



# 3Q21 EARNINGS PRESENTATION

November 11, 2021



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## Highlights

### M&A

- Announced the **acquisition of 100% of Neoway\***, a technology company specialized in big data analytics and artificial intelligence. The closing of the deal is subject to approval by the CADE (Anti-trust Commission), CVM (Brazilian Securities Commission), and the Extraordinary General Meeting (to be held on December 09, according to the [Call Notice](#))
- Approval from CADE and CVM, concluding the investment of **R\$600 million** in **Dimensa**, in which it now holds a 37.5% interest, while TOTVS holds a 62.5% interest.
- Investment of **US\$10 million** in **Pismo Holdings** in October, a fintech that offers a platform for processing financial services in the cloud

### Capital Structure

- Issuance of a **sustainability-linked bond** in the amount of **US\$700 million**, diversifying the Company's sources of financing and providing in advance the funds required for payments scheduled for 2022

### Regulatory

- Approval of the Brazilian Corporation Law amendment, that authorizes the adoption of the **“super vote”**, which makes it possible to create new classes of shares with rights to multiple votes in companies that intend to go public

[\\*Click here to access the presentation from Oct-21 regarding the acquisition](#)



## Highlights – Operational Performance

		3Q21	3Q21 / 3Q20
<b>Listed – Equities</b>			
Equities	<i>ADTV (R\$ millions)</i>	31,532.1	+9.6%
	<i>Average Fee (bps)</i>	3.493	-0.499 bps
Stock Indices	<i>ADV (thousands of contracts)</i>	4,249.1	+59.8%
	<i>Average RPC (R\$)</i>	0.877	-11.7%
<b>Listed – Derivatives</b>			
	<i>ADV (thousands of contracts)</i>	4,636.6	+16.3%
	<i>Average RPC (R\$)</i>	1.970	-8.0%
<b>OTC</b>			
Fixed Income	<i>New issues (R\$ bn)</i>	3,568.6	+2.9%
	<i>Outstanding volume (R\$ bn)</i>	3,793.7	+9.9%
Derivatives	<i>New transactions (R\$ bn)</i>	2,528.1	+4.9%
	<i>Outstanding volume (R\$ bn)</i>	5,236.4	+26.6%



## Highlights – Financial Performance

	<i>R\$ million</i>	<b>3Q21</b>	<b>3Q21 / 3Q20</b>
<b>Total Revenues</b>		<b>2,513.2</b>	<b>-0.9%</b>
Listed		1,751.5	+4.1%
OTC		292.4	+11.3%
Infrastructure for financing		123.6	+10.8%
Technology, data and services		345.4	+18.9%
Others <sup>1</sup>		0,3	-99.8%
<b>Net Revenues</b>		<b>2,254.7</b>	<b>-1.5%</b>
<b>Adjusted expenses<sup>2</sup></b>		<b>(343.3)</b>	<b>+21.0%</b>
<b>Recurring EBITDA<sup>2</sup></b>		<b>1,820.2</b>	<b>+9.3%</b>
<b>Recurring EBITDA margin<sup>2</sup></b>		<b>80.7%</b>	<b>+149 bps</b>
<b>Financial result<sup>3</sup></b>		<b>20.5</b>	<b>-</b>
<b>Recurring net income<sup>2</sup></b>		<b>1,291.6</b>	<b>+13.0%</b>

<sup>1</sup> Revenues from non-recurring reversal of provisions. <sup>2</sup> See reconciliation on slide 16/17. <sup>3</sup> Negative result in 3Q20.



# Performance by segment

## LISTED – EQUITIES (1/2)

3Q21 (R\$ million)

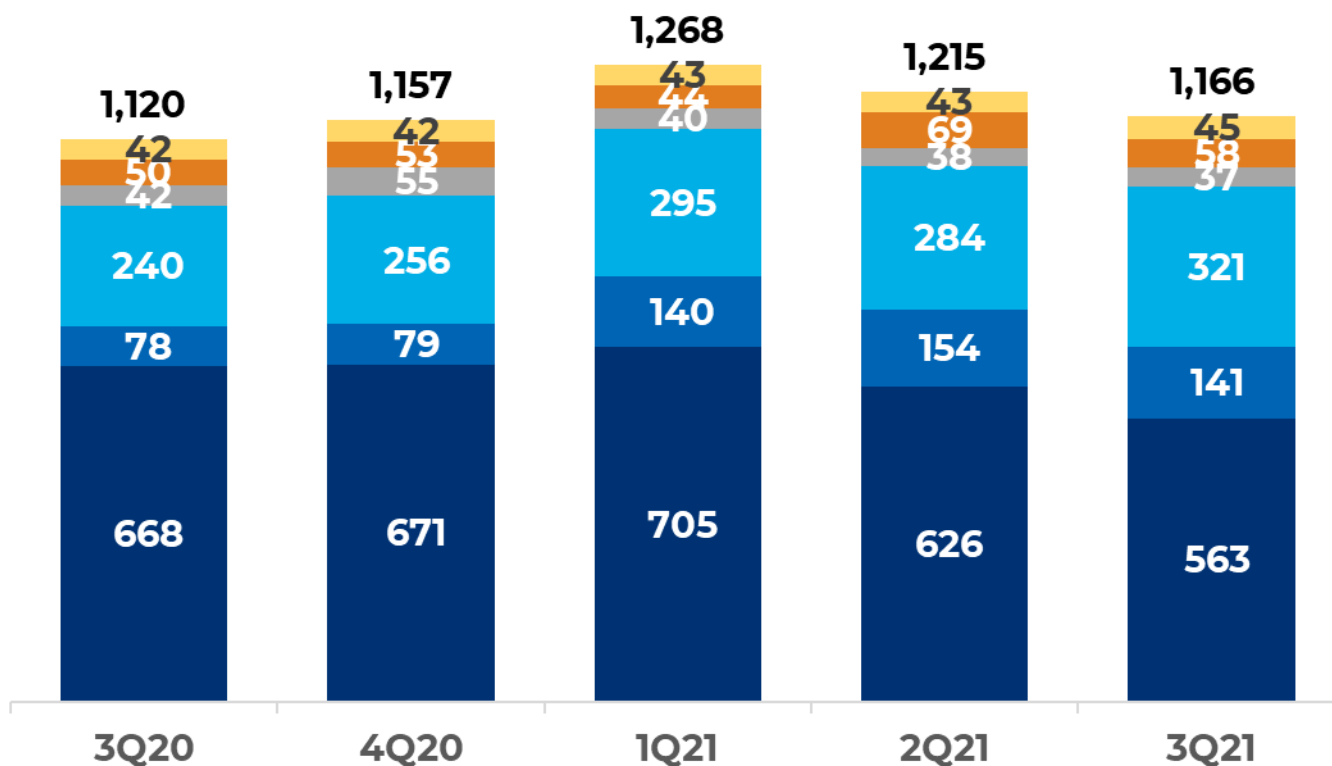
1,166

Δ 3Q20

+4%

Δ 2Q21

-4%

**46% of total revenues**

### Highlights 3Q21 / 3Q20:

- 9.6% increase in cash equities ADTV stock indices future contracts ADV up by 59.8%
- In the cash equities market, the increase reflects the higher average market capitalization, influenced by the IPOs from the last 12 months and recovery in the value of shares listed
- Revenues from cash equities market and depository affected by the intermediary pricing policy implemented in Feb/21, consistent with B3's strategy to share its operating leverage gains

Cash equities post-trading

Cash equities trading

Equity derivatives (trd. and post-trd.)

Depository

Securities lending

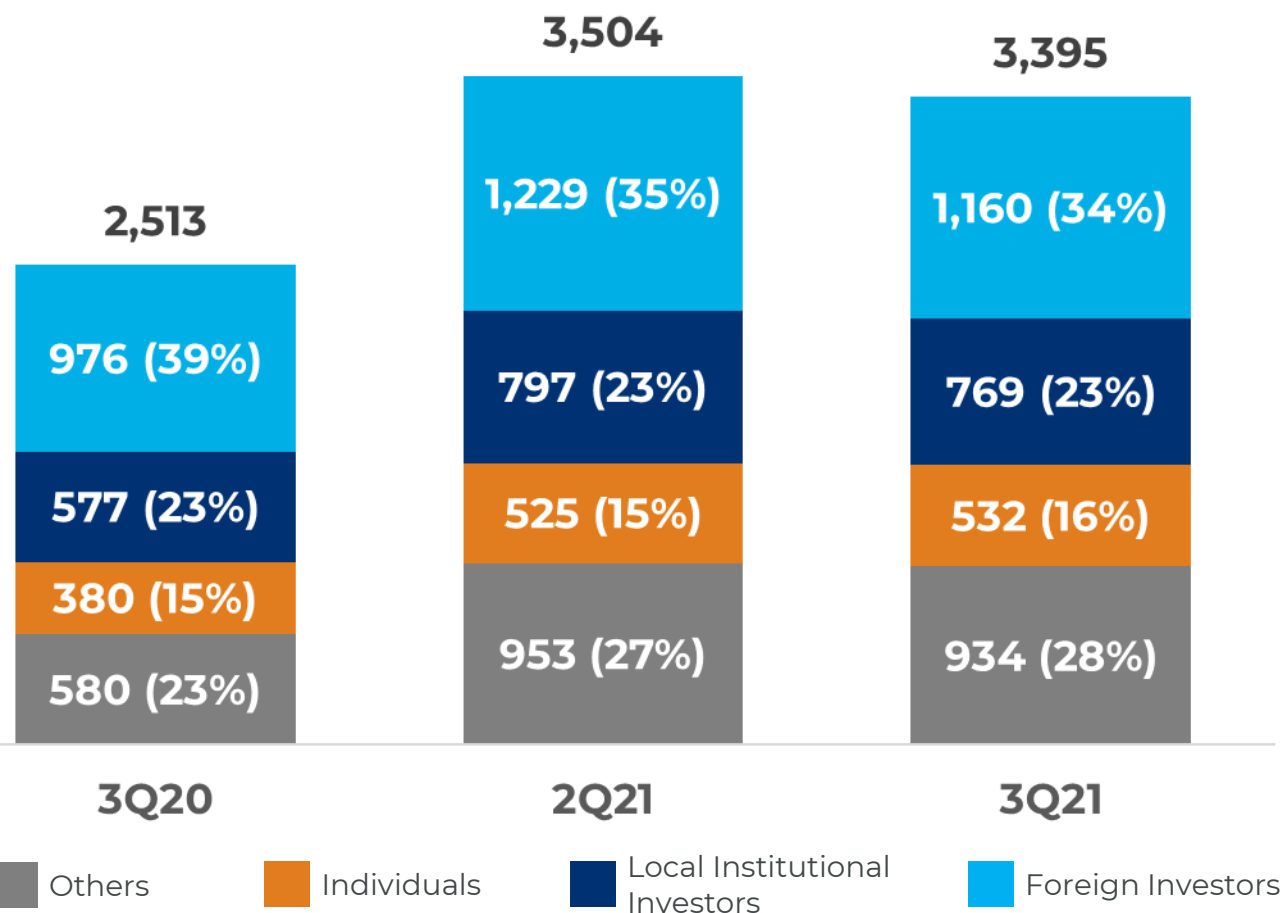
Listing and services for issuers



## Performance by segment

### LISTED – EQUITIES (2/2)

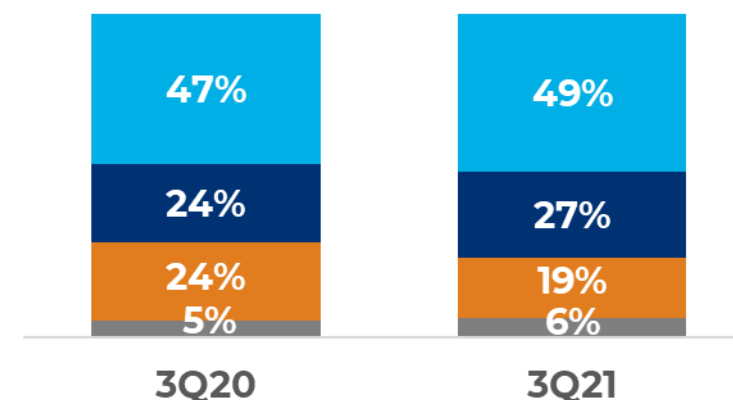
#### Equities Depository Breakdown Avg Balance (R\$ billion)



#### Highlights 3Q21 / 3Q20:

- 35% growth of the average balance in the equities' depository (from R\$2.5 to R\$3.4 trillion), influenced by the IPOs carried out in the last 12 months, as well as by the recovery in the value of shares listed in the segment

#### Investors' Share of Cash Equities ADTV – 3Q21



- Increase in the % share of local institutional investors



# Performance by segment

## LISTED - FICC

3Q21 (R\$ million)

586

Δ 3Q20

+4%

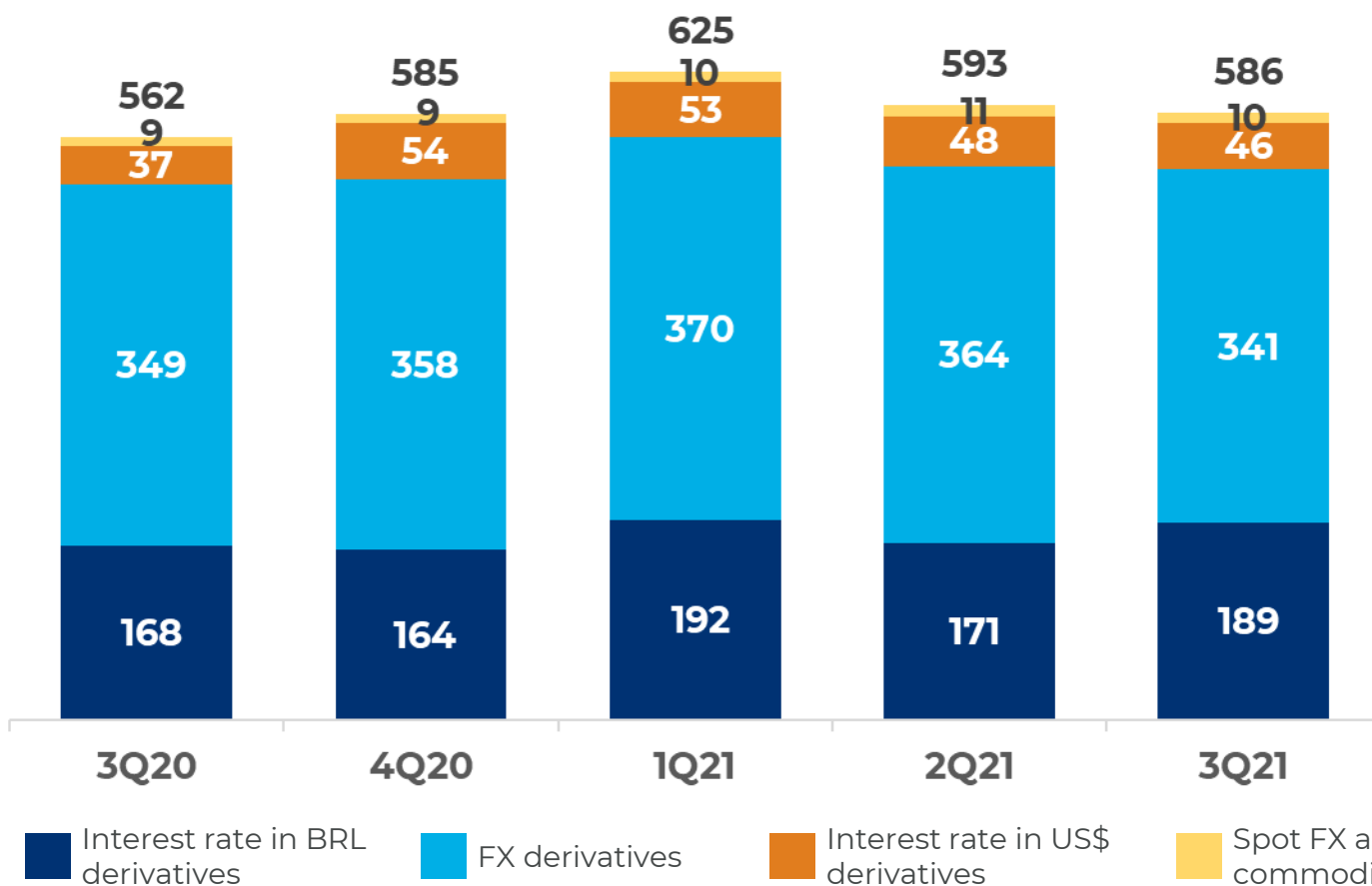
Δ 2Q21

-1%

**23% of total revenues**

### Highlights 3Q21 / 3Q20:

- 16.3% growth in total ADV, reflecting increase in volumes traded in all products
- Total average RPC decreased by 8.0%:
  - 3.1% depreciation of US\$ against BRL, which decreased the RPC of FX and Interest Rate in US\$ derivatives
  - greater concentration of day trade on future contracts of Interest Rate in BRL trading, resulting in lower RPC for this product







# Performance by segment

## OTC

3Q21 (R\$ million)

292

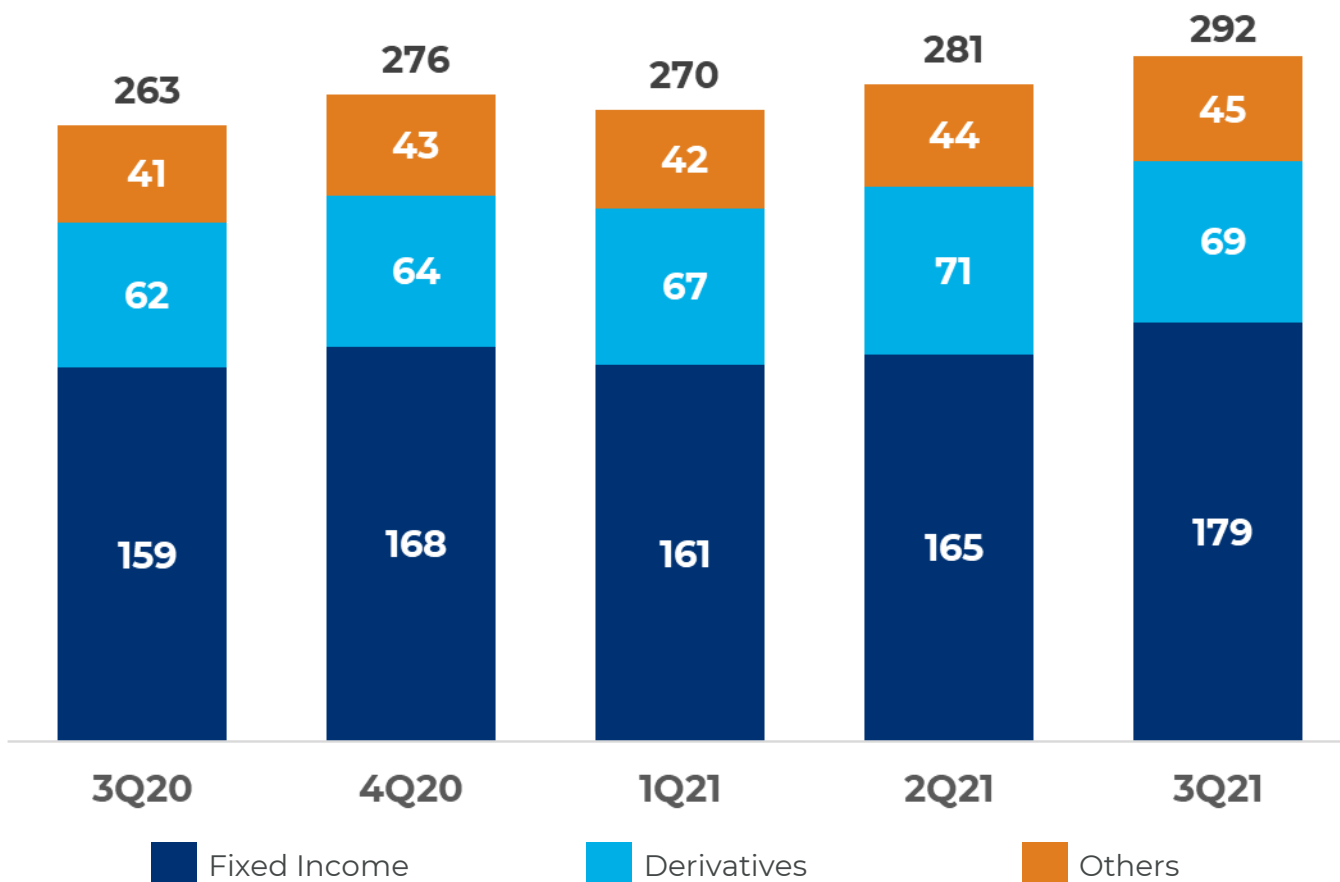
Δ 3Q20

+11%

Δ 2Q21

+4%

12% of total revenues



## Highlights 3Q21 / 3Q20:

### Fixed income instruments

- 12.1% increase in this revenue:
  - growth of issuances and stock of bank funding instruments
  - greater corporate debt outstanding balance
  - increase in the revenues of Tesouro Direto

### Derivatives and structured transactions

- 10.5% increase in this revenue: higher issuances volume and higher average financial volume in the derivatives and structured operations stock



# Performance by segment

## INFRASTRUCTURE FOR FINANCING

3Q21 (R\$ million)

124

Δ 3Q20

+11%

Δ 2Q21

+6%

5% of total revenues

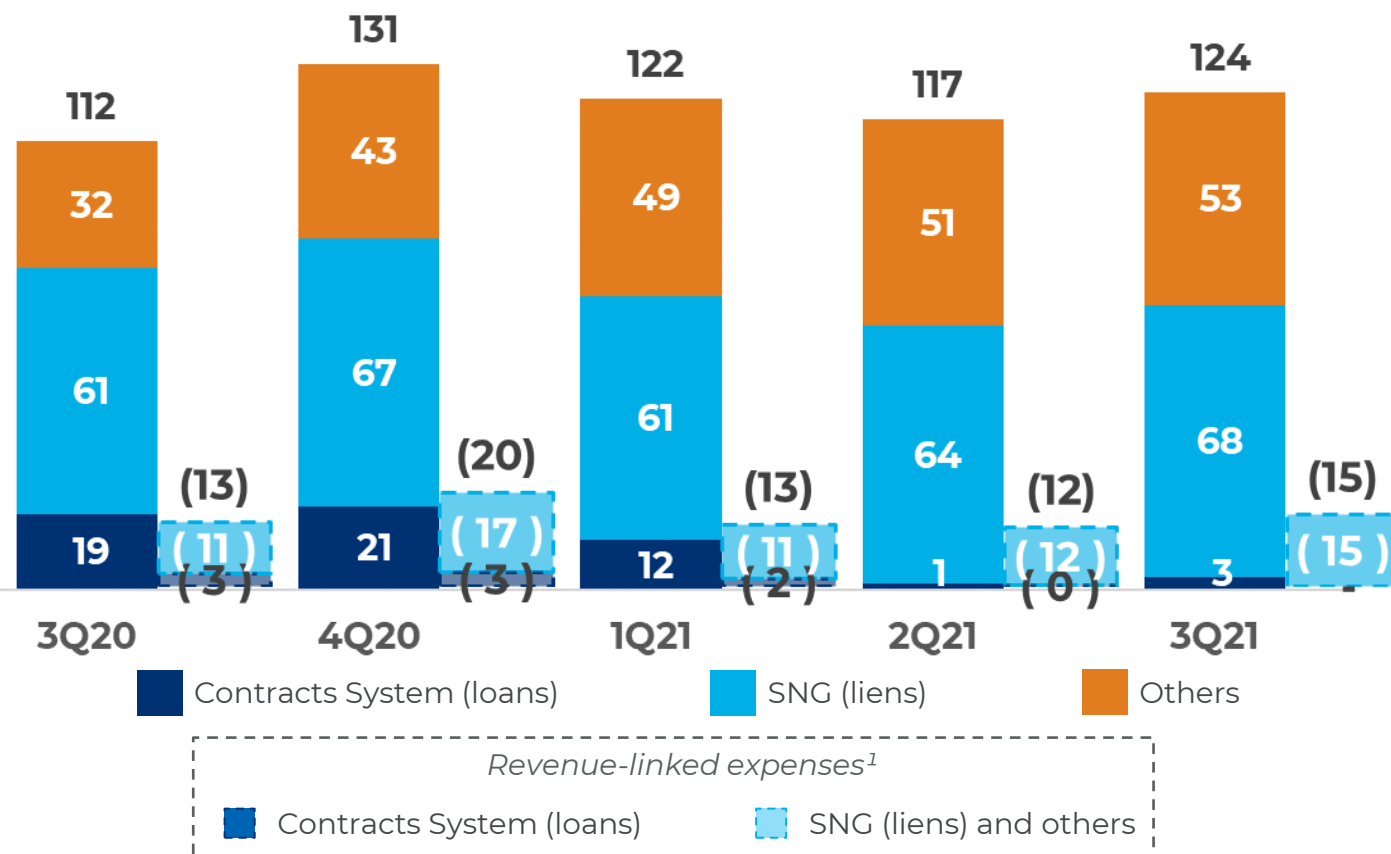
### Highlights 3Q21 / 3Q20:

#### National Liens System (SNG)

- Number of vehicles sold grew 7.9% in 3Q21, reflecting the recovery of this market from the pandemic impacts
- Number of additions to the National Liens System (SNG) increased by 2.4%, despite the less favorable macroeconomic environment for financing

#### Contracts System

- Decrease in the number of transactions by 13.8%: in Feb/21, Integra+ was replaced by SEND – Sistema de Envio de Dados, a new product that changes our contract data availability model, adapting to Contran resolution 807



<sup>1</sup> Considers only the revenue-linked expenses related to the Infrastructure for financing segment.



## Performance by segment

### TECHNOLOGY, DATA AND SERVICES

3Q21 (R\$ million)

345

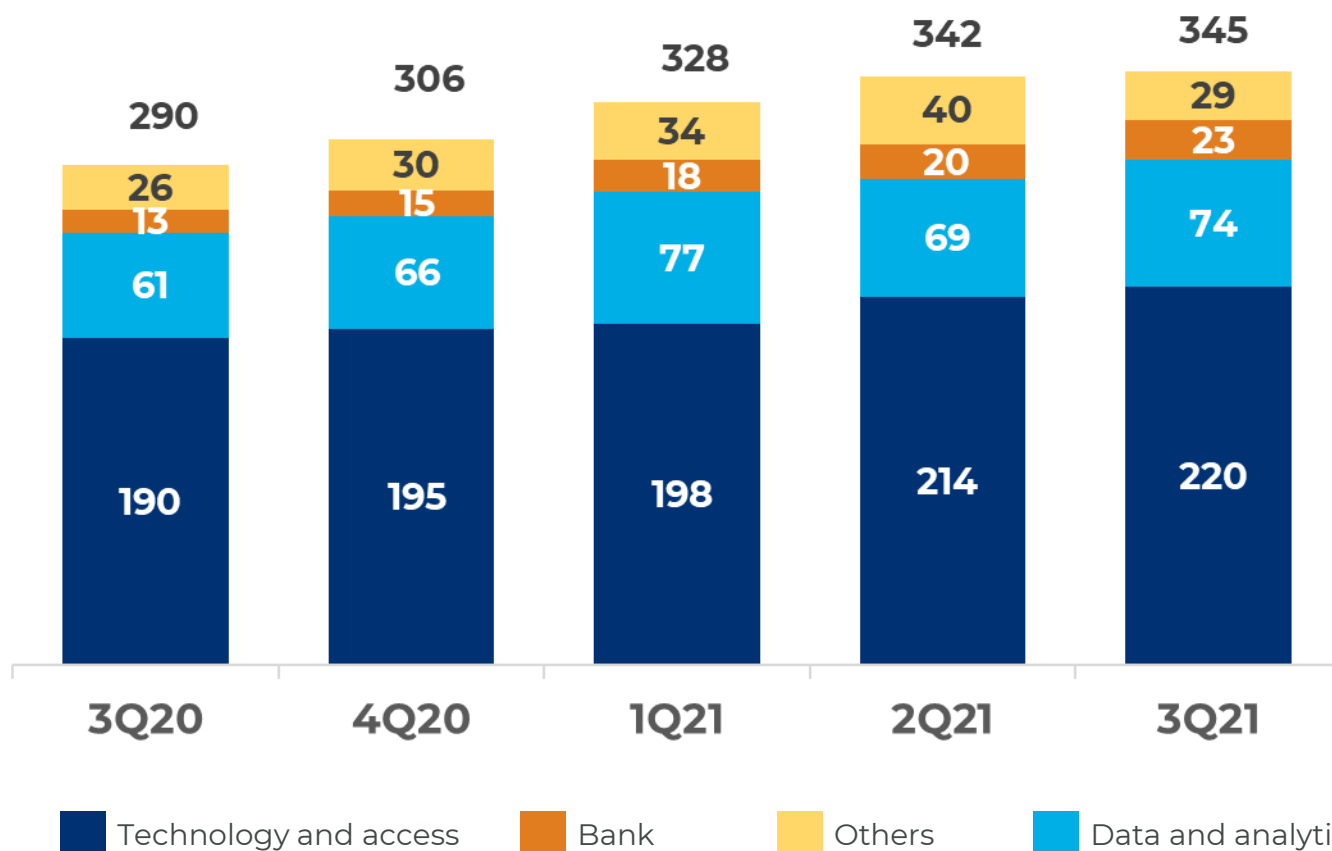
Δ 3Q20

+19%

Δ 2Q21

+1%

14% of total revenues



#### Highlights 3Q21 / 3Q20:

- 15.5% increase in Technology and Access revenue: increase in customers accessing OTC platforms, and annual adjustment of prices according to inflation (IPCA)
- Average number of customers of Monthly Utilization from the OTC segment increased by 15.9%, due to the fund industry's growth in Brazil
- 21.2% growth in Data and Analytics revenue, explained by the Market Data revenues growth



# Adjusted expenses<sup>1</sup>

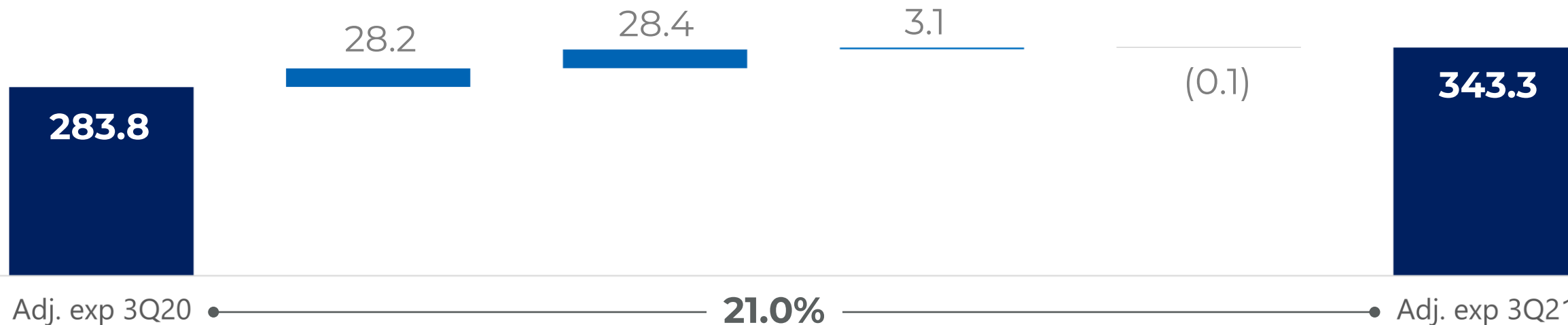
(R\$ million)

**Adjusted personnel<sup>2</sup>**  
(+16.1%): annual correction of wages and hiring

**Data processing**  
(+44.8%): intensification of projects to increase capacity

**Third-party services** (+18.8%): higher spending on consulting

**Others<sup>3</sup>**  
(-0.5%)



(in R\$ million and % of total adjusted expenses)

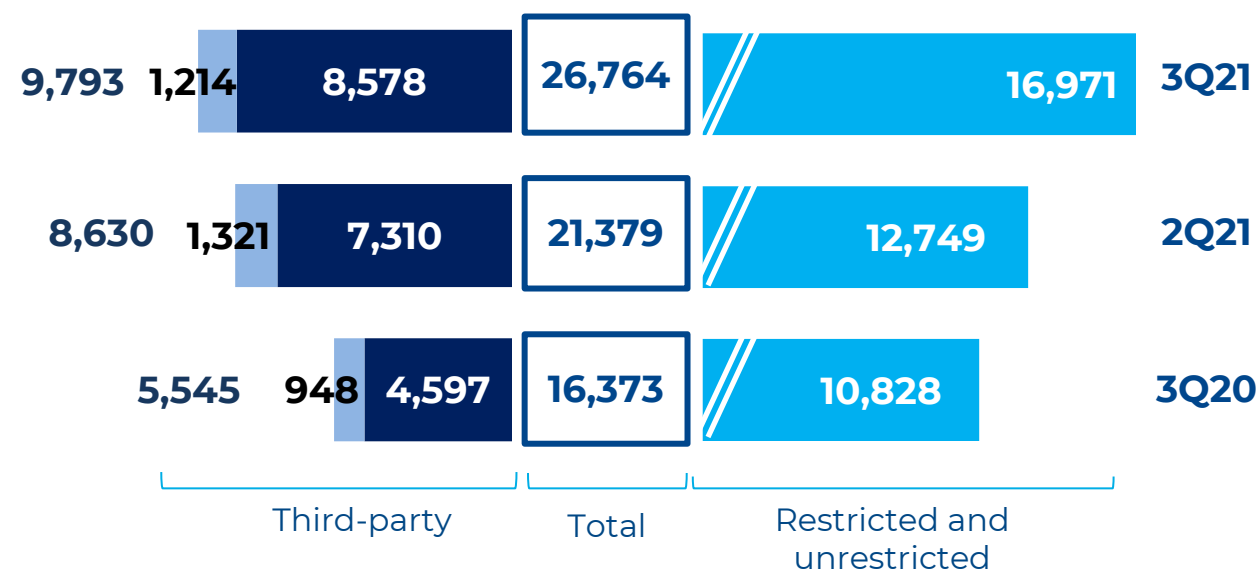
	Adjusted personnel	Data processing	Third-party services	Others
<b>3Q21</b>	203.4 (59.2%)	91.7 (26.7%)	19.8 (5.8%)	28.5 (8.3%)
<b>3Q20</b>	175.2 (61.7%)	63.3 (22.3%)	16.6 (5.9%)	28.7 (10.1%)

<sup>1</sup> Adjusted to exclude (i) depreciation and amortization; (ii) long-term stock-based compensation (principal + payroll taxes); (iii) integration-related expenses; (iv) provisions and (v) revenue-linked expenses; and (vi) non-recurring expenses with Contract Termination as disclosed through Notice to the Market on April 29<sup>th</sup>, 2021. <sup>2</sup> Excludes the long-term stock-based compensation (principal + payroll taxes). <sup>3</sup> Includes expenses with communication, maintenance, taxes, board and committee members compensation and others.



## Financial highlights

### Cash and Financial Investments (R\$ million)



Market participants' cash collateral and others<sup>1</sup>

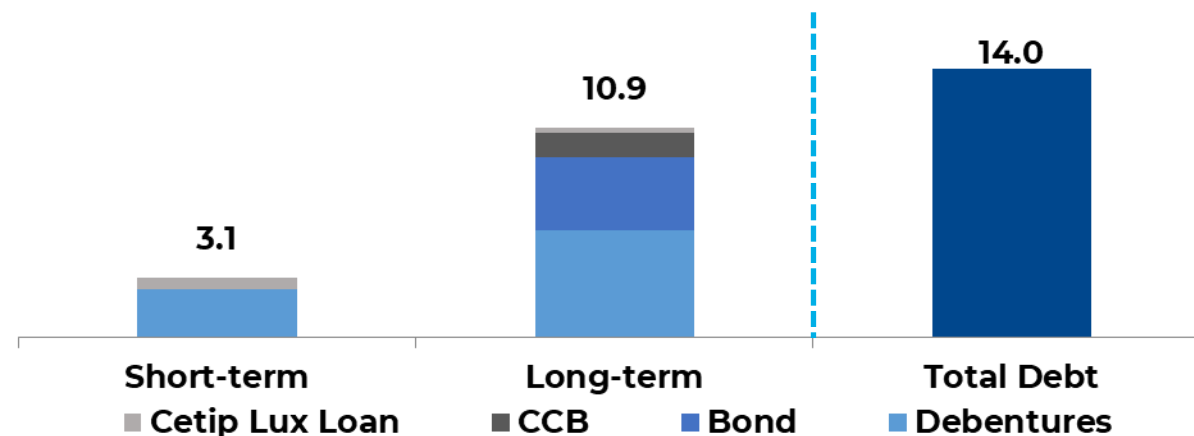
B3 Bank<sup>2</sup>

B3's cash position<sup>3</sup>

Third-party cash of R\$8.6 billion is not considered as B3's own cash, but the Company earns interest on most of this cash balance

A R\$600 million investment was made in Dimensa on October 1<sup>st</sup>

### Financial Leverage and Debt Schedule Debt Amortization Schedule (R\$ billion)



#### Indebtedness includes:

- Cetip Lux Loans of US\$ 100 million and US\$ 50 million: maturity in Aug/22 and Sep/23
- Debenture of R\$ 1.20 billion: maturity in May/22
- Bank loans of R\$1.25 billion: maturity in July/23
- Debenture of R\$3.55 billion: maturity in Aug/22, Aug/23 and Aug/24
- Debenture / CRI of R\$205 million: maturity in Dec/28, Dec/29 and Dec/30
- Debenture of R\$3.0 billion in two series: maturity in May/24, May/25 and May/26
- Bond of US\$700 million: maturity in Sep/31<sup>4</sup>

Gross indebtedness at the end of September was **1.9x recurring LTM EBITDA**

<sup>1</sup> Includes earnings and rights on securities in custody. <sup>2</sup> Primarily composed of B3 Bank clients' deposits. <sup>3</sup> Does not include investments in Bolsa de Comercio de Santiago, Bolsa de Valores de Colômbia, Bolsa de Valores de Lima and B3 Inova. <sup>4</sup> Bond has hedge accounting – see note 9 of Financial Statement.

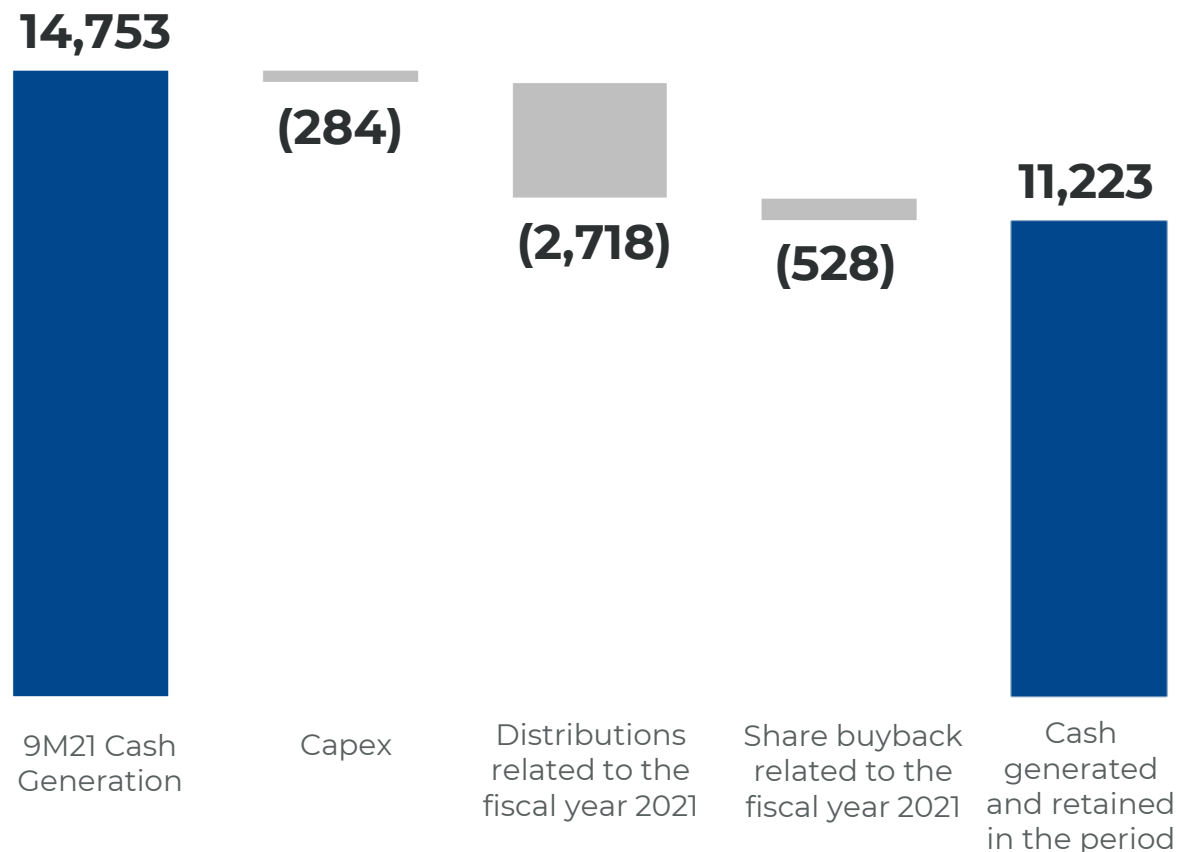


## Financial highlights

### Cash Generation – 9M21 (R\$ million)

	9M21	9M20
Adj. net cash from operating activities <sup>1</sup>	8,202	5,723
Net cash from investment activities <sup>2</sup>	101	1,079
Net cash from financing activities before distributions <sup>3</sup>	6,451	1,247
<b>Cash generation (before distributions, capex and acquisitions)</b>	<b>14,753</b>	<b>8,049</b>

### Cash Destination – 9M21 (R\$ million)



<sup>1</sup> Cash flow from operating activities, adjusted by the variation of financial investments and third-parties collateral. <sup>2</sup> Cash flow from investment activities other than capex and acquisitions. <sup>3</sup> Cash flow from interest and amortization paid and debt issued in the period.

# Appendix



# Financial Statements

## Adjusted expenses reconciliation

(In R\$ millions)	3Q21	3Q20	3Q21/3Q20 (%)	2Q21	3Q21/2Q21 (%)
<b>Expenses</b>	<b>(706.8)</b>	<b>(648.5)</b>	9.0%	<b>(749.3)</b>	-5.7%
(+) Depreciation and amortization	272.3	264.3	3.0%	264.8	2.8%
(+) Long term stock-based compensation	34.4	40.0	-14.1%	34.8	-1.2%
(+) Provisions (recurring and non-recurring)	(4.1)	4.1	-	13.9	-
(+) Revenue-linked expenses	60.9	56.2	8.4%	63.1	-3.5%
(+) Extraordinary expenses with contract termination	-	-	-	48.4	-
<b>Adjusted expenses</b>	<b>(343.3)</b>	<b>(283.8)</b>	<b>21.0%</b>	<b>(324.4)</b>	<b>5.8%</b>

## EBITDA

(In R\$ millions)	3Q21	3Q20	3Q21/3Q20 (%)	2Q21	3Q21/2Q21 (%)
<b>EBITDA</b>	<b>1,820.2</b>	<b>1,904.7</b>	-4.4%	<b>1,933.2</b>	-5.8%
(+) Recovery of non-recurring expenses	-	-	-	(112.3)	-
(+) Reversal of non-recurring provisions	-	(239.0)	-	(16.0)	-
(+) Extraordinary and non-recurring expenses with contract termination	-	-	-	48.4	-
<b>Recurring EBITDA</b>	<b>1,820.2</b>	<b>1,665.7</b>	9.3%	<b>1,853.3</b>	-1.8%
<i>Recurring EBITDA margin</i>	<i>80.7%</i>	<i>79.2%</i>	<i>149 bps</i>	<i>80.9%</i>	<i>-22 bps</i>





# Financial Statements

## Net income reconciliation

(in R\$ millions)	3Q21	3Q20	3Q21/3Q20 (%)	2Q21	3Q21/2Q21 (%)
<b>Net income (attributable to shareholders)</b>	<b>1,176.1</b>	<b>1,137.0</b>	<b>3.4%</b>	<b>1,193.3</b>	<b>-1.4%</b>
(+) Non-recurring provisions	-	(239.0)	-	(16.0)	-
(+) Non-recurring recovery of expenses	-	-	-	(150.2)	-
(+) Tax impacts from non-recurring items	-	57.8	-	40.1	-
(+) Extraordinary expenses with contract termination	-	-	-	48.4	-
(+) Amortization of intangibles (Cetip combination)	115.5	119.6	-3.5%	115.5	-
(+) Provision for impairment	-	67.7	-	-	-
<b>Recurring net income</b>	<b>1,291.6</b>	<b>1,143.2</b>	<b>13.0%</b>	<b>1,231.0</b>	<b>4.9%</b>
(+) Deferred Tax (goodwill from Cetip combination)	119.6	119.6	-	119.6	-
<b>Recurring net income adjusted by goodwill tax benefit</b>	<b>1,411.2</b>	<b>1,262.8</b>	<b>11.8%</b>	<b>1,350.7</b>	<b>4.5%</b>

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