

BANCO
MERCANTIL

EARNINGS PRESENTATION

4Q²³



Hosts



➤ Gustavo Araújo, CFA
CEO

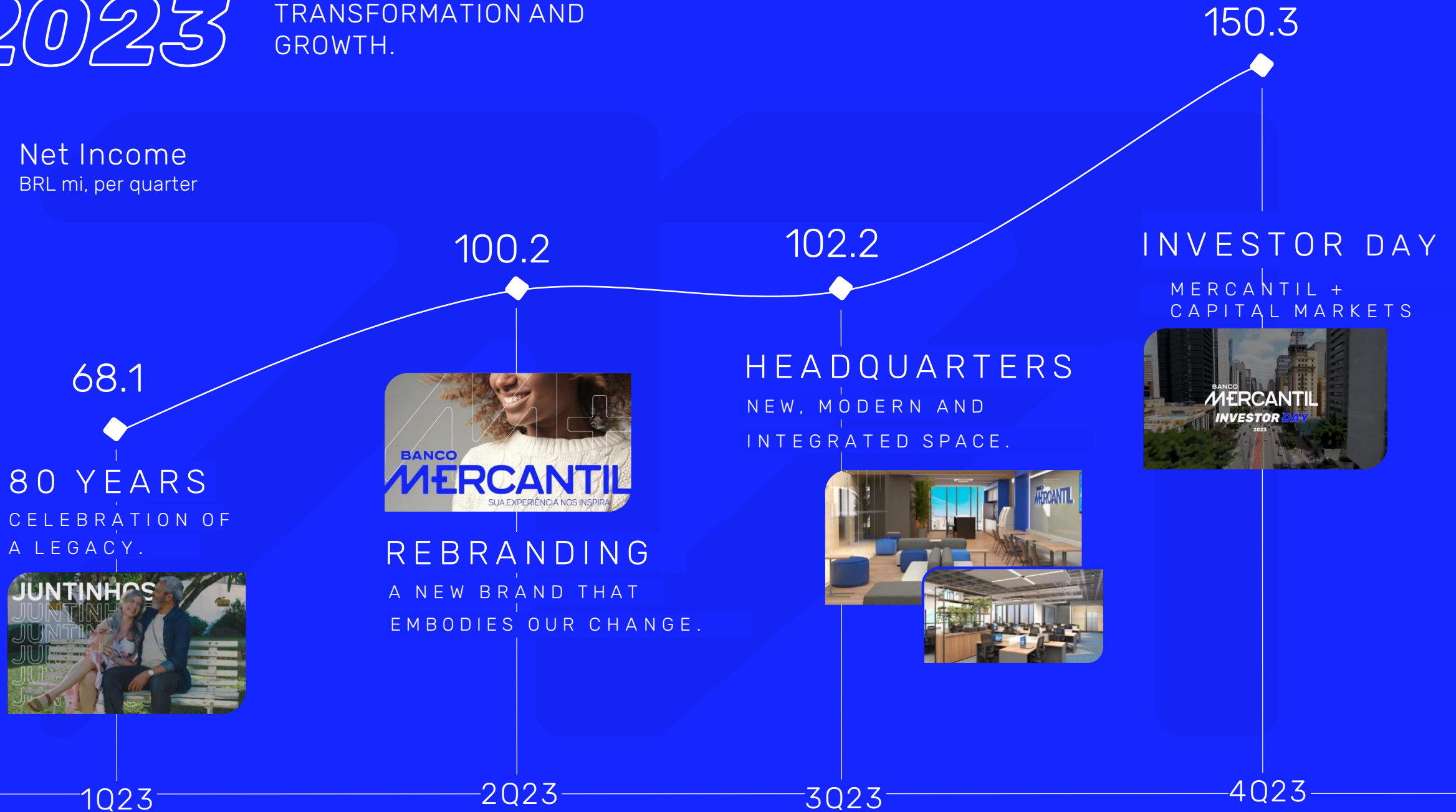


➤ Paulino Rodrigues
Chief Financial Officer and Investor Relations

2023

TRANSFORMATION AND GROWTH.

Net Income
BRL mi, per quarter



80 YEARS
CELEBRATION OF
A LEGACY.



REBRANDING
A NEW BRAND THAT
EMBODIES OUR CHANGE.

HEADQUARTERS
NEW, MODERN AND
INTEGRATED SPACE.



INVESTOR DAY
MERCANTIL +
CAPITAL MARKETS



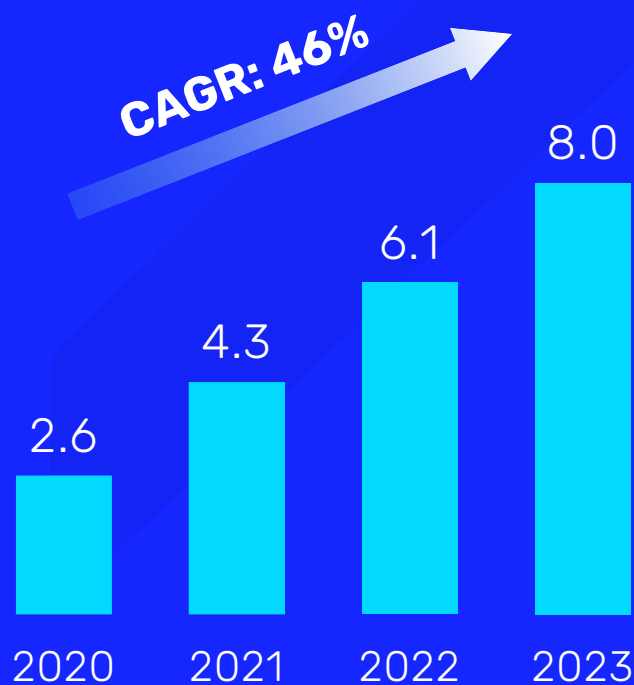
HIGHLIGHTS 2023



CUSTOMERS

COMMITTED TO THE BANK

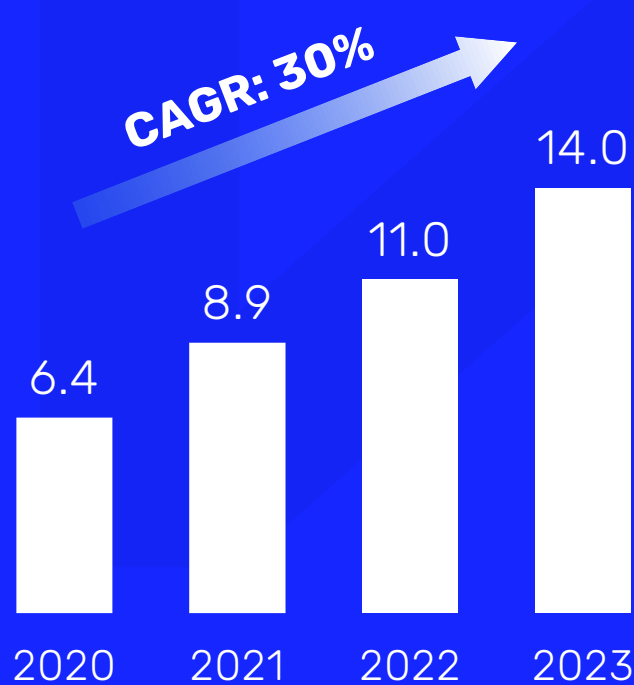
MILLION



CREDIT PORTFOLIO

SUSTAINABLE AND SAFE

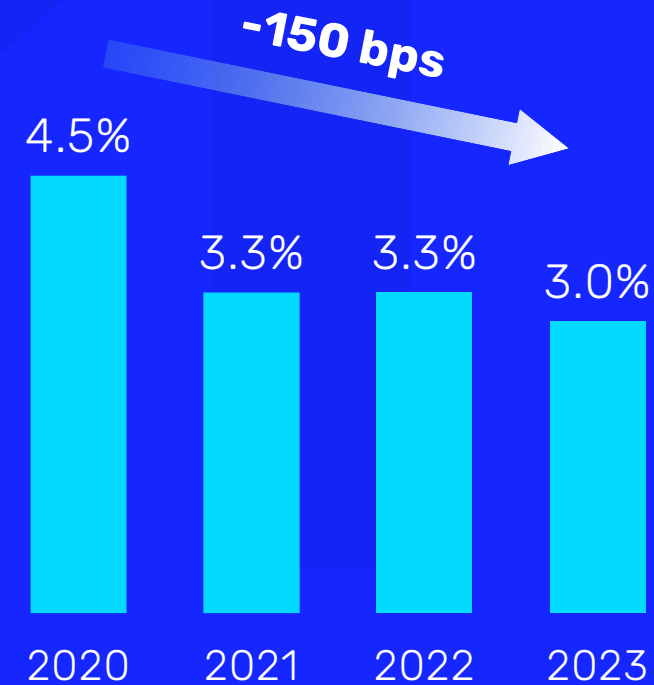
BRL BILLION



NPL > 90

CONTROLLED DESPITE THE
MACROECONOMICS SCENARIO

OVER 90



TRUE DIGITAL

OUR DIGITAL CHANNELS WERE KEY DRIVERS OF OUR GROWTH.

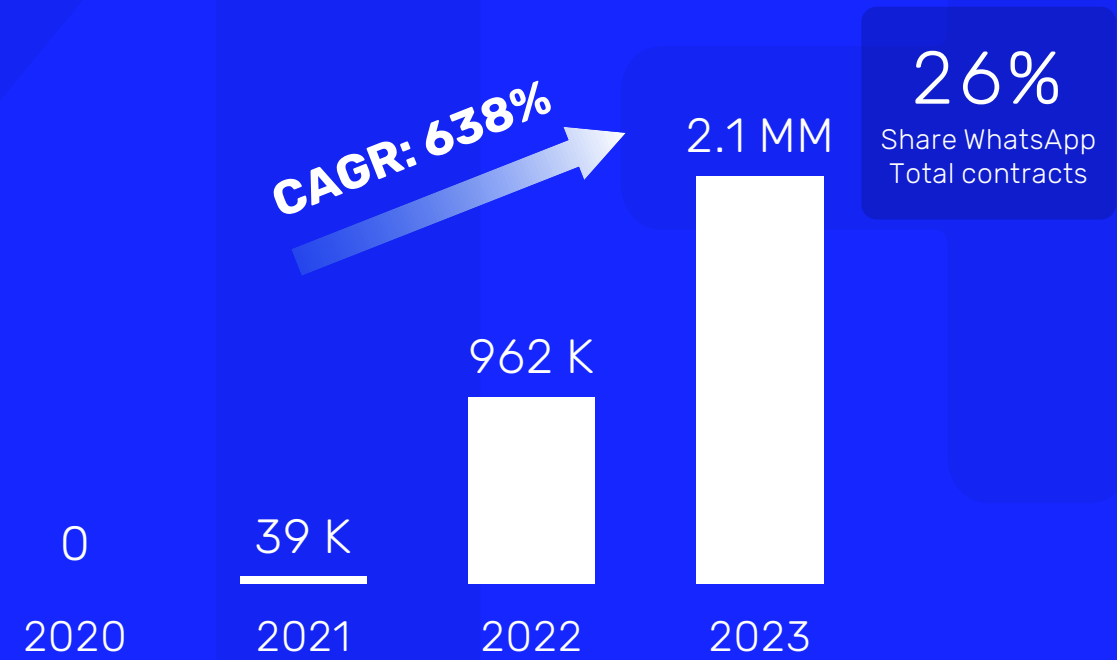
ORIGINATION THROUGH APP

contracts



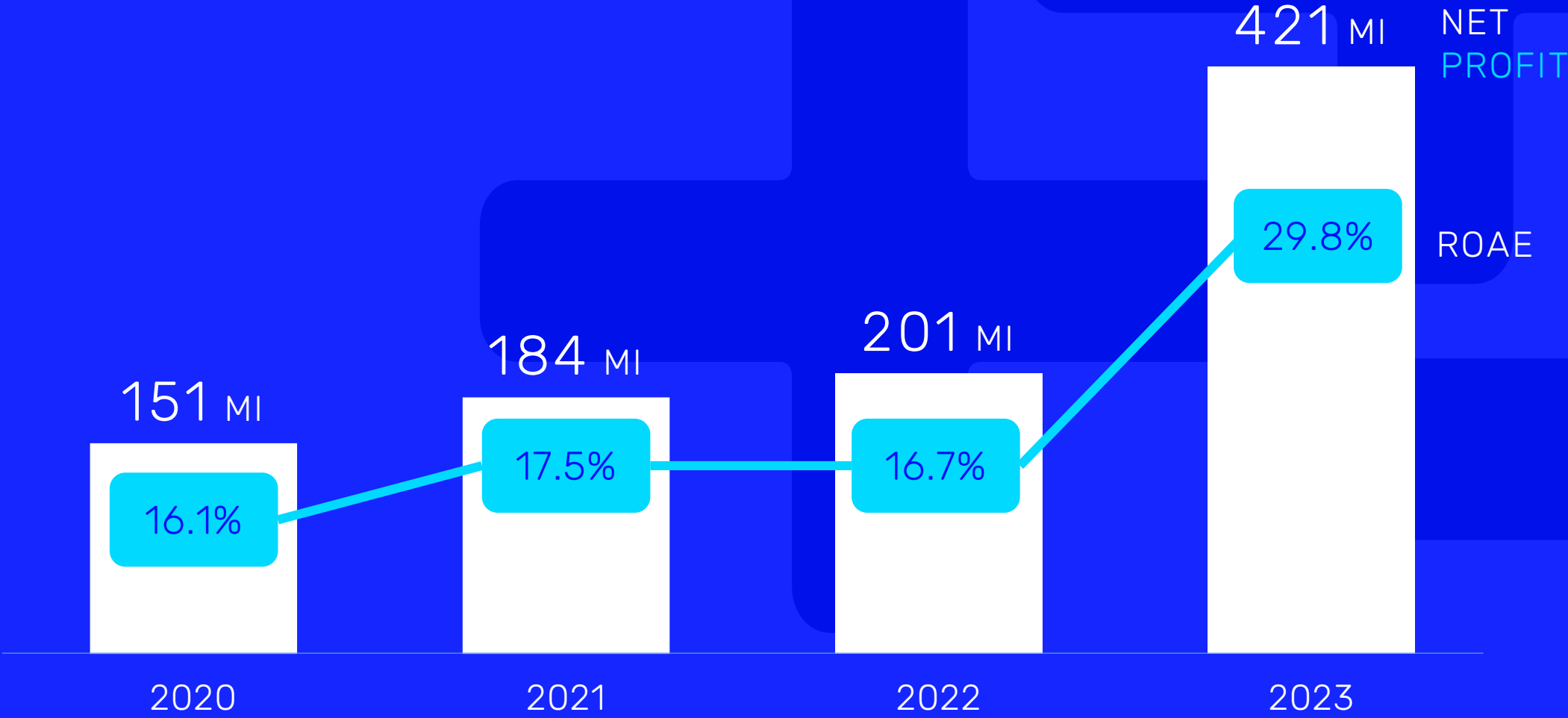
ORIGINATION THROUGH WHATSAPP

contracts



CONSECUTIVE RECORD-BREAKING RESULTS

EXCELLENCE IN EXECUTION AND COMMITMENT TO PROFITABILITY

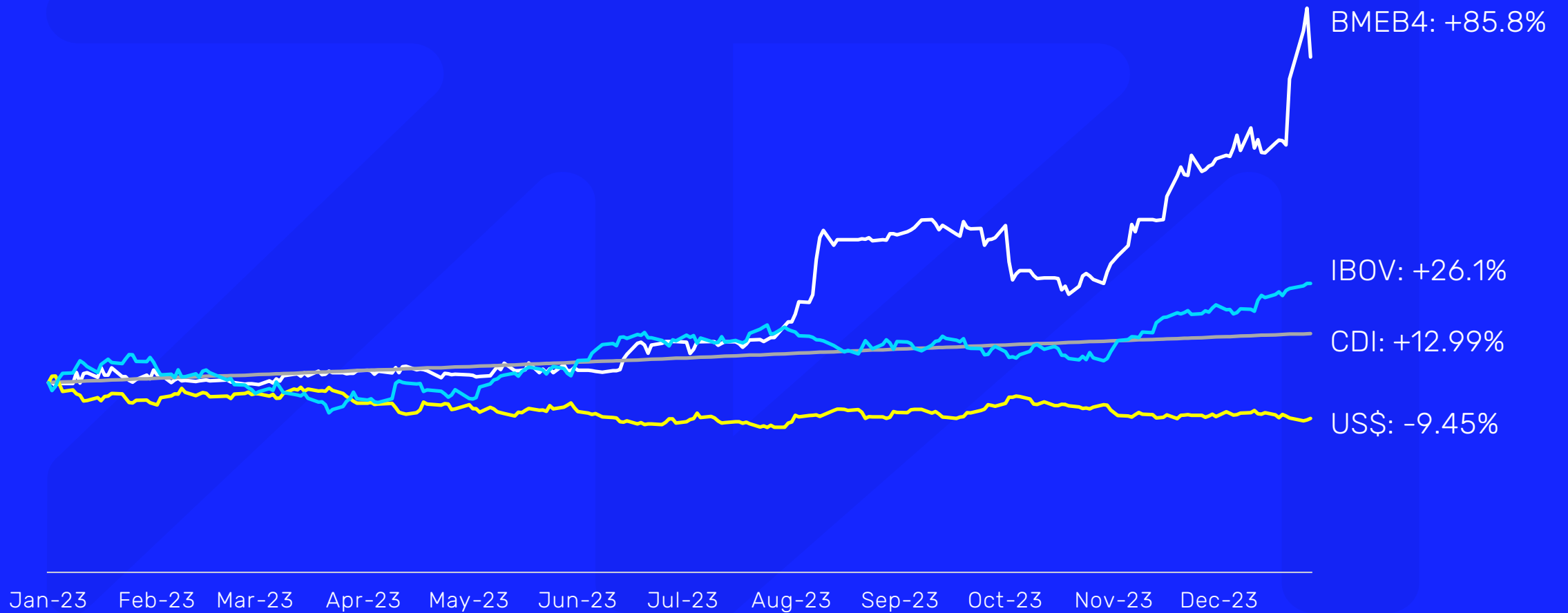


*Anualizado 3T23

BMEB4 OUTPERFORMANCE

COMPARED TO KEY BENCHMARKS

DY 2023: 8%





Performance Highlights

4Q23 Δ 4Q23 vs 4Q22

Credit Portfolio BRL 14.0bi +28% ↗	Payroll Loans Portfolio BRL 7.7bi +22% ↗	Personal Loans FGTS Portfolio BRL 3.1bi +101% ↗
NPL > 90 3.0% -40 bps ↘	Annual Services Revenue BRL 576mi +32% ↗	Basel III Index 17.0% +180 bps ↗
Net Interest Margin 22.2% +150 bps ↗	Quarterly ROAE 29.8% +1,310 bps ↗	Annual Net Profit BRL 421mi +110% ↗



BANCO
MERCANTIL

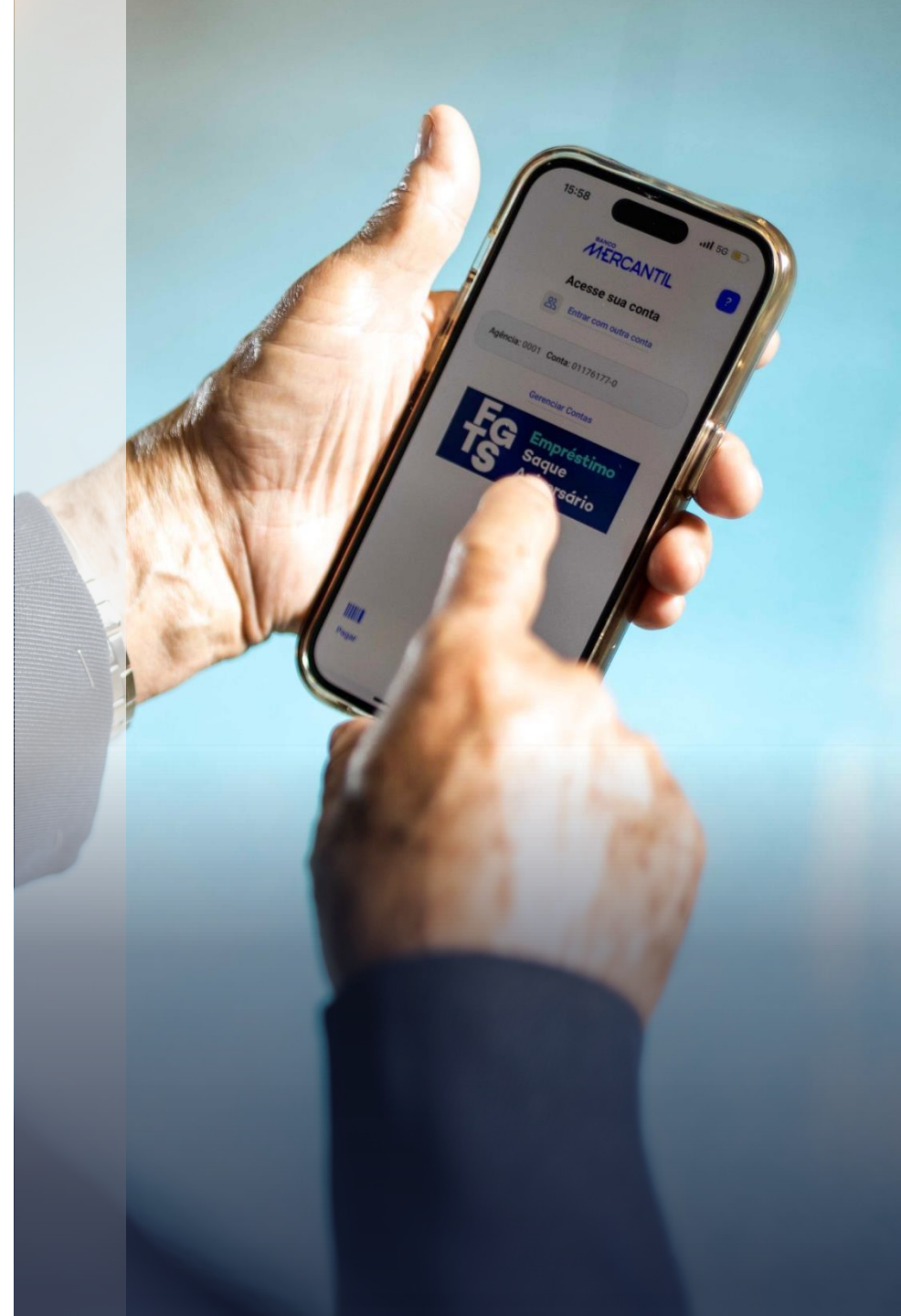
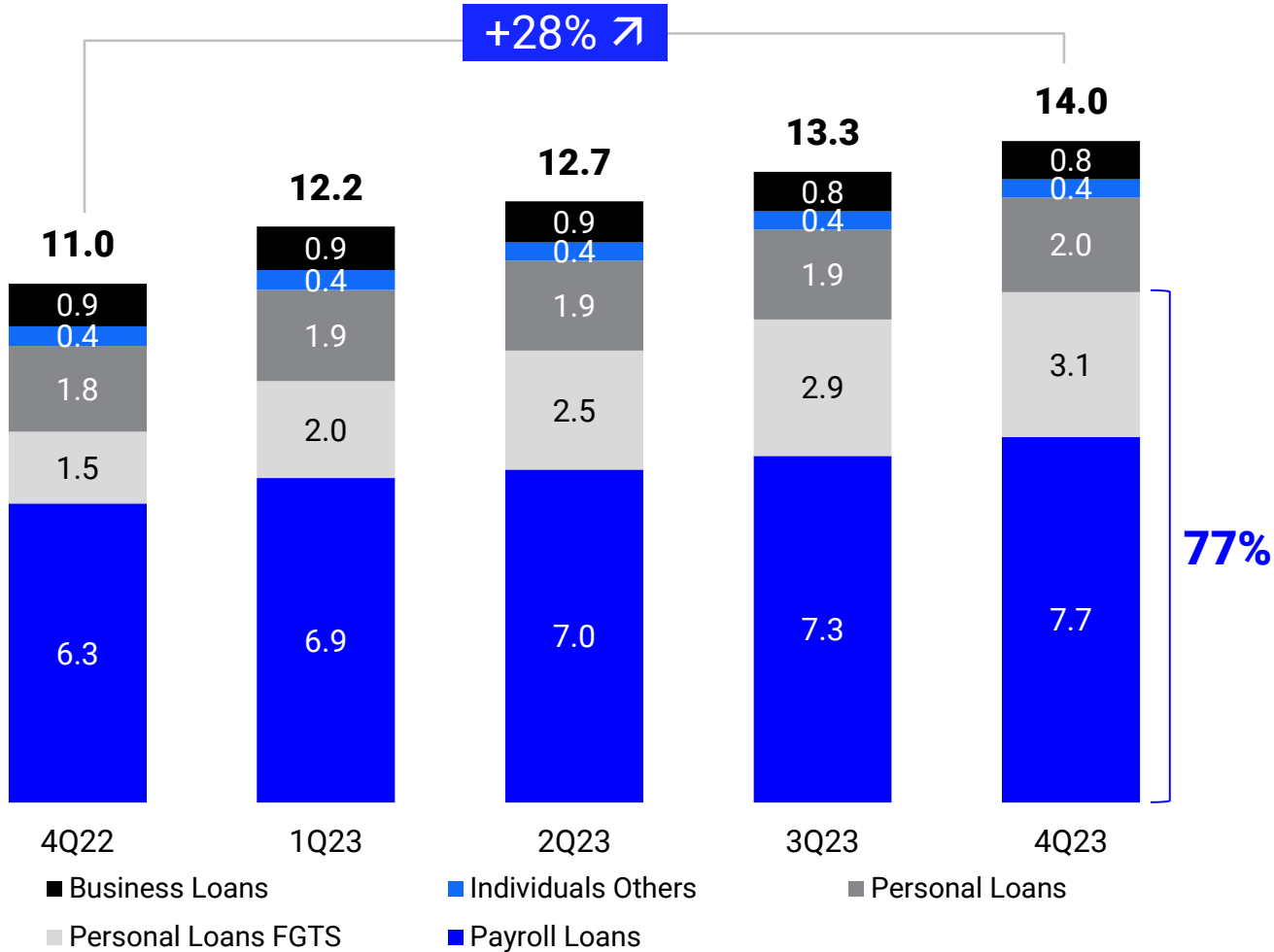
- ◆ Credit
- ◆ Funding
- ◆ Services
- ◆ Capital
- ◆ Profitability

Earnings
4Q23

We continue to expand our credit portfolio with a focus on **Payroll Loans** and **Personal Loans FGTS**.

Credit Portfolio

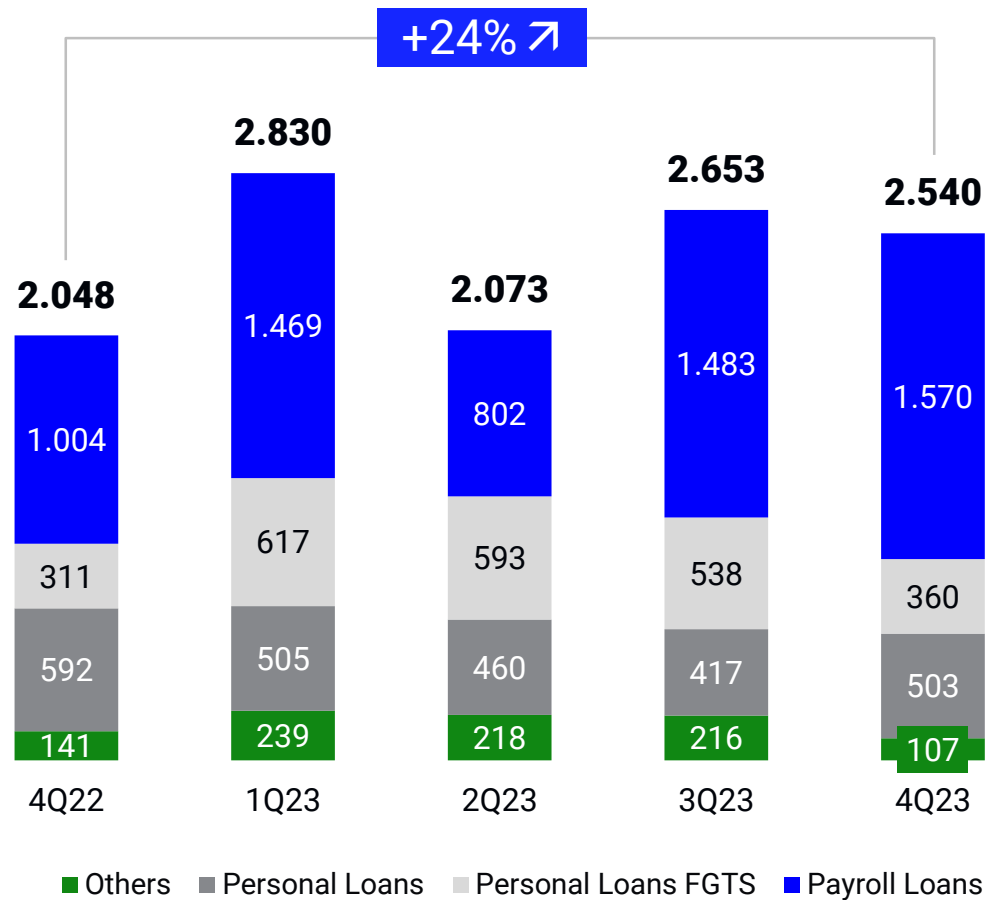
BRL bi



Our credit origination aims to ensure the **profitability** of the portfolio.

Credit Origination

BRL mi



Payroll Loans Origination

100%

via own channels in 4Q23

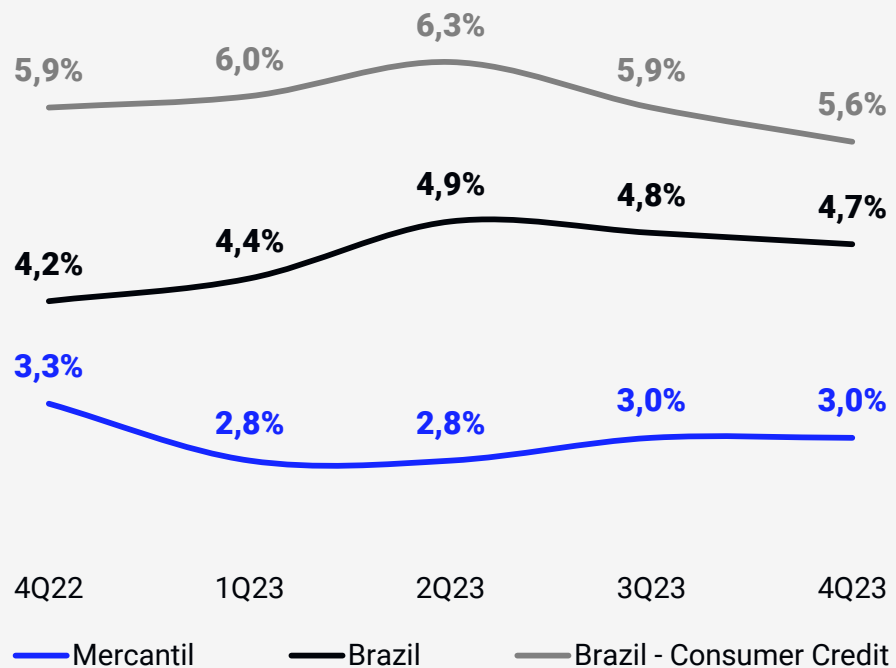
6% share¹

BANCO **MERCANTIL**

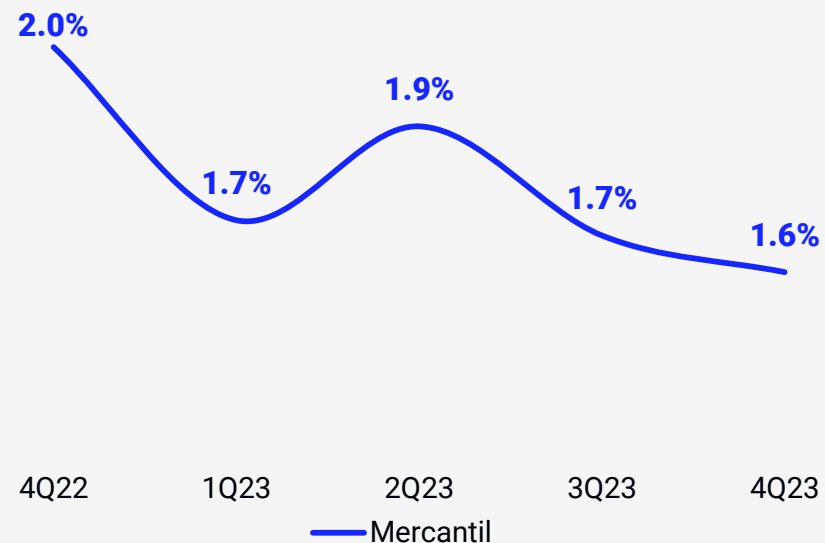


Delinquency levels remain controlled and below the market average.

NPL > 90 (%)
Total

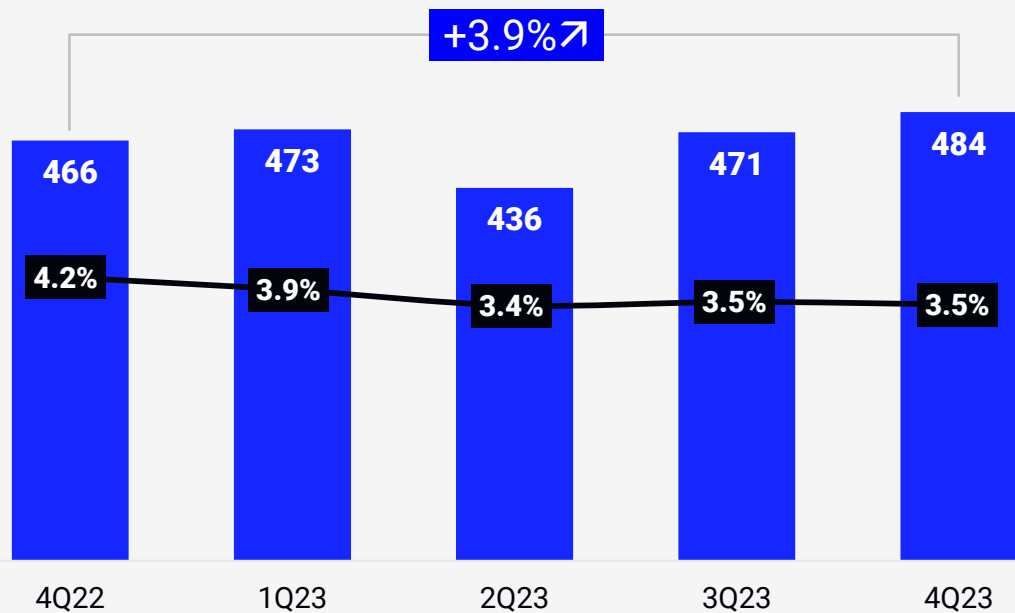


NPL 15 - 90 (%)
Mercantil

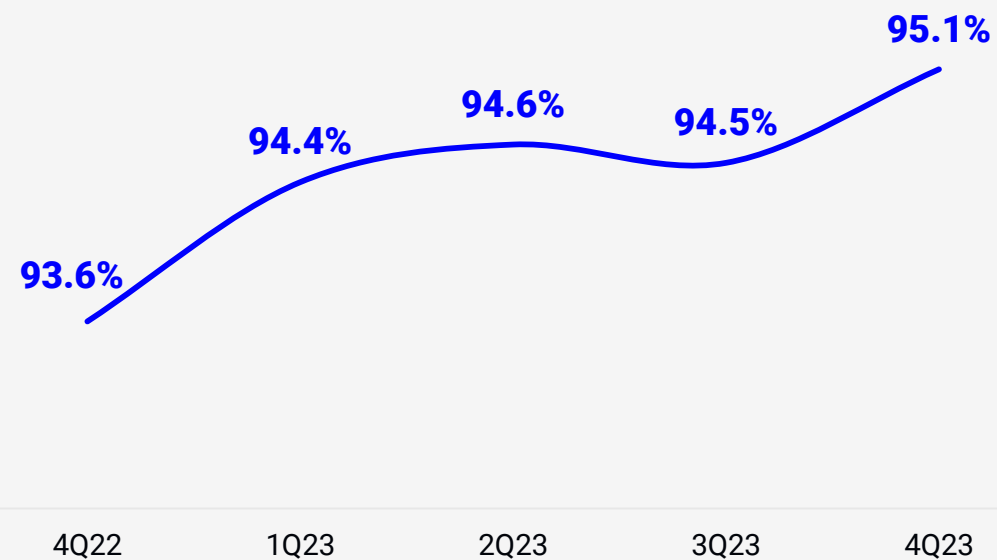


Provision expenses and portfolio quality remained stable even in a challenging economic scenario.

NPL Provision & % Portfolio
BRL mi, % p.a.



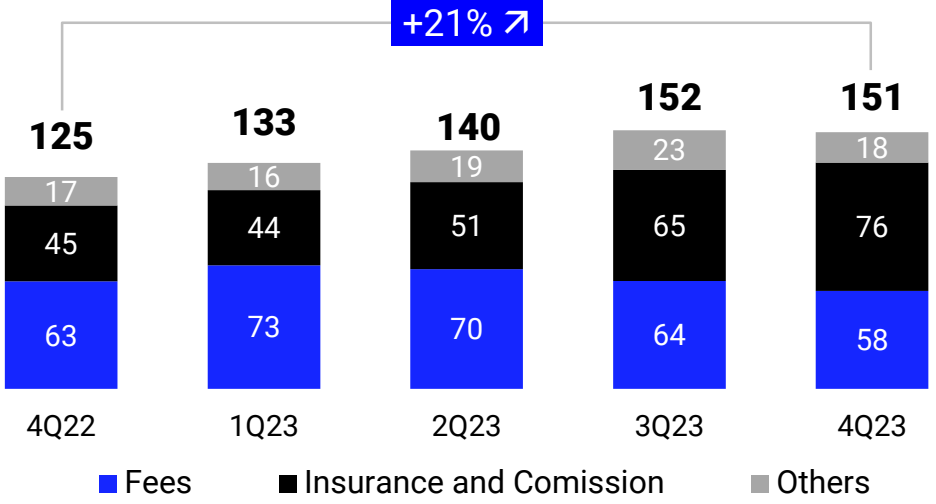
%AA - C / Portfolio



Consistent evolution in services revenue.

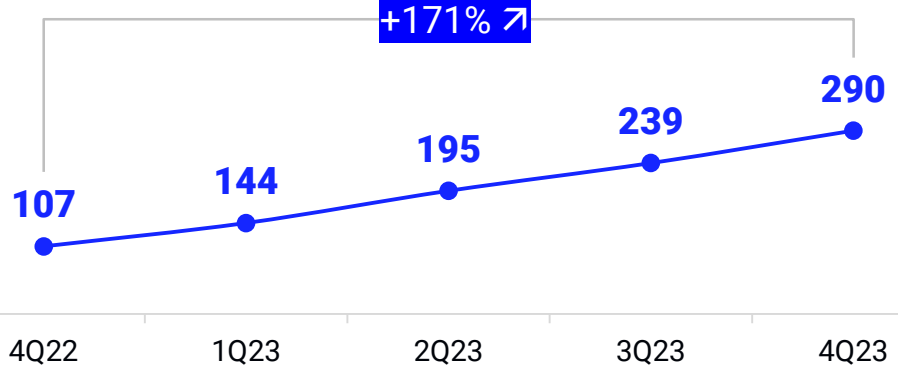
Services Revenue

BRL mi



Active Customers with Assistance

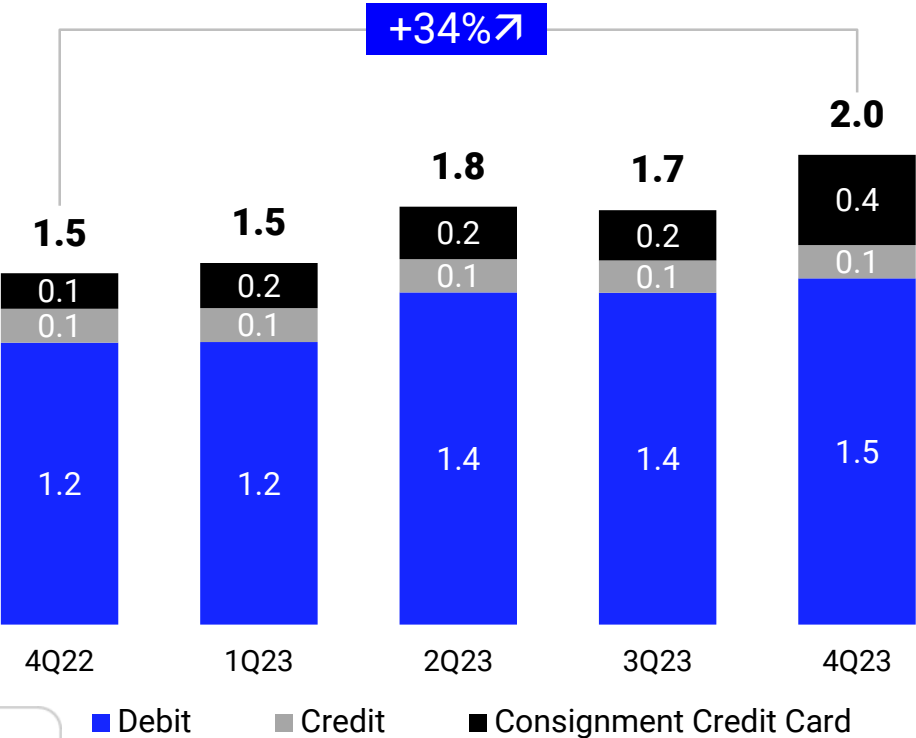
Thousand



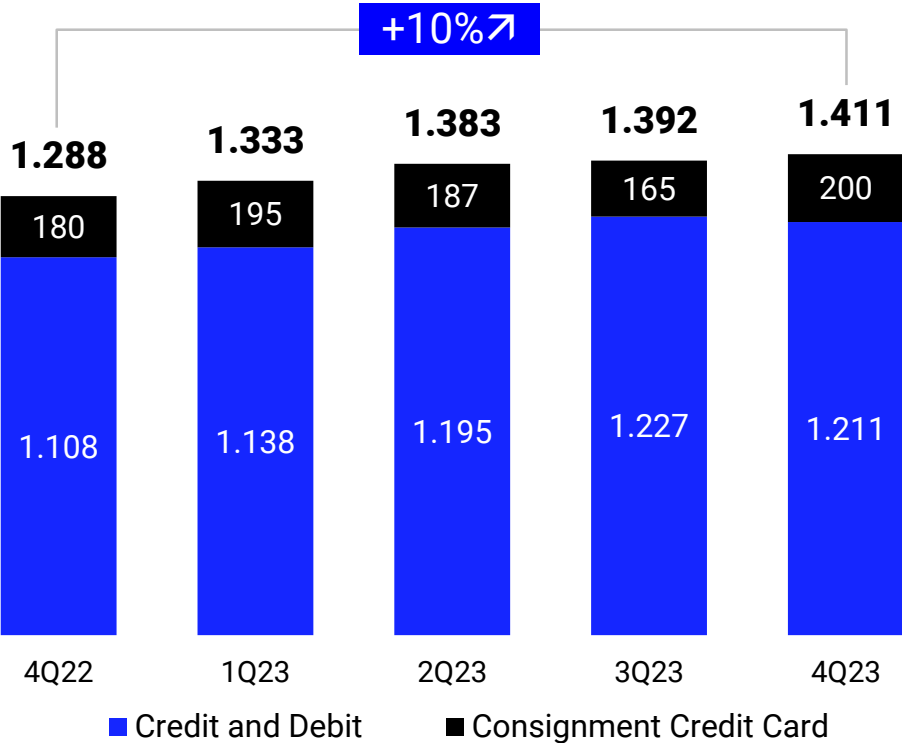
Products with strong adherence to the **50+** public

Our progress in the cards segment is done conservatively, prioritizing security.

Cards in Circulation
mi



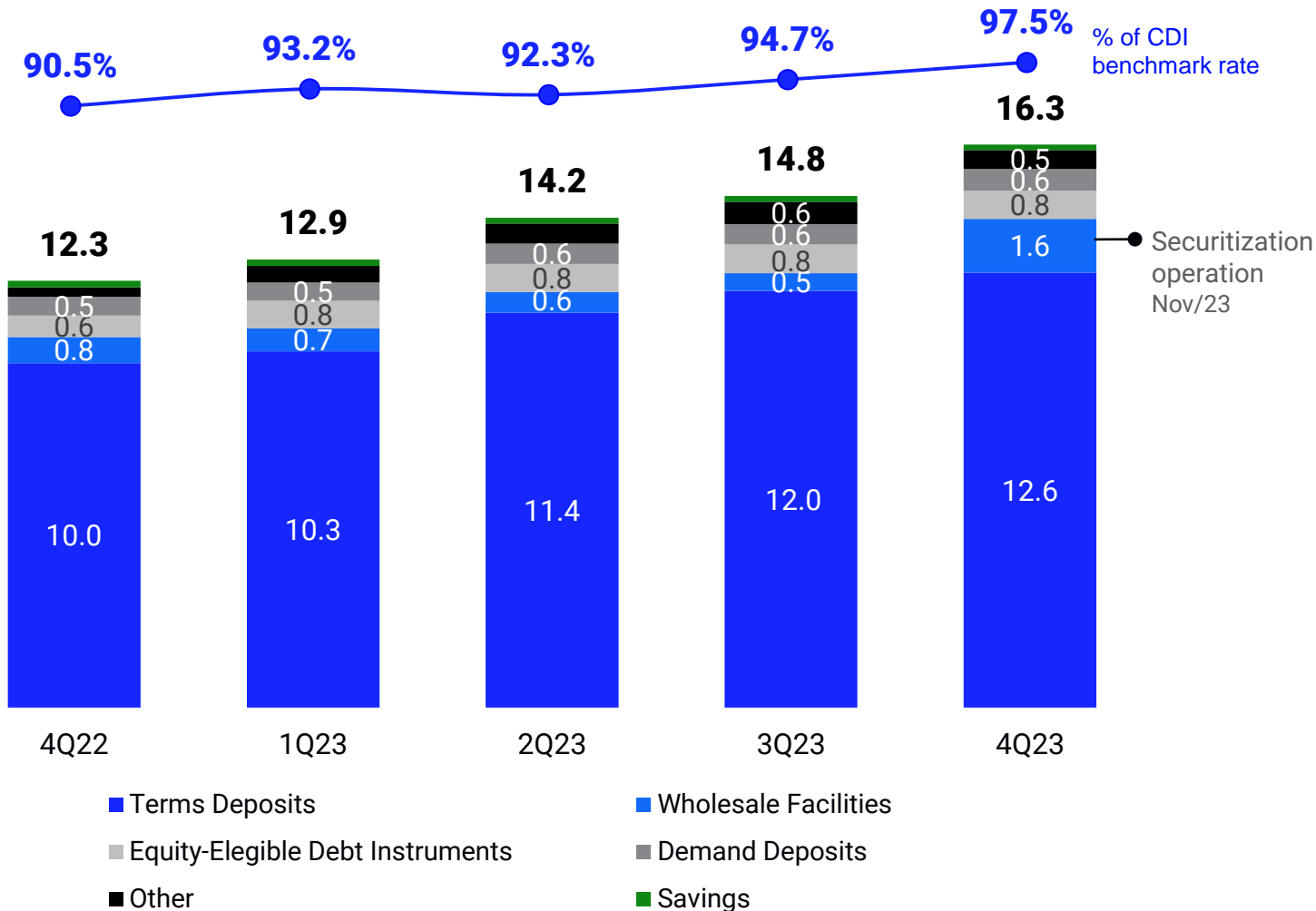
Total Processed Volume - TPV
BRL mi



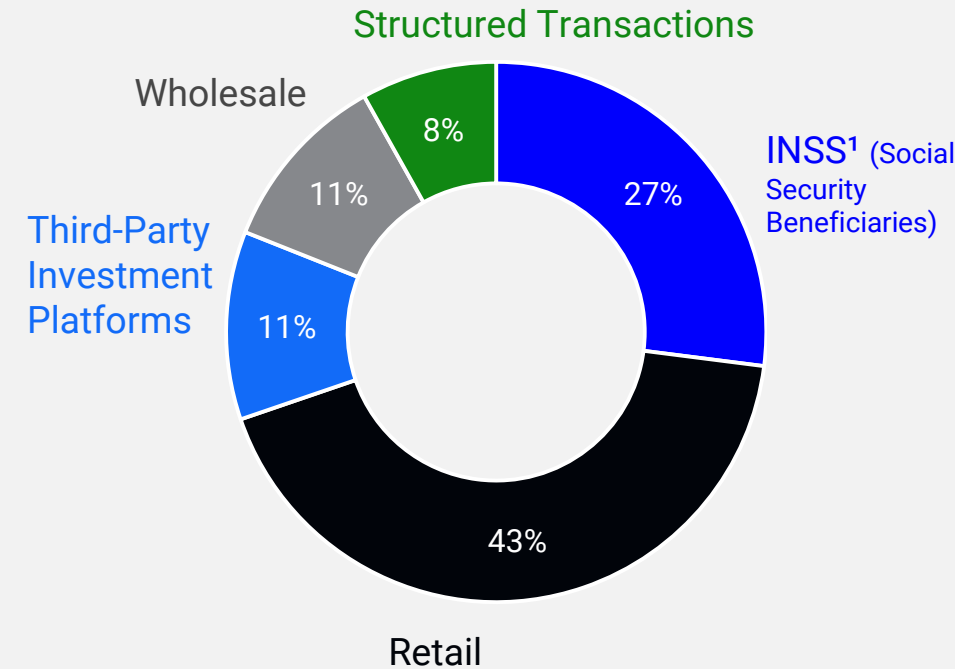
Our funding lines are diversified and dispersed.

Funding Balance and Cost (%)

BRL bi & % CDI benchmark rate



Funding Sources



LCR Liquidity Coverage Ratio (x)

Minimum required limit: 1.0x

1.9x

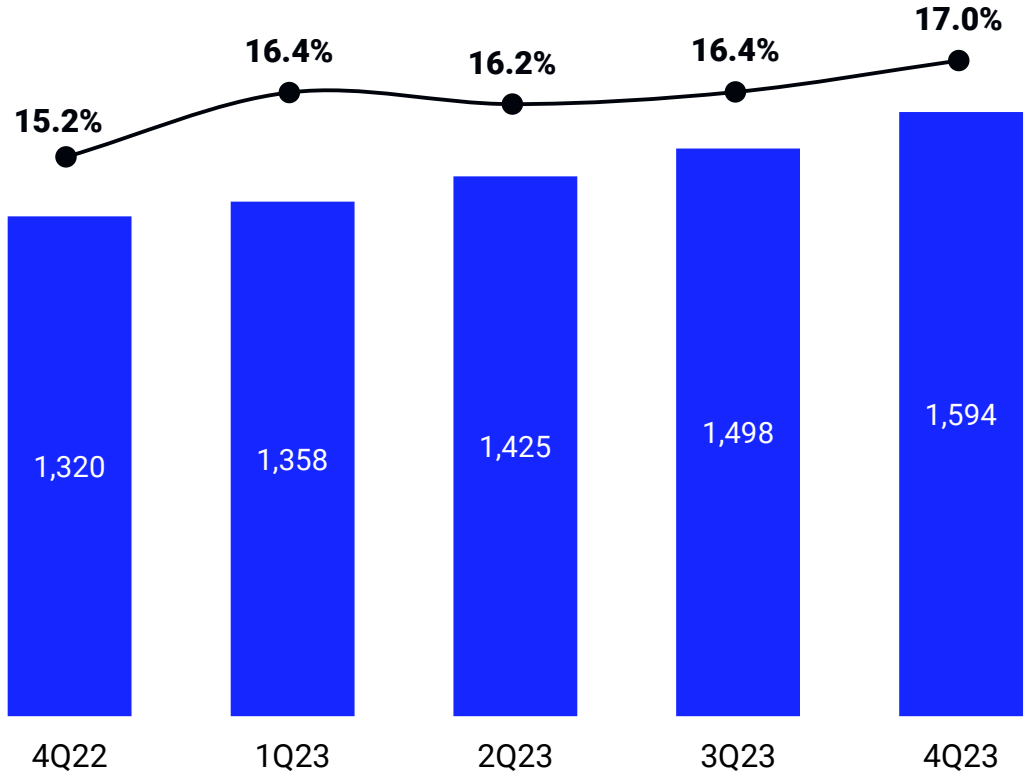
¹It refers to our customer base that receives their pensions and other benefits (INSS) at the bank, and that are simultaneously responsible for a significant part of our funding.



We present elevated levels of capitalization.

Basel III Index and Shareholders' Equity

- Shareholder's Equity (BRL mi)
- Basel III Index



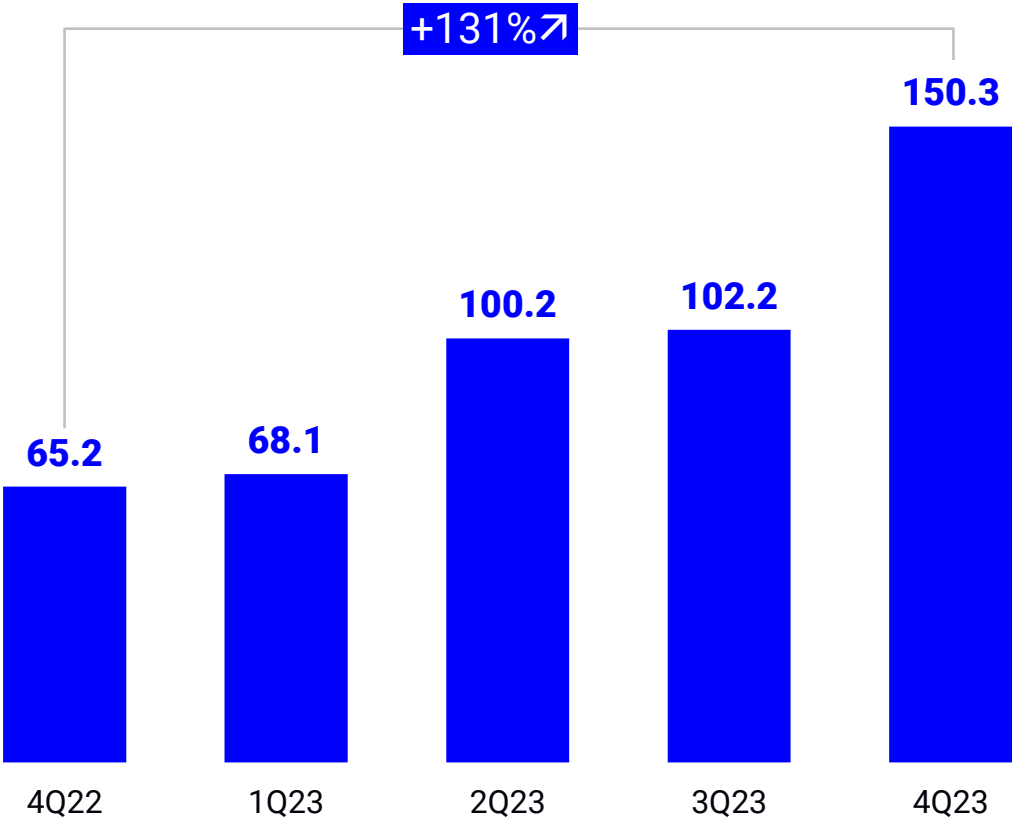
RATING

S&P Global Ratings **A** Positive outlook

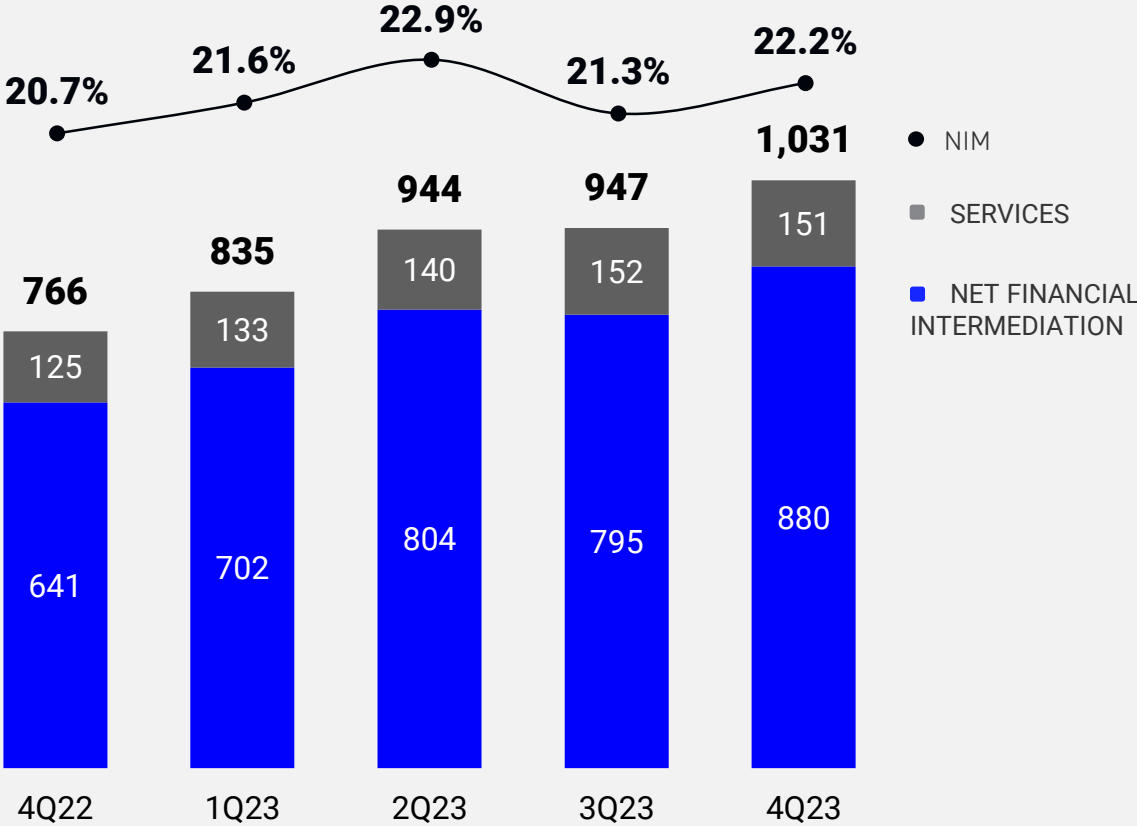
FitchRatings **A-** Positive outlook

Mercantil's business model is consistent and yields high levels of profitability.

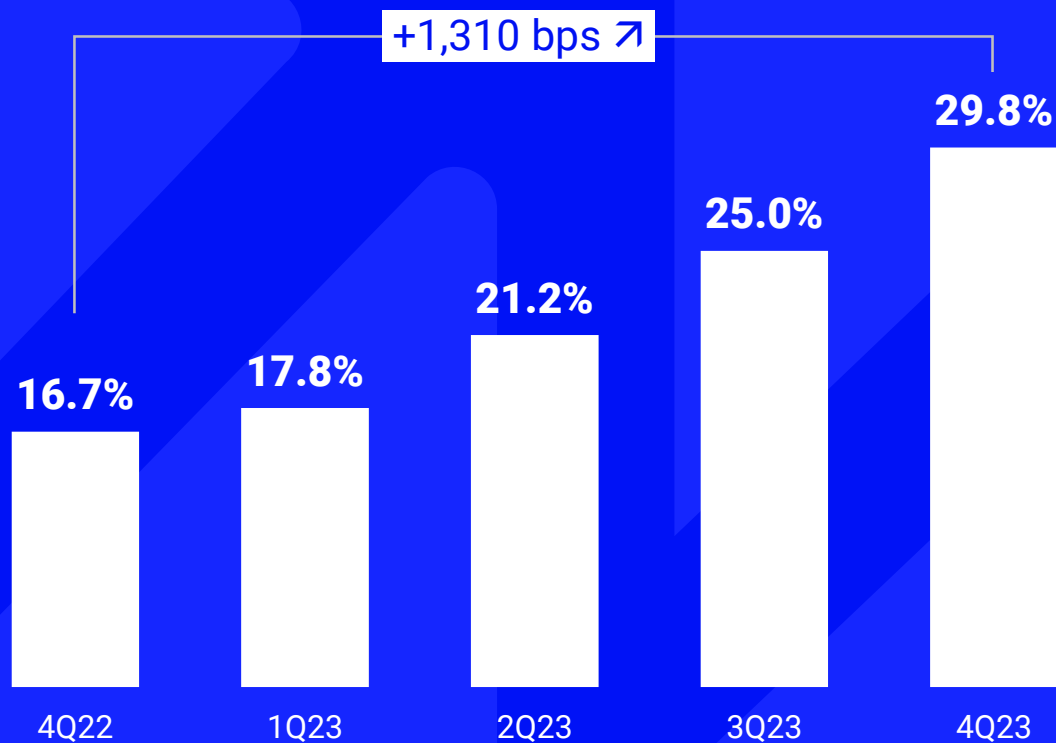
Net Income
BRL mi



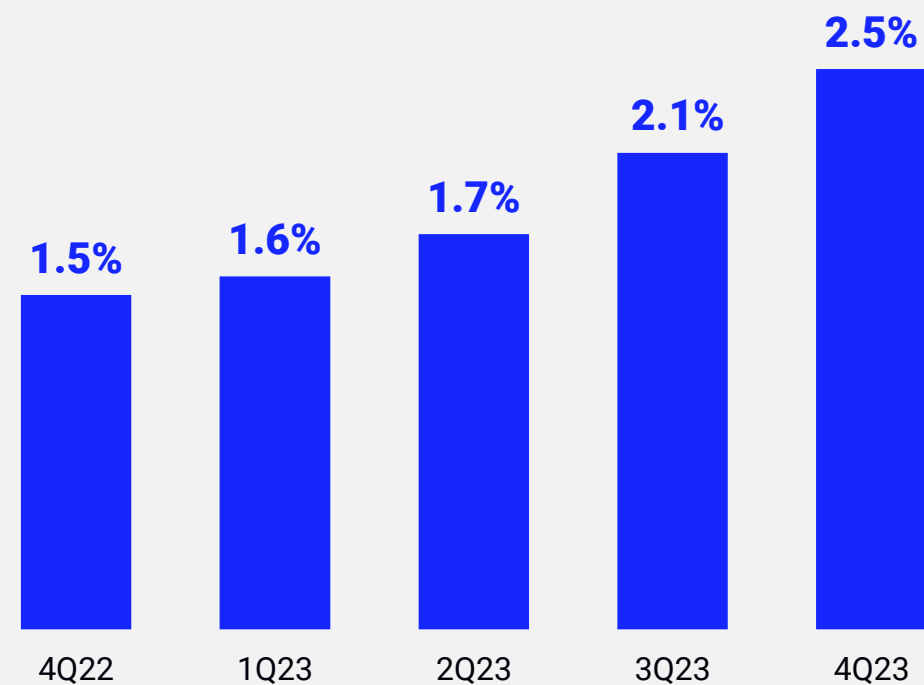
Total Revenue
BRL mi



ROAE¹
% p.a.



ROAA¹
% p.a.





Your experience inspires us.

<https://ri.bancomercantil.com.br/>

Investor Relations

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Marina Magalhães *Strategy and Investor Relations*

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