BANCO ABC BRASIL EARNINGS CALL

1st QUARTER OF 2026

May 8, 2026

Mr. Ricardo Moura: Good morning, everyone! Welcome to Banco ABC Brasil's first quarter 2026 earnings call. I'm Ricardo Moura, Director of Investor Relations, Proprietary M&A, and Strategy. As always, we'll start with the highlights of the results and an analysis of the period by our CEO, Sérgio Lulia, followed by our traditional Q&A session.

All the content we will be presenting is already available on our IR website.

Sérgio, good morning! Please, go ahead!

Mr. Sérgio Lulia: Thank you, Moura. Good morning, everyone. Let's move on to our first quarter earnings presentation. As always, we'll start with our highlights.

Our net income was R$230 million, a 2% increase compared to the same period in 2025. Average return on equity of 13.5%. We always have a slower first quarter —the first quarter tends to be like that—but this quarter was also impacted by slightly higher credit provisions and somewhat slower investment banking activity.

Our net interest income was R$648 million, representing a 14% increase compared to the first quarter of last year, with growth across all its components, as we will see below.

And the NIM was 4.1%, which is once again above 4%. This also represents a decline compared to the last quarter of last year due to seasonality, but an increase compared to the same period the previous year.

The credit portfolio continues to have very high coverage ratios; we have a 447% of expected credit loss on operations past due over 90 days, and the total expected credit loss on our Stage 3 operations is around 82%.

The credit portfolio grew 6.3% over 12 months. If we exclude the impact of exchange rate fluctuations, this growth would have been around 7.7%, which is within our guidance range of 6% to 10%.

And a major highlight is the Middle segment, which saw 24.5% year-over-year growth. The Middle segment had already been growing steadily in recent quarters. This is yet another sign of our confidence that we can achieve stronger growth in this segment, increasing its importance and its share of our results soon.

When we break it down by segments, I've already mentioned Middle. Total portfolio grew 6.3%. The Large Corporate segment, which serves large companies, grew 9%. The

Corporate segment, which is our most traditional segment and the bank's most significant segment, grew slightly less than usual. This is cyclical; we do not view it as a trend. This growth should resume in the coming quarters, and the Middle segment, as I mentioned, grew 24.5% year-over-year. It is a very diversified portfolio, a well-collateralized portfolio, with good spreads. This makes us quite excited.

When we look specifically at this quarter, there was a 0.6% decline, which can be largely attributed to exchange rate fluctuations affecting the portion of the portfolio that is indexed to the exchange rate. On an annual basis, as I mentioned earlier, there was 6.3% growth.

Revenue from clients reached R$462 million, a decline compared to the last quarter, which is always a stronger quarter, but an increase of 4% compared to the R$443 million in the first quarter of 2025.

And another important highlight that we've consistently been sharing with you is the share of revenue that requires little or no capital. That share continues to grow. This quarter, specifically, for the first time, reached the 50% range.

The net interest margin. As I mentioned in the highlights, there was a 14.3% increase compared to the first quarter of last year. There is a 9.2% decline compared to the previous quarter, which is always very strong. If we look at the year-over-year comparison, there is growth across all lines. Margin with clients rose from R$341 million to R$374 million. The margin with market, R$83 million, now stands at R$104 million, and shareholders' equity remunerated at CDI rose from R$143 million to R$170 million.

Regarding the NIM, as you may recall, there has been a trend of recovery. There is again this seasonality here, but you can see that it is higher than the NIM for the same period last year.

Service revenues are broken down here into their three main components, as usual. Below, you'll find the guarantees issued. This is the most stable component of this service line; it fluctuates very little from quarter to quarter and provides stability for our results. The insurance brokerage fees and tariffs line also had a solid quarter, when compared to the first quarter of last year, though naturally lower than the fourth quarter. It's a line of business that's performing well, and we have a positive outlook for it. And there was less activity in investment banking. I mean, "less activity" might not even be the right way to put it. There was strong investment banking activity in terms of the number of transactions and transaction volume. But if we look not just at our own performance but at the market as a whole, it was a quarter divided into two distinct phases. In January and February, the market saw historically low rates, high volumes, and strong investor appetite. In March, specifically, there was a repricing of the market, a decline in investor appetite, and as a result, some transactions we coordinated for AAA clients had their prices adjusted due to a mark-to-market effect, which ultimately reduced the profitability of this business segment in that quarter specifically. We do not view this as structural; we view it as a very specific issue for this quarter.

In terms of portfolio quality, the provision coverage ratio for the expanded portfolio was 0.8%, slightly below the last quarter of last year, at R$113 million, also slightly lower. When we compare it, however, to the first quarter of last year, we see an increase. So, it used to be in the range of 0.5% to 0.6%, now it is in the range of 0.8% to 0.9%; that's the bank's methodology. The bank uses a forward-looking methodology, where we look at the prospective scenario and what impact that might have on the portfolios. Obviously, Brazil is currently facing a macroeconomic scenario of higher interest rates for a longer period and slightly weaker GDP. We always believe it is prudent to protect our portfolios. And that is what we did. There is an expectation, perhaps, that this level of provisions, around 0.8%, will remain in the coming quarters.

The expected credit loss is very stable. It has been fluctuating around 2.3%, 2.4%, and 2.1% for some time now. All segments are well provisioned, with little fluctuation from one quarter to the next.

The overdue more than 90 days are performing very well. Here, we see that only 0.5% of the portfolio is past due over 90 days. If we compare this to a year ago, that level was around 1%. And again, performance is very solid across all business segments.

The operations in Stage 2 and 3. Here, returning to the bank's methodology, which leads us to adopt a more cautious stance during times when we see a more challenging macroeconomic environment. There is a more modest increase in operations in Stage 3, from 2.6% to 2.8%. There is a larger increase in the number of clients we now classify as Stage 2; this portfolio rises from 3.4% to 4.1%. The portfolio continues to have a very high coverage ratio—447%—for provisions on overdue more than 90 days. And if we look at provisions for Stage 3, they stand at 82%, slightly below the previous quarter. This has a lot to do with the inflow and outflow of clients with different characteristics and collateral within the portfolio.

Our expenses and the efficiency ratio. Expenses are up 9.8% year-over-year, and for the quarter specifically, there was a 3.6% decline. This annual growth is closely tied to the growth in the profit-sharing line. As you know, a large portion of the institution's variable compensation is based on stock. So, whenever the stock appreciates, this line is impacted. Now, if we look at the bank's structural expenses, personnel and administrative expenses are growing at a rate of less than 4% per year.

Revenues grew 10.3% year-over-year. On a quarter-over-quarter basis, there was a 12% decline. This brings us to an efficiency ratio of 41.9%, which is slightly above the bank's guidance. This does not concern us. We will meet this guidance, and the coming quarters will demonstrate that.

Funding remains a strength of the bank, as we always say. It is a very diversified funding base, with highly competitive rates, appropriate maturity, and an investor profile that is well-suited to the type of business we conduct. Here is its historical evolution. It will reach R$59 billion by the end of the first quarter of 2026. And it could be much higher if necessary.

We move on here to our capital adequacy statement, which, as always, is very comfortable. We ended the quarter with a Basel ratio of 15.9%, compared to the previous 16.3%. Here are the main components. These are minor fluctuations, and we must not forget that this 15.9% does not yet include the recapitalization of interest on capital, which was carried out and approved by the Central Bank in April. This is expected to increase the ratio by approximately 0.57%.

Here we see the historical trend. So 17%, then 15.9% again; taking this recapitalization into account, it would be at 16.4%, which gives us a solid capital buffer to resume faster growth. As soon as we feel the time is right to do so.

And here is the recurring net income in its year-over-year comparison. So, we started at R$225 million in the first quarter of last year. A positive contribution, as we've already seen, from margin with clients, margin with market, and CDI-linked capital, along with a greater impact from provisions, which were R$44 million higher this quarter than in the first quarter of last year, and R$14 million lower in the services line, as we've already seen, with a slight impact here from investment banking activity. The rest are minor fluctuations. This brings us to R$230 million.

Well, those were the results we had to present to you, so I now invite everyone to participate in our Q&A session. Thank you very much!

Q&A Session

Mr. Ricardo Moura: Thank you, Sérgio, for the presentation. I'd also like to thank everyone who is watching the broadcast. And joining us now is Sergio Borejo, our CFO. Welcome, Sergio.

Mr. Sergio Borejo: Thank you, Ricardo. Good morning! Good morning, Sérgio. Good morning to everyone watching. It's a pleasure to be here once again for this earnings call.

Mr. Ricardo Moura: Thank you, Borejo, and welcome! Well, feel free to ask questions. To participate, just click in the "raise hand" icon at the bottom of the Zoom screen. We're now ready to answer your questions. Our first question comes from Eric Ito of Banco Bradesco. Eric, thank you for joining us. Please feel free to ask your question.

Mr. Eric Ito: Good morning, Sérgio, Borejo, Ricardo. Thank you for the opportunity. I have two questions here. First, I’d like to dig a little deeper into your margin, focusing mainly on the clients' spread, right? We saw a slight contraction this quarter. I think there’s a bit of seasonality here, but I’d like to understand a little better how you’re seeing the dynamics on the ground and what the outlook is for the year. I think your expectation is for slightly stronger growth in the Middle segment, so I was thinking that, if I’m not mistaken, it was 3.6%. I don’t know if this might be the lowest level of the year. We should see a recovery over the course of the quarter. And second, regarding provisions. I think, Sérgio, you made it very clear that provisions should remain at 0.8% of the portfolio over the next few quarters, and then perhaps Stage 3 coverage, which was part of my question. You mentioned that there might be an impact from clients entering and exiting with different collateral. I wanted to understand exactly that point. Can we expect, perhaps, that this 82% on Stage 3 coverage will return to 90%? My idea here is to try to get a sense of the spread with clients. Perhaps the adjusted spread could address both parts of this question. Thank you, everyone.

Mr. Sérgio Lulia: Well, Eric, good morning and thank you for your questions. I’ll start answering, and then Ricardo and Borejo can add to my response as well. Regarding spreads, which was the first question: let’s put it this way, the bottom line is that we’re seeing very stable spreads, though with differences across segments. So, if you look at the Middle segment, where we’ve been growing more rapidly—as you’ve seen—there are healthy spreads, and the portfolio is growing more consistently. This growth in the Middle segment will take some time; we may see an impact later this year, but eventually, the bank’s average portfolio spread will rise, given that the Middle segment is increasing its share of the total portfolio. In the segments of larger companies, I think that, given even recent cases the market is seeing of defaults by large groups and so on, we’re seeing that “flight to quality” trend we’ve seen many times before—that is, banks focusing more on clients in good economic and financial standing—and this causes, especially in C&IB and Large Corporate, a trend of margin compression. So, we look at it segment by segment: in Large Corporate, a slight compression; in Corporate and Middle, stable spreads, with an outlook already emerging not only for spreads but also for growth—slightly higher growth in the Middle market segment. From the perspective of provision coverage, you can see that, as I said, I think we and the market will learn to work with and compare ourselves under this new Resolution 4966, and how banks handle Stage 2 and Stage 3. We have a Stage 3 portfolio that is heavily collateralized, with a low level of past due over 90 days, but under the bank’s methodology, given certain conditions, you classify the client as Stage 2 or Stage 3. We believe the provision is very adequate. Now, in terms of the coverage ratio, I don’t have that number. I don’t know, Ricardo, Borejo, if you have any insights to add for Eric here.

Mr. Ricardo Moura: Eric, to put it this way, the first thing to look at is the coverage ratio based on the provision we have, which is the unallocated provision. Do you understand? So, we have provisions that are client-specific, allocated to specific clients, and we have an additional provision, which currently stands at R$190 million. When doing the math, I think it's worth taking that into account as well, because we won't be using that provision for Stage 1, right? We'll use that, if and when, in Stage 3 and perhaps in Stage 2. So, looking ahead, we saw some increase in that compared to the fourth quarter. I think that if there's any increase now, it should be smaller, but it will depend quite a bit on the macroeconomic scenario. We don't see this coverage getting out of hand, but depending on interest rates staying higher for longer, you might see some pressure there. What's important to note, as Sérgio mentioned regarding Stage 3, is that we have cases with very strong collateral, which should mean that recovery in these situations is higher than the historical average. But I think we can look at 2026 with some pressure in terms of Stage, but with very strong collateralization and an additional cushion there with the unallocated provision. I'm not sure if that answers your question.

Mr. Eric Ito: So, do you think the spread might widen further over the course of the year due to this stronger growth in the Middle segment and the more favorable spreads in the Corporate and Middle segments?

Mr. Sérgio Lulia: That's what it looks like; that's what we're seeing right now, yes.

Mr. Eric Ito: Perfect. Thank you, everyone.

Mr. Ricardo Moura: Thank you. Thank you, Eric, for joining us. Our next question is from Brian Flores at Citi. Brian, thank you for joining us. Please feel free to ask your question.

Mr. Brian Flores: Hey, good morning, everyone! Thank you very much for this opportunity. I wanted to follow up on Eric's question. Maybe focus a little more on the strategy side of things, right? We're seeing, I think, a slightly more cautious tone here from several of your peers who have already reported this week, and I saw that you reaffirmed the guidance and that the growth pace itself through the first quarter, particularly in the Middle segment, remains quite healthy. So, I wanted to ask what makes you feel comfortable, both with the guidance in general and with this segment in particular, in terms of growth. And, if you can, Lulia, you mentioned that you're very confident in the levers to improve efficiency. I wanted to ask you if, in addition to revenue—which I think should recover, particularly in some lines that are a bit more volatile, such as IB—if you could elaborate on what specific levers here make you comfortable about the potential for efficiency improvements going forward?

Mr. Sérgio Lulia: Well, Brian. Good morning. Thank you. Look, we try to have a strategy that, of course, as I just said a moment ago, adapts to the macroeconomic landscape, right? But we also understand that the market, and we, and other companies change their minds very quickly, right? If we take, for example, this year—even in the first two months of the year—there was almost a sense of euphoria in the market with foreign capital flowing in abundantly, markets performing well, and expectations of faster interest rate cuts. So, there was an expectation built into the curve. We already had many analysts thinking that the reality could be even faster rate cuts than those. And then issues, wars, and so on. Those expectations were reversed. I think also the fact that some large groups have credit problems that were already being closely monitored, but when defaults actually occur, that causes a certain impact. So today we see a moment of slightly greater caution. We don't think it's one or the other, you see? There was no reason for that euphoria in January and February, nor is there any reason for pessimism now. What we see is a credit market that is still healthy. Again, the names—at least the big names that caused problems for the market as a whole, including the capital market, were well identified. I don't think there was a single surprise case where you could point to a company that ran into trouble without that having been anticipated and already tracked by all market participants. So, we see the rest of the year very much in line with what we expected when we set this guidance at the end of last year. That said, of course, we'll navigate each market with due respect. In the Middle market, as I mentioned just now in response to Eric, we see very favorable conditions in terms of price, term, and collateral—that is, a risk-return ratio that seems appropriate for slightly faster growth. In other segments, we're assessing this risk-return ratio and are ready to take advantage of opportunities, provided the returns meet our expectations. It's been a good year from a cash flow perspective as well. Following 2025, which was slightly below our historical average. And regarding the capital markets or investment banking, we're also experiencing these moments of market euphoria or heightened pessimism. January and February also saw a very strong market. From March onward, the market has repriced transactions, including those involving high-grade, highly rated companies. For now, things are moving a bit more slowly in the second quarter, but the market could pick up again at any moment, and we'll be ready to capitalize on that opportunity.

Mr. Brian Flores: Very clear. Thank you very much.

Mr. Sérgio Lulia: Thank you, Brian.

Mr. Ricardo Moura: Thank you, Brian. We'll now move on to our next question from Ricardo Buchpiguel of BTG Pactual. Ricardo, thank you for joining us. Please feel free to ask your question.

Mr. Ricardo Buchpiguel: Good morning and thank you for the opportunity to ask questions. I have two here with me. I think you've made a good point—that there's still a lot of macroeconomic uncertainty—but could you comment on how you assess the risk of a credit crunch among companies, assuming a scenario where the average Selic rate remains relatively stable for the year, which is roughly what the curve is indicating today? We have a group of companies that is struggling more, and this may accelerate some recovery efforts. But there's also a group of companies that aren't as leveraged; however, with the Selic rate so high, that leverage will rise more and more sharply—and especially if you don't have access to the capital markets to finance at lower spreads, the situation could become more difficult. And my second question. As you mentioned, the DCM landscape has been more challenging since March, with more corporate cases emerging, spreads widening, and we're already starting to see some redemptions in fixed-income funds. And soon there's the election, which is always a more difficult window for issuances. So, my question would be: does it make sense for us to expect a slight cooling-off in 2026, perhaps after a series of strong years for DCM? Thank you.

Mr. Sérgio Lulia: Thank you, Ricardo. Look, regarding the companies. This is perhaps part of what we tried to show when we presented the growth figures alongside the percentage breakdown of the Stage 2 and Stage 3 portfolios—that forward-looking view. You can see that our past due over 90 days is very low, at 0.5%, as I mentioned, lower than they were a year ago, when they stood at 1%. And even so, in our analysis and considering this scenario of higher interest rates for a longer period, we thought it best to proactively make this reclassification and increase the level of provisions, which is what we've been doing for a few quarters now, right? But we see this as a natural part of the cycle. Is that right? It's nothing too far outside of what we've already shown in our financial statements. It's probably right around that level. So, we typically adjust our provisions over the course of cycles, between 0.5% and 1% of the expanded credit portfolio. In the last two quarters, it was between 0.8% and 0.9%. And looking at the whole scenario you described today, that's our expectation—that at least in the short term, it will stay around there. Now, regarding the capital markets, my impression is this: the capital markets have been pricing interest rates at historic lows. So, you saw companies issuing, for example, infrastructure debentures and NTN-B bonds at -0.8%, -0.9%, -1%, which seems excessive, largely due to the tax benefit, of course, of the debentures being tax-exempt for individual investors. But there was a euphoria, which has now corrected itself; every time there is a correction, it causes a certain freeze in the market until the players—both issuers and investors—realize where this will stabilize. But the prices where they are stabilizing now are very reasonable; they are not crisis prices. I think the flow will continue. Of course, at a time when there is this mark-to-market adjustment, just as it affected us—as I said a moment ago—it also affected the funds. And so, the funds eventually show negative net asset values, and there is a series of redemptions. But I think it's something that will settle down. Now, I can't give you a forecast for the rest of the year, partly because, as I said, we're always caught off guard. What we must be—and what we are—is very close to our clients, monitoring which companies are in a position to act in the market, and as soon as market conditions improve, we're ready to once again structure these transactions for our clients.

Mr. Ricardo Buchpiguel: Thank you.

Mr. Ricardo Moura: Thank you, Ricardo. Let's move on to our next question. Pedro Leduc, from Banco Itaú. Pedro, thank you for joining us. Please feel free to ask your question.

Mr. Pedro Leduc: Hello, good morning everyone. Thank you for the question. Regarding SG&A—administrative, personnel, and commercial expenses—in past years, you were quite agile in using this lever to offset a top line that might have been lacking, a portfolio. For good reasons to be more cautious, I wanted to start with this. Is there room this year as well to perhaps pull that lever? And the second question is a bit more focused on agribusiness. I know you've already answered quite a bit regarding guarantees, etc. But it's a significant portfolio, and we're seeing some activity. So, I wanted to explore that a little bit with you. Thank you.

Mr. Sérgio Lulia: Thank you, Pedro. As for expenses, those levers remain in place. That's a hallmark of the organization. If you look at expense growth itself—both personnel and other operating expenses—it comes in at around 3.8% and 2.9%, which is below IPCA, right? For a bank like ours, where the biggest cost is personnel and where there's an annual adjustment set by the union. And then you have another component, which is variable compensation, which adjusts very quickly. This quarter, specifically, there was an increase due to the rise in the stock price, compared to other quarters. And there's a sort of mark-to-market effect, since a large portion of variable compensation is paid in stock. But this variable compensation also naturally tracks the institution's performance very closely, for better or for worse. So, this provides us with great flexibility in managing the bank's costs. On the topic of agriculture. "Agriculture" is a very broad term, so we have roughly 23% of the portfolio in agriculture, and that 23% includes the entire agribusiness sector—both the agribusiness industry and the rural producers. And then you have the machinery industry, the fertilizer industry, and the seed industry. You have the sugar and ethanol industry, you have the entire animal protein chain, which, by the way, is doing well. You have all the cooperatives, especially those in the south of the country, which are very strong companies and have been important clients of the bank for many years. And in agriculture, grain producers—who are currently facing a more difficult period—sugarcane producers, coffee producers, cotton producers, and so on. It's a market where we believe Brazil is structurally competitive. So, over the course of the cycle, there are better cycles and worse cycles, but over the long term, it's a segment where we want to have a strong presence. And I think we'll grow because it's the segment where we see that Brazil has the greatest competitiveness. In the short term for grain producers, especially in the Midwest, we need to be cautious; we need to focus on producers with lower leverage. We need to have strong collateral, which is what we do. Of course, there is some default risk there, as there is in all segments, but for us, we see a good outlook for growth with adequate margins and strong collateral.

Mr. Pedro Leduc: Thank you.

Mr. Ricardo Moura: Thank you for joining us, Pedro. Let's move on to our next question. Antonio Ruette, from Bank of America. Antonio, thank you for joining us. Please feel free to ask your question.

Mr. Antonio Ruette: Good morning, everyone! Thank you very much for your time. I wanted to focus now on SMEs. So, one topic you've always touched on—and one you discuss very well—is how much interest rates are detrimental to the sector in terms of asset quality, using the water level as an analogy here for the debt of this type of company, especially with higher interest rates. My question regarding SMEs has two parts: how do you assess the asset quality risk for this particular segment, and how do you assess future growth, especially considering government-backed lines of credit? So, once again, we've seen the FGO emerge here as an option for the segment. We should have more funding available here. What are your thoughts on these lines or other options here? Thank you very much.

Mr. Sérgio Lulia: Thank you, Antonio. You're absolutely right. I mean, it's a sector where companies are more exposed to interest rates. Interest rates are very high, so you must be very careful. And you must proceed as cautiously as possible, since you're financing the company's operating cash flow. So, you need to have collateral in the form of receivables, which could be trade bills or credit card receivables. You must, as much as possible, use real estate as collateral, which is also becoming increasingly common. And you have to understand, on the other hand, that while companies are exposed to interest rates, Brazilian entrepreneurs know that this is their reality. So, over time, a sort of natural selection takes place, and the entrepreneurs who survive are those who can navigate even in a more adverse economic scenario. Our share in this segment is very small, so even with that 24% year-over-year growth, it's still just over R$5 billion, or close to R$5 billion. Which, when you look at the market as a whole, is very little. So, we continue to be able to make good choices and increase our presence with quality clients. Note that, unlike other cycles, this is a cycle in which we grew our portfolio in the middle market without increasing the number of clients, because there was some client turnover: we reduced our exposure or exited those clients we perceived to be in a more adverse situation, and, on the other hand, became more important and more present with clients we perceive to be navigating this scenario well. I think this is a trend that will continue; we should keep doing this throughout the year. Government credit lines, as you mentioned, have been a good support for these companies, especially since the repayment terms they offer to these clients are more suitable for these companies than standard market credit lines.

Mr. Ricardo Moura: Got it, Antônio? I think you're on mute.

Mr. Antonio Ruette: Perfect, everyone. Thank you.

Mr. Ricardo Moura: Great. Thank you. Moving on to our next question from Carlos Gomez-Lopez at HSBC. Carlos, thank you for joining us. Please go ahead.

Mr. Carlos Gomez-Lopez: Thank you. I wanted to ask about investment banking revenue, which was quite weak in the quarter. What is the outlook for the rest of the year, in general, across all service revenues? And secondly, regarding the Stage 3 credit, if you could identify the sector. Thank you.

Mr. Sérgio Lulia: I didn't quite understand the second question.

Mr. Ricardo Moura: Stage 3 credit—could we talk a little about the sectors?

Mr. Sérgio Lulia: Go ahead, Carlos.

Mr. Carlos Gomez-Lopez: It is correct. Which sectors are affected?

Mr. Sérgio Lulia: All right. Well, as I said, investment banking revenues depend largely on the behavior of the market as a whole. So, if we break it down for simplicity's sake into two segments—the high-grade segment and the high-yield segment—what we're seeing is a situation where high-grade has pulled back a bit for the reasons I mentioned a moment ago. I think there has been a repricing of the market, moving from historic lows to something that seems more reasonable to me—the prices being quoted now. And I think that once the market finds this price equilibrium, I imagine that issuances will resume after March and April, which were very weak months. As for the high-yield investment banking market, it remains quite active. I see that in recent years the Brazilian market has developed and become more sophisticated, and today you have a wide range of instruments—securitization instruments, FIDCS funds, receivables, and a variety of other products—as well as the project finance market. These are markets that used to be very small in Brazil but now exist, and even in more difficult times, they remain active, which is the case right now. So, it's difficult to give a forecast for the year, but I think it's a market that will continue to be present and will continue to help Brazilian companies significantly. From the Stage 3 perspective, there is no sectoral concentration; it is on a name-by-name basis that we handle it. For companies where we eventually notice a slightly weaker outlook, we reclassify them, increase the level of provisions, and try, as much as possible, to increase the level of collateralization. But I do not see any kind of sectoral concentration.

Mr. Carlos Gomez-Lopez: Thank you.

Mr. Sérgio Lulia: Thank you, Carlos.

Mr. Ricardo Moura: Thank you, Carlos. We'll now wrap up the Q&A session. Thank you all very much for participating. And with that, we're coming to the end of our broadcast of the first quarter of 2026 earnings call. Lulia, Borejo, any final remarks?

Mr. Sergio Borejo: I'd just like to thank you once again for the opportunity, and we'll see you soon.

Mr. Sérgio Lulia: Thank you all for joining us, and we'll see you at the next earnings release for the second quarter. Thank you all.

Mr. Ricardo Moura: Thus, we conclude our earnings conference for the first quarter. Thank you to everyone who joined us. The presentation is now available on our IR website, and the video of the presentation will also be available on our YouTube channel, and in audio format on ABC Brasil's Spotify profile as well. If you have any further questions, the IR team is available to assist you. Thank you very much, and see you next time!

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