

YDUQS

Results Presentation

1Q24

May 10th, 2024

YDUQ
B3 LISTED NM
IBRX100 B3

ITAG B3

IGC B3

ICO2 B3

IDIVERSA B3



ISEB3

Rio de Janeiro, May 10th, 2024 - A YDUQS Participações S.A., one of the largest private organizations in Brazil's higher education private sector, presents its results for 1Q24.

The Company's financial information is presented based on consolidated numbers, in Brazilian Reais, 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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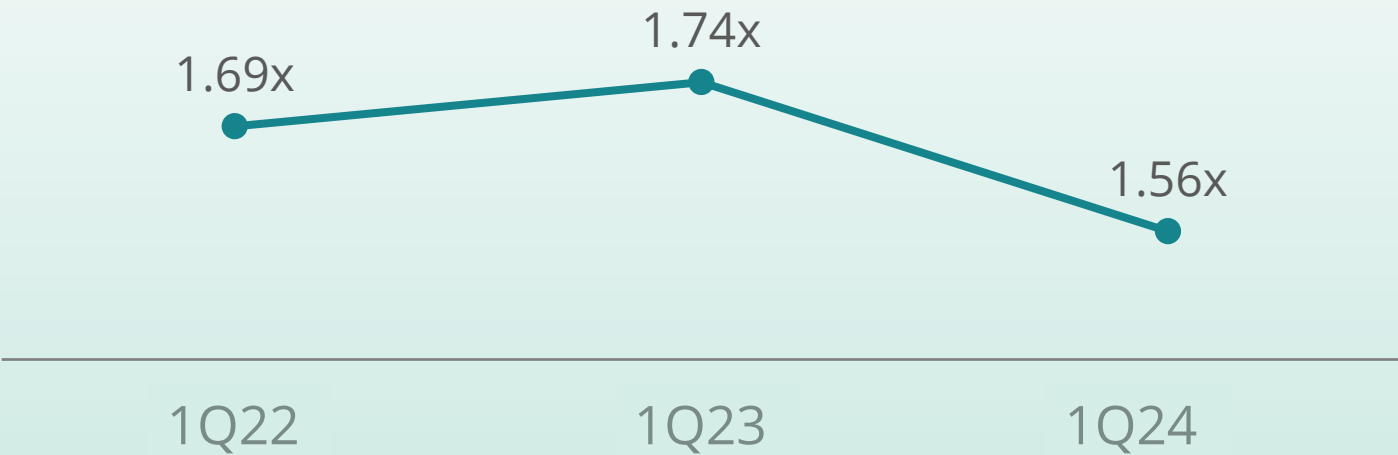
Highlights

Achievement of guidance and, once again, a net income expansion

VS
1Q23

- Net Revenue +11.5%
- Adjusted EBITDA +7%
- Adjusted Net Income +11%

Leverage Ratio



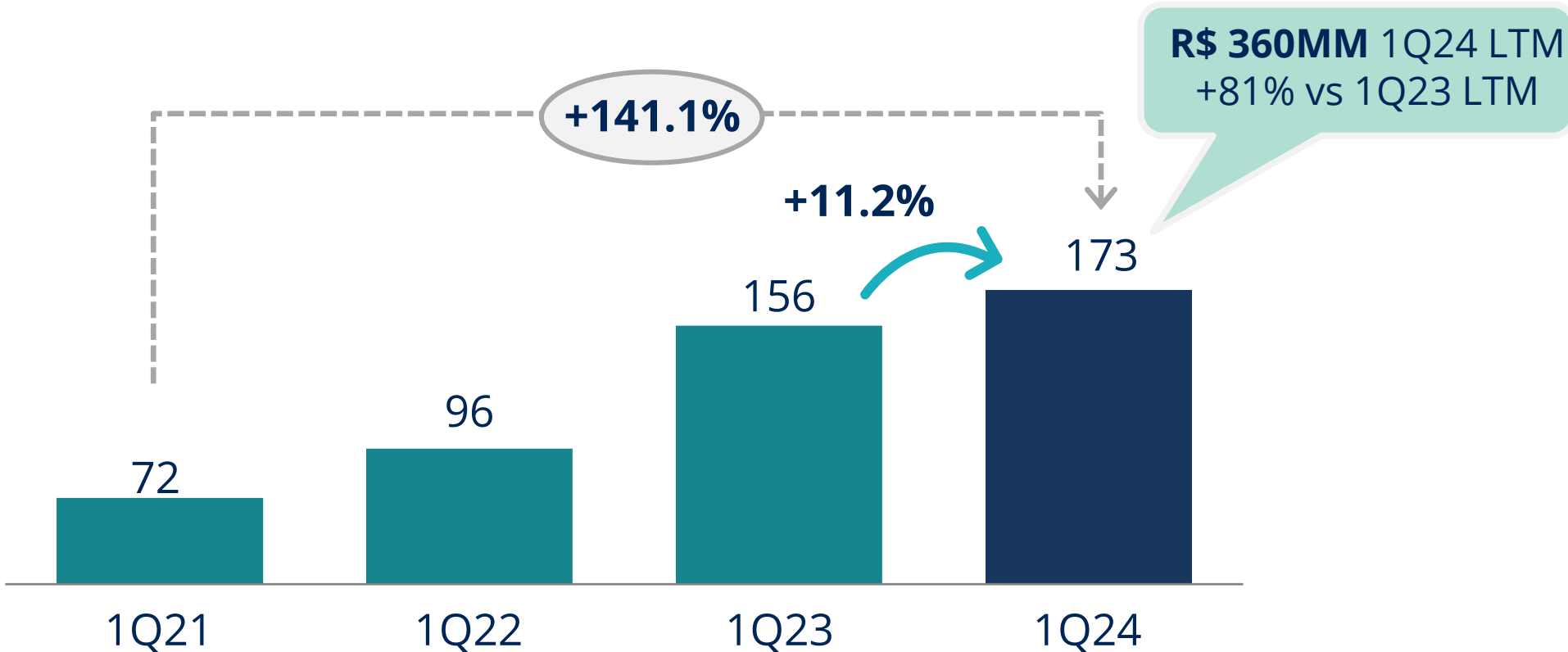
Liability Management



Reduction in
cost of debt

CDI+1.32%
-0.36 p.p. vs 4Q23

Adjusted Net Income (R\$ million)



Premium

- +18% vs 1Q23**
Total student base
- +9% vs 1Q23**
AT Upperclassmen
IBMEC
- +6% vs 1Q23**
AT Upperclassmen
Medicine
- +15% vs 1Q23**
EBITDA

Digital

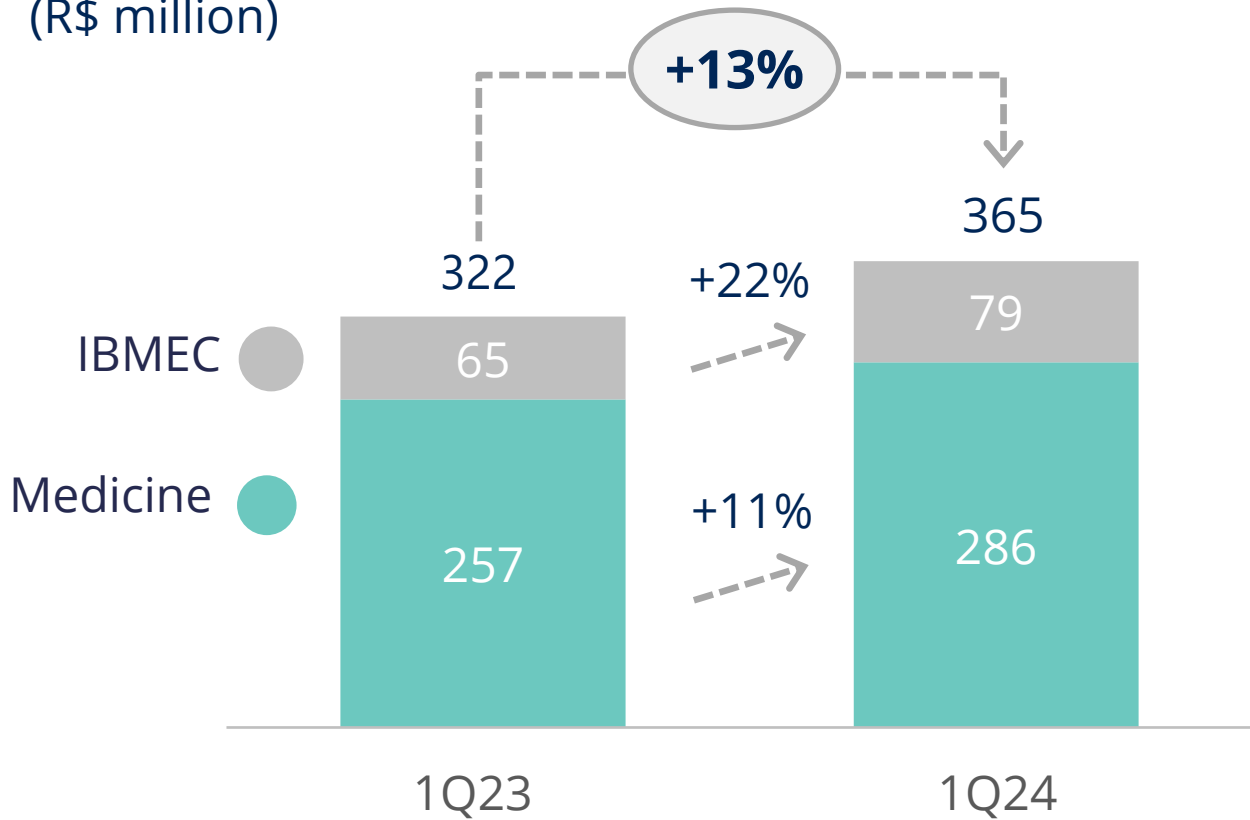
- 186k** digital intake
Guidance achieved
- +11% vs 1Q23**
Net Revenue
- +5% vs 1Q23**
AT Upperclassmen
Growth for at least 9
quarters in a row

On-campus

- +2 p.p. vs 1Q23**
EBITDA margin
- +20% vs 1Q23**
EBITDA
- +2% vs 1Q23**
Total student base
- +15% vs 1H23**
1H24 Intake
Guidance achieved
- +11% vs 1Q23**
Net Revenue

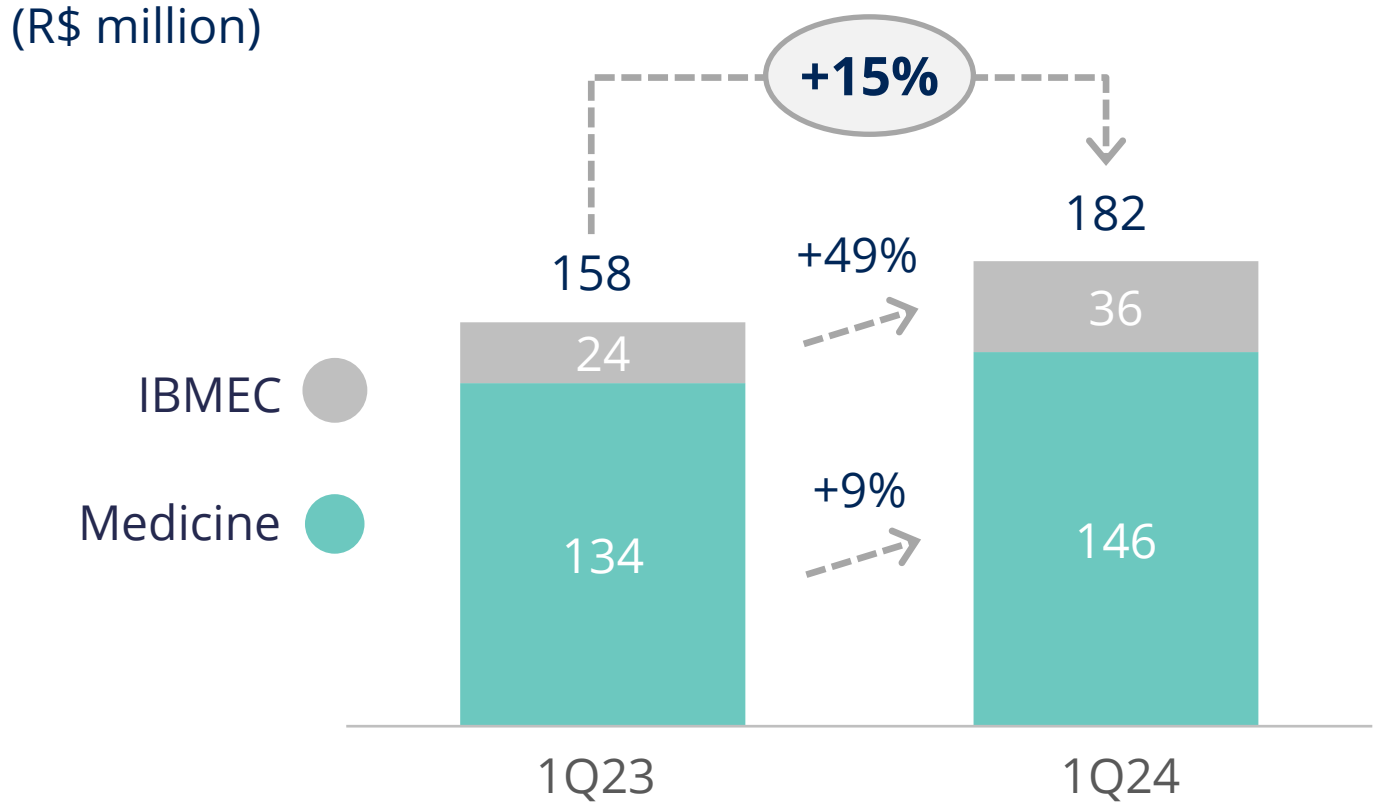
Net Revenue

(R\$ million)

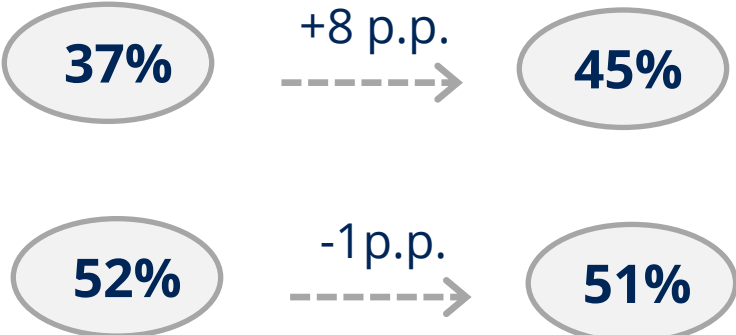


Adjusted EBITDA

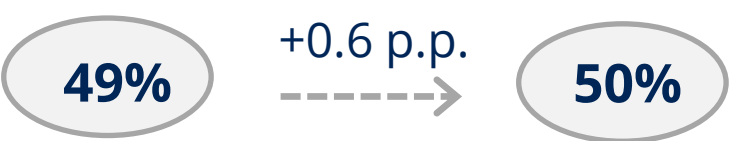
(R\$ million)



Adjusted EBITDA Margin (%)

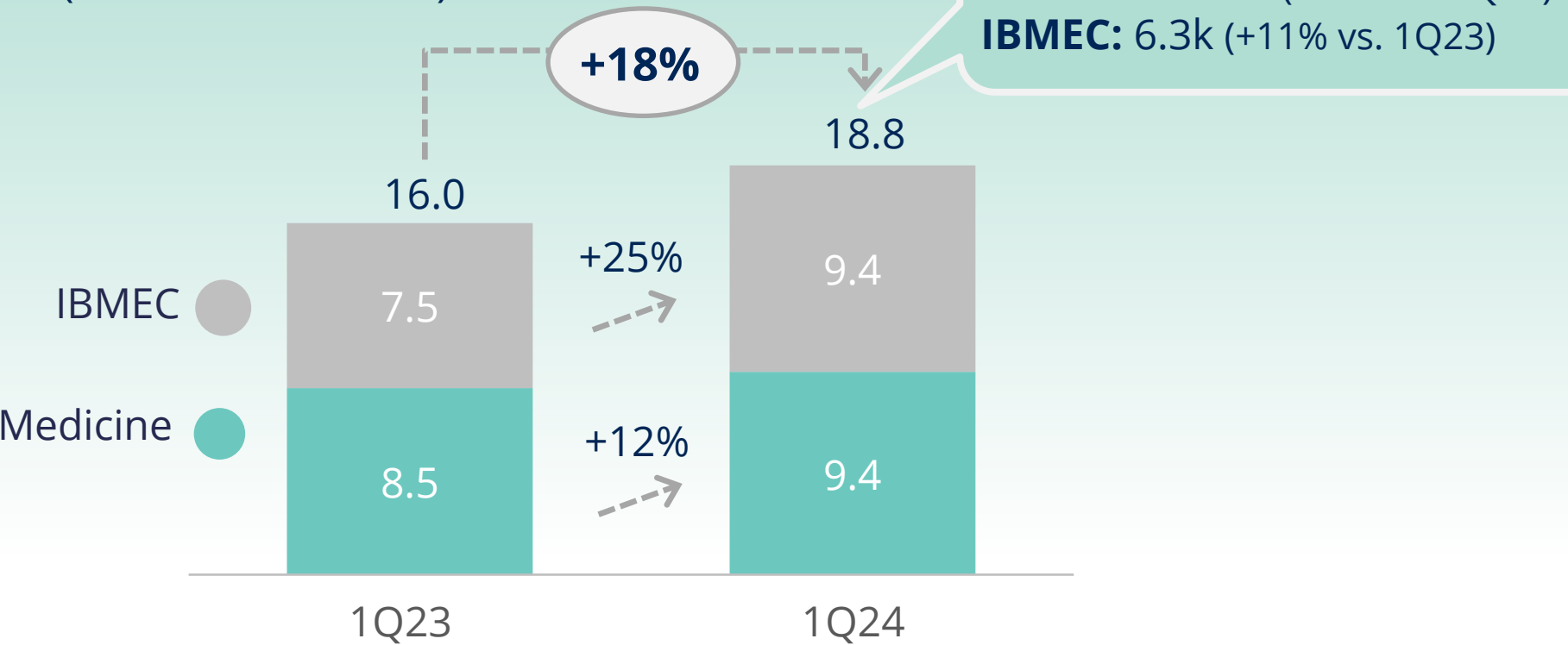


Adjusted EBITDA Margin (%)



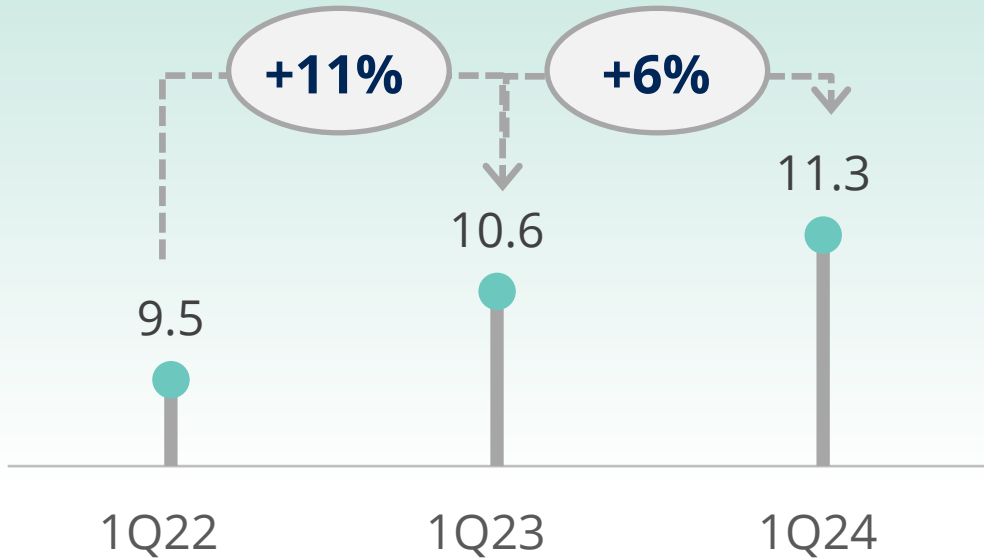
Total student base

(thousand students)



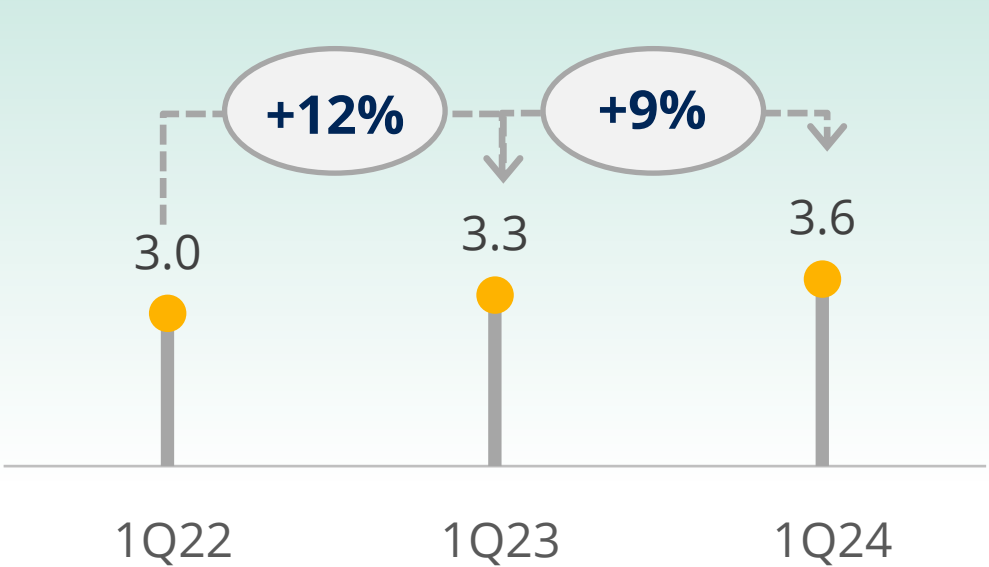
Undergraduate Average Ticket

(R\$ thousand/month; AT of upperclassmen of +1 yr)

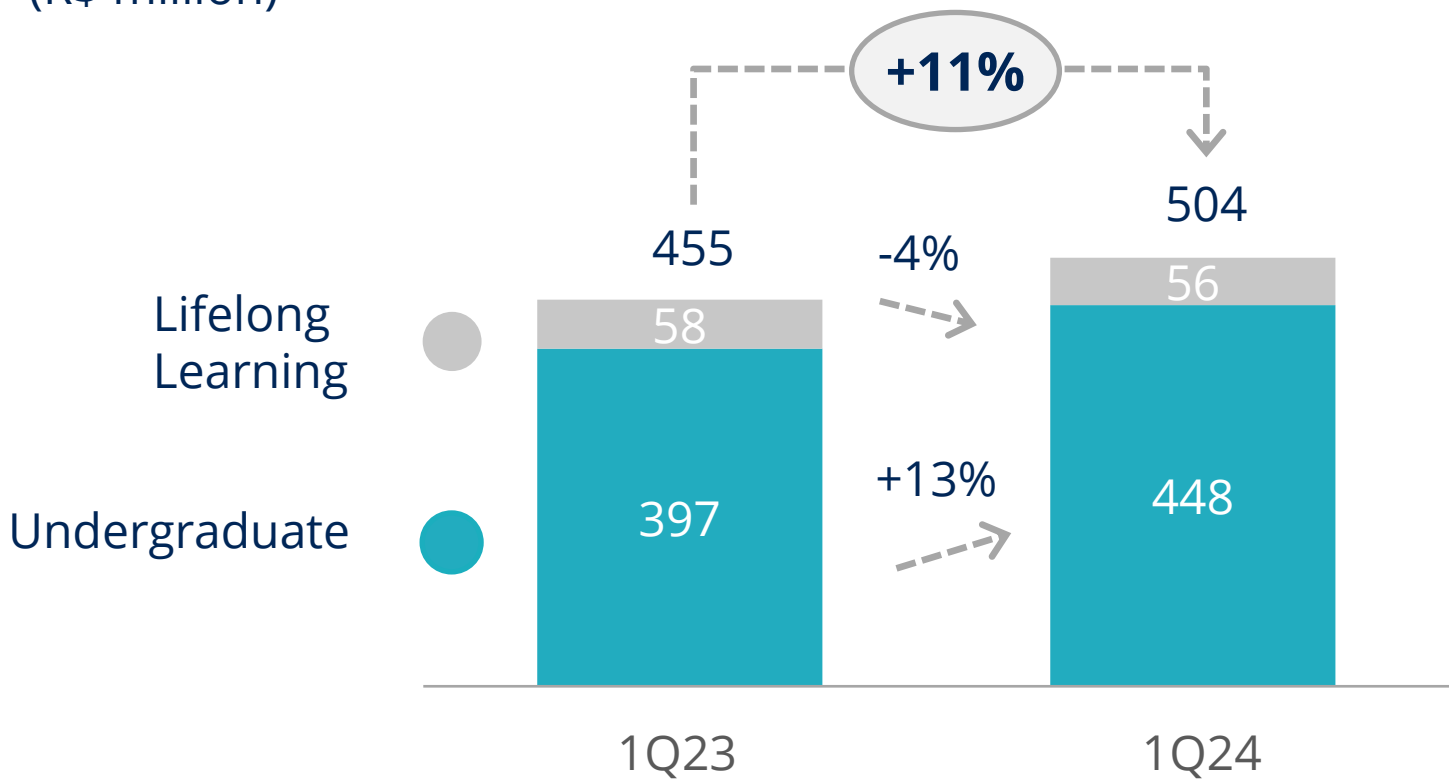


Renewal at 96%

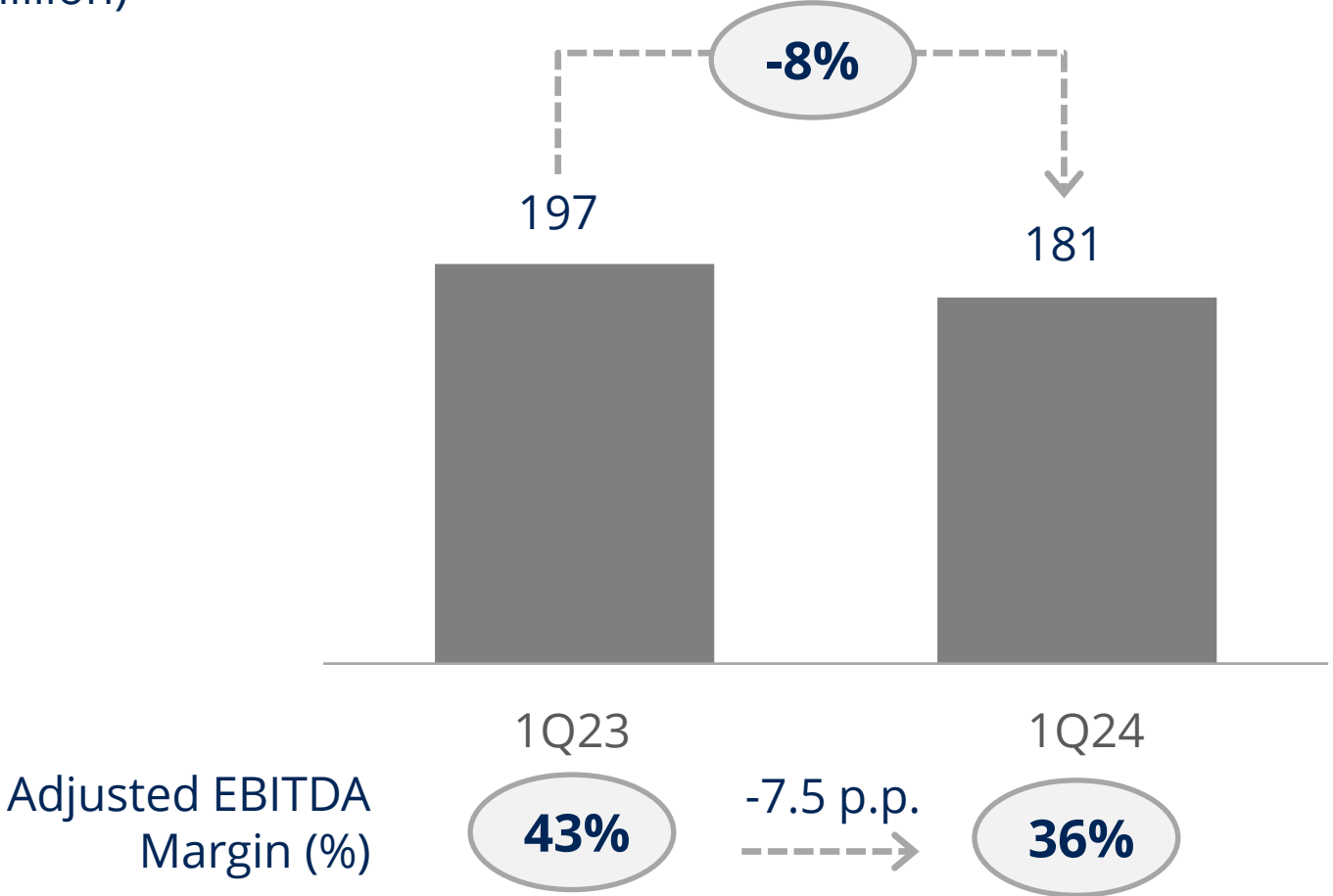
+0.5 p.p. vs 1Q23



Net Revenue (R\$ million)



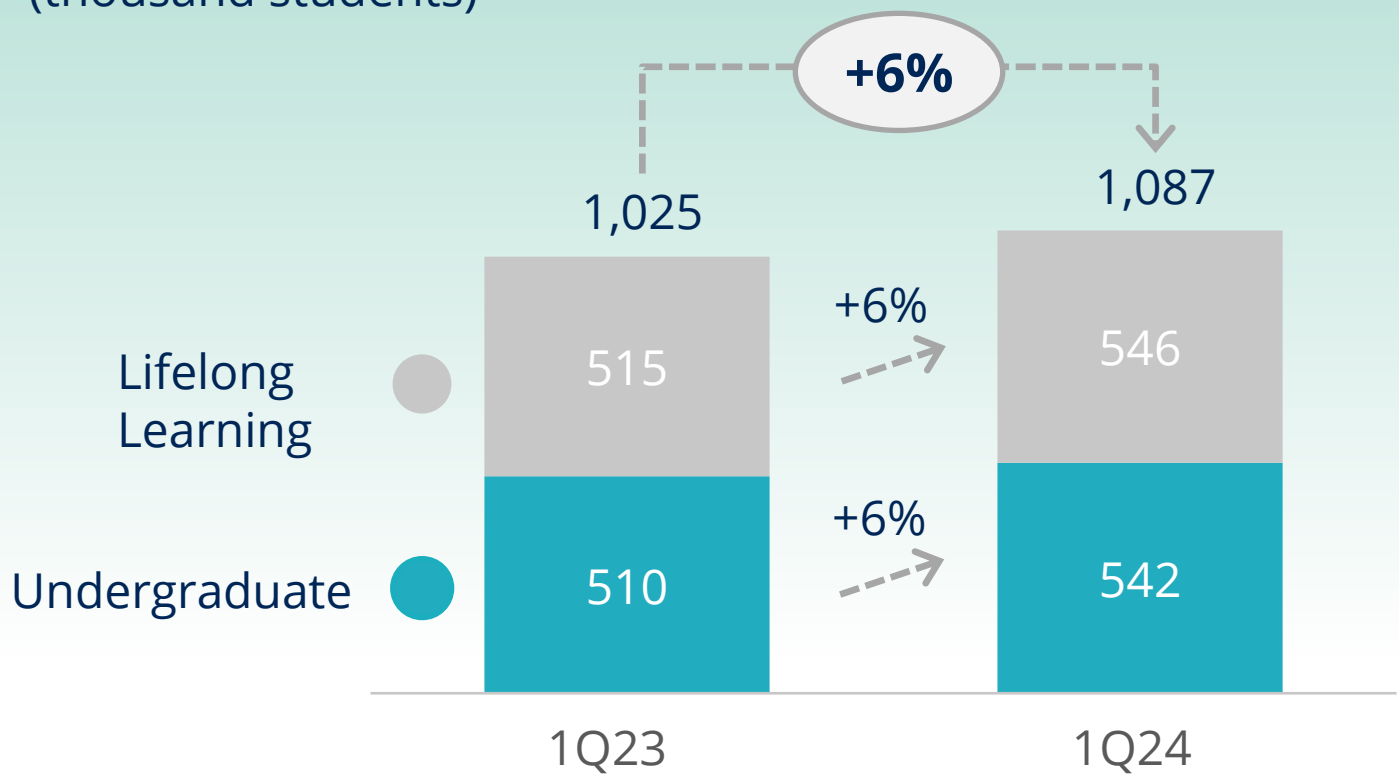
Adjusted EBITDA (R\$ million)



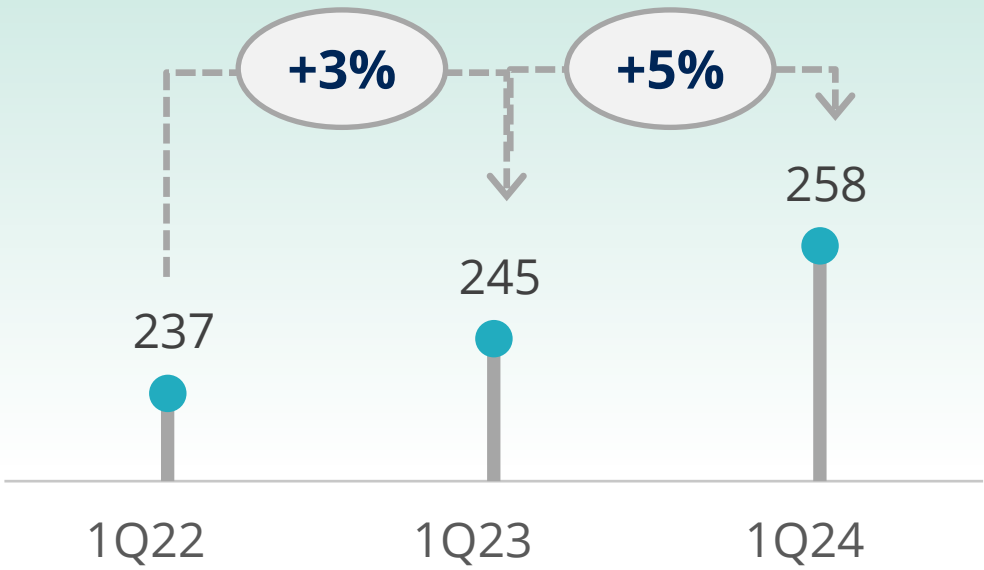
Main impacts on margin

Bad Debt	-5.3 p.p.
Transfers	-1.9 p.p.
M&S	-1.2 p.p.
Others	+0.8 p.p.

Total student base (thousand students)



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



Renewal at 73%
-2.6 p.p. vs 1Q23

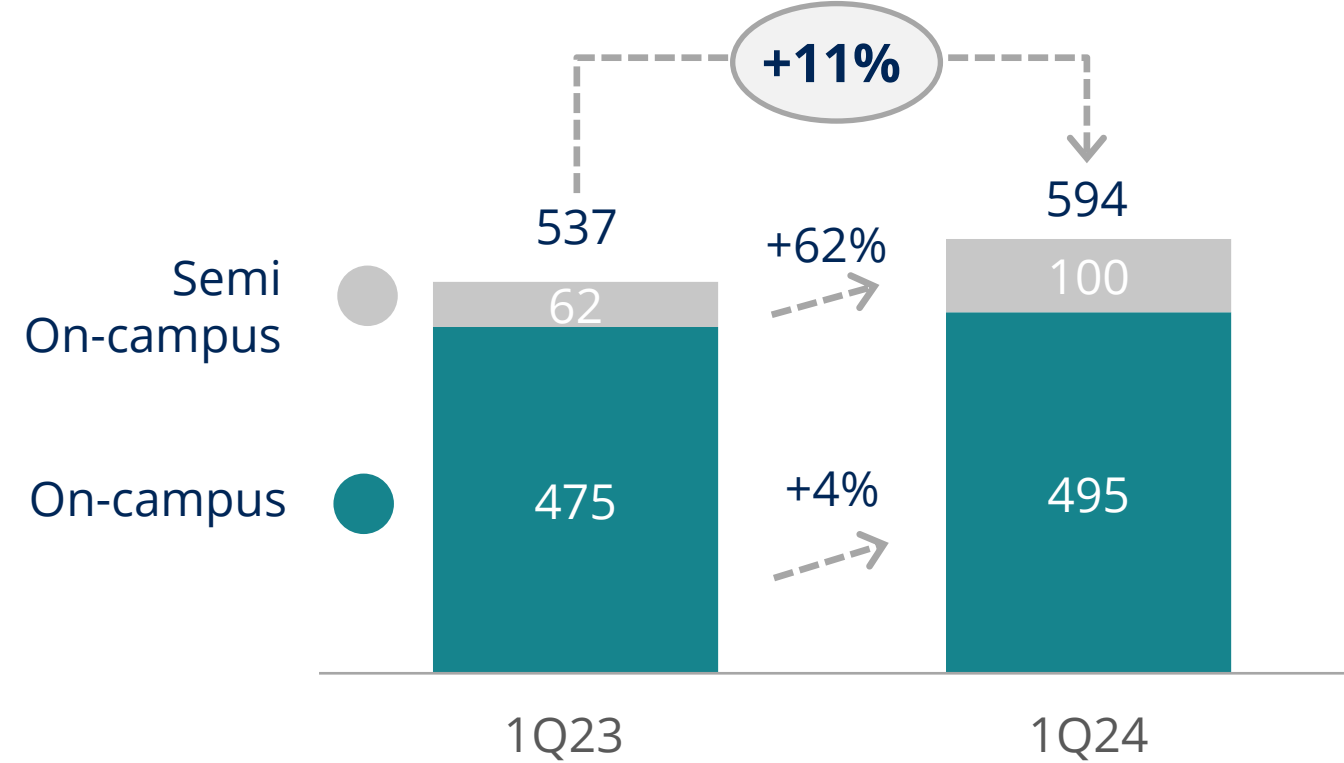
24.1 Intake ⁽¹⁾

186k students
Guidance achieved
(180k to 190k students)

(1) Cycle 24.1 intake, including converted students until the end of the cycle.

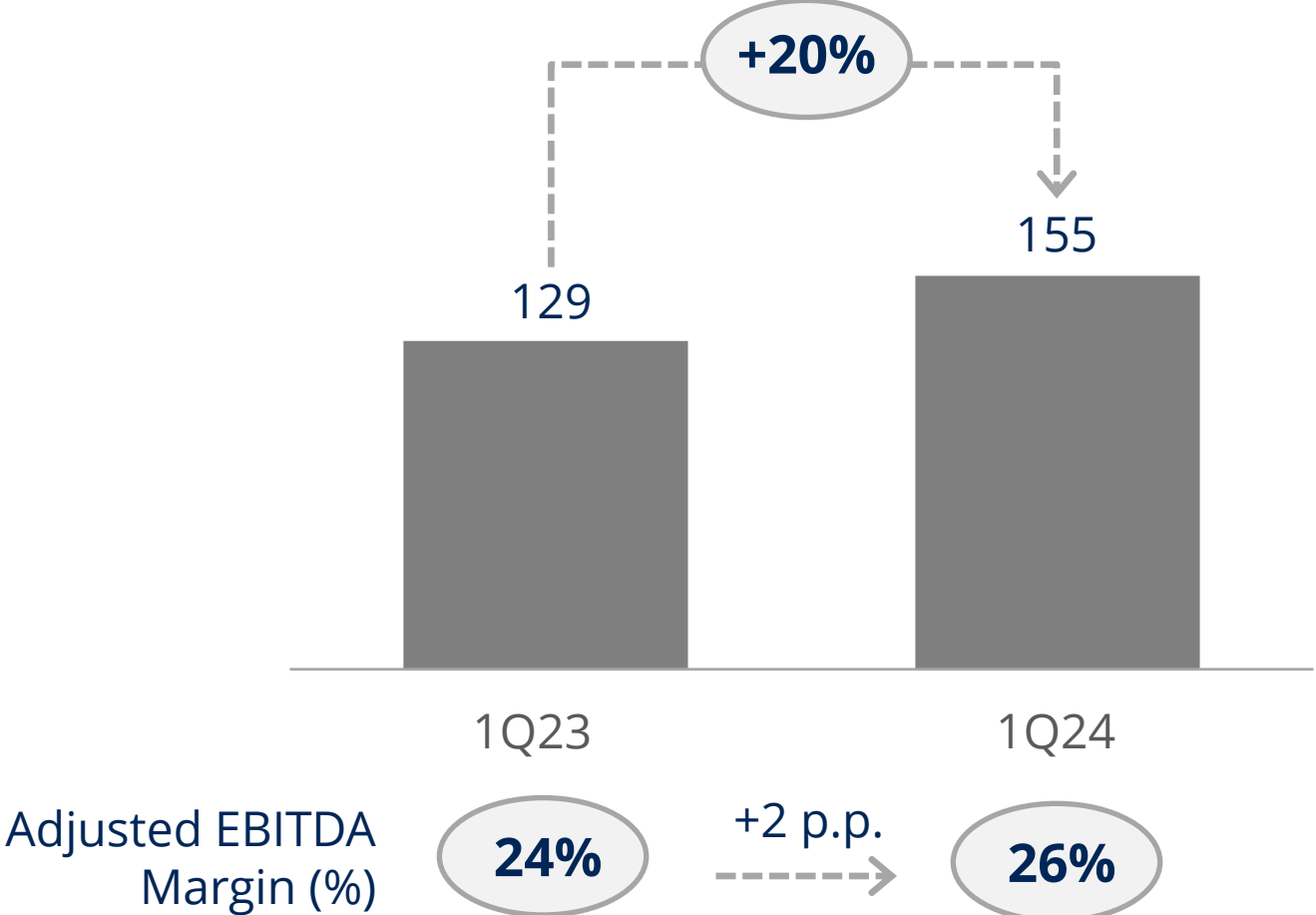
Net Revenue

(R\$ million)



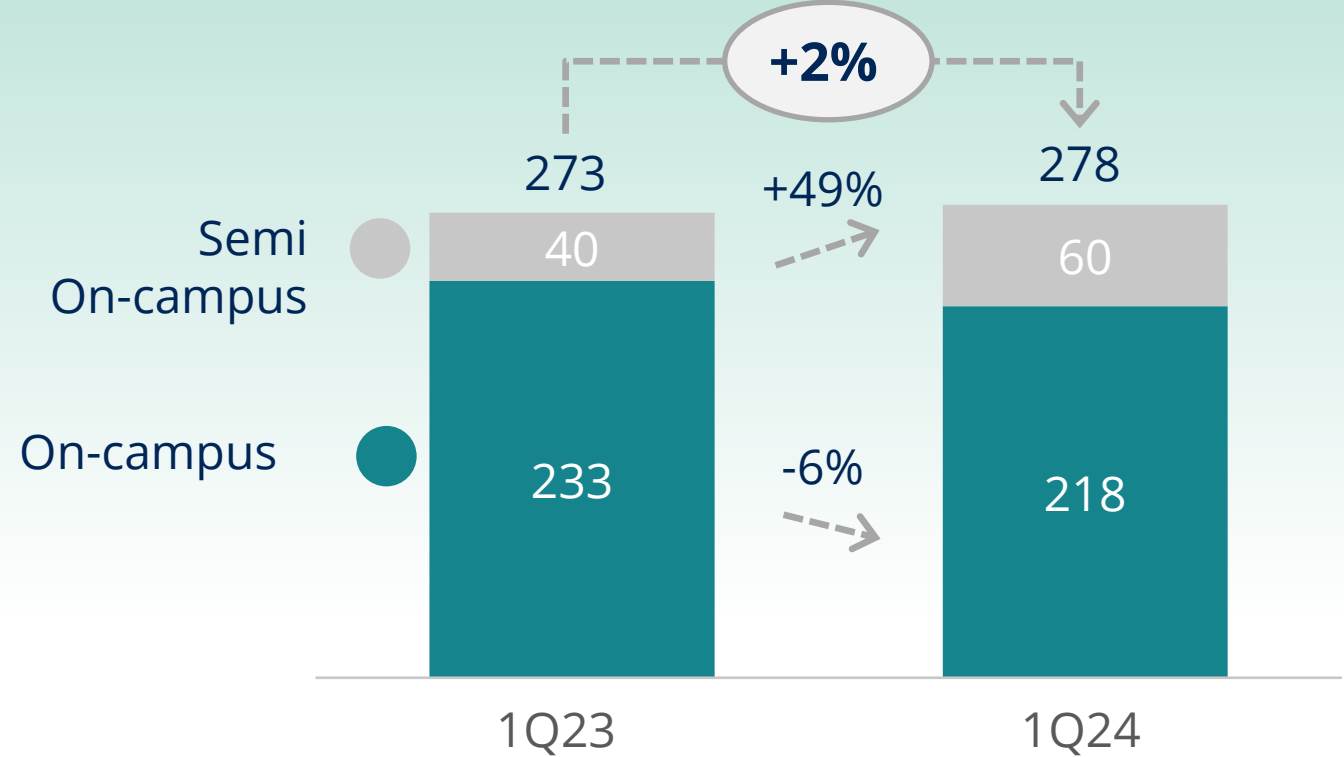
Adjusted EBITDA

(R\$ million)



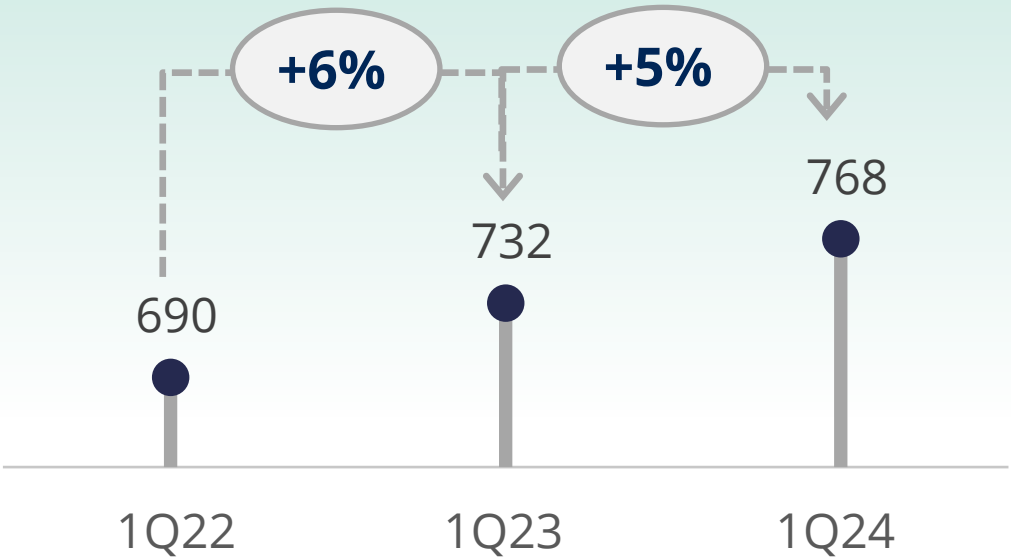
Total student base

(thousand students)



Undergraduate Average Ticket

(R\$/month; AT of upperclassmen of +1 yr; ex-semi on-campus)

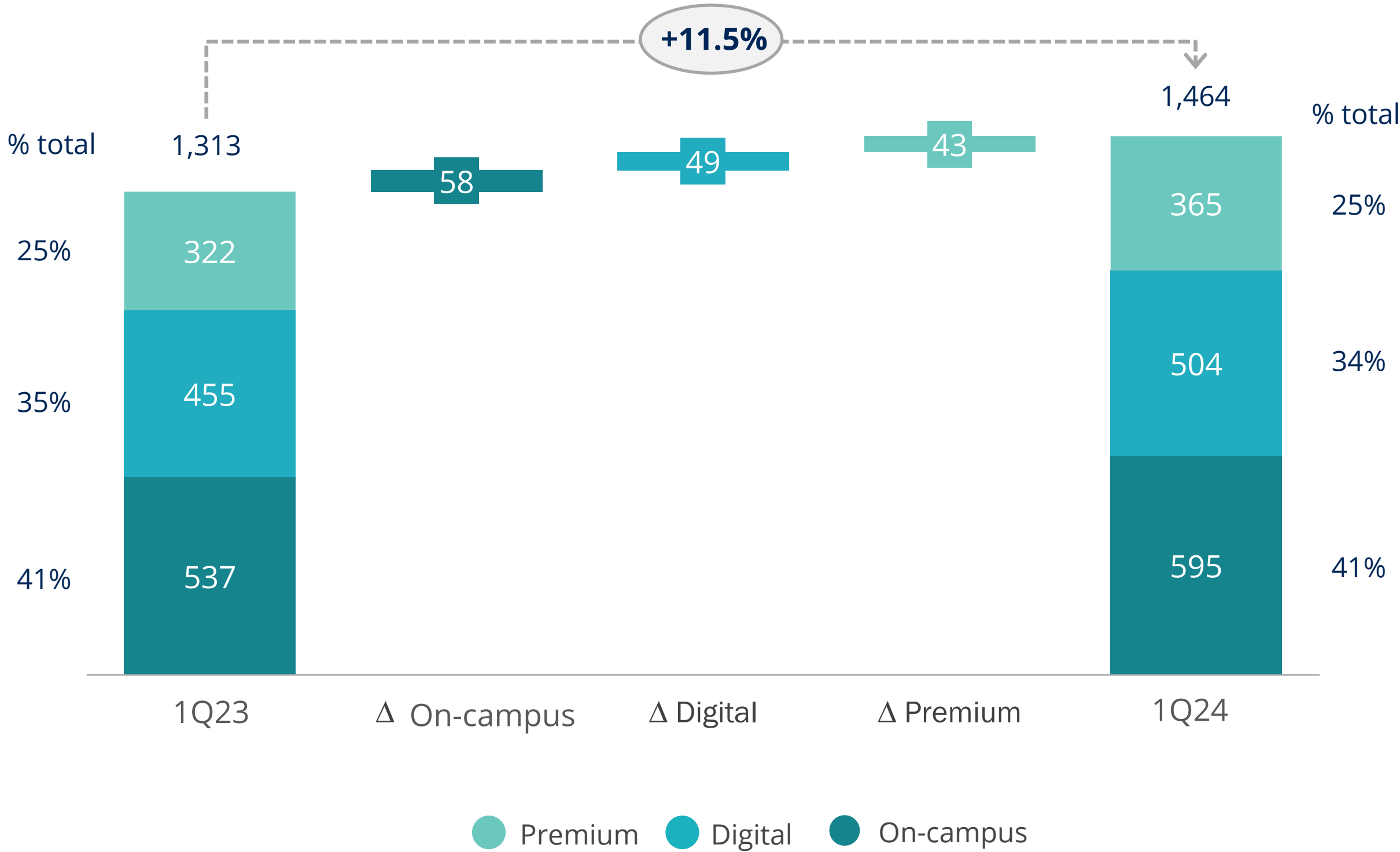


Renewal at 81%
-0.9 p.p. vs 1Q23

1H24 Intake
+15% vs 1H23
Guidance achieved
(15% to 25% vs 1H23)

Net Revenue | Highlighting the strength of a diversified portfolio

Total net revenue per business unit
(R\$ million)



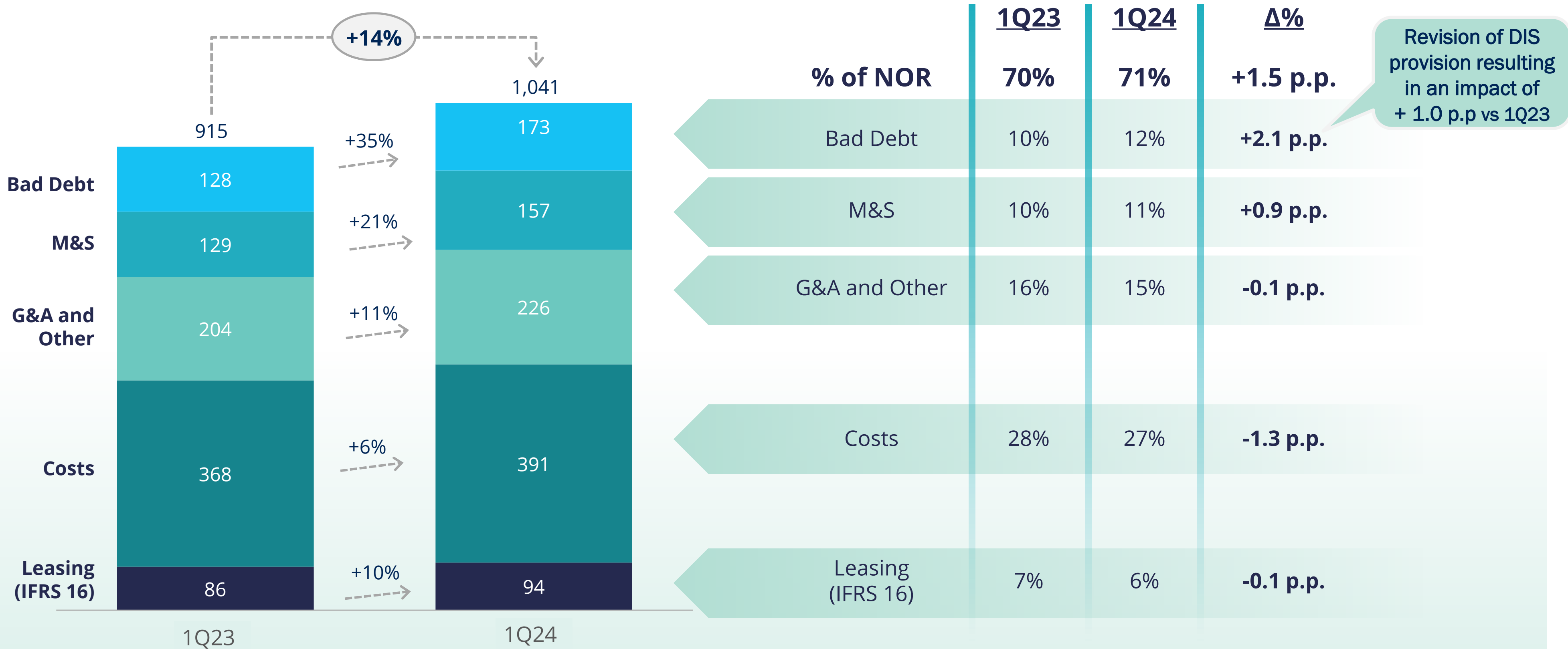
Net Revenue per BU

	1Q23		1Q24
	1,313	+11.5% ----->	1,464
Premium	322	+13.5% ----->	365
Digital	455	+10.8% ----->	504
On-campus	537	+10.9% ----->	595

Premium and Digital share in Net Operating Revenue went from 22% (2018) 58% (1Q24 LTM)

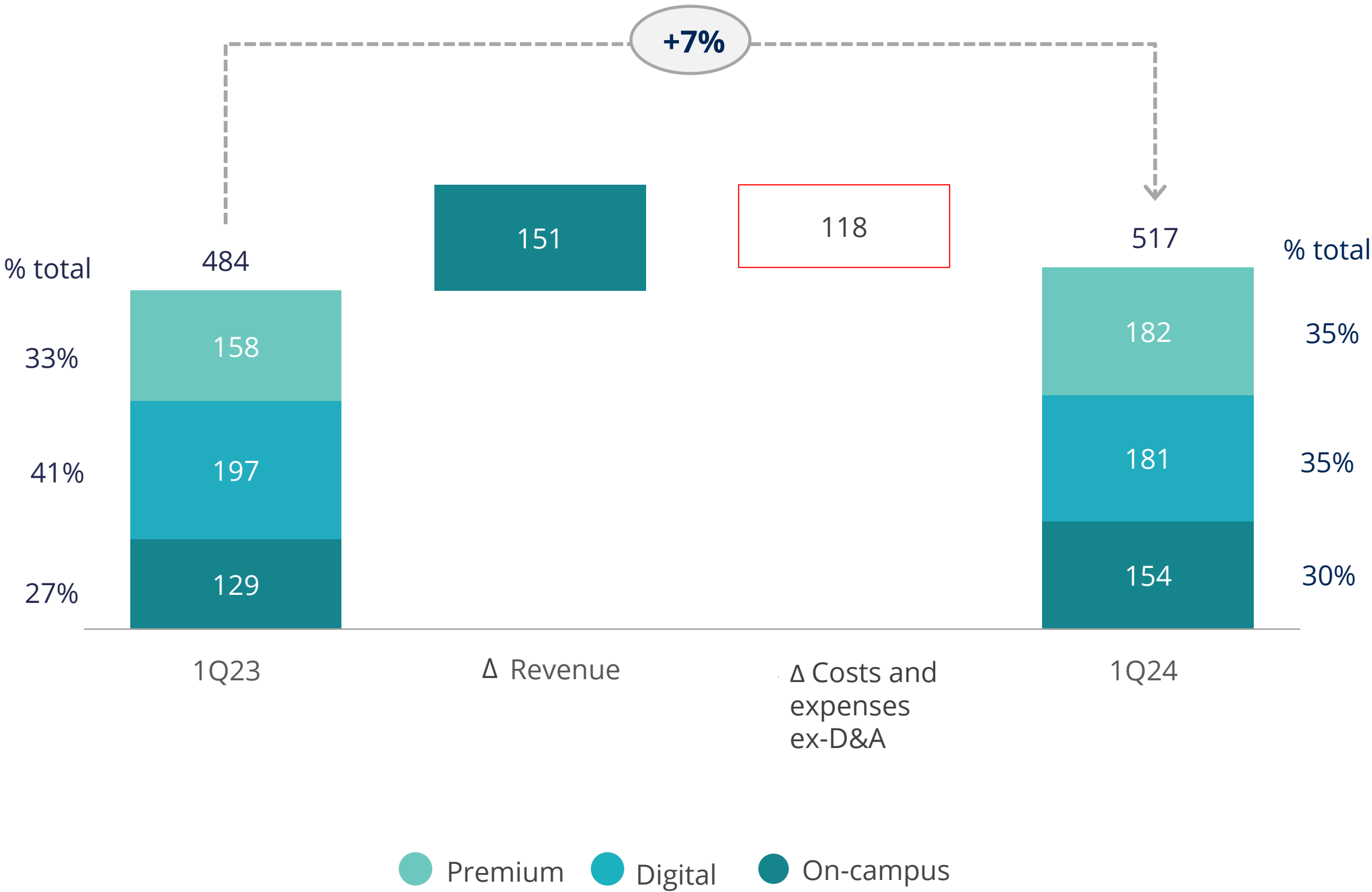
Costs and expenses

Costs and expenses breakdown ⁽¹⁾
(R\$ million)



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

Adjusted EBITDA breakdown
(R\$ million)

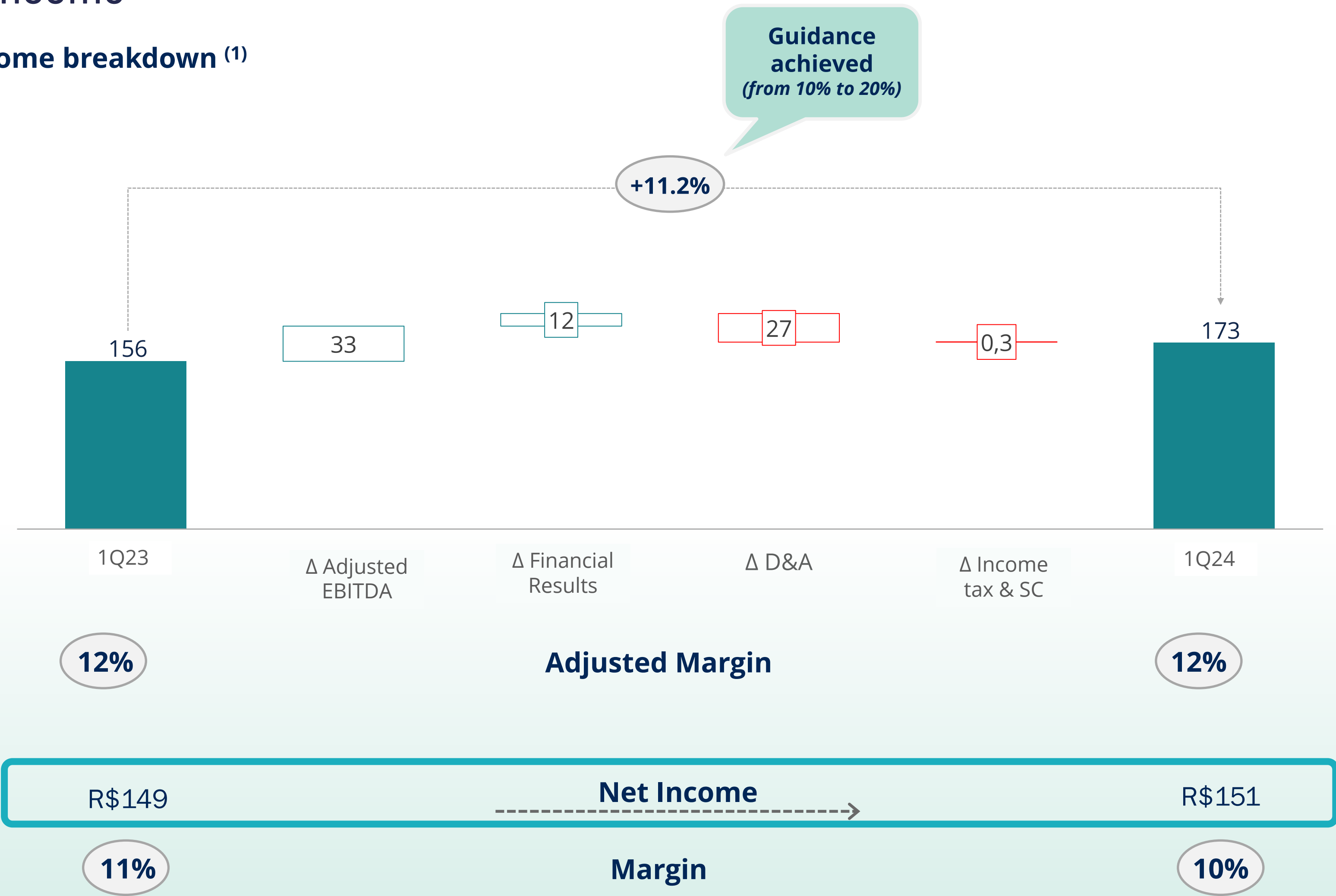


Adjusted EBITDA Margin (%)

	1Q23		1Q24
	37%	-1.6 p.p. ----->	35%
Premium	49%	+0.6 p.p. ----->	50%
Digital	43%	-7.5 p.p. ----->	36%
On-Campus	24%	+2.0 p.p. ----->	26%
Adjusted EBITDA ex-IFRS16	R\$ 423 million (+6% vs. 1Q23)		
Adjusted EBITDA Margin ex-IFRS16	29% (-1 p.p vs. 1Q23)		
EBITDA	R\$ 509 million (+3% vs. 1Q23)		
EBITDA Margin	35% (-3 p.p vs. 1Q23)		

Adjusted net income

Adjusted Net Income breakdown ⁽¹⁾
(R\$ million)



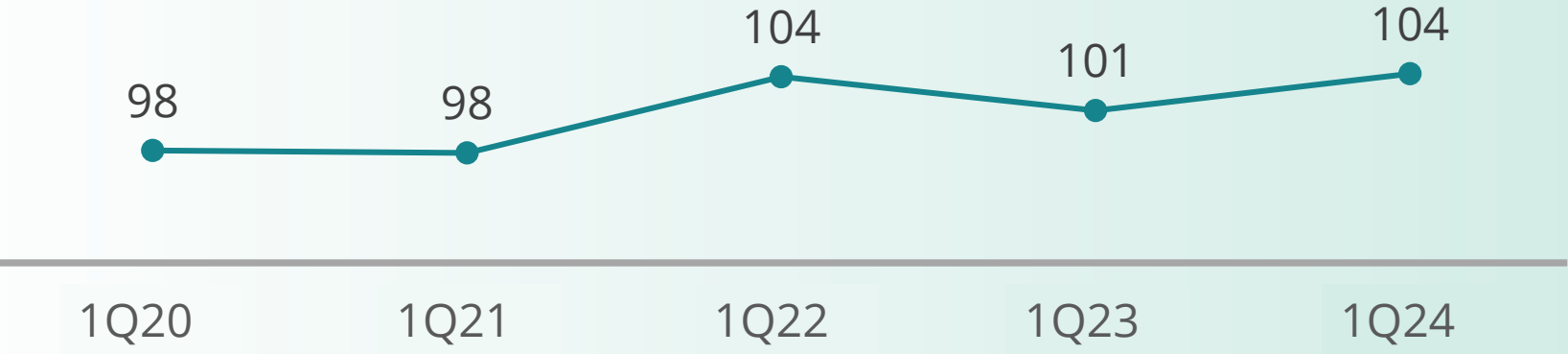
(1) Non-recurring effects that impact Net Income include non-recurring effects that impact EBITDA, amortization of goodwill from acquisitions and adjusted Income Tax and Social Contribution.

Cash generation

in R\$ million	1Q23	1Q24	Δ%
EBITDA ex IFRS 16	409	415	2%
Working capital variation	(30)	(65)	119%
Receivables	(114)	(108)	-5%
Accounts payable	95	45	-53%
Other	(11)	(2)	-79%
Taxes (IT/SC)	(11)	(12)	9%
Operating cash flow	368	338	-8%
Capex	(105)	(111)	6%
(=) Free cash flow	263	227	-14%
Interest ex-IFRS 16	(154)	(142)	-8%
(=) Free Cash Flow to Equity	109	85	-21%
Operating Cash Conversion ⁽¹⁾	90%	81%	-9 p.p.

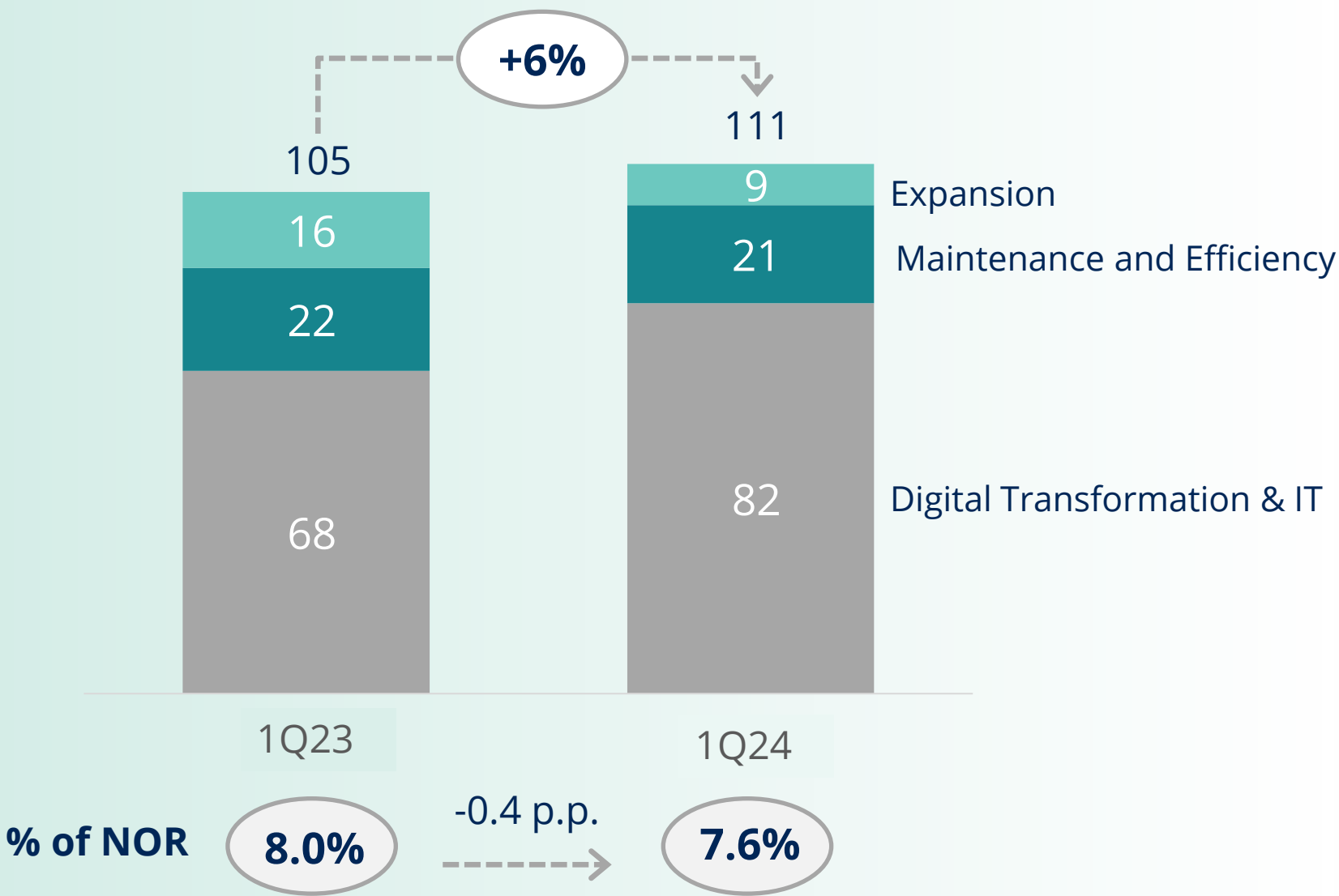
Days Sales Outstanding

(DSO) (# days)



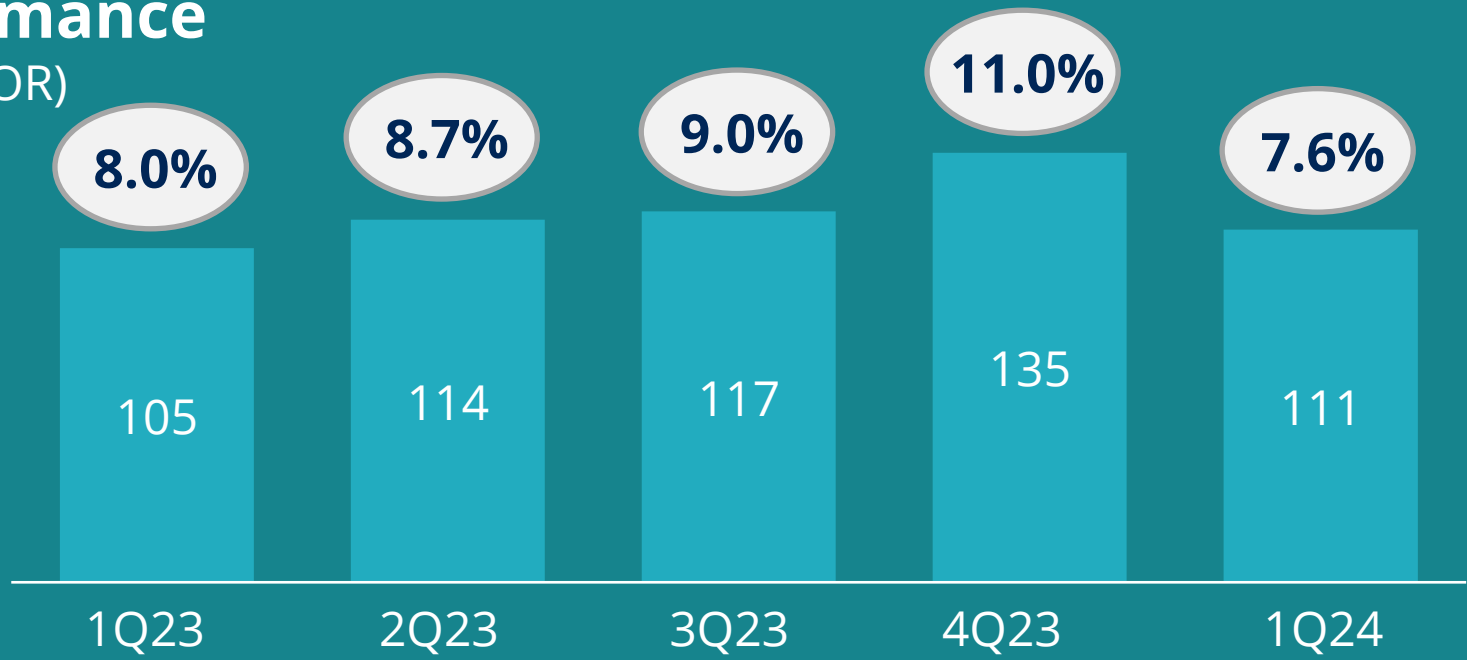
Capex

(R\$ million)



Capex performance

(R\$ million, % of NOR)



(1) Operating Cash Flow/ EBITDA ex-IFRS 16.

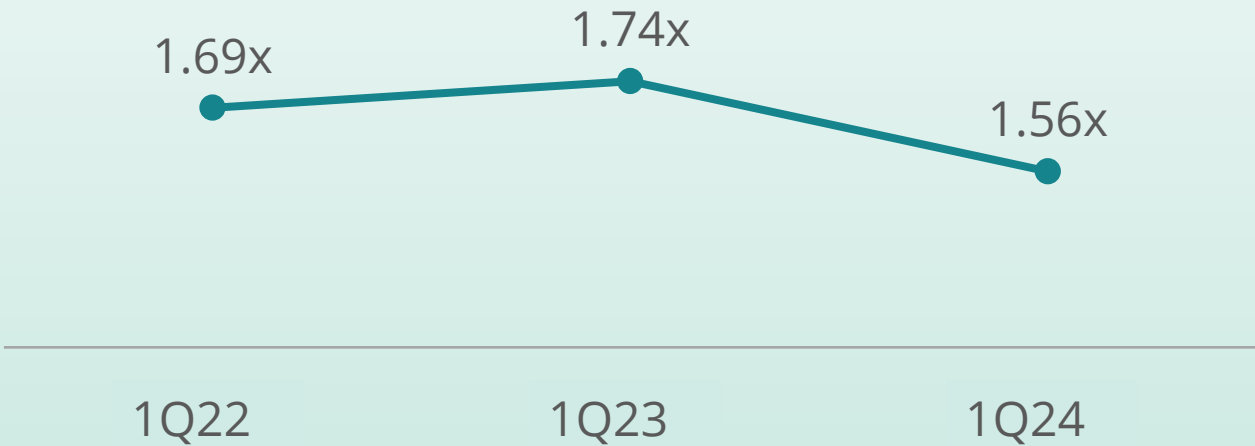
R\$ 824 million

Cash and cash equivalents

R\$ 2.7 billion

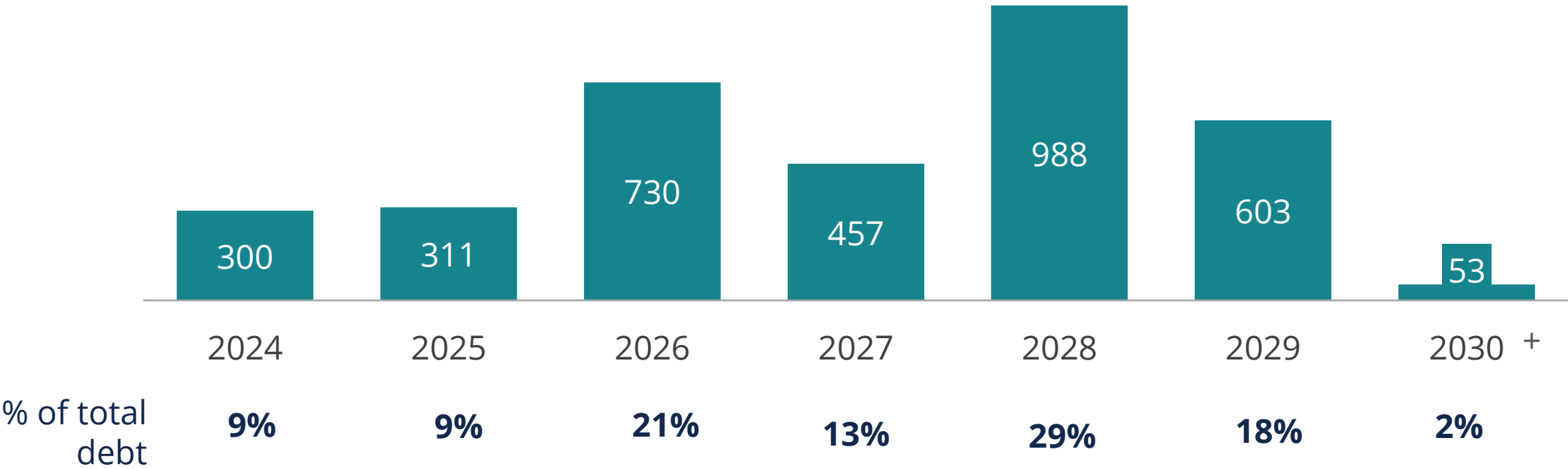
Net Debt ex-IFRS 16

Leverage Ratio ⁽¹⁾ Reduction vs 1Q23



Average cost of debt ⁽²⁾
CDI + 1.32%
Reduction of 0.36 p.p. vs 4Q23

Debt amortization schedule ⁽²⁾
(R\$ million; principal amount only)



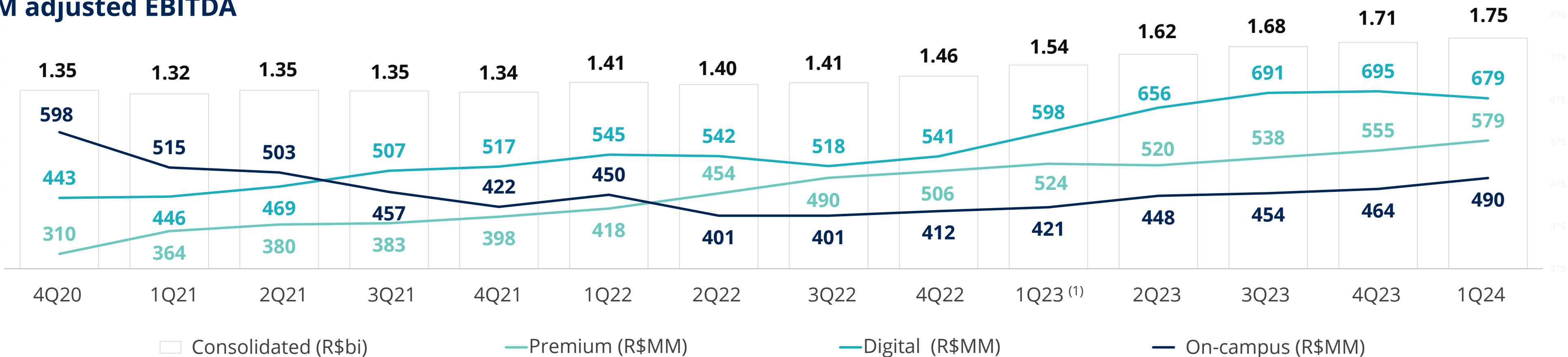
Subsequent facts

[April 2024] Conclusion of the 10^a issue of debenture amounting to R\$1.1 billion, in a single series, with a cost of CDI + 1.25% p.a. and maturity in 5 years. The 10th issue, associated with the early redemption of the 6th issue, allowed the Company to increase its average debt term from 2.4 years to 3.1 years and reduce its average cost of debt to CDI + 1.32%.

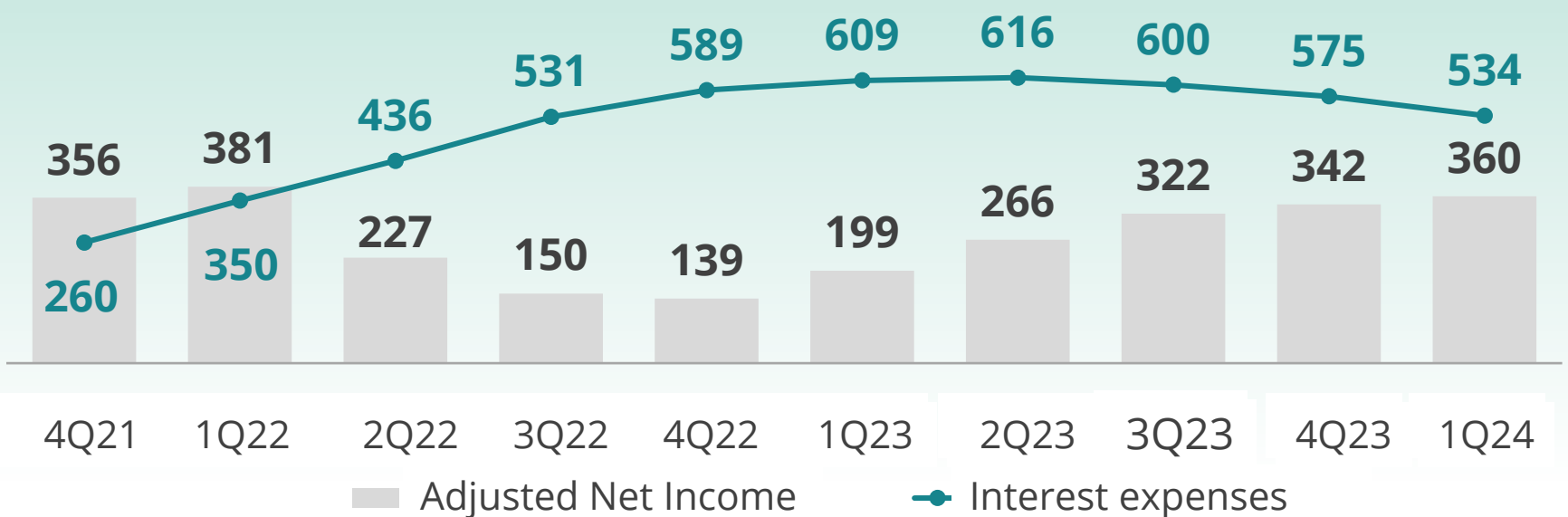
(1) Leverage Ratio = Net Debt ex-IFRS 16/ Adjusted EBITDA (LTM, considering IFRS 16).
(2) Considering the 10th debenture issue and the early redemption of the 6th issue.

All businesses significantly support the recovery in Net Income

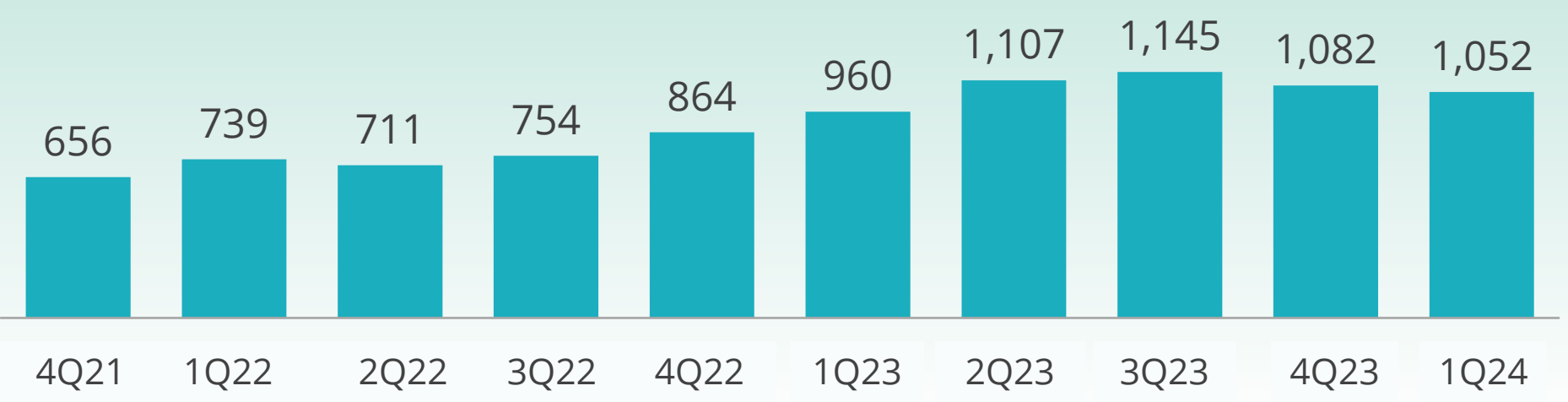
LTM adjusted EBITDA



LTM Adjusted Net Income and Interest expenses ⁽²⁾ (R\$ million)



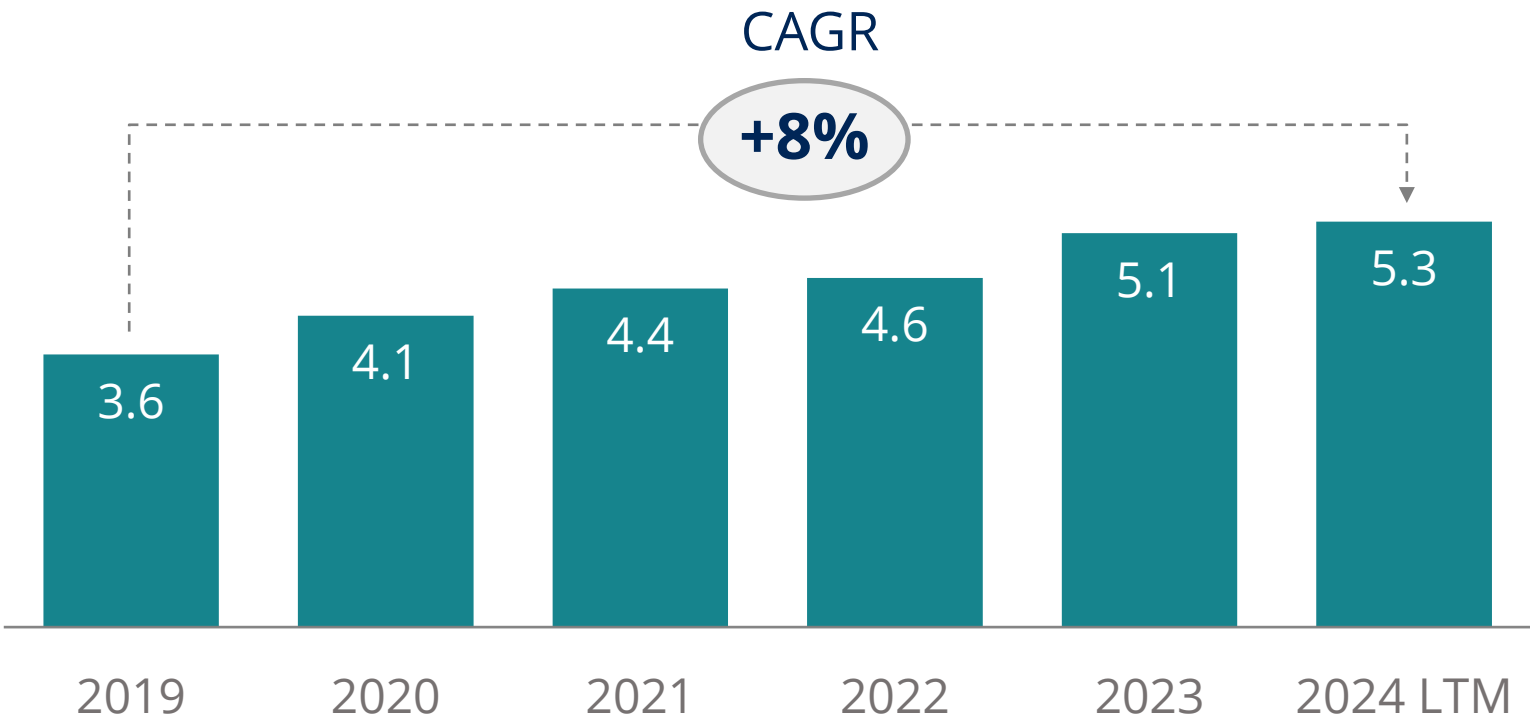
LTM Operating Cash Flow (R\$ million)



(1) Excluding mismatch FG-Fies effect on revenue between Premium and On-campus segments
(2) Interest expenses and charges expenses and interest on swap loans.

We have a history of growth, margin and payment of dividends

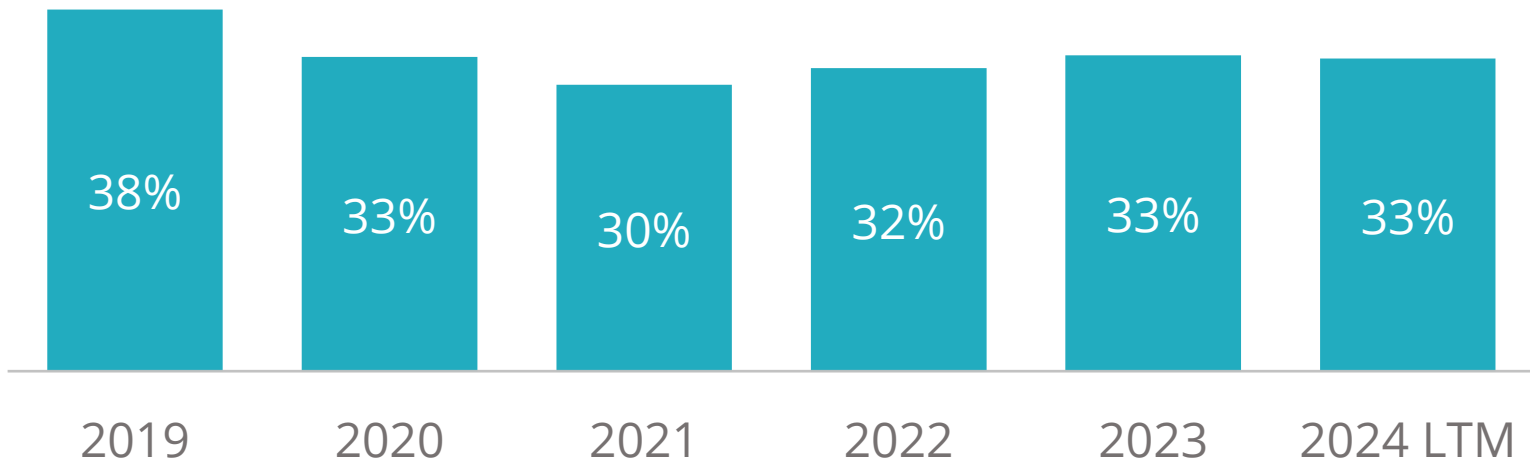
Net Revenue
(R\$ billion)



Dividends and Share Buyback ⁽¹⁾
(R\$ million)



Adjusted EBITDA Margin
(%)



Payment of Dividends
every year
since the IPO in 2007

(1) Dividends and share buyback on a cash view.

ISEB3

For the first time, Yduqs is part of the **country's leading corporate sustainability index portfolio.**

INTEGRATED
REPORTING



STANDARDS



MSCI
ESG RATINGS



*Produced by MSCI ESG
Research as of October, 2023*

The only education company in Latin America classified as an **ESG leader** ⁽¹⁾.

We launched the **2023 Integrated Report**, assured by PwC and **in accordance with the main market standards.**



- ✓ **479 enrolled in the Literacy and Reading Program:**
+ 1,300 students graduated by 2023
- ✓ **Expansion of Rede de Valor to Northeast Brazil:**
161 students supported in 11 of the 17 IDOMED units;
- ✓ **Private Social Investment Fundraising:**




We were recognized at the UN in NY by the "Raça é Prioridade" (Race is a Priority) Movement

- ✓ 50% of black or indigenous people in a leadership position
- ✓ Promotion of education, qualification and development of black and indigenous people within the organization

(1) In 2023, Yduqs was recognized by MSCI as a global leader in ESG, raising its rating from "A" to "AA".

Winning portfolio strategy and strong operating leverage leading to
another quarter of expansion in Net Income, with guidance achievement

 **Average ticket of upperclassmen of +1 yr up vs 1Q23**
Medicine: +6% | Ibmec: +9% | Digital: +5% | On-campus: +5%

 **Intake: achievement of guidance**
Digital ⁽¹⁾: 186k students in 24.1 cycle | On-campus ⁽²⁾: +15% vs 1H23


 **Net Revenue +11.5% vs 1Q23**
Premium: +13% | Digital: +11% | On-campus: +11%

 **EBITDA +7% vs 1Q23**
Premium: +15% | Digital: -8% | On-campus: +20%

 **Achievement of Adjusted Net Income guidance:**
+11% vs 1Q23 (guidance from 10% to 20% vs 1Q23)

 **1Q24 LTM Adjusted Net Income expansion:**
+81% vs 1Q23 LTM

 **Average cost of debt of CDI + 1.32%**
with average maturity extended to 3.1 years

 **Leverage Reduction vs 1Q23**
1.56x in 1Q24

(1) Cycle 24.1 intake, including converted students until the end of the cycle.
(2) Comparison between 1H24 and 1H23.



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