

## modalmais

o banco digital dos investidores

Earnings Presentation 1Q21 May 13, 2021

#### Disclaimer





This presentation contains forward-looking statements, 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; general market, political, economic, COVID-19, and business conditions; We undertake no obligation to update any forward-looking statements made in this presentation to reflect events, circumstances after the date of this presentation, 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. Forwardlooking 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 "Main Risk Factors Relating to the Bank" in our prospectus. These documents are available on the CVM Documents section of our investor relations website : https://ri.modal.com.br/en/



### Message from Management





Total Assets under Custody (AuC) R\$19.6 billion +82.3% YoY

Enrolled Clients 1.3 million +45.8% yoy

Net Revenue R\$124.5 million +79.8% yoy 

AuC Retail R\$11.1 billion +127.8% yoy



(\$)

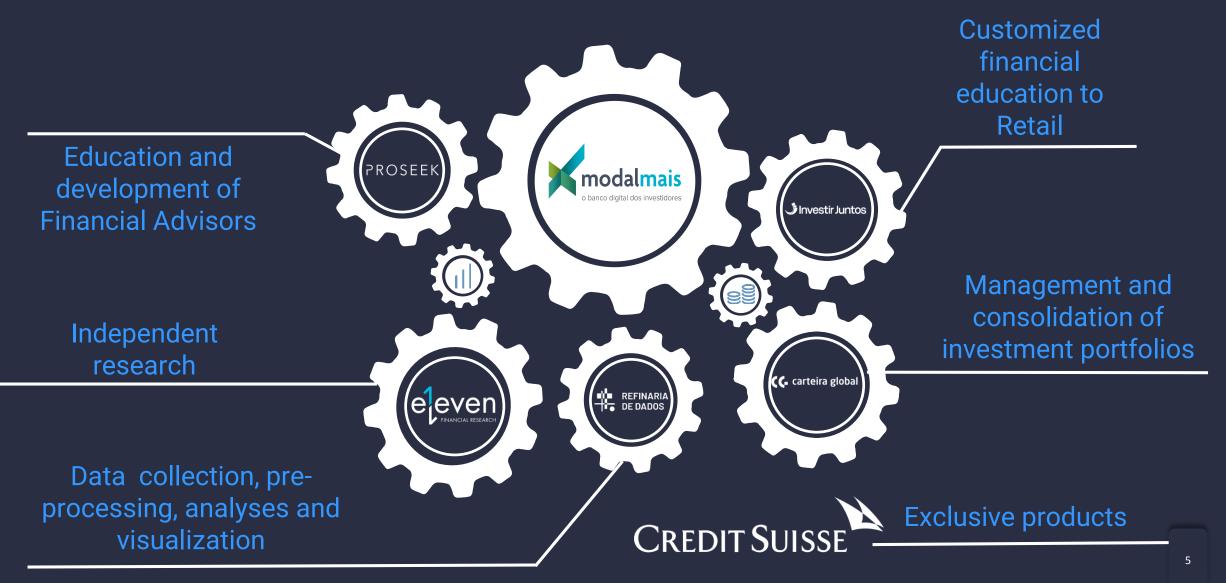
Active Clients ~400 mil +40.0% yoy

uC etail

#### Transforming the investor experience



Through the best financial advisory services ecosystem



#### Market disruption has only just begun

In a huge addressable market with important growth drivers









# **Operational Highlights**

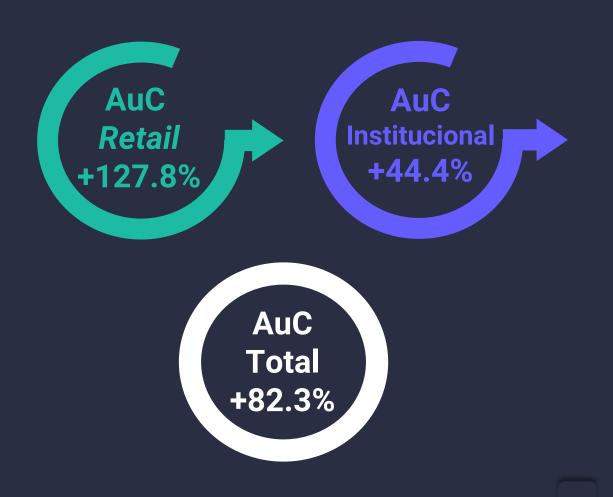
### Assets under Custody



Accelerated AuC growth, particularly from Retail

#### Assets under Custody (AuC) R\$ billion



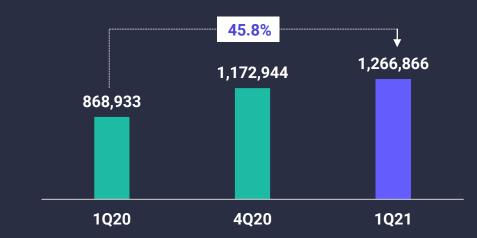


#### Client Base



Client base growth reflects ongoing strategy of attracting and acquiring clients

#### **Enrolled Clients**



**Active Clients** 





#### Average Retail AuC (Cohort)

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Financial advisory, coupled with our ecosystem, positively impacting new cohorts

**Average Retail AuC (Cohort)** R\$ thousand



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Growth can be mainly attributed to: (i) client advisory; (ii) differentiated services; (iii) completeness of products



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. de 1	A Locoweb anunciou a aquisiçã permitirá a oferta de crédito p piatoforma de e-commerce que	eleven Prévia d	le resultados   4T20
de R ous s lo de a, ou 2,4 mi hasrve rmalis	Commerce. As duas aquisições empresa, e marcam a sétima e	19(0/2011	the senon
5,4 mi Iserve	A Credisfera é uma fintech foca mercado de atuação da Locav	Sequoia Logística	SEQL3
melia	experiência no mercado de crédi de crédito, uma vez que a Credisi que após a aquisição este modo	Entregando crescimento	COMPRA
heuve	carteira a bancos, através de Fi	O resultado do 4720 do Sequoia deve mostrar a receita dobrando a/a, resultado do forte crescimento do e-commerce e da sua estratégia de aquisição.	Logistica
hauve a nas sonte fras e	empresa. O preco acertado para a aquísica	de acões da Secucia mais que dobraram de valor (+1986) desde a sua estrela na hoisa em	Prepo-alvo RS26,00 Prepo (18/02) RS29,69
ives a	líquida e capital de giro. Como fundadores permanecarão na di	outubro de 2020. Além do cenário positivo para a bolca (ibovespa +25% no mesmo periodo)	Upside 21,3% Valor mercado RS2,7 bi
	forma de alinhamento de incent metas financeiras. Para esta aci	e para o e-commerce no Brasil, cujo faturamento cresceu 68,1% a/a em 2020 de acordo com a Neotrust, a companita entregou várias das metas do seu IPO. Mantemos, portanto, nossa recomendação de compra com preço-alvo atualizado de R536,00. Nossa tese de	Vol. médio neg. RS82,0 mi Máximo 52 sem. RS81,78 Minimo 52 sem. RS11,85
tuede tuede	da empresa, de modo que não c	Investimato è baseda em i) exposição ao setor de e-commerce pagando múltiplica mais betros (SEQLS a 18,0x EV/EBITDA, desconto de 32%), II) estratégia da companhia de	Minimo 52 sam. R\$11,85 Aonta: Eavan Anancia: Rasanch a Thomson Reviews.
do m	modo, enxergamos que as possil é bastante significativa, e esté al	percos (soculo a apus evicentus), decomo de Soni, III estrategia da companina de expansão de rotas no interior do país para reduzir a competição e melhorar a preoficação e III) histórico comprovado de MãA para ser uma das consolidadoras do altamente	Thomson Reuters
	por Magalu, 82W e também Me A Dooca, por sua vez, atua pr	pulverizado setor de logística rodoviária no Brasil.	Alexandre Kogake Analata, CNM
nnédi	crescimento inorgánico para o	Em dezembro de 2020 a Sequola anunciou a aquisição da Prime Logistica, menos de seis mases depois da compra da Direcional Transportes, mais rápido do que nossa expectativa	Flávia Ozawa
	consideramos ser de captura m enxergamos um alto potencial entre outras soluções SaaS da Lo	de uma transação por ano. Com essas duas aquisições, a Seguota ganha capitaridade e densidade operacional no atendimiento ao segmiento de médio rodo e rodo pesado. Com a	Analista, ONPI
× h	Para esta aquisição, o preço acer	centradade operacional no acendiamento ao segmento de medio robo e robo pessoo. com a recente abertura de capital da Mobly e da Westwing, a capitalização da Madeira/Madeira e o protocio para o 190 da Tok & Son ac VM. com muitas delas direcionando os recursos	
	de divida líquida e capital de girc à frente das operações, bem cor	captados para a parte logística, acreditamos que a Seguola possa alavancar o seu	
1	de RS 5 milhões em 2020, o mi ligeiramente acima das últimas	crescimento na linha marrom através da consolidação das cargas, nivel de serviço superior e utilização de tecnologia de ponta, assim como tem acontecido com os morketploces. De	
ina 24 An 1741	cross-sel/tende a ser rapidamen Em nossa visão, estes dois M&As	acordo com o site da Prime Logística, já eram clientes a Mobiy, MadeiraMadeira e Westwing, além dos grandes morietploces e varejistas.	
tran fi	a digitalização dos PMEs, que v	Em relação a tecnologra, a Sequola lançou em dezembro de 2020 o 5Fx, plataforma que oferece soluções integradas de coleta e entrega rápida de produtos e que pretende amplitar	
	este ano a empresa conta com realizadas recentemente, tendo	cherece soluções integradas de consta e entrega rápida de produtos e que pretende ampliar a penetração nas soluções de multicanalidade, em especial para pequenos e médios varejatas. Com as rápidas mudanças no ambiente de logítica, com orescimento das dork	
	Além disso, após recente follos oportunidades de seu pipelíne (	varegstas, com as rápidas mudanças no ambiente de logística, com orescimento das dork stores, implementação de PUDO (pick up & drop off) e expectativa de prazos cada vez	
	Locaweb, e reiteramos nossa re RS 43.00, incorporando os re	stores, implementação de PUDO (pick up & drop off) é expectativa de prazos cada vez menores, os investimientos em tecnología precisam ser contínuos e a Sequiola está constantamente desenvolvendo novas soluções internamente ou analizando	
	conversão em receita e EBITDA 9,00 por ação ao nosso preço-al	oportunidades no mercado. A dinâmica positiva do e-commerce e a consolidação dos resultados da Direcional devem	
	CLEVEN FINANCIAL RESEARCH	resultar em um forte 4720. Projetarnos um crescimento na receita bruta do 4720 a/a de	
	Equipa Eleven Financial	111% devido ao ganho de participação dentro dos clientes atuais, ao crescimento do e- commerce (+55,5% a/a no 4120, conforme a Neotrust) e às aquisições (TA e Direcional). No	
		comparativo trimestral, além de sazonalmente o quarto trimestre ser mais forte devido à Black Friday e ao Natal, a Direcional foi incorporada em outubro de 2020, aumentado a	
		receita do trimestre.	
		ELEVEN PRIVACUL RESEARCH [	
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		New York New York	

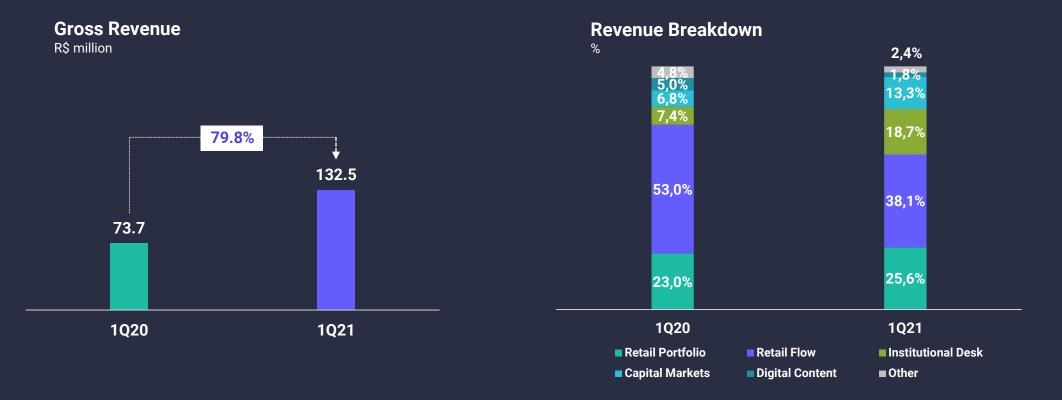
# **Financial Highlights**

#### Gross Revenue and Revenue Breakdown



High growth coupled with revenue base diversification

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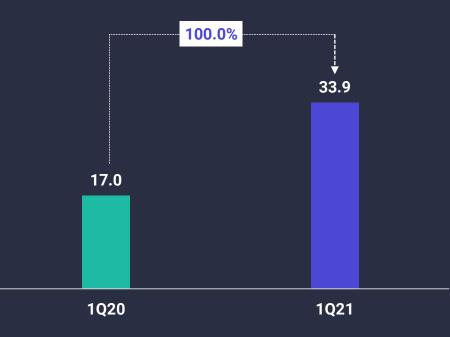


- Gross Revenue from Retail Flow accounted for over 50% of total in 1Q20 and now accounts for less than 40%, despite of a considerably higher base of Gross Revenue
  - Diversification of revenue base with relevant contributions from all key divisions

#### Retail Portfolio and Revenue Yield

Resilience and consistency of revenue from Retail Portfolio, even considering impressive AuC Retail growth

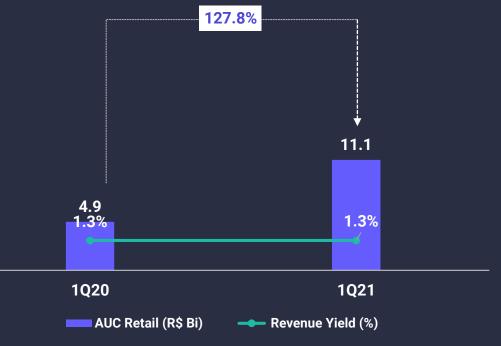
#### Retail Portfolio Revenue





Higher revenue from fixed income, management fees over investment funds and structured products







Revenue Yield of **1.3%**, in line with 1Q20, demonstrating resilience and consistency

#### Retail Flow

Among the leading banks in futures trading

**Retail Flow Revenue** R\$ million



- Growth bolstered by record volume of transactions in futures contracts of Mini-Index (WIN) and Mini-Dollar (WDO)
- Important competitive advantages, particularly technology and cost-benefit, continue to position us as a leading institution in this market



WIN Contracts Traded <sup>(1)</sup> (million)



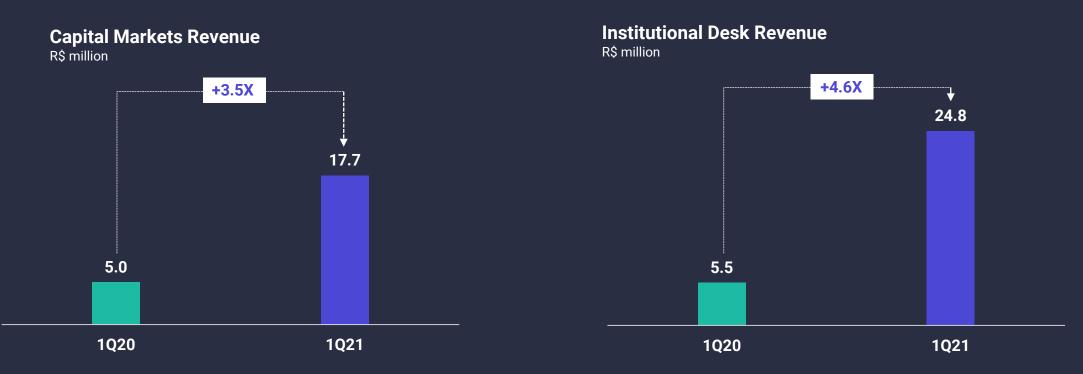


Through our platforms, our clients traded 137 million WIN contracts and 23 million WDO contracts

### Capital Markets and Institutional Desk



Expansion of institutional client's portfolio and revenue diversification



Revenue boosted by new hires in both teams, particularly after 2Q20

X

- Client base and partnerships, particularly with Credit Suisse, created relevant cross-selling opportunities
- Despite the acquisition announcement in mid 1Q21, Eleven has already been contributing in a material and integrated way with Capital Markets and Institutional Desk, including our first mandate as bookrunner for an IPO (agribusiness sector) and by accelerating the capture of flow within the research broker model

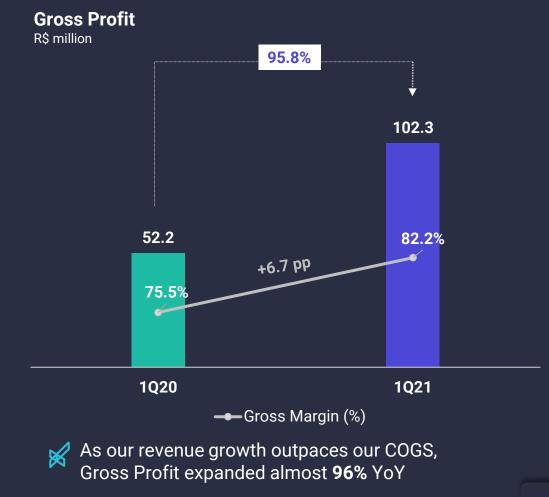
#### COGS and Gross Profit

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COGS increase directly associated to expansion of all key business areas



Costs mostly associated to custody, clearing, transaction and brokerage fees with B3, in addition to IFAs commission

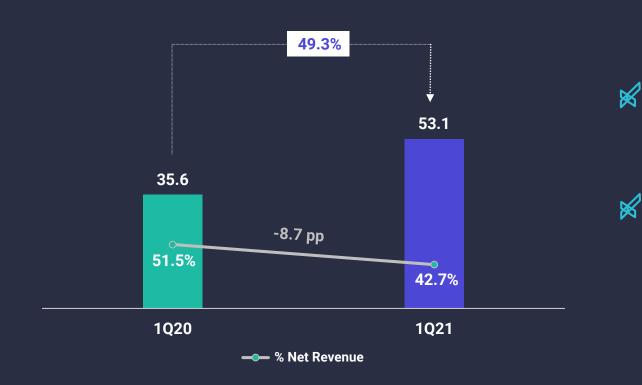


#### SG&A Expenses



Ongoing operational leverage, with revenue growth outpacing costs and operating expenses

#### SG&A Expenses R\$ million



- Personnel expenses, which account for ~50% of SG&A expenses, up 40.2% YoY, in line with 42.6% higher headcount, with 229 associates hired between 1Q20 and 1Q21
- Marketing expenses of R\$9.0 million, 60.9% increase from 1Q20 directly related to higher investments in brand awareness and acquisition of clients in the period, which has been positive for client attraction and activation

#### Profitability



Excellence in execution and operational leverage positively impacting profitability



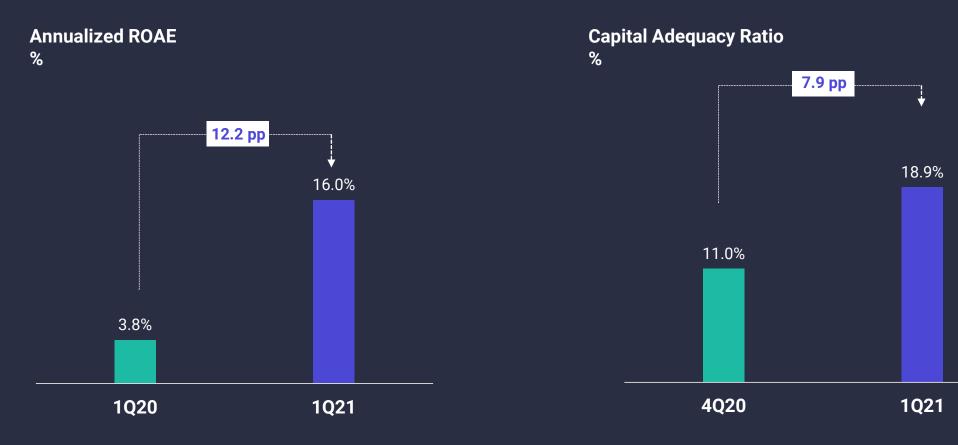
Sound revenue growth in all key business units and strong operational leverage in terms of costs and operating expenses

Sustainable profitability, based on an asset light model, bolstered even further by the IPO proceeds

#### ROAE e Capital Adequacy Ratio

Indexes in line with those of Brazil's largest financial institutions





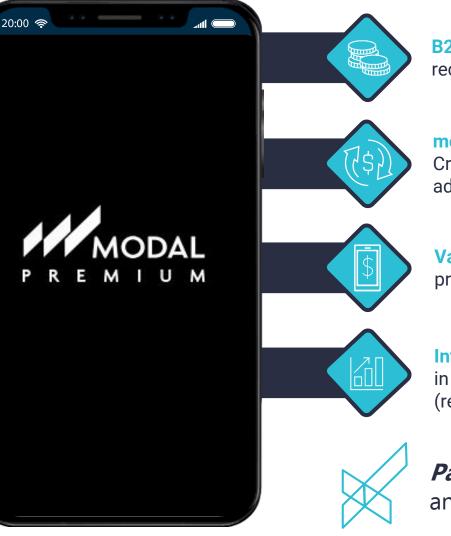
**Profitability gains** along the period, mainly as a result of high **operational leverage** 

Robust Capital Adequacy Ratio, even before the IPO, of 18.9%, significantly above the 8% threshold recommended by the Brazilian Central Bank

### And it is just the beginning...



Open finance is a large path of opportunities



**B2B Expansion**: attracting new IFA offices and MFOs, including our recently signed partnership with **G5 Partners** 

modal premium: new app blends technology and modalmais' UX with Credit Suisse's asset allocation intelligence and products exclusively added to our investment platform

Vaivoa, company aimed at training, qualifying and certifying programmers; our in-house machine of innovation and development

**Integration between research and execution**, bolstering our differentials in terms of technology and financial education in the investor journey (research + last mile)

*Partnership* and culture of ownership supporting growth and mitigating execution risks

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