

1. SUMMARY

■ NET INCOME ANALYSIS

The Brazilian Securities and Exchange Commission – CVM Rule No. 42/2021 made it mandatory for Brazilian Public-held companies the adoption of the principles of IFRS 17 standards for the recognition, measurement, presentation, and disclosure of insurance contracts as of January 1, 2023. Thus, as of the 1Q23, the audited financial statements of BB Seguridade will follow the new accounting standards of IFRS 17, particularly regarding the recognition of the equity investment balance and results arising from Brasilseg, Brasilprev and Brasilidental that operate insurance contracts within the new accounting standards.

On the other hand, the Brazilian insurance regulators, namely Superintendência de Seguros Privados – Susep and National Supplementary Health Insurance Agency – ANS, have not adopted the IFRS 17 for their sectors and, therefore, the insurance and health insurance companies shall comply with the former standard (IFRS 4), both for recognition, measurement, presentation, and disclosure of financial information, as well as for provisions, liquidity and capital management, including the regulatory capital, that weigh the shareholders' remuneration policies.

For the reason set forth herein, except when otherwise mentioned, the analysis on this report are based on managerial information prepared according to IFRS 4, which are not audited at the holding level. For information purposes, Chapter 6 of this document presents the audited financial statements in accordance with IFRS 17 of the holding co., Brasilseg and Brasilprev so that the stakeholders can get used to the new reporting models. This information does not rule out the need of reading the explanatory notes to the audited financial statements to understand the accounting practices and impacts on the transition and on the recognition of insurance contracts' income.

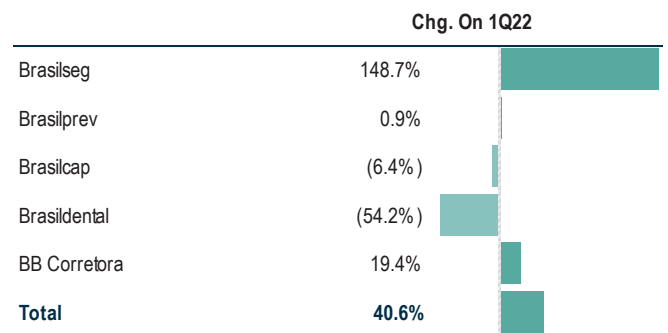
Finally, it should be noted that, due to operational issues, as of January 2023, the accounting recognition of the investment in Brasilidental will be carried out with a delay of one month. Thus, 1Q23 contains information related to January and February, immaterially impacting the comparison with 1Q22 earnings.

Table 1 – Income statement of the holding

R\$ thousand	Quarterly Flow			Chg. %	
	1Q22	4Q22	1Q23	On 1Q22	On 4Q22
Equity income	1,179,084	1,807,766	1,763,691	49.6	(2.4)
Underwriting and accumulation businesses	606,122	1,108,437	1,052,572	73.7	(5.0)
Brasilseg	262,552	636,033	678,616	158.5	6.7
Brasilprev	301,909	425,461	328,738	8.9	(22.7)
Brasilcap	35,456	41,959	41,855	18.0	(0.2)
Brasilidental	6,205	4,985	3,363	(45.8)	(32.5)
Distribution businesses	575,304	771,759	707,711	23.0	(8.3)
Other	(2,342)	(72,431)	3,407	-	-
G&A expenses	(5,990)	(5,568)	(8,944)	49.3	60.6
Net investment income	6,523	3,939	5,791	(11.2)	47.0
Earnings before taxes and profit sharing	1,179,617	1,806,137	1,760,539	49.2	(2.5)
Taxes	(186)	451	0	-	(99.9)
Net income	1,179,431	1,806,588	1,760,540	49.3	(2.5)

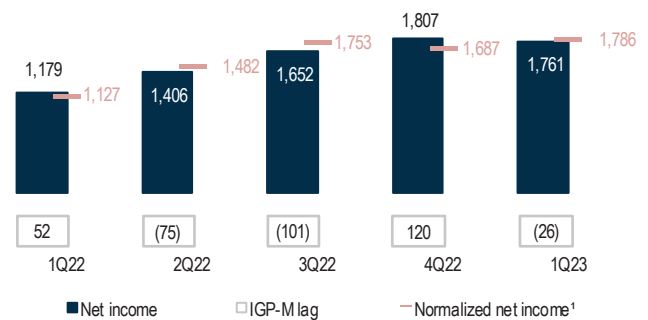
In **1Q23**, BB Seguridade's **net income** grew 49.3% YoY, to R\$1.8 billion. The R\$581.1 million increase is explained by:

- **Brasilseg (+R\$416.1 million):** propelled by the growth of retained earned premiums, the improvement of loss ratio particularly in rural and credit life, and the higher financial result.
- **BB Corretora (+R\$132.4 million):** sustained by the evolution of brokerage revenues and the increase of financial result.
- **Brasilprev (+R\$26.8 million):** mostly due to the growth of financial result led by the lower cost of bearing liabilities related to defined benefits, and the reduction of MtM losses.
- **Brasilcap (+R\$6.4 million):** driven by the expansion of financial result, explained by the higher average balance of earning assets, and, to a lesser extent, the improvement of financial margin.

Figure 1 – Non-interest operating results¹

¹Non-interest operating results before taxes, weighted by the equity stake

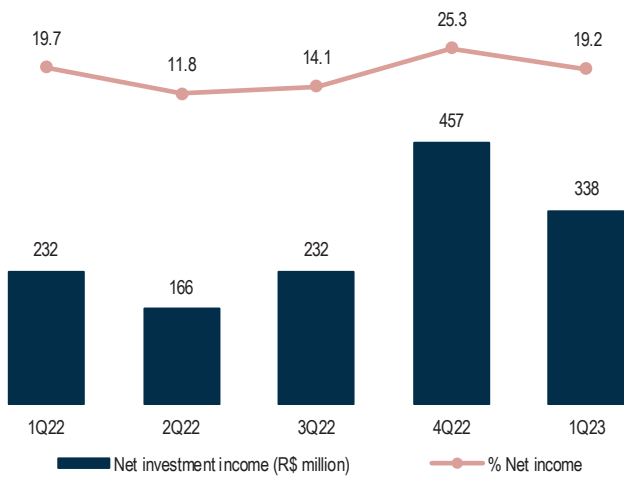
Figure 2 – Normalized net income (R\$ million)



1. Net income excluding the impacts of the one-month lag in the IGP-M accrual on liabilities.

■ NET INVESTMENT INCOME ANALYSIS

Figure 3 – Consolidated net investment income



In **1Q23**, the consolidated financial result of BB Seguridade and its investee grew 45.7% YoY, to R\$338.2 million. The main drivers explaining the variation were the spike of average Selic rate; the shrinking of the wholesale inflation rate (IGP-M), which led the reduction of the costs with liabilities of defined benefit plans; the lower magnitude of upward shift of the long-term yield curve; and the expansion of the average balance of earning assets.

Figure 4 – Inflation rate (%)

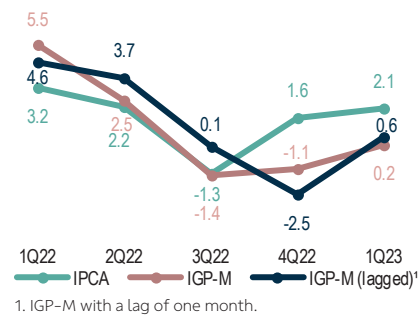


Figure 5 – Average Selic rate (%)

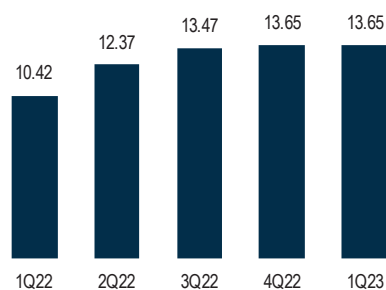


Figure 6 – Forward yield curve (%)

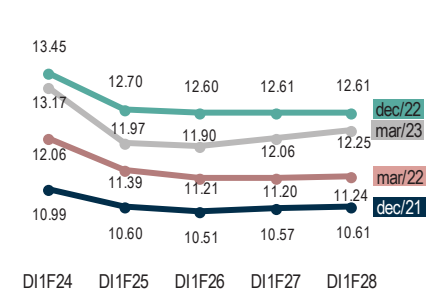


Figure 7 – Financial investments (%)

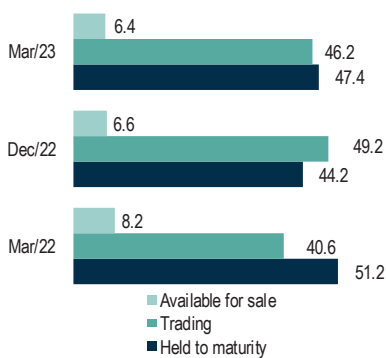


Figure 8 – Financial investments by index (%)

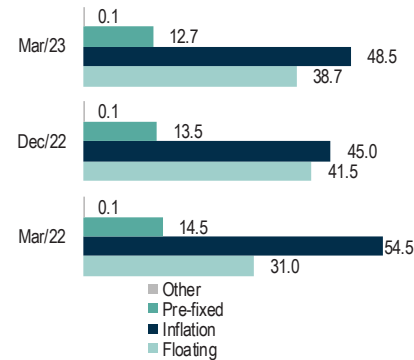
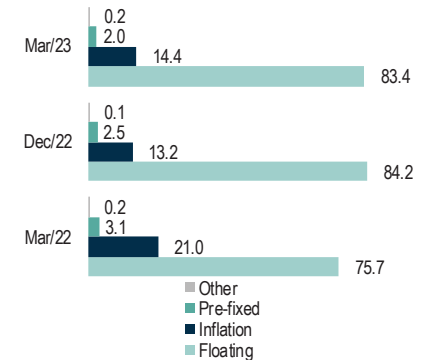


Figure 9 – Trading portfolio by index (%)



■ 2023 GUIDANCE

In the **1Q23**, the non-interest operating result (ex-holdings) grew 40.6% YoY and outperformed the annual growth estimate of the guidance. The premiums written by Brasilseg also surpassed the guidance range, expanding 35.2% YoY. The PGBL and VGBL pension plan reserves increased 10.7%, within the projections range. The main reasons for the deviations compared to the guidance were:

Non-interest operating result (ex-holdings): this behavior of the indicator in the beginning of the year was already embedded in the expectations for the full year, considering that the 1Q22 concentrated almost one third of the total retained claims of 2022, and from now on it should converge to the guidance range.

Premiums written of Brasilseg: as well as for the non-interest operating result indicator, it was already expected that the premiums written in 1Q23 would beat the guidance, with the growth rate converging to the range over the following quarters, due to the sales dynamics itself.

Finally, it should be noted that all comparisons are based on the accounting standards adopted by the Superintendence of Private Insurance – Susep and by the National Supplementary Health Agency – ANS, which do not take into account the effects of the accounting standard of IFRS 17, in force since January 2023.

Figure 10 – 2023 estimates

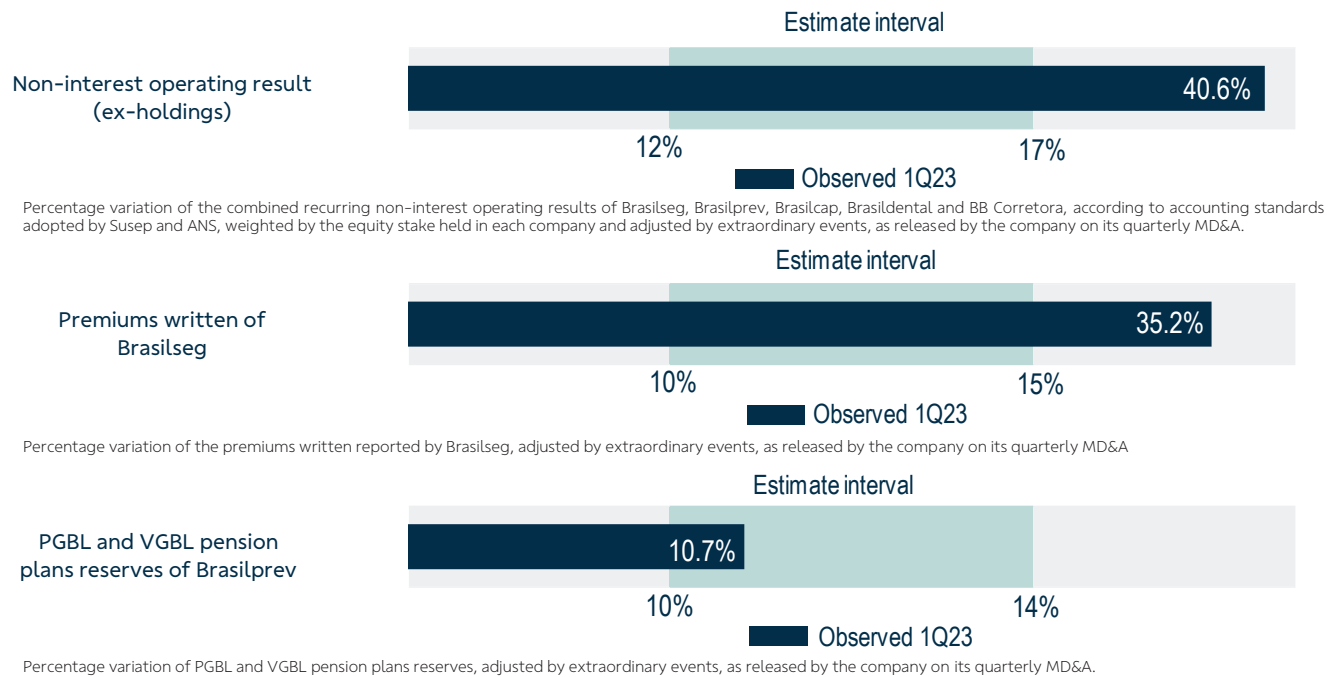


Table 2 – Breakdown of the managerial non-interest operating result by company

R\$ thousand	Quarterly Flow		Chg. %
	1Q22	1Q23	Chg. On 1Q22
Non-interest operating result	1,513,422	2,128,338	40.6
Brasilseg	306,495	762,390	148.7
Brasilprev	362,839	366,259	0.9
Brasilcap	7,326	6,858	(6.4)
Brasildental	8,516	3,902	(54.2)
BB Corretora	828,246	988,928	19.4

■ SUMMARY OF INVESTEEES PERFORMANCES

Brasilseg | Insurance (for further details, please refer to the page 23)

Table 3 – Summarized income statement

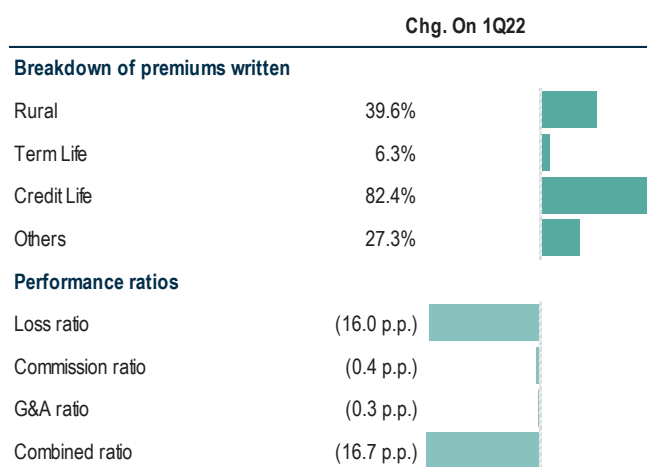
R\$ thousand	Quarterly Flow			Chg. %	
	1Q22	4Q22	1Q23	On 1Q22	On 4Q22
Premiums written	2,751,763	4,122,678	3,719,856	35.2	(9.8)
Changes in technical reserves and premiums ceded	(309,626)	(1,163,588)	(674,300)	117.8	(42.0)
Retained earned premiums	2,442,137	2,959,090	3,045,556	24.7	2.9
Retained claims	(1,105,261)	(767,191)	(890,817)	(19.4)	16.1
Retained acquisition costs	(675,123)	(945,848)	(829,865)	22.9	(12.3)
G&A	(252,966)	(361,110)	(306,378)	21.1	(15.2)
Other	(73)	417	(1,840)	2,404.8	-
Non-interest operating result	408,714	885,357	1,016,656	148.7	14.8
Net investment income	153,806	239,084	223,005	45.0	(6.7)
Earnings before taxes and profit sharing	562,520	1,124,441	1,239,661	120.4	10.2
Taxes and profit sharing	(207,494)	(271,375)	(329,583)	58.8	21.4
Net income	355,026	853,066	910,078	156.3	6.7

In **1Q23**, the insurance business's **net income** grew 156.3% YoY, with the higher **retained earned premiums** (+24.7%) and the retraction of **loss ratio** (-16.0 p.p.) that contributed to the strong growth of 148.7% of the non-interest operating result. Besides the evolution of operational result, the **financial result** (+45.0%) also helped the net income increase, explained by the spike of average Selic rate and the expansion of the average balance of earning assets.

The **premiums written** boosted 35.2%, mostly driven by credit life (+82.4%), propelled by higher sales volumes and churn reduction, and rural (+39.6%).

The **G&A ratio** fell 0.3 p.p. as compared to the 1Q22, with the G&A expenses up 21.1%, below the pace of retained earned premiums growth. The increase of expenses was mainly concentrated in the administrative costs, highlighting personnel, outsourcing and location expenses, partially offset by the reduction of other operating expenses.

Figure 11 – Key performance indicators



Brasilprev | Pension plans (for further details, see page 42)

Table 4 – Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %	
	1Q22	4Q22	1Q23	On 1Q22	On 4Q22
Total revenue from pension and insurance	13,003,848	12,960,663	14,789,147	13.7	14.1
Provision for benefits to be granted	(12,998,678)	(12,955,472)	(14,784,086)	13.7	14.1
Net revenue from pension and insurance	5,169	5,191	5,061	(2.1)	(2.5)
Management fee	796,174	808,330	838,542	5.3	3.7
Acquisition costs	(169,706)	(175,360)	(183,099)	7.9	4.4
Retained earned premiums	44,508	40,581	19,799	(55.5)	(51.2)
G&A	(159,334)	(187,294)	(158,332)	(0.6)	(15.5)
Other	(32,962)	(39,374)	(33,560)	1.8	(14.8)
Non-interest operating result	483,849	452,074	488,410	0.9	8.0
Net investment income	193,200	260,276	246,591	27.6	(5.3)
Earnings before taxes and profit sharing	677,049	712,350	735,002	8.6	3.2
Taxes and profit sharing	(274,477)	(145,030)	(296,656)	8.1	104.5
Net income	402,572	567,319	438,346	8.9	(22.7)

In **1Q23**, the **net income** of the pension plan segment was up 8.9% YoY, reaching R\$483.3 million, propelled by the increase of financial result (+27.6%). This evolution is mostly explained by the reduction of the costs related to defined benefit liabilities, due to the substantial shrink of the IGP-M inflation rate.

The **non-interest operating result** grew 0.9%, helped by the **revenues with management fee** up 5.3%, driven by the pension **reserves** 10.3% higher in the last twelve months. On the other hand, the **average annualized management fee** retracted 0.06 p.p., impacted by the risk aversion of clients that is triggering the migration of investments to more conservative products, reducing the participation of multimarket funds in the mix to 25.7% by the end of March 2023 (-6.9 p.p. on Mar 2022 | -1.6 p.p. on Dec 2022).

The **contributions** to pension plans increased 13.7% in the period, totaling R\$14.8 billion. The performance was consequence of the increase in the number of pension plans and the higher average ticket for sporadic plans. This factor combined with a **portability ratio** down 0.8 p.p. YoY (-0.4 p.p. QoQ), led the **net inflow** to R\$1.9 billion in the quarter, which is higher than the accumulated amount of 2022 full year.

Figure 12 – Key performance indicators

	1Q23	Chg. On 1Q22
Net inflows (R\$ billion)	1,925	-
Reserves (R\$ billion)	355	10.3%
Management fee (%)	0.96	(0.06 p.p.)
Redemption ratio (%)	11.9	(0.1 p.p.)
Portability ratio (%)	1.4	(0.8 p.p.)
Cost to income ratio (%)	43.4	0.6 p.p.

Brasileira | Premium Bonds (for further details, see page 55)

Table 5 – Summarized income statement

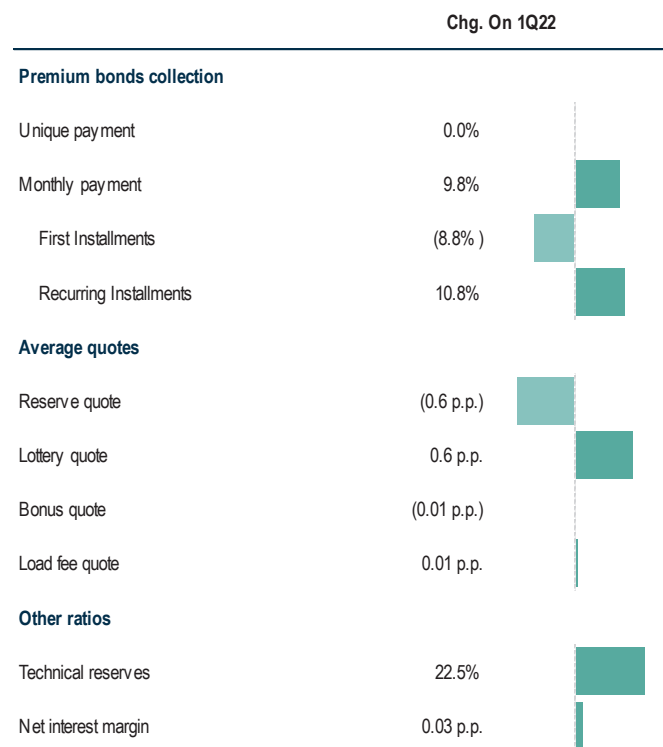
R\$ thousand	Quarterly Flow			Chg. %	
	1Q22	4Q22	1Q23	On 1Q22	On 4Q22
Premium bonds collection	1,379,304	1,743,163	1,429,108	3.6	(18.0)
Changes in provisions for redemption, lottery and bonus	(1,233,391)	(1,561,977)	(1,277,716)	3.6	(18.2)
Revenue with load fee	145,913	181,186	151,392	3.8	(16.4)
Result with lottery	8,395	12,913	6,408	(23.7)	(50.4)
Acquisition costs	(118,954)	(169,041)	(124,015)	4.3	(26.6)
G&A	(22,532)	(30,629)	(23,882)	6.0	(22.0)
Other	(1,833)	(45)	367	-	-
Non-interest operating result	10,990	(5,614)	10,272	(6.5)	-
Net investment income	76,876	87,893	95,043	23.6	8.1
Earnings before taxes and profit sharing	87,866	82,279	105,315	19.9	28.0
Taxes and profit sharing	(34,677)	(19,389)	(42,628)	22.9	119.8
Net income	53,189	62,889	62,687	17.9	(0.3)

In **1Q23**, the **net income** of premium bonds business was up 17.9% YoY, totaling R\$62.7 million, driven by the **financial result** 23.6% higher. The increase of financial result was led by the expansion of average balance of earning assets and, to a lesser extent, the 0.03 p.p. increase of the net interest margin.

The **premium bonds collections** grew 3.6% in the period, highly concentrated in new unique payment bonds, but also benefited by the increase of the balance of monthly payment bonds, which generated higher recurrence amount as compared to 1Q22.

The **revenues with load fee** have showed a similar movement, and grew 3.8%, with average load fee stable YoY.

Figure 13 – Key performance indicators



BB Corretora | Brokerage (for further details, see page 71)

Table 6 – Summarized income statement

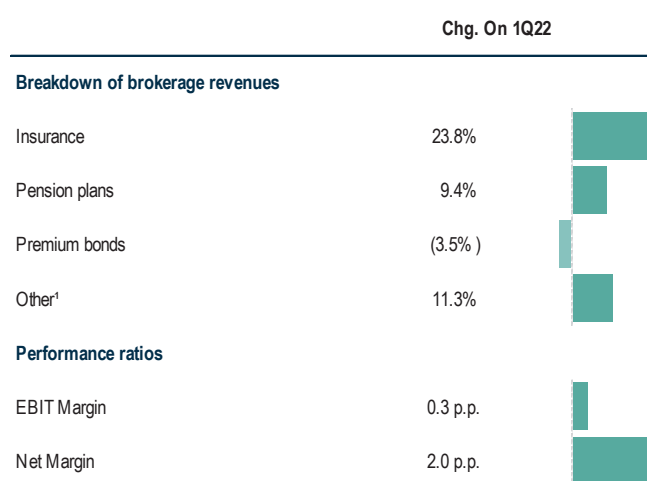
R\$ thousand	Quarterly Flow		1Q23	Chg. %	
	1Q22	4Q22		On 1Q22	On 4Q22
Brokerage revenues	1,015,203	1,282,883	1,207,177	18.9	(5.9)
G&A	(186,119)	(239,597)	(218,286)	17.3	(8.9)
Equity income	(839)	146	38	-	(74.2)
Earnings before interest and taxes	828,246	1,043,432	988,928	19.4	(5.2)
Net investment income	46,196	115,999	83,337	80.4	(28.2)
Earnings before taxes	874,442	1,159,431	1,072,265	22.6	(7.5)
Taxes	(299,138)	(387,672)	(364,554)	21.9	(6.0)
Net income	575,304	771,759	707,711	23.0	(8.3)

In **1Q23**, BB Corretora's **net income** was up 23.0% YoY, led by the increase of both the operational and the financial results, the second explained by the spike of Selic rate.

The **brokerage revenues** grew 18.9%, due to the strong commercial performance and the recognition of deferred commissions from past insurance sales, highlighting rural and credit life. The revenues arising from pension plan segment increased at a slower pace (+9.4%) as compared to the gross inflow, explained by the higher participation of sporadic plans in the mix of contributions, since this product has lower commission as compared to the first installments of periodic contribution plans. On the other hand, the brokerage linked to premium bonds fell 3.5%, explained by the mix more concentrated in the recurrency of monthly payment bonds and in short term unique payment bonds, that has lower average commissions.

The **EBIT margin** improved 0.3 p.p. YoY, driven by greater concentration of sales in products with lower unit cost of reimbursement.

Figure 14 – Key performance indicators



1. Include dental plans and other revenues.

■ OTHER INFORMATION

Table 7 – Market share and ranking¹

	Quarterly Flow			
	Unit	1Q22	4Q22	1Q23
Life²				
Premiums written	R\$ thousand	799,775	965,492	849,930
Market-share	%	11.8%	12.6%	11.4%
Ranking		1º	1º	1º
Credit life				
Premiums written	R\$ thousand	417,267	887,506	761,068
Market-share	%	11.6%	20.9%	18.0%
Ranking		3º	1º	1º
Mortgage life				
Premiums written	R\$ thousand	72,368	75,872	76,892
Market-share	%	5.3%	5.2%	5.0%
Ranking		5º	5º	6º
Rural				
Premiums written	R\$ thousand	1,262,981	1,919,101	1,762,839
Market-share	%	47.3%	67.5%	56.3%
Ranking		1º	1º	1º
Home				
Premiums written	R\$ thousand	89,327	93,499	94,293
Market-share	%	8.0%	7.0%	7.2%
Ranking		5º	6º	5º
Commercial lines				
Premiums written	R\$ thousand	108,291	178,840	172,248
Market-share	%	3.8%	5.4%	5.5%
Ranking		9º	5º	5º
Pension Plans				
Technical reserves	R\$ thousand	321,568,633	343,826,496	354,591,992
Market-share	%	29.0%	28.4%	28.5%
Ranking		1º	1º	1º
Contributions				
	R\$ thousand	13,003,848	12,960,663	14,789,147
Market-share	%	35.3%	34.0%	38.2%
Ranking		1º	1º	1º
Premium Bonds				
Reserves	R\$ thousand	8,119,704	9,608,352	9,945,688
Market-share	%	24.0%	25.8%	26.2%
Ranking		2º	1º	1º
Collections	R\$ thousand	1,379,304	1,743,163	1,429,108
Market-share	%	20.5%	23.7%	20.1%
Ranking		2º	1º	2º

1. Source: Susep – data as of March 2023.

2. Market share considering only premiums written for risk coverage, excluding premiums for accumulation components (dotal and term life insurance).

Table 8 – Stocks | Breakdown of the shareholders' base

	Shareholders	Shares	Participation
Banco do Brasil	1	1,325,000,000	66.3%
Treasury Stocks	1	3,249,651	0.2%
Free Float	342,186	671,750,349	33.6%
Foreign investors	989	465,463,048	23.3%
Companies	3,220	86,690,824	4.3%
Individuals	337,977	119,596,477	6.0%
Total	342,188	2,000,000,000	100.0%

Table 9 – Stocks | Performance

		Quarterly Flow				
	Unit	1Q22	2Q22	3Q22	4Q22	1Q23
Stock's performance						
Earnings per share	R\$	0.59	0.70	0.83	0.90	0.88
Dividends per share	R\$	0.92	-	1.03	-	1.84
Equity per share	R\$	4.22	3.89	4.73	3.80	4.69
Closing price	R\$	25.56	25.96	26.57	33.71	32.51
Annualized dividend yield¹	%	5.77	5.86	8.39	7.16	9.89
Market capitalization	R\$ million	51,120	51,920	53,140	67,420	65,020
Ratios						
P/E (12 month trailing)	x	12.36	10.84	9.72	11.15	9.81
P/BV	x	6.05	6.68	5.62	8.88	6.93
Business data						
Number of trades carried out		1,109,478	1,010,104	1,137,379	1,474,019	1,296,891
Average daily volume traded	R\$ million	129	132	153	212	203
Average daily volume traded - B3	R\$ million	26,991	24,626	22,563	26,927	20,956
Share on B3's average volume	%	0.48	0.54	0.68	0.79	0.97

1. Dividend yield calculated considering the dividends reported in the last 12 months divided by the average stock price in the same period.