2Q21 Earnings Presentation

August 2021

VASTA PLATFORM

DISCLAIMER

This presentation contains forward-looking statements that can be identified by the use of forward-looking words such as “anticipate,” “believe,” “could,” “expect,” “should,” “plan,” “intend,” “estimate” and “potential,” among others. Forward-looking statements appear in a number of places in this presentation and include, but are not limited to, statements regarding our intent, belief or current expectations. Forward-looking statements are based on our management’s beliefs and assumptions and on information currently available to our management. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements. Further information on these and other factors that could affect our financial results is included in filings we have made and will make with the U.S. Securities and Exchange Commission from time to time, including in the section titled “Risk Factors” in our most recent Form F-1 and 424(b) prospectus. These documents are avaialble on the SEC Filings section of the investor relations section of our website at: https://ir.vastaplatform.com.

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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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Quarter Highlights

- Net revenue expanded 17% in the 2Q21, backed by the growth in the 2021 ACV and non-subscription products. In the 2021 commercial cycle to date, subscription revenue ex-PAR increased 18%, while PAR was down 15% due to the higher re-use of textbooks.

- We expect to record a high-single-digit organic growth in the subscription revenue in the 2021 commercial cycle (from 4Q20 to 3Q21), and a low-double-digit organic growth in the subscription ex-PAR revenue, with the sound increase in complementary solutions (+51% to date) as the main highlight.

- Adjusted EBITDA was negative in R$ 17 million in 2Q21, mostly driven by the unfavorable revenue seasonality of the second quarter, also affected by higher provision for doubtful accounts (PDA) and by the enhancement in our corporate structure following the company's IPO in July 2020.

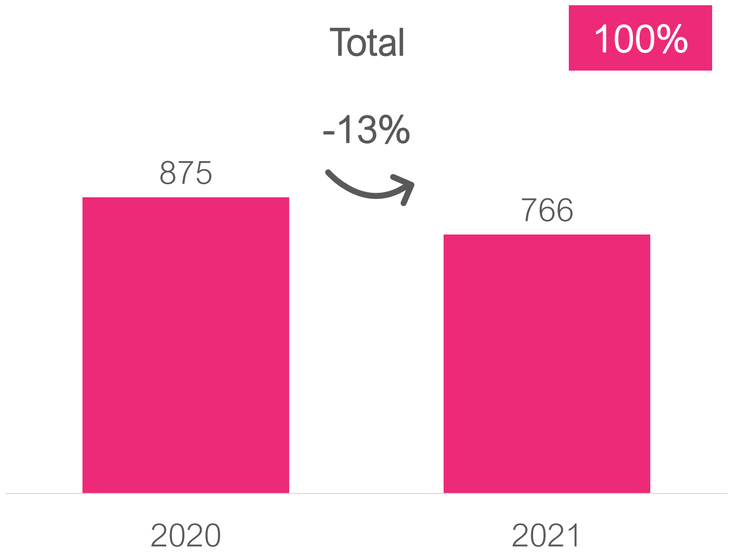
- Vasta recorded adjusted net loss of R$ 25 million in the quarter. In the cycle, Vasta posted adjusted net profit of R$ 124 million, 29% up year-on-year.

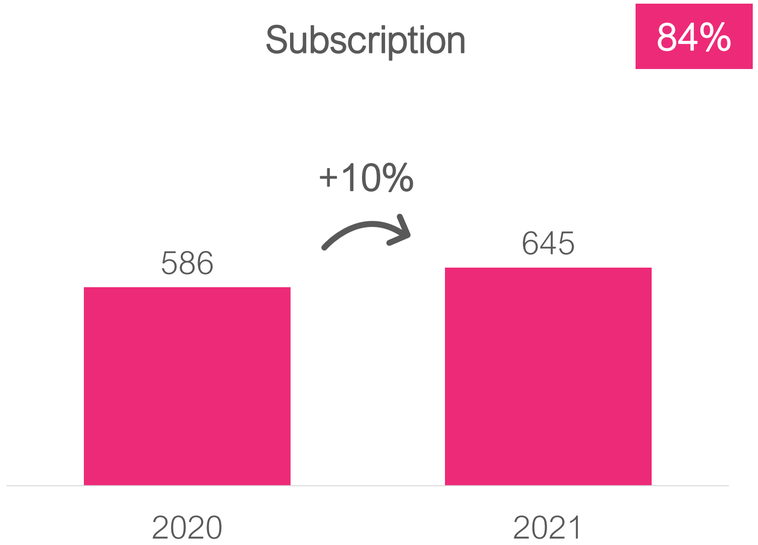
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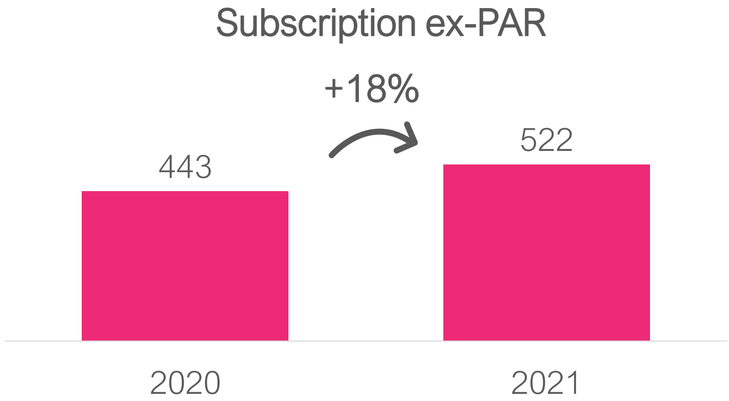
Analysis of the 2021 Cycle to date

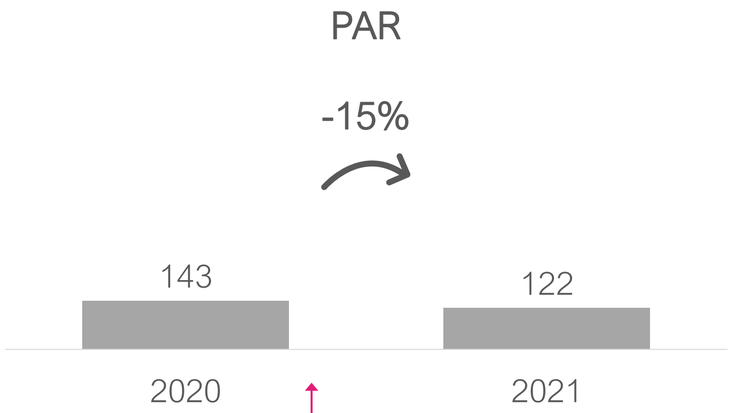
Values in R$ (million)

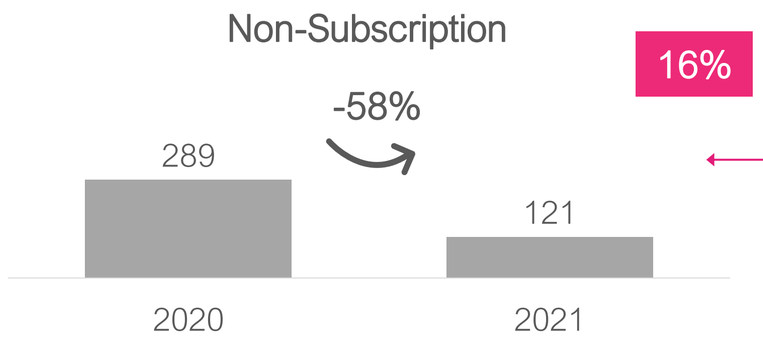
% of net revenue in 2021









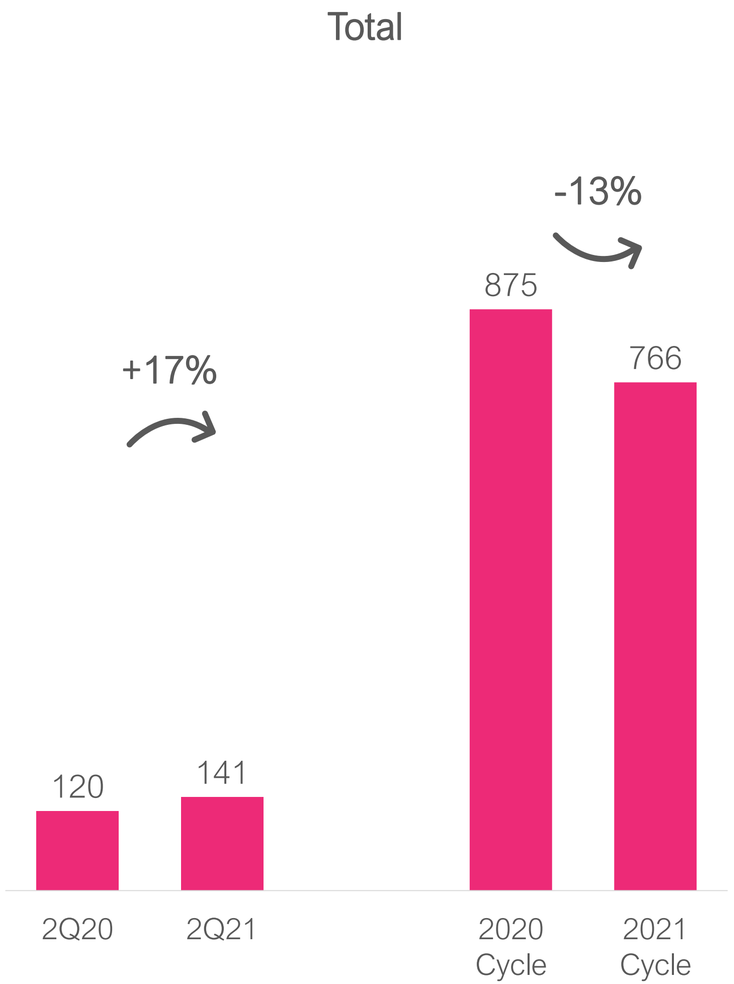


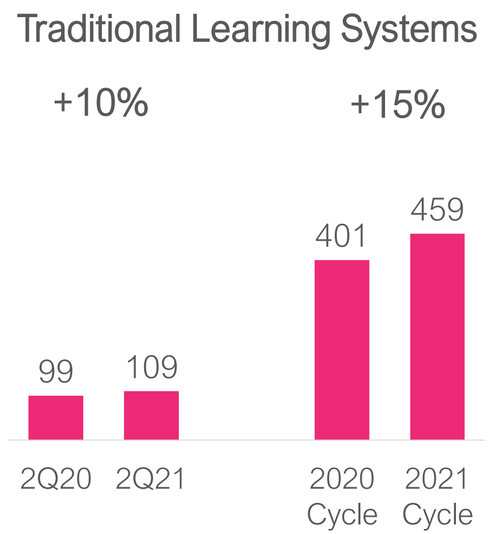
Highly impacted by textbooks

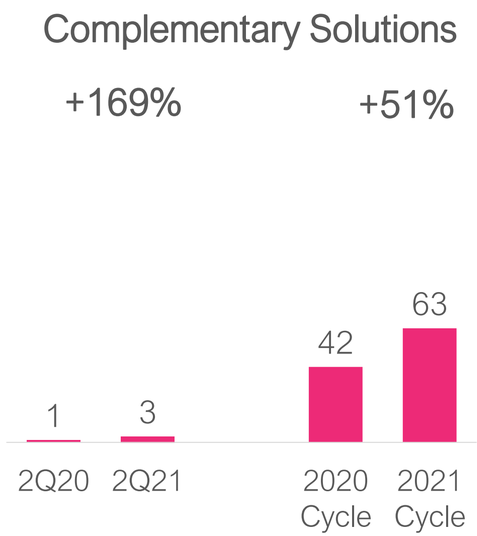
Note: 2021 cycle refers to the 2021 commercial year to date (4Q20, 1Q21 and 2Q22 combined), while 2020 cycle refers to the 2020 commercial year to date (4Q19, 1Q20 and 2Q20 combined). The Business is comprised of two reportable operating segments: Content & EdTech Platform and Digital Platform. We are presenting in this slide a supplemental information in terms of the sub-segments composing the reportable operating ones

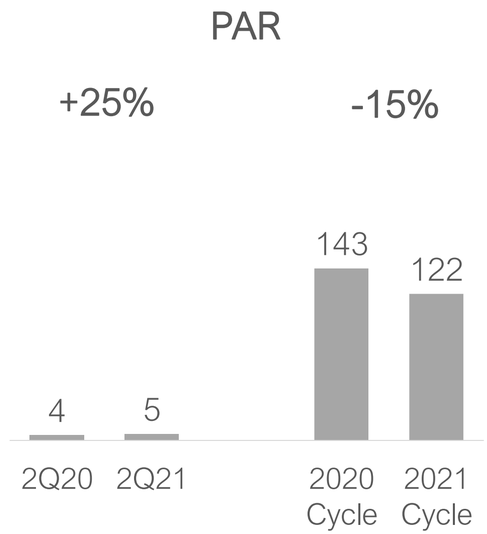
2Q21 Financial Highlights – Net Revenue

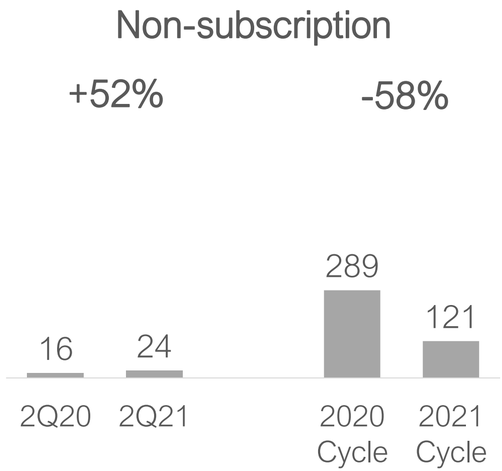
Values in R$ (million)









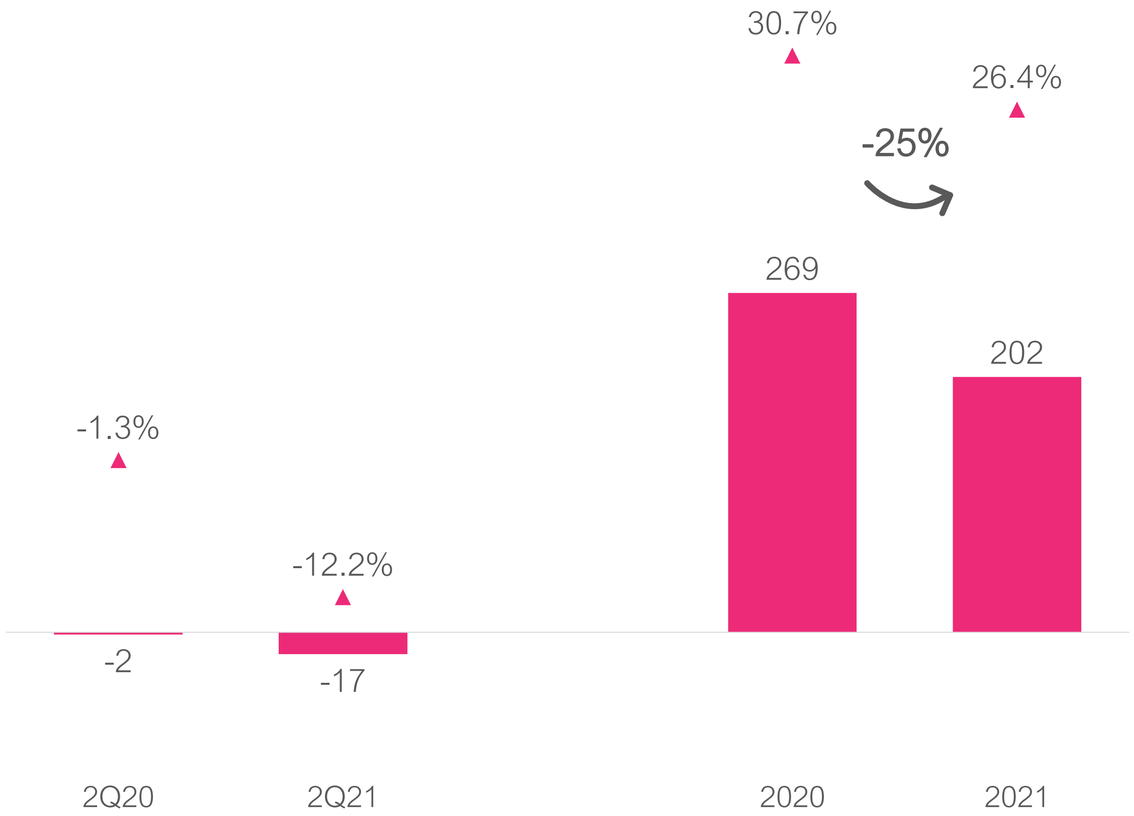


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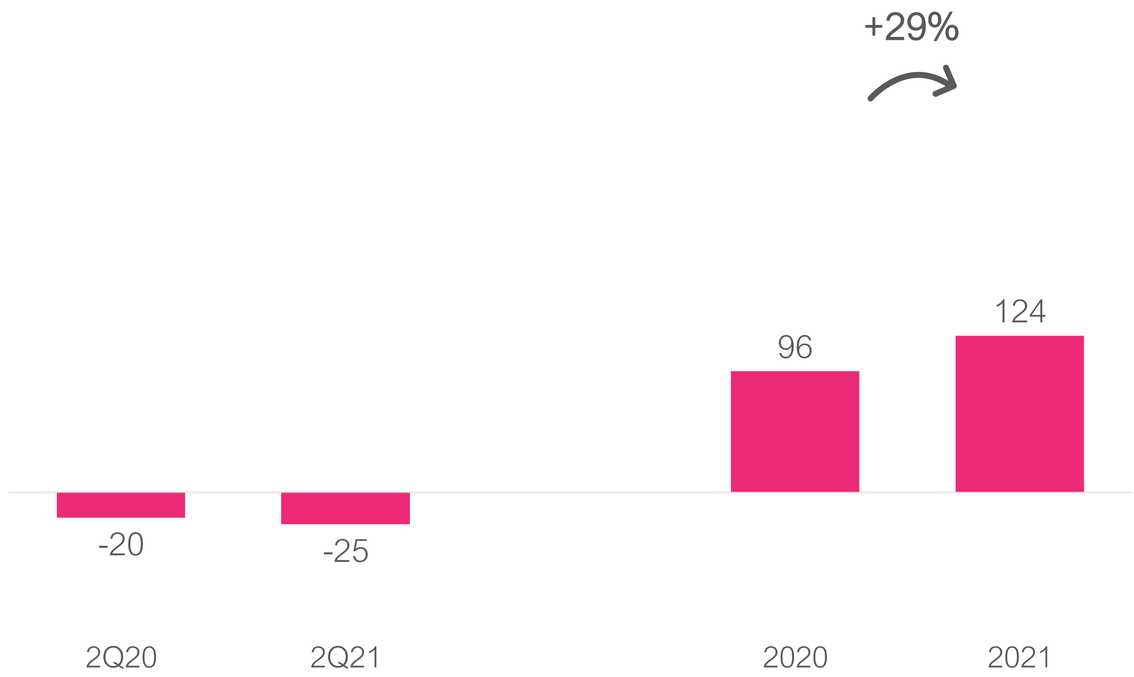
2Q21 Financial Highlights – Adjusted EBITDA and Net Profit

Values in R$ (million)

Adjusted EBITDA[1] and Adjusted EBITDA Margin



Adjusted Net Profit [1,2]

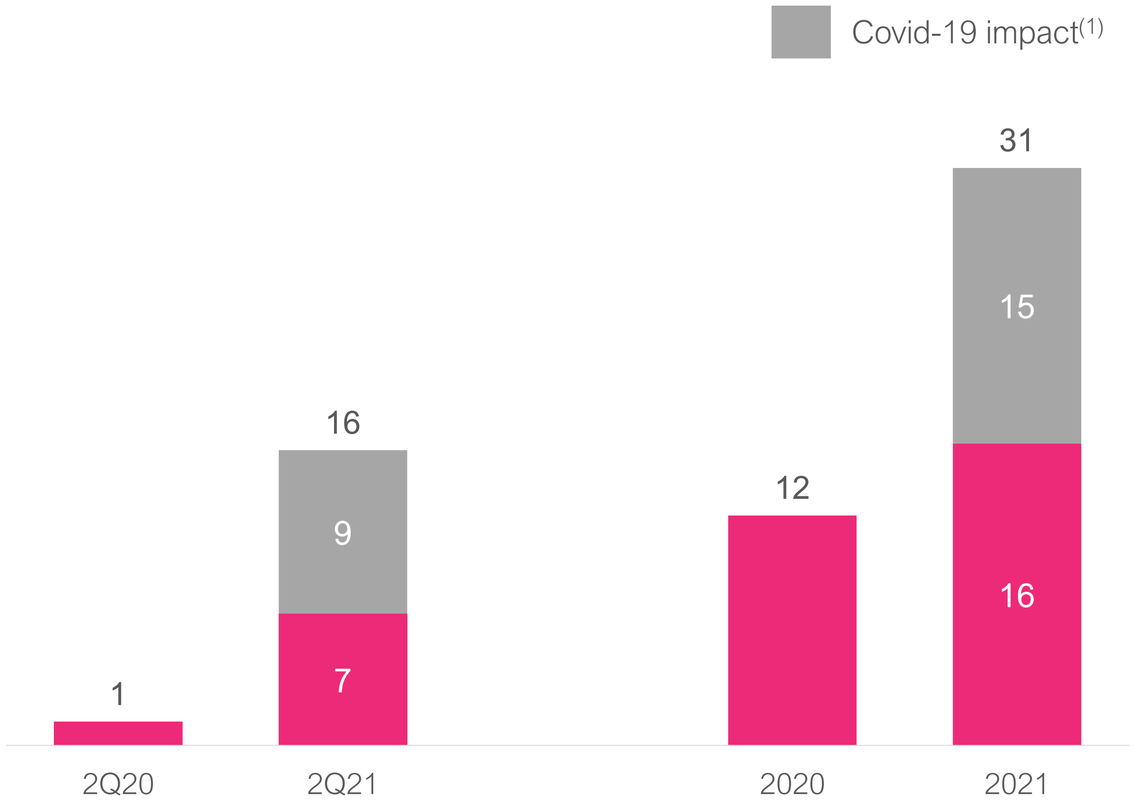


Note: 2021 cycle refers to the 2021 commercial year to date (4Q20, 1Q21 and 2Q22 combined), while 2020 cycle refers to the 2020 commercial year to date (4Q19, 1Q20 and 2Q20 combined)
1) Adjusted by non-recurring expenses, expenses with share-based compensation plans and IPO-related expenses. 2) Excluding non-recurring items, non-cash income tax expenses and amortization of intangible assets from business combination

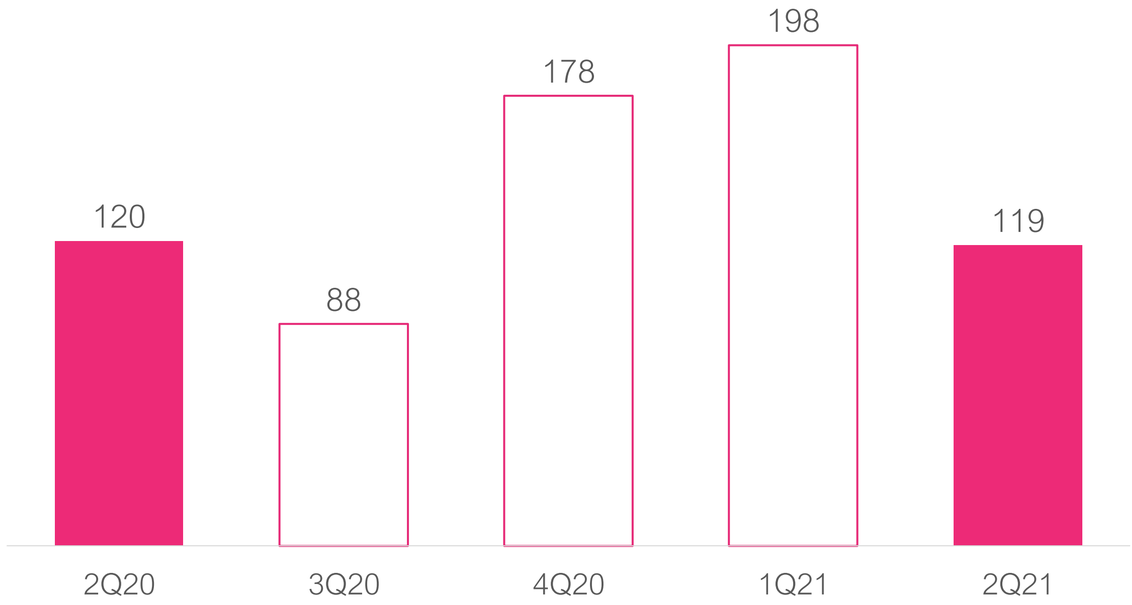
2Q21 Financial Highlights – PDA and Accounts Receivable

Values in R$ (million)

Provision for Doubtful Accounts (PDA)



Average Days of Accounts Receivable(2)



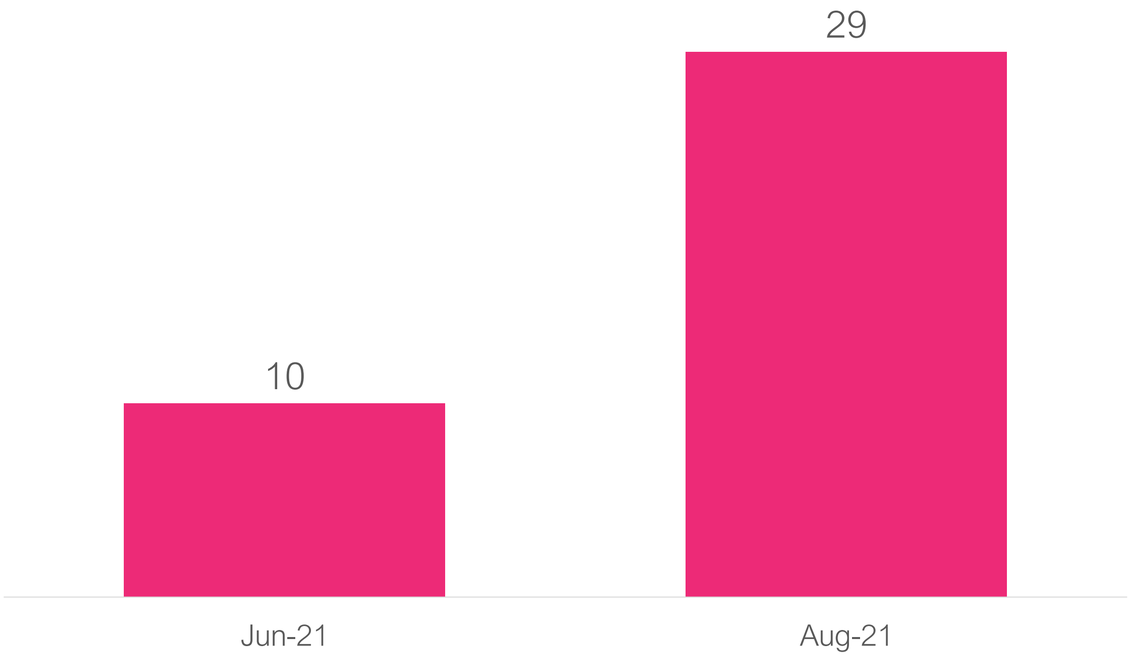
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1) Estimated by management (unaudited). 2) Balance of accounts receivable at the end of the period divided by the last-twelve-month net revenue, multiplied by 360.

1st Issuance of Market Debt

1st Issuance of Debentures

- Issued by Somos Sistemas de Ensino S.A., Vasta's wholly-owned subsidiary
- First debt issued by Vasta with the capital markets
- **R$ 500 million** in simple debentures, not convertible into shares
- Remuneration of CDI + 2.30% per year
- Elongated debt maturity profile: **average maturity now standing at 29 months**

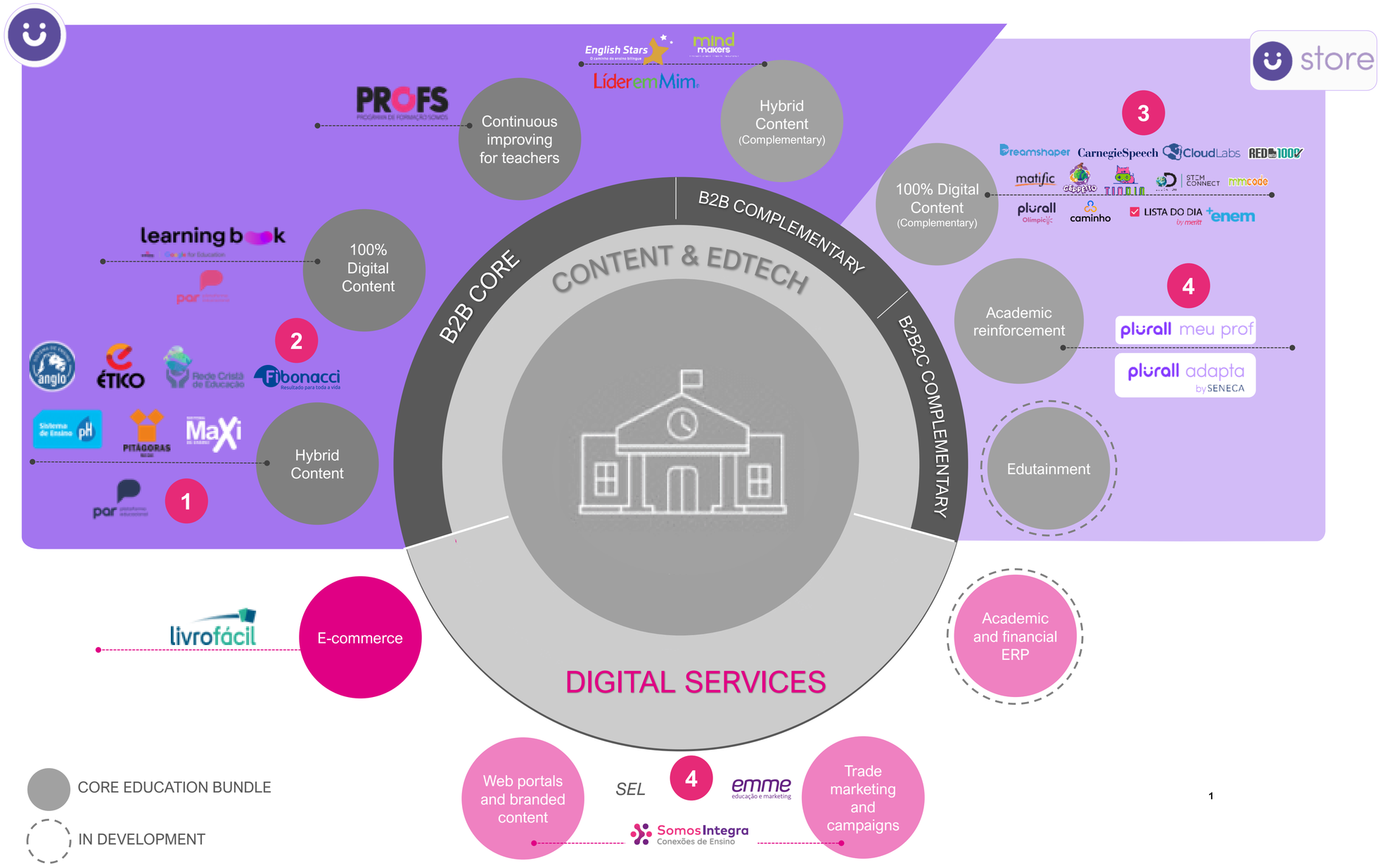
Average Debt Term(1) (months)



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1) Average debt maturity considering only financial debt.

2022 Sales Cycle: What's new



CORE EDUCATION BUNDLE

IN DEVELOPMENT

1. B2B Core: Focus on the migration of PAR clients to **PAR Digital (full-subscription)** or **Learning Systems**
2. B2B Core: Launch of **Fibonacci Learning System**, in partnership with Colegio Fibonacci (ENEM top-10)
3. B2B Complementary: Launch of **Plurall Store**, a marketplace with edtechs from all over the world
4. B2B2C Complementary: Launch of **Plurall Meu Prof** and **Plurall Adapta**, afterclass solutions
5. Digital Services: Launch of **Somos Integra**, our student acquisition solutions, and other digital services offered in conjunction with **SEL** and **EMME**

1

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1 B2B Core: Sales Strategy

Focus on the migration of PAR and textbook clients to PAR Digital (full-subscription) or learning systems

TEXTBOOK-BASED CONTENT SOLUTIONS

par plataforma educacional + Editora Saraiva | Atual Editora | editora scipione | editora ática

DIGITAL-BASED CONTENT SOLUTIONS

learning book | par plataforma educacional

LEARNING SYSTEMS

anglo | pH | Sistema Maxi de Ensino | pitágoras | ÉTICO | Rede Cristã de Educação

- Revenue resiliency
- Higher average ticket (no intermediaries)
- Higher margin

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2 B2B Core: Fibonacci Learning System

Fibonacci
Resultado para toda a vida

#1 in ENEM Essay Test
(2011 and 2019)

Top 10 in ENEM (overall ranking)
In the last 10 years

+

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Fibonacci Learning System

Launching schedule:
2022 | 3rd year of High School
2023 | High School (Full)
2024 | Middle School

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3 B2B2C Complementary: Plurall Store

A marketplace with edtechs from all over the world

- STEAM
- Preparatory
- English
- Essays
- Financial Education
- Project Methodology
- Computional Thinking
- Sports

New

New



4 B2B2C Complementary: Plurall Meu Prof and Plurall Adapta

plürall meuprof

Online tutoring
Connecting students and teachers
for private online classes

plürall adapta

Adaptive platform (self study)
for academic enhancement

- **Full digital services, available through Plurall platform**
- **B2B2C model: billing students directly with a rebate to the partner school**

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5 Digital Services: Somos Integra, SEL and EMME

Somos Integra
Conexões de Ensino

Connecting families to schools

- Connecting kindergarten students' families to Vasta's partner schools

emme

Student enrollment digital marketing company

- Specialized in the educational marketing, offering digital products and services, consultancies, lectures and support for attracting and retaining students

SEL
WEB TECHNOLOGY

Web portal

- Web portal management specialized in k-12 schools, with customized content

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Board of Directors and Audit Committee

- Estela Vieira appointed to the board of directors as an independent member and as chairwoman of the audit committee
- Vasta's board of directors brings together seasoned executives with complementary skills
- The audit committee is formed by the same three independent directors. All transactions involving related parties must be approved by the audit committee

Board of Directors and Audit Committee Composition

Name	Board of Directors	Audit Committee
Rodrigo Galindo	Chairman	
Roberto Valerio	Director	
Frederico Villa	Director	
Mario Ghio	Director	
Andres Cardo	Independent Member	Member
Ann Williams	Independent Member	Member
Estela Vieira	Independent Member	Chairwoman

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ESG Highlights

E

Accreditation of **Forest Stewardship Council (FSC)**, a globally recognized commitment with sustainable practices within the paper chain. We require that 100% of our supplies also possess this certification

FSC
www.fsc.org
MISTO
Papel produzido a partir de fontes responsáveis
FSC® C137933

We buy **energy in the free market** from renewable sources like small hydro power plants, biomass, wind and solar

100% of the waste generated in our distribution center is **correctly treated**

Corporate headquarters have the **LEED Silver certificate**

S

Somos Institute supports 6 preparatory courses that have served more than 1,000 low-income students, in partnership with Curso Anglo, having 172 students admitted in public universities. Fera, sponsored by Curso Anglo, has benefitted more than 800 students since 2016.

INSTITUTO SOMOS

Somos Futuro has supported more than 500 talented low-income students that came from public schools, providing an integral high-school scholarship and all associated support. More than 6,000 hours of mentoring were offered to this group of students by Somos employees.

Programa Somos Futuro

Covid-19 support. More than R$ 10 million in products and services were offered to the community, benefitting more than 94,000 people.

G

Three **independent members** in the board of directors (43% of total)

Two women in the board of directors (28% of total), enabling the **Women on Board (WOB)** certification

WOB
Women on board

49% of leadership positions in Vasta are occupied by **women**

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M&A track-record

- Five acquisitions announced since the IPO
- Acquisition of Eleva Plataforma de Ensino is under analysis of Brazil's Administrative Council for Economic Defense (CADE)
- M&A pipeline remains rich, and we are engaged in other transactions, which are at different stages

Nov-20 | **Feb-21(1)** | **Mar-21** | **May-21** | **Aug-21**

meritt

Eleva Plataforma de Ensino

SEL

RED nota 1000

emme educação e marketing

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1) Announcement date; closing is still pending CADE approval

1st Share Repurchase Program

- Today, Vasta announces its first share repurchase program
- Repurchase of up to 1,000,000 shares in up to 6 months

Vasta's 1st Share Repurchase Program

Item	Description
Volume	Up to 1,000,000 shares
Duration	6 months (Aug 17, 2021 to Feb 17, 2021)
Format	10b5-1

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Investor Relations

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