

Corporate Presentation

August 2019



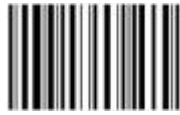
We have a history as an innovative player in several fronts in the healthcare sector

Pioneer in the implementation of automated client service system



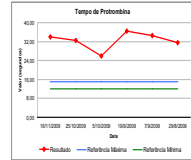
1982

Implementation of barcode system for safer identification of sample



1994

Results of exams with historical data



2004

Knowledge management



2007

Launch of a+ brand



2011

Agreement with Quest diagnostics for mass spectrometry's tests
Partnership with IBM Watson Health for Genomics

2016

Launch of the Care Coordination offering: Primary Care, Drug Infusion and Day Clinic

2018

1983

First exams at the Diagnostic Center. Fleury is the first to offer integrated medicine solutions

1998

First company in the world to publish exam results on the Internet



2005

Diversified check-up



2009

Itaim PSC
Incubator of innovations in client experience
Use of art and culture in service innovation

2015

College of American Pathologist, accreditation for the 4th consecutive time



2017

Launch of the Genomics Portal, consolidating the leading position in the precision and predictive medicine

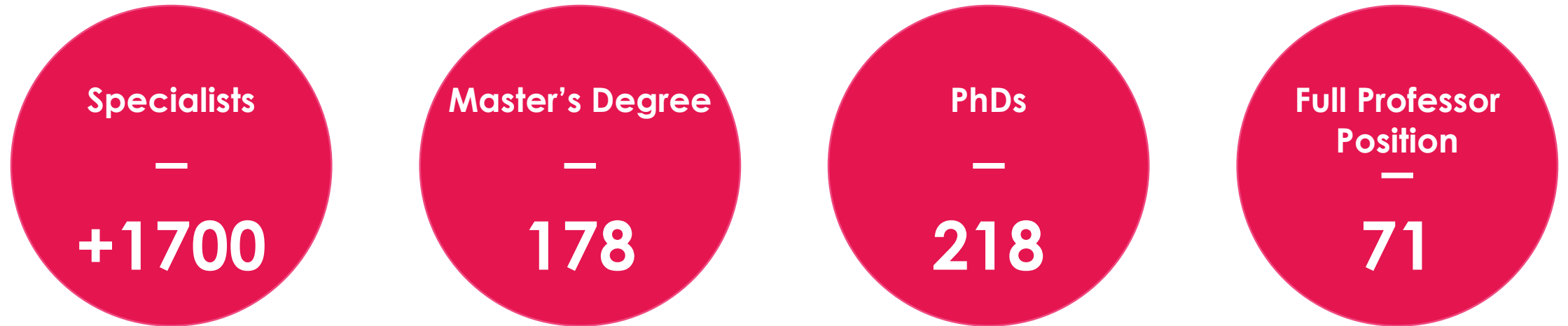


Rigorous Quality Control Process

Main international accreditations and participation in proficiency programs



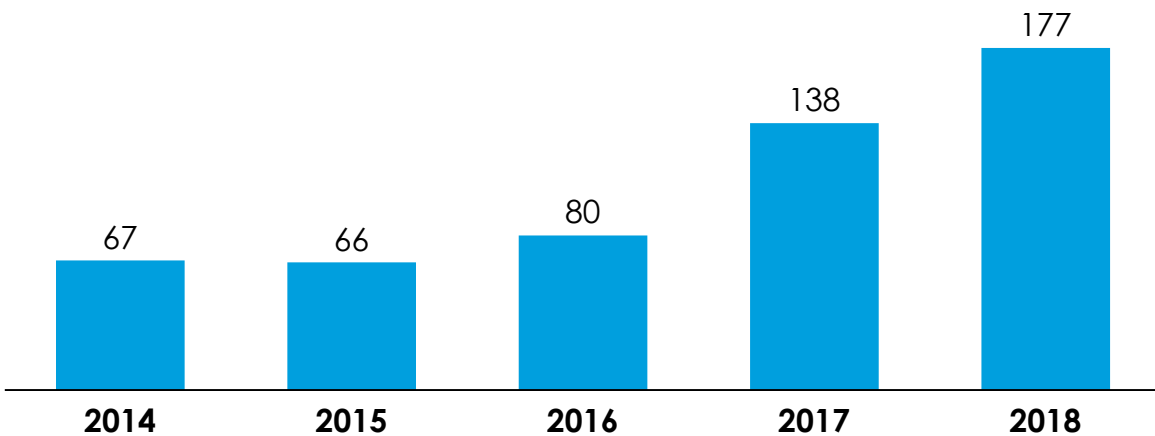
Team of more than 2,200 highly trained Physicians



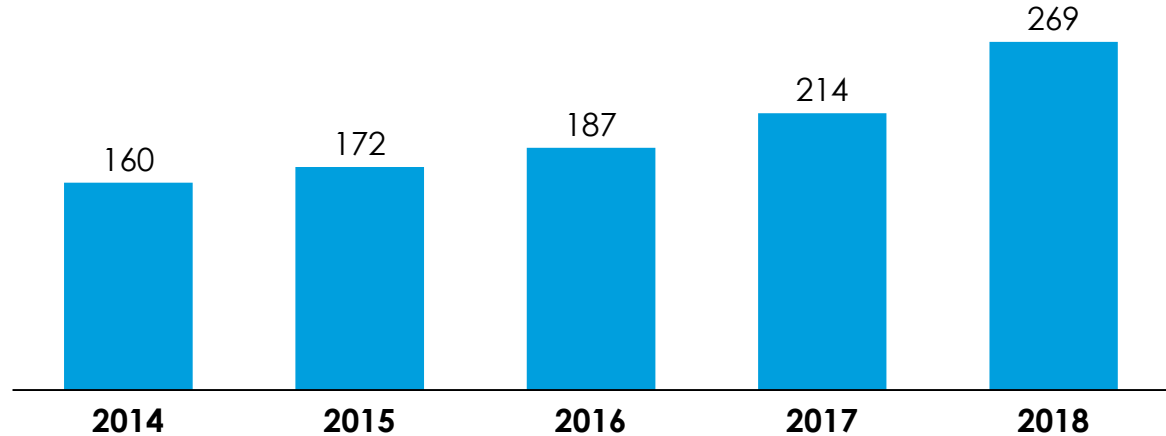
Our knowledge management allows us to create pioneer products and services, with recognized medical quality

- ✦ 21 scientific bulletins
- ✦ 117 medical update meetings
- ✦ 138 articles gathered in the 28th Knowledge Symposium

of New Products

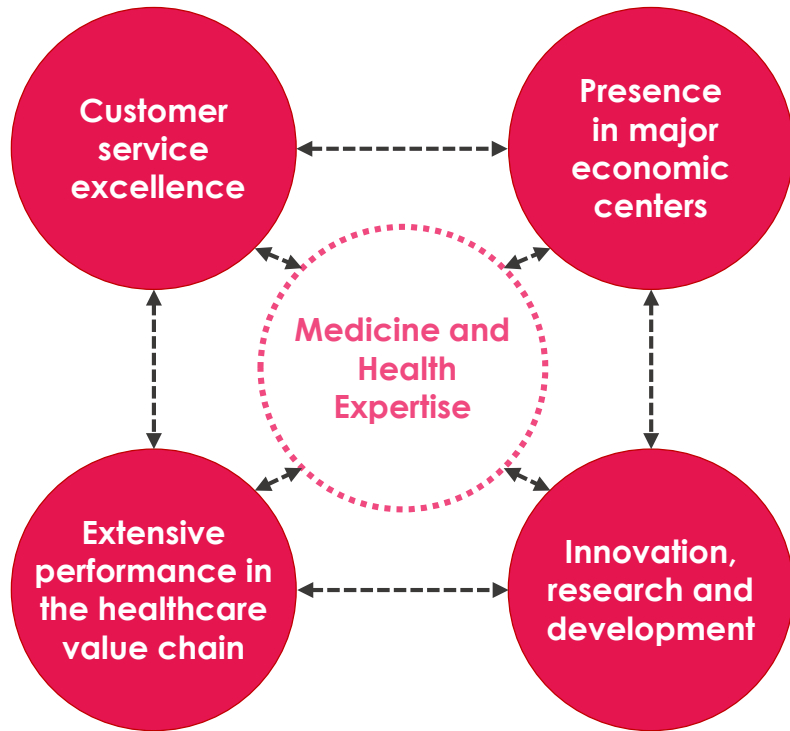


Medical Consultancy Services (in thousands)



Our Identity Pillars Make Us Unique

Competency Map



We are **the best choice** for our clients in each business, segment and geography

Comprehensive and Conclusive Diagnostics

Complete portfolio of exams – 3.5k exams:

Customer Service Excellence

Clinical Analyses



Imaging



Genomics

Reliability

High quality exams:

- State of the art methodologies and technologies.
- Renewed international certifications.
- Highly specialized technical staff to perform exams.
- Physicians trust over the diagnostics.

Integration

Diagnostic Information



Medical Knowledge Management

Integrated information analysis:

We provide several **diagnostic solution products**: Integrated Report, Evolutionary Medical Report, Artificial Intelligence (decision trees), etc.

Operation throughout Brazil consists on three business and service models

Patient Service Centers 84% of Topline

Extensive capillarity with **216 PSCs** in **8 states** corresponding **68% of the Brazilian healthcare market**



Hospitals Operation 15% of Topline

Strong presence in **25 renowned medical centers and hospitals**



Lab to Lab Operation¹ 1% of Topline

Providing **high-complexity tests** for **+600 labs** throughout Brazil



¹ Focus on esoteric tests

Financial and Operating Figures

- ✓ Gross Revenue of **R\$ 2.9 bn** in 2018
- ✓ **Operating cash-flow** generation of **R\$ 702 mm** in 2018
- ✓ In 2018, **EBITDA** of **R\$ 692 mm** and **26.0% margin**
- ✓ **Net Income** of **R\$ 332 mm** in 2018
- ✓ In 2018, **Dividend Distribution** of **R\$ 315 mm**, **Payout** of **95%** and **Dividend Yield** of **4.8%**
- ✓ **ROIC¹ w/o Goodwill** in the LTM of **37.2%**
- ✓ **~3.5 thousand types of exams** in 37 different areas:
 - Clinical Analyses: **71 mm exams**
 - Imaging and others: **5 mm exams**



Patient Service Center
(84% of revenues)



Operations in Hospitals
(15% of revenues)

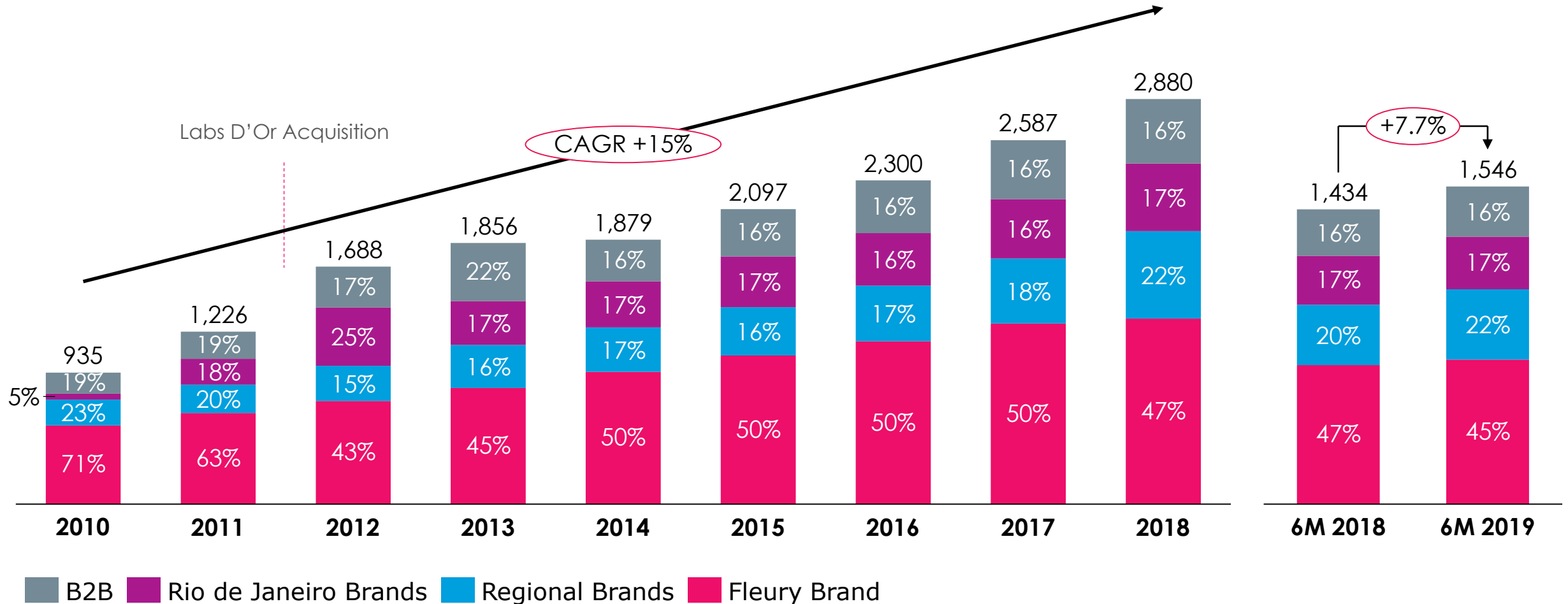


Reference Laboratory
(1% of revenues)

¹ Figures in LTM, except when stated otherwise.

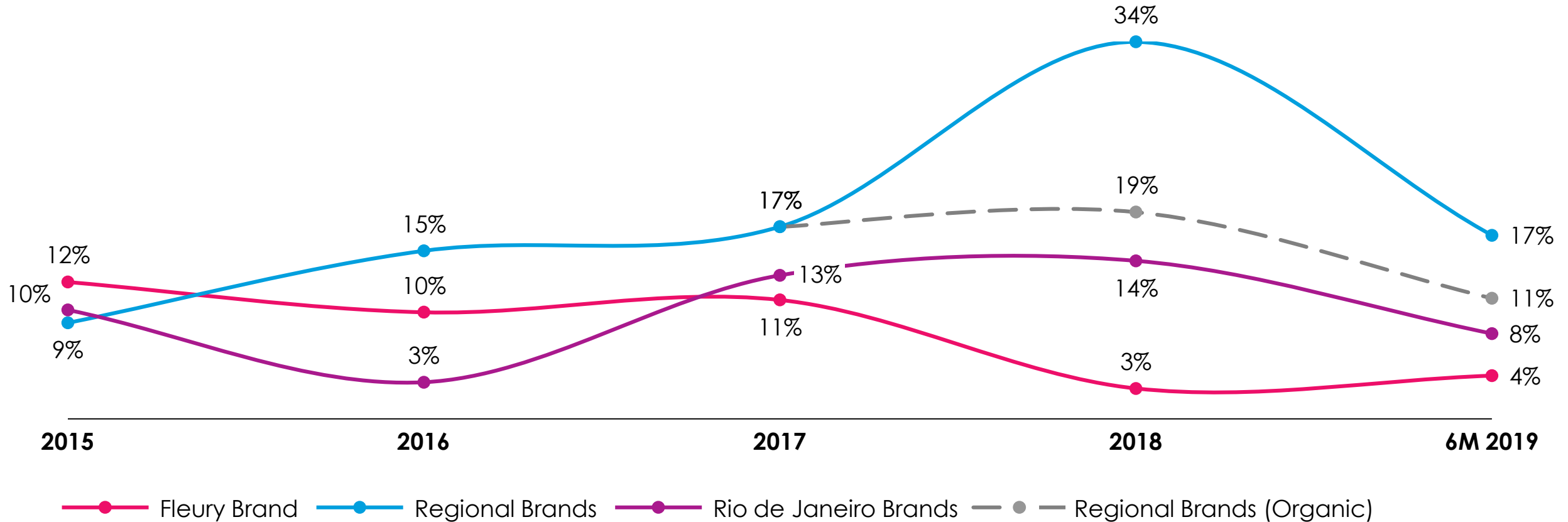
Company's revenue breakdown has changed since 2010

Revenue Breakdown (R\$ MM)



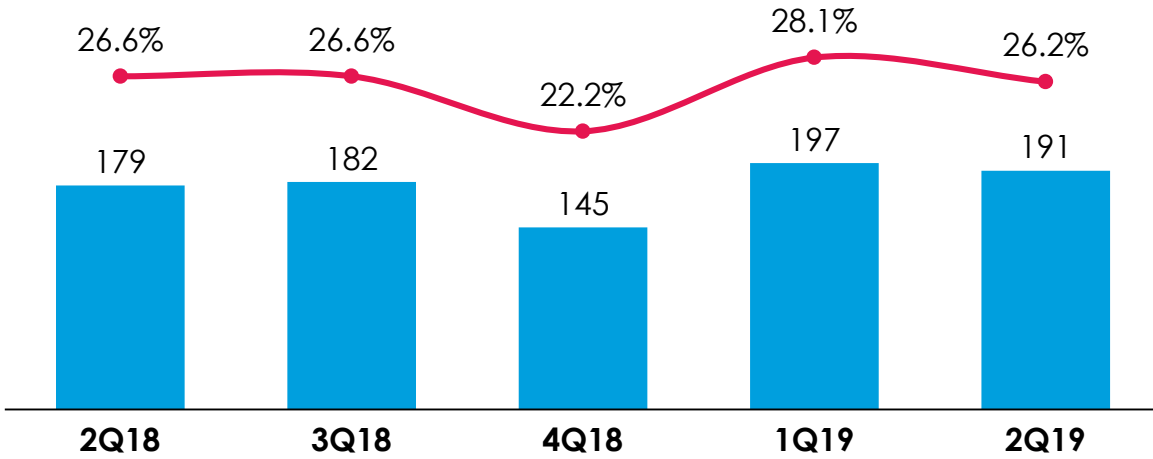
Regional and Rio de Janeiro brands are posting a robust growth

Revenue Growth YoY (%)

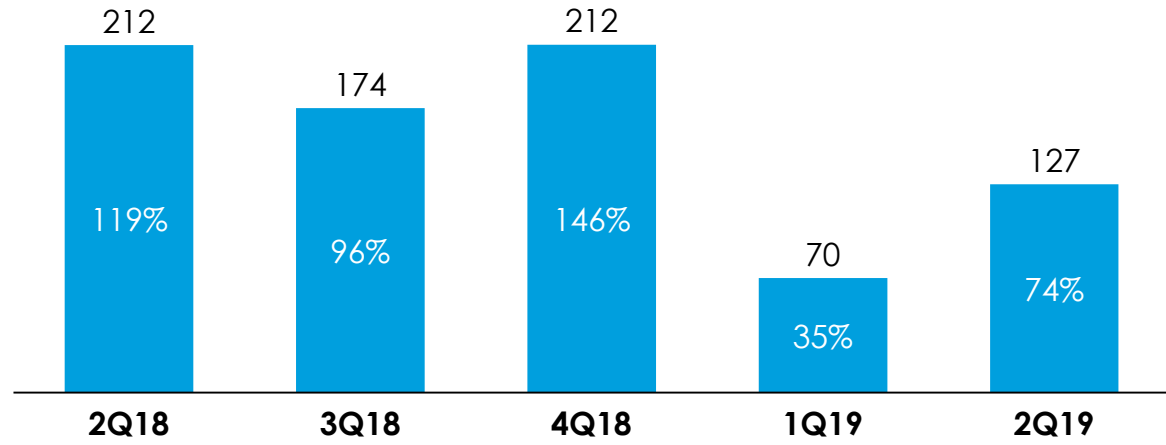


Financial indicators have shown sustainable growth

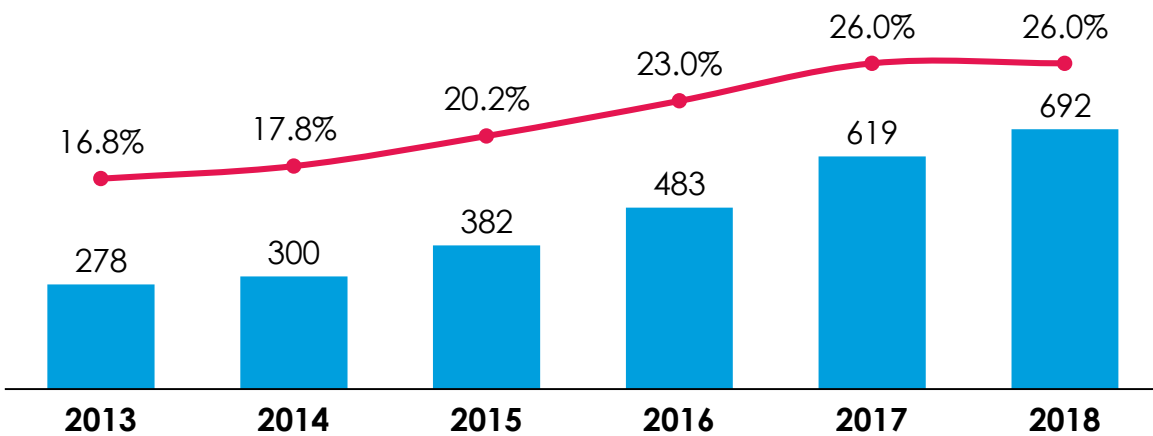
Quarterly EBITDA (R\$ MM) and margin (%)



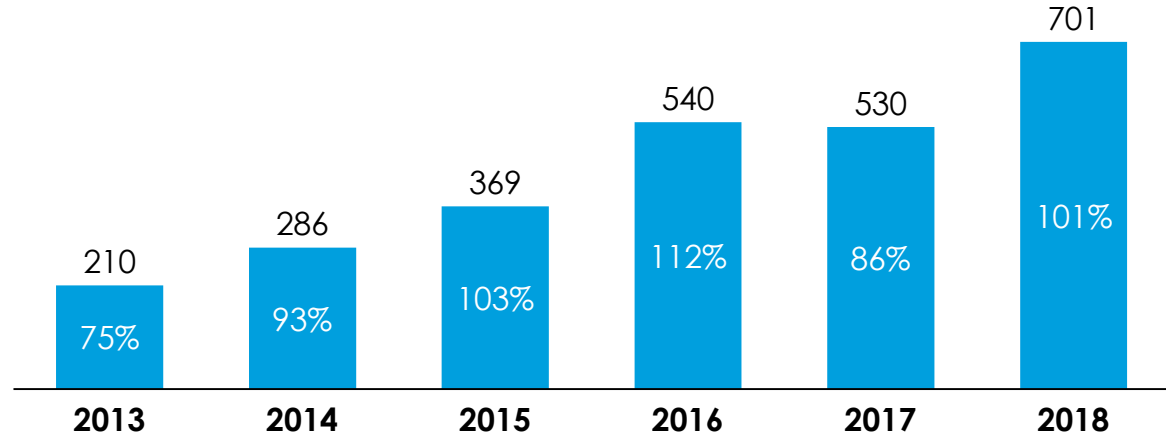
Quarterly Operating Cash Flow (R\$ MM) / EBITDA (%)



Annual EBITDA¹ (R\$ MM) and margin (%)



Annual Operating Cash Flow (R\$ MM) / EBITDA (%)



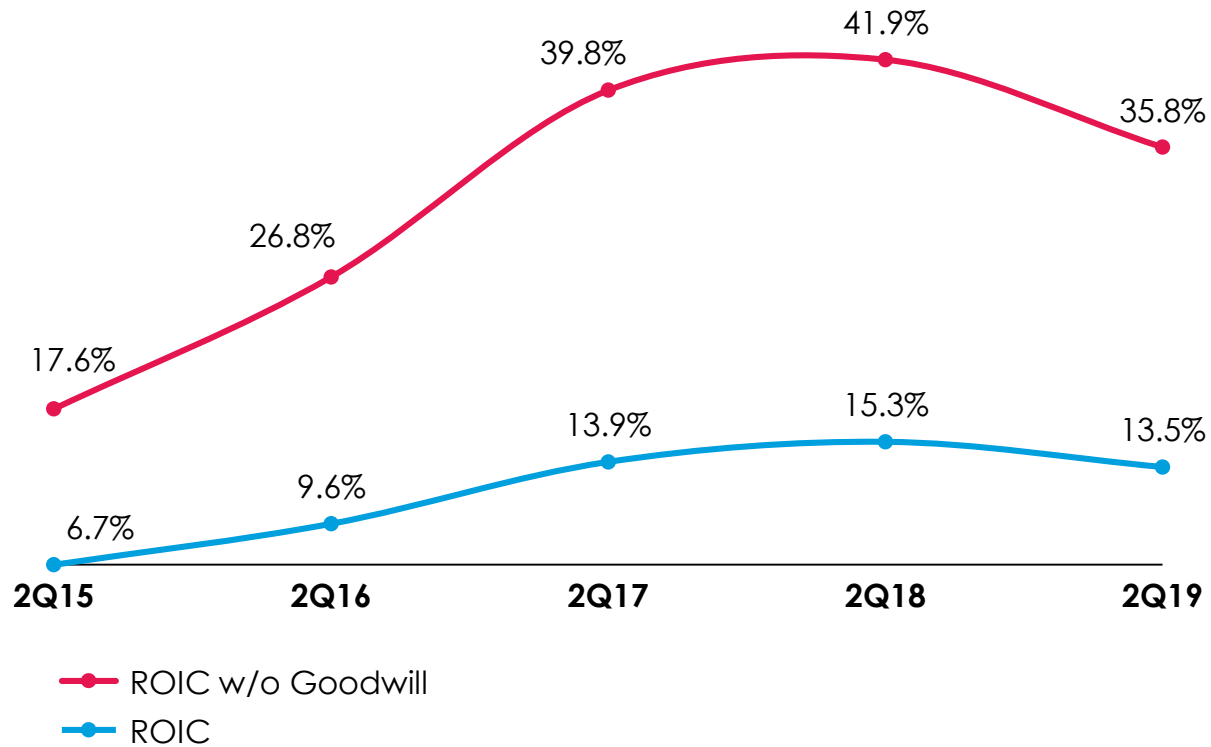
¹ EBITDA adjusted in 2015 and 2014 excluding non recurring.

Cash Flow Statement

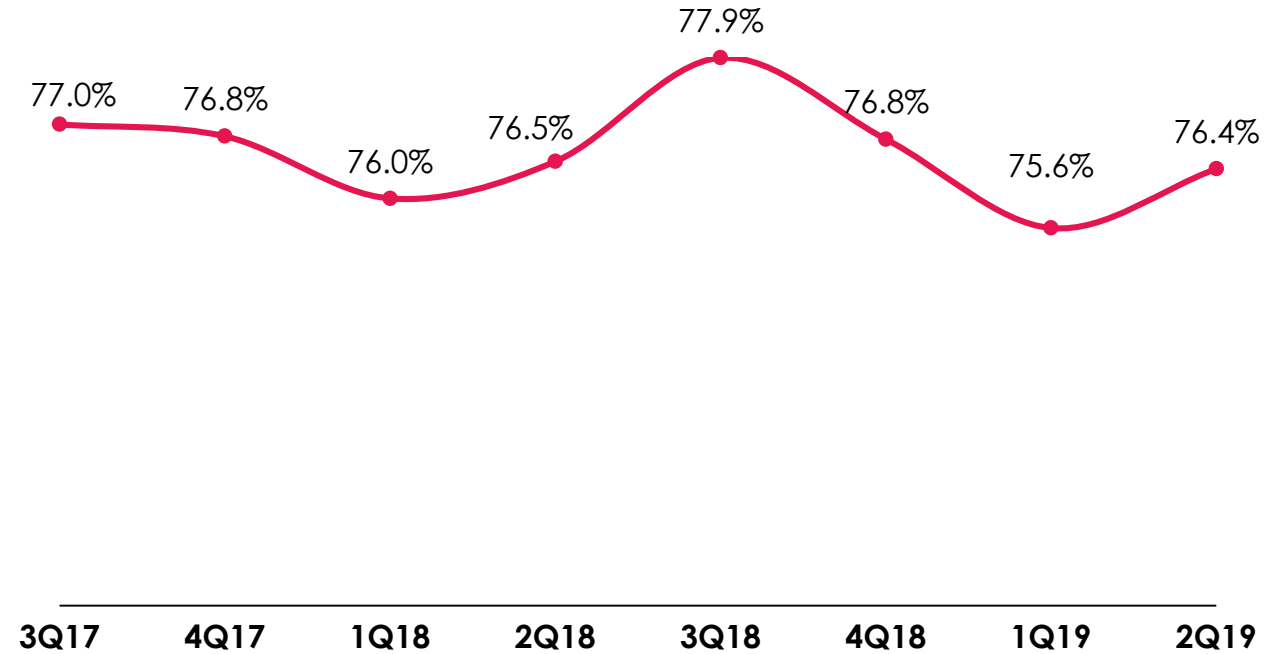
Cash Flow (R\$ MM)	6M 2019	6M 2018	▲ %	2018	2017	▲ %
EBITDA	369	365	1%	692	619	12%
Provisions (reversions)	39	44	-10%	78	83	-5%
Income Tax Paid	-67	-49	37%	-90	-35	158%
Others Operating Results	16	9	82%	30	8	282%
Δ Working Capital:	-161	-53	206%	-50	-124	-60%
Trade Accounts Receivables	-114	-40	184%	-34	-152	-78%
Suppliers	-31	14	-318%	45	5	796%
Salaries / Charges	-5	5	-212%	-4	-25	-86%
Others Assets and Liabilities	-11	-31	-66%	-16	27	-159%
(=) Operating Cash Flow	197	316	-38%	701	530	32%
(=) Operating Cash Flow / EBITDA	53%	87%		101%	86%	
Capital Expenditures	-90	-86	4%	-326	-296	10%
Others Investing Activities	-3	-3	9%	2	-6	-134%
(=) Free Cash Flow to Firm (FCFF)	104	227	-54%	377	228	65%
Interest Paid / Received	-40	-29	40%	-71	-60	18%
Change in Debt	-181	316	-157%	202	229	-12%
(=) Free Cash Flow to Equity (FCFE)	-117	515	-123%	508	397	28%
Dividends and Interest on Capital	-252	-246	3%	-303	-130	133%
Payment of Acquisitions	-141	-57	145%	-73	-15	388%
Capital Increase (Stock Options)	2	0	0%	6	13	-58%
(=) Cash Flow	-509	212	-340%	137	265	-48%

Return and customer's satisfaction indicators have shown sustainability

Return on Invested Capital (%)

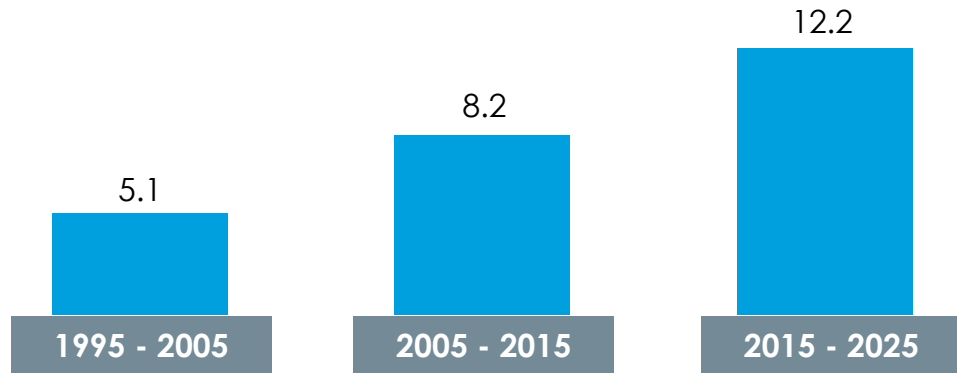


Net Promoter Score – Client Experience (%)



Health Sector Main Drivers

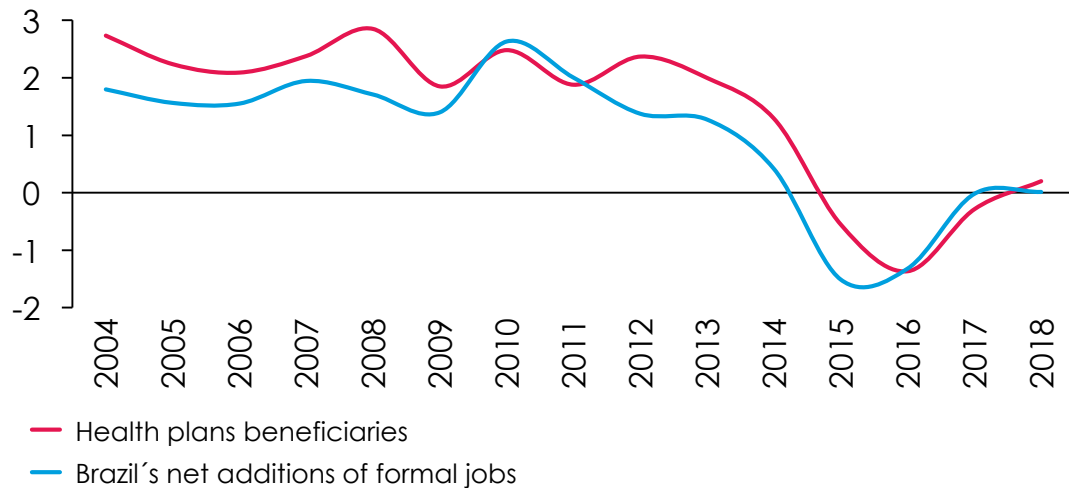
Addition of population with age > 60 years



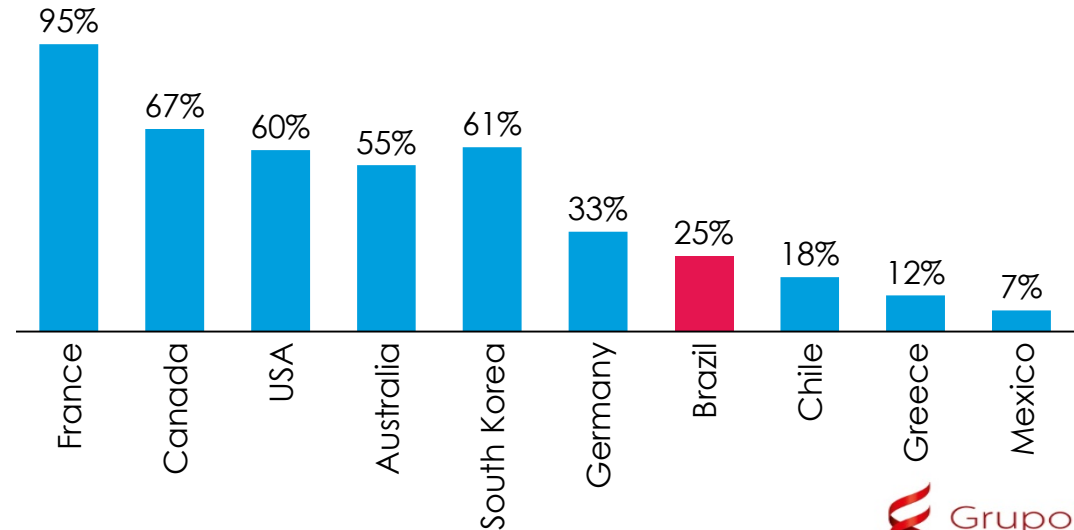
Life Expectancy (age)



Variation of Beneficiaries vs. Formal Jobs (MM)



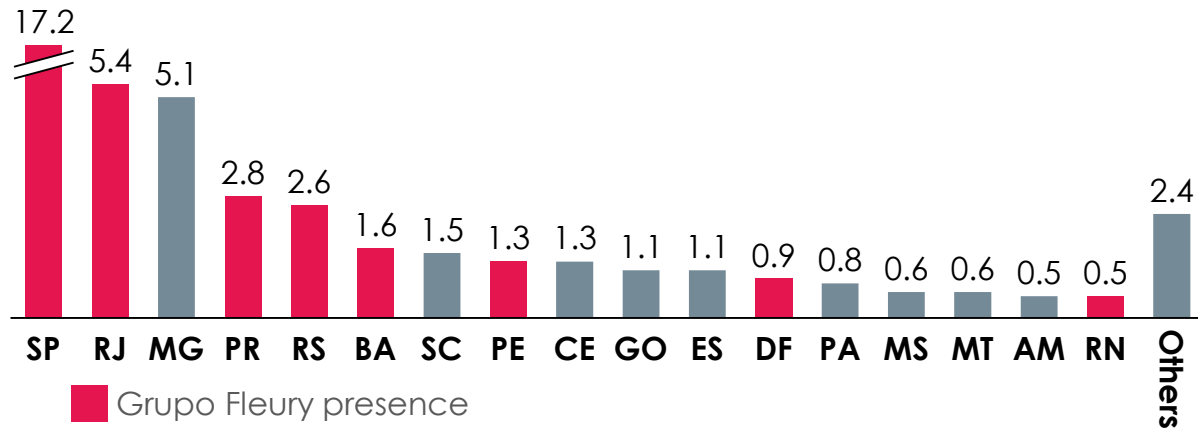
Health Care Insurance Penetration



Source: ANS, IBGE, CAGED and OECD

The private medicine market is fragmented and still concentrated in the country's main economic centers

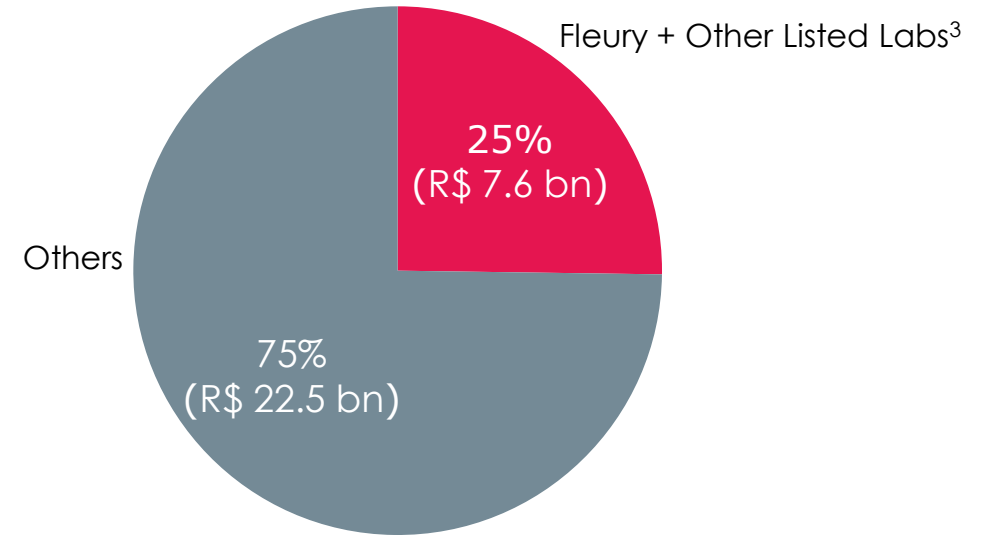
Number of Beneficiaries Private Medicine in 2018¹ (MM)



~47.3 million beneficiaries

Grupo Fleury presence represents **68%** of the overall market for private Healthcare

Public Listed Labs Market Share in Revenues 2018²



Brazil has approximately **16,000** labs that provide diagnostic medicine that generate approximately **R\$ 30.0 billion** in revenues.

¹ Source: ANS data, December 2017

² Source: ANS data and companies

³ Dasa, Hermes Pardini and Alliar

Expansion Plan through 2021

Brand	PSC Size and Complexity	Guidance (# PSCs)	Launched (# PSCs)
Fleury	Large	2	2
	Medium	2 to 3	2
	Small and Fast Sites	14 to 17	7
	Total - range of PSCs openings	18 to 22	11 (55%)
a+ SP	Large and Medium	6 to 8	7
	Small and Fast Sites	15 to 20	11
	Total - range of PSCs openings	21 to 28	18 (73%)
Rio de Janeiro (Labs a+ and Felipe Mattoso)	Large and Medium	8 to 9	4
	Small and Fast Sites	13 to 16	9
	Total - range of PSCs openings	21 to 25	13 (57%)
Other Regions (South, Northeast and Federal District)	Medium and Small	13 to 15	11
	Total - range of PSCs openings	13 to 15	11 (79%)
Total		73 - 90	53 (65%)

Current Strategic Goals in Genomics



Complete, affordable portfolio with better results



"Tropicalization" vanguard portfolio for Brazil's scenario



Resolutive services in onco-genetics for the entire country



Pre and post-test medical advice and genetic counseling



Network of geneticists close to partners throughout Brazil



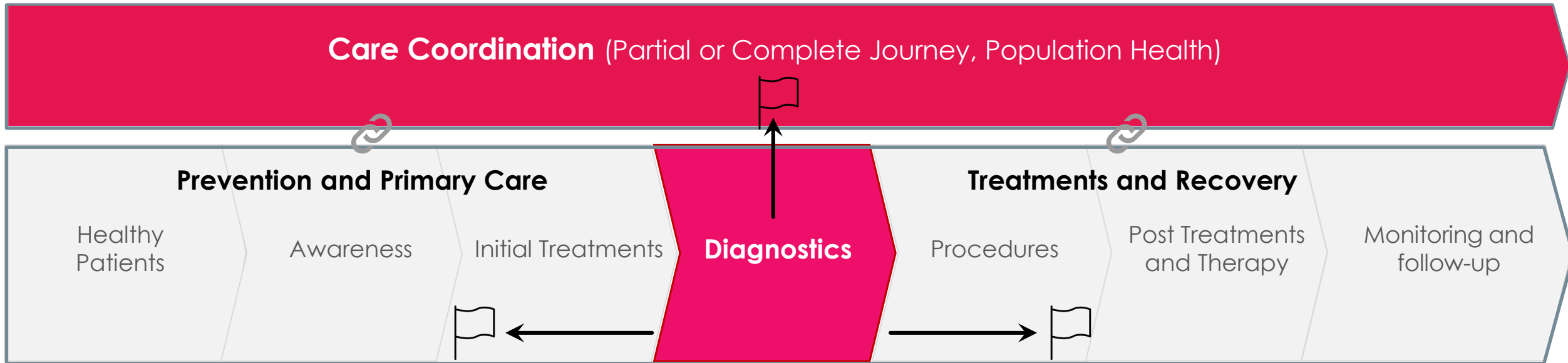
Data integration with new level of data science



Generating knowledge and research for onco-genetics

"To be the best molecular diagnostic solution for patients, hospitals and healthcare providers through technical excellence, clinical staff, partnerships and research"

Fleury Brand New Offerings: Beyond Diagnostics

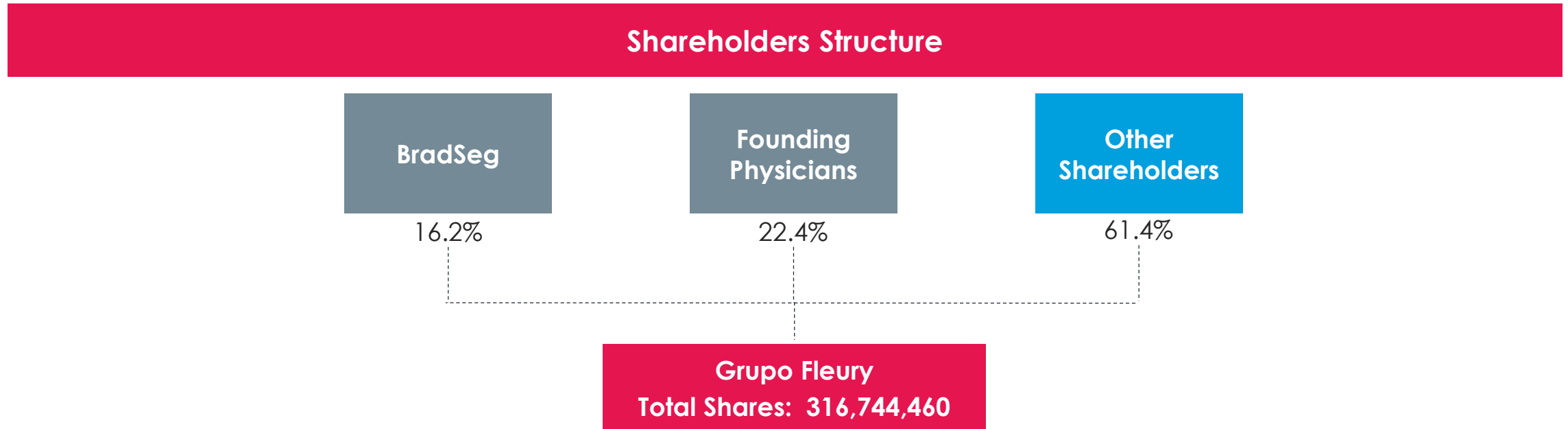


"Fleury brand will become a integrated healthcare platform for the individuals, being the protagonist in the value generation for the whole healthcare chain"

Current Strategic Goals

- ⌘ Organic expansion in PSCs business. **Guidance of 73 to 90 new PSCs** between 2017 and 2021 **(53 PSCs already delivered)**
- ⌘ Continue to be **the leader of genomics segment in Brazil** and increase **revenue participation from 1% (2017) to 5% (2022)**
- ⌘ **New offerings** beyond diagnostics: **primary care, healthcare coordination, drug infusion, orthopedic procedures** and others
- ⌘ **Company's digital transformation:** medical knowledge, clients relationship, back-office processes and others
- ⌘ **Strong pillar on innovation:** R&D, startups and technical partnerships
- ⌘ **M&A Opportunities** to become the **market consolidator** in the diagnostic segment

Shareholders Structure



Board of Directors Composition

10 members

- 04 appointed by the Founding Physicians
- 03 appointed by Bradseg
- 03 Independent

Four Board Advisory Committees and a Fiscal Board:

- Audit and Risk Management
- Finance and Projects
- Strategy
- Compensation, Nomination and Organizational Development