

(Convenience Translation into English from the Original
Previously Issued in Portuguese)

Banco Daycoval S.A.

Individual and Consolidated Interim Financial Information
for the Quarter Ended June 30, 2023 and Report on
Review of Interim Financial Information

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Management and Shareholders of
Banco Daycoval S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information of Banco Daycoval S.A. (“Bank”), included in the Interim Financial Information Form – ITR for the quarter ended June 30, 2023, which comprises the balance sheet as at June 30, 2023 and the related statements of income and of comprehensive income for the three- and six-month periods then ended, and the statements of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil – BACEN, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission – CVM, applicable to the preparation of Interim Financial Information – ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the interim financial information referred to above was not prepared, in all material respects, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the BACEN, and presented in accordance with the standards issued by the CVM.


Other matters

Statements of value added

The interim financial information referred to above includes the individual and consolidated statements of value added - DVA for the six-month period ended June 30, 2023, prepared under the responsibility of the Bank's Management, the presentation of which in the interim financial information is required by the standards issued by the Brazilian Securities and Exchange Commission - CVM applicable to the preparation of Interim Financial Information - ITR. These statements were subject to review procedures performed together with the review of the Interim Financial Information - ITR to reach a conclusion on whether they were reconciled with the individual and consolidated interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in accordance with CPC 09 and consistently with the individual and consolidated interim financial information taken as a whole.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, August 8, 2023


DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.


Vanderlei Minoru Yamashita
Engagement Partner

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Company Information / Capital arrangement

Number of shares (Units)	Current Quarter 06/30/2023
Paid-in Capital	
Common	1,323,471,042
Preferred	567,201,876
Total	1,890,672,918
In Treasury	
Common	0
Preferred	0
Total	0

Individual Financial Statements / Balance Sheet Assets
(In Thousands of Brazilian Reais - R\$)

Account Code	Account Description	Current Quarter 06/30/2023	Previous Year 12/31/2022
1	Total Assets	72,886,029	69,814,634
1.01	Cash and cash equivalents	2,977,238	2,522,910
1.01.01	Cash	400,312	829,952
1.01.02	Interbank investments	2,576,926	1,692,958
1.01.02.01	Money market investments	2,465,412	1,282,908
1.01.02.02	Foreign currency investments	111,514	410,050
1.02	Financial assets	63,571,248	61,282,508
1.02.01	Restricted deposits - Central Bank of Brazil	927,339	287,834
1.02.02	Financial assets at fair value through profit or loss	10,468,300	5,961,972
1.02.02.01	Securities	10,128,944	5,548,188
1.02.02.02	Derivatives	339,356	413,784
1.02.03	Financial assets at fair value through other comprehensive income	2,717,576	5,946,680
1.02.03.01	Securities	2,717,576	5,946,680
1.02.04	Financial assets at amortized cost	49,458,033	49,086,022
1.02.04.01	Interbank deposits	3,013,936	2,684,602
1.02.04.02	Money market investments	2,854,586	353,059
1.02.04.03	Securities	295,353	280,628
1.02.04.04	Lending operations	41,648,684	44,931,348
1.02.04.05	Allowance for expected losses associated with the credit risk	-1,864,413	-1,711,637
1.02.04.08	Other financial assets	3,509,887	2,548,022
1.03	Taxes	2,279,531	2,074,380
1.03.01	Current income tax and social contribution	145,391	294,092
1.03.02	Deferred income tax and social contribution	2,134,140	1,780,288
1.04	Other assets	2,264,016	2,227,000
1.04.01	Noncurrent assets held for sale	136,855	132,518
1.04.03	Other	2,127,161	2,094,482
1.04.03.01	Debtors for escrow deposits	1,867,909	1,794,437
1.04.03.02	Other sundry credits	259,252	300,045
1.05	Investments	1,742,061	1,653,617
1.05.03	Investments in subsidiaries	1,736,164	1,648,681
1.05.05	Other investments	5,897	4,936
1.06	Property and equipment	50,984	54,219
1.06.01	Property and equipment in use	127,687	124,890
1.06.03	Accumulated depreciation	-76,703	-70,671
1.07	Intangible assets	951	0
1.07.01	Intangible assets	951	0

Individual Financial Statements / Balance Sheet Liabilities
(In Thousands of Brazilian Reais - R\$)

Account Code	Account Description	Current Quarter 06/30/2023	Previous Year 12/31/2022
2	Total Liabilities	72,886,029	69,814,634
2.01	Financial liabilities at fair value through profit or loss	6,521,851	8,152,929
2.01.01	Foreign issuance	1,930,207	2,213,302
2.01.02	Borrowings	3,866,430	5,389,898
2.01.03	Derivatives	725,214	549,729
2.02	Financial liabilities at amortized cost	53,442,249	49,890,619
2.02.01	Deposits	20,891,124	16,070,340
2.02.02	Money market funding	6,796,441	6,832,015
2.02.03	Interbank deposits	432,698	1,862,400
2.02.04	Other funding	25,321,986	25,125,864
2.02.04.01	Issuance of securities in Brazil	21,624,823	21,263,647
2.02.04.02	Borrowings	2,192,092	2,430,353
2.02.04.03	Domestic onlendings - official institutions	459,927	389,386
2.02.04.04	Subordinated debts	1,045,144	1,042,478
2.03	Provisions	2,205,376	2,146,082
2.03.01	Provision for risks	2,175,706	2,101,466
2.03.02	Provision for financial guarantees provided	29,670	44,616
2.04	Tax liabilities	1,124,571	1,267,806
2.05	Other liabilities	3,605,354	2,618,739
2.05.01	Foreign exchange portfolio	2,708,004	1,659,606
2.05.02	Interbank accounts	291,123	321,026
2.05.03	Other payables	606,227	638,107
2.07	Equity	5,986,628	5,738,459
2.07.01	Paid-in Capital	3,557,260	3,557,260
2.07.02	Capital reserves	2,125	2,125
2.07.04	Earnings reserves	2,212,379	2,189,436
2.07.04.01	Legal	207,930	184,987
2.07.04.02	Bylaws	2,004,449	2,004,449
2.07.05	Retained earnings / accumulated losses	227,174	0
2.07.08	Other comprehensive income	-12,310	-10,362

Individual Financial Statements / Income Statements
(In Thousands of Brazilian Reais - R\$)

Account Code	Account Description	Amount - Current Quarter 04/01/2023 to 06/30/2023	Accumulated Amount - Current Year 01/01/2023 to 06/30/2023	Amount - Previous Year Quarter 04/01/2022 to 06/30/2022	Accumulated Amount - Previous Year 01/01/2022 to 06/30/2022
3.01	Income from Financial Intermediation	2,497,894	4,882,320	2,359,050	4,145,620
3.01.01	Lending operations	1,902,812	3,816,340	1,848,671	3,060,397
3.01.03	Marketable securities	416,026	819,796	351,799	609,447
3.01.04	Interbank investments	112,542	153,616	63,502	162,483
3.01.05	Foreign exchange transactions	66,514	92,568	95,079	313,302
3.01.06	Sale transactions or transfer of financial assets	0	0	-1	-9
3.02	Expenses on Financial Intermediation	-1,531,795	-2,943,698	-1,412,940	-2,422,214
3.02.01	Interbank and term deposits	-529,198	-938,129	-377,647	-722,070
3.02.02	Issuances of securities in Brazil	-733,340	-1,502,284	-631,335	-1,149,246
3.02.03	Issuances of securities abroad	103,454	152,103	-244,986	245,407
3.02.04	Borrowing and Onlendings	234,946	364,464	-715,862	502,505
3.02.05	Derivative financial instruments	-607,657	-1,019,852	556,890	-1,298,810
3.03	Gross Profit From Financial Intermediation	966,099	1,938,622	946,110	1,723,406
3.04	Other Operating (Expenses) Income	-623,474	-1,249,289	-516,993	-942,713
3.04.01	Expenses on allowance for loan losses	-229,968	-450,396	-157,984	-272,970
3.04.02	Income from Services Provided	100,124	199,146	88,829	177,503
3.04.03	Personnel Expenses	-179,487	-355,977	-158,014	-314,626
3.04.04	Other Administrative Expenses	-264,891	-523,034	-236,530	-439,998
3.04.05	Tax Expenses	-57,064	-115,227	-53,920	-104,672
3.04.06	Other Operating Income	3,932	-8,094	3,187	12,044
3.04.07	Other Operating Expenses	-38,731	-79,216	-37,031	-59,154
3.04.08	Share of profit (loss) on subsidiaries	42,611	83,509	34,470	59,160
3.05	Income Before Taxes on Income	342,625	689,333	429,117	780,693
3.06	Income tax and social contribution	-61,813	-123,352	-106,713	-211,766
3.06.01	Current	-137,200	-323,398	-203,961	-401,165
3.06.02	Deferred	75,387	200,046	97,248	189,399
3.07	Profit or loss from continuing operations	280,812	565,981	322,404	568,927
3.09	Profit or loss before profit sharing and statutory contributions	280,812	565,981	322,404	568,927

Individual Financial Statements / Income Statements
(In Thousands of Brazilian Reals - R\$)

Account Code	Account Description	Amount - Current Quarter	Accumulated Amount - Current Year	Amount - Previous Year Quarter	Accumulated Amount - Previous Year
		04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022
3.10	Profit sharing and statutory contributions	-52,990	-107,118	-50,470	-100,859
3.10.01	Profit sharing	-52,990	-107,118	-50,470	-100,859
3.11	Profit/Loss for the period	227,822	458,863	271,934	468,068
3.99	Earnings per share - (R\$ / share)	0.241	0.485	0.576	0.99
3.99.01	Basic earnings per share	0	0	0.288	0.495
3.99.01.01	Common share	0	0	0.1438	0.2476
3.99.01.02	Preferred share	0	0	0.1438	0.2476
3.99.02	Diluted earnings per share	0.241	0.485	0.288	0.495
3.99.02.01	Common share	0.1205	0.2427	0.1438	0.2476
3.99.02.02	Preferred share	0.1205	0.2427	0.1438	0.2476

Individual Financial Statements / Statements of Comprehensive Income
(In Thousands of Brazilian Reais - R\$)

Account Code	Account Description	Amount - Current Quarter 04/01/2023 to 06/30/2023	Accumulated Amount - Current Year 01/01/2023 to 06/30/2023	Amount - Previous Year Quarter 04/01/2022 to 06/30/2022	Accumulated Amount - Previous Year 01/01/2022 to 06/30/2022
4.01	Profit or loss for the period	227,822	458,863	271,934	468,068
4.02	Other Comprehensive Income	2,003	-1,948	-24,897	-14,991
4.02.01	Amounts that will be reclassified to profit or loss	2,003	-1,948	-24,897	-14,991
4.02.01.01	Attributable to the Parent company	622	-5,158	-37,306	-12,551
4.02.01.02	Attributable to subsidiaries	1,661	889	-4,378	-8,087
4.02.01.03	Deferred taxes on valuation adjustments to equity - attributable to the Parent company	-280	2,321	16,787	5,647
4.04	Comprehensive Income for the Period	229,825	456,915	247,037	453,077

Individual Financial Statements / Statements of Cash Flows (Indirect Method)
(In Thousands of Brazilian Reais - R\$)

Account Code	Account Description	Accumulated Amount - Current Year 01/01/2023 to 06/30/2023	Accumulated Amount - Previous Year 01/01/2022 to 06/30/2022
6.01	Net Cash from Operating Activities	2,924,532	2,906,215
6.01.01	Cash provided by operations	1,050,263	1,053,572
6.01.01.01	Profit or loss before income taxes	458,863	468,068
6.01.01.02	Profit or loss adjustments	591,400	585,504
6.01.02	Changes in assets and liabilities	1,874,269	1,852,643
6.01.02.01	(Increase) Decrease in interbank investments	-2,830,861	-505,017
6.01.02.02	(Increase) Decrease in securities and derivatives	-1,174,916	-238,195
6.01.02.03	(Increase) Decrease in interbank and interbranch accounts	-669,760	240,125
6.01.02.04	(Increase) Decrease in lending operations	-1.333.015	-1,492,146
6.01.02.06	(Increase) Decrease in other receivables	3,458,851	545,869
6.01.02.07	(Increase) Decrease in other assets	-5,754	9,611
6.01.02.08	Increase (Decrease) in deposits	3,391,082	-573,489
6.01.02.09	Increase (Decrease) in money market funding	-35,574	2,685,925
6.01.02.10	Increase (Decrease) in funds from exchange acceptances and issuance of securities	677,464	1,989,557
6.01.02.11	Increase (Decrease) in borrowings and onlendings	-31,016	-532,773
6.01.02.12	Increase (Decrease) in other payables	912,037	311,467
6.01.02.13	Income tax and social contribution paid	-484,269	-588,291
6.02	Net Cash from Investing Activities	-2,796	-2,435
6.02.01	Purchase of property and equipment in use	-2,796	-2,435
6.03	Net Cash from Financing Activities	-2,453,161	-1,700,211
6.03.01	Increase (Decrease) in funds from exchange acceptances and issuance of securities	-602,048	-710,333
6.03.02	Increase (Decrease) in borrowings and onlendings	-1,660,174	-739,322
6.03.03	Increase (Decrease) in subordinated debts	2,666	34,237
6.03.04	Dividends and interest on capital paid	-193,605	-284,793
6.04	Exchange Rate Changes on Cash and Cash Equivalents	-14,247	-71,581
6.05	Increase (Decrease) in Cash and Cash Equivalents	454,328	1,131,988
6.05.01	Opening Balance of Cash and Cash Equivalents	2,522,910	1,274,744
6.05.02	Closing Balance of Cash and Cash Equivalents	2,977,238	2,406,732

Individual Financial Statements / Statements of Changes in Equity - 01/01/2023 to 06/30/2023
(In Thousands of Brazilian Reais - R\$)

Account Code	Account Description	Capital Reserves, Options		Earnings reserves	Valuation Adjustments to Equity	Retained Earnings/Accumulated Losses	Other Comprehensive Income	Total Equity
		Capital	Granted and Treasury Shares					
5.01	Opening Balances	3,557,260	2,125	2,189,436	0	0	-10,362	5,738,459
5.03	Adjusted opening balances	3,557,260	2,125	2,189,436	0	0	-10,362	5,738,459
5.04	Capital transactions with shareholders	0	0	0	0	-208,746	0	-208,746
5.04.07	Interest on Capital	0	0	0	0	-208,746	0	-208,746
5.05	Total comprehensive income	0	0	0	0	458,863	-1,948	456,915
5.05.01	Profit for the period	0	0	0	0	458,863	0	458,863
5.05.02	Other comprehensive income	0	0	0	0	0	-1,948	-1,948
5.05.02.01	Financial instruments adjustments	0	0	0	0	0	-1,948	-1,948
5.06	Internal changes in equity	0	0	22,943	0	-22,943	0	0
5.06.01	Recognition of reserves	0	0	22,943	0	-22,943	0	0
5.07	Closing balances	3,557,260	2,125	2,212,379	0	227,174	-12,310	5,986,628

Individual Financial Statements / Statements of Changes in Equity - 01/01/2022 to 06/30/2022
(In Thousands of Brazilian Reais - R\$)

Account Code	Account Description	Capital Reserves, Options		Earnings Reserves	Valuation Adjustments to Equity	Retained Earnings/Accumulated Losses	Other Comprehensive Income	Total Equity
		Capital	Granted and Treasury Shares					
5.01	Opening Balances	3,557,260	1,125	1,423,037	0	0	-144	4,981,278
5.03	Adjusted opening balances	3,557,260	1,125	1,423,037	0	0	-144	4,981,278
5.04	Capital transactions with shareholders	0	0	0	0	-160,650	0	-160,650
5.04.07	Interest on Capital	0	0	0	0	-160,650	0	-160,650
5.05	Total comprehensive income	0	0	0	0	468,068	-14,991	453,077
5.05.01	Profit for the period	0	0	0	0	468,068	0	468,068
5.05.02	Other comprehensive income	0	0	0	0	0	-14,991	-14,991
5.05.02.01	Financial instruments adjustments	0	0	0	0	0	-20,638	-20,638
5.05.02.02	Taxes on financial instruments adjustments	0	0	0	0	0	5,647	5,647
5.06	Internal changes in equity	0	1,000	23,403	0	-23,403	0	1,000
5.06.01	Recognition of reserves	0	1,000	23,403	0	-23,403	0	1,000
5.06.01.01	Capital reserves	0	1,000	0	0	0	0	1,000
5.06.01.02	Legal reserve	0	0	23,403	0	-23,403	0	0
5.07	Closing balances	3,557,260	2,125	1,446,440	0	284,015	-15,135	5,274,705

Individual Financial Statements / Statements of Value Added
(In Thousands of Brazilian Reals - R\$)

Account Code	Account Description	Accumulated Amount -	Accumulated Amount -
		Current Year 01/01/2023 to 06/30/2023	Previous Year 01/01/2022 to 06/30/2022
7.01	Revenue	4,550,351	4,009,342
7.01.01	Income from Financial Intermediation	4,882,320	4,145,620
7.01.02	Revenue from Services	199,146	177,503
7.01.03	Allowance for/reversal of Loan Losses	-450,396	-272,970
7.01.04	Other	-80,719	-40,811
7.02	Expenses on Financial Intermediation	-2,943,698	-2,422,214
7.03	Inputs Purchased from Third Parties	-511,089	-428,594
7.03.01	Materials, Power and Other	-72,971	-69,803
7.03.02	Outside Services	-438,118	-358,791
7.04	Gross value added	1,095,564	1,158,534
7.05	Retentions	-6,591	-6,300
7.05.01	Depreciation, Amortization and Depletion	-6,591	-6,300
7.06	Wealth Created	1,088,973	1,152,234
7.07	Wealth Received in Transfer	83,509	59,160
7.07.01	Share of profit (loss) of subsidiaries	83,509	59,160
7.08	Total Wealth for Distribution	1,172,482	1,211,394
7.09	Distribution of Wealth	1,172,482	1,211,394
7.09.01	Employees	406,946	366,688
7.09.01.01	Wages	340,135	310,120
7.09.01.02	Benefits	53,815	45,129
7.09.01.03	Severance Pay Fund (FGTS)	12,996	11,439
7.09.02	Taxes, Fees and Contribution	294,728	365,234
7.09.02.01	Federal	280,233	351,937
7.09.02.02	State	2,953	2,200
7.09.02.03	Municipal	11,542	11,097
7.09.03	Lenders and lessors	11,945	11,404
7.09.03.01	Rentals	11,945	11,404
7.09.04	Shareholders	458,863	468,068
7.09.04.01	Interest on capital	208,746	160,650
7.09.04.03	Retained Earnings / accumulated losses	250,117	307,418

MAIN FIGURES

(R\$ million, unless otherwise stated)

MAIN FIGURES		2Q23	1Q23	2Q22	1H23	1H22	1H23 x 1H22
INCOME	Net Income	227.9	231.0	271.9	458.9	468.1	-2.0%
	Recurring Net Income	326.7	281.7	284.3	608.4	582.4	4.5%
	Income from Loans Operations	2,026.3	2,030.6	1,937.4	4,056.9	3,225.1	25.8%
FINANCIAL	Total Assets	72,741.6	66,758.0	65,211.4	72,741.6	65,211.4	11.5%
	Expanded Loan Portfolio	52,720.3	52,923.2	48,021.8	52,720.3	48,021.8	9.8%
	- Companies ⁽¹⁾	38,213.5	39,282.0	36,569.5	38,213.5	36,569.5	4.5%
	- Payroll Loans	12,173.5	11,336.4	9,531.9	12,173.5	9,531.9	27.7%
	- Auto Loans	2,142.3	2,133.1	1,791.3	2,142.3	1,791.3	19.6%
	- Home Equity	191.0	171.7	129.1	191.0	129.1	47.9%
	Funding	51,968.4	48,613.5	46,788.2	51,968.4	46,788.2	11.1%
	- Total Deposits + LCI + LCA	25,822.5	22,347.0	20,484.0	25,822.5	20,484.0	26.1%
	- Financial Bills	17,717.4	16,842.8	16,275.1	17,717.4	16,275.1	8.9%
	- External Funding	7,968.6	9,024.5	9,787.4	7,968.6	9,787.4	-18.6%
	- Onlending FINAME/BNDES	459.9	399.2	241.7	459.9	241.7	90.3%
	Shareholders' Equity	5,986.6	5,861.1	5,274.7	5,986.6	5,274.7	13.5%
	Regulatory Capital	7,006.3	6,883.3	6,288.9	7,006.3	6,288.9	11.4%
	- Principal Capital	5,961.2	5,834.6	5,262.6	5,961.2	5,262.6	13.3%
	- Complementary Capital	1,045.1	1,048.7	1,026.3	1,045.1	1,026.3	1.8%
BIS Ratio III (%)	14.2%	13.5%	13.4%	14.2%	13.4%	0.8 p.p	
CREDIT RATIOS	Final Balance LLP	1,938.2	1,887.7	1,712.5	1,938.2	1,712.5	13.2%
	Final Balance LLP/Loan Portfolio	3.7%	3.6%	3.6%	3.7%	3.6%	0.1 p.p
	Final Balance Loan E-H/Loan Portfolio	104.1%	100.3%	151.3%	104.1%	151.3%	-47.2 p.p
	Nonperforming Loans Ratio (90 days overdue)	2.1%	1.7%	1.6%	2.1%	1.6%	0.5 p.p
	Coverage Ratio ⁽²⁾	173.6%	208.1%	226.2%	173.6%	226.2%	-52.6 p.p
PROFITABILITY	Net Interest Margin (NIM-AR) (% p.a.) ⁽³⁾	8.5%	7.8%	8.7%	8.1%	8.3%	-0.1 p.p
	Recurring ROAE (% p.a.) ⁽⁴⁾	22.0%	19.3%	21.8%	20.6%	22.6%	-2.0 p.p
	Recurring ROAA (% p.a.) ⁽⁵⁾	1.9%	1.7%	1.9%	1.8%	1.9%	-0.1 p.p
	Return on Average Equity (ROAE) (% p.a.)	15.3%	15.8%	20.8%	15.5%	18.2%	-2.7 p.p
	Return on Average Asset (ROAA) (% p.a.)	1.3%	1.4%	1.8%	1.3%	1.5%	-0.2 p.p
Recurring Efficiency Ratio (%)	35.2%	36.4%	35.5%	35.8%	35.3%	0.5 p.p	
OTHERS	Employees	3,452	3,421	3,229			
	Total Clients (thousand) ⁽⁶⁾	1,974	1,896				
	Number of Branches (Companies)	50	50	50			
	Retail Branches - FX and IFP	212	217	216			

(1) Includes Avals and Sureties and Corporates Securities (Debentures and CPRs (Rural Product Notes), CRAs (Certificates of Agribusiness Receivables), CRIs (Certificates of Real Estate Receivable) and CNs (Credit Notes))

(2) LLP Balance/Overdue Loans more than 90 days past due

(3) Includes exchange-rate variance on liability transactions, foreign trading, and excludes matched operations—repurchase agreements—tri-party repos outstanding

(4) Recurring ROAE = Recurring Net Income/Average Shareholders' Equity

(5) Recurring ROAA = Recurring Net Income/Average Assets

(6) Source: BACEN

Highlights of 2Q23

Total Assets (R\$)

72.7 bi

+ 11.5% in 12 months



+ of 200 Service Points

Expanded Loan Portfolio (R\$)

52.7 bi

+ 9.8% in 12 months

Total Funding (R\$)

52.0 bi

+ 11.1% in 12 months

Recurring Net Income (R\$)

608.4 mi

1H23

Recurring ROAE

20.6%

1H23

Recurring Net Income (R\$)

326.7 mi

2Q23

Recurring ROAE

22.0%

2Q23

NPL > 90 days

2.1%

2Q23

Asset under Services (R\$)

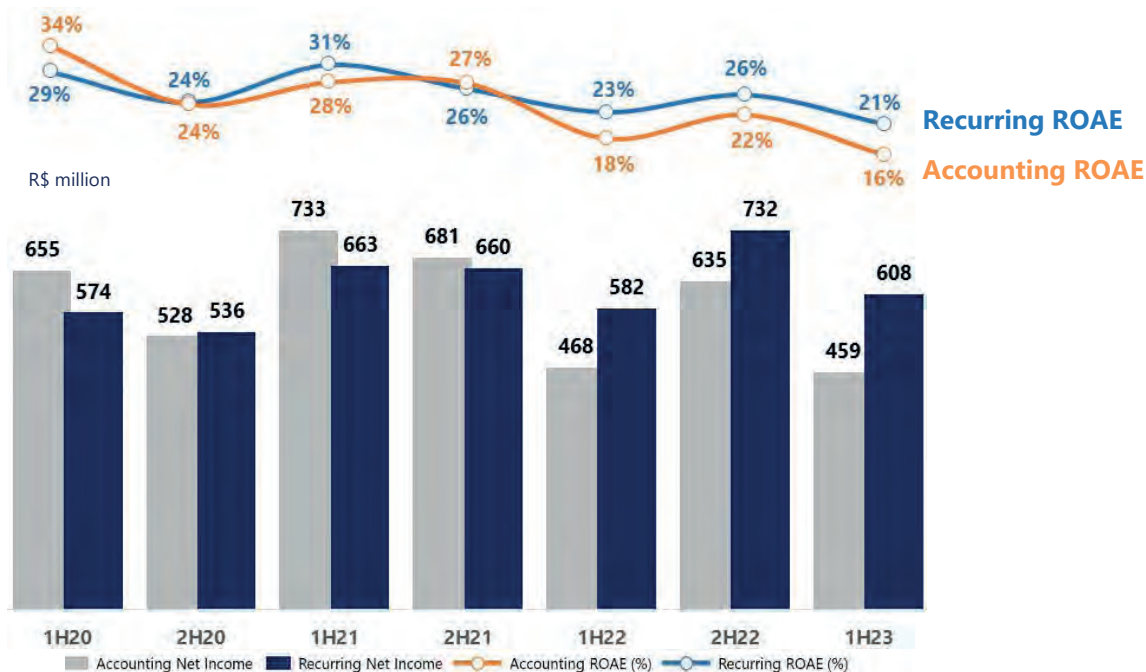
84.9 bi

+ 44.4% in 12 months

Results Loans Products and Services Funding & Capital Portfolio Quality Others Informations

RESULTS

Half-Yearly Results and Returns



Reconciliation of Key Figures (R\$ million)

	1H23	1H22	1H23 x 1H22
Accounting Net Income	458.9	468.1	-2.0%
(-) Hedge/ MTM R\$ - Foreign Issues and Credit Operations ⁽¹⁾	(128.4)	(98.7)	30.1%
External Funding	29.6	(53.1)	-155.7%
Credit Operations	(158.0)	(45.6)	246.5%
(-) Exchange Variation - Equivalence - foreign investments	(13.8)	(17.4)	-20.7%
(-) Others	(7.3)	1.8	-505.2%
Recurring Net Income	608.4	582.4	4.5%

(1) Net of tax adjustments (IR/CSLL)



Economic hedge of **fixed-rate portfolios** in the process of changing to hedge Accounting, which should **minimize fluctuations** in the difference between book and adjusted values



Performance remains in line with management's expectations, in a more challenging scenario

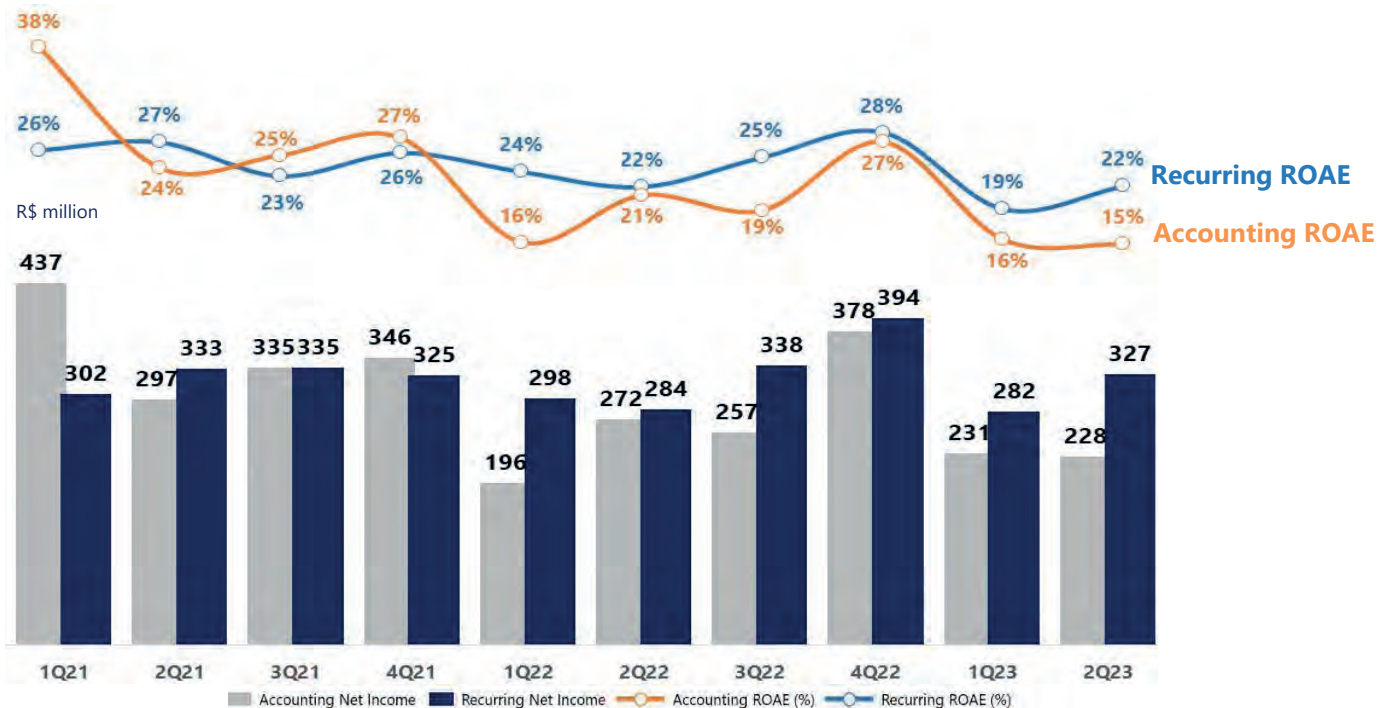
Recurring Net Income
R\$ 608.4 million
 + 4.5% 1H23 vs 1H22

Recurring ROAE
20.6%
 - 2.0 p.p 1H23 vs 1H22

Recurring ROAA
1.8%
 - 0.1 p.p 1H23 vs 1H22

Results Loans Products and Services Funding & Capital Portfolio Quality Others Informations

Quarterly Results and Returns



Reconciliation of Key Figures (R\$ million)	2Q23	1Q23	2Q22	2Q23 x 1Q23	2Q23 x 2Q22
Accounting Net Income	227.9	231.0	271.9	-1.3%	-16.2%
(-) Hedge/ MTM R\$ - Foreign Issues and Credit Operations ⁽¹⁾	(87.5)	(40.9)	(37.6)	113.9%	132.7%
External Funding	11.7	17.9	(16.7)	-34.6%	-170.1%
Credit Operations	(99.2)	(58.8)	(20.9)	68.7%	374.6%
(-) Exchange Variation - Equivalence - foreign investments	(6.5)	(7.3)	25.2	-11.2%	-125.7%
(-) Others	(4.8)	(2.5)	-	96.3%	-
Recurring Net Income	326.7	281.7	284.3	16.0%	14.9%

(1) Net of tax adjustments (IR/CSLL)



Negative impact of economic interest rate **hedge** structures of banking portfolios, whose immediate accounting effect will be **offset** in subsequent years



Economic context further reinforces **conservatism** in provision expenses with an impact on results

Recurring Net Income
R\$ 326.7 million
 + 16.0% 2Q23 vs 1Q23
 + 14.9% 2Q23 vs 2Q22

Recurring ROAE
22.0%
 + 2.7 p.p 2Q23 vs 1Q23
 + 0.1 p.p 2Q23 vs 2Q22

Recurring ROAA
1.9%
 + 0.3 p.p 2Q23 vs 1Q23
 + 0.1 p.p 2Q23 vs 2Q22

Results

Loans

Products and
Services

Funding &
Capital

Portfolio
Quality

Others
Informations

Adjusted and Recurring Net Interest Margin (NIM-AR)



Recurring Adjusted Net Interest Margin (NIM-AR) (R\$ million)	1Q23	4Q22	1Q22	1H23	1H22	2Q23 x 1Q23	2Q23 x 2Q22	1H23 x 1H22
Gross Income from Financial Intermediation	1,063.7	1,061.2	1,021.9	2,124.9	1,873.8	0.2%	4.1%	13.4%
(-) Hedge/MTM - Foreign Issues and Credit Operations	(159.0)	(74.4)	(68.3)	(233.4)	(179.3)	113.7%	132.7%	30.2%
Adjusted Income from Financial Intermediation (A)	1,222.7	1,135.6	1,090.2	2,358.3	2,053.1	7.7%	12.2%	14.9%
Average Remunerated Assets	61,493.6	61,754.6	53,784.0	61,624.1	52,393.2	-0.4%	14.3%	17.6%
(-) Expenses of financial intermediation add back provisions	(2,262.7)	(1,748.5)	(2,105.9)	(2,005.6)	(1,805.6)	29.4%	7.4%	11.1%
Average Remunerated Assets (B)	59,230.9	60,006.1	51,678.1	59,618.5	50,587.6	-1.3%	14.6%	17.9%
Recurring Adjusted Net Interest Margin (NIM-AR) (%YoY) (A/B)	8.5%	7.8%	8.7%	8.1%	8.3%	0.7 p.p	-0.2 p.p	-0.2 p.p

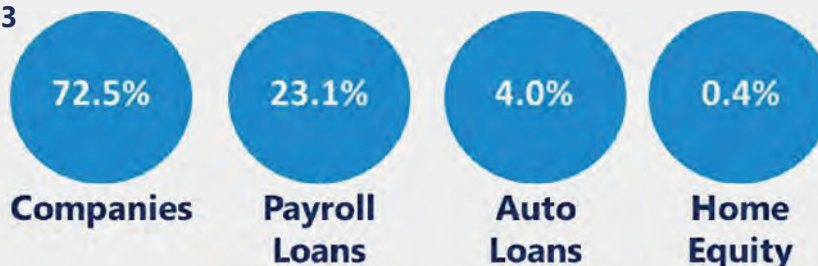


Financial margin begins to show signs of **recovery**, with continued ALM adjustment and asset repricing

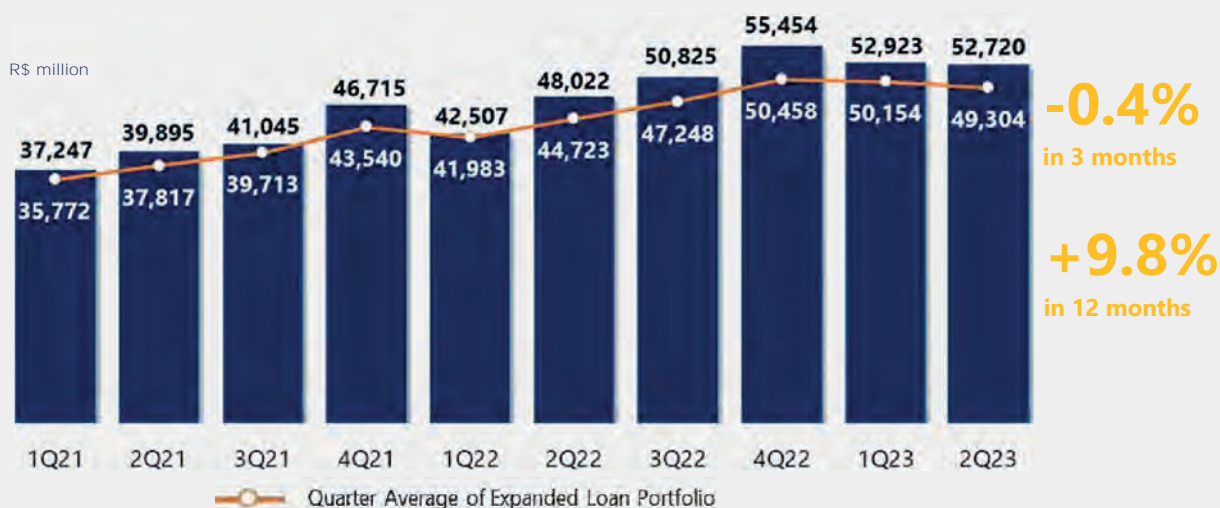
Results	Loans	Products and Services	Funding & Capital	Portfolio Quality	Others Informations
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Expanded Loan Portfolio

Portfolio Breakdown 2nd quarter of 2023



Expanded Loan Portfolio



Expanded Loan Portfolio (R\$ million)	2Q23	1Q23	2Q22	2Q23 x 1Q23	2Q23 x 2Q22
Companies ⁽¹⁾	38,213.5	39,282.0	36,569.5	-2.7%	4.5%
Payroll Loans	12,173.5	11,336.4	9,531.9	7.4%	27.7%
Auto Loans/Other	2,142.3	2,133.1	1,791.3	0.4%	19.6%
Home Equity	191.0	171.7	129.1	11.2%	47.9%
Total Expanded Loan Portfolio	52,720.3	52,923.2	48,021.8	-0.4%	9.8%

(1) Includes Avals and Sureties Debentures and CPRs (Rural Product Notes), CRAs (Certificates of Agribusiness Receivables), CRIs (Certificates of Real Estate Receivables) and NCs (Credit Notes)



Stable Quarterly Average of the Expanded Loan Portfolio reflects the caution in granting credit



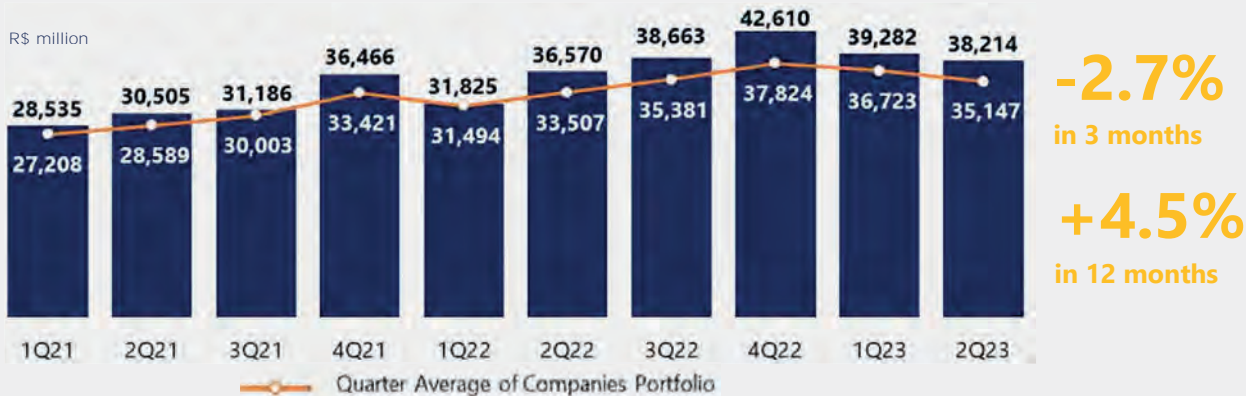
With the prospect of possibly lower interest rates and greater **conservatism**, there are opportunities **to expand Payroll Loans**



Credit conditions are **monitored** to identify possible **opportunities**, both in **Companies Portfolio** and in the **Auto Loan** segment

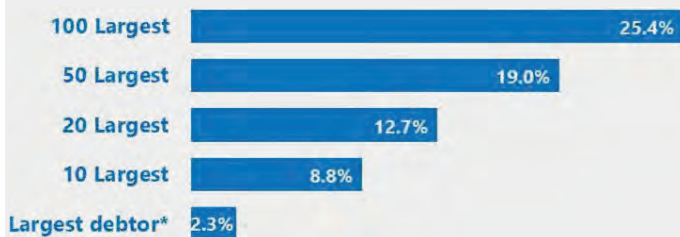
Results **Loans** Products and Services Funding & Capital Portfolio Quality Others Informations

Companies Portfolio



Quarterly Average of the Companies Portfolio showed an **increase in short-term operations**, highlighting our cautious stance in granting credit in a less favorable environment

Expanded Loan Concentration by Client (%)

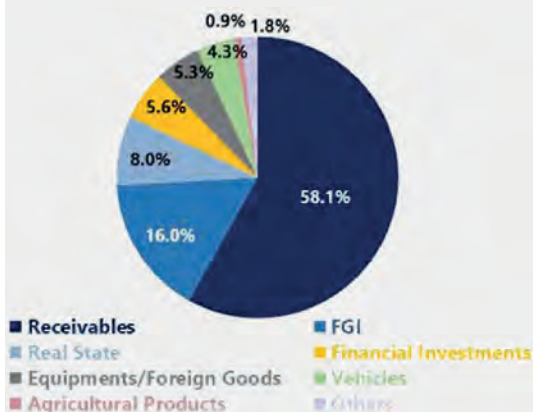


*Forfaiting com cash collateral

Diversification by Product (%)



Collateral | 2Q23

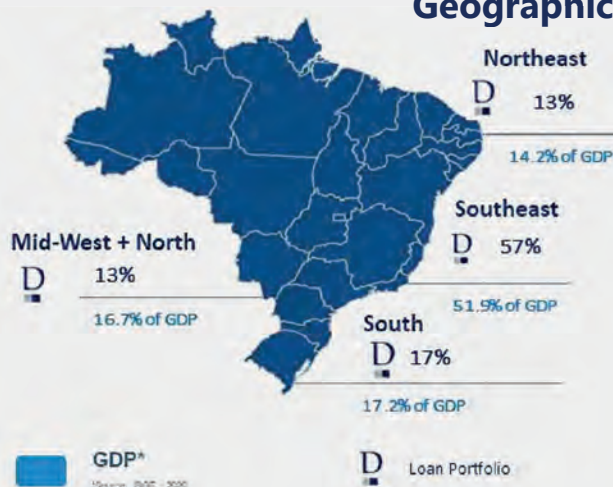


Outstanding Operation | 2Q23



Results	Loans	Products and Services	Funding & Capital	Portfolio Quality	Others Informations
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Geographic distribution



We continue to strengthen the **consolidation** of **geographic coverage** and taking advantage of the singularity of each region of the country

50 Branches (Bacen)  90 Commercial Platform

+650 Sales Force

Credit to Companies Breakdown (R\$ million)	2Q23	1Q23	2Q22	2Q23 x 1Q23	2Q23 x 2Q22
Working Capital	7,718.8	8,222.8	8,010.6	-6.1%	-3.6%
FGI PEAC	4,152.9	4,582.9	4,841.5	-9.4%	-14.2%
Receivables Purchase	9,359.1	10,955.4	10,066.3	-14.6%	-7.0%
Trade Finance	4,207.8	3,470.1	3,244.0	21.3%	29.7%
Leasing	2,851.7	2,766.0	2,296.4	3.1%	24.2%
Guaranteed Account	2,000.3	2,079.5	2,250.7	-3.8%	-11.1%
BNDES	461.0	399.7	244.0	15.3%	88.9%
Avals and Sureties	5,725.6	5,424.3	4,862.6	5.6%	17.7%
Corporate Securities ⁽¹⁾	1,736.3	1,381.3	753.4	25.7%	130.5%
Total Companies	38,213.5	39,282.0	36,569.5	-2.7%	4.5%

(1) Includes Debentures and CPRs (Rural Product Notes), CRAs (Certificates of Agribusiness Receivables), CRIs (Certificates of Real Estate Receivables) and NCs (Credit Notes)



In **2Q23**, there was a 14.6% decrease in **Receivables Purchase**, reflecting a lower **demand** for credit during the period



The main economic sectors of the Companies Portfolio: **Industry** 41.1%, **Services** 34.2%, **Commerce** 22.8% and **Others** 1.9%



84% of the tickets are below **R\$ 500 thousand**



94% of customers have an outstanding balance of less than **R\$ 5 MM**



Outstanding Balance by revenues:

Up to **R\$ 300 MM**
53%

Between **R\$ 300 MM** and **R\$ 1 Bi**
13%

Over **R\$ 1 Bi**
34%

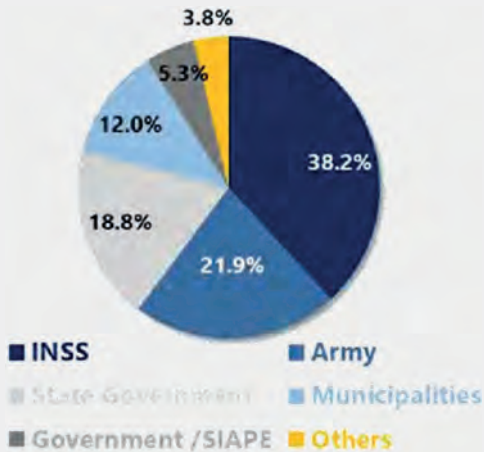
Results | **Loans** | Products and Services | Funding & Capital | Portfolio Quality | Others Informations

Payroll Loans



We continue with a strong pace of **production**, advancing in the **digitization** and **profitability** of the agreements

Portfolio Breakdown (%)



Origination Distribution



R\$1.5 billion of payroll card



42% of origination via **Refin**



R\$ 37.1 million FGTS for anniversary withdrawal



54 IFP Stores, account for 12.9% of origination



Diversification: **212 active agreements**



100% Digital formalization



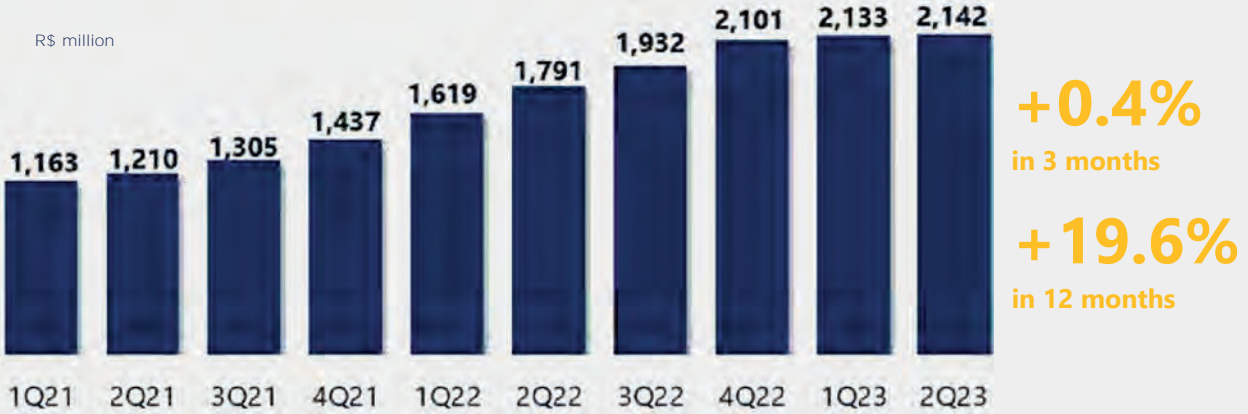
1.7 million contracts in the portfolio



750 thousand active clients

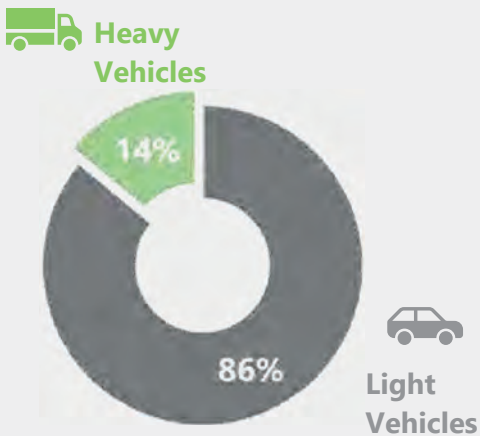
Results **Loans** Products and Services Funding & Capital Portfolio Quality Others Informations

Auto Loans

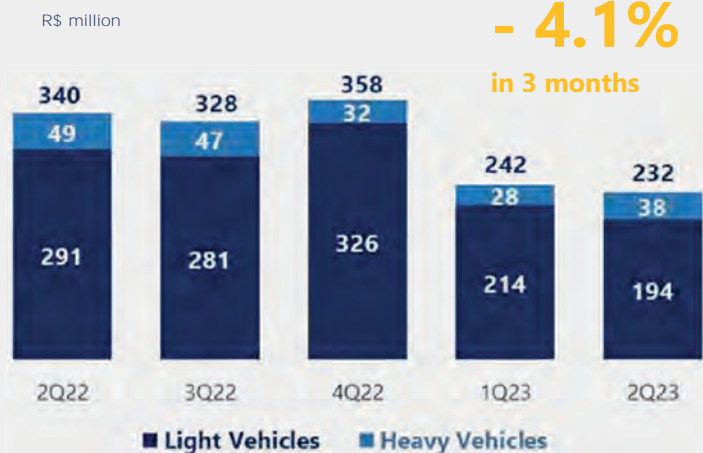


We continue to act on the **credit granting** criteria and have reduced the **approval rate** for another consecutive quarter, demonstrating our commitment to ensuring the continuous and **sustainable growth** of the portfolio

Portfolio Breakdown (%)



Origination of Portfolio



Average vehicles
13 years



30% of **minimum payment**



173.1 thousand
Clients



Average Plan
44 months



Average ticket
R\$ 12.4 thousand



160
Dealers

Results	Loans	Products and Service	Funding & Capital	Portfolio Quality	Others Informations
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CGI – Home Equity



R\$ 191.0 million
in 2Q23

+11.2%
in 3 months

+47.9%
in 12 months

Advantages



Credit limit from R\$ 50 thousand to R\$ 1 million



Credit equivalent to up to 60% of the property



Up to 180 months to pay

Guarantees



Own property built and in the name of the borrower



Property with value over R\$ 100 thousand

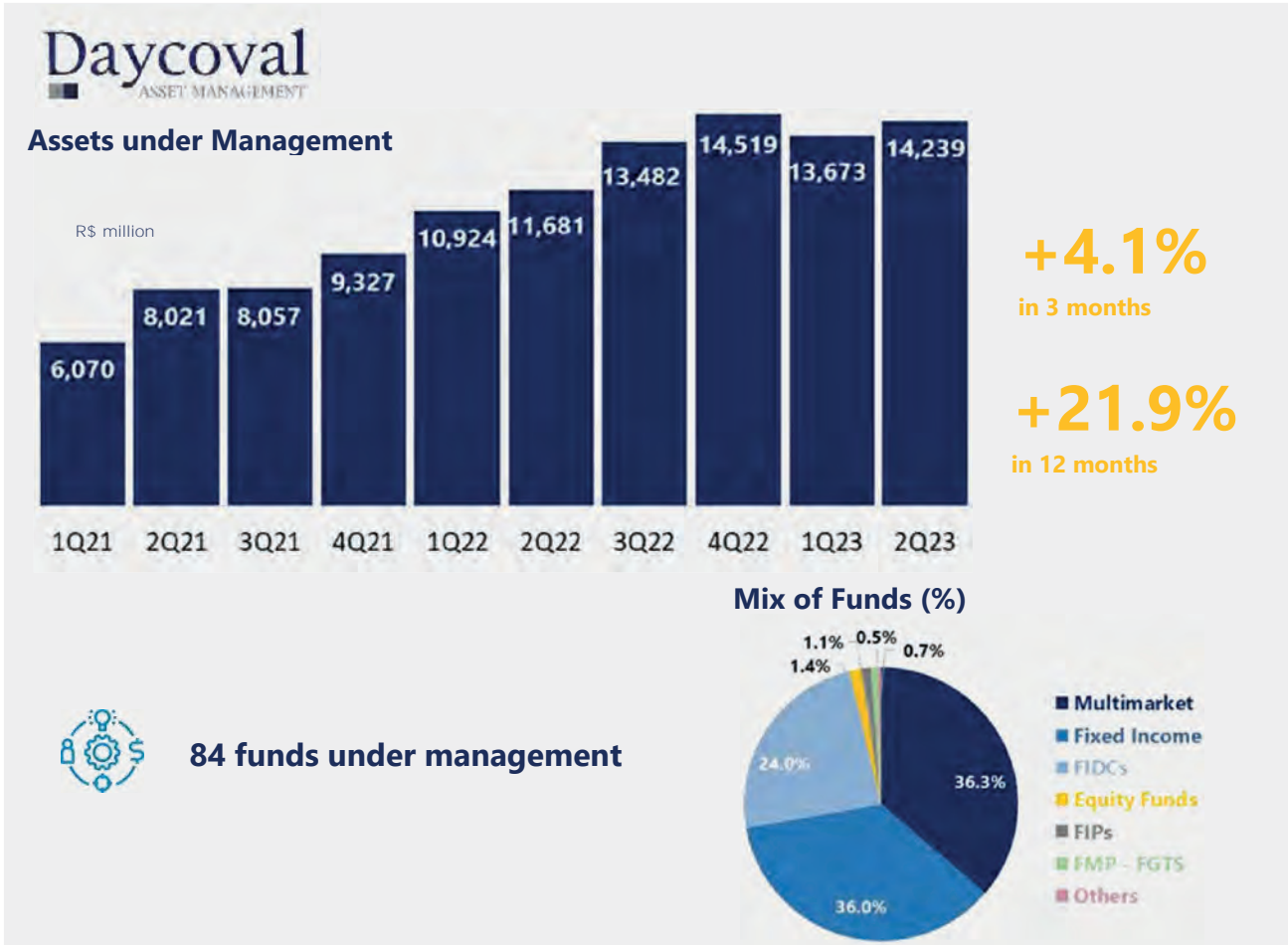


Legalized documentation

Results Loans **Products and Services** Funding & Capital Portfolio Quality Others Informations

Products and Services

Daycoval Asset Management



Among our Funds, we highlight :

Fund Name	June 30, 2023	June 23	12 months	24 months	2023	Average Equity 12 Months (R\$)	
Daycoval Classic FIRP CP Strategy for privately issued fixed-income bonds and securities. The objective is to provide yield that seeks to exceed the variation of the CDI.	Daycoval Classic FIRP CP	%CDI	114.1%	91.8%	105.2%	75.5%	1,290,467
Daycoval Classic 90 FIRP CP Strategy Fixed Income Duration Free Credit. The fund's objective is to exceed the CDI rate through investments in Debentures, Bank Deposit Certificates (CDB), Financial Bills, Promissory Notes and shares of Investment Funds in Credit Rights.	Daycoval Classic 90 FIRP CP	%CDI	121.3%	93.9%	103.1%	68.4%	110,389
Daycoval Classic Estruturado FC FIM Multimarket strategy Specific strategy. The fund's investment objective is to seek to provide for the appreciation of its shares in the long term, mainly through investment in investment fund shares.	Daycoval Classic Estruturado FC FIM	%CDI	111.8%	122.5%	129.9%	117.8%	23,111



E-mail: www.daycoval.com.br/Asset
Phone: +55 (11) 3138-0790

Results Loans **Products and Services** Funding & Capital Portfolio Quality Others Informations

Administration and Custody of funds - SMC

Assets under Services*



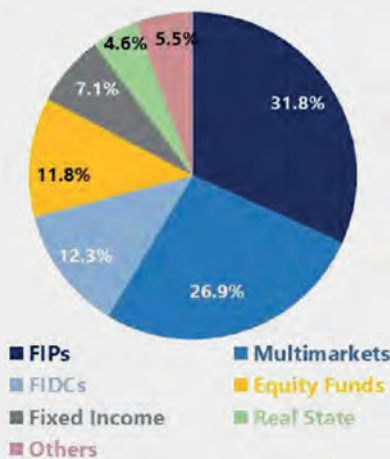
*Includes Investments Clubs and Managed Portfolio



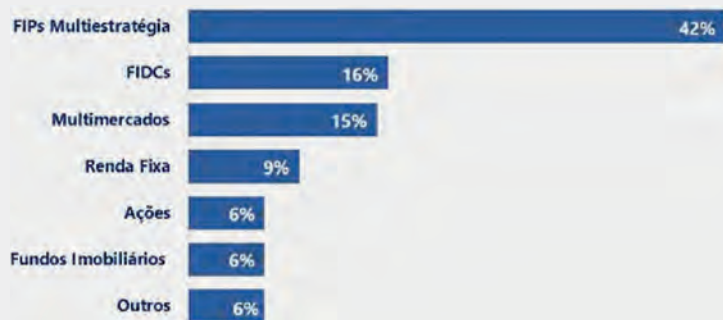
677 funds

Served by service platform

Class of Funds



Composition by Volume of Funds



Daycoval Câmbio | Retail



Volume traded:

+3.5 billion in the quarter

73% Remittance

24% Cash

3% Transfers

+150 FX Points all over Brazil



Amount of operations:

+1.8 million in the quarter

Average of 19.7 thousand operations/day



More than 20 Foreign Currencies



International Transfers Express



International Remittances



Travel Insurance



Receiving Western Union Orders



International Checks



Payroll



Rechargeable Travel Card



International and National Parcel shipping



Support by Phone, Whatsapp or Face-to-face



CROSS-SELL

Results	Loans	Products and Services	Funding & Capital	Portfolio Quality	Others Informations
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Treasury Products and Services for Companies

Cross-sell opportunities with clients, products and segments, adding **value** and providing better **solutions**

Derivatives



- NDFs, swaps and options
- Solutions for companies and institutions managing their risks
- Protection against fluctuations in currencies and interest

Volume traded in 2Q23

R\$ 16.7 billion

-40% in 2Q23 vs 1Q23 and +35% in 12 months

Foreing Exchange



- Foreign Traded
- Financial remittances
- Non-Resident Investors
- Customized solutions

R\$ 21.9 billion

+ 0.5% in 2Q23 vs 1Q23 and +27% in 12 months

Services

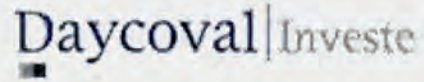


- Escrow Account
- Bankarization of credit assets
- Collections
- Settlement Bank
- Support for non-standardized credit structuring

Results Loans **Products and Services** Funding & Capital Portfolio Quality Others Informations

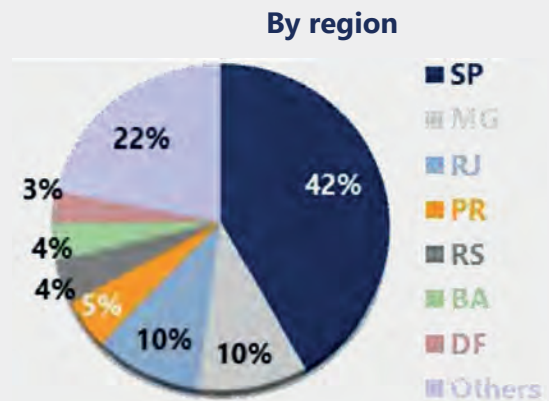
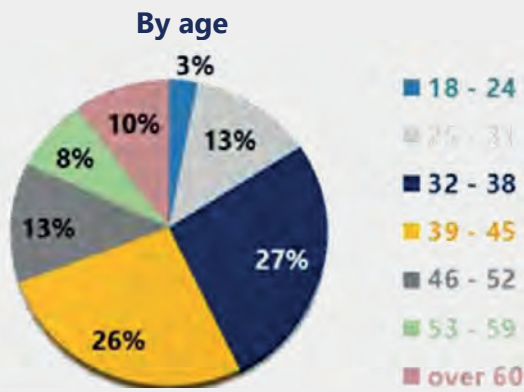
Digital Investment Platform

R\$ 4.4 billion of AUC⁽¹⁾
+ R\$ 845 million origination in 1H23
+ 260 thousand clients



+ 200 investments Options in an APP made for you in open architecture

Investor Profile



⁽¹⁾Assets under Custody

Capital Markets – DCM

Volume of Operations



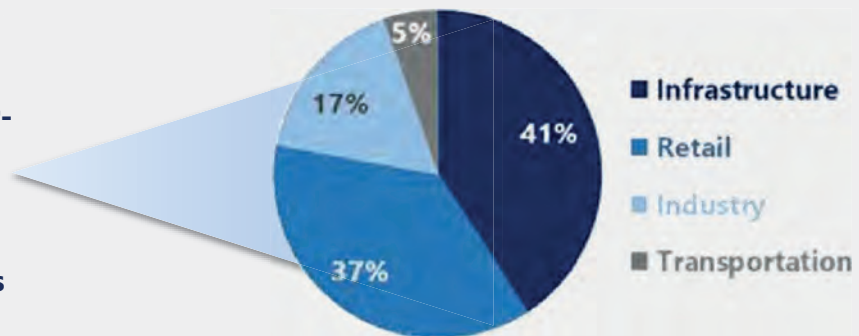
In 1H23 we have performed **9 operations:**

6 | Commercial Notes
3 | Debentures

Total of R\$ 371.1 million

Portfolio Diversification

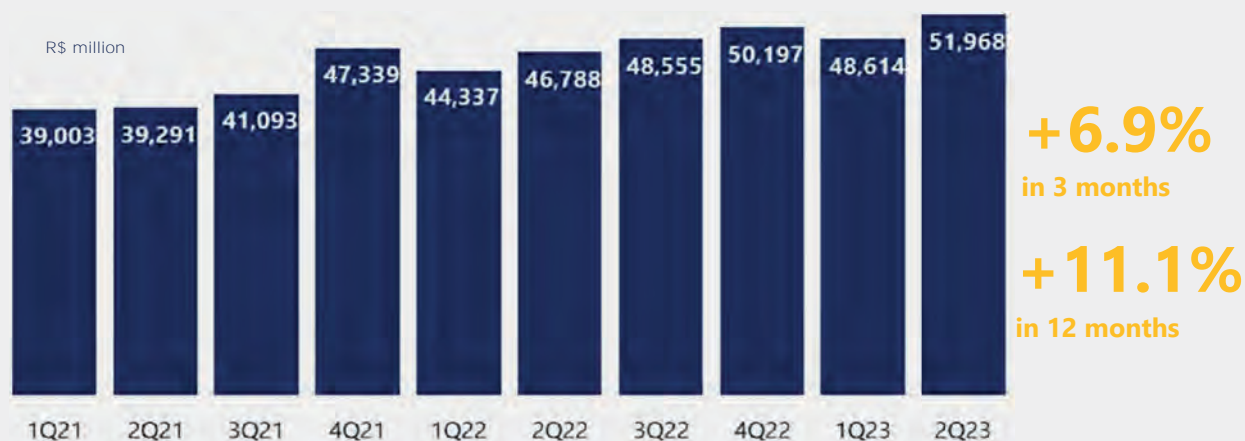
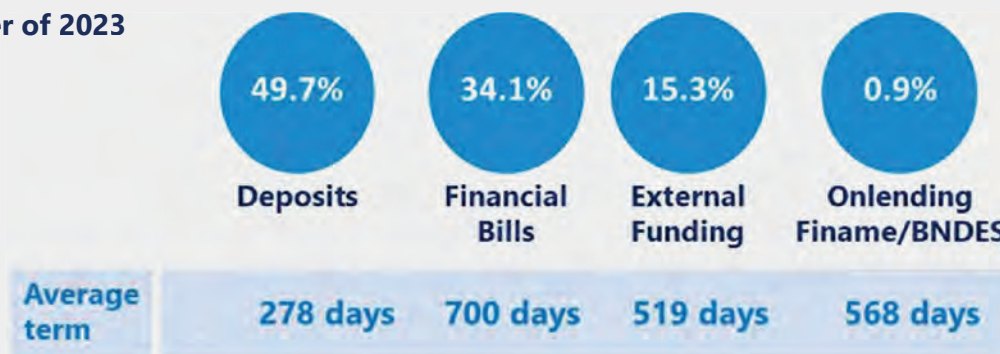
In volume of operations



Results Loans Products and Services **Funding & Capital** Portfolio Quality Others Informations

Total Funding

Portfolio Breakdown 2nd quarter of 2023



In a constrained environment for public offerings, we were able to maintain **Fundraising aligned** with the **Credit Portfolio's** evolution in terms of maturities and amounts

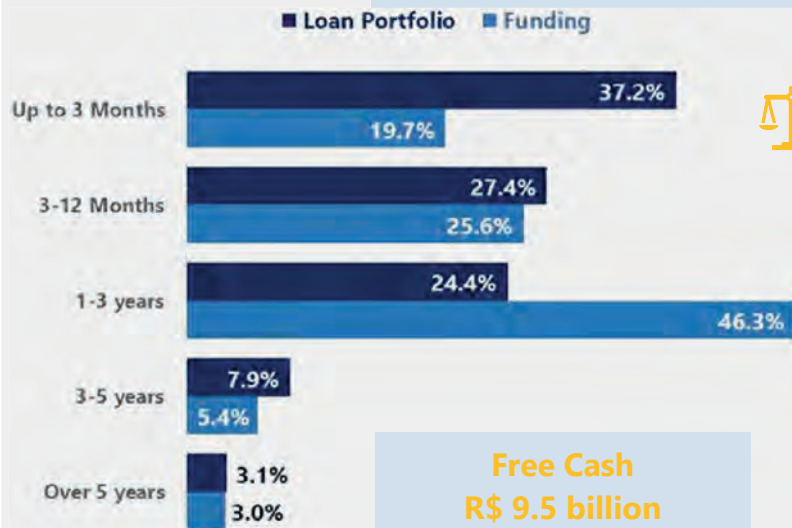
Total Funding (R\$ million)	2Q23	1Q23	2Q22	2Q23 x 1Q23	2Q23 x 2Q22
Deposits	25,822.5	22,347.0	20,484.0	15.6%	26.1%
Deposits	1,331.6	1,793.6	1,359.9	-25.8%	-2.1%
Time Deposits ¹	19,950.1	16,104.5	15,357.5	23.9%	29.9%
Letters of Credit (LCI ² + LCA ³)	4,540.8	4,448.9	3,766.6	2.1%	20.6%
Financial Bills	17,717.4	16,842.8	16,275.1	5.2%	8.9%
Senior Financial Bills	16,672.3	15,794.1	15,248.8	5.6%	9.3%
Perpetual Financial Bills	1,045.1	1,048.7	1,026.3	-0.3%	1.8%
External Funding	7,968.6	9,024.5	9,787.4	-11.7%	-18.6%
Foreign borrowings	6,058.5	6,775.5	7,391.3	-10.6%	-18.0%
Foreign Issuances	1,910.1	2,249.0	2,396.1	-15.1%	-20.3%
Onlendings FINAME/BNDES	459.9	399.2	241.7	15.2%	90.3%
Total	51,968.4	48,613.5	46,788.2	6.9%	11.1%

¹-Includes interbanks deposits, time deposits and deposits in foreign currency, ²- LCI= Real Estate Letter of Credit, ³- LCA= Agribusiness Letters of Credit

Results Loans Products and Services **Funding & Capital** Portfolio Quality Others Informations

Asset and Liability Management

Maturity of operations



Positive Gap of 200 days

Maturity of **65% Expanded Loan Portfolio** over next 12 months

Free Cash
R\$ 9.5 billion
(June/23)

Maturity of **45% Total Funding** over next 12 months

Average term to Maturity

Loan Portfolio by segment	Average term to Maturity(days)	Funding	Average term to Maturity(days)
Companies	310	Term Deposits	278
FGL Peac	343	Interbank Deposits	66
Receivables Purchase	55	LCA + LCI (Letter of Credit Agribusiness+ Home Mortgage)	328
Trade Finance	121	Local Bonds	700
Leasing	579	Borrowing and Onlending	204
Payroll Loans	391	Foreign Borrowing	519
Auto Loans	437	BNDES	568
BNDES	559	Total Funding	526
Total Loan Portfolio	326		

Weighted Average Companies



275

Weighted Average Retail

437

Weighted Average Deposits

298



Weighted Average Bonds and Local Bonds

590

Results Loans Products and Services **Funding & Capital** Portfolio Quality Others Informations

Capital

Regulatory Capital

R\$ million



Calculation of regulatory capital (R\$ million)	2Q23
Regulatory capital	7,006.3
Regulatory Capital – Tier I	7,006.3
Principal Capital	5,961.2
Shareholder's Equity	5,986.6
Prudential adjustment - Bacen Resolution 4.192/13	(25.4)
Complementary capital	1,045.1
Perpetual financial bills	1,045.1
Minimum required capital	3,950.5
Basel indicator	14.2%

■ Principal Capital ■ Complementary Capital

Shareholders' Equity
R\$ 6.0 billion

Basel Ratio III



Risk Capital Consumption

Credit Risk	89.5%
Market Risk	8.2%
Operational Risk	2.3%

Companies: 59.7%
Includes leasing + avais and sureties

Retail: 15.0%

Others: 14.8%

Results	Loans	Products and Services	Funding & Capital	Portfolio Quality	Others Informations
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Expanded Loans Portfolio Quality

Overview of Quality of Expanded Loan Portfolio (R\$ million)	2Q23	1Q23	2Q22	1H23	1H22	2Q23 x 1Q23	2Q23 x 2Q22	1H23 x 1H22
Expanded Loan Portfolio	52,720.3	52,923.2	48,021.8	52,720.3	48,021.8	-0.4%	9.8%	9.8%
Establishment of Provision	230.5	223.6	155.6	454.1	270.0	3.1%	48.1%	68.2%
LLP Balance	1,938.2	1,887.7	1,712.5	1,938.2	1,712.5	2.7%	13.2%	13.2%
Final Balance Loan E-H	1,861.9	1,882.7	1,132.2	1,861.9	1,132.2	-1.1%	64.4%	64.4%
Overdue Loans more than 14 days past due	971.6	650.6	421.7	971.6	421.7	49.3%	130.4%	130.4%
Overdue Loans more than 60 days past due (*)	1,578.2	1,123.0	939.2	1,578.2	939.2	40.5%	68.0%	68.0%
Overdue Loans more than 90 days past due (*)	1,116.3	907.1	757.1	1,116.3	757.1	23.1%	47.4%	47.4%
Credit Ratios - (%)								
Final Balance LLP/Loan Portfolio	3.7%	3.6%	3.6%	3.7%	3.6%	0.1 p.p	0.1 p.p	0.1 p.p
Final Balance Loan E-H/Loan Portfolio	3.5%	3.6%	2.4%	3.5%	2.4%	-0.1 p.p	1.2 p.p	1.2 p.p
Overdue Loans more than 60 days past due / Loan Portfolio	3.0%	2.1%	2.0%	3.0%	2.0%	0.9 p.p	1.0 p.p	1.0 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	2.1%	1.7%	1.6%	2.1%	1.6%	0.4 p.p	0.5 p.p	0.5 p.p
Coverage Ratios - (%)								
Final Balance LLP / Overdue Loans more than 14 days past due	199.5%	290.1%	406.1%	199.5%	406.1%	-90.6 p.p	-206.6 p.p	-206.6 p.p
Final Balance LLP / Overdue Loans more than 60 days past due	122.8%	168.1%	182.3%	122.8%	182.3%	-45.3 p.p	-59.5 p.p	-59.5 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	173.6%	208.1%	226.2%	173.6%	226.2%	-34.5 p.p	-52.6 p.p	-52.6 p.p
Final Balance LLP / Loan E-H	104.1%	100.3%	151.3%	104.1%	151.3%	3.8 p.p	-47.2 p.p	-47.2 p.p
Write-offs	(181.7)	(133.8)	(112.4)	(315.5)	(215.2)	35.8%	61.7%	46.6%
Companies Recovered Loans	16.2	15.8	8.0	32.0	26.5	2.5%	102.5%	20.8%
Retail Recovered Loans	26.8	29.4	21.6	56.2	32.9	-8.8%	24.1%	70.8%

(*) falling due instalments

2Q23 X 2Q22



Indicators remain controlled and in line with the **normal business cycle**



The constitution of a **high Provision** in the semester continues to be impacted by the economic scenario as reflected in the credit cycle



The loans overdue by more than 90 days rate **reached 2.1%**, with a slight deterioration compared to 1Q23, mostly impacted by the worsening of the Companies segment indicators



The **coverage ratio** over 90 days reached 173.6%, largely influenced by the increase in defaults in the Companies segment



The **allowance ratio** for doubtful debts divided by the E-H Portfolio reached **104.1%**



Balance of the **E-H portfolio** ended the quarter at R\$ 1,861.9

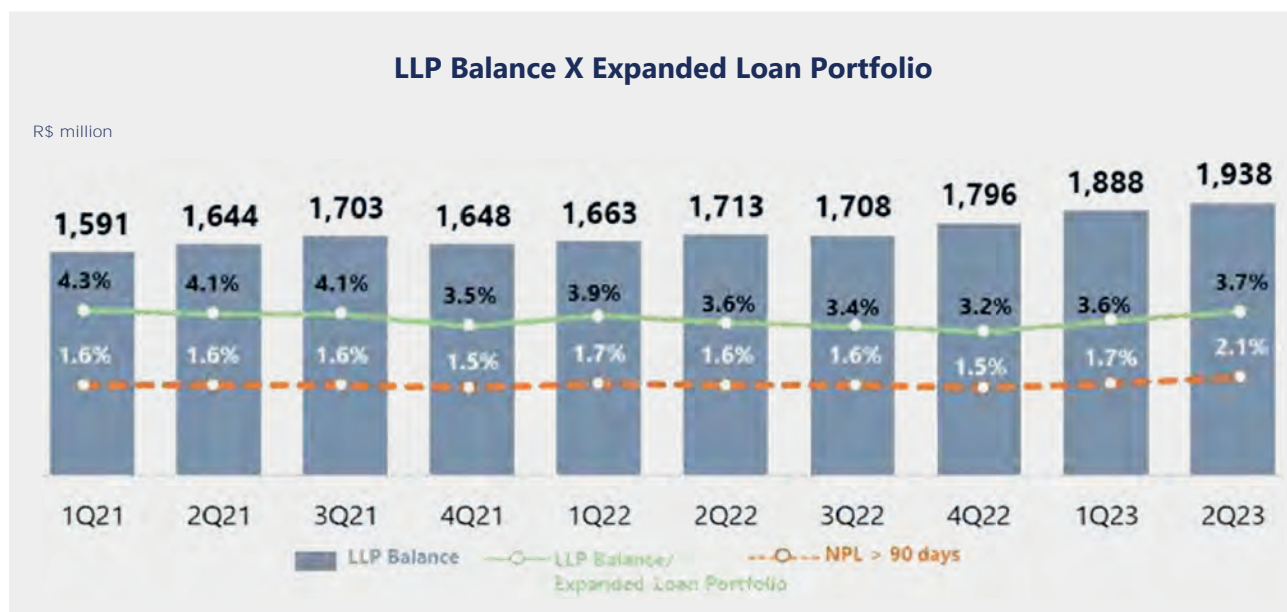
Results	Loans	Products and Services	Funding & Capital	Portfolio Quality	Others Informations
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Loan Portfolio by rating

Banco Daycoval (R\$ million)

Rating	Required	Loans	%	Provision*	
AA	0.0%	10,857.0	20.6%	-	95.3% between AA and C
A	0.5%	30,788.8	58.4%	153.9	
B	1.0%	6,446.6	12.2%	112.3	
C	3.0%	2,149.3	4.1%	139.0	
D	10.0%	616.7	1.2%	111.7	
E	30.0%	257.2	0.5%	120.4	
F	50.0%	219.3	0.4%	109.6	
G	70.0%	647.5	1.2%	453.3	
H	100.0%	737.9	1.4%	738.0	
Total Portfolio		52,720.3	100.0%	1,938.2	
Total Provision/ Portfolio				3.7%	

(*) Includes Avals and Sureties in amount of R\$ 5,725.6 in the portfolio and R\$ 29.7 million of provision in 2Q23

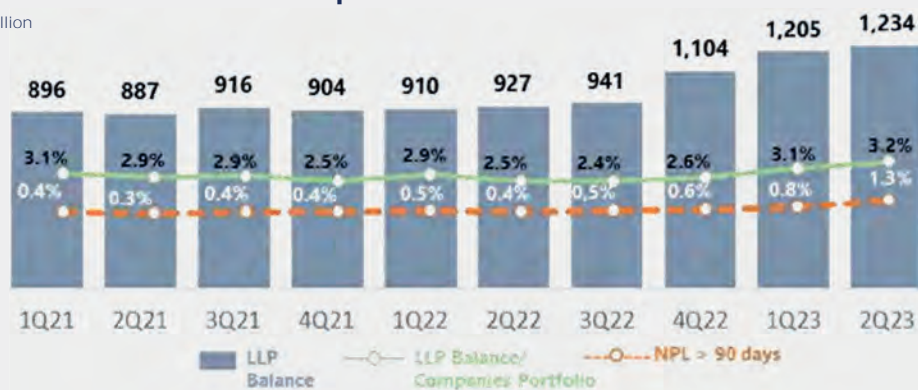


Results Loans Products and Services Funding & Capital **Portfolio Quality** Others Informations

LLP Balance X Loan Portfolio by Segment

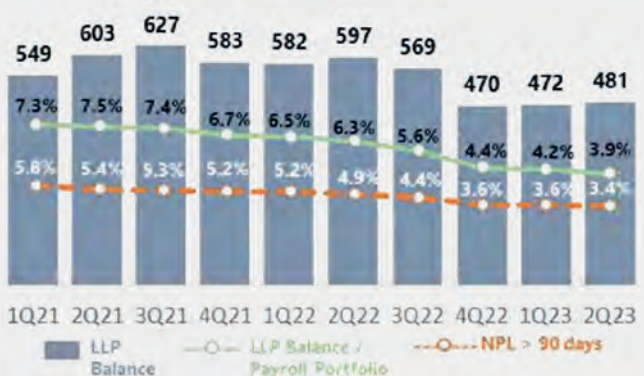
Companies Portfolio

R\$ million



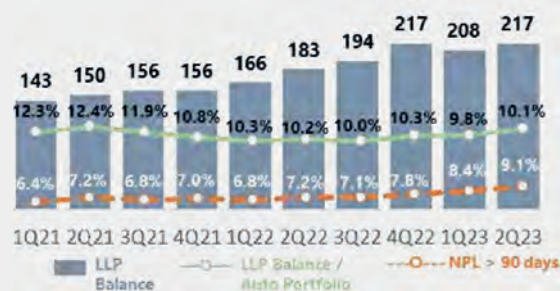
Payroll Portfolio

R\$ million



Auto Portfolio

R\$ million



LLP Balance

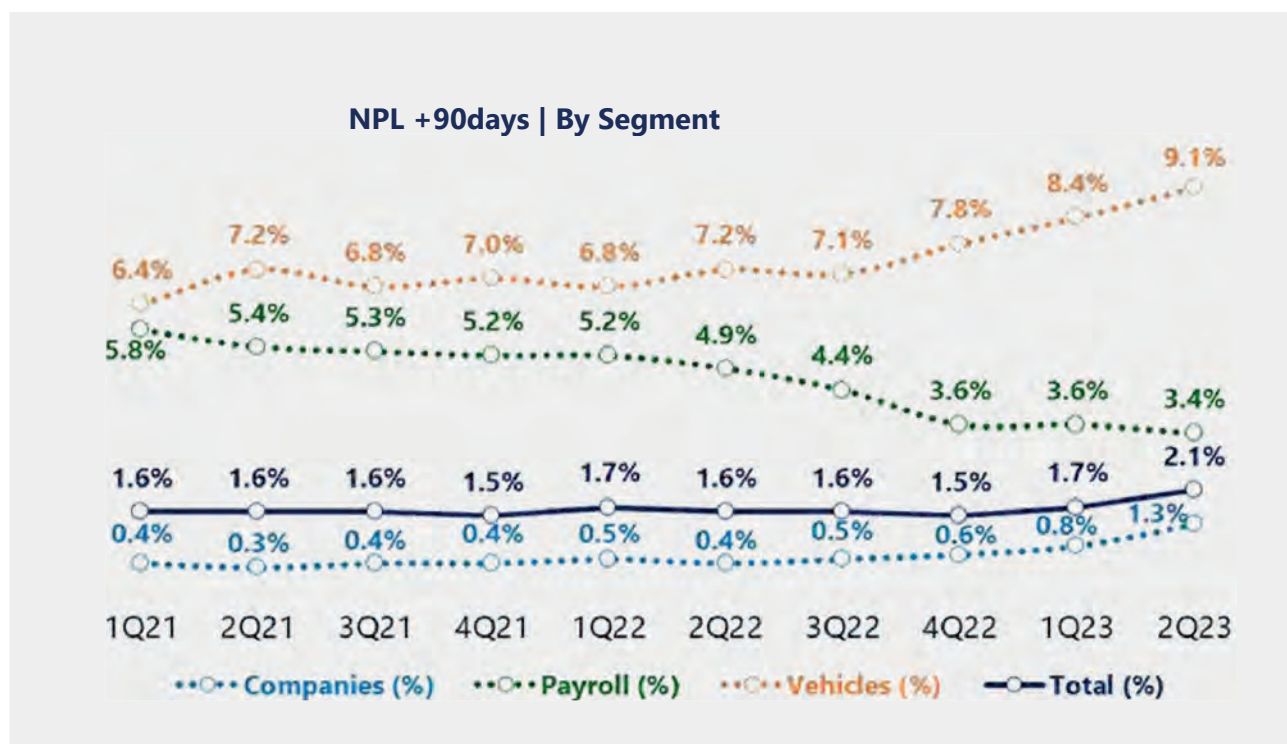
LLP (R\$ million)	2Q23	1Q23	2Q22	1H23	1H22	2Q23 x 1Q23	2Q23 x 2Q22	1H23 x 1H22
Balance at the Beginning of the Period	1,887.7	1,796.0	1,662.7	1,796.0	1,647.6	5.1%	13.5%	9.0%
Establishment of Provision	230.5	223.6	155.6	454.1	270.0	3.1%	48.1%	68.2%
Companies	125.4	143.6	75.1	269.0	99.5	-12.7%	66.9%	170.3%
FGI PEAC	(13.8)	26.2	(32.2)	12.4	(38.1)	-152.7%	-57.2%	-132.5%
Avals and Sureties	3.8	(18.8)	8.4	(15.0)	17.8	-120.2%	-54.8%	-184.3%
Payroll	64.2	50.6	72.1	114.8	126.6	26.9%	-11.0%	-9.3%
Auto/Other	49.1	26.4	38.8	75.5	73.7	86.0%	26.5%	2.4%
Property Guaranteed Credit	3.4	(2.5)	-	0.9	0.6	-236.0%	-	50.0%
Foreign Exchange variation	-	-	(1.7)	-	(2.9)	-	-100.0%	-100.0%
Corporate Securities	1.6	1.9	4.9	3.5	7.2	-15.8%	-67.3%	-51.4%
Write-offs	(181.7)	(133.8)	(112.4)	(315.5)	(215.2)	35.8%	61.7%	46.6%
Companies	(85.8)	(49.9)	(78.6)	(135.7)	(159.5)	71.9%	9.2%	-14.9%
Retail	(95.9)	(83.9)	(33.8)	(179.8)	(55.7)	14.3%	183.7%	222.8%
Final Balance LLP	1,938.1	1,887.7	1,712.5	1,938.1	1,712.5	2.7%	13.2%	13.2%

Results

Loans

Products and
ServicesFunding &
CapitalPortfolio
QualityOthers
Informations

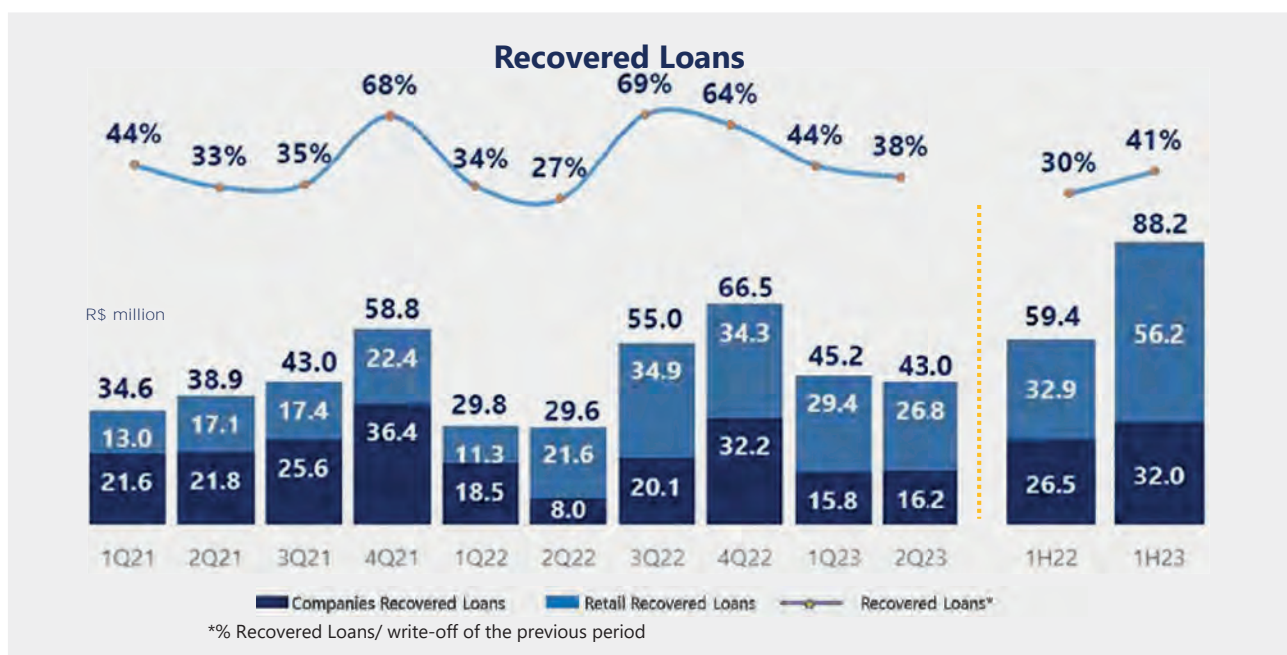
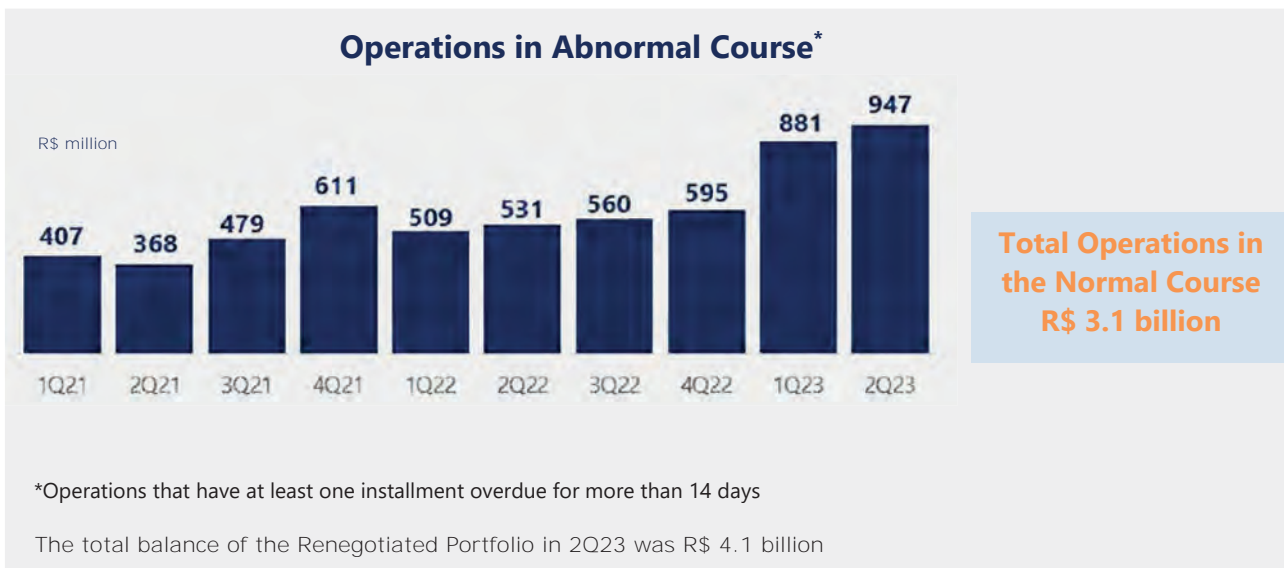
NPL Indicators



Quality of Portfolio | By Segment

Companies Overdue Loans (R\$ million)	2T23	1T23	2T22	2T23 x 1T23	2T23 x 2T22
Final Balance LLP/Companies Portfolio (%)	3.2%	3.1%	2.5%	0.5 p.p	0.7 p.p
Overdue Loans more than 90 days past due (*)	501.7	310.6	159.4	61.5%	214.7%
Overdue Loans more than 90 days past due / Companies Portfolio	1.3%	0.8%	0.4%	0.5 p.p	0.9 p.p
LLP Balance / Overdue Loans more than 90 days past due	246.0%	387.9%	581.7%	-141.8 p.p	-335.7 p.p
Payroll Overdue Loans (R\$ million)					
Final Balance LLP/Payroll Portfolio (%)	3.9%	4.2%	6.3%	-0.2 p.p	-2.3 p.p
Overdue Loans more than 90 days past due (*)	413.7	413.6	466.1	0.0%	-11.2%
Overdue Loans more than 90 days past due / Payroll Portfolio	3.4%	3.6%	4.9%	-0.3 p.p	-1.5 p.p
LLP Balance / Overdue Loans more than 90 days past due	116.2%	114.1%	128.1%	2.1 p.p	-11.9 p.p
Auto Overdue Loans (R\$ million)					
Final Balance LLP/Auto Loans Portfolio (%)	10.1%	9.8%	10.2%	0.4 p.p	-0.1 p.p
Overdue Loans more than 90 days past due (*)	194.6	178.5	128.3	9.0%	51.7%
Overdue Loans more than 90 days past due / Auto Loans Portfolio	9.1%	8.4%	7.2%	0.7 p.p	1.9 p.p
LLP Balance / Overdue Loans more than 90 days past due	111.3%	116.6%	142.9%	-5.3 p.p	-31.6 p.p

Renegotiated Loans



Results

Loans

Products and
ServicesFunding &
CapitalPortfolio
QualityOthers
Informations

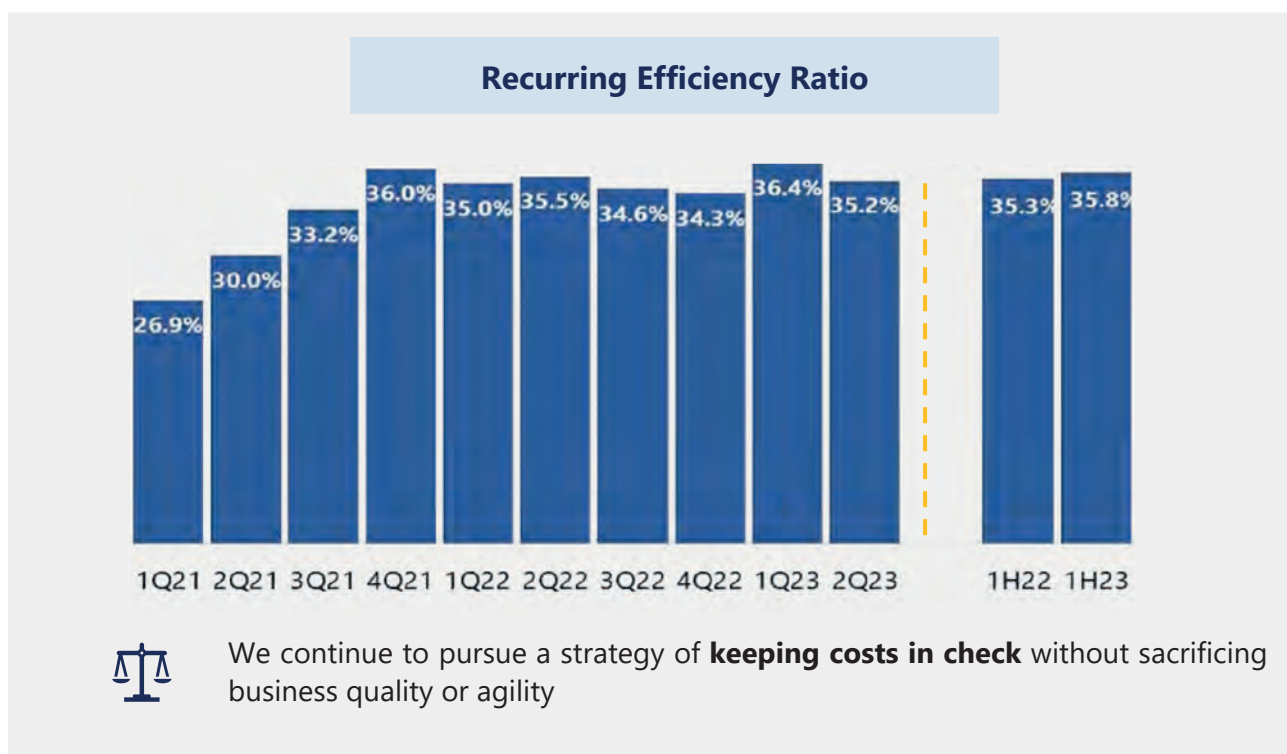
Financial Performance

Income from Financial Intermediation (R\$ million)	2Q23	1Q23	2Q22	1H23	1H23	1H23 x 1H22
Loans Operations	2,026.3	2,030.6	1,937.4	4,056.9	3,225.1	25.8%
Companies Portfolio	1,114.4	1,148.7	1,241.3	2,263.1	1,897.8	19.2%
Payroll	607.2	598.5	488.5	1,205.7	939.7	28.3%
Auto/Other	179.5	166.0	122.3	345.5	229.7	50.4%
Home Equity	10.5	9.1	6.0	19.6	11.5	70.4%
Leasing Operation Result	114.7	108.3	79.3	223.0	146.4	52.3%
Securities Operations Result	426.4	416.5	363.5	842.9	636.4	32.4%
Operations linked to repurchase commitments and interbank deposits	48.6	(25.5)	16.9	23.1	79.6	-71.0%
Foreign Exchange Operations	76.1	36.3	103.8	112.4	330.5	-66.0%
Income from Financial Intermediation (A)	2,577.4	2,457.9	2,421.6	5,035.3	4,271.6	17.9%
Interbank and Time deposits	(527.9)	(406.9)	(376.6)	(934.8)	(720.0)	29.8%
Expenses with Market Funding Operations ⁽²⁾	(719.6)	(755.3)	(618.8)	(1,474.9)	(1,126.5)	30.9%
Issuing securities abroad	103.6	48.7	(244.9)	152.3	245.6	-38.0%
Borrowings and Onlendings Operations ⁽³⁾	234.9	129.5	(715.9)	364.4	502.5	-27.5%
Derivatives Result ⁽¹⁾	(604.7)	(412.7)	556.5	(1,017.4)	(1,299.4)	-21.7%
Loan Loss Provision (LLP)	(230.5)	(223.6)	(160.4)	(454.1)	(275.9)	64.6%
Expenses on Financial Intermediation (B)	(1,744.2)	(1,620.3)	(1,560.1)	(3,364.5)	(2,673.7)	25.8%
Gross Income from Financial Intermediation (A-B)	833.2	837.6	861.5	1,670.8	1,597.9	4.6%
Hedge MTM - Foreign Issues and Credit Operations	(159.0)	(74.4)	(68.3)	(233.4)	(179.3)	30.2%
Adjusted Gross Income from financial intermediation	992.2	912.0	929.8	1,904.2	1,777.2	7.1%
⁽¹⁾ Result with derivatives (Hedge)	(623.6)	(495.6)	583.5	(1,119.2)	(1,264.3)	
⁽²⁾ Foreign Exchange Variation without Borrowings abroad	26.1	17.1	(33.8)	43.2	25.8	
⁽³⁾ Reclassified from other operating/expenses revenues.	307.6	163.3	(667.7)	470.9	544.6	

Results Loans Products and Services Funding & Capital Portfolio Quality **Others Informations**

Personnel and Administrative Expense

Personnel and Administrative Expenses (R\$ million)	2Q23	1Q23	2Q22	1H23	1H22	2Q23 x 1Q23	2Q23 x 2Q22	1H23 x 1H22
Personnel Expenses	(207.1)	(202.2)	(181.5)	(409.3)	(357.6)	2.4%	14.1%	14.5%
Administrative Expenses	(151.5)	(129.6)	(130.9)	(281.1)	(234.7)	16.9%	15.7%	19.8%
Personnel and Administrative Expense	(358.6)	(331.8)	(312.4)	(690.4)	(592.3)	8.1%	14.8%	16.6%
Commission Expenses (Total)	(109.4)	(120.1)	(108.6)	(229.5)	(198.8)	-8.9%	0.7%	15.4%
Payroll	(93.5)	(102.7)	(87.1)	(196.2)	(156.7)	-9.0%	7.3%	25.2%
Auto Loans + Others	(15.4)	(16.5)	(21.0)	(31.9)	(41.3)	-6.7%	-26.7%	-22.8%
Direct Credit to Consumer (DCC)	(0.5)	(0.9)	(0.5)	(1.4)	(0.8)	-44.4%	0.0%	75.0%
Total	(468.0)	(451.9)	(421.0)	(919.9)	(791.1)	3.6%	11.2%	16.3%



INDIVIDUAL AND CONSOLIDATED BALANCE SHEETS
AS AT JUNE 30, 2023 AND DECEMBER 31, 2022
(In thousands of Brazilian reais - R\$)

ASSETS	Note	Bank		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash	4	400,312	829,952	400,988	830,204
Reserves - Central Bank of Brazil	5	927,339	287,834	927,339	287,834
Interbank accounts		4,879	4,526	4,879	4,526
Financial instruments		67,080,369	64,394,743	68,372,250	65,614,845
Interbank investments	6	8,445,448	4,730,619	6,517,395	2,870,882
Securities	7	13,141,873	11,775,496	13,660,865	12,281,864
Derivatives	8.a	339,356	413,784	341,873	414,421
Lending portfolio					
Loans	9	32,058,176	31,017,630	32,324,423	31,285,002
Finance lease	9.i	-	-	2,387,156	2,286,458
Operating lease	9	-	-	180,878	208,202
(-) Unearned income from leasing operations	9	-	-	(180,103)	(207,600)
Other transactions with loan characteristics	9	9,590,508	13,913,718	9,634,755	13,932,120
Foreign exchange portfolio	10	3,505,008	2,543,496	3,505,008	2,543,496
Allowance for loan losses	9.e	(1,864,413)	(1,711,637)	(1,899,235)	(1,745,611)
Lending operations		(1,333,989)	(1,276,842)	(1,341,714)	(1,283,611)
Leasing operations		-	-	(26,955)	(27,091)
Other		(530,424)	(434,795)	(530,566)	(434,909)
Current and deferred tax assets	19.b	2,279,531	2,074,380	2,366,423	2,159,618
Debtors for escrow deposits		1,867,909	1,794,437	1,873,338	1,798,718
Tax	18.c	1,800,499	1,733,400	1,800,882	1,733,400
Civil	18.c	51,097	45,749	51,127	45,772
Labor	18.c	16,313	15,288	21,253	19,473
Other		-	-	76	73
Other credits		259,252	300,045	262,554	284,209
Income receivable		59,100	64,950	61,116	47,259
Trading account		50,049	27,872	50,049	27,872
Sundry	11	150,103	207,223	151,389	209,078
Other assets	12	136,855	132,518	138,197	132,518
Non-financial assets held for sale		96,687	91,885	97,204	91,885
(Allowance for losses on non-financial assets held for sale)		(6,592)	(5,175)	(6,592)	(5,175)
Prepaid expenses		46,760	45,808	47,585	45,808
Investments		1,742,061	1,653,617	54,048	64,854
Equity in subsidiaries and associates	14	1,736,164	1,648,681	12,391	11,285
Other investments		5,897	4,936	41,657	53,569
Property and equipment in use	15.a	50,984	54,219	57,612	61,107
Property and equipment in use		127,687	124,890	139,862	136,856
(Accumulated depreciation)		(76,703)	(70,671)	(82,250)	(75,749)
Property and equipment for operating lease	15.b	-	-	182,188	211,941
Leased assets		-	-	446,583	462,568
(Accumulated depreciation)		-	-	(264,395)	(250,627)
Intangible assets		951	-	1,067	163
TOTAL ASSETS		72,886,029	69,814,634	72,741,648	69,704,926

The accompanying notes are an integral part of this interim financial statements.

**INDIVIDUAL AND CONSOLIDATED BALANCE SHEETS
AS AT JUNE 30, 2023 AND DECEMBER 31, 2022
(In thousands of Brazilian reais - R\$)**

LIABILITIES	Note	Bank		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Financial instruments		62,672,104	59,703,154	62,198,091	59,237,832
Deposits	16.b	21,323,822	17,932,740	21,281,682	17,864,912
Repurchase commitments	16.a	6,796,441	6,832,015	6,796,441	6,832,015
Issuance of securities	16.b	23,555,030	23,476,949	23,123,157	23,079,455
In Brazil		21,624,823	21,263,647	21,213,063	20,879,224
Abroad		1,930,207	2,213,302	1,910,094	2,200,231
Borrowings	16.b	6,058,522	7,820,251	6,058,522	7,820,251
Domestic onlendings - official institutions	16.b	459,927	389,386	459,927	389,386
Subordinated debts	16.b	1,045,144	1,042,478	1,045,144	1,042,478
Derivatives	8.a	725,214	549,729	725,214	549,729
Foreign exchange portfolio	10	2,708,004	1,659,606	2,708,004	1,659,606
Interbank and interbranch accounts		291,123	321,026	291,123	321,026
Provision for risks	18	2,175,706	2,101,466	2,190,772	2,115,618
Tax		1,975,145	1,918,896	1,977,446	1,920,734
Civil		155,787	138,177	156,957	138,960
Labor		44,774	44,393	56,369	55,924
Provision for financial guarantees provided	9.e	29,670	44,616	29,670	44,616
Current and deferred tax liabilities	19.b	1,124,571	1,267,806	1,367,891	1,474,628
Other payables		606,227	638,107	656,620	751,985
Social and statutory	17.a	196,821	274,748	198,684	277,583
Collected taxes and others		26,669	12,653	26,848	12,722
Trading account		38,910	41,888	38,910	41,888
Sundry	17.b	343,827	308,818	392,178	419,792
Equity	20	5,986,628	5,738,459	6,007,481	5,759,221
Bank owner's equity		5,986,628	5,738,459	5,986,628	5,738,459
Capital		3,557,260	3,557,260	3,557,260	3,557,260
Capital reserves		2,125	2,125	2,125	2,125
Earnings reserves		2,212,379	2,189,436	2,212,379	2,189,436
Other comprehensive income		(12,310)	(10,362)	(12,310)	(10,362)
Retained earnings		227,174	-	227,174	-
Noncontrolling equity		-	-	20,853	20,762
Noncontrolling interests		-	-	20,853	20,762
TOTAL LIABILITIES AND EQUITY		72,886,029	69,814,634	72,741,648	69,704,926

The accompanying notes are an integral part of this interim financial statements.

INCOME STATEMENTS
FOR THE QUARTERS AND SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022
(In thousands of Brazilian reais - R\$)

Note	Bank				Consolidated				
	Quarter ended 06/30/2023	ended 06/30/2023 Quarter ended	06/30/2022 Quarter ended	ended 06/30/2022 Quarter ended	Quarter ended 06/30/2023	Six-month period ended 06/30/2023	Quarter ended 06/30/2022	Six-month period ended 06/30/2022	
INCOME FROM FINANCIAL INTERMEDIATION		2,497,894	4,882,320	2,359,050	4,145,620	2,577,410	5,035,328	2,421,552	4,271,573
Lending operations	21.a	1,902,812	3,816,340	1,848,671	3,060,397	2,026,319	4,056,917	1,937,409	3,225,138
Securities transactions	21.b	416,026	819,796	351,799	609,447	426,364	842,820	363,452	636,361
Interbank accounts	21.c	112,542	153,616	63,502	162,483	48,588	23,127	16,866	79,600
Foreign exchange transactions	21.d	66,514	92,568	95,079	313,302	76,139	112,464	103,826	330,483
Sale transactions or transfer of financial assets		-	-	(1)	(9)	-	-	(1)	(9)
EXPENSES ON FINANCIAL INTERMEDIATION		(1,531,795)	(2,943,698)	(1,412,940)	(2,422,214)	(1,513,729)	(2,910,434)	(1,399,644)	(2,397,784)
Interbank and time deposits	21.e	(529,198)	(938,129)	(377,647)	(722,070)	(527,888)	(934,780)	(376,564)	(719,980)
Issuance of securities in Brazil	21.e	(733,340)	(1,502,284)	(631,335)	(1,149,246)	(719,615)	(1,474,948)	(618,791)	(1,126,474)
Issuance of securities abroad	21.e	103,454	152,103	(244,986)	245,407	103,527	152,270	(244,926)	245,516
Borrowings and onlendings	21.f	234,946	364,464	(715,862)	502,505	234,946	364,464	(715,862)	502,505
Derivative instruments	21.b	(607,657)	(1,019,852)	556,890	(1,298,810)	(604,699)	(1,017,440)	556,499	(1,299,351)
GROSS PROFIT FROM FINANCIAL INTERMEDIATION		966,099	1,938,622	946,110	1,723,406	1,063,681	2,124,894	1,021,908	1,873,789
EXPENSES ON THE ALLOWANCE FOR LOAN LOSSES	9.e	(229,968)	(450,396)	(157,984)	(272,970)	(230,497)	(454,114)	(160,429)	(275,917)
Lending operations		(201,383)	(349,616)	(141,656)	(270,310)	(201,813)	(353,306)	(144,134)	(273,203)
Other credits		(24,748)	(115,726)	(7,878)	15,144	(24,847)	(115,754)	(7,845)	15,090
Guarantees and collaterals		(3,837)	14,946	(8,450)	(17,804)	(3,837)	14,946	(8,450)	(17,804)
PROFIT FROM FINANCIAL INTERMEDIATION		736,131	1,488,226	788,126	1,450,436	833,184	1,670,780	861,479	1,597,872
OTHER ADMINISTRATIVE AND OPERATING INCOME (EXPENSES)		(389,566)	(792,068)	(359,551)	(676,431)	(458,922)	(923,365)	(413,999)	(784,114)
Income from services provided	21.g	100,124	199,146	88,829	177,503	107,084	212,645	94,348	187,861
Income from insurance operations		-	-	-	-	-	(61)	(304)	(304)
Personnel expenses	21.h	(179,487)	(355,977)	(158,014)	(314,626)	(207,125)	(409,287)	(181,456)	(357,578)
Other administrative expenses	21.i	(264,891)	(523,034)	(236,530)	(439,998)	(260,924)	(510,606)	(239,531)	(433,501)
Tax expenses	19.a.ii	(57,064)	(115,227)	(53,920)	(104,672)	(68,904)	(138,564)	(64,099)	(125,007)
Equity in subsidiaries and associates	14	42,611	83,509	34,470	59,160	730	1,477	591	591
Other operating income and expenses	21.j	17,794	21,689	4,484	18,835	18,973	24,917	16,166	16,902
Depreciation and amortization expenses		(3,357)	(6,591)	(3,186)	(6,300)	(3,609)	(7,107)	(3,464)	(6,834)
Expenses with provision for risks		-	-	-	-	-	-	-	-
Tax		(40,338)	(77,642)	(35,095)	(60,903)	(40,774)	(78,484)	(35,332)	(61,304)
Civil		(8,515)	(17,611)	(1,581)	(6,531)	(8,514)	(17,615)	(1,557)	(6,536)
Labor		3,557	(330)	992	1,101	4,141	(680)	639	1,596
OPERATING INCOME		346,565	696,158	428,575	774,005	374,262	747,415	447,480	813,758
NONOPERATING EXPENSES (INCOME)		(3,940)	(6,825)	542	6,688	4,231	8,188	4,497	14,987
INCOME TAX AND SOCIAL CONTRIBUTION		342,625	689,333	429,117	780,693	378,493	755,603	451,977	828,745
INCOME TAX AND SOCIAL CONTRIBUTION	19.a.i	(61,813)	(123,352)	(106,713)	(211,766)	(96,220)	(187,114)	(128,534)	(257,771)
Provision for income tax		(73,535)	(175,306)	(112,782)	(222,700)	(79,632)	(188,381)	(116,607)	(233,090)
Provision for social contribution		(63,665)	(148,082)	(91,179)	(178,465)	(66,692)	(154,556)	(100,951)	(197,108)
Deferred tax assets (liabilities)		75,387	200,046	97,248	189,399	50,104	155,823	89,024	172,427
PROFIT SHARING		(52,990)	(107,118)	(50,470)	(100,859)	(54,080)	(108,976)	(51,250)	(102,402)
Noncontrolling interests		-	-	-	-	(371)	(650)	(259)	(504)
PROFIT		227,822	458,863	271,934	468,068	227,822	458,863	271,934	468,068
Profit attributable to controlling shareholders		227,822	458,863	271,934	468,068	227,822	458,863	271,934	468,068
Profit attributable to noncontrolling interests		-	-	-	-	371	650	259	504

The accompanying notes are an integral part of this interim financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTERS AND SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022
(In thousands of Brazilian reais - R\$)

	Bank and Consolidated			
	Quarter ended 06/30/2023	Six-month period ended 06/30/2023	Quarter ended 06/30/2022	Six-month period ended 06/30/2022
PROFIT	227,822	458,863	271,934	468,068
Other comprehensive income				
Fair value adjustments -	2,003	(1,948)	(24,897)	(14,991)
Available-for-sale marketable securities				
Attributable to the parent	622	(5,158)	(37,306)	(12,551)
Attributable to subsidiaries	1,661	899	(4,378)	(8,087)
Deferred taxes on valuation adjustments to equity				
Attributable to the parent	(280)	2,321	16,787	5,647
TOTAL OTHER COMPREHENSIVE INCOME	229,825	456,915	247,037	453,077

The accompanying notes are an integral part of this interim financial statements.

**STATEMENTS OF CHANGES IN EQUITY
 FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022
 (In thousands of Brazilian reais - R\$)**

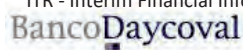
	Note	Capital	Earnings reserves			Retained earnings	Other comprehensive income	Equity	Noncontrolling interests	Consolidated equity
			Capital reserves	Legal	Bylaws					
BALANCE AS AT DECEMBER 31, 2022		3,557,260	2,125	184,987	2,004,449	-	(10,362)	5,738,459	20,762	5,759,221
Adjustment to fair value -										
Available-for-sale marketable securities		-	-	-	-	-	(1,948)	(1,948)	-	(1,948)
Profit		-	-	-	-	458,863	-	458,863	-	458,863
Allocations:										
Legal reserve		-	-	22,943	-	(22,943)	-	-	-	-
Interest on capital	20.c.ii	-	-	-	-	(208,746)	-	(208,746)	-	(208,746)
Changes in noncontrolling interests		-	-	-	-	-	-	-	91	91
BALANCE AS AT JUNE 30, 2023		3,557,260	2,125	207,930	2,004,449	227,174	(12,310)	5,986,628	20,853	6,007,481
BALANCE AS AT DECEMBER 31, 2021		3,557,260	1,125	129,841	1,293,196	-	(144)	4,981,278	19,683	5,000,961
Adjustment to fair value -										
Available-for-sale marketable securities		-	-	-	-	-	(14,991)	(14,991)	-	(14,991)
Adjustment to equity securities		-	1,000	-	-	-	-	1,000	-	1,000
Profit		-	-	-	-	468,068	-	468,068	-	468,068
Allocations:										
Legal reserve		-	-	23,403	-	(23,403)	-	-	-	-
Interest on capital	20.c.ii	-	-	-	-	(160,650)	-	(160,650)	-	(160,650)
Changes in noncontrolling interests		-	-	-	-	-	-	-	4	4
BALANCE AS AT JUNE 30, 2022		3,557,260	2,125	153,244	1,293,196	284,015	(15,135)	5,274,705	19,687	5,294,392

The accompanying notes are an integral part of this interim financial statements.

STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022
(In thousands of Brazilian reais - R\$)

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
OPERATING ACTIVITIES				
PROFIT	458,863	468,068	458,863	468,068
ADJUSTMENTS TO RECONCILE PROFIT				
TO NET CASH USED IN OPERATING ACTIVITIES				
Depreciation and amortization	6,591	6,300	7,107	6,834
Deferred taxes	(200,046)	(189,399)	(155,823)	(172,427)
Current taxes	323,398	401,165	342,937	430,198
Provision for risks	74,242	81,952	75,154	81,875
Provision for guarantees and collaterals	(14,946)	17,804	(14,946)	17,804
Allowance for loan losses	349,615	270,609	351,123	269,283
Allowance for losses on leasing operations	-	-	2,183	4,219
Allowance for other loan losses	119,610	(10,245)	119,637	(10,191)
Allowance for other sundry loan losses	(3,883)	(4,899)	(3,883)	(4,899)
Allowance for losses on other assets	1,417	200	1,417	200
Exchange rate changes on cash and cash equivalents	14,247	71,581	14,247	71,581
Gains on disposal of permanent assets	4,664	(404)	(11,602)	(7,779)
Share of profit (loss) of subsidiaries and associates	(83,509)	(59,160)	(1,477)	(591)
TOTAL RECONCILIATION ADJUSTMENTS	591,400	585,504	726,074	686,107
ADJUSTED PROFIT	1,050,263	1,053,572	1,184,937	1,154,175
CHANGES IN ASSETS AND LIABILITIES	1,874,269	1,852,643	1,747,270	1,757,602
(Increase) Decrease in interbank accounts	(2,830,861)	(505,017)	(2,762,545)	(310,970)
(Increase) Decrease in securities and derivatives	(1,174,916)	(238,195)	(1,189,421)	(240,769)
(Increase) Decrease in interbank and deposits with the Central Bank	(669,760)	240,125	(669,760)	240,125
(Increase) Decrease in lending operations	(1,333,015)	-	(1,332,441)	-
(Increase) Decrease in leasing operations	-	(1,492,146)	(50,842)	(1,701,016)
(Increase) Decrease in other receivables	3,458,851	545,869	3,411,017	548,084
(Increase) Decrease in other assets	(5,754)	9,611	(7,095)	9,602
Increase (Decrease) in deposits	3,391,082	(573,489)	3,416,770	(563,568)
Increase (Decrease) in repurchase commitments	(35,574)	2,685,925	(35,574)	2,685,925
Increase (Decrease) in funds issuance of securities	677,464	1,989,557	650,127	1,966,785
Increase (Decrease) in borrowings and onlendings	(31,016)	(532,773)	(31,016)	(532,818)
Increase (Decrease) in other payables	912,037	311,467	854,591	288,468
Income tax and social contribution paid	(484,269)	(588,291)	(506,541)	(632,246)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2,924,532	2,906,215	2,932,207	2,911,777
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property and equipment in use	(2,796)	(2,435)	(3,005)	(2,922)
Interest on capital and/or dividends from subsidiaries	-	-	-	-
NET CASH USED IN INVESTING ACTIVITIES	(2,796)	(2,435)	(3,005)	(2,922)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (Decrease) in funds from acceptance and issuance of securities	(602,048)	(710,333)	(609,090)	(715,542)
Increase (Decrease) in borrowings and onlendings	(1,660,174)	(739,322)	(1,660,174)	(739,322)
Increase (decrease) in subordinated debts	2,666	34,237	2,666	34,237
Dividends and interest on capital paid	(193,605)	(284,793)	(193,605)	(284,793)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(2,453,161)	(1,700,211)	(2,460,203)	(1,705,420)
EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(14,247)	(71,581)	(14,247)	(71,581)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	454,328	1,131,988	454,752	1,131,854
Cash and cash equivalents at beginning of the period	2,522,910	1,274,744	2,523,162	1,275,033
Cash and cash equivalents at end of the period	2,977,238	2,406,732	2,977,914	2,406,887
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	454,328	1,131,988	454,752	1,131,854

The accompanying notes are an integral part of this interim financial statements.



**STATEMENTS OF VALUE ADDED
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022
(In thousands of Brazilian reais - R\$)**

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
REVENUES	4,550,351	4,009,342	4,730,124	4,148,876
Income from financial intermediation	4,882,320	4,145,620	5,035,328	4,271,573
Revenue from services	199,146	177,503	212,645	187,861
Allowance for loan losses	(450,396)	(272,970)	(454,114)	(275,917)
Other	(80,719)	(40,811)	(63,735)	(34,641)
EXPENSES	(2,943,698)	(2,422,214)	(2,910,434)	(2,397,784)
Expenses on financial intermediation	(2,943,698)	(2,422,214)	(2,910,434)	(2,397,784)
INPUTS PURCHASED FROM THIRD PARTIES	(511,089)	(428,594)	(497,654)	(421,392)
Materials, electric power and other	(72,971)	(69,803)	(77,439)	(81,475)
Outside services	(438,118)	(358,791)	(420,215)	(339,917)
GROSS VALUE ADDED	1,095,564	1,158,534	1,322,036	1,329,700
DEPRECIATION AND AMORTIZATION	(6,591)	(6,300)	(7,107)	(6,834)
TOTAL WEALTH CREATED BY THE BANK AND CONSOLIDATED	1,088,973	1,152,234	1,314,929	1,322,866
WEALTH RECEIVED IN TRANSFER	83,509	59,160	1,477	591
Equity in subsidiaries	83,509	59,160	1,477	591
WEALTH FOR DISTRIBUTION	1,172,482	1,211,394	1,316,406	1,323,457
DISTRIBUTION OF WEALTH	1,172,482	1,211,394	1,316,406	1,323,457
EMPLOYEES	406,946	366,688	454,194	404,817
Salaries and wages	340,135	310,120	375,432	338,653
Benefits	53,815	45,129	63,526	52,927
Severance pay fund (FGTS)	12,996	11,439	15,236	13,237
TAXES, FEES AND CONTRIBUTIONS	294,728	365,234	389,747	437,958
Federal	280,233	351,937	362,724	414,625
State	2,953	2,200	2,999	2,256
Municipal	11,542	11,097	24,024	21,077
LENDERS AND LESSORS	11,945	11,404	12,952	12,110
Rentals	11,945	11,404	12,952	12,110
SHAREHOLDERS	458,863	468,068	458,863	468,068
Interest on capital	208,746	160,650	208,746	160,650
Retained earnings	250,117	307,418	250,117	307,418
Noncontrolling interests	-	-	650	504

The accompanying notes are an integral part of this interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER AND SIX-MONTH PERIOD ENDED JUNE 30, 2023 (In thousands of Brazilian reais - R\$, unless otherwise stated)

1 - GENERAL INFORMATION

Banco Daycoval S.A. ("Bank" or "Daycoval"), headquartered at Avenida Paulista, 1,793, in the City and State of São Paulo, is a publicly-held entity, organized as a full-service bank authorized to operate commercial, foreign exchange, investment, and lending and financing portfolios and, through its direct and indirect subsidiaries, also leasing portfolio, asset management, life insurance, pension plans and provision of services. The Bank is part of Daycoval Conglomerate and conducts its businesses on an integrated basis.

2 - INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

a) Presentation

The Bank's individual and consolidated interim financial statements, which include its foreign branch, direct and indirect subsidiaries and the investment funds in which there is retention of risks and rewards, have been prepared in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil, and is in conformity with the accounting guidelines set out in the Brazilian Corporate Law (Law 6,404/76), and the amendments introduced by Law 11,638/07 and Law 11,941/09, for the recognition of transactions including, when applicable, the rules and instructions from the National Monetary Council (CMN), the Central Bank of Brazil (BACEN) and the Standard Chart of Accounts for Financial Institutions (COSIF), the Brazilian and Securities Exchange Commission (CVM), the National Private Insurance Council (CNSP), the Private Insurance Superintendence (SUSEP) and the Accounting Pronouncements Committee (CPC).

As prescribed by CMN Resolution 4,818/20 and BCB Resolution 2/20 which revoked CMN Resolution 4,720/19 and BACEN Circular Letter 3,959/19, respectively, the financial institutions and other institutions authorized to operate by BACEN, must prepare their financial statements in accordance with the criteria and procedures set out in these regulations, which address the disclosure of interim, semiannual and annual financial statements, as well as their content, which include the balance sheets and statements of income, of comprehensive income, of cash flows and of changes in equity, the notes to the financial statements and the disclosure of information on non-recurring results.

The individual and consolidated Interim Financial Statements were approved by Management on August 8, 2023.

Daycoval adopts presentation criteria in its financial statements so as to represent the economic substance of its transactions and in accordance with financial reporting criteria set out in BCB Resolution 2/20, and additional regulations.

b) Process of convergence with International Financial Reporting Standards ("IFRS")

As part of the process of convergence with the International Financial Reporting Standards ("IFRS"), the Accounting Pronouncements Committee (CPC) has issued pronouncements related to the international accounting convergence process that have been approved by the CVM but not all of them have been ratified by the BACEN. Accordingly, in the preparation of the interim financial statements, the Bank has adopted the following pronouncements that have been approved by the BACEN:

Pronouncements issued by the CPC	CMN Resolution
CPC 00 (R2) - Conceptual Framework for Financial Reporting	4,924/21
CPC 01 (R1) - Impairment of Assets	4,924/21
CPC 03 (R2) - Statements of Cash Flows	4,818/20
CPC 05 (R1) - Related-party Disclosures	4,818/20
CPC 10 (R1) - Share-based Payment	3,989/11
CPC 23 - Accounting Policies, Changes in Accounting Estimates and Errors	4,924/21
CPC 24 - Events After the Reporting period	4,818/20
CPC 25 - Provisions, Contingent Liabilities and Contingent Assets	3,823/09
CPC 33 (R1) - Employee Benefits	4,877/20
CPC 41 - Earnings per Share	4,818/20
CPC 46 - Fair Value Measurement	4,924/21
CPC 47 - Revenue from Contracts with Customers	4,924/21

All relevant information in the Individual and Consolidated Interim Financial Statements of the Bank, and only such information, is being disclosed and corresponds to the information used by the Bank's Management in managing the Bank.

c) Consolidation

In the process of consolidation of the interim financial statements, the balances of assets, liabilities and results from the transactions among the Bank, its foreign branch, its direct and indirect subsidiaries and the investment funds acquired with substantial retention of risks and rewards, were eliminated, and the balances of profit and equity attributable to noncontrolling interests were recorded in separate line items.

The individual and consolidated interim financial statements include the Bank and the following entities:

	Ownership interest - %	
	06/30/2023	12/31/2022
Leasing operations		
Daycoval Leasing – Banco Múltiplo S.A. (“Daycoval Leasing”)	100.00	100.00
Financial activity - Foreign branch		
Banco Daycoval S.A. - Cayman Branch	100.00	100.00
Insurance and pension plan activity		
Dayprev Vida e Previdência S.A. (“Dayprev”)	97.00	97.00
Non-financial activity		
ACS Participações Ltda. (“ACS”)	99.99	99.99
Daycoval Asset Management Administração de Recursos Ltda. (“Daycoval Asset”)	99.99	99.99
IFP Promotora de Serviços de Consultoria e Cadastro Ltda. (“IFP”)	99.99	99.99
SCC Agência de Turismo Ltda. (“SCC”)	99.99	99.99
Treetop Investments Ltd. (“Treetop”)	99.99	99.99
Fundo de Investimento		
Investment fund	67.97	67.97

(1) The Fund was consolidated if Daycoval substantially assumes or retains the risks and rewards.

d) New standards issued by the BACEN effective in the future:

i. CMN Resolution 4,966, of November 25, 2021 and BCB Resolution 309, of March 28, 2023

Effective as from January 1, 2025, CMN Resolution 4,966/21 establishes new criteria applicable to financial instruments, including the designation and recognition of hedging relationships (hedge accounting) to be adopted by financial institutions and other institutions authorized to operate by the Central Bank of Brazil, among which the following stand out: (i) classification, measurement, recognition and derecognition of financial instruments; (ii) recognition of allowance for expected losses associated with credit risk; (iii) adjustment of financial instruments at the contractual effective interest rate; and (iv) recognition of interest for past due financial assets.

The Implementation Plan initially established based on the definitions set out in CMN Resolution 4,966/21, adopted by Banco Daycoval provides for phases to be implemented during 2023 and 2024 for the effective implementation beginning January 1, 2025 and the creation of a specific Committee, comprised of several areas that will be dedicated to the identification of the impacts arising from the adoption of the regulations and the monitoring of their implementation considering, among other aspects, the impacts on processes and legacy systems and review of the models and criteria used in the determination of accounting estimates.

To supplement CMN Resolution 4,966/21, BCB Resolution 309 was issued on March 28, 2023, which establishes that accounting procedures on the definition of cash flows from financial assets as solely payment of principal and interest; the application of the methodology for determination of the effective interest rate of financial instruments; the recognition of allowance for losses associated with the credit risk; and disclosure of information relating to financial instruments in explanatory notes.

Daycoval's Management is monitoring the process of adoption of CMN Resolution 4,966/21 and BCB Resolution 309/23 and the impacts on the interim financial statements.

ii. CMN Resolution 4,975, of December 16, 2021

Provides for the accounting criteria applicable to lease operations by financial institutions and other institutions authorized to operate by the Central Bank of Brazil. This Resolution is effective as from January 1, 2025 and Management will carry out an assessment to determine the impacts of its adoption.

iii. Law 14,467, of November 16, 2022

Effective as from January 1, 2025, it changes the tax treatment applicable to losses incurred with operations with credit granting characteristics arising from the activities of financial institutions and other institutions authorized to operate by the Central Bank of Brazil, with the deduction of losses incurred in determining the Taxable Income and the CSLL tax basis, its main change.

e) Adoption of new standards issued by the BCB effective beginning January 1, 2023:

i. BCB Regulatory Instruction 319, of November 4, 2022

On November 4, 2022, Bacen published BCB Regulatory Instruction 319, which revokes Circular Letter 3,429, of February 11, 2010, which provides clarification about the procedures for recognition of taxes payable subject to litigation. This Regulatory Instruction came into effect on January 1, 2023 and there were no significant impacts on the interim financial statements of Daycoval due to its effectiveness.

3 - SIGNIFICANT ACCOUNTING POLICIES

a) Functional and reporting currency, foreign currency-denominated transactions and share of profit (loss) of foreign entities:

i. Functional and reporting currency

Daycoval's interim financial statements are presented in Brazilian reais (R\$), which is the Bank's functional and reporting currency. As prescribed by CMN Resolution 4,524/16, Daycoval has defined that the functional and reporting currency for each of its direct and indirect subsidiaries, including foreign entities, will also be the Brazilian real (R\$).

ii. Translation of foreign-currency denominated transactions

If foreign investees conduct transactions in a currency different from their respective functional currencies, these transactions will be converted by applying the exchange rates of the respective trial balance or balance sheet for monetary items, assets and liabilities stated at fair value and for items not classified as monetary items. For other cases, the exchange rates on the transaction date are applied.

iii. Share of profit (loss) of foreign entities

The share of profit (loss) of foreign entities, the functional currency of which is defined in item "i" above, is recognized directly in Daycoval's income statements, in "Share of profit (loss) of subsidiaries".

b) Recording of income and expenses

Income and expenses are recorded on the accrual basis. Fixed-rate transactions are stated at the final amount, and income and expenses for future period are recognized as a reduction of the related assets and liabilities. Finance income and costs are recorded on a pro rata basis and calculated based on the exponential method, except those related to discounted notes or foreign transactions, which are calculated under the straight-line method. Floating-rate transactions or those indexed to foreign currencies are adjusted through the balance sheet date.

c) Cash and cash equivalents

Cash and cash equivalents are represented by cash and bank deposits, recorded in line items "Cash", "Interbank accounts", and "Securities - own portfolio", with original investment term of 90 days or less; the risk of change in their fair value is considered immaterial.

The breakdown of cash and cash equivalents is presented in Note 4.

d) Financial instruments

i. Interbank accounts

Repurchase commitments are stated at cost, plus income earned through the balance sheet date, less allowance for impairment, when applicable.

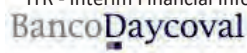
The breakdown of Interbank accounts is presented in Note 6.

ii. Securities

Securities are stated at cost plus income earned, as follows: (i) fixed-income securities are adjusted at the applicable interest rate based on the respective maturities; (ii) shares are adjusted based on the average price informed by the Stock Exchange where the shares are more traded; and (iii) investments in investment funds are adjusted based on the share price informed by the fund managers.

Securities are classified in conformity with BACEN Circular Letter 3,068/01 into one of the following categories:

- Trading securities - securities acquired for the purpose of being actively and frequently traded, adjusted to fair value as a contra-entry to profit or loss.
- Available-for-sale securities - securities not acquired for the purpose of being actively and frequently traded, which Management does not intend to hold to maturity. The adjustments to fair value (unrealized gains and losses) are recorded as a separate component of equity, net of taxes, and are recognized in profit or loss when realized.
- Held-to-maturity securities - securities that the Bank has the positive intent and ability to hold to maturity and stated at cost, plus income earned, as a contra-entry to profit or loss.



Bonuses arising from investments in shares issued by publicly-traded companies are recorded in the securities portfolio only according to the respective quantities, without modifying the amount of investments, when the corresponding shares are considered “ex-rights” on the stock exchange.

Dividends and interest on capital arising from investments in shares issued by publicly-traded companies are recorded as income when the related shares are considered “ex-rights” on the stock exchange.

The breakdown and classification of securities are presented in Notes 7.a and 7.b.

iii. Derivative financial instruments (assets and liabilities)

Derivatives consist of forward, futures and swap options and are recorded in conformity with BACEN Circular Letter 3,082/02, which provides for the adoption of the following criteria:

- Option transactions - premiums received or paid are recorded at fair value in caption “Derivatives” in assets or liabilities, respectively, until the option is exercised, and recorded as a decrease or increase in the cost of the asset subject to the option, for the exercise of the option, or as income or expense in the event of non-exercise;
- Futures transactions - daily adjustments are recorded at fair value in line item “Trading account” in assets or liabilities and allocated daily to profit or loss as income (when relating to gains) or expense (when relating to losses);
- Currency swap and forward transactions (NDF) - differential receivable or payable is recorded at fair value in caption “Derivatives” in assets or liabilities, respectively, and allocated to profit or loss as income (when relating to gains) or expense (when relating to losses); and
- Forward transactions - recorded at the final contractual amount, less the difference between such amount and the cash price of the asset, adjusted to fair value, income and expenses being recognized over the contractual terms.

Derivative transactions are stated at fair value, with gains and losses recorded as described below:

- Derivatives not qualified as hedge - in income or expense in profit or loss; and
- Derivatives qualified as hedge - classified as market risk hedge or cash flow hedge.

Market risk hedges are used to offset the risks arising from the exposure to changes in the fair value of the hedged item, with gains or losses recorded as a contra-entry to income or expense in profit or loss.

Cash flow hedges are used to offset the changes in estimated future cash flows, the effective portion used in such offset being recorded as a contra-entry to a separate item of equity, net of taxes, and any other change as a contra-entry to income or expense in profit or loss.

The breakdown of derivative financial instruments recorded in assets and liabilities accounts and in memorandum accounts is presented in Note 8.

iv. Fair value measurement

The methodology applied to measure the fair value of financial assets and derivative financial instruments measured at fair value is based on the economic scenario and on the pricing models designed by Management, which include capturing average prices charged in the market, applicable to the balance sheet date. Accordingly, upon the financial settlement of these items, the results may be different from estimates.

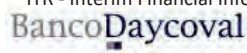
The model of fair value measurement of financial instruments assets and liabilities, including derivatives, designed by the Management, takes into consideration the economic scenario, the collection of indicators and prices charged in the market, applicable to these instruments at the balance sheet date. The value of settlement of these financial instruments may be different from estimates.

e) Lending operations, other transactions with loan and lease characteristics and allowance for losses associated with the credit risks of these instruments

Leasing operations were reclassified so as to reflect its financial position in conformity with the financial method.

Lending and leasing operations are classified based on Management’s risk assessment, considering the past experience with prior borrowers, the risk rating of such borrowers and their guarantors, the economic environment, and specific and overall portfolio risks, pursuant to CMN Resolution 2,682/99, which requires a periodic analysis of the portfolio and its classification into nine risk rating levels from AA (minimum risk) to H (maximum risk - loss).

Additionally to the minimum levels of provision mentioned in Resolution 2,682/99, and subsequent amendments, Daycoval also established a provision for additional credit risk, calculated on the basis of a credit risk assessment and monitoring from time to time revalued and approved by Management.



The allowance for losses associated with the credit risk is established in an amount sufficient to cover probable losses and in accordance with standards and guidelines from CMN and Bacen.

Also according to CMN Resolution 2,682/99, and subsequent amendments, the income from lending operations past due equal to or for more than 60 days, regardless of the risk rating, is only recognized when received, and H-rated loans remain as such for 180 days, after which period they are written off against the existing allowance and are controlled in memorandum accounts, no longer being recorded in the balance sheet.

Renegotiated operations are held at least at the same level of risk in which they were classified on the date of renegotiation. In case of significant amortization of the operation or when new significant or observable facts justify the change of risk level, the operation can be reclassified into a lower risk category.

Lending operations, other transactions with loan and lease characteristics and leasing transactions are measured at amortized cost.

The breakdown of lending operations, other transactions with loan and lease characteristics and leasing operations and that of the allowance for losses associated with the credit risks of these instruments are presented in Note 9.

f) Derecognition of financial assets

A financial asset is derecognized, as prescribed by CMN Resolution 3,533/08, when the contractual rights to the financial asset's cash flows expire or when the asset is sold or transferred, which should be classified into the following categories:

- Transactions with substantial transfer of the risks and rewards: the assignor substantially transfers all the risks and rewards of ownership of the financial asset as follows: (i) unconditional sale of the financial asset; (ii) sale of the financial asset with repurchase option at its fair value on the repurchase date; and (iii) sale of the financial asset with call or put options, whose exercise is unlikely to occur;
- Transactions with substantial retention of the risks and rewards: the assignor substantially retains all the risks and rewards of ownership of the financial asset as follows: (i) sale of the financial asset with repurchase commitment at a fixed price or at the sales price plus any yields; (ii) securities lending agreements; (iii) sale of the financial assets with total return rate swap agreement, which transfers the market risk exposure back to the assignor; (iv) sale of the financial asset with call or put options whose exercise is likely to occur; and (v) sale of receivables, when the losses incurred by the buyer or assignee, if any, are compensated by the seller or assignor, or whose sale is made together with the acquisition of subordinated units of the buyer Receivables Investment Fund (FIDC); and
- Transactions with no substantial transfer or retention of the risks and rewards: transactions in which the assignor neither transfers nor substantially retains all the risks and rewards of ownership of the financial asset.

The transfer or retention of the risks and rewards of ownership of the financial asset is analyzed by comparing Daycoval's exposure, before and after the sale or transfer, with the changes in the present value of the financial asset's expected cash flows, adjusted at the appropriate market interest rate.

During the six-month period ended June 30, 2023 and year ended December 31, 2022, the Bank and the companies comprising Daycoval Consolidated did not assign financial assets to other entities, part or not, of the National Financial System (SFN).

g) Foreign exchange transactions (gains and losses)

Foreign exchange transactions are stated at realizable values, plus income and exchange rate changes calculated on a daily pro rata basis.

The breakdown of foreign exchange transactions (gains and losses) is presented in Note 10.

h) Insurance operations

The operations of Seguradora Líder are stated in one single line item in assets, in "Other sundry receivables", proportionally to the interest held in the entity, in conformity with the regulatory amendments set out in SUSEP Circular Letter 595/19, which revoked articles 153 and 154 of SUSEP Circular Letter 517/15, which provided for the line-by-line presentation of the Consortium's assets and liabilities proportionally to the consortium's interest.

There is no balance of "Unearned insurance premium" as at June 30, 2023 and December 31, 2022.

i) Prepaid expenses

Prepaid expenses related to commissions paid to bank correspondents are controlled by contract and accounted for as expense in line item ""Other administrative expenses".

Prepaid expenses are presented in Note 12.b.

j) Investments in subsidiaries

Investments in subsidiaries and associates in which the Bank has a significant influence or interest of 20% or more of the voting capital, are accounted for under the equity method of accounting.

The breakdown of investments in subsidiaries and associates is presented in Note 14.

k) Other investments

Other investments are stated at cost, less allowance for loss, when applicable.

l) Property and equipment for use

Stated at acquisition cost, monthly adjusted by their respective accumulated depreciation, calculated under the straight-line method in accordance with the estimated useful and economic life of the assets and adjusted by impairment, as applicable.

The breakdown of property and equipment for use is presented in Note 15.a.

m) Property and equipment for operating lease

Leased assets are stated at acquisition cost, less accumulated depreciation. Depreciation is calculated on a straight-line basis, with a 30% reduction benefits in the normal useful lives of assets for leasing operations carried out with legal entities, provided for by prevailing legislation.

The breakdown of property and equipment for operating lease is shown in note 15.b.

n) Held-for-sale non-financial assets

Held-for-sale non-financial assets, pursuant to CMN Resolution 4,747/19, must be classified as:

- Own - which expected realization is either through sale, are available for immediate sale and which disposal is highly probable within no more than one year; or
- Received – which receipt by the institution for settlement of financial instrument is difficult or doubtful nor intended for own use.

Held-for-sale non-financial assets are show in note 12.a.

o) Impairment of non-financial assets

The impairment of non-financial assets is recognized as a loss when the carrying amount of an asset or a cash-generating unit is higher than its recoverable or realizable value. A cash-generating unit is the smallest identifiable group of assets that generates cash flows substantially independent from other assets or groups of assets. Impairment losses are recognized in profit or loss for the period in which they are identified, when applicable.

Non-financial assets, except those recorded in line items 'Other assets' and 'Current and deferred tax credits', are tested for impairment at least annually to determine if there is any indication that such assets might be impaired, pursuant to Note 12.a.

p) Funding

The deposits, issuance of securities in Brazil and abroad and borrowings and onlendings are recognized at initial value, plus interest and financial charges incurred up to the balance sheet date, calculated on a pro rata basis. Funds from acceptance of securities abroad and foreign onlendings are also increased by the exchange variation calculated at the foreign currency quote announced by BACEN at the balance sheet date.

Funds from issuance of securities and foreign onlendings, subject to hedge accounting, are measured at fair value at the balance sheet date, and the effects of this measurement are recognized in the statements of income.

The breakdown of funding is presented in Note 16.

q) Provisions, contingent assets and liabilities and legal obligations (tax and labor)

The recognition, measurement and disclosure of the provisions for contingent assets and liabilities and legal obligations are carried out in accordance with the criteria established by Technical Pronouncement CPC 25 – Provisions, Contingent Liabilities and Contingent Assets approved by CMN Resolution 3,823/2009 and BACEN Circular Letter 3,429/2010, as follows:

i. Provisions

Recognized when there is a present obligation as a result of past events, where it is likely that an outflow of funds will be required to settle an obligation and which can be reliably estimated. Daycoval, for the recognition of the provisions, considers the opinion of its legal advisors and Management for its recognition.

ii. Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not fully within the control of the entity. The contingent asset is not recognized in the financial assets, except when there is sufficient evidence that its realization is certain, otherwise, it is disclosed in the notes to the financial statements when the inflow of economic benefits is probable.

iii. Contingent liabilities

Contingent liabilities are not recorded as their existence will be confirmed only upon the occurrence or not of one or more uncertain future events that are beyond Daycoval's control. Contingent liabilities do not satisfy the criteria for their recognition as they are considered as possible losses and disclosed in the notes to the interim financial information. Contingent liabilities assessed as remote loss are not recognized and disclosed.

iv. Legal obligations (tax and social security)

Legal obligations (tax and social security) refer to lawsuits challenging the legality and constitutionality of certain taxes and contributions. The amount under litigation is determined, accrued and adjusted on a monthly basis, regardless of its likelihood of loss.

The breakdown of contingent assets and liabilities and legal obligations is presented in Note 18.

r) Taxes

Tax credits from income tax and social contribution on net profit, calculated on temporary additions, are recorded in line item "Current and deferred tax credits", and the provision for deferred tax liabilities on excess depreciation, adjustments to fair value of marketable securities, monetary adjustment of escrow deposits, among others, are recorded in "Current and deferred taxes". Only the income tax rate is applied to excess depreciation.

Tax credit arising from temporary differences on the fair value measurement of certain financial assets and financial liabilities, including derivative agreement, provisions for tax, civil and labor contingencies and allowances for loan losses, are recognized only when all requirements for its recognition, established by CMN Resolution 4,842/20, are met.

Taxes are recognized in the statement of income, except when they refer to items recognized directly in equity. Deferred taxes, comprising tax credits and deferred tax liabilities, are calculated on the temporary differences between the tax base of assets and liabilities and their carrying amounts.

The calculation of income tax and social contribution and the breakdown of tax credits and deferred tax liabilities are respectively presented in Notes 19.a.i and 19.d.

The realization of tax credits is presented in Note 19.e.

s) Earnings per share

Earnings per share are calculated based on criteria and procedures set out in Technical Pronouncement CPC 41 – Earnings per Share, considering the provisions applicable to financial institutions, as prescribed by CMN Resolution 4,818/20.

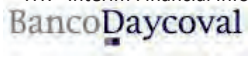
Earnings per share are shown in note 20.e.

t) Interest on capital

CMN Resolution 4,872/20, which came into effect beginning January 1, 2022, establishes procedures for the recognition of interest on capital, which must be recognized after declared or proposed and if representing a present obligation at the balance sheet date.

Dividends and interest on capital declared are recognized in current liabilities in line item "Social and statutory" and dividends proposed and not yet approved are recognized in equity in line item "Special earnings reserves".

Interest on capital is presented in Note 20.c.

**u) Use of accounting estimates**

The preparation of interim financial information requires Management to make estimates and adopt assumptions that, in its best judgment, affect the reported amounts of certain assets and liabilities (financial or not), revenues, expenses and other transactions, such as:

- i. Depreciation rates of property and equipment items and lease property and equipment;
- ii. Amortization of deferred assets;
- iii. Allowance for loan and lease losses;
- iv. Measurement of financial instruments; and
- v. Provisions for contingencies.

The actual settlement amounts of these financial or non-financial assets and liabilities could differ from those estimates.

v) Non-recurring profit or loss

Non-recurring profit or loss is the profit or loss:

- i. Arising from operations/transactions carried out by the Bank that are not directly related to its core activities;
- ii. Indirectly related to the Bank's core activities; and
- iii. Arising from operations/transactions not expected to be frequently carried out in future years.

The breakdown of non-recurring profit or loss is shown in note 21.k.

4 - CASH AND CASH EQUIVALENTS

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash	400,312	829,952	400,988	830,204
Money market investments ⁽¹⁾	2,465,412	1,282,908	2,465,412	1,282,908
Foreign currency investments ⁽²⁾	111,514	410,050	111,514	410,050
Total	2,977,238	2,522,910	2,977,914	2,523,162

(1) Money market investments comprising cash and cash equivalents, have 90-day maturity and do not include the amount of interbank investments – third-party (note 6), for the Bank and the Consolidated.

(2) Refers to foreign currency investments (note 6) maturing within up to 90 days from the investment date.

5 - RESERVES AT THE CENTRAL BANK (BANK AND CONSOLIDATED)

	06/30/2023	12/31/2022
Reserves in instant payment account	96,231	54,222
Compulsory reserves in cash on		
Demand deposits	191,823	222,064
Mandatory collections		
Mandatory on time deposits	624,147	-
Other mandatory collections	15,138	11,548
Total	927,339	287,834

6 - INTERBANK ACCOUNTS

	Bank				
	06/30/2023				12/31/2022
	Up to 3 months	3 to 12 months	1 to 3 Years	Total	Total
Investments in repurchase transactions	5,319,998	-	-	5,319,998	1,635,967
Own portfolio	2,465,412	-	-	2,465,412	1,282,908
Financial Treasury Bills (LFT)	103,005	-	-	103,005	100,712
National Treasury Bills (LTN)	1,096,403	-	-	1,096,403	35,006
National Treasury Notes (NTN)	1,266,004	-	-	1,266,004	1,147,190
Financed portfolio	2,854,586	-	-	2,854,586	353,059
Financial Treasury Bills (LFT)	1,496,997	-	-	1,496,997	-
National Treasury Bills (LTN)	143,596	-	-	143,596	300,050
National Treasury Notes (NTN)	1,213,993	-	-	1,213,993	53,009
Interbank deposits	687,163	2,087,305	239,468	3,013,936	2,684,602
Investments in foreign currencies ⁽¹⁾	111,514	-	-	111,514	410,050
Total	6,118,675	2,087,305	239,468	8,445,448	4,730,619

	Consolidated				
	06/30/2023				12/31/2022
	Up to 3 months	3 to 12 months	1 to 3 Years	Total	Total
Investments in repurchase transactions	5,319,998	-	-	5,319,998	1,635,967
Own portfolio	2,465,412	-	-	2,465,412	1,282,908
Financial Treasury Bills (LFT)	103,005	-	-	103,005	100,712
National Treasury Bills (LTN)	1,096,403	-	-	1,096,403	35,006
National Treasury Notes (NTN)	1,266,004	-	-	1,266,004	1,147,190
Financed portfolio	2,854,586	-	-	2,854,586	353,059
Financial Treasury Bills (LFT)	1,496,997	-	-	1,496,997	-
National Treasury Bills (LTN)	143,596	-	-	143,596	300,050
National Treasury Notes (NTN)	1,213,993	-	-	1,213,993	53,009
Interbank deposits	687,163	159,252	239,468	1,085,883	824,865
Investments in foreign currencies ⁽¹⁾	111,514	-	-	111,514	410,050
Total	6,118,675	159,252	239,468	6,517,395	2,870,882

(1) Refer to investments in foreign currencies maturing within up to 90 days from the investment date.

7 - MARKETABLE SECURITIES

a) Breakdown by category and type

	Bank					
	06/30/2023			12/31/2022		
	Curve value	Fair value adjustment at:		Fair value ⁽¹⁾	Curve value	Fair value ⁽¹⁾
Profit or loss		Equity				
Trading securities	10,084,743	44,201	-	10,128,944	5,517,676	5,548,188
Own portfolio	5,693,697	20,345	-	5,714,042	862,861	867,738
Financial Treasury Bills (LFT)	5,690,380	20,409	-	5,710,789	860,269	865,154
Debentures ⁽⁴⁾	3,317	(64)	-	3,253	2,592	2,584
Linked to repurchase commitments	3,565,621	17,646	-	3,583,267	4,613,728	4,639,044
Financial Treasury Bills (LFT)	3,522,463	18,613	-	3,541,076	4,565,101	4,590,614
Debentures ⁽⁴⁾	43,158	(967)	-	42,191	48,627	48,430
Linked to guarantees⁽²⁾	825,425	6,210	-	831,635	41,087	41,406
Financial Treasury Bills (LFT)	825,425	6,210	-	831,635	41,087	41,406
Available for sale	2,730,874	-	(13,298)	2,717,576	5,954,812	5,946,680
Own portfolio	2,340,948	-	(13,104)	2,327,844	3,332,031	3,320,878
Financial Treasury Bills (LFT)	-	-	-	-	1,502,142	1,503,332
National Treasury Bills (LTN)	1,240	-	3	1,243	1,006	981
National Treasury Notes (NTN)	34	-	2	36	373	374
Investment fund units	1,047,891	-	(13,174)	1,034,717	1,091,047	1,079,453
Rural product notes - CPR ⁽⁴⁾	894,032	-	-	894,032	544,619	544,619
Commercial notes	353,124	-	57	353,181	133,916	133,899
Debentures ⁽⁴⁾	37,057	-	8	37,065	58,809	58,101
Certificates of Real Estate Receivables (CRI) ⁽⁴⁾	7,570	-	-	7,570	116	116
Certificates of long-term deposits - CDB	-	-	-	-	3	3
Vinculados a compromiso de recompra	369,854	-	(191)	369,663	1,857,734	1,860,097
Linked to repurchase commitments	-	-	-	-	1,541,083	1,542,804
National Treasury Notes (NTN)	-	-	-	-	190	184
Debentures ⁽⁴⁾	347,362	-	(193)	347,169	285,110	285,763
Certificates of Real Estate Receivables (CRI) ⁽⁴⁾	22,492	-	2	22,494	29,954	29,949
Certificates of Agribusiness Receivables (CRA) ⁽⁴⁾	-	-	-	-	1,397	1,397
Linked to guarantees⁽²⁾	20,072	-	(3)	20,069	765,047	765,705
Debentures ⁽⁴⁾	20,072	-	(3)	20,069	-	-
Financial Treasury Bills (LFT)	-	-	-	-	765,047	765,705
Held-to-maturity securities⁽³⁾	295,353	-	-	295,353	280,628	280,628
Own portfolio	295,353	-	-	295,353	280,628	280,628
Other government bonds	295,353	-	-	295,353	280,628	280,628
Total	13,110,970	44,201	(13,298)	13,141,873	11,753,116	11,775,496

	Consolidated					
	06/30/2023			12/31/2022		
	Curve value	Fair value adjustment at:		Fair value ⁽¹⁾	Curve value	Fair value ⁽¹⁾
Profit or loss		Equity				
Trading securities	10,095,840	44,203	-	10,140,043	5,517,737	5,548,249
Own portfolio	5,704,794	20,347	-	5,725,141	862,922	867,799
Financial Treasury Bills (LFT)	5,701,477	20,411	-	5,721,888	860,330	865,215
Debentures ⁽⁴⁾	3,317	(64)	-	3,253	2,592	2,584
Linked to repurchase commitments	3,565,621	17,646	-	3,583,267	4,613,728	4,639,044
Financial Treasury Bills (LFT)	3,522,463	18,613	-	3,541,076	4,565,101	4,590,614
Debentures ⁽⁴⁾	43,158	(967)	-	42,191	48,627	48,430
Linked to guarantees⁽²⁾	825,425	6,210	-	831,635	41,087	41,406
Financial Treasury Bills (LFT)	825,425	6,210	-	831,635	41,087	41,406
Available for sale	3,230,612	-	(5,143)	3,225,469	6,455,876	6,452,987
Own portfolio	2,840,686	-	(4,949)	2,835,737	3,833,095	3,827,185
Financial Treasury Bills (LFT)	38,940	-	4	38,944	1,540,399	1,541,589
National Treasury Bills (LTN)	1,240	-	3	1,243	1,006	981
National Treasury Notes (NTN)	34	-	2	36	373	374
Investment fund units	1,447,272	-	(741)	1,446,531	1,479,617	1,478,146
Rural product notes - CPR ⁽⁴⁾	894,032	-	-	894,032	544,619	544,619
Commercial notes	353,124	-	57	353,181	133,916	133,899
Debentures ⁽⁴⁾	37,057	-	8	37,065	58,809	58,101
Foreign government bonds	44,310	-	(2,680)	41,630	56,016	53,170
Foreign securities	14,486	-	(1,602)	12,884	15,683	13,649
Certificates of Real Estate Receivables (CRI) ⁽⁴⁾	7,570	-	-	7,570	116	116
Certificates of Agribusiness Receivables (CRA) ⁽⁴⁾	2,326	-	-	2,326	2,250	2,250
Certificates of long-term deposits - CDB	200	-	-	200	181	181
Real estate credit notes - LCI	95	-	-	95	89	89
Bills of exchange - LC	-	-	-	-	21	21
Linked to repurchase commitments	369,854	-	(191)	369,663	1,857,734	1,860,097
Financial Treasury Bills (LFT)	-	-	-	-	1,541,083	1,542,804
National Treasury Notes (NTN)	-	-	-	-	190	184
Debentures ⁽⁴⁾	347,362	-	(193)	347,169	285,110	285,763
Certificates of Real Estate Receivables (CRI) ⁽⁴⁾	22,492	-	2	22,494	29,954	29,949
Certificates of Agribusiness Receivables (CRA) ⁽⁴⁾	-	-	-	-	1,397	1,397
Linked to guarantees⁽²⁾	20,072	-	(3)	20,069	765,047	765,705
Debentures ⁽⁴⁾	20,072	-	(3)	20,069	-	-
Financial Treasury Bills (LFT)	-	-	-	-	765,047	765,705
Held-to-maturity securities⁽³⁾	295,353	-	-	295,353	280,628	280,628
Own portfolio	295,353	-	-	295,353	280,628	280,628
Other government bonds	295,353	-	-	295,353	280,628	280,628
Total	13,621,805	44,203	(5,143)	13,660,865	12,254,241	12,281,864

(1) The securities' fair value was calculated based on the prices and rates prevailing as at June 30, 2023 and December 31, 2022, as disclosed by the Brazilian Financial and Capital Markets Association (ANBIMA) - by the managers of the investment fund in which the Bank invests, the B3 S.A. - Brasil, Bolsa, Balcão, and other market makers in the case of securities acquired abroad, and, when applicable, based on discount cash flow models.

(2) Securities linked to guarantees refer to securities conducted on B3 S.A.- Brasil, Bolsa, Balcão.

(3) For securities classified as held to maturity, the fair value relates to the initial value adjusted by interest recognized in the six-month period ended June 30, 2023 and year ended December 31, 2022.

(4) Rural product notes, debentures, certificates of agribusiness receivables, certificates of real estate receivables and commercial notes are stated net of the allowance for losses associated with the credit risk. As at June 30, 2023, the balance of the allowance is R\$9,252 pursuant to Note 9.e (R\$5,747 as at December 31, 2022).

b) Breakdown by maturity

	Bank						12/31/2022	
	06/30/2023						Fair Value	Fair Value
	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 years			
Federal government bonds	999	10,083,500	244	4	32	10,084,779	9,310,554	
Financial Treasury Bills (LFT) ⁽¹⁾	-	10,083,500	-	-	-	10,083,500	9,309,015	
National Treasury Bills (LTN)	999	-	244	-	-	1,243	981	
National Treasury Notes (NTN)	-	-	-	4	32	36	558	
Foreign securities	-	280,897	-	-	14,456	295,353	280,628	
Other government bonds	-	280,897	-	-	14,456	295,353	280,628	
Private-sector securities	46,058	337,882	684,955	607,430	50,699	1,727,024	1,104,861	
Rural product notes - CPR	46,058	214,702	388,849	244,423	-	894,032	544,619	
Debentures ⁽¹⁾	-	123,180	121,280	184,693	20,594	449,747	394,878	
Commercial notes	-	-	144,762	178,314	30,105	353,181	133,899	
Certificates of Real Estate Receivables - CRI	-	-	30,064	-	-	30,064	30,065	
Certificates of Agribusiness Receivables - CRA	-	-	-	-	-	-	1,397	
Certificates of time deposits	-	-	-	-	-	-	3	
Investment fund units	40,021	-	-	-	994,696	1,034,717	1,079,453	
Real estate investment fund	34,181	-	-	-	-	34,181	34,998	
Credit rights funds	-	-	-	-	994,696	994,696	1,039,057	
Other investment funds	5,840	-	-	-	-	5,840	5,398	
Total	87,078	10,702,279	685,199	607,434	1,059,883	13,141,873	11,775,496	

	Consolidated						12/31/2022	
	06/30/2023						Fair Value	Fair Value
	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 years			
Federal government bonds	999	10,133,435	352	4	32	10,134,822	9,348,872	
Financial Treasury Bills (LFT) ⁽¹⁾	-	10,133,435	108	-	-	10,133,543	9,347,333	
National Treasury Bills (LTN)	999	-	244	-	-	1,243	981	
National Treasury Notes (NTN)	-	-	-	4	32	36	558	
Foreign securities	422	299,070	1,006	12,029	37,340	349,867	347,447	
Foreign government bonds	-	280,897	-	-	14,456	295,353	280,628	
Foreign securities	422	18,145	1,006	12,029	10,028	41,630	53,170	
Other government bonds	-	28	-	-	12,856	12,884	13,649	
Private-sector securities	46,097	338,126	684,955	607,442	53,025	1,729,645	1,107,399	
Rural product notes - CPR	46,058	214,702	388,849	244,423	-	894,032	544,619	
Debentures ⁽¹⁾	-	123,180	121,280	184,693	20,594	449,747	394,878	
Commercial notes	-	-	144,762	178,314	30,105	353,181	133,899	
Certificates of Real Estate Receivables - CRI	-	-	30,064	-	-	30,064	30,065	
Certificates of Agribusiness Receivables - CRA	-	-	-	-	2,326	2,326	3,647	
Certificates of long-term deposits - CDB	39	149	-	12	-	200	181	
Real estate credit notes - LCI	-	95	-	-	-	95	89	
Bills of exchange - LC	-	-	-	-	-	-	21	
Investment fund units	203,085	-	-	-	1,243,446	1,446,531	1,478,146	
Credit rights funds	-	-	-	-	1,243,446	1,243,446	1,285,959	
Fixed-income investment funds	136,072	-	-	-	-	136,072	129,359	
Multimarket investment funds	36,591	-	-	-	-	36,591	35,042	
Equity funds	12,777	-	-	-	-	12,777	12,355	
Real estate investment funds	11,805	-	-	-	-	11,805	10,033	
Other investment funds	5,840	-	-	-	-	5,840	5,398	
Total	250,603	10,770,631	686,313	619,475	1,333,843	13,660,865	12,281,864	

(1) As set forth in the sole paragraph of Article 7 of BACEN Circular Letter No. 3.068/01, securities classified as "Trading securities" are presented with realization term of up to 12 months, regardless of their respective maturities.

c) Reclassification of marketable securities

As set forth in Article 5 of BCB Circular 3,068/01, the revaluation of marketable securities, initially classified as: (i) trading securities; (ii) available-for-sale securities; and (iii) held-to-maturity securities, can only be carried out upon the preparation of the entity's semiannual balance sheets and, any transfer between the abovementioned categories, must take into account the institution's intent and financial capacity and be carried at the market value of the bond or security.

Accordingly, as at June 30, 2023, Daycoval elected to reclassify marketable securities initially classified as "Available-for-sale securities" to "Trading securities" thus recognizing in profit or loss for the period, unrealized gains previously recorded in a separate line item of equity, as shown below:

Reclassified market securities	Category		Reclassified amount	Effect on profit or loss
	From	To		
Federal government bonds				
Financial Treasury Bills (LFT)	Available-for-sale	Trading	1,500,763	2,449

The reclassification of marketable securities, as shown above, resulted from Daycoval Management's intention of increasing its cash liquidity, aiming at originating new transactions in the normal course of its business.

8 - DERIVATIVES

The Bank conducts derivative transactions so as to meet own or its clients' needs, which are recognized in balance sheet, profit or loss, and memorandum accounts.

Derivatives used are properly approved based on the product use policy. Pursuant to this policy, prior to the implementation of each product, all aspects should be analyzed, such as: objectives, methods of use, underlying risks and appropriate supporting operational infrastructure.

The credit and market risk components of derivatives are monitored on a daily basis, and specific limits are set for derivative transactions for clients and also for registration and settlement chambers. Such limits are managed through a system that consolidates exposures by counterparty. Any discrepancies are promptly identified and addressed for immediate solution.

The market risk of derivatives is managed based on a prevailing risk policy, pursuant to which potential risks of price fluctuations in the financial markets are centralized in the Treasury department, which provides hedge for the other areas.

The main derivative financial instruments contracted by Daycoval as at March 31, 2023 and December 31, 2022, are as follows:

- Future market contracts - commitments to purchase or sell, interest rates and foreign currencies on a future date at a given price or yield and can be settled in cash or by physical delivery of the underlying asset of the contract. The notional value represents the notional value of the contract. The adjustments regarding the changes in the price of underlying assets of the contract are daily settled.
- Forward contracts - forward exchange contracts represent contracts for currency exchange at a price contracted on an agreed-upon future settlement date. There may be only the physical delivery or only the financial settlement of the difference between the prices of currencies underlying the contract ("*Non deliverable forwards - NDF*").
- Index swap contracts ("*Swaps*") - these are commitments to settle in cash on a date or future dates (in case there is more than one payment flow) the difference between both financial indicators stipulated and different ones (interest rates, foreign currency, inflation indexes, among others) on a notional value of principal.
- Options - options contracts subject the purchaser, by paying a premium, and the seller (writer) to the obligation, by receiving a premium, to purchase or sell a financial asset (interest rates, shares, currencies, among others) in a term limited to a contracted price.

No operations were carried out with derivative financial instruments among companies comprising the Consolidated.

i Hedge transactions

The hedging strategy is determined based on the Bank's operating risk exposure limits. Whenever its transactions have risk exposures above the preset limits, which might result in significant fluctuations in the Bank's profit or loss, the Bank uses derivatives, contracted in the organized or over-the-counter market, to hedge against such risks, according to the hedging rules set forth in BACEN Circular Letter 3,082/02.

The hedge instruments seek to mitigate market, currency fluctuation and interest rate risks. According to the market liquidity, the maturity dates of hedge instruments are the closest possible to the dates of the financial flows of the hedged transactions so as to ensure an efficient hedge.

The Bank has a market risk hedge structure as follows:

- Designed to enable the purchase and sale of light and heavy vehicles, under the lending operations in the vehicle financing category (hedged item), recorded in line item "Vehicle financing" (Note 9.b). The hedge framework of this operation was recognized by associating future interest rate market operations (DI futures) for each one of the hedged flows, either of interest or principal and interest, in order to mitigate the fluctuations of the interest curve, that impact the raising of funds for the growth of the lending operations portfolio, thus protecting the margin of these operations on the granting dates;



- Designed to offset the risks arising from the exposure to changes in the fair value relating to the fluctuation of foreign currency (US dollar and euro fluctuation) and of the Libor interest rate on foreign borrowings - (hedged items) recorded in "Payables for securities issued abroad" (Note 16.b) and "Payables for foreign borrowings" (Note 16.b). The accounting hedge framework for this transaction was established by associating a swap cash flow contract for each borrowing repayment flow, either of interest or principal plus interest, and the Bank's long position is identical to the interest rates on borrowings agreements.

The table below summarizes the market risk hedge structure:

06/30/2023				Changes in fair value		Effectiveness
Hedged Item	Maturity	Principal amount	Hedge Instrument	Hedged Item	Hedge Instrument	
Vehicle financing	03/01/2028	R\$ 1,290,775	DI Futures	20,747	(21,371)	103.01%
Foreign issuance	12/13/2024	USD 350.000	Swap	(153,024)	148,417	96.99%
Foreign issuance	12/13/2024	USD 100.000	Swap	100,628	(100,486)	99.86%
Funding IFC	06/27/2024	USD 100.000	Swap	5,791	(5,780)	99.81%
Funding IFC	09/16/2024	USD 130.000	Swap	92,808	(92,687)	99.87%
Funding IFC	09/15/2023	USD 135.000	Swap	73,453	(73,756)	100.41%
Funding IFC	09/16/2024	USD 169.000	Swap	(7,252)	6,728	92.77%
Funding IFC	09/16/2024	USD 20.000	Swap	2,443	(2,534)	103.72%
Funding IDB - A/B Loan	12/15/2023	USD 150.000	Swap	430,048	(430,111)	100.01%
Funding IDB - A/B Loan	12/15/2023	USD 300.000	Swap	747,616	(747,600)	100.00%
				1,313,258	(1,319,180)	

12/31/2022				Changes in fair value		Effectiveness
Hedged Item	Maturity	Principal amount	Hedge Instrument	Hedged Item	Hedge Instrument	
Vehicle financing	12/22/2027	R\$ 870,608	DI Futures	(6,151)	6,839	111.19%
Foreign issuance	12/13/2024	USD 350.000	Swap	(310,581)	304,470	98.03%
Foreign issuance	12/13/2024	USD 100.000	Swap	55,611	(55,295)	99.43%
Funding IFC	06/15/2023	USD 100.000	Swap	(6,816)	6,835	100.28%
Funding IFC	09/16/2024	USD 130.000	Swap	31,201	(30,876)	98.96%
Funding IFC	03/15/2023	USD 254.000	Swap	53,591	(53,470)	99.77%
Funding IFC	03/15/2023	USD 16.000	Swap	(842)	834	99.05%
Funding IFC	09/15/2023	USD 135.000	Swap	8,416	(9,401)	111.70%
Funding IDB - A/B Loan	12/15/2023	USD 150.000	Swap	212,506	(213,058)	100.26%
Funding IDB - A/B Loan	12/15/2023	USD 300.000	Swap	117,718	(119,252)	101.30%
				154,653	(162,374)	



a) Breakdown of amounts of differentials receivable and payable recorded in assets and liabilities as "Derivatives" (Bank and Consolidated):

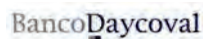
	06/30/2023							12/31/2022			
	Amortized cost	Fair value adjustment	Fair value	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 year	Amortized cost	Fair value adjustment	Fair value
Assets											
Bank											
Derivatives	344,849	(5,493)	339,356	159,797	60,129	110,965	483	7,982	497,400	(83,616)	413,784
Swaps - differential receivable	266,548	(88,159)	178,389	7,028	53,231	109,665	483	7,982	427,595	(81,722)	345,873
Currency forward ("NDF") - differential receivable	50,692	83,126	133,818	127,711	5,362	745	-	-	25,626	(4,913)	20,713
Premiums paid for purchase of stock options	2,940	(460)	2,480	389	1,536	555	-	-	15,958	3,019	18,977
Foreign exchange coupon futures (DDI)	11,256	-	11,256	11,256	-	-	-	-	13,668	-	13,668
Dollar futures (DOL)	8,302	-	8,302	8,302	-	-	-	-	12,267	-	12,267
Interest rate futures (DI)	2,333	-	2,333	2,333	-	-	-	-	1,386	-	1,386
Coupon futures IPC-A (DAP)	2,778	-	2,778	2,778	-	-	-	-	900	-	900
Controlled entity											
Derivatives	2,011	506	2,517	-	-	-	-	2,517	829	(192)	637
Swaps - differential receivable	2,011	506	2,517	-	-	-	-	2,517	829	(192)	637
Total consolidated - assets	346,860	(4,987)	341,873	159,797	60,129	110,965	483	10,499	498,229	(83,808)	414,421
Liabilities											
Bank											
Derivatives	649,886	75,328	725,214	211,647	230,176	278,085	5,306	-	492,859	56,870	549,729
Swaps - differential payable	473,097	100,688	573,785	111,673	189,385	267,421	5,306	-	420,249	66,526	486,775
Currency forward ("NDF") - differential payable	69,800	6,706	76,506	27,169	39,227	10,110	-	-	28,713	(4,264)	24,449
Premiums paid for sale of stock options	34,573	(32,066)	2,507	389	1,564	554	-	-	24,433	(5,392)	19,041
Foreign exchange coupon futures (DDI)	21,602	-	21,602	21,602	-	-	-	-	7,407	-	7,407
Dollar futures (DOL)	32,376	-	32,376	32,376	-	-	-	-	6,433	-	6,433
Interest rate futures (DI)	18,113	-	18,113	18,113	-	-	-	-	5,597	-	5,597
Coupon futures IPC-A (DAP)	325	-	325	325	-	-	-	-	27	-	27

b) Breakdown by type of contract and counterparty at fair value (Bank and consolidated):

	06/30/2023		12/31/2022	
	Assets	Liabilities	Assets	Liabilities
Bank				
Futures	24,669	72,416	28,221	19,464
B3 S.A. - Bolsa, Brasil, Balcão	24,669	72,416	28,221	19,464
Swap	178,389	573,785	345,873	486,775
Financial institutions	128,931	567,349	300,464	486,531
Companies	42,255	824	45,118	244
Individuals	7,203	5,612	291	-
Forward (NDF)	133,818	76,506	20,713	24,449
Companies	133,712	75,075	20,700	24,371
Individuals	106	1,431	13	78
Options	2,480	2,507	18,977	19,041
Financial institutions	158	2,507	1,431	19,041
Companies	379	-	8,915	-
Individuals	1,943	-	8,631	-
Controlled entity				
Swap	2,517	-	637	-
Financial institutions	2,517	-	637	-

c) Breakdown of notional values recorded in memorandum accounts by type of strategy of contract and notional index (Bank and Consolidated):

	06/30/2023					12/31/2022	
	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 years	Total	Total
Bank							
Swap							
Assets	32,274	298,403	2,070,113	8,698	74,649	2,484,137	2,612,245
Hedge accounting	-	152,613	2,041,916	-	-	2,194,529	2,269,800
Dollar x CDI	-	152,613	2,041,916	-	-	2,194,529	2,269,800
Trading objective	32,274	145,790	28,197	8,698	74,649	289,608	342,445
CDI x Dollar	22,730	36,569	3,694	1,847	38,988	103,828	112,819
CDI x fixed rate	5,025	94,840	5,690	-	-	105,555	128,706
Dollar x CDI	1,402	4,112	7,400	-	-	12,914	55,221
Fixed rate x Dollar	3,117	10,269	11,413	-	-	24,799	30,922
Fixed rate x CDI	-	-	-	6,851	35,661	42,512	8,337
Dollar x fixed rate	-	-	-	-	-	-	6,440
Liabilities							
Hedge accounting	733,239	1,139,333	2,044,451	-	-	3,917,023	5,197,823
Dollar x CDI	733,239	1,139,333	2,044,451	-	-	3,917,023	5,197,823
Trading objective	-	-	15,435	92,415	-	107,850	4,370
CDI x Dollar	-	-	-	-	-	-	1,001
Dollar x fixed rate	-	-	3,797	6,479	-	10,276	-
Dollar x CDI	-	-	10,136	85,936	-	96,072	-
CDI x fixed rate	-	-	1,502	-	-	1,502	2,514
Fixed rate x Dollar	-	-	-	-	-	-	855
Forward ("NDF")	3,752,551	638,282	99,536	-	-	4,490,369	4,363,730
Long position	998,856	529,136	99,536	-	-	1,627,528	1,227,924
Short position	2,753,695	109,146	-	-	-	2,862,841	3,135,806
Futures	8,888,562	6,448,189	9,258,952	1,005,652	418,142	26,019,497	22,867,292
Long position	3,629,732	710,651	1,272,059	254,775	373,922	6,241,139	6,926,769
Trading strategy	3,629,732	710,651	1,272,059	254,775	373,922	6,241,139	6,926,769
Foreign exchange coupon (DDI)	1,605,568	275,090	-	-	-	1,880,658	1,898,946
Dollar futures (DOL)	2,024,164	-	-	-	-	2,024,164	2,868,702
Interest rate futures (DI)	-	160,973	-	22,188	161,759	344,920	470,036
Coupon future IPC-A (DAP)	-	274,588	1,272,059	232,587	212,163	1,991,397	1,689,085
Short position	5,258,830	5,737,538	7,986,893	750,877	44,220	19,778,358	15,940,523
Hedge accounting	157,924	405,364	628,754	81,979	-	1,274,021	894,970
Interest rate futures (DI)	157,924	405,364	628,754	81,979	-	1,274,021	894,970
Trading strategy	5,100,906	5,332,174	7,358,139	668,898	44,220	18,504,337	15,045,553
Foreign exchange coupon (DDI)	-	297,222	378,835	47,904	12,803	736,764	2,718,769
Dollar futures (DOL)	899,986	-	-	-	-	899,986	-
Interest rate futures (DI)	4,200,920	5,034,952	6,979,304	620,994	12,278	16,848,448	12,318,182
Coupon future IPC-A (DAP)	-	-	-	-	19,139	19,139	8,602
Options	260,243	238,603	53,286	-	-	552,132	538,299
Long position	126,273	100,552	24,103	-	-	250,928	246,417
Foreign currency	126,273	100,552	24,103	-	-	250,928	246,417
Short position	133,970	138,051	29,183	-	-	301,204	291,882
Foreign currency	133,970	138,051	29,183	-	-	301,204	291,882
Controlled entity							
Swap							
Assets							
Trading objective	-	-	-	-	16,410	16,410	16,410
Real x Dollar	-	-	-	-	16,410	16,410	16,410



9 - LENDING OPERATIONS

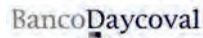
a) Summary of credit portfolio and extended credit portfolio

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Loans ⁽¹⁾	32,058,176	31,017,630	32,324,423	31,285,002
Leasing ⁽²⁾	-	-	2,541,185	2,463,780
Other transactions with loan characteristics	9,590,508	13,913,718	9,634,755	13,932,120
Income receivable from advances granted (Note 10 - Exchange Gains)	19,043	21,014	19,043	21,014
Financed imports (Nota 10 - Exchange Losses)	11,778	36,820	11,778	36,820
Advances on foreign exchange contracts (Nota 10 - Exchange Losses)	748,891	835,678	748,891	835,678
Income to be allocated to advances granted (Note 10 - Exchange Losses)	(839)	(1,107)	(839)	(1,107)
Total credit portfolio	42,427,557	45,823,753	45,279,236	48,573,307
Private-sector securities (Note 7.a) ⁽³⁾	1,736,276	1,110,605	1,736,276	1,110,605
Financial guarantees provided	5,725,564	5,763,769	5,725,564	5,763,769
Total extended credit portfolio ⁽¹⁾	49,889,397	52,698,127	52,741,076	55,447,681

(1) As at June 30, 2023, includes gains of R\$20,747 (losses of R\$6,151 as at December 31, 2022) relating to the fair value adjustment of vehicle financing operations, subject to hedge accounting, both for the Bank and the consolidated. This amount is not being included in the total of lending operations presented in the subsequent notes.

(2) The leasing portfolio is comprised of finance and operating lease transactions at present value.

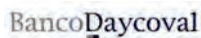
(3) Private-sector securities are comprised of rural product notes, debentures, certificates of agribusiness receivables, certificates of real estate receivables and commercial notes.



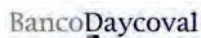
b) Breakdown of portfolio with loan characteristics

i. By segment, type of operation and risk level

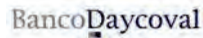
Bank										
06/30/2023	AA	A	B	C	D	E	F	G	H	Total
Corporate segment	7,216,752	15,905,843	2,454,258	690,032	362,671	168,840	154,560	602,880	344,201	27,900,037
Loans	698,233	5,356,344	786,811	271,388	216,247	108,874	71,122	56,446	239,319	7,804,784
FGI PEAC	8,391	2,006,132	98,223	53,156	42,583	26,612	23,580	9,092	79,342	2,347,111
FGI PEAC II ⁽³⁾	-	1,689,293	38,501	36,386	18,044	9,565	4,646	6,888	2,493	1,805,816
PRONAMPE ⁽⁴⁾	-	5,681	762	295	80	-	-	-	639	7,457
Discounted trade notes	2,423,130	287,697	45,498	20,962	2,797	-	1,338	2,709	2,267	2,786,398
Financing	171,919	1,676,594	74,495	34,708	8,548	1,231	7,072	2,747	2,474	1,979,788
Rural and agro-industrial financing	7,766	214,920	-	-	-	-	-	-	-	222,686
Payables for purchase of assets	-	20,989	3,226	10,136	690	-	1,200	-	-	36,241
Purchase of credit rights without right of recourse	3,145,167	3,984,664	1,319,202	250,009	68,098	14,188	37,638	522,621	17,548	9,359,135
Advances on foreign exchange contracts	123,267	526,849	80,285	12,281	5,584	8,370	7,964	2,377	119	767,096
Import financing	441,178	136,680	7,255	711	-	-	-	-	-	585,824
Export financing	197,701	-	-	-	-	-	-	-	-	197,701
Retail segment	152	9,402,464	3,080,577	1,264,046	194,405	82,238	55,910	44,310	382,671	14,506,773
Payroll-deductible loans	-	9,402,456	1,589,990	732,781	64,632	32,779	29,282	25,504	296,034	12,173,458
Loans backed by real estate	-	-	169,478	4,932	1,973	538	528	2,267	400	180,116
Discounted trade notes	-	8	-	-	-	-	-	-	-	8
Vehicle financing	152	-	1,310,259	526,333	127,800	48,921	26,100	16,539	86,237	2,142,341
Real estate financing	-	-	10,850	-	-	-	-	-	-	10,850
Total portfolio of transactions with loan characteristics	7,216,904	25,308,307	5,534,835	1,954,078	557,076	251,078	210,470	647,190	726,872	42,406,810
Corporate segment										
Private-sector securities (Note 7.a)	234,073	1,424,947	68,659	-	8,022	-	-	-	575	1,736,276
Total private-sector securities	234,073	1,424,947	68,659	-	8,022	-	-	-	575	1,736,276
Corporate segment										
Financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total extended credit portfolio	10,252,222	29,134,608	6,042,766	2,015,222	583,417	254,020	211,344	647,190	727,861	49,868,650
Breakdown of the portfolio of transactions with loan characteristics in normal and abnormal course										
Transactions in normal course ⁽¹⁾	7,216,904	24,330,176	4,767,717	1,301,562	234,996	31,185	29,671	64,072	75,451	38,051,734
Transactions in abnormal course ⁽²⁾	-	978,131	767,118	652,516	322,080	219,893	180,799	583,118	651,421	4,355,076
Total portfolio of transactions with loan characteristics	7,216,904	25,308,307	5,534,835	1,954,078	557,076	251,078	210,470	647,190	726,872	42,406,810



12/31/2022	AA	A	B	C	D	E	F	G	H	Total
Corporate segment	8,730,807	18,765,236	3,180,491	884,385	250,897	100,940	730,482	96,770	246,480	32,986,488
Loans	321,709	5,906,444	1,025,107	380,417	147,521	51,669	126,455	84,957	155,984	8,200,263
FGI PEAC	13,513	3,095,873	172,742	66,303	35,711	21,889	84,674	9,964	50,539	3,551,208
FGI PEAC II (3)	-	1,308,812	22,046	6,455	611	947	-	-	-	1,338,871
PRONAMPE (4)	-	5,716	720	680	298	79	-	-	-	7,493
Discounted trade notes	1,447,819	317,693	42,039	20,232	8,355	948	529	403	9,770	1,847,788
Financing	112,774	1,685,135	227,551	65,561	11,353	3,337	1,890	-	7,841	2,115,442
Rural and agro-industrial financing	15,544	311,980	-	-	-	-	-	-	2,184	329,708
Debtors for purchase of assets	-	25,881	6,464	6,783	-	-	-	-	-	39,128
Purchase of credit rights without right of recourse	5,914,267	5,203,083	1,576,320	329,338	47,048	13,447	516,032	1,446	20,162	13,621,143
Advances on foreign exchange contracts	117,813	612,191	107,439	8,616	-	8,624	902	-	-	855,585
Import financing	592,854	292,428	63	-	-	-	-	-	-	885,345
Export financing	194,514	-	-	-	-	-	-	-	-	194,514
Retail segment	-	7,994,764	2,876,625	1,257,081	181,131	83,658	49,960	44,942	355,255	12,843,416
Payroll-deductible loans	-	7,994,753	1,477,854	692,218	42,918	32,047	25,919	28,357	285,098	10,579,164
Loans backed by real estate	-	-	144,933	4,964	3,018	292	104	108	-	153,419
Discounted trade notes	-	11	-	-	-	-	-	-	3	14
Vehicle financing	-	-	1,244,407	559,899	135,195	51,319	23,937	16,477	70,154	2,101,388
Real estate financing	-	-	9,431	-	-	-	-	-	-	9,431
Total portfolio of transactions with loan characteristics	8,730,807	26,760,000	6,057,116	2,141,466	432,028	184,598	780,442	141,712	601,735	45,829,904
Corporate segment										
Private-sector securities (Note 7.a)	205,499	872,138	2,433	29,960	-	-	-	575	-	1,110,605
Total private-sector securities	205,499	872,138	2,433	29,960	-	-	-	575	-	1,110,605
Corporate segment										
Financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total extended credit portfolio	11,612,619	30,114,849	6,554,815	2,212,478	493,724	186,423	784,759	142,462	602,149	52,704,278
Breakdown of the portfolio of transactions with loan characteristics in normal and abnormal course										
Transactions in normal course ⁽¹⁾	8,730,807	25,919,890	5,265,052	1,590,661	253,972	54,540	616,786	47,794	81,994	42,561,496
Transactions in abnormal course ⁽²⁾	-	840,110	792,064	550,805	178,056	130,058	163,656	93,918	519,741	3,268,408
Total portfolio of transactions with loan characteristics	8,730,807	26,760,000	6,057,116	2,141,466	432,028	184,598	780,442	141,712	601,735	45,829,904



Consolidated										
06/30/2023	AA	A	B	C	D	E	F	G	H	Total
Corporate segment	7,821,585	17,560,040	2,858,090	824,096	395,939	172,063	162,488	603,215	354,200	30,751,716
Loans	698,233	5,384,281	788,467	272,959	216,247	108,874	71,122	56,446	239,319	7,835,948
FGI PEAC	8,391	2,006,132	98,223	53,156	42,583	26,612	23,580	9,092	79,342	2,347,111
FGI PEAC II ⁽³⁾	-	1,689,293	38,501	36,386	18,044	9,565	4,646	6,888	2,493	1,805,816
PRONAMPE ⁽⁴⁾	-	5,681	762	295	80	-	-	-	639	7,457
Discounted trade notes	2,423,130	287,697	45,498	20,962	2,797	-	1,338	2,709	2,267	2,786,398
Financing	173,642	1,839,313	110,551	45,068	25,913	3,417	9,130	2,747	5,090	2,214,871
Rural and agro-industrial financing	7,766	214,920	-	-	-	-	-	-	-	222,686
Debtors for purchase of assets	-	20,989	3,226	10,136	690	-	1,200	-	-	36,241
Purchase of credit rights without right of recourse	3,162,864	4,009,444	1,320,972	250,009	68,098	14,188	37,638	522,621	17,548	9,403,382
Advances on foreign exchange contracts	123,267	526,849	80,285	12,281	5,584	8,370	7,964	2,377	119	767,096
Leasing	585,413	1,438,761	364,350	122,133	15,903	1,037	5,870	335	7,383	2,541,185
Import financing	441,178	136,680	7,255	711	-	-	-	-	-	585,824
Export financing	197,701	-	-	-	-	-	-	-	-	197,701
Retail segment	152	9,402,464	3,080,577	1,264,046	194,405	82,238	55,910	44,310	382,671	14,506,773
Payroll-deductible loans	-	9,402,456	1,589,990	732,781	64,632	32,779	29,282	25,504	296,034	12,173,458
Loans backed by real estate	-	-	169,478	4,932	1,973	538	528	2,267	400	180,116
Discounted trade notes	-	8	-	-	-	-	-	-	-	8
Vehicle financing	152	-	1,310,259	526,333	127,800	48,921	26,100	16,539	86,237	2,142,341
Real estate financing	-	-	10,850	-	-	-	-	-	-	10,850
Total portfolio of transactions with loan characteristics	7,821,737	26,962,504	5,938,667	2,088,142	590,344	254,301	218,398	647,525	736,871	45,258,489
Corporate segment										
Private-sector securities (Note 7.a)	234,073	1,424,947	68,659	-	8,022	-	-	-	575	1,736,276
Total private-sector securities	234,073	1,424,947	68,659	-	8,022	-	-	-	575	1,736,276
Corporate segment										
Financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total extended credit portfolio	10,857,055	30,788,805	6,446,598	2,149,286	616,685	257,243	219,272	647,525	737,860	52,720,329
Breakdown of portfolio of transaction with loan characteristics in normal and abnormal course										
Transactions in normal course ⁽¹⁾	7,821,737	25,974,870	5,164,724	1,430,833	265,245	34,022	35,231	64,072	77,446	40,868,180
Transactions in abnormal course ⁽²⁾	-	987,634	773,943	657,309	325,099	220,279	183,167	583,453	659,425	4,390,309
Total portfolio of transaction with loan characteristics in normal and abnormal course	7,821,737	26,962,504	5,938,667	2,088,142	590,344	254,301	218,398	647,525	736,871	45,258,489



12/31/2022	AA	A	B	C	D	E	F	G	H	Total
Corporate segment	9,308,266	19,801,519	4,132,664	1,024,221	277,801	104,473	734,529	96,827	255,742	35,736,042
Loans	337,459	5,920,560	1,026,765	380,417	147,521	52,018	126,455	84,957	155,984	8,232,136
FGI PEAC	13,513	3,095,873	172,742	66,303	35,711	21,889	84,674	9,964	50,539	3,551,208
FGI PEAC II (3)	-	1,308,812	22,046	6,455	611	947	-	-	-	1,338,871
PRONAMPE (4)	-	5,716	720	680	298	79	-	-	-	7,493
Discounted trade notes	1,447,819	317,693	42,039	20,232	8,355	948	529	403	9,770	1,847,788
Financing	117,068	1,737,390	379,181	82,228	17,259	4,768	1,962	-	11,085	2,350,941
Rural and agro-industrial financing	15,544	311,980	-	-	-	-	-	-	2,184	329,708
Debtors for purchase of assets	-	25,881	6,464	6,783	-	-	-	-	-	39,128
Purchase of credit rights without right of recourse	5,919,249	5,207,210	1,585,613	329,338	47,048	13,447	516,032	1,446	20,162	13,639,545
Advances on foreign exchange contracts	117,813	612,191	107,439	8,616	-	8,624	902	-	-	855,585
Leasing	552,433	965,785	789,592	123,169	20,998	1,753	3,975	57	6,018	2,463,780
Import financing	592,854	292,428	63	-	-	-	-	-	-	885,345
Export financing	194,514	-	-	-	-	-	-	-	-	194,514
Retail segment	-	7,994,764	2,876,625	1,257,081	181,131	83,658	49,960	44,942	355,255	12,843,416
Payroll-deductible loans	-	7,994,753	1,477,854	692,218	42,918	32,047	25,919	28,357	285,098	10,579,164
Loans backed by real estate	-	-	144,933	4,964	3,018	292	104	108	-	153,419
Discounted trade notes	-	11	-	-	-	-	-	-	3	14
Vehicle financing	-	-	1,244,407	559,899	135,195	51,319	23,937	16,477	70,154	2,101,388
Real estate financing	-	-	9,431	-	-	-	-	-	-	9,431
Total portfolio of transactions with loan characteristics	9,308,266	27,796,283	7,009,289	2,281,302	458,932	188,131	784,489	141,769	610,997	48,579,458
Corporate segment										
Private-sector securities (Note 7.a)	205,499	872,138	2,433	29,960	-	-	-	575	-	1,110,605
Total private-sector securities	205,499	872,138	2,433	29,960	-	-	-	575	-	1,110,605
Corporate segment										
Financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total extended credit portfolio	12,190,078	31,151,132	7,506,988	2,352,314	520,628	189,956	788,806	142,519	611,411	55,453,832
Breakdown of portfolio of transaction with loan characteristics in normal and abnormal course										
Transactions in normal course ⁽¹⁾	9,308,266	26,955,692	6,209,804	1,727,828	280,610	57,277	617,326	47,851	84,851	45,289,505
Transactions in abnormal course ⁽²⁾	-	840,591	799,485	553,474	178,322	130,854	167,163	93,918	526,146	3,289,953
Total portfolio of transaction with loan characteristics in normal and abnormal course	9,308,266	27,796,283	7,009,289	2,281,302	458,932	188,131	784,489	141,769	610,997	48,579,458

(1) Operations without past-due installments and/or with installments past due up to 14 days.

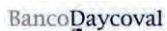
(2) Operations with at least one installment past due for more than 14 days.

(3) New phase of loans made, beginning August 2022, within the scope of the Emergency Credit Access Program (PEAC), set forth in Provisional Act (MP) 1,114/22, established through Law No. 14,042/20, collateralized by the Investment Guarantee Fund (FGI).

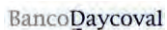
(4) Loans made, beginning July 2022, within the scope of the National Program to Support Micro and Small-Sized Companies (PRONAMPE), established through Law 13,999/20, guaranteed by the Operation Guarantee Fund (FGO).

ii. By maturity, risk level and breakdown of the provision associated with the credit risk

Bank										
06/30/2023	AA	A	B	C	D	E	F	G	H	Total
In normal course ⁽¹⁾	7,216,904	24,330,176	4,767,717	1,301,562	234,996	31,185	29,671	64,072	75,451	38,051,734
Installments falling due	7,216,904	24,278,688	4,745,526	1,285,213	233,769	30,963	29,613	64,018	70,380	37,955,074
Up to 3 months	5,686,196	7,719,074	1,683,940	352,908	100,294	8,665	6,343	41,427	9,094	15,607,941
3 to 12 months	1,165,526	6,668,897	1,185,082	331,483	75,872	13,324	12,011	8,854	15,349	9,476,398
1 to 3 years	307,811	6,583,683	1,281,476	388,953	52,613	7,495	8,211	11,318	25,586	8,667,146
3 to 5 years	55,173	2,312,941	351,962	134,092	4,116	1,442	2,659	2,419	16,041	2,880,845
Over 5 years	2,198	994,093	243,066	77,777	874	37	389	-	4,310	1,322,744
Past due up to 14 days	-	51,488	22,191	16,349	1,227	222	58	54	5,071	96,660
In abnormal course ⁽²⁾	-	978,131	767,118	652,516	322,080	219,893	180,799	583,118	651,421	4,355,076
Installments falling due	-	954,693	683,783	547,668	259,707	112,765	89,737	338,328	331,915	3,318,596
Up to 3 months	-	451,545	128,912	79,820	40,229	21,146	13,911	281,005	36,743	1,053,311
3 to 12 months	-	177,670	170,242	166,420	88,336	36,120	33,784	29,884	90,448	792,904
1 to 3 years	-	198,763	243,158	226,008	109,357	45,246	35,235	20,925	142,070	1,020,762
3 to 5 years	-	87,314	92,582	52,335	17,131	8,090	5,267	4,622	51,334	318,675
Over 5 years	-	39,401	48,889	23,085	4,654	2,163	1,540	1,892	11,320	132,944
Installments past due	-	23,438	83,335	104,848	62,373	107,128	91,062	244,790	319,506	1,036,480
Up to 60 days	-	23,438	83,335	100,991	29,257	16,331	18,456	22,333	38,014	332,155
61 to 90 days	-	-	-	2,882	28,936	7,037	27,898	163,397	18,128	248,278
91 to 180 days	-	-	-	975	4,180	82,258	42,189	56,132	65,278	251,012
181 to 360 days	-	-	-	-	-	1,502	2,519	2,928	198,086	205,035
Total portfolio of transactions with loan characteristics	7,216,904	25,308,307	5,534,835	1,954,078	557,076	251,078	210,470	647,190	726,872	42,406,810
Term ⁽³⁾										
Up to 3 months	5,345	78,948	1,815	-	-	-	-	-	-	86,108
3 to 12 months	32,888	467,542	1,091	-	-	-	-	-	-	501,521
1 to 3 years	183,526	427,261	43,461	-	-	-	-	-	-	654,248
3 to 5 years	5,512	420,939	2,020	-	8,022	-	-	-	-	436,493
Over 5 years	6,802	30,257	20,272	-	-	-	-	-	-	57,331
Past due from 181 to 360 days	-	-	-	-	-	-	-	-	575	575
Total private-sector securities (Note 7.a)	234,073	1,424,947	68,659	-	8,022	-	-	-	575	1,736,276
Financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total extended credit portfolio	10,252,222	29,134,608	6,042,766	2,015,222	583,417	254,020	211,344	647,190	727,861	49,868,650
Provision associated with credit risk										
Minimum required ⁽⁴⁾	-	126,542	55,348	58,622	55,708	75,324	105,235	453,033	726,872	1,656,684
Additional ⁽⁵⁾	-	-	44,279	72,301	48,466	42,683	-	-	-	207,729
Total provision associated with credit risk on the portfolio of transactions with loan characteristics	-	126,542	99,627	130,923	104,174	118,007	105,235	453,033	726,872	1,864,413
Minimum required ⁽⁴⁾	-	7,124	687	-	802	-	-	-	575	9,188
Additional ⁽⁵⁾	-	-	64	-	-	-	-	-	-	64
Total provision associated with credit risk on private-sector securities	-	7,124	751	-	802	-	-	-	575	9,252
Minimum required ⁽⁴⁾	-	12,007	4,393	1,834	1,832	883	437	-	414	21,800
Additional ⁽⁵⁾	-	-	3,514	2,262	1,594	500	-	-	-	7,870
Total provision associated with credit risk on financial guarantees provided ⁽⁶⁾	-	12,007	7,907	4,096	3,426	1,383	437	-	414	29,670
Total provision associated with credit risk on extended credit portfolio	-	145,673	108,285	135,019	108,402	119,390	105,672	453,033	727,861	1,903,335



12/31/2022	AA	A	B	C	D	E	F	G	H	Total
In normal course ⁽¹⁾	8,730,807	25,919,890	5,265,052	1,590,661	253,972	54,540	616,786	47,794	81,994	42,561,496
Installments falling due	8,730,807	25,791,983	5,235,736	1,575,977	251,059	54,299	616,554	47,265	81,586	42,385,266
Up to 3 months	7,388,405	9,022,334	1,832,340	436,016	89,100	16,217	64,663	15,554	12,576	18,877,205
3 to 12 months	955,940	7,585,154	1,416,474	518,976	82,313	22,714	515,549	28,526	24,292	11,149,938
1 to 3 years	379,430	6,608,297	1,398,944	437,414	70,267	13,527	33,801	2,612	30,368	8,974,660
3 to 5 years	7,032	1,900,328	388,748	123,880	7,685	1,795	2,541	559	9,105	2,441,673
Over 5 years	-	675,870	199,230	59,691	1,694	46	-	14	5,245	941,790
Past due up to 14 days	-	127,907	29,316	14,684	2,913	241	232	529	408	176,230
In abnormal course ⁽²⁾	-	840,110	792,064	550,805	178,056	130,058	163,656	93,918	519,741	3,268,408
Installments falling due	-	830,106	740,164	503,973	144,673	93,166	103,052	38,351	263,669	2,717,154
Up to 3 months	-	299,735	202,705	63,582	22,398	18,349	16,597	5,674	28,966	658,006
3 to 12 months	-	198,891	159,211	147,686	51,395	29,710	40,995	12,240	76,193	716,321
1 to 3 years	-	204,648	227,851	207,994	56,463	36,711	39,478	15,742	105,491	894,378
3 to 5 years	-	91,397	99,921	54,914	10,333	6,257	4,476	3,807	42,133	313,238
Over 5 years	-	35,435	50,476	29,797	4,084	2,139	1,506	888	10,886	135,211
Installments past due	-	10,004	51,900	46,832	33,383	36,892	60,604	55,567	256,072	551,254
Up to 60 days	-	10,004	51,900	43,064	15,986	13,713	24,934	7,612	44,320	211,533
61 to 90 days	-	-	-	2,802	10,867	4,663	11,477	2,197	21,968	53,974
91 to 180 days	-	-	-	966	3,303	16,388	21,111	43,023	45,138	129,929
181 to 360 days	-	-	-	-	3,227	2,128	3,082	2,735	144,646	155,818
Total portfolio of transactions with loan characteristics	8,730,807	26,760,000	6,057,116	2,141,466	432,028	184,598	780,442	141,712	601,735	45,829,904
Term ⁽³⁾										
Up to 3 months	17,526	25,521	1,300	-	-	-	-	-	-	44,347
3 to 12 months	19,247	249,010	648	-	-	-	-	-	-	268,905
1 to 3 years	47,342	381,489	406	-	-	-	-	-	-	429,237
3 to 5 years	120,876	209,801	-	29,960	-	-	-	-	-	360,637
Over 5 years	508	6,317	-	-	-	-	-	-	-	6,825
Past due up to 14 days	-	-	79	-	-	-	-	-	-	79
Past due from 91 to 180 days	-	-	-	-	-	-	-	575	-	575
Total private-sector securities (Note 7.a)	205,499	872,138	2,433	29,960	-	-	-	575	-	1,110,605
Financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total extended credit portfolio	11,612,619	30,114,849	6,554,815	2,212,478	493,724	186,423	784,759	142,462	602,149	52,704,278
Provision associated with credit risk										
Minimum required ⁽⁴⁾	-	133,800	60,571	64,244	43,203	55,379	390,221	99,198	601,735	1,448,351
Additional ⁽⁵⁾	-	-	115,085	79,234	37,586	31,381	-	-	-	263,286
Total provision associated with credit risk on the portfolio of transactions with loan characteristics	-	133,800	175,656	143,478	80,789	86,760	390,221	99,198	601,735	1,711,637
Minimum required ⁽⁴⁾	-	4,363	24	912	-	-	-	402	-	5,701
Additional ⁽⁵⁾	-	-	46	-	-	-	-	-	-	46
Total provision associated with credit risk on private-sector securities	-	4,363	70	912	-	-	-	402	-	5,747
Minimum required ⁽⁴⁾	-	12,414	4,953	1,232	6,169	546	2,158	123	414	28,009
Additional ⁽⁵⁾	-	-	9,410	1,519	5,368	310	-	-	-	16,607
Total provision associated with credit risk on financial guarantees provided	-	12,414	14,363	2,751	11,537	856	2,158	123	414	44,616
Total provision associated with credit risk on extended credit portfolio	-	150,577	190,089	147,141	92,326	87,616	392,379	99,723	602,149	1,762,000



Consolidated										
06/30/2023	AA	A	B	C	D	E	F	G	H	Total
In normal course ⁽¹⁾	7,821,737	25,974,870	5,164,724	1,430,833	265,245	34,022	35,231	64,072	77,446	40,868,180
Installments falling due	7,821,737	25,922,498	5,142,363	1,414,442	264,006	33,742	34,960	64,018	72,314	40,770,080
Up to 3 months	5,760,704	7,945,548	1,742,483	367,822	106,305	9,014	7,579	41,427	9,486	15,990,368
3 to 12 months	1,328,151	7,119,589	1,307,071	374,932	91,183	14,351	13,872	8,854	16,308	10,274,311
1 to 3 years	565,255	7,326,089	1,466,319	452,254	60,803	8,338	10,163	11,318	26,169	9,926,708
3 to 5 years	165,087	2,516,549	383,424	141,631	4,841	1,975	2,957	2,419	16,041	3,234,924
Over 5 years	2,540	1,014,723	243,066	77,803	874	64	389	-	4,310	1,343,769
Past due up to 14 days	-	52,372	22,361	16,391	1,239	280	-	54	5,132	98,100
In abnormal course ⁽²⁾	-	987,634	773,943	657,309	325,099	220,279	183,167	583,453	659,425	4,390,309
Installments falling due	-	964,192	690,183	551,912	261,390	113,040	90,158	338,551	336,462	3,345,888
Up to 3 months	-	452,788	129,999	80,560	40,782	21,213	13,978	281,056	37,677	1,058,053
3 to 12 months	-	181,162	173,081	168,958	88,686	36,293	33,964	30,011	92,278	804,433
1 to 3 years	-	203,527	245,632	226,974	110,040	45,281	35,409	20,970	143,853	1,031,686
3 to 5 years	-	87,314	92,582	52,335	17,228	8,090	5,267	4,622	51,334	318,772
Over 5 years	-	39,401	48,889	23,085	4,654	2,163	1,540	1,892	11,320	132,944
Installments past due	-	23,442	83,760	105,397	63,709	107,239	93,009	244,902	322,963	1,044,421
Up to 60 days	-	23,442	83,760	101,540	30,104	16,380	18,693	22,369	38,665	334,953
61 to 90 days	-	-	-	2,882	29,425	7,065	28,675	163,415	18,457	249,919
91 to 180 days	-	-	-	975	4,180	82,292	43,122	56,190	66,310	253,069
181 to 360 days	-	-	-	-	-	1,502	2,519	2,928	199,531	206,480
Total portfolio of transactions with loan characteristics	7,821,737	26,962,504	5,938,667	2,088,142	590,344	254,301	218,398	647,525	736,871	45,258,489
Term ⁽³⁾										
Up to 3 months	5,345	78,948	1,815	-	-	-	-	-	-	86,108
3 to 12 months	32,888	467,542	1,091	-	-	-	-	-	-	501,521
1 to 3 years	183,526	427,261	43,461	-	-	-	-	-	-	654,248
3 to 5 years	5,512	420,939	2,020	-	8,022	-	-	-	-	436,493
Over 5 years	6,802	30,257	20,272	-	-	-	-	-	-	57,331
Past due from 181 to 360 days	-	-	-	-	-	-	-	-	575	575
Total private-sector securities (Note 7.a)	234,073	1,424,947	68,659	-	8,022	-	-	-	575	1,736,276
Financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total financial guarantees provided	2,801,245	2,401,354	439,272	61,144	18,319	2,942	874	-	414	5,725,564
Total extended credit portfolio	10,857,055	30,788,805	6,446,598	2,149,286	616,685	257,243	219,272	647,525	737,860	52,720,329
Provision associated with credit risk										
Minimum required ⁽⁴⁾	-	134,812	59,387	62,644	59,034	76,291	109,199	453,268	736,871	1,691,506
Additional ⁽⁵⁾	-	-	44,279	72,301	48,466	42,683	-	-	-	207,729
Total provision associated with credit risk on the portfolio of transactions with loan characteristics	-	134,812	103,666	134,945	107,500	118,974	109,199	453,268	736,871	1,899,235
Provision associated with credit risk										
Minimum required ⁽⁴⁾	-	7,124	687	-	802	-	-	-	575	9,188
Additional ⁽⁵⁾	-	-	64	-	-	-	-	-	-	64
Total provision associated with credit risk on private-sector securities	-	7,124	751	-	802	-	-	-	575	9,252
Minimum required ⁽⁴⁾	-	12,007	4,393	1,834	1,832	883	437	-	414	21,800
Additional ⁽⁵⁾	-	-	3,514	2,262	1,594	500	-	-	-	7,870
Total provision associated with credit risk on financial guarantees provided ⁽⁶⁾	-	12,007	7,907	4,096	3,426	1,383	437	-	414	29,670
Total provision associated with credit risk on extended credit portfolio	-	153,943	112,324	139,041	111,728	120,357	109,636	453,268	737,860	1,938,157



12/31/2022	AA	A	B	C	D	E	F	G	H	Total
In normal course ⁽¹⁾	9,308,266	26,955,692	6,209,804	1,727,828	280,610	57,277	617,326	47,851	84,851	45,289,505
Installments falling due	9,308,266	26,825,622	6,179,153	1,712,950	277,413	56,984	617,090	47,322	84,432	45,109,232
Up to 3 months	7,466,232	9,142,885	1,954,927	453,373	94,086	16,737	64,821	15,611	13,129	19,221,801
3 to 12 months	1,095,382	7,859,522	1,693,301	560,241	91,814	23,911	515,819	28,526	25,414	11,893,930
1 to 3 years	629,349	7,078,582	1,839,090	503,965	80,754	14,495	33,909	2,612	31,539	10,214,295
3 to 5 years	117,279	2,056,179	489,646	135,678	9,065	1,795	2,541	559	9,105	2,821,847
Over 5 years	24	688,454	202,189	59,693	1,694	46	-	14	5,245	957,359
Past due up to 14 days	-	130,070	30,651	14,878	3,197	293	236	529	419	180,273
In abnormal course ⁽²⁾	-	840,591	799,485	553,474	178,322	130,854	167,163	93,918	526,146	3,289,953
Installments falling due	-	830,567	747,528	506,372	144,914	93,756	105,732	38,351	268,600	2,735,820
Up to 3 months	-	299,791	203,851	63,918	22,449	18,487	17,228	5,674	29,563	660,961
3 to 12 months	-	199,042	161,813	148,577	51,520	30,013	42,590	12,240	77,760	723,555
1 to 3 years	-	204,902	231,462	209,166	56,528	36,860	39,932	15,742	108,250	902,842
3 to 5 years	-	91,397	99,926	54,914	10,333	6,257	4,476	3,807	42,141	313,251
Over 5 years	-	35,435	50,476	29,797	4,084	2,139	1,506	888	10,886	135,211
Installments past due	-	10,024	51,957	47,102	33,408	37,098	61,431	55,567	257,546	554,133
Up to 60 days	-	10,024	51,957	43,334	16,009	13,811	25,368	7,612	44,757	212,872
61 to 90 days	-	-	-	2,802	10,869	4,716	11,715	2,197	22,203	54,502
91 to 180 days	-	-	-	966	3,303	16,443	21,266	43,023	45,625	130,626
181 to 360 days	-	-	-	-	3,227	2,128	3,082	2,735	144,961	156,133
Total portfolio of transactions with loan characteristics	9,308,266	27,796,283	7,009,289	2,281,302	458,932	188,131	784,489	141,769	610,997	48,579,458
Term ⁽³⁾										
Up to 3 months	17,526	25,521	1,300	-	-	-	-	-	-	44,347
3 to 12 months	19,247	249,010	648	-	-	-	-	-	-	268,905
1 to 3 years	47,342	381,489	406	-	-	-	-	-	-	429,237
3 to 5 years	120,876	209,801	-	29,960	-	-	-	-	-	360,637
Over 5 years	508	6,317	-	-	-	-	-	-	-	6,825
Past due up to 14 days	-	-	79	-	-	-	-	-	-	79
Past due from 91 to 180 days	-	-	-	-	-	-	-	575	-	575
Total private-sector securities (Note 7.a)	205,499	872,138	2,433	29,960	-	-	-	575	-	1,110,605
Financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total financial guarantees provided	2,676,313	2,482,711	495,266	41,052	61,696	1,825	4,317	175	414	5,763,769
Total extended credit portfolio	12,190,078	31,151,132	7,506,988	2,352,314	520,628	189,956	788,806	142,519	611,411	55,453,832
Provision associated with credit risk										
Minimum required ⁽⁴⁾	-	138,981	70,093	68,439	45,893	56,439	392,245	99,238	610,997	1,482,325
Additional ⁽⁵⁾	-	-	115,085	79,234	37,586	31,381	-	-	-	263,286
Total provision associated with credit risk on the portfolio of transactions with loan characteristics	-	138,981	185,178	147,673	83,479	87,820	392,245	99,238	610,997	1,745,611
Provision associated with credit risk										
Minimum required ⁽⁴⁾	-	4,363	24	912	-	-	-	402	-	5,701
Additional ⁽⁵⁾	-	-	46	-	-	-	-	-	-	46
Total provision associated with credit risk on private-sector securities	-	4,363	70	912	-	-	-	402	-	5,747
Minimum required ⁽⁴⁾	-	12,414	4,953	1,232	6,169	546	2,158	123	414	28,009
Additional ⁽⁵⁾	-	-	9,410	1,519	5,368	310	-	-	-	16,607
Total provision associated with credit risk on financial guarantees provided ⁽⁶⁾	-	12,414	14,363	2,751	11,537	856	2,158	123	414	44,616
Total provision associated with credit risk on extended credit portfolio	-	155,758	199,611	151,336	95,016	88,676	394,403	99,763	611,411	1,795,974

(1) Operations without past-due installments and/or with installments past due up to 14 days.

(2) Operations with at least one installment past due for more than 14 days.

(3) Private-sector securities are presented with their respective maturities.

(4) Allowance for loan losses associated with credit risk, considering the minimum percentages required by CMN Resolution 2,682/99, and subsequent amendments.

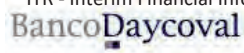
(5) Additional allowance established in relation to the minimum percentage required by the regulation in force, based on an own methodology of credit risk rating and also in connection with the factors described in Note 26.e.

(6) As established by CMN Resolution 4,512/16 concerning accounting procedures applicable to the evaluation and recording of the liability provision for financial guarantees provided, the Bank recorded the provision for bank guarantees based on the parameters set by CMN Resolution 2,682/99, and subsequent amendments, which requires periodic portfolio analysis and its classification into nine levels, namely "AA" (minimum risk) and "H" (maximum risk - loss).

iii. By line of business

	Bank			
	06/30/2023		12/31/2022	
	Value	% exposure	Value	% exposure
Total extended credit portfolio	49,868,650	100.00%	52,704,278	100.00%
Public Sector	25,906	0.06%	38,791	0.08%
State government	2,509	0.01%	3,762	0.01%
Municipal government	23,397	0.05%	35,029	0.07%
Private Sector	49,842,744	99.94%	52,665,487	99.92%
Legal entity	34,219,138	68.61%	38,807,485	73.63%
Industrial	14,608,115	29.28%	15,142,153	28.73%
Commercial	7,838,636	15.72%	9,849,950	18.69%
Financial	177,449	0.36%	228,694	0.43%
Other services	11,372,253	22.80%	13,256,980	25.15%
Rural	222,685	0.45%	329,708	0.63%
Individual	15,623,606	31.33%	13,858,002	26.29%

	Consolidated			
	06/30/2023		12/31/2022	
	Value	% exposure	Value	% exposure
Total extended credit portfolio	52,720,329	100.00%	55,453,832	100.00%
Public Sector	25,906	0.04%	38,791	0.07%
State government	2,509	0.00%	3,762	0.01%
Municipal government	23,397	0.04%	35,029	0.06%
Private Sector	52,694,423	99.96%	55,415,041	99.93%
Legal entity	36,963,521	70.12%	41,469,027	74.78%
Industrial	15,204,926	28.85%	15,769,518	28.44%
Commercial	8,410,064	15.95%	10,373,314	18.71%
Financial	493,182	0.94%	577,970	1.04%
Other services	12,632,664	23.96%	14,418,517	26.00%
Rural	222,685	0.42%	329,708	0.59%
Individual	15,730,902	29.84%	13,946,014	25.15%



c) Financial guarantees provided (Bank and Consolidated)

	06/30/2023	12/31/2022
Open credits for import	174,500	345,145
Beneficiaries of guarantees provided	5,551,064	5,418,624
Total	5,725,564	5,763,769

d) Concentration of the portfolio with loan characteristics

	Bank			
	06/30/2023		12/31/2022	
	Value	% of portfolio	Value	% of portfolio
Largest debtor	1,206,200	2.84%	1,044,830	2.28%
10 largest debtors	2,867,182	6.76%	3,464,667	7.56%
50 next largest debtors	4,089,312	9.64%	4,945,214	10.79%
100 next largest debtors	3,449,658	8.13%	4,431,138	9.67%
Other debtors	30,794,458	72.63%	31,944,055	69.70%
Total	42,406,810	100.00%	45,829,904	100.00%

	Consolidated			
	06/30/2023		12/31/2022	
	Value	% of portfolio	Value	% of portfolio
Largest debtor	1,206,200	2.67%	1,044,830	2.15%
10 largest debtors	3,009,472	6.65%	3,663,088	7.54%
50 next largest debtors	4,304,068	9.51%	5,178,601	10.66%
100 next largest debtors	3,761,796	8.31%	4,632,910	9.54%
Other debtors	32,976,953	72.86%	34,060,029	70.11%
Total	45,258,489	100.00%	48,579,458	100.00%

e) Variations and breakdown of the allowance for loan losses

e.1) Variations of the allowance for loan losses

	Bank		Consolidated	
	Quarter ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Opening balance of the allowance for loan losses	1,850,557	1,637,151	1,887,720	1,662,671
Operations written off as loss	(178,797)	(113,401)	(181,667)	(113,712)
Recognition (reversal) of expenses on the allowance for loan losses in the year	229,968	157,984	230,497	160,429
Minimum required by CMN Resolution 2,682/99 ⁽¹⁾	193,736	143,180	194,265	145,625
Sureties and pledges provided ⁽²⁾	2,344	3,822	2,344	3,822
Additional to the minimum required ⁽³⁾	33,888	10,982	33,888	10,982
Exchange rate changes	-	(1,818)	-	(1,818)
Recognition (reversal) of allowance for loan losses associated with the credit risk of private-sector securities (Note 7a)	1,607	4,884	1,607	4,884
Closing balance of the allowance for loan losses	1,903,335	1,684,800	1,938,157	1,712,454

	Bank		Consolidated	
	Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Opening balance of the allowance for loan losses	1,762,000	1,621,695	1,795,974	1,647,611
Operations written off as loss	(312,566)	(214,074)	(315,436)	(215,283)
Recognition (reversal) of expenses on the allowance for loan losses in the year	450,396	272,970	454,114	275,917
Minimum required by CMN Resolution 2,682/99 ⁽¹⁾	519,866	253,789	523,584	256,736
Sureties and pledges provided ⁽²⁾	(6,210)	9,122	(6,210)	9,122
Additional to the minimum required ⁽³⁾	(63,260)	10,059	(63,260)	10,059
Exchange rate changes	-	(2,990)	-	(2,990)
Recognition (reversal) of allowance for loan losses associated with the credit risk of private-sector securities (Note 7a)	3,505	7,199	3,505	7,199
Closing balance of the allowance for loan losses	1,903,335	1,684,800	1,938,157	1,712,454

e.2) Breakdown of the allowance for loan losses

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Portfolio of transactions with loan characteristics	1,864,413	1,711,637	1,899,235	1,745,611
Minimum required by CMN Resolution 2,682/99 ⁽¹⁾	1,656,684	1,448,351	1,691,506	1,482,325
Additional to the minimum required ⁽³⁾	207,729	263,286	207,729	263,286
Financial guarantees provided	29,670	44,616	29,670	44,616
Minimum required by CMN Resolution 2,682/99 ⁽¹⁾	21,800	28,009	21,800	28,009
Additional to the minimum required ⁽³⁾	7,870	16,607	7,870	16,607
Private-sector securities	9,252	5,747	9,252	5,747
Minimum required by CMN Resolution 2,682/99 ⁽¹⁾	9,188	5,701	9,188	5,701
Additional to the minimum required ⁽³⁾	64	46	64	46
Total allowance for loan losses	1,903,335	1,762,000	1,938,157	1,795,974

(1) This refers to the allowance for losses associated with credit risk considering the minimum percentages required by CMN Resolution No. 2,682/99, and subsequent amendments.

(2) Pursuant to CMN Resolution 4,512/16 on the accounting procedures applicable for the evaluation and recording of a provision for financial guarantees provided, the Bank recorded the provision for bank guarantees based on the parameters set by CMN Resolution 2,682/99, and subsequent amendments, which requires the periodic portfolio analysis and its classification into nine levels, namely "AA" (minimum risk) and "H" (maximum risk - loss).

(3) Additional provision established in relation to the minimum percentage required by the regulation in force, based on a proprietary credit risk evaluation methodology.

f) Renegotiation and recovery of transactions with loan characteristics

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Variations in renegotiated operations for the quarter				
Opening balance	3,133,561	2,921,023	3,214,661	3,004,342
Write-off of renegotiated operations to loss for the quarter	(61,644)	(38,257)	(61,644)	(38,257)
Payments / repayments for the period of renegotiated operations	(666,321)	(671,391)	(676,664)	(757,228)
Renegotiated operations for the quarter	1,033,785	1,131,966	1,579,498	1,215,959
Closing balance	3,439,381	3,343,341	4,055,851	3,424,816
Variations in renegotiated operations for the six-month period				
Opening balance	3,428,559	3,279,582	3,503,162	3,369,615
Write-off of renegotiated operations to loss for the six-month period	(97,571)	(69,471)	(97,571)	(69,655)
Payments / repayments for the six-month period of renegotiated operations	(1,724,019)	(1,615,389)	(1,744,448)	(1,715,594)
Renegotiated operations for the six-month period	1,832,412	1,748,619	2,394,708	1,840,450
Closing balance	3,439,381	3,343,341	4,055,851	3,424,816
Breakdown of the balance of renegotiated operations				
Operations in normal course ⁽¹⁾	2,500,587	2,820,077	3,108,801	2,893,388
Installments falling due	2,478,351	2,801,814	3,085,778	2,875,006
Up to 3 months	614,369	981,159	668,080	996,555
3 to 12 months	1,054,238	967,238	1,195,578	994,702
1 to 3 years	670,252	731,865	940,674	757,473
3 to 5 years	123,466	95,167	256,810	99,891
Over 5 years	16,026	26,385	24,636	26,385
Installments past due for up to 14 days	22,236	18,263	23,023	18,382
Operations in abnormal course ⁽²⁾	938,794	523,264	947,050	531,428
Installments falling due	720,087	401,154	724,718	406,073
Up to 3 months	264,895	74,115	266,128	75,935
3 to 12 months	198,732	144,028	201,254	145,809
1 to 3 years	225,150	163,592	225,986	164,870
3 to 5 years	28,570	14,951	28,610	14,991
Over 5 years	2,740	4,468	2,740	4,468
Installments past due	218,707	122,110	222,332	125,355
Up to 60 days	52,298	48,241	53,767	49,539
61 to 90 days	21,661	20,175	22,882	20,773
91 to 180 days	115,541	39,440	116,476	40,669
181 to 360 days	29,207	14,254	29,207	14,374
Total	3,439,381	3,343,341	4,055,851	3,424,816

(1) Operations without late payment and/or installments up to 14 days past due.

(2) Operations with at least installment over 14 days past due.

As at June 30, 2023, the balance of renegotiated transactions includes R\$126,977 (R\$469,287 as at June 30, 2022), relating to the renegotiated transactions as a result of the circumstances involving the COVID-19 pandemic.

As at June 30, 2023, the Bank recovered loans previously written off as loss, in the amount of R\$87,677 (R\$60,216 as at June 30, 2022) and Daycoval Leasing recovered the amount of R\$568 (R\$469 as at June 30, 2022), recognized in the statements of income in line item "Loan portfolio".

g) Restricted lending transactions (Bank and Consolidated)

As at June 30, 2023, there were no restricted lending transactions.

12/31/2022

Restricted lending transactions

Loans	36,534
Payables for restricted lending transactions	
Bank certificates of deposit - CDBs	35,264

h) Sale or transfer of financial assets (Bank and Consolidated)

The Bank's credit assignments comply with the criteria set out in CMN Resolution 3,533/08, with respect to the classification of these assignments as "Transactions with substantial retention of risks and benefits".

In the six-month period ended June 30, 2023 and year ended December 31, 2022, no credit assignment was carried out.

i) **Reconciliation of the breakdown of the finance lease portfolio, at present value, with the account balances:**

Under the accounting system adopted by the COSIF chart of accounts, finance lease transactions are recorded according to their nature, which are summarized below:

	06/30/2023	12/31/2022
Assets		
Finance lease transactions		
Finance lease receivable	2,420,011	2,323,631
(-) Unearned income from finance lease receivable	(2,351,294)	(2,289,409)
Total	68,717	34,222
Residual values		
Unrealized residual values	1,056,749	938,867
Offsetting residual values	(1,056,749)	(938,867)
Total	-	-
Sundry		
Commitment fee	3,633	2,847
Total	3,633	2,847
Property and equipment for finance lease		
Leased assets	3,638,654	3,391,359
Excess depreciation	684,917	577,510
(-) Insufficient depreciation	(51,382)	(45,384)
(-) Accumulated depreciation on finance lease assets	(1,351,873)	(1,184,939)
Unamortized lease losses	21,749	18,104
Total	2,942,065	2,756,650
Liabilities		
Other payables		
(-) Prepaid guaranteed residual value (VRGA)	(627,259)	(507,261)
Total	(627,259)	(507,261)
Total finance lease at present value	2,387,156	2,286,458

10 - FOREIGN EXCHANGE PORTFOLIO (BANK AND CONSOLIDATED)

	06/30/2023				12/31/2022
	Up to 3 months	3 to 12 Months	1 to 3 years	Value	Value
Assets					
Foreign exchange purchased pending settlement	1,285,012	330,945	4,819	1,620,776	1,200,631
Right on foreign exchange sold	1,384,027	494,393	-	1,878,420	1,359,142
(-) Advances received in local currency	(13,231)	-	-	(13,231)	(37,291)
Income receivable from advances granted (Note 9.a)	9,364	9,165	514	19,043	21,014
Total	2,665,172	834,503	5,333	3,505,008	2,543,496
Liabilities					
Foreign exchange sold pending settlement	1,315,844	491,933	-	1,807,777	1,344,327
(-) Financed imports (Note 9.a)	(11,778)	-	-	(11,778)	(36,820)
Payables for foreign exchange purchased	1,310,509	344,230	5,216	1,659,955	1,186,654
(-) Advances on foreign exchange contracts (Note 9.a)	(411,391)	(332,284)	(5,216)	(748,891)	(835,678)
Amounts in foreign currencies payable	102	-	-	102	16
Unearned income on advances granted (Note 9.a)	600	239	-	839	1,107
Total	2,203,886	504,118	-	2,708,004	1,659,606

11 - OTHER SUNDRY CREDITS

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
	Current	Current	Current	Current
Salary advances	11,420	1,783	11,938	1,823
Advances for payment of our account	29,693	24,288	30,520	25,274
Advances for property, plant and equipment	1,739	933	1,739	933
Reimbursable payments	-	65,766	-	66,033
Prepaid profit sharing	4,587	6,104	4,587	6,104
Premiums paid on the acquisition of lending operations ⁽¹⁾	102,664	108,349	102,605	108,911
Sundry debtors ⁽²⁾	150,103	207,223	151,389	209,078

(1) As at June 30, 2023 and December 31, 2022, refers to premiums paid on the acquisition of loan operations from other institutions comprising the National Financial System, to be recognized in the Bank's income statements, in line item "Lending operations", due to the lapse of the transaction term.

(2) As at June 30, 2023, line item "Sundry debtors" includes primarily: (i) amounts from depositors of secured account pending offset in the amount of R\$56,597 for the Bank and for the consolidated (R\$84,412 for the Bank and R\$66,262 for the consolidated (R\$84,412 for the Bank and R\$84,215 for the consolidated as at December 31, 2022).

12 - OTHER ASSETS

a) Non-financial assets held for sale

	Bank					
	06/30/2023			12/31/2022		
	Gross amount	Provision	Net amount	Gross amount	Provision	Net amount
Received	96,687	(6,592)	90,095	91,885	(5,175)	86,710
Total non-financial assets held for sale	96,687	(6,592)	90,095	91,885	(5,175)	86,710

	Consolidated					
	06/30/2023			12/31/2022		
	Gross amount	Provisão	Valor líquido	Gross amount	Provisão	Valor líquido
Own	143	-	143	-	-	-
Received	97,061	(6,592)	90,469	91,885	(5,175)	86,710
Total non-financial assets held for sale	97,204	(6,592)	90,612	91,885	(5,175)	86,710

b) Prepaid expenses

	Bank					
	06/30/2023					12/31/2022
	Up to 3 months	3 to 12 Months	1 to 3 years	3 to 5 years	Over 5 years	Value ⁽¹⁾
Prepaid expenses	12,049	15,073	10,406	5,676	3,556	46,760
Total prepaid expenses	12,049	15,073	10,406	5,676	3,556	46,760

	Consolidated					
	06/30/2023					12/31/2022
	Up to 3 months	3 to 12 Months	1 to 3 years	3 to 5 years	Over 5 years	Value ⁽¹⁾
Prepaid expenses	12,868	15,079	10,406	5,676	3,556	47,585
Total prepaid expenses	12,868	15,079	10,406	5,676	3,556	47,585

(1) As at June 30, 2023, the balance of prepaid expenses are mainly comprised of commissions on loans and issuances abroad in the amount of R\$16,866 (R\$20,274 as at December 31, 2022), discount on the issuance of securities in the amount of R\$16,965 (R\$16,872 as at December 31, 2022).

13 - FOREIGN BRANCH

The balances of the transactions of Bank Daycoval S.A. - Cayman Branch (foreign branch) conducted with third parties and included in the Bank's interim financial information are as follows:

	06/30/2023		12/31/2022	
	US\$ thousand	R\$ thousand ⁽¹⁾	US\$ thousand	R\$ thousand ⁽¹⁾
Assets				
Cash and cash equivalents	1,941	9,354	450	2,348
Interbank accounts	19,900	95,902	63,750	332,628
Securities	40,646	195,879	9,163	47,810
Lending operations	674,534	3,250,716	434,391	2,269,524
Other credits	7,702	37,116	11,855	61,854
Other assets	353	1,701	49	255
Total assets	745,076	3,590,668	519,658	2,711,419
Liabilities				
Demand deposit	1,063	5,125	865	4,512
Time deposits	508,584	2,450,966	279,722	1,459,505
Securities issued abroad	16,783	80,882	1,866	9,734
Borrowings and onlendings	207,654	1,000,724	202,771	1,058,000
Derivatives	538	2,594	279	1,454
Other sundry payables	655	3,158	1,409	7,352
Total liabilities	735,277	3,543,449	486,912	2,540,557

(1) The amounts in US dollars have been translated into Brazilian reais (R\$) at the exchange rates of R\$/US\$4.8192 and R\$/US\$5.2177, disclosed by the BACEN, for June 30, 2023 and December 31, 2022.

As at June 30, 2023, expenses on exchange rate changes in the amount of R\$10,086 (income of R\$11,076 as at June 30, 2022) on the investment in Banco Daycoval S.A. - Cayman Branch, was recognized in the Bank's profit or loss.

14 - INVESTMENTS IN SUBSIDIARIES**a) Direct subsidiaries**

Companies	Equity	Capital	Number of shares	% interest	Profit (loss)		Adjusted investment amount			Share of profit (loss) of subsidiaries			
					06/30/2023	06/30/2022	06/30/2023	12/31/2022	06/30/2022	Quarter ended		Six-month period ended	
										06/30/2023	06/30/2022	06/30/2023	06/30/2022
Daycoval Leasing ⁽¹⁾	733,117	343,781	5,780,078,463	100.0	60,160	38,729	716,437	652,827	625,199	33,768	19,452	60,160	38,729
Dayprev	38,452	25,000	19,591,614	97.0	1,298	913	37,298	36,036	34,928	650	400	1,259	886
ACS	891,920	623,597	54,225,800	99.9	15,667	13,834	892,453	875,899	853,865	5,115	11,236	15,667	13,834
Daycoval Asset	77,585	1,554	36,875	99.9	4,951	5,120	77,585	72,634	65,706	2,350	2,791	4,951	5,120
Total							1,723,773	1,637,396	1,579,698	41,883	33,879	82,037	58,569

(1) The discount on the acquisition of another financial institution in 2015 is being fully amortized over a period of ten years, as well as the recognition of the deferred tax liability set up at the rates in effect at the time of amortization. The balance as at June 30, 2023 is R\$16,680 (R\$20,131 as at December 31, 2022).

b) Indirect subsidiaries

Companies	Equity	Capital	Number of shares	% interest	Profit (loss)		Adjusted investment amount			Share of profit (loss) of subsidiaries ^{(1) (2)}			
					06/30/2023	06/30/2022	06/30/2023	12/31/2022	06/30/2022	Quarter ended		Six-month period ended	
										06/30/2023	06/30/2022	06/30/2023	06/30/2022
IFP	249,069	260,020	260,020,000	99.9	2,554	8,750	249,068	246,514	246,338	(439)	454	2,554	8,750
SCC	15,600	10,020	10,020,000	99.9	466	394	15,600	15,134	14,702	224	202	466	394
Treetop	81,851	12,860	2,668,585	99.9	4,405	(6,153)	81,851	83,706	85,188	4,161	(13,233)	(2,397)	(12,521)
Total							346,519	345,354	346,228	3,946	(12,577)	623	(3,377)

(1) As at June 30, 2023, expense from exchange rate changes in the amount of R\$6,802 (expense from exchange rate changes in the amount of R\$6,368 as at June 30, 2022) on the investment in Treetop was recognized in profit or loss of ACS Participações (direct parent company), mentioned in table 14.a) above.

(2) As at June 30, 2023, the share in profit (loss) of subsidiaries corresponds to income of R\$623 (expense of R\$3,377 as at June 30, 2022), which was recognized in profit or loss of ACS Participações (direct parent company), mentioned in table 14.a).

c) Associate

Companies	Equity	Capital	Number of shares	% interest	Profit (loss)		Adjusted investment amount			Share of profit (loss) of subsidiaries			
					06/30/2023	06/30/2022	06/30/2023	12/31/2022	06/30/2022	Quarter ended		Six-month period ended	
										06/30/2023	06/30/2022	06/30/2023	06/30/2022
CIP S.A. ⁽¹⁾	2,543,731	1,123,792	250,002	0.49%	280,349	120,471	12,391	11,285	10,406	727	591	1,472	591
Total							12,391	11,285	10,406	727	591	1,472	591

(1) In March 2022, the Interbank Payment Chamber (CIP) was demutualized. The non-profit association underwent a spin-off and part of its net assets was merged into a new CIP S.A, a profit entity.

15 - PROPERTY AND EQUIPMENT IN USE AND FOR OPERATING LEASE

a) Property and equipment in use

	Bank				
	Annual depreciation	06/30/2023			12/31/2022
		Acquisition cost	Accumulated depreciation	Net amount	Net amount
Aircraft	10%	75,865	(43,622)	32,243	36,036
Computers and peripherals	20%	35,759	(22,295)	13,464	11,750
Communications equipment	20%	804	(681)	123	100
Security equipment	10%	1,459	(1,288)	171	221
Properties in use	4%	-	-	-	1,200
Facilities	10%	939	(732)	207	221
Furniture and equipment in use	10%	9,626	(6,095)	3,531	3,078
Vehicles	20%	3,235	(1,990)	1,245	1,613
Total		127,687	(76,703)	50,984	54,219

	Consolidated				
	Annual depreciation	06/30/2023			12/31/2022
		Acquisition cost	Accumulated depreciation	Net amount	Net amount
Aircraft	10%	75,865	(43,622)	32,243	36,036
Computers and peripherals	20%	36,963	(23,415)	13,548	11,840
Communications equipment	20%	1,146	(863)	283	289
Security equipment	10%	1,459	(1,288)	171	221
Properties in use	4%	2,642	(497)	2,145	3,405
Facilities	10%	5,039	(2,201)	2,838	3,051
Furniture and equipment in use	10%	11,950	(7,267)	4,683	4,163
Vehicles	20%	4,798	(3,097)	1,701	2,102
Total		139,862	(82,250)	57,612	61,107

b) Property and equipment for operating lease (Consolidated)

	Annual depreciation	Acquisition cost	06/30/2023		Net amount	12/31/2022
			Accumulated depreciation	Allowance for impairment		Net amount
Facilities	10%	60	(38)	-	22	30
Machinery and equipment	10%	445,586	(259,762)	(4,191)	181,633	211,233
Furniture	10%	10	(6)	-	4	9
Vehicles	20%	927	(398)	-	529	669
Total		446,583	(260,204)	(4,191)	182,188	211,941

16 - REPURCHASE TRANSACTIONS AND FUNDING INSTRUMENTS

a) Breakdown of repurchase transactions by maturity (Bank and Consolidated)

	06/30/2023	12/31/2022
	Up to 3 months	Up to 3 months
Repurchase transactions		
Own portfolio	3,919,268	6,448,013
Financial Treasury Bills (LFT)	3,527,063	6,111,395
National Treasury Bills (LTN)	-	183
Debentures	392,205	336,435
Third-party portfolio	2,877,173	384,002
Financial Treasury Bills (LFT)	1,496,997	-
National Treasury Bills (LTN)	143,596	300,050
National Treasury Notes (NTN)	1,213,993	53,009
Certificates of real estate receivables (CRI)	22,587	30,943
Total	6,796,441	6,832,015

b) Summary of funding instruments

The table below shows the summary of funding instruments used by Daycoval:

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Deposits	21,323,822	17,932,740	21,281,682	17,864,912
Demand deposits	1,337,019	1,765,296	1,331,536	1,760,552
Interbank deposits	432,698	1,862,400	432,698	1,862,400
Time deposits	19,540,573	14,293,851	19,503,916	14,230,767
Other deposits	13,532	11,193	13,532	11,193
Issuance of securities	23,555,030	23,476,949	23,123,157	23,079,455
Mortgage loan notes	1,960,701	1,754,269	1,960,701	1,754,269
Agribusiness and financial letter of credit	2,580,105	2,406,819	2,580,105	2,406,819
Financial bills	17,084,017	17,102,559	16,672,257	16,718,136
Foreign issuance	1,930,207	2,213,302	1,910,094	2,200,231
Borrowings and onlendings	6,518,449	8,209,637	6,518,449	8,209,637
Foreign borrowings	6,058,522	7,820,251	6,058,522	7,820,251
Onlendings - official institutions	459,927	389,386	459,927	389,386
Subordinated debts (Note 16.d)	1,045,144	1,042,478	1,045,144	1,042,478
Financial bills	1,045,144	1,042,478	1,045,144	1,042,478
Total	52,442,445	50,661,804	51,968,432	50,196,482

c) Breakdown of funding instruments by terms

	Bank					Total	Total	
	06/30/2023							12/31/2022
	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years			
Deposits	5,964,372	4,810,729	9,753,469	733,089	62,163	21,323,822	17,932,740	
Demand deposits	1,337,019	-	-	-	-	1,337,019	1,765,296	
Interbank deposits	377,380	29,523	23,621	2,174	-	432,698	1,862,400	
Time deposits	4,236,441	4,781,206	9,729,848	730,915	62,163	19,540,573	14,293,851	
Other deposits	13,532	-	-	-	-	13,532	11,193	
Issuance of securities	1,079,380	6,673,481	13,368,624	1,995,701	437,844	23,555,030	23,476,949	
Mortgage loan notes	182,751	959,760	799,272	11,774	7,144	1,960,701	1,754,269	
Agribusiness and financial letters of credit	484,904	922,748	1,169,750	2,703	-	2,580,105	2,406,819	
Financial bills ⁽¹⁾	383,464	4,733,379	9,555,250	1,981,224	430,700	17,084,017	17,102,559	
Foreign issuance	28,261	57,594	1,844,352	-	-	1,930,207	2,213,302	
Borrowings and onlendings	3,219,656	1,886,552	1,329,060	80,985	2,196	6,518,449	8,209,637	
Foreign borrowings	3,172,913	1,778,141	1,107,468	-	-	6,058,522	7,820,251	
Foreign-currency payables ⁽²⁾	1,070,842	611,154	-	-	-	1,681,996	1,783,551	
Foreign borrowings ^{(3) (4)}	2,102,071	1,166,987	1,107,468	-	-	4,376,526	6,036,700	
Onlendings - official institutions	46,743	108,411	221,592	80,985	2,196	459,927	389,386	
BNDES	14,317	9,506	10,037	640	-	34,500	52,784	
FINAME	32,426	98,905	211,555	80,345	2,196	425,427	336,602	
Subordinated debts (Note 16.d)	-	-	-	-	1,045,144	1,045,144	1,042,478	
Financial bills	-	-	-	-	1,045,144	1,045,144	1,042,478	
Total	10,263,408	13,370,762	24,451,153	2,809,775	1,547,347	52,442,445	50,661,804	

	Consolidated						12/31/2022
	06/30/2023					Total	
	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years		
Deposits	5,958,826	4,806,561	9,725,633	728,499	62,163	21,281,682	17,864,912
Demand deposits	1,331,536	-	-	-	-	1,331,536	1,760,552
Interbank deposits	377,380	29,523	23,621	2,174	-	432,698	1,862,400
Time deposits	4,236,378	4,777,038	9,702,012	726,325	62,163	19,503,916	14,230,767
Other deposits	13,532	-	-	-	-	13,532	11,193
Issuance of securities	1,079,340	6,593,813	13,016,459	1,995,701	437,844	23,123,157	23,079,455
Mortgage loan notes	182,751	959,760	799,272	11,774	7,144	1,960,701	1,754,269
Agribusiness and financial letters of credit	484,904	922,748	1,169,750	2,703	-	2,580,105	2,406,819
Financial bills ⁽¹⁾	383,464	4,653,711	9,223,158	1,981,224	430,700	16,672,257	16,718,136
Foreign issuance	28,221	57,594	1,824,279	-	-	1,910,094	2,200,231
Borrowings and onlendings	3,219,656	1,886,551	1,329,061	80,985	2,196	6,518,449	8,209,637
Foreign borrowings	3,172,913	1,778,140	1,107,469	-	-	6,058,522	7,820,251
Foreign-currency payables ⁽²⁾	1,070,842	611,153	-	-	-	1,681,995	1,783,551
Foreign borrowings ^{(3) (4)}	2,102,071	1,166,987	1,107,469	-	-	4,376,527	6,036,700
Onlendings - official institutions	46,743	108,411	221,592	80,985	2,196	459,927	389,386
BNDES	14,317	9,506	10,037	640	-	34,500	52,784
FINAME	32,426	98,905	211,555	80,345	2,196	425,427	336,602
Subordinated debts (Note 16.d)	-	-	-	-	1,045,144	1,045,144	1,042,478
Financial bills	-	-	-	-	1,045,144	1,045,144	1,042,478
Total	10,257,822	13,286,925	24,071,153	2,805,185	1,547,347	51,968,432	50,196,482

(1) Pursuant to the Notice to the Market, published on January 24, 2023, Daycoval has completed the thirteenth issuance of Financial Bills, in the amount of R\$269.2 million. The Financial Bills were issued in five series, the first in the amount of R\$141.4 million for three years; the second for five years, in the amount of R\$39.4 million; the third in the amount of R\$53.6 million, for ten years; the fourth in the amount of R\$12.5 million, for ten years; and the fifth in the amount of R\$22.3 million, for ten years.

(2) The balance of "Foreign-currency payables" refers to funding for foreign exchange operations related to export and import financing.

(3) As at June 30, 2023, includes foreign loan transactions, in the amount of US\$1.0 billion (US\$1.1 billion as at December 31, 2022), subject to hedge accounting of market risk (note 8), which carrying amount and fair value amount to R\$3,866,430 and R\$3,841,106, respectively (R\$5,326,667 and R\$5,389,898 as at December 31, 2022).

(4) On March 15 and March 24, 2023, Daycoval raised from International Finance Corporation - IFC, the amounts of US\$169 million and US\$20 million, both maturing on September 16, 2024, both subject to hedge accounting.

Financial covenants

There was no breach of covenants linked to borrowing agreements with the International Finance Corporation - IFC and the Inter-American Development Bank – IDB, recognized in line item "Borrowings", that could result in the accelerated maturity of the agreements entered into with the Bank and these institutions.

d) Subordinated debts (Bank and Consolidated)

Tier of Capital	Funding Instrument	06/30/2023		Issuance amount (R\$ million)	% of index	Date of BACEN'S authorization to comprise Capital ⁽¹⁾
		Dates of issuance	Dates of maturity			
Complementary Tier I	Financial bills	10/15/2021	Perpetual	500,000	140% CDI	10/15/2021
Complementary Tier I	Financial bills	02/11/2021	Perpetual	163,875	150% CDI	03/05/2021
Complementary Tier I	Financial bills	04/15/2020	Perpetual	240,000	150% CDI	06/10/2020
Complementary Tier I	Financial bills	02/19/2020	Perpetual	50,000	135% CDI	04/15/2020

(1) Funding was authorized by the BACEN to comprise the Bank's Regulatory Capital, pursuant to CMN Resolution 4,955/21.

There were no changes in the breakdown of subordinated debts during the six-month period ended June 30, 2023 and year ended December 31, 2022.

17 - OTHER OBLIGATIONS

a) Social and statutory

	Bank		Consolidated	
	Current		Current	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Dividends and/or interest on capital payable	88,675	75,806	88,675	75,806
Profit sharing program	107,118	198,942	108,981	201,777
Bonus and profit sharing payable	1,028	-	1,028	-
Total	196,821	274,748	198,684	277,583

b) Sundry

	Bank		Consolidated			
	Current		Current		Noncurrent	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Administrative checks	-	800	-	800	-	-
Creditors for unreleased resources	8,391	11,459	8,391	11,459	-	-
Payables to related party	1,554	1,739	-	-	-	-
Amounts to be returned to clients	6,071	5,287	6,071	5,287	-	-
Accrued payments						
Personnel expenses	75,774	55,938	72,762	35,322	15,785	10,708
Trade payables	30,231	42,444	32,232	45,645	-	-
Commissions payable for intermediation of operations	25,232	16,827	25,232	16,827	-	-
Accrued sundry payments	9,244	4,318	7,575	22,729	-	-
Discounted notes partially received	10,686	9,221	10,686	9,221	-	-
Collections for release	19,263	29,116	19,263	29,116	-	-
Insurance payable	5,688	6,574	5,688	6,574	-	-
Income from securities receivable	20,365	21,146	20,365	21,146	-	-
Surety commissions	44,469	37,615	46,501	96,272	-	-
Discounts linked to leases	-	-	17,824	15,646	-	-
Discount on the acquisition of Daycoval Leasing	-	-	6,672	6,710	10,008	13,420
Obligations for return of tariffs	37	41	37	41	-	-
Other sundry creditors	86,822	66,293	87,086	72,869	-	-
Total	343,827	308,818	366,385	395,664	25,793	24,128

18 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES AND LEGAL OBLIGATIONS

a) Contingent assets

Daycoval and its subsidiaries did not recognize contingent assets as at June 30, 2023 and December 31, 2022.

b) Provisions for lawsuits and legal obligations

The Bank is a party to lawsuits involving labor, civil and tax matters. Provisions are recorded based on the criteria described in note 3.q. The Bank's Management understands that the provisions recorded are sufficient to cover probable losses on these lawsuits.

The balances of provisions for tax, civil and labor risks recognized and the respective variations as at June 30, 2023 and year ended December 31, 2022, are broken down below:

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Legal obligations - tax risks	1,975,145	1,918,896	1,977,446	1,920,734
Civil lawsuits	155,787	138,177	156,957	138,960
Labor lawsuits	44,774	44,393	56,369	55,924
Total	2,175,706	2,101,466	2,190,772	2,115,618

Risks	Six-month period ended June 30, 2023					
	Bank			Consolidated		
	Opening balance	Recognition (reversal) ⁽¹⁾	Closing balance	Opening balance	Recognition (reversal) ⁽¹⁾	Closing balance
Tax	1,918,896	56,249	1,975,145	1,920,734	56,712	1,977,446
Civil	138,177	17,610	155,787	138,960	17,997	156,957
Labor	44,393	381	44,774	55,924	445	56,369
Total	2,101,466	74,240	2,175,706	2,115,618	75,154	2,190,772

Risks	Year ended December 31, 2022					
	Bank			Consolidated		
	Opening balance	Recognition (reversal) ⁽¹⁾	Closing balance	Opening balance	Recognition (reversal) ⁽¹⁾	Closing balance
Tax	1,812,691	106,205	1,918,896	1,813,790	106,944	1,920,734
Civil	115,688	22,489	138,177	116,382	22,578	138,960
Labor	47,105	(2,712)	44,393	57,537	(1,613)	55,924
Total	1,975,484	125,982	2,101,466	1,987,709	127,909	2,115,618

(1) Includes monetary adjustment and payments.

c) Escrow deposits for tax, civil and labor risks

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Tax	1,800,499	1,733,400	1,800,882	1,733,400
Civil	51,097	45,749	51,127	45,772
Labor	16,313	15,288	21,253	19,473
Total	1,867,909	1,794,437	1,873,262	1,798,645

d) The Bank is challenging in court the legality of certain taxes and contributions and the related amounts are fully accrued and adjusted:

IRPJ

Challenges the effect from the extinguishment of the monetary adjustment to the balance sheet and deduction of tax incentives (FINAM), the amount accrued totaling R\$13,168 (R\$15,084 as at December 31, 2022). Total escrow deposits for these challenges amounts to R\$12,096 (R\$15,227 as at December 31, 2022).

CSLL

Challenges the effect from the extinguishment of the monetary adjustment to the balance sheet, challenges the requirement of a different tax rate and challenges the increase in tax rate from 9% to 15%, prescribed by Provisional Act 413/08, passed into Law 11,727/08, and from 15% to 20%, as prescribed by Law 13,169/15. The amount accrued amounts to R\$1,078,865 (R\$1,048,913 as at December 31, 2022) and the total escrow deposits for this lawsuit amount to R\$1,101,884 (R\$1,054,331 as at December 31, 2022).

COFINS

Challenges the constitutionality of Law 9,718/98. The amount accrued amounts to R\$762,326 (R\$739,253 as at December 31, 2022) and the total escrow deposits for this lawsuit amount to R\$562,809 (R\$544,121 as at December 31, 2022).

PIS

Challenges the application of Law 9,718/98 and the tax authorities' requirement of calculation of the PIS tax basis in noncompliance with Constitutional Amendments 01/94, 10/96 and 17/97. The amount accrued amounts to R\$115,048 (R\$111,599 as at December 31, 2022) and the total escrow deposits for this lawsuit amount to R\$117,737 (R\$114,137 as at December 31, 2022).

The provision for other legal liabilities amounts to R\$5,738 (R\$4,046 as at December 31, 2022) and the total escrow deposits for this lawsuits amount to R\$ 5,972 (R\$5,584 as at December 31, 2022).

e) Daycoval Leasing has been challenging in courts the Tax Assessment Notices and Fine Imposition issued by the State of São Paulo, as described below:

ISS tax execution lawsuits of the municipalities of Cascavel-PR and Uberlândia-MG, in the adjusted amount of R\$383, classified as remote loss, where the municipalities intend to receive the ISS relating to lease transactions with customers domiciled in these municipalities.

Case No. 1013470-42.2021.8.26.0068 Civil Writ of Security for the suspension of payment of the ISS assessed by the municipality of Barueri-SP supported by the decision of ADPF 189. Assessed as possible loss. The municipality of Barueri-SP has charged from Daycoval Leasing the amount of R\$6,623, an amount related to the difference of the ISS due in 2016 and 2017, calculated between the prevailing tax rate at the time, determined by the municipality, and a 2% rate, which was considered legally applicable by the judge for the lease service. The adjusted amount is R\$13,250.

As at June 30, 2023, there are lawsuits relating to PAT accrued by Daycoval Leasing in the amount of R\$166 (R\$166 as at December 31, 2022).

Daycoval Leasing is challenging at the courts the PIS and COFINS tax basis, with a favorable injunction for the payment based on the request. As at June 30, 2023, the amount of unpaid taxes, waiting for a favorable judgment of the lawsuits amount to R\$2,136 (R\$1,673 as at December 31, 2022), which were accrued as tax contingencies.

f) Contingent liabilities assessed as possible losses

Contingent liabilities assessed as possible losses are not recognized and are represented by civil and labor lawsuits.

As at June 30, 2023, civil lawsuits correspond to an approximate amount of R\$58,326 for the Bank and Consolidated (R\$66,345 for the Bank and Consolidated as at December 31, 2022).

As at June 30, 2023, labor lawsuits amount to R\$407 for the Bank and Consolidated (R\$122 for the Bank and Consolidated as at December 31, 2022).

There are no ongoing administrative proceedings for noncompliance with the rules of the National Financial System or payment of fines, which may have significant impacts on the financial position of the Bank or its subsidiaries.

19 - TAXES

Taxes and contributions are calculated pursuant to the legislation currently in force. The following rates were levied:

Taxes and contributions	Rate
Income tax	15.00%
Income tax surcharge (on the amount exceeding R\$240,000.00)	10.00%
Social contribution - financial institutions	20.00%
Social contribution - non-financial institution	9.00%
PIS ⁽¹⁾	0.65%
COFINS ⁽¹⁾	4.00%
ISS	up to 5.00%

⁽¹⁾ The non-financial subsidiaries falling under the non-cumulative computation regime are subject to PIS and COFINS rates of, respectively, 1.65% and 7.6% on operating income, and 0.65% and 4% on financial income. For non-financial subsidiaries subject to deemed, PIS and Cofins rates are 0.65% and 3%.

a) Expenses with taxes and contributions

i. Calculation of income tax (IR) and social contribution on net profit (CSLL):

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Profit before income tax and social contribution and profit sharing	582,215	679,834	645,977	726,343
Charges (IR and CSLL) at effective rates ⁽¹⁾	(261,997)	(305,925)	(290,690)	(326,854)
Increases/decreases of IR and CSLL charges				
Equity in subsidiaries	37,579	26,622	-	-
Interest on capital	93,936	72,293	93,936	72,293
Non-deductible expenses net of non-taxable revenues	7,422	(2,586)	5,423	(276)
Other amounts	(292)	(2,170)	4,217	(2,934)
Income tax and social contribution for the quarter	(123,352)	(211,766)	(187,114)	(257,771)
Current tax	(323,398)	(401,165)	(342,937)	(430,198)
Deferred tax	200,046	189,399	155,823	172,427

⁽¹⁾ The effective IRPJ and CSLL rate considered in the six-month periods ended June 30, 2023 and 2022 is 45%.

ii. Tax expenses

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Contributions to COFINS	(84,718)	(77,335)	(93,797)	(86,004)
Contributions to PIS / PASEP	(13,767)	(12,567)	(15,439)	(14,159)
ISS	(9,220)	(8,488)	(21,452)	(18,251)
Other tax expenses	(7,522)	(6,282)	(7,876)	(6,593)
Total	(115,227)	(104,672)	(138,564)	(125,007)

	Bank		Consolidated	
	Quarter ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Contributions to COFINS	(41,632)	(40,175)	(46,486)	(44,616)
Contributions to PIS / PASEP	(6,766)	(6,529)	(7,530)	(7,344)
ISS	(4,637)	(4,232)	(10,738)	(9,005)
Other tax expenses	(4,029)	(2,984)	(4,150)	(3,134)
Total	(57,064)	(53,920)	(68,904)	(64,099)

b) Tax assets and liabilities

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Tax assets				
Current	145,391	294,092	191,371	339,153
Taxes and contributions for offset ⁽¹⁾	145,391	294,092	191,352	339,134
Recoverable income tax	-	-	19	19
Deferred	2,134,140	1,780,288	2,175,052	1,820,465
Tax credits (note 19.d)	2,134,140	1,780,288	2,175,052	1,820,465
Total	2,279,531	2,074,380	2,366,423	2,159,618
Tax liabilities				
Current	386,103	680,824	411,552	714,733
Provision for income tax on income	175,346	340,412	187,526	359,644
Provision for social contribution on income	148,086	270,569	154,214	277,740
Taxes and contributions payable	62,671	69,843	69,812	77,349
Deferred	738,468	586,982	956,339	759,895
Tax liabilities (note 19.d)	738,468	586,982	956,339	759,895
Total	1,124,571	1,267,806	1,367,891	1,474,628

⁽¹⁾ As at June 30, 2023, "Taxes and contributions for offset" comprise, substantially, prepaid income tax and social contribution in the amount of R\$140,929 (R\$290,637 as at December 31, 2022), for the Bank, and R\$169,825 (R\$320,603 as at December 31, 2022), for the Consolidated.

c) Deferred income tax and social contribution on temporary additions and deductions (asset and liability)

As required by BACEN Resolution 4,842/20, the recognition of deferred tax assets and liabilities ('Tas credits' and 'Deferred tax obligations') arising on temporary differences must meet all the following conditions: (i) the entity has a history of taxable profit or income for income tax and social contribution purposes, recorded at least in three of the past five fiscal years, including the reporting year; and (ii) the entity expects to generate future taxable profits or income for income tax and social contribution purposes in subsequent periods, based on an entity-specific technical study that shows the likelihood of future taxes payable against which the tax credits can be offset within ten years or less.

As at June 30, 2023, IFP, Daycoval's subsidiary, has tax credits not recognized in assets in the amount of R\$7,271 (R\$7,460 as at December 31, 2022). On the same date, the Bank has no tax credits not recognized in assets.

d) Origin of tax credits and deferred tax liabilities

	Six-month period ended June 30, 2023					
	Bank			Consolidated		
	12/31/2022	Recognition/ (Realization)	06/30/2023	12/31/2022	Recognition/ (Realization)	06/30/2023
Tax Credits						
Deferred income tax and social contribution on:						
Provision for tax risks	181,760	-	181,760	182,850	-	182,850
Allowance for loan losses	862,075	137,303	999,378	878,122	139,495	1,017,617
Adjustment to fair value of securities and derivatives	311,710	138,623	450,333	311,709	138,621	450,330
Monetary adjustment of civil, tax and labor risks	332,160	29,376	361,536	332,160	29,376	361,536
Other temporary additions, including provisions for civil and labor risks	92,583	48,550	141,133	115,624	47,095	162,719
Total tax credits on temporary differences	1,780,288	353,852	2,134,140	1,820,465	354,587	2,175,052

	12/31/2022	Recognition/ (Realization)	06/30/2023	12/31/2022	Recognition/ (Realization)	06/30/2023
Deferred tax liabilities						
Deferred income tax and social contribution on:						
Adjustment to fair value of securities and derivatives	288,727	119,259	407,986	288,728	119,259	407,987
Deferred income tax on excess depreciation	-	-	-	132,884	84,987	217,871
Amortization of negative goodwill on the acquisition of Daycoval Leasing	22,063	1,553	23,616	22,063	1,553	23,616
Monetary adjustment of escrow deposits	276,192	30,674	306,866	316,220	(9,355)	306,865
Total deferred tax liabilities on temporary differences	586,982	151,486	738,468	759,895	196,444	956,339

	Year ended December 31, 2022					
	Bank			Consolidated		
	12/31/2021	Recognition/ (Realization)	12/31/2022	12/31/2021	Recognition/ (Realization)	12/31/2022
Tax Credits						
Deferred income tax and social contribution on:						
Provision for tax risks	181,760	-	181,760	182,470	380	182,850
Allowance for loan losses	772,584	89,491	862,075	785,390	92,732	878,122
Adjustment to fair value of securities and derivatives	176,898	134,812	311,710	176,915	134,794	311,709
Monetary adjustment of civil, tax and labor risks	278,286	53,874	332,160	278,286	53,874	332,160
Other temporary additions, including provisions for civil and labor risks	87,815	4,768	92,583	88,829	26,795	115,624
Total tax credits on temporary differences	1,497,343	282,945	1,780,288	1,511,890	308,575	1,820,465

	12/31/2021	Recognition/ (Realization)	12/31/2022	12/31/2021	Recognition/ (Realization)	12/31/2022
Deferred tax liabilities						
Deferred income tax and social contribution on:						
Adjustment to fair value of securities and derivatives	227,363	61,364	288,727	227,363	61,365	288,728
Deferred income tax on excess depreciation	-	-	-	80,850	52,034	132,884
Amortization of negative goodwill on the acquisition of Daycoval Leasing	18,957	3,106	22,063	18,957	3,106	22,063
Monetary adjustment of escrow deposits	224,158	52,034	276,192	224,158	92,062	316,220
Total deferred tax liabilities on temporary differences	470,478	116,504	586,982	551,328	208,567	759,895

e) Estimated realization and present value of tax credits

	Bank					
	06/30/2023			12/31/2022		
	Temporary differences		Total	Temporary differences		Total
Income Tax	Social contribution	Income Tax		Social contribution		
Up to 1 year	252,206	201,767	453,973	169,469	135,577	305,046
Up to 2 years	180,967	144,776	325,743	145,793	116,636	262,429
Up to 3 years	224,105	179,286	403,391	175,677	140,544	316,221
Up to 4 years	162,342	129,875	292,217	133,319	106,657	239,976
Up to 5 years	960	768	1,728	15,670	12,536	28,206
Over 5 years	366,812	290,276	657,088	350,880	277,530	628,410
Total	1,187,392	946,748	2,134,140	990,808	789,480	1,780,288

	Consolidated					
	06/30/2023			12/31/2022		
	Temporary differences		Total	Temporary differences		Total
Income Tax	Social contribution	Income Tax		Social contribution		
Up to 1 year	255,086	204,071	459,157	171,698	137,360	309,058
Up to 2 years	183,690	146,955	330,645	148,783	119,028	267,811
Up to 3 years	226,828	181,465	408,293	177,906	142,327	320,233
Up to 4 years	165,065	132,054	297,119	135,548	108,440	243,988
Up to 5 years	12,963	8,304	21,267	27,710	22,168	49,878
Over 5 years	367,636	290,935	658,571	351,484	278,013	629,497
Total	1,211,268	963,784	2,175,052	1,013,129	807,336	1,820,465

As at June 30, 2023, the present value of total tax credits is R\$1,769,262 for the Bank (R\$1,396,274 as at December 31, 2022) and R\$1,801,979 for the Consolidated (R\$1,426,603 as at December 31, 2022), and was calculated based on the expected realization of temporary differences, discounted by the average borrowing rate of the Bank and Daycoval Leasing, projected for the corresponding periods.

The earnings projections that allow generating a tax basis take into consideration macroeconomic assumptions, exchange and interest rates, and the forecast of new financial and other transactions. Actual results could differ from those estimates.

20 - EQUITY (PARENT COMPANY)

a) Capital

As at June 30, 2023 and December 31, 2022, the Bank's capital amounts to R\$3,557,260, being fully subscribed and paid in, represented by 1,890,672,918 registered shares, comprised of 1,323,471,042 common shares and 567,201,876 preferred shares.

b) Breakdown of and variations in capital

	06/30/2023	12/31/2022
Common shares	1,323,471,042	1,323,471,042
Preferred shares	567,201,876	567,201,876
Total shares	1,890,672,918	1,890,672,918

There was no variation in the number of shares during the six-month period ended June 30, 2023 and year ended December 31, 2022.

c) Interest on capital and dividends

According to the bylaws, the shareholders are entitled to dividends and/or interest on capital corresponding to no less than 25% of profit for the year, adjusted in accordance with the Brazilian corporate law.

Interest on capital is calculated on equity, limited to the variation of the TJLP (long-term interest rate), contingent upon the existence of profit determined before its deduction or retained earnings and earnings reserves.

i. Statement of calculation of interest on capital and mandatory dividends:

	06/30/2023	% ⁽¹⁾	06/30/2022	% ⁽¹⁾
Profit	458,863		468,068	
(-) Legal reserve	(22,943)		(23,403)	
Adjusted profit	435,920		444,665	
Amount of interest on capital	208,746		160,650	
(-) Withholding income tax related to interest on capital	(31,312)		(24,098)	
Net value of interest on capital and mandatory dividends	177,434	40.70	136,552	30.71

(1) Refers to the percentage corresponding to the sum of the net interest on capital and dividends on adjusted profit.

ii. Interest on capital declared and/or paid:

Interest on capital was declared and/or paid, which, net of withholding income tax, will be attributed to mandatory minimum dividends for the years ended December 31, 2023 and 2022, as shown below:

06/30/2023						
Board of Director's Meeting Date	Availability date	Price per share		Gross amount	IRRF	Net amount
		ON	PN			
03/31/2023	04/17/2023	0.05523	0.05523	104,422	(15,663)	88,759
06/30/2023	07/17/2023	0.05518	0.05518	104,324	(15,649)	88,675
				Total	(31,312)	177,434

06/30/2022						
Board of Director's Meeting Date	Availability date	Price per share		Gross amount	IRRF	Net amount
		ON	PN			
06/30/2022	07/15/2022	0.04701	0.04701	88,880	(13,332)	75,548
03/31/2022	04/18/2022	0.03796	0.03796	71,770	(10,766)	61,004
				Total	(24,098)	136,552

iii. Dividends

As at June 30, 2023 and December 31, 2022, no dividends were proposed to shareholders.

d) Earnings reserve

	06/30/2023	12/31/2022
Legal reserve ⁽¹⁾	207,930	184,987
Bylaws reserves ⁽²⁾	2,004,449	2,004,449
Total	2,212,379	2,189,436

(1) 5% of profit for the year must be allocated to this reserve until it reaches 20% of capital, according to the prevailing legislation.

(2) Reserve recorded according to the bylaws.

e) Earnings per share (Parent)

	06/30/2023	06/30/2022
Profit attributable to controlling shareholders	458,863	468,068
Profit attributable to each group of shares		
Common shares	321,204	327,648
Preferred shares	137,659	140,420
Weighted average number of shares issued and comprising the capital ⁽¹⁾		
Common shares	1,323,471,042	1,323,471,042
Preferred shares	567,201,876	567,201,876
Basic earnings per shares		
Common shares	0.2427	0.2476
Preferred shares	0.2427	0.2476
Diluted earnings per shares		
Common shares	0.2427	0.2476
Preferred shares	0.2427	0.2476

(1) The weighted average number of shares was calculated based on the variations of shares as at June 30, 2023 and 2022 and, also, in accordance with the criteria and procedures set out in technical pronouncement CPC 41 – Earnings per Share, considering the applicability to financial institutions, as prescribed by CMN Resolution 4,818/20.

21 - INCOME STATEMENTS**INCOME FROM FINANCIAL INTERMEDIATION****a) Loan portfolio**

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Lending operations	1,530,352	1,497,276	1,538,664	1,506,348	2,985,061	2,393,642	3,002,055	2,411,581
Advance to depositors	1,991	1,380	1,991	1,380	4,282	2,842	4,282	2,842
Secured account / overdraft account	175,148	167,879	175,150	167,977	350,396	307,394	350,398	307,520
Discounted notes	33,505	39,787	33,505	39,787	7,267	58,662	7,267	58,662
Onlending - Resolution 3,844/10	6	58	6	58	30	(60)	30	(60)
Working capital	301,255	253,987	301,255	253,987	595,113	473,393	595,113	473,393
Export Credit Notes - CCE	39,115	132,472	39,115	132,472	96,244	85,424	96,244	85,424
Onlending – BNDES	1,377	2,282	1,377	2,282	2,988	4,220	2,988	4,220
Onlending – FINAME	17,565	6,886	17,565	6,886	32,962	11,330	32,962	11,330
Rural credit	7,320	11,001	7,320	11,001	16,813	18,236	16,813	18,236
Financing with intervenience	114	936	114	936	284	2,481	284	2,481
Foreign currency financing	(27,885)	56,973	(27,885)	56,973	(40,002)	(92,102)	(40,002)	(92,102)
FGI PEAC	183,002	182,191	183,002	182,191	372,730	382,212	372,730	382,212
FGO Pronampe	316	-	316	-	644	-	644	-
Payroll-deductible loans	602,401	474,236	602,401	474,236	1,183,660	915,203	1,183,660	915,203
Vehicle financing	170,991	115,701	170,991	115,701	330,291	217,741	330,291	217,741
Real estate financing	10,461	6,021	10,461	6,021	19,608	11,505	19,608	11,505
Daypag - discount of freight forwarder's checks	1	2	1	2	2	7	2	7
Other lending operations	27,172	46,154	35,482	55,128	30,615	(3,098)	47,607	14,715
Loan origination income	(13,503)	(670)	(13,503)	(670)	(18,866)	(1,748)	(18,866)	(1,748)
Result of lease operations	-	-	114,663	79,283	-	-	223,015	146,333
Revenue from leasing	-	-	367,792	281,167	-	-	715,299	532,676
Finance leasing - internal resources	-	-	323,284	233,732	-	-	613,690	442,496
Operating leasing - internal resources	-	-	36,655	35,048	-	-	72,628	68,410
Gain on disposal of leased assets	-	-	7,853	12,387	-	-	28,981	21,770
Expenses on leasing	-	-	(253,129)	(201,884)	-	-	(492,284)	(386,343)
Finance leasing - internal resources	-	-	(223,614)	(173,588)	-	-	(432,360)	(331,542)
Operating leasing - internal resources	-	-	(1,188)	(1,370)	-	-	(3,421)	(1,739)
Loss on disposal of leased assets	-	-	(28,327)	(26,926)	-	-	(56,503)	(53,062)
Other transactions with loan characteristics	329,948	321,833	329,948	321,833	743,602	606,539	743,602	606,539
Advance on foreign exchange contracts / advance on export contracts	17,001	21,152	17,001	21,152	35,405	34,964	35,405	34,964
Income from acquisition of receivables without right of recourse	312,947	300,681	312,947	300,681	708,197	571,575	708,197	571,575
Recoveries from lending and leasing operations	42,512	29,562	43,044	29,945	87,677	60,216	88,245	60,685
Recovery of credits previously written off as loss (Note 9.f)	42,512	29,562	42,512	29,562	87,677	60,216	87,677	60,216
Recovery of credits previously written off as loss (Note 9.f) - Leases	-	-	532	383	-	-	568	469
Total	1,902,812	1,848,671	2,026,319	1,937,409	3,816,340	3,060,397	4,056,917	3,225,138



b) Securities and derivatives transactions

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Securities transactions								
Fixed-income securities	375,375	274,985	377,817	277,230	737,334	489,757	742,314	494,034
Variable-income securities	-	6	1,373	(2,506)	-	22	422	(653)
Investments in investment fund units	34,221	37,913	40,747	49,602	71,182	68,381	88,806	91,694
Gain (loss) on disposal of securities	249	1,502	249	1,502	2,897	14,013	2,897	14,013
Fair value adjustments	11,545	37,398	11,542	37,629	14,299	37,672	14,297	37,671
Foreign investments	(5,323)	(5)	(5,323)	(5)	(5,838)	(398)	(5,838)	(398)
Permanent losses on securities	(41)	-	(41)	-	(78)	-	(78)	-
Total	416,026	351,799	426,364	363,452	819,796	609,447	842,820	636,361
Derivatives								
Gains								
Swap	165,354	1,541,217	168,846	1,544,256	1,018,866	2,866,363	1,023,168	2,872,224
Currency forward ("NDF")	227,389	121,231	227,389	121,231	568,231	784,426	568,231	784,426
Future	136,804	471,325	136,804	471,325	479,008	568,307	479,008	568,307
Options	24,793	(1,497)	24,793	(1,497)	45,309	6,577	45,309	6,577
Losses								
Swap	(611,089)	(1,137,394)	(611,623)	(1,140,824)	(1,852,512)	(4,089,149)	(1,854,402)	(4,095,551)
Currency forward ("NDF")	(106,869)	(204,796)	(106,869)	(204,796)	(432,681)	(613,593)	(432,681)	(613,593)
Future	(438,630)	(232,199)	(438,630)	(232,199)	(834,537)	(820,558)	(834,537)	(820,558)
Options	(5,409)	(997)	(5,409)	(997)	(11,536)	(1,183)	(11,536)	(1,183)
Total ⁽¹⁾	(607,657)	556,890	(604,699)	556,499	(1,019,852)	(1,298,810)	(1,017,440)	(1,299,351)
Total	(191,631)	908,689	(178,335)	919,951	(200,056)	(689,363)	(174,620)	(662,990)

(1) As at June 30, 2023, gain (loss) on derivative instruments includes net gains on mark-to-market in the amount of R\$95,532 for the Bank and R\$96,217 for the Consolidated (net gains on mark-to-market in the amount of R\$20,579 for the Bank and R\$18,684 for the Consolidated as at June 30, 2022).

c) Interbank accounts

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Repurchase operations (assets)	204,060	103,419	204,060	103,419	367,388	211,740	367,388	211,740
Own portfolio	111,534	38,848	111,534	38,848	172,687	114,291	172,687	114,291
Third-party portfolio	92,526	64,571	92,526	64,571	194,701	97,449	194,701	97,449
Repurchase operations (liabilities)	(187,683)	(116,150)	(187,683)	(116,150)	(403,427)	(182,245)	(403,427)	(182,245)
Own portfolio	(95,219)	(51,702)	(95,219)	(51,702)	(208,868)	(84,993)	(208,868)	(84,993)
Third party portfolio	(92,464)	(64,448)	(92,464)	(64,448)	(194,559)	(97,252)	(194,559)	(97,252)
Gain (loss) on repurchase operations	16,377	(12,731)	16,377	(12,731)	(36,039)	29,495	(36,039)	29,495
Interbank deposits								
Fixed rate	17,580	17,500	17,580	17,500	34,763	33,672	34,763	33,672
Variable rate	78,585	58,733	14,631	12,097	154,892	99,316	24,403	16,433
Total	96,165	76,233	32,211	29,597	189,655	132,988	59,166	50,105
Total	112,542	63,502	48,588	16,866	153,616	162,483	23,127	79,600



d) Foreign exchange operations

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Income from foreign exchange operations	39,550	79,052	39,550	79,052	81,454	147,210	81,454	147,210
Expenses on foreign exchange operations	(36,357)	12,138	(26,732)	20,885	(116,739)	(78,517)	(96,843)	(61,336)
Exchange rate changes	63,321	3,889	63,321	3,889	127,853	244,609	127,853	244,609
Total	66,514	95,079	76,139	103,826	92,568	313,302	112,464	330,483

EXPENSES ON FINANCIAL INTERMEDIATION

e) Interbank and time deposits and issuances of securities in Brazil and abroad

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Interbank deposits	(63,809)	(16,940)	(63,809)	(16,940)	(128,338)	(33,940)	(128,338)	(33,940)
Fixed	(2,820)	-	(2,820)	-	(5,613)	-	(5,613)	-
Floating	(60,989)	(16,940)	(60,989)	(16,940)	(122,725)	(33,940)	(122,725)	(33,940)
Time deposits	(465,389)	(360,707)	(464,079)	(359,624)	(809,791)	(688,130)	(806,442)	(686,040)
Fixed	(23,896)	(29,117)	(25,934)	(28,034)	(47,578)	(49,612)	(47,578)	(47,522)
Floating	(437,411)	(345,577)	(434,060)	(345,577)	(802,913)	(654,832)	(799,561)	(654,832)
Linked to asset operations (CMN Resolution 2,921/02) (Note 9.g)	(755)	(987)	(755)	(987)	(1,935)	(2,470)	(1,935)	(2,470)
Exchange rate changes	3,010	20,852	3,007	20,852	54,301	30,875	54,298	30,875
Expenses on contribution to FGC	(6,337)	(5,878)	(6,337)	(5,878)	(11,666)	(12,091)	(11,666)	(12,091)
Total	(529,198)	(377,647)	(527,888)	(376,564)	(938,129)	(722,070)	(934,780)	(719,980)
Issuance in Brazil								
Mortgage loan notes	(57,923)	(43,637)	(57,923)	(43,637)	(116,505)	(80,492)	(116,505)	(80,492)
Fixed	(10,325)	(8,922)	(10,325)	(8,922)	(20,532)	(16,420)	(20,532)	(16,420)
Floating	(47,598)	(34,715)	(47,598)	(34,715)	(95,973)	(64,072)	(95,973)	(64,072)
Agribusiness letter of credit	(79,374)	(60,246)	(79,374)	(60,246)	(153,780)	(116,436)	(153,780)	(116,436)
Fixed	(22,009)	(20,653)	(22,009)	(20,653)	(43,799)	(41,008)	(43,799)	(41,008)
Floating	(57,365)	(39,593)	(57,365)	(39,593)	(109,981)	(75,428)	(109,981)	(75,428)
Financial Bills	(596,043)	(527,452)	(582,318)	(514,908)	(1,231,999)	(952,318)	(1,204,663)	(929,546)
Fixed	(41,697)	(34,372)	(41,697)	(34,372)	(80,924)	(66,749)	(80,924)	(66,749)
Floating	(554,346)	(493,080)	(540,621)	(480,536)	(1,151,075)	(885,569)	(1,123,739)	(862,797)
Total	(733,340)	(631,335)	(719,615)	(618,791)	(1,502,284)	(1,149,246)	(1,474,948)	(1,126,474)
Issuance abroad								
Interest	(26,553)	(29,451)	(26,480)	(29,391)	(55,374)	(55,439)	(55,207)	(55,330)
Exchange rate changes	119,790	(274,573)	119,790	(274,573)	182,038	161,404	182,038	161,404
Adjustment to fair value of hedged issuance	10,217	59,038	10,217	59,038	25,439	139,442	25,439	139,442
Total	103,454	(244,986)	103,527	(244,926)	152,103	245,407	152,270	245,516



f) Borrowings and onlendings (Bank and Consolidated)

	Bank and Consolidated			
	Quarter ended		Six-month period ended	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Foreign borrowings	234,822	(668,336)	370,553	499,375
Interest	(90,904)	(52,560)	(188,904)	(92,591)
Exchange rate changes	307,568	(667,738)	470,902	544,521
Adjustment to fair value of hedged loans	18,158	51,962	88,555	47,445
Obligation with Bank abroad	14,972	(40,489)	21,301	14,972
Interest	(11,110)	(6,684)	(21,883)	(10,841)
Exchange rate changes	26,082	(33,805)	43,184	25,813
Onlending operations - official institutions	(14,848)	(7,037)	(27,390)	(11,842)
BNDES	(992)	(1,539)	(2,135)	(2,850)
FINAME	(13,856)	(5,498)	(25,255)	(8,992)
Total	234,946	(715,862)	364,464	502,505

OTHER OPERATING AND ADMINISTRATIVE INCOME (EXPENSES)

g) Income from service provision

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Bank fees	40,978	48,721	40,978	48,721	82,371	93,307	82,371	93,307
Income from financial guarantees provided	16,348	13,160	16,348	13,160	32,073	25,377	32,073	25,377
Asset management ⁽¹⁾	15,969	9,911	21,346	15,153	30,846	18,331	41,927	28,232
Other services	26,829	17,037	28,412	17,314	53,856	40,488	56,274	40,945
Total	100,124	88,829	107,084	94,348	199,146	177,503	212,645	187,861

⁽¹⁾ Includes income from management, administration, custody and controllership services for investment funds and clubs.

h) Personnel expenses

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Executive Committee's and Board of Directors' compensation	(23,680)	(23,019)	(24,718)	(23,912)	(48,610)	(46,009)	(50,688)	(47,919)
Benefits	(27,146)	(22,907)	(32,116)	(27,001)	(53,762)	(45,096)	(63,455)	(52,894)
Social security charges	(34,568)	(31,058)	(39,877)	(35,583)	(69,146)	(60,236)	(79,305)	(68,400)
Proceeds	(93,547)	(80,577)	(109,850)	(94,488)	(183,381)	(162,389)	(214,709)	(187,437)
Training	(16)	(20)	(16)	(20)	(52)	(35)	(72)	(35)
Interns' compensation	(530)	(433)	(548)	(452)	(1,026)	(861)	(1,058)	(893)
Total	(179,487)	(158,014)	(207,125)	(181,456)	(355,977)	(314,626)	(409,287)	(357,578)

i) Other administrative expenses

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Public utilities (water, power and gas)	(842)	(841)	(1,148)	(1,149)	(1,757)	(1,776)	(2,394)	(2,367)
Rent and insurance	(6,516)	(7,605)	(6,971)	(7,920)	(12,749)	(13,577)	(13,761)	(14,290)
Communication	(4,148)	(4,352)	(4,654)	(4,906)	(9,828)	(7,908)	(10,848)	(9,003)
Charitable contributions	(5,347)	(8,308)	(5,321)	(16,165)	(9,756)	(11,743)	(10,238)	(19,600)
Maintenance and upkeep of assets	(2,631)	(1,751)	(3,430)	(2,513)	(3,810)	(2,844)	(5,652)	(4,110)
Consumables	(309)	(334)	(389)	(415)	(739)	(645)	(881)	(776)
Data processing	(52,497)	(34,701)	(53,665)	(35,326)	(93,932)	(68,686)	(96,084)	(69,959)
Promotions, advertising and publications	(9,969)	(13,634)	(10,495)	(14,241)	(22,040)	(24,562)	(23,162)	(25,702)
Outside, technical and specialized services ⁽¹⁾	(161,988)	(149,346)	(153,415)	(140,812)	(333,461)	(279,981)	(311,328)	(258,357)
Other administrative expenses	(20,644)	(15,658)	(21,436)	(16,084)	(34,962)	(28,276)	(36,258)	(29,337)
Total	(264,891)	(236,530)	(260,924)	(239,531)	(523,034)	(439,998)	(510,606)	(433,501)

(1) Includes the recognition of expenses on commissions paid in advance to third parties, upon origination of lending operations.

j) Other operating income and expenses

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Exchange rate changes ⁽¹⁾	9	-	1,634	12,839	33	-	3,568	12,839
Monetary adjustment of escrow deposits	40,117	33,019	40,200	33,098	77,149	58,774	77,318	58,918
Other operating income	11,177	5,310	17,216	7,613	15,089	12,915	25,722	17,238
Recovery of charges and expenses	1,865	-	1,865	-	2,043	-	2,043	-
Total	53,168	38,329	60,915	53,550	94,314	71,689	108,651	88,995
Exchange rate changes ⁽¹⁾	(125)	13,272	(6,208)	9,737	(125)	-	(10,404)	(19,207)
Other operating expenses ⁽²⁾	(35,130)	(46,968)	(35,121)	(46,972)	(66,443)	(51,682)	(66,505)	(51,714)
Interest expense	(119)	(149)	(613)	(149)	(6,057)	(1,172)	(6,825)	(1,172)
Total	(35,374)	(33,845)	(41,942)	(37,384)	(72,625)	(52,854)	(83,734)	(72,093)
Total	17,794	4,484	18,973	16,166	21,689	18,835	24,917	16,902

(1) Refers to the reclassification of exchange rate changes on investments abroad, not eliminated in the consolidation process of the financial statements.

(2) Other operating expenses for the six-month period ended June 30, 2023 are mainly comprised of: (i) discounts and reimbursements in loan operations - R\$20,844 for the Bank and Consolidated (R\$17,239 for the Bank and Consolidated as at June 30, 2022); and (ii) settlement of lawsuits - R\$15,670, respectively, for the Bank and Consolidated (R\$12,664 for the Bank and Consolidated as at June 30, 2022).

k) Regulatory non-recurring profit

	Bank		Consolidated		Bank		Consolidated	
	Quarter ended				Six-month period ended			
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Profit for the period	227,822	271,934	227,822	271,934	458,863	468,068	458,863	468,068
Regulatory non-recurring profit								
Amortization of negative goodwill on acquisition of another financial institution (net of taxes)	(1,726)	(949)	(1,726)	(949)	(3,451)	(1,898)	(3,451)	(1,898)
Demutualization - CIP ⁽¹⁾	-	-	-	-	-	1,812	-	1,812
Regulatory recurring profit	226,096	270,985	226,096	270,985	455,412	467,982	455,412	467,982

(1) Non-operating result on the demutualization of CIP S.A in 2022. The non-profit association underwent a spin-off which part of the net assets was merged into a new CIP S.A, a profit entity.

22 - RELATED-PARTY TRANSACTIONS

- a) The direct and indirect subsidiaries and the Bank's shareholders enter into transactions with the Bank under usual market conditions. These transactions are contracted at rates consistent with those prevailing in the market on the transaction and settlement dates, and are presented in conformity with CMN Resolution No. 4,693/18 and CMN Resolution No. 4,818/20.

The table below shows the balance of the Bank's transactions with its respective related parties:

Transactions	Bank			
	Assets (liabilities)		Income (expenses)	
	06/30/2023	12/31/2022	06/30/2023	06/30/2022
Derivative transactions	220	291	(71)	119
Other related parties - individuals	220	291	(71)	119
Interbank deposits	1,928,054	1,859,737	130,489	82,883
Direct subsidiaries	1,928,054	1,859,737	130,489	82,883
Daycoval Leasing - Banco Múltiplo S.A.	1,928,054	1,859,737	130,489	82,883
Loan operations ⁽¹⁾	(14,893)	14,815	1,249	610
Other related parties -individuals	(724)	-	11	-
Other related parties - legal entities	(14,169)	14,815	1,238	610
Demand deposits	(8,590)	(7,590)	-	-
Direct subsidiaries	(486)	(945)	-	-
ACS Participações Ltda.	(27)	(30)	-	-
Daycoval Asset Management Ltda.	(24)	(28)	-	-
Daycoval Leasing - Banco Múltiplo S.A.	(342)	(782)	-	-
Dayprev Vida e Previdência S.A.	(25)	(22)	-	-
Multigestão Renda Corporativa F.I. Imobiliário FII	(68)	(83)	-	-
Indirect subsidiaries	(4,999)	(3,798)	-	-
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	(4,225)	(3,496)	-	-
SCC Agência de Turismo Ltda.	(9)	(10)	-	-
Treetop Investments Ltd.	(765)	(292)	-	-
Other related parties - legal entities	(144)	(328)	-	-
Other related parties - individuals	(2,961)	(2,519)	-	-
Time deposits	(217,884)	(203,804)	(17,158)	(16,810)
Direct subsidiaries	(6,334)	(21,981)	(1,022)	(1,603)
ACS Participações Ltda.	(5,137)	(21,040)	(955)	(1,540)
Daycoval Asset Management Ltda.	(1,197)	(941)	(67)	(63)
Indirect subsidiaries	(30,320)	(41,103)	(2,497)	(597)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	(23,470)	(33,970)	(2,157)	(351)
SCC Agência de Turismo Ltda.	(2,618)	(2,552)	(173)	(137)
Treetop Investments Ltd.	(4,232)	(4,581)	(167)	(109)
Other related parties - legal entities	(21,869)	(9,360)	(958)	(1,904)
Other related parties - individuals	(159,361)	(131,360)	(12,681)	(12,706)
Financial bills	(713,954)	(623,376)	(87,518)	(34,963)
Direct subsidiaries	(391,086)	(364,819)	(26,268)	(19,227)
ACS Participações Ltda.	(391,086)	(364,819)	(26,268)	(19,227)
Indirect subsidiaries	(20,673)	(19,605)	(1,069)	(3,546)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	(7,880)	(7,350)	(531)	(3,052)
SCC Agência de Turismo Ltda.	(12,793)	(12,255)	(538)	(494)
Other related parties - individuals	(302,195)	(238,952)	(60,181)	(12,190)
Agribusiness letter of credit	(45,751)	(38,884)	(2,147)	(1,576)
Other related parties -individuals	(45,751)	(38,884)	(2,147)	(1,576)
Mortgage Loan Notes	(45,662)	(38,762)	(7,375)	(2,070)
Other related parties -individuals	(45,662)	(38,762)	(7,375)	(2,070)
Commissions	(1,553)	(1,739)	(17,691)	(18,060)
Indirect subsidiaries	(1,553)	(1,739)	(17,691)	(18,060)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	(1,553)	(1,739)	(17,691)	(18,060)
Administration fees	13	13	75	71
Direct subsidiaries	13	13	75	71
Multigestão Renda Corporativa F.I. Imobiliário FII	13	13	75	71
Bookkeeping fees	3	3	15	14
Direct subsidiaries	3	3	15	14
Multigestão Renda Corporativa F.I. Imobiliário FII	3	3	15	14

(1) The National Monetary Council (CMN), through the publication by the Central Bank of Brazil (BACEN) of Resolution 4,693/18, has regulated the conditions and limits for loan transactions with related parties to be carried out by financial institutions and leasing companies, defining the concept of qualified interest as direct or indirect interest in another company, equivalent to or above 15% of the respective shares or units.

The Resolution also established that the sum of the balance of loan transactions with related parties must not exceed 10% of the adjusted equity (PLA), subject to the individual limits of 1% for loans with individuals and 5% for loans with legal entities, as prescribed in article 7 of the Resolution. These limits must be calculated on the loan transaction date.

b) The table below shows the yield rates and respective terms of the transactions between the Bank and its related parties as at June 30, 2023:

Transactions	Interest rate ⁽¹⁾	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Total assets (liabilities)
Derivative transactions		36	78	106	-	-	220
Other related parties - individuals	CDI x Fixed	36	78	106	-	-	220
Interbank deposits		-	1,928,054	-	-	-	1,928,054
Direct subsidiaries		-	1,928,054	-	-	-	1,928,054
Daycoval Leasing - Banco Múltiplo S.A.	Floating	-	1,928,054	-	-	-	1,928,054
Loan operations		12,707	2,185	1	-	-	14,893
Other related parties - individuals	Floating	723	-	1	-	-	724
Other related parties - legal entities	Floating	11,984	2,185	-	-	-	14,169
Time deposits		(3,341)	(15,836)	(113,312)	(79,734)	(5,661)	(217,884)
Direct subsidiaries		-	-	(5,920)	(414)	-	(6,334)
ACS Participações Ltda.	Floating	-	-	(4,723)	(414)	-	(5,137)
Daycoval Asset Management Ltda.	Floating	-	-	(1,197)	-	-	(1,197)
Indirect subsidiaries		-	-	(26,148)	(4,172)	-	(30,320)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	Floating	-	-	(19,298)	(4,172)	-	(23,470)
SCC Agência de Turismo Ltda.	Floating	-	-	(2,618)	-	-	(2,618)
Treetop Investments Ltd.	Fixed	-	-	(4,232)	-	-	(4,232)
Other related parties - legal entities		-	(1,320)	(19,616)	(933)	-	(21,869)
Other related parties - individuals	Floating	(3,341)	(14,516)	(61,628)	(74,215)	(5,661)	(159,361)
Financial Bills		(327)	(242,464)	(459,560)	(9,267)	(2,336)	(713,954)
Direct subsidiaries		-	(79,668)	(311,418)	-	-	(391,086)
ACS Participações Ltda.	Fixed / Floating	-	(79,668)	(311,418)	-	-	(391,086)
Indirect subsidiaries		-	-	(20,673)	-	-	(20,673)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	Floating	-	-	(7,880)	-	-	(7,880)
SCC Agência de Turismo Ltda.	Floating	-	-	(12,793)	-	-	(12,793)
Other related parties - individuals	Fixed / Floating	(327)	(162,796)	(127,469)	(9,267)	(2,336)	(302,195)
Agribusiness letter of credit		(8,476)	(7,573)	(29,403)	(299)	-	(45,751)
Other related parties - individuals	Fixed / Floating	(8,476)	(7,573)	(29,403)	(299)	-	(45,751)
Mortgage Loan Notes		(2,159)	(11,376)	(18,950)	(6,688)	(6,489)	(45,662)
Other related parties - individuals	Fixed / Floating	(2,159)	(11,376)	(18,950)	(6,688)	(6,489)	(45,662)

(1) The yield rates range from: (i) Fixed from 1.05% to 15% p.a.; e (ii) Floating from 90% to 120% of the CDI.

c) Compensation of key management personnel

The Annual Shareholders' Meeting sets the overall annual compensation of Management, as established by the Bank's bylaws.

For the year ending December 31, 2023, the Annual Shareholders' Meeting held on April 28, 2023 set the overall compensation of up to R\$100 million (R\$100 million for the year ended December 31, 2022).

	Bank	
	06/30/2023	06/30/2022
Total compensation	48,610	46,009
Direct and fringe benefits (healthcare plan)	762	456
Total	49,372	46,465

The Bank does not offer other short or long-term post-employment or severance benefits to its key management personnel.

d) Ownership interest

All common and preferred shares are held by Management, as shown below:

	06/30/2023	12/31/2022
Common shares (ON)	100.00%	100.00%
Preferred shares (PN)	100.00%	100.00%

23 - FAIR VALUE OF FINANCIAL INSTRUMENTS

a) Determination and hierarchy of fair value

Daycoval uses the following hierarchy to determine and disclose the fair value of financial instruments:

- Level 1: prices quoted in an active market for the same instrument;
- Level 2: prices quoted in an active market for similar assets or liabilities or based on other valuation method, mainly the "Discounted cash flows" method, in which all significant inputs are based on observable market data; and
- Level 3: valuation techniques in which significant inputs are not based on observable market data.

Accounting classification	Bank			
	06/30/2023		12/31/2022	
	Level 1	Level 2	Level 1	Level 2
Financial assets measured at fair value:				
Through profit or loss (free trading)				
Securities				
Private-sector securities	45,444	-	51,014	-
Federal government bonds	10,083,500	-	5,497,174	-
Derivatives				
Swap, forward and options operations	-	314,687	-	385,563
Futures market	24,669	-	28,221	-
Loan operations				
Vehicle financing (hed accounting)	-	1,311,522	-	864,457
Through other comprehensive income - equity (available for sale)				
Securities				
Federal government bonds	1,279	-	3,813,380	-
Private-sector securities	75,668	1,605,912	343,864	709,983
Investment fund units	1,034,717	-	1,079,453	-
Financial liabilities measured at fair value:				
Through profit or loss (free trading)				
Issuances abroad				
Issuances abroad (bonds)	-	1,930,207	-	2,213,302
Obligations for loans				
Loans abroad	-	3,866,430	-	5,389,898
Derivatives				
Swap, forward and options operations	-	652,798	-	530,265
Futures market	72,416	-	19,464	-
Accounting classification	Consolidated			
	06/30/2023		12/31/2022	
	Level 1	Level 2	Level 1	Level 2
Financial assets measured at fair value:				
Through profit or loss (free trading)				
Securities				
Private-sector securities	45,444	-	51,014	-
Federal government bonds	10,094,599	-	5,497,235	-
Derivatives				
Swap, forward and options operations	-	317,204	-	386,200
Futures market	24,669	-	28,221	-
Loan operations				
Vehicle financing (hed accounting)	-	1,311,522	-	864,457
Through other comprehensive income - equity (available for sale)				
Securities				
Federal government bonds	40,223	-	3,851,637	-
Títulos e valores mobiliários no exterior	-	54,514	-	66,819
Private-sector securities	75,668	1,608,533	78,874	977,511
Investment fund units	1,446,531	-	1,478,146	-
Financial liabilities measured at fair value:				
Through profit or loss (free trading)				
Issuances abroad				
Issuances abroad (bonds)	-	1,930,207	-	2,213,302
Obligations for loans				
Loans abroad	-	3,866,430	-	5,389,898
Derivatives				
Swap, forward and options operations	-	652,798	-	530,265
Futures market	72,416	-	19,464	-

As at June 30, 2023 and December 31, 2022, Daycoval had no financial instrument classified in Level 3.

b) Fair value measurement method

Description of the method to measure the fair value of financial instruments, considering valuation techniques that adopt Daycoval's estimates on assumptions that a participant would use to value its instruments.

Marketable securities

The prices of marketable securities quoted at market price are the best indicators of its respective fair values. It should be noted that, for certain financial instruments, there is no liquidity of transactions and/or quotes available and, accordingly, it is necessary to adopt estimates of present value and other techniques for fair value measurement. In the absence of price quoted by ANBIMA - Brazilian Financial and Capital Markets Association, the fair values of government bonds are determined in view of the rates or prices given by other market agents that trade such securities. The fair values of debt securities of companies, when not available in the active market, are calculated by discounting estimated cash flows, based on interest rates adopted in the market and applicable to each payment flow or maturity of these debts. The fair values of the units in investment funds are made available by their respective managers.

Derivatives

- **Swaps:** cash flows are discounted at present value on the basis of interest curves or other indexators that reflect the risk factors, at prices of derivatives quoted in B3, of Brazilian public securities in secondaries or derivatives and marketable securities traded abroad. These interest curves are used to obtain fair value of swaps.
- **Futures and Forward ("NDF"):** quotes on stock exchanges or based on the same criteria of fair value measurement of swap contracts.
- **Options:** determined in view of mathematic models using market data such as implicit volatility, interest rate curve and fair value of the underlying asset.

Lending, issuances abroad and payables for loans

These are calculated by discounting estimated cash flows at market interest rates.

c) Fair values of financial assets and liabilities measured at amortized cost

The fair value of financial assets and liabilities recorded at amortized cost is estimated by comparing the current market interest rate of similar financial instruments. The estimated fair value is based on discounted cash flows at present value, using the observable market interest rate for financial instruments with similar credit risk and maturity. For debt instruments quoted, the value is determined based on market prices. For securities issued whose market price is not available, a discounted cash flow model is used on the basis of the appropriate future interest rate curve for the remaining of the term up to maturity. For other instruments subject to floating rate, an adjustment is made to reflect changes in credit spread required since the date the instrument was initially recognized.

Comparison of the value of the financial instruments recorded at amortized cost and the respective estimated fair value:

Accounting classification	Bank			
	06/30/2023		12/31/2022	
	Amortized cost	Fair value	Amortized cost	Fair value
Financial assets measured at amortized cost:				
Interbank accounts	8,445,448	10,892,677	4,730,619	6,274,698
Credit operations with loan characteristics	41,116,035	39,437,792	44,959,296	47,660,721
Marketable securities issued by governments of other countries	295,353	294,008	280,628	276,109
Financial liabilities measured at amortized cost:				
Local funding (interbank deposits, time deposits and issuances of securities in Brazil)	42,643,238	43,537,159	38,462,376	40,005,966
Borrowings and onlendings	2,652,019	2,311,562	2,679,005	2,202,813
Accounting classification	Consolidated			
	06/30/2023		12/31/2022	
	Amortized cost	Fair value	Amortized cost	Fair value
Financial assets measured at amortized cost:				
Interbank accounts	6,517,395	7,827,716	2,870,882	3,333,696
Credit operations with loan characteristics	41,426,529	37,564,286	45,245,070	47,966,283
Lease operations	2,541,185	2,729,299	2,463,780	2,635,439
Marketable securities issued by governments of other countries	295,353	294,008	280,628	276,109
Financial liabilities measured at amortized cost:				
Local funding (interbank deposits, time deposits and issuances of securities in Brazil)	42,194,821	43,088,745	38,014,869	39,558,459
Borrowings and onlendings	2,652,019	2,311,562	2,679,005	2,202,813

The financial instruments measured at amortized cost, for purposes of assessing its potential fair value, were classified as “Level 2” instruments. This valuation considered the prices quoted in an active market for similar assets or liabilities or based on another valuation method, mainly the “discounted cash flows” method, in which all significant inputs are based on observable market data.

24 - INTEGRATED RISK AND CAPITAL MANAGEMENT

Daycoval believes that the risk management is an important instrument for adding value to the Prudential Conglomerate's entities, shareholders, employees and clients, besides contributing to strengthen the corporate governance and the internal control environment. The Governance, Risk and Compliance (GRC) area, subordinated to the Senior Management, plays an institutional role towards the enhancement of the operating, market, liquidity, credit, compliance, social and environmental and capital risk management processes, procedures, criteria and tools, in order to ensure a high level of security in all its operations on an integrated basis.

In addition to complying with the requirements of CMN Resolution 4,557, Daycoval understands that the integrated management of risks is a key instrument for disseminating a behavior that encourage the establishment of a culture oriented to manage these risks. Accordingly, it establishes strategies and objectives to reach optimal balance between the growth goals and return on investments and the underlying risks, thus allowing to explore its funds effectively and efficiently in pursuing the entity's objectives.

The structuring of the process of Integrated Management of Corporate Risks contributes to the better Corporate Governance, which is one of Daycoval's strategic focus, in line with the guidelines of Management, Integrated Risk and Capital Management Executive Committee, to steer actions in order to ensure compliance with prevailing regulation, guarantee the implementation of actions and access to the information necessary for such management.

The responsibility for risk identification and management is structured according to the concept of three lines of defense, in order to map the risk events of internal and external nature that may affect the objectives of the business units. In this scenario, the Risk Committee and risk managers play an important role in the various areas of the Bank, in order to ensure the Bank's continuing and sustainable growth.

The Bank's Risk Managers identify, measure, control, evaluate and manage the risks, ensuring the consistency between the risks assumed and the acceptable risk level defined by the Institution, as well as report the exposure to the Management, business areas and regulatory bodies. Within this context, the risk appetite defines the nature and level of the risks acceptable for the institution and the risk culture guides the necessary behavior to manage these risks. Daycoval invests in the development of risk management processes supported by corporate values (agility, safety, integrity, soundness, relationship and sustainability) which strengthen the employees' responsibility for the business sustainability.

a) Capital management

The Board of Directors, Daycoval's ultimate capital management body is responsible for approving the Capital Management Policy, the acceptable capital level, approving the capital plan and determining when the contingency plan must be implemented, in addition to revising the capital management policies and strategies, as well as the capital plan, at least annually, so as to determine its compatibility with its strategic planning and the market conditions. The explanatory notes on capital have been prepared in accordance with BACEN regulations to determine its capital sufficiency on an annual basis and are shown below:

i. Basel Accord

Banco Daycoval's minimum capital requirements are presented as a Based Indicator by dividing the Regulatory Capital (PR) by the Minimum Capital Required, consisting of the sum of portions of risk-weighted assets or RWA, multiplied by the percentage of minimum capital requirement, which is currently 8.00%. These minimum requirements are an integral part of a set of standards announced by BACEN, in order to implement global capital requirements, known as Basel III and, are expressed as indices that link the capital available and the right-weighted assets (RWA).

Basel III rules seek to improve the quality of financial institutions' capital, restricting the use of financial instruments not capable of absorbing losses, and deducting assets that may threaten the value of capital due to low liquidity, dependence on future profits for realization or difficulty to measure value. These instruments include tax credits, intangible assets and investments in non-subsidiaries, especially those operating in the insurance industry.

The Regulatory Capital ("PR") is defined as the sum of Tier I (principal and complementary capital) and of Tier II, calculated on a consolidated basis, considering the institutions comprising the Prudential Conglomerate which, for Banco Daycoval, include the Bank's operations, its branch abroad and Daycoval Leasing.

CMN Resolutions 4,955/21 and 4,958/21 establish the criteria and procedures to calculate the minimum requirements for regulatory capital ("PR"), of Tier I, of Principal Capital and of Additional Principal Capital, at the following percentages:

	Minimum % of capital	
	06/30/2023	12/31/2022
Minimum Regulatory Capital ("PR")	8.00%	8.00%
Tier I	6.00%	6.00%
Principal capital	4.50%	4.50%
Complementary capital	1.50%	1.50%
Tier II	2.00%	2.00%
Additional principal capital ("ACP")	2.50%	2.50%
ACP - Conservation	2.50%	2.50%
ACP - Countercyclical ⁽¹⁾	0.00%	0.00%
ACP - Systemic ⁽²⁾	0.00%	0.00%
Total capital required (PR + ACP)	10.50%	10.50%

(1) Pursuant to Bacen Circular 3,769/15, article 3, the percentage of Countercyclical ACP is equal to 0%.

(2) The Systemic Importance Additional (Systemic ACP) is determined on the basis of criteria set by BACEN Circular 3,768/15. The percentage of Systemic ACP is up to 2%, provided that the reason between total exposure, pursuant to article 2, item II, of BACEN Circular Letter 3,748/15, as of December 31 of the penultimate year in relation to the base date of calculation, and the Brazilian GDP, is higher than 10%, otherwise the percentage of Systemic ACP is equal to 0%.

The breakdown of the Regulatory Capital, Minimum Required Capital, risk-weighted assets ("RWA") and Basel ratio is as follows:

	06/30/2023	12/31/2022
Regulatory Capital	7,006,318	6,752,551
Regulatory Capital – Tier I	7,006,318	6,752,551
Principal Capital	5,961,174	5,710,073
Equity	5,986,628	5,738,459
Prudential adjustments - CMN Resolution 4,955/21	(25,454)	(28,386)
Complementary capital	1,045,144	1,042,478
Perpetual financial bills (Note 16.d)	1,045,144	1,042,478
Minimum required capital (RWAx 8%)	3,950,476	4,199,357
Risk-Weighted Assets (RWA)	49,380,945	52,491,957
Credit risk	44,214,584	47,254,922
Market risk	1,122,542	1,896,129
Foreign exchange asset - RWAcam	559,280	1,289,501
Assets indexed to fixed interest - RWAjur1	417,271	397,365
Assets indexed to foreign exchange coupon - RWAjur2	144,850	208,047
Assets indexed to inflation - RWAjur3	1,141	1,216
Operational risk - RWAopad	4,043,819	3,340,906
Basel ratio - Total	14.2%	12.9%
Basel ratio - Tier I	14.2%	12.9%
Exposure of assets to the interest rate in the Banking Book (IRRBB)	235,443	503,520
Surplus regulatory capital		
On minimum requirement	77.4%	60.8%
On total requirement	35.1%	22.5%

b) Market risk

Market risk is the risk of incurring losses due to fluctuations in the fair values of the positions held by a financial institution, including the risks to which the transactions subject to exchange rate changes, interest rates, stock prices, and commodity prices are exposed.

i. Main market risks to which Daycoval is exposed:

Interest rate risk

Possible interest rate fluctuations that could adversely affect the value of the financial instruments. This risk is classified as follows:

- Parallel change risk: exposure of profit and loss to parallel changes in the interest curve, resulting in equal differentials for all terms.
- Risk of changes in curve slope: exposure of profit or loss to the changes in the timeframe structure of the interest curve, resulting in changes in pending or curve form.

Currency price risk

The exposure of foreign currency positions to the changes in the exchange type.

Price Risk

The exposure of outstanding securities to adverse market price fluctuations. This risk is classified as follows:

- Generic or systematic risk: exposure of the position value to the changes in prices in general;
- Specific risk: exposure not related to the changes in prices in general but related to the issuer's own characteristics

ii. Market Risk management methodologies

Value-at-Risk (VaR)

The Value-at-Risk or VaR is the benchmark used in the market and a measure that properly summarizes the market risk exposure from the trading activities (trading portfolio). It represents the potential maximum loss in the market value that, under normal market conditions, can result in a specific position or portfolio, considering a defined certainty level (confidence level) and time horizon.

Among the different methodologies available to calculate the VaR (parametric, historical simulation and Montecarlo simulation), Daycoval understands that the parametric methodology is the most adequate to the characteristics of the positions of its trading portfolio.

Parametric methodology

It is based on the normality statistics in the distribution of probabilities related to the risk factor changes, based on the volatilities and correlations to determine the potential change of a position. Accordingly, the risk factors must be identified and the positions must be allocated to the defined vertices. Subsequently, the volatilities of each risk factor and the correlations to the positions are applied.

Banking Book

Managing the risk of variation in interest rates in financial instruments classified as Interest Rate Risk in the Banking Book (IRRBB) is based on the following metrics:

- ΔEVE (Delta Economic Value of Equity): difference between the present value of the sum of flows of repricing of instruments subject to IRRBB in a base scenario and the present value of the sum of repricing of flows of these instruments in a shock scenario of interest rates;
- ΔNII (Delta Net Interest Income): difference between the result of trading of instruments subject to IRRBB in a base scenario and the result of trading of these instruments in a shock scenario in interest rates.

iii. Stress test

It is a supplementary tool to the VaR measures used to measure and assess the risk to which the Bank is exposed. It is based on the definition of a set of movements for certain market variables and the determination of the effects from the movements on the portfolio value. The stress test results are periodically analyzed by the Market Risk Committee.

iv. Scenario analysis

The purpose of the scenario analysis is to assist the senior management in understanding the impact caused by certain events on the Bank, using a risk analysis tool that defines the long-term scenarios that affect the parameters or variables defined for risk measurement.

Differently from the stress tests, which consider the impact from the changes in the market risk factors on the short-term portfolio, the scenario analysis determines the impact from more complex events on the Bank as a whole.

In the definition of the scenarios, the following factors are considered:

- The experience and expertise of the persons responsible for the areas involved;
- The proper number of relevant variables and their explanation power in order to avoid unnecessary problems in the analysis and interpretation of the results.

As a risk management governance practice, Daycoval and its subsidiaries adopt a continuous risk management process that involves controlling all the positions exposed to the market risk. The market risk limits are determined according to the characteristics of the operations, which are segregated in the following portfolios:

- Trading portfolio: refers to transactions with financial instruments and commodities, including derivatives, that are held for the purpose of being actively traded or to hedge other financial instruments comprising the trading portfolio. These held-for-trading transactions are those intended for the resale, obtain gains from actual or expected price fluctuations, or arbitrage.
- Banking portfolio: refers to all transactions that are not classified in the trading portfolio and are represented by transactions arising from the Bank's business lines.

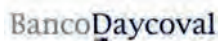
The segregation above is related to the way Management manages Daycoval's business and its exposure to the market risks, in conformity with the best market practices, the transaction classification criteria set forth in prevailing regulations issued by BACEN and the Basel Accord. Therefore, according to the nature of the activities, the sensitivity analysis was conducted for the trading and banking portfolio operations, as they represent significant exposures for Daycoval's profit or loss.

The table below shows the sensitivity analysis of the Trading and Banking books as at June 30, 2023 and December 31, 2022:

Risk factors	06/30/2023			12/31/2022		
	Scenarios			Scenarios		
	1	2	3	1	2	3
Fixed rate	(13,076)	(28,026)	(41,036)	(17,550)	(39,964)	(59,022)
Foreign currencies	12,083	31,226	55,055	(4,077)	(13,243)	(17,158)
Price indices	(8)	(17)	(24)	(9)	(18)	(25)
Total Trading Book	(1,001)	3,183	13,995	(21,636)	(53,225)	(76,205)
Total Banking Book	(94,532)	(244,748)	(380,449)	(148,266)	(327,355)	(489,303)
Total	(95,533)	(241,565)	(366,454)	(169,902)	(380,580)	(565,508)

The sensitivity analysis was carried out considering the following scenarios:

- Scenario 1: refers to the stress scenario considered probable for the risk factors and its preparation is based on available market inputs (B3 S.A., ANBIMA, etc.). Accordingly, risk factors considered were: (i) quotation of R\$/US\$5.45 (R\$/US\$6.01 as at December 31, 2022); (ii) fixed interest rate of 14.39% p.a. (16.13% p.a. as at December 31, 2022); (iii) Ibovespa of 96,831 points (89,982 points as at December 31, 2022); (iv) foreign exchange coupon of 9.28% p.a. (8.78% p.a. as at December 31, 2022); and (v) price index coupon of 10.55% p.a. (7.57% p.a. as at December 31, 2022).
- Scenario 2: a 25% stress of the risk factors was considered for this scenario. Accordingly, risk factors considered were: (i) quotation of R\$/US\$6.81 (R\$/US\$7.52 as at December 31, 2022); (ii) fixed interest rate of 17.99% p.a. (20.16% p.a. as at December 31, 2022); (iii) Ibovespa of 72,624 points (67,486 points as at December 31, 2022); (iv) foreign exchange coupon of 11.60% p.a. (10.98% p.a. as at December 31, 2022); and (v) price index coupon of 13.19% p.a. (9.46% p.a. as at December 31, 2022).
- Scenario 3: a 50% stress of the risk factors was considered for this scenario. Accordingly, risk factors considered were: (i) quotation of R\$/US\$8.17 (R\$/US\$9.02 as at December 31, 2022); (ii) fixed interest rate of 21.59% p.a. (24.20% p.a. as at December 31, 2022); (iii) Ibovespa of 48,416 points (44,990 points as at December 31, 2022); (iv) foreign exchange coupon of 13.92% p.a. (13.17% p.a. as at December 31, 2022); and (v) price index coupon of 15.83% p.a. (11.36% p.a. as at December 31, 2022).



It is worth mentioning that the results shown in the table above reflect the impacts for each scenario projected on a static position of the portfolio as at June 30, 2023 and December 31, 2022. The market dynamics produces constant changes in this position and thus it does not necessarily reflect the actual position on the date these interim financial statements are disclosed. Additionally, as mentioned above, there is a continuous management of the trading and banking portfolios' positions to mitigate the risks associated to such portfolios, according to the strategy defined by Management and, when there are indications of deterioration of a certain position, proactive actions are taken to minimize possible adverse impacts and maximize the risk/return ratio for Daycoval.

v. Backtesting

Backtesting is the comparison between the former estimated gain/loss and the effective gain/loss. The purpose is to analyze the risk model efficiency adequacy. For purposes of backtesting, effective gains/losses are used for each business unit.

c) Liquidity risk

Liquidity risk is the risk of mismatches between tradable assets and payable liabilities — payables and receivables mismatches — that might affect the payment ability of the Bank, taking into consideration the different currencies and settlement terms of its assets and liabilities.

The main liquidity risk factors can have external or internal origin:

i. Main external risk factors:

- Macroeconomic factors, both national and international;
- Liquidity policies set by the regulator;
- Situations where the confidence and, consequently, the system liquidity was affected;
- Credit agencies' ratings: sovereign risk and organization risk;
- Lack of funds in the market.

ii. The main internal risk factors are:

- Bank's risk appetite and definition of the acceptable liquidity level;
- Terms and rates mismatches caused by the characteristics of the traded products and services;
- Concentration policy, both in funding and credit granting;
- Covenants assumed by the Institution: financial, economic and related to environmental management;
- Increase in the number of early redemptions of funds raised or transactions with immediate or grace period liquidity clauses;
- Exposure to illiquid or low liquidity assets;
- Leverage.

This type of risk is particularly important at the financial institutions, as economic / political / financial events and even changes in the perception of confidence or expectations may quickly turn into major solvency problems. This is a risk that needs to be constantly managed, with extreme care with respect to matches and terms between receivables and payables; either at the short, medium or long terms.

The controls over liquidity risks are frequently performed in portfolio. Accordingly, the balance between obligations and receipts from institution's books is analyzed. In addition to an in-depth analysis of cash flows, extreme scenarios of liquidity risks are considered, together with performance triggers.

d) Credit risk

Risk associated with possible losses from the borrower's or counterparty's non-compliance with respective obligations as agreed upon; the devaluation, reduction of remunerations and expected gains on financial instruments from the deterioration of credit quality of the counterparty, the intervening party or of the mitigating instrument; the restructuring of financial instruments; or costs of recovery from exposures characterized as problematic assets.

i. Classification of operations:

Daycoval adopts consistent and verifiable criteria to classify its loan transactions that combine the borrower's economic, financial, personal and market information with the accessory guarantees provided to the transaction. Based on this information, minimum allowances will be recognized to cover the risks assumed, as prescribed by BACEN Resolution 2,682/99, and subsequent amendments, from the Central Bank of Brazil.

ii. Daycoval credit scoring models:

Models designed through statistic approach and used to classify risks in the credit granting process, after applying the credit policies previously analyzed and approved with customer data, as well as operations verified and relevant. It should also be noted that the assets underlying financing, for purposes of developing a score model, are classified and a risk classification is obtained for each product.

iii. Treasury - financing of government bonds, over-the-counter derivatives and brokers

Low-risk strategies are adopted in the structuring of operations based on the exposure limit analysis against the counterparties' equity, trading agreements previously agreed and according to the objective technical assessment conditions of the counterparties' credit risk and strict selection of brokers related to prime banks to deal with the positions allocated.

e) Operational risk

Operational risk is the possibility of an entity incurring losses due to failure, deficiency or ineffectiveness of internal processes, people and systems, or external events. It includes the legal risk associated to inadequacy or deficiency in contracts entered into by the Bank, as well as penalties due to noncompliance with legal provisions, and compensation paid for damages caused to third parties as a result of the activities conducted by the Bank.

In managing operational risks, the Bank relies on a qualified risk management framework to identify, control and identify operational risks, as well as to disseminate the risk mitigation culture. In these processes, the Governance, Risk and Compliance (GRC) area works in synergy with the managers of the executive areas, in the application of the methodologies and tools used in the corporate analysis of the following factors:

- Measurement of the risk impact;
- Assessment of the risk frequency;
- Calculation of the risk severity (impact x probability);
- Measurement of the control effectiveness.

We believe that this activity is inherent in the processes adopted by all areas, resulting in the design of a Risk and Control Matrix, which presents a detailed overview of the exposure to the operational risk, being possible to analyze the risks with greater level of exposure to, if necessary, align the mitigation action plan.

For purposes of business continuity, the strategy defined is to keep all business areas and lines in operation, including relevant services provided by third parties, in contingency. In order to fulfill the resolution of senior management, the business continuity management must be implemented to ensure the continuity of the activities and limit losses arising from a possible suspension of the critical business processes.

f) Compliance risk

Compliance risk is the risk associated to legal or regulatory sanctions, financial losses or even reputation losses arising from the lack of compliance with legal and regulatory provisions and codes of conduct.

At Daycoval, the monitoring of activities for compliance with laws and regulations is carried out by the Governance, Risk and Compliance (GRC) area to ensure the compliance with the Bank's and Conglomerate's deadlines and objectives, as well as to manage, on integrated basis, this risk together with the other risks, ensuring the effectiveness of the activities related to the compliance activity for compliance with regulatory, legal and internal rules.

g) Social and environmental responsibility

Refers to the possibility of incurring losses arising from social and environmental damages, related to each entity individually, comprising Daycoval Group, in accordance with the principles of relevance and proportionality.

The Social and Environmental Responsibility Policy (PRSA) establishes guidelines that guide the Daycoval Conglomerate in terms of social, environmental and climate aspects, proportional to its business model, the nature of transactions and the complexity of products, services, activities and processes, as well as in the relationship with stakeholders, and provides for the governance framework to ensure the continuing assessment and management of the social, environmental and climate risk, considering the principles of significance, proportionality and efficiency.

The social, environmental and climate risk mitigation measures are carried out through mapping of processes, risks and controls, monitoring of new standards related to the matter and management of the social, environmental and climate risk by the first line of defense in its daily operations, relying on the support, as the case may, from the GRC and legal areas.

The governance also relies on the Executive Social and Environmental Risk Committee, which main duty is to provide instructions on the institutional principles that guide the social and environmental actions in the business and relationship with stakeholders, aiming at ensuring the appropriate integration with the PRSA.

25 - EMPLOYEE BENEFITS

Education incentive and profit sharing programs

As part of its strategy of being ranked among the best companies to work in Brazil, the Bank invests in the training and welfare of its employees, through programs involving college and MBA and postgraduate students, participates in the federal government's Minor Apprentice program, and implements its own internship programs.

The Bank offers a profit sharing program to all employees. This program is designed in partnership with the Union of Bank Employees and is tied to performance goals annually evaluated, using the criteria according to the Performance Evaluation program.

26 - OTHER INFORMATION

a) Asset management

Banco Daycoval S.A. and Daycoval Asset Management are responsible for the management, administration, controllership, bookkeeping and custody of third-party funds through investment funds, investment clubs and managed portfolios, whose net assets as at June 30, 2023, totaled R\$84.9 billion (R\$78.5 billion as at December 31, 2022).

b) Insurance coverage against losses

Despite the low risk exposure as a result of their assets not being physically concentrated, the Bank and its subsidiaries insure their assets at amounts considered sufficient to cover probable losses.

c) Relationship with Auditors

In accordance with CVM Resolution CVM 162, of July 13, 2022, we inform that the firm engaged to review the Bank's interim financial statements for the quarter ended March 31, 2023, has not provided any other services to the Bank and the Group companies, other than the independent audit services.

Our policy, including our subsidiaries, to engage non-audit services from our independent auditors, is based on applicable regulation and internationally accepted principles that preserve the independence of the auditor. These principles consist of: (a) the auditor must not audit its own work; (b) the auditor must not exercise managerial functions in its client; and (c) the auditor must not promote the interests of its client.

d) Audit Committee

As required by CMN Resolution 3,198/04, effective up to January 1, 2022, revoked by CMN Resolution 4,190, of May 27, 2021, which came into effect as from that date, and with a view to adopting the industry best practices when conducting its businesses, the establishment of an Audit Committee was approved, which will be comprised of 3 members, pursuant to the prevailing legislation. The current composition of this committee was ratified by the Central Bank of Brazil on September 12, 2022.

The Management

Luiz Alexandre Cadorin
Accountant
CRC 1SP243564/O-2

Opinions and Declarations / Opinion of the Supervisory Council or Equivalent Body

Up to the date of presentation of these financial statements, there is no Supervisory Board established.

Summarized Opinion or Report, if any, of the Audit Committee (either statutory or not)

SUMMARY OF THE AUDIT COMMITTEE REPORT

The Audit Committee ("Committee") of Banco Daycoval S.A. ("Bank") was established upon resolution of the Board of Directors, aiming at adopting Best Market Practices, in conformity with Resolution 3.198/04, from the National Monetary Council, current Resolution 4.910, of May 27, 2021, comprised of three members, pursuant to the prevailing law. The Committee's establishment was approved by the Central Bank of Brazil on May 26, 2009, and its duties including advising the Board of Directors in assessing the accuracy of the financial statements, supervising the compliance with legal and regulatory requirements and monitoring and assessing the independent auditors' independence. The Committee's current composition was approved by the Central Bank of Brazil on September 12, 2022.

Within the scope of its activities, the Committee: (i) has met the Independent Auditors in charge of the audit of these financial statements and the issuance of a report on their adequacy in all material respects in accordance with accounting practices adopted in Brazil, based on the accounting guidelines set forth in the Brazilian Corporate Law, the regulations and instructions from the National Monetary Council, the Central Bank of Brazil and the Accounting Chart of Accounts of the Financial Institutions, the Brazilian Securities and Exchange Commission and the Superintendence of Private Insurance and the Accounting Pronouncements Committee. The Committee also assessed aspects related to the engagement of the independent auditors, their certifications and qualifications; (ii) supervised the planning and schedule of the Internal Auditors' work and reviewed the findings and conclusions arising from the work conducted in the period, always assessing the level of risk of the findings, as well as the follow-up of these findings; (iii) assessed the work conducted by the Risk Management, Control and Compliance area for the improvement of the main processes and systems, as well as the reports in place for managing risks and supporting governance; (iv) assessed the process for issuance and disclosure of the financial statements to ensure their accuracy, transparency and completeness; (v) assessed the effectiveness of the Bank's internal controls and the risk management system, as well as the reports issued; (vi) discussed with the Bank's Management matters related to the activities, internal management, risk management and governance improvement and any findings reported by the regulatory agencies; (vii) reviewed the minutes of the Risk Committee; (viii) met to review the annual work plan and prepare the meetings' minutes. As a result of the activities performed, the Detailed Report of the Audit Committee has been prepared, containing the result of the work and the findings that the Committee considered appropriate for submission to Management.

Based on the reports submitted by the Independent Auditors, the supervision of the performance of the Internal Audit work, the activities performed by the areas in charge of Risk management, Controls and and the information received from the Bank's Management and, considering the natural limitations deriving from the work scope, the Committee recommends that the Board of Directors approve the financial statements for the six-month period ended June 30, 2023.

São Paulo, August 8, 2023.

The Audit Committee

Eduardo Mormino - Audit Committee Coordinator

Rony Dayan - Audit Committee Member

José Ferreira da Silva - Audit Committee Member

Opinions and Declarations / Statement of Directors on the Financial Statements

DECLARATION ON THE FINANCIAL STATEMENTS

In compliance with CVM Instruction 480/09, the directors of Banco Daycoval S.A., a publicly-held company registered with the BM&FBOVESPA S.A.– Bolsa de Valores, Mercadorias & Futuros in Category B, hereby DECLARE that they reviewed, discussed and agreed to the financial statements for the quarter and six-month period ended June 30, 2023.

São Paulo, August 8, 2023.

EXECUTIVE DIRECTORS:

Carlos Moche Dayan
Morris Dayan
Salim Dayan

DIRECTORS (WITHOUT SPECIAL DESIGNATION):

Albert Rouben
Alexandre Rhein
Alexandre Teixeira
Carla Zeitune Pimentel dos Santos
Claudinei Aparecido Pedro
Eduardo Campos Raymundo
Elie Jacques Mizrahi
Erick Warner de Carvalho
Gilson Fernandes Ribeiro
Maria Beatriz de Andrade Marques Macedo
Maria Regina R. M. Nogueira
Nilo Cavarzan
Paulo Augusto Luz Ferreira Saba

Opinions and Declarations / Statement of Directors on the Report of the Independent Auditors

DECLARATION ON THE REPORT OF THE INDEPENDENT AUDITORS

Pursuant to CVM Instruction No. 480/09, the directors of Banco Daycoval S.A., a publicly-held company registered with the CVM in Category B, hereby DECLARES that they have reviewed, discussed and agreed with the opinions expressed in the Independent Auditors' Quarterly Information, Deloitte Touche Tohmatsu - Auditores Independentes, referring to the financial statements for the quarter and six-month period ended June 30, 2023.

São Paulo, August 8, 2023.

EXECUTIVE DIRECTORS:

Carlos Moche Dayan
Morris Dayan
Salim Dayan

DIRECTORS (WITHOUT SPECIAL DESIGNATION):

Albert Rouben
Alexandre Rhein
Alexandre Teixeira
Carla Zeitune Pimentel dos Santos
Claudinei Aparecido Pedro
Eduardo Campos Raymundo
Elie Jacques Mizrahi
Erick Warner de Carvalho
Gilson Fernandes Ribeiro
Maria Beatriz de Andrade Marques Macedo
Maria Regina R. M. Nogueira
Nilo Cavarzan
Paulo Augusto Luz Ferreira Saba