

RESULTS 4Q20

ănimă
EDUCAÇÃO





DISCLAIMER

The general and summary information related to the activities performed 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 the forecast 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.

ã KEY MESSAGES

Ânima Educação lived a remarkable year. All of our 8 Principles made a difference and placed us in a prominent position in the higher education sector. Even in social isolation, our strategic movements have allowed us to continue transforming lives, fulfilling dreams;

Our quality premise, which has been in our DNA since the first day of Ânima, guiding all our decisions, almost 18 years ago, was the central axis of this unique performance;

The journey of Digital Transformation and the academic model (E2A) allowed the change from the face to the digital environment in the interval of only 5 days. Investments in technology enabled the acceleration of several pillars of digital transformation;

Two important and strategic acquisitions and two public offers of shares in the year (January and December), very successful, ratified the perception of the market as to the solidity of our Company and the opportunities before us.

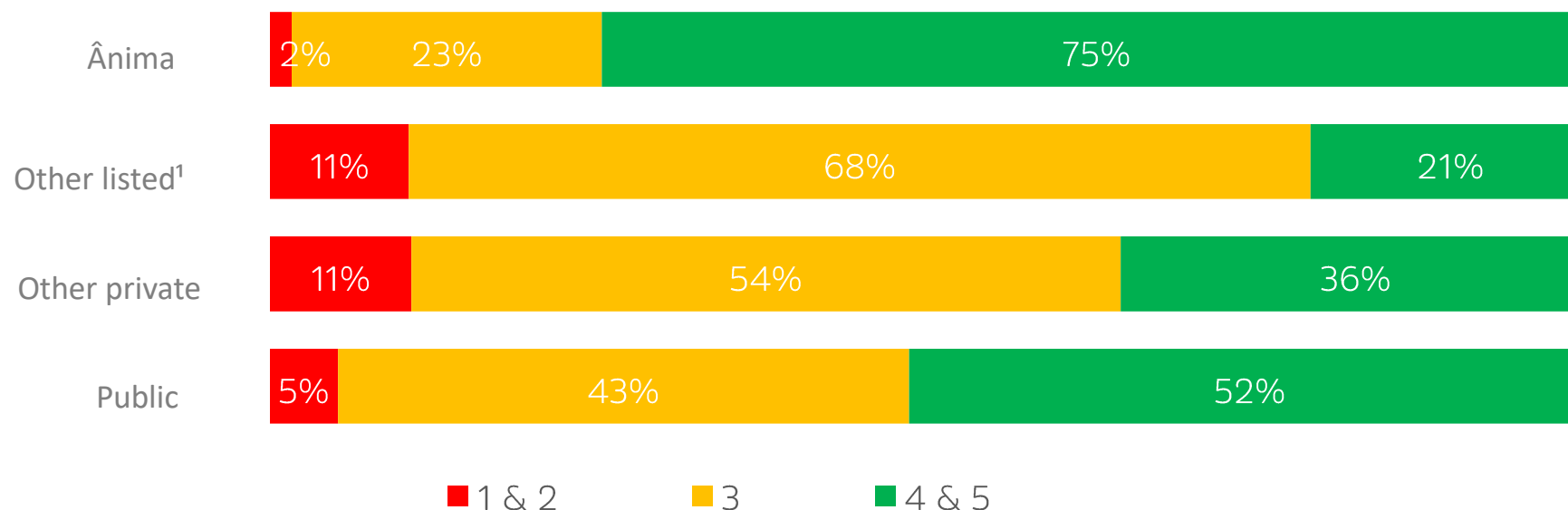
- MEC indicators published in the second half of 2020, in relation to 2019, reinforce our **quality position**.
- Consolidated Net Revenue of R\$1,421.6 million in 2020, **+20.4%** versus 2019;
- EBITDA Adjusted, in the year, R\$376.1 million (**+28.4%** vs. 2019) with EBITDA margin of **26.5%** over RL (**+1.7pp** vs. 2019);
- Student base **+5.6%** in relation to 4Q19; Undergraduate base rising **+6.7%** in the year (**+0.3%** vs. 2019 ex acquisitions);
- Ticket growing expressive **19.8%** vs. 2019 (**+6.6%** ex acquisitions);
- Ânima Learning Ecosystem, hybrid model that became reference, allowed operational gain of **2.1pp** of margin;
- PDA of the impacted year and reflecting the challenging economic scenario (**6.0%** of RL **+2.3pp** vs. 2019);
- INSPIRALI follows growth path: ended 2020 with a base of 2.424 students and Net Revenue of R\$174.7 million (**+96.4%** vs.2019);



ACADEMIC QUALITY

ã ACADEMIC QUALITY

CPC: Percentage of Enrollments by CPC Ranges in the 2017-2019 Three-Year Period



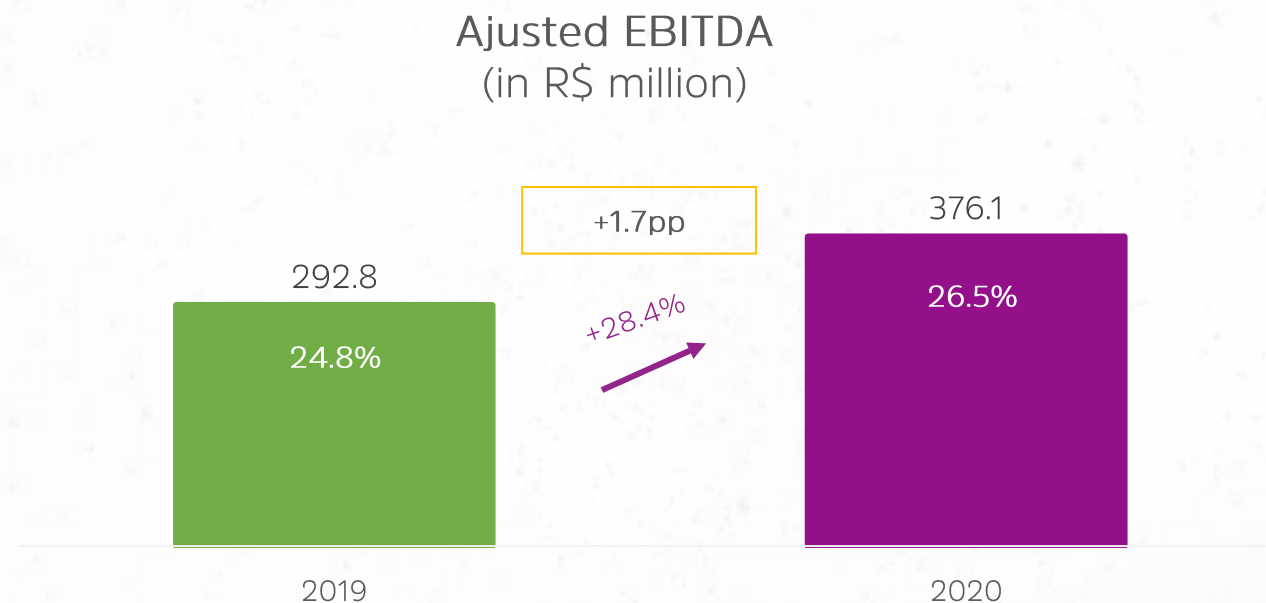
¹ Other listed includes: Cogna, Laureate, Ser e YDUQS (2019)

- In 4Q20, INEP/MEC published the CPC results (Preliminary Course Concept) which assesses the performance of students by course while 75% of our students are in courses with CPCs in ranges 4 and 5, in Private HEIs, the number is only 36%.
- The evolution of our academic hybrid model by competence (E2A) has made us reference in quality and innovation, as it develops the necessary response to Market changes. Learn more about our academic model by [clicking here](#) (português only).



CONSOLIDATED RESULTS

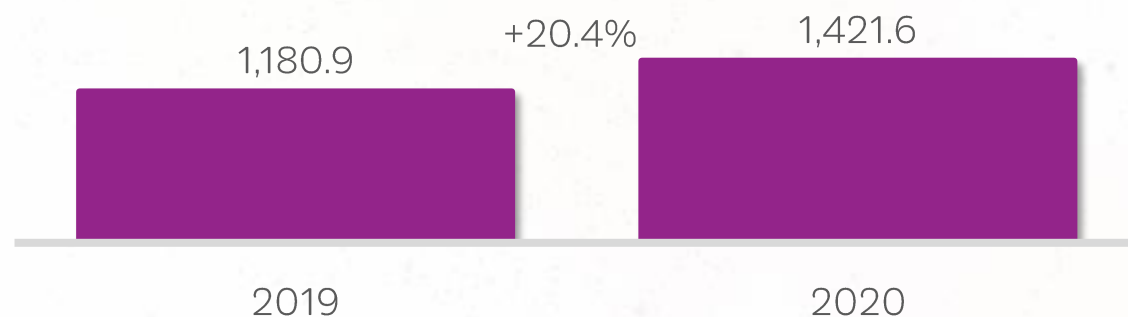
ADJUSTED EBITDA (in R\$ million)



- EBITDA 2020 of R\$376.1 million (**+28.4%** vs. 2019), margin of 26.5% on Net Revenue (**+1.7pp** vs. 2019);
- The main items that contributed positively to the growth of EBITDA, were: Net Revenue, increase in student base and ticket, the higher operating result of all cohorts at our units, and efficiency gains derived from the academic model.
- The retention efforts, which were responsible for the growth of the student base, are also related to our financial support initiatives for students (new lines of Pravalier and Decola programs). This scenario reflects on PDA (+2.3 p.p. vs. 2019). Considering that most of our students do not have any kind of financing, our portfolio presents healthier indices than the industry average.

CONSOLIDATED

Net Revenue
(R\$ million)



Education

Others

Net Revenue

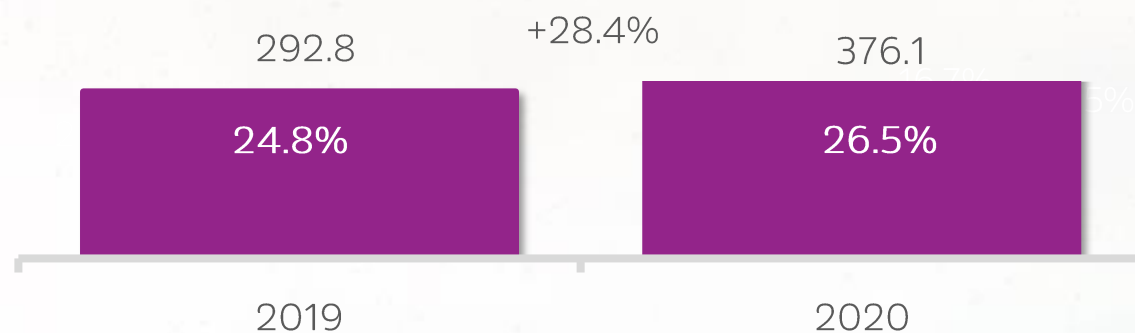
2020

21.9%

-4.5%

20.4%

Adjusted Ebitda
(R\$million)



Gross Margin

Commercial Exp.

General and Admin. Exp.

Other

Corporate

EBITDA Margin

2020

6.9pp

-2.7pp

-1.0pp

-1.0pp

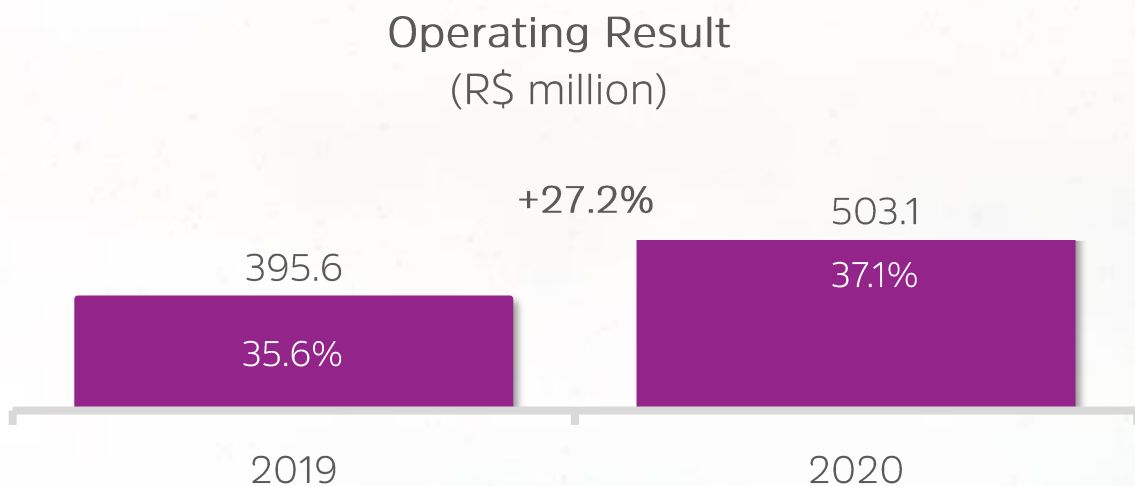
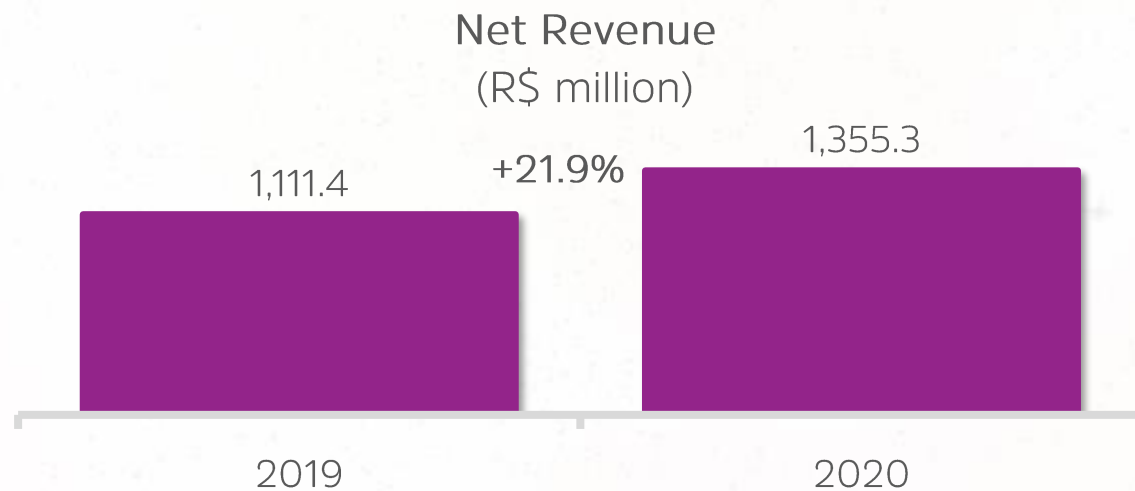
-0.6pp

1.7pp



EDUCATION

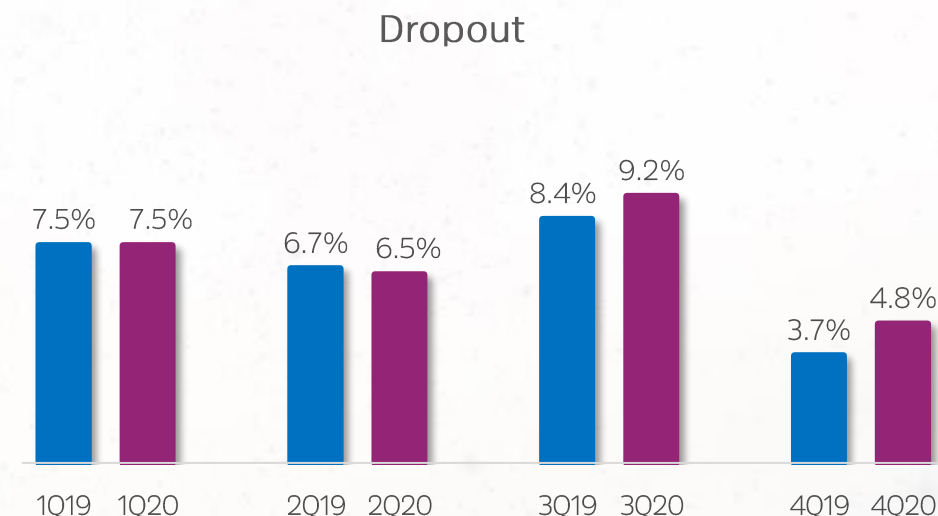
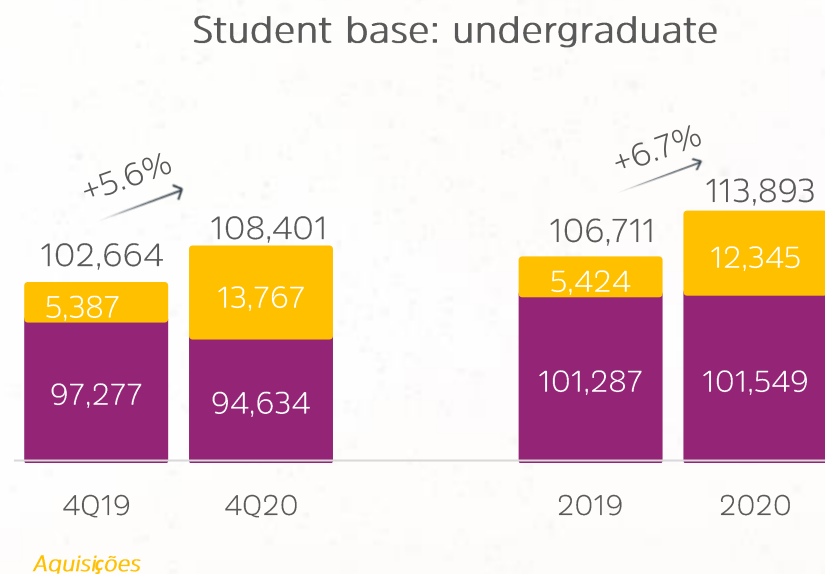
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	<u>2020</u>
Student Base	-1.0%
Average Net Ticket	6.6%
Excl. Aquisições	5.6%
Aquisições	16.4%
Education Net Revenue	21.9%

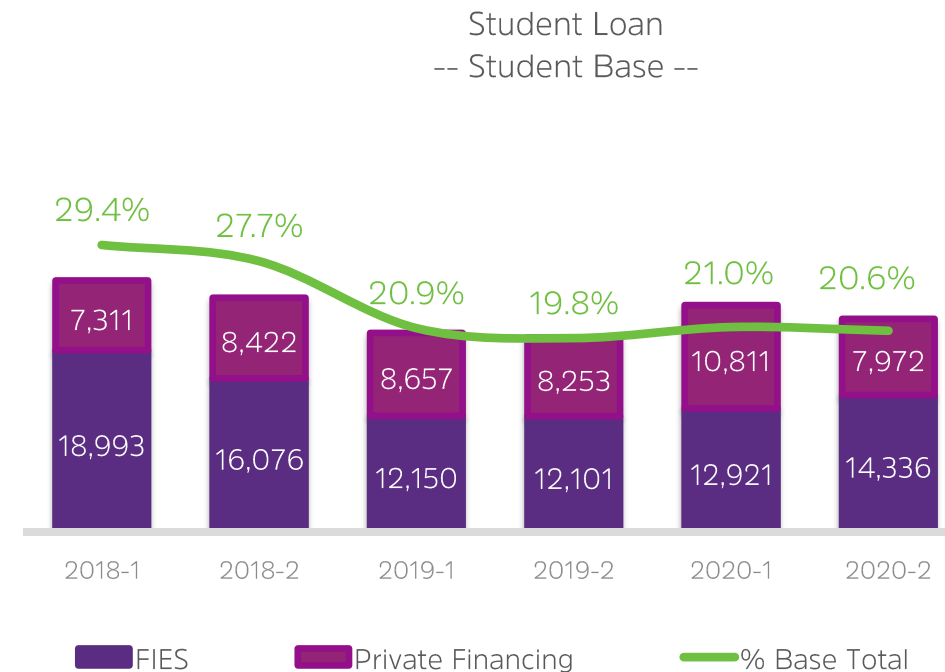
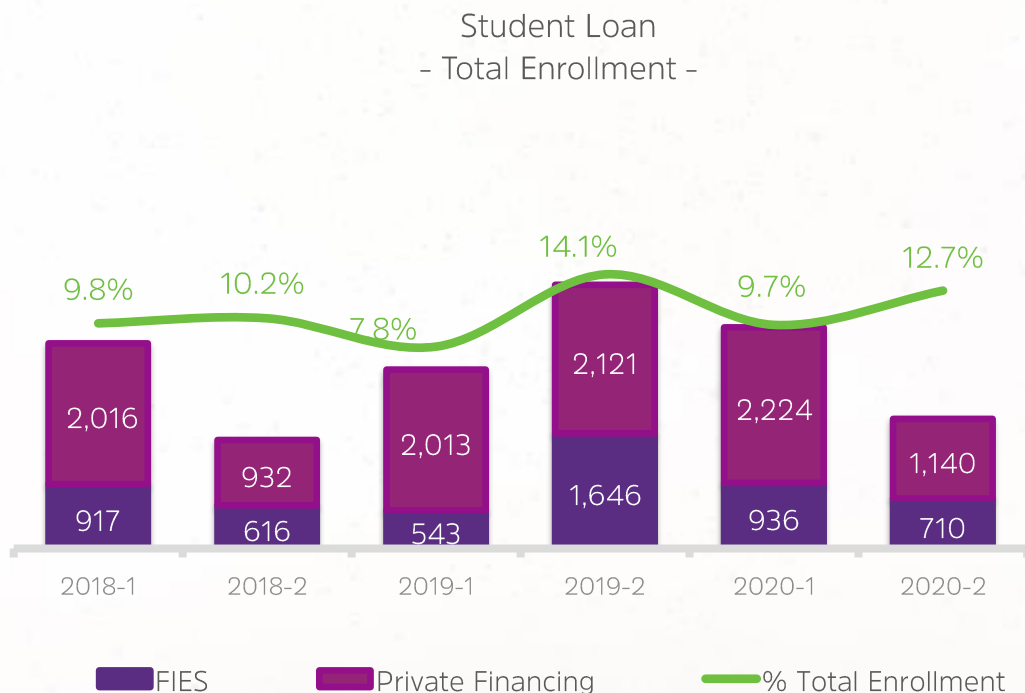
	2020
Gross Margin	6.4pp
Commercial Exp.	-2.7pp
General and Admin. Exp.	-0.8pp
Other	-1.4pp
Education Operating Result	1.5pp

STUDENT BASE: UNDERGRADUATE



- We grew our average undergraduate student base by **+6.7%** in 2020 vs. 2019 (**+0.3%** excluding acquisitions).
- We reported a dropout rate of **4.8%** in our undergraduate student base, up by **1.1pp** over 2019.
- This performance strongly reflects the differential of our value proposal in the Education sector.
- We continue to support our students and offer sustainable solutions so that they can continue their studies, attentive to the still uncertain context of the effects of the pandemic.

STUDENT FINANCING

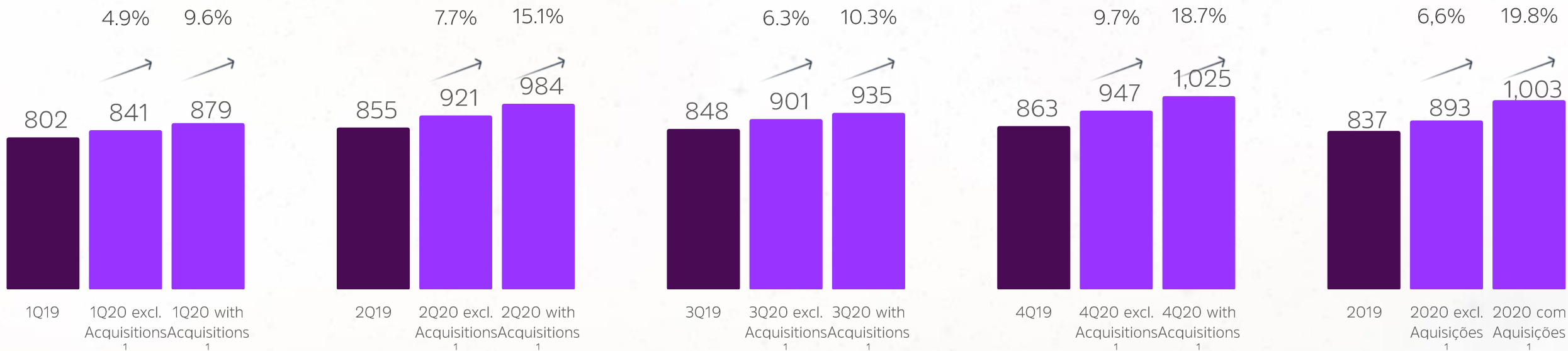


- We ended the year with 14,3 thousands students with FIES (13.2% of the base) or 10.2% excluding acquisitions.
- Pravalier: we ended the quarter with around 8 thousand students, 7.4% of the undergraduate base, with 2.9 thousand using our balance sheet credit risk (2.7% of the base)
- This financing scenario shows that we have further intensified the engagement of students, mostly without any type of funding, which represented 87.3% in the uptake.



(R\$/month)

AVERAGE NET TICKET



- We report a net average ticket in 4T20 (+18,7%), with the biggest evolution within the year. In the comparison between 2019 and 2020, the ticket showed a growth curve of +19.8%.
- The behavior of continuous evolution of our ticket is due to a Strong commitment to the appreciation of educational services, which led to sound decisions in the strategy of its recomposition, through technological tools, internal projects and initiatives and equally strategic options in our acquisitions, which reinforce the superior positioning of our brands.

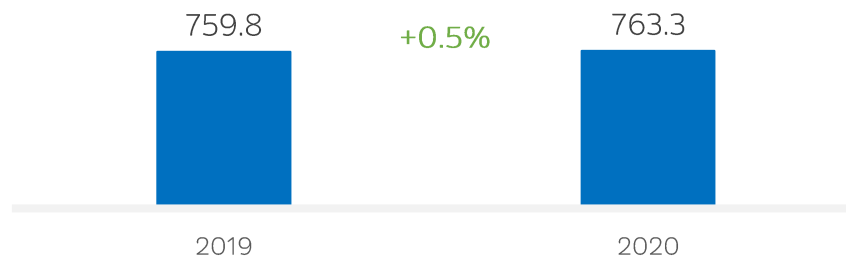


EDUCATION – INTEGRATION OF ACQUISITIONS AND Q2A IMPACTS

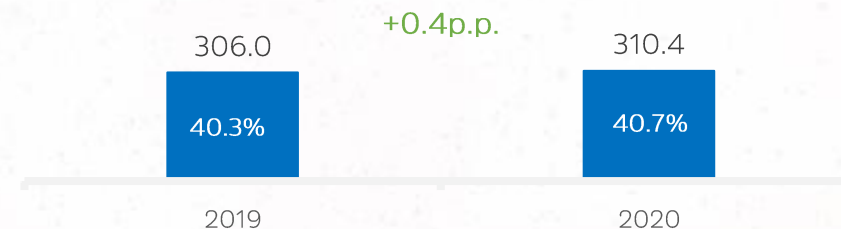
BLOCKS:

Base

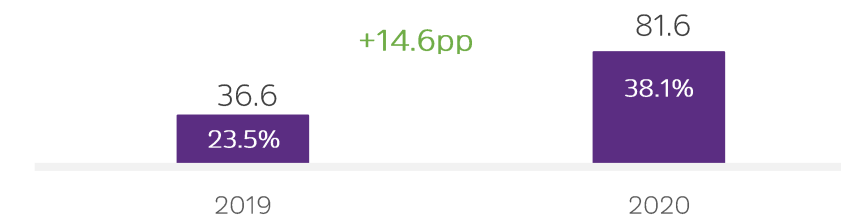
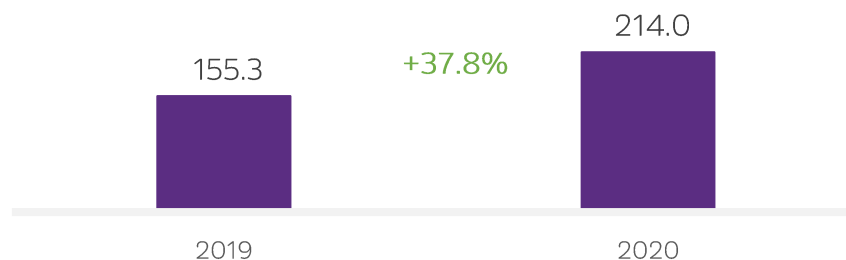
NET REVENUE



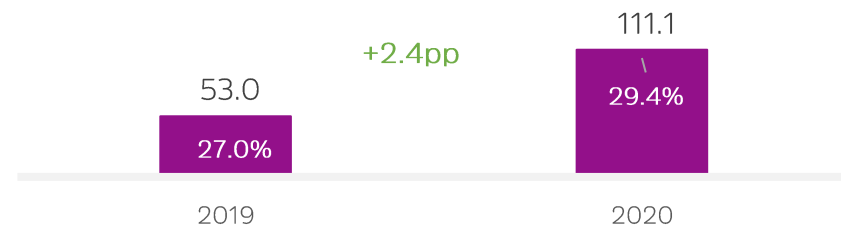
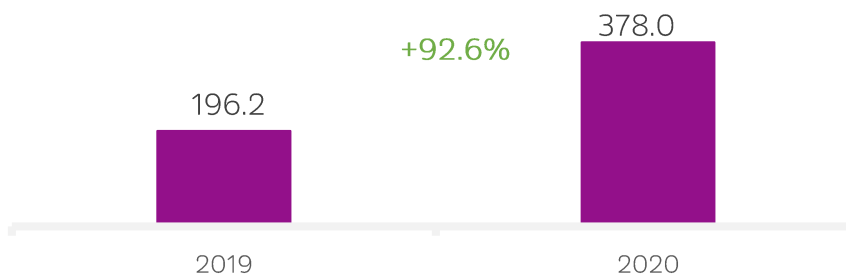
OPERATIONAL RESULT



Organic Expansion



Acquisitions



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

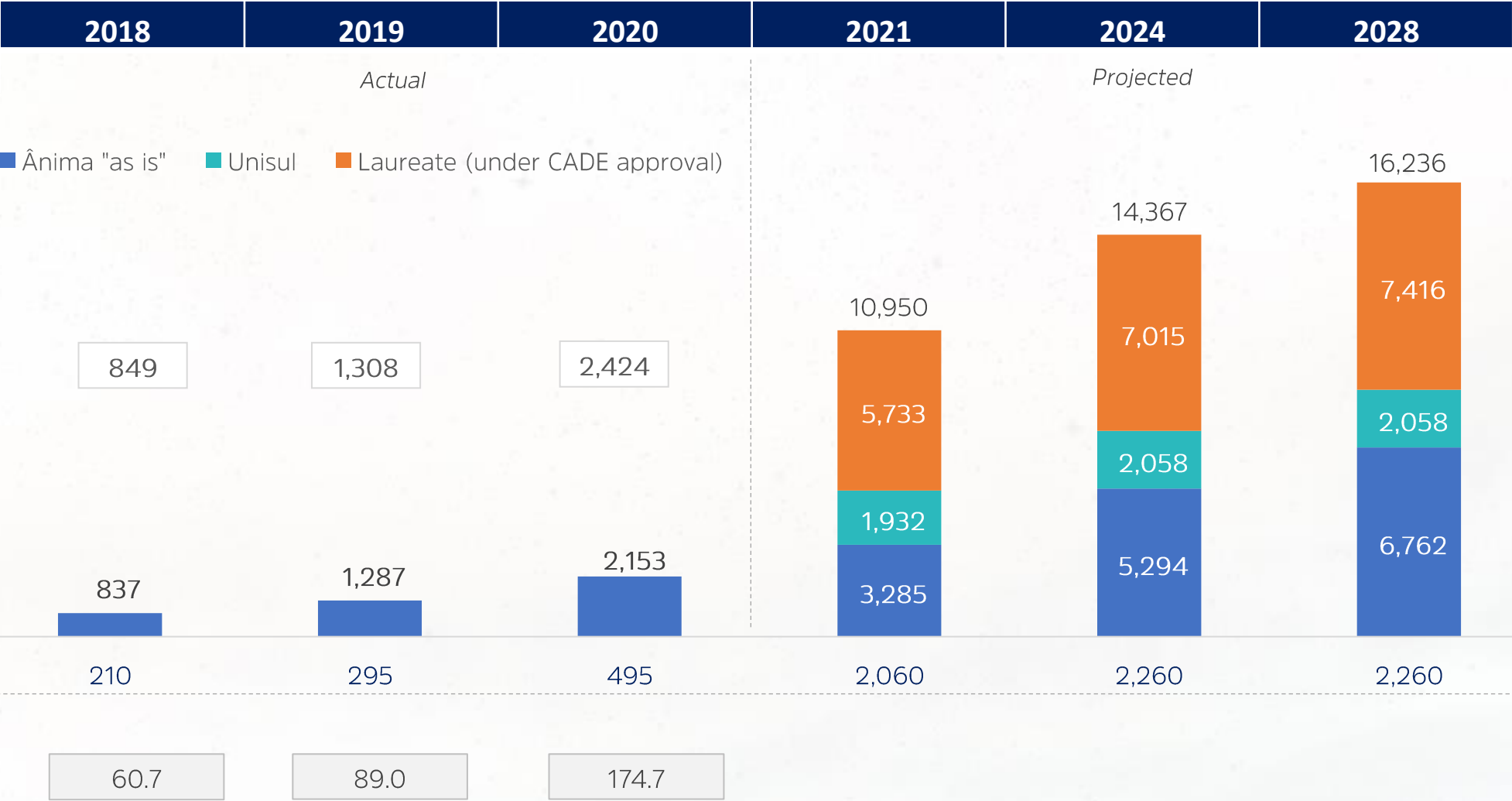
² Considers organic expansion: Unidades de Sete Lagoas (Jul'16), Catalão (Oct'16), Divinópolis (Feb'17), Pouso Alegre (Mar'17), Nova Serrana (Apr'17), São Bento do Sul (Jan'17), Itajaí (Jul'17), Itabira (Jan'18), Jataí (Jan'18), Jabaquara (Jan'18), Santo Amaro (Jan'18), Paulista (Jan'18), Palácio Avenida (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 e Faced)

³ Considers the acquisitions carried out in 2016 (UniSociesc Feb'16, Una Bom Despacho Jul'16 e Una Uberlândia Oct'16), AGES in Aug'19, Unicuritiba as of Feb'20, Faseh as of May'20 and UniFG as of July'20



MEDICAL COURSES

INSPIRALI: MEDICAL VERTICAL



• For more detailed information about the complete maturation, year by year, per unit, see the spreadsheet on our website [clicking here](#).

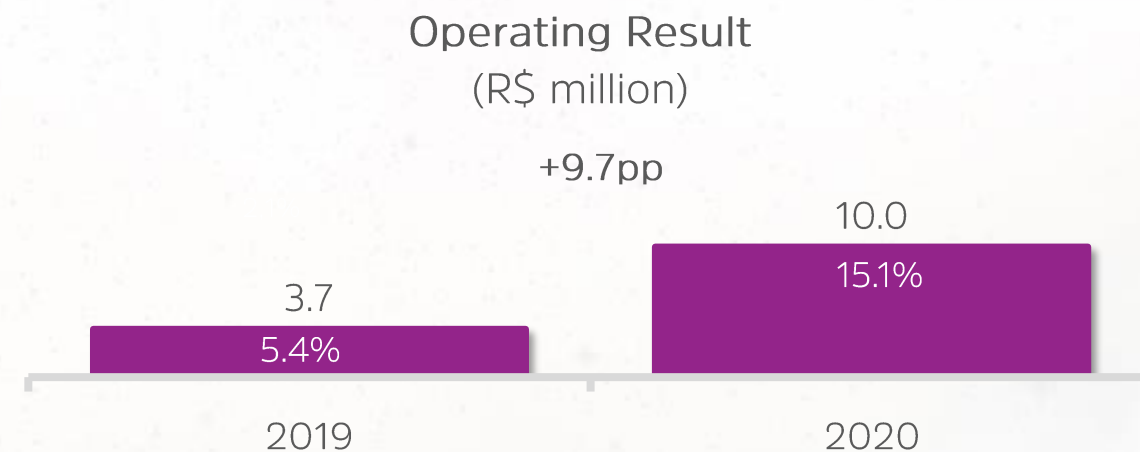
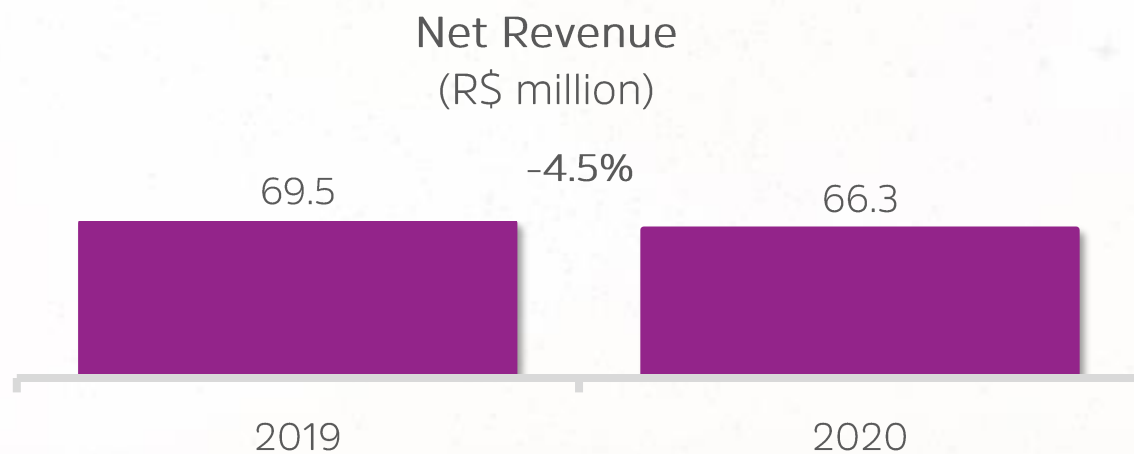
INSPIRALI: MEDICAL VERTICAL

- **INSPIRALI**, our medical vertical, has gained more and more relevance in our results and follows its growth trajectory.
- **6 ongoing Medical programs in 2020:** 3 authorized in the Mais Médicos program and **maturing** with the prospect of future expansion of number of seats; 3 had authorized increases in 2016, 2017 and 2019, still in maturation.
- Our average student base in 2020, in Medicine courses, is **4,095** (considering Unisul with 1,671 students) and **Net Revenue of R\$174.7 million in the year** vs. R\$89.0 million in 2019 (within the Education segment) with an **average monthly ticket of R\$7,236**.
- Upon approval of the transaction with Laureate by CADE, our base of medical students will have the potential to reach, in maturity, **2,260 seats and 16,236 students**.
- Medical courses today represent **12.6%** of the Net Revenue of Education. In maturity, this representation should reach about **27%**.
- We believe, from our experience and the evolution that we have seen in these courses from the scale gains obtained with INSPIRALI's acting model, that there is a potential for the outcome of medical courses, can reach an EBITDA margin much higher than other courses, in line with the benchmarks of this segment.



OTHER BUSINESSES

OTHER BUSINESSES



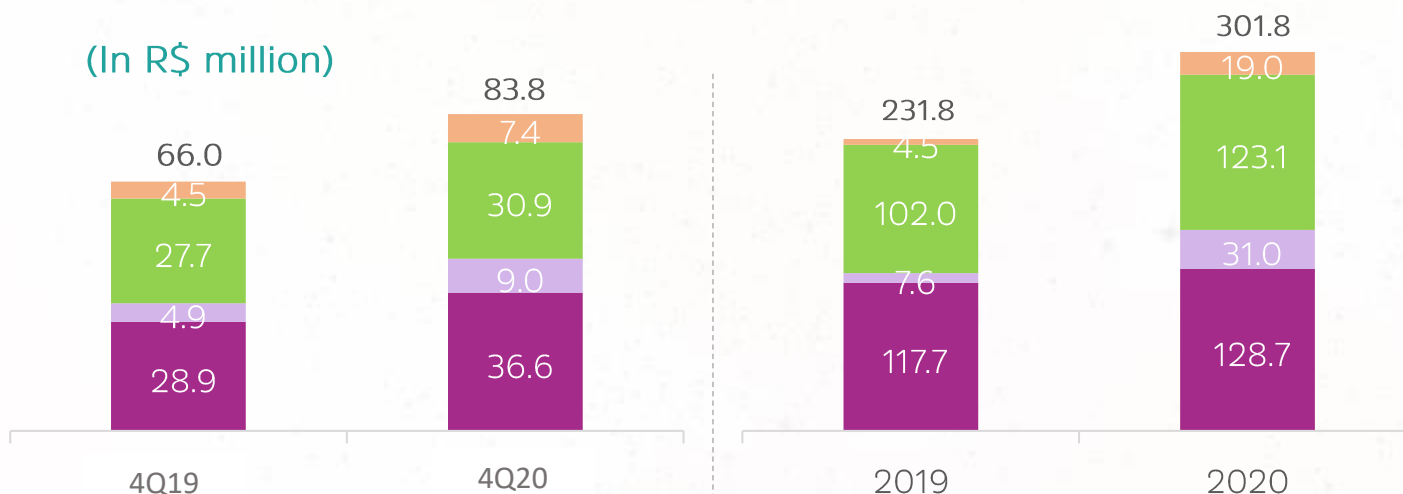
- In 2020, the other business segment presented an Operating Result of R\$10.0 million, compared to R\$3.7 million in 2019.
- This result can be explained by the maturation, and consequent gain of scale, of EBRADI, with increasing results and already reaching a base of 24,455 students in 2020.
- Analyzing EBRADI + hsmU, the operational result of these brands was R\$18.5 million in 2020 (vs. R\$8.2 million in 2019). The evolution of these courses reinforces our choice of **lifelong learning** strategy.



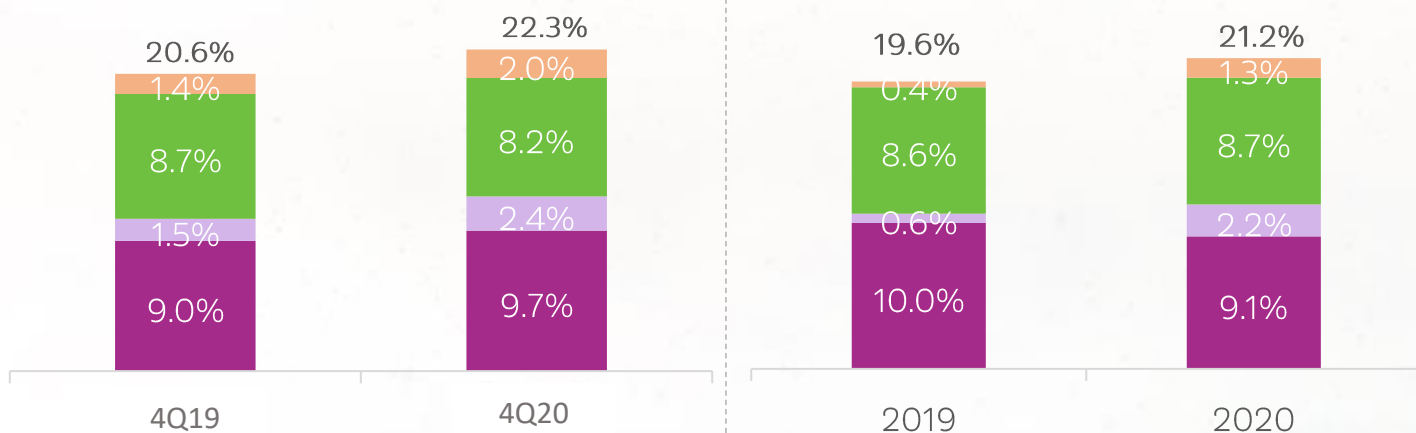
CORPORATE AND G&A EXPENSES

ă CORPORATE AND G&A EXPENSES

(In R\$ million)



(in % of Net Revenue)



■ G&A
 ■ G&A Acquisitions
 ■ Corporate
 ■ Incentive Plan

- In 4Q20, we reported a **dilution** of Corporate Expenses totaling R\$34.9 million in 4Q20 or, **down by 0.8 p.p.** over 4Q19. 9.3% of Net Revenue
- General and Administrative Expenses, consolidating acquisitions, totaled R\$164.5 million in 2020 and represented 11.6% of Net Revenue, vs. R\$125.3 million or 10.6% of Net Revenue in the previous year. We mainly observed an increase in third-party services due to the **digital transformation** process's advance and expenses related to **INSPIRALI's growth and greater scalability**.
- Our good results helped reach and even exceed the performance targets set. Therefore, our variable compensation plans (short- and long-term incentives) are active and fully implemented. In this quarter, we recognized R\$7.4 million related to incentive plans. In 2020, the incentive plans totaled R\$19.0 million (R\$4.5 million in 2019).

ă NON-RECURRING ITEMS

R\$ (million)	2020	2019	4Q20	4Q19
Restructing Operations	24.4	29.8	6.8	9.4
Integration	3.6	5.8	0.5	5.7
Impairment hsm	61.6	-	-	-
Others	6.2	2.9	3.4	1.3
Total	95.7	38.5	10.6	17.2

- In 4Q20, our non-recurring items totaled R\$10.6 million (vs. R\$17.2 million in 4Q19). The main item in 4Q20 refers to the restructuring of new acquisitions made in the second half of the year, we will be able to observe positive reflexes of these measures already in 2021.
- Part of these expenses we classify under “restructuring operations” when related to the academic model and unification of units and part as “integration” when related to synergies in the implementation of our shared services.
- In the year, due to hsm’s impairment, non-recurring items totaled R\$95.7 million. Excluding this effect, non-recurring items would represent R\$34.2 million (vs. R\$38.5 million in 2019).

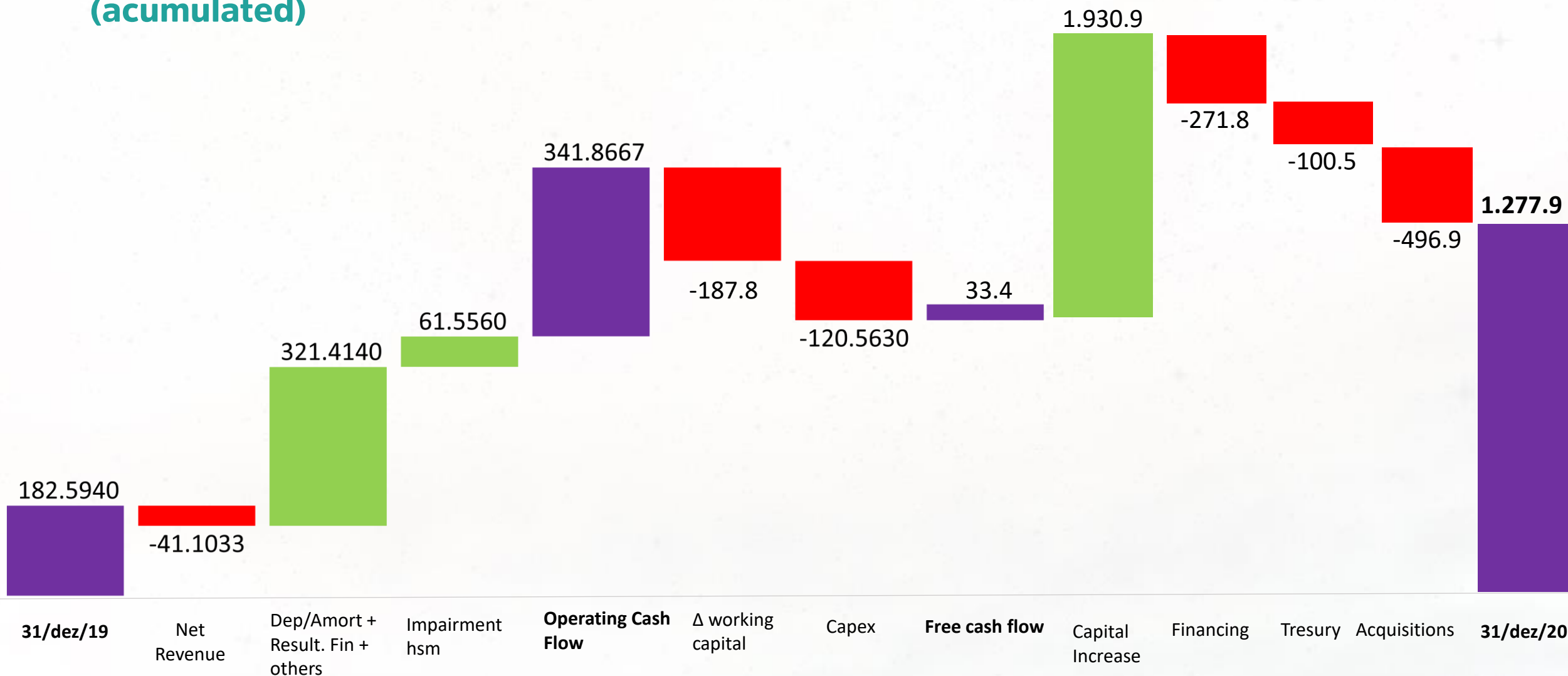


CASH FLOW

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CASH FLOW– 2020

(acumulated)

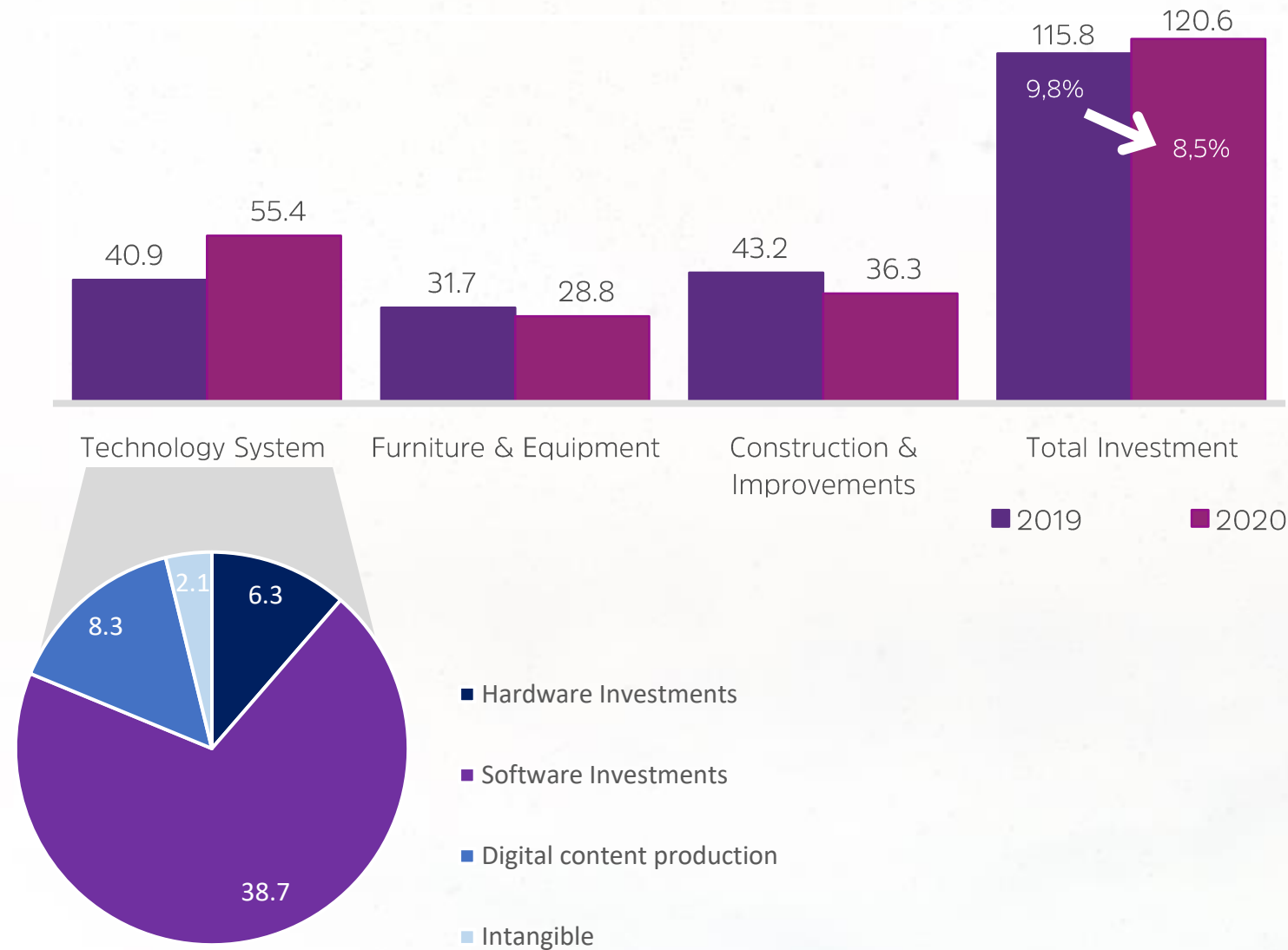


¹ Caixa Operacional = Resultado Líquido + Depreciação & Outros Itens não Caixa

² Fluxo de Caixa Livre = Geração de Caixa Operacional – Capital de Giro – Capex

CAPEX

Capex
(in R\$ millions)



- In 2020, our investments totaled R\$120.6 million or 8.5% of the Net Revenue, down by 1.3 p.p. compared to 9.8% in 2019. This level of CAPEX is impacted by the strong investment in technology;
- Organic expansion units accounted for 24.4% of total Capex in 2020, or R\$29.4 million. Excluding this effect, our Capex would be R\$91.1 million, or 6.4% of Net Revenue.

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R\$ (million)	Consolidated Ânima			
	Pro-forma feb-21	DEC 20	SET 20	DEC 19
(+) Cash and Cash Equivalents	1,255.8	1,277.9	789.8	182.6
Cash	68.8	73.2	84.3	31.6
Financial Investments	1,187.0	1,204.7	705.4	151.0
(-) Loans and Financing ¹	655.6	653.0	676.9	692.9
Short Term	132.2	129.9	88.0	105.8
Long Term	523.4	523.1	588.9	587.0
(=) Net (Debt) Cash ²	600.2	624.9	112.8	(510.3)
(-) Other Short and Long Term Obligations	267.3	285.7	270.9	143.1
(=) Net (Debt) Cash excl. IFRS-16 ³	332.9	339.2	(158.1)	(653.4)
(-) Liability Lease (IFRS-16)	829.9	666.6	653.4	555.2
Short Term	45.0	40.4	35.7	24.7
Long Term	784.9	626.1	617.7	530.5
(=) Net (Debt) Cash with IFRS-16 ³	(497.0)	(327.4)	(811.5)	(1,208.6)

² Considering financial debt (bank loans) only.

³ Including obligations related to tax debt and acquisitions payables.

- Total cash availability and financial investments in the year: R\$1,277.9 million, compared to R\$789.8 million in Sep/2020.
- As a result, excluding the effect of IFRS-16, we closed the year with net cash and cash equivalents of R\$339.2 million as provided for in our debt agreements.
- We ended the first two months of 2021 with net cash and cash equivalents of R\$332.9 million (Pro-forma February). This position already reflects the effects of the exercise of Unisul's call option.
- In anticipation of the debt that will be contracted to make the payment of the Laureate group's assets, we have already started structured deleveraging actions to keep the Company at a leveraging level in line with its historical rates.



UNISUL



Medical

- We implementE more effective ticket management measures;
- Effectiveness in the occupation of 287 authorized seats, with a total of 1,7 thousand students enrolled in 2020 (vs. 1,3 thousand students in 2019);



Intake

- Expertise of our **commercial team** and sharing of the **technological tools** developed contributing to a successful capture in the second half of 2020: 662 new students were enrolled (vs. 513 students in 2S2019);



Restructuring

- Full implementation of the restructuring plan agreed with the Santa Catarina Public Prosecutor's Office
- Fundação leaving the process debt-free, with organized financial obligations;
- **Reduction of operational infrastructure expenditures** - unit junction and lease negotiations.



Virtual UNISUL

- Continuity and resilience in the **evolution of the Digital Education net ticket** (R\$527);
- Outstanding MEC quality indicators;
- Important **synergy** with the entry of Laureate (when approved by CADE).

*Expected x Achieved Results**



In November 2019 we signed the agreement for co-management during the year 2020, with a purchase option in January 2021. We started co-management in March 2020, after the approval of CADE.



We support the Foundation by making the planned loans and anticipating additional amounts reported, accelerating the restructuring process, but above all with the implementation of our management systems and processes;



As a result of co-management, Unisul ended the year 2020 with a Net Revenue of R\$ 293.0 million, more than 15.2% than what was projected (R\$254.2 millions) in our internal models approved by our M&A Committee and Board, reinforcing the quality of the execution of our co-management;



Regarding the operational result, the performance was much higher than projected in our business plan. We hope that the year 2020 will be an intense year of restructuring, in order to consolidate the operation in Breakeven from 2021. As a result of the successful restructuring and our shared management model, already in 2020 we achieved an adjusted operating result of R\$56,0 million and exercised the option to buy in January 2021.

For more information about the transaction made in November 13, 2019, please [click here](#)



LAUREATE

ǎ LAUREATE: TRANSFORMATIONAL ACQUISITION

THE ACQUISITION:

- In November, we announced the transaction with the Laureate Group for the acquisition of their institutions in Brazil;
- It is undoubtedly a strategic and transformational movement that results in the creation of the most relevant education network in the country;
- MEC indicators (CPC, IGC, Enade and IDD) of the two companies are the highest in the sector, mostly in the ranges 4 and 5;
- Combination of high-quality brands forming the most valuable portfolio in Brazil
- Significant **scale** gain with strong complementary geographical presence;
- Unique **medical school** portfolio asset in premium locations with strong contracted growth;
- Multiple **value creation** opportunities to drive future growth and profitability;
- Shared values and principles that will result in **numerous benefits** for society;
- Union of talents, which will allow to share the best management practices and led by a team that will result in the company with the highest collective competence of the education market
- For more information, access the presentation [made for the market](#)

ă LAUREATE: TRANSFORMATIONAL ACQUISITION

THE INTEGRATION:

- Whereas the operation is under review by CADE, in strict observance of the rules of that body, in December we began work on the preparation for integration;
- We set up na **Integration Planning Office**, who has worked intesively and has already subsidized the Company with elements and schedules capable of initiating the integration of both operations immediately after being authorised;
- Set up, within the Board of Directors, an **Integration Committe**, which already has a mature organizational design project for the combined Companies;
- We hired two international consulting firms, with a strong reputation in the integration of large conglomerates, which **already completed the necessary diagnoses** for the moment we are authorized by CADE to start the combination of both operations;
- With our **trackrecord of acquisitions and integration**, a team prepared and strengthened, the support of experts and intense involvement of all top managements, we feel firmly ready to share the best practices, integrate people and operations, and inaugurate the most relevant **education company**, capable of impacting and accelerating the **Tranformation of the Country Through Education!**

ã FINAL CONSIDERATIONS

- 2020 was a unique moment in the world, and **Ânima Educação can make a big difference**. What has allowed us to continue our mission is the unquestionable legitimacy of our purpose;
- With full focus on our core business, we've chosen 5 key strategic movements in 2020 that have developed the necessary response to market changes, creating the tools for Ânima to keep growing, even faster, leading the time of changes in higher education;
- Hybrid academic model and digital transformation have been central elements in the execution of our mission;
- The rigor in the execution of our purpose offered solutions that sustained the continuity of a delivery of quality educational services and robust results, which strengthen us and give us confidence for the great opportunities ahead, in that year 2021, when Ânima, combined with the assets of Laureate, will become the most relevant Company of higher education in the country;
- We created effective contingency plans through a Prevention and Care Committee established in February 2020 and has been in full and permanent operations since;
- We were agile in decision-making, converting all our students, educators and educators to the virtual environment in just 4 days, with quality and individualized attention, as well as accelerating strategic M&A decisions;

FINAL CONSIDERATIONS

- We have maintained financial discipline by directing special attention to our cashier, with two successful public offerings that meant raising R\$2 billion;
- We strengthened investments strategically, increasing digital transformation initiatives, one of our competitive differentials ;
- We faced the Covid-19 crisis, which is not over, and are using what we have learned to define potentially transformative strategies to strengthen our long-term sustainability;
- In 2021, deleveraging initiatives are on our agenda. We received the support of a first-rate banking union, guaranteeing the resources to acquire Laureate and, in a structured and secure way, we have already started the implementation of plans to take the Company to a level of indebtedness in line with its historical indexes;
- Without the commitment and deep dedication of all our educators and educators none of this would have been possible. The moment is one of acknowledgement and recognition! To our entire community, which chooses to be in Ânima Educação every day, which dreams a lot and accomplishes even more, which never conforms and, with a lot of passion, gets involved in all our projects and strategies for together, Transforming the Country by Education, our THANK YOU!

TELECONFERENCE 4Q20

Webinar

March 18th 2021
11h00 (BRL) | 10h00 (NY)

To access the webinar (Portuguese): [click here](#)

To access the webcast (English) : [click here](#)

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ănima
EDUCAÇÃO