

BMGB

B3 LISTED N1

PRESENTATION

VIDEO CONFERENCE

1Q21



Complete Bank!

For the needs of millions of Brazilians and companies

Agile, modern and replete with advantages, focused on clients' needs.

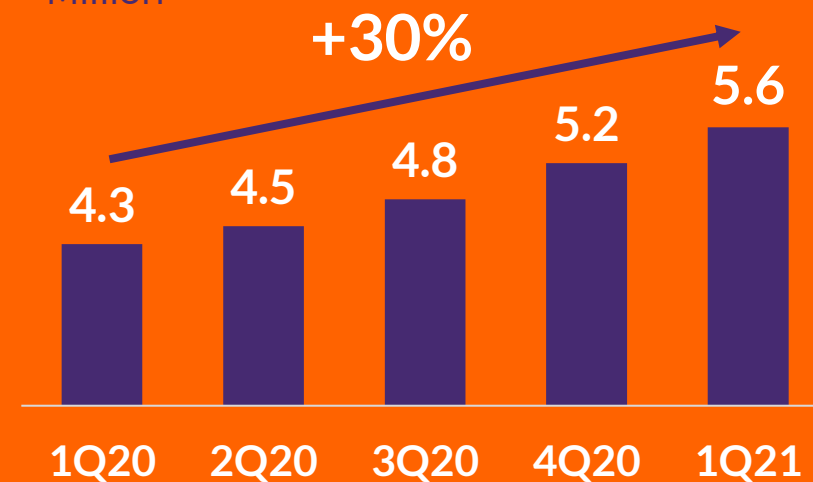
PHYGITAL: technology of the digital bank with the human sensibility of the physical world

Addressable market of 155 million of Brazilians and 17 mm of small and micro companies



Active clients¹

Million

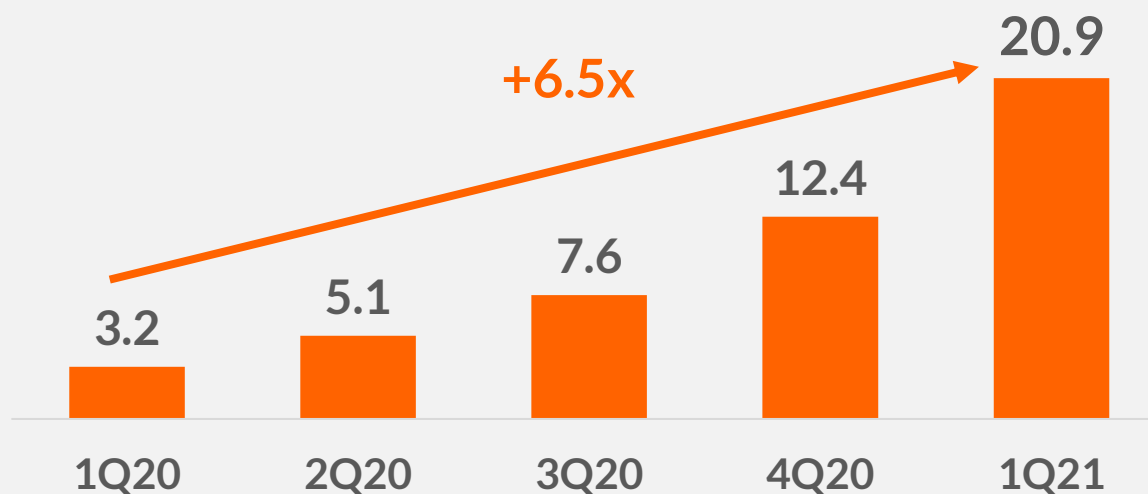


+ 315k new clients in the quarter

¹ - Clients with a balance in the portfolio or card issuance/purchases in the last 12 months | Considering the criteria of Central Bank, Bmg has 7.2 million of total clients.

Growth of 1.3 million digital accounts in the quarter

New clients per business day
(‘000)



3.9 million of digital accounts

Accelerated growth with usability

+2.5 mm of Monthly Active User in Mar/21

+10 mm of access in Mar/21

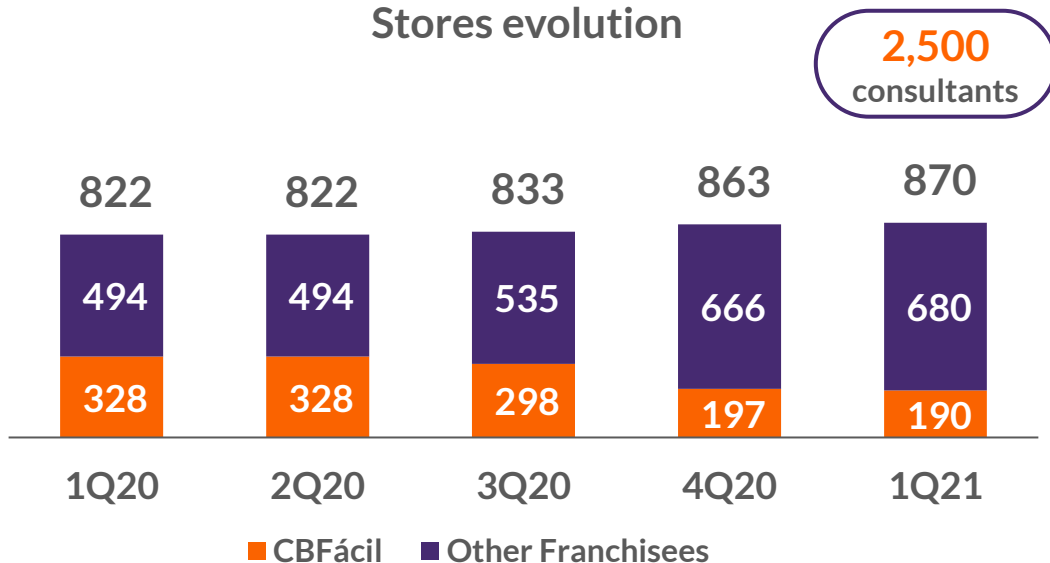
New phase of help! expansion and profitability strengthens the phygital strategy



Franchise network, specializing in financial services, with a **one-stop shop** concept and **tech-touch** performance model

EFFICIENT AND SCALABLE

Stores evolution



help! 4.0

New franchise formats



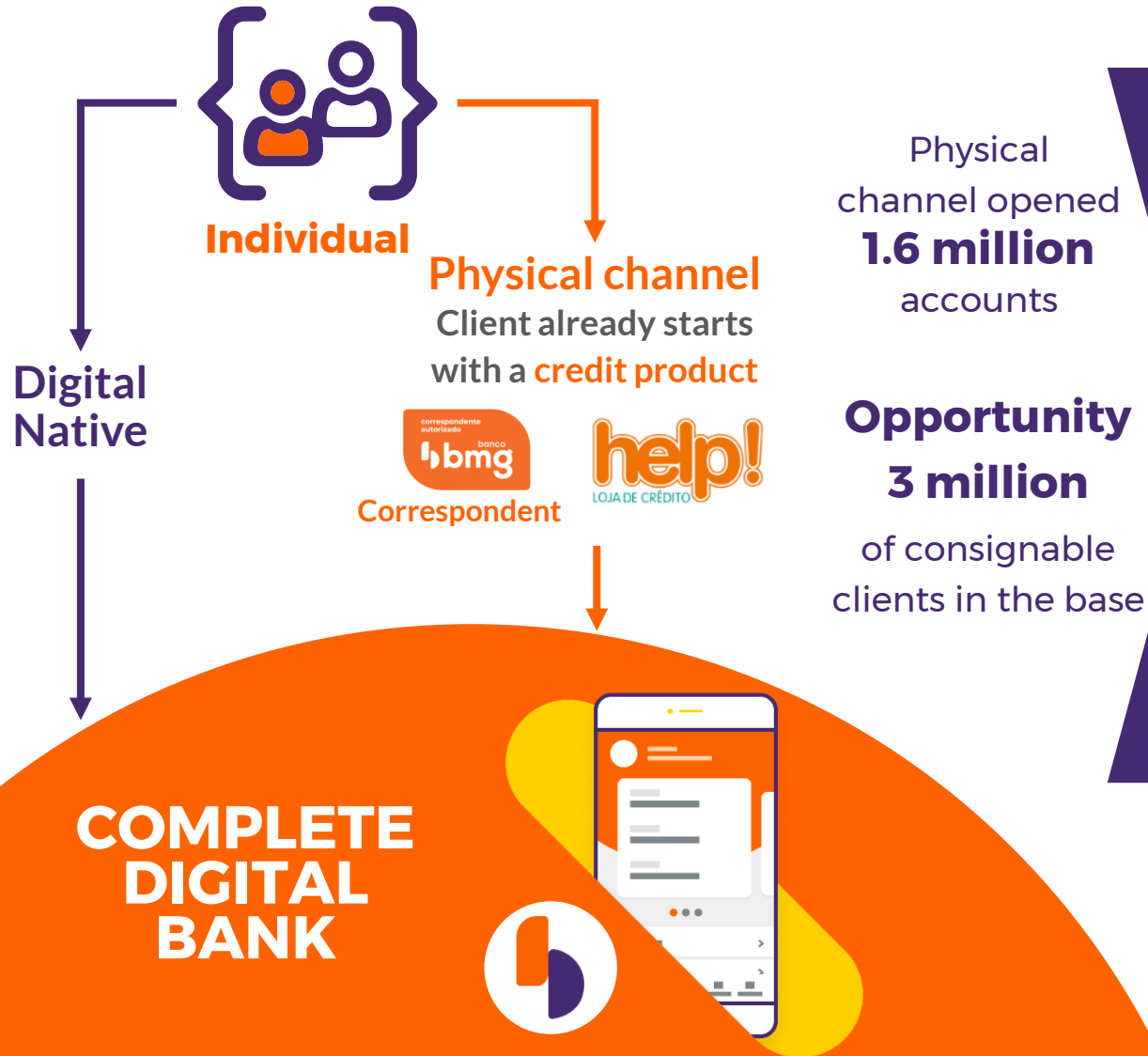
Hybrid

Growth of the addressable market

83% of clients live with relatives

Better time to market

WE CONNECT THE PHYSICAL AND DIGITAL WORLD



Umbrella Commissioning

Physical channel encourages the migration of clients to the digital bank and is remunerated for the credit products contracted at the digital bank



Monetize: *cross-selling e up-selling*



Strengthen **digital strategy** without cannibalizing the physical channel



Physical channel focused on the prospection of **new clients**



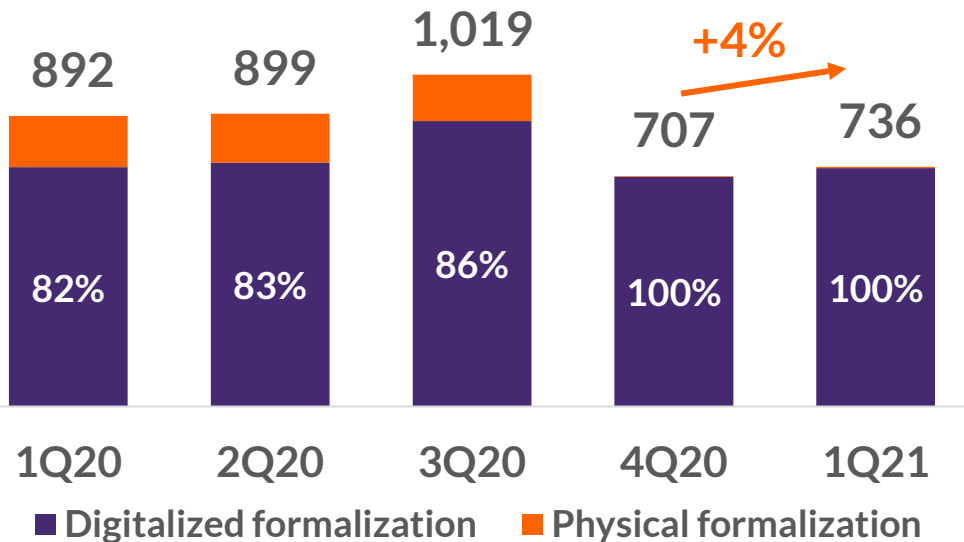
BUSINESS

UPDATE

Resumption of origination after self-regulation with high quality in formalization

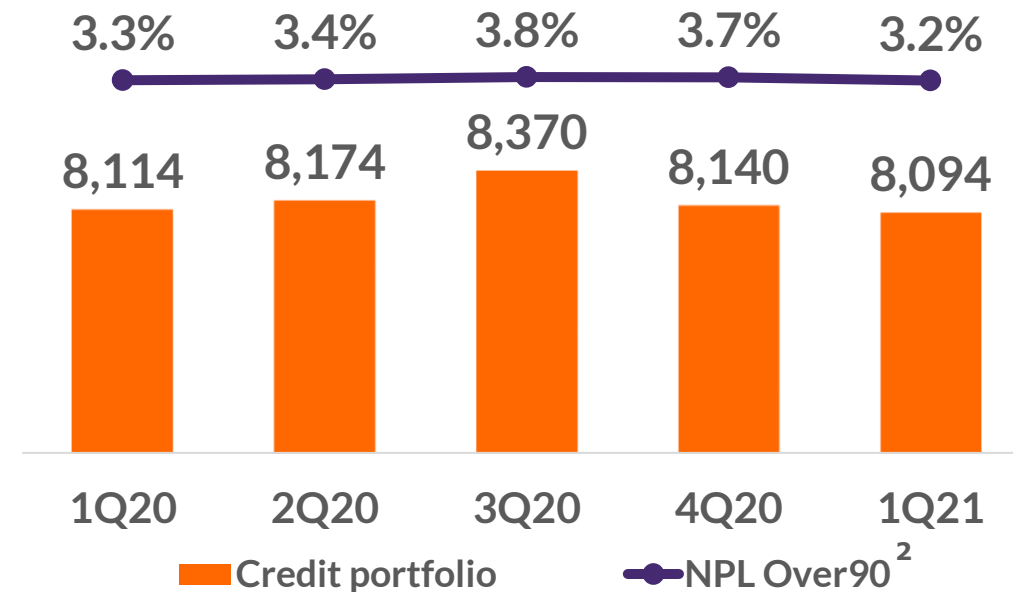
PAYROLL CREDIT CARD

Origination
Quarterly released amount¹ (R\$ million)



Credit Portfolio (R\$ million)

Interest rate: **3.1%** p.m.



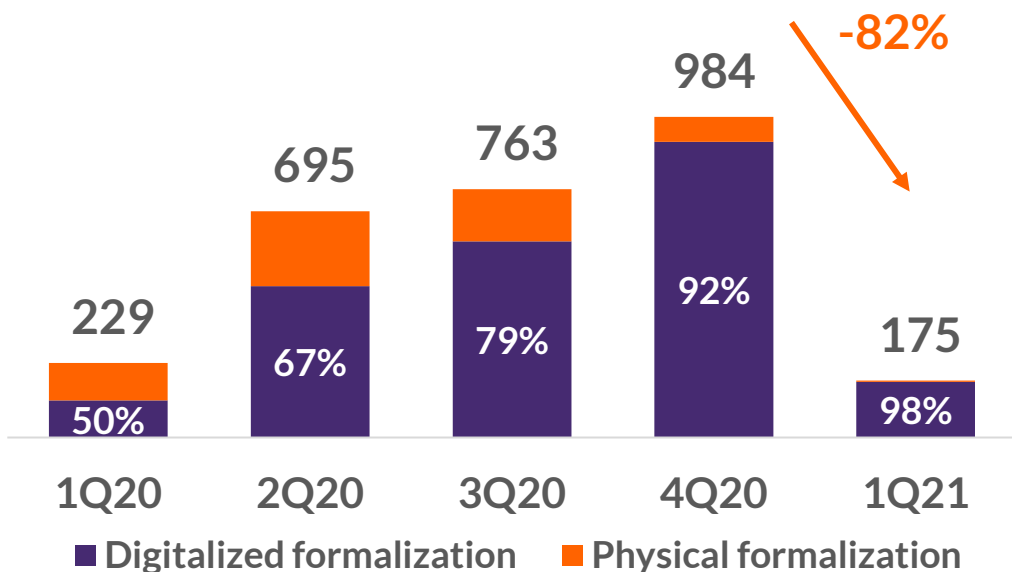
1Qx4Q
-0.6%

1 - It considers only the new resource released to the client, it does not consider refinanced amounts. | 2- E-H portfolio/ total portfolio

Resumption of origination with quality increase and higher profitability

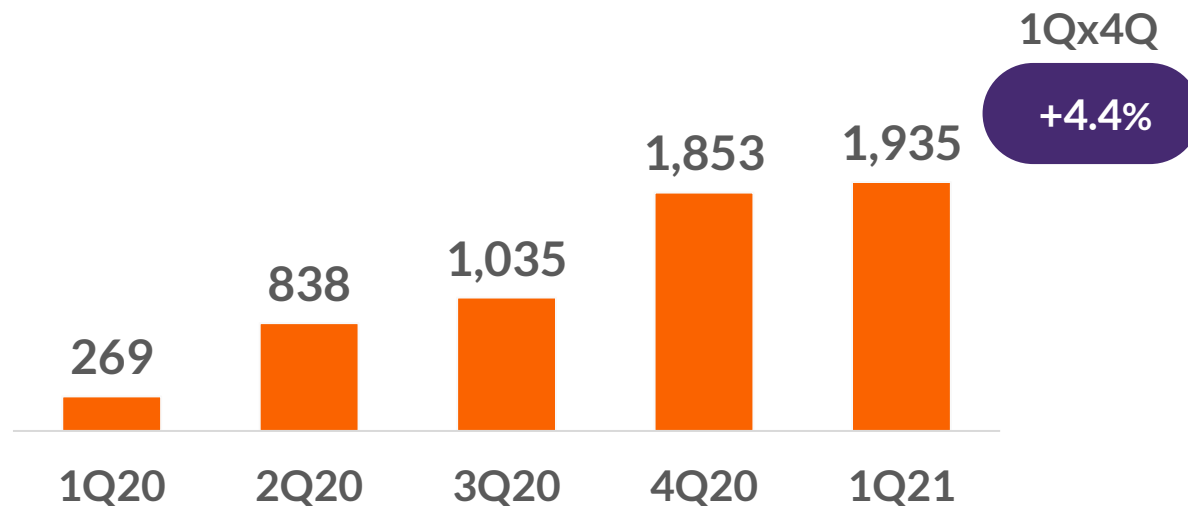
PAYROLL LOAN

Origination
Quarterly released amount¹ (R\$ million)



Credit Portfolio (R\$ million)

Interest rate: **1.8%** p.m.

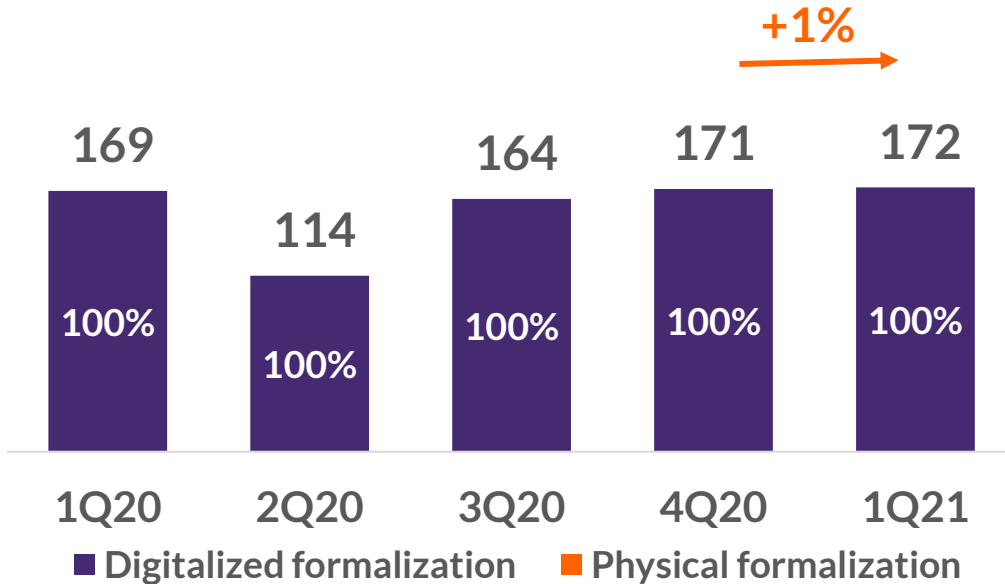


1 - It considers only the new resource released to the client, it does not consider refinanced amounts.

Strong portfolio growth in the quarter, has a potentially positive impact on the margin

DIRECT DEBIT LOAN AND TRADITIONAL CREDIT CARD

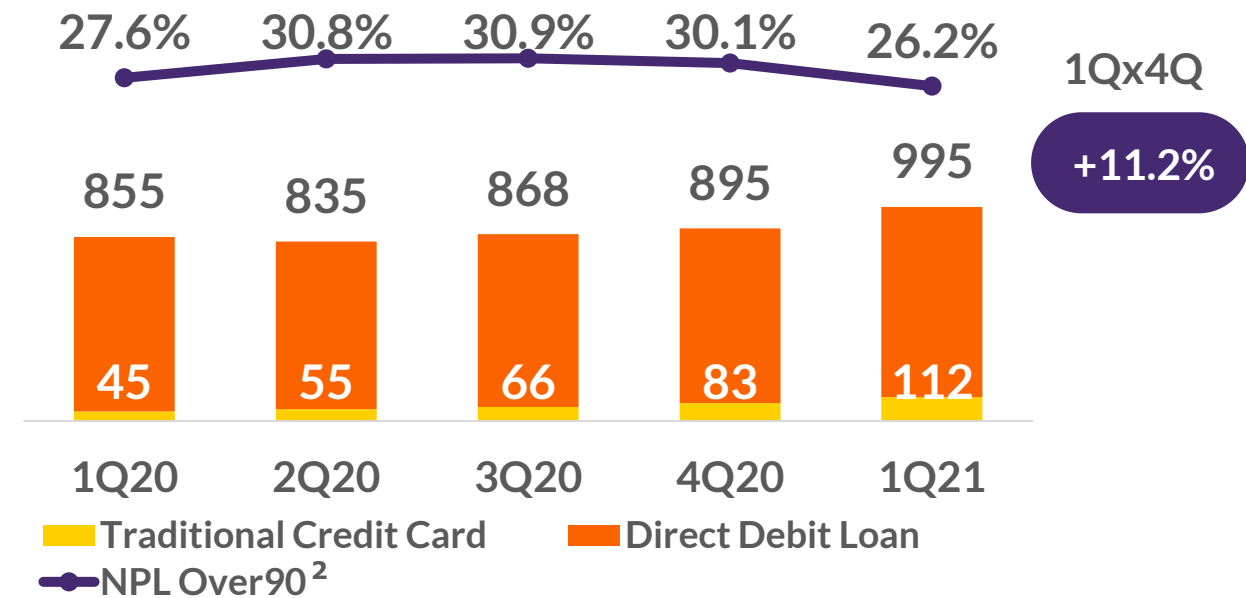
Origination
Quarterly released amount¹ (R\$ million)



59% of portfolio receive benefits at Bmg

Credit Portfolio (R\$ million)

Interest rate: **18.6%** p.m.



+500 thousand active traditional credit cards

Insurance has high adherence and potential for cross-selling



High penetration potential

60% of active clients do not have insurance



cross-selling opportunity

10% penetration in the payroll loan portfolio

Insurance segment contributes to client activation and loyalty



Client profile with **high upsell adherence**

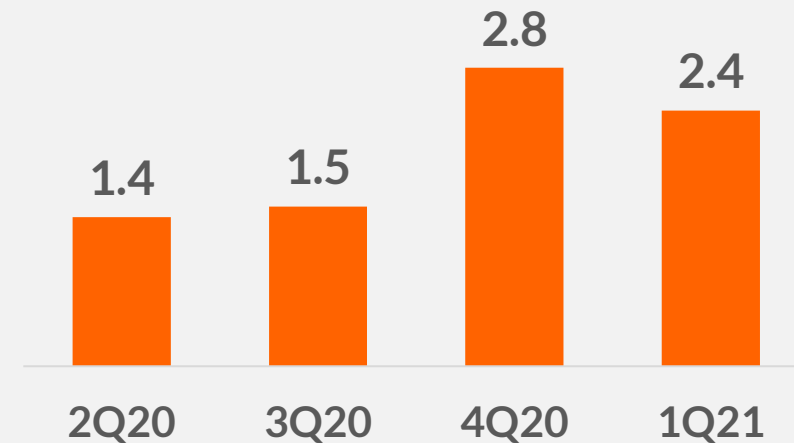


R\$ 106 million in premiums issued

+71% (1Qx1Q)



Equity equivalence (R\$ million)



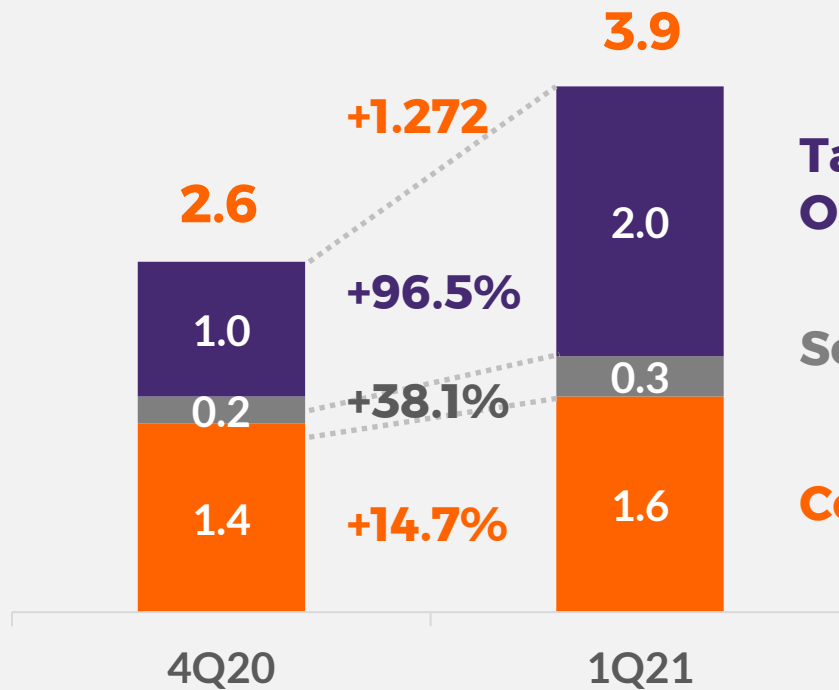
5.1x

Return on Investment in the last 12 months

Record growth in the number of accounts consolidates the phygital strategy

INDIVIDUAL DIGITAL BANK

Digital accounts profile (million)



Target audience
Open-waters

Complete value proposition based on the concept of a positive account

Soccer clubs

Passion for soccer: Greater loyalty and credit quality

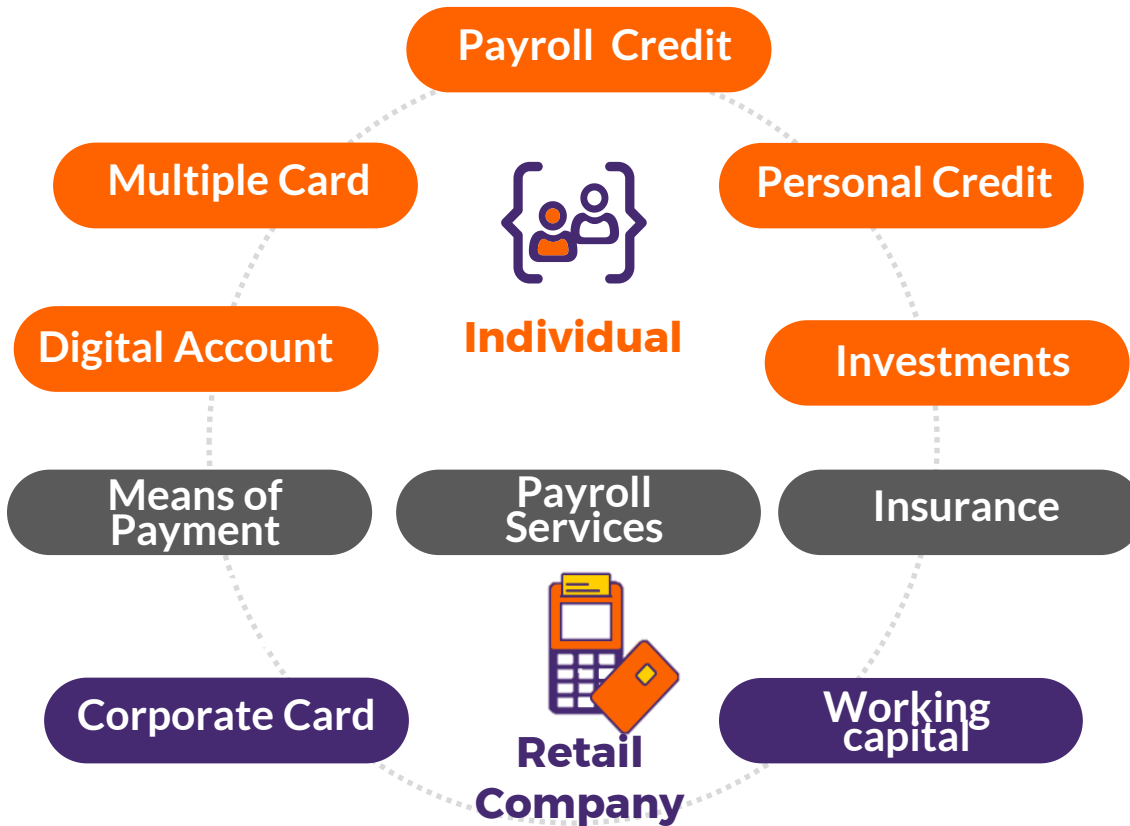
Consignable

High profitability: client starts with a credit product



Full range of products and services maximizes ARPU

PRODUCTS AND SERVICES



Investments
+42% volume of funding of Time Deposits and Bills through the digital bank (1Qx4Q)

Digital Bank Transactions
+1.4x volume of purchases on credit and debit (1Qx4Q)

Credit origination via **creditas**
+2.3x in released volume of credit (1Qx4Q)

Positive Account model strengthens customer activation and loyalty



VALUE PROPOSAL



Poupa pra Mim

+1.9x

clients registered in the virtual piggy bank (1Qx4Q)



Volta pra Mim

+2,2x

of cashback in the debit and credit cards to the clients (1Qx4Q)



Marketplace

+200

partner stores



Bmg Chip

76

Recommendation NPS of Bmg Chip



PARTNERSHIP



OPEN BANKING ANTICIPATION

Sharing banking information transparently and securely

Better conditions for contracting credit products

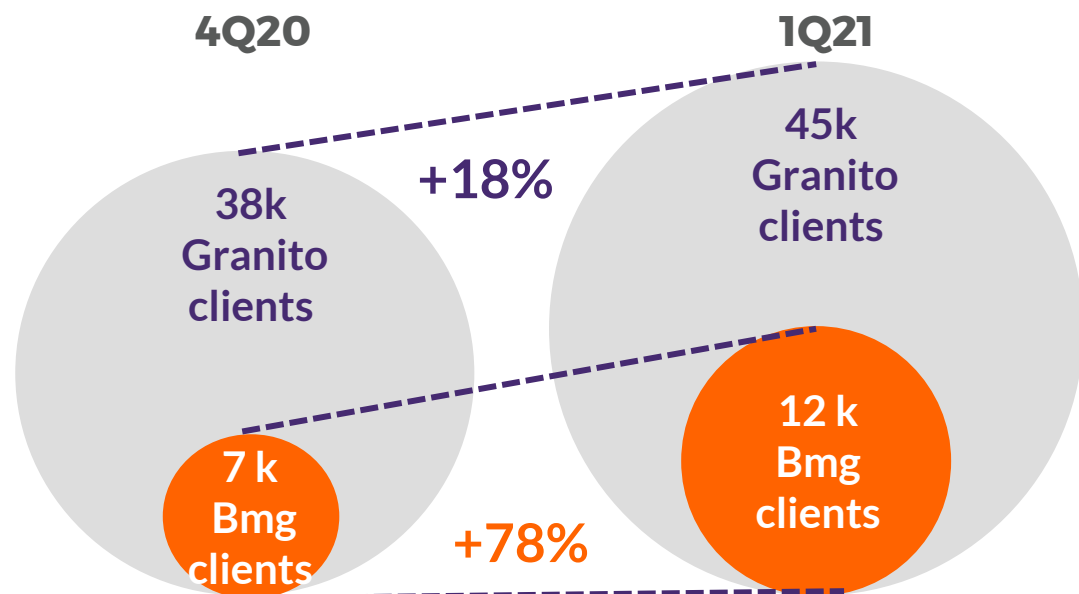
70%

of our clients are willing to share their bank details in exchange for benefits¹

1 - Research carried out by Bmg with its clients between Dec/20 and Jan/21 with support from the Instituto Bridge. The reasons asked were: interest rate reduction, greater chance of credit approval, having an application that helps to organize their financial life.

Retail Companies Digital Bank: complete services for merchants and their employees

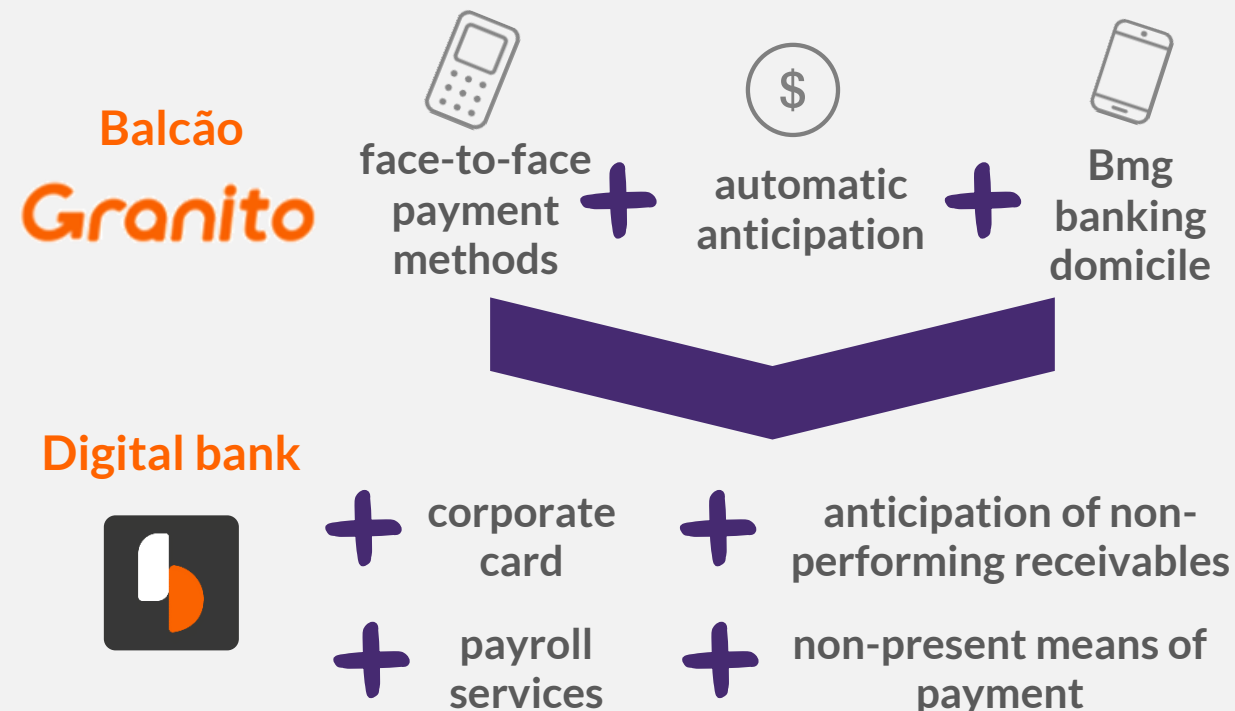
CLIENTS POTENTIAL



exclusivity of banking domicile
on the Granito sales channel
(+450 consultants)

+33k
current clients
to explore

NEW PRODUCTS AND CHANNEL



R\$ 196 million of
anticipation of receivables
in 1Q21



FINANCIAL

RESULTS

1Q21 Highlights

**INTEREST
MARGIN**

**R\$ 944
million**

+9%
(1Q21x1Q20)

**RETAIL
PORTFOLIO**

**R\$ 12.3
billion**

+24%
(1Q21x1Q20)

**RECURRING
ROAE**

9.0% p.a.

-1.5p.p.
(1Q21x1Q20)

**RECURRING NET
INCOME**

**R\$ 88
million**

-9%
(1Q21x1Q20)

BASEL RATIO

17.5%

-2.4p.p.
(1Q21x1Q20)

Guidance: deliveries in the midpoint in 1Q21

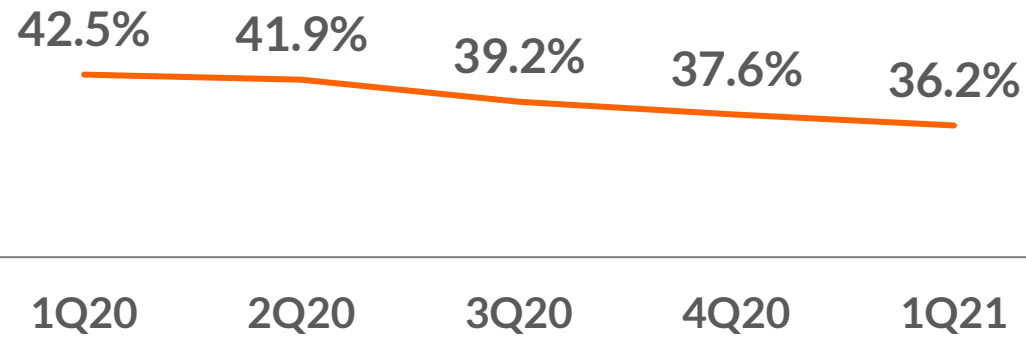
	2021 Projections		1Q21 Performed	
Operating - Million				
Active Clients ¹	6.2	↔	6.8	≡
Digital Accounts	4.5	↔	5.0	↑
Financial - R\$ Million				
Total credit portfolio growth	13%	↔	17%	≡
Financial margin ²	3,885	↔	4,185	≡
Cost of credit – net provision expense	(730)	↔	(830)	≡
Cost of credit – commissions	(710)	↔	(810)	≡
Non-interest expenses ³	(1,825)	↔	(1,925)	≡
↳ Operational provision ⁴	(390)	↔	(460)	≡
Results of subsidiaries	15	↔	35	≡
Effective tax rate ⁵	22%	↔	32%	↓

The base scenario for each of the lines is the center of the range. Values for 2020 performed and 2021 projections based on Managerial Income Statement. The Bank maintains its strategy of maximizing value with the payment of ISE, therefore the payout should resume to around 40%. The midpoint of the projections would imply an increase in Net Income of about 11% in 2021, taking into account other assumptions. This information should not be understood as a projection. 1. Clients with a balance in the portfolio or card issuance/ purchases in the last 12 months. | 2. Banking product: includes income from credit operations and marketable securities transactions + funding expenses and derivatives + income from services rendered | 3. Includes personnel + administrative + tax + net operating expenses | 4. Includes mass civil lawsuits, strategic civil, labor and tax provisions | 5. Methodology: income tax + social contribution + deferred tax assets / Profit before taxation + statutory profit sharing.

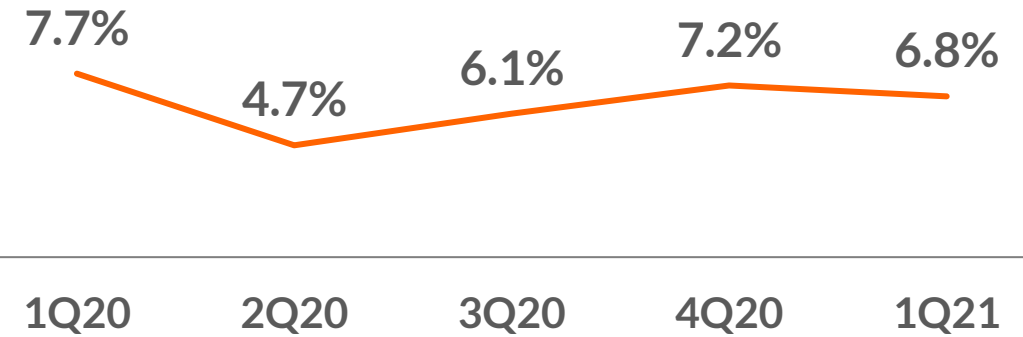
Growth in higher yield portfolios should increase credit revenues...

% p.a.

Credit operations/ Average portfolio

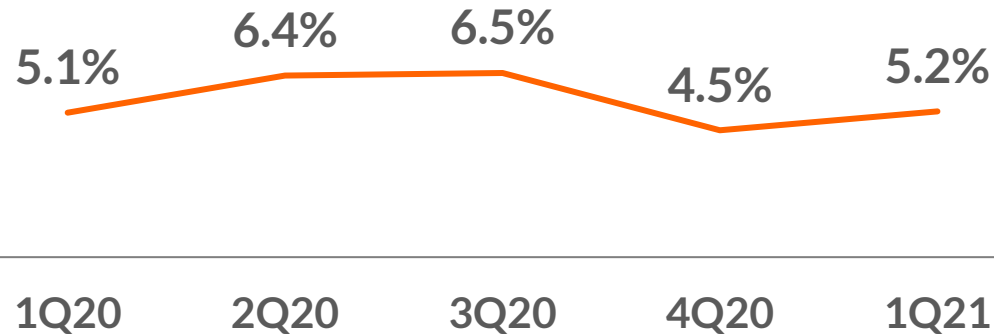


Funding expenses/ Average funding

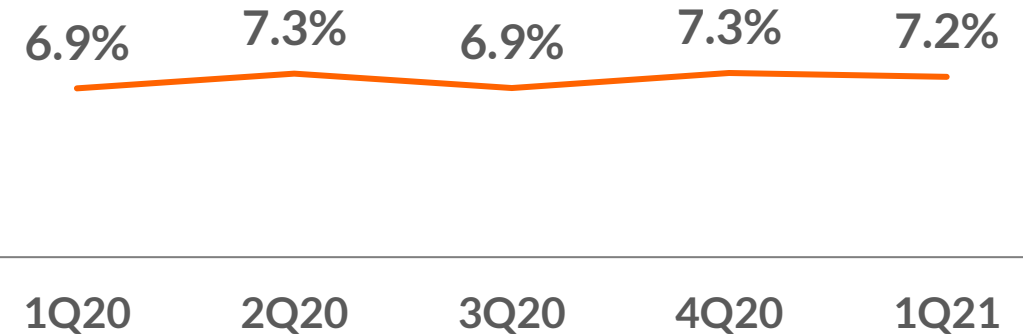


Cost of credit (net provision expenses and commission)

Net provision expenses/ Average portfolio

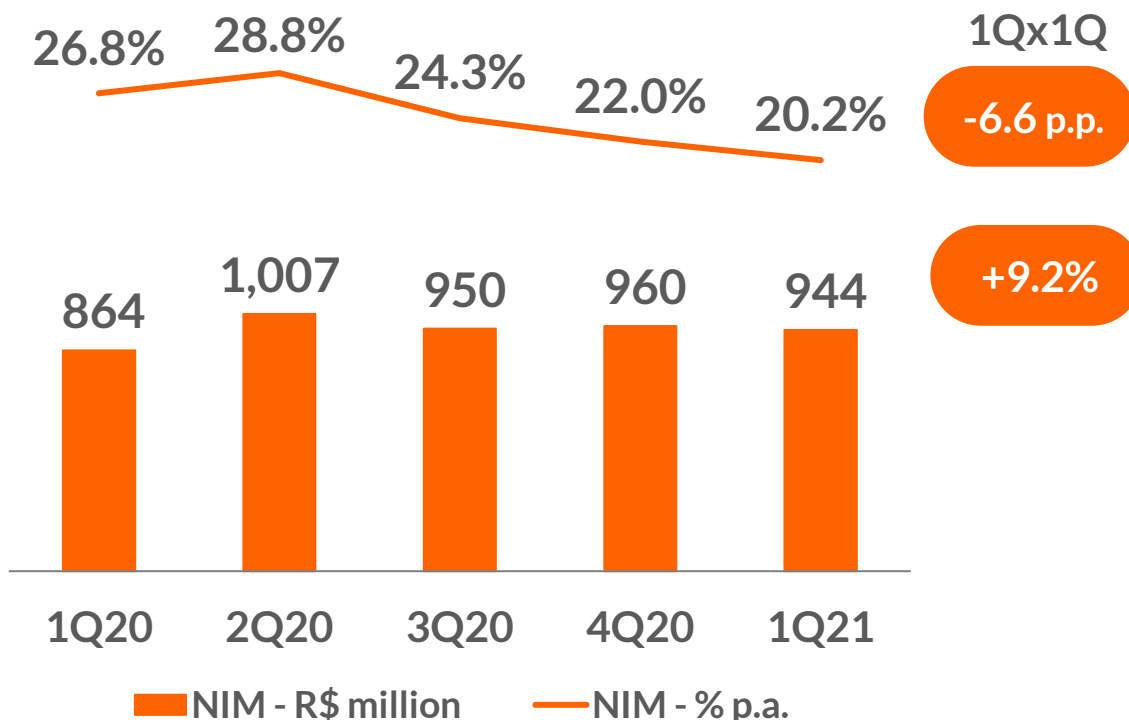


Commissions expenses/ average portfolio

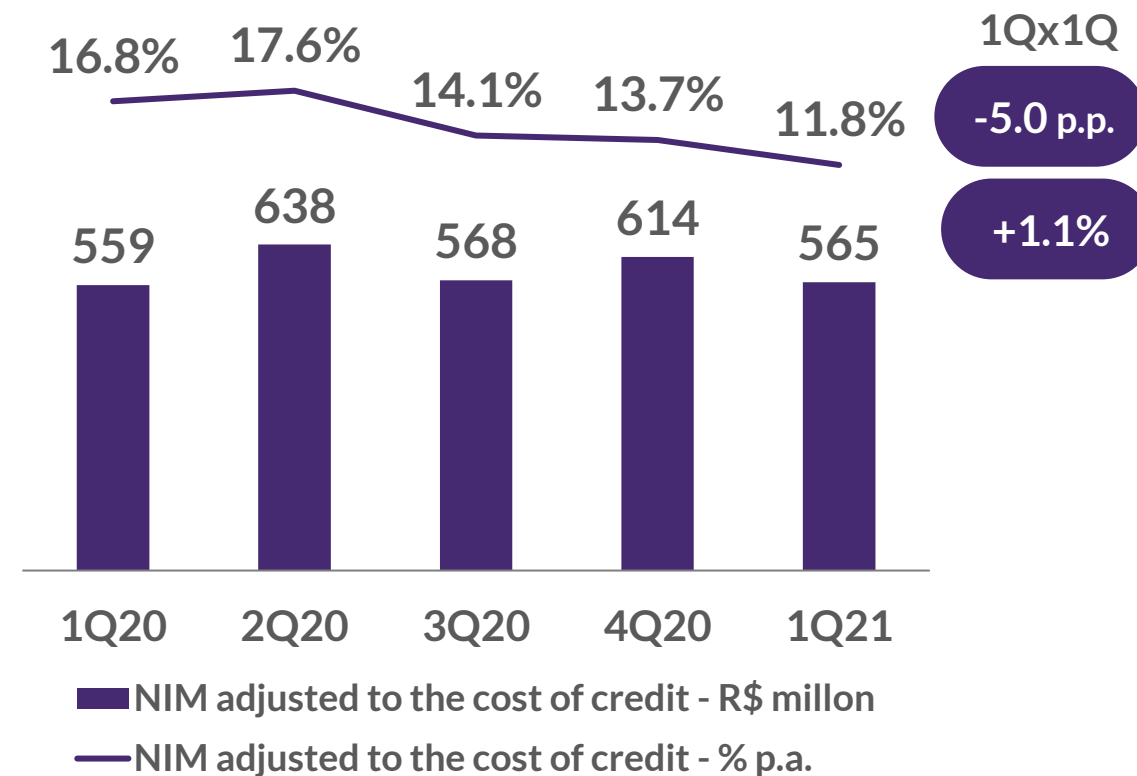


... and positively impact the margin

Net interest margin ¹



NIM adjusted to the cost of credit ² (provision expenses and commission)



1 - interest income + revenue from services rendered / average profitable assets

2 - interest financial margin after expenses with net provision for recovery and expenses with agent fees + revenue from services rendered / average profitable assets

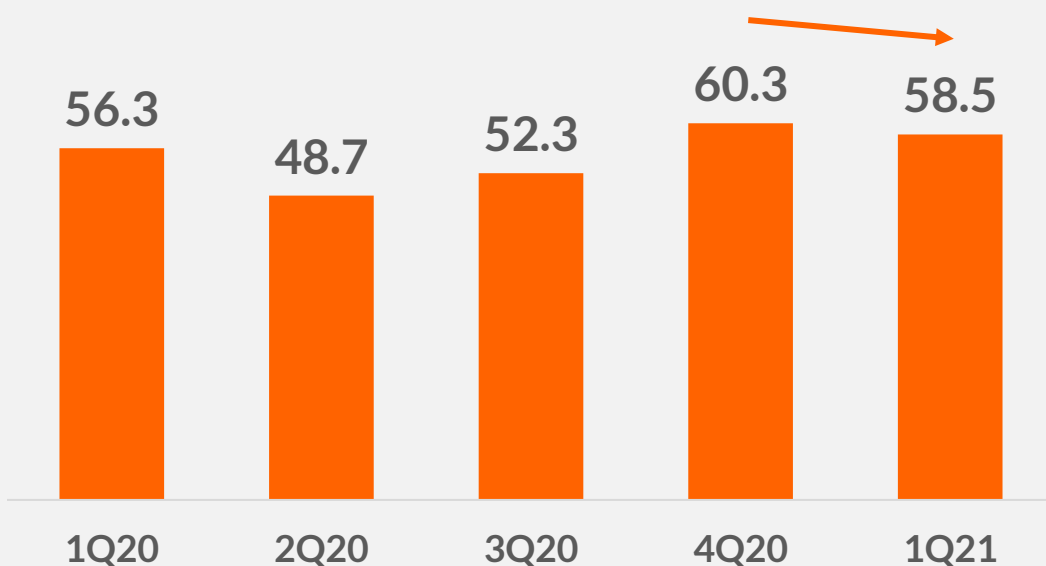
Based on the recurring result.

Record of accounts opening *VERSUS* maintaining operational efficiency

HOLISTIC VIEW OF PROCESSES

- Process Automation
- Scalable structure

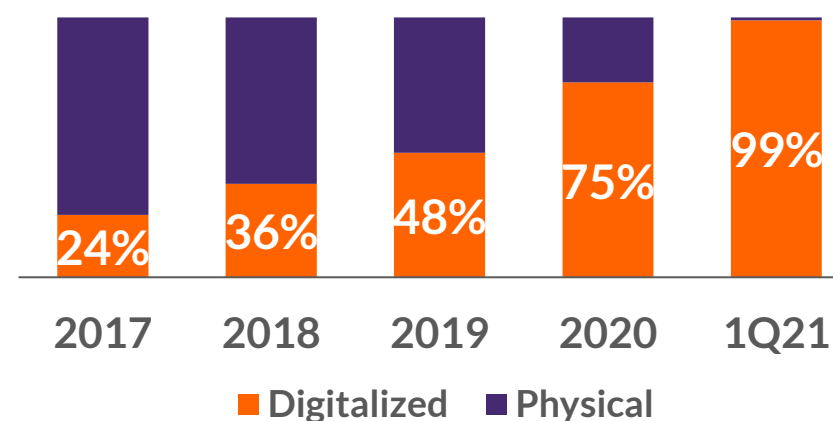
Efficiency Ratio (%)¹



PERFORMANCE IN THE ROOT CAUSE

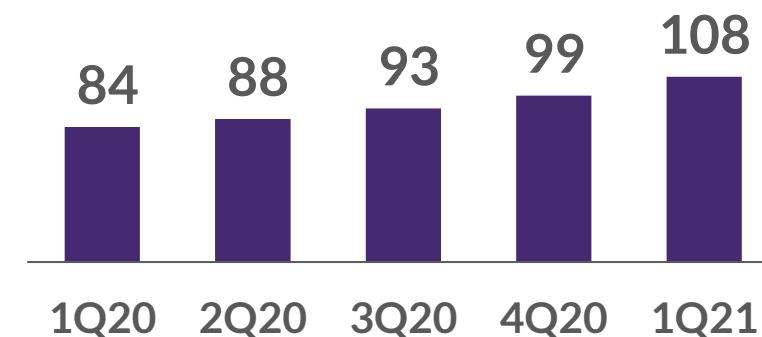
Civil provision under control

Origination with digitalized formalization²



2x less civil lawsuits in digitalized

Net operating provision expenses R\$ million

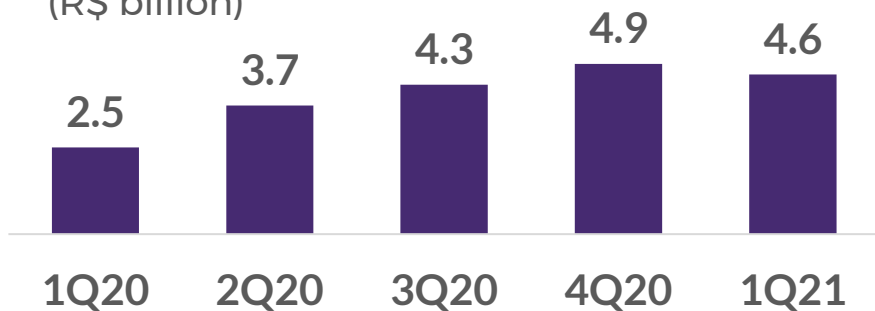


1 - Efficiency Ratio: (Personnel Expenses + Other Administrative Expenses (doesn't consider amortization) + Other Operating Expenses (net from operating income)) / (Gross Profit from Financial Intermediation before allowance for loan losses + Income from Services Rendered + Tax Expenses) | 2 - It considers withdrawal operations in payroll credit card and payroll loan operations.

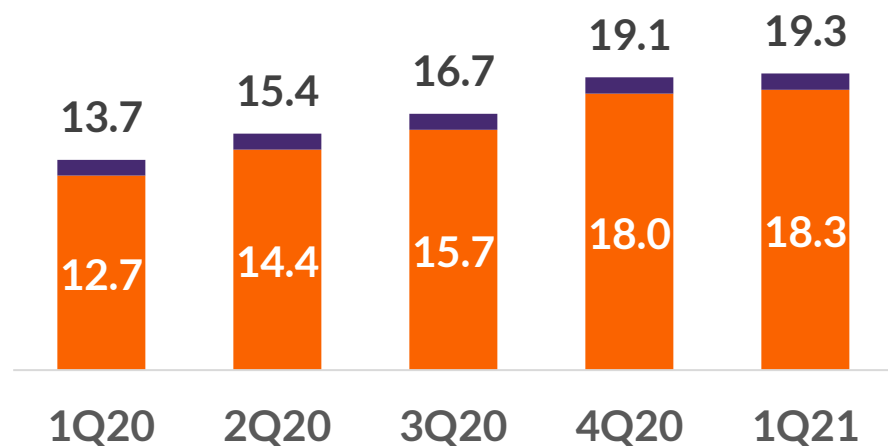
High cash volume and comfortable capital level for the growth of the operations

FUNDING AND LIQUIDITY

Total cash evolution
(R\$ billion)



Reinforcement of the securities market for natural IPCA hedge

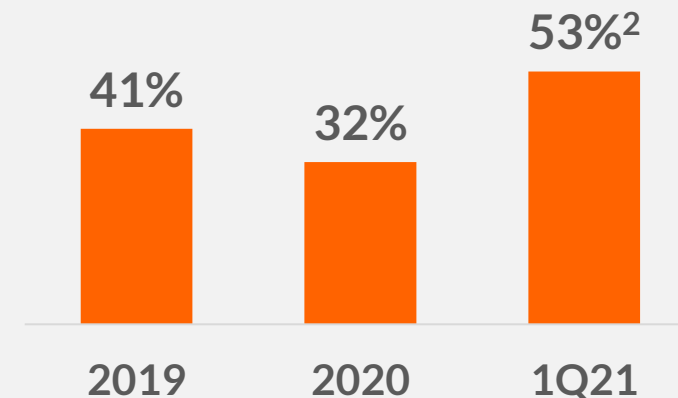


■ Subsidiaries
■ Market funding

CAPITAL

- Comfortable capital level with Basel in 17.5% and of quality with 96% in Main Capital
- Strategy to maximize the payment of ISE, given its tax benefit

Payout¹
ISE / accounting net income



1 - considers the declared ISE/ accounting net income. | 2 - provisioned amount in the period

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This presentation may contain certain forward-looking statements and information pertaining to Bmg and its subsidiaries, which reflect the current views and/or expectations of Bmg and its management regarding its business performance and future events.

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This presentation contains managerial numbers that may be different from those presented in our financial statements. The calculation methodology for those managerial numbers is presented in Bmg’s quarterly earnings release.

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