

BANCO  
**MERCANTIL**

Earnings Presentation **2024**



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The tables and charts in this report display balances and accounting values, as well as financial and managerial figures. Relative rate variations are calculated before the rounding procedure. Rounding is carried out according to IBGE Resolution 886/66 standards: if the decimal digit is equal to or greater than 0.5, the value is rounded up; if it is less than 0.5, the value is rounded down.

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## Hosts



➤ **Gustavo Araújo, CFA**  
CEO

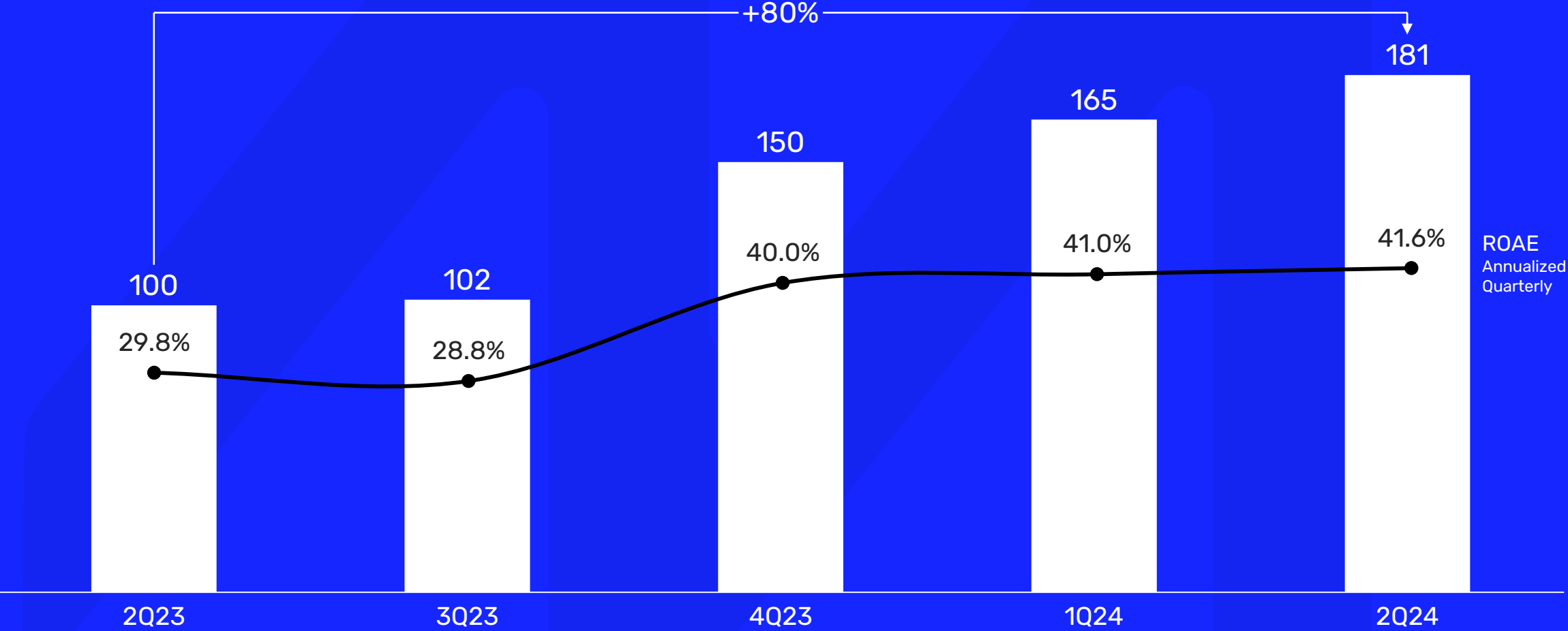


➤ **Paulino Rodrigues**  
Chief Financial Officer and Investor Relations

# Consecutive record-breaking results demonstrate the solidity of the business model.

## Net Income and ROAE

BRL mn, per quarter



# Quarter Highlights

2024 vs 2023

Clients

**8.5** mn

+18% ↗

Credit Portfolio

BRL **15.5** bn

+22% ↗

NPL > 90 days

**2.0** %

-79 bps ↘

Quarterly Service Revenue

BRL **175** mn

+24% ↗

NIM

**21.7** %

-120 bps ↘

Quarterly Net Profit

BRL **181** mn

+80% ↗

ROAE LTM

**37.6** %

+1,645 bps ↗

Capital Adequacy Ratio  
(Basel III)

**17.5** %

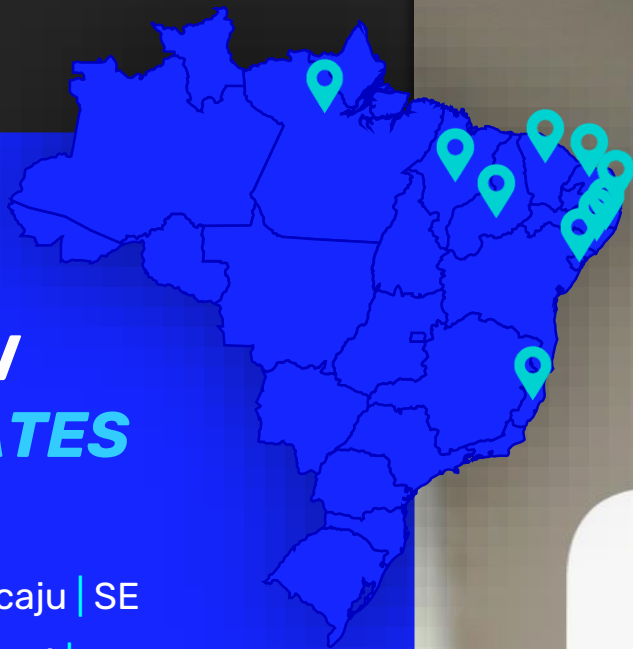
+132 bps ↗

# CHEGA MAIS

*EXPANSION IN THE  
NORTH AND  
NORTHEAST  
REGIONS OF BRAZIL*



# 10 NEW STATES



Aracaju | SE

Maceió | AL

Teresina | PI

São Luis | MA

Natal | RN

Belém | PA

Recife | PE

Fortaleza | CE

Vitória | ES

João Pessoa | PB

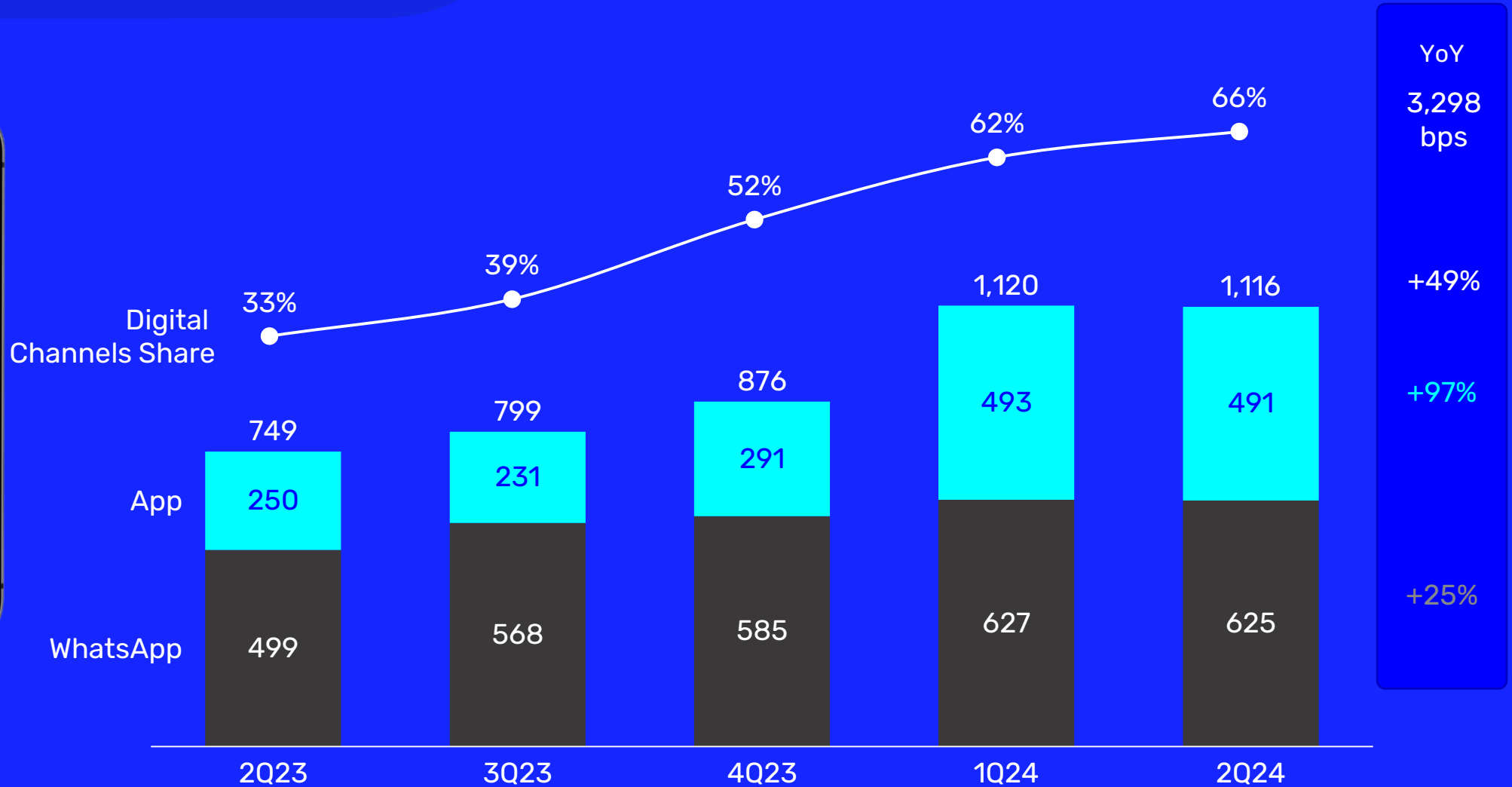
# CHEGA MAIS



# Increasingly digital credit origination.

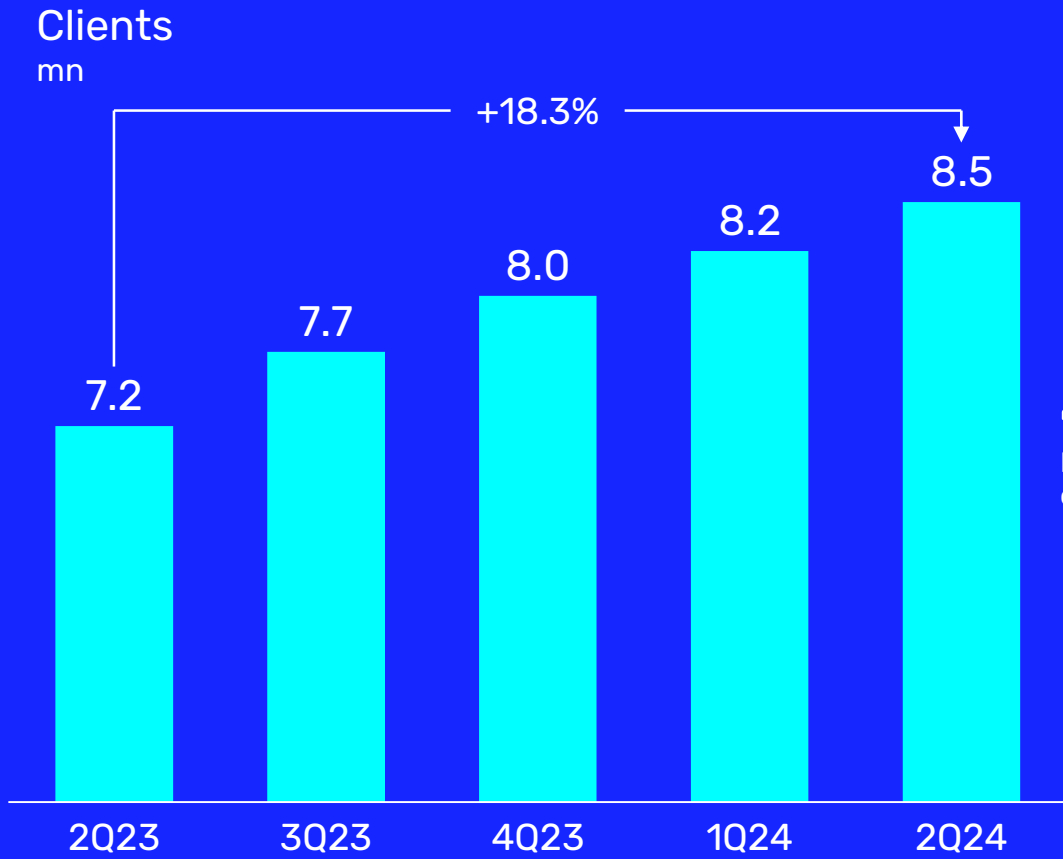


## Credit Origination via Digital Channels App and WhatsApp, # contracts (thousand)





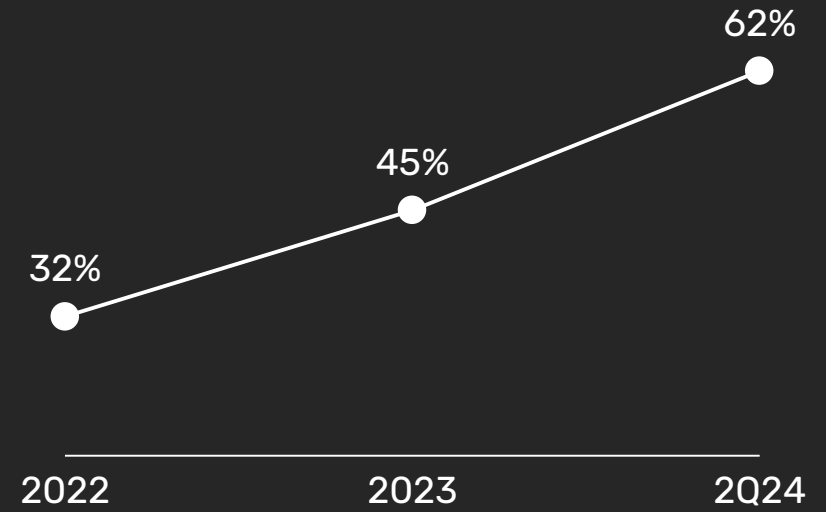
# Engaged and increasingly digitized customer base.



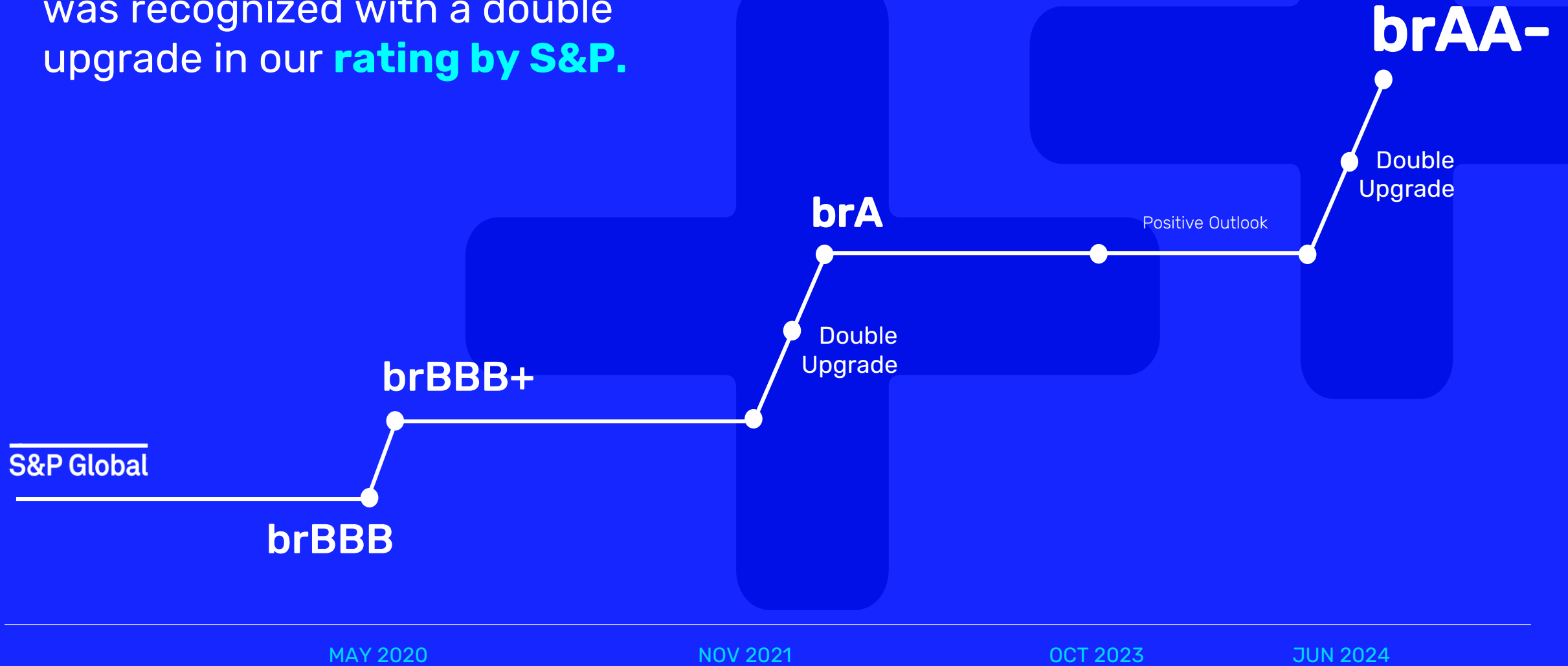
**49%**  
Have a loan operation

### App Subscription

% of clients that joined the App after opening the account



The evolution of our business model was recognized with a double upgrade in our **rating by S&P**.





# RELATÓRIO DE SUSTENTABILIDADE 2023

**Social**

**Environmental**

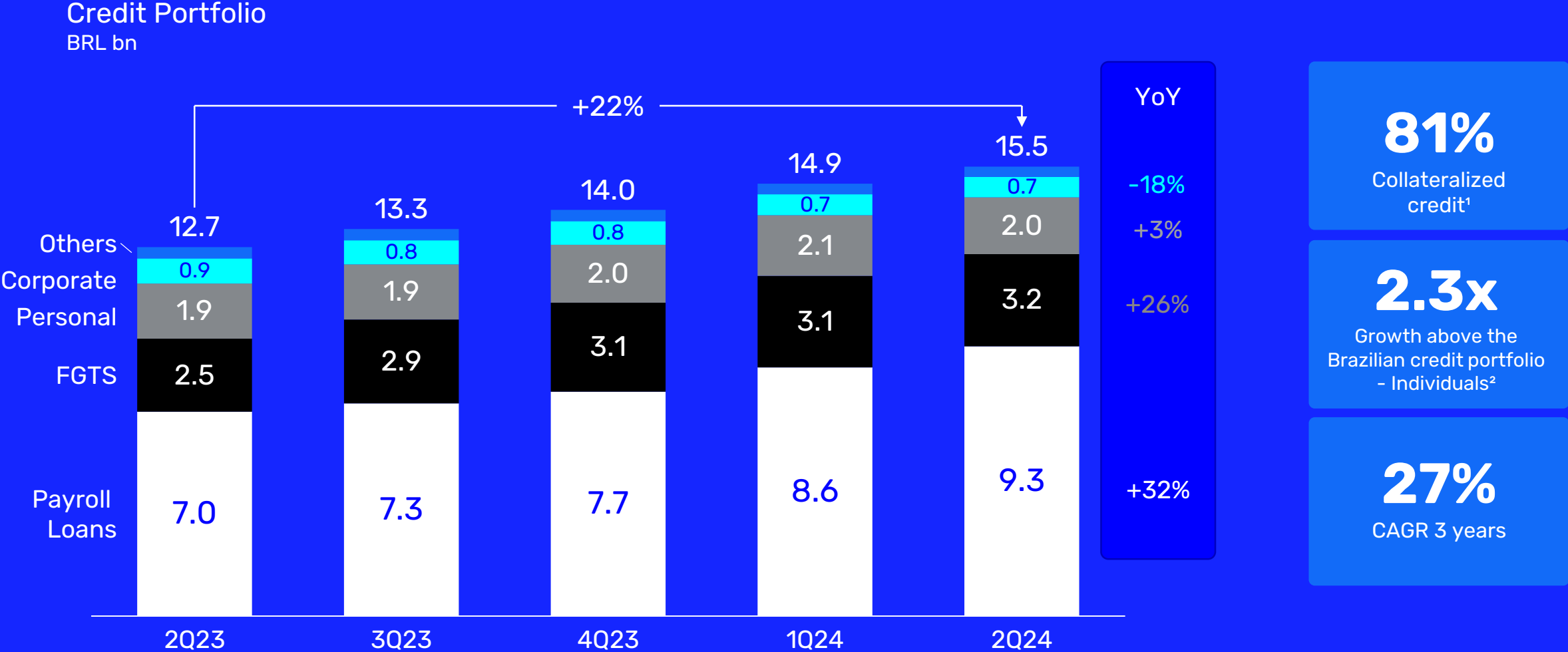
**Governance**

# BANCO MERCANTIL

- Credit
- Funding
- Services
- Capital
- Profitability



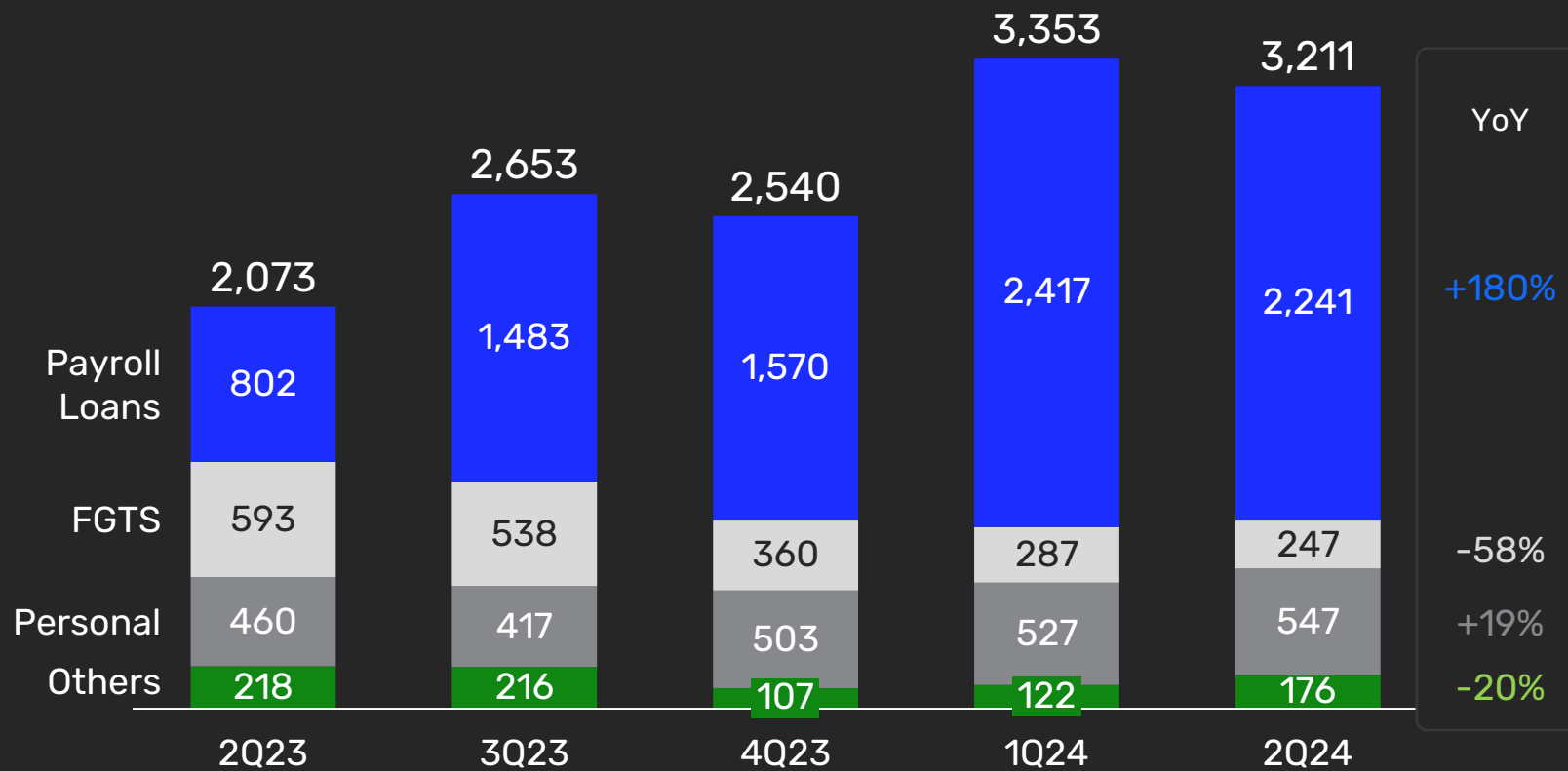
We continue to expand our credit portfolio,  focusing on high-quality assets.



(1) Considers INSS Payroll Loans, Public Payroll Loans, Payroll Loans Cards and FGTS  
 (2) Source: Central Bank of Brazil

# Strong origination in the quarter, with emphasis on Payroll Loans. ↗

Credit Origination  
BRL mn



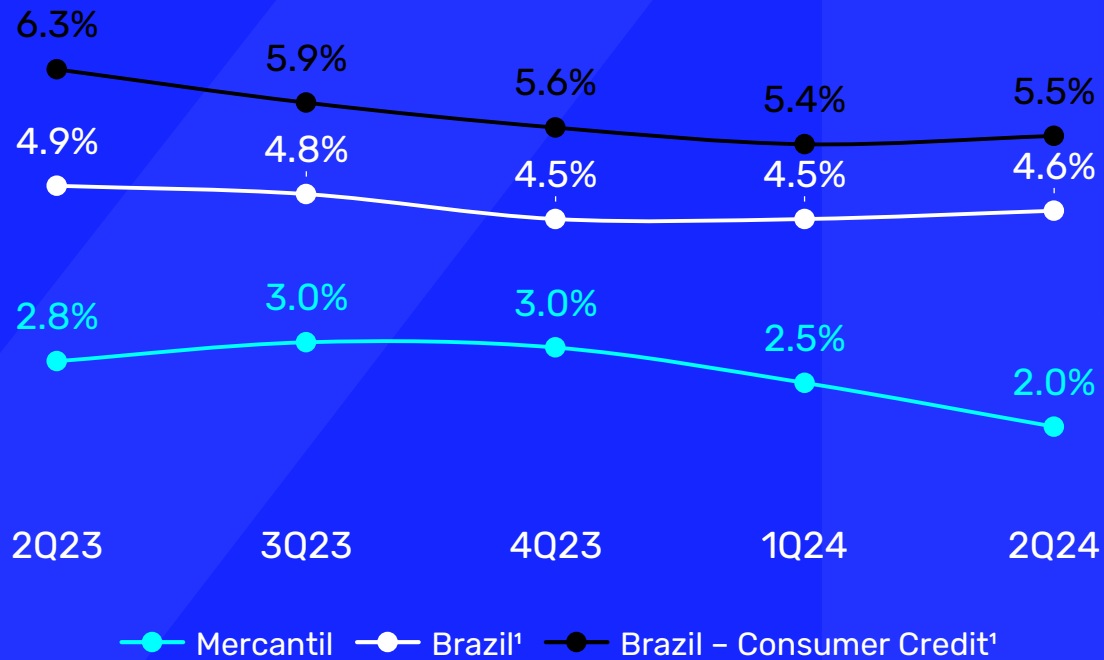
**9%**  
Payroll loans share  
in 2024<sup>1</sup>

Payroll loans Origination  
**100%**  
via own channels  
**Digital and Points of Sales**

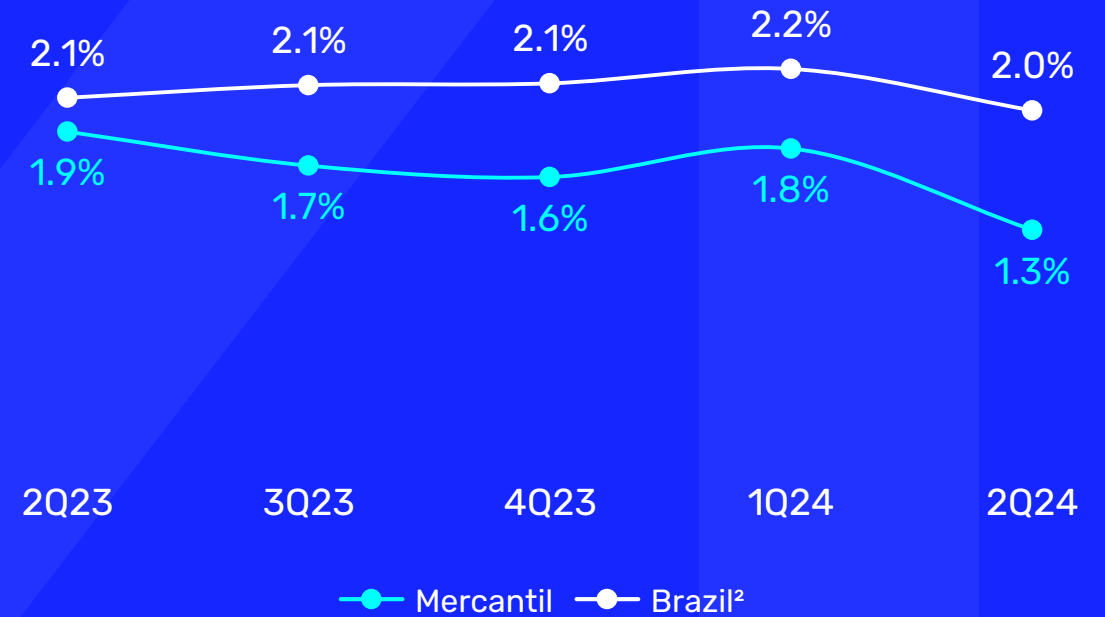


Delinquency levels are declining and below the market average.

NPL Over 90 (%)



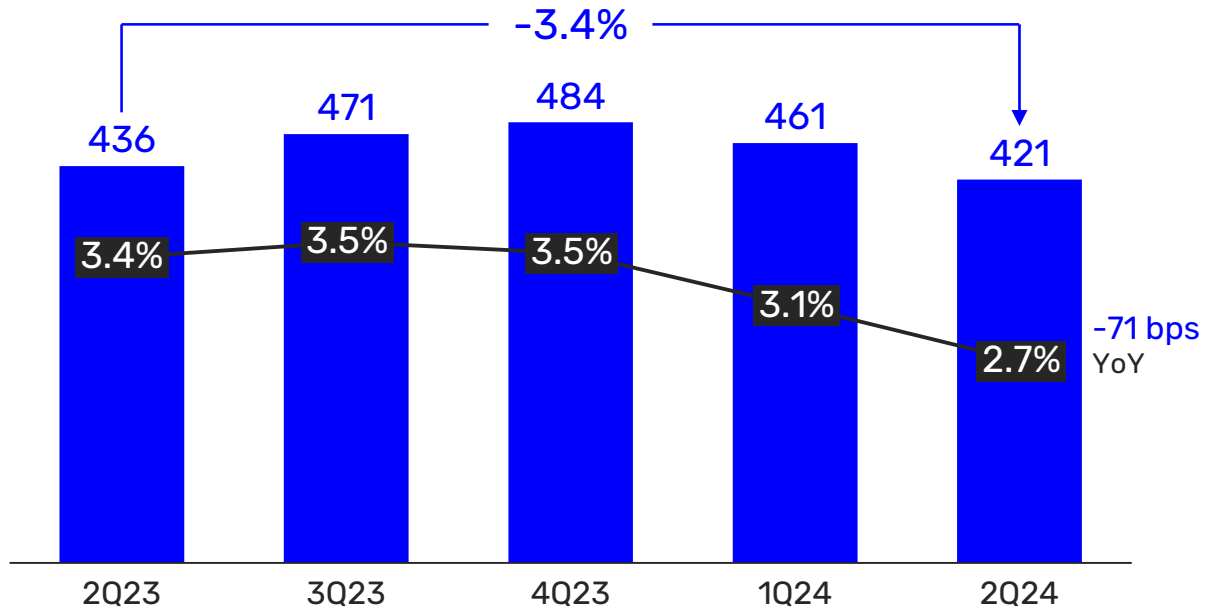
NPL Over 15 - 90 (%)



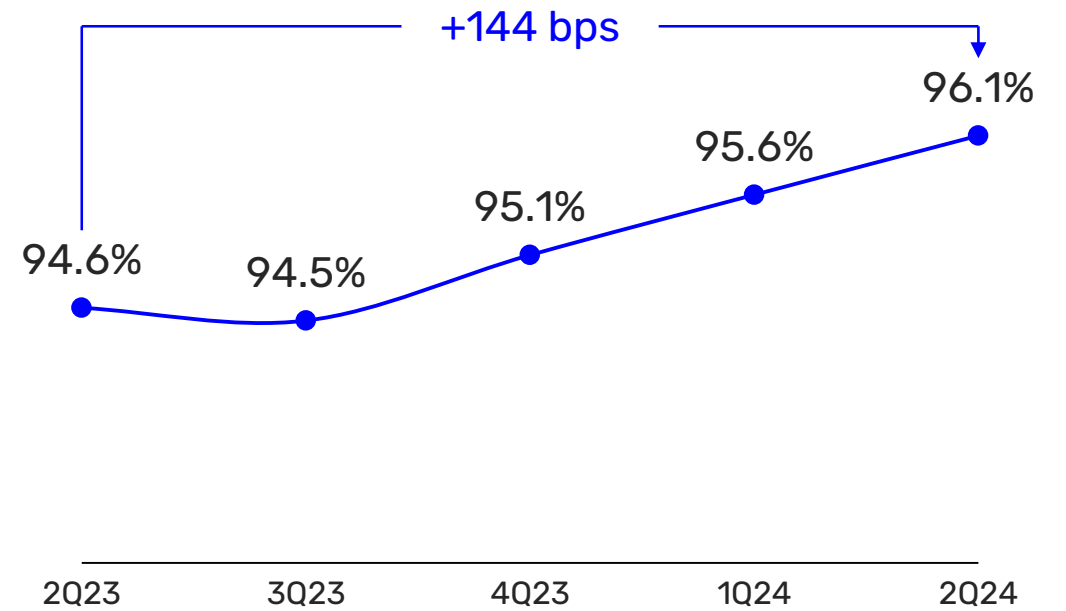
# Provision expenses and portfolio quality showed improvement.

## NPL Provision and % Portfolio

BRL mn, % p.a.

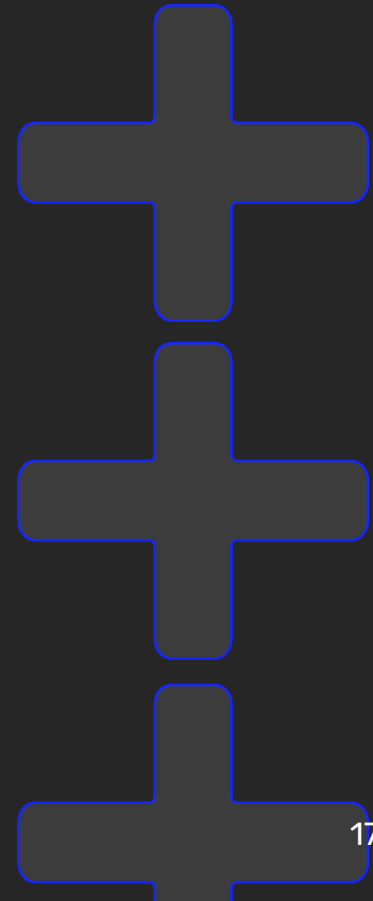
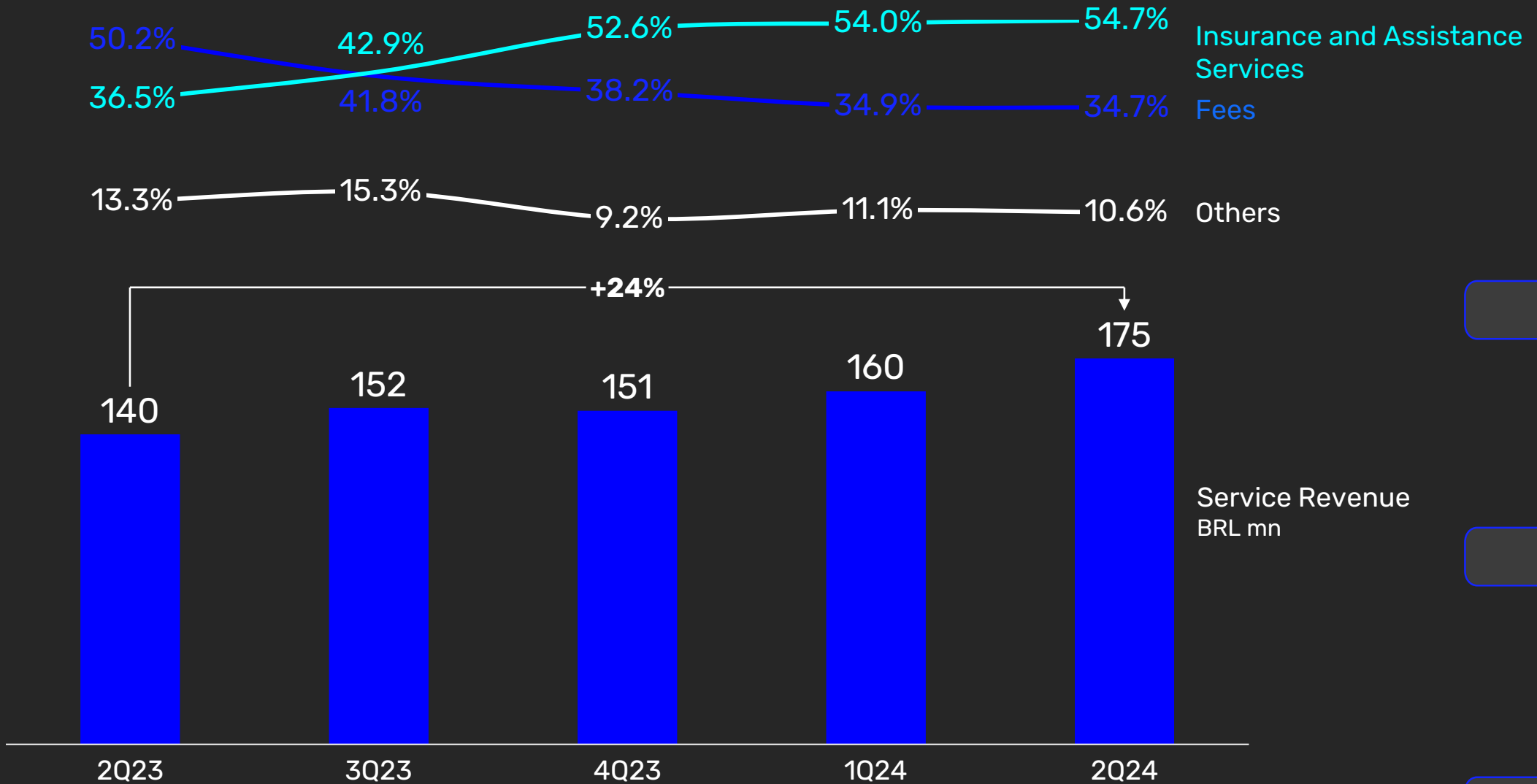


## % AA - C / Portfolio





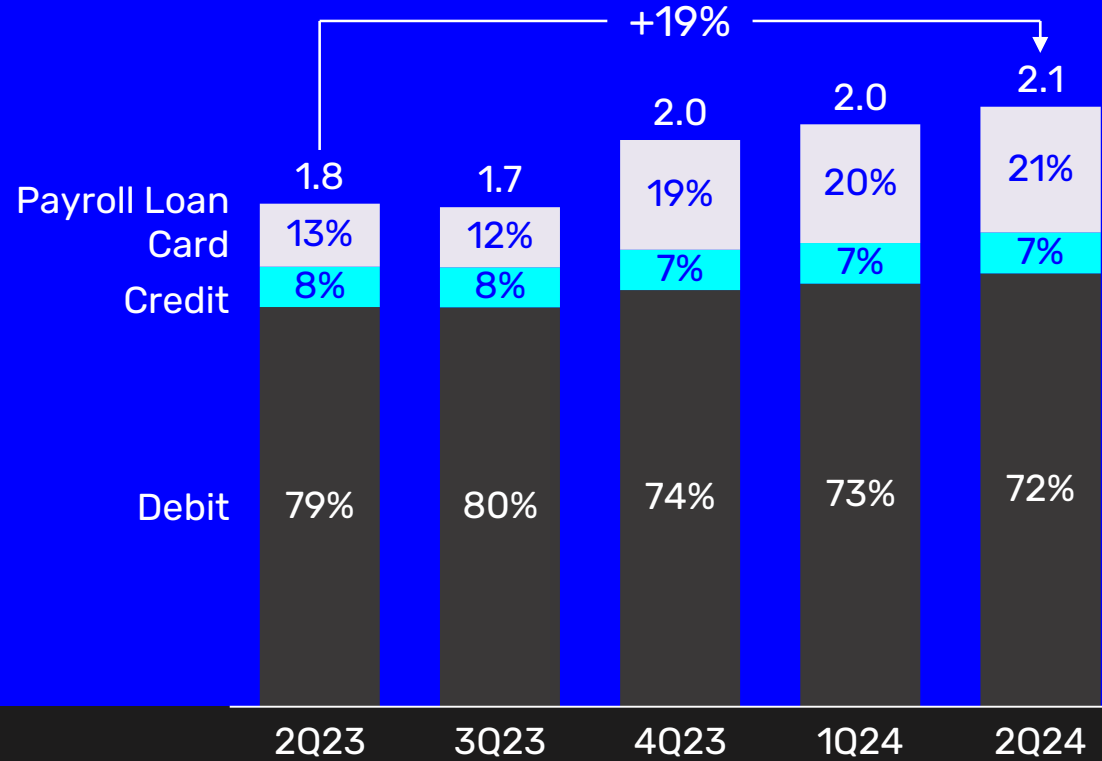
Consistent growth in service revenue, focused on the expansion of Insurance and Assistance services.



# Advancement in the card segment, with a focus on the Payroll Loan Card.

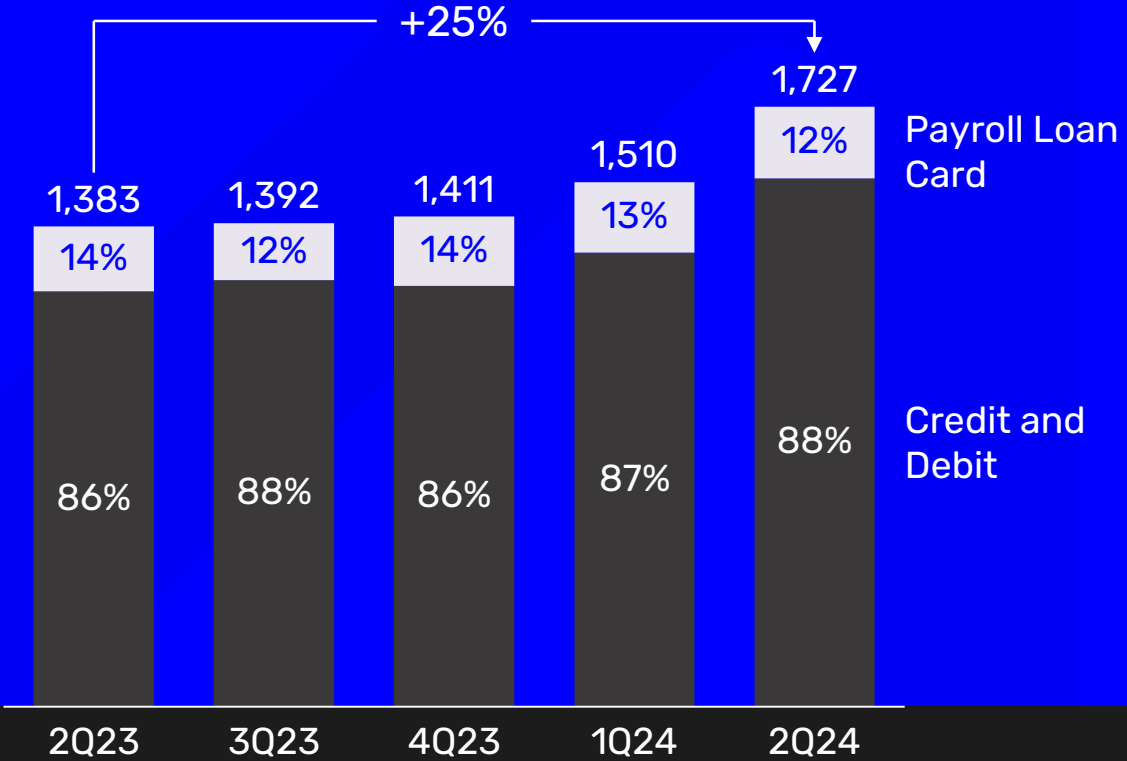
## Cards in Circulation

mn



## Total Processed Volume - TPV

BRL mn

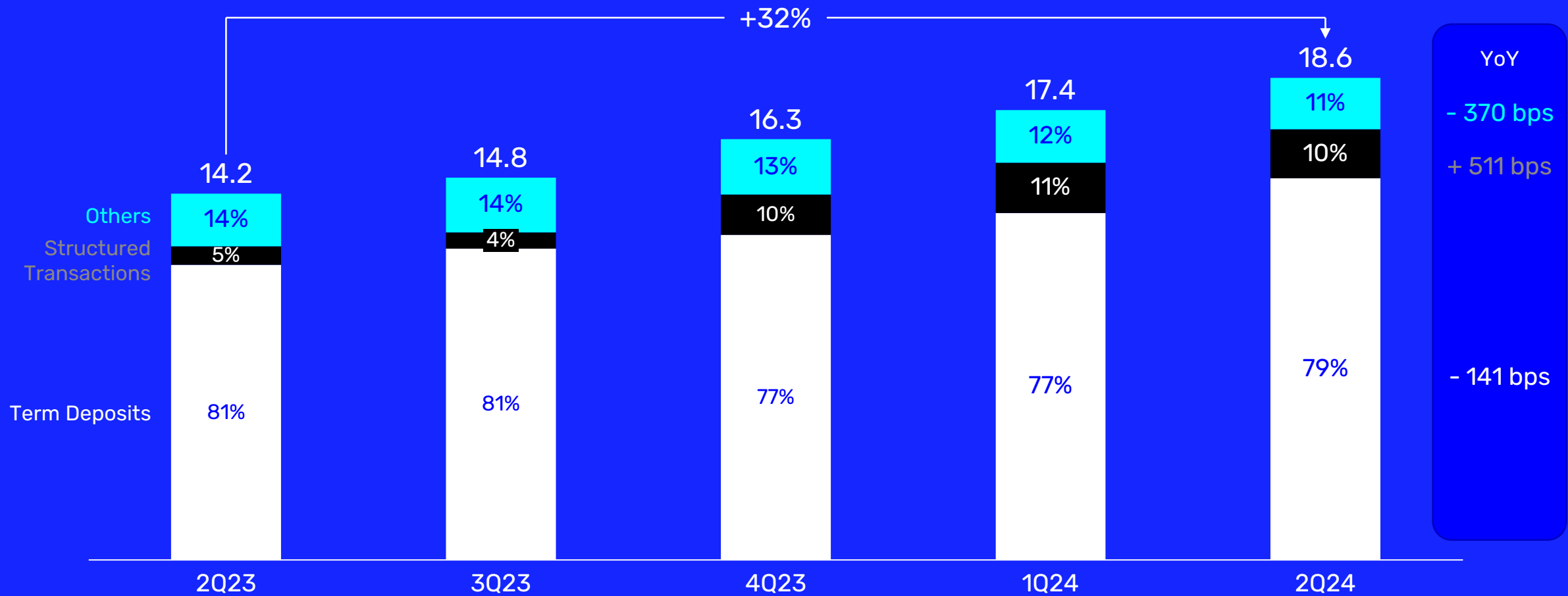


Our funding is diversified and widespread.



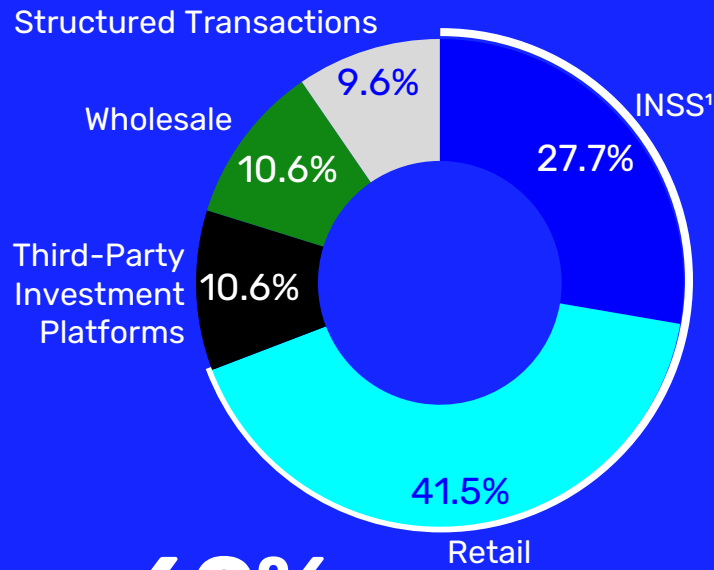
**97.1%**  
Funding Cost  
Last 12 months, % CDI benchmark

Funding Balance and Cost (%)  
BRL bn



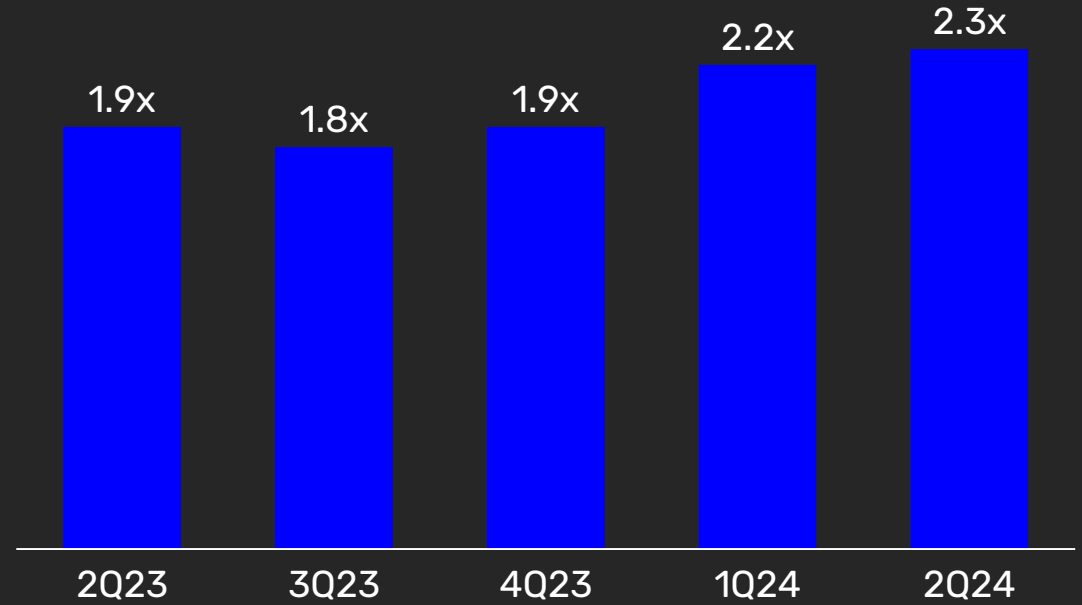
# Robust structure for funding through proprietary channels.

## Funding Sources



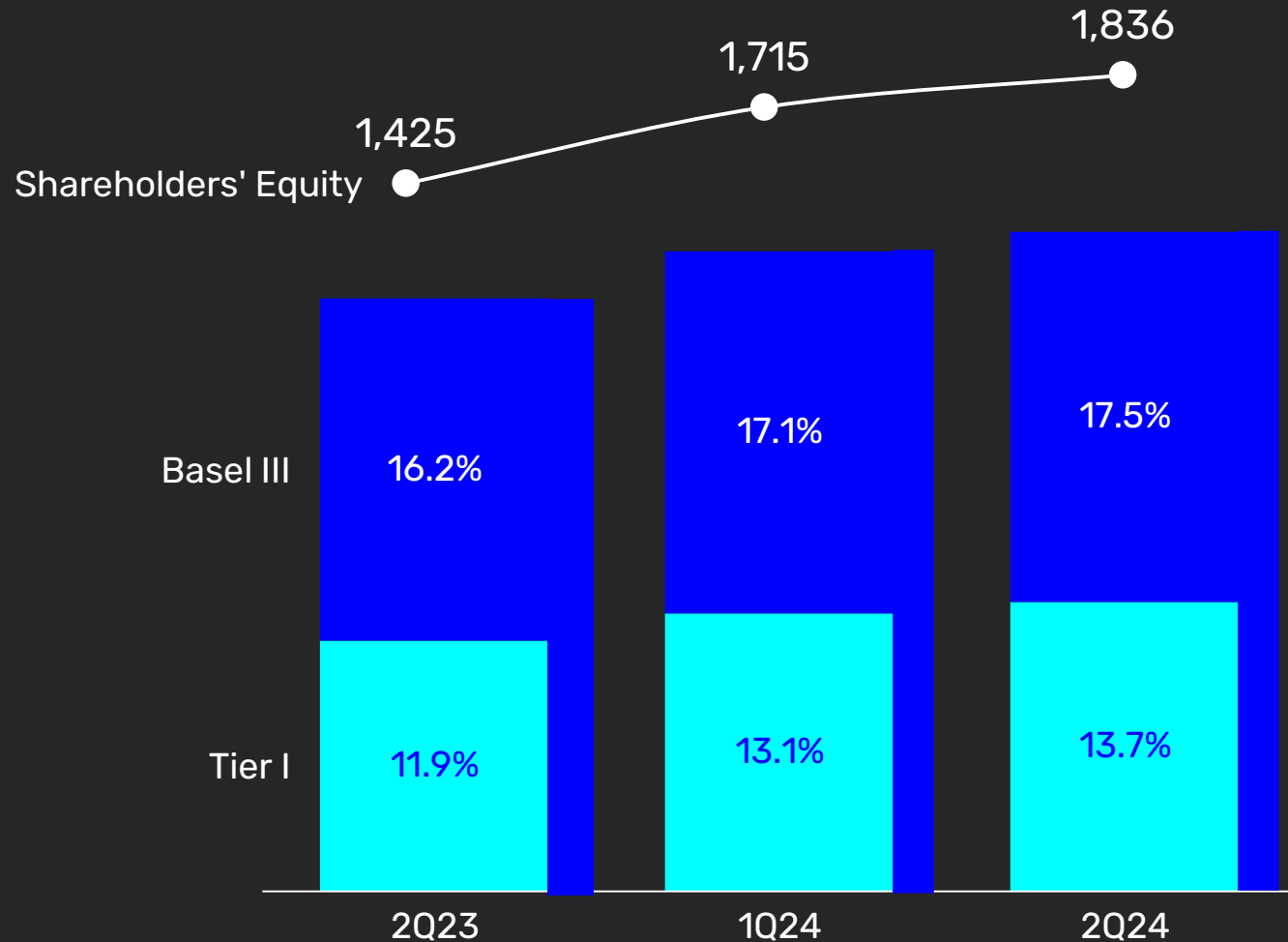
**69%**  
Own Network

## Liquidity Coverage Ratio

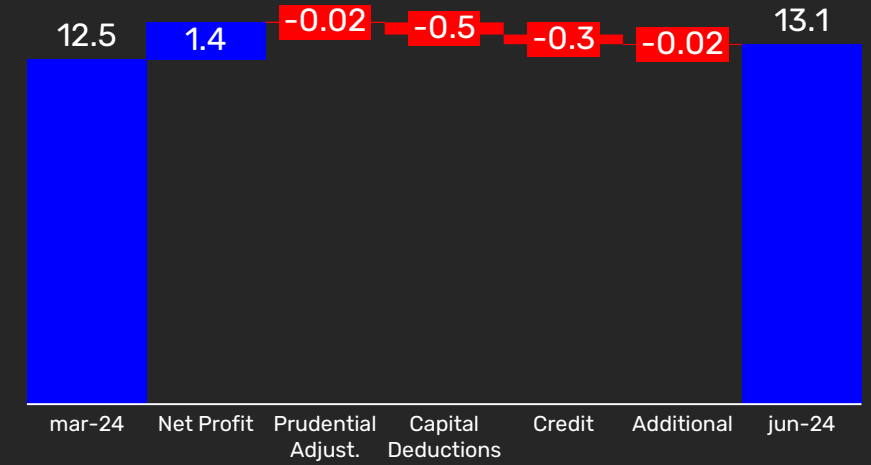


# We maintain high levels of capitalization.

Capital Adequacy Ratio (Basel III) and Shareholders' Equity (%) and BRL mn



Common Equity Tier I (CET I) (%)

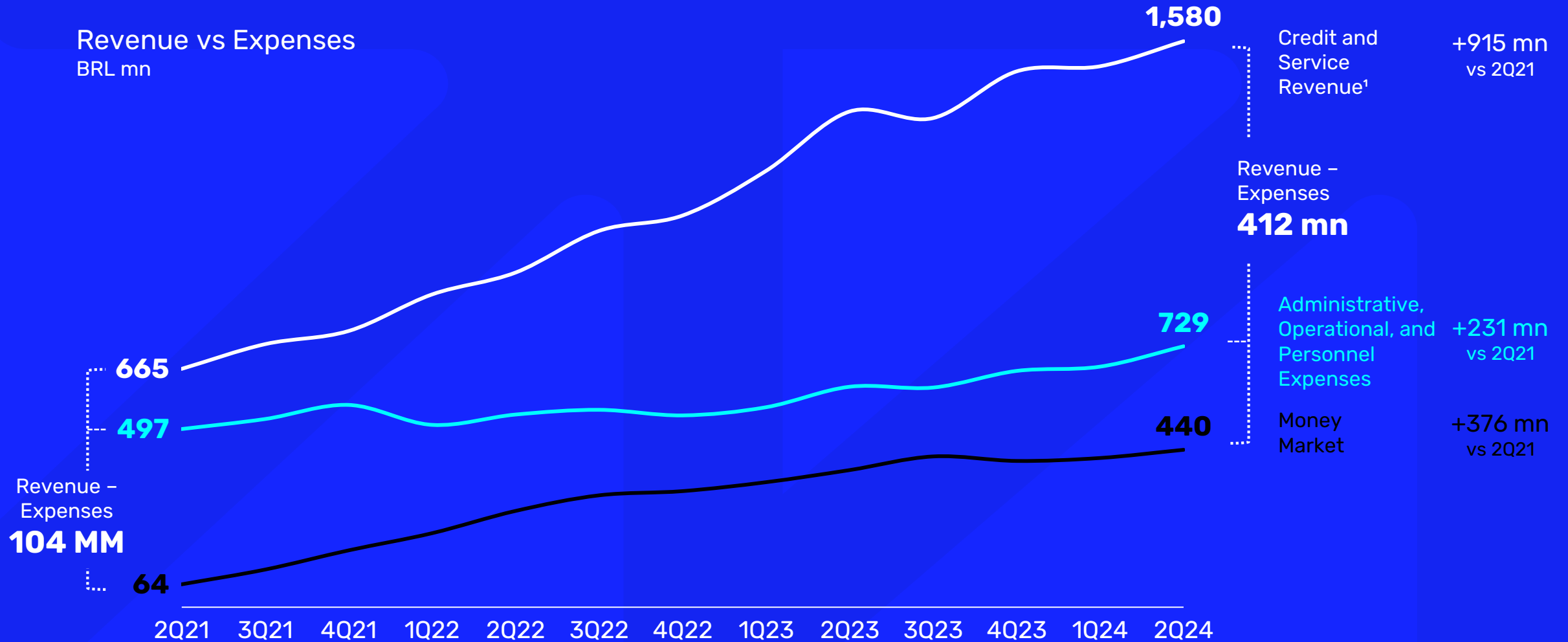


## RATINGS

**S&P Global Ratings** **brAA-** Stable Outlook

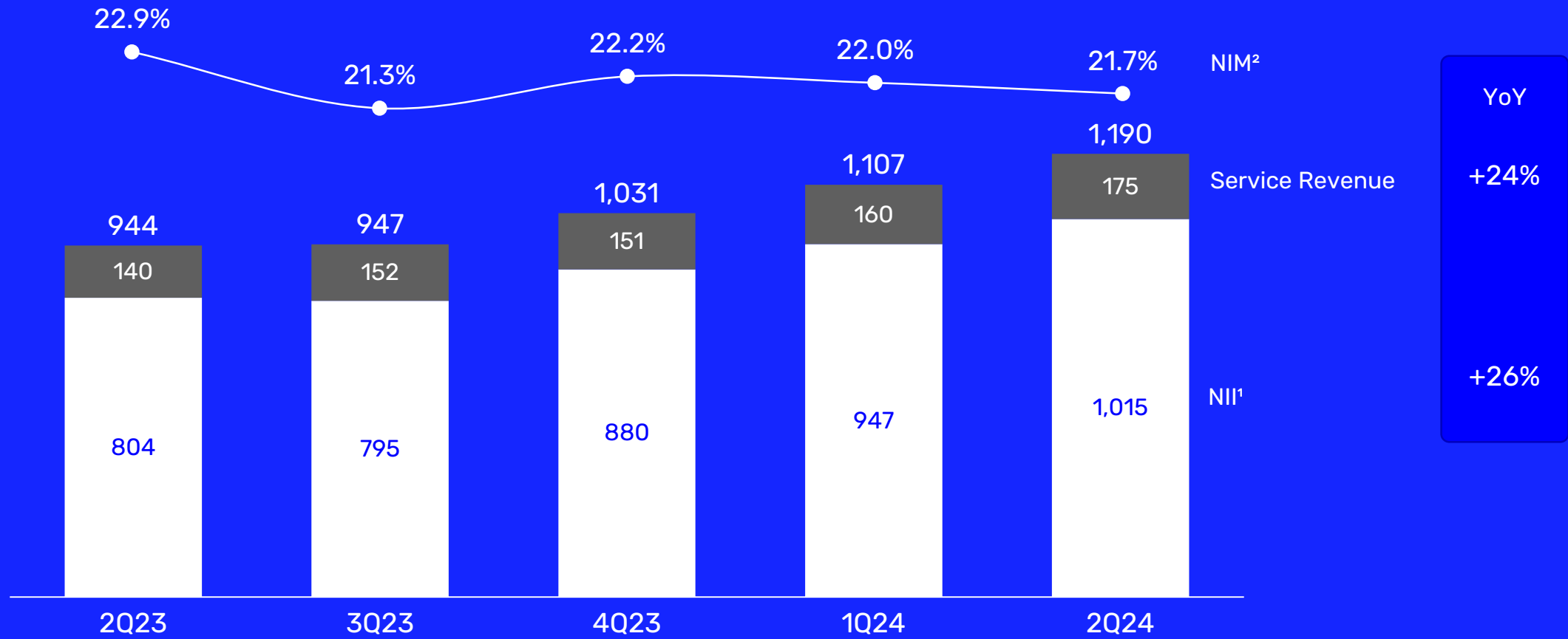
**FitchRatings** **A-(bra)** Positive Outlook

# Credit and service revenue are growing at a faster pace than expenses.



# Revenue growth with sustained high margin levels.

Revenues and Net Interest Margin (NIM)  
BRL mn



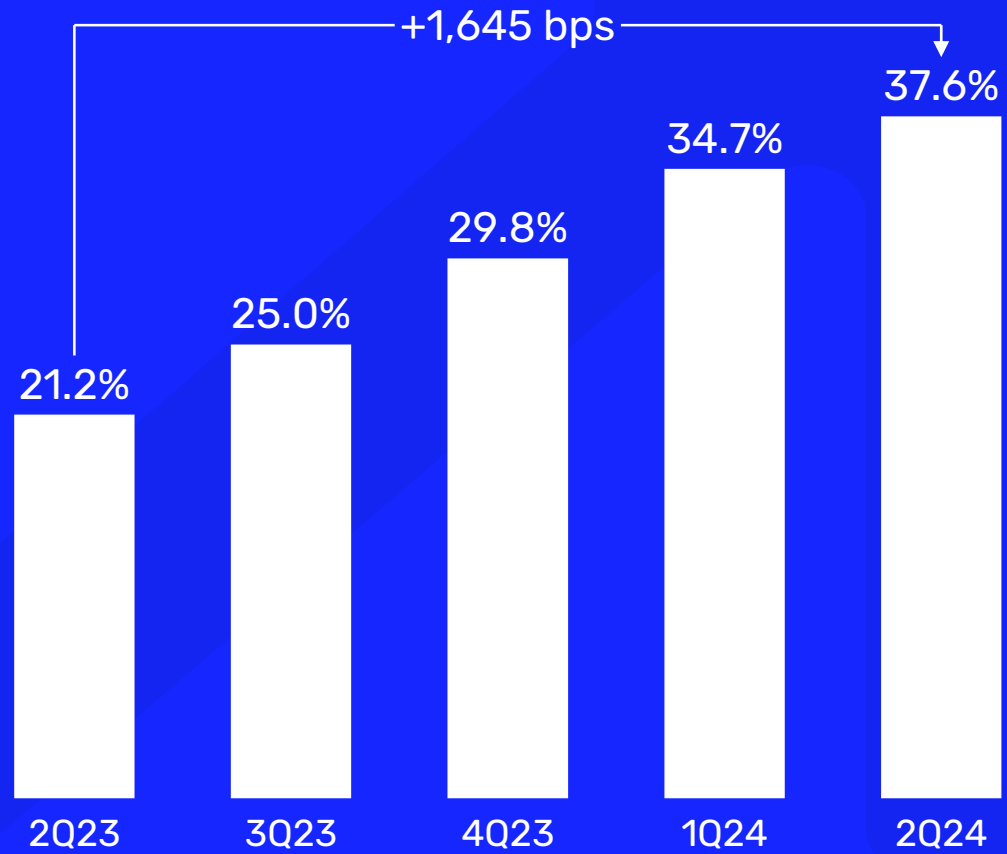
(1) Interest Income - Interest Expenses

(2) NIM = Net Interest Income for the reference quarter / Average interest-earning assets for the reference quarter and the previous one.

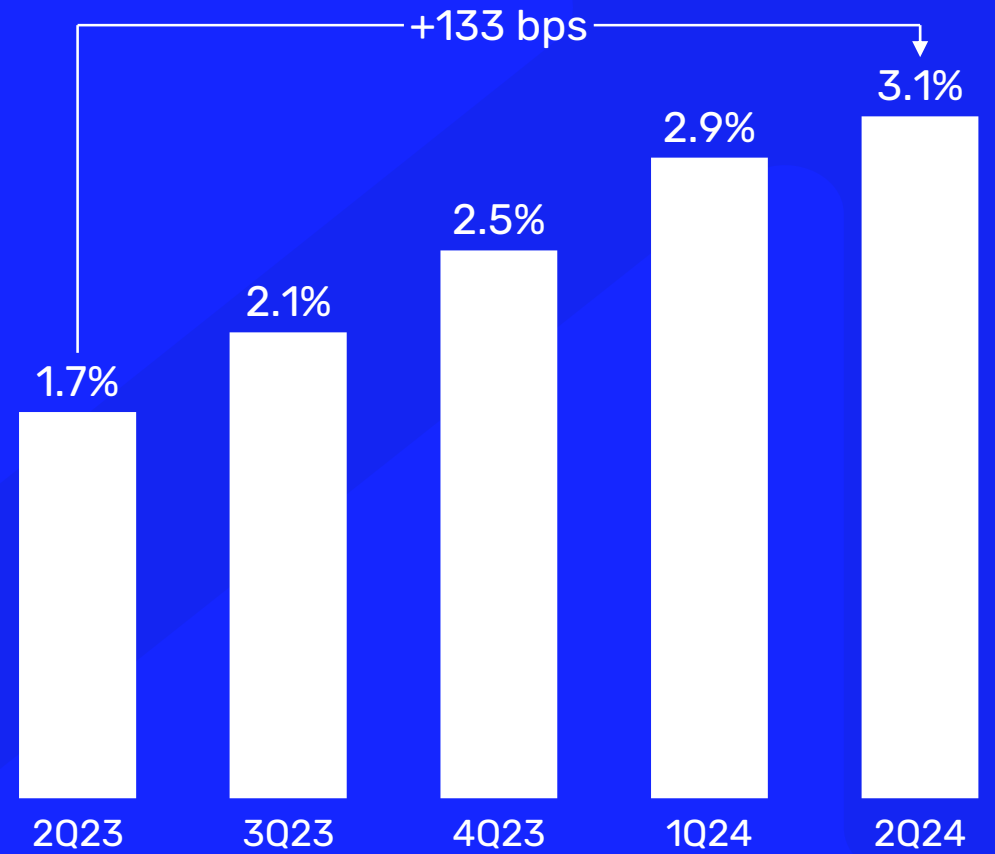


Over the past 12 months, profitability metrics also show continuous improvement.

ROAE LTM



ROAA LTM







# BANCO MERCANTIL

## Talk to IR

Investor Relations

Gustavo Araújo *CEO*

Paulino Rodrigues *CFO and IR*

Marina Magalhães *Investor  
Relations*

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