

Cogna Educação S.A. and subsidiaries

**Interim financial information
for the period ended
March 31, 2023**

Contents

Message from Management	3
Report on the review of quarterly information – ITR	13
Balance sheets	15
Statement of income	17
Statement of comprehensive income	18
Statement of changes in shareholders' equity	19
Statements of cash flows – Indirect method	20
Statement of added value	21
Notes to the individual and consolidated interim financial information	22

MESSAGE FROM MANAGEMENT

Cogna:

Strong increase in the revenue and eighth consecutive quarter of growth in operating result (recurring EBITDA), even in an economic and competitive challenging context: The evolution and consistency of results reflect the soundness of the strategy, the execution capacity and stress the positive outlook for the year.

The results of Cognia for the first quarter of 2023 represent the company's eighth consecutive quarter of strong growth in Recurrent EBITDA and strong profitability (Recurring EBITDA Margin), demonstrating its ability to generate value through clear strategies implemented with discipline for almost 3 years. Furthermore, based on the expectations shared in previous releases, we started 2023 with net revenue growth in all three business units: Kroton, Vasta and Saber. The results continue improving and the company renews its expectations that our year 2023 will be marked by the combination of profitability and revenue expansion.

For the third consecutive quarter, Kroton recorded double-digit net revenue growth (+14.9%), despite the challenging macroeconomic scenario. The result reflects the growth of 9.7% in the student base, reaching 1,128 million students, through: (i) growing revenue cohorts and intake volume; (ii) pass-through of inflation to veterans and (iii) increased student satisfaction with a reduction in the dropout rate. The 1H23 intakes showed growth in the average freshman ticket, reinforcing the company's good positioning in the sector. Kroton's Recurring EBITDA margin and Recurring EBITDA grew in the quarter, driven by the ongoing increase in revenue quality, gross margin expansion owing to the operating leverage of digital education and the growth of the medicine operation.

At Vasta, we presented another positive quarter, with growth in subscription revenue and complementary solutions. The company achieved the recognition guidance for Annual Contract Value (ACV) and net revenue disclosed in 4Q22 for 1Q23 and reinforces the company's confidence in achieving the ACV guidance of R\$ 1,230 million for 2023. As commented in the 4Q22 release, Vasta's Recurrent EBITDA Margin for the year 2023 will be pressured by: (i) increased investment in Marketing and Sales to reinforce ACV growth for the 2024 business cycle; (ii) contained and one-off readjustment of paper and printing costs. These factors do not impact Vasta's margin expansion prospects at its maturity.

The National Book and Textbook Program (NBTP), the most representative business in Saber, resumed growth in 2023, after the results of 2022, due to the greater number of students covered by the commercial calendar for the year, which considers the school segments of elementary education 1 (full repurchase) and 2 versus only elementary education 1 in the year 2022. This growth will have a greater positive impact on Saber in 2H23. Thus, Saber will join the other two growing business units, Kroton and Vasta to drive Cognia's consolidated results in 2023.

Being aware and focused beyond the company's financial results, we presented relevant deliveries in the Cognia ESG's pillars, innovation and People, in line with our vision on the importance of reconciling good financial results with respect and social responsibility, as well as fostering the motivation of talents to deliver the result in our core operations and in innovation theses.

Growth: revenue increase in all business units, highlighting the strong evolution in Kroton and Saber

Kroton reaches the 3rd consecutive quarter of double-digit growth in Net Revenue (+14.9%), expanding the history of eight quarters of improvements in this result. Based on the message shared by the company in recent years, the ability to generate growing intake revenue and dropout stability culminates in a positive compound effect on Net Revenue. Such results are driven by the strategy implemented in 2020, focused on: (i) increase in the offer of hybrid and digital courses, due to the expansion and maturity of hubs and new courses; (ii) commercial strategy characterized by the effectiveness of the online media, stability of nominal intake prices and new sales channels and; (iii) the concentration of offers of high Lifetime Value ("LTV") courses in the on-campus courses segment.

In Vasta, the growth of 16.6% in the commercial cycle-to date Net Revenue for the 2023 evidences the resumption of the accelerated pace of growth and stresses our confidence in achieving the guidance of R\$ 1,230 million of ACV for the 2023 commercial cycle.

Saber resumes its growth journey with an increase of 30.8% in Net Revenue in 1Q23, driven by all the businesses comprising the BU (Red Balloon, NBTP and Other Services), with NBTP being the major driver of Net Revenue growth.

Efficiency: Recurring EBITDA growth and cash conversion allows the company to deleverage

Cogna's Recurring EBITDA grew 12.6% or R\$ 50.8 million, driven by the strong growth of Kroton's Recurring EBITDA, up 23.3% in the first quarter of 2023.

At Kroton, the 2.5 p.p. increase in 1Q23 Recurring EBITDA margin was possible mainly due to: (i) operating leverage of digital courses; (i) continuous improvement in the quality of Revenue, with a reduction in defaults and, consequently, lower Allowance for Doubtful Accounts - ADA levels in relation to Net Revenue; (iii) good average price management with nominal stability in intake and above IPCA+ pass-through on re-enrollment and; (iv) expansion in higher LTV courses in the On-Campus segment. Moreover, as mentioned in the 4Q22 release, the rationalization of campuses (12 campuses lower versus 1Q22) will allow for strong cash generation growth, with a decrease in Capex, recurring expenses and rental expenses, despite the latter having no impact on EBITDA, pursuant to IFRS 16.

In Vasta, despite efficiency gains and the operating leverage of the business, the readjustment in paper and printing costs, the provisioning of all accounts receivable from a retailer undergoing judicial recovery (R\$ 15.0 million) and the EBITDA margin reduced the accumulated result for the 2023 cycle versus 2022.

Operating Cash Generation after CAPEX grew 27.4% in 1Q23, reaching R\$ 227.0 million. This evolution demonstrates the strength of the cash generation growth of Kroton, Vasta and Saber. The strong result in the first quarter of 2023 reinforces our optimism regarding the ability to generate cash throughout the year and our commitment to the OCG guidance for 2024.

The consistent growth in operating cash generation in recent years allowed Cognia to direct this capital towards reducing financial expenses, through liability management actions. In 1Q23, R\$ 1.0 billion was repurchased below par, as shared in the 4Q22 release. In April 2023, a R\$ 85 million incentive financing was raised with FINEP, aimed at technology projects, with an average cost of approximately 63% of the CDI. The liability management actions, coupled with the growing cash generation and EBITDA, allowed the reduction of the company's leverage from 2.15x to 2.03x between 1Q22 and 1Q23, with a 31.2% decrease in gross debt and obligations.

Experience: Obsession with the experience (NPS) of our students

Improving our student's journey is a constant search in each of our actions. This improvement requires listening, identifying opportunities, and acting on feedback from our students. We started 2023 with the best NPS performance for January. In the first quarter, the results were better than the previous year. We are still aiming at providing an amazing experience for our students is one of our strategic priorities.

The consistent improvement in our students' dropout and retention rates, cycle after cycle, is one of the planned consequences of that focus on enhancing the student experience in all interactions and journeys in our institutions. In 1Q23, we are once again reaping the fruits of said investments, with improvements in the dropout performance on several business fronts, especially in High On-Site Attendance courses, where the growth of students' academic and financial engagement was greater versus the same period of last year.

People and Culture: Focus on attracting, developing and retaining our talent.

We continue believing that a diverse, talented and aligned team under the strategy and culture standpoint is essential to continue transforming our organization. To continue attracting the best talents, we have to be admired as an employer brand and in fact provide our employees with an engaging and motivating context. Therefore, this quarter: (i) we implemented the company's flexible benefits program, called *Beneflex*, in which our employees are able to independently and flexibly choose their benefits and; (ii) we implement the EVP (Employee Value Proposition) project, focused on strengthening Cogna as an employer brand.

As a result of several actions taken over the last few years, we received the "GPTW Woman" seal this quarter, being recognized by Great Place to Work as one of the 30 best companies in Brazil for women to work for. This achievement fills us with pride, showing that we are on the right path and in line with our commitment to seek gender equality.

Innovation: Cogna continues to be a benchmark in innovation in Brazil and the main company in the Education market

In 1Q23, several of our teams traveled the world at events such as SXSW, South Summit, Web Summit, Bett UK and at work meetings at the headquarters of partners such as AWS and Microsoft to seek insights and solutions to our challenges and bring experience and high-quality products for our students and clients. Much is being done on the innovation, technology and artificial intelligence fronts, which in the future will position us as an organization capable of supporting people throughout their educational and professional journey.

We are attentive to feedback and trends in the education segment, while new products and solutions are being incubated and developed at Cogna based on the concept of corporate ambidexterity, reconciling core business assets and expertise with the desire to support and accelerate innovative theses.

ESG: international recognition and leadership in the sector

Cogna continues to be the most engaged educational organization, recognized by international ESG partners and certifying bodies, maintaining its leadership and pioneering spirit in the sector. The first quarter marked another series of achievements: i) the inclusion of the Company in the Yearbook 2023 of the CSA (Corporate Sustainability Assessment) of S&P - a document that lists the companies that were a benchmark in the ranking - leading the global industry mover category of the diversified services sector ii) the inclusion in the Bloomberg Gender Index - GEI iii) in addition to receiving the GPTW Woman seal. Such merits stress our commitment to sustainable development and reiterate that we are on the right path in our ESG strategy.

KROTON

Student Intake (Undergraduate):

Kroton's student Intake in 1H23 showed growth in revenue, average ticket and volume compared to 1H22, evidencing the company's good positioning and ability to stay on a growth path, with the stacking of growing intakes rates despite the challenging macroeconomic and competitive scenarios.

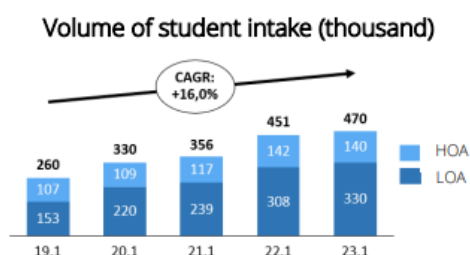
Intake Revenues in 1H23 grew 2.8% in comparison with 1H22, this being the 4th consecutive cycle of revenue growth, offering continuity of the positive composite effect on the company's revenues. This result reflects the growth in revenues in the "100% Online" (+5.7%), "Premium Distance Learning" (+15.6%) and Hybrid (+15.1%) modalities, which more than offset the reduction in revenue from On-Campus (-5.5%), which decreased due to the strategy of restricting the offer of this modality to courses with higher LTV.

The average ticket intake in 1H23 was higher than in 1H22 in both modalities: High On Site Attendance (HOA) and Low On Site Attendance (LOA), since the variations in revenue raised were higher than the variations in volume of students raised. There was also growth in the average ticket between the sub-modality¹, with variations in revenue outperforming those in volume, except for 100% online, which remained stable due to increased competitiveness.

Category	Volume	Revenue	Freshman Ticket
High On-Site Attendance (HOA)	-1.6%	+0.2%	↑
Low On-Site Attendance (LOA)	+7.0%	+8.0%	↑
Total	+4.2%	+2.8%	↑

Category		Volume	Receita	Freshman Ticket
High On-Site Attendance (HOA)	Presencial	-15.7%	-5.5%	↑
	EAD Premium	+10.6%	+15,6%	↑
Low On-Site Attendance (LOA)	Hybrid	+10.7%	+15.1%	↑
	100% Online	+6.0%	+5.7%	=
Total		+4.2%	+2.8%	↑

In terms of student enrollment volume, Kroton had its fourth consecutive growth cycle, with a CAGR of 16% between 1H19 and 1H23, reaching a volume of 470 thousand students in the cycle. This growth is concentrated in the Low On Site Attendance, in line with the company's strategy of increasing its share of digital course revenues to absorb gains from operational leverage and to meet the changes in the market's consumption profile.



The volume of students in the Low On Site Attendance (LOA) grew 7.0% between 1H23 and 1H22. This growth is made up of: (i) 10.7% growth in the volume of students in the Hybrid sub-modality and; (ii) 6.0% growth in 100% online.

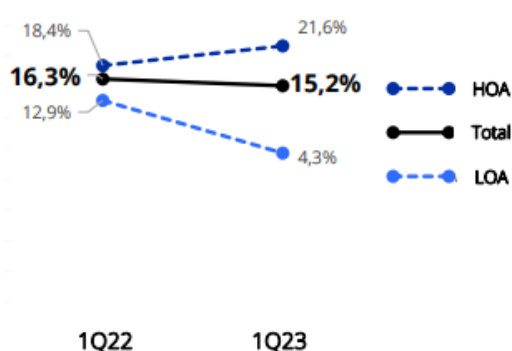
¹ A year ago, in the 1Q22 release, we announced that we would bring the vision of volume variation and open revenue in the On-Campus, Premium Distance Learning, 100% Online and Hybrid modes for only 1 year. This notice period would end this quarter. We welcome feedback from investors and the sell-side who wish to have the greatest performance history in these segments. For this reason, we decided to extend the breakdown of volume and revenue variation.

The volume of deposits in the High On-Site Attendance market fell 1.6% between 1H23 and 1H22. The face-to-face sub-modality volume fell 15.7%. This reduction is the result of the strategy of rationalizing the supply of the on-site sub-modality, focusing on courses with higher Life Time Value, and of the asset light strategy, with a reduction in the number of campuses (-12 units between 1H23 and 1H22). The volume of the distance learning sub-modality grew 10.6% in the 1H23 vs. 1H22 funding cycle.

Student Retention (Undergraduate):

Kroton's dropout rate decreased by 1.1 p.p. in 1Q23 compared to 1Q22, despite: (i) the implementation of stricter re-enrollment policies for students with open tuition fees and; (ii) the increased participation of freshmen in the student base derived from the growing volume intake season.

Undergraduate Dropout (% of base)



In High On-Site Attendance, there was a dropout reduction of 8.6 pp in the comparison between 1Q23 and 1Q22. This result reflects: (i) greater share of medicine and higher LTV courses; (ii) return to on-site attendance; (iii) implementation of projects to improve the student experience and; (iv) extension of the enrollment renewal period.

In the Low On Site Attendance, there was an increase in the dropout of 3.2p.p., expected due to the strong growth of freshmen in this modality.

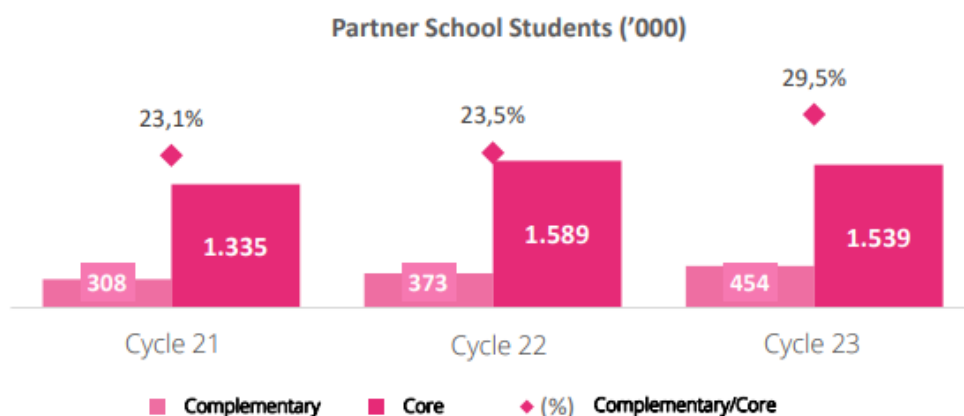
Student Base and Movement (Undergraduate):

	Undergraduate								
	Total			High On-Site Attendance (HOA)			Low On-site Attendance (LOA)		
	1Q23	1Q22	% Y/Y	1Q23	1Q22	% Y/Y	1Q23	1Q22	% Y/Y
Initial Base	896,495	804,145	11,5%	324,786	299,630	8,4%	571,709	504,515	13,3%
Graduations	(120,008)	(114,049)	5,2%	(36,721)	(35,536)	3,3%	(83,287)	(78,513)	6,1%
Dropout	(117,948)	(112,260)	5,1%	(12,311)	(34,014)	-63,8%	(105,637)	(78,247)	35,0%
Dropout Rate	15,2%	16,3%	-1,1pp	4,3%	12,9%	-8,6pp	21,6%	18,4%	3,3pp
Re-enrollment	658,539	577,836	14,0%	275,754	230,080	19,9%	382,785	347,755	10,1%
Intake	469,832	450,709	4,2%	140,053	142,380	-1,6%	329,779	308,329	7,0%
Final base	1.128.371	1.028.544	9,7%	415.807	372.460	11,6%	712.564	656.084	8,6%

Kroton had a growth of 9.7% in the total student base versus 1Q22. This growth accounts for 100,000 more students than at the end of 1Q22, reaching a total of 1,128 million Kroton undergraduate students. The growth is explained by the combination of increase volumes in the last four intake seasons and the reduction in the dropout rate despite the adoption of stricter negotiation policies for re-enrollment to increase the company's revenue quality. In High On-Site Attendance, the student base grew 11.6%, reaching 416,000 students versus 372,000 at the end of 1Q22. In Low On-Site Attendance, the student base grew 8.6%, reaching 713,000 students versus 656,000 at the end of 1Q22. The company's focus on expanding the student base without sacrificing revenue quality enabled Kroton to double-digit Net Revenue growth over the last 3 quarters.

VASTA

1Q23 is the second quarter of the 2023 intake cycle for Vasta. The results of this quarter reinforce the Annual Contract Value guidance of R\$ 1,230 million for the 2023 cycle, and the full continuity of growth in this business unit.



The 2023 cycle recorded a growth of 21.7% in the number of students who adopt Vasta's complementary solutions, reaching 453,000. This growth is driven by the greater penetration of partnership schools that adopt one or more solutions. The number of students in core solutions remained relatively stable (-2.0%) between the commercial cycles of 2022 and 2023, following the company's strategy of focusing on improving the customer base through a better mix of schools and premium learning solutions (Anglo, PH and Fibonacci), with higher tickets, lower defaults and longer relationships.

Net Revenue

Vasta - Values in R\$ ('000)	1Q23	1Q22	Chg. %	Cycle 2023	Cycle 2022	Chg. %
Net Revenue	402.838	380.581	5,8%	907.856	778.840	16,6%
Subscription	357.213	333.781	7,0%	801.163	680.624	17,7%
Subscription ex - PAR	325.853	296.713	9,8%	703.229	577.597	21,8%
Traditional Learning Systems	269.680	251.150	7,4%	554.144	474.301	16,8%
Complementary Solutions	56.173	45.563	23,3%	149.084	103.296	44,3%
PAR	31.360	37.067	-15,4%	97.934	103.027	-4,9%
No - Subscription	45.624	46.801	-2,5%	106.693	98.217	8,6%

In 1Q23, Net Revenue grew 5.8% compared to the 1Q22 and reached R\$ 402.8 million. In the comparison of accumulated results between the 2023 and 2022 cycles, Net Revenue grew 16.6%, reaching R\$ 907.9 million. Of this amount, 88.2% or R\$ 801.2 million refer to Net Revenue from subscription, continuing the increase of the share of this type of Revenue, which offers greater profitability, predictability and loyalty. Net Revenue from Complementary Solutions grew 44.3% between the 2023 and 2022 cycles, accounting for an increase of 5.3 p.p. in Vasta's Net Revenue share (from 13.3% to 18.6%). Complementary solutions are important vectors for Vasta due to: (i) expansion pace; (ii) commercial efficiency by cross-selling to partner schools; (iii) wide penetration space and; (iv) possibility of selling more than one complementary solution per partner school.

SABER

Student Base

<i>Student Base</i>	1Q23	1Q22	% Y/Y	4Q22	Chg.%
Red Balloon Schools and Franchisees	115	119	-3,4%	121	-5,0%
Red Balloon Students	28.652	24.850	15,3%	25.824	11,0%

The number of students in the Red Balloon network grew 15.3% in 1Q23, compared to the same quarter of the previous year even as the number of Red Balloon units decreased 3.4% (4 units) between 1Q23 and 1Q22, mainly due to the closure of operations within partner schools that were acquired by Eleva in 2021.

Net Revenue

<i>Saber Revenues - Values in R\$ ('000)</i>	1Q23	1Q22	Chg.%
Net Revenue	131.537	100.584	30,8%
Net Revenue from PNLD	46.518	31.082	49,7%
Net Revenue - Languages	34.150	27.318	25,0%
Net Revenue - Other Services	25.006	13.009	92,2%

In the comparison between quarters, the Saber's net revenue grew 30.8%, reaching R\$ 131.5 million. Such growth is driven by the positive results in National Book and Textbook Program (NBTP) (+49.7%), Languages/Red Balloon (+25.0%) and Other Services (+92.2%). As mentioned in the company's latest earnings releases, the NBTP commercial calendar in 2023 includes a larger segment (repurchase of elementary education 1 and purchase of elementary education 2) than the calendar segment for the year 2022 (purchase of elementary education 1). As a result, Saber is expected to show significant growth in 2023 compared to 2022.

FINANCIAL PERFORMANCE

Net Revenue

In 1Q23, Consolidated Net Revenue reached R\$ 1,329.9 million, a 13.0% increase compared to the same quarter of the previous year and reflecting Kroton' positive result, which exceeds 1Q21 revenue due to the accumulation of increasing intake revenue.

Costs

The costs of products and services reached R\$ 487.8 million in 1Q23, which is equivalent to 36.7% of net revenue for the period, in line with this percentage in relation to the same period or previous year.

Gross Profit

Gross profit in 1Q23 reached R\$ 842.1 million, with a gross margin of 63.3%, in line in the comparison with 1Q22.

Operating Expenses

Sales Expenses

Sales expenses includes expenses related to the sales, advertising and marketing team, copyright, and Provision for Doubtful Settlement Credit (PDA). In 1Q23, these expenses reached R\$ 244.6 million, corresponding to 18.4% of net revenue, a 0.7 pp decrease compared to 1Q22.

General and Administrative Expenses

Operating expenses include general and administrative expenses and expenses with administrative personnel, consultancies, travel and outsourced services, among others. In 1Q23, these expenses totaled R\$ 339.6 million or 25.6% of net revenue, a decrease of 5.2 p.p. compared to 1Q22.

Other Operating Revenues and Expenses

The other revenues and expenses totaled R\$ 1.8 million in 1Q23 compared to R\$ 1.3 million in 1Q22.

Financial Results

In 1Q23, the Financial Result was negative at R\$ 206.6 million, a worsening of 8.1% compared to 1Q22, with financial expenses decreasing 8.6% and reaching R\$ 312.3 million and financial revenues decreasing 29.8% in year over year, reaching R\$ 105.7 million.

Net Income (Loss)

In 1Q23, Net Income totaled R\$ 53.9 million compared to a Net Loss of R\$ 13.1 million in 1Q22. This expressive growth between quarters is the result of the combination of: (i) 10.4% increase in Operating Result; (ii) 10.3% decrease in Corporate Expenses and; (iii) 43.6% decrease in Non-Recurring Items. Due to these results, the net margin grew 5.2 p.p between the 1Q22 and 1Q23, from -1.1% to 4.1%.

Capex and Expanding Investments

- Computer equipment and library: R\$ 3.8 million (124.7%);
- Content development, systems development, and software licenses: R\$ 62.7 million (46.8%);
- Laboratory and similar equipment: R\$ 0.3 million (-98.6%);
- Expansions: R\$ 9.7 million (88.1%);
- Expanding investments: R\$ 15.9 million (-70.4%);

There was a 12.5% reduction in Capex and Investment in Expansion in the comparison between 1Q23 and 1Q22. In line with the company's strategic direction of becoming asset light, with the reduction in the number of campuses in Kroton. The new direction focused on digital increases the share of investments in "Computer and library equipment" and "Content Development and Systems and Software Licenses", which increased from 40.6% to 68.1% of total Capex, as well as Investment in Expansion between 1Q22 and 1Q23, respectively.

Net Indebtedness

At the end of the 1st quarter of 2023, total cash and cash equivalents totaled R\$ 1,503 million. This amount is 60.9% lower than that earned at the end of 1Q22, due to repayments made and interest paid on the 2nd and 3rd Issuance of Cogna's Debentures between the quarters and repurchase of R\$ 1,042 million of debenture maturing in August 2023 which were being traded below face value on the secondary market. These interest payments and amortizations reduced Cogna's Gross Debt by 31.2% between 1Q22 and 1Q23, from R\$ 7,009 million to R\$ 4,820 million, respectively. The company's net debt decreased 0.5% in 1Q23 compared to 4Q22, from R\$ 3,333 million to R\$ 3,316 million.

At the end of the 1st quarter of 2023, the company achieved leverage (Net Debt/Adjusted EBITDA) of 2.03x and showing stability versus 4Q22 (2.10x). This level of leverage offers a considerable safety margin for the covenant at 3.00x. This level of leverage is obtained in accordance with the company's debenture regulations, in which: (i) Net debt considers the sum of loans and financing and accounts payable for acquisitions, less cash and cash equivalents position and; (ii) Adjusted EBITDA considers, in addition to EBITDA, non-recurring items and the sum of the balance between provisions and contingency reversals with no cash effect.

Cash Generation

In the first quarter of 2023, Operating Cash Generation before Capex was positive at R\$ 319.1 million and represents a 12.6% growth compared to the first quarter of 2021. For the same period, Post-Capex Operating Cash Generation (OCG) was R\$ 227.0 million, representing a 27.4% growth compared to 1Q22, in line with the growth expectations shared by the company on Investor Day 2022.

The 1Q23 free cash flow was negative by R\$ 625.3 million, and represents a figure of R\$ 436.5 million lower than that in 1Q22. This difference is mainly explained by the volume of debt amortized between 1Q23, with a direct impact on the decrease of 11.7%, or R\$ 641.4 million, in gross debt for the quarter (1Q23 vs. 4Q22).

CAPITAL MARKET AND SUBSEQUENT EVENTS

SHAREHOLDING STRUCTURE

In February 2022, the company announced a share buyback plan, effective until February 2023, and monthly discloses the number of shares repurchased through the Traded and Held Securities form (CVM 358). Respecting the days it could operate and the buyback policy rules, 22.6 million shares were repurchased between the beginning of buyback plan until February 10, 2023, when the program ended.

Due to the increase of 4.0 p.p. in the basic interest rate (Selic) since the buyback plan was announced (9.25% to 13.75%), alternatives of greater financial attractiveness emerged and were used, as liability management actions described in previous chapters of this release.

During 1Q23, pursuant to the current share buyback and compensation plan (stock option), the company increased the number of treasury shares from 1.91 million in 4Q22 to 8.77 million in 1Q23.

Share Holders Composition Cogna*	Quantity	%
Treasury	8.769.398	0,10%
Free Float	1.867.836.812	99,9%
Total	1.876.606.210	100%

* Position on 03/31/2023.

PERFORMANCE OF SHARES

Cogna's shares (COGN3) integrate several indexes, with emphasis on Ibovespa, the Differentiated Corporate Governance Index (IGC), the Differentiated Tag Along Share Index (ITAG), the Consumption Index (ICON), and MSCI Brazil. In addition to composing three new B3 Sustainability Indexes in 2022: ISE, ICO2 and IGPTW.

In 1Q23, the Company's shares were traded in 100% of the trading sessions, totaling a trading volume of R\$ 3.9 billion, resulting in an average daily trading volume of R\$ 63.4 million, being the educational action with the highest liquidity traded on Ibovespa. Currently, Cogna shares are monitored by 15 different local and international (Research) brokerage firms. Cogna ended March 2023 with a market value of R\$ 3.5 billion.

Stock performance (R\$)	1Q23
Daily Average Volume (Millions)	63,3
Start Price	2,12
High	2,40
Low	1,76
Average	2,12
End Price	1,87
Price change during period	-11,8%

In the first quarter of 2023, Cogna's share depreciated 11.8%, while the Ibovespa depreciated 7.2%, ITAG depreciated 6.8%, the IGC appreciated 7.4% and the ICON depreciated 12.6% in the same period.

RATINGS

Cogna is currently rated as brAA+ by Standard & Poor's and AA+(bra) by Fitch Rating.

ABOUT COGNA EDUCAÇÃO

Cogna Educação is one of the largest private educational organizations in the world. In the market for more than 55 years, the Company operates in all Brazilian states and different education segments, with a full platform of services and content offered in different business models. At the end of 1Q23, Cogna had 1,128 thousand On-Campus and Digital Higher Education students in Kroton segment and more than 70 thousand Post-graduate students in the Platos segment, served through 112 own Higher Education units and over 3,000 accredited Digital Education hubs. In K12, Vasta ended the quarter with 2.0 million students provided by approximately 5.4 thousand member schools, using core and complementary content solutions.



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Review report of quarterly information – ITR

To the Shareholders, Board members and Managers of
Cogna Educação S.A.
Belo Horizonte - MG

Introduction

We have reviewed the individual and consolidated interim financial information of Cogna Educação S.A. ("Company"), contained in the Quarterly Information – ITR Form for the quarter ended March 31, 2023, which comprise the balance sheet as of March 31, 2023 and related statements of income, of comprehensive income, of changes in shareholders' equity and of cash flows for the quarter then ended, including the explanatory notes.

Company's Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with CPC 21(R1) and International Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of this information in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with the Brazilian and international review standards for interim information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion on the individual and consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above do not present fairly, in all material respects, in accordance with CPC 21 (R1) and IAS 34, applicable to the preparation of Quarterly Information - ITR, and presented in a manner consistent with the standards issued by the Securities Commission.

Other matters

Statements of added value

The aforementioned quarterly information includes the individual and consolidated statements of added value for the three-month period ended March 31, 2023, prepared under responsibility of Company's Management, and presented as supplementary information for IAS 34 purposes. These statements have been subject to review procedures performed in conjunction with the review of the quarterly information, in order to determine whether they are reconciled with the interim financial information and book records, as applicable, and whether their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - Statement of Added Value. Based on our review, we are not aware of any facts that may lead us to believe that these statements of added value have not been prepared, in all material respects, in accordance with the criteria set forth in this Standard and consistently with respect to the individual and consolidated interim financial information taken as a whole.

São Paulo, May 11, 2023

KPMG Auditores Independentes Ltda.
CRC 2SP-014428/O-6
(Original report in Portuguese signed by)
Flavio Gozzoli Gonçalves
Accountant CRC 1SP290557/O-2

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES
BALANCE SHEETS

As of March 31, 2023 and December 31, 2022

In thousands of reais

			Parent Company		Consolidated
	Note	03/31/2023	12/31/2022	03/31/2023	12/31/2022
ASSETS					
Current assets					
Cash and cash equivalents	5	204,737	19	410,434	121,772
Marketable securities	6	25,742	757,304	1,093,111	2,007,061
Trade receivables	7	-	-	2,101,674	2,011,108
Inventories	8	-	-	446,698	426,322
Advances		782	814	102,588	93,278
Taxes recoverable	9	6	-	67,973	53,442
Income tax and social contribution recoverable	10	33,338	29,721	198,093	205,231
Trade receivables from sale of subsidiaries	11	-	-	12,590	12,190
Other receivables	12	312	617	153,954	129,323
Debentures receivable from related parties	27	203,332	105,530	-	-
Related parties – other	27	438,550	438,593	-	-
Total current assets		906,799	1,332,598	4,587,115	5,059,727
Non-current assets					
Long-term assets					
Marketable securities	6	-	-	42,503	52,012
Trade receivables	7	-	-	244,934	289,734
Derivative financial instruments	4.2	13,962	4,978	13,962	4,978
Taxes recoverable	9	23,752	23,758	82,687	88,118
Income tax and social contribution recoverable	10	96,728	94,735	188,376	175,751
Trade receivables from sale of subsidiaries	11	-	-	16,879	16,309
Other receivables	12	-	-	32,923	35,004
Guarantee to tax, labor and civil losses	23	32,460	33,283	139,695	144,920
Judicial deposits	23	1,476	1,445	53,539	52,387
Deferred income tax and social contribution	24	-	-	1,169,433	1,174,673
Debentures receivable from related parties	27	953,791	1,200,218	-	-
Investments	13	13,950,324	13,819,896	83,792	83,739
Other investments	13(d)	-	-	8,271	8,271
Property, plant and equipment	14	-	-	4,052,299	4,058,943
Intangible assets	15	515,831	515,812	15,109,282	15,152,185
Total non-current assets		15,588,324	15,694,125	21,238,575	21,337,024
Total assets		16,495,123	17,026,723	25,825,690	26,396,751

See the accompanying notes to the interim financial information.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES
BALANCE SHEETS

As of March 31, 2023 and December 31, 2022

In thousands of reais

LIABILITIES	Note	Parent Company		Consolidated	
		03/31/2023	12/31/2022	03/31/2023	12/31/2022
Current liabilities					
Debentures	16	873,215	1,932,853	969,143	2,038,312
Right-of-use lease	17	-	-	153,058	146,503
Suppliers		998	697	613,831	664,375
Suppliers - reverse factoring	18	-	-	374,465	313,442
Labor obligations	19	13,163	10,356	449,405	387,031
Income tax and social contribution payable		-	-	19,869	22,536
Taxes payable	20	-	788	80,457	96,514
Advances from clients		-	-	249,218	192,768
Accounts payable - acquisitions	21	-	-	144,115	168,061
Other accounts payable		55	53	30,389	39,736
Related parties – other	27	190,975	186,490	-	-
		1,078,406	2,131,237	3,083,950	4,069,278
Non-current liabilities					
Debentures	16	2,492,314	1,992,880	3,652,939	3,152,882
Right-of-use lease	17	-	-	2,887,028	2,866,626
Derivative financial instruments	4.2	7,343	23,032	7,343	23,032
Accounts payable - acquisitions	21	-	-	60,742	84,368
Provision for tax, labor and civil losses	22	34,345	34,669	726,312	720,653
Liabilities assumed in the business combination	22	-	-	1,099,846	1,227,287
Deferred income tax and social contribution	24	662,021	668,343	916,681	907,160
Other accounts payable		-	-	101,695	104,077
		3,196,023	2,718,924	9,452,586	9,086,085
Total liabilities		4,274,429	4,850,161	12,536,536	13,155,363
Shareholders' equity					
Share capital	25	7,667,615	7,667,615	7,667,615	7,667,615
Capital reserves		4,521,615	4,517,204	4,521,615	4,517,204
Treasury shares		(22,922)	(8,257)	(22,922)	(8,257)
Retained earnings		54,386	-	54,386	-
		12,220,694	12,176,562	12,220,694	12,176,562
Interest of non-controlling shareholders		-	-	1,068,460	1,064,826
Total shareholders' equity		12,220,694	12,176,562	13,289,154	13,241,388
Total liabilities and shareholders' equity		16,495,123	17,026,723	25,825,690	26,396,751

See the accompanying notes to the interim financial information.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES
STATEMENT OF INCOME
Three-month period ended March 31, 2023 and 2022
In thousands of reais

			Parent Company		Consolidated
	Note	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Net revenue from sales and services	28	-	-	1,329,876	1,176,648
Cost of sales and services					
Cost of services rendered	29	-	-	(359,505)	(337,229)
Cost of goods sold	29	-	-	(128,256)	(94,309)
		-	-	(487,761)	(431,538)
Gross profit		-	-	842,115	745,110
Operating income (expenses)					
From sales	29	-	-	(141,660)	(123,488)
General and administrative expenses	29	(238)	(62)	(339,637)	(362,377)
Provision for expected loss	29	-	-	(102,966)	(101,368)
Other operating income	29	-	-	2,112	2,096
Other operating expenses	29	-	-	(288)	(772)
Equity in net income of subsidiaries	13	125,212	(7,417)	53	574
Operating income (loss) before financial income and taxes		124,974	(7,479)	259,729	159,775
Financial income (loss)					
Financial revenues	30	80,291	134,964	105,665	150,565
Financial costs	30	(157,022)	(158,927)	(312,264)	(341,686)
		(76,731)	(23,963)	(206,599)	(191,121)
Operating income (loss) before taxes		48,243	(31,442)	53,130	(31,346)
Income tax and social contribution					
Current	24.1	-	-	16,670	10,976
Deferred	24.1	6,143	18,335	(15,884)	11,781
		6,143	18,335	786	22,757
Profit (loss) for the period		54,386	(13,107)	53,916	(8,589)
Allocated to:					
Controlling shareholders		54,386	(13,107)	54,386	(13,107)
Non-controlling shareholders		-	-	(470)	4,518
Basic earnings (losses) per common share - R\$ - consolidated	31	-	-	0.03	(0.00)
Diluted earnings (losses) per common share - R\$ - consolidated	31	-	-	0.03	(0.00)

See the accompanying notes to the interim financial information.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES
 STATEMENT OF COMPREHENSIVE INCOME
 Three-month period ended March 31, 2023 and 2022
 In thousands of reais

	Parent Company		Consolidated	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Profit (loss) for the period	54,386	(13,107)	53,916	(8,589)
Other comprehensive income	-	-	-	-
Comprehensive income for the period	54,386	(13,107)	53,916	(8,589)
Allocated to:				
Controlling shareholders	54,386	(13,107)	54,386	(13,107)
Non-controlling shareholders	-	-	(470)	4,518

See the accompanying notes to the interim financial information.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
Three-month period ended March 31, 2023 and 2022
In thousands of reais

	Parent Company				Consolidated		
	Capital	Capital reserves	Treasury shares	Retained earnings (losses)	Total shareholders' equity	Non-controlling interest	Total shareholders' equity
Balances at December 31, 2021	7,667,615	5,116,787	(57,812)	-	12,726,590	1,044,074	13,770,664
Comprehensive income for the period							
Loss for the period	-	-	-	(13,107)	(13,107)	4,518	(8,589)
Total comprehensive income for the period	-	-	-	(13,107)	(13,107)	4,518	(8,589)
Contribution from shareholders and distribution to shareholders							
Repurchase of treasury shares	-	-	(7,063)	-	(7,063)	-	(7,063)
Recognized options granted	-	7,695	-	-	7,695	-	7,695
Minority interest	-	-	-	-	-	924	924
Total contributions from shareholders and distribution to shareholders	-	7,695	(7,063)	-	632	924	1,556
Balances at March 31, 2022	7,667,615	5,124,482	(64,875)	(13,107)	12,714,115	1,049,516	13,763,631
Balances at December 31, 2022	7,667,615	4,517,204	(8,257)	-	12,176,562	1,064,826	13,241,388
Comprehensive income for the period							
Profit for the period	-	-	-	54,386	54,386	(470)	53,916
Total comprehensive income for the period	-	-	-	54,386	54,386	(470)	53,916
Contribution from shareholders and distribution to shareholders							
Recognized options granted	-	5,213	-	-	5,213	612	5,825
Disposal of treasury shares	-	(1,195)	1,195	-	-	-	-
Gain or loss on the disposal of treasury shares	-	393	(393)	-	-	-	-
Repurchase of treasury shares (Note 25.1)	-	-	(15,467)	-	(15,467)	-	(15,467)
Acquisitions due to business combination (Note 3)	-	-	-	-	-	3,492	3,492
Total contributions from shareholders and distribution to shareholders	-	4,411	(14,665)	-	(10,254)	4,104	(6,150)
Balances at March 31, 2023	7,667,615	4,521,615	(22,922)	54,386	12,220,694	1,068,460	13,289,154

See the accompanying notes to the interim financial information.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES
STATEMENT OF CASH FLOWS

Three-month period ended March 31, 2023 and 2022

In thousands of reais

	Note	Parent Company		Consolidated	
		03/31/2023	03/31/2022	03/31/2023	03/31/2022
Cash flow from operating activities					
Operating loss before taxes		48,243	(31,442)	53,130	(31,346)
Adjustments for reconciliation with income (loss):					
Depreciation and amortization	29	74	74	107,412	113,245
Depreciation IFRS-16	29	-	-	55,313	53,353
Amortization of surplus of allocated goodwill	29	-	-	63,316	68,400
Amortization of inventory surplus		92	-	-	1,053
Amortization of digital book	29	-	-	2,028	-
Editorial costs	29	-	-	25,198	15,644
Provision for expected loss	7	-	-	102,966	101,368
Adjustment to present value – Accounts receivable	7	-	-	5,680	(3,904)
Inflation adjustment on assignment of amounts to subsidiaries	30	(9,145)	(91,170)	-	-
Reversal to tax, labor and civil losses	22	646	(103)	(62,775)	(23,941)
Provision for inventory losses	8	-	-	1,648	1,031
Inflation adjustment of accounts receivable from sale of subsidiaries	30	-	-	(970)	(13,299)
Financial charges		102,002	153,867	272,442	317,256
Granting of stock options		-	1,159	5,824	7,695
Income (loss) from sale or write-off of assets and other investments		-	-	2,868	(6,274)
Income from interest earning bank deposits and securities	30	(13,725)	(4,683)	(51,918)	(83,006)
Equity in net income of subsidiaries	13	(125,212)	7,417	(53)	(574)
Gain (loss) on derivative transactions	30	(7,567)	-	(7,567)	-
		(4,592)	35,119	574,542	516,701
Changes in operating assets and liabilities:					
(Increase) decrease in accounts receivable		-	-	(153,205)	(85,181)
(Increase) decrease in inventories		-	-	(59,529)	(13,700)
(Increase) decrease in advances		32	(518)	(9,248)	(7,156)
(Increase) decrease in recoverable taxes		(5,610)	(18,737)	(9,215)	(28,458)
(Increase) decrease in judicial deposits		(31)	(410)	(1,152)	(451)
(Increase) decrease in related party transactions		13,673	(17,900)	-	-
(Increase) decrease in other receivables		120	268	(21,294)	6,337
(Decrease) increase in suppliers		301	(1,339)	(51,556)	(69,157)
(Decrease) increase in suppliers - reverse factoring		-	-	61,023	(7,447)
(Decrease) increase in labor obligations		2,807	-	61,897	39,276
(Decrease) increase in taxes payable		(967)	3,614	(30,551)	13,116
(Decrease) increase in advance from clients		-	-	53,684	1,437
(Decrease) increase in taxes and contributions in installments		-	-	-	(92)
Payment of tax, labor and civil contingencies		(147)	(26)	(23,115)	(33,613)
(Decrease) increase in other accounts payable		3	(3)	(19,003)	(5,715)
		5,589	68	373,278	325,897
Cash generated by operations					
Income tax and social contribution paid		-	-	(5,245)	(19,314)
Right-of-use lease interest paid	17	-	-	(79,295)	(74,215)
Interest from loans and debentures paid	16	(204,520)	(211,187)	(262,002)	(246,043)
Interest paid in operations with derivatives		(13,421)	-	(13,421)	-
Interest from private debentures received		32,328	-	-	-
		(180,024)	(211,119)	13,315	(13,675)
Net cash (invested in) generated by operating activities					
Cash flow from investing activities					
Investment in securities		745,287	(928,766)	975,377	189,595
Additions to property, plant and equipment		-	-	(22,835)	(47,331)
Additions to intangible assets		-	-	(69,248)	(57,851)
Cash assigned (acquired) in business combination		-	-	895	379
Payments for acquisition of subsidiaries	21	-	-	(4,100)	(8,854)
Capital decrease in subsidiaries		-	868,560	-	-
Receipt of amounts assigned in cash	27	-	754,228	-	-
Receipt of private debentures		159,426	-	-	-
Private acquisition of debentures		-	(150,000)	-	-
		904,713	544,022	880,089	75,938
Net cash generated by investment activities					
Cash flow from financing activities					
Repurchase of treasury shares	25	(15,467)	(7,063)	(15,467)	(7,063)
Non-controlling interest		-	-	-	924
Repurchase of debentures	16	(996,518)	(100,001)	(996,518)	(100,001)
Issuance of debentures	16	500,000	-	500,000	-
Issue costs of debentures		(4,301)	-	(4,301)	-
Right-of-use lease payment	17	-	-	(38,417)	(30,397)
Payment of loans and financing, debentures and derivatives		(3,685)	-	(3,685)	(42)
Installments paid in companies' acquisitions	21	-	-	(46,354)	(12,321)
		(519,971)	(107,064)	(604,742)	(148,900)
Net cash used in investing activities					
Increase (decrease) in cash and cash equivalents					
		204,718	225,839	288,662	(86,637)
Cash and cash equivalents at the beginning of the period	5	19	369,527	121,772	1,601,468
Cash and cash equivalents at the end of the period	5	204,737	595,366	410,434	1,514,831
Increase (decrease) in cash and cash equivalents		204,718	225,839	288,662	(86,637)

See the accompanying notes to the interim financial information.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES
STATEMENT OF ADDED VALUE
Three-month period ended March 31, 2023 and 2022
In thousands of reais

	Parent Company		Consolidated	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Revenue from sales and services	-	-	1,329,876	1,176,648
Other revenues	-	-	1,099	590
Provision for expected loss	-	-	(102,966)	(101,368)
	-	-	1,228,009	1,075,870
Inputs acquired from third parties				
Cost of goods sold	-	-	(128,256)	(94,309)
Materials, energy, outsourced services and other	5,809	12	(44,995)	(61,401)
Gross added value	5,809	12	1,054,758	920,160
Retentions				
Depreciation and amortization	(74)	(74)	(164,753)	(166,597)
Amortization of surplus of allocated goodwill	(92)	-	(63,316)	(68,400)
Net added value	5,643	(62)	826,689	685,163
Added value received as transfer				
Equity in net income of subsidiaries	125,212	(7,417)	53	574
Financial revenues	80,291	134,964	105,665	150,565
Total added value payable	211,146	127,485	932,407	836,302
Distribution of added value				
Personnel:				
Direct remuneration	3,470	-	256,010	247,038
Benefits	148	-	31,464	28,755
Social charges	2,263	-	101,233	84,126
Taxes, duties and contributions:				
Federal	(6,143)	(18,335)	2,384	(13,935)
State	-	-	11	88
Municipal	-	-	3,307	887
Third-party capital remuneration:				
Financial expenses	157,022	158,927	312,264	341,686
Rentals	-	-	140,100	128,083
Copyright	-	-	31,718	28,163
Remuneration of own capital:				
Retained earnings (losses) for the period	54,386	(13,107)	53,916	(8,589)
Distributed added value	211,146	127,485	932,407	836,302

See the accompanying notes to the interim financial information.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

1. Operations

Cogna Educação S.A., hereinafter referred to as “Company”, “Parent Company” or “Cogna”, headquartered at Rua Claudio Manoel, 36, in the city of Belo Horizonte – MG, and its subsidiaries (jointly, the “Group”) are mainly engaged in providing in-class and distance-learning higher education and graduate program courses; editing, marketing and distribution of teaching books, educational materials and workbooks, especially with educational, literary and informative content and education systems; offering, by means of their schools, basic education, pre-university preparatory courses, language courses for children and adolescents; educational solutions for technical and higher education, among other complementary activities, such as education technology development for services to complement management and training; the administration of kindergarten, elementary and high school activities; advising and/or enabling the possibility of direct and indirect financing of students in relation to their respective school modalities and the development of software for adaptive teaching and optimization of academic management.

The Group has 51 companies, including the Parent Company, and is made up of 16 sponsors of a higher education institution, 147 units of higher education, present in 22 states and 122 Brazilian cities, in addition to 3,000 Distance Learning Graduation Centers accredited by the Ministry of Education (MEC), located in all Brazilian states and the Federal District. The Company also has, in Basic Education, 120 Red Balloon units, and 5,274 associated schools throughout the Brazilian territory.

Cogna carries out its activities through its direct subsidiaries: Editora e Distribuidora Educacional S.A. (“EDE”), Anhanguera Educacional Participações S.A. (“AESAPAR”), Vasta Platform Limited (“Vasta”) and Saber Serviços Educacionais Ltda. (“Saber”). Furthermore, as of December 31, 2022, and following the Group’s corporate reorganization processes to better allocate its businesses, the indirect subsidiary Pitágoras Sistema de Educação Superior Sociedade S.A. (“PSES”), previously with an interest held by EDE, now has 100% of its interest directly held by Cogna. Currently, PSES’s is mainly engaged in offering Higher Education courses for in-person and distance learning education mainly linked to the health and medicine areas.

The Company is listed on B3 - Brasil, Bolsa, Balcão, in the special segment referred to as Novo Mercado, under code COGN3 through which it trades its common shares. In addition, the subsidiary Vasta has been publicly traded on the North American stock exchange NASDAQ, operating under code VSTA.

The Company’s interim financial information was approved for issuance by the Board of Directors on May 11, 2023.

2. Significant accounting practices

The Company presents the interim financial information in accordance with CPC 21 (R1) Interim Statement, issued by the Accounting Pronouncement Committee (CPC) and IAS 34 - Interim Financial Report, issued by the International Accounting Standards Board (IASB), as well as the standards established by the Brazilian Securities and Exchange Commission (CVM).

Based on Management's assessment of the relevant impacts of the information to be disclosed, the notes described below are not being presented:

- Description of significant accounting policies;
- Estimates and accounting judgments;
- Insurance coverage.

The notes are presented in an appropriate manner for the perfect understanding of this interim financial information if read in conjunction with those disclosed in the individual and consolidated financial statements for the period ended December 31, 2022.

3. Business combination and acquisition of ownership interest

3.1. Business combination

3.1.1. Acquisitions made in 2023

The Company, through its indirect subsidiary Somos Sistemas de Ensino S.A. ("Somos"), acquired a 51% interest in the capital of Escola Start Ltda., ("Anglo Start") on March 3, 2023.

Anglo Start is a company engaged in providing bilingual education services for kindergarten, elementary and high school, and preparatory courses for entrance exams, including the sale of books, teaching materials, school uniforms and stationery.

The acquisition price of R\$ 4,482 will be paid in two (2) installments, a fixed installment of R\$ 4,100 in cash on the acquisition date and a variable installment of R\$ 382, subject to price adjustment depending on the calculation of financial indicators of net revenue, net indebtedness and minimum cash, provided for in the agreement and restated by 100% of the CDI rate, to be paid in May 2023.

On the same date, a purchase option agreement was entered into for the acquisition of the remaining shares issued by Anglo Start held by the minority shareholder, representing 49% of the capital, as of January 2028, through which the estimated amount of R\$ 11,700 may be paid, resulting from the multiple of net revenue, less net debt on the option date.

We present below a summary of the main groups of balance sheet accounts on the date of this acquisition:

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

	Consolidated Anglo Start
Current assets	
Cash and cash equivalents	895
Trade receivables	1,207
Inventories	349
Advances	62
Taxes recoverable	127
Other receivables	37
Total current assets	2,677
Non-current assets	
Other receivables	1,219
Property, plant and equipment	796
Intangible assets	6,250
<i>Client portfolio</i>	1,510
<i>Brand</i>	4,740
Total non-current assets	8,265
Total assets	10,942
Current liabilities	
Suppliers	298
Labor obligations	477
Taxes payable	105
Advances from clients	2,766
Other accounts payable	60
Total current liabilities	3,706
Non-current liabilities	
Other accounts payable	109
Total current liabilities	109
Total liabilities	3,815
Shareholders' equity	7,127
Non-controlling interest	(3,492)
Acquired percentage 51%	3,635
Acquisition price	4,482
Goodwill	847

3.1.2. Acquisitions made in 2022

The Company, through its indirect subsidiary Somos Sistemas de Ensino S.A. ("Somos") acquired 100% of the equity interest in companies Phidelis Tecnologia Desenvolvimento de Sistemas Ltda. and MVP Consultoria e Sistemas Ltda. ("Phidelis"), on January 17, 2022. Phidelis is an academic management platform that offers software development and licensing in addition to messaging, student retention, enrollment, and delinquency management. The Company will pay a total purchase price of R\$ 21,966, of which (i) R\$ 8,854 in cash, paid on

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

the acquisition date, (ii) R\$ 7,638 to be paid in annual installments over two years, and (iii) a variable portion of R\$ 5,474, with achievement of targets linked to net revenues for the years 2023 and 2024 to be paid in three annual installments between 2023 and 2026. Both fixed and variable payments will be corrected by IPCA.

More information about the book balances impacted by these acquisitions is included in the Individual and Consolidated Financial Statements for the year ended December 31, 2022.

3.2. Acquisition of minority ownership interest

The Company, through its indirect subsidiary Somos Sistemas de Ensino S.A. ("Somos"), concluded on July 19, 2022, the acquisition of a minority interest in Educabank Gestão de Pagamentos Educacionais S.A. ("Educabank"). The total investment was R\$ 87,651, for a 45% interest in Educabank, of which R\$ 63,814 was paid in cash on the acquisition date and the remaining R\$ 23,837 to be paid in four cash installments, conditioned to the growth of students served by Educabank. Somos does not control this entity, but has significant influence. Educabank is the first financial ecosystem dedicated to elementary and high schools, with the purpose of expanding access to quality education in Brazil, through the management of services and financial support to educational institutions by guaranteeing the payment of school fees. This investment will allow Somos to raise a great potential of value in the coming years, taking advantage of the K-12 monthly payment methods, whose total payment volume (TPV) exceeds R\$ 70 billion per annum. Educabank's services complement Somos's digital services platform, which provides access to data, management tools and currently working capital management, freeing up time for school partners to focus on education delivery. The amount of investment linked to this acquisition is presented in further details in Note 13(d).

Still during 2022, the Company, through its subsidiary Somos Sistemas de Ensino S.A. ("Somos"), concluded the acquisition of a minority interest in Flex Flix Limited ("Flex Flix") on July 05, 2022, not exercising control or significant influence. The total investment was R\$ 8,271 for a 10% interest in Flex Flix, fully paid in cash on the closing date of the transaction. Flex Flix is an education and educational entertainment company over the internet, operating a video streaming service in three languages (Spanish, English and Portuguese). The products on this platform cover high-resolution, big data and artificial intelligence solutions. The amount of investment linked to this acquisition is presented in further details in Note 13(e).

4. Financial risk management

4.1. Sundry considerations and policies

Risk management and financial instrument management are carried out through policies, strategic definitions or implementation of control systems, which are defined by the Company's Board of Directors. The adherence of treasury positions to financial instruments is presented and evaluated monthly by the Company's Treasury Committee and subsequently submitted to the Audit and Executive Committees and the Board of Directors.

The market value of the Company's financial assets and liabilities were calculated based on available market information and appropriate valuation methodologies for each scenario. However, considerable judgment was required in the interpretation of the market data to estimate the most adequate realization value. Consequently, the estimates presented here do not necessarily indicate the values that could be realized in the current exchange market. Using different market information and/or evaluation methodologies may have a material effect on market value amount.

To provide an indication of the reliability of the data used in measuring the fair value, the Company classified its financial instruments in accordance with judgments and estimates of observable data, as far as possible. The fair value hierarchy is based on the degree to which the observable fair value is used in valuation techniques as follows:

- Level 1: Fair value measurements are those derived from prices quoted (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Fair value measurements are those derived from inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, directly or indirectly; and
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

We present below the hierarchy of financial instruments recorded in the Company's equity balances as of March 31, 2023:

	Fair value hierarchy	Parent Company		Consolidated	
		03/31/2023	12/31/2022	03/31/2023	12/31/2022
Assets – Amortized cost					
Cash and cash equivalents		204,737	19	410,434	121,772
Trade receivables		-	-	2,346,608	2,300,842
Trade receivables from sale of subsidiaries		-	-	29,469	28,499
Other receivables		312	617	186,877	164,327
Debentures receivable from related parties		1,157,123	1,305,748	-	-
Related parties – other		438,550	438,593	-	-
		<u>1,800,722</u>	<u>1,744,977</u>	<u>2,973,388</u>	<u>2,615,440</u>
Assets - Fair value through profit or loss					
Marketable securities	1	25,742	757,304	1,135,614	2,059,073
Derivative financial instruments	2	13,962	4,978	13,962	4,978
		<u>39,704</u>	<u>762,282</u>	<u>1,149,576</u>	<u>2,064,051</u>
Liabilities – Amortized cost					
Debentures		3,365,529	3,925,733	4,622,082	5,191,194
Suppliers		998	697	613,831	664,375
Suppliers - reverse factoring		-	-	374,465	313,442
Accounts payable - acquisitions		-	-	204,857	252,429
Other accounts payable		55	53	132,084	143,813
Related parties – other		190,975	186,490	-	-
		<u>3,557,557</u>	<u>4,112,973</u>	<u>5,947,319</u>	<u>6,565,253</u>
Liabilities - Fair value through profit or loss					
Derivative financial instruments	2	7,343	23,032	7,343	23,032
		<u>7,343</u>	<u>23,032</u>	<u>7,343</u>	<u>23,032</u>

The Company's financial assets and liabilities are recorded in the balance sheet accounts at amounts compatible with those practiced in the market.

4.2. Financial risk factors

The Company's activities are exposed to market, credit and liquidity financial risks.

The Company's Management and the Board of Directors oversee the management of these risks in line with the goals in capital management:

a) Policy for use of derivative financial instruments

Derivative financial instruments are recognized at fair value on the date the derivative agreement is entered into, and are subsequently remeasured at their fair value through profit or loss. Changes that occur are recorded under financial revenues or expenses, in the statement of income. The Company carries out transactions with

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

derivative financial instruments, without speculative purposes, with the purpose of hedging its exposure to changes in interest rates linked to the debentures contracted and updated by the IPCA rate, related to the issues "COGNA BTG", 2nd and 3rd series, and "COGNA 2nd issue debentures", 3rd series. These derivative financial instruments are specifically represented by swap contracts and measured at fair value through profit or loss.

Derivative operations have the following conditions and amounts in the period ended March 31, 2023:

Swap transaction	Purpose of the derivative	Remuneration of assets	Remuneration of liabilities	Notional value (R\$)	Maturity	Long position (R\$)	Short position (R\$)	Consolidated
								Gain (loss) (R\$)
COGNA BTG - 1 st issue of 2 nd Series debentures	Debenture protection	IPCA + 7.9273%	CDI + 2.1900%	331,000	07/16/2029	378,871	372,619	6,252
COGNA BTG - 1 st issue of 3 rd Series debentures	Debenture protection	IPCA + 8.0031%	CDI + 2.5900%	102,000	07/15/2032	120,497	119,559	938
COGNA 2 nd issue of 3 rd series debentures	Debenture protection	IPCA + 6.7234%	CDI + 2.1000%	134,292	08/15/2025	140,929	141,500	(571)
Total				567,292		640,297	633,678	6,619
Non-current assets								13,962
Non-current liabilities								(7,343)
								6,619

b) Market risk - cash flow risk associated with interest rates

This risk arises from the possibility that the Group may incur losses due to fluctuations in interest rates that increase financial expenses related to loans and debentures raised in the market, in addition to operations with derivatives (swap) which aim at hedging these debentures contracted and also accounts payable to third parties for installment acquisitions. The Company continuously monitors market interest rates, to manage the cash balance and financial liabilities related to these rates.

The Company's financial instruments with exposure to the risk of fluctuations in interest rates pegged to the CDI and IPCA rates, as well as the contracted interest rates, are presented below:

	03/31/2023	12/31/2022	Consolidated
			Interest rate
Debentures pegged to the CDI rate	4,043,178	4,620,155	100% of CDI + interest from 0.65% to 2.95% p.a.
Derivative financial instruments (i)	567,292	570,978	CDI + interest from 2.10% to 2.59% p.a.
Accounts payable for acquisitions	84,347	110,138	CDI
Total	4,694,817	5,301,271	

	03/31/2023	12/31/2022	Consolidated
			Interest rate
Debentures linked to the IPCA rate	578,904	571,039	IPCA + Interest from 6.72% to 8.00% p.a.
Derivative financial instruments (i)	(567,292)	(570,978)	IPCA + Interest from 6.72% to 8.00% p.a.
Accounts payable for acquisitions	120,510	142,291	IPCA
Total	132,122	142,352	

- (i) Relative to the amount contracted by the Company to hedge against fluctuations in the interest rates of debentures linked to the IPCA rate ("notional value", as presented in Note 4.2'a').

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

c) Credit risk

It is the risk of a business counterpart not complying with obligations provided in a financial instrument or contract with client, resulting in financial loss. The Company is exposed to credit risk during their operating and financing (related to PEP and PMT) activities to students (mainly in relation to accounts receivable), including deposits in banks, securities, financial institutions and other financial instruments. The Company maintains adequate provisions in the balance sheet to cover such risks, and the practices adopted for their control remain unchanged from those presented in the Financial Statements for the year ended December 31, 2022.

The credit quality of financial assets can be evaluated by reference to external credit ratings or according to historical information about counterparty default indexes:

		Consolidated
	03/31/2023	12/31/2022
Trade accounts receivable (Note 7)		
Kroton	4,952,344	4,937,514
Vasta	776,278	708,417
Saber	108,504	136,864
Credit card	36,825	15,999
Gross accounts receivable	5,873,951	5,798,794
Expected loss	(3,440,596)	(3,416,885)
Adjustment to present value	(86,747)	(81,067)
Accounts receivable, net	2,346,608	2,300,842

Financial instruments and cash deposits

The Company and its subsidiaries restrict its exposure to credit risks associated with financial instruments and deposits with banks and interest earning bank deposits by investing in top-tier financial institutions and in accordance with previously established limits in Company's policy.

		Consolidated
	03/31/2023	12/31/2022
Cash and cash equivalents (Note 5)		
AAA (i)	373,450	86,243
AA (ii)	36,984	35,529
	410,434	121,772
Securities (Note 6)		
AAA (i)	1,135,614	1,850,847
AA (ii)	-	208,226
	1,135,614	2,059,073

- (i) Since Santander Brasil is not evaluated by Fitch, the rating of the Standard & Poor's agency was used to classify the investments issued by the financial institution in the amount of R\$ 546,815, of which R\$ 147,127 were allocated in cash and cash equivalents and R\$ 399,688 allocated to securities.
- (ii) Investments in National Treasury securities are classified by the Brazil rating considering the global scale, which is BB-, and in rating correspondence on a global and local scale, this classification is allocated in AA.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

d) Liquidity risk

It consists of the eventuality of the Company not having sufficient financial resources to honor their commitments on account of the different settlement terms of their rights and obligations.

The cash flow of the Company and its subsidiaries is carried out centrally by the Group's finance department, which monitors the forecasts of the entities' liquidity requirements to ensure that they have sufficient cash to meet their operational needs. The Group also constantly monitors the cash balance and the level of indebtedness of the companies and implements measures so that the companies receive eventual capital contributions or access the capital market when necessary, and so that they remain within the existing credit limits. This forecast takes into consideration the debt financing plans, compliance with clauses, attainment of the internal goals of liquidity indicators of the balance sheet and, if applicable, regulatory requirements.

The cash surplus held by the entities, in addition to the balance required for the management of working capital, is also centrally managed by the Group. The treasury department invests the cash surplus in time deposits, short-term deposits, and securities, choosing instruments with appropriate maturities or sufficient liquidity, to maintain the Company with an appropriate volume of resources to maintain its operations.

The Company's main financial liabilities refer to debentures contracted, derivative financial instruments (swap), trade accounts payable and suppliers - reverse factoring, and accounts payable for acquisitions. The main purpose of such financial liabilities is obtaining funds for the Group's operations. The following table shows the Company's financial liabilities, by maturity, corresponding to the remaining period of the security or liability.

Financial liabilities by maturity bracket

	≤01 year	01-02 years	>02 years	Consolidated Total
March 31, 2023				
Debentures	969,143	1,197,121	2,455,818	4,622,082
Suppliers	613,831	-	-	613,831
Suppliers - Reverse factoring	374,465	-	-	374,465
Derivative financial instruments	-	-	7,343	7,343
Accounts payable for acquisitions	144,115	15,279	45,463	204,857
	2,101,554	1,212,400	2,508,624	5,822,578

Financial liabilities by maturity bracket - Projected ⁽ⁱ⁾

	≤01 year	01-02 years	>02 years	Consolidated Total
March 31, 2023				
Debentures	1,097,915	1,356,185	2,782,127	5,236,227
Suppliers	613,831	-	-	613,831
Suppliers - Reverse factoring	408,441	-	-	408,441
Derivative financial instruments	-	-	8,319	8,319
Accounts payable - acquisitions	163,264	17,309	51,504	232,077
	2,283,451	1,373,494	2,841,950	6,498,895

(i) It considers the most likely base scenario over a 12-month horizon. Projected rates: CDI – 13.29% and IPCA – 4.65% p.a.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

4.3. Capital management

The main purpose of the Company's capital management is to safeguard its ability to continue operating, to offer good returns to shareholders and reliability to other interested parties, in addition to maintaining an ideal capital structure with a focus on reducing financial costs, maximizing shareholder's return.

In order to keep or adjust the capital structure, the Company may review the dividend payment and capital return to shareholders' policy, issue or repurchase shares.

The Company has a capital structure designed to make the growth strategy feasible, whether organically or through acquisitions. Investment decisions consider the expected return potential.

Therefore, we present below the financial leverage ratios:

	Consolidated	
	03/31/2023	12/31/2022
Debentures, accounts payable for acquisitions and derivative financial instruments	(4,820,320)	(5,461,677)
Cash and cash equivalents and securities	1,546,048	2,180,845
Net debt	(3,274,272)	(3,280,832)
Shareholders' equity	12,220,694	12,176,562
Leverage ratio	26.79%	26.94%

4.4. Sensitivity analysis

The following is the sensitivity analysis of financial instruments, which shows the risks that could generate material losses to the Company, according to the assessment made by Management, considering, for a period as the most probable base scenario in a 12-month horizon, the projected rates: CDI – 13.29% and IPCA – 4.65% p.a. Additionally, we show scenarios with 25% and 50% deterioration in the risk variable considered, respectively.

					Consolidated
	Exposure	Risk	Probable scenario	Possible scenario -25%	Remote scenario -50%
Cash and cash equivalents, securities	1,546,048	CDI increase	205,426	256,783	308,140
Debentures and Accounts payable linked to the CDI	(4,694,817)	CDI increase	(623,810)	(779,762)	(935,715)
Debentures and Accounts payable linked to the IPCA	(132,122)	IPCA increase	(6,145)	(7,681)	(9,217)
	(3,280,891)		(424,529)	(530,660)	(636,792)

Source: IPCA of the Focus report of the Central Bank of Brazil - BACEN, and CDI according to reference rates B3 S.A., both available on the websites of the respective institutions.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

5. Cash and cash equivalents

	Parent company		Consolidated	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Cash				
Current account	137	19	154,309	21,392
	137	19	154,309	21,392
Interest earning bank deposits				
OPCM - Repurchase and resale agreement				
(i)	-	-	472	461
CDB - Bank Deposit Certificate	204,600	-	255,653	99,919
	204,600	-	256,125	100,380
Total continued operations	204,737	19	410,434	121,772

(i) Related to daily interest earning bank deposits with private banks backed by public securities without risk of loss of profitability when redeemed and with immediate liquidity.

The Company has short-term Interest earning bank deposits with high liquidity and an insignificant risk of change in value, mainly linked to the CDI or SELIC rate, a significant part of which is made from exclusive fixed-income investment funds, under the administration and management of large financial institutions. The purpose of these funds is to remunerate the Group's cash and cash equivalents without incurring medium and high-risk instruments or securities. Interest earning bank deposits have average gross profitability of 100.15% of CDI (103.9% of the CDI on December 31, 2022).

6. Securities

	Parent company		Consolidated	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
LFT - Financial Treasury Bill	9,023	297,605	223,653	709,883
LF - Financial Bills	-	-	596,580	429,314
LTN - National treasury bills	16,719	459,699	315,381	879,986
NTN - National Treasury Note	-	-	-	39,890
Total continued operations	25,742	757,304	1,135,614	2,059,073
Current	25,742	757,304	1,093,111	2,007,061
Non-current	-	-	42,503	52,012
	25,742	757,304	1,135,614	2,059,073

Securities have average gross profitability of 100.15% of CDI (103.9% of the CDI on December 31, 2022).

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

7. Accounts receivable

a) Breakdown

				Consolidated 03/31/2023
	Accounts receivable	Expected loss	Adjustment to present value	Accounts receivable, net
Kroton	4,952,344	(3,358,911)	(86,747)	1,506,686
Private Installment Payment (PEP/PMT)	3,858,681	(2,720,685)	(86,552)	1,051,444
PEP	2,892,304	(1,902,874)	(70,889)	918,541
PMT	966,377	(817,811)	(15,663)	132,903
Kroton without private installment payment	1,093,663	(638,226)	(195)	455,242
Paying student	876,055	(499,900)	(195)	375,960
FIES	217,608	(138,326)	-	79,282
Vasta	776,278	(72,253)	-	704,025
Saber (ii)	108,504	(9,432)	-	99,072
Credit card (i)	36,825	-	-	36,825
Total	5,873,951	(3,440,596)	(86,747)	2,346,608
Total without private installment payment and credit card	1,978,445	(719,911)	(195)	1,258,339
Current assets				2,101,674
Non-current assets				244,934
				2,346,608

- (i) Receivables arising from installment sales by credit card, arising from payments for services provided and goods sold by the Company.
- (ii) It comprises accounts receivable from services rendered by the Group's language schools, in addition to Educational Solutions for Technical and Higher Education ("SETS") products, and the Brazilian Book and Teaching Material Program (PNLD).

				Consolidated 12/31/2022
	Accounts receivable	Expected loss	Adjustment to present value	Accounts receivable, net
Kroton	4,937,514	(3,339,316)	(81,067)	1,517,131
Private Installment Payment (PEP/PMT)	3,810,858	(2,689,881)	(80,867)	1,040,110
PEP	2,876,786	(1,888,983)	(69,158)	918,645
PMT	934,072	(800,898)	(11,709)	121,465
Kroton without private installment payment	1,126,656	(649,435)	(200)	477,021
Paying student	937,523	(511,419)	(200)	425,904
FIES	189,133	(138,016)	-	51,117
Vasta	708,417	(69,481)	-	638,936
Saber (ii)	136,864	(8,088)	-	128,776
Credit card (i)	15,999	-	-	15,999
Total	5,798,794	(3,416,885)	(81,067)	2,300,842
Total without private installment payment and credit card	1,971,937	(727,004)	(200)	1,244,733
Current assets				2,011,108
Non-current assets				289,734
				2,300,842

- (i) Receivables arising from installment sales by credit card, arising from payments for services provided by the Company.
- (ii) It comprises accounts receivable from services rendered by the Group's language schools, in addition to Educational Solutions for Technical and Higher Education ("SETS") products, and the Brazilian Book and Teaching Material Program (PNLD).

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

b) Analysis of accounts receivable maturities (aging list)

		Consolidated
	03/31/2023	12/31/2022
Amounts falling due	2,588,984	2,497,759
Overdue (days):		
≤30	209,113	174,175
31–60	119,975	160,470
61–90	61,665	125,279
91–180	290,904	344,112
181–365	555,106	529,764
>365	2,048,204	1,967,235
Total overdue	3,284,967	3,301,035
Provision for expected loss	(3,440,596)	(3,416,885)
Adjustment to present value	(86,747)	(81,067)
	2,346,608	2,300,842

Kroton – paying students

	03/31/2023	12/31/2022
Amounts falling due	106,927	112,128
Overdue (days):		
≤30	74,871	38,763
31–60	107,062	43,783
61–90	19,328	73,815
91–180	101,699	269,031
181–365	259,706	225,288
>365	206,267	174,515
Total overdue	768,933	825,195
Gross Accounts Receivable - Paying Student (-) AVP	875,860	937,323
(-) Balance of allowance for doubtful accounts	499,900	511,419
Net Accounts Receivable - Paying Student	375,960	425,904
Gross AFDA/AR Percentage	57.1%	54.6%

- (i) It considers the student's accounts receivable with the longest delay (delinquency effect by the student's SSN). In other words, the sum of trade notes maturing in up to 365 days, but due to the fact of having any student trade note with a higher maturity date which has already been written-off as loss, now has an allowance for doubtful accounts fully provisioned.

c) Allowance for Doubtful Accounts (AFDA) and write-offs

The Company sets up the provision for expected loss monthly by analyzing the amounts of receivables recorded each month in the period of up to 12 months for the Kroton and Saber (PNLD) segments and 18 months for the Vasta and SABER segments ("SETS") and the respective openings by delay ranges, calculating their recovery performance. In this methodology, for each delay range, a percentage of probability of estimated loss is assigned considering current and historical information of default for each product. We present below the assumptions applied to each segment:

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

Kroton: Payer The calculation methodology considers the probability of loss from the student's standpoint, considering all accounts receivable on their oldest due date, and which are provisioned according to the risk profile, defined by default history, academic and financial data, such as total debt, history of renegotiation, among others. The Company considers the cash inflow expected for its agreements on renegotiated securities. Private Installment Payment: The expected loss for the PEP and PMT amounts receivable is calculated mainly based on the average between i) expected dropout rate and its default rate and ii) expected graduated and dropped students rate, and their default rate.

Vasta: The Company calculates the probability of loss monthly by analyzing the amounts of receivables recorded each month, and the respective openings by range of late payment, calculating the recovery performance. In this methodology, a percentage of probability of loss is assigned to each range of late payment, considering current and historical information on delinquency, which is updated monthly. It is worth emphasizing that the provision for losses is established since billing based on the performances presented by the business lines and respective expected collections up to 540 days from the maturity. Additionally, the calculation excludes sales to companies of Cogna group (intercompany sales), which do not present a risk of loss.

Saber: The Company calculates the probability of loss on a monthly basis by analyzing the monthly rollovers of receivables, overdue and falling due accounts receivable and the respective breakdowns by range of late payment, calculating the recovery performance. In this methodology, a percentage of probability of loss is assigned to each range of late payment. It is worth noting that the Company considers the expected cash inflow for its agreements on renegotiated bonds with maturity above 365 days for the PNLD business segment and 540 days for the SETS business segment.

Changes in expected losses

The changes in provisions for expected losses in the period ended March 31, 2023, are shown below:

		Consolidated
	03/31/2023	03/31/2022
Balance on December 31	(3,416,885)	(3,430,725)
Write-off against accounts receivable	79,255	71,686
Incorporation	(102,966)	(101,368)
Balances on March 31st	(3,440,596)	(3,460,407)

When the delay reaches a maturity bracket greater than 365 days (for the Kroton and Saber segment), and 540 days (for the Vasta segment), the security is written off. Even for the written-off securities, the collection efforts continue and the respective receipts and renegotiations are recognized directly in the income (loss) when realized.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

d) Private Installment Payment (PEP/PMT)

The balance of accounts receivable from the Private Installment Payment (PEP/PMT) consists of the receivables from the installment products offered in Kroton's in-class education, which is segregated into two main products:

- i) Private Student Installment Payment (PEP). This product aims to provide access to education for students who, despite depending on student funding, do not have access to it. In this modality, the student would pay about half of the tuition of the course after graduation, with the expectation of closing the payments in double the duration of the course. As of the 2021 cycle, the Company decided to no longer offer the PEP product to new entrants.
- ii) Late Enrollment Installment Payment (PMT). This product is offered only in the semester of student enrollment and aims to facilitate payment for students who enroll in the middle of the semester cycle. Instead of charging the monthly fees accumulated from the first month of the semester to the month of the student's entry, initially, the student would pay only one monthly fee and the payment of the others would be postponed after graduation. In the second semester of 2021, the Company changed the offer of this product where, for new entrants, the tuition fees of this project will be diluted throughout the course and no longer paid only after graduation.

Breakdown of balance

	03/31/2023			12/31/2022		
	PEP	PMT	Consolidated	PEP	PMT	Consolidated
Gross accounts receivable	2,892,304	966,377	3,858,681	2,876,786	934,072	3,810,858
(-) Adjustment to present value	(70,889)	(15,663)	(86,552)	(69,158)	(11,709)	(80,867)
Gross accounts receivable after adjustment to present value	2,821,415	950,714	3,772,129	2,807,628	922,363	3,729,991
(-) Balance of allowance for doubtful accounts	(1,902,874)	(817,811)	(2,720,685)	(1,888,983)	(800,898)	(2,689,881)
Accounts receivable, net	918,541	132,903	1,051,444	918,645	121,465	1,040,110
Gross AFDA/AR percentage after APV	-67.4%	-86.0%	-72.1%	-67.3%	-86.8%	-72.1%
Amounts falling due	1,053,525	296,949	1,350,474	1,067,477	311,966	1,379,443
Overdue	1,838,779	669,428	2,508,207	1,809,309	622,106	2,431,415
Gross accounts receivable PEP / PMT	2,892,304	966,377	3,858,681	2,876,786	934,072	3,810,858

- (i) For the PMT product, the amount of the provision made is equivalent to 100% of the balance of overdue securities of the dropped students, and the remaining balance of the provision for loss is equivalent to 50% of the balance due for active and graduated students. Similarly, for the PEP product, the representativeness of the balance in relation to accounts receivable falling due is 6.1% and 100% for the amounts of dropped and overdue students.

Expected PEP and PMT Recovery

The expected loss for the PEP and PMT amounts receivable is calculated mainly based on the average between i) expected dropout rate and its default rate and ii) expected graduated and dropped students rate, and their

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

default rate. The projection of future losses calculated by the Company represents, on the measurement date, the management's best estimate of future default, considering historical receipt data for the dropped and graduated PEP and PMT classes, adjusted by the current market conditions, economics, and percentage of estimated future recovery.

8. Inventories

		Consolidated
	03/31/2023	12/31/2022
Finished goods (i)	201,100	223,737
Work in progress	130,501	140,425
Raw materials	115,097	61,809
Imports in progress	-	351
	446,698	426,322

(i) Net balance considering the provision for returns in the amount of R\$ 17,795 (R\$ 15,955 as of December 31, 2022).

Changes in the provision for inventory losses are as follows:

		Consolidated
	03/31/2023	03/31/2022
Balance on December 31	(111,500)	(97,388)
Additions of the period	(1,648)	(1,031)
Inventory losses (i)	4,747	1,511
Balances on March 31st	(108,401)	(96,908)

(i) It mainly refers to the write-off due to the destruction of obsolete books.

9. Recoverable taxes

		Parent company		Consolidated
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Recoverable PIS, COFINS and ISS (i)	23,652	23,758	146,415	136,483
Recoverable INSS	-	-	3,019	3,019
Other recoverable taxes	106	-	1,226	2,058
	23,758	23,758	150,660	141,560
Current	6	-	67,973	53,442
Non-current	23,752	23,758	82,687	88,118
	23,758	23,758	150,660	141,560

It refers to PIS and COFINS credits calculated and maintained in the book sale operation and which can be offset against other federal taxes, in addition to withholding taxes due to the issuance of invoices for the provision of services.

10. Recoverable income tax and social contribution

The Company has recoverable income tax and social contribution amounts related to prepayments, in addition to withholding taxes on interest earning bank deposits, and invoices from suppliers, which may be used to offset any federal tax administered by the Brazilian Federal Revenue Service. As of March 31, 2023, the amounts related to recoverable income tax and social contribution was R\$ 130,066 in the parent company (R\$ 124,456 as of December 31, 2022), and R\$ 386,469 in the consolidated (R\$ 380,982 as of December 31, 2022).

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

11. Accounts receivable from sale of subsidiaries

		Consolidated
	03/31/2023	12/31/2022
COLÉGIO ALPHAVILLE	9,153	8,865
Somos Operações Escolares (i)	11,760	11,390
JAFAR	8,556	8,244
	29,469	28,499
Current	12,590	12,190
Non-current	16,879	16,309
	29,469	28,499

- (i) The balance receivable from the sale of schools operation, involved in transactions with Eleva. The amounts presented herein are already net of the respective balance payable for the acquisition of Sistema Eleva de Ensino, in the amount of R\$ 493,915.

The changes in the accounts receivable from sale of subsidiaries caption are shown below:

	Consolidated
	03/31/2023
Opening balance	28,499
Interest adjustment	970
Adjustment to present value	-
Closing balance	29,469

The amounts are updated mainly by the variation of the CDI and IPCA in accordance with the respective sale contracts of subsidiaries. Below is the schedule of accounts receivable on the sale of subsidiaries:

				Consolidated	
		03/31/2023		12/31/2022	
	Maturity (years)	Total	%	Total	%
Total current assets	≤01	12,590	42.7	12,190	42.8
	01-02	4,746	16.1	4,593	16.1
	02-03	2,437	8.3	2,357	8.3
	03-04	2,437	8.3	2,357	8.3
	04-05	7,259	24.6	7,002	24.5
Total non-current assets		16,879	57.3	16,309	57.2
Total		29,469	100.0	28,499	100.0

12. Other receivables

	Parent company		Consolidated	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Prepaid expenses (i)	41	346	44,411	26,855
Credit with former acquiree's owners (ii)	271	271	94,698	93,270
National Social Security Institute (INSS) Terminations (iii)	-	-	30,859	30,859
Sale of properties (iv)	-	-	9,079	8,997
Other	-	-	7,830	4,346
Total	312	617	186,877	164,327
Current	312	617	153,954	129,323
Non-current	-	-	32,923	35,004
	312	617	186,877	164,327

- (i) Comprised of: R\$ 18,982 related to the software license, R\$ 8,367 related to IPTU, R\$ 4,572 due to revenue deferral in the leaseback capital gain, R\$ 4,840 related to the HGU contract of Kroton segment, R\$ 4,403 related to insurance expenses, and R\$ 3,247 for minor diversified credits.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

- (ii) It is mainly broken down by: R\$ 63,790 related to contractual reimbursement rights of the former owners of company Academia Paulista Anchieta Ltda. (APA) to subsidiary Anhanguera Educacional S.A., resulting from the balance of ISS to be paid in installments through the incentive installment payment program (PPI) of the City Council of São Paulo, R\$ 15,247 relating to the acknowledgment of indebtedness of the Soce linhares unit that subsidiary EDE is entitled to receive, and R\$ 15,661 relating to minor diversified credits.
- (iii) It is composed mainly of recoverable INSS from positive judicial decisions on severance pay.
- (iv) Comprised of: R\$ 4,952 referring to the balance receivable from the sale of a CEAMA property in São Luiz do Maranhão and R\$ 4,127 from pulverized smaller values.

13. Investments

(a) Breakdown of investments in direct subsidiaries and associated companies

	Parent Company	
	03/31/2023	12/31/2022
Editora e Distribuidora Educacional S.A. ("EDE")	2,591,931	2,485,126
Anhanguera Educacional Participações S.A. ("AESAPAR")	1,370,200	1,465,834
Vasta Platform Limited ("VASTA")	3,565,144	3,564,853
Saber Serviços Educacionais Ltda. ("SABER")	394,104	320,520
Pitágoras Sistema de Educação Superior Sociedade S.A. ("PSES")	474,277	410,919
Goodwill allocated	5,554,668	5,572,644
Total	13,950,324	13,819,896
Educabank Gestão de Pagamentos Educacionais S.A.	82,612	83,139
Minha Biblioteca Ltda.	1,180	600
Consolidated	83,792	83,739

(b) Information on indirect subsidiaries

03/31/2023						
	Interest in the shareholders' equity	Number of shares	Total assets	Total liabilities	Shareholders' equity	Income (loss) for the period
EDE	99.99%	2,415,181,279	5,315,228	2,723,297	2,591,931	106,761
AESAPAR	84.55%	943,483,397	4,294,614	2,674,011	1,620,603	(114,159)
VASTA	77.00%	83,650,024	4,659,410	29,353	4,630,057	(2,281)
SABER	62.04%	487,374,171	1,511,174	875,934	635,240	114,998
PSES	99.99%	400,435,809	1,088,494	614,217	474,277	63,364
			16,868,920	6,916,812	9,952,108	168,683
12/31/2022						
	Interest in the shareholders' equity	Number of shares	Total assets	Total liabilities	Shareholders' equity	Income (loss) for the year
EDE	99.99%	2,415,181,279	5,075,115	2,589,989	2,485,126	192,339
AESAPAR	84.55%	943,483,397	4,440,011	2,706,322	1,733,689	(620,372)
VASTA	77.00%	83,478,667	4,657,963	28,284	4,629,679	(54,572)
SABER	62.04%	3,725,569,249	1,435,201	918,566	516,635	51,823
PSES	99.99%	303,356,609	1,017,029	606,069	410,960	63,468
			16,625,319	6,849,230	9,776,089	(367,314)

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

(c) Changes in investments in direct subsidiaries and associated companies

	Parent Company							Consolidated		
Investment	EDE	AESAPAR	Vasta	Saber	PSES	Goodwill	Total	Educbank	Minha Biblioteca	Total
Balance at December 31, 2022	2,485,126	1,465,834	3,564,853	320,520	410,919	5,572,644	13,819,896	83,139	600	83,739
Changes										
Amortization of allocated goodwill	-	-	-	-	-	(17,976)	(17,976)	(298)	-	(298)
Equity in net income of subsidiaries	106,761	(96,520)	(1,756)	71,345	63,358	-	143,188	(229)	580	351
RSU reflexes (i)	44	886	2,047	2,239	-	-	5,216	-	-	-
Balance at March 31, 2023	2,591,931	1,370,200	3,565,144	394,104	474,277	5,554,668	13,950,324	82,612	1,180	83,792

- (i) During the year 2018, the Company's management approved the creation of a Restricted Stock Option Plan (RSU) as a way to encourage the performance and permanence of its managers or employees. The reflexes of RSU are related to the beneficiaries of the plans registered in the subsidiaries and are reflected under the equity method.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

(d) Other investments

As mentioned in Note 3.2, the Company, through its subsidiary Somos Sistemas de Ensino S.A., has a minority interest (and without the respective control) in the company Flex Flix Limited. In the period ended March 31, 2023, the amount of this interest is R\$ 8,271.

(e) Information on indirect subsidiaries

						03/31/2023
	Interest in the shareholders' equity	Number of quotas	Total assets	Total liabilities	Shareholders' equity	Income / loss for the period
Clínica Médica Anhanguera Ltda.	99.99%	1,831,700	2,791	4,394	(1,603)	(233)
Instituto Excelência Ltda.	99.99%	17,940,579	3,693	125	3,568	75
Edufor serviços educacionais Ltda. – ME	99.99%	10,335,300	1,443	497	946	(177)
Sociedade Piauiense de Ensino Superior Ltda.	99.99%	27,941,750	5,331	7,771	(2,440)	(397)
Fateci Cursos Técnicos S/S	99.99%	5,927,000	630	553	77	4
Clauder Ciarlini Filho S/S.	99.99%	7,536,000	7,254	5,479	1,775	(164)
Sociedade Educacional da Paraíba Ltda.	99.99%	28,237,000	936	436	500	(118)
União de Ensino Unopar (i)	0.00%	-	-	-	-	488
Projecta Educacional	99.99%	10,234,275	6,401	509	5,892	104
Orme Serviços Educacionais	99.99%	540,143,491	897,427	592,096	305,331	(7,648)
Centro de Ensino Superior de Marabá Ltda. (i)	0.00%	-	-	-	-	348
Centro de Ensino Superior de Parauapebas Ltda. (i)	0.00%	-	-	-	-	445
Centro de Ensino Superior de Paragominas Ltda. (i)	0.00%	-	-	-	-	(371)
Eduquer Serviços Educacionais Ltda. (i)	0.00%	-	-	-	-	(14)
Platos Soluções Educacionais S.A.	99.99%	49,587,162	26,002	7,255	18,747	(2,063)
Unic Educacional (i)	0.00%	-	-	-	-	(4,191)
Iuni Educacional - Unime Salvador (i)	0.00%	-	-	-	-	(2,379)
SGE Comércio de Material Didático Ltda.	99.99%	24,640,673	16,944	7,726	9,218	720
SB Sistemas de Ensino Ltda.	99.99%	152,264	1,495	651	844	354
Editora Ática S.A.	99.99%	980,583,077	698,904	404,633	294,271	(6,973)
Editora Scipione S.A.	99.99%	175,673,857	183,969	68,010	115,959	2,856
Maxiprint Editora Ltda.	99.99%	454,337,330	396,712	35,905	360,807	(5,292)
Somos Idiomas S.A.	99.99%	500	2,405	599	1,806	(447)
Nice Participações S.A.	99.99%	23,516,962	435	4,328	(3,893)	(204)
Educação Inovação e Tecnologia S.A. (AppProva)	99.99%	7,445,415	6,496	959	5,537	(794)
Somos Educação Investimentos S.A.	99.99%	116,522,080	61,692	22,535	39,157	(793)
Stoodi Ensino e Treinamento à Distância Ltda.	99.99%	74,138,000	39,183	11,435	27,748	(4,827)
Eligis Tecnologia e Inovação Ltda.	99.99%	98,200	60	-	60	-
Somos Educação S.A.	99.99%	(206,316,165)	(84,793)	(9,768)	(75,025)	3,856
Editora Joaquim Ltda.	99.99%	311,868	2,030	599	1,431	190
Editora Pigmento Ltda.	99.99%	347,000	1,644	384	1,260	133
Editora Todas as Letras Ltda.	99.99%	592,834	3,732	586	3,146	(14)
Saraiva Educação S.A.	99.99%	373,042,882	310,418	138,686	171,732	3,388
Saraiva Soluções Educacionais S.A.	99.99%	15,557,885	26,968	18,908	8,060	1,764
Escola Start Ltda. (ii)	51.00%	500,000	4,999	4,011	988	111
Sociedade Educacional da Lagoa Ltda.	99.99%	6,080,000	16,544	2,770	13,774	996
Pluri - A&R Comércio e Serviços de Informática Ltda.	99.99%	7,991,650	51,557	38,657	12,900	522
Emme Produções de Materiais em Multimídia Ltda Epp.	99.99%	5,221,149	2,976	792	2,184	(1,087)
Livro Fácil	99.99%	103,768,018	108,467	74,610	33,857	(6,849)
Colégio Anglo São Paulo	0.00%	-	-	1	(1)	-
Phidelis tecnologia desenvolvimento de sistemas Ltda.	99.99%	140,000	1,518	1,227	291	(62)
MVP consultoria e sistemas Ltda.	99.99%	304,000	3,372	2,162	1,210	64
Somos Sistemas de Ensino S.A.	99.99%	5,441,121,711	7,512,973	2,856,945	4,656,028	(799)
Ampli	99.99%	700	1	-	1	-
CSP Serviços	99.99%	300	-	-	-	-
CSP Participações	99.99%	300	-	-	-	-

(i) Companies merged by the direct subsidiary EDE on March 03, 2023.

(ii) Company acquired by the indirect subsidiary Somos Sistemas de Ensino S.A. on March 03, 2023.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

14. Property, plant and equipment

	Consolidated							
	IT equipment	Furniture, equipment and fixtures	Library	Buildings and improvements	Property, plant and equipment in progress	Land	Right-of-use (IFRS-16) (i)	Total
Balances at December 31, 2021	65,592	303,138	70,938	1,020,211	58,741	112,640	2,569,991	4,201,251
Additions	33,171	2,134	-	282	11,886	-	190,057	237,530
Additions due to business combination	54	12	-	-	7	-	-	73
Write-offs	(1)	(6)	-	-	(379)	-	(47,992)	(48,378)
Depreciation	(9,403)	(10,371)	(5,072)	(19,426)	-	-	(53,353)	(97,625)
Transfers	749	(593)	9	19,212	(19,377)	-	-	-
Balances at March 31, 2022	90,162	294,314	65,875	1,020,279	50,878	112,640	2,658,703	4,292,851
2022 annual average depreciation rate	29%	9%	12%	5%	0%	0%	5%	
Balances at December 31, 2022	65,495	256,682	67,381	941,714	93,753	112,640	2,521,278	4,058,943
Additions	4,868	-	3,756	75	14,136	-	145,448	168,283
Additions due to business combination	-	613	-	183	-	-	-	796
Write-offs	(89)	(560)	(378)	(11,272)	(78)	-	(67,122)	(79,499)
Depreciation	(9,625)	(10,959)	(4,847)	(15,480)	-	-	(55,313)	(96,224)
Transfers	-	-	-	340	(340)	-	-	-
Balances at March 31, 2023	60,649	245,776	65,912	915,560	107,471	112,640	2,544,291	4,052,299
2023 annual average depreciation rate	29%	9%	12%	5%	0%	0%	5%	
Balances at March 31, 2023								
Cost	245,262	588,151	202,116	1,409,340	107,471	112,640	3,383,235	6,048,215
Accumulated depreciation	(184,613)	(342,375)	(136,204)	(493,780)	-	-	(838,944)	(1,995,916)

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

15. Intangible assets

	Consolidated						
	Software	Content production	Digital book	Operating permit	Goodwill and intangible assets allocated	Other intangible assets	Total
Balances at December 31, 2021	620,820	75,593	-	5,866	14,784,686	88,989	15,575,954
Additions	46,805	11,318	-	90	-	52	58,265
Additions due to business combination	3,145	-	-	-	-	-	3,145
Assets held for sale	-	-	-	-	35,037	-	35,037
Write-offs	(142)	-	-	-	-	(15)	(157)
Amortizations	(48,738)	(15,940)	-	(1,008)	(68,400)	(3,287)	(137,373)
Transfers	(21,421)	20,888	-	533	-	-	-
Balances at March 31, 2022	600,469	91,859	-	5,481	14,751,323	85,739	15,534,871
2022 annual average amortization rate	20%	38%	0%	33%	6%	12%	
Balances at December 31, 2022	593,747	131,527	10,723	6,138	14,332,419	77,631	15,152,185
Additions (i)	61,976	7,986	12,656	-	-	-	82,618
Addition by means of business combination (ii)	-	-	-	-	7,097	-	7,097
Write-offs	(699)	(15)	-	(59)	-	-	(773)
Amortizations	(45,584)	(17,551)	(2,028)	(849)	(63,316)	(2,517)	(131,845)
Balances at March 31, 2023	609,440	121,947	21,351	5,230	14,276,200	75,114	15,109,282
2023 annual average amortization rate	20%	35%	36%	33%	6%	12%	
Balances at March 31, 2023							
Cost	1,504,330	431,701	23,379	19,293	14,441,617	118,187	16,538,507
Accumulated amortization	(894,890)	(309,754)	(2,028)	(14,063)	(165,417)	(43,073)	(1,429,225)

(i) The amounts of software additions for the period are mainly related to projects to optimize the control systems of Cogna and its subsidiaries.

(ii) The additions that took place in 2023 are related to the acquisition of Anglo Start, which is presented in greater detail in Note 3.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

a) Goodwill generated on the acquisition of subsidiaries and intangible assets allocated in a business combination

In the Consolidated Financial Statements, the goodwill arising from the difference between the amount paid for the acquisition of investments in subsidiaries and the fair value of the assets and liabilities is classified as intangible assets. Part of the amount paid for the acquisition of the subsidiaries was allocated to identifiable intangible assets with a defined and indefinite useful life after analyzing the acquired assets.

	Consolidated	
	03/31/2023	12/31/2022
Goodwill (i)	12,988,800	12,987,953
Brand (ii)	1,812,307	1,834,595
Pole operation license and partner network (iii)	669,281	670,816
Client portfolio (iv)	1,064,894	1,098,120
Non-competition agreement	328	345
	16,535,610	16,591,829
Asset impairment loss	(2,259,410)	(2,259,410)
	14,276,200	14,332,419

- (i) It refers to the goodwill generated in the acquisitions of subsidiaries, classified as from expected future profitability. It has no defined useful life and is subject to annual impairment tests.
- (ii) Intangible assets with an estimated useful life between 19 and 30 years.
- (iii) It refers to licenses for operating in-class and distance learning and the distance-learning pole partner network. It has no defined useful life and is subject to annual impairment tests.
- (iv) Intangible assets with an estimated useful life between 3 and 14 years.

b) Impairment tests for goodwill per modality

The Company assesses at least annually the recoverability of its assets, or when there is an indication of any impairment. The information on the main assumptions used to calculate the Group's impairment is presented in the Individual and Consolidated Financial Statements for the year ended December 31, 2022, which should be read in conjunction with this Interim Information.

In addition, some indicators used in the test model are based on macroeconomic indicators that can already be obtained and recalculated, such as projections for growth in the country and changes in the rates that are the basis for the WACC. The Company believes that this procedure meets the normative requirement to perform an impairment test at least once a year or at any time when a clear indication of impairment is noticed. The following shows the allocation of goodwill and intangible assets allocated per cash-generating unit level:

	Consolidated	
	03/31/2023	12/31/2022
Kroton	8,664,153	8,681,844
Vasta	5,260,694	5,295,441
Saber and others	351,353	355,134
	14,276,200	14,332,419

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

16. Debentures

(a) Breakdown

				Parent company		Consolidated	
				03/31/2023	12/31/2022	03/31/2023	12/31/2022
	Remuneration	Issue	Maturity				
EDE SARAIVA 4 th issue of single series debentures	CDI + 2.75% p.a.	08/27/2018	08/15/2026	-	-	222,787	231,984
COGNA 1 st issue of single series debentures (iii)	CDI + 0.65% p.a.	04/15/2019	04/15/2024	210,115	202,610	210,115	202,610
COGNA 2 nd issue of 2 nd series debentures	CDI + 1.00% p.a.	08/15/2018	08/15/2023	752,447	1,827,126	752,447	1,827,126
COGNA 2 nd issue of 3 rd series debentures	IPCA + 6.7234% p.a.	08/15/2018	08/15/2025	138,575	137,741	138,575	137,741
COGNA 6 th issue of single series debentures	CDI + 2.15% p.a.	05/20/2020	09/20/2025	534,260	513,850	534,260	513,850
COGNA 7 th issue of 1 st and 2 nd series debentures	CDI + 2.60% p.a.	08/20/2021	08/20/2024	713,783	742,049	713,783	742,049
	and CDI + 2.95% p.a.		08/20/2026				
COGNA 8 th issue of single series debentures	CDI + 2.15% p.a.	01/27/2023	01/20/2026	508,833		508,833	
COGNA BTG - 1 st issue of 1 st Series debentures	CDI + 1.45% p.a.	08/02/2022	07/13/2027	67,185	69,059	67,185	69,059
COGNA BTG - 1 st issue of 2 nd Series debentures	IPCA + 7.9273% p.a.	08/02/2022	07/12/2029	335,498	329,949	335,498	329,949
COGNA BTG - 1 st issue of 3 rd Series debentures	IPCA + 8.0031% p.a.	08/02/2022	07/13/2032	104,833	103,349	104,831	103,349
AESAPAR 1 st issue	CDI + 2.95% p.a.	11/25/2021	11/25/2026	-	-	524,125	503,832
VASTA 1 st issue of single series debentures	CDI + 2.30% p.a.	08/10/2021	08/05/2024	-	-	509,643	529,645
Total				3,365,529	3,925,733	4,622,082	5,191,194
Current liabilities				873,215	1,932,853	969,143	2,038,312
Non-current liabilities				2,492,314	1,992,880	3,652,939	3,152,882
				3,365,529	3,925,733	4,622,082	5,191,194

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

The debentures, issued in book-entry form, without the issue of certificates and without the possibility of converting shares, have the following characteristics:

							Consolidated
Company	Issue	Series	Quant.	Unit value	Issue amount	Payment of principal	Interest payment
COGNA	1 st	Single	80,000	10	800,000	Upon maturity	Semi-annual (Apr & Oct)
COGNA	2 nd	2 nd	426,434	10	4,264,340	Annual	Semi-annual (Feb & Aug)
COGNA	2 nd	3 rd	10,600	10	106,000	Annual	Semi-annual (Feb & Aug)
COGNA	3 rd and 4 th	1 st 2 nd	800,000	1	800,000	Annual	Semi-annual (Feb & Aug)
COGNA	6 th	Single	500,000	1	500,000	Upon maturity	Semi-annual (May & Nov)
COGNA	7 th	1 st 2 nd	900,000	1	900,000	Upon maturity	Semi-annual (Feb & Aug)
EDE	4 th	Single	2,200	100	220,000	Upon maturity	Semi-annual (Feb & Aug)
AESAPAR	6 th	Single	500,000	1	500,000	Annual	Semi-annual (May & Nov)
VASTA	1 st	Single	500,000	1	500,000	Upon maturity	Semi-annual (Feb & Aug)
COGNA	8 th	1 st	67,000	1	67,000	Upon maturity	Semiannual (Jan & July)
COGNA	8 th	2 °	331,000	1	331,000	Annual	Semiannual (Jan & July)
COGNA	8 th	3 rd	102,000	1	102,000	Annual	Semiannual (Jan & July)
COGNA	9 °	Single	500,000	1	500,000	Upon maturity	Semiannual (Jan & July)

(b) Changes

	Parent Company		Consolidated	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Balance on December 31	3,925,733	5,625,390	5,191,194	6,865,494
Addition - Principal (i)	500,000	-	500,000	-
Issuance costs	(4,301)	-	(4,301)	-
Repurchase of debentures (ii)	(996,518)	(100,001)	(996,518)	(100,001)
Repurchase revenue	(1,205)	-	(1,205)	-
Accrued interest	139,515	147,855	187,466	185,819
Appropriation of costs	6,825	6,011	7,448	6,635
Interest payment	(204,520)	(211,187)	(262,002)	(246,029)
Balances on March 31st	3,365,529	5,468,068	4,622,082	6,711,918

- (i) On January 27, 2023, the Company carried out the 9th issue of simple and non-convertible debentures, of the unsecured type, in a single series, in the total amount of R\$ 500,000, remunerated at the CDI rate. The transaction was securitized through certificates of real estate receivables ("CRIs"). The impacts resulting from the contracting of derivative financial instruments are presented in Note 4.2.
- (ii) During January and February 2023, the Company repurchased 199,403 debentures, all of its own issue, totaling R\$ 1,041,805, of which R\$ 996,518 was principal and the remainder as interest. The repurchase interest rate is CDI+1.24% p.a.

(c) Committed performance ratios

"Cogna", "EDE" and "AESAPAR" issues (quarterly calculations)

The debentures issued by parent company Cogna and subsidiaries EDE and AESAPAR require the maintenance of financial ratios ("covenants"), which are calculated quarterly, based on the interim information and the consolidated statements of the Company. The calculation period comprises, where it is necessary for the calculation and as determined in the deed, the 12 months immediately prior to the end of each quarter and the calculation is the quotient of the division of the net debt by the adjusted EBITDA, and the resulting amount should not be greater than 3.00. This index cannot be exceeded in 2 consecutive quarters or in 3 alternating quarters within the term of the contract, which did not occur as of March 31, 2023.

The concept of adjusted EBITDA means, based on the Company's quarterly information (ITR) or consolidated financial statements, as the case may be, the result obtained in the twelve (12) months prior to the calculation

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

date (last twelve months concept), less income tax and social contribution, depreciation and amortization, the financial income (loss) and the result of non-recurring items, plus operating financial revenue.

The financial ratio for the calculation of the division of net debt by adjusted EBITDA reached 2.03, within the conditions established in the aforementioned financial contractual clauses.

Regarding debenture deeds referred to as non-financial, the Company informs that all of them were met on March 31, 2023.

“Vasta” Issue (annual calculation)

The debentures issued by the indirect subsidiary Somos Sistemas require the maintenance of financial ratios (“covenants”), which are calculated on an yearly basis, based on the consolidated financial statements of the subsidiary. The calculation period comprises the 12 months immediately prior to the end of each year and the calculation is the quotient of the division of the net debt by the adjusted EBITDA, and the resulting amount should not be greater than:

- (i) 4.25 times in the 1st year;
- (ii) 4.00 times in the 2nd year;
- (iii) 3.75 times in the 3rd year, and;
- (iv) 3.50 times in the 4th year.

This ratio cannot be breached for two consecutive periods or for three alternate periods during the term of the Issue, which did not occur until March 31, 2023. Considering the information presented above, together with that presented in the Individual and Consolidated Financial Statements for the year ended December 31, 2022, the financial index related to the calculation of the quotient of the division of net debt by adjusted EBITDA reached the result of 2.86.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

(d) Amortization schedule

				03/31/2023	
		Parent Company		Consolidated	
	Maturity (years)	Total	%	Total	%
Total current liabilities	≤01	873,215	25.9	969,143	21.0
		873,215	25.9	969,143	21.0
	01-02	644,126	19.1	1,197,121	25.9
	02-03	1,210,498	36.0	1,514,021	32.8
	03-04	143,291	4.3	447,399	9.7
	04-05	64,949	1.9	64,949	1.4
Total non-current liabilities	>05	429,450	12.8	429,449	9.2
		2,492,314	74.1	3,652,939	79.0
		3,365,529	100.0	4,622,082	100.0
				12/31/2022	
		Parent Company		Consolidated	
	Maturity (years)	Total	%	Total	%
Total current liabilities	≤01	1,932,853	49.2	2,038,312	39.3
		1,932,853	49.2	2,038,312	39.3
	01-02	644,115	16.4	1,196,856	23.1
	02-03	711,785	18.1	1,015,308	19.6
	03-04	143,169	3.6	446,907	8.6
	04-05	64,838	1.8	64,838	1.2
Total non-current liabilities	>05	428,973	10.9	428,973	8.2
		1,992,880	50.8	3,152,882	60.7
		3,925,733	100.0	5,191,194	100.0

17. Rights-of-use lease

(a) Changes

	03/31/2023	Consolidated 03/31/2022
Balances at December 31, 2022	3,013,129	3,027,370
Additions	17,829	6,719
Restatements	127,619	183,338
Cancellations	(77,404)	(54,622)
Adjustment to present value (i)	76,625	76,544
Interest payment	(79,295)	(74,215)
Payment of principal	(38,417)	(30,397)
Discounts obtained - COVID-19	-	(30)
Balances at March 31, 2023	3,040,086	3,134,707
Current	153,058	162,369
Non-current	2,887,028	2,972,338
	3,040,086	3,134,707

(i) The adjustment to present value related to right-of-use lease agreements is calculated individually and applied to the useful life of the contract, considering its maturity. The fee is calculated at cost of capital less the impact estimated by the guarantee on the fee.

In addition to the amounts presented above, some of the real estate leases in which the Company and its subsidiaries are lessees contain variable terms of payment that are linked to the performance of the use of the underlying asset, and therefore are not included in the measurement of the book balances.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

In accordance with the debenture deeds, the Group's lease operations have no impact on the calculation of the financial ratios (covenants) of the debentures.

(b) Items not applicable to the scope of CPC 06 (R2)/IFRS 16

As provided for in CPC 06 (R2)/IFRS 16, short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), will continue to recognize their lease expenses on a straight-line basis in the income statements for the period and thus not be included in the lease liability. These effects for the period ended March 31, 2023, are as follows:

	03/31/2023	Consolidated 03/31/2022
Fixed Payments	117,712	104,612
Variable Payments	15,009	7,796
Payments related to short-term and low-value contracts and other	4,499	3,467
Total Paid	137,220	115,875

(c) Future commitments

The lease balances payable related to "future commitments" for the period ended March 31, 2023, are shown below:

In years:	IFRS 16	(-) AVP	Consolidated 03/31/2023	IFRS 16	(-) AVP	Consolidated 12/31/2022
≤01	452,689	(298,662)	154,027	444,307	(297,803)	146,504
01-05	2,649,863	(1,541,802)	1,108,061	2,199,814	(1,327,114)	872,700
>05	3,031,361	(1,253,363)	1,777,998	3,487,434	(1,493,509)	1,993,925
	6,133,913	(3,093,827)	3,040,086	6,131,555	(3,118,426)	3,013,129

(d) Impacts on Company's income (loss)

	03/31/2023	Consolidated 03/31/2022
Statement of income for the period		
Depreciation and Amortization	(55,313)	(53,353)
Financial costs	(76,625)	(76,544)
Financial revenues	4	80
Other gains and losses ⁽ⁱ⁾	13,158	734
	(118,776)	(129,083)
Deferred income tax and social contribution	769	5,271
	(118,007)	(123,812)
Lease amounts paid in the period	117,712	104,613
Impact on income (loss)	(295)	(19,199)

18. Suppliers – Reverse factoring

Some domestic suppliers have the option to assign the Company's receivables, without recourse to financial institutions. Through these operations, suppliers can anticipate their receipts with reduced financial costs since the financial institutions consider the credit risk of the Company.

As of March 31, 2023, the balance of suppliers - reverse factoring was R\$ 374,465 (R\$ 313,442 on December 31, 2022), and the discount rates on assignment transactions carried out by our suppliers with financial institutions had a weighted average of 1.25% per month (on December 31, 2022, the weighted average was

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

1.27% per month) and maximum payment term of 360 days. The balance is initially recognized net of the adjustment to present value, which is subsequently recognized as a financial expense.

19. Labor obligations

	Parent company		Consolidated	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Salaries payable	647	835	70,253	61,015
INSS payable	1,222	191	52,486	47,506
FGTS payable	28	-	7,573	3,008
IRRF (Withholding income tax) payable	290	425	22,770	29,458
Provision for vacation pay and 13 th salary	112	157	78,092	53,371
Provision charges	41	74	26,304	19,770
Provision for profit sharing	10,823	8,674	130,460	114,952
Other	-	-	61,467	57,951
	13,163	10,356	449,405	387,031

20. Taxes payable

	Parent Company		Consolidated	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
ISS	-	-	22,217	20,207
PIS	-	76	2,002	11,663
COFINS	-	350	9,095	21,381
IRRF (withholding income tax) and CSLL (social contribution on net income)	-	362	40,011	32,622
INSS	-	-	7,132	6,377
Other	-	-	-	4,264
	-	788	80,457	96,514

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

21. Accounts payable - acquisitions

		Consolidated
	03/31/2023	12/31/2022
Editora de Gouges (i)	37,101	35,942
Uniabc	36,418	35,703
SEL	16,371	30,268
Other	25,137	29,950
EDUCBANK	13,864	24,494
Colégio Leonardo da Vinci	24,830	24,049
Metropolitana	12,020	18,579
Colégio Lato Sensu	17,849	17,321
PHIDELIS	10,772	15,391
Livraria Livro Fácil	-	10,515
EMME	10,495	10,217
Total	204,857	252,429
Current	144,115	168,061
Non-current	60,742	84,368
	204,857	252,429

- (i) Refers to the balance payable to Editora de Gouges (Eleva) in transactions involving the purchase of the Education System, already discounted from the amounts receivable from the sale of schools, as mentioned in Note 11. The amount presented herein refers to the net amount payable in the last three installments, which exceeds the balance receivable

The changes in the accounts payable in acquisitions item are shown below:

		Consolidated
	03/31/2023	03/31/2022
Opening balance	252,429	262,544
Addition (i)	4,482	38,654
Interest adjustment	4,838	16,479
Write-offs	(7,105)	(738)
Adjustment to present value	667	779
Installment payments	(46,354)	(12,321)
Cash payments	(4,100)	(8,854)
Closing balance	204,857	296,543

- (i) The additions that took place in 2023 are related to the acquisition of Start, which is presented in greater detail in Note 3.

Below is the amortization schedule for accounts payable for acquisitions:

				Consolidated
		03/31/2023		12/31/2022
	Maturity (years)	Total	%	Total
	≤01	144,115	70.3	168,061
Total current liabilities		144,115	70.3	168,061
	01-02	15,279	7.5	32,192
	02-03	11,412	5.6	20,090
	03-04	31,578	15.4	29,896
	>04	2,473	1.2	2,190
Total non-current liabilities		60,742	29.7	84,368
Total		204,857	100.0	252,429

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

22. Provision for tax, labor, and civil losses and liabilities assumed in the business combination.

The Company is party to certain legal matters arising from the normal course of its business related to tax, labor and civil claims, in addition to contingent liabilities acquired in business combinations, in accordance with technical pronouncement CPC 15 / IFRS 3.

The risk of loss is classified based on the opinion of the legal advisors. Moreover, the Company's Management understands that the provisions for tax, labor and civil risks are sufficient to cover possible losses in administrative and legal proceedings.

22.1. Balances and changes in lawsuits with expectation of probable loss

The table below shows the changes in contingencies for the period ended March 31, 2023:

	Consolidated			
	Tax	Civil	Labor	Liabilities assumed in business combinations (i)
				Total
Balance at December 31, 2022	460,797	92,166	167,690	1,227,287
Additions due to business combination	-	-	-	-
Additions	4,100	16,916	8,705	-
Inflation adjustment	3,294	5,133	4,005	(15,829)
Reversals	(794)	(7,095)	(7,125)	(104,752)
Total impact on income (loss)	6,600	14,954	5,585	(120,581)
Payments	-	(11,597)	(11,518)	-
Former sponsor (with guarantee)	2,001	539	(905)	(6,860)
Balance at March 31, 2023	469,398	96,062	160,852	1,099,846

- (i) The amounts presented herein are related to discussions of practices adopted in subsidiaries acquired by the Company in the tax, civil and labor levels in the periods in which these belonged to their former owners. The reversals occurred in the period are due to changes in the prognosis or closure of the proceedings. The accounting balance of this item is composed of: (i) R\$ 954,688 from tax lawsuits, R\$ 19,568 from civil lawsuits and, R\$ 125,590 from labor lawsuits. More information is presented in item 24.2

Reconciliation of effects impacts with Company's income (loss):

	Consolidated			
	Tax	Civil	Labor	Liabilities assumed in business combinations (i)
				Total
General and Administrative Expenses	(2,071)	(9,821)	(1,580)	76,247
Financial expenses	(3,295)	(5,133)	(4,005)	11,427
Financial revenues	-	-	-	4,403
Income tax and social contribution	(1,234)	-	-	28,504
	(6,600)	(14,954)	(5,585)	120,581
				93,442

22.2. Main probable lawsuits by type

Below are the main lawsuits per nature classified as probable loss and which make up the outstanding balance on the date of the financial statements. Part of these contingencies are the responsibility of the former sponsors/owners:

Tax lawsuits

As of March 31, 2022, the Company has 40 administrative and judicial proceedings of a tax nature (42 as of December 31, 2021), whose balance is composed of the following claims:

- Tax assessment notice received by the subsidiary Somos Sistema de Ensino S.A., with the purpose of collecting the goodwill for the period from 2015 to 2017, in the amount of R\$ 182,789;
- Tax foreclosures filed by the Municipality of São Paulo charging the ISSQN of the former sponsors of Academia Paulista Anchieta, a company acquired by the company Anhanguera in the amount of R\$ 106,131. In the case of loss, the Company has a contractual guarantee;
- The Company is also a defendant in 26 tax lawsuits of lesser relevance in individual amounts, which total R\$ 180,478. These demands generally address various taxes.

Civil lawsuits

For civil claims considered common and similar in nature, provisions are recorded based on the historical average of lawsuits closed in the last 12 months. Claims that do not meet the above criteria are provisioned according to an individual assessment, and provisions are recorded based on the probable risk of loss, in law and case law, in accordance with the assessment of loss carried out by the legal advisors. The Company has, on March 31, 2023, 15,911 civil lawsuits (16,170 as of December 31, 2022) which amount to R\$ 96,062 (R\$ 92,166 as of December 31, 2022).

Labor lawsuits

The Company has, on March 31, 2023, 762 labor lawsuits (810 as of December 31, 2022) which amount to R\$ 160,852 (R\$ 167,690 as of December 31, 2022). Labor lawsuits, in general, have a variety of claims, mainly related to the payment of overtime, salary differences, among other labor costs and requests from outsourcing companies, in which the Company's responsibility is only joint.

Liabilities assumed in business combination

The main lawsuits undertaken by the Company in business combination and classified by management as based on the opinion of its legal advisors, are as follows:

(i) Tax:

- The Tax Assessment Notice was filed against the subsidiary Somos Sistemas de Ensino S.A. and the companies Somos Educação S.A. and Ativic S.A. (linked to Grupo Abril S.A.) were held jointly and severally liable for the collection of federal taxes (IRPJ/CSLL) in the amount of R\$ 356,255;

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

- The Company is also a party to two tax assessment notices drawn up by the Federal Revenue Service (SRF) related to the collection of debts related to the Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL), which total R\$ 93,486 and R\$ 141,823, respectively, the latter being the responsibility of third parties, with the Company appearing as a joint and several debtor;
- Based on the history and risk analysis of assessments due to the use of goodwill in acquisitions made by Somos, with the consequent constitution of a tax credit by the tax authorities, we considered a potential obligation resulting from past events of R\$ 105,192 and other tax procedures, including all acquirees that may be questioned by the tax authorities, totaling R\$ 257,932.

(ii) Civil:

- Based on the history and risk analysis, the Company recognized a potential obligation arising from past events originated in contractual fines for the early termination of agreements, especially distribution agreements, totaling R\$ 2,979 and other miscellaneous civil non-conformities totaling R\$ 16,589.

(iii) Labor:

- Based on the history and risk analysis of past labor claims and, as a result of non-conformities in relation to past practices, a potential obligation was considered regarding repeated payments to service providers through Self-Employment Income Receipts (RPA) and legal entity invoices, in the amount of R\$ 30,879, and other various non-conformities of a labor nature that total R\$ 94,711.

22.3. Lawsuits with expectation of possible losses

The table below considers all possible contingencies of the Company, including the amounts of new contingencies of this classification that were generated in the period after the business combination:

	03/31/2023	12/31/2022	Quantity on 03/31/2023	Consolidated Quantity on 12/31/2022
Tax	1,078,237	1,073,387	399	382
Civil	287,102	229,701	732	660
Labor	154,569	149,711	733	724
Total	1,519,908	1,452,799	1,864	1,766

As of March 31, 2023, the Company and its parent companies had 1,864 legal and administrative claims classified by Management as possible loss risk based on the opinion of their legal advisors, with 133 lawsuits of partial and/or full liability of former sponsors/sellers of companies acquired by the Company. Below we highlight the main ones:

(i) Tax:

- Tax Assessment Notice issued by the Brazilian Federal Revenue Service against the Company after an inspection procedure regarding the non-payment of taxes related to the stock award plans in the amount of R\$ 164,406;
- Tax lawsuits filed by the Federal Government for the purpose of collecting an overdue tax liability arising from social security contributions of a company merged by the subsidiary Editora e Distribuidora Educacional S/A, in the period in which it belonged to a former owner. Tax lawsuits related to this object total R\$ 137,944;

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

- Tax Assessment Notice drawn up by the Federal Revenue Service of Brazil against the subsidiary Editora e Distribuidora Educacional S/A (EDE) related to the social security contribution on the Profit sharing plan. The assessment totals R\$ 86,653;
- Tax assessment notice issued by the Brazilian Federal Revenue Service against the company merged by the subsidiary Editora e Distribuidora Educacional related to the non-deductibility of the expense in the Corporate Income Tax of the Profit Sharing plan in the amount of R\$ 79,792;
- Tax assessment issued by the Brazilian Federal Revenue Service against the Company, aiming to receive the social security contribution calculated on stock options, in the amount of R\$ 53,101;
- The Company is still a party to 382 lawsuits totaling R\$ 556,341. The demands are mainly related to sundry taxes.

(ii) Civil:

- Lawsuit filed against subsidiary Anhanguera Educacional, seeking the collection of rents coupled with the obligation to do and not to do, prohibiting the return of the Properties, having as object the Rental Agreement for Commercial Purposes entered into between the parties in 2011. The plaintiff is also claiming the condemnation for loss of profits and losses and damages, as well as indemnity for pain and suffering in the amount of R\$ 41,848;
- The Company is a defendant in 731 lawsuits, with an average value of R\$ 336, which total R\$ 245,254. The demands are mainly related to requests of a consumer nature

(iii) Labor:

- Labor claim against Somos Educação S.A. requesting indemnification of several labor amounts, totaling R\$ 17,105;
- The Company is a defendant in 732 lawsuits, with an average amount of R\$ 188, totaling R\$ 137,463. The demands are mainly related to requests for overtime, wage differences, among other labor costs.

23. Judicial deposits and guarantees for provision for tax, labor and civil losses

34.1. Judicial deposits

	Parent Company		Consolidated	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Tax	-	-	41,326	40,228
Civil	3	3	-	-
Labor	1,473	1,442	12,213	12,159
Total	1,476	1,445	53,539	52,387

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

34.2. Guarantees of provision for tax, labor and civil losses ⁽ⁱ⁾

	Tax	Civil	Labor	Consolidated Total
Balance at December 31, 2022	118,630	18,185	8,105	144,920
Addition	-	272	232	504
Inflation adjustment	2,819	485	56	3,360
Reversals	(5,764)	(1,685)	(1,640)	(9,089)
Total, former Sponsor	(2,945)	(928)	(1,352)	(5,225)
Balance at March 31, 2023	115,685	17,257	6,753	139,695

- (i) The guarantees provided because of the acquisitions, against the contingencies mentioned in Note 22.2, are contractually provided for and comprise: a) retention of rents of properties leased by the Company's subsidiaries; b) retention of part of the purchase price; and c) mortgage on the property belonging to the sellers.

24. Income tax and social contribution - current and deferred

24.1. Income tax and social contribution on income

Income tax and social contribution recognized in the period differ from the theoretical value that would be obtained using the nominal tax rates defined by law, applicable to the profit of consolidated entities. Therefore, we present below the reconciliation of these main amounts of additions and/or exclusions performed in tax bases, as follows:

	Parent Company		Consolidated	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Income (loss) before income tax and social contribution for the period	48,243	(31,442)	53,130	(31,346)
Combined nominal rate for income tax and social contribution - %	34%	34%	34%	34%
IRPJ and CSLL at nominal rates	(16,403)	10,690	(18,064)	10,658
Equity in net income of subsidiaries	42,572	(2,522)	18	195
Tax incentives in subsidiaries subject to the ProUni benefit	-	-	50,459	4,508
Net additions (exclusions) without recording deferred amounts.	3,567	6,155	21,851	26,672
Deferred IRPJ and CSLL not recorded on the loss for the period of subsidiaries	(23,593)	(8,212)	(80,748)	(55,408)
Deferred IRPJ and CSLL on contingencies	-	-	27,270	29,348
IRPJ and CSLL for other transactions	-	12,224	-	6,784
Total income tax and social contribution	6,143	18,335	786	22,757
Current corporate income tax and social contribution in income (loss)	-	-	16,670	10,976
Deferred income tax and social contribution in income (loss)	6,143	18,335	(15,884)	11,781
	6,143	18,335	786	22,757

24.2. Deferred income tax and social contribution

Changes in income tax and social contribution assets and liabilities are as follows:

				Parent Company
	12/31/2022	Other adjustments	Effects in income (loss)	03/31/2023
In the liabilities				
Goodwill on business combination	(668,343)	179	6,143	(662,021)
Non-current liabilities, net	(668,343)	179	6,143	(662,021)
				Consolidated
	12/31/2022	Other adjustments	Effects in income (loss)	03/31/2023
Income tax / Social contribution:				
Tax losses / negative basis of social contribution on net income	727,118	-	25,044	752,162
Temporary Differences in Taxable Income				
Provision for expected loss	923,772	-	7,874	931,646
Adjustment to present value	(3,147)	-	6,834	3,687
Provision for contingencies	(78,572)	-	(20,434)	(99,006)
Loan depreciation and cost	(44,716)	-	67	(44,649)
Non-deductible provisions	59,539	1,123	6,024	66,686
Stock option plan	67,456	-	(13,011)	54,445
Right-of-use lease	180,730	-	769	181,499
Capital gain	16,059	-	-	16,059
Goodwill on business combination	(1,580,726)	-	(29,051)	(1,609,777)
Non-current assets (liabilities), net	267,513	1,123	(15,884)	252,752
Non-current assets	1,174,673			1,169,433
(-) Non-current liabilities	(907,160)			(916,681)
Total	267,513			252,752

Deferred income tax and social contribution liabilities are derived from intangible assets arising from acquisitions and deferred income tax and social contribution liabilities are derived from tax losses and balances from additions to previous and current Taxable Income prior periods.

24.3. Tax incentives

ProUni establishes through Law 11096, of January 13, 2005, an exemption from certain federal taxes to higher education institutions that grant full and partial scholarships to low-income students enrolled in traditional and technological undergraduate courses. The higher education entities controlled by the Company are included in that program.

The amount of tax benefits due to ProUni calculated in the period ended March 31, 2022, including PIS and COFINS, is R\$ 79,702 (R\$ 30,746 on March 31, 2022).

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

25. Shareholders' equity

25.1. Capital

On March 31, 2023 and December 31, 2022, the subscribed and paid-up capital of the Company totaled R\$ 7,667,615, corresponding to 1,876,606,210 nominative common shares. We present its respective distribution:

	03/31/2023		12/31/2022	
	Amount	Quantity	Amount	Quantity
Total shares - ex-treasury	7,644,693	1,867,836,812	7,659,358	1,874,692,369
Total treasury shares	22,922	8,769,398	8,257	1,913,841
Total shares	7,667,615	1,876,606,210	7,667,615	1,876,606,210

In addition, we present below the changes in treasury shares:

	03/31/2023		12/31/2022	
	Amount	Quantity	Amount	Quantity
Opening balance	8,257	1,913,841	57,812	2,860,602
Repurchase of treasury shares (i)	15,467	7,045,600	18,842	7,771,461
Disposal of shares	(802)	(190,043)	(68,397)	(8,718,222)
Closing balance	22,922	8,769,398	8,257	1,913,841

- (i) As disclosed in the Company's individual and consolidated financial statements for the year ended December 31, 2022, the Company, following the share repurchase plan approved by Management as of February 10, 2022, repurchased 7,045,600 registered, book-entry common shares with no par value to be held in treasury in January and February 2023, considering an average amount of R\$ 2.19, which totaled R\$ 15,467. With this change, the Company informs that it concluded its share buyback plan, which had a maturity of one year from its approval.

25.2. Capital reserve and granted options

The Company grants share-based remuneration plans to the Group's executives and employees and considered the recognition of the amounts calculated as of the date that they started to dedicate themselves to the Group's operations in accordance with CPC 10/IFRS 2 - Share-Based Payment. Further details are presented in Note 26.

Equity instruments from business combination

On July 3, 2014, due to the merger of shares in the acquisition of subsidiary Anhanguera, 135,362,103 book-entry, registered common shares with no par value of the Company were issued. On the same date, the Company made a capital increase based on the book value of R\$ 2,327,299, referring to Anhanguera's shareholders' equity on December 31, 2013. The difference between the total amount of the acquisition and the amount attributed to the capital of R\$ 5,981,227 was recorded as a capital reserve (equity instruments arising from the business combination).

Equity gain on issuance of subsidiary's shares

On July 30, 2020, subsidiary Vasta Platform Ltda. ("Vasta") under the terms of the U.S. Securities Act of 1933 ("Offer"), carried out the initial public offering of the business fixed at the price of US\$ 19.00 per class A share issued, totaling US\$ 352,934,438.00, through the issuance of 18,275,492 new class "A" shares. In addition, the

Offer coordinators were granted a 30-day call option of up to 2,786,323 class A shares at the Offer price, less the subscription discount. Considering the full exercise by the coordinators of the Offer of the option to acquire all the additional class A shares, the gross proceeds of the Offer would be US\$ 405,874,485.00. Vasta's class A shares began to be traded on NASDAQ on July 31, 2020, and were settled on August 4, 2020, with the total amount received in cash by Vasta in this transaction as R\$ 1,681,342, already net of issuance costs. Because of the subscription and full payment of new shares at the time of the offering, the Company recorded an equity adjustment of R\$ 740,317 reflecting the equity appreciation that occurred at Vasta.

Considering the losses incurred in 2022 and 2021, the Company partially used the balances of this caption, in the total amount of R\$ 528,930 as of December 31, 2022 (R\$ 489,125 as of December 31, 2021).

Given these changes, the balance of all capital reserve accounts for the period ended March 31, 2023, is R\$ 4,521,615 (R\$ 4,517,204 as of December 31, 2022).

25.3. Non-controlling interest

As mentioned in Note 25.2, because of the IPO of the direct subsidiary Vasta Platform Ltda. ("Vasta") in July 2020, the Company reduced its interest in the shareholders' equity from 100% to 77.62%.

In the year ended December 31, 2022, there was a reduction in this percentage, from 77.62%, to 77%, due to the settlement of tranches of the share-based compensation plan (RSU-Vasta), which resulted in the issuance of Vasta shares for delivery to the beneficiaries who, therefore, became minority shareholders. Such event resulted in the loss of interest in the amount of R\$ 28,523, recognized under non-controlling interests in shareholders' equity, with a contra entry to capital reserves in Cogna.

Additionally, there was an acquisition of 51% interest in the capital of Escola Start Ltda., ("Anglo Start") on March 3, 2023, according to Note 3, in the amount of R\$ 4,354.

Based on this information, the amount related to the control of non-controlling shareholders as of March 31, 2023 totaled R\$ 1,065,397 (R\$ 1,064,826 as of December 31, 2022).

26. Share-based remuneration plans

26.1. Restricted stock option plans - RSU

At the Extraordinary General Meeting held on September 3, 2018, the Company's shareholders approved the creation of a Restricted Stock Option Plan as a way of encouraging the increase in performance and permanence in the Company of the Company's administrators and/or employees or other companies under its direct or indirect control.

Rights can be granted to receive a maximum number of restricted shares that does not exceed 19,416,233 (nineteen million, four hundred and sixteen thousand, two hundred and thirty-three) shares, corresponding to 1.18% of the Company's total capital on the date of approval of the Plan, excluding shares that were held in treasury also on this date.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

The settlement of the contracts is subject to the continuation of the employment and/or manager relationship for a predetermined grace period in the granting contracts.

The fair value of the restricted shares granted is measured at the market price of the Company's shares on the grant date and the restricted shares will be granted on a non-interest-bearing basis to the participants, through the transfer of shares held in treasury.

Also in 2018, the Company decided to establish a Restricted Stock Award Plan, where Restricted Shares could be granted to executives to promote the migration of stock options granted under the 2015 Plan, upon express acceptance by the respective beneficiaries and their waiver of stock options not yet exercised. The following terms and conditions have been fixed: a) beneficiaries whose contract had a grace period for the last lot ending in 2020, 2021, or 2022 would be eligible for migration; b) the grace periods of the original contracts would be maintained and the original gains expected by the beneficiaries would be preserved in the calculation of the exchange ratio. The fair value of equity instruments was recalculated on the date of the modification separately for each of the lots of each grant.

Below is a representation of the transactions carried out in the period ended March 31, 2023:

PLANS	Number of shares		
	12/31/2022	Restricted shares settled or canceled	03/31/2023
KROT_2015 Plan - Migrated	18,874	-	18,874
KROT_2018 Plan - New	590,416	-	590,416
TOTAL	609,290	-	609,290

The Company did not recognized the expenses related to the Restricted Stock Plan grants in the period ended March 31, 2023 (R\$ 134 as of March 31, 2022) against capital reserves in shareholders' equity.

26.2. Performance Shares Plan - PSU

On April 28, 2021, the Extraordinary General Meeting approved the creation of the Stock Option Plan ("Performance Shares Plan"), and the consequent granting of authorization to the Board of Directors and the People and Governance Committee of the Company for them to adopt all the necessary measures for its implementation and execution.

Options, including those arising from migration, may be granted up to a maximum limit of 2% of the Company's total capital on the date of approval of this Plan. If any Option is terminated or canceled and was not fully exercised, Shares linked to such Options will again be available for future granting of Options.

The purpose of the Plan is to allow Grantees to receive Options that will give them the right, subject to certain performance conditions, to acquire and subscribe Shares with a view to: (a) stimulate the expansion, success, and achievement of the Company's social objectives and results, aligning the financial benefit to be obtained by the Grantee regarding the Annual Targets as applicable; (b) align the interests of the Grantees to the Company's shareholders; (c) enable the Company to maintain the beneficiaries of the Plan linked to it or to the Subsidiaries, Grantees; and (d) encourage the creation of long-term value to the Company.

The managers and employees of the Company or its Subsidiaries who are considered key executives may be elected as grantees, being subject to the approval by the Committee.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

The fair value of the restricted shares granted is measured at the market price of the Company's shares on the grant date and the Strike Price of the Options granted will be R\$ 0.01 per Share. All the Options Granted in each contract are segregated in a period of four (4) years, being granted 25% per annum of the total Options, with a grace period of twelve (12) months in relation to each grant.

The Company may issue new Shares within the authorized capital limit or sell treasury shares to fulfill the exercise of the options granted.

Below is a representation of the transactions carried out in the period ended March 31, 2023:

Grants	Quantity of options				03/31/2023
	12/31/2022	Options granted	Options Settled	Options cancelled	
Contracts migrated from RSU to PSU (i)	782,295	-	-	-	782,295
New PSU Grants	17,274,652	150,000	-	-	17,424,652
TOTAL	18,056,947	150,000	-	-	18,206,947

- (i) The contracts in force on 04/30/2021 of the Cogna 2018 Restricted Shares Plan (RSU) of beneficiaries allocated in the business areas named Cogna, Platos or Kroton were partially migrated to the new Performance Shares Plan (PSU). The number of shares canceled in RSU and granted in PSU was calculated based on the remaining vesting period of each contract on the migration date of 05/01/2021.

The Company recognized expenses related to the granting of the Performance Share Plan in the amount of R\$ 3,322 in the period ended March 31, 2023, as a contra entry to capital reserves under shareholders' equity (R\$ 28,590 as of March 31, 2022). Furthermore, the amount of R\$ 672 in the period ended March 31, 2023 (R\$ 1,891 as of March 31, 2022) was recognized as personnel expenses with charges.

26.3. Stock option plans - SOP

The stock option plans issued by the Company were closed for new grants. The grace periods for plans that have grants not yet been exercised have all been completed and have the following characteristics:

Program	Grant date	Strike price	Grace period	Active options granted
AEDU_2013 Plan	09/18/2013–07/03/2014	R\$ 9.94 to R\$ 11.20	3 lots with a term of 36 months, 48 months and 60 months	31,967
KROT_2013 Plan	11/26/2013–09/02/2015	R\$ 5.67 to R\$ 13.01	4 lots with a term of 6 months, 18 months, 30 months and 42 months	4,050,000
KROT_2015 Plan	10/05/2015–02/01/2016	R\$ 8.42 to R\$ 9.65	4 lots with a term of 6 months, 18 months, 30 months and 42 months	8,095,000
				12,176,967

The exercise price will be paid by the beneficiaries to the Company in cash, at the time of acquisition or subscription, or in the manner determined by the Board of Directors for each contract.

The variations in the number of outstanding stock options and their corresponding weighted average prices, considering the split retrospectively, are shown below:

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

PLANS	Number of stock options				03/31/2023
	12/31/2022	Options granted	Exercised options	Options cancelled	
AEDU_2013 Plan	31,967	-	-	-	31,967
KROT_2013 Plan	4,050,000	-	-	-	4,050,000
KROT_2015 Plan	8,095,000	-	-	-	8,095,000
TOTAL	12,176,967	-	-	-	12,176,967

The fair value of the stock options granted is recognized as an expense. The balancing entry is recorded as a credit under the capital reserves item, in shareholders' equity. As of 2015, the Company started to use the Binominal model to calculate the fair value of the options of each grant. The Company did not modify the grants before 2015, in accordance with the rules established in the CPC 10 pronouncement, which were calculated using the Black & Scholes model.

The assumptions used to calculate the fair value of the grants of each of the current stock option plans are presented below:

	Plans		
	Kroton		AEDU
	2013 Plan	2015 Plan	2013 Plan
Share price	R\$ 9,48–15,84	R\$ 8.81–10.55	R\$ 3.73
Risk-free rate	7.0–12.6%	15.3–16.5%	12.60%
Annual volatility expectation	24.7–37.3%	38.4–40.4%	31.10%
Volatility Calculation Model	standard deviation or EWMA	EWMA or Garch	standard deviation
Expected dividends	2.1–3.5%	3.50%	2.60%
Program duration in years	5–8	5–8	5
Fair value of option on grant date (R\$/share)	R\$2.44–5.64	R\$ 3,27–5,38	R\$ 5.55

As of March 31, 2023 and 2022, all stock option plans had already been recognized.

26.4. Restricted stock option plans - VASTA

On July 31, 2020, Cogna Educação S.A., the sole shareholder of Vasta Platform Limited at the time, approved the creation of the Restricted Stock Plan of its subsidiary Vasta to increase the involvement of eligible beneficiaries in the creation of value and profitability of the subsidiary, as well as encouraging them to make significant contributions to the long-term performance and growth of Vasta Platform Limited.

Rights were granted to employees and executives to receive Vasta Platform's Class A shares limited to 3% of the total shares of Vasta, which correspond to 2,490,348 shares.

Vasta has granted restricted stock award contracts to the beneficiary allocated in up to five different annual tranches, the acquisition of which will be subject to the continued employment of the beneficiary in the Company or to a related company of the Group. Each tranche will be settled according to the vesting schedule defined by the Board of Directors in the contracts awarded.

The fair value of the restricted shares granted is measured at the market price of subsidiary Vasta's shares on the grant date and the restricted shares will be granted on a non-interest-bearing basis to the participants, through the transfer of shares held in treasury or upon the issuance of new shares.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

Below is a representation of the transactions carried out in the period ended March 31, 2023:

PLANS	Number of restricted shares				03/31/2023
	12/31/2022	Restricted shares granted	Restricted Shares Settled	Restricted shares canceled	
Vasta Plan	800,796	40,000	(1,400)	(3,200)	836,196
TOTAL	800,796	40,000	(1,400)	(3,200)	836,196

The Company recognized the amount of R\$ 2,666 related to expenses with grants under the Vasta's Restricted Stock Plan (R\$ 4,434 as of March 31, 2022). In addition, the amount of R\$ 190 was recognized as personnel expenses with charges and the updating of the accumulated balances of charges by the closing price of Vasta's share with a balancing entry in the provision for charges in Liabilities (R\$ 1,921 as of March 31, 2022), net of restatement for the closing price of Vasta's share.

27. Related parties

27.1. Related party transactions

The main transactions contracted by the Company and its subsidiaries with related parties in the quarter ended March 31, 2023, are summarized below. For greater understanding, it is necessary to read the notes together with the information presented in the Individual and Consolidated Financial Statements of the Company for the year ended December 31, 2022:

Debentures receivable from related parties:

	Parent Company	
	03/31/2023	12/31/2022
Debentures receivable Somos Sistemas (i)	306,282	313,350
Debentures receivable EDE (ii)	748,468	822,942
Debentures receivable Somos Idiomas (iii)	102,373	169,456
	1,157,123	1,305,748
Current assets	203,332	105,530
Non-current assets	953,791	1,200,218
	1,157,123	1,305,748

- (i) Cogna is a creditor (debenture holder) of securities whose obligation is currently held by Somos Sistemas resulting from a spin-off with Saber, held on December 31, 2019. The amounts, maturity, payment dates, remuneration, forms of maturity, and other terms and conditions correspond to that described in each deed issued by Saber. Additionally, on September 28, 2022, the Company remitted funds to the subsidiary Somos Sistemas through the 9th issue of simple debentures, in the amount of R\$ 250,000 with final maturity on September 28, 2025.
- (ii) In April 2019, Cogna transferred the amounts that were raised through its first issuance of debentures, which took place on April 15, 2019, to subsidiary EDE. A counterparty to this transaction, EDE issued private debentures to Cogna, whose amounts and other obligations correspond to that described in the public issue made by the Parent Company.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

- (iii) On March 25, 2022, Cogna remitted funds to the subsidiary Somos Idiomas through the 1st issue of simple debentures, in the amount of R\$ 150,000, considering a CDI rate + 3.57%, and with final maturity on March 25, 2024.

Related parties – other (Assets):

		Parent Company
	03/31/2023	12/31/2022
Apportionment of corporate expenses (i)	11,202	8,180
Indemnity Agreement Saber (ii)	184,547	180,923
Amounts assigned to subsidiaries - loan (iii)	233,197	224,052
Interest on own capital receivable	6,866	13,459
Dividends receivable	-	9,241
Other	2,738	2,738
Current assets	438,550	438,593

- (i) Refers to balances receivable from the apportionment of corporate expenses, charged via debit note.
- (ii) Refers to amounts receivable derived from the indemnity agreements between Cogna and Saber, in the amount of R\$ 184,547 (R\$ 180,923 as of December 31, 2022), which is linked to indemnity balances payable to the direct subsidiary Vasta.
- (iii) In order to better allocate capital among the Group's subsidiaries, the Company made cash transfers to its subsidiaries against capital increases or loan agreements, depending on an analysis by each company. For this purpose, loan agreements maturing in July 2023 were entered into considering the remuneration of CDI+3.57% p.a. Tax on Financial Transactions (IOF) is not levied on these operations, because of Decree 10.504/2020, approved by the Government, which defined a zero rate for the tax on credit operations. The balances receivable per subsidiary are shown below:

			Parent Company
Subsidiary	12/31/2022	Interest	03/31/2023
Pses	39,696	1,651	41,347
Unime Salvador	38,964	1,446	40,410
EDE	145,392	6,048	151,440
	224,052	9,145	233,197

Related parties – other (Liabilities):

		Parent Company
	03/31/2023	12/31/2022
Apportionment of corporate expenses (i)	16,644	2,508
Indemnity Agreement Saber (ii)	174,331	168,561
Advance of dividends	-	15,421
	190,975	186,490
Current liabilities	190,975	186,490
Non-current liabilities	-	-
	190,975	186,490

- (i) Refers to balances payable from the apportionment of corporate expenses, charged via debit note.
- (ii) Substantially related to accounts payable resulting from indemnity contracts with Somos Sistemas.

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

27.2. Remuneration of key management personnel

Key management personnel includes the members of the Board of Directors and Tax Council, president, the vice-presidents and statutory directors.

	03/31/2023	03/31/2022
Salaries	4,032	4,340
Benefits	167	128
Charges	3,680	1,612
Variable remuneration	2,377	3,470
Stock option plan and restricted shares	1,768	3,186
	12,024	12,736

28. Net revenue from sales and services

	Kroton	Vasta	Saber	03/31/2023 Consolidated
Gross revenue	1,146,119	460,541	128,653	1,735,313
Deductions from gross revenue				
Taxes	(27,091)	(1,850)	(1,897)	(30,838)
ProUni	(191,715)	-	-	(191,715)
Discounts and returns	(121,061)	(55,854)	(5,969)	(182,884)
Net revenue	806,252	402,837	120,787	1,329,876

	Kroton	Vasta	Saber	03/31/2022 Consolidated
Gross revenue	1,037,490	433,821	99,759	1,571,070
Deductions from gross revenue				
Taxes	(23,943)	(2,935)	(1,944)	(28,822)
ProUni	(168,639)	-	-	(168,639)
Discounts and returns	(143,112)	(50,305)	(3,544)	(196,961)
Net revenue	701,796	380,581	94,271	1,176,648

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

29. Costs and expenses by type

	Parent company		Consolidated	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Salaries and social charges	(5,881)	-	(388,707)	(359,920)
Allowance for doubtful accounts	-	-	(102,966)	(101,368)
Depreciation and amortization	(74)	(74)	(107,412)	(113,245)
Advertising	(65)	-	(88,648)	(65,259)
Cost of goods sold	-	-	(18,713)	(8,999)
Cost of sales books	-	-	(41,914)	(38,322)
Costs of paper	-	-	(40,403)	(30,291)
Amortization of surplus of allocated goodwill	(92)	-	(63,316)	(68,400)
Utilities, cleaning and security	(364)	(638)	(50,986)	(58,862)
Depreciation - IFRS 16	-	-	(55,313)	(53,353)
Consulting and advisory	(19)	(58)	(56,387)	(41,776)
Other revenues (expenses), net	7,005	645	(27,636)	(22,142)
Copyright	-	-	(31,718)	(28,163)
Rent and condominium	-	-	(22,389)	(16,859)
Editorial costs	-	-	(25,198)	(15,644)
Rates and contributions	-	-	-	(9,796)
Traveling	(86)	-	(9,028)	(7,401)
Amortization of digital book	-	-	(2,028)	-
Amortization of inventory surplus	-	-	-	(1,053)
Outsourced services	(16)	(40)	(213)	(535)
Contingencies	(646)	103	62,775	23,941
	(238)	(62)	(1,070,200)	(1,017,447)
Cost of sales and services	-	-	(487,761)	(431,538)
Sales expenses	-	-	(141,660)	(123,488)
General and administrative expenses	(238)	(62)	(339,637)	(362,377)
Provision for expected loss	-	-	(102,966)	(101,368)
Other operating income	-	-	2,112	2,096
Other operating expenses	-	-	(288)	(772)
	(238)	(62)	(1,070,200)	(1,017,447)

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

30. Financial income (loss)

	Parent Company		Consolidated	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Financial revenues				
Interest on monthly payments	-	-	31,308	33,806
Income from interest earning bank deposits and securities	13,725	4,683	51,918	83,006
Gain with derivative financial instruments	8,984	-	8,984	-
Interest on accounts receivable from sale of subsidiaries	-	-	970	13,299
Interest assets	-	-	3,786	5,598
Interest on loan agreement receivable of subsidiaries (i)	9,145	91,169	-	-
Other financial revenues (ii)	48,437	39,112	8,699	14,856
	80,291	134,964	105,665	150,565
Financial expenses				
Lease Interest	-	-	(76,625)	(76,544)
Interest and costs of debentures	(146,340)	(153,867)	(194,914)	(192,466)
Loss with derivative financial instruments	(1,417)	-	(1,417)	-
Restatement of contingencies	(5,826)	(3,761)	(1,006)	(30,990)
Interest on forfeit	-	-	(13,039)	(7,332)
Other financial expenses	(3,136)	(495)	(10,712)	(9,837)
Update of liabilities for acquisition of subsidiaries	-	-	(5,505)	(17,258)
Bank and collection fees	(303)	(780)	(7,632)	(5,863)
Commercial and tax interest and late-payment interest	-	(24)	(1,414)	(1,396)
	(157,022)	(158,927)	(312,264)	(341,686)
Financial income (loss)	(76,731)	(23,963)	(206,599)	(191,121)

(i) Related to interest on loan operations carried out by Cogna to its subsidiaries, further described in Note 27.

(ii) Substantially composed of interest on internal debentures carried out with the subsidiaries EDE, Somos Sistemas and Red Balloon. More information is included in Note 27.

31. Earnings (losses) per share

31.1. Basic

The basic earnings (losses) per share is calculated by dividing the result attributable to the holders of common shares of the Company by the weighted average number of common shares held by shareholders (excluding those held in treasury) during the period.

	Consolidated	
	03/31/2023	03/31/2022
Income (loss) for the period	53,916	(8,589)
Weighted average number of outstanding common shares	1,872,882	1,870,662
Basic earnings (losses) per common share	0.03	(0.00)

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

31.2. Diluted

For dilution purposes, the Company has a stock option plan granted to the beneficiaries, whereby the issuance of shares is allowed at the time of the option period. The calculation of the dilution is as follows:

		Consolidated
	03/31/2023	03/31/2022
Income (loss) for the period	53,916	(8,589)
Weighted average number of outstanding common shares	1,872,882	1,870,662
Potential increase in common shares	12,786	12,177
Diluted earnings (losses) per common share	0.03	(0.00)

32. Segment reporting

As detailed in CPC 22/IFRS 8 – Segment information, which defines in item 30 that the entity must disclose, in the year in which the change occurred, the segment information for the current period both on the old basis and on the new basis segmentation, we present below the results of these segmentations for the period ended March 31, 2023 and 2022:

	03/31/2023				
	Kroton	Vasta	Saber	Elimination	Total
Net revenue	806,252	402,837	131,538	(10,751)	1,329,876
Cost of sales and services rendered	(224,501)	(182,704)	(91,307)	10,751	(487,761)
	581,751	220,133	40,231	-	842,115
Operating expenses:					
Sales expenses	(79,200)	(51,061)	(11,399)	-	(141,660)
General and administrative expenses	(276,628)	(100,536)	37,527	-	(339,637)
Provision for expected loss	(91,298)	(10,381)	(1,287)	-	(102,966)
Other expenses, net	-	1,824	-	-	1,824
Equity in net income of subsidiaries	-	(528)	581	-	53
Operating income and before financial income (loss)	134,625	59,451	65,653	-	259,729
Assets	15,770,748	7,541,401	2,513,541	-	25,825,690
Liabilities current and non-current	7,751,223	2,907,797	1,877,516	-	12,536,536

COGNA EDUCAÇÃO S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended March 31, 2023

In thousands of reais, unless otherwise indicated

					03/31/2022
	Kroton	Vasta	Saber	Elimination	Total
Net revenue	701,796	380,581	100,616	(6,345)	1,176,648
Cost of sales and services rendered	(209,049)	(149,821)	(79,013)	6,345	(431,538)
	492,747	230,760	21,603	-	745,110
Operating expenses:					
Sales expenses	(62,351)	(47,933)	(13,204)	-	(123,488)
General and administrative expenses	(265,070)	(104,708)	7,401	-	(362,377)
Provision for expected loss	(91,239)	(9,196)	(933)	-	(101,368)
Other expenses, net	-	-	1,898	-	1,898
Operating income and before financial income (loss)	74,087	68,923	16,765	-	159,775
Assets	18,361,684	7,408,792	2,688,601	-	28,459,077
Liabilities current and non-current	9,865,693	2,719,266	2,110,487	-	14,695,446

33. Cash flow supplementary information

Statements of cash flows, by the indirect method, are prepared and presented in accordance with the accounting pronouncement CPC 03 (R2) / IAS 7 – Statement of Cash Flows. During the period, the Group carried out additions and cancellations of contracts in rights-of-use leases, in addition to changes in guarantees linked to operations with former sponsors; all of which have no cash effect. The aforementioned impacts are as follows:

Adjustments for:	Consolidated	
	03/31/2023	03/31/2022
Property, plant and equipment		
Addition of financial leases (IFRS 16/CPC 06)	145,448	190,057
Write-off of financial leases (IFRS 16/CPC 06)	(67,122)	(47,992)
	78,326	142,065
Property, plant and equipment		
Addition of digital books	12,656	-
	12,656	-
Liabilities assumed in the business combination		
Former sponsor guarantees	5,225	4,216
	5,225	4,216
	96,207	146,281

34. Subsequent events

34.1. Raising of financing “FINEP”

On April 18, 2023, the Company raised a loan in the amount of R\$ 85,650 from Financiadora de Estudos e Projetos (“FINEP”). The amount will be received in two installments: (i) R\$ 61,626, after the contract signing and (ii) R\$ 24,024 to be received upon proof of expenses with studies and projects. The amortization period will be 73 months, paid in monthly installments (principal and interest), at the rate of TJLP+1.254% p.a., with the first installment falling due on September 23, 2024, and the last on October 23, 2030.

34.2. Approval of the new Stock Option Plan (Performance Shares Plan 2023)

On April 28, 2023, the Extraordinary General Meeting approved the creation of a new Stock Option Plan (“Performance Shares Plan”), which aims to allow the managers and/or employees of the Company or its subsidiaries elected by the Board of Directors or by the Personnel and ESG Committee to receive options to purchase shares issued by the Company that will give them the right to acquire or subscribe for common, registered, book-entry shares with no par value issued by the Company.

The options granted will be of two different types: “Extraordinary Bonus Options” and “Performance Options”, which differ by (i) the respective grace periods, (ii) by the Grantees who will be beneficiaries and (iii) by the possibility of adjusting the number of options that may actually be exercised by the Grantee based on the Company’s financial performance, verifying the degree of achievement of certain annual financial targets, to be defined by the Board of Directors, based on the Company’s Recurring EBITDA and Operating Cash Generation (OCG) for each of the years 2025, 2026 and 2027.

The Options granted under the terms of the Plan will grant rights to acquire or subscribe to, and receive, Shares in a total amount corresponding to up to 2% of the Company’s total share capital on the date of approval of this Plan (maximum dilution limit of the share capital as a result of the Plan), already considering the maximum increase in the number of Options resulting from the achievement of the multiplication factors provided for in the Annual Financial Targets Clause. The total number of Shares issued or likely to be issued pursuant to the Plan must always follow the Company’s authorized capital limit. If any Option is terminated or canceled and was not fully exercised, Shares linked to such Options will again be available for future granting of Options.

1. DISCLOSURE OF EBITDA

According to CVM Instruction 527/12, the Company adhered to the disclosure of the non-accounting information as additional aggregate information in its Financial Statements, presenting the EBITDA – Earnings Before Interest, Taxes on Income including Social Contribution on Profit (Loss) Net, Depreciation and Amortization, for period ended March 31, 2023 and 2022.

In general terms, EBITDA represents the Company's operating cash generation, corresponding to the fact that the Company generates resources only in its operating activities, without considering the financial and tax effects. It should be noted that this does not represent cash flow for the period presented and should not be considered obligatorily as a basis for dividend distribution, alternative to net income, or still as an indicator of liquidity.

	Consolidated	
	03/31/2023	03/31/2022
Income (loss) for the period	53,916	(8,589)
Income tax and social contribution - Note 24.1	786	22,757
Financial result - Note 30	(206,599)	(191,121)
Depreciation - Note 29	(226,041)	(234,998)
Accounting EBITDA	485,770	394,773
(+) Interest and penalties on tuition - Note 30	31,308	33,806
Management EBITDA	517,078	428,579
(-) Non-recurring items (i)	(11,492)	(20,364)
Reversal of contingencies - BA	76,155	47,312
Adjusted EBITDA	452,415	401,631

- (i) Pursuant to article 4 of CVM Instruction 527/12, the Company may disclose adjusted EBITDA excluding items contribute to gross cash generation potential. We show in the table below the total value of non-recurring items:

	Consolidated	
	03/31/2023	03/31/2022
Campus do Futuro (i)	280	5,960
Terminations	7,082	7,035
M&A and Expansion	6,976	7,369
Fixed assets write-off	(2,846)	-
Total non-recurring items	11,492	20,364

- (i) Kroton completed the feasibility study of its units and initiated the calculation project ("Turnaround Kroton"), which resulted in the recognition of expenses linked mainly to negative impacts resulting from contractual fines for cancellation contracts, cancellations of improvements acquired in third-party properties, and write-offs of lease contracts that meet the criteria of IFRS 16.

Opinions and representations/Officers' representation on the accounting information

Pursuant to CVM Instruction 59, dated December 21, 2021, Cogna's Officers state that they have reviewed, discussed, and agreed with the intermediary financial information for the period ended May 11, 2023.

Opinions and representations / Officers' statement on the independent auditor's review report

Pursuant to CVM Instruction 59, dated December 21, 2021, Cogna's Officers state that they reviewed, discussed, and agreed with the content of the independent auditor's review report of KPMG Auditores Independentes, issued in May 11, 2023.