UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2021
Commission File Number: 001-39519

Vitru Limited

(Exact name of registrant as specified in its charter)
Rodovia José Carlos Daux, 5500, Torre Jurerê A,
2nd floor, Saco Grande, Florianópolis, State of
Santa Catarina, 88032-005, Brazil
+55 (47) 3281-9500
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F	X	Form 40-F	

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes		No	X

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes		No	X

TABLE OF CONTENTS

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Vitru Limited.

By:	/s/ Carlos Henrique Boquimpani de Freitas
Name:	Carlos Henrique Boquimpani de Freitas
Title:	Chief Financial Officer

Date: November 17, 2021

VITRU LIMITED Announces Third Quarter 2021 Financial Results

Florianopolis, Brazil, November 17, 2021 – Vitru Limited, or Vitru (Nasdaq: VTRU), the leading pure digital education group in the post-secondary digital education market in Brazil, today reported financial and operating results for the three-month and nine-month period ended September 30, 2021 (third quarter 2021 or **3Q21** and the nine months ended September 30, 2021 or **9M21**). Financial results are expressed in Brazilian Reais and are presented in accordance with International Financial Reporting Standards (IFRS). Vitru operates its hubs under the **UNIASSELVI** brand with 292.8 thousand students in digital education undergraduate and graduate courses, more than three thousand tutors and 904 hubs distributed throughout Brazil.

Vitru combined its sustainable organic growth with a disruptive move in 3Q21: the Definitive Agreement for Business Combination with Unicesumar

To our shareholders

As we celebrate the first anniversary of our IPO, which took place in September of last year, we look back and analyze what we delivered over the last 12 months – and we are very proud of that! We have executed our aggressive growth plan, both organically and inorganically, while at the same time improving margins and generating value for all our stakeholders.

This was another successful quarter. Not only have we sustained our organic growth, leveraged on an increasing student base, healthy average tickets and improving margins, but we also announced the best M&A deal we could ever consider: the business combination with Unicesumar, which shares our values and belief in the power of high-quality education in the lives of our students. This agreement is a transformational deal for us, consolidating Vitru (through Uniasselvi and now Unicesumar) as a leading and disruptive player in the Digital Education (DE) sector in Brazil. The business combination with Unicesumar will also allow us to enter into medical education, which we believe to be a resilient and profitable segment in which Unicesumar has been a key player. The definitive agreement is subject to customary conditions precedent, including approval by the Brazilian antitrust authority.

Regarding Uniasselvi, our results for 3Q21 and 9M21 reaffirm our sustainable growth and value creation throughout key academic, operational, and quality indicators. As of September 30, 2021, Vitru reached 366.1 thousand students enrolled in the courses provided, of which 98.1% of them enrolled in digital education. The virtuous evolution of the student's base is driven by another strong intake process in our DE Undergraduate segment, which grew 26.7% in the second intake of 2021 when compared to the same period of 2020. In this segment, average ticket grew 2.3% in 3Q21 compared to 3Q20, despite the economic environment and a competitive context, which we believe demonstrates the resilience and differentiation of our hybrid academic model.

We have also expanded our geographical presence all over Brazil. We reached a total of 904 hubs in September 2021, 242 of which were opened in the last 12 months. Of these, 96 are located in the Southeastern Region of Brazil, which represents more than 40% of the Brazilian population and has been our fastest growing region. Over 90% of our hubs are still in maturation, which has been a key driver of our growth at lower execution risk. It also demonstrates our commitment to fulfill our mission: to democratize access to education in Brazil, so more and more students can benefit from our disruptive hybrid student-centric model that combines high quality with an affordable price.

In August we started offering an undergraduate digital education course in Nursing, after receiving authorization from the Brazilian Ministry of Education (MEC) with a "quality grade of 5", the highest possible rating. In a couple of months, it has become our #1 course in the current intake cycle! We are optimistically waiting for the final authorization from MEC to offer two additional premium DE undergraduate courses, Law and Psychology, which would represent a significant opportunity to expand the digital education addressable market in Brazil at higher tickets.

As we look forward, we will remain focused on improving operational and financial metrics, as well as on preparing the smooth integration with Unicesumar. At the same time, we are more confident than ever about the positive perspectives for the digital education segment, given that the changes in consumption and studying habits—brought about by the COVID-19 pandemic—are happening faster than expected. We are prepared to keep delivering our mission and positively affecting the lives of hundreds of thousands of Brazilians.

Sincerely,

Pedro Graça
Vitru's CEO

CONFERENCE CALL AND WEBCAST INFORMATION

Vitru will discuss its third quarter 2021 results via conference call.

When: Wednesday, November 17, 2021 at 4:30 p.m. EST (6:30 p.m. BR).

Dial-in: +(833) 614-1391 (U.S. Toll-Free); +1 (914) 987-7112 (International).

Conference ID: 6109309.

Webcast: https://investors.vitru.com.br/

Replay: available at our website.

Carlos Freitas
Chief Financial and Investor Relations Officer

Maria Carolina de Freitas Gonçalves
Investor Relations Manager

Investor Relations Contact
ir@vitru.com.br

3Q21 HIGHLIGHTS

- Announcement of the **Definitive Agreement for the Business Combination with Unicesumar**, a leading education institution focused on the Digital Education (DE) segment with the **highest quality indicators** in Brazil, besides a sizeable presence in health-related on-campus courses, particularly **Medicine**;
- New digital undergraduate course in **Nursing**, which started to be offered in August and already became the **#1 course** in the 2021.2 intake cycle;
- Nearly **359,000 digital education** students, with a **26.7% increase in intake** in the Digital Education undergraduate segment and a relevant growth in the **Southeastern** region;
- **Net revenue** in the core **Digital Education Undergraduate** business increasing **19.5%** in 3Q21 vs 3Q20, with Consolidated Net Revenue up **17.4%**;
- Consolidated **Adjusted EBITDA** increased **25.9%** in 9M21 vs 9M20, with **Adjusted EBITDA Margin** increasing 1.0 percentage point (p.p.) to **29.1%** in 9M21;
- **Adjusted Net Income** down **33.0%** in 9M21 vs 9M20 due to the recognition of a higher deferred tax assets in 9M20 and increased financial expenses in 9M21;
- **Cash Flow from Operations** increased **8.4%** to **R$129.6 million** in 9M21, with an Adjusted Cash Flow Conversion from Operations of **92.0%**.

Table 1: Key financial highlights

R$ million (except otherwise stated)	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Net Revenue	126.1	148.1	17.4%	382.7	465.3	21.6%
DE Undergraduate Net Revenue	105.6	126.2	19.5%	309.3	386.1	24.8%
Adjusted EBITDA[1]	32.3	38.7	19.8%	107.4	135.2	25.9%
Adjusted EBITDA Margin	25.6%	26.1%	0.5 p.p.	28.1%	29.1%	1.0 p.p.
Adjusted Net Income[2]	9.8	13.5	37.8%	79.2	53.1	(33.0)%
Cash flow from operations	52.4	41.7	(20.4)%	119.6	129.6	8.4%
Adjusted cash flow conversion from operations[3]	161.5%	112.6%	(48.9) p.p.	103.8%	92.0%	(11.8) p.p.

(1) For a reconciliation of Adjusted EBITDA, see "—Reconciliations of Non-GAAP Financial Measures—Reconciliation of Adjusted EBITDA" at the end of this document.
(2) For a reconciliation of Adjusted Net Income, see "—Reconciliations of Non-GAAP Financial Measures—Reconciliation of Adjusted Net Income" at the end of this document.
(3) For a reconciliation of Adjusted Cash Flow Conversion from Operations, see "—Reconciliations of Non-GAAP Financial Measures—Reconciliation of Adjusted Cash Flow Conversion from Operations" at the end of this document.

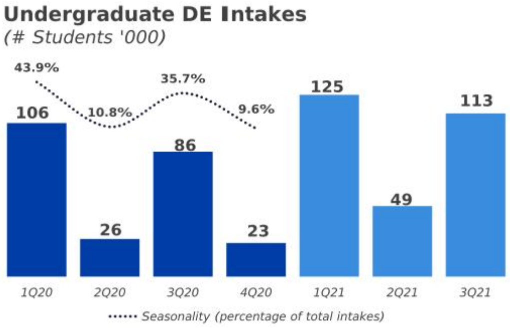
Businesses Seasonality

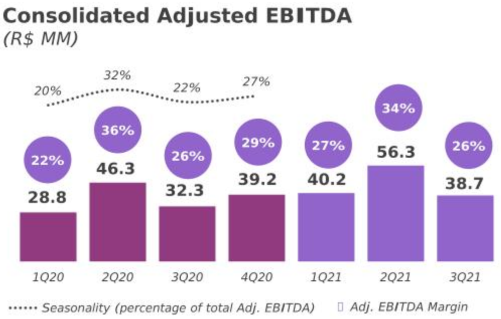
Vitru's digital education undergraduate courses are structured around separate monthly modules. This enables students to enroll in digital education courses at any time during a semester. Despite this flexibility, Vitru generally experiences a higher number of enrollments in the first semester of each year than in the second semester of each year, due to the high school calendar in Brazil, where classes conclude in December. New enrollments in Digital Education Undergraduate courses are concentrated in the first and third quarters (beginning of academic semesters in Brazil).

The seasonality in enrollments has a direct effect on revenues. In addition, Vitru generally records higher revenue in the second and fourth quarters of each year reflecting the effect of the dynamics of the intake cycle.

Additionally, a significant portion of expenses are also seasonal. For example, due to the nature of the intake cycle, a relevant amount of selling and marketing expenses are incurred in connection with the first semester intake, particularly in the first quarter of each year.

Below is the breakdown of the consolidated Adjusted EBITDA and the intake of the Digital Education Undergraduate segment over the past four quarters of the financial year ended on December 31, 2020, and the first, second and third quarters of 2021:





OPERATING RESULTS

Student base and hubs

The number of enrolled students is a relevant operational metric for Vitru. As of September 30, 2021, Vitru had 366.1 thousand students enrolled in the courses provided, an increase of 23.1% over the same period of the prior year.

Another relevant metric is the percentage of digital education students to total enrolled students, which we believe best demonstrates the focus on digital education (comprising both undergraduate courses and continuing education courses) and its relevance to the services offered. As of September 30, 2021, students enrolled in digital education represented 98.1% of the total number of enrolled students, up 0.9 p.p. from the same period of the prior year.

It is important to highlight that the number of hubs is one of the drivers that enable the Company to increase its enrolled student base. A relevant portion of Vitru's growth is driven by the expansion and subsequent maturation of the hubs.

Vitru has substantially expanded its operations and geographic presence throughout Brazil with the opening of new hubs in the last few years. In fact, 90.7% of the current 904 hubs are still ramping up, representing a substantial growth avenue: the current maturation ratio of such hubs is only 31.1%. The Company estimates that a typical hub reaches its full capacity in terms of the number of students (and hence is deemed to be mature) after seven or eight years of operations.

Table 2: Student base and hubs

'000 and %	3Q20	2Q21	3Q21	Δ3Q21 x 3Q20	Δ3Q21 x 2Q21
Total enrolled students	**297.5**	**370.8**	**366.1**	**23.1%**	**(1.3)%**
% Digital education to total enrolled students	**97.2%**	**98.1%**	**98.1%**	**0.9 p.p.**	**0.0 p.p.**
Number of digital education students	**289.0**	**363.6**	**359.0**	**24.2%**	**(1.3)%**
Undergraduate students	243.0	308.2	292.8	20.5%	(5.0)%
Graduate students	46.0	55.4	66.2	43.9%	19.5%
Number of hubs	**662**	**795**	**904**	**36.6%**	**13.7%**
% of Expansion hubs (i.e., excluding Base hubs)	*87.3%*	*89.6%*	*90.7%*	3.4 p.p.	*1.1 p.p.*
Theoretical maturation index[1]	31.0%	34.0%	31.1%	0.1 p.p.	(2.9) p.p.

(1) The Company calculates the theoretical maturation index as the actual number of students per hub of the Expansion hubs divided by theoretical number of students it expects to achieve as of the maturity of the same hubs. The index comprises all Expansion hubs as of the end of each period, and hence it can actually decrease in a given quarter as new Expansion hubs are opened.

Tuition and Ticket

Table 3: Tuition and ticket

R$ million (except otherwise stated)	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Digital Education Undergraduate Tuition[1]	**163.4**	**199.0**	**21.8%**	**492.8**	**600.5**	**21.9%**
Average Ticket DE undergraduate (R$/month)[2]	263.1	269.2	2.3%	-	-	n.a.

(1) Tuition is net of cancellations.
(2) In the third quarter, the Company calculates the "Average Ticket DE undergraduate (R$/month)" as the sum of the Digital Education Undergraduate Tuition net of cancellations of the quarter divided by the average number of students between the beginning and the end of the quarter.

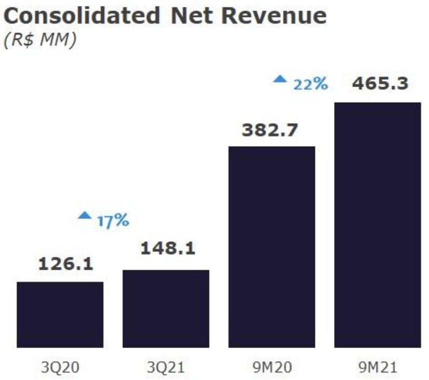
The compelling strength of Vitru's model and the sustainability of its growth can be demonstrated by the total amount charged for course tuition from digital education undergraduate students (which is the sum of gross revenue and the hub partners' portion of the tuition less other academic revenue and cancellations).

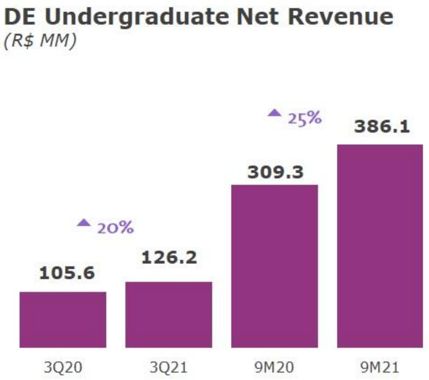
DE Undergraduate tuition for 3Q21 amounted to R$199.0 million, 21.8% higher than the R$163.4 million recorded in 3Q20. For 9M21, DE Undergraduate tuition totaled R$600.5 million, 21.9% higher than the R$492.8 million in the same period for the previous year. Such growth rates reflect mostly the maturation of expansion hubs (hubs not yet considered mature) through the organic increase in the number of students enrolled in digital education undergraduate courses.

The average monthly ticket of Digital Education Undergraduate courses increased 2.3%, from R$263.1 in 3Q20 to R$269.2 in 3Q21. We believe that this increase of the average ticket in DE Undergraduate segment, despite the challenging macroeconomic conditions in Brazil, is indicative of the resilience of Vitru's academic model. Besides, it is a signal of the contribution of courses with higher monthly tickets, such as Nursing. We started offering our Nursing course in August and, as of September 30, 2021, it already accounted for around 9,000 new enrollments, equivalent to 8.3% of the intakes in 3Q21, which made it the #1 course in the current intake cycle.

FINANCIAL RESULTS

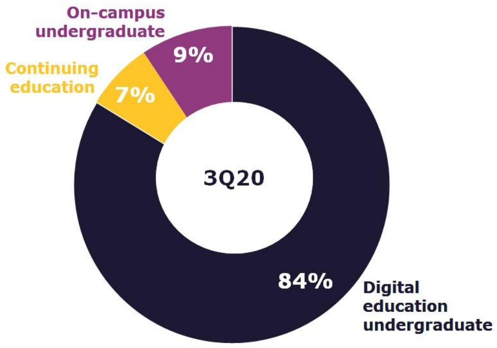
Net Revenue

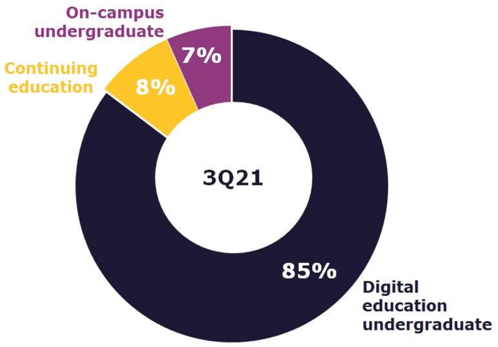




Consolidated Net Revenue in 3Q21 was R$148.1 million, up 17.4% from 3Q20. For 9M21, Consolidated Net Revenue was R$465.3 million, an increase of 21.6% over the prior year. This organic growth was driven by the increase in the number of enrolled students in the DE Undergraduate segment.

Net Revenue Breakdown (%)





Net Revenue from digital education undergraduate courses in 3Q21 was R$126.2 million, up 19.5% from R$105.6 million in 3Q20, solely on an organic basis. For 9M21, Net Revenue from digital education undergraduate courses was R$386.1 million, up 24.8% from R$309.3 million in the previous year. This achievement was primarily driven by the 20.5% increase in the student base, as a result of the aforementioned expansion and maturation in operational hubs.

Net Revenue from continuing education courses for 3Q21 was R$12.0 million, up 37.9% from R$8.7 million in 3Q20. Net Revenue for 9M21 was R$43.2 million, up 44.0% from R$30.0 million in 9M20. The intake process of graduate courses was positively affected by the new digital marketing approach implemented in late 2020 and throughout 9M21.

Net Revenue from on-campus undergraduate courses in 3Q21 amounted to R$9.8 million, a decrease of 16.9% from R$11.8 million in 3Q20. Net Revenue for 9M21 was R$35.9 million, down 17.3% from R$43.4 million in 9M20. The decrease was primarily attributable to the ongoing shift to digital education, due to the increased number and attractiveness of digital education undergraduate courses. The decline in the contribution of the on-campus segment in our numbers is in line with the Company's expectation and strategic vision for the overall Higher Education business in Brazil.

Table 4: Net Revenue Breakdown

R$ million	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Digital education undergraduate	105.6	126.2	19.5%	309.3	386.1	24.8%
Continuing education	8.7	12.0	37.9%	30.0	43.2	44.0%
On-campus undergraduate	11.8	9.8	(16.9)%	43.4	35.9	(17.3)%
Net Revenue	**126.1**	**148.1**	**17.4%**	**382.7**	**465.3**	**21.6%**

Cost of Services

Cost of services in 3Q21 amounted to R$67.8 million, 15.3% higher than the R$58.8 million reported in 3Q20. Cost of services for 9M21 was R$180.4 million, 9.5% higher than the R$164.8 million in 9M20. Cost of services includes certain restructuring costs as well as depreciation and amortization expenses, which amounted to R$12.8 million in 3Q21 and R$11.4 million in 3Q20, and R$36.0 million in 9M21 and R$29.9 million in 9M20.

Cost of services as reported in the Adjusted EBITDA calculation was R$55.0 million in 3Q21 and R$47.4 million in 3Q20, representing a year-over-year increase of 16.0%, and a decrease of 0.5 p.p. as a percentage of Net Revenue in each period. We experienced an increase in efficiency in 9M21 compared to 9M20, with a reduction of our cost of services to 31.0% of Net Revenue in 9M21 from 35.2% of Net Revenue in 9M20. This overall efficiency improvement was primarily attributable to: (i) optimizations in personnel costs, including as a result of the full implementation in 1Q21 of the Flex Course academic model that was launched (as a pilot project) in the second semester of 2020; and (ii) overall gains of scale as we grow the business further and dilute fixed costs.

Table 5: Cost of Services

R$ million	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Cost of Services	58.8	67.8	15.3%	164.8	180.4	9.5%
(-) Depreciation and amortization	(11.0)	(11.5)	4.5%	(26.6)	(31.7)	19.2%
(-) Restructuring expenses	(0.4)	(1.3)	225.0%	(3.3)	(4.3)	30.3%
Cost of Services for Adj. EBITDA calculation	**47.4**	**55.0**	**16.0%**	**134.9**	**144.4**	**7.0%**
as % of Net Revenue	***37.6%***	***37.1%***	***(0.5) p.p.***	***35.2%***	***31.0%***	***(4.2) p.p.***

Gross Profit and Gross Margin

Gross Profit in 3Q21 was R$80.3 million, 19.3% higher than the R$67.3 million in the 3Q20, while Gross Margin increased 0.8 p.p. to 54.2% from 53.4% in 3Q20. In 9M21, Gross Margin was 61.2%, 4.3 p.p. higher than the 56.9% reported in 9M20. This increase was primarily attributable to optimizations in personnel costs and overall gains of scale, as previously explained.

Operating Expenses

Selling Expenses

Selling expenses in 3Q21 were R$24.1 million, an increase of 37.7%, compared to R$17.5 million in 3Q20. Selling expenses for 9M21 were R$87.4 million, 29.5% higher than the R$67.5 million in 9M20.

Selling expenses as reported in the Adjusted EBITDA calculation (i.e., excluding the depreciation and amortization expenses) were R$87.4 million in 9M21 and R$64.2 million in 9M20 representing a year-on-year increase of 36.1%.

Table 6: Selling expenses

R$ million	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Selling Expenses	17.5	24.1	37.7%	67.5	87.4	29.5%
(-) Depreciation and amortization expenses	-	-	n.a.	(3.3)	-	n.a.
Selling Expenses for Adj. EBITDA calculation	**17.5**	**24.1**	**37.7%**	**64.2**	**87.4**	**36.1%**
as % of Net Revenue	***13.9%***	***16.3%***	***2.4 p.p.***	***16.8%***	***18.8%***	***2.0 p.p.***

This increase in selling expenses is attributable mostly to the strong growth in Digital Education, since most of our selling expenses are aimed at attracting new students for the DE Undergraduate segment. Another reason for the increase in selling expenses in 9M21 compared to 9M20 was as increase in expenses with online advertising as a response to the challenges related to the COVID-19 pandemic in the enrollment process, when the hubs (an important channel in the Company's sales process) were mostly closed in 1Q21 while they were mostly open during the 1Q20 intake. The increase in selling expenses in 3Q21 vs 3Q20 was mostly due to the initial commercial efforts to offer new premium courses, such as Nursing.

Nevertheless, despite these issues, the Customer Acquisition Cost (CAC) increased only 3.6% in 9M21 to R$304.7 per new student in the DE Undergraduate segment, compared to R$294.2 per new student in 9M20, as provided in the table below:

Table 7: Customer Acquisition Cost[1]

R$ million	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Selling expenses for Adj. EBITDA calculation	17.5	24.1	37.7%	64.2	87.4	36.1%
Number of intake students (DE Undergraduate)	86.2	112.6	30.6%	218.2	286.8	31.4%
Selling expenses per intake	**203.0**	**214.0**	**5.4%**	**294.2**	**304.7**	**3.6%**

(1) Customer Acquisition Cost, or CAC, is equal to the selling expenses in a given period divided per the intake in the DE Undergraduate segment in the same period.

General and Administrative (G&A) expenses in 3Q21 were R$24.0 million, an increase of 37.1%, compared to 3Q20. In 9M21 G&A expenses were R$66.0 million, an increase of 57.5%, compared to 9M20. Both were mostly impacted by personnel expenses.

G&A expenses as reported in the Adjusted EBITDA calculation were R$12.4 million in 3Q21 and R$12.5 million in 3Q20, representing a decrease of 0.8%, which reflects the continued efforts of Vitru to maintain a lean and agile corporate structure. In 9M21, G&A expenses as reported in the Adjusted EBITDA calculation amounted to R$36.3 million and to R$32.1 million in 9M20, an increase of 13.1%, due to new expenses incurred in connection with our new reality as a listed company. It is important to highlight that Adjusted G&A expenses as a percentage of Net Revenue were 8.4% in 3Q21, a decrease of 1.5 p.p. compared to 9.9% in 3Q20, and 7.8% in 9M21, a decrease of 0.6 p.p. compared to 8.4% in 9M20.

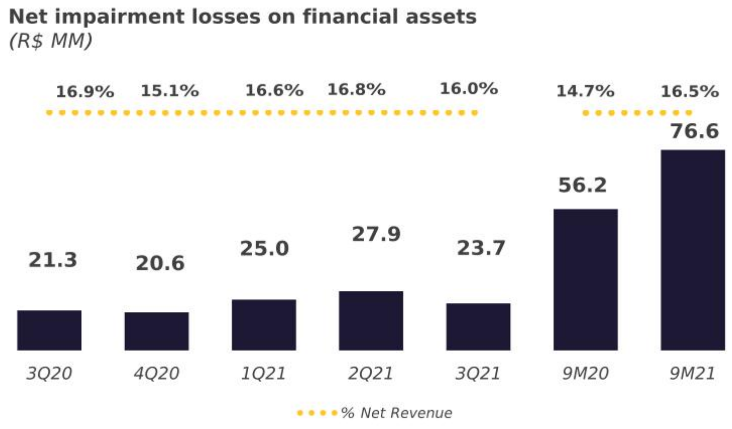
Table 8: G&A expenses

R$ million	3Q20	3Q21	% Chg	9M20	9M21	% Chg
General and Administrative (G&A) Expenses	17.5	24.0	37.1%	41.9	66.0	57.5%
(-) Depreciation and amortization expenses	(2.1)	(2.6)	23.8%	(7.5)	(8.0)	6.7%
(-) Share-based compensation plan	(1.1)	(5.2)	372.7%	(0.5)	(14.9)	n.a.
(-) Restructuring, M&A and pre-offering expenses	(1.8)	(3.8)	111.1%	(1.8)	6.8	n.a.
G&A Expenses for Adj. EBITDA calculation	**12.5**	**12.4**	**(0.8)%**	**32.1**	**36.3**	**13.1%**
as % of Net Revenue	***9.9%***	***8.4%***	***(1.5) p.p.***	***8.4%***	***7.8%***	***(0.6) p.p.***

Net impairment losses on financial assets (PDA)

Net impairment losses on financial assets represents the provisions for doubtful accounts. In 2020, the Company implemented a stricter policy for the calculation of the PDA, which has been in place since then.

In 3Q21, the PDA effect was R$23.7 million, which represents 16.0% of the net revenue in the period, while in 3Q20 the PDA was R$21.3 million, equivalent to 16.9% of the net revenue. PDA in the 9M21 amounted to R$76.6 million, or 16.5% of net revenue, while it was R$56.2 million in 9M20, equivalent to 14.7% of net revenue in the period. The year-over-year increase in the nine-month rate is mainly explained by changes in the mix of students (with a higher percentage of freshmen vs seniors in the students' base) as well as the current economic crisis.

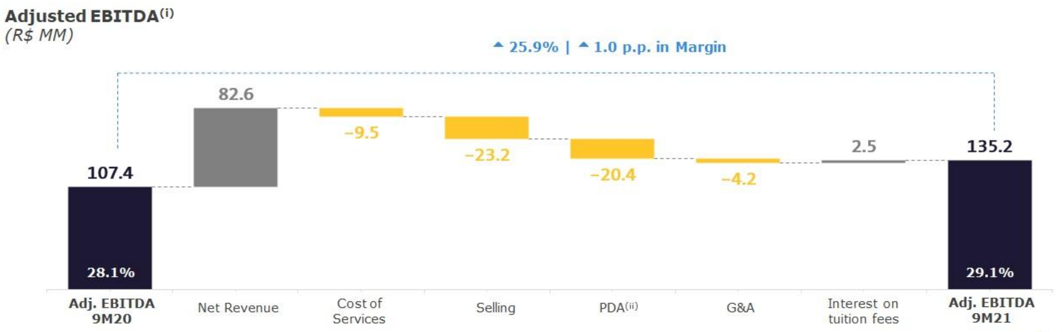


Adjusted EBITDA

Adjusted EBITDA in 3Q21 totaled R$38.7 million, up 19.8% from R$32.3 million in 3Q20. Adjusted EBITDA Margin was 26.1%, a 0.5 p.p. increase compared to 25.6% for 3Q20. This increase in the Adjusted EBITDA Margin in the quarter was mainly due to an improvement in Gross Margin through optimizations in personnel costs and overall gains of scale, as stated earlier.

Notes: (i) all figures in this graph include the adjustments applied in our definition of Adjusted EBITDA; (ii) PDA is defined as "Net impairment losses on financial and contract assets" in our Financials.

Adjusted EBITDA in 9M21 totaled R$135.2 million, up 25.9% from R$107.4 million in 9M20. Adjusted EBITDA Margin was 29.1%, a 1.0 p.p. increase compared to 28.1% for 9M20. This increase in the Adjusted EBITDA Margin in 9M21 vs 9M20 was also primarily attributable to an improvement in Gross Margin in the period.

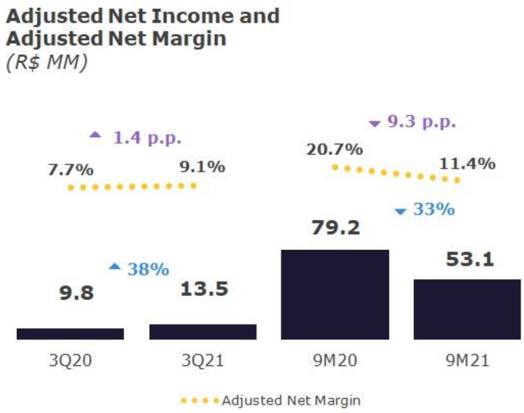


Notes: (i) all figures in this graph include the adjustments applied in our definition of Adjusted EBITDA; (ii) PDA is defined as "Net impairment losses on financial and contract assets" in our Financials.

Adjusted Net Income

Adjusted Net Income in 3Q21 was R$13.5 million, up 37.8% from the same period of the prior year. This year-on-year increase is due to a higher Adjusted EBITDA in 3Q21 vs 3Q20, which was partially compensated by (i) the increase in financial expenses in 3Q21, due to higher interest and inflation rates in Brazil, and (ii) the recognition in 3Q20 of a R$13.0 million foreign-exchange gain related to the management of the funds obtained with our IPO in September 2020.

Adjusted Net Income in 9M21 was R$53.1 million, down 33.0% from the same period of the prior year. This year-on-year decrease is mainly due to (i) the increase in financial expenses in 9M21 vs 9M20, due to higher interest and inflation rates in Brazil, as informed above, (ii) the recognition in 3Q20 of a R$13.0 million foreign-exchange gain related to the management of the funds obtained with our IPO in September 2020, and (iii) the recognition of a higher deferred taxes assets in 9M20 (R$6.6 million higher when compared to 9M21).



Cash Flow and Cash Conversion from Operations

Adjusted Cash Flow from Operations amounted to R$37.9 million in 3Q21, a decrease of 22.0% compared to the number presented in 3Q20, despite a continued discipline in receivables management and improvements in collection rates. This decrease was primarily due to (i) the recognition in 3Q20 of a R$13.0 million foreign-exchange gain related to the management of the funds obtained with our IPO in September 2020 (which impacted Net Earnings and therefore the Cash Flow from Operations in 3Q20), and (ii) the accounting treatment in 3Q20 of R$6.1 million in payments related to the IPO, which were classified as an Asset account in our 2Q20 balance sheet and, with the IPO, were reclassified to Equity (and hence affected our the Cash Flow from Operations in 3Q20).

Regarding the nine-month figures, there was an increase of 7.6% in Adjusted Cash Flow from Operations, from R$106.1 million in 9M20 to R$114.2 million in 9M21, for the reasons explained above.

Table 9: Cash Flow & Cash Conversion

R$ million	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Cash Flow from Operations	**52.4**	**41.7**	**(20.4)%**	**119.6**	**129.6**	**8.4%**
(+) Income Tax Paid	(3.8)	(3.8)	0.0%	(13.5)	(15.4)	14.1%
Adjusted Cash Flow from Operations	**48.6**	**37.9**	**(22.0)%**	**106.1**	**114.2**	**7.6%**
Adjusted EBITDA	32.3	38.7	19.8%	107.4	135.2	25.9%
(-) Non-recurring Expenses	(2.2)	(5.1)	131.8%	(5.1)	(11.1)	117.6%
Adjusted EBITDA excluding Non-recurring Expenses	**30.1**	**33.6**	**11.6%**	**102.3**	**124.1**	**21.3%**
Adjusted Cash Flow Conversion from Operations[1]	**161.5%**	**112.6%**	**(48.9) p.p.**	**103.8%**	**92.0%**	**(11.8) p.p.**

(1) The Company calculates Adjusted Cash Flow Conversion from Operations as adjusted cash flow from operations (which we calculate as cash from operations plus income tax paid) divided by Adjusted EBITDA (as defined above but without taking non-recurring expenses into consideration). Adjusted Cash Flow Conversion from Operations is a non-GAAP measure. The calculation of Adjusted Cash Flow Conversion from Operations may be different from the calculation used by other companies, including competitors in the industry, and therefore, the Company's measures may not be comparable to those of other companies. For further information see "Non-GAAP Financial Measures".

CAPEX

Capital Expenditures in 9M21 totaled R$41.9 million, 9.9% lower than the amount of R$46.5 million in 9M20. This decrease was mainly due to lower investments in property and equipment in 9M21.

Table 10: CAPEX

R$ million	3Q20	3Q21	% Chg	9M20	9M21	% Chg
Property and equipment	2.6	8.3	219.2%	22.1	17.3	(21.7)%
Intangible assets	7.8	8.9	14.1%	24.4	24.5	0.4%
Investing activities	**10.4**	**17.2**	**65.4%**	**46.5**	**41.9**	**(9.9)%**
as % of Net Revenue	***8.2%***	***11.6%***	***3.4 p.p.***	***12.2%***	***9.0%***	***(3.2) p.p.***

ABOUT VITRU (NASDAQ: VTRU)

VITRU is the leading pure digital education postsecondary group in Brazil based on the number of enrolled undergraduate students as of December 31, 2019 according to the Brazilian Ministry of Education (*Ministério da Educação*), or the MEC in October 2020, the latest data available.

Vitru is listed on the Nasdaq stock exchange in the United States (ticker symbol: VTRU) since September 18, 2020, and its mission is to democratize access to education in Brazil through a digital ecosystem and empower every student to create their own successful story.

Through its subsidiaries, Vitru provides a complete pedagogical ecosystem focused on a hybrid distance learning experience for undergraduate and continuing education students. All the academic content is delivered in multiple formats (videos, eBooks, podcasts and html text, among others) through its proprietary Virtual Learning Environment, or VLE. The pedagogical model also incorporates in-person weekly meetings hosted by dedicated tutors who are mostly local working professionals in the subject area they teach. The Company believes that this unique tutor-centric learning experience sets it apart, creating a stronger sense of community and belonging and contributing to higher engagement and retention rates of its student base.

The Company's results are based on three operating segments:

- ***Digital education undergraduate courses.*** What differentiates Vitru's digital education model is its hybrid methodology, which consists of weekly in-person meetings with on-site tutors, alongside the benefit of the virtual learning environment, where students are able to study where and when they prefer. The Company's portfolio of courses is composed mainly of pedagogy, business administration, accounting, physical education, vocational, engineering and health-related courses. This is Vitru's largest business unit, accounting for approximately 83% of net revenue of 9M21.
- ***Continuing education courses.*** Vitru offers continuing education and graduate courses predominantly in pedagogy, finance and business, but also in other subjects such as law, engineering, IT and health-related courses. Courses are offered in three different versions, consisting of (i) hybrid model, (ii) 100% online, and (iii) on-campus.
- ***On-campus undergraduate courses.*** Vitru has 14 campuses that offer traditional on-campus undergraduate courses, including engineering, law and health-related courses.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which statements involve substantial risks and uncertainties. All statements, other than statements of historical fact, could be deemed forward-looking, including risks and uncertainties related to statements about the proposed business combination, including the benefits of the business combination, integration plans, expected synergies and revenue opportunities, anticipated future financial and operating performance and results, including estimates for growth, the expected management and governance of the combined company, and the expected timing of the business combination; the effect of the COVID-19 outbreak on general economic and business conditions in Brazil and globally, and any restrictive measures imposed by governmental authorities in response to the outbreak; our ability to implement, in a timely and efficient manner, any measure necessary to respond to, or reduce the effects of, the COVID-19 outbreak on our business, operations, cash flow, prospects, liquidity and financial condition; our ability to efficiently predict, and react to, temporary or long-lasting changes in consumer behavior resulting from the COVID-19 outbreak, including after the outbreak has been sufficiently controlled; our competition; our ability to implement our business strategy; our ability to adapt to technological changes in the educational sector; the availability of government authorizations on terms and conditions and within periods acceptable to us; our ability to continue attracting and retaining new students; our ability to maintain the academic quality of our programs; our ability to maintain the relationships with our hub partners; our ability to collect tuition fees; the availability of qualified personnel and the ability to retain such personnel; changes in government regulations applicable to the education industry in Brazil; government interventions in education industry programs, which affect the economic or tax regime, the collection of tuition fees or the regulatory framework applicable to educational institutions; a decline in the number of students enrolled in our programs or the amount of tuition we can charge; our ability to compete and conduct our business in the future; the success of operating initiatives, including advertising and promotional efforts and new product, service and concept development by us and our competitors; changes in consumer demands and preferences and technological advances, and our ability to innovate to respond to such changes; changes in labor, distribution and other operating costs; our compliance with, and changes to, government laws, regulations and tax matters that currently apply to us; general market, political, economic, and business conditions; and our financial targets. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the potential effects of the COVID-19 pandemic on our business operations, financial results and financial position and on the Brazilian economy.

The forward-looking statements can be identified, in certain cases, through the use of words such as "believe," "may," "might," "can," "could," "is designed to," "will," "aim," "estimate," "continue," "anticipate," "intend," "expect," "forecast", "plan", "predict", "potential", "aspiration," "should," "purpose," "belief," and similar, or variations of, or the negative of, such words and expressions. Forward-looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events. The achievement or success of the matters covered by such forward-looking statements involves known and unknown risks, uncertainties and assumptions. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, our results could differ materially from the results expressed or implied by the forward-looking statements we make. Readers should not rely upon forward-looking statements as predictions of future events. Forward-looking statements represent management's beliefs and assumptions only as of the date such statements are made. Further information on these and other factors that could affect the Company's financial results is included in filings made with the U.S. Securities and Exchange Commission ("SEC") from time to time, including the section titled, "Item 3. Key Information—D. Risk Factors" in the most recent Annual Report on Form 20-F of the Company. These documents are available on the SEC Filings section of the investor relations section of our website at investors.vitru.com.br.

NON-GAAP FINANCIAL MEASURES

To supplement the Company's consolidated financial statements, which are prepared and presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board—IASB, VITRU uses Adjusted EBITDA, Adjusted Net Income and Adjusted Cash Flow Conversion from Operations information for the convenience of the investment community, which are non-GAAP financial measures. A non-GAAP financial measure is generally defined as one that purports to measure financial performance but excludes or includes amounts that would not be so adjusted in the most comparable GAAP measure.

VITRU calculates Adjusted EBITDA as the net income (loss) for the period plus:

- deferred and current income tax, which is calculated based on income, adjusted based on certain additions and exclusions provided for in applicable legislation. The income taxes in Brazil consist of corporate income tax (*Imposto de Renda Pessoa Jurídica*), or IRPJ, CSLL, which are social contribution taxes;
- financial results, which consists of interest expenses less interest income;
- depreciation and amortization;
- interest on tuition fees paid in arrears, which refers to interest received from students on late payments of monthly tuition fees and which is added back;

- impairment of non-current assets, which consists of impairment charges associated with on-campus undergraduate courses segment, given the deterioration in the prospects of this business;
- share-based compensation plan, which consists of non-cash expenses related to the grant of share-based compensation, as well as fair value adjustments for share-based compensation expenses classified as a liability in the consolidated financial statements;
- other income (expenses), net, which consists of other expenses such as contractual indemnities and deductible donations among others;
- M&A, pre-offering expenses and restructuring expenses, which consists of adjustments that Company believes are appropriate to provide additional information to investors about certain material non-recurring items. Such M&A, pre-offering expenses and restructuring expenses comprise: mergers and acquisitions, or M&A, and pre-offering expenses, which are expenses related to mergers, acquisitions and divestments (including due diligence, transaction and integration costs), as well as the expenses related to the preparation of offerings; and restructuring expenses, which refers to expenses related to employee severance costs in connection with organizational and academic restructurings.

VITRU calculates Adjusted Net Income as net income (loss)for the period plus:

- share-based compensation plan, as defined above;
- M&A, pre-offering expenses and restructuring expenses, as defined above;
- impairment of non-current assets, as defined above;
- amortization of intangible assets recognized as a result of business combinations, which refers to the amortization of the following intangible assets from business combinations: software, trademark, distance learning operation licenses, non-compete agreements, customer relationship and teaching-learning material. For more information, see notes to the unaudited interim condensed consolidated financial statements in the Company's filings with the U.S. Securities and Exchange Commission;
- interest accrued at the original effective interest rate (excluding restatement as a result of inflation) on the accounts payable from the acquisition of subsidiaries, related to the acquisition of our operating units from Kroton in 2016 and 2017. See notes to the unaudited interim condensed consolidated financial statements in the Company's filings with the U.S. Securities and Exchange Commission; and
- corresponding tax effects on adjustments, which represents the tax effect of pre-tax items excluded from adjusted net income (loss). The tax effect of pre-tax items excluded from adjusted net income (loss) is computed using the statutory rate related to the jurisdiction that was affected by the adjustment after taking into account the effect of permanent differences and valuation allowances.

VITRU calculates Adjusted Cash Flow Conversion from Operations as adjusted cash flow from operations (which is calculated as cash from operations plus income tax paid) divided by Adjusted EBITDA (as defined above but without taking M&A, pre-offering expenses and restructuring expenses into consideration).

Adjusted EBITDA, Adjusted Net Income and Adjusted Cash Flow Conversion from Operations are the key performance indicators used by Vitru to measure the financial performance of its core operations and Vitru believes that these measures facilitate period-to-period comparisons on a consistent basis. As a result, its management believes that these non-GAAP financial measures provide useful information to investment community. These summarized, non-audited or non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with IFRS. Additionally, the calculations of Adjusted EBITDA, Adjusted Net Income and Adjusted Cash Flow Conversion from Operations may be different from the calculations used by other companies, including competitors in the education services industry, and therefore, Vitru's measures may not be comparable to those of other companies. For a reconciliation of Adjusted EBITDA, Adjusted Net Income and Adjusted Cash Flow Conversion from Operations to the most directly comparable IFRS measure, see the tables at the end of this document.

FINANCIAL TABLES

Unaudited interim condensed consolidated statements of profit or loss and other comprehensive income for the three- and nine-months period ended September 30, 2021 and 2020

R$ million (except earnings per share)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2021	2020	2021
NET REVENUE	**126.1**	**148.1**	**382.7**	**465.3**
Cost of services rendered	(58.8)	(67.8)	(164.8)	(180.4)
GROSS PROFIT	**67.3**	**80.3**	**217.9**	**284.9**
General and administrative expenses	(17.5)	(24.0)	(41.9)	(66.0)
Selling expenses	(17.5)	(24.1)	(67.5)	(87.4)
Net impairment losses on financial assets	(21.3)	(23.7)	(56.2)	(76.6)
Other income (expenses), net	0.8	-	2.5	0.4
Operating expenses	**(55.5)**	**(71.8)**	**(163.1)**	**(229.6)**
OPERATING PROFIT	**11.8**	**8.5**	**54.8**	**55.3**
Financial income	19.0	14.9	28.2	32.7
Financial expenses	(15.6)	(19.4)	(36.1)	(50.7)
Financial results	**3.4**	**(4.5)**	**(7.9)**	**(18.0)**
PROFIT BEFORE TAXES	**15.2**	**4.0**	**46.9**	**37.3**
Current income taxes	(2.9)	(2.3)	(22.5)	(20.1)
Deferred income taxes	(10.5)	1.3	29.8	23.2
Income taxes	**(13.4)**	**(1.0)**	**7.3**	**3.1**
NET INCOME FOR THE PERIOD	**1.8**	**3.0**	**54.2**	**40.4**
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME	**1.8**	**3.0**	**54.2**	**40.4**
Basic earnings per share (R$)	**0.10**	**0.13**	**3.18**	**1.74**
Diluted earnings per share (R$)	**0.10**	**0.12**	**3.05**	**1.63**

Unaudited interim condensed consolidated statements of financial position as of December 31, 2020 and September 30, 2021

R$ million	**December 31, 2020**	**September 30, 2021**
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	85.9	151.8
Short-term investments	515.2	492.0
Trade receivables	115.1	136.1
Income taxes recoverable	2.2	-
Prepaid expenses	10.2	23.9
Other current assets	3.1	3.0
TOTAL CURRENT ASSETS	**731.7**	**806.8**
NON-CURRENT ASSETS		
Trade receivables	6.9	6.0
Indemnification assets	9.2	8.9
Deferred tax assets	50.8	73.9
Other non-current assets	3.6	1.0
Right-of-use assets	127.9	135.7
Property and equipment	96.7	102.9
Intangible assets	661.0	668.2
TOTAL NON-CURRENT ASSETS	**956.1**	**996.6**
TOTAL ASSETS	**1,687.8**	**1,803.5**

R$ million	December 31, 2020	September 30, 2021
LIABILITIES		
CURRENT LIABILITIES		
Trade payables	32.2	31.6
Loans and financing	151.8	152.7
Lease liabilities	23.4	26.6
Labor and social obligations	26.7	46.1
Income taxes payable	-	3.9
Taxes payable	2.4	3.0
Prepayments from customers	9.7	11.6
Accounts payable from acquisition of subsidiaries	135.0	147.7
Other current liabilities	1.4	2.1
TOTAL CURRENT LIABILITIES	**382.6**	**425.4**
NON-CURRENT		
Lease liabilities	126.0	133.5
Share-based compensation	46.2	54.7
Accounts payable from acquisition of subsidiaries	139.9	141.5
Provisions for contingencies	14.4	14.3
Other non-current liabilities	0.7	0.6
TOTAL NON-CURRENT LIABILITIES	**327.2**	**344.5**
TOTAL LIABILITIES	**709.8**	**769.9**
EQUITY		
Share capital	0.0	0.0
Capital reserves	1,022.1	1,037.5
Accumulated losses	(44.1)	(3.9)
TOTAL EQUITY	**978.0**	**1,033.6**
TOTAL LIABILITIES AND EQUITY	**1,687.8**	**1,803.5**

Unaudited interim condensed consolidated statements of cash flows for the nine-months period ended September 30, 2021 and 2020

R$ million	Nine Months Ended September 30, 2020	2021
Cash flows from operating activities		
Profit before taxes	46.9	37.3
Adjustments to reconcile income before taxes to cash provided on operating activities		
Depreciation and amortization	37.4	39.7
Net impairment losses on financial assets	56.2	76.6
Provision for revenue cancellation	(1.4)	0.5
Provision for contingencies	2.4	0.9
Accrued interests	17.1	15.1
Share-based compensation	0.6	14.9
Modification of lease contracts	(1.0)	(0.2)
Lease discounts	(1.6)	(0.1)
Changes in operating assets and liabilities		
Trade receivables	(63.1)	(81.2)
Prepayments	(0.4)	(0.8)
Other assets	(2.4)	5.3
Trade payables	(3.6)	(0.6)
Labor and social obligations	24.4	19.3
Other taxes payable	1.2	0.6
Prepayments from customers	6.0	1.9
Other payables	0.9	0.5
Cash from operations	**119.6**	**129.6**
Income tax paid	(13.5)	(15.4)
Interest paid	(13.7)	(19.5)
Contingencies paid	(0.5)	(3.4)
Net cash provided by operating activities	**92.0**	**91.3**
Cash flows from investing activities		
Purchase of property and equipment	(22.1)	(17.3)
Purchase and capitalization of intangible assets	(24.3)	(24.5)
Payments for the acquisition of interests in subsidiaries	-	(10.6)
Acquisition of short-term investments, net	(490.9)	38.1
Net cash used in investing activities	**(537.3)**	**(14.3)**
Cash flows from financing activities		
Payments of lease liabilities	(4.3)	(8.1)
Proceeds from loans and financing	150.0	(12.8)
Proceeds from initial public offering	521.6	-
Share issuance costs	(47.6)	-
Capital contributions	-	9.7
Net cash provided by (used in) financing activities	**619.7**	**(11.2)**
Net increase in cash and cash equivalents	**174.4**	**65.9**
Cash and cash equivalents at the beginning of the period	2.5	85.9
Cash and cash equivalents at the end of the period	176.9	151.8

Reconciliations of Non-GAAP Financial Measures

Reconciliation of Adjusted EBITDA

R$ million	Three Months Ended September 30, 2020	2021	Nine Months Ended September 30, 2020	2021
Net income for the period	**1.8**	**3.0**	**54.2**	**40.4**
(+) Deferred and current income tax	13.4	1.0	(7.3)	(3.1)
(+) Financial result	(3.4)	4.5	7.9	18.0
(+) Depreciation and amortization	13.1	14.1	37.4	39.7
(+) Interest on tuition fees paid in arrears	4.9	5.8	12.1	14.6
(+) Share-based compensation plan	1.1	5.2	0.5	14.9
(+) Other income (expenses), net	(0.8)	-	(2.5)	(0.4)
(+) M&A, pre-offering expenses and restructuring expenses	2.2	5.1	5.1	11.1
Adjusted EBITDA	**32.3**	**38.7**	**107.4**	**135.2**

Reconciliation of Adjusted Net Income

R$ million	Three Months Ended September 30, 2020	2021	Nine Months Ended September 30, 2020	2021
Net income for the period	**1.8**	**3.0**	**54.2**	**40.4**
(+) M&A, pre-offering expenses and restructuring expenses	2.2	5.1	5.1	11.1
(+) Share-based compensation plan	1.1	5.2	0.5	14.9
(+) Amortization of intangible assets from business combinations	2.8	0.9	11.7	3.9
(+) Interest accrued on accounts payable from the acquisition of subsidiaries	4.5	3.1	13.4	9.2
(-) Corresponding tax effects on adjustments	(2.7)	(3.8)	(5.7)	(26.4)
Adjusted Net Income	**9.8**	**13.5**	**79.2**	**53.1**

Reconciliation of Adjusted Cash Flow Conversion from Operations

R$ million	Three Months Ended September 30, 2020	2021	Nine Months Ended September 30, 2020	2021
Cash from Operations	**52.4**	**41.7**	**119.6**	**129.6**
(+) Income tax paid	(3.8)	(3.8)	(13.5)	(15.4)
Adjusted Cash Flow from Operations	**48.6**	**37.9**	**106.1**	**114.2**
Adjusted EBITDA	**32.3**	**38.7**	**107.4**	**135.2**
(-) M&A, pre-offering expenses and restructuring expenses	(2.2)	(5.1)	(5.1)	(11.1)

Adjusted EBITDA excluding M&A, pre-offering expenses and restructuring expenses	**30.1**	**33.6**	**102.3**	**124.1**
Adjusted Cash Flow Conversion from Operations	**161.5%**	**112.6%**	**103.8%**	**92.0%**

September 30, 2021

Vitru Limited.
Unaudited Interim condensed consolidated financial statements

Vitru Limited
Unaudited interim condensed consolidated statements of financial position at
(In thousands of Brazilian Reais)

	Note	September 30, 2021	December 31, 2020
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	151,788	85,930
Short-term investments	5	492,039	515,201
Trade receivables	7	136,131	115,115
Income taxes recoverable		-	2,240
Prepaid expenses		23,854	10,223
Other current assets		3,037	3,081
TOTAL CURRENT ASSETS		**806,849**	**731,790**
NON-CURRENT ASSETS			
Trade receivables	7	5,995	6,924
Indemnification assets		8,894	9,191
Deferred tax assets	8	73,898	50,775
Other non-current assets		1,020	3,625
Right-of-use assets	9	135,738	127,921
Property and equipment	10	102,875	96,669
Intangible assets	10	668,193	660,950
TOTAL NON-CURRENT ASSETS		**996,613**	**956,055**
TOTAL ASSETS		**1,803,462**	**1,687,845**

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

Vitru Limited
Unaudited interim condensed consolidated statements of financial position at
(In thousands of Brazilian Reais)

	Note	September 30, 2021	December 31, 2020
LIABILITIES			
CURRENT LIABILITIES			
Trade payables		31,630	32,240
Loans and financing	11	152,742	151,757
Lease liabilities	9	26,606	23,365
Labor and social obligations	12	46,127	26,785
Income taxes payable		3,911	-
Taxes payable		2,980	2,404
Prepayments from customers		11,580	9,657
Accounts payable from acquisition of subsidiaries	13	147,732	134,988
Other current liabilities		2,052	1,364
TOTAL CURRENT LIABILITIES		**425,360**	**382,560**
NON-CURRENT			
Lease liabilities	9	133,490	125,988
Share-based compensation	16	54,715	46,260
Accounts payable from acquisition of subsidiaries	13	141,474	139,873
Provisions for contingencies		14,267	14,439
Other non-current liabilities		551	777
TOTAL NON-CURRENT LIABILITIES		**344,497**	**327,337**
TOTAL LIABILITIES		**769,857**	**709,897**
EQUITY	14		
Share capital		6	6
Capital reserves		1,037,458	1,022,056
Accumulated losses		(3,859)	(44,114)
TOTAL EQUITY		**1,033,605**	**977,948**
TOTAL LIABILITIES AND EQUITY		**1,803,462**	**1,687,845**

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

(In thousands of Brazilian Reais, except earnings per share)

		Three Months Ended September 30		Nine Months Ended September 30	
	Note	**2021**	**2020**	**2021**	**2020**
NET REVENUE	18	148,059	126,142	465,205	382,792
Cost of services rendered	19	(67,777)	(58,861)	(180,340)	(164,897)
GROSS PROFIT		**80,282**	**67,281**	**284,865**	**217,895**
General and administrative expenses	19	(24,038)	(17,493)	(66,083)	(41,848)
Selling expenses	19	(24,090)	(17,525)	(87,385)	(67,572)
Net impairment losses on financial assets	7	(23,703)	(21,294)	(76,611)	(56,190)
Other income (expenses), net	20	-	863	426	2,536
Operating expenses		**(71,831)**	**(55,449)**	**(229,653)**	**(163,074)**
OPERATING PROFIT		**8,451**	**11,832**	**55,212**	**54,821**
Financial income	21	14,919	18,997	32,741	28,532
Financial expenses	21	(19,354)	(15,635)	(50,671)	(36,414)
Financial results		**(4,435)**	**3,362**	**(17,930)**	**(7,882)**
PROFIT BEFORE TAXES		**4,016**	**15,194**	**37,282**	**46,939**
Current income taxes	8	(2,262)	(2,894)	(20,150)	(22,512)
Deferred income taxes	8	1,252	(10,520)	23,123	29,738
Income taxes		**(1,010)**	**(13,414)**	**2,973**	**7,226**
NET INCOME FOR THE PERIOD		**3,006**	**1,780**	**40,255**	**54,165**
Other comprehensive income		**-**	**-**	**-**	**-**
TOTAL COMPREHENSIVE INCOME		**3,006**	**1,780**	**40,255**	**54,165**
			(Restated - Note 15.3)		(Restated - Note 15.3)
Basic earnings per share (R$)	15	**0.13**	**0.10**	**1.74**	**3.18**
Diluted earnings per share (R$)	15	**0.12**	**0.10**	**1.63**	**3.05**

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

Vitru Limited

Unaudited interim condensed consolidated statement of changes in equity for the nine months period ended September 30, 2021 and 2020.

(In thousands of Brazilian Reais)

		Capital reserves					
	Share capital	Capital Reserve	Treasury Shares	Share-based compensation	Revenue reserves	Accumulated losses	Total
DECEMBER 31, 2019	**548,380**	**-**	**(2,238)**	**990**	**429**	**(96,228)**	**451,333**
Net income	-	-	-	-	-	54,165	**54,165**
Corporate reorganization	(548,376)	546,567	2,238	-	(429)	-	**-**
Issuance of common shares in initial public offering	2	521,556	-	-	-	-	**521,558**
Share issuance costs	-	(47,582)	-	-	-	-	**(47,582)**
SEPTEMBER 30, 2020	**6**	**1,020,541**	**-**	**990**	**-**	**(42,063)**	**979,474**
DECEMBER 31, 2020	**6**	**1,020,541**	**-**	**1,515**	**-**	**(44,114)**	**977,948**
Profit for the period	-	-	-	-		40,255	**40,255**
Capital contributions		9,723	-	-	-	-	**9,723**
Employee share program	-	-	-	-	-	-	**-**
Value of employee services	-	-	-	5,679	-	-	**5,679**
SEPTEMBER 30, 2021	**6**	**1,030,264**	**-**	**7,194**	**-**	**(3,859)**	**1,033,605**

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

Vitru Limited
Unaudited interim condensed consolidated statement of cash flows for the nine months period ended September 30.
(In thousands of Brazilian Reais)

		Nine Months Ended September 30,	
	Note	2021	2020
Cash flows from operating activities			
Profit before taxes		37,282	46,939
Adjustments to reconcile income before taxes to cash provided on operating activities			
Depreciation and amortization	9 / 10	39,714	37,403
Net impairment losses on financial assets	7	76,611	56,190
Provision for revenue cancellation	7	537	(1,387)
Provision for contingencies		876	2,372
Accrued interests		15,071	17,072
Share-based compensation	16	14,865	578
Modification of lease contracts		(337)	(2,599)
Changes in operating assets and liabilities:			
Trade receivables		(81,218)	(63,138)
Prepayments		(845)	(362)
Other assets		5,287	(2,370)
Trade payables		(610)	(3,586)
Labor and social obligations		19,342	24,433
Other taxes payable		576	1,162
Prepayments from customers		1,923	6,037
Other payables		462	866
Cash from operations		**129,536**	**119,610**
Income tax paid		(15,411)	(13,487)
Interest paid	9 / 11 / 13	(19,490)	(13,733)
Contingencies paid		(3,389)	(386)
Net cash provided by operating activities		**91,246**	**92,004**
Cash flows from investing activities			
Purchase of property and equipment	10	(17,349)	(22,067)
Purchase and capitalization of intangible assets	10	(24,485)	(24,311)
Payments for the acquisition of interests in subsidiaries	13	(10,557)	-
Acquisition of short-term investments, net		38,132	(490,928)
Net cash used in investing activities		**(14,259)**	**(537,306)**
Cash flows from financing activities			
Payments of lease liabilities	9	(8,066)	(4,254)
Proceeds from loans and financing		(12,786)	150,000
Proceeds from initial public offering, net of share issuance costs		-	473,976
Capital contributions		9,723	-
Net cash provided by (used in) financing activities		**(11,129)**	**619,722**
Net increase in cash and cash equivalents		**65,858**	**174,420**
Cash and cash equivalents at the beginning of the period		85,930	2,457
Cash and cash equivalents at the end of the period		151,788	176,877
		65,858	**174,420**

See Note 22 for the main transactions in investing and financing activities not affecting cash.

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

1. Corporate information

Vitru Limited ("Vitru") and its subsidiaries (collectively, the "Company" or "Group") is a holding company incorporated under the laws of the Cayman Islands on March 05, 2020 and whose shares are publicly traded on the National Association of Securities Dealers Automated Quotations Payments exchange (NASDAQ) under the ticker symbol "VTRU".

Until the contribution of Vitru Brazil shares to Vitru Limited, in September 2020, Vitru Limited did not have commenced operations and had only nominal assets and liabilities and no material contingent liabilities or commitments. Accordingly, Vitru Limited's consolidated financial information substantially reflect the operations of Vitru Brazil after the corporate reorganization.

Vitru is a holding company jointly controlled by Vinci Partners, through the investments funds "Vinci Capital Partners II FIP Multiestratégia", "Agresti Investments LLC", "Botticelli Investments LLC", Raffaello Investments LLC", and the Carlyle Group, through the investment funds "Mundi Holdings I LLC" and "Mundi Holdings II LLC".

The Company is principally engaged in providing educational services in Brazil, mainly undergraduate and continuing education courses, presentially through its eight campuses in two states, or via distance learning, through 903 (December 31, 2020 –784) learning centers ("hubs") across the country.

These unaudited interim consolidated financial statements were authorized for issue by the Board of Directors on November 16th, 2021.

1.1. Significant events during the period

a) Operating events

Business Combination with Unicesumar

On August 23, 2021, we entered into a purchase agreement with the shareholders of CESUMAR - Centro de Ensino Superior de Maringá Ltda, or "Unicesumar," to acquire the entire share capital of Unicesumar. Unicesumar is a leading and fast-growing higher education institution in Brazil focused on the distance learning market, founded 30 years ago in Maringá – Paraná. Unicesumar has approximately 760 hubs and 331 thousand students, including 314 thousand in digital education. Unicesumar also has a sizeable presence in health-related on-campus courses, particularly Medicine, with more than 1,600 students in 348 current medical seats.

The closing of the transaction is subject to customary conditions precedent, including antitrust and other regulatory approvals.

Seasonality:

The distance learning undergraduate courses are structured around separate monthly modules. This enables students to enroll in distance learning courses at any time during a semester. Despite this flexibility, generally a higher number of enrollments in distance learning courses occurs in the first and third quarters of each year. These periods coincide with the beginning of academic semesters in Brazil. Furthermore, there is a higher number of enrollments at the beginning of the first semester of each year than at the beginning of the second semester of each year. In order to attract and encourage potential new students to enroll in undergraduate courses later in the semester, the Group often offers discounts, generally equivalent to the number of months that have passed in the semester. As a result, given revenue from semiannual contracts are recorded over the time in a semester, revenue is generally higher in the second and fourth quarters of each year, as additional students enroll in later in the semester. Revenue is also higher later in the semester due to lower dropout rates during that same period.

Leases (Note 9):

With the opening of new hubs according to the Group's expansion strategy, new lease contracts were signed for the Group's own hubs during the nine months ended September 30, 2021. During this period, the Group also concluded renegotiation of terms of a few lease contracts for the extension of lease period at reduced prices. Such new and amended lease contracts resulted in an increment of R$ 12,035 to both right-of-use assets and lease liabilities.

Accounts payable from acquisition of subsidiaries (Note 13):

The company settled the accounts payable from the acquisition that was under discussion with its creditors regarding the installment due in December 2019. The amount settled was R$ 10.557.

Capital contributions.

On September 2021 SOP participants settled 209,179 new shares that were issued on September 2020, regarding the realization of SOP options. The amount paid for the shares was R$ 9,723.

b) Coronavirus pandemic

The Company is closely monitoring the situation of the 2019 novel coronavirus, or Covid-19, and taking the necessary measures for the safety and well-being of employees, students, associates and partners. The global impact of the outbreak has been rapidly evolving, and the outbreak presents material uncertainty and risk with respect to the Company´s future performance and financial results. In particular and in the interest of public health and safety, state and local governments in Brazil have required mandatory school closures, which has resulted in the closure of on-campus learning facilities and hubs.

In response to the outbreak, the Company has efficiently implemented several measures aimed at safeguarding the health of employees, students and hub partners and the stability of operations, including: (1) creating a crisis management committee and a financial committee to discuss the action plan for the Company to address the challenges posed by the Covid-19 pandemic; (2) temporarily replacing in-person weekly meetings at the hubs with online meetings between students and tutors across all units, as a result of which since March 30, 2020 all students have had real-time meetings with their tutors; (3) training teachers and tutors to support students in this new format; (4) remote support to deliver high-quality content to students and maintain high levels of engagement and a superior learning experience; (5) making no changes to the course schedule or curriculum; (6) putting in place remote emotional and psychological support to students and employees, provided by the Company´s psychology department; and (7) making home office available for all the employees.

As of September 30, 2021, there has been no adverse impact on the Company's operations, as most of the Company's services are already delivered remotely (Distance learning undergraduate courses and most of continuing education courses) or capable of being delivered remotely (some of Continuing education courses and On-campus undergraduate courses). In addition, based on preliminary information available until the approval of these unaudited interim consolidated financial statements:

- There was no relevant impact on net revenue for the three and nine months ended September 30, 2021, which presented a growth 22% when compared to prior year. Student defaults have remained within the expected levels and the engagement of students, compared to 2020, deteriorated very slightly.
- The provision for expected credit losses increased as result of the methodology used which captures the increase in historical losses with receivables during 2020, which, as a consequence, already reflects the incurred impacts of Covid-19 pandemic.
- The Company assessed the existence of potential impairment indicators and the possible impacts on the key assumptions and projections caused by the pandemic on the recoverability of long-lived assets (impairment tests) and concluded that no additional provision for impairment of long-lived assets needed to be recorded in the financial statements.
- The Company has obtained rent concessions on lease contracts due to the temporary suspension of classes in the on-campus learning facilities and hubs caused by the mandatory school closures during the pandemic. A gain of R$ 210 was recognized as Other income (expenses), net, in the statement of profit and loss. Except for these concessions, there were no changes to contractual obligations regarding leased buildings and there were no changes in the expected useful life and residual amount of properties and equipment as a result of Covid-19.
- No changes in the provision for contingencies against the Company were identified as a result of Covid-19.
- The Company currently has sufficient working capital and other undrawn financing facilities to service its operating activities and ongoing investments.

Due to the ongoing populational inoculation the Company is ready to resume on-campus unit's classes with the necessary measures for the safety and well-being of students as soon as the state and local governments in Brazil authorize the schools reopening.

2. Basis of preparation of the unaudited interim condensed consolidated financial statements

The unaudited interim condensed consolidated financial statements of the Group as of September 30, 2021 and for the three and nine months ended September 30, 2021 have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). The information does not meet all disclosure requirements for the presentation of full annual consolidated financial statements and thus should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2020, prepared in accordance with International Financial Reporting Standards ("IFRS").

The accounting policies adopted are consistent with those of the previous fiscal year and corresponding interim reporting period. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The unaudited interim condensed consolidated financial statements are presented in Brazilian reais ("R$"), and all amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

There were no changes since December 31, 2020 in the accounting practices adopted for consolidation and in the direct and indirect interests of the Company in its subsidiaries for the purposes of these unaudited interim condensed consolidated financial statements.

2.1. Significant accounting estimates and assumptions

The preparation of unaudited interim condensed consolidated financial statements of the Group requires management to make judgments and estimates and to adopt assumptions that affect the amounts presented referring to revenues, expenses, assets and liabilities at the reporting date. Actual results may differ from these estimates.

In preparing these unaudited interim condensed consolidated financial statements, the significant judgements and estimates made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that are set the consolidated financial statements for the year ended December 31, 2020.

2.2. Financial instruments risk management objectives and policies

The unaudited interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements; they should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2020. There have been no changes in the risk management department or in any risk management policies since the year-end.

3. Segment reporting

Segment information is presented consistently with the internal reports provided to the Senior management team, consisting of the chief executive officer, the chief financial officer and other executives, which is the Chief Operating Decision Maker (CODM) and is responsible for allocating resources, assessing the performance of the Company's operating segments, and making the Company's strategic decisions.

In reviewing the operational performance of the Company and allocating resources, the CODM reviews selected items of the statement of profit or loss and of comprehensive income, based on relevant financial data for each of the Company's operating segments, represented by the Company's main lines of service from which it generates revenue, as follows:

- Digital education undergraduate courses
- Continuing education courses
- On-campus undergraduate courses

Segment performance is primarily evaluated based on net revenue and on adjusted earnings before interest, tax, depreciation and amortization (Adjusted EBITDA). The Adjusted EBITDA is calculated as operating profit plus depreciation and amortization plus interest received on late payments of monthly tuition fees and adjusted by the elimination of effects from share-based compensation plus/minus exceptional expenses. General and administrative expenses (except for intangible assets' amortization and impairment expenses), finance results (other than interest on tuition fees paid in arrears) and income taxes are managed on a Company's consolidated basis and are not allocated to operating segments.

There were no inter-segment revenues in the period ended September 30, 2021 and 2020. There were no adjustments or eliminations in the profit or loss between segments.

The CODM do not make strategic decisions or evaluate performance based on geographic regions. Currently, the Company operates solely in Brazil and all the assets, liabilities and results are located in Brazil.

(In thousands of Brazilian Reais, except as otherwise indicated)

a) Measures of performance

Three Months Ended September 30,	Digital education undergraduate courses	Continuing education courses	On-campus undergraduate courses	Total allocated
2021				
Net revenue	126,240	12,021	9,798	148,059
Adjusted EBITDA	42,072	6,243	2,914	51,229
% Adjusted EBITDA margin	33.33%	51.93%	29.74%	34.60%
2020				
Net revenue	105,604	8,715	11,823	126,142
Adjusted EBITDA	37,225	5,702	4,889	47,816
% Adjusted EBITDA margin	35.25%	65.43%	41.35%	37.91%

Nine Months Ended September 30,	Digital education undergraduate courses	Continuing education courses	On-campus undergraduate courses	Total allocated
2021				
Net revenue	386,118	43,250	35,837	465,205
Adjusted EBITDA	132,382	23,432	18,706	174,520
% Adjusted EBITDA margin	34.29%	54.18%	52.20%	37.51%
2020				
Net revenue	309,331	29,995	43,466	382,792
Adjusted EBITDA	107,894	21,835	14,840	144,569
% Adjusted EBITDA margin	34.88%	72.80%	34.14%	37.77%

The total of the reportable segments' net revenues represents the Company's net revenue. A reconciliation of the Company's loss before taxes to the allocated Adjusted EBITDA is shown below:

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Income before taxes	4,016	15,194	37,282	46,939
(+) Financial result	4,435	(3,362)	17,930	7,882
(+) Depreciation and amortization	14,190	13,134	39,714	37,403
(+) Interest on tuition fees paid in arrears	5,802	4,983	14,605	12,221
(+) Share-based compensation plan	5,196	1,140	14,865	574
(+) Other income (expenses), net	-	(863)	(426)	(2,536)
(+) Restructuring expenses	2,706	2,227	6,209	5,121
(+) M&A and Offering Expenses	2,373	-	4,882	-
(+) Other operational expenses unallocated	12,511	15,363	39,459	36,965
Adjusted EBITDA allocated to segments	**51,229**	**47,816**	**174,520**	**144,569**

b) Other profit and loss disclosure

Three Months Ended September 30,	Digital education undergraduate courses	Continuing education courses	On-campus undergraduate courses	Unallocated	Total
2021					
Net impairment losses on financial assets	18,917	3,620	1,166	-	23,703
Depreciation and amortization	9,907	234	2,313	1,736	14,190
Interest on tuition fees paid in arrears	4,921	153	728	-	5,802
2020					
Net impairment losses on financial assets	18,085	716	2,493	-	21,294
Depreciation and amortization	9,388	563	2,340	843	13,134
Interest on tuition fees paid in arrears	3,719	178	1,086	-	4,983

(In thousands of Brazilian Reais, except as otherwise indicated)

Nine Months Ended September 30,	Digital education undergraduate courses	Continuing education courses	On-campus undergraduate courses	Unallocated	Total
2021					
Net impairment losses on financial assets	61,520	12,100	2,991	-	76,611
Depreciation and amortization	26,902	1,196	6,593	5,023	39,714
Interest on tuition fees paid in arrears	11,921	529	2,155	-	14,605
2020					
Net impairment losses on financial assets	47,547	2,331	6,312	-	56,190
Depreciation and amortization	25,332	1,546	6,984	3,541	37,403
Interest on tuition fees paid in arrears	9,129	414	2,678	-	12,221

4. Financial assets and financial liabilities

4.1. Financial assets

	2021	2020
At amortized cost		
Cash and cash equivalents	151,788	85,930
Short-term investments	492,039	515,201
Trade receivables	142,126	122,039
Total	**785,953**	**723,170**
Current	779,958	716,246
Non-current	5,995	6,924

4.2. Financial Liabilities

	2021	2020
At amortized cost		
Trade payables	31,630	32,240
Loans and financing	152,742	151,757
Lease liabilities	160,096	149,353
Prepayments from customers	11,580	9,657
Accounts payable from acquisition of subsidiaries	289,206	274,861
At FVPL		
Share-based compensation	54,715	46,260
Total	**699,969**	**664,128**
Current	370,290	352,007
Non-current	329,679	312,121

4.3. Fair Values

The Company assessed that the fair values of cash and cash equivalents, short-term investments, current trade receivables, trade payables, loans and financing and prepayments from customers approximate their carrying amounts largely due to the short-term maturities of these instruments. Non-current trade receivables, lease liabilities and the accounts payable from acquisition of subsidiaries have their carrying amount discounted by their respective effective interest rate in order to be presented as close as possible to its fair value. Share-based compensation is measured at FVPL.

4.4. Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprise accounts payable from acquisition of subsidiaries, loans and financing, trade payables, prepayments from customers, lease liabilities and share-based compensation. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, short-term investments and cash and cash equivalents that derive directly from its operations.

(In thousands of Brazilian Reais, except as otherwise indicated)

The Company is exposed to market risk, credit risk and liquidity risk. The Company monitors market, credit and operational risks in line with the objectives in capital management and counts with the support, monitoring and oversight of the Board of Directors in decisions related to capital management and its alignment with the objectives and risks. The Company's policy is that no trading of derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

4.4.1. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is related to interest rate risk and exchange rate risk.

The sensitivity analysis in the following sections relate to the position as at September 30, 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term investments, PEP – special installment payment trade receivables (Note 7), loans and financing, lease liabilities and accounts payable from acquisition of subsidiaries, subject in each case to variable interest rates, principally the Brazilian interbank deposit (*Certificado de Depósito Interbancário*), or CDI rate, the General Market Price Index (*Índice Geral de Preços do Mercado*), or IGP-M, and the Broad National Consumer Price Index (*Índice nacional de Preços ao Consumidor Amplo*), or IPCA inflation rate.

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on short-term investments, trade receivables, loans and financing, lease liabilities and accounts payable from acquisition of subsidiaries. With all variables held constant, the Company's income before income taxes is affected through the impact on floating interest rate, as follows:

					Increase / decrease in interest rate	
	Balance as of 09/30/2020	Index - % per year	Probable scenario	Risk	Possible scenario 25%	Remote scenario 75%
Short-term investments	492,039	100% CDI - 3,40%	16,729	Decrease	12,547	4,182
Trade receivables	15,892	IPCA - 10,25%	1,629	Decrease	2,036	2,851
Loans and financing	152,742	CDI + 3.6% p.a. - 9,11%	13,915	Increase	17,393	24,351
Lease liabilities	160,096	IGP-M - 16,01%	25,631	Increase	32,039	44,855
Accounts payable from acquisition of subsidiaries	289,206	IPCA - 10,25%	29,644	Increase	37,055	51,876

Probable scenario reflects the closing rates of the fixed interest yield and inflation indexes at year-end. The possible scenario projects a variation of 25 percent in these rates and, the remote scenario, a variation of 75 percent, both rise and fall, being considered the largest losses resulting by risk factor.

Exchange rate risk

Exchange rate risk relates to potentially adverse results that the Company may face from fluctuations in foreign currency exchange rates from economic crisis, sovereign monetary policy alterations, or market movements.

The Company's exposure to the risk of changes in foreign currency exchange rates relates to some of the Company's cash and cash equivalents.

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates on cash and cash equivalents. With all variables held constant, the Company's income before income taxes is affected through the impact on floating exchange rate, as follows:

(In thousands of Brazilian Reais, except as otherwise indicated)

	Balance as of 09/30/2020	Currency	Current exchange rate	Depreciation of exchange rate - effect on income		
				Scenario (i) VaR 99% I.C. 1 day	Scenario (ii) Interest rate variation 25%	Scenario (Iii) Interest rate variation 75%
Cash and cash equivalents	2,037	USD	5,4388	44	2,770	8,309

(i) Value at risk (VaR) is a measure of the risk of loss for investments. It estimates how much a set of investments might lose (with a given Confidence Level – C.L.), given normal market conditions, in a set time period such as a day.

4.4.2. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from the Company's exposure to third parties, including cash and cash equivalents and short-term investments, as well as from its operating activities, primarily related to trade receivables from customers.

Customer credit risk is managed by the Company based on the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. See Note 7 for additional information on the Company's trade receivables.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty.

The Company's maximum exposure to credit risk for the components of the statement of financial position at September 30, 2021 and December 31, 2020 is the carrying amounts of its financial assets.

4.4.3. Liquidity risk

The Company's Management has responsibility for monitor liquidity risk. In order to achieve the Company's objective, Management regularly reviews the risk and maintains appropriate reserves, including bank credit facilities with first tier financial institutions. Management also continuously monitors projected and actual cash flows and the combination of the maturity profiles of the financial assets and liabilities.

The main requirements for financial resources used by the Company arise from the need to make payments for suppliers, operating expenses, labor and social obligations and accounts payable from acquisition of subsidiaries.

The tables below summarize the maturity profile of the Company's financial liabilities based on contractual undiscounted amounts:

As of September 30, 2021	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total
Trade payables	31,630	-	-	-	31,630
Loans and financing	152,742	-	-	-	152,742
Lease liabilities	28,104	54,808	51,323	118,898	253,133
Other leases (i)	3,760	1,890	1,383	539	7,572
Prepayments from customers	11,580	-	-	-	11,580
Accounts payable from acquisition of subsidiaries	149,351	149,351	-	-	298,702
Share-based compensation	-	-	51,521	42,666	94,187
Total	**377,167**	**206,049**	**104,227**	**162,103**	**849,546**

As of December 31, 2020	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total
Trade payables	32,240	-	-	-	32,240
Loans and financing	151,757	-	-	-	151,757
Lease liabilities	24,734	48,222	46,165	124,076	243,197
Other leases (i)	2,930	1,465	1,085	420	5,900
Prepayments from customers	9,657	-	-	-	9,657
Accounts payable from acquisition of subsidiaries	139,488	139,488	-	-	278,976
Share-based compensation	-	-	51,172	36,881	88,053
Total	**360,806**	**189,175**	**98,422**	**161,377**	**809,780**

(In thousands of Brazilian Reais, except as otherwise indicated)

(i) Refer to commitments from lease agreements that fall into the exemptions of short-term leases and low-value assets and therefore not recognized in lease liabilities.

5. Fair Value Measurement

As of September 30, 2021, the Company has only Share-based compensation liabilities measured at fair value, in the amount of R$ 35,528, which are classified in Level 3 of fair value measurement hierarchy given significant unobservable inputs used.

There were no transfers between Levels during the nine months ended September 30, 2021.

The following table presents the changes in level 3 items for the nine months ended September 30, 2021 for recurring fair value measurements:

	Share-based compensation	
	2021	2020
At the beginning of the year	**46,260**	**34,950**
Expenses recognized – general and administrative	8,455	578
As of September 30,	**54,715**	**35,528**

The Company assessed that the fair values of financial instruments at amortized cost such as cash and cash equivalents, short-term investments, current trade receivables, trade payables and prepayments from customers approximate their carrying amounts largely due to the short-term maturities of these instruments. Non-current trade receivables, lease liabilities, accounts payable from acquisition of subsidiaries and loans and financing have their carrying amount adjusted by their respective effective interest rate in order to be presented as close as possible to its fair value.

The following table summarizes the quantitative information about the significant inputs used in level 3 fair value measurements:

	Weighted average inputs As of September 30,		
Unobservable inputs	**2021**	**2020**	**Relationship of unobservable inputs to fair value**
Net operating revenue growth rate (i)	22.5%	19.3%	2021: Increased growth rate (+200 basis points (bps)) and lower discount rate (-100 bps) would increase FV by R$ 435; lower growth rate (-200 bps) and higher discount rate (+100 bps) would decrease FV by R$ 433.
Pre-tax discount rate (ii)	11.4%	13.7%	2020: Increased growth rate (+200 basis points (bps)) and lower discount rate (-100 bps) would increase FV by R$ 553; lower growth rate (-200 bps) and higher discount rate (+100 bps) would decrease FV by R$ 548.

(i) The growth rate of net operating revenue is based on the historical growth of the student base and management's expectations of market development.

(ii) Pre-tax discount rate reflects specific risks relating to the segment and country in which the Company operates.

6. Cash and cash equivalents and short-term investments

	September 30, 2021	December 31, 2020
Cash equivalents and bank deposits in foreign currency (i)	18,056	10,586
Cash and cash equivalents (ii)	133,732	75,344
	151,788	**85,930**
Investment funds (iii)	492,039	515,201

(i) Short-term deposits (mainly proceeds from the IPO) maintained in U.S. dollar.

(ii) Cash equivalents are comprised of short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value, readily convertible into cash.

(In thousands of Brazilian Reais, except as otherwise indicated)

(iii) Short-term investments, increased by the proceeds from the IPO, correspond to financial investments in Investment Funds, with highly rated financial institutions. As of September 30, 2021, the average interest on these Investment Funds is 3.40% p.a., corresponding to 100% of CDI. Despite the fact these investments have high liquidity and have insignificant risk of changes in value, they do not qualify as cash equivalents given the nature of investment portfolio and their maturity. Due to the short-term nature of these investments, their carrying amount is the same as their fair value.

7. Trade receivables

	September 30, 2021	December 31, 2020
Tuition fees	238,548	206,107
FIES and UNIEDU Guaranteed Credits	3,811	4,041
PEP - Special Installment Payment (i)	15,892	17,155
Provision for revenue cancellation	(3,673)	(3,136)
Allowance for expected credit losses of trade receivables	(112,452)	(102,128)
Total trade receivables	**142,126**	**122,039**
Current	136,131	115,115
Non-current	5,995	6,924

(i) In 2015, a special private installment payment program (PEP) was introduced to facilitate the entry of students who could not qualify for FIES, due to changes occurred to the program at the time. These receivables bear interests of 1.34% and, given the long term of the installments, they have been discounted at an interbank rate of 2.76%.

The aging list of trade receivables is as follows:

	September 30, 2021	December 31, 2020
Receivables falling due	93,942	70,216
Receivables past due		
From 1 to 30 days	24,025	24,990
From 31 to 60 days	14,087	21,176
From 61 to 90 days	9,107	17,697
From 91 to 180 days	48,910	30,771
From 181 to 365 days	68,180	62,453
Provision for revenue cancellation	(3,673)	(3,136)
Allowance for estimated credit losses	(112,452)	(102,128)
	142,126	**122,039**

Cancellations consist of deductions of the revenue to adjust it to the extension it is probable that it will not be reversed, generally related to students that have not attended classes and do not recognize the service provided or are dissatisfied with the services being provided. A provision for cancellation is estimated using the expected value method, which considers accumulated experience and is updated at the end of each period for changes in expectations.

Changes in the Company's revenue cancellation provision are as follows:

	2021	2020
At the beginning of the year	**(3,136)**	**(5,212)**
Additions	(8,640)	(4,282)
Reversals	8,103	5,669
As of September 30,	**(3,673)**	**(3,825)**

The Company records the allowance for expected credit losses of trade receivables on a monthly basis by analyzing the amounts invoiced in the month, the monthly volume of receivables and the respective outstanding amounts by late payment range, calculating the recovery performance. Under this methodology, the monthly billed amount and each late payment range is assigned a percentage of probability of loss that is accrued for on a recurring basis.

When the delay exceeds 365 days, the receivable is written down. Even for written-off receivables, collection efforts continue, and their receipt is recognized directly in the statement of profit or loss, when incurred, as recovery of losses.

(In thousands of Brazilian Reais, except as otherwise indicated)

Changes in the Company's allowance for expected credit losses are as follows:

	2021	2020
At the beginning of the year	**(102,128)**	**(79,659)**
Write-off of uncollectible receivables	66,287	39,195
Reversal	11,416	27,013
Reclassified from held for sale	-	(5,331)
Allowance for expected credit losses	(88,027)	(83,212)
As of September 30,	**(112,452)**	**(101,994)**

8. Current and deferred income tax

a) Reconciliation of income tax in the statement of profit or loss

Income taxes differ from the theoretical amount that would have been obtained by using the nominal income tax rates applicable to the income of the Company entities, as follows:

	Nine Months Ended September 30,	
	2021	2020
Earnings before taxes	37,282	46,939
Statutory combined income tax rate - %	34%	34%
Income tax at statutory rates	**(12,676)**	**(15,959)**
Income exempt from taxation - ProUni benefit (i)	64	13,142
Unrecognized deferred tax asset on tax losses	(503)	-
Previously unrecognized tax losses used to reduce deferred tax (ii)	32	6,723
Previously unrecognized temporary differences (ii)	-	11,320
Difference on tax rates from offshore companies (iii)	19,146	(7,851)
Non-deductible expenses	(3,219)	(325)
Other	129	176
Total income tax and social contribution	**2,973**	**7,226**
Effective tax rate - %	**(8)%**	**(15)%**
Current income tax expense	(20,150)	(22,512)
Deferred income tax income	23,123	29,738

(i) The University for All Program - ProUni, establishes, through Law 11,096, dated January 13, 2005, exemption from certain federal taxes for higher education institutions that provide full and partial scholarships to low-income students enrolled in traditional undergraduate and technological undergraduate programs. The Company's higher education companies are included in this program.

(ii) The Company had unused tax loss carryforwards and temporary differences previously unrecognized. Given the continuous growth in Continuing Education activities for the years 2020 and 2019 and recent changes to the structure of its operations, the Company reviewed previously unrecognized tax losses and temporary differences, determining that it is now probable that taxable profits will be available, the tax losses can be utilized and temporary differences can be realized, and that are now expected to be used and realized until 2022.

(iii) Considering that the Company is domiciled in Cayman and there is no income tax in that jurisdiction, the combined tax rate of 34% demonstrated above is the current rate applied to all Company's subsidiaries, operating entities in Brazil.

b) Deferred income tax

	Balance sheet		Profit or loss	
	September 30, 2021	December 31, 2020	September 30, 2021	September 30, 2020
Tax loss carryforward	7,539	7,424	115	6,009
Intangible assets on business combinations	(18,657)	(20,004)	1,347	3,992
Allowance for expected credit losses	49,344	48,758	586	20,326
Labor provisions	21,294	2,707	18,587	-
Lease contracts	8,093	7,088	1,005	(1,872)
Provision for revenue cancellation	1,250	1,066	184	(472)
Provision for contingencies	1,993	1,983	10	712
Other provisions	3,042	1,753	1,289	1,043
Total	**73,898**	**50,775**	**23,123**	**29,738**
Deferred tax assets	73,898	50,775		
Deferred tax liabilities	-	-		

(In thousands of Brazilian Reais, except as otherwise indicated)

The above deferred taxes were recorded at the nominal rate of 34%. Under Brazilian tax law, temporary differences and tax losses can be carried forward indefinitely, however tax loss carryforwards can only be used to offset up to 30% of taxable profit for the year.

9. Leases

Set out below, are the carrying amounts of the Company's right-of-use assets related to buildings used as offices and hubs and lease liabilities and the movements during the period:

	Right-of-use assets	Lease Liabilities
As of December 31, 2020	**127,921**	**149,353**
New contracts	12,035	12,035
Re-measurement by index (i)	8,314	8,314
Lease modification	(1,203)	(1,330)
Depreciation expense	(11,329)	-
Accrued interest	-	11,981
Payment of principal	-	(8,066)
Rent concession (ii)	-	(210)
Payment of interest	-	(11,981)
As of September 30, 2021	**135,738**	**160,096**
Current	-	26,606
Non-current	135,738	133,490

(i) Lease liabilities and right-of-use assets were incremented with respect to variable lease payments that depend on an index or a rate, as a result of annual rental prices contractually adjusted by market inflation rate General Market Price Index (*Índice Geral de Preços do Mercado*), or IGP-M.

(ii) The Company has received Covid-19 related rent concessions and has applied the practical expedient introduced by the amendments made to IFRS 16 in May 2020, applied to all qualifying rent concessions. As a result, a gain of R$ 210 arising from rent concessions were recognized as Other income (expenses), net, in the statement of profit and loss.

The Company recognized rent expense from short-term leases and low-value assets of R$ 2,820 for the three and nine months ended September 30, 2021 (2020 - R$ 1,561), mainly represented by leased equipment.

10. Property and equipment and Intangible assets

Changes between September 30, 2021:

	Carrying amount at December 31, 2020	Purchase and capitalization	Depreciation and amortization	Carrying amount at September 30, 2021
Leasehold improvements	54,652	5,586	(4,633)	**55,605**
Furniture, equipment and facilities	27,573	5,102	(2,717)	**29,958**
Other property and equipment	14,444	6,661	(3,793)	**17,312**
Property and equipment	**96,669**	**17,349**	**(11,143)**	**102,875**
Software	24,559	3,816	(6,491)	**21,884**
Internal project development	27,802	20,669	(7,572)	**40,899**
Other intangible assets	608,589	-	(3,179)	**605,410**
Intangible assets	**660,950**	**24,485**	**(17,242)**	**668,193**

(In thousands of Brazilian Reais, except as otherwise indicated)

The Group performs its impairment test when circumstances indicates that the carrying value may be impaired or annually when required. The Group's impairment tests are based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the cash generating units were disclosed in the annual consolidated financial statements for the year ended December 31, 2020.

As of September 30, 2021, there were no indicators of a potential impairment of goodwill. Additionally, there are no significant changes to the assumptions used for the impairment test in the annual consolidated financial statements for the year ended December 31, 2020. Also, there has been no evidence that the carrying amounts of property and equipment and finite-life intangible assets exceed their recoverable amounts as of September 30, 2021.

11. Loans and financing

a) Breakdown

Type	Interest rate	Maturity	September 30, 2021	December 31, 2020
Standby Letter of Credit	CDI + 3.6% p.a.	2021	152,742	151,757
Current			152,742	151,757
Non-current			-	-

b) Variation

	Loans and financing
As of December 31, 2020	**151,757**
Accrued interest	7,990
Payment of interest	(7,005)
As of September 30, 2021	**152,742**

(i) The Company entered into a loan agreement of R$ 150,000, with no financial covenants or guarantees anticipating a loan to settle the accounts payable from acquisition of subsidiaries due in December 2020. The loan accrues interest at the Brazilian interbank deposit (*Certificado de Depósito Interbancário*), or CDI rate +3.6% per annum and its interests are repayable in five quarterly installments starting on July 16, 2020 and the principal in one installment on October 18, 2021.

12. Labor and social obligations

	September 30, 2021	December 31, 2020
Salaries payable	10,302	7,489
Social charges payable (i)	5,820	8,103
Accrued vacation	23,480	3,675
Accrual for bonus	6,380	7,408
Other	145	110
Total	**46,127**	**26,785**

(i) Comprised of contributions to Social Security ("INSS") and to Government Severance Indemnity Fund for Employees ("FGTS") as well as withholding income tax ("IRRF") over salaries.

13. Accounts payable from acquisition of subsidiaries

	2021
At the beginning of the year	**274,861**
Accrued Interest	25,406
Payment of principal	(10,557)
Payment of interests	(504)
As of September 30	**289,206**
Current	147,732
Non-current	141,474

On February 28, 2016, the Company completed the acquisition of 100% of Uniasselvi and the amount of R$ 400,000 was paid on the act, R$ 119,159 was paid in December 2018, R$ 112,301 was paid in December 2019 and R$ 128,162 was paid in December 2020, and the remaining amounts are payable in two equal installments, payable on December 31, 2021 and December 31, 2022 and adjusted by the IPCA inflation rate.

On August 31, 2017, the Company completed the acquisition of 100% of FAC and FAIR and the amounts of R$ 10,511 was paid in December 2018, R$ 10,837 was paid in December 2019 and R$ 11,327 was paid in December 2020, and the remaining amounts are payable in two equal installments, payable on December 31, 2021 and December 31, 2022 and adjusted by the IPCA inflation rate.

On January 19, 2021, the company settled the accounts payable from the acquisition that was under discussion with its creditors regarding the installment due in December 2019. The amount settled was R$ 10.557.

14. Equity

a) Authorized capital

The Company is authorized to increase capital up to the limit of 1 billion shares, subject to approval of the company management.

b) Share capital

On September 2, 2020, each of Vitru's shareholders had agreed to contribute their respective shares on Vitru Brazil to Vitru Limited, exchanging thirty-one common shares into one ordinary share of Vitru Limited.

As a consequence of this reverse share split, the share capital previously represented by 522,315,196 common shares, was reduced to 17,058,053 common shares. As a result of the share split, the Company's historical financial statements have been revised to reflect number of shares and per share data as if the share split had been in effect for all periods presented.

Additionally, on September 22, 2020, the share capital of the Company was increased by 6,000,000 Class A shares through the proceeds received as a result of the IPO of US$ 96,000 thousand (or R$ 521,558). The net proceeds from the IPO were US$ 90,672 thousand (or R$ 492,612), after deducting share issuance costs amounting R$ 47,582.

On June 14, 2021 the company issued 49,304 new shares regarding the realization of SOP options. These shares were not paid at the issue time and must be settled in within one year from the issue date.

As of September 30, 2021, the Company's share capital is represented by 23,107,357 common shares of par value of US$ 0.00005 each. The Company has issued only common shares, entitled to one vote per share.

c) Capital reserve

Additional paid-in capital

The additional paid-in capital refers to the difference between the purchase price that the shareholders pay for the shares and their par value. Under Cayman Law, the amount in this type of account may be applied by the Company to pay distributions or dividends to members, pay up unissued shares to be issued as fully paid, for redemptions and repurchases of own shares, for writing off preliminary expenses, recognized expenses, commissions or for other reasons. All distributions are subject to the Cayman Solvency Test which addresses the Company's ability to pay debts as they fall due in the ordinary course of business.

Share based compensation

The capital reserve is represented by reserve for share-based compensation programs classified as equity-settled.

The share-based payments reserve is used to recognize:
- the grant date fair value of options issued to employees but not exercised.
- the grant date fair value of shares issued to employees upon exercise of options.

d) Dividends

The Company currently intend to retain all available funds and any future earnings, if any, to fund the development and expansion of the business and did not pay any cash dividends in the nine months ended September 30, 2021, and do not anticipate paying any in the foreseeable future.

15. Earnings per share

15.1. Basic

Basic earnings per share is calculated by dividing the net income attributable to the holders of Company's common shares by the weighted average number of common shares held by stockholders during the year.

The following table contains the earnings (loss) per share of the Company for three and nine months ended September 30, 2021 and 2020 (in thousands except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
Basic earnings per share	**2021**	**2020**	**2021**	**2020**
Net income attributable to the shareholders of the Company	3,006	1,780	40,255	54,165
Weighted average number of outstanding common shares (thousands)	23,107	17,423	23,078	17,042
Basic earnings per common share (R$)	**0.13**	**0.10**	**1.74**	**3.18**

15.2. Diluted

As of September 30, 2021, the Company had outstanding and unexercised options to purchase 1,571 thousand (2020 –335 thousand) common shares which are included in diluted earnings per share calculation.

	Three Months Ended September 30,		Nine Months Ended September 30,	
Diluted earnings per share	**2021**	**2020**	**2021**	**2020**
Net income attributable to the shareholders of the Company	3,006	1,780	40,255	54,165
Weighted average number of outstanding common shares (thousands)	24,648	17,758	24,649	17,758
Diluted earnings per common share (R$)	**0.12**	**0.10**	**1.63**	**3.05**

The number of common shares outstanding was retrospectively adjusted due to the reverse share split of shares occurred in the corporate reorganization, described in note 13 (b).

15.3. Restatement

The Company identified on the September 30, 2020 financial statements, that the shares issued in the IPO were incorrectly considered retrospectively in the weighted average number of outstanding common shares used in the earnings per share calculation. The earnings per share was adjusted as demonstrated below:

	Three Months Ended September 30 2020			Nine Months Ended September 30 2020		
Basic Earnings per share	**As issued**	**Adjustment**	**Restated**	**As issued**	**Adjustment**	**Restated**
Net income attributable to the shareholders of the Company	1,780	-	1,780	54,165	-	54,165
Weighted average number of outstanding common shares (thousands)	23,058	(5,635)	17,423	23,058	(6,016)	17,042
Basic earnings per common share (R$)	**0.08**	**0.02**	**0.10**	**2.35**	**0.83**	**3.18**

	Three Months Ended September 30 2020			Nine Months Ended September 30 2020		
Diluted earnings per share	**As issued**	**Adjustment**	**Restated**	**As issued**	**Adjustment**	**Restated**
Net income attributable to the shareholders of the Company	1,780	-	1,780	54,165	-	54,165
Weighted average number of outstanding common shares (thousands)	23,564	(5,806)	17,758	23,564	(5,806)	17,758
Diluted earnings per common share (R$)	**0.08**	**0.02**	**0.10**	**2.30**	**0.75**	**3.05**

(In thousands of Brazilian Reais, except as otherwise indicated)

16. Shared-based compensation

The Group offers to its managers and executives two Share Option Plans with general conditions for the granting of share options issued by the Company to the participants appointed by the Board of Directors who, at its discretion, fulfill the conditions for participation, thereby aligning the interests of the participants to the interests of its stockholders, so as to maximize the Group's results and increase the economic value of its shares, thus generating benefits for the participants and other stockholders. It also provides participants with a long-term incentive, increasing their motivation and enabling the Group to retain quality human capital.

Participants from both plans have the right to turn all vested options into shares upon payment in cash, paying the Option Exercise Price as defined in the respective program that each participant is associated. The difference between the stipulated price in the program and the fair value of the share at the measurement date is recorded as equity.

Participants from the first plan shall have the right to require the Company to acquire all shares under its ownership to be held in treasury or for cancellation, upon payment, in cash, of the Put Option Exercise Price, for a given period as from the last Vesting Date, provided that no exit event has occurred up to the end of said period.

When all conditions applicable to the buyback of shares provided for in applicable laws and/or regulations are met, the Company shall pay the Participant the price equivalent to a certain amount of multiples of the Company's EBITDA minus the Net Debt, as set forth in each grant program, recorded as a liability.

	Three Months Ended September 30,		Nine Months Ended September 30,	
Expense arising from share-based payment transactions	**2021**	**2020**	**2021**	**2020**
Equity-settled - second plan	2,890	-	6,410	-
Cash-settled - first plan	2,306	1,144	8,455	578
Total	**5,196**	**1,144**	**14,865**	**578**

17. Related parties

The Company holds quotas of investments funds managed by Vinci Partners, an insurance policy issued by Austral Seguradora S/A and uses the services of the lawyer firm Kloch Advocacia. All the companies are an indirect related party.

	Balance sheet		Profit or loss			
	September 30,	December 31,	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020	2021	2020
FI Vinci Renda Fixa Credito Privado						
Short-term investments	4,410	39,216				
Financial income			59	82	228	717
Austral Seguradora S/A						
Prepaid expenses	227	455				
General and administrative expenses			(76)	(75)	(228)	(226)
Kloch Advocacia						
General and administrative expenses			(54)	(54)	(162)	(162)

(In thousands of Brazilian Reais, except as otherwise indicated)

18. Revenue

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Gross amount from services provided	**192,212**	**162,449**	**590,209**	**491,005**
(-) Cancellation	(3,329)	(701)	(8,103)	(4,282)
(-) Discounts	(9,675)	(7,620)	(21,828)	(18,804)
(-) ProUni scholarships (i)	(26,556)	(23,982)	(80,159)	(72,497)
(-) Taxes and contributions on revenue	(4,593)	(4,004)	(14,914)	(12,630)
Net revenue	**148,059**	**126,142**	**465,205**	**382,792**
Timing of revenue recognition				
Transferred over time	147,646	125,364	458,053	381,762
Transferred at a point in time (ii)	413	778	7,152	1,030
Net revenue	**148,059**	**126,142**	**465,205**	**382,792**

(i) Scholarships granted by the federal government to students under the ProUni program are based on a fixed percentage approved by the government upon each student's request and deducted from tuition gross amount from services provided during the entire duration of such student's undergraduate studies (regardless of the tuition fee set out in the service contract) and as long as the student continues to comply with the scholarship requirements imposed by the government for each semester during the undergraduate course. The Group recognizes the economic benefits from the ProUni scholarships as tax deductions, as applicable, following the policies described in Note 7.

(ii) Revenue recognized at a point in time relates to revenue from student fees and certain education-related activities.

The Company`s revenues from contracts with customers are all provided in Brazil.

In three and nine months ended September 30, 2021, the amounts billed to students for the portion to be transferred to the hub partner, in respect to the joint operations, are R$ 42,463 and R$ 131,295 respectively (2020 – R$ 39,368 and R$ 112,793). As of September 30, 2021, the balance payable to the hub partners is R$ 13,416 (December 31, 2020 - R$ 9,910).

19. Costs and expenses by nature

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Payroll (i)	62,125	53,223	170,751	144,398
Sales and marketing	20,108	13,307	73,763	52,441
Depreciation and amortization (ii)	14,190	13,135	39,714	37,404
Consulting and advisory services	5,817	4,012	15,101	9,736
Material	4,933	2,692	12,059	9,207
Maintenance	3,641	1,923	8,582	6,098
Utilities, cleaning and security	1,668	1,531	4,632	4,381
Other expenses	3,423	4,057	9,206	10,653
Total	**115,905**	**93,880**	**333,808**	**274,318**
Costs of services	67,777	50,319	180,340	156,355
General and administrative expenses	24,038	26,036	66,083	50,391
Selling expenses	24,090	17,525	87,385	67,572
Total	**115,905**	**93,880**	**333,808**	**274,318**

(i) Payroll expenses include for three and nine months ended September 30, 2021 was R$ 56,929 and R$ 155,886 respectively (2020 - R$ 52,083 and R$ 143,824) related to salaries, bonuses, short-term benefits, related social charges and other employee related expenses, and R$ 5,196 and R$ 14,865 (2020 – R$ 1,140 and R$ 574) related to share-based compensation.

(In thousands of Brazilian Reais, except as otherwise indicated)

	Three Months Ended September 30,		Nine Months Ended September 30,	
Depreciation and amortization (ii)	**2021**	**2020**	**2021**	**2020**
Costs of services	11,566	7,220	31,728	22,885
General and administrative expenses	2,623	5,912	7,983	11,265
Selling expenses	1	3	3	3,254
Total	**14,190**	**13,135**	**39,714**	**37,404**

20. Other income (expenses), net

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Deductible donations	(75)	(75)	(225)	(225)
Contractual indemnities	(96)	(20)	(100)	(20)
Modification of lease contracts	137	981	337	2,506
Other revenues	128	430	541	750
Other expenses	(94)	(453)	(127)	(475)
Total	**-**	**863**	**426**	**2,536**

21. Financial results

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Financial income				
Interest on tuition fees paid in arrears	5,802	4,983	14,605	12,221
Financial investment yield	7,702	763	14,970	2,599
Foreign exchange gain	1,368	12,978	2,894	12,978
Other	47	273	272	734
Total	**14,919**	**18,997**	**32,741**	**28,532**
Financial expenses				
Interest on accounts payable from acquisition of subsidiaries	(10,047)	(8,122)	(25,378)	(16,347)
Interest on lease	(4,053)	(3,735)	(11,981)	(11,301)
Interest on loans and financing	(3,308)	(2,237)	(7,990)	(4,244)
Foreign exchange loss	(112)	(373)	(1,463)	(373)
Other	(1,834)	(1,168)	(3,859)	(4,149)
Total	**(19,354)**	**(15,635)**	**(50,671)**	**(36,414)**
Financial results	**(4,435)**	**3,362**	**(17,930)**	**(7,882)**

22. Other disclosures on cash flows

Non-cash transactions

In the nine months ended September 30, 2021:

- The amount of R$ 20,349 (2020 - R$ 41,779) regarding additions (new contracts and re-measurement by index) on right-of-use assets, was also added in the lease liabilities line item.
- The amount of R$ 2,638 (2020 – R$ 2,570) regarding provision for contingencies of responsibility of the sellers of subsidiaries acquired in prior years, was reversed to the indemnification assets line item in non-current assets.

23. Subsequent events

As informed on note 10 - Loans and financing, the Company has settled the total amount of the loan agreement principal installment on October 18, 2021 at the value of R$ 153,394.

***