



Earnings
Conference Call | 2nd Quarter of 2021

August 9, 2021

Financial Highlights

- The **Net Interest Income (NII)** reached R\$345.7 million in the quarter, an increase of 9.4% over the 1Q21 and of 22.7% on a year-over-year basis. The highlight was the **Financial Margin with Clients**, which totaled R\$242.3 million – the eighth consecutive quarter of growth – driven by a higher derivatives and FX volume, and by the increase of clients from the **Middle** segment in the **Expanded Credit Portfolio**.
- The **Expanded Provision Expense**¹ for the quarter was R\$51.8 million, an increase of 5.0% over the previous quarter and a decrease of 45.3% in relation to the same period of 2020, consolidating the transition to a phase in the credit cycle with lower provision expenses.
- The **Net Income** reached R\$136.3 million in the 2Q21, an increase of 11.4% quarter-over-quarter, and of 121.3% year-over-year. In the semester, there was an increase of 81.4% compared to the same period in 2020.
- The **Annualized Return on Equity (ROAE)** was 12.3% in the quarter, an increase of approximately 100 basis points over the previous quarter, and of 630 basis points over the same period of 2020 – the fourth quarter of consecutive growth.

¹ Includes Loan Loss Provision (LLP), Provision for the Devaluation of Securities (PDS), Credit Recoveries, Provision for Guarantees Issued (PGI) and Provision of Assets not for Own Use (BNDU).



Number of Clients

- For the first time surpassing the milestone of 3,000 **total clients** and of 2,000 **clients with credit exposure**
- Adding 234 total clients and 94 clients with credit exposure in the 2Q21 - equivalent to a 60% growth of the client base in the last 18 months

Insurance Broker

- Started to operate its captive insurance brokerage arm – ABC Brasil Corretora de Seguros – initially focusing on:
 - **Surety Bonds (*Seguro Garantia*)**: insurance line directly linked to corporate credit rating analysis, complementary to the current offer of Financial Guarantees line;
 - **Credit Life Insurance (*Seguro Prestamista*)**: life insurance product targeting shareholders of reference of corporate companies; and
 - **Capital Global**: group life insurance product.
- Gradual expansion to other insurance lines, including agriculture insurance and other property and casualty insurance lines.



ABC Link

- Distribution of financial services through partner offices, using the banking correspondent legal structure:
 - Focus on the expansion and consolidation of ABC Brasil's geographic presence;
 - 18 partner offices being onboarded or already in operation and more than 50 in the pipeline; and
 - Expansion of the initial product portfolio (credit and cash management), with financial guarantees, derivatives, FX, insurance, and investment banking

Payroll Loan

- From May to July 2021, beginning of the 100% digital offering to ABC Brasil employees
- From August onwards, started reaching out to 700 corporate clients – with pre-approved credit limits – that together employ around 1.7 million employees



Energy Trading Company

- Initially focusing on energy pre-payment and trading
- 2.9x growth in the number of counterparties and 3.4x growth in the number of transactions (2Q21 vs. 1Q21)
- In the process of expanding the product portfolio to include the negotiation of long-term contracts and flow transactions

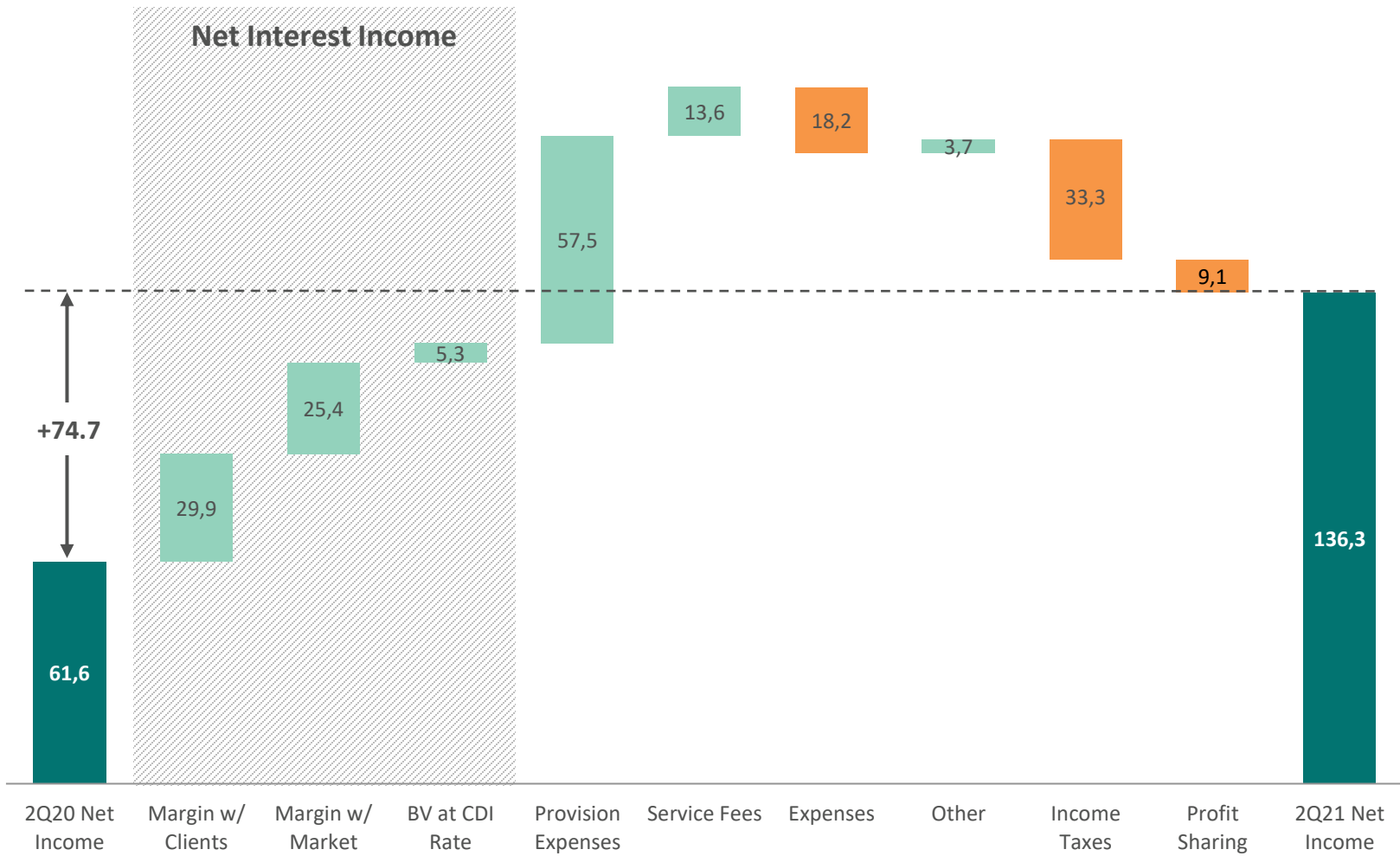
Partnership in Capital Markets – Banco Inter

- Joint participation in 3 recent debenture issues, totaling R\$2.6 billion – out of which R\$1.5 billion in infrastructure debentures
- Joint coordination in 5 other transactions, totaling R\$1 billion
- Joint analysis of 5 to 10 new business opportunities per week
- Potential to start distributing funds, including Infrastructure, Real Estate (FIIs) and Agribusiness (FiAgro)



Earnings Evolution

2Q21 x 2Q20 | Recurring

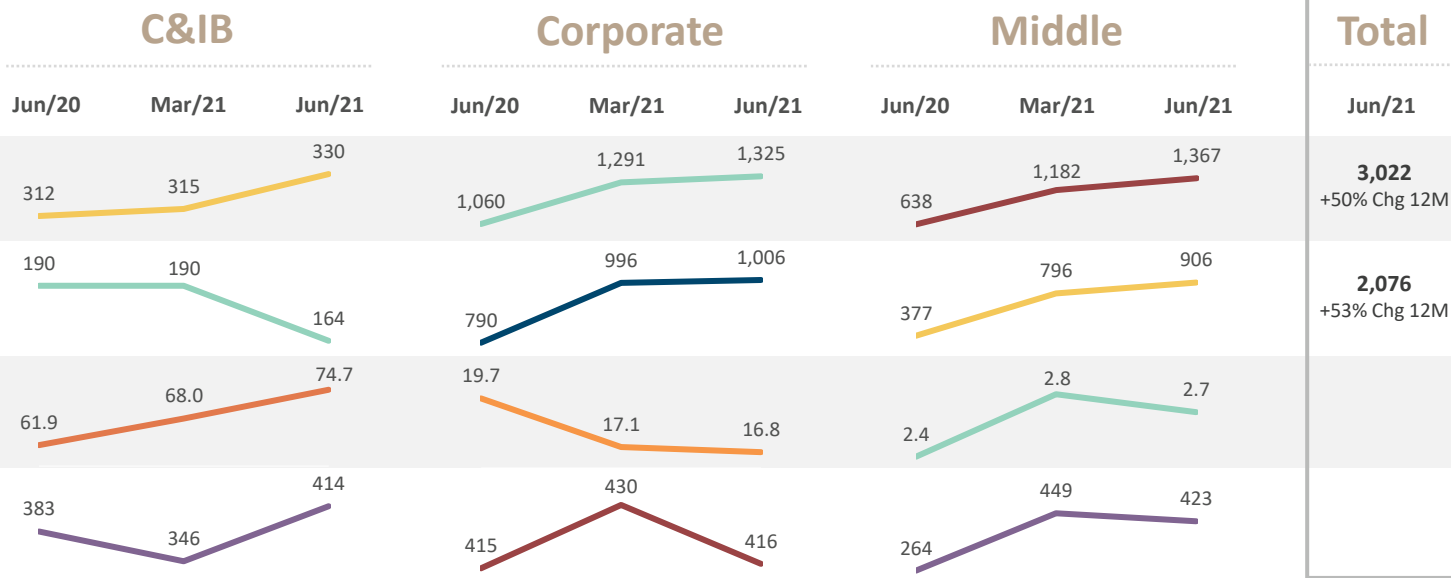


Expanded Credit Portfolio

Expanded Credit Portfolio (R\$ million)	Jun/21	% Total	Mar/21	% Total	Chg 3M	Jun/20	% Total	Chg 12M
Loans	20.867	100%	21.472	100%	-2,8%	18.219	100%	14,5%
C&IB	3.746	18,0%	4.309	20,1%	-13,1%	3.646	20,0%	2,7%
Corporate	14.745	70,7%	14.964	69,7%	-1,5%	13.717	75,3%	7,5%
Middle	2.376,2	11,4%	2.199,1	10,2%	8,1%	855,6	4,7%	177,7%
Guarantees Issued	10.742	100%	10.736	100%	0,1%	10.015	100%	7,3%
C&IB	8.500	79,1%	8.620	80,3%	-1,4%	8.111	81,0%	4,8%
Corporate	2.200	20,5%	2.087	19,4%	5,4%	1.873	18,7%	17,4%
Middle	43,1	0,4%	28,8	0,3%	49,5%	30,8	0,3%	40,2%
Corporate Securities	3.593	100%	3.277	100%	9,6%	3.831	100%	-6,2%
C&IB	1.757	48,9%	1.667	50,9%	5,4%	2.005	52,3%	-12,4%
Corporate	1.836	51,1%	1.610	49,1%	14,0%	1.827	47,7%	0,5%
Middle	0,0	0,0	0,0	0,0	-	0,0	0,0	-
Expanded Credit Portfolio	35.202	100%	35.485	100%	-0,8%	32.065	100%	9,8%
C&IB	14.002	39,8%	14.596	41,1%	-4,1%	13.762	42,9%	1,7%
Corporate	18.780	53,4%	18.661	52,6%	0,6%	17.417	54,3%	7,8%
Middle	2.419,3	6,9%	2.228,0	6,3%	8,6%	886,4	2,8%	172,9%



Segments Highlights



C&IB: Clients with annual revenues above R\$4 bn (may include companies within the Infrastructure, Energy and Private Equity segments, with annual revenues below R\$4 bn).

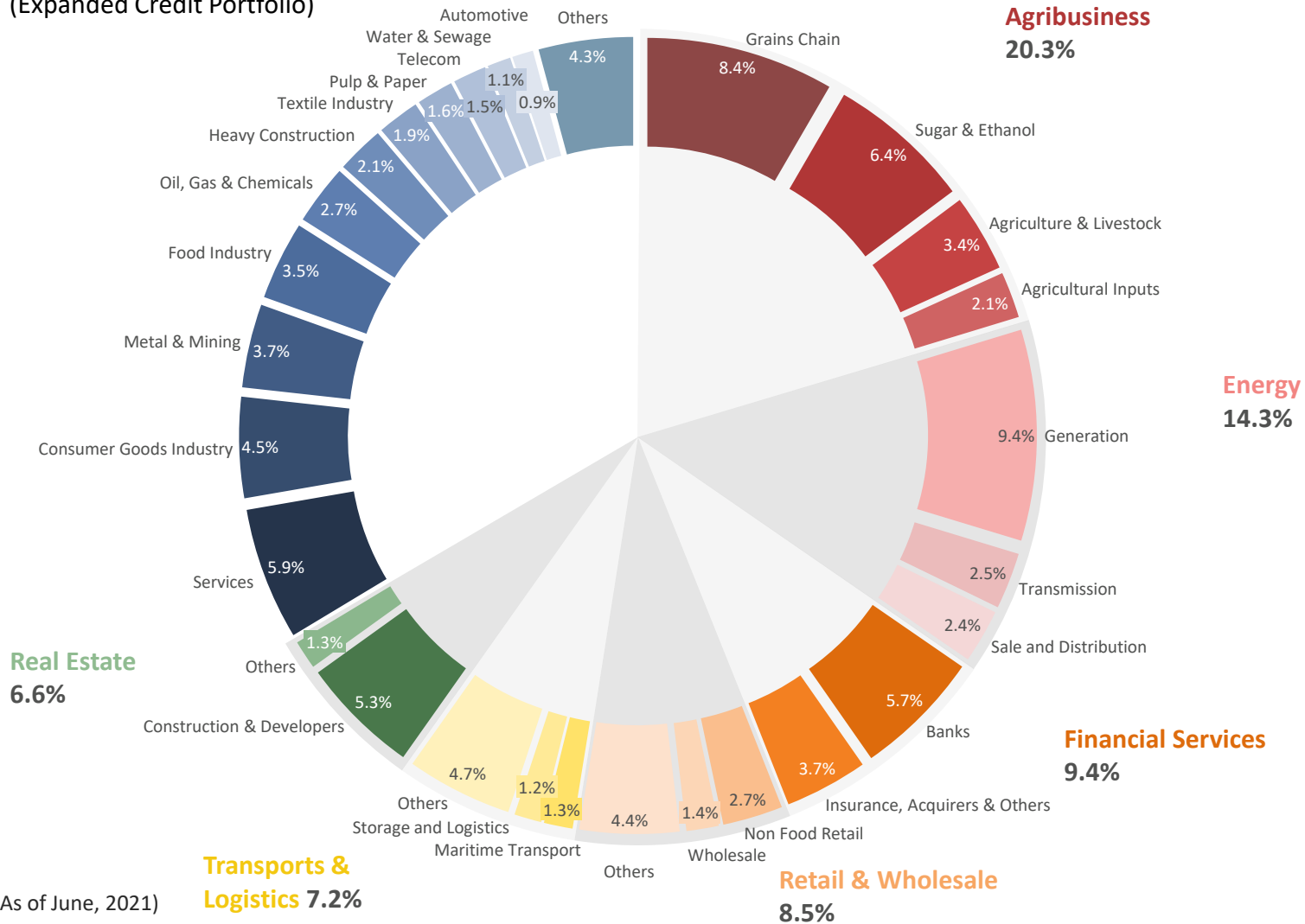
Corporate: Clients with annual revenues between R\$300 mm and R\$4 bn. | **Middle:** Clients with annual revenues between R\$30 mm and R\$300 mm.



Economic Sectors

Economic Sectors

(Expanded Credit Portfolio)



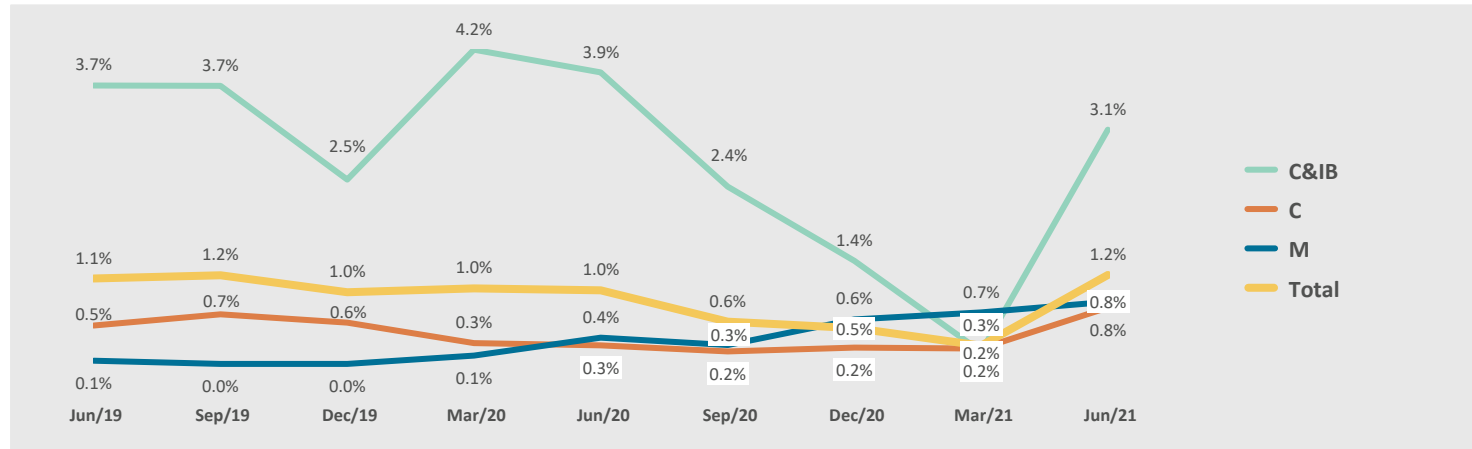
(As of June, 2021)



Credit Portfolio Quality

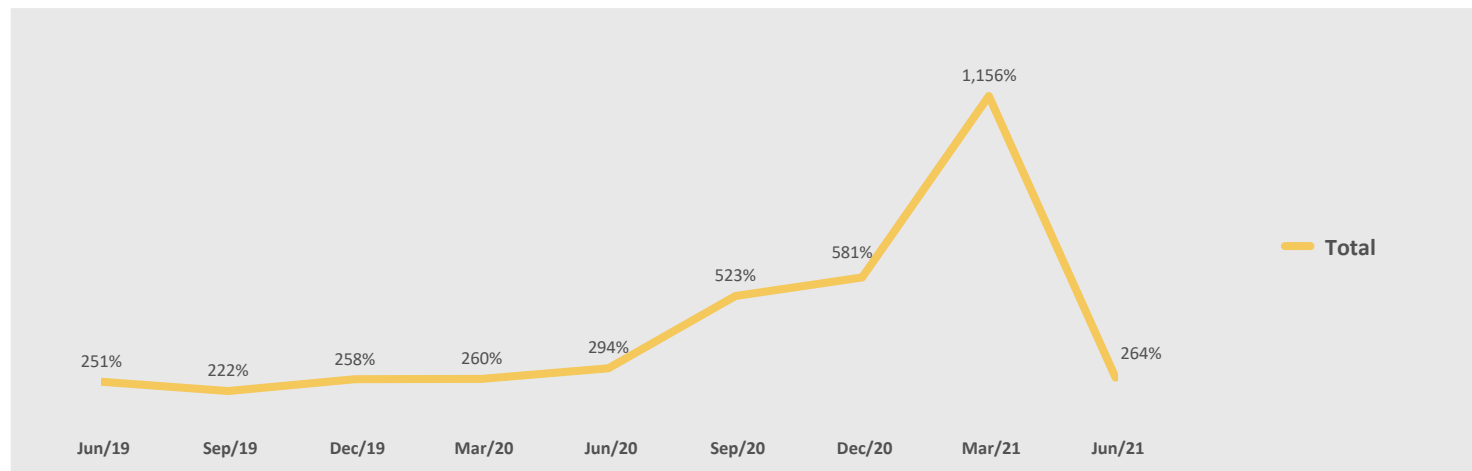
Loans Overdue for More Than 90 Days (includes falling due and overdue installments)

% of loan portfolio



Coverage Ratio (loan portfolio)

Loan Loss Reserve/Loans Overdue More Than 90 Days

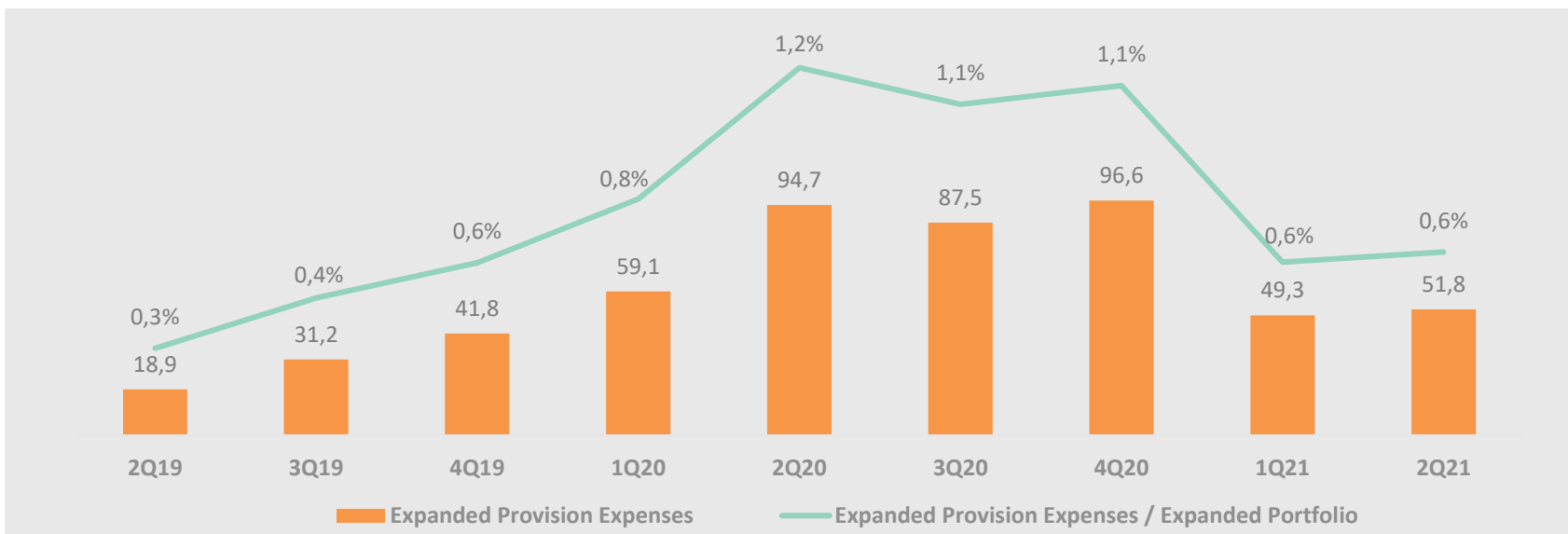


Credit Portfolio Quality

Provision Expenses (R\$ million)	2Q21	1Q21	2Q21x1Q21	2Q20	2Q21x2Q20	1H21	1H20	1H21x1H20
Loan Loss Provision (LLP)	(46,5)	(34,4)	35,1%	(93,2)	-50,1%	(81,0)	(154,0)	-47,4%
Provision for the Devaluation of Securities (PDS)	(3,7)	(20,4)	-82,0%	(5,2)	-29,2%	(24,0)	(5,9)	307,9%
Credit Recoveries	14,5	0,3	5687,2%	9,5	53,8%	14,8	9,8	50,6%
Provision Expenses	(35,7)	(54,6)	-34,7%	(88,9)	-59,9%	(90,2)	(150,1)	-39,9%
Provision for Guarantees Issued (PGI)	2,1	5,4	-61,8%	(5,5)	-137,4%	7,5	(3,5)	-313,7%
Provision for Assets not for Own Use (BNDU)	(18,2)	(0,2)	8705,6%	(0,22)	8038,3%	(18,4)	(0,2)	10362,0%
Expanded Provision Expenses	(51,8)	(49,3)	5,0%	(94,7)	-45,3%	(101,1)	(153,8)	-34,2%
Expanded Credit Portfolio	35.202,1	35.484,8	-0,8%	32.064,8	9,8%	35.202,1	32.064,8	9,8%
Expanded Provision / Expanded Portfolio	0,6%	0,6%	0,0	1,2%	(0,6)	1,1%	1,9%	(0,4)

Expanded Provision Expenses

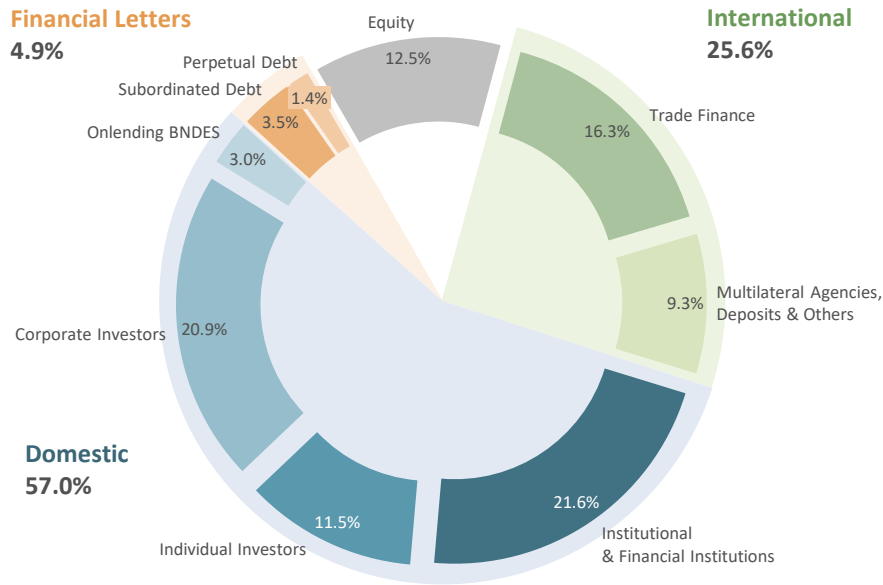
R\$ million and % of the Expanded Portfolio (annualized)



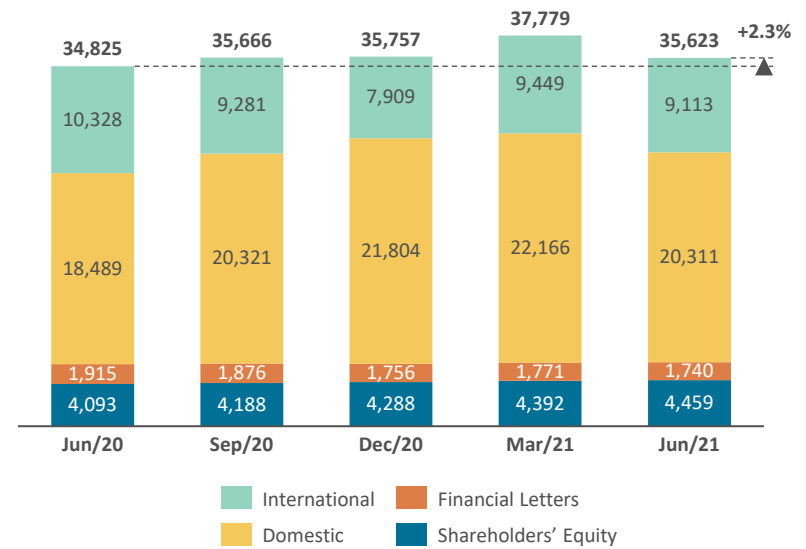
Funding

Diversified funding with access to local and international sources

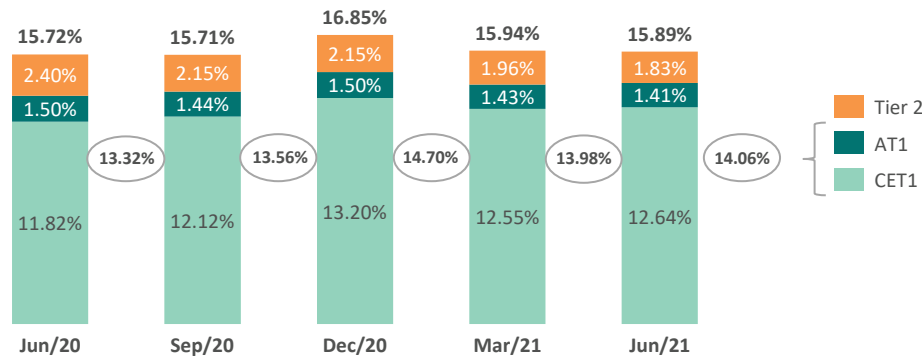
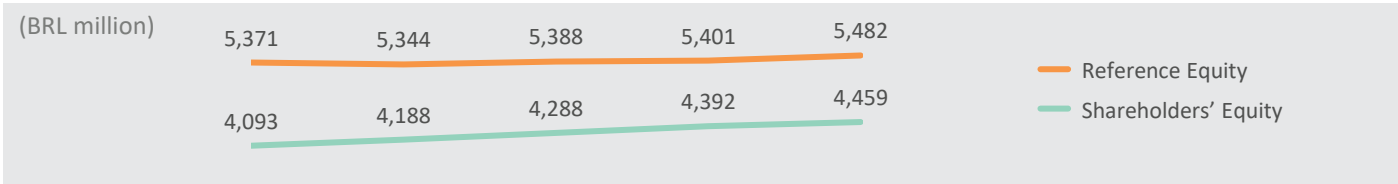
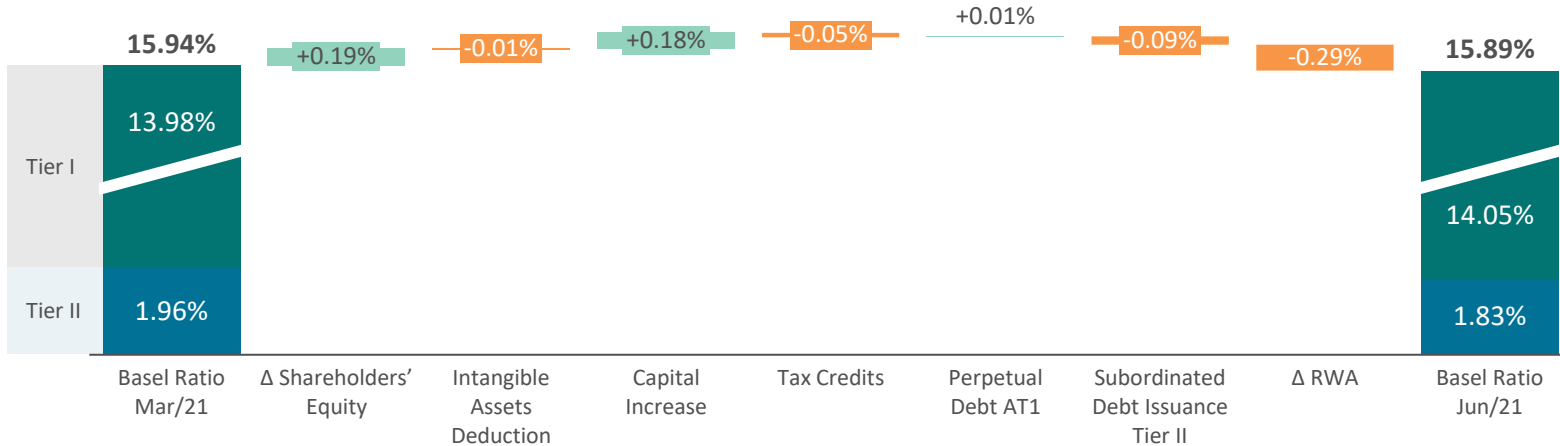
Funding 2Q21



Funding Evolution

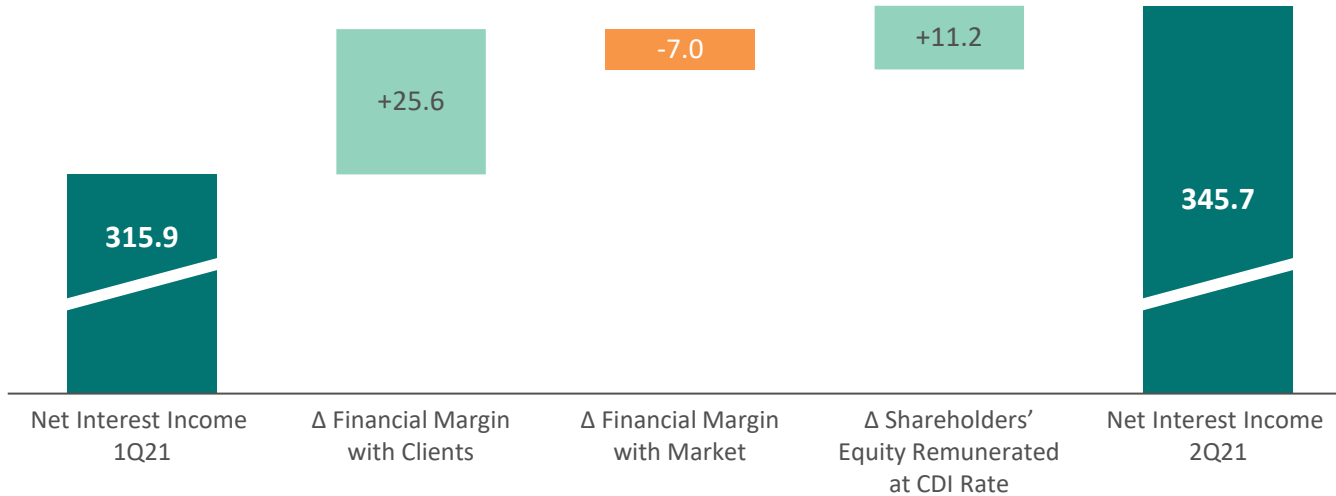


Basel Ratio & Shareholders' Equity

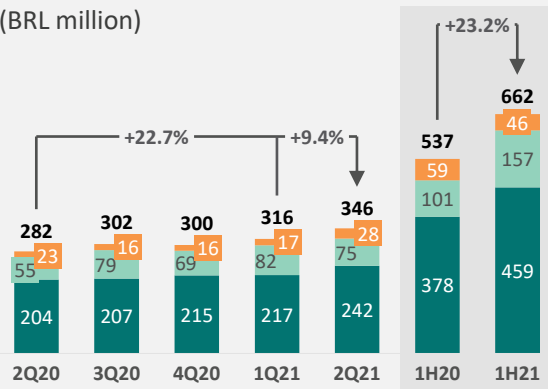


Net Interest Income

(R\$ million)

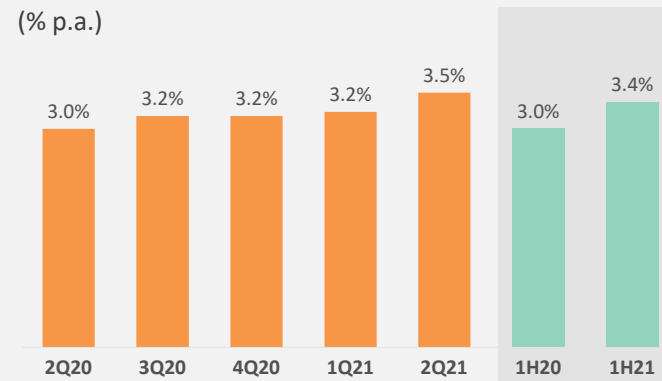


Net Interest Income (BRL million)



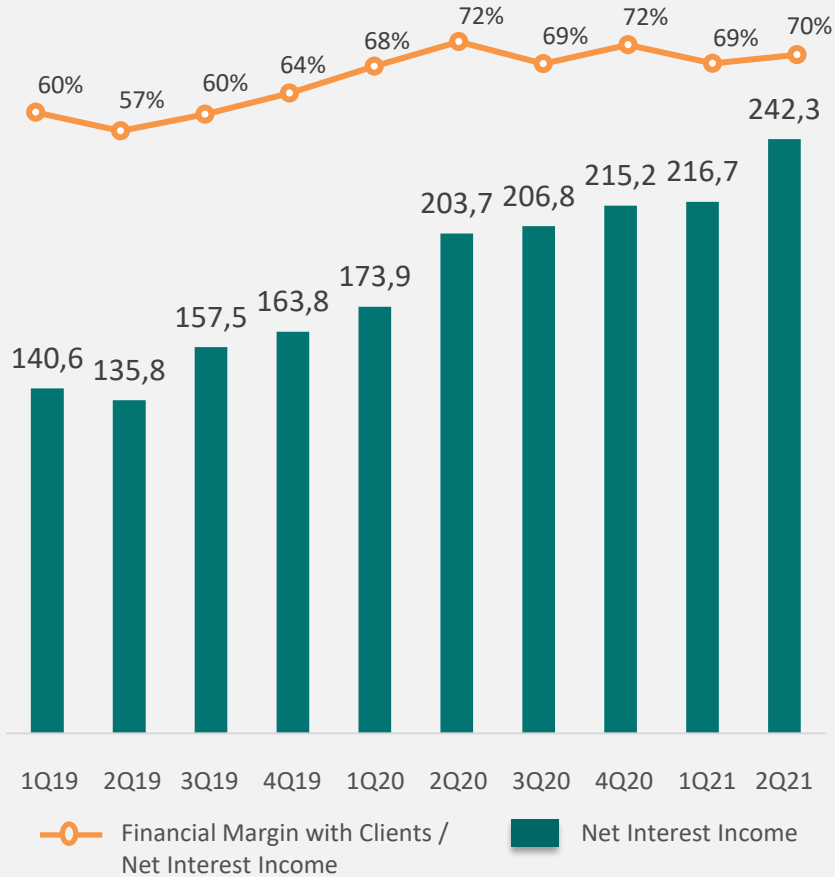
- Shareholders' Equity remunerated at CDI Rate
- Financial Margin with Market
- Financial Margin with Clients

NIM (% p.a.)

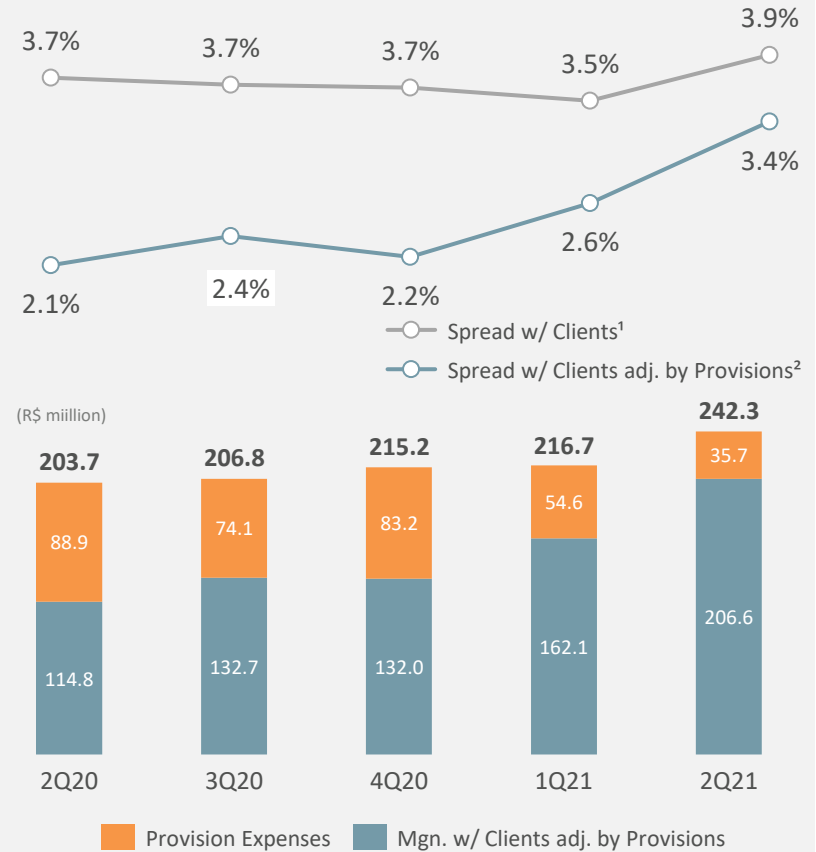


Financial Margin with Clients Evolution and Spreads

Margin with Clients



Evolution of Annualized Spread with Clients



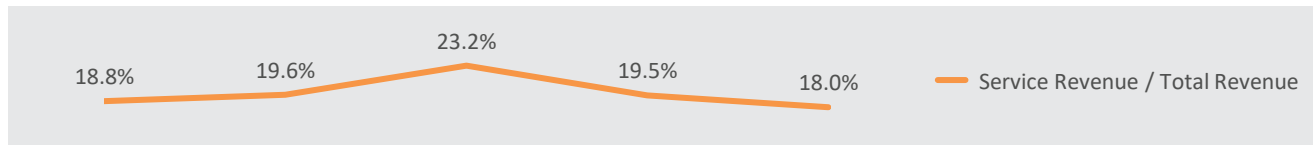
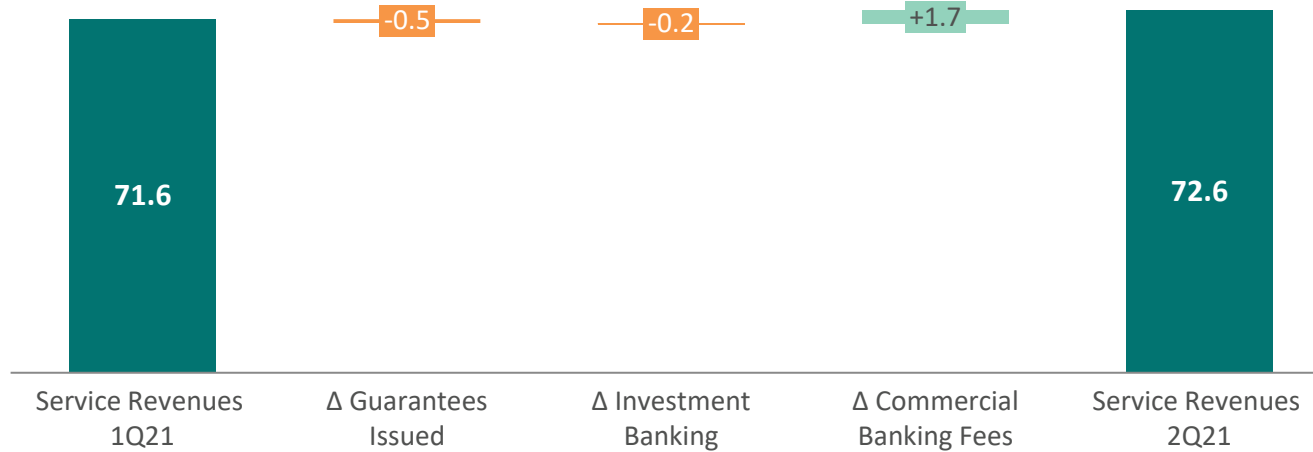
¹ Spread with Clients is calculated as Financial Margin with Clients divided by the average Loans and Corporate Securities Portfolio.

² Spread with Clients adjusted by Provisions includes Loan Loss Provision (LLP), Provision for the Devaluation of Securities (PDS), and Credit Recoveries.

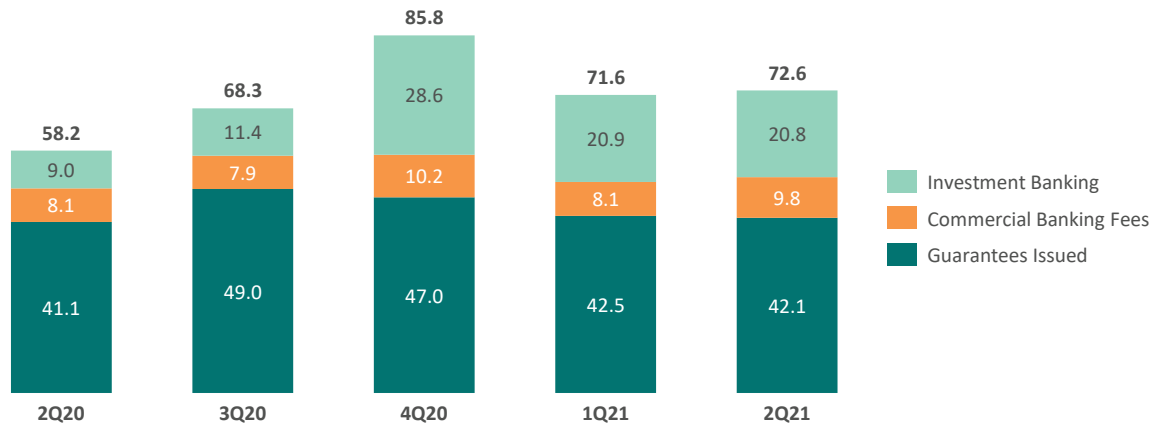


Service Revenues

(BRL million)



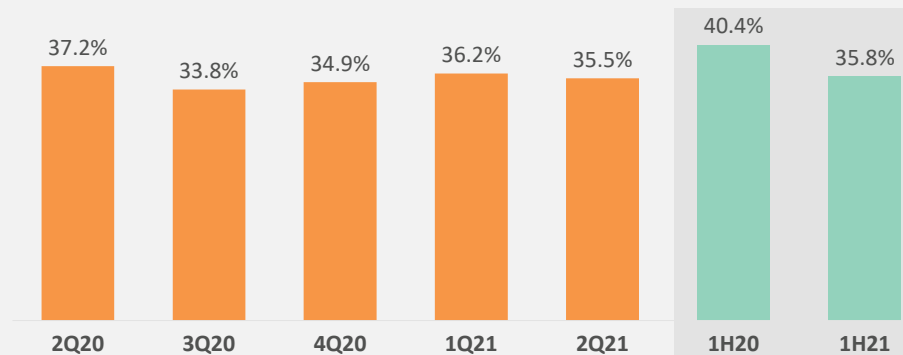
(BRL million)



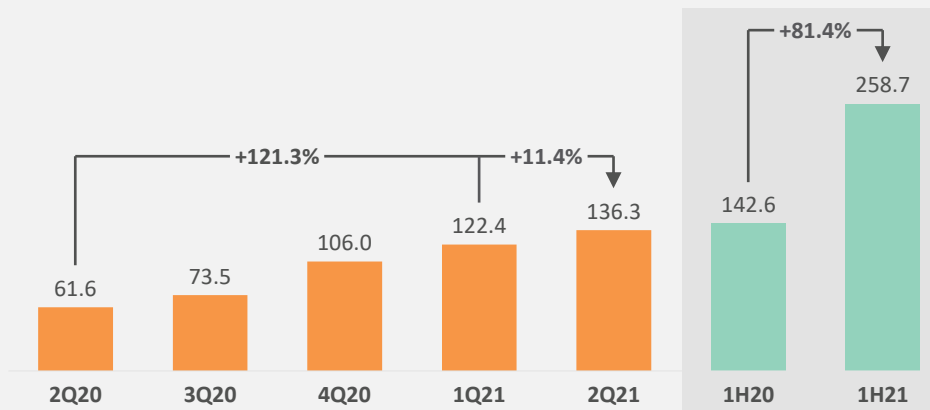
Expenses and Efficiency Ratio

Expenses (R\$ million)	2Q21	1Q21	2Q21x1Q21	2Q20	2Q21x2Q20	1H21	1H20	1H21x1H20
Personnel Expenses	(66,9)	(64,5)	3,8%	(57,5)	16,4%	(131,4)	(115,2)	14,1%
Other Administrative Expenses	(36,5)	(28,4)	28,3%	(27,7)	31,9%	(64,9)	(58,0)	12,0%
Subtotal	(103,4)	(92,9)	11,3%	(85,2)	21,4%	(196,3)	(173,1)	13,4%
Profit Sharing	(39,4)	(39,9)	-1,3%	(30,3)	30,1%	(79,3)	(70,3)	12,9%
Total	(142,8)	(132,8)	7,5%	(115,5)	23,7%	(275,6)	(243,4)	13,2%

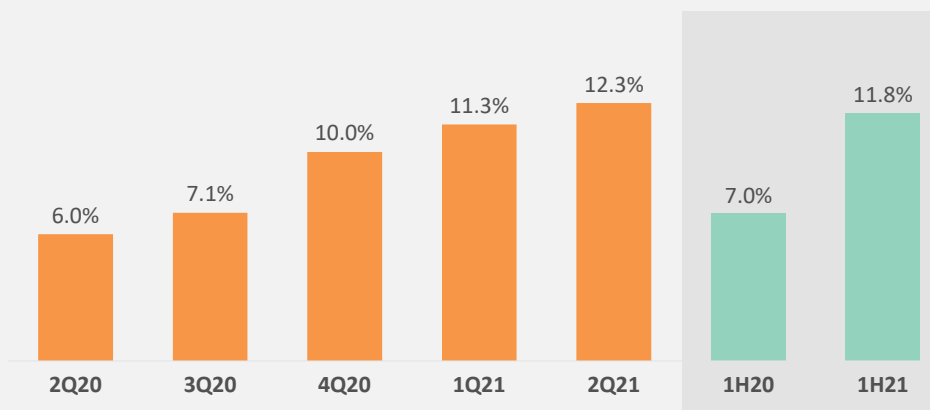
Recurring Efficiency Ratio (Expenses/Revenues)



Recurring Net Income (BRL million)



Recurring ROAE (% p.a.)



Website: www.abcbrasil.com.br | ri.abcbrasil.com.br

Phone: +55 (11) 3170-2000





Disclaimer

The following material, on this date, is a presentation containing general information about the Banco ABC Brasil S.A. We offer no guarantee and make no declaration, implicitly or explicitly, as to the accuracy, completeness or scope of this information.

This presentation may include forward-looking statements of future events or results according to the regulations of the Brazilian and International securities and exchange commissions. These statements are based on certain assumptions and analyses by the Company that reflect its experience, the economic environment, future market conditions and expected events by the company, many of which are beyond the control of the Company. Important factors that may lead to significant differences between the actual results and the statements of expectations about future events or results include the company's business strategy, Brazilian and International economic conditions, technology, financial strategy, financial market conditions, uncertainty regarding the results of its future operations, plans, objectives, expectations and intentions, among others. Considering these factors, the actual results of the company may be significantly different from those shown or implicit in the statement of expectations about future events or results.

The information and opinions contained in this presentation should not be understood as a recommendation to potential investors and no investment decision is to be based on the veracity, current events or completeness of this information or these opinions. No advisors to the company or parties related to them or their representatives should have any responsibility for any losses that may result from the use or contents of this presentation.