



FINANCIAL STATEMENTS 2022

Dear Shareholders,

B3 S.A. – Brasil, Bolsa, Balcão (“B3” or “Company”) hereby submits for your consideration the Management Report regarding activities performed in 2022.

HIGHLIGHTS OF THE YEAR

In a challenging year for global financial and capital markets, B3’s 2022 performance reiterates the efficiency of the strategy of greater diversification of revenues pursued by the Company, which exposes it to different economic scenarios with solid results. The uncertainties in the international political and economic scenario, with the conflict in Ukraine, inflationary pressures and higher interest rates in the world’s major economies, combined with the Brazilian Central Bank’s contractionary fiscal policy, had a negative impact on activity in B3’s listed segment for 2022. On the cash equities market, the average daily trading volume (ADTV) amounted to R\$29.6 billion and on the listed derivatives segment, the average daily volume (ADV) amounted to 4.5 million contracts, down 11% and 3% against 2021, respectively. On the other hand, higher interest rates benefited the over-the-counter (OTC) segment, especially in services provided to the fixed income market, as demonstrated by a 19% increase in the volume of bank funding instruments issued, a 25% increase in the outstanding balance of corporate debt, and a 26% increase in number of investors in Treasury Direct.

Despite the contraction in volumes in the listed segment against 2021, a year in which B3 posted record volumes, the 2022 operational performance was above historical pre-pandemic levels. Such a performance stems from structural changes and the substantial development the Brazilian capital markets have experienced in recent years, which can be demonstrated by certain 2022 indicators, such as the 17% growth in number of accounts in the equities depository, totaling 5.9 million at the end of 2022, and turnover velocity¹ of 164% for the year in the cash equities market.

B3 played a key role in this evolution of the Brazilian markets by implementing its strategy focused on its core business, including efforts in any adjacent lines of business in which B3 may be successful. As a pillar for that strategy, the Company has put customers at the center of its decisions, thereby understanding their demands, perceptions, expectations and, especially, their needs. That closer proximity to customers was made possible by (i) strengthening customer relationship and product teams, (ii) a new customer service model, (iii) operational excellence, and (iv) new project management models based on agility, which allowed B3 to be more successful with initiatives designed to develop its core business and, as a result, to support the development of the market. Highlights for 2022 were the launches of: (i) the RLP (Retail Liquidity Provider), for selected assets on the stock market; (ii) the EDS (Exchange-Defined Strategy) and UDS (User-Defined Strategy) structured transactions, for the interest rate derivatives market, which enables multiple instruments with different maturities to be traded in a single transaction; and (iii) Federal Government Bond (TPF) lending service and specific repos for TPFs.

Among the deliveries expected for 2023, one of the highlights is the launch of a large block trading platform. The launch of this platform is in line with the new resolutions issued by the Brazilian Securities Commission (CVM) on the infrastructure for the financial markets and the operation of the securities and OTC markets, among others. The main themes impacted by those resolutions were self-regulation, best execution rules, and the trading of large blocks outside a stock exchange environment.

The roadmap to core business deliveries also contemplates: (i) the launch of dividend-paying ETFs (Exchange-Trade Funds) and cryptocurrency future contracts; (ii) expansion of market-maker programs and international products; (iii) mark-to-market of private debt securities; (iv) expansion of studies in initiatives like the inclusion of BDRs (Brazilian Depository Receipts) from Brazilian companies in indices; (v) extension of trading hours; (vi) the possibility to trade fractional shares; and (vii) a new fixed-income trading platform.

As for strategic advancements, the year was also marked by intensified diversification efforts in areas related to B3’s core business, particularly Data & Analytics, which should be one of the Company’s growth drivers for the next few years, increasing non-transactional revenues. Within that scope, B3 intends to maximize the potential of its core business as data generators and add greater value by turning those data into products and solutions, with the aim of becoming a material player in the Data Services market. Looking to accelerate and strengthen that ambition, the Company has acquired two companies: Neoway (late 2021), and Neurotech (announced in 2022), featuring very complementary characteristics. Neoway’s first year as a subsidiary of the Company was marked by the evolution in the technology and product connections with B3, making for increased capillarity in data collection and delivering a modern

¹ Turnover velocity: ADTV in the spot market divided by average market capitalization for the period.

distribution platform. Neurotech² is going to add experience in Artificial Intelligence, Machine Learning in analytics solutions, and a decision-making engine for credit, antifraud and pricing solutions. By adding B3's unique, exclusive data, solidity, credibility and robust technology park, the Company is taking an advantageous position to grow in this segment.

Also on new business fronts, B3 intends to continue moving forward with its infrastructure project for Digital Assets, supporting customers of unregulated markets in developing solutions to ensure security, robustness, simplicity and integration with traditional tools. In addition, it will continue to assess opportunities involving technology services that are underpinned by B3, seeking to fill any gaps created by market inefficiencies. Lastly, in 2022 B3 announced the launch of L4 Venture Builder,³ an innovation and entrepreneurship ecosystem investment fund with a focus on businesses showing high growth potential related to B3's activities, seeking to anticipate trends and provide the best solutions to the financial market.

B3's successful implementation of its growth projects depends on a culture in line with the Company's strategy. In 2022, B3 worked on evolving its culture to comply with the new moment that the Company is at, with practices and processes revisions, behaviors and competencies improvements and leadership development as means to be a less hierarchical and more agile company and enhance its delivery capacity.

Regarding the financial performance for 2022, consolidated gross revenues amounted to R\$10.1 billion, a 1.7% decrease against 2021, with a revenue slowdown in the Listed segment partly offset by the growth in revenues from OTC and Technology, data and services. Expenses were influenced by the acceleration of growth projects, given their nature and the way in which they are being developed, are accounted for as expenses rather than investments, and by the rise in inflation rates, which had a material impact on personnel expenses. As a result, recurring EBITDA recorded an 8.0% fall, amounting to R\$6.7 billion with a 73.6% margin.

Distributions of earnings to shareholders for the year 2022 amounted to R\$5.3 billion, including dividends, interest on capital and share buybacks, with the predominance of buybacks - the implementation of the 2022 program resulted in a total purchase of 4% of the Company's capital stock. That distribution represents a payout ratio equivalent to 125% of corporate net income for the period. It is worth pointing out that, over the last 3 fiscal years, the Company's distributions have added up to R\$17.5 billion, which includes the repurchase of almost 6% of the Company's shares.

B3 is entering 2023 with the certainty of a structural change in the level of the financial and capital markets in Brazil. While the economic circumstances remain uncertain, with high volatility and high interest rates, B3 is confident that implementing its strategy with a focus on its core business and seeking to grow into adjacent lines of business, always working together with its customers, is fundamental to seize opportunities in a new cycle of growth in its markets and to continue to support economic development in Brazil.

² Still pending approval of precedent conditions, as reported in the [11/09/2022 Material Fact](#).

³ Still pending approval by the CVM.

Operational Performance

All comparisons in this document are in relation to the year 2021.

Listed

Equities

		2022	2021	2022/2021 (%)
Cash market	ADTV (R\$ million)	29,552.2	33,221.1	-11.0%
	Margin (bps)	3,377	3,652	-0.275 bps
Average market capitalization	(R\$ billion)	4,494.4	5,211.2	-13.8%
Turnover velocity	Annualized (%)	164.4%	157.5%	692 bps
Options market (stock/indices)	ADTV (R\$ million)	823.9	795.0	3.6%
	Margin (bps)	12,493	12,577	-0.084 bps
Forward market	ADTV (R\$ million)	282.3	361.3	-21.9%
	Margin (bps)	7,765	9,744	-1.979 bps
Stock indices futures	ADV (thousands of contracts)	3,511.1	3,971.3	-11.6%
	Average RPC (R\$)	0.912	0.902	1.1%
Number of individual investors (CPFs)	Average (thousand)	4,463.2	3,255.8	37.1%
Number of accounts in depository (total)	Average (thousand)	5,287.7	3,903.7	35.5%
Securities lending	Average open positions (R\$bn)	112.4	105.1	6.9%

Note: "ADTV" stands for Average Daily Traded Volume, "ADV" stands for Average Daily Volume, "RPC" stands for Revenue per Contract, "bps" stands for basis points, and "turnover velocity" results from dividing the volume traded on the spot market in the period by the average market capitalization for the period.

In the equities segment, there was an 11.0% drop in ADTV in the cash equities market, reflecting a scenario of (i) higher interest rates in Brazil, reaching 13.75%, and (ii) increased concern about global macroeconomic conditions, especially due to the geopolitical conflict in Eastern Europe and its ramifications, as well as rising inflation and a monetary squeeze by the central banks in the world's major economies, therefore increasing risk aversion among investors. The lower average market cap, resulting from the decrease in prices for listed stocks on this segment, was partly offset by the higher turnover velocity. For stock indices futures, the 11.6% drop in number of contracts traded was due to a decrease in the trading of the "mini" version of these contracts.

The trading/post-trading margin in the cash equities market was 3.377 bps. The 0.275 bps decrease is primarily due to B3's liquidity improvement initiatives, which include (i) changes in fees implemented by the Company in February 2021 and June 2021, including a new price policy,⁴ and the incentive program for large non-day traders⁵ going into effect, given that 2022 was the first full year to reflect such changes, and (ii) expansion of market-maker programs. The efficiency of these initiatives can be demonstrated by the increased participation of high-frequency investors and the resulting growth in day trade volume in the cash market, which helped to support volumes.

The average revenue per contract (RPC) for stock indices future contracts went up by 1.1%, especially due to lower volumes.



⁴ Further information available from [Material Fact of December 10, 2020](#)

⁵ Further information available from [Circular Letter of April 22, 2021](#).

Note: Margin in bps includes fees at both ends of trades (buy + sell). 3.14 bps was the average margin in the last month of the period (December 2022).

The average number of total accounts in the equities' depository increased by 35.5%, reflecting the continuous search by individual investors for the diversification of their portfolios. Finally, the volume of outstanding positions for securities lending increased 6.9%.

Interest Rates, FX and commodities

		2022	2021	2022/2021 (%)
Interest rates in BRL	ADV (thousands of contracts)	3,067.7	3,263.2	-6.0%
	Average RPC (R\$)	1,033	0.931	11.0%
Interest rates in USD	ADV (thousands of contracts)	311.4	290.5	7.2%
	Average RPC (R\$)	2,232	2,702	-17.4%
FX rates	ADV (thousands of contracts)	1,060.8	1,047.4	1.3%
	Average RPC (R\$)	5,031	5,417	-7.1%
Commodities	ADV (thousands of contracts)	23.4	21.8	7.1%
	Average RPC (R\$)	1,780	1,994	-10.7%
Total	ADV total (thousands of contracts)	4,463.2	4,622.9	-3.5%
	Average RPC (R\$)	2,071	2,064	0.4%

The average daily volume was 4.5 million contracts, down by 3.5%, reflecting mostly a decrease in ADV for interest rates in BRL. The average RPC remained stable against 2021, with the fall in RPC for interest rates in USD, FX rates and commodities explained by an average depreciation of 3.8% of the USD against the BRL at the closing of the months, which was offset by an increase in RPC for interest rates in BRL, with a larger concentration of long-term contracts and a decrease in volumes.

OTC

Fixed Income Instruments

		2022	2021	2022/2021 (%)
Issues	Bank funding (total in R\$ billions)	15,191.0	12,810.9	18.6%
	Other (total in R\$ billions)	1,161.0	716.7	62.0%
Outstanding balance	Bank funding (average in R\$ billions)	2,570.2	2,201.3	16.8%
	Corporate debt (average in R\$ billions)	918.1	734.4	25.0%
	Other (average in R\$ billions)	1,285.8	848.7	51.5%
Treasury Direct	Number of investors (average in thousands)	2,004.3	1,596.6	25.5%
	Outstanding balance (average in R\$ billions)	89.4	69.5	28.6%

Note: "Bank funding" includes DI, CDB, *Letras Financeiras* and other instruments such as RDB, LC, DPGE.

"Other" includes real estate notes (LCI, CCI, CRI and LH), agribusiness certificates (CRA, LCA and CDCA) and funding instruments (CCB, CCCB, NCE, CCE, Export Notes, NC).

In a scenario of higher interest rates, volumes of new issues and average outstanding positions of bank funding instruments increased by 18.6% and 16.8%, respectively, primarily due to a growth in issues of Bank Deposit Certificates (CDBs), which represented 77.0% of all new issues for the year. For issues of other fixed-income instruments, the highlight was a 66.3% growth in issues of agribusiness instruments compared to the previous year. The average outstanding balance of corporate debt instruments increased by 25.0%, with leasing debentures accounting for 17.7% of the average outstanding balance of corporate debt for 2022.

Another highlight in the fixed-income market was the continued growth of Treasury Direct (TD), in which number of investors and outstanding balance went up by 25.5% and 28.6%, respectively. B3 offers an incentive program for brokerage firms to increase the number of investors in this product, which is revised annually. The program comprises

two different incentive models based on the broker's outstanding balance⁶ in TD and on the growth in the investor base, being recognized as revenue-linked expenses.

OTC Derivatives and Structured Notes

		2022	2021	2022/2021 (%)
Issues	(total in R\$ billions)	12,187.5	10,903.4	11.8%
Stock	(average in R\$ billions)	5,581.5	5,060.5	10.3%

New issues on the OTC derivatives and structured notes market increased by 11.8%, with issues of virtually all instruments rising. In the same comparison, the average outstanding balance went up by 10.3% due to the volatility of the period.

Infrastructure for financing

		2022	2021	2022/2021 (%)
	Number of vehicles sold (thousands)	16,960.9	18,632.4	-9.0%
SNG	Number of vehicles financed (thousands)	5,420.4	5,904.4	-8.2%
	% vehicles financed / vehicles sold	32.0%	31.7%	0.3 pp

The number of vehicles sold in Brazil decreased by 9.0% as a result of economic instabilities that also affected the financed volume. Higher prices for automobiles, higher interest rates and increased restriction on credit impacted the number of additions to the National Liens System (SNG), which decreased by 8.2%.

Technology, data and services

		2022	2021	2022/2021 (%)
OTC utilization		18,428	16,154	14.1%
Market Data	Average number of customers	146	153	-4.7%
Co-location		88	79	11.1%

The average number of customers paying for their monthly use of OTC systems increased by 14.1%, mainly due to the fund industry's growth in Brazil. There was also an 11.1% increase in the number of customers using co-location services due to the high-energy density racks contracted and cross connections with the purpose of expanding the capacity of the service.

INCOME STATEMENT

Revenues

Total revenues: R\$10,110.7 million, down by 1.7%. The decrease in revenues from the Listed and Infrastructure for Financing segments was partly offset by an increase in the OTC and Technology, data and services segments.

Listed: R\$6,578.6 million (65.1% of total), down by 7.3%.

- **Equities and equity instruments:** R\$4,235.0 million (41.9% of total), down by 10.9%.
 - **Trading and post-trading:** R\$3,596.5 million (35.6% of total), down by 14.5%, reflecting lower traded volumes and the implementation of a new pricing policy in 2021, as previously explained.
 - **Depository:** R\$143.0 million (1.4% of total), down by 5.2% for the period, primarily due to a lower average balance in the depository as a consequence of the decrease in the market cap of listed companies in the period,

⁶ Brokers holding outstanding balances of Treasury Direct (TDs) worth less than R\$4 billion are covered by Model I, where the incentive is a variable amount reflecting an increase in the investor base (R\$200 per customer added). Brokerage firms holding an outstanding balance of R\$4 billion or more in TDs are covered by Model II, in which the incentive is calculated as a percentage of the average outstanding balance, which depends on growth in the investor base and may go as high as 0.20% for the highest range.

and the exemption from the account maintenance fee for domestic investors (part of the new pricing policy implemented in 2021, as previously explained).

- **Securities lending:** R\$365.0 million (3.6% of total), up by 53.1%, due to the higher level of fees negotiated between participants in these transactions and to an increase in volumes.
- **Listing and solutions for issuers:** R\$130.6 million (1.3% of total), down by 17.3%, especially due to the smaller number of offerings for the period, which added up to R\$57.7bn (19 follow-ons), against R\$130.5bn (46 IPOs and 26 follow-ons) for 2021.
- **FICC:** R\$2,343.6 million (23.2% of total), stable against 2021, with a fall in revenues from interest rates in USD, Exchange Rates and Commodities partly offset by a growth in revenues from Interest Rates in BRL, as previously explained. It is worth mentioning that this item is also impacted by the cash flow hedge accounting from the September 2021 bond issue, where the bond is a hedging instrument, and highly probable future revenues in USD (especially related to listed FX rate derivative contracts in USD and interest rate contracts in USD) are being hedged. As a result, the effects of exchange rate fluctuations on that bond are stated in shareholders' equity and recognized in the income statement to the extent that revenues are realized. For 2022, the recognized net impact of that structure was positive by R\$23.0 million based on the exchange rate fluctuation for the period.

OTC: R\$1,296.4 million (12.8% of total), up by 13.4%.

- **Fixed-income instruments:** R\$835.8 million (8.3% of total), up by 19.4%, especially due to (i) 18.6% growth in issues of bank funding instruments and 16.8% growth in their outstanding balance, (ii) higher average corporate debt outstanding, which increased by 25.0%, and (iii) increased revenues from Treasury Direct, which amounted to R\$166.4 million for 2022, against revenues of 162.7 million for 2021 (market incentives related to this product added up to R\$65.0 million for the year and are accounted for as revenue-linked expenses).
- **Derivatives and structured transactions:** R\$264.6 million (2.6% of total), down by 1.8%, mainly due to new pricing models for swap and forward contracts implemented in September 2021 and January 2022, respectively, that aim to offset price distortions between contracts for these products.
- **Other:** R\$195.9 million (1.9% of total), up by 13.1%, reflecting an increase in registration and custody of fund quotas.

Infrastructure for financing: R\$441.8 million (4.4% of total), down by 7.3%, due to (i) a decrease in financed vehicles given the deterioration in the industry's condition, as previously explained, and (ii) a decrease in revenues from services for the real estate sector, which were partly offset by the annual inflation adjustment of prices (IPCA).

Technology, data and services: R\$1,789.5 million (17.7% of total), up by 29.0%.

- **Technology and access:** R\$1,000.3 million (9.9% of total), up by 16.7%, due to the increase in the monthly utilization line, driven by (i) expansion of the customer base and (ii) the annual adjustment of prices according to inflation (IPCA).
- **Data and analytics:** R\$523.4 million (5.2% of total), up by 74.1%, primarily due to (i) the consolidation of Neoway revenues, and (ii) growth in revenues from market data, which is influenced by the annual adjustment of prices according to inflation. Excluding Neoway, the growth rate would have been 11.7%.
- **B3 Bank:** R\$129.0 million (1.3% of total), up by 44.6%, due to (i) a higher volume of BDRs and (ii) an increase in the bank's revenues from floating and from its own portfolio.
- **Other:** R\$136.8 million (1.4% of total), down by 2.1%, underscoring (i) a decrease in revenues from penalties and (ii) a decrease in revenues from custody of gold resulting from the depreciation of that asset during the year, which were partly offset by the increase in revenues from auctions.

Net revenues: Down by 1.7%, amounting to R\$9,091.7 million.

Expenses

Expenses amounted to R\$3,519.4 million, up by 20.2%. Excluding Neoway, there would have been a 10.7% increase.

- **Personnel and charges:** R\$1,283.6 million, up by 28.3%, which is mainly explained by (i) the addition of Neoway to this expense line, (ii) new hires, (iii) the annual collective bargaining agreement, and (iv) the recognition of non-recurring, extraordinary termination expenses resulting from the Company's efficiency improvement project. Excluding Neoway and extraordinary expenses, the comparison shows an 11.5% increase.

- **Data processing:** R\$507.1 million, up by 41.5%, mainly due to (i) the development of new initiatives that, given their nature and the way in which they are being implemented (agile model), are accounted for as expenses rather than investments, (ii) the inclusion of Neoway's expenses, and (iii) inflation adjustments for the period. Excluding Neoway, there would have been a 35.0% increase.
- **Depreciation and amortization:** R\$1,056.3 million, down by 0.1%.
- **Revenue-linked expenses:** R\$267.4 million, up by 3.8%, due to the addition of Neoway to this item. Excluding Neoway, there would have been an 8.7% decrease as a result of (i) a smaller number of public offerings, (ii) lower Treasury Direct expenses due to changes in the incentive program, and (iii) a decrease in expenses related to products for the real estate market due to a fall in revenues from those products.
- **Third-party services:** R\$153.2 million, up by 102.3%, due to (i) higher spending on outside personnel for projects that, as previously explained, are not capitalized, (ii) an increase in M&A expenses for the period, (iii) higher spending on consultancy firms, especially due to the efficiency improvement project, and (iv) the addition of Neoway. Excluding Neoway and the expenses related to the efficiency improvement project, there would have been a 68.8% increase.
- **Other:** R\$150.1 million, up by 42.9%, primarily due to (i) adjustments to provisions for ongoing cases, and (ii) higher expenses relating to the return of business travels.

Financial Result

The financial result was positive by R\$212.3 million for 2022. Financial revenues amounted to R\$1,769.0 million, up by 91.3%, mainly due to higher interest rates (average DI rate of 4.5% for 2021 against 12.5% for 2022), which in turn offset the decrease in the average balance of cash (Company and third party's) for the year.

Financial expenses, in turn, amounted to R\$1,593.9 million, up by 132.7%, due to (i) higher interest rates, (ii) higher average outstanding debt balance for the year, and (iii) non-recurring effects of the early settlements of a loan (CCB) and of the 3rd-issue debenture in June 2022 and August 2022, respectively.

It is worth highlighting that, in the 4Q21, the Company constituted a cash flow hedge, designating a bond issue in September 2021 to cover the impacts of exchange rate fluctuations on part of the USD-denominated revenues in the FICC segment (especially FX rate and interest rate contracts in USD), preventing those exchange rate fluctuations from impacting B3's financial result.

(In R\$ millions)	2022	2021	2022/2021 (%)
Financial result	212.3	195.3	8.7%
Financial revenues	1,769.0	924.9	91.3%
Financial expenses	(1,593.9)	(684.9)	132.7%
Net FX variations	37.2	(44.7)	-

In addition, it is important to note that the financial result was also impacted by the effects of FX rate variation on certain of the Company's foreign currency loans, such impact being offset by changes in the income tax and social contribution line (hedge structure). The table below isolates these effects from the financial result and from income tax and social contribution.

(In R\$ millions)	2022	2021	2022/2021 (%)
Financial result	212.3	195.3	8.7%
(+/-) Effects of hedge on financial result	(57.9)	61.2	-
Adjusted financial result (excluding hedge effects)	154.4	256.6	39.8%
Income before income tax	5,790.1	6,516.3	-11.1%
(+/-) Effects of hedge on financial result	(57.9)	61.2	-
Income before tax on adjusted income (excluding hedge effects) – (A)	5,732.2	6,577.6	-12.9%
Income tax and social contribution	(1,563.6)	(1,799.2)	-13.1%
(+/-) Effects of hedge on income tax and social contribution	57.9	(61.2)	-
Adjusted income tax and social contribution (excluding hedge effects) – (B)	(1,505.7)	(1,860.5)	-19.1%
Effective Rate of Income Before Adjusted Income Tax and Social Contribution (excluding hedge effects) - (B) / (A)	26.3%	28.3%	-20.2 bps

Income tax and social contribution

Income tax and social contribution amounted to R\$1,563.6 million for 2022 and were impacted by the distribution of interest on capital in the amount of R\$1,352.7 million. Current tax amounted to R\$1,268.0 million. The deferred income tax and social contribution line was R\$295.5 million with no cash impact, consisting mainly of temporary difference in the tax amortization of goodwill for 2022, in the amount of R\$239.3 million, and tax credits in the amount of R\$56.3 million. It is worth noting that the use of the tax benefit of amortizing goodwill on the combination between BM&FBOVESPA and Cetip (R\$119.6 million per quarter) ceased to exist at the end of 2Q22, with no more impacts on deferred taxes after that period. In addition, the income tax and social contribution line was impacted by the hedge structure, as mentioned in the income statement above.

Net Income

Net income attributed to B3's shareholders amounted to R\$4,226.1 million, down by 10.4%, mostly reflecting an increase in operating expenses, as previously explained. Excluding the non-recurring items highlighted below, net income totaled R\$4,766.6 million, down by 6.3% for the period. As mentioned above, the tax benefit of goodwill amortization ended at the end of 2Q22, explaining the smaller amount used for 2022.

Adjustments to net income

(In R\$ millions)	2022	2021	2022/2021 (%)
Net income (attributable to shareholders)	4,226.1	4,717.1	-10.4%
(+) M&A expenses	33.9	12.3	176.2%
(+) Efficiency improvement project expenses	22.5	-	-
(+) Other non-recurring expenses	4.5	-	-
(+) Reversal of non-recurring provisions	-	(69.6)	-
(+) Non-recurring expenses recovered	-	(150.2)	-
(+) Impairment	-	4.1	-
(+) Projects write-off	-	17.2	-
(+) Extraordinary contract termination expenses	-	48.4	-
(+) Tax impacts of non-recurring items	(20.7)	46.9	-
(+) Amortization of intangible assets (Cetip combination)	500.3	461.8	8.3%
Recurring net income	4,766.6	5,087.9	-6.3%
(+) Deferred tax (goodwill from Cetip combination)	239.3	478.5	-50.0%
Recurring net income adjusted for goodwill tax benefit	5,005.8	5,566.5	-10.1%
(+) Net income – Neoway	76.7	1.7	-
Recurring net income adjusted for goodwill tax benefit (Ex-Neoway)	5,082.5	5,568.2	-8.7%

Note: Amounts net of taxes, calculated at a rate of 34% applied to the deductible portion.

MAIN ITEMS OF THE CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2022

Assets, Liabilities and Shareholders' Equity Accounts

The Company ended the quarter with total assets of R\$47.6 billion, down by 9.4% from December 2021. Cash and cash equivalents and financial investments (current and non-current) totaled R\$17.7 billion, down by 19.9%, reflecting (i) a decline in cash generation due to the lower level of the Company's results, and (ii) a decrease in volume of collateral deposited in cash (with its counterparty in current liabilities). The cash position includes R\$370.1 million in interest on capital paid in January.

As for liabilities, B3's gross indebtedness amounted to R\$12.2 billion (95% long-term and 5% short-term), corresponding to 1.8x the recurring EBITDA for the previous 12 months.

Shareholders' equity at the end of December 2022 amounted to R\$20.3 billion, consisting mainly of R\$12.5 billion in capital stock and R\$8.0 billion in capital reserves (vs. R\$8.3 billion in December 2021).

OTHER FINANCIAL INFORMATION

Investments

Investments made during the year amounted to R\$219.7 million, primarily referring to (i) technological upgrades for all of B3's segments, involving investments in cyber capability and security, and (ii) new product developments.

Guidance for 2023

In December 2022, the Company announced via [Material Fact](#) its guidances for expenses, investments, financial leverage and distributions to shareholders in 2023. In line with the strategy of intensifying expansion and growth efforts through new products and services within the core business and new business fronts beyond it, B3 changed the disclosure of its forecasts to reflect this strategy, breaking down disbursements in "core business" and "new initiatives and business":

Disbursements

- Adjusted expenses⁷ – *Core business*: R\$1,400-R\$1,500 million (R\$1,347 million for 2022).
- Capex – *Core business*: R\$180-R\$230 million (R\$201 million for 2022).
- Adjusted expenses⁷ – *New initiatives and businesses*⁸: R\$595-R\$665 million (R\$569 million for 2022).
- Capex – *New initiatives and new businesses*⁸: R\$20-R\$60 million (R\$18 million for 2022).
- Revenue-linked expenses: R\$240-R\$320 million (R\$267 million for 2022).

Other

- Depreciation and amortization (including amortization of intangible assets): R\$975-R\$1,055 million (R\$1,056 million for 2022).
- Financial Leverage (Gross Debt / Recurring LTM EBITDA): up to 1.9x (1.8x for 2022).
- Payout⁹: 110%-140% of corporate net profit (125% for 2022).

Distributions to shareholders

Distributions to shareholders for the year 2022 totaled R\$5,280 million (R\$1,353 million in interest on capital, R\$930 million in dividends, and R\$2,998 in shares buybacks). As a result, B3's payout ratio for the year was 125%.

CORPORATE GOVERNANCE AND RISK MANAGEMENT

B3 has a solid set of corporate governance practices in place that demonstrates its commitment to shareholders, to other market players and stakeholders.

The importance of best practices in governance to B3's long-term success is reaffirmed when its diluted capital structure is considered as there is no controlling shareholder or group of shareholders, and also by virtue of its institutional responsibility for the development of the markets it operates.

⁷ Expenses as adjusted for: (i) depreciation and amortization; (ii) share-based long-term incentive program—principal and charges; (iii) provisions; (iv) revenue-linked expenses, and (v) M&A expenses.

⁸ It does not include the financial effects arising from the acquisition of Neurotech by the Company because the transaction has not yet been completed and depends on meeting the conditions precedent, as informed in the [Material Fact of November 9, 2022](#).

⁹ Includes IoC, dividends, shares buyback or other applicable instruments. This guidance is subject to the performance of the businesses, to achievement of financial leverage objectives and the deliberation of the Board of Directors.

Internal Audit

The internal audit has the mission of providing the board of directors, the audit committee and the executive board with independent, unbiased and timely assessments, advice and insights into the effectiveness of B3's risk management and governance processes, the adequacy of its controls and its compliance with the rules and regulations applicable to the Company's and its subsidiaries' operations. Consistent with international best practices and B3's strong risk management culture, the Company has been certified since 2015 by *Atividade de Auditoria Interna*, which recognizes corporations that adhere to the international auditing standards and best practices issued by The Institute of Internal Auditors ("The IIA").

Internal Controls, Compliance and Corporate Risk

According to the framework provided by the BIS (Bank for International Settlements), B3 uses the 4-lines-of-defense structure as a governance model and the basis for its risk management, with a clear definition of the roles of those responsible for managing, supervising and assessing risks:

1st line of defense – The Business teams and managers are responsible for establishing, maintaining, promoting and assessing efficient business practices as well as suitable and effective risk management practices and internal controls.

2nd line of defense – The Executive Department of Governance and Integrated Management is responsible for defining the methods for assessing and monitoring business risks as well as the internal controls system, and for supervising compliance with regulations issued by regulatory agencies, especially the CVM and the BCB.

3rd line of defense – The Audit Department is responsible for promoting an independent assessment of the activities carried out by B3's teams, allowing Management to evaluate the adequacy of controls, the effectiveness of risk management and governance processes, the adequacy of controls supporting the issuance of financial statements, and compliance with rules and regulations.

4th line of defense – The independent External Audit, which reviews the Company's financial statements to ensure that there are no material misstatements and that they were prepared in accordance with an appropriate framework; and the regulatory oversight bodies, notably BCB and CVM, which determine whether B3 has the proper infrastructure to carry out its systemic activities and comply with existing rules.

More information on the Company's key risks is available in section 4 of the [Reference Form](#).

Central Counterparty Risk - Collateral Administration Management

Transactions carried out in the Listed segment are guaranteed by asset deposits to meet margins. These guarantees can be deposited in cash, government and private bonds, bank letters of guarantee, shares and international bonds, among others. In December 2022, collateral deposited by participants totaled R\$578 billion, a volume 15.4% higher than the total deposited at the end of 2021.

PEOPLE

B3 has as one of its values to promote an environment for people to develop. In this context, in 2022, the Company's development actions totaled more than 100,000 hours of training by external suppliers, internal facilitators and online course platforms. B3's development strategy is broken into four pillars of action: (i) issues directly related to the Company's strategy; (ii) job-specific issues; (iii) individual development issues; and (iv) development programs for specific audiences, such as the Internship Program, the Career Acceleration Program, the Young Apprentice Program, and the Leadership Program.

In 2022, B3 channeled a large part of its efforts into working on the evolution of its culture, keeping pace with the results of B3's strategy. Through an extensive diagnostic effort based on internal surveys and workshops, key work fronts were established: reviewing practices, processes and symbols; evolving behaviors and key competencies; and developing the leadership. With those fronts established, an action plan was devised to position B3 as a more agile company that is prepared for the future.

B3 also continues to evolve in Diversity, Equity and Inclusion (DEI). Accordingly, 2022 saw a 15% increase in diversity hires at the Company, reflecting its commitment to corporate goals linked to the representation of under-represented audiences: women in leadership, black people, and people with disabilities. The Company carries out ongoing and already consolidated initiatives, such as (i) Diversity Centers, (ii) recurring lectures and workshops on the subject, (iii) development for managers and teams, and (iv) joint action with Compliance to ensure a safe environment, free of

harassment and discrimination. Additionally, B3 worked on new initiatives aimed at equal opportunities at the Company, such as:

- Launch of the 2nd edition of the Mentorship Program for Women, with a racial component, with the goal of developing the future female leaders of the organization and increasing gender representation in leadership in the coming years. About 50 women participated, being mentored by B3's leaders.
- A program carried out to help include people who are on the autistic spectrum in the technology field, resulting in 11 persons hired in November.
- Revision of People practices to find more inclusive ways of carrying out selection processes and have the “hidden resumes” practice in place as a way of minimizing biases at the time of selection.
- Launch of the first class of the Trans Youth Apprentices program, with an expansion planned for 2023.

B3 understands that it is also in its scope to induce good DEI best practices in the market, and the most important initiatives in that direction are:

- Launch of the first Be Together Guide to Best Practices for Gender Equality. Be Together is a group that brings together representatives of the financial and capital markets to exchange best practices and advances on gender issues.
- Course completion by the first class of Training for Black People in the Financial Market, an exclusive, online and free track course aimed at helping black people over 18 to learn about personal finance, the financial market and basic concepts of economics. Around 3,000 completed the course and went through a selection process that distributed 61 scholarships for preparatory courses to acquire certifications in the financial market, thereby increasing their chances of employability.
- Course completion by the first class of Racial Equity on Boards, with 53 senior executives and CEOs selected to take the program in partnership with the IBGC.

SUSTAINABILITY

In order to leverage B3's strategic goals and promote a resilient business environment aligned with best environmental, social and corporate governance (ESG) practices, the Company has a sustainability strategy based on three pillars: (i) being a Company aligned with the best sustainability practices; (ii) inducing best ESG practices in the Brazilian market; and (iii) strengthening the current product portfolio and opening new action fronts in the financial market in line with the ESG agenda. In 2022, we made important advances on this strategy:

- ISO 14001 certification obtained for the XV de Novembro and Praça Antonio Prado buildings in downtown São Paulo, demonstrating B3's commitment to foster continuous improvement in our environmental management system.
- With regards to green, social and sustainable bonds, the Company ended 2022 with 187 instruments issued, totaling an issue amount of R\$54.6 billion. Additionally, in 2022 a functionality was implemented on B3 platforms for the ESG identification of certain bank funding products, such as CDBs and Financial Bills (LFs). At the end of the year, 99 LFs had been recorded as sustainable emissions securities, amounting to a financial volume of R\$3.74 billion.
- Registration of more than 31 million Decarbonization Credits (CBIOs), with 16.8 million CBIOs retired to meet the decarbonization target for the year, assumed by Brazil within the scope of the Paris Agreement.
- The selection process for the Corporate Sustainability Index (ISE B3) set a new record of respondents, with 83 companies in the Eligible category and 100 in the Simulated category, adding up to 183 participating companies, up by more than 37% against 2021.
- Through the volunteering actions promoted by B3 Social, 1,498 employees participated in internal mobilization actions throughout the year, representing more than 50% of the Company's personnel. 25 different forms of action were proposed, including collection campaigns for purchasing staple baskets, blood donation, delivery of items to people experiencing homelessness, and voluntary mentoring programs for young people seeking to enter the job market.

In recognition of our social and environmental practices, B3 (i) maintained its B score on CDP Climate Change, (ii) was selected for the sixth consecutive year to be part of the FTSE4Good Latin America Sustainability Index, (iii) remained for the 13th consecutive year in the Carbon Efficient Index (ICO2 B3), (iv) participated for the first time as an eligible company in the Corporate Sustainability Index (ISE B3), joining the portfolio of selected companies, and (v) was named by Guia Exame ESG 2022 one of the “Best of ESG” companies in the Financial Services category.

SELF-REGULATION OF ISSUERS AND PARTICIPANTS

To ensure the adherence of issuers to the regulation, the equalization of market practices and equal access to information, B3 works on the self-regulation of issuers listed on its markets and within the scope of cooperation agreements signed with the CVM for the monitoring of information disclosed by issuers. As a result of this activity, in 2022, more than 22,000 documents released by companies were examined and approximately 1,125 cases were filed for non-adherence to current regulations. For listed funds, more than 14,000 documents were reviewed, and 294 cases were filed.

In compliance with B3's listing regulations, the market must be informed of how B3 has allocated the funds from the fines imposed within the scope of its enforcement process to activities associated with regulatory and institutional improvement of the securities market. Accordingly, concerning system improvements, funds were invested in the use of the FundosNet system, with the inclusion of information on the reporting arrangement contemplated by securitization companies, according to the new regulation issued by the CVM, forms were created to allow investment funds to send information on their yields and amortizations for more than one asset, in a collective manner, and FundosNet was integrated with the CVM's systems, while improvements were made in the EmpresasNet system, including the online functionality for the Reference Form, as well as in its structure considering the new regulation issued by the CVM.

Additionally, funds were invested both for broadcasting B3 events and for promoting discussions with the market in order to foster the regulatory environment. Highlights include discussions concerning new ESG rules being proposed for companies, and their potential impacts on the capital market.

In that regard, over the course of 2022, B3 arranged for the preparation of a regulation proposing the establishment of ESG measures to be taken, according to the "practice or explain" model, by companies listed on B3 (ESG Annex). To prepare such regulation, B3 relied on contributions from market players, companies, investors, regulators and associations. If approved by the regulatory agencies, the ESG Annex will also be part of the regulations applicable to the listing of issuers and admission of securities for trading, which is also undergoing a broader revision process.

Complementing the self-regulation applicable to issuers, the supervision and inspection of the markets managed by B3 and its participants are carried out with the aim of promoting compliance, transparency and efficiency through BSM Market Supervision (BSM). BSM publishes the results of its work on the website www.bsmsupervisao.com.br/.

EXTERNAL AUDIT

The Company engaged Ernst & Young Auditores Independentes to provide external auditing services for its 2022 financial statements.

The policy for Engaging external audit services by the Company and its subsidiaries is based on internationally accepted principles, which preserve the independence of works of this nature and consist of the following practices: (i) the auditor cannot hold executive and managerial functions in the Company or in the subsidiaries; (ii) the auditor cannot perform operational activities in the Company and in the subsidiaries that may compromise the effectiveness of the audit work; and (iii) the auditor must maintain impartiality- avoiding the existence of conflicts of interest and loss of independence - and objectivity in their opinions and on the financial statements

During the year ended December 31, 2022, the independent auditors and related parties did not provide other services not related to the external audit.

B3 engaged Deloitte Touche Tohmatsu Auditores Independentes Ltda. to provide audit services on its financial statements, as from the year commencing on January 1, 2023, replacing Ernst & Young Auditores Independentes S.S. Deloitte was engaged exclusively for compliance with the provisions of article 31 of CVM Resolution No. 23, which imposes a rotation of independent auditors.

DECLARATION OF THE EXECUTIVE BOARD

In compliance with the provisions of CVM Instruction No. 480, the Executive Board declares that it has discussed, reviewed and agreed with the financial statements for the fiscal year ended December 31, 2022 and with the opinions expressed in the independent auditors' report.

ADDITIONAL INFORMATION

The focus of this Management Report was on B3's performance and main developments for 2022. For additional information about the Company and its market, see the [Reference Form](#) available on [B3 Investor Relations website](#) and on CVM website (www.cvm.gov.br).

ACKNOWLEDGEMENTS

Finally, the Company wishes to thank its employees for all their efforts during the year, as well as its clients, shareholders, financial institutions, suppliers and other stakeholders for the support received in 2022.

A free translation from Portuguese into English of Independent Auditor's Report on individual and consolidated financial statements prepared in accordance with accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and in Reais (R\$).

Independent Auditor's Report on Individual and Consolidated Financial Statements

The Board of Directors and Shareholders of

B3 S.A. - Brasil, Bolsa, Balcão

São Paulo, Brazil

Opinion

We have audited the individual and consolidated financial statements of B3 S.A. - Brasil, Bolsa, Balcão ("B3" or "Company"), identified as B3 and Consolidated, respectively, which comprise the balance sheet as at December 31, 2022, and the statements of income, of comprehensive income, of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of B3 S.A. – Brasil, Bolsa, Balcão at December 31, 2022, and its individual and consolidated financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the individual and consolidated financial statements section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Ethics for Professional Accountants and in the professional standards issued by Brazil's Association of State Boards of Accountancy (CFC) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the individual and consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

1. Technology environment

B3 operates in a complex technology environment with multiple systems in operation and a high volume of transactions. Due the fact that the B3’s operations are extremely dependent on the proper operation of the technology structure and its systems; we considered the technology environment a key audit matter.

How our audit addressed this matter:

Our audit procedures included, among others, evaluating the design and operational effectiveness of the general technology controls (“ITGC”) implemented by the Company for systems considered significant to the audit. The ITGC evaluation included audit procedures to assess controls over logical accesses, change management and other technology aspects. With regard to the audit of logical accesses, we analyzed, on a sample basis, the process for authorizing and granting new users’ access, timely removal of access to transferred or terminated employees, and review of users on a regular basis.

In addition, we evaluated password, security settings, and technology resource access policies. Regarding the change management process, we evaluated whether changes to the systems were properly authorized and approved by B3 management. We also analyzed the operations management process, focusing on the policies to safeguard information and timely handling of incidents.

In the processes considered significant for the financial statements, we identified the main automated or technology dependent controls, so that, on a sample basis, we could perform tests focused on the design and operational effectiveness of such controls. In addition, we evaluated whether business continuity guidelines follow market standards and whether the incidents reported throughout the year were referred to the Business Continuity Committee.

We involved our technology professionals in performing these procedures.

Our procedures performed in the design and operation of ITGC, as well as of automated controls and technology dependent controls, deemed significant in the audit process, provided us with a basis for planning the nature, timing and extent of our substantive audit procedures. The results obtained are considered appropriate in forming an opinion on the financial statements taken as a whole.

2. Role of central counterparty and guarantor in the market

B3 is a vertically integrated multi-asset and multi-market stock exchange, a model where a single agent is responsible for all phases of the market's trading and post-trading process. Accordingly, the Company operates as an asset central depository, clearing and settlement house and central counterparty. In its role of central counterparty and guarantor, B3 becomes, for settlement purposes, buyer of all sellers and seller for all buyers. This requires B3 to establish mechanisms to fully and partially estimate and hedge losses, if any, arising from non-settlement of one or more participants and to maintain financial investments in highly-liquid assets with low exposure to market and credit risk.

As at December 31, 2022, B3 has R\$591.814.872 thousand in collaterals deposited by participants, as described in the financial statement, note 14, which was considered appropriate in forming an opinion on the financial statements taken as a whole. We consider this to be a key audit matter due to the amounts involved and the Company's role as Financial Market Infrastructure.

How our audit addressed this matter:

Our audit procedures included, among others, understanding the chambers' activities, focusing on the Risk Modeling, Central Counterparty Risk, Collateral Management and Pricing processes. In these processes, we evaluated the aspects of organizational structure and governance, definition of strategy and boundaries, policies and measurement methodologies. We also identified and evaluated the design and operational effectiveness of key controls related to pricing, calculation and margin call.

Considering the methodology used by B3, we performed an independent recalculation of the margin required in certain scenarios and periods, and also recalculated the allocations of collaterals. We checked the reconciliation of information disclosed in the explanatory information with the operational system's reports as at December 31, 2022, in addition to checking the custody statements for a sample of assets and carrying out external confirmation, by means of a sample, of the positions deposited as guarantees with market participants.

We involved our subject matter experts in risk management and controls in performing these procedures.

The results of our audit procedures on the test of collaterals deposited by market participants were consistent with those assessed and disclosed by management, according to the financial statement, note 14 and were considered appropriate in forming an opinion on the financial statements taken as a whole.

3. Goodwill impairment tests of Bovespa Holding S.A. and CETIP S.A. - Mercados Organizados

The Company has, as at December 31, 2022, R\$ 22.338.799 thousand recorded in its statement of financial position referring to goodwill generated on the acquisitions of Bovespa Holding S.A. and CETIP S.A. - Mercados Organizados.

The goodwill impairment test involves significant judgment in determining the assumptions used in the cash flow projections, including growth and discount rates. Due to the significance of the amounts involved, misstatements, if any, in determining the recoverable amounts of goodwill recorded, may result in a significant impact on the financial statements. Accordingly, this issue was considered a key audit matter.

How our audit addressed this matter:

Our audit procedures included, among others, the analysis of the methodology and models used by management in evaluating goodwill, including the definition of assumptions that support the cash flow projections considered in the impairment tests of these assets. We evaluated the consistency of data used against market prospects. We performed an independent discount rate calculation, using our market premium, comparable companies' beta and country risk assumptions, among others. We involved our valuation subject matter experts in these procedures.

We compared the assertiveness of projections made by management in prior periods in relation to the performance achieved by B3. We analyzed the behavior of the key assumptions adopted under stress scenarios, in order to anticipate the sensitivities of the methodology as well as the analysis made by the Company regarding the impacts generated by the current social and economic scenario on its future income projections.

In addition, we also crosschecked the recoverable amount determined based on the discounted cash flows, per cash-generating unit, with the respective carrying amount of goodwill and assessed the adequacy of the disclosures made in Note 8 to the financial statements.

Based on the audit procedures performed in relation to goodwill impairment tests prepared by Company management, and on the audit evidence obtained that supports our tests, including our sensitivity analyses, we consider that goodwill impairment assessments, prepared by the Company, as well as the respective disclosures, are appropriate, in the context of the financial statements taken as a whole.

4. Disclosure and provisions for tax, civil and labor contingencies

As described in Note 11, B3 and its subsidiaries are parties to various legal and administrative proceedings involving labor, tax and civil matters arising from the ordinary course of their business.

The assignment of the likelihood of loss to the lawsuits involves a high degree of subjectivity on the part of the legal advisors in charge of the defense, as well as on the part of B3 management, and take into consideration, among others, aspects related to the existence of case law, recurrence of the demands presented and measurement of future disbursements, if any.

Due to the significant, complexity and judgment involved in the assessment, definition of the timing for recognition, measurement and disclosures related to tax, civil and labor contingencies, we considered this matter to be significant to the audit process.

How our audit addressed this matter:

Our audit procedures included, among others, obtaining letters of confirmation regarding ongoing lawsuits, directly from the Company's legal advisors for December 31, 2022, and crosschecking the likelihood of loss and amounts attributed against operational controls and accounting records.

For the most significant lawsuits, we tested the calculation of amounts recorded and disclosed and evaluated the likelihood in relation to well-known case law and legal theses. We involved our subject matter experts of Taxes in performing these procedures.

We also analyzed communications received from regulators related to lawsuits, assessments and disputes to which the Company is a party, and the sufficiency of disclosures related to issues arising from contingencies and provisions recorded.

Finally, we also assessed the adequacy of the disclosures made by the Company regarding tax, civil and labor contingencies, included in Note 11 to the financial statements.

Based on the audit procedures performed on tax, civil and labor contingencies and on the results obtained, we consider that the provisions and disclosures prepared by management are appropriate in the context of the financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (SVA) for year ended December 31, 2022, prepared under the responsibility of Company management, and presented as supplementary information for purposes of IFRS, were submitted to audit procedures conducted together with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined in Accounting Pronouncement NBC TG 09 - Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in abovementioned accounting pronouncement and are consistent in relation to the overall individual and consolidated financial statements.

Other information accompanying the individual and consolidated financial statements and the auditor's report

Management is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process, which include Audit Committee and the Board of Directors.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the corresponding transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the scope and timing of the planned audit procedures and significant audit findings, including deficiencies in internal control that we may have been identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 15, 2023.

ERNST & YOUNG
Auditores Independentes S.S.
CRC SP 034519/O



Flávio Serpejante Peppe
Partner

A free translation from Portuguese into English of Independent Auditor's Report on individual and consolidated financial statements prepared in accordance with accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and in Reais (R\$).

B3 S.A. - Brasil, Bolsa, Balcão
Balance sheet
 At December 31, 2022 and 2021
(In thousands of reais)



Assets	Notes	B3		Consolidated	
		2022	2021	2022	2021
Current assets		15,269,360	19,676,516	17,114,735	21,080,155
Cash and cash equivalents	4(a)	2,397,220	2,363,517	2,613,794	2,560,516
Financial investments	4(b)	10,774,079	15,472,034	12,283,245	16,573,301
Derivative financial instruments	4(c)	7,472	3,553	7,472	3,553
Accounts receivable	5	454,630	397,974	503,840	436,258
Taxes recoverable	16(d)	1,481,389	1,285,468	1,540,133	1,334,559
Prepaid expenses		127,474	129,046	131,627	133,380
Other receivables		27,096	24,924	34,624	38,588
Noncurrent assets available to sell		14,878	14,878	14,878	14,878
Noncurrent assets		32,764,414	33,734,856	30,465,160	31,436,736
Long-term receivables		2,912,130	3,089,781	3,095,484	3,251,443
Financial investments	4(b)	2,627,274	2,815,257	2,809,553	2,962,268
Judicial deposits	11(g)	256,406	248,831	257,273	263,325
Prepaid expenses		28,450	25,693	28,658	25,850
Investments		4,962,260	4,998,502	654,484	651,036
Interest held in subsidiaries and associate	6(a)	4,962,260	4,998,502	634,475	629,509
Investment properties	6(b)	-	-	20,009	21,527
Property and equipment	7	896,805	877,040	920,622	903,837
Intangible assets	8	23,993,219	24,769,533	25,794,570	26,630,420
Total assets		48,048,652	53,426,250	47,594,773	52,531,769

See accompanying notes.

B3 S.A. - Brasil, Bolsa, Balcão
Balance sheet
At December 31, 2022 and 2021
(In thousands of reais)



Liabilities and equity	Notes	B3		Consolidated	
		2022	2021	2022	2021
Current liabilities		7,777,294	11,508,226	9,306,446	12,958,993
Collateral for transactions	14	4,756,602	6,357,430	4,756,602	6,357,430
Earnings and rights on securities in custody	21(a)	140,605	97,357	140,605	97,357
Suppliers		205,194	202,865	219,288	218,438
Salaries and social charges	21(b)	449,491	384,536	539,356	428,735
Taxes and contributions payable	21(c)	1,348,588	1,113,081	1,423,748	1,169,376
Loans and financing	9	311,696	2,659,720	560,238	3,204,429
Derivative financial instruments	4(c)	16,318	69,831	16,318	69,831
Dividends and interest on equity payable		327,582	270,862	327,582	270,862
Revenues to be allocated		67,219	64,413	72,414	64,413
Other liabilities	10	153,999	288,131	1,250,295	1,078,122
Noncurrent liabilities		20,000,221	19,510,119	18,005,184	17,153,406
Loans and financing	9	13,472,815	13,330,051	11,550,937	10,994,211
Deferred income tax and social contribution	16(a)	5,570,871	5,152,965	5,488,837	5,110,484
Provisions for tax, civil, labor and other contingencies	11(e)	504,899	435,259	513,344	456,332
Derivative financial instruments	4(c)	39,001	43,675	39,001	43,675
Revenues to be allocated		67,939	64,653	67,939	64,653
Other liabilities	10	344,696	483,516	345,126	484,051
Equity	12	20,271,137	22,407,905	20,283,143	22,419,370
Capital and reserves attributable shareholders of B3					
Capital		12,548,655	12,548,655	12,548,655	12,548,655
Capital reserve		7,957,428	8,341,257	7,957,428	8,341,257
Revaluation reserves		16,088	16,673	16,088	16,673
Income reserves		3,682,925	1,737,922	3,682,925	1,737,922
Treasury shares		(4,095,967)	(801,729)	(4,095,967)	(801,729)
Other comprehensive income		(50,582)	(224,168)	(50,582)	(224,168)
Proposed additional dividends		212,590	789,295	212,590	789,295
		20,271,137	22,407,905	20,271,137	22,407,905
Non-controlling interests		-	-	12,006	11,465
Total liabilities and equity		48,048,652	53,426,250	47,594,773	52,531,769

See accompanying notes.

B3 S.A. - Brasil, Bolsa, Balcão**Statement of income**

Years ended December 31, 2022 and 2021

(In thousands of reais, unless otherwise stated)

	Notes	B3		Consolidated	
		2022	2021	2022	2021
Net Revenues	17	8,655,306	9,005,982	9,091,713	9,248,244
Expenses		(2,987,379)	(2,754,541)	(3,519,399)	(2,927,557)
General and administrative					
Personnel and charges		(1,045,179)	(935,116)	(1,283,587)	(1,000,487)
Data processing		(447,187)	(340,001)	(507,051)	(358,449)
Depreciation and amortization	6(b), 7 and 8	(945,730)	(1,036,085)	(1,056,304)	(1,057,150)
Revenue-linked expense		(194,866)	(204,817)	(267,375)	(257,699)
Third-party services		(131,701)	(68,756)	(153,236)	(75,730)
Maintenance in general		(23,206)	(18,957)	(28,132)	(22,879)
Promotion and publicity		(32,136)	(21,613)	(43,827)	(23,472)
Taxes and charges		(9,769)	(9,409)	(14,898)	(13,018)
Board and committee members		(14,824)	(13,596)	(14,915)	(13,684)
Sundry expenses	18	(142,781)	(106,191)	(150,074)	(104,989)
Impairment of assets		-	(4,114)	-	(4,114)
Equity pickup	6(a)	(146,448)	244,773	5,560	4,411
Financial result	19	241,520	(18,192)	212,277	195,347
Financial income		1,717,437	901,440	1,769,018	924,922
Financial expenses		(1,643,624)	(738,596)	(1,593,912)	(684,920)
Net exchange rate variations		167,707	(181,036)	37,171	(44,655)
Income before income taxes		5,762,999	6,473,908	5,790,151	6,516,331
Income tax and social contribution	16(c)	(1,536,942)	(1,756,811)	(1,563,553)	(1,799,242)
Current		(1,203,139)	(958,638)	(1,268,022)	(1,009,518)
Deferred		(333,803)	(798,173)	(295,531)	(789,724)
Net income for the years		4,226,057	4,717,097	4,226,598	4,717,089
Attributable to:					
Shareholders of B3		4,226,057	4,717,097	4,226,057	4,717,097
Non-controlling interests		-	-	541	(8)
Earnings per share attributable to shareholders of B3 (in R\$ per share)	12(g)				
Basic earnings per share				0.713773	0.775562
Diluted earnings per share				0.711573	0.773845

See accompanying notes.

B3 S.A. - Brasil, Bolsa, Balcão
Statement of comprehensive income
Years ended December 31, 2022 and 2021
(In thousands of reais)



	B3		Consolidated	
	2022	2021	2022	2021
Net income for the years	4,226,057	4,717,097	4,226,598	4,717,089
Other comprehensive income to be reclassified to P&L for the year in subsequent years	191,793	(258,230)	191,793	(258,230)
Exchange rate variation on investment in foreign subsidiary	-	-	(3,503)	4,658
Exchange rate variation on investment in foreign subsidiary	-	-	(3,503)	4,658
Cash flow hedge effects, net taxes	140,788	(172,941)	140,788	(172,941)
Amount of cash flow hedging instruments	160,589	(203,465)	160,589	(203,465)
Transfer to cash flow hedging instrument to income	(19,801)	30,524	(19,801)	30,524
Net investment hedging instruments abroad effects, net of taxes	5,454	(1,729)	5,454	(1,729)
Amount of hedging instruments	5,454	(1,729)	5,454	(1,729)
Market to market of financial instruments, net of taxes	48,775	(88,447)	49,054	(88,218)
Market to market of financial instruments	48,775	(88,447)	49,054	(88,218)
Equity pickup on other comprehensive income of subsidiaries	(3,224)	4,887	-	-
Translation adjustments of subsidiary	(3,503)	4,658	-	-
Market to market of financial instruments	279	229	-	-
Other comprehensive income not reclassified to P&L in subsequent periods, net of taxes	(18,207)	(44,711)	(18,207)	(44,711)
Result with equity instruments	(18,207)	(44,711)	(18,207)	(44,711)
Effect of cash flow hedge	10,068	18,392	10,068	18,392
Market to market of equity instruments	(14,332)	(15,658)	(14,332)	(15,658)
Exchange rate variation on financial assets	(13,943)	(8,006)	(13,943)	(8,006)
Transfer of income from the sale of equity instruments, net of hedging and taxes, to retained earnings	-	(39,439)	-	(39,439)
Total other comprehensive income	173,586	(302,941)	173,586	(302,941)
Total comprehensive income for the years	4,399,643	4,414,156	4,400,184	4,414,148
Attributable to:	4,399,643	4,414,156	4,400,184	4,414,148
Shareholders of B3	4,399,643	4,414,156	4,399,643	4,414,156
Non-controlling interests	-	-	541	(8)

See accompanying notes.

B3 S.A. - Brasil, Bolsa, Balcão
Statement of changes in equity
Years ended December 31, 2022 and 2021
(In thousands of reais)



	Notes	Attributable to shareholders of B3											
		Capital	Capital reserve	Revaluation reserves (Note 12(c))	Income reserves (Note 12(e))		Treasury shares (Note 12(b))	Other comprehensive income	Proposed additional dividends	Retained earnings	Total	Non-controlling interests	Total equity
					Legal reserve	Statutory reserve							
Balances at December 31, 2020		12,548,655	9,097,646	17,259	3,453	1,692,585	(916,632)	78,773	1,988,212	-	24,509,951	11,473	24,521,424
Net income for the year		-	-	-	-	-	-	-	-	4,717,097	4,717,097	(8)	4,717,089
Other comprehensive incomes:													
Exchange rate variation on investment in foreign subsidiary		-	-	-	-	-	-	4,658	-	-	4,658	-	4,658
Cash flow hedge instruments effect, net of taxes		-	-	-	-	-	-	(172,941)	-	-	(172,941)	-	(172,941)
Net foreign investment hedge effects, net of taxes		-	-	-	-	-	-	(1,729)	-	-	(1,729)	-	(1,729)
Market to market of financial instruments, net of taxes		-	-	-	-	-	-	(88,218)	-	-	(88,218)	-	(88,218)
Result with equity instruments, net of taxes		-	-	-	-	-	-	(44,711)	-	-	(44,711)	-	(44,711)
Total comprehensive income		-	-	-	-	-	-	(302,941)	-	4,717,097	4,414,156	(8)	4,414,148
Share buyback	12(b)	-	-	-	-	-	(729,443)	-	-	-	(729,443)	-	(729,443)
Cancellation of treasury shares	12(b)	-	(702,355)	-	-	-	702,355	-	-	-	-	-	-
Realization of revaluation reserves - subsidiary		-	-	(586)	-	-	-	-	-	586	-	-	-
Transfer of treasury shares - stock grant plan	15(a)	-	(141,991)	-	-	-	141,991	-	-	-	-	-	-
Recognition of stock grant plan	15(a)	-	89,695	-	-	-	-	-	-	-	89,695	-	89,695
Income tax - stock grant plan		-	(1,738)	-	-	-	-	-	-	-	(1,738)	-	(1,738)
Resulting from the sale of equity instruments		-	-	-	-	-	-	-	-	39,439	39,439	-	39,439
Other equity changes		-	-	-	-	-	-	-	-	1,859	1,859	-	1,859
Approval/payment of dividends		-	-	-	-	-	-	-	(1,988,212)	-	(1,988,212)	-	(1,988,212)
Allocations of profit:													
Dividends	12(f)	-	-	-	-	-	-	-	789,295	(3,633,797)	(2,844,502)	-	(2,844,502)
Interest on Equity	12(f)	-	-	-	-	-	-	-	-	(1,083,300)	(1,083,300)	-	(1,083,300)
Constitution of statutory reserves		-	-	-	-	41,884	-	-	-	(41,884)	-	-	-
Balances at December 31, 2021		12,548,655	8,341,257	16,673	3,453	1,734,469	(801,729)	(224,168)	789,295	-	22,407,905	11,465	22,419,370

See accompanying notes.

B3 S.A. - Brasil, Bolsa, Balcão
Statement of changes in equity
Years ended December 31, 2022 and 2021
(In thousands of reais)



	Notes	Attributable to shareholders of B3											
		Capital	Capital reserve	Revaluation reserves (Note 12(c))	Income reserves (Note 12(e))		Treasury shares (Note 12(b))	Other comprehensive income	Proposed additional dividends	Retained earnings	Total	Non-controlling interests	Total equity
					Legal reserve	Statutory reserve							
Balances at December 31, 2021		12,548,655	8,341,257	16,673	3,453	1,734,469	(801,729)	(224,168)	789,295	-	22,407,905	11,465	22,419,370
Net income for the year		-	-	-	-	-	-	-	-	4,226,057	4,226,057	541	4,226,598
Other comprehensive incomes:													
Exchange rate variation on investment in foreign subsidiary		-	-	-	-	-	-	(3,503)	-	-	(3,503)	-	(3,503)
Cash flow hedge instruments effect, net of taxes		-	-	-	-	-	-	140,788	-	-	140,788	-	140,788
Net foreign investment hedge effects, net of taxes		-	-	-	-	-	-	5,454	-	-	5,454	-	5,454
Market to market of financial instruments, net of taxes		-	-	-	-	-	-	49,054	-	-	49,054	-	49,054
Result with equity instruments, net of taxes		-	-	-	-	-	-	(18,207)	-	-	(18,207)	-	(18,207)
Total comprehensive income		-	-	-	-	-	-	173,586	-	4,226,057	4,399,643	541	4,400,184
Share buyback	12(b)	-	-	-	-	-	(3,746,161)	-	-	-	(3,746,161)	-	(3,746,161)
Cancellation of treasury shares	12(b)	-	(397,660)	-	-	-	397,660	-	-	-	-	-	-
Realization of revaluation reserves - subsidiary		-	-	(585)	-	-	-	-	-	585	-	-	-
Transfer of treasury shares - stock grant plan	15(a)	-	(54,263)	-	-	-	54,263	-	-	-	-	-	-
Recognition of stock grant plan	15(a)	-	84,312	-	-	-	-	-	-	-	84,312	-	84,312
Income tax - stock grant plan		-	(16,218)	-	-	-	-	-	-	-	(16,218)	-	(16,218)
Other equity changes		-	-	-	-	-	-	-	-	965	965	-	965
Approval/payment of dividends		-	-	-	-	-	-	(789,295)	-	-	(789,295)	-	(789,295)
Allocations of profit:													
Dividends	12(f)	-	-	-	-	-	-	-	212,590	(929,904)	(717,314)	-	(717,314)
Interest on Equity	12(f)	-	-	-	-	-	-	-	-	(1,352,700)	(1,352,700)	-	(1,352,700)
Constitution of statutory reserves		-	-	-	-	1,945,003	-	-	-	(1,945,003)	-	-	-
Balances at December 31, 2022		12,548,655	7,957,428	16,088	3,453	3,679,472	(4,095,967)	(50,582)	212,590	-	20,271,137	12,006	20,283,143

See accompanying notes.

B3 S.A. - Brasil, Bolsa, Balcão
Statement of cash flow
Years ended December 31, 2022 and 2021
(In thousands of reais)



	Notes	B3		Consolidated	
		2022	2021	2022	2021
Cash flow from operating activities					
Net income for the years		4,226,057	4,717,097	4,226,598	4,717,089
Adjustments for:					
Depreciation and amortization	6(b), 7 and 8	945,730	1,036,085	1,056,304	1,057,150
Impairment of assets		-	4,114	-	4,114
Deferred income tax and social contribution	16(a)	333,803	798,173	295,531	789,724
Equity pick-up	6(a)	146,448	(244,773)	(5,560)	(4,411)
Stock grant plan expenses	15(a)	81,522	86,560	84,312	89,695
Interest expenses	19	1,437,391	658,731	1,384,627	596,751
Provision for tax, civil and labor contingencies	11(e)	70,406	(47,360)	87,349	(45,428)
Derivative financial instruments		(5,761)	27,019	(5,761)	27,019
Exchange rate variation - loans taken	9	(170,258)	180,113	(54,420)	57,570
Monetary restatement of judicial deposits		(6,463)	(7,747)	(6,095)	(7,792)
Other		30,450	53,994	22,515	61,379
Adjusted Net Income		7,089,325	7,262,006	7,085,400	7,342,860
Decrease (increase) in assets					
Financial investments		4,893,700	(4,605,396)	4,451,041	(4,500,510)
Taxes recoverable and prepaid		987,240	523,222	1,004,829	499,640
Accounts receivable		(54,865)	(935)	(67,099)	8,610
Other receivables		1,948	626	3,947	10,268
Prepaid expenses		(1,185)	(22,024)	(1,055)	(23,325)
Judicial deposits		(1,112)	25,703	12,147	25,643
Increase (decrease) in liabilities					
Collateral for transactions		(1,600,828)	661,707	(1,600,828)	661,707
Earnings and right on securities in custody		43,248	21,760	43,248	21,760
Suppliers		2,329	(9,636)	850	(8,638)
Taxes and contributions payable		93,237	349,476	133,724	394,721
Salaries and social charges		64,955	(38,572)	110,621	(17,006)
Other liabilities		(289,170)	(63,857)	17,012	(293,444)
Revenues to be allocated		6,092	9,978	11,287	9,904
Provision for tax, civil, and labor contingencies	11(e)	(766)	(48,122)	(30,337)	(48,122)
Cash from operating activities		11,234,148	4,065,936	11,174,787	4,084,068
Payment of income tax and social contribution		(1,238,439)	(855,072)	(1,287,303)	(870,345)
Net cash from operating activities		9,995,709	3,210,864	9,887,484	3,213,723
Cash flow from investing activities					
Disposal of property and equipment		11,101	1,157	11,992	973
Purchase of property and equipment	7	(134,863)	(181,851)	(136,789)	(187,732)
Dividends and interest on equity received		45,505	36,770	-	-
Settlement of derivative financial instrument		(39,595)	45,967	(39,595)	45,967
Subsidiaries capital increase	6(a)	(138,808)	(76,639)	-	-
Purchase and development of software	8	(63,354)	(157,467)	(77,746)	(193,178)
Acquisition of subsidiary and associate	6(a)	(22,052)	(1,867,920)	(22,052)	(1,868,084)
Cash effect - acquisition of subsidiary		-	-	-	1,200
Net cash used in investing activities		(342,066)	(2,199,983)	(264,190)	(2,200,854)
Cash flow from financing activities					
Share buyback	12(b)	(3,746,161)	(729,443)	(3,746,161)	(729,443)
Debentures issue/loans taken	9	3,000,000	6,733,240	3,258,545	6,733,240
Cost of debentures/loans taken out	9	(7,723)	(38,237)	(7,723)	(38,237)
Amortization of principal and interest on loans and debentures	9	(6,191,526)	(448,179)	(6,400,147)	(386,870)
Payment of premium on settlement of debentures	9	(19,396)	-	(19,396)	-
Settlement of derivative financial instruments		(33,416)	6,503	(33,416)	6,503
Payment of interest on equity		(2,610,466)	(6,705,127)	(2,610,466)	(6,705,127)
Net cash used in financing activities		(9,608,688)	(1,181,243)	(9,558,764)	(1,119,934)
Net (decrease) increase in cash and cash equivalents		44,955	(170,362)	64,530	(107,065)
Balance of cash and cash equivalents at beginning of year	4(a)	100,713	271,075	297,712	404,777
Balance of cash and cash equivalents at end of year	4(a)	145,668	100,713	362,242	297,712

See accompanying notes.

B3 S.A. - Brasil, Bolsa, Balcão

Statement of value added

Years ended December 31, 2022 and 2021

(In thousands of reais)

	Notes	B3		Consolidated	
		2022	2021	2022	2021
1 – Revenues		9,696,873	10,158,074	10,181,334	10,435,032
Registration, trading, clearance and settlement system	17	8,192,154	8,558,188	8,316,719	8,716,906
Technology, data and services	17	1,446,322	1,280,021	1,789,468	1,387,034
Reversal of provision	17	1,910	184,036	4,495	184,184
Reversal/(constitution) of estimated losses on credits	5	3,363	(2,282)	11,223	(2,341)
Revenue related to the construction of assets for use		53,124	138,111	59,429	149,249
2 - Goods and services acquired from third parties		1,003,301	851,727	1,188,754	937,456
Data processing		447,187	340,001	507,051	358,449
Linked to revenues		194,866	204,817	267,375	257,699
Third party services		131,701	68,756	153,236	75,730
General maintenance		23,206	18,957	28,132	22,879
Marketing		32,136	21,613	43,827	23,472
Sundry expenses		146,144	103,909	161,297	102,648
Third party and other services used in the construction of assets for use		28,061	89,560	27,836	92,465
Impairment of assets		-	4,114	-	4,114
3 - Gross value added (1-2)		8,693,572	9,306,347	8,992,580	9,497,576
4 - Retentions		945,730	1,036,085	1,056,304	1,057,150
Depreciation and amortization	6(b), 7 and 8	945,730	1,036,085	1,056,304	1,057,150
5 - Net value added produced by the Company (3-4)		7,747,842	8,270,262	7,936,276	8,440,426
6 - Value added received in transfer		1,738,696	1,146,213	1,811,749	929,333
Equity pickup	6(a)	(146,448)	244,773	5,560	4,411
Financial income and net exchange rate variation	19	1,885,144	901,440	1,806,189	924,922
7 - Total value added to be distributed (5+6)		9,486,538	9,416,475	9,748,025	9,369,759
8 - Distribution of value added		9,486,538	9,416,475	9,748,025	9,369,759
Personnel and charges		1,045,179	935,116	1,283,587	1,000,487
Personnel and charges used in the construction of assets		25,063	48,551	31,593	56,784
Board and committee members' compensation		14,824	13,596	14,915	13,684
Taxes, charges and contributions (*)					
Federal		2,367,235	2,619,621	2,419,970	2,680,355
Municipal		164,556	162,862	177,450	171,785
Financial expenses and net exchange rate variation	19	1,643,624	919,632	1,593,912	729,575
Interest on equity and dividends	12 (f)	2,070,014	3,927,802	2,070,014	3,927,802
Proposed additional dividends	22 e 12(f)	212,590	789,295	212,590	789,295
Constitution of statutory reserves		1,943,453	-	1,943,453	-
Net loss for the years - non-controlling interests		-	-	541	(8)

(*) Includes: taxes and charges, Contribution Taxes on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS), Service Tax (ISS), and current and deferred Income tax and social contribution (IRPJ and CSLL).

See accompanying notes.



1. Operations

B3 S.A. - Brasil, Bolsa, Balcão (B3) is a publicly-traded corporation headquartered in the city of São Paulo and is primarily engaged controlling or holding interest in entities that perform the following activities:

- Management of organized securities markets, ensuring the organization, operation and development of free markets open to negotiation of any types of securities or contracts based on or backed by financial assets, indices, indicators, rates, goods, currencies, energy products, transportation products, commodities, and other assets or rights related or not thereto, for spot or future settlement;
- Maintenance of environment or systems appropriate for conducting purchases and sales, auctions and operations involving securities, notes, rights and financial assets or not, in the exchange market and organized OTC market;
- Provision of registration, clearing, and physical and financial settlement services, by means of an internal facility or entity especially organized for this purpose, which may or may not act as central counterparty and guarantor of final settlement, under the terms of legislation currently in force and their internal regulations, including, but not limited to: (a) of the operations carried out and/or registered in any of the environments or systems listed in the items above; or (b) operations carried out and/or registered on other stock exchanges, markets or trading systems;
- Provision of services of registration and central depository of financial assets, securities and any assets, as well as the provision of asset custody services;
- Provision of services to effect the registration of liens and encumbrances on securities, notes, assets, financial or not and other financial instruments, including registration of instruments constituting collateral, in compliance with the applicable rules and regulations;
- Provision of services associated with the insurance, reinsurance, pension plan and certificate accounts with lottery prizes market, including through the licensing and operation of information technology systems, in accordance with the applicable regulation;
- The construction of a database and related activities including data processing and intelligence;
- Provision of services relating to processed data that involves matters of interest to B3 and the players of markets in which it directly or indirectly operates, including, but not limited to, standardization, classification, analysis, quotations, statistics, professional training, studies, publications, information, provision of information, including to comply with current legislation and regulations, library, as well as development, licensing, operation, and technical support relating to software and information technology systems and platforms;



- Provision of services relating to (i) transactions registered in the markets and systems managed by B3, and (ii) support to credit, financing and lease transactions, or to transactions registered in systems managed by B3 and other related markets and segments, including through the licensing and operation of information technology systems and platforms involving sectors such as: automotive, real estate, energy, agribusiness, insurance, reinsurance, pension plan, certificate accounts with lottery prizes, and consortia, in accordance with the applicable regulation;
- Provision of services associated with public and private bidding processes and similar procedures, through technical and operational support;
- Provision of technical, administrative and management support for the purposes of market development, including, but not limited to, services auxiliary to customer reviews and procedures to prevent money laundering;
- Exercise of educational, promotional and publishing activities relating to its corporate purpose and the markets managed by B3;
- Other activities authorized by the Brazilian SEC (CVM) or Central Bank of Brazil (BCB), which B3 Board of Directors considers to further the interests of participants in the markets managed by B3 and to contribute to their development and health; and
- Holding interest in other companies or associations based in Brazil or abroad, as a member, partner or shareholder, albeit not necessarily as controlling shareholder, provided their core activities are those expressly mentioned in the Company's Articles of Association or the Board of Directors regards such participation as furthering the interests of participants in the markets managed by B3 and contributing to their development and health.

Concomitantly, B3:

- Organizes, develops and provides for the operation of free and open securities markets, for spot and future settlement. Its activities are carried out through its trading systems and clearing houses, and include transactions involving securities, interbank foreign exchange and securities under custody in the Special System for Settlement and Custody (Selic);
- Manages organized over-the-counter markets, that is, trading and registration of securities, public and private fixed income securities and over-the-counter derivatives. It is a systemically important clearing and settlement house, under the terms defined by the Brazilian Payments System legislation (Law No. 10214), which keeps written custody of assets and contracts, registers transactions performed in the over-the-counter market, processes financial settlements and offers the market an electronic platform for performing various types of online transactions, such as auctions and trading of public, private and fixed income securities;
- Develops technology solutions and maintains high performance systems, providing its customers with security, agility, innovation and cost effectiveness. The success of its activities depends on the ongoing improvement, enhancement and integration of its trading and settlement platforms and its ability to develop and license leading-edge technologies required for the good performance of its operations; and



- Provides information on additions and eliminations of financial restrictions related to vehicle financing transactions, with an integrated nation-wide electronic system, providing critical infrastructure to the vehicle financing market.

In 2022, B3 Digitas Ltda. (formerly B3 Digital Assets Serviços Digitais Ltda.) was constituted, with B3 holding 100.00% of its capital.

2. Preparation and presentation of financial statements

This financial statement was approved by the Board of Directors of B3 on February 15th, 2023.

The individual and consolidated financial statements were prepared based on the assumption of going concern and are being presented in accordance with accounting practices adopted in Brazil.

All significant information used by Management in managing B3 is evidenced in these financial statements According Guidance OCPC 07.

a) Consolidated financial statements

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), implemented in Brazil through the Brazilian FASB (CPC) and their technical interpretations (ICPC) and guidance (OCPC), approved by the Brazilian SEC (CVM).

The consolidated financial statements include the balances of B3 and its subsidiaries, as well as special purpose entities comprising investment funds, as follows:

B3 S.A. - Brasil, Bolsa, Balcão

Notes to the financial statements

Years ended December 31, 2022 and 2021

(In thousands of reais, unless otherwise stated)



Direct subsidiaries and controlled entities:	% - Ownership Interest	
	2022	2021
Banco B3 S.A. (Banco B3)	100.00	100.00
Bolsa de Valores do Rio de Janeiro (BVRJ)	86.95	86.95
B3 S.A. - Brasil, Bolsa, Balcão UK Ltd. (UK Ltd.)	100.00	100.00
BM&FBOVESPA BRV LLC (BRV LLC)	100.00	100.00
B3 Inova USA LLC (B3 Inova)	100.00	100.00
CETIP Info Tecnologia S.A. (CETIP Info)	100.00	100.00
CETIP Lux S.à.r.l. (CETIP Lux)	100.00	100.00
PDtec S.A. (PDtec)	100.00	100.00
BLK Sistemas Financeiros Ltda. (BLK)	100.00	100.00
Central de Exposição a Derivativos (CED)	100.00	100.00
B3 S.A. USA Chicago LLC (USA Chicago)	100.00	100.00
Neoway Tecnologia Integrada Assessoria e Negócios S.A. (Neoway)	100.00	100.00
B3 Digitas Ltda. (Digitas)	100.00	-

Exclusive investment funds:

Araucária Renda Fixa Fundo de Investimento (Araucária RF FI)
Bradesco Fundo de Investimento Renda Fixa Longo Prazo B3 Câmara
Garantias de Terceiros (Bradesco FI RF LP B3 Câmara)
BB Pau Brasil Fundo de Investimento Renda Fixa (BB Pau Brasil FI RF)
Fundo de Investimento Caixa Manacá Renda Fixa Referenciado
DI Longo Prazo (FI Caixa Manacá RF DI LP)
Fundo de Investimento Jacarandá Renda Fixa (Jacarandá RF)
Imbuia FI Renda Fixa Referenciado DI (Imbuia FI RF DI)

In order to serve its customers and satisfy the specificities of the market in which it operates, by means of its wholly-owned subsidiary, Banco B3, the Company offers centralization of custody of the assets deposited as guarantee margin for operations to holders of access rights and their clearing houses.

Subsidiary UK Ltd., located in London, represents B3 abroad, through relationships with other stock exchanges and regulators, and assists in the pursuit of new customers for the market.

BRV LLC jointly with B3, is the co-owner of all intellectual property rights related to the stock module of PUMA Trading System platform and any other modules jointly developed by the parties, the ownership of which is assigned to B3. Since it is primarily a subsidiary engaged in protecting rights, this special purpose entity is not expected to have operating activities.

B3 Inova, headquartered in Wilmington, USA, has as its corporate purpose the capital investment in companies or companies established in any form.

CETIP Info is a corporation headquartered in São Paulo, in the state of São Paulo, whose corporate purpose is to provide services involving data processing and management of information technology systems, advisory and commercial representation on its own account and on behalf of third parties, intermediation of businesses in general, except in the real estate segment, and holding interests in the capital of other companies, either in the same segment or not.



CETIP Lux, headquartered in Luxembourg, has as its corporate purpose the acquisition of equity interests in any companies or companies established in any form and the raising of financial resources.

PDtec is a corporation headquartered in Barueri, state of São Paulo, engaged in providing solutions for customers of notarial services, increasing efficiency through the following services: (i) integration and registration of electronic documents for document authentication purposes; (ii) submission and confirmation of e-mails read; (iii) technical support, maintenance and other information technology services; (iv) production of electronic documents with legal value; (v) document agents; and (vi) credit collection and recovery.

BLK is limited liability company headquartered in São Paulo, state of São Paulo, engaged in software development, software-related licensing or assignment of rights, information technology technical support and training, provision of information services, lease of website space, and holding interest in other companies as a partner, shareholder or member.

CED is a company, headquartered in São Paulo, state of São Paulo, engaged in providing the capital market with transparency on the positions of derivatives taken out in Brazil, allowing a more accurate assessment of financial institutions in granting loan to companies in this type of transaction.

USA Chicago, headquartered in the city of Delaware, USA, is engaged in representing B3 abroad, through relationships with other stock exchanges and regulators.

Neoway is a corporation headquartered in Florianópolis, State of Santa Catarina, whose corporate purpose is to organize and complement the database of its customers with qualified information, and to provide market intelligence services through information technology, big data platform, artificial intelligence and integrated analysis tools.

Digitas is a limited liability company, headquartered in the city and state of São Paulo, mainly engaged in providing or licensing environments or systems related to operations that involve virtual assets, enabling the purchase and sale of such assets, verifying the existence and ownership of assets traded in a virtual environment, building a database and related activities, including organization, management and collection of registration information and data intelligence, and holding interest in other entities as a member, shareholder or associate.

b) Individual financial statements

The individual financial statements (B3) were prepared in accordance with accounting practices adopted in Brazil, which comprise the provisions contained in the Brazilian corporation law (Law No. 6404/76) and their respective changes, and the pronouncements, interpretations and guidance of the Brazilian Financial Accounting Standards Board (CPC), approved by the Brazilian Securities and Exchange Commission (CVM).

c) Functional currency

The individual and consolidated financial statements were prepared and are presented in Brazilian reais, which is the functional currency of B3.



d) Statement of value added

Although the disclosure of the statement of value added (SVA) is not required by the IFRS, the Brazilian corporation law requires publicly-held companies to disclose it as an integral part of a set of financial statements. These statements have been prepared in accordance with CPC 09 - Statement of Value Added, as approved by the Brazilian Securities and Exchange Commission (CVM) Rule No. 117/22.

The purpose of this statement is to present information regarding the wealth created by B3 and how such wealth was distributed.

3. Summary of significant accounting practices

For a better understanding in the reading of the financial statements, the significant accounting practices are described in the related explanatory notes, except for the practices below that are related to more than one explanatory note. The accounting practices have been consistently adopted for the current and prior years.

a. Prepaid expenses

These are represented by agreements entered into with suppliers deriving from prepayment of various services rendered. Expenses are allocated to the statement of profit or loss over the term of each agreement and to the extent that the services are received.

b. Noncurrent assets held for sale

Noncurrent assets are classified as held for sale when their carrying amount is recoverable, especially by means of a sale transaction and when this sale is virtually certain. These assets are measured at the lower of carrying amount and fair value, less costs to sell.

c. Other assets and liabilities

These are stated at their known and realizable/settlement amounts plus, where applicable, related earnings and charges, and monetary variations and/or exchange differences incurred up to the statement of financial position date.

d. Impairment of assets

Indefinite-lived assets, such as goodwill, are not subject to amortization and are tested annually for impairment. In case of indication of impairment, they are reassessed in shorter periods. Finite-lived assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Impairment losses are recognized at the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For impairment valuation purposes, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash Generating Units - CGUs). Non-financial assets other than goodwill that were subject to impairment are reviewed subsequently for possible reversal of the impairment at the reporting date.

e. Foreign currency translation

Items included in the financial statements for each of the consolidated companies of B3 are measured using the currency of the primary economic environment in which the entity operates (functional currency).

Transactions in foreign currency are translated into Brazilian Reais using the exchange rates prevailing on the dates of the transaction or valuation on which the items are remunerated. Exchange gains and losses arising from settlement of these transactions and translation at year-end exchange rates, referring to monetary assets and liabilities in foreign currency, are recognized in the statement of profit or loss, except when deferred in other comprehensive income originating from foreign investment hedge operations.

In the case of exchange gains/losses on foreign investments, whose functional currency differs from that of B3, variations in the investment amount deriving exclusively from exchange differences are recorded under "Equity adjustments" in other comprehensive income and are only written down to P&L for the period when the investment is sold or written off.

f. Current and noncurrent assets and liabilities

Assets and liabilities are classified as current whenever their realization or settlement is deemed to occur within the following twelve months (or another term that follows the normal cycle of B3). Otherwise, they are stated as noncurrent.

g. New standards and interpretations in force and not in force

In maintaining the permanent process of reviewing accounting standards, the IASB and CPC issued new revisions to existing standards. Below are the revisions in force, which did not have a significant impact on these financial statements:

- **Revision of Accounting Pronouncements No. 19:** Impacts on accounting pronouncements CPC 15 (R1) - Business combination, CPC 25 - Provisions, contingent liabilities and contingent assets, CPC 27 - Property, plant and equipment and CPC 48 - Financial instruments.

Below are the pronouncements, amendments and interpretations that will become effective in future years from which B3 does not expect significant impacts.

- **Revision of Accounting Pronouncements N. 20:** Impacts on accounting pronouncements CPC 26 (R1) - Presentation of financial statements, CPC 11 - Insurance contracts, CPC 27 - Property, plant and equipment, CPC 15 (R1) - Business combinations, CPC 23 - Accounting policies, changes in estimates and errors, CPC 40 (R1) - Financial instruments: disclosures, CPC 49 - Accounting and reporting by retirement benefit plans, CPC 21 (R1) - Interim financial reporting, CPC 32 - Income taxes and CPC 47 - Revenue from contracts with customers.
- **Revision of Accounting Pronouncements N. 21:** Impacts on accounting pronouncements CPC 37 (R1) - Consolidated financial statements, CPC 15 (R1) - Business combinations, CPC 31 - Noncurrent assets held for sale and discontinued operations, CPC 40 (R1) - Financial instruments: presentation, CPC 48 - Financial instruments, CPC 47 - Revenue from contracts with customers, CPC 26 (R1) - Presentation of financial statements, CPC 03 (R2) - Statement of cash flows, CPC 27 - Property, plant and equipment, CPC 33 (R1) - Employee benefits, CPC 18 (R2) - Investments in associates, subsidiaries and joint ventures, CPC 39 - Financial instruments - Presentation, CPC 01 (R1) - Impairment of assets, CPC 25 - Provisions, contingent liabilities and contingent assets and CPC 04 (R1) - Intangible assets, CPC 28 - Investment property.
- **Amendments to IAS 1 – Presentation of Financial Statements:**
 - (a) These amendment require that only information about material accounting policies be disclosed, eliminating disclosures of information that duplicate the requirements of current standards. This amendment is effective for annual periods beginning on or after January 1, 2023.
 - (b) It aims to promote consistency in the application of the requirements of the standard, helping companies determine whether loans and financing and other liabilities with an uncertain settlement date should be classified as current or noncurrent on the statement of financial position. This amendment is effective for years beginning on January 1, 2024.
- **Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:** These include the definition of accounting estimates as monetary amounts that are subject to measurement uncertainty. This amendment is effective for annual periods beginning on or after January 1, 2023.
- **Amendments to IAS 12 – Income Taxes:** These clarify that the exemption for accounting for deferred taxes arising from temporary differences generated upon the initial recognition of assets or liabilities does not apply to leases. This amendment is effective for annual periods beginning on or after January 1, 2023.

h. Significant accounting estimates and judgments

The preparation of financial statements requires the use of significant accounting estimates and the exercise of judgment in the process of applying accounting policies that have an effect on the recognition and measurement of assets, liabilities, revenues and expenses of B3. Certain assumptions and estimates have been adopted as a result of historical experiences and other factors considered relevant. Actual results in future years may differ from those estimated as a result of variables, estimates or conditions that are different from those used in preparing the financial statements. Estimates and assumptions are reviewed periodically and recognized prospectively.

Those more complex assumptions that require a higher degree of judgment, and are significant for the consolidated financial statements, are the following:

Topic	Note
(i) Fair value of financial instruments not traded in an active market	Note 4
(ii) Impairment of noncurrent assets	Notes 7 and 8
(iii) Estimated useful lives of property, plant and equipment and intangible assets	Notes 7 and 8
(iv) Provision for tax, civil and labor contingencies, and contingent assets and liabilities	Note 11
(v) Equity instrument-based incentive	Note 15(a)
(vi) Realization of deferred income and social contribution taxes	Note 16(b)

(i) Fair value of financial instruments not traded on an active market

When the fair value of certain financial assets and liabilities cannot be measured based on inputs obtained in active markets, their fair value is calculated using valuation techniques, e.g., the discounted cash flow model, based on assumptions that take into account market inputs and conditions, prioritizing relevant observable inputs at all times, where possible. The measured fair values could differ from the actually realized values by virtue of assumptions, variables and conditions being different from those adopted for the measurement model.

(ii) Impairment of noncurrent assets

The impairment testing of noncurrent assets reflects B3's best estimate for future cash flows from cash-generating units (CGU), and the fair value measurement is based on significant non-observable inputs and involves variables and uncertainties in cash flow projections, such as macroeconomic assumptions, discount rate, growth percentage, among others. The recoverable amount of certain assets may not substantially exceed their carrying amounts and, for that reason, it is reasonably possible that devaluation losses will be recognized for these assets in the coming years by virtue of a reality that is distinct from that of the assumptions assumed.

(iii) Estimated useful lives of property and equipment and intangible assets

The assumptions used consider the expected useful life, replacement, obsolescence and their economic benefits for B3, however, actual useful lives may be different due to technological updates, inadequate use, lack of maintenance, among others.

(iv) Provisions for tax, civil and labor contingencies, contingent assets and liabilities

B3 periodically reviews its contingencies in accordance with B3's contingency assessment guidelines, which also take into consideration the analysis of the external law firms responsible for the lawsuits. The classification of the likelihood of loss and the estimated amounts may differ from the amounts actually realized due to external factors that cannot be controlled by B3.

(v) Share-based incentives

The fair value of the cost of transactions to be settled with equity instruments is measured on the date of their grant. The estimated fair value of shares depends on the terms and conditions of the grant, in order to determine the most appropriate measurement model. The assumptions initially used in granting plans, such as quantities and turnover, are reviewed and reflected in the statements over the duration of the programs.

(vi) Realization of deferred income and social contribution taxes

B3 and its subsidiaries test deferred tax assets for impairment based on assumptions adopted by management that take into account the probable terms for realization of future taxable profits. These internal projections are restated annually to reflect the latest data.

Given their long-term nature, changes in tax legislation or in assumptions adopted, among other factors, the actual recoverable amount of deferred tax assets may differ from estimates, which may require future adjustments in the recorded taxes.

4. Cash and cash equivalents, financial investments and derivative financial instruments

a) Cash and cash equivalents

Accounting Practices

B3 considers cash and bank deposits as cash and cash equivalents for purposes of the statement of cash flows.

Description	B3		Consolidated	
	2022	2021	2022	2021
Cash and banks – deposits in local currency	67,097	64,455	36,599	27,140
Bank checking account in foreign currency	78,571	36,258	325,643	270,572
Cash and cash equivalents	145,668	100,713	362,242	297,712
Bank deposits in foreign currency - Third-party funds (1)	2,251,552	2,262,804	2,251,552	2,262,804
Total	2,397,220	2,363,517	2,613,794	2,560,516

(1) Refers to the restricted resources of third parties linked to the full settlement of derivative transactions (Clearing B3) and exchange transactions (Clearing Exchange).

Cash and cash equivalents are held in financial institutions with low credit risk headquartered or domiciled in Brazil and abroad. Deposits in foreign currency are mostly in US dollars.



b) Financial investments

Accounting Practices

B3 classifies financial assets and liabilities upon initial recognition, according to the business model and contractual flows.

Amortized cost: Financial assets measured at the amortized cost are non-derivative financial assets designated by B3 in this category and the purpose of the business model adopted is to maintain assets for receipt of contractual cash flows on specific dates (principal and interest).

Financial assets measured at fair value through other comprehensive income: Financial assets measured at fair value through other comprehensive income are "non-derivative" financial assets that are designated by B3 in this category, whose purpose according to the business model adopted is to receive the contractual cash flows (principal and interest), and possible disposal of the asset. Interest are calculated using the effective interest rate method and is recognized in statement of profit or loss as finance income. The portion corresponding to the change in fair value is recognized in the comprehensive income net of taxes, charged against P&L upon settlement or impairment, except for equity instruments.

The option to designate equity instruments as measured at fair value through other comprehensive income is irrevocable. The portion corresponding to the change in fair value is recognized in comprehensive income and is not transferred to income when definitively determined, regardless of its settlement. Earnings received are recognized in P&L.

Financial assets measured at fair value through profit or loss: Financial assets not classified in the previous categories due to the business model adopted, or assets designated by B3, upon initial recognition. Gains or losses arising from changes in the fair value of these financial instruments are presented in P&L, under finance income (costs), in the period in which they occur.

The breakdown of financial investments by category, nature and maturity is as follows:

Description of financial assets	Average rates (p.a.)						B3	
		No maturity (8)	Up to 3 Months	Above 3 months and up to 12 months	Above 12 months and up to 5 years	Over 5 years	2022	2021
Fair value through profit or loss								
Financial investment fund (1)	98% to 103% of CDI	9,743,210	-	-	-	-	9,743,210	14,531,797
Federal government securities								
Financial Treasury Bills	100% of Selic	-	-	-	63	-	63	56
National Treasury Bills	10.95%	-	-	-	4	-	4	-
Other investments		5,033	-	-	-	-	5,033	60
		<u>9,748,243</u>	<u>-</u>	<u>-</u>	<u>67</u>	<u>-</u>	<u>9,748,310</u>	<u>14,531,913</u>
Fair value through other comprehensive income								
Federal government securities								
Financial Treasury Bills	100% of Selic	-	145,084	248,157	727,325	-	1,120,566	1,290,236
National Treasury Bills (3)	10.95%	-	-	165,679	537,662	-	703,341	828,117
National Treasury Notes	B Series – IPCA + 4.59% F Series - 8.26%	-	149,667	139,494	654,950	133,110	1,077,221	1,095,644
Shares - Minority interest								
Publicly traded companies (5)		135,805	-	-	-	-	135,805	164,801
Closed companies (6)		41,950	-	-	-	-	41,950	55,796
		<u>177,755</u>	<u>294,751</u>	<u>553,330</u>	<u>1,919,937</u>	<u>133,110</u>	<u>3,078,883</u>	<u>3,434,594</u>
Amortized cost								
Federal government securities								
National Treasury Notes (7)	B Series - IPCA + 4.59% F Series - 8.26%	-	-	-	566,928	7,232	574,160	320,784
		<u>-</u>	<u>-</u>	<u>-</u>	<u>566,928</u>	<u>7,232</u>	<u>574,160</u>	<u>320,784</u>
Total		<u>9,925,998</u>	<u>294,751</u>	<u>553,330</u>	<u>2,486,932</u>	<u>140,342</u>	<u>13,401,353</u>	<u>18,287,291</u>
Current							10,774,079	15,472,034
Noncurrent							2,627,274	2,815,257

Description of financial assets	Average rates (p.a.)						Consolidated	
		No maturity (8)	Up to 3 Months	Above 3 months and up to 12 months	Above 12 months and up to 5 years	Over 5 years	2022	2021
Fair value through profit or loss								
Financial investment fund (1)	98% to 103% of CDI	3,047,895	-	-	-	-	3,047,895	4,869,557
Repurchase agreements (2)	100% of CDI	-	2,874,678	1,118,781	-	-	3,993,459	5,294,203
Federal government securities								
Financial Treasury Bills	100% of Selic	-	120,647	676,487	2,800,954	442,827	4,040,915	5,357,574
National Treasury Bills	10.95%	-	-	-	4	-	4	-
Other investments		5,034	-	-	-	-	5,034	65
		3,052,929	2,995,325	1,795,268	2,800,958	442,827	11,087,307	15,521,399
Fair value through other comprehensive income								
Federal government securities								
Financial Treasury Bills	100% of Selic	-	145,084	286,176	857,653	41,955	1,330,868	1,449,091
National Treasury Bills (3)	10.95%	-	-	169,211	538,722	-	707,933	828,117
National Treasury Notes	B Series - IPCA + 4.59% F Series - 8.26%	-	149,667	139,494	654,950	133,112	1,077,223	1,095,646
Other investments (4)		137,552	-	-	-	-	137,552	86,027
Shares - Minority interest								
Publicly traded companies (5)		135,805	-	-	-	-	135,805	164,801
Closed companies (6)		41,950	-	-	-	-	41,950	55,796
		315,307	294,751	594,881	2,051,325	175,067	3,431,331	3,679,478
Amortized cost								
Federal government securities								
National Treasury Notes (7)	B Series - IPCA + 4.59% F Series - 8.26%	-	-	-	566,928	7,232	574,160	320,784
Other investments		-	-	-	-	-	-	13,908
		-	-	-	566,928	7,232	574,160	334,692
Total		3,368,236	3,290,076	2,390,149	5,419,211	625,126	15,092,798	19,535,569
Current							12,283,245	16,573,301
Noncurrent							2,809,553	2,962,268

(1) Investment funds portfolio is mostly comprise investments in federal government bonds and operations subject to repurchase agreements backed by government bonds indexed by reference to the Central Bank Benchmark Rate (Selic). In the consolidated financial statements, exclusive investment funds are distributed in accordance with the financial instrument and maturity and are, however, recorded in current assets. Equity of investment funds is as follows:

Administrator	B3		Consolidated		
	2022	2021	2022	2021	
Exclusive investment funds included in the consolidation process					
Araucária RF FI	Itaú Unibanco S.A.	458,868	545,290	-	-
Bradesco FI RF LP B3 Câmara	Banco Bradesco S.A.	2,509,547	4,095,935	-	-
BB Pau Brasil FI RF	BB DTVM S.A.	1,382,952	2,145,039	-	-
FI Caixa Manacá RF DI LP	Caixa Econômica Federal	516,105	301,478	-	-
Imbuia FI RF DI	Safra Adm. Fiduciária Ltda	1,271,705	1,976,800	-	-
Jacarandá RF	Votorantim DTVM Ltda	690,403	680,277	-	-
		6,829,580	9,744,819	-	-
Mutual investment funds					
BB RF CP Empresa Ágil	BB DTVM S.A.	-	-	-	1
Bradesco FI RF LP Eucalipto	Banco Bradesco S.A.	802,576	2,164,112	881,757	2,209,929
FI Caixa E-Simples RF LP	Caixa Econômica Federal	-	-	-	432
FI Liquidez Câmara B3	Banco B3 S.A.	789,702	712,699	789,702	712,699
Santander Cash Blue RF	Banco Santander S.A.	333,525	475,784	333,525	475,784
Santander FI Cedro RF	Banco Santander S.A.	987,827	1,434,383	1,042,911	1,470,712
		2,913,630	4,786,978	3,047,895	4,869,557
Total		9,743,210	14,531,797	3,047,895	4,869,557



- (2) Contracted with financial institutions with low credit risk and backed by federal government bonds.
- (3) As at December 31, 2022, National Treasury Bills in the amount of R\$52,294 (R\$96,695 at December 31, 2021) was recorded in guarantee for derivative transactions (Note 4(c)).
- (4) These mostly refer to investment funds abroad of B3 Inova.
- (5) These refer to shares of Bolsa de Comercio de Santiago in the amount of R\$54,501 (R\$57,771 at December 31, 2021), Bolsa de Valores de Colômbia - R\$27,839 (R\$50,165 at December 31, 2021), Bolsa de Valores de Lima - R\$53,465 (R\$56,865 at December 31, 2021), acquired by B3 within its strategy to explore opportunities of partnerships with other stock exchanges.
- (6) Shares of Pismo Holdings (Pismo), a fintech that offers a processing platform for cloud financial services and building products of payments.
- (7) National Treasury Notes assigned for use according to agreement between B3, Associação BM&F and BSM (Note 13 (a)).
- (8) It includes substantially assets with no grace period for redemption (e.g. highly liquid investment funds), as well as non-redeemable assets or assets without defined maturity (e.g. shares).

The government securities are held under the custody of the Special System for Settlement and Custody (Selic); the investment fund shares are held under the custody of their respective administrators; local shares are held under the custody of B3's Clearinghouse; the shares of Bolsa de Comercio de Santiago, Bolsa Mexicana de Valores, Bolsa de Valores de Lima and Bolsa de Valores de Colombia are held under the custody at the respective depositories.

Financial investments were not reclassified in the year.

c) Financial and derivative instruments

Accounting Practices

Derivative financial instruments and hedge accounting

B3 uses derivative financial instruments in order to hedge its assets and liabilities from market risks, such as foreign exchange differences, B3SA3 share price variation and debentures interest rate variation. The exposure to the B3SA3 share price variation results from the payment of labor charges under the long-term incentive program (ILP). Hedge accounting is applied to all derivatives taken out, based on CPC48/IFRS 9.

Derivative financial instruments designated in hedging transactions are initially recognized at fair value on the date in which the derivative agreement is entered into, being subsequently revaluated also at fair value. Derivatives are recorded as financial assets when the financial instrument fair value is positive, and as financial liabilities when fair value is negative.

Non derivative financial liabilities are classified at amortized cost, except where this classification does not result in more appropriate information.

Any gains or losses from changes in fair value of derivatives over the fiscal year are recorded directly in P&L, except for the effective portion of the cash flow hedge, which is recognized directly in equity under other comprehensive income, net of tax effects. Consequently, the exchange rate variation in hedging instruments, previously recognized in financial result prior to its recognition as a hedging instrument, accumulates in equity and is transferred to P&L for the same period and the same account group under which the hedged transaction is recognized. When the hedged transaction implies recognition of a nonfinancial asset, gains and losses recognized in equity are transferred and included in the initial measurement of the asset cost. The non-effective portion of the hedge is immediately recognized in P&L.

The method to determine the fair value, used by B3, consist in determining the future amount based on the conditions of transactions taken out, and then the present value based on current market curves, as disclosed by B3.

In relation to hedge accounting, upon entering a hedging transaction, B3 prepares formal documentation containing: (i) hedge objective; (ii) hedge type; (iii) risk management strategy; (iv) nature of hedged risk; (v) identification of hedged item; (vi) identification of hedging instrument; and (vii) prospective effectiveness assessment.

Any imbalance between the hedged item index and the hedging instrument that is not in accordance with the hedge purpose of B3, is adjusted so that the index goes back to the standards established in the hedging strategy.

Hedge effectiveness analysis is performed through the dollar offset method for retrospective effectiveness test, which takes into consideration the ratio at fair value or present value of accumulated gains or losses on the hedging instrument with gains or losses on hedged item for hedged risk. The approach used for the analyses consists of the benchmark rate approach.

Classification of financial instruments

Financial Assets	B3		Consolidated	
	2022	2021	2022	2021
Fair value through profit or loss				
Financial investments	9,748,310	14,531,913	11,087,307	15,521,399
Financial and derivative instruments	7,472	3,553	7,472	3,553
Fair value through other comprehensive income				
Financial investments	3,078,883	3,434,594	3,431,331	3,679,478
Amortized cost				
Financial investments	574,160	320,784	574,160	334,692
Accounts receivable	454,630	397,974	503,840	436,258
Other receivables	27,096	24,924	34,624	38,588
	13,890,551	18,713,742	15,638,734	20,013,968

Financial Liabilities	B3		Consolidated	
	2022	2021	2022	2021
Fair value through profit or loss				
Financial and derivative instruments	55,319	113,506	55,319	113,506
Salaries and social charges	72,971	71,813	84,401	73,510
Amortized cost				
Collateral for transactions	4,756,602	6,357,430	4,756,602	6,357,430
Earnings and rights on securities in custody	140,605	97,357	140,605	97,357
Suppliers	205,194	202,865	219,288	218,438
Salaries and social charges	376,520	312,723	454,955	355,225
Loans and financing	13,784,511	15,989,771	12,111,175	14,198,640
Other liabilities	498,695	771,647	1,595,421	1,562,173
	19,890,417	23,917,112	19,417,766	22,976,279

Fair value hierarchy

Financial assets and liabilities measured at fair value of B3 are recognized at quoted prices (unadjusted) in active market (Level 1), except for Pismo shares (Note 4(b)) in which the fair value is calculated using the multiple approach methodology and allocation of fair value to each class of share by the Option Pricing Model, which takes into account liquidity, rights of participation and dividend policy by share class (Level 2) and unobservable data (Level 3). Amounts receivable and trade accounts payable approximate book value due to their short-term maturity and fair value of transactions with related parties corresponds to book value.

Investment in foreign subsidiary (CETIP Lux)

	B3		Consolidated	
	2022	2021	2022	2021
Assets				
Investment in foreign subsidiary	1,925,525	2,018,453	-	-
Liabilities				
Intercompany loans and loan taken out by subsidiary	(2,467,198)	(2,636,818)	(785,329)	(838,575)
Net currency exposure	(541,673)	(618,365)	(785,329)	(838,575)

In view of the fact that, under the terms of tax legislation, gains or losses arising from the exchange rate variation on investments should not be taken into account in the income and social contribution tax base, a mismatch between long and short positions in foreign currency is required, so that the after-tax P&L is not exposed to exchange rate variation (post-tax hedge).

Hedge operations

At December 31, 2022, the swap consolidated amounts measured at fair value are the following:

Description							B3 and Consolidated				
Hedge classification	Hedged Item	Hedging instrument	Notional value	Average interest / Notional value - R\$	Maturity	Balance		Gain/(Loss) for the period			
						Assets	Liabilities	Non-Financial Assets	Operating expenses	Financial income	Equity
Cash Flow	Stock Grant Charges (1)	Swap	BRL 90,213	B3SA3 + earnings (assets) CDI + 0.49 % p.a (liabilities)	Jan/2023	3,163	-	-	8,563	(3,266)	1,241
Cash Flow	Certain firm commitments (2)	Cash in foreign currency			Dec/2022	-	-	(19)	(662)	681	-
Cash Flow	Bolsa de Comercio de Santiago Shares (3)	NDF	CLP 7,800,000	46,028	Jun/2023	-	(280)	-	-	-	4,414
Cash Flow	Bolsa de valores de Colombia Shares (3)	NDF	COP 25,000,000	27,375	Mar/2023	121	-	-	-	-	5,655
Cash Flow	IPCA series of the 4th issue of debentures (4)	Swap	BRL 163,225	IPCA + 3.90% p.a (asset) 120.81% CDI (liabilities)	Jan/2023 up to Dec/2030	-	(12,878)	-	-	(3,584)	(6,903)
Cash Flow	1 st series of the 5th issue of debentures (5)	Swap	BRL 1,552,230	DI + 1.17% p.a (asset) 115.95% CDI (liabilities)	May/2024	-	(15,791)	-	-	(8,403)	(659)
Cash Flow	2 nd series of the 5th issue of debentures (5)	Swap	BRL 1,447,700	DI + 1.39% p.a (asset) 117.94% CDI (liabilities)	May/2025 up to May/2026	-	(26,034)	-	-	(4,751)	(4,974)
Cash Flow	Future revenues indexed in foreign currency (6)	Loan in foreign currency	USD 694,040	3,621,293	Sep/2031	-	-	-	15,054	(167,285)	152,231
Cash Flow	Future revenues indexed in foreign currency (7)	NDF	USD 5,960	31,101	Jan/2023 up to Feb/2023	111	(336)	-	131	31	(149)
Net investment abroad	Investment in subsidiary B3 Inova (8)	NDF	USD 10,000	54,288	Jan/2023	4,077	-	-	-	-	(7,583)
						7,472	(55,319)	(19)	23,086	(186,577)	143,273
Current						7,472	(16,318)				
Non-current						-	(39,001)				

In this year, hedge had no significant element of inefficiency.

- (1) In January 2022, B3 engaged in a new hedge transaction, in order to neutralize the impacts of B3SA3 share price variation in paying labor charges on long-term incentive plans. In August 2022, two new hedge operations were engaged.
- (2) In February 2022, B3 recorded a new hedge, allocating part of its cash in foreign currency to hedge the currency risk of certain firm commitments assumed in foreign currencies (cash flow hedge). The cash flows subject to coverage refer to payments occurred up to December 31, 2022, regardless of whether the contract terms exceed that date, and hedged items not paid by that date were written off in the year.
- (3) In December 2022, Non-Deliverable Forwards (NDFs) were entered into to hedge the foreign exchange difference of investments in the shares of the Santiago Stock Exchange and of the Colombian Stock Exchange. The hedge corresponds to, at the reporting date, more than 88% of the investment share.



- (4) In December 2020, an asset swap were entered into to hedge the IPCA variation of the IPCA series of the 4th issue of B3's debentures.
- (5) In June 2021, a swap were entered into to hedge the CDI variation of the first and second series of the 5th issue of B3's debentures.
- (6) In September 2021, B3 created a new hedge, designating debt issued abroad (Unsecured Note) to hedge the impacts of foreign exchange differences on part of future revenues indexed in foreign currency over the next 5 years (cash flow hedge). These amounts will be hedged on a prospective basis over the next 5 years, ending September 2031, date when the hedging instrument matures.
- (7) In November 2022, Non-Deliverable Forwards (NDF) were taken out to hedge against the impacts of foreign exchange difference on a portion of future revenues indexed in foreign currency. The hedge will be effective for the next 12 months, in addition to the hedge that B3 currently has between debt issued abroad and future revenues pegged to a foreign currency.
- (8) In July 2022, Non-Deliverable Forward (NDF) transactions were entered into in order to hedge the currency fluctuation of investments in subsidiary B3 Inova. At the base date, to approximately 37% of this investment is hedged.

Derivative financial instruments were entered into with financial institutions with low credit risk. Certain operations require guarantees and, as such, fiduciary assignment contracts referring to government securities were entered (Note 4(b)).

d) Financial instruments and risk management

Financial risk management and financial investment policy

B3's short-term investment policy focuses on high liquidity and low risk, which mostly results in allocations to federal government bonds indexed at Selic and acquired directly, via repurchase agreements backed by government securities and also through exclusive and non-exclusive funds.

Derivative instrument transactions are performed by B3 exclusively for hedging purposes.

Acquisition or disposal of investments in shares of Latin America Stock Exchanges, are assessed individually and realized only in accordance with the strategic planning approved by the Board of Directors.

In addition, B3 has a Corporate Risk Management Policy, whose purpose is to establish principles, guidelines and responsibilities to be observed in the risk management process, so as to allow identification, assessment, treatment, monitoring and communication of operational, technological, market, liquidity, credit, image and socio-environmental risks.

The Risk and Financial Committees assess market, liquidity, credit and systemic risks of the markets managed by B3, with a strategic and structural focus.

Sensitivity analysis

The table below presents the consolidated net exposure of all financial instruments (assets and liabilities) by market risk factors.

Exposure to Risk Factors (Consolidated)					
Risk Fator	Risk	2022		2021	
		Percentage	Amount	Percentage	Amount
Floating interest rate	Lower SELIC rate	54.13%	11,709,787	58.47%	16,520,818
Floating interest rate	Higher CDI	35.19%	7,612,658	33.66%	9,509,903
Inflation	Lower inflation rate	5.10%	1,104,133	3.56%	1,006,869
Fixed interest rate	Higher Fixed	3.97%	859,466	3.00%	847,240
Others	Others	1.61%	348,135	1.31%	371,715

Share price risk

The table below shows a sensitivity analysis on possible impacts from a variation of 25% and 50% on the probable scenario for share price, for the next three months, obtained from Bloomberg.

Risk Fator	Impact				
	-50%	-25%	Probable scenario	+25%	+50%
Bolsa de Comercio de Santiago shares in BRL	(23,437)	(7,905)	7,627	23,159	38,691
Share price in CLP	1,015.00	1,522.50	2,030.00	2,537.50	3,045.00
Bolsa de Valores da Colombia shares in BRL	(14,104)	(7,236)	(369)	6,499	13,367
Share price in COP	3,446.25	5,169.38	6,892.50	8,615.63	10,338.75
Bolsa de Valores de Lima shares in BRL	(26,115)	(12,441)	1,234	14,908	28,583
Share price in PEN	1.33	2.00	2.66	3.33	3.99

The possible impacts shown by the sensitivity analysis would substantially affect other comprehensive income in equity, net of taxes.

Interest rate risk

The table below shows a sensitivity analysis on possible impacts on assets and liabilities of a variation of 25% and 50% on the probable scenario of the post-fixed rates CDI and Selic, for the next three months, and of the pre-fixed rates, obtained through Bloomberg and B3.

Risk Fator	Impact				
	-50%	-25%	Probable scenario	+25%	+50%
CDI	(127,055)	(188,305)	(248,145)	(306,648)	(363,883)
CDI Rate	6.85%	10.27%	13.69%	17.11%	20.54%
Selic	188,495	279,363	368,139	454,934	539,846
Selic Rate	6.85%	10.27%	13.69%	17.11%	20.54%
Fixed	38,788	32,323	25,858	19,394	12,929
Fixed rate	6.49%	9.74%	12.98%	16.23%	19.47%
IPCA	24,274	20,228	16,183	12,137	8,091
IPCA rate	3.00%	4.49%	5.99%	7.49%	8.99%

Currency risk

In addition to the amounts payable and receivable in foreign currencies, B3 has own funds abroad, and shareholding interest in Latin America Stock Exchanges.

The table below shows a sensitivity analysis on possible impacts on assets and liabilities of a variation of 25% and 50% on the probable scenario for currency risk for the next three months, obtained from Bloomberg.

The possible impacts shown by the sensitivity analysis would substantially affect equity, net of taxes.

Risk Fator	Impact				
	-50%	-25%	Probable scenario	+25%	+50%
USD	(43,889)	(20,600)	2,690	25,979	49,268
Exchange rate USD/BRL	2.6864	4.0296	5.3728	6.7160	8.0592
CLP	(3,314)	(1,592)	130	1,852	3,574
Exchange rate CLP/BRL	0.0031	0.0047	0.0062	0.0078	0.0093
COP	(440)	(215)	10	235	460
Exchange rate COP/BRL	0.0006	0.0008	0.0011	0.0014	0.0017
PEN	(26,529)	(13,061)	407	13,875	27,343
Exchange rate PEN/BRL	0.6944	1.0416	1.3888	1.7360	2.0832

In view of the net amounts of other currencies, their impacts are not deemed material.

Liquidity risk

Liquidity risk arises from the cash need related to the obligations assumed. B3 manages its cash flows in order to ensure liquidity and compliance with all Company obligations. The following table shows the main liability financial instruments of B3 by maturity (undiscounted cash flows):

Description	No maturity	Within 1 year	From 1 to 2 years	From 2 and 5 years	Above 5 years
Collaterals for transactions	4,756,602	-	-	-	-
Debt issuance abroad	-	175,689	175,689	527,066	4,323,003
Swap (1)	-	29,311	42,539	77,959	47,324
NDFs (2)	-	(5,738)	-	-	-
Debentures	-	1,053,808	2,494,300	7,074,659	242,898
Loan in dollars	-	295,409	542,361	-	-
FINEP loan	-	2,034	1,912	3,049	-
	4,756,602	1,550,513	3,256,801	7,682,733	4,613,225

(1) For the adjustment calculation, CDI curve was used from December 31, 2022 up to the swap settlement date, the dollar at the closing of month (PTAX) was also used, rate disclosed by the Central Bank of Brazil.

(2) For calculating the adjustment, the sales rates of the respective currencies were disclosed by the Central Bank of Brazil on the last business day of the month.

Credit risk

The main credit risk of B3 arises from its financial investments. As a way of managing this risk, B3 has a financial investment policy that focuses mainly on investments in Brazilian federal government securities. Currently approximately 99% of financial investments is in connection with federal government securities with ratings set by Standard & Poor's and Moody's of "BB-" and "Ba2", respectively, for long-term issues in local currency. The counterparties of Swaps and NDFs taken out as hedging transactions are substantially low credit risk financial institutions.

Capital management

B3's capital management main objectives are to safeguard its ability to continue as a going concern in order to maintain an optimal target capital structure. In order to maintain or adjust its capital structure, B3 may revise its practices for payment of earnings, return capital to shareholders, incur debts, loans and financing.

At December 31, 2022, the difference between financial assets and liabilities amounted to R\$650,363 (R\$1,332,705 at December 31, 2021) as follows:

Description	Consolidated	
	2022	2021
Cash and cash equivalents/financial investments	17,706,592	22,096,085
Loans and financing, debentures and derivative financial instruments	(12,159,022)	(14,308,593)
Collateral for transactions	(4,756,602)	(6,357,430)
Earnings and rights on securities under custody	(140,605)	(97,357)
	650,363	1,332,705

Other information – COVID 19

B3, due to the impacts of the measures adopted to face the COVID-19 pandemic in the calculation of expected losses on financial instruments, is monitoring the positions of financial assets and receivables with regard to the identification of a significant increase in credit risk. Considering the nature of these assets (substantially backed by federal government securities), the lack of a significant financing component, as well as a set of quantitative and qualitative aspects, B3 identified no significant increase in their credit risk. B3 will continue to monitor such financial instruments periodically and prospectively.

5. Trade accounts receivable

Accounting Practices

B3's receivables refer substantially to trade accounts receivable. They are initially recorded at the transaction value and subsequently at amortized cost, using the effective interest method, less any impairment loss.

Losses are estimated by means of a provision matrix based on days of delay and segmented by customers and services that have similar patterns of losses. The provision matrix is reviewed and updated according to the historical loss experience and the expectation of losses of B3's receivables portfolio.

Breakdown of accounts receivable is as follows:

Description	B3		Consolidated	
	2022	2021	2022	2021
Trust and custodian fees	149,018	146,835	149,018	146,835
Database management	113,029	86,739	113,029	86,739
Data processing	29,287	29,753	69,569	72,835
Vendors - Signal broadcasting	63,751	48,647	68,686	53,270
Fees	54,694	54,271	54,694	54,271
Other accounts receivable	55,564	45,805	64,638	49,325
Subtotal	465,343	412,050	519,634	463,275
Estimated losses on accounts receivable	(10,713)	(14,076)	(15,794)	(27,017)
Total	454,630	397,974	503,840	436,258

The amounts presented above are primarily denominated in Brazilian Reais and approximately 90% falls due within 90 days. At December 31, 2022, the amounts overdue above 90 days totaled R\$3,506 at B3 (R\$2,480 at December 31, 2021) and R\$ 15,607 in the consolidated (R\$25,186 at December 31, 2021).

Changes in estimated losses on accounts receivable:

	B3	Consolidated
Balance at December 31, 2020	11,794	11,996
Additions	17,704	17,918
Reversals	(11,518)	(11,666)
Write-offs	(3,904)	(3,911)
Acquisition of subsidiaries	-	12,680
Balance at December 31, 2021	14,076	27,017
Additions	12,387	14,464
Reversals	(14,178)	(15,425)
Write-offs	(1,572)	(10,262)
Balance at December 31, 2022	10,713	15,794

6. Investments

Accounting Practices

Subsidiaries and Basis of consolidation

The consolidated financial statements comprise the financial statements of B3 and its subsidiaries, whose accounting practices are adjusted when necessary to ensure consistency with the practices adopted by B3.

B3 consolidates its subsidiaries from the moment it assumes control thereover, that is, when it is exposed or entitled to variable returns based on its involvement with the investee and has the ability to affect these returns through power exercised.

In the individual financial statements, investments in subsidiaries are accounted for under the equity method and fully consolidated for purposes of presentation of the consolidated financial statements.

Assets, liabilities, revenues and expenses are included in accordance with their nature in the consolidation process, less intercompany transactions. B3 investment is eliminated, recorded against equity of the subsidiaries. Unrealized losses are also eliminated, unless the transactions provide evidence of impairment.

Associates

Affiliate is the company over which B3 has the ability to exercise significant influence. B3's judgment as regards the level of influence on investments takes into consideration key factors, such as interest percentage, representation in the Board of Directors, participation in the definition of policies and businesses, and material intercompany transactions.

Investments in associates are recorded using the equity method and are initially recognized at cost. B3's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment.

Business combination and goodwill

B3 accounts for business combinations using the acquisition method. The cost of the acquisition is measured as the aggregate of the consideration transferred, measured at the acquisition-date fair value. The costs directly attributable to the acquisition are accounted for as expenses, as incurred.

B3 measures the assets acquired and the liabilities assumed in order to classify and allocate them according to the contractual terms, economic circumstances and the relevant conditions on the acquisition date.

Goodwill is initially measured as the transferred payment exceeding amount in relation to the net assets acquired. If the consideration is lower than the fair value of the net assets acquired, the difference will be recognized as a gain in the income statement.

After initial recognition, goodwill is measured at cost, less any accumulated impairment losses. For impairment test purposes, goodwill acquired in a business combination is allocated to each cash-generating units that are expected to benefit from the synergies of combination.

a) Investments in subsidiaries and associates

Investments in subsidiaries and associates comprise the following:

Position at 12/31/2022

Subsidiaries/ Associates	Participation		Assets	Liabilities	Capital	Equity	Appreciation in business combination	Revenues	Adjusted P&L
	Total shares	%							
Subsidiaries									
Banco B3	24,000	100.00	1,359,645	1,178,841	100,000	180,804	-	129,021	52,325
BVRJ	115	86.95	98,739	6,740	77,097	91,999	-	3,430	4,147
UK Ltd.	1,000	100.00	4,581	4,102	682	479	-	8,798	(1,285)
B3 Inova	1	100.00	146,757	-	110,635	146,757	-	81	22,880
UAS Chicago	1	100.00	2,623	1,094	2,786	1,529	-	3,249	(733)
CETIP Info	800	100.00	103,961	4,570	29,154	99,391	-	62,764	41,083
CETIP Lux	85,000	100.00	2,739,368	813,843	190	1,925,525	-	-	(92,928)
BLK	89,403,650	100.00	55,144	8,588	89,404	46,556	(146)	13,713	(16,590)
PDtec	67,200,000	100.00	82,877	26,489	69,000	56,388	72,497	91,003	(18,807)
CED	10,000	100.00	872	115	1,370	757	-	1,311	(612)
Neoway	5,976,740	100.00	180,019	103,798	197,618	76,221	1,634,103	188,752	(140,377)
Digitas	7,501,000	100.00	7,748	817	7,501	6,931	-	46	(570)
Associates									
RTM	2,020,000	20.00	170,002	27,690	10,100	142,312	8,809	146,048	35,757
Dimensa	56,139,114	37.50	887,000	143,650	56,139	743,350	318,448	186,016	(10,593)

Changes	Balances at 12/31/2021	Equity method	Subsidiaries comprehensive income	Capital increase	Earnings	Recognition of stock grant plan	Acquisition of subsidiaries	Balances at 12/31/2022
Subsidiaries								
Banco B3	140,558	52,325	279	-	(12,358)	-	-	180,804
BVRJ	76,387	3,606	-	-	-	-	-	79,993
UK Ltd.	1,903	(1,285)	(139)	-	-	-	-	479
B3 Inova	85,193	22,880	(3,123)	41,807	-	-	-	146,757
USA Chicago	2,503	(733)	(241)	-	-	-	-	1,529
CETIP Info	95,574	41,083	-	-	(37,266)	-	-	99,391
CETIP Lux	2,018,453	(92,928)	-	-	-	-	-	1,925,525
BLK	49,670	(16,590)	-	13,000	-	330	-	46,410
PDtec	115,234	(18,807)	-	30,000	-	2,458	-	128,885
CED	(131)	(612)	-	1,500	-	-	-	757
Neoway	1,783,649	(140,377)	-	45,000	-	-	22,052	1,710,324
Digitas	-	(570)	-	7,501	-	-	-	6,931
	4,368,993	(152,008)	(3,224)	138,808	(49,624)	2,788	22,052	4,327,785
Associates								
RTM (1)	30,346	7,420	(495)	-	-	-	-	37,271
Dimensa (2)	599,163	(1,860)	(99)	-	-	-	-	597,204
	629,509	5,560	(594)	-	-	-	-	634,475
Total	4,998,502	(146,448)	(3,818)	138,808	(49,624)	2,788	22,052	4,962,260

- (1) B3 holds 20% interest in associate RTM, which is a private communication network created especially for the financial sector, connecting approximately 600 institutions and 30 information and

service providers in a single operational environment, RTM manages data, voice and image services and develops specific solutions for users in the financial sector. In order to apply the equity method, RTM financial statements were used with one month's lag effect. The difference in the subsidiary's reporting dates used derives from incompatibilities in the accounting close timeline of B3 and the associate.

- (2) B3 holds noncontrolling interests of 37.5% in the capital of Dimensa, a subsidiary of TOTVS resulting from the carve-out of the financial services management solutions operation. Dimensa's broad portfolio includes: a high-level platform in the investment fund market, with solutions for the processing and control of middle and back offices; a core banking solutions platform for small and medium banks; and a processing and management platform for private label card transactions.

The BRV LLC stated no balance in the year.

Position at 12/31/2021

Subsidiaries/ Associates	Participation		Assets	Liabilities	Capital	Equity	Appreciation in business combination	Revenues	Adjusted P&L
	Total shares	%							
Subsidiaries									
Banco B3	24,000	100.00	993,256	852,698	100,000	140,558	-	89,417	32,948
BVRJ	115	86.95	94,474	6,622	76,483	87,852	-	3,925	(60)
UK Ltd.	1,000	100.00	4,340	2,437	682	1,903	-	6,095	(2,232)
B3 Inova	1	100.00	85,193	-	68,827	85,193	-	-	7,889
USA Chicago	1	100.00	2,505	2	2,786	2,503	-	1,599	(68)
CETIP Info	800	100.00	99,705	4,131	29,154	95,574	-	62,654	37,266
CETIP Lux	85,000	100.00	2,874,188	855,735	190	2,018,453	-	-	182,919
BLK	39,403,650	100.00	57,802	8,118	76,404	49,684	(14)	10,496	(13,933)
PDtec	200,000	100.00	69,470	31,296	39,000	38,174	77,060	108,684	(1,730)
CED	10,000	100.00	175	306	486	(131)	-	1,262	(929)
Neoway	5,976,740	100.00	173,356	60,903	152,618	112,453	1,671,196	3,726	(1,716)
Associates									
RTM	2,020,000	20.00	134,752	27,069	10,100	107,683	8,809	139,222	26,311
Dimensa	56,139,114	37.50	711,016	41,846	56,139	669,170	348,224	29,603	4,812

Changes	Balances at 12/31/2020	Equity method	Subsidiaries comprehensive income	Capital increase	Earnings	Recognition of stock grant plan	Acquisition of subsidiaries	Impairment	Balances at 12/31/2021
Subsidiaries									
Banco B3	112,878	32,948	229	-	(5,497)	-	-	-	140,558
BVRJ	76,439	(52)	-	-	-	-	-	-	76,387
UK Ltd.	4,025	(2,232)	110	-	-	-	-	-	1,903
B3 Inova	53,268	7,889	4,397	19,639	-	-	-	-	85,193
USA Chicago	2,420	(68)	151	-	-	-	-	-	2,503
CETIP Info	91,089	37,266	-	-	(32,781)	-	-	-	95,574
CETIP Lux	1,835,534	182,919	-	-	-	-	-	-	2,018,453
BLK	16,467	(13,933)	-	47,000	-	136	-	-	49,670
PDtec	102,789	(1,730)	1,176	10,000	-	2,999	-	-	115,234
CED	4,912	(929)	-	-	-	-	-	(4,114)	(131)
Neoway	-	(1,716)	-	-	-	-	1,785,365	-	1,783,649
	<u>2,299,821</u>	<u>240,362</u>	<u>6,063</u>	<u>76,639</u>	<u>(38,278)</u>	<u>3,135</u>	<u>1,785,365</u>	<u>(4,114)</u>	<u>4,368,993</u>
Associates									
RTM	25,025	5,321	-	-	-	-	-	-	30,346
Dimensa	-	(910)	-	-	-	-	600,073	-	599,163
	<u>25,025</u>	<u>4,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600,073</u>	<u>-</u>	<u>629,509</u>
Total	<u>2,324,846</u>	<u>244,773</u>	<u>6,063</u>	<u>76,639</u>	<u>(38,278)</u>	<u>3,135</u>	<u>2,385,438</u>	<u>(4,114)</u>	<u>4,998,502</u>

b) Investment properties

Accounting Practices

B3 records investment properties at acquisition or construction cost, less depreciation, except land, calculated using the straight-line method at rates based on the estimated useful life of the assets. Any expenses with repairs and maintenance are recorded in the income statement when incurred. Rental income from investment properties is recognized as other income during the term of the lease.

Investment properties are represented by rented properties, owned by the subsidiary BVRJ. Revenue from the rental of these properties in the period ended December 31, 2022 was R\$3,426 (R\$3,920 as of December 31, 2021). The estimated fair value of the properties is R\$97,252, calculated using the average price per square meter for the sale of commercial properties in the city of Rio de Janeiro, disclosed in the FIPEZAP table. B3 has no restrictions as to the sale of its investment properties.

Changes	Consolidated
Balances at December 31, 2020	23,045
Depreciation	(1,518)
Balances at December 31, 2021	<u>21,527</u>
Depreciation	(1,518)
Balances at December 31, 2022	<u>20,009</u>
Annual average depreciation rates	<u>4.0%</u>

7. Property and equipment

Accounting Practices

Property and equipment items are recorded at acquisition, build-up or construction cost, less accumulated depreciation. Depreciation is calculated under the straight-line method and takes into consideration the estimated useful lives of the assets and their residual value. At the end of each period, the residual value and useful life of assets are reviewed and adjusted if necessary.

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when future economic benefits are likely to flow to the Company and the cost of the item can be reliably measured. All other repair and maintenance costs are matched against P&L, as incurred.

Amortization expense is recognized in P&L unless such expense is included in the carrying amount of another asset. Depreciation of property and equipment items used for development activities is included as part of the cost of an intangible asset.

Changes							B3
	Buildings	Furniture and fixtures	Computer devices and equipment	Facilities	Other	Construction in progress	Total
Balances at December 31, 2020	324,797	24,104	284,571	67,256	32,087	58,110	790,925
Additions	34,295	6,046	88,706	20,507	5,724	26,573	181,851
Right of use	(1,239)	-	-	-	-	-	(1,239)
Write-offs	(158)	(135)	(132)	-	-	-	(425)
Transfers	18,000	557	647	3,048	67	(22,319)	-
Reclassification (Note 8)	-	-	-	3,642	-	(3,661)	(19)
Depreciation	(10,393)	(4,253)	(61,775)	(10,016)	(4,589)	-	(91,026)
Others	-	(2)	(3,022)	(3)	-	-	(3,027)
Balances at December 31, 2021	365,302	26,317	308,995	84,434	33,289	58,703	877,040
Additions	4,158	2,391	105,161	4,385	1,622	17,146	134,863
Right of use	(247)	-	-	-	-	-	(247)
Write-offs	(7,853)	(53)	(143)	(284)	(9)	-	(8,342)
Transfers	24,493	5,377	4,125	891	9	(34,895)	-
Reclassification (Note 8)	648	703	324	593	126	(2,442)	(48)
Depreciation	(9,871)	(4,772)	(76,427)	(11,396)	(3,995)	-	(106,461)
Balances at December 31, 2022	376,630	29,963	342,035	78,623	31,042	38,512	896,805
At December 31, 2022							
Cost	574,570	86,397	902,675	129,308	83,284	38,512	1,814,746
Accumulated depreciation	(197,940)	(56,434)	(560,640)	(50,685)	(52,242)	-	(917,941)
Net book balance	376,630	29,963	342,035	78,623	31,042	38,512	896,805
Annual average depreciation rates	2.7%	10.7%	14.1%	9.9%	15.1%	-	
At December 31, 2021							
Cost	564,492	78,838	804,176	124,050	85,221	58,703	1,715,480
Accumulated depreciation	(199,190)	(52,521)	(495,181)	(39,616)	(51,932)	-	(838,440)
Net book balance	365,302	26,317	308,995	84,434	33,289	58,703	877,040
Annual average depreciation rates	2.1%	10.9%	13.3%	11.1%	13.6%	-	

Changes	Consolidated						Total
	Buildings	Furniture and fixtures	Computer devices and equipment	Facilities	Other	Construction in progress	
Balances at December 31, 2020	327,530	24,790	296,885	67,299	34,280	58,110	808,894
Acquisition of subsidiaries	2,677	862	1,330	38	1,388	-	6,295
Additions	34,614	6,144	93,620	20,507	6,274	26,573	187,732
Right of use	412	-	-	-	-	-	412
Write-offs	(158)	(200)	(599)	(5)	(26)	-	(988)
Transfers	18,000	557	647	3,048	67	(22,319)	-
Reclassification (Note 8)	-	-	-	3,642	-	(3,661)	(19)
Depreciation	(11,438)	(4,393)	(64,826)	(10,034)	(4,771)	-	(95,462)
Others	-	(2)	(3,022)	(3)	-	-	(3,027)
Balances at December 31, 2021	371,637	27,758	324,035	84,492	37,212	58,703	903,837
Acquisition of subsidiary	-	123	20	-	44	-	187
Additions	4,158	2,731	105,986	4,394	1,919	17,601	136,789
Right of use	4,550	-	-	-	-	-	4,550
Write-offs	(7,853)	(568)	(714)	(284)	(40)	-	(9,459)
Transfers	24,493	5,389	4,125	891	452	(35,350)	-
Reclassification (Note 8)	648	703	324	593	126	(2,442)	(48)
Depreciation	(13,271)	(5,021)	(80,158)	(11,417)	(5,344)	-	(115,211)
Others	-	-	(23)	-	-	-	(23)
Balances at December 31, 2022	384,362	31,115	353,595	78,669	34,369	38,512	920,622
At December 31, 2022							
Cost	593,725	88,960	930,082	130,625	89,848	38,512	1,871,752
Accumulated depreciation	(209,363)	(57,845)	(576,487)	(51,956)	(55,479)	-	(951,130)
Net book balance	384,362	31,115	353,595	78,669	34,369	38,512	920,622
Annual average depreciation rates	2.7%	10.7%	14.1%	9.9%	15.1%	-	
At December 31, 2021							
Cost	578,849	83,218	833,011	125,359	91,985	58,703	1,771,125
Accumulated depreciation	(207,212)	(55,460)	(508,976)	(40,867)	(54,773)	-	(867,288)
Net book balance	371,637	27,758	324,035	84,492	37,212	58,703	903,837
Annual average depreciation rates	2.1%	10.9%	13.3%	11.1%	13.6%	-	

8. Intangible assets

Accounting Practices

Goodwill

Goodwill recorded in intangible assets arises from acquisitions conducted by B3 and is stated at cost less accumulated impairment losses. Impairment losses recognized on goodwill are not reversed.

Contractual relationships

Contractual relationships, acquired in a business combination, are recognized at fair value at the acquisition date. These relationships have finite useful lives and are accounted for at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the contractual relationship.

Software and projects

Software licenses acquired are capitalized based on incurred costs and amortized over their estimated useful life.

Costs associated with software development or maintenance are expensed as incurred. Expenditures directly associated with the development of identifiable and unique software, controlled by B3 and which will probably generate economic benefits greater than the costs for more than one year, are recognized as intangible assets.

Amortization expense is recognized in P&L unless such expense is included in the carrying amount of another asset. In these cases, amortization of intangible assets used for development activities is included as part of the cost of another intangible asset.

Expenditures for development of software recognized as assets are amortized using the straight-line method over the assets' useful lives.

Changes							B3
	Goodwill (1)	Software development internally generated	Software internally generated – projects completed	Softwares	Contractual relations	Trademarks	Total
Balances at December 31, 2020	22,338,799	253,428	2,799,578	166,020	14,808	-	25,572,633
Additions	-	134,743	-	22,724	-	-	157,467
Write-offs	-	-	(18,555)	-	-	-	(18,555)
Transfers	-	(252,477)	252,477	-	-	-	-
Reclassification (Note 7)	-	-	-	19	-	-	19
Amortization	-	-	(842,645)	(92,542)	(9,872)	-	(945,059)
Other	-	3,368	-	(340)	-	-	3,028
Balances at December 31, 2021	22,338,799	139,062	2,190,855	95,881	4,936	-	24,769,533
Additions	-	53,124	-	10,230	-	-	63,354
Write-offs	-	-	(447)	-	-	-	(447)
Transfers	-	(32,206)	32,206	-	-	-	-
Reclassification (Note 7)	-	(75)	75	48	-	-	48
Amortization	-	-	(809,499)	(24,834)	(4,936)	-	(839,269)
Balances at December 31, 2022	22,338,799	159,905	1,413,190	81,325	-	-	23,993,219
At December 31, 2022							
Cost	22,338,799	159,905	6,313,185	545,479	54,221	190,131	29,601,720
Accumulated amortization	-	-	(4,899,995)	(464,154)	(54,221)	(190,131)	(5,608,501)
Net book balance	22,338,799	159,905	1,413,190	81,325	-	-	23,993,219
Annual average amortization rates	-	-	14.0%	13.9%	13.1%	9.1%	
At December 31, 2021							
Cost	22,338,799	139,062	6,302,092	535,201	54,221	190,131	29,559,506
Accumulated amortization	-	-	(4,111,237)	(439,320)	(49,285)	(190,131)	(4,789,973)
Net book balance	22,338,799	139,062	2,190,855	95,881	4,936	-	24,769,533
Annual average amortization rates	-	-	15.8%	13.7%	17.3%	9.1%	

Changes							Consolidated
	Goodwill (1)	Software development internally generated	Software internally generated – projects completed	Softwares	Contractual relations	Trademarks	Total
Balances at December 31, 2020	22,408,527	255,875	2,814,649	176,612	28,407	10	25,684,080
Acquisition of subsidiaries	1,196,732	100,814	298,902	2,764	-	134,043	1,733,255
Additions	-	145,881	14	47,283	-	-	193,178
Write-offs	-	-	(18,555)	(299)	-	-	(18,854)
Transfers	-	(255,818)	255,818	-	-	-	-
Reclassification (Note 7)	-	-	-	19	-	-	19
Impairment	(1,665)	-	(454)	-	(1,995)	-	(4,114)
Amortization recapitalization	-	-	-	-	-	-	-
Amortization	-	-	(846,420)	(101,427)	(12,323)	-	(960,170)
Other	-	3,368	-	(342)	-	-	3,026
Balances at December 31, 2021	23,603,594	250,120	2,503,954	124,610	14,089	134,053	26,630,420
Acquisition of subsidiaries (Note 6(a))	93,363	-	(71,369)	-	-	4,384	26,378
Additions	-	59,429	1,257	17,056	-	4	77,746
Write-offs	-	-	(447)	-	-	-	(447)
Transfers	-	(32,206)	32,206	-	-	-	-
Reclassification (Note 7)	-	(113,006)	113,006	48	-	-	48
Amortization	-	-	(886,613)	(33,308)	(7,260)	(12,394)	(939,575)
Balances at December 31, 2022	23,696,957	164,337	1,691,994	108,406	6,829	126,047	25,794,570
At December 31, 2022							
Cost	23,696,957	164,337	6,758,815	601,585	69,293	328,571	31,619,558
Accumulated amortization	-	-	(5,066,821)	(493,179)	(62,464)	(202,524)	(5,824,988)
Net book balance	23,696,957	164,337	1,691,994	108,406	6,829	126,047	25,794,570
Annual average amortization rates	-	-	14.0%	13.9%	13.1%	9.1%	
At December 31, 2021							
Cost	23,603,594	250,120	6,704,905	584,480	69,293	324,184	31,536,576
Accumulated amortization	-	-	(4,200,951)	(459,870)	(55,204)	(190,131)	(4,906,156)
Net book balance	23,603,594	250,120	2,503,954	124,610	14,089	134,053	26,630,420
Annual average amortization rates	-	-	15.8%	13.7%	17.3%	9.1%	

(1) At December 31, 2022, significant variables of future cash flow projections of the cash-generating units Bovespa Holding and CETIP (UTVM and UIF) as well as the investment in the Neoway and PDtec were reviewed and no requirement to adjust the goodwill amounts was identified.

All assumptions for the projected cash flow period were based on the most recent budget, performance analysis, market expectations and B3's strategies.

	Goodwill book value 12/31/2021	Discount rate (Before taxes)	Discount rate (after taxes)	Projective period (years)	Perpetuity
Bovespa Holding	14,401,628	14.1%	11.4%	10	6.0%
CETIP (UTVM and UIF)	7,937,171	14.7%	11.9% up to 12.1%	5	6.5%
Neoway	1,196,732	13.6%	12.4%	10	4.2%
PDtec	68,063	13.6%	11.4%	5	6.5%
	23,603,594				

	Goodwill book value 12/31/2022	Discount rate (Before taxes)	Discount rate (after taxes)	Projective period (years)	Perpetuity
Bovespa Holding	14,401,628	14.6%	11.7%	10	5.6%
CETIP (UTVM and UIF)	7,937,171	14.5% up to 14.6%	11.9%	5	5.6%
Neoway	1,290,095	14.6%	12.0%	10	5.6%
PDtec	68,063	13.6%	11.7%	5	5.6%
	23,696,957				



Management carried out sensitivity analyses to determine the impacts of changes in the three main variables that affect the calculated value in use:

- a. Discount rate: weighted average cost of capital for each unit. Sensitivity in increase of 100bps;
- b. Perpetuity: rate equivalent to nominal GDP in the long term. Sensitivity in reduction of 50bps;
- c. Revenue growth: average annual revenue growth rate in the projected period. Sensitivity in reduction of 15%.

The aforementioned sensitivities did not result in the need to recognize an impairment loss on Cash Generating Units or investments, only the UIF had its value in use below the carrying amount in this analysis, not representing the need for adjustment.

Bovespa Holding

The goodwill generated on the acquisition of Bovespa Holding in 2008, grounded on expected future profitability and an economic and financial appraisal report on the investment, was R\$16,064,309. At December 31, 2015, the test based on an appraisal report, then prepared by independent experts, identified the need to reduce the recoverable amount of Bovespa Holding by R\$1,662,681 and, consequently, the goodwill book value corresponded to R\$14,401,628.

B3 understands that a projection period of ten years is based on the perception that the Brazilian capital markets in the variable income segment should experience prolonged growth, reflecting the time required for indicators such as participation of shares in the investor portfolios, and Brazil's Market Cap/GDP ratio, among others, may reach levels observed in other countries, indicating that long-term maturity has been reached.

The assumptions of the cash flow projective period also consider the expectation of growth and development of the capital markets in Brazil.

CETIP

The goodwill generated on the acquisition of CETIP in March 2017, amounting to R\$7,937,171, is based on the expectation of future profitability and the Purchase Price Allocation (PPA) report, with R\$5,041,133 allocated for CETIP UTVM and R\$2,896,038 for CETIP UIF.

The assumptions of the cash flow projective period also consider the expectation of growth of the fixed income, automotive and real estate market in Brazil.

Subsidiaries – PDtec and Neoway

Goodwill generated on the acquisition of PDtec in June 2019, in the amount of R\$68,063, is based on expected future profitability and the Purchase Price Allocation (PPA) report.

As of December 31, 2022, the main variables of the future cash flow projections of PDtec (expectation of growth in the real estate sector and collection) were reviewed and compared to the investment book values of R\$128,885.

Goodwill generated on the acquisition of Neoway in December 2021, in the amount of R\$1,290,095, is based on expected future profitability and on a Purchase Price Allocation (PPA) report finalized in November 2022.

B3 understands that a ten-year projection period is supported by the data market current maturity, which reflects the time required for new solutions and developments to gain market penetration and scale growth. The considerations described are reflected in the assumptions for the projected cash flow period.

At December 31, 2022, the main variables of Neoway's future cash flow projections were reviewed and compared to the carrying amount of the investment R\$1,710,324.

9. Loans and financing

Accounting Practices

Loans and financing

These are initially recognized at fair value, net of transaction costs incurred, and subsequently measured at amortized cost. Any difference between the amount raised (net of transaction costs) and the settlement amount is recognized in the statement of profit or loss for the period in which loans are outstanding, under the effective interest method. When there are immaterial changes in contractual terms, the difference between the book balance and the remeasured financial liability is recognized as a gain or loss in P&L for the period, however, if the changes in contractual terms are material, the original instrument is written off and a new financial liability is recognized, with possible impacts recognized in P&L for the year.

Leases

Lease liabilities are measured at the present value of future payments restated according to the projected contractual correction indexes or rates. The lease liability is recorded against the right-of-use asset (property and equipment).

Lease liability is remeasured on the occurrence of events such as change in lease term, change in future payments, change in an index or rate used to determine the payments. The remeasurement amount is recognized as an adjustment to the right-of-use asset.

The interest incurred is recorded as a financial expense and the payments made reduce the book value of the lease liability. The payment of short-term contracts (12 months or less) is recognized as an expense when incurred.

Changes						B3
	Foreign debt	Debentures	Loans involving subsidiary	Bank credit note	Other loans	Total
Balance at December 31, 2020	-	4,975,468	2,455,555	1,278,504	23,137	8,732,664
Additions and appropriation of interest	52,659	422,039	85,677	86,044	1,020	647,439
Issue and contracting	3,733,240	3,000,000	-	-	-	6,733,240
Leases	-	-	-	-	(1,671)	(1,671)
Borrowing costs	(24,921)	(13,316)	-	-	-	(38,237)
Amortization of borrowing costs	671	10,544	-	-	77	11,292
Amortization of interest	-	(296,025)	(84,527)	(60,710)	(658)	(441,920)
Amortization of principal	-	-	-	-	(6,259)	(6,259)
FX differences	-	-	180,113	-	-	180,113
FX differences - Cash flow hedge	173,110	-	-	-	-	173,110
Balance at December 31, 2021	3,934,759	8,098,710	2,636,818	1,303,838	15,646	15,989,771
Additions and appropriation of interest	172,004	1,058,250	80,784	97,513	801	1,409,352
Issue and contracting	-	3,000,000	-	-	-	3,000,000
Leases	-	-	-	-	(247)	(247)
Borrowing costs	(801)	(6,922)	-	-	-	(7,723)
Amortization of borrowing costs	2,569	25,393	-	-	77	28,039
Amortization of interest	(175,847)	(946,397)	(80,146)	(151,351)	(616)	(1,354,357)
Amortization of principal	(31,556)	(3,550,000)	-	(1,250,000)	(5,613)	(4,837,169)
Premium of debentures	-	(19,396)	-	-	-	(19,396)
FX differences	-	-	(170,258)	-	-	(170,258)
FX differences - Cash flow hedge	(253,501)	-	-	-	-	(253,501)
Balance at December 31, 2022	3,647,627	7,659,638	2,467,198	-	10,048	13,784,511
At December 31, 2022						
Current	46,246	243,570	18,568	-	3,312	311,696
Noncurrent	3,601,381	7,416,068	2,448,630	-	6,736	13,472,815
Book Balance	3,647,627	7,659,638	2,467,198	-	10,048	13,784,511
At December 31, 2021						
Current	50,172	2,532,325	17,928	53,838	5,457	2,659,720
Noncurrent	3,884,587	5,566,385	2,618,890	1,250,000	10,189	13,330,051
Book Balance	3,934,759	8,098,710	2,636,818	1,303,838	15,646	15,989,771

Changes						Consolidated
	Foreign debt	Debentures	Bank loans	Bank credit note	Other loans	Total
Balance at December 31, 2020	-	4,975,468	779,619	1,278,504	26,175	7,059,766
Additions and appropriation of interest	52,659	422,039	23,444	86,044	1,273	585,459
Issue and contracting	3,733,240	3,000,000	-	-	-	6,733,240
Leases	-	-	-	-	298	298
Borrowing costs	(24,921)	(13,316)	-	-	-	(38,237)
Amortization of borrowing costs	671	10,544	-	-	77	11,292
Amortization of interest	-	(296,025)	(22,058)	(60,710)	(658)	(379,451)
Amortization of principal	-	-	-	-	(7,419)	(7,419)
FX differences	-	-	57,570	-	-	57,570
FX differences - Cash flow hedge	173,110	-	-	-	-	173,110
Acquisition of subsidiary	-	-	-	-	3,012	3,012
Balance at December 31, 2021	3,934,759	8,098,710	838,575	1,303,838	22,758	14,198,640
Additions and appropriation of interest	172,004	1,058,250	27,329	97,513	1,491	1,356,587
Issue and contracting	-	3,000,000	258,545	-	-	3,258,545
Leases	-	-	-	-	4,550	4,550
Borrowing costs	(801)	(6,922)	-	-	-	(7,723)
Amortization of borrowing costs	2,569	25,393	-	-	78	28,040
Amortization of interest	(175,847)	(946,397)	(26,155)	(151,351)	(615)	(1,300,365)
Amortization of principal	(31,556)	(3,550,000)	(258,545)	(1,250,000)	(9,681)	(5,099,782)
Premium of debentures	-	(19,396)	-	-	-	(19,396)
FX differences	-	-	(54,420)	-	-	(54,420)
FX differences - Cash flow hedge	(253,501)	-	-	-	-	(253,501)
Balance at December 31, 2022	3,647,627	7,659,638	785,329	-	18,581	12,111,175
At December 31, 2022						
Current	46,246	243,570	263,939	-	6,483	560,238
Noncurrent	3,601,381	7,416,068	521,390	-	12,098	11,550,937
Book Balance	3,647,627	7,659,638	785,329	-	18,581	12,111,175
At December 31, 2021						
Current	50,172	2,532,325	559,550	53,838	8,544	3,204,429
Noncurrent	3,884,587	5,566,385	279,025	1,250,000	14,214	10,994,211
Book Balance	3,934,759	8,098,710	838,575	1,303,838	22,758	14,198,640

B3 complied with all covenants in the loan and financing agreements, and there have been no events that resulted in changes in payment conditions.

Debt abroad

In September 2021, B3 raised USD700,000 through the issue of debt securities in the international market (Senior Unsecured Notes) linked to sustainability goals (sustainability-linked notes), with payment of semiannual interest, interest rate of 4.125% per year and full repayment at September 2031. The issue is part of the ordinary management of the businesses and aims to diversify B3's funding sources together with attractive financing conditions. At December 31, 2022, the outstanding balance was R\$3,647,627 (R\$3,934,759 at December 31, 2021).

The sustainability goals that may have an impact on interest rates are (i) create and offer diversity until December 2024. In case this goal is not achieved, as from September 2025, interest rates will increase by 12.5 bps; and (ii) increase the percentage of women in leadership roles at B3 to at least 35% until December 2026. In case this goal is not achieved, as from September 2027, interest rates will increase by 12.5 bps.

In 2022, B3 repurchased, at market value, R\$31,556 of its debt (Senior Unsecured Notes). This repurchase generated a realized R\$5,421 negative goodwill.

Debentures

Description	Interest rate (p.a.)	Premium (1)	Issue date	Interest amortization	Principal amortization	Total issue	12/31/2022	12/31/2021
2 nd issue (single series) (2)	CDI + 1.05%	0.10% p.a.	May/2019	Semiannual (May and Nov)	May/2025	1,200,000	1,226,653	1,215,839
3 rd issue (single series) (3)	CDI + 1.75%	0.55% p.a.	Aug/2020	Semiannual (Feb and Aug)	Aug/2022 Aug/2023 Aug/2024	3,550,000	-	3,641,159
4 th issue (series DI)	CDI + 1.30%	0.65% p.a.	Dec/2020	Monthly	Dec/2030	41,775	41,288	41,129
4 th issue (series IPCA)	IPCA+3.90%	0.65% p.a.	Dec/2020	Monthly	Dec/2028 Dec/2029 Dec/2030	163,225	188,428	177,253
5 th issue - 1 st series	CDI + 1.17%	0.30% p.a.	May/2021	Semiannual (May and Nov)	May/2024	1,552,230	1,572,197	1,564,125
5 th issue - 2 nd series	CDI + 1.39%	0.30% p.a.	May/2021	Semiannual (May and Nov)	May/2025 May/2026	1,447,770	1,466,722	1,459,205
6 th issue – single series	CDI + 1.33%	0.30% p.a.	Aug/2022	Semiannual (Feb and Aug)	Aug/2026 Aug/2027	3,000,000	3,164,350	-
						10,955,000	7,659,638	8,098,710

(1) Premium in case of redemption and early amortization calculated on the remaining term of the debentures.

(2) The indenture was issued providing for a 30-year term and a renegotiation clause scheduled for May 3, 2022, the first renegotiation took place with a new renegotiation clause scheduled for May 2025.

(3) On August 15, 2022, the optional early redemption of all third-issue debentures was made.

Loans involving subsidiary - CETIP Lux

Description	Interest rate (p.a.)	Issue date	Interest amortization	Principal amortization	Total issue	Balances in 12/31/2022	Balances in 12/31/2021
CETIP Lux	2.30%	Dec/2015	Quarterly	Jan/2023	USD 64,493	338,526	359,972
CETIP Lux	3.50%	Sep/2016	Quarterly	Sep/2023	USD 150,000	796,615	852,005
CETIP Lux	3.50%	Sep/2016	Annual	Sep/2023	USD 254,800	1,332,057	1,424,841
						2,467,198	2,636,818

Bank loans

Description	Interest rate (p.a.)	Issue date	Interest amortization	Principal amortization	Total issue	Balances in 12/31/2022	Balance in 12/31/2021
CETIP Lux I	2.50%	Aug/2014	Quarterly	Aug/2022	USD 100,000	-	558,662
CETIP Lux II	3.47%	Sep/2019	Quarterly	Sep/2023	USD 50,000	261,690	279,913
CETIP Lux III	5.13%	Aug/2022	Quarterly	Aug/2024	USD 50,000	262,335	-
CETIP Lux IV	5.19%	Aug/2022	Quarterly	Aug/2024	USD 50,000	261,304	-
						785,329	838,575

In August 2022, the loan CETIP Lux I, in the amount of US\$100,000, reached maturity and, therefore, a rollover of US\$50,000 was agreed upon through a new contract called CETIP Lux IV, with a 2-year term and payment of quarterly interest at a rate of approximately 5.19%. Additionally, another loan of US\$50,000 was entered into with another financial institution, called CETIP Lux III, with a 2-year term and payment of quarterly interest at a rate of 5.13%.

Bank Credit Note

Description	Interest rate (p.a.)	Issue date	Interest amortization	Principal amortization	Total issue	Balances in 12/31/2022	Balance in 12/31/2021
Bank Credit Note	CDI +2.5%	Jun/2020	Semiannual	Jul/2023	1,250,000	-	1,303,838
						-	1,303,838

In June 2022, the bank credit note was fully settled in advance.

10. Other obligations

	B3		Consolidated	
	2022	2021	2022	2021
Current				
Repurchase agreements (1)	-	-	649,994	430,764
Demand deposits (2)	-	-	423,616	329,655
Synergy transfer	-	24,929	-	24,929
Future installments	-	47,181	-	47,181
Amounts to be transferred - Direct Treasury	74,354	95,210	74,354	95,210
Amounts to be transferred - Third-party	26,942	14,275	26,942	14,275
Amounts to be transferred - Arbitration Chamber	21,080	20,056	21,080	20,056
Amounts to be transferred - Incentives	8,181	6,474	8,181	6,474
Payables - CME/ICE	4,683	13,637	4,683	13,637
Payables - Acquisition of subsidiary	-	36,082	-	36,082
Other	18,759	30,287	41,445	59,859
Total	153,999	288,131	1,250,295	1,078,122
Noncurrent				
Escrow - Acquisition of subsidiary (3)	338,257	475,784	338,257	475,784
Payables - Acquisition of subsidiary	6,439	6,439	6,439	6,439
Other	-	1,293	430	1,828
Total	344,696	483,516	345,126	484,051

- (1) These refer to open market funding made by Banco B3, comprising repurchase agreements maturing on January 2, 2023 (2021 - January 3, 2022) and backed by Financial Treasury Bills (LFT), National Treasury Bills (LTN), and National Treasury Notes (NTN) - serie B.
- (2) These refer to demand deposits held by legal entities at Banco B3 with the sole purpose of settlement of clearing operations held within B3 and the Special System for Settlement and Custody (Selic), pursuant to BACEN Circular Letter No. 3196 of July 21, 2005.
- (3) From the financial risk perspective and for coverage of certain contractual obligations and indemnification obligations, a portion of the price paid for the acquisition of Neoway was deposited in an escrow account held by B3, and the funds are managed in accordance with the rules established in the contract and with the respective indemnification obligations.

11. Provisions for tax, civil and labor contingencies, contingent assets and liabilities, judicial deposits and other provisions

Accounting Practices

The recognition, measurement, and disclosure of provisions for tax, civil and labor contingencies, contingent assets and liabilities, and legal obligations comply with the criteria defined in CPC 25/IAS 37.

Provisions are recognized when: (i) B3 has a present (legal or constructive) obligation arising from past events; (ii) the settlement of which is expected to result in an outflow of resources; and (iii) the amount involved can be reliably estimated.

Contingent liabilities are not recognized, as outflows of funds are not expected to be required for their settlement or it is not possible to measure the amount of the obligation reliably, however, they are disclosed in explanatory information when the likelihood of an outflow of fund is possible. In significant cases where the likelihood of loss is assessed as remote, B3 practice is to disclose them.

Contingent assets are not recognized in the financial statements due to uncertainties about their realization.

a) Contingent assets

B3 has no contingent assets recognized in its balance sheet and, at present, no lawsuits which are expected to give rise to significant future gains.

b) Provisions for tax, civil, and labor contingencies

B3 and its subsidiaries are defendants in a number of legal and administrative proceedings involving labor, tax and civil matters arising in the ordinary course of business.

Legal and administrative proceedings are classified according to their likelihood of loss as probable, possible and remote, based on a periodical assessment made in accordance with B3's contingency assessment guidelines, which also takes into account the analysis of external law firms responsible for the lawsuits, and is subsequently submitted to its Audit Committee and Supervisory Board, and approved at a meeting of the Board of Directors.

The proceedings assessed as probable loss are mostly comprised as follows:

- (i) Labor claims mostly relate to claims filed by former employees of B3 and employees of outsourced service providers, because of alleged noncompliance with labor legislation.
- (ii) Civil proceedings mainly relate to aspects of civil liability of B3 and its subsidiaries, as well as to the cancellation of units of interest of former members of the then CETIP Associação.
- (iii) Tax proceedings for which provisions are recorded address the levy of PIS and COFINS on B3's revenues.

c) Legal obligations

The legal obligations are represented by five groups of proceedings in which B3 and its subsidiaries claim: (i) the unconstitutionality of the broadening of the COFINS (Contribution Tax on Gross Revenue for Social Security Financing) base by Law No. 9718; (ii) ISS (Service Tax) not being levied on activities involving holding, registration of securities and other services; (iii) the unconstitutionality of PIS (Contribution Tax on Gross Revenue for Social Integration Program) and COFINS levied on the ISS; (iv) the removal of limitations to the IRPJ (Corporate Income Tax) benefit from the Worker's Meal Program (PAT); and (v) the removal of IRPJ, CSLL, PIS and COFINS (Social Contribution Tax on Net Profit) on the amounts relating to the Central Bank's benchmark rate (Selic) received due to refund of taxes unduly overpaid or judicial deposit.

d) Other provisions

B3 has contracts that provide for the payment of attorneys' success fees arising from tax, civil and labor proceedings, in which B3 figures as defendant. Within its best estimates, B3 determined and provisioned the amounts for which it understands that there is likelihood of future disbursement, related to attorneys' success fees from proceedings whose likelihood of loss is assessed as possible and remote.

e) Changes in balances

Changes in provisions for contingencies and legal obligations are broken down as follows:

Changes						B3
	Civil	Labor	Legal Obligations	Tax	Other provisions	Total
Balances at December 31, 2020	171,781	34,050	203,624	46,705	74,581	530,741
Provisions	5	2,302	21,537	-	10,038	33,882
Provision expenditure	(114)	(3,335)	(19,237)	(21,541)	(3,895)	(48,122)
Reversal of provisions	(53,866)	(1,533)	(7,435)	(19,289)	(1,378)	(83,501)
Restatement	(13,554)	(3,039)	9,895	3,490	5,467	2,259
Balances at December 31, 2021	104,252	28,445	208,384	9,365	84,813	435,259
Provisions	101	4,257	31,311	35	820	36,524
Provision expenditure	(3)	(721)	-	(35)	(7)	(766)
Reversal of provisions	(175)	(1,054)	-	-	(35)	(1,264)
Restatement	15,521	2,806	10,780	473	5,566	35,146
Balances at December 31, 2022	119,696	33,733	250,475	9,838	91,157	504,899

Changes						Consolidated
	Civil	Labor	Legal Obligations	Tax	Other provisions	Total
Balances at December 31, 2020	171,825	34,057	203,953	47,067	78,962	535,864
Provisions	45	2,302	22,040	193	10,360	34,940
Provision expenditure	(114)	(3,335)	(19,237)	(21,541)	(3,895)	(48,122)
Reversal of provisions	(53,866)	(1,533)	(7,435)	(19,289)	(1,404)	(83,527)
Restatement	(13,543)	(3,038)	9,920	3,520	6,300	3,159
Merger of subsidiary	14,018	-	-	-	-	14,018
Balances at December 31, 2021	118,365	28,453	209,241	9,950	90,323	456,332
Provisions	1,409	5,416	31,590	19,922	820	59,157
Provision expenditure	(13,681)	(1,880)	-	(14,769)	(7)	(30,337)
Reversal of provisions	(1,216)	(1,062)	-	(5,369)	(111)	(7,758)
Restatement	15,546	2,806	10,894	497	6,207	35,950
Balances at December 31, 2022	120,423	33,733	251,725	10,231	97,232	513,344

According to the characteristic of the provisions, there is no forecast for the time of cash disbursement, if it occurs.

f) Possible losses

The proceedings assessed as possible loss are so classified as a result of uncertainties surrounding their outcome. They are legal or administrative proceedings for which case law has not yet been established or which still depend on check and analysis of the facts, or even involve specific aspects that reduce the likelihood of success.

B3 and its subsidiaries are parties to tax, civil and labor lawsuits involving risks of loss classified as possible, based on the assessment of B3's legal department and external legal advisors, for which no provision has been recorded. These proceedings comprise mainly the following:

- (i) At December 31, 2022, labor proceedings classified as possible loss, before tax effects, amount to R\$17,026 in B3 (R\$13,861 at December 31, 2021) and R\$17,348 in the consolidated (R\$15,102 at December 31, 2021). Labor claims mostly relate to claims filed by former employees of B3 and of outsourced service providers, on account of alleged noncompliance with labor legislation.
- (ii) The amount involved in civil proceedings classified as possible losses, before tax effects, at December 31, 2022 totals R\$37,842,023 in B3 (R\$33,703,609 at December 31, 2021) and R\$37,879,018 in the consolidated (R\$33,734,014 at December 31, 2021). The key civil proceedings refer to the issues described below.
 - B3 is a defendant in three class action suits and two civil class actions filed against BM&F, in order to investigate alleged losses to the Federal treasury arising from transactions carried out by the Central Bank of Brazil in January 1999, in the dollar futures market.
 - In March 2012, the aforementioned claims were granted at the lower court, sentencing the majority of the defendants in these proceedings, including BM&F. The combined total of the five proceedings reached the historical amount of R\$8,423,800, which would represent the restated amount of R\$106,044,890.
 - In June 2017, the Federal Regional Court of the 1st Chapter (TRF1) decided in favor of the appeals filed by B3, thus overturning the sentences and removing its responsibility for compensation for any damages to the Federal treasury.
 - The Federal Prosecutor's Office (MPF) filed appeals to the High Court of Justice and an appeal to the Supreme Court against the decisions that overturned the sentences in all cases. The appeal to the High Court of Justice lodged by the MPF on one of the class action suits was analyzed and not granted by a final decision favorable to B3, thus dismissing such proceeding that reached the historical amount of R\$5,431,000, representing the restated amount of R\$68,470,380. There are currently four (4) suits in progress, two (2) of which are class action suits and two (2), civil class actions. The appeals to the High Court of Justice and to the Supreme Court related to these proceedings were granted in the preliminary judgment at the Federal Regional Court of the 1st Chapter (TRF1), regarding their admissibility and, if the case, the merits. Two of the proceedings have already been assigned to the STJ. The assignment of the other proceedings is being expected so that a joint judgment may take place.



- In December 2020 and April 2021, two (2) opinions of the MPF were added to the court records, whereby the appeals to the High Court of Justice were assessed as granted. In 2Q21, the law firm in charge of the proceedings recommended the reclassification of the likelihood of loss on the cases from remote to possible. B3 consulted its independent legal advisors, who endorsed such recommendation. After assessment and approval at all internal levels, B3 reclassified the likelihood of loss on the four (4) proceedings in progress from remote to possible.
 - By virtue of the possible beneficial impacts of the amendments to the Law on Malfeasance in Office on ongoing cases, the reporting justice of the High Court of Justice (STJ) accepted the request of the Federal Public Prosecutor's Office (MPF) and referred the cases back to the relevant Federal Regional Court (TRF1). B3 opposed the referral to the TRF, since the current decision is already favorable. Currently, the cases await a decision on whether they will be referred back to the TRF for impact assessment or whether they can already be assessed by the STJ.
 - The contingency currently totals R\$37,574,510 (R\$33,471,076 at December 31, 2021), which will possibly be reduced due to the gains that the Central Bank of Brazil obtained as a result of not using the international reserves, and from the tax effects in the event of the materialization of the contingency.
 - As of December 22, the other proceedings assessed as possible loss address matters related to the civil liability of B3 and its subsidiaries in the amount of R\$9,307 (R\$8,688 at December 31, 2021), as well as the cancelation of shares of former associates of the then CETIP Associação R\$ 258,205 (R\$223,845 at December 31, 2021).
- (iii) The total amount involved in the tax proceedings, before tax effects, assessed as possible loss amounts to R\$16,260,388 in B3 (R\$15,063,468 at December 31, 2021) and R\$16,262,555 in the consolidated (R\$15,065,329 at December 31, 2021). The main tax proceedings of B3 and its subsidiaries refer to the following matters:
- Between 2010 and 2021, B3 received five tax assessment notices from the Brazilian Internal Revenue Service (RFB), challenging the amortization, for tax purposes, of goodwill arising from the merger of Bovespa Holding S.A. shares into B3 in May 2008. On May 15, 2020, an unfavorable decision was handed down in the annulment action filed by B3 in the lawsuit described in item (1), reason why B3 started to attribute possible loss risk to the lawsuits that challenge the goodwill tax amortization. The independent and autonomous progress of the legal and administrative proceedings that discuss the amortization of goodwill generated due to merger of Bovespa Holding S.A. shares may affect each proceeding's classification in a different manner. The amounts involved in each tax proceeding are broken down as follows:

Period of tax amortization challenged	Amounts referring to administrative proceedings	
	2022	2021
2008 and 2009 (1)	1,471,608	1,388,802
2010 and 2011 (2)	3,017,810	2,824,035
2012 and 2013 (3)	3,846,230	3,552,963
2014, 2015 and 2016 (4)	4,941,672	4,512,716
2017 (5)	233,134	209,165
Total	13,510,454	12,487,681

(1) B3 filed an appeal with the Judiciary through an action for annulment on April 23, 2018, against an unfavorable decision to B3 in the Câmara Superior de Recursos Fiscais do (CARF) issued in the notice of infraction issued on November 29, 2010. On June 12, 2018, the preliminary injunction granted suspended the collectability of the tax credit. On May 22, 2020, Motion for clarification was filed, which was judged unfavorably. On October 2, 2020, Tax Enforcement was filed. On October 27, 2020, the Request for Guardianship Appeals was granted by TRF1 and the tax credit requirement was suspended. Currently, the request for extinction of the tax foreclosure is awaited, due to the suspension of the tax credit requirement, and the judgment of the Appeal (Annulment Action).

(2) On June 22, 2017, CARF granted the Voluntary Appeal filed by B3 and, on August 11, 2019, the Higher Board of Tax Appeals (CSRF) dismissed B3's appeal upon granting the Appeal to the High Court of Justice lodged by the National Treasury General Attorney's Office (PGFN). The return of the case records to the Lower House was determined for judgment of secondary matters not considered in the judgment of the Voluntary Appeal. On November 16, 2022, the Voluntary Appeal was dismissed. In view of this, motions for clarification were filed. Currently, a new judgement is pending by the Lower House, period in which the debt remains under suspended enforceability.

(3) In October 2017, the Company filed a related administrative protest, for which an unfavorable to the B3 decision was handed down by the Brazilian IRS Judgment Office ("DRJ"), upholding the notice. On October 16, 2019, the lower panel of the Administrative Board of Tax Appeals (CARF) issued a decision granting the Voluntary Appeal filed by B3.

(4) In November 2019, B3 filed the competent administrative appeal, which was tried on June 10, 2020 against B3 by the Brazilian IRS Judgment Office (DRJ). B3 currently awaits the decision by CARF on the Voluntary Appeal filed by B3.

(5) Tax assessment notice received in October 2021 by B3, as communicated to the market on October 27, 2021, in which the Brazilian Internal Revenue Service (RFB) questions the amortization, for tax purposes, in 2017, of the goodwill from the business combination with Bovespa Holding S.A. in May 2008, in the total amount of R\$204,342, charging an isolated fine on the IRPJ and CSLL amounts. The tax entry comprised only the isolated fine, as B3 recorded tax loss for the calendar year 2017, which was later used between 2019 and 2021. Thus, unlike the other years, when assessment notices were issued, the goodwill portion relating to 2017 that had been questioned (approximately R\$1,6 billion) was fully discounted from the tax loss balance. The challenge was filed in November 2021 and awaits trial.

B3 constitutes a deferred tax liability on the temporary difference between the tax base of goodwill and the book value (Note 16).

- Classification of the former Bovespa, in the period prior to the IPO operations, as taxpayer of the Contribution Tax on Gross Revenue for Social Security Financing (COFINS), which is the subject matter of a declaratory judgment actions pleading the declaration that the plaintiff has no tax obligations owed to the federal tax authority and seeking non-levy of COFINS on revenue arising from the exercise of the activities for which it was established, the revenue of which does not fall under the concept of billing. In April 2022, a final and unappealable decision was handed down in favor of B3, in the amount of R\$57,906. Currently, the computation of the judicial deposit is awaited.
- Collection of Withholding Income Tax (IRRF) relating to the calendar years 2008 and 2017, since the Brazilian IRS understands that B3 would be responsible for withholding and paying IRRF on the alleged capital gains earned, respective, by non-resident investors of Bovespa Holding S.A. and CETIP, due to the merger of this companies shares into B3. In relation to the 2008 merger of shares in Bovespa Holding S.A., B3 appealed on November 26, 2018, to the Judiciary against the decision issued by the Administrative Board of Tax Appeals (CARF), which maintained referred to tax delinquency notice, having obtained a preliminary injunction suspending payment of the tax credit. The amount involved in this administrative proceeding at December 31, 2022 is R\$253,051 (R\$239,115 at December 31, 2021). In relation to the case of merger of shares of CETIP, an appeal was filed in January 2022. On December 16, 2022, the challenge was partially upheld. Currently, we are awaiting the filing of an automatic appeal by the Department of Finance and a voluntary appeal by the Company. The amount involved, in December 2022, is R\$554,580 (R\$501,452 at December 31, 2021).
- IRPJ and CSLL tax deficiency notice, relating to the calendar years 2015 and 2016, challenging the calculation of the capital gain determined upon disposal, in 2015, of 20% of the CME's shares and, in 2016, of remaining shares of CME held by the then BM&FBOVESPA. According to the tax authority, the foreign exchange difference of the investment accounted for could not have been used as an acquisition cost for the purposes of calculating the taxable capital gain. B3 filed, for the case of 2015, the competent administrative appeal, which was tried predominantly unfounded on December 18, 2020 by the Brazilian IRS Judgment Office (DRJ). B3 filed a Voluntary Appeal to CARF, wich is awaiting judgment. The amount involved in this 2015 administrative proceeding at December 31, 2022 is R\$379,715 (R\$345,436 at December 31, 2021). Was filed appeal to the case of 2016, in November 2021, wich is awaiting judgment. The amount involved at December 31, 2022 is R\$1,320,866 (1,195,337 at December 31, 2021) for the case of 2016.

- The Brazilian Internal Revenue Service (RFB) issued in November 2021 four tax assessment notices, in which it questions, for calendar year 2017: (i) the alleged failure to pay social security contributions (INSS and Third Parties) by B3 and CETIP (as B3's successor) on amounts paid (a) as Food Voucher and Meal Voucher (VA/VR) granted to their employees under the Worker's Meal Program (PAT), (b) on profit sharing (PLR), and (c) on any bonuses; (ii) the deductibility of bonuses and other payments made to management members; and (iii) failure to pay IRRF (Withholding Income Tax) on stock options (CETIP) and VA/VR paid to management members. The challenge was filed in December 2021 and awaits trial. The total amount involved as at December 31, 2022 in relation to the four assessment notices is R\$90,679 (82,290 at December 31, 2021).

g) Judicial deposits

Description	B3		Consolidated	
	2022	2021	2022	2021
Legal obligations (1)	148,714	146,155	148,714	146,155
Tax (2)	83,930	79,595	83,955	79,834
Labor	15,923	15,642	16,071	15,818
Civil	7,839	7,439	8,533	21,518
Total	256,406	248,831	257,273	263,325

(1)Of the total deposits related to legal obligations, R\$145,282 (R\$142,684 at December 31, 2021) refers to the proceeding that challenges non-levy of ISS on the activities involving holding, registration of securities, among others.

(2)Of the total judicial deposits of B3, the following are highlighted: R\$60,096 (R\$57,067 at December 31, 2021) referring to proceedings challenging the classification of former Bovespa as subject to the payment of COFINS, which a final and unappealable decision was handed down in favor of B3 in April 2022 (Note 11(f)).

We stress that the tax-related judicial deposits comprise, in addition to the proceedings classified as probable loss and legal obligations, the proceedings whose likelihood of loss is rated as possible.

12. Equity

a) Capital

In the Board of Directors' meeting held on March 17, 2022, cancellation of 27,000,000 shares (Note 12(b)) issued by B3 and held in treasury, which were purchased in connection with the Share Buyback Programs, was approved. As a result of referred to cancellation, B3's fully subscribed and paid-up capital amounting to R\$12,548,655 is now represented by 6,099,000,000 (6,126,000,000 at December 31, 2021) common registered shares with voting rights and no par value, 5,784,524,532 of which were outstanding at December 31, 2022 (6,073,061,367 at December 31, 2021).

B3 is authorized to increase its share capital up to the limit of 7,500,000,000 common shares, through a resolution of the Board of Directors, without any amendment to its Articles of Incorporation.

b) Treasury shares

Accounting Practices

When B3 shares are repurchased, the amount of the consideration paid and any directly attributable costs, net of tax effects, are recorded in a specific equity reducing account and classified as treasury shares. When treasury shares are disposed of or transferred to the beneficiaries of the stock options and stock option plans, the amount of the consideration received (cash or service) is recognized as an increase in equity, and any gain or loss resulting from the transaction is recorded as capital reserve.

Share buyback program

In 2021, B3 acquired 9,284,100 shares related to the B3 Share Buyback Program approved by the Board of Directors, at a meeting held on March 5, 2020, starting on March 6, 2020, and ending on February 28, 2021.

In a meeting held on March 04, 2021, the Board of Directors approved B3 Share Buyback Program, beginning on March 05, 2021, and ending on February 28, 2022. The limit of shares that could be acquired by B3 was 82,800,000 common shares, which represent 1.36% of total shares outstanding shares at the time of program approval. B3 had purchased 82,800,000 shares in the period between March 05, 2021, and February 25, 2022, which represents 100% of the total provided for in the buyback program, with 30,635,300 shares in 2021 and 52,164,700 shares in 2022.

At a meeting held on December 9, 2021, the Board of Directors approved B3's Share Buyback Program, beginning March 1, 2022, and ending February 28, 2023. The limit in the number of shares that may be acquired by B3 is 250,000,000 common shares, representing 4.12% of total outstanding shares at the time of program approval. Until December 31, 2022, B3 had purchased 239,995,900 shares, representing 96% of the expected total Share Buyback Program approved in December 2021.

At a meeting held on December 8, 2022, the Board of Directors approved a new B3 Share Buyback Program, starting on March 1, 2023, and ending on February 29, 2024. The limit of shares that may be acquired by B3 is 250,000,000 common shares, which account for 4.32% of total outstanding shares on the day the program is approved.

The shares purchased in connection with the Share Buyback Program may be cancelled or used for transferring shares to the Stock Option Plan beneficiaries.

Changes in treasury shares for the period are as follows:

Changes	Quantity	Amount
Balances at December 31, 2020	74,888,484	916,632
Shares acquisition – buyback program	39,919,400	729,443
Cancellation of shares	(51,415,470)	(702,355)
Shares sold – Stock grant plans	(10,453,781)	(141,991)
Balances at December 31, 2021	52,938,633	801,729
Shares acquisition – buyback program	292,160,600	3,746,161
Cancellation of shares (Note 12(a))	(27,000,000)	(397,660)
Shares sold – Stock grant plans	(3,623,765)	(54,263)
Balances at December 31, 2022	314,475,468	4,095,967
Average cost of treasury shares (R\$ per share)		13.02
Market value of treasury shares		4,154,221

c) *Revaluation reserves*

Revaluation reserves were established because of the revaluation of works of art in B3 and of the properties of subsidiary BVRJ in 2007, based on independent experts' appraisal reports.

d) *Capital reserve*

This refers substantially to amounts originated in the merger of Bovespa Holding and CETIP shares in 2008 and 2017, respectively, and other corporate events allowed by the Brazilian Corporation Law, such as (i) capital increase through merger, (ii) redemption, repayment or purchase of shares, and (iii) events associated with the stock option and stock grant plans.

e) *Income reserves*

(i) *Legal reserve*

Legal reserve is annually set up with allocation of 5% of net income for the year, capped at 20% of capital. The legal reserve aims at ensuring integrity of capital and may only be used to absorb losses and increase capital. The legal reserve is not required to be set up considering that its amount plus the capital reserves exceeds 30% of the Company capital.

(ii) *Statutory reserves*

Represent funds and safeguard mechanisms required for the activities of B3, in order to ensure the proper settlement and reimbursement of losses arising from the intermediation of transactions carried out in its trading sessions and/or registered in any of its trading, registration, clearing and settlement systems, and from custody services.

Pursuant to the Articles of Incorporation, the Board of Directors may, when the amount of the statutory reserve is sufficient to meet the purposes for which it was originally established, propose that part of the reserve be distributed to the shareholders of the B3.

f) Dividends and interest on equity

Accounting Practices

Dividends and interest on equity paid to B3 shareholders are recognized as a liability in the financial statements at the dates of approved by the Board of Directors, based on B3's Articles of Incorporation. The tax benefit over interest on equity is recorded in the statement of profit or loss.

As provided for in the Articles of Incorporation, shareholders are entitled to mandatory minimum dividends of 25% of net income for the year, adjusted under Brazilian Corporation Law.

The interests on equity and dividends approved in relation to P&L for the year are as follows:

Earning	Date of approval	Date of payment	Gross per share (R\$)	Total gross amount	Tax Effect
Interest on equity	03/17/2022	04/08/2022	0.050297	302,600	(102,884)
Interest on equity	06/23/2022	07/08/2022	0.060903	360,000	(122,400)
Dividends	06/23/2022	07/08/2022	0.069872	413,014	-
Interest on equity	09/15/2022	10/07/2022	0.054759	320,000	(108,800)
Dividends	09/15/2022	10/07/2022	0.028116	164,300	-
Interest on equity	12/19/2022	01/13/2023	0.063981	370,100	(125,834)
Dividends	12/19/2022	12/29/2022	0.024203	140,000	-
Total for the year 2022				2,070,014	(459,918)
Interest on equity	03/19/2021	04/08/2021	0.038106	232,500	(79,050)
Interest on equity	06/24/2021	07/07/2021	0.046107	280,000	(95,200)
Dividends	06/24/2021	07/07/2021	0.168544	1,023,538	-
Interest on equity	09/23/2021	10/07/2021	0.044213	268,500	(91,290)
Dividends	09/23/2021	10/07/2021	0.150397	913,336	-
Interest on equity	12/09/2021	01/07/2022	0.049777	302,300	(102,782)
Dividends	12/09/2021	12/30/2021	0.149452	907,628	-
Extraordinary dividends	03/17/2022	04/08/2022	0.131193	789,295	-
Total for the year 2021				4,717,097	(368,322)

g) Earnings per share

Accounting Practices

For purposes of disclosure of earnings per share, basic earnings per share are calculated by dividing profit attributable to B3 shareholders by the average number of shares outstanding in the period. Diluted earnings per share are calculated similarly, except that the number of outstanding shares is adjusted to reflect additional shares that would have been outstanding if potentially dilutive shares had been issued for granted stock options in the respective periods.

Basic	Consolidated	
	2022	2021
Numerator		
Net income available to shareholders of B3	4,226,057	4,717,097
Denominator		
Weighted average number of outstanding shares	5,920,730,091	6,082,163,402
Basic earnings per share (in R\$)	0.713773	0.775562

Diluted	Consolidated	
	2022	2021
Numerator		
Net income available to shareholders of B3	4,226,057	4,717,097
Denominator		
Weighted average number of outstanding shares adjusted by effects of stock options and stock grant plans	5,939,034,329	6,095,659,772
Diluted earnings per share (in R\$)	0.711573	0.773845

13. Transactions with related parties

a) Transactions and balances with related parties

B3 follows a policy on transactions with related parties, and other situations of potential conflict of interest (Policy), approved by the Board of Directors, which aims to establish rules to ensure that all decisions involving related-party transactions and other situations of potential conflict of interest are taken to the interests of B3 and its shareholders, in compliance with the relevant rules and legislation in force.

When negotiating and entering into transactions with related parties, the same principles and procedures that guide negotiations carried out by B3 with independent parties are observed.

B3 seeks to ensure, through the procedures established in the Policy, that all decisions that may grant a private benefit to any person with significant influence, members close to their family, entities or persons related to them are taken with total honesty, respecting the interest of B3.

Any transaction between related parties or in which a potential conflict of interest has been identified, involving a person with significant influence, is formalized, observing the following criteria: (a) bases of transactions under Market Conditions; (b) description of the transaction's terms; and (c) compliance with the Purchasing Rule, if applicable.

The balances and main recurring transactions with related parties are described below.

Description										2022
	Banco B3	CETIP Lux	BSM	UK Ltd.	CETIP Info	BLK	PDtec	Neoway	Other related parties	Total
Assets / (liabilities)										
Accounts receivable	2,631	-	677	-	1,010	216	5	-	243	4,782
Interest on equity receivable	8,174	-	-	-	-	-	-	-	-	8,174
Accounts payable	-	(2,467,198)	(284)	-	-	-	-	(826)	(74)	(2,468,382)
Revenue / (expenses)										
Recovery of expenses	23,566	-	7,357	-	12,119	172	(14)	-	184	43,384
Services revenues	154	-	-	-	-	2,193	-	-	1,522	3,869
Interest on equity	9,617	-	-	-	-	-	-	-	-	9,617
Services expenses	(2,723)	-	-	(8,631)	-	-	(3,815)	(2,100)	(4,609)	(21,878)
Donation and contribution	-	-	(18,845)	-	-	-	-	-	(1,894)	(20,739)
Financial revenue/(expenses)	-	89,474	-	-	-	-	-	-	-	89,474

Descrição										2021
	Banco B3	CETIP Lux	BSM	UK Ltd.	CETIP Info	BLK	PDtec	Neoway	Other related parties	Total
Assets / (liabilities)										
Accounts receivable	2,054	-	1,575	-	1,010	140	-	-	104	4,883
Interest on equity receivable	4,672	-	-	-	-	-	-	-	-	4,672
Accounts payable	-	(2,636,818)	(1,871)	-	-	(115)	(956)	(38)	-	(2,639,798)
Revenue / (expenses)										
Recovery of expenses	17,708	-	7,367	-	12,119	-	-	-	350	37,544
Services revenues	50	-	-	-	-	1,675	-	-	1,780	3,505
Interest on equity	5,497	-	-	-	-	-	-	-	-	5,497
Services expenses	(2,300)	-	-	(6,031)	-	-	(2,045)	(38)	(2,590)	(13,004)
Donation and contribution	-	-	(17,511)	-	-	-	-	-	(88)	(17,599)
Financial revenue/(expenses)	-	(265,790)	-	-	-	81	-	-	-	(265,709)

BSM Market Supervision (BSM) is a non-profit civil association that, with its Supervisory Board and functional structure independent from those used by its associates, carries out the self-regulation activities of organized securities markets in accordance with CVM Instruction 461/07. BSM's function is to analyze, supervise and supervise the operations and activities of the companies of the trading participants and the agents that carry out clearing and settlement of transactions and / or custody activities that operate in the stock and over-the-counter markets managed by B3, in addition to administering the Losses Reimbursement Mechanism (MRP) and managing residual assets and managing the ongoing legal proceedings involving the Rio de Janeiro Stock Exchange Guarantee Fund (FGBVRJ).

B3 has a transfer and cost recovery agreement signed with BSM, which provides for the reimbursement to B3 of the amount paid due to expenses related to the hiring of resources and infrastructure, made available to BSM to assist in the execution of its activities. supervision. Such costs are calculated monthly according to the methodology defined in the contract signed between the parties and encompass the activities related to the Losses Reimbursement Mechanism (MRP), since this mechanism is managed by BSM.



B3 makes contributions for the purpose of complementing the financing of BSM's activities, as well as regular transfers of fines for failure to settle financially and deliver assets, carried out as established in B3 Circular Letter 044/2013-DP. From 2013 to December 31, 2022, B3 transferred to BSM approximately R\$156,118 in contributions and fines for failure to settle financially.

In 2021 and 2022, B3 granted to BSM the beneficial entitlement to certain government bonds owned by B3. Such beneficial entitlement is intended to ensure the transfer of income by B3, as the custodian, to pay for the activities developed by BSM annually. In December 31, 2022, the revenue recorded in BSM, net of taxes, was R\$25,780 (R\$9,779 at December 31, 2021). The adjustment to the present value of the cash flows of the linked securities the transaction is recognized in B3's financial results.

In 2019, 2021 and 2022, B3 constituted in favor of Associação BM&F usufruct on certain public securities owned by it. The usufruct aims to ensure the transfer of income by B3, as an honorary member, to fund the activities carried out by the Association for a period of three years from the date of signing the contract. In December 31, 2022, the amount of revenue recorded in Associação BM&F, net of taxes, was R\$12,106 (R\$12,108 at December 31, 2021). The adjustment to the present value of the cash flows of the linked securities the transaction is recognized in B3's financial results.

b) Key management personnel compensation

Key management personnel include directors and statutory officers.

Benefits to managing officers	Consolidated	
	2022	2021
Managing officers		
Short-term benefits (salaries, profit sharing etc.)	58,290	47,874
Share-based compensation (1)	52,121	33,964
Board of Directors		
Short-term benefits (salaries, profit sharing etc.)	11,780	11,111
Share-based compensation (1)	3,368	2,404

(1) This refers to expenses computed in the quarter relating to share-based compensation, increased by labor and social security charges of key management personnel. These expenses were recognized according to the criteria described in Note 15.

14. Collateral for transactions

Accounting Practices

Measured at amortized cost, guarantees are amounts received from market participants as a guarantee against default or insolvency and are not subject to interest or any other charges. Amounts received in cash are recorded as a liability and other guarantees, other than cash, have segregated control and are not recorded but are disclosed in the explanatory notes.

B3 acting as central guarantor of the derivatives, exchange and floating income markets, B3 manages two clearinghouses considered systemically important by the Central Bank of Brazil: B3 and Foreign Exchange.



The activities carried out by the clearinghouse are governed by Law No. 10214/01, which authorizes the multilateral clearing of obligations, establishes the central counterparty role of the systemically important clearinghouse and permits the utilization of the collateral obtained from defaulting participants to settle their obligations in the clearinghouse environment, including in cases of civil insolvency, agreements with creditors, intervention, bankruptcy and out-of-court liquidation.

Through its foreign exchanges, B3 acts as a central counterparty in the derivatives market (futures, forward, options and swaps), spot foreign exchange market and variable income (spot, forward, option, futures and lending of securities). In other words, by assuming the role of a central counterparty, B3 becomes responsible for the settlement of trades carried out and/or registered in its systems, as established in the applicable regulations.

The performance of B3 as a central counterparty exposes it to the credit risk of the participants that utilize its settlement systems. If a participant fails to make the payments due, or to deliver the assets or commodities due, it will be incumbent upon B3 to resort to its safeguard mechanisms, in order to ensure the proper settlement of the transactions in the established time frame and manner. In the event of a failure or insufficiency of the safeguard mechanisms of its foreign exchanges, B3 might have to use its own equity, as a last resort, to ensure the proper settlement of trades.

The clearinghouse is not directly exposed to market risk, as they do not hold net long or net short positions in the various contracts and assets traded. However, an increase in price volatility can affect the magnitude of amounts to be settled by the various market participants and can also heighten the probability of default by these participants. Furthermore, as already emphasized, the clearinghouse is responsible for the settlement of the trades of a defaulting participant, which could result in losses for B3 if the amounts due surpass the amount of collateral available. Accordingly, despite the fact that there is no direct exposure to market risk, this risk can impact and increase the credit risks assumed.

Each clearinghouse has its own risk management system and safeguard structure. The safeguard structure of a clearinghouse represents the set of resources and mechanisms that it can utilize to cover losses relating to the settlement failure of one or more participants. These systems and structures are described in detail in the regulations and manuals of each clearinghouse and have been tested and ratified by the Central Bank of Brazil (Bacen), in accordance with National Monetary Council (CMN) Resolution No. 2882/01 and Bacen Circular No. 3057/01.

The safeguard structures of the clearinghouses are based largely on a loss-sharing model called defaulter pays, in which the amount of collateral deposited by each participant should be able to absorb, with a high degree of confidence, the potential losses associated with its default. Consequently, the amount required as collateral for participants is the most important element in our management structure of the potential market risks arising from our role as a central counterparty.

For most contracts and operations involving assets, the required value as collateral is sized to cover the market risk of the business, i.e. its price volatility during the expected time frame for settlement of the positions of a defaulting participant. This timeframe can vary depending on the nature of contracts and assets traded.

The models used for calculating the margin requirements are based, in general, on the concept of stress testing, in other words, a methodology that attempts to measure market risk into account not only recent historical volatility of prices, but also the possibility of the occurrence of unexpected events that modify the historical patterns of behavior of prices and the market in general.

In B3, the guarantee margin is defined by the risk faced by the clearinghouse of closing a portfolio. To calculate the risk of closing a portfolio containing positions and guarantees from multiple markets and asset classes, B3 developed an innovative risk measure: Close-Out Risk Evaluation (CORE).

The operations in the B3 markets are secured by margin deposits in cash, government and corporate securities, letters of guarantee and shares among others. The guarantees received in cash, in the amount of R\$4,756,602 (R\$6,357,430 at December 31, 2021), are recorded as a liability under "Collateral for transactions". Other collaterals and other safeguard mechanisms in the amount of R\$587,058,270 (R\$498,202,569 at December 31, 2021), are recorded in memorandum accounts. At December 31, 2022, total collaterals and other safeguard mechanisms deposited by members amounts to R\$591,814,872 (R\$504,559,999 at December 31, 2021), as follows:

a) Collaterals deposited by members

Description	2022		2021	
	B3 Clearinghouse	Foreign Exchange Clearinghouse	B3 Clearinghouse	Foreign Exchange Clearinghouse
Federal government securities	485,028,177	12,586,763	395,744,095	11,568,852
Shares	72,148,157	-	74,653,049	-
International securities (1)	5,080,175	-	8,116,038	-
Letters of guarantee	7,199,750	-	3,526,600	-
Cash amounts deposited	4,624,653	131,747	6,268,540	83,707
Private Fixed Income Securities	2,277,874	-	1,580,873	-
Gold	54,237	-	55,967	-
Other	80,458	-	104,145	-
Total	576,493,481	12,718,510	490,049,307	11,652,559

(1) American and German government securities as well as ADRs (American Depositary Receipts).

b) Other safeguard mechanisms

(i) Fundo de Liquidação (Settlement Fund): funds in the FLI are used by the clearinghouse of B3 to cover any losses arising from default by one or more clearing members (MC), after there are no more guarantees deposited by members under the responsibility of the MCs in default. In addition to the contribution of the MCs to the FLI, there is also the contribution of B3, which is a portion of its equity, allocated to the fund. These contributions are allocated to the Investment Fund B3 Clearinghouse Liquidity (FILCB), which is formally constituted as an investment fund, under the provisions of the applicable legislation, administered, managed and guarded by Banco B3.

(ii) Fundo de Liquidação de Operações de Câmbio (FLOC), composed of collaterals transferred by foreign exchange clearinghouse participants and B3 funds, intended to guarantee the proper settlement of transactions.

FLI and FLOC are broken down as follows:

Description	2022		
	Clearing B3	Foreign exchange clearing	Special Equity - Clearinghouse and custody
Federal government securities	-	380,593	-
Federal government securities of B3	-	140,992	-
Share investment fund (FILCB)	1,999,967	-	-
Share investment fund (FILCB) of B3	789,299	-	-
Amounts deposited	2,789,266	521,585	-
Amounts required from participants	1,625,894	115,850	-
Amounts required from B3	692,361	115,850	-
Value in excess of the minimum required	471,011	289,885	-
Special Equity (1)	198,916	98,790	99,786

Description	2021		
	Clearing B3	Foreign exchange clearing	Special Equity - Clearinghouse and custody
Federal government securities	-	409,313	-
Federal government securities of B3	-	142,572	-
Share investment fund (FILCB)	1,920,960	-	-
Share investment fund (FILCB) of B3	712,448	-	-
Cash amounts deposited	-	200	-
Amounts deposited	2,633,408	552,085	-
Amounts required from participants	1,649,629	118,450	-
Amounts required from B3	672,860	118,450	-
Value in excess of the minimum required	310,919	315,185	-
Special Equity (1)	178,120	87,765	88,405

(1) *Patrimônio Especial* (Special equity) *Selic das câmaras B3, Câmbio e de compensação e custódia*, in compliance with the provisions of article 5 of Law 10214 of March 27, 2001 and article 19 of Bacen circular No. 3057 of August 31, 2001, B3 maintain in federal government securities.

(iii) Cash of B3 dedicated to B3 clearinghouse: portion of B3 equity, formally and exclusively dedicated to the clearinghouse - used by B3 clearinghouse for the treatment of a failure in the settlement window, ensuring the necessary resources to fulfill its payment obligations to creditor clearing members.

Breakdown	2022	2021
Federal government securities	1,338,798	1,286,728
Amounts deposited	1,338,798	1,286,728
Amounts required of B3	1,200,000	1,200,000
Amount in excess of the minimum required	138,798	86,728

- (iv) IPO/GG3 guarantees: funds deposited by participants or clients of brokerage firms to cover the Initial Public Offering (CVM Instruction No. 400 and No. 476), used by B3 clearinghouse to cover the obligations of debtor clearing members.

Breakdown	2022	2021
Federal Government Bonds	222,119	522,677
Guarantees deposited in currency	202	4,983
Amounts deposited	222,321	527,660
Amounts required of B3	222,321	527,660
Amount in excess of the minimum required	-	-

15. Employee benefits

Accounting Practices

Pension obligations

B3 maintains a defined contribution retirement plan with voluntary participation open to all employees. B3 has no obligations to make additional payments as a sponsor. The regular contributions are included in personnel costs in the period in which they are due.

Share-based incentives

B3 maintains a long-term incentive plan. Until 2014, B3 granted stock options under its Stock Option Plan, under the B3 Stock Option Plan - stock option, reason why there are outstanding shares not yet exercised. From 2015 onwards, B3 started to grant shares under its Stock Grant Plan (Share Plan). The objective is to give employees of B3 and its subsidiaries the opportunity to become B3 shareholders, obtaining a greater alignment between their interests and the shareholders' interests, as well as allow B3 and its subsidiaries to attract and retain management members and employees.

The fair value of options and shares granted is recognized as expense during the vesting period (period during which the specific vesting conditions must be met).

At the statement of financial position date, B3 reviews its estimates of the number of options and shares that will vest based on the established conditions. B3 recognizes the impact of any changes to the original estimates, if any, in the statement of profit or loss, against capital reserve in equity.

In the case of share-based payment programs that may be settled in cash, the fair value payable to executives is recognized as an expense with the corresponding increase in liabilities, for the period in

which the executives acquire the right to payment. The liabilities are remeasured at each statement of financial position date and on the settlement date. Any changes in the fair value of liabilities are recognized as personnel expenses in the statement of profit or loss.

Profit sharing

B3 has an annual variable remuneration, constituted and paid in cash through the Profit-Sharing Program. The program defines target values according to the individual performance indicators, which consider factors specific to each function (job level), results of the area and the overall performance of B3. The provision that includes the employee profit sharing program is accounted for on an accrual basis.

a) Stock Grant - long-term incentive

B3 recognized expenses related to Stock Grant Plan matched against capital reserves in equity, based on the fair value of the share at the grant date of the plans and charges in personnel expenses calculated based on the fair value of the share at December 31, 2022. As shown in the table below:

	B3		Consolidated	
	2022	2021	2022	2021
Expenses related to granting of Stock Options	(81,522)	(86,560)	(84,312)	(89,695)
Tax expenses	(36,305)	(17,501)	(36,437)	(16,800)
Hedge Instrument Effect	12,974	(36,973)	12,974	(36,973)
Total	(104,853)	(141,034)	(107,775)	(143,468)

B3 will record the expenses relating to the Stock Grant Program which were granted for replacement of unvested options of the Stock Option Plan, for the same fair value of options previously granted, in accordance with CPC 10 (R1)/IFRS 2.

Effects arising from transfer of shares

At December 31, 2022, the cost of shares transferred related to the grants of the Stock Grant Plan amounted to R\$54,263 (R\$141,991 at December 31, 2021).

Pricing model

For options granted under the Stock Grant Plan, the fair value corresponds to the option closing price on the grant date.

For the case of cash-settled share-based compensation programs, the fair value payable to executive officers is recognized as an expense with the corresponding increase in liabilities for the period in which executive officers acquire the right to receive. The liability is measured again at each balance sheet date and on the settlement date. Any changes in the fair value of the liability are recognized as personnel expenses in the statement.

Stock Grant – Summary/changes

Conversion / Grant Date	Vesting period up to(*)	Number of open lots	Fair value of shares on the grant date (R\$ per share)	Number of shares at 12/31/2021	Changes in the year			Outstanding Share contracts at 12/31/2022	Dilution percentage (1)
					New programs	Performed	Canceled		
11/13/2017	Nov/2020 and Nov/2021		7.57	7,929	-	(7,929)	-	-	0.00%
01/08/2018	Jan/2020 to Jan/2022	1	7.97	883,158	-	(808,554)	(471)	74,133	0.00%
01/08/2019	Jan/2020 to Jan/2023	2	9.29	3,547,088	-	(1,720,514)	(133,183)	1,693,391	0.03%
01/08/2020	Jan/2021 to Jan/2024	3	14.89	3,573,716	-	(1,195,665)	(186,180)	2,191,871	0.04%
01/08/2020	Apr/2023	1	14.89	154,479	-	-	-	154,479	0.00%
04/30/2020	Apr/2023	1	11.30	174,048	-	-	-	174,048	0.00%
01/08/2021	Jan/2022 to Jan/2025	4	20.90	3,742,463	-	(952,983)	(226,582)	2,562,898	0.04%
04/29/2021	Apr/2023	1	17.52	121,017	-	-	-	121,017	0.00%
05/19/2021	Jan/2025 and Jan/2026	2	17.22	392,026	-	-	-	392,026	0.01%
04/12/2021	Apr/2023 to Apr/2025	3	18.59	215,169	-	-	-	215,169	0.00%
07/01/2021	Jul/2022 to Jul/2025	4	16.32	85,789	-	(20,308)	(4,596)	60,885	0.00%
09/01/2021	Sep/2026	1	14.43	1,399,860	-	(8,085)	(106,260)	1,285,515	0.02%
12/10/2021	Dec/2022 to Dec/2025	4	12.38	290,792	-	(72,698)	-	218,094	0.00%
01/07/2022	Jan/2023 to Jan/2026	4	11.24	-	8,625,804	(84,206)	(1,157,779)	7,383,819	0.13%
04/29/2022	Apr/ 2025	1	13.30	-	159,390	-	(4,511)	154,879	0.00%
05/02/2022	May/2023 to May/2026	4	12.80	-	154,687	-	(5,078)	149,609	0.00%
				14,587,534	8,939,881	(4,870,942)	(1,824,640)	16,831,833	0.27%

(*) The shares outstanding for plans already vested have not been transferred yet.

(1) The number of outstanding shares at December 31, 2022 is 5,784,524,532.

b) Supplementary pension plan

B3 sponsors two private pension plans (Plano B3 and Plano CETIP managed by Itajubá Fundo Multipatrocinado (IFM), formerly named Itaú Fundo Multipatrocinado (IFM)) structured under the defined contribution type, being the adhesions of new participants carried out only in plan B3.

16. Income tax and social contribution

Accounting Practices

Current and deferred income and social contribution taxes

B3, BLK, PDtec, Banco B3, Digitas and Neoway income tax (IRPJ) and social contribution tax (CSLL), current and deferred, are calculate based on tax rate of 15% plus an additional 10% on taxable income above \$240 for income tax and tax rate of 9% (modified by Law 14,446 on September 2, 2022, which changed to 21% from August 1st until December 31, 2022 and 20% from January 1st, 2023 for Banco B3) on taxable income for social contribution tax and taking into consideration offset of IRPJ and CSSL carry forward losses limited to 30% of taxable profit.

Deferred income and social contribution taxes are calculated on income and social contribution tax losses and corresponding temporary differences between the tax base on assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognized to the extent that future taxable profit is likely to be available to offset temporary differences and/or tax losses.

Current income taxes of CETIP Info comprise both income and social contribution taxes. Income tax is calculated at a rate of 15%, plus 10% on taxable profit computed as a percentage of gross revenue (*Lucro presumido*), exceeding R\$240 whereas social contribution tax is computed at a rate of 9% on taxable profit computed as a percentage of gross revenue (*Lucro presumido*).

BVRJ and CED is exempt from income and social contribution taxes.

a) Deferred income tax and social contribution - Changes

The balances of and changes in deferred income and social contribution taxes recognized are as follows:

Position at 12/31/2022

Description	B3			
	2021	(Debt) credit in the income statement	(Debt) credit in the statement of comprehensive income	2022
Deferred assets				
Tax, civil and labor contingencies	147,989	23,677	-	171,666
Tax loss carryforwards	64,294	(64,294)	-	-
Stock grant plan - Long-term incentive	71,310	14,275	-	85,585
Profit sharing and statutory bonus	59,298	12,685	-	71,983
Market to market - Financial instruments	81,419	-	(12,864)	68,555
Exchange variation on investments abroad	52,282	-	(52,282)	-
Impairment	30,297	-	-	30,297
Amortization/depreciation of surplus value	37,960	25,852	-	63,812
Revenues to be allocated	41,730	1,916	-	43,646
Exchange Variation	345,038	(59,938)	-	285,100
Other temporary differences	100,470	17,757	-	118,227
Total deferred tax assets	1,032,087	(28,070)	(65,146)	938,871
Deferred tax liabilities				
Goodwill amortization (1)	(6,061,387)	(239,255)	-	(6,300,642)
Market to market - Financial instruments	(11,763)	(39,737)	-	(51,500)
Exchange variation on investments abroad	(12,470)	-	(18,957)	(31,427)
Judicial deposits	(36,437)	(2,709)	-	(39,146)
Amortization/depreciation	(44,957)	(14,952)	-	(59,909)
Other temporary differences	(18,038)	(9,080)	-	(27,118)
Total deferred tax liabilities	(6,185,052)	(305,733)	(18,957)	(6,509,742)
Deferred taxes, net	(5,152,965)	(333,803)	(84,103)	(5,570,871)

Description	2021	(Debt) credit in the income statement	(Debt) credit in the statement of comprehensive income	Acquisition of subsidiaries	Consolidated
					2022
Deferred assets					
Tax, civil and labor contingencies	153,256	19,157	-	-	172,413
Tax loss carryforwards	94,700	(29,292)	-	186	65,594
Stock grant plan - Long-term incentive	75,186	26,932	-	-	102,118
Profit sharing and statutory bonus	63,070	12,792	-	-	75,862
Market to market - Financial instruments	81,525	-	(81,491)	-	34
Exchange variation on investments abroad	52,282	-	16,106	-	68,388
Impairment	30,297	-	-	-	30,297
Amortization/depreciation of surplus value	37,960	25,852	-	-	63,812
Revenues to be allocated	41,269	(287)	-	-	40,982
Exchange Variation	345,301	(59,272)	-	-	286,029
Other temporary differences	112,312	14,363	-	1,323	127,998
Total deferred tax assets	1,087,158	10,245	(65,385)	1,509	1,033,527
Deferred tax liabilities					
Goodwill amortization (1)	(6,061,387)	(239,255)	-	-	(6,300,642)
Market to market - Financial instruments	(11,766)	(39,737)	-	-	(51,503)
Exchange variation on investments abroad	(12,481)	(939)	(18,946)	-	(32,366)
Judicial deposits	(36,437)	(2,709)	-	-	(39,146)
Amortization/depreciation	(44,957)	(14,952)	-	-	(59,909)
Other temporary differences	(30,614)	(8,184)	-	-	(38,798)
Total deferred tax liabilities	(6,197,642)	(305,776)	(18,946)	-	(6,522,364)
Deferred taxes, net	(5,110,484)	(295,531)	(84,331)	1,509	(5,488,837)

- (1) Deferred income tax and social contribution liabilities arising from the temporary difference between the tax base of the goodwill and its book value in the balance sheet, considering that the goodwill continues to be amortized for tax purposes, but is no longer amortized at from January 1, 2009 in the accounting records, resulting in a tax base lower than the book value of the goodwill. This temporary difference may result in amounts to be added in the calculation of the taxable result of future years, when the book value of the asset is reduced or settled, making it necessary to establish a deferred tax obligation.

Position at 12/31/2021

Description				B3
	2020	(Debt) credit in the income statement	(Debt) credit in the statement of comprehensive income	2021
Deferred assets				
Tax, civil and labor contingencies	175,508	(27,519)	-	147,989
Tax loss carryforwards	422,820	(358,526)	-	64,294
Stock grant plan - Long-term incentive	93,717	(22,407)	-	71,310
Profit sharing and statutory bonus	52,651	6,647	-	59,298
Exchange variation on investments abroad	4,788	-	47,494	52,282
Market to market - Financial instruments	-	-	81,419	81,419
Impairment	30,297	-	-	30,297
Amortization/depreciation of surplus value	41,365	(3,405)	-	37,960
Revenues to be allocated	38,529	3,201	-	41,730
Exchange Variation	291,591	53,447	-	345,038
Other temporary differences	86,404	14,066	-	100,470
Total deferred tax assets	1,237,670	(334,496)	128,913	1,032,087
Deferred tax liabilities				
Goodwill amortization (1)	(5,582,876)	(478,511)	-	(6,061,387)
Market to market - Financial instruments	(52,041)	11,335	28,943	(11,763)
Exchange variation on investments abroad	(33,397)	-	20,927	(12,470)
Judicial deposits	(37,540)	1,103	-	(36,437)
Amortization/depreciation	(32,770)	(12,187)	-	(44,957)
Other temporary differences	(32,621)	14,583	-	(18,038)
Total deferred tax liabilities	(5,771,245)	(463,677)	49,870	(6,185,052)
Deferred taxes, net	(4,533,575)	(798,173)	178,783	(5,152,965)

Description					Consolidated
	2020	(Debt) credit in the income statement	(Debt) credit in the statement of comprehensive income	Acquisition of subsidiaries	2021
Deferred assets					
Tax, civil and labor contingencies	175,687	(27,197)	-	4,766	153,256
Tax loss carryforwards	432,325	(350,875)	-	13,250	94,700
Stock grant plan – Long-term incentive	97,347	(22,161)	-	-	75,186
Profit sharing and statutory bonus	53,741	8,477	-	852	63,070
Market to market - Financial instruments	-	-	81,525	-	81,525
Exchange variation on investments abroad	4,788	-	47,494	-	52,282
Impairment	30,297	-	-	-	30,297
Amortization/depreciation of surplus value	41,365	(3,405)	-	-	37,960
Revenues to be allocated	38,529	3,634	-	(894)	41,269
Exchange Variation	291,608	53,693	-	-	345,301
Other temporary differences	86,692	12,070	-	13,550	112,312
Total deferred tax assets	1,252,379	(325,764)	129,019	31,524	1,087,158
Deferred tax liabilities					
Goodwill amortization (1)	(5,582,876)	(478,511)	-	-	(6,061,387)
Market to market - Financial instruments	(51,761)	11,335	28,660	-	(11,766)
Exchange Variation – foreign shares	(33,397)	-	20,916	-	(12,481)
Judicial deposits	(37,540)	1,103	-	-	(36,437)
Amortization/depreciation	(32,770)	(12,187)	-	-	(44,957)
Other temporary differences	(43,369)	14,300	-	(1,545)	(30,614)
Total deferred tax liabilities	(5,781,713)	(463,960)	49,576	(1,545)	(6,197,642)
Deferred taxes, net	(4,529,334)	(789,724)	178,595	29,979	(5,110,484)

b) Estimated realization period

Deferred tax assets arising from temporary differences are recorded in the books taking into consideration their probable realization, based on projections of future results prepared based on internal assumptions and future economic scenarios that may, accordingly, not materialize as expected.

The estimated realization of tax credits and provision for deferred taxes and contributions as at December 31, 2022 are as follows:

	Temporary differences	Income tax and social contribution losses	Total	Provision for deferred taxes and contributions	Total deferred, net
2023	227,441	10,377	237,818	(2,888)	234,930
2024	348,254	34,604	382,858	(3,766)	379,092
2025	29,434	-	29,434	-	29,434
2026	12,860	-	12,860	-	12,860
2027	3,862	20,613	24,475	-	24,475
2028	10,593	-	10,593	-	10,593
From 2029 onwards	335,489	-	335,489	(215,068)	120,421
Goodwill (1)	-	-	-	(6,300,642)	(6,300,642)
Total	967,933	65,594	1,033,527	(6,522,364)	(5,488,837)

- (1) Deferred tax liabilities arising from goodwill will be realized when the difference between the tax base of goodwill and its carrying amount is reversed, in whole or in part, by the asset impairment, disposal, or as a result of provisions set up for tax proceedings. The proceedings currently assessed as possible risk of loss discuss amortization, for tax purposes, of the goodwill arising from merger of the shares of Bovespa Holding S.A. in May 2008 (Note 11(f)).

Since the income tax and social contribution base arises not only from the profit that may be generated, but also from the existence of nontaxable income, nondeductible expenses, tax incentives and other variables, there is no immediate correlation between B3's net income and the income (loss) subject to income tax and social contribution. As such, expected use of tax credits should not be regarded as the sole evidence of B3's future P&L.

For tax purposes, the balance of goodwill deductible for income tax and social contribution purposes was fully amortized by December 2022 (R\$703,692 at December 31, 2021).

c) Conciliation of income tax and social contribution expense

Conciliation of the income tax and social contribution amounts recorded in P&L (B3 and consolidated) and their respective amounts at statutory rates is as under:

Description	B3		Consolidated	
	2022	2021	2022	2021
Income before income tax and social contribution	5,762,999	6,473,908	5,790,151	6,516,331
Income tax and social contribution before additions and exclusions computed at the statutory rate of 34%	(1,959,420)	(2,201,129)	(1,968,651)	(2,215,553)
Adjustments:	422,478	444,318	405,098	416,311
Interest on equity	459,918	368,322	459,918	368,322
Exchange rate variation on foreign investment	(44,616)	46,091	(44,616)	46,091
Effect of taxes on income abroad	12,372	10,511	12,372	10,511
Equity	11,897	22,341	1,890	1,500
Other	(17,093)	(2,947)	(24,466)	(10,113)
Income tax and social contribution	(1,536,942)	(1,756,811)	(1,563,553)	(1,799,242)
Effective rate	26.67%	27.14%	27.00%	27.61%

d) Taxes to be offset and recoverable

Taxes to be offset and recoverable are as follows:

Description	B3		Consolidated	
	2022	2021	2022	2021
Income tax and social contribution on net income	1,275,227	1,007,705	1,288,363	1,019,137
IRRF - financial investments - current year	85,324	146,379	87,062	147,089
PIS/COFINS to be offset	51,972	66,799	55,763	70,458
Other Taxes to be offset	68,866	64,585	108,945	97,875
Total	1,481,389	1,285,468	1,540,133	1,334,559

17. Revenues and taxes on revenues

Accounting Practices

Revenue

Revenues are recognized in accordance with CPC 47/ IFRS 15 - Revenue from contracts, which establishes a five-step model applicable to revenue from contracts with customer and whose purpose is to evidence whether or not the criteria for recording revenues have been met. Therefore, B3 recognizes revenue when: (i) identifies the contract with the customer; (ii) identifies the different performance obligations contracted; (iii) determines the transaction price; (iv) allocates the transaction price to the contractual obligations; and (v) satisfies the performance obligations established in the contract.

Revenues comprise the amount that reflects the expected cash flow from the provision of services in the ordinary course of B3's activities. Revenues from provision of services and revenues originating from trading and settlement systems, registration of assets, derivatives and financing contracts (CS - Contract System) are recognized when the transactions are carried, on an accrual basis. The amounts received as annual fees, in the case of listing of securities, certain contracts for sale of market information, and revenues for inclusion of financial restrictions (Brazilian Lien System - SNG), of permanent assets and assets used monthly, are recognized proportionally and monthly in P&L in relation to the period of compliance with the contracted performance obligation.

Taxes on revenues

Taxes charged over trading, clearing and settlement fees and other services were calculated at the rates of 1.65% for PIS and 7.60% for COFINS, except for the infrastructure for financing segment and advisory, licensing and technical support services, which are calculated at 0.65% (PIS) and 3% (COFINS).

PDtec calculates PIS and COFINS at the rates of 1.65% and 7.60%, respectively, except for activities subject to the cumulative regime, which are calculated at the rates of 0.65% and 3%, respectively.

Banco B3 calculates PIS and COFINS at the rates of 0.65% and 4%, respectively.

BLK calculates PIS and COFINS contribution taxes at the rates of 0.65% and 4% for services, and at the rates of 0.65% and 3% for finance income and other services, respectively.

CETIP Info calculates PIS and COFINS at the rates of 0.65% and 3%, respectively.

BVRJ and CED calculate PIS and COFINS contribution taxes on finance income and other income at the rates of 4% and 7.6%, respectively.

Neoway calculates contribution taxes under the cumulative taxation regime at the rates of 0.65% for Contribution Tax on Gross Revenue for Social Integration Program (PIS) and 3% for Contribution Tax on Gross Revenue for Social Security Financing (COFINS). For activities subject to the noncumulative taxation regime, these contribution taxes on other income are calculated at the rates of 1.65% for PIS and of 7.60% for COFINS, and on finance income at the rates of 0.65% for PIS and 4% for COFINS.

B3 S.A. - Brasil, Bolsa, Balcão

Notes to the financial statements

Years ended December 31, 2022 and 2021

(In thousands of reais)

Digitas calculates Contribution tax on gross revenue for social integration program (PIS) at the rate of 0.65%, and Contribution tax on gross revenue for social security financing (COFINS) at the rate of 3%, except for activities subject to the non-cumulative regime, which are calculated for other revenues at rates of 1.65% for PIS and of 7.60% for COFINS, and for finance income at rates of 0.65% for PIS and 4% for COFINS.

B3 and its subsidiaries pay Service Tax (ISS) on services rendered at rates ranging from 2% to 5% depending on the nature of the service.

Net revenue has the following composition:

Description	B3		Consolidated	
	2022	2021	2022	2021
Gross revenue	9,640,386	10,022,245	10,110,682	10,288,124
Listed	6,578,637	7,097,724	6,578,577	7,097,673
Cash equities and equities instruments	4,235,020	4,753,699	4,235,020	4,753,699
Trading and post-Trading	3,596,498	4,206,736	3,596,498	4,206,736
Depository	143,011	150,856	143,011	150,856
Securities lending	364,957	238,331	364,957	238,331
Listing and services for issuers	130,554	157,776	130,554	157,776
Interest Rates BRL, FX and commodities	2,343,617	2,344,025	2,343,557	2,343,974
Trading and post-Trading	2,343,617	2,344,025	2,343,557	2,343,974
OTC	1,296,363	1,142,744	1,296,363	1,142,744
Fixed income	835,842	700,115	835,842	700,115
Derivatives	264,602	269,375	264,602	269,375
Others	195,919	173,254	195,919	173,254
Infrastructure for financing	317,154	317,720	441,779	476,489
Technology, data and service	1,446,322	1,280,021	1,789,468	1,387,034
Technology and access	971,593	842,439	1,000,330	857,414
Data and analytics	332,626	291,828	523,356	300,642
Banco B3	-	-	129,027	89,226
Others	142,103	145,754	136,755	139,752
Provision Reversal and recovery of expenses	1,910	184,036	4,495	184,184
Revenue deductions	(985,080)	(1,016,263)	(1,018,969)	(1,039,880)
PIS and Cofins	(823,341)	(857,371)	(845,047)	(872,647)
Service tax	(161,739)	(158,892)	(173,922)	(167,233)
Net revenues	8,655,306	9,005,982	9,091,713	9,248,244

18. Sundry expenses by nature

Description	B3		Consolidated	
	2022	2021	2022	2021
Expenses with sundry provisions (1)	(70,152)	(31,451)	(72,201)	(33,250)
Electricity, water and sewage	(21,214)	(19,237)	(21,578)	(19,534)
Expenses with foreign subsidiaries	(11,857)	(7,656)	-	-
Contributions and donations	(12,656)	(11,472)	(13,892)	(11,679)
Insurance	(8,107)	(7,034)	(8,582)	(7,078)
Travels	(6,724)	(199)	(9,625)	(622)
Communications	(1,900)	(3,099)	(2,825)	(4,279)
Leases	(1,482)	(1,207)	(5,212)	(2,496)
Other	(8,689)	(24,836)	(16,159)	(26,051)
Total	(142,781)	(106,191)	(150,074)	(104,989)

(1) These refer substantially to provisions for tax, civil and labor contingencies and provision for attorneys' success fees (Note 11(e)).

19. Financial result

Description	B3		Consolidated	
	2022	2021	2022	2021
Financial income				
Revenue from financial assets measured at fair value	1,704,228	850,040	1,752,157	873,071
Exchange gains	40,906	57,032	42,414	57,676
Hedge instrument	-	18,152	-	18,152
Dividends on shares abroad	11,472	13,901	11,472	13,901
Other financial revenues	38,659	9,153	41,557	9,133
(-) PIS and COFINS on financial revenues	(77,828)	(46,838)	(78,582)	(47,011)
	1,717,437	901,440	1,769,018	924,922
Financial expenses				
Funding interest - Debentures	(1,083,643)	(432,583)	(1,083,643)	(432,583)
Funding interest - Loans and financing	(179,175)	(172,818)	(126,411)	(110,838)
Interest on debt abroad	(174,573)	(53,330)	(174,573)	(53,330)
Hedge instrument	(30,308)	-	(30,308)	-
Other financial expenses	(175,925)	(79,865)	(178,977)	(88,169)
	(1,643,624)	(738,596)	(1,593,912)	(684,920)
Foreign exchange rate, net	167,707	(181,036)	37,171	(44,655)
Financial result	241,520	(18,192)	212,277	195,347

20. Segment information

Accounting Practices

Operating segments are presented in a manner consistent with the internal reports provided to the Executive Board, which is responsible for making B3's main operational decisions and implementing the strategies defined by the Board of Directors.

Consolidated information based on reports used by the Executive Board for making decisions, comprising the following segments: Listed, OTC, Infrastructure for Financing and Technology, Data and Services. Due to the nature of the business, the Executive Board does not use any information on assets and liabilities by segment to support decision-making.

						2022 Consolidated
	Listed	OTC	Infrastructure for financing	Technology, data and service	Provision Reversal	Total
Net Revenue	5,901,521	1,155,199	412,045	1,618,453	4,495	9,091,713
Operating expenses before depreciation	(863,011)	(407,969)	(251,064)	(907,202)	(33,849)	(2,463,095)
	5,038,510	747,230	160,981	711,251	(29,354)	6,628,618
Depreciation and amortization						(1,056,304)
Equity pick-up						5,560
Financial result						212,277
Income tax and social contribution						(1,563,553)
Net income for the year						4,226,598

						2021 Consolidated
	Listed	OTC	Infrastructure for financing	Technology, data and service	Provision Reversal	Total
Net Revenue	6,360,878	1,018,815	345,801	1,338,566	184,184	9,248,244
Operating expenses before depreciation	(776,705)	(326,482)	(227,567)	(428,805)	(110,848)	(1,870,407)
	5,584,173	692,333	118,234	909,761	73,336	7,377,837
Depreciation and amortization						(1,057,150)
Impairment of assets						(4,114)
Equity pick-up						4,411
Financial result						195,347
Income tax and social contribution						(1,799,242)
Net income for the year						4,717,089

21. Other information

- The balance of earnings and rights on securities under custody refers to dividends and interest on equity received from publicly held companies to be transferred to custodian agents and by them to their customers, who hold ownership of the shares of these publicly-held companies. At December 31, 2022, totaling R\$140,605 in B3 and consolidated (R\$97,357 at December 31, 2021).

- b. The balance of salary obligations and social charges in the consolidated refers mainly to the profit sharing (PLR) at December 31, 2022 - R\$209,729 (R\$172,106 at December 31, 2021); charges on long-term incentive programs - R\$163,275 (R\$138,247 at December 31, 2021), vacation - R\$47,847 (R\$56,963 at December 31, 2021).
- c. The balance of taxes and contributions payable in the consolidated mainly refers to federal taxes and contributions at December 31, 2022 - R\$1,301,887 (R\$1,069,190 at December 31, 2021) and withholding taxes and contributions payable - R\$79,295 (R\$69,557 at December 31, 2021).
- d. B3 seeks in the market support from insurance advisors to establish insurance coverage compatible with its size and operations. The maximum insurance coverage taken out at December 31, 2022, according to insurance policies, is as follows:

Insurance line	Maximum indemnity
Guarantee (1)	5,465,838
Civil liability (2)	420,000
Amounts at risk, property damages, buildings and equipment	366,942
Other	5,423
Total	6,258,203

(1) This refers to the provision of collateral to obtain the suspension of the tax debt enforceability (Note 11(f)).

(2) Includes D&O (Directors & Officers) insurance.

- e. On November 9, 2022, according to the material fact notice disclosed to the market, B3 entered into an agreement that will result in the acquisition of the entire capital of Neurotech Tecnologia da Informação S.A. (Neurotech), a technology company specializing in creating artificial intelligence, machine learning and big data systems and solutions. The transaction has not yet been completed and depends on the fulfillment of conditions precedent as informed in a material fact notice.

22. Subsequent events

- a. In a meeting held on February 15, 2023, the Board of Directors approved the distribution of additional dividends for the year ended December 31, 2022 in the amount of R\$212,590.
- b. On February 3, 2023, as announced to the market and after meeting all conditions precedent, B3 completed the acquisition of all units of interest of Datastock Tecnologia e Serviços Ltda. (Datastock), a technology company specializing in inventory management and integration at new and used vehicle stores.

The total amount to be paid for the Datastock acquisition is up to R\$80 million, approximately R\$50 million of which will be paid in cash at the transaction closing date, and up to R\$30 million under an earn-out agreement within 5 years, subject to the achievement of certain goals.

Board of Directors

Antonio Carlos Quintella	Chairman (Independent and Unbound Director)
Florian Bartunek	Vice-Chairman (Independent and Unbound Director)
Ana Carla Abrão Costa	Member (Independent and Unbound Director)
Caio Ibrahim David	Member (Independent and Unbound Director)
Claudia Farkouh Prado	Member (Independent and Unbound Director)
Cristina Anne Betts	Member (Independent and Unbound Director)
Eduardo Mazzilli de Vassimon	Member (Independent and Unbound Director)
Guilherme Affonso Ferreira	Member (Independent and Unbound Director)
João Vitor Nazareth M.T.De Souza	Member (Independent)
Maurício Machado de Minas	Member (Independent)
Pedro Paulo Giubbina Lorenzini	Member (Independent)

Fiscal Council

André Coji	Sitting Member (Coordinator)
Angela Aparecida Seixas	Sitting member
Maria Elena Cardoso Figueira	Sitting member
Gilberto Lourenço da Aparecida	Alternate member
Estela Maris Vieira de Souza	Alternate member
Maria Paula Soares Aranha	Alternate member

Statutory Board

Gilson Finkelsztain	Chief Executive Officer
Viviane El Banate Basso	Chief Operating Officer – Issuers, Depository and OTC
Mario Rodrigo Leitzke Palhares	Chief Operating Officer – Electronic Trading and CCP
José Ribeiro de Andrade	Chief Product and Client Officer
Rodrigo Antonio Nardoni Gonçalves	Chief Information Officer
Marcos Vanderlei Belini Ferreira	Chief Financing Infrastructure Unit Officer
Ana Christina Buchaim Gagliardi	Executive Director of People, Marketing, Communication, Sustainability and Social Investment
André Veiga Milanez	Executive Director of Finance, Administrative and Investor Relations
Eduardo Lopes Farias	Executive Director of Governance and Integrated Management
Luis Sergio Kondic Alves Lima	Executive Director of Products

Audit Committee

Rogério Paulo Calderón Peres	Committee Coordinator
Cristina Anne Betts	Independent Director
Alvir Alberto Hoffmann	External Member
Carlos Alberto Rebello Sobrinho	External Member

Corporate Governance and Nomination Committee

Claudia Farkouh Prado	Committee Coordinator
Ana Carla Abrão Costa	Independent Director
Antonio Carlos Quintella	Independent Director
Guilherme Affonso Ferreira	Independent Director

Product and Pricing Committee

Guilherme Affonso Ferreira	Committee Coordinator
Florian Bartunek	Independent Director
Eric André Altafim	External Member
Luiz Fernando Figueiredo	External Member
Luiz Masagão Ribeiro Filho	External Member
Renato Monteiro dos Santos	External Member
Roberto de Jesus Paris	External Member
Luiz Paulo R.de Freitas Parreiras	External Member

Personnel and Compensation Committee

Antonio Carlos Quintella	Committee Coordinator
Claudia Farkouh Prado	Independent Director
Florian Bartunek	Independent Director

Risk and Finance Committee

Eduardo Mazzilli de Vassimon	Committee Coordinator
Antonio Carlos Quintella	Independent Director
Caio Ibrahim David	Independent Director
Mauricio Machado de Minas	Independent Director
Pedro Paulo G. Lorenzini	Independent Director
Cícero Augusto Vieira Neto	External Member

Accountant

João Paulo Gonzaga Pereira
CRC 1SP 248648/O-7