

PRESS RELEASE

Bertelsmann Strengthens Global Education Business by Increasing Stake in Afya

- **Afya is the leading provider of medical education and digital solutions for physicians in Brazil**
- **In 2021, Afya generated revenues of around €270 million and Adjusted EBITDA of around €118 million**
- **Bertelsmann invests another \$161 million as part of “Boost 25” strategy**
- **Acquisition of majority of voting rights and consolidation by Bertelsmann Education Group**

Gütersloh, May 5, 2022 – Bertelsmann is increasing its stake in Nasdaq-listed education company Afya and will consolidate Brazil’s leading provider of medical education and digital solutions for physicians into the Bertelsmann Education Group. The international media, services, and education group is acquiring an additional six million Class B shares from the Esteves family for US\$161 million. Bertelsmann Education Group will hold 57 percent of the voting rights in Afya, and plans to further increase its stake in Afya in the medium term by acquiring additional shares, including on the stock exchange. Bertelsmann has been involved in the development of Afya since 2014 and had purchased shares in the company for a three-digit million euro amount in August 2021.

Thomas Rabe, Chairman and CEO of Bertelsmann, says: “Bertelsmann has been involved with Afya for more than eight years – and from the very beginning, we have partnered with the Esteves founding family to support the management team in building Brazil’s leading medical education and training company. This investment is part of our group-wide ‘Boost 25’ growth program. The acquisition of a voting majority in Afya signifies a further strengthening of the Bertelsmann Education Group, which will generate annual revenues of more than one billion euros and EBITDA of half a billion euros in the medium term.”

Nicolau Esteves says: “I am very pleased that, as the company’s founder, I can now pass the baton to Bertelsmann as principal shareholder: Besides seeking to grow Afya’s value long-term, Bertelsmann Education Group, with its focus on digital education in healthcare, will be able to provide substantive impetus so that Afya’s business can continue to develop.”

Kay Krafft, CEO of Bertelsmann Education Group, adds: “Afya fits perfectly with the Education Group’s strategy. Apart from education, our focus is on expanding digital solutions and improving workflows in healthcare. We will now support Afya’s management in implementing the next growth phase. Their goal is to position themselves as the reference partner for physicians in Brazil. Like the U.S., Brazil has great market and growth potential.”

Afya is the leading provider of medical education and training in Brazil. The company is targeted at medical students and physicians who are continuing their education and use Afya’s digital solutions in areas like practice management and telehealth, in their everyday clinical practice. Listed on New York’s Nasdaq since 2019, the company has operations in 18 states plus District Federal in the South American country. The number of students enrolled in medical studies has increased more than sixfold since 2017, to 16,000. Afya currently works with more than 1,000 partner hospitals. Around 250,000 people use its digital

solutions. In fiscal 2021, Afya generated net revenue equivalent to around €270 million and Adjusted EBITDA of around €118 million.

About Bertelsmann

Bertelsmann is a media, services, and education company that operates in about 50 countries around the world. It includes the entertainment group RTL Group, the trade book publisher Penguin Random House, the music company BMG, the service provider Arvato, the Bertelsmann Printing Group, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company has 145,000 employees and generated revenues of €18.7 billion in the 2021 financial year. Bertelsmann stands for creativity and entrepreneurship. This combination promotes first-class media content and innovative service solutions that inspire customers around the world. Bertelsmann aspires to achieve climate neutrality by 2030.

Bertelsmann online



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