

# YDUQS

## Results Presentation

2Q24 & 1H24

August 08<sup>th</sup>, 2024

**YDUQ**  
B3 LISTED NM  
IBRX100 B3

**ITAG** B3

**ICO2** B3

**IGC** B3

**IDIVERSA** B3



**ISEB3**



Rio de Janeiro, August 08<sup>th</sup>, 2024 - YDUQS Participações S.A., one of the largest private organizations in Brazil's higher education private sector, presents its results for 2Q24 and 1H24.

The Company's financial information is presented based on consolidated numbers, in Brazilian Currency ("Real"), in accordance with the Brazilian Corporation Law and the accounting practices adopted in Brazil (BRGAAP), already in accordance with the International Financial Reporting Standards (IFRS), including IFRS-16.

This document may have forward looking statements that are subject to risks and uncertainties that may lead such expectations to not materialize or substantially differ from expectations. These forecasts express the opinion only for the date they were made, and the Company does not undertake to update them in the light of new information.

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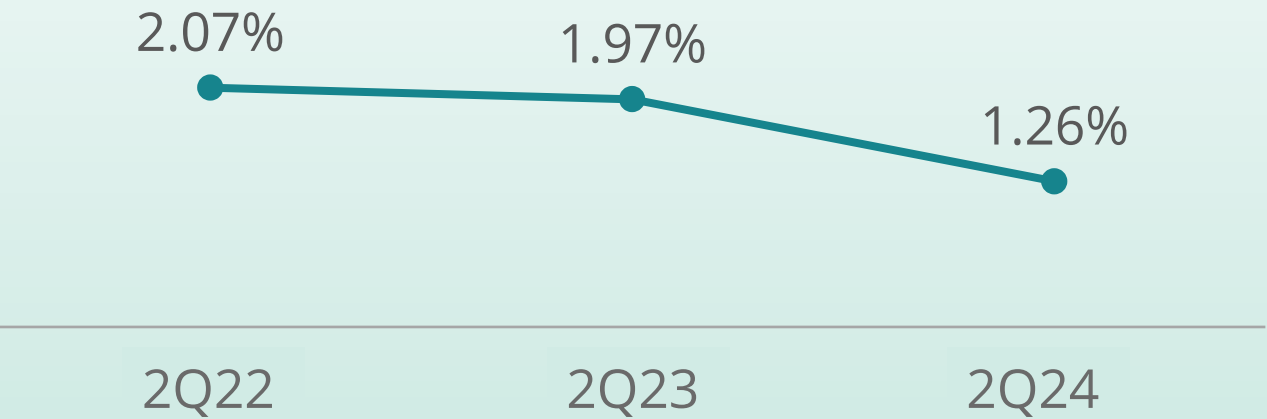


VS.  
**1H23**

**1H24**

- NOR** +6.3%
- Adjusted EBITDA** +4.4%
- Adjusted Net Income** +10.7%

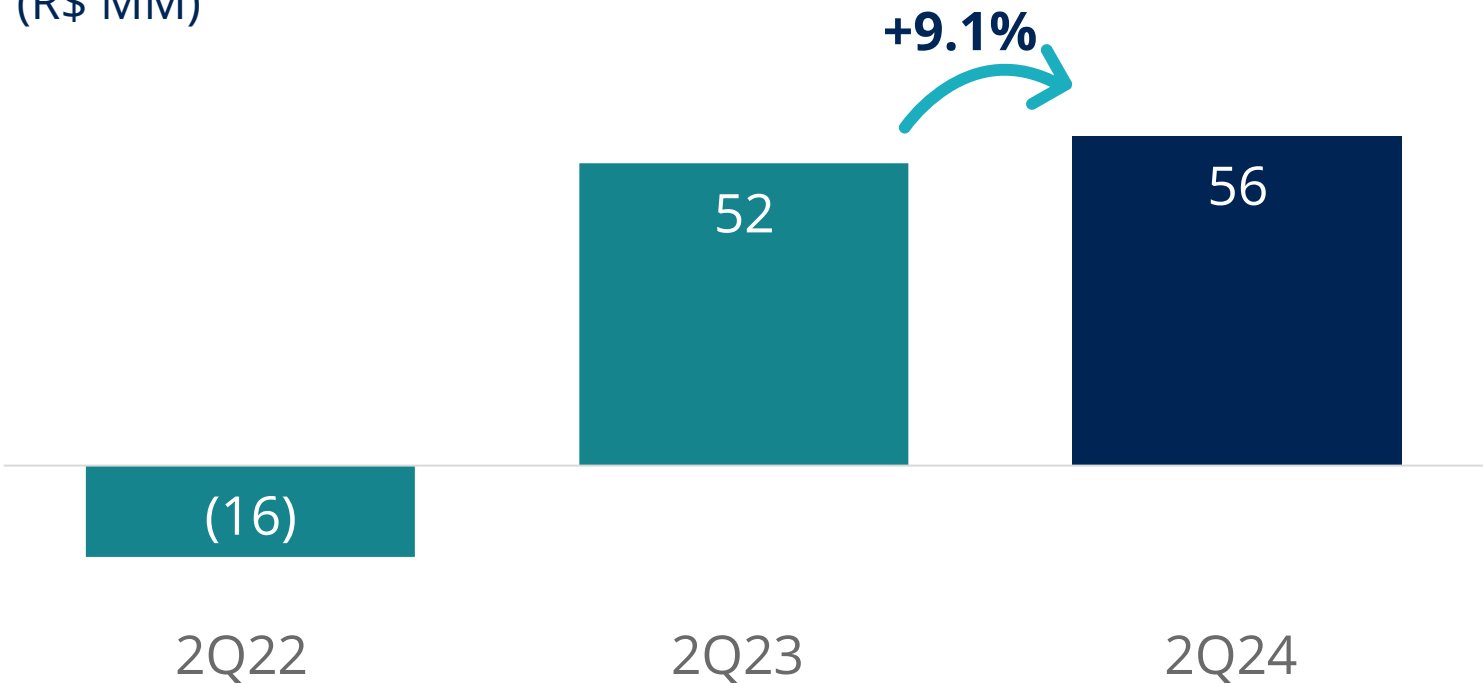
**Average cost of debt**  
(CDI +)



**Strong cash position**  
and low leverage

Dividend **Payment**  
**R\$ 80 MM**

**Adjusted Net Income**  
(R\$ MM)



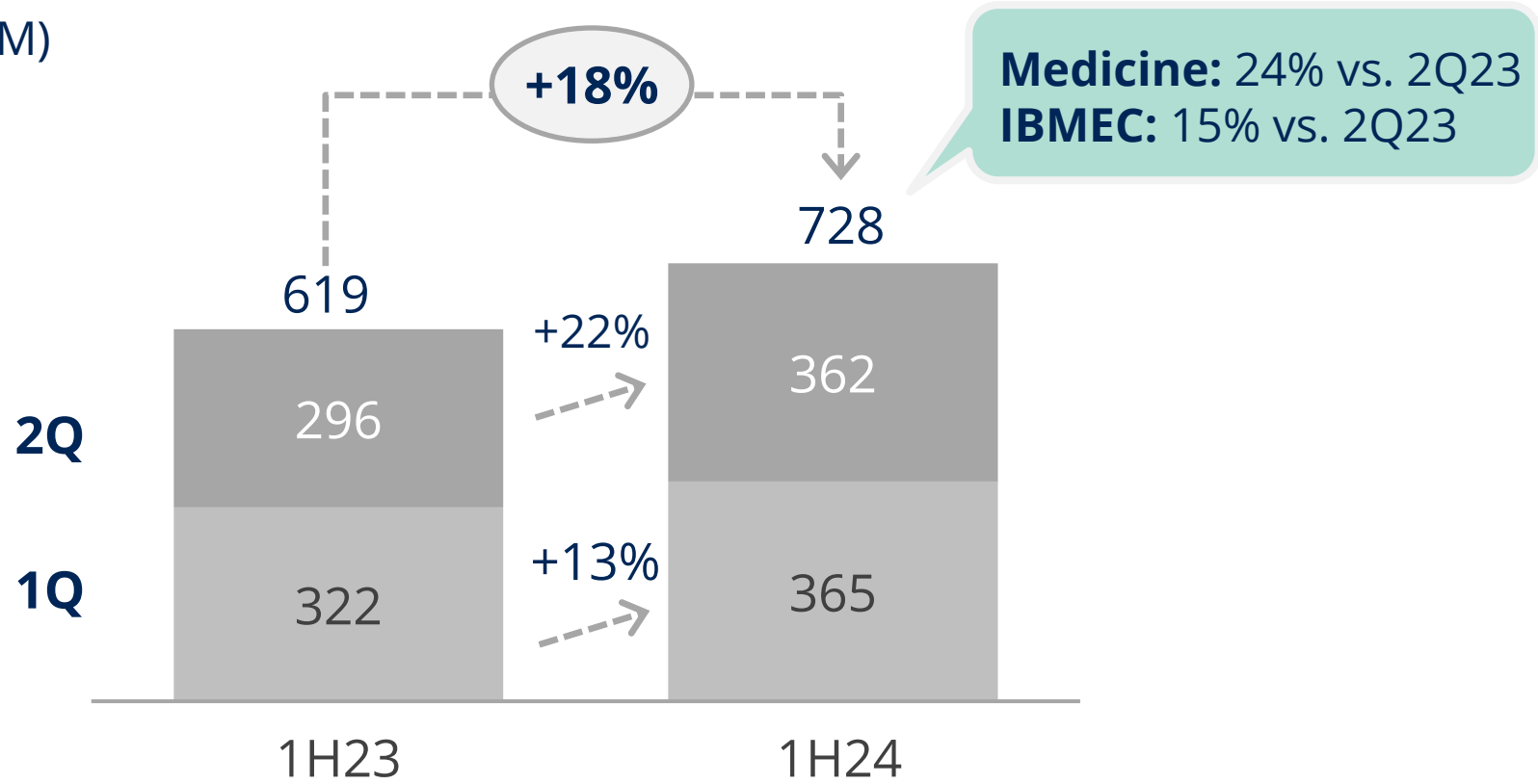
**Premium**  
**+27%** vs. 1H23  
Adjusted EBITDA

**Digital**  
**40% Margin**  
2Q24  
+4 p.p. vs. 1Q24

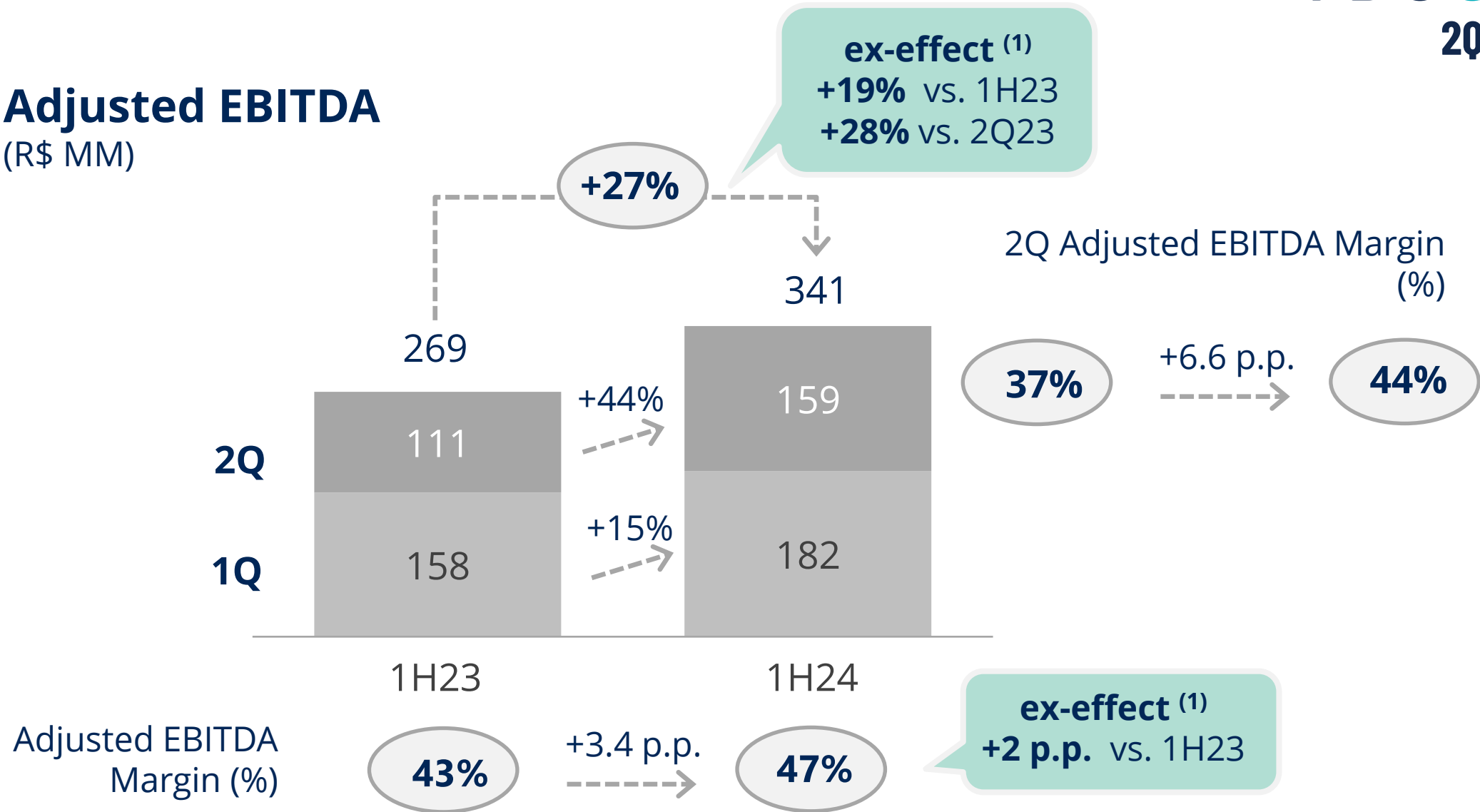
**On-campus**  
**+16%**  
Intake  
**+2%**  
Student base

**2024 guidance**  
**Adjusted Net Income per share of R\$ 1.6 – 1.9**

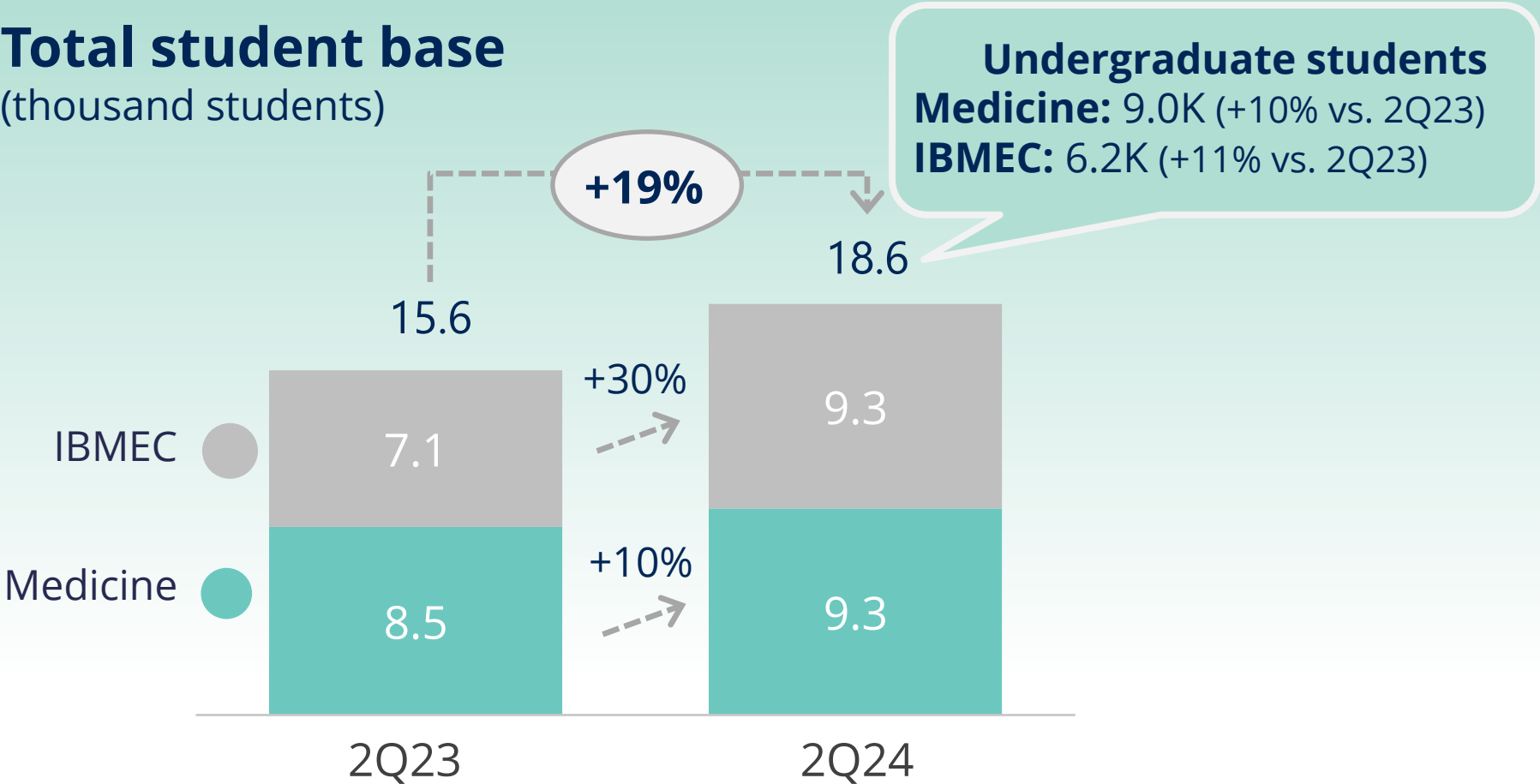
Net Revenue  
(R\$ MM)



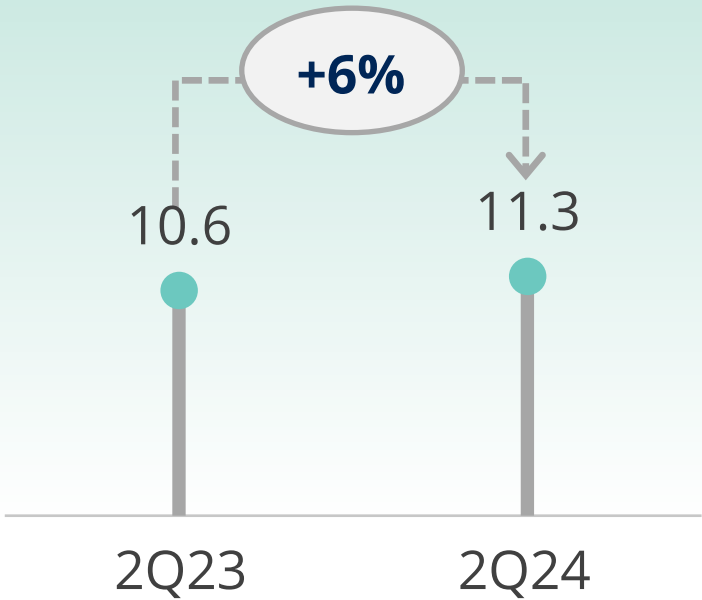
Adjusted EBITDA  
(R\$ MM)



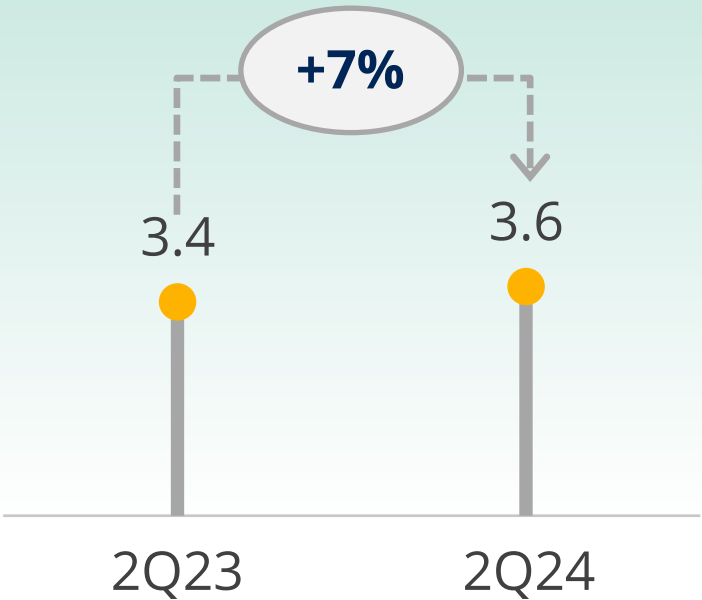
Total student base  
(thousand students)



Undergraduate Average Ticket  
(R\$/month; AT of upperclassmen of +1 year)



Renewal at 97%  
+0.5 p.p. vs. 2Q23



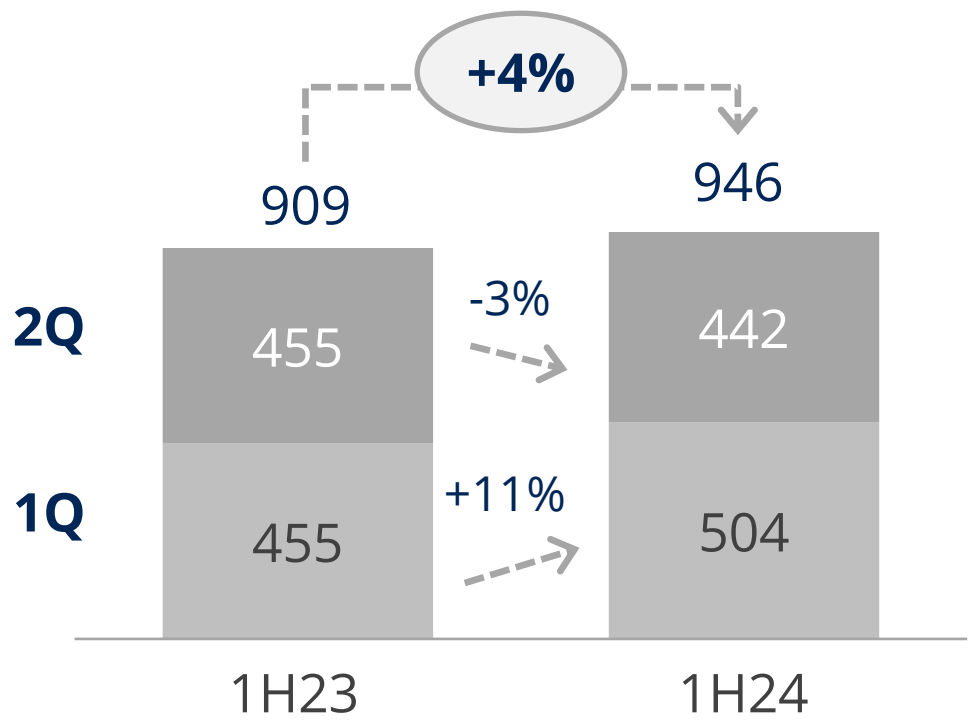
(1) Disregards the effect of FG-Fies on revenue in 2023.



# Digital learning | 2024 performance reduces margin pressure

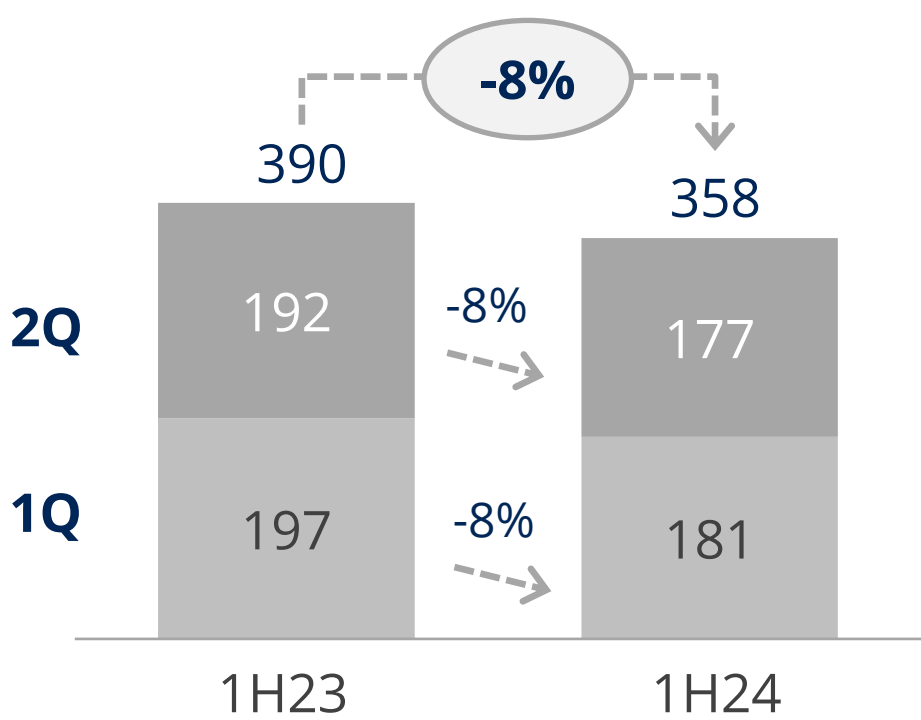
## Net revenue <sup>(1)</sup>

(R\$ MM)



## Adjusted EBITDA

(R\$ MM)

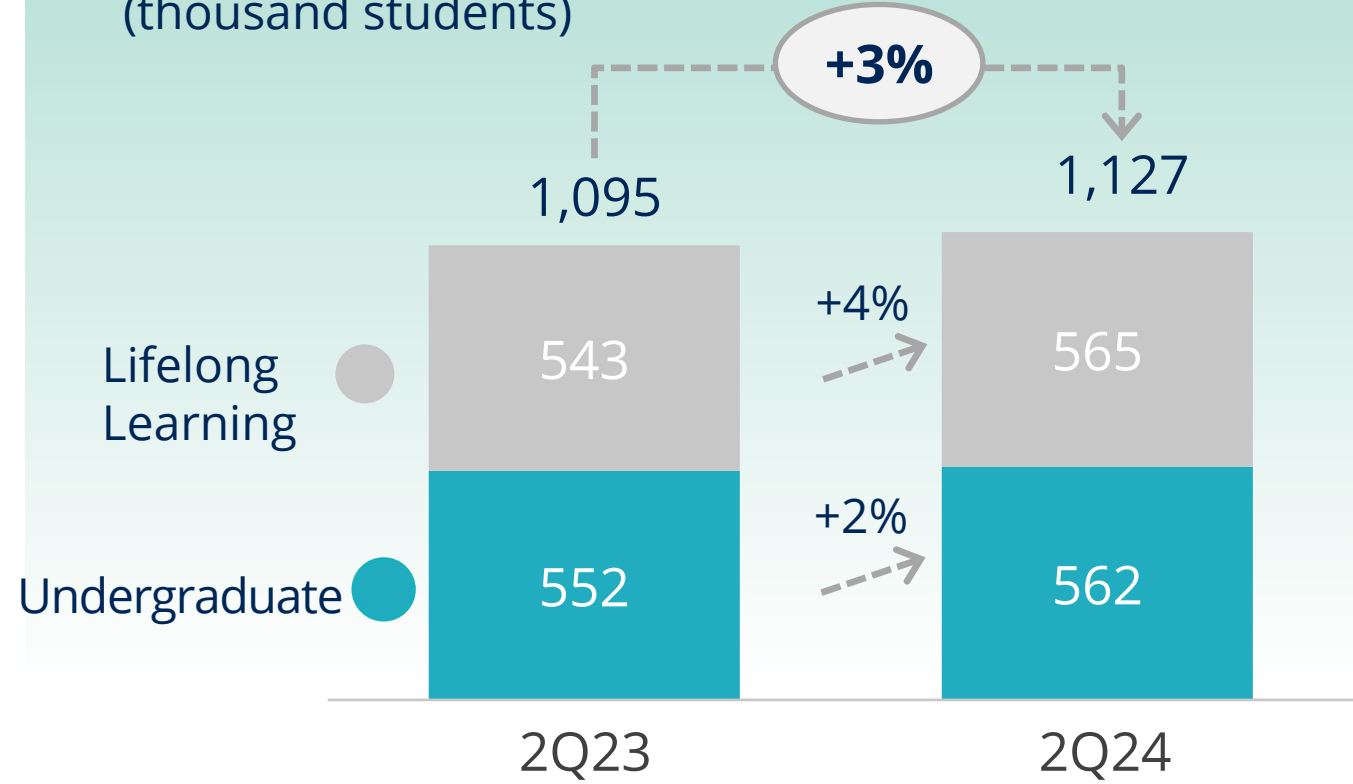


## Impacts on Margin

	1Q23	1Q24	Δ%	2Q23	2Q24	Δ%
Margin	43%	36%	-7.5 p.p.	42%	40%	-2.2 p.p.
Bad debt	14%	19%	+5.3 p.p.	16%	18%	+2.1 p.p.
M&S	12%	13%	+1.2 p.p.	5%	7%	+1.3 p.p.
Transfer	12%	14%	+1.9 p.p.	16%	16%	+0.6 p.p.
Personnel <sup>2</sup>	12%	12%	-0.6 p.p.	15%	13%	-1.8 p.p.
Others	6%	6%	-0.2 p.p.	6%	6%	0.0 p.p.

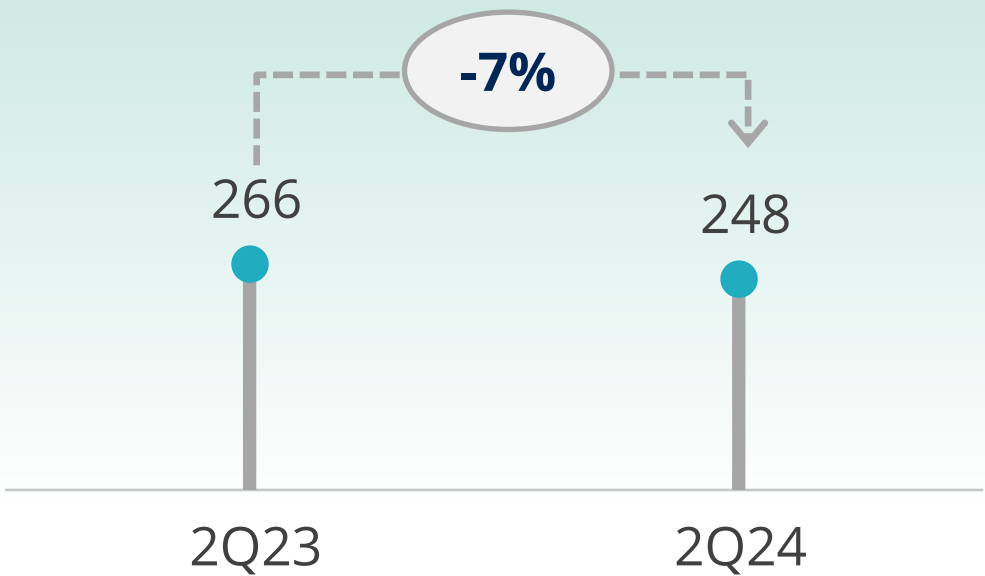
## Total student base

(thousand students)



## Undergraduate Average Ticket

(R\$/month; AT of upperclassmen of +1 year; consolidated digital)



## Renewal at 67%

-6.2 p.p. vs 2Q23

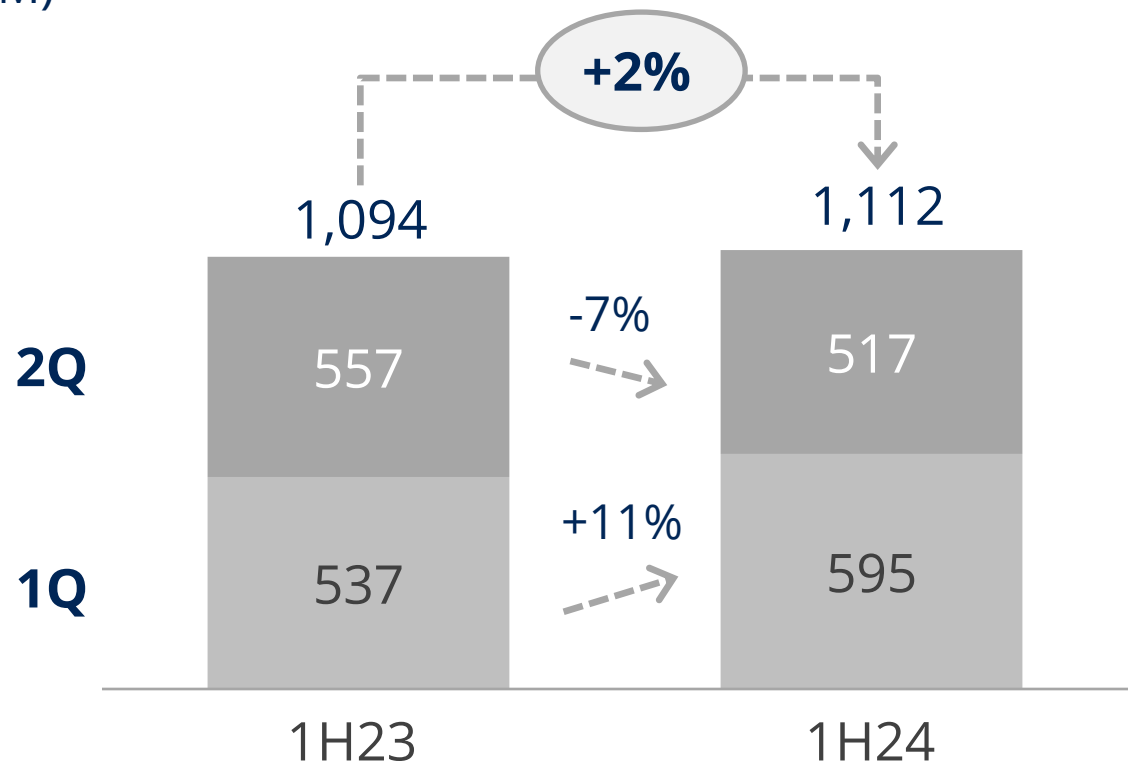
## Intake

-8% vs. 1H23

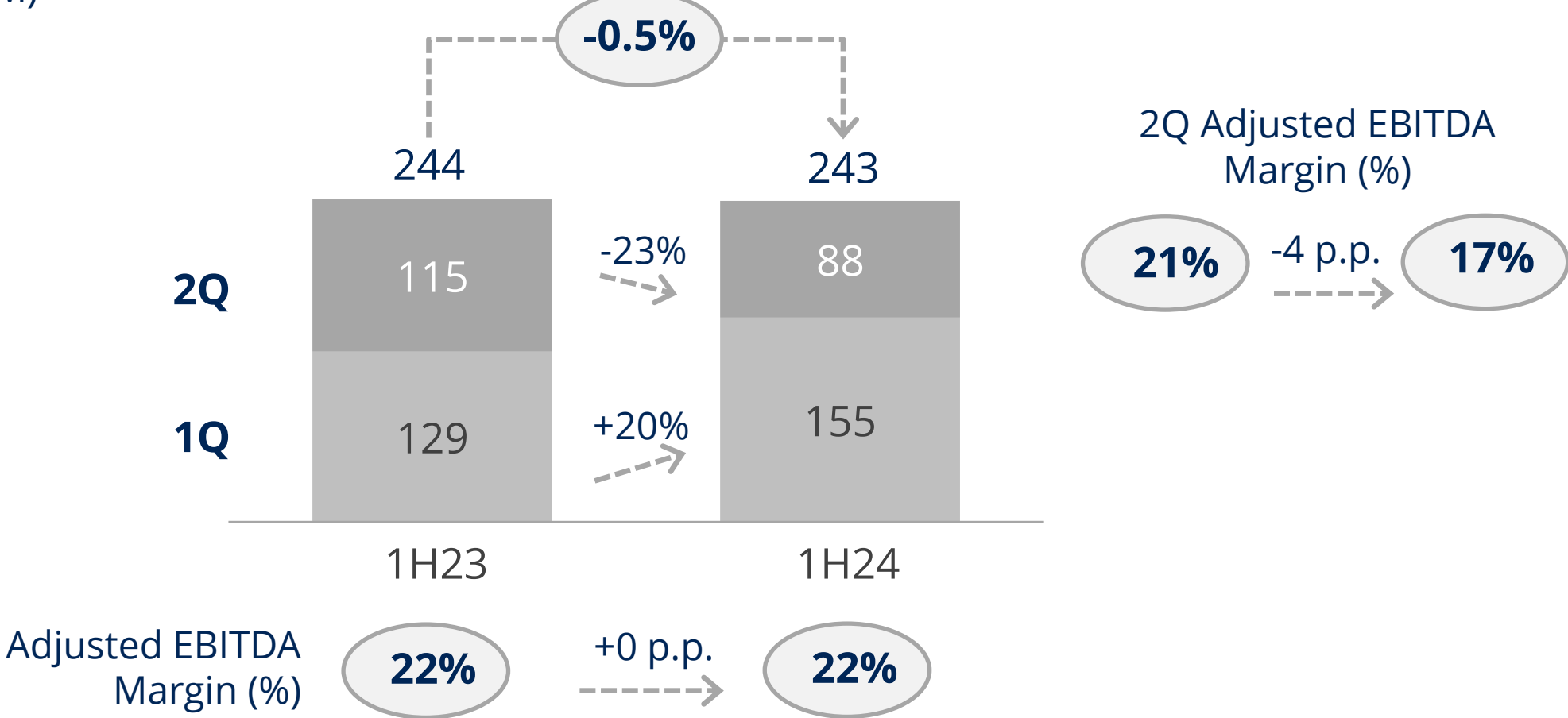
(1) Net revenue adjusted for non-recurring effects in 2Q24 in the amount of R\$4.0 million, referring to one month of exemption from tuition fees for students in Rio Grande do Sul. | (2) Costs and expenses.  
Note: Migration of the IBMEC Online report from Digital to Premium (Ibmec) on Jan/24, impacting the student base, net revenue and EBITDA.

# On-campus | Student base grows for 2 consecutive quarters

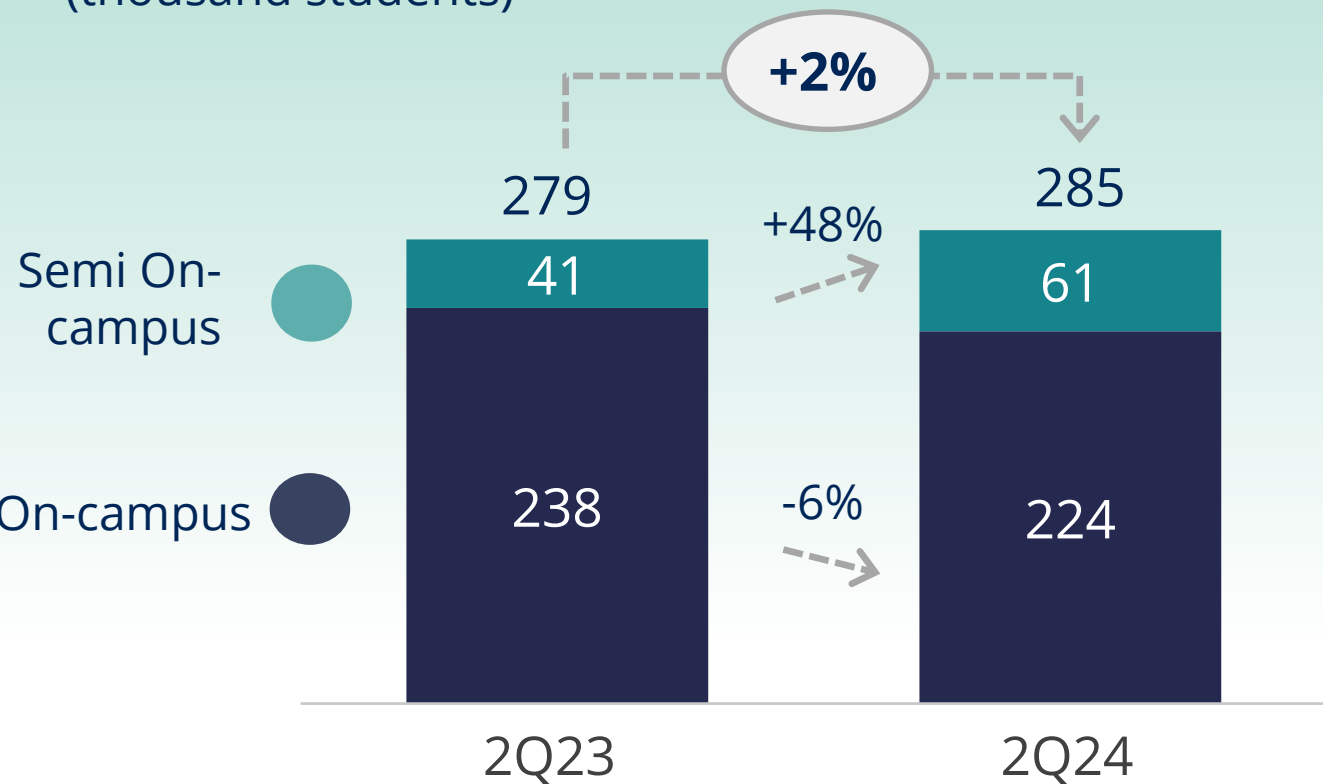
Net revenue <sup>(1)</sup>  
(R\$ MM)



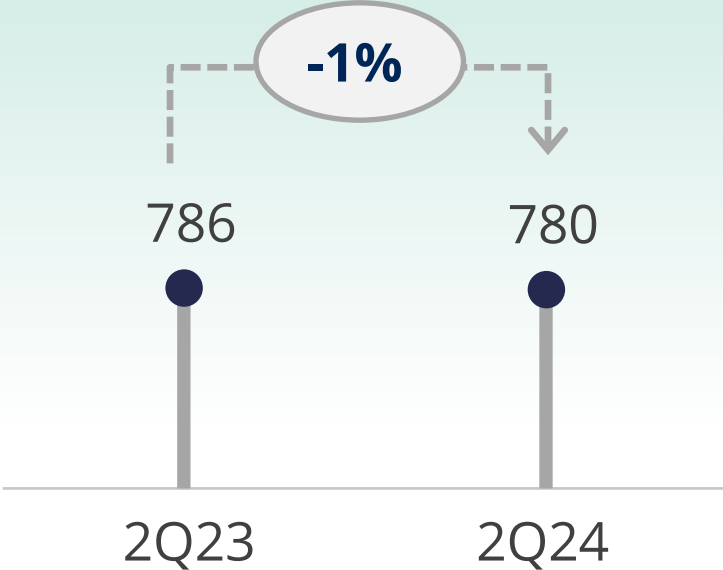
Adjusted EBITDA  
(R\$ MM)



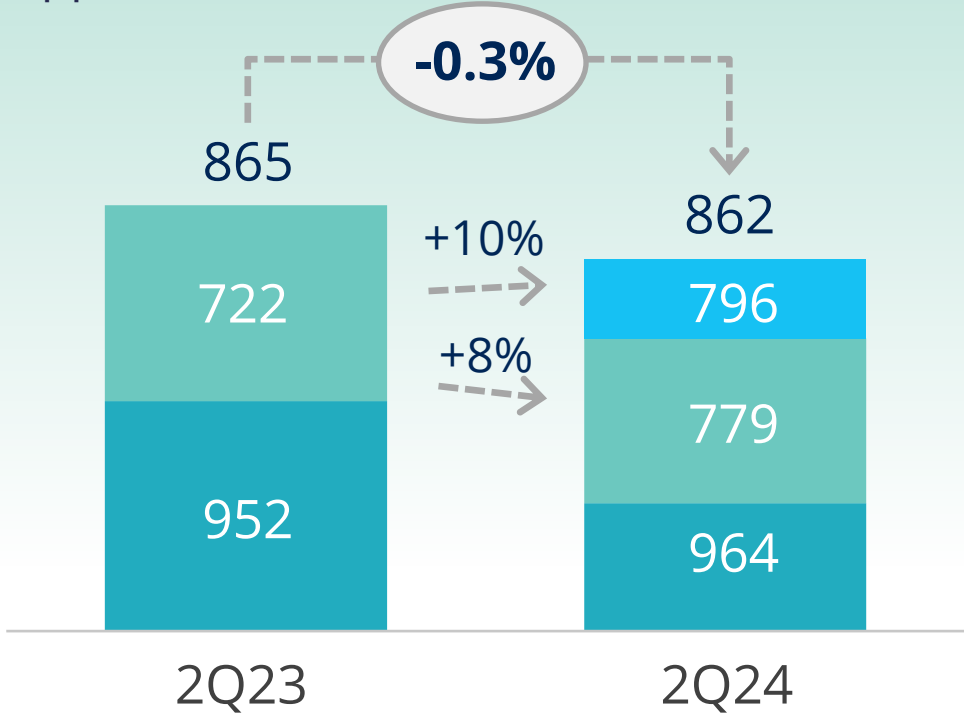
Total student base  
(thousand students)



Average Undergraduate Ticket  
(R\$/month; AT of upperclassmen of +1 year; ex-semi on-campus)



Impact of intake cycles <sup>(2)</sup>  
(R\$/month I AT of out of pocket upperclassmen)



Renewal at 83%  
-0.7 p.p. vs. 2Q23

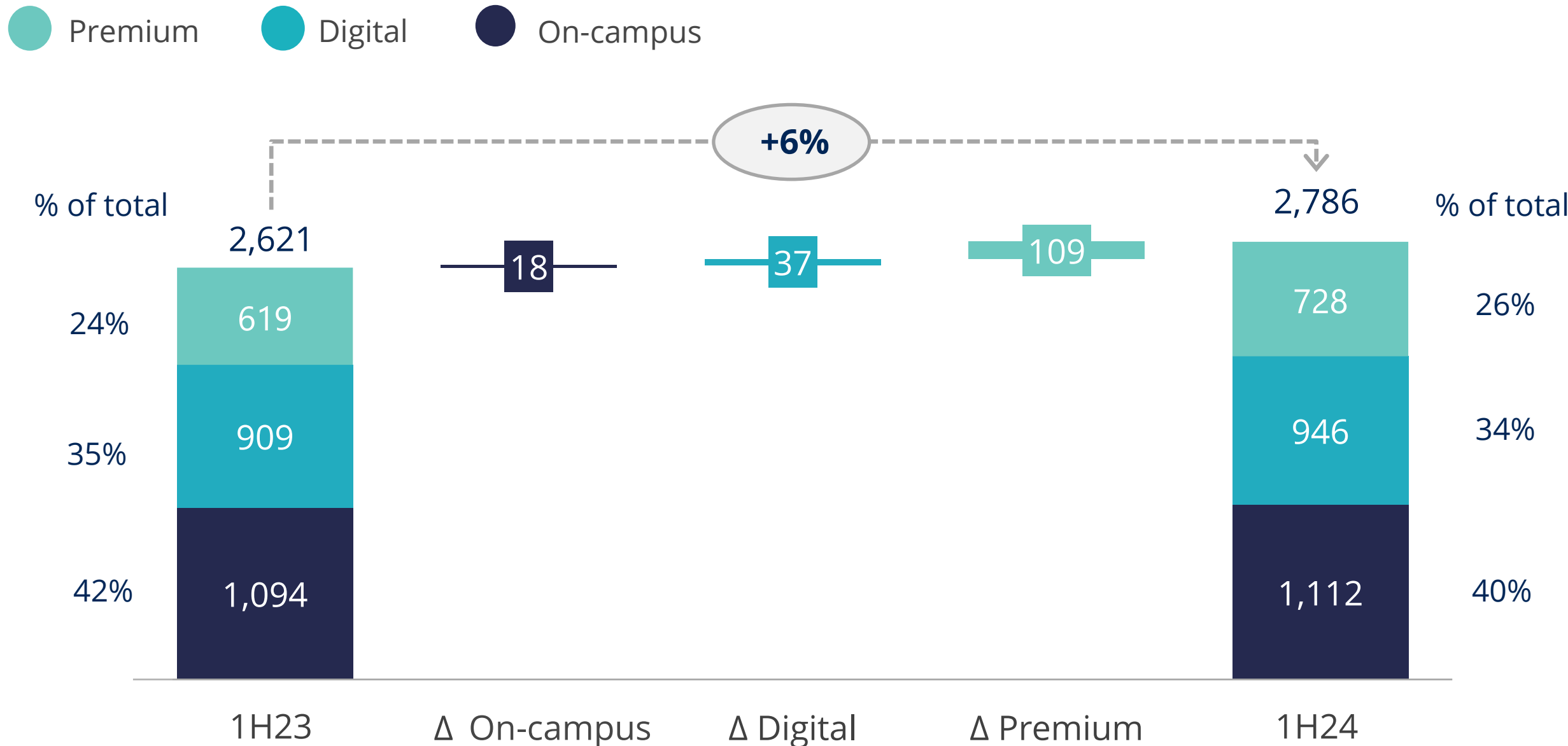
Intake  
+16% vs. 1H23

- Post-pandemic ticket
- Pandemic ticket
- Pre-pandemic ticket

(1) Net revenue adjusted for non-recurring effects in 2Q24 in the amount of R\$1.7 million, referring to one month of exemption from tuition fees for students in Rio Grande do Sul.  
(2) The chart bars represent the volume of students per cycle.

# Net revenue | A semester of growth across all business units

Total net revenue by business unit <sup>(1)</sup>  
(R\$ MM)



Net Revenue  
(1H24 vs. 1H23)

↑ The 3 business units rose in the semester

- Premium **+18%**
- Digital **+4%**
- On-campus **+2%**



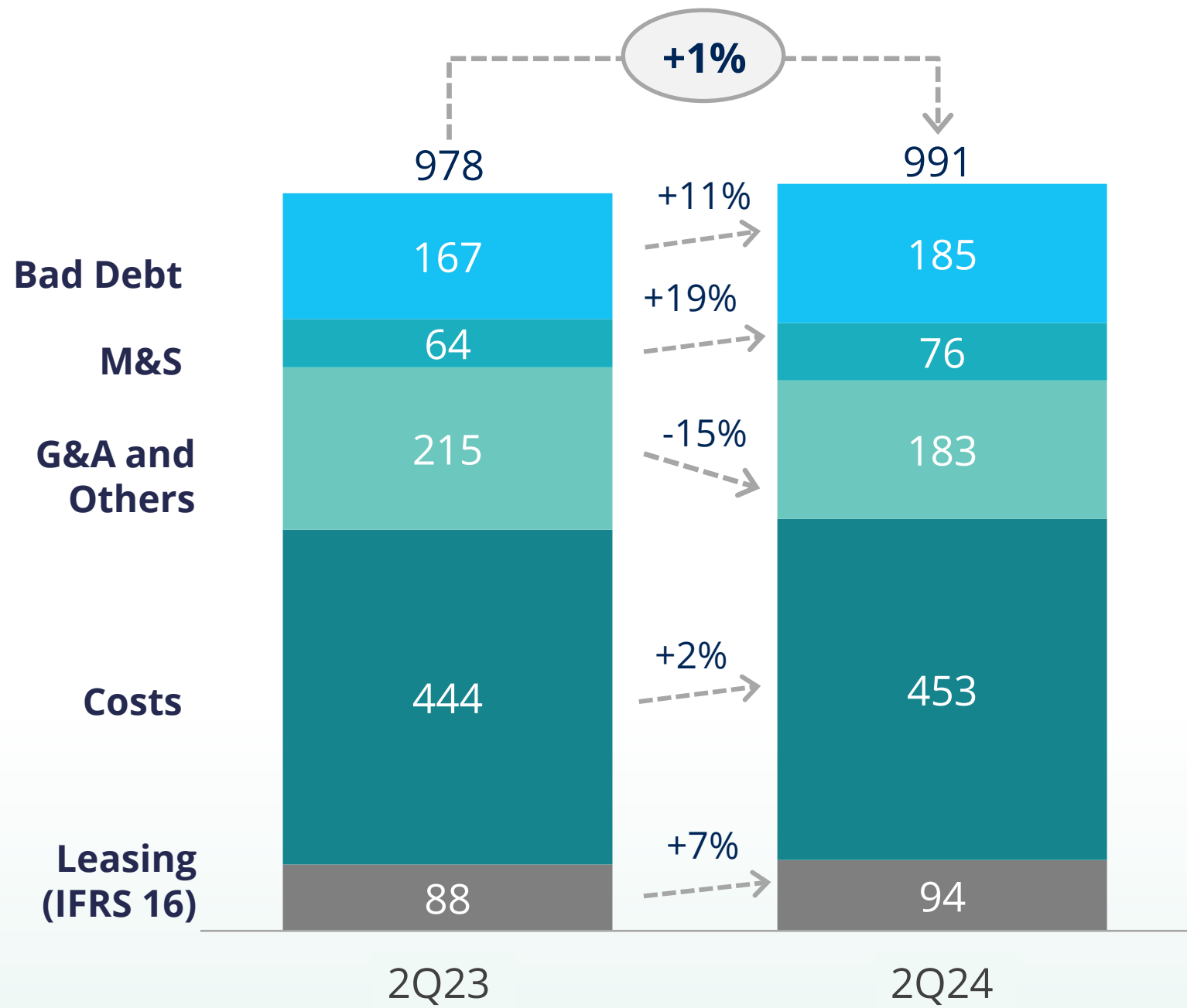
Increase in **Premium and Digital** share in Net Revenue over the years

**22% (2018)** → **59% (2Q24 LTM)**

(1) Net revenue adjusted for non-recurring effects in 2Q24 in the amount of R\$5.7 million, referring to one month's tuition waiver for students in Rio Grande do Sul.

# Costs and expenses

Costs and expenses breakdown <sup>(1)</sup>  
(R\$ MM)



	2Q23	2Q24	Δ%	1H23	1H24	Δ%
% of NOR	75%	75%	+0.2 p.p.	72%	73%	+0.7 p.p.
Bad Debt	13%	14%	+1.2 p.p.	11%	13%	+1.6 p.p.
M&S	5%	6%	+0.9 p.p.	7%	8%	+1.0 p.p.
G&A and Others	16%	14%	-2.6 p.p.	16%	15%	-1.3 p.p.
Costs	34%	34%	+0.3 p.p.	31%	30%	-0.7 p.p.
Leasing (IFRS 16)	7%	7%	+0.4 p.p.	7%	7%	+0.1 p.p.

1H23

R\$ 1,893

+7%

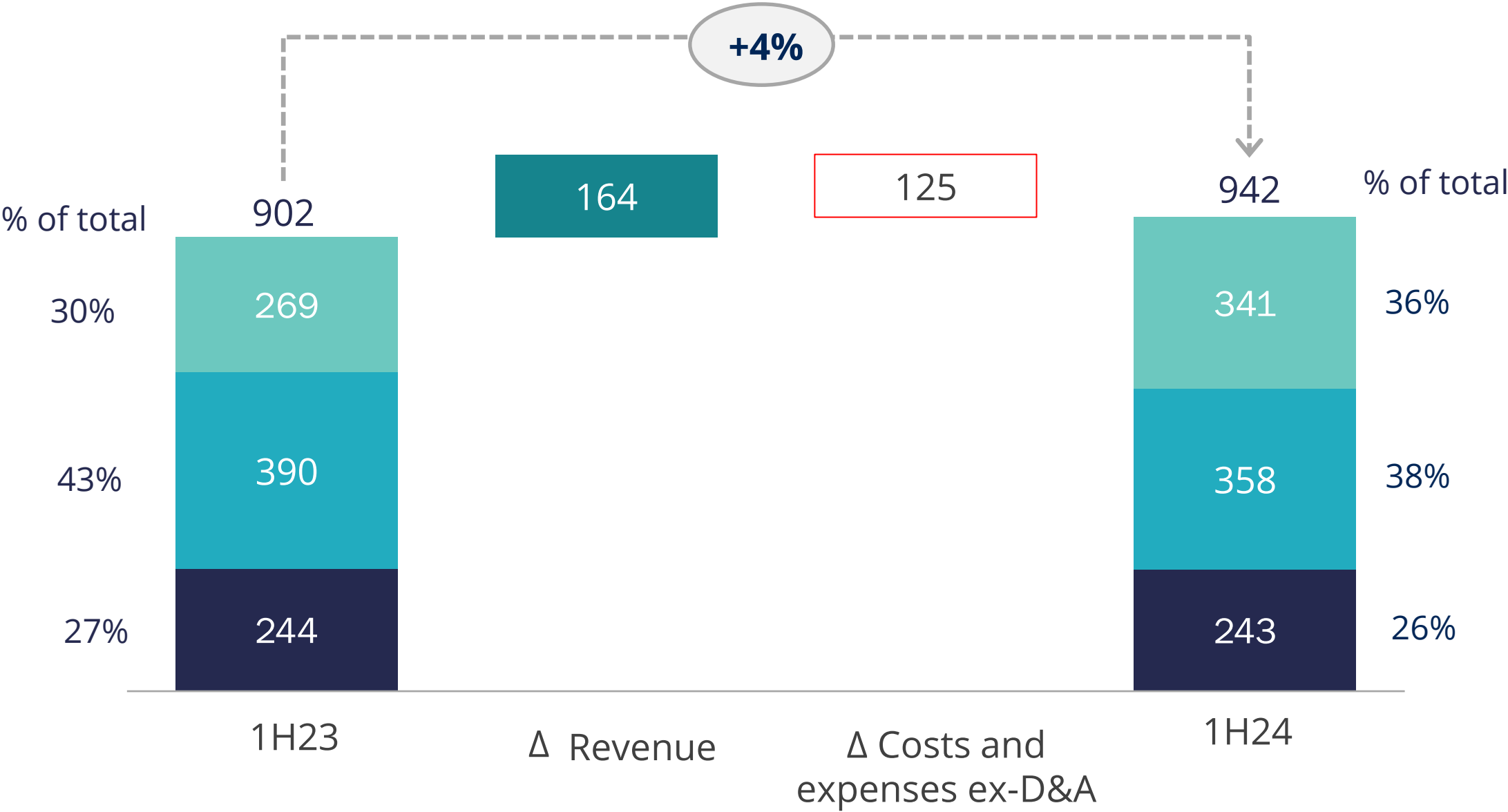
1H24

R\$ 2,032

(1) Recurring Costs and Expenses (IFRS 16 and ex-D&A).



Adjusted EBITDA breakdown  
(R\$ MM)



Adjusted Margin (%)

	2Q23	2Q24	Δ%	1H23	1H24	Δ%
Consolidated	32%	32%	+0.2 p.p.	34%	34%	-0.6 p.p.
Premium	37%	44%	+6.6 p.p.	43%	47%	+3.4 p.p.
Digital	42%	40%	-2.2 p.p.	43%	38%	-5 p.p.
On-campus	21%	17%	-3.6 p.p.	22%	22%	0 p.p.



✓ **R\$ 754 MM** adjusted EBITDA ex-IFRS16  
(+3.5% vs. 1H23)

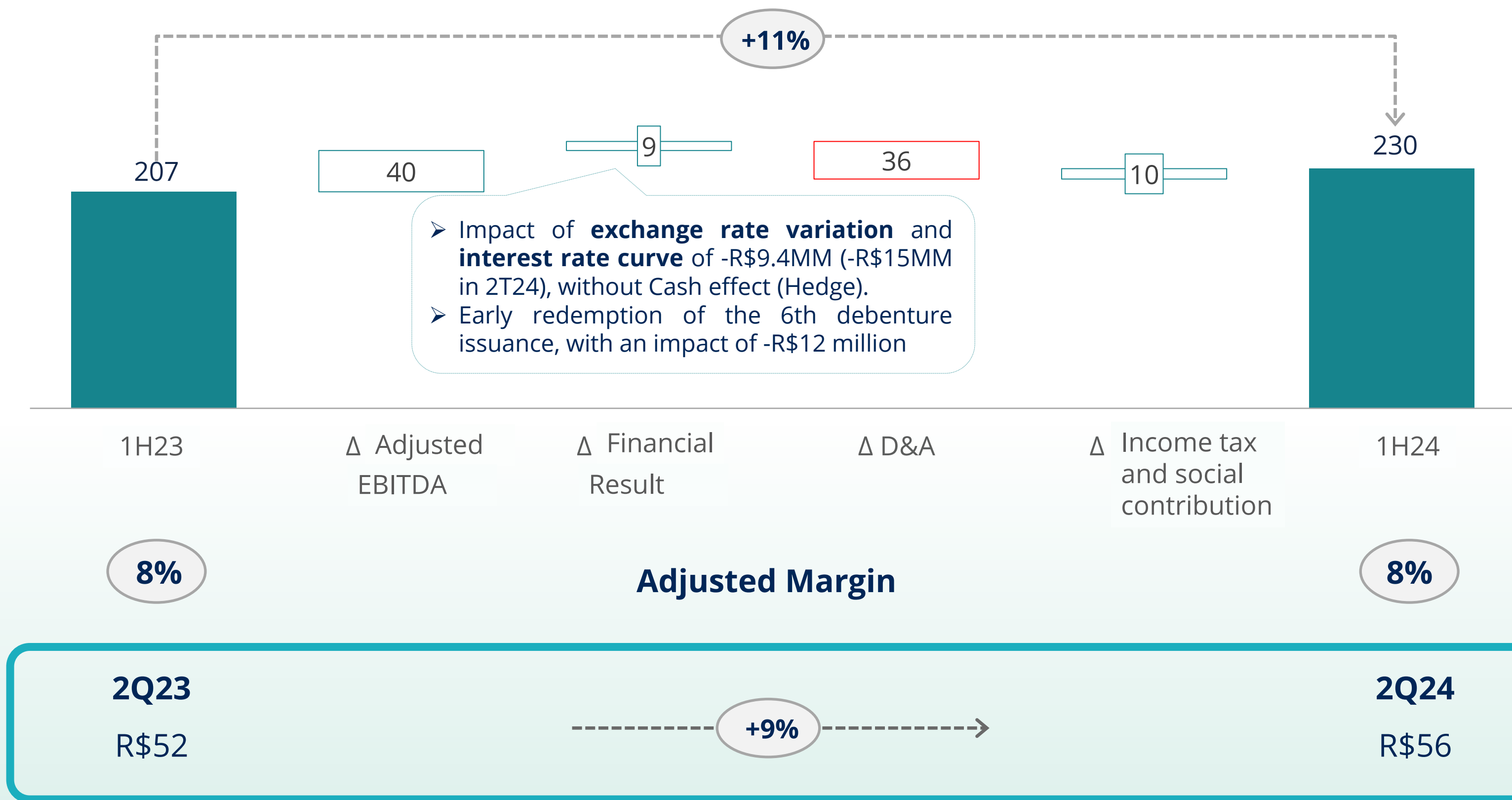
27% Margin  
(-0.7 p.p. vs. 1H23)

✓ **R\$ 923 MM** EBITDA  
(+1.5% vs. 1H23)

33% Margin  
(-1.5 p.p. vs. 1H23)

# Adjusted Net Income

## Adjusted Net Income breakdown <sup>(1)</sup> (R\$ MM)



(1) Non-recurring effects that affect Net Income include non-recurring effects that impact EBITDA, amortization of acquisition goodwill and financial discounts.

# Cash generation

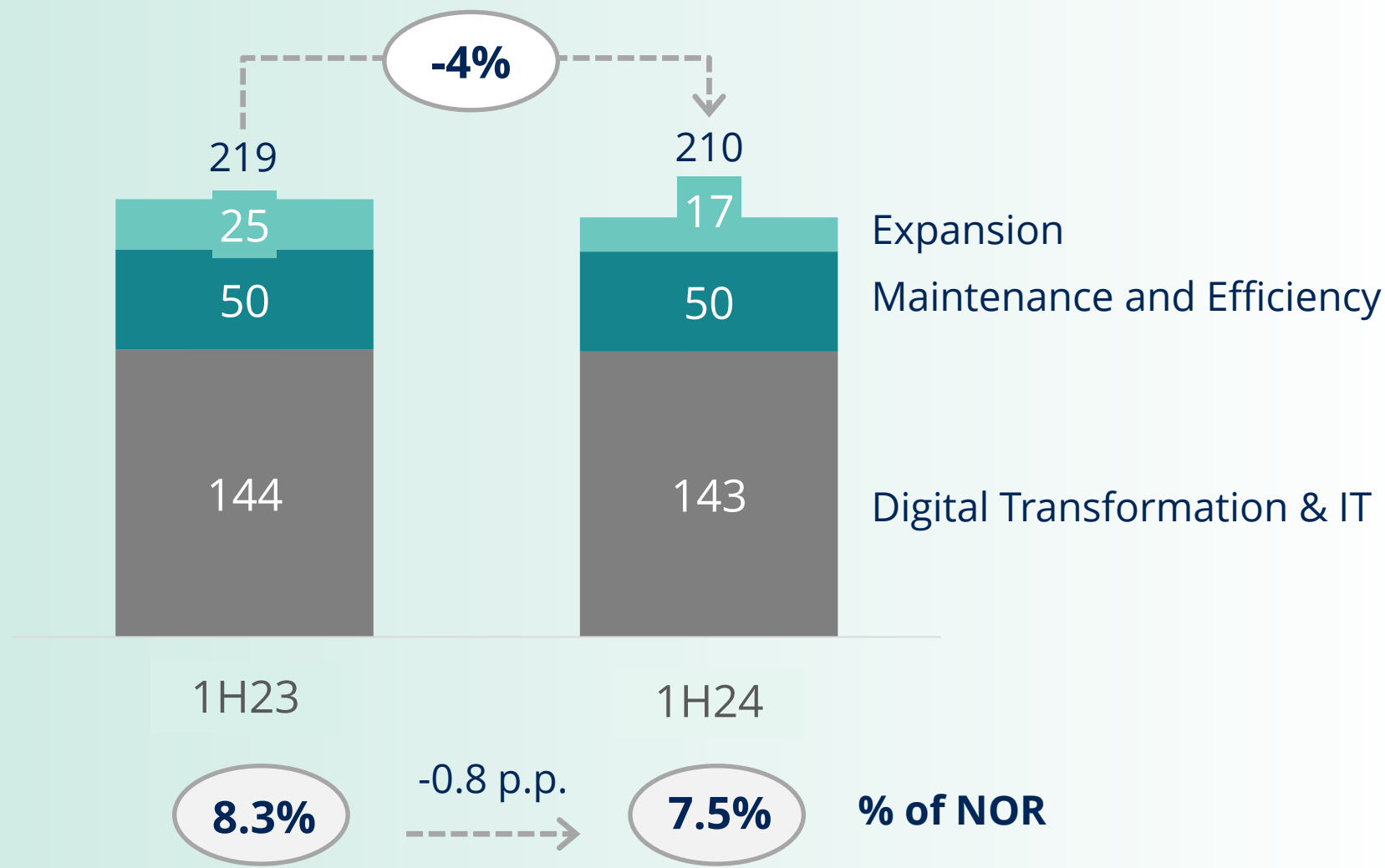
in R\$ MM	2Q23	2Q24	Δ%	1H23	1H24	Δ%
<b>EBITDA ex IFRS 16</b>	<b>327</b>	<b>320</b>	<b>-2%</b>	<b>736</b>	<b>735</b>	<b>0%</b>
Working Capital variation	(72)	(171)	138%	(102)	(236)	132%
Receivables	(105)	(30)	-71%	(219)	(138)	-37%
Accounts payable	38	(76)	n.a	133	(31)	n.a
Other	(6)	(65)	1067%	(16)	(67)	316%
Taxes (IT/SC)	(17)	(18)	9%	(28)	(30)	9%
<b>Operating cash flow</b>	<b>238</b>	<b>131</b>	<b>-45%</b>	<b>606</b>	<b>468</b>	<b>-23%</b>
Capex	(114)	(99)	-13%	(219)	(210)	-4%
<b>(=) Free cash flow</b>	<b>125</b>	<b>32</b>	<b>-74%</b>	<b>387</b>	<b>259</b>	<b>-33%</b>
Financial Result	(96)	(104)	8%	(250)	(246)	-2%
<b>(=) Free Cash Flow to Equity</b>	<b>28</b>	<b>(72)</b>	<b>n.a</b>	<b>137</b>	<b>13</b>	<b>-90%</b>
<b>Cash Conversion <sup>(1)</sup></b>	<b>73%</b>	<b>41%</b>	<b>-32 p.p.</b>	<b>82%</b>	<b>64%</b>	<b>-19 p.p.</b>

✔ **Accounts payable:** impact of -R\$108 MM due to the payment of the variable remuneration of administrative employees <sup>(2)</sup> for 2023.

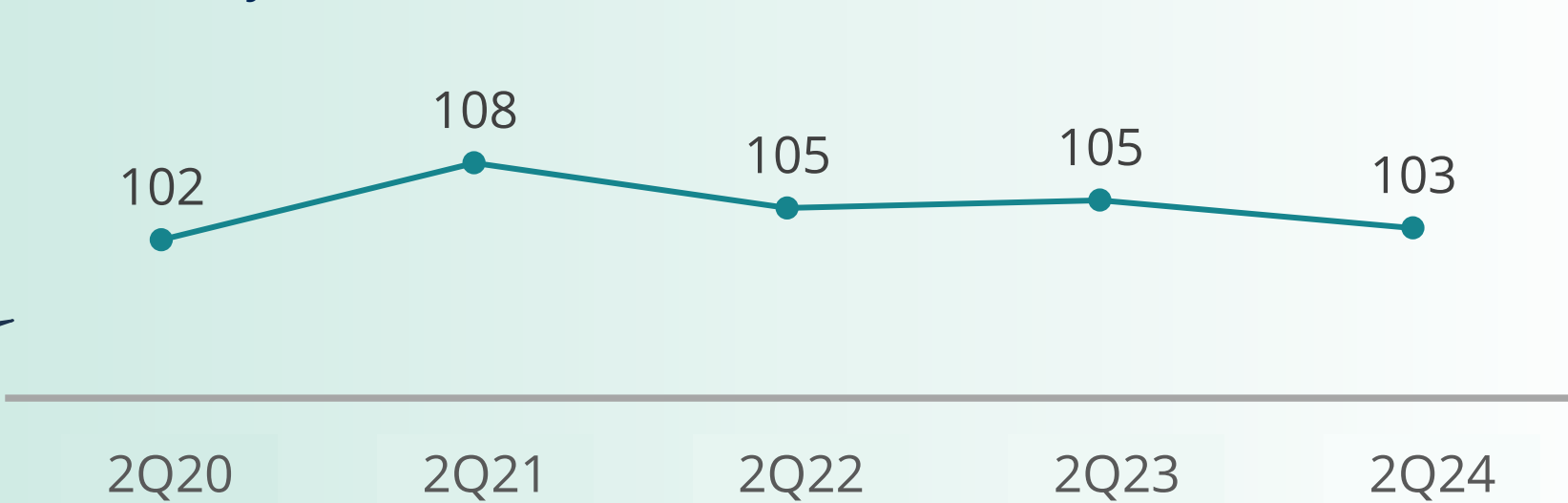
✔ **Financial Result:** impact of -R\$12 MM due to debenture prepayment.

Stable **days sales outstanding** over the last cycles.

**Capex**  
(R\$ MM)



**Days Sales Outstanding**  
(DSO) (# days)



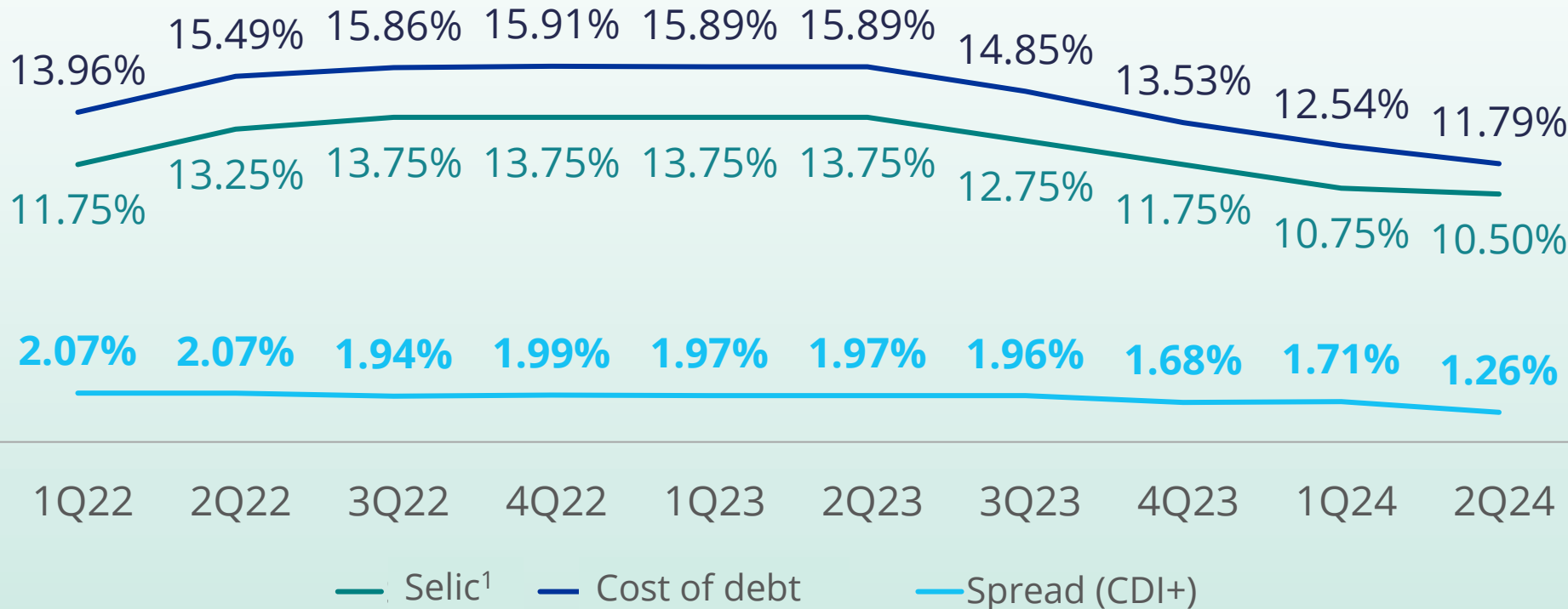
(1) Operating Cash Flow/EBITDA ex-IFRS 16.  
(2) More than 8 thousand employees.



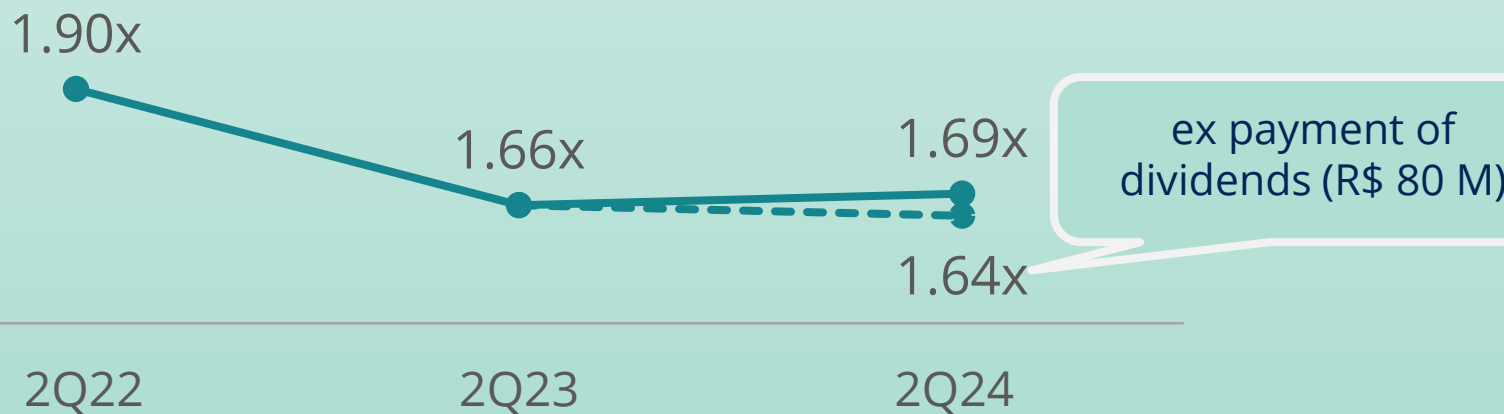
**R\$ 662 MM**  
Cash and cash equivalents

**R\$ 3.0 billion**  
Net Debt ex-IFRS 16

## Average cost of debt

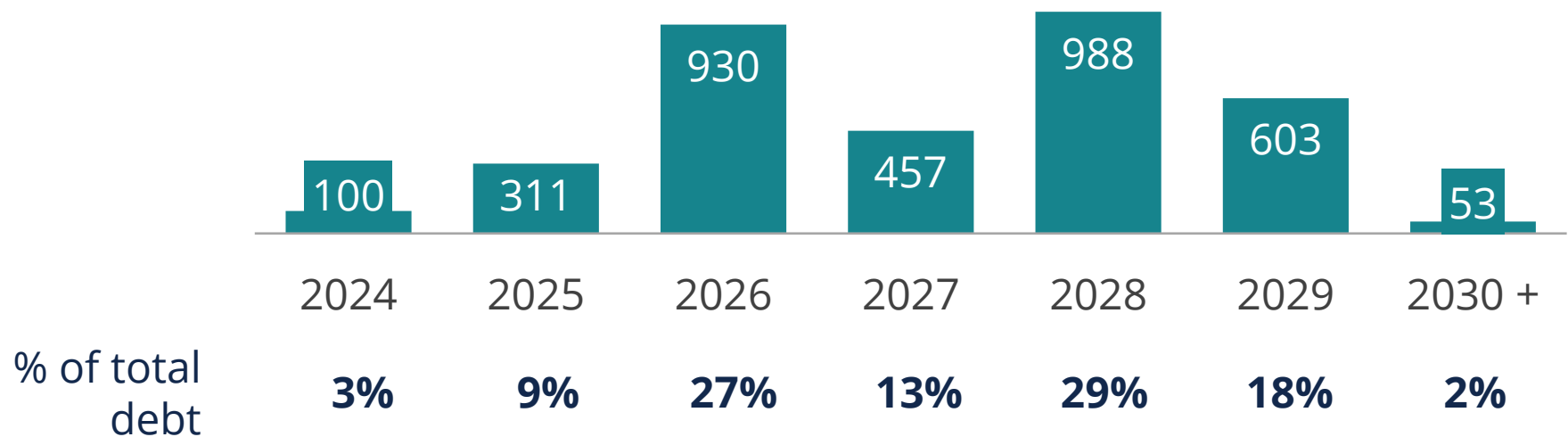


## Leverage<sup>2</sup>



## Debt amortization schedule

(R\$ MM; only principal)



✔ **Weighted average maturity:** Extension of the term vs. 2Q23, rising from 2.1 to 3.1 years in 2Q24.

✔ **Spread:** -0.71 p.p. in spread vs. 2Q23 and -0.45 p.p. vs. 1Q24.

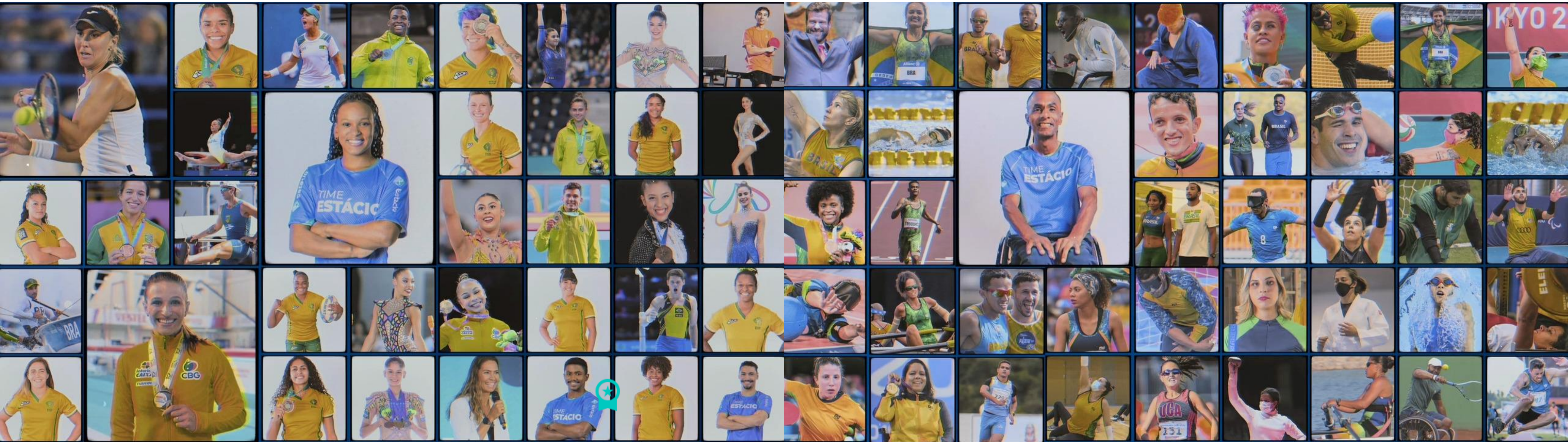
✔ **Leverage<sup>2</sup>:** Stable, even with the impact on the quarter of the annual variable remuneration payment and dividends.

(1) Brazilian interest rate, consider the end of the period.

(2) Net debt ex-IFRS 16 / Adjusted EBITDA (last 12 months, considering IFRS 16).



# ESG Management: Our journey towards sustainable development



## Olympic Games 2024

- **Our career transition program**, in partnership with the Brazilian Olympic Committee - COB and the Brazilian Paralympic Committee - CPB, support over 2,000 student-athletes.
- **35 student-athletes competing in the Olympics and 42 in the Paralympics**: this highlights Yduqs' commitment to national high-performance sports. Nearly 15% of Team Brazil studies with us.



**Rede de Valor**  
**Expansion** to the eight IDOMED units in the Northeast of Brazil.

**Trote Solidário Nacional**  
("National Solidarity Initiation")  
Collection of over 3,200 blood bags donations through college initiation pranks, which could save **more than 13,000 lives**.

**ESG goals**  
Diverse representation on the Board of Directors increases from **11% to 22%**, exceeding the 2024 target.

**III Yduqs ESG Forum**  
**11,000 views** on YouTube and over 1,000 attendees.






With a 2Q24 that followed the plan, highlighting the **solidity of our portfolio**, we remain confident in a **second half of strong results**.

 **Student base: growth in all business units**  
2Q24 vs. 2Q23: Premium: +19% | Digital: +3% | On-campus: +2%

 **Adjusted EBITDA +4% vs. 1H23**  
+2% vs. 2Q23

 **Net revenue +6.3% vs. 1H23**  
Premium: +18% | Digital: +4% | On-campus: +2%

 **Capex in 1H24: 7.5% of Net Revenue**  
-0.8 p.p. vs. 1H23

 **Adjusted Net Income +11% vs. 1H23**  
+9% vs. 2Q23

 **Cost of debt in CDI + 1.26%**  
-0.71 p.p. vs. 2Q23 and -0.45 p.p vs. 1Q24

 **Newton Paiva acquisition in May**  
2 campi | 7.6 thousand students | 2.2x EV/EBITDA for 2025





- ✔ **Transfer to hubs:** intake reduction in the first half of the year, allied with the end of the 2023 intake effect, led to a lower level of transfer/NOR ratio compared to last year
- ✔ **Financial Result:** Lower CDI (vs. p.a.) and the reduction in debt spread have a significant impact year on year.
- ✔ **Bad Debt:** reduction of the effect of the record intake in 2023 (strong impact on 1H24) brings the Bad Debt in the 2<sup>nd</sup> half to levels close to the previous year.
- ✔ **Costs and expenses:** our efficiency program continues to generate results, with the G&A line showing a significant reduction compared to the previous year.
- ✔ **M&S:** follows the Company's strategy, returning to 2023 levels.

**We reinforce our commitment to delivering the guidance released**



# YDUQS

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