3Q22 Earnings Presentation

November 2022

VASTA PLATFORM

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We have included in this presentation our EBITDA, Adjusted EBITDA, Free Cash Flow and Adjusted Cash Conversion Ratio, which are non-GAAP financial measures, together with their reconciliations, for the periods indicated. We understand that, although EBITDA, Adjusted EBITDA, Free Cash Flow and Adjusted Cash Conversion Ratio are used by investors and securities analysts in their evaluation of companies, these measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results of operations as reported under IFRS. Additionally, our calculations of Adjusted EBITDA, Free Cash Flow and Adjusted Cash Conversion Ratio may be different from the calculation used by other companies, including our competitors in the education services industry, and therefore, our measures may not be comparable to those of other companies.

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Commercial Cycle Highlights (4Q21 – 3Q22 vs 4Q20 – 3Q21)

+38%
Subscription revenue

- Delivered our R$ 1 billon ACV guidance by +2.4%
- ACV ex-PAR +47%
- ACV Complementary solutions +77%
- Net Revenue +30%

+100%
Adjusted EBITDA

- Adjusted EBITDA R$ 336 million (vs R$168mn last year)
- Adjusted EBITDA Margin 29% (vs 19% last cycle)

+R$174mn
Free Cash Flow improvement

- FCF totaled +R$55 million (vs negative R$119mn)
- Efficient cash management on Free Cash Flow

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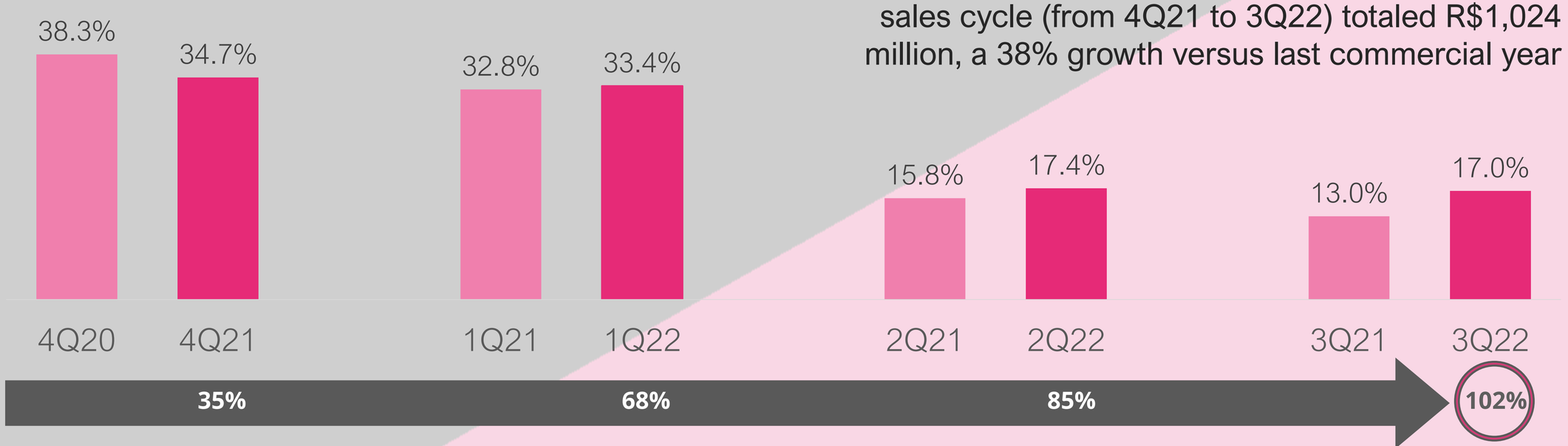
2022 ACV fully captured and exceeded

ACV Recognition



Subscription revenue accumulated during the 2022 sales cycle (from 4Q21 to 3Q22) totaled R$1,024 million, a 38% growth versus last commercial year

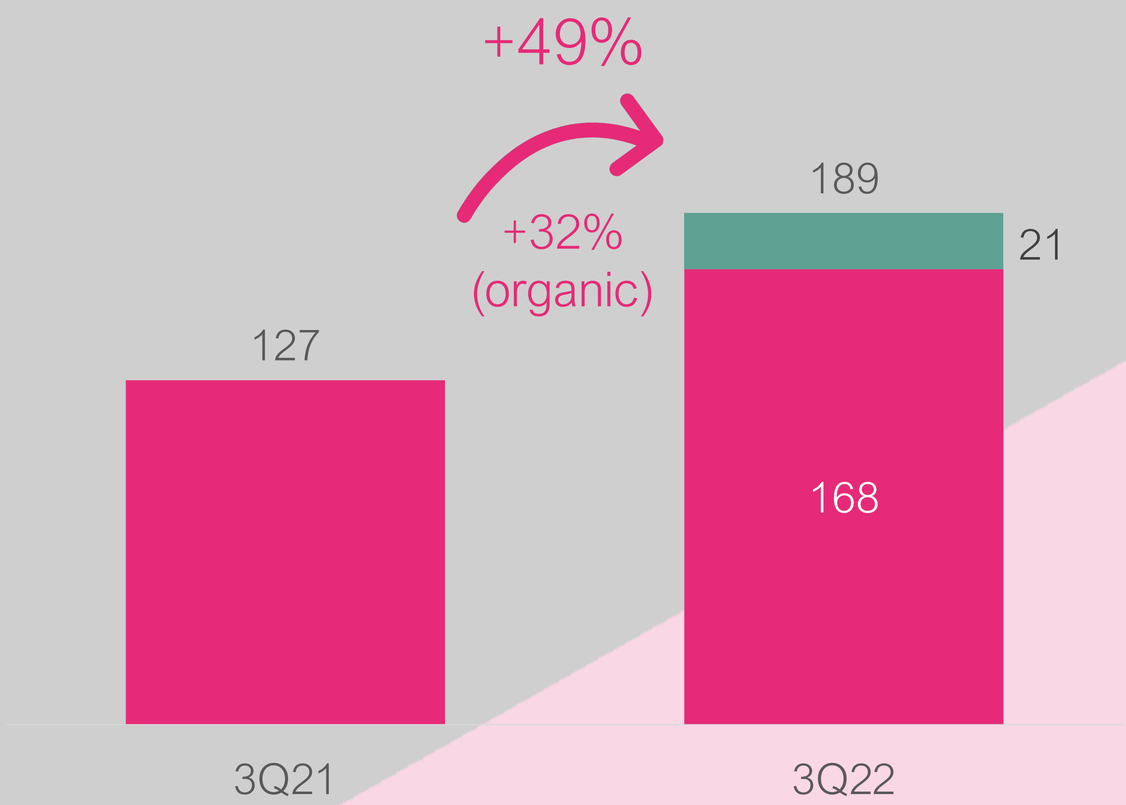
Net Revenue In R$ (million)	4Q20	4Q21	% Y/Y	1Q21	1Q22	% Y/Y	2Q21	2Q22	% Y/Y	3Q21	3Q22	% Y/Y	Cycle 2021	Cycle 2022	% Y/Y
Subscription (ACV)	284	**347**	+22%	243	**334**	+37%	117	**174**	+48%	96	**170**	+76%	741	**1,024**	+38%
Non-subscription	60	**51**	-14%	37	**47**	+25%	24	**16**	-33%	31	**19**	-38%	152	**133**	-12%
Total	343	**398**	+16%	281	**381**	+36%	141	**190**	+35%	127	**189**	+49%	893	**1,158**	+30%

3Q22 net revenue 49% higher year-on-year

Net Revenue | 3Q22

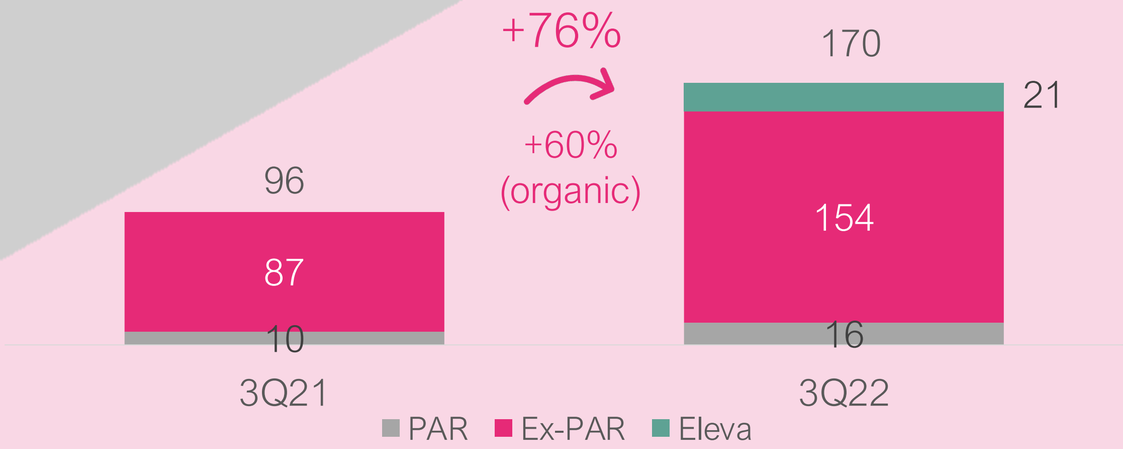
Values in R$ (million)

Total

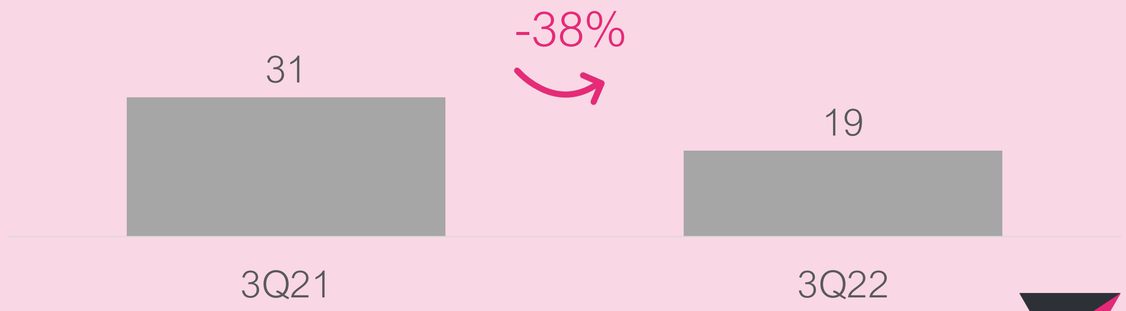


100% of Net revenue 100%

76% **Subscription** 90%



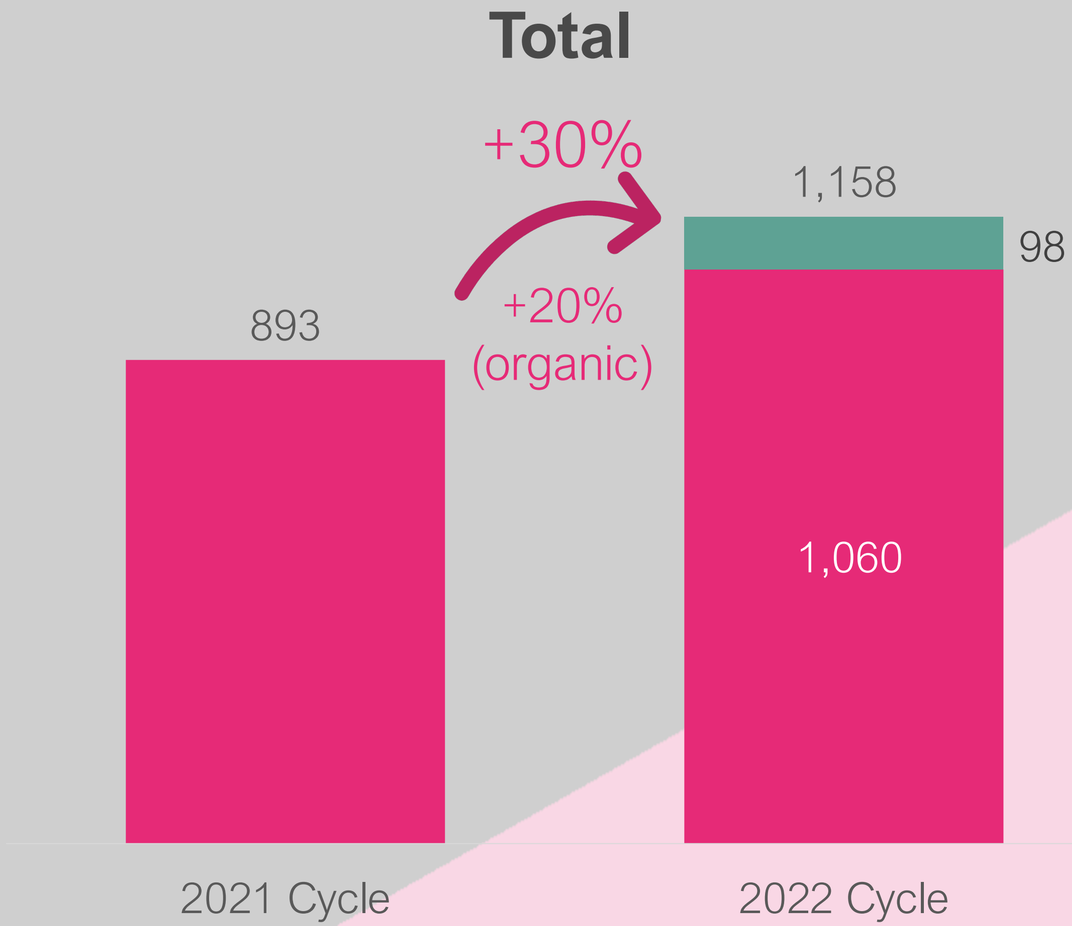
24% **Non-Subscription** 10%



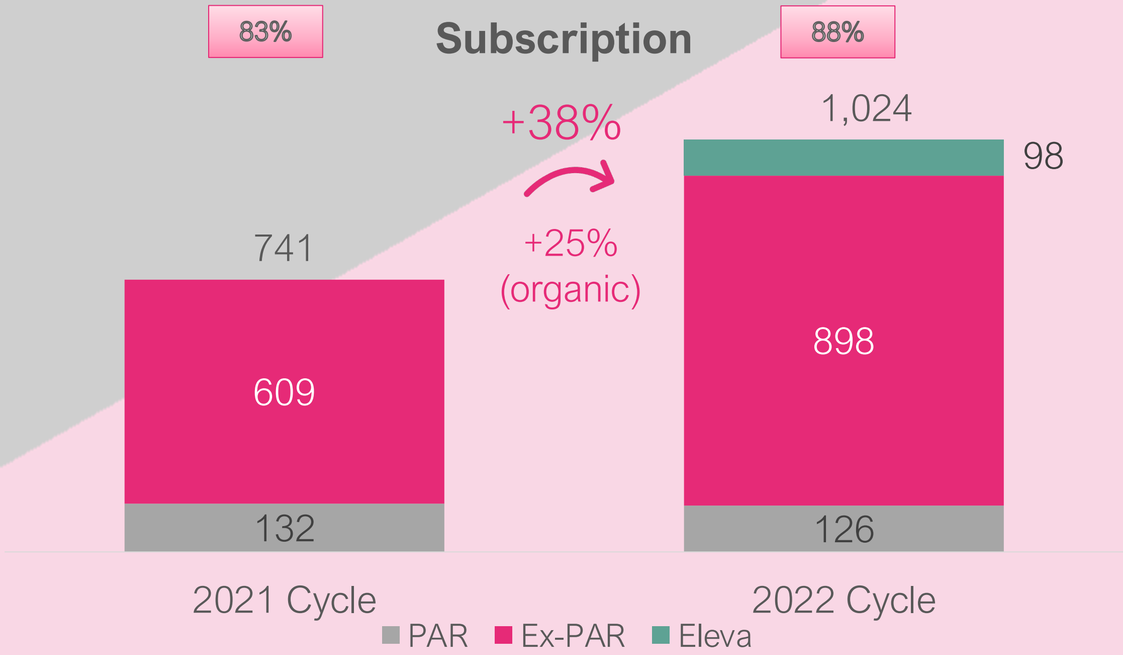
Note: The Business is comprised of two reportable operating segments: Content & EdTech Platform and Digital Platform. We are presenting in this slide a supplemental information in terms of the sub-segments composing the reportable operating ones

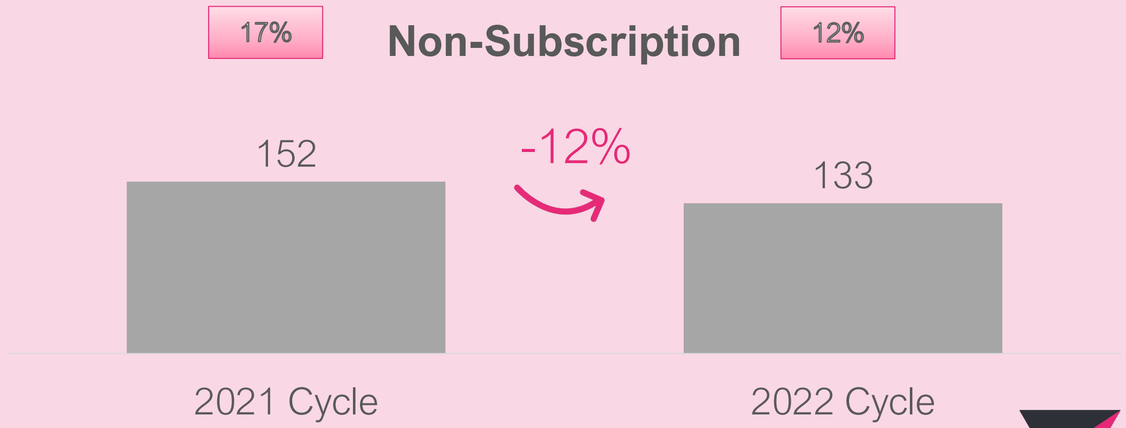
Net Revenue | 2022 Cycle

Values in R$ (million)



100% of Net revenue 100%





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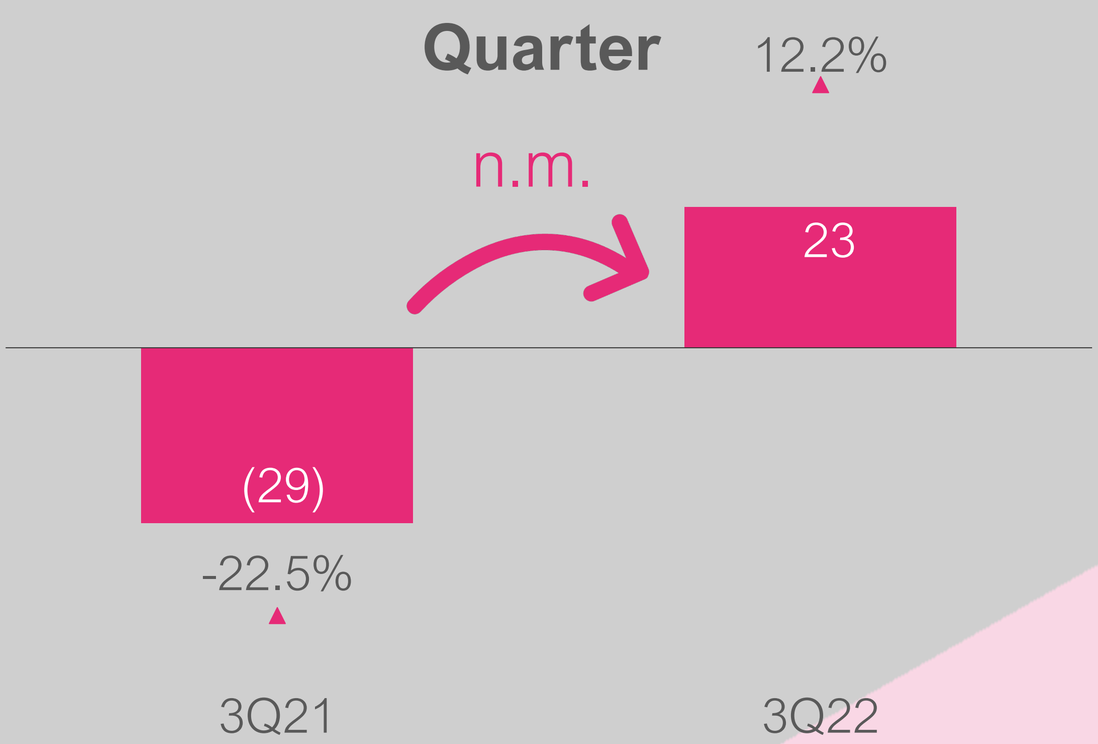
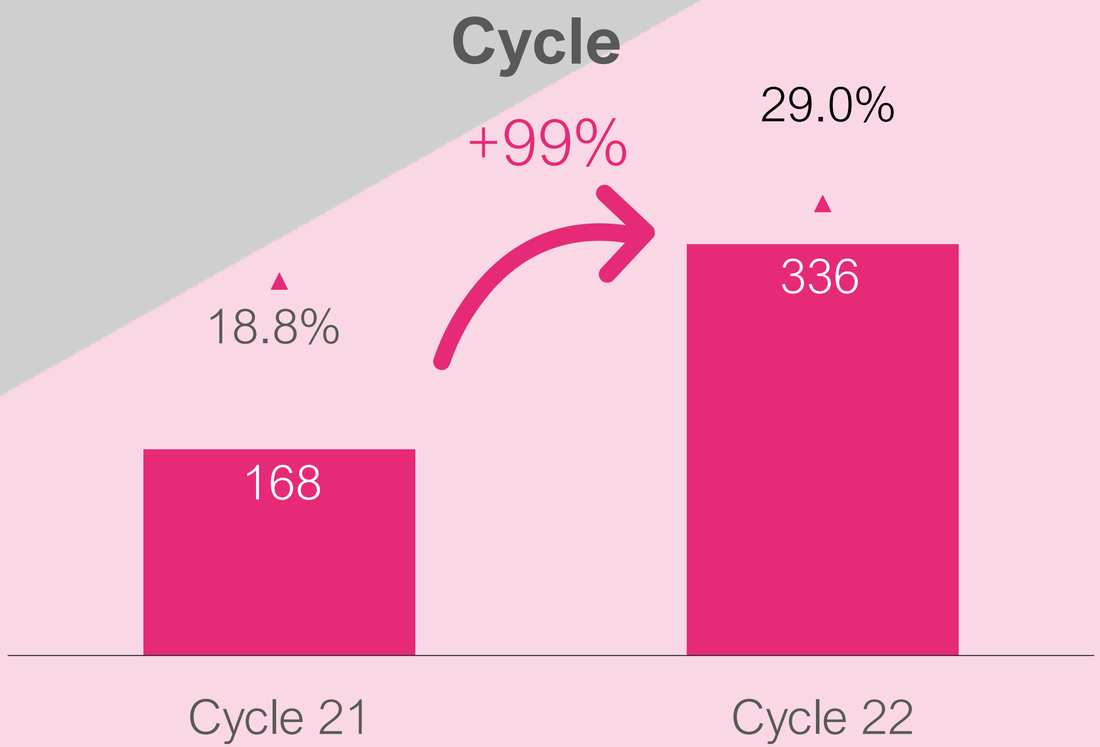
Adjusted EBITDA and Adjusted EBITDA Margin

Values in R$ (million)



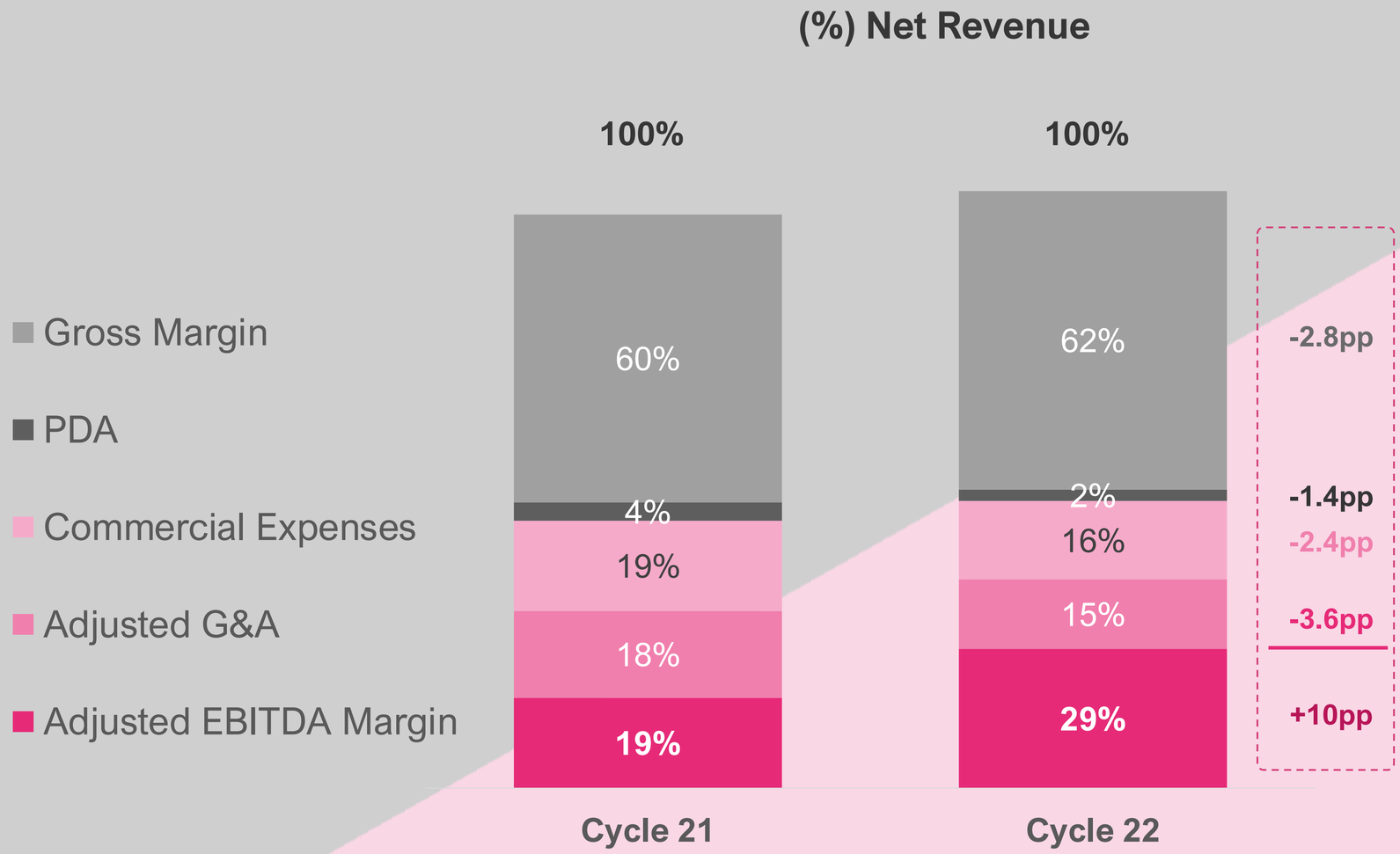


EBITDA	4Q20	4Q21	% Y/Y	1Q21	**1Q22**	% Y/Y	2Q21	2Q22	% Y/Y	3Q21	3Q22	% Y/Y	2021	**2022**	% Y/Y
Adjusted EBITDA	147	**161**	+10%	67	**141**	+109%	-17	**11**	n.m	-29	**23**	n.m	168	**336**	99%
Margin	43%	**40%**		24%	**37%**		-12%	**6%**		-22%	**12%**		19%	**29%**	10pp

Expansion of 10 p.p. in Adjusted EBITDA Margin vs last commercial year

1) Adjusted by non-recurring expenses, expenses with share-based compensation plans and IPO-related expenses.

Adjusted EBITDA and Adjusted EBITDA Margin



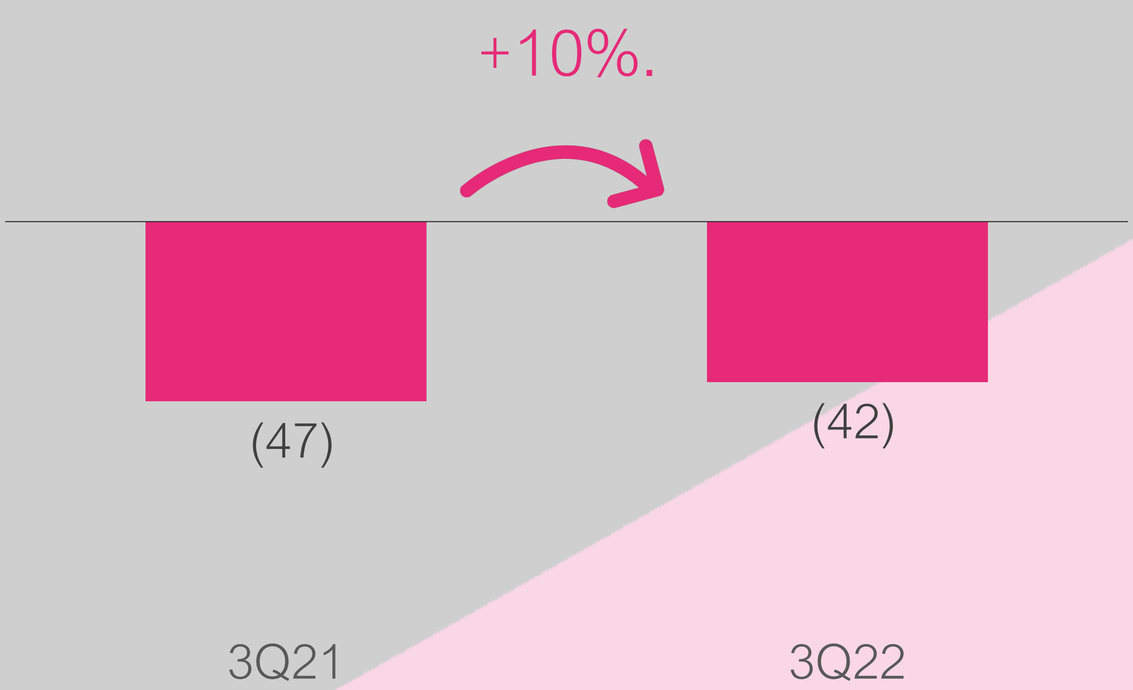
In the 2022 cycle, there was a better **gross margin, which increase to 62% from 60%** in 2021 due to **better product mix, complementary solutions and cost dilution.** We observe a **reduction of 1.4pp in PDA** with the resumption of financial normality in schools. Also noteworthy **were Commercial and G&A expenses, which combined decreased by 6 p.p.** when compared to the 2021 cycle leading to **overall increase of 10 pp in the Adj EBITDA Margin.**

Better product mix, workforce optimization and budgetary discipline contributing to higher Adj. EBITDA Margin

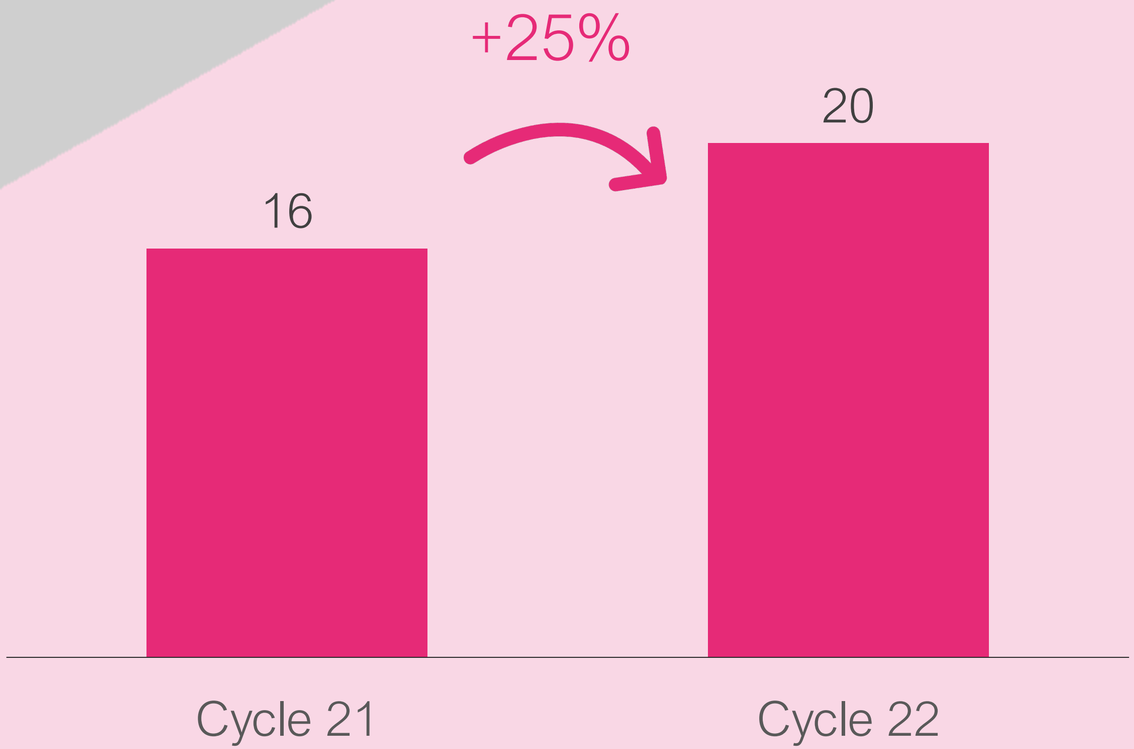
Adjusted Net Profit

Values in R$ (million)

Quarter



Cycle



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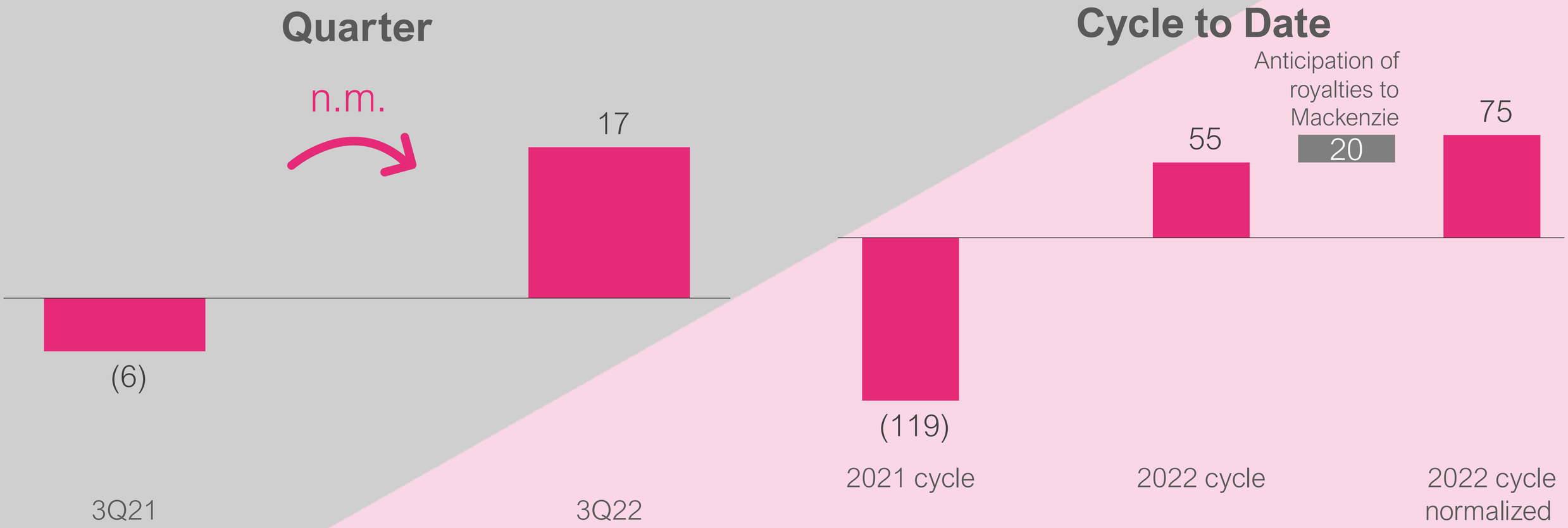
1) Adjusted by non-recurring expenses, expenses with share-based compensation plans, IPO-related expenses and amortization of intangible assets from business combination, net of the tax shield (34%) originated by these expenses.

Free Cash Flow

Values in R$ (million)

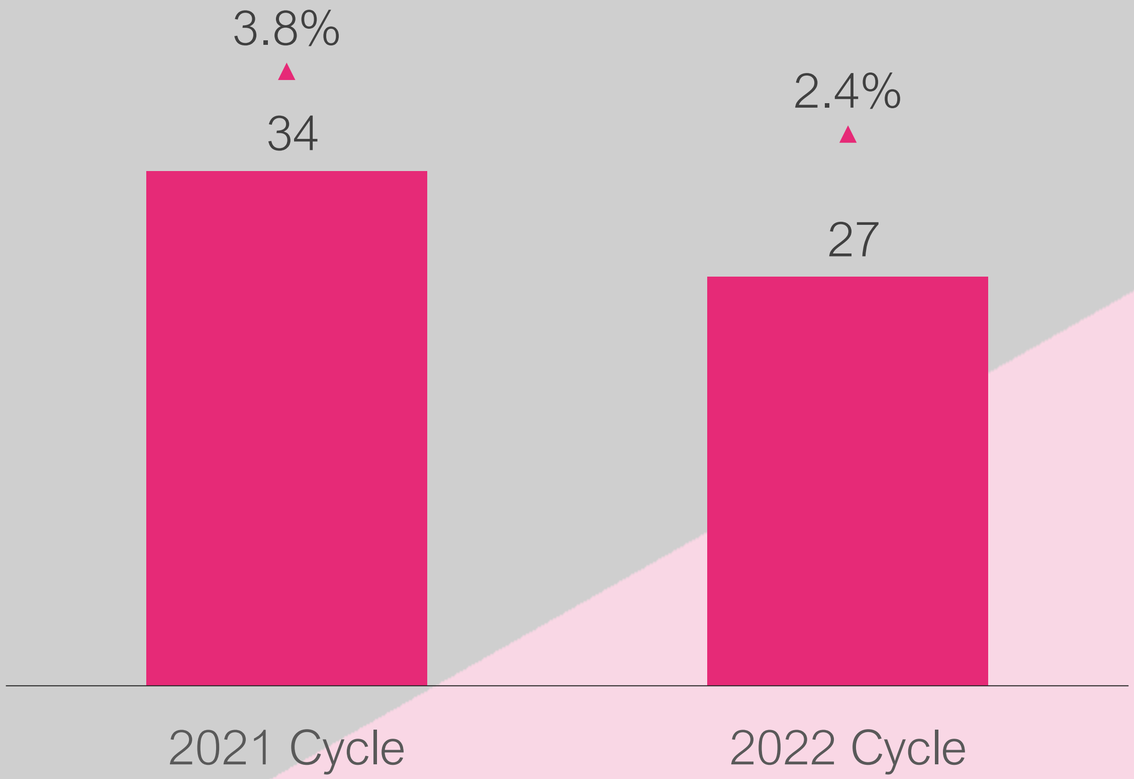


1) Cash flow from operating activities less: income tax and social contribution paid; tax, civil and labor proceedings paid; interest lease liabilities paid; acquisition of property, plant and equipment; additions to intangible assets; and lease liabilities paid.

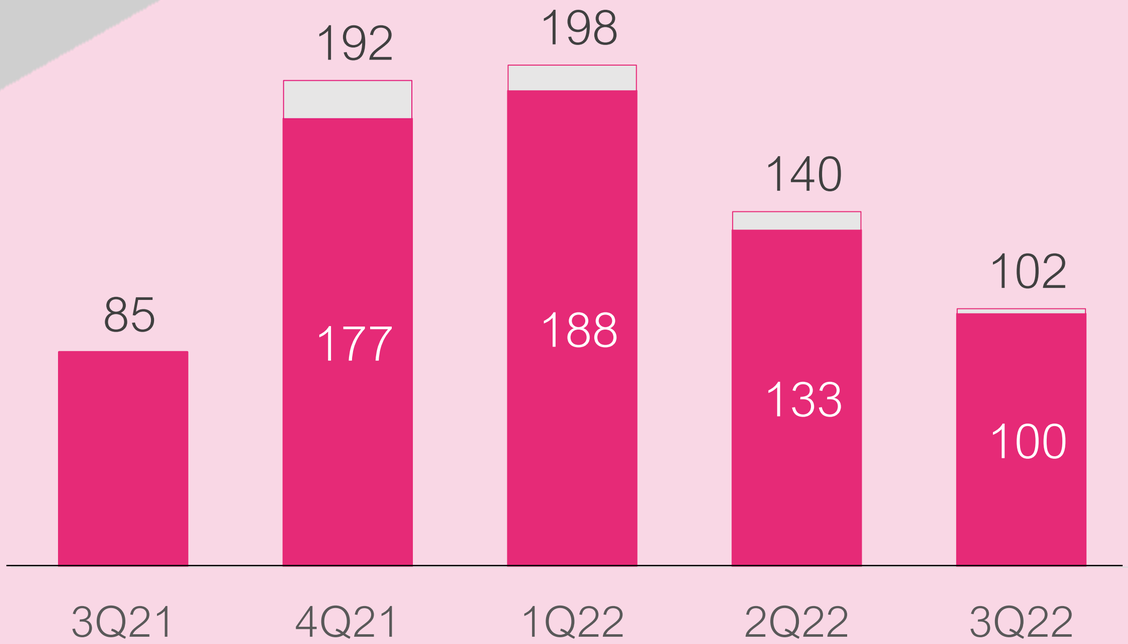
PDA and Accounts Receivable

Values in R$ (million)

Expenses with Provision for Doubtful Accounts (PDA), Cycle



Average Days of Accounts Receivable(1)



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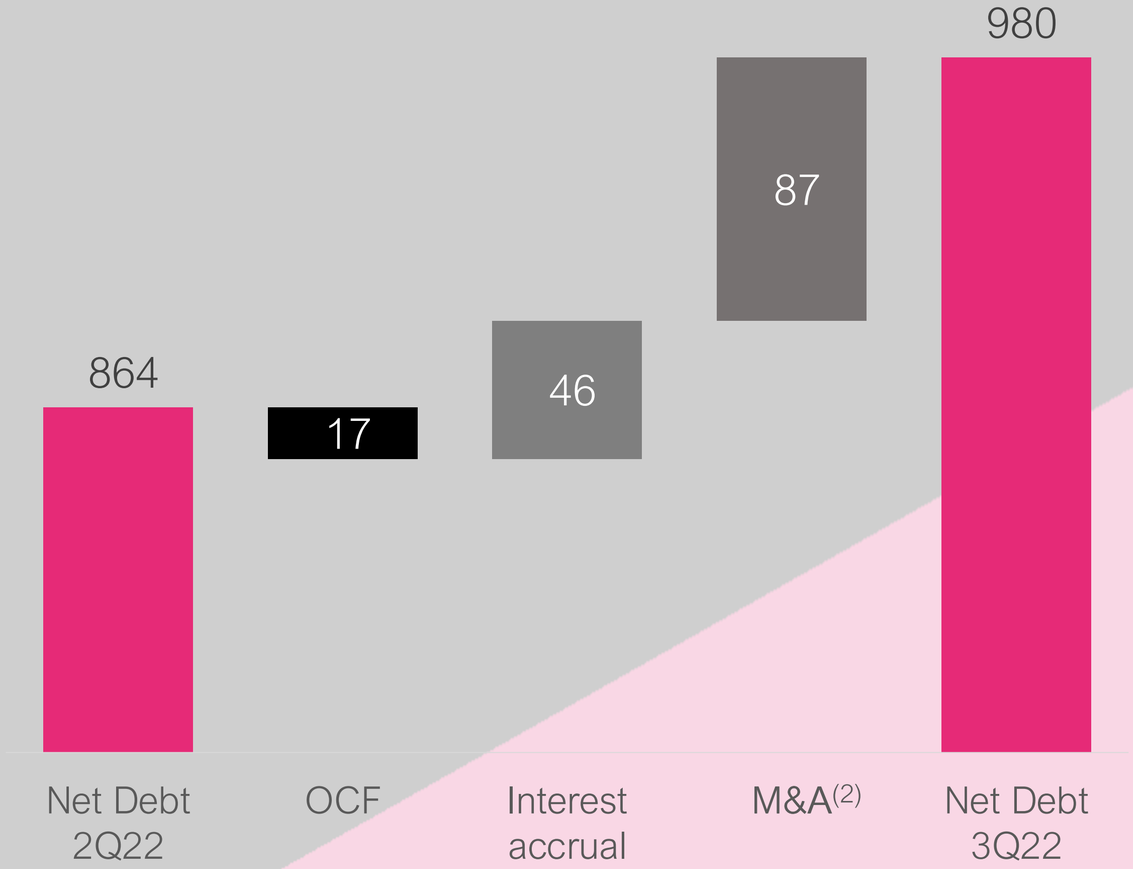
1) Balance of accounts receivable at the end of the period divided by the last-twelve-month net revenue, multiplied by 360. (2) Difference between the actual average days of accounts receivable and the average days of accounts receivable calculated using Eleva's last-twelve-month revenue.

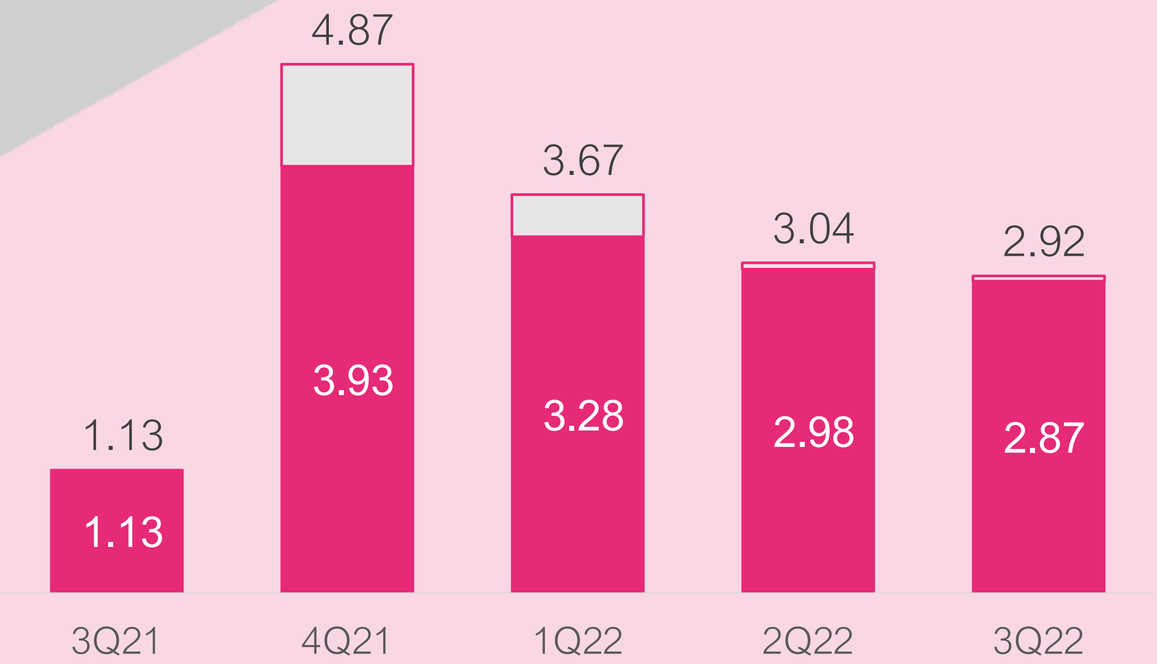
Net Debt

Values in R$ (million)

Net Debt



Net Debt/LTM Adjusted EBITDA(1)



(1) Difference between the indicator presented and the indicator calculated considering Eleva's last-twelve-month EBITDA in the denominator.
(2) M&A due to the acquision of Educbank

Educbank gives Vasta access to a TAM of R$70 billion

Vasta invested **R$157mn for 45%** minority interest:
- ✓ R$ 87 mn in cash // R$ 70 mn in intangible assets

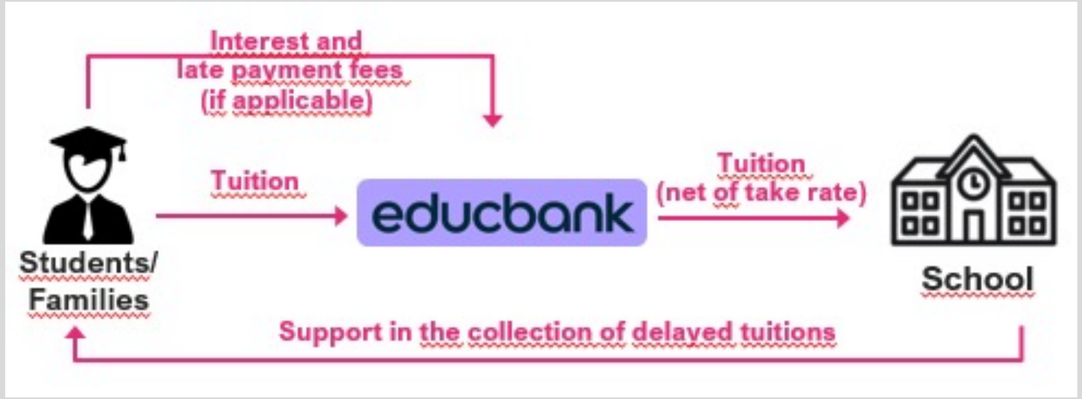
No consolidation in Vasta´s balance sheet
- ✓ Noncore business and capital-intensive model
- ✓ Vasta´s asset-light model preserved

Frictionless business dynamics
- ✓ School & Parents relation on financial collection preserved
- ✓ Excellent customer experience (NPS +85)

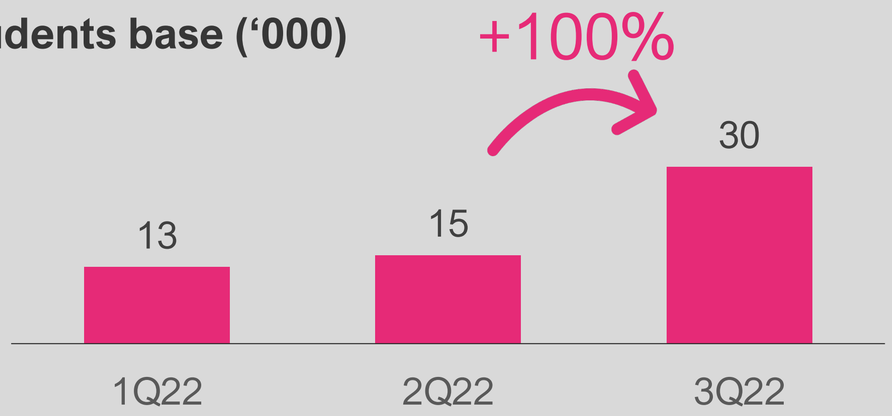
Complements Vasta's **Digital Services platform**
- ✓ Relevant product for school base

With Educbank and Phidelis (ERP), Vasta build a complete portfolio with administrative services that will address the needs of our partners schools

Operating model



Students base ('000)

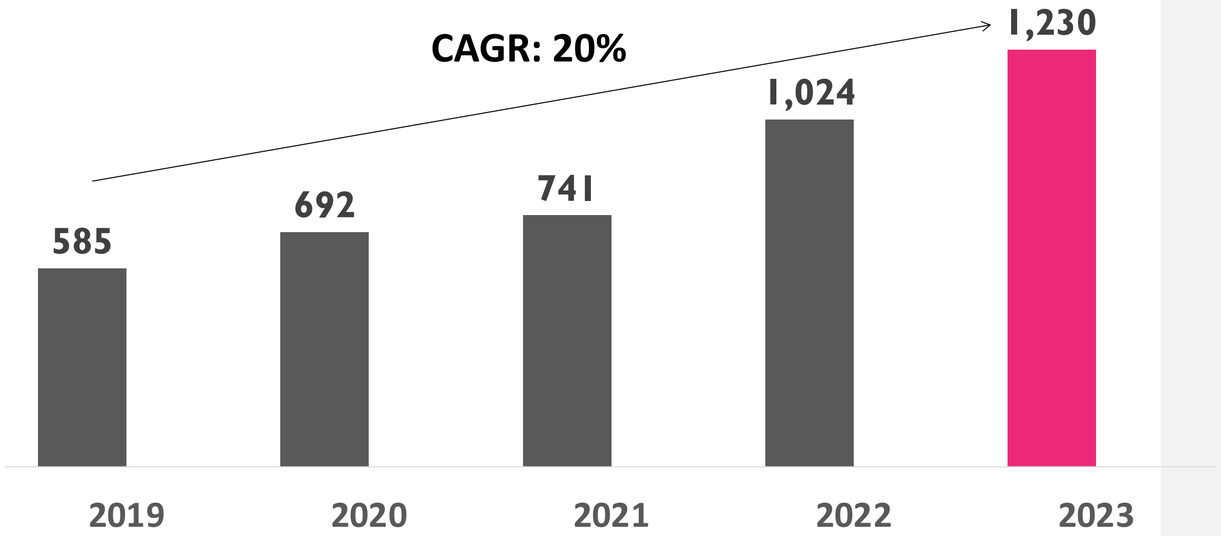


- ✓ Rapid growth of students since acquisition
- ✓ Fast growth short to medium term
- ✓ Ample space to penetrate the market

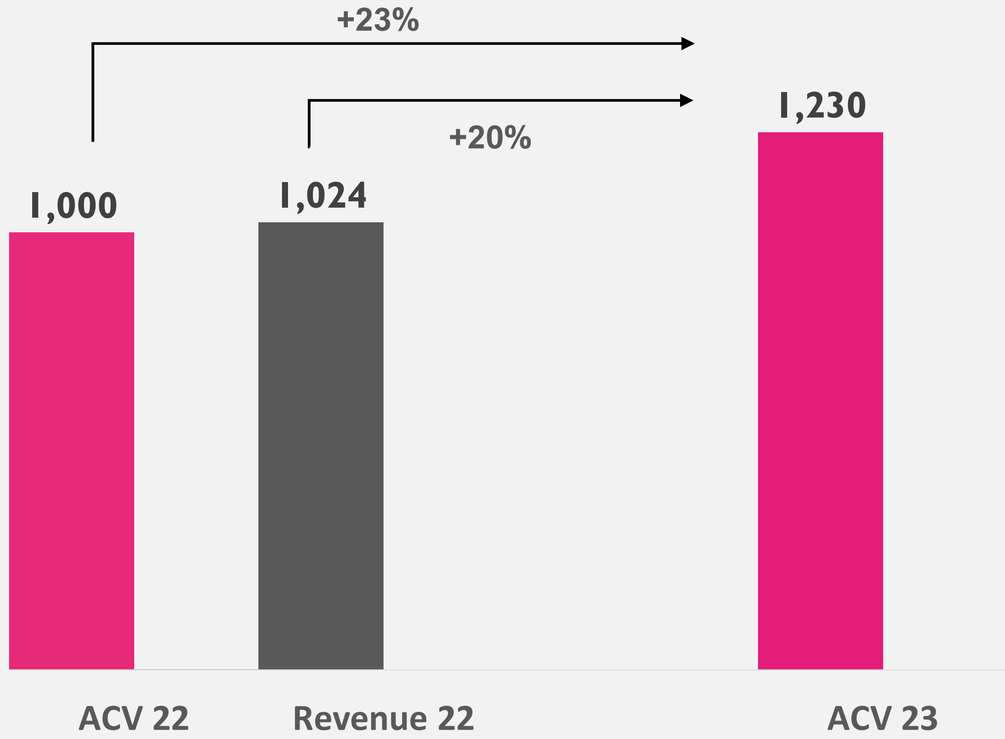
Preliminary ACV evolution: 2023 with 20% organic growth

CAGR of 20% since 2019, due to:

- ✓ Maturity of the go-to-market process;
- ✓ Quality and diversification of Vasta's multibranded portfolio;
- ✓ Plurall's strong digital platform;
- ✓ Multi products and services within our solutions portfolio;



The 2023 ACV Guidance is **R$ 1,230 million, a 20% organic growth** over subscription revenue collected during the 2022 cycle



Top performers: Premium brands and Complementary solutions



ESG Quarter Highlights

ESG | 3Q22

ESG | Quarter Highlights

Quarter highlights

- **Launch of a quarterly panel of key ESG indicators**, in line with the topics identified in the materiality process
- **Afro Internship Program** created exclusive intern vacancies for black people in the organization (13 people already hired)
- 98% of the energy consumed by the Company comes from renewable sources (+1pp vs last quarter)

Environmental

- **100% of the energy** consumed in our largest distribution center, in São José dos Campos's city, comes from **renewable sources**
- **100% of our suppliers are FSC certified.** We also maintain the certification in the Company since 2008
- **GHG emissions inventory.** Committed to accountability and transparency, the Vasta Platform launched the first Greenhouse Gas (GHG) Emissions for its operations. **The purchase of renewable energy reduced Vasta's total emissions by 14%**

Social

- **Diversity in the Leadership. 48% of leaders** (management level and above) **are women**
- **Docência Negra.** Permanent space in PROFs to give visibility to the pedagogical actions of black teachers
- **Somos Futuro.** A program of mentoring from Instituto SOMOS accelerates 365 young talents from public schools
- **Social ROI.** For every R$1 invested in Instituto Somos' programs and actions, R$11.04 is generated in benefit to society

Governance

- **Diversity in the Board of Directors.** 29% female members, 42% independent members and 14% participation by the LGBTQIA+ group
- **"Women On Board" Seal** by the female participation in the Board of Directors
- **Privacy Portal.** Vasta received no substantiated complaints related to leaks or loss of data

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