



EDUCATION
TECHNOLOGY
HEALTHCARE

WEBCAST PRESENTATION

AFYA.COM.BR

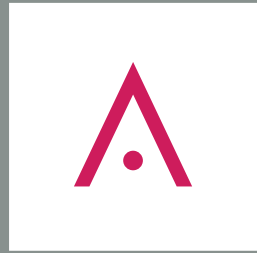
2021 RESULTS

SAFE HARBOR FORWARD – LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which statements involve substantial risks and uncertainties. All statements other than statements of historical fact could be deemed forward-looking, including risks and uncertainties related to statements about our competition; our ability to attract, upsell and retain customers; our ability to increase the price of our solutions; our ability to expand our sales and marketing capabilities; general market, political, economic, COVID-19, and business conditions; and our financial targets such as revenue, share count and IFRS and non-IFRS financial measures including gross margin, operating margin, net income (loss) per diluted share, and free cash flow.

We undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as required by law. The achievement or success of the matters covered by such forward-looking statements involves known and unknown risks, uncertainties and assumptions. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, our results could differ materially from the results expressed or implied by the forward-looking statements we make. You should not rely upon forward-looking statements as predictions of future events. Forward-looking statements represent our management's beliefs and assumptions only as of the date such statements are made. Further information on these and other factors that could affect our financial results is included in filings we make with the Securities and Exchange Commission from time to time, including the section titled "Risk Factors" in our most recent Rule 424(b) prospectus. These documents are available on the SEC Filings section of the investor relations section of our website at: <https://ir.afya.com.br/>.





WE ARE PROUD OF OUR EXECUTION

01

SOLID BUSINESS STRATEGY

education and digital services

02

ESG EVOLUTIONS

achievements throughout the year

03

SOLID PERFORMANCE

financial highlights





SOLID BUSINESS STRATEGY

EDUCATION AND DIGITAL SERVICES

GROWTH DRIVER
ORGANIC AND INORGANIC GROWTH

2,759 TOTAL SEATS

REPRESENTING ~19.9 THOUSAND STUDENTS AT MATURITY

4 MAIS MÉDICOS UNITS (200 SEATS)

TO START OPERATION IN 2H22

+28 SEATS

TO START OPERATION IN 2H22

+200 SEATS PER YEAR

STARTING ON 2022

UP TO 1.2k POTENTIAL ADDITIONAL SEATS

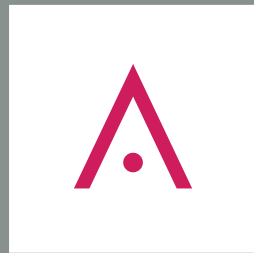
ON OUR BASE

B2B RAMP-UP
LONG-TERM STRATEGY

VALUE CREATION FOR THE
HEALTHCARE CHAIN, STARTING B2B
PARTERSHIPS WITH THE HEALTHCARE
INDUSTRY IN 2022

PRODUCTS INTEGRATION OF THE
ACQUISITIONS MADE IN 2021 AND 2022

ADDRESSABLE MARKET
TAM:
R\$24.4 BN



ESG EVOLUTIONS THROUGHOUT THE YEAR

ESG METRICS

released on an ongoing basis

UN GLOBAL COMPACT

participant since 2020 with voluntary commitments

WOMEN ON BOARD

certification granted

SUSTAINALYTICS

low exposure, good policies and practices

AWARDS WON

best company in the education segment, including the sustainability category

GEI INDEX

1 of 13 Brazilian companies to join the Bloomberg Gender-Equality Index (GEI)



**RESILIENCE OF
BUSINESS
SOLID
PERFORMANCE**

ADJUSTED NET REVENUE **+45.1%** YoY, REACHING **R\$1,752.7 MM**

ADJUSTED EBITDA **+34.0%** YoY, REACHING **R\$754.8 MM**

ADJUSTED EBITDA MARGIN **43.1%** ADJUSTED NET INCOME **R\$440.4 MM**

CASH CONVERSION RATIO **100.8%**

RECORD ADJUSTED OPERATING CASH FLOW GENERATION OF **R\$666.6 MN**

MEDICAL UNDERGRAD STUDENTS

+45.2% YoY, WITH OPERATING SEATS GROWING **31.1%** IN THE SAME PERIOD

+6.8% YoY MEDICAL AVERAGE TICKET

DIGITAL SERVICES

AFYA'S DIGITAL ECOSYSTEM REACHED **248k** MONTHLY ACTIVE USERS

+33% OF ALL BRAZILIAN PHYSICIANS AND MEDICAL STUDENTS

+63.1% GROWTH ON DIGITAL SERVICES' NET REVENUE

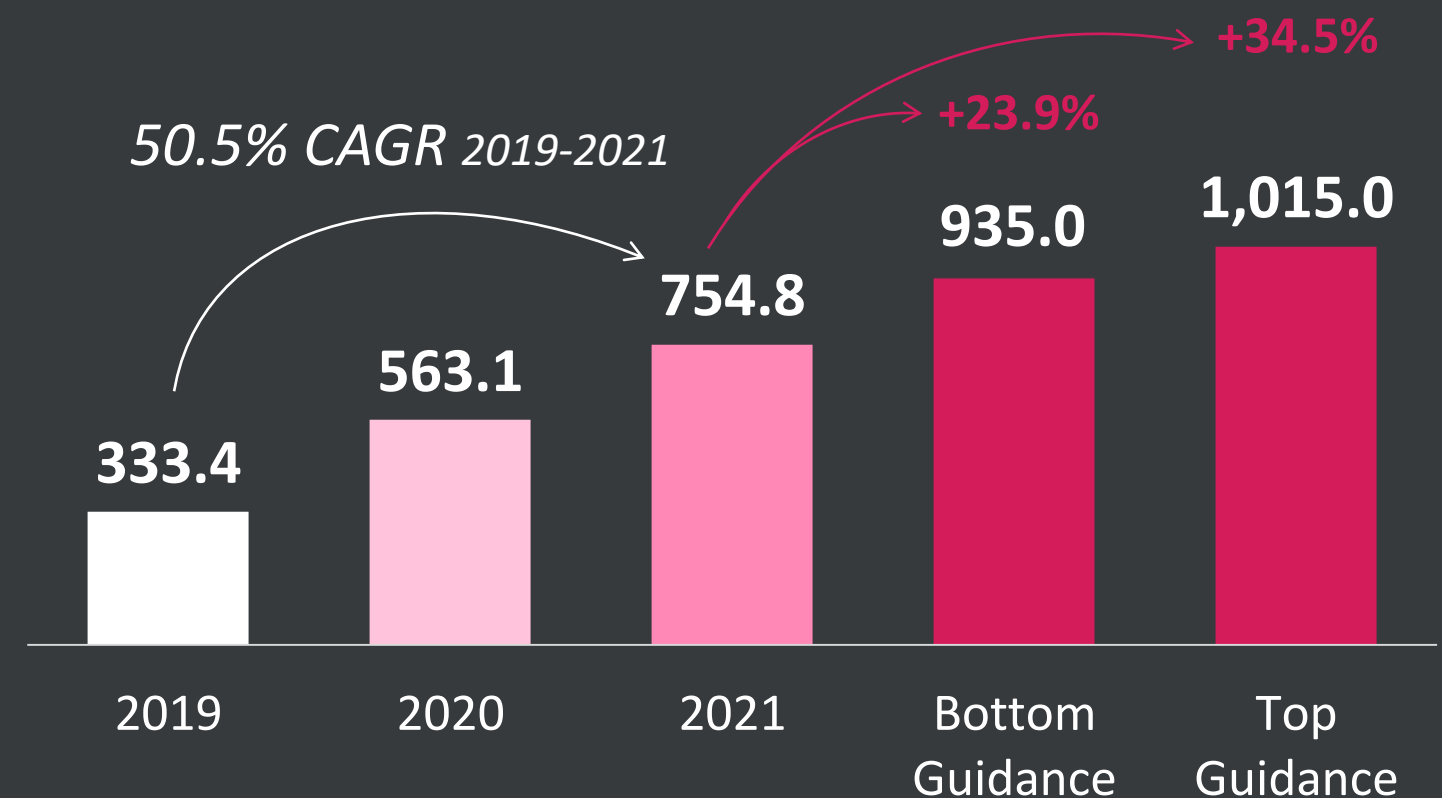
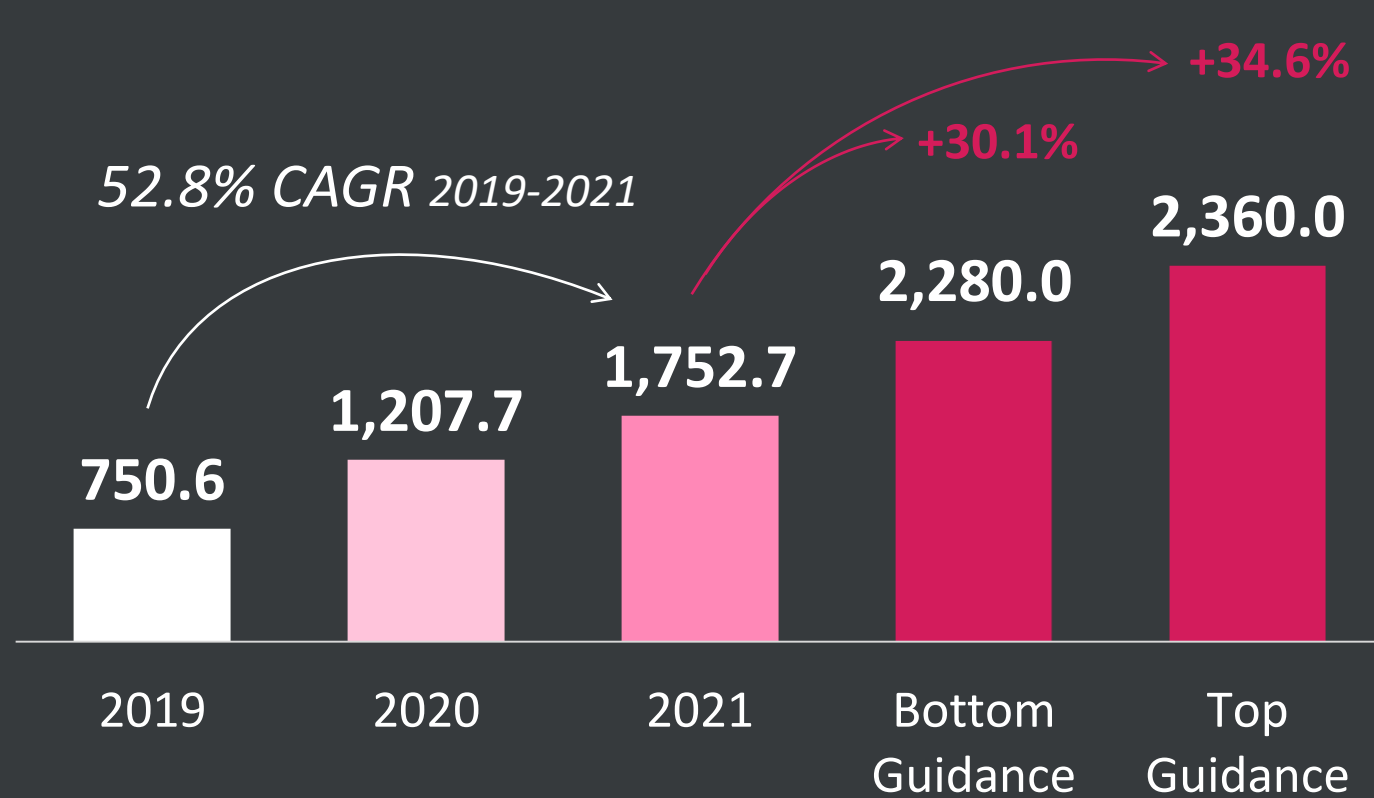


GUIDANCE

ACHIEVED 2021 GUIDANCE AND INTRODUCING 2022 GUIDANCE

Adjusted Net Revenue - R\$ mm

Adjusted EBITDA - R\$ mm



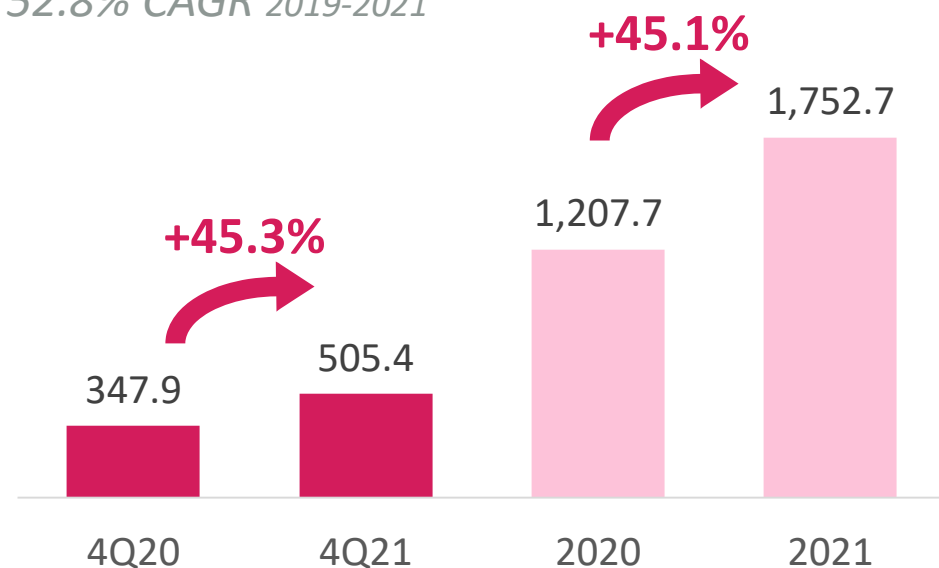


FINANCIAL AND OPERATIONAL OVERVIEW

LUIS ANDRÉ BLANCO - CFO

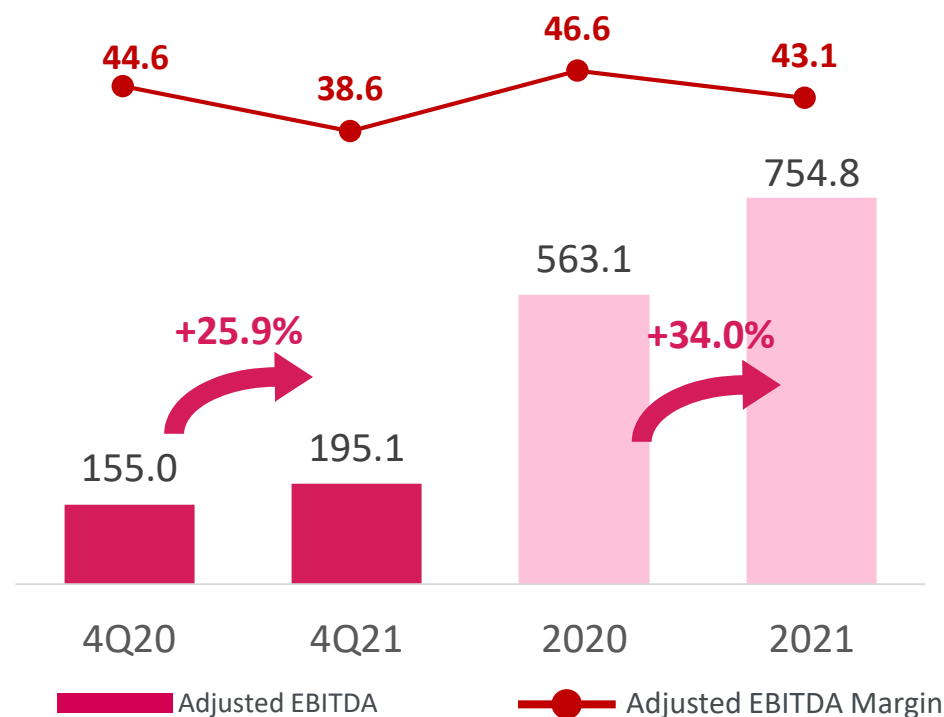
Adjusted Net Revenue¹ - R\$ mm

52.8% CAGR 2019-2021



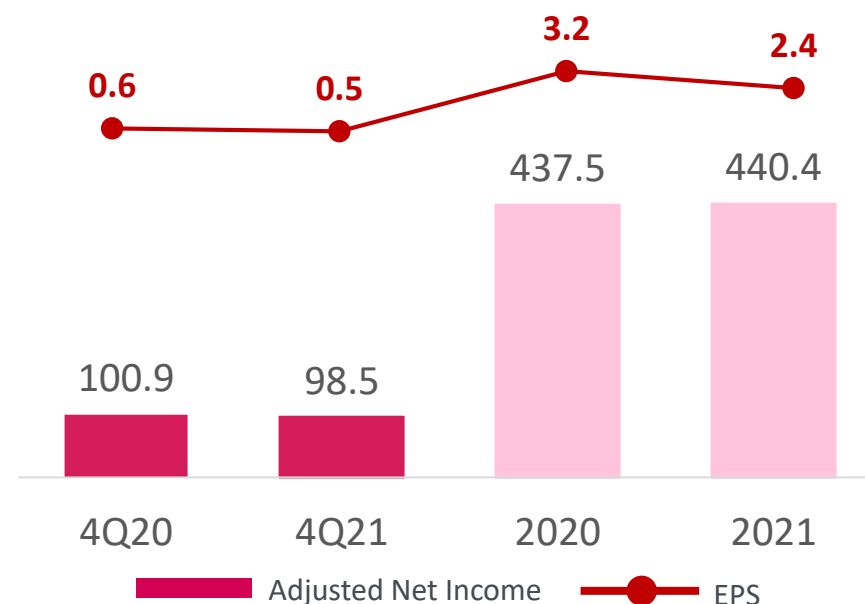
Adjusted EBITDA and EBITDA Margin – R\$ mm and %

50.5% CAGR 2019-2021



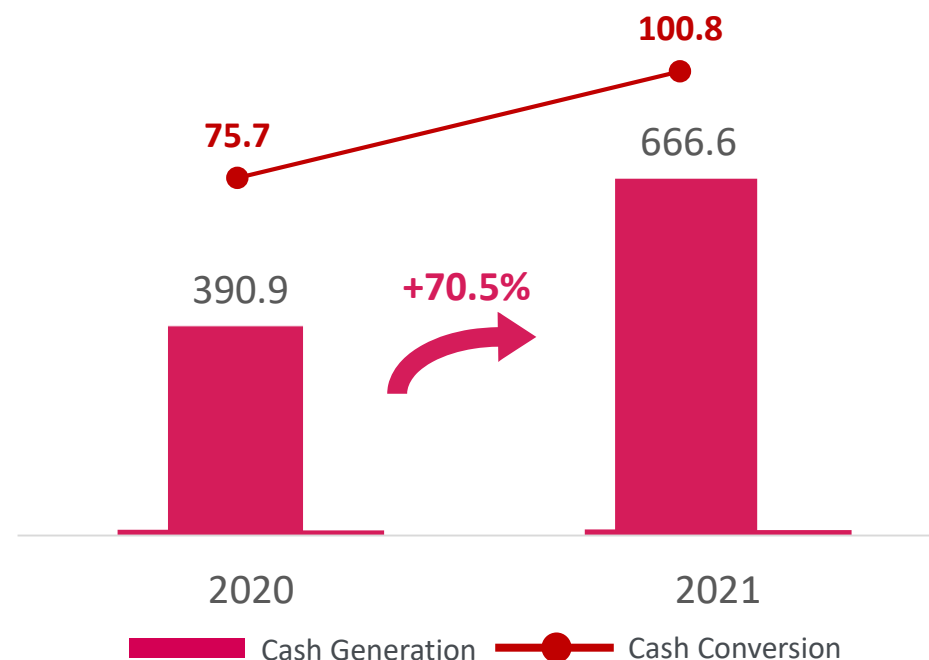
Adjusted Net Income and EPS² – R\$ mm

32.3% CAGR 2019-2021



Adjusted Operating Cash Generation & Cash Conversion – R\$ mm and %

47.2% CAGR 2019-2021



13.7%

ORGANIC GROWTH ON ADJUSTED NET REVENUE - UNDERGRAD
2020 vs 2021

R\$666.6 MM

RECORD ADJUSTED OPERATING CASH FLOW GENERATION

R\$1,752

ADJUSTED NET REVENUE GUIDANCE ACHIEVED
(EXCLUDES RX PRO)
2021

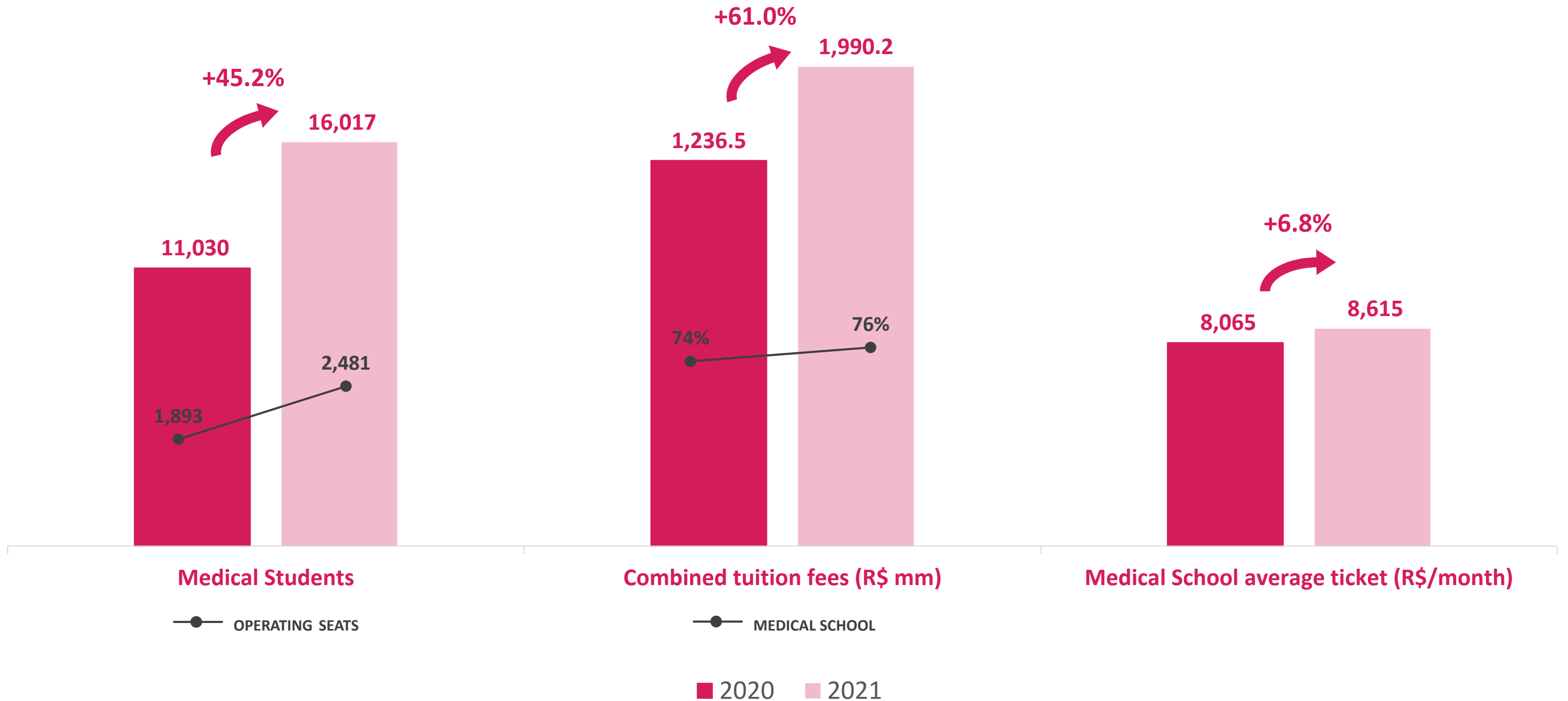
43.1%

ADJUSTED EBITDA MARGIN GUIDANCE ACHIEVED
(EXCLUDES RX PRO)
2021



OPERATIONAL METRICS

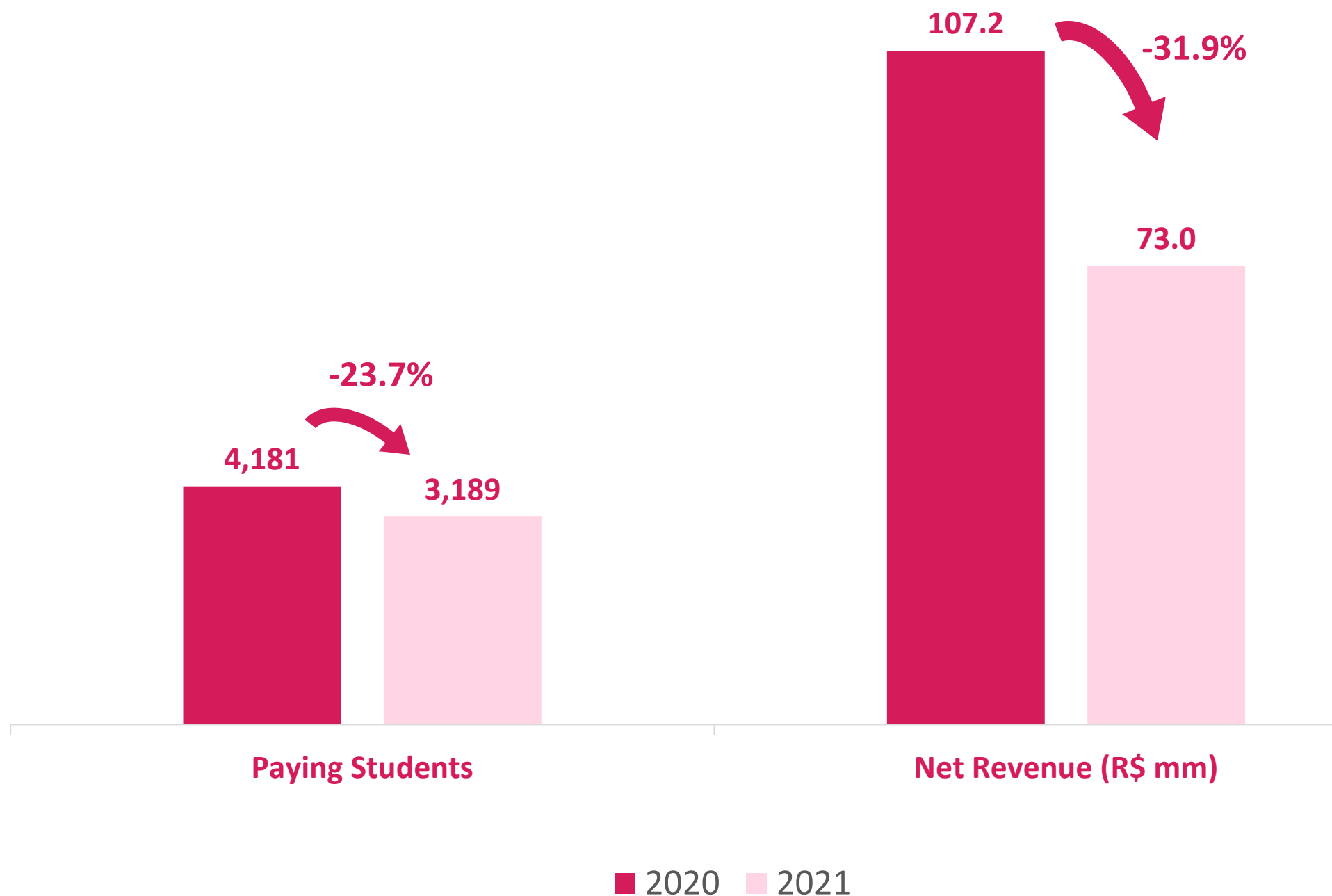
UNDERGRAD





OPERATIONAL METRICS

CONTINUING EDUCATION



Continuing Education business reported a decrease in Net Revenue in the twelve-month period ended December 31, 2021 due to a reduction in active paying students because of:

- (a) practical programs that are not being offered since 1H20 and;*
- (b) physicians' decision to postpone admission to specialization courses due to COVID 19 pandemic.*

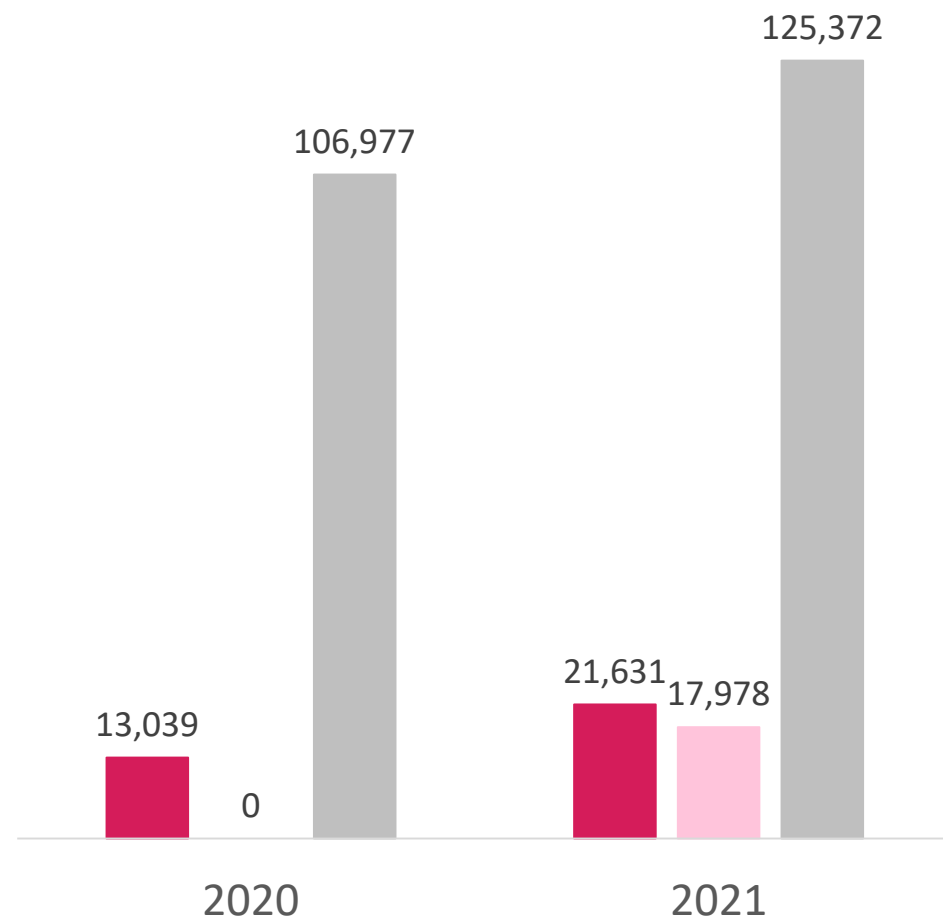
Nevertheless, with the combination of the opening of 6 new campuses in 2021 and expansion of the specialization's portfolio, the months of November and December have already entered the 2022 intake process and had higher numbers than expected.



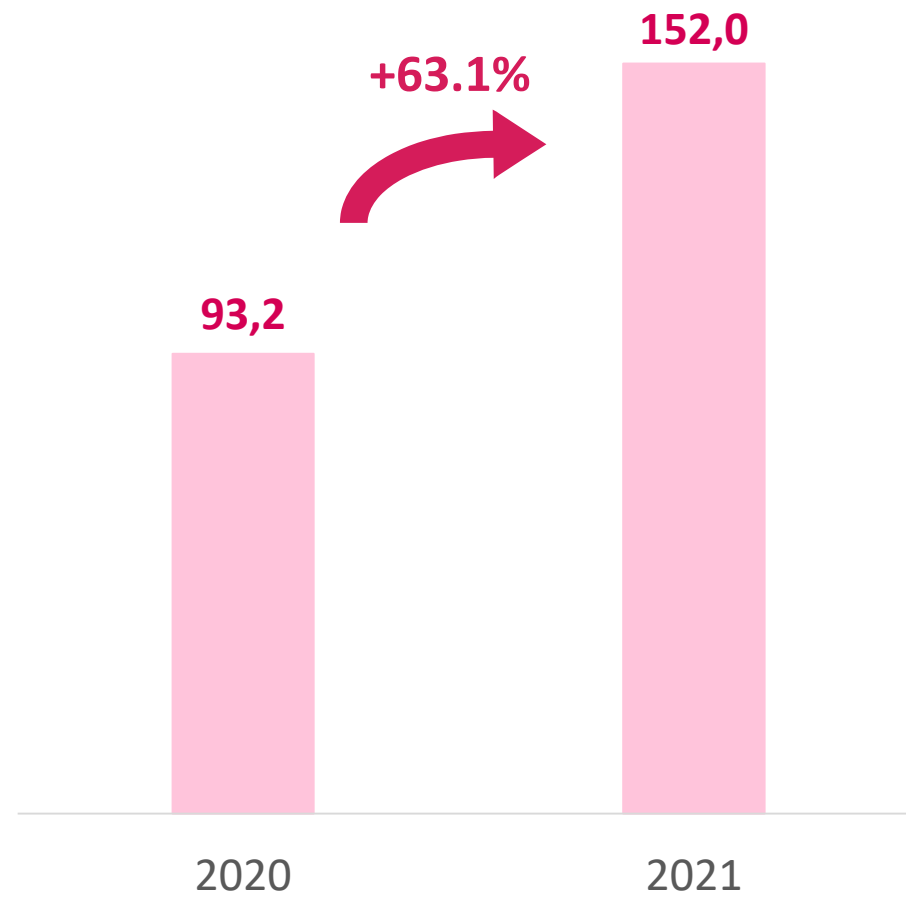
OPERATIONAL METRICS

DIGITAL SERVICES

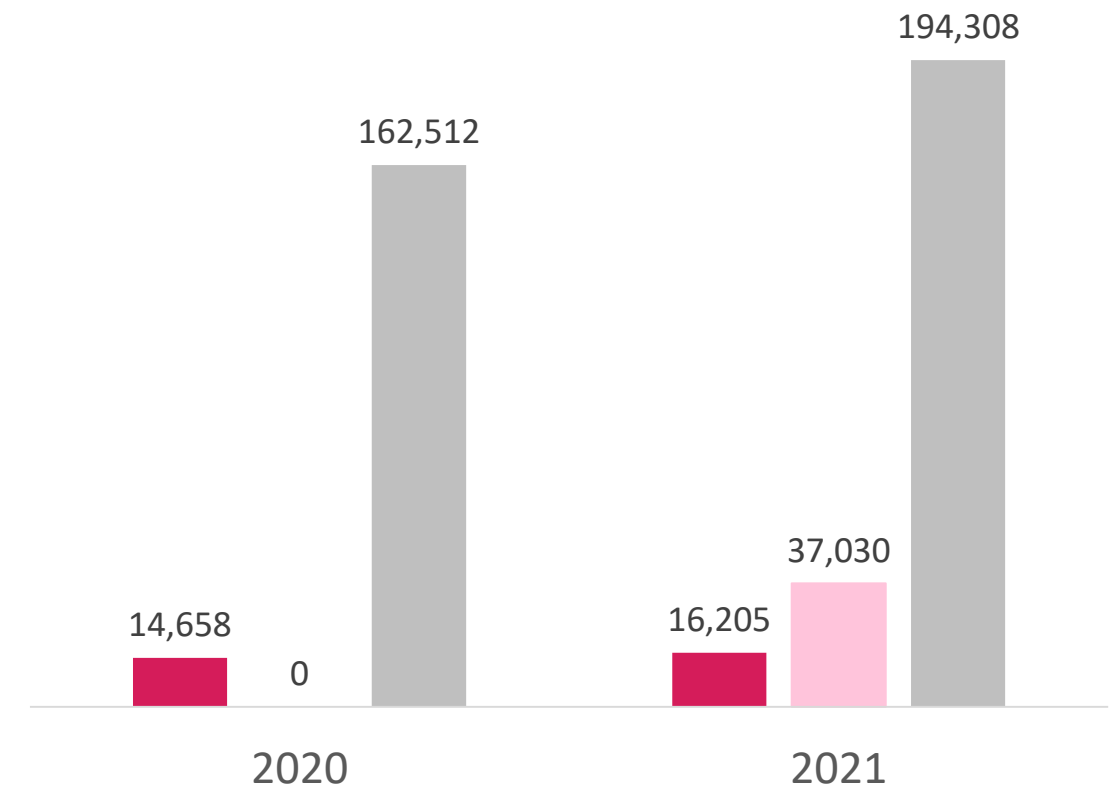
Active paying users



Net Revenue (R\$ MM)



Monthly Active Users (MaU)



- Content & Technology for Medical Education
- Clinical Management Tools
- Clinical Decision Software

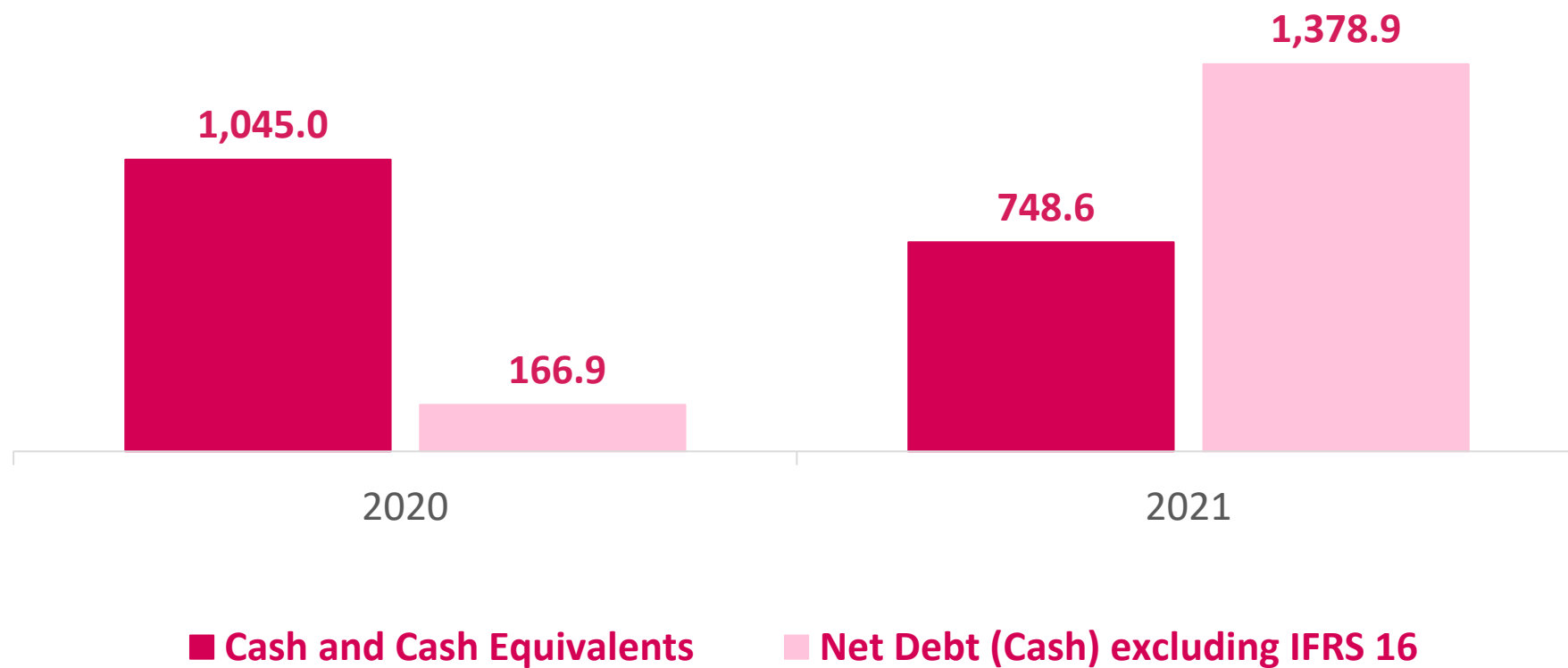
- Content & Technology for Medical Education
- Clinical Management Tools
- Clinical Decision Software



CASH AND NET DEBT

PREDICTABLE GROWTH WITH PROFITABILITY

Cash & Net Debt (R\$ MM)



- Net Debt (Cash) excluding lease liabilities increased to R\$1,379 million in 2021, mainly due to: a) 9 business combinations executed in 2021 totaling R\$1,430.1 million; and b) Payments related to the repurchase program in the amount of R\$ 213.7 million c) that were partially offset by the R\$ 630.8 million cash generation of the period.*

AFYA

INVESTORS

& ESG **DAY**

 APRIL 7

 9AM EST



Q&A



APPENDIX



RECONCILIATION BETWEEN ADJUSTED EBITDA AND NET INCOME

(in thousand R\$)

	For the three months period ended December 31,			For the twelve months period ended December 31,		
	2021	2020	% Chg	2021	2020	% Chg
Net income	49,001	60,856	-19.5%	242,283	307,987	-21.3%
Net financial result	55,549	26,337	110.9%	179,230	35,979	398.2%
Income taxes expense	12,633	9,979	26.6%	31,179	27,067	15.2%
Depreciation and amortization	42,016	31,015	35.5%	154,220	108,744	41.8%
Interest received (1)	5,093	2,407	111.6%	23,040	11,876	94.0%
Income share associate	-3,171	-1,305	143.0%	-11,797	-7,698	53.2%
Share-based compensation	9,427	7,961	18.4%	43,376	32,610	33.0%
Non-recurring expenses:	24,580	17,798	38.1%	93,305	46,547	100.5%
- Integration of new companies (2)	6,128	2,051	198.8%	18,856	9,765	93.1%
- M&A advisory and due diligence (3)	1,522	8,790	-82.7%	13,520	6,161	119.4%
- Expansion projects (4)	3,739	3,274	14.2%	10,204	18,134	-43.7%
- Restructuring expenses (5)	6,043	1,053	473.9%	17,368	5,943	192.2%
- Mandatory Discounts in Tuition Fees (6)	7,148	2,630	171.8%	33,357	6,544	409.7%
Adjusted EBITDA	195,128	155,048	25.9%	754,836	563,112	34.0%
Adjusted EBITDA Margin	38.6%	44.6%	-600 bps	43.1%	46.6%	-350 bps

(1) Represents the interest received on late payments of monthly tuition fees.

(2) Consists of expenses related to the integration of newly acquired companies.

(3) Consists of expenses related to professional and consultant fees in connection with due diligence services for our M&A transactions.

(4) Consists of expenses related to professional and consultant fees in connection with the opening of new campuses.

(5) Consists of expenses related to the employee redundancies in connection with the organizational restructuring of our acquired companies.

(6) Consists of mandatory discounts in tuition fees granted by state decrees and individual/collective legal proceedings due COVID 19 on site classes restriction and excludes recognized revenue that relates to discounts that were granted in 2H2020, but were invoiced in 1H21, based on the Supreme Court decision that was released in December 28, 2020.



RECONCILIATION ADJUSTED NET INCOME

(in thousand R\$)

	For the three months period ended December 31,			For the twelve months period ended December 31,		
	2021	2020	% Chg	2021	2020	% Chg
Net income	49,001	60,856	-19.5%	242,283	307,987	-21.3%
Amortization of customer relationships and trademark (1)	15,450	14,299	8.0%	61,465	50,312	22.2%
Share-based compensation	9,427	7,961	18.4%	43,377	32,610	33.0%
Non-recurring expenses:	24,580	17,798	38.1%	93,305	46,547	100.5%
- Integration of new companies (2)	6,128	2,051	198.8%	18,856	9,765	93.1%
- M&A advisory and due diligence (3)	1,522	8,790	-82.7%	13,520	6,161	119.4%
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- Restructuring expenses (5)	6,043	1,053	473.9%	17,368	5,943	192.2%
- Mandatory Discounts in Tuition Fees (6)	7,148	2,630	171.8%	33,357	6,544	409.7%
Adjusted Net Income	98,458	100,914	-2.4%	440,430	437,456	0.7%
Basic earnings per share - R\$ (7)	0.48	0.61	-21.3%	2.39	3.15	-24.1%

(1) Consists of amortization of customer relationships and trademark recorded under business combinations.

(2) Consists of expenses related to the integration of newly acquired companies.

(3) Consists of expenses related to professional and consultant fees in connection with due diligence services for our M&A transactions.

(4) Consists of expenses related to professional and consultant fees in connection with the opening of new campuses.

(5) Consists of expenses related to the employee redundancies in connection with the organizational restructuring of our acquired companies.

(6) Consists of mandatory discounts in tuition fees granted by state decrees, individual/collective legal proceedings and public civil proceedings due to COVID 19 on site classes restriction and excludes recognized revenue that relates to discounts that were granted in 2H2020, but were invoiced in 1H21, based on the Supreme Court decision that was released in December 28, 2020.

(7) Basic earnings per share: Net Income/Average number of shares in the period (ex-treasury).

THANK YOU

IR@AFYA.COM.BR

