

BANCO
MERCANTIL

Earnings Presentation **4Q25**



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The tables and charts in this report present accounting balances and figures, as well as financial and management data. Percentage variations are calculated prior to rounding. Rounding is performed in accordance with IBGE Resolution 886/66: 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 remains unchanged. This material was compiled based on publicly available information, internal data, and other external sources. Information such as deadlines, rates, and conditions presented herein is indicative and does not constitute any type of representation or warranty, whether express or implied.

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CMN Resolution No. 4,966, effective as of January 1, 2025, amended criteria such as risk classification and provisioning requirements. Accordingly, data from 1Q25 onward reflect a new methodological basis and may present limitations when compared with prior periods.

HOST:



GUSTAVO ARAÚJO, CFA

CEO

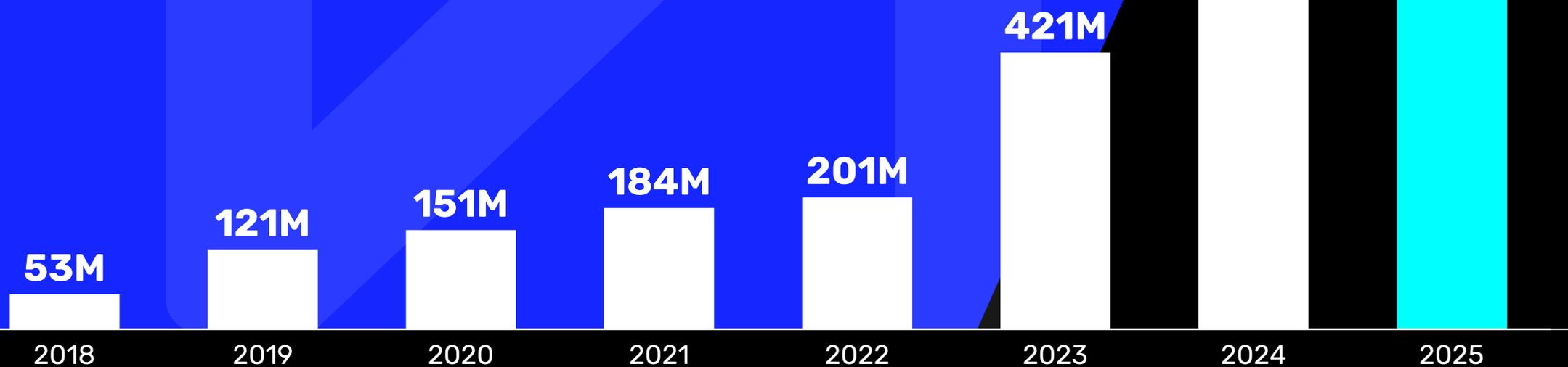


PAULINO RODRIGUES

CHIEF FINANCIAL AND
INVESTOR RELATIONS OFFICER

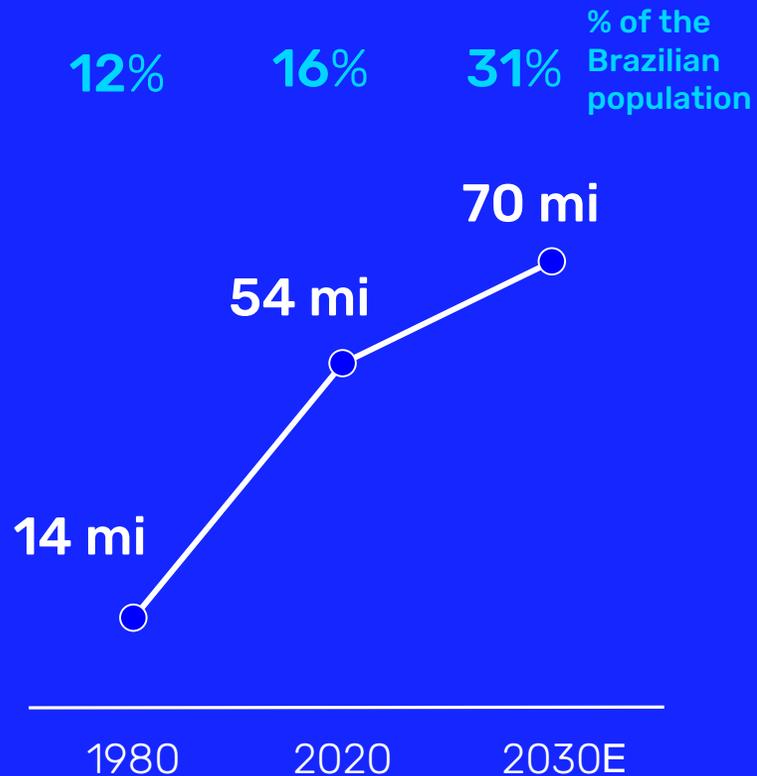
BRL 1 BILLION

RECORD RECURRING RESULTS

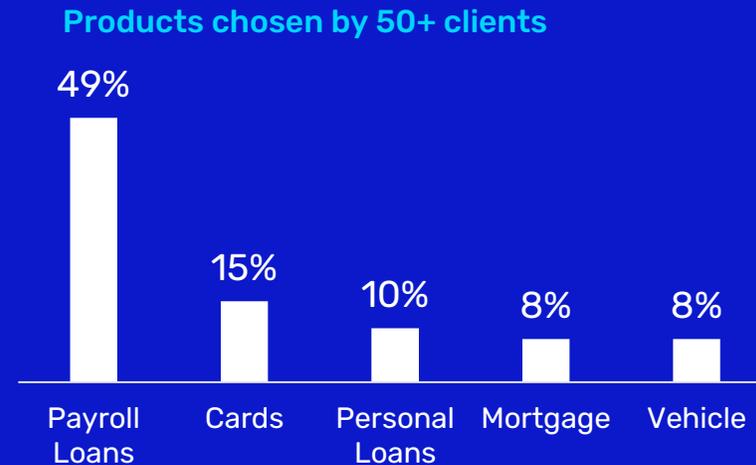


We are well positioned in a promising market

↗ The 50+ client segment represents a large and growing market



...highly banked and naturally inclined to use payroll-deductible loans

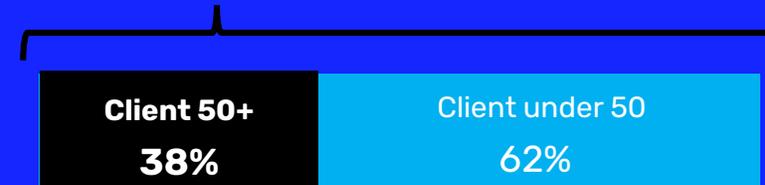


95% of the 50+ population is banked

71% are beneficiaries

R\$ 735 bi
Total Payroll Loan Market

...already accounts for 31% of the Brazilian market and continues to grow



Less specialized competition



REACHING THE MILESTONE OF **10 MILLION** CLIENTS

2025

INSTITUTIONAL
CAMPAIGN

"SABER VIVER"
FEATURING ROBERTO
CARLOS AND THE
LAUNCH OF THE
CARTÃO DIAMANTE



**THE
LARGEST MARKETING
CAMPAIGN
IN OUR HISTORY**

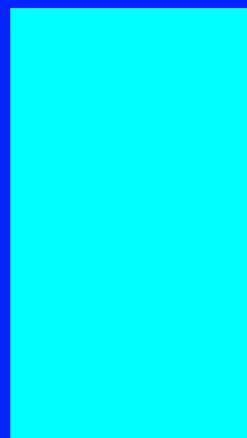
TOP 5

TOP OF MIND

Declared Primary Banking Relationship¹

50+ Segment

38%



M+

25%



National Banks

19%



Niche Banks

¹Source: "Pesquisa Instituições Financeiras Pessoa Física 50+"; BCG Analysis



Main concerns and objectives of the 50+ customer

Main concerns for the coming years

% of respondents

50+

Tier 1	1	Maintain savings for emergencies	55%
	2	Meet monthly expenses without financial strain	49%
	3	Maintain health and regular medical consultations and examinations	51%
Tier 2	4	Preserve my autonomy and independence	40%
	5	Maintain my emotional well-being	41%
	6	Have the time and vitality to enjoy life	40%
	7	Be able to travel and engage in leisure activities	39%
	8	Avoid fraud involving banks or financial institutions	38%

Main objectives for the next 12 months

% of respondents

50+

1	Reduce or optimize monthly expenses	24%
2	Generate additional income	24%
3	Take a trip	24%
4	Settle outstanding debts	22%
5	Organize my personal finances	19%
6	Establish / maintain an emergency fund	14%
7	Enhance my financial and investment knowledge	10%
8	Plan for retirement	9%
9	Purchase a car / motorcycle	8%
10	Start investing	8%

Today, Mercantil addresses a meaningful share of customers' non-financial needs through **MEU+**



BRL 956 million
in service
revenue in 2025



86,9%
services revenue from
assistance and insurance

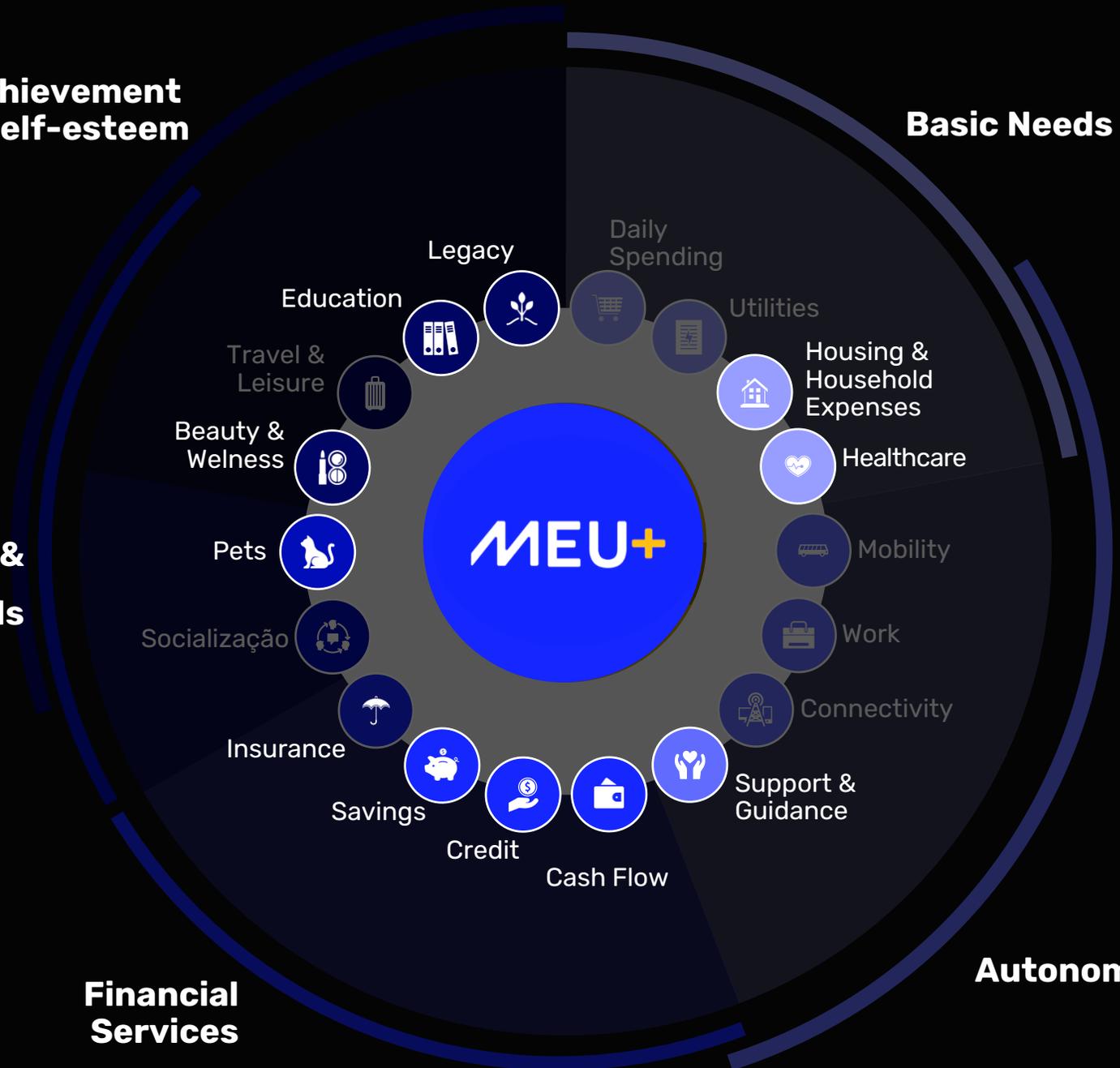
**Achievement
& Self-esteem**

Basic Needs

**Belonging &
Social Bonds**

**Financial
Services**

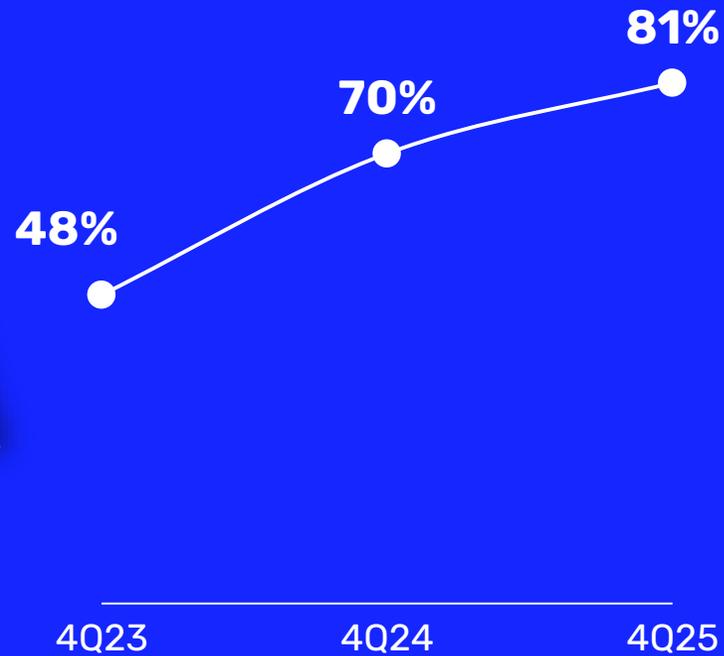
Autonomy



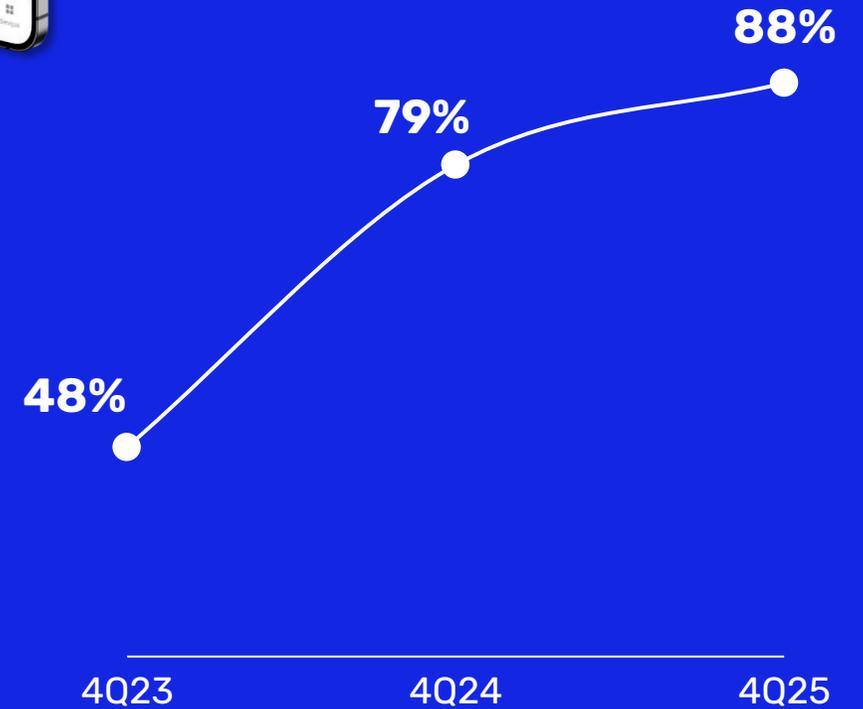
Customer digitalization was the main driver of our growth.



% of Digital Loan Origination
App and WhatsApp

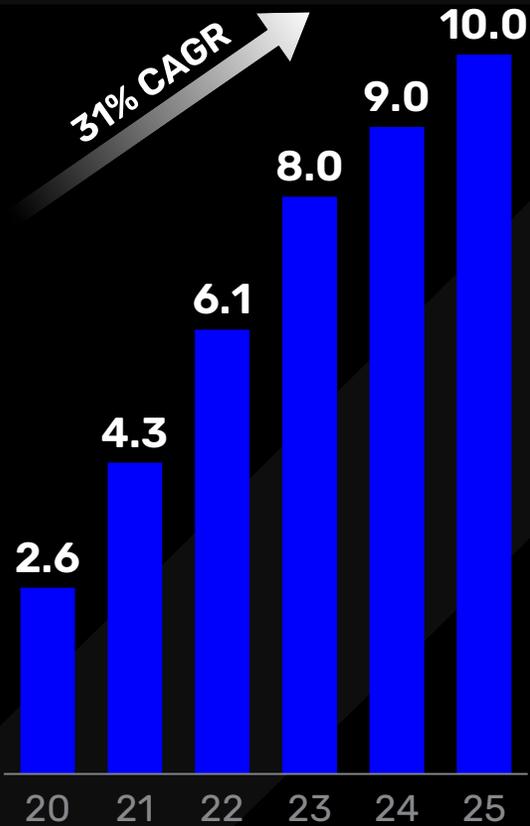


App Adoption
% of new customers

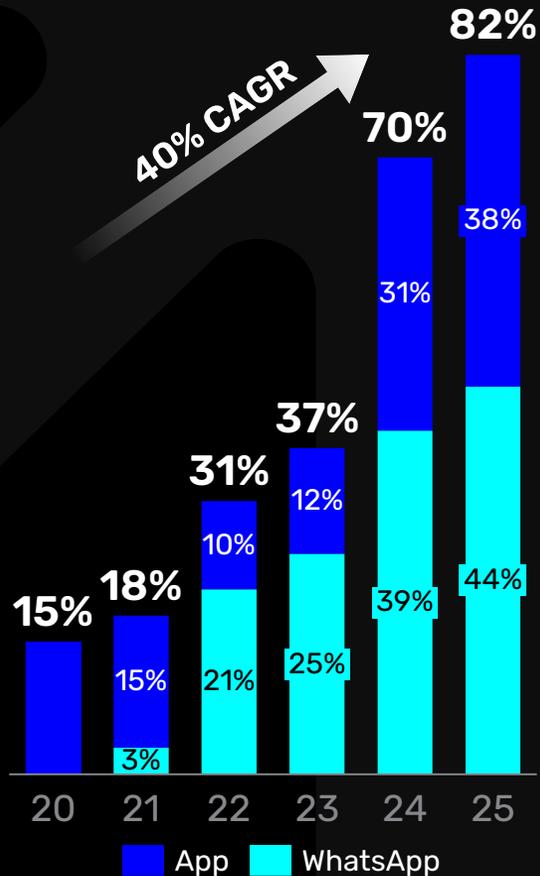


Digital expansion and client growth have driven exponential results

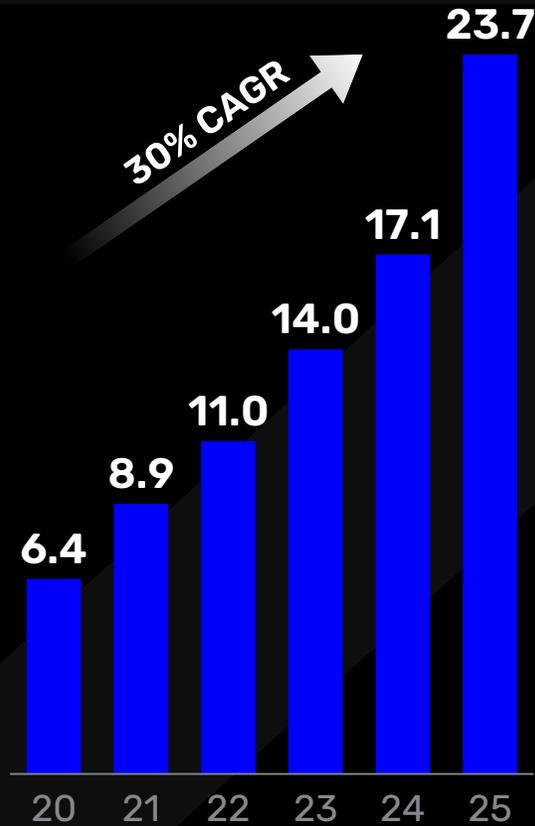
Client Base
Millions



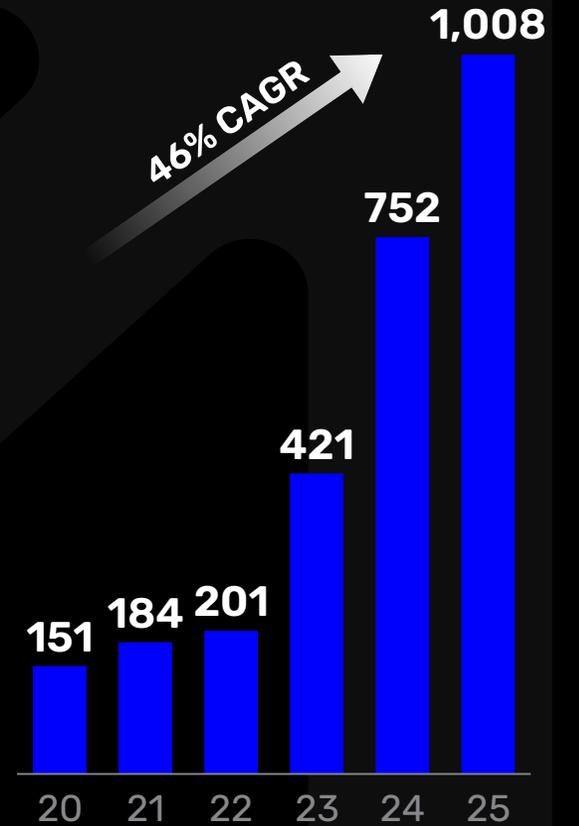
Digital Origination
% of contracts



Loan Portfolio
BRL billions



Net Income
BRL millions



Mercantil is extremely well-positioned to **capitalize** on the favorable market tailwinds

Key Regulatory Changes and Potential Impact



Digital Enablement

Recent regulation allows fully digital contracting and authentication, paving the way for scalable and seamless distribution



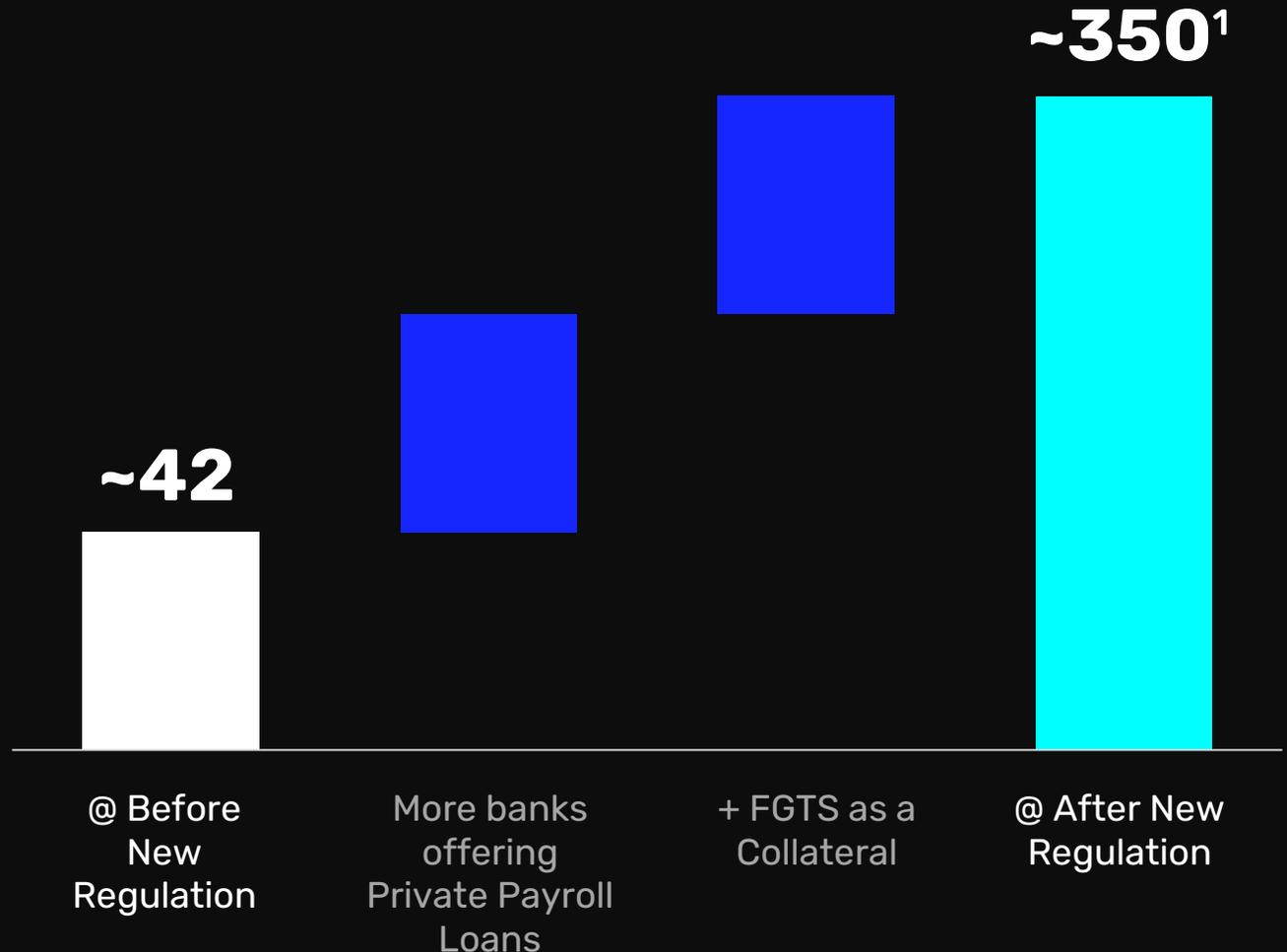
Centralized Infrastructure

Introduction of a unified national platform ensures transparency, portability, and broad access across employers and financial institutions



New Private Payrolls Loans Addressable Market

BRL B



¹Source: ABBC

QUARTER HIGHLIGHTS

4Q25 VS 4Q24

QUARTERLY NET
PROFIT

BRL 271 M

+32% ↗

CREDIT
PORTFOLIO

BRL 23.7 B

+39% ↗

CREDIT
ORIGINATION

BRL 5.3 B

+71% ↗

PAYROLL LOAN
PORTFOLIO

BRL 16.8 B

+55% ↗

QUARTERLY
SERVICE
REVENUE

BRL 311 M

+73% ↗

ROAA LTM

3.3 %

-6 bps ↘

ROAE LTM

43.5 %

+2.2 p.p ↗

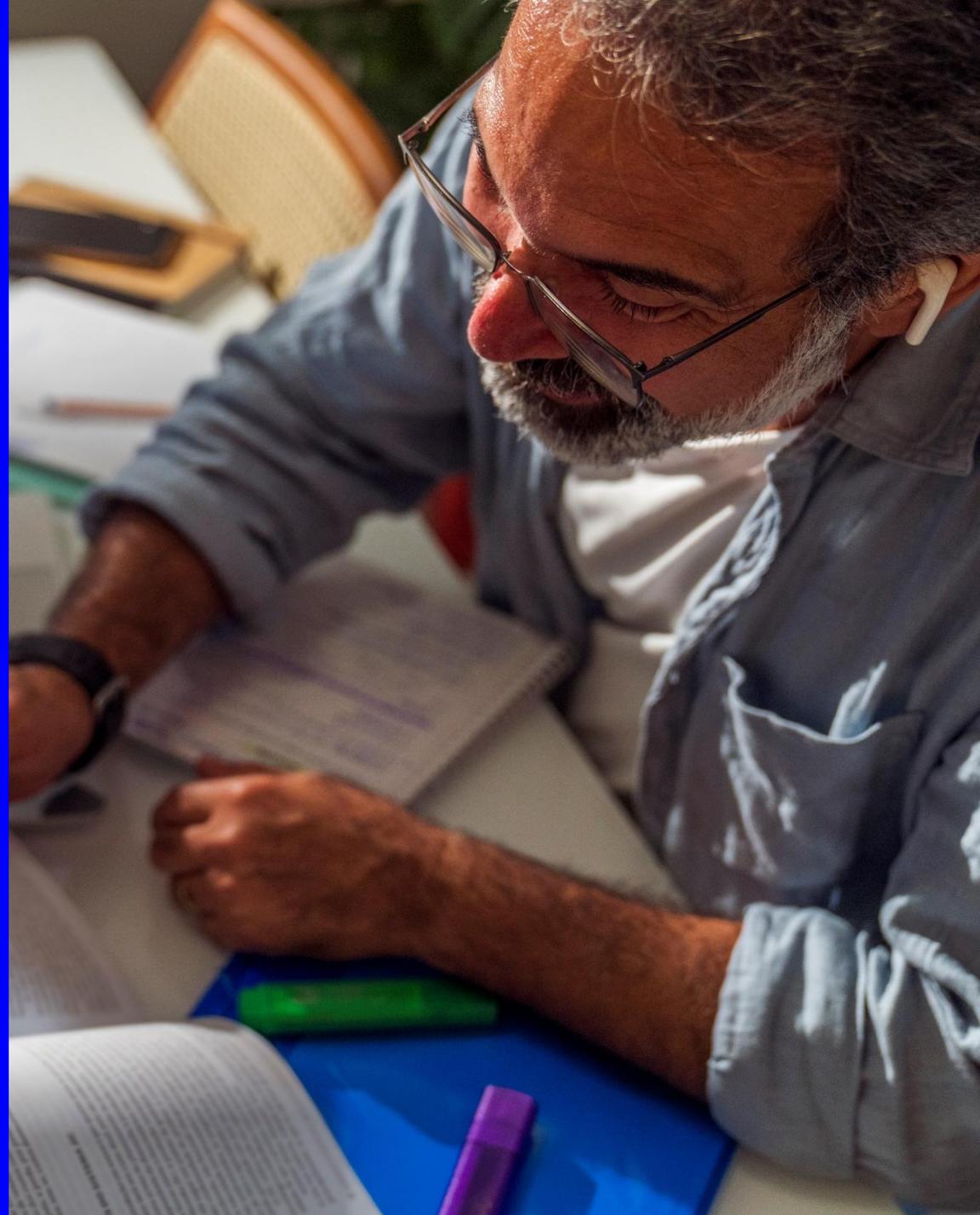
CAPITAL
ADEQUACY RATIO
(BASEL III)

13.5 %

-4.5 p.p ↘

BANCO MERCANTIL

- CREDIT
- SERVICES
- FUNDING
- CAPITAL
- PROFITABILITY



In December, the bank executed a tax settlement that enabled the resolution of 96% of its contingencies

Transaction Impact on Earnings

Non-recurring effects

	NII ¹ after LLP	BRL 4,194M
	Other Operating Income/(Expenses)	(BRL 2,896M)
<hr/>		
Recurring Pre-Tax Income (EBT)		BRL 1,298M
	Non-controlling interests	(BRL 20M)
	Income tax / social contribution	(BRL 270M)
<hr/>		
Recurring Net Income		BRL 1,008M
	PGFN Agreement	(BRL 103M)
	JCP Reversal	(BRL 131M)
	Loss of tax benefits	(BRL 21M)
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Reported Net Income		BRL 753M

○ Destaques

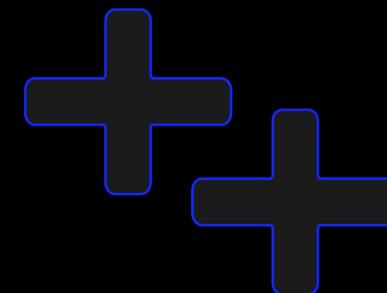
I – Regarding the tax asset generated, **BRL 477.8 million have already been absorbed in the 2025 fiscal year**

II – **Capital increase completed.** The **BRL 498.5 million** will offset the impacts of the negotiation almost entirely
(Adjusted Equity of BRL 2.8 billion and Adjusted Tier 1 ratio of 13.8%)

III – The **tax benefit related to the JCP reversal** may be utilized in subsequent years

IV – Approval of **interim dividend payments** before year-end, generating a tax saving

V – Reported ROAE of **34.4%** and Recurring ROAE of **43.5%**

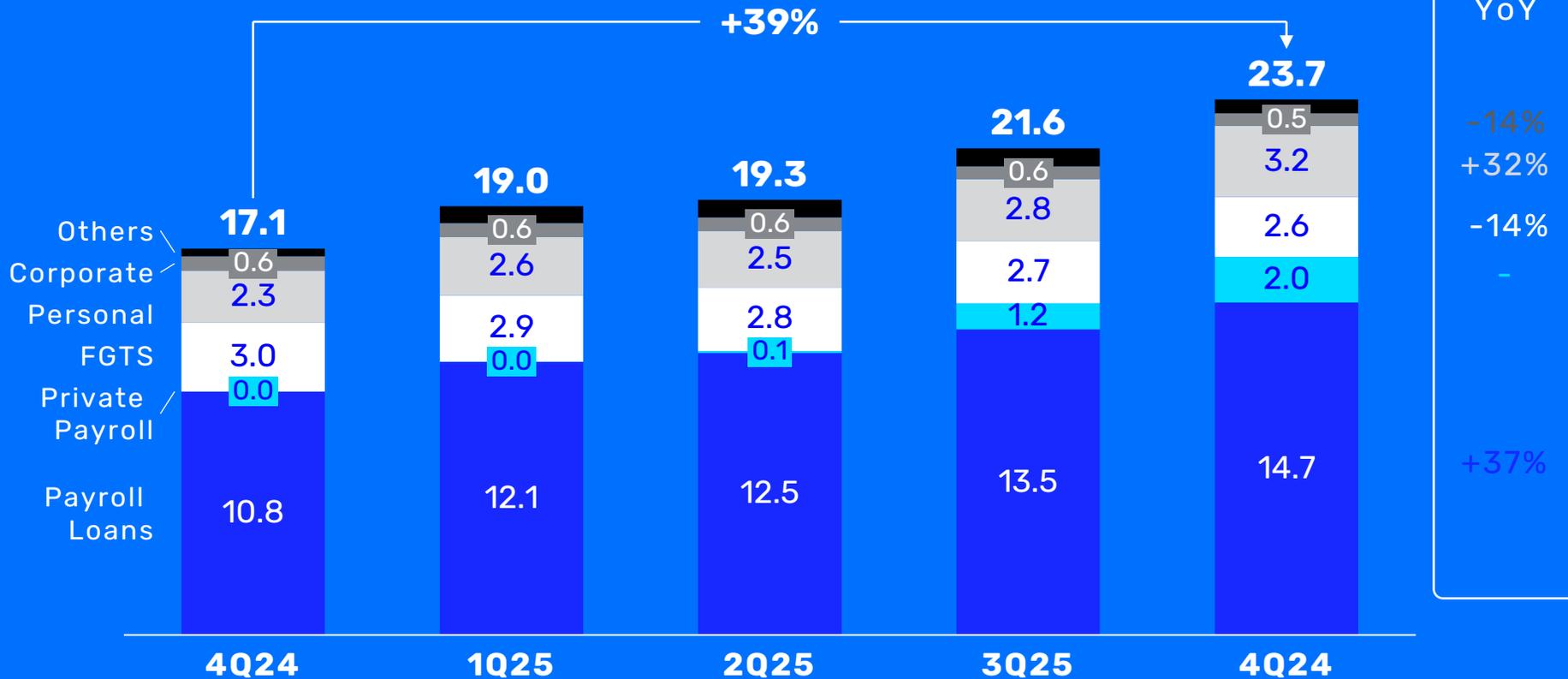




WE CONTINUE TO EXPAND OUR LOAN PORTFOLIO WHILE PRESERVING **HIGH-QUALITY ASSETS**

CREDIT PORTFOLIO

BRL B



82%

COLLATERALIZED CREDIT¹

3.1%

NPL > 90 DAYS

CRESCIMENTO

2.9x

Above the Brazilian Credit Portfolio - Individuals²

29%

CAGR 3 YEARS



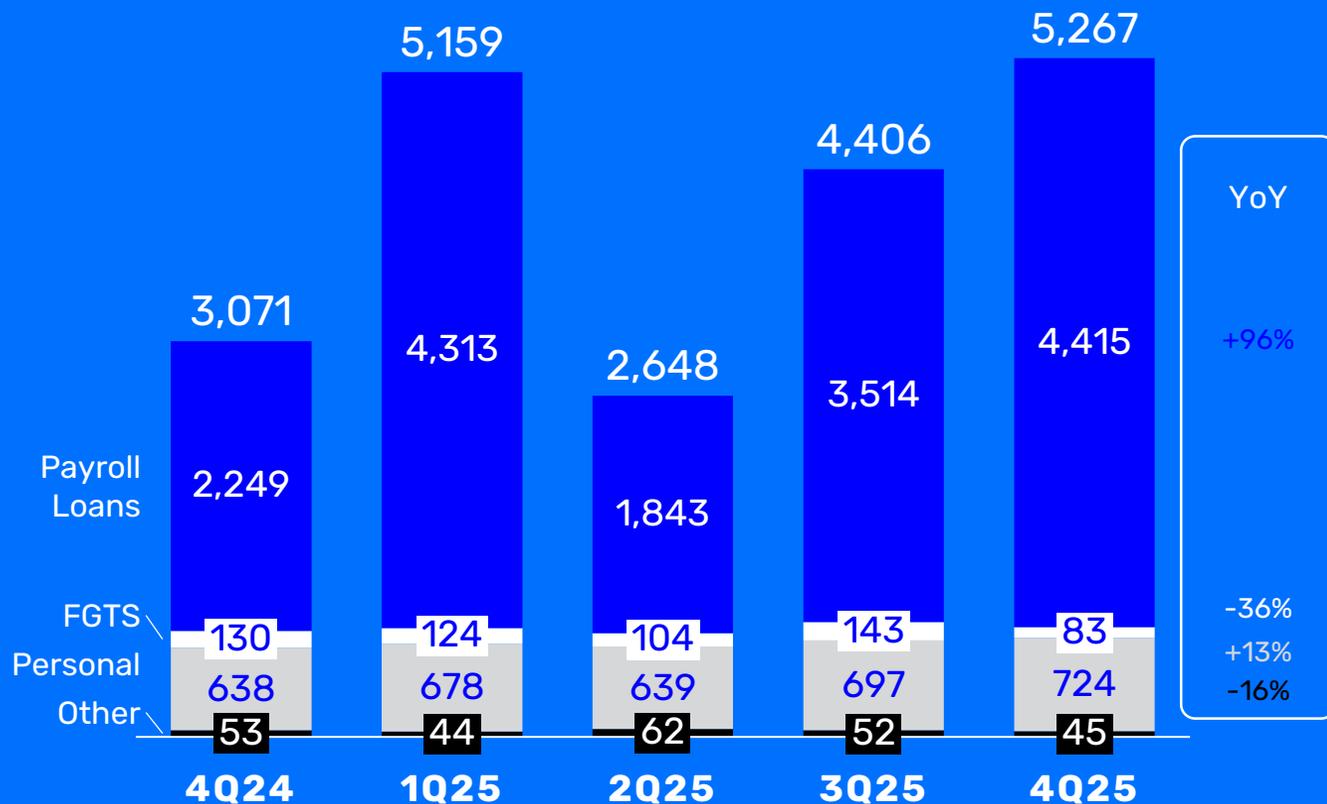
(1) Considers INSS Payroll Loans, Public Payroll Loans, Private Payroll Loans, Payroll Loans Cards and FGTS

(2) Source: Central Bank of Brazil

PAYROLL LOANS REMAINS AS OUR LEADING LOAN ORIGINATION THIS QUARTER

CREDIT UNDERWRITING

BRL M



Payroll Loan Underwritten

64%

CAGR 3 YEARS

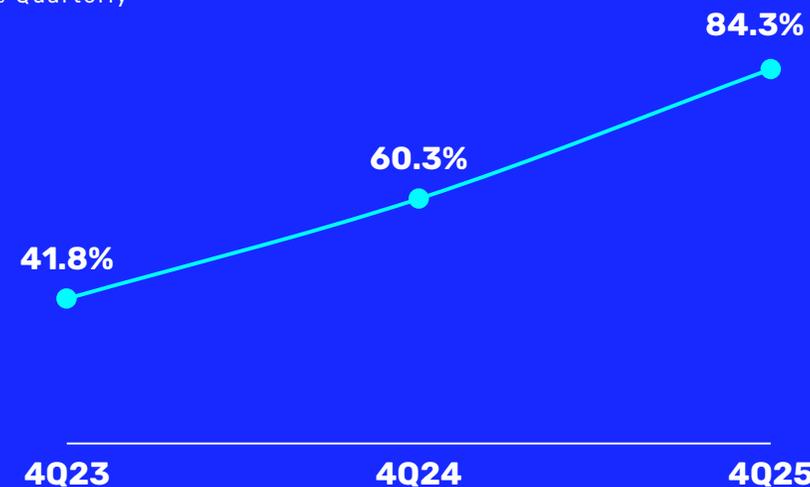
Origination Payroll Loan INSS

100%

via own Network

PAYROLL LOANS DIGITAL ORIGINATION

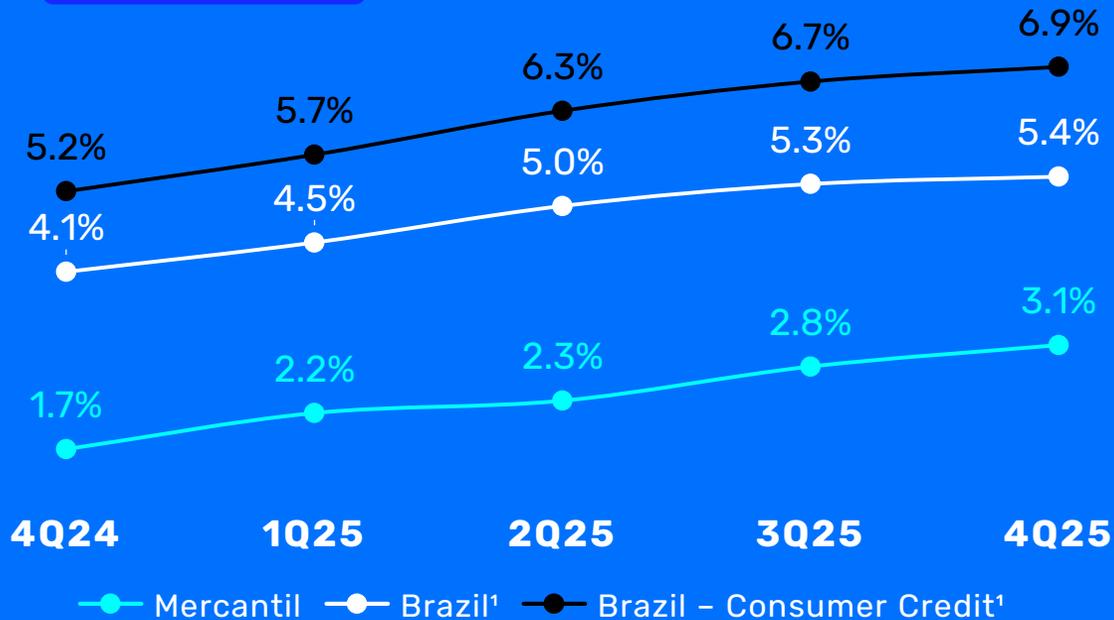
% Quarterly



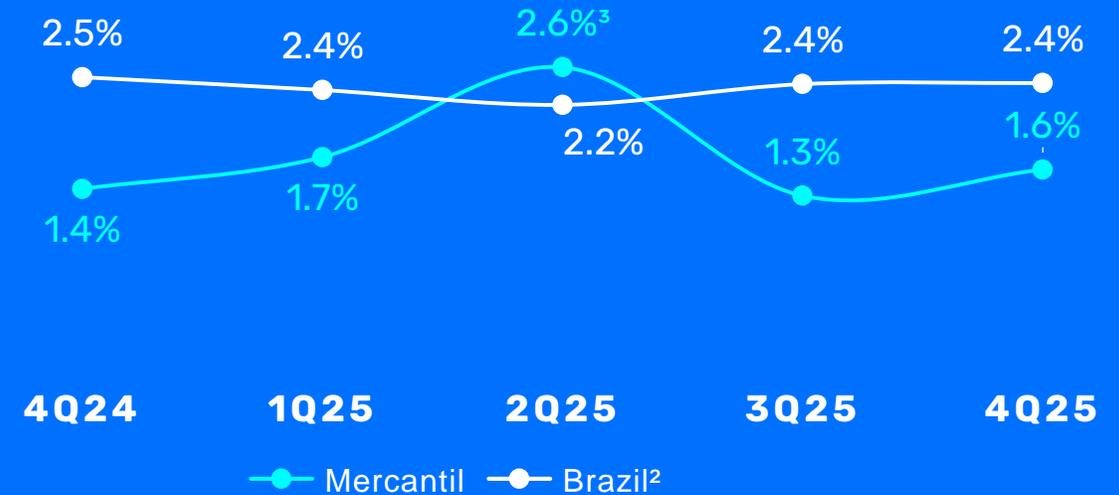


DELINQUENCY ON EXCELLENCE LEVELS

NPL Over 90 (%)



NPL Over 15 - 90 (%)



(1) Source: Central Bank of Brazil

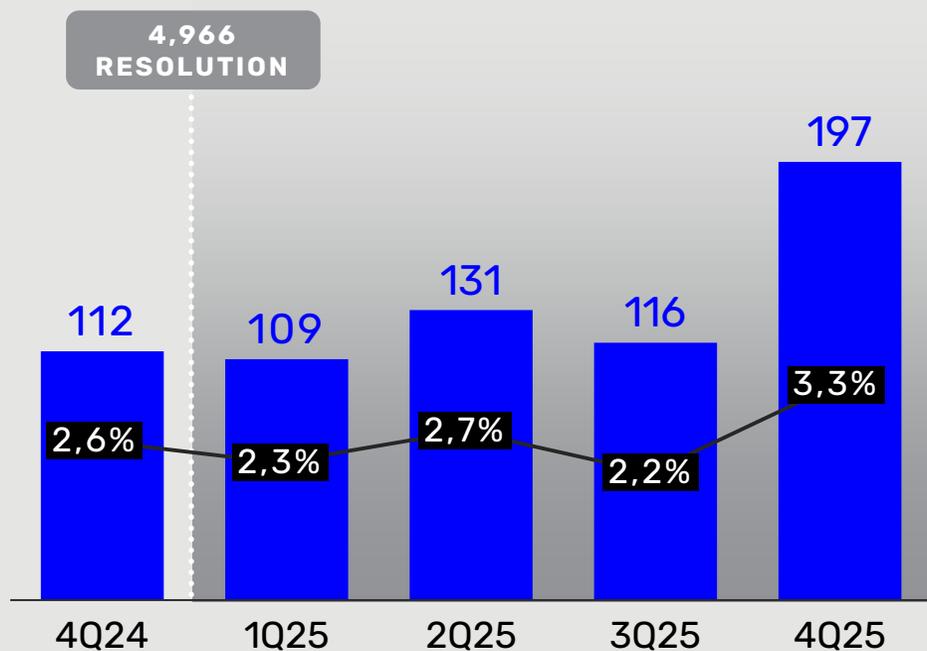
(2) Source: Depec - Central Bank of Brazil

(3) The Over 15-90 delinquency rate in 2Q25 was impacted by the new INSS biometric process for payroll loan refinancing operations. These operations have since been adjusted. Excluding this operational issue, the delinquency rate would have been 1.6%.

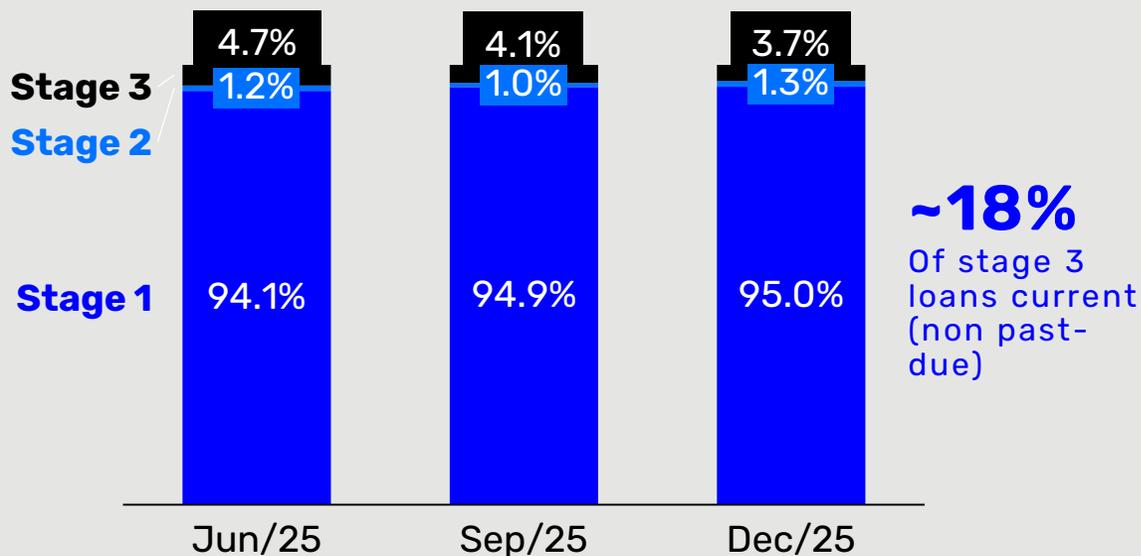
COST OF CREDIT REMAINS AT CONTROLLED LEVEL WITH A FOCUS ON EFFICIENCY IN **RISK MANAGEMENT**

QUARTERLY NPL PROVISION & % PORTFOLIO¹

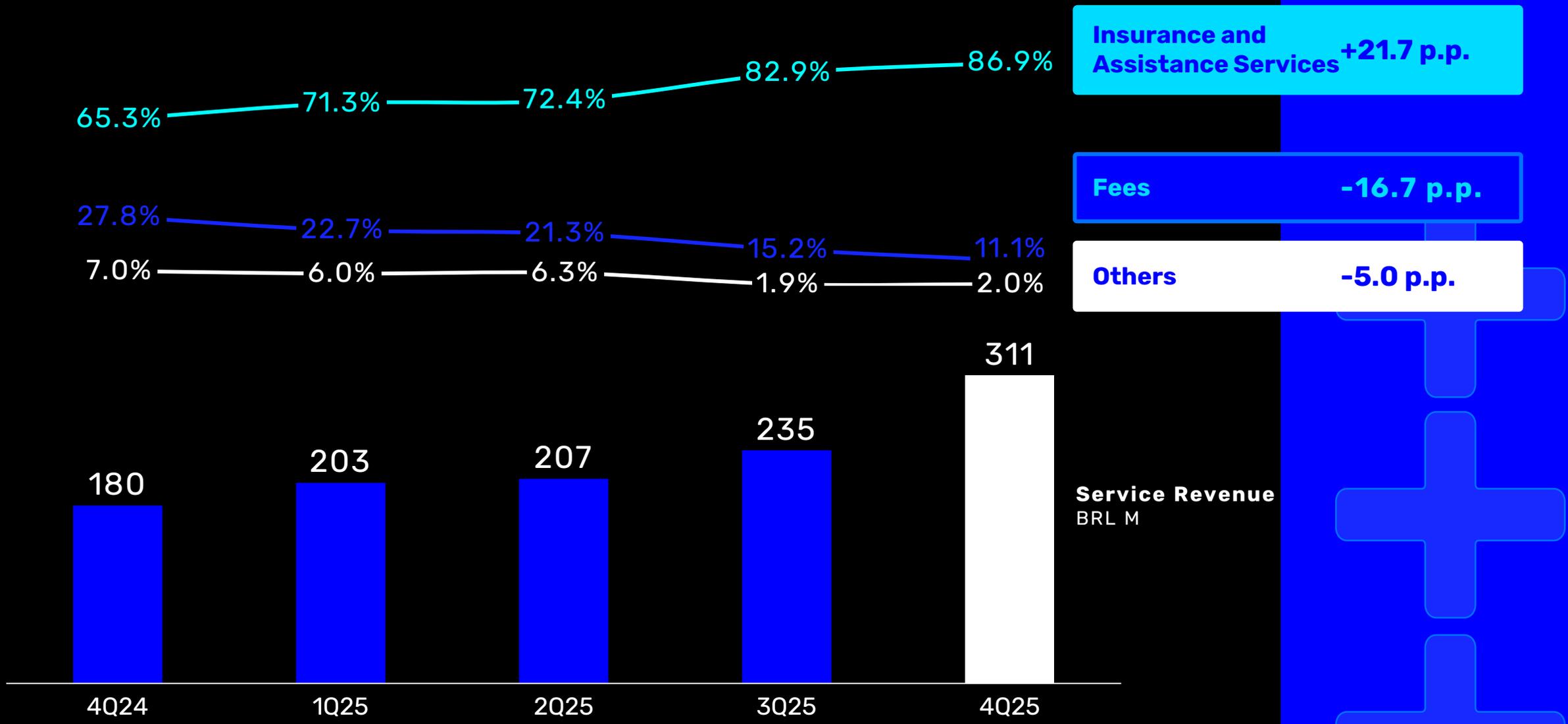
BRL M



PORTFOLIO BY STAGES



THE BANK FOCUSES ON HIGH-APPEAL PRODUCTS FOR THE 50+ DEMOGRAPHIC, SUCH AS **INSURANCE AND ASSISTANCE SERVICES**



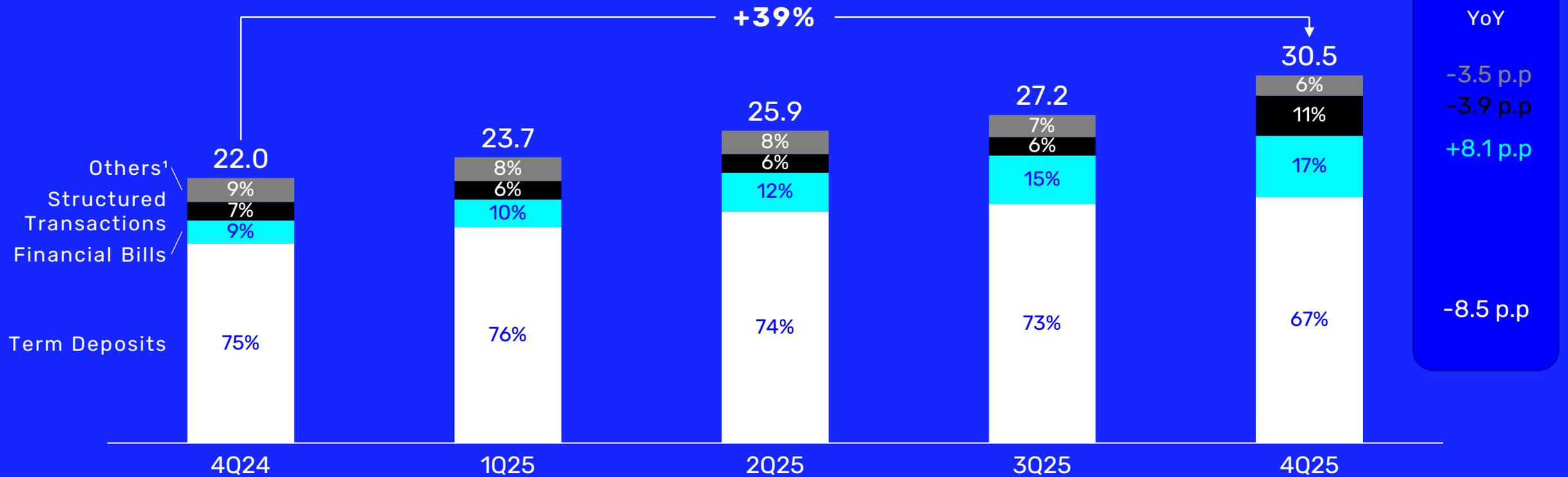
OUR FUNDING IS DIVERSIFIED AND WIDESPREAD.

100.3%

Funding Cost
Last 12 months, % CDI
Benchmark

FUNDING BALANCE AND COST

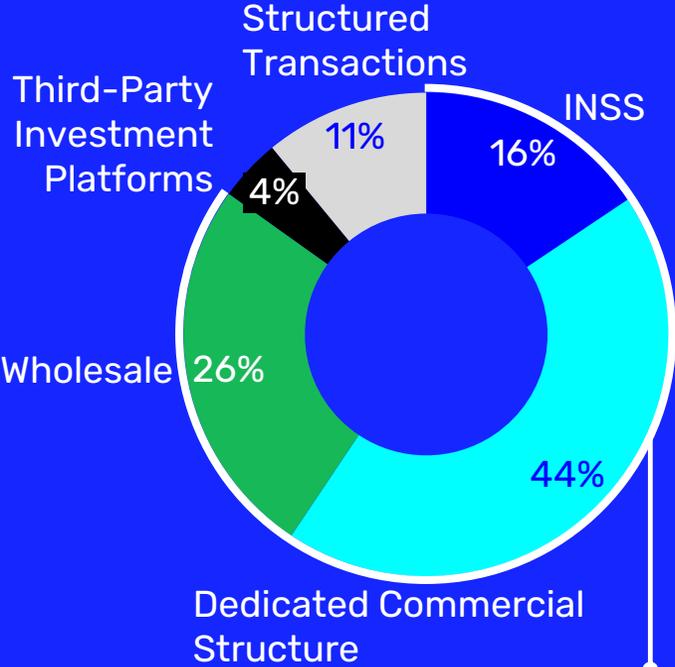
BRL B



(1) Agribusiness Letters of Credit (LCA), Savings, Demand Deposits (DV), Interbank Deposits (DI).

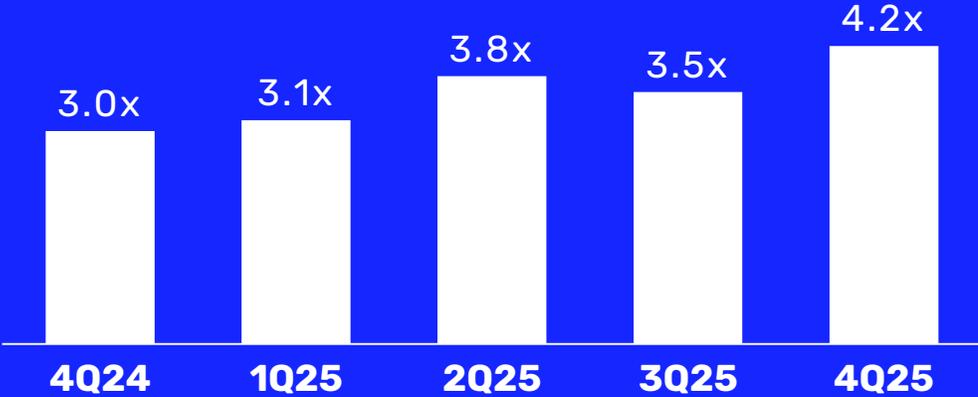
ROBUST STRUCTURE FOR FUNDING THROUGH PROPRIETARY CHANNELS.

FUNDING SOURCES

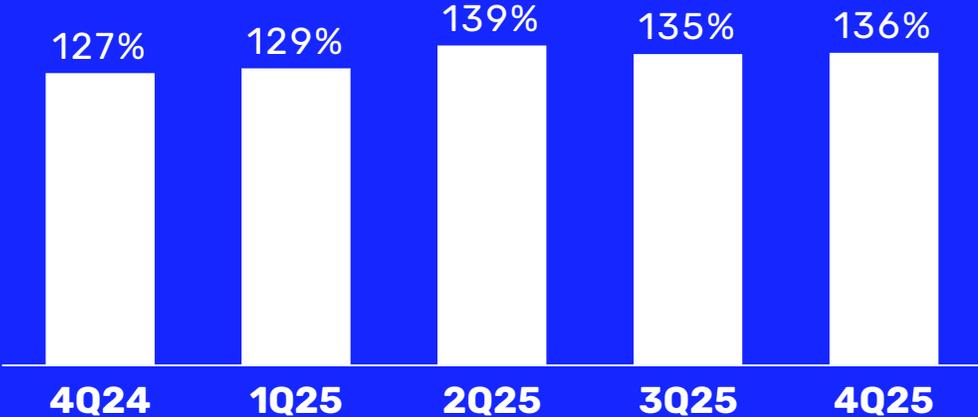


85%
Own Commercial Structure

LIQUIDITY COVERAGE RATIO



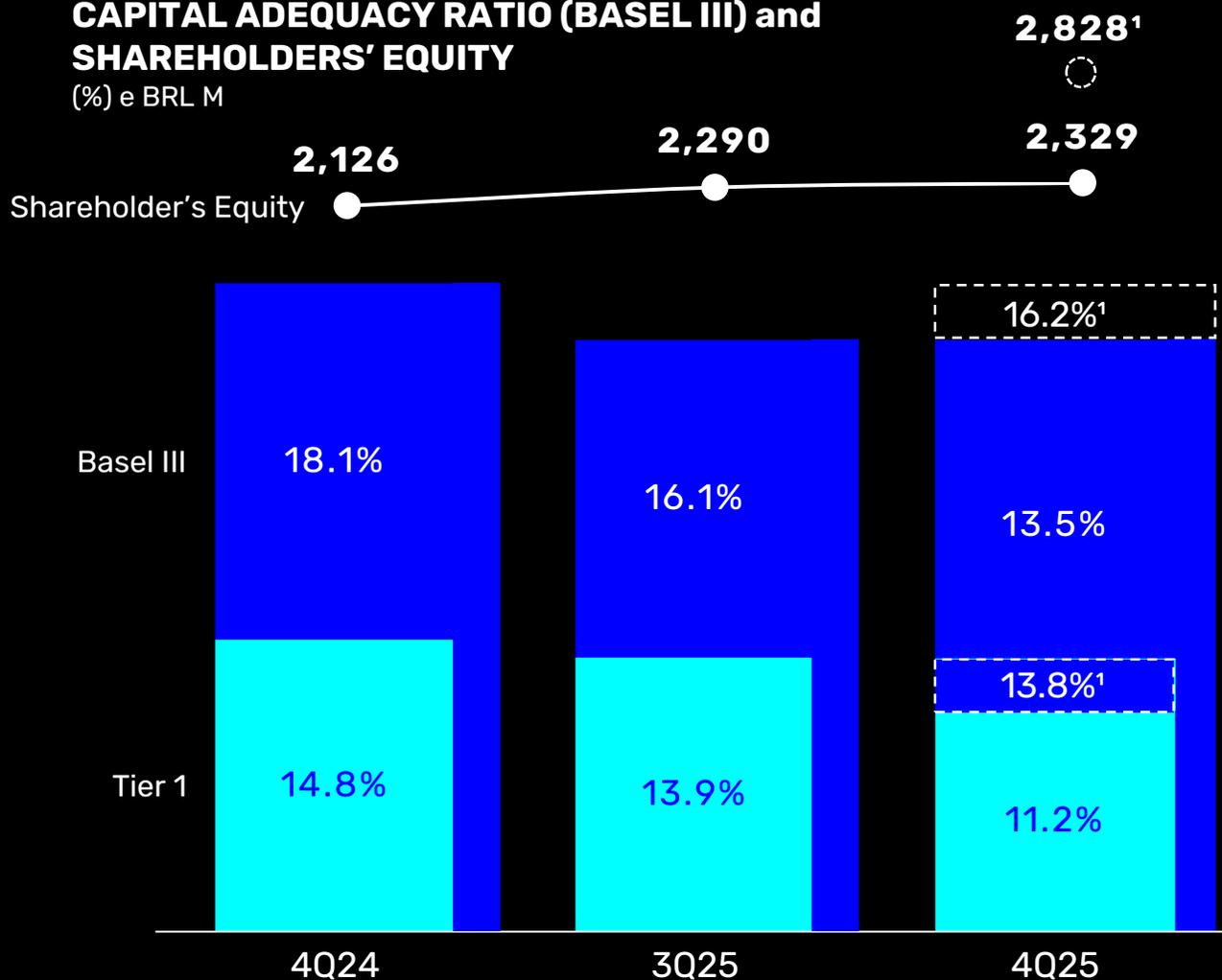
NET STABLE FUNDING RATIO



WE MAINTAIN A **STRONG** LEVEL OF **CAPITALIZATION**

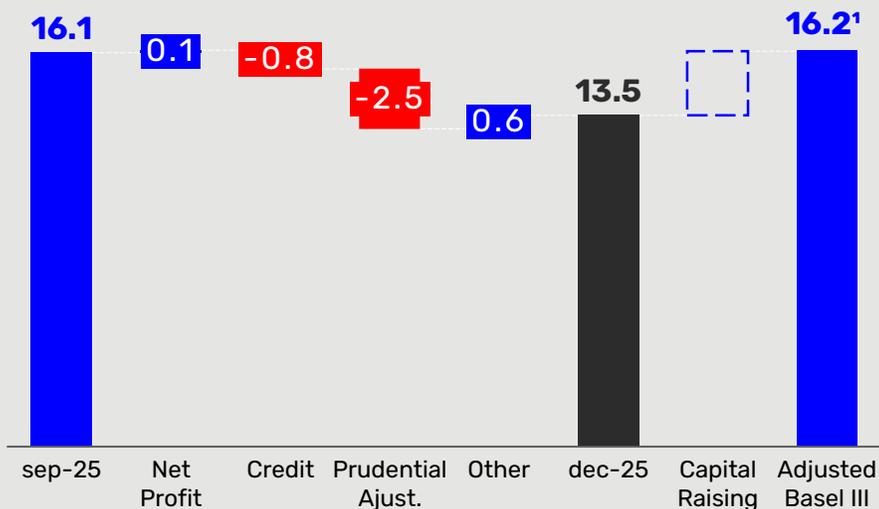
CAPITAL ADEQUACY RATIO (BASEL III) and SHAREHOLDERS' EQUITY

(%) e BRL M



CAPITAL ADEQUACY RATIO (BASEL III)

(%)



RATINGS ↗

S&P Global
Ratings

brAA-

Stable
Outlook

FitchRatings

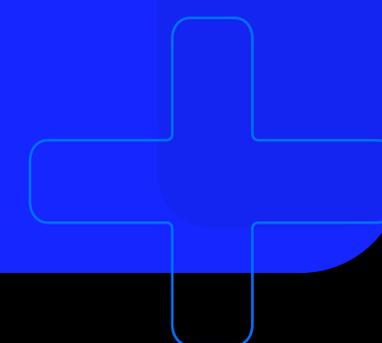
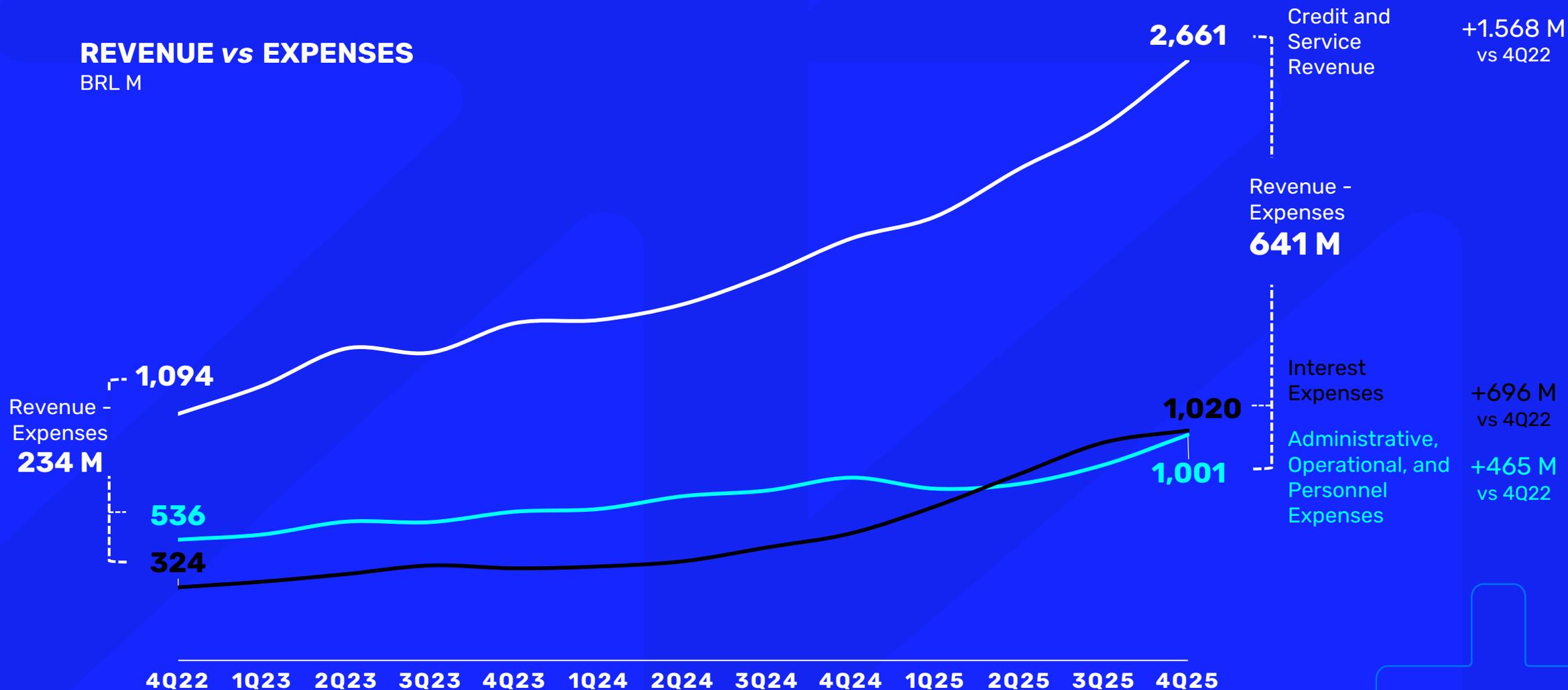
AA-(bra)

Positive
Outlook

CREDIT AND SERVICE **REVENUE** ARE GROWING AT A FASTER PACE THAN **EXPENSES**.

REVENUE vs EXPENSES

BRL M



OUR **REVENUE** CONTINUES TO GROW WHILE WE HILE WE PRESERVE OU **MARGIN**

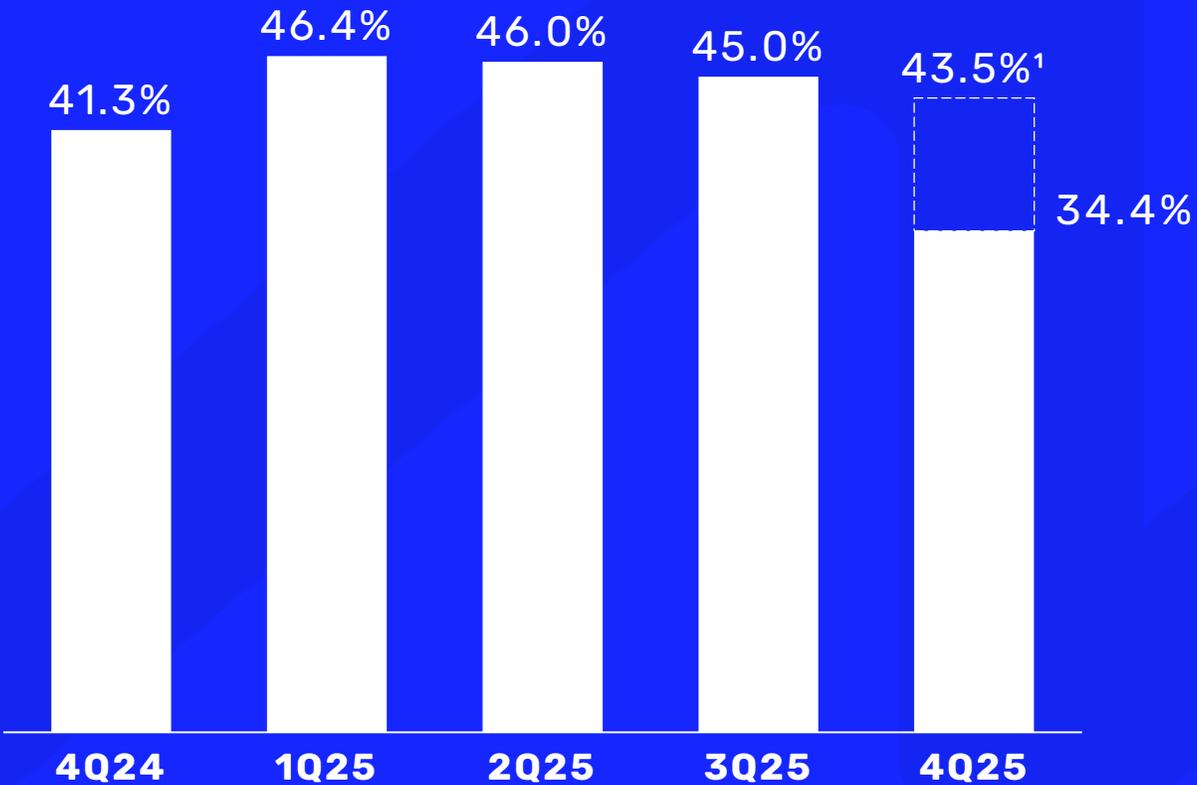
REVENUE and NET INTEREST MARGIN (NIM)²

BRL M

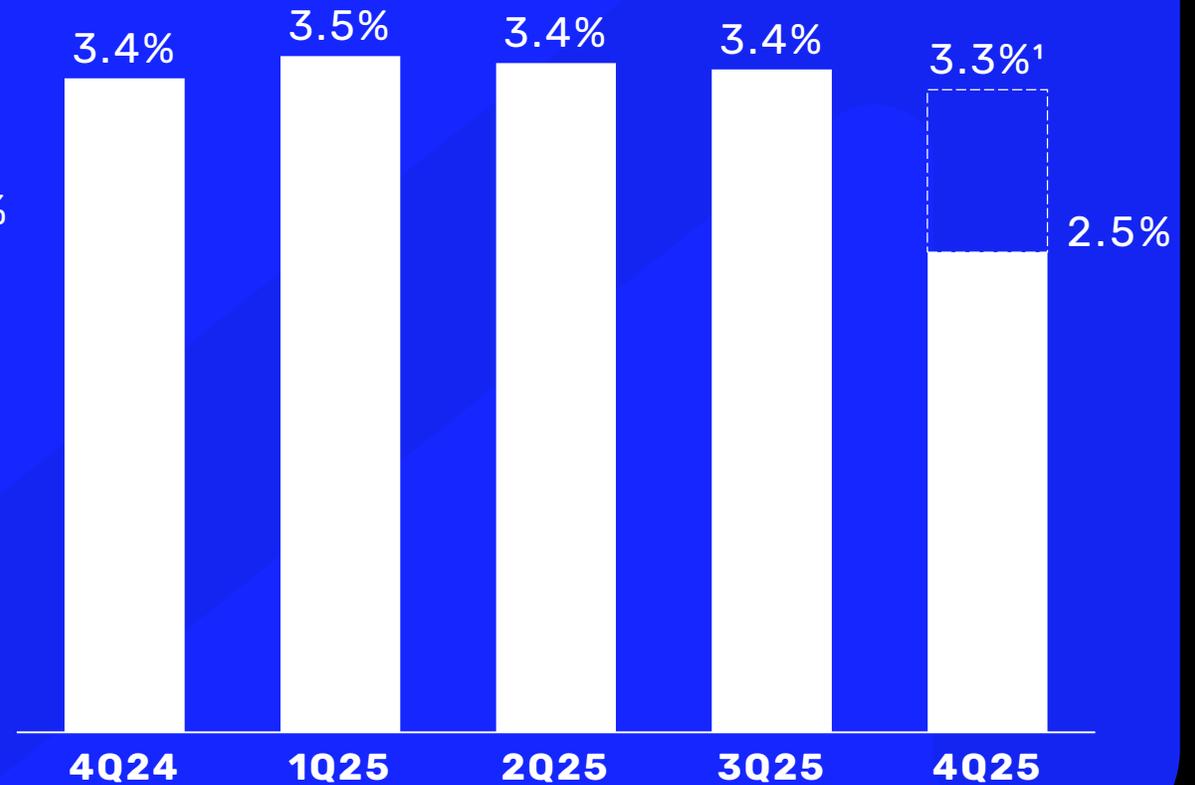


OVER THE PAST 12 MONTHS, **PROFITABILITY** METRICS ALSO SHOW CONTINUOUS **IMPROVEMENT**

ROAE LTM



ROAA LTM



¹ Recurring results, excluding the impacts of the agreement executed with the PGFN



BANCO
MERCANTIL

**TALK
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