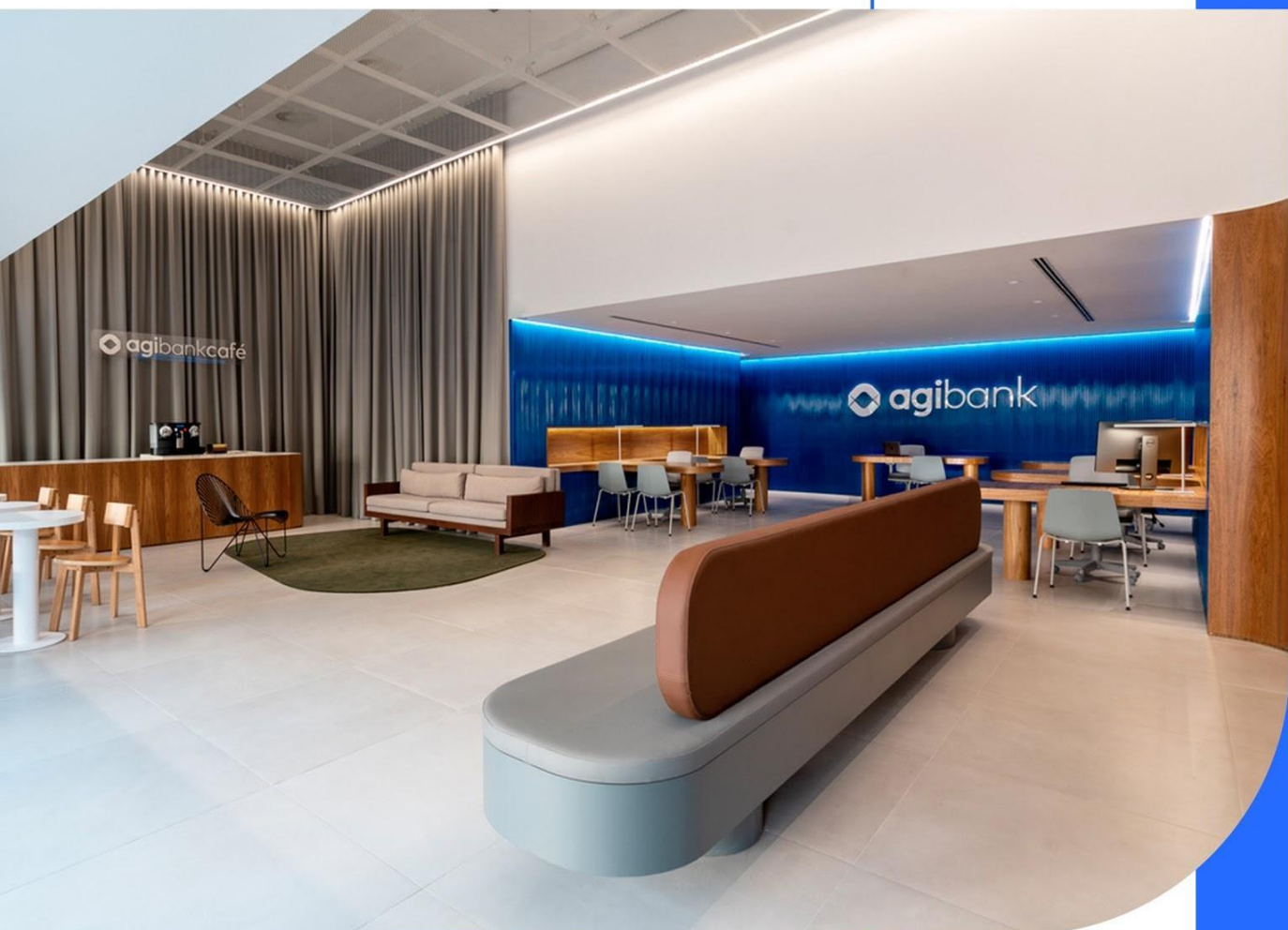


1H20 **Management Report**



Management Report

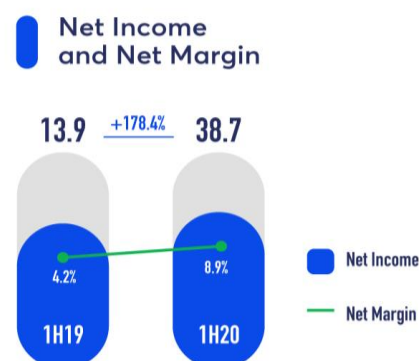
Porto Alegre, August 12, 2020 – Banco Agibank S.A. (“Bank”, or “Agibank”) an omnichannel digital bank offering solutions to improve and facilitate people’s daily and financial lives, announces its **results for the first half of 2020 (1H20)**. The financial statements were prepared based on accounting practices in the Brazilian corporate legislation, associated with the rules and instructions of the National Monetary Council (CMN) and the Central Bank of Brazil (BACEN).

MESSAGE FROM THE MANAGEMENT

The verb **to overcome** sums up the first semester of 2020 for us. Even in the face of a completely adverse environment, we chose not to lament the scenario and wait for the storm to blow over. Instead, our innovative DNA prevailed and, shoulder to shoulder with the amazing people that make up the Agibank team, we have reached important milestones in the first half of the year, which we are proud to share in this publication. First and foremost, we took care of our people, our customers, just when they needed it the most, taking every possible measure to enable honoring our purpose: **making people’s daily lives better**.

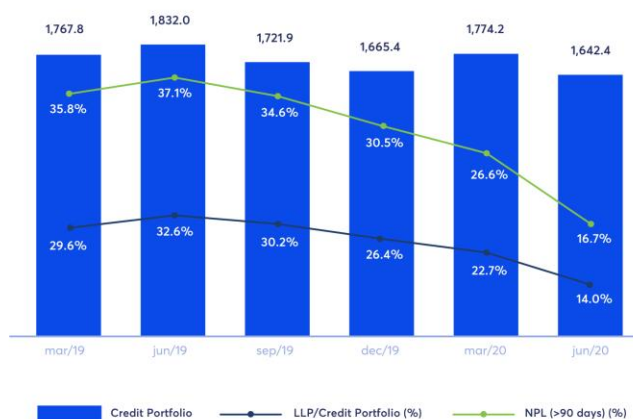
In addition to protecting the jobs of more than 3,000 employees, we took steps to protect people’s health, reinforcing engagement and maintaining productivity, allocating the entirety of our headquarters and call center teams to home office regime. Furthermore, we implemented several service alternatives for customers, enabling them to safely access our products and services.

Over the course of the first half of the year, our financial and operational indicators evolved significantly due to the implementation of new credit models over the past 18 months and of a more diversified portfolio mix. We reached the end of the semester with a gross credit portfolio of R\$ 1,642.4 million and R\$ 38.7 million in net income (+178.4% YoY), representing 21.9% return on average equity (ROAE) and 4.3% return on average assets (ROAA). Risk and liquidity indicators –13.9% Basel Ratio and Liquidity Coverage Ratio (LCR) of 7,040.1% – illustrate our satisfactory capital and liquidity positions.



In June 2020, we recorded over **92% of the credit portfolio with the federal government as counterparty**, the product of a new origination strategy launched in 2019 to significantly expand our target market, bringing the credit portfolio’s risk profile to a new level. Boosted by the disposal of R\$ 143.3 million from a fully provisioned-for credits portfolio, NPL (E-H) stayed on a declining trend and reached 16.7% in Jun/20, down 20.4 p.p. from Jun/19. Another indicator that supports this view is Loan Loss Provision (LLP), which was 14.0% of the gross credit portfolio in Jun/20, down 18.6 p.p. from Jun/19, representing a lower cost of risk and a

Credit Portfolio and Delinquency Ratios

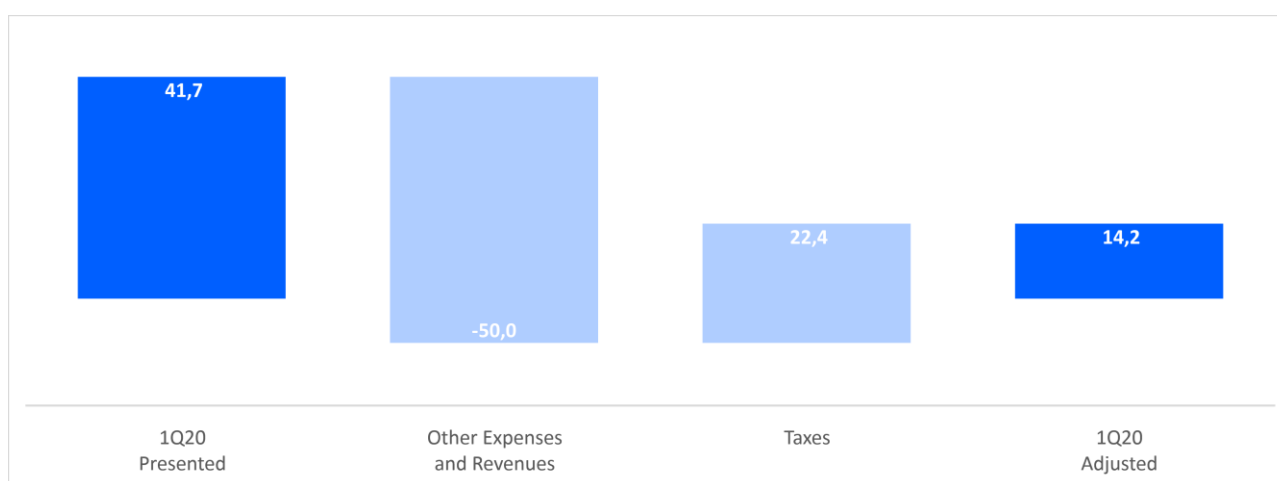


positive indicator for upcoming periods. It's worth noting that, even without considering the disposal of this portfolio, NPL would have reached 23.5% (-13.6 p.p. YoY) and LLP would have been 21.0% of the total credit portfolio (-11.6 p.p. YoY).

The credit portfolio's gradual profile change path remained on course, favoring facilities with lower risk and lower nominal interest rates, such as payroll-deductible loans and payroll-deductible credit cards, which, taken together, gained 104.8% from Jun/19 and already represent 38.4% of the portfolio (*versus* 17.3% in Jun/19). Furthermore, in line with our strategy of building closer ties with customers, we increased the personal credit portfolio of account holders by 64.6%, which now represents 19.0% of the total credit portfolio, exceeding the participation of non-account holders. This mix naturally poses lower risk and enables improved cross-selling, which reached 67% for the life insurance product by June, 2020. We also continue to invest in technology, in improved credit granting models and other phases of the credit cycle, in improved internal processes, and a better customer experience, leading to increased digital transaction volumes and product cross selling.

In the first half of 2020, we also began implementing one of the Bank's greatest achievements in recent years: the opportunity to be the best paying bank for Brazilians' social security benefits and salaries, already starting the first payments in May. We have been preparing for this since last year, adapting our channels, such as by installing cash-out (ATM) options at service outlets and certifying them as payment units. This substantially increases our target market and gives us an opportunity to scale up the relationship strategy nationwide.

Also in the first half, we announced the Italian conglomerate Generali – one of the largest asset management groups and a top-5 insurance player – as an exclusive partner for commercializing the group life insurance product for the next 5 years. The partnership's outcome is a more comprehensive product for our customers, with upgraded services and coverage amounts for the same price of the policies previously available. During negotiation of the partnership's commercial terms, due to the quickly expanding credit portfolio, we established a marketing allowance that was accounted for in Mar/20 as Other Operating Revenues. As credit approvals dwindled during the peak-pandemic months (March, April and May), and as capital requirements consequently decreased, we jointly decided to renegotiate the agreement to eliminate the amount paid as marketing allowance and increase the variable share owed over the 5 years of the agreement, which grants us an important benefit in NPV terms. We then submitted the 1Q20 Net Income reconciliation (in R\$ millions), taking the new terms of the agreement into account.



In June, Agibank was physically present in every Brazilian city with more than 100 thousand inhabitants, with service outlets, which are more than just brick-and-mortar service points: they are mechanisms for financial and digital literacy for our customers, insofar as they can address their financial needs with the assistance of technology, with free Wi-Fi, which enables downloading the app, opening a checking account, carrying out paycheck portability or electing to receive their social security benefits through Agibank, far removed from the traditional financial market's red tape. All digital channels have been remodeled, from the ATM experience to the App and Internet Banking. This was done hand-in-hand with customers, who were interviewed and visited at home so we could gain in-depth awareness of their needs and yearnings. This served as input for the construction of our solutions and communication strategy. This is yet another example of how far we are consolidating our omnichannel strategy and providing easy access on every platform, through which customers have available a unique off- and online combination.



Important recognitions over the course of the semester have also raised Agibank's profile in the domestic financial industry's digital transformation scenario, bearing witness to the quality of customer service, which is constantly at the heart of all our strategic initiatives.

RA1000 Seal. Agibank was the only financial institution to attain the RA 1000 index in the *Reclame Aqui* twice-annual reputation ranking of. According to the Website, Agibank has responded to 100% of complaints and resolved 90.9% of cases, for a score of 8.3. Out of all customers, 79.7% would do business with us again, a record for the industry. *Reclame Aqui*'s criteria were the response index (*índice de resposta* – IR), the average ratings from consumers, and the solution index (*índice de solução* – IS), which only takes into account resolved and rated complaints. To enter the ranking, the response index must exceed 50%, and there must be 10 ratings or more. With this recognition, the Bank gives evidence that it can grow its customer base even as it further improves service quality across all contact points – be it the app, virtual and telephone service channels, and the 614 service outlets throughout Brazil.



New solutions. We increased the pace of new service releases, such as: **Digital Withdrawal (Saque Digital)**, **Digital Payroll-Deductible Loan (Consigado Digital)** and **Credit via WhatsApp (Crédito via WhatsApp)**. Respectively, these new solutions enable withdrawals from more than 30 thousand ATMs of participating networks without the need for a card; safely getting personal payroll-deductible loans from home using digital channels; and renewing credit operations using the most popular instant-messaging application in Brazil.

Flagship. July 23, 2020, will go down in history for Agibank. On that date, we unveiled our first concept store, in Porto Alegre, next to our headquarters. The initiative underscores what has always been our belief: **the brick-and-mortar service experience doesn't need red tape**, much less revolving doors or line management. To the contrary, our store is an anti-branch, cozy and designed to make customers linger. We want to provide an increasingly digital journey for customers, regardless of the channel they access, and a brick-and-mortar location is yet another opportunity to make this journey fluid and frictionless. The new space features curvy furniture and unusual items like drapes and carpets, in addition to the *Café Agibank*, where employees and customers may grow

even closer together. The site will also be used as a lab to test new technologies, products and services to be implemented across our entire chain. The plan is to replicate the concept store model in regions like the Southeast, North and Northeast in 2021. The concept store will also serve as a relationship mechanism with employees, who will be able to enjoy the services provided and rely on the support from the staff to address their financial needs.



Flagship store unveiled on July 23 in Porto Alegre, next to the Headquarters.

NPS and Digitalization. The consultant – Agibank employee who identifies deeply with customers – plays an increasingly key role: providing welcoming and humanized service, offering appropriate and fair products and services, encouraging customers to help themselves digitally on increasingly simple and comprehensive channels, with a unique user experience conceived and developed to serve a *persona* that the Bank has known for more than 20 years. It is a big challenge, but the effort is already bearing fruit: our digital channels usage rate in the 50+ y.o. public is at 45%, versus a global average of 8%. And the best part is that customers have been acknowledging our effort and partnership. NPS (Net Promoter Score, a customer-satisfaction metric) for this demographic reached 80 points in June, which is significantly higher than the banking industry's average.

ESG (Environment, Social and Governance). Following to best disclosure practice, we believe that it is important to disclose our environmental, social and governance gains integrally with financial statements. It is important to underscore that, even while addressing the topic in a section devoted to zooming in on each of our actions, ESG practices are increasingly disseminated across our overall corporate structure.

We at Agibank work driven by our purpose of making people's daily lives better. We want to be true partners for our customers, embracing their needs and providing a more peaceful financial life. Based on these compass points, a clear connection exists between what drives us and the ESG tripod, which makes us act more and more with the acronym for bearings. It is a road yet to travel, but what we have accomplished so far gives us pride and pushes us along.

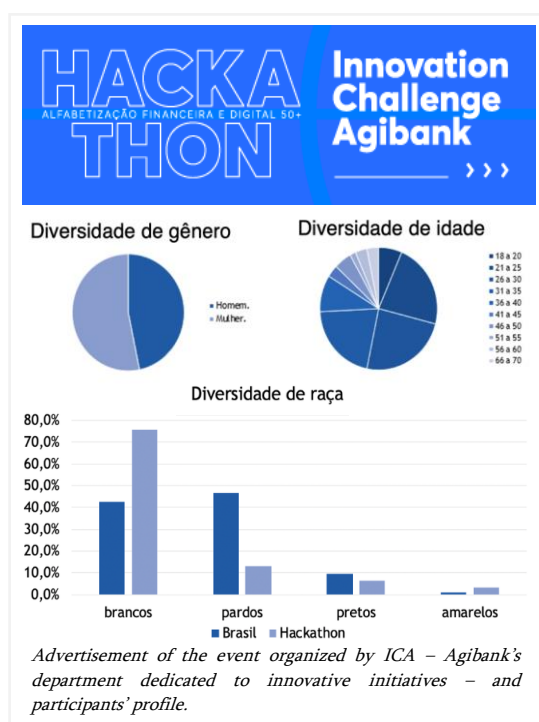
- **Environment.** To eliminate paper from in-person transactions with customers, we are implementing the **paperless** journey, which will lead to an even better experience at our physical outlets. On the customer's or the consultant's mobile phone, after negotiation and product selection, the entire checkout phase is done on a digital platform that uses biometric and electronic authentication to execute the entire operation. This is all done in a quick and easy manner, eliminating the need for any paperwork. The initiative is

integrated into our strategic planning and the concept store will pilot implementation of the journey.

Additionally, in pursuit of **eco-efficiency**, we have placed a challenge before our employees, provoking ourselves to “deplastify” the main offices, replacing plastic cups with mugs given by the Bank. The goal is to substantially decrease the number of plastic cups used per year, which were 90,500 units in 2019.

- **Social.** For us, offering simple and affordable products and services is just as important as giving customers an opportunity to have a better relationship with money and with the increasingly digital world in which we live. This is due to the fact that a significant portion of our target market is made up of digital immigrants, with limited experience with financial services and more than 50 years of age. With this in mind, we made it a cause to provide our customers with financial and digital literacy. This is how we expect to create a **virtuous cycle: fairer products lead to more aware and independent customers, who lead to even fairer products.**

As life-spans and the offer of digital financial products increase, inclusion of the 50-plus y.o. demographic became a challenge for us, and even more so in these times of social distancing. For this reason, just as the semester ended, we held the 100% digital hackathon “50+ Digital and Financial Literacy” to co-create solutions to make this public’s daily lives easier, adding autonomy to the management of their finances and access to technology. The event had more than 260 applicants, of which 86 were selected to form 13 teams running for a R\$ 6 thousand prize and the opportunity to show their ideas to the Bank’s top management. Employees and outsiders alike were able to present their projects, aiming to address real issues to which Agibank has always been dedicated: expanding basic financial management knowledge, making the language of banking accessible, and tearing down technological barriers preventing access to banking services.



As concrete fruits of this endeavor, our digital account has already saved over R\$ 217 million in transfers, fees and withdrawals that the customers no longer need to pay. Add to this savings of R\$ 236 million in credit payments, a result of our continued reduction of average interest rates on loans since 2019. Together, these R\$ 453 million are an opportunity for customers to better organize their finances and use the savings in their daily lives.

In addition to being obsessed with customers, we understand that Agibank can only sustainably attain its medium- and long-term objectives if it cares for its main asset: people. Our agile model provides a growth horizon and room for employee intrapreneurship. Another important point is the pursuit of diversity and equality of opportunity. One piece of data that makes us very proud is the percentage of women on the payroll (73%) and the percentage of women in management, which is 66% of all leaders. Items such as racism and LGBTQ+ rights are ever-present in our agenda, and always constructed with the contribution of employees themselves.



Also in the first half of the year, we were once again certified by **GPTW** (Great Place to Work). The achievement is the result of a survey done by the institute that randomly selected over 1,000 employees of Agibank and affiliated companies. The satisfaction level found was 87%, which allowed the bank to achieve the certificate for the second consecutive year. This is additional evidence that important project deliveries only took place due to an engaged and motivated workforce made up of more than 3.2 thousand employees who make Agibank one of the best places to work in Brazil.

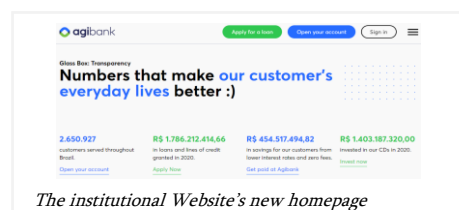
Our countless social initiatives are joined by the recently-launched **Ageless Friendship (Amizade Sem Idade)** platform, which united two key elements from our culture – technology and a welcoming attitude – to enable the elderly living in long-stay homes to be in touch with relatives and friends during this lengthy period of social isolation. The Bank, which gifted user-friendly tablets to the homes, also devoted hours of work from employees, who volunteered to chat and exchange experiences with the senior citizens. The project will be expanded in the coming months, as the initiative reinforces our intent to include the 50+ y.o. demographic, in addition to reinforcing our calling for relating with this public, which now represents over 50% of our customer base.



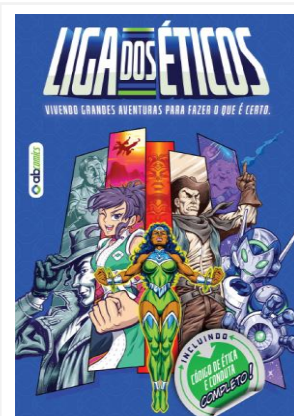
- **Governance.** As concerns corporate governance, this half of the year was marked by gains: the first was the timely convening of a **Crisis Management Committee**, with the purpose of implementing and tracking the results of all steps taken to alleviate the impacts of the pandemic, holding recurring meetings with the entire Executive Board in attendance and a large portion of the Bank's managers, thereby assuring that all action fronts will function.

The second important milestone was the formalization of an **ESG Committee** made up of members with a genuine interest and cross-disciplinary backgrounds, guaranteeing the dissemination of the practices throughout the Company. The ESG Committee is sponsored by the Chief Financial and Investor Relations Officer and reports to the Executive Board.

Embracing the **Glass Box** concept, we also launched our institutional Website's new homepage. The purpose is to make our numbers even more transparent and reiterate for our stakeholders the growing relevance that Agibank has been earning in various products and services. Just visit us.agibank.com to view.



No less important, we proved once again that creativity and innovation are not only present in technology areas and on the operational front. Our Risk Management and Compliance team released a new version of the Code of Ethics and Conduct in a unique format: a comic book. In addition to piquing everyone's curiosity, the team created characters, stickers and challenges so that the document will be easily disseminated and understood, driving employee engagement exponentially. The new Code has been published and may be viewed on the Investor Relations Website: ri.agibank.com.br/en.



The Code of Ethics and Conduct's new format

Outlook. In the face of an even more complex macroeconomic environment, our competitive advantages become evident, enabling Agibank to stand out on an adverse scenario and grow consistently, even if at a more modest pace. Our asset-light model allows us to adjust to the new dynamics in a nimble manner by means of a lean cost structure compared with other players, which enables offering fairer, more affordable products, with a unique value proposition for our target public. It is also worth emphasizing how much ground we have gained on our credit models, investing in data science, more robust engines, and the continuous creation of risk groups, constantly absorbing new information as it becomes available and adjusting ourselves to the Country's new reality to go on granting credit responsibly and sustainably.

It is worth mentioning that, in line with our strategy of becoming increasingly accessible on every channel and going in the opposite direction of major banks, Agibank continues to **expand its service network**, maintaining investments to open 100 new outlets by yearend 2020, of which 19 were already operating by June 2020, with a focus on the regions where we achieved the leading positions in the INSS auction: Rio Grande do Sul, Maranhão, São Paulo (State Capital) and the North region.

With an extremely engaged team that is connected to our purpose and capable of carrying out this transformation, even faced with a challenging scenario – therefore one with lower short- and medium-term visibility, we maintain our prospect of credit portfolio growth in 2020, due mainly to the effects of the evolving portfolios of personal credit to account holder, payroll-deductible loans and payroll-deductible credit card, expanding our customer base sustainably, driven more and more by relationships.

We therefore begin the latter half of 2020 with important gains in the construction of the relationship bank for our existing and future customers. The release of new products, services, channels and features, together with improvements made, will surely foster long-term ties to generate a virtuous circle of growth, seated on an increasingly full-range portfolio with fairer and more attractive terms and conditions for people to enjoy better lives.

Acknowledgements. More than ever, Agibank wishes to thank its customers, employees, service providers and partners for their support, endeavor, courage and dedication during one more semester.

*Porto Alegre, August 12, 2020.
The Management*

HIGHLIGHTS

- In line with its **relationship banking** strategy, Agibank made an important move in the period by reducing by **22,7%** the **average interest rate on non-payroll deductible personal loans**, as shown in BACEN's website;
- The Bank posted a total of **805,1 thousand accounts in June 2020**, a year-over-year increase of 25.1%;
- **Digital transactions volume** increased by **86.8%** in **1H20**, an indication of a significant advance in customer usage of the Bank's products and services, together with a **42.0%** decrease in **cost per transaction**, indicative of the capture of economies of scale;
- The **Credit Portfolio** amounted to **R\$ 1,642.4 million** in the period, down **1.4%** from Dec/2019, of particular importance being the 92.0% of the total credit portfolio now backed by federal government risk in June 2020;
- **Defaulting decreased in the period**, as measured by two indicators: **NPL (E-H)** was down from 34.6% of the gross credit portfolio in Jun/19 to **16.7% in Jun/20**, the lowest since 2018; and **LLP**, which was 32.6% of the gross credit portfolio in Jun/19, reached **14.0% in Jun/20**, down 18.6 p.p.;
- A **Basel Capital Adequacy Ratio** of **13.9%** and **LCR** of **7,040.1%** illustrate the institution's capital and liquidity positions, respectively;
- The Bank's **Cash** position was **R\$ 1,115.4 million** in Jun/20, up **12.8%** year-over-year;
- **Net Earnings** amounted to **R\$ 38.7 million** in **1H20 (+178.4% YoY)**. This was mainly the product of higher intermediation result, largely generated by a gradual change in the credit portfolio's profile towards lower-risk lines which generated lower LLP expenses, resulting in a **ROAE of 21.9%** and a **ROAA of 4.3%**;
- **Net Equity** reached **R\$ 550.2 million** in June 2020 (+14.3% YoY);

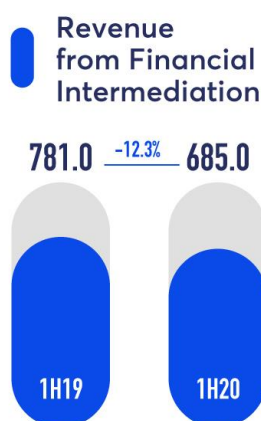
KEY INDICATORS

In millions of Reais, unless otherwise stated		1H20	1H19	1H20/1H19
Results	Revenue from Financial Intermediation	685.0	781.0	-12.3%
	Expenses from Financial Intermediation	(252.2)	(451.8)	-44.2%
	Gross Profit from Financial Intermediation	432.9	329.2	31.5%
	Operating Expenses	(375.3)	(319.0)	17.6%
	Operating Income	57.6	10.2	465.6%
	Net Income	38.7	13.9	178.4%
Performance	ROAE ⁽¹⁾ a.a. (%)	21.9%	13.2%	8.7 p.p.
	ROAA ⁽²⁾ a.a. (%)	4.3%	2.8%	1.5 p.p.
	Net Interest Margin ⁽³⁾ a.a. (%)	35.1%	36.2%	-1.1 p.p.
	Operating Efficiency Ratio ⁽⁴⁾ (%)	75.7%	46.7%	29.0 p.p.
	Risk-adjusted Operating Efficiency Ratio ⁽⁵⁾ (%)	87.6%	97.2%	-9.6 p.p.
	Net Margin ⁽⁶⁾ (%)	8.9%	4.2%	4.7 p.p.
Balance Sheet	Net Equity	550.2	481.6	14.3%
	Assets	2,763.7	2,480.4	11.4%
	Cash	1,115.4	989.2	12.8%
	Credit Portfolio	1,642.4	1,832.0	-10.4%
	Leverage ⁽⁷⁾	3.0	3.8	-0.8 p.p.
	Loan Loss Provision/Gross Credit Portfolio (%)	14.0%	32.6%	-18.6 p.p.
	NPL (>90 days) (%)	16.7%	37.1%	-20.4 p.p.
	Capital Adequacy Ratio (%)	13.9%	14.0%	-0.1 p.p.
Others	Total Number of Clients	1,015,797	1,162,076	-12.6%
	Total Number of Accounts	805,139	643,403	25.1%
	Total Number of Outlets	614	596	3.0%

(1) ROAE = 12-mo Net Income/Average Equity; (2) ROAA = 12-mo Net Income/Average Assets; (3) Net Financial Margin = 12-mo Gross Profit from Fin. Int./Average Interest-Bearing Assets; (4) Operating Efficiency Ratio = (Adm. Exp. + Payroll Exp. + Tax Exp. + Other Operating Expenses and Revenues/Gross Profit from Fin. Int. before PBC + Services Revenue, Bank Fee Income); (5) Risk-adjusted OEI = (Adm. Expenses + Payroll Expenses + Tax Expenses + Other Operating Expenses and Revenues)/Gross Profit from Fin. Int. + Services Revenues + Bank Fee Income; (6) Net Margin = Net Income/Gross Profit from Fin. Int.; (7) Leverage = Total Credit Portfolio/Equity.

MD&A

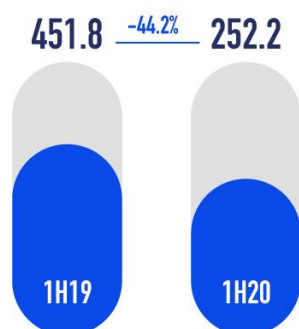
REVENUE FROM FINANCIAL INTERMEDIATION



Revenue from Financial Intermediation was R\$ 685.0 million in 1H20, a 12.3% decrease from the first half of 2019, due to continually increasing origination of facilities with lower risk and nominal rates, such as payroll-deductible loans and credit cards, in addition to a 22.7% decrease in effective personal credit interest rates, which, by consequence, lead to lower risk levels. Another factor impacting the decrease in Revenues was the fall of Selic rate, which negatively influenced returns on financial investments.

EXPENSES FROM FINANCIAL INTERMEDIATION AND LIABILITIES PORTFOLIO

Expenses from Financial Intermediation



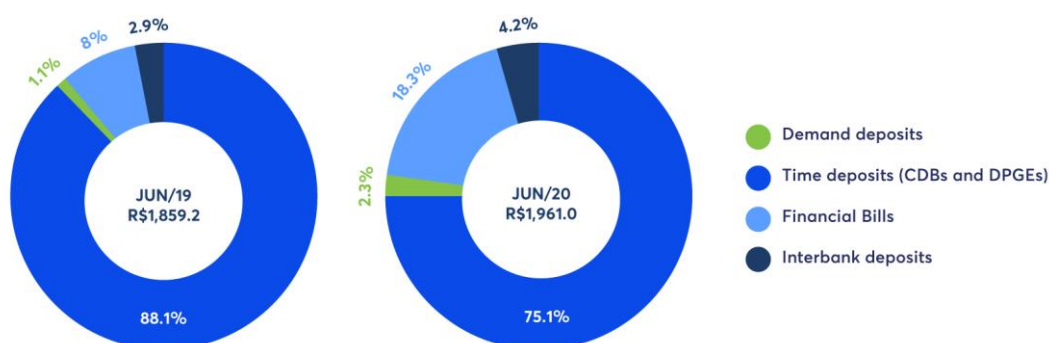
Expenses from Financial Intermediation amounted to R\$ 252.2 million in 1H20, down 44.2% year-on-year, due mainly to lower LLP (Loan-Loss Provisions), capturing the benefits of a better portfolio mix and improved efficiency in credit cycle phases including modeling, approval and operations maintenance.

As for funding, the Bank relies on a fundraising structure whose main component is CDB-based (time deposits), appropriate for the profile of its credit portfolio, which is conservatively managed, maintaining comfortable liquidity levels.

Agibank distributes its securities by means of more than 40 platforms and is currently undertaking a gradual process of diversification of its funding sources. This has proved beneficial and efficient in terms of dispersal and costs, notably with the issue of public, bilateral and subordinated Financial Bonds.

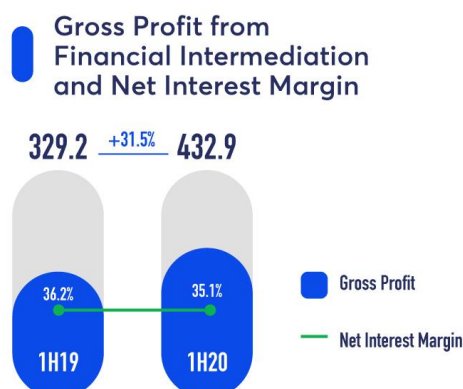
In the first half of 2020, the Central Bank of Brazil issued resolutions for enhancing liquidity in the Brazilian financial system, notably in the form of Time Deposits with Special Guarantee (NDPGE) and Guaranteed Financial Bonds (LFG), the latter bearing a cost of Selic + 0.6% p.a., with the Central Bank itself as counterparty. Taken together, NDPGE and LFG give the Bank a potential increase in liquidity of approximately R\$ 1.5 billion, of which R\$ 289.2 million and R\$ 127.2 million, respectively, had been used by June. Agibank has been evaluating this and the other available limits and, should it decide to access them, it will be as a possible alternative for reducing the funding and/or maintenance costs of its already comfortable level of liquidity.

Funding Breakdown



Worthy of note is the increase in the volume of Demand Deposits, reporting R\$ 42.4 million in Jun/20. With the beginning of the payment of social security benefits, mainly following the INSS auction, the Bank expects an even greater advance in this resource, given the profile of the customers that will naturally migrate to the institution under this new dynamic.

GROSS PROFIT FROM FINANCIAL INTERMEDIATION



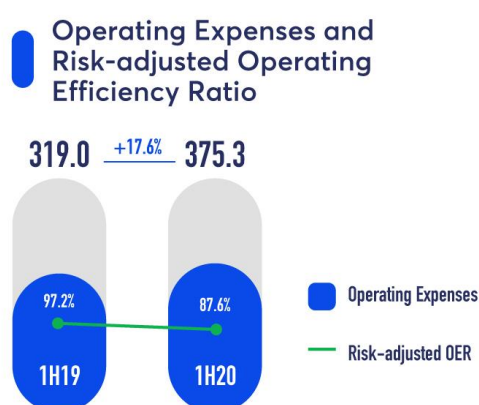
Gross Profit from Financial Intermediation was R\$ 432.9 million in 1H20, up 31.5% YoY, for the same reasons that led to a greater proportional reduction in Expenses than the decline in Revenue, as discussed previously. The annualized Net Interest Margin, calculated based on the Gross Result from Financial Intermediation to Interest-Paying Assets, reached 35.1% in June 2020.

SERVICES REVENUE

In millions of Reais, unless otherwise stated	1H20	1H19	1H20/1H19
Comissions	12.0	11.2	7.0%
Purchase Pool Administration Fees	1.5	2.2	-31.6%
Sign up Fees	5.6	7.0	-19.1%
Annuities	3.7	5.0	-27.0%
Other Fees	9.3	6.1	52.2%
Total	32.2	31.6	1.9%

Service Revenue, which includes revenues from fees and services rendered, amounted to R\$ 32.2 million in 1H20, a 1.9% increase compared with 1H19.

OPERATING EXPENSES



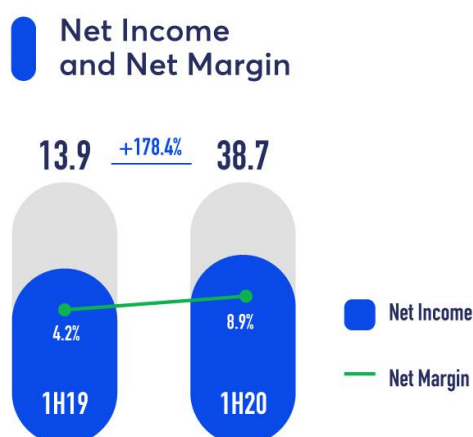
Net Operating Expenses were up 17.6% YoY, reaching R\$ 375.3 million in 1H20. Worthy of mention is that in February 2019, approval was given for the partial spin off of the Bank's net equity to the company Nuova Holding S.A., a related party of the Bank. As a consequence of the spin off, Nuova Holding S.A. assumed control of the sales promoters, Soldi Promotora de Vendas Ltda and Promil Promotora de Vendas Ltda. Consequently, since this reorganization, the Employee Expenses for the service outlets has been booked under Administrative Expenses.

The risk-adjusted Operational Efficiency Ratio (OER), the calculation methodology for which is shown below, was 87.6% in June 2020, down 9.6 p.p. from June 2019, due mainly to the reduced LLP expenses. If June's credit portfolio disposal effects were to be disregarded, OER would have been 94.3%.

OPERATING EFFICIENCY RATIO

In millions of Reais, unless otherwise stated	1H20	1H19	1H20/1H19
Employee Expenses	-56.2	-88.5	-36.5%
Administrative Expenses	-314.6	-208.2	51.1%
Tax Expenses	-35.0	-45.1	-22.5%
Other Operating Income and Expenses	-1.7	-8.8	-80.5%
Total Expenses	-407.5	-350.6	16.2%
Revenue from Financial Intermediation before	506.0	719.2	-29.6%
Banking Service Fees	32.2	31.6	1.9%
Total Revenues	538.2	750.7	-28.3%
Operating Efficiency Ratio (%)	75.7%	46.7%	29.0 p.p.
Loan Loss Provision (LLP)	-73.2	-389.9	-81.2%
Revenue from Financial Intermediation	432.9	329.2	31.5%
Risk-adjusted Operating Efficiency Ratio (%)	87.6%	97.2%	-9.6 p.p.

NET INCOME



Agibank's Net Income in 1H20 was R\$ 38.7 million, up 178.4% from 1H19, and Net Margin was 8.9%. The return bears witness to Agibank's ability to reinvent itself, driven by the purpose to become each customer's main bank.

DIVIDENDS AND INTEREST ON SHAREHOLDERS' EQUITY

In 1H20, Agibank credited dividends as Interest on Shareholders' Equity worth R\$ 6.9 million.

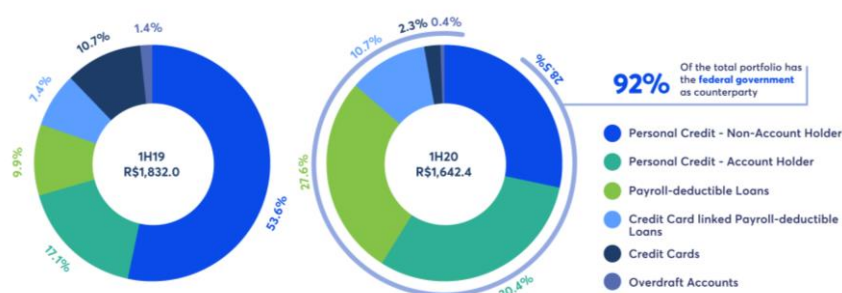
ANALYSIS OF CREDIT OPERATIONS

CREDIT PORTFOLIO

In millions of Reais, unless otherwise stated			Portfolio			Var. %	
Credit Portfolio	jun/20	dec/19	jun/19	jun/20 x dec/19	jun/20 x jun/19		
Personal Credit	951.4	1,084.7	1,235.3	-12.3%	-23.0%		
Personal Credit - Account Holder	491.0	327.0	298.3	50.2%	64.6%		
Personal Credit - Non-Account Holder	460.4	757.7	937.1	-39.2%	-50.9%		
Payroll-Deductible Loans	446.0	263.0	172.8	69.6%	158.1%		
Credit Card linked Payroll-Deductible Loans	172.8	113.0	129.3	52.9%	33.6%		
Digital Credit Cards	37.4	93.4	186.1	-59.9%	-79.9%		
Digital Overdraft Accounts	5.8	14.8	23.6	-60.7%	-75.3%		
Credit Portfolio	1,613.5	1,568.9	1,747.2	2.8%	-7.6%		
Securities and Credits Receivable	28.9	96.4	84.9	-70.1%	-66.0%		
Total Gross Credit Portfolio	1,642.4	1,665.4	1,832.0	-1.4%	-10.4%		
LLP - Credit Portfolio	(225.1)	(413.6)	(569.6)	-45.6%	-60.5%		
LLP - Securities and Credits receivable	(0.8)	(3.6)	(3.2)	-78.0%	-75.2%		
Net Credit Portfolio	1,416.4	1,248.2	1,259.3	13.5%	12.5%		

As of June 30, 2020, the Total Credit Portfolio amounted to R\$ 1,642.4 million, a 2.8% increase from December 2019 and 7.6% decrease from June 2019. Again, the main feature being the growth of the Account Holder Personal Credit and Payroll-Deductible Loans portfolios, which, together with the Payroll-

Portfolio Breakdown



Deductible Credit Card portfolio, represented 68.8% of the total credit portfolio (versus 34.4% in June 2019). It is worth emphasizing that, in June 2020, approximately 92.0% of the credit portfolio had the Federal government as counterparty, which substantially reduces the portfolio's risk. The Credit Portfolio, net of loan loss provisions, amounted to R\$ 1,416.4 million, 13.5% and 12.5% higher than the positions outstanding in December 2019 and June 2019.

QUALITY OF THE CREDIT OPERATIONS PORTFOLIO

In millions of Reais, unless otherwise stated		Portfolio			Provision			Breakdown		
Rating	% of provision	jun/20	dec/19	jun/19	jun/20	dec/19	jun/19	jun/20	dec/19	jun/19
A	0,5%	1.230,1	904,2	894,2	(6,2)	(4,5)	(4,5)	76%	58%	51%
B	1%	33,9	76,4	73,2	(0,3)	(0,8)	(0,7)	2%	5%	4%
C	3%	41,0	61,2	71,8	(1,2)	(1,8)	(2,2)	3%	4%	4%
D	10%	39,3	49,2	59,4	(3,9)	(4,9)	(5,9)	2%	3%	3%
E	30%	39,4	57,3	56,4	(11,8)	(17,2)	(16,9)	2%	4%	3%
F	50%	36,3	49,1	68,7	(18,2)	(24,5)	(34,4)	2%	3%	4%
G	70%	33,5	39,2	61,7	(23,5)	(27,4)	(43,2)	2%	2%	4%
H	100%	159,8	332,4	461,8	(160,1)	(332,3)	(461,8)	10%	21%	26%
Total		1.613,5	1.568,9	1.747,2	(225,1)	(413,5)	(569,6)	100%	100%	100%

CAPITAL MANAGEMENT

BASEL CAPITAL ADEQUACY RATIO

In millions of Reais, unless otherwise stated	jun/20	dec/19	jun/19
Referential Equity - Tier I	471.0	467.2	410.4
Core Capital	471.0	467.2	410.4
Referential Equity	518.5	499.3	440.7
Referential Equity - Tier II	47.4	32.1	30.3
Credit Risk-weighted Assets	1,226.1	1,221.1	1,238.2
Market Risk-weighted Assets	0.7	11.0	10.8
Operational Risk-weighted Assets	2,515.1	2,236.4	1,895.2
Risk-weighted Assets	3,741.9	3,468.5	3,144.2
RBAN	12.1	152.9	250.9
Capital Adequacy Ratio (RE/RWA)	13.9%	14.4%	14.0%
Expanded Capital Adequacy Ratio (RE/(RWA+RBAN))	13.8%	13.8%	13.0%

The Bank's Capital Adequacy Ratio reached 13.9% in June 2020, down 0.1 p.p. from June 2019. This was mainly due to the increased Operating Risk tranche (RWAo), notwithstanding the increased Referential Equity.

LIQUIDITY MANAGEMENT

LIQUIDITY COVERAGE RATIO (LCR) and CASH POSITION

In millions of Reais, unless otherwise stated	jun/20	dec/19	jun/19
High Quality Liquid Assets	829.9	748.8	625.9
Potential Cash Outflows	11.8	19.1	21.9
LCR (%)	7040.1%	3919.1%	2852.7%
Cash Position	1,115.4	1,137.0	989.2

LCR indicates the Bank's capacity to absorb the effects of a scenario of stress with the outflow of a large volume of high quality liquid assets. The amounts are calculated based on the methodology defined by Brazilian Central Bank regulations, in line with Basel III guidelines.

In June 2020, LCR reached 7,040.1%, up 4,187.4 p.p. from June 2019, placing the bank at a comfortable liquidity position.

The Bank's Cash Position reached R\$ 1,115.4 million in June 2020, up 12.8% from June 2019.

ABOUT AGIBANK

Agibank is a full-service bank that embraces each customer's needs as the most important element to be addressed. Digital always, onsite whenever customers need it to be, the Bank offers simple and reasonably priced products and services to streamline the financial lives of thousands of Brazilians. For those who prefer to handle things digitally, there is the App, Internet banking, chat and a relationship center that is always on call. For those who do not want to relinquish one-on-one service, there are more than 600 service outlets across Brazil, plus 2 thousand consultants available to address issues and offer solutions. Our portfolio includes upkeep charge-free checking accounts, credit and debit cards, credit facilities, investments, purchase pools, and insurance. A network of partners provides over 30 thousand ATMs and more than 2 million establishments certified to accept payments using QR Codes. For Agibank, a bank must be like life is: sometimes digital, sometimes physical, never imposing, making people's daily lives better.

DISCLAIMER

The statements in this document related to the prospects for the businesses, forecasts on operating and financial results and those relating to the outlook for growth of Banco Agibank S.A., are merely estimates and as such are based exclusively on the expectations of Management as to the future of the businesses. These expectations depend substantially on market conditions, the performance of the Brazilian economy, the sector and the international markets and are therefore subject to change without prior notice. All variations presented herein are calculated based on the numbers in thousands of Brazilian *Reais*, as are any roundings

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Balance Sheet | Assets - Consolidated

(in thousands of Brazilian Reais)

ASSETS	jun/20	dec/19	jun/19	jun/20 x dec/19	jun/20 x jun/19
Current Assets	2,064,987	2,141,911	2,112,948	-3.6%	-2.3%
Cash and bank deposits	55,085	21,596	1,401	155.1%	3831.8%
Short-term interbank investments	773,315	756,077	733,920	2.3%	5.4%
Securities and derivative financial instruments	45,451	161,514	87,760	-71.9%	-48.2%
Interbank accounts	550	2,150	3,472	-74.4%	-84.2%
Loan operations	1,260,561	1,375,794	1,624,721	-8.4%	-22.4%
Allowance for loan losses	(214,545)	(404,542)	(566,137)	-47.0%	-62.1%
Securities trading and brokerage	-	-	1	-	-
Taxes and contributions recoverable	16,553	24,638	23,728	-32.8%	-30.2%
Receivables from affiliated companies	3,971	5,079	98	-21.8%	3952.0%
Deferred tax assets	53,042	63,263	75,822	-16.2%	-30.0%
Miscellaneous	38,748	39,744	41,082	-2.5%	-5.7%
Notes and credits receivables	28,866	96,448	84,864	-70.1%	-66.0%
Allowance for loan losses	(792)	(3,591)	(3,188)	-77.9%	-75.2%
Prepaid expenses	4,182	3,741	5,404	11.8%	-22.6%
Long-term Receivables	609,641	398,399	295,848	53.0%	106.1%
Securities and derivative financial instruments	241,561	197,807	166,076	22.1%	45.5%
Loan operations	352,960	193,462	122,439	82.4%	188.3%
Allowance for loan losses	(10,614)	(9,390)	(3,440)	13.0%	208.5%
Funds receivable from closed groups	2,534	2,553	2,627	-0.7%	-3.5%
Securities credits receivable	2	2	5	0.0%	-60.0%
Taxes and contributions to compensate	15,015	7,483	-	100.7%	-
Escrow deposits on judicial claims	2,593	2,231	1,142	16.2%	127.1%
Prepaid expenses	5,590	4,251	4,521	31.5%	23.6%
Permanent Assets	89,275	67,839	71,607	31.6%	24.7%
Investments	34	34	34	0.0%	0.0%
Property, plant and equipment	11,999	11,288	13,101	6.3%	-8.4%
Intangible assets	77,242	56,517	58,472	36.7%	32.1%
TOTAL ASSETS	2,763,903	2,608,149	2,480,403	6.0%	11.4%

Balance Sheet | Liabilities - Consolidated

(in thousands of Brazilian Reais)

LIABILITIES	jun/20	dez/19	jun/19	jun/20 x dez/19	jun/20 x jun/19
Current liabilities	869,269	1,115,304	1,058,888	-22.1%	-17.9%
Demand deposits	46,053	26,285	19,562	75.2%	135.4%
Interbank deposits	10,780	50,088	53,607	-78.5%	-79.9%
Time deposits	369,013	881,586	873,197	-58.1%	-57.7%
Funds from acceptance (currency exchange)	-	233	357	-	-
Funds from acceptance and issue of securities	253,210	5,438		4556.3%	-
Interbank accounts	657	-	426	-	54.2%
Financing and borrowings	8	798	579	-99.0%	-98.6%
Collection and payment of taxes and similar	7,791	27,354	145	-71.5%	5273.1%
Social and statutory	34	-	-	-	-
Tax and social security contributions	24,743	25,352	10,518	-2.4%	135.2%
Funds obligations with closed groups	870	514	485	69.3%	79.4%
Other liabilities	156,110	97,656	100,012	59.9%	56.1%
Long-term liabilities	1,344,155	967,355	939,838	39.0%	43.0%
Time deposits	1,103,514	730,257	764,036	51.1%	44.4%
Interbank deposits	72,529				
Funds from acceptance (currency exchange)	-	-	118,098	-	-
Funds from acceptance and issue of securities	51,724	167,225	-	-69.1%	-
Funds pending receipt - judicial collection	2,534	2,553	2,627	-0.7%	-3.5%
Tax and social security	-	-	6,216	-	-
Equity eligible debt instruments	54,224	32,068	30,337	69.1%	78.7%
Other liabilities	59,630	35,252	18,524	69.2%	221.9%
Minority Interest	270	170	112	58.8%	141.1%
EQUITY	550,209	525,320	481,565	4.7%	14.3%
Capital Stock	320,388	326,927	326,927	-2.0%	-2.0%
Capital Reserves	11,436	11,436	11,436	0.0%	0.0%
Profit Reserves	219,140	193,458	143,190	13.3%	53.0%
Adjustments to Market Value - securities and derivatives	(755)	38	12	-2086.8%	-6391.7%
(-)Treasury Shares	-	(6,539)	-	-	-
Retained Earnings	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY	2,763,903	2,608,149	2,480,403	6.0%	11.4%

Income Statement – Consolidated

(in thousands of Brazilian Reais)

INCOME STATEMENT	1H20	1H19	1H20/1H19
REVENUE FROM FINANCIAL INTERMEDIATION	685,047	781,005	-12.3%
Loan operations	642,454	755,573	-15.0%
Short-term interbank investments	12,775	18,732	-31.8%
Securities transactions	5,867	6,697	-12.4%
Derivative financial instruments	(425)	(16)	2556.3%
Foreign exchange	506	19	2563.2%
Resultado da venda de ativos financeiros	23,870	-	-
EXPENSES FROM FINANCIAL INTERMEDIATION	(252,165)	(451,768)	-44.2%
Market funding expenses	(47,384)	(61,258)	-22.6%
Loan operations and onlending	-	(116)	-
Allowance for loan losses	(73,151)	(389,936)	-81.2%
Allowance for other doubtful accounts	2,799	(458)	-711.1%
Resultado da venda de ativos financeiros	(134,429)	-	-
GROSS PROFIT FROM FINANCIAL INTERMEDIATION	432,882	329,237	31.5%
OPERATING EXPENSES	(375,322)	(319,047)	17.6%
Revenue from services	21,256	18,825	12.9%
Banking fees	10,904	12,745	-14.4%
Employee expenses	(56,204)	(88,451)	-36.5%
Administrative expenses	(314,591)	(208,231)	51.1%
Tax expenses	(34,967)	(45,113)	-22.5%
Other operating income (expenses)	(1,720)	(8,822)	-80.5%
Non-Operating Income	73	719	-89.8%
INCOME BEFORE TAXES	57,633	10,909	428.3%
Current income tax and social distribution	(10,983)	3,060	-458.9%
Deferred income tax and social distribution	(5,313)	-	-
Profit sharing	(2,557)	-	-
Minority Interest	(100)	(76)	31.6%
NET INCOME	38,680	13,893	178.4%

RATING

FitchRatings

-- National Long-Term Rating 'BBB(bra)', Negative Outlook
-- National Short-Term Rating 'F3(bra)'