Earnings Release
2Q23

banco BV

/ Content

/ 2Q23 Highlights

Resilience in the core business...

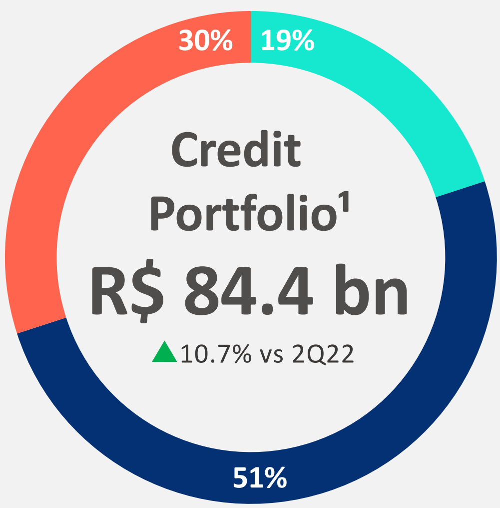
Recurring Net Income
R$ 284 mln
vs R$ 282 mln in 1Q23

Recurring ROE
9,0%
vs 9.0% in 1Q23

...advances in the diversification strategy

Large, Corporate and Financial Institutions
2Q23
R$ 25.5 bn
▲0.2% vs 1Q23 ▲8.5% vs 2Q22

Auto Finance
2Q23
R$ 42.9 bn
▲2.2% vs 1Q23 ▲6.7% vs 2Q22



Growth
2Q23
R$ 16.4 bn
▼ 3.4% vs 1Q23 ▲26.9% vs 2Q22

Credit card
2Q23 **R$ 5.6 bn** ▼ 3.3% vs 1Q23 ▲9.9% vs 2Q22

Solar panel financing
2Q23 **R$ 4.6 bn** ▼ 1.3% vs 1Q23 ▲27.5% vs 2Q22

Car equity loan
2Q23 **R$ 2.8 bn** ▲17.4% vs 1Q23 ▲81.7% vs 2Q22

SME
2Q23 **R$ 1.8 bn** ▼ 23.4% vs 1Q23 ▲39.7% vs 2Q22

Solid balance sheet and efficient risk management

NPL Ratio (90 days)
5.4%
vs 5.2% in 1Q23

Liquidity Ratio[2] (LCR)
182%
vs 155% in 1Q23

Covatage Ratio
154%
vs 162% in 1Q23

Basel Ratio
14.8%
vs 14.2% in 1Q23

1 – Expanded credit portfolio; 2 – Liquidity Coverage Ratio (see more on page 25) Segment in which BV is market leader

2Q23 Highlights

Main Financial Information

The table below shows the information and management indicators selected from banco BV in order to allow analysis on the same comparison basis. The reconciliation between accounting and managerial can be found on page 16 of this report.

MAIN FINANCIAL INFORMATION	2Q22	1Q23	2T23	1H22	1H23	Δ %		
						2Q23/1Q23	2Q23/2Q22	1H23/1H22
MANAGERIAL INCOME STATEMENT (R$ mln)								
Revenues – Total (i + ii)	2,442	2,484	**2,619**	4,898	**5,104**	5.4%	7.3%	4.2%
Gross financial margin (i)	2,006	1,999	**2,126**	4,017	**4,125**	6.3%	6.0%	2.7%
Income from services and brokerage (ii)	436	485	**494**	881	**979**	1.8%	13.3%	11.2%
Cost of Risk	(601)	(1,184)	**(1,034)**	(1,293)	**(2,218)**	-12.6%	72.1%	71.6%
Personnel and administrative expenses	(800)	(749)	**(760)**	(1,533)	**(1,509)**	1.5%	-5.0%	-1.5%
Recurring Net Income	412	282	**284**	800	**566**	1.0%	-30.9%	-29.2%
BALANCE SHEET (R$ mln)								
Total Assets	121,936	132,961	**138,418**	121,936	**138,418**	4.1%	13.5%	13.5%
Expanded loan portfolio	76,592	84,371	**84,762**	76,592	**84,762**	0.5%	10.7%	10.7%
Wholesale Segment	24,721	27,689	**27,207**	24,721	**27,207**	-1.7%	10.1%	10.1%
Retail Segment	51,871	56,682	**57,555**	51,871	**57,555**	1.5%	11.0%	11.0%
Funding	82,852	89,706	**87,873**	82,852	**87,873**	-2.0%	6.1%	6.1%
Shareholders' equity	14,774	14,151	**13,773**	14,774	**13,773**	-2.7%	-6.8%	-6.8%
Basel ratio (%)	17.1%	14.2%	**14.7%**	17.1%	**14.7%**	0.5 p.p.	-2.5 p.p.	-2.5 p.p.
Tier I Capital Ratio (%)	15.8%	13.1%	**13.5%**	15.8%	**13.5%**	0.4 p.p.	-2.3 p.p.	-2.3 p.p.
Common Equity Tier I (%)	13.7%	12.4%	**12.6%**	13.7%	**12.6%**	0.2 p.p.	-1.1 p.p.	-1.1 p.p.
MANAGERIAL INDICATORS (%)								
Return on Average Equity[1] (ROAE)	13.9%	9.0%	**9.0%**	13.6%	**9.0%**	0.0 p.p.	-4.9 p.p.	-4.7 p.p.
Return on Average Assets[2] (ROAA)	1.4%	0.9%	**0.8%**	1.3%	**0.9%**	0.0 p.p.	-0.5 p.p.	-0.5 p.p.
Net Interest Margin[3] (NIM) - Clients	10.3%	9.8%	**9.7%**	10.2%	**9.7%**	0.0 p.p.	-0.6 p.p.	-0.5 p.p.
Net Interest Margin[4] (NIM) - Clients + Market	7.6%	6.8%	**7.0%**	7.6%	**7.0%**	0.2 p.p.	-0.5 p.p.	-0.6 p.p.
Efficiency Ratio (ER) – Last 12 months[5]	38.0%	39.0%	**37.8%**	38.0%	**37.8%**	-1.2 p.p.	-0.2 p.p.	-0.2 p.p.
Normalized ER - Last 12 months[6]	34.2%	34.3%	**33.4%**	34.2%	**33.4%**	-0.9 p.p.	-0.7 p.p.	-0.7 p.p.
NPL 90-days	4.3%	5.2%	**5.4%**	4.3%	**5.4%**	0.2 p.p.	1.1 p.p.	1.1 p.p.
Coverage Ratio (NPL 90-days)	203%	162%	**154%**	203%	**154%**	-8.3 p.p.	-48.9 p.p.	-48.9 p.p.
ADDITIONAL INFORMATION								
Employees[7] (quantity)	4.571	4.207	**4.255**	4.571	**4.255**	1,1%	-6,9%	-6,9%

1. Ratio between net income and average equity for the period, annualized. It excludes other comprehensive income recorded in shareholders' equity; 2. Ratio between net income and average total assets for the period. Annualized; 3. Ratio between gross financial margin with clients and average assets sensitive to spreads in the period. Annualized; 4. Ratio between gross financial margin and average profitable assets for the period. Annualized; 5. ER = personnel (excluding labor claims) and administrative expenses / (gross financial margin + income from rendered services and banking fees + other operational income + other operational expenses – tax expenses – income from the real state activity); 6. Efficiency Ratio Adjusted, calculated excluding investments in the digital bank; 7. It does not consider interns and statutory employees

/ Strategy

Digital Bank

Our digital strategy is focused on ensuring our customers' principality, which is why our digital bank is becoming more and more complete every day, with products and services aimed at providing our customers with the best possible experience. Our value proposition supports our strategy of seeking principality and is based on four main pillars:

The world is digital, your bank can be too

Our home has a friendly and easy look, where the customer has greater visibility of the products offered by BV.

We also have a highly specialized in-app chat for customer service.

Consider organizing your financial life with someone you already know and trust

We bring several features that generate recurrence in the use of the digital account (such as payments, PIX modalities).

Our vehicle ecosystem is more complete, with options for paying vehicle debts directly from the app.

Count on the BV account whenever the month seems too long

We expanded the credit offer for our core customers (personal loans).

We launched new credit products: Easy Loan, FGTS Birthday Withdrawal and Payment Initiator

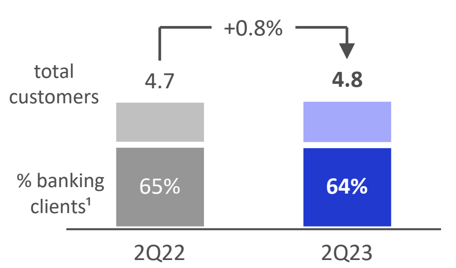
Ecosystem BV has a greater value proposition than any single product

We generate integrated offers for a better customer experience, having everything in one place: auto, account, card, insurance.

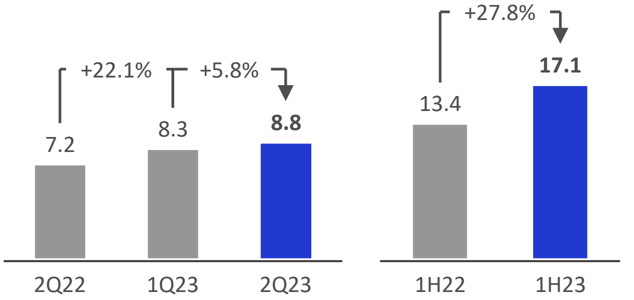
Our benefits are clear and we offer one of the biggest cashbacks on the market with several redemption and use options.

In our relational strategy, we advanced with the proposal of integrated offer to our 4.8 million individual customers at the end of the quarter, being 64% of which are digital banking customers (banking clients[1]). The stability observed in the growth of the customer base reflects our focus on seeking to engage and priority on core customers (BV's consumer finance customers), expanding the offer of products and services in the app, together with the continuous improvement of the customer experience. One of the engagement metrics, the Total Payment Volume[2] ("TPV"), remained improving and grew by 22.1% vs. 2Q22 and 27.8% over 1H22, reaching R$ 8.8 billion in 2Q23 and R$ 17.1 billion in 1H23.

Individual customers and % of banking clients[1]
(in mln and %)



Total payment volume[2] (TPV)
(in R$ bn)



1 - Customers who have the digital account and/or card; 2 – Includes spending on credit, debit, Ted/Doc, Pix, withdrawal and slip payment

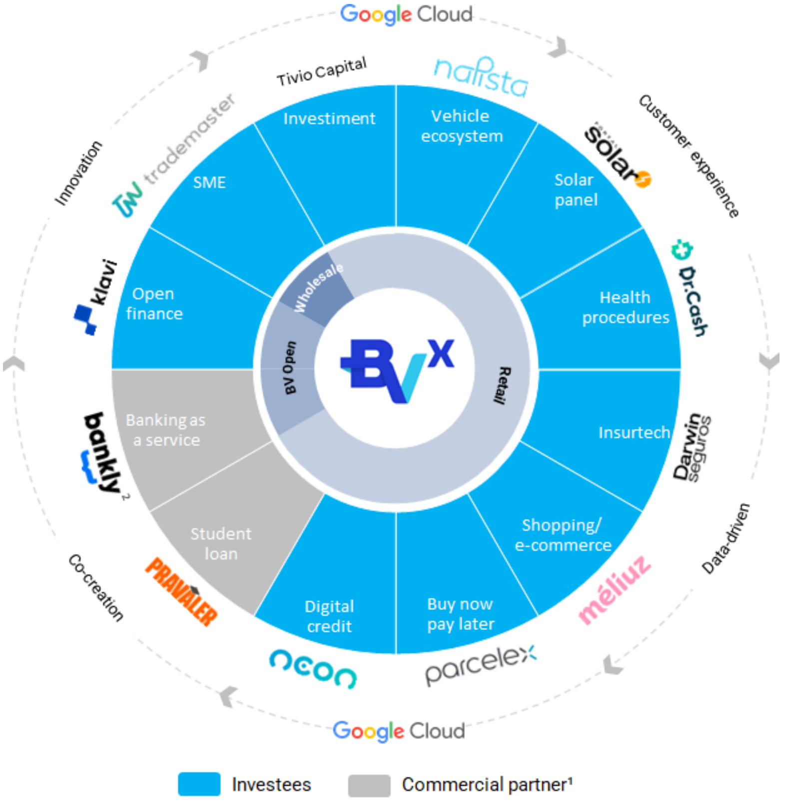
/ Strategy

BVx: BV's innovation ecosystem and digital partnerships

Our digital strategy involves the relentless pursuit of better services and experiences for our customers, always using innovation as a tool. BV consolidates and concentrates all innovation initiatives and digital partnerships in the **BVx ecosystem**, working on the following fronts: open innovation, connection with the ecosystem, future money, Artificial Intelligence, CVC (Corporate Venture Capital), BaaS (Banking as a Service)and Open Finance.

On the Corporate Venture Capital front, we have direct investments and partnerships for co-creation and lead/distribution of products. At the end of 2Q23, we had roughly 30 innovative companies enriching our ecosystem. On the right, we present a non-exhaustive view of our ecosystem.

We remain strongly committed in the partnership with **Méliuz** announced in December 2022, which is focused on strengthening our skills in attracting and engaging customers. The integration of the BV account and credit card into the Méliuz app was completed at the end of the first half: currently, all new accounts opened and cards issued at Méliuz are the result of our partnership, which, at the end of 2Q23, already represented approximately 8 thousand cards issued. In addition to tumble of the accounts and cards of the Méliuz legacy operation, we have the challenge of integrating new products into the Méliuz app, such as CDB and insurance, and developing the Méliuz white label shopping within our BV digital bank experience.



BV Open Platform

BV Open Platform is the business that plays an important role in our revenue diversification strategy, acting as a distribution channel for our services. BV Open Platform, our platform business, acts as an important distribution channel for BV bank services through APIs and allows more companies to be part of the financial market. We offer our partners and customers the following platform solutions via API: Banking as a Service (BaaS), Credit as a Service (CaaS) and Investment as a Service (IaaS). We ended the 2Q23 with over 100 partners from the most varied segments such as education, energy, health and e-commerce connected and using our platform solutions. Transactions[3] carried out on our Banking as a Service (BaaS) platform reached 112 million in the 1H23.

PÚBLICO 1 – Non-exhaustive list; 2 - The acquisition of Bankly depends on precedent conditions as per the Notice disclosed on 12/30/2022; 3 – The criteria for calculating the number of BaaS partners was updated in 2023; 4 – Includes payment of bank slips, Ted and Pix.

/ Strategy

BVx: BV's innovation ecosystem and digital partnerships

We believe that an innovation strategy must contain multiple simultaneous initiatives with the ecosystem, with the most varied focuses and formats. In addition to the innovation implemented through investments and/or strategic partnerships described above, our Innovation and Open Finance Lab uses technology, data and the power of the ecosystem to prototype and experiment with innovative new solutions in the financial industry.

Real Digital Pilot_

During the first months of the year, we applied to be part of the Central Bank's Real Digital Pilot project and we are among the 14 institutions selected for the testing phase that will serve to assess the benefits of operations carried out with tokenized assets. This participation will help us to develop technological infrastructure, train employees, anticipate strategic planning and position the brand as a relevant institution in the historical framework of the Brazilian financial system.

Open Innovation Program_

In 2023, we launched the Open Innovation Program for Startups (PIA), with the aim of strengthening BV's relationship with the entrepreneurial innovation ecosystem of startups, catalyzing solutions that help us solve the main day-to-day challenges of a bank and the priority themes of the program will be: development of new products and services, improvement of the customer experience and increase efficiency. PIA had 8 challenges launched to the market and generated a total of 147 startups enrolled in the program.

Payment Initiator_

We created another technological tool full of benefits brought by Open Finance to improve the day-to-day financial transactions of Brazilians. Technology in the banking sector has advanced more and more, allowing services to be performed in less time and lower difficulty.

The Payment Initiator will allow the consumer, when having to make an online payment or transfer, not having to enter the bank's application or enter their bank details, making everything simpler, faster and safer.

We understand that the financial industry has undergone a profound transformation and will continue to be flooded with new technologies and solutions, and in this context our innovation platform is essential to maintain the pace of growth and diversification of BV.

Now all our customers can access the payment initiator, a functionality that allows money to be transferred from another institution to BV, directly through our app.

/ Strategy

Customer centricity

In 2019, we started a journey to reposition our brand in which we seek to develop and increasingly strengthen an entrepreneurial culture, which emphasizes the commitment to take care of our customers and serve them with high quality support in such a way that the result of this positioning reinforce our purpose as an institution: to make the financial life of people and companies easier.

This strategy has provided us with results that go far beyond what we expected. We are proud to be able to share that for the first time, **Banco BV entered the ranking of the 100 most valuable brands in Brazil, occupying the 55th position**. This achievement is the result of our solid brand repositioning strategy, focus on product development and dedication to providing our customers with the best experience.

Our strong relationship with the innovation ecosystem contributes to us being a highly recognized bank in bringing innovation to clients. We have sought to increasingly improve our relationship with customers by using technologies aimed at: (i) channel improvements; (ii) training of customer service teams and; (iii) offers of contextualized and personalized products and services. This positioning has contributed significantly to the increase in customer satisfaction.

The results did not take long to appear: BV continuously features as one of the **lowest rates of complaints** among the main banks in Brazil in the **Brazilian Central Bank ranking**.

On the **Consumidor.gov.br** platform, we ended the semester with the **best service score in the banking industry**. In addition, we occupy the 3rd position in terms of resolution of problems among large banks, with a solution rate above the average of the industry.

We also continued to improve the transactional NPS (Net Promoter Score) in the various channels of interaction with our clients. These advances reflect the improvements in the customer experience when using the BV app and in conducting customer service by a highly specialized team, which implemented continuous improvement actions in operations, increasing resolution and assertiveness in the customer service channels. At the customer service, we ended 2Q23 with an average NPS of 77, against 71 in 2Q22. In the collection department, the NPS average reached 76 in 2Q23, compared to 72 in 2Q22. Finally, our NPS as an ombudsman has performed within the zone of excellence in all months of 2023, ending 2Q23 at 85 (vs 76 in 2Q22).

77 | NPS **Customer service** vs 71 In 2Q22

76 | NPS **Collection** vs 72 In 2Q22

85 | NPS **Ombudsman** vs 76 In 2Q22

/ Strategy

ESG agenda

Our sustainability aspiration is "Fostering social development through sustainable action with our ecosystem". To strengthen our aspirational and sustainable commitment, in May 2021 we launched our "2030 Commitments for a lighter future". In it, we assume 5 public goals with the aim of getting closer to the UN Sustainable Development Goals and which are in line with the Global Compact, of which we are signatories. The 2030 commitments are aligned with our aspirations and based on 3 pillars of action (i) neutralizing our environmental impact; (ii) accelerate social inclusion and; (iii) mobilize resources to foster sustainable businesses. The goals assumed in the 2030 Commitments for a lighter future are:

NEUTRALIZE OUR ENVIRONMENTAL IMPACT

1. Carry out **100% OF THE CO2 OFFSET OF OUR MAIN BUSINESS**, the financing of used vehicles
2. Compensate 100% OF **BV'S DIRECT GHG**[1] **EMISSIONS**

ACCELERATE SOCIAL INCLUSION

3. **ACHIEVE 50% OF LEADERSHIP ROLES** HELD BY PEOPLE WHO **IDENTIFY AS FEMALE**
4. Ensure participation of **35% OF BLACK PEOPLE** in BV's staff

MOBILIZE RESOURCES FOR SUSTAINABLE BUSINESS

5. Financing and distributing **IN THE CAPITAL MARKETS R$ 80 BILLION FOR ESG BUSINESSES**

In 2Q23, we highlight the following initiatives and achievements within our ESG agenda:

Donating Dreams: Drive Social Transformation Through Innovation!

Fostering social development through sustainable action with our ecosystem is our aspiration. For this reason, we have initiatives aimed at acquiring carbon credits, in addition to private social investment programs, encouraging those who support different cultural, social and sports projects as an inclusion tool.

One of the institutions that count on our support is the IPG (*Instituto Próxima Geração*), which focuses on promoting the training and development of citizens, providing a better future for children through the practice of tennis.

In an unprecedented initiative in the market, and in partnership with Betablocks, we are launching an innovative donation platform based on Blockchain: *Doar Sonhos ("Donating dreams")*. Through it, all our employees will be able to donate to our partner institute and acquire a Social NFT, which can be used to redeem exclusive experiences.

PÚBLICO

1 – Greenhouse Gases

/ Strategy

ESG agenda

New partnership with Rappi to facilitate access to electric motorcycle by couriers

In July/23 we entered into a new partnership with Rappi to facilitate the acquisition of electric motorcycles for independent couriers who operate through the platform. "*We believe this partnership creates value for customers and further strengthens the electric vehicle ecosystem. We are fostering the motorcycle financing sector, in which we have a relevant presence, with the ESG footprint of electric motorcycles and in partnership with different companies. This model reflects very well the way BV works with its customers, partners and the environment*", says Flávio Suchek, executive director of Retail at BV.

June 21: Skate Day

June 21st was the day to celebrate Skate Day, after all we are the bank for Brazilian skateboarding. And we celebrated our partnership with the sport in the best possible style, welcoming Yndiara Asp and Murilo Peres, BV athletes from the skate park, to our main office. They helped us tell a little about BV's trajectory with this sport that has been evolving here and around the world.

During these five years of hard work and impact, we supported championships, such as the PAM AM, by our star Pâmela Rosa, and the STU, we renovated tracks throughout Brazil and helped to take the sport to another level. And we didn't stop there: we launched the special card for skaters, which featured art chosen by the public for you and all our athletes to carry around the pride of being BV with a unique style.

We offset 100% of the CO2 emitted by the vehicles we finance

Since January 1st, 2021, all vehicles financed by BV have their CO2 emissions offset. Since then, it was over 2.9 million tons of CO2 compensated from financed vehicles, until June 2023.

Sustainable Business

In line with our commitment to mobilize resources to foster sustainable businesses in Brazil, from the beginning of 2021 until the end of 2Q23, we financed and distributed R$ 18.3 billion to ESG retail and wholesale businesses. Our goal is to reach R$ 80 billion by 2030.

"Take the sun home" campaign

What if you could save money and still support the nature? Solar energy is the answer and our new financing campaign for solar energy is here to clarify doubts and further promote this theme. The objective of this new campaign, which started in the first week of July, is to bring more knowledge about the benefits and advantages of the financing for solar panels.

After all, we are the leader in financing solar panels for homes and small businesses, in addition to encouraging social projects and fostering sustainable businesses, and now we are going to tell you that financing solar energy with BV, in addition to being simple and practical, is one of the best alternatives for environment.

To talk about our solar financing, we will have proprietary content available on UOL and InfoMoney websites, in addition to a group of influencers who will bring more details on the benefits of solar panels for cleaner and more sustainable energy generation on their social networks.

/ Business

Diversified business portfolio

Auto Finance

- **Leadership** in light used vehicles
- **Capillarity:** +25,000 car dealers; digital partners
- **Innovation and digital transformation**
- **100% digital** hiring mat
- **96%** automatic analysis

Leadership in financing for light used vehicles

Growth

Credit card: card portfolio of cards BV Livre, BV Mais and BV Único. Mastercard, Visa and Elo flags. +9.9% vs 2Q22

Solar Panel: leadership in the segment. +27.5% vs 2Q22

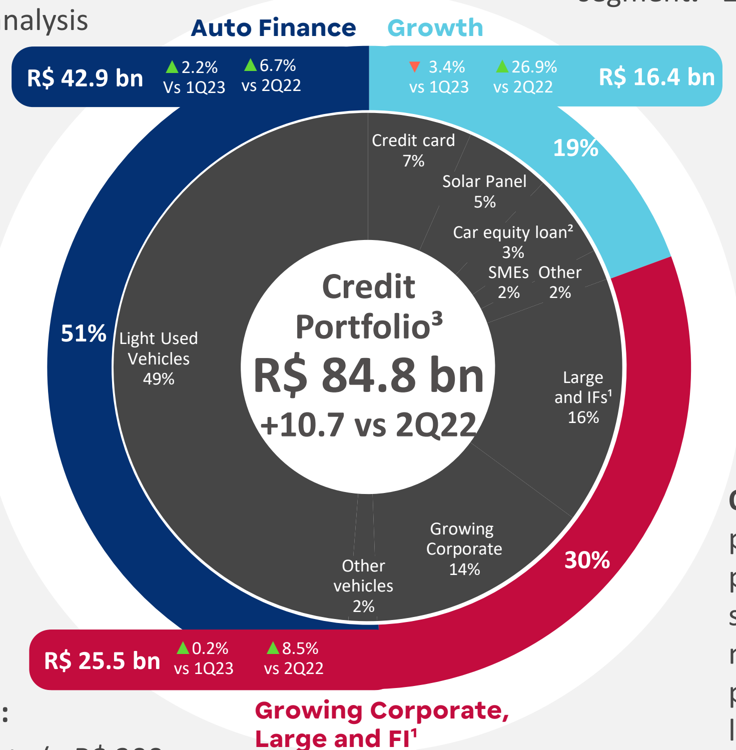
SME: focus mostly on pre-payment of receivables

+39.7% vs 2Q22

Car equity loan[2]: segment leadership

+81.2% vs 2Q22

Other loans: personal credit, private payroll, student loans, medical procedures, FGTS loan[4]



Growing Corporate, Large e FI[1]

***Corporate Banking*:**

- Growing Corporate (> R$ 300 million)
- Large Corporate (> R$ 1.5 bn)
- Financial institutions

13% expansion in the Growing Corporate segment vs 2Q22

BV Open Platform

Includes our platform BaaS (Banking as a Service), CaaS (Credit as a Service) e IaaS (Investment as a Service)

BV consolidates and concentrates all innovation initiatives and digital partnerships in the **BVx ecosystem**, working on the following fronts: open innovation, connection with the ecosystem, future money, Artificial Intelligence, CVC (Corporate Venture Capital), BaaS (Banking as a Service) and Open Finance

1 – Financial Institutions; 2 – Loan with vehicle as collateral; 3 – Expanded portfolio; 4 - It refers to a loan modality where the Employees Severance Guarantee Fund (FGTS) is used as collateral for payroll loans

/ Business

Credit Portfolio

The expanded loan portfolio grew 10.7% over 1Q22, reaching R$ 84.4 billion at the end of 2Q23, with expansion of 11.0% in Retail and 10.1% in Wholesale. Compared to the previous quarter, the portfolio grew 0.5%, with expansion of 1.5% in Retail and 1.7% in Wholesale.

Credit portfolio (R$ mln)	2Q22	1Q23	2Q23	Δ %	
				2Q23/1Q23	2Q23/2Q22
Retail segment (a)	**51,871**	**56,682**	**57,555**	**1.5**	**11.0**
Auto finance	40,174	41,954	42,876	2.2	6.7
Solar panels and other loans	6,589	8,920	9,064	1.6	37.6
Credit Cards	5,108	5,808	5,615	-3.3	9.9
Wholesale segment (b)	**14,214**	**15,029**	**14,460**	**-3.8**	**1.7**
Growing corporate	7,313	7,734	7,229	-6.5	-1.2
Large corporate + financial institutions	5,647	5,009	5,480	9.4	-3.0
Small and mid-size enterprise (SME)	1,253	2,285	1,751	-23.4	39.7
On-balance loan portfolio (a+b)	**66,084**	**71,710**	**72,016**	**0.4**	**9.0**
Wholesale segment (b+c+d)	**24,721**	**27,689**	**27,207**	**-1.7**	**10.1**
Guarantees provided (c)	6,822	6,624	6,756	2.0	-1.0
Private securities (d)	3,686	6,036	5,991	-0.8	62.5
Retail segment (a)	**51,871**	**56,682**	**57,555**	**1.5**	**11.0**
Expanded credit portfolio (a+b+c+d)	**76,592**	**84,371**	**84,762**	**0.5**	**10.7**

The 10.7% growth vs 2Q22 reinforces once again the resilience of our portfolio in a still challenging macroeconomic environment. We sustained the leadership in the used light vehicle financing segment, a portfolio that grew by 6.7% in the period. Still in retail, we continued to advance in the diversification agenda, with emphasis on solar panels and car equity loan (loan with vehicle as collateral), segments in which BV is the market leader, with expansion of 27.5% and 81.7% vs 2Q22, respectively. In wholesale, the 10.1% expansion observed reflects opportunities that we identified in a scenario of low activity in the capital markets in 2023, highlighting the 12.9% growth in the growing corporate segment. In addition, the SME's portfolio grew 39.7% in the period, in line with our expansion strategy in the segment, with focus on products with collateral (prepayment of receivables).

In the quarter, the more moderate growth observed reflects our greater selectivity in granting in view of the challenging macro scenario, with a focus on guaranteed products and customers with a better credit profile. Greater selectivity occurs mainly in credit cards, where we have prioritized the bank's core customer (BV consumer finance customers). In addition, the still high interest rates are also responsible for the lower demand for credit, both retail and wholesale.

At the end of 2Q23, auto finance, our main business, represented 50.6% of the total portfolio (52.5% in 2Q22); wholesale (Growing Corporate + Large Corporate + Financial Institutions) represented 30.0% (30.6% in 2Q22) and; the growth portfolio reached a 19.4% share of the bank's total portfolio (16.9% in 2Q22).

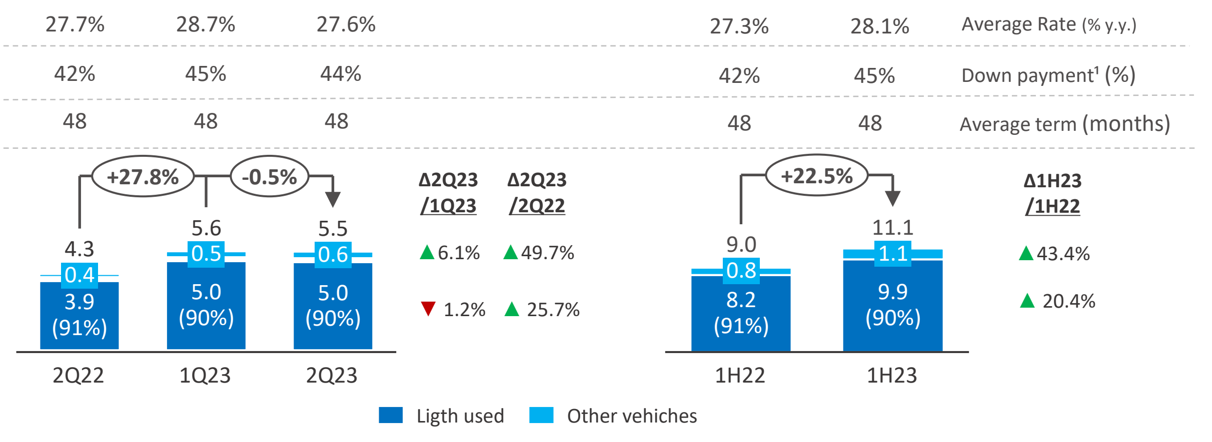
/ Business

Auto finance

The vehicle sales segment in Brazil continues to be impacted by the challenging macro environment, with household income commitments at very high levels, in addition to the still high interest rates. Data from B3 point to a weaker start to the year in the number of financed vehicles, and a gradual improvement from March onwards. The segment recorded growth of 5.7% in vehicle financing in the 1st half, with emphasis on motorcycles (+19.6%) and new light vehicles (+13.5%). The used light segment remained practically in line with the previous year. Banco central data show a growth of 0.9% in the volume of vehicle financing concessions in 2Q23 vs 2Q22 and 3.2% in the year, when compared to the same period of 2022.

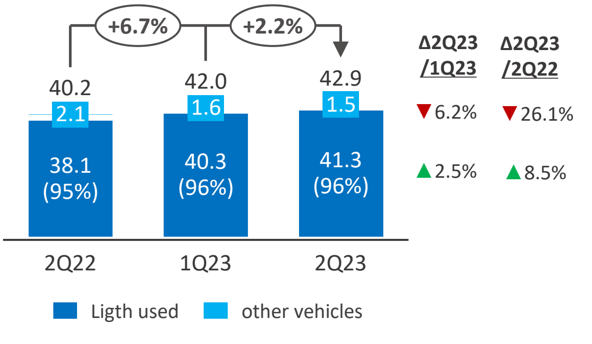
Our auto finance origination grew 27.8% vs. 2Q22 and reached R$ 5.5 billion. In 1H23, origination totaled R$ 11.1 billion, an increase of 22.5% over 1H22. In addition to the improvement observed in the market, this performance also reflects greater rationality in the used car market after the deterioration in credit quality observed in the financial system during the last quarters. We remain in the lead in financing used light vehicles, a segment that grew by 25.7% vs 2Q22 and 20.4% vs 1H22. Other vehicles (new, motorcycles and heavy vehicles) increased by 49.7% vs 2Q22 and 43.4% vs 1H22, highlighting the growth in motorcycles and heavy vehicles.

Auto finance origination (R$ bn)



The **auto finance portfolio** ended the first quarter of 2023 at R$ 42.9 billion, up 2.2% vs. the previous quarter and 6.7% in the last 12 months. The used light vehicle portfolio represented 96% of the vehicle portfolio in 2Q23 (96% in 1Q23 and 95% in 2Q22) and grew by 2.5% and 8.5% compared to 1Q23 and 2Q22, respectively. The portfolio of other vehicles, on the other hand, decreased by 6.2% vs. 1Q23 and 26.1% vs. 2Q22, mainly reflecting the lower origination in previous periods due to the crisis in the sector generated by the shortage of components, in addition to the suspension of production announced by some automakers earlier this year due to the adverse economic environment.

Auto finance portfolio (R$ bn)



100% digital customer experience

BV operates with a 100% digital auto finance contracting mat, from financing simulation, going through credit analysis and signing the contract. In addition to our own digital channels, including the BV website and the Meu Carro Novo portal, we also operate with partners such as SóCarrão and Karvi, which contribute to expanding access to potential buyers.

Year-to-date, 11.9 million car financing simulations were carried out on our digital channels, car dealer partners and digital partners, in line with the same period of the previous year.

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1 - Based on the value of the asset informed at the time of hiring

/ Business

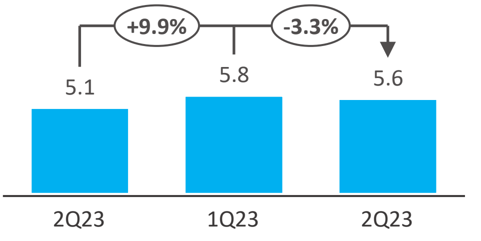
Credit card

In credit card, we continue to focus on the selective strategy of mainly serving our core customers (BV consumer finance customers), a client profile that presents a better credit risk in view of the current challenging economic scenario. We continued to advance in the greater digitalization of customers: we reached 65% of origination via digital channels and 97% of digital invoices, which enhance convenience, efficience and satisfaction of our customers.

Another highlight is the growth in the cross-selling of products: in the year, we have a 46% increase in penetration of insurance in card new issuances, which reflects a more assertive and customized value proposition for the customer base.

The credit card portfolio reached R$ 5.6 billion, an increase of 9.9% compared to 2Q22 and a decrease of 3.3% compared to the previous quarter. The recent performance of the cards business reflects the current moment of the credit cycle, where we are more selective in issuing new cards, as well as being more conservative in granting limits.

Credit card portfolio (R$ bn)

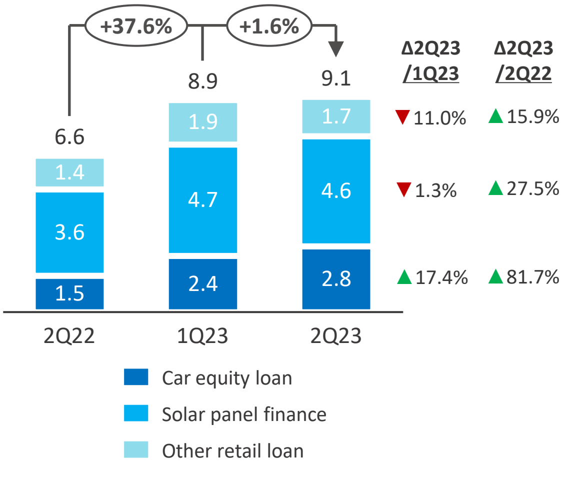


Solar panels financing and other retail loans

Complementing our portfolio for Retail, we have a wide range of products, including thoughtful solutions, associated products in partnerships with fintechs and startups, enriching our portfolio, which includes Financing of solar panels, Car equity loan, FGTS Loan[1], Health financing, student Financing, Payroll Loan and Personal Loan.

The loan portfolio of this sub-segment totaled R$ 9.1 billion at the end of 2Q23, growth of 37.6% vs. 2Q22 and 1.6% compared to 1Q23. The highlight was the performance of the car equity loan portfolio, a segment in which BV is the market leader, with growth of 81.7% vs 2Q22 and 17.4% vs 1Q23. As expected, the solar financing portfolio showed more moderate growth in the first half of 2023, due to the anticipation of demand that occurred at the end of 2022, due to the change in the regulatory framework for Distributed Generation. However, the impact brought by Law 14,300 is small, in terms of return on investment (payback), and this change allows for greater legal certainty for carrying out these long-term investments, therefore, the installation of solar panels remains very attractive for the consumer. Our vision for the product remains optimistic given Brazil's high solar potential and the low cost of producing solar energy when compared to other energy sources.

Solar panel and other retail loan portfolio (R$ bn)



Finally, other loans increased by 15.9% vs. 2Q22 and decreased by 11.0% compared to 1Q23, with different performances of the products that make up this subgroup. We continued to register significant growth in the FGTS loan portfolio, exclusively through our digital channels, while we reduced the granting of personal loans, in line with our strategy of focusing on products with collateral.

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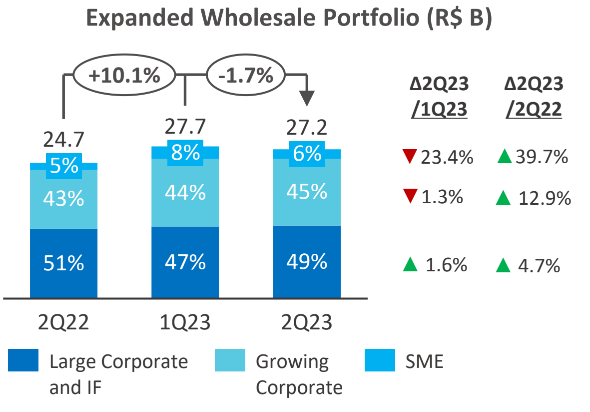
1 - It refers to a loan modality where the Employees Severance Guarantee Fund (FGTS) is used as collateral for payroll loans

/ Business

Wholesale credit portfolio

The expanded Wholesale portfolio totaled R$ 27.2 billion at the end of 2Q23, up 10.1% compared to 2Q22, and down 1.7% compared to the previous quarter. Excluding the effect of the exchange variation, the wholesale portfolio would have increased by 11.4% compared to 2Q22 and a decrease of 2.0% compared to 1Q23.

The 10.1% expansion vs 2Q22 reflects the 12.9% growth in the Growing Corporate segment (companies with revenues between R$ 300 million and R$ 1.5 billion), a portfolio that reached R$ 12.1 billion in 2Q23 , in addition to the 39.7% expansion in the SME segment, both in line with our strategic plan for greater risk spreading and profitability of the CIB portfolio.



The 1.7% decrease over the previous quarter mainly reflects the 23.4% drop in the SME portfolio, due to our greater conservatism in origination due to the current challenging credit cycle.

We present below the exposure by industry of the CIB portfolio, highlighting that our risk policy establishes exposure limits to sectoral and individual risks, which are regularly monitored by the risk management area:

Wholesale portfolio - Exposure by industry	2Q22		2Q23	
	R$ mln	Part.(%)	R$ mln	Part.(%)
Financial Institutions	3.617	15%	4,770	18%
Industry	1.972	8%	2,174	8%
Agroindustry / Agrochemicals	1,377	6%	1,937	7%
Project Finance	1,157	5%	1,780	7%
SME	1,253	5%	1,751	6%
Real Estate	1,952	8%	1,528	6%
Cooperatives	1,204	5%	1,500	6%
Retail businesses	1,047	4%	1,252	5%
Sugar and ethanol	1,498	6%	1,249	5%
Telecommunications	861	3%	1,014	4%
Vehicle assemblers / Dealers	551	2%	954	4%
Oil & gas	1,198	5%	740	3%
Rentals	1,065	4%	681	3%
Services	377	2%	592	2%
Sanitation	294	1%	418	2%
Electric power	928	4%	415	2%
Mining	302	1%	411	2%
Health	347	1%	259	1%
Pharmaceutical	268	1%	160	1%
Other	3,454	14%	3,618	13%
Total	**24,721**	**100%**	**27,207**	**100%**

/ Managerial Results

Accounting versus Managerial Reconciliation

In order to better understand and analyze the Bank's financial performance, the explanations of this report are based on the Managerial Income Statement, which considers some managerial reallocations carried out in the audited Financial Statement, with no impact on the net income. These reallocations refer to:

- Expenses related to provisions (civil, labor and tax) reallocated from "(Provision) / reversal for contingent liabilities" and from "Personnel Expenses" to "Other Income (Expenses)";
- Operational costs of subsidiary Promotiva S.A. reallocated from "Other income (Expenses)" to "Income from services". As of 1Q23, this adjustment ceased to exist due to the sale of Promotiva carried out in Dec/2022;
- "Discounts granted" reallocated from "Gross Financial Margin" to "Cost of Risk";
- Costs directly related to credit origination reallocated from "Administrative Expenses" to "Other Income (Expenses)".

INCOME STATEMENT (R$ mln)	2Q23 Accounting	Non-recurring events	Managerial Adjustments	2Q23 Managerial
Revenues – Total (i + ii)	**2,180**	**0**	**440**	**2,619**
Gross financial margin (i)	1,686	0	440	2,126
Income from services and brokerage (ii)	494	0	(0)	494
Cost of risk	**(579)**	**0**	**(455)**	**(1,034)**
Operating expenses	**(1,220)**	**1**	**16**	**(1,204)**
Personnel and administrative expenses	(909)	0	149	(760)
Tax expenses	(133)	0	0	(133)
Other expenses (income)	(178)	1	(133)	(310)
Result before taxes and contributions	**381**	**1**	**(0)**	**381**
Income tax and social contribution	(61)	0	0	(61)
Minority Interest	(36)	0	0	(36)
Revenues – Total (i + ii)	**284**	**1**	**(0)**	**284**

INCOME STATEMENT (R$ mln)	1H23 Accounting	Non-recurring events	Managerial Adjustments	1H23 Managerial
Revenues – Total (i + ii)	**4,374**	**0**	**730**	**5,104**
Gross financial margin (i)	3,394	0	731	4,125
Income from services and brokerage (ii)	980	0	(0)	979
Cost of risk	**(1,455)**	**0**	**(763)**	**(2,218)**
Operating expenses	**(2,345)**	**1**	**32**	**(2,311)**
Personnel and administrative expenses	(1,824)	0	315	(1,509)
Tax expenses	(276)	0	0	(276)
Other expenses (income)	(245)	1	(283)	(527)
Result before taxes and contributions	**573**	**1**	**0**	**574**
Income tax and social contribution	85	0	0	85
Minority Interest	(93)	0	0	(93)
Revenues – Total (i + ii)	**565**	**1**	**0**	**566**

Non-recurring events

(R$ mln)	2Q22	1Q23	2Q23	1H22	1H23
Net Income - Accounting	**412**	**281**	**284**	**800**	**565**
(-) Non-recurring events	**0**	**-1**	**-1**	**0**	**-1**
Goodwill amortization	0	-1	-1	0	-1
Recurring Net Income	**412**	**282**	**284**	**800**	**566**

Summary of non-recurring events:

- Goodwill amortization: Goodwill amortization expenses generated by the acquisition of Trademaster Serviços e Participações S.A..

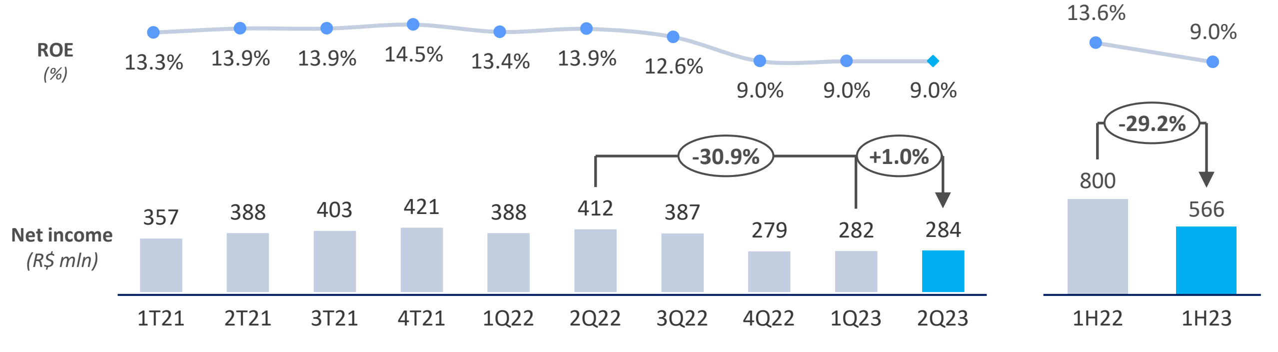
/ Managerial Results

Managerial Income Statement

INCOME STATEMENT (R$ mln)	2Q22	1Q23	2Q23	1H22	1H23	Δ % 2Q23/1Q23	Δ % 2Q23/2Q22	Δ % 1H22/1H23
Total Revenue (i + ii)	**2,442**	**2,484**	**2,619**	**4,898**	**5,104**	**5.4**	**7.3**	**4.2**
Gross financial margin (i)	**2,006**	**1,999**	**2,126**	**4,017**	**4,125**	**6.3**	**6.0**	**2.7**
Financial margin with clients	1,786	1,846	1,885	3,562	3,731	2.1	5.5	4.8
Financial margin with the market	220	153	240	456	393	56.8	9.3	-13.7
Income from services and insurance (ii)	**436**	**485**	**494**	**881**	**979**	**1.8**	**13.3**	**11.2**
Cost of risk	**(601)**	**(1,184)**	**(1,034)**	**(1,293)**	**(2,218)**	**-12.6**	**72.1**	**71.6**
Operating expenses	**(1,228)**	**(1,108)**	**(1,204)**	**(2,416)**	**(2,311)**	**8.7**	**-2.0**	**-4.3**
Personnel and administrative expenses	(800)	(749)	(760)	(1,533)	(1,509)	1.5	-5.0	-1.5
Tax expenses	(111)	(142)	(133)	(255)	(276)	-6.1	20.3	8.1
Other expenses (income)	(317)	(216)	(310)	(628)	(527)	43.3	-2.2	-16.2
Result before taxes and contributions	**613**	**193**	**381**	**1,190**	**574**	**97.6**	**-37.8**	**-51.7**
Income tax and social contribution	(130)	145	(61)	(261)	85	-141.7	-53.4	-132.5
Minority interests	(71)	(57)	(36)	(129)	(93)	-35.8	-48.8	-28.1
Recurring Net Income	**412**	**282**	**284**	**800**	**566**	**1.0**	**-30.9**	**-29.2**
Return on Average Equity (ROAE)	**13.9%**	**9.0%**	**9.0%**	**13.6%**	**9.0%**	**0.0 p.p.**	**-4.9 p.p.**	**-4.7 p.p.**
Efficiency Ratio (ER) - Last 12 months	**38.0%**	**39.0%**	**37.8%**	**38.0%**	**37.8%**	**-1.2 p.p.**	**-0.2 p.p.**	**-0.2 p.p.**
Normalized ER[1] - Last 12 months	**34.2%**	**34.3%**	**33.4%**	**34.2%**	**33.4%**	**-0.9 p.p.**	**-0.7 p.p.**	**-0.7 p.p.**

Recurring Net Income and ROE

Recurring net income for 2Q23 totaled R$ 284 million, down 30.9% over 2Q22. Recurring ROE for the quarter was 9.0%, 4.9 p.p. below 2Q22. Year-to-date ("1H23"), net income amounted to R$ 566 million, down 29.2% over the same period in 2022. Recurring ROE was 9.0%, down 4.7 p.p. compared to 1H22. The drop in profitability compared to 2022 (quarterly and accumulated) was mainly driven by: (i) the increase in the cost of risk due to the higher provisioning in the retail portfolio, a segment that continues to be impacted by adverse economic environment, especially by the high commitment of families' income, in addition to interest rates that remain at high levels. It is worth highlighting the revisions and adjustments to the credit policy that we have implemented to face the current credit cycle, which already led to a better performance of NPL levels of the new vintages.



In the quarterly comparison (2Q23 vs 1Q23), recurring net income increased by 1.0% and ROE remained stable at 9.0%. The variation in net income mainly reflects the growth in the gross financial margin and the reduction in the cost of risk, which, in turn, offset the increase in "other expenses", in addition to the tax result.

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1 – Efficiency Ratio excluding investments in the digital bank.

/ Managerial Results

Gross Financial Margin

The gross financial margin in 2Q23 grew 6.3% compared to 1Q23, to R$ 2,126 million, with an expansion of 2.1% in the margin with clients and 56.8% in the margin with the market.

- The 2.1% expansion vs. 1Q23 in the financial margin with clients mainly reflects the growth of the portfolio in the period, in addition to the effect of the product mix. NIM clients[1] dropped 10 bps, ending the quarter at 9.7% vs 9.8% in 1Q23, with greater selectivity in granting credit and focus on secured products, which have lower spreads compared to unsecured products.
- The 56.8% increase vs. 1Q23 in the financial margin with the market reflects the positive result of structural hedge positions and the investment of shareholders' equity.

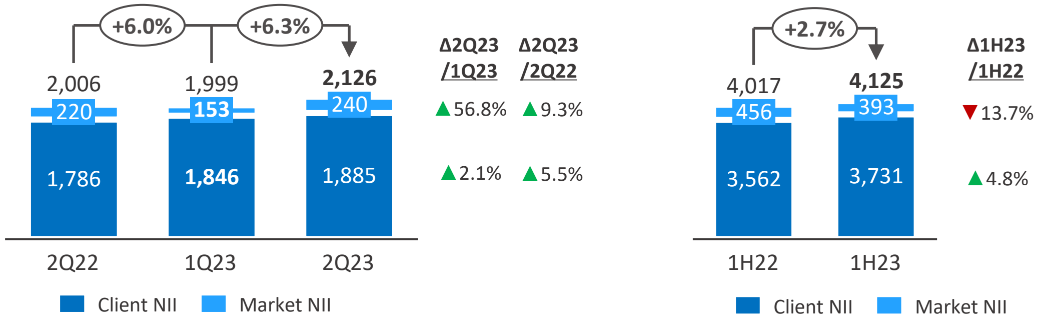
Compared to 2Q22, the gross financial margin grew 6.0%, with a 5.5% expansion in the margin with clients and 9.3% in the margin with the market.

- The 5.5% increase vs 2Q22 in the margin with clients reflects the growth of the loan portfolio, in addition to the mix effect influenced by the greater conservatism in the credit policy and greater selectivity in the granting, with a greater focus on secured products. NIM clients[1] registered a decrease of 60 bps compared to 2Q22.
- The 9.3% expansion vs. 2Q22 in the financial margin with the market also reflects the result of structural hedge positions, as well as the use of equity.

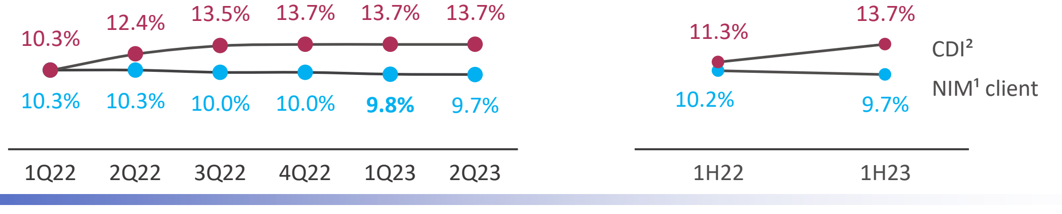
Year-to-date, the gross financial margin grew 2.7%, with a 4.8% expansion in the margin with clients, and a contraction of 13.7% in the margin with the market.

- The 2.7% increase in the margin with clients in 1H23 reflects the growth of the loan portfolio, in addition to the mix effect influenced by the greater conservatism in the credit policy and greater selectivity in granting with greater priority in secured products. NIM clients[1] dropped by 50 bps compared to 1H22.
- The 13.7% decrease in the financial margin with the market in 1H23 vs 1H22 is also explained by the result of structural hedge positions, as well as the use of shareholders' equity. Such performance in a scenario of greater volatility in interest rates reflects the adoption of a conservative management focused on protecting the bank's balance sheet.

Gross Financial Margin (R$ mln)



NIM clients[1] vs CDI[2] (% y.y.)



PÚBLICO 1 - Net Interest Margin: Quotient between Gross Margin clients and Spread-sensitive Average Assets; 2 - Annualized quarterly CDI (benchmark interest rate) average rate (source: Cetip)

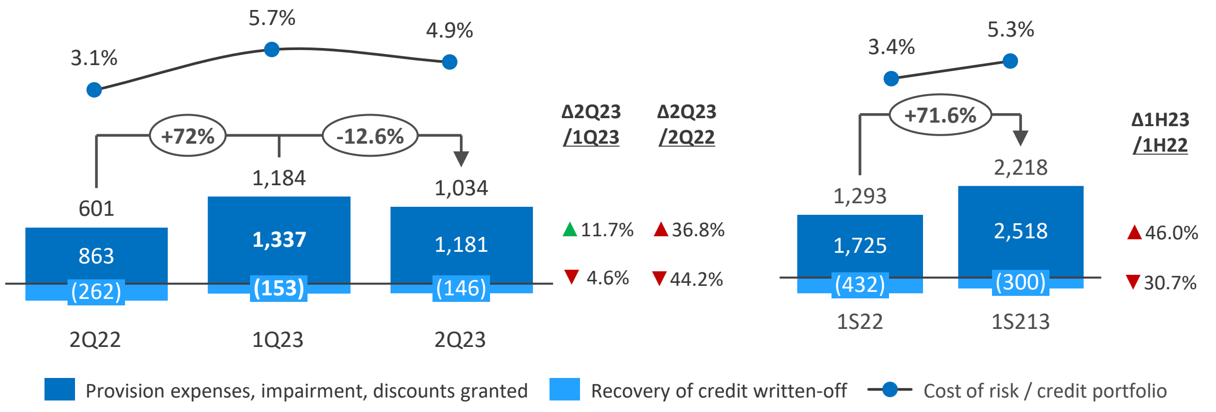
/ Managerial Results

Cost of Risk

The cost of risk registered an increase of 72.1% vs 2Q22 and 71.6% in the semester vs 1H22. The increase observed in both comparisons reflects the higher allowance for loan losses in the Retail business, a segment that continues to be impacted by adverse economic conditions, especially by the high commitment of family income. The increase also reflects the continuous growth of the Retail credit portfolio, in addition to the mix effect with a greater share of credit cards in the portfolio, which, although we have slowed down growth and started to prioritize secured products and core customers, we still have an impact from older vintages. Finally, we had an increase in discounts granted in both periods.

Although still under pressure, the cost of risk dropped 12.6% compared to the previous quarter. It is worth highlighting the revisions and adjustments to the credit policy that we implemented to face the adverse economic environment, which already reflected in the performance of NPL levels of the new vintages.

Cost of Risk (R$ mln)



Income from Services and Insurance Brokerage

Income from services and insurance brokerage totaled R$ 494 million in 2Q23, growth of 1.8% over 1Q23 and 13.3% over 2Q22. In 1H23, revenues reached R$ 979 million, an expansion of 11.2% over 1H22.

Income from services and insurance fees (R$ mln)	2Q22	1Q23	2Q23	1H22	1H23	Δ %		
						2Q23/1Q23	2Q23/2Q22	1H23/1H22
Fees from registration and asset appraisal	117	173	**173**	245	**346**	-0.1	47.8	41.3
Insurance brokerage fees	86	163	**174**	187	**337**	7.1	102.2	80.9
Credit cards	96	85	**81**	186	**166**	-4.0	-15.3	-10.7
Income from guarantees provided	27	24	**22**	51	**46**	-9.4	-20.2	-9.5
Management of investment funds	25	7	**0**	49	**7**	-	-	-86.1
Commissions on securities placement	28	10	**21**	65	**32**	111.3	-24.0	-51.8
Banking correspondent (Promotiva)	23	0	**0**	42	**0**	-	-	-
Other[1]	33	24	**22**	56	**46**	-5.5	-32.0	-17.6
Total	**436**	**485**	**494**	**881**	**979**	**1.8**	**13.3**	**11.2**

1 - includes custody services, stock exchange brokerage, financial advisory, among others

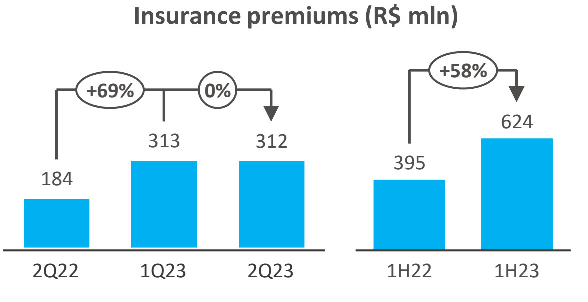
/ Managerial Results

Income from Services and Insurance Brokerage

The growth recorded in both comparisons with 2022 (2Q22 and 1H22) reflects the improvement in origination in the vehicle financing market, with positive impact on income from registration and asset appraisal, in addition to higher insurance brokerage fees. These effects more than offset the impact of (i) income from the subsidiary Promotiva, which ceased to exist in 2023 due to the sale of all shares concluded in Dec/2022; (ii) income from management of investment funds, explained by the partial sale of BV DTVM in the context of the strategic partnership with Bradesco for the formation of an independent wealth management firm (closing of the transaction took place on Feb/2023, so that since then, the proportional results of BV DTVM were allocated to the "other income" line in the managerial income statement); (iii) lower commissions on securities placement due to the low volume of credit operations in the market, as a result of the increase in risk aversion that marked the 1st half of the year due to credit events and requests for judicial recovery of certain companies, and; (iv) lower income from credit cards due to changes in credit policies to face the more adverse economic scenario.

Compared to 1Q23, income from service and insurance brokerage grew by 1.8%, mainly due to higher insurance brokerage fees, in addition to higher commissions on securities placement, reflecting the gradual improvement in the volume of credit operations in the capital market, which had been heavily impacted in 1Q23 by the event in a large retail player.

In line with the increase in auto finance origination in 2023, insurance premiums grew 69% vs 2Q22 and 58% compared to 1H22. BV Corretora sustains its position of one of the largest insurance brokers in Brazil, with a wide range of products including full auto insurance options, credit protection, residential, life and personal accidents, even assistance for pets and funerals, in partnership with the main insurance companies[1] operating in the country.



Non-Interest Expenses

Total non-interest expenses (personnel expenses + administrative expenses excluding amortization + other operating expenses/revenues) reached R$ 1.0 billion in 2Q23, up 10.2% over 1Q23 and down 6.2% % vs 2Q22. In the 1H23 period, non-interest expenses reached R$ 1.9 billion, down 7.6% vs. 1H22.

Personnel expenses decreased by 9.0% vs 2Q22 and 7.4% compared to 1H22. The decrease in both comparisons was mainly driven by: (i) a reduction in headcount due to our efficiency program, in addition to the adjustments made to face the more challenging macroeconomic environment, and; (ii) lower expenses with variable compensation due to the deterioration of the macro scenario, which impacted the bank's results. Such effects more than offset the impact of the collective agreement reached in September/22. Compared to 1Q23, personnel expenses remained nearly stable, with a slight decrease of 0.9%.

Administrative expenses (ex-depreciation & amortization) decreased by 6.3% compared to 2Q22, with lower marketing and specialized technical services expenses. In the accumulated year (1H23), there was a increase of 1.4% in administrative expenses, compared to the accumulated official inflation (IPCA) of 3.16% over the last 12 months. Compared to the previous quarter, administrative expenses remained nearly stable with a slight increase of 1.4% in the period.

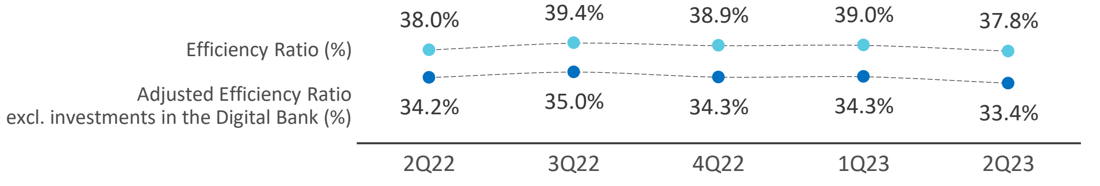
1 – Insurance companies comercial partners: Porto Seguro, Azul Seguros, HDI Seguros, Aliro Seguro, Sompo Seguros, Liberty Seguros, Mapfre, Tokio Marine Seguradora, Zurich, Darwin Seguros, Cardif, Icatu, Metlife and CDF.

/ Managerial Results

Non-Interest Expenses

Personnel and Administrative Expenses (R$ mln)	2Q22	1Q23	2Q23	1H22	1H23	Δ % 2Q23/1Q23	2Q23/2Q22	1H23/1H22
Personnel Expenses	**(422)**	**(388)**	**(384)**	**(833)**	**(772)**	**-0.9**	**-9.0**	**-7.4**
Salaries and profit sharing	(299)	(260)	(261)	(594)	(522)	0.3	-12.7	-12.2
Benefits e social charges	(120)	(124)	(120)	(233)	(245)	-3.3	0.5	4.9
Training	(3)	(3)	(3)	(6)	(6)	0.8	-13.3	-8.7
Administrative Expenses (ex deprec.&amort)	**(313)**	**(291)**	**(293)**	**(576)**	**(584)**	**0.6**	**-6.3**	**1.4**
Specialized technical services	(124)	(118)	(116)	(214)	(234)	-1.8	-6.1	9.5
Data processing	(91)	(91)	(86)	(173)	(177)	-5.8	-6.3	2.3
Judicial and notary public fees	(21)	(20)	(23)	(37)	(42)	13.9	5.8	14.1
Marketing	(35)	(17)	(23)	(73)	(40)	38.4	-33.2	-44.5
Other	(41)	(45)	(45)	(79)	(91)	-0.4	9.9	14.3
Administrative Expenses Total	**(378)**	**(361)**	**(376)**	**(700)**	**(738)**	**4.1**	**-0.5**	**5.4**
Depreciation and amortization	(65)	(70)	(83)	(124)	(153)	18.8	27.5	24.1
Total Personnel + Administrative	**(800)**	**(749)**	**(760)**	**(1,533)**	**(1,509)**	**1.5**	**-5.0**	**-1.5**
Total excluding depreciation and amortization	**(735)**	**(679)**	**(677)**	**(1,409)**	**(1,356)**	**-0.2**	**-7.8**	**-3.8**

The **Efficiency Ratio (ER)** ended 2Q23 at 37.8%, 20 bps lower than 2Q22 and 120 bps lower than the previous quarter. It is important to remember that the current level of the Efficiency Ratio reflects the impact of investments in initiatives focused on the diversification, customer-centricity and efficiency agenda, in line with BV's strategic plan, despite the current adverse economic scenario which impacted the performance of the business. Nevertheless, efficiency remains a fundamental pillar in Banco BV's strategy, evidenced by the healthy Efficiency Ratio level of 33.4% when we exclude investments in the digital bank.



Other (expenses)/income decreased by 2.2% compared to 2Q22, to R$ 310 million. Compared to 1Q23, there was a 43.3% increase in expenses (net), mainly explained by the sale of controlled companies during the previous quarter, with a positive impact on the line "other". The 16.2% drop recorded in the 1H23 vs 1H22 comparison reflects the same impact mentioned above, that is, the sale of controlled companies carried out during the previous quarter, with an impact on the line "other" in 1Q23.

Other (expenses) / income (R$ M)	2Q22	1Q23	2Q23	1H22	1H23	Δ % 2Q23/1Q23	2Q23/2Q22	1H23/1H22
Costs associated with production	(241)	(295)	(241)	(518)	(536)	-18.3	-0.1	3.7
Civil and fiscal lawsuits	(27)	(25)	(30)	(43)	(55)	16.3	11.4	27.2
Labor lawsuits	(34)	(58)	(41)	(65)	(99)	-29.7	19.6	53.8
Results from real estate subsidiaries[1]	7	6	5	6	11	-20.4	-27.3	80.4
Other	(22)	156	(3)	(9)	153	-102.1	-84.8	-
Total	**(317)**	**(216)**	**(310)**	**(628)**	**(527)**	**43.3**	**-2.2**	**-16.2**

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/ Portfolio Quality

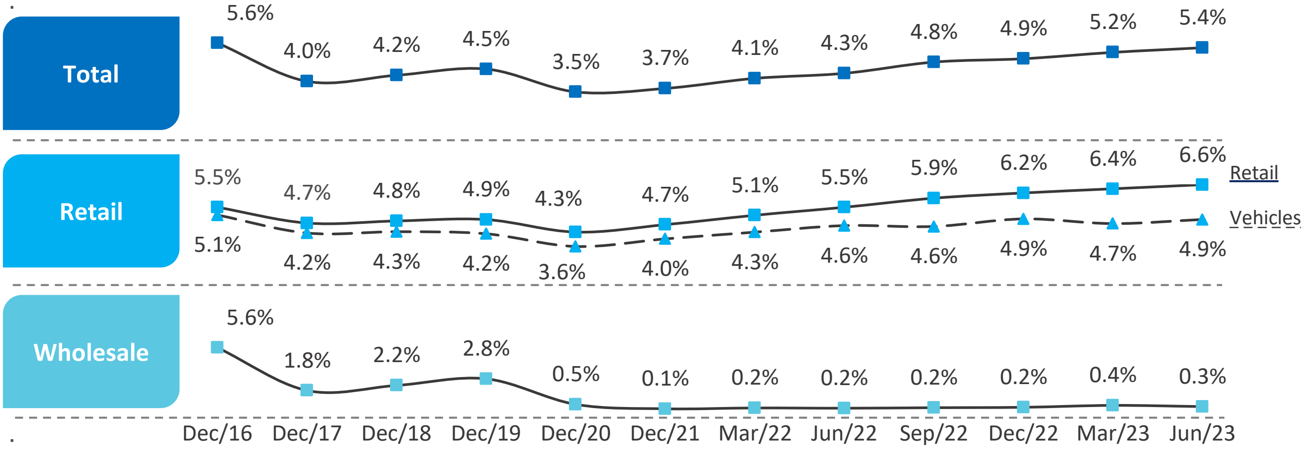
Portfolio quality

The loan portfolio risk segmentations in this section refer to the portfolio classified according to Res. CMN nº 2.682/99, unless otherwise indicated.

Credit Portfolio Quality Indicators (R$ mln, except where indicated)	2Q22	1Q23	2Q23
90-day NPL balance	2,852	3,702	3,849
90-day NPL ratio – Total	4.3%	5.2%	5.4%
90-day NPL ratio – Retail	5.5%	6.4%	6.6%
90-day NPL ratio – Auto finance	4.6%	4.7%	4.9%
90-day NPL ratio – Wholesale	0.2%	0.4%	0.3%
Write-off (a)	(646)	(768)	(822)
Credit recovery (b)	262	153	146
Net Loss (a+b)	(384)	(614)	(676)
Net Loss / Credit portfolio - annualized	2.3%	3.5%	3.8%
New NPL	815	1,009	970
New NPL / Credit portfolio² - quarter	1.24%	1.43%	1.35%
ALL balance³	5,789	6,011	5,930
ALL balance / Credit portfolio	8.8%	8.4%	8.2%
ALL balance / 90-day NPL balance	203%	162%	154%
AA-C balance	57,299	62,148	62,035
AA-C / Credit portfolio	86.7%	87.7%	86.1%

Nonperforming Loans – NPL Ratio | Over 90 Days

Nonperforming loans over 90 days (NPL 90 days) increased by 20 bps in the quarter, to 5.4%, against 5.2% in the previous quarter, with an increase of 20 bps in Retail, to 6.6%, and reduction of 10 bps in Wholesale, to 0.3%. The NPL-90 days of the auto finance portfolio, BV's main business, increased by 20 bps compared to the previous quarter, to 4.9%.



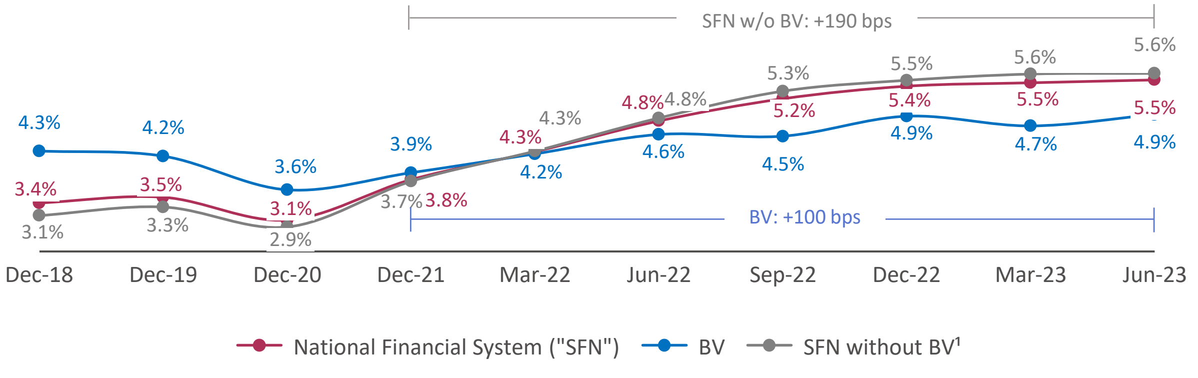
/ Portfolio Quality

Nonperforming Loans – NPL Ratio | Over 90 Days

- **Retail:** the NPL 90 days of the Retail portfolio ended 2Q23 at 6.6%, an increase of 20 bps over the previous quarter, still reflecting the adverse economic environment with high commitment of household income in Brazil, and the still high interest rates in the country. It is worth highlighting the revisions and adjustments to the credit underwriting policy that we implemented over the previous quarters to face the current credit cycle, which already reflected in the better performance of NPL levels in the new vintages.

  The auto finance portfolio continued to perform better than the overall market, which is explained by our conservatism and long expertise in the segment. The NPL-90 days of this portfolio ended 2Q23 at 4.9%, an increase of 20 bps vs the previous quarter and 70 bps below the overall industry (national financial system or "SFN"). It is worth noting that historically our NPLs ratio have always performed above the financial system due to our focus on used vehicles. Since March/22, our NPL ratio has been performing below the market, with an increase of 100 bps from the end of 2021 up to the 2Q23, while the financial system registered an increase of 190 bps in the same period.

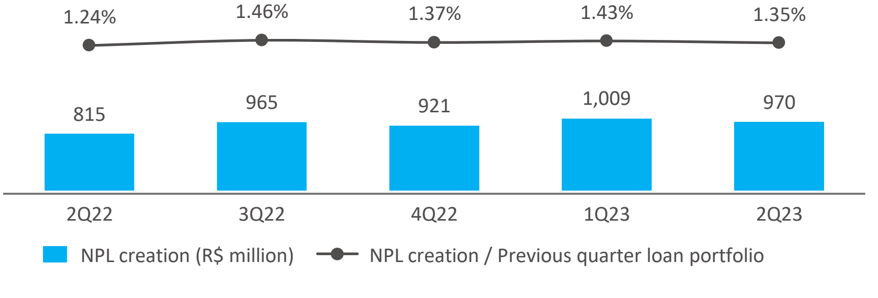
NPL 90 days Auto Finance



- **Wholesale:** the NPL 90 days of the Wholesale portfolio remains at a very healthy level, below the historical average, ending the quarter at 0.3%, 10 bps lower than the previous quarter.

NPL creation

NPL creation totaled R$ 970 million in 2Q23, a 3.9% decrease compared to the previous quarter. The NPL Creation as % of the loan portfolio reached 1.35%, down 0.08 p.p. in the quarter..



1 – National Financial System.

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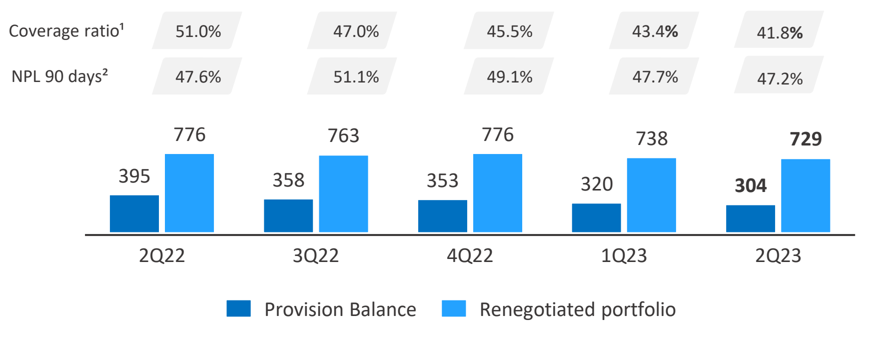
/ Portfolio Quality

Overdue Renegotiated Portfolio

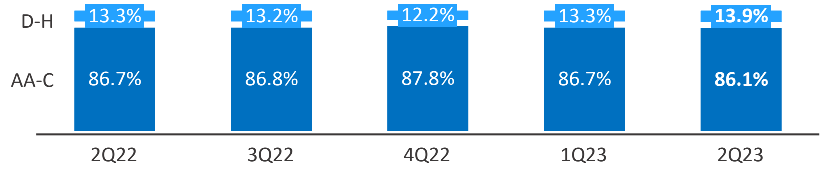
The balance of the overdue renegotiated portfolio totaled R$ 729 million in the end of the 2Q23. Compared to 1Q23, there was a 1.2% drop, and compared to 2Q22, there was a decrease of 6.0%. In the quarter, the NPL 90 days of this portfolio reached 47.2%, slightly lower than the previous quarter and 2Q22. The coverage ratio for this portfolio at the end of 2Q23 was 41.8%, compared to 43.4% in 1Q23 and 51.0% in 2Q22. More information available in the 2Q23 Financial Statements, Explanatory Note 12-i.

Overdue renegotiated portfolio (R$ mln)



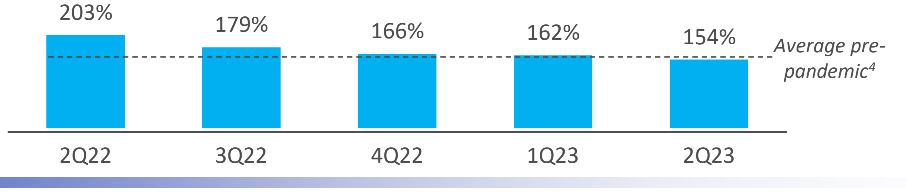
Credit Portfolio by Risk Level[3]

The balance of the D-H rated portfolio recorded an increase of 0.6 p.p. in the comparison 2Q23 vs 1Q23, ending the quarter at 13.9%. The increase reflects higher default levels in Retail, as explained before. Despite the pressure observed in the default levels in the Retail portfolio, the reviews and adjustments in the credit underwriting policy implemented to face the adverse economic scenario, which reinforces the bank's conservative risk management, are already reflected in the improvement of the NPL ratios in the new vintages, aiming to maintain the quality of the credit portfolio at appropriate levels for each segment. It is important to highlight the focus of the bank on secured products. Currently, roughly 90% of the Retail portfolio is collateralized.



Coverage Ratio (90 days)

The coverage ratio for overdue balances over 90 days ended the quarter at 154%, down 8.0 p.p. compared to the previous quarter. As announced in previous quarters, provision levels were raised in 2020 and 2021 due to the pandemic, and subsequently converged to historical levels. Our provisioning methodology maintains the appropriate level of provisions taking into account customer ratings and changes in the economic environment.



 1 - Provisions/Portfolio balance; 2 - Delinquency rate over 90 days of the renegotiated portfolio; 3 - Credits classified according to Resolution 2682 of the Central Bank of Brazil; 4 – considering the period from 2015 to 2019

/ Funding and Liquidity

Funding

We ended 2Q23 with R$ 87.9 billion in total funding, 2.0% lower than 1Q23 and 6.1% higher than 2Q22. In the last 12 months, the increase was mainly driven by the higher volume of credit assignments and time deposits.

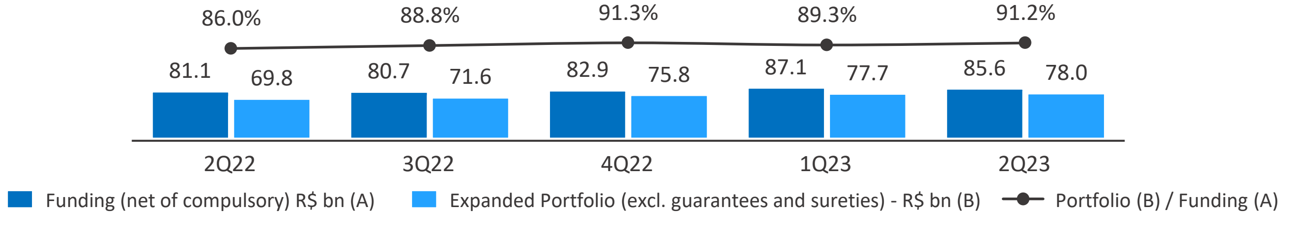
Funding sources (R$ bn)	2Q22	1Q23	2Q23	Δ %		% of total
				2Q23/1Q23	2Q23/2Q22	2Q23
Financial bills (1)	**28.6**	**26.9**	**27.2**	**1.1**	**-4.9**	**31.0**
Deposits	**26.1**	**29.1**	**30.2**	**3.6**	**15.8**	**34.4**
Time deposits	21.0	22.5	22.5	-0.2	7.2	25.6
Debentures	1.3	1.7	2.5	50.7	91.6	2.9
Agribusiness credit bills ("LCA") and real estate credit bills ("LCI")	3.8	4.9	5.1	5.2	37.0	5.9
Securities issued abroad (1)	**8.5**	**6.2**	**6.1**	**-0.7**	**-28.3**	**7.0**
Credit assignment (1)	**4.4**	**12.4**	**10.6**	**-14.7**	**138.3**	**12.1**
FIDC	**3.0**	**3.0**	**2.6**	**-12.7**	**-13.2**	**3.0**
Borrowings and onlendings	**6.1**	**7.9**	**7.4**	**-5.7**	**21.4**	**8.5**
Deposits on demand and interbank	**2.4**	**1.6**	**1.3**	**-20.5**	**-48.8**	**1.4**
Capital instruments (1)	**3.6**	**2.7**	**2.5**	**-5.0**	**-30.7**	**2.9**
Subordinated Financing bills	2.1	2.1	1.8	-14.4	-12.8	2.0
Others subordinated debts	1.6	0.6	0.7	30.1	-53.9	0.8
Total funding	**82.8**	**89.7**	**87.9**	**-2.0**	**6.1**	**100.0**
(-) Compulsory deposits	1.7	2.6	2.3	-11.2	36.0	
(-) Cash & equivalents in local currency	0.0	0.0	0.0	-18.9	-3.9	
Total funding net of compulsory	**81.1**	**87.1**	**85.6**	**-2.0**	**6.1**	
Stable funding instruments / Total funding	58.2%	57.0%	55.8%	-1.2 p.p.	-2.4 p.p.	
% of funding raised via digital platforms	8.7%	8.1%	8.5%			

(1) Stable funding instruments

BV's funding structure continues to be highly diversified, with a strategy of deconcentrating maturities and counterparties. Stable funding instruments, with maturities of over 2 years, represented 55.8% of total funds balance at the end of 2Q23. Funding via digital platforms represented 8.5% of total funding at the end of the quarter.

The ratio between the expanded loan portfolio (excluding endorsements and sureties) and net funding from compulsory deposits ended 2Q23 at 91.2%, compared to 89.3% in 1Q23 and 86.0% in 2Q22.

Credit portfolio/Funding (%)



Liquidity

Regarding liquidity, we maintained the free cash at a very conservative level. The LCR[1] (Liquidity Coverage Ratio) indicator, whose objective is to measure the short-term liquidity of banks in a stress scenario, ended 2Q23 at 182%, well above the minimum regulatory limit required by the Central Bank of 100%, which means that we have sufficient stable resources available to support losses in stress scenarios. It is worth emphasizing that, in addition to healthy liquidity, Banco BV has had a standby credit line available from Banco do Brasil since 2009, which represents a significant liquidity cushion and has never been tapped.

1 - Further information about LCR in the "Risk and Capital Management Report" available on the IR website: ri.bv.com.br/en/

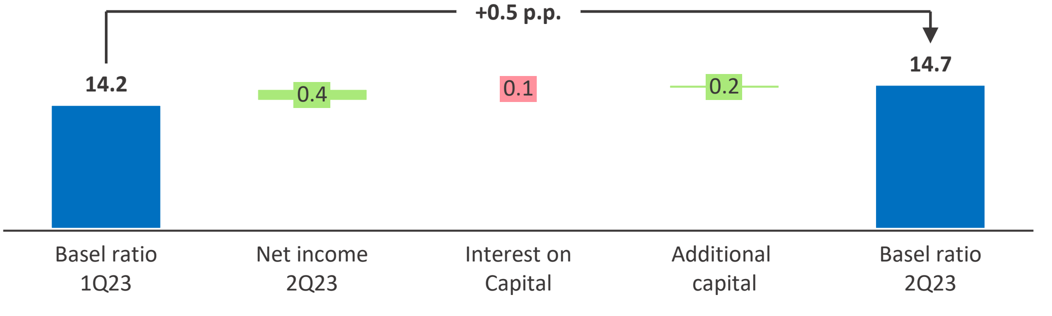
/ Basel Ratio

The Basel Ratio reached 14.7% in 2Q23, with 13.5% of Capital Tier I, of which 12.6% of Core Capital and 0.9% of Additional Tier I. Capital Tier II ended at 1.1%.

Basel Ratio (R$ mln)	2Q22	1Q23	2Q23	Δ % 2Q23/1Q23	2Q23/2Q22
Total Capital	**12,655**	**11,244**	**11,640**	**3.5**	**-8.0**
Tier I Capital	11,698	10,352	10,729	3.6	-8.3
Common Equity Tier I	10,117	9,791	10,000	2.1	-1.2
Additional Tier I	1,580	561	729	30.1	-53.9
Tier II Capital	958	892	911	2.1	-4.9
Risk Weighted Assets (RWA)	**73,910**	**79,277**	**79,443**	**0.2**	**7.5**
Credit risk	66,588	72,513	72,868	0.5	9.4
Market risk	374	661	472	-28.6	26.1
Operational risk	6,948	6,103	6,103	0.0	-12.2
Minimum Capital Requirement	**5,913**	**6,342**	**6,355**	**0.2**	**7.5**
Tier I Capital Ratio	**15.8%**	**13.1%**	**13.5%**	**0.4 p.p.**	**-2.3 p.p.**
Common Equity Tier I Ratio (CET1)	13.7%	12.4%	12.6%	0.2 p.p.	-1.1 p.p.
Additional Tier I Ratio	2.1%	0.7%	0.9%	0.2 p.p.	-1.2 p.p.
Tier II Capital Ratio	**1.3%**	**1.1%**	**1.1%**	**0.0 p.p.**	**-0.1 p.p.**
Basel Ratio (Capital/RWA)	**17.1%**	**14.2%**	**14.7%**	**0.5 p.p.**	**-2.5 p.p.**

In the quarterly comparison, the Basel Ratio increased by 0.5 p.p., mainly explained by (i) generation of net income in the quarter, with an impact of +0.4 p.p.; (ii) interest on capital ("IoC") declaration, with an impact of -0.1 p.p., and; (iii) new issues of additional capital, with an impact of 0.2 p.p..

Basel Ratio bridge 2Q23 vs 1Q23



Compared to 2Q22, the Basel Ratio decreased by 2.5 p.p., with a variation of -1.1 p.p. at CET1 and -1.2 p.p. in Additional Capital mainly due to: (i) the exercise of the call option, in December/22, to repurchase the perpetual subordinated debt instrument issued abroad, partially offset by the local issuance of additional capital carried out during 3Q22; (ii) net income in the period, partially offset by the declaration of IoC, higher prudential adjustments and an increase in risk-weighted assets. The reduction of -0.1 p.p in Tier II Capital is related to the application of reducers on the balance of subordinated debts that make up this Capital..

At the end of 2Q23, the minimum capital requirement was 10.50%, with 8.50% being the minimum for Capital Tier I and 7.00% for Core Capital (CET1).

/ Rating and Governance

Ratings

Banco BV is rated by 2 international rating agencies, Moody's and Standard and Poor's (S&P). It is important to note that the global scale rating is limited by Brazil's sovereign rating, currently at Ba2 (stable) by Moody's and BB- (positive) by S&P.

Rating agencies	Global scale	National scale	Perspective	Last update
Standard & Poor's	BB-	AAA	Positive	Jun/23
Moody's	Ba2	AA	Stable	Dec/22

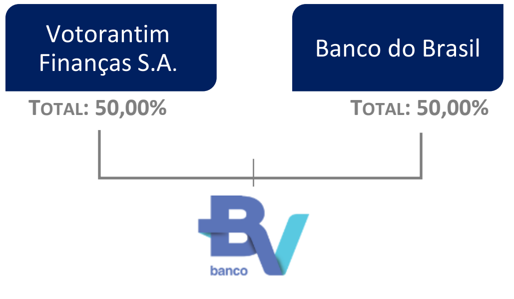
In April/22, S&P reaffirmed BV's rating on a national and global scale and recognized an improvement in its capital standards due to the reduction of the deferred tax assets (DTA), along with other attributes such as improved profitability. In June/23, S&P changed the BV's outlook from Stable to Positive following the change in the sovereign rating outlook.

Governance

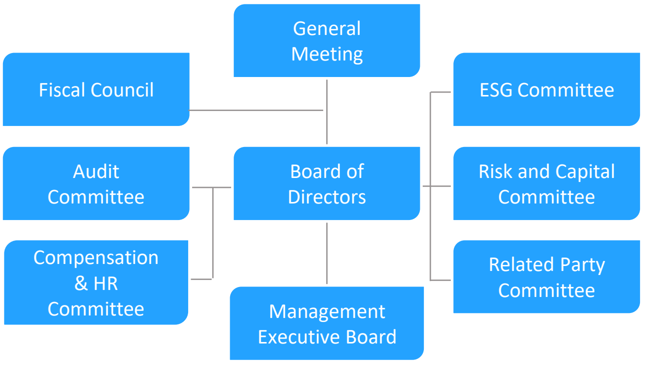
Banco BV has an organizational structure that follows the legislation and regulations in force in Brazil and is in line with the best market practices, committing itself to the principles of transparency, equity, accountability and corporate responsibility, as well as adopting standards of good practices in line with anti-corruption and social, environmental and climate responsibility laws.

We have a solid base of shareholders, formed by Votorantim Financeira S.A., the financial holding of Grupo Votorantim S.A., and Banco do Brasil S.A., one of the largest financial institutions in Brazil, with over 200 years of history.

Shareholding Structure



Governance Bodies



The shareholding structure of banco BV is shared between Votorantim Finanças and Banco do Brasil, which have equal participation in the Board of Directors. The Board of Directors is composed by 7 members, 3 of which are appointed by each of the controlling shareholders and 1 independent member. The body's decisions are taken by absolute majority, with no casting vote. At the General Meeting held in April 2023, the members appointed by the shareholders were elected, with mandate until the 2025's General Meeting, with the position of independent member not being temporarily filled, which will be filled in due course.