Audited Consolidated Financial Statements

Banco ABC Brasil S.A.

December 31, 2024 and 2023
with Independent Auditor’s Report

Banco ABC Brasil S.A.

Consolidated Financial statements.

December 31, 2024 and 2023

Contents

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Independent auditor's report on consolidated financial statements

To the Shareholders, Board of Directors and management of
Banco ABC Brasil S.A.
São Paulo, SP

Opinion

We have audited the consolidated financial statements of Banco ABC Brasil S.A. (the "Bank"), which comprise the balance sheet as at December 31, 2024, and the related consolidated income statements, statements of comprehensive income, changes in equity and cash flows for the year then ended, including a summary of significant accounting policies and other explanatory information.

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

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Bank and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by the Brazil's National Association of State Boards of Accountancy (CFC) and we have fulfilled with the 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 opinion.

Key audit matters

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

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

Technological environment

The Bank’s operations are highly dependent on its technological structure and its systems, which are subject to frequent changes, have high level of integration with each other and with sources of information external to the Bank, in addition to processing a high volume of transactions. As a result, we understand that technological environment is a key audit matter.

How our audit addressed this matter:

In the course of our audit, we engaged our internal team specialists to assist us in assessing significant risks related to the technology environment, as well as in performing audit procedures to assess the design and operational effectiveness of general technology controls, for systems considered relevant in the context of the audit, with emphasis on change management and processes of granting, reviewing and revoking access to users. We also performed procedures to assess the effectiveness of automatic controls considered relevant, which support significant business processes and accounting records of operations. Finally, we performed tests of detail to assess the correct flow of information between systems, for the accounting routines considered relevant.

Based on the result of the audit procedures performed on the technology environment, which are consistent with the assessment of the Bank`s Board of Directors, we consider that the general technology controls on the relevant systems of the Bank and the accounting routines considered relevant operated in an acceptable manner, especially in the processing of accounting information considered relevant to the consolidated financial statements taken as a whole.

Loans and advance to customers measured at amortized cost and expected credit losses

As presented in Note 8, at December 31, 2024, among the amount of loans and advance to customers measured at amortized cost, the Bank has loans operations in the amount of R$ 39,096,740 thousand. The provision for expected credit losses associated with credit risk for these loan operations, plus the provision for other operations with credit characteristics, is R$ 748,082 thousand.

Due to the relevance to the consolidated financial statements taken as a whole, the subjectivities related to the judgment of Board of Directors when assessing the credit risk of the Bank's clients, as well as the operational complexity of the process of recognition of interest income from loan operations, we consider the loan operations and the expected credit losses of the loans and advance`s portfolio of as one of the key audit matters.

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How our audit addressed this matter:

In our audit, we considered the understanding of the process established by the Bank`s Management, as well the performance of tests of controls related to: (i) origin of transactions; (ii) analysis and approval of credit transactions considering the established levels; (iii) analysis of guarantees received; (iv) timely update of borrower's information; (v) recognition of revenue from interest on operations under ordinary conditions; (vi) suspension of revenue recognition on loan transactions past due for over 90 days; (vii) SPPI test for a sample of financial instruments recorded at amortized cost; (viii) analysis of account policies and comparison of management's pricing models in relation to requirements of IFRS 9; (ix) test of models for a sample, including process of approval and review of assumptions to estimate expected loss; and (x) review of consolidated financial statements disclosures to confirm compliance with requirements of IFRS 9.

Based on the results of our audit procedures performed on loan operations and provision for losses associated with credit risk, which is consistent with the Bank`s Board of Directors assessment, we considered that the criteria and assumptions adopted by the Bank`s Board of Directors, as well as the disclosures presented in the explanatory notes nº 8, are acceptable in the context of the consolidated financial statements taken as a whole.

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

The Bank's Board of Directors is responsible for this 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 on that report.

In connection with the audit of the consolidated financial statements, our responsibility is to read the Management Report and, in doing so, to consider whether that report is materially inconsistent with the consolidated financial statements or our knowledge gained from the audit or otherwise appears to be materially misstated. If, on the basis of the work 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 Board of Directors and those charged with governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), (currently referred to by the IFRS Foundation as "IFRS accounting), and for such internal controls as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for evaluating the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in the preparation of the consolidated financial statements unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's and its subsidiaries' consolidated 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 misstatements, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted in accordance with the 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 consolidated 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:

- Identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed 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.

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's and its subsidiaries' internal control.

- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Concluded on the appropriateness of the Board of Directors 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated 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, March 31, 2025.

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

Gilberto Bizerra De Souza
Contador CRC RJ-076328/O

Banco ABC Brasil S.A.

Consolidated balance sheets
December 31, 2024 and 2023
(In thousands of reais)

	Notes	2024	2023
Assets			
Cash and reserve with Central Bank of Brazil	5	**540,043**	**647,009**
Financial assets measured at fair value through profit or loss		**10,879,378**	**7,865,099**
Marketable securities	7a	5,316,885	5,339,120
Derivatives	7a/b	5,438,829	2,473,413
Loans and advances to customers	7.a	123,664	52,566
Financial assets measured at fair value through other comprehensive income		**3,042,610**	**1,657,284**
Marketable securities	7a / 8b	3,042,610	1,657,284
Financial assets measured at amortized cost		**47,527,638**	**41,123,575**
Repurchase agreements	6	4,799,964	4,075,127
Deposits with private banks	6	1,261,264	945,032
Marketable securities	8b	3,117,752	2,598,372
Loans and advances to customers	8	38,348,658	33,505,044
Non-current assets available for sale		**150,188**	**134,008**
Other assets		**9,576,725**	**8,115,255**
Foreign exchange portfolio	10	6,325,764	5,621,210
Deferred tax assets	17	978,943	867,587
Taxes and contributions to be compensated		224,097	19,264
Interbank accounts		308,895	608,284
Other	11	1,739,026	998,910
Property and equipment in use and intangible assets		**276,666**	**242,964**
Total assets		**71,993,248**	**59,785,194**

See accompanying notes.

Banco ABC Brasil S.A.

Consolidated balance sheets
December 31, 2024 and 2023
(In thousands of reais)

	Notes	2024	2023
Liabilities			
Financial liabilities measured at fair value through profit or loss		**3,724,569**	**2,233,350**
Funding - Transfers abroad	7a/12b	263,688	261,149
Derivatives	7 a/b	3,460,881	1,972,201
Derivatives used as fair value hedge	7 a/b	**12,749**	**9,002**
Financial liabilities measured at amortized cost		**53,824,292**	**44,850,550**
Funding	12.a	**53,824,292**	**44,850,550**
Deposits		11,333,950	10,472,468
Repurchase agreements		1,957,701	1,683,322
Funds from acceptance and issue of securities		23,149,896	19,805,243
Foreign borrowings		10,218,873	6,729,265
Onlendings in Brazil - government agencies		2,451,672	2,737,583
Funding - Transfers abroad		1,088,564	905,280
Subordinated debt		3,623,636	2,517,389
Other liabilities		**6,937,920**	**6,421,136**
Foreign exchange portfolio	10	6,216,943	5,751,342
Interbranch accounts		62,094	160,494
Taxes	16	157,365	82,404
Other	13	501,518	426,896
Provision	14	**1,011,209**	**381,255**
Equity	25	**6,482,509**	**5,889,901**
Capital		5,698,603	4,472,131
Treasury stock		(77,863)	(69,326)
Capital reserve		97,239	81,845
Income reserve		818,988	1,389,078
Other comprehensive income		(78,225)	2,531
Non controlling shareholders interest		23,767	13,642
Total liabilities and equity		**71,993,248**	**59,785,194**

See accompanying notes.

Banco ABC Brasil S.A.

Consolidated income statements
Years ended December 31, 2024 and 2023
(In thousands of reais)

	Notes	2024	2023
Interest income	19	6,328,124	5,919,029
Interest expenses	19	(5,358,055)	(4,574,980)
Net interest income		**970,069**	**1,344,049**
Commissions and services	21	490,866	395,737
Net income from financial assets and liabilities	22	1,029,217	479,914
Income / (Loss) from foreign exchange operations and exchange variation		(37,504)	(18,419)
Other operating income (expenses)	23	(94,439)	(86,622)
Total commissions, services and other operating income (expenses)		**1,388,140**	**770,610**
Operating income		**2,358,209**	**2,114,659**
Loss on receivables - Loans and advances to customers	8	(358,890)	(399,822)
Loss on receivables - Other financial instruments	6/8	1,937	3,557
Loss for contingent credit commitments	9	(8,059)	5,434
Recoveries on receivables	8	24,083	20,254
Net provisions		**(340,929)**	**(370,577)**
Total operating income after provisions		**2,017,280**	**1,744,082**
Payroll and social charges		(521,254)	(477,165)
Depreciation and amortization		(71,706)	(58,132)
Administrative expenses	24	(282,088)	(237,147)
Total operating expenses		**(875,048)**	**(772,444)**
Income before taxes, profit sharing and non controlling		**1,142,232**	**971,638**
Income and social contribution tax expenses	17	42,711	102,218
Profit sharing / statutory contributions	18	(259,320)	(259,491)
Non controlling shareholders interest		(20,584)	(13,512)
Net income for the year		**905,039**	**800,853**
Earnings per share - Basic in R$	25.c	3.89	3.85
Earnings per share - Diluted in R$	25.c	3.83	3.80

See accompanying notes.

Banco ABC Brasil S.A.

Consolidated statements of comprehensive income
Years ended December 31, 2024 and 2023
(In thousands of reais)

	2024	2023
Net income for the year	**905,039**	**800,853**
Other revenues (expenses) recognized	**(80,756)**	**2,929**
Financial assets measured at fair value through other comprehensive income - Adjustment to market value	(146,829)	5,325
Tax effetcs	66,073	(2,396)
Total recognized revenues and expenses	**824,283**	**803,782**
Total of comprehensive income	**824,283**	**803,782**

See accompanying notes.

Banco ABC Brasil S.A.

Consolidated statements of changes in equity
Years ended December 31, 2024 and 2023
(In thousands of reais)

				Income reserve						
	Capital	Treasury stock	Capital reserve	Legal reserve	Dividend equalizatio	Share repurchas	Retained earnings	Other comprehensive income	Non controlling shareholders interest	Total
Balances at December 31, 2022	**4,315,017**	**(82,162)**	**56,649**	**69,846**	**820,538**	**55,000**	**-**	**(398)**	**2,017**	**5,236,507**
Net change in Financial assets measured at fair value in other comprehensive income	-	-	-	-	-	-	-	2,929	-	2,929
Acquisition of treasury stock	-	12,836	-	-	-	-	-	-	-	12,836
Net income for the year	-	-	-	-	-	-	800,853	-	13,544	814,397
Capital raising	157,114	-	-	-	-	-	-	-	1,009	158,123
Interest on equity	-	-	-	-	-	-	(357,159)	-	-	(357,159)
Distributed dividends	-	-	-	-	-	-	-	-	(2,928)	(2,928)
Allocation - Legal reserve	-	-	-	40,043	-	-	(40,043)	-	-	-
Constitution of reserves	-	-	25,196	-	403,651	-	(403,651)	-	-	25,196
Balances at December 31, 2023	**4,472,131**	**(69,326)**	**81,845**	**109,889**	**1,224,189**	**55,000**	**-**	**2,531**	**13,642**	**5,889,901**
Net change in Financial assets measured at fair value in other comprehensive income	-	-	-	-	-	-	-	(80,756)	-	(80,756)
Acquisition / Distribution of treasury stock	-	(8,537)	-	-	-	-	-	-	-	(8,537)
Net income for the year	-	-	-	-	-	-	905,039	-	20,584	925,623
Capital raising	1,226,472	-	-	-	(1,080,000)	-	-	-	2,249	148,721
Interest on equity	-	-	-	-	-	-	(395,129)	-	-	(395,129)
Distributed dividends	-	-	-	-	-	-	-	-	(12,708)	(12,708)
Allocation - Legal reserve	-	-	-	45,252	-	-	(45,252)	-	-	-
Constitution of reserves	-	-	15,394	-	464,658	-	(464,658)	-	-	15,394
Balances at December 31, 2024	**5,698,603**	**(77,863)**	**97,239**	**155,141**	**608,847**	**55,000**	**-**	**(78,225)**	**23,767**	**6,482,509**

See accompanying notes.

Banco ABC Brasil S.A.

Consolidated statements of cash flows
Years ended December 31, 2024 and 2023
(In thousands of reais)

	2024	2023
Operating activities		
Net income for the year	**905,039**	**800,853**
Adjustment to net income:	**511,466**	**35,125**
Gain (loss) on disposal of non-current assets available for sale	7,355	(4,104)
Provision for impairment of non-current assets available for sale	(10,141)	1,345
Depreciation and amortization	71,706	58,132
Credit losses	365,012	390,831
Provision for contingent liabilities	(901)	599
Others provision	(20,180)	(36,564)
Deferred tax	10,109	(92,928)
Effects of Changes in Foreign Exchange Rates on Assets and Liabilities	88,506	(282,186)
(Increase) / Decrease in operating assets	**(14,468,560)**	**(3,378,562)**
Financial assets measured at fair value through profit or loss	(3,014,279)	(2,456,674)
Financial assets measured at fair value through other comprehensive income	(1,465,513)	1,195,792
Repurchase agreements	345,300	179,218
Deposits with private banks	(252,201)	(30,516)
Securities measured at amortized cost	(830,471)	(208,013)
Loans and advances to customers	(7,770,533)	(3,725,955)
Assets not for own use	(13,394)	26,166
Foreign exchange portfolio	(704,554)	1,484,849
Taxes	(117,356)	184,745
Other assets	(645,560)	(28,172)
Increase / (Decrease) in operating liabilities	**13,309,603**	**1,975,516**
Financial liabilities measured at fair value through profit or loss	1,491,219	(31,748)
Derivatives used as fair value hedge	3,747	(12,239)
Deposits	861,482	118,165
Repurchase agreements	274,379	234,359
Funds from acceptance and issue of securities	3,344,653	2,453,545
Foreign borrowings	6,357,380	(141,018)
Onlendings in Brazil - government agencies	(520,874)	1,594,738
Funding - Transfers abroad	333,907	(942,914)
Foreign exchange portfolio	465,601	(1,378,376)
Interbranch accounts	(98,400)	60,294
Taxes	56,976	(216,186)
Other liabilities	683,626	139,845
Tax Paid	55,907	97,051
Cash flow (used in) / provided by operating activities	**257,548**	**(567,068)**
Investing activities		
Acquisition of fixed assets for use and intangible assets	(107,218)	(131,596)
Fixed asset in use and intangible asset disposals	1,810	-
Allocations of reserves of capital	15,394	25,196
Cash (used in) investing activities	**(90,014)**	**(106,400)**
Financing activities		
Treasury stock	(8,537)	12,836
Interest on equity paid	(395,129)	(357,159)
Subordinated debts	1,106,247	269,973
Capital raising	148,721	158,123
Distributed dividends	(12,708)	(2,928)
Non controlling shareholders interest	20,584	13,544
Cash provided by financing activities	**859,178**	**94,389**
Effects of Changes in Foreign Exchange Rates on Cash and Cash Equivalents	(448)	(2,808)
Increase / (Decrease) in cash and cash equivalents	**1,026,264**	**(581,887)**
At the beginning of the year	4,648,074	5,229,961
At the end of the year	5,674,338	4,648,074
Change in cash and cash equivalents	**1,026,264**	**(581,887)**

See accompanying notes.

1. Operations

The Bank is a publicly traded corporation and a subsidiary of the Bank ABC, based in Bahrain. In Brazil, the Bank is engaged in asset and liability operations inherent to multiple bank activities, being authorized to operate with commercial, foreign exchange, investment, credit and financing and housing financing portfolios.

The Bank's operations are conducted through branches in Brazil and abroad through an overseas branch located in Georgetown, Cayman Islands.

The consolidated financial statements for the year ended December 31, 2024 were approved by the Directors on March 31, 2025.

2. Accounting practices

2.1 Basis of preparation

The consolidated financial statements were prepared based on amortized cost, except for financial assets measured at fair value through other comprehensive income, derivative financial instruments and financial assets and liabilities designated at fair value through profit or loss, which were all measured at fair value.

The consolidated financial statements are presented in Brazilian Reais (R$), which is the functional currency and of presentation of Banco ABC Brasil S.A. and its subsidiaries.

<u>Declaration of compliance</u>

The Bank's consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Bank published on February 11, 2025 its individual and consolidated financial statements prepared in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by Central Bank of Brazil (BACEN) “BRGAAP”.

The reconciliation between the balances presented in accordance with accounting practices adopted in Brazil applicable to financial institutions authorized to operate by the Central Bank of Brazil "BRGAAP" and International Financial Reporting Standards (IFRS), of equity and net income for the years ended December 31, 2024 and 2023, are shown below:

(In thousands of reais)

	2024	2023
Equity under BRGAAP	**6,411,114**	**5,885,371**
Provision for losses and mark-to-market (a)	85,799	9,925
Others	(14,404)	(5,395)
Equity under IFRS	**6,482,509**	**5,889,901**
Net income under BRGAAP	**971,274**	**851,582**
Provision for losses and mark-to-market (a)	(52,992)	(47,550)
Others	(13,243)	(3,179)
Net income under IFRS	**905,039**	**800,853**

a) *Includes provision for losses on loans and advances to customers - negative adjustment of R$ 62 million (2023 negative adjustment of R$ 19 million) and mark-to-market of securities classified as amortized cost - positive adjustment of R$ 148 million (2023 - R$ 28 million).*

Consolidation basis

The consolidated financial statements include the individual financial statements of Banco ABC Brasil S.A. and its subsidiaries:

Direct subsidiaries	% Participation
ABC Brasil Administração e Participações Ltda.	100%
ABC Brasil Comercializadora de Energia Ltda.	100%
ABC IB Holding Ltda. (1)	93,18%

Indirect subsidiaries	% Participation
ABC Brasil Distribuidora de Títulos e Valores Mobiliários S.A.	100%
ABC Brasil Corretora de Seguros Ltda.	90%
Visio Gestora de Créditos Ltda. (1)	90%
ABC M&A e ECM Ltda. (2)	100%
ABC DCM LTDA. (2)	100%
ABC Holding Financeira Ltda. (2)	100%

Investment funds
Fundo de Investimento em Direitos Creditórios não padronizado ABC I.(3)
Baraúna Fundo de Investimento Multimercado Crédito Privado. (4)
Apoema Fund Ltda (5)

(1) The company ABC Brasil Investment Banking Ltda and Visio Gestora de Créditos Ltda.began to be consolidated in June 2023 (formally called ABC IB Holding LTDA and Leblon Gestora de Crédito Ltda, respectively).

(In thousands of reais)

(2) The companies ABC M&A and ECM Ltda., ABC DCM Ltda., and ABC Holding Financeira Ltda., controlled by the ABC Brasil Investment Banking Ltda., began to be consolidated in August 2023.

(3) The Fundo de Investimento em Direitos Creditórios Não Padronizado ABC I began to be consolidated in January 2023 and is controlled through ABC Brasil Administração e Participações Ltda., where it holds 100% of the shares in this fund.

(4) The Baraúna Fundo de Investimento Multimercado Crédito Privado began to be consolidated in September 2023 and is controlled by Banco ABC Brasil S.A., where it holds 100% of the shares in this fund.

(5) The Fundo Apoema Fund Ltda I began to be consolidated in May 2024 an is indirectly controlled by the bank through the Barauna Fundo de Investimento Multimercado Crédito Privado, where it holds 100% of the shares in this fund.

The Bank implemented a change in its corporate structure with the aim of reorganizing the operations and activities of the entities involved.

The shareholding control of the company ABC Brasil Distribuidora de Títulos e Valores Mobiliários S.A. was transferred from Banco ABC Brasil S.A. to the indirect subsidiary ABC Holding Financeira LTDA, through the issuance of 10,742,104 new shares.

The accounting practices adopted to record operations and assess the Bank's assets, including operations conducted by the overseas branch and its consolidated subsidiaries were consistently applied and investments, rights, obligations and profit and loss (P&L) among consolidated companies were eliminated.

Restatement of financial statements

In order to improve the disclosure of accounting information to users, the Bank decided to make changes in the Consolidated Financial Statements presentation. The adjustments applied retrospectively produced the effects on the balance sheet, as shown below:

Balance sheet	**31/12/2023**		**31/12/2023**
	Original	Settings	**Restatement**
Financial assets measured at fair value through profit or loss	**8,237,790**	**(372,691)**	**7,865,099**
Derivatives	2,846,104	(372,691)	2,473,413
Other assets	**8,468,083**	**(352,828)**	**8,115,255**
Deferred tax assets	1,220,415	(352,828)	867,587
Total Assets	**60,510,713**	**(752,519)**	**59,785,194**

(In thousands of reais)

Balance sheet	**31/12/2023 Original**	Settings	**31/12/2023 Restatement**
Financial liabilities measured at fair value through profit or loss	**2,606,041**	**(372,691)**	**2,233,350**
Derivatives	2,344,892	(372,691)	1,972,201
Other liabilities	**7,155,219**	**(734,083)**	**6,421,136**
Deferred tax obligations	415,712	(333,308)	82,404
Others	827,671	(400,775)	426,896
Provisions	**-**	**381,255**	**381,255**
Total Liabilities	**60,510,713**	**(752,519)**	**59,785,194**

The restatement did not impact the income, equity, other comprehensive income, operating, investing and financing activities of the cash flow.

2.2 Significant accounting judgments and estimates

In the process of preparing the financial statements of the Bank, management has resorted to professional judgment and used estimates to calculate certain amounts recorded in the financial statements. The most important use of judgment and estimates occurs in relation to:

Continuity of operations

The Management assessed the Bank's ability to continue operating normally and is convinced that the Bank has the resources to continue its business in the future. Additionally, management is not aware of any material uncertainty which may generate significant doubts about its ability to continue operating. Therefore, the financial statements were prepared based on this principle.

Fair value of financial instruments, including derivatives

When the fair value of financial assets and liabilities recorded in the balance sheet can not be obtained in an active market, it is determined using a variety of valuation techniques including the use of mathematical models. The variables of these models are derived from observable market data whenever possible, but when market data is not available, judgment is needed to establish fair value. Judgment includes considerations about liquidity and variable models, such as volatility of long-term derivatives and discount rates, prepayment rates and assumptions related to default on notes secured by assets. The valuation of financial instruments is presented in more detail in Note 7.

Impairment of financial assets measured at amortized cost

The Bank reviews its loans and advances individually every balance sheet date to assess whether impairment losses must be recorded in the income statement. Judgment by management is required to estimate the amount and period of future cash flow to determine impairment losses. In estimating these cash flows, the Bank makes judgments regarding the financial situation of customer and the realizable value net of collateral. These estimates are based on assumptions of a number of factors and, therefore, actual results may vary, leading to future changes in the provision. Impairment of loans and advances to customers is disclosed in more details in the Notes 6 and 8.

Impairment of financial assets measured at fair value through other comprehensive income

The Bank reviews its debt instruments classified as fair value through other comprehensive income on each date of the financial statements to assess whether they are designated for impairment. This requires judgment similar to the individual assessment of loans and advances. The Bank also records impairment losses on equity investments classified as fair value through other comprehensive income in which there was a significant or prolonged decrease in fair value. The determination that it is considered "significant" or "prolonged" requires judgment. To reach this judgment, the Bank assesses, among other factors, the historical change in the share price, in addition to the duration and extent to which the fair value of the investment was less than its cost.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized on temporary differences the difference between the carrying amount of assets and liabilities and their respective tax bases for tax purposes, and credits arising from tax losses and negative basis. The amounts are measured based on the tax rates that are expected to be in effect when they become deductible.

Judgment is required to determine the amount of future deferred tax asset that should be recognized, based on the probable stream of future taxable income, and in conjunction with tax planning strategies.

Deferred tax assets and liabilities are presented in the balance sheet at their net value, in accordance with IAS32.

Contingent assets and contingent liabilities

The recognition, measurement and disclosure of contingent assets and liabilities, and legal liabilities take place according to the criteria described below:

- Contingent assets - are not recognized in the financial statements, except when there is evidence providing guarantee of their realization, on which further appeals can no longer be filed.

- Contingent liabilities - are recognized in the financial statements when, based on the opinion of legal advisors and the Bank's management, the risk of loss of a legal or administrative proceeding is regarded as probable, with a probable outflow of funds for settling the liabilities, and when the amounts involved may be measured with sufficient accuracy. Contingent liabilities classified by legal advisors as possible losses are only disclosed in notes, whereas those classified as remote losses do not require provision or disclosure.

3. Summary of significant accounting practices

a) Translation of balances in foreign currency

The consolidated statements are presented in Reais, the functional currency of the subsidiaries and the presentation of these statements.

Assets and liabilities are translated using the exchange rate at the balance sheet date. Income and expenses are translated at the average monthly exchange rate and the equity in earnings, in the income statement for the period.

b) Financial instruments - Initial recognition, measurement and presentation

(I) *Date of recognition*

All assets and liabilities are initially recognized at trade date, i.e. the date on which the Bank becomes a party to the contractual relationship of the instrument. This includes purchases or sales of financial assets that require delivery of the asset at a specified time established by regulation or market standard.

(II) *Initial recognition of financial instruments*

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired by management and their characteristics. All financial instruments are initially measured at fair value plus transaction costs, except in cases where financial assets and liabilities are recorded at fair value through profit or loss.

(III) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated balance sheet if there is a currently enforceable legal right to offset the amounts recognized and if there is an intention to settle on a net basis, realize the assets and settle the liabilities simultaneously

(IV) *Financial assets and liabilities stated at fair value through profit or loss (FVTPL)*

Financial assets and liabilities classified in this category are those designated as such during initial recognition. The designation of a financial instrument at fair value through profit or loss upon initial recognition only takes place when the following criteria are met, and designation of each instrument is determined individually:

• SPPI test: evaluation of the cash flows generated by the financial instrument with the objective of verifying whether they only constitute payment of principal and interest. To meet this concept, cash flows must include consideration for the time value of money and credit risk. If the contractual terms introduce risk exposure or cash flow volatility, such as exposure to changes in equity instrument prices or commodity prices, the financial asset is classified as at fair value through profit or loss.

• Business model: represents the way financial assets are managed to generate cash flows. Financial assets can be managed with the purpose of: i) obtaining contractual cash flows; ii) obtain contractual and sale cash flows.

Financial assets and liabilities at fair value through profit or loss are recorded in the balance sheet at fair value. Changes in fair value are recorded in "Net result of financial assets and liabilities”. Interest earned or incurred is appropriated in 'Interest income' or 'interest expense', respectively, using the effective interest rate. Dividend income is recognized as 'other operating income' when the right to payment is established.

(V) *Financial assets measured at fair value in other comprehensive income (FVTOCI)*

After the initial measurement, financial instruments measured at fair value in other comprehensive income are subsequently measured at fair value. Unrealized gains and losses are recognized directly in equity, in the “Other comprehensive income” for adjustment to market value of financial assets measured at fair value through other comprehensive income, net of taxes.

When the investment is liquidated, the cumulative gain or loss previously recognized in equity is recognized in income statement in "net income from financial assets”. When the Bank maintains more than an investment of the same type, they are considered as if they were written off using the concept of "average purchase cost”. Changes in fair value and interest income or interest expense are recognized, according to contractual terms or when right to payment is established, are recorded in '"Net result from financial assets and liabilities". Interest income or expense is recorded under "interest income and expense" respectively under the terms of the agreement or when the right to payment is established. Dividends received while it is held as a financial asset measured at fair value through other comprehensive income are recognized in the income statement as 'other operating income' when the right to receive payment is established.

The impairment of these financial instruments is recognized in the income statement under "net income from financial assets and liabilities" and written off from the 'reserves for adjustment to market value of 'financial assets measured at fair value through other comprehensive income'.

(VI) *Financial assets measured at amortized cost*

Receivables from banks and 'loans and advances to customers' include financial assets with fixed or determinable payments not quoted in an active market. After initial measurement, the amounts of receivables from banks and 'loans and advances to customers' are subsequently measured at amortized cost using the effective interest rate, net of provision for impairment. The amortized cost is calculated considering any discount or premium on acquisition of significant amounts and other charges and costs that are components of effective interest rate. Amortization is included in 'interest income' in the income statement. Impairment is recognized in the income statement in 'losses on receivables'.

The Bank has no loans and advances intended for sale.

(VII) *Borrowings*

Borrowings are measured at amortized cost using effective interest rate, except funding subject to hedge accounting disclosure at fair value. Amortized cost is calculated taking into consideration any discount or premium on issuance and significant costs that are components of the effective interest rate.

c) Write-off of financial assets and liabilities

(I) *Financial assets*

A financial asset (or applicable part of a financial asset or group of similar assets) is written off when:

- The right to receive cash flow from the asset has expired; or

- The Bank transferred the right to receive cash flow from the asset or assumed the obligation of paying the cash flow received, for the total amount, without significant delay, to a third party due to an onlending contract, and if:
- The Bank transferred substantially all the risks and rewards of the asset; or the Bank did not transfer or retained substantially all the risks and rewards from the asset but has transferred control over the asset.

(II) *Financial liabilities*

A financial liability is written off when the obligation related to the liability is eliminated.

d) Repurchase agreements

Securities sold under repurchase agreement on a specific future date are not written off from the balance sheet, as the Bank retains substantially all the risks and rewards of ownership. The corresponding cash received is recognized in the balance sheet as an asset with the obligation of return, including interest appropriated as a liability in 'cash collateral of securities lent and repurchase agreements', reflecting the economic nature of the transaction as a Bank debt. The difference between sale and repurchase price is treated as interest expense and is appropriated over contract duration using the effective interest rate.

e) Determination of fair value

The fair value of financial instruments traded in active markets at balance sheet date is based on quoted market or OTC price (sales price for long positions and purchase price for short positions), without any transaction cost deduction. (Level 1 fair value hierarchy).

For all other financial instruments not traded in an active market, fair value is determined using appropriate valuation methods, which include the discounted cash flow method, comparison with similar instruments for which there are observable market prices, option valuation models, credit models and other known valuation models. Certain financial instruments are carried at fair value using valuation methods in which the current market transactions or observable market data are not available. For these financial instruments, the fair value is determined using a valuation method that was tested against prices or data of current market transactions and using the best estimates of the most appropriate model of the Bank. Models are adjusted to reflect the change in purchase and sale prices to reflect the cost of liquidating the position, to serve as contra entry of credit and liquidity changes and model limitations. An analysis of the fair value of financial instruments and more details about how they were measured are available in Note 7.

f) Impairment of financial assets measured at amortized cost

The new standard brings the concept of expected credit loss (including the use of prospective information) and classification into three stages. An asset will migrate from the stage of expected credit loss as credit risk deteriorates. If, in a subsequent period, the quality of a financial asset improves or the significant increase in previously identified credit risk reverses, the financial asset may return to the previous stage, unless it is a financial asset originated with credit recovery problems.

Stage 1 - Expected credit loss for 12 months: represents the possible delinquency events within 12 months. Applicable to financial assets without significant increase in credit risk and without credit originate recovery problems.

Stage 2 - Permanent expected credit loss over the life of the financial instrument: Applicable to financial assets with a significant increase in credit risk, but which did not originate with recovery problems.

Stage 3 - Permanent expected credit loss for assets with credit recovery problems: Applicable to financial assets considered to have credit recovery problems due to the occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that do not originate with recovery problems, but which later became troubled with recovery, it differs from stage 2 by recognizing interest income by applying the effective interest rate at amortized cost (net of provision) instead of the gross book value.

(I) *Renegotiated loans*

Where possible, the Bank seeks to restructure debts rather than to take possession of collateral. This may involve extending the term of payment and agreeing on new loan conditions. Once the terms are renegotiated, any impairment is measured using the original effective rate before the modification of the terms of the loan, which will no longer be considered delayed. Management performs ongoing review of loans renegotiated to ensure that all criteria are met and that future payments will occur. The loans continue to be subject to individual assessment of impairment, calculated using the original effective rate of the loan.

g) Financial instruments - Net presentation

Financial assets and liabilities are presented net in the balance sheet if and only if there is a current legal and enforceable right of offsetting the recognized amounts and if there is the intention of offsetting, or of realizing the asset and settling the liability simultaneously. This is not usually the case in master netting agreements, for which the related assets and liabilities are presented separately in the balance sheet.

h) <u>Recognition of revenues and expenses</u>

Revenue is recognized to the extent that it is probable that the economic benefit will be transferred to the Bank and revenue can be reliably measured. The specific recognition criteria below must be met before revenue is recognized:

(I) *Interest income and expense*

For all financial instruments measured at amortized cost, interest earning financial assets classified as financial assets measured at fair value through other comprehensive income and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future payments or receipts over the estimated life of the financial instrument, or a shorter period when appropriate, to the net book value of the asset or liability. The calculation takes into account all contractual terms of the financial instrument and includes any charge or incremental costs that are directly attributable to the instrument and are integral parts of the effective rate, but not of future losses on receivables. The book value of the financial asset or liability is adjusted if the Bank revises its estimates of payment and receipt. The adjusted book value is calculated based on the original interest rate and the adjustment in the book value is recorded as 'Other operating income'. However, for a reclassified financial asset for which the Bank subsequently increases its estimate of future cash receipt as a result of increased probability of recovery of future cash receipts, the effect of the increase is recognized as an adjustment in the effective rate as from the date of change in the estimate.

Once the recorded value of a financial asset or a group of similar financial assets is written off due to impairment loss, interest income continues to be recognized using the interest rate used to discount the future cash flow used to measure impairment loss.

(II) *Revenue from charges and commissions*

The Bank earns revenue from charges and commissions through various types of services it provides to its customers. Revenues from charges are segregated into the following categories:

(III) Revenue from commissions and charges for services rendered

Commissions and charges received with services rendered are recorded in the income statement on the date of service completion. When such commissions and charges have a relationship with the term of the operations, revenues are recognized over the term of the related operations.

(IV) Revenue from charges for transaction services rendered

Charges arising from trading or participation in trading with third parties, for example, contract for the purchase of shares or other securities or the purchase or sale of a business, are recognized at the end of the transaction that generated the charge. Charges or components of charges that are probably related to specific performance are recognized after meeting the specific criteria.

i) <u>Cash and cash equivalents</u>

Cash and cash equivalents as referred to in the cash flow statements include cash on hand, unrestricted current accounts with banks and available amounts receivable from banks or with original maturities of 90 days of application date.

j) <u>Property and equipment</u>

Property and equipment are recorded at cost excluding maintenance cost, less accumulated depreciation and impairment. Changes in estimated useful lives are accounted for as changes in the amortization method or period and appropriately treated as changes in accounting estimates.

Depreciation is computed using the straight-line method to adjust the cost of property and equipment to their residual value over their estimated useful lives. The estimated useful lives of assets are as follows:

- Computer hardware 5 years
- Other furniture and equipment 5 to 10 years

Property and equipment are written off upon disposal or when future economic benefits are no longer expected from use thereof. Any gain or loss generated on asset disposal (calculated as the difference between net revenue from disposal and asset book value) is recognized in ‘other operating income’ in the income statement for the year in which the asset is disposed of.

k) <u>Intangible assets</u>

Intangible assets of the Bank basically include the amount of software. An intangible asset is recognized only when its cost may be reliably measured and it is probable that expected future economic benefits will flow to the Bank.

l) Financial guarantees

In the normal course of business, the Bank provides financial guarantees through sureties. Financial guarantees are initially recognized in the financial statements as commitments in memorandum accounts. Any increase in liability associated with financial guarantees is recorded in the income statement in 'losses on receivables'. The premium received is recognized in the income statement in 'net revenue from charges and commissions' using the straight-line method based on the duration of the guarantee term.

m) Provisions

Provisions are recognized when the Bank has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the income statement net of any reimbursement.

n) Taxes

Provisions for income tax and social contribution, when due, are based on accounting profit, adjusted for additions and exclusions provided for in tax legislation. Deferred income tax and social contribution are calculated on the amount of temporary differences, whenever the realization of these amounts is deemed probable.

The accounting for net deferred tax assets and liabilities, in turn, is carried out by the Bank if, and only if, the entity has the legally enforceable right to offset current tax assets against current tax liabilities and if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority: (i) on the same taxable entity; or (ii) on different taxable entities that intend to settle the current tax liabilities and assets on a net basis or realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of the deferred tax assets or liabilities are expected to be settled or recovered.

o) Treasury stock

The Bank's own equity instruments that were acquired (treasury stock) are deducted from equity and accounted for using the weighted average cost. Amounts paid or received on the sale, purchase, in the issue or cancellation of own equity instruments are recognized directly in equity. No gain or loss is recognized in profit or loss on the sale, purchase, in the issue or cancellation of own equity instruments.

p) Dividends (Interest on equity) of common and preferred shares

Dividends (interest on capital - JCP) of common and preferred shares are recognized as a liability and deducted from equity when approved by the shareholders of the Bank. Dividends and interest on equity at interim dates are deducted from equity when declared and are not subject to future decision by the Bank.

q) Leasing operations

The Bank leases real estate to carry out its commercial activities. Initial recognition occurs when the contract is signed, under the Lease liabilities item, which corresponds to the total future payments at present value against the Right to Use Assets, depreciated on a straight-line basis over the lease term. The financial expense corresponding to the interest on the lease liability is recognized in the item Interest Expenses in the Consolidated Income Statement.

r) Assets not for own use

Assets not for own use are recorded in the Consolidated Balance Sheet under Other Assets when their effective seizure or intention to sell occurs. These assets are initially recorded at the lower of: (i) the fair value of the asset or (ii) the book value of the assets intended for sale.

4. Information by segment

For managerial purposes, the Bank is organized into two operating segments based on business units and its activities as follows:

a) **Commercial Activity** - It mostly comprises managing loans and other credit operations and deposit services and checking accounts to large and medium-sized corporate and institutional clients and promoting capital market operations and other banking services.

b) **Corporate and Treasury** - These comprise the financial results related to cost of own capital attributed to commercial activities, in addition to financial results of typical treasury activities, such as management of currency gap, rates and other arbitrage risks in foreign and domestic markets and results in managing proprietary positions. It also comprises other costs and corporate results, such as provisions for contingencies and indirect costs of activities, redistributing such costs to the commercial area.

(In thousands of reais)

Management manages the operating results of the Bank's business units separately for the purposes of making decisions about resource allocation and performance evaluation. Segment performance is evaluated based on profit or loss from the operation, which considers, among other criteria, adjustment of deemed cost of own capital.

The commercial segment absorbs the tax on results at a rate of 45%, and the difference in relation to total tax is allocated to the corporate and treasury segment.

No revenue from transactions with a single customer or counterparty reached 10% or more of total revenue of the Bank in December, 31 2024 and 2023.

On the measurement of operating segments results managerial reclassifications of expenses and costs for managing operating effects are considered, which can represent differences in classifications in the income statements lines compared to the financial statement prepared based on IFRS criteria.

The following table presents managerial income statements related to the segments of the Bank:

	2024		
	Commercial Activity	**Corporate and Treasury**	**Total**
Operating income	850,333	1,507,876	2,358,209
Losses on receivables (net of recoveries)	(366,949)	1,937	(365,012)
Total operating income after provisions	**483,384**	**1,509,813**	**1,993,197**
Personnel expenses	(268,121)	(253,133)	(521,254)
Installations, depreciation and amortization	(19,012)	(52,694)	(71,706)
Other expenses	(134,907)	(123,098)	(258,005)
Allocated expenses	243,015	(243,015)	-
Total operating expenses	**(179,025)**	**(671,940)**	**(850,965)**
Income before taxes	**304,359**	**837,873**	**1,142,232**
Income and social contribution tax expenses	(136,962)	179,673	42,711
Profit sharing / statutory contributions	(133,388)	(125,932)	(259,320)
Non controlling shareholders interest	(20,584)	-	(20,584)
Net income for the year	**13,425**	**891,614**	**905,039**

(In thousands of reais)

	2023		
	Commercial Activity	Corporate and Treasury	Total
Operating income	1,759,956	359,250	2,119,206
Losses on receivables (net of recoveries)	(374,343)	3,766	(370,577)
Total operating income after provisions	**1,385,613**	**363,016**	**1,748,629**
Personnel expenses	(244,404)	(230,742)	(475,146)
Installations, depreciation and amortization	(18,082)	(50,306)	(68,388)
Other expenses	(215,435)	(18,022)	(233,457)
Allocated expenses	(300,046)	300,046	-
Total operating expenses	**(777,967)**	**976**	**(776,991)**
Income before taxes	**607,646**	**363,992**	**971,638**
Income and social contribution tax expenses	(273,441)	375,659	102,218
Profit sharing / statutory contributions	(133,476)	(126,015)	(259,491)
Non controlling shareholders interest	(13,512)	-	(13,512)
Net income for the year	**187,217**	**613,636**	**800,853**

Geographic information

Bank operations are concentrated in Brazil, but it also operates through its branch in Cayman Islands.

The balances of operations performed with third parties by the foreign branch on December 31, 2024 and 2023 are as follows:

	2024	2023
Assets		
Cash and reserves at the Central Bank of Brazil	515,293	578,815
Financial assets stated at fair value through profit or loss	176,419	1,326,354
Financial assets measured at fair value in other comprehensive income	356,355	62,506
Financial assets measured at amortized cost	4,898,081	2,533,349
Other assets	1,547,788	273,633
Total	**7,493,936**	**3,584,657**
Liabilities		
Demand deposits	-	58
Time deposits	1,319,708	427,539
Interbank deposits	253	756
Foreign Borrowings	6,606,053	5,989,194
Derivative financial instruments	136,169	82,180
Other liabilities	1,490,876	127,612
Total	9,553,059	6,627,339

(In thousands of reais)

In Brazil, the Bank has a business platform in 12 states (Rio Grande do Sul, Santa Catarina, Paraná, São Paulo, Rio de Janeiro, Minas Gerais, Espírito Santo, Goiás, Mato Grosso, Bahia, Pernambuco and Caerá) and Federal district. The other Brazilian states are served by these platforms.

5. Cash and cash equivalents

Cash and and cash equivalent components:

	2024	2023
Cash and banks	**540,043**	**647,009**
Interbank investments	**5,134,295**	**4,001,065**
Foreign investments	334,307	270,252
Other investments with maturity igual or less than 90 days (a)	4,799,988	3,730,813
Total cash and cash equivalents	**5,674,338**	**4,648,074**

(a) Related to operations whose maturity on the date of effective investment was equal to or less than 90 days and which have an insignificant risk of change in value.

6. Repurchase agreements and deposits with private bank.

Repurchase agreements backed by federal securities in the amount of R$ 4,799,964 (R$ 4,075,127 in 2023) with maturity date until January 2025. Deposits with private banks in the amount of R$ 1,261,264 (R$ 945,032 in 2023) with maturity date until June 2030.

On December 31, 2024 and 2023, the balances of repurchase agreements and deposits with private banks are thus shown according to their stage classification and expected loss:

	2024	2023
Financial assets recorded at amortized cost	**Stage 1**	**Stage 1**
Repurchase agreements	4,799,988	4,076,113
Repurchase agreements - expected credit loss	(24)	(986)
Subtotal - Repurchase agreements	**4,799,964**	**4,075,127**
Deposits with private banks - expected credit loss	1,262,546	945,834
Deposits with private banks - expected credit loss	(1,282)	(802)
Subtotal - Deposits with private banks	**1,261,264**	**945,032**

On December 31, 2024 and 2023, there were no balances classified in stages 2 and 3.

The expected credit loss for repurchase agreements and financial deposits had the following transactions in the years ended December 31, 2024 and 2023:

	2024	2023
Balances at the beginning of the year	(1,788)	(2,133)
Constitution in the year	482	345
Balances at the end of year	**(1,306)**	**(1,788)**

(In thousands of reais)

7. Classification of financial instruments

a) Measurement of financial instruments

The table below presents the position of asset financial instruments and the related fair value:

	2024			
	Public market quotes (Level 1)	**Internal models (Level 2)**	**Internal models (Level 3)**	**Total**
Financial Assets				
Financial assets stated at fair value through profit or loss				
Marketable securities				
Financial treasury bills - LFT	17,251	-	-	17,251
Eurobonds	104,890	-	-	104,890
National treasury notes - NTN-B	2,242,844	-	-	2,242,844
Debentures	-	85,565	51,602	137,167
Public Company Shares	1,246	-	-	1,246
Shares of Closed Companies	-	-	12,402	12,402
Funds in infrastructure holdings	34,323	-	19,689	54,012
Funds investment credit creditors	-	-	547,296	547,296
Rural Product bills - “CPR”	-	-	125,273	125,273
Foreign government bonds	1,802,543	991,961	-	2,074,504
Subtotal - Marketable securities	**3,483,097**	**1,077,526**	**756,262**	**5,316,885**
Loans and advances to customers	-	123,664	-	123,664
Derivatives	2,417,511	3,021,318	-	5,438,829
Subtotal - Financial assets stated at fair value through profit or loss	**5,900,608**	**4,222,508**	**756,262**	**10,879,378**
Financial assets measured at fair value in other comprehensive income				
Financial treasury bills - LFT	792,088	-	-	792,088
Eurobonds	72,893	-	-	72,893
National treasury notes - NTN-B	2,037,161	-	-	2,037,161
Debentures	44,682	36,199	20,942	101,823
Public Company Shares	9,404	-	-	9,404
Financial Treasury - “LF”	-	30,973	-	30,973
Expected credit loss	(1,029)	(637)	(66)	(1,732)
Subtotal - Financial assets measured at fair value in other comprehensive income	**2,955,199**	**66,535**	**20,876**	**3,042,610**
Total Financial Assets	**8,855,807**	**4,289,043**	**777,138**	**13,921,988**
Financial Liabilities				
Financial liabilities stated at fair value through profit or loss				
Funding - Transfers abroad	-	(263,688)	-	(263,688)
Derivatives	(2,171,075)	(1,287,593)	(2,213)	(3,460,881)
Subtotal - Financial liabilities stated at fair value through profit or loss	**(2,171,075)**	**(1,551,281)**	**(2,213)**	**(3,724,569)**
Derivatives used as fair value hedge	**-**	**(12,749)**	**-**	**(12,749)**
Total Financial Liabilities	**(2,171,075)**	**(1,564,030)**	**(2,213)**	**(3,737,318)**

(In thousands of reais)

	2023			
	Public market quotes (Level 1)	**Internal models (Level 2)**	**Internal models (Level 3)**	**Total**
Financial Assets				
Financial assets stated at fair value through profit or loss				
Marketable securities				
Financial treasury bills - LFT	94,735	-	-	94,735
Eurobonds	38,424	-	-	38,424
National treasury notes - NTN-B	2,173,495	-	-	2,173,495
National treasury notes - NTN-A	-	109,744	-	109,744
Debentures	208,066	100,051	-	308,117
Public Company Shares	132,731	-	-	132,731
Funds in infrastructure holdings	36,192	-	-	36,192
Foreign government bonds	1,947,892	497,790	-	2,445,682
Subtotal - Marketable securities	**4,631,535**	**707,585**	**-**	**5,339,120**
Loans and advances to customers	-	52,566	-	52,566
Derivatives	1.377.361	1,092,989	3,063	2,473,413
Subtotal - Financial assets stated at fair value through profit or loss	**6,008,896**	**1,853,140**	**3,063**	**7,865,099**
Financial assets measured at fair value in other comprehensive income			-	
Financial treasury bills - LFT	765,794	-	-	765,794
Eurobonds	51,243	-	-	51,243
National treasury notes - NTN-B	525,578	-	-	525,578
Certificate of Real State Receivables – "CRI"	-	6,690	-	6,690
Debentures	266,552	-	-	266,552
Financial Treasury - "LF"	-	29,657	-	29,657
Equity investment fund	-	-	11,262	11,262
Funds investment	-	-	2,809	2,809
Expected credit loss	(1,918)	(145)	(238)	(2,301)
Subtotal - Financial assets measured at fair value in other comprehensive income	**1,607,249**	**36,202**	**13,833**	**1,657,284**
	7,616,145	**1,889,342**	**16,896**	**9,522,383**
Total Financial Assets				
Financial Liabilities				
Financial liabilities stated at fair value through profit or loss				
Funding - Transfers abroad	-	(261,149)	-	(261,149)
Derivatives	(1,134,301)	(831,715)	(6,185)	(1,972,201)
Subtotal - Financial liabilities stated at fair value through profit or loss	**(1,134,301)**	**(1,092,864)**	**(6,185)**	**(2,233,350)**
Derivatives used as fair value hedge	**-**	**(9,002)**	**-**	**(9,002)**
Total Financial Liabilities	**(1,134,301)**	**(1,101,866)**	**(6,185)**	**(2,242,352)**

Below we demonstrate the criteria adopted to determine fair value of financial instruments,

Measurement of fair value - level 1 is based on quoted prices (not adjusted) in active markets for identical assets or liabilities, Measurement of fair value - level 2 is based on other variables in addition to observable quoted prices included in level 1 for asset or liability, whether directly (i, e,, as prices) or indirectly (i,e,, based on prices),

(In thousands of reais)

Measurement of fair value - level 3 is based are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs),

b) Derivative financial instruments

The table below presents the fair value of derivative financial instruments recorded as assets or liabilities with the related notional value:

	2024			2023		
	Assets	**Liabilities**	**Notional value**	**Assets**	**Liabilities**	**Notional value**
Derivatives held for trading						
Futures contracts			**17,422,559**	**-**	**-**	**22,557,539**
Swap contracts (1)	**1,646,162**	**(400,854)**	**22,272,938**	**278,072**	**(289,259)**	**18,245,832**
Interbank market	1,025,402	(176,441)	12,851,247	190,491	(69,570)	7,358,185
Foreign currency	517,626	(213,650)	4,190,472	10,992	(3,465)	566,613
Fixed rate	90,211	(3)	4,983,055	65,066	(75,724)	8,823,851
Other	12,923	(10,760)	248,164	11,523	(140,500)	1,497,183
Option contracts	**2,914,137**	**(2,726,709)**	**64,961,609**	**1,425,683**	**(1,147,609)**	**47,298,080**
Purchase commitments	**2,662,085**	**(2,560,920)**	**33,835,484**	**313,713**	**(256,174)**	**25,826,756**
Foreign currency	2,643,409	(2,560,735)	33,568,407	255,916	(254,749)	25,518,829
Others financial assets	18,676	(185)	267,077	57,797	(1,425)	307,927
Sales commitments	**252,052**	**(165,789)**	**31,126,125**	**1,111,970**	**(891,435)**	**21,471,324**
Foreign currency	249,965	(129,952)	30,793,875	1,097,906	(837,383)	21,089,921
Others financial assets	2,087	(35,837)	332,251	14,064	(54,052)	381,403
			-			
Others financial instruments	**878,530**	**(346,067)**	**16,478,814**	**769,658**	**(544,335)**	**14,675,016**
Interbank market	-	(2,999)	18,077	-	(18,965)	91,047
Foreign currency	775,077	(272,083)	14,101,266	455,410	(317,697)	10,810,491
Others financial assets	103,453	(70,985)	2,359,471	168,379	(67,621)	3,633,426
Shares	-	-	-	145,869	(140,052)	140,052
Total	**5,438,829**	**(3,473,630)**	**121,135,920**	**2,473,413**	**(1,981,203)**	**102,776,467**

(1) To mitigate the risks of changes in the fair value of the operation to Foreign Onleading’s in the amount US$ 44,4 million (Note 12.b), the management decided to designate financial instruments shown below to hedge a portion of the principal amount and value of a portion contractual interest (US$ 55,6 millions in December 31, 2023).

(In thousands of reais)

Derivatives designated as fair value hedge instruments	2024			
	Notional Value	**Curve Yield**	**Market Value**	**MTM**
Hedge instruments	**224,312**	**276,401**	**263,652**	**(12,749)**
Swap contracts	**224,312**	**276,401**	**263,652**	**(12,749)**
Foreign currency – US dollar – Assets position	224,312	276,401	263,652	(12,749)
Subject to hedge	**276,437**	**(276,401)**	**(263,652)**	**12,749**
Liabilities due to transfers abroad (Note 12, b)	276,437	(276,401)	(263,652)	12,749

Derivatives designated as fair value hedge instruments	2023			
	Notional Value	**Curve Yield**	**Market Value**	**MTM**
Hedge instruments	**208,390**	**270,151**	**261,149**	**(9,002)**
Swap contracts	**208,390**	**270,151**	**261,149**	**(9,002)**
Foreign currency – US dollar – Assets position	208,390	270,151	261,149	(9,002)
Subject to hedge	**270,150**	**(270,150)**	**(261,148)**	**9,002**
Liabilities due to transfers abroad (Note 12, b)	270,150	(270,150)	(261,148)	9,002

The notional value of derivative financial instruments, including the operation used as hedge instrument, by maturity, has the following breakdown on December 31, 2024 and 2023:

	2024							**2023**
	Up to 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 3 years**	**Over 3 years**	**Total**	**Total**
Off Balance								
Futures contracts	3,913,853	3,937,131	2,221,214	2,720,944	2,437,019	2,192,398	17,422,559	22,557,539
Option contracts	1,820,327	604,693	688,472	40,637,324	20,527,656	683,137	64,961,609	47,298,080
Swap contracts	706,199	755,438	6,657,219	1,835,620	6,619,297	5,699,165	22,272,938	18,245,832
Others financial instruments	3,403,583	3,829,461	2,894,928	2,805,103	3,124,768	420,971	16,478,814	14,675,016
Total – 2024	**9,843,962**	**9,126,723**	**12,461,833**	**47,998,991**	**32,708,740**	**8,995,671**	**121,135,920**	**-**
Total – 2023	**14,252,974**	**11,964,494**	**11,367,201**	**41,977,285**	**16,468,167**	**6,746,346**	**-**	**102,776,467**

The composition of the portfolio as of December 31, 2024 and 2023, considering the hierarchical levels of fair value measurement are shown as follows:

	Consolidated			
	Level 1	**Level 2**	**Level 3**	**Total**
Asset Position				
December 2024	2,417,511	3,021,318	-	**5,438,829**
December 2023	1,377,361	1,092,989	3,063	**2,473,413**
Liabilities Position				
December 2024	2,171,075	1,300,342	2,213	**3,473,630**
December 2023	1,134,301	840,716	6,185	**1,981,203**

(In thousands of reais)

8. Loans and advances to customers measured at amortized cost and expected credit losses.

The balance of loans and advances to customers by industry and the related provision are as under:

	2024			
	Debt balance	% of debt balance in relation to total balance	Provision	Net amount
Agribusiness	10,709,742	27.39	(138,705)	10,571,037
Trade and Services	9,454,591	24.18	(209,051)	9,245,540
Construction and Infrastructure	3,736,492	9.56	(35,860)	3,700,632
Financial	1,151,122	2.94	(2,608)	1,148,514
Transformation industry	3,085,001	7.89	(42,795)	3,042,206
Industry and technology	3,900,898	9.98	(130,090)	3,770,808
Individuals	1,828,512	4.68	(32,804)	1,795,708
Transportation and logistics	2,118,646	5.42	(93,985)	2,024,661
Public utility	3,111,736	7.96	(62,184)	3,049,552
Total	**39,096,740**	**100.00**	**(748,082)**	**38,348,658**

	2023			
	Debt balance	% of debt balance in relation to total balance	Provision	Net amount
Agribusiness	9,191,834	26.71	(78,652)	9,113,182
Trade and Services	8,545,627	24.83	(458,867)	8,086,760
Construction and Infrastructure	3,565,927	10.36	(36,693)	3,529,234
Financial	964,974	2.80	(2,005)	962,969
Transformation industry	2,017,962	5.86	(40,004)	1,977,958
Industry and technology	4,517,966	13.13	(121,273)	4,396,693
Individuals	1,225,343	3.56	(14,551)	1,210,792
Transportation and logistics	1,654,512	4.81	(101,961)	1,552,551
Public utility	2,734,201	7.94	(59,296)	2,674,905
Total	**34,418,346**	**100.00**	**(913,302)**	**33,505,044**

Loans and advances to customers are presented based on operation nature:

	2024	2023
Loans	10,159,500	11,590,962
Financing - BNDES / Finame	1,570,353	2,086,411
Export financing	2,363,745	2,606,595
Discounted securities	61,462	9,069
Foreign currency financing	1,644,144	1,274,690
Secured account	852,169	313,297
Rural and agro-industrial financing	1,568,597	1,891,449
Real Estate Financing	1,230,496	965,884
Credit assignments operations	9,062	16,779
Advances on foreign exchange contracts	2,057,991	1,209,015
Notes and accounts receivable	2,920,783	2,907,013
Total	**24,438,302**	**24,871,164**
Other operations with credit characteristics	14,658,438	9,547,182
Total	**39,096,740**	**34,418,346**
Provision	**(748,082)**	**(913,302)**
Total loans and advances to customers	**38,348,658**	**33,505,044**

(In thousands of reais)

On December 31, 2024, balance of renegotiated loans amounted to R$ 159,637 (R$ 164,852 in 2023), being total loan transactions renegotiated over the year ended December 31, 2024 amounted to R$ 40,631 (R$ 93,203 in 2023).

The amount of loans recovered for the year ended December 31, 2024, previously offset against the provision, on December 31, 2024 was R$ 24,083 (R$ 20,254 in 2023).

a) Expected loss - Loans and advances to customers.

On December 31, 2024 and 2023 the balances of loans and advances to customers are thus shown according to their stage classification and expected loss:

	2024			
Financial assets recorded at amortized cost	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to customers	37,319,555	682,531	1,094,654	39,096,740
Loans and advances to customers - expected credit loss	(167,867)	(33,357)	(546,858)	(748,082)
Subtotal - Loans and advances to customers	**37,151,688**	**649,174**	**547,796**	**38,348,658**

	2023			
Financial assets recorded at amortized cost	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to customers	32,109,301	832,321	1,476,724	34,418,346
Loans and advances to customers - expected credit loss	(136,179)	(60,604)	(716,519)	(913,302)
Subtotal - Loans and advances to customers	**31,973,122**	**771,717**	**760,205**	**33,505,044**

During the year ended December 31, 2024, assignments were made with substantial transfer of risks and benefits, in the amount of R$ 15,586 (R$ 29,293 on December 31, 2023). The effect of these operations on the income on year ended December 31, 2024, net of any results of provision, was gain of R$ 820 (R$ 15,345 of gain on December 31, 2023).

The expected credit loss for loans and advances to customers had the following transactions in the years ended December 31, 2024 and 2023:

Loans and advances to customers	2024	2023
Balances at the beginning of the year	(913,302)	(702,133)
Constitution in the year	(358.890)	(399,822)
Credits offset as loss	524,110	188,653
Balances at the end of year	**(748,082)**	**(913,302)**

Movement of the expected credit loss by stage:

	2024			
Loans and advances to customers	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance as on 31 December, 2023	**(136,179)**	**(60,604)**	**(716,519)**	**(913,302)**
Transfer to Stage 1	(1,631)	-	-	(1,631)
Transfer to Stage 2	-	(3,979)	-	(3,979)
Transfer to Stage 3	-	-	(23,377)	(23,377)
Originated of Stage 1	4,828	-	-	4,828
Originated of Stage 2	-	22,350	-	22,350
Originated of Stage 3	-	-	1,809	1,809
Originated assets / Received assets or amortized	(34,886)	8,877	(332,880)	(358,890)
Loans written off the losses	-	-	524,110	524,110
Balance as on 31 December, 2024	**(167,868)**	**(33,356)**	**(546,858)**	**(748,082)**

(In thousands of reais)

	2023			
Loans and advances to customers	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance as on 31 December, 2022	**(161,352)**	**(72,228)**	**(468,553)**	**(702,133)**
Transfer to Stage 1	(2,146)	-	-	(2,146)
Transfer to Stage 2	-	(2,237)	-	(2,237)
Transfer to Stage 3	-	-	(24,764)	(24,764)
Originated of Stage 1	4,157	-	-	4,157
Originated of Stage 2	-	24,990	-	24,990
Originated of Stage 3	-	-	-	-
Originated assets / Received assets or amortized	23,162	(11,129)	(411,855)	(399,822)
Loans written off the losses	-	-	188,653	188,653
Balance as on 31 December, 2023	**(136,179)**	**(60,604)**	**(716,519)**	**(913,302)**

b) Expected loss - Marketable securities

On December 31, 2024 and 2023 the balances of financial instruments are thus shown according to their stage classification and expected loss:

	2024	2023
Financial assets measured at amortized cost	**Stage 1**	**Stage 1**
Financial instruments	3,117,752	2,599,249
Financial instruments - expected credit loss	-	(877)
Subtotal - Financial instruments	**3,117,752**	**2,598,372**

	2024	2023
Financial assets measured at fair value in other comprehensive income	**Stage 1**	**Stage 1**
Financial instruments	3,055,342	1,659,585
Financial instruments - expected credit loss	(1,732)	(2,301)
Subtotal - Financial instruments	**3,042,610**	**1,657,284**

On December 31, 2024 and 2023, there were no balances classified in stages 2 and 3.

The expected credit loss for financial instruments had the following transactions in the years ended December 31, 2024 and 2023:

Financial assets measured at amortized cost	**2024**	**2023**
Balances at the beginning of the year	(877)	(2,655)
Constitution in the year	877	1,778
Balances at the end of year	**-**	**(877)**

Financial assets measured at fair value in other comprehensive income	**2024**	**2023**
Balances at the beginning of the year	(2.301)	(3,718)
Constitution in the year	569	1,417
Balances at the end of year	**(1.732)**	**(2,301)**

Cash and cash equivalents	**2024**	**2023**
Balances at the beginning of the year	(55)	(71)
Constitution in the year	9	16
Balances at the end of year	**(46)**	**(55)**

(In thousands of reais)

Securities measured at amortized cost are composed of:

Financial assets measured at amortized cost	31/12/2024	31/12/2023
National Treasury Bills - “LTN”	531,462	425,225
National Treasury Notes - “NTN - B”	256,568	335,430
National Treasury Bills - “NTN - F”	2,329,722	1.837,717
Total	**3,117,752**	**2,598,372**

9. Contingent credit commitments

The balance of contingent credit commitments is described below:

	2024	2023
Contingent credit commitments (Financial guarantees and responsibilities)		
Guarantees provided to customers	12,936,237	11,153,124
Open import credit	571,174	435,249
Open export credit	7,340	-
Total	**13,514,582**	**11,328,388**

Guarantees provided to customers are subject to charges and counter-guarantees and recorded in memorandum accounts, On December 31, 2024, the balance of provisions for financial guarantees and liabilities was R$ 52,914 (R$ 44,855 in 202) - (Note 14).

The balance of contingent credit commitments, by maturity, are as follows:

	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Above 3 years	Total
Contingent credit commitments	1,463,090	1,171,950	1,735,627	2,488,294	4,876,164	1,779,457	13,514,582
Total – 2024	**1,463,090**	**1,171,950**	**1,735,627**	**2,488,294**	**4,876,164**	**1,779,457**	**13,514,582**
Total – 2023	**1,379,113**	**1,955,760**	**1,559,619**	**2,091,343**	**2,987,310**	**1,355,243**	**11,328,388**

On December 31, 2024 and 2023 the balances of contingent credit commitments are thus shown according to their stage classification and expected loss:

	2024			
Financial assets recorded at amortized cost	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Contingent credit commitments	12,764,114	719,936	30,532	13,514,582
Contingent credit commitments - expected credit loss	(20,219)	(32,685)	(10)	(52,914)
Subtotal - Contingent credit commitments	**12,743,895**	**687,251**	**30,522**	**13,461,668**

	2023			
Financial assets recorded at amortized cost	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Contingent credit commitments	10,724,035	599,512	4,841	11,328,388
Contingent credit commitments - expected credit loss	(12,664)	(30,739)	(1,452)	(44,855)
Subtotal - Contingent credit commitments	**10,711,371**	**568,773**	**3,389**	**11,283,533**

(In thousands of reais)

The expected credit loss for contingent credit commitments had the following transactions in the years ended December 31, 2024 and 2023:

	2024	2023
Balances at the beginning of the year	(44,855)	(50,289)
Constitution in the year	(8,059)	5,434
Balances at the end of year	**(52,914)**	**(44,855)**

Movement of the expected credit loss by stage:

Contingent credit commitments	Stage 1	Stage 2	Stage 3	Total
Balance as on 31 December, 2023	**(12,664)**	**(30,739)**	**(1,452)**	**(44,855)**
Originated / Received or amortized	(7,555)	(1,946)	1,442	(8,059)
Balance as on 31 December, 2024	**(20,219)**	**(32,685)**	**(10)**	**(52,914)**

Contingent credit commitments	Stage 1	Stage 2	Stage 3	Total
Balance as on 31 December, 2022	**(12,150)**	**(21,776)**	**(16,363)**	**(50,289)**
Originated / Received or amortized	(514)	(8,963)	14,911	5,434
Balance as on 31 December, 2023	**(12,664)**	**(30,739)**	**(1,452)**	**(44,855)**

10. Foreign exchange portfolio

The balance of the foreign exchange portfolio is as under:

	2024	2023
Financial instruments - asset position		
Foreign exchange purchased to be settled – CCL	4,981,318	3,193,707
Provision for Exchange variation of CCL	(2,112)	(18)
Rights on foreign Exchange sales	1,365,754	2,457,274
Advances received	(19,196)	(29,753)
Total	**6,325,764**	**5,621,210**
Financial instruments - liabilities position		
Foreign exchange sold to settle	1,469,574	2,590,498
Foreign exchange purchase liabilities	4,747,369	3,160,844
Total	**6,216,943**	**5,751,342**

11. Other assets

The composition of other assets is described below:

	2024	2023
Negotiation and intermediation of securities	908,865	642,526
Guarantee deposit debtors	17,313	16,439
Prepaid expenses	44,079	22,137
Assets recorded as right of use	148,512	103,009
Securities and credits receivable	38,121	104,945
Energy contract advance	577,461	99,363
Other assets	4,675	10,491
Total	**1,739,026**	**998,910**

(In thousands of reais)

The balance of trading and intermediation of securities is substantially represented by receivables arising from the settlement of operations with financial assets listed on stock exchanges.

12. Funding

a) Breakdown of funding are as follows:

	2024	2023
Demand deposits	631,730	693,078
Interbank deposits	226,010	533,296
Time deposits	10,476,210	9,246,094
Linked to repurchase agreement	1,957,701	1,683,322
Real estate credit bills - LCI	1,471,888	1,936,902
Agribusiness credit bills - LCA	5,412,890	3,689,719
Financial bills - LF	16,265,118	14,175,716
Certificates of structured finance	-	2,906
Foreign borrowings	10,218,873	6,729,265
Local onlendings	2,451,672	2,737,583
Onlendings – Foreign (Note 12)	1,088,564	905,280
Subordinated debt	3,623,636	2,517,389
Total	**53,824,292**	**44,850,550**

Interbank deposits, time deposits, real estate credit bills (LCI) and agribusiness credit bills (LCA) and financial letters (FL) are made at normal market rates.

Foreign borrowings include funds raised for use in foreign exchange transactions relating to export and import financing, as well as onlendings and financing in foreign currency.

Such obligations are subject to foreign exchange variation and interest in the international market and are updated by exchange variation and charges, calculated through to balance sheet date.

Local onlendings correspond to special funds and programs managed by official institutions, which are onlent to end borrowers and are restated by official indices and charges, calculated through to balance sheet date.

Foreign onlending are represented mainly by funds raised by the Bank with multilateral agencies, which are passed onto final borrowers and are adjusted by the exchange rate variation and financial charges incurred through to the balance sheet date,

(In thousands of reais)

b) The compositions of the balance of foreign onleading's on December 31, 2024 and December 31, 2023 are composed as follows:

	2024	2023
Borrowings and onlendings		
Foreign onlendings subject to "Hedge accounting" – maturity in november 2028 (Note 5.b)		
Principal amount US$ 44,4 million (U$$ 55,6 million on December 31, 2023)	275,483	269,218
Accrued interest	954	933
Subtotal	**276,437**	**270,151**
Adjustment to market value ("Hedge Accounting") - Notes 7b	(12,749)	(9,002)
Total	**263,688**	**261,149**
Other foreign onlendings	1,088,564	905,280
Total	**1,352,252**	**1,166,429**

13. Other liabilities

a) Breakdown of other liabilities are described below:

	2024	2023
Social and statutory	175,982	172,668
Interbank relationship	-	16
Securities trading and intermediation	127,390	132,001
Taxes payable	1,811	2,123
Lease liability	153,984	107,431
Others	42,351	12,681
Total	**501,518**	**426,896**

Securities trading and intermediation basically corresponds to amounts payable resulting from settlement of operations with stock-exchange registered financial assets.

14. Provisions

Breakdown of provisions are described below:

	31/12/2024	31/12/2023
Provisions for payments to be settled	936,329	313,535
Provisions for contingencies (Note 20d)	21,966	22,865
Provisions for financial guarantees (Note 9)	52,914	44,855
Total	**1,011,209**	**381,255**

15. Related parties

a) Subsidiaries and affiliates

The figures below refer to the Bank's transactions with related companies. Transactions with related parties were carried out using usual market rates and conditions on the transaction dates. In the years ended December 31, 2024 and 2023, the balances of transactions with related parties are as follows:

(In thousands of reais)

Transactions / Related parties	Maturity	Remuneration	2024 Assets / (Liabilities)	2024 Income / (Expenses) Period)
Cash and cash equivalents				
Arab Banking Corporation - New York (2)	No maturity.	Without remuneration	4	-
Loans				
Administradores (2)	01/04/2027	CDI + 3,05% a.a.	5,760	364
Demand deposits				
Marsau Comercial Exportadora e Importadora Ltda. (2)	No maturity.	Without remuneration	(88)	-
Administradores (2)	No maturity.	Without remuneration	(153)	-
Time deposits and funds from acceptance and issue of securities				
Marsau Comercial Exportadora e Importadora Ltda. (2)	01/31/2025	4,25% a.a.	(64)	-
Marsau Uruguay Holdings Sociedad Anonima (1)	02/21/2025	4,25% a.a.	(23,072)	(21)
Administradores (2)	(a)	(a)	(20,967)	(1,603)
Borrowings				
Arab Banking Corporation - New York (2)	-	Term Sofr (3m) +1,20%a.a.	-	(1,271)
Financial Guarantees Provided				
Arab Banking Corporation - New York (2)	10/14/2025	0,5%a.a.	60,641	-

(1) Direct controlling shareholder, (2) Subsidiary,

CDB - Rate of 100,00 % up to 110% of CDI - Lowest starting date: 05/30/2022, largest date of maturity: 08/25/2025, LCA / LCI - Rate of 91,00 % up to 101,00 of CDI - Lowest starting date: 02/10/2022, largest date of maturity: 10/14/2026, LCA / LCI- Fixed interest rate of 6,50% up to 12,54% - Lowest starting date: 08/07/2020, largest date of maturity: 09/25/2025, CDB IPCA- Rate of 6,70% - Lowest starting date: 08/18/2023, largest date of maturity: 08/19/2024 LCA / LCI - Fixed interest rate of 5,10% up to 6,32%+ IPCA - Lowest starting date: 08/20/2021, largest date of maturity: 08/20/2026.
CDB Rate of 11,32% - Lowest starting date: 09/25/2023, largest date of maturity: 09/20/2024.

Transactions / Related parties	Maturity	Remuneration	2023 Assets / (Liabilities)	2023 Income / (Expenses) Period)
Cash and cash equivalents				
Arab Banking Corporation - New York (2)	No maturity.	Without remuneration	488	-
ABC international Bank - Milan (2)	No maturity.	Without remuneration	9	-
Loans				
Administradores (2)	01/02/2024	CDI + 3,05% a.a.	15,941	2,562
Demand deposits				
Marsau Comercial Exportadora e Importadora Ltda. (2)	No maturity.	Without remuneration	(1,121)	-
Administradores (2)	No maturity.	Without remuneration	(89)	-
Time deposits and funds from acceptance and issue of securities				
Marsau Comercial Exportadora e Importadora Ltda. (2)	01/31/2024	5,50% a.a.	(48)	-
Marsau Uruguay Holdings Sociedad Anonima (1)	01/31/2024	5,50% a.a.	(1,199)	-
Administradores (2)	(a)	(a)	(21,755)	(1,905)
Borrowings				
Arab Banking Corporation - New York (2)	01/22/2024	Term Sofr (3m) +1,20%a.a.	(98,024)	(1,198)

(1) Direct controlling shareholder, (2) Subsidiary,

CDB - Rate of 100,00 % up to 110% of CDI - Lowest starting date: 02/24/2023, largest date of maturity: 29/26/2026,
LCA / LCI - Rate of 91,00 % up to 101,00 of CDI - Lowest starting date: 02/10/2022, largest date of maturity: 10/14/2026,
LCA / LCI- Fixed interest rate of 6,50% up to 12,54% - Lowest starting date: 08/07/2020, largest date of maturity: 09/25/2025,
CDB IPCA- Rate of 6,70% - Lowest starting date: 08/18/2023, largest date of maturity: 08/19/2024
LCA / LCI - Fixed interest rate of 5,10% up to 6,32%+ IPCA - Lowest starting date: 08/20/2021, largest date of maturity: 08/20/2026.
CDB Rate of 11,32% - Lowest starting date: 09/25/2023, largest date of maturity: 09/20/2024.

b) Fees of key members of management

In compliance with Resolution CMN No, 3,921/10 and Resolution CMN No, 4,656/18, Banco ABC Brasil has implemented a Management Remuneration Policy applicable to the members of the Board of Directors, to the Executive Committee and to the Officers with no specific title (employees).

In brief, the policy has as main objectives: (i) complying with the regulations of the National Monetary Council and the Central Bank of Brazil (BACEN), which establish special rules for financial institutions such as Banco ABC; (ii) fixing the remuneration of those considered Managers of Banco ABC in compliance with the regulations referred to in item (i) above and, in particular, of those assuming this position according to the Bank's governance; (iii) aligning the remuneration of the Managers of Banco ABC with the Bank's risk management policy; (iv) avoiding behaviors that would raise risk exposure above the levels considered prudent in the short, medium and long-term strategies adopted by Banco ABC; and (v) creating a tool for attracting and retaining talents in key positions at Banco ABC.

The remuneration defined in the policy takes into account: (i) current and potential risks faced by Banco ABC; (ii) the overall results of Banco ABC, in particular recurring income (net book profit for the period adjusted for unrealized income and ignoring the effects of non-recurring events which are within the control of Banco ABC); (iii) Banco ABC's capacity for generating cash flow; (iv) the economic environment in which Banco ABC operates, and its trends; (v) long-term sustainable financial bases and adjustments to future payments as a result of the risks assumed, changes in the cost of capital and liquidity forecasts; (vi) the individual performance of the Managers based on the target agreement celebrated by each Officer, as provided for in the profit sharing agreement filed at the headquarters of Banco ABC; (vii) the performance of the business unit; and (viii) the relationship between the individual performance of the Managers, the performance of the business unit, the performance of Banco ABC as a whole and the risks assumed.

The Variable Remuneration will be calculated:

I – To the directors without specific designation:

a) up to 50% of the amount determined as a result of profit-sharing participation, calculated in accordance with the negotiation established under the terms of Law No, 10,101/2000, paid in cash immediately upon payment of the profit sharing.

b) at least 50% of the amount determined as a result of the the profit-sharing participation of Banco ABC, calculated according to the negotiation established under the terms of Law No, 10,101/2000, may be paid in preferred shares of Banco ABC, instruments based on shares or other assets, The payment is deferred in proportion to the three-year deferral period.

II - To the members of the executive committee:

100% of the amount determined for the variable compensation will be paid in shares, share- based instruments or other assets, The payment takes place in two ways:

(i) 60% of the variable compensation paid in shares, share-based instruments or other assets, will be paid on a deferred basis for a period of six months, being settled after the referred period; and

(ii) 40% of the variable compensation paid in shares, share-based instruments or other assets will be paid on a deferred basis, in proportion to the three-year deferral period.

The delivery of shares relating to deferred variable remuneration allocated to managers shall only take place if, in the applicable period of deferment there is no (i) significant reduction in recurring profit realized, or (ii) losses posted by the institution or business unit, or (iii) evidence of errors in accounting and / or management practices that affect the income calculated in the variable remuneration rights acquisition period.

As approved by the Board of Directors at meetings held on September 21, 2021 and February 9, 2022, the Bank implemented the Long-Term Incentive Program for Managers, The LTI consists of programs directed to members of the Executive Committee, Directors, and key professionals of the Company, and includes a variable compensation structure based on a deferred grant of preferred shares, which are linked to ABC Brasil’s profitability, minimum periods of permanence of the employee with ABC Brasil, deadlines for effective shares grants, as well as other typical market conditions for eligibility and permanence in this type of program, In the case of the members of the Executive Committee, the LTI also includes the maintenance of a minimum number of preferred shares held by each of its members, The LTI´s goal is to further develop and enhance policies for attracting, motivating, and retaining talent, aligning the interests of ABC Brasil's employees with the earnings generation and long-term sustainable value creation, Additionally, the LTI aims at incentivizing the coordinated succession of key positions at ABC Brasil.

(In thousands of reais)

The total compensation of key members of management for the years ended December 31, 2024 and 2023 are composed as follows:

	2024	2023
Fixed remuneration	35,394	37,297
Variable remuneration	19,124	20,080
Total short-term benefits	**54,518**	**57,377**
Share-based compensation	100,624	113,096
Total long-term benefits	**100,624**	**113,096**
Total	**155,142**	**170,473**

c) Summary of changes in the compensation plan:

To meet the resolution of compensation plan of the Bank was authorized by CVM, privately, transfer shares of its own shares held in treasury for its executives.

In according to the compensation plan actions cited in Note 15.b, shares were granted to executives eligible, for settlement at the end of the vesting period, as shown below in number of shares:

	2024	2023
At the beginning of the year	**3,480,679**	**2,724,020**
Shares delivered	1,650,981	2,101,218
Shares granted	(1,752,416)	(1,344,559)
At end of the year	**3,379,244**	**3,480,679**

16. Tax liabilities

Breakdown of tax liabilities are described below:

	2023	2022
Provision for deferred taxes and contributions (Note 17)	123,969	62,885
Other deferred taxes	33,396	19,519
Total	**157,365**	**82,404**

(In thousands of reais)

17. Income and social contribution taxes

The nature, origin and movement of tax credits and deferred tax liabilities in the years ended December 31, 2024 and 2023 are described below:

	2023	Additions	Write-offs	2024
Tax credits				
Temporary differences:				
Allowance for doubtful accounts	**513,144**	315,005	(480,358)	**347,791**
Provision for financial guarantees provided	**17,671**	10,875	-	**28,546**
Provision for Non-current assets available for sale	**37,563**	948	(4,913)	**33,598**
Adjustment to market value of securities and derivative financial instruments	**126,015**	324,989	(455,205)	(4,201)
Unrealized gain / (loss) from futures market operations	**28,572**	108,266	(27,489)	109,349
Adjustment to market value - Financial assets measured at fair value in other comprehensive income	**60,731**	179,917	(23,741)	216,907
Others	**83,891**	213,607	(76,628)	220,870
Tax loss – Negative base of CSLL (a)	-	119,277	(93,194)	26,083
	867,587	**1,272,884**	**(1,161,528)**	**978,943**
Deferred taxes				
Temporary differences:				
Adjustment to market value of securities and derivative financial instruments	**(52,040)**	(320,441)	248,248	**(124,233)**
Unrealized results from futures market operations	**(7,572)**	(43,315)	48,634	**(2,253)**
Adjustment to market value - Financial assets measured at fair value in other comprehensive income	**(1,851)**	(15,701)	12,088	**(5,464)**
Others	**(1,422)**	-	9,403	**7,981**
	(62,885)	**(379,457)**	318,373	**(123,969)**
Net balance	**804,702**	**893,427**	**(843,155)**	**854,974**

(a) According to a technical study prepared by the Administration, the amount of tax credit on the accumulated tax loss will be substantially realized within 12 months

For income tax, the rate used is 15% plus an additional 10% of annual taxable income exceeding R$ 240 thousand, the social contribution has a rate of 20% for bank and 15% for securities distributors and 9% non-financial companies. The calculation of income tax and social contribution expenses for the years ended December 31, 2024 and 2023 are shown below:

	2024	2023
Income after participation in profits and income before tax and social contribution	882,912	712,147
Income and social contribution taxes	(514,256)	(358,157)
Income net of realization and constitution of deferred liabilities net of tax credits in the year	10,109	(92,928)
Nondeductible expenses net of non - Taxable revenues	216,259	186,015
Interest on equity (Note 23b)	202,496	160,722
Other	138,212	113,638
Total income and social contribution taxes - Current	**52,820**	**9,290**
Total deferred taxes and contributions	**(10,109)**	**92,928**
Total income and social contribution taxes	**42,711**	**102,218**

(In thousands of reais)

18. Profit sharing

An allowance for profit sharing was established based on the Variable Compensation Program set up by Banco ABC Brasil S,A, and its employees, that takes into consideration activities developed by the Bank in various areas, the degree of responsibility, the degree of influence on earnings, as well as qualitative and quantitative targets set with individual Bank employees. In the year ended December 31, 2024, the balance of the profit sharing amounted to R$ 259,320 (R$ 259,491 on December 31, 2023).

19. Interest income and expense

Interest income and expenses for the years ended December 31, 2024 and 2023 are described below:

	31/12/2024	31/12/2023
Loans and advances to customers	2,895,544	2,960,403
Repurchase agreements	636,212	649,156
Marketable securities	2,676,365	2,086,388
Derivatives	120,003	223,082
Total interest income	**6,328,124**	**5,919,029**

	31/12/2024	31/12/2023
Deposits	(1,007,249)	(925,855)
Repurchase agreements	(611,462)	(776,513)
Foreign borrowings	(742,397)	(485,842)
Marketable securities	(74,752)	(27,005)
Funds from acceptance and issue of securities	(2,404,690)	(2,049,839)
Onlendings in Brazil - government agencies	(253,603)	(210,118)
Foreign Onleading’s	(78,158)	(67,911)
Derivatives	(185,744)	(31,897)
Total interest expense	**(5,358,055)**	**(4,574,980)**

20. Contingent assets and liabilities and legal, tax and social security obligations

The Bank and its subsidiaries are involved in judicial and administrative proceedings of tax, labor and civil nature, both as plaintiff and claimer, note 2 explains the criteria for recognizing and measuring these suits and proceedings.

a) Fiscal contingents

The bank is responsible for actions and processes whose losses are being considered with possible prognoses by our directors in the amount of R$ 751,910 (R$ 552,231 on December 31, 2023) and have not been provisioned, see below the main lawsuits whose probability of unfavorable outcome was assessed as possible:

Tax assessment notice of service tax (“ISS”) 2016 guarantees provided (guarantees)

Tax assessment notice on guarantees provided (guarantees) for the period from January to October 2016, with full deposit of the amount and supposedly converted into income by the Municipality, with wrong allocation of the Bank's deposits, in another lawsuit, which resulted in insufficient amounts deposited to cover the triggering events from January to October 2016. After presenting a defense, a decision was issued that upheld the launch, In view of this decision appeals were filed, which were rejected, ending the discussion at the administrative level. A legal action was proposed seeking to cancel the debt, and in the first instance a sentence was handed down deeming the action unfounded, however, after the presentation of an appeal by the Bank, a new decision on the merits (not definitive) was given, fully valid, to recognize the extinguishment of the debt. A legal action will be filed to cancel the debt the amount involved is R$ 27,684 (R$ 24,852 as of December 31, 2023).

Social Security's Charges ("INSS")

The Bank is currently a defendant in a lawsuit related to payment of pension charges, mainly on profit sharing related to 2006 to 2014 and 2016, 2017 and 2018 exercises, amounting to R$ 434,493 (R$ 406,466 on December 31, 2023).

Income Tax (IRPJ) and Social Contribution Tax (CSLL) related to the deduction of income for the period of 2010 on loans operations.

Collection of income tax and social contribution related deduction of losses on loans operations in result of 2010. The Bank has estimated the losses as effective, however, the Receita Federal considers that occurred anticipation of the deduction period provided for in Law 9,430/96. The value of the requirement amounts to R$ 7,054 (R$ 6,705 on December 31, 2023).

IRPJ / CSLL - Deductibility PLR of the Board

It is collection of income tax and social contribution of PLR on deductibility paid to the board of directors for the period of 2013, 2014, 2016, 2017 and 2019. Awaiting judgment of challenging the tax assessment notice. The amount of requirement is R$ 93,747 (R$ 94,614 on December 31, 2023).

IOF - Tax on Financial Transactions in credit assignment operations

Collection of Tax on Financial Transactions on credit assignment operations with co-obligation carried out in 2015, due to the lack of payment of the Tax on Financial Transactions in these operations, which are characterized by the tax authorities as "securities discount" and subject to tax collection, Awaiting judgment at the administrative level. The requirement amounts to R$ 1,428 (R$ 1,338 on December 31, 2023).

ITR – amount to be declared.

Charging of ITR due to de lack of payment based on a misinformation of the land size. The Receita Federal is challenging formal aspects related to the Declaration of Tax on the Territorial Rural Property (DITR). The estimated amount of the contingency corresponds to R$ 2,255 (R$ 2,093 on December 31, 2023).

Urban Real Estate Tax on Secured Fiduciary Sale Operations

The Municipality of São Paulo is charging (four tax foreclosures, being 4 relating to operation realized in periods in which the Bank operate as fiduciary creditor) Urban Real Estate Tax on secured fiduciary sale operations. The Bank presented defense and one of the actions, a favorable decision has already been made to end the tax foreclosure, as for the others, a decision is awaited. The estimated amount of the contingency corresponds to R$ 11,796 (R$ 10,422 on December 31, 2023).

Unapproved compensation - CSLL

Compensation relating to the negative CSLL balance for the 2018 calendar year. The decision recognized only part of the credit and required the debts that were intended to be offset plus fines and interest. A defense will be presented at the administrative level. The value of the requirement amounts to R$4,844 (there was no balance on December 31, 2023).

Exclusion of ISS paid amounts from the PIS and COFINS tax base

Writ of mandamus presented by the Bank to recover amounts paid related to the inclusion of ISS paid amounts in the tax base of social contributions of PIS and COFINS and prevent future charging. The bank had favorable decisions that allowed the exclusion of ISS from the PIS and COFINS tax base, preventing future collections and allowing the refund of the overpayments of PIS and COFINS in the last five years. Despite the fact this process can be classified as contingent asset, in case of an unfavorable decision, the amount excluded should be collected plus interest. The estimated amount of the contingency corresponds to R$ 4,136 (R$ 3,241 December 31, 2023).

b) Labor

On December 31, 2024, labor lawsuits in progress classified by our legal counsel as probable loss totaled R$ 11,765 note 20d (R$ 13,267 on December 31, 2023). The labor lawsuits classified as possible loss totaled R$ 62,147 (R$ 53,144 on December 31,2023) and were not provisioned.

c) Civil

On December 31, 2024, civil claims in progress classified by our legal counsel as probable loss totaled R$ 4,404 - note 20d (R$ 3,216 on December 31,2023). The civil lawsuits classified as possible loss totaled R$ 11,627 (R$ 10,870 on December 31, 2023) and were not provisioned.

(In thousands of reais)

d) Changes in provisions

	Tax	Labor	Civil	Total
At the beginning of the year	6,382	13,267	3,216	22,865
Constitution / (Reversal)	(585)	(1,502)	1,188	(899)
At end of the year	5,797	11,765	4,404	21,966

21. Result of commissions and services

The result of commissions and services, in the years ended December 31, 2024 and 2023, are described below:

	2024	2023
Income from guarantees given	158,668	162,001
Fees related to credit operations	15,166	13,571
Revenue from collection services	27,730	28,399
Revenue from bank charges	7,603	4,959
Revenue from commissions and securities placement	205,705	119,961
Revenue from commission insurance	66,172	58,714
Revenue from other services	9,822	8,132
Total	**490,866**	**395,737**

22. Net result of financial assets and liabilities

The net result of financial assets and liabilities, for the years ended December 31, 2024 and 2023 are described below:

	2024		
	Fair value through profit or loss	Result in the realization of assets classified as VJORA	Total
Derivative financial instruments	1,283,694	-	1,283,694
Marketable securities	(323,582)	65,359	(258,223)
Funding raising - Transfers abroad	3,746	-	3,746
Total	**963,858**	**65,359**	**1,029,217**

	2023		
	Fair value through profit or loss	Result in the realization of assets classified as VJORA	Total
Derivative financial instruments	508,718	-	508,718
Marketable securities	(62,853)	46,288	(16,565)
Funding raising - Transfers abroad	(12,239)	-	(12,239)
Total	**433,626**	**46,288**	**479,914**

(In thousands of reais)

23. Other operating income (expenses)

Other operating income (expenses) for the years ended December 31, 2024 and 2023:

	2024	2023
Restatement of judicial deposits	-	24
Taxes on operating income - PIS / COFINS / ISS	(103,742)	(124,846)
FGC contribution expenses	(18,947)	(17,428)
(Constitutuon)/Reversal of provisions for contingencies	901	(599)
(Constitutuon)/Reversal of provisions prepayment	20,180	36,564
Other revenues (expenses)	7,169	19,663
Total	**(94,439)**	**(86,622)**

24. Administrative expenses

Other expenses, for the years ended December 31, 2024 and 2023:

	2024	2023
Specialized technical services	(49,612)	(39,938)
Third party services	(16,370)	(15,115)
Financial system services	(37,902)	(32,339)
Data processing	(83,861)	(75,896)
Transportation expenses	(529)	(562)
Tax expenses	(17,178)	(11,902)
Other administrative expenses	(76,636)	(31,395)
Total	**(282,088)**	**(237,147)**

25. Equity

a) Capital

On December 31, 2024 capital comprises 244,656,857 registered and uncertified shares (236,936,096 on December 31, 2023), without par value, of which 122,961,704 common shares (119,010,510 on December 31, 2023) and 121,961,704 preferred shares (117,925,586 on December 31, 2023).

b) Dividends and interest on equity capital

As established in the Bank’s articles of incorporation, shareholders are entitled to an annual dividend of not less than 25% of net income adjusted as provided for in applicable law, such dividend can, alternatively, be distributed in the form of interest on equity.

For the years ended December 31, 2024 and 2023 shareholders resolved to distribute interest on equity, calculated according with established by Law 9,249/95, as follows:

(In thousands of reais)

2024		
Period	**Interest on equity**	**Reduction in expenses with income and social contributions taxes**
03/31/2024	92,639	41,688
06/30/2024	95,836	43,126
09/30/2024	99,680	44,856
12/31/2024	106,974	48,138
Total	**395,129**	**177,808**

2023		
Periodo	**Interest on equity**	**Reduction in expenses with income and social contributions taxes**
03/31/2023	93,171	41,927
06/30/2023	91,668	41,251
09/30/2023	88,633	39,884
12/31/2024	83,687	37,660
Total	**357,159**	**160,722**

Interest on equity is calculated on net equity accounts and limited to the long-term interest rate, conditioned to the existence of profit calculated before deduction or retained subscription earnings and income reserves in amount equal or two times higher its amount, respecting the limits according to Resolution CMN nº 4,885/20.

On December 20, 2024, the Board of Directors of Banco ABC Brasil approved the board's proposal for the distribution of interest on equity in the total gross amount of R$ 206,654, which represents a gross amount of R$0.8600 per share common and preferred shares.

On June 24, 2023, the Board of Directors the Banco ABC Brasil approved a proposal from the Executive Board to distribute interest on equity in the total gross amount of R$ 188,475, which represents a gross amount of R$ 0,7850 per common share and preferred share.

On December 22, 2023, the Board of Directors the Banco ABC Brasil approved a proposal from the Executive Board to distribute interest on equity in the total gross amount of R$ 172,320, which represents a gross amount of R$ 0,7410 per common share and preferred share.

On June 26, 2023, the Board of Directors the Banco ABC Brasil approved a proposal from the Executive Board to distribute interest on equity in the total gross amount of R$ 184,839, which represents a gross amount of R$ 0,8360 per common share and preferred share.

(In thousands of reais)

c) Earnings per share

i) Basic earnings per share:

The basic earnings are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the period, excluding shares purchased by the Company and held as treasury shares.

	2024	2023
Net profit attributable to the Parent	905,039	800,853
Weighted average shares outstanding	232,667,049	221,303,417
Basic earnings per share (Brazilian reais)	**3,89**	**3,85**

ii) Diluted earnings per share

The diluted earnings per share is computed similar to basic earnings per share, but with the adjustment made by assuming the conversion of potentially dilutive shares in the denominator.

	2024	2023
Net profit attributable to the Parent	905,039	800,853
Weighted average shares outstanding	236,135,993	224,373,146
Diluted earnings per share (Brazilian reais)	**3,83**	**3,80**

d) Destination of earnings

i) Income reserve - Legal reserve

The establishment of compulsory legal reserve of 5% of net income for December 31, 2024 is of R$ 45,252 (R$ 40,043 in 2023).

ii) Income reserve - Dividend equalization

At the Annual and Special Shareholders’ Meetings held on April 30, 2008, the shareholders approved the creation of the account Income Reserve for Dividend Equalization, to which the retained earnings account balance is allocated, limited to 80% of capital, the latter of which is set up to maintain the shareholder payment flow.

ii) Income reserve - Repurchase of shares

The reserve for repurchase of shares is set up to support the possible opening, after approval by the Board of Directors, of the program for repurchase of the Institution’s shares, should market conditions indicate such possibility.

(In thousands of reais)

e) Treasury shares

For the exercise ended December 31, 2024, based on authorization of the Board of Directors to acquire shares of Company for holding in treasury, 1,727,700 preferred shares were repurchased (615,000 in the period of 2023).

On December 31, 2024, the total amount of shares repurchased in treasury is R$ 77,863 equivalents to 4,360,960 preferred shares (R$ 69,326 equivalents to 4,385,728 on December 31, 2023). The average cost per share repurchased treasury on December 31,2024 is R$ 17,85 reais (R$ 15,81 on December 31, 2023).

Changes in treasury shares

	2024	**2023**
At the beginning of the year	4,385,728	5,237,311
Shares acquired	1,127,700	615,000
Shares delivered	(1,752,468)	(1,466,583)
At the end of the year	**4,360,960**	**4,385,728**

On March 26, 2024, the Board of Directors unanimously decided to approve a new Repurchase Program for Shares issued by the Company, for the purposes of remaining in treasury and subsequent disposal or cancellation, without reduction of the share capital.

The maximum period for conducting authorized operations will be 18 months from this date, having as final end on September 26, 2025, up to the limit of 7,200,000 preferred shares.

f) Capital increase

On March 25, 2024, was deliberate by the Board of Directors the Banco ABC Brasil a capital increase of R$ 146,472, through emission the 7,720,761 new shares, through the 3,951,194 ordinary shares and 3,769,567 preferred shares. The capital increase he was effective after ratification by the Central Bank of Brazil on May 03, 2024.

On July 29, 2024, the Board of Directors deliberated on the proposal to increase capital through the partial capitalization of the profit reserve account - equalization of dividends in the amount of R$1,080,000. The capital increase was approved by the Central Bank of Brazil on October 16, 2024.

On June 26, 2023, the Board of Directors of Banco ABC Brasil decided on the proposal to increase capital in the amount of up to R$ 157,114, through the issuance of new shares, for private subscription (private subscription) with the use of credit of interest on equity now distributed or in national currency, approved by the Central Bank of Brazil on December 13, 2023.

26. Other information

Offset and settlement of liabilities agreement - the Bank has an agreement on the offset and settlement of liabilities under the Brazilian National Financial System, in accordance with CMN Resolution No, 3,263/05, resulting in added guarantees of settlement of their assets with financial institutions that are party to the agreement, The total assets included in this agreement as of December 31, 2024 amount to R$ 2,329,437 (R$ 1,648,224 on December 31, 2023).

27. Risk management

Corporate risk

Objectives
The Bank understands that risk management is a process aimed at adding and preserving value for the institution, providing reasonable assurance that events that may affect it are identified and promptly managed according to its risk appetite.

For this purpose, it keeps structures dedicated to risk management activities that assess, monitor and report both the assumed risk and the risk appetite of the organization, proposing measures to enhance execution of processes, correct failures and avoid practices that do not abide by the required standards. Thus, it aims also to comply with Resolution No, 4,557 by the National Monetary Council, governing the activities of operational, market, credit and liquidity risk management structures and the environmental responsibility framework, respectively.

The framework developed aims at the achievement of objectives through actions to:

- Align risk appetite and strategy adopted.
- Make decisions considering existing risks.
- Reduce unforeseen operating losses.
- Identify and manage risks associated with the ventures.
- Provide integrated responses to multiple risks.
- Seize opportunities; and
- Improve capital allocation,

All areas and associates are liable for Corporate Risk Management, which must perform their activities as good as they can and timely identify control risks, failures, and deficiencies to areas to be able to solve them, it is performed therefore, in a centralized manner by the Vice-President for Credit and Risk Management.

Governance

The Bank, a publicly traded company with shares traded on the São Paulo Stock Exchange, at level II, believes that the Bank should be managed with main focus on adding value for shareholders without infringing the rights of stakeholders, and respecting the laws that regulate markets within accepted and recommended ethical standards.

The Bank's governance structure is based on the regulations from the São Paulo Stock Exchange, the Brazilian Securities and Exchange Commission (CVM) and the Central Bank of Brazil, with bodies like the Board of Directors, Remuneration Committee, Audit Committee and Supervisory Board (non-permanent), as well as the internal bodies, such as the Board Risk Committee, Collegiate Board and other operating committees, as the Credit Committee and the Finance Committee.

The Board of Directors is responsible for defining the risk appetite of the institution, the approval of business strategies and the maintenance of high governance standards, it should ensure the effectiveness of the risk management framework, providing independence and resources for its proper functioning, it receives support from bodies and committees created for this purpose.

The Executive Board is responsible for enforcing Board of Directors resolutions and management of the institution's activities.

The risk management policies are disclosed on internal page (Intranet), where the rules are published and made accessible to all Bank employees.

Since the Bank operates with large and medium-sized corporate customers, it opted to create two independent credit extension structures, in order to be more efficient and
Accurate in analyses, the establishment of credit limits and definition of required guarantees.

Approval of the credit lines is the responsibility of the Credit Committee for customers in general and the Finance Committee for those of the financial sector, until the limits of their levels of authority. Above that, such approval is the exclusive prerogative of the Board Risk Committee.

The Bank has supported the Areas of Credit Management to ensure that risks are within the prescribed limits and that the guarantees are within the required coverage and quality.

The area of Risk Management monitors the credit point of view of portfolio concentration monitoring and evaluating the impact of adverse scenarios. Generated reports are regularly

sent to the Risk Committee of the Board of Directors, the Audit Committee (presented on monthly meetings) and the Executive Board.

The business model of Banco ABC Brasil, focused on loans, financing, guarantees and derivative instruments with medium-sized and large customers, has a structure that is responsible for the entire credit management cycle, including but not limited to:

- Evaluation of new customers.
- Review of credits already extended.
- Evaluation of new products.
- Adaptation of products to its target customers.
- Monitoring of concentrations.
- Release of operations within the approved conditions.
- Timely identification of weakness in economic and financial condition of customers.
- Analysis of the impact of changes in circumstances on portfolio quality.
- Adequacy of collateral provided by customers,
- Collection of amounts due.
- Collection suits, whether amicable or not; and
- Management of guarantees provided,

Credit risk management criteria

Credit risk management encompasses all related activities, from approval of credit lines until settlement, including accounting, allocation of economic and regulatory capital and issuing periodic managerial reports to the Executive Board and Board of Directors:

- Credit risk management is done both from the perspective of processes and products.
- The credit approval process for new or existing customers depends on the authority and responsibility defined for people, areas and committees involved.
- The credit extension process is governed by specific rules for the Corporate and Middle-Market portfolio, taking into account market conditions, the macroeconomic prospects, changes in products and sectorial or geographical concentrations.
- Credit risk is assessed both on its own merits, as the mitigating effect of guarantees, also evaluates the effectiveness of the transfer of credit risk.
- The limits are set by customer and financial group for all credit risk exposures, including counterparty, settlement and issuer risk, both for the trading and non-trading portfolios.
- There are specific processes and processes for management of credit portfolios and the monitoring of individual customers, including determination of appropriate provisions and reserves, and procedures for attributing and monitoring credit rating.
- There are mechanisms for monitoring risks, quality and concentration of the portfolios, which are used in the preparation of stress scenarios and specific reports.

- The counterparty risk arising from changes in market risk variables is identified and subject to regular reviews.
- There is a formalized process for treatment of doubtful credits, indicating incumbents and classification of cases according to the stage of collection.
- All positions subject to credit risk are monitored, including off-balance sheet ones, which are recorded on a deemed risk basis, taking into account the likelihood and impact of the materialization of rights of receipt of the Bank.
- Large credit lines are approved by the Board Risk Committee, which also defines the levels of authority of local management.
- Credits prohibited are included in specific list and are consistent with the policies to prevent money laundering.
- New products are analyzed taking into account both the risk it brings to the Bank and to the customer, according to their needs and sophistication.
- The areas involved in the management and monitoring of credit risk are independent from the business areas and have the necessary structure to perform their activities, and.
- Internal Audit, in accordance with the audit plan based on relevant risks, periodically reviews the credit risk management process (design and operational effectiveness of the internal control environment). The results are reported to the Executive Board, Audit Committee, Board of Directors and to Group Audit (controlling shareholder), Notes are monitored to ensure implementation within the agreed deadlines.

Rating

Banco ABC Brasil works with a rating scale applied to customers, complemented by the rating of each individual operation. The first derives from quantitative and qualitative factors relating to the customer and takes into account the industry, management quality, market positioning, support from parent company, the quality of information available and the figures in the financial statements. For the rating of the operation, the effect of associated guarantees is further considered.

Credit monitoring
The monitoring of credits is done steadily for dedicated area that accompanies the behavior of credit portfolios and guarantees, as well as information from third parties such as credit bureaus, The activity is supported by specific systems.

Credit review
There is specific area of Credit Review with the dual mission to verify the quality of the analyzes and to proceed with an interim assessment during the period of the lines. This area is independent of the Executive Board of Credit Analysis.

Monitoring limit use of credit and guarantees

The framework of credit exposures is monitored constantly by area and dedicated systems. The same is true for the guarantees, which also has a specialized team to monitor the degree of coverage. The Committee shall meet guarantees in order to discuss, report and troubleshoot disability or quality of the collateral transferred.

Deemed risk.

Derivative operations use the credit lines specifically approved for them in amounts related to a proportion of the notional value. This stems from the maturity of the operation and the volatility of the risk factors involved. Daily recalculation ensures that volatility shocks, amounts paid, and term reduction are taken into account.

Credit recovery process

The Bank has specific processes for quick recovery of loans in default, and it also has a dedicated structure for this. The Credit, Commercial, Legal areas and the Credit Committee and Vice Chairs are directly involved and problem solving is monitored considering the specific characteristics of each case.

Responsibility of the committees

- *Board Risk Committee*: it is responsible for approving the credit risk management structure and the credit lines above the level of authority of the local Credit Committees.
- *Credit Committee* - Corporate: it is responsible for credit approval for corporate customers until its level of authority and the ratification of the rating assigned to customers and operations - all approvals must be by unanimous voting of its members, including managers of the Credit and Commercial areas and Chair and Vice Chairs.
- Syndicated Operations Committee: responsible for approving limits for underwriting operations.
- *Committee of LLP, which discusses* and validates the amount of provisioning for all operations of the Bank, also reviewing the rating by range of delay, guarantees provided, or significant facts that impact customer repayment capacity; and
- *BNDU Committee:* It proposes policies and strategies for sale of property and assets received from of loans or from performance guarantees.

Credit concentration

a) *Sectorial concentration*

Managerial monitoring of sectorial concentration is based on classification that takes into account the correlation of the activities of each sector with the economic cycle, taking into account the needs and reality of the Bank, Exposure is monitored by the Risk

(In thousands of reais)

Management and Credit Extension areas, the Executive Board and the Board of Directors for both the Large Corporate and the Corporate portfolios, It are based on the concentration of credit and advances portfolio and guarantees provided.

2024

	Total		Large Corporate		Corporate		Middle	
	Amount (R$ mil)	%	Amount (R$ mil)	%	Amount (R$ mil)	%	Amount (R$ mil)	%
Agribusiness	11,861,458	22,55	1,286,457	7,89	10,147,294	31,94	427,707	9,38
Trade and services	10,994,061	20,90	3,482,334	21,39	6,129,306	19,29	1,382,421	30,34
Construction and infrastructure	4,678,359	8,89	416,422	2,56	3,959,065	12,46	302,872	6,65
Financial	2,403,104	4,57	2,124,847	13,05	247,751	0,78	30,506	0,67
Transformation industry	4,279,617	8,13	2,264,834	13,91	1,411,311	4,44	603,472	13,24
Industry and technology	5,426,128	10,31	233,051	1,43	4,264,144	13,42	928,933	20,38
Individuals	1,839,841	3,50	10,959	0,07	1,349,573	4,25	479,309	10,52
Transport and logistics	3,125,233	5,94	1,060,142	6,51	1,781,260	5,61	283,831	6,23
Utilities	8,003,521	15,21	5,403,748	33,19	2,481,683	7,81	118,090	2,59
Total	52,611,322	100,00	16,282,794	100,00	31,771,387	100,00	4,557,141	100,00

2023

	Total		Large Corporate		Corporate		Middle	
	Amount (R$ mil)	%	Amount (R$ mil)	%	Amount (R$ mil)	%	Amount (R$ mil)	%
Agribusiness	9,938,951	21,72	588,943	4,05	8,916,692	32,81	433,316	10,69
Trade and services	9,698,194	21,20	3,006,131	20,70	5,261,323	19,37	1,430,740	35,26
Construction and infrastructure	4,332,144	9,47	363,156	2,50	3,704,761	13,64	264,227	6,51
Financial	2,884,652	6,31	2,658,473	18,31	190,723	0,70	35,456	0,87
Transformation industry	2,885,086	6,31	1,140,555	7,86	1,232,198	4,54	512,333	12,62
Industry and technology	5,202,698	11,37	719,810	4,96	3,501,452	12,89	981,436	24,18
Individuals	1,286,873	2,81	67,442	0,46	1,157,847	4,26	61,584	1,52
Transport and logistics	2,478,785	5,42	855,230	5,89	1,359,213	5,00	264,342	6,51
Utilities	7,039,366	15,39	5,120,233	35,27	1,844,328	6,79	74,805	1,84
Total	45,746,749	100,00	14,519,973	100,00	27,168,537	100,00	4,058,239	100,00

(In thousands of reais)

b) *Credit risk concentration by financial instrument type*

	2024	2023
Amount receivable from banks	6,601,271	5,667,168
Financial instruments	16,916,076	12,440,880
Loans and advances to customers	38,472,322	33,557,610
Subtotal	**61,989,669**	**51,665,658**
Guarantees provided and responsibilities	**13,514,582**	**11,328,388**
Total	**75,504,251**	**62,994,046**

Credit portfolio quality

The portfolio of loans and advances to customers by credit quality is presented below. High quality credits are those fitting into Ratings 1 to 5, Rating 6 corresponds to prime quality, Ratings 7 to 11 correspond to sub-prime quality. At the end of 2023 and 2022, the portfolio classified as sub-prime coincided with that considered by management as involving possibility of impairment problems.

	2024	2023
High quality	26,165,992	22,081,302
Prime quality	11,254,505	10,182,785
Sub-prime quality	1,446,860	1,516,099
Overdue credits	229,383	638,160
Total	39,096,740	**34,418,346**

Liquidity risk

Description

The liquidity risk is basically present in the following two forms:

- *Funding risk*: related to access to funds to honor obligations or expand activities; it presents a time component defined by occurrence of imbalances between cash inflows and outflows that may affect the Bank's payment capacity, taking into consideration different currencies and terms for settling its rights and obligations.
- *Market liquidity risk*: related to the capacity to operate in the markets, without causing significant changes in price or charge.

Liquidity risk is managed by the Finance Committee, composed of Chair and Vice Chairs and treasury, credit rating, risk management, fund raising and managerial information managers. Treasury implements the decisions of the Finance Committee and manages, within the limits set for its operations, cash raising and application and mismatches between cash inflows and outflows over time, it is supported by the Risk Management area, which monitors the acceptable levels of liquidity in the present and future, and by the Financial Planning area, which holds the information for the control over cash positions. Daily reports generated are sent to Treasury, the Executive Board, Internal Audit, as well as Risk Management areas of the controlling shareholder, Weekly, the Finance Committee re-evaluates the strategy for the next period.

The Internal Audit, in accordance with the audit plan based on relevant risks, periodically reviews the liquidity risk management process (design and operational effectiveness of the internal control environment). The results are reported to the Executive Board, Audit Committee, Board of Directors and to Group Audit (controlling shareholder), Notes are monitored to ensure implementation within the agreed deadlines.

Tools

- *Liquidity cushion*: cash position should be sufficient to face a serious stress situation as long as necessary for the actions taken to have the corresponding effect. The Financial Committee establishes such period in number of months and guarantees that the cash is higher than the amount calculated. The model takes into account, and both take into account the liabilities falling due, redemption of applications, devaluation of government securities, margin call and assets renewal rate, among others.
- *Cash flow map*: it indicates the changes in cash position in time slots, serving to evaluate performance by product or customer type and adequacy of the temporal profile of borrowings to finance the Bank's asset portfolio.
- *Limits*: tool to ensure there is no concentration of investors, periods or a combination of both; and
- *Liquidity Contingency Plan*: A plan that indicates the actions to be taken in managing the portfolios, in Treasury activities, in reporting on crisis management and other situations, considering different scenarios and, in each of them, varying severity degrees.

(In thousands of reais)

The balance sheet by maturity, for the years ended December 31, 2024 and 2023, are as follows:

	2024							
Assets	**Up to 30 days**	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**Above 5 years**	**No maturity**	**Total**
Cash and reserve with Central Bank of Brazil	**-**	**-**	**-**	**-**	**-**	**-**	**540,043**	**540,043**
Financial assets stated at fair value through profit or loss	**224,459**	**322,513**	**608,531**	**3,848,125**	**3,290,103**	**2,571,999**	**13,648**	**10,879,378**
Marketable securities	-	38,919	228,829	1,968,204	970,855	2,096,430	13,648	5,316,885
Derivatives	224,459	281,334	370,445	1,852,869	2,234,153	475,569	-	5,438,829
Loans and advances to customers	-	2,260	9,257	27,052	85,095	-	-	123,664
Financial assets measured at fair value in other comprehensive income	**25,274**	**838**	**41,100**	**1,281**	**2,423,807**	**540,906**	**9,404**	**3,042,610**
Marketable securities	25,274	838	41,100	1,281	2,423,807	540,906	9,404	3,042,610
Financial assets recorded at amortized cost	**5,964,910**	**8,604,285**	**4,213,431**	**6,988,596**	**20,340,024**	**1,416,392**	**-**	**47,527,638**
Repurchase agreements	1,799,978	2,999,986	-	-	-	-	-	4,799,964
Deposits with private banks	334,279	790,235	6,044	33,753	94,269	2,684	-	1,261,264
Marketable securities	576,634	-	194,833	-	1,604,972	741,313	-	3,117,752
Loans and advances to customers	3,254,019	4,814,064	4,012,554	6,954,843	18,640,783	672,395	-	38,348,658
Non-current assets available for sale	**-**	**-**	**-**	**-**	**-**	**-**	**150,188**	**150,188**
Other assets	**2,128,998**	**988,778**	**1,149,571**	**3,487,903**	**1,708,486**	**112,989**	**-**	**9,576,725**
Foreign exchange portfolio	266,916	861,869	944,312	3,087,487	1,165,180	-	-	6,325,764
Deferred tax assets	434,307	88,277	115,438	156,441	181,910	2,570	-	978,943
Taxes and contributions to be compensated	48,667	332	8,262	100,698	66,138	-	-	224,097
Interbank accounts	308,895	-	-	-	-	-	-	308,895
Other	1,070,213	38,300	81,559	143,277	295,258	110,419	-	1,739,026
Property and equipment	**-**	**-**	**-**	**-**	**-**	**-**	**276,666**	**276,666**
Total Assets	**8,343,641**	**9,916,414**	**6,012,633**	**14,325,905**	**27,762,420**	**4,642,286**	**989,949**	**71,993,248**

(In thousands of reais)

Liabilities	2024							
	Up to 30 days	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Above 5 years	No maturity	Total
Financial liabilities stated at fair value through profit or loss	**158,735**	**184,010**	**254,425**	**1,438,911**	**1,641,491**	**46,997**	**-**	**3,724,569**
Funding - Transfers abroad	-	-	-	-	263,688	-	-	263,688
Derivatives	158,735	184,010	254,425	1,438,911	1,377,803	46,997	-	3,460,881
Derivatives used as fair value hedge	**-**	**-**	**-**	**-**	**12,749**	**-**	**-**	**12,749**
Financial liabilities recorded at amortized cost	**5,012,764**	**4,245,584**	**7,152,853**	**16,223,326**	**17,655,615**	**2,902,420**	**631,730**	**53,824,292**
Fund raising	**5,012,764**	**4,245,584**	**7,152,853**	**16,223,326**	**17,655,615**	**2,902,420**	**631,730**	**53,824,292**
Deposits	1,406,095	1,436,524	1,949,466	4,047,986	1,862,149	-	631,730	11,333,950
Repurchase agreements	1,957,701	-	-	-	-	-	-	1,957,701
Funds – acceptance/ issue of securities	1,187,809	1,560,469	2,724,286	7,176,850	10,435,068	65,414	-	23,149,896
Foreign borrowings	327,201	1,025,129	1,626,345	3,952,648	3,287,550	-	-	10,218,873
Onlendings in Brazil	61,300	201,889	248,898	645,197	1,223,604	70,784	-	2,451,672
Funding - Transfers abroad	34,745	-	222,601	198,464	632,754	-	-	1,088,564
Subordinated debt	37,913	21,573	381,257	202,181	214,490	2,766,222	-	3,623,636
Other liabilities	**558,515**	**821,105**	**985,968**	**3,264,193**	**1,307,009**	**1,130**	**-**	**6,937,920**
Foreign exchange portfolio	243,864	814,619	907,095	2,966,148	1,285,217	-	-	6,216,943
Interbranch accounts	1,949	771	59,131	31	212	-	-	62,094
Taxes	35,709	-	-	121,656	-	-	-	157,365
Other	276,993	5,715	19,742	176,358	21,580	1,130	-	501,518
Provisions	**1,011,209**	**-**	**-**	**-**	**-**	**-**	**-**	**1,011,209**
Equity	-	-	-	-	-	-	**6,482,509**	**6,482,509**
Total liabilities and equity	**6,741,223**	**5,250,699**	**8,393,246**	**20,926,430**	**20,616,864**	**2,950,547**	**7,114,239**	**71,993,248**

(In thousands of reais)

	2023							
Assets	**Up to 30 days**	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**Above 5 years**	**No maturity**	**Total**
Cash and reserve with Central Bank of Brazil	**-**	**-**	**-**	**-**	**-**	**-**	**647,009**	**647,009**
Financial assets stated at fair value through profit or loss	**311,547**	**270,086**	**361,909**	**3,684,328**	**945,698**	**2,122,608**	**168,923**	**7,865,099**
Marketable securities	-	30,597	109,841	2,648,522	265,005	2,116,232	168,923	5,339,120
Derivatives	311,083	239,284	251,761	986,778	678,131	6,376	-	2,473,413
Loans and advances to customers	464	205	307	49,028	2,562	-	-	52,566
Financial assets measured at fair value in other comprehensive income	**-**	**-**	**-**	**478,923**	**622,522**	**541,795**	**14,044**	**1,657,284**
Marketable securities	-	-	-	478,923	622,522	541,795	14,044	1,657,284
Financial assets recorded at amortized cost	**3,337,260**	**3,893,432**	**4,398,652**	**6,330,732**	**19,756,505**	**3,406,994**	**-**	**41,123,575**
Repurchase agreements	-	-	-	-	2,974,249	1,100,878	-	4,075,127
Deposits with private banks	280,442	475,522	47,627	26,185	115,255	-	-	945,032
Marketable securities	249,928	-	-	170,367	785,406	1,392,671	-	2,598,372
Loans and advances to customers	2,806,890	3,417,909	4,351,025	6,134,179	15,881,595	913,445	-	33,505,044
Non-current assets available for sale	**-**	**-**	**-**	**-**	**-**	**-**	**134,008**	**134,008**
Other assets	**2,980,308**	**502,902**	**367,637**	**4,185,110**	**79,298**	**-**	**-**	**8,115,255**
Foreign exchange portfolio	486,263	502,902	367,637	4,185,110	79,298	-	-	5,621,210
Deferred tax assets	867,587	-	-	-	-	-	-	867,587
Taxes and contributions to be compensated	19,264	-	-	-	-	-	-	19,264
Interbank accounts	608,284	-	-	-	-	-	-	608,284
Other	998,910	-	-	-	-	-	-	998,910
Property and equipment	**-**	**-**	**-**	**-**	**-**	**-**	**242,964**	**242,964**
Total Assets	**6,629,115**	**4,666,420**	**5,128,198**	**14,679,093**	**21,404,023**	**6,071,397**	**1,206,948**	**59,785,194**

(In thousands of reais)

Liabilities	2023							
	Up to 30 days	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Above 5 years	No maturity	Total
Financial liabilities stated at fair value through profit or loss	**243,196**	**163,164**	**165,233**	**764,654**	**827,544**	**69,559**	**-**	**2,233,350**
Derivatives	243,196	163,164	165,233	764,654	566,395	69,559	-	1,972,201
Derivatives used as fair value hedge	**-**	**-**	**-**	**-**	**9,002**	**-**	**-**	**9,002**
Financial liabilities recorded at amortized cost	**5,490,627**	**6,541,363**	**6,383,396**	**9,961,874**	**14,292,014**	**1,488,198**	**693,078**	**44,850,550**
Fund raising	**5,490,627**	**6,541,363**	**6,383,396**	**9,961,874**	**14,292,014**	**1,488,198**	**693,078**	**44,850,550**
Deposits	1,927,605	2,025,174	1,403,429	3,482,536	940,646	-	693,078	10,472,468
Repurchase agreements	1,614,277	69,045	-	-	-	-	-	1,683,322
Funds – acceptance/ issue of securities	526,404	1,755,288	2,206,850	3,979,711	11,277,433	59,557	-	19,805,243
Foreign borrowings	846,636	2,327,195	2,143,753	1,410,400	1,281	-	-	6,729,265
Onlendings in Brazil	519,660	275,744	230,307	756,219	879,915	75,738	-	2,737,583
Funding - Transfers abroad	50,033	56,926	341,482	26,922	429,917	-	-	905,280
Subordinated debt	6,012	31,991	57,575	306,086	762,822	1,352,903	-	2,517,389
Other liabilities	**1,165,330**	**534,256**	**384,048**	**4,257,247**	**80,255**	**-**	**-**	**6,421,136**
Foreign exchange portfolio	495,536	534,256	384,048	4,257,247	80,255	-	-	5,751,342
Interbranch accounts	160,494	-	-	-	-	-	-	160,494
Taxes	82,404	-	-	-	-	-	-	82,404
Other	426,896	-	-	-	-	-	-	426,896
Provisions	**381,255**							**381,255**
Equity	-	-	-	-	-	-	**5,889,901**	**5,889,901**
Total liabilities and equity	**7,280,408**	**7,238,783**	**6,932,677**	**14,983,775**	**15,208,815**	**1,557,757**	**6,582,979**	**59,785,194**

Market risk

Description

Market risk is defined as the possibility of losses resulting from fluctuations in market values of positions held. The risks of operations subject to exchange variation, fluctuations in interest rates, share prices and commodity prices fit into this concept.

Market risk management is performed using inside information that the Risk Management area, which centralizes control activities and monitors the exposure of portfolios, provides daily to management, Treasury and Finance Committee members.

The Risk Management area further prepares specific reports to the Board of Directors and the Audit Committee, as part of the Committee's regular risk management monitoring activities and also discloses the Bank's risk appetite to the areas involved in market risk management and also participates in the approval process for new products or activities.

Treasury implements the decisions of the Finance Committee and manages the trading and non-trading portfolio positions within the limits set for its actuation. The Finance Committee formally discusses the exposures in its weekly meetings and outlines the strategy for the next period and must always ensure that the limits are appropriate to the risk appetite and the market situation and act immediately in case of noncompliance.

The risk appetite is expressed in the form of limits, which are approved for each calendar year, or for shorter periods, if necessary, by the Finance Committee, the Board Risk Committee, the Asset and Liability Committee and Board Risk Committee of the Arab Banking Corporation.

The market risk management structure adheres to the Bank’s governance standards, The Treasury report ensures independence in relation to other business areas. The same happens with the Risk Management area, which reports to the CEO and the Board Risk Committee.

The Internal Audit, according to the audit plan based on relevant risks, periodically reviews the market risk management process (design and operational effectiveness of the internal control environment), The results are reported to the Executive Board, Audit Committee, Board of Directors and to Group Audit (controlling shareholder), Notes are monitored to ensure implementation within the agreed deadlines.

The main market risk management tools used are:

- *Value-at-Risk (VaR)*: This indicator measures the value in monetary units of the largest loss that a portfolio can suffer in a given period for a predetermined level of statistical reliability. It can be calculated in various ways, but basically it takes into account the distribution of portfolio returns. The great advantage of the index is to allow comparison of the risk of different asset classes, taking into account the correlation between their returns and be a simple measure for establishing exposure limits. Daily reports generated show the VaR calculation for the different risk factors and the various terms (in case of interest rate), helping to identify concentration of risks in the portfolios and guiding more effective exposure management measures, Properly hedged positions contribute little to VaR magnitude, even in markets with high volatility, The calculation is based on a historic VaR model with observation window of two years, retention period of one day and reliability level of 99%, VaR, however, as mentioned in "stress tests" item below, does not consider the impact of extreme events, resulting from significant shocks that cause abrupt changes in prices and changes in the pattern of correlation of returns;

(In thousands of reais)

- *Sensitivity analysis (DV01)*: Fixed income indicator that shows the gain or loss on the parallel shift of 1bp (basis-point) in the forward structure of interest rates. It also serves to indicate risk concentration, taking into account that the effect of changing interest rates is more pronounced for longer maturities.

- *Stress tests*: Result of application of crisis scenarios in the portfolios. They can be historical scenarios, representing the effects of crises occurred, or hypothetical scenarios. Such scenarios should take into account changes in prices over a period of time appropriate to consider both the cumulative effect of shocks and that necessary for reversal or hedge of risk positions. It allows to take into account extreme but feasible events, which would be on the tail of the return distribution curves, as these are not considered in calculating VaR; and

- *Back-testing*: Tests in which there is comparison of daily returns of portfolios with the maximum losses forecast by VaR with a given reliability level. For example, for VaR with reliability level of 99%, in the remaining 1% of cases, the loss occurred should be less than the calculated VaR. The objective is to verify adherence of the model used for calculating VaR.

The calculated amount is within the approved limits and presented the following changes:

	Average	Maximum	Minimum
2024	**4,498**	**5,556**	**2,369**
2023	**3,409**	**6,497**	**1,596**

The Bank also discloses a sensitivity analysis to market risk classes considered significant by management arising from financial instruments, in compliance with regulatory rules (CVM Rule No, 475). The table below demonstrates, in management's view, both the most likely scenario, as well as two additional scenarios. The probable scenario considers the prices set in contracts and capital allocation according to the Basel II rules, Scenario II considered a 25% increase in risk variables considered in accordance with the nature of financial instruments, Scenario III considered a 50% increase in the same variable. The scenario analysis was based on minimum capital required to cover the risk of exposure to interest and foreign exchange rates on December 31, 2024.

	Exposure		
i) Interest rate	**Probable**	**Scenario II**	**Scenario III**
Net exposure to fixed interest rates (RWAjur1)	17,512	35,917	54,323
Net exposure of currency coupons (RWAjur2)	90,760	96,274	101,787
Net exposure of index coupons (RWAjur3)	48,790	50,866	52,942
Total interest rate exposure (Note 25)	**157,062**	**183,057**	**209,052**
ii) Foreign exchange rate			
Total exposure purchased at exchange rates (Note 25)	42,561	90,093	137,631
	42,561	**90,093**	**137,631**
iii) Index, shares and commodities			
Total exposure to index, shares and commodities	54,810	55,915	57,005
	54,810	**55,915**	**57,005**

With respect to interest rate risk of the Non-trading Portfolio (Banking Book), the Bank applies tests to ensure that capital allocation is also sufficient to cover such risks, The results of procedures, on December 31, 2024, showed an exposure of R$ 208,706 (R$ 240,772 December 31, 2023), It results from the calculation of an interest rate shock applied to this portfolio. This results from the calculation of VaR of exposure to interest rate with retention period of one year. For purposes of sensitivity analysis, the risk of currency mismatch of this portfolio is considered in the position of exchange rates described immediately above.

Operating risk

Description

The Bank recognizes that the operating risk is a specific category of risk and, as such, should be managed. Its scope should include the entire institution, involving all of its employees, and consider its processes, activities, systems, products and physical structure, Operating risk includes legal risks and has the support of the internal legal department.

Operating risk management is structured in three lines of defense. The first is the actuation of the manager of the areas responsible for the processes, systems or products, Secondly, risks are mapped, along with the related controls and mitigators, and monitored by the Risk Management area, Finally, the Audit is the ultimate monitoring level of the operating, business and support areas, as well as of other control and risk management areas.

Management is based on ongoing identification, evaluation, monitoring, control and mitigation of risks through specific tools. It is routinely monitored at the corporate level by internal and external audits and the Operating Risk Committee, constituted for this purpose. The effectiveness of actions is reinforced by timely communication to management, the involvement of employees and the efforts to disseminate the culture of risk management.

Methodology

The operating risk management model provides for:

- Identification, assessment, monitoring, control and mitigation of operating risk through management instruments and systems.
- Mapping of processes in a standardized and organized way based on the structure of the organization.
- Mapping of risk controls and structured in a systematic way for each mapped process (Risk and Control Matrix).
- Risk and controls assessment according to the institution's internal methodology and dedicated electronic system support.
- Key risk indicators.
- Databases of losses and incidents in connection with operating risk; and
- Communication of operating risk through management instruments, systems or specific forums.
- The Internal Audit, in accordance with the audit plan based on relevant risks, periodically reviews the operational risk management process (design and operational effectiveness of the internal control environment). The results are reported to the Executive Board, Audit

(In thousands of reais)

Committee, Board of Directors and to Group Audit (controlling shareholder), Notes are monitored to ensure implementation within the agreed deadlines.

28. Operating limit - Basel Accord

The Central Bank of Brazil, through Resolution CMN No, 4,955/21, instituted the determination of the reference equity on a consolidated basis for the financial conglomerate and by Resolution No, 4,958/21 instituted calculating the minimum equity required for reference the Risk Weighted Assets (RWA), both with effect from January 2022. The capital adequacy ratio for December 31, 2024 calculated based on the prudential conglomerate is 16,48% (14,94% December 31, 2023), The table below shows the calculation of the minimum equity required for the reference risk weighted assets (RWA) which is 8,00% since 2019.

	2024	2023
Credit risk	3,670,999	3,204,109
Interest rate	157,062	218,362
Commodities	54,810	116,613
Actions	15	72
Operating risk	277,512	270,034
Exchange risk	42,561	22,066
DRC	51,499	-
CVA	96,524	36,430
Required capital base (PRE)	**4,350,982**	**3,867,686**
Reference equity (PR)	**8,961,597**	**7,225,300**
Excess of equity in relation to limit	**4,610,615**	**3,357,614**
Conciliation Shareholders equity capital		
Shareholders Equity Capital	6,411,144	5,885,371
Subordinated Financial Bills - *Level II*	1,273,730	1,079,608
Perpetual Financial Bills - Level I	1,567,667	502,457
Other Adjustments	(234,396)	(211,142)
Non Controlling Shareholders Interest	(24,675)	(15,053)
Financing object of conglomerate entities	(5,760)	(15,941)
Diferred Tax Assets	(26,083)	-
Total Reference equity x Shareholders equity capital	**8,961,597**	**7,225,300**

29. Subsequent Events

On January 16, 2025, at the subsidiary ABC Brasil Corretora de Seguros LTDA., the partners approved the disproportionate distribution of dividends in the amount of R$ 11,641 based on profits recorded in the second half of 2024.

On March 24, 2025, at the subsidiary ABC DCM LTDA., the partners' meeting was held where the distribution of dividends in the amount of R$ 23,799 was approved.

On March 24, 2025, at the subsidiary ABC Brasil Distribuidora de Títulos e Valores Mobiliários S.A., the ordinary and extraordinary general meeting of shareholders was held where the distribution of dividends in the amount of R$ 28,032 was approved.

On March 24, 2025, at the subsidiary ABC Brasil Investment Banking Ltda., a shareholders' meeting was held where the distribution of dividends in the amount of R$ 27,800 was approved.

Banco ABC Brasil S.A.

Management report

Performance in the year of 2024

We submit to your consideration the consolidated accounting information of Banco ABC Brasil S.A. for the year of 2024.

Banco ABC Brasil S.A.

Banco ABC Brasil S.A.(“Bank”) is a commercial bank specialized in lending and providing services for middle and large companies. Nonetheless, it is one of the few Brazilian banks featuring international control and local autonomy.

The Bank is managed by a highly qualified team of senior executives, who are also shareholders of the Bank, holding vast experience in financial markets and having broad autonomy for decision taking, in addition to the capability to foresee and explore sectorial and cyclical opportunities in the Brazilian economy.

The Bank is present in Brazil since 1989, and from this date on has been building a solid Corporate Clients portfolio by offering wide high value-added financial products. Nevertheless, the Bank is recognized by its robust expertise on credit risk assessment and concession.

Banco ABC Brasil S.A. is listed in the Level 2 of Corporate Governance of São Paulo Stock Exchange (B3 S.A - Brasil, Bolsa, Balcão).

Shareholding Structure

As of December 31, 2024 the shareholding structure of Banco ABC Brasil S.A. was the following: Bank ABC (through Marsau Uruguay Holdings): 62.6%; Free float: 29.8%; Management and Board members: 5.9%; and Treasury Stock: 1.8%.

Business Profitability

Banco ABC Brasil S.A. reported net income of R$ 905.0 million in the year of 2024 (R$ 800.3 million in the year of 2023).

The growth of the Bank’s Net Income, compared to last year, is mainly explained by the increase in the Financial Margin with Clients, by the increase in Financial Margin with Market and by the increase in the Service Revenues. The result was partially offset by the increase in the Personnel & Other Administrative Expenses and the increase in Income Taxes.

CVM Resolution 80/2022

In compliance with CVM Resolution No. 80 of March 29, 2022, which provides for the need to disclose, by audited entities, information on service performance by the independent auditor, Banco ABC Brasil S.A., informs that independent audit services of the financial statements of the Bank and its controlled companies are provided by Ernst & Young Auditores Independentes S.S.

We declare that services have been provided, with a term of less than one year, related to (i) Limited Assurance on ESG reporting and (ii) Previously agreed procedure on operations guaranteed by the FGI PEAC program. We paid a total amount of R$180 thousand related to such services, which is equivalent to 7.1% of the external audit fees related to the financial statements for the year ended December 31, 2024 of the Bank and its subsidiaries.

The policy adopted meets the principles that preserve Auditor's independence, in accordance with criteria internationally accepted. These principles are as follows: 1) the auditor must not audit his/her own work; 2) the auditor must not perform managerial activities in his/her customer; 3) the auditor must not promote his/her customer's interests.

Arbitration Clause

Banco ABC Brasil S.A. is subject to arbitration in the Market Arbitration Chamber, in accordance with the Arbitration Clause contained in its Articles of Association.

Risk Management

The Bank's risk management is detailed in note 27 of the consolidated financial statements.

Social, Environmental and Climate Responsibility

The Social, Environmental and Climate Responsibility Policy ("PRSAC") approved by the Council in 4Q22 outlines the principles and guidelines of a social, environmental and climate nature that the Bank considers when conducting its business, activities, processes and relations with stakeholders.

The ABC Brasil has research tools, internal analysis processes, and governance structure that provide the management of social, environmental and climate risks in an integrated way with credit and market risk management. The Bank also applies, in accordance with internal eligibility criteria, questionnaires, and socio-environmental due diligence to clients.

Capital Management

The Executive Committee conducts the capital management jointly with the Board of Directors, based on activities coordinated by the Finance area, which is also responsible for structuring the annual strategic plan and monitoring the budget. The Risk Management area is fully integrated into the process. The information relating to capital management is available on the institution's website, available through the following URL: www.abcbrasil.com.br/en/ > Investor Relations > Investor Information > Risk and Capital Management > Capital Management Structure.

Compliance Risk

Banco ABC Brasil S.A., through the areas of business and support (1st Line of Defense), Compliance Agents, which are present in all areas of the Bank and with the support of the institutional area of Regulatory Compliance (2nd Line of Defense), seeks to ensure compliance with the regulatory requirements of regulatory agencies. Compliance risk is considered, the possibility of companies that are members of group ABC Brasil and/or its subsidiaries to suffer legal or administrative sanctions, financial losses, reputational damages or other damages resulting from non-compliance or failures in compliance with the legal framework, regulation or corporate principles and values.

The Compliance area is the unit responsible for managing the compliance risk of the ABC Brasil Group. The Compliance culture is the responsibility of all, the administrators and employees of the Institution, who must know their responsibilities, complying with the legislation and regulations, and internal regulations applicable to their business and their duties. The form of action of the Compliance area includes preventive, detectable and corrective actions.

Sao Paulo, March 31, 2025.

The Management