



Cruzeiro do Sul
Educativa

4Q20/2020
Results Presentation

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Conference Call 4Q20/2020

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Simultaneous translation into English

+55 (11) 3181-8565 /+55 (11) 4210-1803

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Investor Relations

dri@cruzeirodosul.edu.br

Message from the Management

Cruzeiro do Sul Educacional presents its first quarterly report to stakeholders in a very peculiar context, portraying the end of a very troubled and difficult year for everyone, companies and people, without distinction.

Paradoxically, the year 2020 marked another important achievement in the company's long and winning journey of more than 56 years: the file for an IPO at B3 as the third largest in market value in the sector (concluded in Feb/21 at B3 with value over R\$ 5 billion), a reflection of more than 350 thousand students enrolled from K-12 to the Doctorate, in all areas of knowledge, in the on campus modalities and all variations of distance learning, in about three dozen campuses more than 1,200 DL centers in 900 cities in all states of the federation. As a highlight, far beyond the volumes, the consolidated positioning as a quality education company, with superior institutional and specific indicators for undergraduate, graduate and research, all reasons of pride for all stakeholders.

In this particular and challenging environment, the company's strategy and execution proved to be accurate. The strategy, which operates exclusively through leading regional brands, further demonstrated the real ambitions and aspirations of Brazilian students, precisely those of trusting and associating themselves with strong institutions of recognized quality. The execution, while maintaining its differentiated agility and efficiency in the sector, delivered growth in revenue and EBITDA, increased margins and, a very important indicator, the high and consistent cash generation. More important, it also delivered increasingly better academic results. As highlights, the recent indicators show the company's medical courses as the best in Brazil, with the Unifran Medical Course (Franca - SP) being the best CPC among all public and private medical colleges in the country. The Production Engineering Course at Cesuca (Cachoeirinha - RS), also stands out as the best in the country (CPC). This special moment of becoming a public company, combined with such expressive and differentiated financial and academic results in such an adverse context, more than filling us with pride, bring us a complete sense of the responsibility that we have with future results and with the new investor base, to which we thank the initial confidence and to whom we reaffirm our firm and irrevocable commitment to dedication and focus on guiding the long-term direction of Cruzeiro do Sul Educacional SA.

Management Team

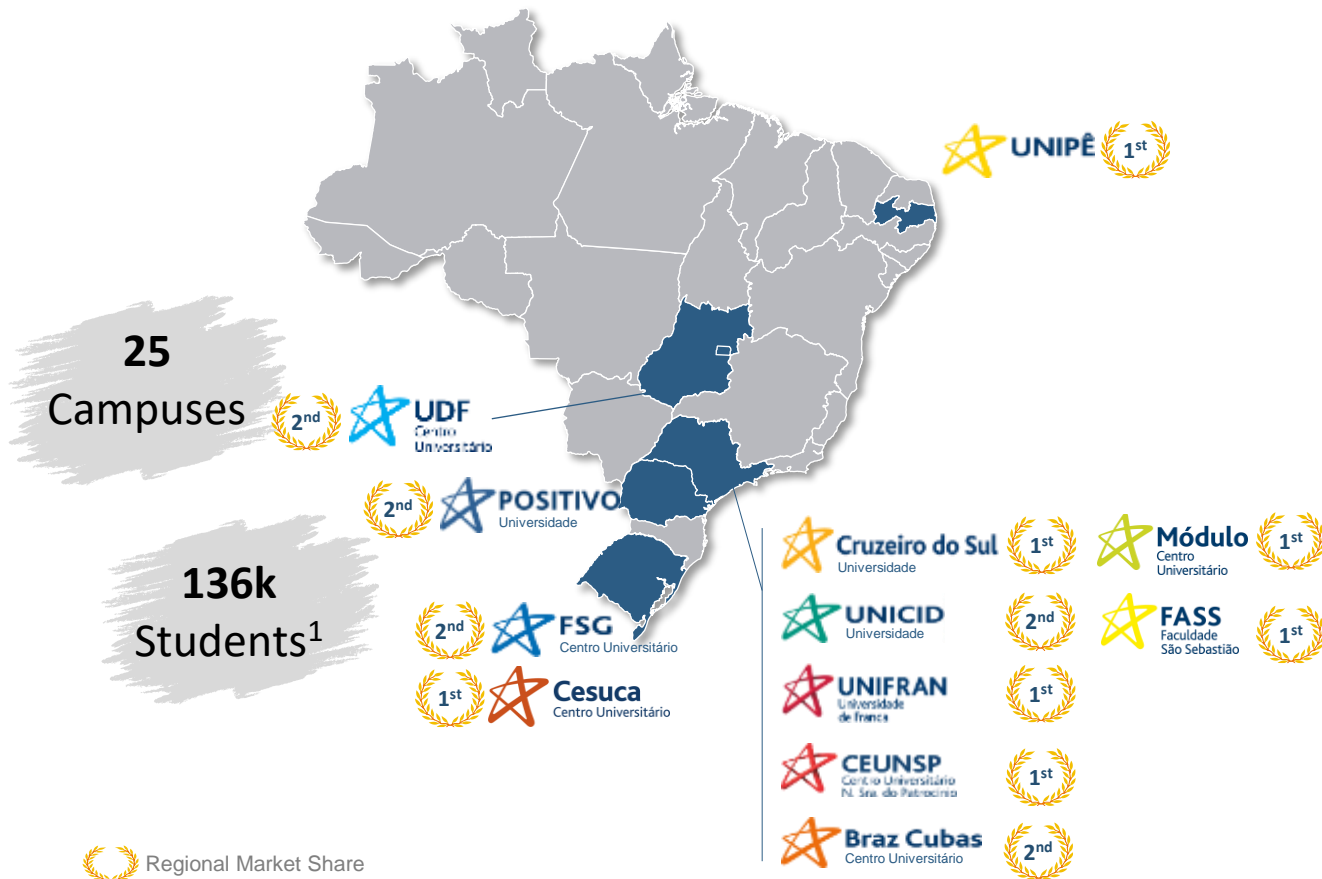
Changes at the Executive Team

★ **Changes in the Executive Team: Fábio Figueiredo and Renato Padovese assume the co-presidency of the company, according to the succession plan planned**

- ★ Reinforces the focus of the founding families in the business
- ★ Fabio Figueiredo and Renato Padovese, members of the founding families, have worked together for over 25 years
- ★ Prof. Hermes Figueiredo, one of the company's founders, starts to act only within the scope of the board.
- ★ With the appointment of the co-chairman, Luis Felipe Bresaola assumes the statutory Investor Relations Director, while Prof. Dr. Luiz Henrique Amaral assumes as non-statutory On-Campus Education Director and Prof. Dr. Carlos Fernando Araújo Junior assumes as non-statutory Distance Learning Education Director

Cruzeiro do Sul Educacional is one of the largest quality-focused education group in Brazil with more than 352k * students in its 25* campuses and 1,214* learning centers.

On Campus



Distance Learning



Regional Market Share

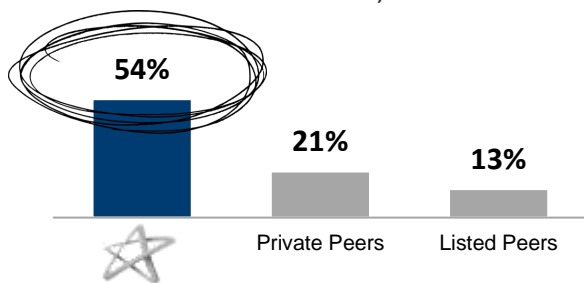
* on Dec, 31st 2020 ¹Includes ~ 4k students on basic education

Objective and measurable quality

Quality of courses generate greater learning for the student...

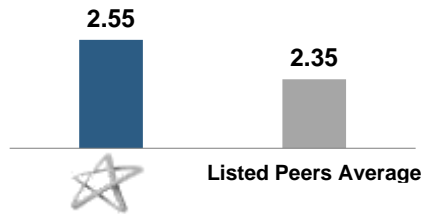
More than half of the courses with grades 4-5 at IGC

(General Course Index - IGC 2018 for the year 2017; maximum score 5)



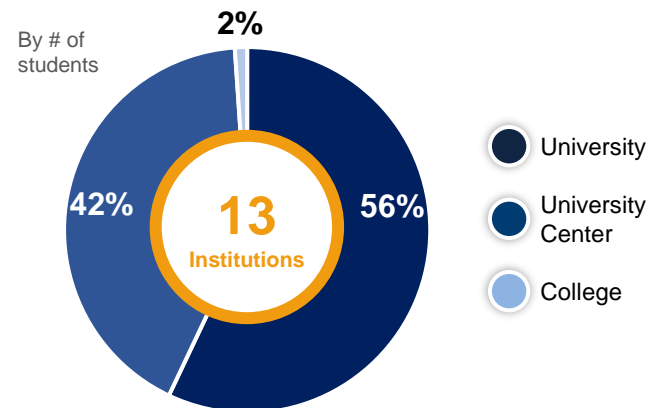
Contribute to better student learning

(Performance Difference Indicator - IDD 2019 for the year 2018; maximum score 3)



... Resulting in an outstanding portfolio of institutions with a high level of autonomy

Institutions by type



+1,150 DL Centers
Maximum opening per year

... combined with top notch Distance Learning brands ...

Institutional Accreditation ("DL Institutional Accreditation")



Recent achievements




2 Best courses in Brazil in the Preliminary Course Concept - CPC (Public + Private)



- UniFran Medicine Course
- Cesuca Production Engineer Course

ENADE 2019: Highest Grade 5

- **Medicine at UniFran** (1st among private companies in the state of SP)
- **Medicine at Universidade Positivo** (1st place in Curitiba and 2nd in Paraná state between public and private)

Highlights 2020, a difficult and adverse year? Yes, but we also had great achievements ...

- ★ We directly benefited more than 40 thousand people with community services programs (free or at symbolic prices)
- ★ We kept the jobs of more than 7,500 employees
- ★ We operated without interruption during 2020
- ★ We opened 1 new campus  Cruzeiro do Sul Santo Amaro
- ★ We acquired two leading institutions and integrated in less than 6 months



- ★ We made the largest 1H20 students intake in the company's history
- ★ We reached more than 135 thousand students in the on campus business
- ★ We strongly grew in distance learning with the opening of 333 new DL centers (+ 1,200 in total), reaching 217k students
- ★ We further expanded the managerial operating cash flow

R\$326	89.5% of
million	EBITDA
+7.5%	+13p.p.

2020 Highlights



Academic 2020: Achievements that contribute to the attractiveness and resilience of our business

- ★ The best Medicine and Engineering courses in Brazil: Medicine @ UniFran and Production Engineer @ Cesuca won 1st place (Public + Private) in the Preliminary Course Concept – CPC
- ★ ENADE 2019 with two courses achieving the highest Grade 5: Medicine @ UniFran (1st among private companies in the state of SP) and medicine @ Universidade Positivo (1st place in Curitiba and 2nd in Paraná state between public and private companies)



Social Responsibility 2020: More than 40 thousand people benefited by the community services programs

- ★ Despite the adversities with the pandemic (COVID-19), we had approximately 60 thousand attendance at our health/aesthetic clinics, 23 thousand attendance from courses in the area of health and education, 17 thousand attendance at the veterinary complexes and 8 thousand attendance at the nucleus of legal practices, junior company and tax assistance.

2020 Highlights



1H20: The beginning of the pandemic

- ★ Fast transition of all our operations to 100% remote operation while maintaining quality, resulting from our long-standing digital strategy
- ★ On a conservative approach, in the 1H20, we changed the provision criteria for monthly installments in arrears by provisioning 100% of overdue bills over 45 days
- ★ 1H20 intake was ~ 9% higher than the previous year, with emphasis on the intake exams and digital enrollment processes already consolidated in the Company
- ★ Opening of Santo Amaro Campus, in the city of São Paulo, with “projected potential” between 4.5k - 5.5k on-campus students and another 2.5k - 3.0k in distance education
- ★ In Feb-Mar/20, we acquired Positivo with 33.8k students located in Curitiba and Londrina, PR and Braz Cubas with 20.0k students located in the city of Mogi das Cruzes, SP, both leading brands in the regions where they operate and that were integrated in 6 months
- ★ We aligned quality education and technology reinforcing regulatory change, which confirms the importance of using new technologies in education

2020 Highlights



2H20: Results of efforts made in 1H20

- ★ We started the enrollment process (2021) of the new Campus in Guarulhos, SP with a “projected potential” between 5.5k - 7k on campus students and another 2.5k - 3.0k in distance learning
- ★ The transformation of Faculdade Cesuca (RS) into a University Center with a maximum score (5) is authorized, which reinforces our commitment to quality
- ★ We launched the Villa Lobos campus for the year 2021 with “projected potential” between 5.5k - 7k on campus students and another 2.5k - 3,0k in distance learning
- ★ In October, we filed for an IPO at B3 in order to accelerate and continue the consistent history of expansion through acquisitions (11 in the last 14 years, 4 in the last 2 years) and the opening of new campuses in locations that have already been mapped.
- ★ We observed a reduction in defaults (PDA) compared to 1H20, which even with a conservative criteria, showed a drop in the impact on the margin of 150bps to 7,5%. vs. 9.1% in the 1H20.
- ★ In December, we reached 12% of enrollments in distance learning in the model with on campus and/or live classes (semi-presential), a model that contributes to the increase in the average ticket of the modality and addresses all aspirational aspects of students: quality, presence and digital content (on campus, DL with on campus class, DL with live online classes and 100% digital distance learning)
- ★ We reached a total of 1,214 distance learning centers, with the addition of 333 centers (86% with less than 18 months of operation indicating potential growth to be captured)

4Q20 Highlights

 Ex acquisitions
 2020*

R\$ million	4Q20	4Q19	%	4Q20	%
Students - YE '000	352.3	273.2	28.9%	301.2	10.2%
On Campus - YE '000	135.5	119.0	13.9%	114.2	(4.0%)
DL - YE '000	216.8	154.2	40.6%	187.0	21.2%
Revenues	469.5	364.8	28.7%	370.3	1.5%
Gross Margin	54.1%	42.7%	+1,141bps	52.8%	+1,003bps
Adj. EBITDA	170.9	96.8	76.5%	142.1	46.8%
EBITDA Margin	36.4%	26.5%	+986bps	38.4%	+1,184bps
Adj. Net Earnings	91.3	52.8	72.7%	86.5	63.7%

- ☆ Increase in the Total Student Base + 28.9% vs. 4Q19 with strong expansion in Distance Learning (+ 10.2% ex acquired)
 - ☆ On-campus + 13.9% (-4.0% ex acquired)
 - ☆ DL + 40.6% (+ 21.2% ex acquired)
- ☆ Net Revenue of R \$ 469.5 million, growing 28.7% compared to 4Q19, despite the adverse scenario due to the pandemic (+ 1.5% ex acquired)
- ☆ Adjusted EBITDA of R\$170.9 million 76.5% above the 4Q19 (+46.8% ex acquisitions)
- ☆ Adjusted EBITDA Mg. of 36.4% expanding 9.9 p.p. vs. 4Q19, even with the PDA increase (38.2% ex acquisitions;+11.7pp)
- ☆ Adjusted Net Earnings of R\$91.3 million, 72.7% higher than 4Q19 (+63.7% ex acquisitions)

2020 Highlights

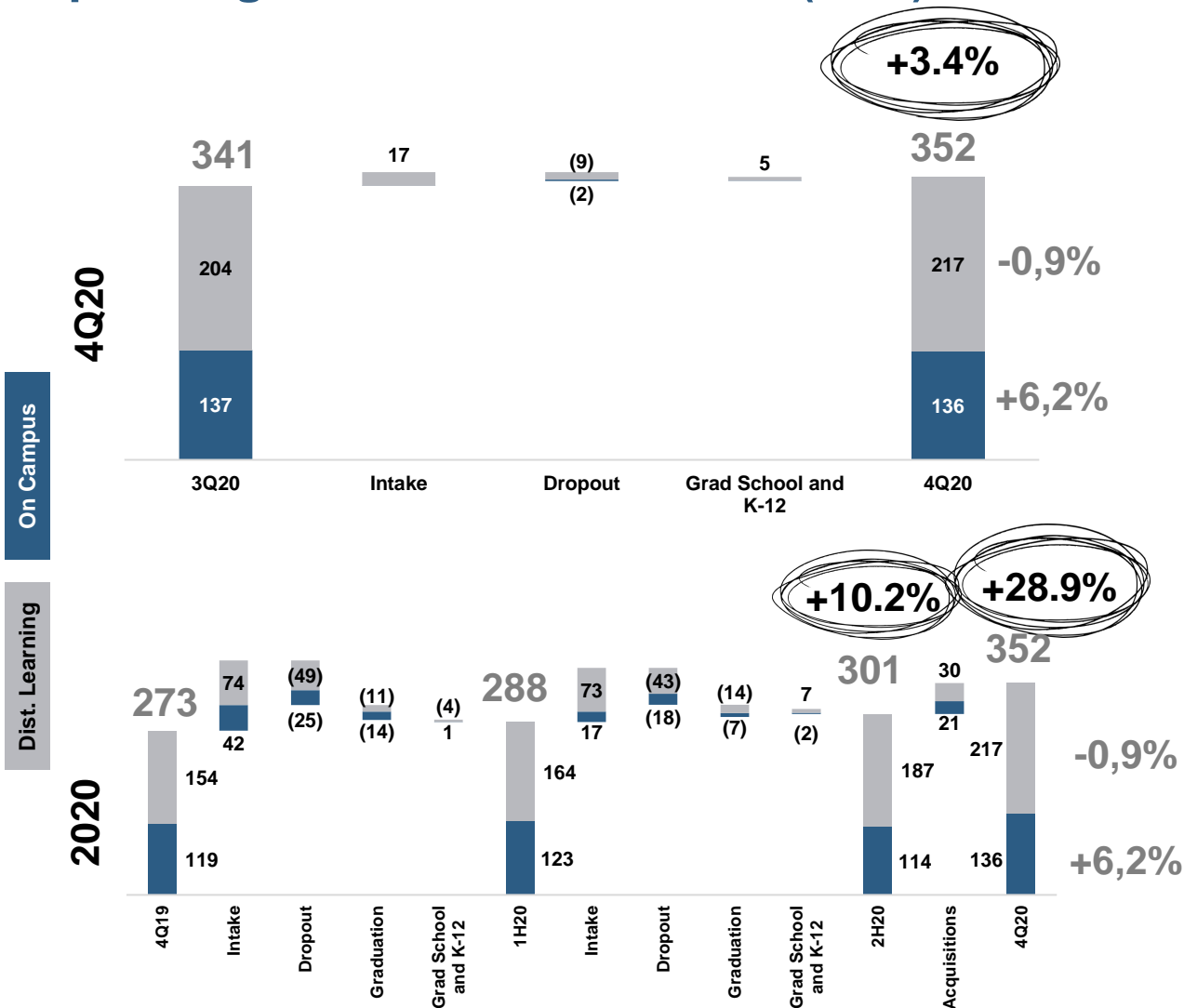
R\$ million	2020	2019	%
Students - YE '000	352.3	273.2	28.9%
On Campus - YE '000	135.5	119.0	13.9%
DL - YE '000	216.8	154.2	40.6%
Revenues	1,801.0	1,474.0	22.2%
Gross Margin	47.9%	43.7%	+427bps
Adj. EBITDA	512.9	432.5	18.6%
EBITDA Margin	28.5%	29.3%	-87bps
Adj. Net Earnings	175.4	170.0	3.2%
Manag. Oper. Cash Flow²	326.3	303.6	7.5%
MOCF/EBITDA	89.5%	76.4%	+1,309bps

Ex acquisitions 2020*

2020	%
301.2	10.2%
114.2	(4.0%)
187.0	21.2%
1,454.0	(1.4%)
49.2%	+555bps
431.0	(0.3%)
29.6%	+30bps
186.4	9.7%

- ☆ **Increase in the Total Student Base + 28.9% vs. 4Q19 with strong expansion in Distance Learning (+ 10.2% ex acquired)**
 - ☆ On-campus + 13.9% (-4.0% ex acquired)
 - ☆ DL + 40.6% (+ 21.2% ex acquired)
- ☆ **Net Revenue of R \$ 1.8 billion, growing 22.2% compared to 2019, despite the adverse scenario due to the pandemic (- 1.5% ex acquired)**
- ☆ **Adjusted EBITDA of R\$512.9 million 18.6% above 2019 (-0.3% ex acquisitions)**
- ☆ **Adjusted EBITDA Mg. of 36.4% expanding 9.9 p.p. vs. 2019, even with the PDA increase and the acquired institutions that had lower margins (38.2% ex acquisitions;+11.7pp)**
- ☆ **Adjusted Net Earnings of R\$175.4 million, 3.2% higher than 2019 (+9.7% ex acquisitions)**
- ☆ **Managerial Operating Cash Flow² of R\$326.3 million 7.5% higher than 2019, even with the impact of R\$148.3 million of non-recurring**

Operating Data – Students Base ('000)



★ **4Q20 with a 3.4% growth for 352k students, with strong distance learning**

- ★ On campus, the lack of an intake cycle in the period and the adverse scenario, caused a slight drop in the student base compared to 3Q20.
- ★ Distance learning with a 6.2% increase in the number of enrollments with the addition of 17k students.

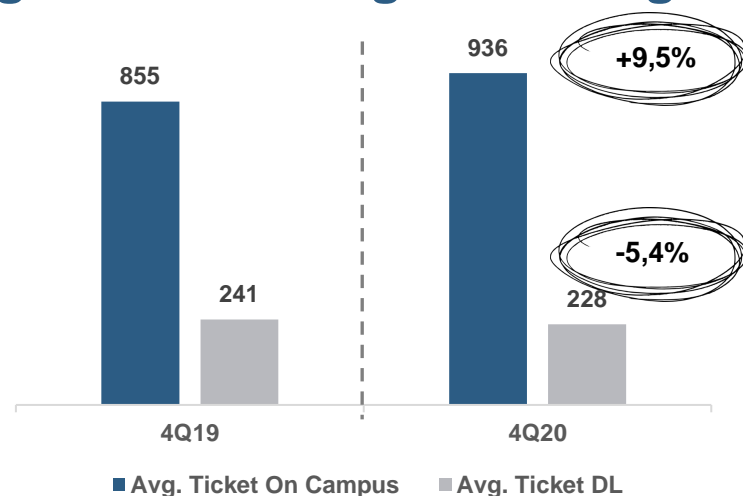
★ **In the year, student base ex acquisitions +10.2% vs. 2019 despite the pandemic; + 28.9% including acquired institutions**

- ★ On-campus with a 4.0% reduction in the ex acquisitions student base and 13.9% above including acquired. Despite the fact that the number of new entrants in the year is 3.8% above 2019, dropout due to the pandemic was slightly higher than last year.
- ★ Distance Learning with growth of 31.2% in the ex acquisitions student base and 40.6% above including acquired institutions

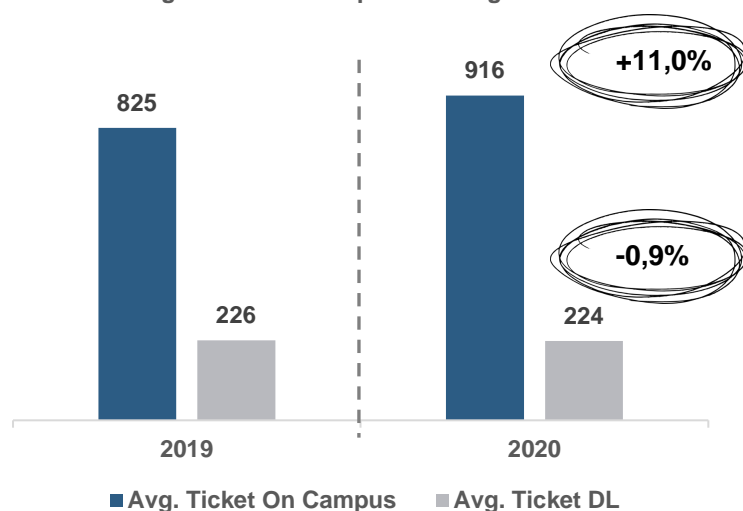
*Dropout includes: Dropout of seniors, freshmen and those who have not re-enrolled
Student base includes ~ 4k students in K-12 in Dec / 20

Operating Data – Undergrad Average Ticket*

4Q20



2020



4Q20

- ★ On campus with 9.5% growth, reflecting the company's resilience in maintaining its pricing strategy and its student base in premium courses (68% in 4Q20), in addition to the impact of the acquired companies, such as Positivo, which has a premium position in the region in which it operates.
- ★ Distance Learning, a drop of 5.4% was impacted by the higher number of freshmen within the total students base

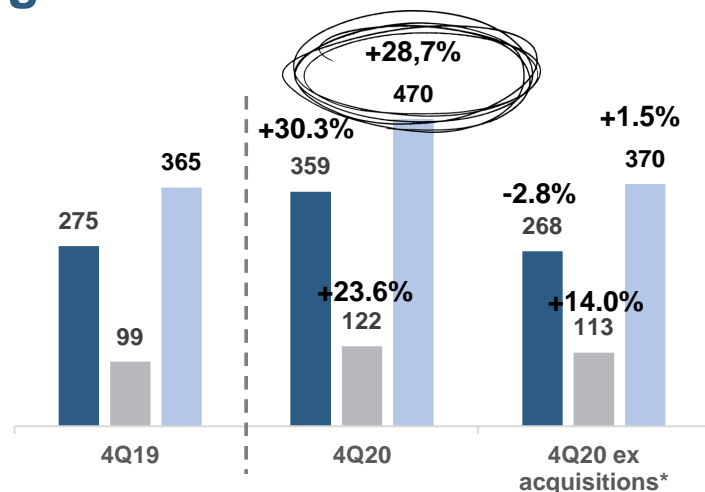
2020

- ★ On campus with 11,0% growth, reflecting the company's resilience in maintaining its pricing strategy and its student base in premium courses (67% average in 2020), in addition to the impact of the acquired companies, such as Positivo, which has a premium positioning in region in which it operates.
- ★ Distance learning, a drop of -0.9% impacted by the higher number of freshmen within the total students base

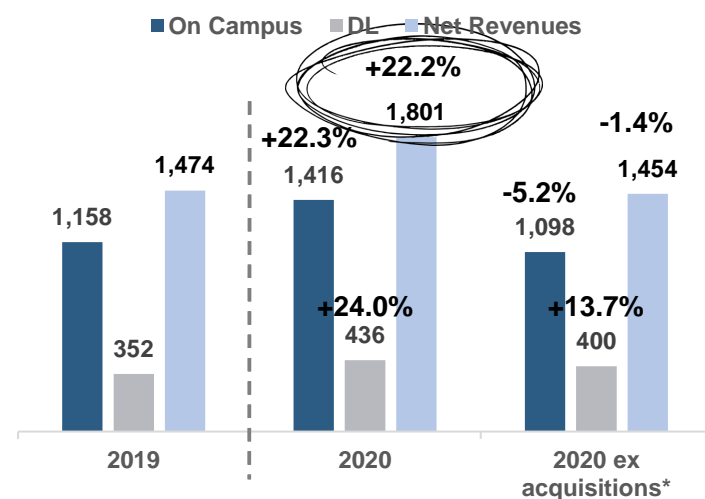
* Average Ticket = Ex-Pruni revenue divided by the number of invoices issued in the periods; Premium courses: Health, Engineering, Law, Architecture and Psychology

Operating Data – Net Revenue¹

4Q20



2020

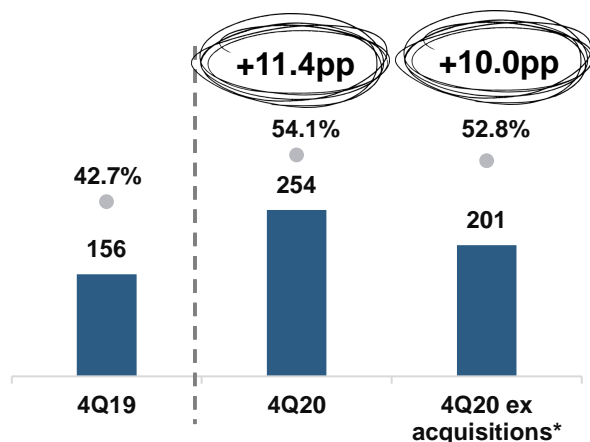


- ★ Net revenue in the quarter reached R\$470 million, 28.7% higher than 4Q19, with the acquisition of Positivo and Braz Cubas.
- ★ Excluding acquisitions, revenue grew 1.5%, impacted by the strong expansion of the distance learning business of 14.0%, despite the 2.8% drop on the on campus business.
- ★ On the on campus, the pricing strategy and the representativeness of premium courses (68% of students in 4Q20) contributed positively, with revenue remaining stable (ex acquired) vs. 4Q19 without the negative impact on Unipê of R\$ 7.4 million (mandatory discount injunction).
- ★ In the distance learning, the opening of new centers in the year (+333; +38%) added to the maturation of the units contributed to the expansion of revenues
- ★ Net revenue for the year reached R\$1.8 billion, 22.2% higher than 2019, due to the acquisition of Positivo and Braz Cubas.
- ★ Excluding acquisitions, revenue fell 1.4%, impacted by the 5.2% drop in the on campus business, despite the strong expansion of the distance learning business (+ 13.7%).
- ★ In the on campus, the pricing strategy and the representativeness of premium courses mitigated part of the impact related to the reduction in the number of enrollments and the R\$9.3 million lower revenue at Unipê (mandatory discount injunction).
- ★ In distance learning, the opening of new centers (+333; + 38%) added to the maturation of the units contributed to the expansion of revenues

* Unaudited ¹Segment Revenue net of scholarships, cancellations and discounts, while consolidated net revenue adds other revenues and is net of taxes

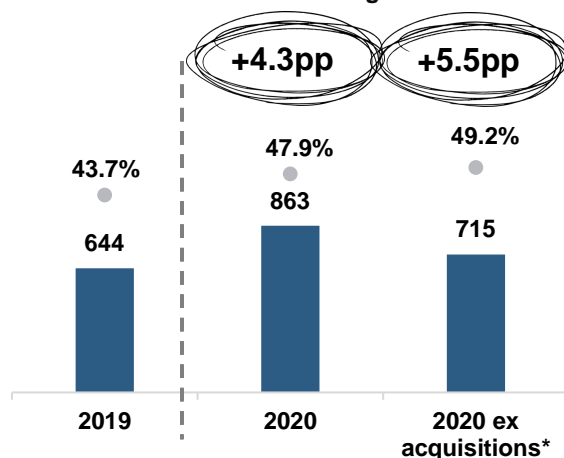
Operating Data – Gross Margin

4Q20



■ Lucro Bruto ● Margem Bruta

2020

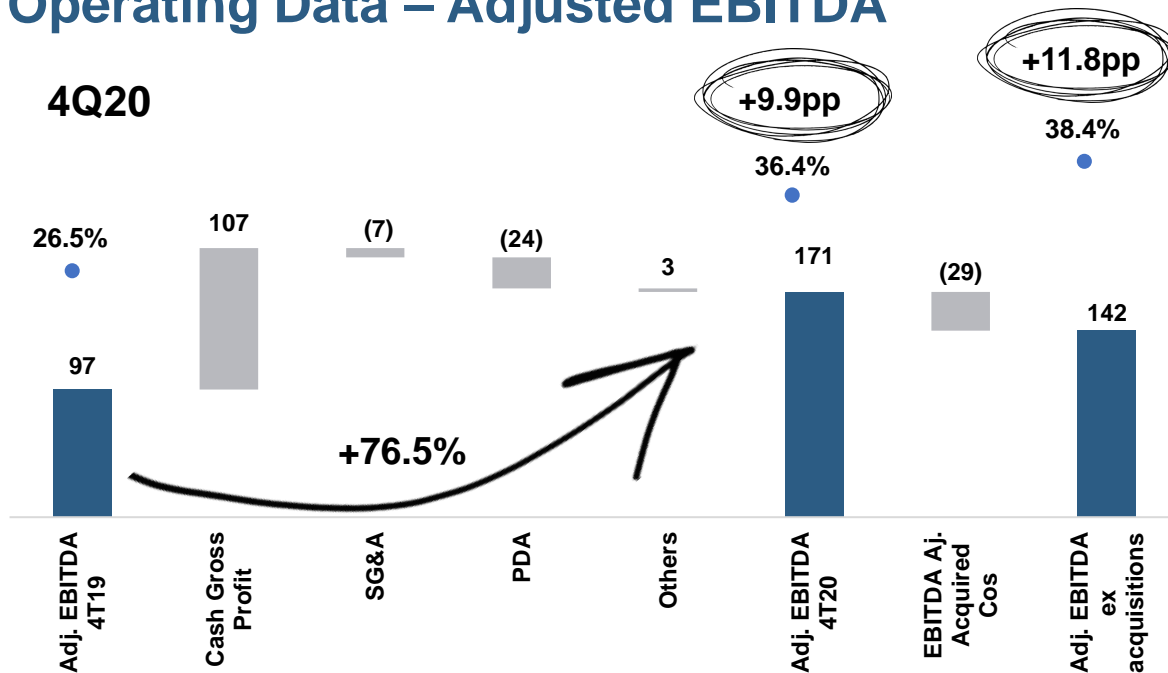


■ Gross Profit ● Gross Margin

- ★ Gross profit in the quarter reached R\$254.2 million, 63.1% higher than 4Q19 with a margin of 54.1% (+ 11.4 pp YoY)
- ★ Excluding acquisitions, gross profit would be R\$200.7 million, 28.8% higher than last year and the margin would expand 10.0 pp. to 52.8%.
- ★ In addition to the greater participation of DL in the operation and the gains of scale, the new academic model with greater digital content in the on campus business contributed to the expansion of gross margin.

- ★ Gross profit for the year reached R\$863.1 million, 34.1% higher than 4Q19 with a margin of 47.9% (+4.3 p.p. A / A).
- ★ Excluding acquisitions, gross profit would be R\$715.4 million, 11.2% higher than last year and the margin would expand 5.5 pp to 49.2%.
- ★ In addition to the change in the revenues mix, with the acceleration of the DL business, the new academic model, starting in the 2H20, also contributed to the margin expansion. It is worth noting that, in 1H20, two institutions were incorporated, which at the acquisition had lower margins than the company.

Operating Data – Adjusted EBITDA

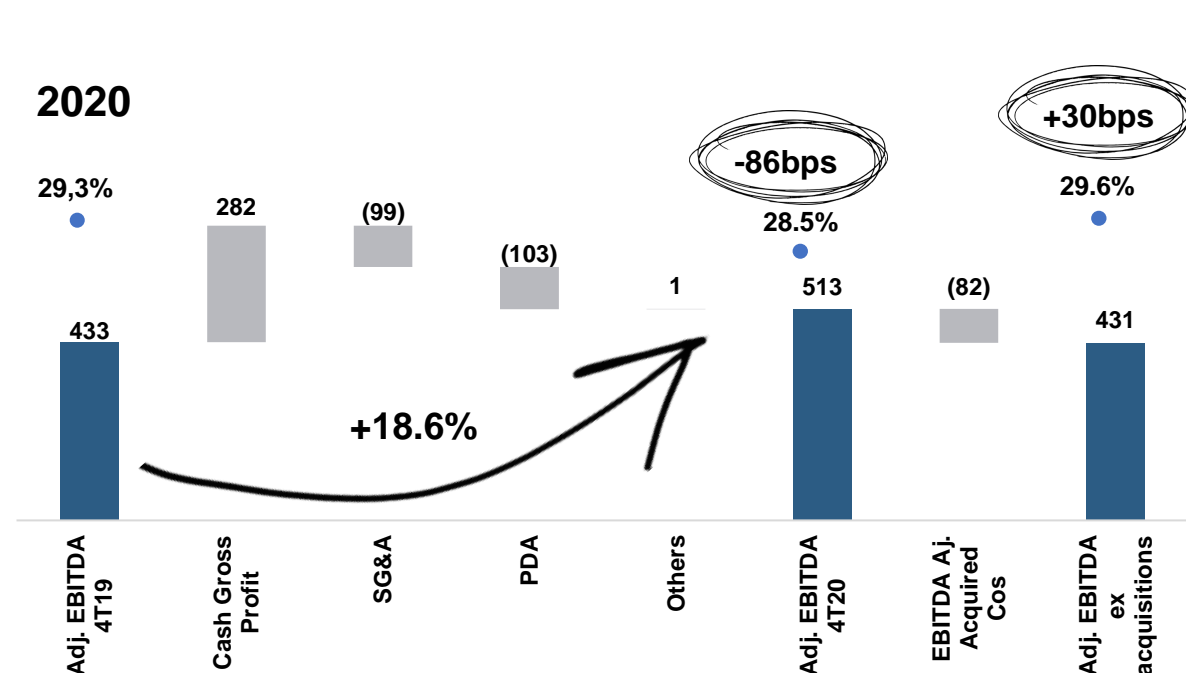


★ Adjusted EBITDA in the quarter reached R\$171 million, 76.5% higher than 4Q19 with a margin of 36.4% (+9.9 p.p. a/a), despite the PDA impact. Excluding acquisitions, Adjusted EBITDA would have been R\$142 million, 46.8% higher than last year and the margin 11.8 pp. higher to 38.4%.

★ Change in the revenue mix with greater participation in distance learning

★ Advancement of digital on the on campus business

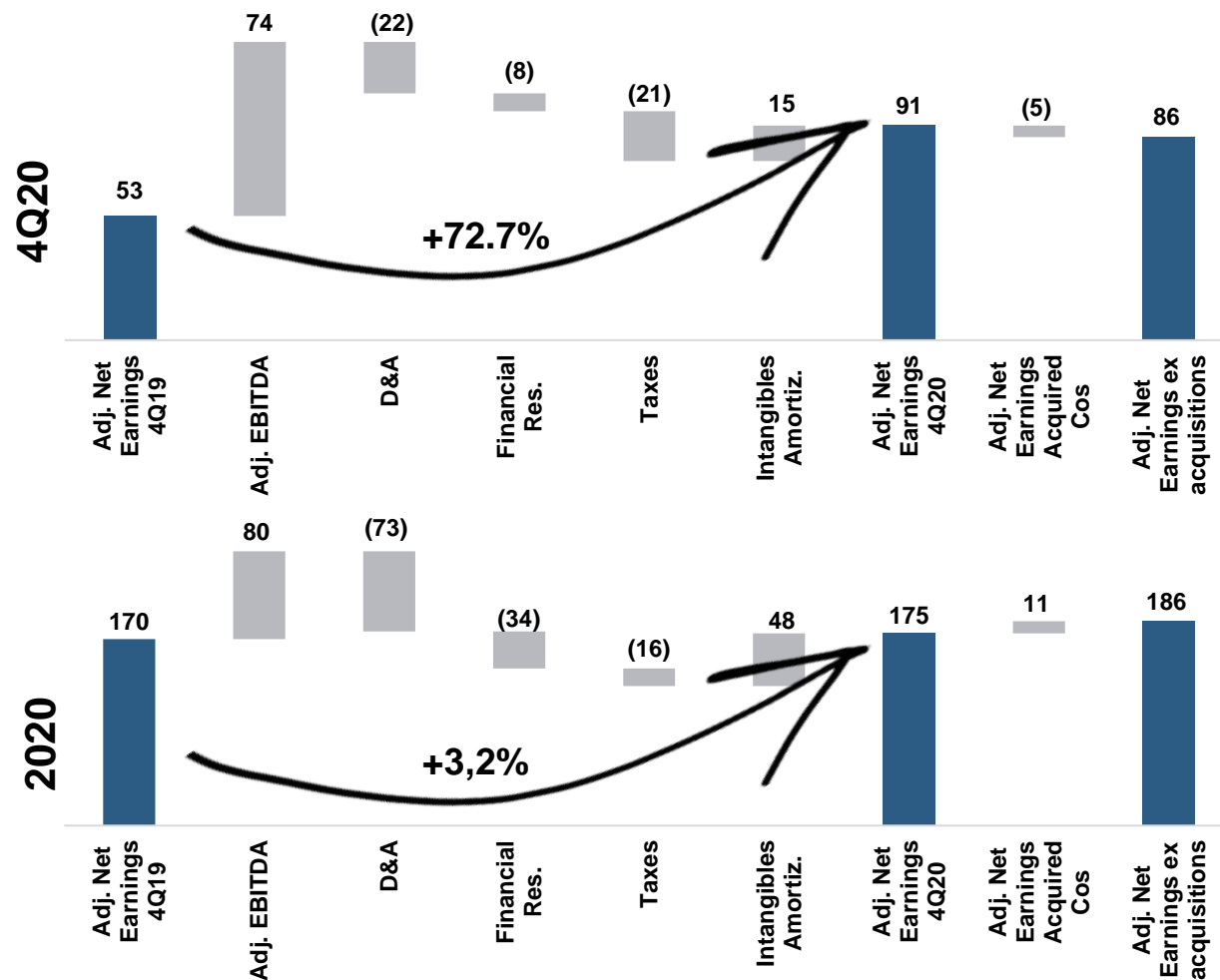
★ Ability to integrate acquired companies while maintaining a focus on quality.



★ Adjusted EBITDA in the year reached R\$513 million, 18.6% above 2019 with a margin of 28.5% (-86bps y/y). Excluding acquisitions, adjusted EBITDA would have been R\$431 million, 0.3% below last year and the margin would have increased by 30bps to 29.6%

★ Impact of newly acquired, mainly in 1H20 (Consolidated EBITDA Mg. 1H20 of 20.5% vs. 36.4% 2H20).

Operating Data – Adjusted Net Profit



* Unaudited

- ✦ Adjusted net income in the quarter reached R\$91 million, 72,7% higher than 4Q19.
- ✦ Excluding acquisitions, the adjusted profit would be R\$86 million, 63.7% higher than last year.
- ✦ Margin gains in the operation were the main points for the positive impact on the company's adjusted net income.
- ✦ It is worth noting that, in 2019, deferred tax assets (R\$23 million) were recorded by the subsidiary UNIPÊ, which made the income tax credit higher than the company's history.
- ✦ Adjusted net income for the year reached R\$175 million, 3.2% higher than last year.
- ✦ Challenging first semester (1H20 R\$16 million vs. 2H20 R\$160 million), due to the beginning of the pandemic, was the main point that impacted the adjusted profit for the year.
- ✦ Excluding acquisitions, the adjusted profit would be R \$ 186 million, an expansion of 9.7% vs. 2019.

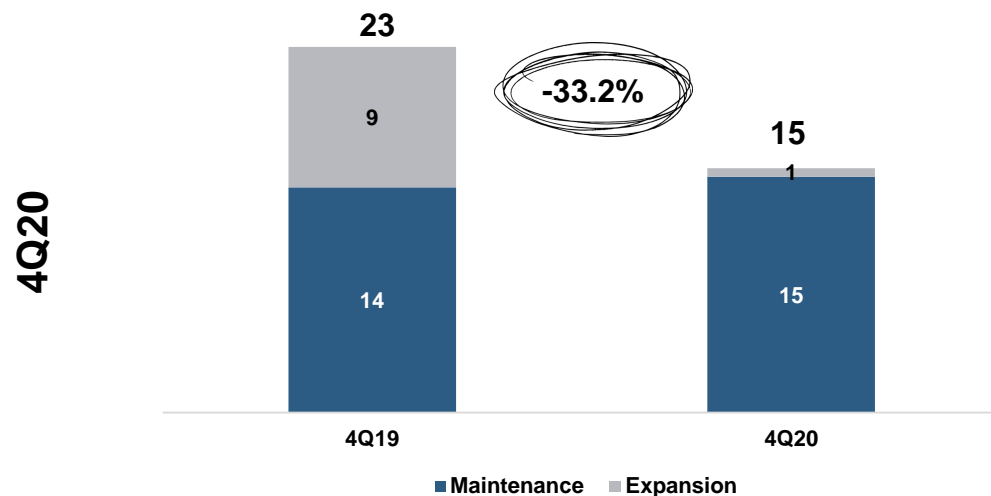
Operating Data – Receivables

2020

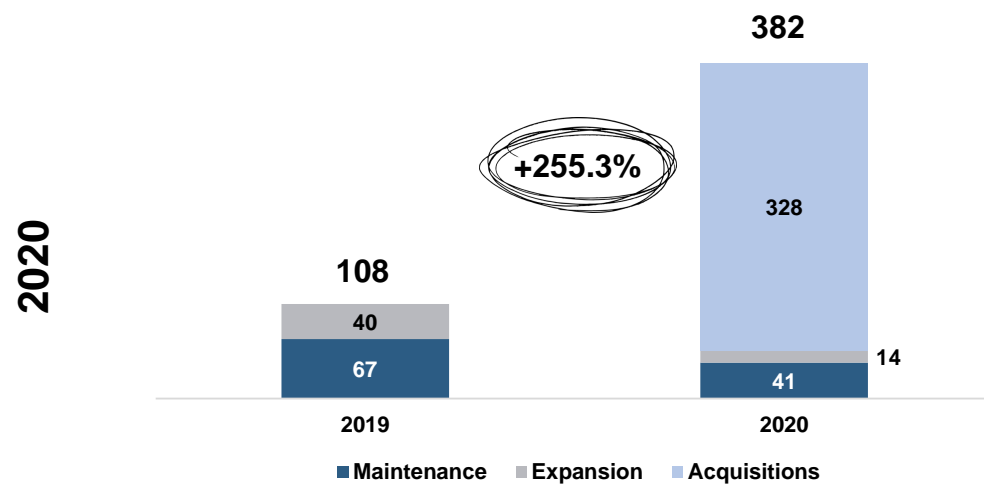
R\$ million				Ex acquisitions 2020*	
	2020	2019	%	2020	%
Tuition	506	300	69.0%	427	42.5%
Student Financing	63	81	(21.5%)	45	(44.0%)
Agreements	39	21	90.0%	27	29.2%
Other Receivables	34	14	139.6%	30	111.4%
Gross Receivables	643	415	54.9%	529	27.4%
AVP	(1)	(5)	(85.1%)	(1)	(87.9%)
PDA	(428)	(242)	77.0%	(364)	50.5%
Net Receivables	215	169	27.0%	165	(2.5%)
Days of Receivables	43	41	+2 dias	41	-0 dias

- ★ The average collection period increased by approximately 2 days to 43 (excluding acquisitions, it would have remained stable at 41 days).
- ★ PDA coverage on gross accounts receivable increased from 60% to 65%, due to the change in the provision criterion due to the pandemic.
- ★ The Company continues with the strategy of maintaining a low penetration of students with financing and limiting agreements (5.4% of the base in Dec/20).
- ★ For the 1H20, with the pandemic, the Company left its provision criterion more conservative, securities overdue for more than 45 days were 100% provisioned.
- ★ Historical criterion remained the same, 100% provision over 180 days

Operating Data – Cash Capex*



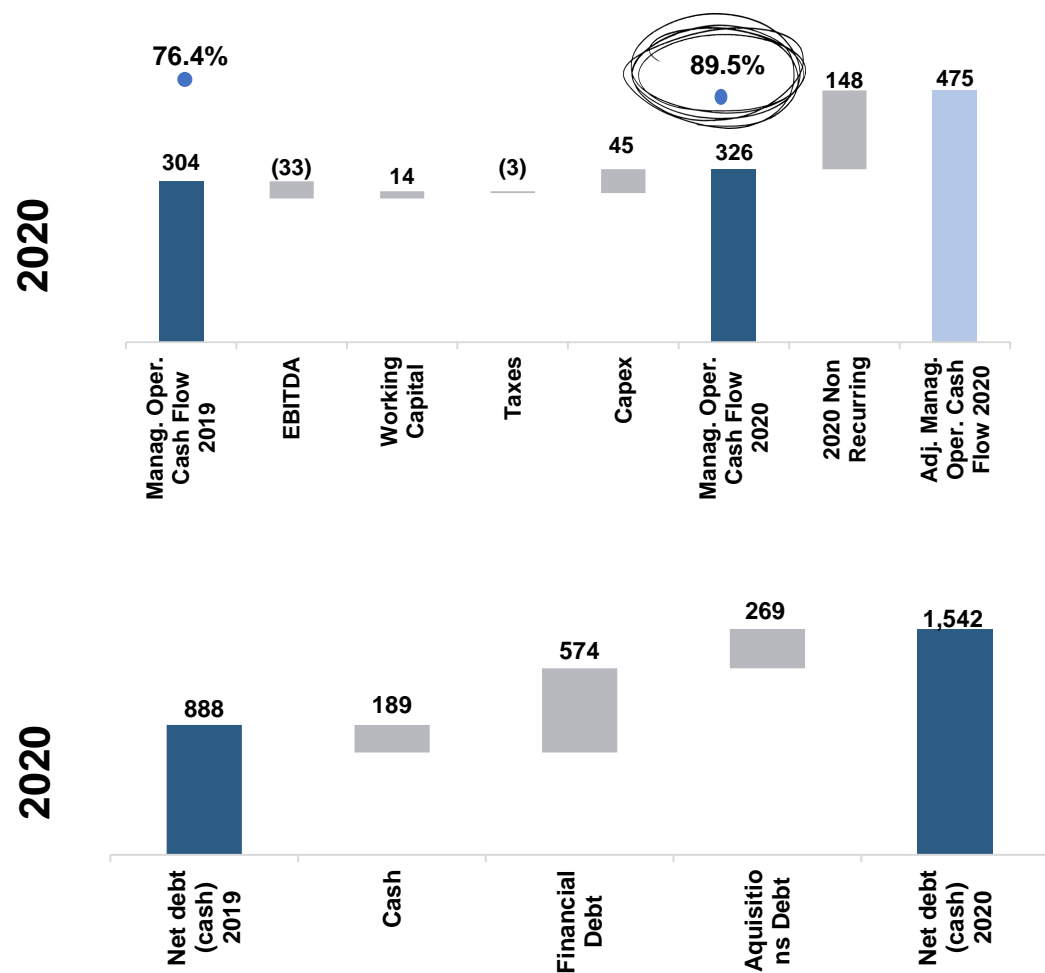
- ★ Investments in 4Q20 were approximately R\$15 million, a reduction of 33% compared to 4Q19 due to the lower investment in expansion of campuses.
- ★ Maintenance investments were maintained, but the reduction in expansion is the result of the completion of constructions that started in 2018/2019.



- ★ In the year, investments reached R\$382 million, mainly due to the acquisition of Universidade Positivo and Braz Cubas.
- ★ Excluding these effects, investments would be R\$54 million, 49% below 2019 in line with what was planned and the completion of constructions that started in 2018/2019.

* Investments according to the cash flow of the financial statements

Operating Data – Managerial Operating Cash Flow ² and Net Debt



★ The managerial cash flow generation, including non-recurring items of R\$148 million in the year, reached R\$326 million, 3.2% above 2019, and reached 89.5% of EBITDA.

★ Capex reduction reflects the end of expansion works carried out in 2018-2019.

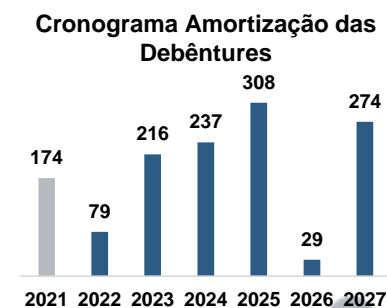
★ Excluding the non-recurring impacts, managerial cash flow generation would be close to R\$475 million.

★ The Company ended the year 2020 with a net financial debt (ex lease liability) in the amount of R\$1.5 billion

★ Higher than the year 2019 due to the acquisitions made at the beginning of 2020.

★ Debentures issued in 2Q20 in the amount of R\$625 million that financed the acquisition of Braz Cubas and Positivo.

★ February 2021, ~R\$1 billion primary offering at B3



¹ Working capital: Current assets (Accounts receivable, Taxes recoverable and Other credits) and Current liabilities (Suppliers, Obligations with related parties, Labor obligations, Tax obligations, Advances from customers, Deferred revenue, Other accounts payable)

2021 Perspectives

Distance Learning

Enrollments

- ★ 1H intake with strong growth;
- ★ 1H re-enrollment in line with history;
- ★ Consolidated ticket with slight growth;

Growth Agenda

- ★ Contracted growth (86% of centers with less than 18 months of operation);
- ★ Continuous expansion of centers;
- ★ Expansion of the portfolio of distance learning courses with live or on campus/center classes

On Campus

- ★ Intake and re-enrolment process extended until the end of April
- ★ Challenging 1H instake
- ★ 1H re-enrollment slightly below history;
- ★ Consolidated ticket stable;

- ★ 04 maturing campuses (16% of total campuses; Openings: Paulista in 2019, Santo Amaro in 2020, Guarulhos and Villa Lobos in 2021)
- ★ Expansion of portfolio in 03 units: Cesuca (Accreditation as a University Center), Univ. Positivo in Londrina and Braz Cubas in Mogi das Cruzes, in line with the integration process;
- ★ Continuous expansion following a differentiated greenfield strategy;
- ★ Medicine: 685 annual seats under maturation process, Dec/20 with 3,518 students (71% of the total capacity);



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Appendix

Appendix – Student Base, DL Centers and Campuses

4Q20

EoP	Total	On Campus	DL
3Q20	340,873	136,798	204,075
Intake	0	0	0
Dropout	(10,931)	(1,578)	(9,353)
Graduation	17,156	223	16,933
Acquisitions	5,222	93	5,129
Grad School and K-12	0	0	0
4Q20	352,320	135,536	216,784

EoP	3Q20	4Q20	Δ	%
DL	1,200	1,214	+14	1.2%
Campuses	25	25	-	

2020

EoP	Total	On Campus	DL
4Q19	273,228	118,998	154,230
Intake	(24,676)	(13,907)	(10,769)
Dropout	(73,997)	(24,771)	(49,226)
Graduation	116,723	42,438	74,285
Grad School and K-12	(3,547)	581	(4,128)
1H20	287,731	123,339	164,392
Intake	(20,631)	(6,655)	(13,976)
Dropout	(61,023)	(18,034)	(42,989)
Graduation	89,789	17,144	72,645
Grad School and K-12	5,308	(1,602)	6,910
2H20	301,174	114,192	186,982
Acquisitions	51,146	21,344	29,802
4Q20	653,494	249,728	403,766

EoP	4Q19	4Q20	Δ	%
DL	881	1,214	+333	37.8%
Campuses	18	25	+7	38.9%

Appendix – P&L

	4Q20			Ex acquisitions 2020*	
	R\$ milhões	4T20	4T19	4T20	%
Presencial	358.7	275.2	30.3%	267.6	(2.8%)
EAD	122.3	99.0	23.6%	112.8	14.0%
Receita Líquida de Bolsas, Cancelamentos e Descontos	481.0	374.2	28.5%	380.4	1.7%
Outras receitas	2.7	2.7	(2.6%)	1.8	(35.8%)
Impostos	(14.131)	(12.1)	16.4%	(11.9)	(1.9%)
Receita Líquida	469.5	364.8	28.7%	370.3	1.5%
Pessoal	(97.6)	(116.6)	(16.3%)	(73.8)	(36.7%)
Amortização do direito de uso	(21.2)	(14.7)	44.5%	(16.1)	9.9%
Repasse de Polos	(32.3)	(21.8)	48.4%	(28.7)	31.6%
Outros Custos	(64.2)	(55.9)	14.8%	(51.1)	(8.7%)
Custo	(215.3)	(208.9)	3.1%	(169.6)	(18.8%)
Lucro Bruto	254.2	155.9	63.1%	200.7	28.8%
<i>Margem Bruta</i>	<i>54.1%</i>	<i>42.7%</i>	<i>+1,141bps</i>	<i>54.2%</i>	<i>+1,148bps</i>
SG&A	(102.6)	(76.8)	33.6%	(80.4)	4.7%
D&A	(30.3)	(15.1)	101.5%	(22.0)	46.1%
PCLD	(31.9)	(8.3)	282.5%	(20.0)	139.7%
Outras receitas, líquidas	0.8	3.5	(76.7%)	1.0	(71.2%)
EBIT	90.1	59.1	52.5%	79.3	34.1%
D&A	51.5	29.7	73.4%	38.1	28.3%
EBITDA	141.7	88.8	59.5%	117.4	32.1%
<i>Margem EBITDA</i>	<i>30.2%</i>	<i>24.4%</i>	<i>+582bps</i>	<i>31.9%</i>	<i>+750bps</i>
Não Recorrentes - Custos	3.6	1.0	248.0%	0.6	(45.8%)
Não Recorrentes - Despesas	25.6	6.9	270.3%	24.1	248.6%
EBITDA Ajustado	170.9	96.8	76.5%	142.1	46.8%
<i>Margem EBITDA Aj.</i>	<i>36.4%</i>	<i>26.5%</i>	<i>+986bps</i>	<i>38.4%</i>	<i>+1,184bps</i>
Resultado Financeiro	(48.406)	(40.8)	18.7%	(29.9)	(26.7%)
LAIR	41.7	18.3	127.5%	49.4	169.3%
IR	1.9	23.1	(92.0%)	1.0	(95.7%)
Lucro Líquido	43.58	41.4	5.2%	50.4	21.6%
Amortização do Intangível	18.5	3.4	436.4%	11.4	230.2%
Despesas não Recorrentes	29.2	7.9	267.4%	22.8	187.3%
Lucro Líquido Ajustado	91.3	52.8	72.7%	84.6	60.2%

* Gerencial Não Auditado

Appendix – P&L

	2020			Ex acquisitions 2020*	
	R\$ million	2020	2019	2020	%
On Campus		1,416.0	1,157.8	22.3%	
DL		436.4	352.0	24.0%	
Revenue net of scholarships, cancellations and discounts		1,852.4	1,509.8	22.7%	1,498.0
Other Revenues		7.4	13.8	(46.1%)	5.0
Taxes		(58.838)	(49.4)	19.2%	(48.9)
Net Revenue		1,801.0	1,474.2	22.2%	1,454.1
Labor		(487.1)	(458.2)	6.3%	(366.5)
Right of Use Amortization		(79.8)	(57.0)	39.9%	(62.4)
Partners' DL Centers		(115.3)	(77.5)	48.8%	(101.2)
Other Costs		(255.7)	(238.0)	7.4%	(208.6)
COGS		(937.9)	(830.7)	12.9%	(738.7)
Gross Profit		863.1	643.5	34.1%	715.4
<i>Gross Margin</i>		<i>47.9%</i>	<i>43.7%</i>	<i>+427bps</i>	<i>49.2%</i>
SG&A		(438.4)	(265.8)	64.9%	(350.2)
D&A		(108.8)	(58.5)	86.1%	(79.0)
Provision for Doubtful Accounts		(149.1)	(46.0)	224.2%	(124.0)
Other Revenues		9.1	8.5	7.6%	3.8
EBIT		175.9	281.7	(37.6%)	165.9
D&A		188.7	115.5	63.3%	141.4
EBITDA		364.5	397.2	(8.2%)	307.3
<i>EBITDA Margin</i>		<i>20.2%</i>	<i>26.9%</i>	<i>-670bps</i>	<i>21.1%</i>
COGS - Non Recurring		48.6	8.7	461.3%	30.1
Expenses - Non Recurring		99.8	26.7	274.2%	93.6
Adjusted EBITDA		512.9	432.5	18.6%	431.0
<i>Adjusted EBITDA Margin</i>		<i>28.5%</i>	<i>29.3%</i>	<i>-86bps</i>	<i>29.6%</i>
Financial Results		(219.012)	(185.0)	18.4%	(150.1)
EBT		(43.1)	96.7	(144.6%)	15.8
Taxes		8.4	24.2	(65.5%)	8.0
Net Earnings		(34.79)	120.9	(128.8%)	23.8
Intangible Amortization		61.8	13.8	348.8%	38.9
Non Recurring Expenses		148.3	35.3	320.1%	123.0
Adjusted Net Earnings		175.4	170.0	3.2%	185.7

* Gerencial Não Auditado

Appendix – EBITDA IFRS16, EBITDA Pre-IFRS16 and Non Recurrings

4Q20

R\$ million	4Q20	4Q19	%	Ex acquisitions 2020*	
				4Q20	%
Adjusted EBITDA IFRS-16	170.9	96.8	76.5%	142.1	46.8%
Rents	(22.0)	(21.0)	4.8%	(12.0)	(42.9%)
Adjusted EBITDA Pre IFRS-16	148.9	75.8	96.4%	130.1	71.7%

R\$ million	4T20	4T19	%
Restructuring	4.5	1.0	364.1%
Openings and Expansions	0.7	3.5	(79.0%)
M&A/Projects	24.0	3.4	597.5%
Non Recurring	29.2	7.9	267.9%

2020

R\$ million	2020	2019	%	Ex acquisitions 2020*	
				2020	%
Adjusted EBITDA IFRS-16	512.9	432.5	18.6%	431.0	(0.3%)
Rents	(114.1)	(84.1)	35.6%	(79.5)	(5.4%)
Adjusted EBITDA Pre IFRS-16	398.8	348.4	14.5%	351.4	0.9%

R\$ million	2020	2019	%
Restructuring	58.8	8.9	561.4%
Openings and Expansions	2.2	18.1	(87.6%)
M&A/Projects	87.3	8.3	947.4%
Non Recurring	148.3	35.3	320.1%

Appendix – Balance Sheet

	2020	2019
Total Assets	3,670,738	2,199,203
Current Assets	455,041	198,523
Cash and Equivalents	212,905	22,723
Marketable Securities	-	915
Accounts Receivables	195,869	157,321
Taxes and Contributions	8,812	4,978
Advance to Suppliers	-	-
Related Parties	-	-
Other Assets	37,455	12,586
Non-current Assets	3,215,697	2,000,680
Long Term Assets	146,129	108,869
Accounts Receivables	18,741	11,627
Related Parties	-	-
Advance to Investments	-	-
Judicial Deposits	13,254	6,125
Other Assets	24,917	25,270
Deferred Taxes	89,217	65,847
Investments	146	146
Property and Equipment	470,250	424,832
Right of Use	877,114	489,646
Intangible	1,722,058	977,187

	2020	2019
Total Liabilities	3,218,734	1,688,412
Current Liabilities	536,469	1,012,465
Financial Debt	34,106	23,050
Bond (Debentures)	174,093	752,730
Suppliers	44,039	24,466
Related Parties	2,010	1,872
Salaries and Payroll Charges	125,870	80,623
Tax Liabilities	39,700	27,286
Dividends	-	30,006
Customer Advance	35,015	17,907
Leasing	72,397	45,826
Acquisitions	3,724	5,643
Deferred Revenues	1,332	722
Others	4,183	2,334
Non-Current Liabilities	2,682,265	675,947
Financial Debt	20,074	22,292
Bond (Debentures)	1,143,790	-
Related Parties	-	-
Salaries and Payroll Charges	29,356	-
Tax Liabilities	151,995	34,033
Deferred Taxes	18,240	1,000
Judicial Deposits	50,529	28,023
Leasing	877,120	467,785
Acquisitions	378,780	108,109
Deferred Revenues	10,952	11,674
Others	1,429	3,031
Shareholder's Equity	452,004	510,791
Capital	193,190	158,190
Capital Reserves	161,978	196,978
Earnings Reserves	96,836	155,623
Liabilities + Shareholder's Equity	3,670,738	2,199,203

Appendix – Cash Flow

	2020	2019
Profit (Loss) before income taxes	41,727	18,345
Depreciation and amortization	30,344	15,062
Right of use amortization	21,181	14,657
Amortization of fund raising costs	370	30
Debt Interests	1,057	957
Acquisitions Interests	2,055	1,889
Bonds (debentures) Interests	11,412	12,816
Lease Interests	22,039	13,278
PV Assets and Liabilities	(1,918)	1,572
Judicial Deposits Provision	(10,341)	2,084
Provision for Doubtful Accounts	31,919	8,345
PPE and Intangibles	(1,417)	-
Asset Sale Deferred Revenues	(180)	(180)
Lease discontinuation	71	-
Adjustements to Profit (Loss) before taxes to reconcile with the cash flow	148,319	88,855
Changes in assets		
Accounts receivable	(61,186)	(13,295)
Judicial Deposits	(1,446)	(639)
Taxes Recoverable	4,228	1,382
Other Credits	6,723	15,579
Changes in liabilities	-	-
Suppliers	(3,762)	(5,241)
Salaries and Payroll Charges	(40,678)	(23,288)
Taxes	(3,884)	(909)
Customer Advance	4,544	(2,260)
Others	(3,819)	1,163
	49,039	61,347
Taxes	(3,126)	(314)
Net cash from operating activities	45,913	61,033
Cash flow from investments		
Cash withdraw	-	(1)
Acquisitions	(4,872)	(3,359)
PPE acquisitions	(10,267)	(15,569)
Intangible acquisitions	(5,189)	(7,554)
Net cash from investing activities	(20,328)	(26,483)
Cash flow from financing activities		
Dividends	(54,000)	-
Debt downpayments	(35,784)	(5,131)
New Debt	-	6,400
Bonds (Debentures) downpayments	(6,397)	(20,414)
Lease downpayments	(21,678)	(21,431)
Net cash from financing activities	(117,859)	(40,576)
Increase (decrease) of cash and equivalents	(92,274)	(6,026)
Cash and Equivalents		
At the beginning	305,179	28,749
At the end	212,905	22,723
Increase (decrease) of cash and equivalents	(92,274)	(6,026)