

# 1. SUMMARY

## ■ NET INCOME ANALYSIS

Table 1 – Income statement of the holding

R\$ thousand	Quarterly Flow			Chg. %		Annual Flow		Chg. %
	4Q21	3Q22	4Q22	On 4Q21	On 3Q22	2021	2022	
<b>Equity income</b>	<b>1,223,678</b>	<b>1,648,550</b>	<b>1,807,766</b>	<b>47.7</b>	<b>9.7</b>	<b>3,923,594</b>	<b>6,042,788</b>	<b>54.0</b>
Underwriting and accumulation businesses	728,785	883,131	1,108,437	52.1	25.5	1,842,988	3,364,438	82.6
Brasilseg	401,288	636,121	636,033	58.5	(0.0)	1,067,020	2,081,551	95.1
Brasilprev	406,968	217,118	425,461	4.5	96.0	756,544	1,116,786	47.6
Brasilcap	(83,753)	25,002	41,959	-	67.8	2,341	145,199	6,101.7
Brasilidental	4,283	4,890	4,985	16.4	1.9	17,083	20,902	22.4
Distribution businesses	552,870	750,605	771,759	39.6	2.8	2,162,039	2,729,478	26.2
Other	(57,977)	14,814	(72,431)	24.9	-	(81,433)	(51,128)	(37.2)
<b>G&amp;A expenses</b>	<b>(4,772)</b>	<b>(5,542)</b>	<b>(5,568)</b>	<b>16.7</b>	<b>0.5</b>	<b>(17,788)</b>	<b>(23,000)</b>	<b>29.3</b>
<b>Net investment income</b>	<b>9,331</b>	<b>10,673</b>	<b>3,939</b>	<b>(57.8)</b>	<b>(63.1)</b>	<b>32,117</b>	<b>25,833</b>	<b>(19.6)</b>
<b>Earnings before taxes and profit sharing</b>	<b>1,228,237</b>	<b>1,653,681</b>	<b>1,806,137</b>	<b>47.1</b>	<b>9.2</b>	<b>3,937,922</b>	<b>6,045,621</b>	<b>53.5</b>
Taxes	(1,605)	(1,501)	451	-	-	(4,705)	(1,050)	(77.7)
<b>Net income</b>	<b>1,226,632</b>	<b>1,652,180</b>	<b>1,806,588</b>	<b>47.3</b>	<b>9.3</b>	<b>3,933,217</b>	<b>6,044,571</b>	<b>53.7</b>

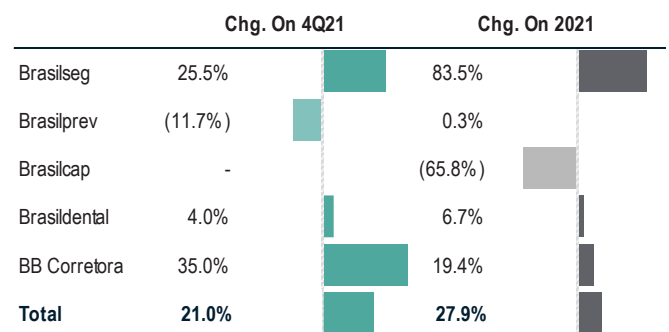
In **4Q22**, BB Seguridade reported **net income** of R\$1.8 billion (+47.3% YoY). The R\$580.0 million increase was mainly driven by:

- **Brasilseg (+R\$234.7 million)**: boosted by the growth of retained earned premiums, loss ratio improvement, especially in term life and crop insurances, and higher net investment income;
- **BB Corretora (+R\$218.9 million)**: sustained by the evolution of brokerage revenues, due to the success of commercial incentives to Banco do Brasil's sales force, and the increase in the net investment income, with the higher Selic rate and the expansion of interest earning assets;
- **Brasilcap (+R\$125.7 million)**: explained by the financial result, with improvement in the net interest margin supported by the higher yield on earning assets, which was negatively impacted in 4Q21 by market-to-market losses in the disposal of prefixed income bonds available for sale; and
- **Brasilprev (+R\$18.5 million)**: positively impacted by the lower tax rate in the quarter, driven by the tax benefit arising from IoC distribution, the higher tax credit arising from "Lei do Bem" and the lower CSLL rate, which had been increased by 5.0 p.p. in the second half of 2021.

In **2022**, **net income** increased R\$2.1 billion (+53.7%), to R\$6.0 billion, highlighting:

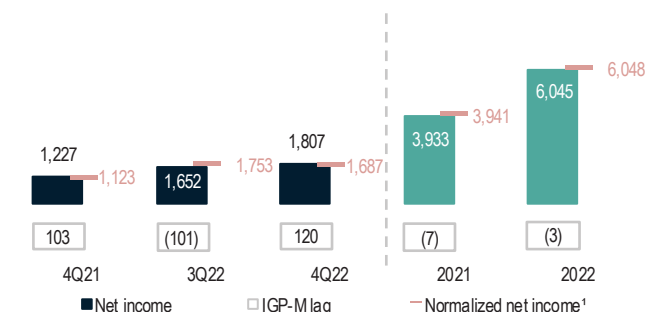
- **Brasilseg (+R\$1.0 billion)**: supported by the evolution in earned premiums, loss ratio improvement and growth of net investment income;
- **BB Corretora (+R\$567.4 million)**: with brokerage revenues increase in all business lines and higher financial results;
- **Brasilprev (+R\$360.2 million)**: driven by the improvement in the net investment income, with the expansion of the average balance of earning assets, lower negative impact of MtM results in the comparative and the convergence of the inflation rates pegged to assets and liabilities of traditional plans; and

Figure 1 – Non-interest operating results<sup>1</sup>



<sup>1</sup>Non-interest operating results before taxes, weighted by the equity stake

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

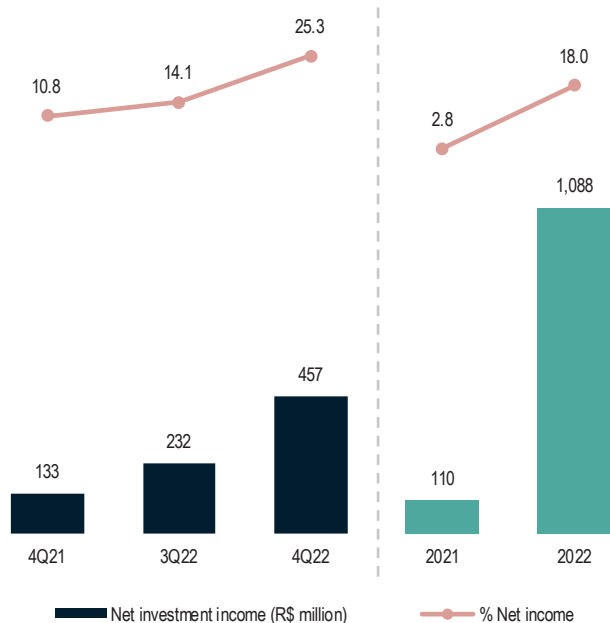


<sup>1</sup> Net income excluding the impacts of the one-month lag in the IGP-M accrual on liabilities.

- **Brasilcap (+R\$142.9 million)**: sustained by the improvement in the net investment income. The performance is attributed to the higher yield and to the expansion of the average balance of earning assets.

## ■ NET INVESTMENT INCOME ANALYSIS

Figure 3 – Consolidated investment income



In **4Q22**, the consolidated financial result of BB Seguridade and its investees reached R\$456.5 million, a volume more than 3x higher than the one recorded in the 4Q21. The higher average Selic rate and the expansion of the average balance of earning assets were the main drivers to the growth. It is worth noting that the fourth quarter of 2021 was negatively impacted by MtM losses in the disposal of prefixed bonds available for sale at Brasilcap and, to a lesser extent, at Brasilseg.

In the **year**, the combined financial result amounted to R\$1.1 billion, compared to R\$109.9 million in 2021. The following effects had contributed to the impressive growth: (i) the spike of the average Selic rate, with positive impacts to all companies within the group; (ii) the strong evolution of Brasilprev's net investment income, with expansion in the volume of earning assets, the parity of inflation rates that adjust assets and liabilities of defined benefit plans and the lower negative MtM impact, considering the lesser extent of the upward shifting of the forward yield curve as compared to 2021.

Figure 4 – Inflation rate (%)

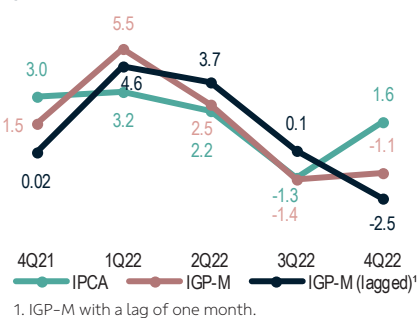


Figure 5 – Average Selic rate (%)

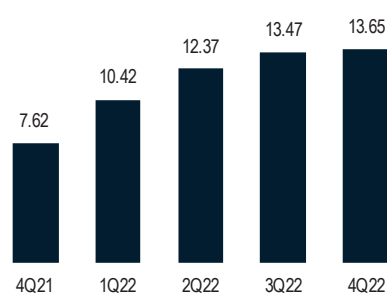


Figure 6 – Forward yield curve (%)

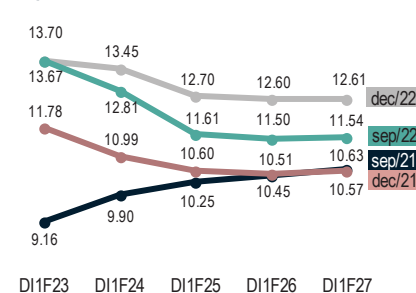


Figure 7 – Financial investments (%)

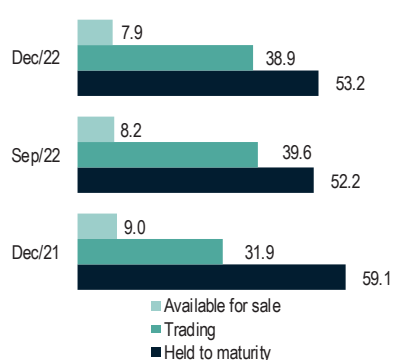


Figure 8 – Financial investments by index (%)

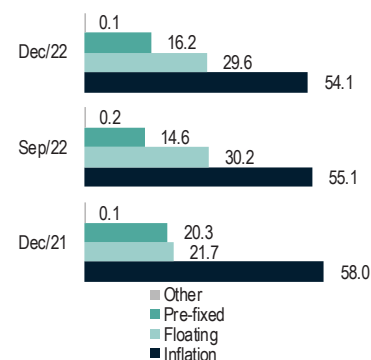
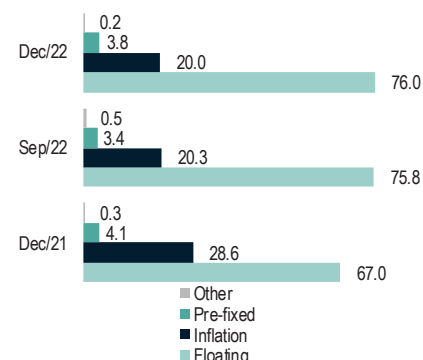


Figure 9 – Trading portfolio by index (%)



## ■ 2022 GUIDANCE

In **2022**, the non-interest operating result (ex-holding) grew 27.9%, beating the guidance range. Premiums written also outperformed the estimates, increasing 30.7%. The PGBL and VGBL pension plans reserves of Brasilprev expanded 10.0%, within the interval. Find below the explanations for the deviations:

**Non-interest operating result (ex-holding):** the 0.9 p.p. beat is largely explained by lower-than-expected loss ratio, in addition to stronger commercial performances in insurance, especially credit life, and premium bonds.

**Premiums written of Brasilseg:** the 2.7 p.p. upward deviation was mainly driven by higher-than-expected growth in premiums written of credit life, with increased penetration in credit origination, growth of sales for outstanding loans and reduction of cancellations.

Figure 10 – 2022 estimates

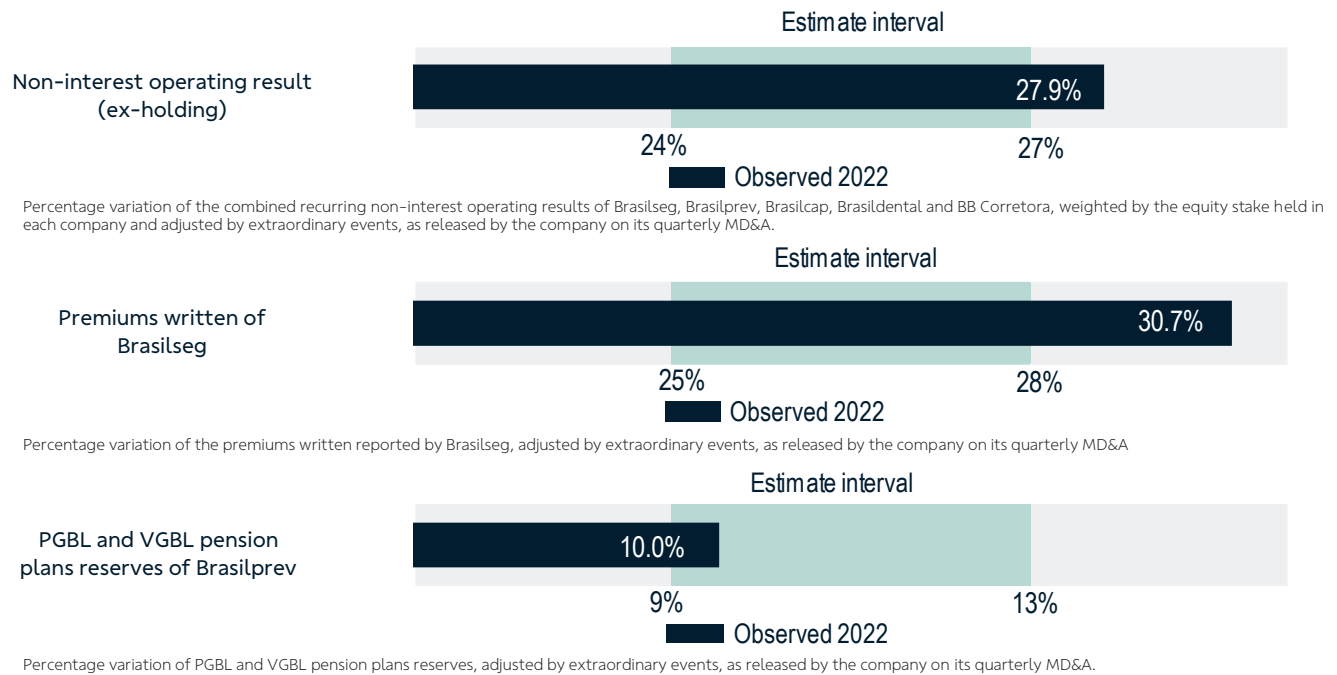


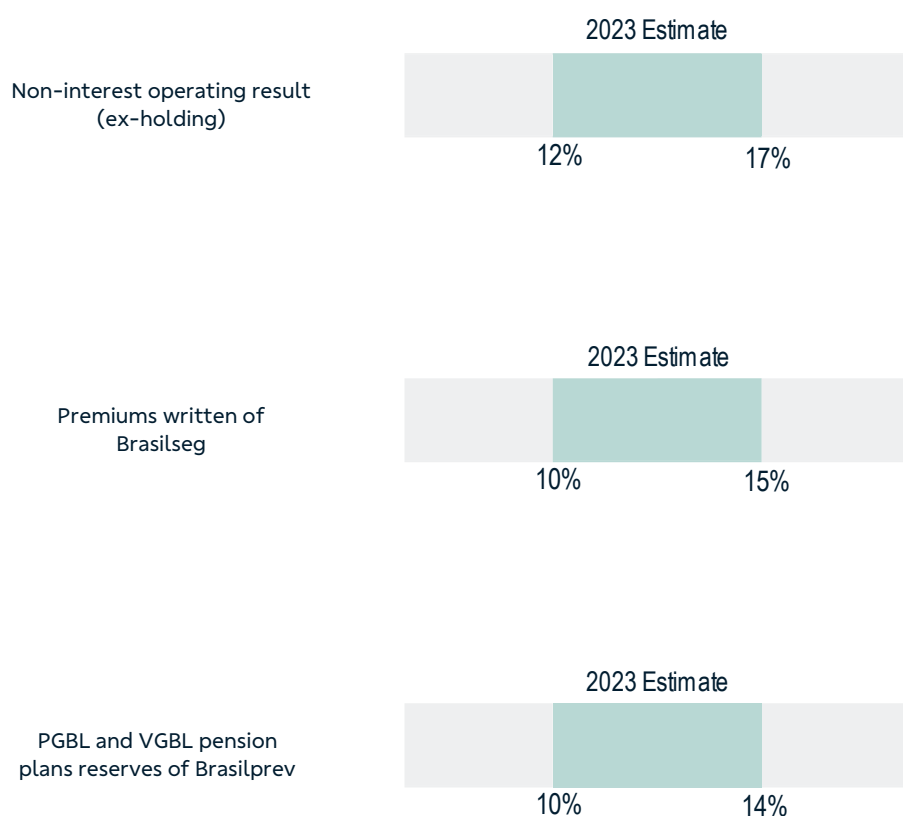
Table 2 – Breakdown of the non-interest operating result by company

R\$ thousand	Annual Flow		Chg. %
	2021	2022	On 2021
<b>Non-interest operating result</b>	<b>5,933,935</b>	<b>7,589,058</b>	<b>27.9</b>
Brasilseg	1,271,040	2,331,928	83.5
Brasilprev	1,450,654	1,455,166	0.3
Brasilcap	34,924	11,958	(65.8)
Brasildental	26,598	28,377	6.7
BB Corretora	3,150,719	3,761,630	19.4

## ■ 2023 GUIDANCE

For 2023, the same indicators of the Guidance 2022 were adopted. It is worth mentioning that due to the implementation of the IFRS 17 accounting standards in 2023, BB Seguridade will disclose non-audit managerial data based on the accounting standard in place until 2022, enabling the comparability with the performance reported in recent years. The company also reinforces that the Brazilian Private Insurance Regulator (SUSEP) has not adopted the IFRS 17 rules yet, meaning that the insurance companies regulated by SUSEP will remain disclosing their financial statements and calculating their capital needs without impacts of the new accounting standard. Within this context, the indicators for the Guidance 2023 will not be impacted by IFRS 17 and should be monitored by the market always following the managerial information disclosed by the company.

Figure 11 – 2023 estimates



Percentage variation of the combined recurring non-interest operating results of Brasilseg, Brasilprev, Brasilcap, Brasildental and BB Corretora, weighted by the equity stake held in each company and adjusted by extraordinary events, as released by the company on its quarterly MD&A, not considering the adoption of IFRS 17.

Percentage variation of the premiums written reported by Brasilseg, adjusted by extraordinary events, as released by the company on its quarterly MD&A, not considering the adoption of IFRS 17.

Percentage variation of PGBL and VGBL pension plans reserves, adjusted by extraordinary events, as released by the company on its quarterly MD&A, not considering the adoption of IFRS 17.

## ■ 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. %		Annual Flow		Chg. %
	4Q21	3Q22	4Q22	On 4Q21	On 3Q22	2021	2022	On 2021
<b>Premiums written</b>	<b>3,129,977</b>	<b>5,022,255</b>	<b>4,122,678</b>	<b>31.7</b>	<b>(17.9)</b>	<b>12,063,738</b>	<b>15,768,839</b>	<b>30.7</b>
Changes in technical reserves and premiums ceded	(717,382)	(2,219,530)	(1,163,588)	62.2	(47.6)	(3,127,928)	(4,973,977)	59.0
<b>Retained earned premiums</b>	<b>2,412,595</b>	<b>2,802,725</b>	<b>2,959,090</b>	<b>22.7</b>	<b>5.6</b>	<b>8,935,810</b>	<b>10,794,861</b>	<b>20.8</b>
Retained claims	(656,580)	(747,624)	(767,191)	16.8	2.6	(3,495,478)	(3,328,495)	(4.8)
Retained acquisition costs	(750,976)	(818,880)	(945,848)	25.9	15.5	(2,779,236)	(3,211,541)	15.6
G&A	(299,528)	(272,308)	(361,110)	20.6	32.6	(967,993)	(1,145,884)	18.4
Other	(106)	(7)	417	-	-	1,843	711	(61.4)
<b>Non-interest operating result</b>	<b>705,405</b>	<b>963,907</b>	<b>885,357</b>	<b>25.5</b>	<b>(8.1)</b>	<b>1,694,946</b>	<b>3,109,652</b>	<b>83.5</b>
Net investment income	48,279	218,882	239,084	395.2	9.2	266,430	771,198	189.5
<b>Earnings before taxes and profit sharing</b>	<b>753,684</b>	<b>1,182,789</b>	<b>1,124,441</b>	<b>49.2</b>	<b>(4.9)</b>	<b>1,961,376</b>	<b>3,880,850</b>	<b>97.9</b>
Taxes and profit sharing	(213,512)	(329,605)	(271,375)	27.1	(17.7)	(518,292)	(1,085,441)	109.4
<b>Net income</b>	<b>540,172</b>	<b>853,184</b>	<b>853,066</b>	<b>57.9</b>	<b>(0.0)</b>	<b>1,443,084</b>	<b>2,795,409</b>	<b>93.7</b>

In **4Q22**, the insurance operation's **net income** grew 57.9% YoY, with the increase in retained earned premiums (+22.7%) and retraction in the loss ratio (-1.3 p.p.), leading the non-interest operating result to an increase of 25.5%. Besides the expansion of the operating result, the net income was also positively impacted by the growth of **net investment income** (+395.2%), with higher average Selic rate and expansion of the average balance of earning assets.

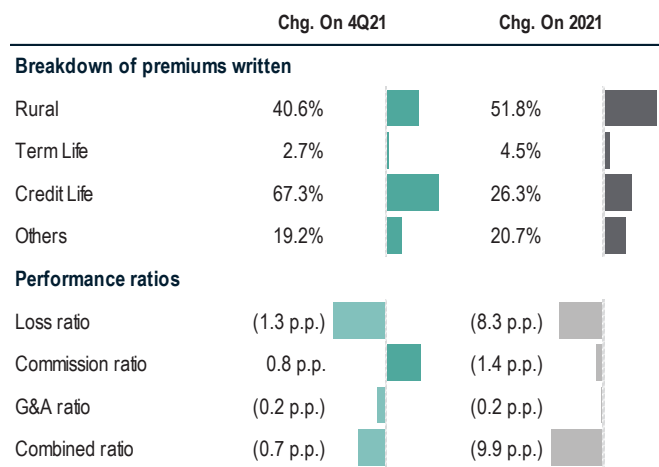
**Premiums written** rose 31.7% over 4Q21, highlighting credit life (+67.3%), due to the increased penetration in credit origination, growth of sales for outstanding loans and reduction of cancellations; and rural (+40.6%), supported mainly by the expansion of the crop cycle 2022/2023.

The **G&A ratio** improved 0.2 p.p. YoY, with the general and administrative expenses growing at a slower pace (+20.6%) than the earned premiums (+22.7%). The increase was concentrated in administrative expenses, especially in personnel, outsourcing and tax incentivized donations and sponsorships, while other operating expenses declined.

In the **year**, **net income** was up 93.7%, driven by the higher **retained earned premiums** (+20.8%) and by the drop in **loss ratio** (-8.3 p.p.), a movement resulting from the significant reduction in Covid-19 related claims in products with death coverage, more than offsetting the all-time high volume of claims reported in 1Q22 related to the climate events that affected the summer crop 2021/2022. The **net investment income** was 189.5% higher, with the spike in the Selic rate and the expansion in the volume of financial investments.

**Premiums written** grew 30.7% in 2022, propelled by the good commercial performance in rural (+51.8%), credit life (+26.3%), term life (+4.5%), home (+18.3%) and commercial lines (+33.1%).

Figure 12 – Key performance indicators



## Brasilprev | Pension plans (for further details, see page 44)

Table 4 – Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %		Annual Flow		Chg. %
	4Q21	3Q22	4Q22	On 4Q21	On 3Q22	2021	2022	On 2021
<b>Total revenue from pension and insurance</b>	<b>11,994,534</b>	<b>15,144,470</b>	<b>12,960,663</b>	<b>8.1</b>	<b>(14.4)</b>	<b>45,668,826</b>	<b>52,816,022</b>	<b>15.7</b>
Provision for benefits to be granted	(11,989,152)	(15,139,216)	(12,955,472)	8.1	(14.4)	(45,645,573)	(52,795,218)	15.7
<b>Net revenue from pension and insurance</b>	<b>5,382</b>	<b>5,254</b>	<b>5,191</b>	<b>(3.5)</b>	<b>(1.2)</b>	<b>23,253</b>	<b>20,804</b>	<b>(10.5)</b>
Management fee	800,159	836,248	808,330	1.0	(3.3)	3,146,438	3,244,613	3.1
Acquisition costs	(126,828)	(178,283)	(175,360)	38.3	(1.6)	(633,716)	(696,584)	9.9
Retained earned premiums	44,524	49,788	40,581	(8.9)	(18.5)	172,088	183,833	6.8
G&A	(192,483)	(171,725)	(187,294)	(2.7)	9.1	(658,089)	(692,639)	5.3
Other	(18,872)	(11,572)	(39,374)	108.6	240.2	(115,511)	(119,547)	3.5
<b>Non-interest operating result</b>	<b>511,881</b>	<b>529,709</b>	<b>452,074</b>	<b>(11.7)</b>	<b>(14.7)</b>	<b>1,934,464</b>	<b>1,940,480</b>	<b>0.3</b>
Net investment income	279,388	(34,835)	260,276	(6.8)	-	(333,910)	329,585	-
<b>Earnings before taxes and profit sharing</b>	<b>791,269</b>	<b>494,874</b>	<b>712,350</b>	<b>(10.0)</b>	<b>43.9</b>	<b>1,600,554</b>	<b>2,270,065</b>	<b>41.8</b>
Taxes and profit sharing	(248,610)	(205,365)	(145,030)	(41.7)	(29.4)	(591,761)	(780,918)	32.0
<b>Net income</b>	<b>542,659</b>	<b>289,509</b>	<b>567,319</b>	<b>4.5</b>	<b>96.0</b>	<b>1,008,793</b>	<b>1,489,147</b>	<b>47.6</b>

In **4Q22**, **net income** arising from the pension plan business was 4.5% higher than reported in the same period of 2021, reaching R\$567.3 million, driven by the 11.3 p.p. drop in the effective tax rate. This decrease in tax rate was due to: (i) lower CSLL rate, which had been temporarily increased by 5 p.p. in the 2H21; (ii) the tax benefits related to the distribution of interest on capital (R\$307.2 million); and (iii) the recognition of R\$12.7 million in tax credits (vs. R\$9.0 million in 4Q21) resulting from the tax benefit of the “Lei do Bem” (Law 11,196/05), an incentive granted to companies that invest in R&D and technological innovation.

The **net investment income** was 6.8% lower, impacted by higher extent of the upward shifting in the forward yield curve compared to 4Q21.

The **non-interest operating result** reduced 11.7% compared to 4Q21, a period in which a higher volume of commission returns was registered, due to the increase in short-term redemptions before twelve months from the plan commercialization, which led a drop in the acquisition cost line in that quarter. On the other hand, **reserves** expanded 9.8% in 12 months, contributing to the 1.0% increase in revenues with management fee. The **average annualized management fee** reached 0.97% in 4Q22, 0.07 p.p. lower when compared to 4Q21 (-0.01 p.p. chg. on 3Q22). This drop is a result of increased risk aversion in client basis, leading the investment flow to more conservative products and reducing the participation of **multimarket funds** to 27.3% of total AuM (-4.5 p.p. on December 2021 | -0.9 p.p. on September 2022).

**Contributions** totaled R\$13.0 billion in the quarter, up 8.1% YoY. The performance is attributed to the increase in both the sales volume and the average ticket of sporadic and periodic contribution plans. **Net inflow** was positive by R\$676 million versus net outflow of R\$546 million in 4Q21, due to the growth in contributions and the improvement of both the **redemption** (-0.8 p.p. chg. on 4Q21 | -0.4 p.p. chg. on 3Q22) and the **portability ratios** (-1.1 p.p. chg. on 4Q21 | -0.6 p.p. chg. on 3Q22).

Figure 13 – Key performance indicators

	4Q22	Chg. On 4Q21	2022	Chg. On 2021
Net inflows (R\$ billion)	676	-	1,702	-
Reserves (R\$ billion)	344	9.8%	-	-
Management fee (%)	0.97	(0.07 p.p.)	0.99	(0.03 p.p.)
Redemption ratio (%)	11.5	(0.8 p.p.)	11.6	0.9 p.p.
Portability ratio (%)	1.9	(1.1 p.p.)	2.2	0.0 p.p.
Cost to income ratio (%)	47.1	7.3 p.p.	43.7	1.6 p.p.

In **2022**, **net income** grew 47.6%, with an improved **financial result**, which went from a loss of R\$333.9 million in 2021 to a positive balance of R\$329.6 million in 2022. The movement reflects the expansion of the average balance of earning assets, a lower impact of upward shifting in the forward yield curve, which reduced the negative MtM result in 2022, and a more favorable dynamics of the inflation rates that adjust the assets (IPCA and IGP -M of the current month) and liabilities (IGP-M with a one-month lag) of traditional plans, due to the convergence between IPCA and IGP-M in the year.

**Net inflow** was positive by R\$1.7 billion in 2022, compared to net outflow of R\$783 million in 2021, driven by the relevant increase of **contributions** (+15.7%). Revenues with **management fee** rose 3.1%, with the average fee contracting 0.03 p.p., due to the lower participation of multimarket funds in total AuM, as mentioned in the quarterly analysis.

## Brasileira | Premium Bonds (for further details, see page 59)

Table 5 – Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %		Annual Flow		Chg. %
	4Q21	3Q22	4Q22	On 4Q21	On 3Q22	2021	2022	On 2021
<b>Premium bonds collection</b>	<b>1,118,935</b>	<b>1,615,265</b>	<b>1,743,163</b>	<b>55.8</b>	<b>7.9</b>	<b>4,309,790</b>	<b>5,949,271</b>	<b>38.0</b>
Changes in provisions for redemption, lottery and bonus	(1,001,873)	(1,447,294)	(1,561,977)	55.9	7.9	(3,806,057)	(5,327,808)	40.0
<b>Revenue with load fee</b>	<b>117,063</b>	<b>167,970</b>	<b>181,186</b>	<b>54.8</b>	<b>7.9</b>	<b>503,733</b>	<b>621,463</b>	<b>23.4</b>
Result with lottery	4,818	2,326	12,913	168.0	455.1	18,196	28,734	57.9
Acquisition costs	(102,564)	(139,662)	(169,041)	64.8	21.0	(397,396)	(532,865)	34.1
G&A	(17,673)	(26,081)	(30,629)	73.3	17.4	(73,347)	(98,391)	34.1
Other	926	(974)	(45)	-	(95.4)	1,199	(1,048)	-
<b>Non-interest operating result</b>	<b>2,570</b>	<b>3,580</b>	<b>(5,614)</b>	<b>-</b>	<b>-</b>	<b>52,386</b>	<b>17,893</b>	<b>(65.8)</b>
Net investment income	(215,228)	62,600	87,893	-	40.4	(37,828)	328,014	-
<b>Earnings before taxes and profit sharing</b>	<b>(212,658)</b>	<b>66,179</b>	<b>82,279</b>	<b>-</b>	<b>24.3</b>	<b>14,557</b>	<b>345,907</b>	<b>2,276.2</b>
Taxes and profit sharing	87,015	(28,671)	(19,389)	-	(32.4)	(11,045)	(128,140)	1,060.2
<b>Net income</b>	<b>(125,643)</b>	<b>37,508</b>	<b>62,889</b>	<b>-</b>	<b>67.7</b>	<b>3,512</b>	<b>217,767</b>	<b>6,099.9</b>

In **4Q22**, the **net income** from premium bonds segment reached R\$62.9 million, compared to a net loss of R\$125.6 million in the same period of 2021. The performance is attributed to the improvement in the net investment income, considering that in 4Q21 it was registered a loss in the disposal of prefixed bonds available for sale, in a strategy carried out in that quarter to rebalance the investment portfolio.

The **premium bonds collection** grew 55.8% YoY, boosted by the higher average ticket of unique payment bonds and by the increase in the number of bonds sold in both unique and monthly payment bonds. The **revenues with load fee** rose 54.8%, slightly below the increase observed in collection, due to the reduction of 0.1 p.p. at the average load fee quote.

In the **year**, **net income** of premium bonds operation reached R\$217.8 million, compared to R\$3.5 million in 2021. The performance was sustained by the improvement in the **financial result**, which ended the year with a positive balance of R\$328.0 million, compared to the R\$37.8 million loss registered in 2021, with the expansion in the average balance of earning assets and the spike in the average Selic rate.

**Premium bonds collection** was up 38.0%, with an increase in the average ticket of unique payment bonds and the 37.5% expansion in sales of monthly payment bonds. The **revenue with load fee** grew at a slower pace than that observed in collection (+23.4%), due to the 1.2 p.p. decline in the average quote, which is justified by the higher participation of short-term collection from unique payment bonds (12 and 24 months) in the mix, which have lower quotes compared to 36-months bonds that accounted for the major part of the inflows in 2021.

Figure 14 – Key performance indicators

		Chg. On 4Q21	Chg. On 2021
<b>Premium bonds collection</b>			
Unique payment	88.6%		56.6%
Monthly payment	13.3%		13.6%
First Installments	64.0%		14.1%
Recurring Installments	11.7%		13.6%
<b>Average quotes</b>			
Reserve quote	0.5 p.p.		1.8 p.p.
Lottery quote	(0.4 p.p.)		(0.5 p.p.)
Bonus quote	(0.01 p.p.)		(0.01 p.p.)
Load fee quote	(0.1 p.p.)		(1.2 p.p.)
<b>Other ratios</b>			
Technical reserves	22.0%		22.0%
Net interest margin	12.7 p.p.		3.5 p.p.



## BB Corretora | Brokerage (for further details, see page 76)

Table 6 – Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %		Annual Flow		Chg. %
	4Q21	3Q22	4Q22	On 4Q21	On 3Q22	2021	2022	On 2021
<b>Brokerage revenues</b>	<b>1,053,999</b>	<b>1,261,814</b>	<b>1,311,112</b>	<b>24.4</b>	<b>3.9</b>	<b>3,968,160</b>	<b>4,671,135</b>	<b>17.7</b>
G&A	(277,976)	(236,128)	(267,826)	(3.7)	13.4	(804,808)	(908,832)	12.9
Equity income	(2,973)	(615)	146	-	-	(12,633)	(673)	(94.7)
<b>Earnings before interest and taxes</b>	<b>773,050</b>	<b>1,025,071</b>	<b>1,043,432</b>	<b>35.0</b>	<b>1.8</b>	<b>3,150,719</b>	<b>3,761,630</b>	<b>19.4</b>
Net investment income	53,878	111,015	115,999	115.3	4.5	113,452	365,294	222.0
<b>Earnings before taxes</b>	<b>826,928</b>	<b>1,136,086</b>	<b>1,159,431</b>	<b>40.2</b>	<b>2.1</b>	<b>3,264,171</b>	<b>4,126,924</b>	<b>26.4</b>
Taxes	(274,058)	(385,481)	(387,672)	41.5	0.6	(1,102,132)	(1,397,446)	26.8
<b>Net income</b>	<b>552,870</b>	<b>750,605</b>	<b>771,759</b>	<b>39.6</b>	<b>2.8</b>	<b>2,162,039</b>	<b>2,729,478</b>	<b>26.2</b>

In **4Q22**, BB Corretora's **net income** grew 39.6% YoY, boosted by the growth of brokerage revenues and by the higher financial result (+115.3%), with the spike in Selic rate and the expansion of the average balance of financial investments.

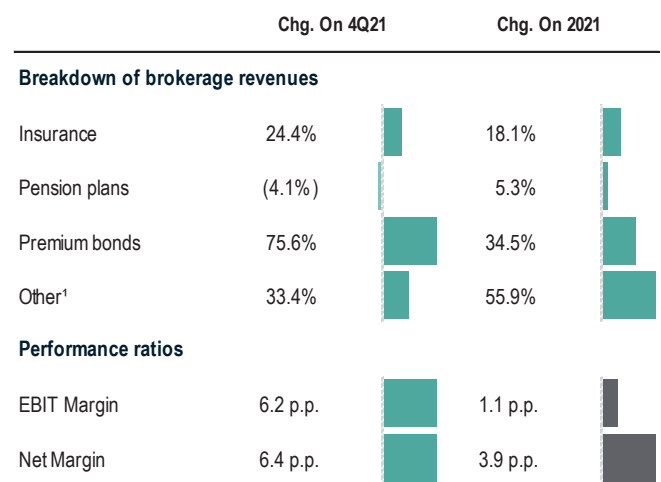
**Brokerage revenues** increased by 24.4%, due to the good commercial performance, highlighting the changes on revenues from insurance, explained by the strong growth of rural and credit life, and premium bonds, with higher collections due to the increased sales volume and higher average ticket. The revenues from pension plans dropped 4.1%, despite the gross inflow 8.1% higher, impacted by the concentration of contributions in sporadic plans, which present a lower commission ratio compared to the first installments of periodic plans.

The **EBIT margin** increased by 6.2 p.p. YoY, largely explained by the lower volume of provisions for devolution of commissions to Brasilprev, related to short-term redemptions, which negatively impacted the 4Q21 with a strengthening of R\$68.3 million, while in 4Q22 this provision amounted to R\$28.2 million. The lower expenses with tax incentivized donations and sponsorships, the improvement of Ciclic's equity income, the reduction in expenses with operational support and the concentration of sales in products with lower reimbursement cost were the other effects that contributed to the EBIT margin improvement.

In **2022**, **net income** grew 26.2%, due to the 17.7% increase in brokerage revenues, as a result of the evolution of commercial performance in all business lines, and the higher financial result (+222.0%), supported by both the higher average yield and the expansion in the volume of financial assets.

The EBIT margin was up 1.1 p.p. in 2022, supported by the lower volume of provision for devolution of commission to Brasilprev compared to 2021 (2022: R\$57.7 million | 2021: R\$73.2 million), the improvement in the equity income from Ciclic and lower expenses with operational support and tax incentivized donations and sponsorships.

Figure 15 – Key performance indicators



<sup>1</sup>. Include dental plans and other revenues.



## ■ OTHER INFORMATION

Table 7 – Market share and ranking<sup>1</sup>

		Quarterly Flow			Annual Flow	
		Unit	4Q21	3Q22	4Q22	2021
Life²						
Premiums written	R\$ thousand	940,240	960,957	965,492	3,514,897	3,671,803
Market-share	%	13.5%	12.6%	12.6%	13.5%	12.5%
Ranking		2º	1º	1º	1º	1º
Credit life						
Premiums written	R\$ thousand	530,509	815,110	887,506	2,162,813	2,732,379
Market-share	%	14.1%	17.4%	20.9%	13.8%	16.3%
Ranking		1º	1º	1º	3º	1º
Mortgage life						
Premiums written	R\$ thousand	72,490	74,878	75,872	287,612	297,279
Market-share	%	5.4%	5.1%	5.2%	5.7%	5.2%
Ranking		5º	6º	5º	5º	6º
Rural						
Premiums written	R\$ thousand	1,365,091	2,899,839	1,919,101	5,335,116	8,096,065
Market-share	%	63.8%	59.0%	67.5%	55.4%	60.1%
Ranking		1º	1º	1º	1º	1º
Home						
Premiums written	R\$ thousand	87,857	103,776	93,499	317,984	376,268
Market-share	%	7.5%	7.6%	7.0%	7.3%	7.5%
Ranking		5º	4º	6º	5º	5º
Commercial lines						
Premiums written	R\$ thousand	131,838	165,078	178,840	438,472	583,480
Market-share	%	4.7%	5.2%	5.4%	4.1%	4.8%
Ranking		5º	5º	5º	9º	6º
Pension Plans						
Technical reserves	R\$ thousand	313,217,130	336,261,334	343,826,496	-	-
Market-share	%	29.2%	28.5%	28.4%	-	-
Ranking		1º	1º	1º	-	-
Contributions	R\$ thousand	11,994,534	15,144,470	12,960,663	45,668,826	52,816,022
Market-share	%	31.8%	36.4%	34.0%	33.0%	34.4%
Ranking		1º	1º	1º	1º	1º
Premium Bonds						
Reserves	R\$ thousand	7,872,886	8,881,806	9,608,352	-	-
Market-share	%	23.7%	24.8%	25.8%	-	-
Ranking		2º	2º	1º	-	-
Collections	R\$ thousand	1,118,935	1,615,265	1,743,163	4,309,790	5,949,271
Market-share	%	17.7%	21.6%	23.7%	17.7%	21.0%
Ranking		2º	2º	1º	2º	2º

1. Source: Susep – data as of December/2022.

2. Market share considering only premiums written for risk coverage, excluding premiums for accumulation components (dotal and 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	3,273,567	0.2%
Free Float	333,805	671,726,433	33.6%
Foreign investors	940	461,225,217	23.1%
Companies	3,169	88,283,550	4.4%
Individuals	329,696	122,217,666	6.1%
Total	333,807	2,000,000,000	100.0%

Table 9 – Stocks | Performance

		Quarterly Flow				
	Unit	4Q21	1Q22	2Q22	3Q22	4Q22
Stock's performance						
Earnings per share	R\$	0.61	0.59	0.70	0.83	0.90
Dividends per share	R\$	-	0.92	-	1.03	-
Equity per share	R\$	3.64	4.22	3.89	4.73	3.80
Closing price	R\$	20.75	25.56	25.96	26.57	33.71
Annualized dividend yield¹	%	3.95	5.77	5.86	8.39	7.16
Market capitalization	R\$ million	41,500	51,120	51,920	53,140	67,420
Ratios						
P/E (12 month trailing)	x	10.55	12.36	10.84	9.72	11.15
P/BV	x	5.70	6.05	6.68	5.62	8.88
Business data						
Number of trades carried out		1,131,905	1,109,478	1,010,104	1,137,379	1,474,019
Average daily volume traded	R\$ million	108	129	132	153	212
Average daily volume traded - B3	R\$ million	26,130	26,991	24,626	22,563	26,927
Share on B3's average volume	%	0.41	0.48	0.54	0.68	0.79

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