

**Operator:**

Good morning, ladies and gentlemen, and thank you for holding. Welcome to the Grupo Fleury conference call referring to the results for the 4Q20. We have with us today Mr. Carlos Marinelli, the Company's CEO; and Fernando Leão, the CFO, Legal and IR Officer.

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

This event is also being broadcast simultaneously by 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 is also available. 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 participants of the webcast that they can post their questions through the website. Before proceeding, we would like to clarify that forward-looking statements made during the conference call referring to the Grupo Fleury business outlook, projections, operational goals and financial goals are based on beliefs and premises of the Company management as well as on information currently available to the Fleury Group. These forward-looking statements are no guarantee of performance as they involve risks, uncertainties and premises as they refer to future events, and therefore may not occur in the future. Investors and analysts should understand that general conditions, sectoral conditions and other operational 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.

I would now like to give the floor over to Mr. Carlos Marinelli, who will make the presentation. You may proceed, sir.

**Carlos Marinelli:**

Good day. Welcome to the conference call for 4Q20 and full year. We ended the 4Q reaching a mark never reached in our almost 95 years of history, R\$1 billion in gross revenue, an increase of 28.5% vis-à-vis the same period 2019.

Other indicators reinforce that the Company definitely surpassed the challenges imposed by the COVID-19 pandemic. Recurring EBITDA reached R\$308.6 million, 36% more than in the same period of 2019. And recurring net income totaled R\$155.5 million, 177% more than in the 4Q19.

These expressive numbers are not just a historic achievement, but above all, the confirmation that we are on the right track in our goal of becoming an ever more health care company which invests heavily in technology to create innovative product offerings and health services for both individuals and companies, and able to take advantage of these skills to take new leads of growth in the future.

The Fleury Group, which in the past was a diagnostic medicine company, has transformed itself into a powerful health care ecosystem integrated with health techs

and companies and present in the digital and physical environment. We never before have we created and occupied so many new growth avenues.

One of the most promising concerns the provision of telemedicine services begun in April 2020 with an exponential growth. We ended the year with almost 200,000 appointments scheduled. Half of these happened in the 4Q. A significant portion of the patients who experienced this type of health care have already had new consultation, 31.6% of the total.

Due to this growing volume, last November, we added a team of 100 nursing professionals to the team of 370 doctors that service our patients. This team of nurses was able to resolve 30% of the cases treated and better direct teleconsultations, contributing to the quality and scalability of the service.

Projections for the growth of telemedicine in the leading countries are enormous. In China, telemedicine services are expected to handle more than US\$54 billion in 2025, a sevenfold growth compared to 2020. In the U.S., this market is forecast to move US\$35 billion in 2025 vis-à-vis US\$15 billion in 2020.

Due to the Brazilian characteristics, the telemedicine market should present an intense growth curve in coming years. The new health care consumption habits and our ability to identify and respond to them quickly have made us also move forward in client home service.

In the 4Q, this type of service represented 7.4% of gross revenue, doubling in size compared to the same period in 2019. The advancement of telemedicine and client home service shows that customers increasingly want to take lead in their own health care and consume services in a hybrid way, not only personally but remotely. We are convinced that this behavior will intensify going forward.

Because of this, a significant part of our efforts in 2020 was to develop the necessary skills to face up to this model. In our view of the health care of the future, more important than opening patient service units will be our ability to integrate user data and make offers where consumers are able to enjoy all of the benefits of our multichannel.

This last year, we made a great step when we launched Saúde iD, a pioneer digital platform which was born with 7 million lives. In the first phase, this market was only B2B and available to operators and companies. From the beginning, one of the questions we heard most was when there would be a B2C version.

The answer came in February of this year where we launched subscription services directly for the final consumer. This initiative represents access to quality health care for people who do not have a health care plan, almost 75% of the Brazilian population. In our view, Saúde iD will consolidate as a health care hub with products and services, packages that may include telemedicine, diagnostic tests, drug discounts and other offers included in the platform.

In the 4Q, we announced 2 new acquisitions. One was the Pacaembu infusion center, with 6 service units in the city of São Paulo, which adds to the successful experience with our own infusion center that we opened in 2019.

The other acquisition was 80% of the traditional Moacir Cunha ophthalmologic clinic. Ophthalmology is a specialty with increasing demand in Brazil, thanks to its strong correlation with the aging of the population.

Now this is an example of end-to-end surgery solution, which works in clinical consultations, diagnostic tests, always offering a complete proposal in the outpatient setting. We are also expanding organically to new links in the health care value chain.

In December, we launched the Sommos DNA genetic testing platform that allows individuals through genetic mapping to engage in the prevention of potential hereditary diseases. In the same month, we started the operations of Pupilla, a platform of medical education developed to transmit knowledge digitally and with high quality for students, residents and specialists who wish to update themselves and go deeper into the most modern medical knowledge.

A few days ago, we announced the opening of the Fleury Reproductive Medicine Center to serve the growing number of women who postponed the decision to have children. This center complements the services we already offer for women's health care.

These initiatives are added to others such as Day Clinic for performing low and medium complexity orthopedic surgeries that we began 2 years ago. All of them are connected with our mission of providing increasingly complete and integrated solutions for the management of people's health and well-being.

And all of these can be included in Saúde iD. We are opening up so many new growth fronts that we cannot lose focus, no. What we are doing is using technology and investing in new fronts to expand our concept on health and to be able to offer individuals and companies full solution.

It is precisely because of this, that we are a company with a medical origin, that we have the legitimacy to integrate what today is only available in a fragmented way. The B2C launch of Saúde iD is another step of the Fleury Group and its mission to democratize access to health care.

We want to contribute to the sustainability in accordance with ESG principles. Just as we lead the digital transformation in the health care industry, we are leading the ESG transformation.

At Fleury's Investor Day held in December 2020, we announced 3 other initiatives that prove our pioneering spirit in this field. One is the creation of an exclusive committee to monitor the Company's ESG agenda. We will be one of the few companies to link sustainability goal to executive's variable compensation.

Finally, we announced a project to use solar energy to supply part of the Group's 117 units in São Paulo and Rio de Janeiro. Beginning in the second half of this year, we will use 100% clean energy, avoiding the emission of 7,000 CO2 tons annually, equivalent to planting almost 47,000 trees while we reduce consumption cost.

We did all of this actively exercising our social role on several fronts. During the COVID-19 pandemic, we participated in epidemiological research. We collaborated

with the development of the Oxford vaccine and made our medical knowledge available to society to respond to questions about the disease and guide the population.

All of these efforts in the ESG field have been acknowledged internationally. In December 2020, Grupo Fleury became part of the Dow Jones Sustainability Index in the emerging markets portfolio. The list includes 100 companies, only 9 of which are Brazilian. Fleury is the only health care sector company in the Americas included in this index.

In February, we were included in the Sustainability Yearbook of 2021, which selected 600 companies from around the world among 7,000 that were analyzed. Fleury is the only non-American company to be included in the category of health care and service providers.

We cannot end this comment without thanking our 11,000 employees and 3,000 physicians. Our people and our essence are responsible for having managed to overcome such a challenging year. It is with this team, this culture and the foundation we have built in the last month that we will take another leap in 2021 and transform health care through the intensive use of technology with the creation of excellent medical offerings in scale and an access never seen before.

I would now like to give the floor to Fernando Leão, who will continue the presentation. I will be available at the end for questions and answers.

**Fernando Leão:**

Thank you, Carlos. A good day to all of you. I will continue on with the presentation with the results of the 4Q. On slide number 4, we show you the consolidated gross revenue.

Total gross revenue reached a new record in the 4Q, obtaining R\$1 billion with significant growth of 28.5% vis-à-vis the 4Q19. In the quarter, the patient service units had a growth of 26.2%, and B2B, a growth of 40.7%. In 2020, the growth was 2.1% with a reduction of only 0.3% of PSCs and an expansion of 15% in B2B operations.

In the next slide, number 5, at the top, we show you the monthly evolution of revenues in the 4Q20 vis-à-vis the 4Q19. The resumption of elected exams in the PSCs that happened in the 3Q was maintained at high levels during the entire 4Q, accelerating further in the month of December when it reached a growth of 45.2% vis-à-vis December 2019.

During the quarter, the growth was of 26.2% when compared to the previous year. Now this trend was even stronger in B2B with a growth of 59.2% of gross revenue in December and 40.7% for the quarter. This reflects an increase in the number of elective procedures and the contribution of COVID-19 tests in hospitals and reference laboratories.

The lower graph shows you the share of the COVID-19 tests and the results. Because of an increase in the number of cases recorded in November, we had a relevant volume of exams in the quarter. We carried out more than 750,000 tests. The share of the tests in RT-PCR and serology represented 11.1% of the Group's consolidated revenues compared to 10.7% and 17.3% recorded in the third and 2Qs, respectively. At the Patient Service Centers, the share was 8.2%; and B2B, 24.4%.

We now go on to slide number 6 where we see in greater detail the performance of our brand portfolio. To the left, we see the vision of the quarter. The gross revenue for Patient Service Centers had a growth of 22.6% and 26.2% organically. In the quarter, all of the Company brands had a significant growth, with a highlight for the Fleury and a+ São Paulo brand with an expansion of 24% and 20.9%, respectively.

Regional brands also had a strong expansion of 61.3%, a relevant part due to the acquisitions that we carried out. The brands in Rio de Janeiro had a growth of 17.1% for the quarter. To the right, we observe the performance of the brands in 2020, where the Patient Service Centers had a retraction of 0.3% only.

In slide number 7, we highlight cancellations and revenue. We attained a mark of 1% for the quarter for cancellation and 1.1% for the year, a reduction of 36 and 22 basis points, respectively.

At the right of the slide, the net revenue had a growth of 28.9% in the 4Q20, totaling R\$928 million. And for the entire year, R\$3 billion with a growth of 2.3%.

In the next slides, we will speak about the main financial indicators. And since the first quarter of 2020, all the figures are according to IFRS lease, except when indicated. The figures presented compared to 2019 are on the same base of comparison.

In the next slide, number 8, we highlight the evolution of costs and operating expenses. To the left, you can observe that we had an increase of 22.7% in costs for the quarter. This is due mainly to costs with direct material, the intermediation of exams, and costs with the acquisition of products for the COVID-19 tests and PPE for the servicing unit. Staff and medical service costs, for example, had an increase of 6.7%, representing 30.1% of net revenues, a reduction of 600 basis points vis-à-vis the same prior period.

To the right of the slide, we present the operating expenses. During this quarter, we had an increase of 26.5%. If we consider only recurring operating expenses, the increase was 14%. The increase is due mainly to expenses referring to the health platform and new businesses. This quarter, we still had nonrecurring expenses relating to a provision for contingencies because of the judicial decision referring to ICMS for the import of equipment between the years 2012 and 2019 for the state of São Paulo. In 2020, cost had an increase of 7.1%, and operating expenses, a growth of 1.3%.

We go on to slide number 9, where we observed that EBITDA reached R\$291 million in the quarter, a growth of 58.2% with a margin of 32.1%, 503 basis points higher than in the 4Q19. If we exclude the nonrecurring effects, EBITDA totaled R\$308.6 million in the 4Q with a recurring margin of 33.3%. In the graph to the right, we have the accrued growth of EBITDA that totaled R\$847 million, a reduction of 4.9% vis-à-vis 2019 with a margin of 28.2%. We exclude nonrecurring events and EBITDA, and 2020 had a recurring margin of 28%.

In slide number 10, net income for the period reached R\$139.5 million, a growth of 148% vis-à-vis the same period 2019. Net margin was 15% when compared to 7.8% of the 4Q19. If we exclude nonrecurring effects, this totaled R\$155.5 million with a recurring margin of 16.8%. In the graph to the right, we have an accrued comparison of net income totaling R\$325 million and a margin of 11.2%. If we exclude nonrecurring

effects, net income totaled R\$273 million for the year 2020 with a recurring margin of 9.2%.

In the next slide, number 11, we show you the operating cash flow, which recorded R\$272.3 million for the quarter, an increase of 33%, mainly impacted by the strong EBITDA growth for the period. Working capital and accounts receivable had a relevant impact because of the strong growth of revenues during the quarter, especially what we observed in December.

For the year 2020, operating cash flow reached R\$647.1 million, a reduction of 11.3%, impacted by a drop of EBITDA vis-à-vis the year 2019. To the right, CAPEX for the 4Q totaled R\$75.4 million with a drop of 3.1%. In 2020, CAPEX reached R\$207.8 million.

We go on to slide number 12, where we have ROIC and Net Promoter Score. So as to not impact comparability, we reached 32.4% in the 4Q20. If we exclude nonrecurring events, it reached 35.2%. To the right, we show you the behavior of the Net Promoter Score that reached 70.4%, impacted by the strong demand for the period.

In the next slide, number 13, we have more details on the notification made to shareholders yesterday. The Board of Directors approved the distribution of dividends for R\$156.8 million, equivalent to R\$0.49 per share. With this payout, we totaled R\$231.3 million paid out based on the 2020 profit, representing R\$0.73 per share, a payout of 90% and a dividend yield of 2.7%.

On slide 14, we include the events that have already been confirmed for the market. At this point, we will go on to the question-and-answer session, and we would like to thank you for your attention.

**Fred Mendes, Bradesco:**

A good day to all of you and thank you for the call. I do have 2 questions. The first, you had a very strong increase in volume, especially in the month of December, at the end of the quarter. Could you speak about what is happening with this trend? Will this trend remain at the beginning of the year 2021? My second question, I would like to better understand the genome segment. You have had some growth this year.

And I would like to have a better idea of the margins of the Company with the new projects and with the Sommos DNA, if you're expecting significant growth for the year 2021.

**Carlos Marinelli:**

Fred, thank you for your question. Regarding the growth that you mentioned in December, we did see this happening in the 4Q. Without a doubt, we have a situation which is quite obvious and quite outstanding. When we see the movement of 2020, as you were able to see in our results, we had a drop in the 2Q and a resumption that began in the 3Q and consolidated in the 4Q.

We saw a highlight in terms of revenues of more than R\$1 billion in terms of gross revenue. What we observed at the beginning of the year is a strong revenue as well. I would like to remind you that we had periods that from the viewpoint of the calendar year were very different from the usual.

At the beginning of the year, we had a decrease in pace, but because of what was caused by the pandemic, social distancing and restrictions, we were faced with a new dynamic. Especially if we think that health is a priority, for people to take care of yourself, to take care of those you care for, ended up being a significant priority at the end of the year and has been at the beginning of 2021.

And speaking in terms of the calendar year, we had the issue of Carnival that was not held. It simply was not held. We did not have the Carnival feasting. All of the movements and traveling were limited.

And of course, people continued this to continue to take care of themselves, and well, simply to remain healthier because of an issue of resistance, and we see that this is ever more in the mindset of people, of remaining healthy, of not falling ill.

Day after day in the pandemic, unfortunately, what we have seen is news of a steep growth in the occupation of health center and hospitals, and of course, this is a warning. And people are going to continue ever more to remain healthy.

When it comes to the issue of the 4Q and the beginning of this year, there's a very important point that I would like to underscore. There was an increase in demand. What is important to highlight, and this is something that makes me very proud of the Company, is our capacity to execute.

This is very important. We are speaking about record volumes, record revenues within multifold limitations and conditions which are not our normal or traditional conditions. So within those limitations, we have to have an incredible capacity for execution. We have social distancing, protection measures, a limitation in terms of the occupation of spaces by clients and associates, and we have had to be very flexible. We did this during the year 2020.

And in the 4Q, going forward, we began to do this very consistently, make the most of this productive capacity of our organization to deliver differentiated services.

I do apologize, I had a minor technical problem, but we are back. I don't know if you were able to listen to my answer.

**Fred Mendes:**

You stopped when you were speaking about the trends and how the calendar year has been helping you because of the lack of traveling and much more. We can resume from there.

**Carlos Marinelli:**

We have a calendar year that was extremely different in 2020. Because of the situation faced by the population in Christmas at the end of the year, many people stopped traveling or moving around. And we saw this happening again in 2021.

And during Carnival, Carnival was not exactly the holiday that we are used to having. There was a limitation in traveling and an absence of feasting. In terms of the calendar year, therefore, we have had some benefits in 2020 as well as in 2021.

As I mentioned previously, what we have is an intensification, people taking care of themselves, attempting to remain healthy. With any minor sign, they will seek out a physician or guidance to identify if there's something related to COVID-19. And in a health care context, it is very favorable because of the demand for services, and has been favorable in this last calendar year if we look at the demand.

And this is where we have our business, and we also have a great deal of awareness about the issue of health, the health ability of people that naturally leads them to looking for health services.

Always, people want to avoid hospitals. They don't want to fall ill. They don't want to get contaminated, but they do want to remain healthy. They remain at home. They go to laboratories. They carry out telemedicine consultations. And this is something that we see remaining throughout 2021. And of course, this will tend to increase our volumes.

I remember the second question, which refers to Genomic. We were expecting a greater growth in the field of genomic. And Genomic was also acceptable during the pandemic.

We had a growth in the second semester. It took some time before resuming. It came back after the test, but it was a good year for personalized and precision medicine, nevertheless.

This is something where there is no going back. Genomic and precision medicine will grow. They will grow exponentially, and we do have some pillars so that this will be a significant area for the Company.

What is important first and foremost is the future. We are working ever more with precision medicine to have better results for individuals and for doctors when they look for treatments and otherwise.

And with these greater volumes and with greater access to technology, we continue to reduce the cost of genomic exams and personalized medicine. And this enables us to have greater access to the population at large.

In Sommos DNA, we work with 2 aspects. We have greater access to the individual. The individual no longer needs a medical prescription to carry out these exams. They can actively look for what is happening to know more about their health and have consultancy with a professional, all of this done digitally. And we are thinking about the new technologies that are coming about.

In terms of personalized medicine, we have a part that is very important in terms of sequencing. And globally, we are connected with the main sources of knowledge and technology throughout the world to bring down sequencing technologies and to be able to identify more products and solutions that will aid in the sequencing and offer better services, a more precise diagnosis and a treatment and referral based on each individual.

Therefore, genomic and precision medicine continues to be a very strong leverage for the Group.

**Fred Mendes:**

Thank you very much, Carlos. It was a very clear answer.

**Eugênia Cavalheiro, JPMorgan:**

A good day to you. I hope you are all well, and thank you for the very strong results. And we see that we are having ever more normal trends. I would like to gain an understanding of what you believe in terms of the repressed demand, what will happen this semester, and what will be resumed or not. Another point that refers to the part of diagnosis, how all of your other services have performed during the pandemic. We saw that there was a certain fluctuation among some of the procedures. So what is happening in terms of your other services?

**Carlos Marinelli:**

Thank you, Eugenia. When it comes to the theme of demand, it's very difficult not to foresee a return of frequency. This return of frequency works along with repressed demand. You return to a normal demand, of course, you will eliminate the repressed demand.

We have attempted to understand these figures during the entire year of 2020, and we had a very strong performance in the 4Q. When we carry out our proxies, we see that the behavior continues to be different from the usual behavior. We see a mix of exams that is different, a recurrent behavior that tends to be different. We see, of course, some elements that have undergone change.

And if you try to isolate them simply because of the pandemic, you may wait for them to pass and they will not necessarily pass. So we are attempting to once again understand the demand, trying to see which is the behavior of the user because we see that people are actively seeking out health care services.

They are trying to remain healthy within a context where they would like to avoid possible origins for more fragile health of any nature, not only in terms of respiratory diseases, but as a whole, because they understand that to remain healthy will enable them to have a better forecast and continue on. We see this new awareness that is coming on very strong in the mindset of people.

At the same time, we are also aware of the fact that we are faced with a repressed demand. There has been a reduction in this repressed demand. And we are going to be working at another level. There is this different behavior. There continues to be demand, and we are following up on this.

What we have begun to do is set up a new normalcy compared to the past. We haven't had sufficient time of analysis to be able to come to a firm conclusion. But this is the behavior that we observed.

And this change of behavior is based on multiple variables. We are very attentive in terms of figures and models. We are trying to project the supply and demand of our

services. But there are still some variables that we are seeking out, as well as models. The frequency has returned. But once again, the behavior has changed.

When it comes to the other fronts, the other services, it is doubtless that we believe that everything that we have created of finding that room where we can reestablish our differential in day care, in infusions, in sequencing where eminently, this is a laboratory service, and we are not speaking about surgeries, for example, but most of this is happening in laboratory environments.

A short time ago, we launched Fleury Fertility, which speaks about that issue of delayed maternity. And we are finding these spaces initially. And based on this, we also have telemedicine that has reached more than 200,000 consultations. We are finding these spaces.

We are acquiring knowledge to become ever more competent. We are also using technology, especially with the part of infusion. And we are increasing our capacity through technology to connect to each of these and ensure that they will be functional. We are already working on the following: the potential to integrate information, the potential for connection, how all of this will create an environment of experience basically within a laboratory environment, both digitally and physically so that we can unleash the value of the health care sector. We are creating new spaces.

We are establishing these connections, understanding the potential that all of this has to be able to unharness the potential that we could have in the health care area, once again, to unlock the value that we have in this strategy.

And this is what we are seeking at present and what we will seek for during 2021, always based on technology but not forgetting that health is not only technology, that we need the touch. And so we are working with that strategy as well. I hope to have responded to your question.

**Eugênia Cavalheiro:**

Yes, you have. Thank you very much, Carlos.

**Emerson Vieira, Itaú:**

A good day to all of you. I have 2 very quick questions. The first refers to the penetration that you had this quarter. But if we look at your performance quarter-on-quarter, there was a drop of 8% in revenue. I would like to understand if this is due to a sort of cannibalization of clients entering other channels. If that is the reason, what do you expect from this front? And how can you contribute towards having new customers, especially in those new cities where you have had growth?

And my second question refers to new avenues or sources of revenue. In 2021 and going forward, the idea is to go deeper into the vertical ophthalmology, reproduction infusion, or can we also expect that other verticals will be built around the core business that you have. These are my 2 questions.

**Carlos Marinelli:**

Emerson, thank you for the question. I am not sure in which context you made this question of the client home care. In the 3Q, it was 170% vis-à-vis 2019. And in the 4Q, a growth of 98% vis-à-vis 2019. This continues to grow and to grow very strongly. Perhaps there were slight variations, but there has been significant growth.

When we look at the growth of this, it was over 100%. And this allows us to remain very comfortable that we are on the right track. What we observe is the fact that we need room to service clients. We are open 360 days a year, but we used to work in those spaces with technology where people very conveniently can now request home care, they can open their doors with a great deal of confidence in us and allow us to gain this space without being limited to the patient service customers. This has endless potential.

Before, we had a restriction of entering the customers' homes. Well, now the service that we are offering has grown a great deal. And this is one of the great leverage of Fleury, the confidence that it holds among its clients. And we can enter their homes, both digitally and physically, because they trust us.

And of course, this is very important for us. We enhance the space that we have to service clients. We are going to continue working on that client home care. And this will be another avenue of growth.

I am going to apologize. I would like to ask you to please repeat your second question.

**Emerson Vieira:**

Of course. The second question refers to the strategy of diversification. Should we expect that you will go more in-depth in the verticals, infusion, fertility and ophthalmology? Or if we should expect an expansion of other services going forward? If you could give us more color in terms of this, Carlos.

**Carlos Marinelli:**

Of course, Emerson. I think that we have both of these happening. We are going more in depth, and we have an expansion into other specialties. What is the importance of this strategy is that our strategy is for outpatients. In the future, we think that this trend will increase. It is already present, and it will continue to grow. And people have to have access to this very quickly. It has to be close to home, and it has to be something very effective.

And of course, people don't want to expose themselves going to large hospitals or large complexes where more complex procedures are carried out. We think that people will go ever more into these specialties, for example, ophthalmology, as we already have.

A company of our size, with our brand, with our competency, with our history, where we have definitely undergone a transition from being a diagnostic laboratory institution to health in general, well, this means that, of course, we are going to seek out other health specialties with this bias for outpatient services. And this is what we would like to do.

This is what we are doing at present. And this is what we would like to continue to do in the year 2021.

**Emerson Vieira:**

Thank you, Carlos. That was very clear.

**Mauricio Cepeda, Credit Suisse:**

A good morning to all of you, and thank you for taking my question. I also have a question in terms of how you intend to get organized. You are involved in several areas. And of course, you don't want to lose your focus in any of them. So are you going to go deeper into Patient Service Centers? How are you going to report this to the market? And what are you going to do in terms of management and report? What is it that you expect in the future?

**Carlos Marinelli:**

Thank you for the question. Well the evolution is precisely the one that you mentioned. New business units, ensuring that we will have greater disclosure of information and perhaps more granular information so that along with us, you can follow up on your results and so that you can uncover all of the potential that exists in each of these initiatives.

Our strategy represents significant value generation in the future. In the past, well, I have been in the Company for 15 years, and we have had strong results for more than 10 years. We had the IPO in 2009.

And our intention is to offer you more and more information as we go. So this makes sense in terms of our strategy and in terms of our businesses. Internally, we are organized by business units.

We do everything in terms of business units. What is interesting is Saúde iD is part of the Fleury Group, but it has its own management. Ed de Oliveira, who, of course, responds to me, but he has a great deal of independence in terms of specific challenges and how to respond to them. When you look at the Company of the size of Fleury, which is a more mature business in terms of diagnosis, the dynamic may be different.

But within the Company, we have a culture of generating new services, of continuous innovation and integrated health care connected to technology, and this is present at all levels of the Company. The executive director responsible for B2C has under her not only the regional business, but also all of the ophthalmology and infusion businesses. So in-house, this is the way in which we are organized.

And it's a very fluid, very agile way of being organized. It enables us to be in touch with these new challenges. This includes the corporate areas, new businesses, strategy. Very recently, we also launched some work with start-ups with this in mind. And what we want to do ever more is to ensure that this business management is so well connected, so well structured, and that is in accordance with our strategy, that it will enable us to transparently offer you information.

And as I mentioned before, we do want to unleash all of this value that is very intense within the Company. We are going to offer more and more information. We are going to be more connected, but all of this is already happening within the Company.

**Mauricio Cepeda:**

Thank you very much.

**Tobias Stingelin, Citigroup:**

Good afternoon, Carlos. Congratulations for the results. A very quick question, when you begin to have a subscription for Saúde iD, can you already come up with a hypothesis of how this will accelerate? What is happening with your first series of subscription? Of course, it's a little early on, but simply so that we can gain a better understanding.

**Carlos Marinelli:**

Thank you. Yes, it is still very early. We have a positive result in terms of this product. We have a budget that was used more for information to the market than in terms of marketing on the product.

This is a project that we are launching for the first time, and the launch was done very carefully. It still requires a certain evolution. And of course, we will be working more with this as we begin working with the clients.

This is a well-structured product. We have had more than 20,000 accesses to our landing page, and this has a conversion that we deem to be important in terms of registration in our base or subscription. And what we observed day after day makes us very hopeful in terms of this.

We begin to see a better integration. We see that people are speaking about this much more. And we do have a figure in mind that we would like to attain. And eventually, depending on the timing, we would like to carry out a greater survey in terms of the conversion.

Compared to our other figures, of course, the figures are quite small. It doesn't have an enormous financial importance in terms of our figures. But we are doing something we had never done before.

And of course, we are going to gain a great deal of experience. There has been interest. There has been a great deal of access. We are working towards expanding the communication. And during 2021, we do believe that these figures will be relevant, and we will share these experiences with you.

And the same will happen with Sommos DNA and other initiatives, where we are doing something that is quite different and growing a great deal and where we have enormous growth potential. The same applies to Pupilla, which is an education platform for the medical professionals. And we are generating monetary value, but especially knowledge, which is very significant for us.

We began from scratch in terms of telemedicine. That began last year in April. We now have more than 200,000 consultations carried out and a daily volume of users of 2,000 consultations per day.

Unfortunately, during the last few days, the number of consultations has increased, this, of course, due to the problem with COVID-19. We've gone through 370 doctors, 100 nursing professionals, a very robust team. And I don't have the full market statistics, but I have no doubt whatsoever that we are one of the greatest operators of telemedicine in Brazil in operation.

**Tobias Stingelin:**

Simply to complement this. In telemedicine, you did have to invest a great deal, and this is a flow that increased significantly during the pandemic. Now on the third slide, I am trying to understand this business. And I want to know if you're going to begin to invest more on this, because there seems to have been significant acceptance of this.

**Carlos Marinelli:**

That is the issue. The acquisition of the clients is important when this is done in isolation within an operation. Now we do have the intention of working as a start-up in many of these procedures. And the client acquisition is lower because they already have a relationship with an operator because the client is already one of our clients.

And they have to leave that relationship where they depended almost entirely on diagnostic medicine. And we have to expand that relationship to other avenues or other solutions that the client wants and needs. And definitely, this makes us a health care company.

We are capturing new sources of revenue based on the same client using technology and a solution that is superior for the client. Once we integrate this information, once we are integrated to the client, we will have a more sustainable system. We will have more fluid information going through the process.

We will have medical and therapeutic decisions based on better information, and a continuity of health care, with possibilities and convenience for the user making their dependence even greater with the Company. And these are the spaces that we are trying to work with, with the intensive use of technology, once again to unleash this enormous potential that exists to be able to offer this to a greater number of people at a scale that has not been seen before.

Of course, this will require higher investments. We put money in start-ups, and we begin working. And all of this becomes part of our CAPEX or in other areas because we do have changes in operations.

But there should be a very strong growth. Based on the Company numbers, you will see that the Company has been maintained extremely sound from the viewpoint of shareholders. And we are also a benchmark when it comes to returns.

**Tobias Stingelin:**

Thank you very much, Carlos.

**Operator:**

At this point, we would like to conclude the question-and-answer session. We will return the floor to Mr. Marinelli for the closing remarks.

**Carlos Marinelli:**

I would like to thank all of you for accompanying these very good results for the 4Q20. The Company continues to be a sound one. Once again, I would like to thank all of our associates and physicians because they are the ones that delivered these results in the year 2020, oftentimes working with restrictions in terms of space because of the COVID-19 pandemic, but always securely, because this is one of our priorities, and always with the right PPEs.

We truly do want to help others at this point in time, and we are also very interested in opening up this new chapter in terms of ESG, B2C for health, to bring health in terms of excellence and in a greater scale so that it can be accessed by a larger number of people.

And we hope that the year 2021 will be of great significance for the Company. This continuation of digital transformation in health will continue. It will enable us to come closer to ESG. We will be able to work more responsibly, work better in terms of social responsibility. We have a very clear strategy. We have a path that has been clearly chartered. And we have the conviction that we are on the right track.

Health care of excellence, a health care that can be accessed at a greater health, hybrid, digital and physical, that will offer sustainable results to the society. The inclusion of more people in a health care system that can do more with what it has can deliver more.

I would like to conclude by stating that you should continue to take care of yourselves. We are far from seeing the end of the pandemic. The vaccination is not available, at least not at a necessary scale. So please be sure that you continue to take care of yourselves and follow all of the protocols for yourself, for the people that you care for and for all people that deserve this attention.

Thank you very much. Have a very good day. And very soon, we will be presenting the results for the first quarter 2021.

**Operator:**

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

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