

BANCO
MERCANTIL

INSTITUTIONAL PRESENTATION



80 YEARS

Founded in 1943, Mercantil has strength and longevity in its DNA, which demonstrates its stability and growth in the banking sector

BRL 17.1bn

Credit Portfolio

41.3%

ROAE LTM

9.0M

Clients

1.7%

NPL > 90 Days

18.1%

Basel III Ratio

INNOVATION

Through our people and technology, we can change, reinvent ourselves and continue to grow.

+2.1x

Clients
3 years

+1.9x

Credit Portfolio
3 years

+4.1x

Net Income
3 years, LTM

+2.0x

Service Revenue
3 years, LTM

5th

Largest payer of Social Security Benefits

Strength

BANCO
MERCANTIL

Growth

We Combine Growth and Sustainable Profitability

80 YEARS

OF ↗ HISTORY

1943

Established in
Curvelo, MG

1953

Acquisition by
the Araújo
family

1955 - 1974

Expansion and acquisitions

- Banco Industrial de Minas Gerais
- Banco Santa Cruz e Metr pole
- Banco Industrial de Campina Grande
- Banco Mercantil do Brasil do Rio de Janeiro

1977

IPO

2009

First victory
in the INSS
auction

2019

Cultural
transformation

2021

Migration to
Level 1 of B3
(Brazilian stock
exchange)

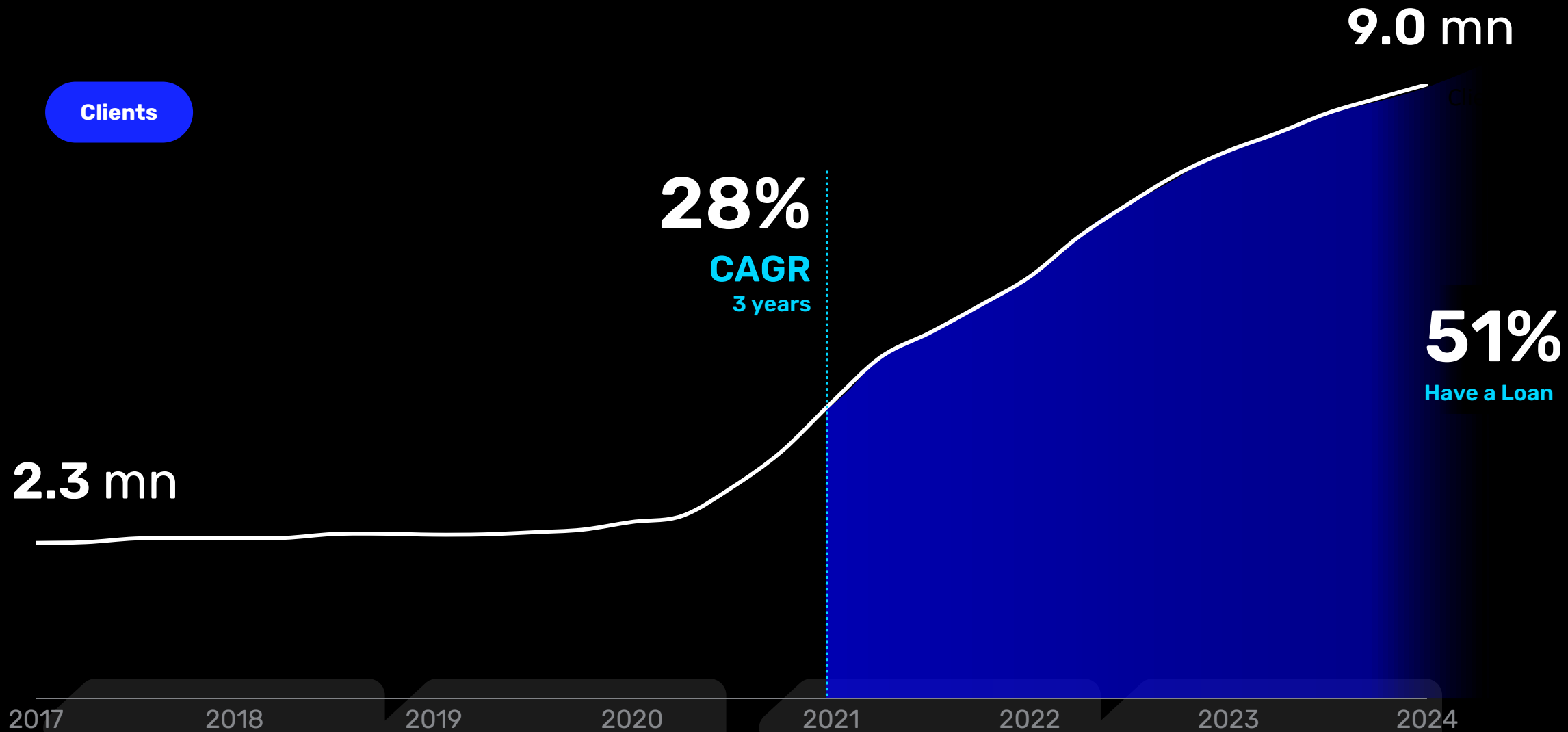
5th largest
benefits payer in
the country

2023

New
headquarters
and new visual
identity

Name change
to Banco
Mercantil

Over the past few years, Banco Mercantil underwent a significant strategic repositioning.



50+

CLIENTS CHOOSE
BANCO
MERCANTIL

FOCUS



CONVENIENCE



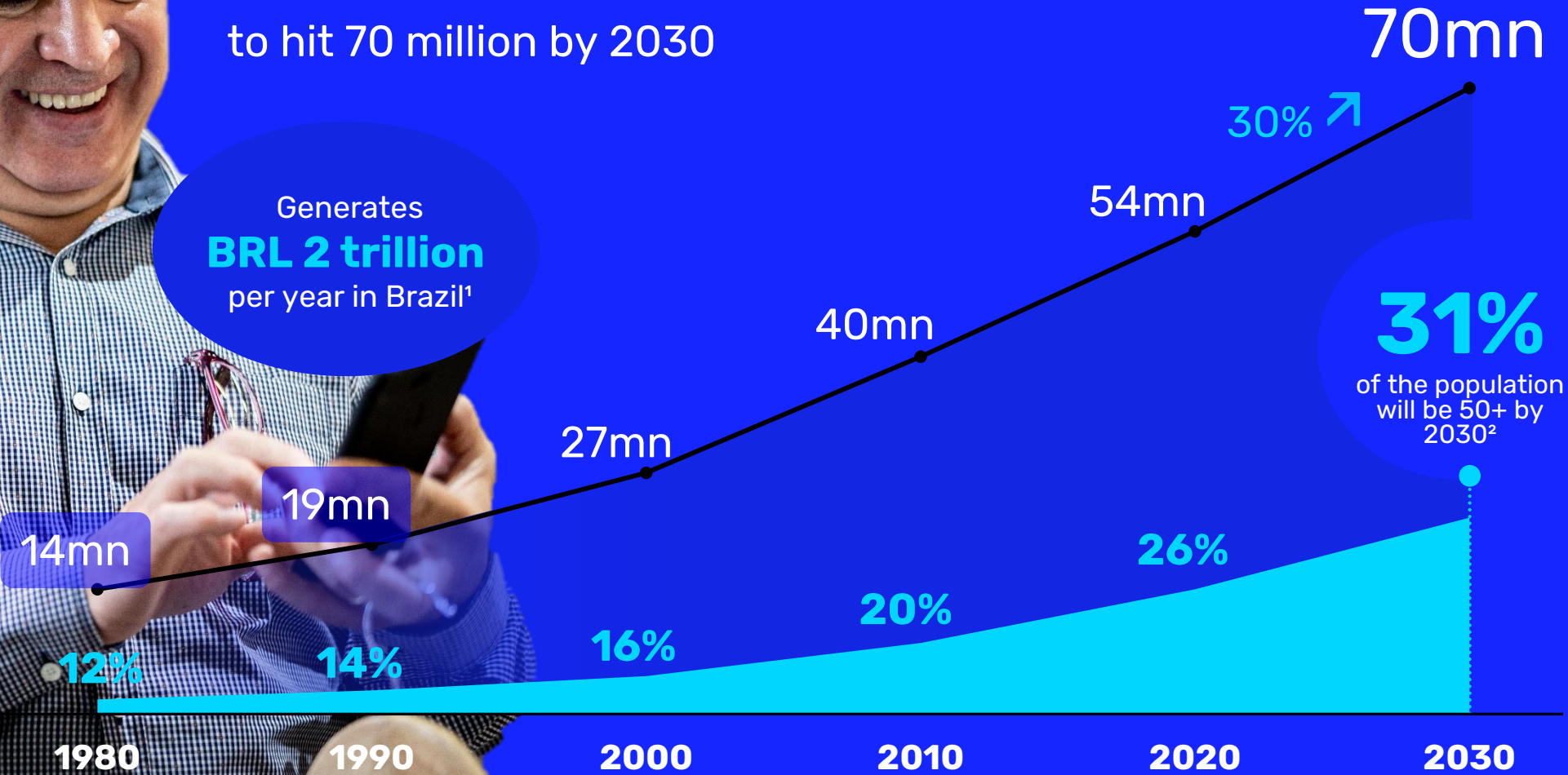
SIMPLICITY



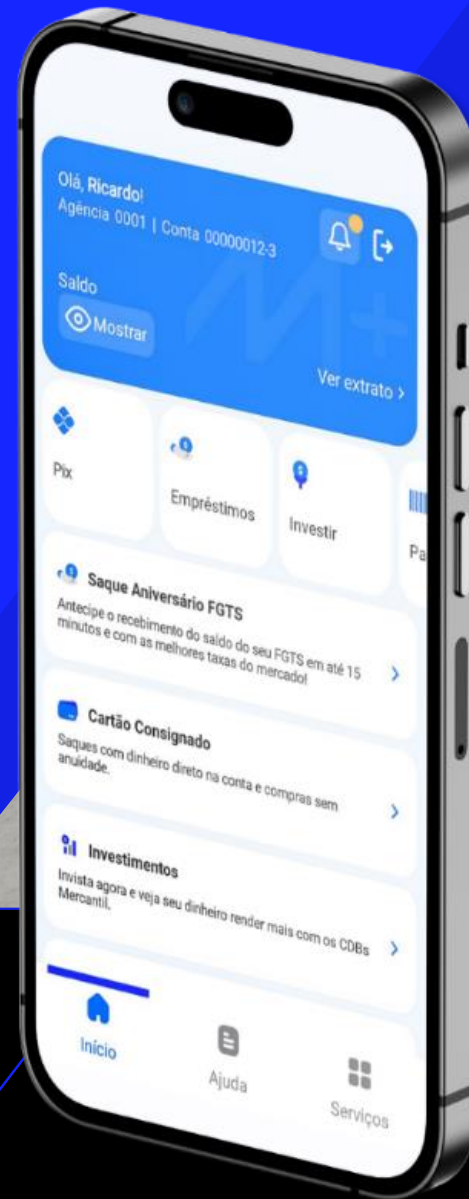
50+ MARKET

to hit 70 million by 2030

Generates
BRL 2 trillion
per year in Brazil¹



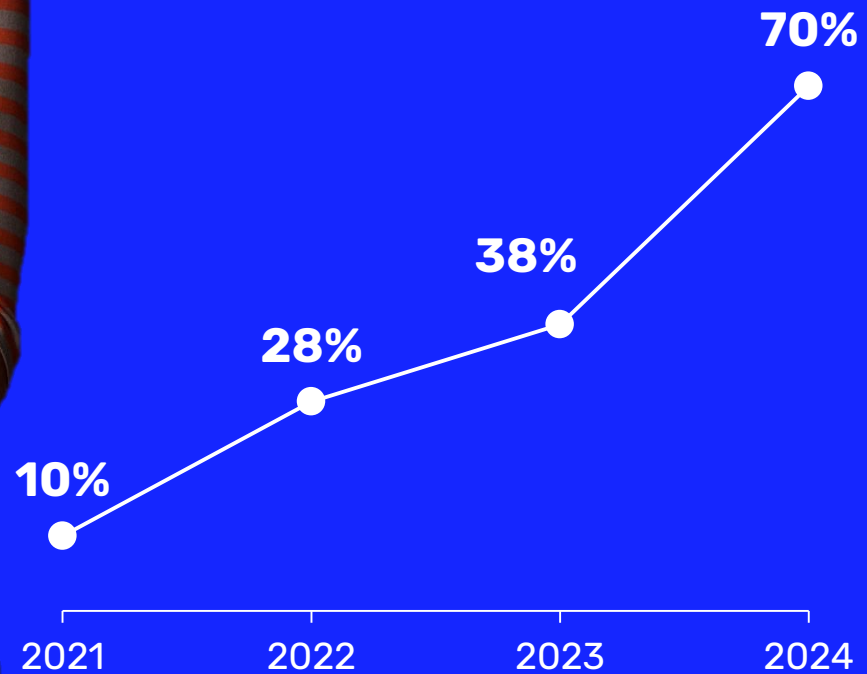
COMBINING
PHYSICAL
PRESENCE WITH
THE SIMPLICITY
OF *DIGITAL*



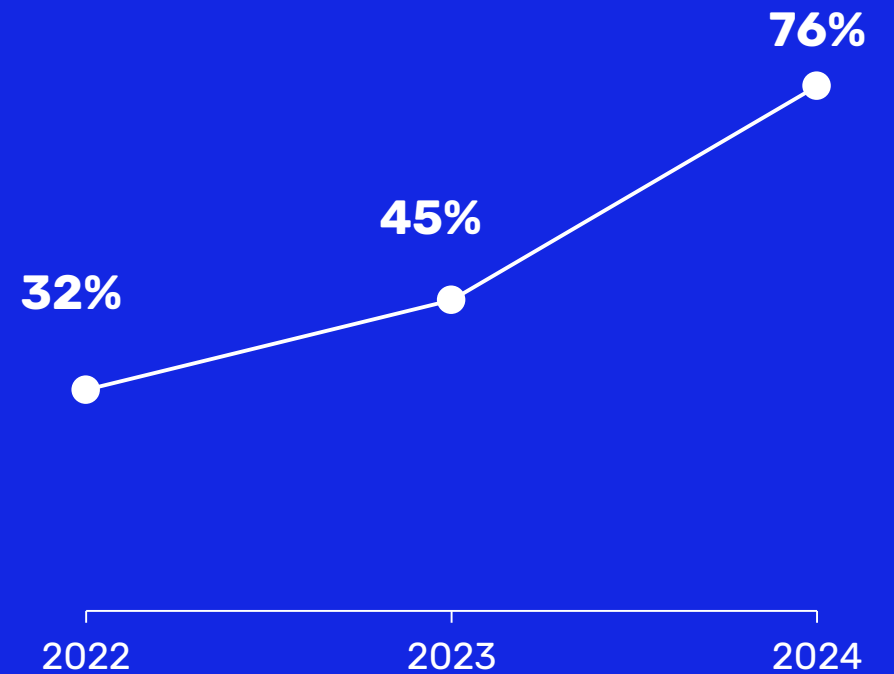
The strenght of digitalization driven by our cloud journey



% Credit Origination via Digital Channels
App and WhatsApp
#contracts



% Adoption of our App
Clients/Safra



The loan portfolio has grown by over 100% in the past three years, directed toward low-risk products.

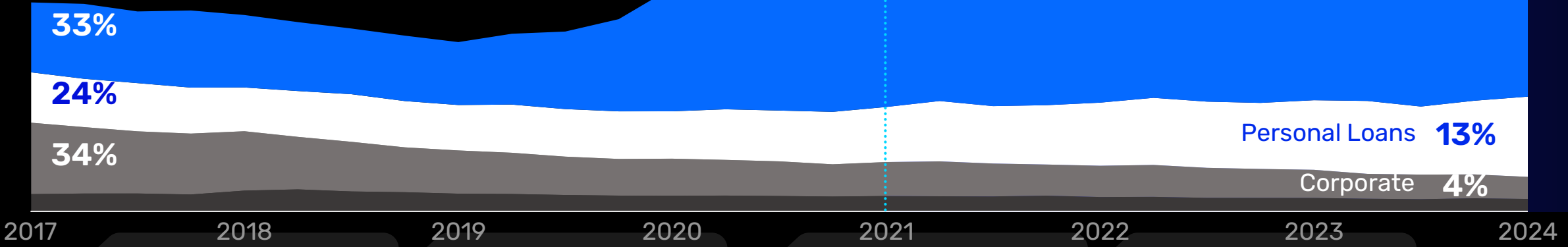
Credit Portfolio

BRL bn

24%

CAGR
3 years

6.0



17.1

FGTS **18%**

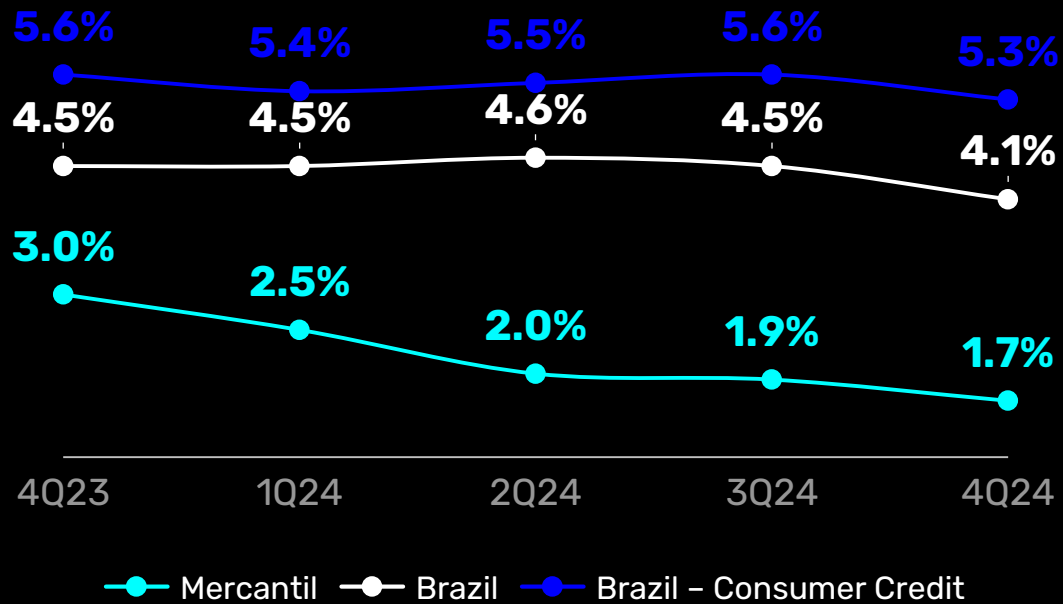
Payroll Loans **63%**

Personal Loans **13%**

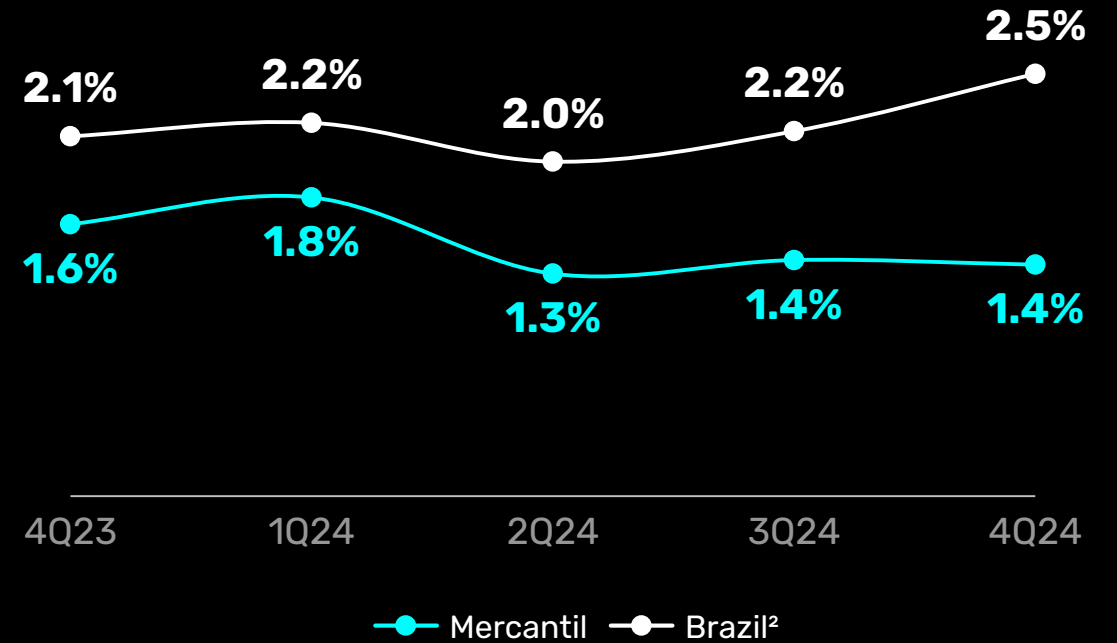
Corporate **4%**

Delinquency levels remain controlled and below the market average.

NPL > 90 Days (%)



NPL > 15 - 90 Days (%)



(1) Source: Central Bank of Brazil
 (2) Source: Depec - Central Bank of Brazil

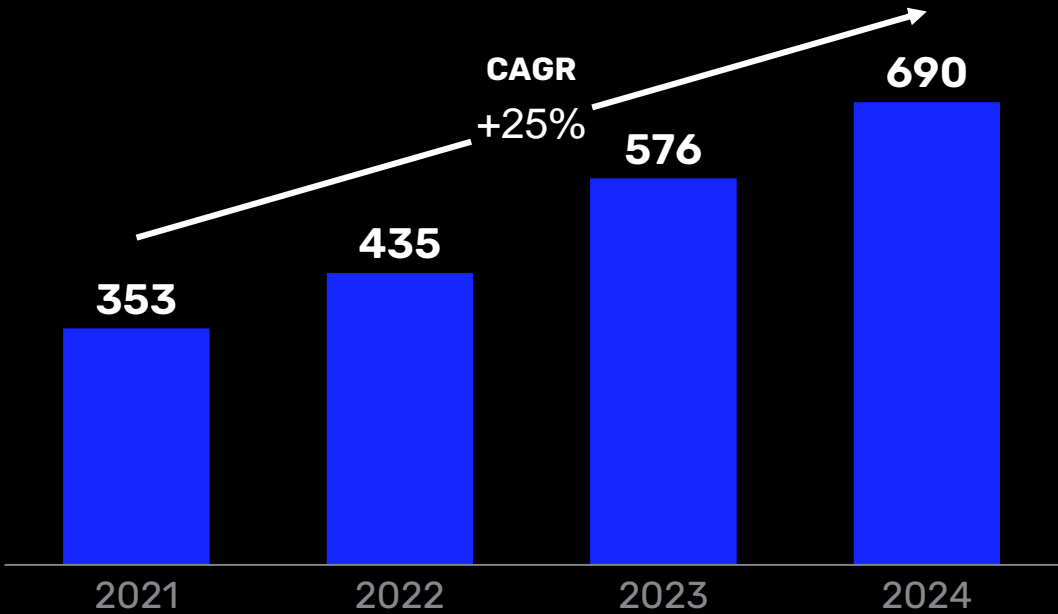


The primacy in customer relationship also contributed to the significant increase in service revenue.

Service Revenue

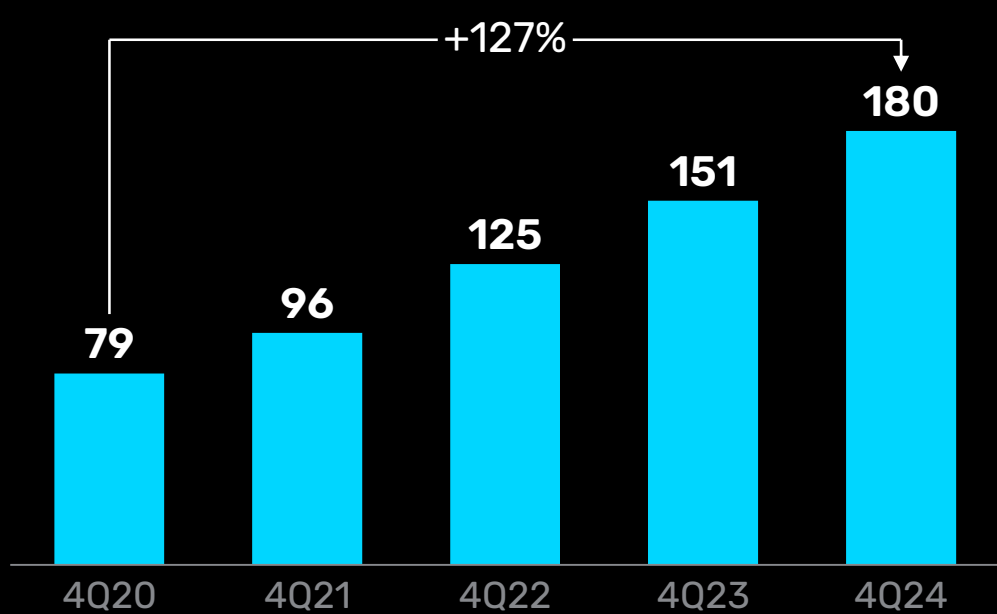
Annual

BRL mn



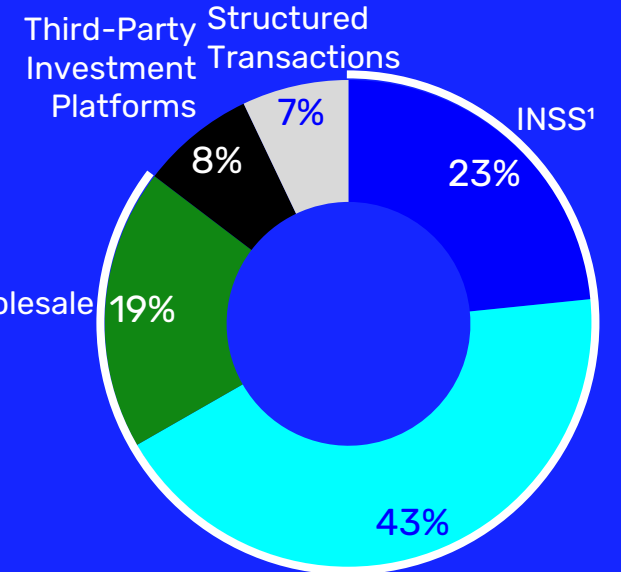
Quarterly

BRL mn



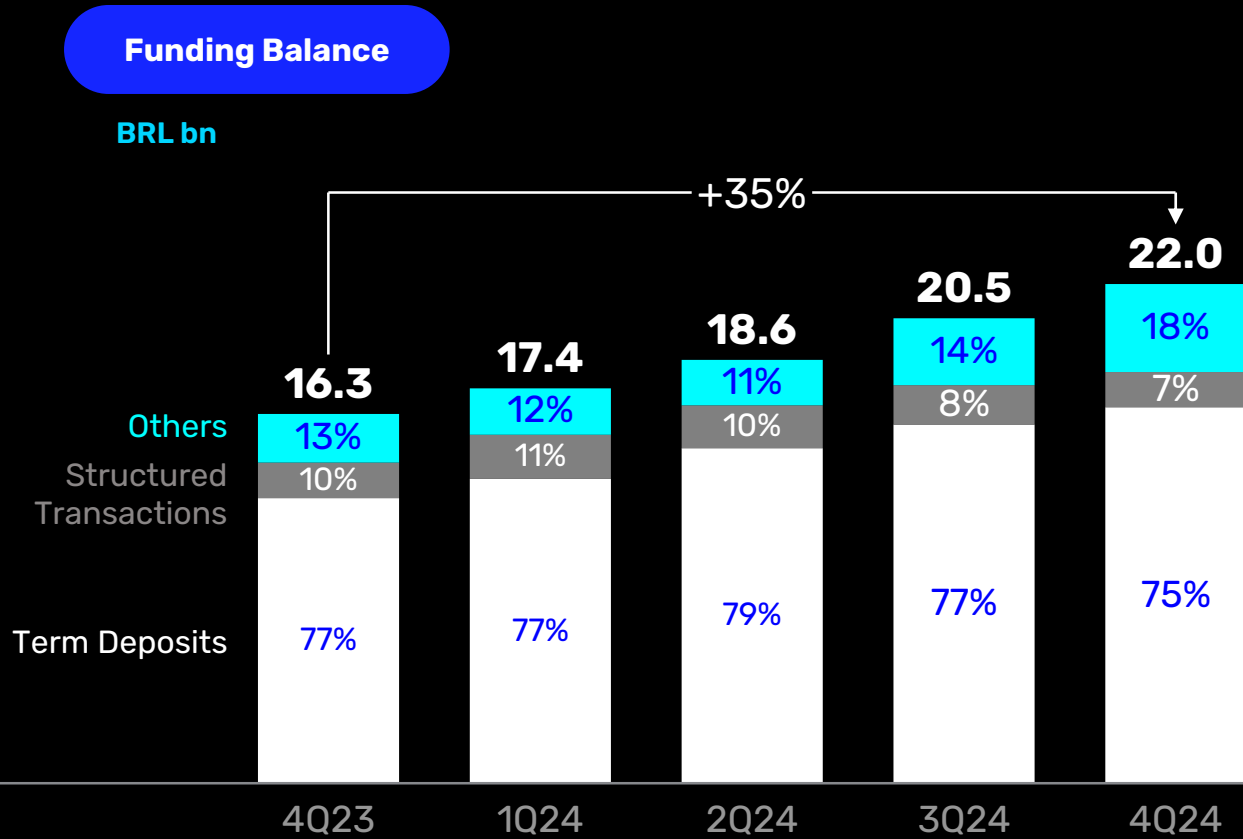
Our funding lines are diversified and dispersed.

Funding Sources



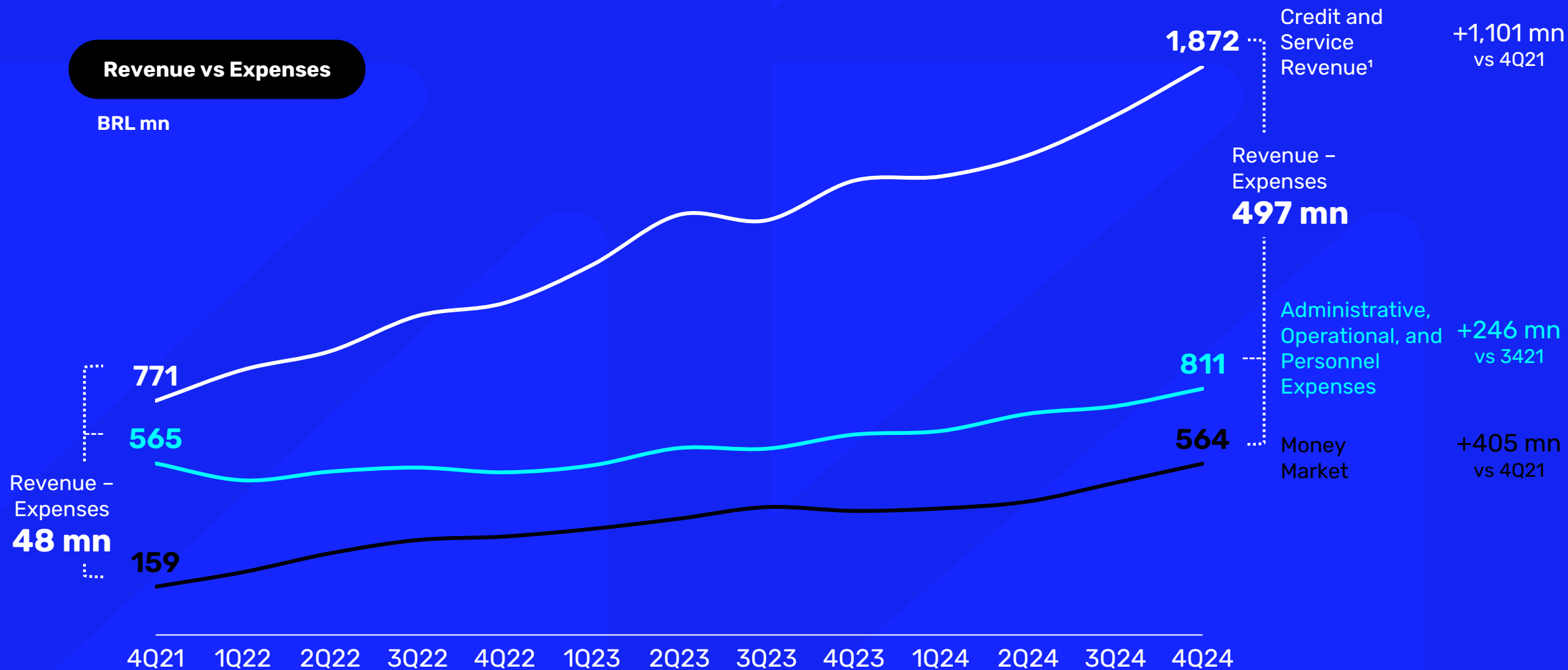
85%
Own Network

Dedicated Commercial Structure

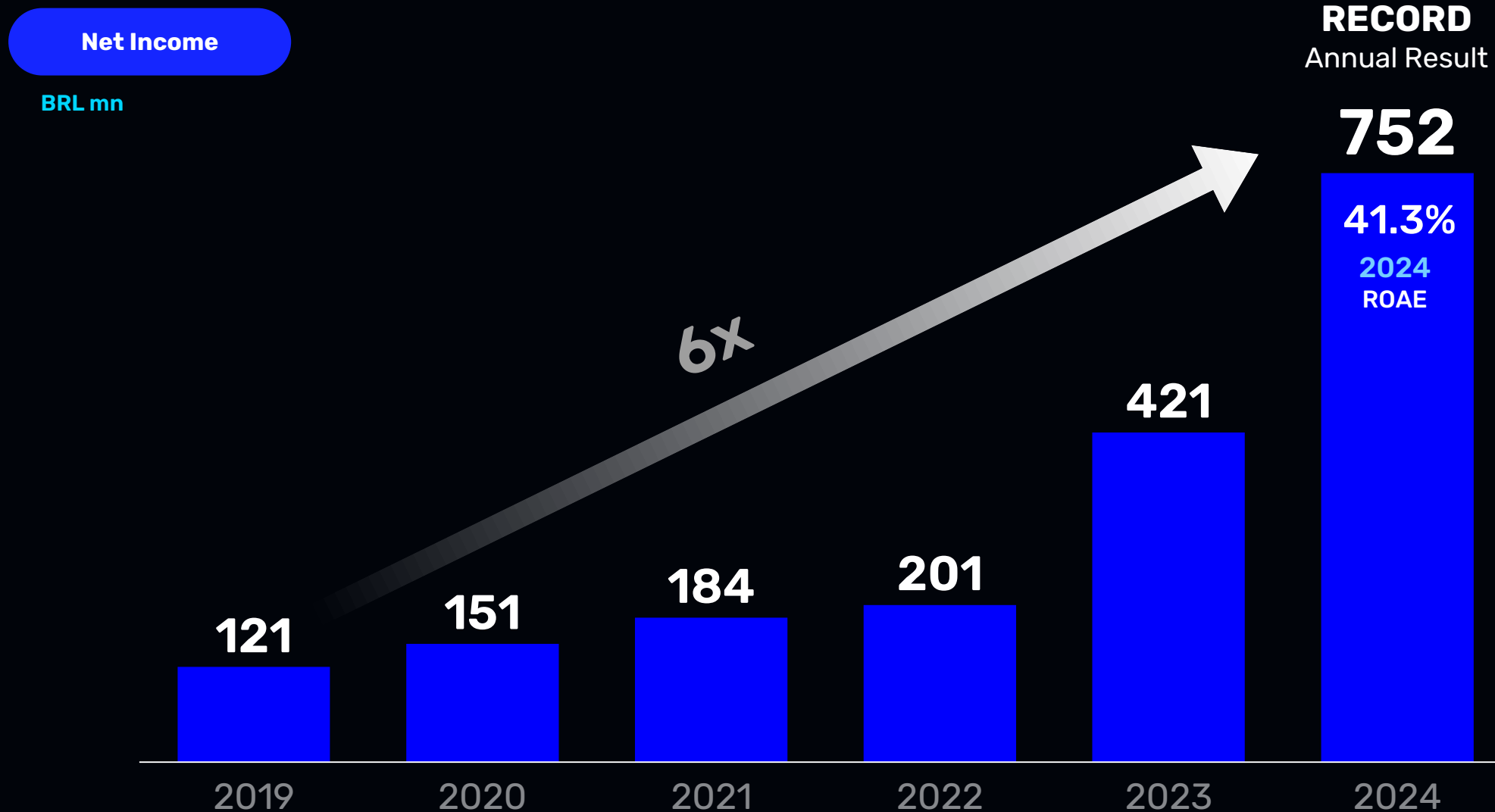


(1) It refers to our customer base that receives their pensions and other benefits (INSS) at the bank, and that are simultaneously responsible for a significant part of our funding.

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

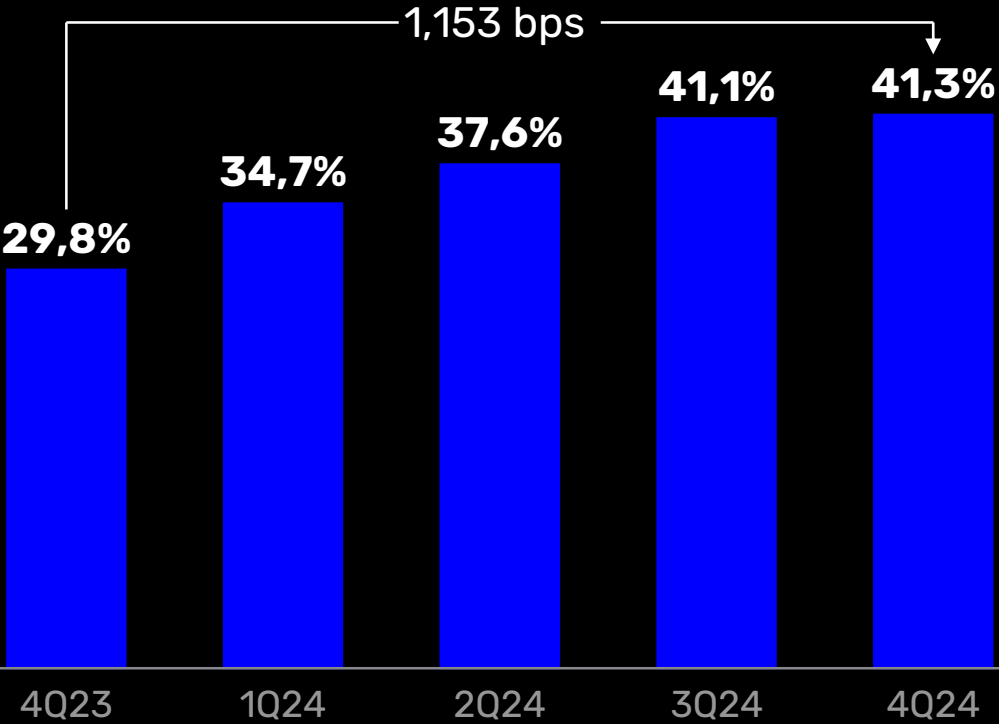


In 5 years, net income has grown by 6 times.

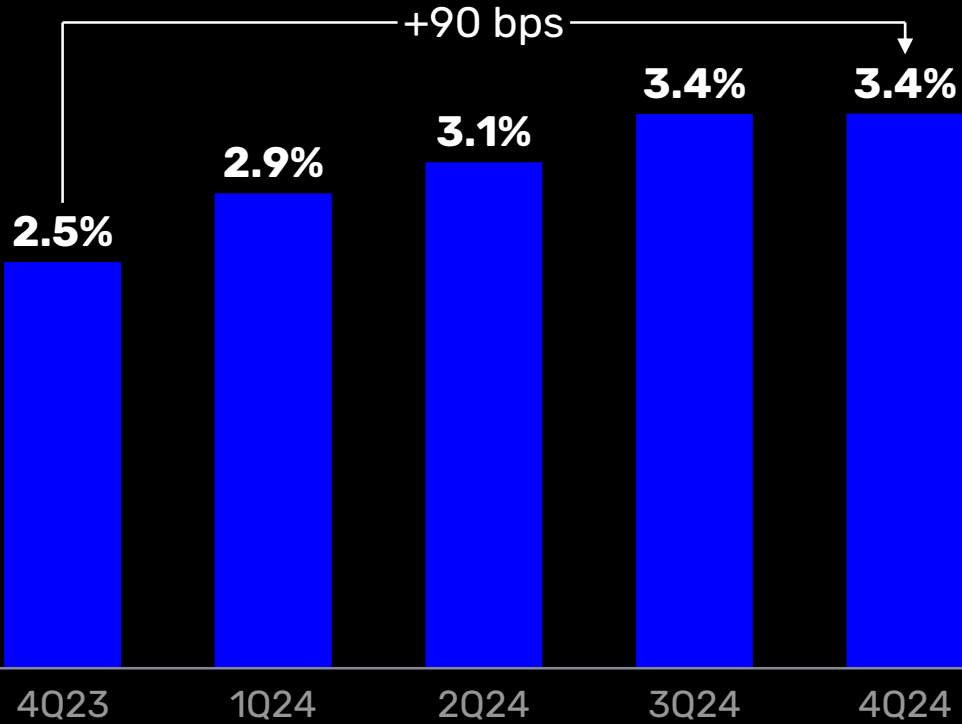


Over the past 12 months, profitability metrics also show continuous improvement.

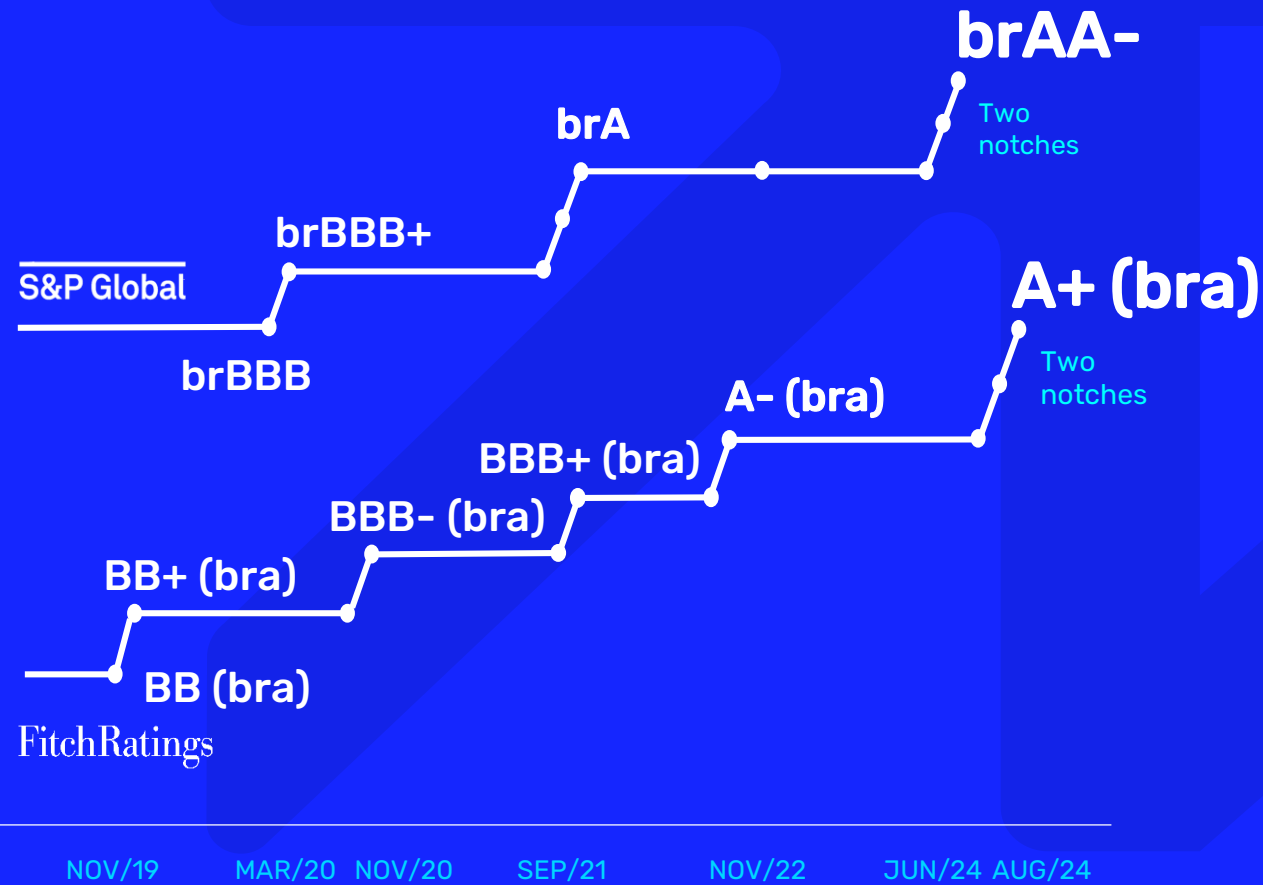
ROAE LTM



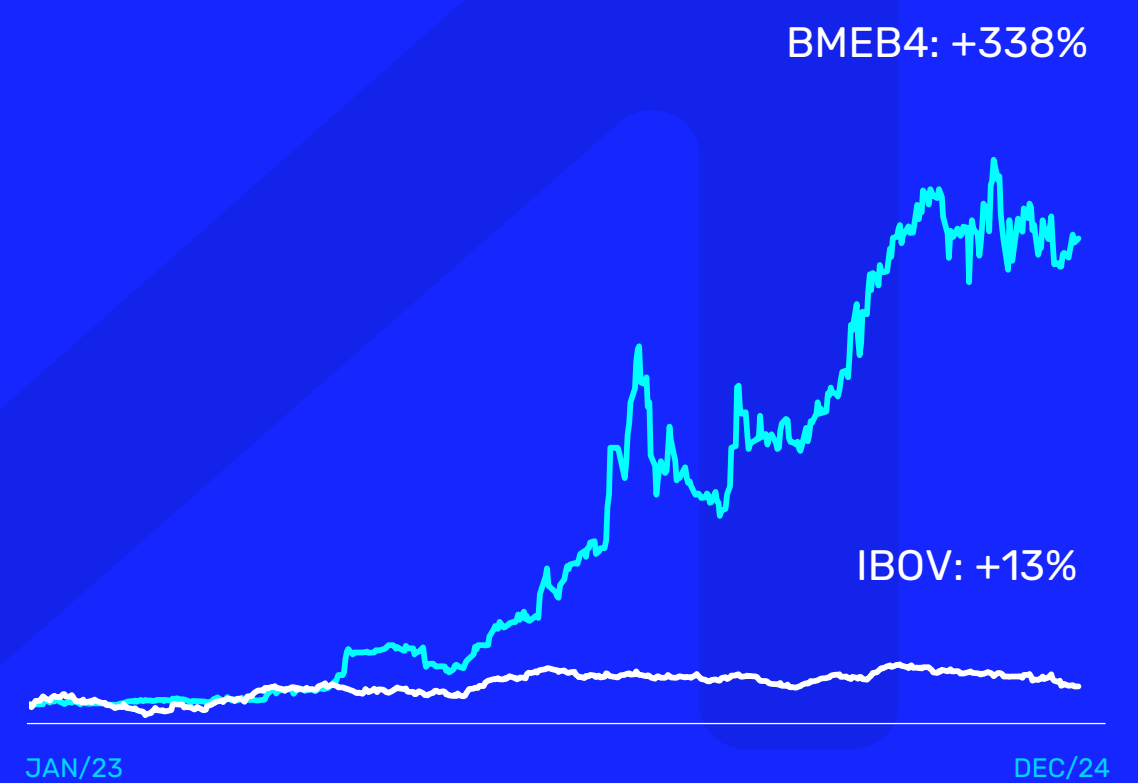
ROAA LTM



The evolution of our business model was recognized through a double upgrade in our **ratings by S&P and Fitch**, as well as an increase in our **stock price**.



B3: BMEB4 PERFORMANCE



BANCO MERCANTIL

Access to all social security (INSS) auctions

Banking Primacy

Diversification

Product Portfolio
Adherent to the 50+

Truly digital

Low Funding Cost

Security
Antifraud, cyber

Tradition
80 years of history

PURPOSE
50+

*UNIQUE
ADVANTAGES*

EXECUTION

Huge, growing and addressable market with little dedicated competition

- People
- Data
- Technology
- Leadtime

EXPONENTIAL
GROWTH

RESILIENT
RESULTS

HIGHEST
RETURNS IN
THE INDUSTRY

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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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