<b>(2,716,036)</b>	<b>(2,918,429)</b>

	Scenario			
	December 31, 2021	Probable	Possible	Remote
Assumptions	CDI 12.25% p.a. CDI 15.31% p.a. CDI 18.38% p.a.			
Financial investments classified as cash equivalents and financial investments	592,054	664,581	682,697	700,874
Loans, borrowings, debentures and lease liabilities	(2,226,210)	(2,299,223)	(2,314,891)	(2,330,327)
<b>Net exposure</b>	<b>(1,634,156)</b>	<b>(1,634,642)</b>	<b>(1,632,194)</b>	<b>(1,629,453)</b>

	Assumptions		
	Probable	Possible	Remote
CDI	Forecast by the Brazilian Central Bank	25% on the probable rate	50% on the probable rate

In the probable scenario, the Company would have a net exposure of R\$ 2,509,989 at June 30, 2022, arising from the differences in the estimates of future CDI rates for debentures, lease liabilities and borrowings, plus a spread of 1.85% p.a. for debentures and lease liabilities and 1.43% to 1.90% for borrowings.

The same differences in the estimates of future CDI interest rates were considered for the Company's financial investments at June 30, 2022. Under the stressed possible and remote scenarios, using the same assumptions as for the probable scenario, the Company's net exposure would increase by R\$ 206,047 and R\$ 408,440, respectively, compared to the probable scenario.

### Capital risk

The primary objective of the Group's capital management is to safeguard the Company's and its subsidiaries' ability to continue as a going concern while maximizing returns for shareholders and benefits for other stakeholders by maintaining an optimal capital structure.

The Group's capitalization profile consists of net debt (borrowings and debentures (Note 15) less cash and cash equivalents (Note 8)) plus equity (Note 20).

The Company and its subsidiaries are subject to certain leverage limits (Note 15).

Additionally, Qualicorp Benefícios, Clube de Saúde, Uniconsult, Plural, Elo and Gama Saúde are subject to minimum funding requirements as prescribed by ANS Normative Resolution 451 of March 6, 2020 which revoked Normative Resolution 209 and determines the base capital amount, which currently is R\$ 9,727. The base capital is used to determine the adjusted equity for economic effects. The adjusted equity is calculated by multiplying the factor 'K', which is determined by the regulatory agency ANS according to the region in which the entity operates, by the base capital. The companies must maintain base capital and adjusted equity higher than the amounts set by ANS as at June 30, 2022.

Adjusted equity means the equity adjusted for economic effects according to Normative Instruction 451 of March 2020.

Shown below are the adjusted equity and base capital at December 31, 2021 and June 30, 2022, which is compliant with the respective Normative Instruction, except for Elo's regulatory capital that was regularized in March 2022:

Description	June 30, 2022					
	Benefícios	Uniconsult	Clube	Plural	Elo	Gama
Adjusted equity	163,606	4,639	42,802	13,024	2,542	53,341
Base capital	1,677	425	1,677	1,677	425	9,727



Description	December 31, 2021					
	Benefícios	Uniconsult	Clube	Plural	Elo	Gama
Adjusted equity	105,688	2,730	23,192	10,065	(1,327)	66,360
Base capital	1,677	425	1,677	1,677	425	9,727

The solvency margin of a health plan operator or health insurer is an indication of its ability to meet its financial commitments. The solvency margin of Gama Saúde is R\$ 34,350 (December 31, 2021: R\$ 45,593), which indicates that the company has adequate solvency to meet the regulatory requirements and to pay off non-operating liabilities.

The Company's gearing ratio is as follows:

Description	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Debt (borrowings, debentures, lease liabilities and derivative financial liabilities)	(2,644,392)	(2,216,246)	(2,651,264)	(2,226,210)
Financial investments classified as cash equivalents and financial investments	633,670	220,316	1,109,404	592,054
<b>Net debt</b>	<b>(2,010,722)</b>	<b>(1,995,932)</b>	<b>(1,541,860)</b>	<b>(1,634,156)</b>
Equity	1,396,868	1,266,419	1,407,112	1,275,049
Net debt to equity ratio	(143.95%)	(157.60%)	(109.58%)	(128.16%)

### Liquidity risk

There were no changes in the Company's liquidity risk management during the period ended June 30, 2022 that affect the disclosures in Note 5 to the annual parent company and consolidated financial statements at December 31, 2021.

The expected cash outflows for the Group's financial liabilities are as follows:

	Consolidated					
	Estimated interest rate per month	Less than 6 months	6 months to 1 year	1 to 2 years	Over 2 years	Total
	%	R\$	R\$	R\$	R\$	R\$
June 30, 2022						
Debentures	CDI + 1.85%	154,879	166,216	881,982	2,128,486	3,331,563
Premiums to be transferred	-	221,264	-	167	-	221,431
Lease liabilities	CDI + 1.15%	3,774	3,403	4,058	13,832	25,067
Other payables	-	144,006	-	4,294	-	148,300
Payroll and related charges	-	63,286	-	2,506	-	65,792
Transferable prepayments	-	43,358	-	-	-	43,358
Payables to related parties	-	-	70,946	-	-	70,946
Technical reserves for healthcare operations	-	12,304	-	-	-	12,304
Intangible assets payable	-	21,762	-	10,816	-	32,578
Financial transfers payable	-	23,595	-	-	-	23,595
Call option over non-controlling interests	-	-	-	-	77,413	77,413
Total	-	688,228	240,565	903,823	2,219,731	4,052,347

Additionally, the expected cash outflows for financial liabilities denominated in US dollars are as follows:

Loans denominated in foreign currency	Parent company and Consolidated at June 30, 2022	
	Estimated interest rate per month %	Less than 6 months R\$
<b>CCB contract on August 16, 2021</b>	<b>USD + 1.58% p.a.</b>	<b>250,386</b>
Principal		249,804
Interest		582
<b>International loan contract on September 21, 2021</b>	<b>USD + 1.43% p.a.</b>	<b>147,886</b>
Principal		147,400
Interest		486
<b>Exposure to liquidity risk in USD</b>		<b>398,272</b>

## 6. Adoption of new and amended international financial reporting standards

The following amendments and revisions to existing standards have been issued by the International Accounting Standards Board (IASB) and are effective as of January 1, 2023, but have not been homologated in Brazil by the Brazilian Accounting Pronouncements Committee (CPC). Management believes that none of these amendments will have a material impact on the Company because they are not related to the Company's business model:

Standards	Summary of amendment
IFRS 17 / CPC 50	The standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts. The Company will assess the impact of adoption of the standard on its operations.

There are no amendments, revisions, standards and interpretations issued but not yet adopted other than those disclosed in the interim financial statements as at June 30, 2022 that, in the opinion of Management, could be expected to have a material impact on the Company's profit or equity for the current period.

Additionally, in December 2020 the CPC issued Technical Guidance OCPC 09 *Integrated Reporting*, which was approved by CVM Resolution 14 of December 9, 2020 and is effective as of January 1, 2021. The aim of integrated reporting is to improve the quality of information available to investors and other stakeholders, and to provide a more cohesive and efficient approach to corporate reporting, becoming a reference methodology for integrating financial and non-financial information. The Company is aware that integrated reporting is becoming increasingly important and relevant and is evaluating the implementation of integrated reporting following the best integrated reporting standards and with disclosure of environmental, social and governance (ESG) issues. If the Company decides to implement integrated reporting, it will integrate its financial and ESG performance into one report in accordance with OCPC 09.

## 7. Acquisition of subsidiaries, associates and joint ventures

There were no changes during the interim period ended June 30, 2022 that affect the disclosures in Note 7 to the parent company and consolidated financial statements for the year ended December 31, 2021.

## 8. Cash and cash equivalents and financial investments

### 8.1. Cash and cash equivalents

Description	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Highly liquid financial investments (i)	630,991	217,771	793,904	288,979
Bank deposits (ii)	1,628	80,343	30,755	160,462
Cash on hand	5	6	21	21
<b>Total</b>	<b>632,624</b>	<b>298,120</b>	<b>824,680</b>	<b>449,462</b>

- i) Management's strategy is to make investments that allow for withdrawals at any time, regardless of final maturity dates. These investments comprise the following:

Description	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Certificates of bank deposits (CDBs) (a)	553,606	147,976	568,753	162,122
Reverse repurchase agreements (b)	77,385	69,795	214,745	119,832
Other investments	-	-	10,406	7,025
<b>Total</b>	<b>630,991</b>	<b>217,771</b>	<b>793,904</b>	<b>288,979</b>

- a) These financial instruments accrue interest of 97% to 105% of the CDI and are held in custody with B3.
- b) These are highly liquid debenture-backed instruments that accrue interest of 75% to 80% of the Interbank Deposit (DI) rate.
- ii) Consolidated balances at June 30, 2022 include mainly the receipts from customers that occurred on the last business day of the month.

### 8.2. Financial investments

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Exclusive financial investment fund (i)	2,679	2,545	266,486	256,174
Non-exclusive financial investment fund (ii)	-	-	49,014	46,901
<b>Total</b>	<b>2,679</b>	<b>2,545</b>	<b>315,500</b>	<b>303,075</b>

- i) Refers to an exclusive investment fund which invests in government securities and reverse repurchase agreements usually presenting better returns and which can be withdrawn at any time, when there is no minimum holding period, regardless of their maturity dates, without penalty:

Description	Market and carrying value - Exclusive financial investment funds - Consolidated	
	June 30, 2022	December 31, 2021
Financial Bills (Eligible LFS – level II)	170,819	117,797
Debentures	47,710	26,741
Financial Bills (LF252)	46,615	10,956
National Treasury Financial Bills (LTN over)	-	99,650
Other investments and reserve	1,342	1,030
<b>Total</b>	<b>266,486</b>	<b>256,174</b>

- ii) Refers to a financial investment held as a guarantee asset for the Company's direct subsidiaries Qualicorp Benefícios, Gama Saúde, Clube de Saúde and Uniconsult, and for the indirect subsidiaries Plural and Elo, which are regulated by ANS. The market value of the non-exclusive fixed-income investment fund units is based on the unit's value disclosed by the administrator of the fund in which the Company invests.

There are no significant non-cash transactions for disclosure in the statement of cash flows.

## 9. Amounts receivable from customers

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
<b>Current</b>				
Premiums recoverable with risk of default – benefits administrators	-	-	146,726	145,871
Brokerage fee receivable	58,379	51,957	59,094	52,730
Other receivables from customers	-	-	22,603	23,278
<b>Total</b>	<b>58,379</b>	<b>51,957</b>	<b>228,423</b>	<b>221,879</b>

The aging schedule of the consolidated balances of receivables from customers is as follows:

	June 30, 2022	
	Premiums	Brokerage fee
Not yet due	84,110	59,003
1-30 days past due	52,609	80
31-60 days past due	15,172	11
61-90 days past due	10,177	-
91-180 days past due	30,530	-
(-) Expected losses (*)	(45,872)	-
<b>Total</b>	<b>146,726</b>	<b>59,094</b>

	December 31, 2021	
	Premiums	Brokerage fee
Not yet due	88,349	51,716
1-30 days past due	44,798	852
31-60 days past due	19,066	162
61-90 days past due	11,860	-
91-180 days past due	30,024	-
(-) Expected losses (*)	(48,226)	-
<b>Total</b>	<b>145,871</b>	<b>52,730</b>

(\*) Expected losses are measured on the same basis as described in Notes 3v and 5b to the annual financial statements at December 31, 2021 and the movements during the period were as follows:

	Benefits administrators	
	June 30, 2022	December 31, 2021
At the beginning of the period	48,226	67,293
Expected losses	53,715	68,153
Reversal of expected losses	(56,069)	(87,220)
<b>Total</b>	<b>45,872</b>	<b>48,226</b>

9.1 Losses on uncollectible receivables – statement of income

	Consolidated	
	Six months to June 30, 2022	Six months to June 30, 2021
Provisions (reversals) (i)	2,354	12,886
Actual losses (recoveries) (ii)	(51,539)	(44,705)
<b>Balance at the end of the period</b>	<b>(49,185)</b>	<b>(31,819)</b>

	Consolidated	
	Three months ended June 30, 2022	Three months ended June 30, 2021
Provisions (reversals)	2,208	13,012
Actual losses (recoveries) (*)	(27,113)	(26,912)
<b>Balance at the end of the period</b>	<b>(24,905)</b>	<b>(13,900)</b>

(\*) Refers mainly to losses on past-due receivables from management and stipulation of group benefits plans where the Company assumes the risk of default on payments to healthcare and dental operators and insurers, net of recoveries.

10. Other financial assets

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
<u>Current</u>				
Taxes recoverable/to offset (i)	89,743	66,592	148,935	117,442
Operator/insurer amounts pending reconciliation (ii)	-	-	121,673	65,650
Advances	13,013	27,392	24,121	30,449
Receivables from sale of Qsaúde	1,106	1,014	5,528	5,071
Other current assets	4,349	658	28,881	20,518
<b>Total current</b>	<b>108,211</b>	<b>95,656</b>	<b>329,138</b>	<b>239,130</b>
<u>Non-current</u>				
Taxes recoverable/to offset (i)	-	-	43,902	44,747
Receivables from sale of Qsaúde	6,908	6,684	34,540	33,421
Advances from transfer of contracts	-	-	28,143	26,809
Operator/insurer amounts pending reconciliation (ii)	-	-	26,962	32,360
Judicial deposits	2,369	2,101	25,159	24,000
Other non-current assets	-	-	633	11
<b>Total non-current</b>	<b>9,277</b>	<b>8,785</b>	<b>159,339</b>	<b>161,348</b>
<b>Total</b>	<b>117,488</b>	<b>104,441</b>	<b>488,477</b>	<b>400,478</b>

i) Taxes recoverable/to offset are as follows:

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Corporate Income Tax (IRPJ)	54,787	43,377	93,972	77,265
Social Contribution on Revenues (COFINS)	23,077	13,517	24,801	15,194
Social Contribution on Net Income (CSLL)	6,789	6,709	20,198	17,651
Other taxes recoverable	5,090	2,989	9,964	7,332
<b>Total current</b>	<b>89,743</b>	<b>66,592</b>	<b>148,935</b>	<b>117,442</b>
Corporate Income Tax (IRPJ)	-	-	15,786	15,604
Social Security Contribution (INSS)	-	-	14,114	14,114
Social Contribution on Revenues (COFINS)	-	-	6,320	6,500
Social Contribution on Net Income (CSLL)	-	-	3,819	4,628
Social Integration Program (PIS)	-	-	3,863	3,901
<b>Total non-current</b>	<b>-</b>	<b>-</b>	<b>43,902</b>	<b>44,747</b>
<b>Total</b>	<b>89,743</b>	<b>66,592</b>	<b>192,837</b>	<b>162,189</b>

ii) Refers mainly to timing differences between the listing of plan enrollees in the Company's system/internal control and the detailed listing of enrollees included in the bills paid and/or payable to health and dental plan operators/insurers, which are regularized in subsequent periods after information is sent and processed.

## 11. Deferred income tax and social contribution

In accordance with Technical Pronouncement CPC 32 and Technical Interpretation ICPC 9, deferred tax assets and liabilities are presented net, as follows:

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Deferred income tax and social contribution assets	100,107	72,062	96,733	69,922
Deferred income tax and social contribution liabilities	-	-	(76,701)	(44,076)
<b>Deferred tax assets, net</b>	<b>100,107</b>	<b>72,062</b>	<b>20,032</b>	<b>25,846</b>

The consolidated figures are broken down by legal entity without the netting-off effect between deferred tax assets and deferred tax liabilities:

	June 30, 2022								
	Parent company	Qualicorp Serviços	Qualicorp Benefícios	Clube de Saúde	Gama	CRC	Uniconsult	Plural	Consolidated
Deferred income tax and social contribution assets (i)	227,554	2	49,224	2,053	16	522	23	1,408	280,802
Deferred income tax and social contribution liabilities (ii)	(134,001)	-	(125,925)	(819)	(7)	-	(3)	(15)	(260,770)
<b>Deferred tax assets (liabilities), net</b>	<b>93,553</b>	<b>2</b>	<b>(76,701)</b>	<b>1,234</b>	<b>9</b>	<b>522</b>	<b>20</b>	<b>1,393</b>	<b>20,032</b>

	December 31, 2021								
	Parent company	Qualicorp Serviços	Qualicorp Benefícios	Clube de Saúde	Gama	CRC	Uniconsult	Plural	Consolidated
Deferred income tax and social contribution assets (i)	143,214	3	74,036	3,984	12	154	12	1,280	222,695
Deferred income tax and social contribution liabilities (ii)	(78,537)	-	(118,112)	(174)	(7)	-	(3)	(16)	(196,849)
<b>Deferred tax assets (liabilities), net</b>	<b>64,677</b>	<b>3</b>	<b>(44,076)</b>	<b>3,810</b>	<b>5</b>	<b>154</b>	<b>9</b>	<b>1,264</b>	<b>25,846</b>

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. At the Parent company, deferred tax assets are recognized for unused tax losses that may be used to offset future taxable profits.

i) Deferred tax assets

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Recognized tax losses - income tax (IRPJ) and social contribution (CSLL)	88,873	75,496	88,873	75,496
Unrecognized tax losses - IRPJ and CSLL (a)	-	-	52,643	52,592
Hedge transactions – Swaps	51,344	290	51,344	290
Provision for impairment of goodwill (b)	41,088	41,088	41,088	41,088
Provision for inflation-indexation and interest accruals on acquisitions	12,365	12,368	26,926	40,577
Foreign exchange movement	20,087	-	20,087	-
Provision for contingencies	4,122	3,783	18,491	17,311
Provision for expected credit losses	-	-	15,432	14,714
Provision for profit sharing program	3,260	2,383	4,496	2,941
Loss allowance for trade receivables and write-off of uncollectible receivables – current amounts	227	64	1,716	14,210
Hedge transactions	956	885	956	885
Other provisions	5,231	6,857	11,393	15,183
<b>Total deferred tax assets</b>	<b>227,553</b>	<b>143,214</b>	<b>333,445</b>	<b>275,287</b>
(-) Unrecognized deferred tax assets (c)	-	-	(52,643)	(52,592)
<b>Total deferred tax assets recognized</b>	<b>227,553</b>	<b>143,214</b>	<b>280,802</b>	<b>222,695</b>

- a) The unrecognized income tax (IRPJ) and social contribution (CSLL) losses are as follows:

<u>Companies</u>	Base June 30, 2022	IRPJ/CSLL (34%)	Base December 31, 2021	IRPJ/CSLL (34%)
Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda.	94,002	31,961	92,595	31,482
Qualicorp Administração e Serviços Ltda.	51,379	17,469	52,102	17,715
Gama Saúde Ltda.	9,449	3,213	9,985	3,395
<b>Total</b>	<b>154,830</b>	<b>52,643</b>	<b>154,682</b>	<b>52,592</b>

- b) Refer to taxes on goodwill written off in subsidiaries.
- c) Certain direct and indirect subsidiaries of the Company have tax losses carried forward but deferred tax assets have not been recognized in respect of these losses as it is not probable that sufficient taxable profits will be generated to allow the deferred tax asset to be recovered.

Deferred tax assets will be recovered as the temporary differences reverse or become deductible for tax purposes. The recoverability of these deferred tax assets is based upon projections and probability of future taxable profits, as follows:

<u>Year</u>	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
2022	83,843	33,322	134,769	111,888
2023	3,337	17,379	5,658	18,293
2024	42,568	83,975	42,568	83,976
2025	32,650	8,538	32,650	8,538
From 2026 to 2030	65,155	-	65,157	-
<b>Total</b>	<b>227,553</b>	<b>143,214</b>	<b>280,802</b>	<b>222,695</b>

The present value of deferred tax assets at June 30, 2022 is R\$ 142,865 (Parent company) and R\$ 192,832 (Consolidated), using Brazil's benchmark interest rate (SELIC) based upon the expected timing of the recoverability of deductible temporary differences.

- ii) Deferred tax liabilities:

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Temporary differences on the portion of goodwill of merged companies amortized during the year, for tax purposes	56,321	54,759	179,106	169,063
Foreign exchange movement	28,969	-	28,969	-
On fair value of customer relationship intangible assets acquired in a business combination	6,554	7,388	10,109	11,205
Hedges	43,213	17,117	43,213	17,117
Discount to present value	-	-	838	174
Other provisions	(1,056)	(727)	(1,465)	(710)
<b>Total</b>	<b>134,001</b>	<b>78,537</b>	<b>260,770</b>	<b>196,849</b>



## 12. Related parties

### 12.1. Balances and transactions with related parties

The Company has been assisting its executives with legal matters in connection with tax assessments on its 2013 share option program.

The amounts due from/to related parties are as follows:

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Accounts receivable				
Intercompany transactions	7,062	10,133	-	-
Loans to subsidiary (i)	9,048	-	-	-
<b>Current assets</b>	<b>16,110</b>	<b>10,133</b>	<b>-</b>	<b>-</b>
Loans to subsidiary (i)	9,048	16,867	-	-
<b>Non-current assets</b>	<b>9,048</b>	<b>16,867</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>25,158</b>	<b>27,000</b>	<b>-</b>	<b>-</b>
Accounts payable				
Intercompany transactions	4,032	195	-	-
Dividends payable	70,946	70,946	70,946	70,946
<b>Total liabilities</b>	<b>74,978</b>	<b>71,141</b>	<b>70,946</b>	<b>70,946</b>

- i) The Company has made a loan to its direct subsidiary Clube de Saúde with an interest rate equal to CDI + 3.5% per annum. The loan is repayable in two installments on January 30, 2023 and January 30, 2024.

The following table presents movements in intercompany revenues and expenses for the periods ended June 30, 2022 and 2021:

	June 30, 2022				
	Qualicorp Administradora de Benefícios S.A.	Qualicorp Consultoria Corretora de Seguros S.A.	CRC Connectmed	Gama	Other subsidiaries
Corporate services and apportionment of expenses (ii)	(43,716)	50,400	(3,746)	(168)	(2,770)
Interest on loans	-	1,228	-	-	(1,228)
Health plan	-	(8)	-	8	-
Invoice issue service (iii)	(1)	-	-	-	1

	June 30, 2021				
	Qualicorp Administradora de Benefícios S.A.	Qualicorp Consultoria Corretora de Seguros S.A.	CRC Connectmed	Gama	Other subsidiaries
Corporate services and apportionment of expenses (ii)	(31,705)	35,889	(2,533)	16	(1,667)
Invoice issue service (iii)	(1)	-	-	-	1

- ii) Refers to back-office services (Finance, Controllershship, Legal, Administrative, Human Resources and Information Technology) used by the Group companies. The costs incurred in providing the services to the Group companies

are apportioned among, and reimbursed by, the Group operating companies.

- iii) Refers to issue of invoices and collection of receivables from benefits administrators' customers.

## 12.2. Other transactions with related parties

The Company and the investee Escale Health Seguros e Corretagem S.A. entered into a platform use agreement to market and promote health care plans and manage project activities, marketing, marketing funnel and sales across digital channels. The Company will pay Escale Health Seguros e Corretagem S.A. for the use of all services. In the period ended June 30, 2022, the consolidated balance related to this transaction is as follows:

June 30, 2022	
Provision for amounts payable	1
Sales commissions	12,323

## 12.3. Compensation of key management personnel

Key management includes members of the Board of Directors, the CEO, the vice-presidents and the statutory and non-statutory officers.

The compensation paid or payable to key management personnel is as follows:

	June 30, 2022			
	Parent company		Consolidated	
	Accounts payable	Expenses	Accounts payable	Expenses
Short-term employee benefits (*)	404	11,404	3,105	31,444
Share-based payments	-	(276)	-	4,029
<b>Balance at June 30, 2022</b>	<b>404</b>	<b>11,128</b>	<b>3,105</b>	<b>35,473</b>

	June 30, 2021			
	Parent company		Consolidated	
	Accounts payable	Expenses	Accounts payable	Expenses
Short-term employee benefits (*)	129	13,169	2,002	43,504
Share-based payments	-	600	-	5,365
<b>Balance at June 30, 2021</b>	<b>129</b>	<b>13,769</b>	<b>2,002</b>	<b>48,869</b>

(\*) Compensation to the Board of Directors consists of a fixed pay, and compensation to executive officers and employees consists of a fixed and variable pay based on their performance and annual overall goals as approved by the Board.

### 13. Investments in subsidiaries and joint venture

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Investments in subsidiaries:				
Qualicorp Administradora de Benefícios S.A.	1,415,268	1,315,700	-	-
Gama Saúde e Connectmed CRC	125,494	140,807	-	-
Oxcorp Gestão Consultoria e Corretora Ltda	86,191	86,887	-	-
Clube de Saúde Administradora de Benefícios Ltda	76,652	60,893	-	-
Apm Assessoria Comercial e Corretora de Seguros Ltda	57,941	53,765	-	-
Qualicorp Administração e Serviços Ltda	24,801	28,004	-	-
Uniconsult Administradora de Benefícios e Serviços Ltda	24,200	23,102	-	-
Qualicorp Serviços Financeiros Ltda	1	1	-	-
<b>Total investments in subsidiaries</b>	<b>1,810,548</b>	<b>1,709,159</b>	<b>-</b>	<b>-</b>
Escale Health Seguros e Corretagem S.A.	78,564	81,608	78,564	81,608
<b>Total investment in joint venture</b>	<b>78,564</b>	<b>81,608</b>	<b>78,564</b>	<b>81,608</b>
500 LLC	49,455	49,455	49,455	49,455
<b>Total investment recognized at cost</b>	<b>49,455</b>	<b>49,455</b>	<b>49,455</b>	<b>49,455</b>
Other investments	174	174	262	262
<b>Total other investments</b>	<b>174</b>	<b>174</b>	<b>262</b>	<b>262</b>
<b>Total investments</b>	<b>1,938,741</b>	<b>1,840,396</b>	<b>128,281</b>	<b>131,325</b>

## Investments in subsidiaries - Parent company

	Qualicorp Administradora de Benefícios S.A.	Gama Saúde e Connectmed - CRC	Oxcorp Gestão Consultoria e Corretora Ltda.	Clube de Saúde Administradora de Benefícios Ltda.	Apm Assessoria Comercial e Corretora de Seguros Ltda.	Qualicorp Administração e Serviços Ltda.	Uniconsult Administradora de Benefícios e Serviços Ltda.	Qualicorp Serviços Financeiros Ltda.	Total
<b>Financial information of subsidiaries at June 30, 2022</b>									
Capital (i)	314,005	274,047	330	45,133	550	26,663	150	1	660,879
Equity (ii)	968,375	123,915	3,256	77,297	3,908	3,412	5,635	-	1,185,798
Profit (loss) for the period	191,733	(57)	6,009	9,821	3,357	(3,203)	6,033	-	213,693
<b>Information on the Parent's investments:</b>									
Number of shares/quotas (iii)	728,820,693	27,404,692,914	330,000	45,133,125	550,000	26,662,568	150,000	1,000	-
Ownership interest - %	100	99.99	75	98.81	100	99.99	75	99.90	-
<b>Movements in investments:</b>									
<b>Total investments at December 31, 2021</b>	<b>1,315,700</b>	<b>140,807</b>	<b>86,887</b>	<b>60,893</b>	<b>53,765</b>	<b>28,004</b>	<b>23,102</b>	<b>1</b>	<b>1,709,159</b>
Dividends received	(73,123)	(15,000)	(4,780)	-	-	-	(2,513)	-	(95,416)
Interest on capital received	(26,875)	-	-	-	-	-	-	-	(26,875)
Capital reserve – restricted stock plan	7,833	-	-	-	-	-	-	-	7,833
Gain and loss on investments	-	-	-	-	-	-	23	-	23
Capital increase in subsidiary	-	-	-	6,058	1,600	-	-	-	7,658
Share of net profits of investees accounted for using the equity method	<b>191,733</b>	<b>(313)</b>	<b>4,084</b>	<b>9,701</b>	<b>2,576</b>	<b>(3,203)</b>	<b>3,588</b>	<b>-</b>	<b>208,166</b>
Share of results of subsidiaries	191,733	(57)	4,508	9,701	3,357	(3,203)	4,525	-	210,564
Amortization of intangible assets (iv)	-	(388)	(642)	-	(781)	-	(1,420)	-	(3,231)
Deferred income tax and social contribution on amortization of intangible assets	-	132	218	-	-	-	483	-	833
<b>Total investments at June 30, 2022</b>	<b>1,415,268</b>	<b>125,494</b>	<b>86,191</b>	<b>76,652</b>	<b>57,941</b>	<b>24,801</b>	<b>24,200</b>	<b>1</b>	<b>1,810,548</b>

**Investment in a joint venture and investment accounted for using the cost method - Parent company and Consolidated**

Escale Health Seguros e Corretagem S.A.	500 LLC	Total
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**Information on investments:**

Number of shares	253,095	14,941,640	-
Ownership interest - %	35	5	-

**Movements in investments:**

<b>Total investments at December 31, 2021</b>	<b>81,608</b>	<b>49,455</b>	<b>131,063</b>
Share of results of investee accounted for using the equity method	(3,044)	-	(3,044)
<b>Total investments at June 30, 2022</b>	<b>78,564</b>	<b>49,455</b>	<b>128,019</b>

- i) The capital is R\$ 53,873 for Gama Saúde and R\$ 220,174 for Connectmed-CRC.
- ii) The equity of subsidiary Qualicorp Benefícios, presented herein, considers the effects of the consolidation of its investments in subsidiaries. The equity is R\$ 53,449 for Gama Saúde and R\$ 70,466 for Connectmed-CRC.
- iii) The number of quotas is 5,387,297,425 for Gama Saúde and 22,017,395,489 for Connectmed-CRC.
- iv) Refers to amortization of intangible assets such as customer relationships, trademarks, non-compete agreement and software.

## 14. Intangible assets

### I. Other intangible assets

	Parent company				Consolidated		
	Annual amortization rate - %	Cost	Accumulated amortization	Balance at June 30, 2022	Cost	Accumulated amortization	Balance at June 30, 2022
Acquisition of rights assignment	20	327,605	(227,905)	99,700	688,025	(483,410)	204,615
Software in use and software under development (a)	20	161,605	(99,045)	62,560	538,143	(405,186)	132,957
Exclusivity rights (b)	20	170,795	(150,744)	20,051	234,977	(191,197)	43,780
Trademarks and patents	20	186	-	186	1,554	(406)	1,148
Non-compete agreement	16.5	144,275	(47,827)	96,448	158,229	(59,585)	98,644
Sales commissions (c)	40.8	1,094,410	(671,563)	422,847	1,153,510	(704,734)	448,776
<b>Total other intangible assets</b>		<b>1,898,876</b>	<b>(1,197,084)</b>	<b>701,792</b>	<b>2,774,438</b>	<b>(1,844,518)</b>	<b>929,920</b>

Parent company	Balance at December 31, 2021	Additions	Amortization	Write-offs	Balance at June 30, 2022
Acquisition of rights assignment	114,794	-	(15,094)	-	99,700
Software in use and software under development (a)	60,081	12,523	(9,554)	(490)	62,560
Exclusivity rights (b)	5,474	18,000	(2,477)	(946)	20,051
Trademarks and patents	186	-	-	-	186
Non-compete agreement	108,046	498	(12,096)	-	96,448
Sales commissions (c)	365,430	166,947	(109,526)	(4)	422,847
<b>Total other intangible assets</b>	<b>654,011</b>	<b>197,968</b>	<b>(148,747)</b>	<b>(1,440)</b>	<b>701,792</b>

Consolidated	Balance at December 31, 2021	Additions	Amortization	Write-offs	Balance at June 30, 2022
Acquisition of rights assignment	234,959	-	(30,344)	-	204,615
Software in use and software under development (a)	134,621	20,830	(21,815)	(679)	132,957
Exclusivity rights (b)	10,555	40,000	(4,674)	(2,101)	43,780
Trademarks and patents	1,334	-	(186)	-	1,148
Non-compete agreement	111,196	498	(13,050)	-	98,644
Sales commissions (c)	388,438	178,035	(117,693)	(4)	448,776
<b>Total other intangible assets</b>	<b>881,103</b>	<b>239,363</b>	<b>(187,762)</b>	<b>(2,784)</b>	<b>929,920</b>

- a) Refers to costs incurred to acquire licenses of software and operating systems in use.
- b) Refers to the commercial agreement signed on August 11, 2021, in the amount of R\$ 40,000, by Qualicorp Administradora de Benefícios S.A. (R\$ 22,000) and Qualicorp Consultoria e Corretora de Seguros S.A. (R\$ 18,000) with Seguros Unimed.
- c) Refers to the commission for new contracts.

## II. Goodwill

There were no changes during the interim period ended June 30, 2022 that affect the disclosures in the parent company and consolidated financial statements for the year ended December 31, 2021.

### 15. Interest-bearing loans and borrowings and debentures

#### a) Loans and borrowings

Refer to Note 15 to the parent company and consolidated financial statements for the year ended December 31, 2021 for further details.

Additionally, the Company settled the loan that matured in February 2022 in the amount of R\$ 50,701 (equivalent to US\$ 9,693) and the loan that matured in May 2022 in the amount of R\$ 346,435 (equivalent to US\$ 67,605).

#### b) Debentures

On May 31, 2022, the Company's Board of Directors approved the sixth issue of a single series of simple, non-convertible, unsecured debentures backed by a personal guarantee.

A total of 2,200,000 debentures were issued on June 10, 2022 at a unit face value of R\$ 1, totaling R\$ 2,200,000.

**The main terms of issue are as follows:**

Guarantees

Qualicorp Administradora de Benefícios S.A. is the guarantor of the transaction which is secured by a pledge of the Company shares.

Total optional early redemption

It was agreed for this issue that optional early redemption may occur from June 4, 2024 at the discretion of the Company in accordance with the provisions of article 55 of the Brazilian corporate law. The amount to be paid to the debenture holders for optional early redemption shall be the sum of the unit face value of the debentures redeemed and premium, according to the indenture.

Optional extraordinary amortization

It was agreed for this issue that the Company may at any time, at its discretion, from June 4, 2024, make an extraordinary amortization of the debentures plus premium, according to the indenture.

Accelerated maturity

All obligations arising from this issue may be declared due to require the issuers to immediately pay the balance of the unit face value of the outstanding debentures plus interest thereon on a pro rata temporis basis, from the date of issue or date of maturity of the last interest accrual period, i.e. the immediately preceding date of payment of interest, as the case may be, to the effective payment date if any of the following events, among others, occur:

- (a) corporate reorganization: spin-off, merger, consolidation, sale of equity interest or any other corporate restructuring of the Issuer and/or its Parent company(ies), including Public Offering of Stock, except on the conditions specified by the indenture;
- (b) if the current shareholders do not have control of the Issuer through direct or indirect ownership of at least 50% plus one of the outstanding voting shares in the Issuer;
- (c) court-ordered and out-of-court reorganization or bankruptcy declared filed by the Issuer;
- (d) winding-up, liquidation, dissolution, bankruptcy petition;
- (e) failure by the issuer and/or guarantor to perform any monetary obligation related to the debentures;
- (f) accelerated maturity of any financial liabilities of the issuer and/or guarantor, either individually or in the aggregate, equal to or higher than ten million of reais (R\$ 10,000 )or its equivalent in other currencies;
- (g) transfer or any form of assignment or promise of assignment by the Issuer and the Guarantor, to any third party, of the obligations assumed in the indenture, observing that the transfer occurring as a result of a permitted merger does not trigger accelerated maturity;
- (h) conversion of the Issuer into another corporate form, in conformity with article 220 of the Brazilian corporate law;
- (i) reduction in the share capital of the Issuer and/or the Guarantor, except on the conditions specified by the indenture;
- (j) non-renewal, cancellation, revocation or suspension of permits and licenses, including environmental licenses, required for the activities of the Issuer and/or the Guarantor, except on the conditions specified by the debenture indenture;
- (k) assignment, sale, disposal and/or any other form of transfer, by the Issuer and/or the Guarantor, by any means, either on a free or onerous basis, of asset(s), including equity interests, except on the conditions specified by the indenture;

Additionally, the Company and its subsidiaries are required to meet financial covenants to maintain certain performance, liquidity and debt ratios related to the debentures which, if breached, could result in acceleration of maturity.

At June 30, 2022, the Company is in compliance with the above covenants and other provisions of the agreement.

#### Interest

Interest is paid half-yearly from the date of issue on the unit face value of the debentures at 100% of the daily average rates of the interbank deposit certificate rate (CDI) plus spread of 1.85%.

The balance of the unit face value of the debentures will be amortized in four consecutive annual installments in June of each year, being the first installment due in June 2024 and the last installment due at the maturity date.

#### Purpose

The proceeds from this issue were used for the early redemption of the third issue of the Company, fourth issue of Qualicorp Administradora de Benefícios S.A. (merged into the Company during the spin-off in 2021); fifth issue of Qualicorp Corretora de Seguros S.A. (merged into the Company); for repayment of loans under Law 4,131 by their due dates; and for strengthening the Company's cash position. The other features and conditions were approved by the Board of Directors and are set forth in the indenture.

#### Breakdown of the debts:

	<b>Consolidated</b>	
	<b>June 30, 2022</b>	<b>December 31, 2021</b>
Debentures – lump-sum payment	-	1,010,000
Interest payable	16,005	46,546
Cost of financial intermediation on issue/placement to defer on maturity date	(3,790)	(1,386)
Borrowings - Law 4,131	400,000	800,400
Interest on borrowings - Law 4,131	5,052	5,899
Foreign exchange rate changes on interest - Law 4,131	(32)	356
Foreign exchange (loss) gain - Law 4,131	(2,795)	47,640
<b>Current</b>	<b>414,440</b>	<b>1,909,455</b>
Debentures	2,200,000	290,000
Cost of financial intermediation on issue/placement to defer on maturity date	(15,160)	(217)
<b>Non-current</b>	<b>2,184,840</b>	<b>289,783</b>
<b>Total</b>	<b>2,599,280</b>	<b>2,199,238</b>



#### Movements in debentures

	Consolidated	
	June 30, 2022	December 31, 2021
Debentures – Balance at the beginning of the period	1,344,943	1,315,683
Allocation of expenses (issue costs)	1,603	2,337
Payment of interest (i)	(115,701)	(44,853)
Allocation of interest	85,160	71,776
Proceeds from issue of debentures	2,200,000	-
Cost of issue of debentures	(18,950)	-
Early settlement of debentures	(1,300,000)	-
<b>Balance at the end of the period</b>	<b>2,197,055</b>	<b>1,344,943</b>

- i) Interest is payable half-yearly as per the annual report on debenture issues.

#### Movements in borrowings

	Consolidated	
	June 30, 2022	December 31, 2021
Balance at the beginning of the period	854,295	-
Proceeds from borrowings	-	800,400
Interest accruals	5,278	5,899
Foreign exchange movements	(60,211)	47,996
Repayments	(397,137)	-
<b>Balance at the end of the period</b>	<b>402,225</b>	<b>854,295</b>

#### Fair value of debentures

The carrying amounts and fair values of debentures at June 30, 2022 and December 31, 2021 are as follows:

	Parent company and Consolidated			
	June 30, 2022		December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Debentures	2,197,055	2,174,558	1,344,944	1,331,548

The fair values of debentures classified as at amortized cost are based on discounted cash flows using risk rates varying between 15.90% and 17.14% p.a. (December 31, 2021 – 11.35% to 14.06% p.a.).

## 16. Leases

### a) Right-of-use assets

The movements during the period were as follows:

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Opening balance	17,404	17,320	27,009	31,315
Adjustments and renewals of contracts	656	7,108	833	7,772
Additions (new contracts)	-	2,790	189	2,790
Remeasurement of lease liabilities	(1,148)	(3,479)	(1,148)	(5,766)
Depreciation expense	(3,828)	(6,245)	(7,142)	(11,169)
Write-off of leases	(2,345)	(90)	(2,957)	(82)
Addition due to acquisition of subsidiary	-	-	-	2,149
<b>Balance at the end of the period</b>	<b>10,739</b>	<b>17,404</b>	<b>16,784</b>	<b>27,009</b>

### b) Lease liabilities

The movements during the period were as follows:

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Opening balance	17,009	19,567	26,973	35,320
Adjustments and renewals of contracts	656	7,108	833	7,772
Additions (new contracts)	-	2,790	189	2,790
Remeasurement of lease liabilities	(1,272)	(6,667)	(1,272)	(11,143)
Interest expense	635	1,365	1,012	2,153
Write-off of leases	(2,684)	(105)	(4,318)	(136)
Payments made	(3,989)	(7,049)	(6,190)	(11,932)
Addition due to acquisition of subsidiary	-	-	-	2,149
<b>Balance at the end of the period</b>	<b>10,355</b>	<b>17,009</b>	<b>17,227</b>	<b>26,973</b>
Current	5,545	5,927	8,163	10,332
Non-current	4,810	11,082	9,064	16,641

### c) Statement of income

During the period, the following amounts were recorded in the statement of income:

- R\$ 1,012 (June 30, 2021: R\$ 1,132), Consolidated, and R\$ 635 (June 30, 2021: R\$ 664), Parent company, of interest expense on lease liabilities are recorded in "finance costs" (Note 23).
- R\$ 7,142 (June 30, 2021: R\$ 5,702), Consolidated, and R\$ 3,828 (June 30, 2021: R\$ 3,135), Parent company, of depreciation expense of right-of-use assets are recorded in "administrative expenses" (Note 22).
- The net effect of remeasurements and write-offs of lease liabilities and the consequent write-offs of leased assets in the statement of income was R\$ 1,485.

d) Projected effects of inflation on lease contracts

In accordance with CVM Circular Letters 02/19 and 01/20, the Company estimated the effects of inflation on the Group's lease contracts:

Lease liabilities	2022	2023	2024	After 2024
Carrying amount	14,867	11,299	9,173	-
Adjusted for expected inflation	16,927	13,211	10,873	-
<b>Change</b>	<b>13.86%</b>	<b>16.92%</b>	<b>18.53%</b>	<b>-</b>

Right-of-use assets, net	2022	2023	2024	After 2024
Carrying amount	13,886	9,939	7,643	-
Adjusted for expected inflation	15,932	11,816	9,285	-
<b>Change</b>	<b>14.73%</b>	<b>18.89%</b>	<b>21.48%</b>	<b>-</b>

Interest expense on lease liabilities	2022	2023	2024	After 2024
Carrying amount	1,930	1,518	1,260	3,209
Adjusted for expected inflation	1,942	1,583	1,357	3,688
<b>Change</b>	<b>0.62%</b>	<b>4.28%</b>	<b>7.70%</b>	<b>14.93%</b>

Depreciation	2022	2023	2024	After 2024
Carrying amount	9,995	3,947	2,296	7,643
Adjusted for expected inflation	10,046	4,116	2,531	9,285
<b>Change</b>	<b>0.51%</b>	<b>4.28%</b>	<b>10.24%</b>	<b>21.48%</b>

e) Potential taxes (PIS/COFINS) recoverable

The table below shows the potential PIS/COFINS recoverable on lease payments according to the payment periods. The amounts are the undiscounted and discounted cash flows, considering the companies that are subject to the non-cumulative tax regime (the Company and CRC Connected):

Consolidated		
Cash flows	Nominal value	Present value
Lease payments	13,430	10,317
Potential taxes - PIS/COFINS (9.25%)	1,242	954

## 17. Premiums to be transferred

The balance of R\$ 221,431 at June 30, 2022 (December 31, 2021: R\$ 217,776) comprises health insurance premiums payable to the insurers/operators by the respective due dates, regardless of whether payments have been received from plan enrollees. The payments were mostly made by July 31, 2022 for amounts relating to June 30, 2022 and by January 31, 2022 for amounts relating to December 31, 2021.

## 18. Other payables

	Parent company		Consolidated	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
<b>Current:</b>				
Operator/insurer amounts pending reconciliation (i)	-	-	31,956	40,621
Advances from customers	1,606	2,074	31,205	30,523
Refunds to plan enrollees	2	1	16,437	16,630
Sundry suppliers	4,784	4,974	14,101	11,263
Payables for acquisition of intangible assets	6,418	12,265	14,095	30,133
Back-office support (ii)	-	-	8,281	3,166
Other provisions	1,660	5,740	5,691	13,923
Commissions payable	2,236	16,158	2,772	16,549
Earn-out consideration (iii)	100	54,963	692	54,963
Other	657	2,619	13,373	13,681
<b>Total current</b>	<b>17,463</b>	<b>98,794</b>	<b>138,603</b>	<b>231,452</b>
<b>Non-current:</b>				
Payables for acquisition of intangible assets	2,573	-	7,067	1,800
Contingent consideration liability	582	544	4,419	4,184
Earn-out consideration (iii)	-	100	-	692
<b>Total non-current</b>	<b>3,155</b>	<b>644</b>	<b>11,486</b>	<b>6,676</b>
<b>Total</b>	<b>20,618</b>	<b>99,438</b>	<b>150,089</b>	<b>238,128</b>

- i) Refers mainly to differences because of the timing of the payments to insurers/operators and the input of all related invoices and payment into the Company's system. These differences are resolved only after the Company reconciles bill payments and bills due.
- ii) Refers to the provision of services such as rental of medical network and medication benefits to plan beneficiaries.
- iii) Contingent consideration arising from the acquisition of Oxcorp, Elo and Apm. The payment for Oxcorp was made on May 12, 2022 in the amount of R\$ 52,710, and for Elo and Apm, is due by the first quarter of 2023.

## 19. Provision for contingencies

The Company and its subsidiaries are subject to civil, regulatory (ANS), labor and social security contingencies arising in the ordinary course of business for which provisions were recorded, based on the advice of their in-house and outside legal counsel and on Management's estimates, as shown below:

Consolidated	December 31, 2021	Additions	Reversals / Payments	June 30, 2022
Civil (i)	46,669	5,235	(670)	51,234
Labor and social security (ii)	15,235	1,041	(942)	15,334
Regulatory (iii)	10,266	562	(475)	10,353
Tax (iv)	7,298	259	-	7,557
<b>Total</b>	<b>79,468</b>	<b>7,097</b>	<b>(2,087)</b>	<b>84,478</b>

Parent company	December 31, 2021	Additions	Reversals / Payments	June 30, 2022
Labor and social security (v)	3,537	602	(89)	4,050
Civil (vi)	3,071	483	-	3,554
Tax (vii)	941	23	-	964
<b>Total</b>	<b>7,549</b>	<b>1,108</b>	<b>(89)</b>	<b>8,568</b>

Description of the main lawsuits and/or contingencies:

- i) The Company and its subsidiaries are defendants in ongoing civil lawsuits, where R\$ 51,234 (2021: R\$ 46,669) is deemed to be a probable loss and, therefore, a provision has been recognized, and R\$ 57,683 (2021: R\$ 52,669) is deemed to be a possible loss, for which no provision has been recognized. The main matters disputed in the lawsuits are the same as those disclosed in the parent company and consolidated financial statements for the year ended December 31, 2021.
- ii) The Company and its subsidiaries are defendants in administrative and/or judicial proceedings involving labor and social security matters as previously reported in the annual and consolidated financial statements for the year ended December 31, 2021. The provision for labor claims where a loss is considered probable is R\$ 15,334 (2021: R\$ 15,235). No accrual was made for loss contingencies that are reasonably possible amounting to R\$ 42,143 (2021: R\$ 40,251).
- iii) The subsidiaries are defendants in ongoing regulatory proceedings with ANS, where a provision has been recognized for R\$ 10,353 (2021: R\$ 10,266) because a loss is believed to be probable, and no provision has been made for R\$ 2,615 (2021: R\$ 3,100) because a loss is believed only to be possible but not probable.
- iv) The Company and its subsidiaries recognized a provision in the amount of R\$ 7,557 (2021: R\$ 7,298) for (a) tax contingencies that are likely to materialize into liabilities, and (b) tax proceedings that are deemed to be a probable loss. The amount of the provision refers to: (a) contingencies identified in companies merged into the Company (Elo Administradora de Benefícios, Ltda., Apm Assessoria Comercial e Corretora de Seguros Ltda. and Uniconsult Administradora de Benefícios e Serviços Ltda.); and (b.1) administrative proceeding detailed in item (vii) below; and (b.2) ISS tax deficiency notices.
- v) The Company is a defendant in administrative and/or judicial proceedings involving labor and social security matters as previously reported in the parent company and consolidated financial statements for the year ended December 31, 2021. The provisions for labor claims where a loss is considered probable are R\$ 4,050 (2021: R\$ 3,537).

No accrual was made for loss contingencies that are reasonably possible amounting to R\$ 34,129 (2021: R\$ 32,720).

- vi) The Company is a defendant in ongoing civil lawsuits, where R\$ 3,554 (2021: R\$ 3,071) is deemed to be a probable loss and, therefore, a provision has been recognized, and R\$ 2,220 (2021: R\$ 2,078) is deemed to be a possible loss, for which no provision has been recognized. The principal matters disputed in the lawsuits are the same as disclosed in the parent company and consolidated financial statements for the year ended December 31, 2021.
- vii) The Company is a defendant in ongoing tax proceedings and recognized a provision for estimated probable loss of R\$ 964 (2021: R\$ 941). The tax proceedings relate to: a) PIS/COFINS tax deficiency notice issued against Padrão Administração e Corretagem de Seguros Ltda. (a company merged into the Company) for the 2007 tax year relating to alleged differences between the amount of tax reported in the tax return and the amount paid. The Company as a legal successor to the merged entity has filed an administrative appeal and is awaiting a decision. The tax proceedings also include: b) ISS tax deficiency notice issued against the Company for calendar years 2011 to 2014.

Possible contingent liabilities related to tax positions:

The Company has contingent tax liabilities for which no accrual has been made because the likelihood of the liabilities occurring is only possible but not probable.

These contingent liabilities plus interest accrued total R\$ 1,991,209 at June 30, 2022 (December 31, 2021: R\$ 1,980,257), as detailed below:

- a) At subsidiaries Qualicorp Administradora de Benefícios S.A. and Qualicorp Corretora de Seguros S.A. (merged into the Company in 2019), the total amount of R\$ 1,049,806 (December 31, 2021: R\$ 1,012,324) refers to tax assessments involving amortization of goodwill in the calendar years 2011 to 2014. Those tax assessments are pending analysis at the administrative and judicial level and temporary court decisions have been issued in favor of the Company.
- b) At subsidiaries Qualicorp Administradora de Benefícios S.A. and Qualicorp Corretora de Seguros S.A. (merged into the Company in 2019), the total amount of R\$ 175,265 refers to tax assessments involving amortization of goodwill in the calendar years 2016 to 2018. Those tax assessments are pending analysis at the administrative and judicial level and temporary court decisions have been issued in favor of the Company.
- c) At subsidiary Qualicorp Administradora de Benefícios S.A., the amount of R\$ 2,967 (December 31, 2021: R\$ 2,862) refers to tax assessment notices demanding social security contributions and other contributions as determined by the tax authorities on profits distributed by the merged entity Aliança Administradora de Benefícios de Saúde S.A. in calendar years 2012 to 2014.
- d) At subsidiary Qualicorp Administradora de Benefícios S.A., the amount of R\$ 45,569 (December 31, 2021: R\$ 43,927) refers to tax assessment notices demanding COFINS and PIS/PASEP payments related to the activities developed by the merged entity Aliança Administradora de Benefícios de Saúde S.A. in calendar years 2012 to 2014.
- e) At subsidiary Qualicorp Administradora de Benefícios S.A., the amount of R\$ 7,345 (December 31, 2021: R\$ 7,075) refers to a tax deficiency notice demanding payment of income tax at source (IRRF) related to the activities developed by the merged entity Aliança Administradora Benefícios de Saúde S.A. in calendar years 2012 to 2014.
- f) At subsidiary Qualicorp Administradora de Benefícios S.A., the amount of R\$ 81,928 (December 31, 2021: R\$ 78,976) refers to a tax deficiency notice demanding payment of corporate income tax (IRPJ) and social contribution (CSLL) related to the activities developed by the merged entity Aliança Administradora Benefícios de Saúde S.A. in calendar years 2013 and 2014.
- g) The amount of R\$ 28,175 (December 31, 2021: R\$ 27,382) refers to tax assessment notices demanding payment of social security contributions, other contributions and penalty for alleged non-payment of income tax at source (IRRF) on share option plan relating to calendar year 2013.
- h) The amount of R\$ 231,394 (December 31, 2021: R\$ 221,565) refers to tax assessments issued against the Company (administrative proceeding No. 15746.720951/2020-12) related to (i) disallowance of expenses from the calculation of income tax (IRPJ) and social contribution (CSLL) of payments made to companies for brokerage and consulting services relating to calendar years 2014 to 2019, and (ii) withholding income tax (IRRF) at the rate of 35% as the tax authority assumed that the payments were made to those same companies without cause in calendar years 2015 to 2019. The tax assessments include penalty of 150% and interest based on the Brazilian benchmark interest rate (SELIC). At present, the Company is awaiting a decision on the administrative appeal it has filed.
- i) The amount of R\$ 4,782 (December 31, 2021: R\$ 4,606) refers to tax assessments issued against the Company demanding social security contributions (employer's share and SAT/RAT), other contributions (SENAC, SESC, SEBRAE, INCRA and Education Salary), relating to the calendar year 2015 and the stock option plan.
- j) The residual balance of R\$ 363,978 (December 31, 2021: R\$ 27,806) consists of several tax assessments related principally to the following: definition of the location where the municipal service tax (ISS) owed by Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda., Qualicorp Administradora de Benefícios S.A., Qualicorp Administração e Serviços Ltda. and Clube de Saúde Administradora de Benefícios Ltda. should be paid (R\$ 344,850); non-levy of social security contributions on items of payroll that are not considered to be compensatory in nature (R\$ 8,177); and fine and interest on the income tax assessment issued against the stock option grantees, whose payment will be the responsibility of the Company if the final court decision upholds the tax assessment (R\$ 10,952).

## 20. Equity

### Share capital

At June 30, 2022 and December 31, 2021, the Company's capital is R\$ 896,558, comprising 284,014,325 registered common shares with no par value.

According to the Company's bylaws, the Company is authorized to increase its share capital, without requiring prior amendment to its bylaws, subject to approval and issue conditions determined by the Board of Directors, up to the limit of 350,000,000 new common shares.

The shareholders owning more than 5% of the shares of the Company's issued and outstanding common stock are as follows:

Shareholders	Common shares	
	June 30, 2022	December 31, 2021
Rede D'Or São Luiz	82,321,183	82,321,183
Pátria Investimentos	55,884,200	55,913,900
3G Radar	37,021,963	20,461,600
Opportunity	17,916,430	21,138,700
BlackRock Inc. (i)	18,347,007	-
Others (ii)	66,825,752	97,918,762
Treasury shares (iii)	5,697,790	6,260,180
<b>Total</b>	<b>284,014,325</b>	<b>284,014,325</b>

- i) As per corporate announcement to the market released on March 21, 2022.
- ii) These are shareholders owning less than 5% of the shares traded on the stock exchange B3 S.A.
- iii) The movements in the balance of treasury shares during the period ended June 30, 2022 were as follows:

	Treasury shares June 30, 2022	
	Number of shares	R\$
Balance at December 31, 2021	6,260,180	128,605
Grant of restricted stock	(562,390)	(11,554)
<b>Balance at June 30, 2022</b>	<b>5,697,790</b>	<b>117,051</b>

	Treasury shares June 30, 2021	
	Number of shares	R\$
Balance at December 31, 2020	397,495	5,357
Grant of restricted stock	(289,248)	(3,899)
<b>Balance at June 30, 2021</b>	<b>108,247</b>	<b>1,458</b>

### Distributions to shareholders

Pursuant to the Company's bylaws, the mandatory minimum dividend is 25% of the profit for the year adjusted as prescribed by the Brazilian Corporate Law.

On April 29, 2022, the shareholders approved the financial statements for the year ended December 31, 2021 and the proposal for allocation of the profit for 2021, as shown below:

Proposal for allocation of 2021 profit	
Profit for the year	365,812
(-)Transfer to legal reserve	(18,291)
<b>Profit available for distribution as dividend</b>	<b>347,521</b>
Interest on capital paid (i)	(17,669)
Percentage of profit available for distribution that was paid out to shareholders as interest on capital	5.08%
Offsetting of prior-year adjustments	(15,609)
Creation of investment reserve	(243,297)
Supplementary mandatory minimum dividend	(70,946)

## 21. Restricted stock plan

There were no changes in the Company's restricted stock plan approved by the shareholders' general meeting on April 27, 2018 that affect the disclosures in the parent company and consolidated financial statements for the year ended December 31, 2021.

In the interim period ended June 30, 2022, expenses for restricted stock awards made by the Company and/or its subsidiaries in the total amount of R\$ 7,156 were recognized in equity.

Grant date	Grant-date fair value	Expiry date	Number of options	Granted	Exercised	Cancelled	Balance
May 9, 2019	17.2	May 9, 2023	5,700,000	807,019	(3,396,355)	(2,864,952)	245,712
December 26, 2019	38.1	December 26, 2022	516,000	29,427	(359,183)	-	186,244
April 1, 2021	30.4	April 1, 2022	170,000	-	(170,000)	-	-
April 29, 2022	13.0	April 29, 2024	930,000	-	(530,000)	-	400,000
			<b>7,316,000</b>	<b>836,446</b>	<b>(4,455,538)</b>	<b>(2,864,952)</b>	<b>831,956</b>

At June 30, 2022, the weighted average remaining contractual term is 454 days (December 31, 2021: 457).

Additionally, on April 29, 2022, the Company granted restricted stock to certain executives with a lock-up period of one year.

With annual awards, intend intended to motivate executives to attain strong and sustained performance year after year, to remain with the Company or its subsidiaries and to align the interests of the executives with those of the Company's shareholders. The primary purpose of the new Plan is to help the Company build and sustain a culture of meritocracy to incentivize selected executives to perform at a high level which justifies their selection to receive the restricted stock awards.

The cost of restricted stock was R\$ 11,336 (R\$ 6,890 allocated to equity and R\$ 4,446 to liabilities until transfer). Because of the lock-up period of one year, the Company recorded the new Plan initially as a prepaid expense which will be allocated out to other assets over the period of 12 months. For the period ended June 30, 2022, the Company recorded expenses of R\$ 1,148 within administrative expenses.



## 22. Expenses by nature

	Parent company		Consolidated	
	Six months ended	Six months ended	Six months ended	Six months ended
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Cost of providing services</b>				
Personnel costs	11,331	12,842	65,047	71,899
Commissions and financial transfers	-	-	62,019	55,292
Outsourced services	9,619	4,613	55,113	62,954
Occupancy costs	224	691	5,686	4,175
Membership dues	-	-	3,798	4,465
Other costs of providing services	2,147	1,872	13,102	17,038
<b>Total cost of providing services</b>	<b>23,321</b>	<b>20,018</b>	<b>204,765</b>	<b>215,823</b>
<b>Administrative expenses</b>				
Depreciation and amortization charges	44,628	49,081	79,206	88,017
Personnel costs	15,619	35,816	72,681	81,171
Outsourced services	9,094	20,161	36,649	44,063
Other administrative expenses	2,648	5,200	5,571	9,284
<b>Total administrative expenses</b>	<b>71,989</b>	<b>110,258</b>	<b>194,107</b>	<b>222,535</b>
<b>Selling expenses</b>				
Depreciation and amortization charges (i)	109,526	79,419	117,692	87,053
Personnel costs	44,656	34,307	47,490	36,208
Commissions and financial transfers	35,796	28,650	46,311	37,455
Advertising and publicity	6,336	28,105	14,735	35,988
Other selling expenses	16,127	14,191	19,859	17,556
<b>Total selling expenses</b>	<b>212,441</b>	<b>184,672</b>	<b>246,087</b>	<b>214,260</b>
<b>Total expenses by nature</b>	<b>307,751</b>	<b>314,948</b>	<b>644,959</b>	<b>652,618</b>

	Parent company		Consolidated	
	Three months ended	Three months ended	Three months ended	Three months ended
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Cost of providing services</b>				
Personnel costs	5,750	6,734	31,444	36,935
Commissions and financial transfers	-	-	31,957	29,698
Outsourced services	4,714	2,502	27,023	30,008
Occupancy costs	157	404	3,329	1,898
Membership dues	-	-	1,805	2,196
Other costs of providing services	1,455	877	6,529	7,888
<b>Total cost of providing services</b>	<b>12,076</b>	<b>10,517</b>	<b>102,087</b>	<b>108,623</b>
<b>Administrative expenses</b>				
Personnel costs	13,057	21,771	39,591	47,184
Depreciation and amortization charges	22,232	23,300	38,897	42,523
Outsourced services	3,660	12,805	19,030	24,487
Other administrative expenses	1,544	1,884	2,934	4,148
<b>Total administrative expenses</b>	<b>40,493</b>	<b>59,760</b>	<b>100,452</b>	<b>118,342</b>
<b>Selling expenses</b>				
Depreciation and amortization charges (i)	55,772	39,709	60,132	46,202
Commissions and financial transfers	19,412	14,890	24,497	19,209
Personnel costs	17,482	14,896	18,851	15,867
Advertising and publicity	3,203	17,206	6,964	22,200
Other selling expenses	10,250	8,300	12,241	9,604
<b>Total selling expenses</b>	<b>106,119</b>	<b>95,001</b>	<b>122,685</b>	<b>113,082</b>
<b>Total expenses by nature</b>	<b>158,688</b>	<b>165,278</b>	<b>325,224</b>	<b>340,047</b>

i) Increase in commission expenses as a result of sales incentives in 2021.

(\*) Certain accounts have been reclassified to improve comparability of financial reporting, without any change to the Company's profit or loss or equity.

## 23. Finance income and costs

	Parent company		Consolidated	
	Six months ended June 30, 2022	Six months ended June 30, 2021	Six months ended June 30, 2022	Six months ended June 30, 2021
<b>Finance income:</b>				
Foreign exchange gains (i)	150,832	20,571	150,832	20,571
Reversal of recycling of cash flow hedge (i)	76,755	-	76,755	-
Reversal of mark-to-market of swap	46,489	-	46,489	-
Interest income on financial investments	10,941	578	36,786	12,629
Interest and penalty on late payments (ii)	-	-	15,682	16,035
Other finance income	6,187	428	15,919	2,376
<b>Total finance income</b>	<b>291,204</b>	<b>21,577</b>	<b>342,463</b>	<b>51,611</b>
<b>Finance costs:</b>				
Recycling of cash flow hedge (i)	(150,162)	(20,571)	(150,162)	(20,571)
Foreign exchange losses (i)	(90,620)	-	(90,620)	-
Interest on debentures (Note 15)	(85,160)	(18,662)	(85,160)	(23,985)
Settlement of derivatives (iii)	(34,968)	-	(34,968)	-
Hedge accounting	(34,104)	(237)	(34,104)	(237)
Collection fee	(47)	(28)	(9,680)	(13,587)
Other finance costs	(19,261)	(5,118)	(30,387)	(15,840)
<b>Total finance costs</b>	<b>(414,322)</b>	<b>(44,616)</b>	<b>(435,081)</b>	<b>(74,220)</b>
<b>Net finance costs</b>	<b>(123,118)</b>	<b>(23,039)</b>	<b>(92,618)</b>	<b>(22,609)</b>

	Parent company		Consolidated	
	Three months ended	Three months ended	Three months ended	Three months ended
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Finance income:</b>				
Reversal of recycling of cash flow hedge (i)	65,081	-	65,081	-
Reversal of mark-to-market of swap	44,908	-	44,908	-
Interest income on financial investments	6,390	303	19,742	7,329
Foreign exchange gains (i)	14,623	20,571	14,623	20,571
Interest and penalty on late payments (ii)	-	-	8,078	8,124
Other finance income	4,669	221	8,758	1,244
<b>Total finance income</b>	<b>135,671</b>	<b>21,095</b>	<b>161,190</b>	<b>37,268</b>
<b>Finance costs:</b>				
Reversal of foreign exchange losses (i)	(78,946)	-	(78,946)	-
Interest on debentures (Note 15)	(49,862)	(10,968)	(49,862)	(14,081)
Settlement of derivatives (iii)	(32,812)	-	(32,812)	-
Collection fee	(15,202)	(237)	(15,202)	(237)
Recycling of cash flow hedge (i)	(14,623)	(20,571)	(14,623)	(20,571)
Collection fee	(21)	(15)	(4,622)	(7,351)
Other finance costs	(11,741)	(2,926)	(17,287)	(8,289)
<b>Total finance costs</b>	<b>(203,207)</b>	<b>(34,717)</b>	<b>(213,354)</b>	<b>(50,529)</b>
<b>Net finance costs</b>	<b>(67,536)</b>	<b>(13,622)</b>	<b>(52,164)</b>	<b>(13,261)</b>

- i) Refers to the foreign exchange gains (losses) on borrowings under Law 4,131. Refer to Notes 5 and 15 for further details.
- ii) Qualicorp Serviços, Clube de Saúde, Qualicorp Benefícios, Uniconsult, Plural and Elo engage in the administration and stipulation of group benefits programs and complementary products and charge interest and penalties to plan beneficiaries who pay their bills past the due date.
- iii) Refers to the payment of the pay leg of the swap contracts during the period.

## 24. Income tax and social contribution

	Parent company		Consolidated	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Profit before income tax (IRPJ) and social contribution (CSLL) and after profit sharing</b>	<b>95,458</b>	<b>203,125</b>	<b>193,133</b>	<b>307,356</b>
Share of net profits of investees accounted for using the equity method	(205,122)	(189,780)	3,043	1,077
<b>Subtotal</b>	<b>(109,664)</b>	<b>13,345</b>	<b>196,176</b>	<b>308,433</b>
Statutory rate of IRPJ and CSLL	34%	34%	34%	34%
Expected IRPJ and CSLL expense (benefit) at the statutory tax rate	37,286	(4,537)	(66,700)	(104,867)
Non-deductible expenses for tax purposes	(306)	-	(1,109)	-
Tax losses for which no deferred tax asset was recognized (*)	-	-	(1,069)	(1,242)
Interest on capital	(9,138)	6,007	-	6,007
Expenses of companies that pay taxes using the presumed profit method	-	-	1,754	-
Recovery of losses	-	-	3,624	892
Other	131	188	(1,359)	1,560
<b>Total IRPJ and CSLL expense reported in the statement of income</b>	<b>27,973</b>	<b>1,658</b>	<b>(64,859)</b>	<b>(97,650)</b>
<b>Effective IRPJ and CSLL rate (%)</b>	<b>25.51%</b>	<b>n.a.</b>	<b>33.06%</b>	<b>31.66%</b>

(\*) Certain direct and indirect subsidiaries of the Company have tax losses carried forward but deferred tax assets have not been recognized in respect of these losses as it is not probable that sufficient taxable profits will be generated to allow the deferred tax asset to be recovered (Note 11).

## 25. Insurance

The Company and its subsidiaries maintain insurance coverage for their assets. Management believes the insurance coverage is sufficient to cover potential losses, as shown below:

Items	Type of coverage	Sum insured
Guarantee for tax, civil and labor debts	Guarantee insurance	1,223,444
Civil liability of directors and officers	Directors and Officers (D&O) Liability Insurance	250,000
Buildings, facilities, machinery, furniture and fittings	Loss or damage to buildings, facilities, machinery and equipment and loss of profit by fire, civil liability for operations and employer's liability	39,927
Vehicles	Loss and damage or pecuniary damage	342

## 26. Descriptive information about reportable segments and net operating revenue

- a) Description of the types of services from which each reportable segment derives its revenue is provided in Note 27.a. in the annual financial statements for the year ended December 31, 2021.
- b) Measurement of operating segment profit or loss, assets and liabilities
- The accounting policies of the Affinity segment are the same as those described in Note 27 to the annual financial statements for the year ended December 31, 2021.
- c) Factors that Management used to identify the Company's reportable segments
- The factors used by Management to identify the Company's reportable segments are the same as those described in Note 27 to the annual financial statements for the year ended December 31, 2021. At June 30, 2022, the Affinity segment is the business unit that accounts for 93.15% of the net operating revenue of the Parent company and its subsidiaries.
- d) Gross and net revenue by type of service

	Parent company		Consolidated	
	Six months ended	Six months ended	Six months ended	Six months ended
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Administration fee	-	-	672,823	694,980
Brokerage fee	275,861	308,983	288,697	315,703
Agency fee	70,417	76,627	71,867	76,627
Other revenue	2,389	3,307	41,753	43,990
<b>Total gross operating revenue</b>	<b>348,667</b>	<b>388,917</b>	<b>1,075,140</b>	<b>1,131,300</b>
Deductions from gross operating revenue:				
Taxes on revenue	(33,491)	(40,123)	(83,052)	(90,475)
Returns and cancellations	(835)	(636)	(835)	(636)
<b>Total deductions</b>	<b>(34,326)</b>	<b>(40,759)</b>	<b>(83,887)</b>	<b>(91,111)</b>
<b>Net operating revenue</b>	<b>314,341</b>	<b>348,158</b>	<b>991,253</b>	<b>1,040,189</b>

- e) Information about reportable segment profit or loss, assets and liabilities

The following table presents the amounts related to the reportable segment. Unallocated expenses and/or revenues are shown in item (f) below:

Consolidated	June 30, 2022			June 30, 2021		
	Affinity segment	All other	Total	Affinity segment	All other	Total
Net revenue	923,355	67,898	991,253	973,853	66,336	1,040,189
Cost of providing services	(173,183)	(31,582)	(204,765)	(181,557)	(34,266)	(215,823)
Net income (expenses)	(266,538)	(12,195)	(278,733)	(221,929)	(15,723)	(237,652)
Selling expenses	(229,308)	(11,993)	(241,301)	(192,022)	(17,091)	(209,113)
Losses on uncollectible receivables	(48,988)	(197)	(49,185)	(33,190)	1,371	(31,819)
Finance income	15,681	1	15,682	16,035	-	16,035
Other operating expenses, net	(3,923)	(6)	(3,929)	(12,752)	(3)	(12,755)
<b>Profit before unallocated expenses</b>	<b>483,634</b>	<b>24,121</b>	<b>507,755</b>	<b>570,367</b>	<b>16,347</b>	<b>586,714</b>

Information about profit, assets and liabilities of nonreportable segments (within "All other") is attributable to two business units which individually do not account for more than 10% of the Parent company's revenue, as follows:

- The Corporate and SME segment, which is involved in all activities related to insurance brokerage or plan intermediation, as well as benefits consulting to large corporate clients or small and medium-sized enterprises (SMEs).
- The Gama segment, which is involved in preventive medicine and patient care management activities, prior authorization and regulation of medical procedures, management of medical service provider network, and medical information processing activities.

f) Reconciliation of revenues, profit, assets and liabilities

	Consolidated	
	Six months ended	Six months ended
	June 30, 2022	June 30, 2021
Unallocated amounts:		
Administrative expenses	(194,107)	(222,535)
Net finance costs	(108,300)	(38,644)
Loss on investment in startup	(3,043)	(1,077)
Provisions for contingencies	(4,473)	101
Selling expenses	(4,786)	(5,147)
Other income (expenses), net	87	(12,056)
<b>Total</b>	<b>(314,622)</b>	<b>(279,358)</b>

Assets:	June 30, 2022	December 31, 2021
Total assets for reportable segment	2,783,139	2,724,137
All other segments	212,599	189,390
Unallocated amounts	1,938,996	1,490,054
<b>Total</b>	<b>4,934,734</b>	<b>4,403,581</b>

Liabilities:	June 30, 2022	December 31, 2021
Total liabilities for reportable segment	3,273,037	2,790,984
All other segments	12,304	10,132
Unallocated amounts	1,649,393	1,602,465
<b>Total</b>	<b>4,934,734</b>	<b>4,403,581</b>

g) Geographical information for the reportable segment

The Parent company and its subsidiaries conduct all of their activities in the domestic market. The following table presents the lives managed by the Affinity segment and its market share:

Geographical areas (Consolidated)	June 30, 2022		June 30, 2021	
	Lives	Market share	Lives	Market share
Southeast	1,059,301	63.75%	1,061,300	65.00%
Northeast	318,333	19.16%	318,297	19.50%
South	102,440	6.17%	91,269	5.59%
Central West	96,020	5.78%	74,719	4.58%
North	85,403	5.14%	86,995	5.33%
<b>Total of the Affinity segment</b>	<b>1,661,497</b>	<b>100%</b>	<b>1,632,580</b>	<b>100%</b>

#### Information about major customers

For the period ended June 30, 2022, the Affinity segment's three major customers each provided revenue of R\$ 101,732, R\$ 55,595 and R\$ 47,300, which represent 11.02%, 6.02% and 5.12% of the Affinity segment's revenue and 10.26%, 5.61% and 4.77% of the consolidated revenue.

For the period ended June 30, 2021, the Affinity segment's three major customers each provided revenue of R\$ 64,437, R\$ 59,902 and R\$ 57,488, which represent 6.09%, 5.66% and 5.43% of the Affinity segment's revenue and 5.70%, 5.29% and 5.08% of the consolidated revenue.

## 27. Commitments

At June 30, 2022, significant commitments of the Company and its subsidiaries are as follows:

Commitments related to call center services of approximately R\$ 14,254 for the remaining six months of 2022.

Expenses incurred on call center service agreements during the period ended June 30, 2022 were R\$ 14,044 (June 30, 2021: R\$ 18,103).

## 28. Earnings per share

	Parent company and Consolidated	
	Six months ended June 30, 2022	Six months ended June 30, 2021
Profit for the period attributable to equity holders of the parent	123,431	204,783
Weighted average number of common shares for the basic EPS calculation	278,316,535	283,906,078
Weighted average number of common shares adjusted for share options for the diluted EPS calculation	278,432,907	283,996,064
<b>Basic earnings per share - R\$</b>	<b>0.44349</b>	<b>0.72131</b>
<b>Diluted earnings per share - R\$</b>	<b>0.44331</b>	<b>0.72108</b>

	Parent company and Consolidated	
	Three months ended June 30, 2022	Three months ended June 30, 2021
Profit for the period attributable to equity holders of the parent	49,377	90,303
Weighted average number of common shares for the basic EPS calculation	278,316,535	283,906,078
Weighted average number of common shares adjusted for share options for the diluted EPS calculation	278,432,907	283,996,064
<b>Basic earnings per share - R\$</b>	<b>0.17741</b>	<b>0.31807</b>
<b>Diluted earnings per share - R\$</b>	<b>0.17734</b>	<b>0.31797</b>



## 29. COVID-19 effects and projections

In compliance with CVM/SNCSEP Official Letter 01/2022, the key accounting considerations for uncertainties and implications of the COVID-19 pandemic for the fiscal year 2022 for the Group are the following:

### a) Expected credit losses on trade receivables

Management assessed expected credit loss estimates in accordance with Technical Pronouncement CPC 48/ IFRS 9 *Financial Instruments* and CVM/SNC/SEP Official Letter No. 3 of April 16, 2020 due to the impacts of COVID-19 on expected credit loss calculations and, principally, the temporary freeze on private health insurance premiums ordered by the regulatory agency ANS. The premium freeze was established in 2020 and premiums increases went into effect in 2021.

As from the second half of 2021 we saw a slight increase in default rate, which is directly related to the extra charge for frozen premium that is being added to the monthly bill plus the regular annual premium increase in July 2021. Including the extra charge in the monthly regular bill helped reduce the default rate, except for those clients who cancelled their health insurance because they cannot afford to pay and may eventually have been unable to pay the extra charge in the subsequent months.

Additionally, there was neither change in our working capital nor atypical request for significant discounts.

### Debenture covenants

To date, COVID-19 has not impacted the Company's ability to meet the debt covenants. During the period ended June 30, 2022, the Company met the debt covenants and made semiannual interest payments regularly. In addition, the Company made a new issue of debentures (Note 15).

### b) Other information

Taking into account all information available to date, management has not identified any material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern for the foreseeable future.

## 30. Approval of the interim condensed financial statements

These interim condensed parent company and consolidated financial statements were approved by the Board of Directors on August 11, 2022 and disclose all events occurring after the reporting period ended June 30, 2022.

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Bruno Ferreira Blatt  
Chief Executive Officer

Pablo dos Santos Meneses  
Vice-President

Frederico de Aguiar Oldani  
Chief Financial and Investor  
Relations Officer

Adriana Ricardo Arrais  
Accountant - CRC 1SP213332/O-7

Elton Hugo Carluci  
Vice-President

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