

# sinqia

## 1Q21 Results

Webcast May 6th • 1pm (EST) • 6pm (UK) • 2pm (Brasília) •

[click here](#)



**SQIA**

**SMLL B3 IBRA B3 ITAG B3**

**B3 LISTED NM IGC-NM B3 IGCT B3 IGC B3**

# It couldn't start better: we released **excellent results** for the 1Q21

## Financial performance

- ARR record of R\$227.2 Mn (**+55% vs. 1Q20**)
- Net revenues record of R\$68.2 Mn (**+40% vs. 1Q20**)
- Net revenue proforma\* record of R\$81.4 Mn (**+67% vs. 1Q20**)
- Record recurring revenue of R\$62.1 Mn (**+51% vs. 1Q20**), 91.1% from total
- Adj. EBITDA record of R\$12.4 Mn (**+4x vs. 1Q20**), 18.2% of margin



2 **acquisitions** were made compromising 72% of the follow on proceeds



A new unity was launched the **Sinqia Digital**



We implemented the first **PSTI** payments client.



Our **Open Banking** strategy had new advances



We obtained results from **Darwin Startup** Batch #8 and finished the Batch #9



We announced a partnership with **Distrito**, an innovation hub for startups, investors and companies.

# Innovation

A quarter marked by the maturity of the RD&I strategy



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# The investments in R&D resulted on the **creation of new products and business models...**

**+44%**  
In RD&I investments  
on 1Q21



**Acceleration of  
the SaaS strategy**

4Q19



One of the 7 PSTI providers authorized by  
the Brazilian Central Bank

1Q21



We implemented the first  
SPB/PSTI (SaaS) client

2Q21



We implemented the first  
PIX/PSTI (SaaS) client

**+11 new clients in implementation**

**Potential\***

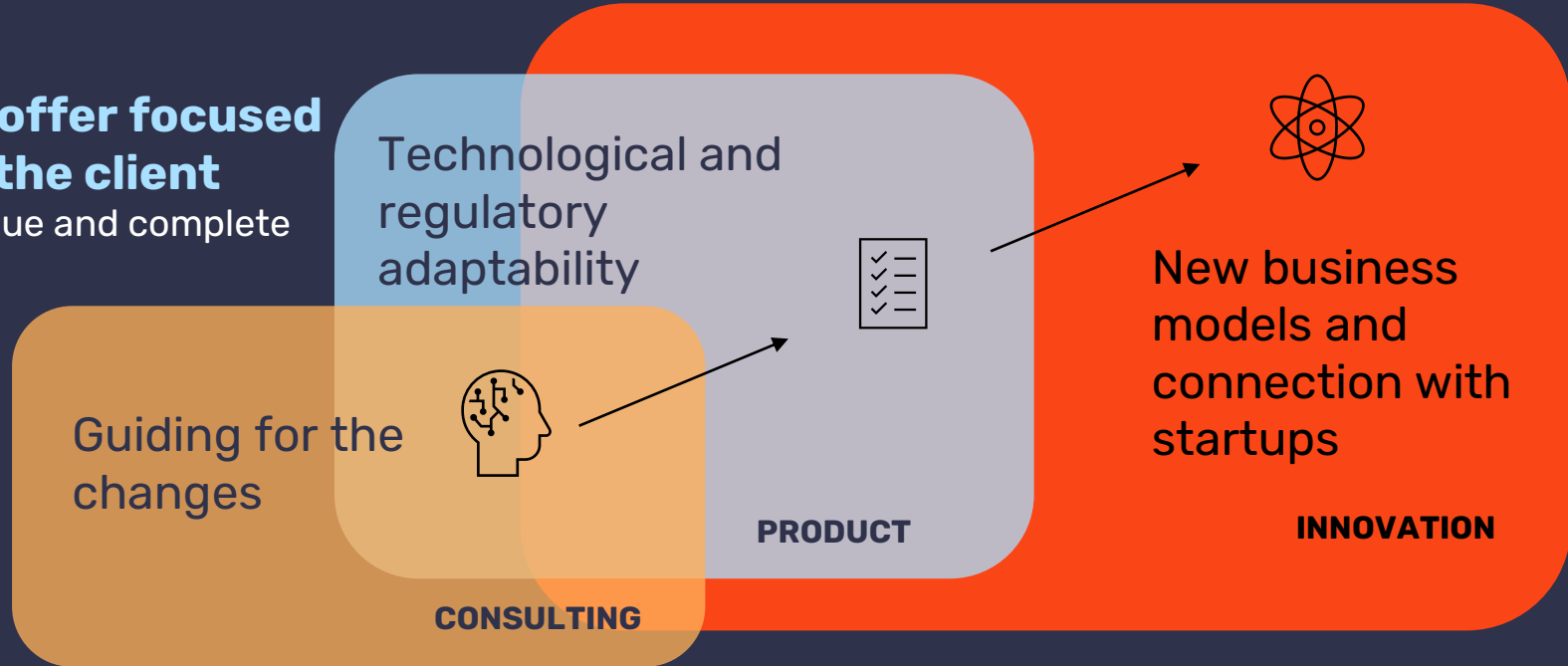
**+75 Mn of users joined PIX with almost 400 Mn of transactions / month.**

\*Data from Mar/21

# ...beside the structuring of the **Open Banking** offer...

## **An offer focused on the client**

Unique and complete



**We have built a powerful and innovative ecosystem**

We are already the biggest promoter of innovation for the financial market

...and the maturity of our **open innovation** strategy.

**+20**

**invested startups**

AI, BAAS, Payments, Credit,  
Receivables and Others..

**+90**

**startups in the  
pipeline**

CVC and Partnerships



**SandBox Singia**

Open innovation  
ecosystem



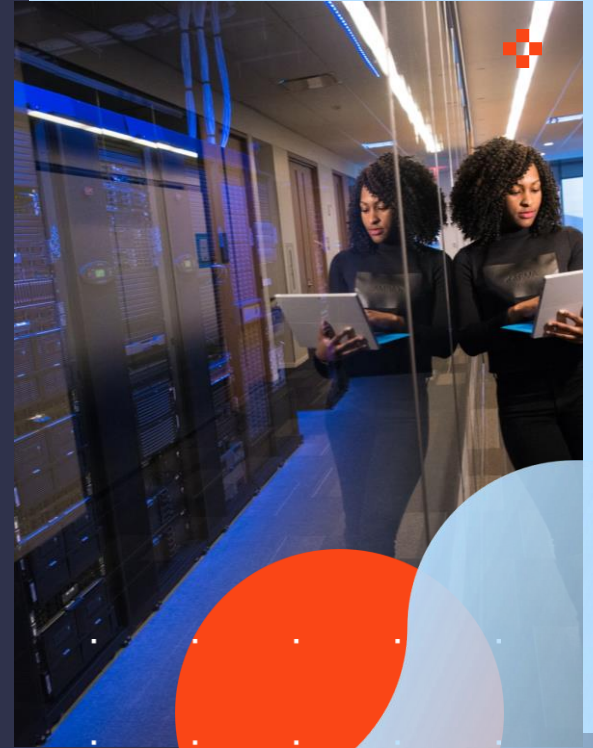
Microsoft  
for Startups



## M&A

A quarter with new  
acquisitions, creating  
the Sinqia Digital

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# We acquired **Simply**, specialized on the digital onboarding...



We added new **products** for digital onboarding



+50 **clients** were added, such as digital banks and fintechs



We expanded the relevance of the SaaS **model**



Net **Revenue** of R\$17.9 Mn\*  
(+53.0% YoY)



Adj. **EBITDA** of R\$6.6 Mn\*



Adj. EBITDA **Margin** of 37.0%\*

## Transaction

- Acquisition of 100% of the capital by the initial value of R\$56.0 Mn
- Tranche in cash: R\$34.0 Mn
- Tranche in stocks: R\$22.0 Mn, 39% from the initial value
- *Earnout* of up to R\$12.0 Mn, subjected to the achievement of revenue targets on 2021, 2022 e 2023



# ...and **FEPWeb**, reference in digital signatures...



We added new **products** for digital signatures



+55 **clients** were added, such as digital and global banks



We expanded the relevance of the SaaS **model**



Net **Revenue** of R\$12.8 Mn\*  
(+33.3% YoY)



Adj. **EBITDA** of R\$8.0 Mn\*



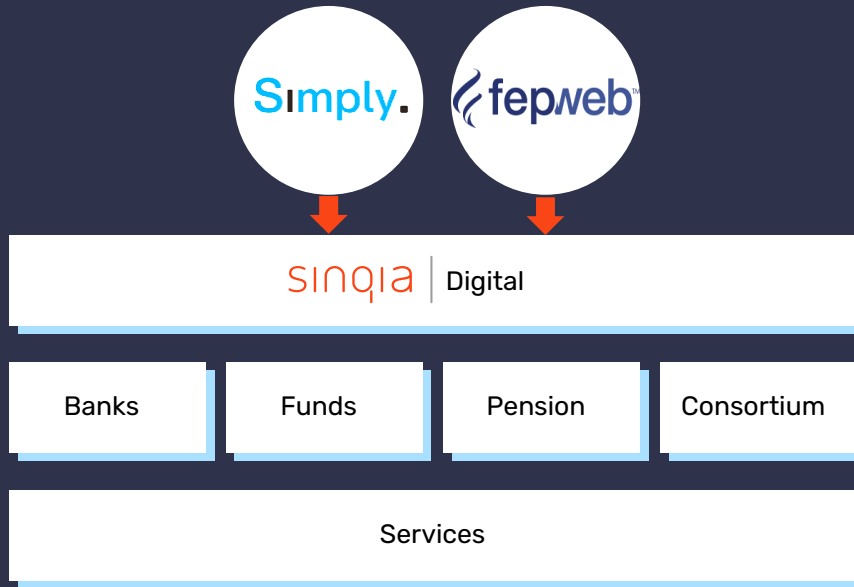
Adj. **EBITDA Margin** of 62.9%\*

## Transação

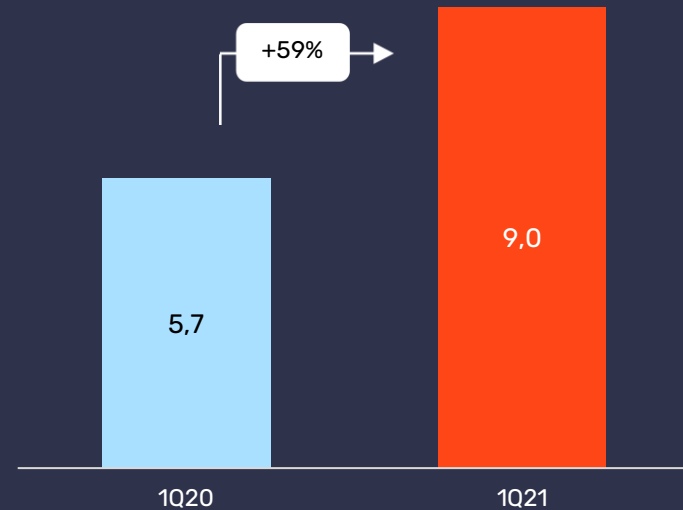
- Acquisition of 60% of the capital by the initial value of R\$38.4 Mn
- Tranche in cash: R\$ 23.0 Mn
- Tranche in stocks: R\$15.4 Mn, 40% from the initial value
- *Call option* tied to the achievement of revenue and margin targets in 2024

...that were combined into a new business unit called  
**Sinqia Digital!**

### Potential of cross sell



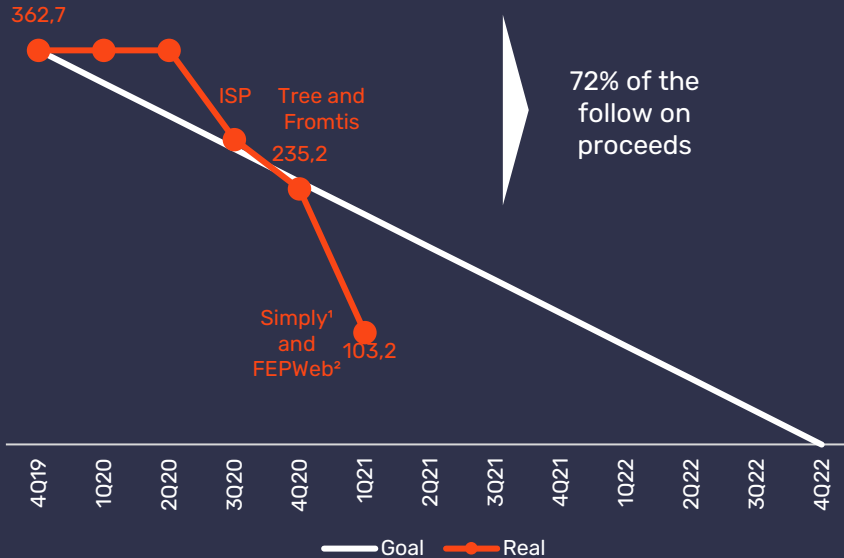
### Managerial net revenue (R\$ Mn)



# Our consolidation plan had **relevant progress!**

## Financial progress

Use of Proceeds (R\$ Mn)



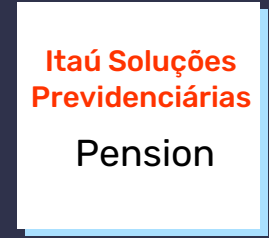
## Financial and strategic discipline



EV/Revs\* 1.6x



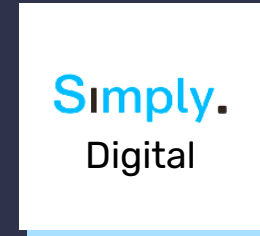
EV/Revs\* 2.0x



EV/Revs\* 1.6x



EV/Revs\* 4.7x



EV/Revs\* 3.1x

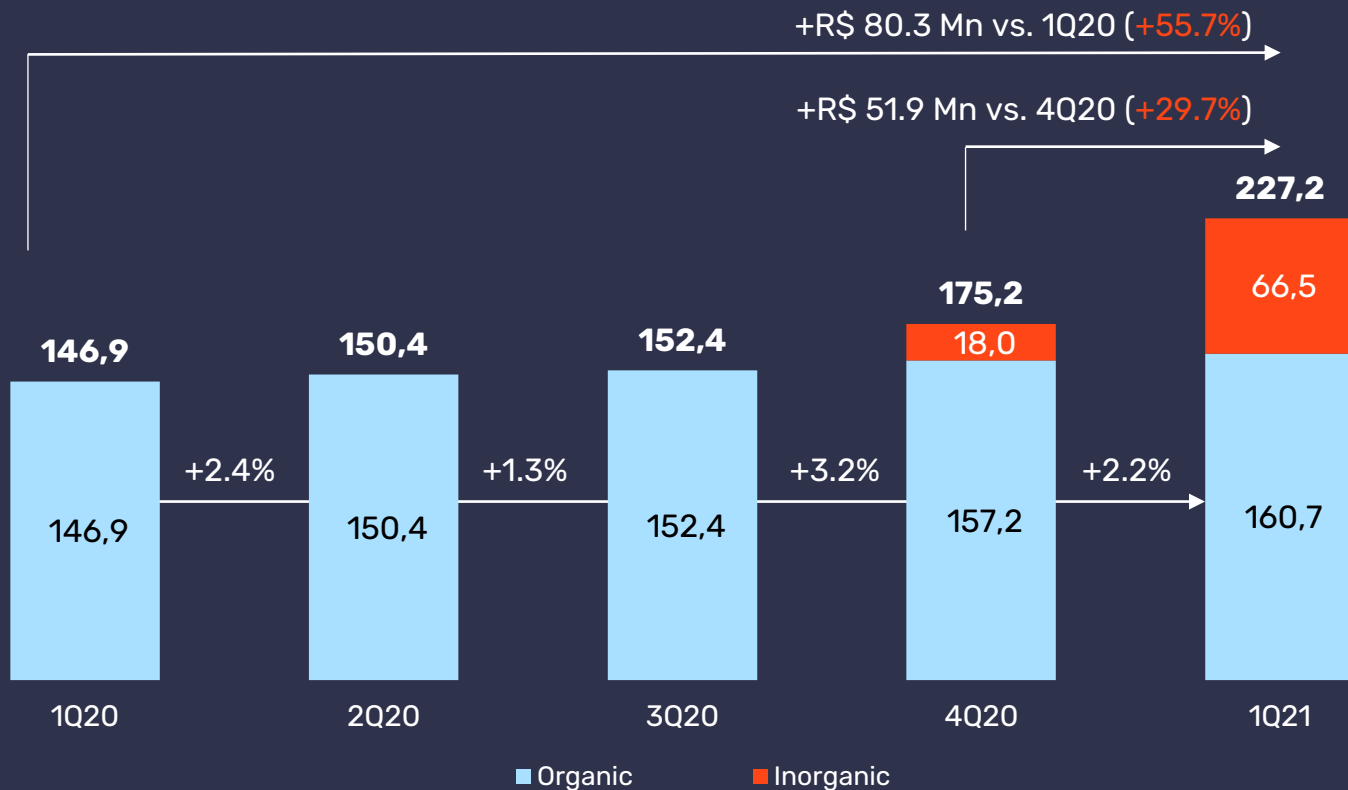
# Financial Results

## A quarter with new records!

sinqia

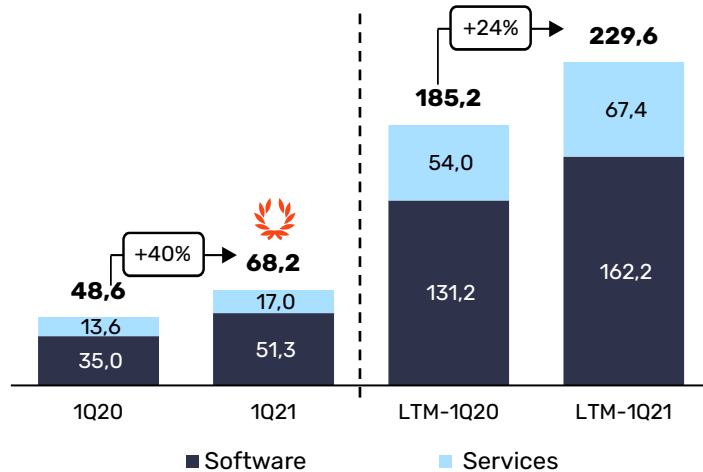


# The **Software ARR** reached a new record with an inorganic addition...

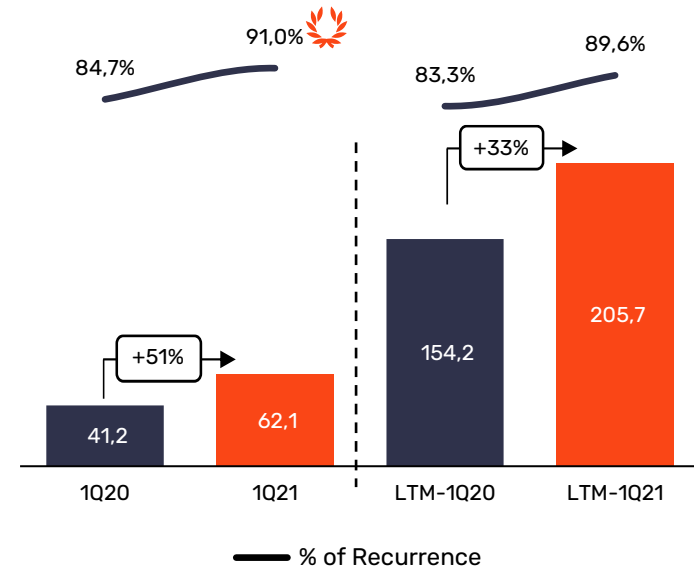


...the net revenue registered another **record**,

### Total Net Revenues

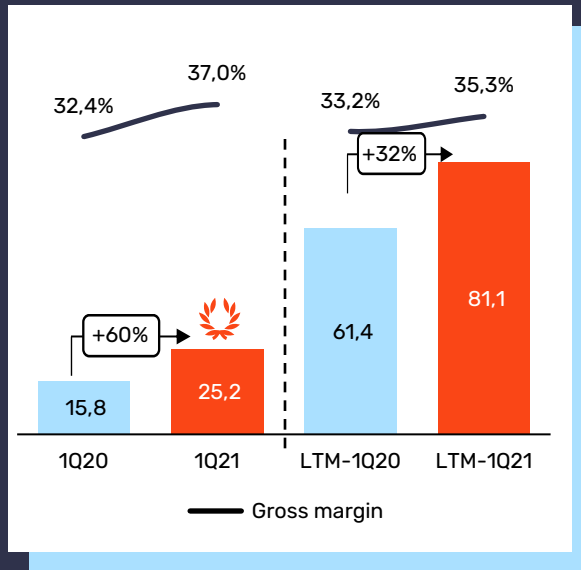


### Recurring Revenues

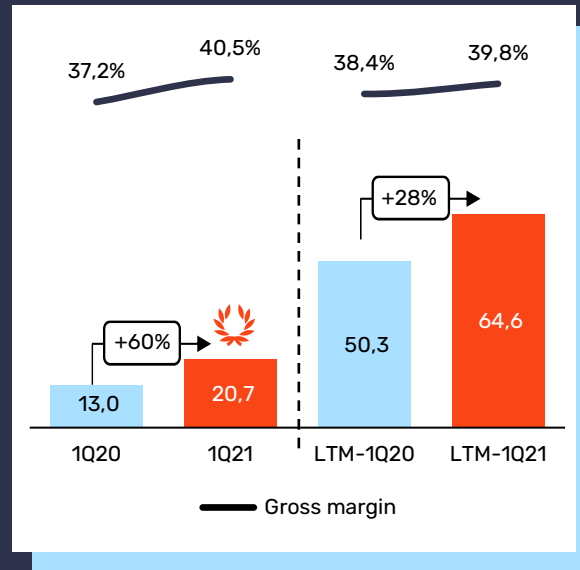


...the **gross profit** increased even more...

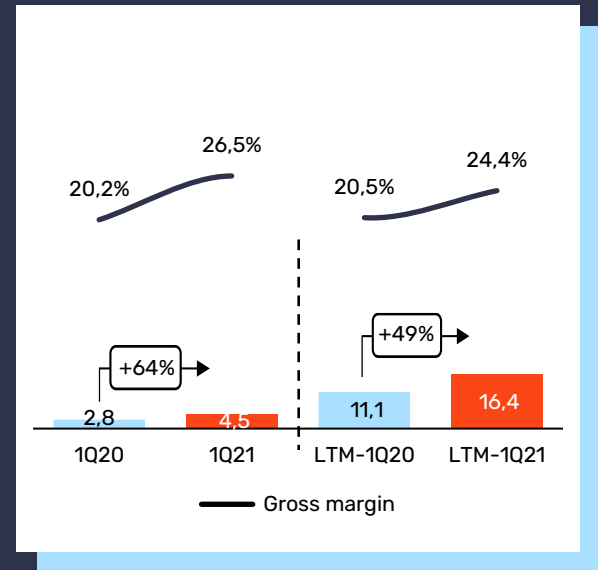
### Gross profit



### Software Gross profit

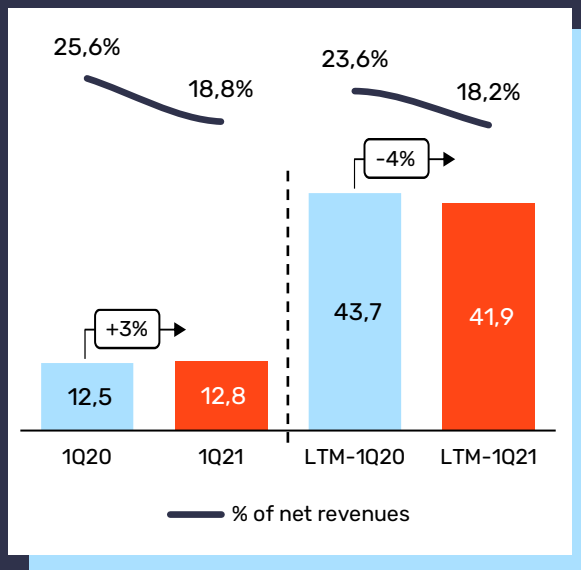


### Services Gross profit

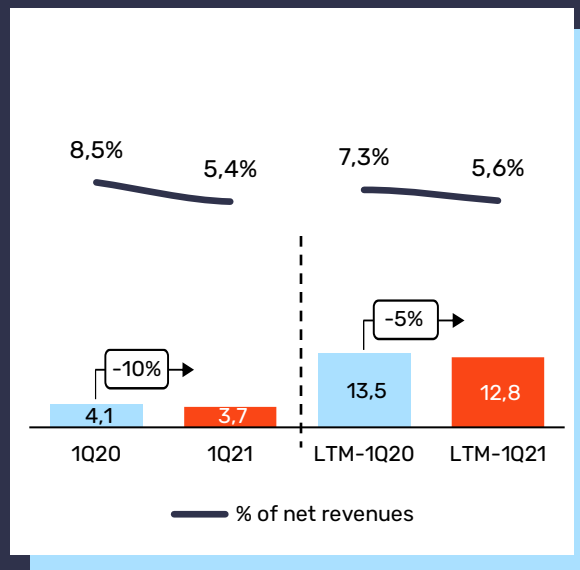


# ...and the expenses kept **under control**...

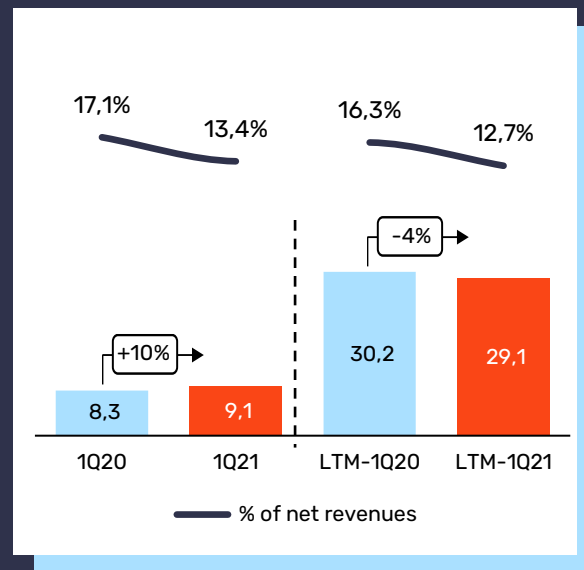
## Total Expenses



## Commercial and Marketing

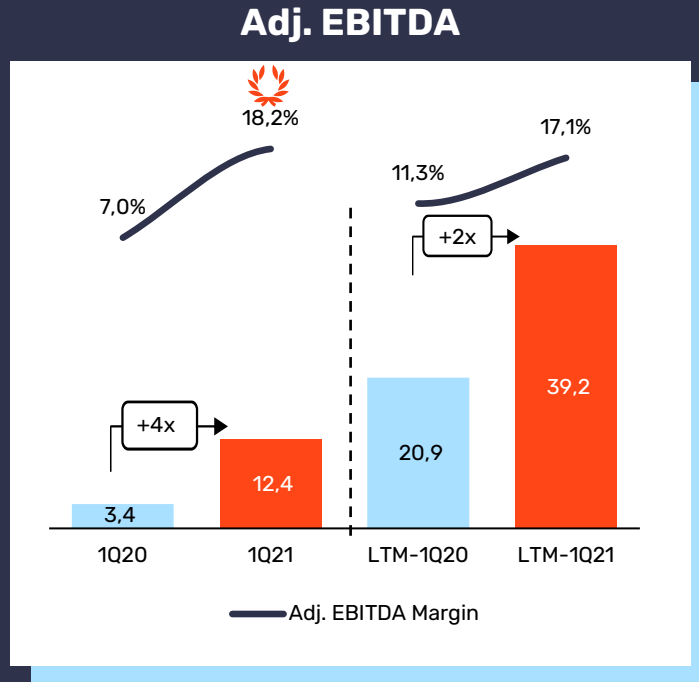


## General and Administrative





...resulting on a **higher EBITDA** and the **best margin** of the history!



# Our balance remains solid, but it could be reinforced to take advantage of many **opportunities!**



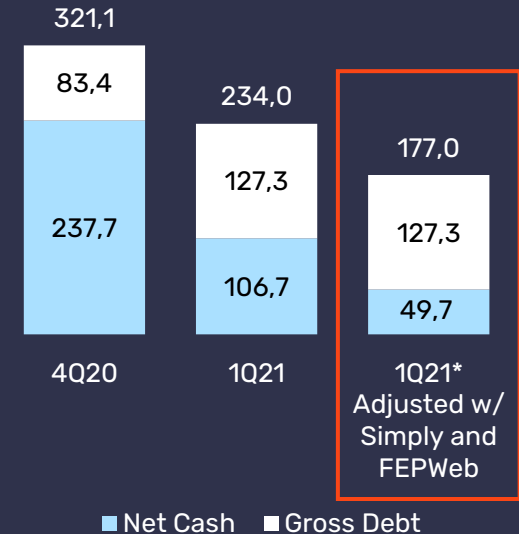
## Gross cash

Maintenance at high level of R\$234.0 Mn  
**(-R\$87.0 Mn)**, sufficient to finance  
potential acquisitions

## Gross debt

Increased to R\$83.4 Mn **(+R\$ 43.9 Mn)**  
due to higher liabilities from investment  
acquisition

## Gross Cash breakdown

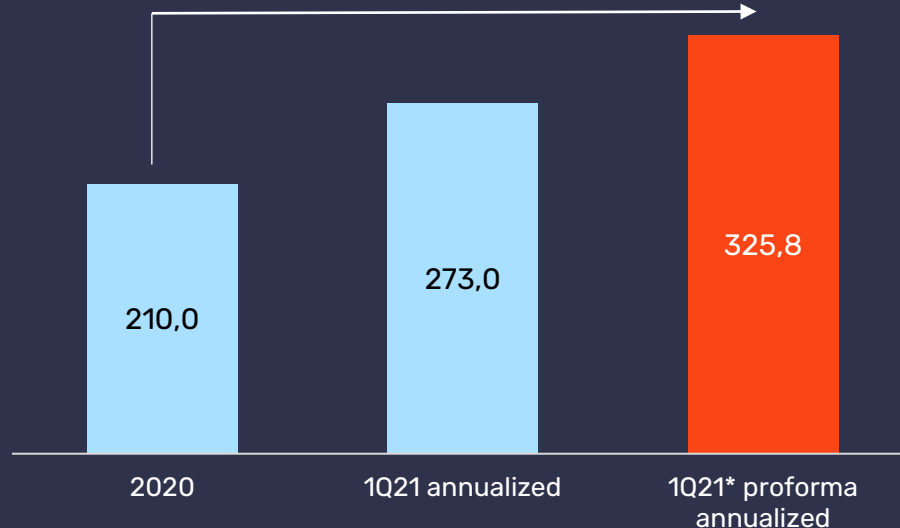


# After 5 acquisitions in 8 months, **Sinqia** is a **bigger and better** company!



## Net Revenues

55% Growth



We added plenty of new products and increased the assortment



We reached +500 costumers and reduced concentration



The relevance of the SaaS model was increased +5x



EBITDA Margin was expanded to 20%

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