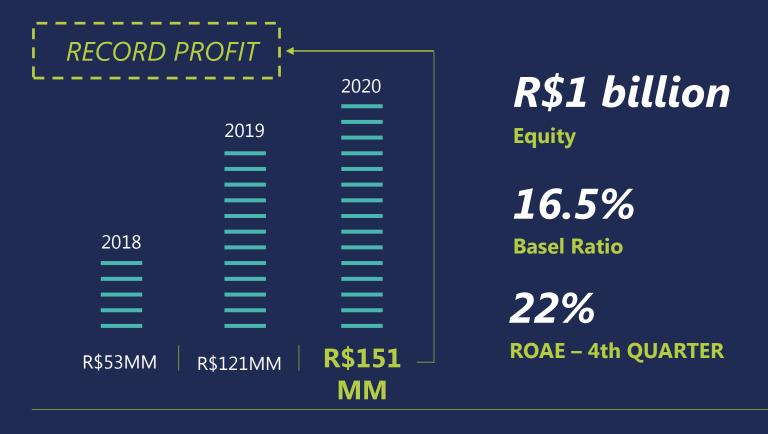
INSTITUTIONAL PRESENTATION

2020 Ath QUARTER



2020 HIGHLIGHTS







LOANS







CARDS

INSURANCE







TRAJECTORY

78 years of solid trajectory in the financial industry with important changes over the last years

1943-1999 CONSOLIDATION

Consolidation of one of the largest and more significant financial institutions in Brazil

Acquisition of more than 15 competitors

Customer base mostly made up of companies

2000-2008 SPECIALIZATION

Adaptation to the monetary stabilization period

Automation of services

Payroll deductible loans and bank agents

2009-2018 FOCUS ON INSS

Change of focus from companies to INSS beneficiaries

More competitive bidder in payroll – benefit auctions, leveraging its own experience

Reduction of portfolio intended for companies

BEGINNING 2019NEW CHAPTER OF GROWTH

Improvements of governance and robust professionalization of business

New digital initiatives and strategy set to accelerate the growth of public of INSS beneficiaries, the group we know best



50+ BANK



63% HEADS OF HOUSEHOLDS

92% HAVE A CELL PHONE

80% CLASS C, D and E

50+ BANK



74% OF THE CURRENT CUSTOMER BASE

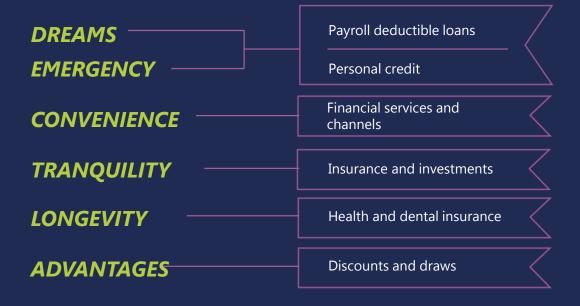
89% OF TOTAL LIFE BENEFICIARIES

WE SOUGHT TO BE RECOGNIZED AS THE BEST FINANCIAL ECOSYSTEM FOR 50+ PUBLIC



LIVE THE CUSTOMER

HOW WE CREATE VALUE FOR THE MB CUSTOMER











Modern Consumer Award

1st Place – Medium-size Banks Category

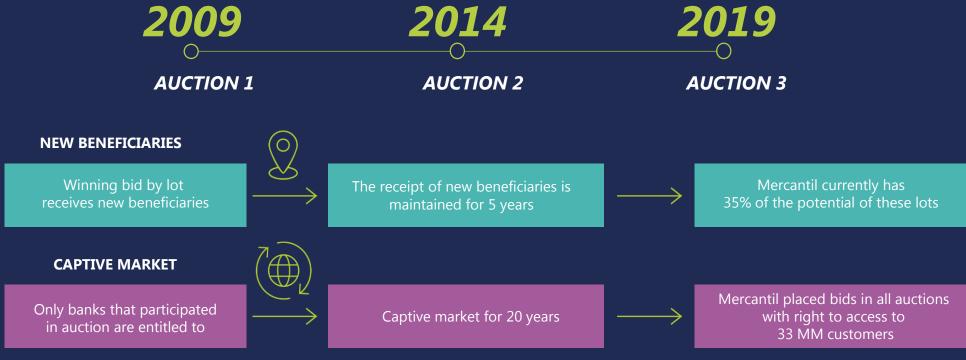


Smart Customer Award
Gold - Respect to Customer Category



INSS AUCTION

WE ARE IN A UNIQUE POSITION TO EXPLORE THIS MARKET





INSS AUCTION

GREAT POTENTIAL

TO ACT AND EXPAND OUR PORTFOLIO

33.6 MILLION PEOPLE

Full access to be base of beneficiaries of all auctions

40% comprises beneficiaries who have life benefits, such as retirees due to age or accidents

60% comprises beneficiaries

who seek temporary benefits, such as unemployment insurance and/or maternity pay

PLACE in 8 lots on the last auction Lots won – 1st place 2009, 2014 and 2019 Lots won – 1st place 2019 Lots with participation of MB 2009, 2014 and 2019

OTHER WAYS OF PROSPECTING
THE INSS PUBLIC



BANK AGENTS



APP FOR 50+ PEOPLE TO OPEN ACCOUNTS



GROWTH PILLARS

Portfolio expansion

Increase the volume of commoditized portfolio, in order to increase revenues accordingly



Data-driven decisions

Reaffirm the strategic planning and decisionmaking through data

Customer base growth

Increase business potential, crossselling and efficiency of scale



50+ SUCCESS

Pillars for our growth



Technological innovation

Develop optimizations and new digital solutions focusing on efficiency, security and UX

Partnership ecosystems

Reach agreements with companies in order to secure advantages for customers and partners of MB



PRODUCTS FOR 50+ PEOPLE

HIGH CONVERSION

LOANS

INSURANCE

CARDS

INVESTMENTS



37%

PAYROLL

DEDUCTIBLE

LOANS

47%

BANKING
SERVICES

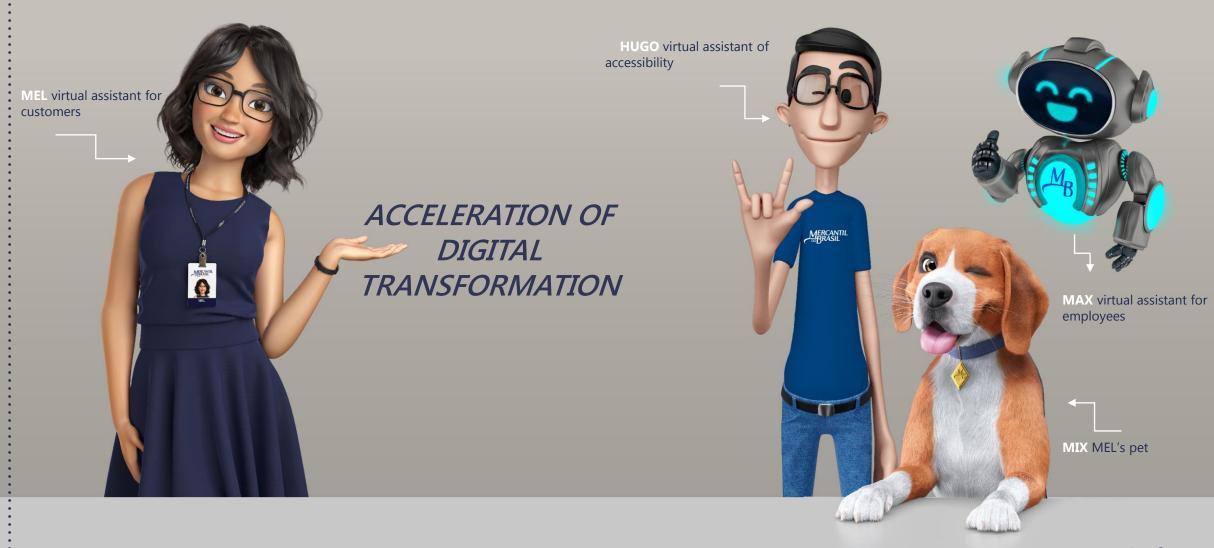
29% CREDIT CARD

18%
PERSONAL LOANS

36% INSURANCE







50%
REDUCTION
IN LEAD TIME

55%
INCREASE IN DIGITAL
TRANSACTIONS

13% DECREASE IN TOTAL FIXED IT COST

80% GROWTH IN USE OF PPE

TWICE AS MUCH PROCESSING CAPACITY



TRUST PEOPLE TRUST DATA

520%

growth in the use of AI-based models for forecasts such as cash, infrastructure capacity, movement in bank branches and performance of operations *100*%

growth in the number of areas that use AI in their daily operations, such as the areas of operations and commercial planning *78*%

of all sales are made digitally, through recommendations generated by propensity models 300%

increase in the volume of hours used for data processing, in particular to structure correlations and evolve the Bank's AI *85*%

growth in the number of employees who consult the dynamic database at least once a day as a basis for their decision making



OMNICHANNEL RELATIONSHIP

INVESTMENT IN INNOVATION





WHATSAPP

TRANSFORMATION

AGILE AND DIGITAL CULTURE

Own model for the organizational transformation that meets the needs and interests, in a dynamic, committed and efficient way. Innovation and optimization projects evaluated by **certified professionals** in different methodologies such as Agile and PMBOK, to determine the appropriate format for their execution.

Agile practices help to achieve expressive results and bring the areas of the organization closer together. This ensures alignment with strategic guidelines, close financial monitoring, and the presence of teams specialized in processes and customer experience.

Keeping the bank in constant motion was the purpose embraced by employees, who with a flexible mindset always seek continuous and sustainable improvement.

Continuous evolution Scrum training for employees with potential Implementation of the transformation office Development of new squads in MB Training in agility for New governance model for business and IT teams

squads and projects

Pioneer teams

in MB

Creation of the first squad



ESG





ISO. 9001 IN ALL ASSET LIGHT STORES



RANKED AMONG THE 3 TOP COMPANIES IN THE STATE OF MINAS GERAIS



BANKABILITY



ACTIONS AGAINST COVID-19



CHALLENGE NETWORK 2030



ADHERENCE TO THE GLOBAL PACT



FEMALE PARTICIPATION
55% OF CUSTOMERS
42% OF EMPLOYEES
33% OF EXECUTIVE BOARD



GREEN ENERGY



SUPPORT TO PROJECT DESCUBRA



15 SOCIAL ACTIONS





GOVERNANCE

Board of Directors





LUIZ HENRIQUE ARAÚJO *President*



GUSTAVO ARAÚJO CEO



SIMONE DUTRA

Chief Loan, HR

and Marketing

Officer

33%

OF FEMALE

PARTICIPATION



TAÍSE CRUZChief Services and
Ombudsman
Officer



FELIPE BOFFChief Products, IT
and Innovation Officer



RODRIGO QUEIROZ Chief Controllership Officer



VALCI REZENDE Chief Commercial INSS Officer



UELQUES ALMEIDA Chief Business and Operations Development Officer



CAROLINA DUARTE
General Counsel and
Chief Investor
Relations Officer



MARIANA ARAÚJO Chief Compliance and Risks Officer



HUMBERTO PEREIRA

Chief Commercial

Individuals/Legal

Entities Officer



PURPOSE AND VALUES

HASSLE-FREE AND CLOSE YOUR BANK OF CHOICE **AND TRUST**



OUR VALUES

We live the customer Our reason to exist





- Our simplicity brings people closer
- We foster long-lasting relations
- We value the well-being of a balanced life



Differences are a plus

- We promote inclusion and diversity
- Different views render best deliveries
- We share experiences and knowledge



An aware result is a sustainable one

- We innovate with simplicity and efficiency
- We overcome each challenge

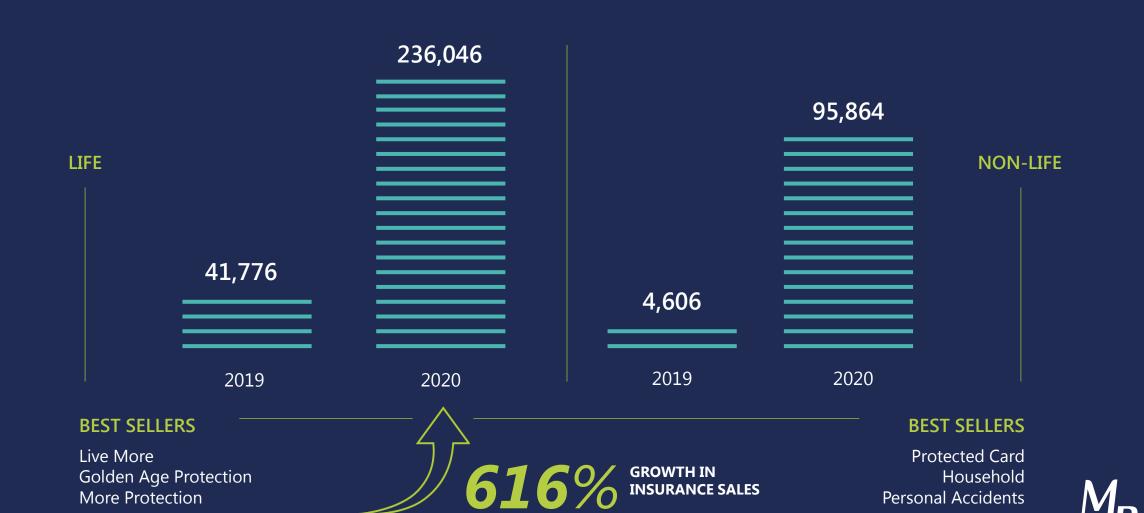


Ethics always

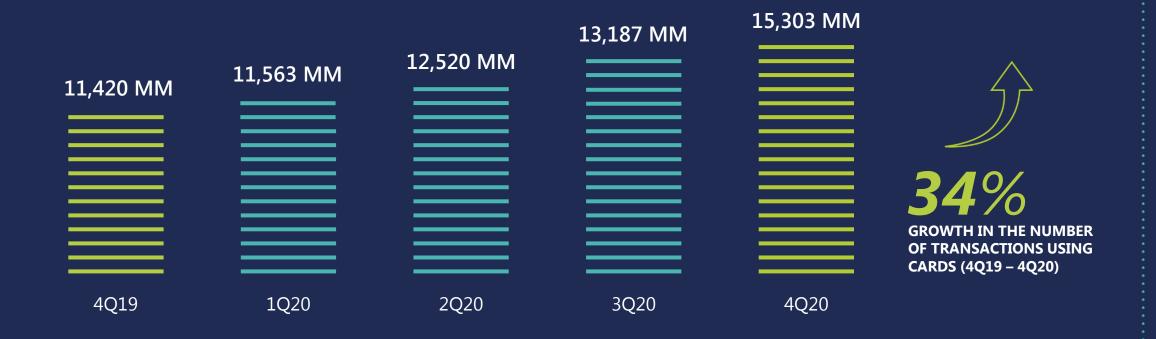




INSURANCE VOLUME



NUMBER OF TRANSACTIONS USING CARDS



Result due to the increase in customer base and loyalty



LOAN PORTFOLIO R\$ 6.4 BI

R\$5 thousand Average ticket

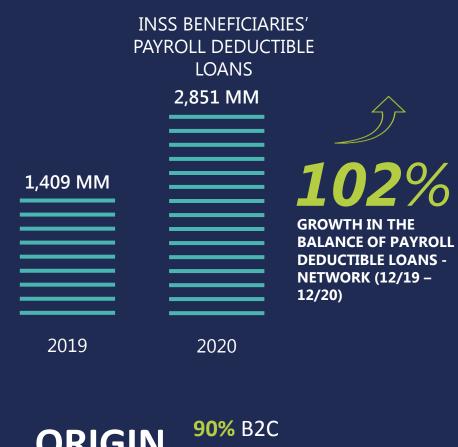






LOAN PORTFOLIO





FUNDING - R\$ 8.6 billion

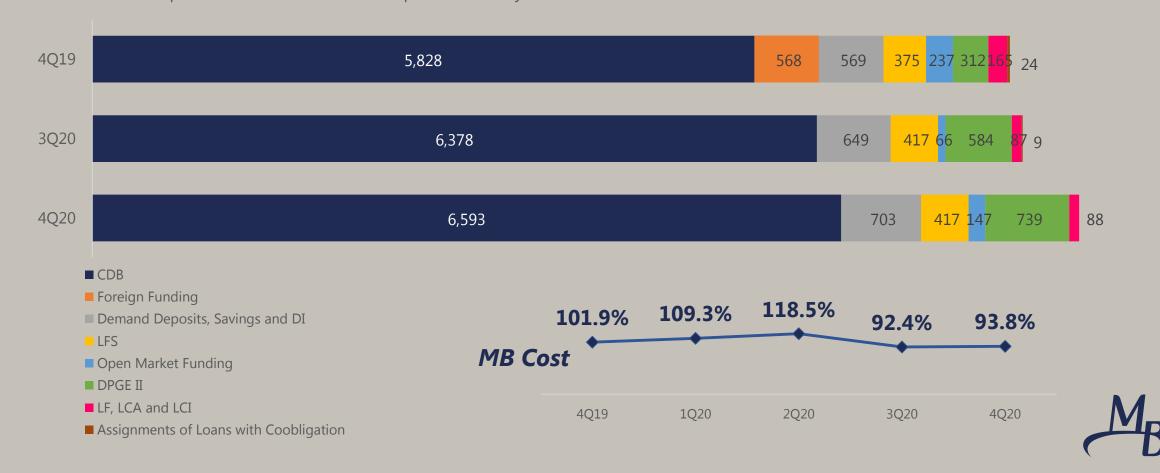
R\$26 thousand

Average ticket - Individuals

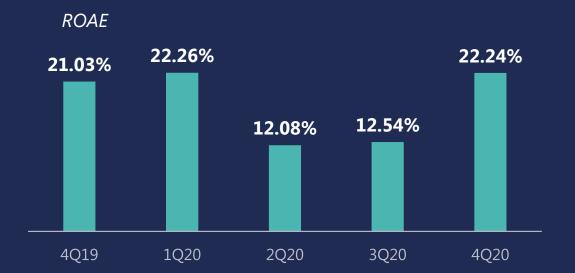


18.3 months

CDB | Portfolio Stay

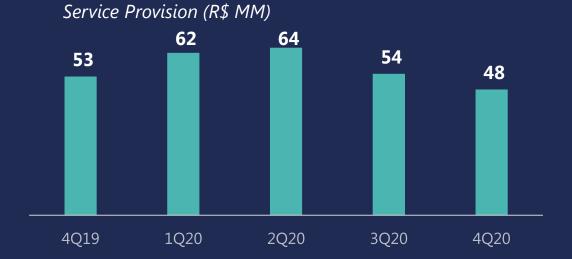


PROFITABILITY









CAPITAL, CASH AND RATING





Accounting Cash (R\$BI)



Rating DEC 2020



*Investment Grade



HIGHLIGHTS IN THE QUARTER

	4Q19	1Q20	2Q20	3Q20	4Q20	Δ%
Total Assets R\$ BI	10.0	10.1	10.7	10.2	10.7	7%
Total Loan Portfolio R\$ BI	4.9	5.1	5.2	5.5	6.4	31%
Commoditized Loan Portfolio R\$ BI	3.6	3.9	4.1	4.5	5.3	47%
Funding R\$ BI	8.1	8.3	8.8	8.2	8.6	6%
Equity R\$ MM	931.8	979.6	1,000.7	1,026.3	1,033.9	11%
Gross Profit from Financial Intermediation R\$ MM	367.9	330.1	360.2	385.6	461.0	25%

HIGHLIGHTS IN THE QUARTER

	4Q19	1Q20	2Q20	3Q20	4Q20	Δ%
Service Provision R\$ MM	53.4	62.0	64.0	53.8	48.4	-9%
Personnel Expenses R\$ MM	145.6	106.3	110.2	121.3	121.0	-17%
Provision Expenses + Discounts Granted R\$ MM	110.0	83.3	97.4	98.9	91.5	-17%
Funding Expenses R\$ MM	101.9	85.4	67.7	37.3	39.4	-61%
Administrative Expenses R\$ MM	153.0	157.1	165.8	164.7	196.2	28%
Profit for the Peridod R\$ MM	41.2	46.9	26.7	28.0	49.4	20%

GRUPO MERCANTIL

51.77%

Controlling Group+ Related Parties 66.39% registered common shares 27.75% registered preferred shares



48.23%

Free Float
33.61% common
registered shares
72.25% preferred
registered shares



91.53%

Investment Bank offering advice on DCM, M&A and structured credit operations for companies



99.99%

Trading of securities on stock exchanges, commodities and futures exchanges or on the OTC market comprising financial institutions and brokers accredited by the Brazilian SEC and the Central Bank of Brazil, including via the Internet



100%

Distribution of securities, administration and management of third party portfolios, funds and investment clubs



85.95%

Direct consumer credit with emphasis on car loans and INSS beneficiaries' payroll deductible loans



100%

Performance in the real estate industry



100%

Insurance brokerage, private pensions plans and bank agents



100%

Performance in the real estate industry



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