

A photograph of an elderly couple dancing on a sandy beach. The woman is wearing a long, flowing green dress and has her hair in dreadlocks. The man is wearing a white short-sleeved shirt and khaki shorts, and he has a white beard and glasses. They are both smiling and looking at each other. The background shows the ocean with waves breaking under a clear blue sky. The image is framed by thin white lines that create a sense of depth and movement.

BANCO MERCANTIL

Earnings Presentation **1Q25**

AVISO LEGAL

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The tables and charts in this report present accounting balances, financial figures, and management data. Percentage change rates are calculated prior to rounding. Rounding is carried out 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 lower than 0.5, the value remains unchanged.

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CMN Resolution 4,966, effective as of January 1, 2025, introduced changes to risk classification and provisioning criteria. Therefore, the data for this quarter reflects a new methodological basis and may present comparability limitations with previous periods.

HOST:



GUSTAVO
ARAÚJO, CFA

CEO



PAULINO
RODRIGUES

CHIEF FINANCIAL AND
INVESTOR RELATIONS OFFICER

HIGHLIGHTS

1T25

1

Banco Mercantil posted, for the first time, a quarterly net income above **BRL 241 million**, delivering a 12-month ROAE of 46.4% – a record result for the tenth consecutive quarter.

2

Origination of payroll loans in 1Q25 reached **BRL 4.3 billion**, up **78%** from the same period last year.

3

The Bank continues to expand its presence in new regions. In 2025, **25 new branches** have already been opened across **24 cities in 5 states**, with a focus on the **South and Southeast regions**.

4

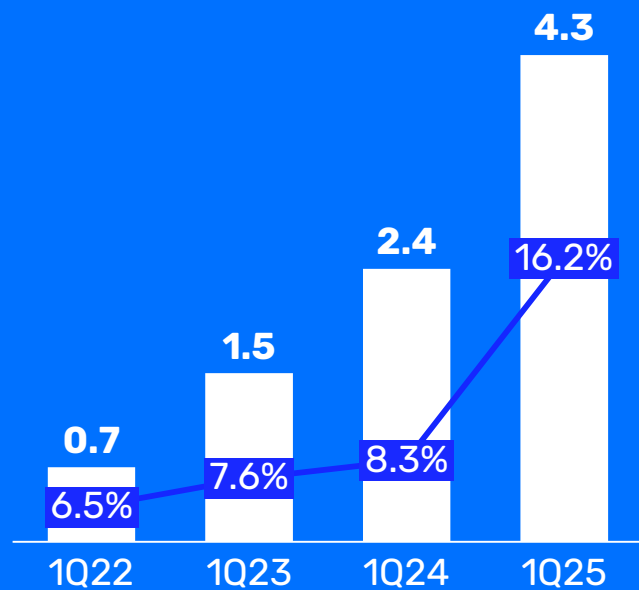
Investments in **customer digitalization** remain a key pillar of our growth strategy. In this quarter, **78%** of all credit operations were originated **through the Bank's digital channels**.

HIGHLIGHTS 1Q25

PAUROLL LOAN ORIGINATION

STRONG GROWTH

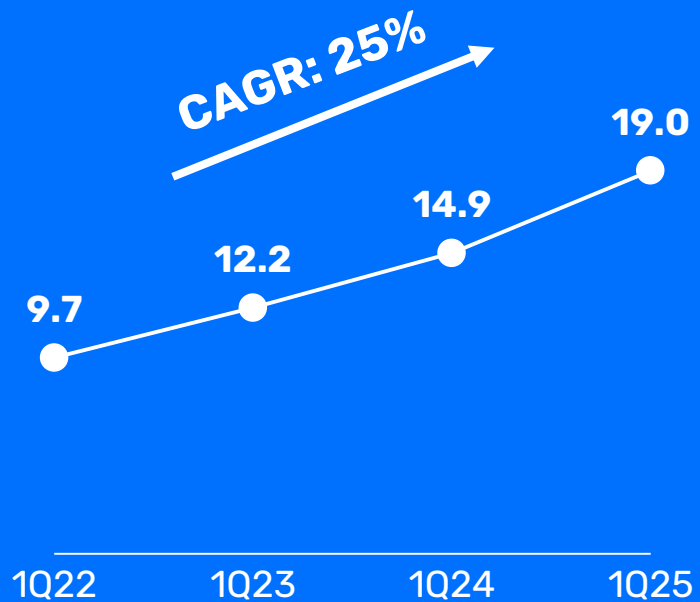
BRL Bn & MARKET SHARE



CREDIT PORTFOLIO

PROFITABLE AND LOW-RISK

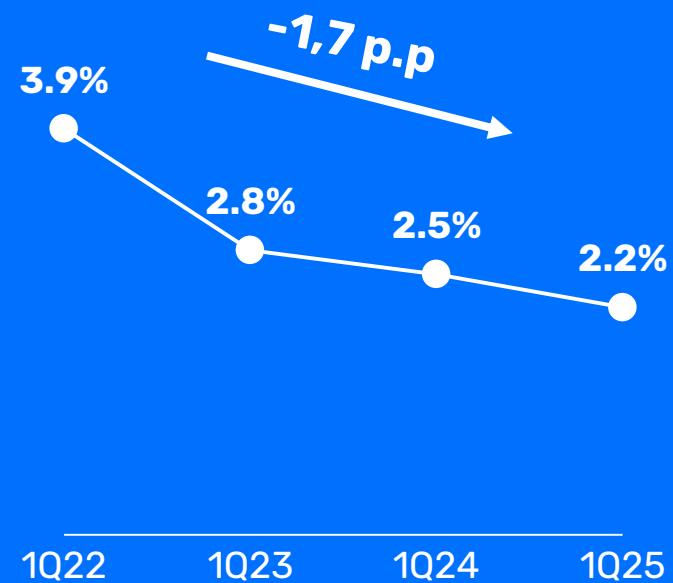
BRL Bn



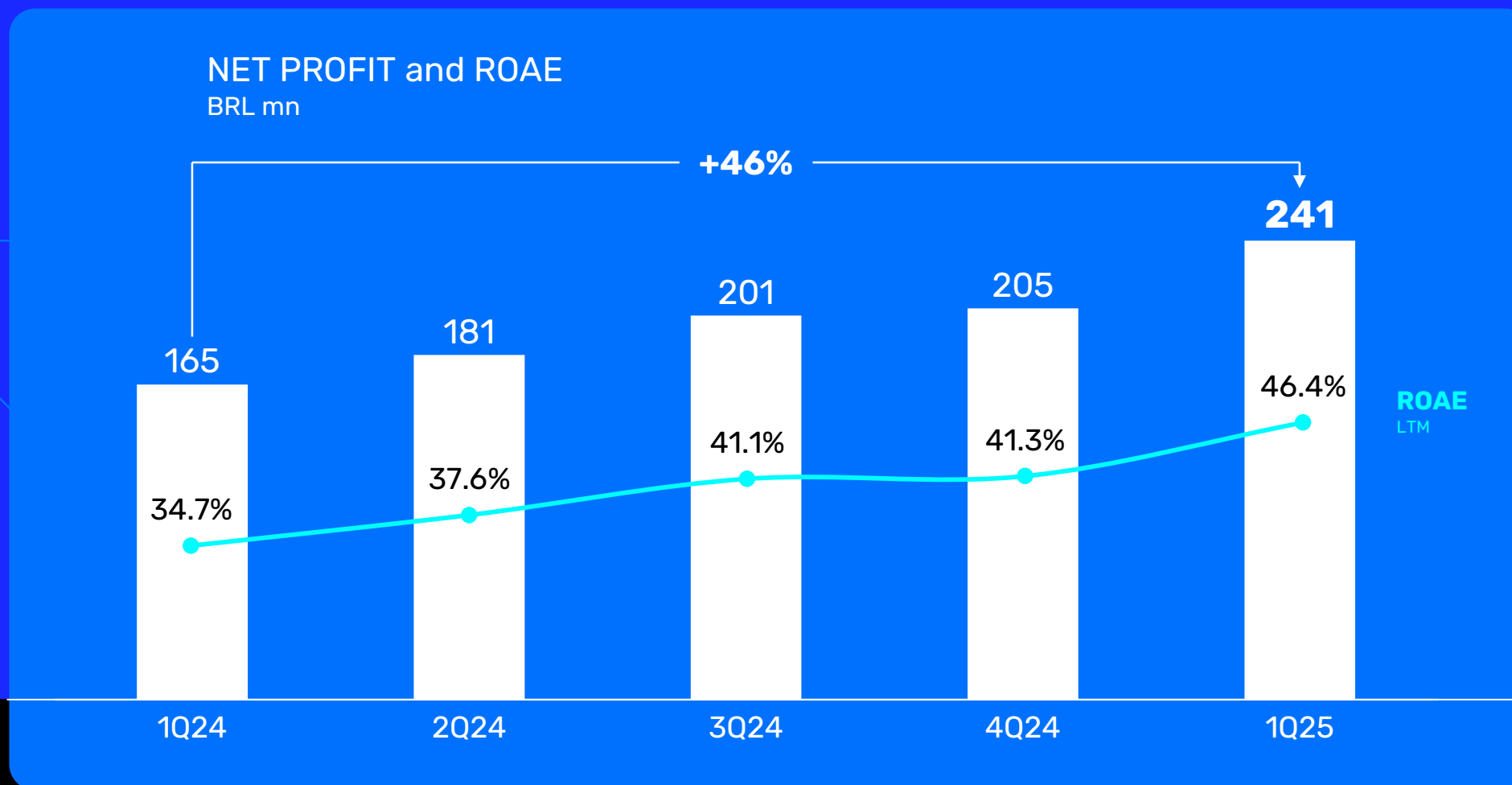
NPL's

AT EXCELLENT STANDARDS

OVER 90



CONSECUTIVE RECORD RESULTS DEMONSTRATE THE STRENGTH OF THE BUSINESS MODEL.



PROSPECTIVE EXPANSION

CHEGA MAIS



25
NEW
BRANCHES

Florianópolis | SC
Itajaí | SC
Criciúma | SC
São José | SC
Tubarão | SC

Chapecó | SC
Blumenau | SC
Brusque | SC
Palhoça | SC
Jaraguá do Sul | SC

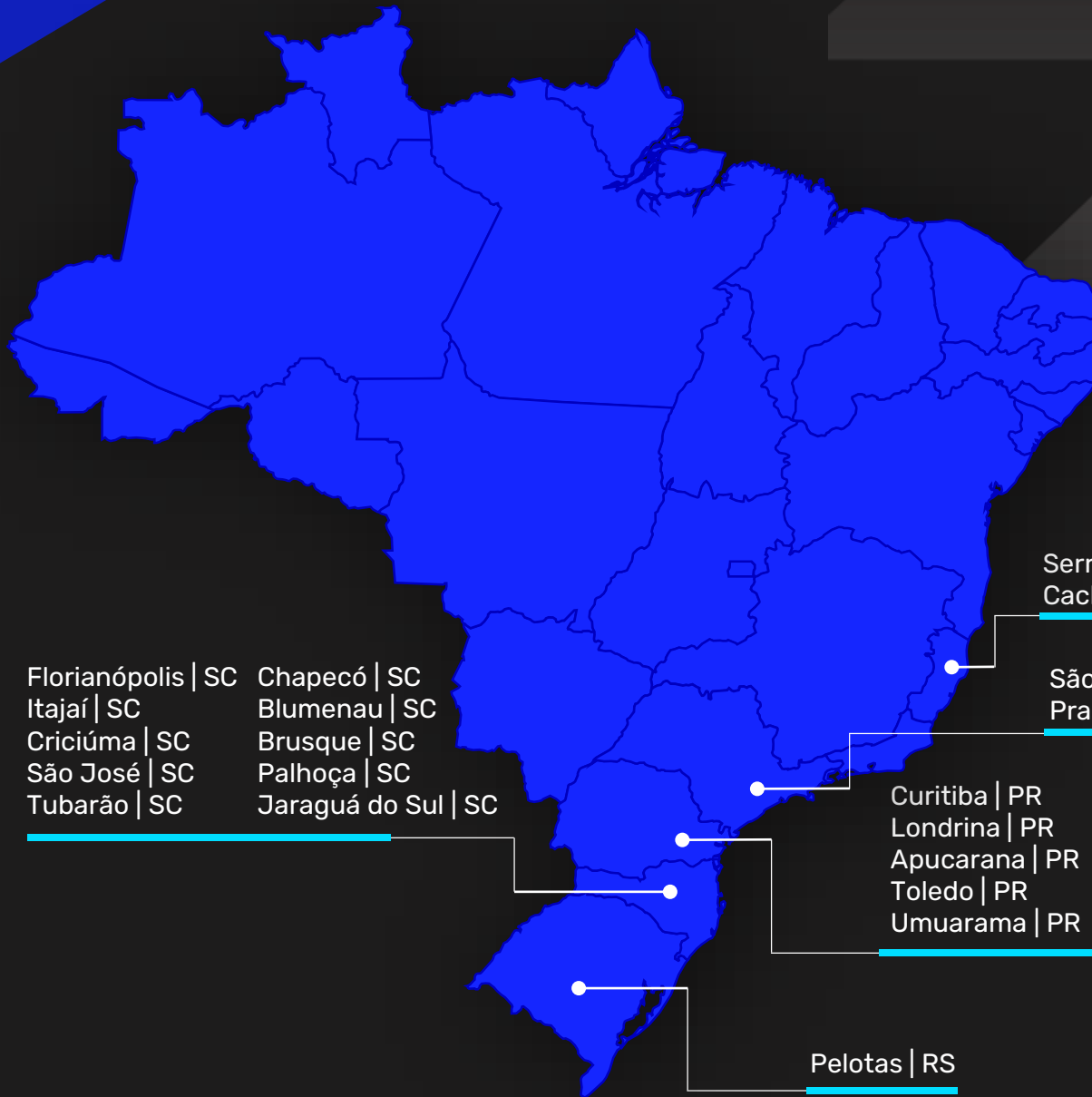
Serra | ES
Cachoeiro de Itapemirim | ES

São Paulo | SP
Praia Grande | SP

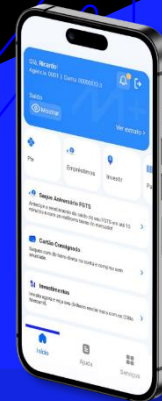
Curitiba | PR
Londrina | PR
Apucarana | PR
Toledo | PR
Umuarama | PR

Ponta Grossa | PR
Foz do Iguaçu | PR
Cascavel | PR
Guarapuava | PR
São José dos Pinhais | PR

Pelotas | RS



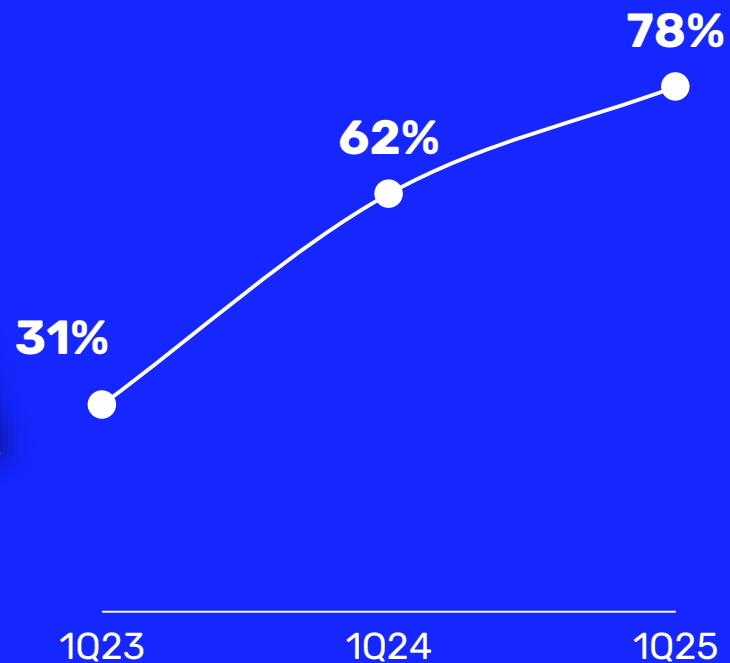
Customer digitalization was
the main driver of our growth.



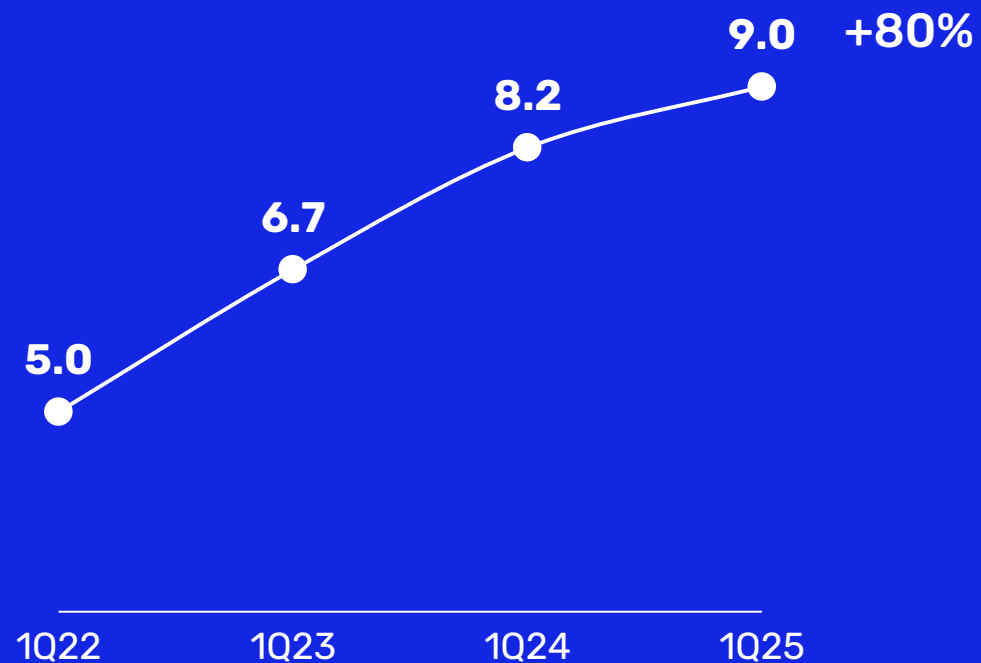
76% OF CLIENTS

ACTIVATED THE APP
WHEN OPENING THEIR ACCOUNT IN
1Q25

% of Digital Loan Origination
App and WhatsApp



Clients (MN)



QUARTER HIGHLIGHTS

1Q25 VS 1Q24

QUARTERLY NET
PROFIT

BRL 241 mn

+46% ↗

CREDIT
PORTFOLIO

BRL 19.0 bn

+27% ↗

NPL > 90

2.2 %

-36 bps ↘

PAYROLL LOAN
PORTFOLIO

BRL 12.1 bn

+42% ↗

QUARTERLY
SERVICE
REVENUE

BRL 203 mn

+27% ↗

QUARTERLY
CREDIT
ORIGINATION

BRL 5.2 bn

+54% ↗

ROAE LTM

46.4 %

+1,168 p.p. ↗

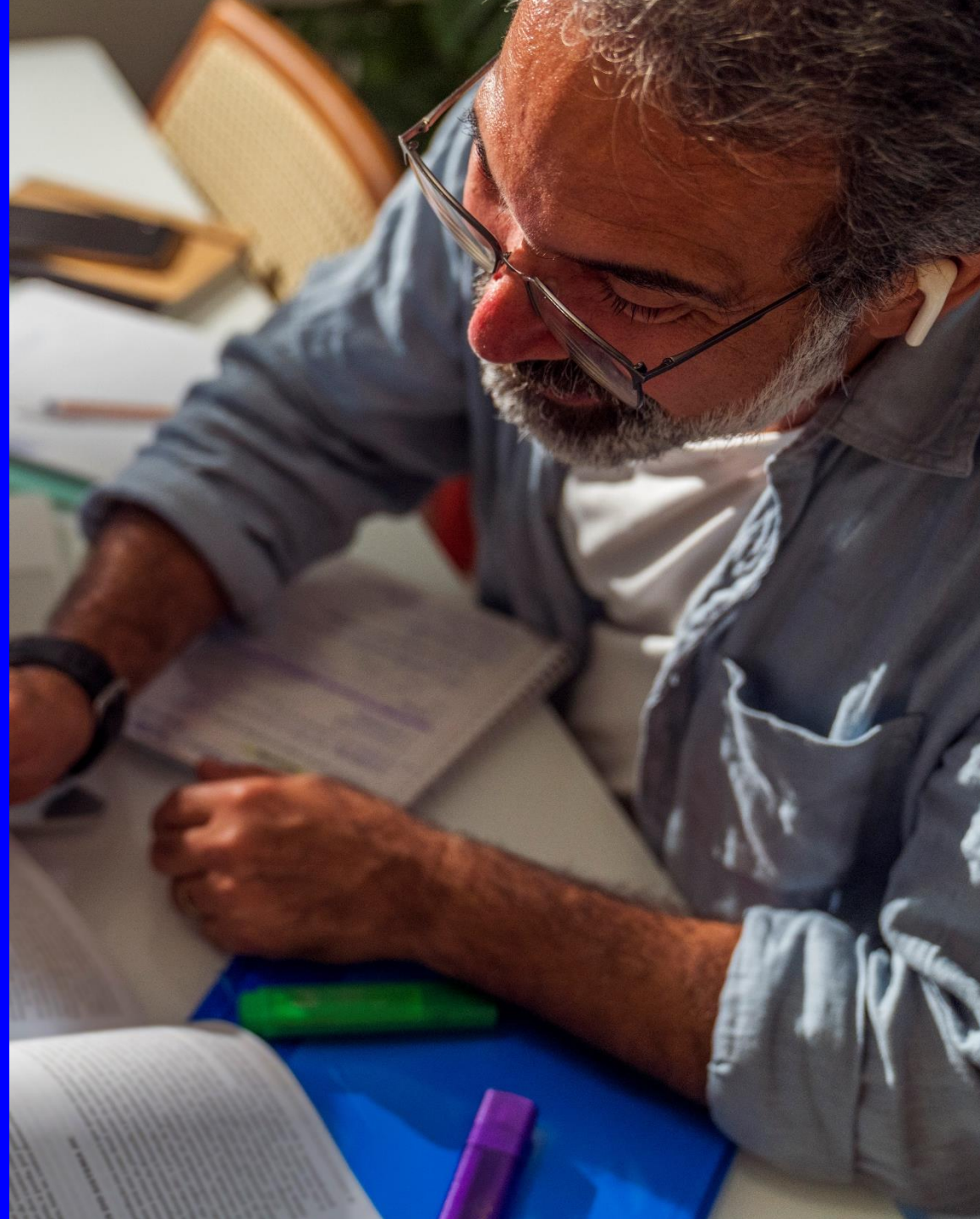
CAPITAL
ADEQUACY RATIO
(BASEL III)

16.4 %

-71 bps ↘

BANCO MERCANTIL

- CREDIT
- SERVICES
- FUNDING
- CAPITAL
- PROFITABILITY

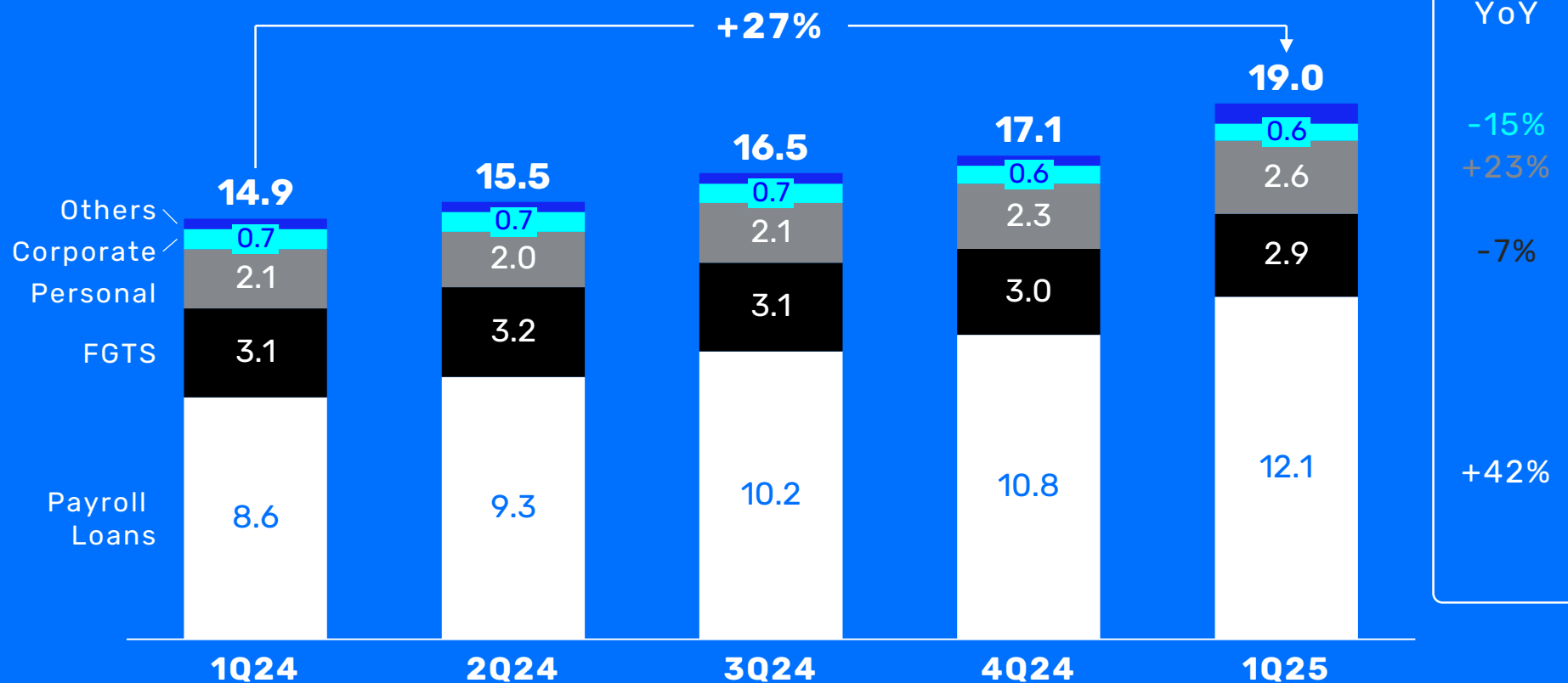




WE CONTINUE TO EXPAND OUR LOAN PORTFOLIO WHILE PRESERVING **HIGH-QUALITY ASSETS**

CREDIT PORTFOLIO

BRL bn



79%

**COLLATERALIZED
CREDIT¹**

2.2%

**NPL
> 90 DIAS**

GROWTH

2.4x

Above the Brazilian
Credit Portfolio -
Individuals²

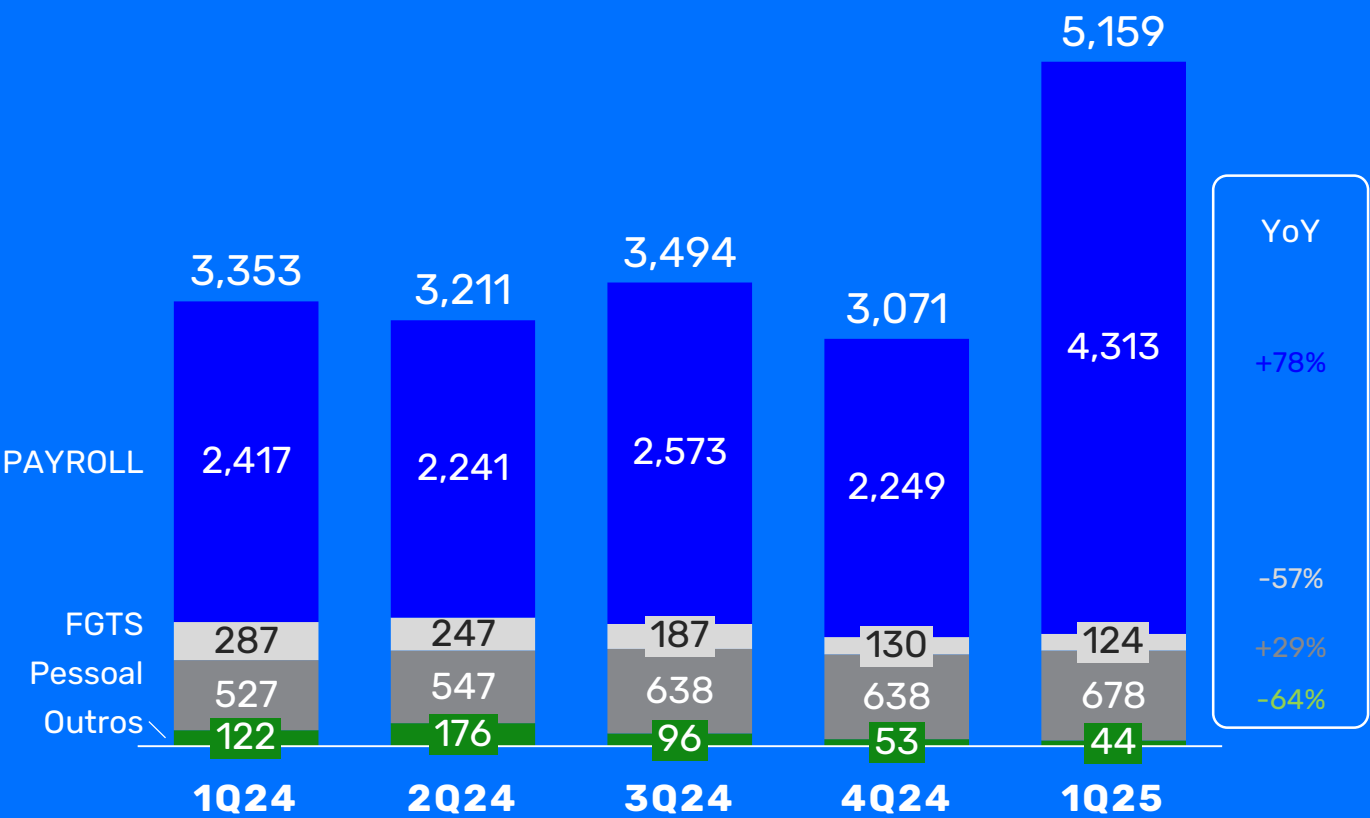
25%

CAGR 3 YEARS

PAYROLL LOANS played a **LEADING ROLE** in loan origination this quarter

CREDIT ORIGINATION

BRL mn



74.4%

Payroll Digital Origination
in 1Q25

Origination Payroll Loan

100%
via own
Network

PAYROLL LOANS SHARE¹

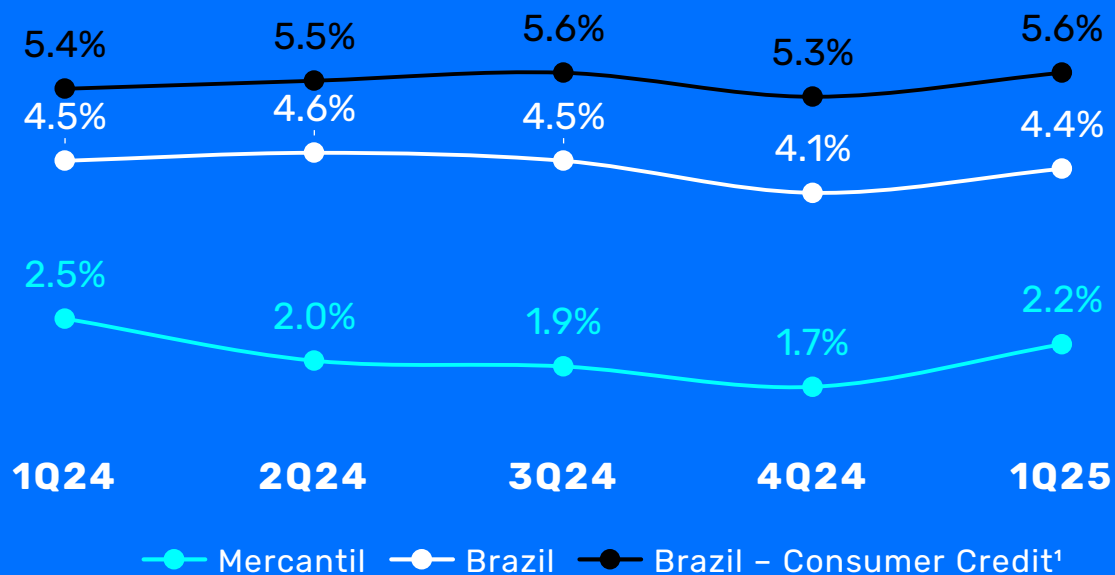
% Quarterly



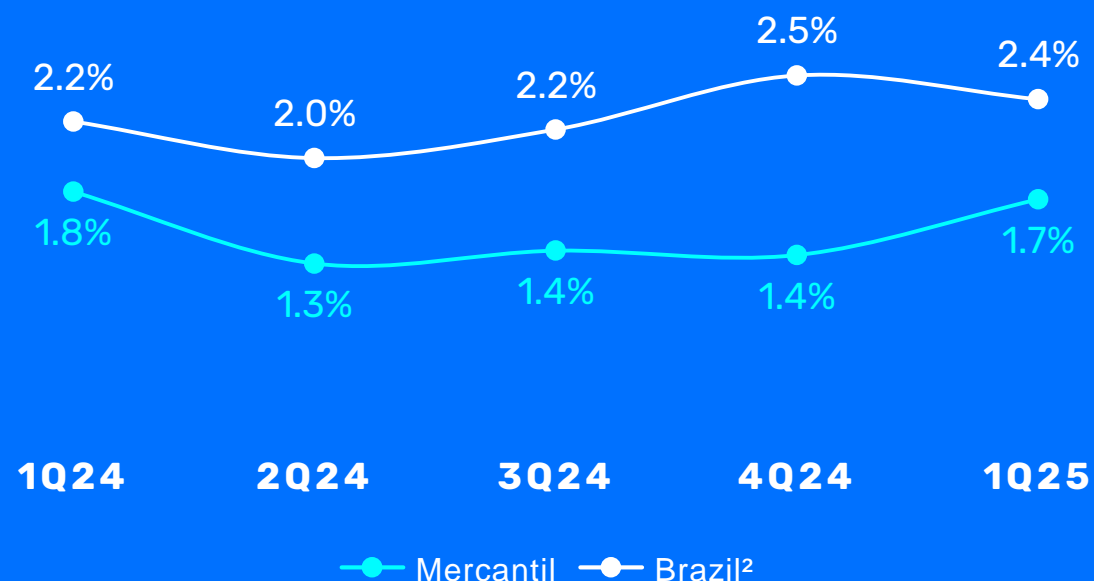


DELINQUENCY LEVELS **BELOW** MARKET AVERAGE

NPL Over 90 (%)



NPL Over 15 - 90 (%)

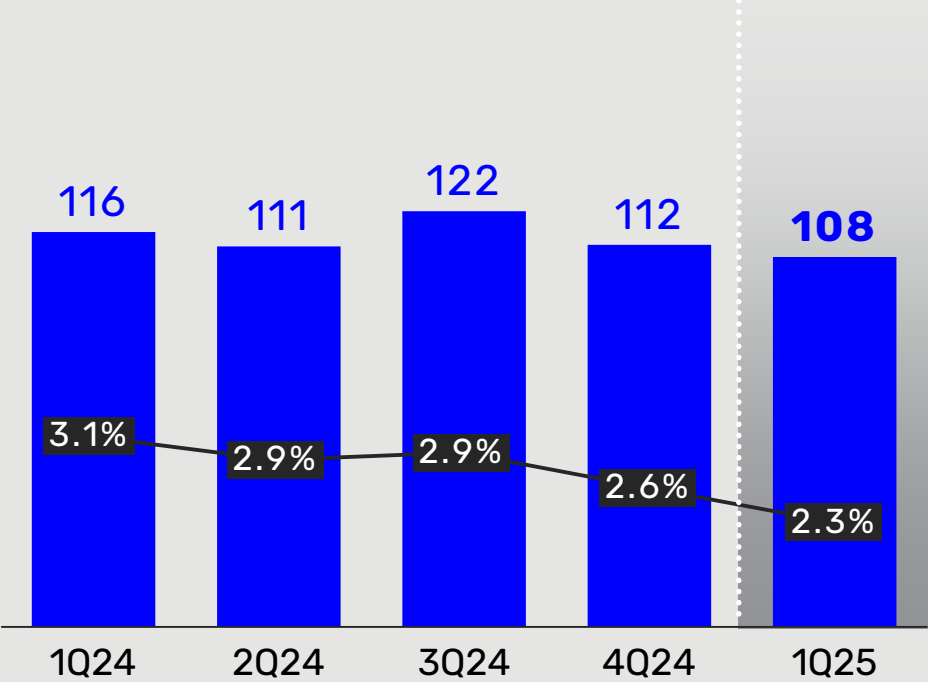


Cost of credit remains at a controlled level with a focus on efficiency in **RISK MANAGEMENT**

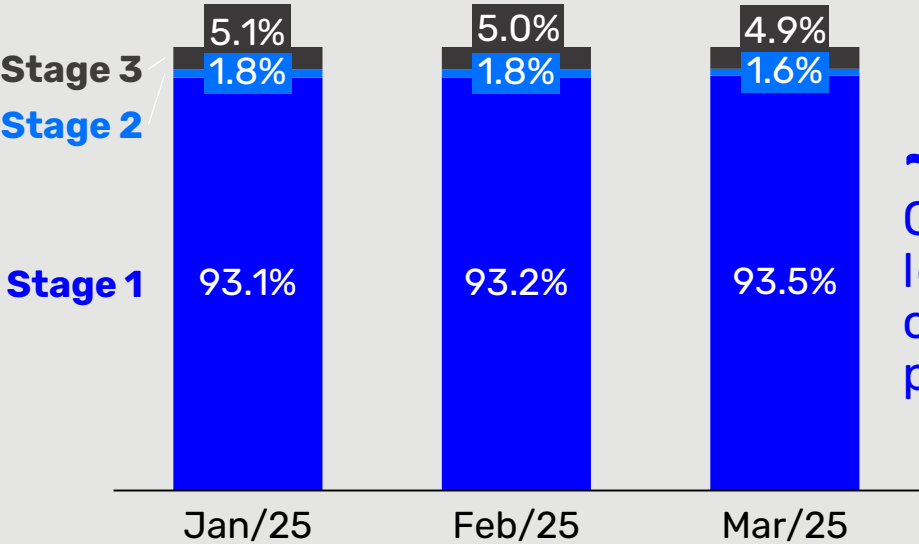
QUARTERLY NPL PROVISION & % PORTFOLIO¹

BRL mn

4,966
RESOLUTION

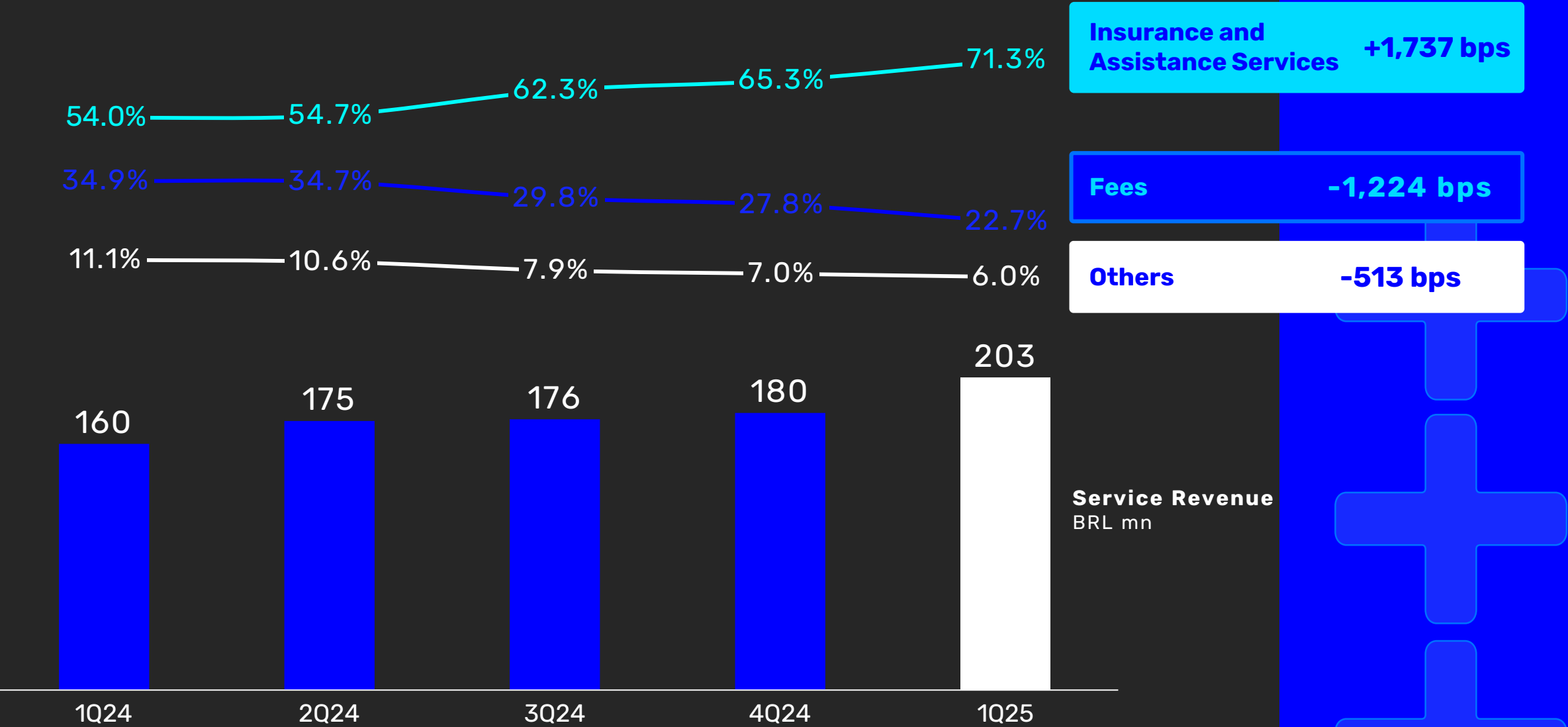


PORTFOLIO BY STAGES



~50%
Of stage 3
loans
current (non
past-due)

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



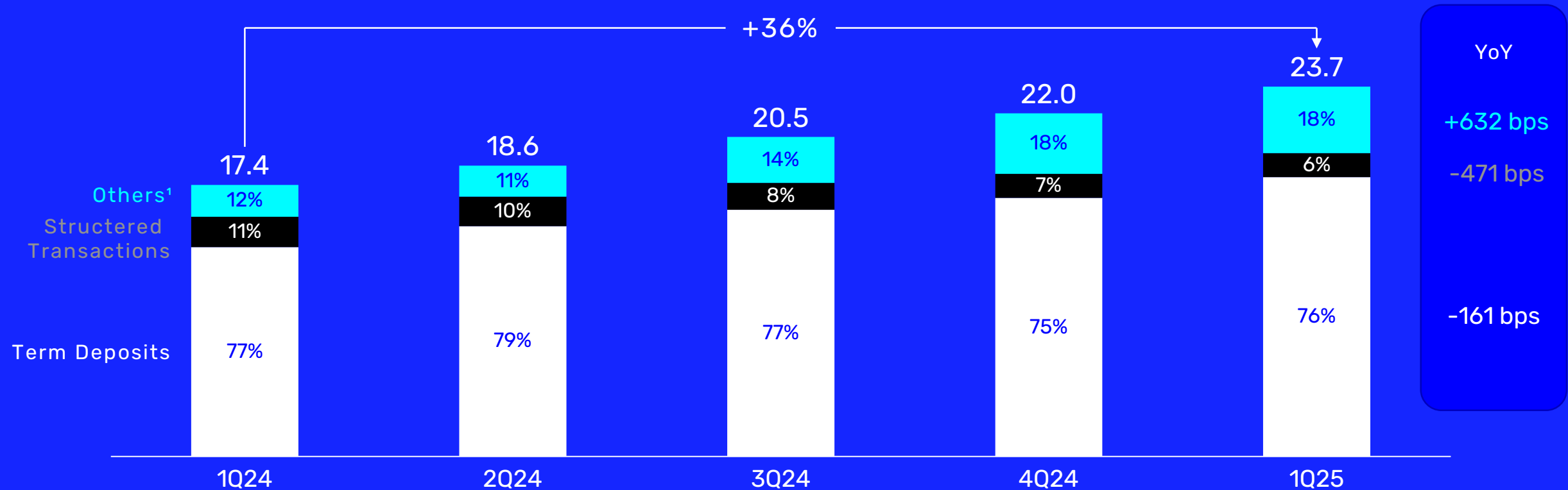
Our funding is **diversified and widespread.**

100.1%

Funding Cost
Last 12 months, % CDI
Benchmark

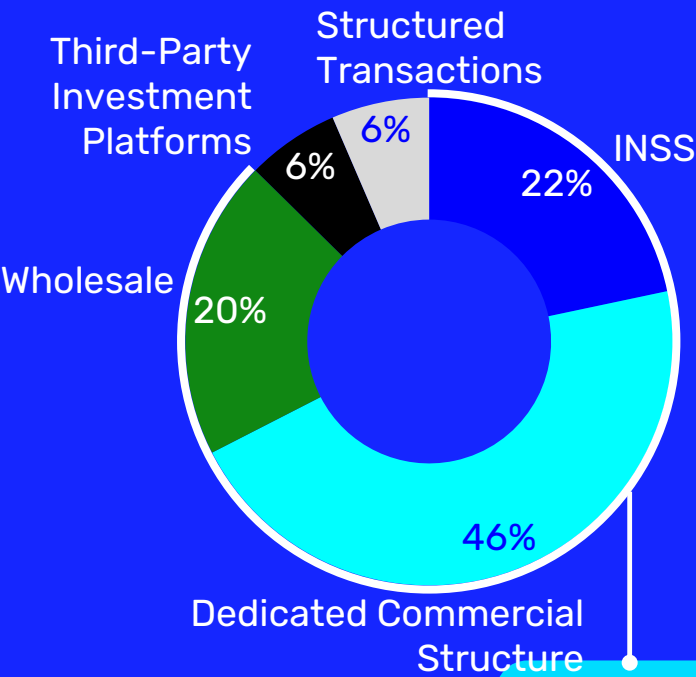
Funding Balance and Cost

BRL bn



Robust structure for funding through
PROPRIETARY CHANNELS.

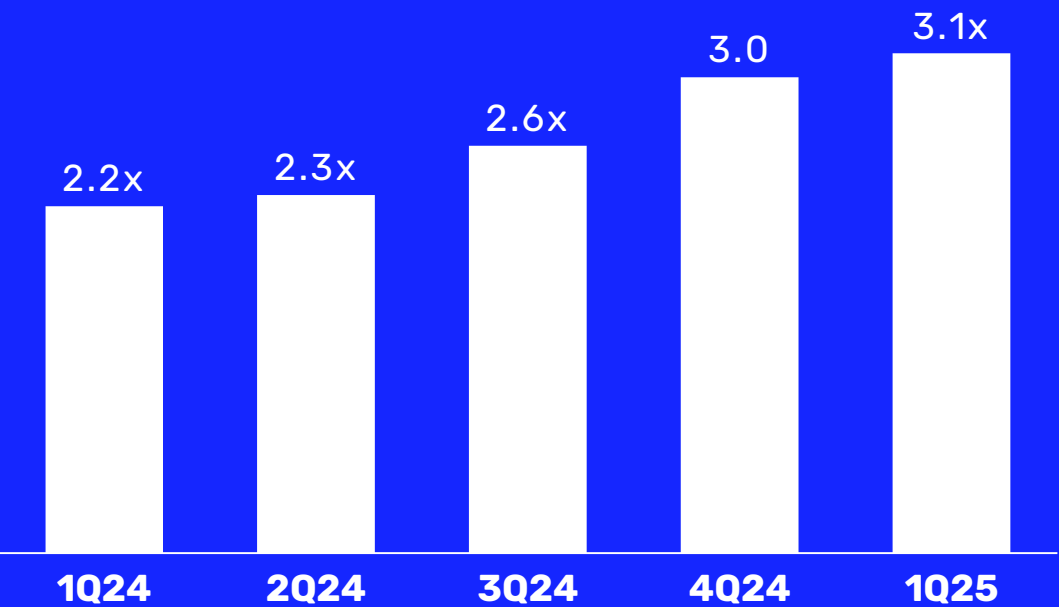
FUNDING SOURCES



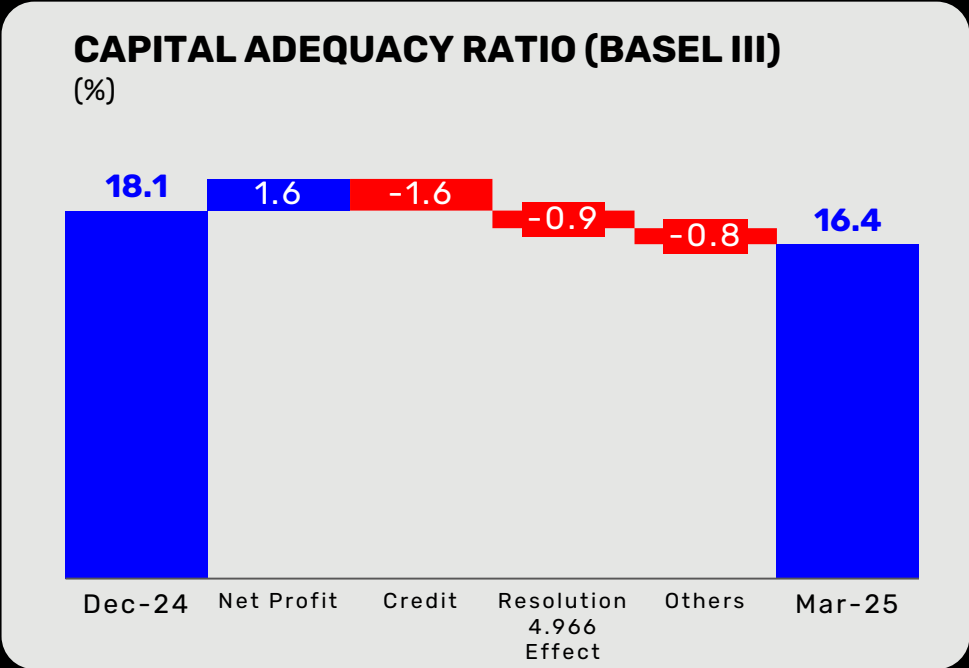
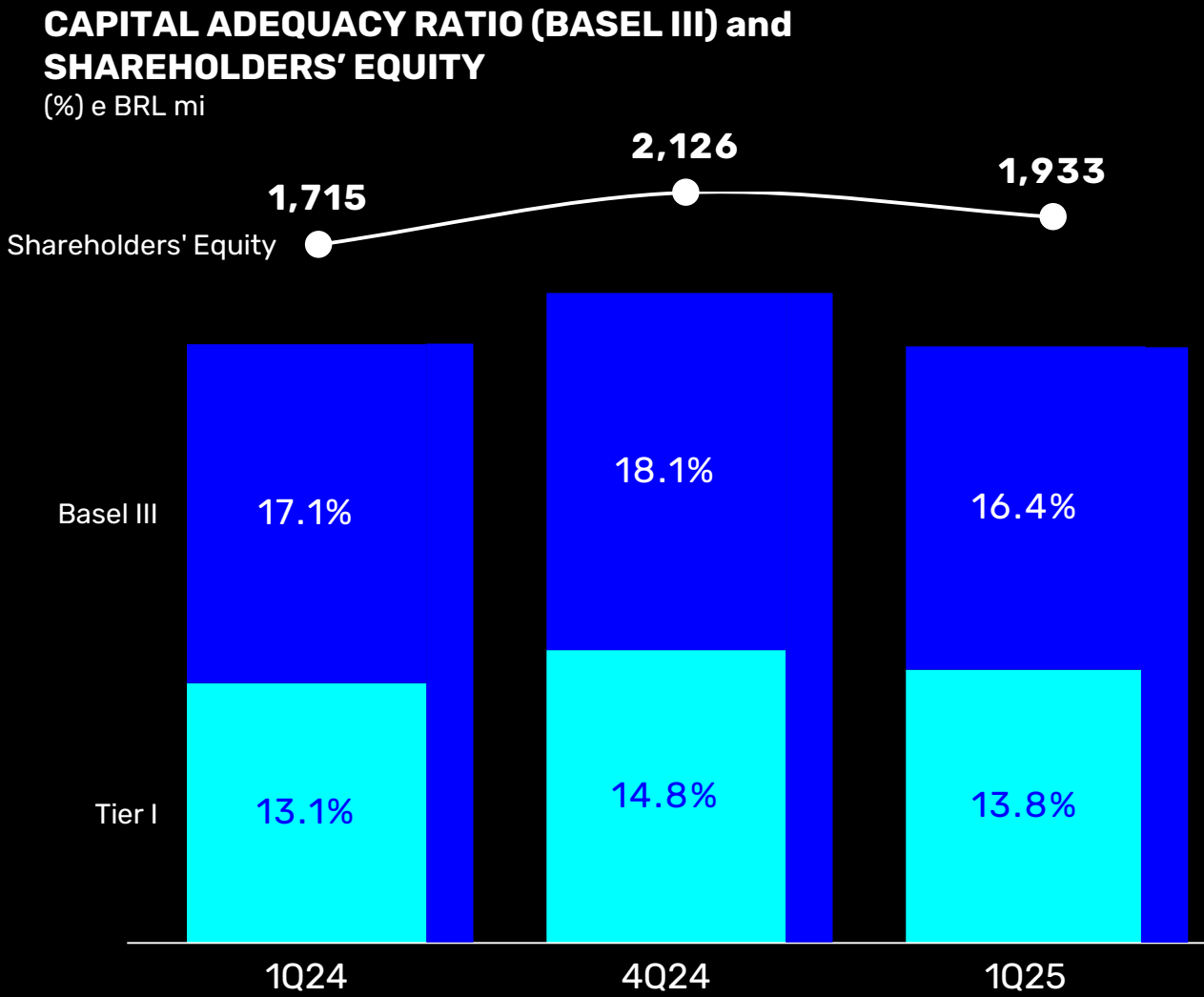
87%

Own Commercial Structure

LIQUIDITY COVERAGE RATIO



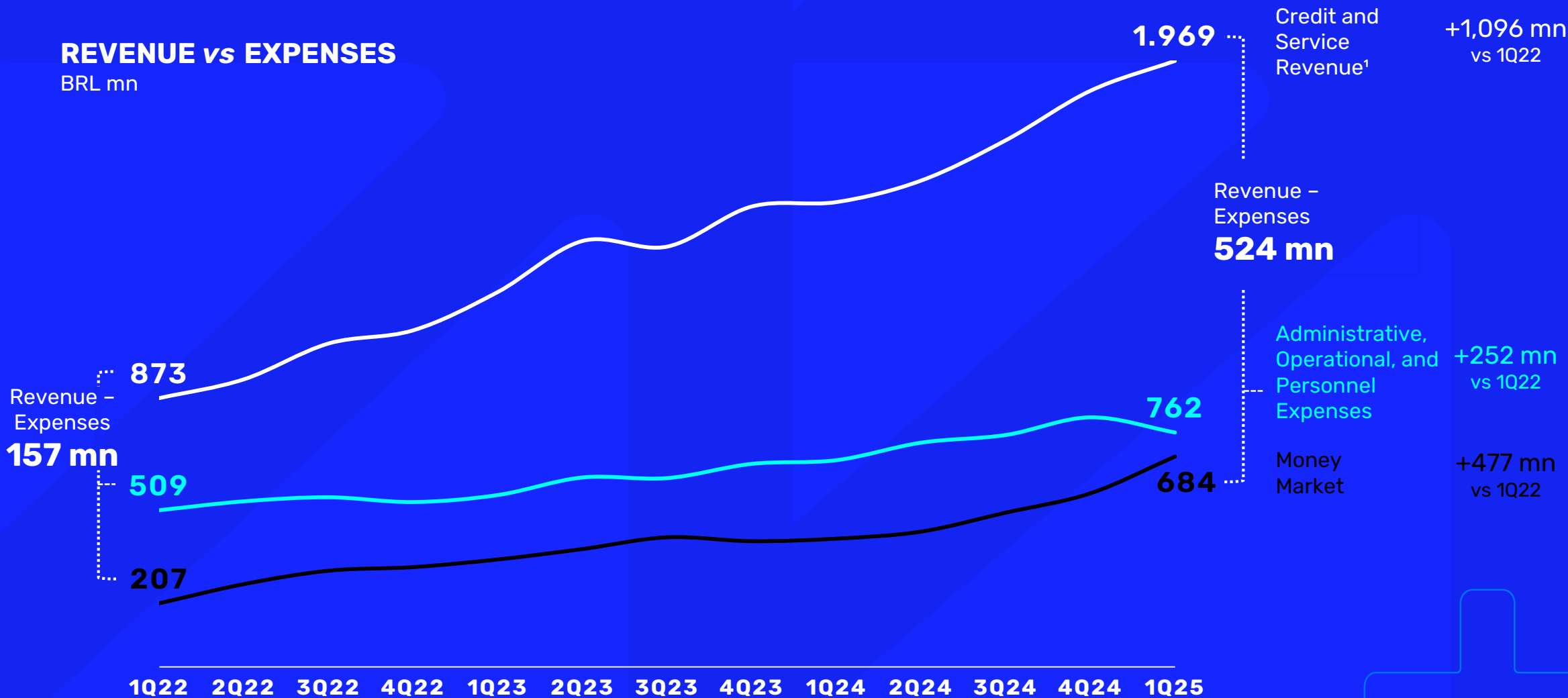
We maintain a **STRONG** level of **CAPITALIZATION** after absorbing the impacts of 4,966 Resolution.



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**.



OUR REVENUE CONTINUES TO GROW while we preserve our margin

REVENUE and NET INTEREST MARGIN (NIM)²

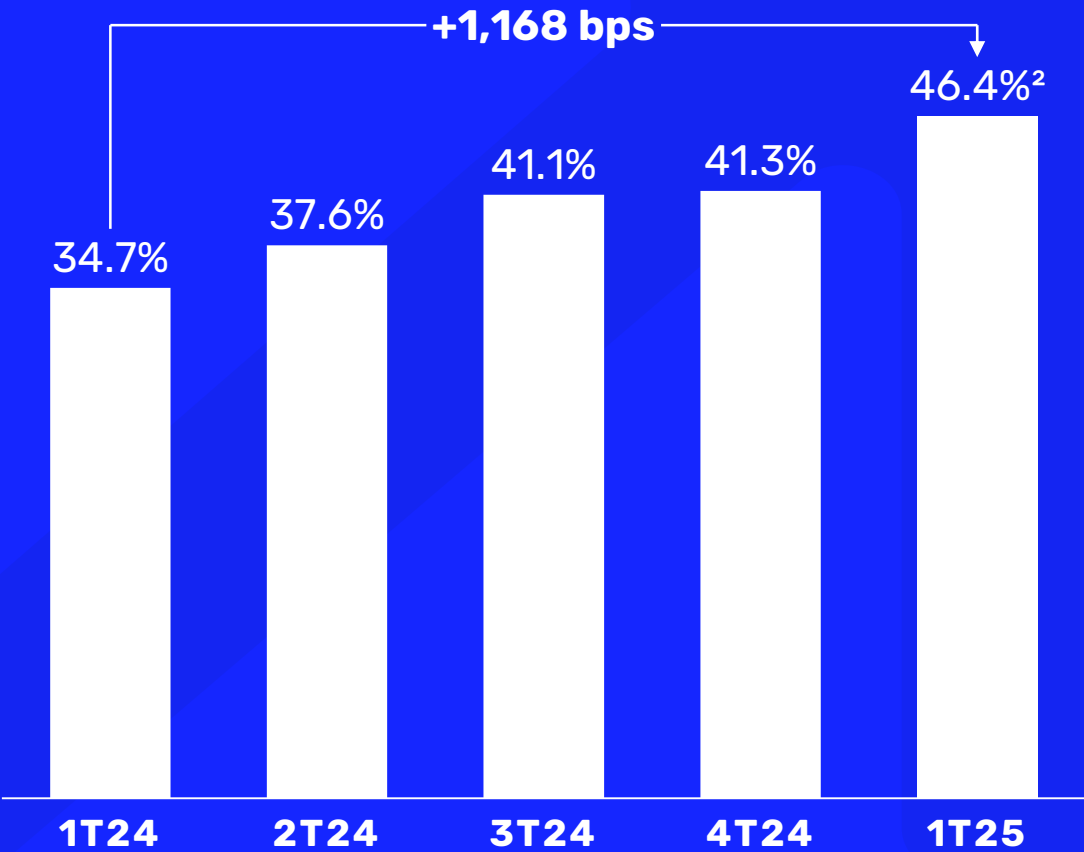
BRL mn



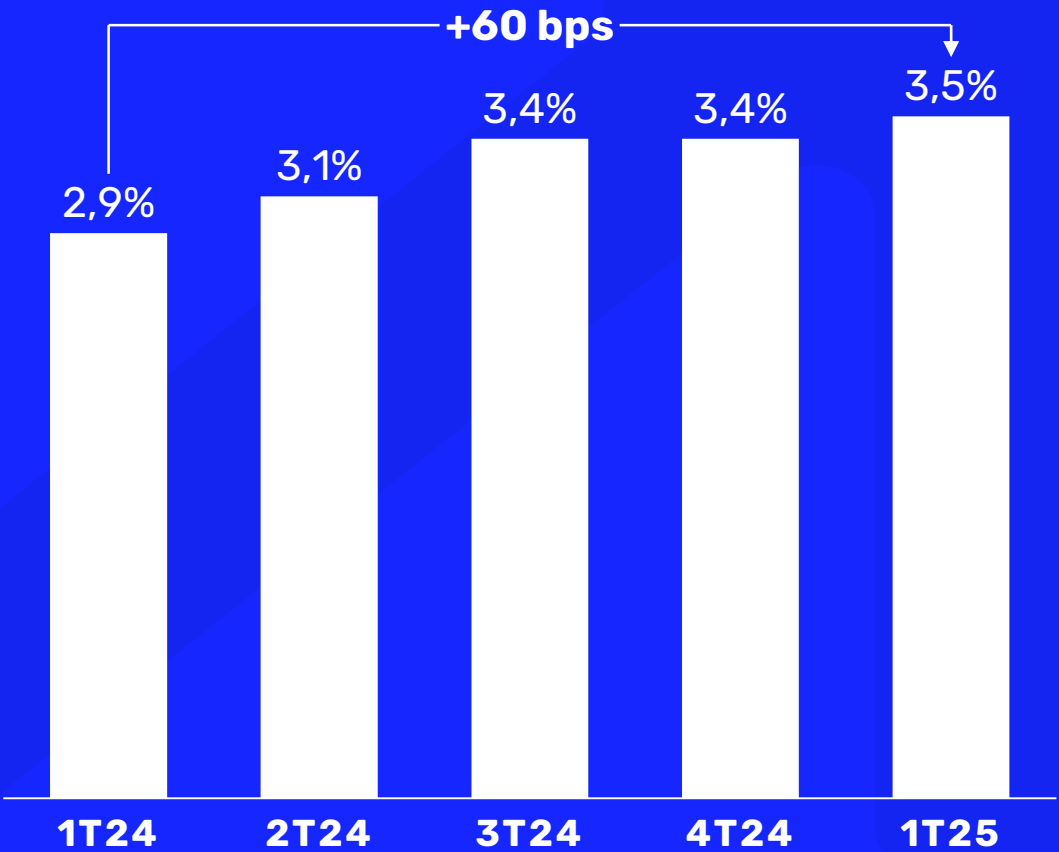
(1) NII = Interest Income - Interest Expenses
(2) (2) NIM = Net Interest Income for the reference quarter / Average interest-earning assets for the reference quarter and the previous one.

Over the past 12 months, **PROFITABILITY** metrics also show continuous **IMPROVEMENT**

ROAE LTM



ROAA LTM



(1) Excluding the effects of Resolution No. 4,966, the figure would be 42.2%



BANCO
MERCANTIL

FALE COM O RI

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