

FAQ

Share

Subscription

Definition

The Share Subscription is an opportunity whereby existing shareholders can exercise their pre-emptive right to acquire new shares to be issued by CBA, in order to prevent their shareholding from being diluted due to the private capital increase underway. The new shares subscription is being proposed at a price below the current trading price of the shares on B3. The credit consisting of the dividends declared at the Company's Annual and Extraordinary General Meeting held on 04/27/2023 can be used to pay in the new shares (for existing shareholders who are entitled to such dividends and who elect this option) ("**Dividends**"). The capital increase underway will be at least R\$ 139,872,824.31 and at most R\$ 206,042,831.20, through the issuance of at least 37,499,416 new shares and at most 55,239,364 shares of the Company, and was resolved at a meeting of the Company's Board of Directors held on 11/08/2023.

Why is this capital increase being carried out via a private share subscription?

The capital increase aims to preserve the Company's capital structure and reinforce its cash position.

Is CBA's controlling shareholder going to exercise its pre-emptive rights under this capital increase?

The Company has received an indication from its controlling shareholder that it intends to subscribe to the capital increase using credits from declared and unpaid dividends, ensuring the attainment of the minimum number of shares to be issued under the increase, without prejudice to its interest in any additional surplus shares under the capital increase. Despite this, there are no formal subscription commitments.

What is the share subscription price?

The price per share under the capital increase will be R\$ 3.73 per share, which corresponds to the weighted average price of the Company's shares (CBAV3) in the last 30 trading sessions held between 09/25/2023 and 11/07/2023, with a discount of 10%.

Who can participate?

Shareholders holding Company shares (CBAV3) at the close of trading on B3 on **11/13/2023 ("Cut-off Date")** have pre-emptive rights to subscribe shares issued under the capital increase.

How can I calculate the number of shares I am entitled to under the capital increase?

The number of new shares to be subscribed will depend on the number of Company shares (CBAV3) that each shareholder holds on the Cut-off Date.

The number of new shares to be subscribed by each existing shareholder by exercising their pre-emptive right is calculated by applying a percentage (obtained by dividing the number of new shares to be issued under the capital increase by the initial number of Company shares before the capital increase, excluding treasury shares) to the number of shares held by the respective shareholder on the Cut-off Date. This amount does not include any subscription of surplus shares and additional surplus shares, as the case may be.

Current Number of Shares: 595,833,333
Number of Shares to be issued: 55,239,364
Number of Treasury Shares: Not applicable.

subscription %: 9.27094221498%

When can I subscribe the new shares?

Shareholders can subscribe the new shares between **11/14/2023** (inclusive) and **12/14/2023** (inclusive) ("**pre-emptive Rights Period**").

The holders of shares in custody at the B3 Central Securities Depository should exercise their subscription rights by **12/13/2023**, via their Custody Agents and in accordance with the rules established by this Central Securities Depository.

How can I subscribe my rights?

The rights can be subscribed through the broker holding the shareholder's shares in the Company (CBAV3) and/or via BTG PACTUAL SERVIÇOS FINANCEIROS S/A DTVM, the agent responsible for keeping the records of the Company's issued shares. ("**Transfer Agent**"). Queries regarding the subscription procedure should be directly referred to your broker and/or Transfer Agent, as the case may be.

Do I need to have a balance in my broker account to make the subscription?

At the discretion of each shareholder, the subscription can be paid in by shareholders with Dividend credits, using these credits and **not** using the balance of their broker account. At the time of the subscription, shareholders with Dividend credits should state whether they intend to use their credits to pay in the shares.

I.e.: if you choose this option, the amount you would have received as Dividends will be used to pay in new shares, **meaning there is no need to have a balance in your broker account to make the payment. Nevertheless, the Company recommends that each shareholder consult their respective broker to ascertain whether it will require some form of financial guarantee or deposit for the purpose of the subscription and paying in the new shares.**

What happens if I subscribe my rights?

Shareholders with shares in custody at the Transfer Agent who elect to subscribe the new shares or those who elect to subscribe new shares through their respective Custody Agents will receive **Subscription Receipts**, which can be traded until the approval of the capital increase.

Can I assign my pre-emptive right?

Shareholders with shares in custody at the Transfer Agent who elect not to subscribe their rights can assign their respective subscription rights during the Pre-emptive Rights Period by completing the relevant rights assignment form. Shareholders whose shares are in custody at the Central Depository and who wish to assign their subscription rights should inform their custody agents of this, subject to the rules stipulated by the Central Securities Depository.

The subscription rights of shareholders with shares in custody at the Transfer Agent can be traded until the last day of the Pre-emptive Rights Period. The subscription rights of shareholders with shares in custody at the Central Securities Depository can be traded until 12/13/2023 via their respective custody agents.

A shareholder entitled to Dividends who assigns their pre-emptive right will still receive the dividends.

Will there be a Surplus subscription period?

The Surpluses (consisting of the shares underlying the subscription rights not exercised during the Pre-emptive Rights Period) can be subscribed in a period that will be disclosed in due course by the Company through a notice to the market ("**Surplus Subscription Period**").

To participate in the surplus subscription, shareholders shall have exercised their Subscription Rights during the Pre-emptive Rights Period and upon subscription elected to participate in the surplus distribution.

The specific procedures and terms for subscribing and paying in surpluses, including additional surpluses (new surpluses that remain after the initial round of surplus subscriptions) are set out in the Company Announcement and Shareholder Notice, both published on 11/08/2023. They will also be detailed in a market announcement to be disclosed by the Company in due course, which will inform the term for subscribing surpluses, the number of unsubscribed shares and the subscription and payment conditions for subscribers who wish to participate.

When will the Receipts be converted into Shares?

Subscription receipts will be credited to shareholders after the subscription of shares has been transferred and will be negotiable on B3, until the Company's Board of Directors ratifies the capital increase.

The Company's new shares subscribed under the capital increase (CBAV3) will be credited to subscribers within 03 (three) Business Days after the capital increase has been ratified by the Board of Directors. Trading of the new Shares on B3 will begin after the capital increase has been ratified by the Board of Directors.

[Click here](#) to see the Company Announcement regarding the private capital increase.

Investor Relations Contacts

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