



2Q19 RESULTS

ă
anima
EDUCAÇÃO

DISCLAIMER

The general and summarized information related to the activities pursued by Ânima Educação until this date should not be construed as a share acquisition invitation, offer or request. This presentation may contain statements that merely express the expectations of the Company's management, as well as forecasts of future and uncertain events. Such expectations and/or forecasts involve risks and uncertainties, consequently decisions related to the acquisition of the Company's shares should not be based on them.

* Results exclude the effect of the IFRS-16 for better comparison.

KEY MESSAGES

1H19 results demonstrate our **precise execution**, of an **assertive strategy** based on a **robust purpose!**

- **Adjusted EBITDA** ex IFRS-16 in 1H19: R\$113.0 million (margin of 19.9%, or +1.2pp y/y)
- Consistent growth of consolidated **Net Revenue** in 1H19 (+4.7% y/a)
- Units from the **Base operation presenting growth** in operating margin (34.9% 1H19 vs. 34.6% 1H18)
- **Acquisitions resuming growth curve:** Net Revenue (+2.2%) and operating margin (+8.3pp)
- Units opened between 2016 and 2019 continue reporting **higher results than business plans** (Net Revenue +149.6% and operating margin +10.0pp (R\$12.3 million))
- **5th positive intake cycle** and the majority of students with no financing (83.5%)
- **Better dropout rates** (6.7% in 2Q19) even with a higher freshmen base
- **Focus on ticket and in strategies** to revert trend
- We announced on 08/05 the **acquisition of Rede de Ensino AGES**

We are prepared to live the future through an assertive project, which is built together, with legitimacy and purpose, combined with an intense dedication to rigorous execution of what is planned!



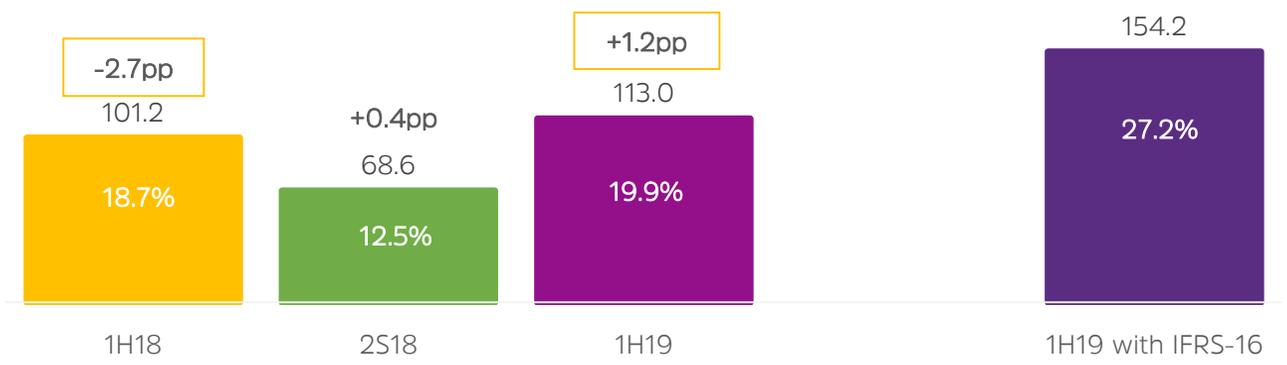
**CONSOLIDATED
RESULTS**

Adjusted EBITDA

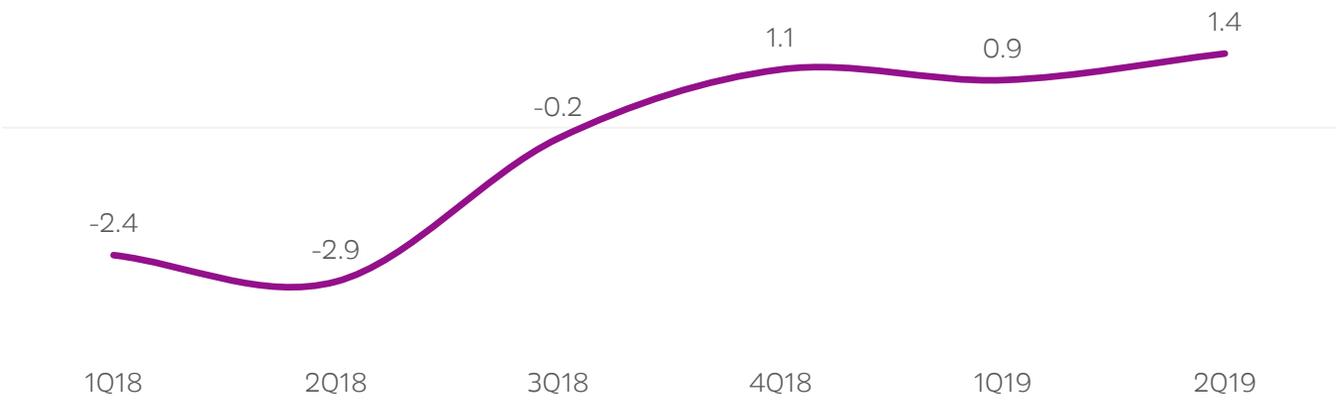
(in R\$ million)

Adjusted EBITDA ex-IFRS-16

Adjusted EBITDA with IFRS-16

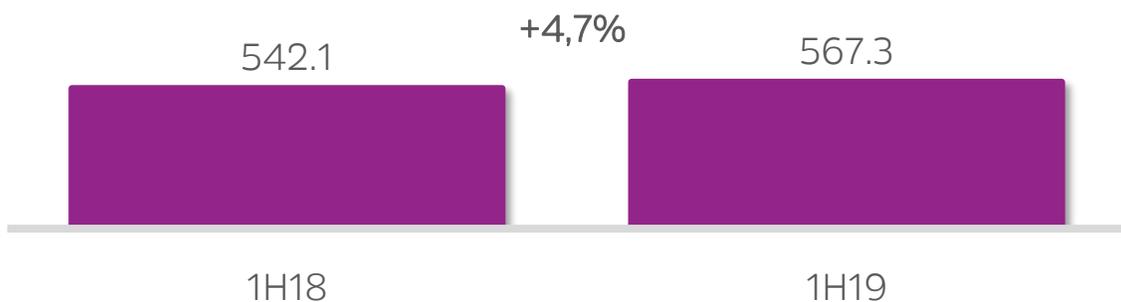


Adjusted Margin EBITDA evolution - ex-IFRS-16
(in pp vs. same quarter period)



- In 1H19, our adjusted EBITDA reached R\$113.0 million, (+11.7% vs. 1H18) and margin of 19.9% (+1.2pp vs. 1S18).
- We continue the margin evolution movement as a consistent trend.

Net Revenue (R\$ million)



Education (96%)

Others (4%)

Net Revenue

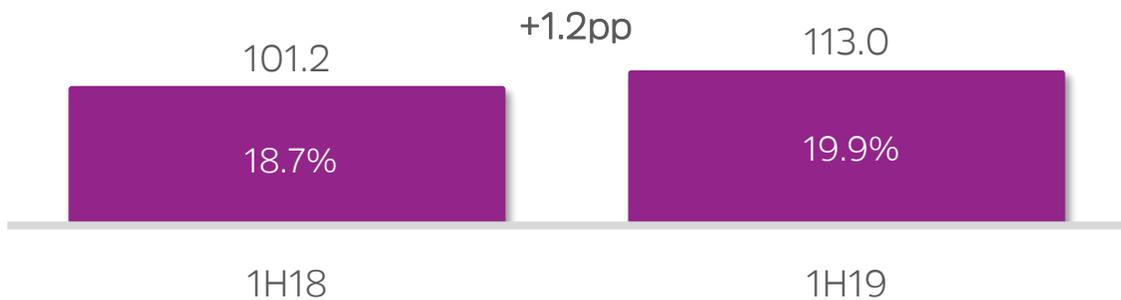
1H19

5.4%

-11.8%

4.7%

Adjusted EBITDA (R\$ million)



Gross Margin

Commercial Exp.

General and Admin. Exp.

Other

Corporate

EBITDA Margin

CONSOLIDATED

1H19

2.0pp

-0.5pp

0.0pp

-0.8pp

0.6pp

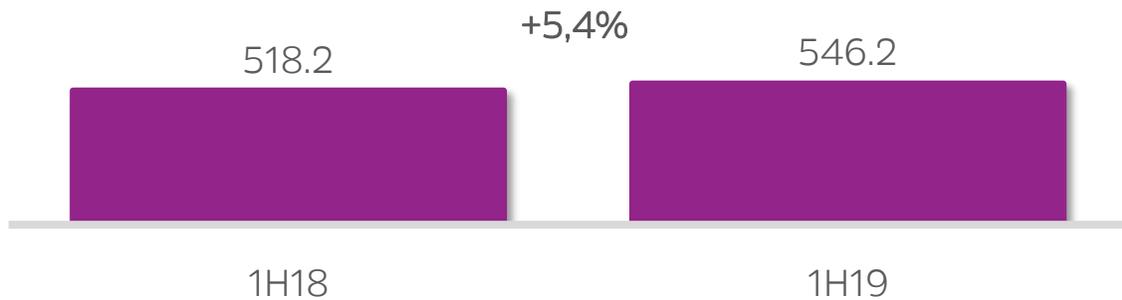
1.2pp



EDUCATION

Education

Net Revenue
(R\$ million)



Student Base
Average Net Ticket
Excl. Acquisitions ¹
Acquisitions ¹

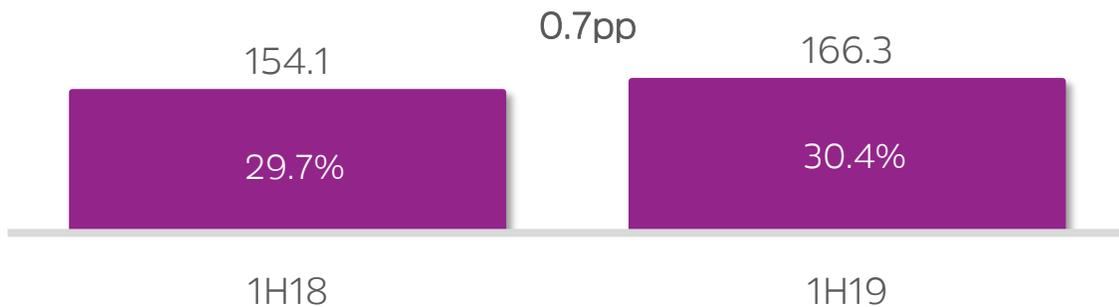
1H19
5.0%
-2.5%
2.5%
2.9%

Education Net Revenue

5.4%

¹ Considers the acquisitions made in 2018 (CESUC, Faculdade Jangada and Faced)

Operating Result
(R\$ million)



Gross Margin
Commercial Exp.
General and Admin. Exp.
Other

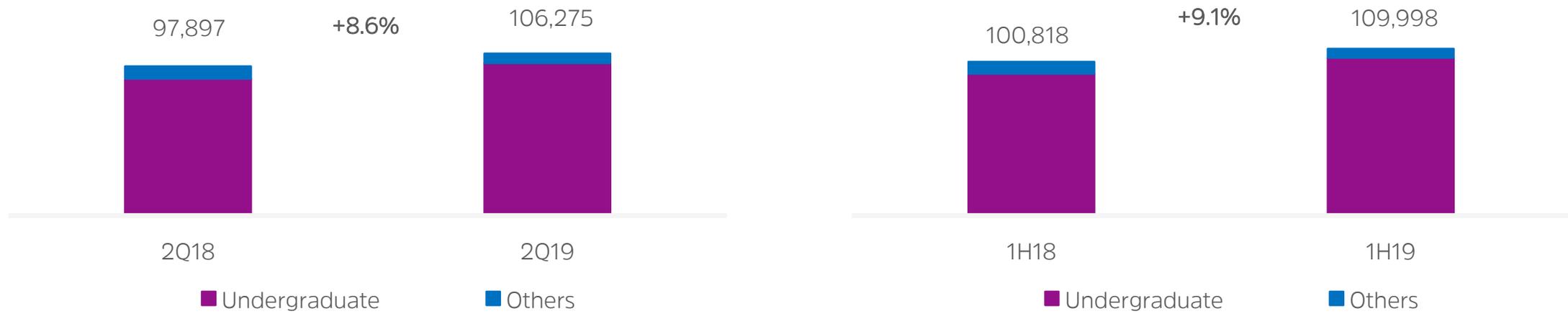
1H19
1.9pp
-0.2pp
-0.2pp
-0.8pp

Education Operating Result

0.7pp

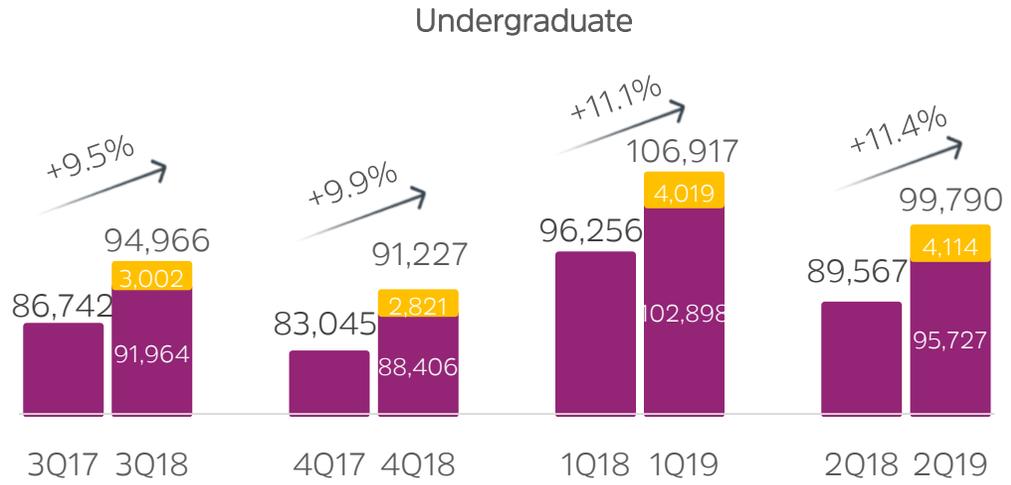
Student Base

Average

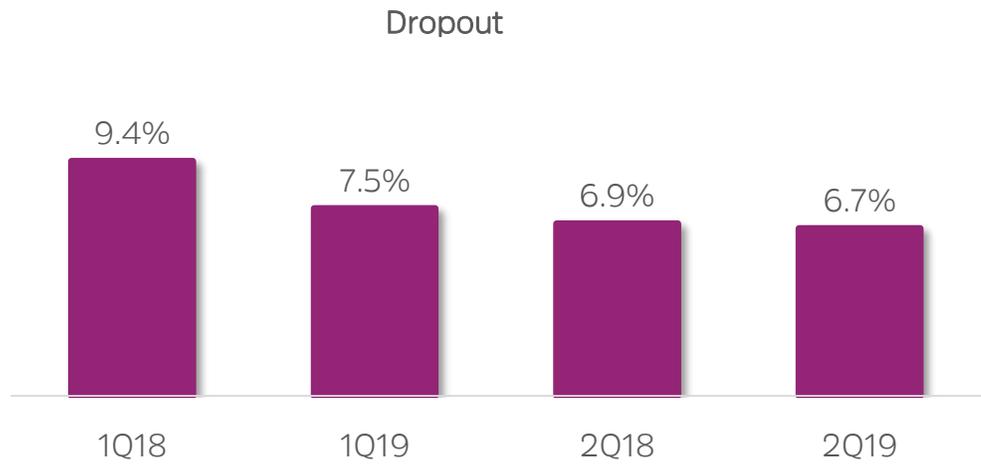


Our average student base grew by 9.1% on 1H19 vs. 1H18 (+5.0% excluding the acquisitions made in 2018)

Undergraduate Student Base



• Acquisitions



We continue to see as positive highlight the growth of the undergraduate student base, with +10.2 thousand students and +11.4% vs. 2Q18 (+6.2 thousand students and +6.9% excluding the acquisitions of 2018), mainly with new students without no financing (83.5% of 2019.1 intakes).

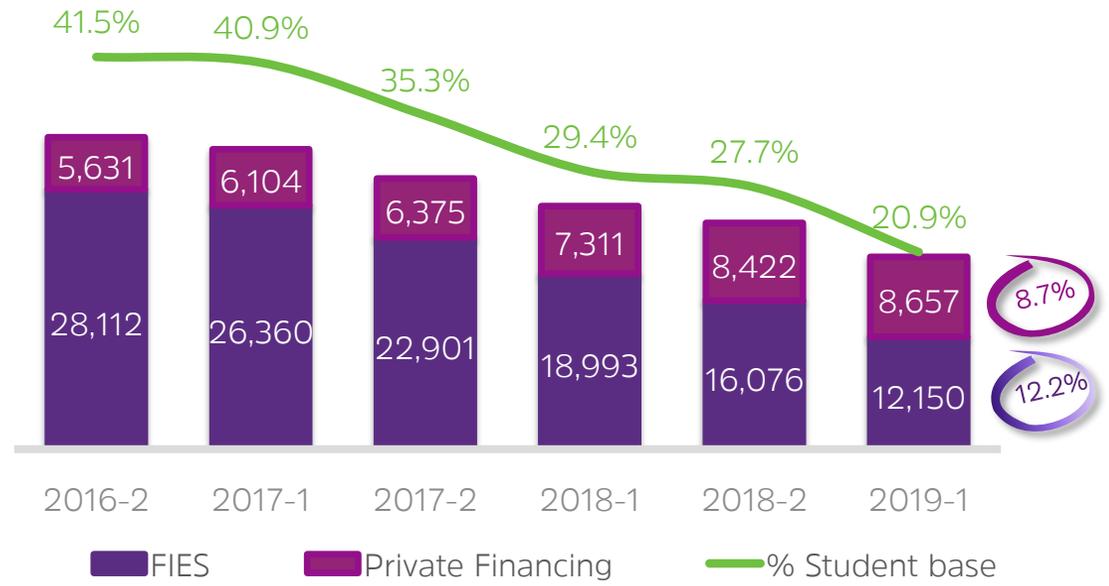
In addition to the good performance in the intake process, even with a larger freshman base, we presented an improvement in the dropout rate, reaching 6.7% (+0.2pp vs. 2Q18), which reflects, among other initiatives, the impact of the first J2A project results.

Student Financing

Student Financing
-- Total Intake --

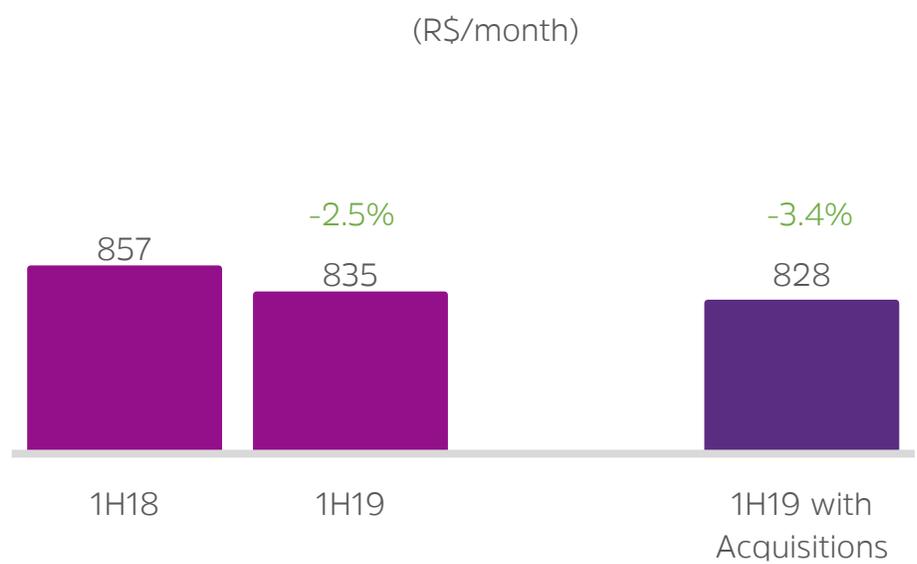


Student Financing
-- Student Base --



We ended 2Q19 with 12.2% and 8.7% of the student base with FIES and Private Financing, respectively.

Net Average Ticket



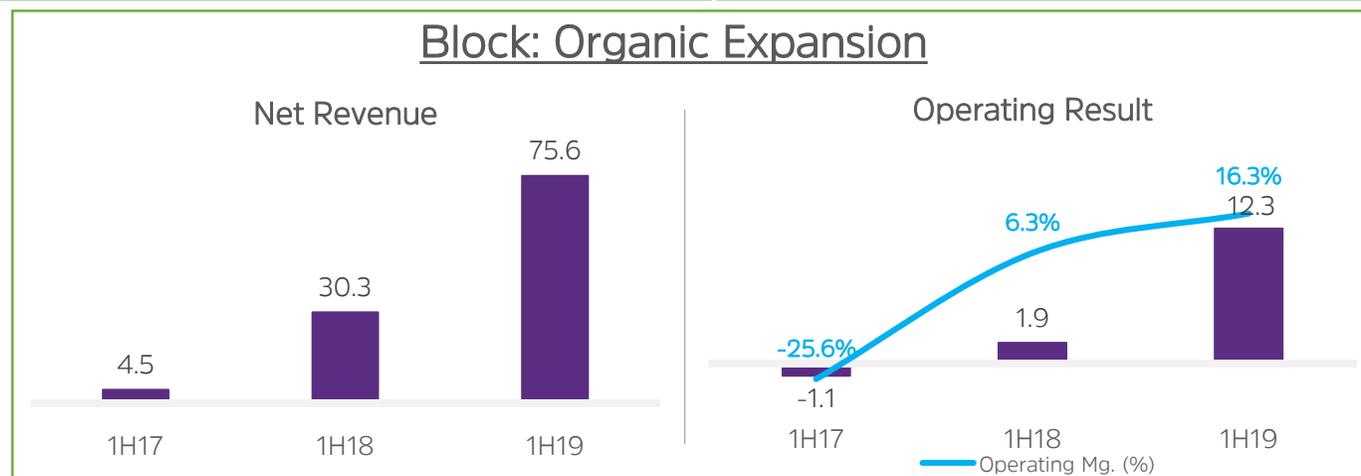
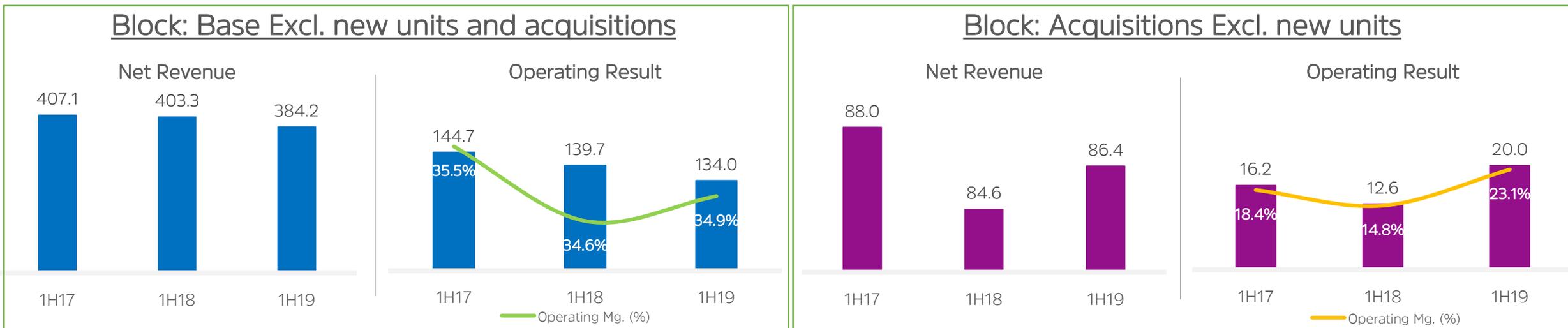
In 1H19, out net ticket excluding the acquisitions reached an average of R\$835/month (-2.5% y/y), explained by an average increase in tuitions (5.0%), increase in scholarships, discounts and taxes (-9.8%), and gain in course mix (+2.2%). Considering the acquisitions, our net average ticket in 1H19 was of R\$828/month (-3.4% vs. 1H18).

In 2Q19 our net average ticket reached R\$862/month, -1.8% vs. 2Q18.

Education – Integration of Acquisitions and Q2A impacts



(in R\$ million)



¹ Considers Una, UniBH and São Judas (including the Unimonte campus, but excluding acquisitions and new units opened as of 2016)

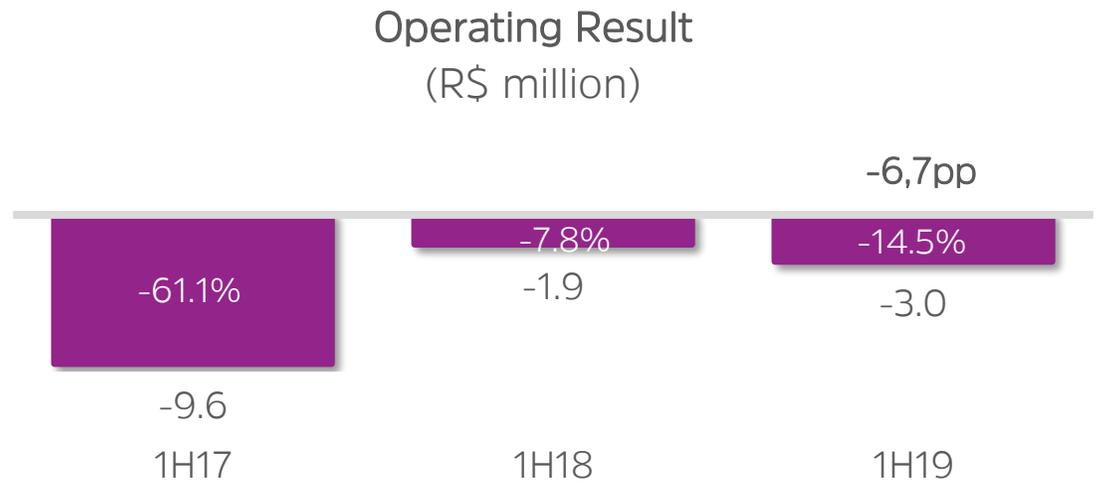
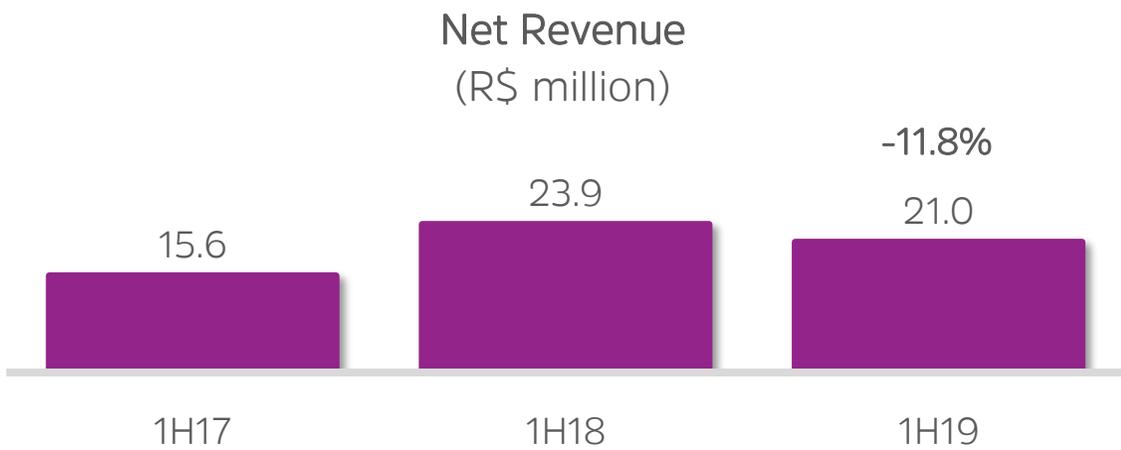
² Considers acquisitions made throughout 2016 (UniSociesc Feb'16, Una Bom Despacho Jul'16 and Una Uberlândia Oct'16)

³ Considers organic expansion: Units of Sete Lagoas (Jul'16), Catalão (Oct'16), Divinópolis (Feb'17), Pouso Alegre (Mar'17), Nova Serrana (Apr'17), São Bento do Sul (Jan'17), Itajaí (Jul'17), Itabira (Jan'18), Jataí (Jan'18), Jabaquara (Jan'18), Santo Amaro (Jan'18), Paulista (Jan'18), Palácio Avenida (Jan'18), Jaraguá do Sul (Jan'18), Vila Leopoldina (Jan'19), Santana (Jan'19), São Bernardo do Campo (Jan'19), Guarulhos (Jan'19), Cubatão (Jan'19), Florianópolis Continente (Jan'19), Conselheiro Lafaiete (Jan'19), Itumbiara (Jan'19), and the acquisitions made in 2018 (CESUC, Faculdade Jangada and Faced)



OTHER BUSINESSES

Other Businesses



- In 1H19, the Other Business reported Operating Result of -R\$3.0 million, in line with its seasonality, that historically recovers in the second half of the year.
- The difference in the annual comparison is given due to the extraordinary performance of the 1st edition of the SingularityU Brazil Summit, in 2Q18, offset by and evolution of EBRADI and hsmU, in line with their business plans.

A man with dark hair is shown in profile, looking down. He is wearing large, over-ear headphones with the 'AKG' logo visible on the ear cup. The image has a strong green and yellow color cast and a white grid pattern overlaid. In the background, there are faint, dark silhouettes of palm trees. The overall mood is professional and focused.

CORPORATE AND G&A EXPENSES

Corporate and G&A Expenses

(as a % of Net Revenue)



(in R\$ million)



■ Corporativo ■ G&A

- Corporate expenses reached R\$50.3 million in 1H19, 8.9% of Net Revenue, +0.5pp vs. 1H18.
- G&A Expenses reached R\$62.3 million in 1H19, or 11.0% of Net Revenue, stable vs. 1H18.
- It is important to highlight that our focus remains on the company's overall expenses, seeking new opportunities of higher efficiency gains, including the higher dilution of the corporate expenses.

Personnel Expenses

R\$ (million)	1Q18	2Q18	1H18	3Q18	4Q18	1Q19	2T19	1H19	1H19 vs. 1H18	2T19 vs. 2Q18
Personnel Expenses - Corporate	(20.0)	(22.8)	(42.7)	(17.9)	(20.5)	(15.3)	(17.0)	(32.3)	10.4	5.7
Personnel Expenses - Education	(15.0)	(17.1)	(32.1)	(14.1)	(12.5)	(17.8)	(18.9)	(36.7)	(4.6)	(1.8)
Personnel Expenses - Other Businesses	(4.9)	(5.6)	(10.5)	(4.4)	(5.1)	(4.9)	(4.9)	(9.8)	0.7	0.7
Consolidated Personnel Expenses	(39.8)	(45.5)	(85.3)	(36.4)	(38.1)	(38.0)	(40.8)	(78.8)	6.5	4.7
Collective bargaining agreement (+4.3%)							1.6			
Q2A Expansion Effect						2.6	2.8			
Consolidated Personnel Expenses Ex. Collective bargaining agreement and Q2A Expansion	(39.8)	(45.5)	(85.3)	(36.4)	(38.1)	(35.4)	(36.4)	(71.8)	13.5	9.1

- Looking specifically at personnel expenses, we made a reclassification between corporate and teaching expenses in 1Q19.
- When consolidated, we reported an efficiency of R\$4.7 million when we compare 2Q19 with 2Q18, even after the impact of the collective bargaining agreement (4.3%) and the expansion related to the Q2A.
- If we exclude these effects, the efficiency in 2Q19 vs. 2Q18 would be of R\$9.2 million.

Non-recurring

R\$ (million)	EBITDA			
	1H19	1H18	2Q19	2Q18
Restructuring Expenses	(7.0)	(9.7)	(5.5)	(6.0)
GIT	(1.2)	(2.9)	(0.8)	0.1
Adjustment Accounts Receivable FIES	0.0	1.2	0.0	0.6
Total Non Recurring Items	(8.1)	(11.3)	(6.3)	(5.2)

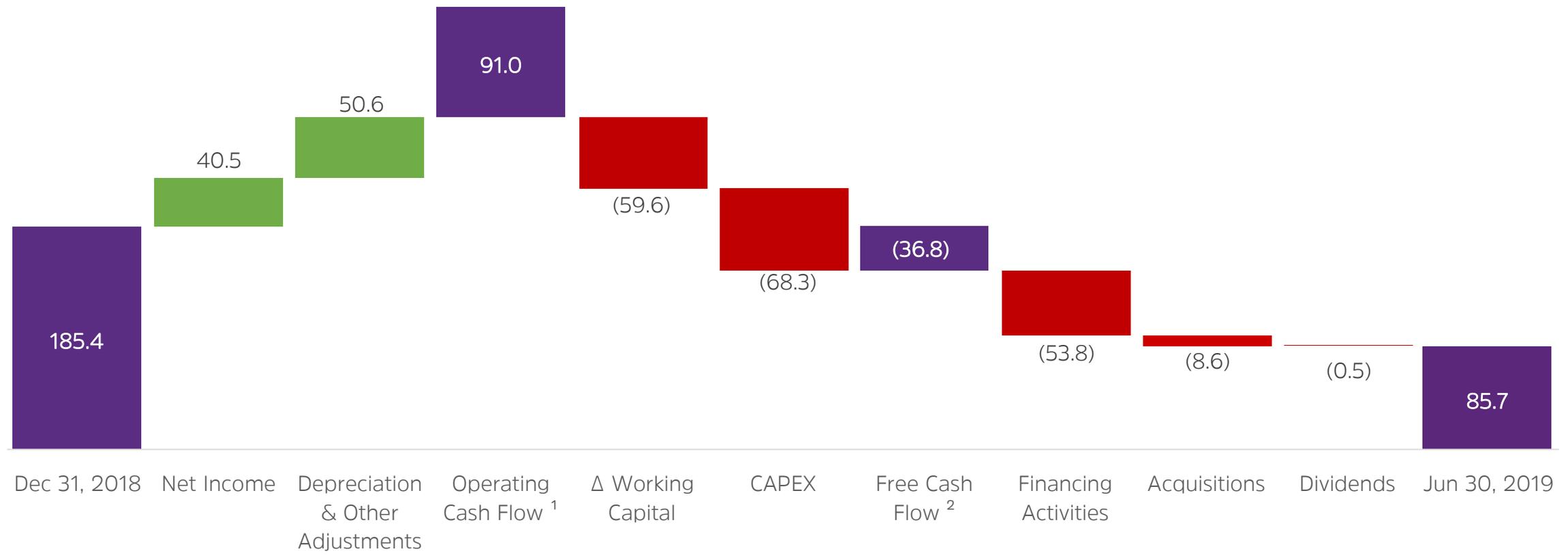
- **Restructuring Expenses:** The level of our non-recurring items in the first half of the year is below than the observed in the same period last year. The main items from this group were the severance packages expenses, that consumed R\$7.0 million in 1H19, concentrated in 2Q19 (R\$5.5 million), specially in academic restructuring.
- **GIT:** Simplification of the activities carried out by GIT as of 1Q18, to focus on the activities with greater integration with our base operation (undergraduate education). We continue removing, from the managerial results, the effect related to this business unit in 1H19 (R\$0.6 million in Net Revenue and -R\$1.2 million in Operating Result).



**CASH
GENERATION**

Cash Flow – 1H19

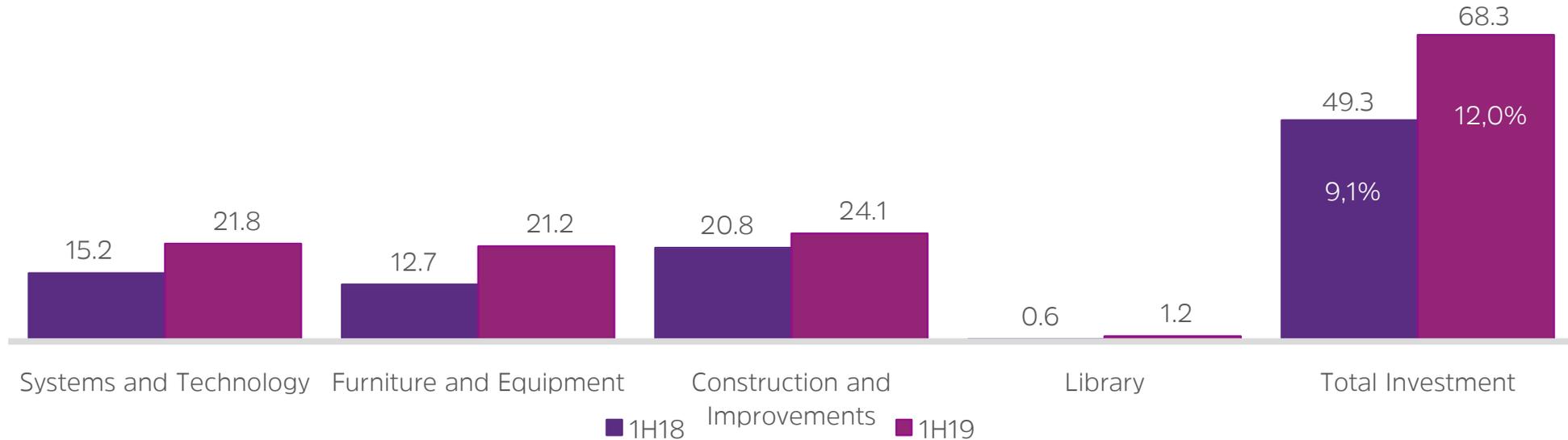
Excl. IFRS-16



¹ Operating Cash Flow = Net Revenue + Depreciation & Other non-cash items
² Free Cash Flow = Operating Cash Flow – Working capital – Capex

CAPEX

(R\$ million)



- In 1H19, our investments totalized R\$68.3 million, or 12.0% of Net Revenue, +2.9pp vs. 1H18.
- This level of investment is impacted by the organic expansion units, through the maturation of units opened between Jul'16 and Jan'19, which represented 38% of total Capex this semester (R\$26.1 million). Excluding this effect, our normalized Capex would be of R\$42.2 million, or 7.4% of Net Revenue.

Cash and Net Debt

R\$ (million)	Consolidated Ânima with IFRS-16		Consolidated Ânima excl. IFRS-16		
	JUN 19	MAR 19	JUN 19	MAR 19	JUN 18
(+) Cash and Cash Equivalents	85.7	136.7	85.7	136.7	293.5
Cash	30.3	44.5	30.3	44.5	246.6
Financial Investments	55.4	92.2	55.4	92.2	46.9
(-) Loans and Financing ¹	353.8	376.0	353.8	376.0	415.2
Short Term	79.4	80.0	79.4	80.0	66.3
Long Term	274.4	296.0	274.4	296.0	348.9
(-) Liability Lease (IFRS-16)	538.5	550.7			
Short Term	20.6	27.2			
Long Term	518.0	523.5			
(=) Net (Debt) Cash ²	(806.7)	(790.0)	(268.1)	(239.3)	(121.7)
(-) Other Short and Long Term Obligations	104.5	103.2	104.5	103.2	76.2
(=) Net (Debt) Cash ³	(911.2)	(893.2)	(372.6)	(342.5)	(197.8)

¹ Net of swap adjustment

² Considering financial debt (bank loans) only.

³ Including obligations related to tax debt and acquisitions payables.

FINAL CONSIDERATIONS

- We set out our 8 principles and 10 steps that will lead us to the achievement of the strategic objectives built by choosing 5 short-term priorities:
 - J2A: student centrality in a successful journey of their life project;
 - E2A: quality education with pioneering and leadership of the hybrid and competency model;
 - Q2A: sustainable growth as our expansion project evolves;
 - People management with the construction of the teacher's journey and experience of Ânima's 8 principles;
 - Precise management of the entire to achieve and deliver the agreed results;

All of this is connected to digital transformation through a new business model with a modern, lightweight, simple and agile organizational design.

- We reaffirm what has brought us here and move forward on our path to sustainably enable more opportunities for Brazilians to have access to quality education and thus realize our purpose of *Transforming the Country through Education!*

Conference call 2Q19

Portuguese with simultaneous translation into English

August 13, 2019

09:00 a.m. (NY) | 10:00 (Brasilia)

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Webcast: [click here](#)

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