



BANCO ABC BRASIL EARNINGS CALL

1st QUARTER OF 2025

May 9, 2025

Mr. Ricardo Moura: Good morning, everyone. Welcome to Banco ABC Brasil's first quarter 2025 earnings call. I'm Ricardo Moura, Director of Investor Relations, Proprietary and Strategic M&A. As always, we will begin our presentation with the results for the period with our CEO Sérgio Lulia.

After the presentation, we'll have our traditional Q&A session.

If you are watching the broadcast via Zoom and wish to follow along in English, please click on the translation button on the right of your screen. All the content, including the presentation, will be available on our IR website. To better follow the presentations, I suggest you download the content from the QR Code on your screen.

To continue, I'd like to give the floor to Sérgio. Thank you.

Mr. Sérgio Lulia: Thank you, Ricardo. Good afternoon, everyone. It's a pleasure to be here with you for another presentation of Banco do Brasil's earnings call. So, as always, let's start with our highlights.

The bank's net profit for the period reached R\$226 million, which represents a ROAE of 14.1%. On the other side, you can see the expanded portfolio ratings of R\$51 billion, a growth of 11.4% compared to the first quarter of 2024, close to the top of the guidance we are providing to the market.

Here in the coverage ratio, there is something new, due to the adaptation to resolution 4966, so a ratio that we traditionally present, which is the total credit loss allowance divided by the operations overdue more than 90 days, but now including not only loans, but also the credit portfolio. And here we introduce a ratio, which is an internationally widely used index, which is the total credit loss allowance divided by stage 3 operations. This shows a coverage ratio of practically 90%.

Finally, as a last highlight, our capitalization grew throughout the quarter, reaching a very comfortable Basel Ratio of 17.2% and core capital of 11.7%.

On this second slide, we'll give you a little more information about the expanded credit portfolio. As I said on the previous slide, the credit portfolio grew by 11.4% year-on-year. The highlight here is the Corporate segment, the bank's main segment, which grew by 20% year-on-year. The other segments grew less, with C&IB even falling slightly. The main reason for this is the lower spreads being practiced in this segment. The bank is



more selective in credit operations in this segment. And that's how our life has always been.

And in the Middle segment, growth of 5.9% year-on-year. The main component here is risk appetite. We have seen the macroeconomic movements taking place both in Brasil and abroad. We've been sizing up our risk appetite and this 5.9% expansion is a bit of a consequence of that.

I would like to draw attention to another feature of this presentation which is a consequence of the introduction of Resolution 4966. It is that, in general, we will be talking about ratios in relation to the total portfolio. The portfolio that we call cash, often also taking guarantees issued when until December, the ratios were usually relative, only to the loan portfolio, which is a portfolio that represents approximately 50% of the bank's total portfolio.

Sectoral exposure has changed very little and continues to be very diversified, with agribusiness continuing to be our best business at 22.9%, spread across the grain chain at 11%, agriculture and livestock, 5.6% agricultural inputs and 3% sugar and alcohol.

The second most important energy segment is also new here, with 12.4%. And then we have five segments that are practically between 6% and 7% of the portfolio. They are the service sector, 7.6% civil construction, real estate developers, logistics transportation 7.3%, commerce 7% and the financial sector, lines that we give little to banks from the point of view of credit or to fintechs and other companies of this type represent 6.1%.

Here we bring up a slide that we have already brought up in previous presentations and which is an important part of the strategy that the bank has been developing, which is where we separate the revenues that originate with clients, between revenues that have a high use of capital or a low use of capital, there is an increase in revenues with a low use of capital.

And we can see that the first quarter is usually seasonal. Normally, the first quarter is a little weaker in investment banking revenues, which then recover over the next few quarters. So, if we compare only the first quarters, we'll see that in 2023 these revenues represented 36% of total revenues from clients, rose to 40% in the first quarter of 2024 and have now reached 44% in the first quarter of 2025. When we compare this to the previous quarter, there is a reduction, mainly due to revenues from the Investment Bank. We'll see more about that later on. There's a slide that talks specifically about this point.

Moving on to the net interest margin (NIM), what we see here is that the margin in the year-on-year comparison is up 6.8% from R\$531 million to R\$567 million in the separate components. Revenue from clients rose from R\$326 to R\$341, revenue from the market rose from R\$80 to R\$83, and revenue from capital remunerated at the Selic rate rose



from R\$125 to R\$143. In the quarterly comparison, however, there is a significant reduction and this reduction has a few different reasons. In the case of net interest margin, with clients, there are two things here, I think. The first is that it is an adequate measure of the institution's risk appetite given the new scenario, both locally and with higher interest rates for a long time, and having been through several previous cycles, we know that this has an impact on the financial health of companies, which led to the institution being a little more conservative in the first quarter. But the biggest effect here is the level of spread contracted in credit operations over the last few months of 2024, we had been telling you that the spreads being practiced were the lowest spreads in our history. That has been reversed. That's the good news. Given this slightly more difficult macroeconomic scenario. The operations contracted during the first quarter have a significantly higher spread than those contracted in the last quarter of 2024.

It just takes a while for this to appear on the balance sheet. So, over the course of the first quarter, you have an accrual effect from those operations that were contracted last year, and the operations that are contracted over the course of the first quarter will have an impact on our balance sheet over the next few quarters. In the case of the net interest margin with the market, there is also greater conservatism here, given the great volatility, both local and external, and the high liquidity index that we practice in the institution, even so, relevant revenue is expected to recover in the coming quarters.

The impact of these two things - revenues from clients and revenues from the market - was a drop in NIM. NIM fell from 4.2% to 3.8%, but for the reasons I've already stated here, there is an expectation of recovery. Whether it's because the CDI-indexed equity is higher, or because we expect a recovery in market risks and an adjustment of liquidity ratios. Whether it's because in terms of net interest margin with clients, operations are already being contracted at higher rates. This should have a brief impact in terms of results.

Here I'll open a bit more. Service revenues had already anticipated this a little when we talked about revenues with high and low use of capital. Here we give a little more color on its three main components. Starting with guarantees issued. This is a line that fluctuates less. It is very constant over time.

It has performed well over the last few quarters, so in the fourth quarter it practically had revenues of R\$44 million. And now, in the first quarter of 2025, R\$42,000,000.5. Investment banking revenues were not bad at R\$32.9 million. Considering that there is a strong seasonality in this type of product in the first quarter and in our second best first quarter in history, it loses out to 2024, which was R\$41.6 million.

It's still a dynamic market. It's a market in which we are increasingly competitive and increasingly diversified in terms of the type of financial structure we can provide for our clients. So not only is our focus continuing, but we remain very optimistic. And the



insurance broker and rates line continue to grow, at a slower pace than before, as these are more mature products. But the expectation is that they will continue to grow as well.

Moving on to the quality of the credit portfolio. If we look at the reality under Resolution 2682 and then the new reality under Resolution 4966, the LLP expense was 0.5%. This is lower than our historical average. Our historical average was around 0.7% here, in fact, we already had this ratio on the bank's expanded portfolio and the LLP expense is R\$63.5 billion net of recoveries.

So, it's a very adequate level, very adequate. We have a very healthy portfolio. The few cases of credit problems that have arisen have been duly provisioned, and there is good origination of operations with clients who are more resilient. So, I think this aspect of the quality of the credit portfolio continues to be one of our institution's strong points.

Moving on to the credit loss allowance. There's a bigger difference here, because until 2024 we were talking about the credit loss allowance on the credit portfolio. So here we are talking about the R\$24 billion portfolio I mentioned a few years ago. Here we're talking about the R\$51 billion portfolio. So, there's a allowance balance of 2.1%. The total balance of bank provisions and by segment, 6.4%, in the Middle 1.6% in the Corporate segment and 0.8% in the C&IB segment where the loss, except in very specific situations, is close to zero.

Overdue mora than 90 days. Here we also have the new methodology brought in by Resolution 4966, which makes this analysis much more comprehensive. So now we're talking about the bank's total portfolio. Before, there were 1.1% of past due over 90 days, when we only considered the credit portfolio. Now it's 0.9% of the total balance of operations overdue more than 90 days, when I consider the total portfolio, including securities, you can see that the figures are very similar because the level of quality of the securities credit portfolio is very similar.

The biggest difference is that the past due balance rose from R\$273 million to R\$485 million. And the difference is because here we are talking about arrears on the R\$51 billion portfolio, while in the previous chart we were talking about arrears on the R\$24 billion portfolio in terms of percentage, as I said, very similar and even a little better.

Here, in this graph, we repeat a little of the information I had given before and we bring in a new metric, which is the balance of the portfolio in stage three over the bank's total operations, which is 2.4%, a very adequate index and which also demonstrates in another way the good quality of our portfolio.

From the point of view of the coverage ratio, we had a coverage ratio of 198% when we considered Resolution 2682. And when we move to Resolution 4966, this ratio becomes 227%, a very comfortable ratio, which gives the bank the security of being well provisioned, even in a more challenging credit scenario, as I've been saying. And here



we repeat that highlight that was given to you, which is the bank's total provision balance divided by the assets that are in stage three. This represents 90% of stage three, covered by total provisions.

Moving on to expenses, expenses and the efficiency ratio, we had an increase in expenses over 12 months of approximately 9%. To remind you, our guidance ranges from 6 to 11% growth for the year, so absolutely within the guidance provided. However, in terms of revenues, there was frustration.

In other words, our capacity to generate revenue is greater than that. Because of the points already explained here, in the year-on-year comparison, revenues grew by just 2.3%. This comparison of revenues growing above expenses leads to a worsening of the efficiency ratio, which reaches 42%, therefore outside our guidance. We're going to stick to our guidance and we're confident that we can achieve it.

Funding continues to be a very strong point for the bank. It has always had diversified funding, funding that has a very appropriate duration, which is longer than the duration of the assets, and funding that comes at very competitive rates. As I said, it has always been one of the bank's strengths, and continues to be so, so there are no concerns here.

From the point of view of capital or the increase in capital in the period, whether due to the appropriation of profits generated or the slight reduction in the portfolio, the total Basel Ratio reached 17.2%, of which 14.7% was tier I capital and 2.5% tier II capital. Opening the tier I capital a little more, of this 14.7%, 11.7% is core capital and 3.1% is complementary tier I capital, which has increased over the last year. You remember that last year we did two issues of R\$500 million each. So, R\$1 billion at prices that were very competitive. And we intend to do this throughout this year, everything leads us to believe that those issues made in 2019, which can therefore already be called during this year, will be called in such a way as to bring this 3% of the additional tier I capital component back to around 2%, which is what we think is the appropriate level.

The bank's recurring net income for the year, practically stable, is up 1%. As I said before, the components of the net interest margin all rose, although once again at a slower rate than we would like, which is our capacity. So, there's an increase in the margin with clients of R\$14.8 million, in the margin with market of R\$2.3 and in the PL at CDI of R\$18.9, there's a slightly higher provision expense after administrative expenses etc. And the accounting impact so that we arrive at a profit of R\$225 million.

And I'll end by bringing you our guidance to remind everyone what our guidance is and to reiterate our commitment to achieving all of them. From 7% to 12% growth in the expanded portfolio. As shown before, we're close to 11%, so close to the guidance ceiling. It was a weaker, seasonal quarter. This was already foreseen, and we're going to pursue it. Expenses growth of 6% to 11%. We're showing 9% per year and in the



efficiency ratio, which is 36% to 38%, we're going to 42%. Because of this quarter's slightly lower than expected revenues, the first quarter has this characteristic. We have a good pipeline of business, we have initiatives moving forward, so I hope to show you better efficiency ratios in the coming quarters.

So that's what I had to show you. I'll give the floor back to Ricardo so we can start our question and answer session.

Mr. Ricardo Moura: Thank you, Sérgio, for giving us an overview of the results for the first quarter of 2025. I would also like to thank everyone who is following us on the broadcast. Now we're counting on your participation in our Q&A session.

Q&A Session

Mr. Ricardo Moura: And to join us for the Q&A, we're joined by our CFO, Sergio Borejo. Welcome, Sergio.

Mr. Sergio Borejo: Thank you, Ricardo. Good afternoon, Sergio. Good afternoon to everyone watching. Thanks again for the opportunity.

Mr. Ricardo Moura: Great and to everyone who's following us, feel free to ask questions. To participate, just click on the raise your hand icon at the bottom of the zoom.

I'm going to start here with the first question in our section. So, it comes from Brian Flores, from Citi. Brian, thank you for participating. Please feel free to ask your question.

Mr. Brian Flores: Thank you, guys, for the opportunity. Good afternoon, I'd like to ask you two questions. First, I think you made a very interesting comment about the NII part with clients. You talked a little bit about accrual, you thought a little bit about how the duration would work, thinking that accrual, we should think a little bit more about the second half of the year, the end of the year or the effect that we start to feel in the following quarter. I think this is very important to know. You also made a very interesting comment about capital. Would you be or would you be comfortable running at a slightly lower Tier I level than we've seen recently? Thank you.

Mr. Sérgio Lulia: Brian, thank you for your participation. Good questions. Going to the first one, which is about the accrual issue and the duration of the portfolio, our portfolio has a very short duration, it's less than a year, the duration of the portfolio should be around 320, 330 days. The spreads practiced last year were specifically low in the second half. In the first half of the year, they were at rates very comparable to historical rates. In the second half of the year, you can even check the rates of bond issues, which are public rates. We saw a big compression. And the banks, obviously their balance sheets, end up following us price taker, we are not price maker, but especially the operations



carried out in the last three months had a lower spread component. Based on this change in the macro scenario, this year we moved towards a policy of saying, "Look, let's prioritize the quality of the portfolio and the profitability of the portfolio over size." So, if we can't grow at the rates we want and with the quality we want, we won't grow. That's why the portfolio was rushed. It started to happen in January and February, and March was stronger. The expectation we have. It's difficult to give a firm answer, but it's hoped that the second quarter will balance out a little and that, from the third and fourth quarters onwards, we'll see gains that, if the rates we're paying continue like this, will be very good. So that's it. I think the second quarter will be a little more neutral and the third and fourth quarters a little stronger. The second question, do you want to talk a bit, Ricardo?

Mr. Ricardo Moura: Would you like to pass it on to us, Brian, please?

Mr. Brian Flores: Oh, yes. It was if you're comfortable running with a slightly lower Tier I than the levels you've been reporting recently.

Mr. Ricardo Moura: This capital base, if you look at our Tier I, especially talking about additional capital, we have a little fat. We issued additional capital last year, more or less R\$1 billion, at prices that were very competitive. So, there's a little fat there. We're looking ahead to 2025 with the possibility of optimizing this capital base. So, there would be room for us to bring total Tier I down a little and then replace the issues we made in 2019 at higher prices with the issues we made last year. So, there is little room for optimization there, yes.

Mr. Brian Flores: Thank you, guys.

Mr. Ricardo Moura: Thank you for your participation. Moving on to our next question. Antônio Ruetete, from Bank of America. Antonio, thank you very much for your participation. Please ask your question.

Mr. Antônio Ruetete: Hi guys, thank you very much for the space to ask questions. On my side, if you could explore a bit how your expectations of the macro scenario have changed since the beginning of the year in terms of risk appetite, and if there is any sector or other that, of course, without mentioning companies as you always do, but they mention some sector or other that has caused you more or less concern throughout this year. And a second question, looking more at expenses, how do you view the evolution of expenses? How do you judge the current evolution of expenses? And do you see any room for growth to slow down? Thank you.

Mr. Sérgio Lulia: Thank you for your questions. Starting with the second. As far as the growth in expenses is concerned, as we've already told you, from the end of the major investment cycle that lasted until 2023, we'll be back, which was basically on new fronts, in technology, in updating systems. We are once again taking stronger control of



expenses. Our guidance is 6% to 11%. We're now giving 9%. We're working to improve this 9%, so the guidance continues to be our best expectation, our best guess as of today. But we're working to bring it a little closer to the floor of this range. Can you repeat the first question, please?

Mr. Antônio Ruetten: How have your expectations of the macro scenario changed since the beginning of the year? And have there been any sectors that have attracted more or less attention? It's more or less a concern, and taking your cue from the guidance range, how do you see the portfolio's growth potential given the guidance given?

Mr. Sérgio Lulia: Here, perhaps not for very good reasons, but because of Brasil's history of macroeconomic volatility, we see that companies are able to adapt quickly. So, at first, when expectations deteriorated a lot, in November and December, we turned off the tap. We waited to see how the companies would react. We waited to see the balance sheets being published, the companies rethinking their plans for this year and we revised practically the entire portfolio. And now I think there's a very clear view of the situation of each one, so we've been accelerating the concession normally with those names we feel comfortable with. By this I don't mean to underestimate the effect that a Selic Ratio of 14.75%, if it is maintained for a long time, has on the financial health of companies. But I think that companies have learned to work with higher interest rates when there is a shift, which is not good, but today I think we have a slightly clearer scenario. One good thing that has happened this time, compared to other times when interest rates have risen in the past, is that the companies' debt profiles are much longer, mainly due to the greater participation of the capital market. So, although you have pressure on results, you don't have the pressure to roll over debt that existed at times when companies borrowed for six months, a year, at most two years. Today we often see companies issuing 15, 20-year bonds and even smaller companies, with a slightly more delicate financial situation, often manage to issue three, four or five-year bonds, because there are different pockets in the capital markets and let's put them this way, with an appetite for different types of risk. From a sectoral point of view, which you also asked about. Look, we obviously have sectoral policies, but the credit committees are obviously on a name-by-name basis, because even in a sector that's doing well, it's obviously easier for the company to do well, but even in a sector that's doing badly, there are companies that stand out. I think the market has commented a lot on the agricultural sector. It's a sector that Brasil is very strong in, we like it a lot. There were some credit problems last year, both for rural producers and for companies in the chain, like juice retailers, for example. We had very little exposure to these problematic figures. The exposure we had has already been duly provisioned for. Now it's a sector that's starting this year with a record harvest, with good prices, which were held back, so the factors are lower, but normally prices are anticipated, so there's income coming into the sector that I think will provide some relief. The energy sector, which is our second sector, which we are very active in, we like a lot, strong companies, good returns. Last year



there was this issue of curtailment, which was a surprise and which had an impact, I think, in my view, mainly on the capacity you must finance new projects, because it makes it difficult to determine which curtailment index you're going to use to project future revenue. But it's a sector we like a lot. The other sectors are all doing well. Real estate development, for example, good companies and bad companies, sales velocity fell a little. Overall costs by sector have risen. So, it's a sector that we also like, that we work in a lot, but you must know how to select your clients well. So today I think that compared to November and December, not that the macroeconomic situation has improved, but the markets have calmed down, volatility has fallen and you have a better view of how each company has entered this new moment.

Mr. Antônio Ruetten: Super clear, thank you.

Mr. Ricardo Moura: Thank you, Antônio. Moving on to our next question, Mateus Raffaelli from Itaú BBA. Mateus, thank you for coming. Participation. Please feel free to ask your question.

Mr. Mateus Raffaelli: Good afternoon, everyone. Thank you for allowing me to ask a question. I wanted to explore the topic of ABC's portfolio mix. You even mentioned that NIM suffered from lower spreads in operations, but I think we've also seen a very relevant change in the bank's portfolio mix, the credit portfolio, I think it's falling year on year and TVM has been doing very well, I think there's a strong capital market trend there in this sense, I wanted to understand from you, the portfolio growth that we see in the guidance. If you could comment a little on whether it should continue to come from TVMs and then maybe put a little pressure on the margin, but eventually if it collects more revenue from services or if not, there's no defined guideline and you're going to pilot more according to the environment for the capital market expressed in Corporate and everything else, it would be nice to understand this point here. Thank you.

Mr. Sérgio Lulia: Thank you for your question. Look, in fact, the bonds have been very well accepted by clients and from the bank's point of view, it gives us greater flexibility in managing the portfolio, because even we, when we're originating the transaction in the committees, we already define whether the security being originated is for the portfolio or for sale. So there are times when it can be for both, a percentage for one, a percentage for the other, but there are operations where you actually distribute 100% to the market and there are operations where you say: look, I'd like to carry these operations on my balance sheet, knowing that the instrument will give you flexibility if and when you want to distribute them. So, for a bank like ours, which normally has a large origination capacity, the ability to stack assets on top of assets is limited by the size of the assets. This is very welcome. So, we try to sell this product to clients. Clients accept it well; they like it too. Also, because loans are subject to IOF and bonds are not. So, I haven't put together a projection for each instrument. We offer whatever the client wants, but the tendency I would say, from what I follow, is that bonds will continue to



grow at a faster rate than loans. Now it's about achieving the guidance for the year, which, as I said before, this first quarter had the dollar effect, which represented 1.2% in our case, a drop in the portfolio due to the appreciation of the real. But there was also the seasonality that is normal, and we hope that on the macroeconomic side, if it remains relatively under control, we will return to growth in the coming quarters.

Mr. Mateus Raffaelli: Yes, of course, thank you.

Mr. Ricardo Moura: Thank you, Mateus. Our next question is from Ricardo Buchpiguél from BTG Pactual. Ricardo, thank you for participating, please ask your question.

Mr. Ricardo Buchpiguél: Good afternoon, everyone and thanks for the opportunity to ask questions. I have two on my side. The first is to hear from you whether the relationship between risk and return in credit, both for large companies and in the Middle, is performing better than you expected when you set guidance at the beginning of the year. Whether it's because there's been this stress adjustment that you've already mentioned, perhaps a slightly more benign scenario in terms of risk with the Selic, perhaps having its upward cycle shortened a little. And still about risk, my second question, we saw a good drop in the cost of risk in relation to the fourth quarter, even, as you said, below the historical average. If you could also comment a little on the rationale behind this improvement, if there are any assumptions that I'm considering more optimistic for the rest of the year and what we could also expect for the rest of the year along these lines, whether it should stay more at the level we saw in first quarter or eventually return to historical averages. Thank you.

Mr. Sérgio Lulia: Perfect, Ricardo. Thank you for your questions. On the question of risk-return, I would say that in the large companies that I'm talking about, those in C&BI, which are companies that in our definition have revenues of over R\$4 billion, I wouldn't say that it's the wrong risk-return. From our point of view, there is a wrong return on allocated capital. So, we're not looking at it from the perspective of economic return, but from the perspective of regulatory return. It's not because you must put in a portion of capital depending on the spread that this return is not enough for the return we expect to give. So, we've been more selective, but I think that, from the point of view of return on the credit risk taken, it's a segment that is low risk in general. There are some known cases of large companies that are more leveraged, but they are a minority, and I think the market has mapped them well. Then there's the Corporate segment, that middle segment where we have 60% of the portfolio, which are companies with revenues of between R\$300 million and R\$4 billion and which is a segment where we've grown 20% a year. And this figure shows that we think there is an adequate return there, both from the point of view of risk and from the point of view of regulatory capital. This segment also underwent the spread comparison I mentioned in a previous question, and there has now been a recovery, which has brought spreads back to levels close to those practiced in 2023, not that they are high spreads, but they are the right spreads for the



segment. So, we feel comfortable growing. In the Middle, I think we're more conservative. In the Middle, in fact, we know that these companies have a shorter debt profile, that these companies suffer more when there is an economic slowdown. We couldn't say what the intensity of the economic downturn would be. So, we were a little more conservative, and the growth of the portfolio suffered. But now we're seeing a new scenario, a little clearer, right? I think it's possible to start growing again, and at relatively good rates.

Mr. Ricardo Moura: Thank you, Ricardo. Now on to our next question. Carlos Gomez-Lopez at HSBC. Carlos, thank you very much for your participation. Feel free to ask your question.

Mr. Carlos Gomez-Lopez: Thank you. I will ask my question in English. Following up on Brian's question about capital. You are now at 11.7%, is that a tier you want to maintain?

Mr. Ricardo Moura: Carlos is asking about capital, if our core capital tier of 11.7% is adequate or if we envision any change in that regard. Do you want to talk about Borejo?

Mr. Sergio Borejo: I can speak. In Portuguese or English?

Mr. Ricardo Moura: Portuguese.

Mr. Sergio Borejo: Sorry, Carlos. Thanks for the question, Carlos. Nice to talk to you. Historically, core equity Tier I has been around a little more, a little less than 11%, and to be something adequate today, more adequate for us, 11.7% is above what we have been practicing. Whether it is because we have made a profit or because our risk profile has improved. But the fact is that it is a little above the average we have been practicing. I think something close to 11%, a little more, is adequate. And regarding the Tier I total of 13%, also a little, a little more, much more like a guideline than a limit. It also seems an adequate figure for what we practice and for the markets we are in today. Carlos.

Mr. Carlos Gomez-Lopez: Thank you!

Mr. Ricardo Moura: Thank you very much, Carlos. We now conclude our question and answer session. I would also like to thank everyone for their participation. And so we come to the end of our first quarter 2025 earnings conference call. I'll hand the floor over to Borejo and Lulia to give their closing remarks.

Mr. Sergio Borejo: Thank you again for the opportunity. Hope to see you soon. Thank you very much.



Mr. Sérgio Lulia: I would also like to thank everyone and I hope to be back here soon with the second quarter results and the whole team remains available for any other questions you may have. Thank you very much.

Mr. Ricardo Moura: Thank you, Lulia, and Borejo for the presentation. I would also like to thank everyone for their participation. The presentation is now available on the IR website and the video of the broadcast will be on our YouTube channel. If you want to listen to the broadcast in audio format, it will also be available on ABC Brasil's Spotify. If you have any questions, the IR team will be happy to answer them, and we'll see you on the next earnings call. Thank you very much!