

Press Release – Brasília (DF), August 10<sup>th</sup>, 2022

## BB posts a record adjusted net income of R\$ 14.4 billion in the 1H22

### A growth of 44.9% compared to last year's first half

Banco do Brasil set another record **adjusted net income** this half, totaling R\$ 14.4 billion, a growth of 44.9% compared to last year's first half. The result was influenced by the increase in the NII, by the diversification of fee income and the discipline in cost control. The cost-to-income ratio accumulated in 12 months reached 33.2%, the best in our series.

The quarterly adjusted net income reached R\$7.8 billion, 18% higher than the first quarter of 2022 and 54.8% higher than the second quarter of 2021. The **ROE** for the second quarter reached 20.6%, with a consistent growth positioning us on the same level as our private peers.

The sustainable and healthy increase in credit is one of the pillars of this earnings, in all segments. Banco do Brasil remains with a **NPL +90 days** lower than the average of the banking industry and keeps a robust coverage level, also above Industry (271%).

More than a strong result, Banco do Brasil delivered an **added value to society** of R\$ 36.9 billion, a growth of 31.1% compared to last year. The Added Value Statement (DVA) is the accounting report that shows, in a summarized way, the values corresponding to the formation of wealth generated by the company in a given period and its respective distribution.

The BIS ratio reached 17.54%, with a **CET1** of 12.49%.

### Loan Portfolio

The **loan portfolio expanded view** reached BRL 919.5 billion in June 2022, up 19.9% compared to June 2021 and 4.1% compared to March 2022. In both comparison periods, significant growth was observed in all segments.

The **Individuals expanded portfolio** grew 14.1% compared to June/21 and 2.1% compared to March/22, highlighting the positive performance of payroll loans (+2.3% QoQ and +10.5% YoY), consumer finance (+3.5% QoQ and +29.3% YoY) and credit card (+5.0% QoQ and +51.7 YoY), in line with the strategy of changing to a more profitable mix.

The **Companies expanded portfolio** presented annual growth of 19.1% and quarterly growth of 4.9%, with emphasis on the growth of working capital (+5.1% QoQ and +6.5% YoY), private securities and guarantees (+4.5% QoQ and +59.0% YoY) and receivables (+9.5% QoQ and +59.1% YoY). The **Pronampe** disbursements in August stand out, which already total more than R\$ 6.5 billion, benefiting more than 62 thousand companies.

**Agribusiness** continues with an outstanding performance. In June 2022, the expanded portfolio reached R\$ 262 billion, growth of 27.3% compared to June/21 and 2.9% over March 2022, with emphasis on the growth of CDCA (agribusiness credit rights certificate) (+34.8% QoQ and +463.4% YoY), from the rural product bills (CPR) and guarantees (+28.8% QoQ and +74.4% YoY) and investment (+4.7% QoQ and +62.0% Yoy). It is important to highlight that 46% of these operations are considered sustainable.

In July, we announced **the largest Harvest Plan in history**, allocating R\$200 billion to Brazilian agribusiness, 48% more than the amount available in the previous harvest. Of this amount, R\$ 45.5 billion will be allocated to small and medium rural producers, R\$ 110.0 billion for Corporate Agriculture, R\$ 24.5 billion in agricultural securities and working capital, in addition to another R\$ 20 billion in business with the agribusiness value chain.



It is worth noting that BB has already disbursed R\$ 27.4 billion, to date, in the 2022/2023 Harvest Plan, which demonstrates BB's strength and leadership in agribusiness, as the largest and most relevant partner of rural customers.

By the end of June 2022, we reached R\$292.2 billion in **sustainable credit operations**, a growth of 13.3% in 12 months. This amount was hired in credit lines with high environmental and/or social additionality.

## Fee Income and Administrative Expenses Dynamics

**Fee income** totaled R\$15.4 billion, up 9.1% in 12 months. In the quarter, it reached R\$7.8 billion, with annual growth of 4.3%, influenced by the commercial performance in the segments of asset management (+8.7%) and loans and guarantees (+26.0%).

**Administrative expenses** reached R\$ 16.5 billion, an increase of 5.8% compared to the first half of 2021. In the second quarter of 2022, it reached R\$ 8.3 billion, 1.3% higher than the previous quarter, below the inflation recorded in the period.

## Beyond banking

### Super App and new Portal BB

Banco do Brasil presented to customers the Super App BB and the new Portal BB ([www.bb.com.br](http://www.bb.com.br)), which bring a lighter, safer and more intuitive interface. In the App BB, the Bank offers an even more personalized experience, with new features to help organize finances and perform financial transactions and hire products and services. The Portal BB is more modern, objective and with a simpler navigation to find everything you need.

### Loja BB

In this first half, Loja BB had a flow of approximately four million customers who consumed more than R\$ 430 million in non-banking products. Our marketplace has been expanded and has 27 brands, offering cashback directly to the customer's account.

### Pioneering in digital solutions

BB was also the first bank to offer personal loans to account holders on WhatsApp. It is worth noting that around 74% of customers still did not have any personal loan with BB, which demonstrates the new channel's ability to expand business with new audiences.

Another highlight is the Paineel PJ, which joined to the Liga PJ, as a platform dedicated especially to the entrepreneurial ecosystem in the country. It is a space for the exchange of information, experiences and business connections between entrepreneurs and partners in this market, bringing solutions and opportunities.



## Corporate Projections 2022 Review

We present below our performance in the 1H22 and the corporate projections for 2022. The ranges established for the year consider the quarters seasonality.

Guidance	Previously	1H22	Revised
Adjusted Net Income – R\$ billion	23.0 to 26.0	14.4	27.0 a 30.0
Net Interest Income - %	11.0 to 15.0	12.2	13.0 to 17.0
Loan Portfolio - %	8.0 to 12.0	20.8	12.0 a 16.0
Individuals - %	10.0 to 14.0	14.1	11.0 to 15.0
Companies - %	3.0 to 7.0	22.1	8.0 to 12.0
Agribusiness - %	10.0 to 14.0	27.3	18.0 to 22.0
Fee Income - %	4.0 to 8.0	9.1	6.0 to 9.0
Administrative Expenses - %	4.0 to 8.0	5.8	Held
All Expanded view – R\$ billion	-16.0 to -13.0	-5.7	-17.0 to -14.0

Loan Portfolio: it considers domestic classified portfolio added of Private Securities and Guarantees. Government operations are not included.  
Companies: Government operations not included.