

# 2Q23 Earnings Presentation

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Investor Relations

### **Forward Looking Statements**

*This presentation may contain certain statements that express the management's expectations, beliefs and assumptions about future events or results. Such statements are not historical fact, being based on currently available competitive, financial and economic data, and on current projections about the industries B3 works in.*

*The verbs "anticipate," "believe," "estimate," "expect," "forecast," "plan," "predict," "project," "target" and other similar verbs are intended to identify these forward-looking statements, which involve risks and uncertainties that could cause actual results to differ materially from those projected in this presentation and do not guarantee any future B3 performance.*

*The factors that might affect performance include, but are not limited to: (i) market acceptance of B3 services; (ii) volatility related to (a) the Brazilian economy and securities markets and (b) the highly-competitive industries in which B3 operates; (iii) changes in (a) domestic and foreign legislation and taxation and (b) government policies related to the financial and securities markets; (iv) increasing competition from new entrants to the Brazilian markets; (v) ability to keep up with rapid changes in technological environment, including the implementation of enhanced functionality demanded by B3 customers; (vi) ability to maintain an ongoing process for introducing competitive new products and services, while maintaining the competitiveness of existing ones; (vii) ability to attract new customers in domestic and foreign jurisdictions; (viii) ability to expand the offer of B3 products in foreign jurisdictions.*

*All forward-looking statements in this presentation are based on information and data available as of the date they were made, and B3 undertakes no obligation to update them in light of new information or future development.*

*This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities where such offer or sale would be unlawful prior to registration or qualification under the securities law. No offering shall be made except by means of a prospectus meeting the requirements of the Brazilian Securities Commission CVM Instruction 400 of 2003, as amended.*

# [B]<sup>3</sup> Highlights

## Operational Performance

		2Q23	2Q23 / 2Q22	2Q23 / 1Q23
<b>Listed - Equities</b>				
Equities	ADTV (R\$ millions)	26,881	-6.7%	6.7%
	Average Fee ( <i>bps</i> )	3.300	-0.060 <i>bps</i>	0.027 <i>bps</i>
<hr/>				
Stock Indices	ADV (thousands of contracts)	3,109	-9.0%	-4.7%
	Average RPC (R\$)	0.979	6.9%	0.4%
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<b>Listed - Derivatives</b>	ADV (thousands of contracts)	6,434	49.5%	6.3%
	Average RPC (R\$)	1.484	-28.0%	-7.3%
<hr/>				
<b>OTC</b>				
Fixed Income	New issues (R\$ bn)	4,550	12.4%	9.0%
	Outstanding volume (R\$ bn)	5,620	22.6%	4.9%
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Derivatives	New transactions (R\$ bn)	3,402	3.1%	7.6%
	Outstanding volume (R\$ bn)	5,683	3.6%	1.1%

# [B]<sup>3</sup> Highlights

## Financial Performance

(R\$ million)	2Q23	2Q23 / 2Q22	2Q23 / 1Q23
<b>Total Revenues</b>	<b>2,477.1</b>	<b>-0.4%</b>	<b>0.7%</b>
Listed	1,523.8	-5.9%	-1.0%
OTC	365.4	14.5%	4.5%
Infrastructure for financing	112.8	1.9%	1.9%
Technology, data and services	473.3	8.0%	2.6%
<b>Net Revenues</b>	<b>2,230.2</b>	<b>-0.5%</b>	<b>0.9%</b>
<b>Expenses</b>	<b>-859.0</b>	<b>2.0%</b>	<b>0.8%</b>
Personnel and charges	-324.9	5.7%	1.5%
Data processing	-123.8	-3.1%	-3.2%
Depreciation and amortization	-268.9	1.1%	3.6%
Other	-141.3	-0.2%	-2.0%
<b>Recurring EBITDA<sup>1</sup></b>	<b>1,632.0</b>	<b>-2.2%</b>	<b>0.6%</b>
<i>Recurring EBITDA margin<sup>1</sup></i>	73.6%	-87 bps	13 bps
Financial result	102.8	-	-27.7%
<b>Recurring net income<sup>1</sup></b>	<b>1,168.3</b>	<b>-4.3%</b>	<b>-3.9%</b>

<sup>1</sup>See reconciliations on slide 15/16 attached



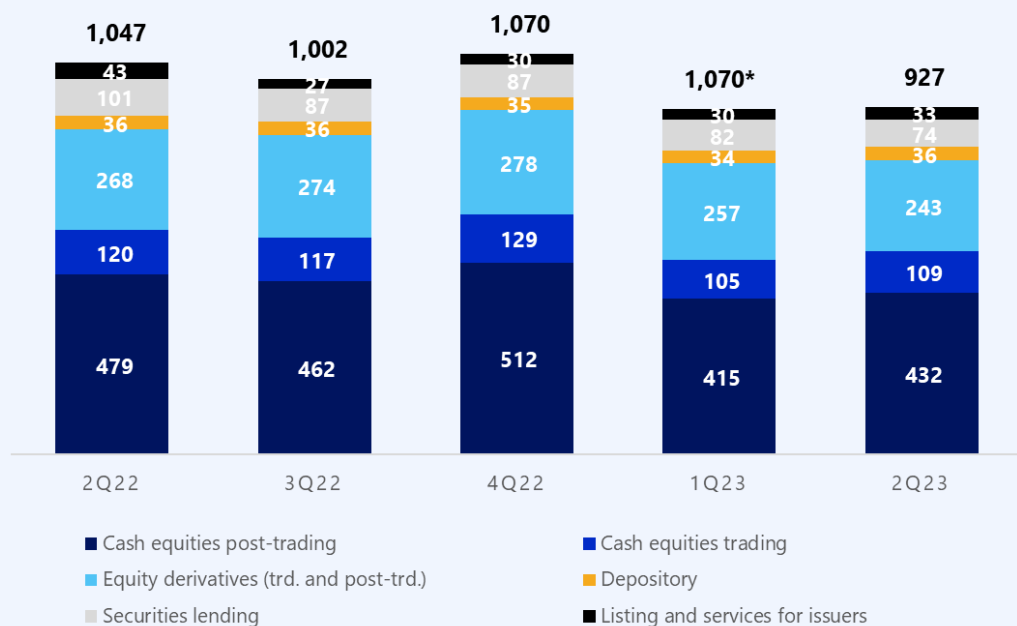
LISTED EQUITIES | 37% of total revenues

# Listed Equities (1 of 2)

Results 2Q23

Revenue distribution (R\$ million)

2Q23 (R\$ million)	Δ 2Q22	Δ 1Q23
927	-11%	+1%



\*Not adjusted for negative R\$6.3m educational incentives in 4Q22



## HIGHLIGHTS 2Q23 / 2Q22:

Decline in trading and post-trading revenues reflects lower trading volume and margins in the cash equities market

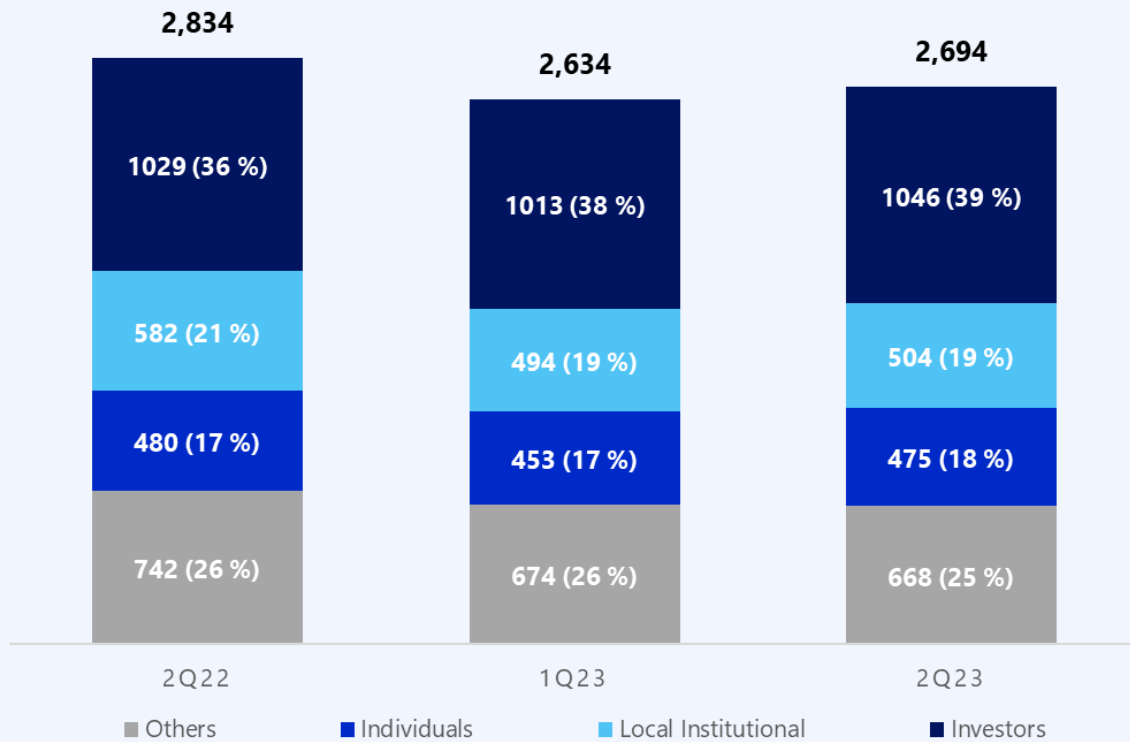
Despite the decrease in traded volume, the maintenance of market turnover (turnover velocity) stands out above 160% in the quarter, reinforcing the structural change in the activity level of the Brazilian stock market



# Listed Equities (2 of 2)

Results 2Q23

## Equities Depository Breakdown (R\$ billion)



## HIGHLIGHTS 2Q23 / 2Q22:

Decrease of 4.9% in the balance of the variable income depository, explained by the lower market value of the companies

## Investor's Share of Cash Equities ADTV





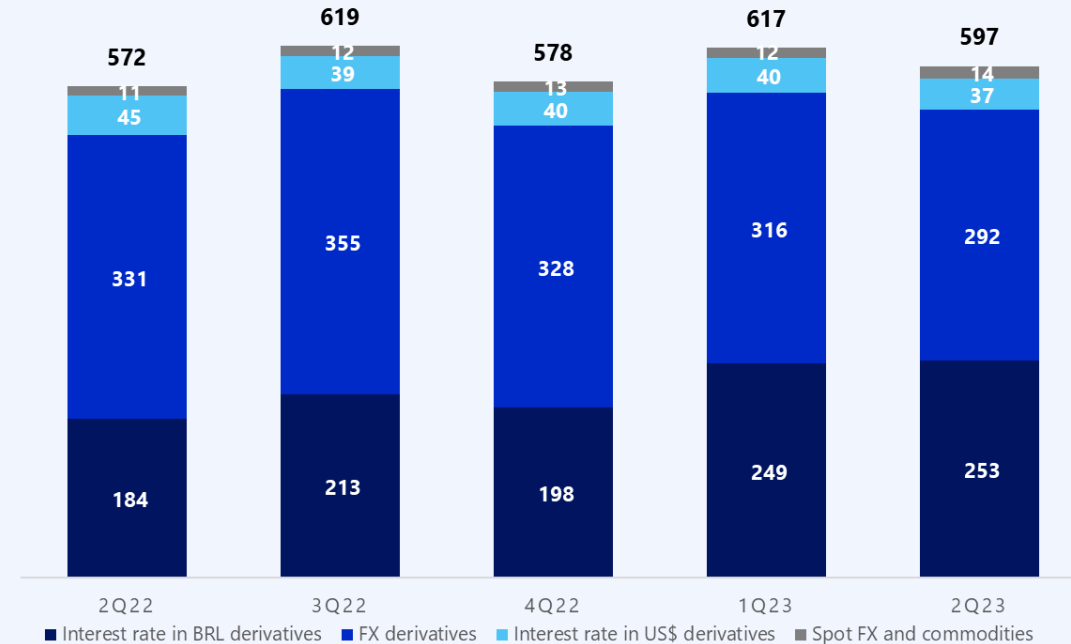
LISTED DERIVATIVES | 24% of total revenues

# Interest rates, FX and Commodities

Results 2Q23

## Revenue distribution (R\$ million)

2Q23 (R\$ million)	Δ 2Q22	Δ 1Q23
597	+4%	-3%



Segment impacted from the 4Q21 by the cash flow hedge accounting constituted in the bond issue. More information on our earnings release.



## HIGHLIGHTS 2Q23 / 2Q22:

4.3% increase in segment revenues, mainly reflecting an increase in volumes of Interest Rate in BRL derivative

ADV totaled 6.4 million contracts, an all-time record and an increase of 49.5%, reflecting the the increase in ADV of Interest in BRL

On the other hand, the average PRC presented a decrease of 28.0%, influenced by the 24.3% decrease in the RPC for Interest in BRL explained by the concentration of ADV in shorter contracts, in addition to the strong growth in volumes



**[B]**<sup>3</sup>

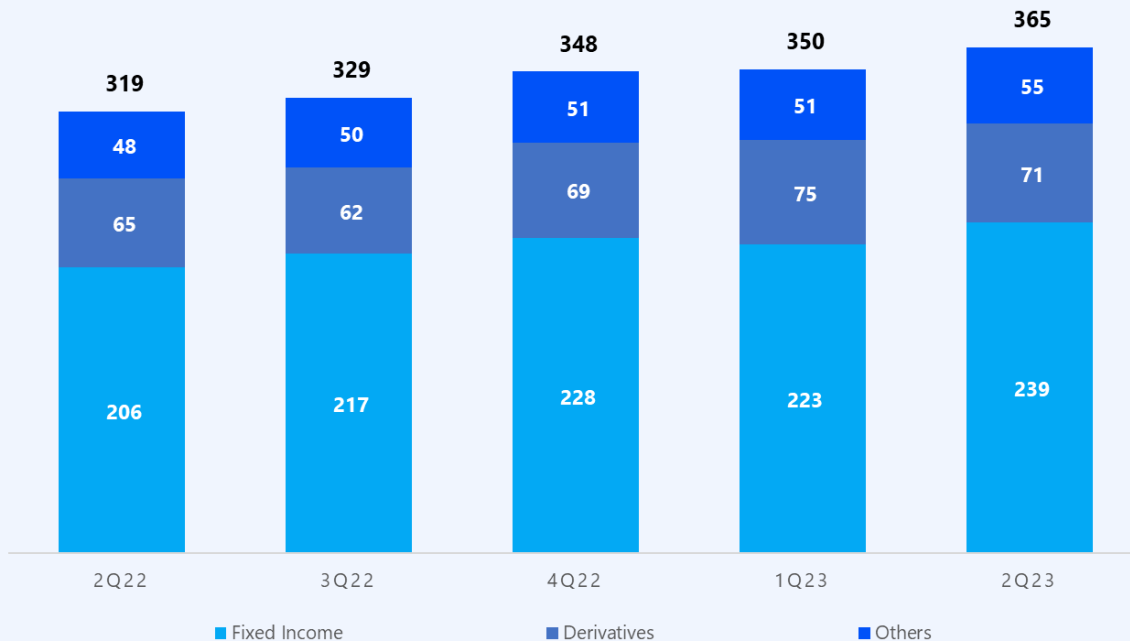
OTC | 15% of total revenues

## OTC

Results 2Q23

### Revenue distribution (R\$ million)

2Q23 (R\$ million)	Δ 2Q22	Δ 1Q23
365	+15%	+5%



### HIGHLIGHTS 2Q23 / 2Q22:

#### Fixed income instruments

15.9% increase in revenue:

- i) growth of 10.3% in the registration of bank funding instruments and 11.9% in the average outstanding of these instruments
- ii) 28.0% increase in Treasury Direct revenue

#### Derivatives and structured transactions

Increase of 3.1% mainly due to the increase in the volume of new swap contracts, which represent 36.3% of new issues in the quarter





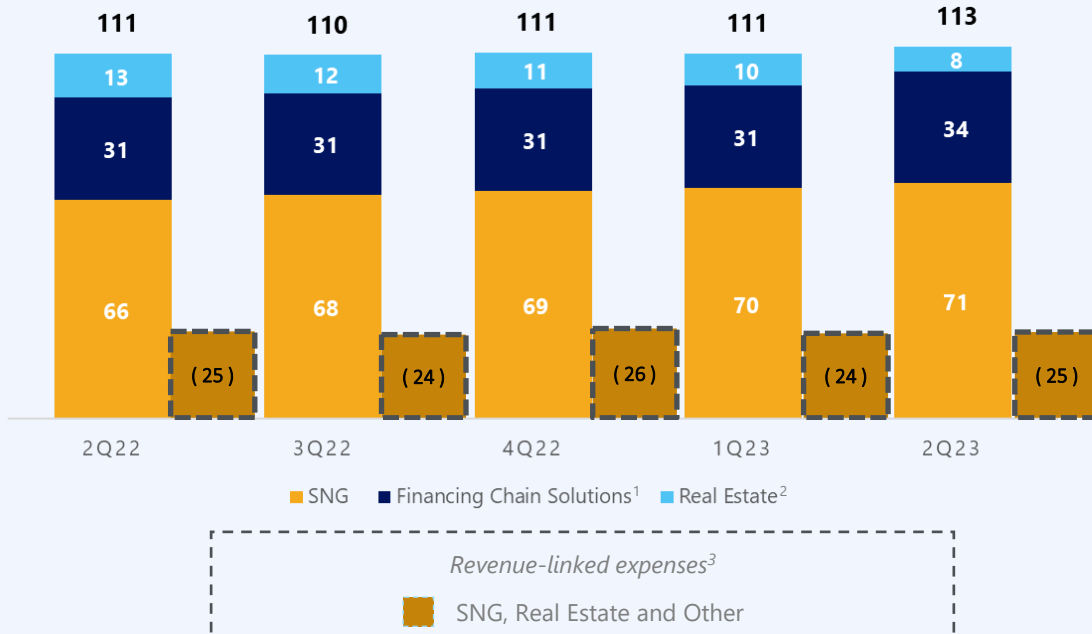
INFRASTRUCTURE FOR FINANCING | 5% of total revenues

# Infrastructure for Financing

Results 2Q23

## Revenue distribution (R\$ million)

2Q23 (R\$ million)	Δ 2Q22	Δ 1Q23
113	+2%	+2%



<sup>1</sup>Includes: SEND and other services for the vehicle financing chain. <sup>2</sup>Includes: collateral management, registration of real estate contracts and others. <sup>3</sup>Considers only the revenue-linked expenses related to the Infrastructure for financing segment.



## HIGHLIGHTS 2Q23 / 2Q22:

Increase of 7.1%, reflecting an improvement in this market mainly due to the growth in motorcycle sales and financing



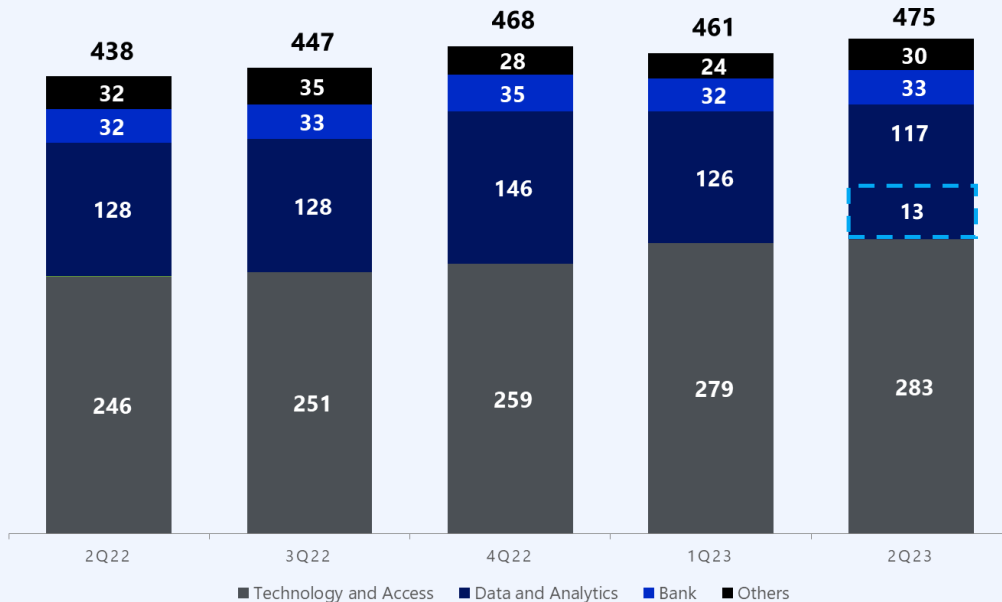
TECHNOLOGY, DATA AND SERVICES | 19% of total revenues

# Technology, Data and Services

Results 2Q23

## Revenue distribution (R\$ million)

2Q23 (R\$ million)	Δ 2Q22	Δ 1Q23
475	+8%	+3%



Neurotech's Revenue

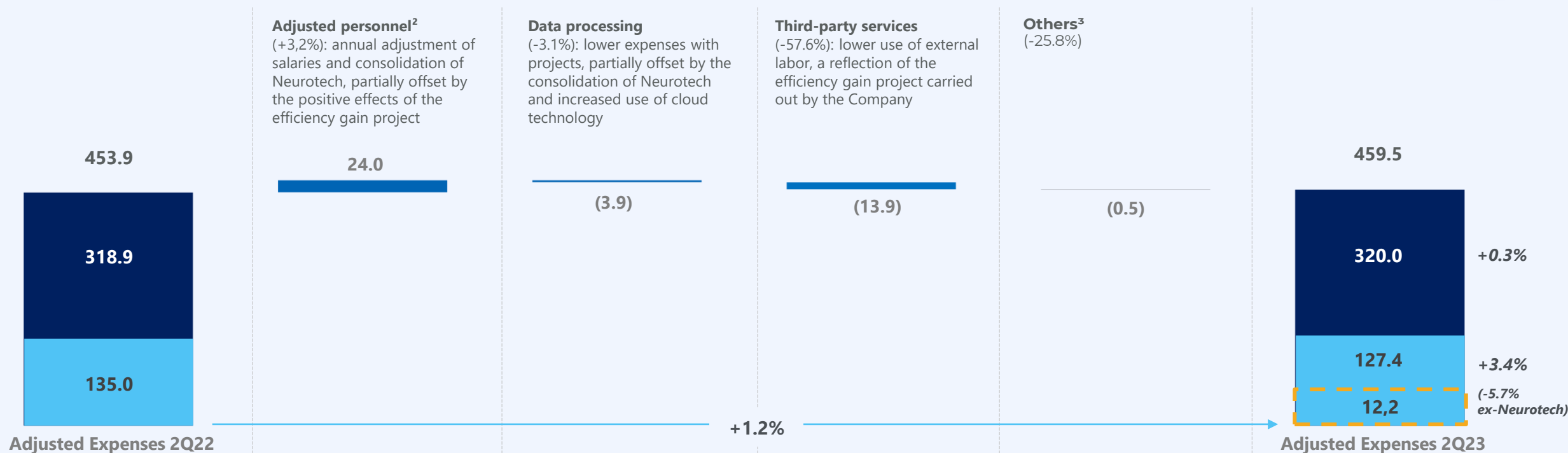


## HIGHLIGHTS 2Q23 / 2Q22:

Increase of 8.0% in segment revenue. explained by:

- i) growth of 14.6% reflecting both the increase in the number of customers and the annual price adjustments
- ii) 1.4% increase in the data and analytics line, mainly reflecting the consolidation of Neurotech
- iii) growth of 2.1% in Banco B3 revenues, explained by the higher revenue from own portfolio and the increase in the volume of business carried out by foreign customers using B3 Bank services

# Adjusted Expenses<sup>1</sup> (R\$ million)



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

	Adjusted Personnel	Data Processing	Third-party services	Others
<b>2Q23</b>	289.3 (63%)	123.8 (26.9%)	10.2 (2.2%)	36.3 (7.9%)
<b>2Q22</b>	265.3 (58.4%)	127.7 (28.1%)	24.2 (5.3%)	36.8 (8.1%)
<b>1Q23</b>	275.6 (58.8%)	127.8 (27.3%)	28.6 (6.1%)	36.7 (7.8%)

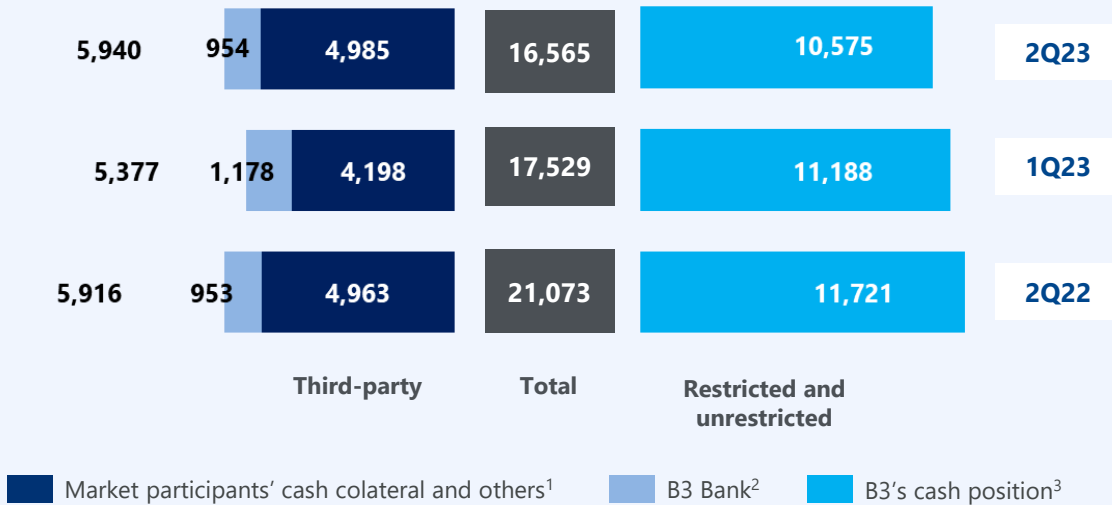
- Core Expenses
- Non-Core Expenses
- Neurotech Expenses

<sup>1</sup>Adjusted to exclude (i) depreciation and amortization; (ii) long-term stock-based compensation (principal + payroll taxes); (iii) provisions; (iv) revenue-linked expenses; (v) M&A expenses. <sup>2</sup> Excludes the long-term stock-based compensation (principal + payroll taxes). <sup>3</sup> Includes expenses with maintenance, taxes, board and committee members compensation and others.

[B]<sup>3</sup>

# Financial Highlights

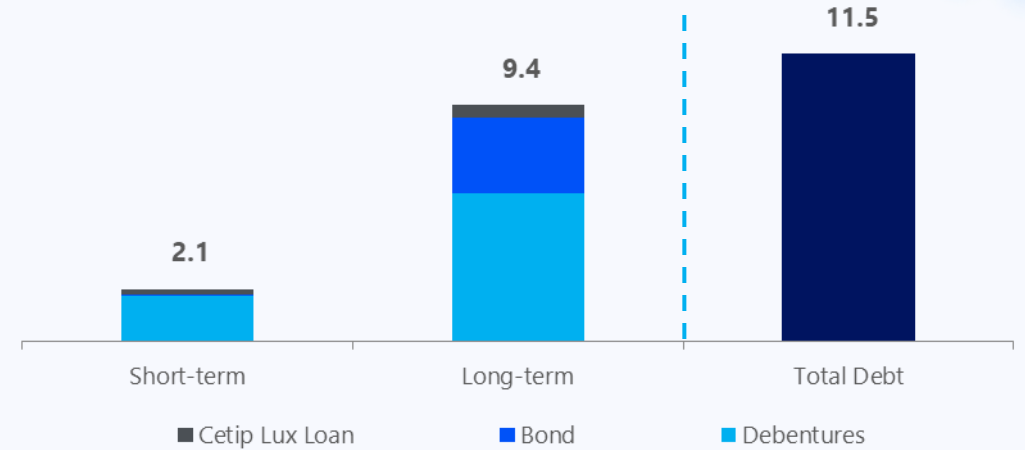
## Cash and Financial Investments (R\$ million)



### HIGHLIGHTS 2Q23 / 2Q22:

Reduction of B3's cash position explained by the 2023/2024 share buyback program, completion of the acquisition of Neurotech and buyback of 2031 Bond during the period

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



Debt   Amount	Maturity
Cetip Lux   US\$150 mi	Sep/23 and Aug/24
Debenture 2 <sup>nd</sup> issue   R\$1.20 bn	May/25
Debenture/CRI 4 <sup>th</sup> issue   R\$205 mi	Dec/28, Dec/29 and Dec/30
Debenture 5 <sup>th</sup> issue (two series)   R\$3.0 bn	May/24, May/25 and May/26
Debenture 6 <sup>th</sup> issue   R\$3.0 bn	Aug/26 and Aug/27
Sustainability-linked bond   US\$700 mi	Sep/31 <sup>4</sup>

Gross indebtedness at the end of June was **1.7x recurring LTM EBITDA**

<sup>1</sup>Includes earnings and rights on securities in custody and deposits in an escrow account. Third-party cash of R\$5.0 billion is not considered as B3's own cash, but the Company earns interest on most of this cash balance. <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 Colombia, Bolsa de Valores de Lima, B3 Inova, Pismo Holdings and Simsa. <sup>4</sup>Bond has hedge accounting – see note 9 of Financial Statement.

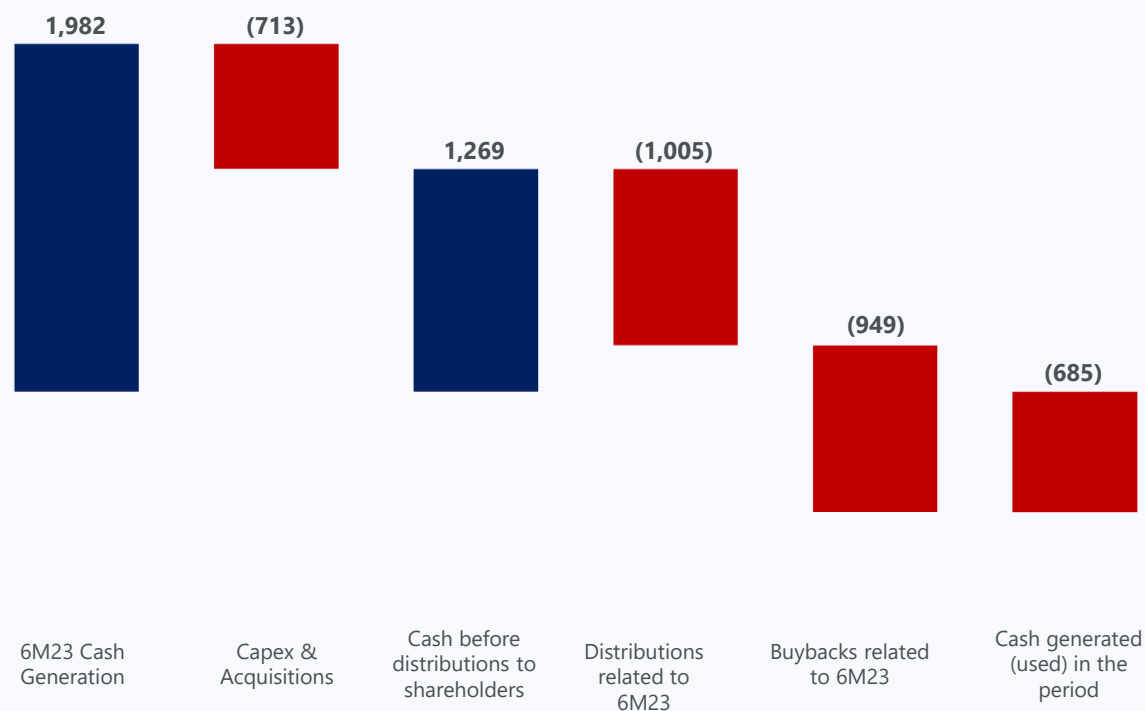
[B]<sup>3</sup>

## Financial Highlights

### Cash Generation (R\$ million)

R\$ million	6M23	6M22
Adj. net cash from operating activities <sup>1</sup>	2,964	3,278
Net cash from investment activities <sup>2</sup>	2	(44)
Net cash from financing activities before distributions <sup>3</sup>	(984)	(1,912)
<b>Cash generation (before distributions, capex and acquisitions)</b>	<b>1,982</b>	<b>1,322</b>
CAPEX & Acquisitions	(713)	(87)
Distributions	(1,005)	(1,076)
Buyback	(949)	(1,499)
<b>Cash generated (used) in the period</b>	<b>(685)</b>	<b>(1,339)</b>

### Cash Destination – 6M23 (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.

[B]<sup>3</sup>

# Appendix

# [B]<sup>3</sup> Financial Statements

## Adjusted Expenses

(In R\$ millions)	2Q23	2Q22	2Q23/2Q22 (%)	1Q23	2Q23/1Q23 (%)
<b>Expenses</b>	<b>(859.0)</b>	<b>(842.5)</b>	<b>2.0%</b>	<b>(851.8)</b>	<b>0.8%</b>
(+) Depreciation and amortization	268.9	266.0	1.1%	259.6	3.6%
(+) Long-term stock-based compensation	35.6	42.0	-15.1%	44.6	-20.1%
(+) Provisions (recurring and non-recurring)	30.9	12.3	151.6%	10.8	187.0%
(+) Revenue-linked expenses	60.8	65.1	-6.6%	63.3	-4.0%
(+) M&A expenses	3.2	3.2	-1.8%	5.0	-36.9%
<b>Adjusted expenses</b>	<b>(459.5)</b>	<b>(453.9)</b>	<b>1.2%</b>	<b>(468.6)</b>	<b>-1.9%</b>
<b>Core business expenses</b>	(320.0)	(318.9)	0.3%	(329.6)	-2.9%
<b>Non-Core Expenses - New initiatives and business</b>	(139.6)	(135.0)	3.4%	(139.0)	0.4%
<b>New initiatives – B3</b>	(55.0)	(70.9)	-22.4%	(68.6)	-19.8%
<b>Adjusted expenses – Subsidiaries</b>	(84.6)	(64.1)	32.0%	(70.5)	20.0%



# [B]<sup>3</sup> Financial Statements

## Recurring EBITDA

(In R\$ millions)	2Q23	2Q22	2Q23/2Q22 (%)	1Q23	2Q23/1Q23 (%)
<b>EBITDA</b>	<b>1,640.2</b>	<b>1,665.1</b>	<b>-1.5%</b>	<b>1,617.1</b>	<b>1.4%</b>
(+) Other non-recurring expenses	(11.4)	-	-	-	-
(+) M&A expenses	3.2	3.2	-1.8%	5.0	-36.9%
<b>Recurring EBITDA</b>	<b>1,632.0</b>	<b>1,668.3</b>	<b>-2.2%</b>	<b>1,622.1</b>	<b>0.6%</b>
<i>Recurring EBITDA margin</i>	<i>73.6%</i>	<i>74.4%</i>	<i>-87 bps</i>	<i>73.4%</i>	<i>13 bps</i>

## Net Income Reconciliation

(In R\$ millions)	2Q23	2Q22	2Q23/2Q22 (%)	1Q23	2Q23/1Q23 (%)
<b>Net income (attributable to shareholders)</b>	<b>1,052.8</b>	<b>1,092.2</b>	<b>-3.6%</b>	<b>1,089.4</b>	<b>-3.4%</b>
(+) M&A expenses	3.2	3.2	-1.8%	5.0	-36.9%
(+) Other non-recurring expenses	(14.1)	-	-	-	-
(+) Tax impacts from non-recurring items	(1.1)	(1.1)	-1.8%	(1.7)	-36.9%
(+) Amortization of intangible assets (including Cetip combination)	127.6	126.9	0.6%	123.7	3.2%
<b>Recurring net income</b>	<b>1,168.3</b>	<b>1,221.2</b>	<b>-4.3%</b>	<b>1,216.3</b>	<b>-3.9%</b>
(+) Deferred tax (goodwill from Cetip combination)	-	119.6	-	-	-
<b>Recurring net income adjusted by goodwill tax benefit</b>	<b>1,168.3</b>	<b>1,340.8</b>	<b>-12.9%</b>	<b>1,216.3</b>	<b>-3.9%</b>

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

**[B]<sup>3</sup>**

**TKS!**

