



Valid

Results	2 Q
Presentation	2 4

August 08, 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

Core business performing very well
Net Revenue of **R\$518M** in Q2

Net Income YoY grew by 43%

Consistent growth of new revenues in a product
portfolio complementary to the Core business.

Strong Capital Structure
+
Earnings Distribution

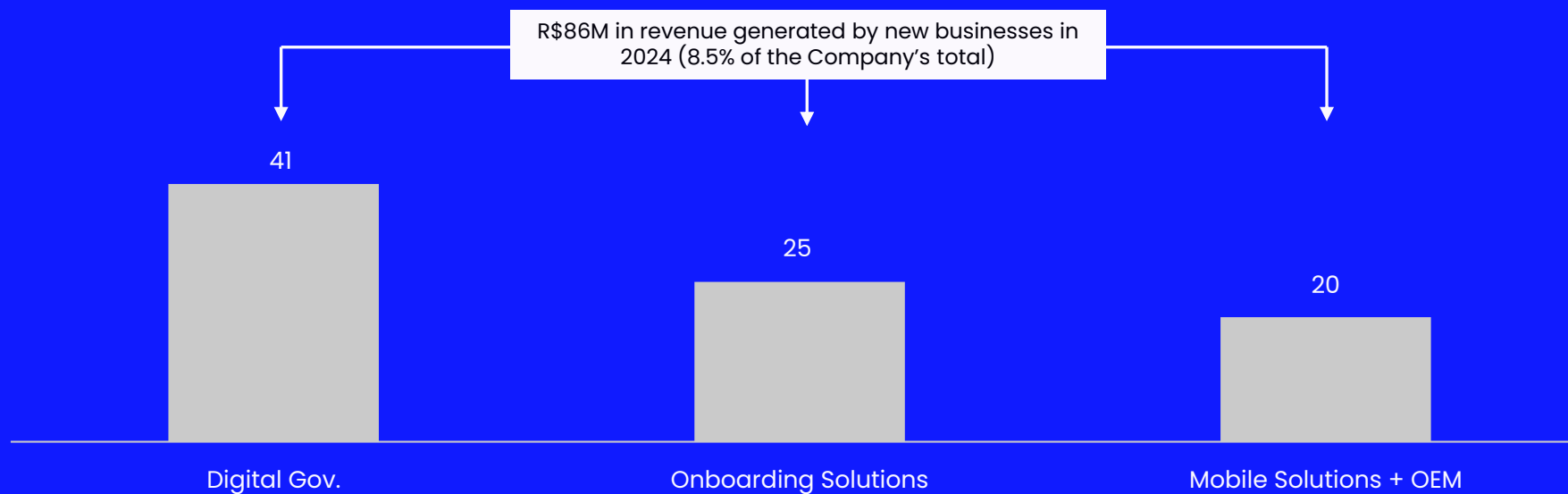
- ✓ Valid ID + **19,4%** Net Revenue/CIN + **22%** volume YoY
- ✓ Valid PAY: ARG + **34%** RL S1-24
- ✓ Valid Mobile starting its recovery

- ✓ Net income **R\$80M** 2Q24
- ✓ Net Income **R\$228M** 6M24 and **R\$324M** LTM
(or **R\$212M** excluding sales of assets)

- ✓ **8,5%** of the company sales and **12%** of EBITDA 6M24
- ✓ Net Revenue **R\$54M** 2Q24, more than 10% in NB

- ✓ **R\$136M** of net cash in the end of 2Q24
- ✓ OCF de **R\$161M** no 6M24. ROIC: 22,5% LTM.
- ✓ Earnings: **R\$51M** paid + **R\$35M** em aug/24

6M24 New Businesses



- Main highlight in new businesses, generating R\$41M in revenue.
- Efforts focused on ramping up solutions and increasing the customer base in the next few quarters.

- Ability to explore optimized solutions in areas with operational complexity (e.g.: FCVS and the *Pé de Meia* Program).
- Seeking to enter into new industries besides the financial segment.

- Revenue from Mobile Solutions increased by 70% over 6M23.
- In a recovering segment, these services already account for 10% of the segment's revenue in 6M24.

2024 Guidelines

Goals of the year

1. Generation of Earnings with current businesses.
2. Accelerate the creation of New Revenues and create a scalable growth structure.

Strategic Pillars

1. Investment in Innovation and Technology for portfolio expansion.
2. Strong culture of value generation (People and Talents, Customer Focus, Innovation).
3. Maintain and evolve the foundations of operational excellence and competitiveness
4. Solid financial management and strengthening of the capital structure.

Capital Allocation

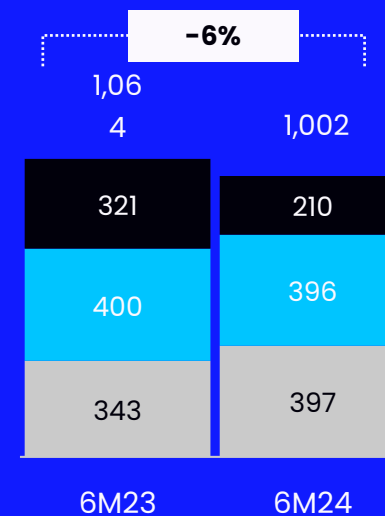
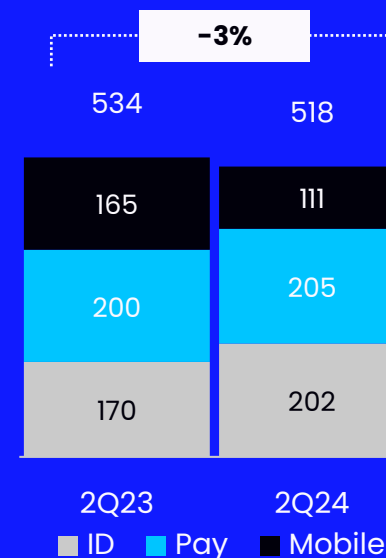
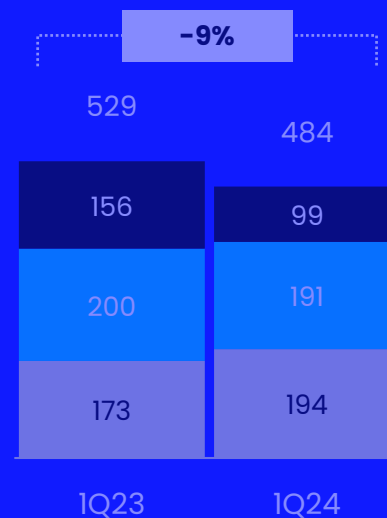
Commitment to remunerating shareholders through IoE within the legal limits.
Consistent, and discerning focus on growth opportunities.

Revenue and EBITDA

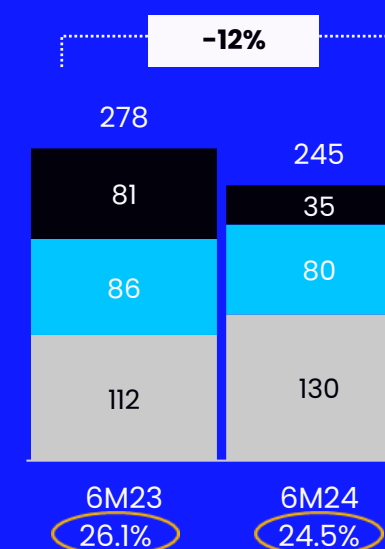
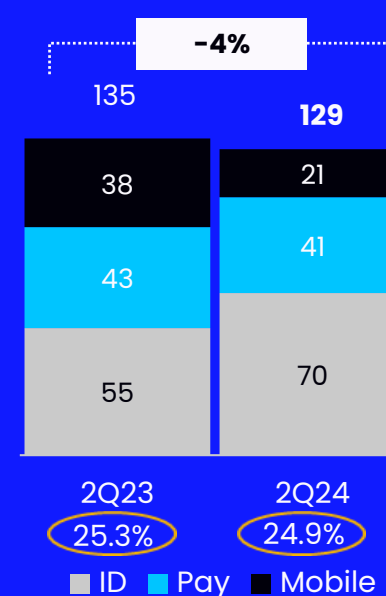
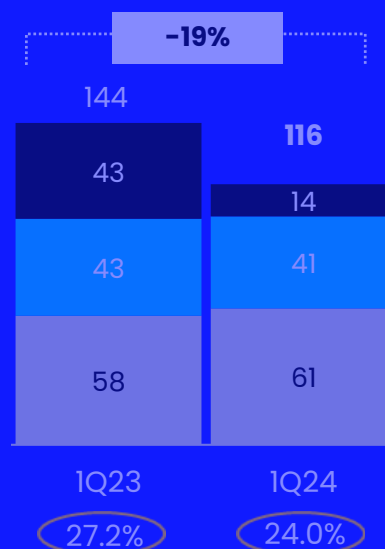
Highlights:

- 2Q24 shows progress in both Revenue and EBITDA compared to 1Q24.
- The ID segment grew, the Pay segment remained flat, and the Mobile segment improved over 1Q24, with good expectations for the second semester
- In terms of EBITDA, the margins remain strong despite Mobile's pressure since 6M23.

Net Revenue (R\$M)



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

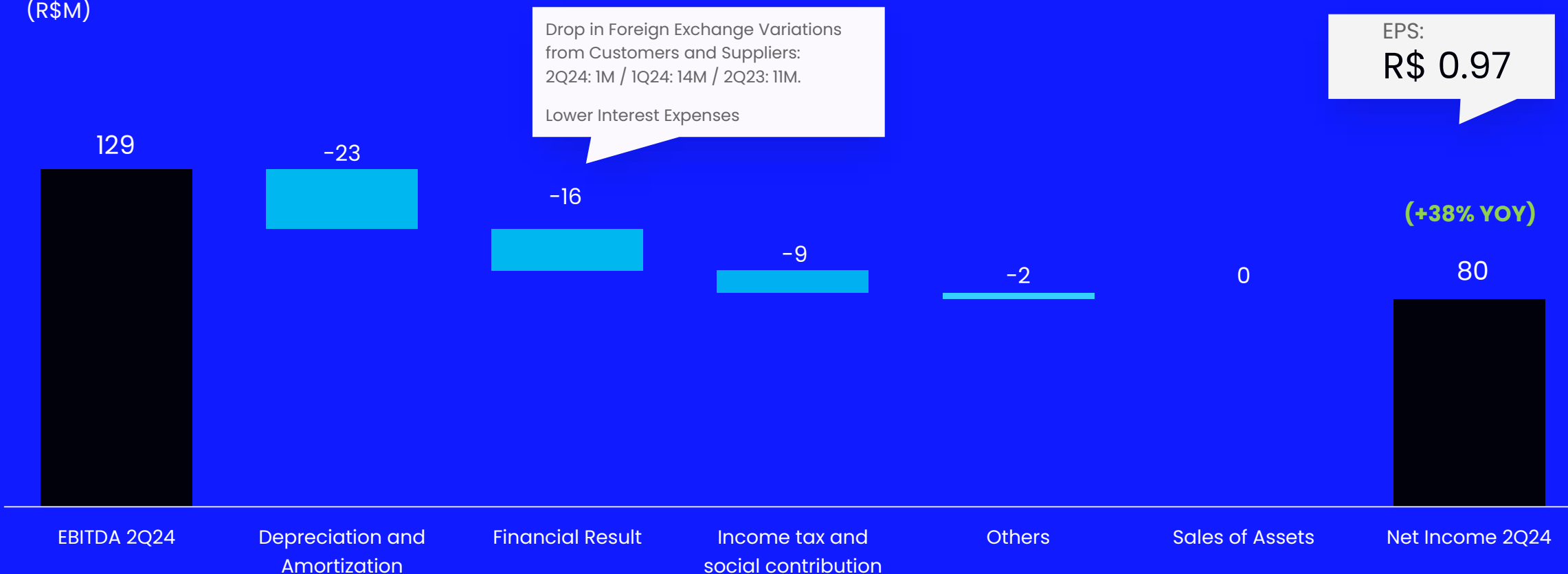


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Quarterly EBITDA-to-Net Income

Financial Expenses lower than in previous periods contributed to an increase in Net Income for the quarter.

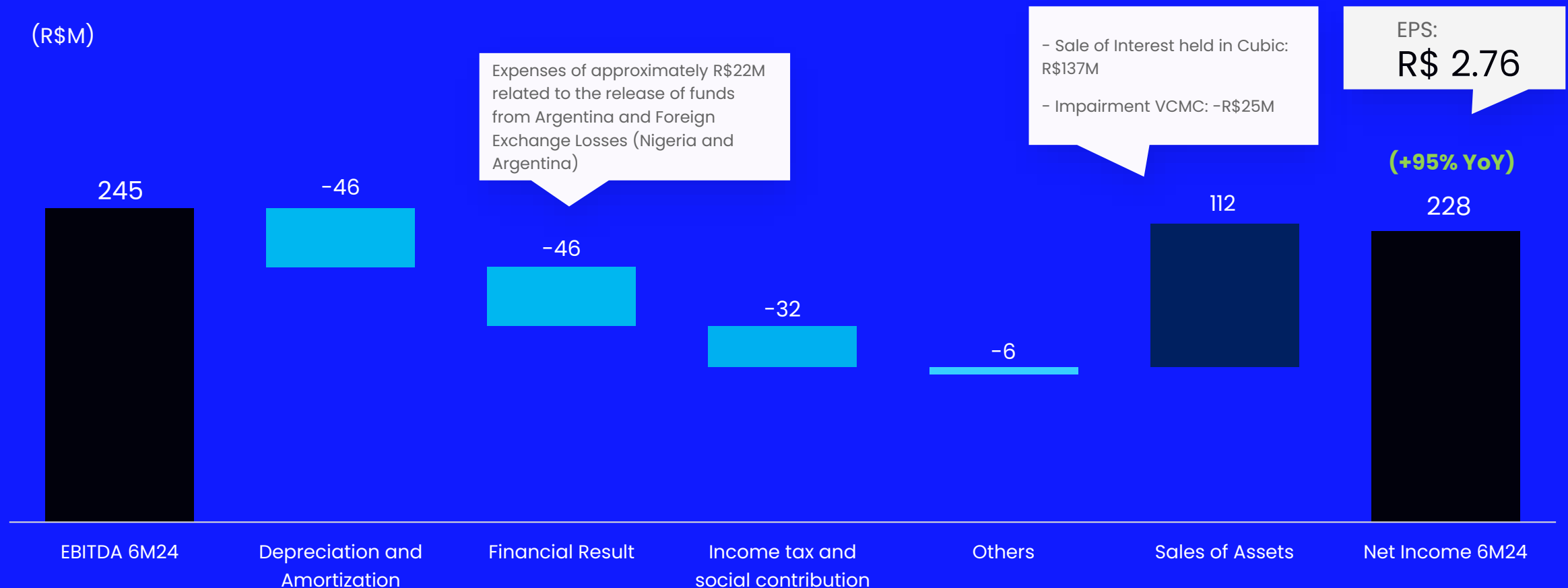
(R\$M)



Semiannual EBITDA-to-Net Income

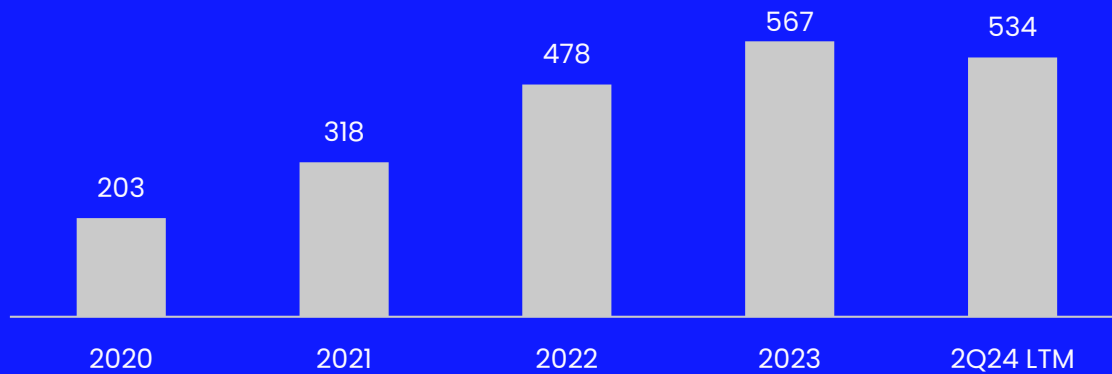
Income reported in 6M24 was positively influenced by the receipt of amounts related to the sale of interest held in Cubic.

(R\$M)

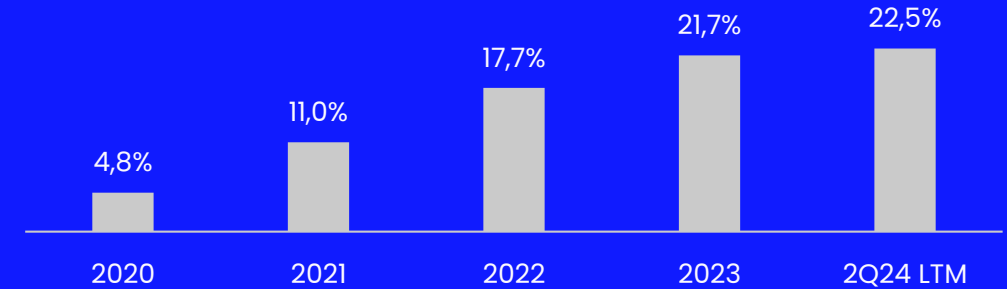


Performance of EBITDA, Net Income, ROIC, and ROE

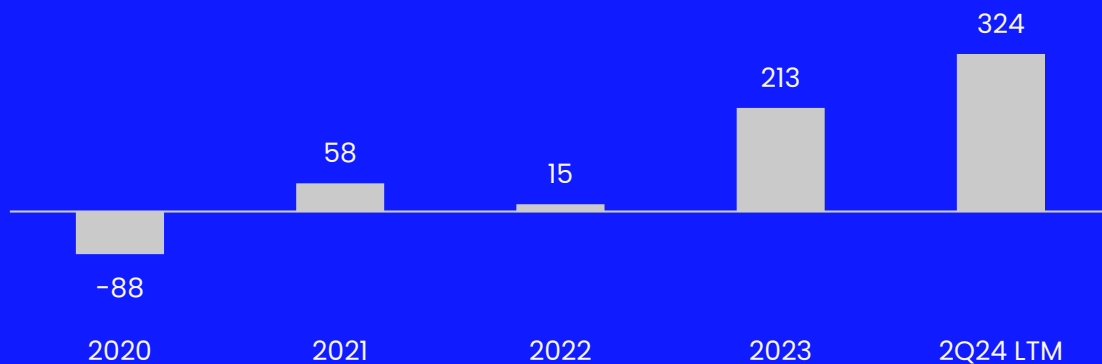
EBITDA (R\$M)



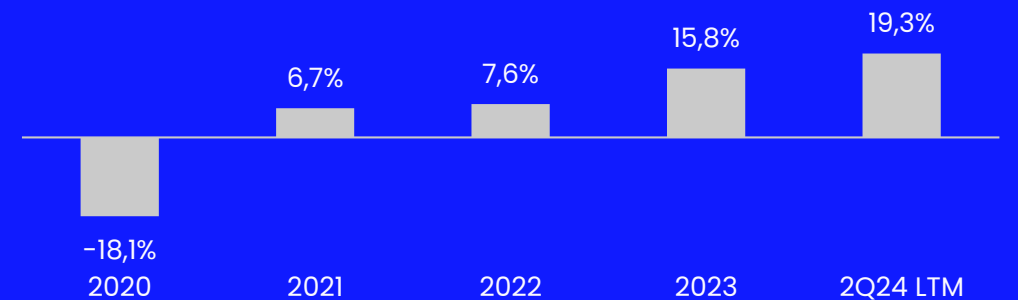
ROIC



Net Income (R\$M)



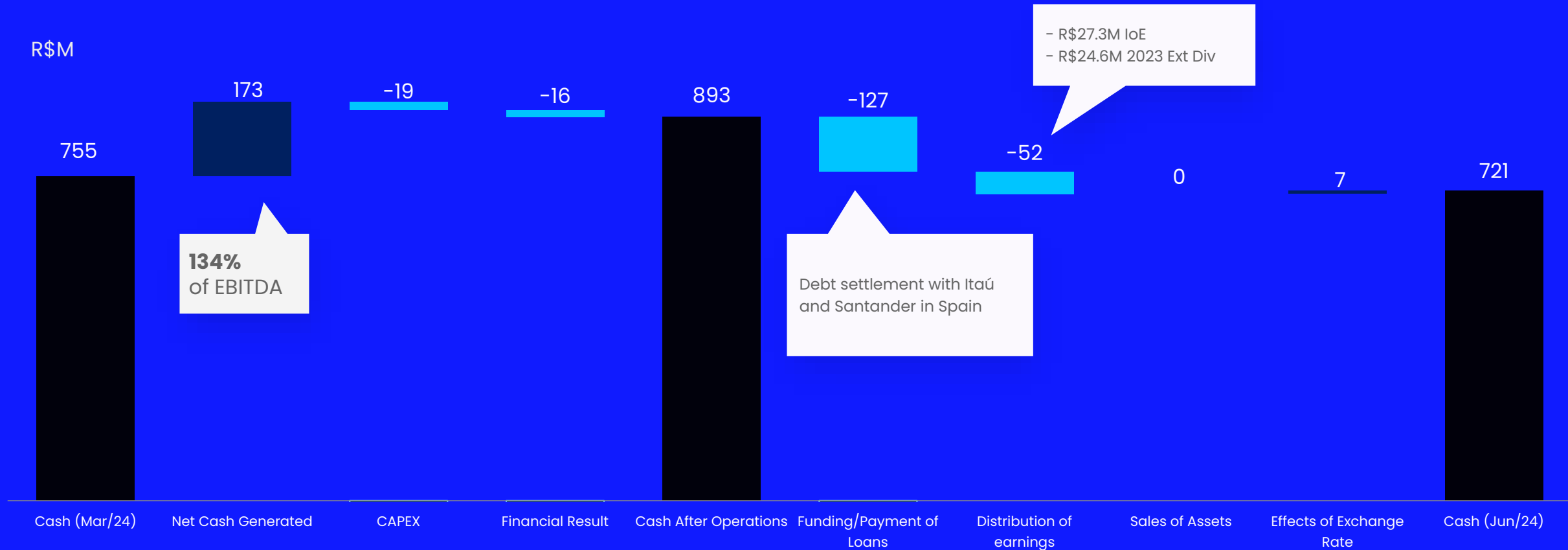
ROE



CF 2Q24

Featuring the strong operating cash generation in the period.

R\$M



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

CF 6M24

Highlights for: Operating Generation, lower indebtedness, and asset sale in 1Q24.

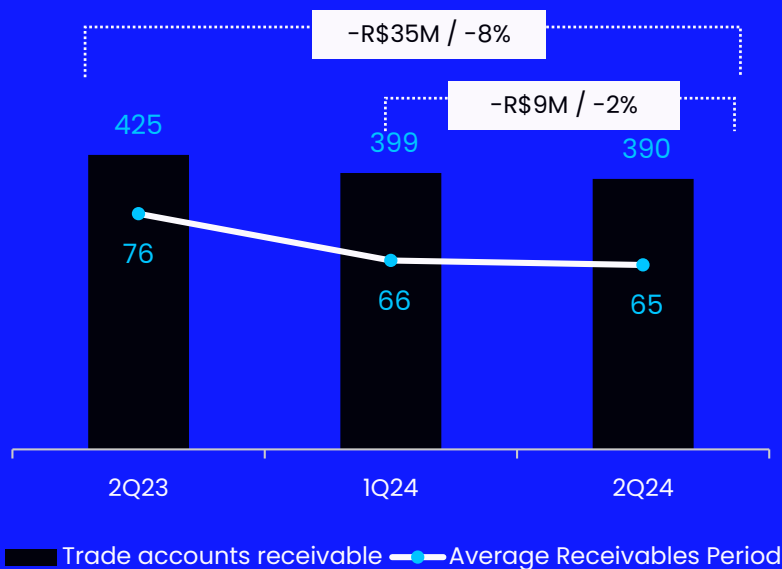
R\$M



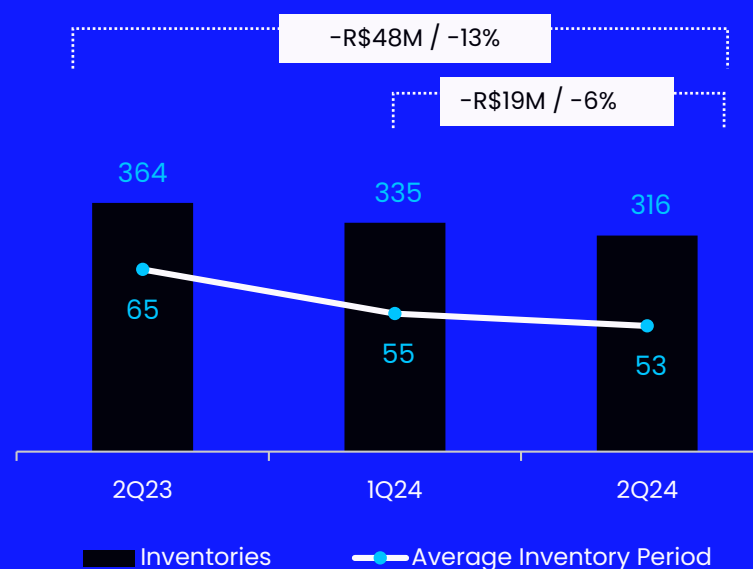
Note: Operating Cash Generation: EBITDA - Taxes on Result - Working Capital

Working Capital Evolution

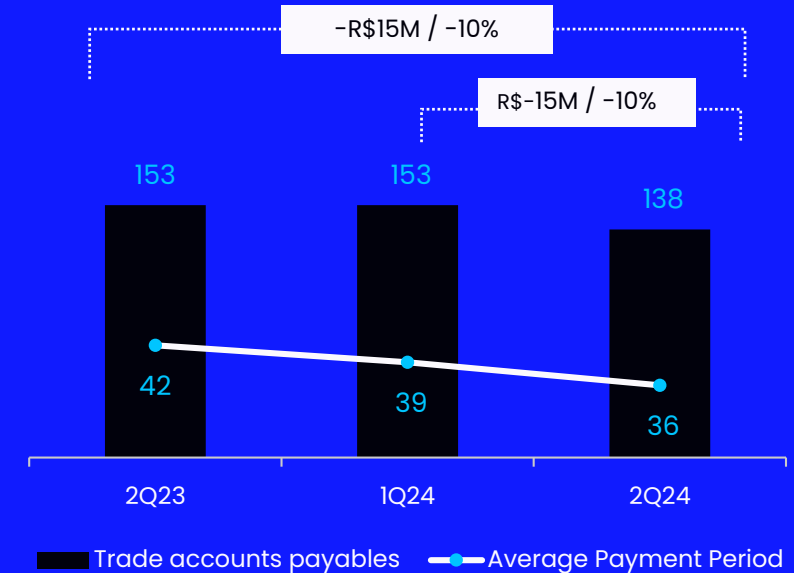
Accounts Receivable (R\$M)



Inventories (R\$M)



Accounts Payable (R\$M)

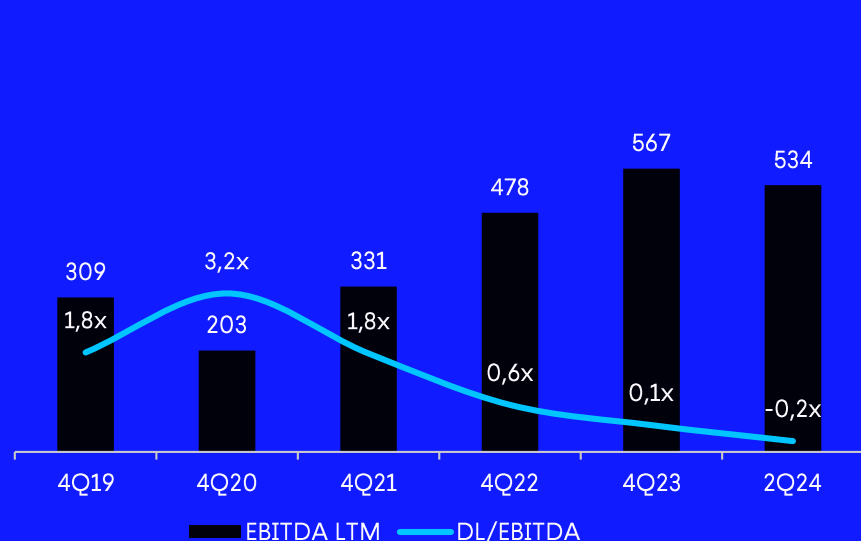


Highlights:

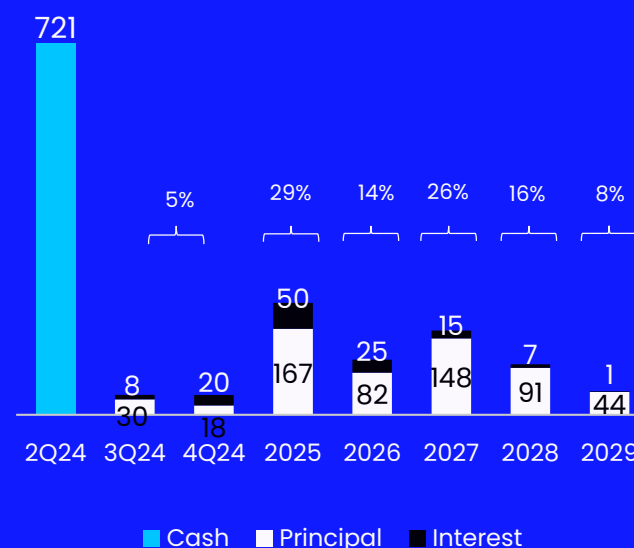
- In the 2Q, the improvements in the main Asset accounts (Accounts Receivable and Inventories) outweighed the worsening in the Suppliers account.
- Summing these three accounts, the improvement came to R\$13M in the quarter, totaling R\$68M compared to 2Q23, with the main gains coming from improved Inventory management.

Liquidity

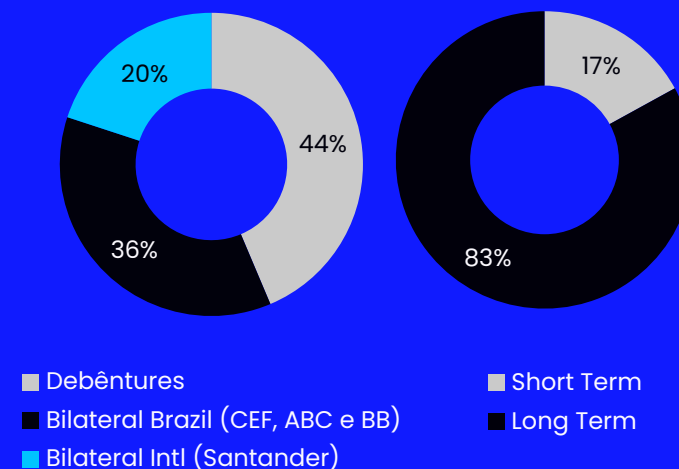
Leverage Ratio (Net Debt / LTM EBITDA)



Current Amortization Schedule (R\$M)



Debt Breakdown



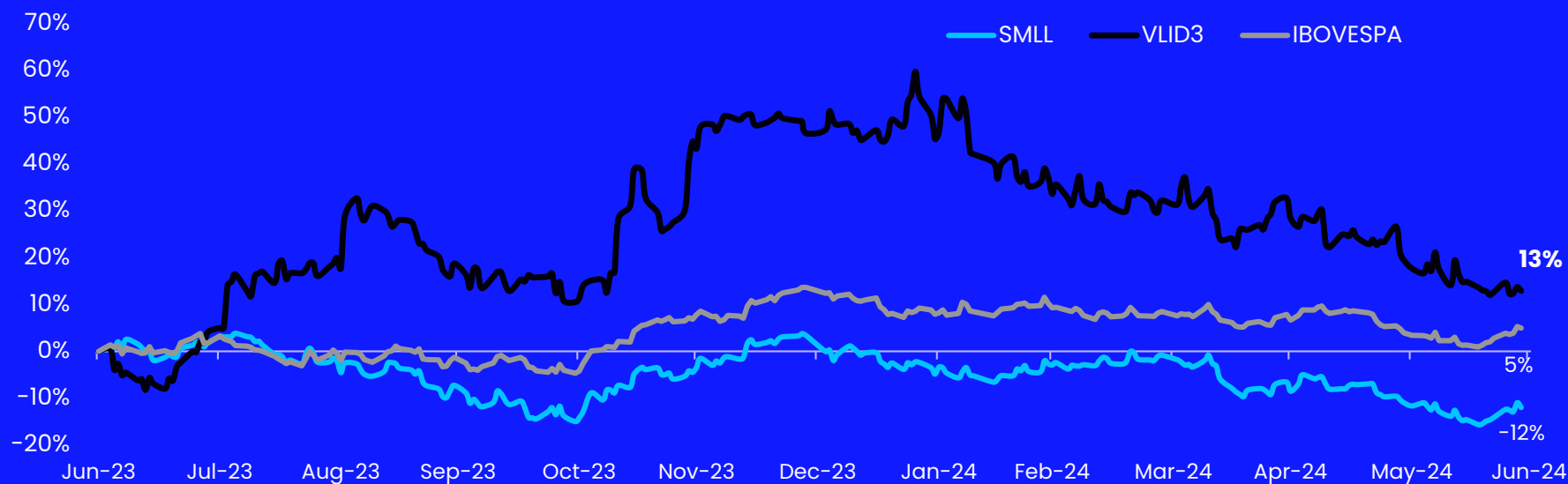
Highlights:

- In 2Q, Valid carried out the Exchange offer of debentures and the settlement of expensive debts abroad, which will reduce income expenses in the next few quarters.
- After the close of 2Q24, the R\$30M debt with Banco ABC was extended 12 months more at DI+1.00% p.a. Currently, only 17% of the Company's gross debt is due in the short term.

Capital Markets

B3: VLID3

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)

Liquidity:

- Average daily trading volume of R\$6.2M in the quarter, a 13% YoY increase.

Buyback Program (2M shares):

- 152,800 shares already acquired

Stock price: R\$15.22 / Mkt Cap: R\$1.2B

Ex-Treasury Shares: 80,279,097

Base date as of June 2024

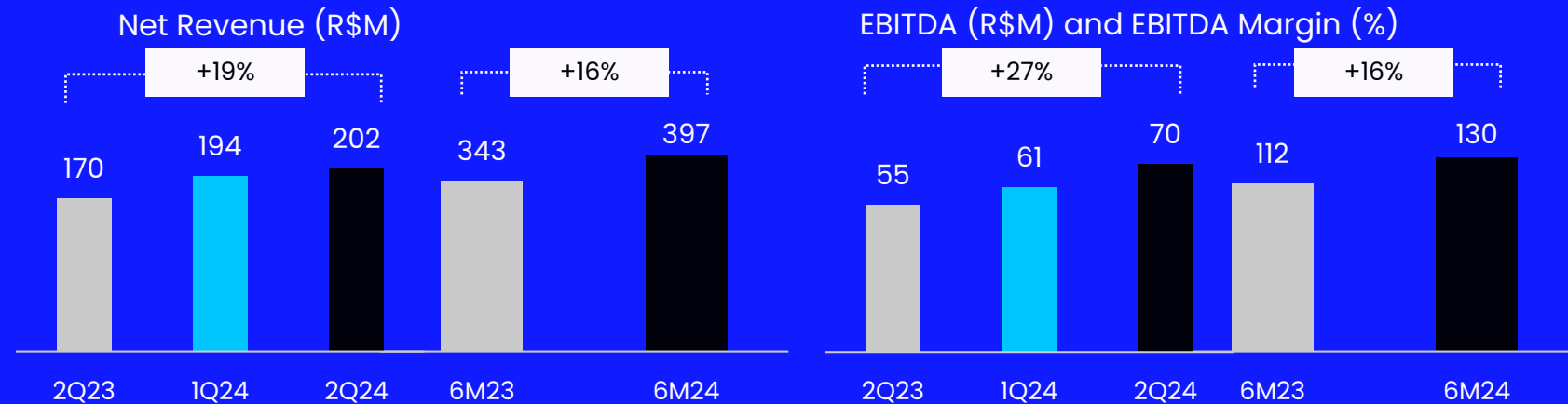
ValidID

The background of the slide features a dark blue gradient with a central image of a hand pointing upwards, with a glowing fingerprint overlay. A complex network of white lines and icons, including padlocks, a globe, a play button, a smartphone, and a classical building, is overlaid on the background. The text "ValidID" is prominently displayed on the left side, with "Valid" in white and "ID" in blue. A small blue horizontal bar is positioned above the "Valid" part of the logo. In the top left corner, a blue pill-shaped button contains the text "2Q24 Results". In the top right corner, the word "Valid" is written in white. Faint binary code "101 1001 10101101" is visible in the upper left, and a grid pattern is in the lower right.

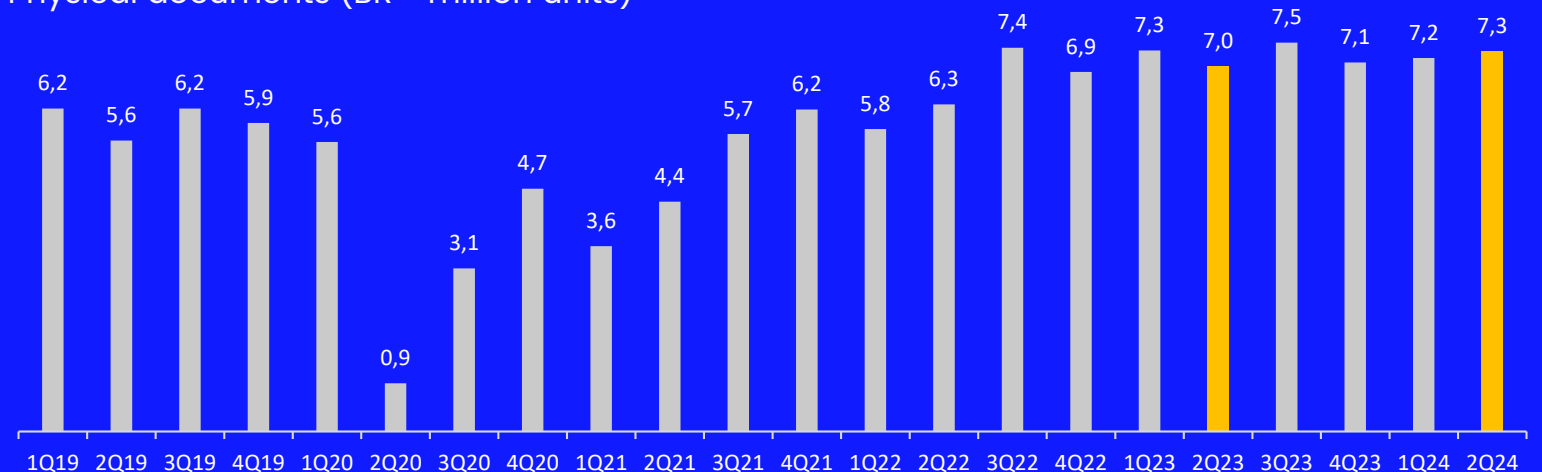
ValidID

Highlights:

- Two-digit Revenue increase compared to 2Q23 and 6M23.
- Strong increase in the demand for ID with the implementation of CIN.
- Impact of R\$66M in the revenue of new products in the year (17% of the total of the segment).
- EBITDA Margin higher than in 2Q23 and growth of 3 p.p. over 1Q24.



Physical documents (BR – million units)



2Q24 Results

Valid

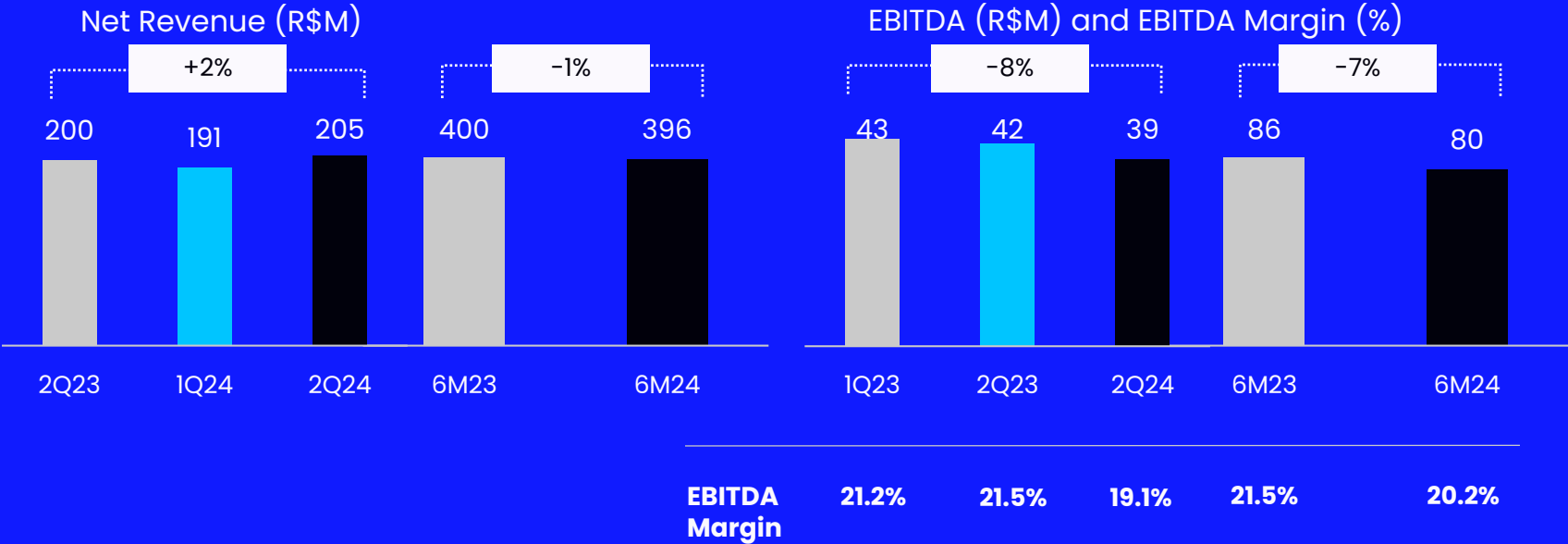


ValidPay

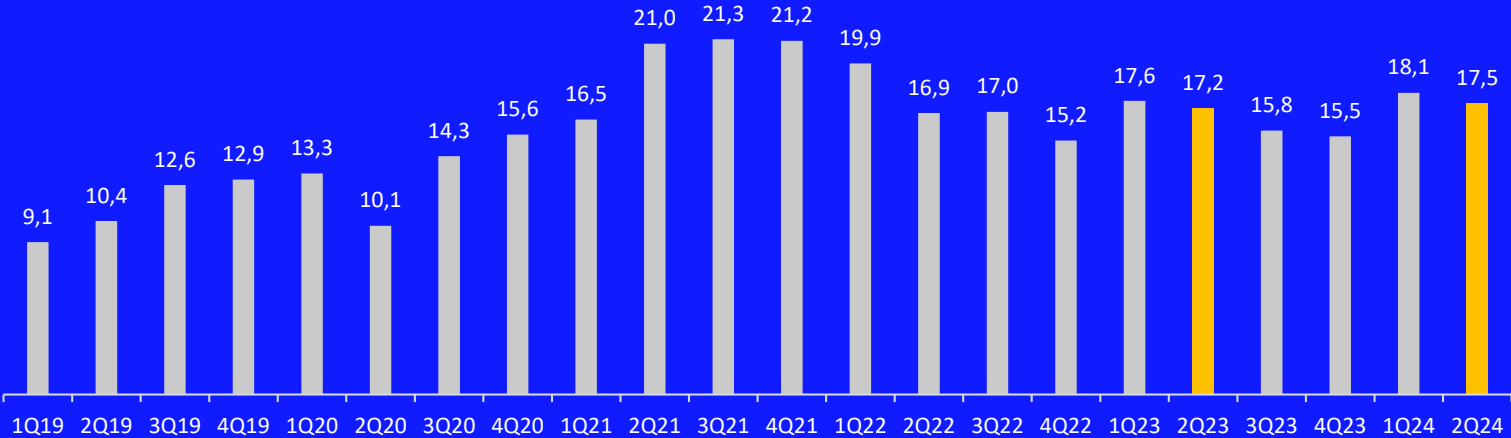
ValidPay

Highlights:

- Brazil: Increase in Card volume of 8% in 6M24 over the previous year, with a 2% increase in sales.
- Argentina: Volume in line with the previous year, with a 34% YoY increase in sales due to a higher average ticket.
- EBITDA in 2Q and 6M24 lower than in the same periods in 2023, but with the margins remaining around 20% in both periods.



Smart Cards (BR and ARG - million units)

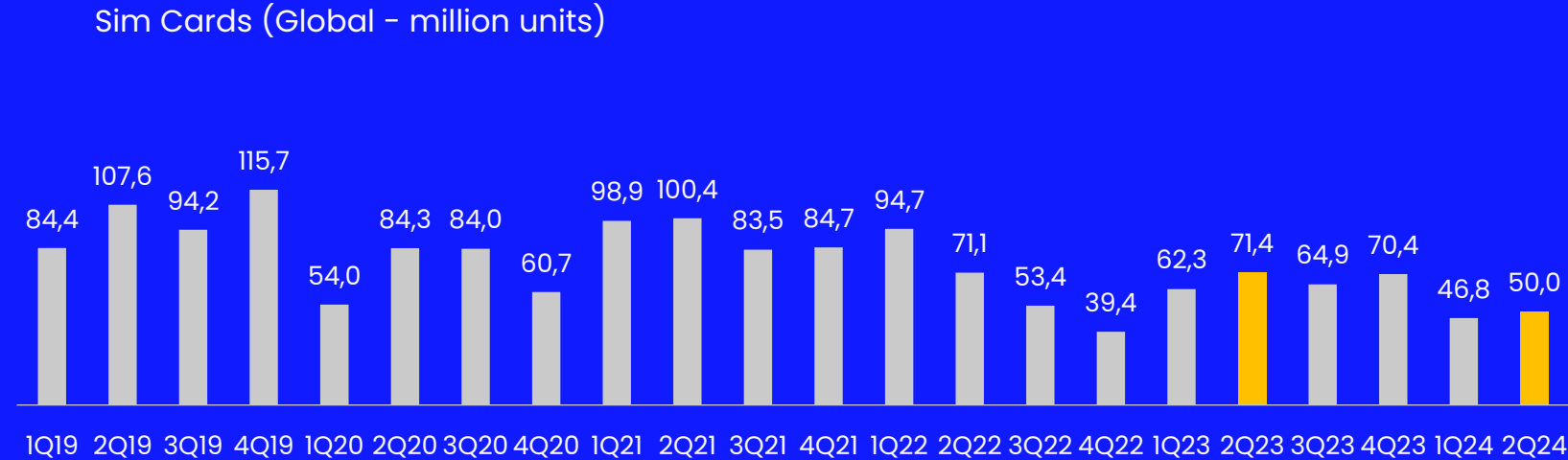
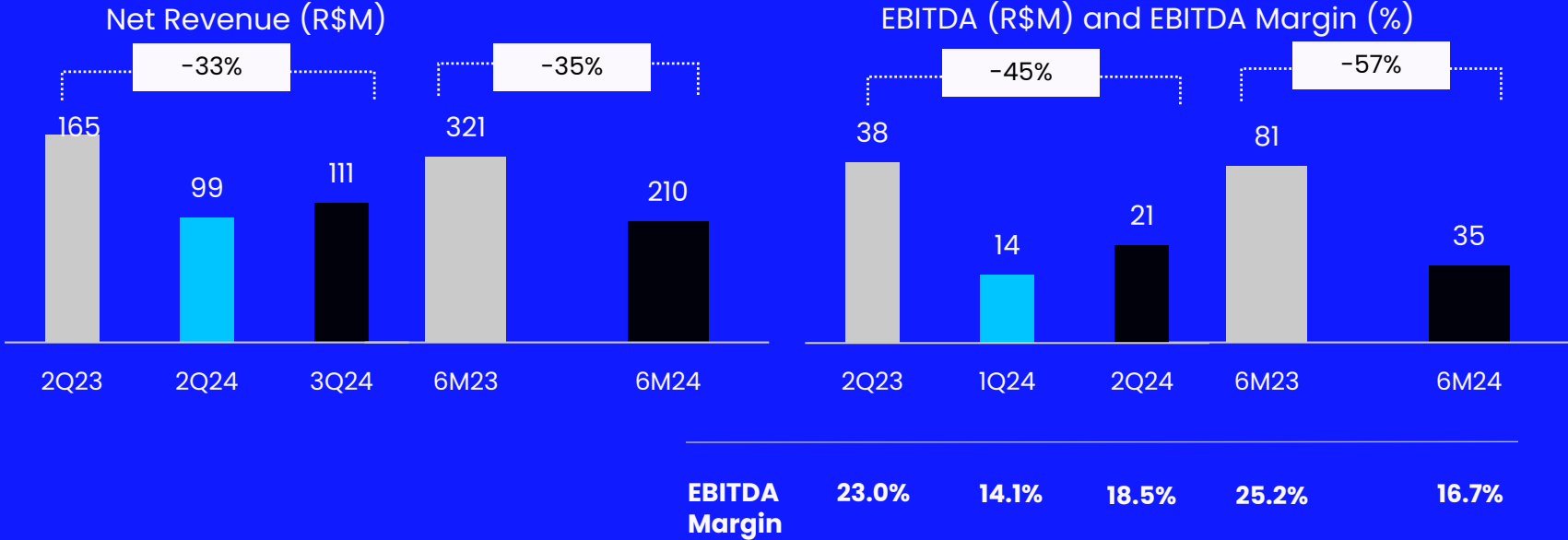


ValidMobile

ValidMobile

Highlights:

- 2Q sales increased by 12% over 1Q24, while EBITDA grew by 43%.
- Margins of 18.5% in 2Q remained above the 14.1% reported in 1Q24, 15.4% in 4Q23, and 13.7% in 3Q23.
- Expectation of an increase in volumes and project deliveries in second semester of 2024, enabling an improvement in the segment's results.



Subsequent Events

Working Capital Banco ABC

The R\$30M debt with Banco ABC was extended by another 12 months, at DI+1.00% p.y.

New Round of IoE for August

The BoD Meeting approved the payment of IoE of R\$0.44/share, totaling R\$35M, scheduled for August 16, 2024.

Perspectives


Last Considerations and Perspectives

Short Term Challenges

1. Resumption in the Mobile vertical. EBITDA Q1-14M, Q2-21M. Better expectations for Q3 and Q4.
2. Accelerate conversion of the pipeline into new revenues (Digital Gov., Payments, Mobile)
3. Intensify investments in Product Portfolio and Technological Platform.

Long Term Challenges

1. Position Valid as the Secure Identity platform in Brazil.
2. Evolution of the Valid product and platform portfolio in the ID and Digital Government, Banking and Payments and Secure Connectivity ecosystems.
3. Cautious and consistent capital allocation, with a strong growth ambition for the coming years.



Q & A

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