



# 3Q23 and 9M23 Results Presentation

November 10<sup>th</sup>, 2023



## 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.

# 3Q23 and 9M23 Highlights



## › Unrelenting discipline of reducing net debt and leverage

**R\$ 234 mi**

Net Debt reduction  
vs 2Q23 (R\$ 2,804 bi 3Q23)

**3.4x**

3Q23 Leverage  
vs 3,9x on 2Q23

## › Recurring Cash Flow to Firm

**R\$ 321 mi**

vs. R\$ 127 mi in 3Q22

## › Adjusted ex-IFRS16 EBITDA Margin improvement

**R\$ 236 mi**

Adjusted ex-IFRS16  
EBITDA 3Q23

**+24.6%**

Adjusted ex-ifrs16 EBITDA  
margin 3Q23 vs 3Q22

**+2.2pp**

Of margin expansion in  
Ânima Core vs 3Q22

## › Solid student base with ticket expansion

**+2%**

Growth in Academic  
Education student base vs  
3Q22

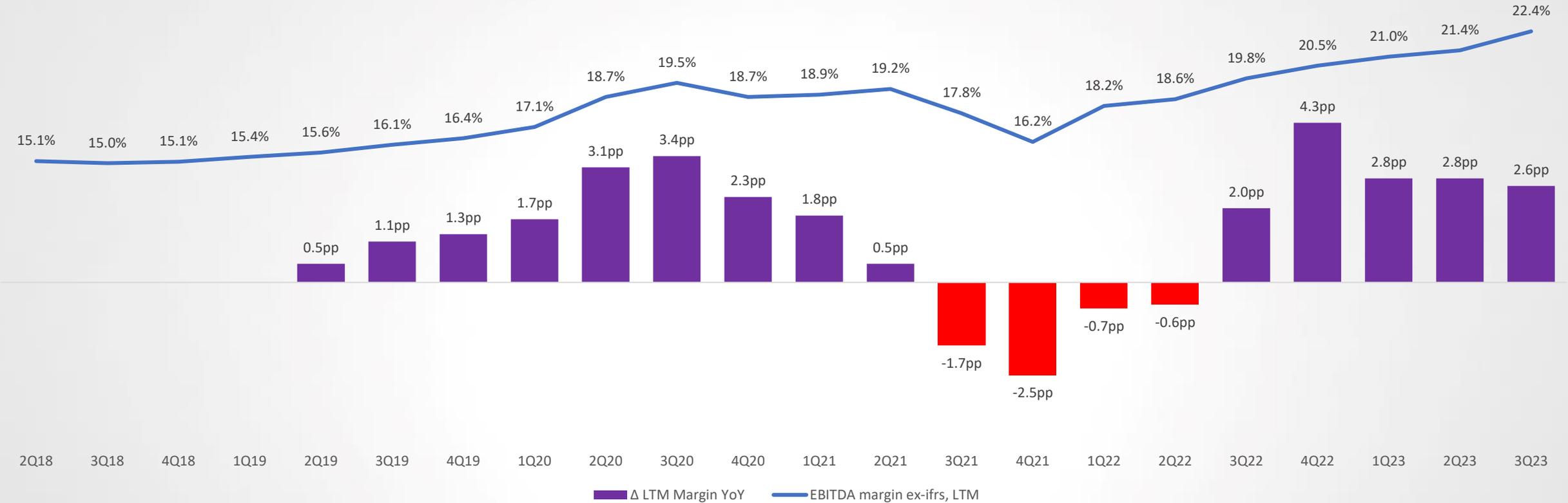
**+3.4%**

Growth in consolidated  
net ticket vs 3Q22

# Track Record

5th consecutive quarter of record LTM margin in the last 5 years  
 – and 7th consecutive quarter of profitability growth

LTM Adjusted EBITDA Margin ex. IFRS16 Evolution – Normalized\*



\*Normalization: excluding the reversals of non-cash provisions of 3Q21, worth R\$118.7 million.

# Adjusted EBITDA: 24% growth YoY

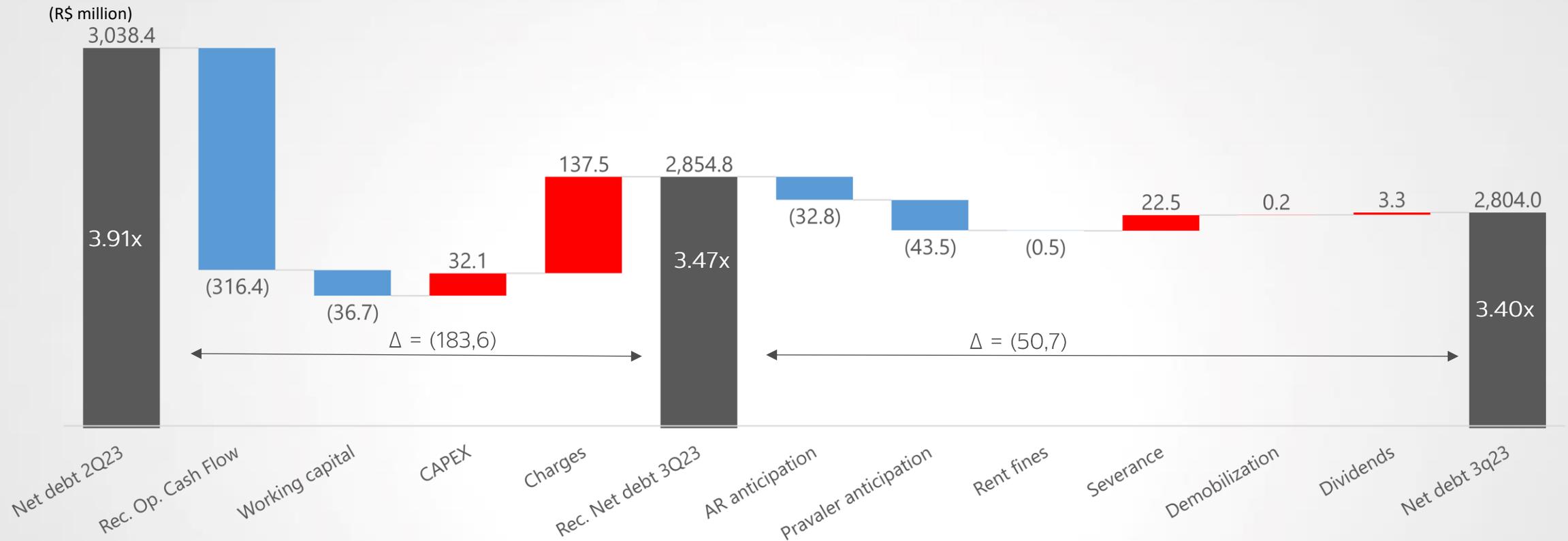
Results of the restructuring carried out in the year appear more clearly in 3Q23

R\$ million (except in %)	3Q23	%VA	3Q22	%VA	Δ3Q23/ 3Q22	Δ VA
<b>Net Revenue</b>	<b>940,4</b>	100,0%	<b>905,2</b>	100,0%	<b>3,9%</b>	-
Teaching Cost	(216,1)	-23,0%	(233,5)	-25,8%	-7,4%	2,8pp
Third Party Services	(66,7)	-7,1%	(58,2)	-6,4%	14,6%	-0,7pp
PDA	(54,5)	-5,8%	(29,2)	-3,2%	86,9%	-2,6pp
Marketing	(76,0)	-8,1%	(62,2)	-6,9%	22,2%	-1,2pp
G&A and Corporate Personnel	(154,1)	-16,4%	(183,6)	-20,3%	-16,1%	3,9pp
Others	(64,8)	-6,9%	(55,9)	-6,2%	16,0%	-0,7pp
<b>Adjusted EBITDA</b>	<b>308,2</b>	32,8%	<b>282,7</b>	31,2%	<b>9,0%</b>	<b>1,6pp</b>
Rent Payments	(72,2)	-7,7%	(93,3)	-10,3%	-22,7%	2,6pp
<b>Adjusted EBITDA ex-IFRS16</b>	<b>236,0</b>	25,1%	<b>189,4</b>	20,9%	<b>24,6%</b>	<b>4,2pp</b>

- Result of improvements in efficiency of academic offerings.
- Last year figure was positively impacted by the reversal of PDA in some segments, which makes comparison difficult
- Increase due to the higher cost of students' attraction in the period and investment in the positioning of the Inspirali brand.
- Result of restructuring, especially personnel expenses
- New level confirmed for the 3<sup>rd</sup> consecutive quarter

# Indebtedness

Continuation of a tireless plan to reduce leverage demonstrates an important milestone in 3Q23, in which we achieved net debt of 3.4x adjusted EBITDA ex-IFRS16 LTM

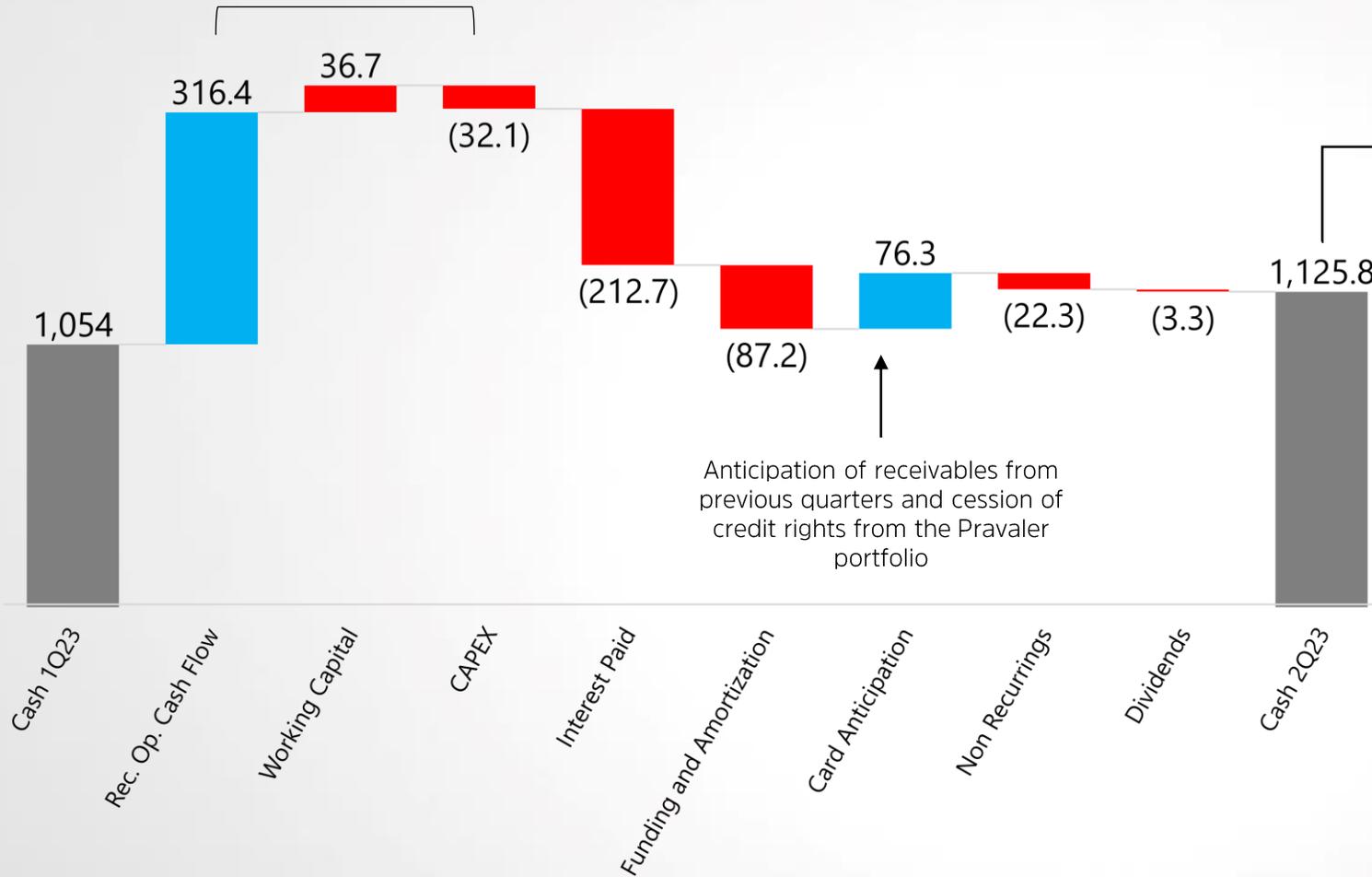


- This result was influenced by the improvement of Recurrent Operating Cash Generation as well as practices for better working capital efficiency;
- Among non-recurring items, we highlight the anticipation of credit card receivables existing on June 30, 2023 and resulting from monthly fees arising from services provided prior to 3Q23 – and assignment of credit rights to Pravaler.

# Cash Flow

Company's cash higher than amortizations scheduled for 2023 and 2024

Recurring Company Cash Flow of R\$321M in 3Q23 vs. R\$127M in 3Q22



## Amortization Schedule

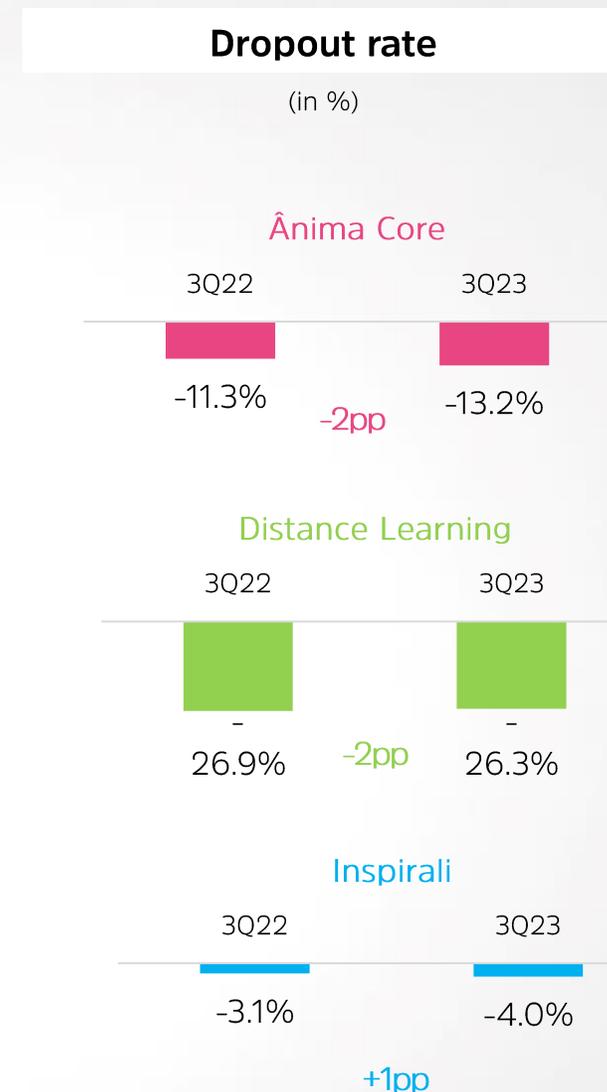
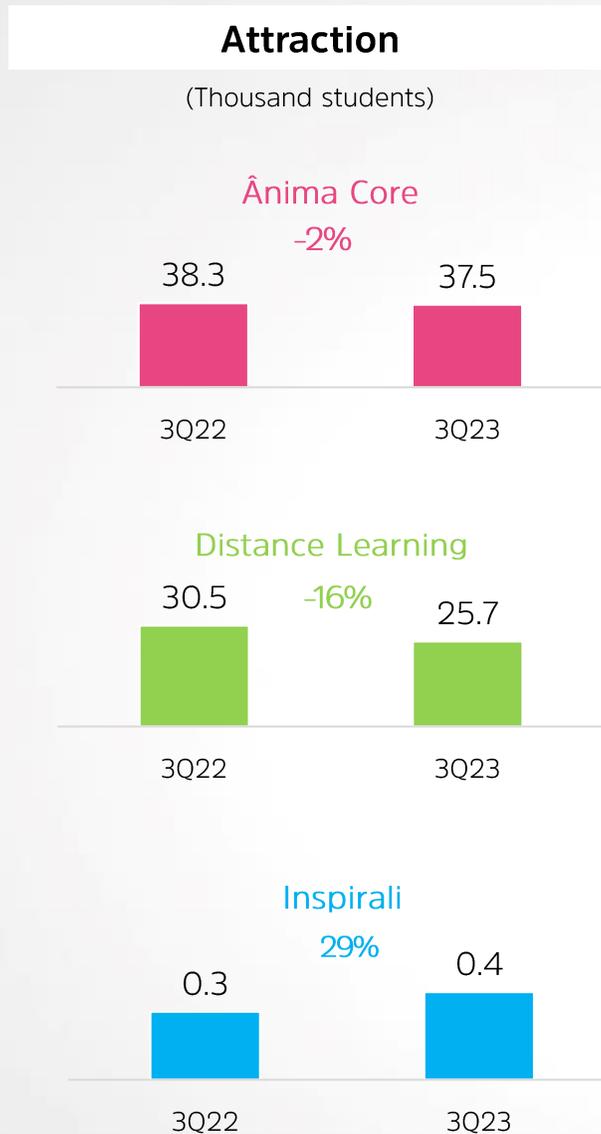
(R\$ million)

	Cons.
2023	67
2024	750
2025	794
2026	712
2027	1,193
2028	114
2029	97
<b>Total</b>	<b>3,727</b>

- Throughout the quarter, minor negotiations were carried out for rollovers and raising new resources to replenish cash.
- Main amortization balances between 2024 and 2027 refer to the Inspirali debenture.

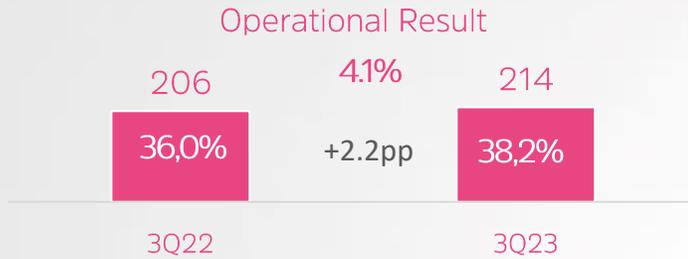
# 3Q23 Attraction and dropout

Reflections of initiatives that aim to balance: volume, price and efficient use of working capital



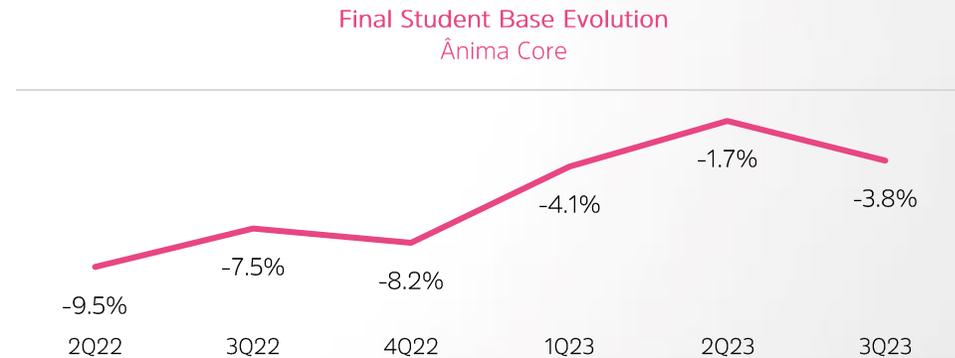
# Ânima Core

We delivered an improvement in operating margin despite a drop in revenue



- Optimization of scholarships granted shows positive results, with slight ticket growth
- Improvement in operating results reflects the commitment to controlling costs, with a 6.6pp reduction in teaching costs vs 3Q22
- Improvement of 2.2pp in operating margin reflects the structured plan to gain operational efficiency

	3Q23	3Q22	Δ3Q23/ 3Q22
<b>Academic Education</b>			
Student Base	215	224	-4,1%
Ticket	804	792	1,6%
Net Revenue	519	533	-2,6%
<b>Total Ânima Core</b>			
Student Base	245	253	-3,2%
Ticket	765	755	1,4%
Net Revenue	561	572	-1,9%



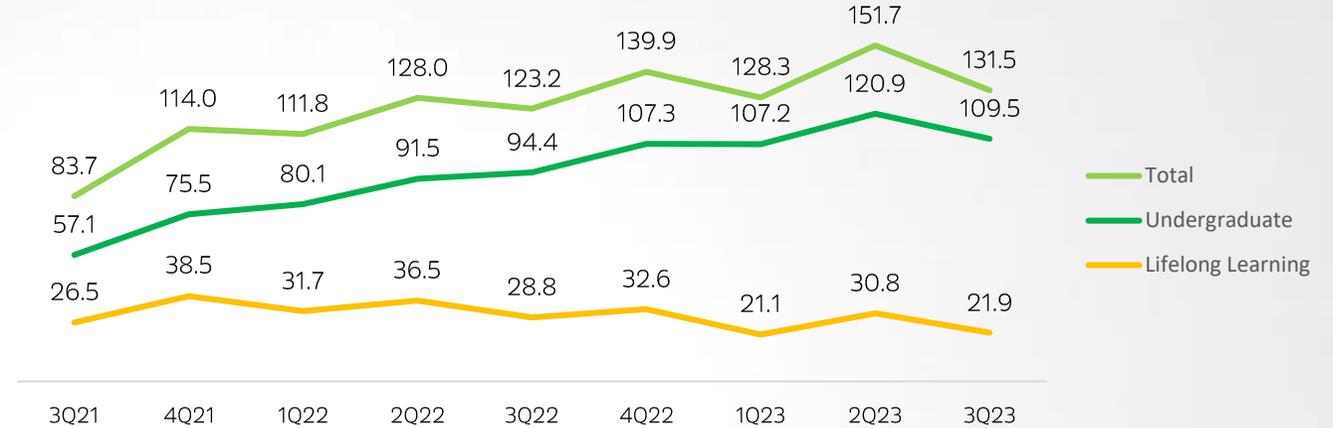
# Distance Learning

Volume and ticket expansion, as a result of our expansion with third-party centers and the maturation of open centers

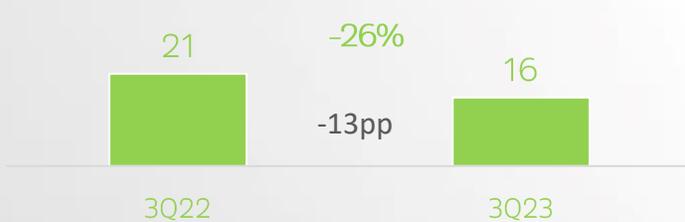
	3Q23	3Q22	Δ3Q23/ 3Q22
<b>Academic Education</b>			
Student Base	110	94	16,1%
Ticket	216	183	18,0%
Net Revenue	55	45	21,1%
<b>Total DL</b>			
Student Base	131	123	6,7%
Ticket	204	169	20,4%
Net Revenue	64	56	14,7%



Final Student Base Evolution  
Distance Learning



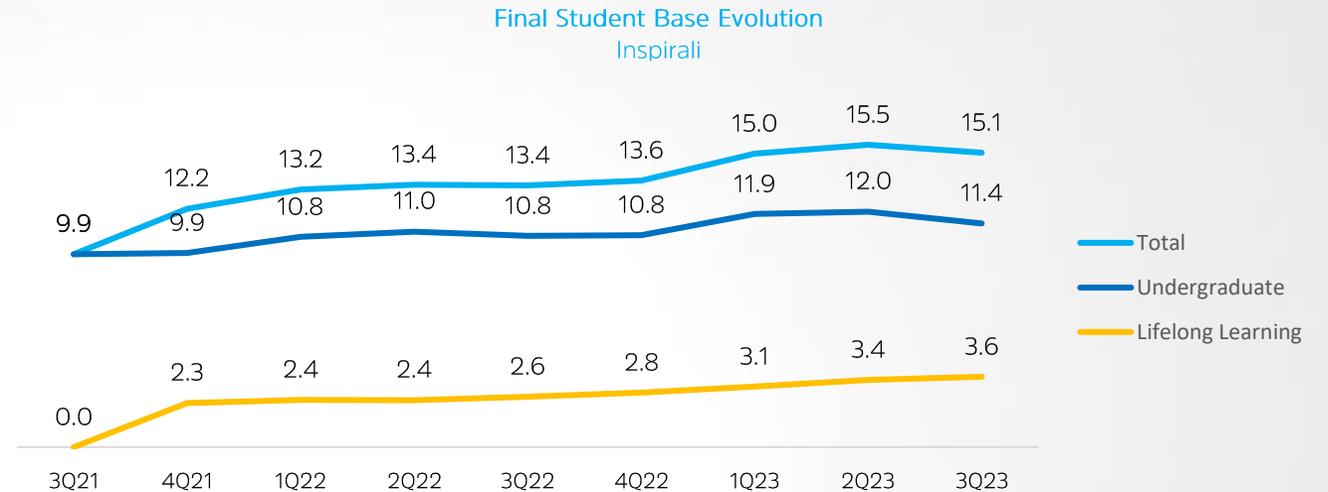
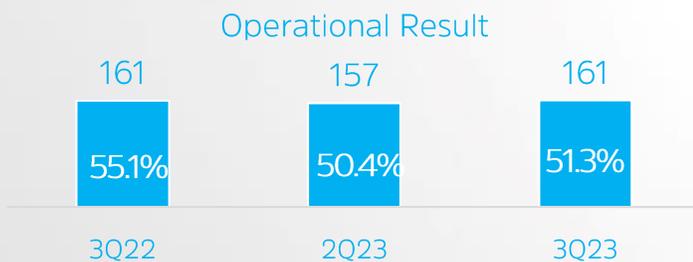
Operational Result



- Ticket presented a significant expansion, the result of a repositioning strategy and offers of this modality in new brands
- Increase in marketing expenses and third-party services are reflections of a more challenging scenario at the beginning of the attraction period

## Growth in undergraduate and continued medical education

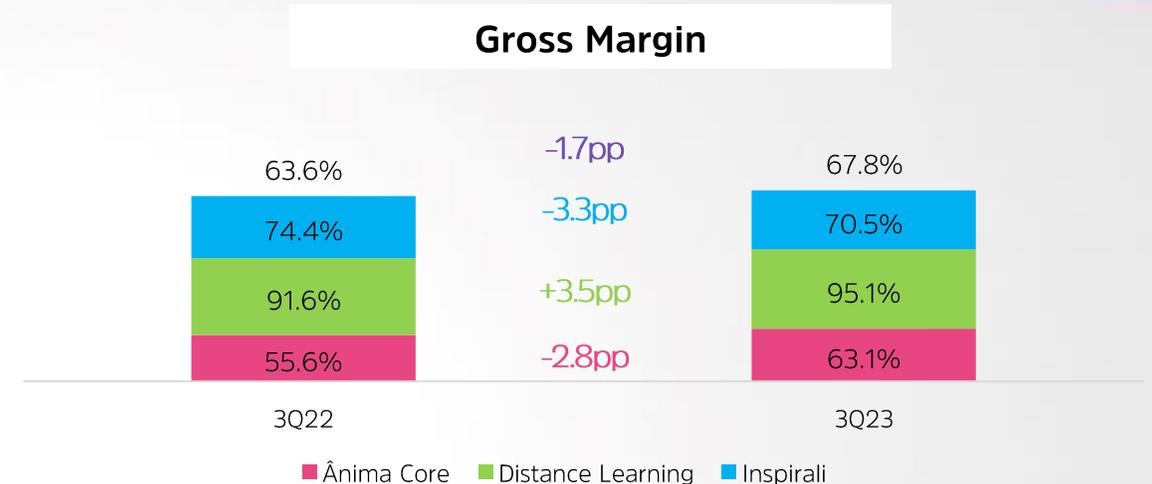
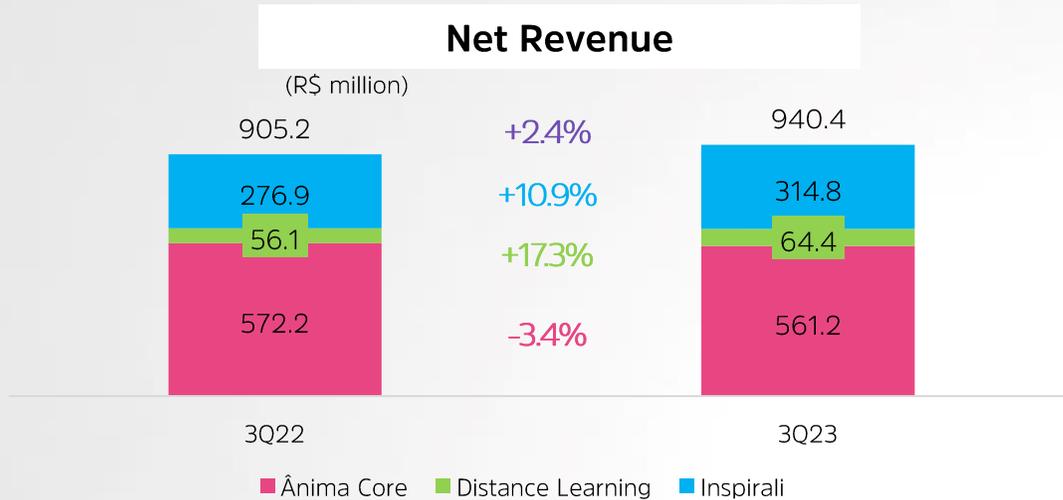
	3Q23	3Q22	Δ3Q23/ 3Q22
<b>Academic Education</b>			
Student Base	11	11	5,9%
Ticket	8.710	8.310	4,8%
Net Revenue	299	269	11,0%
<b>Lifelong Learning</b>			
Student Base	4	3	39,8%
Ticket	1.454	981	48,2%
Net Revenue	16	8	107,2%
<b>Total Inspirali</b>			
Student Base	15	13	12,5%
Ticket	6.970	6.896	1,1%
Net Revenue	315	277	13,7%



- Net revenue demonstrates solid growth, as a result of record attraction in the 3Q and expansion of LLL's students base and ticket
- Reduction in operating margin reflects normalization of PDD; impact of FG-FIES policy; planned investments in teaching costs and third-party services as a result of the maturation of the courses
- The QoQ comparison shows the consistent evolution of Inspirali's profitability level, despite the YoY drop.

# Revenue and Gross Margin

Cost reduction initiatives already reflect an improvement in gross margin

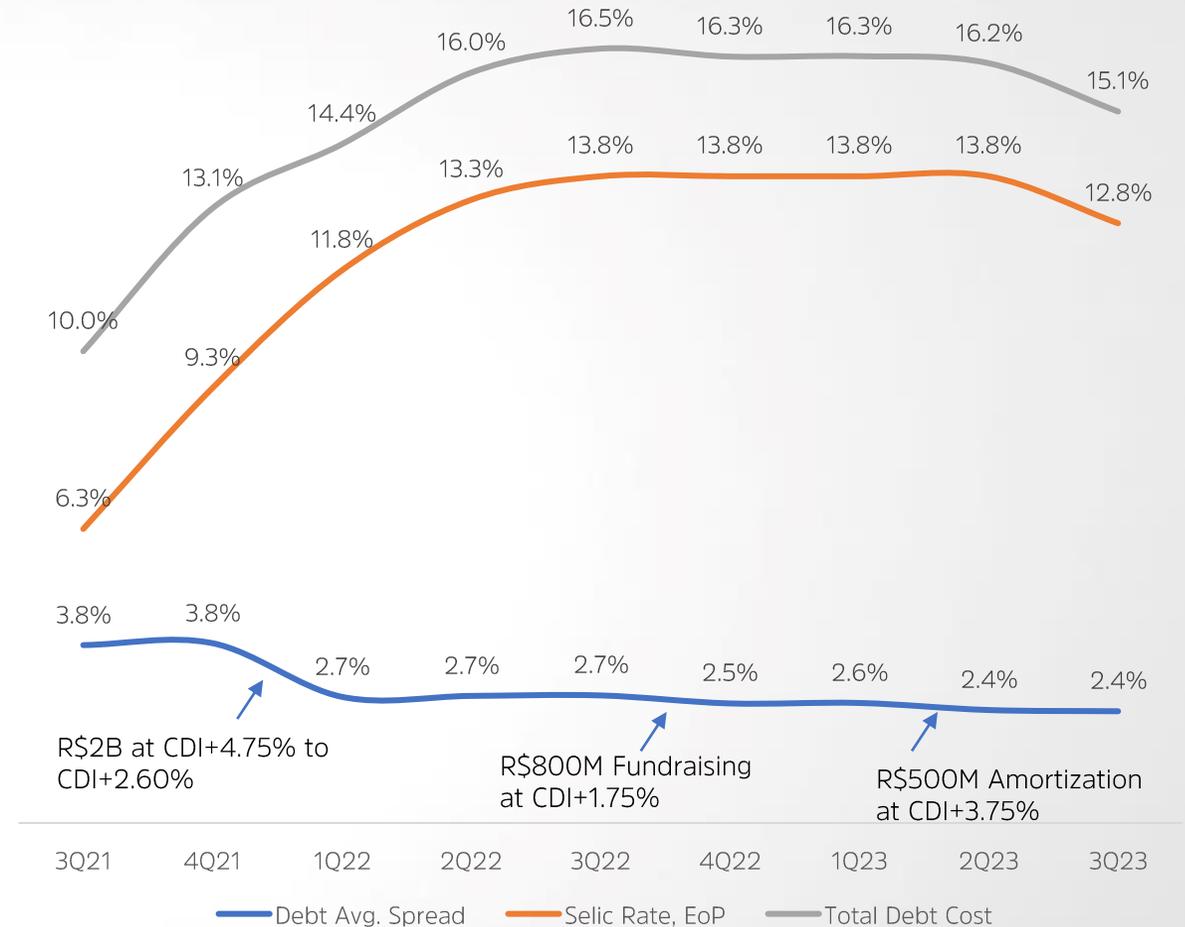
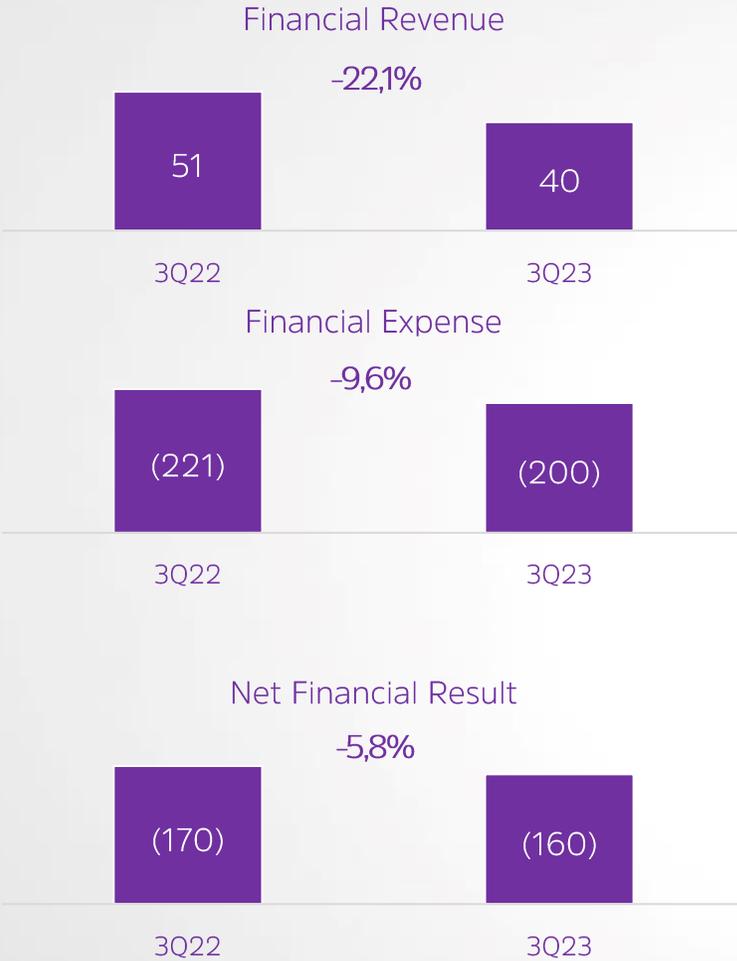


- Strong growth at Inspirali and Distance Learning, which continue to expand.
- Increased representation of Inspirali (+2.9pp) and Digital Education (+0.6pp) in total revenue vs. 3Q22.
- At Ânima Core, initiatives to withdraw scholarships from veteran students mitigate the effects of base decline and greater FG-FIES retention

- Results of cost and expense reduction initiatives appear more clearly in 3Q23
- Highlight of growth for the Ânima Core segment, with a significant reduction in costs in several items, especially payroll, resulting from the structured operational efficiency plan.
- Reduction in Inspirali's gross margin is mainly due to the maturation of courses (higher internship costs in the traditional model) and higher FG-FIES retentions

# Financial Result

SELIC reduction and maintaining the spread in the quarter assisted reduce the financial result – each 100bps of SELIC reduction impacts ~R\$ 30 MM yearly)



# Final considerations

Significant reduction in leverage, from 3.9x in 2Q23 to 3.4x in 3Q23



## Ânima Core

- Operating result reflects commitment to controlling costs and expenses
- Operating margin expansion of 2.2pp vs. 3Q22
- Ticket begins to reflect scholarship optimization initiatives

## Ensino Digital

- Growth in net revenue driven by a mix of base growth and ticket expansion
- Continues to gain relevance in the Ânima Ecosystem

## Inspirali

- Firm on its solid trajectory
- Graduation continues to mature the student base and growing tickets
- Accelerated growth of the continuing medical education ecosystem

## Consolidated

- In 3Q23, the results of cost and expense reduction initiatives appear more clearly: expansion of adjusted LTM EBITDA ex-ifrs16 margin by 4.2pp vs. 3Q22
- We remain aligned with our focus on quality, maintaining, once again, ENADE's leadership among listed companies

- Cash Generation of the Recurrent Company of R\$321 million in 3Q23 vs. R\$127 million in 3Q22
- This quarter, the company provides all the security that it can continue to dedicate itself to building the future, by significantly reducing its financial leverage

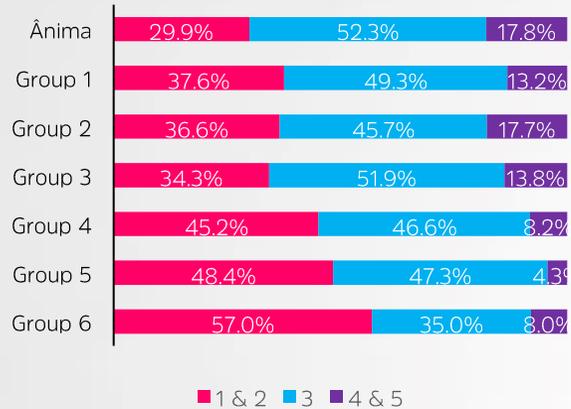
Record in the 5th consecutive quarter of the adjusted LTM EBITDA Ex-ifrs16 margin of the last 5 years (22.4%)

Thank you!

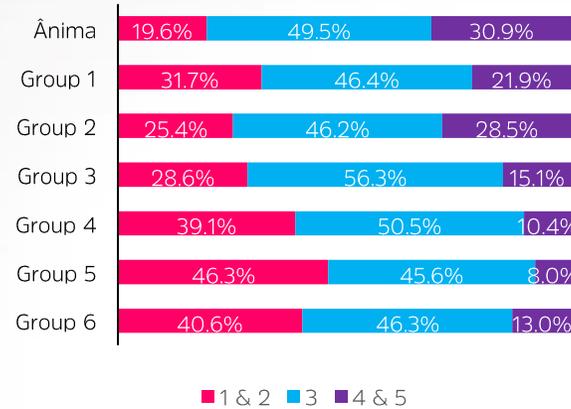
# Annex – Academic Quality

## Commitment to providing high-value education to our students

ENADE - 2022 Cycle

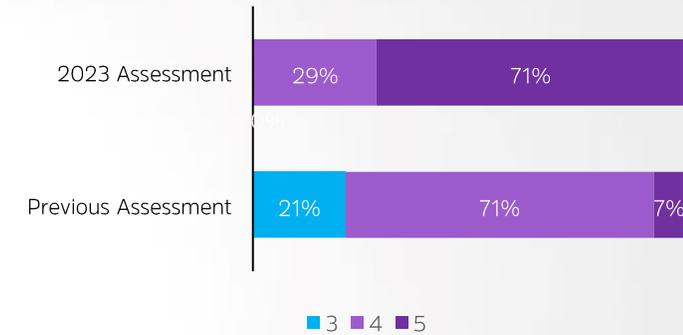


ENADE - 2018 Cycle



➤ In the 2022 Enade cycle, our consolidated HEIs have a higher proportion of students with higher concepts (4 and 5) than those of the other private institutions listed, in addition to the lowest percentage of students with concepts 1 and 2 among these institutions.

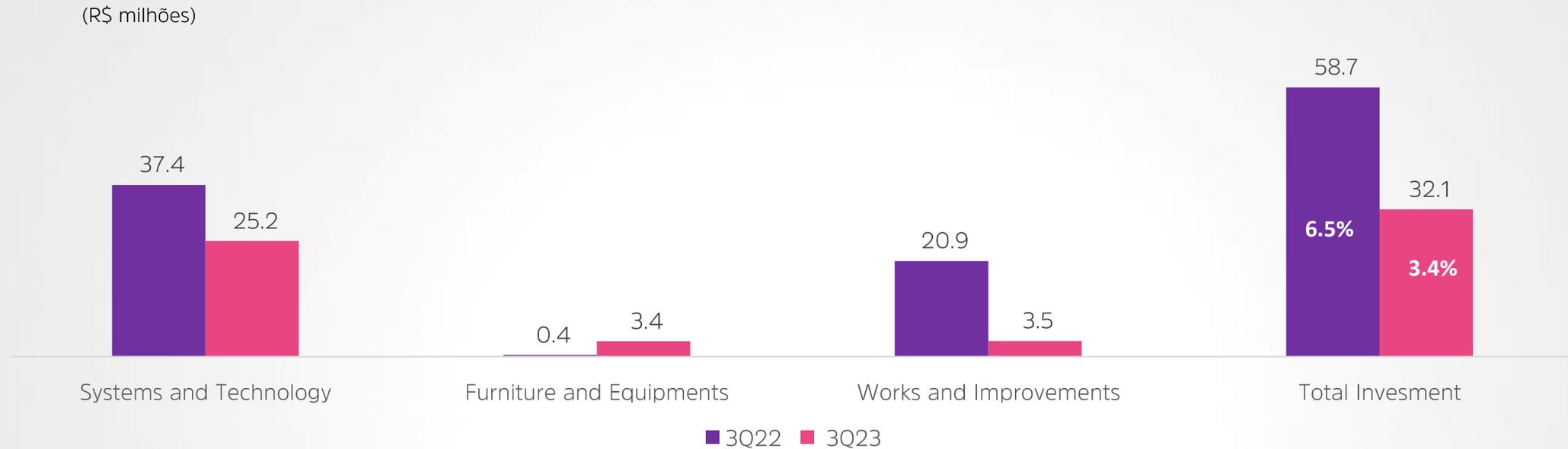
Institutional Mark Evolution (CI)



➤ In 2023, 14 institutions in the Ânima Ecosystem underwent CI reevaluation, which takes place every 10 years, obtaining a significant improvement over the previous grades, including our largest universities (São Judas and Anhembí Morumbi), achieving the highest grade.

# Annex - CAPEX

Greater discipline and lower demand reduce CAPEX disbursements, without impacting operations



- Technology continues to be the largest amount, with the reduction linked to the evolution of the ERP substitution project
- Less impact in the quarter of Works and improvements, after readjustments of campuses that received students transferred from returned units, carried out in previous quarters
- We do not expect substantial CAPEX increases in the next quarter beyond the historical level



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