

CONFERENCE CALL (English)

02/16

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DIGITAL PUBLIC MEETING

(Portuguese)

02/16

11:00 a.m. (BRT)/9:00 a.m. (NYC)

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B3 ANNOUNCES RESULTS FOR THE FOURTH QUARTER OF 2022

São Paulo, February 15, 2023 – B3 S.A. - Brasil, Bolsa, Balcão (“B3” or “Company”; B3SA3) reports today its earnings for the 4th quarter of 2022 (4Q22). Total revenues reached R\$2,568.7 million, up by 5.6% vs. 4Q21 and 2.3% vs. 3Q22. Recurring EBITDA amounted to R\$1,626.7 million, down by 1.7% vs. 4Q21 and 2.7% vs. 3Q22, while recurring net income¹ totaled R\$1,151.6 million, down by 6.3% vs. 4Q21 and in line with 3Q22.

MESSAGE FROM B3's MANAGEMENT

In the international scenario, the fourth quarter of 2022 was marked by a slight improvement in the economic outlook, with the hawkish policies adopted during the year having an effect on controlling inflation and more favorable data being reported by some of the major global economies. In Brazil, the period was marked by the general elections, which influenced business in the capital markets throughout the quarter. Regarding the monetary policy, expectations were confirmed, and the Central Bank decided to maintain the interest rate at 13.75%, in response to the deterioration in the projected inflation and uncertainties regarding the fiscal scenario.

In this context, B3 showed solid operational performance. There was an increase in the average daily traded volume (ADTV) of cash equities, which totaled R\$32.3 billion in the quarter, up by 2.4% compared to the same quarter of 2021, despite the higher interest rate. Compared to 3Q22, ADTV increased by 23.4%. In listed derivatives, the average daily volume (ADV) totaled 4.5 million contracts, up by 6.8% against 4Q21 and in line with the previous quarter. In the over-the-counter (OTC) segment, higher interest rates continued to favor volumes, highlighted by the 32.7% growth in the outstanding balance of fixed-income instruments and the 33.2% growth in the outstanding balance of Treasury Direct.

Revenues followed the operating performance and totaled R\$2.6 billion, up by 5.6% compared to 4Q21 and 2.3% compared to the previous quarter. Recurring net income reached R\$1.2 billion, down by 6.3% compared to 4Q21 and in line with the previous quarter, reflecting the increase on expenses, mainly with personnel and technology. Distributions to shareholders for the quarter totaled R\$1.3 billion, R\$749.4 million of which in buybacks, R\$370.1 million in interest on capital, and R\$140.0 million in dividends. It is worth pointing out that, over the last 3 fiscal years, the Company's distributions have added up to R\$17.5 billion, which includes the repurchase of almost 6% of the Company's shares.

In the 4Q22, B3 announced the acquisition of Neurotech, a technology company specialized in artificial intelligence, machine learning and big data solutions, and held an Extraordinary Shareholders' Meeting that approved the transaction. The closing is still subject to approval by the Brazilian Securities Commission (CVM).

In events after the end of 4Q22, B3 announced in January the start of trading of the Tesouro Renda+, a new Treasury Direct product launched in partnership with the National Treasury Department, targeting retail investors – a new option that may help these investors to plan their retirement and receive a monthly income for a period of 20 years. The new product is in line with the strategy of strengthening the core business in the OTC segment and with the goal of supporting the dissemination of financial education among Brazilians.

Additionally, in line with the strategy of expanding the supply of available products, B3 announced, also in January, the possibility for the listing of local and international ETFs that distribute earnings to shareholders. The product, whose frequency of earnings distribution will be determined by the fund manager, emerges as a new diversification option among equity products and meet the demands of the market.

Finally, B3 completed in February the acquisition of Datastock, a technology company specialized in inventory management for car dealerships. The acquisition price is expected to be up to R\$80 million, R\$50 million of which payable at the closing of the transaction, and up to R\$30 million in earn-outs within 5 years. This transaction contributes to the strengthening of the segments of infrastructure for financing and data & analytics.

(In R\$ millions)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Total revenues	2,568.7	2,431.5	5.6%	2,510.6	2.3%
Net revenues	2,307.5	2,179.1	5.9%	2,257.9	2.2%
Net revenues (ex-Neoway)	2,256.6	2,175.6	3.7%	2,212.8	2.0%
Expenses	(976.6)	(810.3)	20.5%	(844.0)	15.7%
Financial result	48.6	86.6	-43.9%	(50.1)	-
Net income for the period	1,003.8	1,091.6	-8.0%	1,029.1	-2.5%
Adjusted expenses ²	(561.1)	(386.4)	45.2%	(469.4)	19.5%
Adjusted expenses (ex-Neoway)	(514.2)	(380.8)	35.0%	(416.5)	23.5%
Recurring EBITDA	1,626.7	1,654.1	-1.7%	1,671.7	-2.7%
Recurring EBITDA margin	70.5%	75.9%	-541 bps	74.0%	-355 bps
Recurring EBITDA (ex-Neoway)	1,645.3	1,656.1	-0.7%	1,693.0	-2.8%
Recurring EBITDA margin (ex-Neoway)	72.9%	76.1%	-321 bps	76.5%	-360 bps
Recurring net income	1,151.6	1,229.2	-6.3%	1,153.8	-0.2%
Recurring net income (ex-Neoway)	1,170.5	1,230.9	-4.9%	1,173.5	-0.3%

¹See reconciliation on page 7.

²Expenses adjusted for: (i) depreciation and amortization; (ii) long-term share-based incentive program—principal and charges; (iii) provisions; (iv) revenue-linked expenses; (v) M&A expenses; and (vi) projects written off.

Operational Performance

All comparisons in this document are in relation to the fourth quarter of 2021 (4Q21), unless otherwise indicated.

Listed

Equities

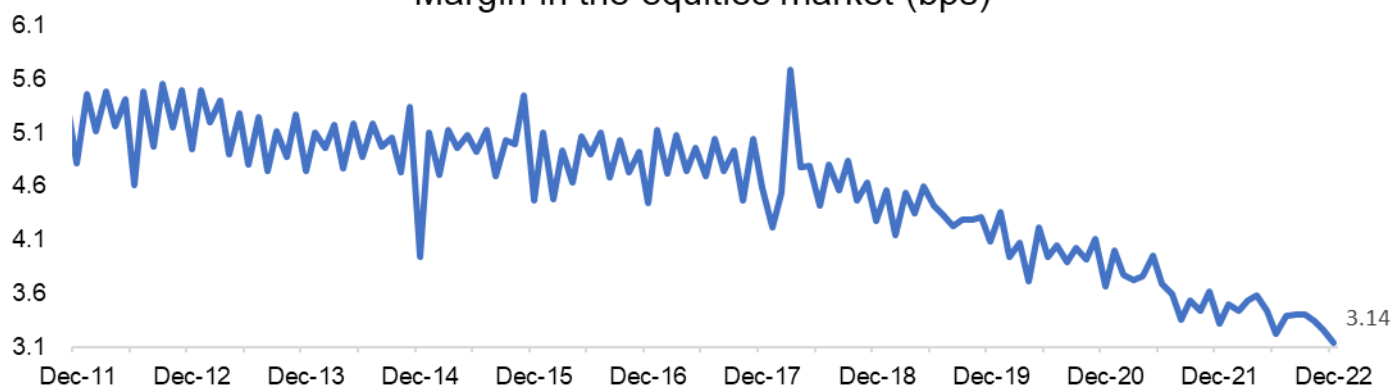
		4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Cash market	ADTV (R\$ millions)	32,277.3	31,531.1	2.4%	26,162.0	23.4%
	Margin (bps)	3.255	3.461	-0.206 bps	3.405	-0.150 bps
Average market capitalization	(R\$ billions)	4,414.7	4,727.2	-6.6%	4,348.9	1.5%
Turnover velocity	Annualized (%)	182.8%	164.8%	1,803 bps	150.4%	3,239 bps
Options market (stock/indices)	ADTV (R\$ millions)	976.9	789.8	23.7%	776.8	25.8%
	Margin (bps)	11.761	13.172	-1.411 bps	12.399	-0.638 bps
Forward market	ADTV (R\$ millions)	264.2	269.6	-2.0%	303.9	-13.0%
	Margin (bps)	6.675	9.924	-3,250 bps	6.793	-0.118 bps
Stock indices futures	ADV (thousands of contracts)	3,531.3	4,290.7	-17.7%	3,343.5	5.6%
	Average RPC (R\$)	0.925	0.913	1.4%	0.917	0.9%
Number of individual investors	Average (thousands)	4,732.5	3,681.9	28.5%	4,509.0	5.0%
Number of accounts in depository (total)	Average (thousands)	5,582.5	4,397.2	27.0%	5,335.9	4.6%
Securities lending	Pos. average open interest (R\$ billions)	129.9	104.3	24.5%	108.1	20.1%

Note: "ADTV" stands for Average Daily Traded Volume; "ADV" stands for Average Daily Volume; "RPC" stands for Revenue per Contract; "bps" stands for basis points; "turnover velocity" results from dividing the volume traded on the spot market in the period by the average market capitalization for the period.

In the equities segment, there was an increase of 2.4% in the ADTV in the cash equities market, reflecting the scenario of increased volatility due to the election period in Brazil. Compared to 3Q22, the growth was 23.4%. For stock indices futures, the 17.7% decrease in number of contracts traded is explained by a drop in trading of the "mini" version of these contracts.

The trading/post trading margin in the cash equities market was 3.255 bps. The decrease of 0.206 bps is explained by (i) a greater share of day trades in the total volume traded, and (ii) the higher volume of indices options exercised in the quarter, which are subject to a different fee. The efficiency of these initiatives can be demonstrated by the increased participation of high-frequency investors and the resulting growth in day trade volume in the cash market, which helped to support volumes throughout the last periods. The average revenue per contract (RPC) of stock indices futures contracts went up by 1.4%, especially due to lower volumes.

Margin in the equities market (bps)



Note: Margin in bps includes fees at both ends of trades (buy + sell). 3.14 bps was the average margin for the last month of the period (December 2022).

The average number of accounts in the equities' depository increased 27.0%, reflecting the continuous search by individual investors for greater diversification in their portfolios. Finally, the volume of outstanding positions in securities lending increased 24.5%.

Interest Rates, FX and commodities

		4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Interest rates in BRL	ADV (thousands of contracts)	3,169.0	3,004.8	5.5%	3,167.2	0.1%
	Average RPC (R\$)	1.047	1.001	4.5%	1.058	-1.1%
Interest rates in USD	ADV (thousands of contracts)	297.2	286.6	3.7%	267.6	11.0%
	Average RPC (R\$)	2.183	2.694	-18.9%	2.192	-0.4%
FX rates	ADV (thousands of contracts)	1,063.5	939.3	13.2%	1,091.7	-2.6%
	Average RPC (R\$)	5.107	5.609	-9.0%	4.986	2.4%
Commodities	ADV (thousands of contracts)	17.2	26.1	-34.1%	23.8	-27.7%
	Average RPC (R\$)	1.940	1.787	8.6%	1.848	5.0%
Total	Total ADV (thousands of contracts)	4,546.9	4,256.8	6.8%	4,550.3	-0.1%
	Average RPC (R\$)	2.074	2.137	-2.9%	2.072	0.1%

The average daily volume in 4Q22 was 4.5 million contracts, up by 6.8%, reflecting the ADV growth in all contracts, except for Commodities. The average RPC decreased by 2.9% in the period, reflecting decreases of 18.9% and 9.0% in the RPC for interest rates in USD and FX Rates, respectively, which in turn were impacted by a devaluation of 4.5% in the USD against the BRL and by growth in volumes. On the other hand, the 4.5% increase in the RPC for Interest Rates in BRL can be explained mainly by a greater concentration of long-term contracts in the total traded volume.

OTC

Fixed-Income Instruments

		4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Issues	Bank funding (total in R\$ billions)	4,100.6	3,516.7	16.6%	3,964.3	3.4%
	Other (total in billions)	306.3	256.2	19.6%	313.6	-2.3%
Outstanding balance	Bank funding (average in R\$ billions)	2,794.0	2,276.9	22.7%	2,652.6	5.3%
	Corporate debt (average in R\$ billions)	981.5	797.4	23.1%	955.0	2.8%
	Other (average in R\$ billions)	1,540.4	932.6	65.2%	1,357.3	13.5%
Treasury Direct	Number of investors (average in thousands)	2,113.7	1,752.3	20.6%	2,066.5	2.3%
	Stock (average in R\$ billions)	98.0	73.6	33.2%	92.9	5.5%

Note: "Bank funding" includes DI, CDB, *Letras Financeiras* and other instruments such as RDB, LC, and DPGE.

"Other" includes real estate notes (LCI, CCI, CRI and LH), agribusiness certificates (CRA, LCA and CDCA) and funding instruments (CCB, CCCB, NCE, CCE, Export Notes, NC).

In a scenario of higher interest rates, the volumes of new issues and average outstanding positions of bank funding instruments for 4Q22 grew 16.6% and 22.7%, respectively, mainly due to an increase in issues of Bank Deposit Certificates (CDBs), which represented 77.5% of all new issues during the quarter. Regarding issues of other fixed-income instruments, the 19.6% growth was influenced by a 33.5% increase in issues of real estate notes and a 12.4% increase in issues of agribusiness instruments. The average outstanding balance of corporate debt instruments increased by 23.1%.

Another highlight of the fixed-income market was the continuous growth in Treasury Direct (TD), in which the number of investors and outstanding balance were up by 20.6% and 33.2%, respectively. B3 offers an incentive program for brokerage firms to increase the number of investors in this product, which is revised annually. In 2022, the incentive program was revised, and two incentive models were announced, which are based on the broker's outstanding balance³ in TD.

OTC Derivatives and Structured Notes

		4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Issues	(total in R\$ billions)	2,921.8	2,864.5	2.0%	2,922.7	0.0%
Stock	(average in R\$ billions)	5,649.9	5,426.0	4.1%	5,741.8	-1.6%

New issues on the OTC derivatives and structured notes market increased by 2.0%, with issues of virtually all instruments increasing. In the same comparison, the average outstanding balance went up by 4.1%.

Infrastructure for financing

		4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
SNG	Number of vehicles sold (thousands)	4,549.6	4,491.0	1.3%	4,732.9	-3.9%
	Number of vehicles financed (thousands)	1,398.6	1,450.8	-3.6%	1,398.2	0.0%
	% Vehicles financed / vehicles sold	30.7%	32.3%	-1.6 pp	29.5%	1.2 pp

The number of vehicles sold in Brazil increased by 1.3%, as a result of the better supply of cars during the quarter, mainly meeting the higher demand from rental companies. On the other hand, higher interest rates negatively impacted retail sales and the number of vehicles financed, consequently putting pressure on additions to the National Liens System (SNG), which decreased by 3.6% in 4Q22.

Technology, data and services

		4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
OTC utilization		19,212	17,061	12.6%	18,636	3.1%
Market data	Average number of customers	129	154	-16.2%	143	-9.6%
Co-location		89	84	5.9%	88	1.1%

The average number of customers paying for their monthly use of OTC systems increased by 12.6%, mainly as a result of the fund industry's growth in Brazil. There was also a 5.9% increase in the number of customers using co-location services due to the high-energy density racks contracted and cross-connections, with the purpose of expanding the capacity of the service.

³ Brokers holding outstanding balances of Treasury Direct (TDs) worth less than R\$4 billion are covered by Model I, in which case the incentive is a variable amount depending on investor base (R\$200 per customer added); Brokerage firms holding an outstanding balance of R\$4 billion or more in TDs are covered by Model II, in which the incentive is calculated as a percentage of the average balance, depending on investor base growth, and may reach 0.20% for the highest range.

INCOME STATEMENT

Revenues

Total revenues: R\$2,568.7 million, up by 5.6%. The performance of total revenues is mainly explained by an increase in revenues from the OTC and Technology, data and services segments.

Listed: R\$1,641.6 million (63.9% of total), down by 0.2%.

- **Cash equities and equity instruments:** R\$1,063.7 million (41.4% of total), a decrease of 3.8%.
 - Trading and post-trading: R\$912.5 million (35.5% of total), down by 6.5%, reflecting lower margins in the cash equities market, as explained above.
 - Depository: R\$34.9 million (1.4% of total), down by 2.7%, mainly explained by the lower average balance in the depository.
 - Securities lending: R\$86.7 million (3.4% of total), up by 28.7%, as a result of (i) higher average rates on contracts traded among participants in this segment; and (ii) an increase in trading volume.
 - Listing and solutions for issuers: R\$29.6 million (1.2% of total), up by 10.3%, mainly due to an increase in revenues from annual fees from listed companies, despite the lower number of offerings in the period, which totaled R\$2.7 billion (2 follow-ons) against R\$3.5 billion (1 IPO and 2 follow-ons) in 4Q21.
- **Interest Rates, FX and commodities:** R\$577.9 million (22.5% of total), up by 7.0%, mainly reflecting an increase in volumes. It is worth noting that this line is impacted by the cash flow hedge accounting from the September 2021 bond issue, in which the bond is a hedging instrument and highly probable future revenues in USD (especially related to listed FX rate derivative contracts in USD and interest rate contracts in USD) are objects of hedge. As a result, the effects of exchange rate fluctuations on that bond are stated in shareholders' equity and recognized in the income statement to the extent that revenues are realized. In 4Q22, the net impact of that structure was positive by R\$0.5 million based on the exchange rate fluctuation for the period.

OTC: R\$347.7 million (13.5% of total), up by 15.8%.

- Fixed-income instruments: R\$227.9 million (8.9% of total), up by 16.6%, mainly due to (i) 16.6% growth in issues of bank funding instruments and 22,7% growth in their outstanding balance; (ii) higher average corporate debt outstanding, which increased by 23.1%; and (iii) increased revenues from Treasury Direct, which amounted to R\$45.0 million for 4Q22, against revenues of R\$43.2 million in 4Q21. It should be noted that the market incentives related to this product added up to R\$17.8 million for the quarter (R\$33.3 million in 4Q21) and are accounted for as revenue-linked expenses.
- Derivatives and structured transactions: R\$68.8 million (2.7% of total), up by 9.9% mainly due to an increase in the volume of registration of swaps, options and over-the-counter (OTC) derivatives with CCP.
- Other: R\$51.1 million (2.0% of total), up by 20.9%, reflecting an increase in the registration and custody of fund quotas.

Infrastructure for financing: R\$111.0 million (4.3% of total), down by 2.7% mainly due to a drop in revenues from services for the real estate sector, partially offset by the annual inflation adjustment of prices (IPCA).

Technology, data and services: R\$468.3 million (18.2% of total), up by 26.0%.

- Technology and access: R\$259.3 million (10.1% of total), up by 14.8%, due to the growth in monthly utilization driven by (i) an increase in number of customers; and (ii) the annual inflation adjustment of prices (IPCA).
- Data and analytics: R\$146.3 million (5.7% of total), up by 80.0% mainly explained by (i) the consolidation of Neoway revenues; and (ii) the growth in market data revenues. Excluding Neoway, there would have been a 18.4% increase.
- B3 Bank: R\$35.0 million (1.4% of total), up by 28.2%, mainly explained by the revenues from the floating line and its own portfolio, due to increased interest rates.
- Other: R\$27.7 million, (1.1% of total), down by 25.9%, reflecting decreases in (i) revenues from fines; (ii) revenues from gold custody, due to the depreciation of this asset in the period; and (iii) revenues from auctions.

Net revenues: up by 5.9%, amounting to R\$2,307.5 million.

Expenses

Expenses amounted to R\$976.5 million, up by 20.5%. Excluding Neoway, there would have been a 11.2% increase.

- **Personnel and charges:** R\$356.3 million, up by 37.3%, mainly explained by (i) the inclusion of Neoway in this expense line; (ii) the annual collective bargaining agreement; and (iii) the recognition of extraordinary and non-recurring contract termination expenses resulting from the efficiency improvement project carried out with the support of an external consultancy. Excluding Neoway, there would have been an increase of 19.0%, and excluding Neoway and extraordinary expenses, the increase would have been of 16.4%.
- **Data processing:** R\$142.6 million, up by 33.7%, largely due to (i) the development of new initiatives that, given the nature and the way in which they are being implemented (agile model), are accounted as expenses rather than investments (CAPEX); (ii) the inclusion of Neoway's expenses; and (iii) the inflation adjustment of prices. Excluding Neoway, the increase would have been 28.0%.
- **Depreciation and amortization:** R\$258.3 million, up by 1.0%. Excluding Neoway, there would have been a 1.4% decrease.

- **Revenue-linked expenses:** R\$69.1 million, down by 7.3%, explained mostly by the lower amount of the Treasury Direct incentive.
- **Third-party services:** R\$60.2 million, up by 95.3%, due to (i) the inclusion of Neoway; (ii) an increase in external labor expenses related to new initiatives that, as previously explained, are not capitalized; (iii) higher M&A expenses in the period; and (iv) higher consultancy expenses, mainly related to the efficiency improvement project. Excluding Neoway, the increase would have been 83.2%, and excluding Neoway and the extraordinary expenses related to the efficiency improvement project, the increase would have been of 50.6%.
- **Other:** R\$55.2 million, down by 2.8%. In 4Q21, this line was impacted by the write-off of discontinued projects. Excluding this factor, there would have been a 42.3% increase, due to (i) adjustments to provisions of ongoing cases; and (ii) higher expenses related to the return of business travels.

The following tables show the breakdown and evolution of adjusted expenses, ex-Neoway and consolidated.

Reconciliation of adjusted expenses (ex-Neoway)

(In R\$ millions)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Expenses (ex-Neoway)	(900.7)	(804.2)	12.0%	(771.4)	16.8%
(+) Depreciation and amortization	252.0	255.2	-1.2%	249.8	0.9%
(+) Long-term stock-based compensation	32.8	35.7	-8.1%	23.6	38.9%
(+) Provisions (recurring and non-recurring)	31.3	28.5	9.9%	22.3	40.0%
(+) Revenue-linked expenses	60.1	74.6	-19.4%	57.4	4.7%
(+) Projects write-off	-	17.2	-	-	-
(+) M&A expenses	10.4	12.3	-15.4%	1.8	474.7%
Adjusted expenses	(514.1)	(380.8)	35.0%	(416.5)	23.4%

Reconciliation of adjusted expenses

(In R\$ millions)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Expenses	(976.5)	(810.3)	20.5%	(844.0)	15.7%
(+) Depreciation and amortization	258.3	255.7	1.0%	256.1	0.8%
(+) Long-term stock-based compensation	46.3	35.7	29.8%	28.9	60.3%
(+) Provisions (recurring and non-recurring)	31.4	28.5	10.5%	22.5	39.7%
(+) Revenue-linked expenses	69.1	74.6	-7.3%	65.3	5.8%
(+) Projects write-off	-	17.2	-	-	-
(+) M&A expenses	10.4	12.3	-15.4%	1.8	474.7%
Adjusted expenses	(561.0)	(386.4)	45.2%	(469.4)	19.5%
Core Business Expenses	(390.8)	(340.7)	14.7%	(312.9)	24.9%
Non-Core Expenses - New initiatives and business	(170.2)	(45.6)	272.9%	(156.5)	8.8%
<i>New initiatives – B3</i>	<i>(99.4)</i>	<i>(22.4)</i>	<i>342.9%</i>	<i>(82.8)</i>	<i>20.0%</i>
<i>Adjusted expenses – Subsidiaries</i>	<i>(70.8)</i>	<i>(23.2)</i>	<i>205.2%</i>	<i>(73.7)</i>	<i>-3.9%</i>

Due to the Company's new initiatives, the consolidated table also shows the breakdown of core business adjusted expenses and non-core business adjusted expenses.

Core Business Expenses: R\$390.8 million, up by 14.7%, primarily because of higher spending on personnel and charges, especially due to the annual inflation adjustment of salaries (collective bargaining agreement) and the recognition of extraordinary and non-recurring termination expenses related to the Company's efficiency improvement project. Compared to the previous quarter, adjusted core business expenses increased by 24.9%.

Non-Core Business Expenses: R\$170.2 million, up by 272.9% especially due to (i) the inclusion of Neoway adjusted expenses; and (ii) the new stage of Company, with the intensification of new initiatives that are usually accounted for as expenses rather than investments, as previously explained. The "New initiatives – B3" line includes mainly the fronts of data & analytics, insurance, the new investor portal, receivables, real estate platform and technology services. The subsidiaries line includes Neoway, PDtec, BLK and CED, which generated gross revenues of R\$79.3 million, up by 132.1% against 4Q21 and 6.2% against 3Q22.

EBITDA

Recurring EBITDA totaled R\$1,626.7 million, down by 1.7%. Recurring EBITDA margin was 70.5%, 541 bps lower than in the same period of the previous year. Excluding Neoway, recurring EBITDA would have amounted to R\$1,645.3 million, with a 72.9% margin.

(In R\$ millions)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
EBITDA	1,589.3	1,624.6	-2.2%	1,669.9	-4.8%
(+) Projects write-off	-	17.2	-	-	-
(+) Efficiency improvement project expenses	22.5	-	-	-	-
(+) Other non-recurring expenses	4.5	-	-	-	-
(+) M&A expenses	10.4	12.3	-15.4%	1.8	474.7%
Recurring EBITDA	1,626.7	1,654.1	-1.7%	1,671.7	-2.7%
<i>Recurring EBITDA Margin</i>	<i>70.5%</i>	<i>75.9%</i>	<i>-541 bps</i>	<i>74.0%</i>	<i>-355 bps</i>
Recurring EBITDA (ex-Neoway)	1,645.3	1,656.1	-0.7%	1,693.0	-2.8%
<i>EBITDA margin (ex-Neoway)</i>	<i>72.9%</i>	<i>76.1%</i>	<i>-321 bps</i>	<i>76.5%</i>	<i>-360 bps</i>

Financial result

The financial result was positive by R\$48.6 million in 4Q22. Financial revenues reached R\$426.0 million, up by 6.2% due to higher interest rates, offsetting the lower average balance of cash. Financial expenses, in turn, totaled R\$396.7 million, an increase of 33.2%, mainly explained by the increase in interest rates.

(In R\$ millions)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Financial result	48.6	86.6	-43.9%	(50.1)	-
Financial revenues	439.2	401.2	6.2%	406.1	4.9%
Financial expenses	(396.7)	(297.9)	33.2%	(439.1)	-9.7%
Net FX variations	19.2	(16.7)	-	(17.1)	-

In addition, it is important to note that the financial result was also impacted by the effects of FX rate variation on some of the Company's foreign currency loans, such impact being offset by the changes in the income tax and social contribution line (hedge structure). The table below isolates these effects both from the financial result and from income tax and social contribution.

(In R\$ millions)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Net Financial Result	48.6	86.6	-43.9%	(50.1)	-
(+/-) Effects of hedge on financial result	(30.1)	22.5	-	26.9	-
Adjusted net financial income (excluding hedge effects)	18.5	109.1	-83.1%	(23.2)	-
Income before income tax	1,380.4	1,452.0	-4.9%	1,365.6	1.1%
(+/-) Effects of hedge on financial result	(30.1)	22.5	-	26.9	-
Income before tax and social contribution (excluding hedge effects)	1,350.2	1,474.6	-8.4%	1,392.5	-3.0%
Income tax and social contribution	(376.4)	(360.4)	4.4%	(336.3)	11.9%
(+/-) Effects of hedge on income tax and social contribution taxes	30.1	(22.5)	-	(26.9)	-
Adjusted income and social contribution taxes (excluding hedge effects)	(346.3)	(382.9)	-9.6%	(363.2)	-4.7%
Effective Rate on Income Before Adjusted Income Tax and Social Contribution (excluding hedge effects) - (B) / (A)	25.6%	26.0%	-3.2 bps	26.1%	-4.4 bps

Income tax and social contribution

Income tax and social contribution totaled R\$376.4 million in 4Q22 and was impacted by the distribution of interest on capital (IoC) paid in the amount of R\$370.1 million. Current tax totaled R\$413.4 million, while the deferred income tax and social contribution line was R\$37.0 million, due to the constitution of tax credits in the period. In addition, the income tax and social contribution item was also impacted by the hedge structure, as explained above.

Net income

Net income attributed to B3's shareholders was R\$1,003.8 million, down by 8.0%. Excluding the non-recurring items highlighted below, net income would have reached R\$1,151.6 million for the quarter, down by 6.3% comparing to the same period of last year. Finally, excluding Neoway, net income would have totaled R\$1,170.5 million.

Adjustments to net income

(In R\$ millions)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)
Net income (attributable to shareholders)	1,003.8	1,091.6	-8.0%	1,029.1	-2.5%
(+) M&A expenses	10.4	12.3	-15.4%	1.8	474.7%
(+) Efficiency improvement project expenses	22.5	-	-	-	-
(+) Other non-recurring expenses	4.5	-	-	-	-
(+) Impairment	-	4.1	-	-	-
(+) Projects write-off	-	17.2	-	-	-
(+) Tax impacts from non-recurring items	(12.7)	(11.4)	11.2%	(0.6)	1,971.3%
(+) Amortization of intangible assets (Cetip combination)	123.1	115.5	6.6%	123.5	-0.3%
Recurring net income	1,151.6	1,229.2	-6.3%	1,153.8	-0.2%
(+) Deferred tax (goodwill from Cetip combination)	-	119.6	-	-	-
Recurring net income adjusted for goodwill tax benefit	1,151.6	1,348.9	-14.6%	1,153.8	-0.2%
(+) Net Income - Neoway	18.9	1.7	-	19.8	-4.2%
Recurring net income adjusted by goodwill tax benefit (ex-Neoway)	1,170.5	1,350.6	-13.3%	1,173.5	-0.3%

Note: amortization of intangible assets net of taxes, calculated at a rate of 34% applied to the deductible portion.

MAIN ITEMS OF THE CONSOLIDATED BALANCE SHEET ON AS OF DECEMBER 31, 2022

Assets, Liabilities and Shareholders' Equity Accounts

The Company ended the quarter with total assets of R\$47.5 billion, down by 9.4% compared to December 2021. Cash and cash equivalents (current and non-current) totaled R\$17.7 billion, down by 19.9%, reflecting (i) a decline in cash generation due to the lower level of the Company's results and (ii) a decrease in volume of collateral deposited in cash (with its counterparty in current liabilities). The cash position includes R\$370.1 million in interest on capital, paid in January.

As for liabilities, B3's gross indebtedness at the end of 4Q21 amounted to R\$12.2 billion (95% long-term and 5% short-term), corresponding to 1.8x the recurring EBITDA for the previous 12 months.

Shareholders' equity at the end of December 2022 amounted to R\$20.3 billion, consisting mainly of R\$12.5 billion in capital stock and R\$8.0 billion in capital reserves (vs. R\$8.3 billion in December 2021).

OTHER INFORMATION

CAPEX

Investments made during the quarter amounted to R\$98.6 million mainly for technological updates for all of B3's segments, which involves investment in capacity and cybersecurity, and development of new products. Year-to-date CAPEX totaled R\$219.7 million.

Expenditure on New Initiatives

Consistent with the [Material Fact of December 10, 2021](#), in which B3 disclosed a new way of presenting its guidances, the expenditure on new initiatives and business (CAPEX and OPEX), including Neoway, totaled R\$172.8 million in 4Q22. It is worth emphasizing that these figures are included in the expenses and investments (CAPEX) lines.

Distributions to shareholders

On December 19, 2022, the Board of Directors approved the payment of interest on capital and dividends in the amount of R\$370.1 million and R\$140.0 million, paid on December 29 and January 13, respectively. Additionally, shares were repurchased during the quarter related to the 2022/2023 Share Buyback Program in the total amount of R\$749.4 million which, combined with dividends and interest on capital, totaled R\$1,259.5 million returned to shareholders.

SUSTAINABILITY

During the 4Q22, the highlights to B3's sustainability strategy were:

- Participation for the 1st time as an eligible company in the Corporate Sustainability Index (ISE B3), joining the portfolio of selected companies. The selection process included 183 companies, up by 37% compared to 2021.
- ISO 14001 certification obtained for the XV de Novembro and Praça Antonio Prado buildings, in downtown São Paulo. The certification attests to the company's commitment to promoting the continuous improvement of its environmental management system.
- Through the volunteering actions promoted by B3 Social, 1,498 employees participated in internal mobilization actions throughout the year, representing more than 50% of the total personnel.

CONSOLIDATED INCOME STATEMENT

(In R\$ thousands)	4Q22	4Q21	4Q22/4Q21 (%)	3Q22	4Q22/3Q22 (%)	Neoway (4Q22)	B3 ex-Neoway (4Q22)
Total revenues	2,568,697	2,431,547	5.6%	2,510,567	2.3%	53,796	2,514,901
Listed	1,641,639	1,645,639	-0.2%	1,621,472	1.2%	-	1,641,639
Cash equities and equities instruments	1,063,725	1,105,652	-3.8%	1,002,310	6.1%	-	1,063,725
Trading and post-trading	912,499	975,578	-6.5%	853,235	6.9%	-	912,499
Depository	34,873	35,827	-2.7%	35,896	-2.8%	-	34,873
Securities lending	86,707	67,379	28.7%	86,538	0.2%	-	86,707
Listing and services for issuers	29,646	26,868	10.3%	26,641	11.3%	-	29,646
Interest Rates, FX and commodities	577,914	539,987	7.0%	619,162	-6.7%	-	577,914
Trading and post-trading	577,914	539,987	7.0%	619,162	-6.7%	-	577,914
OTC	347,728	300,165	15.8%	328,847	5.7%	-	347,728
Fixed-Income	227,868	195,347	16.6%	216,503	5.2%	-	227,868
Derivatives	68,750	62,552	9.9%	62,162	10.6%	-	68,750
Other	51,110	42,266	20.9%	50,182	1.8%	-	51,110
Infrastructure for Financing	110,978	114,033	-2.7%	110,245	0.7%	-	110,978
Technology, data and services	468,251	371,710	26.0%	447,203	4.7%	53,796	414,455
Technology and access	259,290	225,859	14.8%	250,719	3.4%	-	259,290
Data and analytics	146,343	81,283	80.0%	128,364	14.0%	53,205	93,138
Bank	34,961	27,269	28.2%	32,964	6.1%	-	34,961
Other	27,657	37,299	-25.9%	35,156	-21.3%	591	27,066
Reversal of provisions and recovery of expenses	101	-	-	2,800	-	-	101
Revenue deductions	(261,166)	(252,404)	3.5%	(252,716)	3.3%	(2,848)	(258,318)
PIS and Cofins	(215,896)	(210,967)	2.3%	(209,544)	3.0%	(1,820)	(214,076)
Service tax	(45,270)	(41,437)	9.3%	(43,172)	4.9%	(1,028)	(44,242)
Net Revenues	2,307,531	2,179,143	5.9%	2,257,851	2.2%	50,948	2,256,583
Expenses	(976,488)	(810,283)	20.5%	(844,011)	15.7%	(75,794)	(900,694)
Personnel and charges	(356,280)	(259,556)	37.3%	(308,531)	15.5%	(47,476)	(308,804)
Data processing	(142,642)	(106,694)	33.7%	(120,667)	18.2%	(6,024)	(136,618)
Depreciation and amortization	(258,259)	(255,734)	1.0%	(256,090)	0.8%	(6,211)	(252,048)
Revenue-linked expenses	(69,104)	(74,561)	-7.3%	(65,318)	5.8%	(9,001)	(60,103)
Third-party services	(60,221)	(30,839)	95.3%	(26,941)	123.5%	(3,732)	(56,489)
Maintenance	(9,899)	(6,359)	55.7%	(6,592)	50.2%	(207.63)	(9,691)
Marketing	(17,202)	(11,658)	47.6%	(16,195)	6.2%	(788)	(16,414)
Taxes and fees	(3,762)	(4,617)	-18.5%	(3,344)	12.5%	(273)	(3,489)
Board and committee members' compensation	(3,929)	(3,480)	12.9%	(3,968)	-1.0%	-	(3,929)
Other	(55,190)	(56,785)	-2.8%	(36,365)	51.8%	(2,080)	(53,110)
Operating income	1,331,043	1,368,860	-2.8%	1,413,840	-5.9%	(24,846)	1,355,889
<i>Operating margin</i>	<i>57.7%</i>	<i>62.8%</i>	<i>-513bps</i>	<i>62.6%</i>	<i>-494bps</i>	<i>-48.8%</i>	<i>60.1%</i>
Impairment	-	(4,114)	-	-	-	-	-
Equity in income of investees	741	710	4.4%	1,879	-60.6%	-	741
Financial result	48,599	86,585	-43.9%	(50,096)	-	320	48,279
Financial revenues	439,201	401,200	9.5%	406,126	8.1%	448	438,753
Financial expenses	(409,834)	(297,890)	37.6%	(439,099)	-6.7%	(122)	(409,712)
Net FX variations	19,232	(16,725)	-	(17,123)	-	(6)	19,238
Income before taxes	1,380,383	1,452,041	-4.9%	1,365,623	1.1%	(24,526)	1,404,909
Income tax and social contribution	(376,401)	(360,387)	4.4%	(336,327)	11.9%	5,608	(382,009)
Current	(413,351)	(267,658)	54.4%	(413,745)	-0.1%	4,123	(417,474)
Deferred	36,950	(92,729)	-	77,418	-52.3%	1,484	35,466
Net income	1,003,982	1,091,654	-8.0%	1,029,296	-2.5%	(18,918)	1,022,900
<i>Net Margin</i>	<i>43.5%</i>	<i>50.1%</i>	<i>-659bps</i>	<i>45.6%</i>	<i>-208bps</i>	<i>-37.1%</i>	<i>45.3%</i>
Attributed to:							
B3's shareholders	1,003,830	1,091,594	-8.0%	1,029,100	-2.5%	(18,918)	1,022,748
<i>Net margin</i>	<i>43.5%</i>	<i>50.1%</i>	<i>-659bps</i>	<i>45.6%</i>	<i>-208bps</i>	-	<i>45.3%</i>
Minority interest	152	60	153.3%	196	-22.4%	-	152

SUMMARY OF CONSOLIDATED BALANCE SHEET

ASSETS	12/31/2022	12/31/2021	LIABILITIES AND SHAREHOLDERS' EQUITY	12/31/2022	12/31/2021
Current assets	17,107,352	21,080,155	Current	10,508,756	12,958,993
Cash and cash equivalents	2,613,794	2,560,516	Collateral for transactions	4,756,602	6,357,430
Financial investments	12,283,245	16,573,301	Derivative financial instruments	16,318	69,831
Other	2,210,313	1,946,338	Loans and debentures	1,760,238	3,204,429
Long-term non-current assets	14,878	14,878	Other	3,975,598	3,327,303
Non-current assets	30,465,059	31,436,736	Non-current	16,838,063	17,153,406
Long-term receivables	3,095,484	3,251,443	Loans and debentures	10,350,937	10,994,211
Financial investments	2,809,553	2,962,268	Deferred income tax and social contribution	5,521,716	5,110,484
Other	285,931	289,175	Other	965,410	1,048,711
Investments	654,484	651,036	Shareholders' equity	20,240,470	22,419,370
Property and equipment	920,521	903,837	Capital stock	12,548,655	12,548,655
Intangible assets	25,794,570	26,630,420	Capital reserve	7,957,428	8,341,257
Goodwill	23,696,956	23,603,594	Other	-277,619	1,517,993
Software and projects	2,097,614	3,026,826	Minority interest	12,006	11,465
Total assets	47,587,289	52,531,769	Total liabilities and shareholders' equity	47,587,289	52,531,769