



4Q21 & 2021 RESULTS

CSED
B3 LISTED NM

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4Q21 & 2021 Conference Call

March 31st, 2022

2 p.m. (Brasilia) / 1 p.m. (New York) / 6 p.m. (London)

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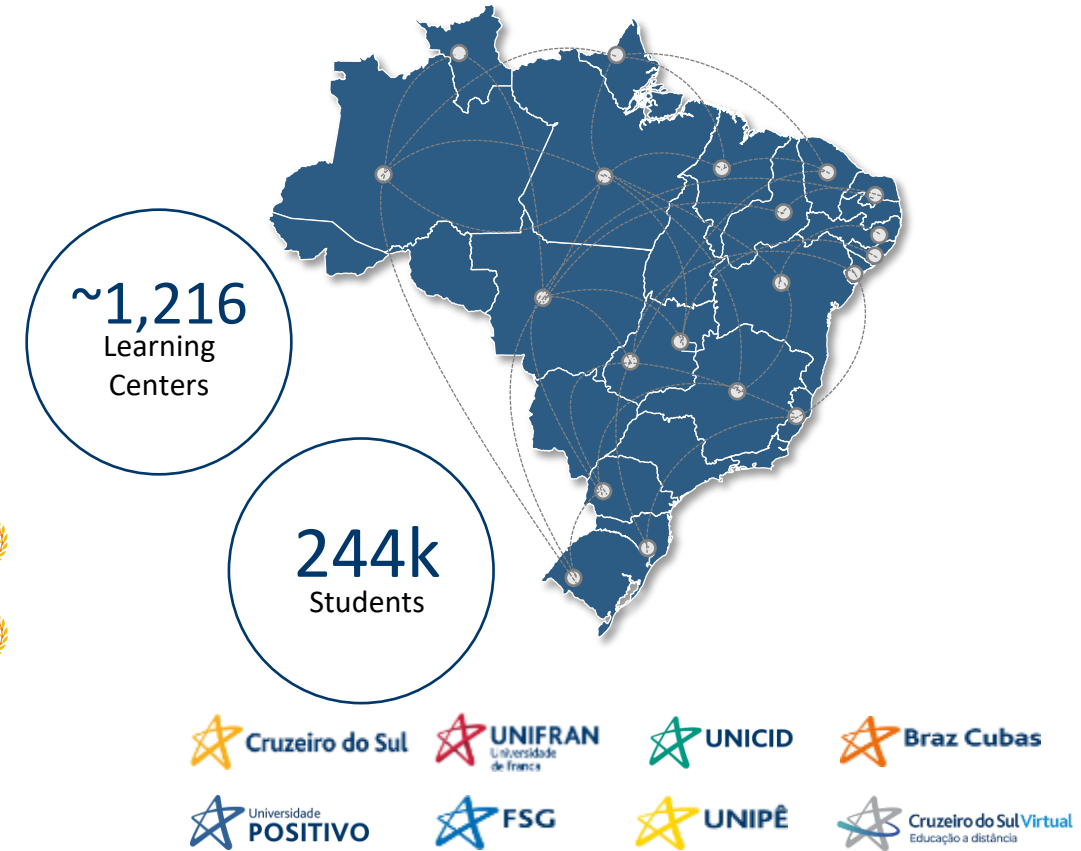
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Cruzeiro do Sul Educacional is one of the largest quality-focused education group in Brazil with more than 374k * students in 29¹ campuses and more than 1,216 learning centers.

On Campus



Distance Learning



Focus on quality is one of the key strategic pillars and translates into leadership positions when compared to the listed players*

Best weighted avg IGC¹ among the listed players*



Higher number of courses with a 4-5 grade in CPC² vs. listed *



Above-average performance in the indicators that set the CPC

IDD - Performance Variation Index



Enade



Professors with PHD



Recent Achievements

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

- UniFran Med School
- Cesua Production Engineering

ENADE 2019: Highest Grade (5)

- UniFran Med School (1st among privates in SP state)
- Universidade Positivo Med School (1st in Curitiba and 2nd in Paraná state among public and private)

Three institutions (FSG, Unipê and Braz Cubas) moved to 4 grade at IGC 2019

- 71% of our active institutions have a 4 grade (vs. 50% previously)

Professors with Masters



Professor's Work Regime



Pedagogical Structure



Infrastructure



*Listes players: YDUQS, Ser, Cogna, Afya, Anima +Laureate and Vitru. ¹(IGC – Índice Geral de Cursos) weighted by enrollments ²(CPC – Conceito Preliminar de Curso 2019)

4Q21 Highlights

R\$ million	4Q 21	4Q 20	%
Students - YE 000	373,8	352,3	6,1%
On Campus 000	130,0	135,5	(4,1%)
On-Campus ex-Medicine	118,7	120,3	(1,3%)
Medicine	3,8	3,5	7,1%
Grad School & K12	7,5	11,7	(36,3%)
DL - YE 000	243,8	216,8	12,5%
Revenues	484,3	469,5	3,2%
Gross Margin	46,5%	54,0%	-752bps
Adj. EBITDA	140,5	170,8	(17,8%)
EBITDA Margin	29,0%	36,4%	-738bps
Adj. Net Earnings	39,9	89,3	(55,3%)
Manag. Oper. Cash Flow	1,5	27,4	(94,5%)
MOCF/EBITDA	1,1%	19,3%	-1.820bps

- ★ **2021.2 Intake cycle: In DL, the last intake cycle ended with an 20% growth vs. 2020.2, reaching 97k students**
- ★ **Total student base reached 374k students at the end of 4Q21, an expansion of 6.1% vs. 2020, benefited by DL that expanded 12.5% and by the recovery in on-campus**
- ★ **Premium courses (synchronicity/on-site) already represent 14% of the DL student base, an increase of 4.1 p.p. Y/Y**
- ★ **Revenue of R\$484 million (+3.2% YoY) with the acceleration of distance learning and the recovery of on-campus**
- ★ **Adjusted EBITDA of R\$140 million with a margin of 29,0%, vs. R\$171 million in 4Q20 (36.4% margin), mainly impacted by adjustments to the academic model and management, in addition to the progression of on-campus courses**
- ★ **Adjusted Net Income of R\$40 million vs. R\$89 million in 4Q20**

2021 Highlights

R\$ million	2021	2020	%
Students -YE 000	373,8	352,3	6,1%
OnCampus 000	130,0	135,5	(4,1%)
On-Campus ex-Medicine	118,7	120,3	(1,3%)
Medicine	3,8	3,5	7,1%
Grad School & K12	7,5	11,7	(36,3%)
DL -YE 000	243,8	216,8	12,5%
Revenues	1.820,6	1.801,0	1,1%
Gross Margin	47,3%	46,9%	+39bps
Adj. EBITDA	535,9	514,7	4,1%
EBITDA Margin	29,4%	28,6%	+85bps
Adj. Net Earnings	146,0	172,5	(15,4%)
Manag. O per. Cash Flow	266,0	231,6	14,9%
MOCF/EBITDA	52,3%	63,2%	-1.093bps

- ★ Student base reached 374k students at the end of 2021, an expansion of 6.1% vs. 2020, benefited by distance learning that expanded 12.5% and by the recovery in on-campus
- ★ Net Revenue of R\$ 1.8 billion (+1.1% YoY), in line with 2020, despite being impacted by the change in the student mix and Unipê injunction with mandatory discount of ~R\$35 million
- ★ Adjusted EBITDA of R\$ 536 million with a margin of 29.4%, vs. R\$ 515 million in 2020 (28.6% margin), 4.1% higher than 2020 despite the pandemic impacts
- ★ Adjusted Net Income of R\$146 million vs. R\$172 million in 2020
- ★ Free Operating Cash Generation (after rent) reached R\$ 266 million (52% of EBITDA) vs. R\$ 232 million (63% of EBITDA) in 2020, impacted by higher expenses with rent and capex

Message from the Management

2021 was a different year for the more than 56 years of Cruzeiro do Sul Educacional's history, starting with the important milestone achieved in Feb/21, with the conclusion of IPO on B3.

At the same time, we faced the resurgence of the pandemic scenario, at this time at one of the most critical and decisive moments for the education sector, the intake and re-enrollment period. In front of this, we decided for the first time to opt for postponing the intake cycle until April, a strategy that proved to be the right one, resulting in a stability in the number of freshmen students in on-campus when compared to the same period in 2020, a period in which there were still no impacts from the pandemic. In our view, the result achieved reflects the resilience and quality of our brands.

Despite the challenges, we continued the expansion process with the opening of 2 new campuses, Villa Lobos, in the west of São Paulo and Guarulhos, both regions that resonated with our brands. In addition, we implemented a major adjustment plan in our base of hubs, focusing on long-term partnerships that contribute to end-to-end management, and in more attractive locations. We also started the operation of 36 hub DL centers, with specific laboratories for practical activities, which made it possible to offer courses in Engineering, Nutrition, Pharmacy, Biomedicine and Gastronomy in DL modality, resulting in a 4.1 pp increment in the penetration of semi on-campus (4.0 and 4.0I formats) in DL.

On the academic side, we were pleased to maintain the performance progression of our HEIs' indicators. As an illustration, we cite the evolution of 3 of our institutions (FSG, UNIPÊ and Braz Cubas) that moved to a 4 rating in the IGC 2019, a rating of 71% of CSED's active HEIs (vs. 50% in the previous cycle). It is important to mention the authorization of the first 2,000 seats to offer the distance nursing course, representing another great step towards the diversification of the Company's portfolio.

Another important milestone in our history was the release of the first Annual Sustainability Report, following the international guidelines of the GRI (Global Reporting Initiative) and IIRC (International Integrated Reporting Council). We address topics in all ESG spheres, reporting our main social, environmental and governance activities implemented in 2020, a year marked by the challenges of the COVID-19 pandemic, and we reaffirm our commitment to promoting the training of our students and the progress of Brazil by means of education.

Taking advantage of the governance subject, it is worth mentioning that the year 2021 was also a year of relevant transitions in the management strategy. In August/21, with the hiring of Mr. Fabio Fossen to occupy the position of CEO, we now have a 100% professionalized executive team, being the first time we have an executive who is not part of the founding families in the main position of the company. This movement was already foreseen and expected within the new context and the new challenges that present themselves for both the company and the sector. Thus, families began to act exclusively on the Board of Directors and Committees, strategic and governance bodies, continuing to contribute to the company's growth and preserving the values and identity that have always been present in our history.

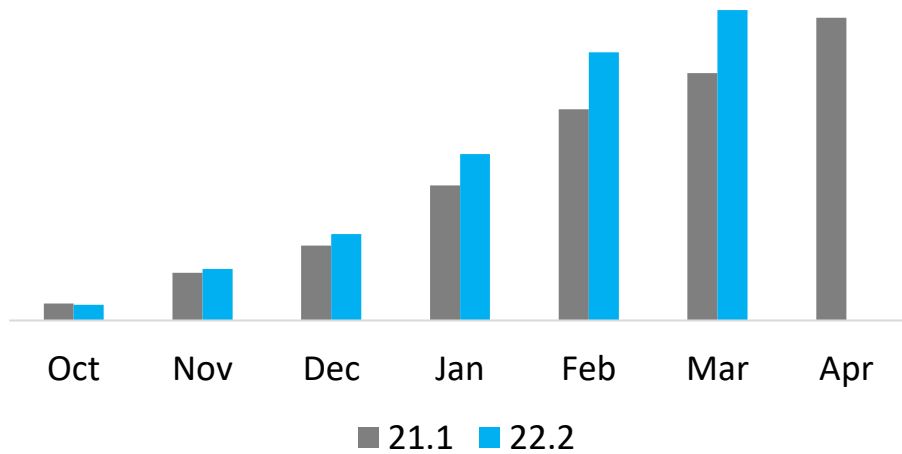
Finally, 2021 was a year of great achievements, but also a significant loss for the Company. On April 26, 2021, Teacher Hermes, as he was known, has left us. Teacher Hermes, one of the founders of Colégio Cruzeiro do Sul, was a key player in the Company's exponential growth process, serving for more than 55 years as CEO and later on the Board of Directors, always guided by the purpose of providing young people with professional and citizenship training with quality.

On the operational side, the advance in vaccination allowed us to see the first signs of our students returning to the campus. The classes that required laboratory practice were returned and the intake cycle was 23% and 20% higher than the last cycle, in on-campus and DL modalities, respectively. We ended the year with a 4% drop in the on-campus student base, still under the effects of the pandemic, and a 12% expansion in the distance learning base, which enabled a 6% increase in our total student base vs. 2020, despite the adversities faced.

Net revenue in 2021 was R\$1.8 billion, in line with the previous year, despite the impact of the change in the student mix, given the higher dropout of non-freshmen due to the pandemic scenario. Additionally, we had a negative impact of ~R\$35 million on UNIPÊ generated by the mandatory discounts injunction. Adjusted EBITDA reached R\$536 million, with a margin of 29.4%, (+0.9 p.p.) vs. 2020, mainly impacted by the reduction in the Company's gross margin. Adjusted Net Income reached R\$146 million vs. R\$ 172 million in the previous period.

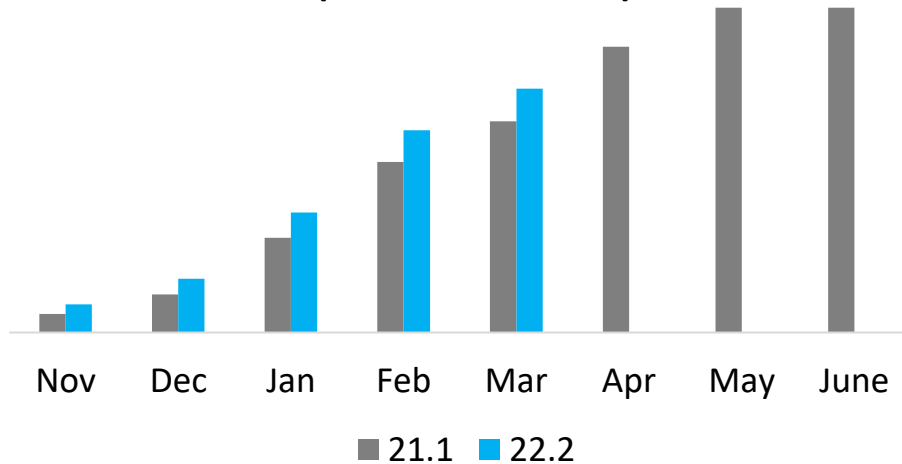
2022.1 Intake Cycle

☆ Intake 2022.1 - On-site (until March 27th)



- ☆ 2022.1 Intake, at the same date (March 27th) with an expressive growth vs. 2021.1 cycle
- ☆ We will postpone again the intake until April due to the demand
- ☆ Intake until March 27th was already higher than the complete cycle of last year, even one month earlier
- ☆ Freshman Ticket (ex medicine) higher than last year due to a less aggressive commercial strategy

☆ Intake 2022.1 – DL (until March 27th)



- ☆ 2022.1 Intake with mid-teens growth vs. 2021.1 cycle, at same date
- ☆ Competitive pricing environment
- ☆ Hybrid courses gaining share (~+7pp) in the freshmen base, mitigating the competition on 100% online courses

Operating Figures – Students Base ('000)* - 4Q21

★ Growth of 3.8% to 374k students in 4Q21 vs. 3Q21, with expansion in distance learning

On-Campus	4Q 21	4Q 21	Δ
Opening Balance 3Q	133,9	136,8	(2,1%)
Intake	0,2	0,2	(13,0%)
Dropout	(3,4)	(1,6)	115,9%
Graduation	0,0	0,0	-
Grad School and K12	(0,7)	0,1	-
Final balance 4Q	130,0	135,5	(4,1%)
Δ 3Q	-2,9%	-0,9%	
DL	4Q 21	4Q 21	Δ
Opening Balance 3Q	226,1	204,1	10,8%
Intake	32,0	16,9	88,9%
Dropout	(13,3)	(9,4)	42,1%
Graduation	0,0	0,0	-
Grad School and K12	(1,0)	5,1	-
Final balance 4Q	243,8	216,8	12,5%
Δ 3Q	7,8%	6,2%	
TOTAL	373,8	352,3	6,1%
Δ 3Q	3,8%	3,4%	

★ In on-campus the dropout was higher than 4Q20 as a result of a stronger intake in 2021 in a pandemic scenario

★ Compared to the same period in 2020, despite a 23.4% increase in enrollment in 2H20, the student base was reduced by 4.1% impacted mainly by the post-grad and K-12 business

★ In DL, enrollment growth was 7.8% vs. 3Q21, with an intake process of 32k students 89% higher than in 3Q21.

★ Compared to the same period in 2020, the student base expanded by 12.5%

* Managerial numbers

Dropout includes: Freshmen and senior dropout plus non re-enrollment;
Student Base includes ~4k K12 students on Dec/21

Operating Figures – Students Base ('000)* - 2021

★ In 2021, the student base expanded in 6.1% to 374k, with strong expansion in distance learning

On-Campus	2021	2020	Δ
Opening Balance	135,5	137,6	(1,5%)
Intake	71,8	67,7	6,1%
Dropout	(51,3)	(48,3)	6,2%
Graduation	(21,8)	(24,2)	(9,9%)
Gra Schooland K12	(4,3)	2,8	-
Finalbalance	130,0	135,5	(4,1%)
DL	2021	2020	Δ
Opening Balance	216,8	177,2	22,3%
Intake	199,8	164,2	21,6%
Dropout	(135,9)	(105,4)	28,9%
Graduation	(32,8)	(27,3)	20,0%
Gra Schooland K12	(4,1)	8,0	-
Finalbalance	243,8	216,8	12,5%
TOTAL	373,8	352,3	6,1%

★ On-campus with a reduction of 4.1% in the student base impacted by post-grad and K12. While we observed a number of freshmen in the year 6% above 2020, this was not able to mitigate dropout in the still adverse year.

★ In DL, the base growth was 12.5%, driven by strong intake cycle despite the number of DL centers had been remained practically stable.

*Managerial numbers

Dropout includes: Freshmen and senior dropout plus non re-enrollment;
Student Base includes ~4k K12 students on Dec/21

Operating Figures – Undergrad Average Ticket* - 4Q21 & 2021

R\$ million	4Q 21	4Q 20	%
Adjusted On campus avg Ticket¹	996	984	1,2%
Distance Learning avg Ticket	218	228	(4,5%)

- ★ In 4Q21, the adjusted average ticket (excluding the effect of Unipê injunction with mandatory discount and adjustments at UP) for on-campus graduation was 1.2% higher, mainly as a result of the maturation of medical seats at UNICID, Positivo and UNIPÊ. Including the effect of the injunction, the ticket would have been 5.1% higher vs. the 4Q20.
- ★ In DL, the average ticket for graduation was 4.5% lower despite the competitive environment.

R\$ million	2021	2020	%
Adjusted On campus avg Ticket¹	930	926	0,4%
Distance Learning avg Ticket	214	225	(4,8%)

- ★ In 2021, the adjusted average ticket (excluding the effect of Unipê injunction with mandatory discount and adjustments at UP) for on-campus graduation was in line with the same period in 2020, benefited from medical courses, despite the adverse scenario. Including the impacts of the injunction on Unipê, the average ticket in the half would be R\$905, a reduction of 1.3% vs. 2020
- ★ In distance learning, there was a drop of 4.8% due to the competitive environment.

*Average Ticket = Ex-Prouni revenue divided by the number of invoices issued in the period.

¹ Excluding Unipê injunction that came into effect in September 2020 and considers adjustments at Universidade Positivo reflecting the practices of Cruzeiro do Sul Educacional.

Financial Results – Net Revenue* - 4Q21 & 2021

R\$ million	4Q 21	4Q 20	%
On Campus	351,8	358,7	(1,9%)
Distance Learning	145,2	122,3	18,7%
Revenue net of scholarships, cancellations and discounts	497,0	481,0	3,3%
Other Revenues	1,8	2,7	(33,2%)
Taxes	(14,5)	(14,1)	2,5%
Net Revenue	484,3	469,5	3,2%

- ★ Net revenue in 4Q21 reached R\$484.3 million, 3.2% higher than in 4Q20. Disregarding the negative impact of Unipê injunction with mandatory discount, which was R\$ 5.1 million (1.0% of revenue) in 4Q21 vs. R\$ 8.8 million in 4Q20, revenue would expand by 2.3%.
- ★ Net revenue from scholarships, cancellations and discounts in on-campus services fell by 1.9%, reaching R\$351.8 million, mainly impacted by the lower student base (-4.1%).
- ★ Net revenue from scholarships, cancellations and discounts in distance education expanded 18.7%, reflecting the larger student base (+12.5%).

R\$ million	2021	2020	%
On Campus	1.347,0	1.407,5	(4,3%)
Distance Learning	523,5	440,9	18,7%
Revenue net of scholarships, cancellations and discounts	1.870,5	1.848,4	1,2%
Other Revenues	11,1	11,4	(3,1%)
Taxes	(60,9)	(58,8)	3,6%
Net Revenue	1.820,6	1.801,0	1,1%

- ★ Net revenue in 2021 reached R\$1.8 billion, in line with revenue of R\$1.8 billion in 2020. Disregarding the negative impact of Unipê injunction with mandatory discount of R\$34.9 million (1.9% of revenue) in the year 2021 vs. R\$ 11.5 million in 2020, revenue would expand by 2.4%, benefiting from the growth in the DL business that mitigated the drop in on-campus (impacted by the pandemic).
- ★ Net revenue from scholarships, cancellations and discounts in on-site services decreased by 4.3%, reaching R\$1.3 billion, impacted by the Unipê injunction (R\$34.9 million in 2021 vs. R\$11.5 million in 2020) and the smaller student base (-4.1%). Excluding the effects of the Unipê injunction, the revenue would have fallen in 2.6%.
- ★ Net revenue from scholarships, cancellations and discounts in DL expanded 18.7%, reflecting the larger student base (+12.5%).

Financial Results – Gross Profit – 4Q21 & 2021

R\$ million	4Q 21	4Q 20	%
Labor	(162,9)	(125,2)	30,2%
Right of Use Amortization	(26,4)	(21,2)	24,6%
Partners' DL Centers	(32,6)	(32,3)	0,8%
Other Costs	(37,2)	(37,2)	(0,0%)
Gross Profit	225,2	253,7	(11,2%)
Gross Margin	46,5%	54,0%	-752bps
Non Recurring	1,5	3,6	(57,1%)
Adjusted Gross Profit	226,8	257,2	(11,8%)
Adj. Gross Margin	46,8%	54,8%	-796bps

R\$ million	2021	2020	%
Labor	(590,8)	(625,9)	(5,6%)
Right of Use Amortization	(101,6)	(79,8)	27,3%
Partners' DL Centers	(119,4)	(115,3)	3,6%
Other Costs	(148,2)	(135,6)	9,3%
Gross Profit	860,7	844,4	1,9%
Gross Margin	47,3%	46,9%	+39bps
Non Recurring	8,6	49,2	(82,4%)
Adjusted Gross Profit	869,3	893,6	(2,7%)
Adj. Gross Margin	47,7%	49,6%	-187bps

- ★ Gross profit in 4Q21 reached R\$225.2 million, 11.2% lower than in 4Q20, with a margin of 46.5% (-7.5 p.p. y/y). The increase in costs in 4Q21 was a result of the increase in the labor costs, which was impacted by (i) R\$11.0 million related to adjustments in the academic model and management; (ii) R\$5.8 million in medicine due to progression of classes and back to on-campus, (iii) R\$6.5 million in progression of courses outside the health area and (iv) R\$5.5 million in progression in health courses ex medicine. In addition, there was an increase in the amortization of the right of use, impacted by the monetary restatement of the IGPM inflation index that is levied on rents.
- ★ Non-recurring costs in 4Q21 were related to M&A expenses and the opening/expansion of DL centers. The 4Q20 was impacted by non-recurring costs in the amount of R\$3.6 million remaining from the Zero-Based-Budget carried out at FSG, Positivo and Cesuca
- ★ Gross profit in 2021 reached R\$ 860.7 million, 1.9% higher than in 2020, with a margin of 47.3% (+0.4 p.p. y/y). Non-recurring costs in 2021 totaled R\$8.6 million resulting from M&A expenses and the opening/expansion of DL centers.
- ★ The beginning of the pandemic in March 2020, added to the incorporation of Braz Cubas and Universidade Positivo, in addition to the Zero-Based-budget that we carried out in the period, directly impacted 2020 with non-recurring costs in the amount of R\$49.2 million.
- ★ Excluding the impact of non-recurring costs, gross profit for 2021 would decrease by 2.7% and the margin would be 47.7% (-1.9 p.p. y/y) vs. 2020

Financial Results – Adjusted EBITDA – 4Q21 & 2021

R\$ million	4Q 21	4Q 20	%
Gross Profit	225,2	253,7	(11,2%)
<i>Gross Margin</i>	46,5%	54,0%	<i>-752bps</i>
SG & A	(99,3)	(101,5)	(2,2%)
PDA	(24,7)	(31,9)	(22,6%)
D & A	(25,2)	(30,3)	(16,8%)
Other Revenues	6,8	0,2	3307,0%
EBIT	82,9	90,1	(8,1%)
D & A	51,6	51,5	0,2%
EBITDA	134,5	141,6	(5,0%)
EBITDA Margin	27,8%	30,2%	<i>-240bps</i>
Non Recurring ¹	6,0	29,2	(79,5%)
Adjusted EBITDA	140,5	170,8	(17,8%)
Adj. EBITDA Margin	29,0%	36,4%	<i>-738bps</i>

R\$ million	2021	2020	%
Gross Profit	860,7	844,4	1,9%
<i>Gross Margin</i>	47,3%	46,9%	<i>+39bps</i>
SG & A	(368,8)	(417,3)	(11,6%)
PDA	(98,4)	(149,1)	(34,0%)
D & A	(93,9)	(108,8)	(13,7%)
Other Revenues	13,9	8,5	63,1%
EBIT	313,3	177,7	76,3%
D & A	195,5	188,7	3,6%
EBITDA	508,9	366,4	38,9%
EBITDA Margin	28,0%	20,3%	<i>+761bps</i>
Non Recurring ¹	27,0	148,3	(81,8%)
Adjusted EBITDA	535,9	514,7	4,1%
Adj. EBITDA Margin	29,4%	28,6%	<i>+85bps</i>

★ Adjusted EBITDA in 4Q21 reached R\$ 140.5 million, 17.8% lower than in 4Q20 with a margin of 29.0% (-7.4 p.p. y/y). The decline in Adjusted EBITDA in 4Q21 is basically explained by the reduction in the Company's gross profit.

★ Additionally, in expenses, we observed a lower PDA in the period (5.1% in 4Q21 vs. 6.8% in 4Q20).

★ Adjusted EBITDA for 2021 reached R\$ 535.9 million, 4.1% higher than in 2020, with a margin of 29.4%, (+0.8 p.p. y/y) as a result of lower PDA (5.4% in 2021 vs 8.3% in 2020).

¹Non Recurring, details p. 22:

In 2021 – (i) Expenses incurred in the opening of units and expansion of DL centers; and (ii) Adjustments to the academic model

In 2020: (i) Termination costs due to the impact of COVID-19; (ii), Expenses incurred in the opening of units and expansion of DL centers; and (iii) The costs incurred in M&As)

Financial Results – Net Earnings – 4Q21 & 2021

R\$ million	4Q 21	4Q 20	%
EBITDA	134,5	141,6	(5,0%)
D & A	(51,6)	(51,5)	0,2%
Financial Result	(25,6)	(26,4)	(3,3%)
Lease liability interest	(28,3)	(21,9)	28,9%
Taxes	(3,9)	1,9	(310,0%)
Net Earnings	25,1	43,6	-
Intangible Amortization	8,8	16,5	(46,6%)
Non Recurring Expenses	6,0	29,2	(79,5%)
Adj. Net Earnings	39,9	89,3	(55,3%)

★ Adjusted Net Earnings in 4Q21 reached R\$ 39.9 million vs. R\$ 89.3 in 4Q20, reflecting the impacts on operating performance and higher financial expenses resulting from higher interest expenses on lease liabilities.

R\$ million	2021	2020	%
EBITDA	508,9	366,4	38,9%
D & A	(195,5)	(188,7)	3,6%
Financial Result	(124,3)	(139,7)	(11,0%)
Lease liability interest	(109,5)	(81,2)	34,9%
Taxes	3,4	8,4	(59,1%)
Net Earnings	83,0	(34,8)	-
Intangible Amortization	36,0	58,9	(38,9%)
Non Recurring Expenses	27,0	148,3	(81,8%)
Adj. Net Earnings	146,0	172,5	(15,4%)

★ Adjusted Net Earnings in 2021 reached R\$ 146,0 million, 15.4% lower than the R\$ 172.5 million in 2020, reflecting the impacts on operating performance and higher financial expenses resulting from higher interest expenses on lease liabilities.

Financial Results – Accounts Receivable – 4Q21

R\$ million	12/31/2021	12/31/2020	%	06/30/2021	%
Tuition	346,5	506,2	(31,6%)	530	52,8%
Student Financing	59,2	63,4	(6,7%)	73	23,6%
Agreements	47,4	39,5	20,2%	37	(22,5%)
Other Receivables	41,9	33,9	23,7%	37	(12,2%)
Gross Receivables	495,0	643,0	(23,0%)	676	36,6%
AVP	(4,6)	(0,7)	554,2%	(2)	(46,1%)
PDA	(278,4)	(427,7)	(34,9%)	(462)	66,0%
Net Receivables	212,1	214,6	(1,2%)	212	(0,1%)
Days of Receivables	42	42	-	42	-

★ The average collection period in Dec/21 was stable in vs. Dec/20 reaching 42 days and in line with the semester ended on 06/30/2021 (period corresponding to the end of the academic semester).

★ The company continues with the strategy of maintaining a low penetration of students in Student Financing programs¹ (6.6% of the on-campus base on 12/31/21) and limiting agreements.

Financial Results – Capex* - 4Q21 & 2021

R\$ million	4Q 21	4Q 20	%
Maintenance	(27,7)	(14,9)	85,5%
Expansion	(0,4)	(0,5)	-
Capex	(28,1)	(15,5)	81,5%

R\$ million	2021	2020	%
Maintenance	(75,9)	(40,8)	86,3%
Expansion	(11,8)	(7,1)	66,4%
Acquisitions	-	(30,3)	(100,0%)
Capex	(87,7)	(378,1)	(76,8%)

★ In 4Q21, investments were approximately R\$ 28.1 million, an increase of R\$ 12.6 million vs. 4Q20 motivated by the resumption of maintenance investment projects that had been paralyzed in early 2020 due to the pandemic. The investment in expansion reflects the Campina Grande/PB unit and DL Hub Centers.

★ In 2021, investments were approximately R\$ 87.7 million, a significant reduction, impacted by the pandemic and due to the acquisitions of Braz Cubas and Positivo last year.

★ Additionally, it should be highlighted that investments with expansion in 2021 include Villa Lobos-SP/SP, Campina Grande/PB, Guarulhos/SP and DL Hub Centers, while investments for 2020 come from the opening of the Santo Amaro – SP/SP campus

Financial Results – Managerial Operating Cash Flow

R\$ million	4Q 21	4Q 20	%
EBITDA	134,5	141,6	(5,0%)
Rents	(45,2)	(21,7)	108,7%
Working Capital ¹	(57,7)	(76,4)	(24,4%)
Taxes	(1,9)	(0,7)	163,0%
CAPEX	(28,1)	(15,5)	81,5%
Manag. Oper. Cash Flow²	1,5	27,4	(94,5%)
MOCF/EBITDA	1,1%	19,3%	-1.820bps
Non Recurring	6,0	29,2	(79,5%)
Adj. Manag. Oper. Cash Flow ²	7,5	56,6	(86,7%)

- ★ The managerial operating cash generation of 4Q21, including non-recurring expenses of R\$6,0 million, reached R\$1,5 million, below the R\$ 27,4 million in 4Q20 and reached 1.1% of EBITDA (vs. 19.3% in 4Q20).
- ★ It is worth noting that the IGPM monetary adjustments reflecting the rent account, added to the resumption of investments that had been paralyzed in 2020, impacted cash generation in 4Q21.

R\$ million	2021	2020	%
EBITDA	508,9	366,4	38,9%
Rents	(172,4)	(114,1)	51,1%
Working Capital ¹	22,1	31,4	(29,8%)
Taxes	(4,8)	(4,3)	11,4%
CAPEX	(87,7)	(47,8)	83,3%
Manag. Oper. Cash Flow²	266,0	231,6	14,9%
MOCF/EBITDA	52,3%	63,2%	-1.093bps
Non Recurring	27,0	148,3	(81,8%)
Adj. Manag. Oper. Cash Flow ²	293,0	379,9	(22,9%)

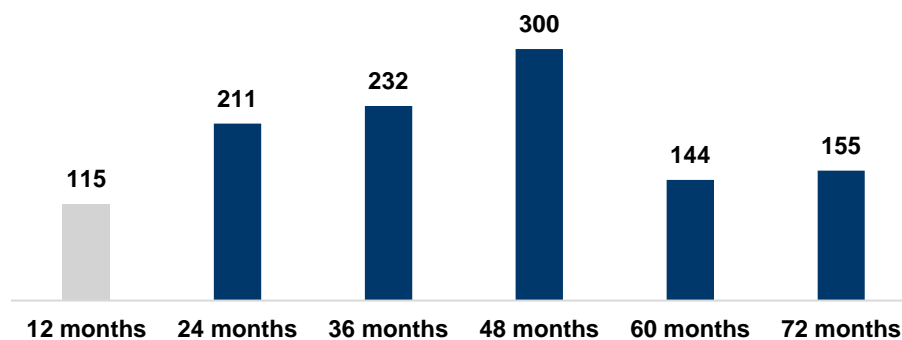
- ★ The managerial operating cash generation, including non-recurring expenses of R\$27.0 million in 2021, reached R\$266.0 million, 14.9% higher than that recorded in 2020 and reached 52.3% of EBITDA.
- ★ It is worth noting the good performance despite the significant increase of ~51% in rental expenses and the resumption of CAPEX investments that had been paralyzed in 2020

Financial Results – Net Debt (Cash)

R\$ million	4Q 21	4Q 20	%
Cash	(1.085)	(213)	409,6%
Financial Debt	1.177	1.372	(14,2%)
Acquisition	395	383	3,4%
Net Debt (Cash)	487	1.542	(68,4%)
Net Debt/Adj. EBITDA	0,9x	3,0x	(69,7%)
Lease	1.203	950	26,7%
Net Debt (Cash) after Lease	1.690	2.491	(32,2%)

★ The Company ended the 4Q21 with net debt (ex-lease liabilities) in the amount of R\$487 million, benefiting from the funding made in February via the Initial Public Offering (IPO) in the amount of ~R\$1 billion.

Debentures Amortization Schedule - R\$ million



APPENDIX



Appendix – Student base, DL Centers & Campuses

Students

EoP	Total	On Campus	DL
3Q 21	360,0	133,9	226,1
Intake	32,2	0,2	32,0
Dropout	(16,7)	(3,4)	(13,3)
Graduation	0,0	0,0	0,0
Grad School ¹	(1,7)	(0,7)	(1,0)
4Q 21	373,8	130,0	243,8

Students Base - By enrollment type

Students (000)	4Q 21	4Q 20	YoY
On-Campus Graduation	118,8	120,3	(1,3%)
Med School	3,8	3,5	7,1%
Grad School and K12	7,5	11,7	(36,3%)
On-Campus	130,0	135,5	(4,1%)
DL Graduation	219,0	187,8	16,6%
Semion-campus	30,7	18,3	68,3%
DL Grad School and K12	24,8	28,9	(14,2%)
DL	243,8	216,8	12,5%
Total	373,8	352,3	6,1%

Infrastructure

EoP	4Q 21	4Q 20	Δ	%
DL	1.216	1.214	+2	0,2%
Campuses	29	27	+2	7,4%

DL Centers - Maturation

% of matured DL Centers	4Q 21	3Q 21	2Q 21	1Q 21
Year1	0,2%	4,5%	4,2%	7,7%
Year2	15,0%	17,2%	22,9%	22,5%
Year3	28,1%	27,0%	26,9%	26,1%
Year4	27,1%	24,4%	19,2%	25,7%
Matured	29,6%	26,9%	26,7%	18,1%

Appendix

- Preliminary Impact of Mandatory UNIPÊ Discount
- IFRS16 EBITDA, Pre-IFRS16 EBITDA
- Non-recurring

Preliminary Impact of Mandatory UNIPÊ Discount

Preliminary Impact of Mandatory UNIPÊ Discount	3Q 20	4Q 20	1Q 21	2Q 21	3Q 21	4Q 21	2020	2021
Net Revenue	431,9	469,5	421,1	478,2	436,9	484,3	1801,0	1820,6
Injunction Impact	2,7	8,8	9,9	10,7	9,1	5,1	11,5	34,9
Adjusted Net Revenue	434,7	478,3	431,0	489,0	446,1	489,4	1812,5	1855,5

Adjusted EBITDA

R\$ million	4Q 21	4Q 20	%	2021	2020	%
Adjusted EBITDA IFRS-16	140,5	170,8	(17,8%)	535,9	514,7	4,1%
Rents	(43,0)	(33,6)	27,9%	(127,1)	(92,4)	37,6%
Adjusted EBITDA Pre IFRS-16	97,5	137,2	(29,0%)	408,7	422,3	(3,2%)
Adjusted EBITDA Pre IFRS-16 Margin	20,1%	29,2%	-910bps	22,4%	23,5%	-100bps

Non Recurring

R\$ million	4Q 21	4Q 20	%	2021	2020	%
Restructuring	-	4,5	-	-	58,8	-
Openings and Expansions	2,2	0,7	-	7,6	2,2	240,6%
M & A/Projects/Terminations	3,8	24,0	(83,9%)	19,4	87,3	(77,8%)
Non Recurring	6,0	29,2	(79,5%)	27,0	148,3	(81,8%)

Appendix – P&L

R\$ million	4Q 21	4Q 20	2021	2020
On Campus	351,8	358,7	1.347,0	1.407,5
DL	145,2	122,3	523,5	440,9
Revenue net of scholarships, cancellations and discounts	497,0	481,0	1.870,5	1.848,4
Other Revenues	1,8	2,7	11,1	11,4
Taxes	(14,5)	(14,1)	(60,943)	(58,838)
Net Revenue	484,3	469,5	1.820,6	1.801,0
Labor	(162,9)	(125,2)	(590,8)	(625,9)
Right of Use Amortization	(26,4)	(21,2)	(101,6)	(79,8)
Partners' DL Centers	(32,6)	(32,3)	(119,4)	(115,3)
Other Costs	(37,2)	(37,2)	(148,2)	(135,6)
COGS	(259,1)	(215,9)	(959,9)	(956,6)
Gross Profit	225,2	253,7	860,7	844,4
<i>Gross Margin</i>	46,5%	54,0%	<i>47,3%</i>	<i>46,9%</i>
SG & A	(99,3)	(101,5)	(368,8)	(417,3)
D & A	(25,2)	(30,3)	(93,9)	(108,8)
Provision for Doubtful Accounts	(24,7)	(31,9)	(98,4)	(149,1)
Other Revenues	6,8	0,2	13,9	8,5
EBIT	82,9	90,1	313,3	177,7
D & A	51,6	51,5	195,5	188,7
EBITDA	134,5	141,6	508,9	366,4
<i>EBITDA Margin</i>	27,8%	30,2%	28,0%	20,3%
COGS - Non Recurring	1,5	3,6	8,6	49,2
Expenses - Non Recurring	4,5	25,6	18,3	99,1
Adjusted EBITDA	140,5	170,8	535,9	514,7
<i>Adjusted EBITDA Margin</i>	29,0%	36,4%	29,4%	28,6%
Financial Results	(53,9)	(48,4)	(233,804)	(220,889)
EBT	29,0	41,7	79,5	(43,1)
Taxes	(3,9)	1,9	3,4	8,4
Net Earnings	25,1	43,6	82,96	(34,79)
Intangible Amortization	8,8	16,5	36,0	58,9
Non Recurring Expenses	6,0	29,2	27,0	148,3
Adjusted Net Earnings	39,9	89,3	146,0	172,5

Resubmission 2020:

Adjustments:

(i) amounts related to advertising and publicity expenses allocated under the heading "Cost of Services Provided", which are now classified under "General and Administrative Expenses;
(ii) amounts related to expenses with salaries and labor charges of academic technicians under "General and Administrative Expenses", which are now classified under "Cost of Services Provided" and
(iii) amounts related to monetary restatement of contingencies classified in the line "General and Administrative Expenses", which are now classified within the Financial Result

2021

The 2021 result has been adjusted and already reflects the reclassifications mentioned above

Appendix – Balance Sheet

	Dec.21	Dec.20
Total Assets	4.776.017	3.670.134
Current Assets	1.302.377	446.473
Cash and Equivalents	1.084.985	212.905
Marketable Securities	-	-
Accounts Receivables	187.816	187.301
Taxes and Contributions	13.557	8.812
Advance to Suppliers	-	-
Related Parties	-	-
Other Assets	16.019	37.455
Non-current Assets	3.473.640	3.223.661
Long Term Assets	189.309	154.093
Accounts Receivables	24.273	27.309
Related Parties	-	-
Advance to Investments	-	-
Judicial Deposits	18.375	13.254
Other Assets	46.147	24.917
Deferred Taxes	100.514	88.613
Investments	146	146
Property and Equipment	485.936	470.250
Right of Use	1.092.179	877.114
Intangible	1.706.070	1.722.058
	Dec.21	Dec.20
Total Liabilities	3.322.229	3.218.130
Current Liabilities	559.893	536.469
Financial Debt	15.122	34.106
Bond (Debentures)	115.479	174.093
Suppliers	50.471	44.039
Related Parties	2.519	2.010
Salaries and Payroll Charges	120.555	125.870
Tax Liabilities	49.695	39.700
Dividends	19.702	-
Customer Advance	39.242	35.015
Leasing	78.326	72.397
Acquisitions	63.688	3.724
Deferred Revenues	722	1.332
Others	4.372	4.183
Non-Current Liabilities	2.762.336	2.681.661
Financial Debt	3.761	20.074
Bond (Debentures)	1.042.297	1.143.790
Related Parties	-	-
Salaries and Payroll Charges	24.847	29.356
Tax Liabilities	136.540	151.995
Deferred Taxes	17.278	17.636
Judicial Deposits	65.295	50.529
Leasing	1.124.717	877.120
Acquisitions	331.714	378.780
Deferred Revenues	10.230	10.952
Others	5.657	1.429
Shareholder's Equity	1.453.788	452.004
Capital	1.203.576	193.190
Capital Reserves	161.978	161.978
Earnings Reserves	88.234	96.836
Liabilities + Shareholder's Equity	4.776.017	3.670.134

Appendix – Cash Flow

	4Q21	4Q20
Profit (Loss) before income taxes	28.979	41.727
Depreciation and amortization	25.232	30.344
Right of use amortization	26.395	21.181
Amortization of fund raising costs	229	370
Debt Interests	633	1.057
Acquisitions Interests	7.163	2.055
Bonds (debentures) Interests	25.216	11.412
Lease Interests	28.301	22.039
PV Assets and Liabilities	1.081	(1.918)
Judicial Deposits Provision	1.901	(10.341)
Provision for Doubtful Accounts	24.695	31.919
PPE and Intangibles	143	(1.417)
Asset Sale Deferred Revenues	(790)	(180)
Lease discontinuation	(13)	71
Adjustements to Profit (Loss) before taxes to reconcile with the cash flow	169.165	148.319
Changes in assets	-	-
Accounts receivable	(54.243)	(61.186)
Judicial Deposits	(1.266)	(1.446)
Taxes Recoverable	(1.052)	4.228
Other Credits	17.404	6.723
Suppliers	1.397	(3.762)
Salaries and Payroll Charges	(36.639)	(40.678)
Taxes	1.604	(6.277)
Customer Advance	(16.812)	4.544
Others	(290)	(6.075)
	79.268	44.390
Taxes	(1.928)	(733)
Net cash from operating activities	77.340	43.657
Cash flow from investments		
Cash withdraw	-	-
Acquisitions	(1.202)	(4.872)
PPE acquisitions	(14.493)	(10.267)
Intangible acquisitions	(13.564)	(5.189)
Net cash from investing activities	(29.259)	(20.328)
Cash flow from financing activities		
Dividends	-	(54.000)
Debt downpayments	(13.436)	(35.784)
New Debt	-	-
Bonds (Debentures) downpayments	(14.417)	(6.397)
Lease downpayments	(45.235)	(21.678)
Aumento de capital	-	-
Gastos com emissões de novas ações	-	-
Net cash from financing activities	(73.088)	(115.603)
Increase (decrease) of cash and equivalents	(25.007)	(92.274)
Cash and Equivalents		
At the beginning	1.109.992	305.179
At the end	1.084.985	212.905
Increase (decrease) of cash and equivalents	(25.007)	(92.274)



Cruzeiro do Sul

Educacional

