



Agibank Campus



Home Office



3Q20

Management Report

Agibank Lab



Global Experience



Management Report

Porto Alegre, November 11, 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 third quarter of 2020 (3Q20)** and **year-to-date for the first nine months of 2020 (9M20)**. 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).

HIGHLIGHTS

- In line with the **relationship banking strategy**, over **230 thousand clients already receive their benefits or salary on Agibank, an increase of 250% YoY**, granting cross selling opportunities and first-choice bank;
- The **digital transactions volume** was up **113.3% in 3Q20** *vis-à-vis* 3Q19, indicating a significant gain in customer usage of the Bank’s products and services, together with a **35.5% decrease in cost per transaction**, indicative of the capture of economies of scale;
- Our **NPS** (Net Promoter Score) reached **75 points** in September, which is substantially above the average for Brazilian banks;
- The **Credit Portfolio** reached **BRL 1,868.1 million** in the quarter, **up 14.6%** from the Sep/19 balance, with emphasis on account holder personal credit **(+125.7%)**, payroll-deductible loans **(+168.7%)** and credit card payroll-deductible loans **(+56.7%)** portfolios;
- The **portfolio which has the Federal-Government as clients’ source of income reached 93.2% of the total credit portfolio** in Sep/20;
- Reducing by **24.3%** the **average interest rate on non-payroll-deductible personal loans**;
- **Delinquency decreased in the period**, as measured by both **NPL** (E-H), which was down from 34.6% of the gross credit portfolio in Sep/19 to **15.0% in Sep/20**, that is, less than half the previous year’s level; and by **LLP**, which was 30.2% of the gross credit portfolio in Sep/19 and reached **13.5% in Sep/20**, a significant 16.7 p.p. reduction;
- **Gross Profit from Financial Intermediation** was **R\$ 233,4 million** in 3Q20, up **15.4%** YoY;
- **Services Revenue** grew by **50.0%** in 3Q20, mainly due to the increase in fees from insurance brokerage, with over **300 thousand lives insured** in September 2020;
- **Net Earnings** amounted to **BRL 32.0 million in 3Q20 (up 72.2% YoY)**, and **BRL 70.7 in the year to date (up 117.7% YoY)**. This was mainly the product of higher intermediation income, 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 23.3%** and a **ROAA of 4.8%**;
- A **Basel Capital Adequacy Ratio of 13.2%** and **LCR of 3,247.0%** illustrate the institution’s satisfactory capital and liquidity positions, respectively;
- **Net Equity** was **BRL 591.2 million** in the quarter (up 19.8% YoY) and the Bank’s **Cash** position in Sep/20 was **BRL 913.3 million**.

MESSAGE FROM THE MANAGEMENT

The third quarter of 2020 was marked by significant strategic, financial and operational milestones that we are pleased to share in this Report. We introduced Vinci Partners as a new strategic shareholder after a signed primary funds injection of BRL 400 million; redefined our concept of headquarters, giving employees flexibility and freedom of choice as to their workplace; held the Agibank Experience Live with 3,000 employees in virtual attendance, where we were able to reaffirm our values: **PEOPLE + CUSTOMERS + ENTREPRENEURSHIP**, and celebrated placing 8th best place to work in Brazil among more than 200 banks (GPTW). All while maintaining our return and picking up growth pace, reaching 23.3% ROAE (up 140 bps from 2Q20) and 1.6 million customers, most of whom are checking account holders. And above all, as the pandemic remains across the nation, we took care of our people and our customers precisely when they needed it the most, adopting all possible measures to enable honoring our purpose of **making peoples' daily lives better**.

Private Placement. After the first primary equity funding round, we announced **Vinci Partners** as our new shareholder, sharing in our common understanding of the business and long-term vision. We maintained our transparency before and close ties with the capital markets, leading to Vinci's entry into the Bank's equity, with a BRL 400 million injection in exchange for a minority stake. *"Vinci is enthused to collaborate with Agibank's next growth phase. We see a unique strategic vision in the bank, along with a customer-centric culture and a very consistent results track record. We expect to contribute to the construction of an unparalleled bank,"* said Gabriel Felzenszwalb, a partner at Vinci Partners. The funds will be allocated to accelerating the construction of the 50-plus omnichannel platform, where our strategy's central focus lies. Vinci operates independently and globally, with more than 210 employees and approximately BRL 46 billion under management in different asset classes. The operation has been submitted to the Central Bank of Brazil for approval.



Our dreams are too big to fit in a single place. The transformations that the world has undergone in recent months brought about many changes, including as concerns working models, which became more flexible and creative. Besides this, given our forecast growth looking forward, we understand that we had to expand and redefine **Agibank's concept of headquarters**. We therefore announced that, beginning in the first quarter of 2021, our employees will have four main workplace options, in addition to hybrids thereof. The bank will leave its headquarters in the Porto Alegre district of Moinhos de Vento for two new locations: the **Agibank Lab at the Caldeira Institute** in Porto Alegre/RS and the **Agibank Campus in Campinas/SP**, a benchmark city for innovation and business. The presence at the Caldeira Institute – an initiative that began with 39 enterprising founder companies to foster the New Economy in the state of Rio Grande do Sul – will bring the Bank closer to startup companies in several segments, in line with our innovative DNA. The Agibank Campus will be in the city of Campinas, State of São Paulo, next to the Viracopos international airport, in an innovative space in the State. In addition to being close to one of the world's main economic hubs, Campinas was chosen for the campus because the city is one of the country's smartest and most connected, ranking first according to the 2019 edition of *Connected Smart Cities*. The space will be strategically located, integrating a 19,000 square-meter innovation and technology hub where other companies already are, in a complex that fully complies with ESG sustainability practices.



Agibank Campus, a 19,000 square-meter self-sustained innovation hub in Campinas/SP.

Furthermore, we have been experimenting with home-based work in the past few months, and the model has proved itself workable for most people, giving employees more flexible hours and enabling improved task management. Given this, we made the **work-from-home** option official and definitive. Finally, we also launched the **Agibank Global Experience**, creating a policy under which employees may live abroad and continue to work with us, developing and enjoying a unique experience. All these changes provide additional freedom of choice and an improved journey for all our people, who join forces to deliver the best omnichannel digital bank experience to the 50-plus public: this is where our future lies; this is where our community's future lies.

Agibank Experience Live. At an unprecedented event for the bank, we held the **Agibank Experience Live** in virtual mode for more than 3,000 employees. The event celebrated our accomplishments over the year, employees reaching 5 and 10 years with us, the announcement of our renewed GPTW certification, and the reinforcement of our three culture pillars:

- **PEOPLE** – we are obstinate about People and believe in their ability to develop.
- **CUSTOMERS** – we are genuinely obstinate about our Customers.
- **ENTREPRENEURSHIP** – we believe in an Entrepreneurial attitude and encourage a sense of ownership.



Agibank Experience Live, a virtual event with all of Agibank's employees, celebrating achievements and reinforcing our culture.

Omnichannel. We wish to offer customers an increasingly digital experience, regardless of their chosen access channel, and brick-and-mortar locations provide an additional opportunity to deliver a fluid, frictionless journey. In September, the Bank was physically present in every Brazilian city with a population over 100 thousand, with 638 overall outlets that are more than just brick-and-mortar service locations: they provide a mechanism for the financial and digital literacy of our customers, insofar as they can address their financial needs with the assistance of technology, with free Wi-Fi, which enables downloading our app, opening a checking account, carrying out paycheck portability or electing to receive social security benefits through Agibank, far removed from the traditional financial market's red tape.



Geographic distribution of the 638 service outlets.

All digital channels have been remodeled hand-in-hand with our customers, from ATM experience to the App and Internet Banking. This is yet another example of how we are consolidating our omnichannel strategy, enabling access through every platform, and providing customers with a unique off- and on-line combination.

NPS and Digitalization. We believe that the best service experience is one that is comprehensive and inclusive. One that solves the problems that brought the customer to us and understands their language. In the world of technology, this also means embracing differences and handling generational behaviors, recognizing that not everyone will use the solutions in the same way. Therefore, we at Agibank give so much thought to experience, be it physical or digital. When we

think about our target audience – the 50-plus demographic, and especially in lower-income brackets – this has even deeper effects, as we cannot simply apply the technology without making effort to digitally include them and help them handle their money better. *“Once more: the channel doesn’t matter. What matters is knowing how to listen, how to embrace each demand as if it were the only one and turn data into information to build the best customer journey, which does include technology and making the relationship human,”* said Agibank Business Officer Glauber Correa. Therefore, consultants – Agibank employees who identify deeply with customers – play 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. The results are already showing: our **NPS** (Net Promoter Score) for this demographic reached **75 points** in September, significantly higher than the banking industry’s average. In addition, our digital channels usage rate for the 50-plus public is 45%, vis-à-vis a global average of 8%.

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

GPTW. Making people’s daily lives better begins from the inside. For the second consecutive year, we have been GPTW-certified as a great place to work. We also ranked 8th in the banks category, and stand among the top financial institutions in Brazil ([view video release](#)).

CONAREC Award. Agibank won the 7th CONAREC Awards in the Digital Banks category. The award recognizes companies that stand out in the customer relations area. The awarding ceremony was held at the opening of the 2020 CONAREC Conference (Congresso Nacional das Relações Empresa-Cliente) and highlighted the companies with the best strategic partnership management. This was the first year to recognize the digital banking segment.

ESG (Environment, Social and Governance). In line with the best disclosure practices, we continue to disclose integrated quarterly results for our gains on the environmental, social and governance fronts. It is worth emphasizing that, even if this subject is addressed in a dedicated section to zoom-in on each of our actions, ESG practices pervade all our actions and decisions.

We at Agibank work driven by our purpose of making people’s daily lives better. We want to be true partners for our customers, customizing products and services to tend to their needs, providing humanized service to genuinely enable a more peaceful financial life. These bearings show a clear connection between what drives us and the ESG tripod, which leads us, more and more, to work driven by the acronym.

- **Environment.** As part of our offices redesign, we announced the Agibank Campus as an alternative workplace for employees. The **Campus is self-sustainable**: it is LEED- certified (*Leadership in Energy and Environmental Design*); has its own wastewater treatment station with the capacity to process 100% of effluents as re-use water throughout the project; a linear park with 247 thousand square meters of green areas for exercise and 26 thousand Atlantic Rainforest saplings planted in



Agibank Campus: e-vehicle charging stations.

the environmental conservation area; wildlife and flora monitoring programs and quality control for the waters of the Viracopos creek; LED street lighting and underground power and data grids; e-vehicle charging stations; and photovoltaic panels to serve the condominium's common areas, with capacity for 324 peak KWh.

In addition, we continue to implement the **paperless** journey, which will lead to an even better experience at our brick-and-mortar environments. 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 biometry and electronic authentication to execute the entire operation. This is all done in a quick and easy manner, eliminating the need for any paperwork.

- **Social.** For us, offering simple and affordable products and services is 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 because 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.**

This also includes fostering inspiring and learning moments for this public. We sponsor the MaturiDay ([link to event footage](#)) – an initiative that connects 50-plus entrepreneurs and professionals to exchange experiences and lessons learned about the marketplace, quality of life, and the digital world. This enabled holding the event free of charge to all in attendance and donating a portion of the income to Liga Solidária, an institution that offers digitalization courses to underprivileged senior citizens. MaturiDay is Brazil's largest enterprise and business networking event for the 50-plus public.

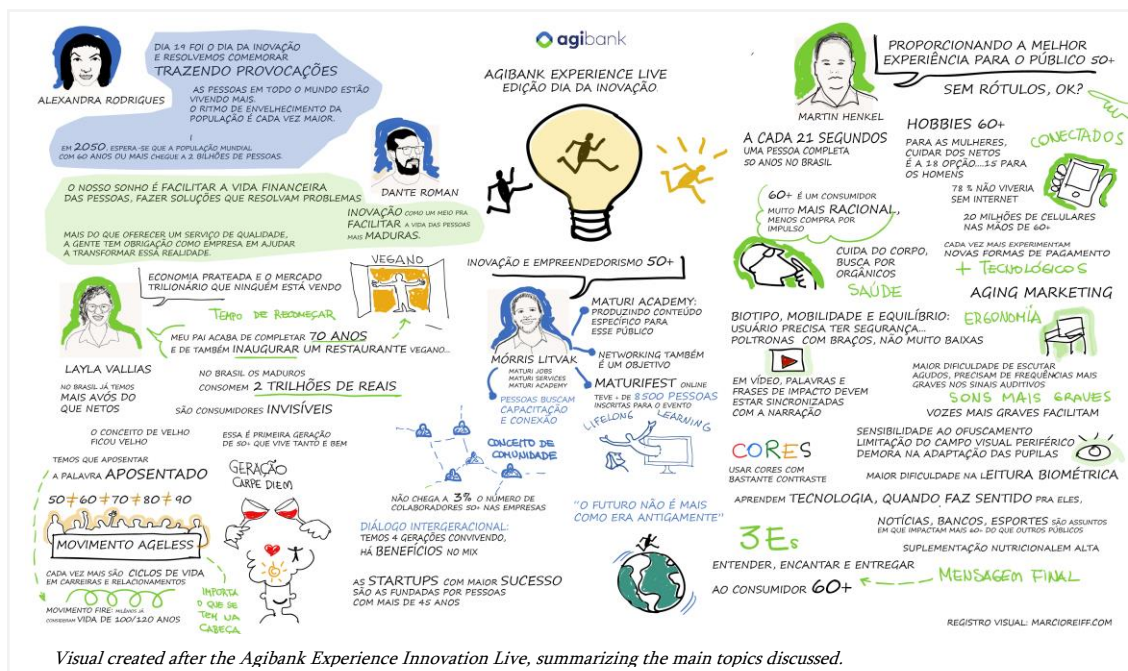


In addition to being obstinate about clients, we understand that Agibank can only sustainably achieve its medium- and long-run goals by taking care of its main asset: people. Our agile model gives our employees a growth horizon and space for intrapreneurship. Just as important for us is the pursuit of diversity and equal opportunities. A piece of data that makes us very proud is the share of women in the workforce (73%) and the percentage of women in management, which equals 66% of all leaders. In this sense, we announced a partnership with MamaJobs: a startup company formed in 2019 to transform the working mothers hiring scenario. The company provides service free of charge, helping mothers by means of résumé and job interview guidance, and seeks out companies that believe that motherhood is no obstacle to a professional career and offer some flexibility to enable mothers to not outsource their children's upbringing. This strikes a balance between a working career and motherhood. With this partnership, Agibank is now certified to receive



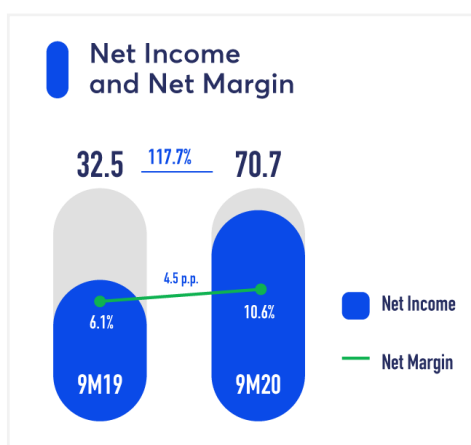
referred résumés from working mothers in search of job opportunities. On August 3rd, we had our first hire from the MamaJobs partnership.

In a special edition of Agibank Experience Live, we hosted the Innovation Day, where we had a virtual discussion of the topic with a focus on our target audience. The live session was intended for employees and the public at large, further enriching the exchange of ideas and interactions ([view session recording](#)).

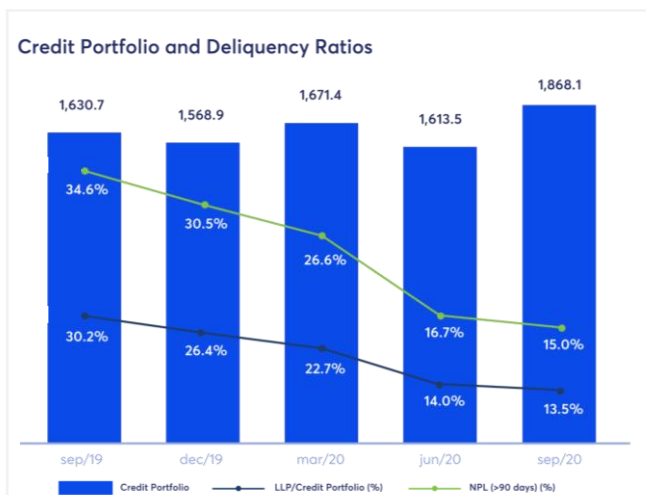


- Governance.** The admission of Vinci Partners as strategic shareholders is a corporate governance milestone. In addition to passing a thorough due diligence process led by law and audit firms of renown, Vinci's injection brings back a statutory Board of Directors to the bank, with representatives of the new minority shareholders. The operation has been submitted to the Central Bank of Brazil for approval.

Our financial and operational indicators continue to show significant evolution, a product of the implementation of new credit models, of the customer segmentation strategy based on risk levels, and a more diversified portfolio mix. We reached the end of September with a gross credit portfolio of BRL 1,868.1 million and BRL 70.7 million (up 117.7% from 9M19) in net income, together with net margin increase to 10.6% (up 450 bps from 9M19), for 23.3% return on average equity (ROAE) and 4.8% return on average assets (ROAA). Risk and liquidity indicators – 13.2% Capital Adequacy Ratio (Basel III) and Liquidity Coverage Ratio (LCR) of 3,247.0% – illustrate our satisfactory capital and liquidity positions.



In September 2020, we booked over **93.2% 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. NPL (E-H) stayed on a declining trend and reached 15.0% in Sep/20, down 19.6 p.p. from Sep/19. Another indicator that supports this view is Loan Loss Provision (LLP), which was 13.5% of the gross credit portfolio in Sep/20, down 16.7 p.p. from Sep/19. This represents a lower cost of risk and a positive indicator for upcoming quarters.



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 128.0% from Sep/19 and already represent 40.9% of the portfolio (from 20.6% in Sep/19). Furthermore, in line with our strategy of building closer ties with customers, we increased the personal accountholder credit facility by 125.7%; the segment already represents 34.4% of the total credit portfolio, exceeding the allocation to non-accountholder. This mix naturally poses lower risk and enables improved cross selling, which reached 87% for the life insurance product in September 2020, currently at over 300 lives insured. In addition, we continue to invest in technology, in improving our credit granting models and other stages in the credit cycle, in improved internal processes and a better customer experience, leading to increased digital transaction volumes and product cross selling.

Outlook. In face of a macroeconomic environment rife with lingering complexity, our competitive advantages become evident, enabling Agibank to stand out on an adverse scenario and grow consistently. 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 with 6 dedicated data engineers, more robust credit engines, and the continuous creation of risk groups, granting assertiveness in client segmentation, 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.

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. We maintained investments to reach 690 points by yearend 2020, with a focus on the regions where we earned 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 – one with lower short- and medium-run visibility, we maintain our prospect of credit portfolio growth in 2020. This is mainly due to the evolving portfolios of broad personal credit to checking-account customers, payroll-deductible lending and payroll-deductible credit card, expanding our customer base sustainably, driven more and more by relationships.

We therefore enter the final quarter 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 cycle of growth, seated on an increasingly full-range portfolio with more attractive terms and conditions for people to enjoy better lives.

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

Porto Alegre, November 11th, 2020.

The Management

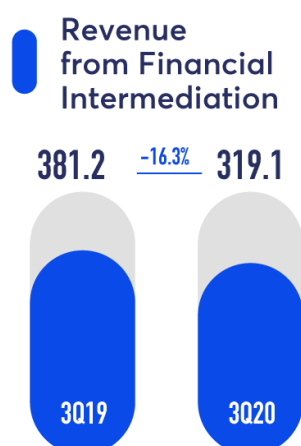
KEY INDICATORS

In millions of Reais, unless otherwise stated		3Q20	3Q19	3Q20/3Q19	9M20	9M19	9M20/9M19
Results	Revenue from Financial Intermediation	319.1	381.2	-16.3%	1,004.1	1,162.2	-13.6%
	Expenses from Financial Intermediation	(85.7)	(178.9)	-52.1%	(337.8)	(630.7)	-46.4%
	Gross Profit from Financial Intermediation	233.4	202.3	15.4%	666.3	531.5	25.4%
	Operating Expenses	(185.4)	(171.6)	8.1%	(560.7)	(490.6)	14.3%
	Operating Income	48.0	30.7	56.4%	105.6	40.9	158.2%
	Net Income	32.0	18.6	72.2%	70.7	32.5	117.7%
Performance	ROAE ⁽¹⁾ a.a. (%)	23.3%	6.9%	16.4 p.p.	23.3%	6.9%	16.4 p.p.
	ROAA ⁽²⁾ a.a. (%)	4.8%	1.5%	3.3 p.p.	4.8%	1.5%	3.3 p.p.
	Net Interest Margin ⁽³⁾ a.a. (%)	37.3%	33.7%	3.6 p.p.	37.3%	33.7%	3.6 p.p.
	Operating Efficiency Ratio ⁽⁴⁾ (%)	64.6%	51.3%	13.3 p.p.	71.8%	48.2%	23.6 p.p.
	Risk-adjusted Operating Efficiency Ratio ⁽⁵⁾ (%)	81.1%	85.8%	-4.7 p.p.	85.3%	92.9%	-7.6 p.p.
	Net Margin ⁽⁶⁾ (%)	13.7%	9.2%	4.5 p.p.	10.6%	6.1%	4.5 p.p.
Balance Sheet	Net Equity	591.2	493.6	19.8%	591.2	493.6	19.8%
	Assets	2,849.3	2,417.5	17.9%	2,849.3	2,417.5	17.9%
	Cash	913.3	981.1	-6.9%	913.3	981.1	-6.9%
	Credit Portfolio	1,868.1	1,630.7	14.6%	1,868.1	1,630.7	14.6%
	Leverage ⁽⁷⁾	3.2	3.3	-0.1 p.p.	3.2	3.3	-0.1 p.p.
	Loan Loss Provision/Gross Credit Portfolio (%)	13.5%	30.2%	-16.7 p.p.	13.5%	30.2%	-16.7 p.p.
	NPL (>90 days) (%)	15.0%	34.6%	-19.6 p.p.	15.0%	34.6%	-19.6 p.p.
	Capital Adequacy Ratio (%)	13.1%	13.3%	-0.2 p.p.	13.1%	13.3%	-0.2 p.p.
Other	Total Number of Clients	1,553,631	1,340,372	15.9%	1,553,631	1,340,372	15.9%
	Total Number of Accounts	865,911	651,410	32.9%	865,911	651,410	32.9%
	Total Number of Outlets	638	595	7.2%	638	595	7.2%

(1) ROAE = Lucro Líquido 12M / Patrimônio Líquido Médio; (2) ROAA = Lucro Líquido 12M / Ativo Médio; (3) Margem Financeira Líquida = Resultado Bruto da Int. Fin. 12M / Ativo Remunerável Médio; (4) Índice de Eficiência Operacional = (Desp. Adm. + Desp. com Pessoal + Desp. Trib. + Outras Despesas e Receitas Operacionais) / Resultado Bruto da Int. Fin. antes da PDD + Receitas de Prest. de Serviços + Rendas de Tarifas Bancárias; (5) IEO ajustado ao risco = (Desp. Adm. + Desp. com Pessoal + Desp. Trib. + Outras Despesas e Receitas Operacionais) / Resultado Bruto da Int. Fin. + Receitas de Prest. de Serviços + Rendas de Tarifas Bancárias; (6) Margem Líquida = Lucro Líquido / Resultado Bruto da Int. Fin.; (7) Alavancagem = Carteira de Crédito Bruta / Patrimônio Líquido.

MD&A

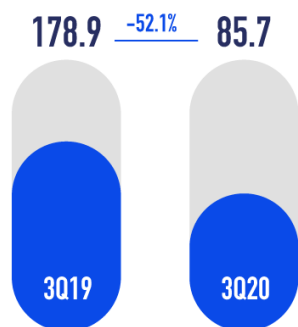
REVENUE FROM FINANCIAL INTERMEDIATION



Revenue from financial intermediation was R\$ 319,1 million in 3Q20, which represents a decrease of 16,3% compared to 3Q20, 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 24,3% decrease in effective personal credit interest rates, boosted by the increase in the participation of personal loans to account holders. 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



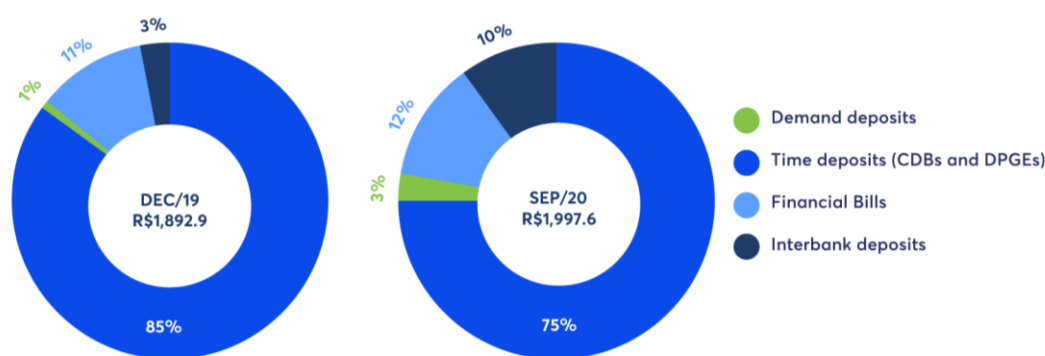
Expenses from Financial Intermediation amounted to R\$ 85.7 million in 3Q20, down 52.1% year-on-year, due mainly to lower LLP (Loan-Loss Provisions), capturing the benefits of a better portfolio mix and improved efficiency in credit cycle phases including modeling, approval and operations maintenance.

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 beginning 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% per year., 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\$ 316.0 million had been used by September, in DPGE. 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.

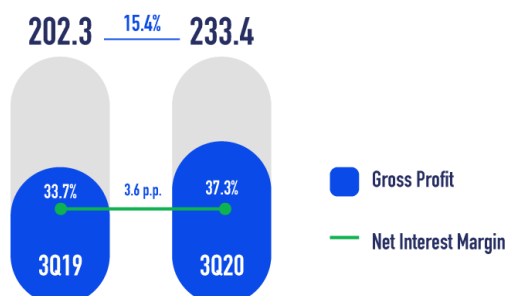
Funding Breakdown



Worthy of note is the increase in the volume of Demand Deposits, reporting R\$ 52.6 million in Sep/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 and Net Interest Margin



Gross Profit from Financial Intermediation was R\$ 233.4 million in 3Q20, up 15.4% YoY and up 25.4% when comparing the first nine months of each year, 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 37.3% in September 2020.

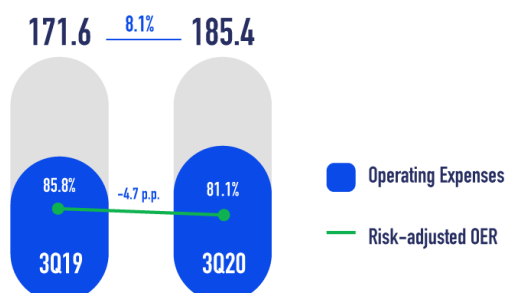
SERVICES REVENUE

In millions of Reais, unless otherwise stated	3Q20	3Q19	3Q20/3Q19	9M20	9M19	9M20/9M19
Comissions	10.8	7.2	50.4%	25.0	21.5	16.4%
Purchase Pool Administration Fees	0.7	1.2	-43.6%	2.2	3.5	-35.9%
Sign up Fees	3.1	2.9	9.2%	8.8	9.8	-10.9%
Annuities	1.6	1.9	-14.7%	5.3	6.9	-23.7%
Other Fees	4.4	0.6	668.6%	11.5	3.6	217.5%
Total	20.6	13.7	50.0%	52.7	45.3	16.4%

Service Revenue, which includes revenues from fees and services rendered, amounted to R\$ 20.6 million in 3Q20, a 50.0% increase YoY. The main reason was the increase in insurance brokerage commissions, after the partnership with 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 6 years. The partnership's outcome is a more comprehensive product for our customers, with upgraded services and coverage.

OPERATING EXPENSES

Operating Expenses and Risk-adjusted Operating Efficiency Ratio



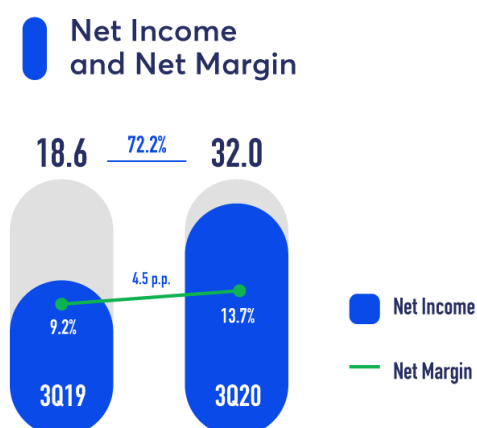
Net Operating Expenses were up 8.1% YoY, reaching R\$ 185.4 million in 3Q20. Worthy of mention is that in February 2019, approval was given for the partial spin off the Bank's net equity to the company Nuova Holding S.A., a related party of the Bank. Because of the spin off, Nuova Holding S.A. assumed 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 81.1% in September 2020, down 4.7 p.p. from September 2019, due mainly to the reduced LLP expenses.

OPERATING EFFICIENCY RATIO

In millions of Reais, unless otherwise stated	3Q20	3Q19	3Q20/3Q19	9M20	9M19	9M20/9M19
Employee Expenses	-27.4	-29.5	-7.1%	-83.6	-117.9	-29.1%
Administrative Expenses	-161.5	-136.9	17.9%	-476.0	-345.1	37.9%
Tax Expenses	-17.1	-18.7	-8.6%	-52.1	-63.9	-18.4%
Other Operating Income and Expenses	-0.0	-0.2	-95.8%	-1.7	-9.0	-80.8%
Total Expenses	-206.0	-185.3	11.2%	-613.5	-535.9	14.5%
Revenue from Fin. Intermediation before LLP	298.2	347.2	-14.1%	804.3	1,066.4	-24.6%
Banking Service Fees	20.6	13.7	50.0%	52.7	45.3	16.4%
Total Revenues	318.8	360.9	-11.7%	857.0	1,111.6	-22.9%
Operating Efficiency Ratio (%)	64.6%	51.3%	13.3 p.p.	71.6%	48.2%	23.4 p.p.
Loan Loss Provision (LLP)	-64.8	-144.9	-55.3%	-138.0	-534.8	-74.2%
Revenue from Financial Intermediation	233.4	202.3	15.4%	666.3	531.5	25.4%
Risk-adjusted Operating Efficiency Ratio (%)	81.1%	85.8%	-4.7 p.p.	85.3%	92.9%	-7.6 p.p.

NET INCOME



Agibank's 3Q20 Net Income was R\$ 32.0 million, up 72.2% from 3Q19, with a Net Margin of 13.7%. Overall Net income for the first nine months of 2020 was R\$ 70.7 million, an increase of 117.7% YoY. This result bears witness to Agibank's ability to reinvent itself, driven by the goal of becoming its customers' main bank.

DIVIDENDS AND INTEREST ON SHAREHOLDERS' EQUITY

In 3Q20, Agibank credited dividends as Interest on Shareholders' Equity worth R\$ 4.7 million.

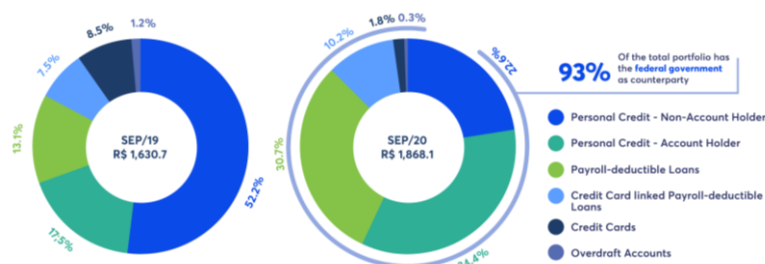
ANALYSIS OF CREDIT OPERATIONS

CREDIT PORTFOLIO

In millions of Reais, unless otherwise stated	Portfolio			Var. %	
Credit Portfolio	sep/20	dec/19	sep/19	sep/20 x dec/19	sep/20 x sep/19
Personal Credit	1,064.9	1,084.7	1,135.6	-1.8%	-6.2%
Personal Credit - Account Holder	643.2	327.0	285.0	96.7%	125.7%
Personal Credit - Non-Account Holder	421.7	757.7	850.6	-44.3%	-50.4%
Payroll-Deductible Loans	574.1	263.0	213.7	118.3%	168.7%
Credit Card linked Payroll-Deductible Loans	190.6	113.0	121.8	68.7%	56.5%
Digital Credit Cards	33.0	93.4	139.4	-64.7%	-76.3%
Digital Overdraft Accounts	5.6	14.8	20.3	-62.5%	-72.7%
Credit Portfolio	1,868.1	1,568.9	1,630.7	19.1%	14.6%
Securities and Credits Receivable	32.6	96.4	91.1	-66.2%	-64.2%
Total Gross Credit Portfolio	1,900.7	1,665.4	1,721.9	14.1%	10.4%
LLP - Credit Portfolio	(251.5)	(413.6)	(491.7)	-39.2%	-48.9%
LLP - Securities and Credits receivable	(0.9)	(3.6)	(3.3)	-75.9%	-74.2%
Net Credit Portfolio	1,648.3	1,248.2	1,226.8	32.1%	34.4%

As of September 30, 2020, the Total Credit Portfolio amounted to R\$ 1,900.7 million, a 14.1% increase from December 2019 and 10.4% from September 2019. Once again, the main feature being the growth of the Account Holder Personal Credit and Payroll-Deductible Loans portfolios, which, together with the Payroll-Deductible Credit Card portfolio, represented 75.4% of the total credit portfolio (*versus* 38.0% in September 2019). It is worth emphasizing that, in September 2020, approximately 93.2% 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\$ 1,648.3 million, 32.1% and 34.4% higher than the positions outstanding in December 2019 and September 2019, respectively.

Portfolio Breakdown



QUALITY OF THE CREDIT OPERATIONS PORTFOLIO

In millions of Reais, unless otherwise stated		Portfolio			Provision			Breakdown		
Rating	% of provision	sep/20	dec/19	sep/19	jun/20	dec/19	sep/19	sep/20	dec/19	sep/19
A	0.5%	1,466.8	904.2	886.9	(7.3)	(4.5)	(4.4)	79%	58%	54%
B	1%	40.9	76.4	67.7	(0.4)	(0.8)	(0.7)	2%	5%	4%
C	3%	44.9	61.2	58.0	(1.3)	(1.8)	(1.7)	2%	4%	4%
D	10%	35.0	49.2	53.5	(3.5)	(4.9)	(5.4)	2%	3%	3%
E	30%	29.1	57.3	60.8	(8.7)	(17.2)	(18.2)	2%	4%	4%
F	50%	26.2	49.1	54.8	(13.1)	(24.5)	(27.4)	1%	3%	3%
G	70%	27.4	39.2	52.1	(19.2)	(27.4)	(36.4)	1%	2%	3%
H	100%	197.9	332.4	396.8	(197.9)	(332.3)	(397.4)	11%	21%	24%
Total		1,868.1	1,568.9	1,630.7	(251.5)	(413.5)	(491.7)	100%	100%	100%

CAPITAL MANAGEMENT

CAPITAL ADEQUACY RATIO (BASEL III)

In millions of Reais, unless otherwise stated	Sep/20	Dec/19	Sep/19
Referential Equity - Tier I	494.0	467.2	428.1
Core Capital	494.0	467.2	428.1
Referential Equity	542.7	499.3	459.3
Referential Equity - Tier II	48.7	32.1	31.2
Credit Risk-weighted Assets	1,411.9	1,221.1	1,196.1
Market Risk-weighted Assets	2.5	11.0	11.5
Operational Risk-weighted Assets	2,696.7	2,236.4	2,236.4
Risk-weighted Assets	4,111.2	3,468.5	3,444.1
RBAN	72.6	152.9	257.2
Capital Adequacy Ratio (RE/RWA)	13.2%	14.4%	13.3%
Expanded Capital Adequacy Ratio (RE/(RWA+RBAN))	13.0%	13.8%	12.4%

The Bank's Capital Adequacy Ratio reached 13.2% in September 2020, similar to the same period of last year. 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	sep/20	dec/19	sep/19
High Quality Liquid Assets	619.5	748.8	606.9
Potential Cash Outflows	19.1	19.1	16.6
LCR (%)	3247.0%	3919.1%	3655.5%
Cash Position	913.3	1,137.0	981.1

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 September 2020, LCR reached 3,247.0%, down 408.5 p.p. from September 2019, placing the bank at a comfortable liquidity position.

The Bank's Cash Position reached R\$ 913.3 million in September 2020, up 6.9% from September 2019.

RISK MANAGEMENT

Agibank has a risk management, internal controls and compliance structure with a dedicated team, whose responsibility is keeping policies up-to-date, processes mapped and modern systems for measuring, tracking, evaluating and mitigating the company's risks.

Following the best risk management practices, Agibank measures and tracks compliance, operational, credit, market, liquidity and capital risks, through specific calculations and indicators.

SHAREHOLDER STRUCTURE

Agibank's share capital, in September 30, 2020, consisted of 416,551,753 common shares and 162,714,612 preferred shares, all nominative and without face value.

OMBUDSMAN

Agibank has an Ombudsman structure whose function is to be the communication reference between the organization and its customers, seeking to address any matters left unsolved by other channels and to propose any corrective measures in processes and procedures through the analysis of demand.

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.

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.

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Balance Sheet | Assets - Consolidated

(in thousands of Brazilian Reais)

ASSETS	Sep/20 unaudited	Dec/19	Sep/19 unaudited	Sep/20 x Dec/19	Sep/20 x Sep/19
Current Assets	1,875,944	2,141,911	1,989,239	-12.4%	-5.7%
Cash and bank deposits	87,986	21,596	10,602	307.4%	729.9%
Short-term interbank investments	175,878	756,077	669,889	-76.7%	-73.7%
Securities and derivative financial instruments	313,909	161,514	94,709	94.4%	231.4%
Interbank accounts	725	2,150	593	-66.3%	22.3%
Loan operations	1,394,061	1,375,794	1,481,576	1.3%	-5.9%
Allowance for loan losses	(238,545)	(404,542)	(487,235)	-41.0%	-51.0%
Securities trading and brokerage	-	-	1	-	-
Taxes and contributions recoverable	24,310	24,638	24,399	-1.3%	-0.4%
Receivables from affiliated companies	296	5,079	167	-94.2%	77.2%
Deferred tax assets	50,878	63,263	61,854	-19.6%	-17.7%
Miscellaneous	30,023	39,744	40,523	-24.5%	-25.9%
Notes and credits receivables	32,583	96,448	91,127	-66.2%	-64.2%
Allowance for loan losses	(866)	(3,591)	(3,348)	-75.9%	-74.1%
Prepaid expenses	4,706	3,741	4,382	25.8%	7.4%
Long-term Receivables	857,617	398,399	359,731	115.3%	138.4%
Securities and derivative financial instruments	335,563	197,807	205,895	69.6%	63.0%
Loan operations	474,055	193,462	149,726	145.0%	216.6%
Allowance for loan losses	(12,968)	(9,390)	(4,452)	38.1%	191.3%
Funds receivable from closed groups	2,483	2,553	2,704	-2.7%	-8.2%
Securities credits receivable	2	2	4	0.0%	-50.0%
Deferred tax assets	23,609	7,483	-	215.5%	-
Escrow deposits on judicial claims	19,999	2,231	1,806	796.4%	1007.4%
Prepaid expenses	5,530	4,251	4,048	30.1%	36.6%
Miscellaneous	9,344	-	-	-	-
Permanent Assets	115,788	67,839	68,485	70.7%	69.1%
Investments	45	34	34	32.4%	32.4%
Property, plant and equipment	24,047	11,288	12,269	113.0%	96.0%
Intangible assets	91,696	56,517	56,182	62.2%	63.2%
TOTAL ASSETS	2,849,349	2,608,149	2,417,455	9.2%	17.9%

Balance Sheet | Liabilities - Consolidated

(in thousands of Brazilian Reais)

LIABILITIES	Sep/20 unaudited	Dec/19	Sep/19 unaudited	Sep/20 x Dec/19	Sep/20 x Sep/19
Current liabilities	774,840	1,115,304	917,330	-30.5%	-15.5%
Demand deposits	52,591	26,285	18,257	100.1%	188.1%
Interbank deposits	20,906	50,088	5,350	-58.3%	290.8%
Time deposits	396,551	881,586	787,481	-55.0%	-49.6%
Own Portfolio	-	-	649	-	-
Funds from acceptance (currency exchange)	-	233	230	-	-
Funds from acceptance and issue of securities	127,213	5,438	-	2239.3%	-
Interbank accounts	761	-	623	-	22.2%
Financing and borrowings	2,496	-	-	-	-
Collection and payment of taxes and similar	3	798	759	-99.6%	-99.6%
Social and statutory	7,897	27,354	144	-71.1%	5384.0%
Intermediation of securitees	588	-	-	-	-
Tax and social security contributions	50,776	25,352	11,116	100.3%	356.8%
Funds obligations with closed groups	601	514	548	16.9%	9.7%
Other liabilities	114,457	97,656	92,173	17.2%	24.2%
Long-term liabilities	1,482,957	967,355	1,006,382	53.3%	47.4%
Time deposits	1,107,563	730,257	826,861	51.7%	33.9%
Interbank deposits	184,467	-	-	-	-
Funds from acceptance (currency exchange)	-	-	-	-	-
Funds from acceptance and issue of securities	52,580	167,225	120,495	-68.6%	-56.4%
Funds pending receipt - judicial collection	2,483	2,553	2,704	-2.7%	-8.2%
Tax and social security	-	-	1,190	-	-
Contingent liabilities	80,170	-	-	-	-
Equity eligible debt instruments	55,694	32,068	31,190	73.7%	78.6%
Other liabilities	-	35,252	23,942	-	-
Minority Interest	372	170	149	118.8%	149.7%
EQUITY	591,180	525,320	493,594	12.5%	19.8%
Capital Stock	331,080	326,927	326,927	1.3%	1.3%
Capital Reserves	14,241	11,436	11,436	24.5%	24.5%
Profit Reserves	214,480	193,458	143,190	10.9%	49.8%
Adjustments to Market Value - securities and derivatives	(1,330)	38	18	-3600.0%	-7488.9%
(-)Treasury Shares	-	(6,539)	(6,539)	-	-
Retained Earnings	32,709	-	18,562	-	76.2%
TOTAL LIABILITIES AND EQUITY	2,849,349	2,608,149	2,417,455	9.2%	17.9%

Income Statement– Consolidated

(in thousands of Brazilian Reais)

INCOME STATEMENT	3Q20	3Q19	3Q20/3Q19	9M20	9M19	9M20/9M19
REVENUE FROM FINANCIAL INTERMEDIATION	319,095	381,212	-16.3%	1,004,142	1,162,216	-13.6%
Loan operations	314,059	365,920	-14.2%	956,513	1,121,493	-14.7%
Short-term interbank investments	2,871	11,269	-74.5%	15,646	30,000	-47.8%
Securities transactions	1,287	3,971	-67.6%	7,154	10,668	-32.9%
Derivative financial instruments	859	(2)	-43050.0%	434	(18)	-2511.1%
Foreign exchange	19	54	-64.8%	525	73	619.2%
Sale of financial assets	-	-	-	23,870	-	-
EXPENSES FROM FINANCIAL INTERMEDIATION	(85,675)	(178,936)	-52.1%	(337,840)	(630,704)	-46.4%
Market funding expenses	(20,791)	(33,862)	-38.6%	(68,175)	(95,120)	-28.3%
Loan operations and onlending	-	-	-	-	(116)	-
Allowance for loan losses	(64,810)	(144,913)	-55.3%	(137,961)	(534,849)	-74.2%
Allowance for other doubtful accounts	(74)	(161)	-54.0%	2,725	(619)	-540.2%
Sale of financial assets	-	-	-	(134,429)	-	-
GROSS PROFIT FROM FINANCIAL INTERMEDIATION	233,420	202,276	15.4%	666,302	531,512	25.4%
OPERATING EXPENSES	(185,416)	(171,578)	8.1%	(560,738)	(490,624)	14.3%
Revenue from services	14,772	8,571	72.3%	36,028	27,396	31.5%
Banking fees	5,805	5,146	12.8%	16,709	17,892	-6.6%
Employee expenses	(27,399)	(29,486)	-7.1%	(83,603)	(117,937)	-29.1%
Administrative expenses	(161,450)	(136,898)	17.9%	(476,041)	(345,129)	37.9%
Tax expenses	(17,137)	(18,746)	-8.6%	(52,104)	(63,859)	-18.4%
Other operating income (expenses)	(7)	(165)	-95.8%	(1,727)	(8,987)	-80.8%
Non-Operating Income	46	0	-	119	719	-83.4%
INCOME BEFORE TAXES	48,050	30,698	56.5%	105,683	41,607	154.0%
Current income tax and social distribution	(14,721)	(12,099)	21.7%	(31,017)	(9,039)	243.1%
Deferred income tax and social distribution	-	-	-	-	-	-
Profit sharing	(1,279)	-	-	(3,836)	-	-
Minority Interest	(77)	(37)	108.1%	(177)	(113)	56.6%
NET INCOME	31,973	18,562	72.2%	70,653	32,455	117.7%