

YDUQS Participações S.A.

**Quarterly Information – ITR
March 31, 2022, and
Independent Auditors' Report**

Report on review of quarterly information

To the Board of Directors and Stockholders
YDUQS Participações S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of YDUQS Participações S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2022, comprising the balance sheet at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and explanatory notes.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added for the quarter ended March 31, 2022. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Rio de Janeiro, May 12, 2022

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Patricio Marques Roche
Contador CRC 1RJ081115/O-4

YDUQS Participações S.A.

Statements of financial position In thousands of Brazilian reais

	Parent company		Consolidated			Parent company		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021		March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
Assets					Liabilities and equity				
Current					Current				
Cash and cash equivalents (Note 3)	243,610	485,239	625,401	905,461	Suppliers	4,277	2,927	252,278	183,529
Securities (Note 3)	55,896	82,254	1,082,393	908,779	Loans and financing (Note 11)	594,202	972,835	594,202	972,835
Trade receivables (Note 4)			971,330	957,746	Leases (Note 12)			211,846	221,562
Prepaid expenses (Note 6)	454	641	27,858	10,140	Payroll and social charges (Note 13)	798	741	247,335	206,131
Taxes and contributions recoverable (Note 7)	42,756	66,182	138,568	163,664	Tax obligations (Note 14)	4,955	14,894	72,886	105,554
Other			26,893	27,770	Prepaid monthly fees			70,247	76,434
					Tax payment in installments (Note 15)			4,351	4,407
					Related parties (Note 5)	73	50		
	342,716	634,316	2,872,443	2,973,560	Dividends payable (Note 18)	37,596	37,596	37,596	37,596
					Acquisition price payable (Note 16)			50,012	49,096
					Other	16,412	4,722	19,400	8,795
						658,313	1,033,765	1,560,153	1,865,939
Non-current					Non-current				
Non-current receivables					Long-term liabilities				
Derivative financial instruments - Swap (Note 19)					Loans and financing (Note 11)	3,348,183	3,089,359	3,348,183	3,089,359
Trade receivables (Note 4)			334,066	273,632	Leases (Note 12)			1,378,519	1,223,319
Prepaid expenses (Note 6)	2	2	7,430	8,044	Contingencies (Note 17)	419	448	224,236	221,474
Legal deposits (Note 17)	247	247	100,132	100,619	Tax payment in installments (Note 15)			9,439	10,100
Deferred taxes (Note 28)	1,337	1,145	365,046	356,104	Provision for assets retirement			85,801	91,017
Taxes and contributions recoverable (Note 7)	46,029	22,264	155,704	129,062	Acquisition price payable (Note 16)			99,906	97,134
Other			13,080	12,905	Other	20,563	21,392	56,793	57,869
	47,615	23,658	975,458	880,366		3,369,165	3,111,199	5,202,877	4,790,272
Investments					Equity (Note 18)				
In subsidiaries (Note 8)	6,136,666	5,948,507			Share capital	1,139,887	1,139,887	1,139,887	1,139,887
Other			338	338	Expenditure on issuing shares	(26,852)	(26,852)	(26,852)	(26,852)
Intangible assets (Note 9)	780,065	780,065	3,552,197	3,508,563	Capital reserves	707,921	702,654	707,921	702,654
Property, plant and equipment (Note 10)	2	2	2,655,017	2,534,968	Retained earnings	1,586,373	1,586,373	1,586,373	1,586,373
	6,916,733	6,728,574	6,207,552	6,043,869	Treasury shares	(203,782)	(160,478)	(203,782)	(160,478)
					Income for the period	76,039		76,039	
						3,279,586	3,241,584	3,279,586	3,241,584
	6,964,348	6,752,232	7,183,010	6,924,235	Non-controlling interests			12,837	
					Total equity	3,279,586	3,241,584	3,292,423	3,241,584
Total assets	7,307,064	7,386,548	10,055,453	9,897,795	Total liabilities and equity	7,307,064	7,386,548	10,055,453	9,897,795

The Management notes are an integral part of the quarterly information.

YDUQS Participações S.A.

Statements of income

Three-month periods ended March 31

In thousands of Brazilian reais, except profit per share.

	Parent company		Consolidated	
	2022	2021	2022	2021
Continued operations				
Net revenue from activities (Note 22)			1,192,974	1,082,328
Costs of the services provided (Note 23)			(465,705)	(456,834)
Gross income			727,269	625,494
Operating revenues (expenses)				
Selling expenses (Note 24)			(270,641)	(251,636)
General and administrative expenses (Note 24)	(6,119)	(5,754)	(240,919)	(220,940)
Equity accounting income (Note 8)	190,171	98,662		
Other operating revenues/expenses (Note 25)	756	755	3,848	5,799
Operating income	184,808	93,663	219,557	158,717
Financial revenues (Note 26)	106,208	16,042	164,041	41,499
Financial expenses (Note 26)	(215,169)	(65,834)	(308,307)	(146,954)
Net financial income	(108,961)	(49,792)	(144,266)	(105,455)
Profit before income tax and social security contribution	75,847	43,871	75,291	53,262
Current and deferred income tax (Note 28)	141	(475)	628	(7,335)
Current and deferred social security contribution (Note 28)	51	(171)	120	(2,702)
Net income for the period:				
Attributable to shareholders of the parent company	76,039	43,225	76,039	43,225
	76,039	43,225	76,039	43,225
Net income per batch of 1000 shares - basic (Note 21)	0.25229	0.14347	0.25229	0.14347
Net income per batch of 1000 shares - diluted (Note 21)	0.25229	0.14336	0.25229	0.14336

The Management notes are an integral part of the quarterly information.

YDUQS Participações S.A.

Statements of comprehensive income
Three-month periods ended March 31
In thousands of Brazilian reais

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Net income for the period	<u>76,039</u>	<u>43,225</u>	<u>76,039</u>	<u>43,225</u>
Total comprehensive income for the period, net of taxes	<u>76,039</u>	<u>43,225</u>	<u>76,039</u>	<u>43,225</u>
Attributable to:				
Shareholders of the Parent company	<u>76,039</u>	<u>43,225</u>	<u>76,039</u>	<u>43,225</u>
	<u>76,039</u>	<u>43,225</u>	<u>76,039</u>	<u>43,225</u>

The Management notes are an integral part of the quarterly information.

YDUQS Participações S.A.

Statements of changes in equity In thousands of Brazilian reais

	Capital contribution	Expenditure with share issuance	Capital reserves			Retained earnings		Treasury shares	Accrued earnings	Additional proposed dividends	Equity	Non-controlling interests	Consolidated Equity
			Goodwill on shares subscription	Negative goodwill on shares sale	Granted options	Legal	Retained earnings						
As of January 1, 2021	1,139,887	(26,852)	595,464	(11,663)	103,702	183,889	1,281,878	(179,759)		118,423	3,204,969		3,204,969
Granted options (Note 20)					135						135		135
Restricted Shares Granting Plan (Note 20)					32,469						32,469		32,469
Negative goodwill on treasury shares sale (Note 18d.3)				(478)				478					
Cancellation of Treasury Shares (Note 18)								(25)			(25)		(25)
Payment Restricted Shares Granting Plan Payment (Note 18 d.3)					(16,974)			16,974					
Payment of Stock options								1,854			1,854		1,854
Additional proposed dividends										(118,423)	(118,423)		(118,423)
Net income for the fiscal year									158,171		158,171		158,171
Appropriation of net income													
Constitution of reserves						7,908	112,697		(120,605)				
Proposed dividends									(37,566)		(37,566)		(37,566)
As of December 31, 2021	1,139,887	(26,852)	595,464	(12,141)	119,332	191,797	1,394,575	(160,478)			3,241,584		3,241,584
Granted options (Note 20)					21						21		21
Restricted Shares Granting Plan (Note 20)					5,385						5,385		5,385
Payment Restricted Shares Granting Plan Payment (Note 20)					(140)			140					
Payment of Stock options								32			32		32
Acquired treasury shares (Note 118 (c))								(43,475)			(43,475)		(43,475)
Net income for the period									76,039		76,039		76,039
Non-controlling interests												12,837	12,837
As of March 31, 2022	1,139,887	(26,852)	595,464	(12,141)	124,598	191,797	1,394,575	(203,781)	76,039		3,279,586	12,837	3,292,423

The Management notes are an integral part of the quarterly information.

YDUQS Participações S.A.
Statements of cash flows
Three-month periods ended March 31
In thousands of Brazilian reais

	Parent company		Consolidated	
	2022	2021	2022	2021
Cash flow from operating activities				
Profit before income tax and social security contribution	75,847	43,871	75,291	53,262
Adjustments to reconcile the income to cash and cash equivalents generated:				
Depreciation and amortization	1	9	176,623	154,407
Amortization of loan funding costs	1,150	5,245	1,149	5,245
Provision for doubtful accounts			128,722	95,411
Provision for loss - Other trade receivables			(72)	277
Granted options - Stock options provision	594	333	3,323	12,546
Provision for contingencies	(28)	18	23,469	25,398
Interest on loans and financing, not realized	117,726	33,836	149,641	65,903
Adjustment of assets retirement obligation			(34)	2,300
Adjustment of commitments payable			3,298	191
Earnings from the write-off of property, plant, and equipment and intangible assets			1,100	(914)
Equity accounting method	(190,171)	(98,662)		
Adjustments to present value - trade receivables			8,800	2,436
Adjustment of tax credits	(1,874)	(299)	(4,236)	(706)
Other	(2,323)	(7,745)	16,732	(7,285)
	922	(23,394)	583,806	408,471
Variation in assets and liabilities:				
(Increase) in trade receivables			(211,541)	(111,608)
Increase (Decrease) in prepaid expenses	187	(664)	(17,104)	(16,578)
(Increase) Decrease in taxes and contributions recoverable	8,585	(8,885)	2,732	28,063
(Increase) in legal deposits		(7)	487	(9,936)
(Increase) Decrease in other assets	(2)	(9)	997	5,424
Increase (Decrease) in trade payables	778	550	48,689	14,807
Increase (Decrease) in payroll and social charges	(65)	(18)	43,263	45,549
Increase (Decrease) in tax obligations	(9,939)	(21,465)	(32,155)	(48,868)
Increase (Decrease) in monthly fees received in advance			(7,743)	(27,354)
(Decrease) in tax installment payment			(908)	(590)
(Decrease) in civil/labor/tax convictions	(1)	(3)	(20,707)	(23,950)
Increase in Provision for assets retirement obligations			(5,182)	(17,269)
Increase (Decrease) in other liabilities	11,713	(20)	10,784	(166)
	12,178	(53,915)	395,418	245,995
Interest paid on loans	(119,620)	(46,069)	(119,620)	(46,069)
IRPJ (Income Tax) and CSLL (Social Contribution on Net Income) Paid			(8,869)	(11,341)
Net cash provided by (used in) operating activities.	(107,442)	(99,984)	266,929	188,585
Cash flow from investment activities:				
Acquisition of property, plant and equipment			(16,562)	(20,801)
Acquisition of intangible assets			(69,697)	(45,436)
Premium and goodwill from investment in subsidiaries				166
Acquisition of subsidiaries, net of cash obtained in the acquisition			(15,683)	
Advance for future capital increase	(100)	(300)		
Application of Securities	26,358	(1,369)	(173,614)	(63,878)
Acquisition price payable			(8,610)	(6,886)
Net cash provided by (used by) investment activities.	26,258	(1,669)	(284,166)	(136,835)
Cash flow from financing activities:				
Acquisition of treasury shares	(43,443)		(43,443)	
Dividends paid		(31)		(31)
Debt issuance amount		1,850,000		1,850,000
Amount received from loans and financing	233,156	36,080	233,156	36,080
Loan funding costs	(11)	(13,309)	(11)	(13,309)
Amortization of loans and financing	(350,147)	(1,484,648)	(350,147)	(1,484,648)
Lease amortization			(102,378)	(86,708)
Net cash from (invested in) financing activities	(160,445)	388,092	(262,823)	301,384
Increase (decrease) in the balance of cash and cash equivalents	(241,629)	286,439	(280,060)	353,134
Cash and cash equivalents at the beginning of the period	485,239	334,127	905,461	925,341
Cash and cash equivalents at the end of the period	243,610	620,566	625,401	1,278,475
Variation in cash equivalents balance	(241,629)	286,439	(280,060)	353,134

The Management notes are an integral part of the quarterly information.

YDUQS Participações S.A.
Statements of value added
Three-month periods ended March 31
In thousands of Brazilian reais

	Parent company		Consolidated	
	2022	2021	2022	2021
Revenues				
Educational services			1,234,308	1,120,851
Other revenues			782	984
Impairment loss on trade receivables			(128,722)	(95,411)
			<u>1,106,368</u>	<u>1,026,424</u>
Inputs acquired from third parties				
Materials, electric power, and others	(3,674)	(3,067)	(89,500)	(70,818)
Third-party services	(776)	(992)	(95,655)	(81,009)
Advertising			(111,890)	(132,177)
Contingencies	50	(3)	(11,568)	(15,803)
	<u>(4,400)</u>	<u>(4,062)</u>	<u>(308,613)</u>	<u>(299,807)</u>
Gross value added	<u>(4,400)</u>	<u>(4,062)</u>	<u>797,755</u>	<u>726,617</u>
Depreciation and amortization	(1)	(9)	(176,623)	(154,407)
Net value added produced	<u>(4,401)</u>	<u>(4,071)</u>	<u>621,132</u>	<u>572,210</u>
Added value received from transfer				
Equity accounting method income	190,171	98,662		
Financial revenue	111,195	16,195	172,127	43,108
Others	832	832	3,976	6,030
	<u>302,198</u>	<u>115,689</u>	<u>176,103</u>	<u>49,138</u>
Total value added to be distributed	<u>297,797</u>	<u>111,618</u>	<u>797,235</u>	<u>621,348</u>
Distribution of value added				
Work compensation				
Direct compensation	1,518	1,441	255,830	274,339
Benefits			18,612	15,895
FGTS (Government Severance Indemnity Fund for Employees)			18,293	17,690
	<u>1,518</u>	<u>1,441</u>	<u>292,735</u>	<u>307,924</u>
Taxes, fees, and contributions				
Federal	5,706	1,126	71,148	71,588
State				
Municipal			44,304	43,094
	<u>5,706</u>	<u>1,126</u>	<u>115,452</u>	<u>114,682</u>
Remuneration of third-party capital				
Interest	214,534	65,826	306,990	146,817
Rents			6,019	8,700
	<u>214,534</u>	<u>65,826</u>	<u>313,009</u>	<u>155,517</u>
Remuneration on equity				
Retained earnings	76,039	43,225	76,039	43,225
	<u>76,039</u>	<u>43,225</u>	<u>76,039</u>	<u>43,225</u>
Distributed value added	<u>297,797</u>	<u>111,618</u>	<u>797,235</u>	<u>621,348</u>

The Management notes are an integral part of the quarterly information.

1 General information

1.1 Operating context

YDUQS Participações S.A. ("Company") and its subsidiaries (jointly, the "Group") are mainly involved in the development and/or management of activities and/or institutions in the fields of higher education, professional education and/or other fields related to education, in the management of their own assets and businesses, and the holding of interests, as partner or shareholder, in other partnerships and companies in Brazil.

The Company is a corporation headquartered at Avenida Venezuela, 43, in the City and State of Rio de Janeiro, incorporated by way of a private share subscription on March 31, 2007, and currently listed on *Novo Mercado* (New Market).

The Group has thirty-six (36) companies, including YDUQS Participações S.A and Instituto Yduqs, twenty-nine-three (29) of which are sponsors of a higher education institution, organized as limited liability business companies, and comprises a University, twenty-one (21) University Centers, and forty-nine (49) Colleges, accredited and distributed in twenty-five (25) states in Brazil and in the Federal District.

As of January 01, 2022, the Group executed a corporate restructuring of the following companies: Idez Empreendimentos Educacionais Ltda ("IDEZ"), Uniuol Gestão de Empreendimentos Educacionais e Participações Ltda ("UNIUL"), ABEP – Academia Baiana de Ensino Pesquisa e Extensão Ltda ("UNIRUY"), ANEC – Sociedade Natalense de Educação e Cultura Ltda ("FAL") and Yduqs Participações 2 Ltda ("ADTALEM"), were merged into their direct parent companies, as follows:

Acquired company	Acquiring company
Idez Empreendimentos Educacionais Ltda. ("IDEZ")	Sociedade Educacional Atual da Amazônia ("ATUAL")
Uniuol Gestão de Empreendimentos Educacionais e Participações Ltda. ("UNIUL")	Sociedade Educacional Atual da Amazônia ("ATUAL")
ABEP - Academia Baiana de Ensino Pesquisa e Extensão Ltda. ("RUY BARBOSA")	Yduqs Educacional Ltda. ("UNIFANOR")
Anec - Sociedade Natalense de Educação e Cultura Ltda. ("FAL")	Sociedade de Ensino Superior, Médio e Fundamental Ltda. ("IREP")
Yduqs Participações 2 Ltda. ("ADTALEM")	Sociedade de Ensino Superior Estácio de Sá Ltda. ("SESES")

The Company manages its financial operations on a consolidated basis, moving financial resources between the companies with the purpose of meeting short-term commitments or profiting from its financial income. Thus, it is possible to have a temporary effect of negative net working capital in the parent company, which does not occur in the consolidated view.

Recent acquisition

YDUQS Participações S.A. ("Company" or "YDUQS") informs that, on March 11, 2022, its subsidiary, Damásio Educacional Ltda. ("Damásio"), entered into a purchase agreement for the acquisition of 51% of the units of ownership representing the share capital of the Wemed Serviços e Cursos Preparatórios para Concursos S.A. ("HardWork"). The transaction refers to the acquisition of 51% of the units of ownership representing the share capital of Hardwork with a disbursement of R\$ 52 million, covering an initial capitalization of Hardwork and a secondary acquisition of the shares held by the current shareholders.

Additionally, in view of the immateriality of the pro-rata balance for this quarterly information, no further disclosures were necessary.

The Company's Board of Directors approved the disclosure of these interim financial information at a meeting held on May 12, 2022.

1.2 Basis for preparation

The quarterly information (parent company and consolidated) were elaborated according to the Technical Pronouncement CPC 21 — Interim Statement and the international accounting standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of such information in a manner consistent with the rules issued by the Brazilian Securities and Exchange

**Management notes to the financial statements
as of March 31, 2022**
In thousands of Brazilian reais

Commission, applicable to the preparation of the Quarterly Information - ITR, and show all relevant information related to the financial statements (parent company and consolidated), and only these, which are consistent with the used by the management in its activities.

The presentation of the Statement of Value Added (DVA), individual and consolidated, is required by Brazilian corporate legislation and accounting practices adopted in Brazil applicable to publicly-held companies. The DVA was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". IFRS does not require the presentation of this statement. As a consequence, under IFRS, this statement is presented as supplementary information, without prejudice to the set of this quarterly information.

1.3 Accounting policies

This quarterly information should be read together with the financial statements for the fiscal year ended December 31, 2021, since its purpose is to provide for an update of significant activities, events, and circumstances in relation to those financial statements. In the quarterly information, the accounting policies are being presented in a manner consistent with the accounting practices adopted in the individual and consolidated financial statements of the fiscal year ended December 31, 2021.

1.4 Changes to accounting policies and disclosures

New standards in force in 2022

- **Amendment to IAS 16 “Property, Plant, and Equipment”:** in May 2020, the IASB issued an amendment that prohibits an entity from deducting from the cost of property, plant and equipment the amounts received from the sale of items produced while the asset is being prepared for its intended use. Such revenues and related costs must be recognized in the income for the fiscal year. The effective date of application of this change is the January 1, 2022.
- **Amendment to IAS 37 “Provision, Contingent Liabilities and Contingent Assets”:** in May 2020, the IASB issued this amendment to clarify that, for the purpose of assessing whether an agreement is onerous, the agreement performance cost includes the incremental costs of performing that agreement and an allocation of other costs that directly relate to the performance of the agreement. The effective date of application of this change is the January 1, 2022.
- **Amendment to IFRS 3 “Business Combinations”:** issued in May 2020, with the aim of replacing the references from the older version of the conceptual framework to the newer one. The amendment to IFRS 3 is effective from January 1, 2022.
- **Annual improvements - 2018-2020 cycle:** in May 2020, the IASB issued the following amendments as part of the annual improvement process, applicable from January 1, 2022:
 - (i) **IFRS 9 - “Financial Instruments”** - clarifies which rates should be included in the 10% test for writing off financial liabilities.
 - (ii) **IFRS 16 - “Leases”** - amendment of example 13 in order to exclude the example of payments by the lessor related to improvements in the leased property.
 - (iii) **IFRS 1 “Initial Adoption of International Financial Reporting Standards”** - simplifies the application of said standard by a subsidiary that adopts IFRS for the first time after its parent company, in relation to measuring the accumulated amount of exchange rate variations.

The new IFRS standards or IFRIC interpretations that came into force don't have a significant impact on the Group's financial statements.

1.5 Business combination

The Group uses the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred, and equity

Management notes to the financial statements
as of March 31, 2022
 In thousands of Brazilian reais

instruments issued by the Group. The consideration transferred includes the fair value of assets and liabilities resulting from a contingent consideration agreement, when applicable. Acquisition-related costs are recorded in the statement of profit and loss of the fiscal year as incurred. Identifiable assets acquired and contingent liabilities assumed in a business combination are initially measured at fair value on the acquisition date.

The excess of the consideration transferred and the fair value as of the acquisition date of any previous equity interest in the company acquired, as compared to the fair value of the Group interest in identifiable net assets, is recorded as goodwill. When the consideration transferred is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized directly in the statement of profit or loss for the fiscal year.

WEMED Educação Médica Ltda. ("Hardwork")

As of March 11, 2022, the Company acquired, through its subsidiary Damásio Educacional Ltda. ("Damásio"), the interest of 51% of the units of ownership representing the share capital of Wemed Serviços e Cursos Preparatórios para Concursos S.A. ("HardWork"), an edtech company, fully digital and specialized in preparing for residency exam, specialist title and revalidation of diplomas. It has common characteristics of a startup.

The total transaction amount was R\$ 52 million, with payment of R\$ 23 million, and R\$ 20 million as investment contribution (to be realized in a period of up to 12 months) and R\$ 9 million payable in a single installment in the first anniversary of the closing date.

The table below summarizes the consideration paid, the book balances of the assets acquired and liabilities assumed on the acquisition date and the allocation of the purchase price determined based on the fair value of the assets acquired and liabilities assumed:

	Wemed ("Hardwork")
Assets	
Current	27,512
Cash and cash equivalents	17,317
Related Parties	10,000
Taxes and contributions	42
Other assets	153
Non-current	526
Property, plant and equipment	526
	28,038
Liabilities	
Current	
Suppliers	97
Salaries and charges	24
Labor liabilities	162
Prepaid monthly fees	1,555
	1,838
Net assets acquired	26,198
Non-controlling interests	(12,837)
Identifiable assets at fair value	
Goodwill (i)	38,639
Total consideration	52,000
Cash flow at the time of acquisition	
Cash	33,000
Payment in installments	9,000
Investments (Contribution to be paid in)	10,000
Net cash flow on acquisition	52,000

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- (i) The fair values and determination of the goodwill are preliminaries as set forth for CPC15 / IFRS 3 - Business Combination, which determines that the Company finishes the assessment procedure of the acquired assets and liabilities taken within 12 months as of the acquisition date.

2 Notes that were not presented

The quarterly information is being presented in accordance with CPC 21 (R1), IAS 34 and the rules issued by the CVM. Based on this faculty and management's assessment of the relevant impacts of the information to be disclosed, the notes described below are not being presented. The others are being presented in order to enable a perfect understanding of this quarterly information if read together with the notes disclosed in the financial statements as of December 31, 2021.

Notes that were not presented:

- Summary of principal accounting policies.
- Critical accounting estimates and judgments.
- Assumptions for calculating the fair value of the share option plan and impairment of non-financial assets.
- Insurance coverage.
- Commitments
- Other information.

3 Cash and cash equivalents and securities

	Parent company		Consolidated	
	2022	2021	2022	2021
Cash and banks	525	1,204	49,964	47,729
Financial Bills (LFs) (Exclusive funds)	34,331	44,376	305,573	321,425
Bank Deposit Certificate (CDB)	161,410	356,152	199,992	425,762
CDB (Exclusive funds)	2,869	32,962	4,250	34,400
Repurchase	30,046	50,545	50,877	75,784
Corporate Credit	14,429		14,745	361
Cash and cash equivalents	243,610	485,239	625,401	905,461
Federal Sovereign Debt Securities (Investment Fund)	55,896	82,254	1,082,393	908,779
Notes and securities	55,896	82,254	1,082,393	908,779
Total	299,506	567,493	1,707,794	1,814,240

The Company has a policy that stipulates that investment must be concentrated in low-risk securities and investment at prime financial institutions. As of March 31, 2022, the operations were remunerated based on percentages of the variation of the Interbank Deposit Certificate (CDI), with the exception of government bonds, which are indexed to the Selic rate and fixed rates.

As of March 31, 2022 and December 31, 2021, all of the Company's securities were classified as "fair value through profit or loss".

Investments in exclusive funds are backed by financial allocations in funds quotas, CDBs, LFs (Financial Bills), government bonds, repurchase agreements with prime banks and issuers. The average yield of the investment funds as of March 31, 2022, was 99.12% of the CDI rate with an average yield in 2022 of 111.87% of the CDI rate (average annual yield on December 31, 2021 was 107.33% of the CDI rate).

Bank Deposit Certificates - CDBs yield the CDI rate, averaging 100.62% as of March 31, 2022 (98.27% as of December 31, 2021)

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4 Trade receivables

	Consolidated	
	March 31, 2022	December 31, 2021
Monthly tuition fees received from students	1,524,011	1,422,254
FIES (a)	99,640	108,429
Partnership agreements and exchange deals	26,577	23,782
Credit cards receivable (b)	162,272	130,991
Receivable agreements	170,393	144,171
	<u>1,982,893</u>	<u>1,829,627</u>
Impairment Loss on Trade Receivables (PCLD)	(631,770)	(559,243)
Unidentified amounts	(7,124)	(9,203)
(-) Adjustment to present value (c)	<u>(38,603)</u>	<u>(29,803)</u>
	<u>1,305,396</u>	<u>1,231,378</u>
Current assets	971,330	957,746
Non-current assets	<u>334,066</u>	<u>273,632</u>
	<u>1,305,396</u>	<u>1,231,378</u>

(a) Trade receivables from the FIES (Student Financing Fund) are represented by educational loans raised by students with CEF (Caixa Econômica Federal) and FNDE (National Education Development Fund), whereby the financed funds are transferred monthly by CEF and Banco do Brasil to the specific bank account. Such amount has been used to pay the social security contributions and federal taxes and converted into cash by means of auctions of National Treasury bonds.

FIES Risk:

Obligations linked to the FIES risk are recognized in other non-current liabilities:

- (i) For FIES students with guarantor, it was set up provision for 2.25% of the income with characteristic, considering the assumptions of 15% of credit risk exposure over an estimate default rate of 15%.
- (ii) For the uncovered FGEDUC risk, contracted as from April 2012, a provision was made for 10% of the credits under the responsibility of the sponsors (where the Guarantor Fund is responsible for the remaining 90%), assuming 15% exposure to this credit risk for an estimated default rate of 15%, i.e., 0.225%.
- (iii) For the uncovered FGEDUC risk, contracted up to June 2012, a provision was made for 20% of the credits under the responsibility of the sponsors (where the Guarantor Fund is responsible for the remaining 80%), assuming 15% exposure to this credit risk for an estimated default rate of 15%, i.e., 0.45%.

(b) A substantial part of credit card receivables consists of late monthly tuition fees and agreements and subscription programs.

(c) As of March 31, 2022, the adjustment to present value amounts to R\$ 38,603 (R\$ 8,355 related to PAR, R\$ 26,917 to DIS, and R\$ 3,331 to Athenas Financing System), and, as of December 31, 2021, R\$ 29,803 (R\$ 10,817 related to PAR and R\$ 15,808 related to Athenas Financing System).

The balance of long-term amounts as of March 31, 2022, is related to PAR (Estácio Installment Payment Program), DIS (Dilution of monthly tuition fees) and Athenas installment payment program. The aging breakdown is as follows:

	Consolidated	
	March 31, 2022	December 31, 2021
2022		77,874
2023	41,375	182,042
2024 to 2027	446,601	150,417
(-) Adjustment to present value (c)	(38,603)	(29,802)
(-) Impairment loss on trade receivables	<u>(115,307)</u>	<u>(106,899)</u>
Non-current assets	<u>334,066</u>	<u>273,632</u>

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The breakdown of receivables by age is presented below:

	Consolidated			
	March 31, 2022	%	December 31, 2021	%
FIES	99,640	5	108,429	6
To become due	960,220	48	754,610	41
Overdue up to 30 days	181,979	9	210,484	12
Overdue for 31 to 60 days	63,578	3	117,009	6
Overdue for 61 to 90 days	22,406	1	106,888	6
Overdue for 91 to 179 days	278,973	15	181,073	10
Overdue for 180 to 360 days	376,097	19	351,134	19
	<u>1,982,893</u>	<u>100</u>	<u>1,829,627</u>	<u>100</u>

The breakdown of receivables by age is presented below:

	Consolidated			
	March 31, 2022	%	December 31, 2021	%
To become due	83,684	49	53,898	37
Overdue up to 30 days	14,571	8	12,628	9
Overdue for 31 to 60 days	9,490	7	12,978	9
Overdue for 61 to 90 days	6,713	4	12,845	9
Overdue for 91 to 179 days	23,247	14	21,359	15
Overdue for 180 to 360 days	32,688	19	30,463	21
	<u>170,393</u>	<u>100</u>	<u>144,171</u>	<u>100</u>

The activity of impairment loss on trade receivables (PCLD), in the consolidated, is as follows:

Balance as of December 31, 2020	694,604
Constitution	513,912
Write-off of bills / checks overdue for more than 360 days	<u>(649,273)</u>
Balance as of December 31, 2021	559,243
Constitution	128,722
Write-off of bills (Acquired companies)	(2,289)
Write-off of bills / checks overdue for more than 360 days	<u>(53,907)</u>
Balances on March 31, 2022	<u>631,769</u>

5 Related parties

The main balances as of March 31, 2022 and December 31, 2021, as well as the transactions that influenced the income for the period, related to related-party transactions derive from transactions between the Company and its subsidiaries. Related-party transactions that do not incur interest and/or adjustment for inflation.

The balance of the subsidiaries' accounts payable relates to the sharing of corporate expenses and are presented below:

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	Parent company	
	March 31, 2022	December 31, 2021
Current liabilities		
Checking account		
Seses	73	50
Subsidiaries	73	50

6 Prepaid expenses

	Consolidated	
	March 31, 2022	December 31, 2021
Insurances	7,706	8,169
IPTU (Urban Real Estate Property Tax)	14,245	118
Advance of vacations and charges	5,906	3,468
Registration fee - MEC	3,307	3,630
Technical-pedagogical cooperation - Santa Casa	951	1,056
Other prepaid expenses	3,173	1,743
	35,288	18,184
Current assets	27,858	10,140
Non-current assets	7,430	8,044
	35,288	18,184

In the parent company, the amount of R\$ 455 in the period ended March 31, 2022, relates to non-life insurance policies (R\$ 643 related to non-life insurance policies as of December 31, 2021).

7 Taxes and contributions recoverable

	Parent company		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
IRRF (i)	17,072	62,183	25,521	78,634
IRPJ/CSLL Prepayments			4,913	34,775
IRPJ/CSLL to be offset (ii)	71,713	26,263	158,752	74,299
PIS (Social Integration Program) and COFINS (Social Security Financing Contribution)			5,168	4,424
ISS			78,427	79,122
INSS (Brazilian Institute of Social Security)			20,970	20,972
OTHER			521	500
	88,785	88,446	294,272	292,726
Current assets	42,756	66,182	138,568	163,664
Non-current assets	46,029	22,264	155,704	129,062
	88,785	88,446	294,272	292,726

(i) The amount presented here represents IRPJ prepayments in the form of withholding tax. The decrease in 2022 is related to the IRRF settlement on the Interest on Equity (JCP) transaction carried out between companies in the same economic group. Said prepayments revert to tax credits used to offset taxes in the following fiscal year.

(ii) This amount refers to the excess of IRPJ/CSLL prepayments made in previous years, which is applied to offset Federal Government taxes. It is adjusted monthly by the Selic rate.

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8 Investments in subsidiaries

(a) Parent company Yduqs Participações S.A.

	March 31, 2022		December 31, 2021	
	Investment	Investment Loss	Investment	Investment Loss
Sociedade de Ensino Superior Estácio de Sá Ltda. ("SESES")	4,402,957		4,262,642	
Sociedade de Ensino Superior, Médio e Fundamental Ltda. ("IREP")	1,373,280		1,362,904	
Sociedade de Ensino Superior Estácio Ribeirão Preto Ltda. ("Estácio Ribeirão Preto")	357,976		320,329	
Other subsidiaries (i)	2,453	(30)	2,632	(30)
	<u>6,136,666</u>	<u>(30)</u>	<u>5,948,507</u>	<u>(30)</u>

The subsidiaries' information is presented below:

March 31, 2022

	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Income tax on goodwill from downstream merger	Total	Net profit (loss) for the period
SESES	100%	3,209,377	5,590,695	1,187,738	4,402,957			4,402,957	141,378
IREP	100%	849,492	1,901,636	590,798	1,310,838	62,442		1,373,280	10,093
NACP	100%	18,304	939	(1,514)	2,453			2,453	(281)
EnsineMe (i)	100%	251	32	67	(35)	5		(30)	
Estacio Ribeirão Preto	100%	37,692	490,027	129,821	360,206		(2,230)	357,976	38,981
			<u>7,983,329</u>	<u>1,906,910</u>	<u>6,076,419</u>	<u>62,447</u>	<u>(2,230)</u>	<u>6,136,636</u>	<u>190,171</u>

December 31, 2021

	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Income tax on goodwill from downstream merger	Total	Net income (loss) for the fiscal year
SESES	100%	3,084,087	5,383,682	1,121,040	4,262,642			4,262,642	331,039
IREP	100%	849,492	1,853,838	553,376	1,300,462	62,442		1,362,904	(41,808)
Estacio Ribeirão Preto	100%	23,837	436,852	114,293	322,559		(2,230)	320,329	136,737
Other subsidiaries (i)	100%		1,223	(1,376)	2,599	5		2,602	(1,021)
			<u>7,675,595</u>	<u>1,787,333</u>	<u>5,888,262</u>	<u>62,447</u>	<u>(2,230)</u>	<u>5,948,477</u>	<u>424,947</u>

(i) They refer to the companies Nova Academia do Concurso ("NACP") and EnsineMe.

The table below presents the overall activity in the investments in subsidiaries in the period ended March 31, 2022 and in the fiscal year ended December 31, 2021:

Investments in subsidiaries as of December 31, 2020	5,338,152
Equity accounting method	270,247
Advance for future capital increase	177,210
Capital increase	131,495
Granted options	134
Restricted shares plan	31,271
Investments in subsidiaries as of December 31, 2021	<u>5,948,509</u>
Equity accounting method	143,171
Advance for future capital increase	100
Capital increase (i)	39,950
Granted options	21
Restricted shares plan	4,915
Investments in subsidiaries as of March 31, 2022	<u>6,136,666</u>

(i) Increase of share capital due to distribution of profits (JCP) on March 31, 2022 among the (direct and indirect) subsidiaries.

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The accounting information of the subsidiaries used to apply the equity accounting method was related to the base date of March 31, 2022.

We present below the information on direct subsidiaries' investments:

(b) Sociedade de Ensino Superior Estácio de Sá Ltda. ("SESES")

	March 31, 2022	December 31, 2021
Sociedade De Ensino Superior Toledo Ltda. ("UNITOLEDO")	105,188	104,986
YDUQS Participações 2. ("ADTALEM")		2,209,573
YDUQS EDUCACIONAL LTDA ("UNIFANOR")	2,313,123	
DAMÁSIO EDUCACIONAL LTDA ("DAMÁSIO")	471,035	
	<u>2,889,346</u>	<u>2,314,559</u>

We present below the information on SESES' subsidiaries:

March 31, 2022							
	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Net income for the period
UNITOLEDO	100%	3,460	52,753	42,276	10,477	94,711	201
ADTALEM	100%						
UNIFANOR	100%	129,717	2,049,123	213,965	1,835,158	477,965	23,703
DAMÁSIO	100%	266,120	444,442	77,956	366,486	104,549	(4,040)
			<u>2,546,318</u>	<u>334,197</u>	<u>2,212,121</u>	<u>677,225</u>	<u>19,864</u>

December 31, 2021							
	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Net income (loss) for the fiscal year
UNITOLEDO	100%	3,460	52,241	41,966	10,275	94,711	(91)
ADTALEM	100%	1,029,362	2,125,188	(2,242)	2,127,430	82,143	68,721
			<u>2,177,429</u>	<u>39,724</u>	<u>2,137,705</u>	<u>176,854</u>	<u>68,630</u>

The table below represents the overall activities in the investments of the direct subsidiary SESES in its subsidiaries in the period ended March 31, 2022 and the fiscal year ended December 31, 2021.

Investments in subsidiaries as of December 31, 2020	2,226,782
Equity accounting method	68,631
Advance for future capital increase	16,830
Granted options	2,625
Goodwill on the acquisition	(308)
Investments in subsidiaries as of December 31, 2021	<u>2,314,559</u>
Equity accounting method	19,864
Advance for future capital increase	53,630
Granted options	471
Goodwill by merger	500,822
Investments in subsidiaries as of March 31, 2022	<u>2,889,346</u>

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(c) Sociedade de Ensino Superior, Médio e Fundamental Ltda. ("IREP")

	March 31, 2022	December 31, 2021
Sociedade Educacional Atual da Amazônia ("ATUAL")	616,576	613,548
União das Escolas Superiores de JI-PARANA Ltda ("UNIJIPA")	72,075	48,025
União Educacional Meta Ltda ("UNIÃO META")	48,413	64,824
Centro de Educacional do Pantanal Ltda ("CENTRO PANTANAL")	67,888	227,637
Other subsidiaries (i)	228,333	613,548
	<u>1,033,285</u>	<u>1,025,815</u>

(i) They refer to the companies FAL, FATERN, ATHENAS, PIMENTA BUENO, and CENTRO ROLIM.

We present below the information on IREP's subsidiaries:

March 31, 2022								
	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Total	Net profit (loss) for the period
CURRENT	100%	45,092	644,560	43,487	601,073	15,503	616,576	1,408
UNIJIPA	100%	21,468	44,012	26,873	17,139	54,936	72,075	252
UNIÃO META	100%	27,173	62,620	47,449	15,171	33,242	48,413	390
CENTRO PANTANAL	100%	12,661	37,376	21,228	16,148	51,740	67,888	3,064
Other subsidiaries	100%		292,106	81,064	211,042	17,291	228,333	5,706
			1,080,674	220,101	860,573	172,712	1,033,285	10,820
December 31, 2021								
	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Total	Net income (loss) for the fiscal year
CURRENT	100%	442,932	635,861	37,816	598,045	15,503	613,548	(4,859)
UNIJIPA	100%	21,468	43,434	26,589	16,845	54,936	71,781	2,044
UNIÃO META	100%	27,173	62,503	47,720	14,783	33,242	48,025	(1,026)
CENTRO PANTANAL	100%	12,661	33,614	20,530	13,084	51,740	64,824	5,448
Other subsidiaries	100%		291,714	89,444	202,270	25,367	227,637	(1,503)
			1,067,126	222,099	845,027	180,788	1,025,815	104

The table below represents the overall activities in the investments of the direct subsidiary IREP in its subsidiaries in the period ended March 31, 2022 and the fiscal year ended December 31, 2021:

Investments in subsidiaries as of December 31, 2020	824,446
Equity accounting method	104
Advance for future capital increase	201,265
Investments in subsidiaries as of December 31, 2021	<u>1,025,815</u>
Equity accounting method	10,820
Write-off upon merger	(5,920)
Advance for future capital increase	<u>2,570</u>
Investments in subsidiaries as of March 31, 2022	<u>1,033,285</u>

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(d) Sociedade Atual da Amazônia ("ATUAL")

	March 31, 2022	December 31, 2021
Sociedade Educacional da Amazônia ("SEAMA")	66,007	66,414
União Educacional S.A. ("SÃO LUIS")	91,412	89,210
Instituto de Ensino Superior Social e Tecnológico Ltda. ("FACITEC")	42,109	40,401
Centro de Assistência ao Desenvolvimento de formação Profissional Unicef Ltda. ("Estácio Amazonas")	49,873	49,581
Instituto de Estudos Superiores da Amazônia ("IESAM")	114,513	111,811
Centro de Ensino Unificado de Teresina ("CEUT")	60,557	60,160
Faculdade Nossa Cidade ("FNC")	83,425	85,090
Faculdades Integradas de Castanhal Ltda. ("FCAT")	47,813	47,879
Other subsidiaries	27,370	30,305
	<u>583,079</u>	<u>580,851</u>

We present below the information on ATUAL's subsidiaries:

March 31, 2022								
	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Good will	Goodwill	Profit income (loss) for the period
SEAMA	100%	4,407	66,138	18,166	47,972	18,035		(407)
SÃO LUIS	100%	3,819	103,547	39,503	64,044	27,368		2,203
FACITEC	100%	8,791	58,812	43,357	15,455	26,654		1,548
Estácio Amazonas	100%	48,797	61,441	37,782	23,659	26,214		292
IESAM	100%	14,980	92,522	16,315	76,207	26,797	11,509	2,757
CEUT	100%	16,938	54,955	21,966	32,989	27,568		397
FNC	100%	22,328	39,887	28,508	11,379	72,046		(1,665)
FCAT	100%	12,191	59,690	31,998	27,692	20,121		(66)
Other subsidiaries (i)	100%		47,704	39,367	8,337	19,033		(1,101)
			<u>584,696</u>	<u>276,962</u>	<u>307,734</u>	<u>263,836</u>	<u>11,509</u>	<u>3,958</u>

(i) They refer to the companies FARGS, ASSESC and FUFIS.

December 31, 2021								
	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Goodwill	Net income (loss) for the fiscal year
SEAMA	100%	4,407	66,038	17,659	48,379	18,035		8,172
SÃO LUIS	100%	3,819	99,674	37,832	61,842	27,368		4,255
FACITEC	100%	6,081	55,522	41,775	13,747	26,654		(10,042)
Estácio Amazonas	100%	48,797	58,834	35,467	23,367	26,214		(2,441)
IESAM	100%	14,980	87,304	13,854	73,450	26,797	11,564	9,006
CEUT	100%	16,938	51,789	19,197	32,592	27,568		3,779
FNC	100%	22,328	41,783	28,739	13,044	72,046		(5,943)
FCAT	100%	12,191	58,860	31,102	27,758	20,121		3,240
Other subsidiaries (i)	100%		52,131	43,862	8,269	22,036		(10,740)
			<u>571,935</u>	<u>269,487</u>	<u>302,448</u>	<u>266,839</u>	<u>11,564</u>	<u>(714)</u>

(i) They refer to the companies IDEZ, FARGS, UNIUL, ASSESC, and FUFIS.

The table below represents the overall activities in the investments of the direct subsidiary ATUAL in its subsidiaries in the period ended March 31, 2022 and the fiscal year ended December 31, 2021:

Investments in subsidiaries as of December 31, 2020	573,436
Equity accounting method	(714)
Advance for future capital increase	8,350
Amortization of goodwill	(221)
Investments in subsidiaries as of December 31, 2021	<u>580,851</u>

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Equity accounting method	3,958
Advance for future capital increase	1,460
Amortization of goodwill	(55)
Write-off upon merger	(3,135)
Investments in subsidiaries as of March 31, 2022	<u>583,079</u>

(e) Subsidiary YDUQS Participações 2 Ltda ("ADTALEM")

As of January 01, 2022, the company was merged into its direct parent company Sociedade de Ensino Superior Estácio de Sá Ltda. ("SESES"), according to note 1.1.

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
YDUQS Educacional Ltda ("UNIFANOR")		2,288,950
Damásio Educacional Ltda ("DAMÁSIO")		416,995
		<u>2,705,945</u>

We present below the information on ADTALEM's subsidiaries:

							<u>December 31, 2021</u>	
	<u>Interest</u>	<u>Number of units of ownership</u>	<u>Total assets</u>	<u>Total liabilities</u>	<u>Equity</u>	<u>Goodwill</u>	<u>Total</u>	<u>Net income for the fiscal year</u>
UNIFANOR	100%	129,717	2,037,063	226,078	1,810,985	477,965	2,288,950	65,950
DAMÁSIO	100%	260,380	386,156	73,710	312,446	104,549	416,995	4,819
			<u>2,423,219</u>	<u>299,788</u>	<u>2,123,431</u>	<u>582,514</u>	<u>2,705,945</u>	<u>70,769</u>

The table below represents the overall activities of the investments of the direct subsidiary Adatalem in its subsidiaries in the fiscal year ended December 31, 2021:

Investments in subsidiaries in 2020	2,619,627
Equity accounting method	70,769
Capital increase	15,227
Restricted shares plan	(308)
Advance for future capital increase	<u>630</u>
Investments in subsidiaries in 2021	2,705,945

(f) Subsidiary YDUQS Educacional Ltda ("UNIFANOR")

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Instituto de Ensino Superior da Amazonia Ltda ("FMF")	68,925	68,820
Sociedade Educacional Ideal Ltda ("FACI")	123,704	121,889
IBMEC Educacional Ltda ("IBMEC")	627,580	619,626
A. Região Tocantina de Educação e Cultura Ltda ("FACIMP")	63,339	60,749
ABEP – Academia Baiana de Ensino Pesquisa e Extensão Ltda ("RUY BARBOSA")		56,749
Sociedade de Educação do Vale do Ipojuca Ltda ("UNIFAVIP")	<u>239,438</u>	<u>227,553</u>
	<u>1,122,986</u>	<u>1,155,386</u>

We present below the information on UNIFANOR's subsidiaries:

Management notes to the financial statements
as of March 31, 2022
In thousands of Brazilian reais

March 31, 2022

	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Total	Net income (loss) for the fiscal year
FMF	100%	31,065	61,423	16,863	44,560	24,365	68,925	104
FACI	100%	41,127	95,386	(25,546)	120,932	2,772	123,704	1,815
IBMEC	100%	85,201	532,049	305,127	226,922	400,658	627,580	8,453
FACIMP	100%	5,310	74,251	25,108	49,143	14,196	63,339	2,590
UNIFAVIP	100%	12,000	180,886	(22,578)	203,464	35,974	239,438	11,885
			<u>943,995</u>	<u>298,974</u>	<u>645,021</u>	<u>477,965</u>	<u>1,122,986</u>	<u>24,847</u>

December 31, 2021

	Interest	Number of units of ownership	Total assets	Total liabilities	Equity	Goodwill	Total	Net income (loss) for the fiscal year
FMF	100%	31,065	60,837	16,382	44,455	24,365	44,455	(491)
FACI	100%	41,127	97,708	(21,409)	119,117	2,772	119,117	5,506
IBMEC	100%	85,201	387,789	168,821	218,968	400,658	218,968	17,074
FACIMP	100%	5,310	80,481	33,928	46,553	14,196	46,553	9,209
RUY BARBOSA	100%	5,753	41,494	(15,255)	56,749		56,749	(5,064)
UNIFAVIP	100%	12,000	200,548	8,969	191,579	35,974	191,579	32,666
			<u>868,857</u>	<u>191,436</u>	<u>677,421</u>	<u>477,965</u>	<u>677,421</u>	<u>58,900</u>

Investments in subsidiaries as of December 31, 2020	1,114,318
Equity accounting method	58,900
Advance for future capital increase	(333)
Equity valuation adjustment (i)	(17,472)
Restricted shares plan	(27)

Investments in subsidiaries as of December 31, 2021	1,155,386
Equity accounting method	24,847
Advance for future capital increase	(499)
Write-off upon merger	(56,748)

Investments in subsidiaries as of March 31, 2022	1,122,986
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(i) Equity valuation adjustment between the parent company Unifanor and the subsidiary IBMEC, with no effect for income purposes.

9 Intangible Assets

(a) Intangible Assets - Parent Company

	December 31, 2021			March 31, 2022
	Cost	Additions	Transfer	Cost
Cost				
Goodwill on investment acquisitions	780,065			780,065
Software use rights	99			99
Goodwill	79,704			79,704
Other	212			212
	<u>860,080</u>			<u>860,080</u>

**Management notes to the financial statements
as of March 31, 2022**
In thousands of Brazilian reais

	Amortization rates	Amortization	Additions	Transfer	Amortization
Amortization					
Software use rights	20% p.a.	(99)			(99)
Goodwill	20 to 33% p.a.	(79,704)			(79,704)
Other	20% p.a.	(212)			(212)
Total		<u>(80,015)</u>			<u>(80,015)</u>
Net residual balance		<u>780,065</u>			<u>780,065</u>

	<u>December 31, 2020</u>			<u>March 31, 2021</u>
	<u>Cost</u>	<u>Additions</u>	<u>Transfer</u>	<u>Cost</u>
Cost				
Goodwill on investment acquisitions (i)	780,065			780,065
Software use rights	99			99
Integration Project	212			212
Goodwill	<u>79,704</u>			<u>79,704</u>
	<u>860,080</u>			<u>860,080</u>

	Amortization rates	Amortization	Additions	Transfer	Amortization
Amortization					
Software use rights	20% p.a.	(99)			(99)
Integration Project	20% p.a.	(181)	(8)		(189)
Goodwill	20 to 33% p.a.	(79,704)			(79,704)
Total		<u>(79,984)</u>	<u>(8)</u>		<u>(79,992)</u>
Net residual balance		<u>780,096</u>	<u>(8)</u>		<u>780,088</u>

	December 31, 2021					March 31, 2022
	Cost	Additions by acquisitions	Additions	Write- offs	Transf. Reclass.	Cost
Cost						
Goodwill on investment acquisitions	2,346,604		38,639			2,385,243
Software use rights	927,515		48,683		1,028	977,226
EAD and Integration	18,360		1,764			20,124
Learning Center	126,827		797			127,624
IT Architecture	21,664					21,664
Online class material	8,043					8,043
Knowledge Factory - EAD	79,810		6,731			86,541
Questions database	13,886					13,886
Brand	512,868					512,868
Customer portfolio	178,744					178,744
Other	<u>344,396</u>		<u>11,722</u>	<u>(1,134)</u>	<u>(1,028)</u>	<u>353,956</u>
	<u>4,578,717</u>		<u>108,336</u>	<u>(1,134)</u>		<u>4,685,919</u>

**Management notes to the financial statements
as of March 31, 2022**
In thousands of Brazilian reais

	Amortization rates	Amortization	Additions by acquisitions	Additions	Write-offs	Transf.	Reclass.	Amortization
Amortization								
Goodwill on investment acquisitions	Indefinite	(6,924)						(6,924)
Software use rights	10 to 20% p.a.	(520,252)		(36,840)		(9)		(557,101)
EAD and Integration	20% p.a.	(18,335)		(555)				(18,890)
Learning Center	10% p.a.	(68,517)		(3,068)				(71,585)
IT Architecture	17 to 20% p.a.	(21,165)		(125)				(21,290)
Online class material	20% p.a.	(7,942)		(14)				(7,956)
Knowledge Factory - EAD	10% p.a.	(25,732)		(1,948)				(27,680)
Questions database	20% p.a.	(11,967)		(230)				(12,197)
Brand	2 to 33% p.a.	(87,082)		(5,591)				(92,673)
Customer portfolio	2 to 33% p.a.	(86,723)		(7,233)				(93,956)
Other	20 to 50% p.a.	(215,515)		(7,964)		9		(223,470)
		(1,070,154)		(63,568)				(1,133,722)
Net residual balance		3,508,563		44,768	(1,134)			3,552,197

(b) Intangibles assets - Consolidated

	December 31, 2020					March 31, 2021
	Cost	Additions	Write-offs	Transf.	Reclass.	Cost
Cost						
Goodwill on investment acquisitions	2,180,477	372				2,180,849
Software use rights	650,949	31,356		18,251	(92)	700,464
EAD and Integration	18,360					18,360
Learning Center	115,366	1,210		5,873		122,449
IT Architecture	21,664					21,664
Online class material	8,043					8,043
Knowledge Factory - EAD	56,724	5,680		739		63,143
Questions database	13,886					13,886
Brand	484,925					484,925
Customer portfolio	179,745	(489)				179,256
Other	295,441	7,140		(24,863)	922	278,640
	4,025,580	45,269			830	4,071,679

	Amortization rates	Amortization	Additions	Write-offs	Transf.	Reclass.	Amortization
Amortization							
Goodwill on investment acquisitions	Indefinite	(6,924)					(6,924)
Software use rights	10 to 20% p.a.	(396,651)	(23,501)				(420,152)
EAD and Integration	20% p.a.	(18,210)	(21)				(18,231)
Learning Center	10% p.a.	(56,317)	(3,467)				(59,784)
IT Architecture	17 to 20% p.a.	(20,065)	(275)				(20,340)
Online class material	20% p.a.	(7,783)	(42)				(7,825)
Knowledge Factory - EAD	10% p.a.	(18,984)	(1,444)				(20,428)
Questions database	20% p.a.	(10,484)	(450)				(10,934)
Brand	2 to 7% p.a.	(65,683)	(5,109)				(70,792)
Portfolio	20 to 25% p.a.	(53,258)	(9,596)				(62,854)
Other	4 to 33% p.a.	(184,682)	(8,905)				(193,587)
		(839,041)	(52,809)				(891,850)
Net residual balance		3,186,539	(7,540)			830	3,179,829

As of March 31, 2021 and December 31, 2020, net goodwill on acquisitions of investments was represented as follows:

**Management notes to the financial statements
as of March 31, 2022**
In thousands of Brazilian reais

	Parent company		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
Goodwill on acquisitions of investments net of accumulated amortization:				
ADTALEM			801,154	762,515
ATHENAS			307,897	307,897
UNITOLEDO			94,711	94,711
IREP			97,166	89,090
CURRENT			18,506	15,503
Seama			18,035	18,035
IDEZ				2,047
Uniuol				956
Fargs			8,055	8,055
São Luis			27,369	27,369
Facitec			26,654	26,654
Assesc			4,723	4,723
IESAM			26,797	26,797
Estácio Amazonas			26,214	26,214
Ceut			27,568	27,568
FNC			72,046	72,046
FCAT			20,120	20,120
FUFS			6,255	6,255
FAL				8,076
FATERN			14,979	14,979
EnsineMe			5	5
Estacio Ribeirão Preto	9,371	9,371	9,371	9,371
Estácio Ribeirão Preto Holding	770,694	770,694	770,694	770,694
	<u>780,065</u>	<u>780,065</u>	<u>2,378,319</u>	<u>2,339,680</u>

10 Property, plant and equipment

Property, plant and equipment - Consolidated

	December 31, 2021						March 31, 2022
	Cost	Additions by Acquisition	Addition	Write-offs	Transf.	Reclass.	Cost
Cost							
Lands	68,235						68,235
Buildings	355,885				7,785		363,670
Buildings in third-parties	1,919,696		216,211	(2,054)			2,133,853
Improvement works on third parties' real estate properties	686,491	353	2,732	(12,540)	31,391		708,427
Furniture and fixtures	213,910	34	1,969	(106)	(21)		215,786
Computers and peripherals	247,851	40	1,152	(257)			248,786
Machinery and equipment	214,544		2,741	(60)	(2)		217,223
Physical activity equipment	129,267		2,986				132,253
Library	213,636		84				213,720
Facilities	86,931	114	591	(2,639)			84,997
Constructions in progress	63,978		10,743		(39,176)		35,545
Assets retirement	77,065			(5,182)			71,883
Other	25,013	24	49	(140)			24,946
	4,302,502	565	239,258	(22,978)	(23)		4,519,324

	Depreciation rates	Depreciation	Additions by Acquisition	Addition	Write-offs	Transf.	Reclass.	Depreciation
Depreciation								
Buildings	1.67 to 4% p.a.	(89,908)		(1,576)				(91,484)
Buildings in third-parties	21.60% p.a.	(635,366)		(63,188)	617			(697,937)
Improvement works on third parties' real estate properties		(355,495)	(11)	(24,085)	12,540			(367,051)
Furniture and fixtures	4 to 11.11% p.a.							
Computers and peripherals	8.33 to 10% p.a.	(122,081)	(3)	(4,649)	65	21		(126,647)
Machinery and equipment	20 to 25% p.a.	(191,281)	(5)	(6,600)	257			(197,629)
Physical activity equipment	8.33 to 10% p.a.	(107,381)		(4,261)	49	2		(111,591)
Library	6.67% p.a.	(44,400)		(2,020)				(46,420)
Facilities	5 to 10% p.a.	(124,656)		(2,019)				(126,675)
Assets retirement	8.33 to 20% p.a.	(45,777)	(20)	(4,351)	2,640			(47,508)
Other		(35,176)		349				(34,827)
	14.44 to 20% p.a.	(16,013)	(1)	(657)	133			(16,538)
		(1,767,534)	(40)	(113,057)	16,301	23		(1,864,307)

Net residual balance	2,534,968	525	126,201	(6,677)			2,655,017
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YDUQS Participações S.A.

Management notes to the financial statements as of March 31, 2022 In thousands of Brazilian reais

In the parent company, the amount of R\$ 2 in the period ended March 31, 2022, relates to computers and peripherals (R\$ 4 in the fiscal year ended December 31, 2021).

	December 31, 2020					March 31, 2021
	Cost	Addition	Write-offs	Transf.	Reclassif.	Cost
Cost						
Lands	68,235					68,235
Buildings	349,601	209		887	235	350,932
Buildings in third-parties	1,677,964	179,951	(49,506)			1,808,409
Improvement works on third parties' real estate properties	594,863	7,685	(3,634)	14,491	6,790	620,195
Furniture and fixtures	207,299	627	(796)	(12)	27	207,145
Computers and peripherals	259,175	2,006	(1,901)	185	1,410	260,875
Machinery and equipment	176,730	4,168	(6)	(369)	(221)	180,302
Physical activity/hospital equipment	111,552	1,189		19	(1,129)	111,631
Library	211,715	137	(86)			211,766
Facilities	83,125	(280)	(67)	9	2	82,789
Constructions in progress	61,452	4,962	(179)	(15,387)	(7,944)	42,904
Assets retirement	82,677		(16,262)			66,415
Other	23,627	139	(2)	161		23,925
	3,908,015	200,793	(72,439)	(16)	(830)	4,035,523

	Depreciation rates	Depreciation	Addition	Write-offs	Transf.	Reclassif.	Depreciation
Depreciation							
Buildings	1.67% p.a.	(134,616)	(1,622)		46,992	4,143	(85,103)
Buildings in third-parties	21.60% p.a.	(441,625)	(63,787)	14,344			(491,068)
Improvement works on third parties' real estate properties		(238,354)	(15,182)	2,212	(46,992)	(4,143)	(302,459)
Furniture and fixtures	11.11% p.a.						
Computers and peripherals	8.33% p.a.	(114,848)	(3,868)	789			(117,927)
Machinery and equipment	25% p.a.	(196,514)	(5,804)	1,893	4	(3,185)	(203,606)
Physical activity/hospital equipment	8.33% p.a.	(79,202)	(3,865)	4	12	3,185	(79,866)
Library	6.67% p.a.	(36,837)	(1,813)				(38,650)
Facilities	5% p.a.	(116,718)	(2,294)	86			(118,926)
Assets retirement	8.33% p.a.	(38,293)	(1,416)	23			(39,686)
Other		(46,590)	(1,336)	16,030			(31,896)
	14.44% p.a.	(13,374)	(611)	2			(13,983)
		(1,456,971)	(101,598)	35,383	16		(1,523,170)
Net residual balance		2,451,044	99,195	(37,056)		(830)	2,512,353

The Group leases a number of rights-of-use assets, such as machinery and equipment, peripherals, fixtures and fittings and properties rental, under non-cancelable lease agreements. The lease terms are according to the contract term. The assets title does not belong to the Group. All the Group's leases are recognized by the transaction's net present value.

11 Loans and financing

		Parent company/Consolidated	
Type	Financial charges	March 31, 2022	December 31, 2021
In local currency			
Debentures			
5th debenture issuance (1st Series)	CDI + 0.585% p.a.		256,805
5th debenture issuance (2nd Series)	CDI + 0.785% p.a.	354,298	359,400
6th issuance of debentures	CDI + 2.50% p.a.	1,865,367	1,863,086
7th debenture issuance	CDI + 1.65% p.a.	310,408	301,778
		2,530,073	2,781,069

YDUQS Participações S.A.

Management notes to the financial statements as of March 31, 2022 In thousands of Brazilian reais

Loans and financing			
Safrá Loan	CDI +2.80% p.a.	201,441	201,168
FINEP loan	TJLP + 6% p.a.	1,718	1,869
Itaú CCB Loan	CDI +2.70% p.a.	158,202	153,363
Bradesco CCB Loan	CDI +2.70% p.a.	359,831	368,662
Banco do Brasil CCB Loan	CDI +1.85% p.a.		100,675
		<u>721,192</u>	<u>825,737</u>
In foreign currency			
Citibank loan	Libor +1.46% e +0.64 p.a.	<u>691,121</u>	<u>455,388</u>
		<u>3,942,386</u>	<u>4,062,194</u>
Current liabilities		594,202	972,835
Non-current liabilities		<u>3,348,183</u>	<u>3,089,359</u>
		<u>3,942,385</u>	<u>4,062,194</u>

Activity in loans and debentures presented below comprise the periods ended March 31, 2022 and March 31, 2021:

	Parent company/Consolidated	
	March 31, 2022	March 31, 2021
Initial Balance	<u>4,062,194</u>	<u>3,503,750</u>
Fundraising	233,156	1,886,080
Interest, monetary variation	118,874	39,081
Foreign exchange variance (Swap)	(2,061)	(107,067)
Interest paid	(119,620)	(46,069)
Principal amortization	(350,147)	(1,494,869)
Loan funding costs	(11)	(13,309)
Closing Balance	<u>3,942,385</u>	<u>3,767,597</u>

The amounts recorded as non-current liabilities as of March 31, 2022 and December 31, 2021 present the following maturity schedule:

	Parent company/Consolidated	
	March 31, 2022	December 31, 2021
2023	595,718	770,039
2024	705,848	272,695
2025	1,022,242	1,022,248
As from 2026	<u>1,024,375</u>	<u>1,024,377</u>
Non-current liabilities	<u>3,348,183</u>	<u>3,089,359</u>

The Company and its subsidiaries do not offer any of their assets as collateral for their loans.

The amounts of the Group loans are mainly in Brazilian reais, only two are in USD (US dollars).

In 2021:

- January: The Company decided with Citibank to roll the 2nd loan of line 4131 for a total of USD 40 million (converted to R\$ 210,000 according to the quote equivalent to the date) with a single principal amortization on January 19, 2022, at the cost of Libor + 1.46% p.a.

**Management notes to the financial statements
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In thousands of Brazilian reais**

- February: The Company fully settled the first series of the third issuance of Promissory Notes to Banco Itaú in the amount of R\$ 364,977. Also, the Company fully settled two CCBs contracted with Santander bank in the amount of R\$ 100,438 and R\$ 506,706. And the 1st loan line 4131 with CitiBank totaling R\$ 545,179.

In addition to the February settlements, the Company completed the sixth issuance of debentures in the total amount of R\$ 1,850,000 due on February 19, 2026, in a single series, at a cost of 100% of the CDI + 2.50% p.a., with the first principal amortization on February 19, 2025, in the amount of R\$ 925,000, and the second principal amortization on February 19, 2026, in the amount of R\$ 925,000.

- April: The Company fully settled the CCB agreement with Banco ABC in the amount of R\$ 51,475.
- November: the Company concluded the contracting of the 4th loan of a line 4131 with Citibank in the amount of US\$ 80 million (converted to R\$ 447,600 in equivalent quotation on that date) with single amortization of the principal on November 29, 2023 at the cost of USD_SOFR + 1.09% p.a.

The Company settled the 2nd loan of line 4131 with Citibank in the amount of R\$ 226,372 and the 3rd loan of line 4131 in the amount of 145,104, and CCB together with Citibank in the amount of R\$ 76,138.

The Company completed the seventh debenture issuance in the total amount of R\$ 300.000 due on November 27, 2026, in a single series, at a cost of 100% of the CDI + 1.65% p.a., with the first principal amortization on February 29, 2024, in the amount of R\$ 100,000, the second principal amortization on February 27, 2025, in the amount of R\$ 100,000, and the third principal amortization on February 27, 2026, in the amount of R\$ 100,000.

In 2022:

- February: The Company concluded the contracting of the 5th loan of a line 4131 with Citibank in the amount of US\$ 44.0 million (converted to R\$ 233.2 in equivalent quotation on that date) with single amortization of the principal on January 02, 2024 and payment of quarterly interest. The transaction was contracted under SWAP at Active Curve of USD_SOFR + 0.90% p.a. and Passive Curve of CDI + spread.

The Company settled from the CCB, contracted with Banco do Brasil, with principal amount of R\$ 100 million of Brazilian Reais and maturity date as of February 09, 2022, as well as concluded the single amortization of the principal in the amount of 250 million of Brazilian Reais of the 1st Series of the 5th simple debenture issuance, not convertible into shares, of the unsecured type, in its maturity date, that is, February 09, 2022.

- March: The Company concluded the renegotiate of CCB with Banco Safra in the principal amount of R\$ 200 million, which would mature in June 13, 2022. The new transaction started in the same date, with single amortization on May 29, 2024, annual interest payment, at CDI + spread cost.

The agreements held with several creditors include covenants that require the maintenance of certain financial indexes with previously established parameters. As of March 31, 2022, and in December 2021, the Company reached all the indexes required contractually.

12 Lease liabilities and assets

The lease liabilities arise from the recognition of future payouts and the right to use the leased asset for practically all lease agreements, including the operational ones, and certain short-term or small amounts agreements may be out of scope.

The terms of the leases are according to the contractual term, demonstrated below, so that transactions, the additional rate, in nominal terms, for the terms of contracts:

YDUQS Participações S.A.

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Contracts	DI X Pre Curve	Risk premium	YDUQS Rate	Month Rate
0 to 5 years	11.43%	105.00%	12.00%	1.00%
5 to 10 years	11.56%	105.00%	12.14%	0.96%
10 to 15 years	11.69%	105.00%	12.27%	0.97%
15 to 30 years	11.75%	105.00%	12.34%	0.97%

Lease agreements are secured by the underlying assets.

	Consolidated	
	March 31, 2022	December 31, 2021
Leases payable	2,385,507	2,123,400
Lease interest	(795,142)	(678,519)
	1,590,365	1,444,881
Current liabilities	211,846	221,562
Non-current liabilities	1,378,519	1,223,319
	1,590,365	1,444,881

The increase in lease liabilities results from new agreements and agreement renewals. Depreciation and interest are recognized in the statement of profit or loss as a replacement of operational lease expenses ("rent").

Changes in leasing assets and liabilities in the period:

Right-of-use assets

	Consolidated		
	Buildings from third parties	Other	Total
Right of use asset on 12/31/2021	1,284,329	12,652	1,296,981
Additions	216,213	1,300	217,512
Write-offs	(1,438)	(36)	(1,474)
Depreciation	(63,188)	(2,517)	(65,705)
Right of use asset 03/31/2022	1,435,916	11,399	1,447,314

Lease liabilities

	Consolidated		
	Buildings from third parties	Other	Total
Right of use liabilities on 12/31/2021	1,432,270	12,611	1,444,881
Additions	216,212	1,264	217,476
Write-offs	(1,529)		(1,529)
Interest incurred	31,729	186	31,915
Payment of principal	(100,058)	(2,320)	(102,378)
Right of use liabilities on 03/31/2022	1,578,624	11,741	1,590,365
Current	205,209	6,637	211,846
Non-current	1,373,415	5,104	1,378,519
	1,578,624	11,741	1,590,365

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Right-of-use assets

	Consolidated		
	Buildings from third parties	Other	Total
Right of use asset on 12/31/2020	1,236,337	17,320	1,253,657
Additions	179,951	42	179,993
Write-offs	(35,162)		(35,162)
Depreciation	(63,786)	(2,066)	(65,852)
Right of use asset 03/31/2021	<u>1,317,340</u>	<u>15,296</u>	<u>1,332,636</u>

Lease liabilities

	Consolidated		
	Buildings from third parties	Other	Total
Right of use liabilities on 12/31/2020	1,333,325	17,999	1,351,324
Additions	179,951	41	179,992
Write-offs	(37,970)		(37,970)
Interest incurred	31,820	107	31,927
Payment of principal	(84,261)	(2,303)	(86,564)
Right of use liabilities on 03/31/2021	<u>1,422,865</u>	<u>15,844</u>	<u>1,438,709</u>
Current	210,079	7,176	217,255
Non-current	<u>1,212,786</u>	<u>8,669</u>	<u>1,221,454</u>
	<u>1,422,865</u>	<u>15,845</u>	<u>1,438,709</u>

13 Payroll and social charges

	Parent company		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
Salaries, indemnity amounts and social charges payable	798	741	162,530	146,218
Provision for vacation			63,152	59,913
Provision for 13 th salary			<u>21,653</u>	
	<u>798</u>	<u>741</u>	<u>247,335</u>	<u>206,131</u>

14 Tax obligations

	Parent company		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
ISS payable	28	28	33,542	30,194
IRRF payable	309	312	22,640	49,176
IRPJ (Corporate Income Tax) and CSLL (Social Contribution on Net Income) payable			7,621	6,538
PIS and COFINS payable	4,618	14,554	8,983	19,554
IOF payable			<u>100</u>	<u>92</u>
	<u>4,955</u>	<u>14,894</u>	<u>72,886</u>	<u>105,554</u>

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15 Tax payment in installments

	Consolidated	
	March 31, 2022	December 31, 2021
INSS (Brazilian Institute of Social Security)	6,539	6,997
PIS (Social Integration Program) and COFINS (Social Security Financing Contribution)	4,719	4,940
IRPJ and CSLL	1,129	1,147
FGTS (Government Severance Indemnity Fund for Employees)	962	962
Other	441	461
	<u>13,790</u>	<u>14,507</u>
Current liabilities	4,351	4,407
Non-current liabilities	<u>9,439</u>	<u>10,100</u>
	<u>13,790</u>	<u>14,507</u>

The balance of tax installment payment is adjusted monthly using the Selic rate.

These tax payment installments are related to taxes with Municipal Governments, the Federal Revenue Office and Social Security, and their long-term maturities are presented below:

	Consolidated	
	March 31, 2022	December 31, 2021
2023	2,965	3,735
2024	2,984	2,925
2025	1,503	1,473
2026 to 2029	<u>1,987</u>	<u>1,967</u>
	<u>9,439</u>	<u>10,100</u>

16 Acquisition price payable

	Consolidated	
	March 31, 2022	December 31, 2021
SÃO LUIS	10,645	10,391
CEUT	3,541	3,085
UNITOLEDO	16,067	15,685
ADTALEM	17,296	25,963
ATHENAS GRUPO EDUCACIONAL	60,252	58,821
QCONCURSOS	32,115	31,326
WEMED ("HARDWORK")	<u>9,000</u>	
	<u>148,916</u>	<u>145,271</u>
Acquisition of real estate properties (i)	<u>1,002</u>	<u>959</u>
	<u>149,918</u>	<u>146,230</u>
Current liabilities	50,012	49,096
Non-current liabilities	<u>99,906</u>	<u>97,134</u>
	<u>149,918</u>	<u>146,230</u>

(i) Balance referring to the commitment signed between IREP and União Norte Brasileira de Educação e Cultura - UNBEC concerning various real estate properties located in the City of Fortaleza, State of Ceará.

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It basically refers to the amount payable to former owners, related to the acquisition of related companies and real estate properties, adjusted monthly using one of the following indexes: SELIC, IPCA (General Market Price Index), IGP-M or the variation of CDI, depending on the agreement.

The amounts recorded as non-current liabilities as of March 31, 2022 and December 31, 2021 present the following maturity schedule:

	Consolidated	
	March 31, 2022	December 31, 2021
2023	66,574	64,619
2024 to 2026	33,332	32,515
	99,906	97,134

17 Contingencies

The Company's subsidiaries are party to various civil, labor and tax proceedings at different court levels. Management, based on the opinion of its external legal counsel, made a provision for amounts considered sufficient to cover potential losses from pending litigation.

As of March 31, 2022, and December 31, 2021, the provision for contingencies was comprised as follows:

	Consolidated			
	March 31, 2022		December 31, 2021	
	Contingencies	Legal deposits	Contingencies	Legal deposits
Civil	56,733	36,142	54,045	35,956
Labor	127,077	49,056	129,715	49,730
Tax	40,426	14,934	37,714	14,933
	224,236	100,132	221,474	100,619

In the period ended March 31, 2022, the amount of R\$ 419 relates to the parent company's contingency liability and success tax fees (R\$ 448 in the fiscal year ended December 31, 2021, of which R\$ 50 related to civil and R\$ 398 to tax contingencies) and, as of March 31, 2022, the amount of R\$ 247 refers to the parent company's legal deposits (R\$ 239 in the fiscal year ended December 31, 2021).

The activity in the provision for contingencies is shown below:

	Civil	Labor	Tax	Total
Balances as of December 31, 2020	92,453	123,456	30,933	246,842
Additions	21,913	54,635	15,248	91,796
Reversals	(13,281)	(11,193)	(7,447)	(31,921)
Write-offs for payouts	(61,157)	(57,900)	(6,278)	(125,335)
Adjustment for inflation	14,117	20,717	5,258	40,092
Balances as of December 31, 2021	54,045	129,715	37,714	221,474
Additions	8,387	22,239	2,248	32,874
Reversals	(5,437)	(14,935)	(935)	(21,307)
Write-offs for payouts	(5,263)	(15,298)	(146)	(20,707)
Adjustment for inflation	5,001	5,356	1,545	11,902
Balances as of March 31, 2022	56,733	127,077	40,426	224,236

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On March 31, 2022, and December 31, 2021, expenses with the provision for contingencies, recognized in the statement of profit or loss were as follows:

	March 31, 2022	December 31, 2021
Income breakdown		
Additions	32,874	91,796
Reversals	(21,307)	(31,921)
Adjustment for inflation	11,902	40,092
Provision for contingencies	<u>23,469</u>	<u>99,967</u>
General and administrative expenses (Note 24)	(11,567)	(59,875)
Financial income (Note 26)	<u>(11,902)</u>	<u>(40,092)</u>
	<u>(23,469)</u>	<u>(99,967)</u>

(a) Civil

Most proceedings involve mainly claims for indemnity for pecuniary and non-pecuniary damages arising from incorrect collections and late issue of diplomas, among other matters of operational and/or educational nature, as well as a number of claims entailing real estate law.

The provisions recognized for civil lawsuits are due to the following matters:

Civil	Amounts
Success Fees	14,821
Undue collection	13,299
Real estate	9,122
Non-pecuniary / Pecuniary Damage	6,549
Issuance of Certificates of Completion/Diplomas and Graduation	2,775
FIES	2,295
Enrollment	1,591
Procon Fine	521
PROUNI	520
Course Accreditation and Cancellation	486
Monthly fee	375
Internships	230
Other (i)	4,149
	<u><u>56,733</u></u>

- (i) These relate to proceedings involving other operating and/or academic issues, public-interest civil actions and other compensation claims.

(b) Labor

The main labor claims are seeking overtime, unused vacations, recognition of employment relationship, salary parity and salary differences arising from the decrease in the working hours of certain teachers.

The provisions recognized for labor lawsuits are due to the following matters:

Matter	Amounts
Salary and Severance Differences + Decrease in Working Hours + FGTS + Notice Period	47,740
Overtime + Elimination of Breaks During and Between Shifts	19,202
Employer's social security payment	11,568
Deviation from agreed position and salary parity	10,918
Income tax / Interest and Adjustment for Inflation	8,741
Fees	6,242
Fines (Article 467 CLT, Article 477 CLT AND CCT/ACT)	5,636
Additional Payments (Premium for Unhealthy/Night/Improvement/Service Time/Dangerous Work)	4,682

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Success Fees	4,426
Vacation pay	2,848
Pain and Suffering / Pecuniary Damage / Moral Harassment	2,263
Other (i)	2,811
	127,077

(c) Tax

The tax proceedings mainly relate to tax immunity, escalation of social security contributions arising from the Law No. 11.096/05 and exclusion of scholarships from the tax base and fines for alleged non-compliance with ancillary obligations (special regimes of accounting bookkeeping).

The provisions recognized for tax claims are due to the following matters:

Matter	Amounts
ISS	20,421
Success Fees	11,374
IPTU / Foro / IPVA	4,735
Social Security Contribution	2,094
PIS / COFINS	1,452
Sewage Charges / Fees	283
IRPJ / CSLL / IRRF	48
Miscellaneous fines	19
	40,426

(d) Possible losses, not provisioned in the statement of financial position

The Company has tax, civil and labor cases involving risks of loss classified by management as possible, based on the opinion of its legal advisers. These proceedings do not have to be provisioned for under the accounting policies currently in force.

	Consolidated	
	March 31, 2022	December 31, 2021
Civil	252,954	239,286
Labor	581,566	548,790
Tax	1,012,905	984,472
	1,847,425	1,772,548

The main proceedings classified as possible loss can be grouped as follows:

Civil	Amounts
Real estate	149,824
Non-pecuniary / Pecuniary Damage	46,593
Undue collection	20,242
FIES	5,954
Enrollment	3,784
Issuance of Certificates of Completion/Diplomas and Graduation	3,506
Monthly fee	2,797
Course Accreditation and Cancellation	2,427
Procon Fine	1,932
PROUNI	283
Internships	144
System Access	140
Other (i)	15,328
	252,954

- (i) These relate to proceedings involving other operating and/or academic issues, public-interest civil actions and other compensation claims.

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Labor	Amounts
Salary and severance differences + decrease in working hours + FGTS + notice period + compensation	194,775
Reintegration	155,101
Overtime + Elimination of Breaks During and Between Shifts	85,822
Fees	37,864
Additional Payments (Premium for Unhealthy/Night/Improvement/Service Time/Dangerous Work)	25,568
Pain and Suffering / Pecuniary Damage / Moral Harassment	20,226
Employer's social security payment	12,307
Vacation pay	11,587
Fines (Article 467 CLT, Article 477 CLT AND CCT/ACT)	10,921
Deviation from agreed position and salary parity	4,820
CTPS Rectification + Indirect Termination + Employment Relationship Recognition	1,197
Stability	552
Other (i)	20,826
	581,566

(i) Claims in addition to those listed above (resulting from them) and union fees.

Tax	Amounts
ISS	732,842
Social security / FGTS	248,462
IRPJ / CSLL / IRRF	21,031
Other	4,312
PIS / COFINS	2,443
Sewage Charges / Fees	1,544
Miscellaneous fines	1,299
IPTU / Foro / IPVA	972
	1,012,905

Among the main lawsuits classified as possible losses that are not provided for in the financial statements, we highlight the ones that we deem individually relevant, that is, whose results may significantly impact our equity, our financial capacity or our business, or those of our subsidiaries.

Labor:

- (i) Labor lawsuit filed by the Labor Prosecution Office, against Sociedade de Ensino Superior Estácio de Sá Ltda. ("SESES"), through which the following is discussed: (i) nullity of waivers occurring between November 2017 to December 2018; (ii) the reintegration of workers dismissed in the period; (iii) declaration of unconstitutionality of article 477-A, of the CLT; (iv) condemnation of the defendants in the obligation not to carry out new collective dismissals without prior collective bargaining; (v) application of a fine; (vi) individual and collective non-pecuniary damage. Judgment of partial validity for: (i) declare the unconstitutionality of article 477-A, of the CLT; (ii) declare the nullity of the collective dismissal occurred at the end of 2017; (iii) convict the company to individual and collective non-pecuniary damages. The request for reinstatement of professors dismissed in 2018 was dismissed. The TRT reformed the decision to rule out the unconstitutionality of article 477-A, of the CLT; On the other hand, it increased the amount of the sentence to pay compensation to teachers, which decision was the subject of an appeal pending judgment in the TST. There is no calculation approved by the court, and it is not possible, on this date, to estimate any financial impact. Without prejudice, the amount involved in the action is R\$ 149.4 million, which is why we consider the process relevant due to the amount and complexity of the matter. Our external advisors understand the chance of loss as possible, due to the possibility of reassessment by the Superior Courts.

Tax:

Social security contributions:

- (i) Tax Foreclosures were distributed by the National Treasury against SESES, due to the divergence of understanding about the initial date of the rate escalation provided for in article 13 of Law No. 11.096/05 ("PROUNI Law"), aiming at the judicial collection of debts related to alleged differences in the payment of social security contributions. Out of the Tax Foreclosures received, (i) in the first one, an appellate decision was rendered by the TRF of the 2nd Region, fully granting SESES' appeal, and as a statement was already presented by the Government indicating that will not appeal from such decision. In February 2022, the final and unappealable decision was certified. The cancellation of the collection before the National Treasury and its dismissal are awaited. (ii) In the second one, there was a fully valid judgment on the appeal of SESES to dismiss the debt charged by the National Treasury, and (iii) in the third one, after the presentation of a partially favorable expert report, a favorable decision was granted to the company. The filing of an Appeal from the Government is awaited. All three Foreclosures are fully guaranteed and the total amount is R\$ 45,028.
- (ii) Tax assessment notices were received against SESES for alleged non-performance of the principal tax liability for the period from February to December. The Company appealed requesting the cancellation of the tax assessment notices claiming that they were clearly

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groundless. The appeal was partially accepted, and considered the percentage of the employers' contributions at the rate of 20% as from the month in which the Company changed from a non-profit entity to a company. The National Treasury filed a Tax Foreclosure to collect the respective debt. SESES filed a Motion against the Tax Enforcement, the National Treasury filed its contestation and SESES submitted its rebuttal. Currently, we are awaiting the accounting expert analysis and trial in the trial court. The total amount involved is R\$ 24,507.

ISS - Tax on services:

- (i) Tax Foreclosure by the Municipality of Niterói was received to charge the ISS for the period between January 2004 and January 2007, in view of the alleged suspension of tax immunity, due to alleged non-compliance with the requirements for the enjoyment of immunity provided for in article 14 of the CTN. An expert report was carried out favorable to the company, however, the Municipality of Niterói answered such report, requesting its nullity on the grounds of not having been notified about the scheduled date and place for the realization. The request was accepted and the second expert analysis conducted in November 2019, concluded once again that SESES' accounting records for the disputed period were in full compliance with legal requirements. SESES filed a new statement regarding the new expert analysis. In March 2022, the case was held under advisement to the Decision Group. Judgment by the lower court is pending. The total amount involved is R\$ 52,714.
- (ii) The Tax enforcement was received in name of Sociedade Tecnopolitana da Bahia Ltda. (STB), merged by IREP in June 2010, due to the lack of payment of ISS during the period of 2007 to February 2011. The assessment arose from due diligence in connection with the procedures for cancellation of the registration of the activities previously performed at STB's headquarters and branch facilities. In June 2021, an order was issued summoning the parties to specify the evidence they intend to produce. In response, the company specified evidence, while the Municipality stated that it had no interest in the production. Judgment by the lower court is pending. The total amount involved is R\$ 25,400.
- (iii) Action for Annulment filed by SESES against the Municipality of Vila Velha, aiming at cancelling ISS debits, resulting from the accusation that they have been allegedly paid or retained in lower amounts in the period of 2006 and 2013. The defense is based on the following arguments (i) partial statute of limitation; (ii) material nullity; and (iii) error in setting the ISS tax base, since they were considered to correspond to scholarships awarded and enrollments cancelled. At the moment, we are awaiting the completion of the expert evidence, the purpose of which is to prove item (iii). In February 2021, the expert evidence was completed in a manner favorable to SESES. After the summons of the parties, Estácio filed a statement agreeing with the expert report terms. The Municipality statement is still awaited. The total amount involved is R\$ 18,063.
- (iv) Tax Foreclosure filed by the Municipality of Salvador was received referring to alleged ISS credits for the periods of calculation from July 2012 to November 2013, due to differences in the establishment of the tax basis (deductibility of scholarships from the tax base of ISS). A Motion against the Tax Enforcement was filed requesting an expert accounting analysis. After appointment of the accounting expert and appointment of the respective retained experts. The company is waiting for the expert's opinion. The total amount involved is R\$ 15,031.
- (v) Tax Foreclosure filed by the Municipality of São João de Meriti was received referring to alleged ISS credits for the calculation periods of 2011, 2012, 2013 and 2014, presumably due to the non-inclusion of amounts intended for unconditional discounts arising from scholarships in the tax base. Motion against the Tax Enforcement were filed with a request for recognition of the statutes of limitations of debts overdue up to March 2014 and the dissolution of the process due to the payment of debts that occurred before the registration in active debt. In May 2021, an order was issued certifying the absence of a manifestation by the Municipality and the case record was put under advisement. Judgment by the lower court is pending. The total amount involved is R\$ 16,540.
- (vi) Annulment Action proposed by SESES against the Municipality of Rio de Janeiro, which seeks to avoid the collection of ISS on higher education services in the period between January 2005 and January 2007, period in which it was immune, as well as ISS on scholarships. studies granted under PROUNI, in the period between February 2007 and July 2009 and collection of ISS due as a tax responsible, in the period from January 2005 to May 2009, arising from services provided by guard and surveillance companies and real estate property maintenance and cleaning companies. On June 29, 2021, an injunction was issued to suspend the enforceability of the tax credit, and, as a result, the objection was filed by the Municipality of Rio de Janeiro. After, a rebuttal was submitted by SESES, and upon the summons, the parties determined the proofs. The expert investigations are awaited. The total amount involved is R\$ 464,404.

18 Equity

(a) Share Capital

The share capital may be increased by the Board of Directors, irrespective of the statutory reform, up to the limit of one billion (1,000,000,000) shares. As of December 31, 2021, the share capital is represented by 309,088,851 common shares.

The shareholding structure of the Company on March 31, 2022 and December 31, 2021 is presented below:

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Shareholders	Common shares			
	March 31, 2022	%	December 31, 2021	%
Managers and directors	1,118,561	0.4	1,118,561	0.4
Rose Fundo de Investimento	33,319,073	10.8	33,319,073	10.8
Vontobel	15,923,572	5.2	15,923,572	5.1
Schroder Investment Management	19,503,153	6.3	19,503,153	6.3
Zaher family	23,219,500	7.5	23,219,500	7.5
Wellington Management	15,525,425	5.0	15,525,425	5.0
Treasury	9,082,160	2.9	6,976,267	2.3
Free float	191,397,407	61.9	193,503,300	62.6
	<u>309,088,851</u>	<u>100.0</u>	<u>309,088,851</u>	<u>100.0</u>

(b) Activity of capital shares

There were no changes in the shares during the period ended March 31, 2022.

(c) Treasury shares

On March 21, 2022, The Board of Directors approved the repurchase program which may acquire twenty million and five hundred thousand (20,500,000) common shares issued by the Company, equivalent to approximately 6.63% of the total shares issued by the Company, limited up to 10% of the outstanding shares of the Company, outstanding after the realization of the total acquisition set forth herein. The program shall have a term of eighteen (18) months as of March 21, 2022, ending on September 21, 2023, already considering the settlement term applicable in the stock market.

	Quantity	Average Cost	Balance
Treasury shares on December 31, 2021	6,976,267	23.00	160,478
Stock buyback	2,114,100	20.56	43,476
SOP payment using treasury shares (Note 17 d.3)	(8,207)	20.96	(172)
	<u>9,082,160</u>	<u>22.44</u>	<u>203,782</u>
Treasury shares as of March 31, 2022			

(d) Capital reserves**(d.1) Goodwill on share subscription**

The goodwill reserve refers to the difference between the subscription price that the shareholders pay for the shares and their par value. Since this is a capital reserve, it can only be used to increase capital, offset losses, redeem, reimburse or purchase shares or pay cumulative dividends on preference shares.

The share subscription goodwill in the financial statements as of March 31, 2022 and December 31, 2021 is as follows:

	Parent company	
	March 31, 2022	December 31, 2021
Taxes reserve	3	3
Non-distributable profits (i)	96,477	96,477
Special goodwill reserve under merger	85	85
Goodwill on share subscription	<u>498,899</u>	<u>498,899</u>
	<u>595,464</u>	<u>595,464</u>

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(i) Profits earned prior to the Company's conversion into a business company

The goodwill on the share issuance is comprised as follows:

	March 31, 2022
Subscription of 17,853,127 shares	(23,305)
Amount paid for the 17,853,127 shares	<u>522,204</u>
Goodwill on share issuance	<u>498,899</u>

(d.2) Granting options

The Company recorded the capital reserve for stock options granted, as mentioned in Note 20. As required by the technical pronouncement, the fair value of the options was determined on the grant date and is being recognized over the vesting period up to this individual and consolidated quarterly information date.

(d.3) Goodwill and Negative Goodwill on the sale of treasury shares

The goodwill and Negative Goodwill on the sale of treasury shares refers to the difference between the acquisition price that the Company paid for the shares and the sale amount when using the shares to pay for the options granted.

The negative goodwill on the sale of treasury shares is represented as follows as of March 31, 2022 and December 31, 2021:

	Quantity of shares	Sale	Amount paid	Negative Goodwill
Negative Goodwill as of December 31, 2021	2,839,280	49,113	36,704	12,141
SOP payment in 2022	<u>2,300</u>	<u>32</u>	<u>32</u>	
Negative goodwill as of March 31, 2022	<u>2,841,580</u>	<u>49,145</u>	<u>36,736</u>	<u>12,141</u>

(e) Retained earnings

(e.1) Legal reserve

It must be established on the basis of 5% of the Net income for the fiscal year, until it reaches 20% of the paid-up share capital or 30% of the share capital plus capital reserves. After this limit, appropriation is no longer mandatory. The capital reserve may only be used to increase share capital or to offset accumulated losses.

(e.2) Retained earnings reserve

In accordance with article 196 of the Corporations Act, where the general meeting may, at the proposal of the boards of directors, decide to retain part of the net income for the fiscal year provided for in the capital budget to meet investment and expansion projects.

As of December 31, 2021, from the income accumulated by the Company, the amount of R\$ 112,697 was allocated to the Profit Retention Reserve referring to potential acquisitions, expansion and improvements in infrastructure, technology and organic expansion, as provided for in the Company's bylaws. On April 28, 2022, the retention of profits according to item 7.4.1 (b.ii) was approved in the Ordinary General Meeting.

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19 Financial instruments and sensitivity analysis of financial assets and liabilities

Market values of financial assets and liabilities were determined based on available market information and valuation methodologies appropriate for each situation. However, considerable judgment was necessary to interpret market balances in order to produce the most appropriate realizable value estimate. Consequently, the estimates presented herein do not necessarily indicate the values that could be realized in the current exchange market. The use of different market information and/or valuation methodologies may have a relevant effect on the amount of the market value.

The Company's assets and liabilities financial instruments as of March 31, 2022 are recorded in equity accounts in amounts compatible to those practiced in the market.

(a) Cash and cash equivalents and securities

The amounts recorded are close to the market values, considering the financial transactions have immediate liquidity.

(b) Loans and financing

They are measured at the amortized cost, using the effective rate method.

(c) Trade receivables

They are classified as receivables and are accounted for by their contractual values, which are close to market value.

(d) Derivative financial instruments

Although the derivative transaction is intended to protect the Company from fluctuations arising from its exposure to foreign exchange risk, it was decided not to adopt the hedge accounting methodology. Thus, the Swap transaction, which on March 31, 2022, presented a negative fair value of R\$ 103,932 as a corresponding entry to the results.

We present below the information related to the derivatives financial instruments held by the Company as of March 31, 2022, recorded at fair value with effect on income:

SWAP Agreement s	Principal Contracted (US\$)	Principal Contracted	YDUQS Receives	YDUQS Pays	Initial Date	Maturity Date	Market Value (R\$ M)		
							Assets	Liabilities	Gross income
Citibank	80,000,000	447,600,000	1.18*(SOFR_US D+1.09%)	CDI (Interbank Deposit Certificate) + 1.30%	Nov/29/21	Nov/29/23	380,482	452,038	(71,556)
Citibank	44,000,000	233,156,000	1.18*(SOFR_US D+0.90%)	CDI (Interbank Deposit Certificate) + 1.20%	Feb/02/22	Feb/29/24	206,707	237,346	(30,639)
Total							587,189	689,384	(102,195)

(e) Other financial instruments, assets, and liabilities

The estimated realizable values of the Group's financial assets and liabilities were determined based on information available in the market and appropriate valuation methodologies.

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19.1 Fair value hierarchy

The table below presents the financial instruments recorded at fair value using the measurement method:

	Consolidated	
	March 31, 2022	December 31, 2021
Level 2		
Financial Instruments at fair value through profit or loss		
Financial investments	1,657,830	1,766,511
(-) Derivative financial instruments - Swap	(689,384)	(451,705)
	<u>968,446</u>	<u>1,314,806</u>

The measurement of financial instruments is grouped at levels from 1 to 3, based on the level of quotation of their fair value:

Level 1 - prices quoted in active markets for identical assets and liabilities;

Level 2 - other techniques for which all input with significant effect on the fair value is observable, either directly or indirectly; and

Level 3 – techniques using input with significant effect on the fair value that is not based on observable market input.

During the period ended March 31, 2022, there were no transfers arising from fair value measurements between levels 1 and 2, not inside the level 3.

19.2 Financial risk factors

All Company's transactions are performed with banks having recognized liquidity, which minimizes risks. Management records a provision for doubtful accounts in an amount considered sufficient to cover possible risks of realization of trade receivables; therefore, the risk of incurring losses resulting from the difficulty of receiving billed amounts is measured and recorded in the accounts. The main market risk factors affecting the business are the following:

(a) Credit risk

This risk related to difficulties in collecting amounts for services provided.

The Group is also subject to credit risk on its financial investments.

The credit risk related to the service provision is minimized by a strict control of the student base and by the active management of default levels and the pulverization of balances. In addition, the Company requires the settlement or negotiation of the amounts overdue upon return of the students for classes in the next semester.

With respect to the credit risk associated with financial institutions, the Company and its subsidiaries operate according to the investments policy approved by the Board of Directors. The balances of cash and cash equivalents, securities and legal deposits are held at financial institutions with A to AAA credit rating assigned by the credit rating agencies Standard & Poor's, Fitch and Moody's. In cases where there are two or more ratings, the rating of the majority shall be adopted. In the event of different ratings, the Company adopts the higher rating as a basis.

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(b) Interest rate risk

The group is exposed to fluctuations in the Interbank Deposit Certificate (CDI) rate, which is used to adjust its financial investments and debts. In addition, any increase in interest rates could increase the cost of students' loans, including loans under the terms of the FIES program, and decrease the demand for the courses.

(c) Exchange rate risk

The Group's income is susceptible to variations due to exchange rate volatility, since to its assets and liabilities are linked to a currency other than its functional currency. However, as the Company has a Swap agreement for lines 4131, exposure to foreign exchange risk does not exist.

(d) Liquidity risk

Liquidity risk is the risk that the Group may not have sufficient cash resources available to meet its commitments due to the different terms of settlement of its rights and obligations.

The control of the Group's liquidity and cash flow is monitored daily by the Group's Management areas, in order to ensure that the operational cash generation and the previous fundraising, when necessary, are sufficient to maintain its commitments' schedule, not posing liquidity risks for the Group.

The table below analyzes the Group's financial liabilities, by maturity ranges, corresponding to the remaining period of the reporting date of the statement of financial position until the contractual maturity date. The amounts presented in the table are the contracted cash flows not discounted.

	Consolidated			
	Less than one year	Between one and two years	Between two and five years	More than five years
In 2022:				
Suppliers	252,180			
Loans	1,017,649	1,414,207	2,608,821	
Financial lease obligations	211,846	369,440	397,648	1,458,816
Acquisition price payable	50,012	22,245	87,919	
In 2021				
Suppliers	183,525			
Loans	1,350,029	1,160,083	2,835,536	
Financial lease obligations	221,562	391,445	494,396	1,165,653
Acquisition price payable	49,096	21,398	87,718	

(e) Sensitivity analysis

The CVM Resolution No. 550 of October 17, 2008 sets forth that publicly-held companies must disclose, in a specific note, qualitative and quantitative information on all their financial instruments, recognized or not as assets or liabilities in the statement of financial position.

The Group's financial instruments are represented by cash, trade receivables, payable, legal deposits, loans and financing, and are registered at cost value, plus income or charges incurred and financial investments are registered at fair value, which on March 31, 2022, approximate market values.

The main risks underlying the Group's operations are linked to changes in the CDI (Interbank Deposit Certificate) rate.

CVM Instruction No. 607 of July 17, 2019, provides that specific information on financial instruments must be shown in a specific note, and that a table must be included with details of a sensitivity analysis.

Loans in Brazilian reais consist of transactions for which the carrying amount is close to the fair value of these financial instruments.

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Investments linked to CDI rate are recorded at fair value, according to the quotations disclosed by the respective financial institutions. Most of the other investments refer to bank deposit certificates and repurchase agreements and, therefore, the value recorded for these securities does not differ from market value.

With the purpose to verify the sensitivity of the index for the financial investments to which the Group was exposed on the base date of March 31, 2022, three different scenarios were defined. Based on the CDI rate officially published by CETIP on March 31, 2022 (11.65% p.a.), this rate was used as the probable scenario for the year. After that, rate variations of 25% and 50% were calculated for scenarios II and III, respectively.

For each scenario, "gross financial revenue and financial costs" were calculated, disregarding the levy of taxes on the investments' yields. The base date used for the portfolio was March 31, 2022, projected for one year and verifying the sensitivity of the CDI rate for each scenario.

Scenario for CDI rise

Transactions	Risk	Probable Scenario (I)	Scenario (II)	Scenario (III)
Financial investments R\$ 1,317,912	CDI	11.65% R\$ 153,537	14.56% R\$ 191,921	17.48% R\$ 230,305
Debentures V - 2nd Q R\$ 158,466	CDI (Interbank Deposit Certificate) + 0.79%	11.74% R\$ (18,601)	14.65% R\$ (23,220)	17.57% R\$ (27,839)
CCB - Safra R\$ 201,441	CDI + 2.18%	14.08% R\$ (28,371)	17.06% R\$ (34,366)	20.04% R\$ (40,361)
CCB - Itaú R\$ 158,466	CDI (Interbank Deposit Certificate) + 2.70%	14.66% R\$ (23,238)	17.66% R\$ (27,978)	20.65% R\$ (32,718)
CCB - Bradesco R\$ 360,393	CDI (Interbank Deposit Certificate) + 2.70%	14.66% R\$ (52,850)	17.66% R\$ (63,630)	20.65% R\$ (74,410)
4131 - Citi (USD 80MM) R\$ 452,038	CDI (Interbank Deposit Certificate) + 1.30%	13.10% R\$ (59,224)	16.05% R\$ (72,560)	19.00% R\$ (85,897)
4131 - Citi (USD 44MM) R\$ 237,346	CDI (Interbank Deposit Certificate) + 1.20%	12.99% R\$ (30,831)	15.94% R\$ (37,826)	18.88% R\$ (44,822)
Debentures VI R\$ 1,875,793	CDI (Interbank Deposit Certificate) + 2.50%	14.44% R\$ (270,888)	17.43% R\$ (326,886)	20.41% R\$ (382,884)
Debentures VII R\$ 311,334	CDI + 1.65%	13.49% R\$ (42,006)	16.45% R\$ (51,223)	19.41% R\$ (60,440)
Net position		R\$ (372,471)	R\$ (445,769)	R\$ (519,066)

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Scenario fall of CDI

Transactions	Risk	Probable Scenario (I)	Scenario (II)	Scenario (III)
Financial investments R\$ 1,317,912	CDI	11.65% R\$ 153,537	8.74% R\$ 115,153	5.83% R\$ 76,768
Debentures V - 2nd Q R\$ 158,466	CDI (Interbank Deposit Certificate) + 0.79%	11.74% R\$ (18,601)	8.82% R\$ (13,982)	5.91% R\$ (9,363)
CCB - Safra R\$ 201,441	CDI + 2.18%	14.08% R\$ (28,371)	11.11% R\$ (22,376)	8.13% R\$ (16,381)
CCB - Itaú R\$ 158,466	CDI (Interbank Deposit Certificate) + 2.70%	14.66% R\$ (23,238)	11.67% R\$ (18,498)	8.68% R\$ (13,758)
CCB - Bradesco R\$ 360,393	CDI (Interbank Deposit Certificate) + 2.70%	14.66% R\$ (52,850)	11.67% R\$ (42,070)	8.68% R\$ (31,290)
4131 - Citi (USD 80MM) R\$ 452,038	CDI (Interbank Deposit Certificate) + 1.30%	13.10% R\$ (59,224)	10.15% R\$ (45,887)	7.20% R\$ (32,550)
4131 – Citi (USD 44MM) R\$ 237,346	CDI (Interbank Deposit Certificate) + 1.20%	12.99% R\$ (30,831)	10.04% R\$ (23,835)	7.09% R\$ (16,839)
Debentures VI R\$ 1,875,793	CDI (Interbank Deposit Certificate) + 2.50%	14.44% R\$ (270,888)	11.46% R\$ (214,890)	8.47% R\$ (158,891)
Debentures VII R\$ 311,334	CDI + 1.65%	13.49% R\$ (42,006)	10.53% R\$ (32,789)	7.57% R\$ (23,571)
Net position		R\$ (372,471)	R\$ (299,174)	R\$ (225,877)

We present below the Company's variations in assets and liabilities linked at the exchange rate.

The sensitivity analysis related to foreign exchange risk refers to the position on March 31, 2022, and seeks to simulate how an exchange rate stress could affect the Company.

In addition, three scenarios were outlined, I, II and III, which represent, respectively, the probable scenario and the possible deterioration scenarios of 25% and 50% in the risk variable. To carry out the analysis, the Company uses as a premise of the probable scenario the exchange rate at the end of 2022 disclosed in the Focus Report - BACEN closest to the close of the period. Based on the probable exchange rate, scenarios of deterioration of 25% and 50% of the risk variable are generated.

The table below represents the sensitivity analysis involving the net effect resulting from these shocks in the exchange rate. We have decided to keep the Swap long leg separate from the short leg in order to make the effect of the derivative more evident.

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Transactions	Risk	Scenario for dollar rise		
		Scenario (I)	Scenario (II)	Scenario (III)
Swap - Long Leg 587,189	Exchange rate	5.50 679,946	6.88 849,933	8.25 1,019,919
Debt in US\$ 689,384	Exchange rate	5.50 798,285	6.88 997,856	8.25 1,197,427
Net position		(118,339)	(147,923)	(177,508)

(f) Capital Management

The Company's debt in relation to Shareholders' Equity for the period ended March 31, 2022 and for the fiscal year ended December 31, 2021 is presented below in consolidated data:

	Consolidated	
	March 31, 2022	December 31, 2021
Loans and financing (Note 11)	3,942,385	4,062,194
Leases (Note 12)	1,590,365	1,444,881
Acquisition price payable (Note 16)	149,918	146,230
(-) Cash and cash equivalents, and securities (Note 3)	(1,707,794)	(1,814,240)
Net debt	3,974,874	3,839,065
Equity (i)	3,279,586	3,241,583
Net debt on equity	1.21	1.18

(i) The equity don't consider the non-controlling interests for capital managing purposes.

(g) Offsetting of financial instruments

There is no significant assets or liabilities subject to contractual offsetting as of March 31, 2022, and December 31, 2021.

20 Managers' compensation

(a) Compensation

In accordance with the Corporations Act and the Company's Bylaws, it is the responsibility of the shareholders, at the General Meeting, to set the overall amount of the annual remuneration of managers. It is incumbent upon the Board of Directors to distribute the funds among the managers. The Annual and Special General Meeting held on April 28, 2021 established a monthly global compensation limit to the Administrators (Board of Directors, Audit Committee and Executive Board) of the Company.

In the fiscal years ended March 31, 2022 and 2021, the total compensation (fixed, variable, shares, and the respective social charges) of the Company's directors, officers and main executives was R\$ 4,367 and R\$ 4,197, respectively. These compensations are within the limits approved at the corresponding shareholders' meetings.

The Company and its subsidiaries do not grant post-employment benefits, termination benefits or other long-term benefits to Management and their employees, except for the shares option plan described in Note 20 (b).

(b) Shares option plan

In the Annual General Meeting held on September 12, 2008, the shareholders approved a Company's Shares Option Plan ("Plan") to the administrators, employees, and service providers of the Company ("beneficiaries"). The Plan is administrated by the Plan Administration Committee, created by the Board of Directors, specifically to this purpose during the meeting held on July 1, 2008. The Committee is responsible for create option program of acquisition of shares and grant to the Beneficiaries (revised from time to time) the options and specific applicable rules, always subjecting them to the general rules of the Plan ("Program").

The volume of stock options is limited to 5% of the shares representing the Company's share capital on the date in which each Program is approved.

Upon December 31, 2021, eleven option program of acquisition of shares were created, six of which don't have a stockpile available (programs of 1st to 5th and 9th), all the other programs (6th to 8th, 10th and 11th), although being terminated, still have outstanding stockpile.

For the programs below, the Company uses the Binomial model for the calculation of the fair value of the options.

On October 14, 2014, with the end of the 6th Program, the creation of the 7th Program was approved, with the issue price of the shares to be acquired of R\$ 23.60 (twenty-three Brazilian reais and sixty cents), with its value increased by adjustment for inflation based on the IGPM variation from October 14, 2014, until the date of effective exercise of the option.

On October 2, 2015, with the end of the 7th Program, the creation of the 8th Program was approved, with the issue price of the shares to be acquired of R\$ 13.15 (thirteen Brazilian reais and fifteen cents), with its value plus adjustment for inflation based on the IGPM variation from October 2, 2015, until the date of effective exercise of the option.

On April 29, 2016, with the end of the 8th Program, the creation of the 9th Program was approved, with the issue price of the shares to be acquired of R\$ 10.85 (ten Brazilian reais and eighty-five cents), with its value increased by adjustment for inflation based on the IGPM variation from April 29, 2016, until the date of effective exercise of the option.

On July 19, 2016, with the end of the 9th Program, the creation of the 10th Program was approved, with the issue price of the shares to be acquired of R\$ 15.12 (fifteen Brazilian reais and twelve cents), with its value plus adjustment for inflation based on the IGPM variation from July 19, 2016, until the date of effective exercise of the option.

On April 25, 2017, with the end of the 10th Program, the creation of the 11th Program was approved, with the issue price of the shares to be acquired of R\$ 14.18 (fourteen Brazilian reais and eighteen cents), with its value plus adjustment for inflation basis based on the IGPM variation from April 25, 2017, until the date of effective exercise of the option.

As of March 31, 2022, the number of options granted, which were exercised accumulated from all programs, was 13,434,662 shares (R\$ 116,870), of which 11,218,904 shares from closed programs and 2,215,758 shares from active programs. The total number of shares granted, less the forfeited shares is 16,901,902 shares (R\$ 156,902), of which 12,042,223 shares of closed programs and 4,859,679 shares of active programs.

Granted options programs with balance of shares to be exercised:

Programs	Granted	Forfeited Options	Abandoned Options	Issued	Balance of shares
6P	5,090,000	2,247,000	1,919,845	866,714	56,441
7P	889,000	379,200	331,174	97,526	81,100
8P	983,000	463,400	52,127	458,813	8,660
10P	1,105,779	554,000	107,779	442,000	2,000
11P	991,010	555,510	20,255	350,705	64,540

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Grand total	9,058,789	4,199,110	2,431,180	2,215,758	212,741
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The total of granted shares that were exercised in the last quarters is as follows:

	Shares exercised
December 31, 2018	12,842,762
March 31, 2019	12,901,362
June 30, 2019	13,181,276
September 30, 2019	13,203,276
December 31, 2019	13,208,276
March 31, 2020	13,229,276
June 30, 2020	13,229,276
September 30, 2020	13,359,572
December 31, 2020	13,359,572
December 31, 2021	13,434,662
March 31, 2022	13,434,662

The assumptions used to calculate each granting, based on the Binominal model, are as follows:

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Programa	Término da Carência	Data de Expiração	Opções Outorgadas	Preço do Ativo Base	Volatilidade	Dividendos Esperados	Taxa de Juros Livre de Risco	Fair Value na Outorga	Prescrito (base atual)
11º Programa Abr17	23/04/2018	23/04/2028	188.000	R\$ 14,18	46,66%	0,00%	8,94%	R\$ 6,14	13.500
11º Programa Abr17	23/04/2019	23/04/2028	188.000	R\$ 14,18	46,66%	0,00%	8,94%	R\$ 6,84	86.000
11º Programa Abr17	23/04/2020	23/04/2028	188.000	R\$ 14,18	46,66%	0,00%	8,94%	R\$ 7,41	132.500
11º Programa Abr17	23/04/2021	23/04/2028	188.000	R\$ 14,18	46,66%	0,00%	8,94%	R\$ 7,86	135.500
11º Programa Abr17	23/04/2022	23/04/2028	188.000	R\$ 14,18	46,66%	0,00%	8,94%	R\$ 8,26	137.000
11º Programa Abr17 Cons.	23/04/2018	23/04/2028	25.505	R\$ 14,18	46,66%	0,00%	8,94%	R\$ 6,14	25.505
11º Programa Abr17 Cons.	23/04/2019	23/04/2028	25.505	R\$ 14,18	46,66%	0,00%	8,94%	R\$ 6,84	25.505
10º Programa Jul16	15/04/2017	19/07/2026	208.000	R\$ 15,12	59,18%	0,00%	12,50%	R\$ 6,89	2.000
10º Programa Jul16	15/04/2018	19/07/2026	208.000	R\$ 15,12	59,18%	0,00%	12,50%	R\$ 7,89	33.000
10º Programa Jul16	15/04/2019	19/07/2026	208.000	R\$ 15,12	59,18%	0,00%	12,50%	R\$ 8,61	153.000
10º Programa Jul16	15/04/2020	19/07/2026	208.000	R\$ 15,12	59,18%	0,00%	12,50%	R\$ 9,18	183.000
10º Programa Jul16	15/04/2021	19/07/2026	208.000	R\$ 15,12	59,18%	0,00%	12,50%	R\$ 9,64	183.000
10º Programa Jul16 Cons.	15/04/2017	19/07/2026	32.890	R\$ 15,12	59,18%	0,00%	12,50%	R\$ 6,89	0
10º Programa Jul16 Cons.	15/04/2018	19/07/2026	32.889	R\$ 15,12	59,18%	0,00%	12,50%	R\$ 7,89	0
9º Programa Abr16	15/04/2017	15/04/2027	80.000	R\$ 11,87	54,57%	0,00%	12,93%	R\$ 6,02	20.000
9º Programa Abr16	15/04/2018	15/04/2027	80.000	R\$ 11,87	54,57%	0,00%	12,93%	R\$ 6,66	20.000
9º Programa Abr16	15/04/2019	15/04/2027	80.000	R\$ 11,87	54,57%	0,00%	12,93%	R\$ 7,14	80.000
9º Programa Abr16	15/04/2020	15/04/2027	80.000	R\$ 11,87	54,57%	0,00%	12,93%	R\$ 7,52	80.000
9º Programa Abr16	15/04/2021	15/04/2027	80.000	R\$ 11,87	54,57%	0,00%	12,93%	R\$ 7,83	80.000
9º Programa Abr16 Cons.	15/04/2019	01/05/2019	450.000	R\$ 11,87	54,57%	0,00%	12,93%	R\$ 3,17	100.000
9º Programa Abr16 Cons.	15/04/2018	01/05/2020	450.000	R\$ 11,87	54,57%	0,00%	12,93%	R\$ 4,43	100.000
8P Programa	15/04/2016	15/04/2026	196.600	R\$ 13,15	28,80%	0,00%	11,99%	R\$ 5,45	2.000
8P Programa	15/04/2017	15/04/2027	196.600	R\$ 13,15	28,80%	0,00%	11,99%	R\$ 6,42	56.800
8P Programa	15/04/2018	15/04/2028	196.600	R\$ 13,15	28,80%	0,00%	11,99%	R\$ 7,20	81.200
8P Programa	15/04/2019	15/04/2029	196.600	R\$ 13,15	28,80%	0,00%	11,99%	R\$ 7,88	150.200
8P Programa	15/04/2020	15/04/2030	196.600	R\$ 13,15	28,80%	0,00%	11,99%	R\$ 8,47	173.200
Programa 7P Out14	15/04/2015	03/02/2018	2.400	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 8,58	0
Programa 7P Out14	15/04/2015	15/04/2025	175.400	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 8,58	16.000
Programa 7P Out14	15/04/2016	03/02/2018	2.400	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 9,71	0
Programa 7P Out14	15/04/2016	15/04/2026	175.400	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 9,71	37.000
Programa 7P Out14	15/04/2017	03/02/2018	2.400	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 10,64	0
Programa 7P Out14	15/04/2017	15/04/2027	175.400	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 10,64	86.000
Programa 7P Out14	15/04/2018	15/04/2028	177.800	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 11,47	104.400
Programa 7P Out14	15/04/2019	04/01/2020	5.000	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 12,24	0
Programa 7P Out14	15/04/2019	15/04/2029	172.800	R\$ 26,83	28,80%	0,00%	11,99%	R\$ 12,24	135.800
Programa 6P Ago14	15/04/2015	15/04/2025	60.000	R\$ 29,16	26,68%	0,00%	11,99%	R\$ 14,48	0
Programa 6P Ago14	15/04/2016	15/04/2026	60.000	R\$ 29,16	26,68%	0,00%	11,99%	R\$ 15,10	28.000
Programa 6P Ago14	15/04/2017	15/04/2027	60.000	R\$ 29,16	26,68%	0,00%	11,99%	R\$ 15,74	28.000
Programa 6P Ago14	15/04/2018	15/04/2028	60.000	R\$ 29,16	26,68%	0,00%	11,99%	R\$ 16,38	28.000
Programa 6P Ago14	15/04/2019	15/04/2029	60.000	R\$ 29,16	26,68%	0,00%	11,99%	R\$ 16,98	44.000
Programa 6P Ago14 Cons.	15/04/2015	01/08/2024	50.000	R\$ 29,16	28,80%	0,00%	11,99%	R\$ 14,43	0
Programa 6P Ago14 Cons.	15/04/2016	01/08/2024	50.000	R\$ 29,16	28,80%	0,00%	11,99%	R\$ 15,02	0
Programa 6P Jul14	15/04/2015	15/04/2025	608.000	R\$ 29,94	26,43%	0,00%	11,99%	R\$ 15,13	0
Programa 6P Jul14	15/04/2016	15/04/2026	608.000	R\$ 29,94	26,43%	0,00%	11,99%	R\$ 15,76	80.000
Programa 6P Jul14	15/04/2017	15/04/2027	608.000	R\$ 29,94	26,43%	0,00%	11,99%	R\$ 16,41	602.000
Programa 6P Jul14	15/04/2018	15/04/2028	608.000	R\$ 29,94	26,43%	0,00%	11,99%	R\$ 17,05	608.000
Programa 6P Jul14	15/04/2019	15/04/2029	608.000	R\$ 29,94	26,43%	0,00%	11,99%	R\$ 17,65	608.000
Programa 6P Jul14 Cons.	15/04/2015	04/07/2024	162.500	R\$ 29,94	28,80%	0,00%	11,99%	R\$ 15,09	0
Programa 6P Jul14 Cons.	15/04/2016	04/07/2024	162.500	R\$ 29,94	28,80%	0,00%	11,99%	R\$ 15,69	0
Programa 6P out13	15/04/2014	15/04/2024	265.000	R\$ 16,82	28,80%	0,00%	11,99%	R\$ 5,05	5.000
Programa 6P out13	15/04/2015	15/04/2025	265.000	R\$ 16,82	28,80%	0,00%	11,99%	R\$ 5,79	5.000
Programa 6P out13	15/04/2016	15/04/2026	265.000	R\$ 16,82	28,80%	0,00%	11,99%	R\$ 6,40	19.000
Programa 6P out13	15/04/2017	15/04/2027	265.000	R\$ 16,82	28,80%	0,00%	11,99%	R\$ 6,94	88.000
Programa 6P out13	15/04/2018	15/04/2028	265.000	R\$ 16,82	28,80%	0,00%	11,99%	R\$ 7,43	104.000
Programa 5P 3	15/04/2014	15/04/2024	144.000	R\$ 16,16	39,85%	0,00%	11,02%	R\$ 6,37	0
Programa 5P 3	15/04/2015	15/04/2025	144.000	R\$ 16,16	39,85%	0,00%	11,02%	R\$ 7,02	21.000
Programa 5P 3	15/04/2016	15/04/2026	144.000	R\$ 16,16	39,85%	0,00%	11,02%	R\$ 7,60	102.000
Programa 5P 3	15/04/2017	15/04/2027	144.000	R\$ 16,16	39,85%	0,00%	11,02%	R\$ 8,11	102.000
Programa 5P 3	15/04/2018	15/04/2028	144.000	R\$ 16,16	39,85%	0,00%	11,02%	R\$ 8,58	123.000
Programa 4P jan/13	15/04/2014	15/04/2024	160.200	R\$ 14,40	33,47%	0,00%	3,90%	R\$ 8,23	7.200
Programa 4P jan/13	15/04/2015	15/04/2025	160.200	R\$ 14,40	33,47%	0,00%	3,90%	R\$ 8,35	7.200
Programa 4P jan/13	15/04/2016	15/04/2026	160.200	R\$ 14,40	33,47%	0,00%	3,90%	R\$ 8,48	7.200
Programa 4P jan/13	15/04/2017	15/04/2027	160.200	R\$ 14,40	33,47%	0,00%	3,90%	R\$ 8,62	88.200
Programa 4P jan/13	15/04/2018	15/04/2028	160.200	R\$ 14,40	33,47%	0,00%	3,90%	R\$ 8,75	94.200

In compliance with the provisions of the technical pronouncement CPC 10 (R1), the share-based payments that were open on March 31, 2022, and December 31, 2021, were measured and recognized by the Company.

The Company recognizes the stock options granted on a quarterly basis, as a capital reserve with a corresponding counter entry in the statement of profit or loss, as general and administrative expenses, in the

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line item personal and social charges. In the period ended March 31, 2022, a provision of R\$ 21 was recognized (R\$ 135 in the fiscal year ended December 31, 2021).

The variations in the number of outstanding share options and their corresponding weighted average prices for the period are presented below:

Executive Board

	March 31, 2022		December 31, 2021	
	Average price for the share exercise	Options - thousands	Average price for the share exercise	Options - thousands
January 01	15.81	12,000	13.88	38,000
Granted				
Exercised			18.63	26,000
Abandoned				
	15.81	12,000	15.81	12,000

(c) Performance Share Program

The purpose of the Plan is to allow the grant of Restricted Shares to Beneficiaries selected by the Board of Directors, subject to certain conditions, with the objective of: (a) encouraging the expansion, success and achievement of the corporate purpose of the Company and the companies under its control; (b) encouraging better management of the Company and the companies under its control, awarding participants the possibility of being Company's shareholders, thereby encouraging them to optimize all aspects that could value the company in the long term; (c) aligning the interests of the beneficiaries with the shareholders' interests; and (d) encouraging the retaining of managers and employees at the Company or in the companies under its control.

The managers and employees of the Company or of the company under its control may be elected as plan beneficiaries, as defined by the Board of Directors.

The total number of restricted shares that may be granted under the Plan may not exceed, together with the options and/or shares granted under other Share-based compensation plans of the Company (which will be considered in calculating the total limit established herein), the total limit of 3% of the Company's share capital on the date of approval of each Program.

The reference price of each restricted share used to define the number of restricted shares granted to each beneficiary will correspond to the weighted average quote of the Company's shares on B3 S.A. during the thirty (30) trading sessions prior to the date of each Program.

Each Program created by the Board of Directors will have a term of five (5) years, and the restricted shares granted will be divided into five (5) equal annual lots, with the vesting period occurring annually.

Exceptionally, with respect to the 1st Program, approved by the Board of Directors in 2018, the vesting period for the first 20% of restricted shares granted ended on April 15, 2019, with the delivery of the respective restricted shares to the beneficiaries within 30 days of the end of the vesting period, so that the vesting period for each of the other lots of 20% will end on April 15 each year, with the delivery of the respective restricted shares within a maximum of 30 days.

For the Restricted Shares Granting Plan, the provision for the program in the fiscal year ended March 31, 2022 is R\$ 5,385 (R\$ 16,974 as of December 31, 2021). The accumulated provision as of March 31, 2022 is R\$ 49,748 (R\$ 44,503 as of December 31, 2021).

YDUQS Participações S.A.

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As of March 31, 2022, the number of shares granted and delivered was 1911340 shares, and the total shares granted amounted to 7,722,900 shares.

Program	Granted	Additional per Dividends	Additional per Performance	Delivered	Unvested	Cancelled	Forfeited
1P	1,395,500	90,037	40,825	567,907	260,706	54,149	643,600
1P - Cons	130,000	9,441		139,441			
1P - Esp	300,000	28,012	16,158	183,637	155,243	5,289	
2P	879,000	17,328	41,500	354,175	417,395	723	165,535
2P - Cons	98,000	3,157		7,130	86,898	129	7,000
2P - Esp	100,000	2,436	5,000	45,370	62,066		
3P	630,000	15,455		224,070	341,385		80,000
3P - Esp.	200,000	5,620		81,480	124,140		
4P	100,000	3,074	5,000	45,370	20,901	1,802	40,000
5P	80,000	2,760				2,760	80,000
6P	1,389,600	32,395		262,760	894,827	2,687	261,722
7P	445,000	8,902			338,190	712	115,000
8P	460,000	15,869			475,869		
9P	100,000	1,571			101,571		
10P	1,330,800	19,114			1,241,550	682	107,681
11P	85,000				85,000		
Grand Total	7,722,900	255,171	108,483	1,911,340	4,605,741	68,933	1,500,538

21 Earnings per share

The table below presents information on the income and shares used to calculate basic and diluted earnings per share.

(a) Earnings per share - basic

	2022	2021
Numerator		
Net income for the period attributable to the Company's shareholders	76,039	43,225
Denominator (in thousands of shares)		
Weighted average of the number of outstanding shares	301,390	301,281
Net income per batch of 1000 shares - basic	0.25229	0.14347

(b) Earnings per share – diluted

	2022	2021
Numerator		
Net income for the period attributable to the Company's shareholders	76,039	43,225
Denominator (in thousands of shares)		
Weighted average of the number of outstanding shares	301,390	301,281
Potential increase in the number of shares due to the stock option plan		225
Weighted average of outstanding shares	301,390	301,506
Net income per batch of 1000 shares – diluted	0.25229	0.14336

22 Net revenue from services provided

	Consolidated
2022	

YDUQS Participações S.A.

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		2021
Gross revenue	2,454,259	2,056,986
Deduction from gross revenue	(1,261,285)	(974,658)
Grants - scholarships	(1,183,608)	(895,671)
Refund of monthly tuition fees and charges	(9,822)	(10,058)
Discounts granted	(11,886)	(17,895)
Taxes	(42,117)	(39,507)
Adjustment to present value - PAR/DIS	(8,800)	(3,146)
FIES (i)	(5,052)	(8,381)
	<u>1,192,974</u>	<u>1,082,328</u>

(i) Refers to the FGEDUC and FIES administrative rate.

23 Costs of services provided

	Consolidated	
	2022	2021
Personnel and social charges	(267,668)	(276,888)
Electricity, water, gas and telephony	(11,859)	(8,066)
Rental, condominium fees and IPTU	(10,646)	(13,193)
Postage and Mailbags	(516)	(405)
Depreciation and amortization	(110,363)	(105,668)
Teaching material	(2,110)	(1,072)
Third-party services - security and cleaning	(16,350)	(12,745)
Other	(46,193)	(38,797)
	<u>(465,705)</u>	<u>(456,834)</u>

24 Selling, general and administrative expenses

	Parent company		Consolidated	
	2022	2021	2022	2021
Selling expenses				
Impairment loss on trade receivables (Note 4)			(128,722)	(95,411)
Advertising			(111,890)	(132,177)
Sales and marketing			(29,850)	(24,020)
Others			(179)	(28)
			<u>(270,641)</u>	<u>(251,636)</u>
General and administrative expenses				
Personnel and social charges	(1703)	(1,658)	(82,302)	(86,584)
Third-party services	(777)	(992)	(33,688)	(30,787)
Maintenance and repairs		(20)	(14,777)	(18,851)
Depreciation and amortization	(1)	(9)	(66,260)	(48,739)
Educational agreements			(9,087)	(5,788)
Travel and accommodation	(3)		(2,633)	(809)
Provision for contingencies (Note 17)	50	(3)	(11,567)	(15,803)
Insurances	(3,564)	(2,943)	(4,149)	(3,366)
Transportation	(1)	(2)	(1,363)	(910)
Vehicle rental			(1,107)	(1,265)
Others	(120)	(127)	(13,986)	(8,038)
	<u>(6,119)</u>	<u>(5,754)</u>	<u>(240,919)</u>	<u>(220,940)</u>

25 Other operating revenues/expenses

Parent company	Consolidated
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	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues with agreements	756	755	1,139	1,139
Lease revenues			1,530	1,127
Business intermediation			245	236
Gain on disposal of property, plant and equipment			187	8,203
Provision (reversal) for loss - other revenues			72	(277)
Other operating revenues (expenses)			675	(4,629)
	<u>756</u>	<u>755</u>	<u>3,848</u>	<u>5,799</u>

26 Financial income and financial expenses

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Financial revenues				
Late payment fines and interest			14,870	11,215
Revenues from financial investments	6,873	2,820	37,705	7,670
Derivatives fair value (SWAP) (i)	97,461	12,923	97,461	12,923
Tax credits adjustment	1,874	299	4,236	706
PAR, DIS and Credathenas adjustment			8,641	7,475
Others			1,129	1,510
	<u>106,208</u>	<u>16,042</u>	<u>164,042</u>	<u>41,499</u>
Financial expenses				
Bank expenses	(222)	(405)	(2,941)	(2,434)
Interest and financial charges	(101,116)	(29,352)	(111,400)	(33,344)
Adjustment of provision for contingencies (Note 17)	(22)	(15)	(11,903)	(9,595)
Financial deductions (ii)			(31,118)	(29,046)
Negative exchange variation			(3,455)	(2,591)
Interest and exchange variation on loans (SWAP) (i)	(112,010)	(30,807)	(112,010)	(30,807)
Expenses with loans	(1,150)	(5,245)	(1,150)	(5,245)
Lease interest - Right of use			(31,915)	(31,927)
Others	(649)	(10)	(2,415)	(1,965)
	<u>(215,169)</u>	<u>(65,834)</u>	<u>(308,307)</u>	<u>(146,954)</u>

- (i) Refers to loans in foreign currency and derivatives contracted to protect the Company from foreign exchange exposure.
(ii) Related to discounts granted upon renegotiation of overdue monthly tuition fees.

27 Income by business segment

	<u>March 31, 2022</u>			
	<u>On-site</u>	<u>Digital</u>	<u>Premium</u>	<u>Consolidated</u>
Gross Revenue	1,334,058	813,273	306,929	2,454,260
Deductions	(774,281)	(442,440)	(44,565)	(1,261,286)
Net revenue (Note 22)	559,777	370,833	262,364	1,192,974
Costs of the services provided (Note 23)	(211,813)	(64,967)	(78,562)	(355,342)
Personnel and social charges	(177,106)	(18,625)	(71,939)	(267,670)
Rental, condominium fees and IPTU	(7,665)	(255)	(2,726)	(10,646)
Postage and Mailbags	(262)	(191)	(63)	(516)
Teaching material	(1,415)	(18)	(677)	(2,110)
Third parties' services and other	(25,365)	(45,878)	(3,157)	(74,400)
Depreciation and amortization (Note 23)	(86,869)	(5,814)	(17,680)	(110,363)
Gross income	261,095	300,052	166,122	727,269
Selling expenses (Note 24)	(144,088)	(108,208)	(18,345)	(270,641)
General and administrative expenses (Note 24)	(79,107)	(59,631)	(35,922)	(174,660)
Depreciation and amortization (Note 24)	(32,097)	(21,849)	(12,313)	(66,259)

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Other Revenue/Expenses (Note 25)	1,927	1,534	387	3,848
Operating income	7,730	111,898	99,929	219,557

	March 31, 2021			
	On-site	Digital	Premium	Consolidated
Gross Revenue	1,253,030	559,372	244,584	2,056,986
Deductions	(663,124)	(269,039)	(42,495)	(974,658)
Net revenue (Note 22)	589,906	290,333	202,089	1,082,328
Costs of the services provided (Note 23)	(233,409)	(55,477)	(62,281)	(351,166)
Personnel and social charges	(201,464)	(18,901)	(56,523)	(276,888)
Rental, condominium fees and IPTU	(10,770)	429	(2,853)	(13,193)
Postage and Mailbags	(195)	(173)	(37)	(405)
Teaching material	(652)		(419)	(1,072)
Third parties' services and other	(20,328)	(36,831)	(2,449)	(59,608)
Depreciation and amortization (Note 23)	(86,931)	(5,376)	(13,361)	(105,668)
Gross income	269,566	229,480	126,448	625,494
Selling expenses (Note 24)	(163,170)	(77,407)	(11,031)	(251,608)
General and administrative expenses (Note 24)	(98,232)	(45,165)	(28,832)	(172,229)
Depreciation and amortization (Note 24)	(26,224)	(15,043)	(7,473)	(48,739)
Other Revenue/Expenses (Note 25)	3,348	2,239	211	5,799
Operating income	(14,711)	94,104	79,324	158,717

28 Income tax and social security contribution

The reconciliation of taxes assessed according to nominal tax rates and the amount of tax recorded for the periods ended March 31, 2022 and 2021 are presented below:

	Parent company		Consolidated	
	2022	2021	2022	2021
Profit before income tax and social security contribution	75,847	43,781	75,291	53,262
Nominal rate combined from income tax and social security contribution - %	34	34	34	34
Income tax and social security contribution at legislation rates	(25,788)	(14,916)	(25,599)	(18,109)
Equity accounting method	64,658	33,545		
Goodwill			3,541	
Non-deductible expenses (i)		(1)	(167)	1,160
Interest on equity (ii)	(15,980)			
Tax loss - not constituted	(22,698)	(18,510)	(28,504)	(20,587)
Non-taxable income			1,650	
Others			73	(150)
	192	118	(49,006)	(37,686)
Tax benefits				
Tax incentive - Prouni			57,051	28,288
Tax Incentive - Lei Rouanet				125
Current income tax and social security contribution in the income for the period	192	118	8,046	(9,273)

(i) Basically, consist of expenses for sponsorships, donations and gifts.

(ii) Refers to the payment of JCP in 2022, the amounts of which are intended to increase the share capital of subsidiaries (direct and indirect).

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	Parent company		Consolidated	
	2022	2021	2022	2021
Current income tax and social security contribution tax			(8,064)	(24,460)
Deferred income tax and social security contribution	192	118	16,110	15,187
Income tax and social security contribution of previous periods		(764)	(7,298)	(764)
	<u>192</u>	<u>(646)</u>	<u>748</u>	<u>(10,037)</u>

As of March 31, 2022, the Company recorded deferred tax credit from the temporary differences in the amount of R\$ 306,046 (R\$ 356,104 as of December 31, 2021). The breakdown of the tax effect on the temporary additions that gave rise to such credit is as follows:

	Parent company		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
Adjustment to present value			7,396	5,660
Provision for contingencies	142	152	76,240	75,301
Impairment Loss on Trade Receivables (PCLD)			90,069	73,593
Monthly tuition fees to be billed / cancelled			18,563	26,566
Provision for retirement			16,593	16,724
Assets Surplus Value Amortization			(24,486)	(29,573)
Provision for Fies Risk			7,456	7,395
Recognized granted options	1,181	979	59,109	57,977
Leases			57,891	59,442
Business combination			(30,037)	(30,726)
Goodwill incorporated			(11,290)	(11,290)
Depreciation	14	14	6,536	7,547
Tax loss			86,845	94,641
Other Assets			4,161	2,847
	<u>1,337</u>	<u>1,145</u>	<u>365,046</u>	<u>356,104</u>
Assets	<u>1,337</u>	<u>1,145</u>	<u>365,046</u>	<u>356,104</u>
	<u>1,337</u>	<u>1,145</u>	<u>365,046</u>	<u>356,104</u>

The realization of the deferred tax effect on temporary differences recorded on March 31, 2022, is linked to the realization of the provision which gave rise to this credit.

The Company has been adopting measures that will allow the consumption of tax loss and negative CSLL basis, with the consequent realization of deferred tax assets on tax loss and negative CSLL basis, such as corporate reorganizations and their consequent operational improvements.

The deferred income tax and social security contribution - assets will be realized according to the expectations of the Management, as follows:

	March 31, 2022
	Consolidated
2022	13,025
2023 to 2026	48,588
2027 to 2031	<u>25,232</u>
	86,845
