

**Operator:**

Good morning, and thank you for holding. At this point, we would like to welcome you to the conference call for the Grupo Fleury for the 1Q21. We have with us today Mrs. Jeane Tsutsui, the CEO, and Fernando Leão, the CFO and IRO.

We would like to inform you that this event is being recorded and that all participants will be in listen-only mode during the Company presentation. Ensuing this, we will go on to the question and answer session when further instructions will be given. Should any of the participants require assistance during the conference call, please press \*0 to request the help of the operator.

This event is also being broadcast simultaneously over the Internet via webcast, and can be accessed at the address [www.fleury.com.br/ri](http://www.fleury.com.br/ri), where the respective presentation can be found. You can watch the slides at your own convenience. The replay of this event will be available soon after closing.

We would like to remind the webcast participants that they can post through the website questions for the Fleury Group.

Before proceeding, we would like to clarify that forward-looking statements made during this conference call referring to the Grupo Fleury business outlook, projections, operational goals and financial goals are based on the beliefs and premises of the Company's management, as well as on information currently available to the Fleury Group. These forward-looking statements are no guarantees of performance as they involve risks, uncertainties and premises as they refer to future events and therefore depend on circumstances that may or may not occur. Investors and analysts should understand that general conditions, sectoral condition and other operating factors could affect the future results of the Fleury Group and lead to results that differ materially from those expressed in these forward looking statements.

We would now like to turn the floor over to Mrs. Jeane Tsutsui, who will begin the presentation. You may proceed, ma'am.

**Jeane Tsutsui:**

A good day to all of you, and welcome to the earnings release for Fleury for the 1Q21.

Here at the Fleury Group, we are obsessed with the acceleration of growth. We believe that the most important metrics for a company based on the health care platform are the increase in revenue, the number of lives service, and the ability to integrate new products and services.

We are satisfied with the growth presented in the 1Q21, 25.1%, compared to the same period in 2020, reaching a revenue of R\$964.3 million. But we want more. It is worth noting that this growth in revenue, in addition to representing strength in our core business operations, was accompanied by a significant increase in the lives service by the Group through Saúde iD, our health care platform launched in September of last year. Of the approximately 1.1 million lives service by the Group in the 1Q21, 9.8% came from Saúde iD. The percentage doubled the recorded in the 4Q20.

In just over six months of operations, the platform has already managed to generate a substantial volume of lives service.

Now, what lies ahead? The answer is more growth. It is important to say that in addition to the strong growth recorded in the quarter, we maintained robust results. EBITDA increased 45% vis-à-vis the same period 2020, reaching R\$285.5 million, and net income reached R\$118.6 million, 102% higher than the result of the 1Q20.

The potential of the marketplace becomes ever more evident when we analyze that this crop of lives was generated only by the B2B business. The B2C version of Saúde iD launched in February is still in a pilot phase. When it is open to individuals from throughout Brazil, there will be a health service subscription with monthly, half yearly or annual plans, entitling individuals to telemedicine consultations, routine tests and other offers.

In our view, the B2C version represents an option for access to quality health care for all Brazilians. Additionally, it is another step of the Group in its mission to democratize access to health in Brazil, generate a positive social impact and contribute to the sustainability of the entire health sector.

No front of the Group's operations has expanded more than the telemedicine service. Since it was created up to present, there have been more than 300,000 tele consultations. However, more impressive than the absolute number is the growth curve. In June 2020, the Company carried out 300 consultations per month, and this is done in a single day now.

Because of this, in the 1Q21, there were 177,707 tele consultations, a volume greater than the entire volume of 2020 combined, and an increase of 104% vis-à-vis 4Q20. Out of the total number of patients seen in the 1Q21, almost 82% of them were using the service for the first time. In order to offer a high quality telemedicine services, with a resolution rate of 89%, Saúde iD has more than 670 hired physicians.

The advancement of telemedicine proves two of our most important premises for the future growth of the Company. The first one is that health consumption will be increasingly hybrid, with patients accessing products and services in person as well as digitally. An interesting fact in this regard is that almost 40% of the teleconsultations performed by the Group originated in places where the Company does not have a physical presence, including abroad, in countries such as the United States, England and Portugal.

The second premise is that the technology and the development of the platform will increasingly offer an integrated solution and recurrent services given to the same client. If in the past, a patient would come to a brick and mortar unit of Fleury to carry out tests, they would go once or twice a year. Now, the contact is much more frequent and takes place in multiple channels, and the service in each channel has the potential to lead the patient to new interactions with the Group.

An example of how this happens in practice. In the 1Q21, Saúde iD boosted a revenue of R\$6.1 million in services for all brands and patient service centers, double the amount recorded in the 4Q20. Although the value was still modest, the growth curve shows the size of the opportunity that lies ahead.

Another front that has been expanding strongly in addition to telemedicine is the client home service, corresponding to 7.7% of the gross revenue of the quarter, an increase of 86% vis-à-vis the same period 2020. Today, the revenue generated by home service is greater than any patient service center under any banner of the Group.

By being able to identify the new needs of the consumer who seeks convenience of home service, the Company was able to capture value and create a strong avenue of growth, maintaining the pace of acquisitions.

In early April, we announced the acquisition of 66.7% of the Sao Paulo chain Vita, a reference in consultations and orthopedic surgeries, as well as rehabilitation sessions. A relevant part of the investment will be destined to organic and inorganic expansion of orthopedics sessions in the country. It will also position the Company with one more robust offer in this specialty. We already have the advanced center for osteo muscular imaging.

The Vita acquisition is added to almost a dozen of other movements performed in the last 12 months, which contributed to make the Company ever more a protagonist in the health care sector.

As a reminder, in this period, we launched the largest health care platform in the country, Saúde iD. We created one of the largest corporate venture capital funds in Brazil, Kortex. We started a continuing education service for physicians, health professionals, students and residents, Pupila. We acquired the Moacir Cunha Ophthalmological Clinic and the Infusion Center Pacaembu. We launched the genetic testing platform, Somos DNA. We developed a consultancy service, the integrated care for companies. We now have 321 contracts. We inaugurated the Fleury Reproductive Medicine sector, all of this in the midst of the covid-19 pandemic.

All of these initiatives are connected to our mission of providing increasingly complete and integrated solutions for the management of people's health and well-being. As we have said before, it is precisely because we are a medical origin company that we have the legitimacy to integrate what today is available only in a fragmented way.

At Grupo Fleury, we believe that the role of companies is to contribute to a better society. That is why for decades we have adopted the best social, environmental and governance practices. We are accelerating on this field.

To leverage the development of the work that is already performed by the Company, we have announced the establishment of the Group's first ESG committee formed by four members. The new committee will reinforce Grupo Fleury's permanent attention to ESG principles and the business strategy, and will increase discussions on the topic in the Company, always thinking of its impact in the long term.

This quarter, we also created in partnership with Grupo Sabin the Women's Heart Movement, a national initiative to raise awareness among the female population about the importance of preventing and adopting healthy habits to reduce the chance of developing heart diseases. Today, cardiovascular diseases are the main cause of mortality of women in Brazil.

With regard to governance, I would like to register here my thanks to Carlos Marinelli, who since 2014 has held the position of a CEO in this Group. He has left a fundamental legacy, laying the ground for several cycles of growth.

Beginning now, the Company will have as its main factor the significant expansion of the speed of its growth. That will take place in expansion in the number of lives service, acquisitions and the digital transformation, with an eye all of ever more integrated services as part of our health care platform.

Additionally, we will continue to move forward to become a benchmark company in all the ESG dimensions in the direction of a country and a sector that need the necessary premises of sustainability.

In this context, we are certain that what will be important is our market differential, which is trust. It is a powerful and mandatory success axis set in the health care sector, present in the relationship we maintain with all stakeholders, and which makes us the preferred service provider through the leading brands that we have in most of the markets where we operate.

Finally, I would like to thank the dedication of our 12,000 employees and 3,000 physicians. In times of an exacerbation of the covid-19 pandemic, the commitment and the diligence of this incredible team are ever more necessary to ensure that the Group will carry out its mission of offering quality health to the entire country, at the same time that they allow us to be protagonists in the transformations that we lead in the sector.

I would now like to give the floor to Fernando Leão, our CFO and IRO. Fernando, you can continue, please.

**Fernando Leão:**

Thank you, Jeane. Good day. I will now continue with the presentation, offering the financial results for the 1Q.

On slide six, we see the performance of consolidated gross revenues for the Group. Gross revenue attained its second highest historical level in the quarter, totaling R\$964.3 million, a growth of 25.1%. The patient service centers presented a growth of 22.9%, and the B2B, 36.8%.

In the next slide, number seven, we show you in the top grab the evolution month after month of revenues in the 1Q21 vis-à-vis the 1Q20. We continue to observe the strong growth of revenue in the last month.

I would like to highlight the important expansion in the months of January and February of 2021, from 11% to 15.4% respectively, considering that the base of comparison for the same period of the previous year, that is to say January and February of 2020, has not been impacted recorded at that time a two-digit growth.

In the month of March, 2020, as we know, we were strongly impacted by the restrictive measures adopted at the beginning of the pandemic. And now, we present an expressive growth of approximately 56% in the month of March of 2021.

The same growth movement can be observed in the B2B that presented and expressive expansion of 36.8% in the quarter, thanks to the higher volume of elective procedures and the contribution of covid-19 tests in hospitals and reference laboratories.

In the graph below, we show you the share of the covid-19 exams in the results. There were approximately 600,000 exams in the quarter. Percentually compared to the total revenue, RT-PCR and serology tests recorded a small reduction when compared to the previous quarter, representing 9.7% of total gross revenues, compared to 11.1% in the 4Q20. They also represented 7% of the revenues of the PSCs and 22.4% of the B2B revenues.

The share of covid-19 exams compared to the gross revenues of the Company had the lowest representative this quarter since the beginning of the pandemic.

We now go on to slide number eight, and we see in greater detail the performance of our brand portfolio. Gross revenue of our patient service centers had a growth of 22.9% in the quarter, reaching R\$795.5 million. All of the Company brands have a relevant growth in the period, as you can observe in the graph.

On the next slide, number nine, we highlighted the evolution of costs and operating expenses. In the graph to the left, you can observe that we had an increase of 15.2% in the cost for the quarter. The variation is mainly due to cost with direct material and the intermediation in exams due to the cost of acquisition of reagents to carry out the covid-19 exams and PPE equipment for service in the units.

The cost of personnel and medical services had an increase of 8.9%, representing 31.7% of net revenues, a reduction of 474 bps vis-à-vis the previous year, once again recording a relevant gain and productivity, accompanying the higher level of demand that we had in our service units.

To the right of the slide, we present the operating expenses. This quarter, we had an increase of 12.6%. The increase is mainly due to expenses relating to provisions for participation in profit and the long term incentive plan for the Company.

We go on to slide number ten, where we observe that EBITDA reached R\$285.5 million in the quarter, a growth of 45.7%, with a 31.9% margin, an expansion of 450 bps vis-à-vis the 1Q20.

On slide 11, net income for the period reached R\$118.6 million, a growth of 102% when compared to the same period, 2020. Net margin was 13.3%, compared to 8.2% in the 1Q20.

In the next slide, number 12, to the left of the graph, you will see the operating cash flow of that record R\$199.2 million for the quarter, an increase of 52.2%, impacted mainly by the strong EBITDA growth during the period.

In working capital, the variation of accounts receivable had a more relevant impact due to the growth of revenues in the quarter, and an increase in receivables when compared to the 4Q20, and also in the balance of the suppliers account due to the higher level of investments carried out during the quarter. To the right, the CAPEX for the 1Q totaled R\$51.3 million, with a growth of 26%.

We go on to slide 13, where the ROIC without goodwill reached 47,2% in the 1Q21. To the right, we show you the NPS score that reached 73.1%, with an improvement when compared to the 4Q20.

Finally, on slide 14, we include the events that have already been confirmed in the market for the coming months.

We would now like to go on to the question and answer session. Thank you very much for your attention.

**Joseph Giordano, JPMorgan:**

A good day to all of you. Thank you for taking the question. My first question refers to the footprint that your service centers have, which is the Company's strategy and which is your medium term guidance that seems to be coming to an end? Are you thinking in more openings, or are you thinking of rationalizing the footprint?

Another thing we have been questioned about is the growth. We understand that, in this 1Q, there was quite a bit of noise, especially at the end of the quarter. I would like to know if you can share with us, which would be a more normalized underlying growth.

And finally if we could further explore all of the new initiatives. You spoke a great deal about Saúde iD. Which will be the size of these businesses in the coming three to five years, for example, in terms of representativity of revenues and EBITDA? Thank you.

**Jeane Tsutsui:**

Good morning. We hope that you are all well. When it comes to those questions, and first about the footprint of our patient service centers, we would like to remind you that in the last year we opened up 54 units through organic growth and added 64 units through acquisitions.

Yes, we do focus very carefully on all possible opportunities. We just inaugurated a new Fleury patient service center and reproductive medicine, and we, of course, consider new opportunities and new acquisitions in areas where we do not have diagnostic medicine.

We are very cautious in this, and we pay a great deal of attention to all opportunities. And we should remind you of the growth we have had in mobile services, where we do not need a patient service center. We grew 80% this quarter, and we are seeking more opportunities.

When we look at our present day centers, perhaps we can add their services, especially in the afternoon period where we seem to have a lower flow of patients.

I would like to remind you that, since the beginning of the covid-19 pandemic, we have all of the safety protocols in those service centers, and we have to make adjustments to service our clients, even though we do maintain distancing. We are very attentive to this type of look. And as I mentioned, we are also looking at whatever will make sense to allow us to grow organically and to carry out acquisitions.

In terms of the growth of covid, you observe that this quarter we have a covid revenue of 19.7, which is lower than what we had in previous quarters. In the 4Q, it was 11.1% of revenues from covid. This is a reality. There is uncertainty in terms of the behavior of the pandemic this year.

Unfortunately, we have reached 400,000 deaths. The vaccination program moves forward, everybody is thinking of having vaccination for priority groups until September. But we will continue to have revenues from covid this year, although it will decrease through time.

We had a robust growth even without covid, which shows the strength of our brands, the strength of diagnostic medicine. And I would like to remind you that we have a large group of people that have stopped carrying out exams to care for their health. In the cardiovascular part, oncology, we have data that the population had an exacerbation in the follow up of chronic diseases. And this leads us to think that we will have a growth in the diagnostic business.

Now to refer to the new revenues as part of other strategies, I would like to underscore the figures that we just presented, giving you more visibility of the exponential growth that we have had in a number of lives.

The telemedicine consultations, only in the 1Q, were 177,000, more than the entire year of 2020. This is a trend, and Saúde iD is growing significantly. Another relevant data when we speak about the platform concept is the number of lives connected to the platform.

This figure of 9.8% of lives service in the 1Q come from Saúde iD. This is double the previous quarter and shows you how much we can grow.

When it comes to new businesses, our vision is that we will have hybrid services. And although we grow the digital solutions, we also see opportunities of opening up new avenues that we tend to call other services. We refer to ophthalmology, orthopedics, the infusion of medication. And our vision is to have a large avenue for growth.

I think that we still have space to grow through M&As and diagnostic medicine, to also grow with the new services that are beginning now. But we have the great opportunity to continue to grow with these services because they are in accordance to the needs of individuals based on the platform concept, enabling us to have an integrated health care during the entire journey.

A healthy individual can have the help of the digital part helping to improve his health. When we have situations of disease, you also require physical care. And this is how we will complement our service portfolio, with different specialties to be able to accompany the individual in the full health care journey.

And without a doubt, this digital transformation will focus on the lives that are connected to the platform, and through time we will enhance our interaction with them. If somebody comes from diagnostic medicine, we can offer telemedicine consultations, of offer mobile services so they can come to our patient unit. Should they have any ophthalmological problem, they can go to our ophthalmology center, which means that throughout the patients or clients life, we will be able to offer all of the necessary services.

We do have an outlook for a robust growth in these new strategies as well, besides the digital strengthening.

Giordano, I do not know if I responded to all of your questions.

**Joseph Giordano:**

Please allow me a follow-up to quantify, especially the part of medication infusion, which seems to be more scalable. Do you have an estimate of the market size for that?

And secondly, you spoke about accelerating the mergers and acquisitions. There has been a very rapid consolidation in the health care chain. What are you thinking about in terms of larger movements in M&A, in the outpatient and diagnostic part? Thank you.

**Jenae Tsutsui:**

In terms of infusion, we began this business using the physical space in our patient service units, we included infusion in the units where we already have an appropriate infrastructure, and we saw that this could be scaled up with the acquisition of CIP in the period of closing of the business. We are still working, but we have R\$100 million of revenues per year to the growth with the use of immunobiological medication. And this group has six patient service units.

With this, we also have a higher power of negotiation with our suppliers, because we become the more relevant player in São Paulo when it comes to the infusion of immunobiological medication, and we can spread out to the rest of Brazil.

When it comes to growth, of course, we look upon all opportunities of growth. We are beginning this cycle not only with an eye on diagnostic medicine for new links and all of the growth that we could have with startups. Remember that we inaugurated Kortex Center, which is the CDC for health tech. So we are looking at all opportunities.

When you speak about larger M&A, they are also on the table. But of course, they will depend on other motivations. But all of this is within our radar.

**Joseph Giordano:**

Thank you very much, Jeane.

**Gustavo Miele, Itaú BBA:**

Good morning. Thank you for the presentation. I have two very quick points at our end. I would like to know about the price with the operators. This will probably be a year that will be below average. I would like to know if you are thinking about a relevant change in dynamic vis-à-vis what we have observed in previous years.

My second point. Is very much aligned with the questions posed by Joseph, it refers to the revenues in your businesses. Will there be a backlog because of the elective procedures, and what does this represents in the coming quarters? Will this represent a bottleneck because of this repressed demand that there seems to be? If you could

therefore refer to this backlog of exams that will have to be carried out in the coming quarters? These are my two points. Thank you very much.

**Jeane Tsutsui:**

We did hear your questions. I will once again begin the response because we had a drop in line. In terms of the adjustment for operators, we have worked very closely with them, and I think everybody follows up on the reduction of claims of operators in the past.

And of course, there is a balance between the treatment of covid and a reduction of other chronic health issues, but we do not see a great deal of difficulty in terms of a readjustment.

What we would like to underscore is that we have always been very aligned in terms of how to better integrate the system, how to reduce the potential for waste. And this is something that will aid us when it comes to working with a more sustainable system.

I will give you an example, Gustavo. When we say that we have carried out more consultations this quarter vis-à-vis the last year, we also have a very high resolution rate. In 89% of the cases, we were able to resolve the patient's problem through telemedicine.

And ensuing this, we proposed physical care when it is necessary. And of course, it is difficult because hospitals are now treating patients with covid. So we have a greater efficiency in the health care system.

Very generally, we are adopting these integrated solutions to gain efficiency, to improve quality and, of course, to remain sustainable. This is our vision.

When it comes to a demand for exams that has not been fulfilled during the covid pandemic, yes, we believe that we do have a situation in which many patients, especially patients with chronic diseases, have stopped having a very close follow-up. Many have stopped carrying out diagnostic exams unfortunately, because we do have a serious health condition in the country that requires attention.

Some diseases, of course, do require a follow-up if they are chronic or an early diagnosis. This will avoid a higher cost of the disease and. We have the Society of Cardiology, the Society of Oncology showing that several patients have stopped carrying out their follow-up. And of course, we will have to begin to focus on this follow-up.

And we do have some proposals. As Grupo Fleury, we are ready to offer this service. We have teams that have been trained, they attained high satisfaction levels among the clients, this is something we have done very well in the pandemic. Our personnel are ready. So we are here to offer support to all of the population that requires this type of service.

**Gustavo Miele:**

Thank you, Jeane, for the answers.

**Mauricio Cepeda, Credit Suisse:**

Good morning, and thank you for taking my question. We do have some questions thinking strategically about the basic business. If you still have room to continue to consolidate the sector and M&A strategy, there is quite a bit of fragmentation in the country, those who cannot follow what you are doing. What do you think about this?

And the main brand Grupo Fleury is a premium brand. You do have companies that co-participate, giving coverage to Fleury. If you could use the platform and enhance the flow of other brands besides that of the Grupo Fleury.

And I would like to speak about diversification. If, in fact, telemedicine will be the driver of this diversification, if this is the main vector for the platform, how are you going to get organized in terms of business units going forward? Because you have very different businesses in hands. Thank you.

**Fernando Leão:**

Thank you for the question. I will refer to the M&A question, and then Jeane will continue to respond to your questions. When it comes to the M&A, we are continuing on with that. We do have significant appetite for that, and we are looking not necessarily only in the diagnostic market. Of course, we are also looking at additional markets where we have had this growth in other specialties.

Yes, there is quite a bit of space, going back to your question. There are very relevant markets in the country where we still do not have a foothold. And of course, this is one of our priorities to look upon M&As. And there are other timely opportunities in other markets as well with the possibility of once again beginning our presence there.

The pipeline is quite robust. The team has considerably increased its capacity to analyze and conduct M&A processes. From the financial viewpoint, the Company is extremely well prepared for this journey of growth through mergers and acquisitions. We have very robust results, a very healthy cash generation and a leverage and indebtedness that are both very comfortable, which gives us room to look at several different alternatives, not only in the diagnostic market, but in the other fronts of new services that we are launching.

Jeane, would you like to complement this?

**Jenae Tsutsui:**

Yes, Fernando. Thank you for the questions. You bring out very important themes. The first topic that I would like to highlight is that last year, during the very difficult year that we went through, we saw that health became more valued by everybody. We have data that says that even though we have an increase of unemployment in the country, unfortunately, we have also had an increase in the number of beneficiaries in health plans.

And we see this deployment that shows that people are valuing their health ever more. We have had an increasing number of beneficiaries of access to our brands.

Doubtlessly, sustainability is a very important factor, and if we offer solutions that will truly fulfill the needs of the clients, the patients, the physicians, and if we have greater efficiency in the sector, we will continue to grow with our present day businesses, the businesses that presently are positioned in the premium, middle and upper levels.

What you asked about the platform is very interesting. What is important for us is to have an individual connected to our system that fulfill all of their needs constantly. All of the health exam results can be put in the platform, all of the health needs can be put there, and then these individuals will be part of an ecosystem.

The platform ends up helping us in caring for our health in this way. There are people who truly trust our brand to do this. And this, of course, is highly relevant. We have that intimacy to care for the health of all.

And without a doubt, this is the vision that we have that we are going to grow through new businesses. We are discussing that view of having business units because, yes, they are somewhat different businesses.

We began with a laboratory, then we went to diagnostic centers, we now have treatment, integrated offers and the platform. And without putting aside the fact that we have other businesses, such as the channel business that has a growth this quarter of 31%. And if we look at the future of precision medicine, this is highly promising.

So very generally, we are quite optimistic with this strategy, and more than a strategy, the execution of the strategy. We have a team ready to execute this strategy.

**Mauricio Cepeda:**

Thank you very much.

**Vinicius Ribeiro, UBS:**

A good day to all of you. Thank you for the questions. My question is very objective. It is a question that I am going to pose in parts. Which has been the behavior of the margins if we compare this with the years 2019 and 2020?

My second question, looking forward, and you have spoken about growth and several strategies, which is the impact of SG&A that we saw in 2020, 2021? Are the savings going to be reinvested? If it makes sense to imagine that the same scenario will be upheld going forward.

**Fernando Leão:**

Vinicius, thank you for the question. Let me begin answering, and then Jeane will add to the response. As you mentioned, we have several moving parts when we look at the Company results, and this is the dynamic, especially revenues. Because of the effects of the pandemic, we will have a considerable impact in all of the references that we had way back until the year 2019. There is a growth curve with periods of instability, of course, impacting the revenues as well.

What I would like to say in terms of margin is that the Company is working very diligently on costs and expenses. Presently, we understand that it is absolutely

necessary to have a core business operation that will deliver relevant results as we continue to grow and gain market. This will enable us to enter a cycle of new investments, whether it is in the digital part in Saúde iD, with new services, with new platforms, so that we can work based on a financial discipline that we have already embarked on.

So we do observe efficiency and productivity gains, and I tend to say that whenever the Company gains a few additional points in growth and revenue, we have that very good role of bringing those additional gains, transforming this in operational leverage. And this is how we have been working.

The second part of your question, regarding new fronts for margins that we may have, or the margin that will come from these new initiatives, each new initiative has a specific level of margin for that business front, for that business unit. Very generally, some will have a higher level of profitability than our business at present, others will have lower margin levels, of course.

But the important message here is that, in acquisitions, we try to have sustainability, and we have an installed base of units that is quite large. And what we are attempting to do is to connect all of this.

That integrated offer of services that we have through a platform will also leverage the growth of these new specialties, these new services. And doubtlessly, this will also contribute to enabling us new possibilities. When we enter a new business, we will not only leverage the business, but also its profitability.

The combined margins of the Group will depend on the speed of each of these movements vis-à-vis what we have going forward. We carried out a relevant acquisition that has brought more than R\$100 million of revenues for the unit, which means that this happened at a very fast pace, and it will have a relevant contribution in terms of the margin, this additionally to what we are offering to the Company's portfolio.

Jeane, if you would like to add to this.

**Jeane Tsutsui:**

I think that the message that we have for the future is that we are going to pursue this growth as we mentioned so far as possible with a great deal of synergy. But, yes, we do need to grow and to build this journey of integrated health care. And in some situations, we are able to grow with lower investments.

If you have many lives connected to a platform, you have a network effect even with other businesses, not only offering our own services, but also offering the services of other parties through our platform.

So we can do this without necessarily having new investments. We become more asset light, but at this point in time, we are still in a phase where we will have to invest, we have to grow. And the efficiency balance, which is what we always look, will come when we are able to attain synergy. The focus now is growth, transformation, digital transformation, and to strengthen the platform strategy ever more.

**Vinicius Ribeiro:**

Thank you for the answers. Thank you very much.

**Gustavo Tiseo, Bradesco:**

Good morning. Thank you for taking my question. We have two. The first refers to the 10% of lives connected to Saúde iD. If you could give us more color if these people have greater engagement. I know that it is very early on, but is there a greater recurrence of primary health care? Are there any signs of this?

And the second question refers to your expansion plan. If there will be an expansion plan more connected to the outpatient plans, or if you will have a long term expansion in the next three or five years to include this in our valuation. Thank you very much.

**Jeane Tsutsui:**

Thank you, Gustavo. When it comes to Saúde iD, we brought you the data of 10% of lives, and through time we observe not only the growth and the lives services vis-à-vis the last quarter, but also greater engagement.

Our goal is to have the individual remaining with us for permanent health care, and if they have the need for other services, that we will be able to offer them. The answer is yes, we not only have had an increase in the number of lives service, but also greater engagement, greater recurrence.

We have 1.8 services per client at present. And another interesting piece of data, although it is modest, is the revenue that comes from diagnostic medicine that allows us to treat the individual at several moments of their health care journey.

When it comes to the expansion plan, as I mentioned, we are thinking of expansions via M&A in the core business or through new businesses. And we do have organic business units that we are going to seek out in those regions where there is room for us to grow more specifically.

**Gustavo:**

Thank you.

**Samuel Alves, BTG Pactual:**

Good morning. Two questions at my end, both referring to Saúde iD. First of all, about the economics on the platform, if you could comment on the revenues for the 1Q. A large part of this came from teleconsultations. We carried out some calculations, and we would simply know if these calculations made sense to see which are the revenues coming from the platform. And what are you going to do so people adopt Saúde iD as your reference platform?

**Jeane Tsutsui:**

Thank you, Samuel. Simply to clarify this, we brought the figure of R\$610 million, but this is the revenue of diagnostic medicine that arise from telemedicine consultations. And it is not 6.1.

Why did we mention 6.1? Because in some cases, the revenue will come only from the telemedicine consultation. And other times, when the individual is already on the platform and requires other services, they will also have that service and the other links.

This is what we want to underscore. As we grow the number of lives on the platform, this individual will increase the number of interactions with us and will receive other services that are not necessarily through telemedicine.

To give you an idea, presently, along with our new businesses, Saúde iD represents 2% of the total revenues of the Fleury Group. What is more important is our ability to give trust to this, not only through an increase in the number of lives, but with revenues that will come from these clients that will remain with us through their lifetime, fulfilling their health care needs. So if we have more lives through time, we will be able to increase our revenues.

**Samuel Alves:**

Thank you. That was very clear. And regarding the second question, about your conversation with the operators?

**Jeane Tsutsui:**

Yes, we have celebrated these conversations, and I think there was a very good acceptance. When we bring about that vision of efficiency, of appropriately using resources on site, I always say that health has several different levels of complexity. If you carry out the proper attention at the appropriate level, you improve the cost, you improve the outcome, and of course, this is good for operators in general.

And this is what we are speaking about. We have worked much more closely with operators to offer integrated solutions, and this has been very positive.

**Samuel Alves:**

Thank you very much.

**Operator:**

At this point, we will end the question and answer session. We will return the floor to Mrs. Tsutsui for the closing remarks.

**Jeane Tsutsui:**

I would like to thank all of you for your participation in our earnings result call for the 1Q21 and your interaction.

We are beginning a new cycle that will have as its main vector an increase in the speed of growth, and the leverage will be expanding the number of lives that we serve, intensifying acquisitions and speeding up our digital transformation even more, with integrated services as part of our health platform strategy.

You can be sure that we will be ever more a relevant Company that is present in the day to day well-being and health of people, as well as focusing on the sustainability of health care in our country.

We have a differential in the market, which is the trust of all of the health care operators. We are the preferred group for clients and physicians.

Me, Fernando Leão and the IR team are at your entire disposal. You can always count upon us. Have a very good day, and thank you very much again for your participation.

**Operator:**

The Grupo Fleury conference call ends here. We thank all of you for your participation. Have a good day.

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