

Audited Financial Statements

Banco ABC Brasil S.A.

June 30, 2022 and December 31, 2021
with Independent Auditor's Report

Banco ABC Brasil S.A.

Financial Statements

June 30, 2022 and December 31, 2021

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São Paulo Corporate Towers
Av. Presidente Juscelino Kubitschek, 1.909
6º ao 10º andar - Vila Nova Conceição
04543-011 - São Paulo - SP - Brasil

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Tel: +55 11 2573-3000
ey.com.br

A free translation from Portuguese into English of Independent Auditor's Report on financial statements prepared in Brazilian currency and in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil.

Independent auditor's report on individual and consolidated financial statements

To the Shareholders and management of Banco ABC Brasil S.A.

Opinion

We have audited the individual and consolidated financial statements of Banco ABC Brasil S.A. (the "Bank"), identified as Bank and Consolidated, respectively, which comprise the balance sheet as at June 30, 2022, and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the six-months period then ended, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of Banco ABC Brasil S.A. as at June 30, 2022, and its individual and consolidated financial performance and respective cash flows for the six-months period then ended, in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the individual and consolidated financial statements section of our report. We are independent of the Bank and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by the Brazil's National Association of State Boards of Accountancy (CFC) and we have fulfilled with the other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context of the financial statements taken as a whole.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the individual and consolidated financial statements section of our report, including in relation to these key audit matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the Banks's financial statements.

Technological environment

The Bank's operations are highly dependent on its technological structure and its systems, which are subject to frequent changes, have high level of integration with each other and with sources of information external to the Bank, in addition to processing a high volume of transactions. As a result, we understand that technological environment is a key audit matter.

How our audit addressed this matter:

In the course of our audit, we engaged our internal team specialists to assist us in assessing significant risks related to the technology environment, as well as performing audit procedures to assess the design and operational effectiveness of general technology controls, for systems considered relevant in the context of the audit, with emphasis on change management processes and logical access granting to users. We also performed procedures to assess the effectiveness of automatic controls considered material, which support significant business processes and accounting records of operations. Finally, we performed tests of detail to assess the correct flow of information between systems, for the accounting routines considered relevant.

Based on the result of the audit procedures performed on the technology environment, which is consistent with the assessment of the Bank's Management, we consider that the general technology controls on the relevant systems of the Bank and the accounting routines considered relevant operated in an acceptable manner, especially in the processing of accounting information considered relevant to the financial statements taken as a whole.



Credit operations and provision for losses associated with the credit risk

As disclosed in the explanatory note nº 6 and 7, as at June 30, 2022, the Bank has a credit portfolio in the amount of R\$ 24,062,412 thousand (R\$24,061,864 thousand in the Consolidated), with a provision for losses associated with credit risk in the amount R\$ 554,890 thousand (Individual and Consolidated). Additionally, in the six-months period then ended, the revenue from credit operations, as presented in the Income Statement, was R\$884,002 thousand (R\$883,946 thousand in the Consolidated) and the expense for the provision for the losses associated with credit risk was R\$ 58,273 thousand (Individual and Consolidated).

Due to the relevance to the financial statements taken as a whole, the subjectivities related to the Management's judgment when assessing the credit risk of the Bank's clients, as well as the operational complexity of the process of recognition of interest income from credit operations, we consider the credit operations and their provisions for losses associated with credit risk as one of the key audit matters.

How our audit addressed this matter:

In our audit procedures, we understood the process established by the Bank's Management and we performed tests of controls related to: (i) origin of transactions; (ii) analysis and approval of credit transactions considering the established levels; (iii) rating granted per transactions; borrower or economic group; (iv) analysis of guarantees received; (v) timely update of borrower's information; (vi) recognition of revenue from interest on operations under ordinary conditions; and (vii) suspension of revenue recognition on loan transactions past due for over 59 days; among others.

Our audit procedures also included, for a sample of credit operations, tests related to analysis of documentation supporting the level of allowances determined for a sample of clients, recalculation of the provision for losses associated with credit risk based on the ratings evaluated by the Bank, sending letters of confirmation of balance to selected borrowers, recalculation of the outstanding balance, analytical tests in addition to reviewing the presentations and disclosures related to the topic.



Based on the results of our audit procedures performed on loan operations and provision for losses associated with credit risk, which is consistent with the Bank's Management assessment, we considered that the criteria and assumptions adopted by the Bank's Management, as well as the disclosures presented in the explanatory notes nº 6 and 7, are acceptable in the context of the financial statements taken as a whole.

Fair value of securities classified as level 3

According to explanatory notes nº 5 as at June 30, 2022, the Bank and the Consolidated had securities classified as level 3 with regards to the hierarchical levels of fair value in the amount of R\$ 2,107,037 thousand (Individual and Consolidated). These securities do not have a price quoted in an active market and are measured based on valuation techniques that includes data not observed in the market.

Due to the relevance for the financial statements taken as a whole, the need for the Bank to develop an internal valuation methodology, using subjective assumptions and data not observed in the market, as well as the mathematical calculations that must be parameterized in systems, we considered the measurement of the fair value of securities classified in level 3 as one of the key audit matters.

How our audit addressed this matter:

Our audit procedures included, among others, (i) understanding the process, methodology and assumptions established by the Bank's management for pricing securities; (ii) evaluation of the design and operational effectiveness of the key controls related to the registration and pricing process for securities.

In addition, based on sampling, we performed the following procedures for the selected operations: (i) confirmation of the existence of the item sampled, by verifying the extracts from the custodian bodies and / or contracts signed between the parties, including verification the main agreed terms and conditions; (ii) with the assistance of EY's specialists in financial risks, we independently recalculate the fair value of the items sampled and evaluate the methodologies and assumptions used by the Bank's management in determining the fair value.

Based on the result of the audit procedures performed on the measurement of the fair value of securities classified in the level 3, which is consistent with the Bank's management assessment, we considered that the assessment criteria and assumptions adopted by the Bank's management and the related disclosures in the explanatory note nº 5 are acceptable, in the context of the financial statements taken as a whole.

Other matters



Statements of value added

The individual and consolidated statements of value added (SVA) for the six-month period ended June 30, 2022, prepared under the responsibility of Bank management, of which the presentation is required by law for listed companies and presented as supplementary information for purposes of BACEN's accounting practices, were submitted to audit procedures conducted together with the audit of individual and consolidated financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by NBC TG 09 – Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in accordance with the criteria defined in abovementioned technical pronouncement and are consistent in relation to the overall individual and consolidated financial statements.

Consolidated Financial Information

These consolidated financial information for the six-month period ended June 30, 2022, which were prepared in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN), are being presented in as additional information, as faculty provided for in Art. No. 77 of CMN Resolution No. 4,966/2021, to the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), which up to date have not been prepared and disclosed by Banco ABC Brazil S.A.

Other information accompanying the individual and consolidated financial statements and auditor's report

Management is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management's Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the individual and consolidated financial statements



Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to financial institutions authorized to operate by the Central Bank of Brazil (BACEN), and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for evaluating the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's and its subsidiaries' financial reporting process and include the Board of Directors and the Audit Committee of the Bank and its subsidiaries.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted in accordance with the Brazilian and International standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Auditor's responsibilities for the audit of the individual and consolidated financial statements - Continuation

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's and its subsidiaries' internal control.

Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the scope and timing of the planned audit procedures and significant audit findings, including deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, August 08, 2022.

ERNST & YOUNG
Auditores Independentes S/S
CRC-25P034519/O-0

Rui Borges
Contador CRC-1SP207135/O-2

Banco ABC Brasil S.A.

Balance sheets
June 30, 2022 and December 31, 2021
(In thousands of reais)

A free translation from Portuguese into English of financial statements prepared in Brazilian currency and in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil

	Note	Bank		Consolidated	
		June 2022	December 2021	June 2022	December 2021
Assets					
Cash and Banks	4	553,923	731,091	553,937	731,092
Financial Instruments		47,279,912	46,356,068	47,855,809	46,833,027
Interbank investments		3,878,663	3,057,021	3,878,663	3,057,021
Foreign exchange portfolio	8	3,371,033	6,205,168	3,371,033	6,205,168
Marketable securities	5.a	13,469,960	11,674,964	13,675,777	11,867,130
Derivative financial instruments	5.b	2,497,844	2,378,686	2,868,472	2,662,295
Loans	6	24,062,412	23,040,229	24,061,864	23,041,413
Other assets		1,413,132	1,040,626	1,831,687	1,481,086
Interbank accounts		192,353	90,240	192,353	90,240
Trading and intermediation of securities	9.a	696,921	431,882	756,287	540,187
Receivables		35,105	32,476	35,105	32,476
Prepaid expenses		24,948	21,882	25,034	22,066
Assets not for own use		164,849	157,038	164,849	157,038
Sundry	9.b	298,956	307,108	658,059	639,079
Provisions for expected losses associated with credit risk	7	(554,890)	(720,379)	(554,890)	(720,379)
Deferred tax assets	19	1,120,318	1,118,517	1,121,586	1,119,813
Investments		747,081	711,093	7,408	4,753
Associates and subsidiaries	10	739,673	706,340	-	-
Other investments		7,408	4,753	7,408	4,753
Fixed assets	11	75,021	71,637	75,021	71,637
Intangible assets	11	198,421	164,720	198,421	164,720
Depreciation and amortization	11	(134,395)	(119,779)	(134,395)	(119,779)
Fixed assets		(52,278)	(48,944)	(52,278)	(48,944)
Intangible assets		(82,117)	(70,835)	(82,117)	(70,835)
Total Assets		50,698,523	49,353,594	50,954,584	49,565,970

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Balance sheets
June 30, 2022 and December 31, 2021
(In thousands of reais)

	Note	Bank		Consolidated	
		June 2022	December 2021	June 2022	December 2021
Liabilities and Shareholders' equity					
Deposits and financial Instruments		44,574,990	43,608,949	44,735,353	43,686,298
Deposits	12	8,889,301	8,056,462	8,761,658	7,955,799
Money market funding	12	1,290,658	1,396,475	1,275,043	1,328,942
Funds from acceptance and issue of securities	12	15,374,140	12,345,024	15,374,140	12,345,024
Borrowings and Onlending	12	11,675,071	11,850,007	11,675,071	11,850,007
Derivative financial instruments	5.b	2,039,802	2,113,289	2,343,423	2,358,834
Foreign exchange portfolio	8	3,322,504	6,139,859	3,322,504	6,139,859
Subordinated debts	12	1,977,455	1,700,520	1,977,455	1,700,520
Debts instruments eligible for capital	12	6,059	7,313	6,059	7,313
Provisions	13	297,291	260,265	299,185	261,686
Deferred tax obligations	19	342,871	266,202	363,545	277,946
Other liabilities		572,800	548,715	644,485	669,382
Interbank accounts		38,221	2	38,221	2
Interbranch accounts		145,607	77,964	145,607	77,964
Social and statutory		77,917	55,781	77,917	55,781
Taxes and social security	14.a	69,176	146,599	83,061	160,443
Trading and intermediation of securities	14.c	194,832	221,246	252,615	328,064
Sundry	14.b	47,047	47,123	47,064	47,128
Shareholders' equity		4,910,571	4,669,463	4,912,016	4,670,658
Capital	24.a	4,315,017	4,315,017	4,315,017	4,315,017
Brazilian residents		1,140,922	1,337,057	1,140,922	1,337,057
Foreign residents		3,174,095	2,977,960	3,174,095	2,977,960
Capital reserve		43,198	32,246	43,198	32,246
Profit reserve	24.d	445,763	426,522	445,763	426,522
Other comprehensive income		(23,982)	(10,212)	(23,982)	(10,212)
Treasury stock	24.e	(88,494)	(94,110)	(88,494)	(94,110)
Retained earnings		219,069	-	219,069	-
Non controlling shareholders interest		-	-	1,445	1,195
Total liabilities		50,698,523	49,353,594	50,954,584	49,565,970

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Income statements
Six-month period ended June 30, 2022 and 2021
(In thousands of reais)

	Notes	Bank		Consolidated	
		June 2022	June 2021	June 2022	June 2021
Income from financial intermediation		1,232,123	795,539	1,272,875	805,015
Lending operations		884,002	402,543	883,946	402,873
Marketable securities		561,566	487,972	572,742	489,723
Gain or Losses on derivative financial instruments	5.b	(130,736)	(50,043)	(101,104)	(42,648)
Foreign exchange operations		(83,354)	(44,933)	(83,354)	(44,933)
Resultado de operações de venda ou de transferência de ativos financeiros		645	-	645	-
Expenses from financial intermediation		(501,119)	(232,561)	(493,825)	(232,221)
Funding expenses		(1,259,403)	(349,204)	(1,252,109)	(348,864)
Borrowings and onlendings		816,230	197,627	816,230	197,627
Constitution of provisions for expected losses associated with credit risk	7	(58,273)	(89,025)	(58,273)	(89,025)
Constitution of provisions for expected losses associated with credit risk - FX variation on credit assignment operations		327	8,041	327	8,041
Gross income from financial intermediation		731,004	562,978	779,050	572,794
Other operating income (expenses)		(172,451)	(96,391)	(202,402)	(104,110)
Income from services rendered	15	159,705	151,450	173,083	151,450
Personnel expenses		(187,963)	(133,342)	(191,232)	(133,639)
Other administrative expenses	16	(116,635)	(83,151)	(117,491)	(83,601)
Taxes		(41,964)	(24,572)	(46,412)	(25,450)
Equity pick-up from subsidiaries	10	33,030	4,057	-	-
Other operating income	17	1,520	1,363	1,618	1,407
Other operating expenses	18	(20,144)	(12,196)	(21,968)	(14,277)
Operating income		558,553	466,587	576,648	468,684
Non-operating loss		(3,745)	(18,337)	(3,745)	(18,337)
Income before taxes and profit sharing		554,808	448,250	572,903	450,347
Income and social contribution taxes	19	(60,588)	(112,420)	(76,359)	(114,517)
Provision for income tax		(19,610)	(78,482)	(31,003)	(80,530)
Provision for social contribution tax		(35,702)	(89,954)	(40,134)	(90,708)
Deferred tax credits		(5,276)	56,016	(5,222)	56,721
Profit sharing / statutory contributions	22	(109,406)	(77,084)	(110,785)	(77,084)
Non controlling shareholders interest		-	-	(945)	-
Net income for the period		384,814	258,746	384,814	258,746
Earnings per share - Basic in R\$	24.f	1.75	1.19		
Earnings per share - Diluted in R\$	24.f	1.72	1.18		

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Statements of comprehensive income
Six-month period ended June 30, 2022 and 2021
(In thousands of reais)

	Bank and Consolidated	
	June 2022	June 2021
Net income for the period	384,814	258,746
Items that can subsequently be reclassified to profit or loss		
Other comprehensive income / (loss)	(13,770)	(12,376)
Other comprehensive income - Adjustment to market value	(24,748)	(21,738)
Tax effects	10,978	9,362
Other comprehensive income	371,044	246,370

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Statements of changes in shareholders' equity
Six-month period ended June 30, 2022 and 2021
(In thousands of reais)

	Bank								
	Capital	Income reserve			Share buyback	Other Comprehensive Income	Retained earnings	Treasury shares	Total
		Capital Reserve	Legal Reserve	Equalization of dividends					
Balances at December 31, 2020	2,594,681	38,596	226,897	1,430,964	55,000	(1,017)	-	(56,858)	4,288,263
Adjustment to market value - securities	-	-	-	-	-	(12,376)	-	-	(12,376)
Acquisition of treasury shares	-	-	-	-	-	-	-	(36,465)	(36,465)
Capital Increase	62,475	-	-	-	-	-	-	-	62,475
Net income for the period	-	-	-	-	-	-	258,746	-	258,746
Interest on equity	-	-	-	-	-	-	(94,145)	-	(94,145)
Allocation - Legal reserve	-	-	12,937	-	-	-	(12,937)	-	-
Allocations of reserves - Management remuneration	-	(7,328)	-	-	-	-	-	-	(7,328)
Balances at June 31, 2021	2,657,156	31,268	239,834	1,430,964	55,000	(13,393)	151,664	(93,323)	4,459,170
Balances at December 31, 2021	4,315,017	32,246	28,609	342,913	55,000	(10,212)	-	(94,110)	4,669,463
Adjustment to market value - securities	-	-	-	-	-	(13,770)	-	-	(13,770)
Acquisition of treasury shares	-	-	-	-	-	-	-	5,616	5,616
Net income for the period	-	-	-	-	-	-	384,814	-	384,814
Interest on equity	-	-	-	-	-	-	(146,504)	-	(146,504)
Allocation - Legal reserve	-	-	19,241	-	-	-	(19,241)	-	-
Allocations of reserves - Management remuneration	-	10,952	-	-	-	-	-	-	10,952
Balances at June 31, 2022	4,315,017	43,198	47,850	342,913	55,000	(23,982)	219,069	(88,494)	4,910,571

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Statements of changes in shareholders' equity
Six-month period ended June 30, 2022 and 2021
(In thousands of reais)

	Consolidated										
	Capital	Capital Increase	Capital Reserve	Income reserve			Other Comprehensive Income	Retained earnings	Treasury shares	Non controlling shareholders intereste	Total
				Legal Reserve	Equalization of dividends	Share buyback					
Balances at December 31, 2020	2,594,681	-	38,596	226,897	1,430,964	55,000	(1,017)	-	(56,858)	-	4,288,263
Adjustment to market value - securities	-	-	-	-	-	-	(12,376)	-	-	-	(12,376)
Acquisition of treasury shares	-	-	-	-	-	-	-	(36,465)	-	-	(36,465)
Capital Increase	62,475	-	-	-	-	-	-	-	-	-	62,475
Net income for the period	-	-	-	-	-	-	-	258,746	-	-	258,746
Interest on equity	-	-	-	-	-	-	-	(94,145)	-	-	(94,145)
Allocation - Legal reserve	-	-	-	12,937	-	-	-	(12,937)	-	-	-
Allocations of reserves - Management remuneration	-	-	(7,328)	-	-	-	-	-	-	-	(7,328)
Balances at June 31, 2021	2,657,156	-	31,268	239,834	1,430,964	55,000	(13,393)	151,664	(93,323)	-	4,459,170
Balances at December 31, 2021	4,315,017	-	32,246	28,609	342,913	55,000	(10,212)	-	(94,110)	1,195	4,670,658
Adjustment to market value - securities	-	-	-	-	-	-	(13,770)	-	-	-	(13,770)
Acquisition of treasury shares	-	-	-	-	-	-	-	-	5,616	-	5,616
Net income for the period	-	-	-	-	-	-	-	384,814	-	945	385,759
Interest on equity	-	-	-	-	-	-	-	(146,504)	-	-	(146,504)
Dividends distributed	-	-	-	-	-	-	-	-	-	(695)	(695)
Allocation - Legal reserve	-	-	-	19,241	-	-	-	(19,241)	-	-	-
Allocations of reserves - Management remuneration	-	-	10,952	-	-	-	-	-	-	-	10,952
Balances at June 31, 2022	4,315,017	-	43,198	47,850	342,913	55,000	(23,982)	219,069	(88,494)	1,445	4,912,016

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Statements of cash flows - Indirect method
Six-month period ended June 30, 2022 and 2021
(In thousands of reais)

	Bank		Consolidated	
	June 2022	June 2021	June 2022	June 2021
Operating activities				
Net income of the period	384,814	258,746	384,814	258,746
Adjustment to net income:	208,777	38,413	250,840	45,029
Depreciation and amortization	14,616	11,572	14,616	11,572
Equity pick-up from subsidiaries	(33,030)	(4,057)	-	-
Gain (loss) on disposal of assets not used in banking operations	9,831	146	9,831	146
Gain (loss) on disposal of fixed assets and intangible	-	(1)	-	(1)
Provision for impairment of assets not of own use	5,372	18,418	5,372	18,418
Constitution of provisions for expected losses associated with credit risk	58,273	89,025	58,273	89,025
Constitution of provisions for expected losses associated with credit risk - FX variation on credit assignment operations	(327)	(8,041)	(327)	(8,041)
Provision for contingent liabilities and legal liabilities	16,507	11,258	16,664	13,333
Deferred Tax	85,927	147,627	94,803	148,111
Effects of Changes in Foreign Exchange Rates on Cash and Cash Equivalents	(5,053)	(744)	(5,053)	(744)
Effects of Changes in Foreign Exchange Rates on Assets and Liabilities	70,431	(214,414)	70,431	(214,414)
Mark-to-market - Adjustment marketable securities	(13,770)	(12,376)	(13,770)	(12,376)
Changes in assets and liabilities	342,398	(1,019,996)	299,795	(1,116,860)
Interbank investments	389,092	500,884	389,092	500,884
Marketable securities and derivative financial instruments	(1,989,527)	(1,455,813)	(2,032,121)	(1,460,133)
Foreign exchange portfolio	16,780	38,579	16,780	38,579
Lending operations	(1,059,843)	101,616	(1,058,111)	101,776
Other assets	(376,332)	(62,369)	(354,399)	(154,813)
Other liabilities	53,571	282,586	7,448	295,673
Deposits	832,839	(1,567,576)	805,859	(1,568,262)
Money market funding	(106,812)	(371,465)	(54,894)	(384,126)
Borrowings and onlendings	3,029,116	1,309,630	3,029,116	1,309,630
Acceptance and issuance of securities	(428,261)	222,399	(428,261)	222,399
Tax Paid	(18,225)	(18,467)	(20,714)	(18,467)
Cash flow (used in) / provided by operating activities	935,989	(722,837)	935,449	(813,085)
Investments activities				
Acquisition of investments	(2,958)	(90,737)	(2,655)	(489)
Acquisition of fixed assets and intangible	(37,085)	(22,151)	(37,085)	(22,151)
Acquisition of assets not used in banking operations	(47,076)	(39,761)	(47,076)	(39,761)
Disposal of fixed assets for own use and intangible assets	-	6	-	6
Disposal of assets on own use	33,898	3,965	33,898	3,965
Allocations of reserves of capital	10,952	(7,328)	10,952	(7,328)
Cash (used in) / provided by investment activities	(42,269)	(156,006)	(41,966)	(65,758)
Financing activities				
Subordinated debts	276,935	14,942	276,935	14,942
Debts instruments eligible for capital	(1,254)	(30,369)	(1,254)	(30,369)
Treasury shares	5,616	(36,465)	5,616	(36,465)
Capital Increase	-	62,475	-	62,475
Interest on equity provisioned	(146,504)	(94,145)	(146,504)	(94,145)
Non controlling shareholders interest	-	-	250	-
Cash(used in) / provided by financing activities	134,793	(83,562)	135,043	(83,562)
Increase / (Decrease) in cash and cash equivalents	1,028,513	(962,405)	1,028,526	(962,405)
At beginning of the period	1,519,340	6,244,784	1,519,341	6,244,784
At end of the period	2,547,853	5,282,379	2,547,867	5,282,379
Change in cash and cash equivalents	1,028,513	(962,405)	1,028,526	(962,405)

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Statements of value added
Six-month period ended June 30, 2022 and 2021
(In thousands of reais)

	Notes	Bank		Consolidated	
		June 2022	June 2021	June 2022	June 2021
Determination of Value Added					
Income		1,335,402	867,368	1,389,630	876,888
Income from financial intermediation		1,232,123	795,539	1,272,875	805,015
Income from services rendered	15	159,705	151,450	173,083	151,450
Constitution of provisions for expected losses associated with credit risk		(58,273)	(89,025)	(58,273)	(89,025)
Constitution of provisions for expected losses associated with credit risk - FX variation on credit assignment operations		327	8,041	327	8,041
Other operating income	17	1,520	1,363	1,618	1,407
Financial intermediation expenses		(443,173)	(151,577)	(435,879)	(151,237)
Inputs acquired from third parties		(115,944)	(94,092)	(118,624)	(96,623)
Telecommunications and data processing	16	(24,429)	(17,381)	(24,448)	(17,381)
Services provided by third parties	16	(7,199)	(3,752)	(7,716)	(4,051)
Financial services	16	(16,658)	(16,017)	(16,677)	(16,034)
Specialized technical services	16	(22,400)	(13,693)	(22,512)	(13,733)
Travel expenses	16	(2,486)	(196)	(2,506)	(196)
Promotions and public relations	16	(10,511)	(6,046)	(10,513)	(6,046)
Other operating expenses	18	(20,144)	(12,196)	(21,968)	(14,277)
Non-operating income		12,090	479	12,090	479
Non-operating expense		(15,835)	(18,816)	(15,835)	(18,816)
Other administrative expenses	16	(8,372)	(6,474)	(8,539)	(6,568)
Gross value added		776,285	621,699	835,127	629,028
Retained values		(14,616)	(11,573)	(14,616)	(11,573)
Depreciation and amortization	16	(14,616)	(11,573)	(14,616)	(11,573)
Net value added		761,669	610,126	820,511	617,455
Added value received in transfer		33,030	4,057	-	-
Equity pick-up from subsidiaries		33,030	4,057	-	-
Added value distributed		794,699	614,183	820,511	617,455
Value added distribution		794,699	614,183	820,511	617,455
Salaries and social charges		258,653	187,273	262,732	187,511
Direct compensation		109,338	81,877	111,651	82,097
Benefits		29,549	19,881	29,811	19,881
Social Charges - FGTS		8,798	6,655	8,923	6,673
Training		1,562	1,776	1,562	1,776
Profit sharing		109,406	77,084	110,785	77,084
Taxes, charges and compulsory contributions		141,268	160,145	162,056	163,179
Federal		131,877	151,441	152,370	154,475
Municipal		9,391	8,704	9,686	8,704
Compensation of third party capital		9,964	8,019	9,964	8,019
Rental	16	9,964	8,019	9,964	8,019
Compensation of shareholders		384,814	258,746	385,759	258,746
Interest on equity	24.b	146,504	94,145	146,504	94,145
Retained profit		238,310	164,601	238,310	164,601
Non controlling shareholders interest		-	-	945	-

The accompanying notes are integral part of these financial statements.

Banco ABC Brasil S.A.

Notes to the financial statements

June 30, 2022 and December 31, 2021

(In thousands of reais)

1. Operations

The Bank is a publicly traded corporation and a subsidiary of the Bank ABC, based in Bahrain. In Brazil, the Bank is engaged in asset and liability operations inherent to multiple bank activities, being authorized to operate with commercial, foreign exchange, investment, credit and financing and housing financing portfolios.

The Bank's operations are conducted through branches in Brazil and abroad through an overseas branch located in Georgetown, Cayman Islands (Note 21).

The Administration has been following developments related to the COVID-19 pandemic, observing with due attention the government guidelines, World Health Organization and specialized advice. The Bank has been adopting several preventive measures to preserve the safety and health of its employees, as well as maintaining the operation.

To guarantee the liquidity level in the financial system, the National Monetary Council and the Brazilian Central Bank adopted measures to minimize the crisis effects on the economy. The updated debit balance of credit operations extended by the Bank since the pandemic COVID-19 impact totaled R\$ 136,574 (R\$ 260,806 as of December 31, 2021).

The Emergency Program for Access to Credit (PEAC), was instituted by Law 14.042/20, with objective to facilitating the access to credit and preserving companies, for the protection of jobs and income. The updated debit balance of credit operations guaranteed by the PEAC-FGI program on June 30, 2022 is R\$ 2,523,059 (R\$ 2,859,876 as of December 31, 2021).

2. Financial statements presentation, consolidation criteria and significant accounting practices

i) Financial statements presentation and consolidation criteria

The financial statements (individual and consolidated) were prepared and are presented in accordance with accounting practices adopted in Brazil, in light of accounting guidelines contained in Law No. 6,404/76 with amendments introduced by Law No. 11,638/07 and 11,941/09, and the standards and instructions of the Central Bank of Brazil (BACEN) and the Brazilian Securities and Exchange Commission (CVM). The consolidated financial statements include the financial statements of Banco ABC Brasil S.A. and the subsidiaries ABC Brasil Distribuidora de Títulos e Valores Mobiliários S.A., ABC Brasil Administração e Participações Ltda., ABC Brasil Comercializadora de Energia Ltda. (direct and indirect interests corresponding to approximately 100%) and ABC Brasil Corretora de Seguros Ltda. (indirect participation of 90%).

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Notes to the financial statements

June 30, 2022 and December 31, 2021

(In thousands of reais)

In addition, as of January 2020, the changes arising from CMN Resolution No. 4,818/20 and Bacen Resolution No. 2/2020 were included in financial statements. The main objective of these standards is to bring similarity with the guidelines for the presentation of financial statements in accordance with International Financial Reporting Standards (IFRS). The main changes implemented where statement of financial position accounts are presented in order of liquidity and enforceability; the statement of financial position balances for the period are presented in comparison with the end of the immediate previous fiscal year and the remaining statements are compared with the same periods of the previous fiscal year for which they were presented.

The changes implemented by the new standards did not impact Net Income or Shareholders' Equity of the comparative periods.

The financial statements were approved by the Directors on August 08, 2022.

The accounting practices adopted to record operations and assess the Bank's assets, including operations conducted by the overseas branch and its consolidated subsidiaries were consistently applied and investments, rights, obligations and profit and loss (P&L) among consolidated companies were eliminated.

ii) Functional currency and presentation currency

The consolidated financial statements are presented in Brazilian Reais (R\$), which is the functional and presentation currency of the Banco ABC Brasil S.A. and its subsidiaries, defined in accordance with Resolution No. 4,524/16 of the Central Bank of Brazil.

iii) Foreign currencies translation

The assets and liabilities of the subsidiaries are converted at the exchange rate of the Financial Statements date. The result is converted by the average monthly exchange rate.

iv) Significant accounting practices

The Accounting Pronouncements Committee (CPC) issues accounting pronouncements and interpretations in line with international accounting standards and approved by the CVM and by Bacen, in its turn, the Brazilian Central Bank adopted the following pronouncements: CPC 00 (R1) - Conceptual Framework for Preparation and Disclosure of Financial and Accounting Report; CPC 01 (R1) - Reduction in the Recoverable Value of Assets; CPC 03 (r3) - Statement of Cash Flows; CPC 05 (R1) - Disclosure about Parties; CPC 24 - Provisions, Contingent Liabilities and Contingent Liabilities; CPC 33 (R1) - CPC 10 (R1) - Share-Based Payment; CPC 23 - Accounting Policies, Change of Estimate and Error Correction, CPC 24 - Subsequent Event, Employee Benefits, CPC 46 - Measuring the fair value. CPC 41- Earnings per share and CPC 47 Revenue from contract with client.

In addition, the Brazilian Central Bank has issued the following resolutions aimed at reducing asymmetries in relation to international standards:

Banco ABC Brasil S.A.

Notes to the financial statements

June 30, 2022 and December 31, 2021

(In thousands of reais)

Resolution nº 3,533/08 - Establishes procedures for classification, accounting registration and disclosure of sales or transfer of financial assets.

Resolution No. 4,512/16 - Provides for accounting procedures applicable to the evaluation and registration of a provision for financial guarantees provided.

Resolution nº 4,524/16 - Effects of changes in exchange rates and translation of financial statements and foreign exchange hedge operations of investments abroad.

Resolution No. 4,534/16 and 4,535/16- Provides for the criteria for accounting recognition and measurement of the components of intangible assets, deferred assets and fixed assets of use.

Resolution nº 4,818/20 and Bacen Resolution No 2/2020 - Provides for the general criteria for preparing and disclosing financial statements by financial institutions.

Resolution nº 4,747/19 - Establishes criteria for accounting recognition and measurement of non-financial assets held for sale.

CMN Resolution No. 4,966/21 and CMN Resolution No. 5,019/22 - Is related to deals with the accounting concepts and criteria applicable to financial instruments as well as for the designation and recognition of hedging (hedge accounting) seeking the convergence of the criterion accounting of COSIF for the requirements of the international standard of IFRS 9. The Resolution enters into force on January 1, 2025, and the Bank started the impact assessments and necessary changes to meet its implementation and the identification and treatment of expected impacts.

The preparation and presentation of the financial statements (individual and consolidated) in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil, require that management use assumptions and professional judgment in determining amounts and in recording of accounting estimates, such as the allowance for loan losses, realization deferred income tax, provision for contingencies and valuation of derivative instruments receivable and payable. Settlement of these transactions involving these estimates may result in amounts different from those estimated, due to the uncertainties related to the determination process.

Significant accounting practices are summarized as follows:

a) *Asset valuation criteria*

Interbank investments, loans and other rights, except for marketable securities and derivative financial instruments, are stated at cost of acquisition, of investment or release, plus exchange rate variation, monetary restatement and contractual interest. Allowances are recognized for adjustment to realizable value when market value is lower.

Marketable securities and derivative financial instruments are classified in accordance with management's intention to hold them in the portfolio, or their availability for sale, and are recorded as follows:

Banco ABC Brasil S.A.

Notes to the financial statements

June 30, 2022 and December 31, 2021

(In thousands of reais)

Trading securities: are acquired for the purpose of being actively and frequently traded. They are adjusted to market value with the related gain or loss recognized directly in the statements of income for the period.

Held to maturity: marketable securities for which the Bank has the intent and ability to maintain in portfolio to maturity are stated at cost, plus earnings reflected in the statements of income for the period. Permanent losses are recognized in P&L for the period.

Available for sale: marketable securities which cannot be classified as either trading securities or as held to maturity are adjusted to market value. The difference between the amounts restated by the yield curve of the security and market value is recorded under a separate account in shareholders' equity, net of tax effects, and transferred to the statements of income for the period when effectively realized. Permanent losses are recognized in P&L for the period.

Derivative financial instruments: marked to market against P&L for the period.

Forward operations are recorded at final contracted value, less the difference between such value and cash value of the asset or right. This difference is recognized as income or expenses based on the agreement effective terms.

Option transactions are recorded at the value of premiums paid or received through effective exercise thereof reduction restated at market value. They are then written off as a decrease or increase in asset or right cost, for the effective exercise thereof, or as income or expenses if not exercised.

Futures transactions are recorded at daily adjustment values, allocated as income or expenses.

Swap operations are recorded at the value of the receivables-payables difference, which is allocated as income or expenses.

Operations with other derivative financial instruments are recorded based on the agreement characteristics.

The allowance for loan losses is recognized at an amount considered sufficient to cover potential losses on the Bank's loan portfolio, based on past experience, assessment of delinquent accounts and collateral risks, as well as specific terms and conditions of the operations, in conformity with BACEN Resolution No. 2,682/99.

The provision for guarantees provided is based on the assessment of the losses associated with the probability of future disbursements related to the guarantees, and specific characteristics of the operations performed according to the requirements of Central Bank of Brazil Resolution No. 4,512/16. It is recorded in an amount considered sufficient to cover probable losses during the entire term of the guarantee provided. The classification of operations is consistent with the requirements applied by Resolution No. 2,682/99 of the Central Bank of Brazil.

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(In thousands of reais)

Investments in subsidiaries are stated by the equity method in proportion to the Bank's ownership interest; other investments are stated at cost of acquisition, less a reserve, where applicable, to cover permanent losses.

Assets and rights classified under fixed assets in use are stated at cost of acquisition, less depreciation, where applicable, provided under the straight-line method using rates that take the useful lives of the assets into consideration.

Intangible assets are stated at cost of acquisition, less amortization, where applicable, provided under the straight-line method over the estimated useful lives of the assets, as from the date these were made available for use.

b) Cash and cash equivalents

Cash and cash equivalents, as established in Resolution No. 4.818/20 e CPC 03 include cash, bank deposits, short-term highly liquid investments, with insignificant risks of changes in value, with maturity less or equal than 90 days.

c) Liability valuation criteria

Known or calculable obligations, charges and risks, including tax charges calculated on the basis of the results of the period, are shown at the updated value up to the balance sheet date.

Cash deposit transactions are not remunerated by the Bank. Transactions in interbank deposits, term deposits, open market borrowings and funds from acceptances and issuance of securities are traded at normal market rates.

Foreign loan obligations include funds raised for use in commercial foreign exchange operations related to export and import financing, as well as investments in transfers and financing in foreign currency.

Such obligations are subject to exchange variation and international market interest and are updated by exchange variation and charges, calculated up to the balance sheet date.

The obligations for transfers of the country are represented by funds and special programs administered by official institutions, which are passed on to the final borrowers and are updated by official indices and charges, calculated up to the balance sheet date.

Foreign transfers obligations are represented by funds obtained by the Bank from multilateral agencies (IIC Inter American Investment Corporation, IFC – International Finance Corporation and IDB - Inter-American Development Bank) which are passed on to final borrowers and are updated by exchange variation and charges calculated up to the balance sheet date.

Banco ABC Brasil S.A.

Notes to the financial statements
June 30, 2022 and December 31, 2021
(In thousands of reais)

d) Hedge Accounting

Considering the risk of foreign exchange exposure as well as market conditions of capture abroad through foreign transfers bonds, the Bank has selected some derivative financial instruments to total hedge (fair value hedge) the principal amounts of loans taken out and related interest due. In order to equalize the effects of mark to market of the derivative financial instruments selected for hedge purposes to market, the principal hedged amount, plus, interest due, is stated at fair value and also mark to market.

The variation in the fair value of hedge derivatives is recognized in the income statement. However, the variation in the fair value of the hedged item attributed to the hedged risk is accounted for as part of its book value, also recognized in the statement of income for the year. When a hedge instrument matures or is sold, cancelled or exercised, or when it does not meet hedge accounting requirements, the hedge strategy ends.

The objectives of this operation and the hedging strategy for such risks during the entire operation are duly documented, together with the assessment, both at the beginning of the hedge transaction and on an ongoing basis, confirming that derivative financial instruments of the hedging operations are highly effective in the offset of variations in the fair value (mark to market) of the hedged item. A hedge instrument is considered highly effective when the variation in the fair value or cash flow of the coverage risk during the hedging period reduces 80% to 125% of the risk variation.

The fair value of the derivative financial instruments used as hedge, as well as the market value of the loan subject to hedge, are disclosed in Notes 5.b and 12.b respectively.

e) Recognition of revenues and expenses

Revenues and expenses, including income, charges, monetary or exchange variances of inflation indices or official exchange rates applicable to current and noncurrent / long-term assets and liabilities, are recognized on accrual basis. Income and expenses also include the effects of asset adjustments to market or realizable value. Interest on past-due loan installments outstanding for over 59 days is recognized only when the respective amount is received.

Deferred income and social contribution taxes on temporary differences arising from nontaxable or nondeductible income and expenses, the future additions or exclusions of which are authorized by tax legislation, are also determined on the accrual basis.

f) Contingent assets and contingent liabilities

The recognition, measurement and disclosure of contingent assets and liabilities, and legal liabilities take place according to the criteria described below:

Banco ABC Brasil S.A.

Notes to the financial statements

June 30, 2022 and December 31, 2021

(In thousands of reais)

- Contingent assets - are not recognized in the financial statements, except when there is evidence providing guarantee of their realization, on which further appeals can no longer be filed.
- Contingent liabilities - are recognized in the financial statements when, based on the opinion of legal advisors and the Bank's management, the risk of loss of a legal or administrative proceeding is regarded as probable, with a probable outflow of funds for settling the liabilities, and when the amounts involved may be measured with sufficient accuracy. Contingent liabilities classified by legal advisors as possible losses are only disclosed in notes, whereas those classified as remote losses do not require provision or disclosure.

g) Impairment of non-financial assets

An impairment provision is recognized when the book value of an asset, or its cash-generating unit, exceeds its recoverable amount. An impairment provision is recognized in profit and loss of the period.

h) Income and Social Contribution Taxes

Provisions for income tax and social contribution, when due, are based on accounting profit, adjusted for additions and exclusions provided for in tax legislation. Deferred income tax and social contribution are calculated on the amount of temporary differences, whenever the realization of these amounts is deemed probable.

The financial statements have been prepared and are presented considering the general criteria for the preparation and disclosure of financial statements established by Resolution No. 4,818/20 and Resolution BCB No. 2/2020, effective as of January 1, 2021. The balances of the amounts corresponding to previous periods, presented for comparison purposes, are also now being restated considering these general criteria.

3. Current and non-current segregation

Classification of current and noncurrent / long-term assets and liabilities

The assets and liabilities realizable up to twelve months after the balance sheet, for the purposes of disclosure in this explanatory note, are classified in current and those whose maturity or actual settlement occurs in the twelve months after the balance sheet date are classified in non-current. The deferred tax credits and tax liabilities are classified in their entirety in non-current regardless of the realization period. The trading securities are classified in current asset, regardless of their maturity date and securities classified as available for sale are classified according to the maturity date, regardless of its liquidity, as established by Circular Bacen No. 3,068 / 2001.

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Notes to the financial statements

June 30, 2022 and December 31, 2021

(In thousands of reais)

The segregation of the balance sheet between current and non-current is demonstrated in below, in accordance with Resolution 4,818/20 and Bacen Resolutions No 2/2020.

i) Estimates of future realizations of deferred tax credits and obligations were determined according note 19 are shown below:

	Bank			Consolidated		
	Up to 1 year	Over 1 year	Total	Up to 1 year	Over 1 year	Total
Tax credits	917,109	203,209	1,120,318	918,377	203,209	1,121,586
Deferred tax credits	342,871	-	342,871	363,545	-	363,545

ii) Treasury Bills - LFT, classified as available for sale, are presented in the balance sheet by the maturity even though they have high liquidity and amount to R\$ 1,433,158 in the Bank and R\$ 1,620,695 in the consolidated.

iii) The Public Securities classified as held to maturity are liable to be converted into cash through repo operations in the amount R\$ 1,983,104 in the Bank and Consolidated.

Banco ABC Brasil S.A.

Notes to the financial statements
June 30, 2022 and December 31, 2021
(In thousands of reais)

3. Current and non-current segregation

		Bank					
		June 2022			December 2021		
		Current	Non-current	Total	Current	Non-current	Total
Assets	Note						
Cash and Banks	4	553,923	-	553,923	731,091	-	731,091
Financial Instruments		32,638,014	14,641,898	47,279,912	31,487,175	14,868,893	46,356,068
Interbank investments		3,842,629	36,034	3,878,663	3,014,049	42,972	3,057,021
Foreign exchange portfolio	8	3,130,929	240,104	3,371,033	6,113,725	91,443	6,205,168
Marketable securities	5.a	7,748,588	5,721,372	13,469,960	5,726,132	5,948,832	11,674,964
Derivative financial instruments	5.b	1,204,788	1,293,056	2,497,844	1,436,671	942,015	2,378,686
Loans	6	16,711,080	7,351,332	24,062,412	15,196,598	7,843,631	23,040,229
Other assets		1,336,326	76,806	1,413,132	817,619	223,007	1,040,626
Interbank accounts		185,870	6,483	192,353	51,709	38,531	90,240
Trading and intermediation of securities	9.a	696,921	-	696,921	431,882	-	431,882
Receivables		29,648	5,457	35,105	28,341	4,135	32,476
Prepaid expenses		10,359	14,589	24,948	10,457	11,425	21,882
Assets not for own use		156,668	8,181	164,849	148,857	8,181	157,038
Sundry	9.b	256,860	42,096	298,956	146,373	160,735	307,108
Provisions for expected losses associated with credit risk	7	(394,599)	(160,291)	(554,890)	(486,956)	(233,423)	(720,379)
Deferred tax assets	19	-	1,120,318	1,120,318	-	1,118,517	1,118,517
Investments		-	747,081	747,081	-	711,093	711,093
Associates and subsidiaries	10	-	739,673	739,673	-	706,340	706,340
Other investments		-	7,408	7,408	-	4,753	4,753
Fixed assets	11	-	75,021	75,021	-	71,637	71,637
Intangible assets	11	-	198,421	198,421	-	164,720	164,720
Depreciation and amortization	11	-	(134,395)	(134,395)	-	(119,779)	(119,779)
Fixed assets		-	(52,278)	(52,278)	-	(48,944)	(48,944)
Intangible assets		-	(82,117)	(82,117)	-	(70,835)	(70,835)
Total Assets		34,133,664	16,564,859	50,698,523	32,548,929	16,804,665	49,353,594

Banco ABC Brasil S.A.

Notes to the financial statements
June 30, 2022 and December 31, 2021
(In thousands of reais)

3. Current and non-current segregation

		Bank					
		June 2022			December 2021		
	Note	Current	Non-current	Total	Current	Non-current	Total
Liabilities and Shareholders' equity							
Deposits and financial instruments		30,082,987	14,492,003	44,574,990	31,749,012	11,859,937	43,608,949
Deposits	12	7,486,962	1,402,339	8,889,301	7,138,397	98,065	8,056,462
Money market funding	12	1,290,658	-	1,290,658	1,396,475	-	1,396,475
Funds from acceptance and issue of securities	12	7,540,492	7,833,648	15,374,140	5,627,028	6,717,996	12,345,024
Borrowings and lending	12	9,643,665	2,031,406	11,675,071	10,191,774	1,658,233	11,850,007
Derivative financial instruments	5.b	894,582	1,145,220	2,039,802	1,217,033	896,256	2,113,289
Foreign exchange portfolio	8	3,095,496	227,008	3,322,504	6,051,832	88,027	6,139,859
Subordinated debts	12	131,132	1,846,323	1,977,455	126,473	1,574,047	1,700,520
Debts instruments eligible for capital	12	-	6,059	6,059	-	7,313	7,313
Provisions	13	273,206	24,085	297,291	242,458	17,807	260,265
Deferred tax obligations	19	-	342,871	342,871	-	266,202	266,202
Other liabilities		546,010	26,790	572,800	517,352	31,363	548,715
Interbank accounts		38,221	-	38,221	2	-	2
Interbranch accounts		145,607	-	145,607	77,964	-	77,964
Social and statutory		77,598	319	77,917	55,463	318	55,781
Taxes and social security	14.a	67,377	1,799	69,176	145,154	1,445	146,599
Trading and intermediation of securities	14.c	194,832	-	194,832	221,246	-	221,246
Sundry	14.b	22,375	24,672	47,047	17,523	29,600	47,123
Shareholders' equity		-	4,910,571	4,910,571	-	4,669,463	4,669,463
Capital	24.a	-	4,315,017	4,315,017	-	4,315,017	4,315,017
Brazilian residents		-	1,140,922	1,140,922	-	1,337,057	1,337,057
Foreign residents		-	3,174,095	3,174,095	-	2,977,960	2,977,960
Capital reserve		-	43,198	43,198	-	32,246	32,246
Profit reserve	24.d	-	445,763	445,763	-	426,522	426,522
Other comprehensive income		-	(23,982)	(23,982)	-	(10,212)	(10,212)
Treasury stock	24.e	-	(88,494)	(88,494)	-	(94,110)	(94,110)
Total liabilities		30,902,203	19,796,320	50,698,523	32,508,822	16,844,772	49,353,594

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3. Current and non-current segregation

		Consolidated					
		June 2022			December 2021		
		Current	Non-current	Total	Current	Non-current	Total
Assets	Note						
Cash and Banks	4	553,937	-	553,937	731,092	-	731,092
Financial Instruments		32,912,460	14,943,349	47,855,809	31,730,560	15,102,467	46,833,027
Interbank investments		3,842,629	36,034	3,878,663	3,014,049	42,972	3,057,021
Foreign exchange portfolio	8	3,130,929	240,104	3,371,033	6,113,725	91,443	6,205,168
Marketable securities	5.a	7,766,868	5,908,909	13,675,777	5,810,733	6,056,397	11,867,130
Derivative financial instruments	5.b	1,482,031	1,386,441	2,868,472	1,616,099	1,046,196	2,662,295
Loans	6	16,690,003	7,371,861	24,061,864	15,175,954	7,865,459	23,041,413
Other assets		1,659,994	171,693	1,831,687	1,258,065	223,021	1,481,086
Interbank accounts		185,870	6,483	192,353	51,709	38,531	90,240
Trading and intermediation of securities	9.a	756,287	-	756,287	540,187	-	540,187
Receivables		29,648	5,457	35,105	28,341	4,135	32,476
Prepaid expenses		10,445	14,589	25,034	10,627	11,439	22,066
Assets not for own use		156,668	8,181	164,849	148,857	8,181	157,038
Sundry	9.b	521,076	136,983	658,059	478,344	160,735	639,079
Provisions for expected losses associated with credit risk	7	(394,599)	(160,291)	(554,890)	(486,956)	(233,423)	(720,379)
Deferred tax assets	19	-	1,121,586	1,121,586	-	1,119,813	1,119,813
Investments		-	7,408	7,408	-	4,753	4,753
Other investments		-	7,408	7,408	-	4,753	4,753
Fixed assets	11	-	75,021	75,021	-	71,637	71,637
Intangible assets	11	-	198,421	198,421	-	164,720	164,720
Depreciation and amortization	11	-	(134,395)	(134,395)	-	(119,779)	(119,779)
Fixed assets		-	(52,278)	(52,278)	-	(48,944)	(48,944)
Intangible assets		-	(82,117)	(82,117)	-	(70,835)	(70,835)
Total Assets		34,731,792	16,222,792	50,954,584	33,232,761	16,333,209	49,565,970

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3. Current and non-current segregation

		Consolidated					
		June 2022			December 2021		
		Current	Non-current	Total	Current	Non-current	Total
Liabilities and Shareholders' equity	Note						
Deposits and financial Instruments		30,212,783	14,522,570	44,735,353	31,771,216	11,915,082	43,686,298
Deposits	12	7,374,973	1,386,685	8,761,658	7,050,943	904,856	7,955,799
Money market funding	12	1,275,043	-	1,275,043	1,328,942	-	1,328,942
Funds from acceptance and issue of securities	12	7,540,492	7,833,648	15,374,140	5,627,028	6,717,996	12,345,024
Borrowings and Onlending	12	9,643,665	2,031,406	11,675,071	10,191,774	1,658,233	11,850,007
Derivative financial instruments	5.b	1,151,982	1,191,441	2,343,423	1,394,224	964,610	2,358,834
Foreign exchange portfolio	8	3,095,496	227,008	3,322,504	6,051,832	88,027	6,139,859
Subordinated debts	12	131,132	1,846,323	1,977,455	126,473	1,574,047	1,700,520
Debts instruments eligible for capital	12	-	6,059	6,059	-	7,313	7,313
Provisions	13	275,075	24,110	299,185	243,865	17,821	261,686
Deferred tax obligations	19	-	363,545	363,545	-	277,946	277,946
Other liabilities		617,686	26,799	644,485	637,959	31,423	669,382
Interbank accounts		38,221	-	38,221	2	-	2
Interbranch accounts		145,607	-	145,607	77,964	-	77,964
Social and statutory		77,598	319	77,917	55,463	318	55,781
Taxes and social security	14.a	81,253	1,808	83,061	158,938	1,505	160,443
Trading and intermediation of securities	14.c	252,615	-	252,615	328,064	-	328,064
Sundry	14.b	22,392	24,672	47,064	17,528	29,600	47,128
Shareholders' equity		-	4,912,016	4,912,016	-	4,670,658	4,670,658
Capital	24.a	-	4,315,017	4,315,017	-	4,315,017	4,315,017
Brazilian residents		-	1,140,922	1,140,922	-	1,337,057	1,337,057
Foreign residents		-	3,174,095	3,174,095	-	2,977,960	2,977,960
Capital reserve		-	43,198	43,198	-	32,246	32,246
Profit reserve	24.d	-	445,763	445,763	-	426,522	426,522
Other comprehensive income		-	(23,982)	(23,982)	-	(10,212)	(10,212)
Treasury stock	24.e	-	(88,494)	(88,494)	-	(94,110)	(94,110)
Non controlling shareholders interest		-	1,445	1,445	-	1,195	1,195
Total liabilities		31,105,544	19,849,040	50,954,584	32,653,040	16,912,930	49,565,970

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4. Cash and cash equivalents

Cash and cash equivalent components:

	Bank		Consolidated	
	June 2022	December 2021	June 2022	December 2021
Cash and banks	553,923	731,091	553,937	731,092
Interbank investments	1,993,930	788,249	1,993,930	788,249
Foreign investments	347,335	345,969	347,335	345,969
Applications in the open market and in interbank deposits (a)	1,646,595	442,280	1,646,595	442,280
Total cash and cash equivalents	2,547,853	1,519,340	2,547,867	1,519,341

(a) Related to operations whose maturity on the date of effective investment was equal to or less than 90 days and which have an insignificant risk of change in value.

5. Marketable securities and derivative financial instruments

a) Marketable securities

The classification of marketable securities at June 20, 2022 and December 31, 2021 are as follows:

	June 2022				December 2021	
	Bank		Consolidated		Bank	Consolidated
	Cost	Market/ Accounting	Cost	Market/ Accounting	Market/ Accounting	Market/ Accounting
Trading securities						
Financial Treasury Bills - "LFT"	162,812	162,956	162,812	162,956	80,190	80,190
Eurobonds	110,363	98,430	110,363	98,430	77,403	77,403
National Treasury Notes - "NTN - B"	629,204	615,592	629,204	615,592	1,138,026	1,138,026
Certificate of Real State Receivables - "CRI"	40,908	40,596	40,908	40,596	42,773	42,773
Debentures	370,269	360,918	370,269	360,918	371,022	371,022
American Treasury Notes - T-Bills	1,565,547	1,565,641	1,565,547	1,565,641	3,068,859	3,068,859
Public Company Shares	327,752	258,783	327,752	258,783	140,962	140,962
Shares of Closed Companies	9,386	9,386	9,386	9,386		
Funds in infrastructure holdings	15,468	14,843	35,508	33,123	14,779	32,980
Subtotal - Trading securities	3,231,709	3,127,145	3,251,749	3,145,425	4,934,014	4,952,215
Securities available for sale (b)						
Financial Treasury Bills - "LFT"	1,437,272	1,433,158	1,625,158	1,620,695	1,313,852	1,421,417
National Treasury Notes - "NTN - B"	477,776	474,133	482,244	474,133	200,875	200,875
National Treasury Notes - "NTN - A"	121,298	121,454	121,298	121,454	138,507	138,507
Bank Deposit Certificate - "CDB"	5,848	5,848	5,848	5,848	38,700	105,100
Certificate of Real State Receivables - "CRI"	3,597	3,600	3,597	3,600	4,047	4,047
Debentures	1,631,598	1,581,420	1,573,368	1,581,420	1,511,850	1,511,850
Promissory Notes - "NP"	184,092	184,011	184,092	184,011	83,879	83,879
Rural Product bills - "CPR"	2,098,433	2,085,353	2,098,433	2,085,353	1,021,889	1,021,889
Foreign government bonds	2,089,766	2,075,666	2,089,766	2,075,666		
Financial Bills - "LF"	56,933	57,002	56,933	57,002	58,487	58,487
Certificate of Agribusiness Receivables - "CRA"	109,287	109,323	109,287	109,323	84,032	84,032
Equity Investment Funds	3,097	3,097	3,097	3,097	-	-
Subtotal - Securities available for sale	8,218,997	8,134,065	8,353,121	8,321,602	4,456,118	4,630,083
Held to maturity (a)						
National Treasury Notes - "NTN - B"	138,269	138,269	138,269	138,269	132,038	132,038
National treasury bills - "LTN"	562,839	562,839	562,839	562,839	693,622	693,622
National treasury bills - "NTN - F"	1,523,996	1,507,642	1,523,996	1,507,642	1,459,172	1,459,172
Subtotal - held to maturity	2,225,104	2,208,750	2,225,104	2,208,750	2,284,832	2,284,832
Total	13,675,810	13,469,960	13,829,974	13,675,777	11,674,964	11,867,130

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- (a) Securities classified as held to maturity are valued at amortized cost. If they were valued at market value, on June 30, 2022, would have negative adjustment of R\$ 151,801 (negative adjustment of R\$ 151,613 on December 31, 2021), based on active market price (level I).
- (b) The market value submitted is net of the allowance for devaluation considered permanent in the securities in the amount of R\$ 58,230 on June 30, 2022 (R\$ 87,873 on December 31, 2021).

At June 30, 2022, unrealized income on securities classified as available for sale totaled a loss of R\$ 31,519 (loss of R\$ 20,554 at December 31, 2021), which is recorded in equity under the account "Other comprehensive income" net of tax effects, amounting loss to R\$ 23,982 (loss of R\$ 10,212 at December 31, 2021).

The composition of the portfolio as of June 30, 2022 and December 31, 2021, considering the hierarchical levels of fair value measurement are shown as follows:

	Bank				Consolidated			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
June 2022								
Trading securities	3,077,164	40,595	9,386	3,127,145	3,095,444	40,595	9,386	3,145,425
Securities available for sale	2,424,322	3,612,093	2,097,650	8,134,065	2,611,859	3,612,093	2,097,650	8,321,602
December 2021								
Trading securities	4,902,158	31,856	-	4,934,014	4,902,158	50,057	-	4,952,215
Securities available for sale	2,047,917	1,372,683	1,035,518	4,456,118	2,155,482	1,439,083	1,035,518	4,630,083

Measurement of fair value - level 1 is based on quoted prices (not adjusted) in active markets for identical assets or liabilities.

Measurement of fair value - level 2 is based on other variables in addition to observable quoted prices included in level 1 for asset or liability, whether directly (i.e., as prices) or indirectly (i.e., based on prices).

Measurement of fair value - level 3 is based are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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The Bank's portfolios at June 30 2022, classified by maturity, are as follows:

	Bank						
	June 2022						
	Without maturity	Up to 3 months	3 to 6 months	6 to 12 Months	1 to 3 years	Over 3 years	Total
Trading securities							
Financial Treasury Bills - "LFT"	-	99,243	-	-	51,706	12,007	162,956
Eurobonds	-	-	-	-	-	98,430	98,430
National Treasury Notes - "NTN - B"	-	134,593	-	22,702	196,703	261,594	615,592
Certificate of Real State Receivables - "CRI"	-	-	-	-	-	40,596	40,596
Debentures	-	-	-	-	-	360,918	360,918
American Treasury Notes - T-Bills	-	1,565,641	-	-	-	-	1,565,641
Public Company Shares	258,783	-	-	-	-	-	258,783
Shares of Closed Companies	9,386	-	-	-	-	-	9,386
Funds in infrastructure holdings	14,843	-	-	-	-	-	14,843
Subtotal - Trading securities	283,012	1,799,477	-	22,702	248,409	773,545	3,127,145
Securities available for sale							
Financial Treasury Bills - "LFT"	-	-	-	-	340,311	1,092,847	1,433,158
National Treasury Notes - "NTN - B"	-	105,982	-	238,963	129,188	-	474,133
National Treasury Notes - "NTN - A"	-	-	-	-	121,454	-	121,454
Bank Deposit Certificate - "CDB"	-	5,848	-	-	-	-	5,848
Certificate of Real State Receivables - "CRI"	-	-	-	-	3,600	-	3,600
Debentures	-	-	10,186	443,097	424,108	704,029	1,581,420
Promissory Notes - "NP"	-	83,894	-	-	100,117	-	184,011
Rural product bills - "CPR"	-	417,267	148,537	802,219	590,904	126,426	2,085,353
Foreign government bonds	-	-	2,075,666	-	-	-	2,075,666
Financial Bills - "LF"	-	-	12,015	33,898	11,089	-	57,002
Certificate of Agribusiness Receivables - "CRA"	-	-	-	18,225	40,121	50,977	109,323
Equity Investment Funds	-	-	-	-	-	3,097	3,097
Subtotal - Securities available for sale	-	612,991	2,246,404	1,536,402	1,760,892	1,977,376	8,134,065
Held to maturity							
National Treasury Notes - "NTN - B"	-	20,519	-	-	-	117,750	138,269
National Treasury Bills - "LTN"	-	49,988	48,691	-	464,160	-	562,839
National Treasury Bills - "NTN - F"	-	-	-	106,448	613,490	787,704	1,507,642
Subtotal - Held to maturity	-	70,507	48,691	106,448	1,077,650	905,454	2,208,750
Total - June 2022	283,012	2,482,975	2,295,095	1,665,552	3,086,951	3,656,375	13,469,960
Total - December 2021	155,741	3,343,571	141,062	801,224	2,643,633	4,589,733	11,674,964

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(In thousands of reais)

	Consolidated						
	June 2022						
	Without maturity	Up to 3 months	3 to 6 months	6 to 12 Months	1 to 3 years	Over 3 years	Total
Trading securities							
Financial Treasury Bills - "LFT"	-	99,243	-	-	51,706	12,007	162,956
Eurobonds	-	-	-	-	-	98,430	98,430
National Treasury Notes - "NTN - B"	-	134,593	-	22,702	196,703	261,594	615,592
Certificate of Real State Receivables - "CRI"	-	-	-	-	-	40,596	40,596
Debentures	-	-	-	-	-	360,918	360,918
American Treasury Notes - T-Bills	-	1,565,641	-	-	-	-	1,565,641
Public Company Shares	258,783	-	-	-	-	-	258,783
Shares of Closed Companies	9,386	-	-	-	-	-	9,386
Funds in infrastructure holdings	33,123	-	-	-	-	-	33,123
Subtotal - Trading securities	301,292	1,799,477	-	22,702	248,409	773,545	3,145,425
Securities available for sale							
Financial Treasury Bills - "LFT"	-	-	-	-	340,311	1,280,384	1,620,695
National Treasury Notes - "NTN - B"	-	105,982	-	238,963	129,188	-	474,133
National Treasury Notes - "NTN - A"	-	-	-	-	121,454	-	121,454
Bank Deposit Certificate - "CDB"	-	5,848	-	-	-	-	5,848
Certificate of Real State Receivables - "CRI"	-	-	-	-	3,600	-	3,600
Debentures	-	-	10,186	443,097	424,108	704,029	1,581,420
Promissory Notes - "NP"	-	83,894	-	-	100,117	-	184,011
Rural product bills - "CPR"	-	417,267	148,537	802,219	590,904	126,426	2,085,353
Foreign government bonds	-	-	2,075,666	-	-	-	2,075,666
Financial Bills - "LF"	-	-	12,015	33,898	11,089	-	57,002
Certificate of Agribusiness Receivables - "CRA"	-	-	-	18,225	40,121	50,977	109,323
Equity Investment Funds	-	-	-	-	-	3,097	3,097
Subtotal - Securities available for sale	-	612,991	2,246,404	1,536,402	1,760,892	2,164,913	8,321,602
Held to maturity							
National Treasury Notes - "NTN - B"	-	20,519	-	-	-	117,750	138,269
National Treasury Bills - "LTN"	-	49,988	48,691	-	464,160	-	562,839
National Treasury Bills - "NTN - F"	-	-	-	106,448	613,490	787,704	1,507,642
Subtotal - Held to maturity	-	70,507	48,691	106,448	1,077,650	905,454	2,208,750
Total - June 2022	301,292	2,482,975	2,295,095	1,665,552	3,086,951	3,843,912	13,675,777
Total - December 2021	173,942	3,343,571	207,462	801,224	2,643,633	4,697,298	11,867,130

The Bank has securities linked as guarantees of its operations as follows:

Operation type	Linked securities	Bank and Consolidated	
		Market Value	
		June 2022	December 2021
Derivatives - B3 S.A - Brasil, Bolsa, Balcão e CBLC	LTN / LFT	526,752	749,079
Exchange - B3 S.A - Brasil, Bolsa, Balcão	LTN / LFT	246,839	504,297
Agribusiness credit bills funding	Rural product bills	1,936,425	948,998
Total		2,710,016	2,202,374

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b) Derivative financial instruments

The Bank carries out transactions with derivative financial instruments on demand of its clients or primarily aimed at protecting market price variations and dilution of currency risks and interest rates of its assets and liabilities and cash flows contracted by compatible terms, rates and amounts.

Derivatives are used as a risk transfer tool aimed to cover Banking Book and Trading Book portfolio positions. In addition, highly liquid derivatives traded on stock exchanges are used, within strict limits and with regular review, in order to manage Trading Book portfolio exposures.

The market values of these derivative financial instruments are determined based on quotations disclosed by specialized stock exchanges and, in certain cases, when there is no liquidity or market quotation, estimates of present values and other pricing techniques are used.

The bases adopted for determining market prices are as follows:

- Futures: stock exchange quotations;
- Options: determined based on the criteria set forth in the contracts, calculated according to known models used by the market;
- Swaps: cash flows for each contract are discounted to present value, in accordance with the respective interest rate curves, obtained based on B3 S.A. - Brasil, Bolsa, Balcão prices adjusted to the credit risk of the counterparties; and
- Forward: the future value of the transaction discounted to present value as rates obtained at B3 S.A. - Brasil, Bolsa, Balcão grants or reference stock exchange market adjusted to the credit risk of the counterparties.

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The differentials and adjustments to derivative financial instruments are recorded in the respective balance sheet accounts, and attached against the result of operations. They are adjusted to market value and the notional value of financial instruments are recorded in memorandum accounts, as follows:

	June 2022				December 2021	
	Bank			Bank and Consolidated		
	Notional value	Cost - receivable / (payable)	Marked to market adjustment	Market Value	Notional Value	Market value
Future contracts	12,330,427	-	-	-	11,699,055	-
Purchase commitments	6,262,230	-	-	-	6,902,231	-
Interbank market	5,725,545	-	-	-	4,789,370	-
Foreign currency	536,685	-	-	-	1,894,780	-
Others	-	-	-	-	218,081	-
Sales commitments	6,068,197	-	-	-	4,796,824	-
Interbank market	3,631,817	-	-	-	2,920,772	-
Foreign currency	777,929	-	-	-	-	-
Others	1,658,451	-	-	-	1,876,052	-
Asset position	34,790,689	2,966,064	(468,220)	2,497,844	76,238,573	2,378,686
Swap contracts	4,017,530	122,977	102,912	225,889	2,711,209	150,985
Interbank market	2,686,282	41,017	104,986	146,003	1,728,768	70,912
Foreign currency	900,229	38,764	1,912	40,676	419,280	37,027
Fixed rates	363,303	20,669	1,533	22,202	476,423	19,352
Others	67,716	22,527	(5,519)	17,008	86,738	23,694
Options contracts	21,105,321	2,113,846	(463,511)	1,650,335	63,949,184	1,805,719
Purchase commitments	9,264,782	1,336,149	(305,035)	1,031,114	7,908,421	1,552,289
Foreign currency	9,132,782	1,323,403	(329,089)	994,314	7,901,906	1,539,888
Others financial assets	132,000	12,746	24,054	36,800	6,515	12,401
Sale commitment	11,840,539	777,697	(158,476)	619,221	56,040,763	253,430
Foreign currency	11,739,495	771,341	(161,006)	610,335	8,264,763	253,428
IDI index	-	-	-	-	47,776,000	2
Others financial assets	101,044	6,356	2,530	8,886	-	-
Other financial instruments (a)	9,667,838	729,241	(107,621)	621,620	9,578,180	421,982
Foreign currency	1,856,648	76,055	(818)	75,237	1,702,976	53,824
Others financial assets	7,811,190	653,186	(106,803)	546,383	7,875,204	368,158

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	June 2022				December 2021	
	Bank				Bank and Consolidated	
	Notional value	Cost - receivable / (payable)	Marked to market adjustment	Market Value	Notional Value	Market value
Liability position	28,871,829	(2,171,511)	131,709	(2,039,802)	70,622,217	(2,113,289)
Swap contracts	4,169,704	(172,238)	2,209	(170,029)	2,924,156	(177,516)
Interbank market	1,614,728	(31,173)	(28,239)	(59,412)	698,137	(41,024)
Foreign currency	1,818,099	(88,933)	8,336	(80,597)	1,414,561	(94,370)
Fixed rates	130,744	(6,802)	1,643	(5,159)	207,713	(11,937)
Others	606,133	(45,330)	20,469	(24,861)	603,745	(30,185)
Options contracts	19,251,009	(1,340,381)	13,910	(1,326,471)	64,233,019	(1,615,475)
Purchase commitments	9,893,540	(843,682)	95,626	(748,056)	8,327,436	(1,391,304)
Foreign currency	9,749,043	(840,311)	102,141	(738,170)	8,321,432	(1,390,839)
Others financial assets	144,497	(3,371)	(6,515)	(9,886)	6,004	(465)
Sales commitments	9,357,469	(496,699)	(81,716)	(578,415)	55,905,583	(224,171)
Foreign currency	9,075,539	(407,749)	(86,548)	(494,297)	8,117,294	(224,114)
IDI index	-	-	-	-	47,774,000	(2)
Others financial assets	281,930	(88,950)	4,832	(84,118)	14,289	(55)
Other financial instruments (a)	5,451,116	(658,892)	115,590	(543,302)	3,465,042	(320,298)
Foreign currency	1,709,523	(84,386)	377	(84,009)	1,775,732	(56,721)
Others financial assets	3,741,593	(574,506)	115,213	(459,293)	1,689,310	(263,577)

(a) The consolidated financial statements as of June 30, 2022 include, in addition to the amounts shown in the previous table, the amount of R\$ 1,201,803 asset position and R\$ 975,624 liability position (R\$ 1,000,389 asset position and R\$ 952,862 liability position at December 31, 2021) in notional value of purchase and sale of the energy and R\$ 370,628 asset position and R\$ 303,621 liability position (R\$ 283,609 asset position and R\$ 245,545 liability position at December 31, 2021) in market value, of the subsidiary ABC Brasil Comercializadora de Energia Ltda. in derivative financial instruments.

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To mitigate the risks of changes in the fair value of the operation to Foreign Onlendings in the amount US\$ 72,3 million (Note 12.b), the management decided to designate financial instruments shown below to hedge a portion of the principal amount and value of a portion contractual interest (there was no balance for this transaction as of December 31, 2021).

	Bank e Consolidated			
	June 2022			
Derivatives designated as fair value hedge instruments	Notional Value	Curve Yield	Market Value	MTM
Hedge instruments				
Swap contracts	364,507	379,997	373,619	(6,378)
Liabilities due to transfers abroad	364,507	379,997	373,619	(6,378)
Foreign currency – US dollar – Assets position (1)	364,507	379,997	373,619	(6,378)
Subject to hedge	379,946	(379,946)	(373,568)	6,378
Liabilities due to transfers abroad (Note 12.b)	379,946	(379,946)	(373,568)	6,378

(1) Amounts updated through the balance sheet date.

Derivative financial instruments by maturity, as of June 30, 2022 and December 31, 2021, are as follows:

	Bank							December 2021
	June 2022							
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total	
Off Balance Book								Total
Futures contracts	2,558,189	2,761,387	2,564,471	2,263,342	1,304,059	878,979	12,330,427	11,699,055
Option contracts	12,189,743	75,606	2,759,910	695,368	24,635,703	-	40,356,330	128,182,203
Swap contracts	211,480	567,895	1,072,450	1,424,768	3,051,858	1,858,783	8,187,234	5,635,365
Other financial instruments	1,980,920	5,579,705	1,871,789	1,930,023	3,713,517	43,000	15,118,954	13,043,222
Total - June 2022	16,940,332	8,984,593	8,268,620	6,313,501	32,705,137	2,780,762	75,992,945	-
Total - December 2021	103,843,425	5,391,669	4,079,478	18,487,053	24,306,821	2,451,399	-	158,559,845
Asset position								
Option contracts	566,165	422	27,376	36,366	1,020,006	-	1,650,335	1,805,719
Swap contracts	11,090	28,825	20,790	31,854	99,329	34,001	225,889	150,985
Other financial instruments	92,030	222,392	113,801	53,677	138,906	814	621,620	421,982
Total - June 2022	669,285	251,639	161,967	121,897	1,258,241	34,815	2,497,844	-
Total - December 2021	55,533	177,432	88,906	1,114,800	921,909	20,106	-	2,378,686
Liability position								
Option contracts	(345,101)	(6,325)	(20,937)	(37,172)	(916,936)	-	(1,326,471)	(1,615,475)
Swap contracts	(1,200)	(9,052)	(39,499)	(29,051)	(68,390)	(22,837)	(170,029)	(177,516)
Other financial instruments	(90,576)	(140,668)	(113,288)	(61,713)	(137,057)	-	(543,302)	(320,298)
Total - June 2022	(436,877)	(156,045)	(173,724)	(127,936)	(1,122,383)	(22,837)	(2,039,802)	-
Total - December 2021	(62,023)	(103,047)	(60,723)	(991,240)	(855,584)	(40,672)	-	(2,113,289)

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	Consolidated							December 2021
	June 2022							
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total	Total
Off Balance Book								
Futures contracts	2,558,189	2,761,387	2,564,471	2,263,342	1,304,059	878,979	12,330,427	11,699,055
Option contracts	12,189,743	75,606	2,759,910	695,368	24,635,703	-	40,356,330	128,182,203
Swap contracts	211,480	567,895	1,072,450	1,424,768	3,051,858	1,858,783	8,187,234	5,635,365
Other financial instruments	2,097,096	5,813,796	2,201,972	2,406,567	4,688,669	88,281	17,296,381	14,996,473
Total - June 2022	17,056,508	9,218,684	8,598,803	6,790,045	33,680,289	2,826,043	78,170,372	-
Total - December 2021	103,934,783	5,554,869	4,340,468	18,986,514	25,173,275	2,523,187	-	160,513,096
Asset position								
Option contracts	566,165	422	27,376	36,366	1,020,006	-	1,650,335	1,805,719
Swap contracts	11,090	28,825	20,790	31,854	99,329	34,001	225,889	150,985
Other financial instruments	134,826	299,629	206,138	118,550	224,284	8,821	992,248	705,591
Total - June 2022	712,081	328,876	254,304	186,770	1,343,619	42,822	2,868,472	-
Total - December 2021	84,585	213,445	140,575	1,177,494	1,010,250	35,946	-	2,662,295
Liability position								
Option contracts	(345,101)	(6,325)	(20,937)	(37,172)	(916,936)	-	(1,326,471)	(1,615,475)
Swap contracts	(1,200)	(9,052)	(39,499)	(29,051)	(68,390)	(22,837)	(170,029)	(177,516)
Other financial instruments	(132,229)	(216,031)	(205,565)	(109,820)	(181,674)	(1,604)	(846,923)	(565,843)
Total - June 2022	(478,530)	(231,408)	(266,001)	(176,043)	(1,167,000)	(24,441)	(2,343,423)	-
Total - December 2021	(89,612)	(136,033)	(111,752)	(1,056,827)	(918,591)	(46,019)	-	(2,358,834)

The composition of the portfolio as of June 30, 2022 and December 31, 2021, considering the hierarchical levels of fair value measurement are shown as follows:

	Bank			Consolidated		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Asset Position						
June 2022	1,638,258	859,586	2,497,844	1,638,258	1,230,214	2,868,472
December 2021	1,801,342	577,344	2,378,686	1,801,342	860,953	2,662,295
Liabilities Position						
June 2022	1,540,083	499,719	2,039,802	1,540,083	803,340	2,343,423
December 2021	1,845,098	268,191	2,113,289	1,845,098	513,736	2,358,834

Gains (losses) on derivative financial instruments for the semesters ended June 30, 2022 and 2021 are as follows:

	Bank			
	June 2022		June 2021	
	Gains	Losses	Net	Net
Swaps	1,588,177	(1,311,794)	276,383	209,205
Futures	10,470,430	(11,440,374)	(969,944)	(510,495)
Options	5,283,132	(5,243,068)	40,064	(17,818)
Others financial instruments	1,358,459	(835,698)	522,761	269,065
Total	18,700,198	(18,830,934)	(130,736)	(50,043)
	Consolidated			
	June 2022		June 2021	
	Gains	Losses	Net	Net
Swaps	1,588,177	(1,311,794)	276,383	209,205
Futures	10,470,430	(11,440,374)	(969,944)	(510,495)
Options	5,283,132	(5,243,068)	40,064	(17,818)
Others financial instruments	1,728,385	(1,175,992)	552,393	276,460
Total	19,070,124	(19,171,228)	(101,104)	(42,648)

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Risk sensitivity analysis in financial instrument operations

In accordance with CVM Rule No, 475/08, the Bank discloses a sensitivity analysis to all types of market risk stemming from financial instruments considered significant by management. The table below sets out the most probable scenario in management's assessment and two additional scenarios. The probable scenario considers contractual prices and, where applicable, indicators from various external sources or pricing models adopted to calculate the fair value of financial instruments at the balance sheet date. Scenario II considers a 25% deterioration in risk variables in view of the nature of financial instrument risk, Scenario III considers a 50% deterioration in the same variables.

	Exposure		
	Probable Scenario	Scenario II	Scenario III
i) Interest rate			
Net exposure to fixed interest rates (RWAjur1)	30,078	46,005	61,932
Net exposure of currency coupons (RWAjur2)	42,235	42,697	43,159
Net exposure of index coupons (RWAjur3)	24,157	24,727	25,297
Total interest rate exposure (Note 25)	96,470	113,429	130,388
ii) Foreign exchange rate			
Total exposure purchased at exchange rates	19,362	42,564	65,766
iii) Index, shares and commodities			
Total exposure to index, shares and commodities	97,150	98,893	100,636

i) Interest rates:

According to criteria established by the Central Bank of Brazil through Resolution No, 4,557/17 and Circular No, 3,354/07 financial instruments classified under trading books represent exposure that would have an impact on the organization's income by mark to market or when realized or settled. Financial instruments indexed to interest rates pose potential risk from market fluctuations. These risks are managed through a methodology set out by the Central Bank of Brazil and the result of this analysis is considered when determining the minimum regulatory capital required of financial institutions.

In order to comply with CVM Rule No, 475/08, regarding risk sensitivity, it was utilized, in the scenario analysis required in this regulation, the amount of the minimum capital requirement for interest rate exposure as of June 30, 2022.

ii) Foreign exchange rate:

The net exposure of exchange rates is regulated by the Central Bank of Brazil through CMN Resolution No. 4,958/21, CMN Resolution No. 4,956/21 and Circular No. 3,641/13. Such regulations determine 30% of the reference equity as the maximum limit for such exposures.

The exposure calculation criteria determined by the Central Bank of Brazil were considered and, in compliance with the requirements of CVM Instruction No. 475/08, the analysis of scenarios from the net exposure existing on June 30, 2022 was performed.

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iii) Banking Book:

These refer to operations that are not classified in the trading book, resulting from Bank business lines and their possible hedge instruments. Measurement and valuation of interest rate risk of banking book operations are regulated by the Central Bank of Brazil through BCB Resolution No. 3,365/07 that sets criteria and assumptions to gauge the degree of risk including stress tests whose results could indicate how much regulatory capital is required to cover such risks.

Results of these procedures have no relevance on accounting practices regarding the recording and valuation of banking book operations are reported to the Central Bank of Brazil and at June 30, 2022 an exposure of R\$ 87,327 was stated, which also takes into account interest rate risk of the aforementioned banking book in alternative scenarios according to methodologies set out by the regulatory body.

In order to carry out a risk sensitivity analysis, foreign exchange mismatch risk in the banking book is considered in the foreign exchange rate position as set out in item II.

6. Lending operations, guarantees and responsibilities

The amounts of loans and financial guarantees provided are as follows:

Loans portfolio by modality:

	Bank		Consolidated	
	June 2022	December 2021	June 2022	December 2021
Loans				
Loans	10,108,861	10,449,912	10,108,313	10,451,096
Financing	7,996,415	7,083,011	7,996,415	7,083,011
Financing - Rural and agribusiness	1,645,465	1,692,849	1,645,465	1,692,849
Advances on export contracts and interest	1,449,696	913,550	1,449,696	913,550
Notes and loans receivable	2,860,066	2,848,165	2,860,066	2,848,165
Honored bails	1,909	52,742	1,909	52,742
Total - Loans	24,062,412	23,040,229	24,061,864	23,041,413
Financial guarantees and responsibilities (recorded in memorandum accounts)				
Guarantees given to customers	10,451,425	10,856,673	10,431,871	10,837,119
Import credit facilities	648,724	231,690	648,724	231,690
Total - Financial guarantees and responsibilities	11,100,149	11,088,363	11,080,595	11,068,809
Total	35,162,561	34,128,592	35,142,459	34,110,222

Loans portfolio by sector activity:

	Bank					
	June 2022			December 2021		
	Loans	Guarantees and responsibilities	Total	Loans	Guarantees and responsibilities	Total
Private Sector						
Financial intermediaries	262,788	1,950,978	2,213,766	260,143	1,810,009	2,070,152
Industry	5,983,554	2,221,475	8,205,029	6,178,866	1,838,238	8,017,104
Commercial	5,821,738	962,018	6,783,756	5,550,253	862,953	6,413,206
Services	11,429,593	5,458,213	16,887,806	10,393,874	5,531,858	15,925,732
Individuals	468,505	3,140	471,645	477,623	55,354	532,977
Total - Private sector	23,966,178	10,595,824	34,562,002	22,860,759	10,098,412	32,959,171
Public Sector	96,234	504,325	600,559	179,470	989,951	1,169,421
Total	24,062,412	11,100,149	35,162,561	23,040,229	11,088,363	34,128,592

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	Consolidated					
	June 2022			December 2021		
	Loans	Guarantees and responsibilities	Total	Loans	Guarantees and responsibilities	Total
Private Sector						
Financial intermediaries	262,788	1,950,978	2,213,766	260,143	1,810,009	2,070,152
Industry	5,983,554	2,221,475	8,205,029	6,178,866	1,838,238	8,017,104
Commercial	5,800,661	942,464	6,743,125	5,529,609	843,399	6,373,008
Services	11,429,593	5,458,213	16,887,806	10,393,874	5,531,858	15,925,732
Individuals	489,034	3,140	492,174	499,451	55,354	554,805
Total - Private sector	23,965,630	10,576,270	34,541,900	22,861,943	10,078,858	32,940,801
Public Sector	96,234	504,325	600,559	179,470	989,951	1,169,421
Total	24,061,864	11,080,595	35,142,459	23,041,413	11,068,809	34,110,222

Loans, financial guarantees and responsibilities, by maturity, are as follows:

	Bank							Overdue after 15 days	Total
	June 2022								
	Maturities								
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years			
Loans	2,678,189	3,623,184	4,009,485	6,328,758	6,293,029	1,058,303	71,464	24,062,412	
Financial guarantees and responsibilities	849,512	1,425,223	1,703,131	3,771,417	2,921,909	428,957	-	11,100,149	
Total – June 2022	3,527,701	5,048,407	5,712,616	10,100,175	9,214,938	1,487,260	71,464	35,162,561	
Total - December 2021	3,002,313	5,185,046	6,128,468	8,378,937	9,777,955	1,401,999	253,874	34,128,592	

	Consolidated							Overdue after 15 days	Total
	June 2022								
	Maturities								
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years			
Loans	2,657,112	3,623,184	4,009,485	6,328,758	6,313,558	1,058,303	71,464	24,061,864	
Financial guarantees and responsibilities	849,512	1,425,223	1,703,131	3,751,863	2,921,909	428,957	-	11,080,595	
Total – June 2022	3,506,624	5,048,407	5,712,616	10,080,621	9,235,467	1,487,260	71,464	35,142,459	
Total - December 2021	2,981,669	5,185,046	6,128,468	8,378,937	9,780,229	1,401,999	253,874	34,110,222	

During the period ended June 30, 2022, in the Bank and Consolidated, assignments were made with substantial transfer of risks and benefits, in accordance with CMN Resolution 3,533/08, in the amount of R\$ 150,064 (R\$ 10,680 at December 31, 2021). There was no effect of these operations on the results for the period ended June 30, 2022 (R\$ 1,258 of gain at June 30, 2021).

Credit risk concentration are as follows:

	Bank and Consolidated			
	June 2022		December 2021	
	Balance	% of portfolio (1)	Balance	% of portfolio (1)
Main debtor	1,047,600	2.98	762,270	2.23
10 main debtors	5,003,027	14.23	4,369,507	12.80
20 main debtors	7,152,847	20.34	6,872,381	20.14

(1) Total portfolio includes the balances of financial guarantees and responsibilities into consideration.

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Restricted operations on assets

The balances of the restricted operations and the obligations related to restricted operations are in accordance with Resolution No. 2,921/02 and are presented as follows:

	Bank and Consolidated			
	June 2022			December 2021
	1 to 3 months	3 to 6 months	Total	Total
Restricted operations on assets				
Loan operations	513	602	1,115	9,957
Liabilities - restricted operations on assets				
Loan operations	1,192	1,399	2,591	14,312

The net result for the period ended June 30, 2022 was negative R\$ 37 (R\$ 116 positive as of June 30, 2021).

7. Allowance for loan and other credit losses

The portfolio of loans and the allowance for loan and other credit losses, at June 30, 2022 and December 31, 2021, are as follows:

Risk rating	Bank						
	June 2022				December 2021		
	Normal course	Total operations		Total	Allowance Res, 2682	Operations	
Past due			Total				
AA	5,763,997	-	5,763,997	2,739	3,774,685	-	-
A	7,653,930	-	7,653,930	39,096	8,473,740	42,371	81,330
B	7,739,003	552	7,739,555	77,532	8,132,950	81,330	81,330
C	2,105,834	2,929	2,108,763	65,126	1,717,770	51,543	51,543
D	354,921	7,565	362,486	36,249	304,681	30,468	30,468
E	161,002	18,870	179,872	54,368	150,111	45,033	45,033
F	55,680	9,236	64,916	32,458	59,876	29,938	29,938
G	71,124	2,447	73,571	51,500	69,733	48,813	48,813
H	85,457	29,865	115,322	115,322	356,683	356,683	356,683
Additional provision (*)	-	-	-	80,500	-	34,200	34,200
Total	23,990,948	71,464	24,062,412	554,890	23,040,229	720,379	720,379

(*) Refers to the anti-cyclical provision in addition to the minimum required in Resolution No. 2,682 / 99.

Risk rating	Bank						
	June 2022				December 2021		
	Normal course	Total operations		Total	Allowance Res, 2682	Operations	
Past due			Total				
AA	5,763,449	-	5,763,449	2,739	3,775,869	-	-
A	7,653,930	-	7,653,930	39,096	8,473,740	42,371	81,330
B	7,739,003	552	7,739,555	77,532	8,132,950	81,330	81,330
C	2,105,834	2,929	2,108,763	65,126	1,717,770	51,543	51,543
D	354,921	7,565	362,486	36,249	304,681	30,468	30,468
E	161,002	18,870	179,872	54,368	150,111	45,033	45,033
F	55,680	9,236	64,916	32,458	59,876	29,938	29,938
G	71,124	2,447	73,571	51,500	69,733	48,813	48,813
H	85,457	29,865	115,322	115,322	356,683	356,683	356,683
Additional provision (*)	-	-	-	80,500	-	34,200	34,200
Total	23,990,400	71,464	24,061,864	554,890	23,040,229	720,379	720,379

(*) Refers to the anti-cyclical provision in addition to the minimum required in Resolution No. 2,682 / 99.

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Changes in the allowances for loan losses for the semesters ended June 30, 2022 and 2021 were as follows:

	Bank and Consolidated	
	June 2022	June 2021
Balances at the beginning of the period	720,379	585,978
Constitution / (Reversal)	11,973	55,633
Constitution / (Reversal) Additional of provision	46,300	33,392
Foreign exchange variation	(1,820)	(1,578)
Classified as future year P&L	244	4,311
Loans written off as losses	(222,186)	(17,749)
Write-off of credit assignment	-	(7,018)
Balances at the end of the period	554,890	652,969

The balances of the provision for financial guarantees provided by risk levels are shown as follows:

Risks rating	June 2022				December 2021			
	Bank		Consolidated		Bank		Consolidated	
	Amount	Provision	Amount	Provision	Amount	Provision	Amount	Provision
AA	7,397,004	3,664	7,377,450	3,664	6,136,108	-	6,116,554	-
A	1,858,487	10,212	1,858,487	10,212	2,056,786	10,281	2,056,786	10,281
B	1,187,221	11,930	1,187,221	11,930	2,271,009	22,709	2,271,009	22,709
C	446,431	16,809	446,431	16,809	533,053	19,917	533,053	19,917
D	162,533	16,253	162,533	16,253	39,764	3,974	39,764	3,974
E	48,473	14,542	48,473	14,542	51,643	15,493	51,643	15,493
Total	11,100,149	73,410	11,080,595	73,410	11,088,363	72,374	11,068,809	72,374

At June 30, 2022, balance of renegotiated loans amounted to R\$ 111,449 (R\$ 117,254 at December 31, 2021), being total loan transactions renegotiated over the six-month period ended June 30, 2022 amounted R\$ 3,349 (R\$ 54,495 in the semester ended June 30, 2021).

The amount of loans recovered for the semester ended June 30, 2022, previously offset against the provision, was R\$ 802 (R\$ 14,791 at June 30, 2021).

8. Foreign exchange portfolio

The balance of the foreign exchange portfolio is as under:

	Bank and Consolidated	
	June 2022	December 2021
Financial instruments - Asset Position		
Foreign exchange purchased to be settled - CCL	2,764,507	3,545,056
Provision for Exchange variation of CCL	(647)	(973)
Rights on foreign Exchange sales	632,730	2,661,640
Advances received	(25,557)	(555)
Total	3,371,033	6,205,168
Financial instruments - Liabilities Position		
Foreign exchange sold to settle	605,864	2,698,210
Foreign exchange purchase liabilities	2,716,640	3,441,649
Total	3,322,504	6,139,859

9. Other Credits

a) Trading account is substantially represented by receivables from the settlement of operations with financial assets recorded on stock exchanges.

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b) The breakdown of other sundry credits are as follows:

	Bank		Consolidated	
	June 2022	December 2021	June 2022	December 2021
Debtors for the purchase of assets	7,958	8,869	7,958	8,869
Guarantee deposit debtors	16,715	16,121	16,715	16,121
Taxes and contributions to be offset	152,304	232,550	158,077	240,129
Securities and credits receivable	-	-	285,033	230,271
Energy contract advance	-	-	68,207	94,105
Other	121,979	49,569	122,069	49,585
Total	298,956	307,109	658,059	639,080

10. Investments

The balances of direct and indirect subsidiaries of total assets, shareholders' equity and net income for the period ended June 30, 2022 and December 31, 2021 are shown below:

	% Participation	June 2022				December 2021			
		Total Assets	Shareholders' Equity	Retained Earnings	Equity	Total Assets	Shareholders' Equity	Retained Earnings	Equity
Direct Subsidiary									
ABC Brasil Distribuidora de Títulos e Valores Mobiliários S.A.	100%	111,589	109,451	3,143	3,143	107,701	106,186	1,936	1,936
ABC Brasil Administração e Participações Ltda.	100%	132,632	130,500	10,816	10,816	121,694	119,502	10,107	10,107
ABC Brasil Comercializadora de Energia Ltda.	100%	911,201	499,722	19,071	19,071	874,597	480,652	24,412	24,412
			739,673	33,030	33,030		706,340	36,455	36,455
Indirect Subsidiary									
ABC Brasil Corretora de Seguros Ltda. (a)	90%	17,651	14,450	9,450	8,505	14,309	11,942	6,942	6,248

(a) The ABC Brasil Corretora de Seguros is an indirect subsidiary of the Bank through the subsidiary ABC Brasil Administração e Participações Ltda.

11. Fixed, deferred and intangible assets

Fixed assets are depreciated using the straight-line method at the following annual rates: installations, furniture, communication and security systems - 10%; such rates represent fairly the economic useful life of assets.

Intangible assets correspond to acquisition and development of computer software and operating systems, amortized under the straight-line method at an annual rate of 20%.

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12. Funding

a) The compositions of the balances of the borrowings and their maturities are thus demonstrated:

	Bank					December 2021	Consolidated	
	June 2022						June 2022	December 2021
	Without maturity	Up to 3 months	3 to 12 months	1 to 3 years	Over 3 years		Total	Total
Deposits	316,439	2,653,474	4,517,049	1,363,929	38,410	8,889,301	8,056,462	7,955,799
Demand deposits	316,439	-	-	-	-	316,439	285,183	284,363
Interbank deposits	-	410,279	121,798	-	-	532,077	531,184	531,184
Time deposits	-	2,243,195	4,395,251	1,363,929	38,410	8,040,785	7,240,095	7,140,252
Open market funding	-	1,290,658	-	-	-	1,290,658	1,396,475	1,328,942
Acceptance and issuance of securities	-	1,386,438	6,154,054	7,107,100	726,548	15,374,140	12,345,024	15,374,140
Real estate credit bill	-	127,850	619,499	348,365	4,360	1,100,074	1,217,547	1,217,547
Agribusiness credit bills	-	811,032	3,188,005	909,089	26,386	4,934,512	3,586,491	3,586,491
Financial bills	-	447,293	2,346,441	5,849,317	695,802	9,338,853	7,536,384	7,536,384
Certificates of structured finance	-	263	109	329	-	701	4,602	4,602
Borrowings and onlendings	-	2,874,896	6,768,769	937,213	1,094,193	11,675,071	11,850,007	11,850,007
Foreign Borrowings	-	2,362,206	5,616,383	349,800	-	8,328,389	8,478,864	8,478,864
Onlendings - BNDES	-	103,115	179,483	179,422	213,444	675,464	709,534	709,534
Onlendings - FINAME	-	33,728	118,176	277,036	159,491	588,431	495,016	495,016
Onlendings – Other institutions	-	84,658	110,469	14,539	-	209,666	363,340	363,340
Foreign Onlendings (12.b)	-	291,189	744,258	116,416	721,258	1,873,121	1,803,253	1,803,253
Subordinated debts	-	29,511	101,621	776,578	1,069,745	1,977,455	1,700,520	1,700,520
Financial bills	-	29,511	101,621	776,578	546,275	1,453,985	1,209,851	1,209,851
Perpetual Financial Bills	-	-	-	-	523,470	523,470	490,669	490,669
Debts instruments eligible for capital	-	-	-	-	6,059	6,059	7,313	7,313
Total – June 2022	316,439	8,234,977	17,541,493	10,184,820	2,934,955	39,212,684	-	39,069,426
Total – December 2021	285,183	8,989,124	15,205,840	8,337,445	2,538,209	-	35,355,801	-

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- b) The compositions of the balance of foreign onleading's at June 30, 2022 and December 31, 2021 are composed as follows:

	Bank e Consolidated	
	June 2022	December 2021
Borrowings and onlendings		
Foreign Onlendings subject to "Hedge accounting" – Maturity in November 2028 (5.b)		
Principal amount US\$ 72,3 million	378,663	-
Accrued interest	1,283	-
Subtotal	379,946	-
Adjustment to market value ("Hedge Accounting") - Notes 2.IV d	(6,378)	-
Total	373,568	-
Other foreign onlendings	1,499,553	1,803,253
Total	1,873,121	1,803,253

13. Provisions

The compositions of provisions June 30, 2022 and December 31, 2021 are composed as follows:

	Bank		Consolidated	
	June 2022	December 2021	June 2022	December 2021
Allowance for payments to be settled	195,768	166,250	197,662	167,671
Provision for contingent liabilities (Note 23.d)	28,113	21,641	28,113	21,641
Provision for financial guarantees provided (Note 7)	73,410	72,374	73,410	72,374
Total	297,291	260,265	299,185	261,686

14. Other liabilities

- a) Tax and social security balances are as follows:

	Bank		Consolidated	
	June 2022	December 2021	June 2022	December 2021
Provision for income and social contribution taxes on income	-	103,522	6,894	112,902
Taxes and contributions payable	69,176	43,077	69,969	44,020
Provision for other deferred taxes	-	-	6,198	3,521
Total	69,176	146,599	83,061	160,443

- b) The balance of other sundry liabilities are as follow liabilities:

	Bank		Consolidated	
	June 2022	December 2021	June 2022	December 2021
Collection of taxes	5,533	2,413	5,533	2,413
Discount on acquired credits	20,339	25,086	20,339	25,086
Sundry domestic creditors	21,175	1,486	21,192	1,491
Total	47,047	28,985	47,064	28,990

- c) Trading and intermediation of securities account is substantially represented by amounts payable from the settlement of operations with financial assets recorded on stock exchanges.

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15. Income from services rendered

Income from services rendered, for the semesters ended June 30, 2022 and 2021, are composed as follows:

	Bank	
	June 2022	June 2021
Income from guarantees given to customers	84,228	84,576
Fees related to credit operations	5,378	6,116
Collection fees	11,221	9,823
Bank fees	477	1,651
Income from commissioning and security placement	51,935	44,836
Income from other services	6,466	4,448
Total	159,705	151,450

	Consolidated	
	June 2022	June 2021
Income from guarantees given to customers	84,228	84,576
<i>Fees related to credit operations</i>	5,378	6,116
<i>Collection fees</i>	11,221	9,823
Bank fees	477	1,651
Income from commissioning and security placement	51,935	44,836
Insurance commission incomes	14,745	-
Income from other services	5,099	4,448
Total	173,083	151,450

16. Other administrative expenses

Other administrative expenses in the semesters ended June 30, 2022 and 2021 are composed as follows:

	Bank		Consolidated	
	June 2022	June 2021	June 2022	June 2021
Third party services	7,199	3,752	7,716	4,051
Financial system services	16,658	16,017	16,677	16,034
Rentals	9,964	8,019	9,964	8,019
Specialized technical services	22,400	13,693	22,512	13,733
Data processing	22,128	14,988	22,147	14,988
Communication	2,301	2,393	2,301	2,393
Travel expenses	2,486	196	2,506	196
Depreciation and amortization	14,616	11,572	14,616	11,572
Promotions and public relations	936	770	936	770
Publications	31	32	55	76
Transportation	914	459	920	459
Asset maintenance and conservation	1,226	974	1,226	974
Water, electricity and gas	595	428	595	428
Materials	115	12	115	12
Insurance	369	164	369	164
Advertising and Publicity	9,575	5,276	9,577	5,276
Condominium	1,658	1,411	1,658	1,411
Legal Fees	135	135	135	135
Others	3,329	2,860	3,466	2,910
Total	116,635	83,151	117,491	83,601

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17. Other operating income

The breakdown of other operating income, for the semesters ended June 30, 2022 and 2021 are as follows:

	Bank		Consolidated	
	June 2022	June 2021	June 2022	June 2021
Interests and monetary correction of assets	953	370	1,051	414
Recovery of charges and expenses	296	633	296	633
Other revenues	271	360	271	360
Total	1,520	1,363	1,618	1,407

18. Other operating expenses

Other operating expenses for the semesters ended June 30, 2022 and 2021 are as follows:

	Bank		Consolidated	
	June 2022	June 2021	June 2022	June 2021
Constitution of other provisions	10,035	10,075	10,035	10,075
Constitution of provision for contingencies	6,472	1,183	6,472	1,183
Prepayment provision	-	-	157	2,075
Commissions linked to operations	489	-	587	-
Other expenses	3,148	938	4,717	944
Total	20,144	12,196	21,968	14,277

19. Income and social contributions taxes

The nature and origin of deferred tax assets deferred tax liabilities, as well as the changes occurred in the year are stated as follows:

	Bank			
	December 2021	Additions	Write-offs	June 2022
Deferred tax assets				
Temporary differences:				
Allowance for loan losses	359,298	191,375	(184,752)	365,921
Provision for financial guarantees provided to costumers	43,687	3,490	(1,461)	45,716
Provision for assets not for own use - BNDU	33,141	4,564	(2,147)	35,558
Adjustment to market value - securities and derivatives	592,258	377,985	(453,136)	517,107
Unrealized gains (losses) on futures market	13,542	15,122	(5,910)	22,754
Others	60,350	32,558	(23,315)	69,593
Adjustment to market value - available for sale securities	16,241	15,287	(8,210)	23,318
Tax loss - Negative CSLL base	-	179,785	(139,434)	40,351
Total	1,118,517	820,166	(818,365)	1,120,318
Deferred tax liabilities				
Temporary differences:				
Adjustments to market value - securities and derivatives	(246,598)	(244,792)	166,314	(325,076)
Unrealized gains (losses) on futures market	(11,522)	(12,154)	9,981	(13,695)
Adjustment to market value - available for sale securities	(8,082)	(1,867)	5,849	(4,100)
Total	(266,202)	(258,813)	182,144	(342,871)
Net balance	852,315	561,353	(636,221)	777,447

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	Consolidated			
	December 2021	Additions	Write-offs	June 2022
Deferred tax assets				
Temporary differences:				
Allowance for loan losses	360,436	191,428	(184,752)	367,112
Provision for financial guarantees provided to costumers	43,687	3,490	(1,461)	45,716
Provision for assets not for own use - BNDU	33,141	4,564	(2,147)	35,558
Adjustment to market value - securities and derivatives	592,258	377,985	(453,136)	517,107
Unrealized gains (losses) on futures market	13,542	15,122	(5,910)	22,754
Others	60,350	32,558	(23,315)	69,593
Adjustment to market value - available for sale securities	16,399	15,287	(8,291)	23,395
Tax loss - Negative CSLL base	-	180,656	(140,305)	40,351
Total	1,119,813	821,090	(819,317)	1,121,586
Deferred tax liabilities				
Temporary differences:				
Adjustments to market value - securities and derivatives	(258,343)	(253,722)	166,314	(345,751)
Unrealized gains (losses) on futures market	(11,521)	(12,154)	9,981	(13,694)
Adjustment to market value - available for sale securities	(8,082)	(1,867)	5,849	(4,100)
Total	(277,946)	(267,743)	182,144	(363,545)
Net balance	841,867	553,347	(637,173)	758,041

The realization of deferred tax assets and liabilities at June 30, 2022 based on the history of profitability and estimated realization are stated as follows:

Year	Bank			Consolidated
	Assets	Liabilities	Net	Net
2022	785,562	(342,871)	442,691	442,769
2023	131,547	-	131,547	112,063
2024	132,321	-	132,321	132,321
2025	37,645	-	37,645	37,645
2026	6,895	-	6,895	6,895
2027	3,265	-	3,265	3,265
Above 5 years	23,083	-	23,083	23,083
Total	1,120,318	(342,871)	777,447	758,041
Present value - Selic	818,661	(267,807)	550,854	537,465

For income tax, the rate used is 15% plus an additional 10% of annual taxable income exceeding R\$ 240 thousand. The social contribution rate is 15% for financial companies and 9% for nonfinancial companies.

Through Provisional Measure No. 1,034 of March 1, 2021, converted into Law No. 14,183/2021, the social contribution rate on net income was increased to 25% for the Bank and 20% for ABC DTVM, with effect until December 31, 2021.

Through the Provisional Measure No. 1,115 of April 28, 2022, as of August 1, 2022, the rate of social contribution on net income was raised to 21% for the Bank and 16% for ABC DTVM, with effect until the December 31, 2022.

Expenses with income and social contribution taxes for the semesters ended June 30, 2022 and 2021 are calculated as follows:

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	Bank		Consolidated	
	June 2022	June 2021	June 2022	June 2021
Income before taxation less profit sharing	445,402	371,167	461,173	373,263
Total income and social contributions taxes	200,430	167,025	220,549	169,121
Net income from write-offs and write-ups of deferred liabilities net of tax credits	(85,510)	(147,627)	(94,387)	(148,110)
Nontaxable revenues / expenses net of nondeductible expenses	(34,130)	24,793	(53,294)	22,998
Equity pick up in subsidiaries	(14,864)	(1,826)	-	-
Interest on equity capital	(65,926)	(42,365)	(65,926)	(42,365)
Other amounts	(25,339)	(35,207)	(25,386)	(35,238)
Total income and social contribution taxes - Current	(25,339)	(35,207)	(18,444)	(33,594)
Deferred taxes and contributions				
Tax liabilities recognized in the period	256,946	324,649	265,876	325,838
Tax liabilities realized in the period	(176,295)	(121,006)	(176,295)	(121,006)
Tax credits recognized in the period	(804,879)	(495,172)	(805,786)	(495,997)
Tax credits realized in the period	810,155	439,156	811,008	439,276
Total deferred taxes and contributions	85,927	147,627	94,803	148,111
Total income and social contribution taxes	60,588	112,420	76,359	114,517

20. Related parties

a) Subsidiaries and related companies

The amounts below refer to the Bank's transactions with subsidiaries and related companies. These operations were carried out under normal market conditions and rates of the dates of the respective transactions. For the years ended December 31, 2021 and 2020, transactions between related parties are as follows:

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Transactions / Related parties	Maturity	Remuneration	June 2022		December 2021	
			Assets / (Liabilities)	Income / (Expenses) Period	Assets / (Liabilities)	Income / (Expenses) Period
Cash and cash equivalents						
Arab Banking Corporation - New York (4)	No maturity	Without remuneration	528	-	562	-
ABC International Bank – Milan (4)	No maturity	Without remuneration	9	-	10	-
Loans						
ABC Brasil Com. de Energia Ltda. (3)	07/25/2022	1,25% y.y.	21,077	-	20,644	644
Administradores (4)	01/02/2024	3,05% y.y.	20,789	483	21,700	128
Demand deposits						
ABC Brasil Adm. e Participações Ltda. (3)	No maturity	Without remuneration	(118)	-	(104)	-
ABC Brasil DTVM S.A. (3)	No maturity	Without remuneration	(610)	-	(693)	-
ABC Brasil Com. de Energia Ltda. (3)	No maturity	Without remuneration	-	-	(14)	-
ABC Brasil Corretora de Seguros Ltda. (3)	No maturity	Without remuneration	-	-	(9)	-
Marsau Comercial Exp. e Importadora Ltda. (4)	No maturity	Without remuneration	(13)	-	(20)	-
Time deposits and funds from acceptance and issue of securities						
Marsau Comercial Exp. e Importadora Ltda. (4)	07/29/2022	1.65% y.y	(48)	-	(51)	-
Marsau Uruguay Holdings Sociedad Anonima (1)	07/29/2022	1.65% y.y	(82)	-	(77,601)	(1)
ABC Brasil Com. de Energia Ltda. (3)	09/09/2022	CDI	(111,261)	(6,914)	(84,400)	(2,234)
ABC Brasil Corretora de Seguros Ltda. (3)	12/26/2023	CDI	(15,654)	(545)	(13,000)	(209)
Key members of management (4)	(a)	(a)	(20,557)	(1,292)	(22,439)	(972)
Money market funding						
ABC Brasil Com. de Energia Ltda. (3)	07/12/2022	CDI	(14,623)	(11)	(66,952)	(279)
ABC Brasil Corretora de Seguros Ltda. (3)	07/25/2022	CDI	(990)	(1)	(581)	(1)
Borrowings						
Arab Banking Corporation - Bahrain (2)	07/05/2022	0,75% y.y	(157,713)	(573)	(167,415)	(745)
Arab Banking Corporation - Tunisie (4)	09/16/2022	1,90% y.y	(136,780)	(592)	(145,093)	(871)
Arab Banking Corporation - Tunis (4)	09/16/2022	1,90% y.y	(142,527)	(1,101)	(150,674)	(785)
Arab Banking Corporation - New York (4)	06/16/2023	2,98% y.y	(209,971)	(451)	(111,610)	(737)
Arab Banking Corporation - Egypt (4)	07/21/2022	1,50% y.y	(18,340)	(7)	(19,532)	(2)
Other liabilities – Bail commission						
ABC Brasil Com. de Energia Ltda. (3)	01/31/2023	-	(86)	(98)	(184)	-
Financial guarantees provided						
ABC Brasil Com. de Energia Ltda. (3)	01/31/2023	Without remuneration	19,554	-	19,554	-

(1) Direct controlling shareholder, (2) Indirect controlling shareholder, (3) Subsidiary, (4) Related party.

(a) CDB - Rate of 100.00 % up to 108.50% of CDI - Lowest starting date: 10/15/2021, largest date of maturity: 06/07/2024.
LCA / LCI - Rate of 91.00 % up to 114.00 of CDI - Lowest starting date: 02/28/2020, largest date of maturity: 05/22/2024.
LCA / LCI - Fixed interest rate of 5.70% up to 10.60% - Lowest starting date: 06/05/2018, largest date of maturity: 09/25/2025.
LCA / LCI - Fixed interest rate of 4.81% up to 5.45% + IPCA - Lowest starting date: 08/20/2021, largest date of maturity: 08/20/2026.
CDB - Prefixed Rate of 13.63% - Lowest starting date: 01/06/2022, largest date of maturity: 30/08/2022.

b) Fees of key members of management

In compliance with Resolution CMN No. 3.921/10, Banco ABC Brasil has implemented a Management Remuneration Policy applicable to the members of the Board of Directors, to the Executive Committee and to the Officers with no specific title (employees).

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In brief, the policy has as main objectives: (i) complying with the regulations of the National Monetary Council and the Central Bank of Brazil (BACEN), which establish special rules for financial institutions such as Banco ABC; (ii) fixing the remuneration of those considered Managers of Banco ABC in compliance with the regulations referred to in item (i) above and, in particular, of those assuming this position according to the Bank's governance; (iii) aligning the remuneration of the Managers of Banco ABC with the Bank's risk management policy; (iv) avoiding behaviors that would raise risk exposure above the levels considered prudent in the short, medium and long-term strategies adopted by Banco ABC; and (v) creating a tool for attracting and retaining talents in key positions at Banco ABC.

The remuneration defined in the policy takes into account: (i) current and potential risks faced by Banco ABC; (ii) the overall results of Banco ABC, in particular recurring income (net book profit for the period adjusted for unrealized income and ignoring the effects of non-recurring events which are within the control of Banco ABC); (iii) Banco ABC's capacity for generating cash flow; (iv) the economic environment in which Banco ABC operates, and its trends; (v) long-term sustainable financial bases and adjustments to future payments as a result of the risks assumed, changes in the cost of capital and liquidity forecasts; (vi) the individual performance of the Managers based on the target agreement celebrated by each Officer, as provided for in the profit sharing agreement filed at the headquarters of Banco ABC; (vii) the performance of the business unit; and (viii) the relationship between the individual performance of the Managers, the performance of the business unit, the performance of Banco ABC as a whole and the risks assumed.

Variable remuneration shall be calculated as follows:

I - To Officers without specific designation:

- a) up to 50% of the amount determined as a result of profit sharing participation, calculated in accordance with the negotiation established under the terms of Law No. 10,101/2000, paid in cash immediately upon payment of the PLR.
- b) at least 50% of the amount determined as a result of the the profit sharing participation of Banco ABC, calculated according to the negotiation established under the terms of Law No. 10.101/2000, may be paid in preferred shares of Banco ABC, instruments based on shares or other assets. The payment is deferred in proportion to the three-year deferral period.

II - To the members of the Executive Committee:

100% of the amount determined for the variable compensation will be paid in shares, share-based instruments or other assets. The payment takes place in two ways:

- (i) 60% of the variable compensation paid in shares, share-based instruments or other assets, will be paid on a deferred basis for a period of six months, being settled after the referred period; and
- (ii) 40% of the variable compensation paid in shares, share-based instruments or other assets will be paid on a deferred basis, in proportion to the three-year deferral period.

Banco ABC Brasil S.A.

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The delivery of shares relating to deferred variable remuneration allocated to managers shall only take place if, in the applicable period of deferment there is no (i) significant reduction in recurring profit realized, or (ii) losses posted by the institution or business unit, or (iii) evidence of errors in accounting and / or management practices that affect the income calculated in the variable remuneration rights acquisition period.

As approved by the Board of Directors at meetings held on September 21, 2021 and February 9, 2022, the Bank implemented the Long-Term Incentive Program for Managers. The LTI consists of programs directed to members of the Executive Committee, Directors, and key professionals of the Company, and includes a variable compensation structure based on a deferred grant of preferred shares, which are linked to ABC Brasil's profitability, minimum periods of permanence of the employee with ABC Brasil, deadlines for effective shares grants, as well as other typical market conditions for eligibility and permanence in this type of program. In the case of the members of the Executive Committee, the LTI also includes the maintenance of a minimum number of preferred shares held by each of its members. The LTI's goal is to further develop and enhance policies for attracting, motivating, and retaining talent, aligning the interests of ABC Brasil's employees with the earnings generation and long-term sustainable value creation. Additionally, the LTI aims at incentivizing the coordinated succession of key positions at ABC Brasil.

The total compensation of key members of management for the semesters ended June 30, 2022 and 2021 are composed as follows:

	<u>June 2022</u>	<u>June 2021</u>
Fixed remuneration	13,342	12,310
Variable remuneration	15,206	13,771
Total short-term benefits	28,548	26,081
Share-based compensation	34,170	26,290
Total long-term benefits	34,170	26,290
Total	62,718	52,371

c) Summary of changes in the compensation plan:

To meet the resolution of compensation plan of the Bank was authorized by CVM to privately transfer shares of its own shares held in treasury for its executives,

In according to the compensation plan actions cited in Note 20.b, shares were granted to executives eligible for settlement at the end of the vesting period as shown below:

	<u>June 2022</u>	<u>June 2021</u>
At the beginning of the period	2,056,854	2,514,377
Shares granted	992,022	496,339
Shares delivered	(806,580)	(982,148)
At end of the period	2,242,296	2,028,568

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21. Overseas branch

The transactions with third parties carried out by the overseas branch at June 30, 2022 and December 31, 2021 are as follows:

	<u>June 2022</u>	<u>December 2021</u>
Assets		
Cash and banks	386,466	654,632
Interbank investments	275,844	93,199
Marketable securities and derivative financial instruments	1,808,567	3,204,604
Lending operations - Net	3,794,150	2,762,634
Other receivables, amounts and assets	298,199	426,119
Total	6,563,226	7,141,188
Liabilities		
Demand deposits	281	299
Time deposits	1,179,477	653,653
Third-party assets in transit	216	229
Foreign borrowings	7,197,255	7,237,406
Derivative financial instruments	49,039	20,090
Other liabilities	324,857	426,391
Total	8,751,125	8,338,068

The balances of assets, liabilities and results are converted according to Note 2) iii

The effects of exchange rate variations resulting from the translation transactions of foreign currency of assets and liabilities were recognized in income statement for the period in the positive amount of R\$ 135,863 (R\$ 69,713 positive at June 30, 2021), according to the Brazilian Central Bank resolution No. 4,524/16.

22. Profit sharing

An allowance for profit sharing was established based on the Variable Compensation Program set up by Banco ABC Brasil S.A. and its employees, that takes into consideration activities developed by the Bank in various areas, the degree of responsibility, the degree of influence on earnings, as well as qualitative and quantitative targets set with individual Bank employees. In the semester ended June 30, 2022, the balance of profit sharing is R\$ 106,406 in the Bank and R\$ 110,785 in the Consolidated (R\$ 77,084 in the Bank and Consolidated in June 30, 2021).

23. Assets and liabilities contingents, fiscal and social security obligations

The Bank and its subsidiaries are involved in judicial and administrative proceedings of tax, labor and civil nature, both as plaintiff and claimer. Note 2.II.g) explains the criteria for recognizing and measuring these suits and proceedings.

a) Fiscal contingents

The bank is responsible for actions and processes whose losses are being considered with possible prognoses by our directors in the amount of R\$ 450,054 (R\$ 431,201 on December 31, 2021) and have not been provisioned, see below the main lawsuits whose probability of unfavorable outcome was assessed as possible:

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Fine - Service Tax ("ISS") - 2008 a 2011

This is an administrative proceeding in which the Bank discusses the release of 50% of fine, the assessment notices issued by the municipality of São Paulo, referring to the service tax on guarantees of income on the period from 2008 to 2011. The fine was launched on values whose enforceability was suspended as linked to the injunction were challenging the levy of this tax. The amount involved is R\$ 23,777 (R\$ 20,113 on December 31, 2021).

Tax assessment notice of service tax ("ISS") guarantees provided by the Bank on 2016

Tax assessment notice on guarantees provided (guarantees) for the period from January to October 2016 in the amount of R\$ 17.7 million, with full deposit of the amount and supposedly converted into income by the Municipality, with wrong allocation of the Bank's deposits, in another lawsuit, which resulted in insufficient amounts deposited to cover the triggering events from January to October 2016. The amount involved is R\$ 21,372 (R\$ 19,448 as of December 31, 2021).

Social Security's Charges ("INSS")

The Bank is currently a defendant in a lawsuit related to payment of pension charges, mainly on profit sharing related to 2006 to 2014 and 2016 exercises, amounting to R\$ 320,958 (R\$ 310,741 on December 31, 2021).

Income Tax (IRPJ) and Social Contribution Tax (CSLL) related to the deduction of income for the period of 2010 on loans operations

Collection of income tax and social contribution related deduction of losses on loans operations in result of 2010. The Bank has estimated the losses as effective, however, the Receita Federal considers that occurred anticipation of the deduction period provided for in Law 9,430/96. The value of the requirement amounts to R\$ 6,067 (R\$ 5,896 on December 31, 2021).

IRPJ / CSLL - Deductibility PLR of the Board on the period from 2010 to 2014

It is collection of income tax and social contribution of PLR on deductibility paid to the board of directors for the period of 2010 to 2014. Awaiting judgment of challenging the tax assessment notice. The amount of requirement is R\$ 70,390 (R\$ 67,735 on December 31, 2021).

IOF - Tax on Financial Transactions in credit assignment operations

Collection of Tax on Financial Transactions on credit assignment operations with co-obligation carried out in 2015, due to the lack of payment of the Tax on Financial Transactions in these operations, which are characterized by the tax authorities as "securities discount" and subject to tax collection. Awaiting judgment at the administrative level. The requirement amounts to R\$ 1,173 (R\$ 1,130 on December 31, 2021).

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ITR – amount to be declared

Charging of ITR due to de lack of payment based on an misinformation of the land size. The Receita Federal is challenging formal aspects related to the Declaration of Tax on the Territorial Rural Property (DITR). The estimated amount of the contingency corresponds to R\$ 1,796.

PIS - ABC Brasil Distribuidora de Títulos e Valores Mobiliários S.A.

This is an action filed by the Federal Government in the face of a final decision that recognized the claim of the Distribuidora to non-payment of the PIS contribution from July 1997 to December 1999 pursuant to EC 17/1997. The estimated amount of the contingency corresponds to R\$ 1,986 (R\$ 1,961 on December 31, 2021).

b) Labor

On June 30, 2022, labor lawsuits in progress classified by our legal counsel as probable loss totaled R\$ 13,282 - note 23.d (R\$ 11,810 on December 31, 2021). The labor lawsuits classified as possible loss totaled R\$ 35,524 (R\$ 29,675 on December 31,2021) and were not provisioned.

c) Civil

On June 30, 2022, civil claims in progress classified by our legal counsel as probable loss totaled R\$ 3,055 - note 23.d (R\$ 2,935 on December 31,2021). The civil lawsuits classified as possible loss totaled R\$ 3,758 (R\$ 3,149 on December 31, 2021) and were not provisioned.

d) Changes in provisions

	Bank and Consolidated				
	Tax	Labor	Civil	Operating	Total
At the beginning of the period	6,896	11,810	2,935	-	21,641
Constitution / (Reversal)	(120)	1,472	120	5,000	6,472
At end of the period	6,776	13,282	3,055	5,000	28,113

(a) Note 23.c e (b) Note 23.b.

24. Equity

a) Capital

On June 30, 2022 capital comprises 226,090,118 registered and uncertified shares (226,090,118 on December 31, 2021), without par value, of which 113,445,475 common shares (113,445,475 on December 31, 2021) and 112,644,643 preferred shares (112,644,643 on December 31, 2021).

b) Dividends and interest on equity

As established in the Bank's articles of incorporation, shareholders are entitled to an annual dividend of not less than 25% of net income adjusted as provided for in applicable law. Such dividend can, alternatively, be distributed in the form of interest on equity.

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On the period ended June 30, 2022 and 2021, was paid/provisioned the amounts shown in the table below were accrued as interest on equity, calculated in accordance with the provisions of Law No. 9,249/95.

Period	Interest on equity	Reduction in expenses with income and social contributions taxes
03/31/2022	68,905	31,007
06/30/2022	77,599	34,919
Total	146,504	65,926
03/31/2021	45,936	20,671
06/30/2021	48,209	21,694
Total	94,145	42,365

Interest on equity is calculated on net equity accounts and limited to the long-term interest rate, conditioned to the existence of profit calculated before deduction or retained subscription earnings and income reserves in amount equal or two times higher its amount, respecting the limits according to Resolution CMN nº 4,885/20.

On June 24, 2022, the Board of Directors approved a proposal from the Executive Board to distribute interest on equity in the total gross amount of R\$ 77,599, which represents a gross amount of R\$ 0.3520 per common share and preferred share.

On March 28, 2022, the Board of Directors approved a proposal from the Executive Board to distribute interest on equity in the total gross amount of R\$ 69,905, which represents a gross amount of R\$ 0.3130 per common share and preferred share.

On January 19, 2022, the partners of the subsidiary ABC Brasil Corretora de Seguros LTDA, approved the dividends distribution in the total amount of R\$ 6,941, constituted with the profits determined in the balance sheet of December 31, 2021.

c) Capital increase

On December 30, 2021, through AGE, approve a proposal by the Board of Directors on the capital increase in the amount of R\$ 1,657,861, without modification in the number of shares, by capitalization: (i) the balance of the "Legal Reserve" account, in the amount of R\$ 226,897, and (ii) the balance of the account of "Profit Reserve for Equalization of Dividends", R\$ 1,430,964, approved by the Central Bank of Brazil on January 12, 2022.

On March 22, 2021, the Board of Directors decided to increase capital in the amount of R\$ 62,475, corresponding to the issuance of 5,199,251 new shares, of which 2,650,341 new common shares and 2,548,910 new preferred shares through the use of interest on equity or cash payment, approved by the Central Bank of Brazil on May 11, 2021.

d) Destination of earnings

i) *Income reserve - Legal reserve*

The establishment of compulsory legal reserve of 5% of net income on June 30, 2022 amounted of R\$ 19,241 (R\$ 28,609 on December 31, 2021).

Banco ABC Brasil S.A.

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ii) *Income reserve - Dividend equalization*

At the Annual and Special Shareholders' Meetings held on April 30, 2008, the shareholders approved the creation of the account Income Reserve for Dividend Equalization, to which the retained earnings account balance is allocated, limited to 80% of capital, the latter of which is set up to maintain the shareholder payment flow.

iii) *Income reserve - Repurchase of shares*

The reserve for repurchase of shares is set up to support the possible opening, after approval by the Board of Directors, of the program for repurchase of the Institution's shares, should market conditions indicate such possibility.

e) Treasury shares

For the quarter ended June 30, 2022, based on authorization of the Board of Directors to acquire shares of Company for holding in treasury, 450,000 preferred shares were repurchased.

On June 30, 2022, the total value of shares repurchased in treasury is R\$ 88,494 equivalents to 5,640,977 preferred shares (R\$ 94,110 equivalents to 5,997,557 on December 31, 2021). The average cost per share repurchased treasury is R\$ 15,69.

Changes in treasury shares

	<u>June 2022</u>	<u>December 2021</u>
At the beginning of the period	5,997,557	3,535,332
Shares acquired	450,000	3,928,700
Shares delivered (note 20 c)	(806,580)	(1,466,475)
At the end of the period	5,640,977	5,997,557

f) Earnings per share

i) Basic earnings per share:

The basic earnings are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the period, excluding shares purchased by the Company and held as treasury shares (Note 24 e).

	<u>June 2022</u>	<u>June 2021</u>
Net profit attributable to the Parent	384,814	258,746
Weighted average daily shares outstanding	220,232,455	217,805,112
Basic earnings per share (Brazilian reais)	1.75	1.19

ii) Diluted earnings per share

The diluted earnings per share is computed similar to basic earnings per share, but with the adjustment made by assuming the conversion of potentially dilutive shares in the denominator.

Banco ABC Brasil S.A.

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	<u>June 2022</u>	<u>June 2021</u>
Net profit attributable to the Parent	384,814	258,746
Weighted average daily shares outstanding	<u>223,153,765</u>	<u>219,990,307</u>
Diluted earnings per share (Brazilian reais)	1.72	1.18

25. Operational limits - The Basel Accord

The Central Bank of Brazil, through Resolution No. 4,955/21, instituted the determination of the reference equity on a consolidated basis for the financial conglomerate and by Resolution No. 4,958/21 instituted calculating the minimum equity required for reference the Risk Weighted Assets (RWA), both with effect from January 2022. The capital adequacy ratio for June 30, 2022 calculated based on the prudential conglomerate is 14.97% (15.09% December 31, 2021). The table below shows the calculation of the minimum equity required for the reference risk weighted assets (RWA) which is 8.00% since 2019.

	<u>June 2022</u>	<u>December 2021</u>
Credit risk	2,802,945	2,634,387
Interest Rate	96,470	85,376
Commodities	97,101	52,349
Shares	49	137
Operating risk	186,076	180,300
Exchange risk	19,362	20,930
Required capital base (PRE)	<u>3,202,003</u>	<u>2,973,479</u>
Reference equity (PR)	<u>5,992,182</u>	<u>5,609,361</u>
Excess of equity in relation to limit	<u>2,790,179</u>	<u>2,635,882</u>
Conciliation shareholders' equity		
Shareholders' equity	4,912,016	4,670,658
Subordinated financial bills - Level II	735,326	543,113
Perpetual Subordinated financial bills - Level I	523,470	490,670
Intangible assets	(116,304)	(93,885)
Non-controlling shareholders interest	(1,445)	(1,195)
Object of Financing of Conglomerate Entities	(20,529)	-
Tax Credit for Tax Loss Deducted from Capital	(40,352)	-
Total reference equity x shareholders' equity	<u>5,992,182</u>	<u>5,609,361</u>

26. Other information

Offset and settlement of liabilities agreement - the Bank has an agreement on the offset and settlement of liabilities under the Brazilian National Financial System, in accordance with CMN Resolution No, 3,263/05, resulting in added guarantees of settlement of their assets with financial institutions that are party to the agreement. The total assets included in this agreement as of June 30, 2022 amount to R\$ 1,663,933 (The Bank does not have a contract by clearing agreement as of December 31, 2021).

27. Reconciliation of Equity and Net Income, under BRGAAP and IFRS

We present below the major adjustments (net of taxes) identified between the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil ("BRGAAP") and the International Financial Reporting Standards ("IFRS") for the period ended June 30, 2022 and 2021.

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	<u>June 2022</u>	<u>June 2021</u>
Equity under BRGAAP	4,912,016	4,459,170
Allowance for losses on loans and advances to clients	(a) 23,541	34,393
Guarantees and responsibilities	(a) 8,537	12,970
Others	(10,482)	6,959
Equity under IFRS	4,933,612	4,513,492
Net income under BRGAAP	384,814	258,746
Allowance for losses on loans and advances to clients	(a) (1,614)	1,428
Guarantees and responsibilities	(a) (5,784)	(2,121)
Others	(13,647)	120
Net income under IFRS	363,769	258,173

a) Allowance for losses on loans and advances to clients

In the adoption of IFRS 9, there was a change in the calculation model of incurred loss (IAS 39) to expected loss, considering forward-looking information. On BRGAAP, the concept of expected loss is used, pursuant to BACEN Resolution No. 2,682/99.

28. Non-recurring income

As provided for BCB Resolution 02/2020, the result that is not related or incidentally related to the Bank's typical activities and is not expected to occur frequently in future years should be considered as a non-recurring result. In the semesters ended June 30, 2022 and 2021, there was no income classified as non-recurring.

Banco ABC Brasil S.A.

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The Directors

Executive Comitee

Antonio José Nicolini
Antonio Sanchez Junior
José Eduardo Cintra Laloni
Marco Antonio Ascoli Mastroeni
Renato Pasqualin Sobrinho
Sergio Lulia Jacob
Sergio Ricardo Borejo

Directors

Alexandre Yoshiaki Sinzato
Carlos Augusto Del Monaco De Paula Santos e Silva
César Valdez Mindof
Daniel Credidio Brandão Barbosa de Oliveira
Edgard de Souza Toledo Neto
Everthon Novaes Vieira
Felipe Sene Tamburus
Fernando Vazquez Fernandez
Gustavo Henrique Tavares Silva Bellon
Gustavo Machado Vieira de Almeida
Leila Maria de Carvalho Rocha
Livia Sousa Sant'ana
Paulo Romagnoli
Ricardo Gentile Rocha
Ricardo Miguel de Moura
Rodrigo Andreos Cordeiro
Rodrigo Montemor
Rodrigo Ribeiro
Rodrigo Sotero Galvão

Banco ABC Brasil S.A.

Management report

Performance in the first half of 2022

We submit to your consideration the individual and consolidated accounting information of Banco ABC BRASIL S.A. for the first half of 2022.

Banco ABC BRASIL S.A.

Banco ABC Brasil S.A. is a commercial bank specialized in lending and providing services for large companies. Nonetheless, it is one of the few Brazilian banks featuring international control and local autonomy.

The bank is managed by a highly qualified team of senior executives, who are also shareholders of the bank, holding vast experience in financial markets and having broad autonomy for decision taking, in addition to the capability to foresee and explore sectorial and cyclical opportunities in the Brazilian economy.

Banco ABC Brasil S.A. is present in Brazil since 1989, and from this date on has been building a solid Corporate Clients portfolio by offering wide high-value added financial products. Nevertheless, the Bank is recognized by its robust expertise on credit risk assessment and concession.

Banco ABC Brasil S.A. is listed in the Level 2 of Corporate Governance of São Paulo Stock Exchange (B3 S.A - Brasil, Bolsa, Balcão).

Shareholding Structure

As of June 30, 2022 the shareholding structure of Banco ABC Brasil S.A. was the following: Bank ABC (through Marsau Uruguay Holdings): 62,2%; Free-float: 29.8%; Management and Board members: 5.5%; and Treasury Stock: 2.5%.

Business Profitability

Banco ABC BRASIL S.A. reported net income of R\$384.8 million in the first half of 2022 (R\$258.7 million in the first half of 2021), reaching an annualized return on average equity of 16.1% pa in the period (11.8% pa in the first half of 2021).

The growth of the Bank's Net Income, compared to the same period of last year, is mainly explained by the increase in the Financial Margin with Clients and by the increase in the Shareholders' Equity Remunerated at CDI. The result was partially offset by the Increase in the Personnel and Other Administrative Expenses and by a higher Income Tax and Social Contribution.

Banco ABC Brasil S.A.

Management report

Credit Portfolio

The credit portfolio (including loans and guarantees issued) totaled R\$35.1 billion as of June 30, 2022 (R\$34.1 billion as of the end of December, 2021). Regarding the credit portfolio quality, 96.7% of the loan transactions and 98.1% of the guarantees issued transactions were rated between AA and C at the end of June, 2022, in accordance with Brazilian Central Bank Resolution No. 2682. Considering both portfolios, the ratio was 97.1%. The loan loss provision balance was equivalent to 2.31% of the loan portfolio as of the end of June, 2022 (3.13% as of the end of December, 2021).

IN CVM 381/03

In compliance with CVM Ruling No. 381 of January 14, 2003, which provides for the need to disclose, by audited entities, information on service performance by the Independent Auditor, Banco ABC BRASIL S.A., informs that independent audit services of the financial statements of the Bank and its controlled companies are provided by Ernst & Young Auditores Independentes S.S.

No additional audit-related services representing amounts above the overall remuneration of five percent (5%) of the remuneration paid by the external audit services in the period.

The policy adopted meets the principles that preserve Auditor's independence, in accordance with criteria internationally accepted. These principles are as follows: 1) the auditor must not audit his/her own work; 2) the auditor must not perform managerial activities in his/her customer; 3) the auditor must not promote his/her customer's interests.

Securities Portfolio

At the end of the period, Banco ABC BRASIL S.A. accounted to R\$2,208.7 million in securities classified as "held to maturity", in accordance with Circular No. 3,068/01 of the Central Bank of Brazil. The Bank has the financial capability and intention to hold these securities to maturity.

Arbitration Clause

Banco ABC BRASIL S.A. is subject to arbitration in the Market Arbitration Chamber, in accordance with the Arbitration Clause contained in its Articles of Association.

Banco ABC Brasil S.A.

Management report

Risk Management

1) Corporate Risk

To Banco ABC Brasil the risk management is a process aimed at creating and preserving the institution's value, providing reasonable assurance that events that may affect the institution are identified and continuously managed according to its risk appetite. Therefore, to meet Resolutions Nos. 4,557/17 and 4,327/14 of the Central Bank of Brazil, the bank maintains specific structures to deal with risk management, capital management, and environmental and social responsibility, respectively. To meet the aforementioned resolutions and Circular No. 3,678/13 of the Central Bank of Brazil, the information related to the risk management process of Banco ABC Brasil is available in its website on internet, available through the following URL: www.abcbrazil.com.br > Relações com Investidores > Serviços de RI > Fatores de risco > Estrutura de gestão de risco - Banco ABC Brasil.

Corporate Risk Management is responsibility of all areas and employees. They must perform their activities and timely identify risks, failures and deficiencies and inform to areas better positioned to deal with them. Despite being responsibility of all areas and employees, it is managed in a centralized manner by Vice-Presidency of Credit and Risk Management.

The Bank's governance structure considers that the company must be managed with main focus on value creation for shareholders, without injuring the rights of interested parties and complying the laws that regulate the markets, according to accepted and recommended ethical standards. Such structure is based on the regulations of B3 S.A. - Brasil, Bolsa, Balcão, the Brazilian Securities and Exchange Commission (CVM) and the Central Bank of Brazil, counting on. It is based on bodies defined by the current regulation, such as the Board of Directors and Audit Committee, and supported by internal ones, such as the Board Risk Committee and the Executive Committee, as well as other operating committees, such as the Credit Committee, the Financial Committee and the Operational Risk and Compliance Committee.

The Board of Directors is responsible for defining the risk appetite of the institution, the approval of business strategies and the maintenance of high governance standards. It should ensure the effectiveness of the risk management framework, providing independence and resources for its proper functioning. Accordingly, it is supported by bodies and committees created for this purpose.

The Executive Committee is responsible for executing the definitions set by the Board of Directors and for managing the activities of the institution.

2) Operational Risk

The Bank acknowledges that Operational Risk is a specific risk category and should be managed as such. It should cover the institution as a whole, involving all its employees, including third-party service providers and considering its processes, activities, systems, products and physical structure. Operating risk management also includes legal risks.

Banco ABC Brasil S.A.

Management report

Operational risk management is organized in three defense lines: 1) managers of several areas; 2) Risk Management area and Operational Risk and Compliance Committee and 3) Internal Audit.

Management is based on ongoing identification, assessment, monitoring, control and mitigation of risks through specific tools. The effectiveness of actions is reinforced by timely communication to management, involvement of people, and the efforts to spread a risk management culture. The Operational Risk, Compliance and Information Security Committee is the internal body that discusses operational risk, business continuity management, compliance, information security and internal control matters.

3) Market and Liquidity Risks

The market and liquidity risks are managed through internal information and tools operated by the Risk Management area, which centralizes the control activities, monitoring the portfolio exposures, as well as current and future acceptable liquidity levels.

Treasury executes the decisions taken by the Financial Committee and manages proprietary positions within the limits determined. It also manages the funding as well the inflow and outflow gap. The Financial Committee formally discusses such exposures in its weekly meetings and designs a strategy for the subsequent period.

The Risk Management area provides daily information to the Management, Treasury, and members of the Financial Committee. It also prepares periodic specific reports to the Board of Directors and the Audit Committee. Furthermore, it has to disclose the Bank's risk appetite to the areas involved in the liquidity and market risk management and in the design of new products or activities.

4) Credit risk

Credit risk management covers the bank's activities of authorization, execution, control and monitoring. This also includes not only individual outlook for economic groups, clients and operations, but also the aggregate risk factors of the portfolio, such as concentration in a sector, product or region.

The approval of client relationships and of the concession of credit lines is the responsibility of the Credit Committee, up to the limits under Administrative jurisdiction. Beyond that limit, the Board Risk Committee has exclusive rights of approval.

The process of management is dynamic and shared, notably in the areas of Credit Risk Analysis, Administration, and Management, which are parts of the structure of the Vice-Presidency of Credit and Risk Management. This seeks to assure that risks are within defined limits and that the coverage of required collaterals are at required levels, with the expected quality and accessible to the Bank in case of default.

Banco ABC Brasil S.A.

Management report

The Credit Risk Management area is also responsible for monitoring the credit portfolio. This includes portfolios quality monitoring and execution of stress tests, as well as the development and performance of models for attributing counterparty and transaction risk classification. The area also monitors risk concentration and evaluates the impacts of adverse scenarios.

5) Environmental and Social Responsibility

The environmental and social responsibility policy defines the guidelines for the identification, assessment, monitoring, mitigation and control of environmental and social risks, in compliance with Resolution 4,327/14 of the Central Bank of Brazil.

The Bank has research tools, internal analysis processes and governance structure that allow the management of such risks. The Bank also applies environmental and social questionnaires to its clients, according to internal eligibility criteria.

6) Capital Management

The Executive Committee conducts the capital management jointly with the Board of Directors, based on activities coordinated by the Finance area, which is also responsible for structuring the annual strategic plan and monitoring the budget. The Risk Management area are fully integrated in the process. In compliance with Resolution No. 4,557/17 of the Central Bank of Brazil, the information relating to capital management Brazil is available in its website on internet, available through the following URL: www.abcbrasil.com.br > Relações com Investidores > Serviços de RI > Fatores de Risco > Estrutura de gestão de capital - Banco ABC Brasil.

7) Compensation Committee

The Bank has a Compensation Committee established in the first General Shareholder's Meeting of 2012 that shall be responsible for (i) proposing to the Board of Directors the various forms of fixed and variable compensation, the benefits as well as the bespoke recruitment and severance programs; (ii) supervising the implementation and operation of the compensation policy for the institution's managers; (iii) reviewing on an annual basis the institution's management compensation policy and recommending to the Board of Directors any correction or improvement; (iv) proposing to the Board of Directors the sum of overall compensation for managers to be submitted to the General Shareholders Meeting in accordance with article 152 of Corporation Law; (v) assessing future internal or external scenarios and their possible impacts on management compensation; (vi) analyzing the institution's management compensation policy in relation to market practices in order to identify significant discrepancies in relation to similar companies and proposing adjustments when necessary; (vii) ensuring that the management compensation policy is always compatible with the risk management policy, with the institution's current and projected objectives and financial position as well the provisions of that resolution; and (viii) preparing on an annual basis in a ninety day period as from December 31, each year a document known as the Compensation Committee Report as provided in Resolution No. 3,921 of Brazil's National Monetary Council.

Banco ABC Brasil S.A.

Management report

8) Compliance Risk

Banco ABC Brazil through its Compliance department seeks to ensure the existence of corporate policies, processes, controls and continuous monitoring of meeting regulatory requirements of regulatory agencies and professional associations, as well as prevent and combat money laundering and terrorism financing. Acting on the orientation and awareness, aimed at curbing activities and conduct that could cause damage to the institution's image and use its best efforts in the dissemination and practices of Law N° 12,846 of Anti-Corruption and Bribery Law. In addition, the Compliance area, in conjunction with the Information Security area, are responsible for defining policies to ensure the confidentiality, integrity and availability of information.

São Paulo, August 08, 2022.

The management



Summary report of the Audit Committee

As a result of its evaluations and due diligence, the Audit Committee considers appropriate the environment of internal controls of the organization, and its instruments of control and risk management, providing the quality of the process of preparation of financial statements and explanatory notes (consolidated), in accordance with accounting practices adopted in Brazil and standards issued by the Central Bank of Brazil and CVM (Brazilian Securities and Exchange Commission).

Thus, considering the scope of its attributions, the scope of operations and its responsibilities, the Audit Committee recommends to the Board of Directors the approval of the individual and consolidated audited financial statements of Banco ABC Brasil S.A., for the semester ended June 30, 2022.

The full report of the Audit Committee containing the details of the scope of its work and diligence, will be available on the website of Banco ABC Brasil S.A. (<https://ri.abcbrasil.com.br>) and available to those interested in the section "Corporate Governance".

São Paulo, August 08, 2022

The Audit Committee



Abiding by CVM Rule No. 480, dated December 7, 2009, the undersigned parties, Executive Board members of Banco ABC Brasil S.A., listed at Corporate Governance Level 2 (Code ABCB4), REPRESENT hereby that they:

- a) Reviewed, discussed and agreed with the financial statements for the semester ended June 30, 2022.
- b) Reviewed, discussed and agreed with the opinion expressed in the independent auditor's report of Ernst & Young Auditores Independentes S.S., on the Bank's financial statements for the semester ended June 30, 2022.

Sao Paulo, August 08, 2022.

Sergio Lulia Jacob
Director President

Sérgio Ricardo Borejo
Director Vice - President of Administrative

Leila Maria de Carvalho Rocha
Director