**BMGB** B3 LISTED N1

***Financial statements consolidated in IFRS on December 31, 2024 and independent auditor's review report on the financial statements***

# Index

The Management of Banco Bmg S.A. and its subsidiaries ("Bank"), in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB), is presenting the Financial Statements under IFRS for the fiscal year ended December 31, 2024, along with the independent auditors' report.

## Banco Bmg

Banco Bmg's greatest commitment throughout its almost 100-year history has always been to people and their needs. That's why we work to keep our bank up-to-date, technological, agile and, above all, human.

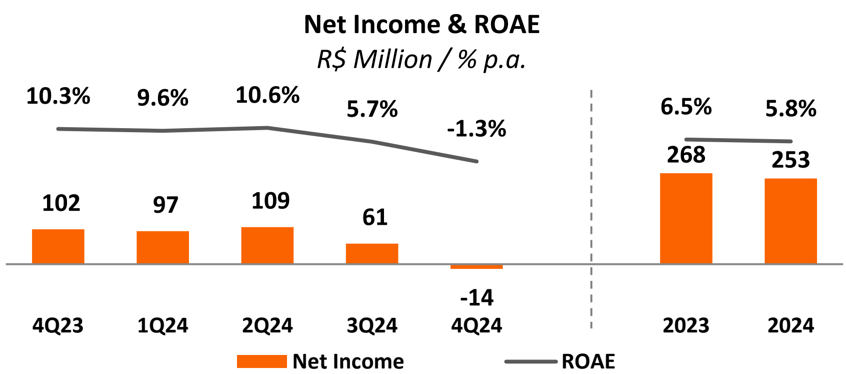
Serving millions of customers throughout Brazil, Bmg has a portfolio of financial solutions that covers a variety of audiences. We operate in the payroll loan market, with our main focus on payroll clients over the age of 50, as well as clients with digital accounts, insurance, salaried employees who want to anticipate their FGTS anniversary withdrawal, personal loans and even investors who want to invest their funds safely.

We believe that to be present in our clients' lives, we must be ready to help whenever required, regardless of the channel or type of relationship: anytime, anywhere, any device. This is why we act in a complementary manner on physical and digital channels, combining the technology of the digital world with the human sensitivity of the physical world.

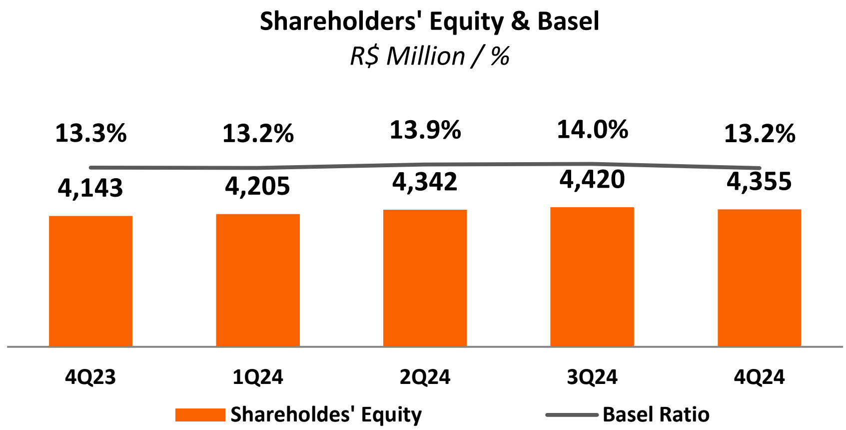
Our main activity verticals are: Retail, Wholesale and Insurance. We are evolving into a better, stronger and more profitable Bank with the aim of growing and generating sustainable results that bring value to our shareholders, clients, employees and society in general.

## Financial Performance

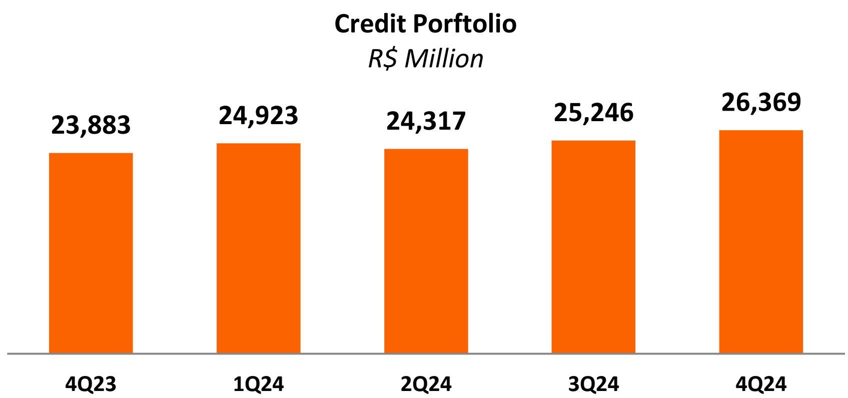
The net income attributable to the parent company in the fiscal year ended December 31, 2024, was R$ 253 million, a reduction of 5.6% compared to the same period of 2023. The Return on Average Equity (ROAE) was 5.8% per year in the fiscal year ended December 31, 2024.



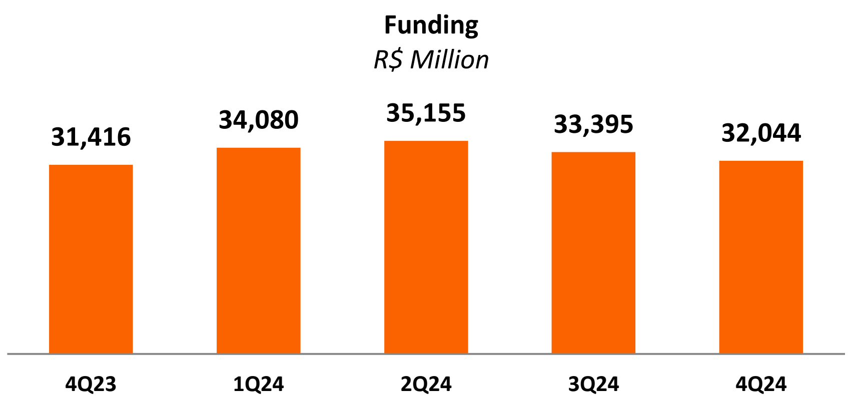

Consolidated Shareholders' Equity attributable to the parent company on December 31, 2024, amounted to R$ 4,355 million and the capitalization ratio of risk-weighted assets (Basel Ratio) was 13.2%. In the fiscal year ended December 31, 2024, the Bank declared R$ 215.6 million of Interest on Shareholders' Equity (ISE), of which R$ 68.6 million was declared for the fourth quarter of 2024 and paid on December 18, 2024.




The total consolidated portfolio ended December 31, 2024, with a balance of R$ 26,369 million, an increase of 10.4% compared to the same period of 2023.




The consolidated funding balance totaled R$ 32,044 million in December 31, 2024, representing an increase of 2.0% compared to the same period of the previous year. Time deposits, the major source of funding, accounts for 76.9% of funding. Furthermore, the Bank's strategy is to be a recurring issuer in the capital market, with the aim of approaching institutional investors, promoting Bmg's liquidity and creating a reference interest curve in the institutional market.




In the fiscal year ended December 31, 2024, the Bank's investments in subsidiaries totaled R$ 157 million, the main variation being the balance of investments in Bmg Corretora and sale of Granito.

### ESG Principles

Bmg is a bank with social DNA. Since its foundation, it has sought to help people and businesses prosper, promoting banking, offering quality products and financial education to those who need it most, thus contributing to the social inclusion of countless Brazilian citizens. Our commitment is to strengthen relationships with these people, always through simple, accessible and welcoming service, based on ethics, trust and respect.

The ESG (Environmental, Social and Governance) principles are incorporated into our way of doing business, from the development and supply of quality products and services to providing humanized, empathetic and accessible customer service, as well as the development and well-being of our employees. In addition, we have a strong presence in the social development in communities where we operate, thus contributing to building a fairer and more equitable society and to the sustainability of our planet.

Over the last few years, Bmg has been strengthening its ESG activities by structuring a solid base, ensuring compliance, adhering to highly relevant public commitments, creating and strengthening the Marina and Flávio Guimarães Institute and developing the ESG strategic plan.

In July 2024, the Bank published its first Sustainability Report, available on the Bank's Investor Relations website (www.bancobmg.com.br/ir). The Report was developed based on the Global Reporting Initiative (GRI) standards, observing part of the Brazilian Securities and Exchange Commission's (CVM) guidelines. It also includes indicators from the Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (SDGs) and the guidelines from the International Integrated Reporting Council (IIRC), published by the International Financial Reporting Standards Foundation.

Furthermore, Bmg is signatory of important movements such as UN Global Compact, Positive Agenda of the Brazilian Institute of Corporate Governance, the Pact for the Promotion of Racial Equality, the Business Network for Social Inclusion, the Women 360 Movement, Women on Board (WOB), Business and LGBTI+ Rights Forum, OUTstand Brasil and Business Pact for Integrity and Against Corruption (Clean Company) of the Ethos Institute.

### Corporate Governance

The Bank has a robust corporate governance structure. In addition to the obligations established in Level 1 of corporate governance of B3 S.A – Brasil, Bolsa, Balcão, the Bank adopted some of the obligations set forth in the Novo Mercado: (i) the 100% tag-along right, guaranteeing all shareholders the same price and conditions offered to the controlling shareholder in case of sale of control; (ii) simultaneous disclosure in Portuguese and English earnings results and material facts; and (iii) Board of Directors composed of 2 or 20% (whichever is greater) of Independent Members, and currently 44% is composed of independent members, including the chairwoman. Furthermore, the Bank has: (i) an Audit Committee composed of one independent member, (ii) five other committees directly subordinated to the Board of Directors, all with the presence of independent members; and (iii) a permanent Fiscal Council approved at the Shareholder's Meeting.

Based on best risk management practices, the Bank has developed policies, systems and internal controls to mitigate and control possible losses arising from exposure to the risks to which its activities are exposed, with a set of appropriate processes and routines applied to its operating modalities.

For more information on corporate governance, please visit: **www.bancobmg.com.br/ir**.

### Relationship with Independent Auditors

The adopted policy adheres to the principles that preserve the independence of the auditor, in accordance with internationally accepted criteria, ie, the auditor should not audit his or her own work and neither perform managerial functions at his client nor promote its interests. In the fiscal year ended December 31, 2024, the Bank did not contract and did not have services rendered by PricewaterhouseCoopers Auditores Independentes not related to the external audit, at a level higher than 5% of the total relative fees to external audit services.

**Capital Management**

The assessment of capital adequacy is made to ensure that the organization maintains a strong capital base to support its activities. It also considers a prospective vision, designed to anticipate possible changes in market conditions.

**Acknowledgements**

All these achievements reflect the firm commitment of the Shareholders and Management to continually strive to exceed expectations and always offer its clients high quality service and a healthy environment for its employees.

These gains have been possible thanks to our clients' support and trust and the dedicated efforts of our collaborators and partners/correspondents.

To them all, our deep appreciation.

**BANK'S MANAGEMENT**

São Paulo, February 17, 2025.

## FISCAL COUNCIL OPINION

The members of the Fiscal Council of Banco Bmg S.A., in the exercise of their legal and statutory duties, having examined the management report and the individual and consolidated financial statements for the fouth quarter ended December 31, 2024, prepared in accordance with the International Financial Reporting Standards ("IFRS") rules issued by the "International Accounting Standard Board" ("IASB"), concluded that all the elements evaluated, taking into account PricewaterhouseCoopers Auditores Independentes Ltda.'s report with no reservations, reflect the assets, financial position and activities carried out by the Bank in the quarter

São Paulo, February 17, 2025

Roberto Faldini
Coordinating Member

Fernando Antônio Fraga Ferreira
Member

Flávio de Sousa Franco
Member

## SUMMARY OF THE AUDIT COMMITTEE REPORT OF BANCO BMG

**Second half of 2024**

The Audit Committee, in accordance with Resolution 4.910/21 issued by the Central Bank of Brazil and its internal regulations, is responsible for ensuring the integrity and quality of the financial statements, the efficiency and reliability of the Internal Controls System, acting with independence and quality for conducting internal and external audits, and the compliance of the institution's operations regarding legal, regulatory, and corporate governance policies. The Committee's assessments are based on information provided by management, the aforementioned sources, and its own analyses and observations.

**Activities Conducted During the Period**

In the second half of 2024, the Audit Committee held seven (7) meetings. Additionally, in early 2025, three (3) meetings were conducted to finalize the review of the financial statements as of December 31, 2024, among other matters, with the last meeting held jointly with the Board of Directors on that date. All Audit Committee members also serve as Board Members and actively participate in all meetings, along with the CEO and the Superintendent of Internal Audit.

**Internal Control Systems and Risk Management**

In the second half of 2024, BMG continued to enhance and update its policies and procedures, further strengthening its Corporate Governance framework. The Committee monitored the activities of the accounting, risk and capital management, Internal Controls, and Compliance teams, as well as the institution's response to the Central Bank of Brazil's requirements, External and Internal Audits, and the Ombudsman's office. Additionally, the Committee oversaw internal and external fraud investigations and prevention measures, as well as civil, tax, and labor contingencies and customer complaint rankings published by the Central Bank of Brazil. Based on these reviews, its own assessments, and regular meetings, the Audit Committee considers BMG's internal controls to be effective and that past and ongoing initiatives have significantly strengthened governance processes, with active engagement at all levels of Management.

**Internal Audit:**
The Audit Committee, in addition to discussing and approving the formulation of the area's work plans, received all the reports on the work carried out, monitoring the implementation of recommended action plans, held meetings with the area and positively assessed its scope, quality and level of independence, as well as its compliance with the principles of diligence, integrity and professional ethics. The Internal Audit did not reveal any shortcomings in compliance with legislation, regulations or internal rules, the seriousness of which could jeopardize the continuity of the business of BANCO BMG S.A. and its Subsidiaries.

**External Audit:**
PricewaterhouseCoopers Auditores Independentes is the company responsible for the external audit of the BMG Financial Conglomerate's financial statements, and must certify that they adequately represent, in all material respects, its actual economic and financial situation, in accordance with accounting practices adopted in Brazil. The Committee discussed with the external auditors the planning of its work and the main conclusions, considering them to be adequate, and there were no material facts that could compromise their independence.

**Financial Statements:**
The Audit Committee analyzed the aspects involving the process of preparing the Financial Statements, Explanatory Notes, Financial Reports and Management Report, with a base date of 12/31/2024, and also held a joint meeting with those responsible for preparing these documents and with the External Auditors, for additional information and clarifications deemed necessary. In addition, the accounting practices used by BMG in preparing the financial statements were analyzed and found to be in line with current legislation and regulations, adequately portraying the institution's economic and financial situation.

**Conclusions:**
To date, the Audit Committee has not received any reports of non-compliance with rules, lack of controls, acts or omissions on the part of the Institution's Management that would indicate the existence of fraud, failures or errors that could jeopardize its continuity or the integrity of its financial statements.

Based on the above considerations, the Audit Committee, duly weighing its responsibilities and the natural limitations arising from the scope of its work, recommends that the Board of Directors approve BMG's Financial Statements for the six-month period ended December 31, 2024.

São Paulo, February 17, 2025

Dorival Dourado Jr

José Eduardo Gouveia Dominicale

Marco Antonio Antunes (Chairman and Specialist Member )

(A free translation of the original in Portuguese)

# *Independent auditor's report*

To the Board of Directors and Stockholders
Banco Bmg S.A.

## Opinion

We have audited the accompanying consolidated financial statements of Banco Bmg S.A. ("Bank") and its subsidiaries, which comprise the consolidated balance sheet as at December 31, 2024 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

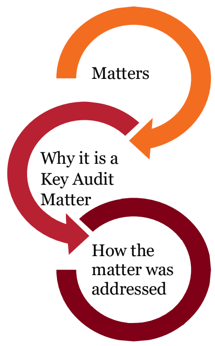
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Banco Bmg S.A. and its subsidiaries as at December 31, 2024, and their financial performance and their cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) (currently described as "IFRS Accounting Standards" by the IFRS Foundation).

## Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Bank and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have 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 period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.




PricewaterhouseCoopers Auditores Independentes Ltda., Avenida Brigadeiro Faria Lima, 3732, Edifício B32, 16º
São Paulo, SP, Brasil, 04538-132
T: +55 (11) 4004-8000, www.pwc.com.br

| Why it is a Key Audit Matter | How the matter was addressed in the audit |
|---|---|
| **Provision for expected credit losses (Notes 2.9, 3.a, 6 and 8)** | |
| The credit operations of the Bank and its subsidiaries comprise mainly retail and wholesale credit operations. The provision for expected losses under IFRS 9 was selected as a key audit matter since it involves a high level of judgment by management in the classification of credit operations under IFRS 9. This, among other factors, is the basis for determining the provision using methodologies and processes relying on diverse assumptions, including the financial situation of the counterparty, expected future cash flows, estimated recovery amounts and realization of guarantees. | We updated our evaluation of the Bank's processes used for the correct application of IFRS 9 and, with the assistance of our specialists, designed audit procedures for testing compliance with the Standard.<br><br>To assess the impairment methodology, we applied audit procedures including: (i) an analysis of the accounting policies and their consistency with IFRS 9; (ii) tested the database and assumptions; and (iii) tested the approval and validation processes and of estimates for losses and recoveries.<br><br>We tested the credit operations for their classification into the respective stages, pursuant to the requirements of IFRS 9, as disclosed in the notes to the financial statements.<br><br>Our tests indicated that the criteria and assumptions adopted by management in the measurement and recording of the provision for expected losses as required by IFRS 9 are consistent with the information analyzed in our audit. |
| **Realization of deferred income tax and social contribution assets (Notes 2.15, 3(c) and 20)** | |
| Deferred tax assets, which arise substantially from income tax and social contribution losses and temporary differences, are recognized to the extent that management concludes it is probable that the Bank and its subsidiaries will generate sufficient future taxable profits which will be available for offset. Projections of taxable profits are made by management within a horizon of ten years, all of which rely on subjective assumptions.<br><br>This matter is an area of focus in our audit since the use of a different set of assumptions for projecting taxable profit could significantly change the estimated period of realization of tax credits, with a corresponding accounting effect, as well as conflict with the requirements of the IFRS for recording | Our audit procedures considered, among others, the updating of our understanding of management's processes for determining and measuring tax credits to record assets in accordance with the applicable accounting standards.<br><br>Working together with our specialists, we analyzed the key assumptions made by management in its process of evaluating the prospects for realization of these assets based on projections of taxable profits of the Bank and its subsidiaries.<br><br>We obtained the Bank's study of taxable profit projections as approved by the Board of Directors and, together with our specialists, compared the main assumptions to those used in prior years, |

| Why it is a Key Audit Matter | How the matter was addressed in the audit |
|---|---|
| these assets in the consolidated financial statements. | adjusted to the current economic scenario.<br><br>We assessed the reasonableness of the information disclosed in the notes to the financial statements.<br><br>Our tests indicated the studies for the realization of tax credits to be consistent with the methodologies used in the prior year. We consider the criteria and assumptions adopted by management to determine asset realization to be consistent with respect to the recording, maintenance and realization of the deferred tax asset. |
| **Provisions and disclosures of contingent liabilities (Notes 2.14, 3(b) and 19)** | |
| The Bank and its subsidiaries are parties to labor, civil and tax administrative and judicial proceedings, inherent to the normal course of their business, filed by third parties and governmental bodies.<br><br>Specific labor, tax and civil lawsuits are monitored individually by specialized external legal counsel to assist management in determining the risk of loss classification and in calculating the related outflow of resources for probable (provisioned) and possible (disclosure only) loss amounts. Other civil proceedings are assessed under the advice of legal counsel and provisions recorded and/or disclosed on the basis of internal accounting policies which consider the history of past average disbursements. The final settlement of the proceedings is typically a lengthy process involving discussions that can depend on case law and judicial precedence.<br><br>This matter is an area of focus in our audit due to the nature of the proceedings under discussion and the subjective aspects for determining the likelihood of losses. | Our audit procedures involved understanding the processes for the identification, evaluation, monitoring, measurement and recording of the provisions for lawsuits, including tests of amounts and the completeness of the database.<br><br>We performed procedures, on a sample basis, to confirm, with the internal and external legal advisors responsible for monitoring the tax proceedings, the background information about the assessment of progress and prognosis of the proceedings.<br>We obtained confirmations relating to the labor and civil proceedings from the external counsel and performed consistency tests comparing these to the Bank's and its subsidiaries' databases and to information received from the legal departments.<br><br>We tested the application of the mathematical models for calculation of historical averages of loss/disbursement, when applicable, related to contingencies, and tested the number of cases outstanding at the base date of the consolidated financial statements.<br><br>We analyzed the reasonableness of the likelihood of loss for the significant tax cases in the light of case law and legal developments.<br><br>Our procedures indicated that management's bases for assessing the sufficiency of the provision and |

| Why it is a Key Audit Matter | How the matter was addressed in the audit |
|---|---|
| | disclosures to be reasonable. |
| **Impairment testing of goodwill (Notes 2.11, 3(d) and 10)** | |
| The goodwill recorded in the Bank's intangible assets mainly derives from past business combinations.<br><br>IAS 36 determines that goodwill be tested for impairment at least annually.<br><br>To perform impairment testing, management uses studies and projections which rely on assumptions of a subjective nature.<br><br>We considered this to be a key audit matter because the use of a different set of assumptions for impairment testing could significantly alter the test results. | We updated our understanding of the internal controls over goodwill impairment testing and, with the assistance of our specialists, the assumptions used by management.<br>We evaluated the main assumptions including the logical and arithmetical consistency for the calculation of projections.<br><br>Through discussions with senior management we obtained an understanding of the annual process for preparing budgets and their approvals. We backtested past projections to establish the accuracy of the projection processes.<br><br>We consider that the assumptions and criteria adopted by management are in line with the methodologies adopted in the prior year and are consistent with respect to maintaining the impairment testing of goodwill. |
| **Information Technology environment** | |
| The large volume of daily transactions carried out by the Bank requires a complex technology environment structure to process the transactions.<br><br>Failure to update Information Technology and related supporting controls could lead to the incorrect processing of critical information used for decision-making and adversely affect operations.<br><br>Because of the importance of this matter, the Information Technology environment is an area of focus in our audit work. | Our audit procedures included updating our understanding of the Information Technology environment that supports the consolidated financial statements.<br><br>We performed tests on the Information Technology general controls covering aspects related to access, alterations and systems development.<br><br>We also tested the automated and manual technology-dependent controls and compensating controls for the main business processes.<br><br>The audit procedures applied provided sufficient audit assurances that were considered in the determination of the nature, timing and extent of the audit procedures. |

## Other matters

### Statement of Value Added

The consolidated Statement of Value Added for the year ended December 31, 2024 prepared under the responsibility of the Bank's management and presented as supplementary information for IFRS Accounting Standards purposes, was submitted to audit procedures performed in conjunction with the audit of the Bank's consolidated financial statements. For the purposes of forming our opinion, we evaluated whether this statement is reconciled with the financial statements and accounting records, as applicable, and if its form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, this Statement of Value Added has been properly prepared, in all material respects, in accordance with the criteria established in the Technical Pronouncement and is consistent with the consolidated financial statements taken as a whole.

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

The Bank's management is responsible for the other information that comprises the Management Report.

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

In connection with the audit of the 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 with 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 in 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 consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) (currently described as "IFRS accounting standards" referred to by the IFRS Foundation), 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 consolidated financial statements, management is responsible for assessing the ability of the Bank's and its subsidiaries, as a whole, 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 Bank and its subsidiaries, as a whole, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process.

## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the 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 exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.

- Obtain 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 internal control of the Bank and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude 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 ability of the Bank’s and its subsidiaries, as a whole, 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 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 Bank and its subsidiaries, as a whole, to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group’s audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

Banco Bmg S.A.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats to our independence or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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 17, 2025

PricewaterhouseCoopers

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5



Fábio de Oliveira Araújo
Contador CRC 1SP241313/O-3

**BANCO BMG S.A.**
## CONSOLIDATED BALANCE SHEET
**ON DECEMBER 31**
In thousands of reais (A free translation of the original in Portuguese)

| Assets | Note | 2024 | 2023 |
|---|---|---|---|
| **Cash and deposits on demand** | **5** | **155,772** | **525,971** |
| **Financial assets** | | **41,095,187** | **36,285,676** |
| **At amortized cost** | | **34,285,835** | **31,873,927** |
| Compulsory deposits in the Central Bank | 6 | 1,355,174 | 1,818,451 |
| Money market | 5 | 1,549,131 | 348,683 |
| Deposit application | 6 | 200,046 | 51,994 |
| Marketable securities | 6 | 6,415,522 | 6,547,014 |
| Loans and other amounts with financial institutions | 6 | 7,041 | 9,699 |
| Loan and lease operations | 6/8 | 26,368,902 | 23,882,857 |
| Provision for the expected losses (impairment) | 6/8 | (2,415,819) | (1,876,192) |
| Sundry debtors | 6/8 | 805,838 | 1,091,421 |
| **At fair value through other comprehensive income** | | **5,724,801** | **3,296,539** |
| Marketable securities | 6 | 5,724,801 | 3,296,539 |
| **At fair value through profit or loss** | | **1,084,551** | **1,115,210** |
| Derivative financial instruments | 6/7 | 302,282 | 69,452 |
| Money market | 6 | 782,269 | 1,045,758 |
| **Investments** | | **156,969** | **132,818** |
| **Property and equipment** | **9** | **63,367** | **64,600** |
| **Intangible assets** | **10** | **1,636,603** | **1,538,062** |
| **Tax assets** | | **4,131,983** | **3,795,326** |
| Income tax and social contribution recoverable | | 96,231 | 131,316 |
| Deferred income tax and social contribution, net | 20 | 3,617,023 | 3,240,678 |
| Other taxes and contributions recoverable | | 418,729 | 423,332 |
| **Judicial deposits** | **19** | **555,418** | **473,657** |
| **Investments held for sale** | | **94,000** | |
| **Available-for-sale non-current assets** | | **11,923** | **9,627** |
| **Other assets** | **11** | **536,569** | **893,627** |
| **Total assets** | | **48,437,791** | **43,719,364** |

The accompanying notes are an integral part of the consolidated Financial Statements.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| Liabilities and equity | Note | 2024 | 2023 |
|---|---|---|---|
| **Financial liabilities measured at amortized cost** | | **41,829,329** | **36,592,073** |
| Deposits from clients | 15 | 25,009,524 | 26,481,832 |
| Borrowings or transfers of financial assets | 13 | 23,851 | 45,495 |
| Borrowings and onlendings | 14 | 1,931,958 | 655,403 |
| Borrowings of securities and financial bills | 16 | 5,855,399 | 3,867,869 |
| Subordinated financial bills and debt | 17 | 1,072,393 | 1,010,869 |
| Repurchase agreements | 12 | 6,931,150 | 3,577,479 |
| Other financial liabilities | 18 | 1,005,054 | 953,126 |
| **At fair value through profit or loss** | | **203,278** | **137,382** |
| Derivative financial instruments | 12/7 | 203,278 | 137,382 |
| **Provisions** | **19** | **1,023,670** | **873,467** |
| **Tax liabilities** | | **347,394** | **245,320** |
| Income tax and social contribution payable | | 243,774 | 127,414 |
| Other taxes and contributions payable | | 103,620 | 117,906 |
| **Other liabilities** | **21** | **627,527** | **1,690,863** |
| **Total liabilities** | | **44,031,198** | **39,539,105** |
| **Equity, capital and reserves attributable to stockholders and parent company** | | **4,354,800** | **4,143,010** |
| Capital | 22(a) | 3,742,572 | 3,742,572 |
| Capital reserves | | 14,070 | 25,242 |
| Other accumulated comprehensive income | 22(b) | 338,624 | 172,629 |
| Revenue reserves | 22(c) | 723,129 | 488,317 |
| Accumulated deficit | | (452,494) | (285,397) |
| Carrying value adjustment | | (11,101) | (353) |
| **Non-controlling interests** | | **51,793** | **37,249** |
| **Total equity** | | **4,406,593** | **4,180,259** |
| **Total liabilities and equity** | | **48,437,791** | **43,719,364** |

The accompanying notes are an integral part of the consolidated Financial Statements.

**BANCO BMG S.A.**

## CONSOLIDATED STATEMENT OF INCOME

**PERIOD ENDED DECEMBER 31**

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | Note | 2024 | 2023 |
|---|---|---|---|
| Interest income and similar earnings | 24 (a) | 8,743,116 | 7,402,813 |
| Interest cost and similar expenses | 24 (a) | (4,029,407) | (4,752,834) |
| **Net interest revenue** | | **4,713,709** | **2,649,979** |
| Income from services provided | 25 | 173,042 | 256,211 |
| Equity in the results of associates | | 68,295 | 12,646 |
| Net gain (loss) from financial assets and liabilities | 24 (b) | (1,222,261) | 492,371 |
| Provision for impairment of financial assets | 8 (e) | (1,885,183) | (1,555,222) |
| Recovery of loans written off as losses | | 180,602 | 190,928 |
| General and administrative expenses | 24 (c) | (1,696,198) | (1,702,690) |
| Tax expenses | 24 (d) | (194,117) | (177,503) |
| Other operating income (expenses) | 24 (e) | (88,575) | (142,306) |
| Other non-operating income | 28 (e) | 72,607 | 116,840 |
| **Profit (loss) before income tax and social contribution** | | **121,921** | **141,254** |
| Current income tax and social contribution | 20 (b) | (400,112) | (152,400) |
| Deferred income tax and social contribution | 20 (b) | 557,540 | 298,376 |
| **Profit (loss) for the period** | | **279,349** | **287,230** |
| Attributable to: | | | |
| Parent company of the bank | | 252,860 | 267,921 |
| Non-controlling Interests | | 26,489 | 19,309 |
| **Basic and diluted earnings per share attributed to the Bank's shareholders (in reais)** | **23** | **0.4342** | **0.4595** |

The accompanying notes are an integral part of the consolidated Financial Statements.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | Note | | |
|---|---|---|---|
| **Profit (loss) for the period** | | **279,349** | **287,230** |
| | | | |
| **Other components of comprehensive income** | | | |
| **Items to be subsequently reclassified to profit or loss** | | | |
| | | | |
| Changes in fair value through other comprehensive income - marketable securities | | 86,609 | 274,448 |
| Deferred income tax and social contribution on other comprehensive income - marketable securities | | (40,326) | (131,407) |
| Cash flow hedge | | 229,697 | (234,971) |
| Deferred income tax and social contribution on other comprehensive income - cash flow hedge | | (109,985) | 111,746 |
| Other comprehensive income | | | |
| | | **165,995** | **19,816** |
| **Change in other comprehensive income for the period** | **22 (b)** | | |
| | | **445,344** | **307,046** |
| **Total comprehensive income for the period** | | | |
| | | | |
| **Attributable to** | | 418,855 | 287,737 |
| Parent company of the bank | | 26,489 | 19,309 |
| Non-controlling interests | | **279,349** | **287,230** |

The accompanying notes are an integral part of the consolidated Financial Statements.

**BANCO BMG S.A.**
## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
**PERIOD ENDED DECEMBER 31**

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | Capital | Capital reserves | Revenue reserve | Other comprehensive income (loss) | Treasury stock | Accumulated Profits or Losses | Total | Non-controlling interests | Total |
|---|---|---|---|---|---|---|---|---|---|
| **On December 31, 2022** | 3,742,572 | 13,550 | 539,946 | 152,813 | (462) | (348,656) | 4,099,763 | 31,104 | 4,130,867 |
| | | | (5,738) | | | | (5,738) | | (5,738) |
| **On January 01, 2023** | 3,742,572 | 13,550 | 534,208 | 152,813 | (462) | (348,656) | 4,094,025 | 31,104 | 4,125,129 |
| Profit for the period | | | | | | 267,921 | 267,921 | 19,309 | 287,230 |
| Other comprehensive income | | | | 19,816 | | | 19,816 | | 19,816 |
| **Total comprehensive income for the period** | | | | 19,816 | | 267,921 | 287,737 | 19,309 | 307,046 |
| Changes in non-controlling interests | | | | | | | | (13,164) | (13,164) |
| Treasury shares | | | (109) | | 109 | | | | |
| Recognition of share-based payment plans | | 11,692 | | | | | 11,692 | | 11,692 |
| Realization of reserve | | | (31,443) | | | | (31,443) | | (31,443) |
| **Appropriation of profit for the period** | | | | | | | | | |
| Transfer from reserves | | | 204,662 | | | (204,662) | | | |
| Interest on capital (note 22(d)) | | | (219,001) | | | | (219,001) | | (219,001) |
| **Total transactions with stockholders** | | 11,692 | (45,891) | | 109 | (204,662) | (238,752) | (13,164) | (251,916) |
| **On December 31, 2023** | 3,742,572 | 25,242 | 488,317 | 172,629 | (353) | (285,397) | 4,143,010 | 37,249 | 4,180,259 |
| | | | | | | | | | |
| **On December 31, 2023** | 3,742,572 | 25,242 | 488,317 | 172,629 | (353) | (285,397) | 4,143,010 | 37,249 | 4,180,259 |
| Profit for the period | | | | | | 266,914 | 266,914 | 20,269 | 287,183 |
| Other comprehensive income | | | | 142,777 | | | 142,777 | | 142,777 |
| **Total comprehensive income for the period** | | | | 142,777 | | 266,914 | 409,691 | 20,269 | 429,960 |
| Changes in non-controlling interests | | | | | | | | (11,802) | (11,802) |
| Capital gain | | | (192) | | | | (192) | | (192) |
| Treasury shares | | | (32) | | (811) | | (843) | | (843) |
| Recognition of share-based payment plans | | (14,673) | | | | | (14,673) | | (14,673) |
| Realization of reserve | | | 30,382 | | | | 30,382 | | 30,382 |
| **Appropriation of profit for the period** | | | | | | | | | |
| Transfer from reserves | | | 320,530 | | | (320,530) | | | |
| Interest on capital (note 22(d)) | | | (147,000) | | | | (147,000) | | (147,000) |
| **Total transactions with stockholders** | | (14,673) | 203,688 | | (811) | (320,530) | (132,326) | (11,802) | (144,128) |
| **On December 30, 2024** | 3,742,572 | 10,569 | 692,005 | 315,406 | (1,164) | (339,013) | 4,420,375 | 45,716 | 4,466,091 |

The accompanying notes are an integral part of the consolidated Financial Statements.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | 2024 | 2023 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit for the period attributable to controlling stockholders | 252,860 | 267,921 |
| **Adjustment to profit attributable to the controlling stockholders** | | |
| Recognition of share-based payment plans | | 11,692 |
| Provision for impairment of financial assets | 1,885,183 | 1,555,222 |
| Equity in the (earnings) loss of subsidiary and Controlled companies | (92,446) | (12,646) |
| Depreciation | 26,323 | 18,539 |
| Amortizations of intangible assets | 148,029 | 104,605 |
| Provisions for contingent liabilities | 150,203 | 52,023 |
| Deferred income tax and social contribution | (557,540) | (298,376) |
| Effects of exchange rate changes on assets and liabilities | 990,528 | 21,673 |
| Effect of exchange rate changes on cash and cash equivalents | (20,019) | (1,966) |
| **Adjusted profit** | **2,783,121** | **1,718,687** |
| **Changes in working capital** | | |
| Decrease (Increase) in compulsory deposits in the Central Bank | 463,277 | (428,831) |
| Decrease in financial assets measured in fair value through profit or loss | 169,489 | 472,540 |
| (Increase) in financial assets at fair value through other comprehensive income | (2,260,690) | (964,516) |
| (Increase) Decrease in financial assets measured at amortized cost | (4,570,056) | 606,425 |
| Decrease (Increase) in taxes and contributions recoverable | 39,688 | (25,544) |
| Decrease (Increase) in deferred taxes and contributions' | 181,196 | (29,540) |
| (Increase) in available-for-sale non-current assets | (4,985) | (82,875) |
| Decrease in other assets | 424,006 | 488,259 |
| (Decrease) in judicial deposits | (81,760) | (75,983) |
| (Decrease) Increase in financial liabilities at fair value through profit or loss | (166,933) | 219,344 |
| Increase (Decrease) in financial liabilities at amortized cost | 4,956,869 | (984,463) |
| Increase in current income tax and social contribution | 253,073 | 204,751 |
| (Decrease) in other liabilities/ provisions | (1,218,430) | (578,098) |
| **Cash generated by operations** | **967,865** | **540,156** |
| Income tax and social contribution paid | (150,999) | (165,375) |
| **Net cash generated by operating activities** | **816,866** | **374,781** |
| **Cash flows from investing activities** | | |
| Acquisition of intangible assets | (246,571) | (219,754) |
| Capital increase in subsidiary | | 25,312 |
| Capital reduction in subsidiary | | (128,666) |
| Acquisition of fixed assets | (26,519) | (13,602) |
| Disposal of fixed assets | 1,429 | 9,013 |
| Dividends received from affiliates | | 11,000 |
| **Net cash (used in) investing activities** | **(271,661)** | **(316,697)** |
| **Cash flows from financing activities** | | |
| Issuance of financial bills | 600,000 | |
| Issuance of debt instruments eligible for capital | | 273,000 |
| Interest on share equity paid out | (349,519) | (85,531) |
| Increase in non-controlling interests in subsidiaries | 14,544 | 6,145 |
| **Net cash (used in) generated by financing activities** | **265,025** | **193,614** |
| **Net increase in cash and cash equivalents** | **810,230** | **251,698** |
| **Cash and cash equivalents at the beginning of the period (note 5)** | **874,654** | **620,990** |
| **Effect of exchange rate changes on cash and cash equivalents** | **20,019** | **1,966** |
| **Cash and cash equivalents at the end of the period (note 5)** | **1,704,903** | **874,654** |
| **Net increase in cash and cash equivalents** | **810,230** | **251,698** |

The accompanying notes are an integral part of these consolidated Financial Statements.

## 1. Operations

Banco BMG S.A. ("Bank" or "Institution") and its subsidiaries (together, "the Group" or "Consolidated") is authorized to operate as a multiple service bank with commercial, credit, financing and investment portfolios. The benefit of the services provided between these companies and the costs of the operational and administrative structures are absorbed, in accordance with the practicability and reasonability of having they allocated to them, together and individually, and they are deemed adequate by the management of the institutions.

The Group is formed by the subsidiaries: BMG Leasing S.A., BMG Bank Cayman Ltd., Banco Cifra S.A., Banco BMG Consignado S.A., BMG S.A. Distribuidora de Títulos e Valores Mobiliários, CBFácil Corretora de Seguros e Negócios Ltda. e sua controlada ME Promotora de Vendas Ltda., BMG Soluções Eletrônicas Ltda., Help Franchising Participações Ltda., BMG Participações em Negócios Ltda., BMG Seguridade, Holding Seguradoras S.A., MG Seguros Vida e Previdência S.A., Companhia Securitizadora de Créditos Financeiros Cartões Consignados II, Bmg Middle Market Fundo de Investimento Em Direitos Creditorios, Romeu Fundo de Investimento em Cotas de Fundos de Investimento Multimercado, Fundo de Investimento em Direitos Creditórios NP Esportes e Retail Fundo De Investimento Em Participações Multiestratégia. Detailed information on the subsidiaries is described in the consolidation note.

Banco BMG S.A. ("BMG" or "Bank"), incorporated as a Publicly Traded Company, controlled by the Pentagna Guimarães Family, and located at Avenida Presidente Juscelino Kubitscheck, nº 1.830, São Paulo/SP, Brazil.

Pursuant to the AGM held on June 3, 2024, and after approval by the Central Bank of Brazil, through publication in the Official Gazette on July 29, 2024, we hereby announce a change in the corporate name of the Company BCV - Banco de Crédito e Varejos S.A. to Banco BMG Consignado S.A."

In December 2018, the Bank obtained its register as a public company with the Brazilian Securities and Exchange Commission (CVM).

The consolidated Financial Statements prepared under the IFRS were completed and approved by the Bank's management on February 17, 2025.

## 2. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

### 2.1 Basis of preparation

These consolidated Financial statements of Banco BMG S.A. and its subsidiaries were prepared taking into consideration the provisions in Resolution nº 4,818/20 of the National Monetary Council ("CMN"), which requires the preparation of consolidated annual financial statements in accordance with the International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as "IFRS accounting standards" (IFRS® Accounting Standards, including interpretations issued by the IFRS Interpretations Committee (IFRIC® Interpretations) or by its predecessor body, Standing Interpretations Committee (SIC® Interpretations) and show all relevant information specific to the financial statements, and only that information, which is consistent with that used by management in its management.

For the purposes of disclosing these financial statements, the Group complies with the provisions of IAS 1 – Presentation of Financial Statements, presenting the balance sheet in order of liquidity and the segregation between current and non-current assets in an explanatory note.

The Financial Statements have been prepared under the historical cost convention and adjusted to reflect financial assets and liabilities (including derivative financial instruments) measured at fair value, as required by IFRS 9, in accordance with the business model.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

The preparation of consolidated Financial Statements requires the use of certain critical accounting estimates. It also requires the management of the Group to exercise its judgment in the process of applying the accounting policies of the Group. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

## 2.2 Consolidation

### (a) Consolidated financial statements

The following accounting policies are applied in the preparation of the consolidated financial statements.

### (i) *Subsidiaries*

Subsidiaries are all entities over which the Group has the control. The Group controls an entity when it is exposed to or is entitled to its variable returns arising from its involvement with the entity and has the ability to affect such returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated on the date that control ceases.

The identifiable assets acquired and liabilities assumed for the acquisition of subsidiaries in a business combination are measured initially at their fair values on the date of the acquisition. The Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's net assets. The measurement of the non-controlling interest is determined upon each acquisition made. Acquisition-related costs are accounted for in profit or loss for the year as they are incurred.

The consolidated companies and their interests are presented below:

| Investees | Country of incorporation | Activity | Interest (%) 2023 | 2023 |
|---|---|---|---|---|
| BMG Leasing S.A. | Brazil | Leasing | 99.99 | 99.99 |
| BMG Bank Cayman Ltd. | Cayman Islands | Banking | 100 | 100 |
| Banco BMG Consignado S.A. | Brazil | Banking | 100 | 100 |
| Banco Cifra S.A. | Brazil | Banking | 100 | 100 |
| BMG S.A. Distribuidora de Títulos e Valores Mobiliários | Brazil | Securities distributor | 100 | 100 |
| ME Promotora de Vendas Ltda. | Brazil | Business intermediation | 80 | 80 |
| BMG Soluções Eletrônicas S.A. | Brazil | E-commerce | 99.38 | 99.38 |
| Help Franchising Participações Ltda. | Brazil | Business intermediation | 99.98 | 99.98 |
| BMG Participações em Negócios Ltda. | Brazil | Holding company | 97.69 | 97.33 |
| BMG Seguros S.A. (i) | Brazil | Seguros | | 100 |
| BMG Seguridade | Brazil | Insurance | 100 | 100 |
| BMG Participações em Seguradoras Ltda. | Brazil | Holding | 100 | 100 |
| BMG Seguradora S.A. | Brazil | Insurance | 60 | 60 |
| CBFácil Corretora de Seguros e Negócios Ltda. | Brazil | Business intermediation | 99.99 | 99.99 |

| Credit Rights Investment Fund | Interest % 2024 | 2023 |
|---|---|---|
| Companhia Securitizadora de Créditos Financeiros Cartões Consignados | 100 | 100 |
| Companhia Securitizadora de Créditos Financeiros Cartões Consignados II | 100 | 100 |
| Bmg Middle Market Fundo de Investimento Em Direitos Creditórios | 100 | 100 |
| Vert Companhia Securitizadora de Créditos Financeiros | 100 | 100 |
| Fundo de Investimento em Direitos Creditórios NP Esportes | 100 | 100 |
| **Investment Fund in Quotas of Multimarket Investment Funds** | **2024** | **2023** |
| Retail Fundo De Investimento Em Participações Multiestratégia | 100 | 100 |
| Romeu Fundo de Investimento em Cotas de Fundos de Investimento Multimercado | 100 | 100 |

(i) In September 2024, BMG Seguros S.A. ceased to be part of the consolidated financial statements (see note 4.10).

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

Transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred. The accounting policies of subsidiaries have been changed where necessary in order to ensure consistency with the policies adopted by the Group.

Investments, balance sheet account balances, and profit or loss from transactions between the Bank and its direct and indirect subsidiaries have been eliminated in the consolidated financial statements.

Income arising from assigned credit operations is recorded in the "Interest income and similar earnings" account in the statement of income and the financing cost is recorded in the "Interest cost and similar expenses" account.

**Transactions with non-controlling stockholders**

The Group treats transactions with non-controlling stockholders as transactions with equity owners of the Group. In purchases of non-controlling interests, the difference between any consideration paid and the share acquired of the carrying amount of the subsidiary's net assets is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded directly in equity in the "Carrying value adjustment" account.

## 2.3 Segment reporting

In accordance with IFRS 8, an operating segment is a component of an entity that performs business activities from which revenue can be obtained and in which expenses can be incurred, whose profit or loss can be assessed by the entity's main operational decision-maker, and in relation to which different financial information is available.

The main operational decision maker, responsible for the allocation of funds and the assessment of the performance of the operating segments, is the Executive Board together, which is also responsible for making the Group's strategic decisions.

The management separate this information into two operating segments: Retail Banking and Wholesale Banking.

These operating segments are described below:

- Retail Banking: profit or loss of the Retail Banking segment arises from the offer of banking products and services to individuals.
- Wholesale Banking: profit or loss of the Wholesale Banking segment arises from the offer of banking products and services to legal entities.

Profit or loss by operating segment is presented in the table below:

| | | | | | 2024 |
|---|---|---|---|---|---|
| | Retail Banking | Wholesale Banking | Total BRGAAP(i) | IFRS adjustments | Consolidated under IFRS |
| Financial margin | 3,554,255 | 144,887 | 3,699,142 | (412,496) | **3,297,331** |
| Service revenue | 165,871 | 101,903 | 267,774 | (94,732) | **173,042** |
| **Profit from financial intermediation** | **3,720,126** | **246,790** | **3,966,916** | **(507,228)** | **3,470,372** |
| Expense of allowance for loan losses | (1,528,940) | (33,225) | (1,562,165) | (323,018) | **(1,885,183)** |
| Recovery of credits written-off as losses | 174,878 | 5,724 | 180,602 | | **180,602** |
| **Financial gross income** | **2,366,064** | **219,289** | **2,585,353** | **(830,246)** | **1,765,791** |
| Total expenses | (1,954,795) | (245,521) | (2,200,316) | 426,227 | **(1,784,773)** |
| Equity in the results of associates | 47,676 | (1,415) | 46,261 | 22,034 | **68,295** |
| **Income (loss) from operations** | **458,945** | **(27,647)** | **431,298** | **(381,985)** | **49,313** |
| Non-operating (loss) | 100,154 | (31,980) | 68,174 | 4,433 | **72,607** |
| Income tax and social contribution | (153,176) | 152,066 | (1,110) | 158,539 | **157,428** |
| **Profit or loss** | **405,923** | **92,439** | **498,362** | **(219,013)** | **279,349** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | | | | | 2023 |
|---|---|---|---|---|---|
| | **Retail Banking** | **Wholesale Banking** | **Total BRGAAP(i)** | **IFRS adjustments** | **Consolidated under IFRS** |
| Financial margin | 3,279,935 | 52,880 | 3,332,815 | (367,968) | 2,964,847 |
| Service revenue | 222,949 | 93,266 | 316,215 | (60,004) | 256,211 |
| **Profit from financial intermediation** | **3,502,884** | **146,146** | **3,649,030** | **(427,972)** | **3,221,058** |
| Expense of allowance for loan losses | (1,628,433) | (21,507) | (1,649,940) | 94,718 | (1,555,222) |
| Recovery of credits written-off as losses | 184,868 | 7,209 | 192,077 | (1,149) | 190,928 |
| **Gross finance result** | **2,059,320** | **131,847** | **2,191,167** | **(334,403)** | **1,856,764** |
| Total expenses | (1,914,953) | (182,559) | (2,097,512) | 252,516 | (1,844,996) |
| Equity in the results of associates | 31,155 | (32,423) | (1,268) | 13,914 | 12,646 |
| **Income (loss) from operations** | **175,522** | **(83,135)** | **92,387** | **(67,973)** | **24,414** |
| Non-operating (loss) | 0 | (49) | (49) | 116,889 | 116,840 |
| Income tax and social contribution | (39,349) | 221,137 | 181,788 | (35,812) | 145,976 |
| **Profit or loss** | **136,173** | **137,953** | **274,126** | **13,104** | **287,230** |

**(i)** Result calculated in accordance with the accounting practices adopted in Brazil, established by the Brazilian Companies Law and the Central Bank of Brazil (BACEN).

## 2.4 Foreign currency translation

### *(a)* Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('"the functional currency"'). The consolidated Financial Statements are presented in Brazilian *reais* (R$), which is the Bank's functional currency and also the Group's presentation currency.

### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or of valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income.

Foreign exchange variations arising from the settlement of such transactions and from the translation of monetary assets and liabilities into foreign currency at the closing foreign exchange rates are recognized as gain or losses in profit or loss for the year in the "Other operating income and expenses" account.

## 2.5 Cash and equivalents

Cash and cash equivalents include cash in hand, bank deposits and short-term highly liquid money market investments, with maturities of 90 days or less on the date of acquisition, which are used by the Group to manage its short-term commitments, with immaterial risk of change in value.

## 2.6 Sales with repurchase commitment and purchases with resale commitment

The Group has purchase transactions with a commitment to resell ("resale commitment") and sale transactions with a commitment to repurchase ("repurchase commitment") financial assets. Resale commitments and repurchase commitments are booked under "Open market investments" and "Repurchase agreements," respectively

The amounts invested in transactions with resale commitment and the amounts raised in transactions with repurchase commitment are recorded initially in the balance sheet at the amounts received in advance or raised and they are cash subsequently recorded at amortized cost. The difference between the sale price and the repurchase price is treated as interest and it is recognized during the term of the agreement using the effective interest method. The interest accrued in transactions with resale commitment and the interest incurred in transactions with repurchase commitment is recorded in the “Interest income and similar earnings” and “Interest cost and similar expenses” accounts, respectively.

The financial assets accepted as guarantees in resale commitments can be used, when allowed by the terms of the agreements, as guarantees of repurchase commitments or they can be sold.

In Brazil, the control of the custody of financial assets is centralized and the ownership of the resale commitment and repurchase commitment is temporarily transferred to the buyer. We closely monitor the market value of the financial assets that back the transactions with repurchase commitment and we adjust the amount of the guarantee when appropriate.

The financial assets offered in guarantee to the counterparties are also maintained in the consolidated financial statements. When the counterparty is entitled to sell or use as guarantee the marketable securities offered in guarantee, these securities are reclassified in the balance sheet to an appropriate class of financial assets.

## 2.7 Financial assets and liabilities

### 2.7.1 Recognition and measurement

#### (a) Classification and measurement of financial assets

The Group started to apply IFRS 9 – Financial instruments and classify its financial assets in the following measurement categories:

(i) Amortized cost;
(ii) Fair value through other comprehensive income;
(iii) Fair value through profit or loss.

The subsequent classification and measurement of financial assets will depend on the business model under which cash flows are managed and their characteristics – SPPI Test (Solely Payment of Principal and Interest Test).

The business model refers to how the Bank manages its financial assets to generate cash flows. The business model determines whether the cash flows result from the recognition of contractual cash flows, sale of assets or both. Financial assets can be managed for the purpose of: i) obtaining contractual cash; ii) obtaining contractual cash flows and sale; or iii) others.

The assessment of the business models takes into consideration the risks that affect the performance of the business model, how the business managers are compensated, and how the performance of the business model is assessed and reported to management. If cash flows are realized differently from expectations, the classification of the remaining financial assets maintained in this business model is not changed.

When the financial asset is maintained in the business models i) and ii), the application of the SPPI test is necessary.

**SPPI Test**: assessment of the cash flows generated by the financial instrument for the purpose of verifying whether they consist only of the payment of the principal and interest. To comply with this concept, cash flows must include only a consideration for the value of money in time and the credit risk.

If the contractual terms introduce an exposure to risks or volatility in cash flows, such as exposure to changes in the prices of equity instruments or commodity prices, the financial asset is classified as measured at fair value through profit or loss. Hybrid contracts must be assessed as a whole, including all the embedded characteristics. A hybrid contract that contains an embedded derivative is accounted for on a joint basis, that is, the entire instrument is measured at fair value through profit or loss.

### (i) Amortized cost

The amortized cost is the amount for which the financial asset or liability is measured upon initial recognition, plus the adjustments made using the effective interest method, less the repayment of the principal and amortization of interest, adjusted for any provision for expected credit loss.

The assets measured at the amortized cost are managed to obtain the cash flows made up only of payments of the principal and interest (SPPI Test).

Assets are recognized initially at fair value plus transaction costs and they are subsequently measured at the amortized cost using the effective interest method.

Interest, including the amortization of premiums and discounts, are recognized in the consolidated statement of income in the "Interest income and similar earnings" account.

In June 2022 the Bank reclassified financial assets from the category "financial assets at fair value through other comprehensive income" to "amortized cost,". As established in paragraph 5.6.5 of IFRS 9, as a reflection of the reclassification to accumulated loss previously recognized in other comprehensive income, which was transferred from equity and adjusted against the fair value of the financial asset.

### (ii) Financial assets at fair value through other comprehensive income

- Assets managed to obtain the cash flows made up only of payments of the principal and interest (SPPI Test) and for sale;

- Initially and subsequently recognized at fair value plus transaction costs; and

- Unrealized gains and losses (except for the expected credit loss, foreign exchange differences, dividends and interest income) are recognized, net of the applicable taxes, in the "Accumulated comprehensive income" account.

### (iii) Financial assets at fair value through profit and loss and financial assets designated at fair value

- Assets that do not meet the classification criteria of the previous categories; or assets designated upon initial recognition as at fair value through profit or loss to reduce "accounting mismatches";

- Initially and subsequently recognized at fair value;

- Transaction costs are directly recorded in the Statement of income; and

- Gains and losses arising from changes in fair value are recognized in the "Net gain (loss) from investments in securities and derivatives" account.

The Group irrevocably designates financial assets at fair value through profit and loss upon initial recognition (fair value option) when the option significantly reduces or eliminates measurement or recognition inconsistencies that, otherwise, could result from the measurement of assets and liabilities or the recognition of gains and losses on these assets and liabilities on different bases.

### Effective interest rate

The effective interest rate is the rate that discounts future estimated receipts or payments over the expected life of the financial asset or liability. For the calculation of the effective interest rate, cash flows are estimated taking into consideration all contractual terms of the financial instrument, but not the future credit loss. The calculation includes all commissions paid or received between the parties to the contract, the transaction costs and all other premiums or discounts. Interest income is calculated by applying the effective interest rate on the gross carrying amount of the financial asset.

In the case of financial assets with recovery problems, the adjusted effective interest rate is applied (considering the expected credit loss) at the amortized cost of the financial asset.

### (iv) Financial liabilities at amortized cost

The financial assets that are not classified at fair value through profit or loss are classified in this category and, initially, they are recognized at fair value and, subsequently, they are measured at the amortized cost using the effective interest method. Interest cost is presented in the consolidated statement of income in “Interest cost and similar expenses”.

Borrowings or onlendings of financial assets represent the credit assignment obligations with or without co-obligation. The amounts are represented at the present value of future financial commitments, decapitalized at the original credit assignment rate.

### (b) Hedging

The Group adopts hedge accounting and chose to adopt IFRS 9, continuing to apply the IAS 39 criteria, as allowed in the initial adoption.

In accordance with IAS 39, to qualify as accounting hedge, all the following conditions must be met:

- hedging relationship is at its inception formally designated and documented, together with entity’s risk management objective and strategy for undertaking the hedge.

- the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk (consistently with the documentation) for this hedging relationship in particular.

IAS 39 then describes the rules for three types of hedging: fair value hedges, cash flow hedges and hedges of a net investment in a foreign operation. The bank does not have net investment hedge in operations abroad.

The fair values of the many derivative instruments used for hedging purposes are disclosed in Note 7. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining period to maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining period to maturity of the hedged item is less than 12 months.

### (i) Fair value hedge

For the derivative financial instruments that are designated and qualify as fair value hedge, the following practices apply:

a) the gain or loss resulting from the new measurement of the hedging instrument at fair value should be recognized in profit or loss; and

b) the gain or loss resulting from the hedged item attributable to the effective portion of the hedged item should adjust the carrying amount of the hedged item that will be recognized in profit or loss.

When the derivative expires or is sold, when the hedge no longer meets the criteria for hedge accounting or when the entity revokes the designation, the entity must prospectively discontinue the hedge accounting. Additionally, any adjustment to the carrying amount of the hedged item must be amortized in profit or loss.

### (ii) Cash flow hedge

The effective portion of the changes in the fair value of the derivative financial instruments that are designated and qualified as a cash flow hedge is recognized in other comprehensive income in the “Carrying value adjustment” account. The gain or loss relating to the ineffective portion is immediately recognized in the statement of operations within “Interest and similar proceeds income and expenses”.

The amounts accumulated in other comprehensive income are realized in the statement of income in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). For the derivative financial instruments that are designated or qualify as cash flow hedge, the effective portion of the gains or losses on the derivative is directly recorded in other comprehensive income and reclassified to profit or loss in the same period or periods when the hedged transaction affects profit or loss. The portion of gains and losses on the derivative financial instruments that represent the ineffective portion or the components of the *hedge* excluded from the effectiveness analysis is recognized in profit or loss. The amounts originally recognized in the accumulated comprehensive income and subsequently reclassified to profit, or loss are recognized in the corresponding income or cost line in which the related hedged item is reported.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in comprehensive income and is recognized in profit or loss when the transaction is recognized in the statement of income. When a transaction is no longer expected to occur, the accumulated gain or loss that was reported in other comprehensive income is immediately transferred to the statement of income within "Interest income and similar earnings" and "Interest cost and similar expenses".

### (c) Modification of contractual cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and this does not change substantially its terms and conditions, the Group does not write them off. However, the gross carrying amount of this financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows, discounted by the original effective interest rate. Any costs or fees incurred adjust the modified carrying amount and are amortized over the remaining term of the financial asset. If, on one hand, the renegotiation or modification substantially changes the terms and conditions of the financial asset, the Group writes down the original asset and recognizes a new one. The date of the renegotiation is, consequently, considered as the date of initial recognition of the new asset for the purpose of calculating the expected credit loss, including determining significant increases in credit risk. The Group also assesses whether the new financial asset can be considered as originated or purchased with credit recovery problems, particularly when the renegotiation was motivated by financial difficulties of the debtor. Differences between the carrying amount of the original asset and the fair value of the new asset are immediately recognized in the Statement of income.

### (d) Transfer of financial assets

Financial assets are derecognized when the rights to receive cash flows expire or when all risks and rewards of ownership are substantially transferred, and such transfer qualifies for derecognition in accordance with the requirements in IFRS 9. If it is not possible to identify the transfer of all risks and rewards, the control must be assessed to determine if the continuous involvement related to the transaction does not prevent the derecognition. If, during the assessment, the retention of risks and rewards is not characterized, the financial asset remains recorded, and a liability is recognized for the consideration received.

### (e) Derecognition of financial assets

When there are no reasonable expectations of recovery of a financial asset, taking into consideration the historical curves, the financial asset is totally or partially derecognized together with the reversal of the provision for expected credit loss, with no effects on the Group's statement of income. The subsequent recoveries of the amounts previously derecognized are accounted for as income in the statement of income.

### (f) Fair value

Fair value is the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in an arm's length transaction between market participants on the measurement date.

### (g) Equity instruments

An equity instrument is any contract that provides a residual participation in the assets of an entity, after the deduction of all of their liabilities, such as shares and quotas.

The Group subsequently measures all of its equity instruments at fair value through profit or loss, except when management chooses, upon initial recognition, to irrevocably designate an equity instrument as at fair value through other comprehensive income if it is maintained for a purpose other than to generate profit. When this choice is made, the gains and losses in the fair value of the instrument are recognized in Accumulated comprehensive income and are not subsequently reclassified to the statement of income, even upon sale. Dividends continue to be recognized in the statement of income when the Group's right is recognized.

Gains and losses in equity instruments measured at fair value through profit or loss are accounted for in the statement of income.

### 2.8 Financial lease operations (as lessor)

When the assets are the subject matter of a financial lease, the present value of the payments is recognized as a receivable in the consolidated balance sheet in the "Loan and lease operations" account.

The initial direct costs, when incurred by the Group, are included in the initial measurement of the lease receivables, reducing the amount of the income recognized over the term of the lease. These initial costs often include commissions and attorneys' fees.

The recognition of interest income reflects a constant return rate on the Group's net investment and takes place in the consolidated statement of income in the "Interest income and similar earnings" account.

### 2.9 Provision for impairment of financial assets

**Expected credit loss**

The Group assesses the expected credit loss associated with financial assets measured at amortized cost or fair value through other comprehensive income, with loan commitments and with financial guarantee contracts on a prospective basis. The provision for expected credit loss is recognized in the Statement of Income on a monthly basis.

**Measurement of expected credit loss**

- Financial assets: the loss is measured at the present value of the difference between the contractual cash flows and the cash flows the Bank expects to receive discounted at the effective rate charged;

- Loan commitments: the loss is measured at the present value of the difference between the contractual cash flows that would be due if the loan was contracted, and the cash flows the Bank expects to receive;

- Financial guarantees: the loss is measured by the difference between the payments expected to reimburse the counterparty and the amounts expected to be recovered by the Bank.

The expected loss estimation methodology considers the use of the following factors:

- Exposure to Default (EAD): is the value exposed to credit risk, using as reference the outstanding balance of the contracts and the possibility of using the approved limits;

- Default Probability (PD): it is defined as the probability of the counterparty not honoring its contractual payment obligations, using historical data and registration information of customers and contracts for estimation;

- Default Loss (LGD): is the percentage of exposure that is not expected to be recovered in case of default, using for estimation historical parameters of delay levels, guarantees of operations and coverage by credit insurance.

The Group assesses in every reporting period whether the credit risk significantly increased based on reasonable and sustainable information that is relevant and available without undue cost or effort, including qualitative, quantitative and prospective information. Prospective information is based on macroeconomic scenarios reassessed every year or whenever market conditions so require.

The Group classifies assets in three stages to measure the expected credit loss, in which the financial assets migrate from one stage to another in accordance with the changes in credit risk.

Stage 1: It is understood that a financial instrument in this stage does not present a significant increase in the risk from its initial recognition. The provision for this asset represents the expected loss resulting from possible non-compliance in the next 12 months;

Stage 2: If a significant increase in the risk is identified from the initial recognition, and no deterioration is realized, the financial instrument falls within this stage. In this case, the amount related to the provision for expected loss due default reflects the estimated loss of the financial instrument remaining life. To assess the significant increase in credit risk, quantitative measurement indicators used in regular credit risk management will be used, as well as other qualitative variables, such as the indication of a non-deteriorated operation is it is considered refinanced or operations included in a special agreement, and;

Stage 3: A financial instrument is registered in this stage when it shows indications of clear impairment arising from one or more past event that already materialized in a loss. In this case, the amount related to the provision for losses reflects the expected losses arising from the credit risk in the expected financial instrument remaining life.

### Change of stage

An asset will migrate from one stage to another as the credit risk increases. If, in a subsequent period, the quality of a financial asset improves or the significant increase in the credit risk that was previously identified reverses, the financial asset may return to the stage 1, unless it is a financial asset originated or acquired with credit recovery problems.

Domestic and foreign government bonds are considered financial assets with low credit risk and, therefore, they remain in stage 1, in accordance with a study carried out by the Group.

The Group assesses whether the credit risk significantly increased on an individual or collective basis. For the purpose of a collective assessment, financial assets are grouped based on credit risk characteristics shared, taking into consideration the type of instrument, credit risk ratings, the initial recognition date, the remaining term, industry, geographic position of the counterparty among other relevant factors.

## 2.10 Available for sale non-current assets

In conformity with IFRS 5, assets whose carrying amount can be recovered, particularly by means of a sales transaction instead of the continuous use, were recorded in this category.

They are composed of real estate properties, machinery and equipment and vehicles not used in operations, which were acquired or received as payment in kind.

These assets are sold when they are received as payment in kind. However, those whose negotiation may reveal to be difficult are periodically assessed for impairment based on a technical report. Additionally, investments that are available for immediate sale and whose disposal is highly probable, are classified as held for sale, and measured at the lower of the net book value and the fair value of the asset.

## 2.11 Intangible assets

### Goodwill

Goodwill represents the excess of the cost of an acquisition over the net fair value of the assets and liabilities of the acquired subsidiary. Goodwill on acquisitions of subsidiaries is recorded as “Intangible assets” in the consolidated financial statements. If negative goodwill is determined, the amount is recorded as a gain in the statement of income on the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

The goodwill is allocated to the Cash Generating Units ("UGC") for the purposes of impairment testing. The goodwill is allocated to the Cash Generating Units or to the groups of Cash Generating Units, which may benefit from the business combination from which the goodwill originated and they are identified in accordance with the operating segment.

### 2.12 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the costs can be reliably measured. All other repair and maintenance costs are charged to expenses as incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method as follows:

| | **Years** |
|---|---|
| Buildings | Between 20 and 25 |
| Security system | Between 18 and 20 |
| Installations | Between 8 and 10 |
| Furniture and equipment in use | Between 8 and 10 |
| Communication system | Between 8 and 10 |
| Vehicles | Between 3 and 5 |
| Data processing system | Between 3 and 5 |

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.13).

The gains and losses on disposals are determined based on the comparison of results with the carrying amount and they are recognized in the "General and administrative expenses" account.

### 2.13 Provision for impairment of financial assets

Non-financial assets are reviewed for impairment at the balance sheet date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized by the excess of the asset's carrying amount over its recoverable amount. The recoverable amount is the highest of an asset's fair value less costs to sell and its value in use. For the purpose of assessing the provision for impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash-Generating Units ("UGCs")). The non-financial assets for which a provision for impairment was recognized, except goodwill, are reviewed for an analysis of a possible reversal of the provision for impairment on the date of the presentation of the financial statements.

### 2.14 Provisions

Provisions for judicial actions (labor, civil and tax) are recognized when the Group has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

When there are a number of similar obligations, the probability of settling them is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of settlement related to any one item included in the same class of obligations is small.

These judicial actions are assessed based on the best estimates of management, taking into consideration the opinion of legal advisors when it is likely that financial resources will be required to settle the obligations and that the amount of the obligations can be reliably estimated.

### 2.15 Current and deferred income tax and social contribution

The provision for current taxes is constituted at the rate of 15% on the calculated profit plus an additional 10% on that which exceeds R$20/month, for income tax, 20% for Social Contribution on Net Profit "CSLL" according to Constitutional Amendment No. 103 of November 12, 2019 from January 2022 to July 2022 and, 21% between August 1 and December 31, 2022 according to Law No. 14.446/22.

The deferred income tax and social contribution are represented by the tax credits and deferred tax liabilities obtained by the differences between the accounting calculation basis and the tax calculation basis, in accordance with the tax rules and legislation, at the tax rates in effect on the date they are created.

The tax credit arising from tax loss carryforwards is only recognized if there is sufficient future taxable income for its offset.

### 2.16 Profit sharing

The Group recognizes a liability and an expense for profit sharing based on a methodology that takes into consideration the profit attributable to the Group's stockholders after certain adjustments. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 2.17 Share Capital

The share capital is composed of common and preferred shares, nominative and with no par value (Note 22 (a)).

### 2.18 Revenue recognition

The most significant criteria used by the Group to recognize its income and costs are summarized below:

#### (a) Interest income, interest cost and similar earnings and expenses

Interest income, interest expenses and similar earnings and expenses are recognized using the effective interest method. For the loan operations in which the payment of principal and interest is overdue for 60 days or more, interest income will no longer be recognized.

#### (b) Commissions, fees and similar items

Income and costs from fees and commissions are recognized in the consolidated statement of income, as part of the effective interest rate, using criteria that vary in accordance with their nature. The main criteria are as follows:

- Income and costs from fees and commissions, related to financial assets and liabilities measured at fair value in profit or loss are recognized when they are incurred.
- Income and costs resulting from transactions or services carried out over a long period of time are recognized over the life of these transactions or services using the straight-line method.
- Income and costs related to services provided in a single act are recognized upon the performance of this single act.

#### (c) Non-financial income and expenses

They are recognized for accounting purposes on the accrual basis.

#### (d) Deferred charges and payments

They are recognized for accounting purposes at the amount resulting from the discount of expected cash flows at market rates.

### 2.19 Earnings per share

Earnings per share are calculated by the division of profit attributed to the Group's controlling stockholders by the weighted average number of common and preferred shares outstanding every year. The weighted average number of shares is calculated based on the periods in which the shares were outstanding.

### 2.20 Distribution of dividends and interest on capital

The distribution of dividends and interest on capital to the Group's stockholders is recognized as a liability in the Group's Financial Statements at the semester, or when declared, based on the Group's By-Laws, calculated based on profit or loss determined in accordance with the accounting practices adopted in Brazil applicable to financial institutions authorized to operate by the Central Bank of Brazil. Any amount that exceeds the minimum required is only provided on the date it is approved by the stockholders at the General Stockholders' Meeting.

The tax benefit from interest on capital is recognized in the statement of income.

## 3. Critical accounting estimates and judgments

Estimates and judgments are continually reassessed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Based on assumptions, the Group makes estimates concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are described below. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are described below.

These estimates are based on current expectations and on estimated projections of future events and trends that may affect the consolidated financial statements. The main assumptions that can affect these estimates, in addition to those previously mentioned, are related to the following factors: The main assumptions that can affect these estimates, in addition to those previously mentioned, are related to the following factors:

- Variation in the amounts deposited, in client base and in borrowers' default rates.
- Changes in interest rates.
- Changes in inflation rates.
- Government regulations and tax issues.
- Adverse legal proceedings or disputes.
- Credit, market and other risks arising from credit and investment activities.
- Changes in the market values of Brazilian securities, especially Brazilian government bonds.
- Changes in regional, national and international business and economic conditions.

### (a) Measurement of the provision for impairment of financial assets in "Financial Assets Measured at Amortized Cost"

Assets classified in the financial assets measured at amortized cost category are stated at amortized cost and adjusted by the effective interest rate.

On the base date of the financial statements, the Group must assess the losses inherent to the financial assets measured at the amortized cost. The determination of impairment losses on loans and receivables requires a high level of judgment that involves different evaluation criteria, such as an analysis of the specific characteristics of each loan and receivable portfolio, the existing guarantees and the risk of the operations.

The Group uses internal models to analyze the portfolios of loans and receivables and determine the required provision for losses in accordance with Note 2.9. These models use statistical factors of historical losses observable from a time window that is sufficient to capture seasonal effects and remove the effects of unusual market conditions for groups of loans with similar risk characteristics.

### (b) Provision, Contingent Liabilities and Contingent Assets

The group periodically reviews its contingencies. These contingencies are assessed based on the best estimates of management, taking into consideration the opinion of legal advisors when it is likely that financial resources will be required to settle the obligations and that the amount of the obligations can be reliably estimated. For the contingencies classified as "Probable", provisions are recognized in the Balance Sheet in the "Provisions" account, as described in Note 19.

The amounts of contingencies are measured using models and criteria that allow their proper measurement despite the uncertainty that is inherent to terms and amounts.

### (c) Deferred income tax and social contribution

Deferred tax assets are recognized only in relation to temporary differences to the extent that it is probable that the Group will have future taxable income against which deferred tax assets can be used. Other deferred tax assets (tax credits and tax loss carryforwards) are recognized only when it is probable that the Group will have sufficient future taxable profits against which such credits can be used. In accordance with current regulation, the expected realization of the Group's tax assets is based on the projection of future revenue and technical studies.

### (d) Impairment of Goodwill

The review of the impairment allowance reflects the Group's best estimate of future cash flows from Cash Generating Units (CGUs), with the identification of CGUs and the estimation of their fair value minus selling costs and/or value in use. These flows are subject to market conditions and uncertain factors, as follows:

- Projected cash flows for the periods of available forecasts and long-term assumptions of these flows;

- Discount rates as they generally reflect financial and economic variables, such as the risk-free interest rate and a risk premium.

CGUs or CGU groups are identified at the lowest level at which goodwill is monitored for internal administration purposes. Goodwill is allocated to cash flow generating units for the purpose of the impairment test.

### (e) Share basis payment

The Bank has a specific Compensation Plan for its Directors, which includes guidelines for the payment of fixed and variable compensation in line with the Bank's risk management policy. The amount of fixed compensation is approved annually at the General Meeting. The right to variable compensation is subject to the achievement of the Consolidated strategic objectives, individual goals and targets for the areas of activity of the Directors.

At an extraordinary general meeting held on April 3, 2020, the Bank implemented a Long-Term Incentive Plan, the purpose of which is to allow directors and certain employees of the Bmg Group designated by the Bank's Compensation and Personnel Committee and approved by the Board of Directors (collectively, "Employees") to receive preferred shares issued by the Bank as a long-term incentive that will make up their respective variable compensation.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 4. Financial risk management

The Group's activities expose it to several financial risks: market risk (including currency risk, fair value and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a specific office of the Group in accordance with the policies approved by the Board of Directors. The Group's Risk department identifies, assesses and protects the Group against any financial risks in co-operation with the Group's operating units. The Board of Directors establishes written principles for overall risk management, as well as for specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investment of cash surplus, and these principles are monitored through reviews of the Asset and Liability Committee ("ALCO").

### 4.1 Credit and socioenvironmental risk

The Group is exposed to credit risk, which is the risk that arises when a counterparty causes a financial loss by failing to settle an obligation. Significant changes in the economy or in the financial health of a particular economic activity segment that represents a concentration in the portfolio held by the Group may result in losses that differ from those for which a provision is recognized at the balance sheet date. Therefore, management carefully controls the exposure to credit risk.

Exposures to this type of risk mainly arise from direct loan operations, indirect loan operations (onlendings with the intermediation of financial agents) and other financial instruments. There is also the credit risk in connection with financial agreements that are not recorded in the balance sheet, such as loan commitments. Credit risk control and management are carried out by the Risk Department.

Banco Bmg's Socio-environmental Responsibility policy, which follows the provisions of CMN Resolution No. 4,327/2014, institutes guidelines and consolidates socio-environmental practices in business and in customer relations. The policy establishes prohibited segments, for which we do not grant credit, and restricted sectors, for which the social and environmental risk analysis is more detailed and rigorous. It also determines practices, which include risk management and socio-environmental impact analyses for the purpose of credit and supplier management, conducted through the analysis of socio-environmental practices. In this case, socio-environmental risk is analyzed in order to mitigate operational risk, capital risk, credit risk and reputational risk.

#### 4.1.1 Maximum exposure to credit risk

The table below presents the maximum exposure to credit risk, without considering the guarantees received or other credit improvements.

| | **2024** | **2023** |
|---|---|---|
| Cash and deposits on demand | 155,772 | 525,971 |
| Money market | 1,549,131 | 348,683 |
| Compulsory deposits in the Central Bank | 1,355,174 | 1,818,451 |
| Financial assets stated at fair value through other comprehensive income – marketable securities | 5,724,801 | 3,296,539 |
| At fair value through profit or loss | 782,269 | 1,045,758 |
| At fair value through profit or loss - Derivative financial instruments | 302,282 | 69,452 |
| Financial assets measured at amortized cost (except Compulsory deposits in the Central Bank and Money market) | 31,381,530 | 29,706,793 |
| **Off-balance** | **5,902,807** | **5,742,185** |
| Guarantees and sureties | 166,970 | 210,944 |
| Credits to be released | 5,735,837 | 5,531,241 |
| **Total maximum exposure to credit risk** | **47,153,766** | **42,553,832** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

For assets recorded in the balance sheet, the exposures described are based on net carrying amounts. This analysis includes only the financial assets that are subject to credit risk, and non-financial assets are not included.

As shown in the table above, the most significant exposure arises from loans and receivables and available-for-sale financial assets.

The credit risk limits are determined based on internal or external classifications in accordance with the limits determined by the Board of Directors. The use of the credit limits is regularly monitored. See Note 4.1.4 for further disclosure on credit risk.

### 4.1.2 Risk limit control and mitigation policies

The Group manages, limits and controls credit risk concentrations whenever they are identified, particularly for counterparties and individual groups. Management structures the risk levels it assumes, establishing limits on the acceptable risk extent related to a specific debtor and groups of debtors. These risks are monitored on a rotating basis and are subject to annual or more frequent reviews, when necessary, and are approved by the proper authorities that are determined by the Corporate Credit Committee. The payroll loan credit card is a large volume mass-market product with low average ticket, which reduces the credit concentration risk.

Credit risk exposure is also managed by the regular analysis of actual and potential borrowers with regard to the payments of the principal amount and interest and of the changes of limits when appropriate.

One of the ways to mitigate credit risk is to take guarantees on the release of funds. The Group implements guidelines on the acceptance of specific classes of guarantees or mitigation of credit risk. The main types of guarantees for loan operations are:

- Trust receipt;
- Pledge;
- Mortgage;
- Promissory note;
- Letter of guarantee.

The internal classification tool helps the Group determine the objective evidence of the provision for impairment in accordance with IFRS 9, based on the criteria described in Note 2.9.

### 4.1.3 Quality of financial assets

The quality of the Group's financial assets, which are assessed on an individual basis, is measured in accordance with the internal risk classification and is presented as follows:

| | | | **2024** |
|---|---|---|---|
| | **Internal risk classification** | | |
| | **Low** | **Medium** | **High** |
| Cash and deposits on demand | 155,772 | | |
| Open market investments | 1,549,131 | | |
| Money market | 1,355,174 | | |
| Compulsory deposits in the Central Bank | 23,306,245 | 1,262,588 | 1,800,069 |
| Financial Assets Measured at Amortized Cost - Credit Operations | 5,724,801 | | |
| Financial assets stated at fair value through other comprehensive income – marketable securities | 782,269 | | |
| At fair value through profit or loss | 6,415,522 | | |
| At amortized cost - Marketable securities | 302,282 | | |
| Derivative financial instruments | 155,772 | | |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | | | 2023 |
|---|---|---|---|
| | Internal risk classification | | |
| | Low | Medium | High |
| Cash and deposits on demand | 525,971 | | |
| Money market | 348,683 | | |
| Compulsory deposits in the Central Bank | 1,818,451 | | |
| Financial Assets Measured at Amortized Cost - Credit Operations | 21,878,563 | 1,062,548 | 941,746 |
| Financial assets stated at fair value through other comprehensive income – marketable securities | 3,296,539 | | |
| At fair value through profit or loss | 1,045,758 | | |
| At amortized cost - Marketable securities | 6,547,014 | | |
| Derivative financial instruments | 69,452 | | |

#### 4.1.4 Concentration of risks

The individual risk limits in loan operations are determined in specific operational regulations.

These limits are frequently monitored and, in the event of departure from the limit, the officer responsible for risk management will be immediately communicated and will have to develop and manage the performance of an action plan for correction and adjustment.

The high volume of operations carried out by the Institution requires a complex structure of technology environment to process these transactions and internal controls.

### 4.2 Market risk

Market risk is defined as the possibility of losses resulting from the variation of market prices and rates due to the mismatching of terms, currencies and indexes in the positions held by the Group. Operations classified as market risk sources are those subject to changes in foreign exchange rates, interest rates and commodity prices. The portfolios

of held-for-trading investments include all the securities owned by the investment funds, the daily changes in which are regularly monitored.

Financial instruments that are not designated for trading basically correspond to Marketable securities. This portfolio includes interest rate, price index and foreign exchange risks. The measurement techniques used to measure and control the market risk are described below:

**Market risk measurement techniques**

**Value at Risk *("VaR")***

VaR is an estimate based on potential loss statistics for the current investment portfolio arising from adverse changes in market conditions. It expresses the "maximum" amount that the Group can lose at a certain confidence level (99%). There is, therefore, a one percent (1%) probability that actual losses are higher than the VaR estimate. This model presumes a holding period for all positions (10 days). In addition, it also presumes that changes during such period will maintain a pattern similar to the changes that occurred in previous ten-day holding periods. The VaR is used to measure the risk of banking portfolio financial operations that are subject to changes in fixed interest rates denominated in Brazilian reais and in the Long-Term Interest Rate (TJLP), changes in price indexes denominated in the Broad Consumer Price Index (IPCA) and the General Market Price Index (IGP-M), and the foreign exchange variation. These limits are daily monitored by the Risk Department.

**Stress test**

As in the management of market risk exposure, financial instruments are segregated into trading and banking portfolios according to best market practices and to the operation classification and capital management criteria of Basel III New Standardized Approach of Bacen. The banking portfolio consists of commercial and structural operations arising from the different business lines of the Group and their hedges. Therefore, the entire portfolio of the Group to be analyzed regarding market risk is classified as banking.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

The summarized table below shows the effects of price variations in the projected scenarios and does not necessarily reflect the current position, in view of the market dynamics and the Group's activities.

Stress tests provide an indication of the potential volume of losses that might arise from extreme market situations. The stress tests for the banking portfolio are conducted by the Risk Department.

| | | | | Banking portfolio 2024 |
|---|---|---|---|---|
| **Risk factors** | **Definition** | **Scenario 1** | **Scenario 2** | **Scenario 3** |
| Foreign currency | Exposures subject to foreign exchange variation | (377) | (942) | (1,884) |
| Interest rates in reais | Exposures subject to changes in fixed interest rates | (95,360) | (238,400) | (476,800) |
| Foreign exchange coupon | Exposures subject to changes in foreign exchange coupon rates | (17,266) | (43,165) | (86,329) |
| IPCA / IGP-M | Exposures subject to changes in price index coupon rates | 18,683 | 46,708 | 93,416 |
| **Total** | | **(94,320)** | **(235,799)** | **(471,597)** |

| | | | | 2023 |
|---|---|---|---|---|
| **Risk factors** | **Definition** | **Scenario 1** | **Scenario 2** | **Scenario 3** |
| Foreign currency | Exposures subject to foreign exchange variation | (3,158) | (7,896) | (15,792) |
| Interest rates in reais | Exposures subject to changes in fixed interest rates | (50,949) | (127,373) | (254,745) |
| Foreign exchange coupon | Exposures subject to changes in foreign exchange coupon rates | (12,431) | (31,077) | (62,155) |
| IPCA / IGP-M | Exposures subject to changes in price index coupon rates | 7,744 | 19,361 | 38,721 |
| **Total** | | **(58,794)** | **(146,985)** | **(293,971)** |

The Group's financial instruments are classified as banking portfolio and they comprise loan operations, instruments for the raising of financial resources to be used to finance the loan portfolio, available-for-sale marketable securities and derivative financial instruments to be used to *hedge* other operations classified in this portfolio (asset or liability).

The risk factors identified are as follows:

- Interest curve – loss arising from price variations due to variations in Brazilian real-denominated fixed interest rates;
- Foreign exchange coupon – loss arising from price variations due to variations in the domestic interest rate for operations indexed to foreign exchange variation;
- Foreign exchange – loss arising from price variations due to variations in any currency.
- IPCA/IGP-M: loss arising from price index variations.

**Assumptions for the risk factors**

| Scenario | Interest curve (fixed) and foreign exchange coupon curve | Foreign exchange |
|---|---|---|
| 1 | Parallel shift of + 100 basis points | 10% increase |
| 2 | Parallel shift of + 250 basis points | 25% increase |
| 3 | Parallel shift of + 500 basis points | 50% increase |

- Scenario 1 represents a parallel shock of 100 basis points (+1%) in the interest and foreign exchange coupon curves plus a 10% shock in foreign exchange rates.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

- Scenario 2 represents a parallel shock of 250 basis points (+2.5%) in the interest and foreign exchange coupon curves plus a 25% shock in foreign exchange rates.
- Scenario 3 represents a parallel shock of 500 basis points (+5%) in the interest and foreign exchange coupon curves plus a 50% shock in foreign exchange rates.

### 4.3 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from the exposure of some currencies, primarily with respect to the U.S. dollar. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

Management established a policy that requires the Group companies to manage their foreign exchange risk. The Group companies whose operations are exposed to foreign exchange risk are required to hedge their foreign exchange risk exposure through *swap* operations carried out under the guidance of the Group' Treasury. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is different from the entity's functional currency.

**Concentrations of currency risk–financial instruments recorded in the balance sheet**

| | 2024 | 2023 |
|---|---|---|
| **Assets** | | |
| Investments in foreign currency (U.S. dollar) | 59,513 | 400,311 |
| **Total financial assets** | **59,513** | **400,311** |
| | | |
| **Liabilities** | | |
| Loan abroad (U.S. dollar) | (1,306,878) | |
| **Total financial assets** | **(1,306,878)** | |
| | | |
| Total derivatives – Assets (U.S. dollar) | 281,357 | 30,128 |
| Total derivatives – Liabilities (U.S. dollar) | (91,020) | (136,503) |
| **Net financial position recorded in the balance sheet** | **190,337** | **(106,375)** |

### 4.4 Cash flow or fair value risk associated with interest rate

The Group's interest rate risk arises mainly from funding via time deposits, interbank deposits and credit lines (FINAME) from the National Bank for Economic and Social Development (BNDES). Funds raised at variable rates expose the Group to cash flow interest rate risk. Meanwhile, funds raised at fixed rates (especially subordinated debts and short-term notes) expose the Group to the fair value interest rate risk. In 2023 and 2022, the Group's variable rate loans were mainly maintained in Brazilian reais and us dolar.

The Group analyzes its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and financing. Based on these scenarios, the Group calculates the impact on the result of a defined interest rate shift. For each simulation, the same interest rate shift is used for all the currencies. The scenarios are run only for the liabilities that represent the major interest-bearing positions.

Based on the various scenarios, the Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. The fixed rates that result from this swap operation are lower than those available if the Group borrowed at fixed rates directly.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

The table below summarizes the Group's exposure to interest rate risk and includes financial instruments at their carrying amounts, categorized by the earliest contractual amendment or maturity dates.

| | Within 90 days | From 91 to 360 days | Over 360 days | 2024 Total |
|---|---|---|---|---|
| Open market investments | 1,549,131 | | | **1,549,131** |
| Compulsory deposits in the Central Bank | 1,355,174 | | | **1,355,174** |
| At fair value through profit or loss - Derivative financial instruments (Note 7) | 153,636 | 113,680 | 34,966 | **302,282** |
| Financial assets stated at fair value through other comprehensive income – marketable securities (Note 6) | 1,166,925 | 1,664,781 | 2,893,095 | **5,724,801** |
| Financial assets measured at amortized cost (Note 6) | 4,103,299 | 7,750,747 | 19,527,484 | **31,381,530** |
| At fair value through profit or loss (Note 6) | 19,516 | | 762,753 | **782,269** |
| **Total financial assets** | **8,347,681** | **9,529,208** | **23,218,298** | **41,095,187** |
| Financial liabilities measured at amortized cost (Note 12) | 10,653,709 | 9,326,172 | 21,849,448 | **41,829,329** |
| Derivative financial instruments (Note 7) | 169,317 | 26,078 | 7,883 | **203,278** |
| **Total financial liabilities** | **10,823,026** | **9,352,250** | **21,857,331** | **42,032,607** |

| | Within 90 days | From 91 to 360 days | Over 360 days | 2023 Total |
|---|---|---|---|---|
| Money market (Note 5) | 348,683 | | | **348,683** |
| Compulsory deposits in the Central Bank | 1,818,451 | | | **1,818,451** |
| At fair value through profit or loss - Derivative financial instruments (Note 7) | 25,853 | 42,246 | 1,353 | **69,452** |
| Financial assets stated at fair value through other comprehensive income – marketable securities (Note 6) | 495,092 | 1,277,725 | 1,523,722 | **3,296,539** |
| Financial assets measured at amortized cost (Note 6) | 3,403,966 | 7,590,199 | 18,712,628 | **29,706,793** |
| At fair value through profit or loss (Note 6) | 20,886 | | 1,024,872 | **1,045,758** |
| **Total financial assets** | **6,112,931** | **8,910,170** | **21,262,575** | **36,285,676** |
| Financial liabilities measured at amortized cost (Note 12) | 7,153,644 | 12,288,201 | 17,150,228 | **36,592,073** |
| Derivative financial instruments (Note 7) | 101,306 | 33,717 | 2,359 | **137,382** |
| **Total financial liabilities** | **7,254,950** | **12,321,918** | **17,152,587** | **36,729,455** |

**Financial exposure of derivative financial instruments**

| | | 2024 | | 2023 |
|---|---|---|---|---|
| | **Assets** | **Liabilities** | **Assets** | **Liabilities** |
| **Risk factors** | | | | |
| Fixed rate | 2,061,531 | 4,499,763 | 2,923,666 | 6,798,185 |
| Foreign currency | 3,943,780 | 3,124,507 | 6,859,326 | 3,061,791 |
| IPCA | | | 179,114 | |
| Others | 1,750,832 | 17,577 | 15,828 | 182,754 |
| **Total** | **7,756,143** | **7,641,847** | **9,977,934** | **10,042,730** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 4.5 Liquidity risk

Liquidity risk is the possibility that the Group will not have sufficient financial resources to meet its obligations due to the mismatch between payments and receipts, taking into consideration the different currencies and the settlement terms of their rights and obligations.

### Liquidity risk management process

Liquidity Risk Management is carried out on a daily basis by the Risk Department through an internal system. The Group's Liquidity Risk Policy sets forth limits (liquidity buffer), which are monitored by ALCO, and, if they are extrapolated, the responsible Committee must be informed. For the decision-making processes, reports, such as cash flow, cash projection for the next six months and effective cash versus limits established and made available by Treasury, are prepared.

### Funding approach

The main objective of the Group's Treasury is to provide liquidity to ensure that its financial obligations will be met, ensuring the business sustainability through funding at competitive rates and the diversification of its refinancing sources by counterparty, currency, product and term. In addition, it is aimed at mitigating financial risks through the follow-up and monitoring of the risks inherent to the business, such as market risk and liquidity risk.

### Undiscounted cash flows

The table below presents the cash flows in accordance with financial assets and liabilities, described by the remaining contractual maturity after the balance sheet date. The amounts disclosed in the table are the contracted undiscounted cash flows, whose liquidity risk is managed based on expected undiscounted cash inflows.

| | | | | | **2024** |
|---|---|---|---|---|---|
| **Undiscounted cash flows** | **Within 90 days** | **From 91 to 360 days** | **From 361 to 1800 days** | **Over 1800 days** | **Total** |
| Cash and deposits on demand | 155,772 | | | | **155,772** |
| Open market investments | 1,549,131 | | | | **1,549,131** |
| Financial assets measured at amortized cost | 6,365,394 | 4,239,889 | 18,795,328 | 5,621,452 | **35,022,063** |
| Financial assets stated at fair value through other comprehensive income – marketable securities | 1,177,163 | 1,733,325 | 3,832,797 | | **6,743,285** |
| Financial assets at fair value through profit – marketable securities | 19,516 | | | 762,753 | **782,269** |
| At fair value through profit or loss - Derivative financial instruments | 153,636 | 113,680 | 34,966 | | **302,282** |
| **Total receivable** | **9,420,612** | **6,086,894** | **22,663,091** | **6,384,205** | **44,554,802** |
| **Deposits** | | | | | |
| Demand deposit | 376.664 | | | | **376.664** |
| Time deposit | 2.345.107 | 7.893.573 | 17.099.996 | 250.792 | **27.589.468** |
| Assignments | 2.066 | 5.758 | 37.245 | | **45.069** |
| Interbank deposits | 23.101 | 93.672 | 40.999 | | **157.772** |
| **Derivative financial instruments** | **169.318** | **26.077** | **7.883** | | **203.278** |
| **Marketable securities and financial bills** | **6.774** | **569.877** | **3.959.233** | **2.282.325** | **6.818.209** |
| **Borrowings and onlendings** | **1.249.431** | **115.910** | **566.617** | | **1.931.958** |
| **Subordinated financial bills and debt** | **15.983** | | **284.681** | **771.729** | **1.072.393** |
| **Total payable** | **4.188.444** | **8.704.867** | **21.996.654** | **3.304.846** | **38.194.811** |
| **Difference receivable (payable)** | **5.232.168** | **(2.617.973)** | **666.437** | **3.079.359** | **6.359.991** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | | | | | 2023 |
|---|---|---|---|---|---|
| **Undiscounted cash flows** | **Within 90 days** | **From 91 to 360 days** | **From 361 to 1800 days** | **Over 1800 days** | **Total** |
| Cash and deposits on demand | 525,971 | | | | **525,971** |
| Money market | 348,683 | | | | **348,683** |
| Financial assets measured at amortized cost | 6,097,420 | 4,593,093 | 15,866,710 | 2,568,386 | **29,125,609** |
| Financial assets stated at fair value through other comprehensive income – marketable securities | 467,863 | 1,362,671 | 1,775,001 | 55,443 | **3,660,978** |
| Financial assets at fair value through profit | 20,886 | | 157,577 | 1,024,872 | **1,203,335** |
| At fair value through profit or loss - Derivative financial instruments | 25,853 | 42,246 | 1,353 | | **69,452** |
| **Total receivable** | **7,486,676** | **5,998,010** | **17,800,641** | **3,648,701** | **34,934,028** |
| **Deposits** | | | | | |
| Demand deposit | 372,156 | | | | **372,156** |
| Time deposit | 2,184,498 | 11,617,891 | 14,951,823 | 280,763 | **29,034,975** |
| Assignments | 6,988 | 6,823 | 12,980 | 2,873,654 | **2,900,445** |
| Interbank deposits | 23,318 | 26,174 | | | **49,492** |
| **Derivative financial instruments** | **101,306** | **33,717** | **2,359** | | **137,382** |
| **Marketable securities and financial bills** | **70,083** | **1,154,682** | **2,926,929** | **2,604,767** | **6,756,461** |
| **Borrowings and onlendings** | **2,247** | **7,880** | **645,276** | | **655,403** |
| **Subordinated financial bills and debt** | **11,620** | | **25,910** | **973,339** | **1,010,869** |
| **Total payable** | **2,772,216** | **12,847,167** | **18,565,277** | **6,732,523** | **40,917,183** |
| **Difference receivable (payable)** | **4,714,460** | **(6,849,157)** | **(764,636)** | **(3,083,822)** | **(5,983,155)** |

## 4.6 Capital management

The objectives of the Group when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group can make adjustments to the amount of dividends paid to stockholders, issue new shares or sell assets to reduce, for example, debt.

In accordance with CMN Resolution No. 4,557 /17 and subsequent regulations, financial institutions are obliged to maintain equity compatible with the degree of risk of their assets, weighted by factors that vary from 0% to 1,250% and a minimum index of equity in relation to assets weighted by risk of 8% plus the respective portions of Additional Principal Capital and Countercyclical.

In addition, equity used for calculating the Regulatory capital is the equity calculated according to the accounting practices applicable to institutions authorized to operate by the Central Bank of Brazil (Bacen) and not to IFRS.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

The Basel ratio and regulatory capital calculated to meet the rules of Brazilian Central Bank are as follows:

| | | Basel III |
|---|---|---|
| | 2024 | 2023 |
| **Tier I regulatory capital** | **2,850,311** | **2,505,097** |
| **Common equity tier I** | **2,739,466** | **2,394,295** |
| – Equity (i) | 4,267,690 | 4,008,504 |
| – Prudential adjustments – Resolution No. 4,955/21 CMN | (1,528,224) | (1,614,209) |
| **Complementary capital (ii)** | **110,845** | **110,802** |
| - Subordinated debt | 110,845 | 110,802 |
| **Tier II Reference equity (ii)** | **885,449** | **884,521** |
| - Subordinated debt | 885,449 | 884,521 |
| **Reference equity - (Tier I + Tier II) (a)** | **3,735,760** | **3,389,618** |
| **Risk-weighted assets – RWA (b)** | **28,278,823** | **25,511,815** |
| Appropriation of capital | | |
| – Credit risk | 25,748,488 | 23,121,514 |
| – Market risk | 194,544 | 341,960 |
| – Operational risk | 2,335,791 | 2,048,341 |
| **Solvency ratio (a / b)** | **13.21%** | **13.29%** |
| **Tier I capital** | **10.08%** | **9.82%** |
| – Common equity tier 1 | 9.69% | 9.39% |
| – Complementary capital | 0.39% | 0.43% |
| **Tier II capital** | **3.13%** | **3.47%** |
| - Capital to hedge the risk of transactions subject to the variation of interest rates classified in the banking portfolio per Resolution No. 3,876 of BACEN - Installment “IRRBB”. | 412,940 | 190,242 |
| **Fixed assets ratio** | **27.94%** | **37.80%** |
| **Excess capital in relation to fixed assets** | **824,293** | **413,431** |

(i) Equity of the Prudential Conglomerate, as provided to Resolution No. 4,955, of October 21, 2021; and

(ii) See note 17.

### 4.7 Fair value estimate

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

- Level 1: quoted prices in active markets for the same instrument without change.
- Level 2: quoted prices in active markets for similar instruments or valuation techniques for which all significant inputs are based on observable market data.
- Level 3: valuation techniques for which any significant input is not based on observable market data.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

The table below presents the assets and liabilities measured at fair value on December 31, 2024.

| Description | Level 1 | Level 2 | Total |
|---|---|---|---|
| **Assets** | | | |
| Financial assets stated at fair value through other comprehensive income – marketable securities | 5,724,801 | | 5,724,801 |
| At fair value through profit or loss | | 782,269 | 782,269 |
| Derivative financial instruments | | 302,282 | 302,282 |
| **Total assets** | **5,724,801** | **1,084,551** | **6,809,352** |
| **Liabilities** | | | |
| Derivative financial instruments | | 203,278 | 203,278 |
| **Total liabilities** | | **203,278** | **203,278** |

The table below presents the assets and liabilities measured at fair value on December 31, 2023.

| Description | Level 1 | Level 2 | Total |
|---|---|---|---|
| **Assets** | | | |
| Financial assets stated at fair value through other comprehensive income – marketable securities | 3,296,539 | | 3,296,539 |
| At fair value through profit or loss | | 1,045,758 | 1,045,758 |
| Derivative financial instruments | | 69,452 | 69,452 |
| **Total assets** | **3,296,539** | **1,115,210** | **4,411,749** |
| **Liabilities** | | | |
| Derivative financial instruments | | 137,382 | 137,382 |
| **Total liabilities** | | **137,382** | **137,382** |

The fair value of financial instruments traded in active markets (such as held-for-trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value of an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- quoted market prices or financial institution or dealer quotes for similar instruments;
- the fair value of interest rate *swaps* is calculated as the present value of the estimated future cash flows based on yield curves adopted by the market;
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group has no Level 3 financial assets.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

### 4.8 Fair value of financial assets and liabilities not measured at fair value

As mentioned above, financial assets owned by the Group are measured at fair value in the consolidated balance sheet, except for loans and receivables and held-to-maturity assets.

For the same purpose, the Group's financial liabilities are stated at amortized cost in the consolidated balance sheet, except for held-for-trading financial liabilities.

A comparison between the carrying amounts of the Group's financial assets not measured at fair value and their corresponding fair values at the end of the year is presented below:

| | | | | | | 2024 | 2023 |
|---|---|---|---|---|---|---|---|
| **ASSETS** | **Carrying amount** | **Fair value** | **Level 1** | **Level 2** | **Level 3** | **Total** | **Total** |
| Loan and lease operations | 23,953,083 | 23,326,964 | | 23,326,964 | | **23,326,964** | **24,289,051** |
| **LIABILITIES** | | | | | | | |
| Deposits from clients | 25,009,524 | 27,141,879 | | 27,141,879 | | **27,141,879** | **25,398,468** |
| Borrowings and onlendings | 1,931,958 | 1,931,958 | | 1,931,958 | | **1,931,958** | **607,184** |
| Marketable securities and financial bills | 5,855,400 | 5,598,498 | | 5,598,498 | | **5,598,498** | **3,023,558** |
| Subordinated financial bills and debt | 1,072,393 | 1,062,211 | | 1,062,211 | | **1,062,211** | **687,551** |
| Other financial liabilities | 1,005,054 | 1,006,462 | | 1,006,462 | | **1,006,462** | **945,026** |
| Borrowings or transfers of financial assets | 23,851 | 23,851 | | 23,851 | | **23,851** | **45,495** |

The assumptions used to estimate fair value are as follows:

- The amounts of all asset and liability operations subject to fixed rates were adjusted based on the fair value. The fair value rate was determined based on the average rate by product used for all the operations carried out in December 2024.
- All asset and liability operations subject to floating or fixed rates or indexes, such as the Interbank Certificate Index ("CDI"), General Market Price Index ("IGP-M"), Broad Consumer Price Index ("IPCA"), U.S. dollar and National Consumer Price Index ("INPC") were considered as already measured at fair value, since they are already subject to an index that reflects the fluctuations in the market.
- The fair value amounts were determined using the future cash flow of each operation at the effective rate of the contract and discounted to present value at the market rate, as previously determined, which includes the credit risk of the counterparty.

### 4.9 Guarantees for loan operations

The Group uses guarantees to reduce losses on operations with credit risk by managing these guarantees so that they are always sufficient, legally enforceable (effective) and viable, and reviewing them on a regular basis.

Loan operations not related to payroll loans are covered by the following guarantees:

| | | | | | 2024 |
|---|---|---|---|---|---|
| | | **Type of product** | | | |
| **Type of guarantee** | **commercial portfolio** | **Direct consumer credit** | **Export Financing** | **Cash Deposit** | **Total** |
| Fiduciary Assignment | 154,668 | 510 | 72,275 | | **227,453** |
| Assignment of credit rights | 284,116 | 332,124 | 527,840 | 1,249,076 | **2,393,156** |
| Pledge | 21,214 | 480 | | | **21,694** |
| Mortgage | | 23,796 | | | **23,796** |
| Others | 4,542 | 702 | | | **5,244** |
| **TOTAL** | **464,540** | **357,612** | **600,115** | **1,249,076** | **2,671,343** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

| | | | | | 2023 |
|---|---|---|---|---|---|
| | Type of product | | | | |
| Type of guarantee | commercial portfolio | Direct consumer credit | Export Financing | Debentures | Total |
| Fiduciary Assignment | 190,785 | 510 | 95,409 | | **286,704** |
| Assignment of credit rights | 392,619 | 104,824 | 225,352 | 3,688,916 | **4,411,710** |
| Pledge | 21,363 | 480 | | | **21,843** |
| Mortgage | | 32,059 | | | **32,059** |
| Others | 10,767 | 701 | | | **11,468** |
| **TOTAL** | **615,534** | **138,574** | **320,761** | **3,688,916** | **4,763,784** |

When secured loan operations become non-performing, the existing collection policy comprises the following steps: amicable debt collection, attempt to formalize the term of amicable delivery, filing an action for a search warrant of collateral, and ultimately going into auction,

### 4.10 Business combination and corporate changes

On February 27, 2023, Bmg Participações em Negócios Ltda. a subsidiary of Banco Bmg, signed a Share Purchase and Sale Agreement to acquire 30% of the total capital stock of Bmg Seguros S.A. owned by Assicurazioni Generali S.P.A for the sum of €9,000 plus compensation of R$20,000, owed by Generali to Bmg Participações em Negócios. As a result of this acquisition, Bmg Participações em Negócios will now hold 100% of the voting capital of Bmg Seguros. The conclusion of the operation is subject to approval by the regulatory agencies.

On May 04, 2023, as communicated to the market, Banco Bmg informed that it will acquire 5% of the capital stock of Granito Instituição de Pagamento S.A. (“Granito”) held by minority shareholders. On May 22, 2023, the acquisition operation was completed for the amount of R$10,000. With the completion of the transaction, Banco Bmg now holds 50% of Granito's total and voting capital stock, together with Banco Inter S.A., with the corporate governance structure and shared control between the banks in Granito remaining unchanged.

On July 21, 2023, a capital reduction was made in the CBFacil Corretora de Seguros e Negócios Ltda. subsidiary in the amount of R$90,000.

On September 29, 2023, in accordance with contractual performance, an additional earn-in payment of R$21,666 was made and goodwill of R$10,833 was calculated, relating to the equity investment agreement signed on July 2, 2021 between Banco Bmg and Araújo Fontes Consultoria e Negócios Imobiliários Ltda. and AF Invest Administração de Recursos Ltda., one of the leading independent investment advisory boutiques in Brazil, with the acquisition of 50% of the share capital of the holding company ("AF Controle S.A.").

On October 13, 2023, a capital increase was carried out in BMG Cayman in the amount of US$5,000, which corresponds to R$25,312.

On November 01, 2023, BMG, through its subsidiary CBFácil Corretora de Seguros e Negócios Ltda., indirectly held 26.58% of the voting share capital of Icertus Tecnologia S/A ("Icertus"). The company develops, licenses and maintains intelligent management software for micro, small and medium-sized companies.

On November 07, 2023, a capital increase was carried out at Granito Instituição de Pagamento S.A. ("Granito") in the amount of R$50,000.

On March 12, 2024, a capital increase was carried out by BMG Cayman in the amount of US$20,000, which corresponds to R$99,554.

On March 15, 2024, a capital reduction was made in the subsidiary CBFacil Corretora de Seguros e Negócios Ltda. in the amount of R$400,000.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

On May 28, 2024, Banco Bmg entered into a "Share Purchase and Sale Agreement and Other Covenants" with Banco Inter S.A. ("Inter"), for the entire shareholding held by the Bank, representing 50% of the share capital of Granito Instituição de Pagamento S.A. ("Granito"). The total price of the transaction is R$110,000, which will be adjusted by the variation of 100% of the CDI rate and will be paid in cash on the closing date of the transaction. The operation was concluded on July 24, 2024 (see note 28 (e)).

On August 20, 2024, a capital increase was carried out in BMG Cayman in the amount of US$60,000, which corresponds to R$325,422.

On September 05, 2024, Banco Bmg S.A. entered into a Share Purchase Agreement and Other Covenants with Dayprev Vida e Previdência S.A. ("Dayprev"), an insurance company belonging to the Banco Daycoval S.A. group, through which the parties established the terms and conditions for the sale, by the Bank's subsidiary, Bmg Participações em Negócios Ltda., to Dayprev, of all the ordinary shares issued by Bmg Seguros S.A (note 28f). The price of the operation is equivalent to 1.47 times the net equity of Bmg Seguros on the closing date of the Operation. The closing of the Transaction is subject to the implementation of certain conditions precedent usual to this type of transaction, including obtaining prior approvals from regulatory bodies. In September 2024, BMG Seguros S.A. ceased to be part of the consolidated financial statements, was classified as Investments held for sale and valued at fair value in the amount of R$90,179.

Em 01 de novembro de 2024, O Banco Bmg S.A., em continuidade ao Fato Relevante e Comunicado ao Mercado publicados, respectivamente, em 06 de agosto de 2020 e 03 de novembro de 2020, comunicou aos seus acionistas e ao mercado em geral que, conforme previsto no contrato de compra e venda de quotas da Bmg Corretora de Seguros S.A. ("Bmg Corretora"), após a aprovação pelo Conselho Administrativo de Defesa Econômica – CADE e diante do cumprimento das condições estabelecidas nos instrumentos contratuais, a Wiz Co Participações e Corretagem de Seguros S.A. ("Wiz") exerceu a opção de compra para aquisição adicional de 9% do capital social da Bmg Corretora. Com a Operação, o Banco, por meio da Bmg Seguridade S.A., passou a deter 51% do capital social da Bmg Corretora.O Banco esclarece que a Operação não resultará em qualquer alteração na estratégia ou governança da Bmg Corretora.

Em 04 de dezembro de 2024, foi efetivado o aumento de capital na BMG Participações em Negócios Ltda. no valor de R$ 12.000.

Investments valued using the equity pickup method, in the amount of R$159,969 (2023 - R$132,818) are basically represented by the following companies: BMG Corretora de Seguros R$54,191 (2023 - R$31,164), Araújo Fontes Consultoria R$99,619 (2023 - R$54,486) and Granito Instituição de Pagamento S.A (2023 - R$19,570).

## 5. Cash and cash equivalents and short-term interbank investments

| | 2024 | 2023 |
|---|---|---|
| Cash and cash equivalents | 155,772 | 525,971 |
| Short-term interbank investments | 133,371 | 348,683 |
| Short-term Brazil´s Central Bank investments | 1,415,760 | |
| **Total** | **1,704,903** | **874,654** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 6. Financial assets

### Classification per nature and category

The classification by nature and category for the purpose of valuating the Bank's assets, except balances relating to "Cash and cash equivalents, Reserves with the Central Bank of Brazil" and "Money market investments", on December 31, 2024 and 2023 as follows:

| | | | | 2024 |
|---|---|---|---|---|
| | **Financial assets measured at fair value through profit or loss** | **Financial assets measured at fair value through other comprehensive income** | **Financial assets measured at amortized cost** | **Total** |
| Loans and other amounts with financial institutions | | | 7,041 | **7,041** |
| Loan and lease operations | | | 26,368,902 | **26,368,902** |
| Sundry debtors | | | 805,838 | **805,838** |
| Provision for the expected losses (impairment) | | | (2,415,819) | **(2,415,819)** |
| Compulsory deposits in the Central Bank | | | 1,355,174 | **1,355,174** |
| Deposit application | | | 200,046 | **200,046** |
| **Marketable securities** | **782,269** | **5,724,801** | **6,415,522** | **12,922,592** |
| Financial Treasury Bills - LFT | | 2,503,770 | | **2,503,770** |
| National Treasury Bills – LTN (i) | | 615,994 | 126,621 | **742,615** |
| National Treasury Notes – NTN (i) | 204,455 | 2,462,895 | 3,924,772 | **6,592,122** |
| Commercial Note | | | 550,568 | **550,568** |
| Debentures | | 89,742 | 1,022,723 | **1,112,465** |
| Agribusiness receivables certificate | | | 17,392 | **17,392** |
| Quotas in investment funds | 558,298 | | | **558,298** |
| Stocks | 19,516 | | | **19,516** |
| Securities Abroad | | | 773,446 | **773,446** |
| Derivative financial instruments (Note 7) | 302,282 | | | **302,282** |
| **Total** | **1,084,551** | **5,724,801** | **32,736,704** | **39,546,056** |
| **Current** | **286,832** | **2,831,706** | **13,209,220** | **16,327,758** |
| **Non-current** | **797,719** | **2,893,095** | **19,527,484** | **23,218,298** |

| | | | | 2023 |
|---|---|---|---|---|
| | **Financial assets measured at fair value through profit or loss** | **Financial assets measured at fair value through other comprehensive income** | **Financial assets measured at amortized cost** | **Total** |
| Loans and other amounts with financial institutions | | | 9,699 | **9,699** |
| Loan and lease operations (i) | | | 23,882,857 | **23,882,857** |
| Sundry debtors | | | 1,091,421 | **1,091,421** |
| Provision for the expected losses (impairment) | | | (1,876,192) | **(1,876,192)** |
| Compulsory deposits in the Central Bank | | | 1,818,451 | **1,818,451** |
| Deposit application | | | 51,994 | **51,994** |
| **Marketable securities** | **1,045,758** | **3,296,539** | **6,547,014** | **10,889,311** |
| Financial Treasury Bills - LFT | | 1,235,826 | | **1,235,826** |
| National Treasury Bills – LTN (i) | | 92,052 | 1,008,760 | **1,100,812** |
| National Treasury Notes – NTN (i) | 796,994 | 1,602,577 | 5,538,254 | **7,937,825** |
| Agribusiness Credit Receivable Certificates | | 115,211 | | **115,211** |
| Certificate of Real Estate Receivables | | 173,950 | | **173,950** |
| Quotas in investment funds | 190,067 | 59,845 | | **249,912** |
| Stocks | 58,697 | | | **58,697** |
| Debentures | | 7,455 | | **7,455** |
| Securities Abroad | | 9,623 | | **9,623** |
| Derivative financial instruments (Note 7) | 69,452 | | | **69,452** |
| **Total** | **1,115,210** | **3,296,539** | **31,525,244** | **35,936,993** |
| **Current** | **88,985** | **1,772,817** | **12,812,616** | **14,674,418** |
| **Non-current** | **1,026,225** | **1,523,722** | **18,712,628** | **21,262,575** |

(i) Reclassification of financial assets (see note 2.7.1(a))

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 7. Derivative financial instruments

### (a) Fair value of trading derivatives recognized in assets and liabilities

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Fair value | | Fair value | |
| | Assets | (Liabilities) | Assets | (Liabilities) |
| Foreign exchange derivative | 281,357 | (91,020) | 30,128 | (136,503) |
| Interest rate and index derivatives | 20,925 | (112,258) | 39,324 | (879) |
| **Total** | **302,282** | **(203,278)** | **69,452** | **(137,382)** |
| **Current** | **267,316** | **(195,395)** | **68,099** | **(135,023)** |
| **Non-current** | **34,966** | **(7,883)** | **1,353** | **(2,359)** |

Swap transactions, the sole purpose of which is to hedge against risks of the financial assets, backed by the active transaction themselves.

### (b) Notional amounts and fair values of the trading derivative financial instruments

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Reference value (notional) | Net fair value | Reference value (notional) | Net fair value |
| Foreign exchange derivative | 7,220,338 | 190,337 | 9,897,436 | (106,375) |
| Interest rate derivatives | 2,031,356 | (91,333) | 50,505 | 2,770 |
| Index derivatives | 52,244 | | 180,080 | 32,147 |
| Commodities | | | 839,507 | 3,528 |
| **Total** | **9,303,938** | **99,004** | **10,967,528** | **(67,930)** |

### (c) The breakdown of the notional amounts of the trading derivative financial instruments per maturity as follows:

| | 2024 | 2023 |
|---|---|---|
| Within 30 days | 2,048,924 | 5,077,199 |
| From 31 to 180 days | 6,010,369 | 5,329,610 |
| From 181 to 360 days | 433,172 | 466,500 |
| Over 360 days | 811,473 | 94,219 |
| **Total** | **9,303,938** | **10,967,528** |

Below are the reference and receivables/payables amounts of futures operations,

| **Futures** | **Amounts receivable** | **Amounts payable** | **Reference value** |
|---|---|---|---|
| DAP | | (1,140) | 1,592,673 |
| DDI | 22,818 | | 1,828,139 |
| DI1 | | (2,799) | 5,091,415 |
| DOL | 40,010 | | 2,283,387 |
| **Position – 2024** | **62,828** | **(3,939)** | **10,795,614** |
| **Position – 2023** | **9,521** | **(32,313)** | **23,610,496** |

### (d) Hedging derivative financial instrument transactions

#### (i) Market risk hedge

The purpose of Banco BMG's hedge relationship is to protect, from exposure to changes in market risk, post-fixed time deposits indexed to the dollar against the CDI.

To hedge against exposure to changes in the market risk of funding indexed to exchange variations, the Bank negotiates Dollar x DI swap contracts, On September 5, 2020, the Bank liquidated its borrowings indexed to foreign exchange variations hedged by Market Risk, as well as the Dollar x DI swap contracts designated as Market Risk hedge instruments. On December 31, 2024, the Bank did not have an outstanding balance of Dollar x DI swap contracts designated as Market Risk hedge instruments, nor does it have a funding balance indexed to the foreign exchange rate variation as an object of Market Risk hedge.

To hedge its exposure to the market risk variation of CDBs indexed to the IPCA variation plus coupon, the Bank uses futures contracts (DAP) traded at B3 - Brasil, Bolsa, Balcão, as hedging instruments. On December 31, 2024, the instruments generated a positive market value adjustment to the result in the amount of R$32,756 (2023 – R$12,375).

To hedge its exposure to the market risk variation of fixed-rate Subordinated Letras Financeiras, the Bank uses futures contracts (DI1) traded on B3 – Brasil, Bolsa, Balcão, as hedging instruments. These futures have shorter maturities than the Subordinated Letras Financeiras, and contracts are expected to be rolled over to maintain the effectiveness of the hedge relationship. On December 31, 2024, the instruments generated a positive market value adjustment in profit or loss in the amount of R$186,662 (2023 – R$99,056).

In order to protect itself from exposure to variations in the market risk of the Credit Portfolio, Banco Bmg started using futures contracts (DI1) traded on the B3 - Brasil, Bolsa, Balcão exchange as hedging instruments as of August 2022. On December 31, 2024, the instruments generated a negative market value adjustment in the income statement in the amount of R$111,308.

#### (ii) Cash flow hedge

The purpose of BMG's hedge relationship is to protect the portion of the payment cash flows to be disbursed in the funding of time deposits with floating interest rates indexed by the Interbank Deposit Certificate (CDI) to fixed rates.

In order to protect the future cash flows of the portion of the funding of time deposits against exposure to variable interest rates (CDI and IPCA), the Bank trades 1-day DI and DAP futures contracts at B3 - Brasil, Bolsa, Balcão , with the present market value of funding being R$2,013,163 (2023 – R$7,436,437). These instruments generated an adjustment to market value in equity of R$121,283 (2023 – credor R$123,225), net of tax effects.

### (e) Management of derivative financial instruments

The Group is a party to transactions involving financial instruments (differences) recognized in balance sheet or memorandum accounts consistent with market transactions in the same dates to manage its exposure to market, currency, and interest rate risks, which refer basically to transactions intended to hedge assets and liabilities, involving changes in indices used for investing and raising funds, hired for consistent periods, rates, and amounts.

The Group is a party to transactions involving derivative financial instruments (swaps) and futures contracts to hedge own and client assets and liabilities.

These risks are managed through control policies, by setting operating strategies and limits, and several techniques used to monitor liquidity, profitability, and safety positions. The use of derivative financial instruments to minimize market risks originating from interest rate, foreign exchange rate, asset price, and other fluctuations is an integral part of the good practice and a key tool of financial institutions' financial management.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

Market risk is the exposure created by potential fluctuations in interest rates, exchange rates, commodity prices, prices quoted on the Stocks market, and for other securities, and is the function of the type of product, the transaction volume, and the term and conditions of the contract and the underlying volatility, Risk management is controlled and monitored independently of the areas generating the risk exposure, Assessment and measurement are carried out on a daily basis using indices and statistical data, utilizing tools such as non-parametric "VaR" and sensitivity analysis in stress scenarios, together with ALCO.

## 8. Financial assets carried at amortized cost

| At amortized cost | 2024 | 2023 |
|---|---|---|
| **Loans and other amounts with financial institutions** | **7,041** | **9,699** |
| Correspondent accounts | 425 | 1,508 |
| Interbranch accounts | 6,616 | 8,191 |
| **Loan operations, net** | **23,953,083** | **22,006,665** |
| **Sundry debtors** | **805,838** | **1,091,421** |
| Sundry debtors (i) | 387,392 | 629,167 |
| Provisions for non-recoverable amounts (i) | (26,292) | (24,828) |
| Receivables from payment transactions | 8,196 | 1,656 |
| Amount receivable for assignment of receivables | 117,170 | 150,209 |
| Others | 319,372 | 335,217 |
| **Total** | **24,765,962** | **23,107,785** |
| **Current** | **8,240,710** | **8,302,312** |
| **Non-current** | **16,525,252** | **14,805,473** |

(i) Refers to amounts for instalments of payroll loan operations pending transfer by public agencies and provisions for non-recoverable amounts.

**Loan operations**

**(a) Breakdown**

The breakdown, per classification, of the loan and lease portfolio balances in the consolidated balance sheets is as follows:

| | 2024 | 2023 |
|---|---|---|
| Loan and lease operations | | |
| Loans and receivables at amortized cost | 26,368,902 | 23,882,857 |
| Provision for the expected losses (impairment) | (2,415,819) | (1,876,192) |
| **Loan and lease operations, net** | **23,953,083** | **22,006,665** |
| **Current** | **7,427,831** | **7,201,192** |
| **Non-current** | **16,525,252** | **14,805,473** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

### (b) Gross carrying amount (loan portfolio)

Reconciliation of the gross portfolio of loan and financial leasing operations, broken down by stage:

| Tier 1 | Opening balance as at 01/01/2024 | Recognition/(settlement) | Closing balance as at 12/31/2024 |
|---|---|---|---|
| Consumer direct credit - Personal credit | 19,870,711 | 1,452,078 | 21,322,789 |
| Individuals | 1,578 | (1,578) | |
| Consumer direct credit - Vehicles | 38 | (38) | |
| Sales | 2,006,236 | (22,780) | 1,983,456 |
| **Total** | **21,878,563** | **1,427,682** | **23,306,245** |
| **Tier 2** | | | |
| Consumer direct credit - Personal credit | 1,050,486 | 196,388 | 1,246,874 |
| Individuals | 1,159 | (1,159) | |
| Consumer direct credit - Vehicles | 5 | (5) | |
| Sales | 10,898 | 4,816 | 15,714 |
| **Total** | **1,062,548** | **200,040** | **1,262,588** |
| **Tier 3** | | | |
| Consumer direct credit - Personal credit | 848,584 | 678,847 | 1,527,431 |
| Individuals | 925 | 1,449 | 2,374 |
| Consumer direct credit - Vehicles | 27 | 180 | 207 |
| Sales | 92,210 | 177,847 | 270,057 |
| **Total** | **941,746** | **858,323** | **1,800,069** |
| **Three-tier consolidated** | | | |
| Consumer direct credit - Personal credit | 21,769,781 | 2,327,313 | 24,097,094 |
| Individuals | 3,662 | (1,288) | 2,374 |
| Consumer direct credit - Vehicles | 70 | 137 | 207 |
| Sales | 2,109,344 | 159,883 | 2,269,227 |
| **Total** | **23,882,857** | **2,486,045** | **26,368,902** |

| Tier 1 | Opening balance as at 01/01/2023 | Recognition/(settlement) | Closing balance as at 12/31/2023 |
|---|---|---|---|
| Consumer direct credit - Personal credit | 18,759,420 | 1,111,291 | 19,870,711 |
| Individuals | 1,708 | (130) | 1,578 |
| Consumer direct credit - Vehicles | 3 | 35 | 38 |
| Sales | 2,875,159 | (868,923) | 2,006,236 |
| **Total** | **21,636,290** | **242,273** | **21,878,563** |
| **Tier 2** | | | |
| Consumer direct credit - Personal credit | 937,278 | 113,208 | 1,050,486 |
| Individuals | 3,484 | (2,325) | 1,159 |
| Consumer direct credit - Vehicles | 12 | (7) | 5 |
| Sales | 26,835 | (15,937) | 10,898 |
| **Total** | **967,609** | **94,939** | **1,062,548** |
| **Tier 3** | | | |
| Consumer direct credit - Personal credit | 1,173,646 | (325,062) | 848,584 |
| Individuals | 937 | (12) | 925 |
| Consumer direct credit - Vehicles | 59 | (32) | 27 |
| Sales | 110,437 | (18,227) | 92,210 |
| **Total** | **1,285,079** | **(343,333)** | **941,746** |
| **Three-tier consolidated** | | | |
| Consumer direct credit - Personal credit | 20,870,344 | 899,437 | 21,769,781 |
| Individuals | 6,129 | (2,467) | 3,662 |
| Consumer direct credit - Vehicles | 74 | (4) | 70 |
| Sales | 3,012,431 | (903,087) | 2,109,344 |
| **Total** | **23,888,978** | **(6,121)** | **23,882,857** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## (c) Expected loan losses

| Tier 1 | Opening balance as at 01/01/2024 | Recognition/(settlement) | Closing balance as at 12/31/2024 |
|---|---|---|---|
| Consumer direct credit - Personal credit | 601,389 | (75,867) | 525,522 |
| Individuals | 70 | (70) | |
| Consumer direct credit - Vehicles | 2 | (2) | |
| Sales | 15,213 | 34,124 | 49,337 |
| **Total** | **616,674** | **(41,815)** | **574,859** |
| **Tier 2** | | | |
| Consumer direct credit - Personal credit | 484,106 | (35,052) | 449,054 |
| Individuals | 330 | (330) | |
| Consumer direct credit - Vehicles | 1 | (1) | |
| Sales | 707 | (505) | 202 |
| **Total** | **485,144** | **(35,888)** | **449,256** |
| **Tier 3** | | | |
| Consumer direct credit - Personal credit | 757,564 | 477,808 | 1,235,372 |
| Individuals | 608 | 1,766 | 2,374 |
| Consumer direct credit - Vehicles | 25 | 182 | 207 |
| Sales | 16,177 | 137,574 | 153,751 |
| **Total** | **774,374** | **617,330** | **1,391,704** |
| **Three-tier consolidated** | | | |
| Consumer direct credit - Personal credit | 1,843,059 | 366,889 | 2,209,948 |
| Individuals | 1,008 | 1,366 | 2,374 |
| Consumer direct credit - Vehicles | 28 | 179 | 207 |
| Sales | 32,097 | 171,193 | 203,290 |
| **Total** | **1,876,192** | **539,627** | **2,415,819** |

| Tier 1 | Opening balance as at 01/01/2023 | Recognition/(settlement) | Closing balance as at 12/31/2023 |
|---|---|---|---|
| Consumer direct credit - Personal credit | 573,283 | 28,106 | 601,389 |
| Individuals | 76 | (6) | 70 |
| Consumer direct credit - Vehicles | | 2 | 2 |
| Sales | 28,437 | (13,224) | 15,213 |
| **Total** | **601,796** | **14,878** | **616,674** |
| **Tier 2** | | | |
| Consumer direct credit - Personal credit | 465,924 | 18,182 | 484,106 |
| Individuals | 996 | (666) | 330 |
| Consumer direct credit - Vehicles | 4 | (3) | 1 |
| Sales | 553 | 154 | 707 |
| **Total** | **467,477** | **17,667** | **485,144** |
| **Tier 3** | | | |
| Consumer direct credit - Personal credit | 1,072,018 | (314,454) | 757,564 |
| Individuals | 730 | (122) | 608 |
| Consumer direct credit - Vehicles | 55 | (30) | 25 |
| Sales | 31,084 | (14,907) | 16,177 |
| **Total** | **1,103,887** | **(329,513)** | **774,374** |
| **Three-tier consolidated** | | | |
| Consumer direct credit - Personal credit | 2,111,225 | (268,166) | 1,843,059 |
| Individuals | 1,802 | (794) | 1,008 |
| Consumer direct credit - Vehicles | 59 | (31) | 28 |
| Sales | 60,074 | (27,977) | 32,097 |
| **Total** | **2,173,160** | **(296,968)** | **1,876,192** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

### (d) Breakdown per sector of activity

| | 2024 | 2023 |
|---|---|---|
| **Private sector:** | | |
| Industry | 382,415 | 322,033 |
| Commerce | 116,799 | 104,332 |
| Financial intermediaries | 146,705 | 28,785 |
| Other services | 1,526,906 | 1,369,867 |
| Individuals | 24,196,077 | 22,057,840 |
| **Total** | **26,368,902** | **23,882,857** |

**Per maturity**

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | **Valor** | **%** | **Valor** | **%** |
| Past due for over 14 days | 1,482,959 | 5.6% | 1,030,271 | 4.3% |
| Past due for less than 14 days | 45,880 | 0.2% | 33,430 | 0.1% |
| To fall due: | | | | |
| Within 30 days | 2,214,425 | 8.4% | 2,864,009 | 12.0% |
| From 31 to 60 days | 633,723 | 2.4% | 535,338 | 2.2% |
| From 61 to 90 days | 451,998 | 1.7% | 524,465 | 2.2% |
| From 91 to 180 days | 1,314,462 | 5.0% | 1,262,754 | 5.3% |
| From 181 to 360 days | 1,965,343 | 7.5% | 2,496,887 | 10.5% |
| Over 360 days | 18,260,112 | 69.2% | 15,135,703 | 63.4% |
| **Total** | **26,368,902** | **100%** | **23,882,857** | **100%** |

### (e) Changes in the provision for impairment losses

| | 2024 | 2023 |
|---|---|---|
| **On January 1st** | **1.876.192** | **2,173,160** |
| Addition of provision | 1.885.183 | 1,164,657 |
| Write-off against provision | (1.345.556) | (1,043,923) |
| **Total** | **2.415.819** | **2,293,894** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 9. Property and equipment

The Group's tangible assets consist of property and equipment in use. The Group does not have tangible assets held as investment property and is not a party to any lease agreement in the periods ended 12/31/2024 and 12/31/2023.

**Changes in property and equipment:**
The depreciation expenses were accounted for in account "General and administrative expenses", in the statement of income.

| | Land and buildings | Data processing system | Installations, furniture and equipment in use | Comm, system | Transport, system | TOTAL |
|---|---|---|---|---|---|---|
| **On 12/31/2023** | | | | | | |
| Cost | 16,686 | 134,823 | 156,848 | 3,721 | 12,968 | 325,046 |
| Accumulated depreciation | (12,975) | (120,596) | (116,051) | (1,542) | (9,282) | (260,446) |
| **Net carrying amount** | **3,711** | **14,227** | **40,797** | **2,179** | **3,686** | **64,600** |
| **On 12/31/2024** | | | | | | |
| **Opening balance** | **3,711** | **14,227** | **40,797** | **2,179** | **3,686** | **64,600** |
| Additions | | 10,661 | 12,144 | 2,121 | 1,593 | 26,519 |
| Disposals | | (291) | (1,031) | (11) | (96) | (1,429) |
| Depreciation | | (8,113) | (14,699) | (2,102) | (1,409) | (26,323) |
| Cost | 16,686 | 145,193 | 167,961 | 5,831 | 14,465 | 350,136 |
| Accumulated depreciation | (12,975) | (128,709) | (130,750) | (3,644) | (10,691) | (286,769) |
| **Net carrying amount** | **3,711** | **16,484** | **37,211** | **2,187** | **3,774** | **63,367** |

There is no contractual commitment for the purchase of property and equipment and no property and equipment item was pledged as collateral.

## 10. Intangible assets

| | 2024 | 2023 |
|---|---|---|
| **On January 1** | **1,538,062** | **1,339,854** |
| Acquisition of intangibles Assets | (4,737) | 321,352 |
| Amortization of intangible Assets | 103,278 | (123,144) |
| **Total** | **1,636,603** | **1,538,062** |
| | **2024** | **12/31/2023** |
| Goodwill upon acquisition of the subsidiary | 1,081,437 | 1,086,174 |
| Goodwill on others - software license and others | 555,166 | 451,888 |
| **Net carrying amount** | **1,636,603** | **1,538,062** |

On August 18, 2011, after the acquisition of Banco BCV S.A. (currently Banco BMG Consignado S.A.), the Company recognized goodwill amounting to R$995,585.

Goodwill arising on the acquisition of Banco BCV S.A. (currently Banco BMG Consignado S.A.) is fully allocated to the retail segment.

**Impairment test:**

According to a study carried out, the need to recognize the goodwill impairment loss on December 31, 2024 was not identified.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

The recoverable amount of goodwill was calculated based on its value in use. The calculation uses income projections based on the five-year budget, approved by management. The income projections take into consideration the discount rates sensibilized by 10% to 15% and perpetuity sensibilized by 3% to 5%.

## 11. Other assets

| | 2024 | 2023 |
|---|---|---|
| Insurance premiums receivable | 14,607 | 399,120 |
| Advance Expenses | 383,274 | 400,167 |
| Right-of-use assets | 60,427 | 78,319 |
| Other assets | 78,261 | 16,021 |
| **Total** | **536,569** | **893,627** |
| **Current** | **314,168** | **160,741** |
| **Non-current** | **222,401** | **732,886** |

## 12. Financial liabilities

### Classification per nature and category

The classification per nature and category for valuation purposes of the Bank's financial liabilities on December 31, 2024 and December 31, 2023 is as follows:

| | | | **2024** |
|---|---|---|---|
| | **Financial liabilities measured at fair value through profit or loss** | **Financial liabilities measured at amortized cost** | **Total** |
| Client deposits (Note 15) | | 25,009,524 | **25,009,524** |
| Borrowings or transfers of financial assets (Note 13) | | 23,851 | **23,851** |
| Borrowings and onlendings (Note 14) | | 1,931,958 | **1,931,958** |
| Borrowings of securities and financial bills (Note 16a) | | 5,855,399 | **5,855,399** |
| Subordinated financial bills and debt (Note 17) | | 1,072,393 | **1,072,393** |
| Other financial liabilities (Note 18) | | 1,005,054 | **1,005,054** |
| Compromised operations (Note 16b) | | 6,931,150 | **6,931,150** |
| Derivative financial instruments (Note 7) | 203,278 | | **203,278** |
| **Total** | **203,278** | **41,829,329** | **42,032,607** |
| **Current** | **195,395** | **19,979,882** | **20,175,277** |
| **Non-current** | **7,883** | **21,849,447** | **21,857,330** |

| | | | **2023** |
|---|---|---|---|
| | **Financial liabilities measured at fair value through profit or loss** | **Financial liabilities measured at amortized cost** | **Total** |
| Client deposits (Note 15) | | 26,481,832 | **26,481,832** |
| Borrowings or transfers of financial assets (Note 13) | | 45,495 | **45,495** |
| Borrowings and onlendings (Note 14) | | 655,403 | **655,403** |
| Borrowings of securities and financial bills (Note 16a) | | 3,867,869 | **3,867,869** |
| Subordinated financial bills and debt (Note 17) | | 1,010,869 | **1,010,869** |
| Other financial liabilities (Note 18) | | 953,126 | **953,126** |
| Compromised operations (Note 16b) | | 3,577,479 | **3,577,479** |
| Derivative financial instruments (Note 7) | 137,382 | | **137,382** |
| **Total** | **137,382** | **36,592,073** | **36,729,455** |
| **Current** | **135,023** | **19,441,845** | **19,576,868** |
| **Non-current** | **2,359** | **17,150,228** | **17,152,587** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 13. Borrowings or transfers of financial assets

| | 2024 | 2023 |
|---|---|---|
| Borrowings (assignments with co-obligation) | 23,851 | 45,495 |
| **Total** | **23,851** | **45,495** |
| **Current** | **534** | **27,427** |
| **Non-current** | **23,317** | **18,068** |

## 14. Borrowings and onlendings

| | 2024 | 2023 |
|---|---|---|
| Loans abroad | 1,306,878 | |
| Commitments payable – FGC (i) | 607,995 | 645,276 |
| Onlendings – Domestic - Finame / Rural credit | 17,085 | 10,127 |
| **Total** | **1,931,958** | **655,403** |
| **Current** | **1,365,341** | **10,127** |
| **Non-current** | **566,617** | **645,276** |
| **Term:** | | |
| Within 30 days | 8,469 | 2,578 |
| From 61 to 90 days | 1,240,962 | |
| From 91 to 180 days | | 7,549 |
| From 181 to 360 days | 115,910 | |
| After 360 days | 566,617 | 645,276 |
| **Total** | **1,931,958** | **655,403** |

(i) These refers to a loan from the FGC - Credit Guarantor Fund, with maturity in 2026.

## 15. Client deposits

| | 2024 | 2023 |
|---|---|---|
| Demand deposits | 376,664 | 372,156 |
| Interbank deposits | 157,772 | 49,493 |
| Time deposits | 24,475,088 | 26,060,183 |
| **Total** | **25,009,524** | **26,481,832** |
| **Current** | **10,465,349** | **13,692,685** |
| **Non-current** | **14,544,175** | **12,789,147** |

**Term**

| | Within 30 days | From 31 to 60 days | From 61 to 90 days | From 91 to 180 days | From 181 to 360 days | After 360 days | Total |
|---|---|---|---|---|---|---|---|
| **On 2024** | | | | | | | |
| Demand deposits | 376,664 | | | | | | **376,664** |
| Interbank deposits | 4,115 | 4,789 | 14,197 | 93,672 | | 40,999 | **157,772** |
| Time deposits | 689,335 | 620,245 | 1,010,286 | 2,883,514 | 4,768,532 | 14,503,176 | **24,475,088** |
| **On 2023** | | | | | | | |
| Demand deposits | 372,156 | | | | | | **372,156** |
| Interbank deposits | 8,762 | 1,701 | 12,856 | 26,174 | | | **49,493** |
| Time deposits | 824,846 | 737,410 | 603,768 | 3,237,412 | 7,867,600 | 12,789,147 | **26,060,183** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 16. Borrowings of securities, financial bills and repurchase agreements

a) Borrowings of securities and financial bills

| | 2024 | 2023 |
|---|---|---|
| Debentures | 4,090,386 | 2,383,950 |
| Financial bills | 1,764,492 | 1,329,941 |
| Agribusiness credit bills (i) | 521 | 135,487 |
| Real estate credit bills | | 18,491 |
| **Total** | **5,855,399** | **3,867,869** |
| **Current** | **238,078** | **1,186,135** |
| **Non-current** | **5,617,321** | **2,681,734** |

(i) in November 2024, according to the Material Fact disclosed to the market on October 28, 2024, Bmg concluded its 5th issuance of Public Financial Letters, in the amount of R$300,000. The Financial Letters were raised in a dispersed manner from institutional investors with the objective of fostering the Bank's liquidity and creating a reference for the interest curve in the institutional market.

| Term | 2024 | 2023 |
|---|---|---|
| Within 30 days | 21,447 | 6,036 |
| From 31 to 60 days | 1,318 | 31,034 |
| From 61 to 90 days | 8,169 | 34,762 |
| From 91 to 180 days | 61,900 | 563,021 |
| From 181 to 360 days | 145,244 | 551,282 |
| After 360 days | 5,617,321 | 2,681,734 |
| **Total** | **5,855,399** | **3,867,869** |

b) Repurchase agreements consist of R$6,838,168 (2023 – R$3,550,767) of public securities and R$92,982 (2023 – R$26,712) of private securities.

## 17. Subordinated financial bills and debt

| | Issue | Maturity | Interest Rate (p,y,) | 2024 | 2023 |
|---|---|---|---|---|---|
| **Local (i):** | | | | | |
| Financial bills subordinated | 1st quarter/19 | 1st quarter/26 | 124% of CDI | 8,831 | 7,772 |
| Financial bills subordinated | 2nd quarter/19 | 2nd quarter/26 | 122% of CDI | 20,566 | 18,138 |
| Financial bills subordinated | 3rd quarter/19 | 3rd quarter/29 | 124% of SELIC | 1,061 | 1,070 |
| Financial bills subordinated | 2nd quarter/22 | 2nd quarter/32 | 17.82% - Fixed rate | 261,848 | 161,039 |
| Financial bills subordinated | 2nd quarter/22 | 2nd quarter/34 | 17.82% - Fixed rate | 13,973 | 161,048 |
| Financial bills subordinated | 4th quarter/22 | 4th quarter/29 | CDI + 3.9% a 4.7% | 38,791 | 262,263 |
| Financial bills subordinated | 2nd quarter/23 | 2nd quarter/30 | 14.2% to 14.5% - Fixed | 190,964 | 13,961 |
| Financial bills subordinated | 2nd quarter/23 | 2nd quarter/30 | 128% of CDI | 190,909 | 5,257 |
| Financial bills subordinated | 2nd quarter/23 | 3rd quarter/30 | 128% of CDI | 214,352 | 15,277 |
| Financial bills subordinated | 2nd quarter/23 | 3rd quarter/30 | 13.7% to 14.2% - Fixed | 5,184 | 38,955 |
| Financial bills subordinated | 3rd quarter/23 | 3rd quarter/33 | 100% of CDI + 4.2% | 15,069 | 215,287 |
| Financial bills subordinated | 2nd quarter/19 | Perpetual | IPCA + 6,51% a 6,58% | 7,089 | 6,763 |
| Financial bills subordinated | 2nd quarter/19 | Perpetual | 130% of Selic | 2,353 | 100,405 |
| Financial bills subordinated | 2nd quarter/19 | Perpetual | 126% of SELIC | 100,133 | 2,354 |
| Financial bills subordinated | 3tr quarter/19 | Perpetual | 126% of SELIC | 1,270 | 1,280 |
| **Total** | | | | **1,072,393** | **1,010,869** |
| **Current** | | | | **15,983** | **11,620** |
| **Non-current** | | | | **1,056,410** | **999,249** |

(i) Funding made through the issuance of Financial Bills with subordination clauses, maturing and perpetual, subject to the conditions determined by CMN Resolution No 4,192/13 and 4,955/21, fully approved by BACEN to comprise Complementary Capital and Level II of Banco BMG Reference Equity. Fixed rate subordinated financial bills have their exposure to variations in market risk protected by hedges (see note 7 (c) (ii)).

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 18. Other financial liabilities

| | 2024 | 2023 |
|---|---|---|
| Social and statutory | 110,454 | 212,690 |
| Commitments payable – Card | 100,915 | 67,601 |
| Card – transactions paid in installments with no interest | 313,773 | 362,198 |
| Interbank Relations | 419,489 | 299,919 |
| Other creditors | 60,423 | 10,718 |
| **Total** | **1,005,054** | **953,126** |
| **Current** | **963,451** | **936,372** |
| **Non-current** | **41,607** | **16,754** |

## 19. Provisions

| | Tax and social security provisions (i) | Provisions for labor charges (ii) | Civil claims (iii) | Total |
|---|---|---|---|---|
| **At the beginning of the year – 2023** | **123,396** | **64,255** | **633,793** | **821,444** |
| Recognition | 29,889 | 31,332 | 467,352 | **528,573** |
| (Reversal/Utilization) | (7,949) | (39,873) | (428,728) | **(476,550)** |
| **Carrying amount December – 2023** | **145,336** | **55,714** | **672,417** | **873,467** |
| Recognition | 137,625 | 133,960 | 480,550 | **752.135** |
| (Reversal/Utilization) | (17,695) | (139,508) | (444,729) | **(601.932)** |
| **Carrying amount December – 2024** | (iv) **265,266** | **50,166** | **708,238** | **1.023.670** |

(iv) As a result of the conclusion of the judgment on the motions for clarification filed in Special Appeals Nos. 949.297 and 955.227, in which the Federal Supreme Court (STF) decided not to modify the effects of the decision on the merits, the risk of the CSLL X Law 7.689/88 X Fully Adjudicated contingency was classified as a probable loss, with a provision of R$63,344. And, due to the dismissal of punitive and late payment fines in situations covered by the judgment on issues 881 and 885, a loss of the amount of R$80,103 was classified as remote.

| | Taxes and social security | Labor | Civil claims | Total |
|---|---|---|---|---|
| **12/31/2024** | | | | |
| Provisions | 265,266 | 50,166 | 708,238 | **1,023,670** |
| Judicial deposits | (468,366) | (7,138) | (79,914) | **(555,418)** |
| **12/31/2023** | | | | |
| Provisions | 145,336 | 55,714 | 672,417 | **873,467** |
| Judicial deposits | (380,843) | (10,630) | (82,184) | **(473,657)** |

The Group is a party to labor, civil, and tax lawsuits. The assessment to recognize provisions is made according to the criteria described in Note 2,14, The Group's management believes that the provision recognized is sufficient to cover losses arising from the related lawsuits.

In the course of its regular activities, the Group is a party to the following contingencies: a) contingent assets - There are no recognized contingent assets; b) Provisions - Are classified and presented together with their judicial deposits, as follows:

**(i) Provision for tax risks -** The judicial actions are equivalent to the amount of the principal of taxes related to administrative or judicial proceedings, which are subject to self-assessment or official assessment, plus interest and, when applicable, fines and charges. A provision is recorded, regardless of the likelihood of loss, when related to a legal obligation, that is, for a favorable outcome in the matter the law in effect must be declared unconstitutional. For other cases, a provision is recorded whenever the likelihood of loss is probable.

No provision is recognized for tax contingent proceedings in which the likelihood of loss is considered as possible, amounting to an estimated total of R$1,265,088 (12/31/2023 – R$1,316,323), These proceedings refer mainly to federal taxes.

The Group is a party to judicial actions and administrative proceedings, arising in the normal course of its operations, involving tax and other matters.

The main questions are:

**a)** IRPJ/IRRF/CSLL 2012, 2014 and 2015 – R$449,057 (2023 – R$440,511): questions the collection of income taxes and social contributions on expenses alleged to be non-deductible;

**b)** IR and CS 2016 – R$ 84,783 (2023 - R$125,038): Tax Deduction of Losses in Credit Operations - Law No. 9,430/96;

**c)** PIS and COFINS – R$311,380 (2023 - R$243,878): Losses from Doubtful Credits: the deduction of credit losses under Law 9,718/98 is under discussion;

**d)** INSS - Non-Compensatory Funds – R$44,273 (2023 – R$36,462): questions the payment of the employer's portion on directors' shareholdings, pursuant to Law No, 8,212/91; and

**e)** SAT – Law no, 11,430/06 – R$46,409 (2023 - R$42,030): under discussion is the unconstitutionality and illegality of the SAT under the terms of article 21-A of Law no, 8,213/91, introduced by Law no, 11,430/06, with the consequent recognition of the non-existence of a judicial-tax relationship that obliges the Co-Complainants to comply with such provisions, maintaining the original regulatory and legal wording.

**(ii) Provisions for labor claims** – A calculation is made periodically to determine a claim's amount, stage and the likelihood of loss, which in turn is estimated according to the characteristics as a matter of fact or of law related to the proceeding, the amounts considered as probable losses are provided for in accounting.

The judicial actions are related to lawsuits discussing the alleged labor benefits derived from labor laws and regulations specifically relating to a professional category, such as overtime pay, salary equalization, job reinstatement, premium for transfer, among other matters.

Contingent labor lawsuits assessed as having a possible risk of loss are not recognized in accounting terms. There are no cases classified as having a possible risk of loss as of December 31, 2024; such lawsuits are classified as having a probable or remote possibility of loss.

**(iii) Provisions for civil lawsuits** – The provision for individualized civil actions, lawsuits with peculiar characteristics, is periodically recognized based on the determined risk amount and likelihood of loss, the provision for collective civil lawsuits is periodically recognized using as benchmark the average loss over time applied to the base of ongoing cases. The amounts considered as probable losses are provided for in accounting.

The civil lawsuits are in general arising from compensation for material and moral damages, mostly from the Special Civil Court.

No provision is recorded for civil contingencies representing possible risk of loss, amounting to an estimated R$542,949 (2023 – R$852,738), these claims refer to compensation claims or collections.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 20. Current and deferred income tax and social contribution

The Group separately calculates, in each fiscal year, Income Tax and Social Contribution on Net Income. The taxes are calculated at the rates shown below and consider, for the purpose of the respective calculation bases, the legislation in force relevant to each charge.

| | |
|---|---|
| Income Tax (i) | 15.00% |
| Income Tax Surcharge (i) | 10.00% |
| Social Contribution on the Net Profit (i)(*) | 20.00% |

(i) see note 2,15

(*) For non-financial companies the tax is 9%.

Deferred income tax and social contribution are calculated on income tax and social contribution loss carryforwards and temporary differences arising between the tax bases of these taxes on assets and liabilities and their carrying amounts in the financial statements.

The recoverable amounts are as follows:

| | 2024 | 2023 |
|---|---|---|
| Deferred tax asset | | |
| Recoverable within 12 months | 849,243 | 589,960 |
| Recoverable after 12 months | 2,865,173 | 2,700,334 |
| **Total deferred tax asset (i)** | **3,714,416** | **3,290,294** |
| Deferred tax liability | | |
| To be settled within 12 months | 97,393 | 49,616 |
| **Total deferred tax liability** | **97,393** | **49,616** |
| **Deferred tax assets, net** | **3,617,023** | **3,240,678** |

**(i) Deferred income tax and social contribution credits**

| | 2024 | 2023 |
|---|---|---|
| **Deferred tax asset** | | |
| On temporary additions | 3,484,595 | 2,935,449 |
| On tax losses/ tax loss carryforwards | 667,549 | 720,300 |
| Social contribution – Provisional Measure (MP) No, 2,158/35) | 547 | 547 |
| Adjustment to market value in equity | 277,056 | 141,242 |
| Income tax and social contribution on accounting practice adjustments | (715,331) | (507,244) |
| **Total deferred tax asset** | **3,714,416** | **3,290,294** |

The Group recognizes all tax credits arising from temporary difference or and tax loss carryforwards.

The Group adopts the practice of recognizing deferred tax credits and tax payables on all temporary differences and tax loss carryforwards. On December 31, 2024, these balances have the following characteristics:

- The tax credits relating to temporary add-back refer mainly to contingencies currently being discussed in courts the realization of which depends on the resolution of the court challenges and the provision for impairment of receivables the realization of which depends on the deductibility criteria prescribed by Law nº 9,430/96.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

**(a) The changes in the tax credits can be shown as follows:**

| | Social contribution MP 2,158-35 | Temporary additions | Tax losses/ Tax loss carryforwards | Adjustment to market value in equity | Other | Total |
|---|---|---|---|---|---|---|
| **On December 31, 2023** | **547** | **2,935,449** | **720,300** | **141,242** | **(507,244)** | **3,290,294** |
| Recognition | | 686,114 | 70,809 | 31,571 | (208,087) | 580,407 |
| (Reversal/Utilization) | | (136,968) | (123,560) | 104,243 | | (156,285) |
| **On December 31, 2024** | **547** | **3,484,595** | **667,549** | **277,056** | **(715,331)** | **3,714,416** |

| | Social contribution MP 2,158-35 | Temporary additions | Tax losses/ Tax loss carryforwards | Adjustment to market value in equity | Other | Total |
|---|---|---|---|---|---|---|
| **On December 31, 2022** | **547** | **2,660,645** | **720,951** | **125,029** | **(388,897)** | **3,118,275** |
| Recognition | | 814,735 | 17,875 | 75,478 | (118,347) | 789,741 |
| (Reversal/Utilization) | | (539,931) | (18,526) | (59,265) | | (617,722) |
| **On December 31, 2023** | **547** | **2,935,449** | **720,300** | **141,242** | **(507,244)** | **3,290,294** |

The effects arising from the adjustments to accounting policy are included in the column “Others”.

**(b) Reconciliation of income tax and social contribution in the statement of income**

| | 2024 Income tax | 2024 Social contribution | 2023 Income tax | 2023 Social contribution |
|---|---|---|---|---|
| **Income (loss) before income tax** | **121,921** | **121,921** | **141,254** | **141,254** |
| Interest on capital | (215,283) | (215,283) | (219,001) | (219,001) |
| Statutory interests | (122,208) | (122,208) | (71,492) | (71,492) |
| Interest on non-taxable securities | (120,409) | (120,409) | (18,641) | (18,641) |
| Permanent additions (exclusions): | | | | |
| Income Tax and CS on Selic Interest - Repetition of tax overpayment (i) | (17,686) | (17,686) | (35,443) | (35,443) |
| Technological innovation – Law No, 11,196/05 (ii) | (137,715) | (137,715) | (119,612) | (119,612) |
| Others | 21,128 | 21,128 | (20,102) | (20,102) |
| **Calculation basis** | **(470,252)** | **(470,252)** | **(343,037)** | **(343,037)** |
| Base rate | 52,476 | 69,969 | 48,659 | 64,879 |
| Additional rate | 34,983 | | 32,438 | |
| **Expense (income) from income tax and social contribution** | **87,459** | **69,969** | **81,097** | **64,879** |

(i) Effect of the STF decision - Theme No. 962 - Non-levy of IRPJ and CSLL on amounts updated by the Selic rate resulting from judicial action for the repetition of tax tax over payment; and

(ii) Law No. 11.196/2005, art.17, item I.

(c) Other taxes and contributions to be recovered: They refer substantially to COFINS credit in the amount of R$297,854 (2023 - R$287,253) and recovery of IR/CSLL referring to the STF decision - Theme No. 962 - Non-incidence of IRPJ and CSLL on amounts updated by the Selic rate resulting from a lawsuit for the recovery of undue tax in the amount of R$81,329 (2023 – 90,373).

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 21. Other liabilities

| | 2024 | 2023 |
|---|---|---|
| Insurance operations | 75,506 | 612,462 |
| Provision for payables | 538,728 | 460,714 |
| Sundry creditors | 13,293 | 617,687 |
| **Total** | **627,527** | **1,690,863** |
| **Current** | **527,094** | **30,860** |
| **Non-current** | **100,433** | **1,660,003** |

## 22. Capital and reserves

### (a) Capital stock

On December 31, 2024, the subscribed and paid-in capital stock is R$ 3,742,572, represented by 583,232,411 (five hundred and eighty-three million, two hundred and thirty-two thousand, four hundred and eleven) shares, of which 372,696,198 (three hundred and seventy-two million, six hundred and ninety-six thousand and one hundred and ninety-eight) common shares and 210,536,213 (two hundred and ten million, five hundred and thirty-six thousand and two hundred and thirteen) preferred, registered, book-entry shares with no par value.

At a meeting held on January 5, 2024, the Bank's Board of Directors decided to approve a new share buyback program, which came into effect on January 8, 2024, authorizing the acquisition of up to 13,273.760 preferred shares issued by the Bank itself, without reducing the value of the share capital, corresponding to up to 10.00% (ten percent) of the outstanding shares, reduced by the current number of treasury shares, to be held in treasury, canceled or placed on the market, or to pay remuneration to executives and other beneficiaries of the Bank within the scope of the Bank's long-term incentive plans, in accordance with the provisions of paragraphs 1 and 2 of article 30 of Law no. 6404/76 ("Brazilian Corporate Law") and CVM Resolution no. 77/22.

The acquisition operations under the new program will be carried out on the stock exchange, in the period between January 8, 2024 and July 02, 2025, at market value.

| | | | | | Own shares |
|---|---|---|---|---|---|
| | **Own shares 12/31/2023** | **Acquisition of Own Shares** | **Share Basis Payment** | **Cancellation of own shares** | **Own shares 12/31/2024** |
| **Quantity** | **158,999** | 6,600,893 | (3,993,293) | (16,290) | **2,750,309** |
| **Balance in thousands of reais** | **(353)** | (24,771) | 13,969 | 54 | **(11,101)** |

| | **Changes in the number of shares** | |
|---|---|---|
| | **12/31/2023** | **12/31/2023** |
| Common | 372,696,198 | 372,696,198 |
| Preferred | 210,536,213 | 210,536,213 |
| **Total** | **583,232,411** | **583,232,411** |

| | **Number of shares in circulation (i)** | | |
|---|---|---|---|
| | **Common** | **Preferred** | **Total** |
| **On 12/31/2023** | **26,868,119** | **134,168,591** | **161,036,710** |
| Change in treasury shares | | (2,591,310) | **(2,591,310)** |
| Change in shares held by controlling shareholders and officers | | (873,172) | **(873,172)** |
| **On 12/31/2024** | **26,868,119** | **130,704,109** | **157,572,228** |

(i) Outstanding shares, according to art, 67, CVM 80/22, are defined as all the issuer's shares, with the exception of those held by the controller, by people linked to it, by the issuer's managers and those held in treasury.

### (b) Other Comprehensive Income

In December 2024, adjustments were made to other comprehensive income in the negative amount R$165,995 (12/31/2023 – positive of R$19,816). The balance on 12/31/2024 is positive at R$338,624 (12/31/2023 – positive in R$172,629) and mainly refers to the mark-to-market of Financial Instruments Classified at Fair Value through Other Comprehensive Income and Hedge of Cash Flow

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

### (c) Revenue reserves

| | 2024 | 2023 |
|---|---|---|
| Revenue reserve | | |
| Legal | 169,826 | 148,828 |
| Tax incentives | 5,894 | 5,894 |
| Statutory | 547,409 | 333,595 |
| **Total** | **723,129** | **488,317** |

The changes in the revenue reserves refer to the recognition of a 5% legal reserve on net income for the year and the remaining undistributed amount was allocated to the statutory reserve, as described below.

**Legal:** Recognized as 5% of net income for the year, limited to 20% of capital.

**Statutory:** Recognized based on net income not distributed after all allocation and its accumulated is available to stockholders for future decision at a General Stockholders' Meeting.

**Tax incentives:** Arising on the amounts of the options for income tax incentives.

### (d) Interest on capital

Stockholders are entitled to receive as mandatory dividends, in each fiscal year, an amount of not less than twenty five percent (25%) of the adjusted net income, as provided for in the Brazilian Corporate Law.

Interest on Shareholders' Equity was established by Law nº 9,249/95, which in its art, 9, and amendments, allows companies to deduct the Real Profit and Social Contribution from the duly recorded financial expense resulting from the application of the TJLP on shareholders' equity as compensation to the shareholder.

On December 31, 2024, Interest on Shareholders' Equity totaled R$215,600, of which R$49,000 relating to the 1st quarter of 2024 was paid on May 16, 2024, R$49,000 relating to the 2nd quarter of 2024 was paid on August 15, 2024 and R$49,000 relating to the 3th quarter of 2024 was paid on November 08, 2024.

According to the Material Fact disclosed on November 28, 2024, the Interest on Equity for the 4th quarter of 2024 totaled R$68,600, equivalent to R$0.01180 per common and preferred share issued by the Bank, with 15% withholding tax, resulting in a net amount of R$0.1003 per share. Payment to shareholders was made on December 18, 2024.

### (e) Retained earnings (accumulated deficit)

The contra entries to the adjustments referring to the differences between BRGAAP and IFRS that had an impact on the balance sheet were recognized in this account. Additionally, income for said years were also recognized in this account.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 23. Earnings per share

### (a) Basic and diluted

Basic earnings per share are calculated by dividing the profit attributable to Company's stockholders by the weighted average number of common and preferred shares issued during the year. Diluted earnings per share is calculated by adjusting the weighted average number of common and preferred shares outstanding to assume conversion of all dilutive potential common and preferred shares. However, there are no potentially dilutive Company common and preferred shares and, therefore, basic earnings per share are equal to diluted earnings per share.

| **Earnings per share** | **2024** | **2023** |
|---|---|---|
| Profit attributable to stockholders of the Company | 252,860 | 267,921 |
| Weighted average number of outstanding shares | 582,293,670 | 583,051,171 |
| Basic and diluted earnings per share (in *reais)* | 0.4342 | 0.4595 |

## 24. Profit or loss

### (a) Interest income and cost

The table below shows the breakdown of interest and similar proceeds income and expenses:

| | **2024** | **2023** |
|---|---|---|
| **Interest income and similar earnings** | **8,743,116** | **7,402,813** |
| Interest on credit operations | 6,787,409 | 6,376,084 |
| Interest on other loans and receivables | 420,879 | 193,846 |
| Interest on other financial assets | 1,534,828 | 832,883 |
| **Interest cost and similar expenses** | **(4,029,407)** | **(4,752,834)** |
| Funds raised in the market | (850,157) | (1,861,733) |
| Borrowings and onlendings | (92,880) | (75,231) |
| Time deposits | (3,086,370) | (2,815,870) |
| **Total** | **4,713,709** | **2,649,979** |

### (b) Gain (loss), net and financial assets and financial liabilities

| | **2024** | **2023** |
|---|---|---|
| Swap Adjustment Result/Term/Options | 558,546 | (270,305) |
| Result from futures operations | (1,730,452) | 757,524 |
| Adjustment to market value – other assets | (50,355) | 5,152 |
| **Total** | **(1,222,261)** | **492,371** |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

### (c) General and administrative expenses

| | 2024 | 2023 |
|---|---|---|
| Salaries and payroll charges | (359,422) | (342,088) |
| Benefits | (193,818) | (151,305) |
| Training programs | (1,494) | (3,412) |
| Depreciation and amortization | (150,718) | (123,144) |
| Marketing | (61,985) | (95,448) |
| Promotions and public relations | (10,368) | (9,348) |
| Communications | (31,667) | (30,165) |
| Data processing | (213,225) | (192,499) |
| Insurance | (11,645) | (10,639) |
| Outsourced services | (132,661) | (181,912) |
| Specialized technical services | (302,047) | (355,346) |
| Sundry materials | (3,404) | (2,506) |
| Banking fees and charges | (28,572) | (26,675) |
| Transportation | (3,540) | (4,626) |
| Travelling | (22,525) | (19,722) |
| Expenses from leasing operations | (34,365) | (32,663) |
| Other administrative expenses | (134,742) | (121,192) |
| **Total** | **(1,696,198)** | **(1,702,690)** |

### (d) Tax expenses

In the period ended December 31, 2024, the total balance of tax expenses was R$142,116 (2023 – R$ 177,503), This amount basically refers to PIS (Social Integration Program) expenses in the amount of R$20,242 (2023 – R$ 20,033) and COFINS (Contribution for Social Security Financing) in the amount of R$121,874 (2023 – R$ 121,341).

### (e) Other operating income and expenses

| | 2024 | 2023 |
|---|---|---|
| **Other operating income** | | |
| Recovery of charges and expenses | 22,327 | 20,384 |
| Monetary variation – net | 44,885 | 53,890 |
| Result from insurance operations | 506,002 | 291,487 |
| Gain in Equity Interest | 85,704 | 39,860 |
| Restating taxes to offset | 4,330 | 3,536 |
| Participation in premiums issued | | 10,886 |
| Revenues from franchises | 9,812 | 7,161 |
| Interest on credit rights | 407,054 | 226,029 |
| Other | 22,891 | 58,276 |
| **Total** | **1,103,005** | **711,509** |
| **Other operating expenses** | | |
| Collection expenses | (426) | (740) |
| Expenses on fund transfer intermediation | (128,160) | (123,733) |
| Operating provision expenses (i) | (542,802) | (443,950) |
| Expenses with Insurance Operations | (318,166) | (182,207) |
| Other | (202,026) | (103,185) |
| **Total** | **(1,191,580)** | **(853,815)** |
| **Total other operating expenses, net** | **(88,575)** | **(142,306)** |

(i) The “Operating provisions expenses” item, basically includes expenses for tax, civil and labor contingencies,

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 25. Revenue from the provision of services

In the period ended December 31, 2024, the balance relating to revenue from services rendered was R$ 173,042 (2023 – R$256,211). The balance refers basically to income from banking fees totaling R$102,989 (2023 – R$144,669)and card interchange revenue R$61,616 (2023 – R$40,264).

## 26. Dividends and interest on capital payable

Dividends already paid and proposed dividends on December 31, 2024 and 2023 were calculated according to the Brazilian accounting applicable to financial institutions authorized to operate by the Central Bank of Brazil, on the individual financial statements of Banco BMG S.A. as shown below:

| | **2024** | **2023** |
|---|---|---|
| Profit for the year under BRGAAP | 419,957 | 204,662 |
| Recognition of legal reserve (5%) | (20,998) | (10,233) |
| Calculation basis of dividends | 398,959 | 194,429 |
| Minimum compulsory dividend (25%) | 99,740 | 48,607 |

Stockholders are entitled to receive as mandatory dividends, in each fiscal year, an amount of not less than twenty-five percent (25%) of the adjusted net income, as provided for in the Brazilian Corporate Law,

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## 27. Transactions with related parties

**(a)** The intragroup transactions included in consolidation were eliminated from the consolidated financial statements, The main balances with related parties can be shown as follows:

| | Asset (Liability) | | Income (Expense) | |
|---|---|---|---|---|
| **Related-party transactions** | **2024** | **2023** | **12/31/2024** | **12/31/2023** |
| **Interfinancial liquidity investment** | | | | |
| Bmg *Bank (Cayman) Ltd.* | 3,224,959 | 2,385,204 | 256,506 | 161,540 |
| **Marketable securities** | | | | |
| *Companhia Securitizadora de Créditos Financeiros Cartões Consignados II* | 1,672,793 | 2,856,793 | 189,893 | 358,118 |
| **Credit operations** | | | | |
| *Key Management personnel* | 4,863 | 4,218 | | |
| *Others related-party – Legal Person* | 160,332 | 44,262 | 3,669 | 11,049 |
| ***Income receivable*** | | | | |
| *Banco Cifra S.A.* | 32,397 | 18,060 | | |
| *Banco BMG Consignado S.A.* | 79,713 | 53,010 | | |
| *BMG Leasing S.A. – Arrendamento mercantil* | 61,975 | 43,449 | | |
| *Bmg S.A. Distribuidora De Títulos E Valores Mobiliários* | 1,292 | 1,206 | | |
| *Araujo Fontes Participações Ltda.* | 20,744 | 6,241 | | |
| **Other Assets** | | | | |
| *Banco BMG Consignado S.A.* | 2,882 | 937 | | |
| *Cmg Corretora De Seguros* | 506 | | | |
| *EGL - Empreendimentos Gerais Ltda.* | 74 | 149 | | |
| *Rarolabs - Raro Recrutamento Em Ti Ltda.* | 402 | 184 | | |
| **Demand deposits** | | | | |
| *BMG Leasing S.A. – Arrendamento mercantil* | (995) | (248) | | |
| *Bmg S.A. Distribuidora De Títulos E Valores Mobiliários* | (3,951) | (1,986) | | |
| *Help Franchising* | (955) | (668) | | |
| *CBFacil Corretora de Seguros e Negócios Ltda* | (1,532) | (1,336) | | |
| *ME Promotora de Vendas Ltda.* | (738) | (463) | | |
| *BMG Soluções Eletrônicas S.A.* | | (14) | | |
| *Bmg Participações Em Negócios Ltda.* | (1,015) | (35) | | |
| *Cmg Corretora De Seguros* | (1,689) | (1,867) | | |
| *Bmg Seguridade* | (1,105) | (896) | | |
| *Holding Seguradoras* | (61) | (211) | | |
| *Rarolabs Raro Recrutamento Em Ti Ltda.* | (2,111) | (2,525) | | |
| *Granito Soluções em Pagamentos S.A.* | (12,492) | (19,064) | | |
| *MG Seguros* | (3,965) | (434) | | |
| *EGL - Empreendimentos Gerais Ltda.* | | (33) | | |
| **Interbank deposits** | | | | |
| *Banco BMG Consignado S.A.* | (832,857) | (994,691) | (57,606) | (132,592) |
| *Banco Cifra S.A.* | (273,137) | (800,067) | (50,153) | (99,189) |
| *BMG Leasing S.A. – Arrendamento Mercantil* | (380,040) | (1,062,552) | (73,975) | (132,639) |
| *Bmg S.A. Distribuidora De Títulos E Valores Mobiliários* | | (8,536) | (1,005) | (1,046) |
| **Time deposits** | | | | |
| *EGL - Empreendimentos Gerais Ltda.* | | (2,809) | 58 | (21) |
| *Rarolabs Raro Recrutamento Em Ti Ltda.* | (6,025) | (5,389) | (62) | (13) |
| *MG Seguros* | | (3,121) | | (229) |
| *Bmg Seguridade* | (40,568) | (4,082) | (1,819) | (73) |
| *Bmg Participações Em Seguradoras Ltda.* | (15,606) | (1,203) | (995) | (347) |
| *Help Franchising* | (35,641) | (21,720) | (3,103) | (2,103) |
| *ME Promotora de Vendas Ltda.* | (18,372) | (17,635) | (1,965) | (1,795) |
| *CBFacil Corretora de Seguros e Negócios Ltda.* | (206,041) | (320,138) | (31,386) | (55,325) |
| *BMG Soluções Eletrônicas S.A.* | (553) | (496) | (57) | (60) |
| *Bmg Participações Em Negócios Ltda.* | (2,665) | (8,589) | (337) | (1,132) |
| *Cmg Corretora De Seguros* | (73,968) | (32,133) | (5,672) | (5,109) |
| **Financial bills obligations** | | | | |
| *CBFacil Corretora de Seguros e Negócios Ltda.* | | (280,769) | (12,006) | (54,201) |
| **Other liabilities** | | | | |
| *Banco Cifra S.A.* | (15) | (176) | | |
| *Banco BMG Consignado S.A.* | (191) | (244) | | |
| *Bmg S.A. Distribuidora De Títulos E Valores Mobiliários* | (9,544) | (1,004) | | |
| *EGL – Empreendimentos Gerais Ltda.* | (15) | (30) | | |
| *Rarolabs - Raro Recrutamento Em Ti Ltda.* | (132) | 384 | | |
| *O2OBOTS inteligência artificial S.A.* | (558) | (537) | | |

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

### (b) Short-term benefits to management members

| | 2024 | 2023 |
|---|---|---|
| Fixed compensation | 56,198 | 61,918 |
| Social security contribution | 12,644 | 13,932 |
| **Total** | **68,842** | **75,850** |

### (c) Share-based payment

In order to stimulate the development of a long-term vision and alignment between the interests of employees, officers and shareholders of the BMG Group, enabling the Company to attract and retain talent, maximize the generation of income and encourage value creation in a sustainable manner, a Long-Term Incentive Plan was implemented in 2020 with payment based on Shares, whose supervision, planning and control is the responsibility of the Board of Directors,

This program makes it possible for officers and other eligible employees to receive the Company's "BMGB4" preferred shares as a long-term incentive, comprising their respective variable remuneration ("Performance Shares Units" or “PSU”), observing, when applicable, the conditions of CMN Resolution No, 3,921/10, Technical Pronouncement CPC 10/IFRS 2 “Share-Based Payment” and the Company's Directors Compensation Policy,

The number of shares to be awarded under this plan shall not exceed 10% of the outstanding shares on March 18, 2020 and will be evaluated according to the weighted average of the closing price of the share in the 20 trading sessions immediately prior to the date of the PSU calculation,

In line with the Long-Term Incentive Plan with payment based on Shares, the Bank paid in the period ended December 31, 2024 the amount of R$12,644 to directors and other eligible employees, net of tax effects,

### (d) Other information

Pursuant to Resolution CMN nº 4,693, as of January 2019, financial institutions may carry out credit operations with related parties, in compliance with the conditions and limits defined by the aforementioned resolution, Accordingly, Banco BMG established a policy to conduct credit operations with related parties, duly approved by the Board of Directors and formalized in a specific document made available to the Central Bank of Brazil,

### (e) Equity interest

The members of the board of directors and the executive board jointly hold the following equity interests in BMG:

| | | 2024 |
|---|---|---|
| **Common and preferred shares** | **Number** | **%** |
| Administrative Council | 151,486,762 | 26,0% |
| Board of Directors | 908,756 | 0,2% |
| Other | 430,836,893 | 73,8% |
| **Total** | **583,232,411** | **100%** |

| | | 2023 |
|---|---|---|
| **Common and preferred shares** | **Number** | **%** |
| Administrative Council | 151,109,456 | 25,9% |
| Board of Directors | 412,890 | 0,1% |
| Other | 431,710,065 | 74,0% |
| **Total** | **583,232,411** | **100%** |

## 28. Other information

### (a) Commitments and Guarantees

Guarantees and sureties given by the Financial Conglomerate to customers amount to R$166,970 (2023 – R$210,744) and are subject to financial charges and counter-guarantees from the beneficiaries,

### (b) Agreements for the clearing and settlement of liabilities in the National Financial System environment

In order to allow the offsetting of credits and debits held with a single counterparty, whose maturities of the rights and obligations may be accelerated to the date on which the event of default by either parties occurs, the BMG Conglomerate, pursuant to CMN Resolution No, 3,263, of February 24, 2005, entered into compensation agreements in the scope of derivative agreements, as well as agreements for the offset and settlement of assets and liabilities,

### (c) Material facts

In relation to the Relevant Facts disclosed on October 29, 2020 and November 3, 2020, referring to the “Macchiato” and “Descarte” operations, in compliance with the decision of the 2nd Federal Criminal Court of São Paulo, as well as the IRS assessment In relation to the disallowance of payments made to certain suppliers, the Bank informs that there are no updates and that no irregularities were found in the Bank's information collection available to the Investigation that corroborates the occurrence of crimes of money laundering, corruption or against the National Financial System,

### (d) Reconciliation of Net Income and Equity

The individual financial statements of Banco Bmg S.A. are prepared in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN), unlike the consolidated financial statements, prepared in accordance with international financial reporting standards (“IFRS”) issued by the “International Accounting Standard Board” (“IASB”). In compliance with CMN Resolution No. 4,818/20, we highlight that the main difference between the Individual and Consolidated Net Income arises from the adoption of the calculation model from incurred loss (Individual) to expected loss (Consolidated). Regarding Shareholders' Equity, we inform that the main differences between the Individual and Consolidated Shareholders' Equity arise, in addition to the difference in the loss calculation model, from the reversal of the amortization of goodwill realized in the individual financial statements and from the change in the classification and measurement model of financial assets.

Considering the adoption of CMN Resolution 4,966/21 and complementary regulations in the individual financial statements of BMG's financial institutions, we highlight that, as of January 1, 2025, the difference in the calculation of the expected loss of financial assets will be substantially reduced in relation to that adopted for the purposes of the consolidated financial statements in IFRS. Thus, the main difference between Net Income and Equity will basically result from the reversal of the amortization of goodwill realized in the consolidated financial statements and the change in the model for classifying and measuring financial assets.

### (e) Non-operating result

In December 2024, this basically refers to the positive non-operating result from the sale of 50% of Granito Instituição de Pagamento S.A. to Banco Inter S.A., in the amount of R$85,704, and the negative result from the valuation at fair value of BMG Seguros S.A., in the amount of R$18,566 (see note 4,10), In December 2023, this basically refers to the positive non-operating result from the reimbursement of partnership operations, with Generali Brasil, in the amount of R$61,027 and Wiz Co Participações e Corretagem de Seguros S.A., in the amount of R$39,860 and the disposal of rights to use assets in the amount of R$19,152,

**(f) Subsequent Events**

In continuation of the Notice to the Market released on September 5, 2024, on January 5, 2025, the sale transaction to Dayprev of all common shares held by Bmg Participações em Negócios Ltda., a company controlled by the Bank, in Bmg Seguros (note 4.2) was concluded for the amount of R$92,328.

The Transaction is part of the Bank's strategy to focus efforts on executing its main business lines, with the objective of growing and generating sustainable results for its shareholders and other stakeholders.

The Bank maintains its focus on retail insurance, through Bmg Seguradora and Bmg Corretora, which aim to allow individuals and families simple access to a more protected reality.

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

## APPENDIX I - Consolidated Statement of Value Added

The consolidated statement of value added below is not required by IFRS, but it is being presented as additional information, as required by the Brazilian corporate law for publicly held companies and was derived from the Bank's consolidated financial statements and prepared in accordance with IFRS standards,

| | 01/01/2024 to 12/31/2024 | 01/01/2023 to 12/31/2023 |
|---|---|---|
| **1 – Revenue** | **7,200,919** | **7,621,513** |
| Financial intermediation | 7,520,855 | 7,895,184 |
| Services rendered | 173,042 | 256,211 |
| Provision for impairment of receivables | (1,885,183) | (1,555,222) |
| Recovery of receivables written off as losses | 180,602 | 190,928 |
| Other operating income | 1,103,005 | 711,509 |
| Non-operating | 108,598 | 122,903 |
| **2 – Expenses** | **5,256,978** | **5,612,712** |
| Financial intermediation expenses | 4,029,407 | 4,752,834 |
| Other operating expenses | 1,191,580 | 853,815 |
| Non-operating | 35,991 | 6,063 |
| **3 - Inputs acquired from third parties** | **956,381** | **1,050,078** |
| Materials, energy and other | 172,316 | 154,059 |
| Outsourced services | 132,661 | 181,912 |
| **Other** | **651,404** | **714,107** |
| Communication | 31,667 | 30,165 |
| Advertising, promotions and publicity | 72,353 | 104,796 |
| Data processing | 213,225 | 192,499 |
| Specialist technical services | 302,047 | 355,346 |
| Bank fees | 28,572 | 26,675 |
| Transportation | 3,540 | 4,626 |
| **4 – Gross value added (1 – 2 – 3)** | **987,560** | **958,723** |
| **5 – Depreciation and amortization** | **150,718** | **123,144** |
| **6 – Net value added generated by the entity (4 – 5)** | **836,842** | **835,579** |
| **7 – Value added received as transfer** | **68,295** | **12,646** |
| Equity in the results of investees | 68,295 | 12,646 |
| **8 – Value added to be distributed (6 +7)** | **905,137** | **848,225** |
| **9 – Distribution of value added** | **905,137** | **848,225** |
| **9,1 Personnel** | **477,133** | **427,858** |
| Direct compensation | 267,616 | 245,252 |
| Benefits | 195,312 | 154,717 |
| Payroll charges | 14,205 | 27,889 |
| **9,2 Taxes and fees** | **114,290** | **100,474** |
| Federal | 98,373 | 84,931 |
| State | 634 | 409 |
| Municipal | 15,283 | 15,134 |
| **9,3 Interest** | **34,365** | **32,663** |
| Leases | 34,365 | 32,663 |
| **9,4 Payments to stockholders** | **279,349** | **287,230** |
| Earnings retained for the nine-month period | 252,860 | 267,921 |
| Non-controlling interest in retained earnings | 26,489 | 19,309 |

* * *

**Carlos Andre Hermesindo da Silva**
(Controller and Chief Finance Officer)

**Marco Antonio Antunes**
(Chairman and Specialist Member of the Audit Committee)

**Emerson Jezuino Teodoro Silvestre**
**CRC - 1SP183479/O-1**
(Accountant in Charge)

## STATEMENT OF THE DIRECTORS ABOUT THE FINANCIAL STATEMENTS

In compliance with the provisions of art, 25, item VI of the Securities and Exchange Commission Instruction No, 480/09, Banco Bmg S.A.'s Directors hereby declare that, according to their cognizance of the matter, they reviewed, discussed and agreed with the consolidated Financial Statements to the period ended on December 31, 2024.

## CHIEF EXECUTIVE OFFICER AND INVESTOR RELATIONS OFFICER

In compliance with the provisions of art, 25, item V of the Securities and Exchange Commission Instruction 480/09, the directors of the Bank Bmg S.A., herbey declare that they have reviewed, discussed and agree with the consolidated Financial Statements for the period ended December 31, 2024 disclosed on this date, as well as that they had reviewed, discussed and agreed with the conclusions expressed in the audit report of the independent auditors PricewaterhouseCoopers Auditores Independentes Ltd, and in the opinion of the Fiscal Council to the nine-month period ended December 31,2024.

São Paulo, February 17, 2025

Executive Officers
Carlos Andre Hermesindo da Silva
Flávio Pentagna Guimarães Neto