



Valid

Results	3 Q
Presentation	24

November 07, 2024

Disclaimer



This presentation includes forward-looking statements that reflect current beliefs and expectations regarding future financial results and other aspects of the business.



These beliefs and outlooks are not a guarantee of future performance and involve risks and uncertainties.

Actual results may materially differ from those projected due to several factors.



Analysts and investors are advised not to place undue reliance on these beliefs and expectations, as they only refer to the date of publication of this presentation.

Valid is not obliged to publicly disclose the results of any revisions to these beliefs and expectations.



Financial results are reported considering the impacts of the adoption of IFRS 16.

Period Highlights

Revenue of **R\$580M** and EBITDA of **R\$132M**
Best quarter in 2024 in terms of recurring results

Net Income of **R\$90M** in 3Q24 (+**49%** YoY)
Margin of 16%

New revenues total **R\$64M** in the 3Q and **R\$150M**
in the year.

Strong Capital Structure
+
Earnings Distribution

- ✓ Valid Mobile with significant recovery in 3Q
- ✓ Valid ID +**16%** NR and RG/CIN + **11%** volume YoY
- ✓ Valid PAY: -**10%** NR YoY

- ✓ NI **R\$318M** in 9M24 and **R\$353M** LTM
(or **R\$240M** excluding the sale of assets)

- ✓ **10%** of Valid's Sales in 9M24.
- ✓ **16%** of EBITDA in 9M24.

- ✓ OCF of **R\$103M** in 3Q24 (78% EBITDA)
- ✓ **R\$150M** in Net Cash
- ✓ Earnings: **R\$87M** paid + **R\$43M** in Nov/24

Guidelines 2024

Goals of the Year

1. Earnings Generation with current businesses.
2. Accelerate New Revenues.

Pillars

- Investments in Tech & Innovation.
- People and Talents – Strong “doer’s” culture.
- Operational excellence and competitiveness.
- Financial management and solid capital structure.

Capital Allocation

- Remunerate Shareholders (Interest on Equity).
- A careful look at growth.

Short and Long Term Challenges

- Resumption of the Mobile vertical.
- Position Valid as Brazil’s SAFE Data and ID Platform. Portfolio evolution for the 3 ecosystems (ID, Pay, Mobile).

Actions and Perspectives



- Resilient traditional business. Consistent RL, EBITDA and LL
- NN grow at a rate of +50% YoY, 10% RL 24

Revenue and EBITDA

Highlights:

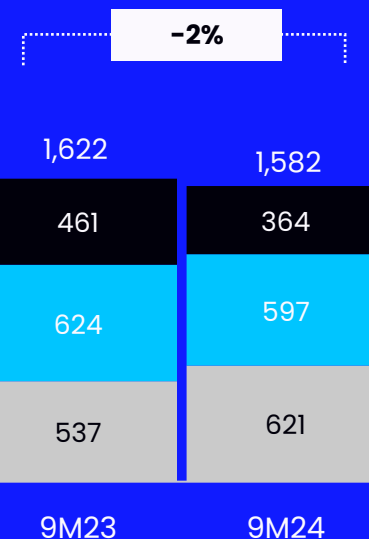
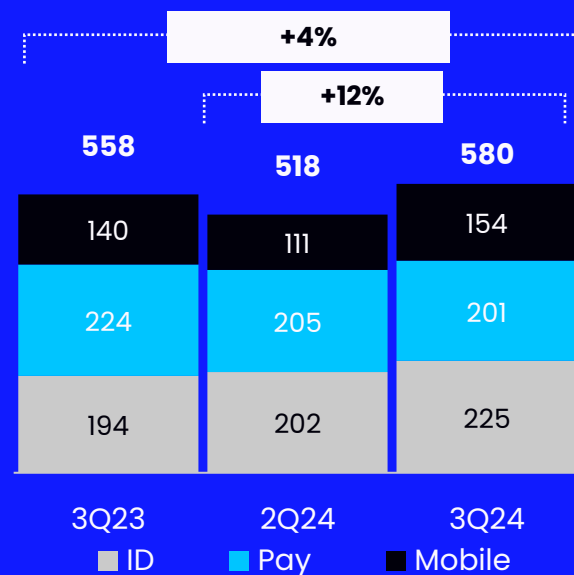
3Q24

- Revenue: growths of 4% over 3Q23 and 12% over 2Q24
- EBITDA: drop of 6% from 3Q23 and increase of 2% over 2Q24
- EBITDA margin of 22.8% in 3Q24

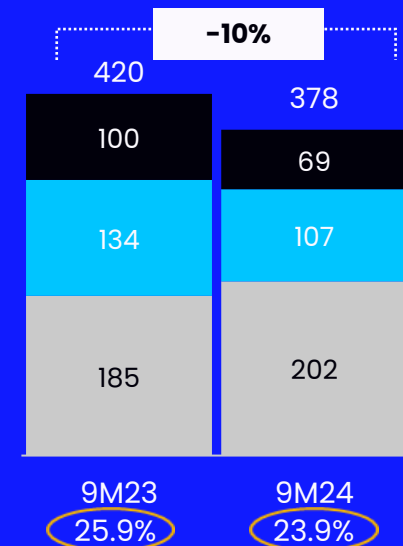
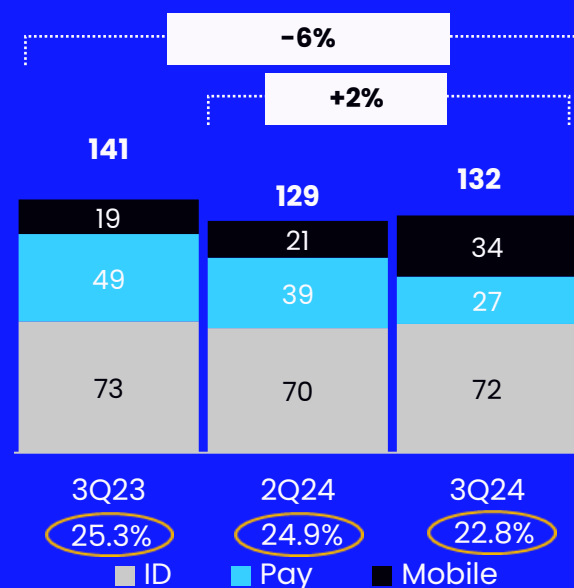
9M24

- Revenue: down by 2%
- EBITDA: down by 10%
- EBITDA Margin of 23.9%

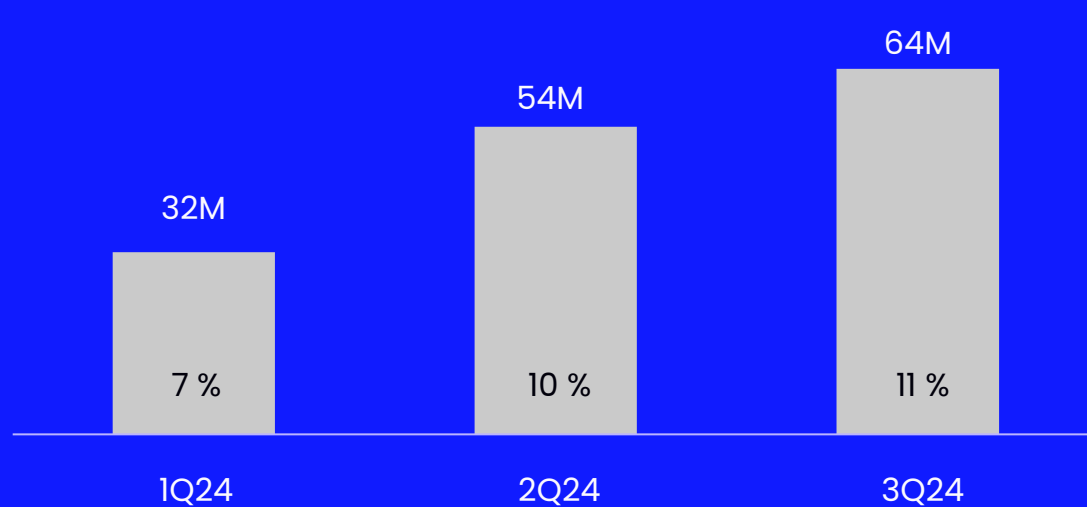
Net Revenue (R\$M)



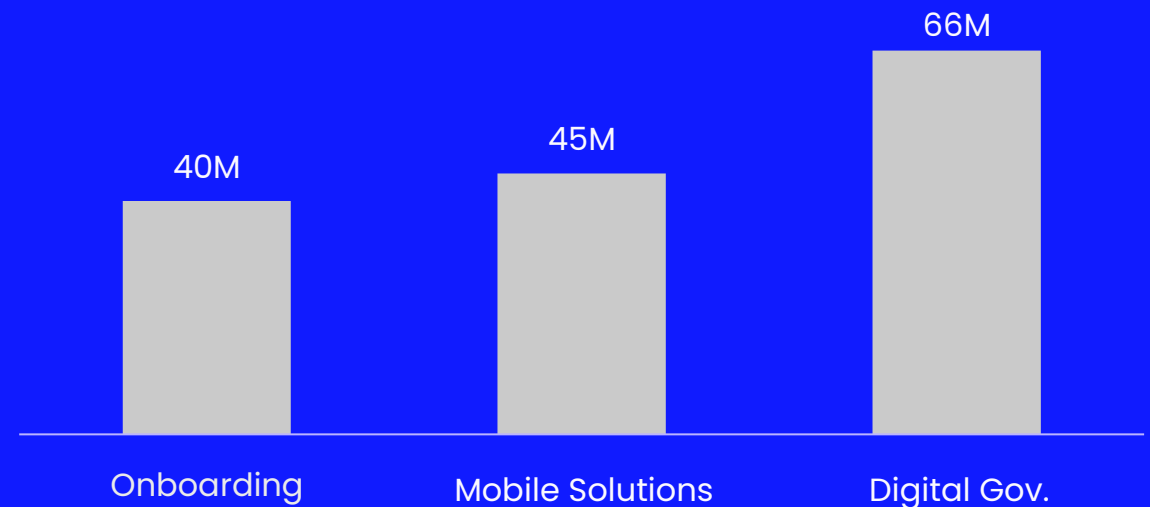
EBITDA (R\$M) EBITDA Margin (%)



New Business 9M24



Net Revenue from New Businesses (non-existent portfolio in 2022) total **R\$150M** and represent **10% of NR in 2024.**



New business with consistent growth enable Valid to intensify the expansion of investment in its digital portfolio.

Guidelines 2024

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Actions and Perspectives



- Resilient traditional business. Consistent RL, EBITDA and LL
- NN grow at a rate of +50% YoY, 10% RL 24



- Hiring of CTO in 3Q24 and increase in the Product and Technology team for cross BU’s portfolio.
- FCO of **R\$103M**, Net Cash of **R\$150M** and LL of **R\$90M** in the 3Q.



- **R\$130M** Proceeds in 2024 (87M paid + 43M nov24).
- Integration of investees to accelerate new M&A’s.

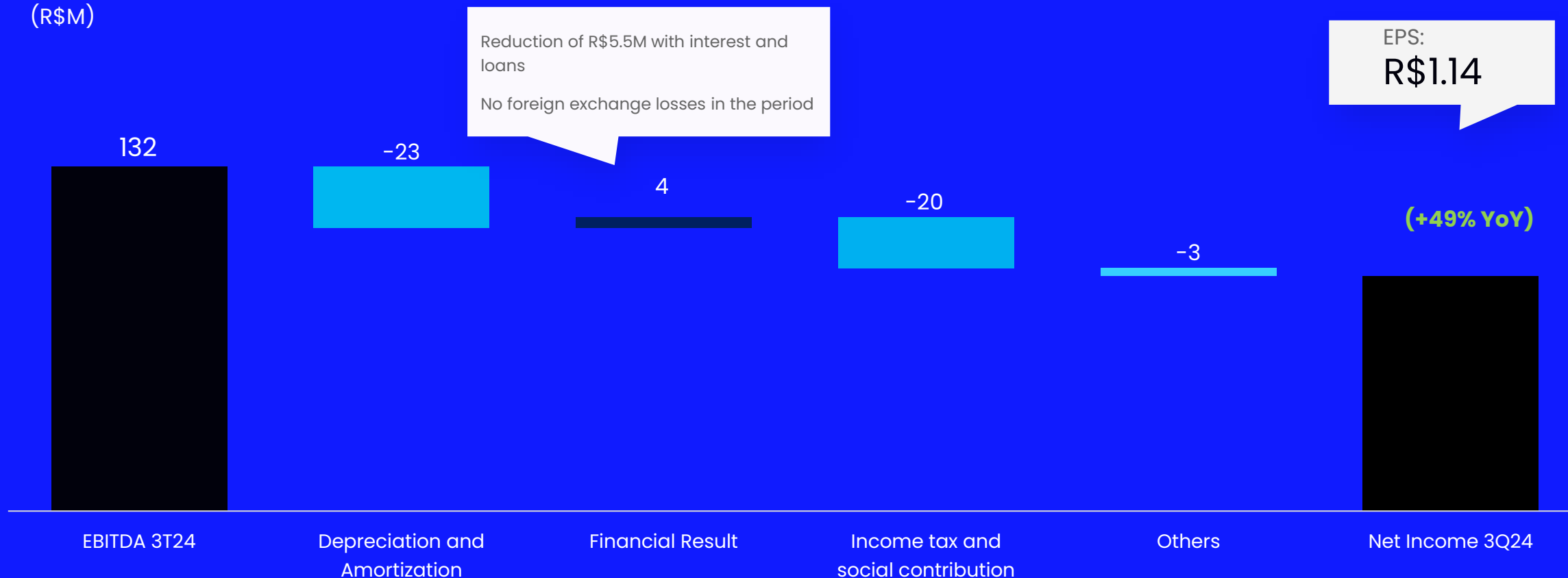


- Mobile grew 39% in NR and 62% in EBITDA vs 2Q24. Best result of the year 24 in the vertical.
- H1 portfolio acceleration, organic investments for H2/H3 based on DATA and SAFE ID.

Quarterly EBITDA-to-Net Income

Positive Financial Result + Effective rate of 18% led to the best recurring Quarterly Profit in the year.

(R\$M)



EBITDA to Net Income - 9M

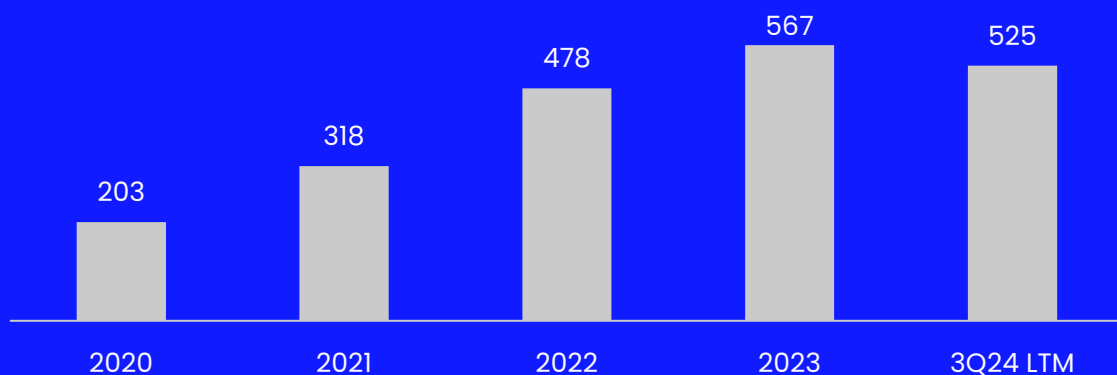
Recurring net income of R\$206M + asset sale in 1Q24, of R\$112M, led to the R\$318M profit reported in 9M24.

(R\$M)

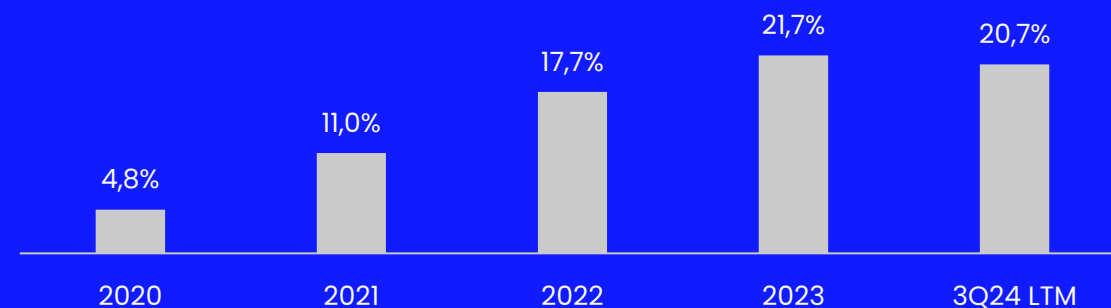


Evolution of Indicators

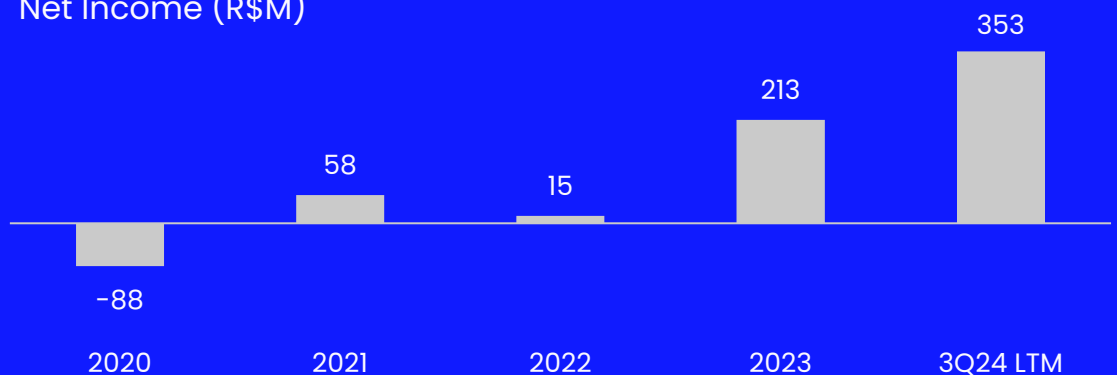
EBITDA (R\$M)



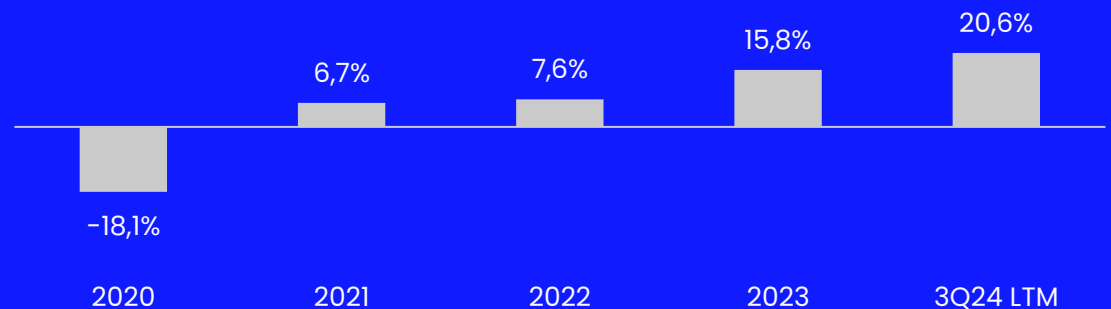
ROIC



Net Income (R\$M)



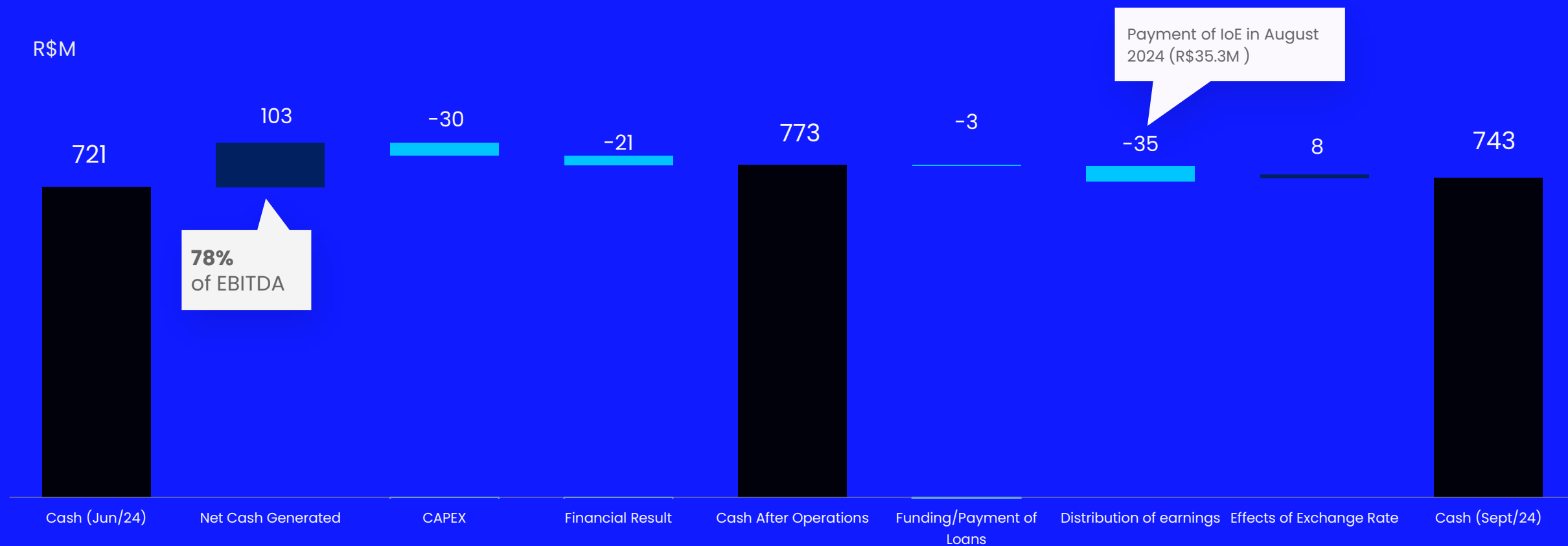
ROE



CF 3Q24

Quarter marked by significant EBITDA-to-Cash conversion and the highest CAPEX in the year.

R\$M

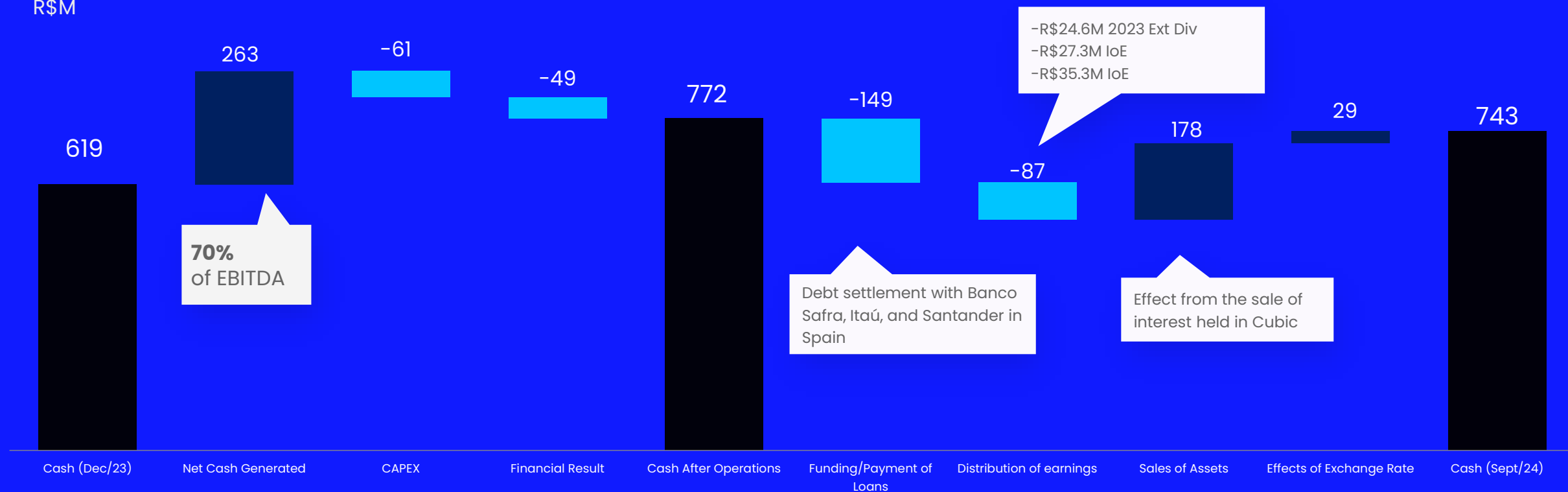


Note: Operating Cash Generation: EBITDA - Taxes on Result - Working Capital

CF 9M24

Featuring Operating Generation, lower indebtedness, and asset sale in 1Q24.

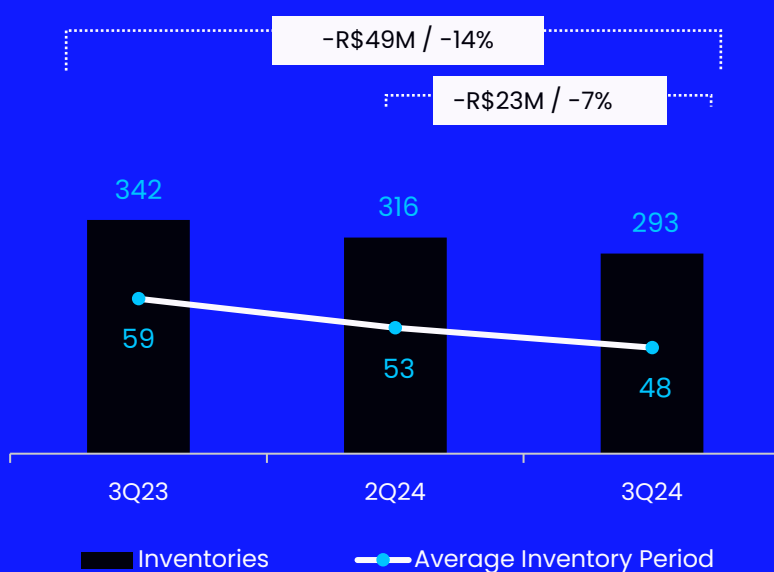
R\$M



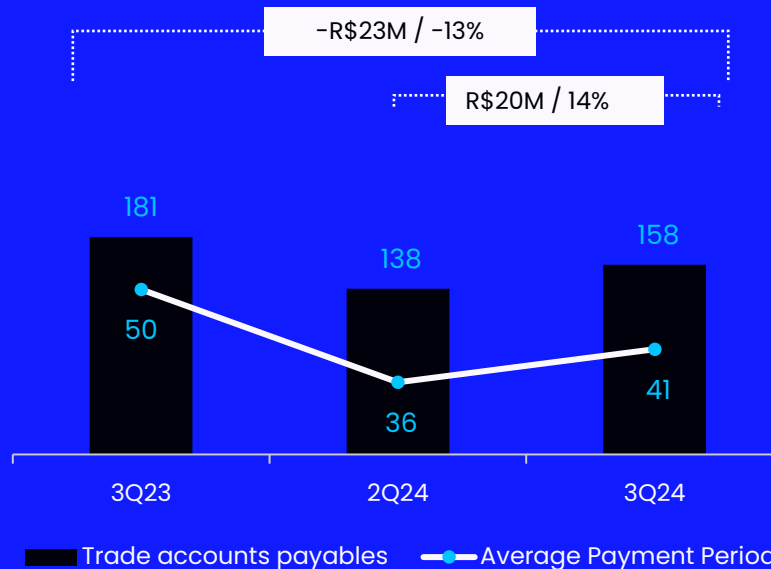
Note: Operating Cash Generation: EBITDA - Taxes on Result - Working Capital

Working Capital Evolution

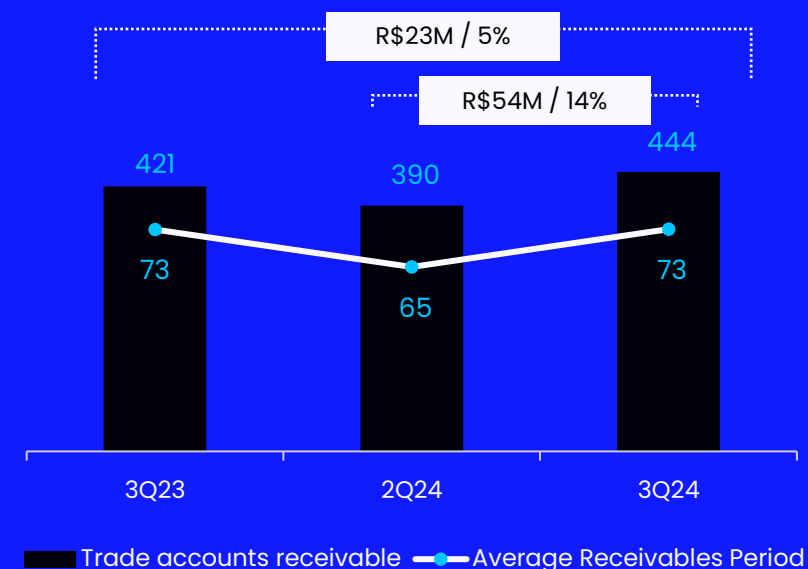
Inventories (R\$M)



Accounts Payable (R\$M)



Accounts Receivable (R\$M)

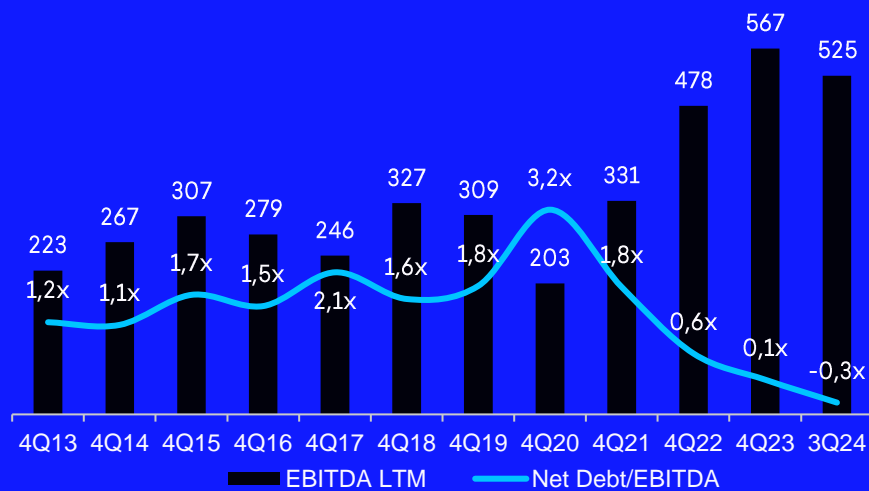


Highlight:

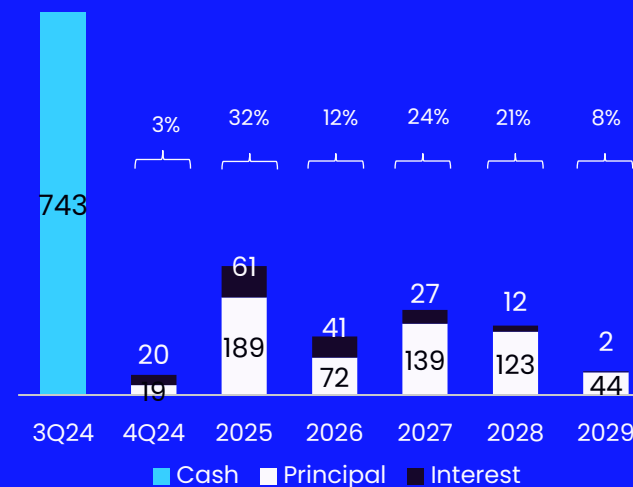
- We continue to make progress in the optimization of Inventories and extending the Average Payment Term to Suppliers
- Significant increase in Accounts Receivable due to the recovery in sales in the Mobile segment, which has a longer average payment term.

Liquidity

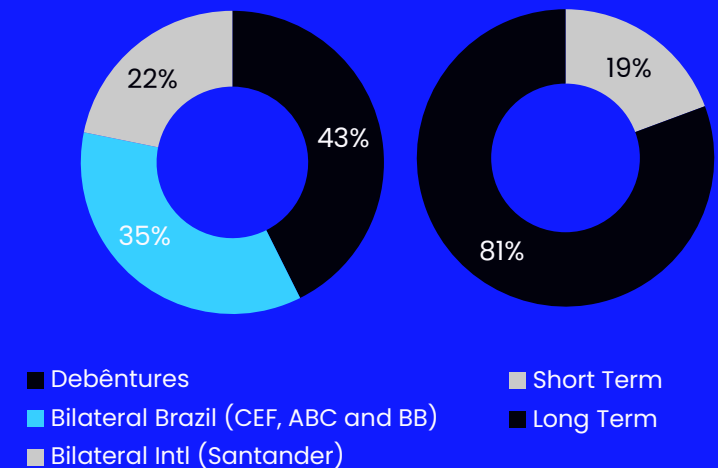
Leverage Ratio (Net Debt / LTM EBITDA)



Current Amortization Schedule (R\$M)



Debt Breakdown



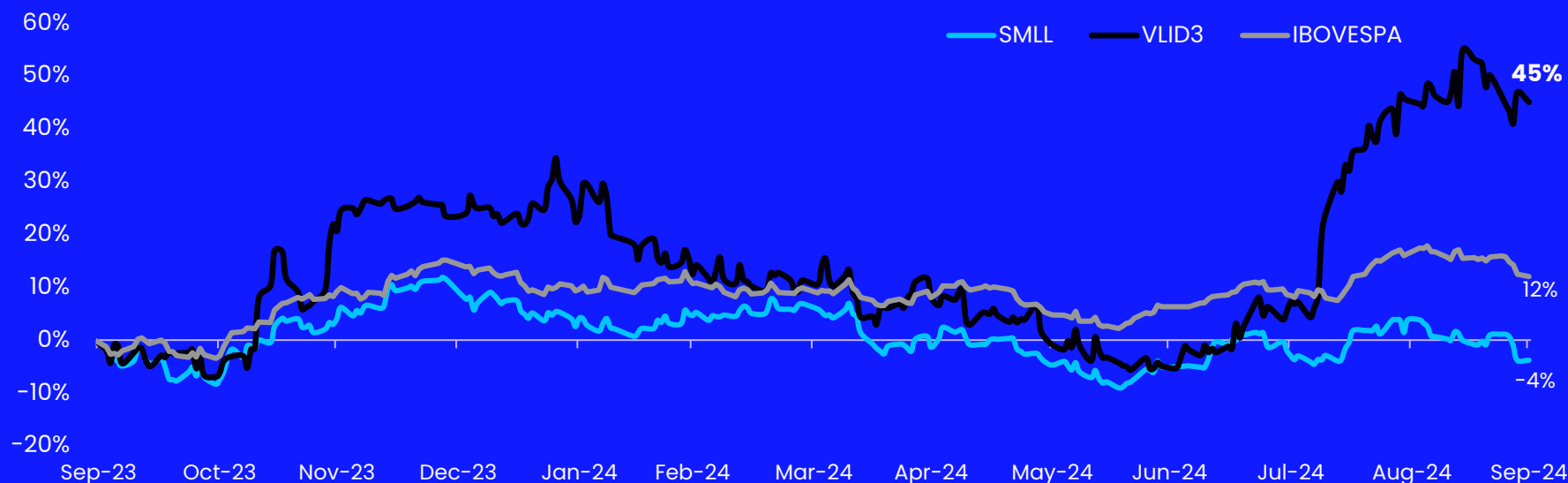
Highlights:

- In 3Q, Valid extended its R\$30M debt with Banco ABC for another 12 months, at DI+1.00% p.a., and extended its R\$156M debt with CEF for 12 months, reducing the rate by 25 bps.
- Only 19% of Valid's gross debt is currently in the short term.

Capital Markets

The stock price increased by 49% while ADTV rose by 36% YoY

Stock Performance (VLID vs. IBOV vs. SMLL) – last 12 months.



Proceeds:

- Apr/24: Extraordinary Div R\$24M (R\$0.31/share) ✓
- Jun/24: IoE R\$27M (R\$0.34/share) ✓
- Aug/24: IoE R\$35M (R\$0.44/share) ✓
- Nov/24: IoE R\$42M (R\$0.53/share)

Liquidity:

- YoY increase of 10% in ADTV (R\$ 9.4M) negotiated in the quarter, the highest ever recorded in the last 16 quarters.

Buyback Program (2M shares):

- 566,000 shares already acquired (28%).

Stock price: R\$22.70 / Mkt Cap: R\$1.8B

Ex-Treasury Shares: 79,865,897

Reference date: September 2024

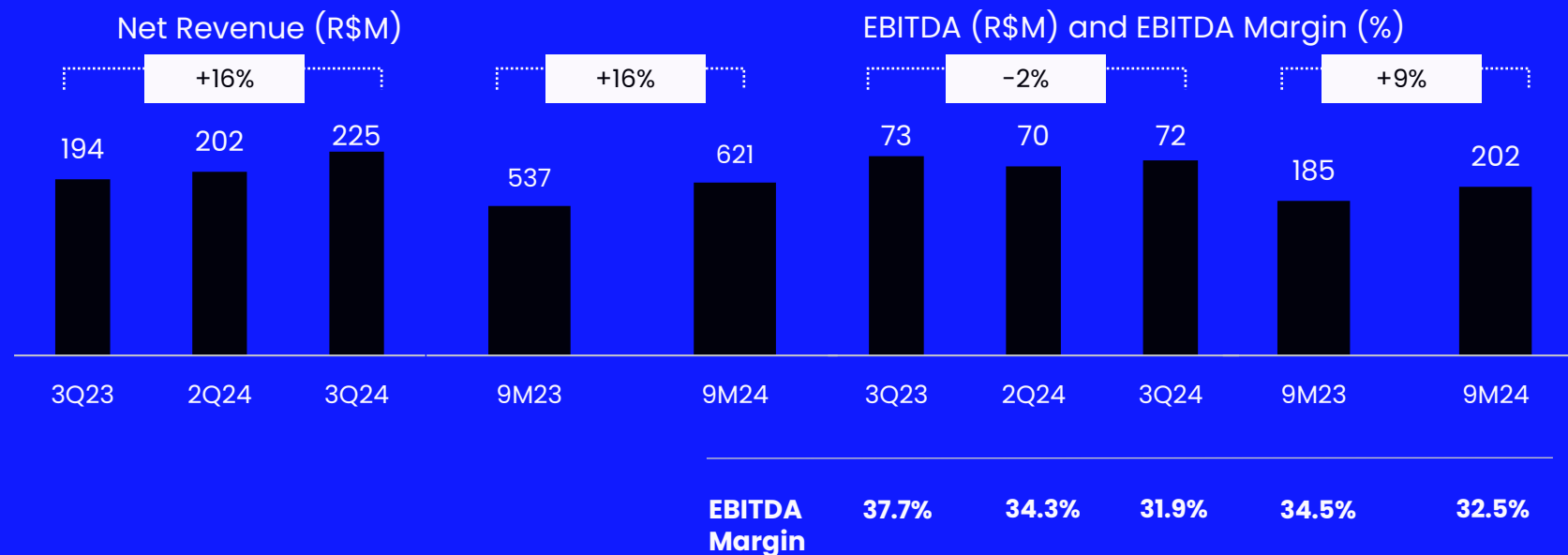
ValidID

The background features a dark blue gradient with a central image of a hand pressing a finger onto a glowing fingerprint scanner. Overlaid on this are various white and blue line-art icons representing technology and security, such as padlocks, a smartphone, a credit card, a classical building, a globe, and a play button. A network of thin white lines connects these icons across the frame. In the upper left, the text '101 1001 10101101' is faintly visible. The 'ValidID' logo is prominently displayed on the left side, with 'Valid' in white and 'ID' in blue.

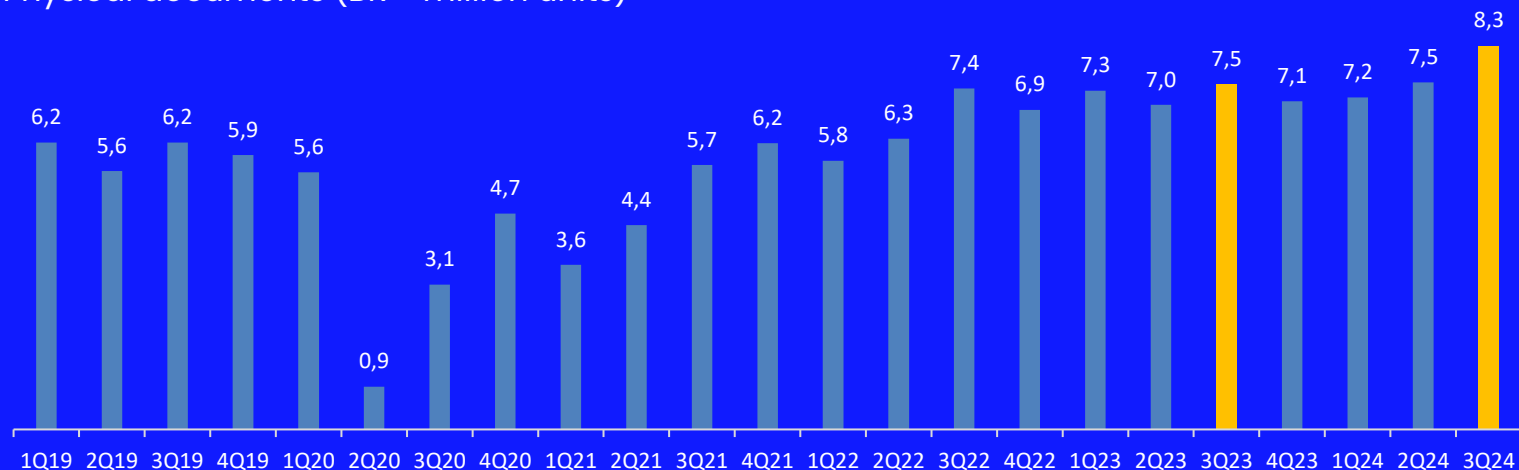
ValidID

Highlights:

- Two-digit Revenue increase compared to 3Q23 and 9M23.
- Historical record in the issue of documents (+11% YoY), featuring the strong increase in demand following the implementation of CIN and a higher number of business days in 3Q24.
- Impact of R\$105M in the revenue of new products in the year (17% of the total of the segment).



Physical documents (BR – million units)



3Q24 Results

Valid

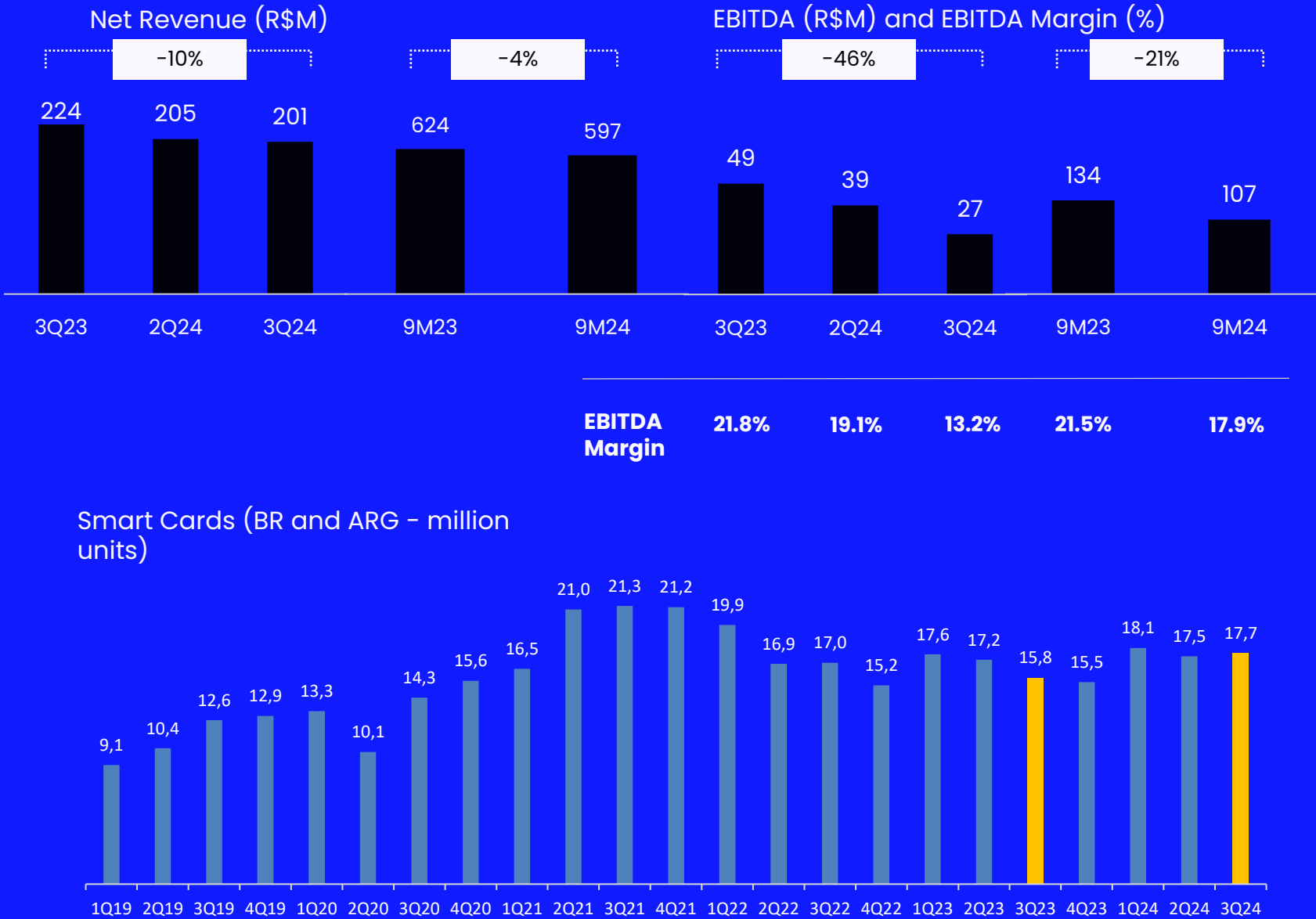


ValidPay

ValidPay

Highlights:

- Brazil: Increase in Card volume of 14% in 9M24 over 9M23, with a 9% increase in sales.
- Argentina: Volume fell by 14% in 9M24 from 9M23, while sales increased by 7% YoY.
- More competitive scenario and higher costs, mainly due to a strong dollar, pressured EBITDA and margins during the period.



3Q24 Results

Valid

The logo for ValidMobile, featuring the word "Valid" in white and "Mobile" in blue. A small blue horizontal line is positioned above the "V" in "Valid".

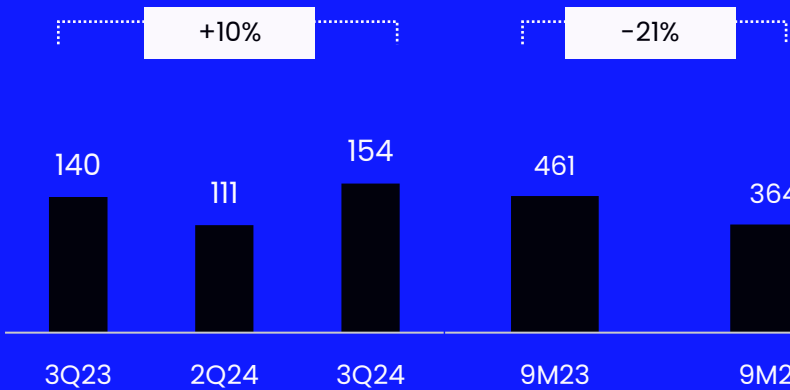
ValidMobile

ValidMobile

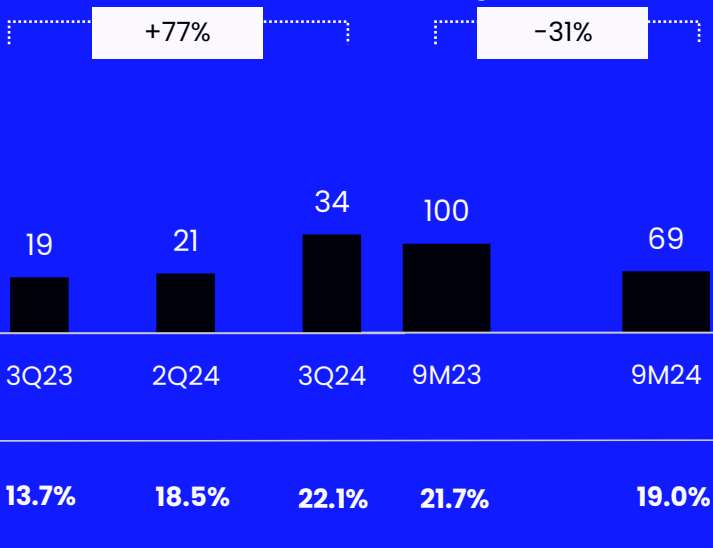
Highlights:

- 3Q24 showed significant recovery in Mobile results.
- Sales increased by 10% over 3Q23, while EBITDA grew by 77% over 3Q23 and by 65% QoQ.
- Margins reaching 22.1% in the quarter and 19% in the year.
- Quarter with significant project deliveries in Solutions and OEM across various geographies.

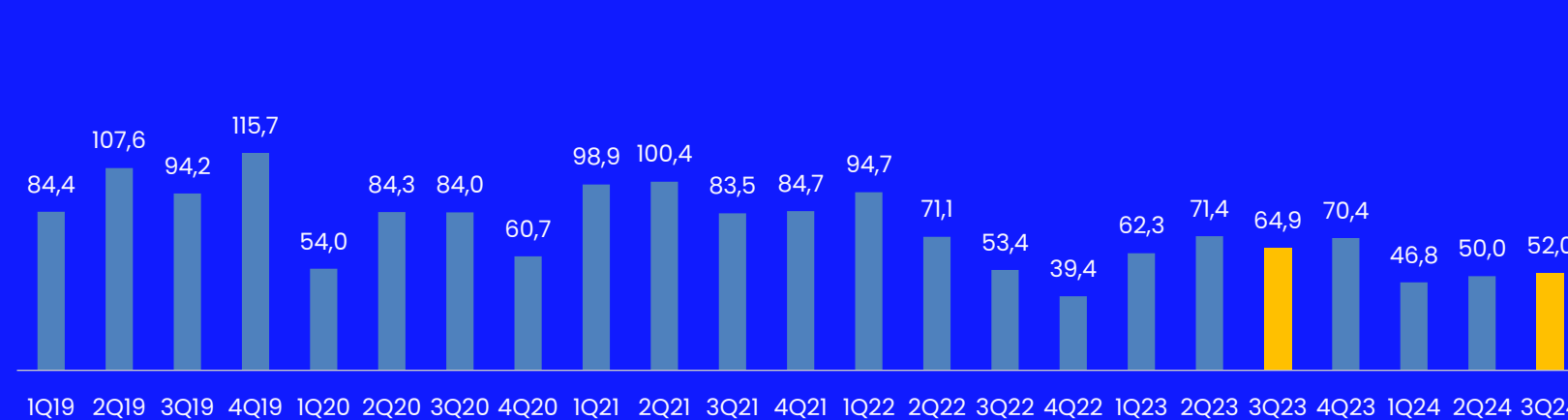
Net Revenue (R\$M)




EBITDA (R\$M) and EBITDA Margin (%)



Sim Cards (Global - million units)





Q & A

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