



Cruzeiro do Sul
Educatonal

EARNINGS RELEASE

PRESENTATION

VIDEOCONFERENCE


April 1st of 2025, Tuesday

2:00 p.m. (Brasília)

1:00 p.m (New York)

6:00 p.m. (London)

 [Watch the webcast in Português](#)

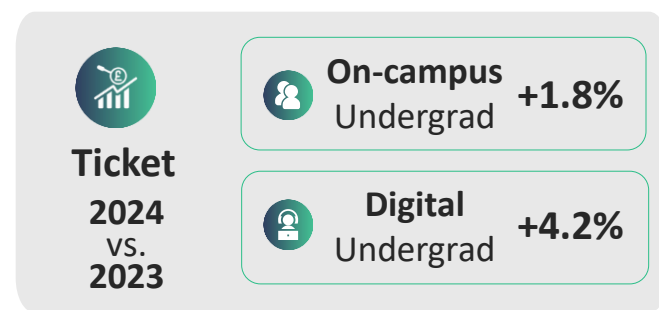
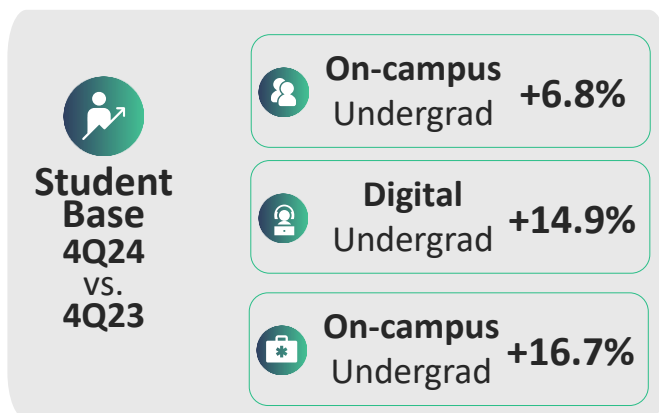
 [Watch the webcast in English](#)

4Q 24

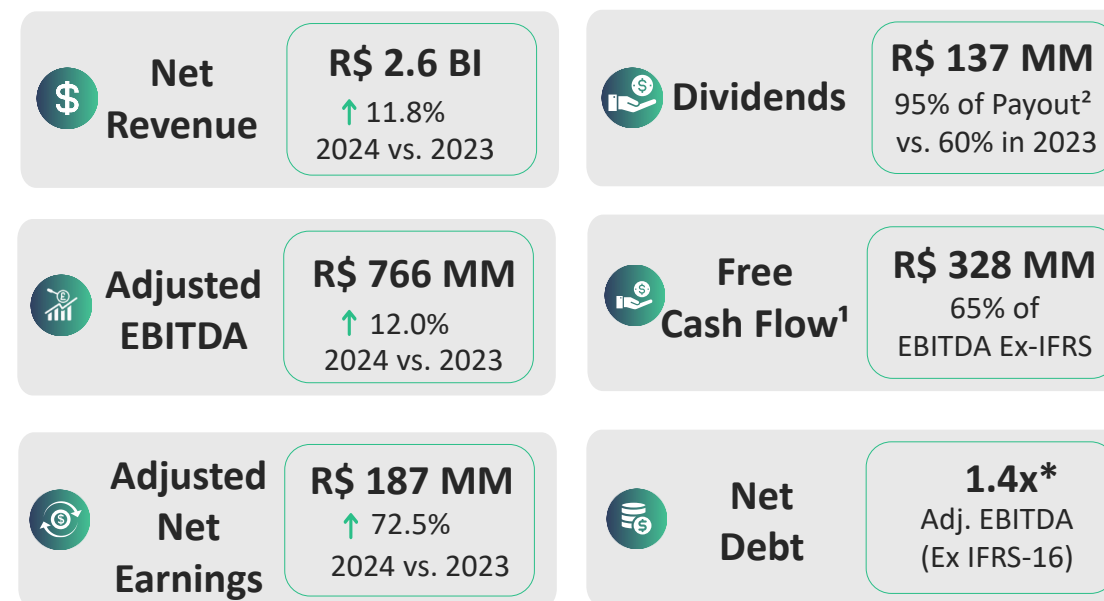


2024 with Record Adjusted Net Earnings and Dividends, reaching R\$ 187 MM and R\$ 137 MM, respectively

OPERATIONAL HIGHLIGHTS 2024



FINANCIAL HIGHLIGHTS 2024



¹ Free Cash Flow = EBITDA ex IFRS 16 (-) Working Capital (-) Taxes (-) Discounts granted (-) Capex / ² Payout based on Net Earnings / *Net Financial Debt/EBITDA LTM ex IFRS-16



THE FUTURE
IS TO HAVE
STAR

HEALTH BU

- **+334 Medical seats in 2024**
 - **180 seats through injunctions:**
60 at FSG in Caxias do Sul (RS),
60 at Ceunsp in Itu (SP) and
60 at Cesuca in Cachoeirinha (RS)
- All with a score of 5 (maximum score) in the MEC evaluation
- **154 seats through FAPI acquisition** in Pinhais, metropolitan region of Curitiba
- **UNICID Medicine Course** received **unprecedented certification** in Brazil for the **Simulated Hospital**



DIGITAL BU

- **360 management tools** for partners
- **More effective control** and access to **strategic indicators** in real time
- Creation of the **“Hubs Academy”**
- **Trade Marketing** actions
- **Strategic marketing** applied across **all BUs**, increasing **brand exposure**



ON CAMPUS BU

- **“Primeiros Passos (First Steps)” project**, strengthening relationships with new students (Integrate, Engage and Connect)
- Focus on the campus experience
- **Optimization** and standardization of the **supply process** with the premise of efficiency and productivity with quality



TECHNOLOGY

- **Duda APP: 450 thousand active users**, which represents around **86% of our student base**, maintaining a high rating in the app stores.
- **Reduction** of the **support structure** by **30%**
- **Modernizing the online shopping journey** with **Google AI**
- **Partnership with “Google AI”**
- Tools that impact the student experience
- **Artificial Intelligence – game changer** in Education



4Q24 OPERATIONAL PERFORMANCE

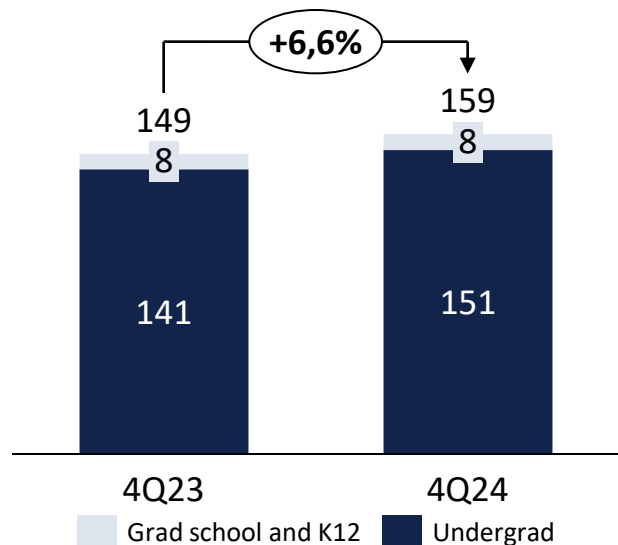


In-campus, we have made progress in terms of both, the student base and the ticket

ON-CAMPUS

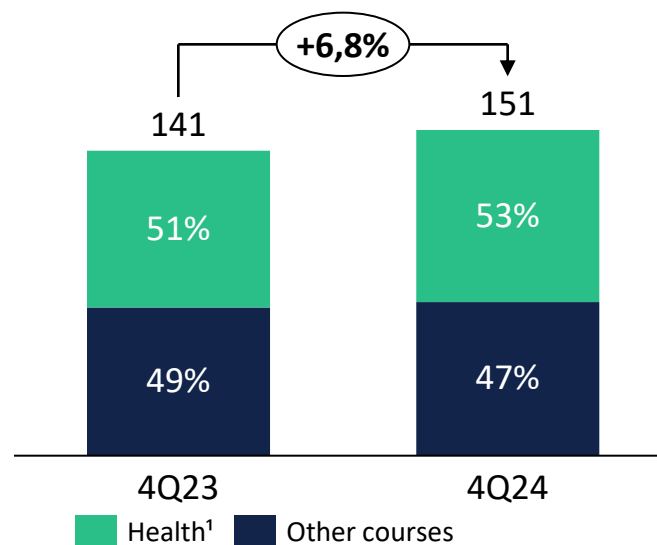


STUDENT BASE



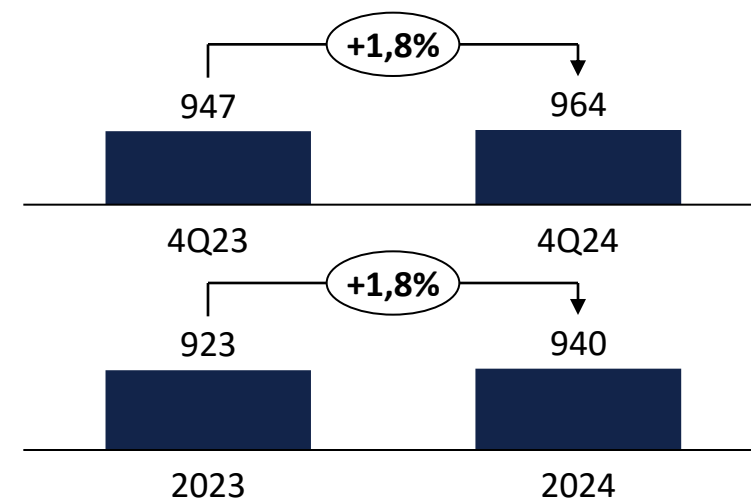
★ Consistent expansion in the On-campus student base as a reflection of the high level of retention

UNDERGRAD



★ Increasing the penetration of health courses

ON-CAMPUS UNDERGRAD TICKET* (R\$/MONTH)



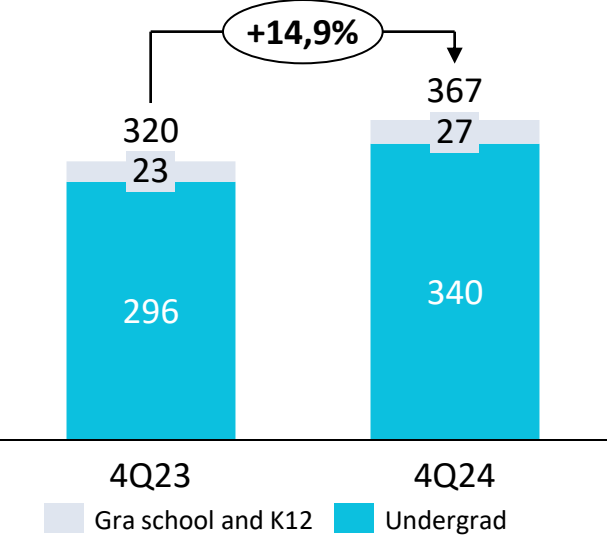
★ Progress on the new pricing strategy starting during 2024

★ More relevance of health students in the mix

In Digital, consistent expansion of the base as a reflection of the maintenance of intake and evolution in re-enrollment

DIGITAL

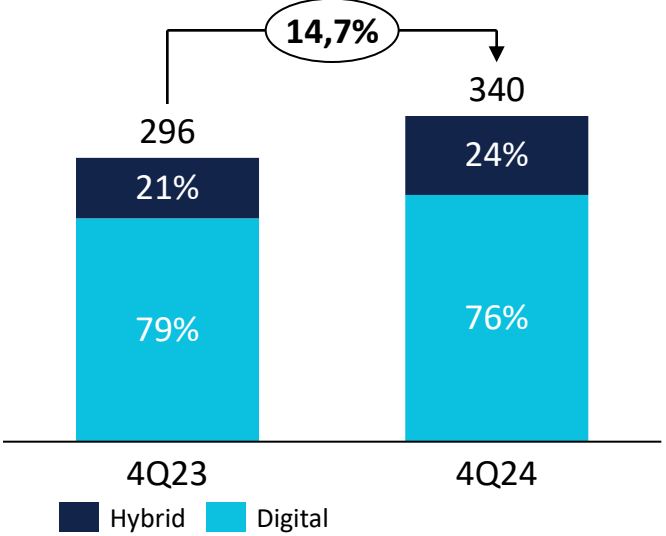
STUDENT BASE



★ Consistent expansion in the student base

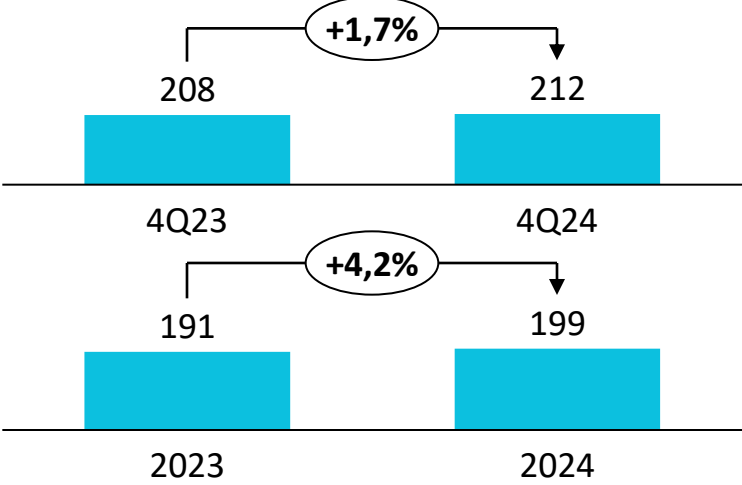
★ 0.4 p.p. improvement in re-enrollment KPI

UNDERGRAD



★ Increase of 2.9 p.p. of students in the share of the Hybrid modality

DIGITAL TICKET* (R\$/MONTH)



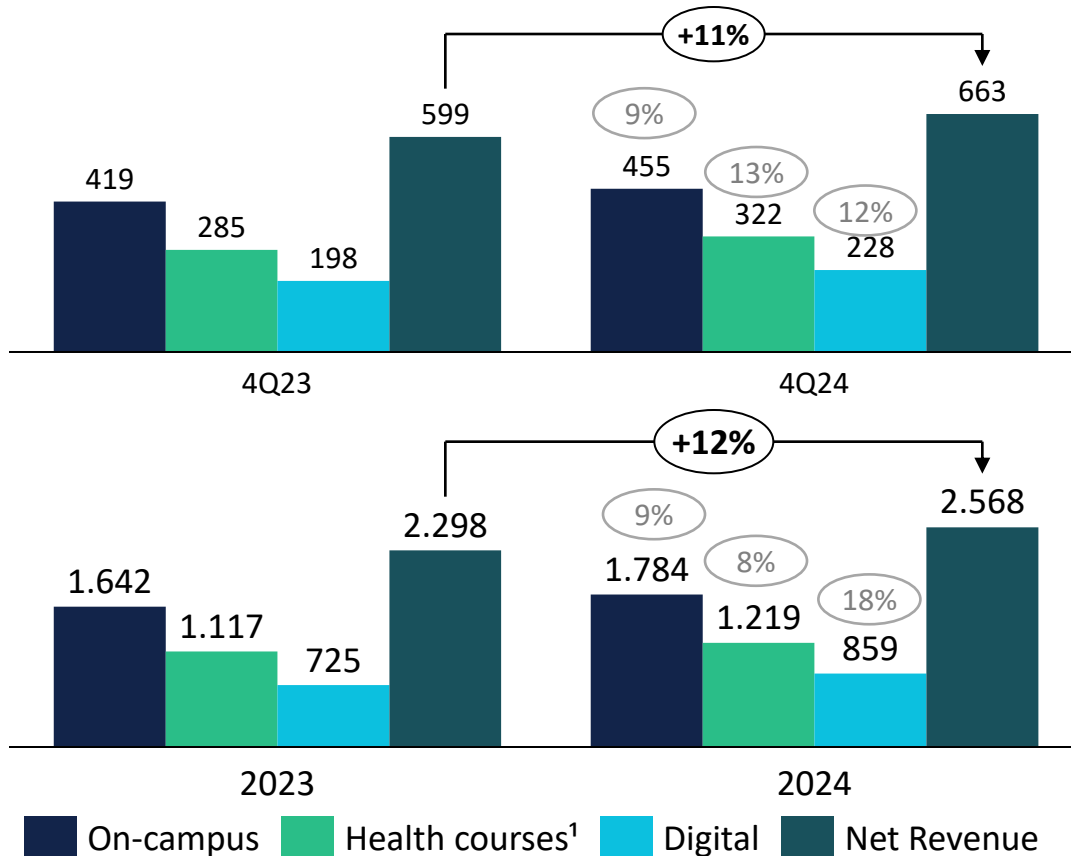
★ Ticket impacted by the greater participation of students enrolled in higher value-added products and added to the advancement of the re-enrollment KPI

FINANCIAL PERFORMANCE



NET REVENUE 4Q24 & 2024

Expansion in all segments as a result of executing the revenue maximization strategy



CONSOLIDATED NET REVENUE: +10.6% vs. 4Q23, reflecting the increase in the consolidated student base (+12.2%). In 2024, revenue reached 11.8% higher than in 2023.

ON-CAMPUS NET REVENUE: expansion of 8.5% in the quarter, while in 2024 the expansion was 8.7%, reflecting the larger student base (+6.6%) and ticket (+1.8%).

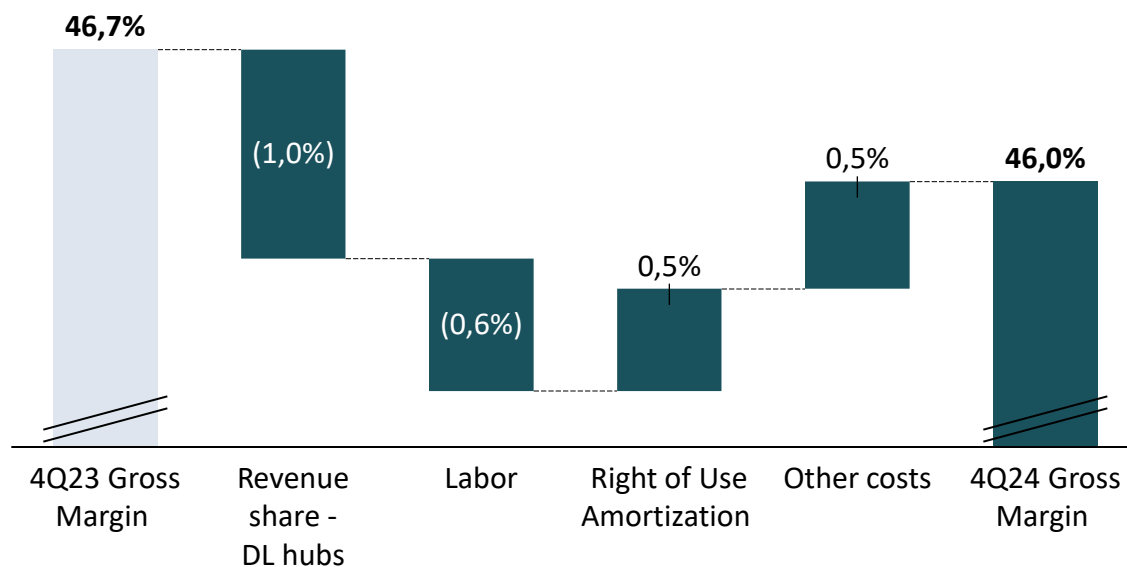
HEALTH COURSES NET REVENUES: as an on-campus profile, health courses revenue grew 13.2% in the quarter and +9.2% in 2024. Representing ~71% on-campus revenue.

DIGITAL NET REVENUE: expanded 15.0% in the quarter, as a result of the larger student base (+14.9%) and greater participation of students enrolled in higher value-added products (+2.9% vs. 4Q23). In 2024, revenue expanded 18.4% vs. 2023.

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

GROSS PROFIT 4Q24

Gross margin for the quarter impacted by the expansion of Digital in partner hubs

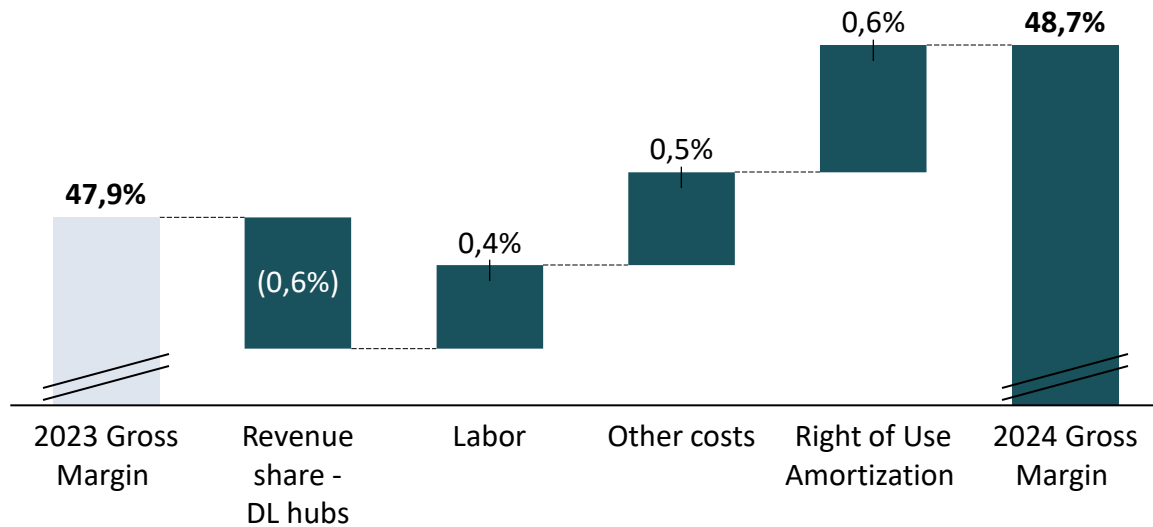


★ Gross Profit: R\$ 305.1 million, +9.1% vs. 4Q23.

★ Gross margin in 4Q24 reached 46%, 0.6 p.p. below 4Q23, impacted mainly by the increase in costs in the Revenue share-DL hub transfer line, reflecting the expansion of Digital.

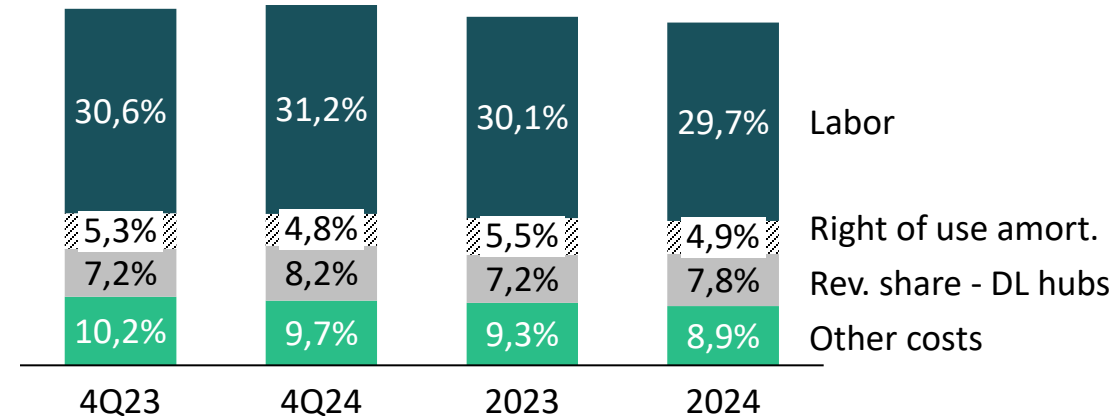
GROSS PROFIT 2024

Expansion of 0.9 p.p. in Gross Margin in 2024, reflecting efficient cost management, without penalizing quality



Gain in operational efficiency of 0.9 p.p.

(% of Net Rev.)

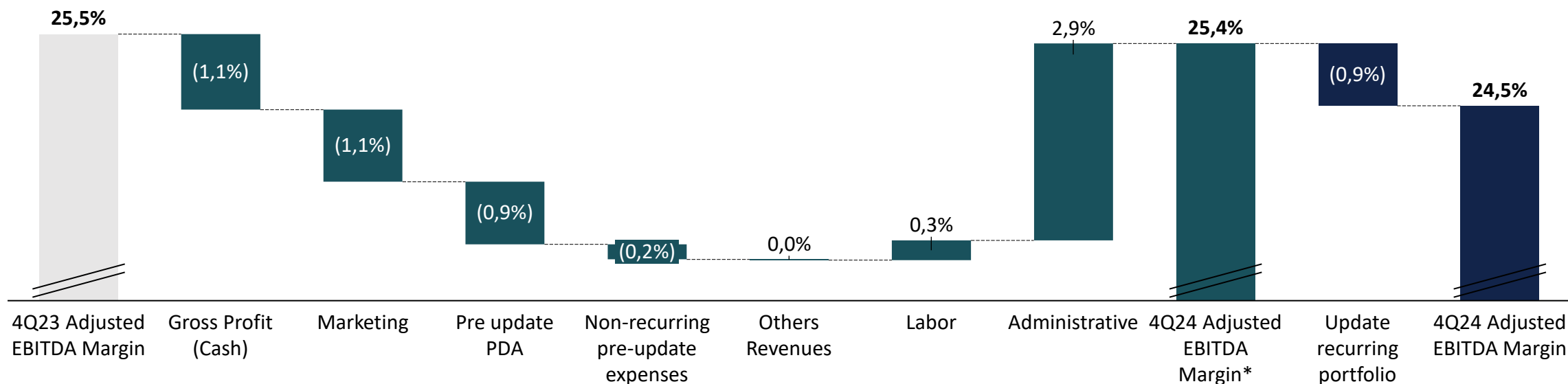


Gross Profit: R\$ 1.3 billion, +13.8% vs. 2023.

The expansion of the Gross Margin in the period reflects the gain in operational leverage, resulting from revenue maximization initiatives, as well as efficiency gains.

ADJUSTED EBITDA 4Q24

Adjusted EBITDA margin* impacted by (i) drop in gross margin, (ii) anticipation of marketing expenses for 2025.1 intake cycle and (iii) update of the recurring receivables portfolio

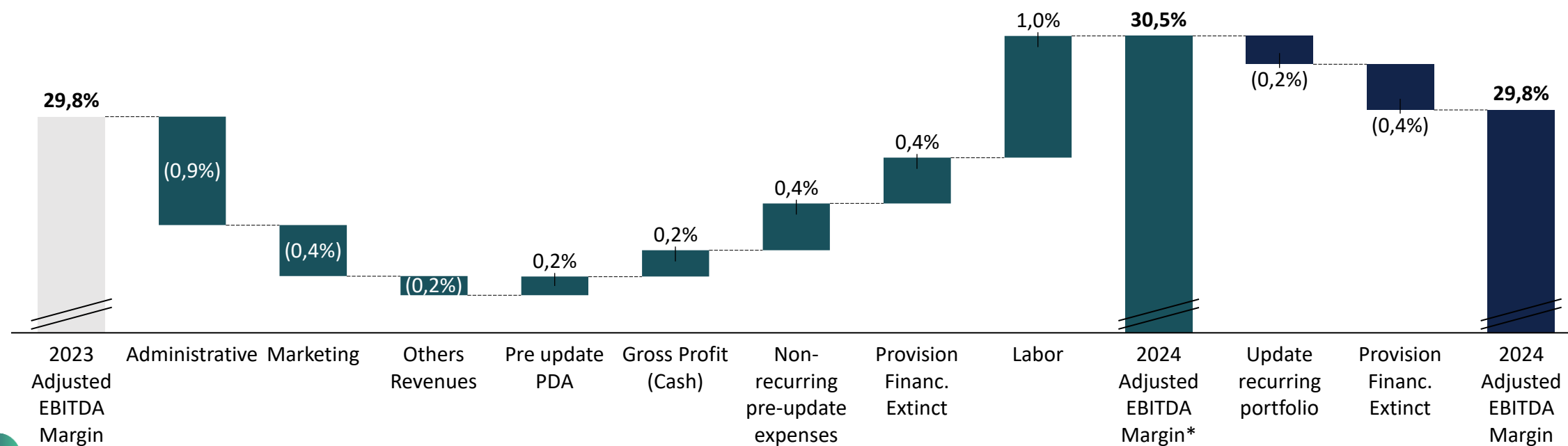


Adjusted EBITDA in the fourth quarter reached R\$ 162.3 million, which is 6.0% higher than in 4Q23, with a margin of 24.5% (-1.0 percentage point versus the same period of the previous year), impacted by the drop in gross cash margin (-1.1 percentage points versus 4Q23) and by the update of the recurring receivables portfolio in the period by R\$ 6.1 million, in line with the update of delinquency estimates made in the quarter.

¹Non-recurring: Project/M&A expenses/ Update of provision curve / *Unaudited pro forma figures, assuming the update of delinquency estimates

ADJUSTED EBITDA 2024

0.7 p.p. expansion in Adjusted EBITDA Margin*, excluding the effects of the update of delinquency estimates implemented in 4Q24



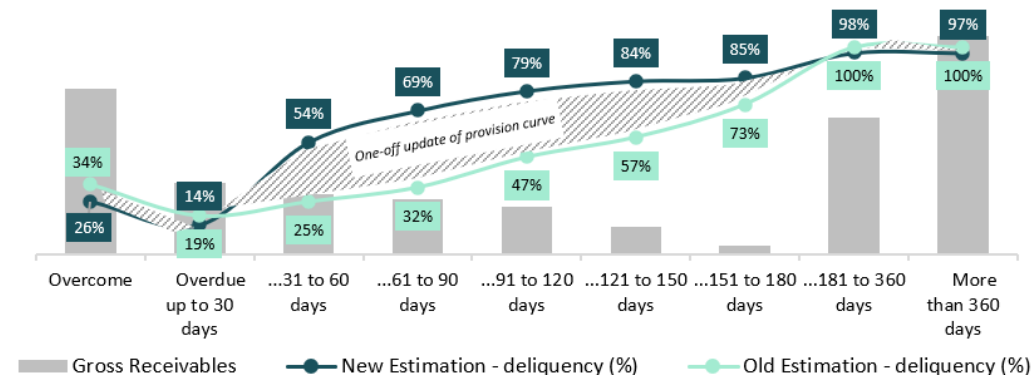
In 2024, adjusted EBITDA reached R\$ 766.3 million, which is 12.0% higher than in 2023, with a margin of 29.8% (stable versus 2023), impacted mainly by the increase in technology expenses, allocated within administrative expenses (-0.8 percentage points versus 4Q23), which already showed stability in the second half of the year (more details on slide 16) and by the update of the recurring receivables portfolio in the period by R\$ 6.1 million, in line with the update of delinquency estimates made in 4Q24.

*Non-recurring: Project/M&A expenses/ Update of provision curve / *Unaudited pro forma figures, assuming the update of delinquency estimates

Update of delinquency estimates

R\$ million	4Q24	4Q23	%	2024	2023	%
EBITDA	135,4	148,7	(9,0%)	724,0	676,5	7,0%
EBITDA Margin	20,4%	24,8%	-439bps	28,2%	29,4%	-125bps
Non-recurring	26,9	4,4	513,6%	42,2	7,7	449,1%
Update of provision curve (one-off)	23,5	-	-	23,5	-	-
Projects/ M&A expenses	3,4	4,4	(23,2%)	18,7	7,7	143,6%
Adjusted EBITDA	162,3	153,1	6,0%	766,3	684,2	12,0%
Adjusted EBITDA Margin	24,5%	25,5%	-106bps	29,8%	29,8%	+6bps
100% Own Financing Provision (extinct) (one-off)	-	-	-	9,9	-	-
Update recurring portfolio	6,1	-	-	6,1	-	-
Pre Update of Adjusted EBITDA	168,4	153,1	10,0%	782,3	684,2	14,3%
Pre Update of Adjusted EBITDA Margin	25,4%	25,5%	-14bps	30,5%	29,8%	+68bps

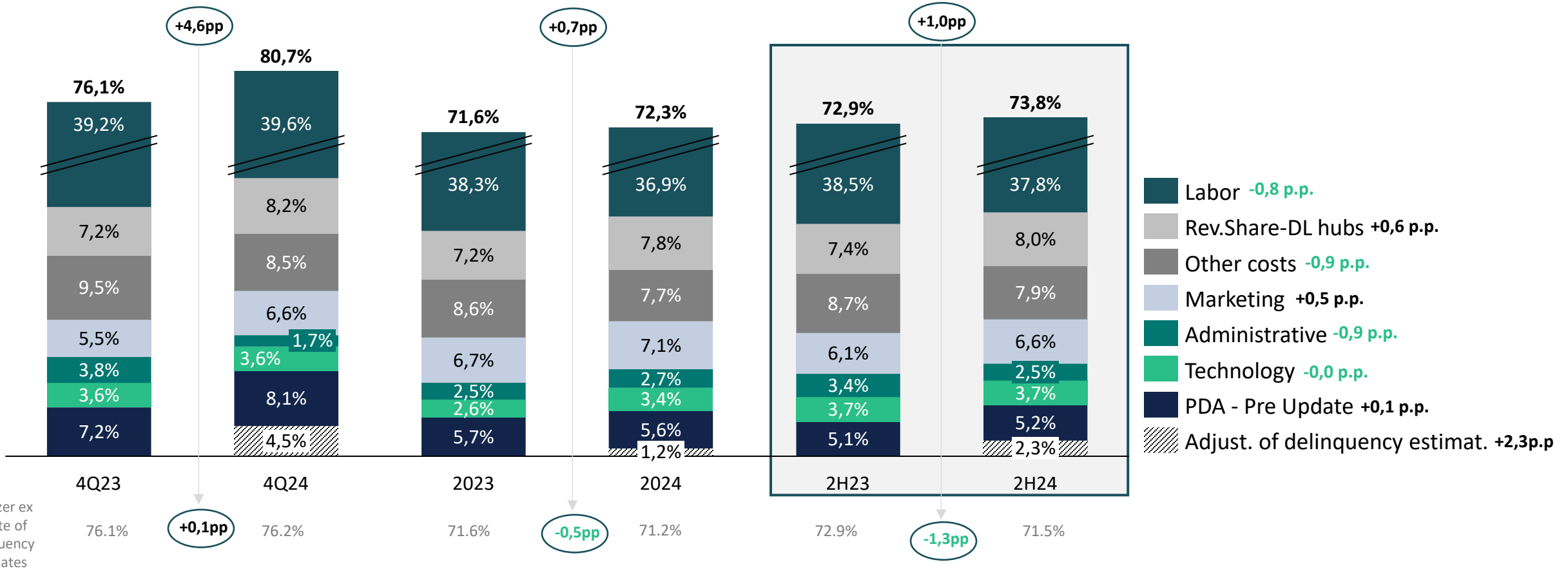
Effect of update of delinquency estimates (one off)
 Update of provision curve (R\$ 23.5 MM)



The update of the provision model for the receivables portfolio, assuming the update of delinquency estimates for 2024, recorded the amount of R\$ 39.5 million, of which R\$ 23.5 million referred to the update of PDA provision curve (one-off) and R\$ 6.1 million referred to the update of the receivable's portfolio (equivalent to a recurring number for the year, if the update of delinquency estimates were in effect in 2023). Additionally, throughout the year, we extinguished our own financing portfolio and provisioned 100% of the notes receivable from a portion of customers with low probability of payment, resulting in an additional provision of R\$ 9.9 million (one-off).

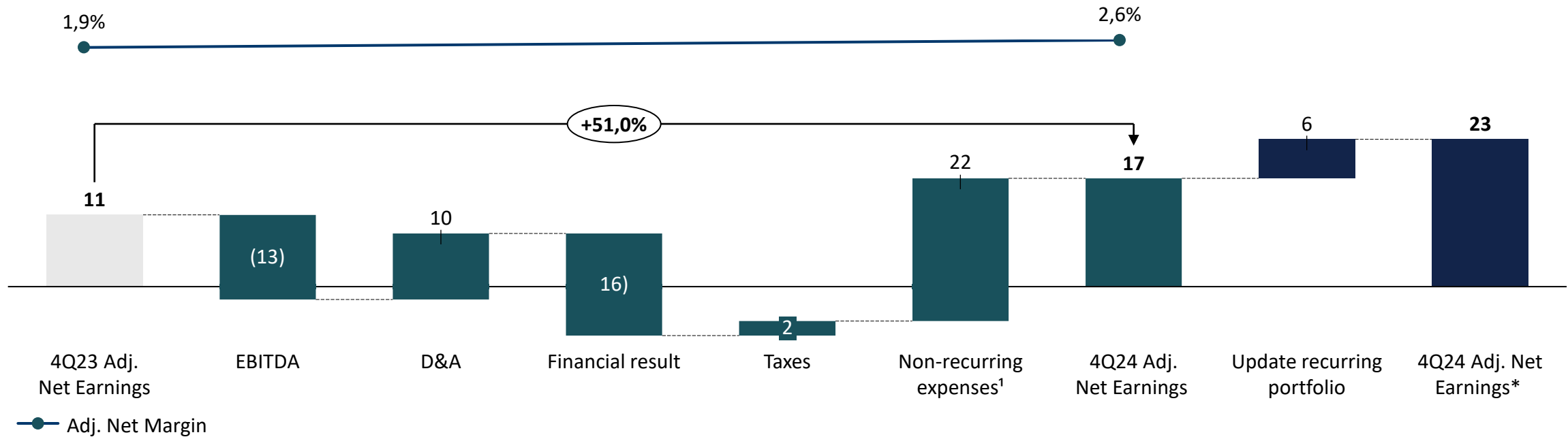
TOTAL COSTS AND EXPENSES (% Net Rev.)

Efficiency gain in Labor and Other costs lines adjusted in 2024 (2.3 p.p.)



ADJUSTED NET EARNINGS 4Q24

51% expansion in adjusted net earnings and 0.7 p.p. in adjusted net margin in the quarter

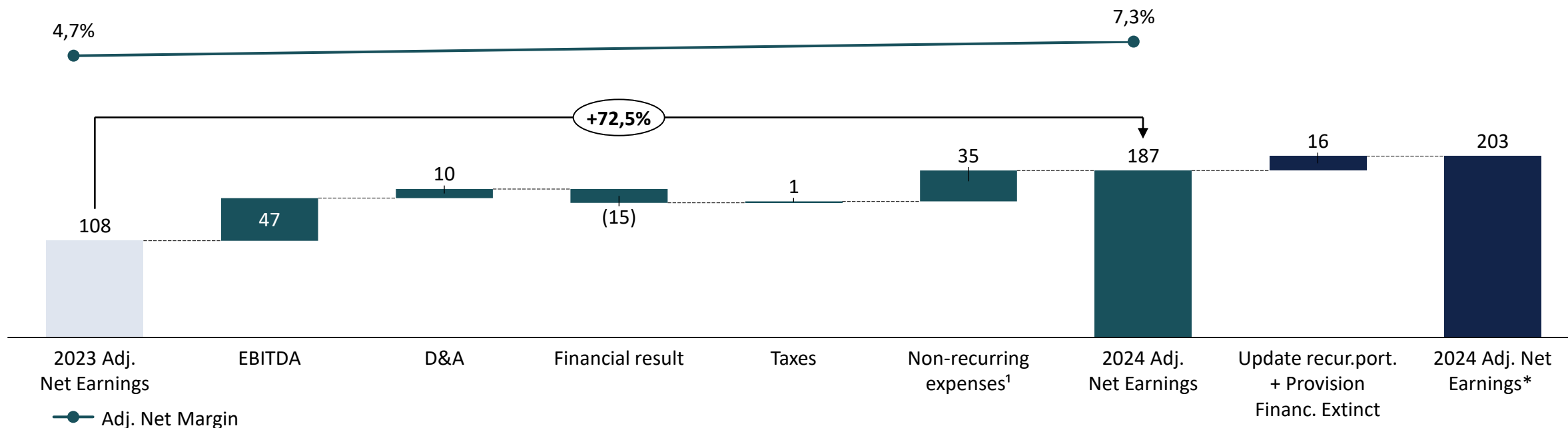


Adjusted Net Earnings for the period was R\$ 17.1 million, an increase of 51.0% compared to the same period of the previous year. Adjusted Net Earnings was impacted by the increase in financial expenses, a consequence of the high volume of financial discounts resulting from increased collection efforts for overdue bills, as well as by the decline in EBITDA in the period.

*Adjusted Net Earnings: management information /Non-Recurring: Projects/M&A expenses/ Update of provision curve

ADJUSTED NET EARNINGS 2024

Expansion of 72% in adjusted Net Earnings and 2.6 p.p. in adjusted net margin in 2024



In 2024, even with the update in delinquency estimates, which impacted the result by R\$ 16.0 million, the adjusted Net Earnings was R\$ 186.5 million, which represents a growth of 72.5% versus the same period of the previous year, with an adjusted margin of 7.3% (+2.6 percentage points versus 2023), as a result of the execution of the revenue maximization strategy and projects focused on the technology area that contributed to efficiency gains.

*Adjusted Net Earnings: management information /Non-Recurring: Projects/M&A expenses/ Update of provision course

ACCOUNTS RECEIVABLES 4Q24 (LTM)

Improvement in the Days of Receivables

R\$ million	4Q24	4Q23	%
Gross Receivables	454,4	627,7	(27,6%)
PDA	(234,7)	(344,3)	(31,8%)
Net Receivables	219,7	283,4	(22,5%)
Days of Receivables LTM*	31	45	-14 days

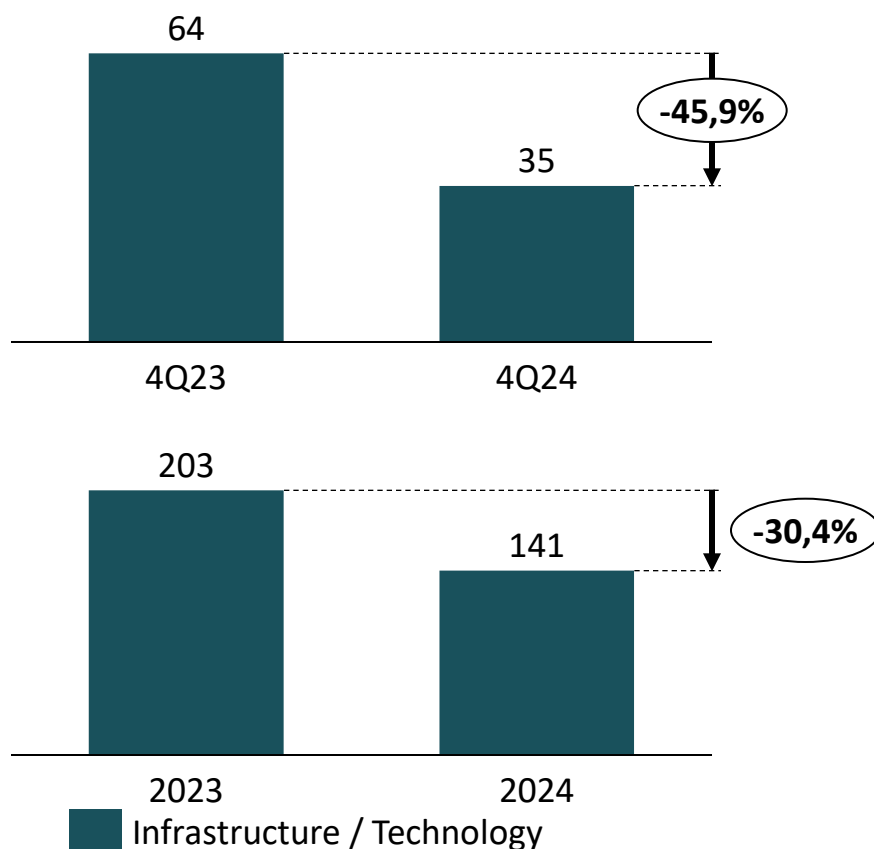
*Last Twelve Months DoR: Accounts Receivable/Net Revenue for the LTM *365



The days of receivables in 4Q24 was 31 days, a reduction of 14 days compared to the same period in the previous year, as a result of several factors, including: (i) better management of payment methods (greater participation of PIX, end of own financing, among others); (ii) implementation of credit analysis for financing operated by third parties, but with risk from Cruzeiro do Sul; (iii) improvement of the collection rule; (iv) better remuneration of collection agencies; (v) greater effort in recovering credits from inactive students; (vi) new technological platform and (vii) update of delinquency estimates. It is important to highlight that the reduction in gross accounts receivable and PDA is due to the write-off of titles starting at 360 days, instead of 720 days, as practiced in 2023.

CAPEX* 4Q24 & 2024

Reduction of investments in infrastructure; greater focus on technology



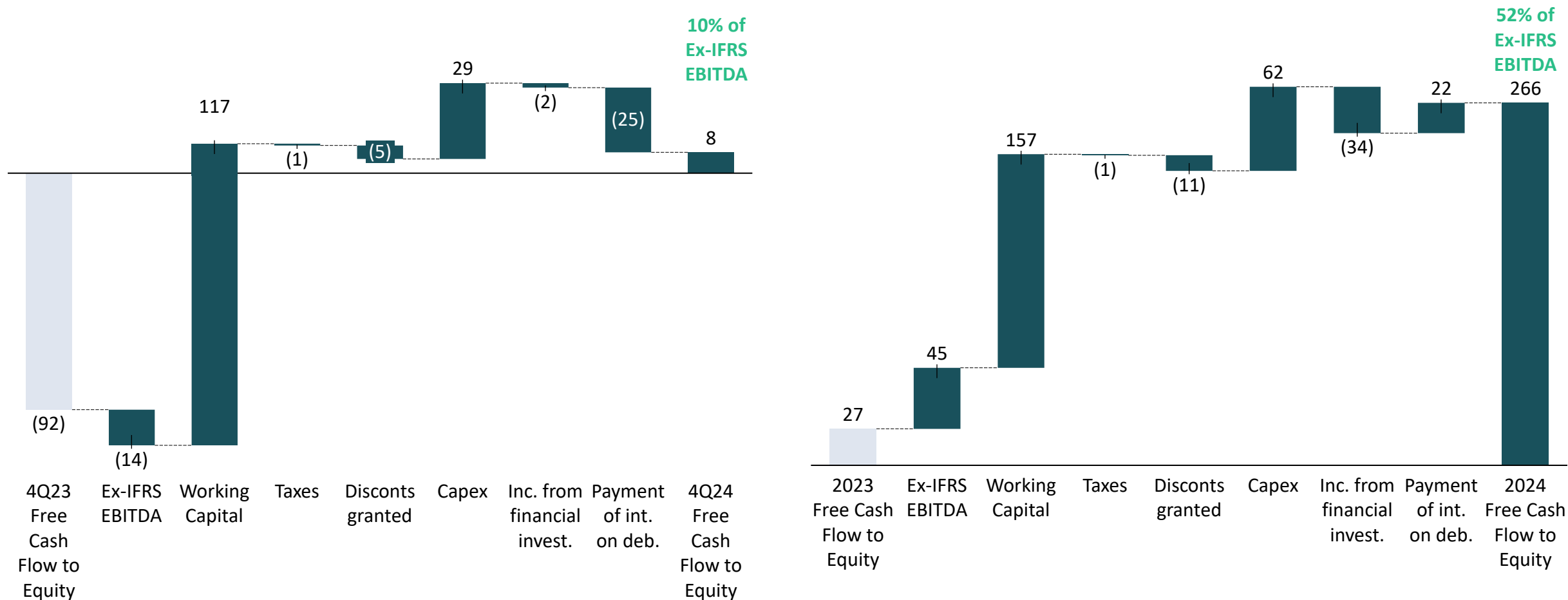
Investments in 4Q24 were approximately R\$ 34.6 million, a decrease of 45.9% vs. 4Q23.

In 2024, investments reached R\$ 141.3 million, a reduction of 30.4% vs. the same period of the previous year.

*Managerial Information

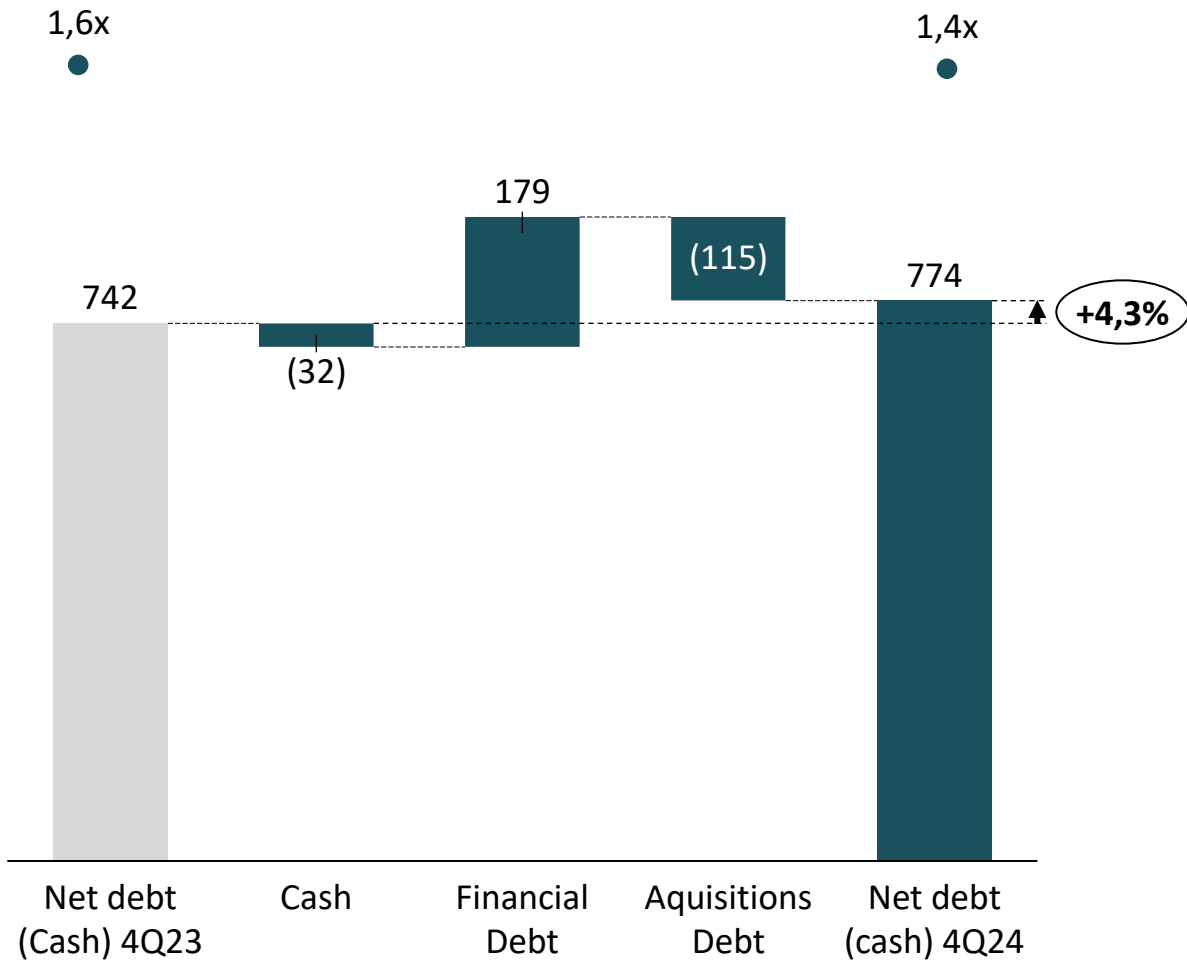
FREE CASH FLOW TO EQUITY 4Q24 & 2024

Cash Flow to Equity (Shareholder) expand approximately 10x in 2024

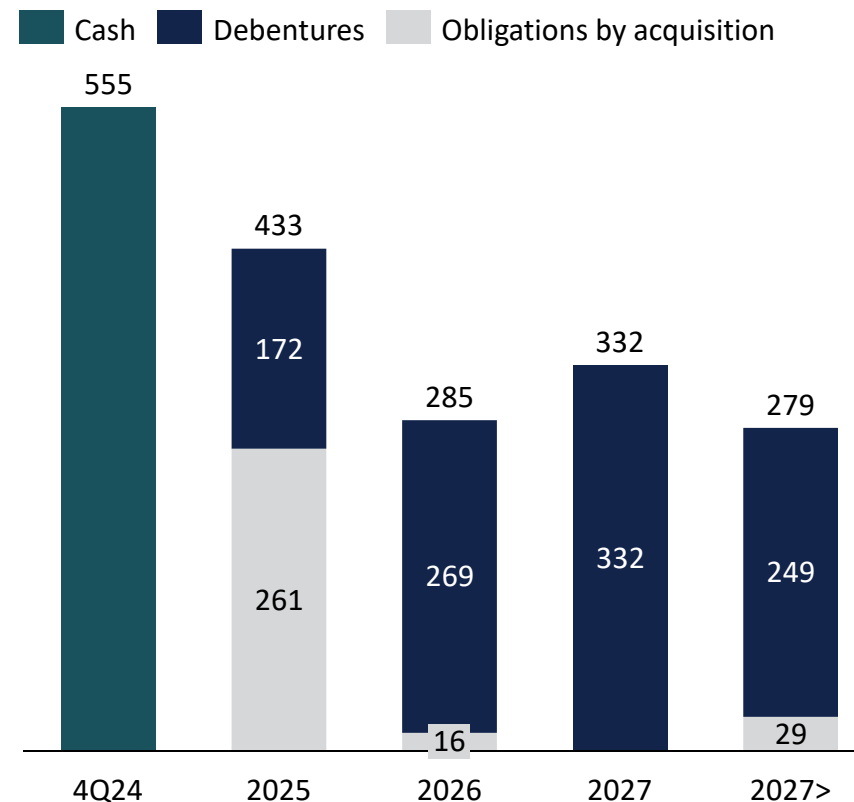


NET DEBT (CASH)

Leverage reduction vs. 2023



Debt Amortization Schedule (R\$ million)



The background image shows a group of medical professionals in white lab coats. The central figure is a woman with dark braids, wearing a white lab coat and a stethoscope around her neck. She is looking directly at the camera with a slight smile. The image is overlaid with semi-transparent geometric shapes in shades of blue and teal. The text 'Q&A' is centered in a large, white, sans-serif font.

Q&A

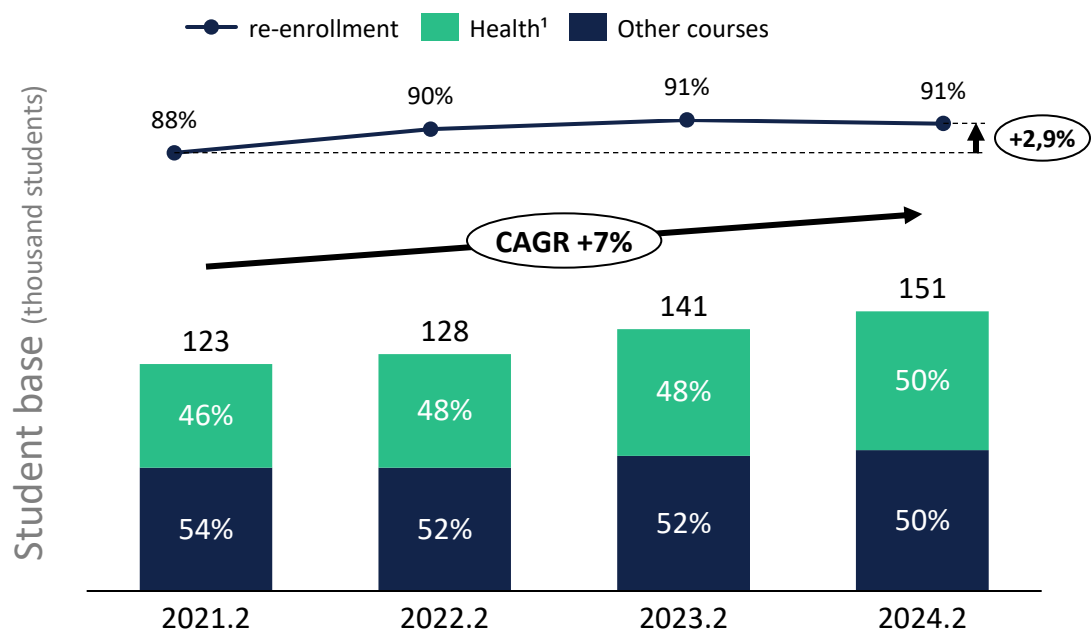


Contact Investor Relations
dri@cruzeirosul.edu.br



On-campus has shown 23% growth in the last 3 cycles

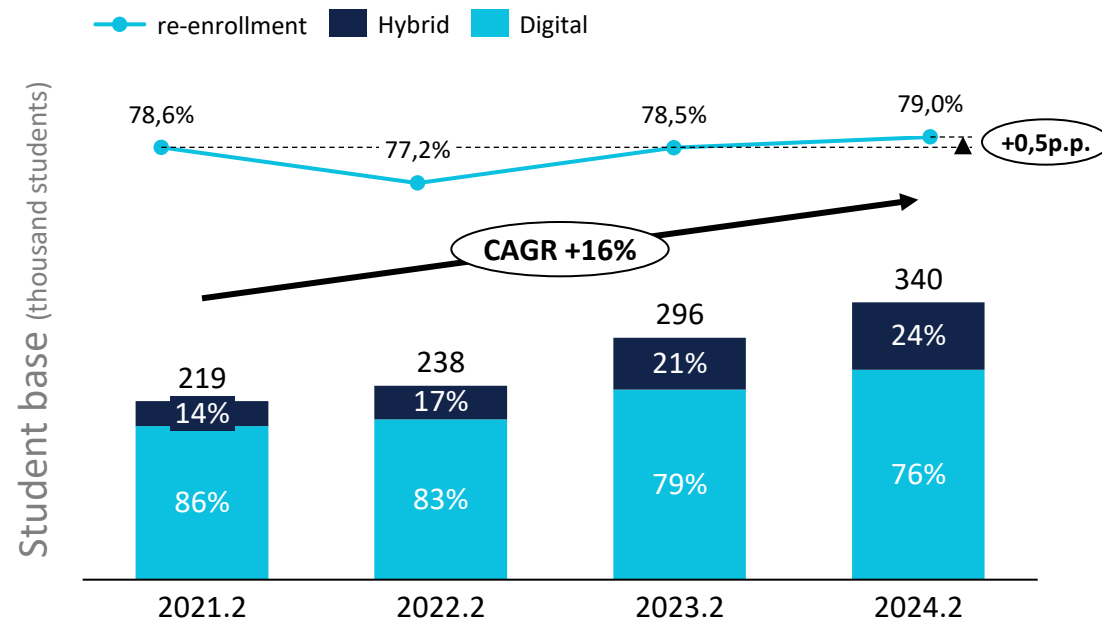
On-Campus Undergrad



CAGR - Compound Annual Growth Rate

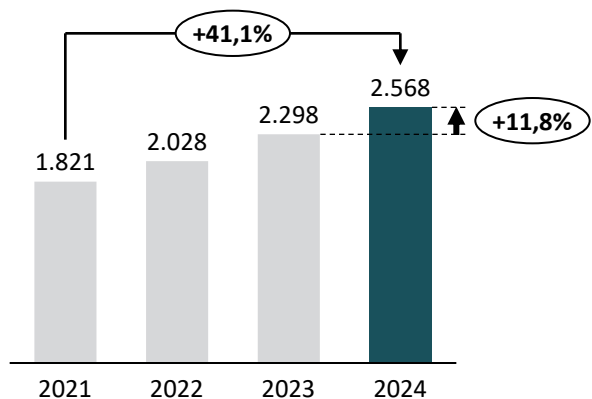
Digital has shown 55% growth in the last 3 years

Digital Undergrad

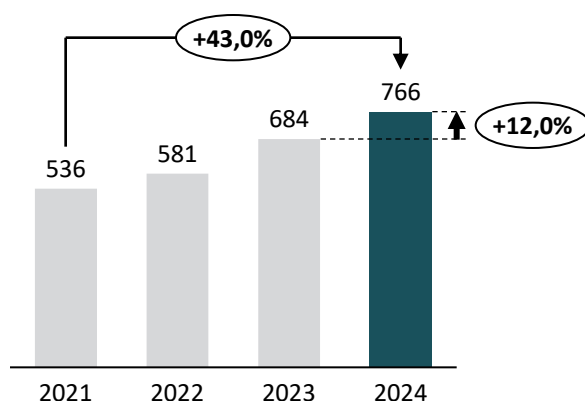


Organic and consistent delivery of expansion in financial indicators

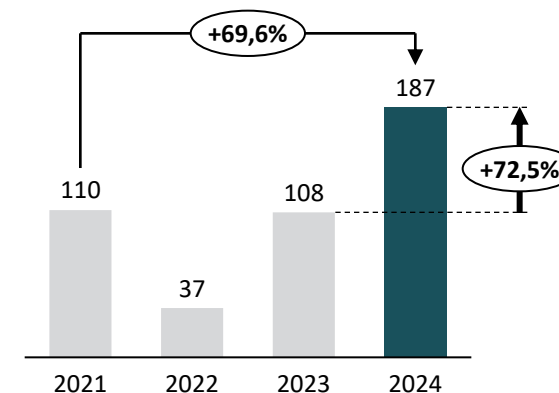
Net Revenue (R\$ mm)



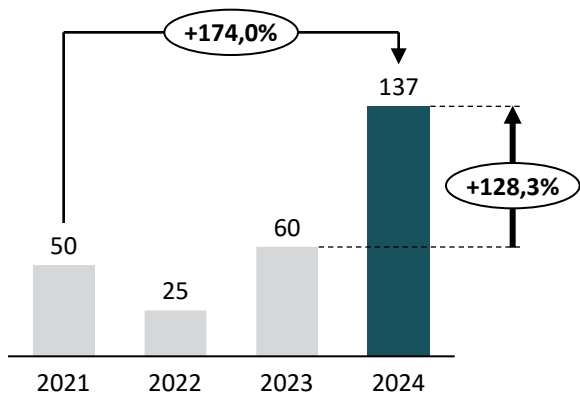
Adjusted EBITDA (R\$ mm)



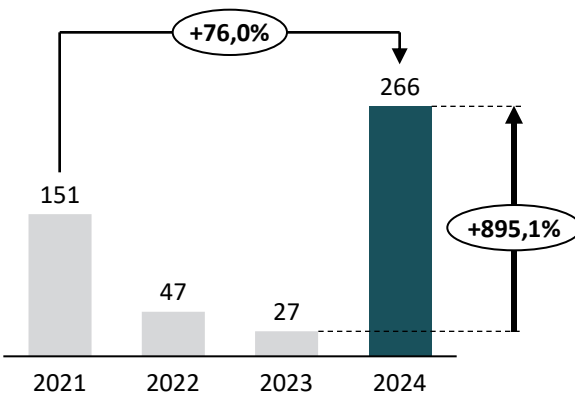
Adjusted Net Earnings (R\$ mm)



Dividends¹ (R\$ mm)



Free Cash Flow to Equity (R\$ mm)



Financial Leverage (R\$ mm)

