

3Q22

## CONFERENCE CALL (English)

11/11

10:00 a.m. (BRT) / 8:00 a.m. (NYC)

Brazil: +55 (11) 3181-8565

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Webcast:

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## CONFERENCE CALL (Portuguese)

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**São Paulo, November 10, 2022** –B3 S.A. - Brasil, Bolsa, Balcão (“B3” or “Company”; B3SA3) reports today its earnings for the third quarter of 2022 (3Q22). Total revenues reached R\$2,510.6 million, in line with 3Q21 and up by 1.0% vs. 2Q22. Recurring EBITDA totaled R\$1,671.7 million, down by 8.2% vs. 3Q21 and up by 0.2% vs. 2Q22, while recurring net income<sup>1</sup> amounted to R\$1,153.8 million, down by 10.7% vs. 3Q21 and 5.5% vs. 2Q22.

## MESSAGE FROM B3's MANAGEMENT

Inflationary pressures around the globe and the corresponding responses from monetary authorities, the war in Ukraine and concerns about China's economic performance continued bringing uncertainties to global financial markets during the third quarter of the year. In Brazil, while the basic interest rate remains at high levels, the Central Bank's decision to keep it at 13.75% signals a potential end to the rate hike cycle, as inflation has weakened in the past few months. Still on the Brazilian market, it is also worth highlighting the volatility that the election cycle adds to financial and capital markets.

As for B3's business, this scenario had mixed impacts. In the listed segment, high interest rates contributed to a drop in average daily traded volume (ADTV) for equities, which amounted to R\$26.2 billion in the quarter, down by 17.0% against the same quarter of 2021. Comparing to 2Q22, the 9.2% drop in ADTV for equities is due to the seasonality of the period, affecting mostly the month of July, as volumes picked up over the subsequent months. In FICC, the average daily volume (ADV) amounted to 4.6 million contracts, down by 1.9% against 3Q21 and up by 5.7% from the previous quarter. On the other hand, in the OTC segment, the increased interest rates favored volumes and contributed to the 30.9% growth in the outstanding balance of fixed-income instruments and 32.8% growth in the outstanding balance of Treasury Direct.

Therefore, the impact felt in procyclical segments was virtually offset by the performance of other segments, bolstering the efficiency of diversity in B3's business model. As a result, revenues added up to R\$2.5 billion, in line with 3Q21 and up by 1.0% against 2Q22. Recurring net income amounted to R\$1.2 billion, down by 10.7% and 5.5% against 3Q21 and 2Q22, respectively. Distributions to shareholders for the quarter totaled R\$1.2 billion, R\$749 million of which in buybacks, R\$320 million in interest on capital, and R\$164 million in dividends.

On the regulatory front, it is worth mentioning the disclosure of the methodology that defines the minimum size of large blocks, together with a table that sets the limit for each range of securities, depending on the traded volume of each asset. This supplements Resolution 135, released in June, which allowed large blocks to be traded outside an exchange environment. We should also highlight the CVM's decision to review the table three times per year, which shows the regulator's precaution for the quality of the market. B3, keeping its commitment to get its priorities in line with the demands of the market, has already announced that is going to provide its proprietary solutions specifically for the trading of large blocks, which it expects to launch in early 2023.

Additionally, as part of its strategy of strengthening its core business, B3 launched in September the Federal Government Bond (TPF) Repos and in October the TPF lending service for institutional investors.

In events after 3Q22, B3 signed a contract to acquire Neurotech, a technology company specialized in artificial intelligence, machine learning and big data solutions. This transaction boosts B3's strategy in data and analytics, complementing the portfolio of data solutions in credit, risk, and insurance and, with integrated operations with B3 and Neoway, offers new commercial opportunities, expansion of the product mix, development of combined solutions, and a significant increase in customer reach. B3 will disburse R\$619 million on the closing date of the transaction (still subject to the approvals of the responsible regulatory bodies and the EGM) and R\$523 million (present value) in earn-outs, depending on meeting certain performance targets over the next 4 years.

B3 also announced the acquisition of Datastock, a technology company specialized in inventories integration management for new and used vehicle stores, which contributes to the strengthening of the vehicle, financing and data & analytics business. The estimated amount of the transaction is up to R\$80 million, of which R\$50 million at the closing of the transaction (still subject to the implementation of certain conditions precedent) and up to R\$30 million in earn-outs in up to 5 years, depending on meeting certain performance targets.

(In R\$ millions)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
Total revenues	2,510.6	2,513.2	-0.1%	2,486.8	1.0%
Net revenues	2,257.9	2,254.7	0.1%	2,241.6	0.7%
Net revenues (ex-Neoway)	2,212.8	2,254.7	-1.9%	2,198.6	0.6%
Expenses	(844.0)	(706.8)	19.4%	(842.5)	0.2%
Financial Result	(50.1)	20.5	-	(15.3)	228.4%
Net income for the period	1,029.3	1,176.1	-12.5%	1,092.3	-5.8%
Adjusted expenses <sup>2</sup>	(469.4)	(343.3)	36.7%	(453.9)	3.4%
Adjusted expenses (ex-Neoway)	(416.5)	(343.3)	21.3%	(414.7)	0.4%
<b>Recurring EBITDA</b>	<b>1,671.7</b>	<b>1,820.2</b>	<b>-8.2%</b>	<b>1,668.3</b>	<b>0.2%</b>
Recurring EBITDA margin	74.0%	80.7%	-669 bps	74.4%	-38 bps
<b>Recurring EBITDA (ex-Neoway)</b>	<b>1,693.0</b>	<b>1,820.2</b>	<b>-7.0%</b>	<b>1,684.4</b>	<b>0.5%</b>
Recurring EBITDA margin (ex-Neoway)	76.5%	80.7%	-422 bps	76.6%	-10 bps
Recurring net income	1,153.8	1,291.6	-10.7%	1,221.2	-5.5%
Recurring net income (ex-Neoway)	1,173.5	1,291.6	-9.1%	1,240.9	-5.4%

<sup>1</sup> See reconciliation on page 7.

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

## Operational Performance

All comparisons in this document are in relation to the third quarter of 2021 (3Q21), unless stated otherwise.

### Listed

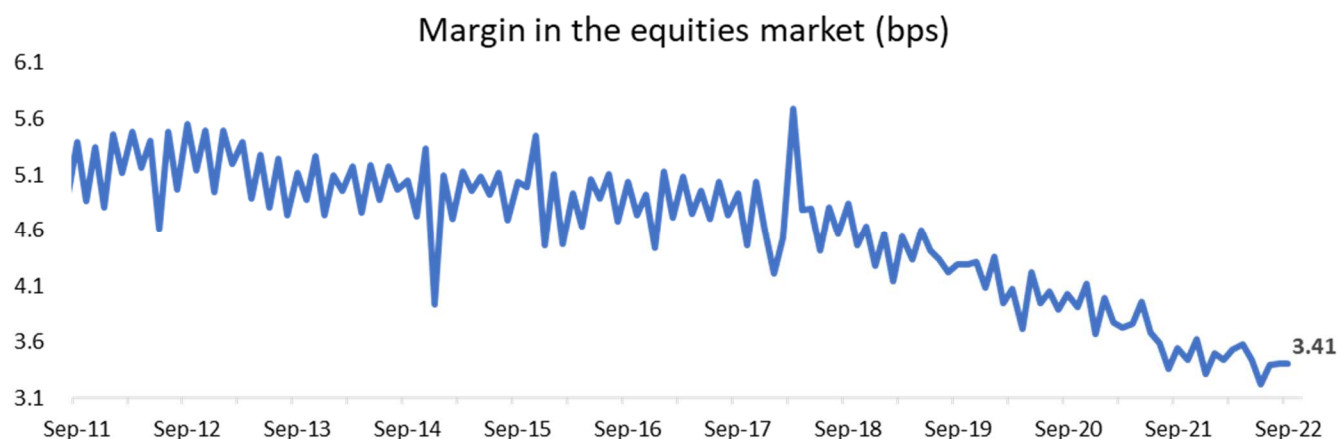
#### Equities

		3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
Cash market	ADTV (R\$ million)	26,162.0	31,532.1	-17.0%	28,800.0	-9.2%
	Margin (bps)	3,405	3,493	-0.087 bps	3,360	0.045 bps
Average market capitalization	(R\$ billion)	4,348.9	5,453.5	-20.3%	4,511.3	-3.6%
Turnover velocity	Annualized (%)	150.4%	142.8%	758 bps	159.6%	-921 bps
Options market (stock/indices)	ADTV (R\$ million)	776.8	740.4	4.9%	745.1	4.3%
	Margin (bps)	12,399	12,502	-0.103 bps	12,604	-0.204 bps
Forward market	ADTV (R\$ million)	303.9	332.4	-8.6%	308.4	-1.5%
	Margin (bps)	6,793	11,017	-4.224 bps	8,445	-1.652 bps
Stock indices futures	ADV (thousands of contracts)	3,343.5	4,249.1	-21.3%	3,414.7	-2.1%
	Average RPC (R\$)	0.917	0.877	4.6%	0.916	0.2%
Number of individual investors	Average (thousand)	4,509.0	3,293.9	36.9%	4,358.6	3.5%
Number of accounts in depository (total)	Average (thousand)	5,335.9	3,954.2	34.9%	5,169.9	3.2%
Securities lending	Average open positions (R\$ billion)	108.1	102.0	6.0%	105.2	2.8%

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 a 17.0% drop in the ADTV in the cash equities market, reflecting a higher interest rate scenario in Brazil and increased concern about global macroeconomic conditions, with rising inflation and interest rates in the world's major economies. For stock indices futures, the 21.3% decrease in number of contracts traded was due to a decrease in the trading of the "mini" version of these contracts.

The trading/post-trading margin in the cash equities market was 3.405 bps, in line with the levels of previous quarters. The average revenue per contract (RPC) of stock indices future contracts went up by 4.6%, especially due to lower volumes.



Note: Margin in bps includes fees at both ends of trades (buy + sell). 3.41 bps was the average margin for the last month of the period (September 2022).

The average number of accounts in the equities' depository increased by 34.9%, reflecting the continuous search by individual investors for diversification of their portfolios. Finally, the volume of outstanding positions for securities lending increased 6.0%.

### FICC

		3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
Interest rates in BRL	ADV (thousands of contracts)	3,167.2	3,251.8	-2.6%	2,849.2	11.2%
	Average RPC (BRL)	1.058	0.928	14.0%	1.069	-1.0%
Interest rates in USD	ADV (thousands of contracts)	267.6	278.7	-4.0%	339.5	-21.2%
	Average RPC (BRL)	2.192	2.556	-14.2%	2.056	6.6%
FX rates	ADV (thousands of contracts)	1,091.7	1,082.1	0.9%	1,090.1	0.2%
	Average RPC (BRL)	4.986	4.955	0.6%	4.668	6.8%
Commodities	ADV (thousands of contracts)	23.8	23.9	-0.8%	24.9	-4.7%
	Average RPC (BRL)	1.848	1.763	4.8%	1.585	16.6%
Total	ADV total (thousands of contracts)	4,550.3	4,636.6	-1.9%	4,303.7	5.7%
	Average RPC (BRL)	2.072	1.970	5.1%	2.061	0.5%

The average daily volume for 3Q22 was 4.6 million contracts, down by 1.9%, reflecting mostly a 2.6% decrease in ADV for interest rates in BRL. The average RPC increased by 5.1% in the period, primarily influenced by an increase in RPC for interest rates in BRL, with a larger concentration of long-term contracts in the total traded volume, which more than offset the decrease in RPC for interest rate contracts in USD due to a change in pricing in May/22 leading to lower prices for shorter-term contracts.

## OTC

### Fixed-Income Instruments

		3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
New issues	Bank funding (total in R\$ billions)	3,964.3	3,399.0	16.6%	3,759.0	5.5%
	Other (total in billions)	313.6	169.6	84.9%	288.0	8.9%
Outstanding balance	Bank funding (average in R\$ billions)	2,652.6	2,198.8	20.6%	2,493.8	6.4%
	Corporate debt (average in R\$ billions)	955.0	744.8	28.2%	896.3	6.5%
	Other (average in R\$ billions)	1,357.3	850.1	59.7%	1,195.7	13.5%
Treasury Direct	Number of investors (average in thousands)	2,066.5	1,633.6	26.5%	1,973.1	4.7%
	Stock (average in R\$ billions)	92.9	69.9	32.8%	86.9	6.9%

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, and NC).

In a scenario of increasing interest rates, volumes of new issues and average outstanding positions of bank funding instruments in the 3Q22 increased by 16.6% and 20.6%, respectively, primarily due to an increase in issues of Bank Deposit Certificates (CDBs), which represented 72.4% of all new issues for the quarter. For issues of other fixed-income instruments, the 84.9% growth was influenced by a 101.0% increase in issues of instruments for the agribusiness, which represented 74.0% of all issues in this group (vs. 68.1% for 3Q21). The average outstanding balance of corporate debt instruments increased by 28.2%, with leasing debentures accounting for 17.2% of the average balance of corporate debt for 3Q22 (vs. 20.3% for 3Q21).

Another highlight in the fixed-income market was the continuous growth of Treasury Direct (TD), in which number of investors and outstanding balance were up by 26.5% and 32.8%, 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 defined based on the broker's outstanding balance<sup>3</sup> in TD.

### OTC Derivatives and Structured Notes

		3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
Issues	(Total in R\$ billion)	2,922.7	2,528.1	15.6%	3,299.0	-11.4%
Stock	(Average in R\$ billion)	5,741.8	5,236.4	9.7%	5,483.9	4.7%

New issues on the OTC derivatives and structured notes market increased by 15.6%, with issues of virtually all instruments rising. In the same comparison, the average outstanding balance went up by 9.7%.

## Infrastructure for Financing

		3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
SNG	Number of vehicles sold (thousands)	4,732.9	5,068.6	-6.6%	4,188.6	13.0%
	Number of vehicles financed (thousands)	1,398.2	1,563.1	-10.5%	1,350.1	3.6%
	% Vehicles financed / vehicles sold	29.5%	30.8%	-1.3 pp	32.2%	-2.7 pp

The number of vehicles sold decreased by 6.6% in Brazil due to a shortage of components and increased prices for both new and used vehicles. These factors, combined with high interest rates, impacted the number of additions to the National Liens System (SNG), which decreased by 10.5% in 3Q22.

## Technology, Data & Services

		3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
OTC utilization		18,636	16,428	13.4%	18,206	2.4%
Market data	Average number of customers	153	159	-3.8%	149	2.7%
Co-location		88	81	9.1%	86	2.7%

<sup>3</sup> Brokers holding outstanding balances of Treasury Direct (TDs) worth less than R\$4 billion are covered by Model I, for which 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.

The average number of customers paying for their monthly use of OTC systems increased by 13.4%, mainly due to the fund industry's growth in Brazil. There was also a 9.1% increase in the number of customers using co-location services, mainly due to the high-density racks contracted last year with the objective of expanding the capacity of the service throughout 2021.

## **INCOME STATEMENT**

### **Revenues**

**Total revenues:** R\$2,510.6 million, down by 0.1%. This performance is mainly explained by a decrease in revenues from the Listed and Infrastructure for Financing segments, which was almost entirely offset by the growth in the other segments.

**Listed:** R\$1,621.5 million (64.6% of total), down by 7.4%.

- **Equities and equity instruments:** R\$1,002.3 million (39.9% of total), down by 14.0%.
  - Trading and post-trading: R\$853.2 million (34.0% of total), down by 16.8%, reflecting lower traded volumes of both equities and stock indices future contracts.
  - Depository: R\$35.9 million (1.4% of total), down by 2.0% in the period, mainly due to a decrease in the average outstanding balance in the depository, partly offset by an increase in number of foreign accounts, which pay a monthly maintenance fee.
  - Securities lending: R\$86.5 million (3.4% of total), up by 49.7%, due to the current level of fees negotiated between participants in this type of transaction.
  - Listing and solutions for issuers: R\$26.6 million (1.1% of total), down by 41.2%, especially due to the smaller number of offerings for the period, which added up to R\$2.6bn (3 follow-ons), against R\$48.5bn for 3Q21 (17 IPOs and 8 follow-ons).
- **FICC:** R\$619.2 million (24.7% of total), up by 5.7%, reflecting mostly an increase in RPC from interest rate contracts in BRL. It is worth mentioning that this item is also impacted by the cash flow hedge accounting from the September 2021 bond issue, where 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 being hedged. 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. For 3Q22, the net impact of that structure was positive by R\$4.6 million based on the exchange rate fluctuation for the period.

**OTC:** R\$328.8 million (13.1% of total), up by 12.5%.

- Fixed-income instruments: R\$216.5 million (8.6% of total), a 21.1% increase mainly due to (i) 16.6% growth in issues of bank funding instruments and 20.6% growth in their outstanding balance, (ii) higher average corporate debt outstanding, which increased 28.2%, and (iii) increased revenues from Treasury Direct, which amounted to R\$43.6 million for 3Q22, vs. R\$41.7 million for 3Q21. It is worth noting that the market incentives related to this product added up to R\$17.4 million for the quarter (R\$12.6 million for 3Q21) and are accounted for as revenue-linked expenses.
- Derivatives and structured transactions: R\$62.2 million (2.5% of total), down by 9.4%, mainly due to new pricing models for swap and forward contracts implemented in Sep/21 and Jan/22, respectively, which aim to offset price distortions between contracts for these products.
- Other: R\$50.2 million (2.0% of total), up by 11.4%, reflecting increased registration and outstanding balance of fund quotas.

**Infrastructure for financing:** R\$110.2 million (4.4% of total), a 10.8% decrease due to lower revenues related to the services for the real estate segment, partially offset by the annual inflation adjustment of prices (IPCA).

**Technology, data and services:** R\$447.2 million (17.8% of total), up by 29.5%.

- **Technology and access:** R\$250.7 million (10.0% of the total), up by 14.1%, due to the growth in monthly utilization driven by a larger number of customers, especially in the highest ranges.
- **Data and analytics:** R\$128.4 million (5.1% of total), up by 73.5%, mainly due to the consolidation of revenues from Neoway and an increase in revenues from market data. Excluding Neoway, there would have been a 9.5% increase.
- **Bank:** R\$32.9 million (1.3% of total), up by 42.6%, mainly due to a higher volume of BDRs and to the bank's revenues from floating.
- **Other:** R\$35.1 million, (1.4% of total), up by 22.9%.

**Net revenues:** up by 0.1%, amounting to R\$2,257.8 million.

## Expenses

Expenses totaled R\$844.0 million, up by 19.4% or, excluding Neoway impacts, 9.1%.

- **Personnel and charges:** R\$308.5 million, up by 29.3%, mainly explained by (i) the addition of Neoway to this expense line; (ii) new hires; and (iii) annual collective bargaining agreement. Excluding Neoway, the comparison shows a 13.0% increase.
- **Data processing:** R\$120.7 million, a 31.6% increase, mainly due to (i) the development of new initiatives that, given their nature and the way in which they are being developed (agile model, etc.), are accounted for as expenses rather than investments (CAPEX); and (ii) the inclusion of Neoway's expenses. Excluding Neoway, there would have been a 25.7% increase.
- **Depreciation and amortization:** R\$256.1 million, down by 5.9%. Excluding Neoway, there would have been an 8.3% decrease.
- **Revenue-linked expenses:** R\$65.3 million, up by 7.3%, especially due to the addition of Neoway to this line. Excluding Neoway, there would have been a 5.8% decrease due to a decline in products designed for the real estate and vehicle markets and a lower number of public offerings.
- **Third-party services:** R\$26.9 million, up by 36.4%, due to (i) the addition of Neoway; and (ii) increased spending on outside personnel for new initiatives that, as previously explained, are not capitalized. Excluding Neoway, there would have been a 16.9% increase.
- **Others:** R\$36.4 million, up by 438.8%, mainly due to (i) provisions for litigation for which part of the amount in dispute is adjusted according to the B3SA3 price; (ii) adjustments to provisions for ongoing cases, and (iii) higher spending relating 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)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
<b>Expenses (ex-Neoway)</b>	<b>(771.4)</b>	<b>(706.8)</b>	<b>9.1%</b>	<b>(777.0)</b>	<b>-0.7%</b>
(+) Depreciation and Amortization	249.8	272.3	-8.3%	259.6	-3.8%
(+) Long term stock-based compensation	23.6	34.4	-31.3%	30.9	-23.6%
(+) Provisions (recurring and non-recurring)	22.3	(4.1)	-	12.3	82.3%
(+) Revenue-linked expenses	57.4	60.9	-5.8%	56.4	1.7%
(+) M&A expenses	1.8	-	-	3.2	-43.8%
<b>Adjusted expenses</b>	<b>(416.5)</b>	<b>(343.3)</b>	<b>21.3%</b>	<b>(414.7)</b>	<b>0.4%</b>

### Reconciliation of adjusted expenses

(In R\$ millions)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
<b>Expenses</b>	<b>(844.0)</b>	<b>(706.8)</b>	<b>19.4%</b>	<b>(842.5)</b>	<b>0.2%</b>
(+) Depreciation and amortization	256.1	272.3	-5.9%	266.0	-3.7%
(+) Long term stock-based compensation	28.9	34.4	-15.9%	42.0	-31.2%
(+) Provisions (recurring and non-recurring)	22.5	(4.1)	-	12.3	83.2%
(+) Revenue-linked expenses	65.3	60.9	7.3%	65.1	0.3%
(+) M&A expenses	1.8	-	-	3.2	-43.8%
<b>Adjusted expenses</b>	<b>(469.4)</b>	<b>(343.3)</b>	<b>36.7%</b>	<b>(453.9)</b>	<b>3.4%</b>
<b>Core business expenses</b>	<b>(312.9)</b>	<b>(303.8)</b>	<b>3.0%</b>	<b>(318.9)</b>	<b>-1.9%</b>
<b>Non-Core expenses – New initiatives and business</b>	<b>(156.5)</b>	<b>(39.5)</b>	<b>296.2%</b>	<b>(135.0)</b>	<b>15.9%</b>
New initiatives – B3	(82.8)	(25.0)	231.2%	(70.9)	16.8%
Adjusted expenses – Subsidiaries	(73.7)	(14.5)	408.2%	(64.1)	15.0%

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

**Core Business Expenses:** R\$312.9 million, up by 3.0%, primarily because of higher spending on personnel and charges, especially due to the annual inflation adjustment of salaries (collective bargaining agreement) and new hires. Comparing to the previous quarter, adjusted core business expenses decreased by 1.9%.

**Non-core Business Expenses:** R\$156.5 million, up by 296.2%, especially due to (i) the inclusion of Neoway's adjusted expenses and (ii) the new stage of the Company, with intensification of new initiatives that are accounted for as expenses, rather than investments, as explained above. The "New initiatives – B3" line includes data & analytics, insurance, the new portal for investors, receivables, the real estate platform, and technology services. Subsidiaries include Neoway, PDtec, BLK and CED, which generated gross revenues of R\$74.6 million, up by 135.9% vs. 3Q21 (which did not include Neoway).



## EBITDA

Recurring EBITDA totaled R\$1,669.9 million, down by 8.3%. Recurring EBITDA margin was 74.0%, 669 bps lower than in the same period of the previous year. Excluding Neoway, recurring EBITDA would have amounted to R\$1,693.0 million, with a 76.5% margin.

(In R\$ millions)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
<b>EBITDA</b>	<b>1,669.9</b>	<b>1,820.2</b>	<b>-8.3%</b>	<b>1,665.1</b>	<b>0.3%</b>
(+) M&A expenses	1.8	-	-	3.2	-43.8%
<b>Recurring EBITDA</b>	<b>1,671.7</b>	<b>1,820.2</b>	<b>-8.2%</b>	<b>1,668.3</b>	<b>0.2%</b>
<i>Recurring EBITDA margin</i>	<i>74.0%</i>	<i>80.7%</i>	<i>-669 bps</i>	<i>74.4%</i>	<i>-38 bps</i>
<b>Recurring EBITDA (ex-Neoway)</b>	<b>1,693.0</b>	<b>1,820.2</b>	<b>-7.0%</b>	<b>1,684.4</b>	<b>0.5%</b>
<i>EBITDA margin (ex-Neoway)</i>	<i>76.5%</i>	<i>80.7%</i>	<i>-422 bps</i>	<i>76.6%</i>	<i>-10 bps</i>

## Financial Result

The financial result for 3Q22 was negative by R\$50.1 million. Financial revenues amounted to R\$406.1 million, up by 55.4% due to higher interest rates. In comparison to the 2Q22, the 9.9% decrease in financial revenues is due to (i) a decrease in B3's cash position, especially due to the early payment of 3<sup>rd</sup>-issue debentures in the amount of R\$3.55bn (partly offset by the 6<sup>th</sup> issue of debentures in the amount of R\$3.0bn); (ii) a decrease in third-party cash throughout the quarter; and (iii) lower interest of inflation-linked government securities. Financial expenses amounted to R\$439.1 million, up by 130.7%, due to (i) the interest rate hike; and (ii) the effects of the early payment of 3<sup>rd</sup>-issue debentures, as previously mentioned.

(In R\$ millions)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
<b>Financial result</b>	<b>(50.1)</b>	<b>20.5</b>	<b>-</b>	<b>(15.3)</b>	<b>228.4%</b>
Financial revenues	406.1	261.4	55.4%	450.9	-9.9%
Financial expenses	(439.1)	(190.4)	130.7%	(411.1)	6.8%
Net FX variations	(17.1)	(50.5)	-	(55.1)	-68.9%

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

(In R\$ millions)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
Net Financial Result	(50.1)	20.5	-	(15.3)	228.4%
(+/-) Effects of the hedge on net financial result	26.9	69.8	-61.4%	79.8	-66.3%
<b>Adjusted net financial income (excluding hedge effects)</b>	<b>(23.2)</b>	<b>90.3</b>	<b>-</b>	<b>64.6</b>	<b>-</b>
Income before income tax	1,365.6	1,569.7	-13.0%	1,384.3	-1.4%
(+/-) Effects of the hedge on net financial income	26.9	69.8	-61.4%	79.8	-
<b>Income before tax and social contribution (excluding hedge effects)</b>	<b>1,392.5</b>	<b>1,639.4</b>	<b>-15.1%</b>	<b>1,464.2</b>	<b>-4.9%</b>
Income and social contribution taxes	(336.3)	(393.6)	-14.5%	(292.1)	15.2%
(+/-) Effects of the hedge on income and social contribution taxes	(26.9)	(69.8)	-61.4%	(79.8)	-66.3%
<b>Adjusted income and social contribution taxes (excluding the effect of the hedge effects)</b>	<b>(363.2)</b>	<b>(463.4)</b>	<b>-21.6%</b>	<b>(371.9)</b>	<b>-2.3%</b>
<b>Effective Rate on Income Before Adjusted Income and Social Contribution Taxes (excluding hedging effects) – (B) / (A)</b>	<b>26.1%</b>	<b>28.3%</b>	<b>-21.8 bps</b>	<b>25.4%</b>	<b>+6.9 bps</b>

## Income tax and social contribution

Income tax and social contribution totaled R\$336.3 million for 3Q22 and was impacted by the interest on capital (IoC) paid in the amount of R\$320.0 million. Current tax totaled R\$413.7 million, while the deferred income tax and social contribution line was R\$77.4 million, mainly consisting of reversal of tax credits. In addition, the income tax and social contribution line was also impacted by the hedge structure, as previously explained.

## Net income

Net income attributed to B3's shareholders was R\$1,029.1 million, down by 12.5%. Excluding the non-recurring items highlighted below, net income would have amounted to R\$1,153.8 million for the quarter, down by 10.7% comparing to the same period of last year. Lastly, excluding Neoway, net income would have amounted to R\$1,173.5 million.

## Adjustments to net income

(In R\$ millions)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)
<b>Net income (attributable to shareholders)</b>	<b>1,029.1</b>	<b>1,176.1</b>	<b>-12.5%</b>	<b>1,092.2</b>	<b>-5.8%</b>
(+) M&A expenses	1.8	-	-	3.2	-43.8%
(+) Tax impacts from M&A expenses	(0.6)	-	-	(1.1)	-43.8%
(+) Amortization of intangible assets (Cetip combination)	123.5	115.5	6.9%	126.9	-2.7%
<b>Recurring net income</b>	<b>1,153.8</b>	<b>1,291.6</b>	<b>-10.7%</b>	<b>1,221.2</b>	<b>-5.5%</b>
(+) Deferred tax (goodwill from Cetip combination)	-	119.6	-	119.6	-
<b>Recurring net income adjusted for goodwill tax benefit</b>	<b>1,153.8</b>	<b>1,411.2</b>	<b>-18.2%</b>	<b>1,340.8</b>	<b>-14.0%</b>
(-) Net income Neoway	19.7	-	-	19.8	-0.1%
<b>Recurring net income adjusted by goodwill tax benefit (ex-Neoway)</b>	<b>1,173.5</b>	<b>1,411.2</b>	<b>-16.8%</b>	<b>1,360.6</b>	<b>-13.7%</b>

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

## MAIN ITEMS OF THE CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2022

### Assets, Liabilities and Shareholders' Equity Accounts

The Company ended the quarter with total assets of R\$48.7 billion, down by 7.2% from Dec/21. Cash and cash equivalents (current and non-current) totaled R\$19.1 billion. The cash position includes (i) R\$320.0 million in interest on capital and (ii) R\$164.3 million in dividends, both paid in Oct/22.

As for liabilities, B3's gross indebtedness at the end of 3Q22 amounted to R\$12.3 billion (86% long term and 14% short term), corresponding to 1.8x the recurring EBITDA for the previous 12 months.

Shareholders' equity at the end of Sep/22 amounted to R\$20.4 billion, consisting mainly of capital stock of R\$12.5 billion and capital reserves of R\$7.9 billion (vs. R\$8.3 billion in Dec/21).

## OTHER INFORMATION

### CAPEX

Investments made during the quarter amounted to R\$56.1 million, mainly for technological upgrades in all of B3's segments and new product developments. Year-to-date CAPEX totaled R\$121.1 million.

### Expenditure on New Initiatives

Consistent with the [Material Fact disclosed](#) on December 10, 2021, in which B3 announced a new way of stating its guidances, the expenditure on new initiatives and new business (CAPEX and OPEX), including Neoway, totaled R\$159.1 million for 3Q22. It is worth reaffirming that these figures are included in the expenses and investments (CAPEX) lines.

### Distributions to shareholders

On September 15, 2022, the Board of Directors approved the payment of interest on capital and dividends in the amounts of R\$320.0 million and R\$164.3 million, respectively, which was paid on October 7. 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\$1,233.7 million returned to the shareholders.

## SUSTAINABILITY

The following were our key highlights for 3Q22 regarding B3's sustainability strategy:

- Ranked 1<sup>st</sup> in the Financial Services industry by the yearbook *Anuário Época Negócios 360°*, which recognizes companies with best practices in innovation, outlook, people, financial performance and ESG.
- Training provided in conjunction with UN SSE, IFC and CDP in the Task Force on Climate-Related Financial Disclosures (TCFD), aiming to provide the market with guidance on the early steps organizations need to take to implement the TCFD recommendations related to climate change.
- Publication of the 3<sup>rd</sup> issue of the Sustainability and ESG Management Guide for Businesses, which is designed to share best practices in relation with these topics.

**CONSOLIDATED INCOME STATEMENT**

(In R\$ thousands)	3Q22	3Q21	3Q22/3Q21 (%)	2Q22	3Q22/2Q22 (%)	Neoway (3Q22)	B3 ex-Neoway (3Q22)
<b>Total revenues</b>	<b>2,510,567</b>	<b>2,513,222</b>	<b>-0.1%</b>	<b>2,486,797</b>	<b>1.0%</b>	<b>47,660</b>	<b>2,462,907</b>
<b>Listed</b>	<b>1,621,472</b>	<b>1,751,542</b>	<b>-7.4%</b>	<b>1,618,716</b>	<b>0.2%</b>	-	<b>1,621,472</b>
<b>Cash equities and equities instruments</b>	<b>1,002,310</b>	<b>1,165,635</b>	<b>-14.0%</b>	<b>1,046,889</b>	<b>-4.3%</b>	-	<b>1,002,310</b>
Trading and post-Trading	853,235	1,025,903	-16.8%	867,228	-1.6%	-	853,235
Depository	35,896	36,623	-2.0%	35,573	0.9%	-	35,896
Securities lending	86,538	57,789	49.7%	100,627	-14.0%	-	86,538
Listing and services for issuers	26,641	45,320	-41.2%	43,461	-38.7%	-	26,641
<b>Interest Rates BRL, FX and commodities</b>	<b>619,162</b>	<b>585,907</b>	<b>5.7%</b>	<b>571,827</b>	<b>8.3%</b>	-	<b>619,162</b>
Trading and Post-Trading	619,162	585,907	5.7%	571,827	8.3%	-	619,162
<b>OTC</b>	<b>328,847</b>	<b>292,436</b>	<b>12.5%</b>	<b>319,054</b>	<b>3.1%</b>	-	<b>328,847</b>
Fixed Income	216,503	178,813	21.1%	206,234	5.0%	-	216,503
Derivatives	62,162	68,575	-9.4%	64,604	-3.8%	-	62,162
Other	50,182	45,048	11.4%	48,216	4.1%	-	50,182
<b>Infrastructure for financing</b>	<b>110,245</b>	<b>123,599</b>	<b>-10.8%</b>	<b>110,617</b>	<b>-0.3%</b>	-	<b>110,245</b>
<b>Technology, data and services</b>	<b>447,203</b>	<b>345,352</b>	<b>29.5%</b>	<b>438,314</b>	<b>2.0%</b>	<b>47,660</b>	<b>399,543</b>
Technology and access	250,719	219,654	14.1%	246,499	1.7%	-	250,719
Data and analytics	128,364	73,989	73.5%	128,155	0.2%	47,335	81,029
Bank	32,964	23,112	42.6%	31,874	3.4%	-	32,638
Other	35,156	28,597	22.9%	31,786	10.6%	326	35,156
<b>Reversal of provisions and recovery of expenses</b>	<b>2,800</b>	<b>293</b>	<b>855.6%</b>	<b>96</b>	-	-	<b>2,800</b>
<b>Revenue deductions</b>	<b>(252,716)</b>	<b>(258,519)</b>	<b>-2.2%</b>	<b>(245,165)</b>	<b>3.1%</b>	<b>(2,605)</b>	<b>(250,111)</b>
PIS and COFINS	(209,544)	(216,394)	-3.2%	(203,330)	3.1%	(1,685)	(207,859)
Service tax	(43,172)	(42,125)	2.5%	(41,835)	3.2%	(919)	(42,253)
<b>Net revenues</b>	<b>2,257,851</b>	<b>2,254,703</b>	<b>0.1%</b>	<b>2,241,632</b>	<b>0.7%</b>	<b>45,056</b>	<b>2,212,795</b>
<b>Expenses</b>	<b>(844,011)</b>	<b>(706,772)</b>	<b>19.4%</b>	<b>(842,504)</b>	<b>0.2%</b>	<b>(72,614)</b>	<b>(771,397)</b>
Personnel	(308,531)	(238,660)	29.3%	(307,282)	0.4%	(38,774)	(269,757)
Data processing	(120,667)	(91,669)	31.6%	(127,676)	-5.5%	(5,470)	(115,197)
Depreciation and amortization	(256,090)	(272,257)	-5.9%	(266,010)	-3.7%	(6,325)	(249,765)
Revenue-linked expenses	(65,318)	(60,897)	7.3%	(65,096)	0.3%	(7,937)	(57,381)
Third-party services	(26,941)	(19,752)	36.4%	(27,380)	-1.6%	(3,852)	(23,089)
Maintenance	(6,592)	(5,749)	14.7%	(6,016)	9.6%	(220.19)	(6,372)
Marketing	(16,195)	(5,224)	210.0%	(6,044)	168.0%	(7,296)	(8,899)
Taxes	(3,344)	(2,565)	30.4%	(4,616)	-27.6%	(227)	(3,117)
Board and committee members' compensation	(3,968)	(3,250)	22.1%	(3,675)	8.0%	-	(3,968)
Others	(36,365)	(6,749)	438.8%	(28,709)	26.7%	(2,513)	(33,852)
<b>Operating income</b>	<b>1,413,840</b>	<b>1,547,931</b>	<b>-8.7%</b>	<b>1,399,128</b>	<b>1.1%</b>	<b>(27,559)</b>	<b>1,441,399</b>
<i>Operating margin</i>	62.6%	68.7%	-603 bps	62.4%	20 bps	-61.2%	65.1%
<b>Equity in income of investees</b>	<b>1,879</b>	<b>1,234</b>	<b>52.3%</b>	<b>475</b>	<b>295.6%</b>	-	<b>1,879</b>
<b>Financial result</b>	<b>(50,096)</b>	<b>20,524</b>	-	<b>(15,256)</b>	<b>228.4%</b>	<b>651</b>	<b>(50,747)</b>
Financial revenues	406,126	261,386	55.4%	450,873	-9.9%	928	405,198
Financial expenses	(439,099)	(190,368)	130.7%	(411,075)	6.8%	(248)	(438,851)
Net FX variations	(17,123)	(50,494)	-66.1%	(55,054)	-68.9%	(29)	(17,094)
<b>Income before taxes</b>	<b>1,365,623</b>	<b>1,569,689</b>	<b>-13.0%</b>	<b>1,384,347</b>	<b>-1.4%</b>	<b>(26,907)</b>	<b>1,392,530</b>
<b>Income tax and social contribution</b>	<b>(336,327)</b>	<b>(393,592)</b>	<b>-14.5%</b>	<b>(292,070)</b>	<b>15.2%</b>	<b>7,178</b>	<b>(343,505)</b>
Current	(413,745)	(247,132)	67.4%	(261,487)	58.2%	5,278	(419,023)
Deferred	77,418	(146,460)	-152.9%	(30,583)	-353.1%	1,900	75,518
<b>Net income</b>	<b>1,029,296</b>	<b>1,176,097</b>	<b>-12.5%</b>	<b>1,092,277</b>	<b>-5.8%</b>	<b>(19,729)</b>	<b>1,049,025</b>
<i>Net margin</i>	45.6%	52.2%	-657 bps	48.7%	-314 bps	-43.8%	47.4%
<b>Attributable to:</b>							
B3's shareholders	<b>1,029,100</b>	<b>1,176,129</b>	<b>-12.5%</b>	<b>1,092,182</b>	<b>-5.8%</b>	<b>(19,729)</b>	<b>1,048,829</b>
<i>Net margin</i>	45.6%	52.2%	-658 bps	48.7%	-314 bps	-	47.4%
Minority interest	196	(32)	-712.5%	95	106.3%	-	196



## SUMMARY OF CONSOLIDATED BALANCE SHEET

ASSETS	09/30/2022	12/31/2021	LIABILITIES AND SHAREHOLDERS' EQUITY	09/30/2022	12/31/2021
<b>Current assets</b>	<b>18,475,346</b>	<b>21,080,155</b>	<b>Current liabilities</b>	<b>11,384,975</b>	<b>12,958,993</b>
Cash and cash equivalent	4,267,671	2,560,516	Collateral for transactions	6,131,285	6,357,430
Financial investments	12,470,836	16,573,301	Financial instruments for hedge	8,143	69,831
Other	1,736,839	1,946,338	Loans and debentures	1,771,408	3,204,429
<b>Long-term non-current assets</b>	<b>23,014</b>	<b>14,878</b>	Other	3,474,139	3,327,303
<b>Non-current assets</b>	<b>30,273,033</b>	<b>31,436,736</b>	<b>Non-current liabilities</b>	<b>16,957,021</b>	<b>17,153,406</b>
<b>Long-term receivables</b>	<b>2,743,966</b>	<b>3,251,443</b>	Loans and debentures	10,529,293	10,994,211
Financial investments	2,430,736	2,962,268	Deferred income tax and social contribution	5,478,467	5,110,484
Other	313,230	289,175	Other	949,261	1,048,711
<b>Investments</b>	<b>654,226</b>	<b>651,036</b>	<b>Shareholders' equity</b>	<b>20,429,397</b>	<b>22,419,370</b>
<b>Property and equipment</b>	<b>872,484</b>	<b>903,837</b>	Capital	12,548,655	12,548,655
<b>Intangible assets</b>	<b>26,002,357</b>	<b>26,630,420</b>	Capital reserve	7,939,309	8,341,257
Goodwill	23,700,000	23,603,594	Other	-70,421	1,517,993
Software and projects	2,302,357	3,026,826	Non-controlling interests	11,854	11,465
<b>Total assets</b>	<b>48,771,393</b>	<b>52,531,769</b>	<b>Total liabilities and shareholders' equity</b>	<b>48,771,393</b>	<b>52,531,769</b>