ânima EDUCAÇÃO

São Paulo, May 15, 2023 - A Anima Holding S.A. (B3: ANIM3) announces its results for the 1st quarter of 2023 (1Q23). The consolidated financial statements have been prepared in accordance with the accounting practices generally accepted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

R$ million (except in %)	1Q23	1Q22	Δ1Q23/ 1Q22
Net Revenue	954.4	902.4	5.8%
Gross Profit	674.5	651.0	3.6%
Gross Margin	*70.7%*	*72.1%*	*-1.4pp*
Operating Result	428.1	432.1	-0.9%
Operating Margin	*44.8%*	*47.9%*	*-3.1pp*
Adjusted EBITDA	352.6	339.1	4.0%
Adjusted EBITDA Margin	*36.9%*	*37.6%*	*-0.7pp*
Adjusted EBITDA ex-IFRS16	280.0	251.0	11.6%
Adjusted EBITDA Margin ex-IFRS16	*29.3%*	*27.8%*	*1.5pp*
Adjusted Net Income[1]	14.7	51.0	-71.2%
Adjusted Net Margin	*1.5%*	*5.7%*	*-4.2pp*
Operating Cash Flow	388.7	339.3	14.6%
Free Cash Flow	264.8	247.5	7.0%

Operating Results	1Q23	1Q22	Δ1Q23/ 1Q22
Undergraduate Intake	105,284	93,185	13.0%
Total Student Base[2]	402,615	395,909	1.7%
Academic Education Student Base[2]	350,380	332,809	5.3%
Ânima Core Average Ticket (R$/month)	785	769	2.0%
Distance Learning Average Ticket (R$/month)	197	180	9.1%
Inspirali Average Ticket (R$/month)	8,745	8,103	7.9%
On-Campus Undergraduate Dropout[2]	10.8%	12.1%	1.3pp

Operational Highlights 1Q23: Intake and Ticket growth in all segments

- IGC Quality leadership among listed companies, MEC's most relevant indicator;
- Intake grows 13% and reaches the Company's record level of more than 105 thousand students;
- Total student base[2] (Academic Education + Lifelong Learning) reaches more than 400 thousand for the 1st time;
- Student base[2] of Academic Education grows 5% and reaches more than 350 thousand, with emphasis on the expansion of Distance Learning ;
- Average ticket increases in all segments, especially Inspirali and Distance Learning;
- Dropout improves at Ânima Core and Inspirali.

Financial Highlights 1Q23: ex-IFRS16 EBITDA grows 12% and margin increases 1.5pp

- Net Revenue grows 6% and reaches R$954 million;
- Adjusted EBITDA grows 4% and exceeds R$352 million, despite margin below 1Q22;
- Adjusted EBITDA ex-IFRS16 grows 12% and reaches R$280 million, with margin growing 1.5pp compared to 1Q22, already reflecting a significant improvement in rent with optimization of physical spaces;
- Free Cash Flow of R$279 million, equivalent to 79% of Adjusted EBITDA.
- Leverage reduction to 3.9x compared to the previous quarter (4.0x).

[1] *Reconciliation with accounting Net Income is shown in the "NET INCOME AND MARGIN" section of this release, on page 19.*
[2] *End of term.*

Results Webinar
May 16, 2023
11:00 am (BRL) | 10:00 am (NY)

pt To access the Webinar (Portuguese) click here

en To access the webcast (English) click here

Ânima Investors Relations
ri@animaeducacao.com.br

Message from Management

2023: a year that should be remarkable in our history! We look to the future with great confidence. Although the macro environment is still challenging, it brings opportunities with potential regulatory and public policy developments that contribute to a greater insertion of our young people in quality higher education – which can effectively transform lives, through employability and income gain. And even while we still don't have an improvement in the business environment, we have a very clear map of what we must do to increase our cash generation, in the trend of gradual and consistent improvement in our profitability, which we have had since the 2Q18.

The foundation of our model is the quality of education. The IGC results published in March make it clear that we are on the right track, Ânima is in a position of leadership. We are the company with the highest percentage of grade 4 schools (62% of our institutions); in addition, out of a total of 56 HEIs rated 4 out of the 272 HEIs owned by listed companies, 23 are from Ecossistema Ânima, that is, among all listed companies, 41% of this high-quality segment refers to our schools.

We believe that the quality of education, by bringing better employability prospects, income and consequently social mobility, effectively transforms lives. And this is in line with our commitment to our shareholders: the gradual and constant improvement in profitability (already verified in fact) and the perspectives of resilience of returns in the medium/long term, which depend on the perception of quality by students and their families. Our educational proposal also increases the quality of the students we attract, who will have greater chances of being successful professionals, greater testimony to the quality of our institutions, perpetuating a virtuous cycle of academic quality and resilient and attractive financial returns.

1Q23: much remains to be done, but advances can already be seen. The main message is that we have important challenges, but we have also achieved significant victories that should pave the way in our trend of improving profitability for the consequent and necessary organic deleverage. The challenges are clear, below, in terms of teaching costs and expenses (SG&A - sales, general and administrative) that we intend to address very assertively, accelerating the trend toward improving margins throughout this year. But we also see that revenue is growing – despite the 'headwind' of the current macroeconomic environment and the EBITDA margin ex-IFRS, that is, considering the payment of rents, already improved by 1.5pp. As a result, the normalized adjusted EBITDA margin for the last 12 months reached a record level in 1Q23, at 21.0%.

R$ million (except in %)	1Q23	%VA	1Q22	%VA	Δ/	Δ YoY margin
Net Revenue	954.4	100.0%	902.4	100.0%	5.8%	-
Teaching cost	(199.4)	-20.9%	(179.1)	-19.8%	11.3%	-1.1pp
SG&A and Corporate*	(259.6)	-27.2%	(244.2)	-27.1%	6.3%	-0.1pp
Adjusted EBITDA	352.6	36.9%	339.1	37.6%	4.0%	-0.7pp
Rent payments ex-IFRS16	(72.6)	-7.6%	(88.1)	-9.8%	-17.6%	2.2pp
Adjusted EBITDA ex-IFRS16	280.0	29.3%	251.0	27.8%	11.6%	1.5pp

Our business remains healthy: as we will see in detail later, intake in the on campus/hybrid modality reached record levels, as well as surpassing for the first time the milestone of more than 400,000 students in our base. We achieved nominal price increases, even in Core, and dropout continues to improve, once again below the same quarter of the previous year. In addition to the satisfactory, but still below the standards we hope to deliver performance of Core, we had a strong results both from Inspirali, medical education, and DL. And as we commented in previous releases, a major focus of management was the optimization of physical spaces, which is already quite visible with rent disbursements at 7.6% of revenue, below the level of 9.8% observed in the 1Q23and even lower than the 8.0% with which Ânima operated before the assets acquired in June/2021.

However, attracting and retaining students has required greater efforts... We have explained in our previous releases that we need more capital allocated to the business - working capital with longer receivables, coparticipation in loans (such as Pravaler) - and higher expenses. Part of what we have had in terms of higher technology and/or advertising expenses expresses this greater 'effort' to attract (freshmen) and retain (re-enroll seniors) our students.

...but we have a very clear vision of the plan ahead. We are confident of the effort made over the last many months to design a clear course of action for the challenges that are visible in the table above. As much as the teaching cost is somewhat stable each semester, we have a trend towards optimizations in 2H23, so this trend should materialize later on, throughout the year. And as to the sales, general and administrative expenses, we intend to be very assertive in measures to adapt our structure in the visible horizon of the coming months, so that the trend of improvement that is already visible in rents can also be verified in the SG&A soon.

Our main challenge in this moment: financial leverage. We have a clear sense of urgency to deleverage our capital structure: not only from the point of view of risk management to which we are exposed at the current level of around 4.0x EBITDA, but also from the financial returns themselves. We have been working hard to improve profitability and create value, but we are still falling short of what is desirable. In 1Q23, we had a slight reduction in leverage, due to the factors discussed above, to 3.9x EBITDA: the focus on improving profitability is strongly related to our focus to deleverage the company. We hope that over the coming semesters (always focusing on the business cycle, which is half-yearly and not quarterly) we will be able to execute with discipline and assertiveness the cost and expense reduction plan to deliver a gradual but consistent organic deleverage.

We thank our shareholders once again for their trust – nothing will bring us more fulfillment and a feeling of accomplishment than delivering the plan to improve profitability throughout 2023.

MANAGEMENT

Academic Quality

Quality indicators

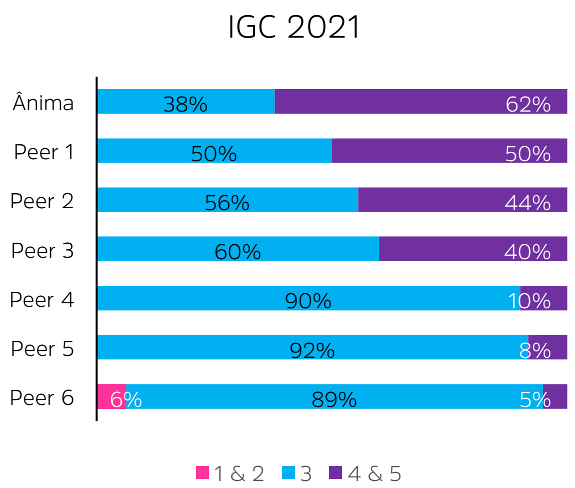
INEP/MEC provides parameters on Academic Quality in the Country through regularly published results, which allow us to assess our achievements based on the actions we promote every day within our units, in a comparable way to other Brazilian higher education institutions.

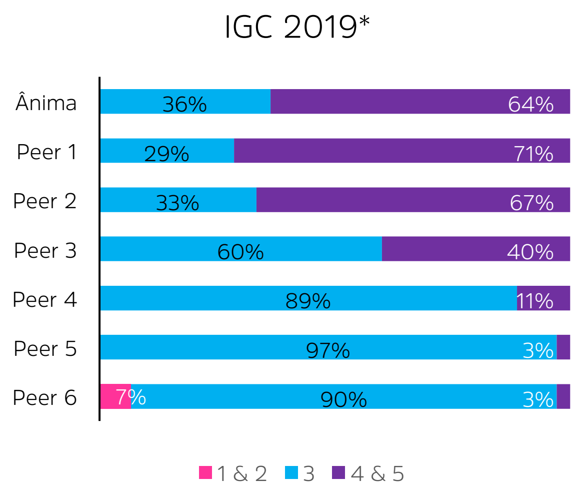
In 2021, with the transformational acquisition carried out, we also began to consolidate 10 traditional institutions, which joined our Ecosystem to further strengthen our trajectory of transformation of the Country through quality education. The data in this new phase of Ânima continue to confirm the high academic quality of our institutions.

The findings obtained through the published indicators are the result of what we have defended and established as a premise since our foundation: a long-term sustainable education project depends on a quality proposal that adds effective value to the lives of those who dream of this achievement and becomes, based on a meaningful learning experience, a transforming agent in society.

IGC: positive results released by MEC with clear leadership from Ânima.

At the end of March (despite referring to the 2021 result), the General Index of Programs (IGC) for Brazilian schools was announced, with positive news for Ânima, which is in a position of outstanding leadership, especially in the year that this indicator is composed of the Enade performed during the pandemic period.





**As there was no indicator in 2020 due to the pandemic, the comparison is made with 2019. The 2019 index is proformed with current Ânima units for better comparability. The IGC already considers the three ENADE evaluation cycles in its grade and the comparison with the immediately previous indicator is valid.*

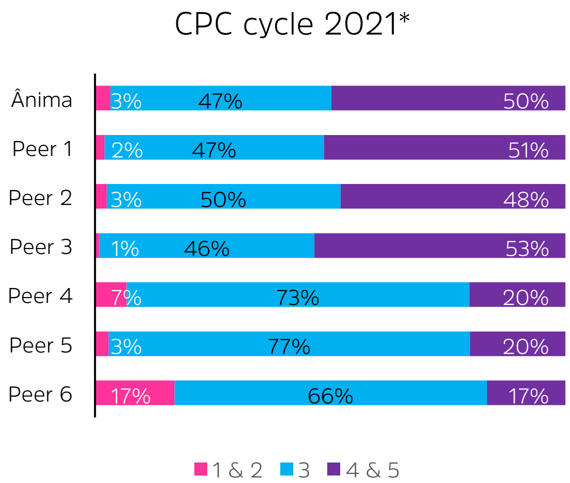
The IGC is the most relevant indicator released by the regulator, evaluating the Higher Education Institution (HEI) as a whole, comprising all the programs evaluated in all three evaluation cycles of ENADE. Ânima was the company listed with the highest percentage of schools with grades 4 and 5 (62%), with 23 of the 37 HEIs evaluated receiving this above-average qualification.

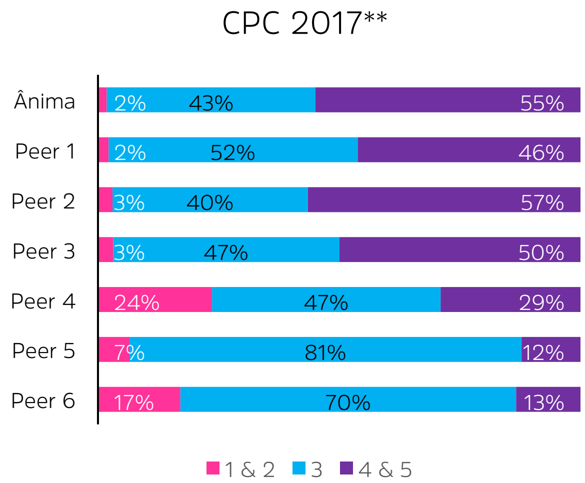
Despite the small reduction of grades 4 and 5 from 2019 to 2021 (from 64% to 62%), it is necessary to consider that the 2021 IGC was made during the pandemic, which resulted in a relevant deterioration of other players with a good level of quality. Thus, the relative performance when analyzing the sector's listed peers was very positive, with Ânima clearly leading among listed companies.

Quality has always been a priority for Ânima in its almost 20 years of history, which will be completed in May 2023. In addition to the financial growth of the business, academic quality is essential for us to remain firm in our purpose of impacting lives through education, with sustainable long-term profitability, further consolidating the strength of our brands, which in general already have decades of tradition. In addition, the continuous investment in quality enables the long term sustainability of the Company, establishing a virtuous cycle that benefits Ânima's fundamental stakeholder base: students, employees and shareholders – and more broadly, society as a whole.

CPC: results impacted by the pandemic and without clear leadership among listed companies.

Data from the Preliminary Concept of Programs (CPC) for 2021 were also released, although less relevant than the IGC (IGC grade includes the grades of the CPCs, weighted by the number of students, plus the results of *stricto sensu* graduate programs).





** 2021 Cycle composed of the ENADE evaluation cycles of 2021, 2019 and 2018.*
*** 2017 Cycle composed of the ENADE evaluation cycles of 2027 (sic), 2016 and 2015. The 2017 index is proformed with current Ânima units for better comparability.*

The 2021 CPC shows a reduction in the percentage of grades 4 and 5 from Ânima and from several players in the sector, being an indicator that more clearly shows the impact of the pandemic on student performance in ENADE. The 2021 indicator specifically shows a certain balance in the percentage of scores 4 and 5, with three companies with at least 50% of the total, including Ânima.

Operating Performance

Intake

Intake Undergraduate	1Q23	1Q22	Δ1Q23/ 1Q22
Consolidated	105,284	93,185	13.0%
Ânima Core	68,353	64,273	6.3%
Distance Learning	34,762	27,074	28.4%
Inspirali	2,169	1,838	18.0%

Consolidated undergraduate intake grew 13.0% in 1Q23 compared to 1Q22 and reached a record level of 105.3 thousand students. The performance reflects an improvement in integration compared to last year and the efforts of greater investments in marketing and financing to combat the challenges of the macro environment.

Even though Ânima Core was the segment most impacted by the challenging macro, it grew 6.3% in 1Q23 vs. 1Q22. We noticed positive growth both in the on campus and partially on campus modes, with the latter experiencing faster growth, as a result of the E2A strategy of offering candidates the hybrid model that best meets their needs and learning profile.

In Distance Learning, the momentum of business expansion continues with growth of 28.4% in 1Q23 vs. 1Q22, reflecting the entry into new regions and mainly the expansion of the modality to some integrated brands that previously did not offer or had a very restricted offer. The latter is even more important because we managed to use the brand's influence in the region and grow with a healthier ticket than in new markets (where our brands are less known), which is a relevant factor in facing the high price competitiveness in the segment.

Inspirali is more resilient to the effects of the macro environment, with growth of 18.0% in 1Q23 vs. 1Q22 (a growth that was already expected with the maturation of some schools), following its strategy of maximizing the use of existing vacancies. In this case, the most important thing is the monitoring of the total student base, as the programs reach their maximum maturity, fluctuations in the annual intake may occur to guarantee the use of vacancies without exceeding regulatory limits.

Dropout

On-campus UG Student Flow Consolidated	1Q22	2Q22	3Q22	4Q22	1Q23	Δ1Q22/ 1Q23
Previous Base	242,817	250,036	235,032	232,631	224,534	-7.5%
Graduations	(29,436)	-	(15,399)	-	(29,522)	0.3%
Dropouts	(29,456)	(15,276)	(25,606)	(8,097)	(24,194)	-17.9%
% Dropouts	*-12.1%*	*-6.1%*	*-10.9%*	*-3.5%*	*-10.8%*	*1.3pp*
New Students	66,111	272	38,604	-	70,522	6.7%
Acquisitions	-	-	-	-	-	n.a
Current Base	250,036	235,032	232,631	224,534	241,340	-3.5%

On campus undergraduate program: Ânima Core and Inspirali

The improvement in on campus dropout in 1Q23 vs. 1Q22 is the result of the improvement in the integration and evolution of processes, with more assertive measures to avoid the dropout of students with some momentary difficulty, such as paying in installments on the credit card for the remainder of the semester of a student who defaulted in the middle of the semester. These measures demand more investments in working capital but are necessary in times of challenging macro environment.

Student base and ticket

	1Q23	1Q22	Δ1Q23/ 1Q22
Net Revenue (R$ million)[1]	967.8	910.5	6.3%
Academic Education	920.5	863.1	6.6%
Ânima Core	544.4	558.4	-2.5%
Distance Learning	63.3	43.4	46.0%
Inspirali	312.8	261.4	19.6%
Lifelong Learning	40.7	39.6	2.8%
Lifelong Learning B2B	6.6	7.7	-15.1%
Student Base ('000)[2]	402.6	395.9	1.7%
Academic Education	350.4	332.8	5.3%
Ânima Core	231.3	242.0	-4.4%
Distance Learning	107.2	80.1	33.8%
Inspirali	11.9	10.8	10.9%
Lifelong Learning	52.2	63.1	-17.2%
Average Ticket (R$/month)[3]	801	767	4.5%
Academic Education	876	864	1.3%
Ânima Core	785	769	2.0%
Distance Learning	197	180	9.1%
Inspirali	8,745	8,103	7.9%
Lifelong Learning	260	209	24.1%

1) *Revenue including transfer of third-party DL Centers.*
2) *End of term.*
3) *Net Ticket = Net Revenue / Student Base / Number of months in the term.*

Ânima Core - *Academic Education: on campus undergraduate degree except medical, stricto sensu graduate, K-12 and vocational education programs.*
Distance Learning - *Academic Education: undergraduate degree in Distance Learning .*
Inspirali - *Academic Education: undergraduate degree from the medical program.*
Lifelong Learning: on campus lato sensu post graduate and digital graduate. HSM, SingularityU HSMu, Ebradi.

We ended 1Q23 with 402,600 enrolled students, up 1.7% more than 1Q22, with emphasis on the performances of Distance Learning and Inspirali, which more than offset the performance of Ânima Core. It is important to note that even though the final base dropped, the Ânima Core segment showed an improvement in both intake and dropout, which may indicate a reversal of the trend.

The average ticket rose in all segments, with emphasis on the performance above inflation of Distance Learning and Inspirali. Ânima Core performed below inflation (albeit nominally positive) in part due to the mix effect, with greater participation of the hybrid modality, which despite diluting the ticket by the lower nominal value, contributes with volume and accessibility to the segment, be one more factor to improve the base perspectives in Ânima Core.

As a result, net revenue including transfers from third-party centers reached R$967.8 million, up 6.3% in 1Q23 vs. 1Q22. Excluding transfers, as allocated in the Income Statement, net revenue was R$954.4 million, growth of 5.8% in the same period.

Ânima Core

	1Q23	1Q22	Δ1Q23/ 1Q22
Net Revenue (R$ million)	572.4	586.6	-2.4%
Academic Education	544.4	558.4	-2.5%
Lifelong Learning	21.4	20.5	4.6%
Lifelong Learning B2B	6.6	7.7	-15.1%
Student Base ('000)[1]	259.3	271.0	-4.3%
Academic Education	231.3	242.0	-4.4%
Lifelong Learning	28.0	29.0	-3.3%
Average Ticket (R$/month)[2]	736	722	2.0%
Academic Education	785	769	2.0%
Lifelong Learning	255	236	8.1%

1) *End of term.*
2) *Net Ticket = Net Revenue / Student Base / Number of months in the term.*

Academic Education: *on campus undergraduate degree (except medical programs), stricto sensu graduate, K-12 and vocational education programs.*
Lifelong Learning*: on campus graduate programs, HSM, SingularityU, HSMu and Ebradi.*

On-campus UG Student Flow Ânima Core	1Q22	2Q22	3Q22	4Q22	1Q23	Δ1Q22/ 1Q23
Previous Base	232,890	239,282	224,013	221,827	213,697	-8.2%
Graduations	(28,846)	-	(15,216)	-	(28,722)	-0.4%
Dropouts	(29,035)	(15,269)	(25,267)	(8,130)	(23,909)	-17.7%
% Dropouts	*-12.5%*	*-6.4%*	*-11.3%*	*-3.7%*	*-11.2%*	*1.3pp*
New Students	64,273	-	38,297	-	68,353	6.3%
Acquisitions	-	-	-	-	-	n.a
Current Base	239,282	224,013	221,827	213,697	229,419	-4.1%

The undergraduate student base started 1Q23 down by -8.2% compared to 1Q22, but the final base dropped to -4.1%, that is, to 229,400 students, even in a still macro scenario challenging – due to the improvement in both intake and dropout in the period. The evolution in these key indicators may be a sign of a reversal of the trend in the base of Ânima Core, even more so if we consider the faster growth in the hybrid modality, which gives students more options, in addition to greater accessibility to the segment.

Looking at the base of academic education, which includes, in addition to undergraduate, *stricto sensu* graduate and K-12 and vocational education, the drop in the final base was -4.4% in the period, to 231.3 thousand students. The Academic Education ticket grew 2.0% in 1Q23 vs. 1Q22, and was below inflation in part because it is impacted by the mix effect of the greater share of hybrid programs, which have a nominally lower ticket.

At Ânima Core's Lifelong Learning, the drop in the student base and B2B revenue was offset by the higher ticket, resulting in practically stable revenue.

As a result of all the effects described above, net revenue decreased -2.4% in 1Q23 vs. 1Q22. It is important to reinforce the major impact of the challenging macro scenario on this performance, which was mitigated by investments in marketing, technology, and financing. We are seeking to optimize volume and ticket growth with a wider range of offers within the E2A academic model to increase the competitiveness and accessibility of the segment.

Distance Learning

	1Q23	1Q22	Δ1Q23/ 1Q22
Net Revenue (R$ million)[1]	72.7	55.3	31.4%
Academic Education	63.3	43.4	46.0%
Lifelong Learning	9.4	11.9	-21.6%
Student Base ('000)[2]	128.3	111.8	14.8%
Academic Education	107.2	80.1	33.8%
Lifelong Learning	21.1	31.7	-33.4%
Average Ticket (R$/month)[3]	189	165	14.5%
Academic Education	197	180	9.1%
Lifelong Learning	148	126	17.8%

1) *Revenue including transfer of third-party DL Centers.*
2) *End of term.*
3) *Net Ticket = Net Revenue / Student Base / Number of months in the term.*

Academic Education: undergraduate degree in Distance Learning.
***Lifelong Learning**: Digital Graduate Programs.*

Undergraduate Student Flow Distance Learning	1Q22	2Q22	3Q22	4Q22	1Q23	Δ1Q22/ 1Q23
Previous Base	75,506	80,072	91,503	94,371	107,278	42.1%
Graduations	(3,727)		(3,067)	-	(4,427)	18.8%
Dropouts	(18,781)	(5,118)	(24,583)	(5,137)	(30,437)	62.1%
% Dropouts	*-24.9%*	*-6.4%*	*-26.9%*	*-5.4%*	*-28.4%*	*-3.5pp*
New Students	27,074	16,549	30,518	18,044	34,762	28.4%
Acquisitions	-	-	-	-	-	n.a
Current Base	80,072	91,503	94,371	107,278	107,176	33.8%

The final base of Distance Learning grew 33.8% in 1Q23 vs. 1Q22, driven by the base growth carried over during 2022 and the 28.4% growth in intake in 1Q23, which was enough to offset the increase in dropouts and graduations, resulting in a final base for the quarter very close to the initial one, with just over 107 thousand students.

Undergraduate ticket rose 9.1% in 1Q23 vs. 1Q22, above inflation in the period. The expansion of the modality to some integrated brands that previously did not offer or had a very restricted offer was fundamental, using the influence of the brand in the region to grow with a healthier ticket than in new markets, being a relevant factor to face the high competition for segment price. It is important to remember that the ticket may fluctuate between the quarters that make up the same semester, and it is necessary to wait for the end of the semester to have a more assertive understanding of the trend and magnitude of the ticket.

In Distance Learning´s Lifelong Learning, we see a more intense drop in the student base, which was partially offset by the increase in ticket. As this modality includes a range of programs with very different durations, which can last from months to years, the volume and ticket volatility is greater than in undergraduate programs.

Reflecting the increase in volume and ticket, net revenue from Distance Learning, including transfers to third-party centers, reached R$72.7 million in 1Q23, a growth of 31.4% over the same period last year. Excluding transfers, as allocated in the Income Statement, revenue for 1Q23 was R$59.3 million, growth of 25.7% compared to 1Q22. The increase in the number of transfers was already expected, since the expansion is concentrated in third-party Centers.

Inspirali

	1Q23	1Q22	Δ1Q23/ 1Q22
Net Revenue (R$ million)	322.7	268.6	20.1%
Academic Education	312.8	261.4	19.6%
Lifelong Learning	9.9	7.2	38.1%
Student Base ('000)[1]	15.0	13.2	14.0%
Academic Education	11.9	10.8	10.9%
Lifelong Learning	3.1	2.4	27.9%
Average Ticket (R$/month)[2]	7,162	6,796	5.4%
Academic Education	8,745	8,103	7.9%
Lifelong Learning	1,068	989	8.0%

1) *End of term.*
2) *Net Ticket = Net Revenue / Student Base / Number of months in the term.*

***Academic Education**: undergraduate degree from the medical program.*
***Lifelong Learning**: Graduate Medical Program.*

On-campus UG Student Flow Inspirali	1Q22	2Q22	3Q22	4Q22	1Q23	Δ1Q22/ 1Q23
Previous Base	9,927	10,754	11,019	10,804	10,837	9.2%
Graduations	(590)	-	(183)	-	(800)	35.6%
Dropouts	(421)	(7)	(339)	33	(285)	-32.3%
% Dropouts	*-4.2%*	*-0.1%*	*-3.1%*	*0.3%*	*-2.6%*	*1.6pp*
New Students	1,838	272	307	-	2,169	18.0%
Acquisitions	-	-	-	-	-	n.a
Current Base	10,754	11,019	10,804	10,837	11,921	10.9%

At Inspirali, the company that brings together Ecossistema Ânima medical programs, we observed that the undergraduate base in 1Q23 had already begun to grow by 9.2% compared to 1Q22. With the improvement in both intake and dropout in the period, the final base of 1Q23 vs. 1Q22 grows even more, to 10.9%, even with the increase in graduations. These movements in the students flow at Inspirali were already widely expected and reflect the continued maturation of existing vacancies, in addition to the usual efficiency in the use of available vacancies.

Regarding the ticket, we observed a growth of 7.9% in 1Q23 vs. 1Q22, above inflation for the period. It is important to remember that the ticket may fluctuate between the quarters that make up the same semester, and it is necessary to wait for the end of the semester to have a more assertive understanding of the trend and magnitude of the ticket.

Lifelong Learning, following the expansion trajectory, showed growth of the student base of 27.9% in the postgraduate courses offered, which comprise the courses in the institutions that integrate Inspirali, the IN.Foco brand, IBCMED and MedPós. The ticket growth of 8.0% compared to the same period of the previous year is partly due to a mix effect, the higher ticket of MedPós. With this, the quarter ended with a significant revenue growth of 38.1% in 1Q23 vs. 1Q22.

As a result of all the effects described above, net revenue reached R$322.7 million, a robust growth of 20.1%, with a combination of volume and ticket growth in both undergraduate and Lifelong Learning. This result reaffirms the solid foundations of medical education, which are enhanced by Inspirali's competitive advantages in terms of quality, scale, brands and locations.

Student Loan

	2021.1	2021.2	2022.1	2022.2	2023.1
Total Intake					
Fies	1,235	1,059	1,396	805	503
% of Intake	*3.2%*	*2.5%*	*2.1%*	*2.1%*	*0.7%*
Private financing	1,807	669	3,595	3,744	5,898
% of Intake	*4.7%*	*1.6%*	*5.4%*	*9.7%*	*8.4%*
Total	3,042	1,728	4,991	4,549	6,401
% of Intake	*7.8%*	*4.1%*	*7.5%*	*11.8%*	*9.1%*
Student Base					
Fies	19,178	17,659	14,747	13,309	10,736
% of Student Base	*7.4%*	*7.3%*	*6.3%*	*5.9%*	*4.4%*
Private financing	8,667	8,747	10,508	14,038	17,853
% of Student Base	*3.4%*	*3.6%*	*4.5%*	*6.3%*	*7.4%*
Total	27,845	26,406	25,255	27,347	28,589
% of Student Base	*10.8%*	*10.9%*	*10.7%*	*12.2%*	*11.8%*

From 2021.1 considers the units being integrated June/2021

At the end of the first quarter of 2023, we registered 11.8% of on campus Academic Education students using some type of financing, consistent with our strategy of a consistent majority of our student base without any type of financing, reaffirming the resilience of our model of quality. The growth of 1.1pp vs. 2022.1 is reinforced mainly by the increase in private loan with 7.4% of the base using the modality (+2.9pp vs. 2022.1), with 2.6% in the Management modality (our credit risk), a result of our partnership strategy with Pravaler as the main alternative to FIES, which, in turn, has been decreasing its presence in our student base, and presented a reduction of 1.9pp vs. 2022.1.

It is important to note that the percentage of Pravaler in relation to the student base gradually returned to the pre-transformational acquisition level of 7.4% (in 2020.2), in a planned move to structure this offer in the units being integrated. The 9.5% level observed in 2020.1 was exceptional at a time when the pandemic had started, and under normal conditions, we should not reach this level again.

In 1Q23 intake, we recorded 9.1% of new students on campus Academic Education using some type of loan, an increase of 1.6pp compared to 2022.1. The private modality grew by 3.0pp compared to the previous year, as a result of our ongoing partnership with Pravaler and its structuring in units being integrated, offering additional alternatives to more candidates and students within our Ecosystem.

Regarding FIES, we had a drop of 1.4pp in the intake of new students in 1Q23 compared to 2022.1, but it is important to note that part of FIES students enter after March, therefore the percentage of students with FIES in intake should increase in relation to 0.7% current at the end of 2023.1.

Financial Performance by business units

Following the premise of transparency and accountability of having consistency between our communication with the market and the way in which we organize the Company's management internally, and given the new business configurations stabilized after the acquisition of the units being integrated in June/21, we started from 2Q22 onwards reporting our results in three blocks that represent our main business units: Ânima Core, Distance Learning and Inspirali.

In this view, we must highlight that the strategies related to Lifelong Learning, which are of paramount importance for the Company's long-term vision, have already been properly allocated according to the business unit best related to the initial plan, with those linked to undergraduate excluding medicine, allocated in Ânima Core, those related to digital *lato sensu* post graduate, allocated in Distance Learning , as well as the fronts aimed at building the consolidation of the Ecosystem focused on medical education included in Inspirali.

R$ million	Ânima Core			Distance Learning			Inspirali			Consolidado		
	1Q23	1Q22	Δ1Q23/ 1Q22	1Q23	1Q22	Δ1Q23/ 1Q22	1Q23	1Q22	Δ1Q23/ 1Q22	1Q23	1Q22	Δ1Q23/ 1Q22
Net Revenue	572.4	586.6	-2.4%	59.3	47.2	25.7%	322.7	268.6	20.1%	954.4	902.4	5.8%
Gross Profit	363.5	389.0	-6.5%	58.0	45.2	28.4%	253.0	216.9	16.7%	674.5	651.0	3.6%
Gross Margin	63.5%	66.3%	-2.8pp	97.7%	95.7%	2.0pp	78.4%	80.8%	-2.4pp	70.7%	72.1%	-1.4pp
Operating Result	201.6	247.9	-18.7%	21.7	11.2	93.6%	204.7	173.1	18.3%	428.1	432.1	-0.9%
Operating Margin	35.2%	42.3%	-7.1pp	36.5%	23.7%	12.8pp	63.5%	64.4%	-0.9pp	44.8%	47.9%	-3.1pp

Consolidated financial performance will be analyzed in more detail in its specific section. We highlight the net revenue growth of 5.8% in 1Q23 vs. 1Q22, with emphasis on the performances of Distance Learning and Inspirali, offsetting the performance of Ânima Core.

The Consolidated Operating Result will be detailed in the "Consolidated Operating Income and Margin" section. The operating margin in 1Q23 decreased by -3.1pp compared to 1Q22, mainly due to higher disbursements with teaching costs and marketing expenses.

Ânima Core

Net revenue decreased -2.4% in 1Q23 vs. 1Q22, with our business line being more exposed to the challenging macro, with a small ticket expansion (which was diluted by the mix effect of the greater expansion of hybrid learning) not being enough to offset the drop in the final student base. Despite the base drop in the period, there was an improvement in intake and dropout. If these indicators continue to improve in the coming periods, they will possibly confirm themselves as leading signs of a reversal of the trend seen in the recent past.

Gross margin decreased -2.8pp, impacted by lower dilution and the strong comparison base where the collective bargaining in São Paulo had not yet taken place in 1Q22 and took place in 1Q23. The impact of the comparison basis should be softened in the coming quarters, but we are certainly already preparing to optimize teaching costs at the turn of the semester.

The operating margin decreased even more sharply, with the effects of the gross margin added to higher marketing expenses, higher provisions and the effect of the collective bargaining that happened in 1Q23 and not in 1Q22 on general and administrative expenses.

The improvement in rent was the main highlight of the segment, with the optimization of physical spaces benefiting practically the entirety of the Core segment, since units with medical programs were not returned. However, due to IFRS-16 accounting, this is not reflected in the numbers above. We remain aware of the difficulties that the macro environment imposes on the segment, but we are confident in the visibility of the implementation plan of the necessary adjustments in costs and expenses.

Distance Learning

Net revenue from Distance Learning, as allocated in the Income Statement (already net of transfers to third-party centers), was R$59.3 million, up 25.7% over 1Q22. This performance reflects a combination of volume and ticket growth in the period.

Gross Profit grew 28.4% in 1Q23 vs. 1Q22, with gross margin growing 2.0pp, driven by the highest ticket in the period. The Operating Result performed even better, almost doubling in the period, and with a margin gain of 12.8pp. This improvement is justified by a dilution of costs and general and administrative expenses in the segment.

It is important to remember that the result may fluctuate between the quarters that make up the same semester, in addition to the normal seasonality of the business, and it is necessary to wait for the end of the semester to have a more assertive understanding of the trend and magnitude of the result.

Inspirali

Inspirali's net revenue reported a growth of 20.1% in 1Q23 vs. 1Q22, to R$322.7 million, due to the combination of increased volume and ticket in the period.

Gross Profit grew 16.7% in the same period and reached R$253.0 million, but the gross margin decreased -2.4pp due to the expected maturation of programs, including more practical classes in hospitals and health centers of partners.

Operating Result grew 18.3% in 1Q23 vs. 1Q22 and recorded R$204.7 million, but with a drop in operating margin of -0.9pp, with optimization and dilution of general and administrative expenses partially offsetting the drop in gross margin in the period. This result continues Inspirali's high level of performance, but it is important to remember that the result may fluctuate between the quarters that make up the same semester, in addition to the normal seasonality of the business, and it is necessary to wait for the end of the semester to have a better understanding assertive of the trend and magnitude of the result.

Consolidated Financial Performance

GROSS PROFIT AND MARGIN

R$ million (except in %)	1Q23	%VA	1Q22	%VA	Δ1Q23/ 1Q22
Net Revenue	954.4	100.0%	902.4	100.0%	5.8%
Cost of Services	(279.9)	-29.3%	(251.4)	-27.9%	11.3%
Personnel	(199.4)	-20.9%	(179.1)	-19.8%	11.3%
Third Party Services	(25.2)	-2.6%	(24.8)	-2.7%	1.6%
Rental & Utilities	(15.5)	-1.6%	(20.3)	-2.3%	-23.9%
Others	(39.9)	-4.2%	(27.2)	-3.0%	46.8%
Gross Profit (exclud. deprec. /amort.)	674.5		651.0		3.6%
Gross Margin	*70.7%*		*72.1%*		*-1.4pp*

Gross Profit grew 3.6% in 1Q23 vs. 1Q22, to R$674.5 million, but the gross margin decreased -1.4pp mainly due to the increase in teaching costs due to the collective bargaining that took place in 1Q23 and had not occurred in 1Q22 (it happened only in the course of 2022). The impact of the comparison basis, therefore, should be softened in the coming quarters, but we are certainly already preparing to optimize teaching costs at the turn of the semester.

Efforts to optimize physical spaces also resulted in important savings in Rent and Occupancy costs, which, due to IFRS16, have more relevant occupancy values than rent per se, such as condominium fees, IPTU and consumption bills. In addition, there was dilution in third party services.

The item "Others" also impacted the result, mainly in the costs of practical classes with agreements and partnerships (concentrated in medical programs), consumables, research grants, travel and maintenance. Finally, there was a change in the allocation of default collection services, leaving the expense and going to the specific cost of each campus (impact of -0.5pp on the margin).

CONSOLIDATED OPERATING INCOME AND MARGIN

R$ million (except in %)	1Q23	%VA	1Q22	%VA	Δ1Q23/ 1Q22
Gross Profit (exclud. deprec. /amort.)	674.5	70.7%	651.0	72.1%	3.6%
Sales Expenses	(122.3)	-12.8%	(109.2)	-12.1%	12.0%
Provision for Doubtful Accounts (PDA)	(54.9)	-5.8%	(55.7)	-6.2%	-1.3%
Marketing	(67.3)	-7.1%	(53.5)	-5.9%	25.9%
General & Administrative Expenses	(130.2)	-13.6%	(110.6)	-12.3%	17.7%
Personnel	(82.7)	-8.7%	(72.5)	-8.0%	14.0%
Third Party Services	(34.2)	-3.6%	(25.2)	-2.8%	35.7%
Rental & Utilities	(0.1)	0.0%	(1.8)	-0.2%	-91.9%
Others	(13.2)	-1.4%	(11.1)	-1.2%	19.3%
Other Operating Revenues (Expenses)	1.6	0.2%	(4.4)	-0.5%	n.a.
Provisions	(6.3)	-0.7%	(6.5)	-0.7%	-3.6%
Taxes	(1.1)	-0.1%	(2.3)	-0.3%	-53.1%
Other Operating Revenues	8.9	0.9%	4.4	0.5%	101.4%
Late Payment Fees	4.4	0.5%	5.3	0.6%	-16.0%
Operating Result	428.1		432.1		-0.9%
Operating Margin	*44.8%*		*47.9%*		*-3.1pp*

Operating Result decreased -0.9% in 1Q23 vs. 1Q22 and reached R$428.1 million, with an operating margin decreasing 3.1pp in the same period, mainly due to higher marketing and general and administrative expenses.

With the macro scenario still challenging, it was necessary to make greater investments in Marketing in the period in order to achieve a healthy intake and dropout. Even without improvement in the macro environment and with the impact of greater provisions on students who use some type of loan, the PDA behavior was under control, since the initial impact of the methodology equalization was already carried out last year and the more efficient default management of the units being integrated becomes more visible.

Another more significant impact in this quarter was on general and administrative expenses, partly due to the issue of the collective bargaining that took place in 1Q23 and did not take place in 1Q22, but mainly due to higher expenses with third party services, with the increase being more concentrated in expenses with digital transformation, including the ERP migration that we are implementing. We are aware of the importance of these expenses for the Company's evolution, but with the priority deleverage agenda that the Company is going through, some prioritization and investments in digital transformation are needed, focused on those that have the best return in the short term, and we are already putting it into practice an agenda to optimize these expenses in the coming quarters.

SYNERGIES

The Transformation and Integrations Office (ETI), an area formed after the acquisition of the units being integrated in June/21, in addition to having planned the integration, continuously monitors the integration process to guarantee the capture of announced synergies, which correspond to an increase EBITDA of R$350 million deflated up to the fifth year of integration.

Synergies	
EBITDA Increment expected by integration	R$350 million (deflated)
Capture after the 22 months of onboarding	R$292,0 million (between June/21 and March/23)
Incremental Recurring EBITDA	R$361,1 million

After 22 months of integration completed in March 2023, we identified the capture of synergies in the accumulated amount of R$292.0 million, with the incremental recurring value of this amount already captured of R$361.1 million, reaching the expected EBITDA increase before the integration of the units in June/2021.

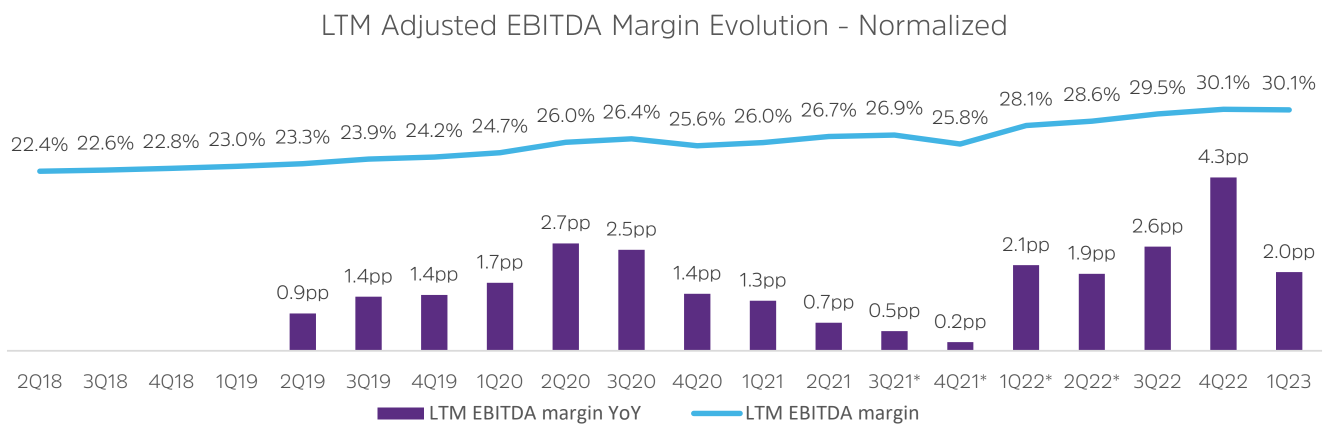
CONSOLIDATED EBITDA AND ADJUSTED EBITDA

R$ million (except in %)	1Q23	%VA	1Q22	%VA	Δ1Q23/ 1Q22
Gross Profit	674.5	70.7%	651.0	72.1%	3.6%
Operational expenses	(250.9)	-26.3%	(224.1)	-24.8%	12.0%
Late Payment Fees	4.4	0.5%	5.3	0.6%	-16.0%
Operating Result	428.1		432.1		-0.9%
Operating Margin	44.8%		47.9%		-3.1pp
Corporate Expenses	(75.4)	-7.9%	(93.1)	-10.3%	-19.0%
Adjusted EBITDA	352.6		339.1		4.0%
EBITDA margin ajusted	36.9%		37.6%		-0.7pp
(-) Late Payment Fees	(4.4)	-0.5%	(5.3)	-0.6%	-16.0%
(-) Non-recurring items	(50.5)	-5.3%	(0.7)	-0.1%	n.a.
EBITDA	297.7		333.0		-10.6%
EBITDA margin	31.2%		36.9%		-5.7pp
Adjusted EBITDA ex-IFRS16	280.0		251.0		11.6%
Adjusted EBITDA Margin ex-IFRS16	29.3%		27.8%		1.5pp

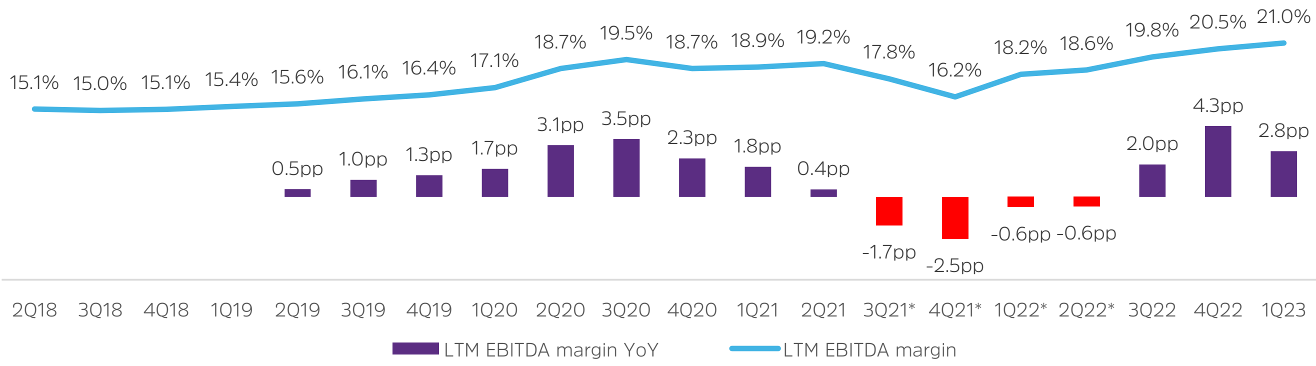
Adjusted EBITDA grew 4.0% in 1Q23 vs. 1Q22, but the margin decreased -0.7pp in the period, reflecting the impacts of gross profit and operating result, mainly on the previously mentioned faculty cost and SG&A fronts. The result was softened by an improvement in corporate expenses, still reflecting the restructuring carried out at the end of last year.

The highlight of the quarter was the optimization of rent payments, 2.2pp improvement over net revenue, with the intense schedule of returning campuses last year and at the beginning of this year. However, for accounting reasons, this improvement is not reflected in the IFRS margin. Therefore, we invite investors and analysts in general to also analyze EBITDA ex-IFRS16, which includes rent payments, and thus verify a growth of 11.6% in 1Q23 vs. 1Q22, with a margin gain of 1.5pp, showing the optimization of physical spaces.

The Company maintained the record LTM margin (last 12 months) under IFRS16 and again reached the highest LTM margin ex-IFRS16 in the recent period, as shown in the following graphs:



LTM Adjusted EBITDA Margin Evolution ex. IFRS16 - Normalized



** normalization: excluding reversals of non-cash provisions in 3Q21, in the amount of R$118.7 million.*

Despite the margin evolution, we know that we need to deliver even better results, aiming at the priority deleveraging agenda and the Company's long-term sustainability. In terms of teaching costs, we have the prospect of significant optimizations in 2H23 and in terms of sales, general and administrative expenses, we intend to be very assertive in measures to adapt our structure in the coming months.

Non-recurring

R$ million	1Q23	1Q22
Rental contracts paid	46.3	0.2
Demobilizations	1.0	0.0
Severance	2.7	1.8
Others	0.6	(1.3)
Total Adjusted EBITDA impact	50.5	0.7
Rent payments ex-IFRS16	5.7	0.0
Total Adjusted EBITDA ex-IFRS16 impact	56.2	0.7
Penalty fee prepayment of debenture	0.0	12.4
(-) Rental contracts penalties provisioned and non cash	(34.6)	0.0
(-) Others (non cash only)	0.0	1.3
Total cash impact	21.6	14.4

Despite the relatively high value of non-recurring items in 1Q23, of R$50.5 million in IFRS (or R$56.2 million in ex-IFRS16), only R$21.6 million impact cash in 1Q23. The impact of the fines of the various rental contracts that we closed in advance in the quarter were R$ 46.3 million, and R$ 34.6 million are non-cash in 1Q23. We still had R$1 million of demobilizations of the returned campuses.

Here we have the best scenario for the Company's deleverage agenda, which manages to implement the necessary improvements in profitability without having the burden of immediately paying the entire fine, which would have a negative impact on leverage. We managed to implement a large number of initiatives with reduced cash impact in 1Q23, and considerably lower amount than in 4Q22.

In addition, we have R$2.7 million in severance pay for one-off G&A adjustments. Despite the adjustment already made last year and this one-off adjustment in 1Q23, we know that it is still not enough after a transformational transaction that we made and that we need to go much further. Again, we reinforce that we intend to be very assertive in measures to adapt our structure during the year.

FINANCIAL INCOME (EXPENSES)

R$ million (except in %)	1Q23	1Q22	Δ1Q23/ 1Q22
(+) Financial Revenue	49.6	23.5	111.6%
Late payment fees	4.4	5.3	-16.0%
Interest on financial investments	41.2	13.7	200.8%
Discounts obtained	0.2	2.5	-91.5%
Other financial revenues	2.3	1.9	19.5%
(-) Financial Expense	(251.6)	(298.4)	-15.7%
Commission and interest expense on loans[1]	(190.0)	(133.4)	42.5%
Write-off of funding cost of the prepaid debenture	0.0	(96.7)	-100.0%
PraValer interest expenses	(1.0)	(1.3)	-26.8%
Accounts payable interest expenses (acquisitions)	(5.5)	(8.2)	-32.7%
Financial Lease Expenses	(42.2)	(47.0)	-10.2%
Other financial expenses	(12.9)	(11.8)	9.4%
Financial Result	(202.0)	(275.0)	-26.5%
Penalty fee prepayment of debenture	0.0	12.4	-100.0%
Write-off of funding cost of the prepaid debenture	0.0	84.4	-100.0%
Adjusted Financial Result	(202.0)	(178.2)	13.3%

[1]*Includes gains and losses on derivatives related to loan contracts in foreign currency with swap.*

Financial income reached R$49.6 million in 1Q23, more than doubling in relation to 1Q22, mainly due to the higher average cash position in the period, since the contribution of R$1 billion by DNA to Inspirali last year only entered the last day of the quarter.

Financial expenses decreased by 15.7% in 1Q23 vs. 1Q22, due to one-off effects of R$96.7 million in 1Q22, related to the prepayment of the majority of the debenture at CDI+4.75% (which was replaced by a new issue at Inspirali with a reduced cost for CDI +2.6%). Excluding these effects, financial expenses rose 14.2%, still highly impacted by the scenario of high interest rates in the country, in addition to the momentary effect that we have not yet paid the most expensive debts whose settlement was the objective of a R$800 million intake at the end of last year at a rate of CDI+ 1.75% in the weighted average of the two series.

As of mid-2Q23, it will be possible to see a better behavior of financial expenses, with the maturity of the 3rd issue of series 1 debentures (balance of R$538.0 million at CDI+3.75%) and payment of the 3rd issue of series 2 debentures (balance of R$65.3 million at CDI+4.75%). As a result, in addition to reducing the average debt spread, interest will be charged on a smaller amount of gross debt.

The lower leasing financial expense in 1Q23 vs. 1Q22 is also a reflection of the optimization of physical spaces carried out in the period.

As a result of the movements described above, the net financial result decreased by -26.5% in 1Q23 vs. 1Q22, but if we disregard the one-off effect of R$96.7 million in 1Q22, related to the prepayment of debentures, it would have increased by 13.3%.

NET INCOME AND MARGIN

R$ million (except in %)	1Q23	%VA	1Q22	%VA	Δ1Q23/ 1Q22
EBITDA	297.7	31.2%	333.0	36.9%	-10.6%
Depreciation & Amortization	(138.3)	-14.5%	(143.6)	-15.9%	-3.7%
Equity Equivalence	(2.2)	-0.2%	(4.2)	-0.5%	-49.3%
EBIT	157.2	16.5%	185.2	20.5%	-15.1%
Net Financial Result	(202.0)	-21.2%	(275.0)	-30.5%	-26.5%
EBT	(44.8)	-4.7%	(89.8)	-10.0%	-50.1%
Income Tax and Social Contribution	3.4	0.4%	6.4	0.7%	-46.7%
Net Income	(41.3)	-4.3%	(83.4)	-9.2%	-50.4%
Non-Controlling Interest	(35.9)	-3.8%	(6.8)	-0.7%	430.7%
Non-recurring items	50.5	5.3%	0.7	0.1%	n.a.
Amortization of intangible assets[1]	41.4	4.3%	43.7	4.8%	-5.2%
Penalty fee prepayment of debenture	0.0	0.0%	12.4	1.4%	-100.0%
Write-off of funding cost of the prepaid debenture	0.0	0.0%	84.4	9.4%	-100.0%
Adjusted Net Income	14.7	1.5%	51.0		-71.2%
Adjusted Net Margin	1.5%		5.7%		-4.2pp

1) Amortization of intangible assets of acquired companies.

We ended 1Q23 with adjusted net income of R$14.7million vs. R$51.0 million in 1Q22, mainly reflecting the increase in non-controlling interest, due to Inspirali's transaction with DNA, which contributed R$1 billion to the company for a 25% stake in Inspirali at the end of March 2022, so its share of the 1Q22 results did not decrease in the period's result. In 1Q23, DNA's stake amounted to R$27.8 million, referring to Inspirali's accounting profit of R$111.3 million.

CASH AND NET DEBT

R$ million (except in %)	MAR 23	DEC 22	MAR 22
(+) Cash and Cash Equivalents	1,326.3	1,476.6	1,401.3
Cash	419.8	422.4	229.1
Financial Investments	906.5	1,054.2	1,172.2
(-) Loans and Financing [1]	4,016.9	4,131.2	3,571.0
Short Term	1,335.3	888.1	399.8
Long Term	2,681.6	3,243.1	3,171.2
(=) Net (Debt) Cash [2]	(2,690.6)	(2,654.5)	(2,169.7)
(-) Other Short and Long Term Obligations Ajusted	255.9	253.4	322.4
Other Short and Long Term Obligations	433.1	422.6	384.8
Other Obligations (Earn outs and Call Options)	(91.2)	(88.7)	0.0
Other Obligations (Proies grant)	(86.0)	(80.5)	(62.4)
(=) Net (Debt) Cash Ajusted excl. IFRS-16 [3]	(2,946.5)	(2,907.9)	(2,492.1)
(-) Liabilities Leases (IFRS-16)	1,471.0	1,506.7	1,579.8
Short Term	169.6	172.7	179.1
Long Term	1,301.4	1,334.0	1,400.8
(=) Net (Debt) Cash Ajusted incl. IFRS-16 [3]	(4,417.5)	(4,414.6)	(4,071.9)

[1] *Net value adjusted for the swap.*
[2] Availability considering bank obligations only.
[3] *Availability considering all short- and long-term obligations related to the payment of tax installments and acquisitions, excluding earn outs and Proies Scholarships*

We ended 1Q23 with cash and cash equivalents of R$1,326.3 million, a R$150.3 million decrease from 4Q22, as shown below:

i) Cash starts at R$1,476.6 million at the beginning of 1Q23;
ii) Free cash flow of R$264,8 million, less R$78,2million in rent payments;
iii) Payments of R$305.1 million in debts and obligations, including interest and amortization;
iv) Investment activities in the amount of R$13.2 million;
v) Payment of R$11.7 million in lease agreement fines;
vi) Repurchase of shares in the amount of R$6.9 million.

Loans and financing totaled R$4,016.9 million in 1Q23, down R$114.3 million vs. 4Q22. There was an increase of R$2.5 million in other obligations, adjusted for the option to purchase the remaining stake in IBCMED (R$91.2 million) and compliance with PROIES at Unisul (R$86.0 million), both with no cash effect.

These movements resulted in an increase of R$38.6 million in adjusted net debt ex-IFRS16 in 1Q23, but the increase in Adjusted EBITDA ex-IFRS16 in the last 12 months to R$759.4 million (from R$729.6 million), made the leverage ratio marginally reduce from 4.0x in 4Q22 to 3.9x in 1Q23.

Another positive factor for leverage is that part of the disbursements for initiatives to better use physical spaces in 1Q23 will be paid in installments, so such fines do not weigh heavily on leverage initially and we can deduct from disbursements, over time, the gains from the lower payment of rent, making the payback even more attractive.

We hope that over the coming semesters (always focusing on the business cycle, which is half-yearly and not quarterly) we will be able to execute with discipline and assertiveness the cost and expense reduction plan to deliver a gradual but consistent organic deleverage.

TRADE RECEIVABLES AND DAYS OF SALES OUTSTANDING (DSO)

Total	1Q23	Core 1Q23	Inspirali 1Q23	4Q22	Core 4Q22	Inspirali 4Q22	1Q22	Δ1Q23/ 1Q22
Net Trade Receivables	948.3	867.3	81.0	849.1	767.9	81.2	730.1	218.2
to mature	658.0	640.5	17.6	543.3	528.8	14.5	481.2	176.8
until 180 days	181.2	138.8	42.4	208.7	160.2	48.5	160.0	21.2
between 181 and 360 days	62.9	50.3	12.6	47.2	38.3	8.9	49.3	13.6
between 361 and 720 days	46.2	37.7	8.5	49.9	40.6	9.3	39.6	6.6

Net trade receivables ended 1Q23 at R$948.3 million, 91.5% of which from Core and 8.5% from Inspirali. Monthly fees due amounting to 69.4% of the total (73.8% Core and 21.7% Inspirali), while amounts due up to 180 days stood at 19.1% (16.0% Core and 52.3% % Inspirali).

(in R$ million)

Total	1Q23	4Q22	1Q22	Δ1Q23/ 1Q22
Net Trade Receivables	948.3	849.1	730.1	218.2
Net Revenue (Accumulated)	954.4	3,563.2	902.4	52.0
DSO	89	86	73	17

Lifelong Learning	1Q23	4Q22	1Q22	Δ1Q23/ 1Q22
Net Trade Receivables	116.7	95.6	64.0	52.6
Net Revenue (Accumulated)	37.4	187.3	40.1	(2.8)
DSO	278	184	146	132

Not FIES	1Q23	4Q22	1Q22	Δ1Q23/ 1Q22
Net Trade Receivables	540.0	484.9	467.7	72.3
Net Revenue (Accumulated)	785.0	2,946.8	776.6	8.5
DSO	62	59	54	8

Pravaler	1Q23	4Q22	1Q22	Δ1Q23/ 1Q22
Net Trade Receivables	79.2	76.9	58.5	20.7
Net Revenue (Accumulated)	22.7	153.7	13.6	9.1
DSO	314	180	387	(73)

FIES	1Q23	4Q22	1Q22	Δ1Q23/ 1Q22
Net Trade Receivables	102.2	128.2	88.9	13.3
Net Revenue (Accumulated)	50.4	212.9	53.8	(3.4)
DSO	183	217	149	34

Facilita	1Q23	4Q22	1Q22	Δ1Q23/ 1Q22
Net Trade Receivables	110.3	63.5	51.0	59.2
Net Revenue (Accumulated)	59.0	62.5	18.3	40.7
DSO	168	366	251	(83)

Net trade receivables increased R$218.2 million in 1Q23 vs. 1Q22, while accumulated net revenue increased by R$52.0 million in the same period, resulting in a 17-day increase in DSO.

The amounts of the increase in net trade receivables were higher in the Non-FIES (R$72.3 million), Facilita (R$59.2 million) and Lifelong Learning (R$52.6 million) segments, but those with the highest increase in the DSO were Lifelong Learning and FIES.

Important the fact that much of the increase in receivables are receivables from credit cards, which are receivables of great quality.

CASH FLOW

R$ million	1Q23	1Q22
Net Income	(41.3)	(83.4)
Depreciation & Amortization	90.4	89.2
Interest expenses/revenues	175.9	228.1
Expenses for adjustment to present value on leases	42.2	47.0
Provisions for labor, tax and civil risks	4.2	10.0
Amortization of right os usage	85.7	51.5
Other non-cash adjustments	31.6	(3.2)
Operating Cash Flow	388.7	339.3
Δ Accounts receivable/PDA	(59.6)	(102.8)
Δ Other assets/liabilities	(7.7)	54.3
Working Capital Variance	(67.3)	(48.5)
Free Cash Flow before CAPEX	321.4	290.8
CAPEX - Fixed and Intangible	(56.6)	(43.2)
Free Cash Flow	264.8	247.5
Financing/Investments activities	(408.2)	736.8
Capital increase	-	(0.0)
Shares held in treasury	(6.9)	(98.3)
Net Cash Flow from Financing Activities	(415.1)	638.5
Net Increase (Reduction) of Cash and Cash Equivalents	(150.3)	886.0
Cash at the begging of the period	1,476.6	515.3
Cash at the end of the period	1,326.3	1,401.3

Operating Cash Flow totaled R$388.7million in 1Q23, an increase of R$49.5 million compared to 1Q22, with an increase in the conversion of Adjusted EBITDA into cash to 110.2% (or 110.9% in the ex -IFRS16), higher than the conversion of 100.1% in 1Q22 (also 100.1% in ex-IFRS16). Even though 1Q23 showed some pressure on faculty costs and on SG&A, capturing the benefits of initiatives taken in 2022 allowed it to maintain a positive performance in cash generation.

Free Cash Flow totaled R$264.8million in 1Q23 (conversion of adjusted EBITDA into cash of 75.1% or 66.6% ex-IFRS), an increase of R$17.2million compared to 1Q22, with the charge on operating generation being partially offset by higher variations in working capital and CAPEX investments, which were necessary to adapt the remaining buildings to receive students from the returned buildings.

We want to be very assertive in measures to adapt our structure in the visible horizon of the next few months, so that the improvement trend that is already visible in rents can also be verified in the SG&A soon and increase our cash generation.

INVESTMENTS (CAPEX)

R$ million (except in %)	1Q23	1Q22	Δ1Q23/ 1Q22
Systems and Technology	25.1	21.6	16.2%
Furniture and Equipments	8.0	5.4	48.6%
Works and Improvements	23.5	16.2	44.8%
Total Invesment	56.6	43.2	31.0%
% Net Revenue	5.9%	4.8%	1.1p.p.

Consolidated investments made in the first three months of 2023 amounted to R$56.6 million, equivalent to 5.9% of net revenue, which represents an increase of 1.1pp compared to the same period of 2022. We continue to prioritize investments in Systems and Technology, which still has the highest CAPEX in the quarter, with growth of 16.2% compared to 1Q22.

In the quarter, however, Works and Improvements stand out, which, as in 4Q22, present investments necessary for the return of some buildings in the quarter, to readjust the campuses that accommodated transferred students, with an impact of R$3.8 million (or 0.4pp). These investments take place in a context of greater hybridity and the campus much more as a living space and the use of laboratories than traditional classrooms per se, and are enabled by our E2A academic model, which allows for better training and variable use of on campus presence and synchronous technology.

We will not stop investing in quality academic experience and in Digital Transformation as the foundations of long-term sustainable growth, but with the priority agenda of deleveraging in the short term, we should see a greater restriction on disbursements in the coming quarters.

RETURN ON CAPITAL INVESTED (ROIC)

Return on Invested Capital (ROIC)[1]	1Q23	2022	Δ1Q23/ 2022
Consolidated ROIC	5.7%	5.5%	0.2pp
ROIC excluding non-amortized intangible assets	13.0%	12.4%	0.6pp

*[1]ROIC = EBIT LTM * (1- effective IR/CSLL rate) ÷ average invested capital.*

Invested Capital = net working capital + long-term FIES trade receivables + net fixed assets

Our consolidated return on invested capital (ROIC) was 5.7% in 1Q23, an improvement of 0.2pp compared to 2022. Excluding incorporation of non-amortizable intangible assets from acquisitions, the evolution is 0.6pp.

We remain committed to increasing profitability in the coming periods in order to be able to deliver increasing returns to shareholders.

Annex I: Consolidated Income Statement

R$ million (except in %)	1Q23	%VA	1Q22	%VA	Δ1Q23/ 1Q22
Gross Revenue	1,928.9	*202.1%*	1,761.5	*195.2%*	9.5%
Discounts, Deductions & Scholarships	(937.8)	*-98.3%*	(822.1)	*-91.1%*	14.1%
Taxes	(36.7)	*-3.8%*	(37.1)	*-4.1%*	-1.0%
Net Revenue	954.4	*100.0%*	902.4	*100.0%*	5.8%
Cost of Services	(279.9)	*-29.3%*	(251.4)	*-27.9%*	11.3%
Personnel	(199.4)	*-20.9%*	(179.1)	*-19.8%*	11.3%
Services from Third Parties	(25.2)	*-2.6%*	(24.8)	*-2.7%*	1.6%
Rental & Utilities	(15.5)	*-1.6%*	(20.3)	*-2.3%*	-23.9%
Others	(39.9)	*-4.2%*	(27.2)	*-3.0%*	46.8%
Gross Profit (exclud. deprec. /amort.)	674.5	*70.7%*	651.0	*72.1%*	3.6%
Sales Expenses	(122.3)	*-12.8%*	(109.2)	*-12.1%*	12.0%
Provision for Doubtful Accounts (PDA)	(54.9)	*-5.8%*	(55.7)	*-6.2%*	-1.3%
Marketing	(67.3)	*-7.1%*	(53.5)	*-5.9%*	25.9%
General & Administrative Expenses	(130.2)	*-13.6%*	(110.6)	*-12.3%*	17.7%
Personnel	(82.7)	*-8.7%*	(72.5)	*-8.0%*	14.0%
Third Party Services	(34.2)	*-3.6%*	(25.2)	*-2.8%*	35.7%
Rental & Utilities	(0.1)	*0.0%*	(1.8)	*-0.2%*	-91.9%
Others	(13.2)	*-1.4%*	(11.1)	*-1.2%*	19.3%
Other Operating Revenues (Expenses)	1.6	*0.2%*	(4.4)	*-0.5%*	n.a.
Provisions	(6.3)	*-0.7%*	(6.5)	*-0.7%*	-3.6%
Taxes	(1.1)	*-0.1%*	(2.3)	*-0.3%*	-53.1%
Other Operating Revenues	8.9	*0.9%*	4.4	*0.5%*	101.4%
Late Payment Fees	4.4	*0.5%*	5.3	*0.6%*	-16.0%
Operating Result	428.1	*44.8%*	432.1	*47.9%*	-0.9%
Corporate Expenses	(75.4)	*-7.9%*	(93.1)	*-10.3%*	-19.0%
Adjusted EBITDA	352.6	*36.9%*	339.1	*37.6%*	4.0%
(-) Late Payment Fees	(4.4)	*-0.5%*	(5.3)	*-0.6%*	-16.0%
(-) Non-Recurring Items - EBITDA	(50.5)	*-5.3%*	(0.7)	*-0.1%*	n.a.
EBITDA	297.7	*31.2%*	333.0	*36.9%*	-10.6%
Depreciation & Amortization	(138.3)	*-14.5%*	(143.6)	*-15.9%*	-3.7%
Equity Equivalence	(2.2)	*-0.2%*	(4.2)	*-0.5%*	-49.3%
EBIT	157.2	*16.5%*	185.2	*20.5%*	-15.1%
Net Financial Result	(202.0)	*-21.2%*	(275.0)	*-30.5%*	-26.5%
EBT	(44.8)	*-4.7%*	(89.8)	*-10.0%*	-50.1%
Income Tax and Social Contribution	3.4	*0.4%*	6.4	*0.7%*	-46.7%
Net Income	(41.3)	*-4.3%*	(83.4)	*-9.2%*	-50.4%
Non-Controlling Interest	(35.9)	*-3.8%*	(6.8)	*-0.7%*	430.7%
Net Income	(77.2)	*-8.1%*	(90.1)	*-10.0%*	-14.3%
Non-Recurring Items - EBITDA	50.5	*5.3%*	0.7	*0.1%*	n.a.
Amortization of intangible assets[1]	41.4	*4.3%*	43.7	*4.8%*	-5.2%
Penalty fee prepayment of debenture	0.0	*0.0%*	12.4	*1.4%*	-100.0%
Write-off of funding cost of the prepaid debenture	0.0	*0.0%*	84.4	*9.4%*	-100.0%
Adjusted Net Income	14.7	*1.5%*	51.0	*5.7%*	-71.2%

1) Amortization of intangible assets of acquired companies

Annex II: Income Statement by Segment

R$ million (except in %)	1Q23							
	Consolidated	%VA	Ânima Core	%VA	Distance Learning	%VA	Inspirali	%VA
Gross Revenue	1,928.9	202.1%	1,331.1	232.5%	187.2	315.5%	410.6	127.3%
Discounts, Deductions & Scholarships	(937.8)	-98.3%	(736.8)	-128.7%	(125.7)	-211.8%	(75.3)	-23.3%
Taxes	(36.7)	-3.8%	(21.9)	-3.8%	(2.2)	-3.7%	(12.6)	-3.9%
Net Revenue	954.4	100.0%	572.4	100.0%	59.3	100.0%	322.7	100.0%
Cost of Services	(279.9)	-29.3%	(208.9)	-36.5%	(1.3)	-2.3%	(69.6)	-21.6%
Personnel	(199.4)	-20.9%	(152.8)	-26.7%	(0.7)	-1.3%	(45.8)	-14.2%
Services from Third Parties	(25.2)	-2.6%	(18.5)	-3.2%	(0.0)	0.0%	(6.7)	-2.1%
Rental & Utilities	(15.5)	-1.6%	(13.2)	-2.3%	0.1	0.1%	(2.3)	-0.7%
Others	(39.9)	-4.2%	(24.4)	-4.3%	(0.7)	-1.1%	(14.8)	-4.6%
Gross Profit (exclud. deprec. /amort.)	674.5	70.7%	363.5	63.5%	58.0	97.7%	253.0	78.4%
Sales Expenses	(122.3)	-12.8%	(99.5)	-17.4%	(12.6)	-21.2%	(10.2)	-3.2%
Provision for Doubtful Accounts (PDA)	(54.9)	-5.8%	(48.1)	-8.4%	(2.0)	-3.3%	(4.9)	-1.5%
Marketing	(67.3)	-7.1%	(51.4)	-9.0%	(10.6)	-17.9%	(5.3)	-1.7%
General & Administrative Expenses	(130.2)	-13.6%	(65.4)	-11.4%	(25.0)	-42.1%	(39.9)	-12.4%
Personnel	(82.7)	-8.7%	(44.4)	-7.8%	(14.8)	-25.0%	(23.4)	-7.3%
Third Party Services	(34.2)	-3.6%	(15.2)	-2.6%	(9.2)	-15.6%	(9.8)	-3.0%
Rental & Utilities	(0.1)	0.0%	1.2	0.2%	(0.8)	-1.4%	(0.5)	-0.1%
Others	(13.2)	-1.4%	(6.9)	-1.2%	(0.1)	-0.1%	(6.2)	-1.9%
Other Operating Revenues (Expenses)	1.6	0.2%	(0.1)	0.0%	0.7	1.2%	0.9	0.3%
Provisions	(6.3)	-0.7%	(7.8)	-1.4%	1.1	1.8%	0.4	0.1%
Taxes	(1.1)	-0.1%	(0.7)	-0.1%	(0.0)	0.0%	(0.3)	-0.1%
Other Operating Revenues	8.9	0.9%	8.4	1.5%	(0.3)	-0.5%	0.8	0.3%
Late Payment Fees	4.4	0.5%	3.0	0.5%	0.5	0.9%	0.9	0.3%
Operating Result	428.1	44.8%	201.6	35.2%	21.7	36.5%	204.7	63.5%
Corporate Expenses	(75.4)	-7.9%						
Adjusted EBITDA	352.6	36.9%						
(-) Late Payment Fees	(4.4)	-0.5%						
(-) Non-Recurring Items - EBITDA	(50.5)	-5.3%						
EBITDA	297.7	31.2%						
Depreciation & Amortization	(138.3)	-14.5%						
Equity Equivalence	(2.2)	-0.2%						
EBIT	157.2	16.5%						
Net Financial Result	(202.0)	-21.2%						
EBT	(44.8)	-4.7%						
Income Tax and Social Contribution	3.4	0.4%						
Net Income	(41.3)	-4.3%						
Non-Controlling Interest	(35.9)	-3.8%						
Net Income	(77.2)	-8.1%						
Non-Recurring Items - EBITDA	50.5	5.3%						
Itens Não-Recorrentes - Lucro Líquido	0.0	0.0%						
Amortization of intangible assets[1]	41.4	4.3%						
Penalty fee prepayment of debenture	0.0	0.0%						
Write-off of funding cost of the prepaid debenture	0.0	0.0%						
Adjusted Net Income	14.7	1.5%						

1) Amortization of intangible assets of acquired companies

R$ million (except in %)	1Q22							
	Consolidated	%VA	Ânima Core	%VA	Distance Learning	%VA	Inspirali	%VA
Receita Bruta	1,761.5	195.2%	1,276.0	217.5%	152.8	323.8%	332.7	123.9%
Descontos, Deduções & Bolsas	(822.1)	-91.1%	(664.5)	-113.3%	(103.7)	-219.8%	(53.9)	-20.1%
Impostos & Taxas	(37.1)	-4.1%	(24.9)	-4.2%	(1.9)	-4.1%	(10.3)	-3.8%
Receita Líquida	902.4	100.0%	586.6	100.0%	47.2	100.0%	268.6	100.0%
Total de Custos	(251.4)	-27.9%	(197.6)	-33.7%	(2.0)	-4.3%	(51.7)	-19.2%
Pessoal	(179.1)	-19.8%	(143.1)	-24.4%	(0.5)	-1.0%	(35.5)	-13.2%
Serviços de Terceiros	(24.8)	-2.7%	(19.3)	-3.3%	(0.4)	-0.9%	(5.0)	-1.9%
Aluguel & Ocupação	(20.3)	-2.3%	(17.1)	-2.9%	(0.8)	-1.6%	(2.4)	-0.9%
Outras	(27.2)	-3.0%	(18.1)	-3.1%	(0.3)	-0.7%	(8.7)	-3.3%
Lucro Bruto (excl Depreciação e Amortização)	651.0	72.1%	389.0	66.3%	45.2	95.7%	216.9	80.8%
Despesas Comerciais	(109.2)	-12.1%	(85.0)	-14.5%	(15.6)	-33.0%	(8.6)	-3.2%
PDD	(55.7)	-6.2%	(46.9)	-8.0%	(3.0)	-6.3%	(5.8)	-2.2%
Marketing	(53.5)	-5.9%	(38.1)	-6.5%	(12.6)	-26.7%	(2.7)	-1.0%
Despesas Gerais & Administrativas	(110.6)	-12.3%	(58.2)	-9.9%	(18.0)	-38.1%	(34.5)	-12.8%
Pessoal	(72.5)	-8.0%	(39.3)	-6.7%	(14.2)	-30.1%	(19.0)	-7.1%
Serviços de Terceiros	(25.2)	-2.8%	(12.1)	-2.1%	(3.7)	-7.7%	(9.4)	-3.5%
Aluguel & Ocupação	(1.8)	-0.2%	(0.5)	-0.1%	(0.0)	0.0%	(1.3)	-0.5%
Outras	(11.1)	-1.2%	(6.3)	-1.1%	(0.1)	-0.2%	(4.7)	-1.7%
Outras Receitas (Despesas) Operacionais	(4.4)	-0.5%	(1.8)	-0.3%	(0.9)	-2.0%	(1.6)	-0.6%
Provisões	(6.5)	-0.7%	(4.7)	-0.8%	(0.0)	0.0%	(1.8)	-0.7%
Impostos & Taxas	(2.3)	-0.3%	(1.3)	-0.2%	(0.2)	-0.5%	(0.8)	-0.3%
Outras receitas operacionais	4.4	0.5%	4.2	0.7%	(0.7)	-1.5%	0.9	0.3%
Resultado Multa, Juros s/ Mensalidade	5.3	0.6%	3.9	0.7%	0.5	1.1%	0.9	0.3%
Resultado Operacional	432.1	47.9%	247.9	42.3%	11.2	23.7%	173.1	64.4%
Despesas Corporativas	(93.1)	-10.3%						
EBITDA Ajustado	339.1	37.6%						
(-) Resultado Multa, Juros s/ Mensalidade	(5.3)	-0.6%						
(-) Itens Não-Recorrentes - EBITDA	(0.7)	-0.1%						
EBITDA	333.0	36.9%						
Depreciação & Amortização	(143.6)	-15.9%						
Equivalência Patrimonial	(4.2)	-0.5%						
EBIT	185.2	20.5%						
Resultado Financeiro Líquido	(275.0)	-30.5%						
EBT	(89.8)	-10.0%						
IR & CSLL	6.4	0.7%						
Lucro Líquido	(83.4)	-9.2%						
Participação dos acionistas não controladores	(6.8)	-0.7%						
Lucro Líquido	(90.1)	-10.0%						
Itens Não-Recorrentes - EBITDA	0.7	0.1%						
Itens Não-Recorrentes - Lucro Líquido	0.0	0.0%						
Amortização de intangível[1]	43.7	4.8%						
Penalty fee pré-pagamento debênture	12.4	1.4%						
Baixa do custo de captação da debenture pré-paga	84.4	9.4%						
Lucro Líquido Ajustado	51.0	5.7%						

1) Amortization of intangible assets of acquired companies

Annex III: Income Statement Reconciliation 2022

Consolidated Ânima R$ (million)	1Q23					
	Release Income Statement	Depreciation & Amortization	Corporate Expenses	Late Payment Fees	Non-Recurring Items	IFRS Income Statement
Gross Revenue	1,928.9				0.0	1,928.9
Discounts, Deductions & Scholarships	(937.8)				0.0	(937.8)
Taxes	(36.7)				0.0	(36.7)
Net Revenue	954.4	0.0	0.0	0.0	0.0	954.4
Cost of Services	(279.9)	(39.1)	0.0	0.0	(1.4)	(320.4)
Personnel	(199.4)				(1.4)	(200.8)
Services from Third Parties	(25.2)				0.0	(25.2)
Rental & Utilities	(15.5)	(39.1)			0.0	(54.6)
Others	(39.9)				0.0	(39.9)
Gross Profit (exclud. deprec. /amort.)	674.5	(39.1)	0.0	0.0	(1.4)	634.0
Sales Expenses	(122.3)	0.0	0.2	0.0	0.0	(122.1)
Provision for Doubtful Accounts (PDA)	(54.9)		(0.0)		0.0	(55.0)
Marketing	(67.3)		0.2		0.0	(67.1)
General & Administrative Expenses	(130.2)	(99.2)	(32.2)	0.0	(49.1)	(310.6)
Personnel	(82.7)		(48.8)		(1.3)	(132.8)
Third Party Services	(34.2)		(29.9)		(0.0)	(64.2)
Rental & Utilities	(0.1)	(99.2)	(1.9)		(0.9)	(102.2)
Others	(13.2)		48.5		(46.8)	(11.5)
Other Operating Revenues (Expenses)	1.6	0.0	(43.5)	0.0	0.0	(41.9)
Provisions	(6.3)		0.0		0.0	(6.3)
Taxes	(1.1)		(2.3)		0.0	(3.3)
Other Operating Revenues (Expenses)	8.9		(41.2)		0.0	(32.3)
Late Payment Fees	4.4		0.0	(4.4)	0.0	0.0
Operating Result	428.1	(138.3)	(75.4)	(4.4)	(50.5)	159.4
Corporate Expenses	(75.4)		75.4			0.0
Adjusted EBITDA	352.6	(138.3)	0.0	(4.4)	(50.5)	159.4
(-) Late Payment Fees	(4.4)		0.0	4.4	0.0	0.0
(-) Non-Recurring Items - EBITDA	(50.5)				50.5	0.0
EBITDA	297.7	(138.3)	0.0	0.0	0.0	159.4
Depreciation & Amortization	(138.3)	138.3			0.0	0.0
Equity Equivalence	(2.2)				0.0	(2.2)
EBIT	157.2	0.0	0.0	0.0	0.0	157.2
Net Financial Result	(202.0)				0.0	(202.0)
EBT	(44.8)	0.0	0.0	0.0	0.0	(44.8)
Income Tax and Social Contribution	3.4				0.0	3.4
Net Income	(41.3)	0.0	0.0	0.0	0.0	(41.3)
Non-Controlling Interest	(35.9)				0.0	(35.9)
Net Income	(77.2)	0.0	0.0	0.0	0.0	(77.2)

Annex IV: Balance Sheet

Assets	MAR 23	DEC 22	MAR 22
Current Assets	2,290.7	2,379.6	2,246.0
Cash and cash equivalents	419.8	422.4	229.1
Cash & financial investments	840.5	988.2	1,172.2
Accounts receivable	873.9	791.6	656.4
Accounts receivables with related parties	0.6	0.3	-
Prepaid expenses	17.5	55.3	24.3
Recoverable taxes	74.7	77.2	83.4
Prepaid expenses	60.4	36.0	-
Other current assets	1.7	5.6	78.8
Rights receivable from minority shareholders	1.8	3.1	1.7
Non-Current Assets	8,281.3	8,352.4	8,572.5
Financial Investments	66.0	66.0	-
Accounts receivable	74.5	57.5	73.7
Judicial deposits	146.9	143.8	144.1
Rights receivable from minority shareholders	248.6	248.6	236.1
Credit with related parties	38.8	36.2	14.4
Recoverable taxes	32.9	27.3	18.2
Other non-current assets	6.4	5.8	50.9
Investments	50.8	42.5	8.6
Right of use	1,236.6	1,310.4	1,396.5
Fixed	623.6	618.7	653.8
Intangible	5,756.2	5,795.7	5,976.2
Total Assets	10,572.0	10,732.0	10,818.5

Liabilities	MAR 23	DEC 22	MAR 22
Current Liabilities	2,335.1	1,821.4	1,323.1
Supplier	217.3	209.8	196.4
Accounts payable with related parties	0.2	0.2	-
Loans	1,333.8	885.4	395.0
Right of use lease	169.6	172.7	179.1
Personnel	167.4	168.3	200.2
Taxes payable	52.6	53.6	58.8
Advances from clients	154.0	109.0	111.5
Tax debt installments	13.7	13.7	13.2
Accounts payables	130.8	120.9	119.7
Dividends payables	43.4	30.2	0.0
Derivatives	1.5	2.6	4.9
Other current liabilities	50.8	54.9	44.4
Non-Current Liabilities	5,094.7	5,709.1	6,260.8
Loans	2,671.1	3,224.7	3,137.2
Right of use lease	1,301.4	1,334.0	1,400.8
Accounts payables	236.4	233.9	191.9
Debit with related parties	0.1	0.1	0.1
Client advances	17.0	13.0	15.8
Tax debt installments	52.2	54.1	60.0
Deferred income tax and social contribution	70.0	74.4	605.7
Provisions for risks	702.4	722.0	786.3
Derivatives	10.5	18.4	34.0
Other non-current liabilities	33.5	34.5	29.1
Shareholder Equity	3,142.2	3,201.5	3,234.6
Capital Stock	2,451.7	2,451.7	2,451.7
Capital reserve	28.3	39.1	29.6
Earnings reserve	593.0	593.0	36.7
Shares in treasury	(180.4)	(184.3)	(165.6)
Asset valuation adjustment	(138.0)	(136.1)	588.9
Retained earnings	(77.2)	-	(90.1)
Minority shareholders interest	464.8	438.1	383.4
Total Liabilities and Shareholder Equity	10,572.0	10,732.0	10,818.5

Annex V: Income Statement - IFRS

R$ million	1Q23	1Q22
Net Revenue	954.4	902.4
Cost os Services	(320.4)	(314.2)
Gross (Loss) Profit	634.0	588.2
Operating (Expenses) / Income	(476.8)	(403.0)
Commercial	(122.1)	(111.4)
General and administrative	(310.6)	(271.8)
Equity income	(2.2)	(4.2)
Other operating (expenses) revenues	(41.9)	(15.5)
Income before Financial Result	157.2	185.2
Financial interest income	49.6	23.5
Financial interest expenses	(251.6)	(298.4)
Net (Loss) Income before Taxes	(44.8)	(89.8)
Income tax and social contribution, current and deferred	3.4	6.4
Net Income or Loss before Non-Controlling Interest	(41.3)	(83.4)
Non-Controlling Interest	(35.9)	(6.8)
Net Income or Loss for the Period	(77.2)	(90.1)