

EARNINGS RELEASE

PRESS RELEASE

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August 15th 2023, Tuesday

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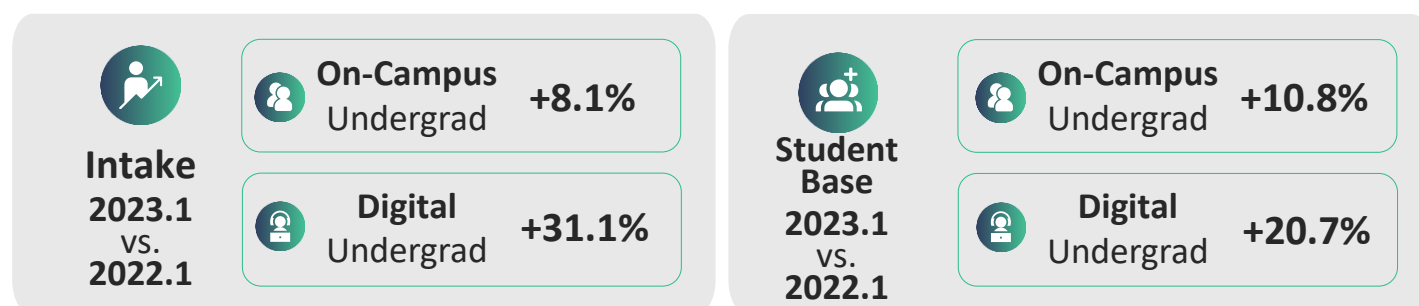
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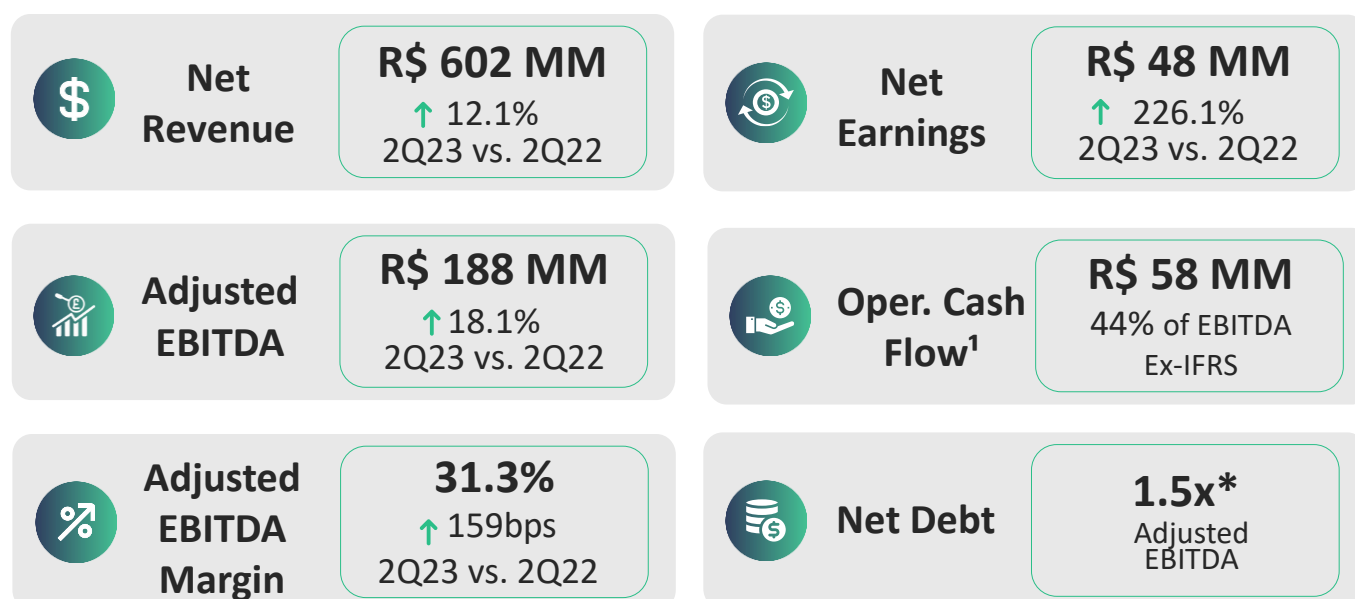
SÃO PAULO, August 14th, 2023

Cruzeiro do Sul Educacional ("Cruzeiro do Sul" or "Company") (CSED3) announces today its results for the second quarter of 2023 (2Q23). The consolidated financial statements were prepared in accordance with accounting practices adopted in Brazil and with international accounting standards (IFRS) issued by the International Accounting Standards Board (IASB).

OPERATIONAL HIGHLIGHTS



FINANCIAL HIGHLIGHTS



¹ EBITDA Ex-IFRS 16 – Working Capital - Taxes
Net Financial Debt/EBITDA LTM ex-IFRS-16

DISCLAIMER

This presentation may contain forward-looking statements. These forecasts only reflect expectations of the Company's managers regarding future economic conditions, as well as the Company's performance, financial performance and results, among others. The terms "anticipates", "believes", "expects", "predicts", "intends", "plans", "projects", "objective", "should", and similar terms, which, of course, involve risks and uncertainties that may or may not be expected by the Company and therefore are not guarantees of future results of the Company and therefore the future results of the Company's operations may differ from current expectations and the reader should not rely exclusively in the information contained herein. The Company does not undertake to update the presentations and forecasts in the light of new information or its future developments. The values reported for 2023 onwards are estimates or targets. The financial and operational information set out in this presentation is rounded off. The total amount is presented in the tables and graphs could therefore differ from the direct numerical aggregation of the preceding numbers. Non-financial information contained herein, as well as other operational information, were not audited by independent auditors. No investment decision should be based on validity, accuracy or completeness of the information or opinions contained in this presentation.



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Cruzeiro do Sul Educacional

is one of the largest quality-focused education group in Brazil with more than 468k* students in 27¹ campuses and more than ~1,584 hubs

ON-CAMPUS

153k*
STUDENTS

27¹
CAMPUSES



DIGITAL

315k
STUDENTS

~1,584
HUBS



*Includes ~ 4k students on basic education on Jun/2023

¹ The number of ¹ Number of campuses as recorded in the MEC's basis

Brands that work with Medicine

MESSAGE FROM MANAGEMENT

We have completed our first year of implementing the organizational realignment, as a result of the evolution of the group's strategy, with the creation of the Business Units: On-site and Digital. Since then, we have teams dedicated to business growth, seeking more speed and assertiveness in decision-making, always with the ultimate goal of delivering the best experience to our students. The initiative to segment by BU's brought important gains to the business. In Digital, we accelerated the growth of our student base and centers, focusing on courses with greater added value in hybrid and live modalities, which allowed us to also advance in 100% online.

At On-Campus, we restructured the curriculum as a way to provide a better experience for the student, deliver greater quality and differentiate our products. Additionally, in June 2023, we entered into a partnership with Google Cloud, aiming to bring more innovation and quality to our products. In this initiative, we used our reference brand in distance learning, Cruzeiro do Sul Virtual, to launch the first two undergraduate courses in our portfolio, aimed at a needy area in the training of professionals in the areas of technology and cloud infrastructure. The objective is to increase the employability of our students in the sector, offering up-to-date and practical training, which relies on the computational resources of Google Cloud Platform and preparation for certifications.

In Digital, we aim to improve our understanding of the current profile of young people, digital natives and always connected with a broad virtual ecosystem. We are allied with "FURIA", one of the most important organizations in the world in the electronic sports and gamer universe. The partnership's purpose, at first, to understand behavior and connect with an ecosystem organized into communities that include young people and adults. We will get even closer to recent high school graduates and start developing engagement methodologies and courses related to the gamer universe.

On the academic side, we made advances in the international recognition of our institutions. UNIFRAN, again featured in the Times Higher Education (THE) Ranking 2022. And for the first time, CEUNSP and BRAZ CUBAS entered this prestigious ranking with more than 1,800 institutions and only 47 Brazilian ones (mostly public HEIs). Recognizing that our efforts to provide quality education are appreciated by our national and international peers. Additionally, the Research.com ranking, which classifies the best researchers in the world, placed Universidade Cruzeiro do Sul among the best research institutions in the country in the areas of Medicine, Biology and Biochemistry. In Medicine, out of 12 classified Brazilian institutions, we are in 10th place. In Biology and Biochemistry, we ranked 13th out of 24 institutions and 1st among private institutions. Prof. & Dr. Rui Curi represents the University through the Interdisciplinary Master's and Doctorate Program in Health Sciences.

Moving on to operational issues, we ended the first half of 2023 with a 10.0% growth in the student base in On-Campus and 26.7% in Digital. We concluded the intake in the Digital segment of the 2023.1 cycle with an expansion of 31.1% vs. the cycle 2022.1. The acceleration in enrollment in the period, together with the expansion of 283 new hubs (+22% vs. 2Q22) favored the growth of the proportion of newcomers in our total Digital base, generating a small impact on the average ticket (freshman + seniors), down 1.7%. It is worth mentioning that we were able to expand the penetration of students enrolled in hybrid (+3.9 p.p. vs. 2Q22) indicating our ability to grow in higher ticket products. In On-Campus, we closed enrollment with growth of 8.1% vs. the 2022.1 cycle, with a slight decrease in the average ticket (freshman + seniors) of around 1.0%, given the greater adherence to the Prouni program and the harvests that entered during the pandemic period. In re-enrollments, we continued our trend of improvement over the last three years, in On-Campus, we had +2.9 p.p. and 1.9 p.p. in Digital compared to the previous cycle, surpassing pre-pandemic levels. Considering that there is a natural pressure that could lead to a decline in the numbers of re-enrollments, due to the increase in the number of freshmen, continuing to advance and improve is a clear demonstration of the solidity of our academic model and the quality that we deliver in the experience for our students.

Moving on to the financial results for 2Q23, we reached Net Revenue of R\$602 million, an expansion of 12.1%. Gross Profit for the quarter was R\$295 million, expanding 15.1%, with a gross margin of 49.0% (+125bps vs. 2Q22) as a result of efficiency initiatives, in addition to the termination of union agreements. Adjusted EBITDA reached R\$188 million, with a margin of 31.3%, an improvement of 159bps vs. o 2Q22, as a reflection of management initiatives in the search for efficiency in general and administrative expenses, which mitigated the impacts of the higher PDA (8.9% of revenue vs. 7.9% in 2Q22). Net Income reached R\$48 million, 3.3x higher than the R\$15 million in 2Q22. Operating cash generation reached R\$58.2 million, 151.1% higher than 2Q22, and reached 44.4% of Ex-IFRS EBITDA.

OPERATIONAL PERFORMANCE

ON-CAMPUS

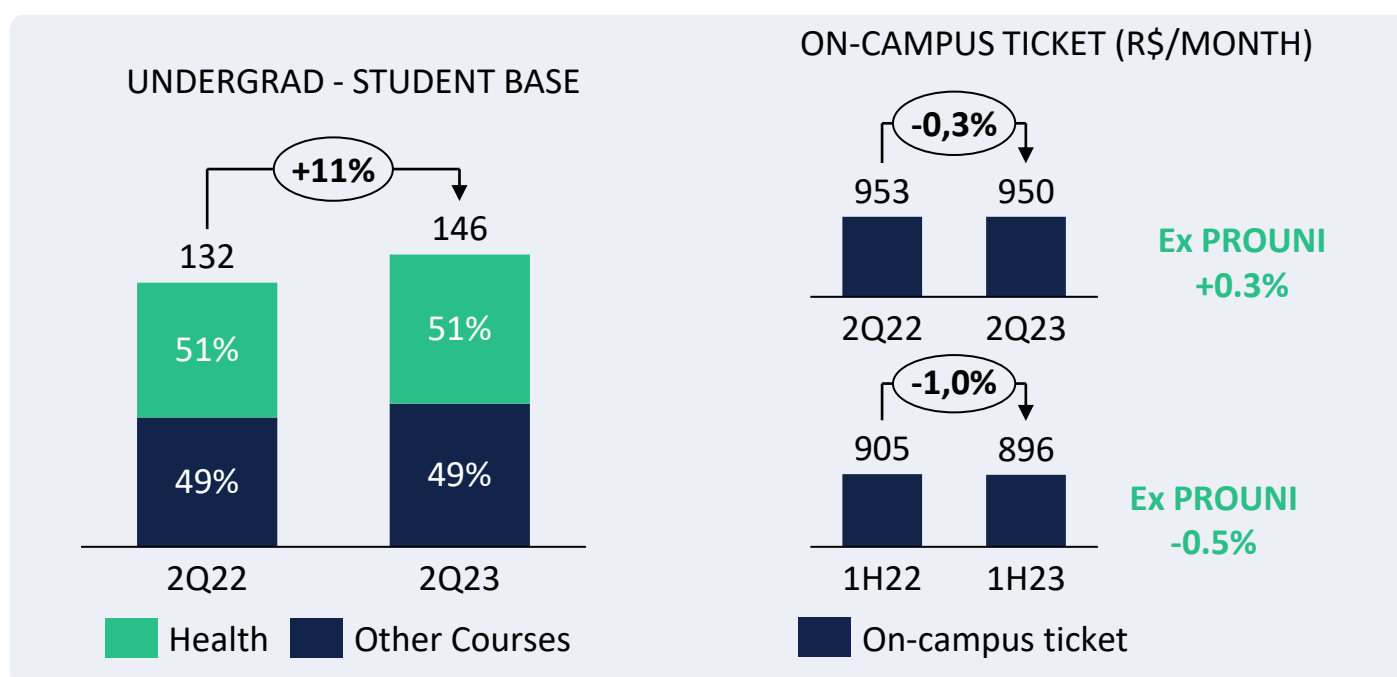
Expansion in the On-Campus student base as a reflection of the increase in intake and improvement in re-enrollment

Intake for the 2023.1 cycle expanded by 8.1% (Y/Y), in line with disclosed in 1Q23, ending the student base in the semester with 153k students, an expansion of 10.0% vs. the cycle 2022.1. Additionally, we had an improvement of 3p.p. on re-enrollment KPI vs. last year.

On-Campus	2023.1	2022.1	Y/Y
BoP	135	130	3,9%
Intake	60	56	8,1%
Dropout	(28)	(30)	(7,8%)
Graduation	(14)	(16)	(12,0%)
Gra School and K12	0	0	(36,1%)
EoP	153	139	10,0%

Penetration of health students stable vs. 2Q22

The global On-campus undergrad ticket (freshmen + senior) was stable vs. 2Q22, mainly reflecting the effect of greater adherence to PROUNI (+1.0p.p. vs. last year).



*Ticket = Net Rev./Final Student Base (freshmen + senior)
Managerial numbers, unaudited.

DIGITAL



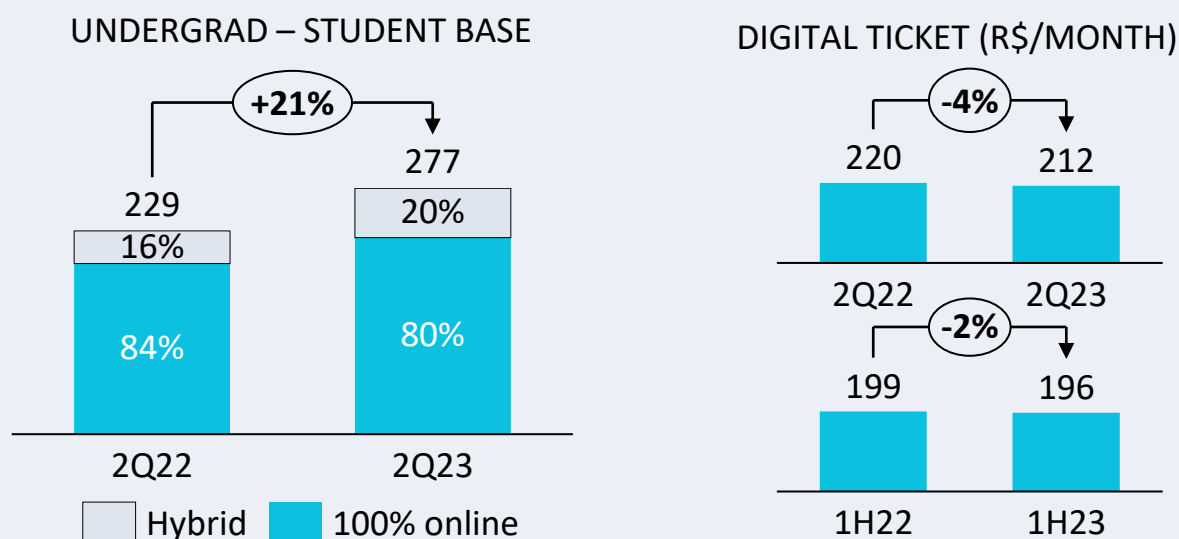
Expansion in the Digital student base, result of greater intake and re-enrollment

Growth of 31.1% in intakes for the 2023.1 cycle, ending the student base in the semester at 315k students, an expansion of 26.7% vs. the same period of the previous year. Additionally, there is an improvement of 1.9p.p. on re-enrollment KPI vs. last year.

DL	2023.1	2022.1	Y/Y
BoP	269	244	10,3%
Intake	155	118	31,1%
Dropout	(97)	(89)	8,9%
Graduation	(19)	(19)	(0,0%)
Gra School and K12	7	(6)	(226,9%)
EoP	315	248	26,7%

Higher concentration of freshmen on the base pressing the ticket, despite the advance of hybrid courses

The average global ticket (freshmen + senior) in digital undergrad was 4% lower vs. the 2Q22, mainly as a reflection of the mix of students. (+11.3p.p.) and the challenging scenario for pass through prices in hybrid courses. The advancement in student penetration in the hybrid modality (+3.9p.p. vs. 2Q22) was not enough to mitigate the increase in the base of 100% online courses.



*Ticket = Net Rev./Final Student Base (freshmen + senior)
Managerial numbers, unaudited.

FINANCIAL PERFORMANCE



NET REVENUE 2Q23 & 1H23

FINANCIAL DATA

Expansion in all segments reflecting improvement in intake and Y/Y re-enrollment

R\$ million	2Q23	2Q22	%	1H23	1H22	%
On Campus	433,0	392,7	10,2%	822,5	750,1	9,7%
Health Courses ¹	292,8	261,6	11,9%	558,0	500,8	11,4%
Distance Learning	186,7	162,1	15,2%	345,3	294,0	17,4%
Revenue net of scholarships, cancellations and discounts	619,7	554,8	11,7%	1.167,8	1.044,1	11,8%
Other Revenues	2,9	2,1	33,7%	5,6	4,3	29,8%
Taxes	(20,6)	(20,0)	2,6%	(39,7)	(38,3)	3,7%
Net Revenue	602,0	536,9	12,1%	1.133,7	1.010,2	12,2%



CONSOLIDATED NET REVENUE

+12.1% | +12.2%

Consolidated net revenue in the quarter reached R\$ 602.0 million, 12.1% higher than 2Q22, reflecting the increase in the consolidated student base (+20.7%). While in the semester revenue reached R\$ 1.1 billion, 12.2% higher than 1H22.



ON-CAMPUS NET REVENUE

+10.2% | +9.7%

Net revenue from scholarships, cancellations and discounts for on-campus increased 10.2%, reaching R\$ 433.0 million, reflecting the larger student base (+10.0%). In the semester, the expansion was 9.7% reaching R\$ 822.5 million.



HEALTH NET REVENUE

+11.9% | +11.4%

In on-campus, courses focused on the health area (with on-campus profile) grew 11.9% in the quarter and 11.4% in the semester. Now represent ~68% of on-campus revenue vs. 67% last year.

68%

ON-CAMPUS
NET REVENUE



DIGITAL NET REVENUE

+15.2% | +17.4

Net revenue from scholarships, cancellations and discounts for digital increased 15.2%, reaching R\$ 186.7 million, as a result of the larger student base (+26.7%) and the continued expansion of the hubs (+283; 21.8%). In the semester, revenue expanded by 17.4%, reaching R\$ 345.3 million.

+283

HUBS

¹ Health: Medicine, Psychology, Biomedicine, Biological Sciences, Ed. Physics, Nursing, Pharmacy, Physiotherapy, Speech Therapy, Hospital Management, Veterinary Medicine, Nutrition, Dentistry, Optometry, Radiology and Occupational Therapy

GROSS PROFIT 2Q23 & 123

FINANCIAL DATA

Expansion of 125bps in 2Q23 gross margin, reflecting cost management discipline

R\$ million	2Q23	2Q22	%	1H23	1H22	%
Labor	(175,5)	(169,4)	3,6%	(344,9)	(312,2)	10,5%
Right of Use Amortization	(31,8)	(29,8)	6,5%	(63,4)	(59,5)	6,4%
Partners' Digital Hubs	(41,9)	(34,7)	20,8%	(79,0)	(64,6)	22,4%
Other Costs	(57,7)	(46,5)	24,1%	(103,3)	(81,3)	27,0%
Gross Profit	295,1	256,5	15,1%	543,1	492,5	10,3%
Gross Margin	49,0%	47,8%	+125bps	47,9%	48,8%	-85bps
Non Recurring	1,0	-	-	1,0	8,6	-
Adjusted Gross Profit	296,0	256,5	15,4%	544,1	501,1	8,6%
Adj. Gross Margin	49,2%	47,8%	+141bps	48,0%	49,6%	-162bps



Gross profit in the quarter reached R\$295.1 million, 15.1% higher than 2Q22, with a margin of 49.0% (+1.2 p.p y/y). The increase in gross margin in the period reflects efficiency initiatives, in addition to the completion of union negotiations.

In addition, the cost line was impacted by the increase in the transfer of hubs, as a result of the expansion of Digital revenue (+15.2%) and the student base in partners' digital hubs(+21.8%). The "other costs" line was impacted, mainly by the increase in third-party services focused on the technology area.



In the semester, gross profit expanded by 10.3%, reaching R\$ 543.1 million. The drop in gross margin in the period is mainly a reflection of the increase in labor costs, which was impacted by (i) collective bargaining with faculty and (ii) increase in the technical staff of preceptors given the progression of courses in the health area.


Additionally, the cost line was impacted by the increase in the transfer of hubs as a result of the expansion of Digital revenue (+17.4%). The "other costs" line was impacted by (i) the progression of courses in the health area, with a greater volume of laboratory classes, (ii) the increase in the number of cleaning and security service providers and and iii) the increase in services from third parties focused on the technology area.

ADJUSTED EBITDA 2Q23 & 1H23


FINANCIAL DATA

EBITDA margin expansion reflecting improvement in SG&A, despite higher default

R\$ million	2Q23	2Q22	%	1H23	1H22	%
Gross Profit	295,1	256,5	15,1%	543,1	492,5	10,3%
<i>Gross Margin</i>	<i>49,0%</i>	<i>47,8%</i>	<i>+125bps</i>	<i>47,9%</i>	<i>48,8%</i>	<i>-85bps</i>
SG&A	(95,6)	(101,2)	(5,5%)	(200,7)	(212,5)	(5,6%)
PDA	(53,5)	(42,6)	25,6%	(72,3)	(66,7)	8,4%
<i>PDA/Revenue</i>	<i>(8,9%)</i>	<i>(7,9%)</i>	<i>-95bps</i>	<i>(6,4%)</i>	<i>(6,6%)</i>	<i>+22bps</i>
D&A	(31,6)	(26,2)	20,7%	(63,7)	(51,8)	23,0%
Other Revenues	7,5	7,2	4,0%	15,2	12,5	22,1%
EBIT	122,0	93,8	30,0%	221,6	174,0	27,4%
D&A	63,4	56,0	13,1%	127,1	111,3	14,1%
EBITDA	185,3	149,8	23,7%	348,7	285,3	22,2%
<i>EBITDA Margin</i>	<i>30,8%</i>	<i>27,9%</i>	<i>+288bps</i>	<i>30,8%</i>	<i>28,2%</i>	<i>+251bps</i>
Non Recurring ¹	2,8	9,4	(70,0%)	2,8	16,9	(83,2%)
Adjusted EBITDA	188,2	159,3	18,1%	351,5	302,2	16,3%
<i>Adj. EBITDA Margin</i>	<i>31,3%</i>	<i>29,7%</i>	<i>+159bps</i>	<i>31,0%</i>	<i>29,9%</i>	<i>+109bps</i>

 Adjusted EBITDA in the quarter reached R\$188.2 million, 18.1% above 2Q22 with a margin of 31.3%, an improvement of 1.6 p.p..

The expansion of adjusted EBITDA in 2Q23 is mainly a reflection of management initiatives in the search for efficiency in general and administrative expenses, which mitigated the impacts of the higher Provisions for Doubtful Accounts (PDA) (8.9% of revenue vs. 7.9% in 2Q22), reflecting the more challenging macroeconomic scenario of the period, in addition to the expansion of Digital.

 Adjusted EBITDA reached R\$351.5 million in the semester, 16.3% above 1H22 with a margin of 31.0%, an improvement of 1.1 p.p.. The efficiency gain in general and administrative expenses, together with the improvement in PDA (6.4% of revenue vs. 6.6% in 1H22) at the beginning of the semester and the increase in revenues from the leasing of spaces for events (22% vs. 2Q22), mitigated the impact of the gross margin retraction in the period.

NET EARNINGS 2Q23 & 1H23

FINANCIAL DATA

Expansion in Net Earnings reflecting operational improvement

R\$ million	2Q23	2Q22	%	1H23	1H22	%
EBITDA	185,3	149,8	23,7%	348,7	285,3	22,2%
D&A	(63,4)	(56,0)	13,1%	(127,1)	(111,3)	14,1%
Financial Result	(38,1)	(44,0)	(13,3%)	(89,5)	(91,1)	(1,7%)
Lease liability interest	(31,6)	(32,6)	(3,0%)	(63,4)	(63,5)	(0,1%)
Taxes	(4,0)	(2,4)	62,4%	(8,4)	(1,1)	644,3%
Net Earnings	48,2	14,8	226,1%	60,3	18,3	229,8%
Non Recurring Expenses	2,8	9,4	(70,0%)	2,8	16,9	(83,2%)
Adj. Net Earnings*	51,1	24,2	110,9%	63,2	35,2	79,5%



Net earnings in the quarter was R\$ 51.1 million an expansion of 111% vs. the 2Q22. The advance in net income is a result of the improvement in EBITDA, added to initiatives in search of efficiency in financial management, such as (i) bank fee renegotiations (ii) control of discounts, (iii) shorter duration of accounts receivable and (iv) reduction of gross debt.

Adjusted net income for the semester was R\$63.2 million, an improvement of 79.5% when compared to the same period of the previous year.

*Adjusted Net Income: management information / Non-Recurring, details on pg. 20

ACCOUNTS RECEIVABLE 2Q23 (LTM)

FINANCIAL DATA

Advancement in the Days of Receivables

R\$ million	2Q23	2Q22	%
Tuition	417,9	362,9	15,2%
Student Financing	55,5	67,3	(17,6%)
Agreements	70,6	54,2	30,4%
Other Receivables	62,5	51,6	21,1%
Gross Receivables	606,5	536,0	13,2%
AVP	(12,8)	(11,6)	11,1%
PDA	(331,3)	(282,6)	17,2%
Net Receivables	262,3	241,8	8,5%
Days of Receivables LTM*	44	45	-1 day



The days of receivables in 2Q23 improved one day vs. last year.

*Last Twelve Months DoR: Accounts Receivable/Net Revenue for the LTM*360

CAPEX* 2Q23 & 1H23

FINANCIAL DATA

Investments in infrastructure and technology aimed at the best student experience

R\$ million	2Q23	2Q22	%	1H23	1H22	%
Infrastructure / Technology	(54,7)	(36,7)	49,1%	(82,7)	(55,3)	49,5%
Expansion	-	(2,5)	-	-	(4,7)	(100,0%)
Capex	(54,7)	(39,2)	39,4%	(82,7)	(60,0)	37,8%



Investments in 2Q23 were approximately R\$54.7 million, an increase of 39.4% vs. 2Q22, as a reflection of the resumption of investment projects in infrastructure and technology, mainly focused on improving the student experience.

In 1H23, investments were approximately R\$82.7 million, an increase of 37.8% vs. 1H22.

*Management Information

OPERATING CASH FLOW 2Q23 & 1H23

FINANCIAL DATA

Increase in cash generation as a result of operational improvement

R\$ million	2Q23	2Q22	%	1H23	1H22	%
IFRS-16 EBITDA	185,3	149,8	23,7%	348,7	285,3	22,2%
Rent	(54,0)	(50,2)	7,6%	(106,2)	(98,1)	8,2%
Ex-IFRS EBITDA	131,3	99,6	31,8%	242,5	187,2	29,5%
Working Capital ¹	(72,0)	(75,0)	(4,0%)	(40,7)	(59,7)	(31,9%)
Taxes	(1,1)	(1,4)	(25,4%)	(1,4)	(5,2)	(72,9%)
Oper. Cash Flow	58,2	23,2	151,1%	200,4	122,3	63,8%
OCF/Ex-IFRS EBITDA	44,4%	23,3%	+2.108bps	82,6%	65,3%	+1.731bps
Capex	(54,7)	(28,0)	95,1%	(82,7)	(60,0)	37,8%
Free Cash Flow	3,6	(4,8)	-	117,7	62,3	88,9%
FCF/Ex-IFRS EBITDA	2,7%	(4,9%)	+757bps	48,5%	33,3%	+1.525bps
Non Recurring	2,8	9,4	(70,0%)	2,8	16,9	(83,2%)
Adj. Free. Cash Flow	6,4	4,6	39,3%	120,5	79,2	52,2%



Operating cash generation reached R\$58.2 million, 151.1% higher than 2Q22, and reached 44.4% of Ex-IFRS EBITDA.



Operating cash generation in semester reached R\$200.4 million, 63.8% higher than 1H22, and reached 44.4% of Ex-IFRS EBITDA.

¹Working capital: Assets (Accounts receivable, Taxes recoverable and Other receivables) and Liabilities (Suppliers, Obligations with related parties, Labor obligations, Tax obligations, Advances from customers, Deferred income, Other accounts payable)

²Management information including non-recurring expenses

NET DEBT (CASH)

FINANCIAL DATA

Stable leverage indicator (Ex-IFRS) at 1.5x*

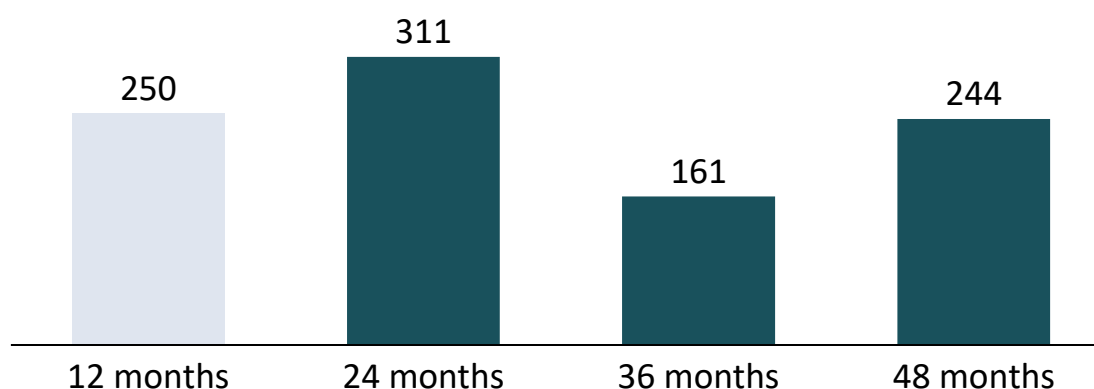
R\$ million	2Q23 (a)	2Q22 (b)	(a)/(b)	1T23 (c)	(a)/(c)
Cash	(728)	(954)	(23,7%)	(802)	(9,2%)
Financial Debt	966	1.132	(14,7%)	993	(2,7%)
Acquisition	397	395	0,5%	385	3,1%
Net Debt (Cash)	634,4	572,4	10,8%	576	10,2%
Net Debt/Adj. EBITDA	1,5x	1,5x	2,6%	1,5x	(0,6%)
Lease	1.333	1.320	1,0%	1.335	(0,2%)
Net Debt (Cash) after Lease	1.967	1.892	4,0%	1.911	2,9%



The Company ended 2Q23 with net debt (ex-lease liabilities) of R\$ 634.4 million vs. R\$ 572.4 million last year, , mostly impacted by (i) execution of the Repurchase Plan in the amount of R\$ 58 million and (ii) Payment of dividends in the amount of R\$ 25 million.

*Net Financial Debt/EBITDA LTM ex IFRS-16

DEBENTURES AMORTIZATION SCHEDULE – R\$ MILLION



APPENDIX

STUDENT BASE

APPENDIX

STUDENTS BASE - Q/Q MOVEMENT

End of Period	Total	On-Campus	Digital
1Q23	446	158	288
Intake	37	2	36
Dropout	(33)	(7)	(27)
Graduation	1	0	0
Grad School and K12	17	(1)	17
2Q23	468	153	315

STUDENTS BASE – BY ENROLLMENT TYPE

Students (000)	2Q23	2Q22	YoY
On-Campus Graduation	141	127	11,1%
Med School	4	4	2,7%
Gra School and K12	7	8	(4,7%)
On-Campus	153	139	10,0%
Digital Graduation	277	229	20,7%
Hybrid	55	37	49,3%
Digital Gra School and K12	38	25	50,8%
Digital	315	255	23,7%
Total	468	394	18,9%

HUBS E CAMPUSES

APPENDIX

INFRASTRUCTURE



EoP	2Q23	2Q22	Δ	%
Digital Hubs	1.584	1.301	+283	21,8%
Campuses	27	29	(2)	(6,9%)

* Two campuses were extinguished during 1Q23: Campuses Modulo and Positivo (Ponta Grossa), unifying these units.

% of matured DL Centers	2Q23	2Q22
Year 1	17,9%	7,2%
Year 2	5,9%	3,9%
Year 3	3,2%	21,3%
Year 4	17,5%	25,0%
Matured	55,5%	42,6%

IFRS16 EBTIDA, PRE-IFRS16 EBTIDA & NON-RECURRING

APPENDIX

ADJUSTED EBITDA

R\$ million	2Q23	2Q22	%	1H23	1H22	%
Adjusted EBITDA IFRS-16	188,2	159,3	18,1%	351,5	302,2	16,3%
Rents	(54,0)	(50,2)	7,6%	(106,2)	(98,1)	8,2%
Adjusted EBITDA Pre IFRS-16	134,1	109,1	23,0%	245,3	204,1	20,2%
Adjusted EBITDA Pre IFRS-16 Margin	22,3%	20,3%	+197bps	21,6%	20,2%	+143bps

NON-RECURRING

R\$ million	2Q23	2Q22	%	1H23	1H22	%
Openings and Expansions	-	2,0	(100,0%)	-	3,4	(100,0%)
M&A/Projects/Terminations	2,8	7,5	(62,0%)	2,8	13,5	(79,0%)
Non Recurring	2,8	9,4	(70,0%)	2,8	16,9	(83,2%)

P&L

APPENDIX

R\$ million	2Q23	2Q22	1H23	1H22
On Campus	433,0	392,7	822,5	750,1
Health	292,8	261,6	558,0	500,8
Digital	186,7	162,1	345,3	294,0
Revenue net of scholarships, cancellations and discounts	619,7	554,8	1.167,8	1.044,1
Other Revenues	2,9	2,1	5,6	4,3
Taxes	(20,6)	(20,0)	(39,7)	(38,3)
Net Revenue	602,0	536,9	1.133,7	1.010,2
Labor	(175,5)	(169,4)	(344,9)	(312,2)
Right of Use Amortization	(31,8)	(29,8)	(63,4)	(59,5)
Partners' Digital Hubs	(41,9)	(34,7)	(79,0)	(64,6)
Other Costs	(57,7)	(46,5)	(103,3)	(81,3)
COGS	(306,9)	(280,4)	(590,6)	(517,7)
Gross Profit	295,1	256,5	543,1	492,5
Gross Margin	49,0%	47,8%	47,9%	48,8%
SG&A	(95,6)	(101,2)	(200,7)	(212,5)
D&A	(31,6)	(26,2)	(63,7)	(51,8)
Provision for Doubtful Accounts	(53,5)	(42,6)	(72,3)	(66,7)
Other Revenues	7,5	7,2	15,2	12,5
EBIT	122,0	93,8	221,6	174,0
D&A	63,4	56,0	127,1	111,3
EBITDA	185,3	149,8	348,7	285,3
EBITDA Margin	30,8%	27,9%	30,8%	28,2%
Expenses - Non Recurring	1,9	9,4	1,9	16,9
Adjusted EBITDA	188,2	159,3	351,5	302,2
Adjusted EBITDA Margin	31,3%	29,7%	31,0%	29,9%
Financial Results	(69,7)	(76,6)	(152,9)	(154,5)
EBT	52,2	17,2	68,7	19,4
Taxes	(4,0)	(2,4)	(8,4)	(1,1)
Net Earnings	48,2	14,8	60,3	18,3
Non Recurring Expenses	2,8	9,4	2,8	16,9
Adjusted Net Earnings	51,1	24,2	63,2	35,2

BALANCE SHEET

APPENDIX

	Jun.23	Jun.22
Total Assets	4.685.374	4.825.912
Current Assets	1.056.917	1.229.342
Cash and Equivalents	728.241	954.338
Marketable Securities	-	-
Accounts Receivables	243.875	214.933
Taxes and Contributions	29.521	20.804
Other Assets	55.280	39.267
Non-current Assets	3.628.457	3.596.570
Long Term Assets	222.428	207.631
Accounts Receivables	18.437	26.855
Judicial Deposits	30.710	22.641
Other Assets	75.131	55.621
Deferred Taxes	98.150	102.514
Investments	146	146
Property and Equipment	535.478	505.209
Right of Use	1.158.157	1.183.979
Intangible	1.712.248	1.699.605
Total Liabilities	3.279.028	3.384.131
Current Liabilities	752.014	620.507
Financial Debt	-	11.309
Bond (Debentures)	250.439	173.093
Suppliers	71.426	58.957
Related Parties	3.166	3.016
Salaries and Payroll Charges	183.866	148.421
Tax Liabilities	51.063	51.833
Customer Advance	33.174	26.043
Leasing	102.384	95.493
Acquisitions	48.973	45.473
Deferred Revenues	722	722
Others	6.801	6.147
Non-Current Liabilities	2.527.014	2.763.624
Bond (Debentures)	715.215	947.270
Salaries and Payroll Charges	8.753	9.334
Tax Liabilities	124.434	132.853
Deferred Taxes	16.092	16.883
Judicial Deposits	68.911	68.962
Leasing	1.230.637	1.224.275
Acquisitions	348.007	349.631
Deferred Revenues	9.146	9.869
Others	5.819	4.547
Shareholder's Equity	1.406.346	1.441.781
Capital	1.203.576	1.203.576
Capital Reserves	108.434	161.978
Earnings Reserves	99.777	76.227
Treasury Shares	(5.441)	-
Liabilities + Shareholder's Equity	4.685.374	4.825.912

CASH FLOW

APPENDIX

	2Q23	2Q22
Profit (Loss) before income taxes	52.208	17.236
Equity Income	-	-
Depreciation and amortization	31.589	26.176
Right of use amortization	31.777	29.836
Amortization of fund raising costs	168	168
Debt Interests	-	441
Acquisitions Interests	12.107	11.232
Bonds (debentures) Interests	33.899	35.972
Lease Interests	31.646	32.622
PV Assets and Liabilities	(778)	3.933
Judicial Deposits Provision	3.903	1.997
Provision for Doubtful Accounts	53.467	42.566
PPE and Intangibles	6	-
Asset Sale Deferred Revenues	(181)	(180)
Lease discontinuation	-	-
Adjustements to Profit (Loss) before taxes to reconcile with the cash flow	249.811	201.999
Changes in assets	-	-
Accounts receivable	(70.747)	(73.160)
Judicial Deposits	(4.972)	(3.210)
Taxes Recoverable	2.290	(4.227)
Other Credits	(20.270)	(17.210)
Suppliers	(610)	(3.042)
Salaries and Payroll Charges	7.309	1.403
Taxes	(4.440)	2.594
	(37)	158
Customer Advance	(29.511)	(33.559)
Others	(2.044)	4.744
	126.779	76.490
Taxes	(1.073)	(1.439)
Net cash from operating activities	125.706	75.051
Cash flow from investments		
Acquisitions	-	(18.377)
PPE acquisitions	(28.917)	(24.720)
Intangible acquisitions	(25.779)	(14.504)
Net cash from investing activities	(54.696)	(57.601)
Cash flow from financing activities		
Dividends	(25.083)	(50.000)
Debt downpayments	-	(4.228)
Bonds (Debentures) downpayments	(61.266)	(24.444)
Lease downpayments	(54.009)	(50.199)
	(4.324)	-
Net cash from financing activities	(144.682)	(128.871)
Increase (decrease) of cash and equivalents	(73.672)	(111.421)
Cash and Equivalents		
At the beginning	801.913	1.065.759
At the end	728.241	954.338
Increase (decrease) of cash and equivalents	(73.672)	(111.421)



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