

WDC
NETWORKS

Soluções de A a W

EARNINGS CALL PRESENTATION 1Q25

May 9th 2025



LVTC
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The statements contained in this document, related to the outlook for WDC Networks' business and growth, are based exclusively on the Board's expectations regarding the future of the business. These expectations depend substantially on market conditions, the performance of the Brazilian economy, the industry and international markets and, therefore, are subject to change without prior notice

.All variations presented herein are calculated based on the numbers without rounding. This performance report includes accounting and non-accounting data. The non-accounting data were not subject to review by the Company's independent auditors.



Agenda

- ❖ **Highlights**
- ❖ **Breakdown Net Revenue**
- ❖ **Consolidated performance**
- ❖ **Leverage and Backlog**
- ❖ **Subsequent Events**
- ❖ **Perspectives**
- ❖ **Q&A**



Highlights 1Q25

Net Revenue

R\$ 213.6 Million
+1.9% (1Q25 vs 1Q24)

Adj. Gross Profit

R\$ 66.9 Million
+23.5% (1Q25 vs 1Q24)

Adj. EBITDA

R\$ 78.3 Million
+14.9% (1Q25 vs 1Q24)

Adj. EBIT

R\$ 27.5 Million
+53.4% (1Q25 vs 1Q24)

Financial Result

-R\$ 15.4 Million
vs -R\$11.4 million in 1Q24

Adj. Net income

R\$ 8.2 Million
+73.8% (1Q25 vs 1Q24)

Net debt / Adj EBITDA LTM

1.76X in 1Q25
vs 2.06X in 1Q24

Equity

R\$ 662.9 Million
+3.5% (1Q25 vs 1Q24)

Net Debt / Equity

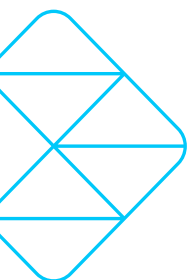
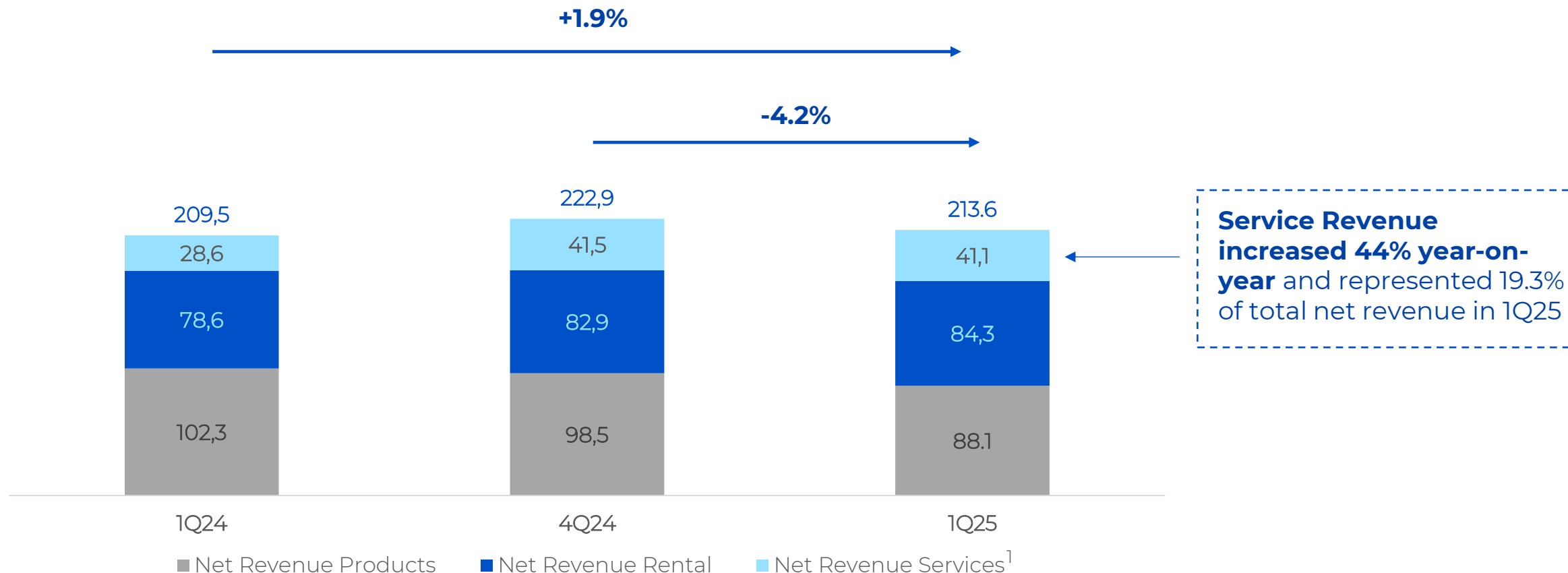
1.34X in 1Q25
vs 1.28X in 1Q24

Breakdown Net Revenue



Net Revenue R\$ (million)

Year-over-year comparison shows slight growth in Net Revenue, while 4Q historically outperforms 1Q



1. Services include software sales

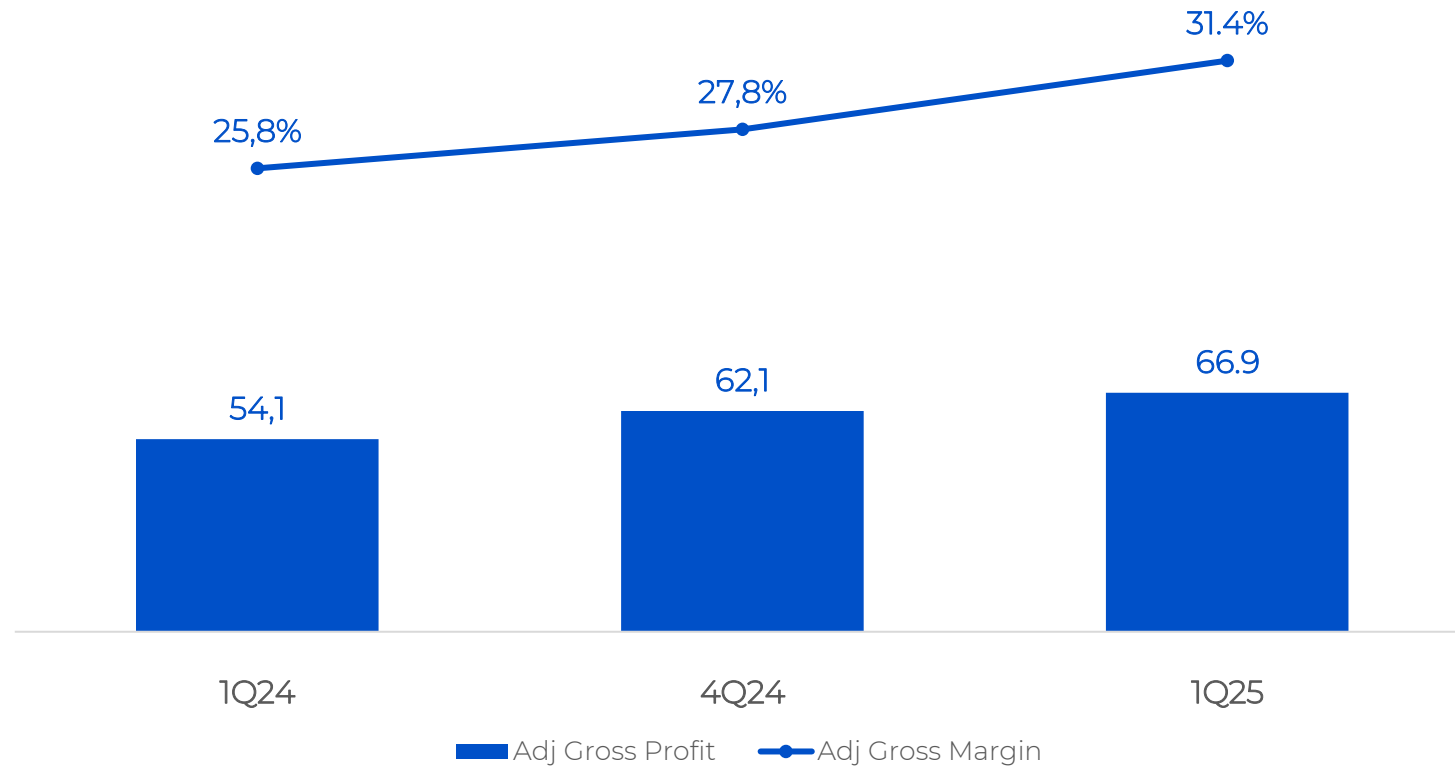


Consolidated Performance



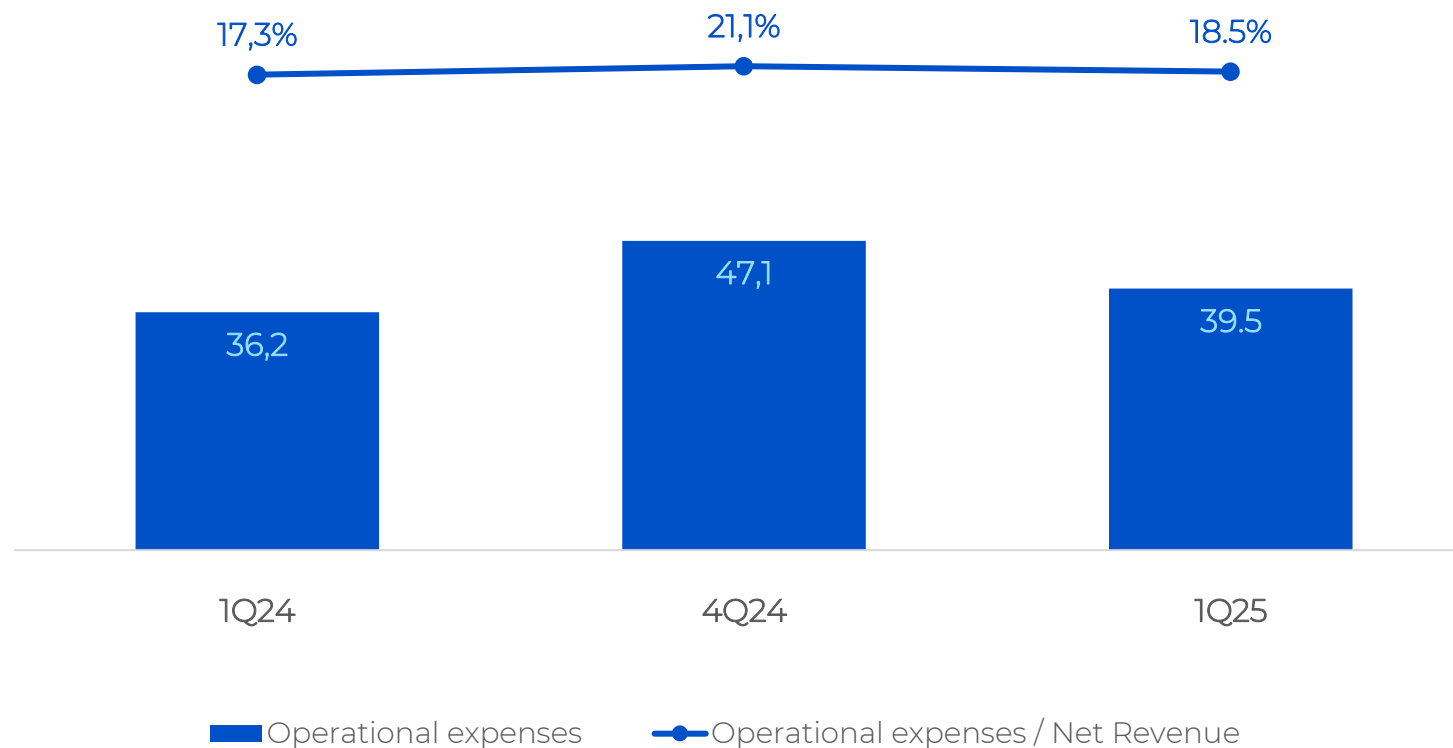
Adj. Gross Profit (R\$ million and %)

Consistency in Adjusted Gross Margin, in 1Q25 the margin reached 31.3% (+5.5 p.p. vs 1Q24), the best level since 2021



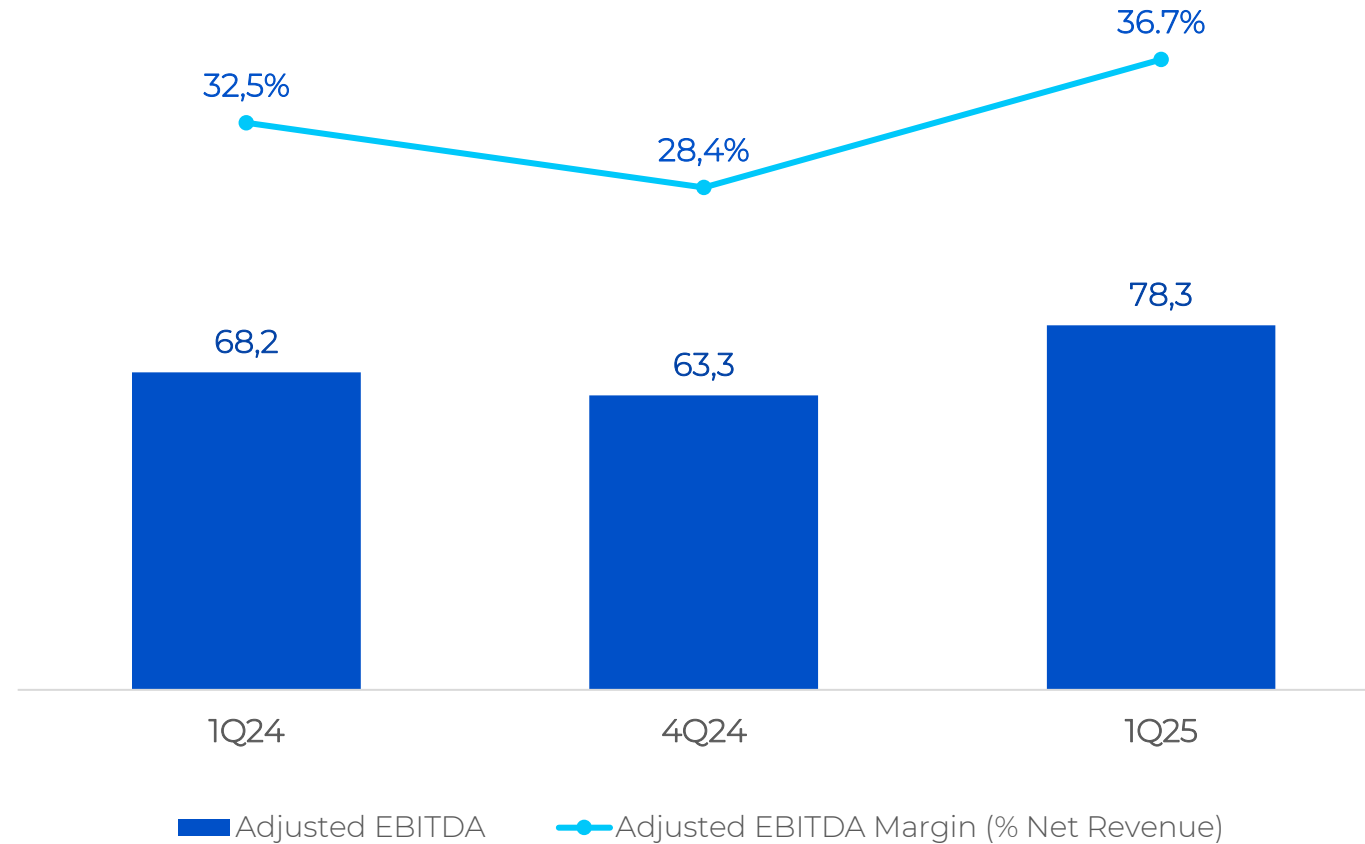
Operating Expenses (R\$ million and %)

In the Operating Expenses versus Net Revenue ratio, the Company remains practically flat comparing to annual comparison



EBITDA Adjusted (R\$ million and %)

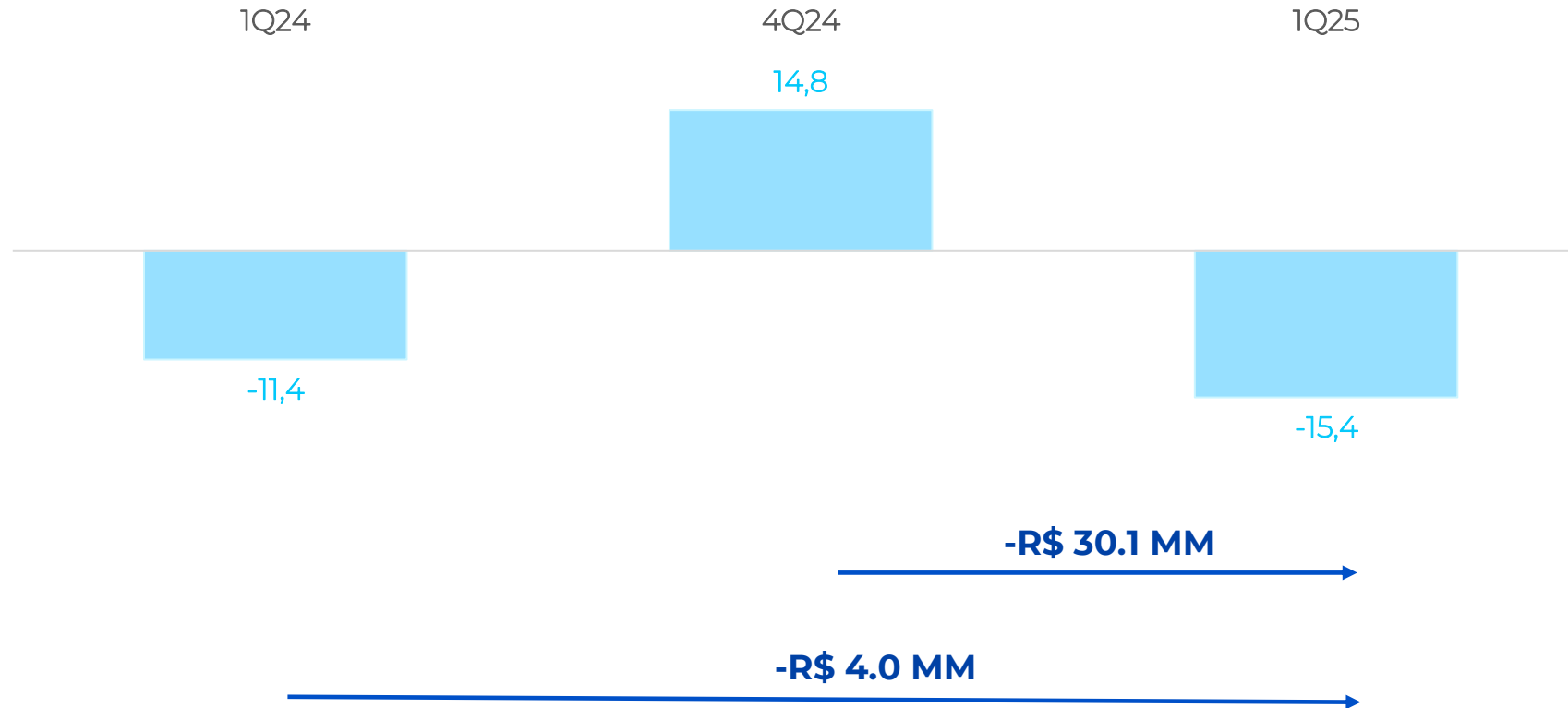
The strategy of selling solutions resulted in a stronger EBITDA



Note: Adjustment term refers to R\$10.5M of costs from prior years + R\$1.1M of non-recurring expenses recognized in 4Q24

Financial Result (R\$ million)

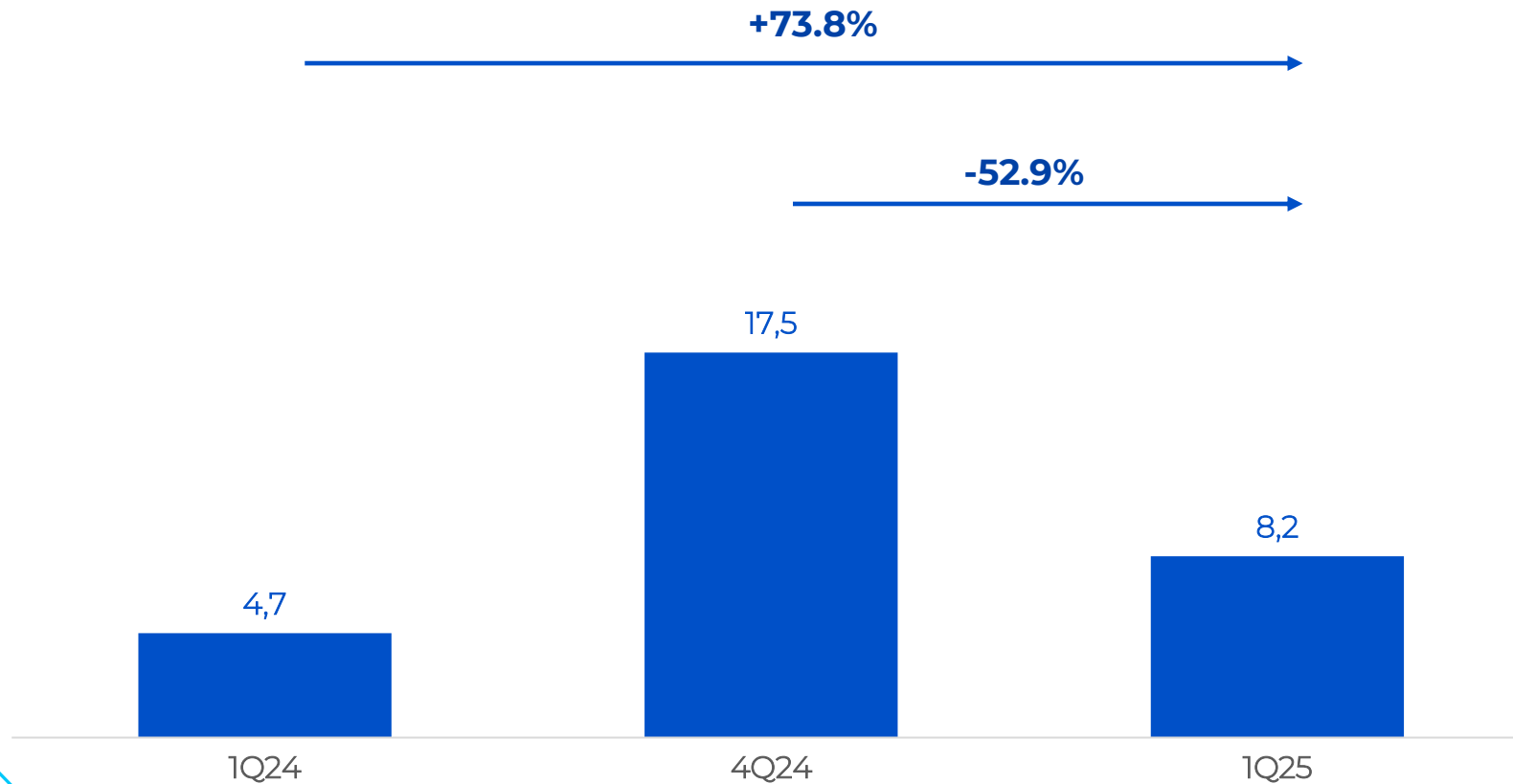
Increased interest payments on loans put pressure on financial results



Note: In 4Q24, we started to account financial revenue in active interest from agreements signed with defaulting customers, and we also started to submit all of these agreements to AVP analysis

Adj. Net Income (R\$ million)

Fifth consecutive quarter in terms of positive results

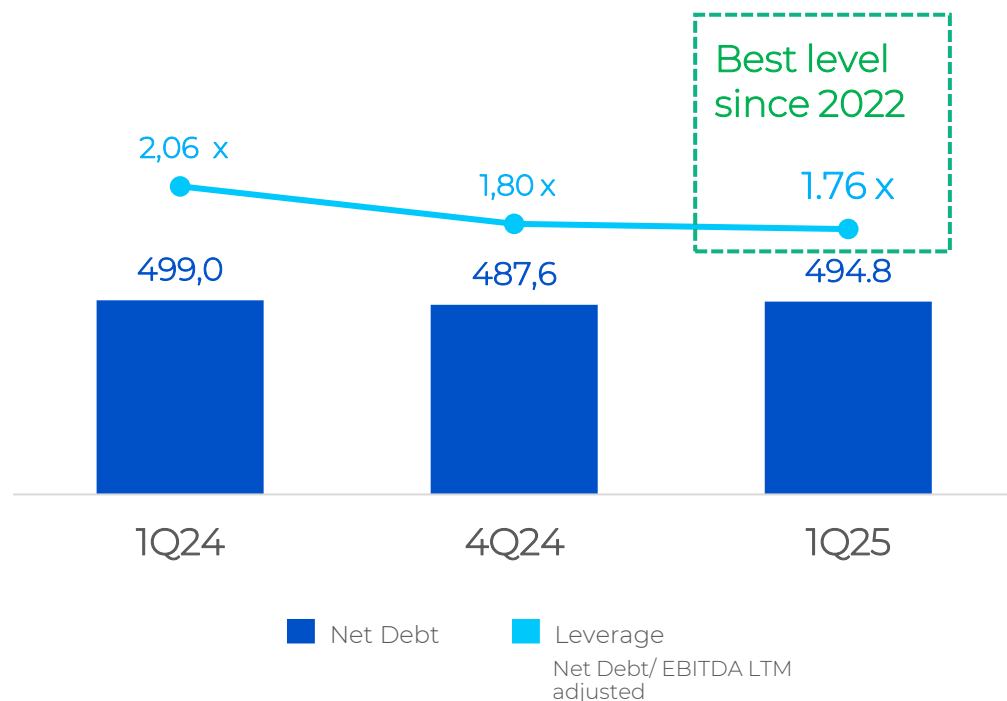


**Company
committed to
generating results
consistently**

Leverage and Backlog



Leverage (R\$ Million) | (Net debt/ EBITDA)



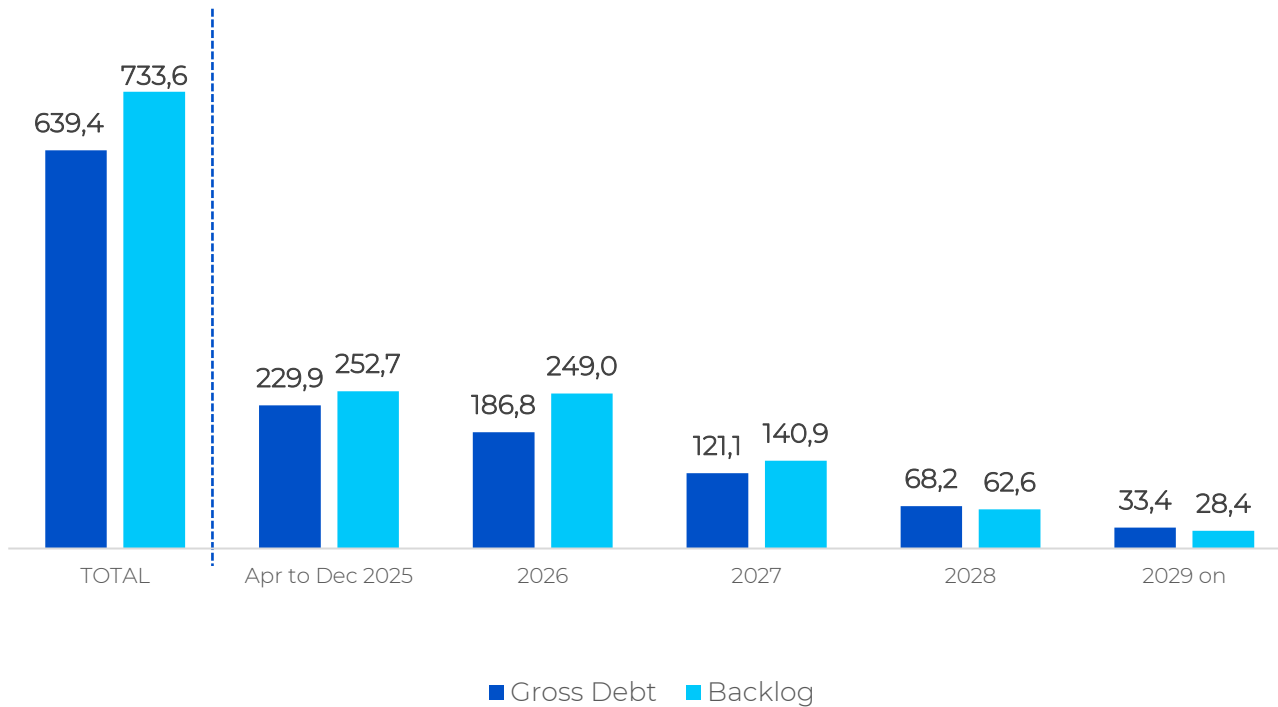
Indebtedness (R\$ Millions)	1Q24	4Q24	1Q25
Short term debt	75.2	188.3	235.6
Long term debt	519.6	401.3	403.9
Gross Debt	594.7	589.7	639.4
Cash and Financial Investments	- 95.7	- 102.0	-144.6
Net Debt	499.0	487.6	494.8
TaaS Revenue Backlog	853,2	745,1	733,6
Backlog Hedge on Net Debt	1,71x	1,53x	1,48x
EBITDA Adjust. LTM	242,3	271,4	281,5
EBITDA Adjust. LTM on Net Debt	2,06x	1,80x	1,76x

 Financial Leverage remains at healthy levels, best level since 2022 in the LTM EBITDA and Net Debt ratio

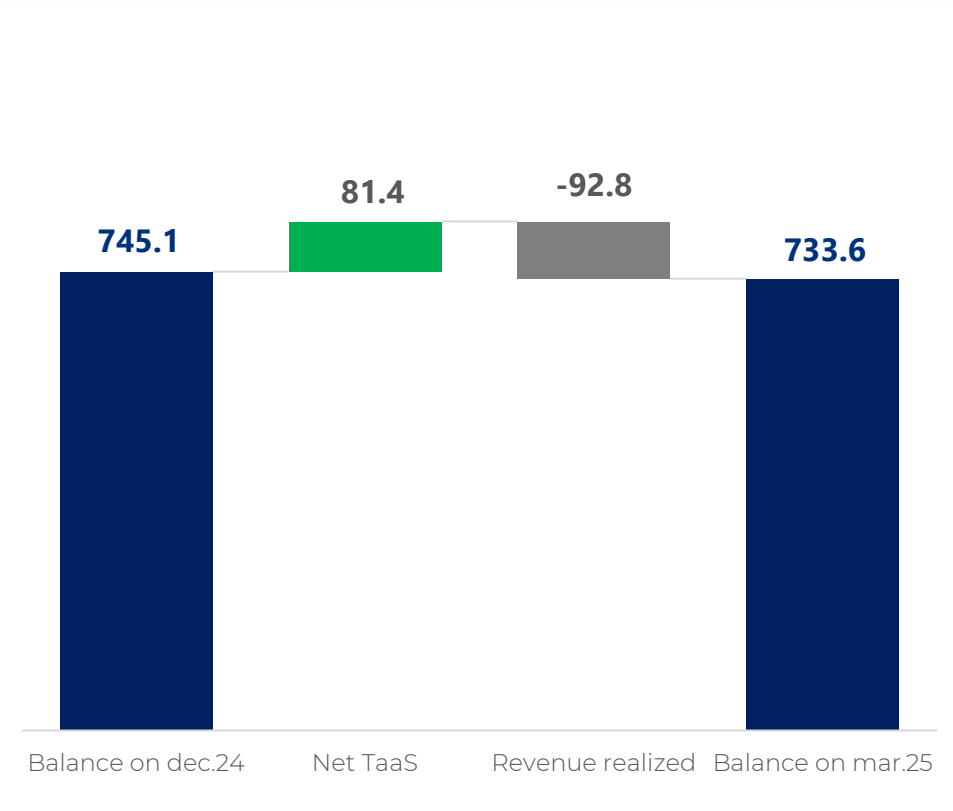
Backlog x Gross Debt

Gross Debt Amortization and Coverage of Future Revenue (R\$ Million)

Backlog = Cash generation,
discounting PIS/COFINS

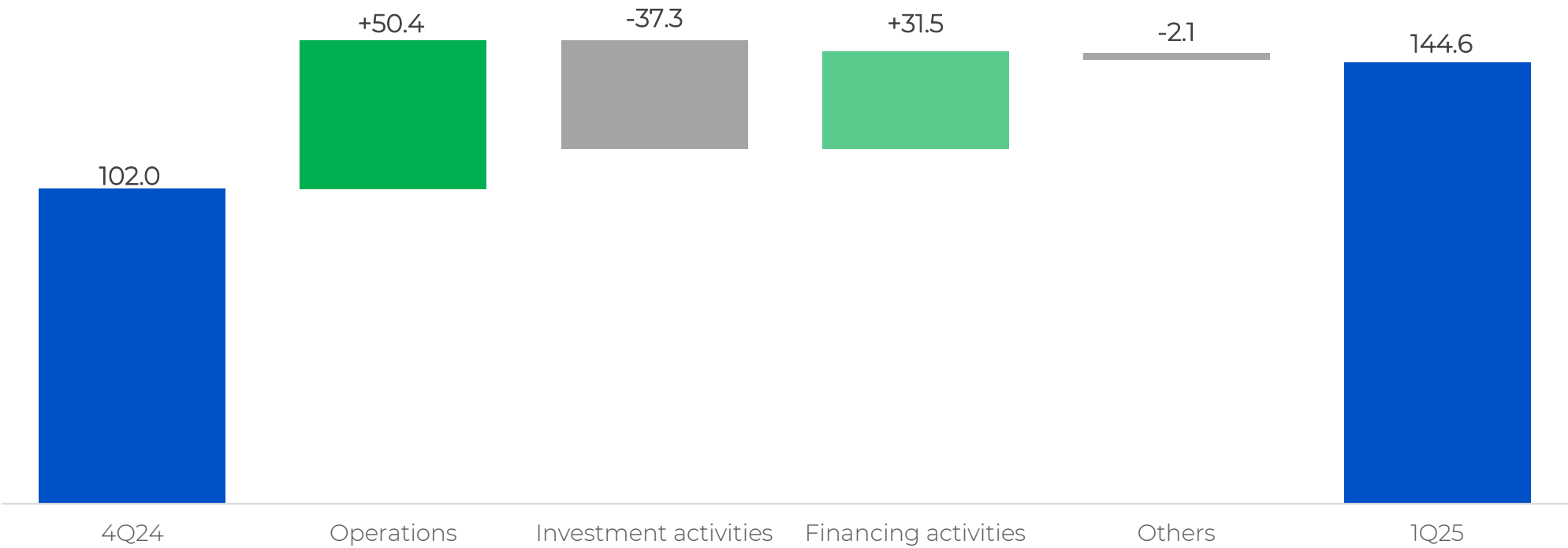


Backlog Balance



Quarterly Cash Flow | (R\$ million, consolidated)

Operating cash activity greater than financing activity



Subsequent Events



Dividends

As approved at our Annual Shareholders Meeting held on 04/29/25, we will distribute dividends as follows:

- ◆ The Company's shares will be traded “ex” dividends as of April 30, 2025
- ◆ Payment will be made on 05/13/25, in cash.
- ◆ Earnings per share: R\$ 0.19002662545
- ◆ Total amount distributed: R\$ 12,059,367.66
- ◆ Dividend Yield: 6.42%



2025 Outlook

Consistency in profitability

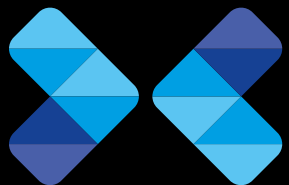
We will continue to attack new verticals and, in 1Q25, we have already seen growth in markets such as Transportation, Industry, Finance and Education.

Increase in more value-added services for ISPs and Systems Integrators.

Regional penetration with more Distribution Centers in new regions.

Responsible growth, seeking to maintain our current margin level, without sacrificing profitability





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Thank you!

Q&A

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