

**Conference Call**  
**Inter**  
**Fourth Quarter 2020 Earnings Results**  
**February 26<sup>th</sup>, 2021**

**Operator:** Hello, good afternoon and thank you for waiting. Welcome to Banco Inter's conference call to discuss the earnings related to fourth quarter in 2020.

We have here today with us the CEO of Banco Inter, Mr. João Vitor Menin, the VP, Mr. Alexandre Riccio de Oliveira, the Financial and IR Officer, Mrs. Helena Caldeira, and Mr. Felipe Bottino, Investment Officer.

This event is being recorded and all participants are connected only as listeners during Banco Inter's presentation. We will start the Q&A session immediately after the call, the presentation, when further instructions will be provided. Shall you need any assistance during the conference call, please dial star 0 for assistance.

This audio conference is being webcast live and can be accessed at [ri.bancointer.com.br](http://ri.bancointer.com.br) where the respective presentation will also be available. Participants can submit questions on our website, which will be answered by the IR team after the call is over.

The audio conference is being held in Portuguese with simultaneous translation into English for our foreign investors.

Before we proceed we would like to mention that any forward-looking statements made during this call regarding the company's business prospects as well as projections, operating or financial targets are the management's expectations and assumptions about the future of the company as well as information that is available to Banco Inter. Future considerations are not an assurance of performance and they involve risk, uncertainty and assumptions since they refer to future events and are therefore dependent on circumstances that may or may not occur.

I would now like to give the floor to Mr. João Vitor Menin, CEO of Banco Inter, who will start the presentation. Please, Mr. Menin, over to you now.

**João Vitor Menin:** Thank you and good afternoon to all. It is a pleasure to be here once again with you to talk about Inter's earnings in the fourth quarter in 2020.

I would like to in my talk before I turn it over to Alexandre, our VP, to cover 3 areas: deliveries; strategies; and the future. Well As for deliverables, we are very happy because we finished 2020 doing extremely well with our avenues. For 2021, 22 and going forward, we have strong pillars in place, and I would like to cover these 5 avenues and point out that for 2021 we expect (and mainly today with the director for these avenues, Felipe Bottino, our investments officer) we have high

expectations for this avenue for 2021 and we believe this should be our key area in terms of growth.

We have high expectations there with excellent performance in all avenues in 2020 with Bottino also joining us to lead the way forward in this avenue in 2021. We have been talking about our inflection point, our tipping point for some time now, it's an important deliverable and this quarter this has become even more clear the monetization of the XP clients that are using our platform, the monetization, and we are very happy with this achievement, with these results. We have clearly seen now that we have reached this inflection point.

It's also important to talk about our income or revenues per user in 2020, it was very strong. In 2020, we still have an upside which is important to mention and the service cost was also important, and we have to look at the scale and other initiatives as well. We would also like highlight Pix, which was implemented in the last quarter of 2020 and very positive work company.

As for our strategy, we in our earnings releases and meetings want to point out that we are verticalizing our operation by combining retail and banking operations, so very few companies, maybe Inter is the only one, the only business that has been able to do this in Brazil bringing together the legal aspects of the retail, specialty e-commerce – by retail I mean products and services – and we have brought it together with banking services, digital banking services, payments and credit, and there's the addressable market is massive here and this is the future without a doubt.

These are the 2 major industries in our country that will converge and go side-by-side Inter has played a key role in this action and we have a unique position in this market. In March we're going to launch a new operation for new account holders and we're going to further widen the addressable market, this will be possible due to the fact that we have brought together retail and banking operations, and this was possible because our IT delivered very strongly in 2020. As I usually point out, we have brought everything together in one single app, this is very important and the IT department has merit, great merit in this.

And since we're talking about talent attraction, in January we set up our IT hub in Recife, where we have 45 people working and focusing on these new deliverables. Still on our strategy, we are convinced that innovation is something we should always focus on here at Banco Inter and we are constantly innovating and launching new products as you all know. I would like to mention our food deliverable, over the next weeks it will be available in our app and over the next 2-3 months we're going to relaunch our Intercel product, there are high expectations in this partnership with Vivo for this product, we're going to further consolidate Inter in our customers' lives, in people's lives.

As for the future, the third area we would like to explore, we finished 2020 very well, excellent results for the quarter, and January started strong, but always wrong, but

it was our best month with new account holders and credit concessions, loans, and our guidance of 15 million account holders for 2021 goal without mentioning the non-account holders that can join us through the apps is more concrete, more concrete number.

And still on the future, we have improvements for all of these avenues, in 2020 we have already seen some of them and they shall continue throughout 2021. For example, in shopping our take rate has grown, we have more shops in our end-to-end, and once we gain scale our take rate from our retailers goes up. And insurance we have increased penetration in 2020 and this trend will continue in 2021 even though we will have more account holders because we will be providing a better experience and launching new products every quarter.

In terms of investments, the Inter Invest area we have launched new products by the end of 2020, futures, and BMF, which was not available and in January this year we launched more products, Trade Pro for instance for investors, among many other products, and this cross selling within our customers for investments is excellent opportunity for growth in 2021.

As for loans and credit, and important activity which originated Inter Bank, well, we had a strong quarter, January, February positive results and this is possible regardless the macro scenario in our country, in Brazil we are looking at micro actions, more competitiveness, CRM data to reach over 9.5 customers with more effectiveness and we have been doing the credit underwriting successfully, it's effective and competitive.

As for usability and recurrence and usability, we have increased our CSI, or cross selling index, our product cross selling index, and this trend will continue going forward in 2021, and this metric indicates that our platform has been used massively. Deposits are another important metric, our customers metrics are either in the platform or bank that they choose, and it makes us proud to see that deposits Inter have grown, even higher than the number of new account holders in 2020, and I would also like to point that, yes, it was a challenging year, despite the fact it was a tough year, we had some setbacks, a low Selic rate for instance, which is a drawback, and the massive investments we made in all of these products, but despite those facts, we have to celebrate; it was the best ever quarter and 2020 in terms of results and earnings, which, actually, supports all that I have mentioned earlier.

We are convinced and remain convinced that the road we took 3 or 4 years ago to challenge the status quo in the banking sector and now also the retail sector in Brazil is quite a challenge, has been a challenge, and the name of the game for us to continue winning this battle is efficiency, effectiveness. We will provide better prices and products to our clients, have more engagement and monetization and revenues, and we have been very effective in all of those things over the last years.

I would like to thank all our employees, we have over 2,200 employees who are engaged in working for Banco Inter, the over 9.5 customers and 6,000 shareholders that trust in our company, in our business. Thank you all!

Now I'll turn it over to Alexandre, and I'll be back for the Q&A session, and let's keep moving forward.

Over to you, Alexandre!

**Alexandre Riccio de Oliveira:** Good afternoon, thank you all for your participation in one more earnings call.

I will walk you through the figures and the evolutions we've had in the quarter and the year. As you've all seen in our preview, 2020 was once again the last year in the history of our business. This year was positive year in operational KPIs and in most of our financial metrics as well, we've attained record levels and a very positive performance and we have amazing achievements in all of our avenues, our team is extremely focused on efficiency, effectiveness as João Vítor said, striving for operational excellence to provide an ever better experience to our customers that will be more effective for the company in retail, digital retail actually they go together, very closely together.

I'd like to walk you through some of our success stories by showing you our figures beginning with the macro level with the customer base engagement. We've reached 8.5 million accountholders, almost 110% growth, our CAC was under control over the last quarter, the CAC was very close to what we had in the last quarter in 2019.

Looking at the season, it was slightly above average, we had a 21% decline in customer service, our ARPU (the average revenue per client) grew up for the third quarter in a row, an important trend that is supported by our cross selling, capacity, our CSI (the cross-selling index) went up to 3.6% in the quarter, and it was below 3 before that. We grew 141% customer engagement with our app, also high above the customer base going from 300 million logins in 2019 to 855 million in 2020.

Looking at day-to-day banking, we've reached 6.7 billion in demand deposits, an important annual growth, also looking at the correlation with the customer base growth looking at 450 to 1.300, the transactions 1.7 billion and 153% growth compared to the 4Q19, once again not related to customer base growth, which is important it's a higher growth in transactions, credit card transactions or card transaction, meaning customers are using our company more and more, and we've seen this for 3 major reasons, 3 key reasons: implementation of a credit model that includes optimization of limits, which was very helpful; our app experience cashback program, among other things that have driven customers to migrate their credit card activities to Inter; and marketplace in the quarter we had our first Black Friday for good, which we called Orange Friday, which helped us gain an amazing GMV 632 million in the quarter with revenues reaching 400 million, reaching 1,400 million

customers, which were active, 9.5 million transactions and Inter Shop, and our experience has been reaching and attracting customers.

The shopping today is bringing and driving new customers to Banco Inter and we ended with 2.5 billion GMV last year and we are actually fulfilling our dream in this avenue. And going back to what João said in marketplace, the take rate was 4.97%, it went to 6%, an excellent indicator that our strategy or upselling strategy and end-to-end is working.

In terms of investments, we included the fourth quarter with 44 billion assets at custody, 136% growth reaching 2.5 million active users, and we continue to maintain the 10% retail investors with 230,000 from the Stock Exchange, and we are growing there and reaping results from our entertainment.

Structure, our platform is growing and now with Bottino joining us here in our area, our revenues grew over 66% compared to 2019 reaching 56 million in insurance. We will continue writing our amazing story in digital insurance reaching 265,000 users different from what we had in the end of 2019.

Inter Seguro is now at the company, a key generator of revenues with 432 million, and we're focusing on selling insurance now within this context and are reaping results and there is more to come.

In credit, we also have the ice topping, we have many ice toppings here, our commercial strategy is becoming better and better, with our collection strategy we've reached one bead 1 billion in our credit portfolio, loan portfolio, surpassing our expectations, but it's important to mention that we have not entered unknown avenues to deliver, these are areas that we have tested and that are known to our company.

And finally, some financial highlights. We've had a 33% growth in total revenues reaching 1.4 billion, in 2020 we've grown 128% in our service revenues for 541 million with a healthy mix and 7 income groups that are individually relevant. This service revenues represents 45% of our total net revenues, and finally our annual results 5.6 million with a good recovery in the fourth quarter and Basel at the end of the year is 32%. We have room to maintain accelerated growth in credit and to keep on focusing on M&A's.

I would like to conclude by thanking our clients, our team, our shareholders, and all the stakeholders, we have filled our mission in 2020 and will do much more in 2021.

Now I'd like to turn it over to Helena.

**Helena Caldeira:** Good afternoon to all, thank you for your participation in one more earnings call.

I would like to share some messages before we open for the Q&A covering some particular points. First, I would like to talk about ESG. 2020 was a key year in this area, we have actually implemented some important initiatives, such as signing the Global Pact, we have the inventory of emissions, and we have actually offset our carbon emissions this year, and we have also implemented the basic pillar with our projects, we are going to share all of the details in our first general report that will be produced in the second quarter this year and will be handed and shared to all of you with the intention to communicate our actions in this digital ecosystem with all the growth avenues that we have been taking.

As for M&A, we're still working on an important pipeline this year, we are planning to work into 5 avenues, there's room for growth in the 5 avenues and with M&A, and we are also looking at the integration of the companies we have acquired recently and we have had improvements and they're going to leverage the wind back initiatives were planning how we're going to work together.

Granito, we've had the CADE approval, we are still waiting for the Bacen approval, we believe that with Granito competences we're going to leverage our corporate initiatives and also individual initiatives, but mainly, above all, we'll have the payment [unintelligible] we're going to open our app for non-account holders as well mentioned.

I would like to also talk about the market dynamics, there is an important increase in the average volume that's been negotiated in Banco Inter recently, the RDTV 30 days reaching R\$235 million, 137 million for bid 11, bid 11 is going to MCI today and we believe that IBovespa will be knocking on our door, specially in the near future, and, well, closing 2020, as Alexandre and João said, on a very high note and we firmly believe we will continue building this amazing project we have started.

And thank you all for your participation once again in our earnings call. Some questions are already coming in and we will continue our conversation.

### **Question & Answer Session**

**Operator:** Ladies and gentlemen, we will now begin the Q&A session. In order to ask a question, please dial star 1. In order to remove your question from the list, please star 2.

Our first question is from Jorg Friedman, Citibank. Please, go on.

**Jorg Friedman:** Thank you very much for this opportunity. Good afternoon to all.

Can you hear me?

**Helena Caldeira:** Yes, we can.

**Jorg Friedman:** Excellent, thank you Elena. I'd like to ask you 2 questions; one is related to Inter Shop. Maybe if you can give us an idea in marketplace on the target you have, the merchants you plan to reach by the end of 2021 and how you perceive the net take rate trends because the retailer mix, well, as it grows it will contribute to increase the growth take rate I believe, and how do you perceive this cashback dynamic? Just to get an understanding of the take rate, how it will evolve.

And the second question has to do with financial discipline metrics, something that drew my attention is, well, the write-off growth levels, the write-offs are important and you have actually cleared your balance quite well, so where does this charge off come from and can we expect a reduction of those levels over the next semesters or as a result of the pandemic should we expect the charge off to remain at the same levels? Thank you.

**João Vitor Menin:** Hello Jorg, this is João Vitor here. As for your question related to shopping (and Alexandre will talk about the write-off), as for shopping, it's hard to predict how many merchants we will have by the end of 2021. The fact is: we have realized that as we become more relevant in the market some merchants, major retailers or marketplaces that were resistant that were not willing to integrate their product offers with Inter, are now knocking on our doors.

So, you will see that we have interesting merchants that are going to join this quarter, some have already joined, and we will definitely be... well, we might double the number of merchants end-to-end because with affiliates we have all the merchants already. Why do I give you this end-to-end overview? Going to the second part of your question, this is where we can optimize in that take rate, and more, as more merchants come in and increase our take rate, at the same time as the market perceive that we are verticalizing, that it's a good thing to sell through Inter Shopping, I don't have the acquirers' NDR, I don't have to pay Google or Facebook for media campaigns or TV Globo, you name it, or billboard or outdoor, we have... actually, they are more willing to give their take rate to Inter therefore, and this is a place where we can have the GMV.

On the other hand, in terms of our customer base, and we have tested their sensitivity already towards cashback and, well, there are more things involved in that such as customers experience, their credit card limit. These initiatives also caused this percentage of cashback to go down looking at the take rate in the past months.

So, yes, there's been an increase in the net take rate and there will be, they will continue to be in the 2021 despite the GMV.

And Alexandre, over to you now.

**Alexandre Riccio de Oliveira:** OK, so going back to the write-off, this was something we expected, we were expecting. In April 2019, we implemented the new

concession model for credit cards, we expected to have lower results and this portfolio actually shrunk, but there's a convergence that is very similar to what we see in the market, so the model is proving itself and we believe there's still more that can be reduced going forward considering the strategy we have adopted, and, well, as the pandemic broke and during the pandemic so we have 6 segments, we had 1, 2, 3 and 4 for credit cards, with Covid we went to 1, 2, 3 and further reduced this portfolio, further shrunk, so we have a higher write-off which is a result of a smaller portfolio and the success of this new model, which does not demand the same levels of provisioning as the previous models did.

**Jorg Friedman:** Perfect Alexandre, thank you very much, thank you João Vitor also for answering. Maybe if I may, I would like to ask another question briefly.

Can you give us here an idea of what the tax rate should be for 2021? There's a lot of volatility, so maybe this would bring more clarity to your modeling.

**Alexandre Riccio de Oliveira:** Well, I would say that maybe we could do a follow-up because there's still a very high level of uncertainty in regard to the tax rate, but it will not differ much from that of 2020.

**Jorg Friedman:** OK, fine, thank you. We'll get back to the topic later, thank you.

**Operator:** We have one more question from Yuri Fernandes, from JP Morgan. Please, you may proceed.

**Yuri Fernandes:** Thank you João Vitor, Alexandre, Helena, thank you for the opportunity to ask a question.

About your strategy for SMEs with a strong growth last quarter, it had been growing even with origination, you had almost 50% growth, it is interesting, I know you have a supply chain strategy and you also showed you had 7 key partners, and I would say it really is related to the number of partners you have, so how can you continue growing at the same pace in SME? How could you attract also more major partners for some supply chain? And I'll ask my second question afterwards.

**João Vitor Menin:** Yuri, this is João Vitor here. In fact, we do have an important strategy for SME, and just to give you an overview of SMEs, as you know, our funding cost is extremely competitive, it's the lowest funding cost among Brazilian banks, it's growing, it's pulverized, it's low cost, but it depends on demand deposits. So, in our Treasury, we need to have a clear strategy, we have long-term assets and payroll and real estate with higher spreads, so what we're doing we're using this cash excess that we have, the abundant money because customers use Inter as a primary account and we're assigning, allocating those in the short-term, supply chain and receivables for SMEs credit cards so the 2 key groups are: first, credit card receivables that we're exploring, increasingly exploring, we tend to say that it's almost an Inter banking risk with the tax rate that is higher than Selic, so this has just

begun, and now with the acquisition of Granito this can be, of course, leveraged performed and non-performed; and in supply chain when we look at the 7 partners, if I'm not mistaken, we have 19 partners today, so we have Felipe Flecha, our Superintendent who is focusing on attracting new partnerships and has been doing a great job, and the technology experience has been enhanced as well, we want to be the top competitor in the productive chains, we are seen as the best platform by customers, and we also say that we are almost doing market dumping because our funding for demand posits is very low, we have competitive fees, and dumping is not just fees, but we have the technology proposition is very effective.

So, our volume is growing consistently, the operation is great, you have the Selic adjustments, you can adjust that rate every 30 days, the SME is important for monetization, growing credit portfolio, and this will continue growing in 2021.

**Yuri Fernandes:** Thank you, João Vitor, very clear, and if I may, I'd like to ask one more question about credit card. It's the 2 products that had the highest growth, credit card and SMEs. In credit cards there's a convergence in your NPL, I think it's related to the previous question on write-off and maybe also would be assured products that you have. Could you maybe elaborate on that?

And one more question still on credit cards. We see that revolving credit and installments that you provide are better than the industry, 13-14%, and the industry is at around 20 there, 20%. So, can you also elaborate more on that, why do you have this lower fee...or rate?

**João Vitor Menin:** Yuri, we would need to have one called dedicated fully to credit cards because, as you all know, we are obsessed with having, you know, more pulverized and lower cost products for our customers. I read an article saying that revolving credit is the lowest cost in Brazil, still high, but the lowest cost. Why is that? Because we have a different approach. To us, having a high revolving rate, to bring higher transaction volume is not the game we want to play.

We started out – and the market knows – that we started out in credit cards, we were very conservative, and our models evolved gradually, and at the same time the model evolved, was enhanced, we wanted to go for customers that want to use credit cards as a credit instrument, they can also use payroll, real estate, and credit card and are not meant for that. So, we have been focusing on launching the CDB without limits and more interesting products, I also forgot to mention earlier that we launched *botão* for persons to choose between cashback and extended limits for credit cards optimizing our Inter Change.

So, these, by combining all of these actions, we made up a credit card portfolio that is very interesting. Once again, we do not want to have growth in terms of percentages, right, speaking of percentage in revolving numbers. This is not what we want to focus on, and once again the verticalization in retail with banking and merchants, to be clear, maybe the market hasn't realized it, this is a very powerful

business, you cannot make money, have profit with credit cards, if you do consumer finance you cannot have profits in revolving credit, we need to have a convergence between retail and banking, so banks will provide customers' payment and credit, they all come through the bank. The take rate is our super Inter Change as we call it, by having the Super Inter Change our revolving credit can go down gradually more and more. That's a safe road to take and this is a winner model, and this is a trend in Brazil and globally bringing merchants and banking services together, and this is the key for success for our portfolio we would say.

**Yuri Fernandes:** Thank you, very clear João Vitor. Thank you so much and congratulations on your growth and on your earnings.

**João Vitor Menin:** Thank you, Yuri.

**Operator:** Please remember, if you wish to ask a question, press star 1.

Once again, to ask a question please press star 1.

Our next question is from you Yuri Fernandes, JP Morgan.

**Yuri Fernandes:** Yes, I would like to, since we still have time, I'd like to ask one more question João. Maybe, well, you can talk about... well, we've talked to many investors lately and something that came up a lot had to do with the banking and non-banking businesses that are divided, they have different capital demands, different return rates, and as we all know, the bank although you do have strong Basel today the bank will always demand capital. If you continue to grow at the same levels, unless the profitability converges, in the future will always have this demand whereas the other area may generate.

So, how do you see that, this area? Do you should do you need to have integration or verticalization? Because credit can be a powerful tool for leveraging with Inter Shop, with shopping one day it might make sense to split the businesses to have different capital demands. It's a philosophical question, but just to get an understanding of your view in the long run for these 2 areas, I would say, of the company. Thank you.

**João Vitor Menin:** Hi. Well, Yuri, this is an excellent question, one of the best questions we've had in our calls. Why is that? Because, well, I'll try to be brief and clear as to our vision for the future, present and future.

So what is Banco Inter, Inter Platform? As I said earlier, when we say we're an ecosystem and one avenue feeds the other, this is what it means, it's not about having more or less credit, things are corelated, so I'll give you a practical example: well, we won't necessarily need to have a huge capital because depending on the [unintelligible] that might drive growth, I might – and I actually will have and this is why Bottino has joined us – I need to have an engine, an underwriting credit that is

solid to implement my investment platform. We wanted to play a game here it's not looking at the balance 100 million in capital, 300,000 in assets and credit. No, we're looking at Inter Platform, so we want to have services as a gateway more and more, but maybe, well, of course, banking is important because you will look at credit, payments, these are two things, but people talk about visual banking, which is great, so I'm using part of Inter banking to do shopping investments, insurance, and this connection, this integration between avenues is very strong.

I am fully convinced that credit will grow, credit is important, but our investments avenue will most likely do the trick and Inter, as a business, will be light and profitable, scalable, we don't want to be a company with social capital regulatory equity that will have dozens of businesses of reals. This is not the game we want to play. Maybe we don't make ourselves clear at times, people don't know what the next move will be, but, yes, that's why we talk about one single platform with integration among all the different avenues.

It's as simple as that. Monetization, where will it come from? That's not important because it's not, you know, you'll have securitization, so you have the product distribution, investment, hard to say what is banking revenue, non-banking revenue, banking is always involved in the operation and more.

As a conclusion, when we disclose our figures, our numbers, the REF margin we have in our credit portfolio, if we actually had it underwritten, we would have high profitability for Inter, but this is not quantifiable. As we have this securitization engine and, well, you have of course 71 warehouses in our balance, but if you had an engine there, you would have all this LTV in the credit operation, which is important to build loyalty, customer loyalty.

It's not easy to talk about it in 2 or 3 minutes, but this is something we will continue to talk about until it becomes clear to the market.

**Yuri Fernandes:** Thank you, excellent João Vitor.

**Operator:** Our next question will be made via web, over the web, a question for Felipe Bottino: *"You have been working in the investments and insurance market, how do you see Inter's platform today when compared to the market, and what is the growth strategy for the platform over the next 2 years?"*

**Felipe Bottino:** Thank you for the question, I'm very happy to be here with all of you. As for Inter's investment platform, I would say this actually reflects the capacity of execution and value generation the group has. I don't know if you're all aware, but we do have a complete investment platform, complete meaning we have trust management, VCM, variable, income, funds, research and private, well, so this is an amazing value generation, it's 100% made in-house.

And it was very fast: in 2 years' time Inter built the third largest investment brokerage

and totally made in-house and generating amazing value to shareholders.

The strategy is very timely, as Alexandre and Helena mentioned, and our Treasury has been scaling up, and distribution today, our distribution capacity has grown importantly in banking, everything is integrated and there's a lot of synergy therefore, both in terms of product offerings as well as product distribution, and we currently have, well, our target audience, if you think about traders, as João said, we have just rolled out our first tools and we have a clear pipeline for 2021, we will continue launching, rolling out more tools, our marketplace will be complete 2021, we're going to complete it with funds, pension, and it will be further strengthened.

these are strategies we firmly believe in and we have the related products and banking-related product, CDB plus limit is a classic case, and there are many other opportunities there as well as, well, communities, I don't know if you're all aware, we have over 40,000 fixed income communities in Inter, so there's a great potential there and this will be linked to the strategy that we may call digital, it's tied to the digital strategy with the support of advisors for more sophisticated audience and more audience and more digital scalable. I would say this is a more complete platform than the average today thanks to all the tools that were created and developed.

I don't know if I made myself clear, but I think it's an amazing case, and I would like to greet and congratulate all of those who were involved and who built the third largest brokerage in 3 years with their own equity and zero spending in acquisition with this ecosystem that was built.

**Operator:** Our next question is from Ingo Lupatelli, Autonomous Research. Please, you may proceed.

**Ingo Lupatelli:** Hello, good afternoon. You have increased expenses with marketing in 4Q, which improved conversion. Could you further explain how that worked and what your strategy is for marketing in 2021?

**João Vitor Menin:** Hello, João Vitor here. As I said earlier, we, well, had an excellent year in 2020 and when things are in place you may start pushing other things, so you have innovations for account holders and open up products and services for non-account holders.

How can we accelerate growth? We have the best pack in the market, and what have we done? [...]

*[translator: We have lost sound... we have lost sound. Now the sound is back apparently]*

**Operator:** Please, proceed through the backup.

Speakers may proceed through the backup.

One moment please.

Please, remain connected.

Please, remain connected, we will be back in a few moments.

**João Vitor Menin:** Can you hear us? Can you hear us?

**Operator:** Yes, we can. Please, proceed.

**João Vitor Menin:** Well, can you hear me?

**Ingo Lupatelli:** Yes.

**Operator:** Yes, we can. You may proceed.

**João Vitor Menin:** Thank you, well, so as I was saying, yes, we actually have an extremely low CAC and we can afford to do that, or client acquisition cost, and now we want to find our optimal point, of course, for growth and investments, and we had R\$4 to R\$5 growth in our marketing CAC with card embossing remaining the same, with positive CAC and we should have a very strong number in the first quarter for new checking accounts opened and we have 15 million account holders, which is actually ever closer thanks to our strategy.

**Ingo Lupatelli:** Thank you. A brief follow-up if I may: is there a point in the platform where you expect to have higher investments or maybe once this development for non-account holders is ready and you believe it might be the time to further increase CAC? What could you say in this regard, please?

**João Vitor Menin:** As I said, as for account holders, our platform was really balanced, with great products and we were then testing the waters. Once we realize that the platform for non-account holders is sturdy, when we have monetization we might, yes, have something new there, you might have 15 million account holders and millions or thousands of non-account holders, so we will see and we will allocate funds to address this target audience, which is massive in Brazil, 210 million, we're talking about 210 million people, so, yes, we might allocate funds to this addressable market.

**Ingo Lupatelli:** Thank you, perfect. Thank you for your answer.

**Operator:** Our next question is via web: "How is the plan going for the ownership plan, the Inter holding? Is it going to be created?"

**João Vitor Menin:** Navarro - I think it's from Navarro, right? -, thank you for your question, Navarro. We've been conducting the studies looking at this closely for 5 to 6 months now, the initial idea was to bring all of our operations, banking, to a holding in Brazil and the non-banking subsidiaries branches we actually held studies, looked

at the legal and the ownership structure, and we actually found that maybe it would be possible to do something which is really interesting, to set up the holding in the US rather than Brazil.

So, we actually put the project on hold for a moment, we want to have a Brazil Inter Holding, a Financial Inter Holding and would have the Inter Platform overseas because we would have important benefits there. We have just approved the studies and the board now and we're going to maybe migrate is holding overseas, setup is holding overseas.

It's not clear yet when and how it will be done, but we have not set a date to actually conduct the process, it's a new chapter we're going to work on to generate more value for the company, for our shareholders and, of course, we will disclose all of our steps to the market and maybe by the end of the year we will conclude the project, which is a great project, very complex indeed.

**Operator:** To ask a question, please press start 1.

We will now close the Q&A session. I would like to turn the floor to Mr. João Vitor Menin for his final remarks, his closing remarks. You have the floor, Mr. João Vitor.

**João Vitor Menin:** Well, thank you everyone for your participation. We're very happy to be here once again. We fortunately have good reasons to talk to you every quarter and I hope it will be the same next quarter.

Have an excellent weekend everyone.

**Operator:** This earning's call by Banco Inter is adjourned. Thank you all for your participation, thank you for using Chorus Call.