

YDUQS

Results Presentation

3Q24 & 9M24

November 7th, 2024

YDUQ
B3 LISTED NM
IBRX100 B3

ITAG B3

IGC B3

ICO2 B3

IDIVERSA B3



ISEB3

Disclaimer

Rio de Janeiro, November 7th, 2024 - YDUQS Participações S.A., one of the largest private organizations in the higher education sector in Brazil, presents its results for 3Q24 and 9M24.

The Company's financial information is presented based on consolidated figures, in Brazilian reais, in accordance with Brazilian Corporate Law and the accounting practices adopted in Brazil (BRGAAP), while also aligning with international accounting standards (IFRS), including the provisions of IFRS 16.

This document may contain forecasts about future events, which are subject to risks and uncertainties that may cause such expectations not to materialize or to be substantially different from what was expected. These forecasts express opinions only as of the date they were issued, and the Company is not obligated to update them in light of new information.

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Highlights | 3Q24 achieving strong projected growth in Net Income and Cash

9M24
vs.
9M23

NOR +5%
Adjusted EBITDA +4%
Adjusted Net Income +26%

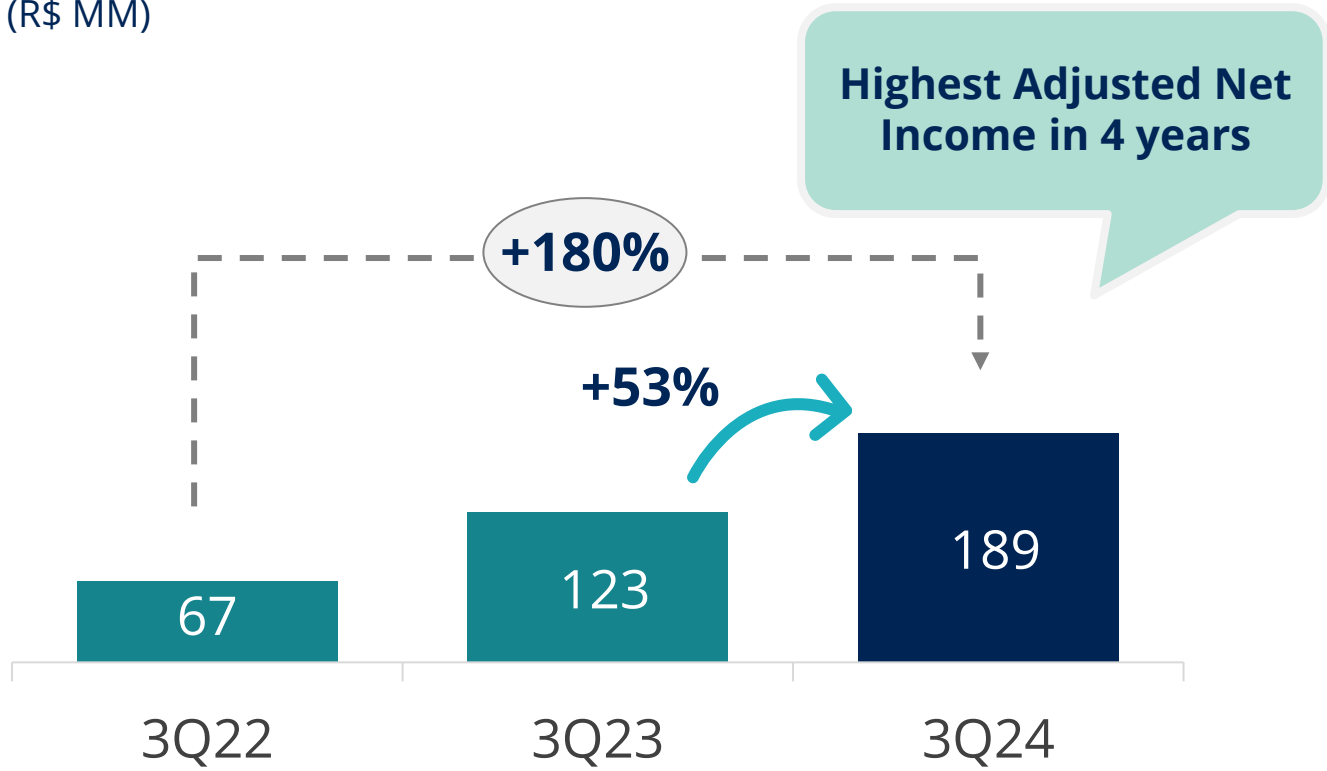
Premium
the operational
highlight of
3Q24

+22% vs. 3Q23
Student base
AT upperclassmen vs. 3Q23
IBMEC +10%
Medicine +6%
50.2% EBITDA Margin
+2.5 p.p. vs. 3Q23

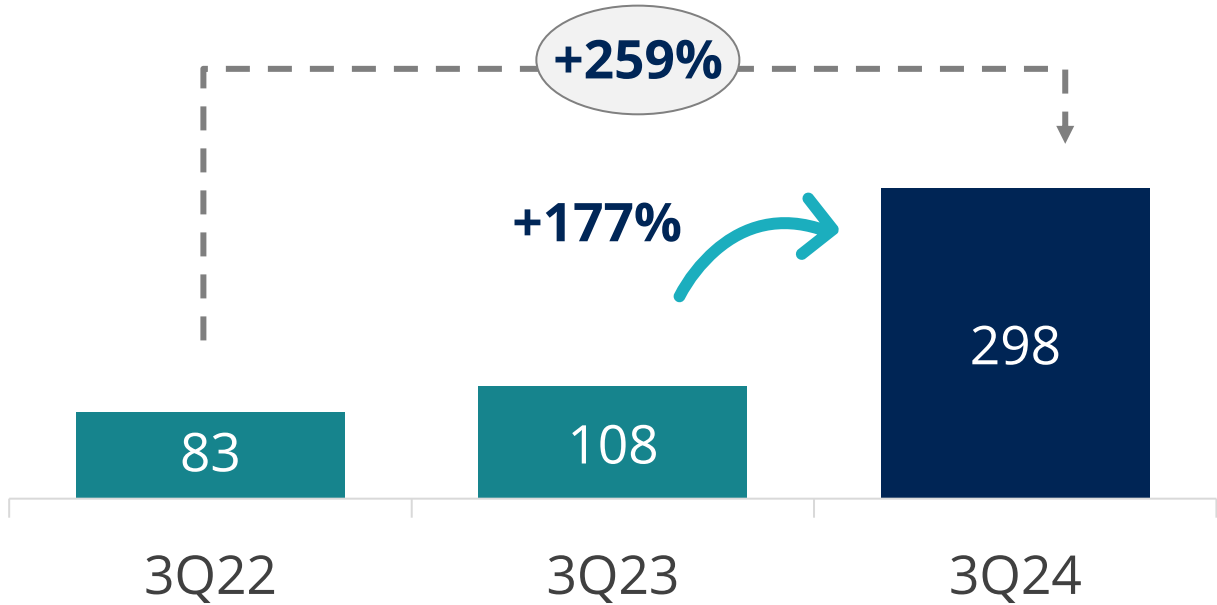
Buyback
Program
(beginning on 09/03/24)

13 million
shares repurchased so far
20 million
shares cancelled in November
279 million
shares outstanding

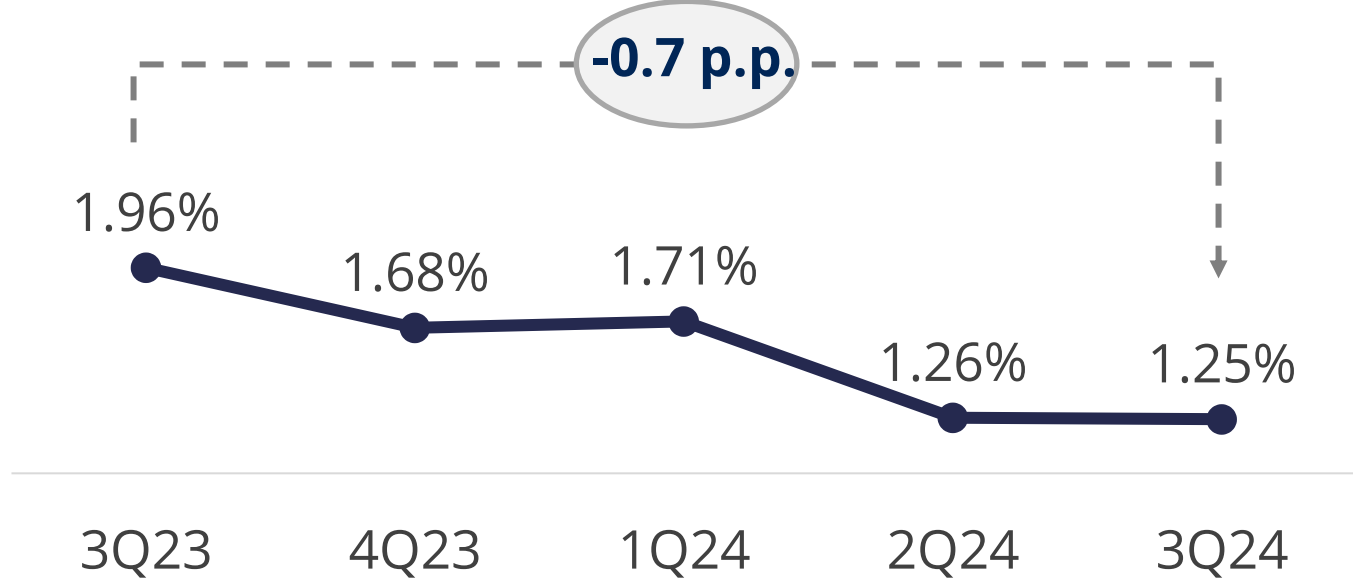
Adjusted Net Income
(R\$ MM)



Free Cash Flow to Equity
(R\$ MM)



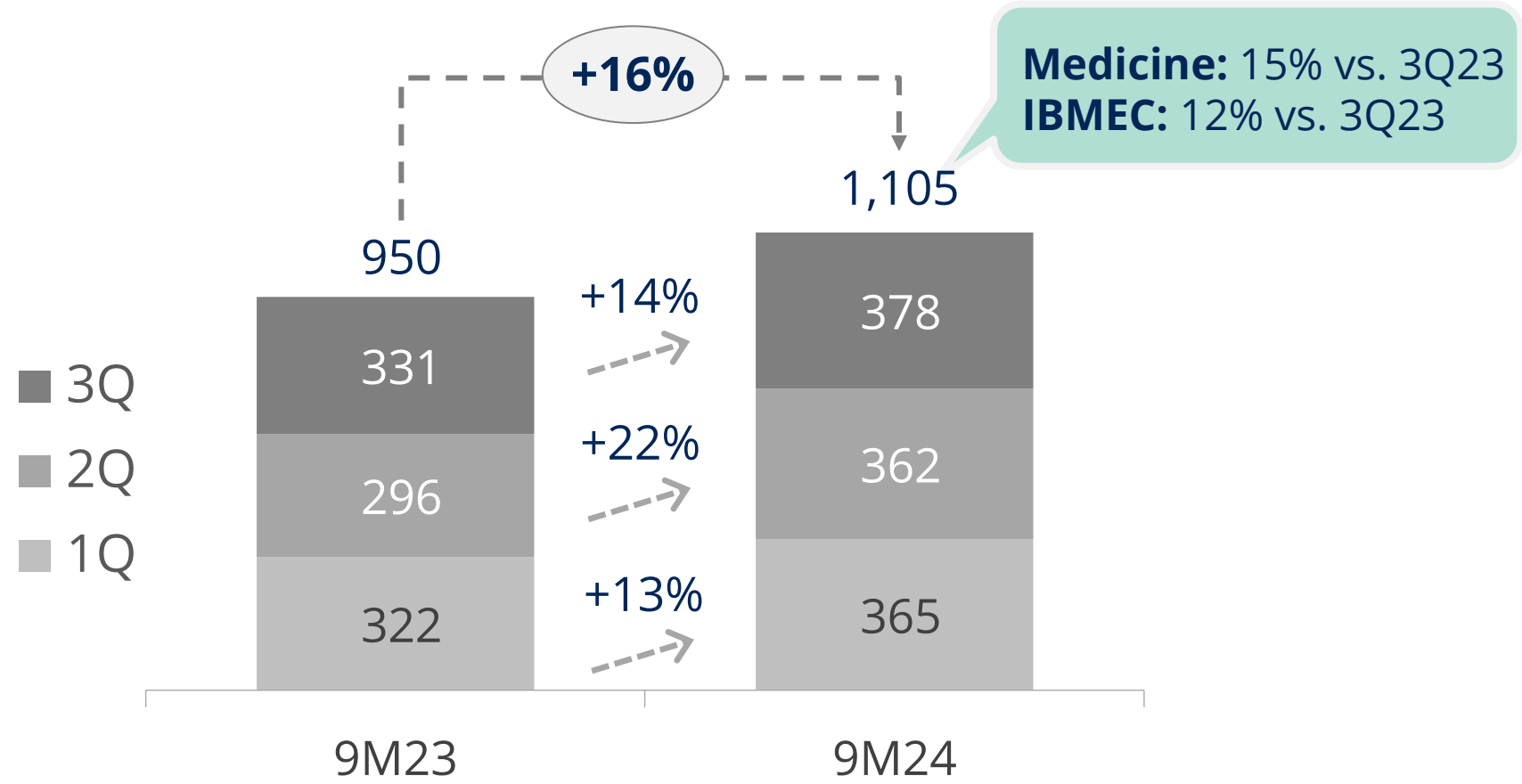
Average cost of debt
(CDI +)



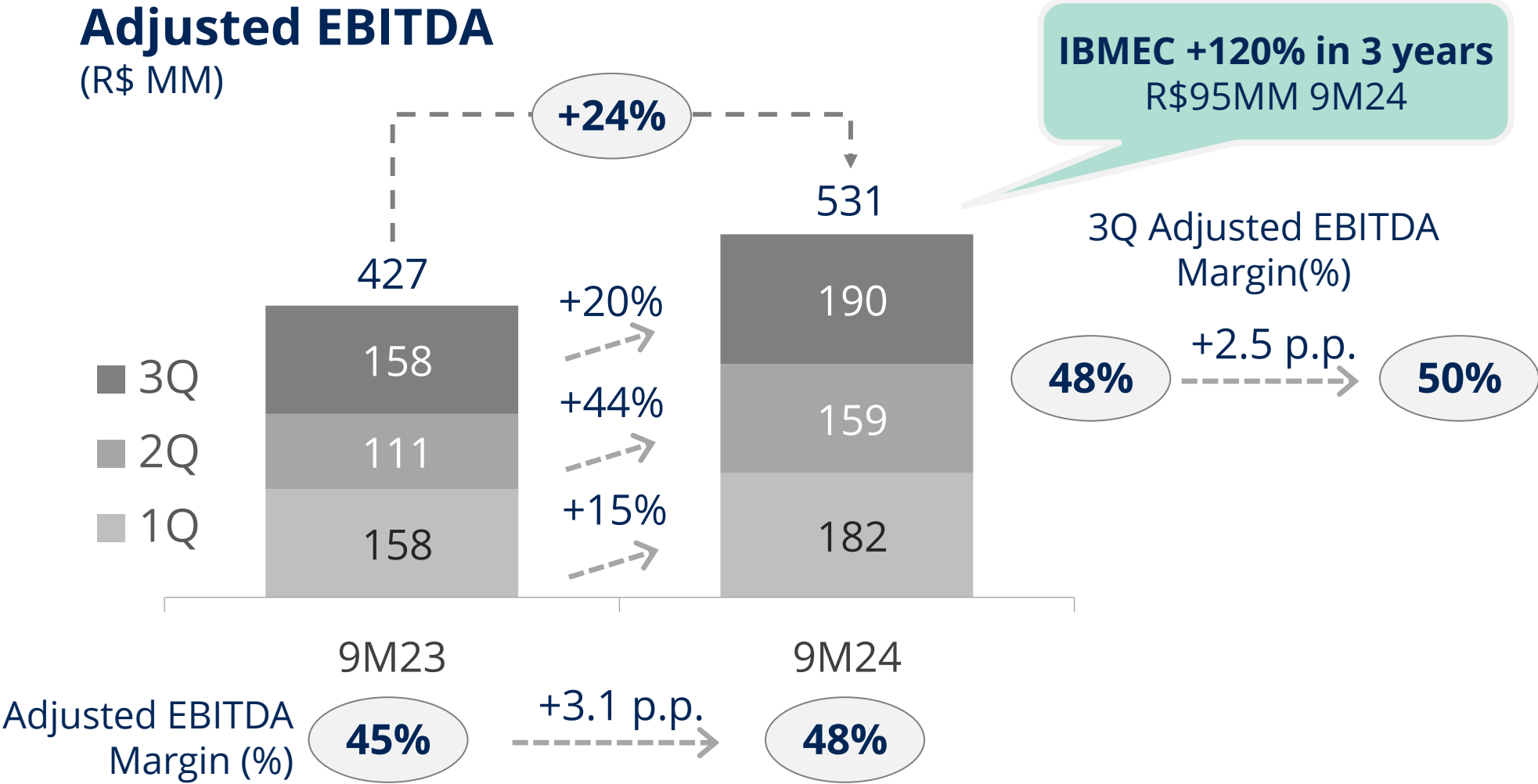
Guidance 2024

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

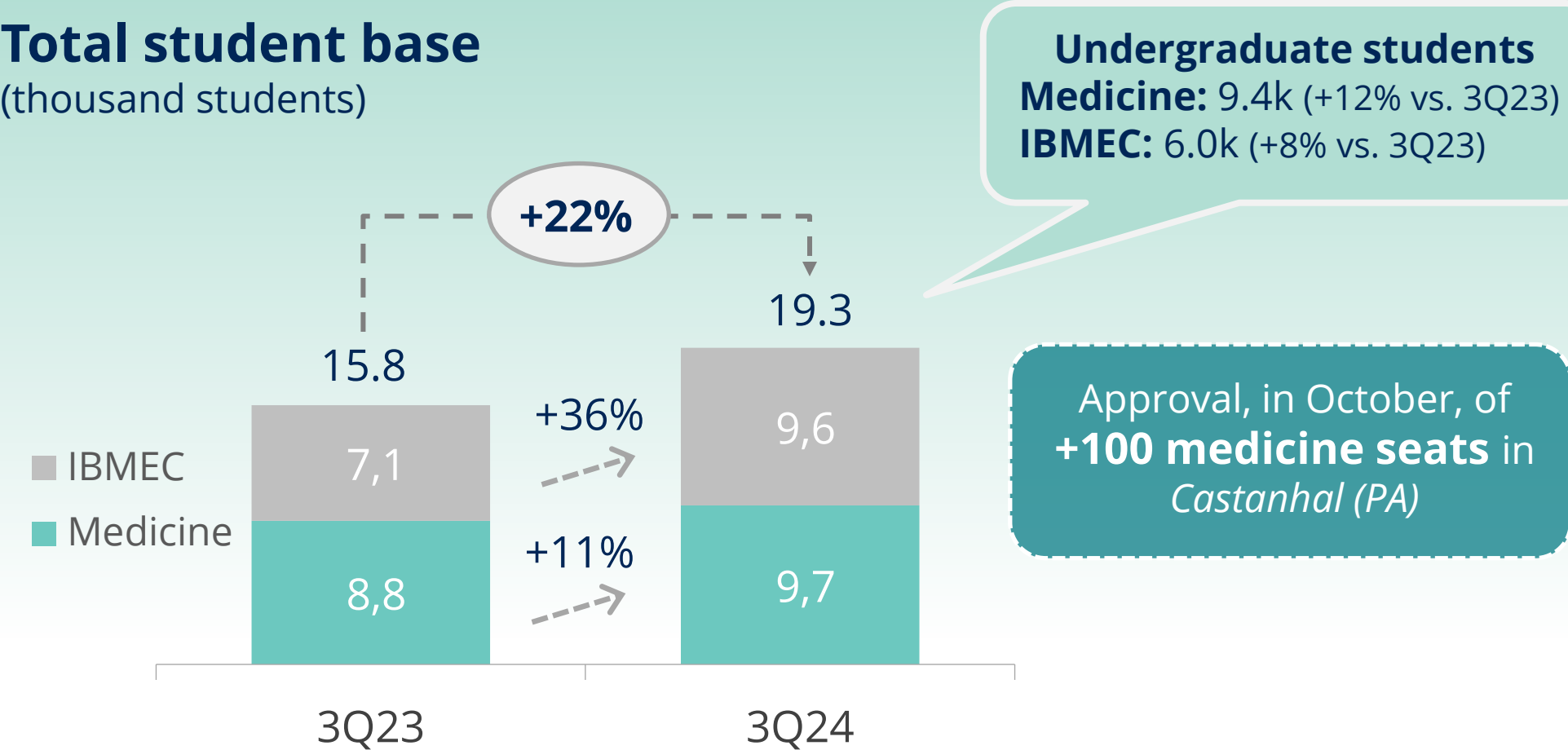
Net Revenue
(R\$ MM)



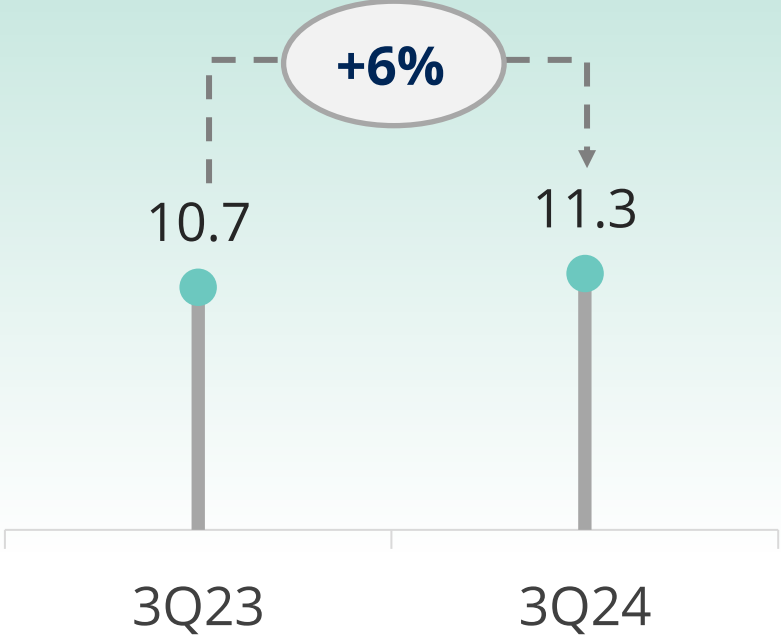
Adjusted EBITDA
(R\$ MM)



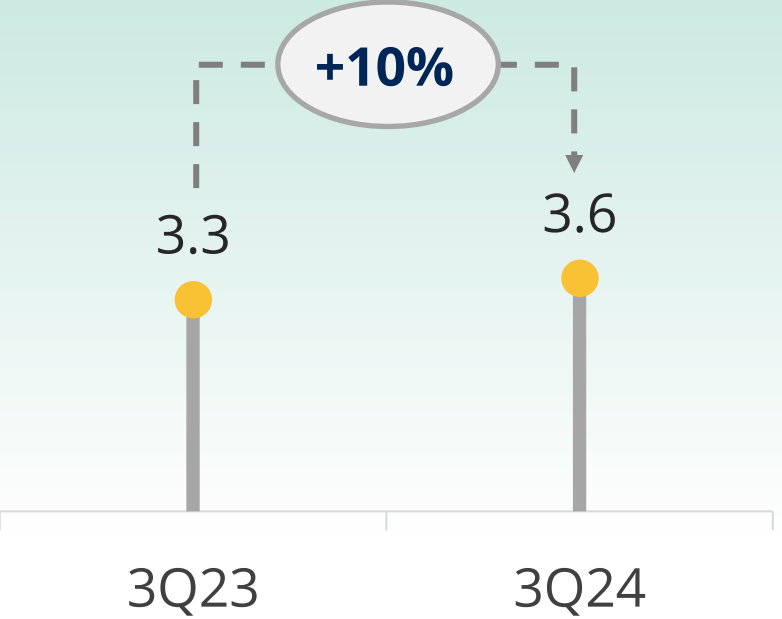
Total student base
(thousand students)



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

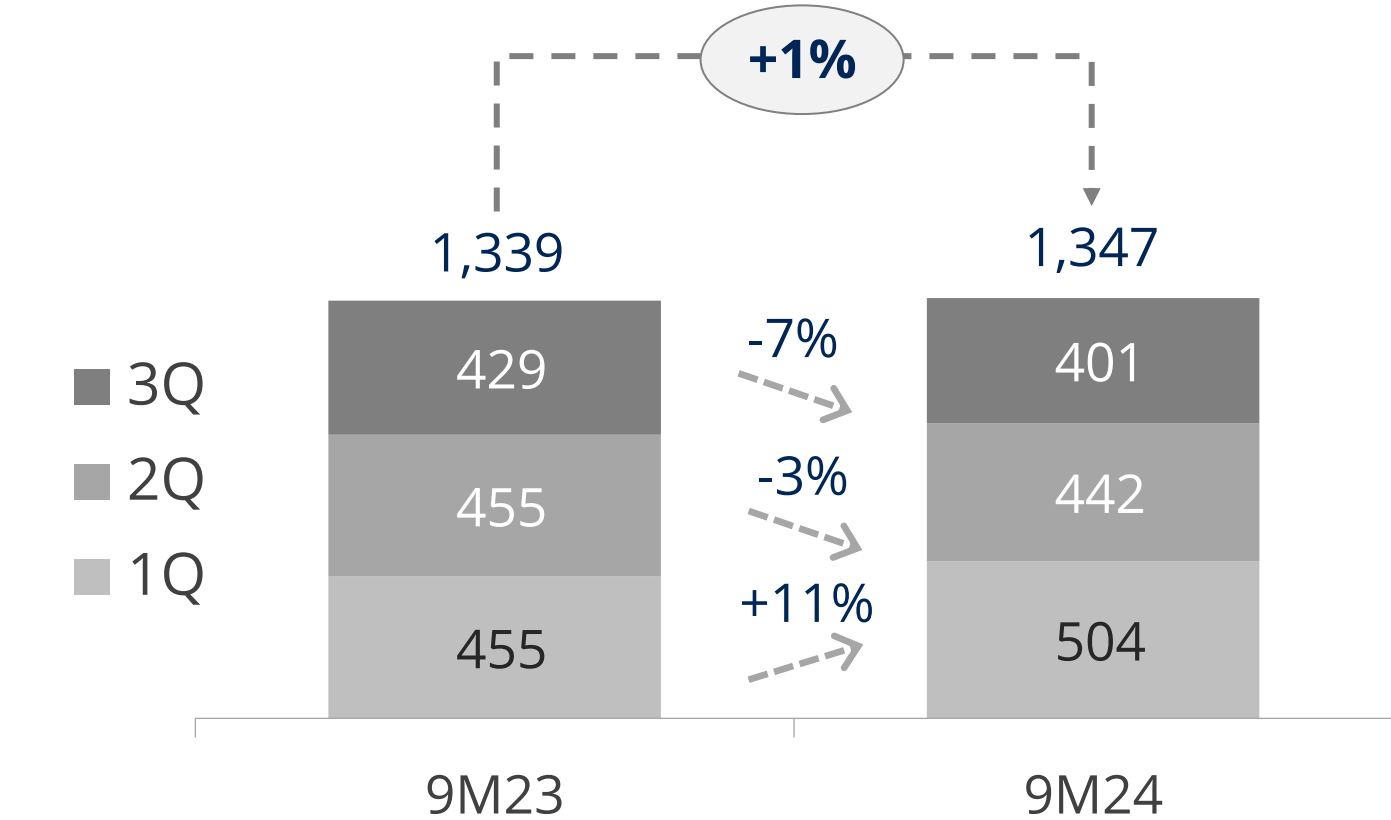


Renewals at 96%
Stable vs. 3Q23

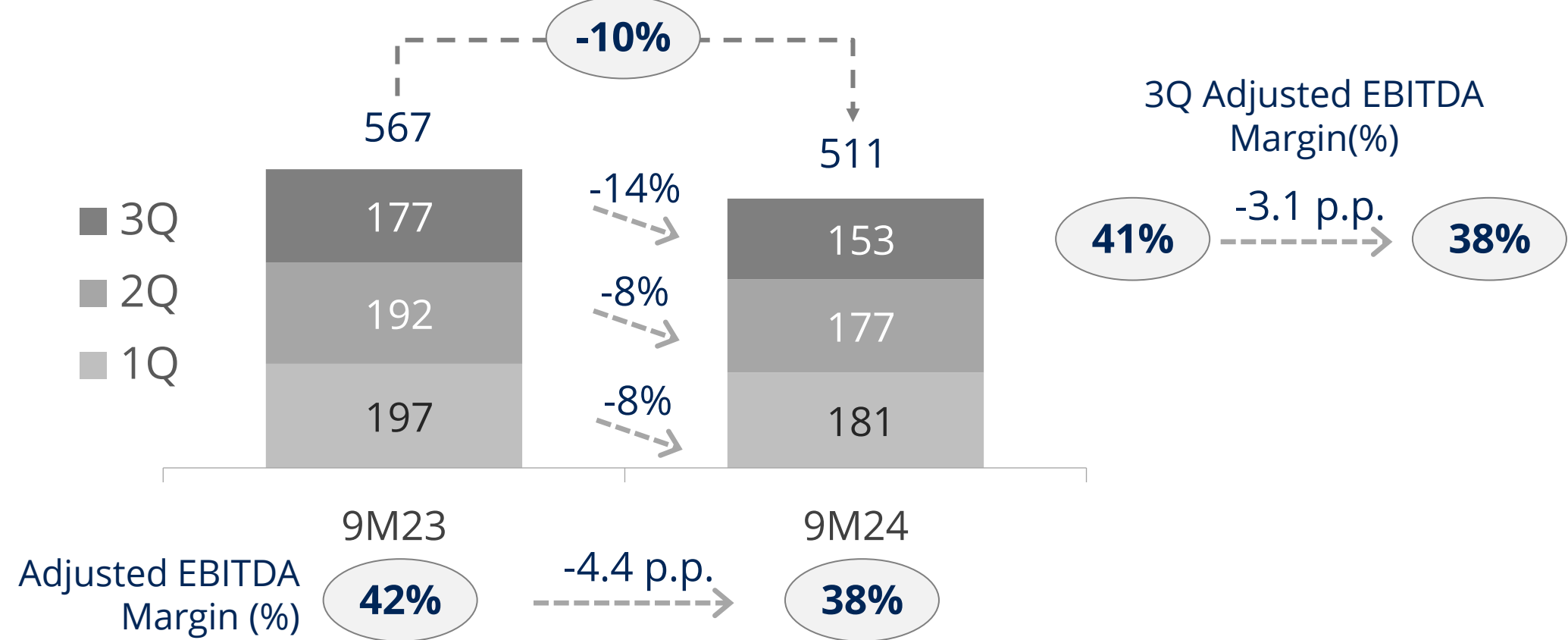


Digital learning | Intake tickets surpassing 2023 levels

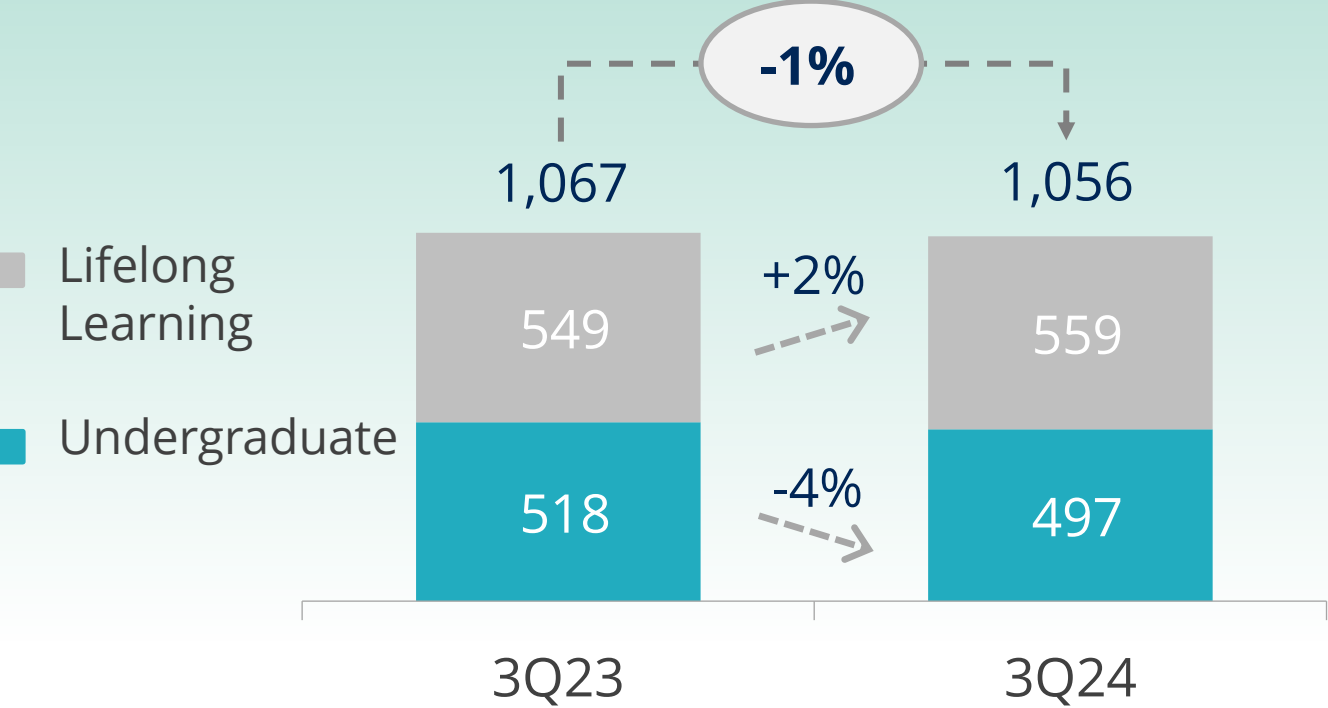
Net Revenue ⁽¹⁾
(R\$ MM)



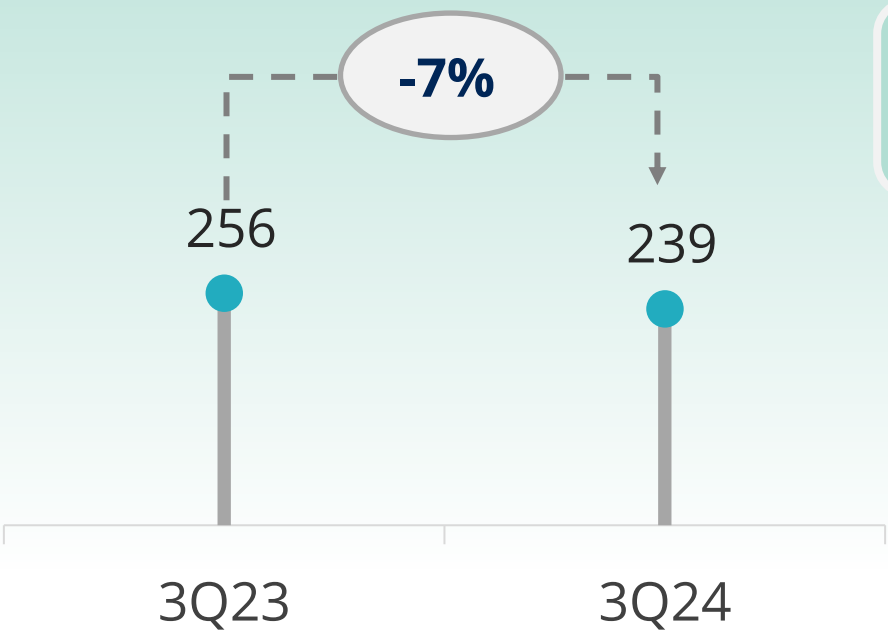
Adjusted EBITDA
(R\$ MM)



Total student base
(thousand students)



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



Renewal at 71%
-1.6 p.p. vs. 3Q23

Intake
-19% vs. 3Q23

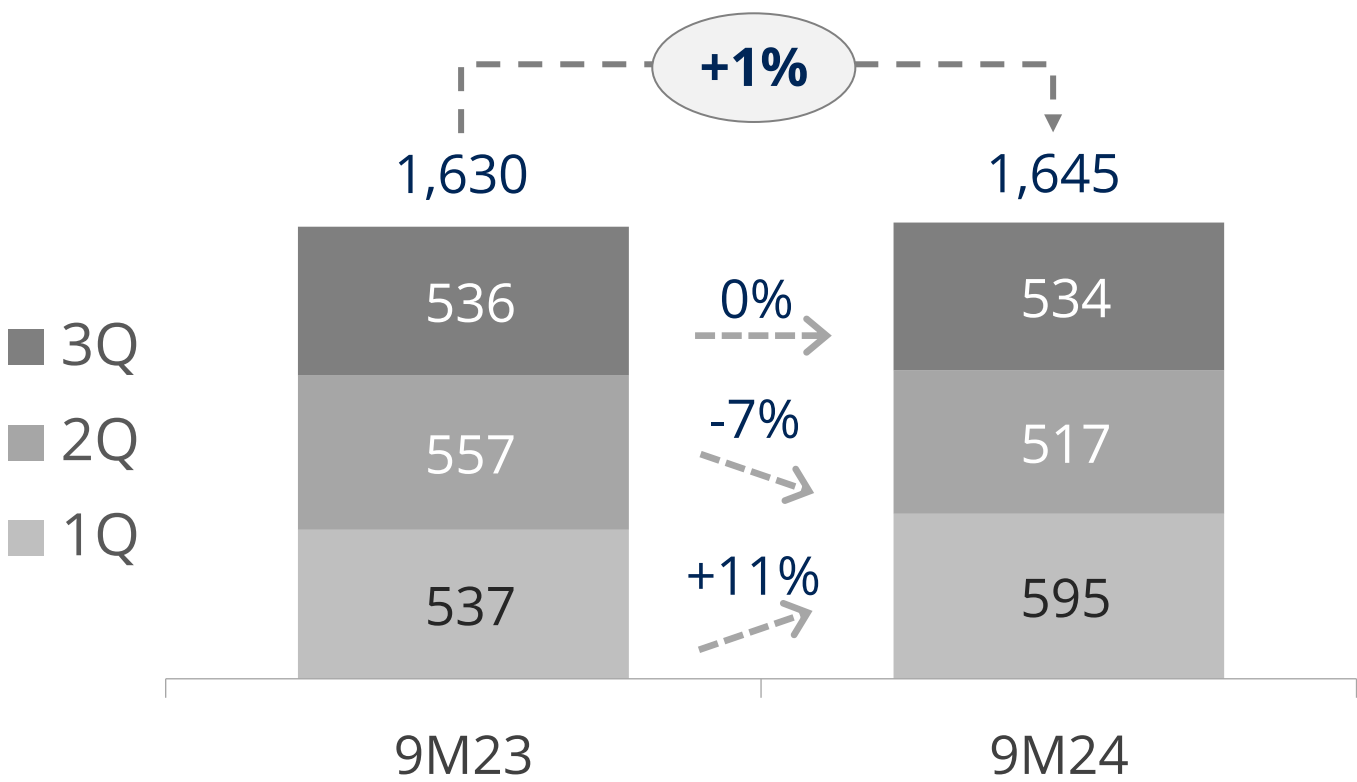
2H24 with seventh-month ticket 17% higher than previous year

24.4 in line with last year, so far

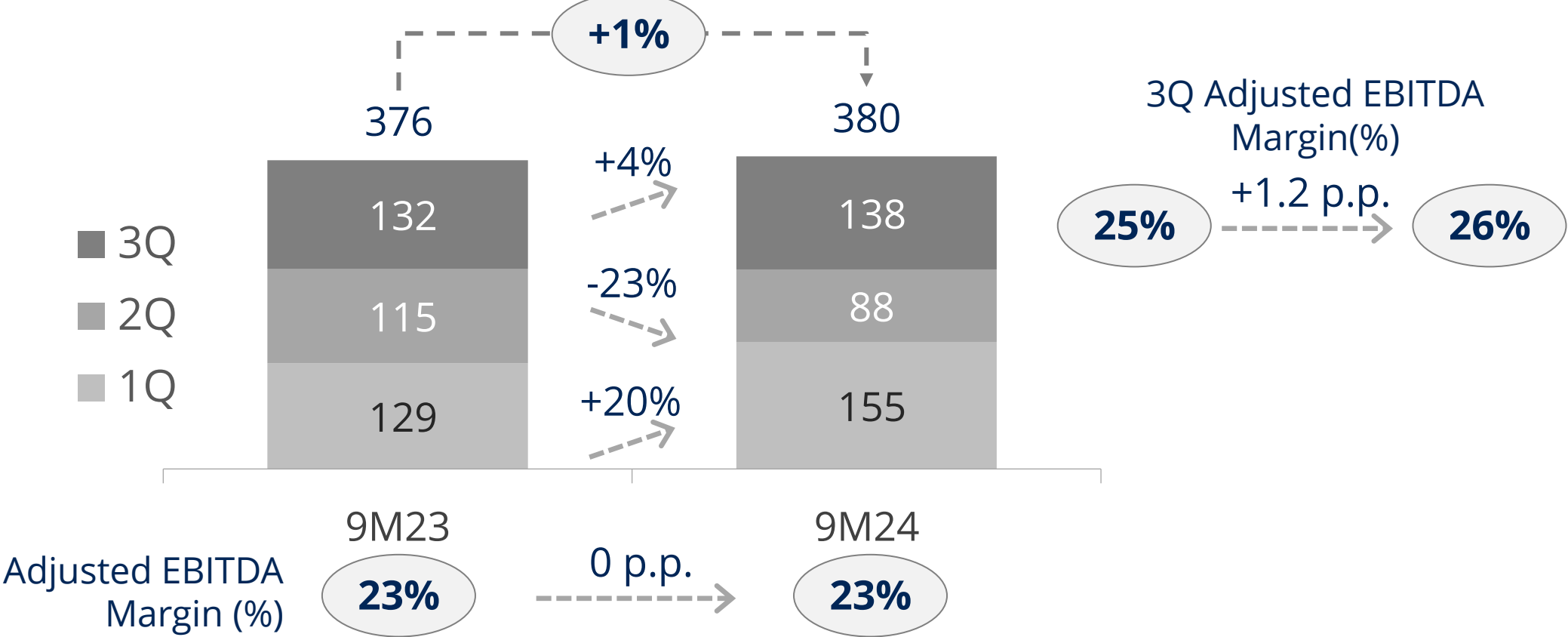
(1) Net revenue adjusted for non-recurring effects in 3Q24 in the amount of R\$5.0 M, referring to a month of tuition exemption for students from Rio Grande do Sul.
Note: Migration of the report of the IBMEC Online base from Digital to Premium (Ibmec) in Jan/24, impacting the student base, net revenue and EBITDA.

On-campus | Student base expands for 3 consecutive quarters

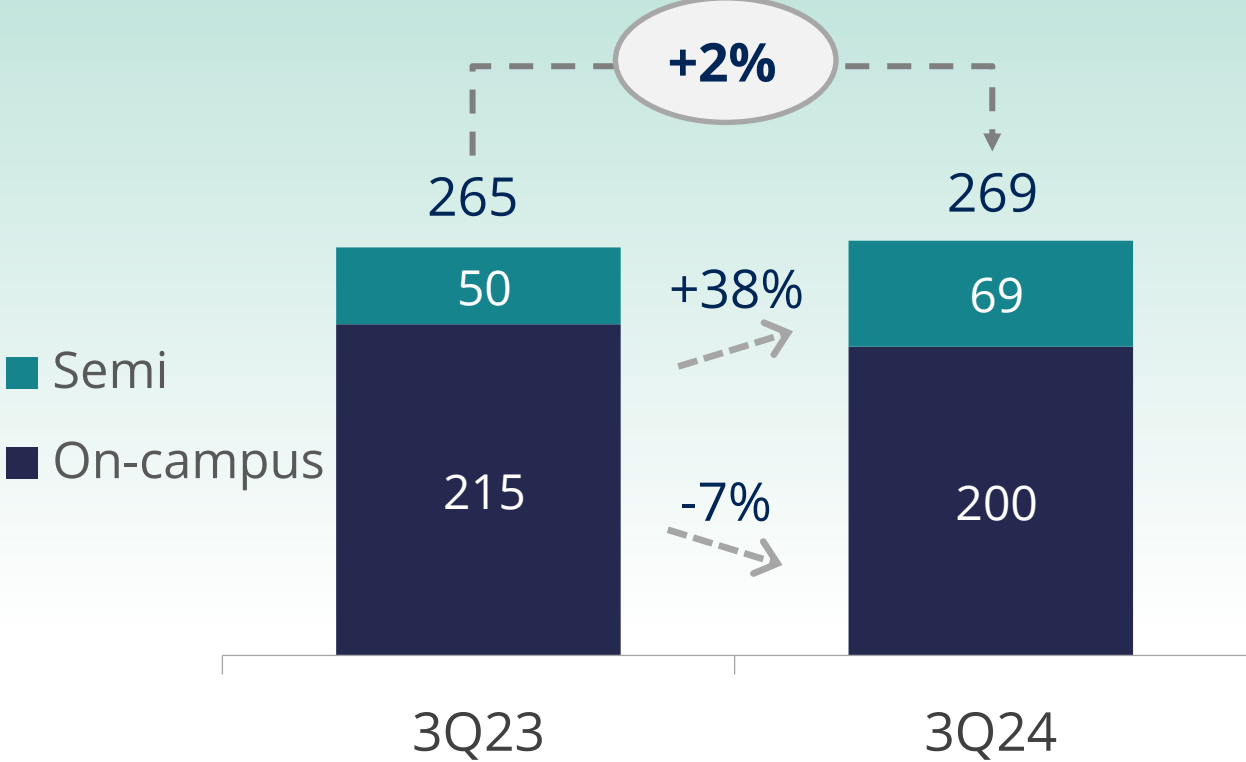
Net Revenue ⁽¹⁾
(R\$ MM)



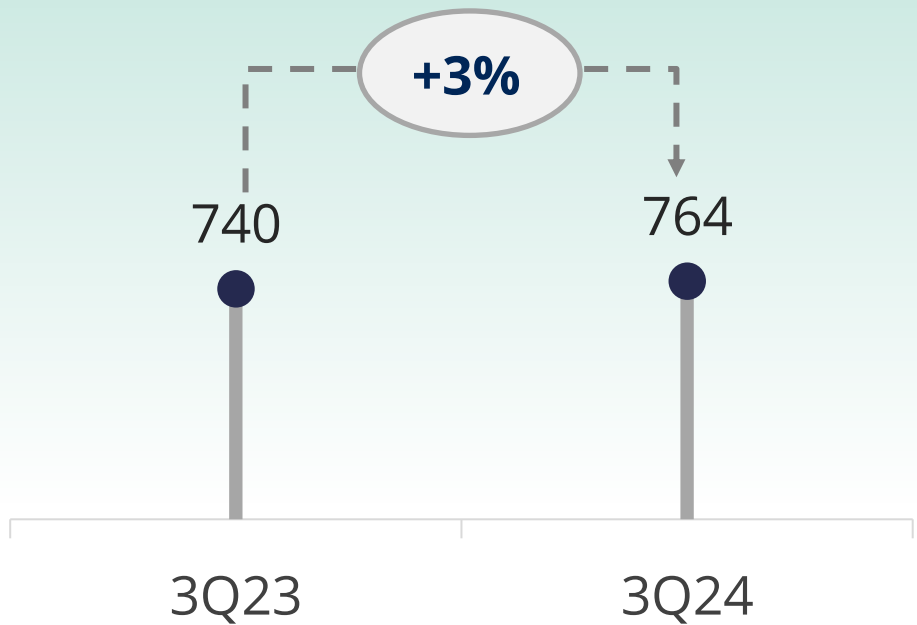
Adjusted EBITDA
(R\$ MM)



Total student base
(thousand students)



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



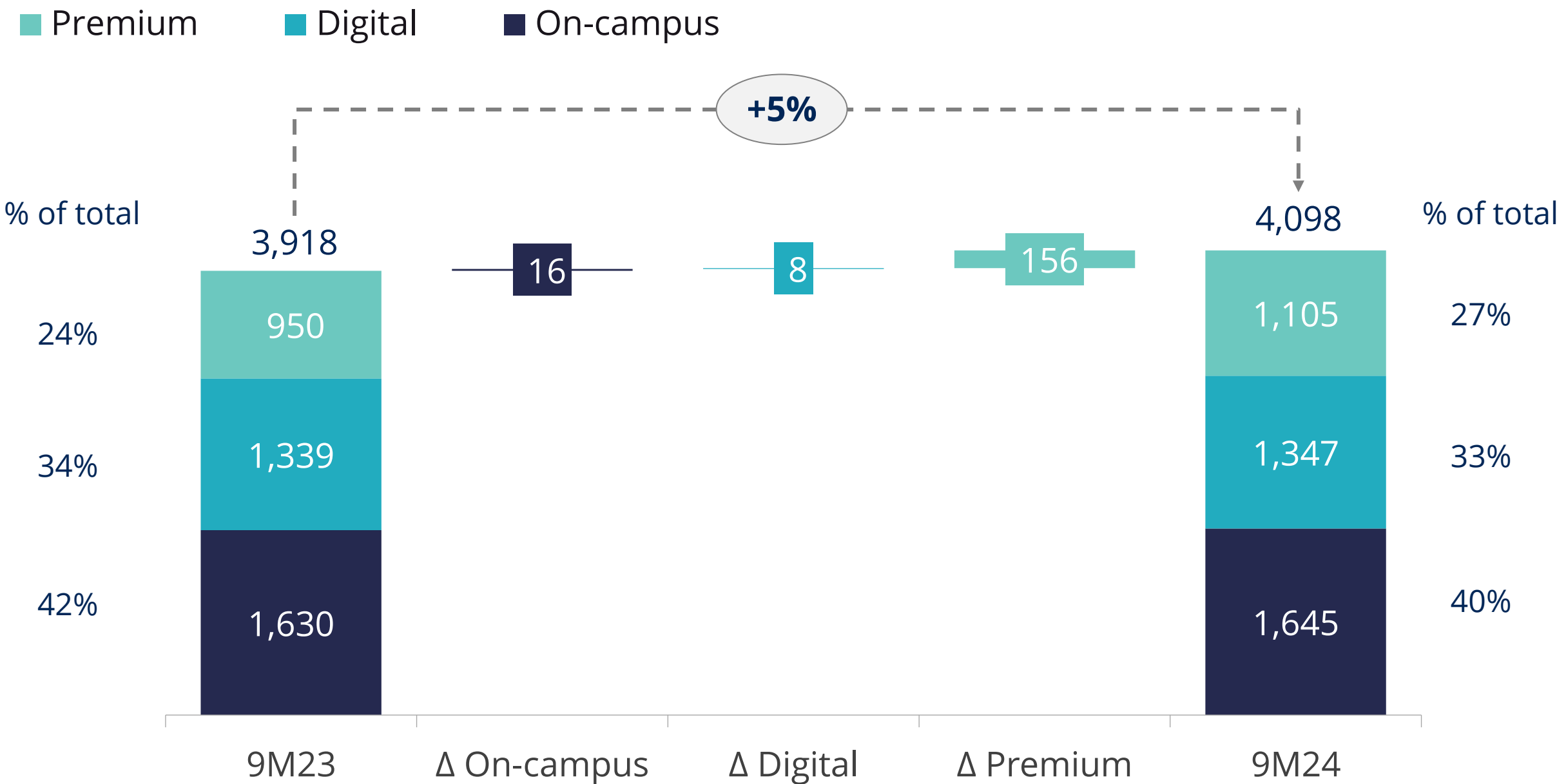
Renewal at 82%
-0.7 p.p. vs. 3Q23

Intake
-1.6% vs. 3Q23

(1) Net revenue adjusted for non-recurring effects in 3Q24 in the amount of R\$1.8 M, referring to a month of tuition exemption for students from Rio Grande do Sul.

Net revenue | Rise across all business units

Total net revenue per business unit ⁽¹⁾
(R\$ MM)



Net Revenue
(9M24 vs. 9M23)

↑ The 3 business units grew in the period

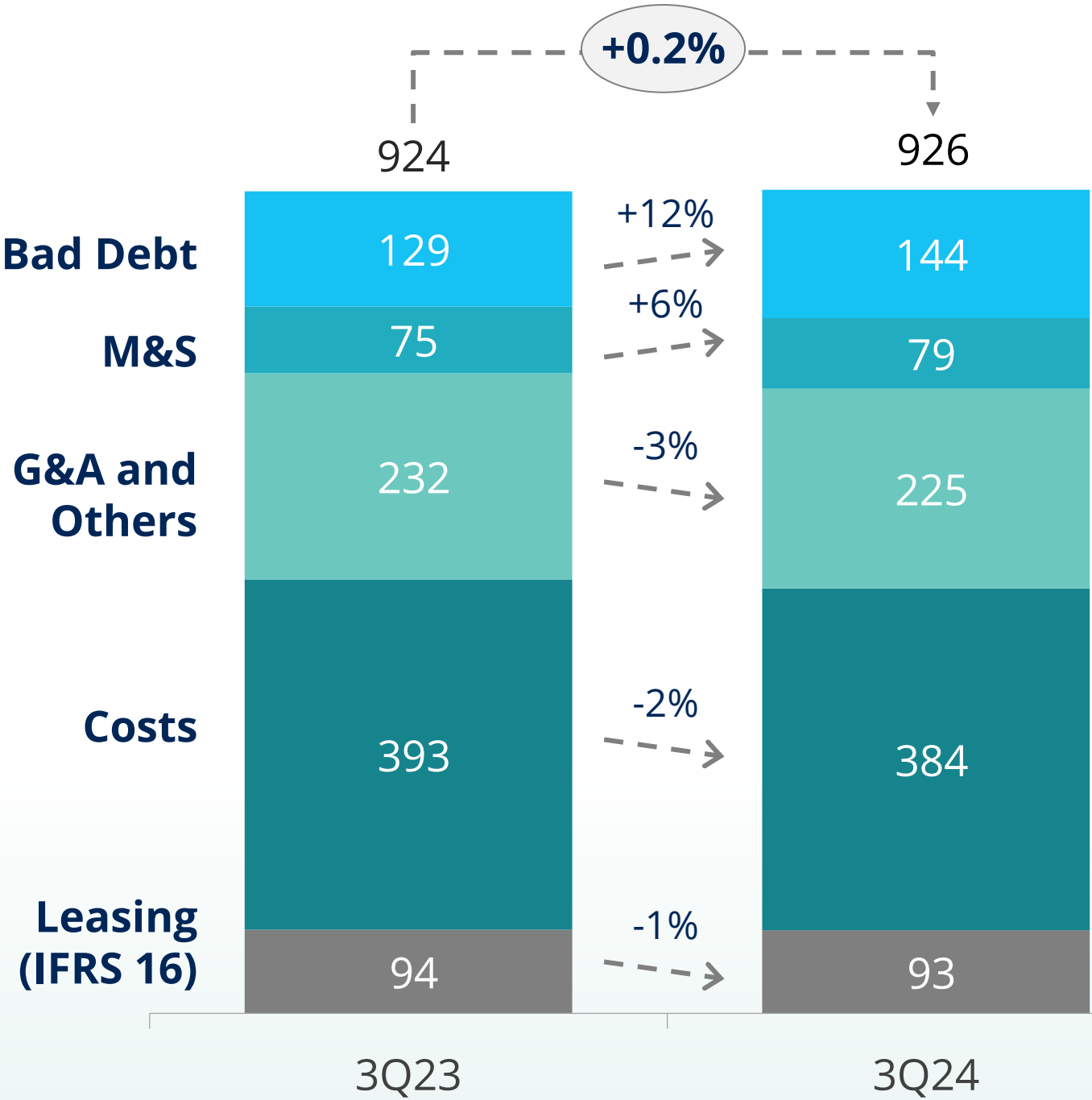
- Premium **+16%**
- Digital **+1%**
- On-campus **+1%**



(1) Net revenue adjusted for non-recurring effects in 3Q24 in the amount of R\$6.8 M, referring to a month of tuition exemption for students from Rio Grande do Sul.

Costs and expenses

Breakdown of costs and expenses ⁽¹⁾
(R\$ MM)



	3Q23	3Q24	Δ%	9M23	9M24	Δ%
% of NOR	71%	71%	-0.7 p.p.	72%	72%	-0.3 p.p.
Bad Debt	10%	11%	+1.0 p.p.	11%	12%	+1.4 p.p.
M&S	6%	6%	+0.3 p.p.	7%	8%	+0.8 p.p.
G&A and Others	18%	17%	-0.8 p.p.	17%	15%	-1.1 p.p.
Costs	30%	29%	-1.1 p.p.	31%	30%	-0.8 p.p.
Leasing (IFRS 16)	7%	7%	-0.1 p.p.	7%	7%	0.0 p.p.

9M23

R\$ 2,817

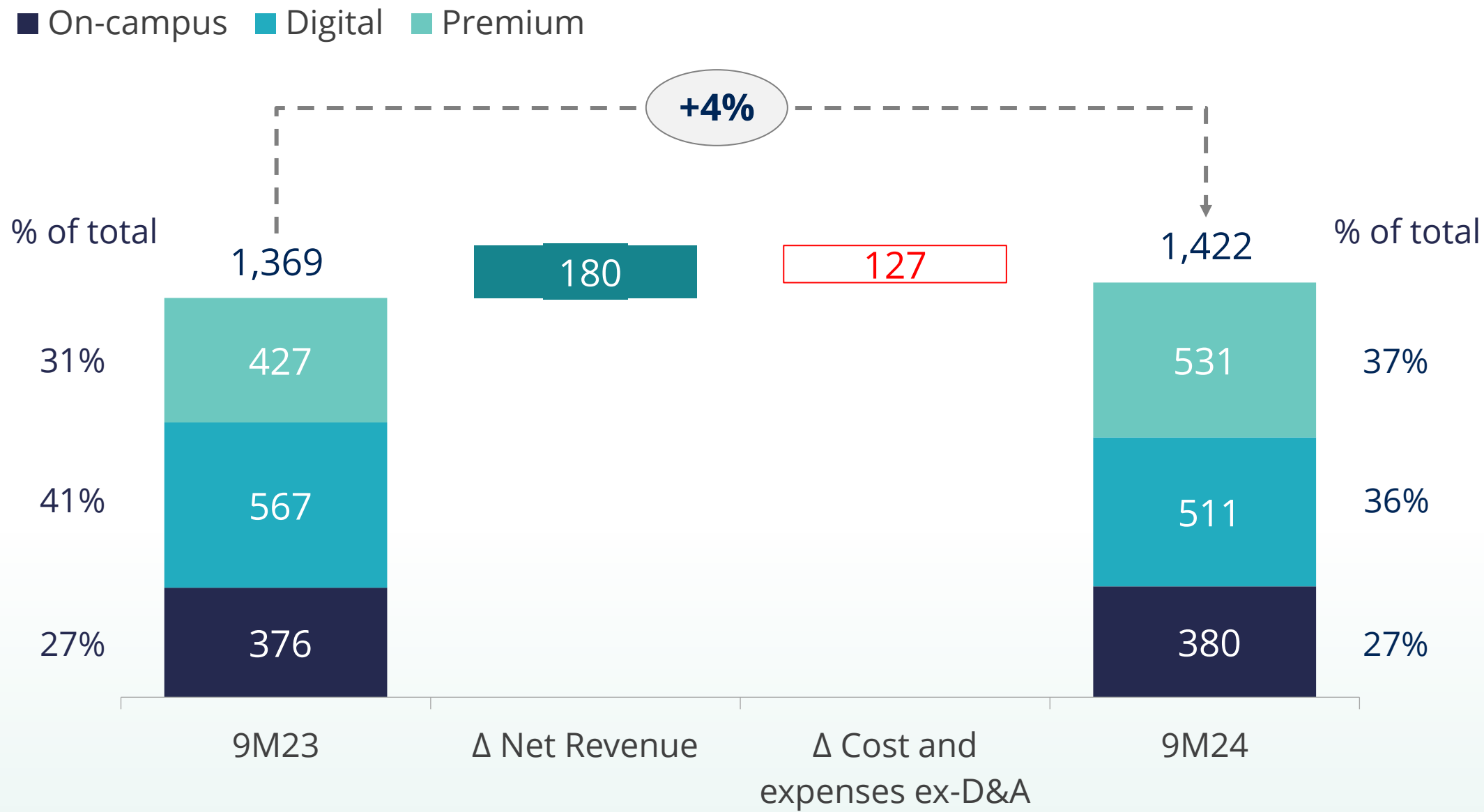
+5%

9M24

R\$ 2,957

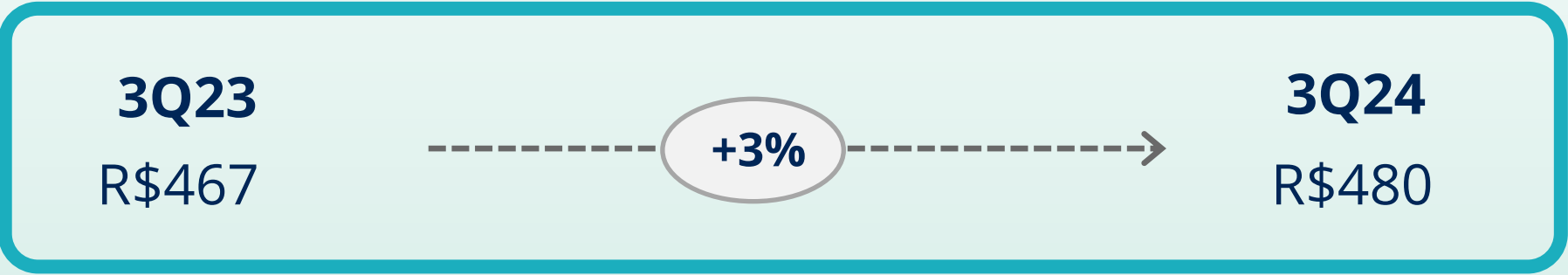
(1) Recurring costs and expenses (IFRS 16 and ex-D&A).

Adjusted EBITDA breakdown
(R\$ MM)



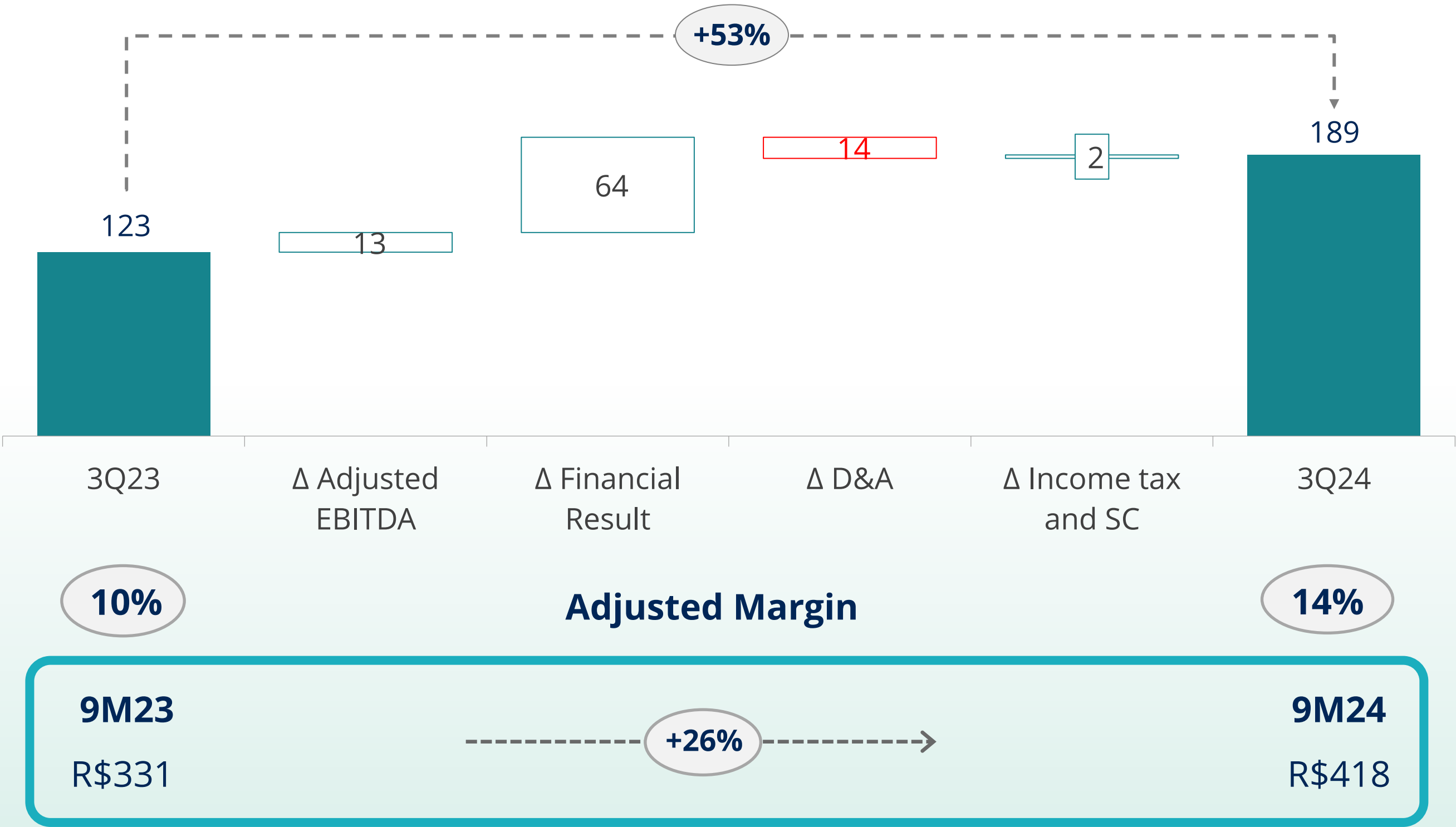
Adjusted Margin (%)

	3Q23	3Q24	Δ%	9M23	9M24	Δ%
Consolidated	36%	37%	+0.6 p.p.	35%	35%	0.0 p.p
Premium	48%	50%	+2.5 p.p.	45%	48%	+3.1 p.p
Digital	41%	38%	-3.1 p.p.	42%	38%	-4.4 p.p.
On-Campus	25%	26%	+1.2 p.p.	23%	23%	0.0 p.p



Adjusted Net Income

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

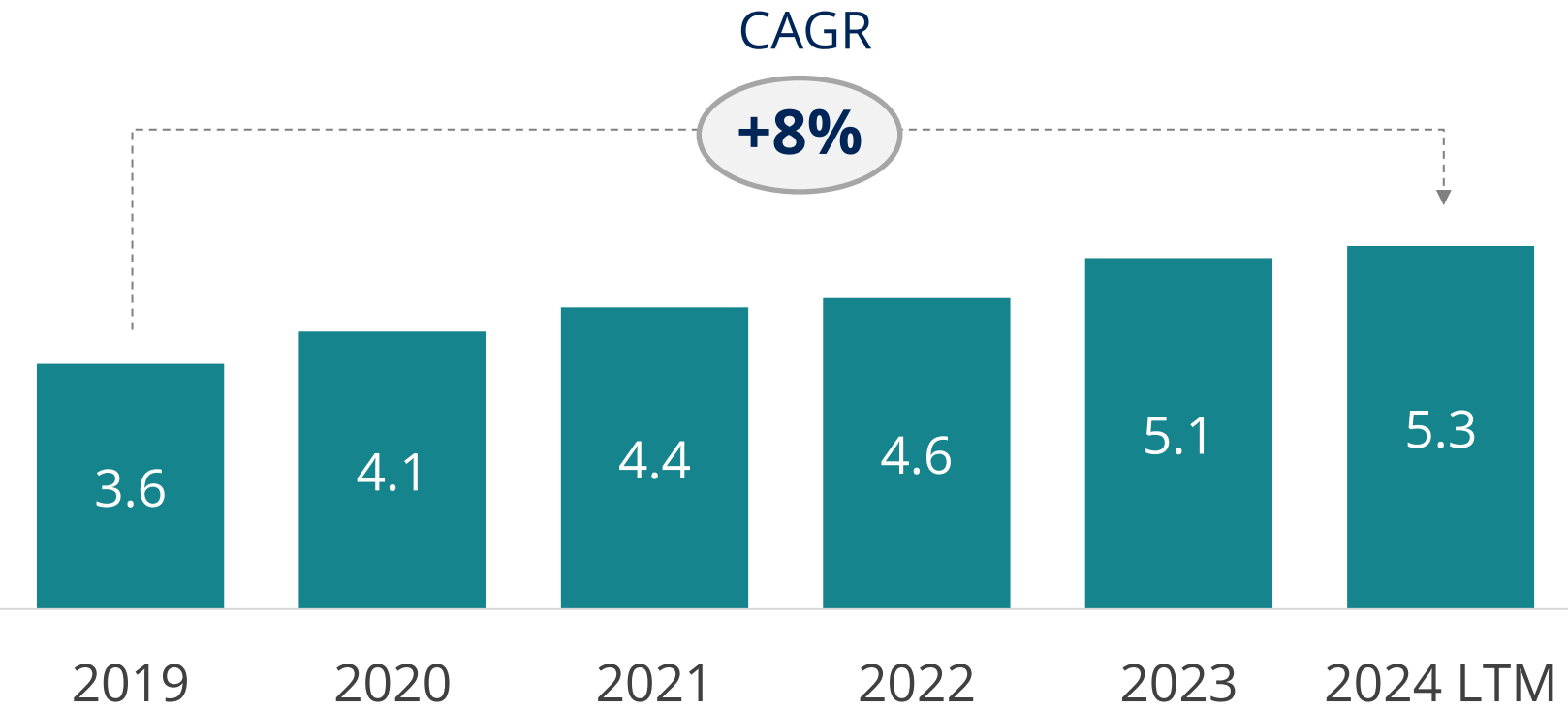


Net income per share of R\$1.4 in 9M24
Shares outstanding ⁽²⁾
(ex-treasury): 291 million

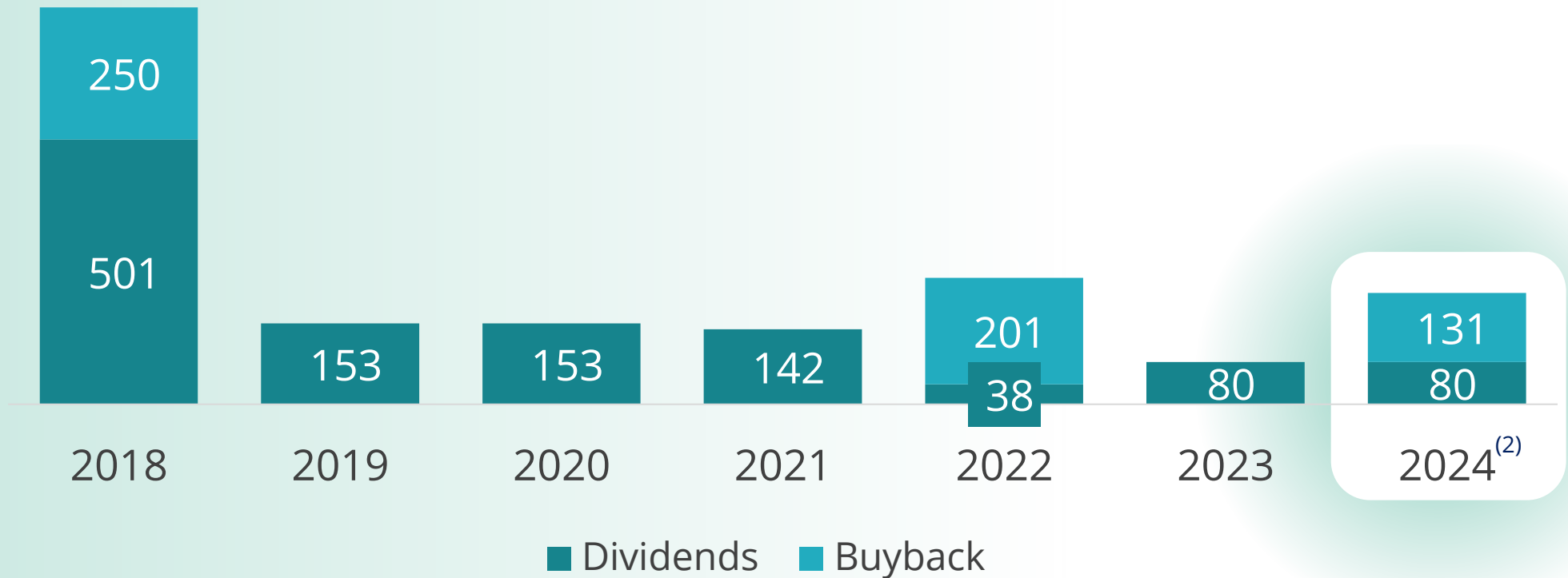
(1) Non-recurring effects that affect Net Income include: non-recurring effects that impact EBITDA, and amortization of goodwill.
(2) Adjusted EPS = Adjusted net income divided by total ex-treasury shares in May/24 (disclosure of guidance).

We have a track record of growth, margin and dividend payments

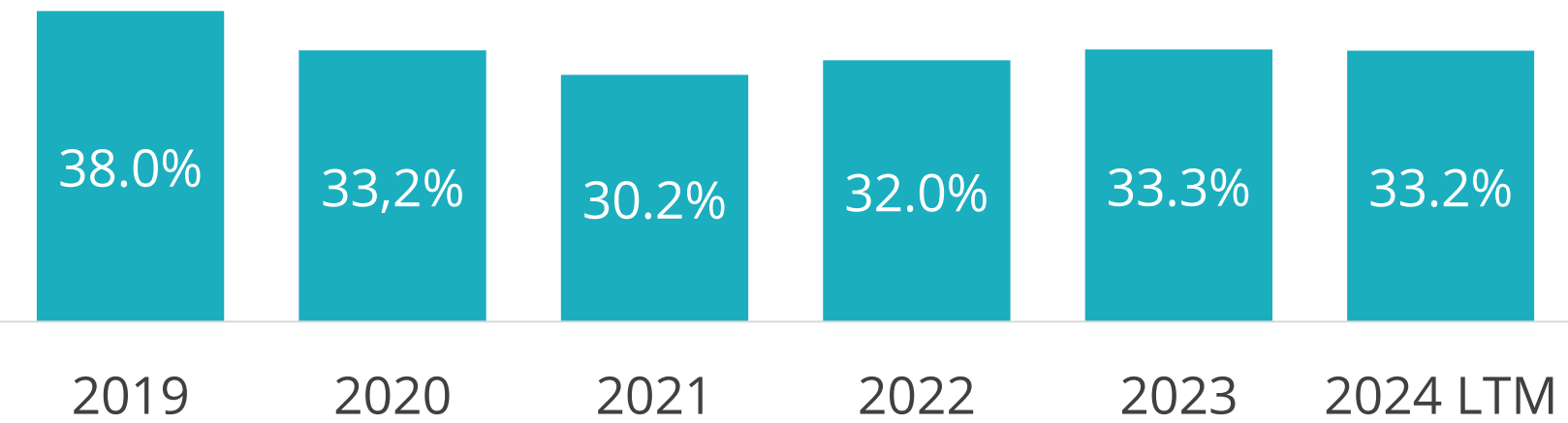
Net Revenue
(R\$ billion)



Dividends and Buyback ⁽¹⁾
(R\$ MM)



Adjusted EBITDA Margin
(%)



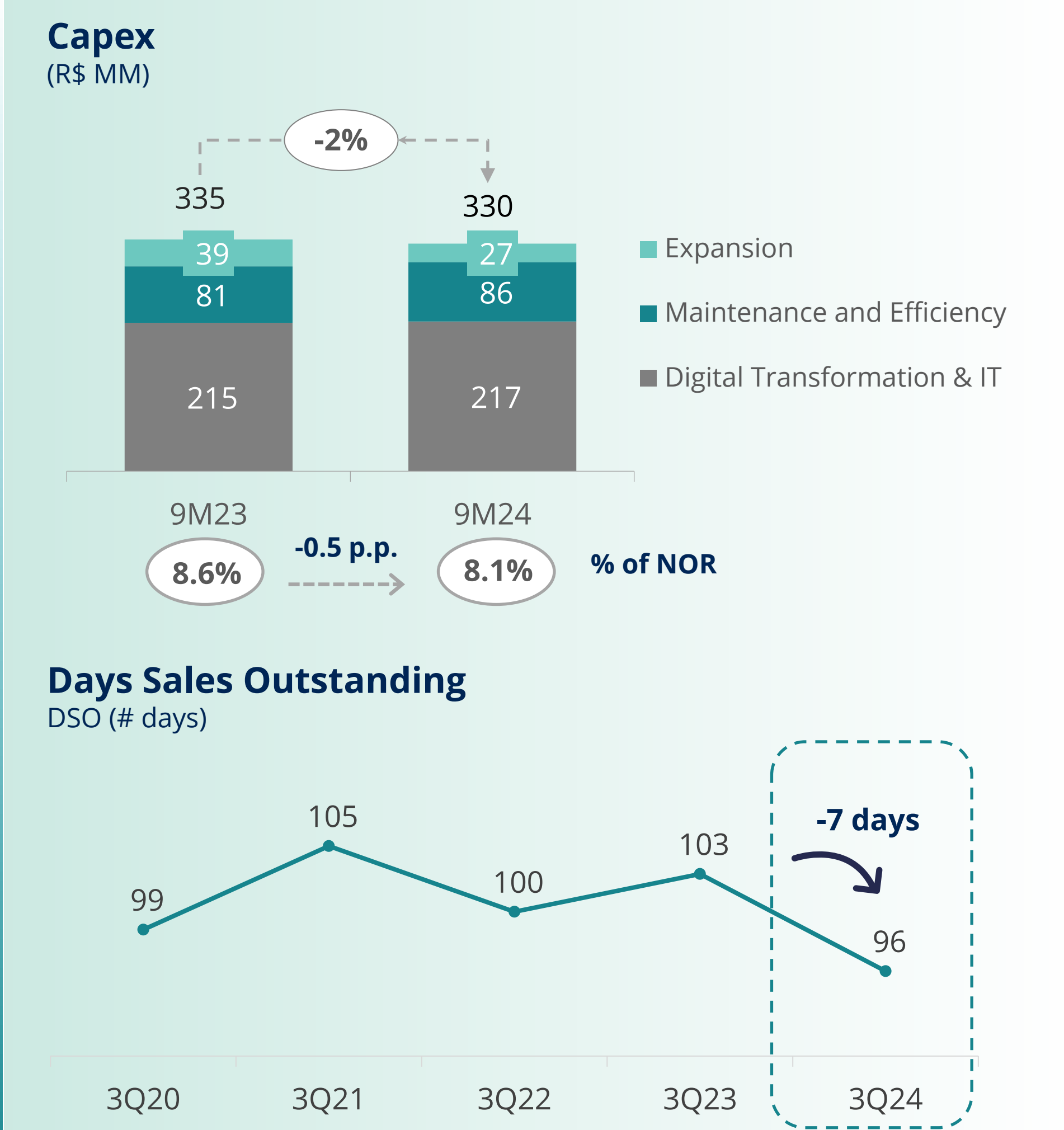
Dividend Payment
in all years
since the IPO in 2007

(1) Dividends and share repurchases in cash view.
(2) It considers the dividends paid in 2Q24 and the total amount of shares repurchased until Oct/24.

Cash generation

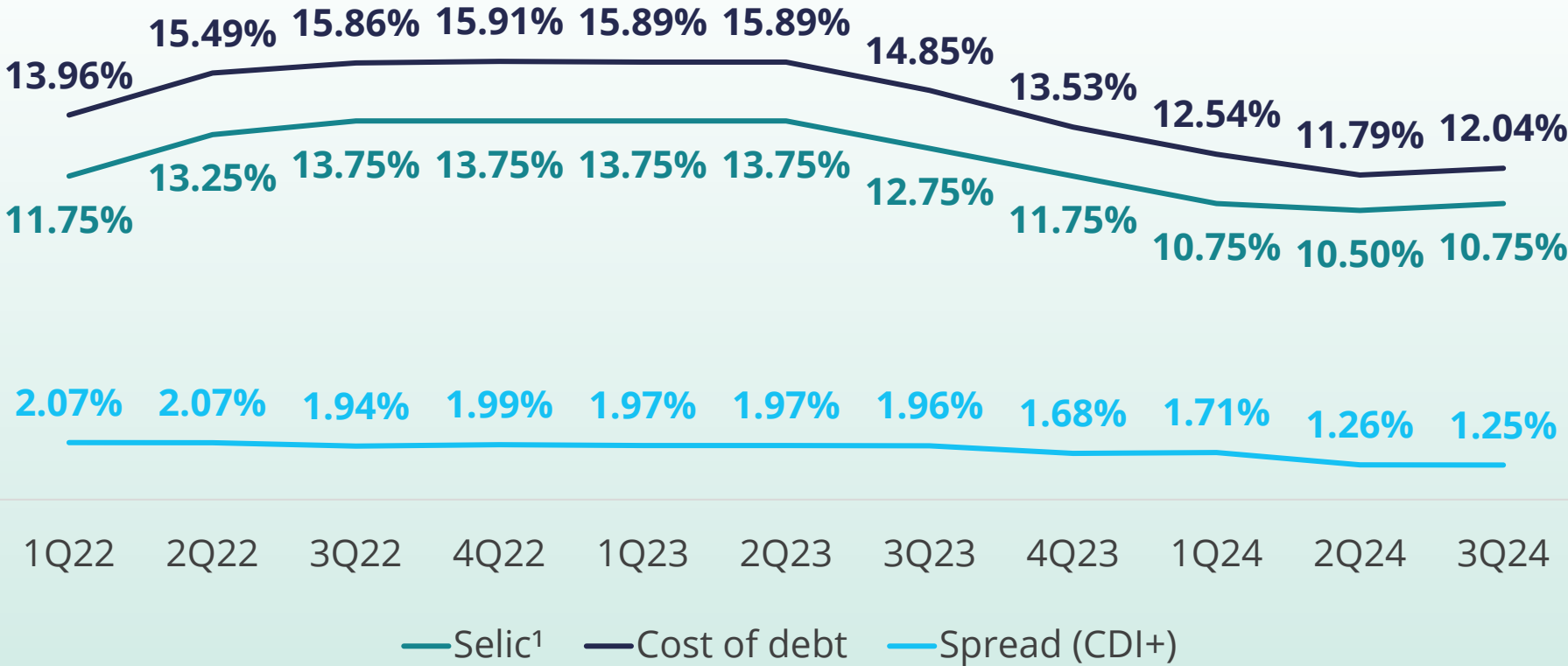
R\$ MM	3Q23	3Q24	Δ%	9M23	9M24	Δ%
EBITDA ex IFRS 16	359	364	1%	1,095	1,099	0%
Working Capital variation	46	105	129%	(56)	(131)	135%
Receivables	11	108	892%	(208)	(31)	-85%
Accounts payable	22	2	-93%	155	(30)	n.a.
Other	13	(4)	n.a.	(3)	(71)	2139%
Taxes (IR/CS)	(14)	(6)	-57%	(41)	(36)	-13%
Operating cash flow	392	464	18%	998	932	-7%
Capex	(117)	(120)	3%	(335)	(330)	-2%
(=) Free cash flow	275	344	25%	663	603	-9%
Financial Result	(167)	(46)	-73%	(418)	(291)	-30%
(=) Free Cash Flow to Equity	108	298	177%	245	311	27%
Cash Conversion ⁽¹⁾	109%	127%	18 p.p.	91%	85%	-6 p.p.

- ✓ Improvement in collection leads to a **7 days decrease in DSO**
- ✓ **Liability management actions:** reduction in the debt spread to Selic and change in the interest payment schedule are positively impacting cash generation
- ✓ Greater efficiency in the **collection of fines and interest**
- ✓ **Reduction of discount** levels in renegotiations

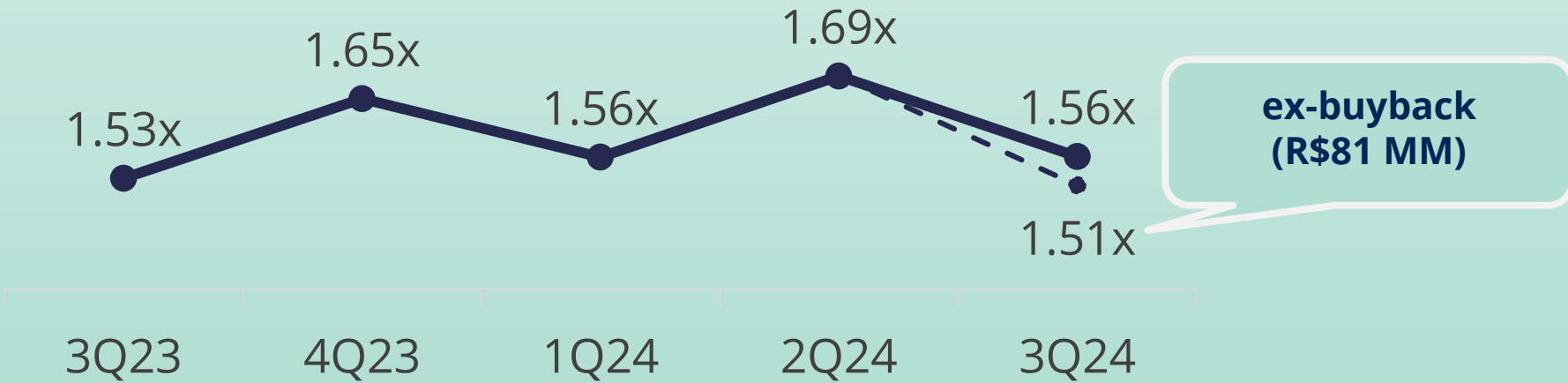


(1) Operating Cash Flow/EBITDA ex-IFRS 16.

Average cost of debt



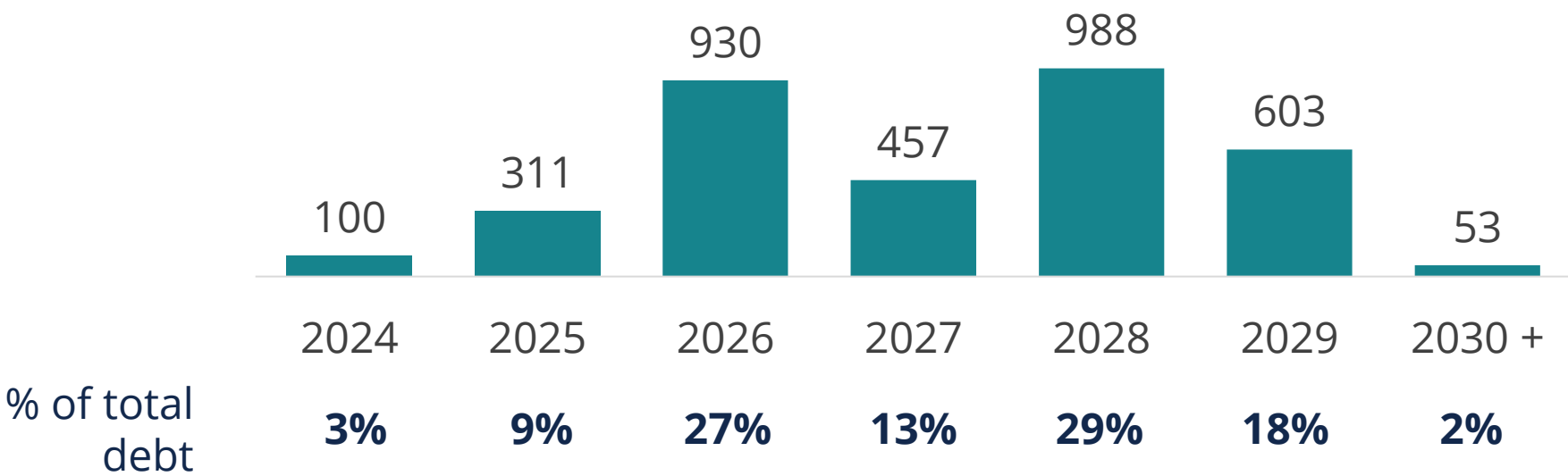
Leverage²



R\$ 875 MM
Cash and cash equivalents

R\$ 2.8 billion
Net Debt ex-IFRS 16

Debt amortization schedule
(R\$ MM; principal only)



✔ **Spread:** -0.71 p.p. in the spread vs. 3Q23 and in line with 2Q24.

✔ **Leverage²:** continues to decrease, the Company's deleveraging path.

(1) Considers the end of the period.
(2) Net debt ex-IFRS 16 / Adjusted EBITDA (last 12 months, considering IFRS 16). Repurchase: considers the amount realized until Sep/24.

Our vision concerning the Q2 release

➤ **Transfer to hubs** (% of NOR)

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.

➤ **Bad debt** (% of NOR)

Reduction of the effect of the record intake in 2023 (strong impact on 1H24) brings the Bad debt in the 2nd half to levels close to the previous year.

➤ **M&S** (% of NOR)

follows the Company's strategy, returning to 2023 levels.

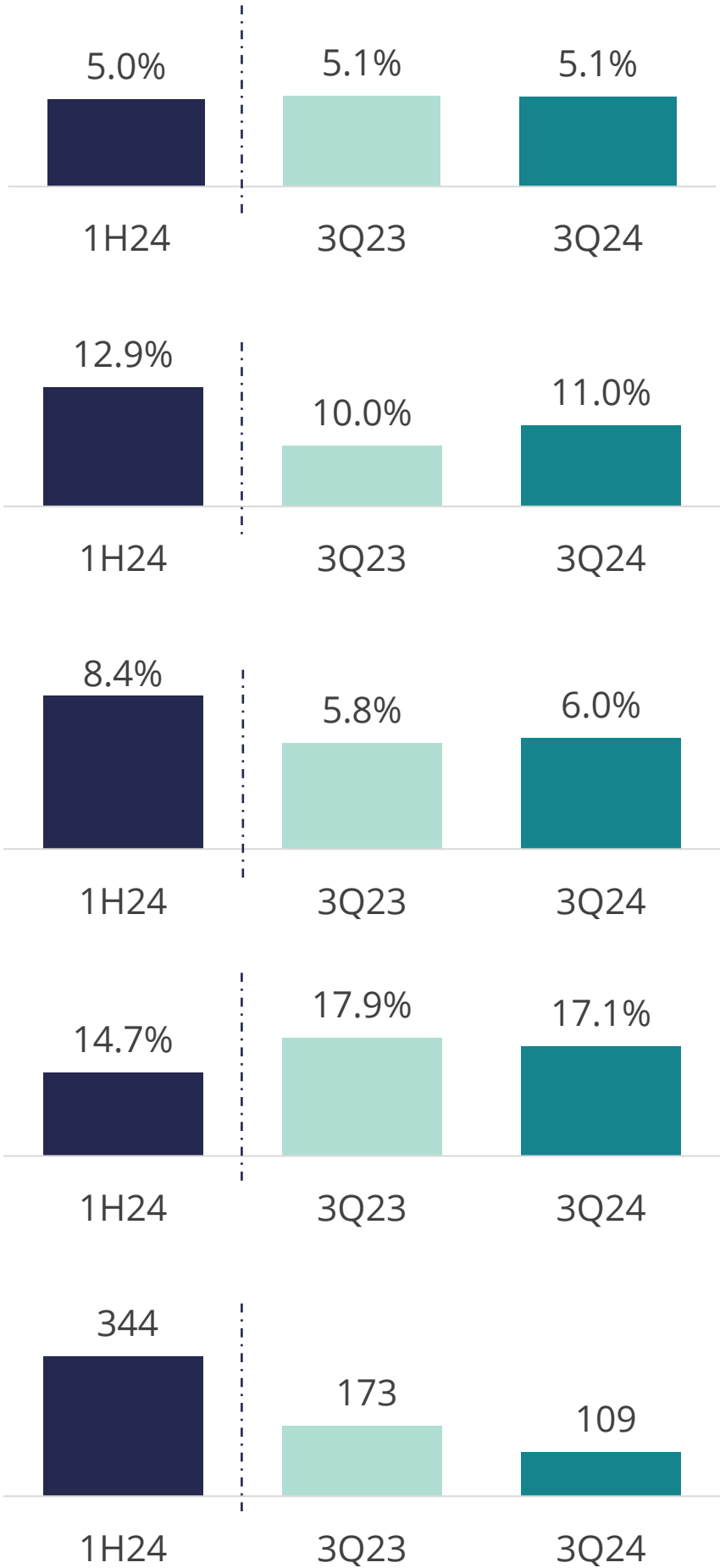
➤ **G&A** (% of NOR)

Our efficiency program continues to generate results, with the G&A line showing a significant reduction compared to the previous year.

➤ **Financial result** (R\$ MM)

Lower CDI (vs. a.a.) and the reduction of the debt spread resulting in a significant impact year over year.

Our delivery in Q3



Continuity: focus on achieving results

Our Vision for Q4

We reinforce our commitment to the delivery of 2024 guidance

Net Income per Share (R\$) ⁽¹⁾

9M24 Net Income: R\$418MM

- Considering **shares outstanding** as of the **guidance** disclosure ⁽¹⁾ : **291MM**



✓ EPS 9M24 with **current base** of **R\$1.50**

Buyback Program:

✓ **13MM** of shares until Oct/24

✓ **20MM** of shares cancelled in November (**279MM** outstanding)

➤ **Transfer to hubs** (% of NOR)

Maintains the trend of reduction compared to the previous year.

➤ **Bad debt** (% of NOR)

Q4 intensifies the positive trend of the Bad Debt, moving the semester index closer to that recorded in 2H23

➤ **M&S** (% of NOR)

Follows the Company's strategy, returning to 2023 levels.

➤ **G&A** (% of NOR)

Q4 continues to deliver the benefits from our efficiency program, with another quarter operating below the previous year

➤ **Financial result** (R\$ MM)

Reduction in the debt spread continues to generate gains in Q4, despite the diminishing positive impact of CDI.

(1) Adjusted Net Income and outstanding shares in May/24 (ex-treasury), basis of the disclosed *guidance* : 291MM.

ESG – The strength of female leadership



MSCI
ESG RATINGS



CCC	B	BB	BBB	A	AA	AAA
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Produced by MSCI ESG Research as of October 2023

Mulheres
na Liderança



IGC B3

ISEB3 IDIVERSAB3 ICO2B3

- Conclusion of the **report to the CDP (Carbon Disclosure Project)**
- **Achievement of the Gold Seal in the GHG Protocol**
- **AA rating in MSCI**
- Over **11,000 applications** for the Company's **Trainee Program, which is exclusive to Black and Brown individuals**
- **Over 600,000 people** impacted by community services and social projects from educational units and partners in 2024
- Inclusion of the company in the **TEVA portfolio - Women in Leadership Stock Index**
- **EXAME award for People Management 2024**, which solidifies YDUQS as one of the best places to work in Brazil

For more information, access the [ESG 3Q24 Earnings Presentation](#).

Going as planned, highlighting the **strength of our portfolio**, we remain confident in **delivering the guidance**



Net revenue: growth in all business units

9M24 vs. 9M23: Premium: +16% | Digital: +1% | On-campus: +1%



Cost of debt: CDI + 1.25%

-0.71 p.p. vs. 3Q23 and -0.46 p.p. vs. 1Q24



Adjusted EBITDA +4% vs. 9M23

+3% vs. 3Q23



Capex for 9M24: 8.1% of NOR

-0.5 p.p. vs. 9M23



Adjusted EBITDA Margin +0.6 p.p. vs. 3Q23

Stable vs. 9M23



Free Cash Flow to Equity R\$298 MM

+R\$191 MM vs. 3Q23



Adjusted Net Income +53% vs. 3Q23

+26% vs. 9M23



Buyback Program

13 million shares repurchased to date | 20 million of shares canceled

Exciting News!

This quarter, our earnings presentation will be translated using Artificial Intelligence and will be available in the following languages:

Portuguese**English****Spanish****French****German****Mandarin**

***The translations will be available on our website within 2 hours after the conference call.
Check it out!***



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