

Earnings Summary

Banco do Brasil recorded adjusted net income of R\$9.5 billion in 3Q24, up 8.3% YoY, and a 21.1% ROE.

In the quarterly comparison, income was influenced by NII growth (+1.3%) and fee revenue (+2.8%), combined administrative expenses under control (+1.4%).

Loan portfolio grew 1.9%, influenced by agribusiness, individuals and companies performance. ALLL expanded view grew 29.2%.

Year-to-date, adjusted net income was R\$28.3 billion, 8.4% growth, mainly influenced by NII (+13.9%) and fee income (4.8%) performance.

Meanwhile, administrative expenses remain under control (+4.9%). YoY, loan portfolio grew 13.0%, with all segments growing. ALLL expanded view grew 28.7%. Thus, ROE was 21.5%.



Support for Rio Grande do Sul

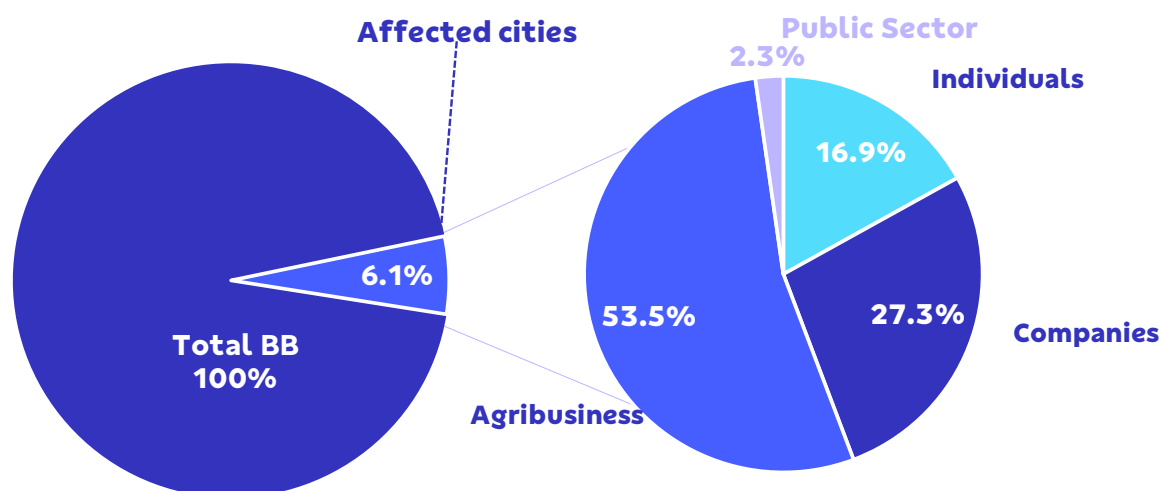
BB is solidary with Rio Grande do Sul's population due to the calamity that hit the state and is committed to aiding families and businesses affected by the floods. The company is committed to actions that prioritize offering immediate and effective assistance to the affected population, fulfilling the purpose of "Being close and relevant in people's lives at all times".

Initially, donations of essential supplies have been collected, as well as financial donations, to provide emergency support even during the heavy rains. BB approved more than R\$50 million through Fundação Banco do Brasil and allocated an additional R\$10 million, resulted from companies and society donations, to reinforce the population's care.

During this period, Banco do Brasil conglomerate made business conditions more flexible to support the transition of customers, employees and partners, among which the following stood out fee exemption, initiatives in consortium, insurance and payment methods businesses.

In September/24, the credit portfolio in Rio Grande do Sul was R\$67.4 billion, being R\$61.2 billion only in cities in emergency or public calamity (which corresponds to 6.1% of the internal credit portfolio). In total, Banco do Brasil carried out 3.7 million transactions with 706.1 thousand customers, with 66% of these transactions holding real guarantees and 92.8% of the portfolio held in affected cities classified as AA-C risk.

Figure 1. Credit Exposition – Rio Grande do Sul



To find out more details about Banco do Brasil's support measures for Rio Grande do Sul, visit BB Apoia website at <https://www.bb.com.br/site/pravoce/atendimento/bb-apoia/>



Income Statement

Table 2. Summary Statement of Income – R\$ million

	3Q23	2Q24	3Q24	Δ% Y/Y	Δ% Q/Q	9M23	9M24	Δ% YTD
Net Interest Income	23,680	25,549	25,870	9.3	1.3	67,728	77,153	13.9
Loan Operations	34,430	34,704	35,412	2.9	2.0	100,349	104,415	4.1
Treasury	13,063	10,878	10,868	(16.8)	(0.1)	34,780	33,708	(3.1)
Commercial Funding	(20,821)	(16,665)	(17,091)	(17.9)	2.6	(58,089)	(51,042)	(12.1)
Institutional Funding	(2,992)	(3,368)	(3,319)	10.9	(1.5)	(9,311)	(9,928)	6.6
ALLL Expanded View	(7,516)	(7,807)	(10,086)	34.2	29.2	(20,548)	(26,435)	28.7
ALLL – Recovery of Write-offs	2,131	2,983	2,597	21.9	(12.9)	6,170	7,571	22.7
ALLL – Credit Risk	(9,164)	(9,610)	(11,627)	26.9	21.0	(21,807)	(31,237)	43.2
ALLL – Impairment	(93)	(272)	(663)	614.8	143.6	(3,670)	(1,134)	(69.1)
ALLL – Discount Granted	(391)	(908)	(393)	0.5	(56.7)	(1,240)	(1,635)	31.8
Net Financial Margin	16,163	17,742	15,784	(2.3)	(11.0)	47,180	50,718	7.5
Fee income	8,670	8,845	9,096	4.9	2.8	25,088	26,285	4.8
Administrative Expenses	(8,926)	(9,245)	(9,373)	5.0	1.4	(26,202)	(27,496)	4.9
Legal Risk ¹	(1,584)	(1,804)	(1,978)	24.9	9.6	(4,022)	(5,305)	31.9
Net Gains from Equity Method Investments	1,885	1,945	1,942	3.0	(0.1)	5,373	5,729	6.6
PREVI – Plano de Benefícios I	567	616	700	23.4	13.7	2,335	1,931	(17.3)
PREVI – Fundo Utilização Restatement	160	265	209	31.0	(20.9)	730	793	8.6
Other Operating Income ²	(3,931)	(4,218)	(4,252)	8.2	0.8	(11,370)	(12,545)	10.3
Profit Before Taxation and Profit Sharing	13,005	14,145	12,129	(6.7)	(14.2)	39,112	40,111	2.6
Income and Social Contribution Taxes	(2,139)	(2,530)	(500)	(76.6)	(80.2)	(7,038)	(5,408)	(23.2)
Employee and Directors Profit Sharing	(1,119)	(1,208)	(1,209)	8.1	0.1	(3,327)	(3,600)	8.2
Non-Controlling Interests	(962)	(905)	(906)	(5.8)	0.1	(2,627)	(2,787)	6.1
Adjusted Net Income	8,785	9,502	9,515	8.3	0.1	26,119	28,317	8.4
One-Off Items	(389)	(537)	(595)	53.1	10.9	(1,162)	(1,650)	41.9
Net Income	8,396	8,965	8,920	6.2	(0.5)	24,957	26,667	6.9
ROE - %	21.3	21.6	21.1	(14) bps	(46) bps	21.3	21.5	15 bps

(1) Group containing the balance of the line 'Civil, Tax and Labor Claims'; (2) Group containing the result of the lines' Other Provisions', Tax Expenses, 'Other Income / Operating Expenses' and 'Non-Operating Result'.



Net Interest Income (NII)

Accounting NII

In 3Q24, Nil was R\$25.9 billion, up 1.3% QoQ and 13.9% in the year-to-date comparison.

In the QoQ comparison, there was a 1.5% increase in financial revenues (+2.0% in loan operations and -0.1% in treasury), and a 1.9% increase in financial expenses, which were influenced by the 2.6% increase in commercial funding expenses.

Year-to-date, there was a 2.2% increase in financial revenues (+4.1% in loan operations and -3.1% in treasury), while financial expenses decreased by 12.1%, due to the 194 bps drop in TMS for the period.

Table 3. Net Interest Income (NII) and Net Interest Margin (NIM) – R\$ million

	3Q23	2Q24	3Q24	Δ% Y/Y	Δ% Q/Q	9M23	9M24	Δ% YTD
Net Interest Income	23,680	25,549	25,870	9.3	1.3	67,728	77,153	13.9
Financial Income	47,493	45,582	46,280	(2.6)	1.5	135,128	138,123	2.2
Loan Operations	34,430	34,704	35,412	2.9	2.0	100,349	104,415	4.1
Treasury ¹	13,063	10,878	10,868	(16.8)	(0.1)	34,780	33,708	(3.1)
Financial Expenses	(23,813)	(20,033)	(20,410)	(14.3)	1.9	(67,400)	(60,970)	(9.5)
Commercial Funding	(20,821)	(16,665)	(17,091)	(17.9)	2.6	(58,089)	(51,042)	(12.1)
Institutional Funding ²	(2,992)	(3,368)	(3,319)	10.9	(1.5)	(9,311)	(9,928)	6.6
NIM - %³	4.9	4.9	4.8	(6) bps	(10) bps	4.8	4.9	14 bps
Risk Adjusted NIM - %	3.3	3.4	2.9	(39) bps	(48) bps	3.3	3.2	(10) bps
CDI / TMS - %	3.2	2.5	2.6	(58) bps	10 bps	9.9	8.0	(194) bps

(1) It includes the result from interest, tax hedging, derivatives, and other financial instruments that offset the effects of the exchange rate variation on result; (2) It includes senior bonds, subordinated debt, and domestic and abroad hybrid capital and debt instruments; (3) Net Interest Income/Earning Assets Average, annualized.

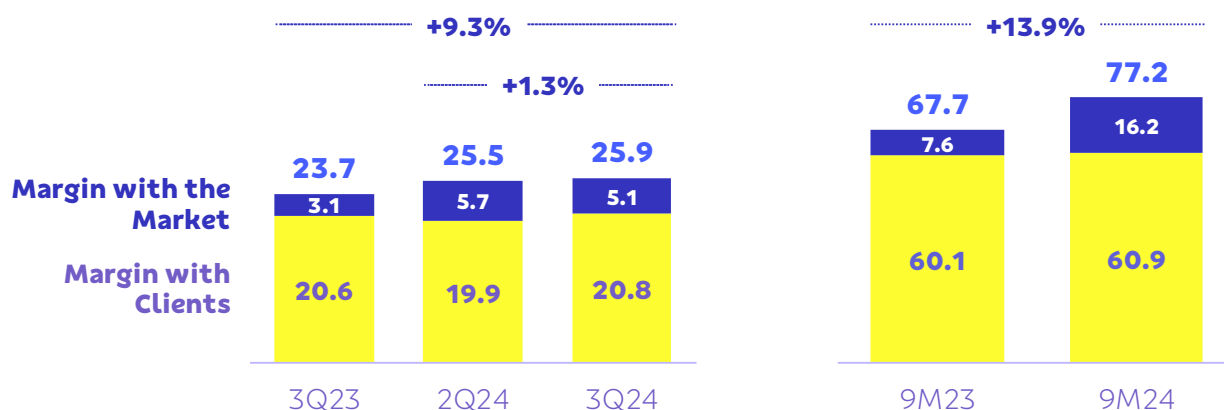


Managerial NII

Margin with Clients and with the Market

In 3Q24, Margin with Clients, up 4.8% QoQ, was mainly influenced by the funding mix with a significant share of savings and judicial deposits, and by the credit margin. In the same comparison, the Margin with Market decreased by 10.9%, influenced by the change in the composition of Banco Patagonia's securities portfolio.

Figure 2. Margin with Clients¹ and with the Market² – R\$ million



(1) Comparing with the accounting NII presented at the beginning of this chapter, the Margin with Clients is essentially formed by the loan operations income plus private securities, net of opportunity expenses for each type of operation, and by the commercial funding expenses and compulsory deposits, plus opportunity income for each type of operation; (2) Similarly, the Margin with the Market essentially consists of treasury result (excluding private securities), institutional funding expenses, Banco Patagonia's NII and net income from opportunities (income/expenses) plus income of compulsory applications..

In the year-to-date comparison, the growth in the Margin with Clients (+1.4%) was influenced by the credit margin, which, in turn, was sustained by the increase of the average balance and portfolio mix. In the same comparison, the positive performance of the Margin with Market (+112.7%) was influenced by the treasury result and the higher Banco Patagonia's NII.

Table 4. Margin with Clients and with the Market – R\$ million

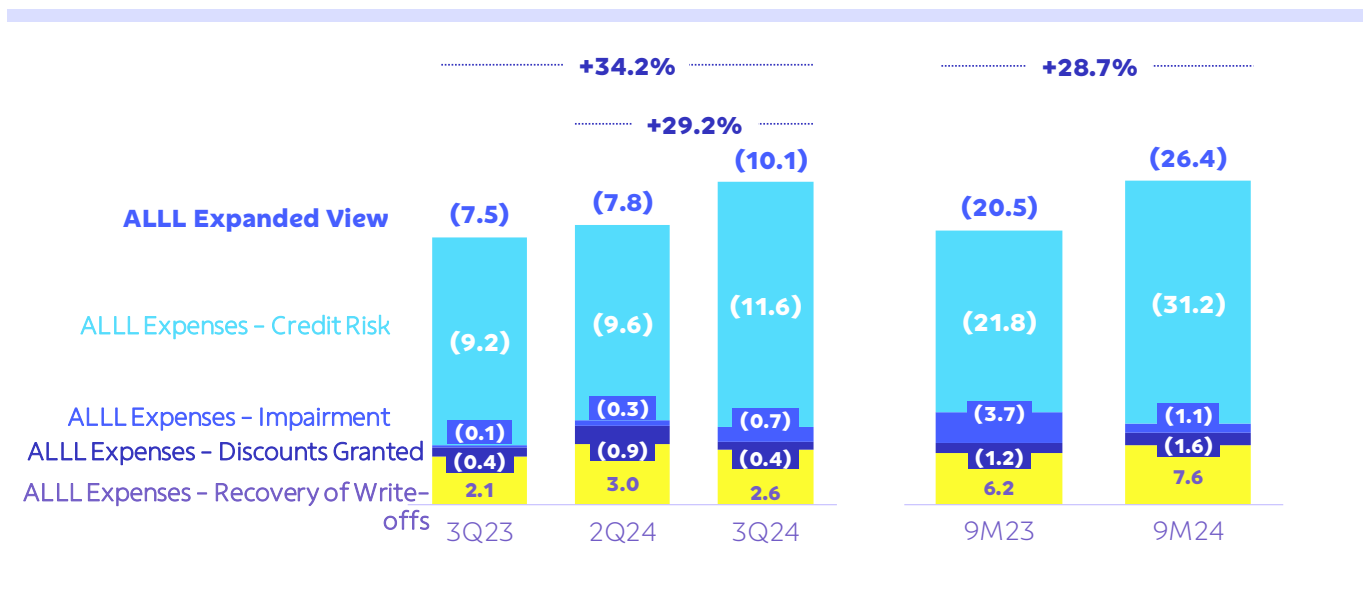
	3Q23	2Q24	3Q24	Δ% Y/Y	Δ% Q/Q	9M23	9M24	Δ% YTD
Net Interest Income	23,680	25,549	25,870	9.3	1.3	67,728	77,153	13.9
Margin with Clients	20,574	19,852	20,797	1.1	4.8	60,098	60,927	1.4
Average Balance	950,154	1,048,787	1,074,472	13.1	2.4	932,465	1,048,265	12.4
Clients Spread %	8.95	7.79	7.97	(10.9)	2.3	8.68	7.82	(9.9)
Margin with the Market	3,106	5,697	5,073	63.3	(10.9)	7,630	16,226	112.7



ALLL Expanded View

Expanded ALLL expenses, which correspond to credit risk expenses (in accordance with CMN Resolution No. 2,682/99), added to the discounts granted and impairment losses, deducted from amounts recovered from losses, was R\$10.1 billion in 3Q24 (+29.2% QoQ and +34.2% YoY). In the YTD, the growth was 28.7%, totaling R\$26.4 billion.

Table 5. ALLL Expanded View – R\$ million



Credit Risk – up 21.0% QoQ and 26.9% YoY, explained mainly by the increase in defaults in the Agro segment.

Recovery of Write-Offs – down 12.9% QoQ, which was increased by volumes of specific recoveries from large customers. Up 22.7% in YTD comparison.

Impairment – totaled R\$663 million in the 3Q24, up 143.6% QoQ, impacted by the corporate segment. Down 69.1% in YTD comparison.

Discounts Granted – down 56.7% QoQ and up 31.8% in YTD comparison.

The quarterly provision was impacted by the resolution of a customer case in judicial recovery that impacted recovery of write-offs and impairment lines.

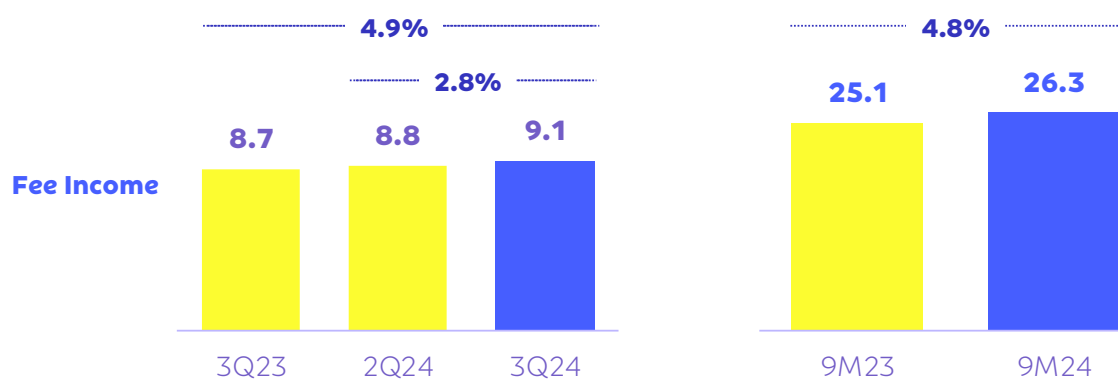


Fee Income

Fee income reached R\$9.1 billion in the 3Q24, up 2.8% QoQ, with positive performance in asset management (+5.1%), insurance, pension and premium bonds (+6.9%) and consortium (+4.7%).

Year-to-date, there was a 4.8% growth, mostly explained by the positive performance in asset management (+11.6%), insurance, pension plans and premium bonds (+10.6%), consortium (+19.1%) and capital market (+34.0%).

Table 6. Fee Income – R\$ million



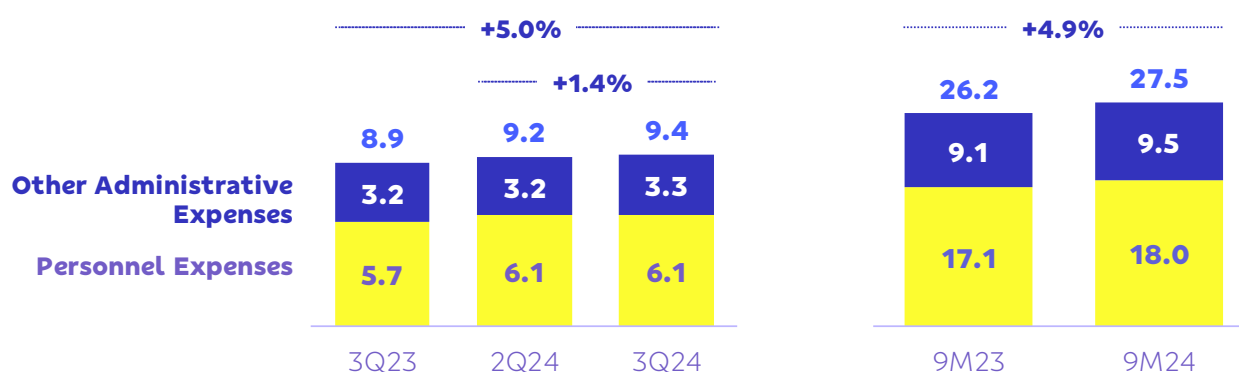


Administrative Expenses and Cost-to-Income Ratio

In the 3Q24, administrative expenses amounted to R\$9.4 billion, up 1.4% QoQ, mainly due to the 3.8% increase in Other Administrative Expenses and the 0.1% increase in Personnel Expenses.

In the 9M24, administrative expenses grew by 4.9%, as compared to the 9M23, reflecting both the impact of the salary adjustments of 4.58% in September/23 and 4.64% in September/24, and an increase in headcount due to a specific external selection for technology, cybersecurity and commercial positions. The cost-to-income ratio reached 25.4% (12 month accumulated view), the lowest historical level for the ratio reflecting consistent revenue generation and expense control.

Figure 3. Administrative Expenses – R\$ million



(1) Cost-to-Income Ratio: Administrative Expenses / Operating Income. Data referring to the Income Statement with Reallocations.



Capital Adequacy Ratio

The Basel Ratio was 14.66% in September, 2024. The Tier I capital ratio was 13.51%, of which 11.77% was CET 1 capital. The Reference Equity, which takes into account the requirements for calculating Basel's regulatory capital, reached the amount of R\$185.8 billion, an 3.7% increase YoY.

Figure 4. Capital Adequacy Ratio – %

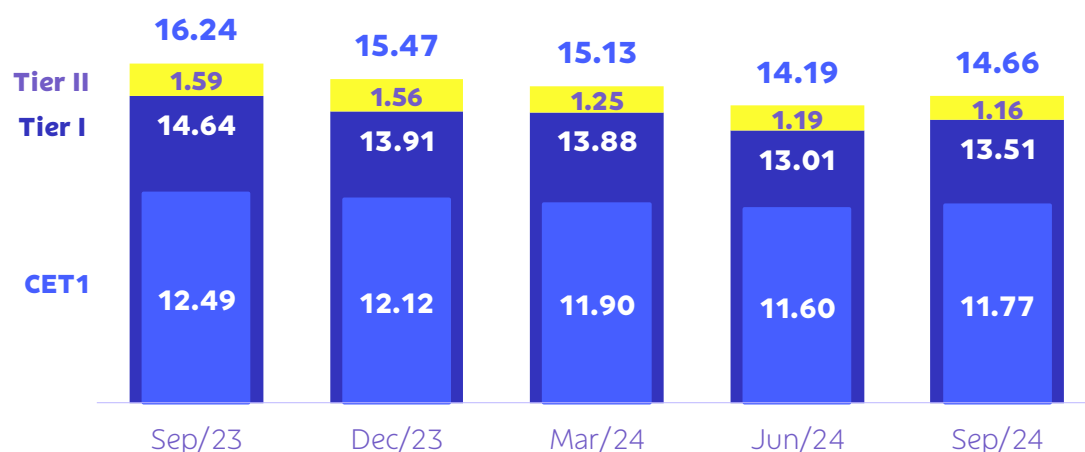
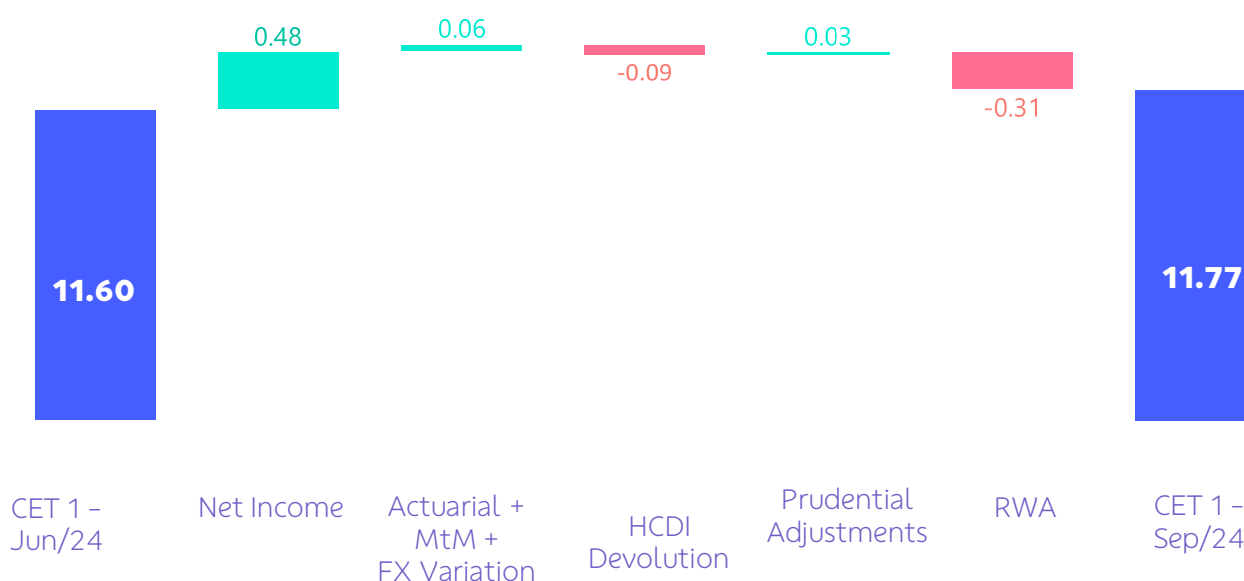


Figure 5. Changes in Common Equity Tier 1 (CET1)– %





Loan Portfolio

Credit Volume

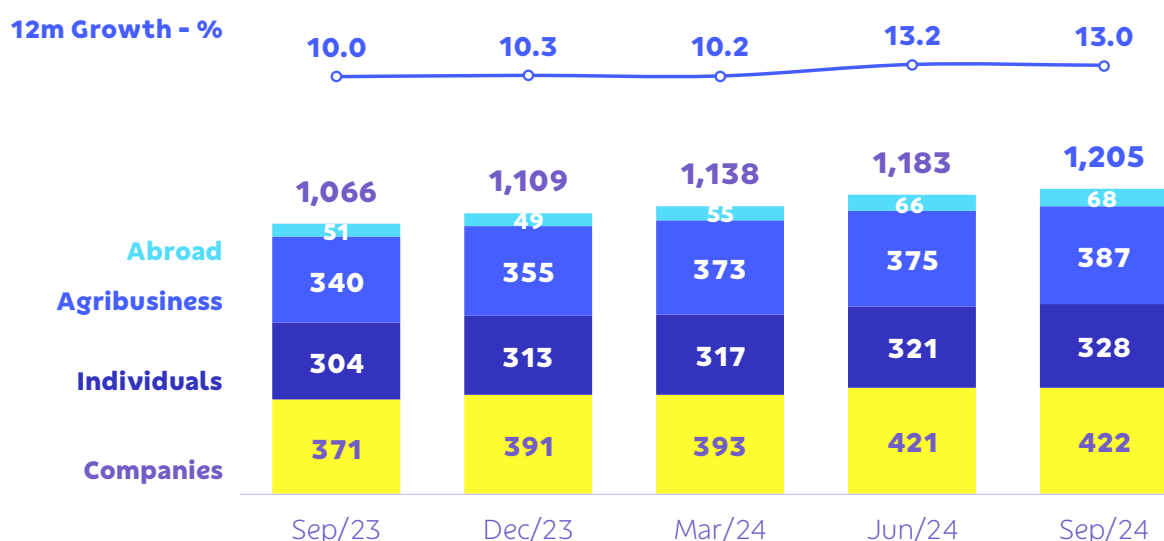
The expanded loan portfolio was R\$1.2 trillion, up 1.9% QoQ and 13.0% YoY, with a positive performance in all segments.

The individuals expanded portfolio grew 2.3% QoQ and 7.9% YoY, mainly due to the performance of payroll loans (+2.6% QoQ and +11.2% YoY).

The companies expanded portfolio grew 0.1% QoQ and 13.5% YoY, with quarterly comparison highlight for the performance investments (+9.6%). In YoY comparison highlight for working capital (+3.9%), investments (+23.7%) and ACC/ACE (+34.7%).

The agribusiness expanded portfolio grew 3.1% QoQ and 13.7% YoY. In QoQ comparison highlight for the performance of working capital for input purchase (+7.4%), Pronaf (+3.1%) and agricultural investment (+3.0%). In 12-month comparison highlight for working capital for input purchase operations (+19.0%), investment (+16.5%) and agricultural selling (+38.4%).

Figure 6. Expanded Loan Portfolio – R\$ billion

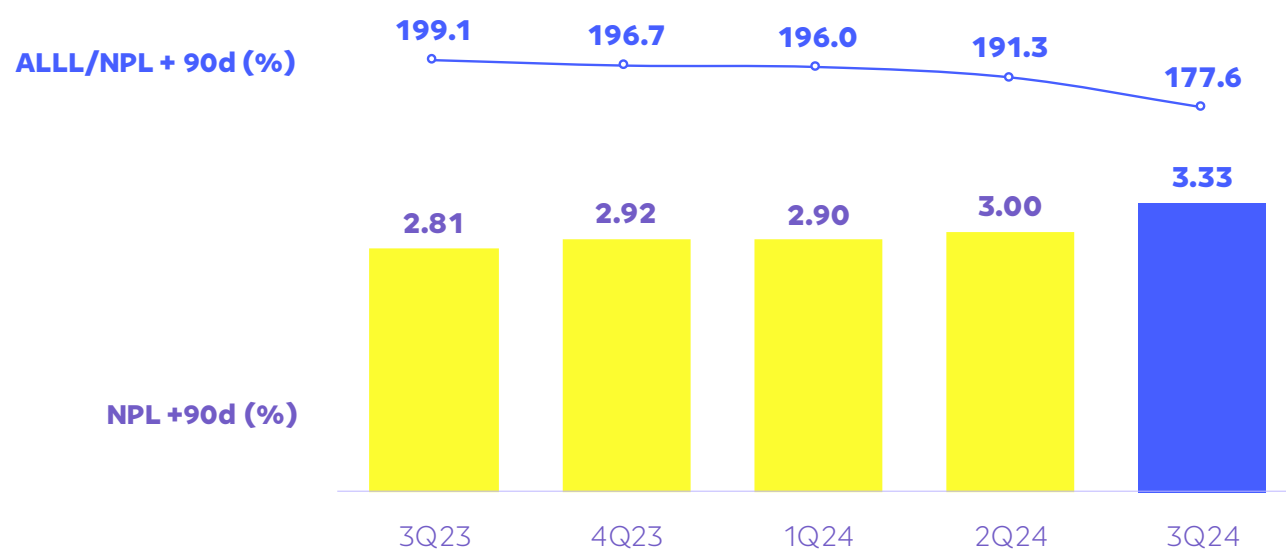




Credit Quality

The NPL+90d (ratio between operations overdue for more than 90 days and the balance of the classified loan portfolio) ended September/24 in 3.33% and coverage index at 177.6%.

Figure 7. NPL +90d and Coverage Index of Classified Loan Portfolio – %





Guidance

Banco do Brasil's guidance is prepared and presented for the reference year, with a quarterly appraisal.

The estimates are based on management's current expectations and projections about future events and financial trends that may affect the BB Conglomerate's business and are not a guarantee of future performance, in addition, they involve risks and uncertainties that may go beyond control of Management, and may, therefore, result in balances and results different from those presented.

Figure 8. 2024's Guidance

	Indicators	Released between	Observed 9M24	Reviewed between
Equity	Loan Portfolio	8% and 12%	+11.2%	unchanged
	Individuals	6% and 10%	+7.9%	unchanged
	Companies	7% and 11%	+11.8%	unchanged
	Agribusiness	11% and 15%	+13.7%	unchanged
ASG	Sustainable Portfolio	9% and 13%	+9.1%	unchanged
Income	Net Interest Income	10% and 13%	+13.9%	unchanged
	ALLL Expanded View	-34 and -31 R\$bn	-R\$ 26.4 billion	-37 and -34 bn
	Fee Income	4% and 8%	+4.8%	unchanged
	Administrative Expenses	6% and 10%	+4.9%	5% and 7%
	Adjusted Net Income	37 and 40 R\$bn	R\$ 28.3 billion	unchanged

1) The credit projections consider the domestic classified portfolio added private securities and guarantees and do not consider government credit.