

(Convenience Translation into English from the
Original Previously Issued in Portuguese)

Banco de Desenvolvimento de Minas Gerais S.A.

Condensed Interim Financial Statements
for the Nine-month Period Ended
September 30, 2024 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Condensed interim financial statements

Nine-month period ended September 30, 2024 with Independent Auditor's Report

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INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS

To the Board of Directors, Management and Shareholders of
Banco de Desenvolvimento de Minas Gerais S.A.

Introduction

We have reviewed the accompanying condensed interim financial statements of Banco de Desenvolvimento de Minas Gerais S.A. ("Bank"), which comprise the balance sheet as at September 30, 2024, and the related statements of income, of comprehensive income, of changes in equity and of cash flows for the nine-month period then ended, and notes to the financial statements, including the material accounting policies.

The Bank's Management is responsible for the preparation and fair presentation of the condensed interim financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion on the condensed interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements referred to above do not present fairly, in all material respects, the financial position of the Bank as at September 30, 2024, and its financial performance and its cash flows for the nine-month period then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by BACEN.

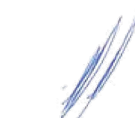
Other matters

The accompanying condensed interim financial statements have been translated into English for the convenience of readers outside Brazil.

Belo Horizonte, November 12, 2024



DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.



Carlos Claro
Engagement Partner

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Balance sheet

September 30, 2024 and December 31, 2023

(In thousands of Brazilian reais – R\$)

	Notes	09/30/2024	12/31/2023
Assets			
Current		3,201,770	3,115,391
Cash and cash equivalents	5	7,747	6,899
Financial instruments		3,188,402	3,102,372
Interbank investments	5.1	980,188	1,105,331
Securities	6.1	339,117	240,060
Loan and similar transactions	6.3	2,013,965	1,897,256
Other financial assets	6.4	10,959	14,968
Allowances for expected losses on securities	6.1	(1,927)	(3,636)
Allowances for expected losses associated with the credit risk	6.3	(153,900)	(151,607)
Other assets		5,621	6,120
Noncurrent		6,475,526	5,716,623
Long-term assets		6,414,126	5,669,826
Financial instruments		5,775,645	5,011,768
Interbank investments	5.1	603	54,052
Securities	6.1	1,499,064	1,070,989
Derivative financial instruments	6.2	45,160	3,634
Loan and similar transactions	6.3	4,666,754	4,332,019
Other financial assets	6.4	151,484	147,995
Allowances for expected losses on securities	6.1	(178,704)	(180,311)
Allowances for expected losses associated with the credit risk	6.3	(408,716)	(416,610)
Other assets		26,103	25,664
Deferred tax assets	12.b	612,378	632,394
Property and equipment in use		15,119	15,175
Intangible assets		46,281	31,622
Total assets		9,677,296	8,832,014

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Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Balance sheet

September 30, 2024 and December 31, 2023

(In thousands of Brazilian reais – R\$)

	Notes	09/30/2024	12/31/2023
Liabilities and equity			
Current		2,515,113	2,280,604
Financial liabilities		2,310,446	2,073,528
Deposits	7.1	498,276	283,871
Funds from acceptances and issuance of securities	7.1	846,162	887,305
Borrowings and onlendings	7.2	966,008	902,352
Derivative financial instruments	6.2	4,585	-
Provisions	8	35,850	34,188
Other liabilities	9	164,232	172,888
Noncurrent		4,914,562	4,422,618
Long-term liabilities		4,914,562	4,422,618
Financial liabilities		3,971,199	3,403,723
Deposits	7.1	361,778	322,826
Funds from acceptances and issuance of securities	7.1	701,591	305,738
Borrowings and onlendings	7.2	2,860,313	2,592,694
Derivative financial instruments	6.2	47,517	182,465
Provisions	8	680,869	711,156
Other liabilities	9	230,193	281,551
Deferred tax liabilities		32,301	26,188
Equity	10	2,247,621	2,128,792
Capital	10.a	2,241,463	2,218,407
Earnings reserves		25,304	45,381
Other comprehensive income		(98,745)	(134,996)
Retained earnings	10.b	79,599	-
Total liabilities		9,677,296	8,832,014

The accompanying notes are an integral part of these condensed interim financial statements.

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Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Statement of income

Nine-month periods ended September 30, 2024 and 2023

(In thousands of Brazilian reais - R\$, unless otherwise stated)

	Notes	09/30/2024	09/30/2023
Income from financial intermediation		891,749	991,942
Loans	11.a	676,135	721,498
Gains (losses) on securities	11.b (i)	213,294	208,884
Gains (losses) on foreign exchange transactions	11.b (i)	2,320	61,560
Expenses with financial intermediation	11.b (ii)	(460,928)	(520,825)
Borrowings and onlendings		(273,824)	(351,900)
Funding transactions		(187,104)	(168,925)
Allowance for loan losses, net of reversal of allowance		(38,406)	(28,436)
Gross profit from financial intermediation		392,415	442,681
Other operating income/expenses		(190,704)	(169,957)
Income from services rendered		29,089	26,851
Personnel expenses	11.c	(110,902)	(101,283)
Other administrative expenses	11.c	(54,479)	(48,601)
Tax expenses	11.c	(22,549)	(23,648)
Other operating income/expenses	11.d	(31,863)	(23,276)
Expenses on provisions	11.c	(44,737)	(116,094)
Operating income (expenses)		156,974	156,630
Non-operating income (expenses)		87	4,837
Profit before income taxes and profit sharing		157,061	161,467
Income tax and social contribution	12.a	(77,871)	(80,687)
Deferred tax assets	12.b	9,360	(3,967)
Statutory profit sharing		(6,416)	(5,017)
Profit for the period		82,134	71,796
Basic earnings per share		0.00110	0.00096

The accompanying notes are an integral part of these condensed interim financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Statement of comprehensive income

Nine-month periods ended September 30, 2024 and 2023

(In thousands of Brazilian reais - R\$, unless otherwise stated)

	09/30/2024	09/30/2023
Profit for the period	82,134	71,796
Items to be subsequently reclassified to profit or loss	8,730	(3,444)
Available-for-sale financial assets, net of tax effect	8,730	(3,444)
Items that will not be subsequently reclassified to profit or loss	27,521	(5,460)
Actuarial valuation, net of tax effect	27,521	(5,460)
Other comprehensive income	36,251	(8,904)
Comprehensive income for the period	118,385	62,892

The accompanying notes are an integral part of these condensed interim financial statements.

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Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Statement of changes in equity

Nine-month periods ended September 30, 2024 and 2023

(In thousands of Brazilian reais – R\$)

	Capital	Earnings reserves	Other comprehensive income	Retained earnings	Total
Balance as at December 31, 2022	2,218,407	85,315	(119,481)	-	2,184,241
Other comprehensive income, net of tax effect	-	-	(8,904)	-	(8,904)
Accumulated profit for the period (Note 10.b)	-	-	-	71,796	71,796
Reserves (Note 10.b)		1,559		(1,559)	-
Dividends		(67,420)			(67,420)
Balance as at September 30, 2023	2,218,407	19,454	(128,385)	70,237	2,179,713
Balance as at December 31, 2023	2,218,407	45,381	(134,996)	-	2,128,792
Capital increase	23,056	(22,612)	-	-	444
Other comprehensive income, net of tax effect	-		36,251	-	36,251
Accumulated profit for the period (Note 10.b)	-		-	82,134	82,134
Reserves (Note 10.b)		2,535		(2,535)	-
Balance as at September 30, 2024	2,241,463	25,304	(98,745)	79,599	2,247,621

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Statement of cash flows

Nine-month periods ended September 30, 2024 and 2023

(In thousands of Brazilian reais – R\$)

	09/30/2024	09/30/2023
Cash flows from operating activities		
Profit before taxes and profit sharing	157,061	161,467
Adjustments for:		
Depreciation and amortization	5,917	8,264
Recognition (reversal) of sundry provisions	75,647	170,822
Mark-to-market of derivative instruments and hedged items net of exchange gains and losses	55,740	126,775
Losses (gains) on financial assets	(121,287)	(108,856)
Other (gains), net	(22,745)	(38,344)
Adjusted profit	150,333	320,128
Changes in working capital	337,621	180,742
Interbank investments	136,577	(56,682)
Interbank accounts	(199,880)	(46,842)
Derivative financial instruments	(69,278)	(102,747)
Loan transactions	(283,131)	265,264
Tax credit	(7)	(19)
Other assets	6,274	59,529
Deposits and funding	608,068	156,664
Foreign borrowings	25,115	(1,353)
Onlendings	140,345	(106,398)
Other liabilities	(3,618)	34,024
Provisions	(22,844)	(20,698)
Cash generated by operations	487,954	500,870
Income tax and social contribution paid	(52,111)	(37,611)
Net cash generated by operating activities	435,844	463,259
Cash flows from investing activities		
Acquisition of permanent asset	(20,521)	(12,425)
Acquisition of financial assets	(616,377)	(267,373)
Receipt of financial assets	227,039	304,413
Net cash (used in) generated by investing activities	(409,859)	24,615
Cash flows from financing activities		
Capital increase	444	-
Dividends and interest on capital	(69,915)	(67,221)
Net cash (used in) financing activities	(69,472)	(67,221)
Increase (decrease) in cash and cash equivalents, net	(43,487)	420,653
Cash and cash equivalents at the beginning of the period	1,021,168	968,178
Exchange losses on cash	2,320	(1,049)
Cash and cash equivalents at the end of the period	980,001	1,387,782
Non-monetary transactions		
Capital Increase with credit of interest on capital	22,612	-

The accompanying notes are an integral part of these condensed interim financial statements.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the condensed interim financial statements

Nine-month period ended September 30, 2024

(In thousands of Brazilian reais – R\$, unless otherwise stated)

1. Operating Context

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG (herein referred to as “BDMG” or “Bank”), a closely-held corporation, is a state-owned company controlled by the State of Minas Gerais, which holds 99.19% of its capital and was established in conformity with article 13 of the Transitional Constitutional Provisions Act of the State Constitution, enacted on September 21, 1989, and as prescribed by Law No. 10.092/1989.

BDMG's activities are performed in compliance with article 173 of the Brazilian Constitution, also considering the provisions of Law No. 13.303/2016 and State Decree No. 47.154/2017, which regulates such Law.

BDMG is engaged in promoting the economic and social and environmental development of the State of Minas Gerais, through the performance of banking activities and the provision of services related to its institutional purposes.

The Bank has no branches and its head office is located at Rua da Bahia, 1.600, CEP 30160-907, in Belo Horizonte, Minas Gerais.

2. Presentation of the condensed interim financial statements

These interim financial statements have been prepared in a condensed form and with selected explanatory notes.

These condensed interim financial statements are in accordance with accounting practices adopted in Brazil, which consider the accounting guidelines set forth in Law No. 6.404/1976 and the amendments introduced by Law No. 11.638/2007 and Law No. 11.941/2009 and the regulation issued by the National Monetary Council (CMN) and the Central Bank of Brazil (Bacen), especially CMN Resolution 4.818/2020 and BCB Resolution 2/2020, disclosing all significant information specific to the condensed interim financial statements which are consistent with that used by Management in the Bank's management.

In compliance with the rules set out, the balances of each of the groups and subgroups of accounts included in the balance sheet for the nine-month period ended September 30, 2024 are presented in comparison with the balances corresponding to December 31, 2023. For the other statements, the balances refer to the nine-month periods ended September 30, 2024 and 2023.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the condensed interim financial statements
Nine-month period ended September 30, 2024
(In thousands of Brazilian reais – R\$, unless otherwise stated)

Management represents that these condensed interim financial statements, in addition to disclosing all significant information used in managing the Bank, are based on the accounting practices applied in accordance with current standards and evidence that the Bank has the ability to continue as a going concern and that its resources are sufficient for the future continuity of its business.

In addition, Management represents that it is not aware of any uncertainty that may cast doubt about the Bank's ability to continue as a going concern in the foreseeable future.

On November 12, 2024, the Bank's Executive Board approved these condensed interim financial statements and authorized their disclosure on the Bank's website.

3. Material accounting policies

These interim financial statements are condensed and, in addition to providing significant information regarding new events and circumstances that occurred in the nine-month period ended September 30, 2024, were prepared using the same accounting policies that are presented in the financial statements for 2023.

Therefore, these condensed interim financial statements should be analyzed jointly with the complete financial statements as at December 31, 2023.

The Brazilian real (R\$) is BDMG's functional and presentation currency, these condensed interim financial statements are expressed in thousands of reais.

4. Adoption of judgments and accounting estimates with significant effects

The preparation of the condensed interim financial statements requires Management to use judgments and estimates that may impact the balances presented in the financial statements, due to the subjectivity and/or uncertainties involving certain classes of assets and liabilities held by the Bank.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the condensed interim financial statements
Nine-month period ended September 30, 2024
(In thousands of Brazilian reais – R\$, unless otherwise stated)

The estimates considered in the preparation of these condensed interim financial statements did not present changes in relation to the issues listed below, considered in the financial statements prepared for September 30, 2023 and December 31, 2023. The use of more significant estimates and judgments is necessary mainly as regards:

- Impairment of non-financial assets;
- Allowances for expected losses associated with the credit risk;
- Fair value of derivative financial instruments;
- Deferred tax asset;
- Provisions for tax, civil and labor risks;
- Obligations with post-employment benefits; and
- Provisions for credit commitments and tendering of collaterals.

5. Cash and cash equivalents

Breakdown of cash and cash equivalents

	<u>09/30/2024</u>	<u>12/31/2023</u>
Cash	1,252	166
Cash in foreign currency	6,495	6,733
Interbank investments (i)	972,254	1,014,269
	<u>980,001</u>	<u>1,021,168</u>

(i) Interbank investments considered as cash equivalents are repurchase transactions maturing within 90 days.

5.1. Interbank investments

	<u>09/30/2024</u>	<u>12/31/2023</u>
Investments in repurchase transactions (own portfolio)	972,254	1,014,269
Investments in interbank deposits, net of allowance (i)	8,537	145,114
	<u>980,791</u>	<u>1,159,383</u>
Current	980,188	1,105,331
Noncurrent	603	54,052

(i) Investments in interbank deposits refer to deposits to cover a clause contained in derivative contracts.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the condensed interim financial statements
 Nine-month period ended September 30, 2024
 (In thousands of Brazilian reais – R\$, unless otherwise stated)

6. Financial Instruments

6.1. Securities

Portfolio breakdown

	09/30/2024			12/31/2023		
	Number	Curve value	Market value	Number	Curve value	Market value
Available-for-sale securities		1,206,938	1,208,735		924,536	908,997
Government securities	147,142	935,649	934,573	51,840	661,245	661,173
Financial Treasury Bill (LFT)	47,580	730,550	731,516	44,250	628,974	628,853
National Treasury Bill (LTN)	64,000	50,709	50,637	-	-	-
NTN-B	35,562	154,390	152,420	7,590	32,271	32,320
Private securities		271,289	274,162		263,291	247,824
Investment fund units	132,144,927	175,915	175,915	130,684,614	167,407	167,407
Variable-income securities	4,006,825	95,374	98,247	4,058,825	95,884	80,417
Held-to-maturity securities		629,445	629,445		402,052	402,052
Private securities		629,445	629,445		402,052	402,052
Debentures	107,144	161,899	161,899	67,144	109,509	109,509
Certificates of Agribusiness Receivables (CRA)	30,157	7,742	7,742	30,157	15,494	15,494
Certificate of Real Estate Receivables (CRI)	50,000	48,500	48,500	85,000	85,688	85,688
Investments in Commodities - CPR		411,304	411,304	-	191,361	191,361
		1,836,383	1,838,180	-	1,326,588	1,311,049
Current			339,116			240,060
Noncurrent			1,499,064			1,070,989

Provisions for securities

	09/30/2024	12/31/2023
Available-for-sale securities	(56,198)	(57,028)
Allowance for losses on variable-income securities (1)	(56,198)	(57,028)
Held-to-maturity securities	(124,433)	(126,919)
Provision for credit risk on debentures (2)	(121,647)	(109,509)
Provision for credit risk on CPR (2)	(2,502)	(599)
Provision for credit risk on CRI (2)	(284)	(16,811)
	(180,631)	(183,947)
Current	(1,927)	(3,636)
Noncurrent	(178,704)	(180,311)

(1) The provision for variable-income securities arises from a stake in a company whose implementation work is suspended.

(2) Held-to-maturity securities, acquired for the purpose of credit and not financial investment are provisioned considering, under the terms of CMN Resolution No. 2.682/1999, the credit risk of the issuer.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the condensed interim financial statements
 Nine-month period ended September 30, 2024
 (In thousands of Brazilian reais – R\$, unless otherwise stated)

6.2. Derivative financial instruments

In order to protect its assets from its own risks arising from exchange rate and interest rate fluctuations in foreign funding contracts (Note 7.2 a), for which it maintains the risks, the Bank uses derivative financial instruments in the swap category.

In accordance with Bacen Circular Letter No. 3.082/2002, the financial instruments classified as derivatives and the related hedged items have their appreciation or devaluation in relation to the fair value recognized in profit or loss for the period (hedge accounting).

a) Swap amounts recognized

			09/30/2024	09/30/2023
	Notional amount (memorandum account)	Receivables/ payables (balance sheet account) (1)	Net effect (profit or loss account)	Net effect (profit or loss account)
(USD + SOFR + Rate) x (BRL + %CDI)	217,791	18,503	20,054	(2,703)
(USD + SOFR + Rate) x (BRL + Rate)	28,623	6,085	4,963	(1,408)
(USD + Rate) x (BRL + %CDI)	319,401	20,572	25,778	-
(USD + SOFR + Rate) x (BRL + %CDI)	567,806	(29,015)	37,880	(115,187)
(EUR + Euribor + Rate) x (BRL + %CDI)	97,480	(5,175)	4,238	(31,026)
(USD + SOFR + Rate) x (BRL + Rate)	160,294	(2,858)	(2,905)	-
(USD + Rate) x (BRL + %CDI)	197,106	(15,054)	12,602	(56,810)
	<u>1,588,501</u>	<u>(6,942)</u>	<u>102,610</u>	<u>(207,134)</u>

(1) The amounts of differences receivable and payable are recorded, respectively, in the groups of Assets and Liabilities.

6.3. Loan portfolio

The loan portfolio is composed of: i) loan transactions encompassing borrowings and financing; and similar transactions; installment sales of assets not for own use ⁽¹⁾, which are directly contracted by the Bank that assumes the credit risks arising therefrom; ii) interbank onlendings through transfer of funds from the Bank to partner-institutions and accredited credit cooperatives. These onlendings include indirect transactions, since the partner-institution receiving the funds is in charge of negotiating the financing conditions and assumes the underlying credit risks.

(1) In accordance with CMN Resolution 4.747/2019, assets not for own use are non-financial assets held for sale, received in settlement of financial instruments of difficult or doubtful solution and not intended for own use.

Banco de Desenvolvimento de Minas Gerais S.A. - BDMG

Notes to the condensed interim financial statements
 Nine-month period ended September 30, 2024
 (In thousands of Brazilian reais – R\$, unless otherwise stated)

a) Loan portfolio breakdown

	09/30/2024			12/31/2023		
	Gross balance	Allowance	Net balance	Gross balance	Allowance	Net balance
Loan transactions	6,342,287	(561,388)	5,780,899	6,089,601	(567,784)	5,521,817
Credits equivalent to loan transactions	3,951	(20)	3,931	5,073	(25)	5,048
Total loan and similar transactions	6,346,238	(561,408)	5,784,830	6,094,674	(567,809)	5,526,865
Current	1,878,865	(153,381)	1,725,484	1,850,036	(151,454)	1,698,582
Noncurrent	4,467,373	(408,027)	4,059,346	4,244,638	(416,355)	3,828,283
Total interbank onlendings	334,481	(1,208)	333,273	134,601	(408)	134,193
Current	135,100	(519)	134,581	47,220	(153)	47,067
Noncurrent	199,381	(689)	198,692	87,381	(255)	87,126
Total loan portfolio	6,680,719	(562,616)	6,118,103	6,229,275	(568,217)	5,661,058
Current	2,013,965	(153,900)	1,860,065	1,897,256	(151,607)	1,745,649
Noncurrent	4,666,754	(408,716)	4,258,038	4,332,019	(416,610)	3,915,409

b) Classification of the loan portfolio by type and activity sector

	09/30/2024	12/31/2023
Borrowings	1,512,175	1,469,030
Industry	428,199	454,514
Trade	550,170	524,792
Other services	533,806	489,724
Financing to the private sector	4,079,466	4,024,642
Industry	1,439,343	1,386,416
Trade	349,618	316,755
Other services	1,595,324	1,595,677
Rural and agribusiness	682,946	719,640
Individuals	8,284	1,082
Other	3,951	5,072
Financing to the public sector (direct and indirect municipal management bodies)	754,597	601,002
Total loan and similar transactions	6,346,238	6,094,674
Interbank onlendings	334,481	134,601
Total loan portfolio	6,680,719	6,229,275
Current	2,013,965	1,897,256
Noncurrent	4,666,754	4,332,019

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c) Classification of the portfolio by risk level and allowance

i) Loan and similar transactions

		Loan transactions			
		09/30/2024		12/31/2023	
Risk level	%	Portfolio	Provision for credit risks based on the minimum required percentage rates	Portfolio	Provision for credit risks based on the minimum required percentage rates
AA	0	1,251,798	-	2,008,542	-
A	0.5	1,884,591	(9,423)	1,300,618	(6,503)
B	1	1,668,909	(16,689)	1,489,297	(14,893)
C	3	742,776	(22,283)	559,255	(16,778)
D	10	268,433	(26,843)	166,295	(16,630)
E	30	23,367	(7,010)	43,438	(13,031)
F	50	20,704	(10,352)	20,785	(10,392)
G	70	56,175	(39,323)	56,208	(39,346)
H	100	429,485	(429,485)	450,236	(450,236)
		6,346,238	(561,408)	6,094,674	(567,809)

ii) *Interbank onlendings*

		09/30/2024		12/31/2023	
Risk level	%	Onlendings	Allowance for loan losses	Onlendings	Allowance for loan losses
AA	0	109,217	-	75,094	-
A	0.5	208,876	(1,044)	41,525	(208)
B	1	16,388	(164)	16,952	(169)
C	3	-	-	1,030	(31)
		334,481	(1,208)	134,601	(408)

6.4. Other financial assets

	09/30/2024	12/31/2023
Receivables from escrow deposits	147,430	143,677
Other	15,013	19,286
	162,443	162,963
Current	10,959	14,968
Noncurrent	151,484	147,995

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7. Financial liabilities

7.1. Deposits and funding

	09/30/2024	12/31/2023
Deposits	860,054	606,697
Interbank deposits	133,049	60,687
Term deposits ⁽¹⁾	695,270	546,010
Obligations for special deposits, funds and programs	31,735	-
Funding	1,547,753	1,193,043
Financial bills	346,725	342,918
Agribusiness Credit Bills (LCA)	1,169,293	850,125
Obligations for repurchase transactions	31,735	-
	2,407,807	1,799,740
Current	1,344,438	1,171,176
Noncurrent	1,063,369	628,564

(1) The balance of time deposits refers to securities issued for:

- Market funding: R\$555,657 (12/31/2023 - R\$272,109).
- Guarantees agreed upon in loan transaction contracts: R\$139,613 (12/31/2023 - R\$273,901).

7.2. Borrowings and onlendings

a) Foreign borrowings

	09/30/2024		12/31/2023	
	Curve	Market	Curve	Market
Institution:				
BEI	651,703	625,388	620,370	591,258
CAF	309,812	308,327	323,671	322,974
FONPLATA	253,329	249,566	253,154	252,588
BID INVEST	181,402	179,767	161,284	160,619
BANCO ASIATICO - AIIB	166,971	162,807	-	-
AFD	127,639	126,832	133,856	134,319
	1,690,856	1,652,687	1,492,335	1,461,758
Current		344,851		297,530
Noncurrent		1,307,836		1,164,228

As mentioned in note 6.2, BDMG adopts the hedge accounting methodology – fair value, in conformity with the provisions of Bacen Circular Letter 3.082/2002. Under this methodology, the offsetting effects on the changes in fair values of hedge instruments (swaps) and related hedged items (hedged contracts of foreign funding) are recognized in profit or loss for the period in which they occur.

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As at September 30, 2024, the restrictive conditions (covenants) contained in the funding contracts are complied with.

b) Domestic onlendings

Onlendings are obligations referring to funds obtained from official funds and programs to be passed on to as financing to projects in the State of Minas Gerais.

	<u>09/30/2024</u>	<u>12/31/2023</u>
FINAME	858,030	826,602
BNDES	516,768	533,378
Fungetur	229,951	188,131
Funcafé	259,082	267,140
FINEP	186,106	98,902
FDNE - SUDENE	104,015	96,160
CEF	12,010	12,850
National Treasury	6,641	7,238
BNB	1,031	2,887
	<u>2,173,634</u>	<u>2,033,288</u>
Current	621,157	604,822
Noncurrent	1,552,477	1,428,466

8. Provisions

	<u>09/30/2024</u>	<u>12/31/2023</u>
Actuarial obligations ⁽¹⁾	373,972	415,615
Contingent liabilities: tax, labor and civil ⁽²⁾	334,591	322,264
Provisions for other contingencies	8,156	7,465
Total	<u>716,719</u>	<u>745,344</u>
Current	35,850	34,188
Noncurrent	680,869	711,156

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(1) Provisions for actuarial obligations

These provisions arise from the following benefits sponsored by the Bank for its active and assisted employees:

	<u>09/30/2024</u>	<u>12/31/2023</u>
Actuarial liabilities referring to the Pension Plan - DB/DC	234,096	261,550
Actuarial liabilities referring to the Health Promotion Program (PRO - SAÚDE), healthcare and dental care plan	125,751	138,528
Actuarial liability referring to life insurance	14,125	15,537
Total	373,972	415,615
Current	32,913	32,867
Noncurrent	341,059	382,748

(2) Contingent liabilities: tax, labor and civil

The Bank is a party to tax, labor and civil lawsuits in the ordinary course of business. In view of the legal counsel's assessment of the likelihood of loss, these lawsuits may lead to the recognition of provisions.

The following table comprises the accrued contingent liabilities by nature and respective variations occurred during the period:

	<u>12/31/2023</u>	<u>Provisions recognized</u>	<u>Adjustments</u>	<u>Write-offs</u>	<u>09/30/2024</u>
Tax ⁽¹⁾	299,309	167	11,208	-	310,684
Labor	15,974	2,173	-	(2,449)	15,696
Civil	6,981	2,430	-	(1,200)	8,211
Total	<u>322,264</u>	4,760	11,208	(3,649)	334,591
Current	-	-	-	-	949
Noncurrent	322,264	-	-	-	333,642

(1) The balance as at 12/31/2023 includes expenses with provision for fines and legal charges in the gross amount of R\$72,708 related to the COFINS lawsuit (previously not accrued) and which were recognized after the decision handed down by the STF in June 2023.

I. *Tax contingencies*

The provisions for tax risks refer to liabilities associated with lawsuits and administrative proceedings in progress before the Brazilian Federal Revenue Service Office or Administrative Board of Tax Appeals, which are assessed as probable losses.

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The table below comprises the provisions and escrow deposits referring to tax lawsuits assessed as probable losses:

	09/30/2024		12/31/2023	
	Provision	Deposit	Provision	Deposit
Change in COFINS tax base - Law 9.718/1998	225,804	65,990	217,077	63,897
Change in PIS/PASEP tax base - Law 9.718/1998	75,421	75,421	73,188	73,188
Other contingencies	9,459	2,910	9,044	2,809
	310,684	144,321	299,309	139,894

The provisions are adjusted for inflation on a monthly basis, according to the SELIC rate, the Bank's earnings projections and expected realization of related tax credits, considering their distribution within a period of 10 years.

There are performance bonds at the National Treasury General Attorneys' Office (PGFN) level to guarantee the payment of debts included in the executable tax debts in connection with COFINS tax executions, as governed by Ordinance 164 of February 27, 2014 of the Ministry of Finance. Although the tax liability has already been fully accrued, when the lawsuit has undergone all court levels there may be a cash effect for BDMG, with a disbursement in the current amount of R\$159,814, equivalent to the difference between the total accrued liability and the existing escrow deposits.

II. *Ongoing lawsuits assessed as risk of possible loss for which no provision was recognized*

	09/30/2024		12/31/2023	
	Number	Balance	Number	Balance
Tax	8	27,157	10	27,850
Civil	37	4,019	47	7,782
Labor	2	743	2	688
	48	31,919	59	36,320

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9. Other liabilities

	09/30/2024	12/31/2023
Financial and development funds	243,192	287,757
Social and statutory obligations ⁽¹⁾	0	69,915
Sundry creditors – domestic	58,147	35,204
Current tax liability	59,639	33,971
Accrued payments	27,636	25,497
Other ⁽²⁾	5,811	2,095
Total	<u>394,425</u>	<u>454,439</u>
Current	164,232	172,888
Noncurrent	230,193	281,551

(1) Social and statutory obligations - the balance of R\$69,915 as at 12/31/2023 refers to credits from interest on capital, net of income tax, corresponding to FY2023, which were paid to shareholders in May 2024.

(2) Of the balance in September 2024, R\$5,400 refers to amount payable for the update of the Microsoft software licensing for a period of 3 years.

10. Equity

a) Capital

BDMG's subscribed capital is represented by 74,791,474,636 (12/31/2023 - 74,775,621,386) registered common shares without par value, in the amount of R\$2,241,463 (12/31/2023 - R\$2,218,407).

- i) On April 22, 2024, BDMG's capital was increased by R\$23,056, of which R\$22,612 derived from the earnings reserve and R\$444 from returns on financings from the Social and Economic Development Fund of the State of Minas Gerais (Fundese), as resolved at the Extraordinary Shareholders' Meeting held on 04/22/24, according to the following subscribed amounts:

Shareholder	R\$
State of Minas Gerais	22,874
MGI – Minas Gerais Participações S.A.	182
Departamento de Estradas de Rodagem do Estado de Minas Gerais- DER-MG	-
Total capital increase	23,056

- ii) Capital breakdown as at September 30, 2024

	Capital breakdown		
	Amount	Number of shares	Equity interest - %
State of Minas Gerais	2,222,460	74,189,129,432	99.19
MGI – Minas Gerais Participações S.A.	19,003	602,345,163	0.81
Departamento de Estradas de Rodagem do Estado de Minas Gerais - DER-MG	-	41	-
	<u>2,241,463</u>	<u>74,791,474,636</u>	<u>100.00</u>

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b) Retained earnings

In the period from January to September 2024, a positive result of R\$82,134 was generated (Period from January to September 2023 – R\$71,796). Of the profit for the period, R\$2,535 refers to the legal reserve recognized in June 2024 (R\$1,599 in June 2023).

c) Earnings per share

	<u>09/30/2024</u>	<u>09/30/2023</u>
Profit for the period	82,134	71,796
Number of shares (per thousand shares)	74,791,475	74,775,621
Basic earnings per share	0.00110	0.00096

d) Recurring and non-recurring revenue and expenses

	<u>Nine-month period ended</u>	
	<u>09/30/2024</u>	<u>09/30/2023</u>
Recurring revenue and expenses	82,134	132,246
Non-recurring revenue and expenses ⁽¹⁾	--	(60,450)
Recognition of provision for tax contingencies		(60,450)
Accounting profit	82,134	71,796

⁽¹⁾ The amount of R\$60,450, net of tax credit, refers to the provision for tax contingencies in the gross amount of R\$72,708 (Note 8).

11. Profit or loss accounts

a) Income from loan transactions

	<u>Nine-month period ended</u>	
	<u>09/30/2024</u>	<u>09/30/2023</u>
Income from borrowings and financing	631,798	627,890
Recovered receivables ⁽¹⁾	44,337	89,494
Sale or transfer of financial assets	-	4,114
	676,135	721,498

⁽¹⁾ The amount of recovered receivables between January and September 2023 derived from a greater volume of renegotiated transactions with higher average amounts than that in 2024.

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b) Income from securities and derivative financial instruments and expenses on financial intermediation

i) *Income from securities and foreign exchange transactions*

	Nine-month period ended	
	09/30/2024	09/30/2023
Income from securities		
Income from investments in repurchase transactions ⁽¹⁾	81,546	114,009
Income from fixed-income securities ⁽¹⁾	116,585	71,722
Income from investments in investment funds	9,920	10,466
Other ⁽²⁾	5,243	12,687
Gains (losses) on foreign exchange transactions ⁽³⁾	2,320	61,560
	215,614	270,444

(1) The variation in income from repurchase transactions and from fixed-income securities arises from the management of funds available for investment.

(2) Refers to income from investments in interbank deposits.

(3) In the first half of 2023, the credit balance of the result of the foreign exchange variation of liability transactions was reclassified, resulting in a higher amount than that verified in 2024. In the statements for the period ended September 2023, the amount of R\$56,304 related to income from market adjustment of hedged item was improperly described in the table below (note 13b.ii, in the line of "Expenses on borrowings and onlendings").

ii) *Expenses on financial intermediation*

	Nine-month period ended	
	09/30/2024	09/30/2023
Expenses on borrowings and onlendings 0}	(273,824)	(351,901)
Expenses on foreign borrowings, net of effect of gains (losses) on derivative transactions - swap ⁽¹⁾	(155,721)	(245,595)
Expenses on domestic onlendings	(118,103)	(106,306)
Expenses on funding transactions	(187,104)	(168,924)
Expenses on agribusiness credit bills and financial bills	(103,687)	(104,468)
Expenses on financial and development funds ⁽²⁾	(20,550)	(21,166)
Expenses on interbank deposits and repurchase transactions ⁽³⁾	(62,867)	(43,290)
	(460,928)	(520,825)

(1) The decrease primarily refers to exchange gains recorded in the first half of 2023, as shown in the table above.

(2) In the statements for the period ended September 2023, this item was included in the subtotal of "Expenses on borrowings and onlendings".

(3) The increase in expenses on interbank deposits and repurchase transactions arose from the increase in funding from the same securities.

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c) Personnel expenses, expenses on provisions, administrative, tax and other operating expenses

	<u>Nine-month period ended</u>	
	<u>09/30/2024</u>	<u>09/30/2023</u>
Personnel expenses	(110,902)	(101,283)
. Payroll and related taxes and benefits ⁽¹⁾	(103,407)	(94,543)
. Fees of the Executive Board and Boards	(3,994)	(3,807)
. Other	(3,501)	(2,933)
Expenses on provisions	(44,737)	(116,094)
. Post-employment benefits	(31,951)	(33,874)
. Other ⁽²⁾	(12,786)	(82,220)
Administrative expenses	(54,479)	(48,601)
Tax expenses	22,549	(23,648)
	(232,667)	(289,626)

(1) The increase in personnel expenses reflects effects of the Collective Agreement (4.64%), progression program (1.3%), and restructuring of the staff.

(2) The variation mainly refers to expenses on accrued fines and legal charges in connection with the COFINS lawsuit (not previously accrued) and which were recognized after the decision handed down by the STF in June 2023.

d) Other operating income/expenses

	<u>Nine-month period ended</u>	
	<u>09/30/2024</u>	<u>09/30/2023</u>
Other operating income	8,797	13,309
. Reversal of sundry provisions	4,345	7,468
. Other	4,452	5,841
Other operating expenses	(40,660)	(36,585)
. Expenses on discounts granted on renegotiations ⁽¹⁾	(9,700)	(16,124)
. Agreement expenses - INVEST MINAS / BDMG Cultural ⁽²⁾	(12,435)	(8,452)
. Foreign commission fees ⁽³⁾	(9,180)	(3,975)
. Loss on the sale of financial assets	(3,013)	(3,386)
. Other ⁽⁴⁾	(6,332)	(4,648)
	(31,863)	(23,276)

(1) The amount of discounts derives from agreements executed for debt renegotiation purposes, particularly payments in cash.

(2) Details on these expenses are presented in Note 13.

(3) The variation is due to the payment of cancellation fee for unused balance in the contract with the French Development Agency – AFD.

(4) The amount includes R\$3,476 in expenses related to recoveries of receivables honored by the FGI, R\$970 refers to indemnities in various lawsuits, and R\$452 is related to default bonuses.

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12. Income tax and social contribution

a) Reconciliation of income tax and social contribution in the income statement

	<u>Nine-month period ended</u>	
	<u>09/30/2024</u>	<u>09/30/2023</u>
Profit before income tax, social contribution and profit sharing	157,061	161,467
Profit sharing	(6,416)	(5,017)
Profit before income tax and social contribution	150,645	156,450
Statutory rate	45%	45%
Income tax and social contribution at statutory rate	(67,791)	(70,402)
Effects on tax calculation:		
Interest on capital	-	5,858
Nondeductible expenses and nontaxable revenues	(167)	40
COFINS	(1,117)	(20,910)
Tax incentives	545	743
Other amounts	19	17
Income tax and social contribution expenses	(68,511)	(84,654)
Deferred tax assets	9,360	(3,967)
Current income tax and social contribution amounts payable	(77,871)	(80,687)

b) Tax credits

BDMG's tax credits on temporary differences amount to R\$612,378 (12/31/2023 - R\$632,394). The tax credits are recognized in conformity with CMN Resolution No. 4.842/2020 considering, within up to 10 years, their expected realization due to taxable income included in the earnings projections.

13. Related parties

In conformity with CMN Resolution No. 4.818/2020, Law No. 13.303/2016 and State Decree No. 47.154/2017, BDMG established a policy applicable to related-party transactions. Among other guidelines, the policy forbids the performance of related-party transactions under conditions different from market conditions or that may impair the institution's interests.

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The transactions conducted by the Bank with its related parties during the quarter include:

State of Minas Gerais

- a) Agreements executed through bodies managing state funds
BDMG provides services in the capacity of financial agent/legal representative of state funds, receiving commissions included in the finance charges levied on financing taken using the fund's resources.
- b) Agreement executed through SEINFRA - Secretaria de Estado de Infraestrutura e Mobilidade
The Bank entered into an agreement for the provision of services involving the concession project structuring for the highway system Ouro Preto – Brumadinho. The compensation depends on the successful or unsuccessful completion of the project: Successful completion: R\$5,665 and unsuccessful completion: R\$3,600, which are adjusted for inflation on an annual basis, according to the Extended Consumer Price Index (IPCA).
- c) Agreement executed through SEMAD - Secretaria de Estado de Meio Ambiente e Desenvolvimento Sustentável
The Bank entered into an agreement for the provision of specialized technical services in connection with the structuring of environmental projects.
In the period from January to September 2024, the following was recorded in respect of such agreement: revenues of R\$2,812 and expenses of R\$1,456.
- d) Secretaria de Estado de Planejamento e Gestão de Minas Gerais – SEPLAG
The Bank assumes responsibility for the charges related to professionals assigned by SEPLAG. In the period from January to September 2024, expenses on the six professionals assigned totaled R\$1,172. In the corresponding period of 2023, expenses on the five professionals assigned amounted to R\$846.

INVEST Minas - (a non-profit entity associated with the State Department of Economic Development)

Pursuant to State Law No. 22,287, of September 14, 2016, the Bank holds a 50% equity interest in Invest Minas (currently Instituto de Desenvolvimento Integrado de Minas Gerais – INDI), and, through contributions, accounts for 50% of corporate expenses annually recorded.
The Bank's expenses on contributions made in the period from January to September 2024 total R\$10,948 and amounted to R\$8,253 in the period from January to September 2023.

Instituto Cultural Banco de Desenvolvimento de Minas Gerais - BDMG Cultural (non-profit civil association).

The Bank incurs expenses on contributions made so that the Institute may perform cultural activities. In the period from January to September 2024, expenses total R\$1,487 (R\$3,255 in the corresponding period of 2023).
Instituto BDMG Cultural is in process of dissolution.

DESBAN - Fundação BDMG de Seguridade Social – (non-profit, closed-end supplementary pension entity).

In order to provide the social security and healthcare benefits to its employees, the Bank makes payments to DESBAN, an entity in charge of managing those benefits.

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Note 16 includes information on disbursements and expenses on post-employment benefits (social security and healthcare) made by the Bank in the period from January to September 2024 and in the same period of 2023.

BDMG's assets comprise the amount of R\$844 to be used by DESBAN in partially covering the insurance premiums, as defined in the regulations governing the Social Security Benefit Plan namely BDMG CD that superseded the BDMG CV Plan.

BDMG, as sponsor of the Defined Benefit Plan – BD and, in compliance with paragraph 1 of CNPC Resolution No. 30/2018 and RN/DESBAN Report No. 008/2022, pledged as collateral, on behalf of DESBAN, for obligations arising from the 2021 deficit resolution plan, credit rights comprising three loan transactions.

The amount of the commitment agreement is R\$34,412 and the balance of the three loan transactions collateralizing such agreement, as at September 30, 2024, is R\$37,540.

The transfer of management of the Pró-Saúde plan from Desban to the self-management operator Cemig Saúde is currently underway. As informed in note 16.

Those expenses on post-employment benefits are detailed in note 16.

BDMG has assigned an employee to DESBAN, which defrays the respective costs.

AFBDMG - Associação dos Funcionários do BDMG (non-profit association).

The Bank pays to AFBDMG the amount equivalent to its share referring to the Group Life Insurance of the employees managed by the Association. The Bank's expenses on assets without post-employment benefits totals R\$57 in the period from January to September 2024 (R\$57 in the same period of 2023).

Individuals

Compensation, payroll taxes and benefits paid in the period from January to September 2024 to members of the Board of Directors, Supervisory Board, Audit Committee, Risk and Capital Committee, Personnel, Eligibility, Succession and Compensation Committee and the Executive Board total R\$5,592 (R\$4,871 in the same period of 2023).

In the second half of 2024, a loan transaction was carried out in the amount of R\$1,600, under normal market conditions, with a related party holding a position of trust (advisory).

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14. Fair value of financial assets and financial liabilities

In conformity with CMN Resolution No. 4.924/2021, when measuring and disclosing the fair value of financial instruments, the Bank adopts the following hierarchy:

- Level 1: instruments based on the prices quoted in an active market;
 - Level 2: prices quoted in an active market for similar instruments or valuation techniques for which all significant variables are based on observable market inputs;
 - Level 3: valuation techniques in which significant variables are not based on observable market inputs.
- For certain groups of financial instruments, the fair value approximates the carrying amount, since they involve transactions with specific characteristics, exclusive rates and there is no active market and similar instrument.
- Loan portfolio, including Interbank onlendings.
 - Other financial assets.
 - Deposits.
 - Funds from securities issued.
 - Borrowings and onlendings.

As for interbank investments, the carrying amount approximates the fair value, since those transactions have short-term maturities and are recorded considering the market rates.

Financial assets	30/092024		12/31/2023	
	Cost (curve value)	Fair value	Cost (curve value)	Fair value
Interbank investments	980,791	980,791	1,159,383	1,159,383
Securities	1,836,383	1,838,427	1,326,588	1,311,078
Derivative financial instruments	53,741	45,160	2,871	3,634
Loan portfolio	6,680,719	6,680,719	6,229,275	6,229,275
Other financial assets	162,443	162,443	162,963	162,963
Total financial assets	9,714,077	9,707,540	8,881,080	8,866,333

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Liabilities	09/30/2024		12/31/2023	
	Cost (curve value)	Fair value	Cost (curve value)	Fair value
Deposits	860,054	860,054	606,697	606,697
Funds from securities issued	1,547,754	1,547,754	1,193,043	1,193,043
Foreign borrowings	1,690,856	1,652,687	1,492,335	1,461,758
Onlendings	2,173,634	2,173,634	2,033,288	2,033,288
Derivative financial instruments	21,860	52,102	150,617	182,466
Total financial liabilities	6,294,158	6,286,231	5,475,980	5,477,252

15. Risk and capital management

BDMG's risk and capital management seeks to ensure an appropriate control over its activities to obtain the best return possible relatively to the risk level the Bank is willing to assume.

a) Capital management

In order to assess the capital sufficiency to cover possible risks underlying the performance of its activities and compliance with regulatory operational limits, a capital plan is annually prepared consistently with the Bank's strategic planning.

The description of the capital management framework is disclosed together with the information on risk and capital management in the Basel Pillar 3 Report on the following website:

<https://www.bdmg.mg.gov.br/transparencia-documentos/?demonstracoes>.

BDMG monitors the minimum capital requirements, the solvency indicators and operational limits according to the provisions and set of regulations disclosed by the Central Bank, aligned with the recommendations from the Basel Committee on Banking Supervision.

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The main figures relevant to the calculation of capital ratios are as follows:

	09/30/2024	12/31/2023
Equity	2,247,621	2,128,792
Tier I Regulatory Capital or Common Equity - (a)	2,111,760	1,965,128
Capital for transactions with the public sector - (b)	200,000	200,000
Regulatory capital (PR) - (a-b)	1,911,760	1,765,128
Total risk-weighted assets (RWA)	7,818,631	7,312,647
Credit risk	6,748,939	5,397,520
Market risk	162,289	106,909
Operational risk	907,403	808,218
Capital share to cover the interest rate risk underlying the non-negotiable portfolio (RWA R_{BAN})	98,404	63,686
Minimum regulatory capital	919,360	831,514
Basel Index (PR/RWA)	24.45%	24.14%
Extended Basel Index (PR/(RWA + R_{BAN}))	24.15%	23.93%

b) Risk management

BDMG's risk management mission is to manage credit, market, liquidity, operational, social, environmental and climate risks, with a view to mitigating those risks and enhancing the effectiveness of operations and results of operations. Accordingly, practices are adopted appropriately to the nature and particularities of the Bank's operations.

Descriptions of the management structures, as well as other information on the management of these risks, are available on the website of BDMG (<http://www.bdmg.mg.gov.br>).

16. Employee benefits

BDMG provides its employees with the following post-employment benefits: social security benefits, healthcare and dental care and life insurance.

Among the benefits granted, the Bank offers to its active and assisted employees and dependents the healthcare plan Pro-Saúde, managed by Desban.

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Considering the current situation of the Plan, mainly due to the reduction in the number of users, BDMG's management, in order to ensure the provision of healthcare to beneficiaries, decided to join Cemig Saúde, an operator established by Cemig, a state-owned company controlled by the State of Minas Gerais. The transition to Cemig Saúde will be carried out gradually, without the immediate termination of Pro-Saúde.

The benefits granted are recorded in accordance with CPC 33 (R1) - Employee Benefits, which requires the performance of regular actuarial studies to support the records of the benefits. Therefore, to support the financial statements, the Bank adopts actuarial studies conducted semiannually: for the base dates of December 31 and June 30.

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a) Bank's commitments to benefit plans

i) *Variations in net actuarial liabilities*

The net amounts of defined benefit plan obligations, pursuant to CPC 33 (R1), derived from the following variations occurred in the period:

	Pension plan benefits - DB		Pension plan - DC ⁽²⁾		Health Promotion Program (PRO-SAÚDE)		Group life insurance	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Reconciliation of (liabilities)/assets recognized								
Initial net (liabilities)	(304,122)	(276,307)	2	-	(138,528)	(123,084)	(15,537)	(13,935)
Participants' share of surplus (-) / deficit (+)	42,593	38,121	(23)	-	-	-	-	-
Initial net (liabilities) recorded ⁽¹⁾	(261,529)	(238,186)	(21)	-	(138,528)	(123,084)	(15,537)	(13,935)
(Expenses)/revenues recognized in profit or loss for the period	(19,635)	(27,328)	(44)	(218)	(10,512)	(15,355)	(1,070)	(1,566)
Gains/(losses) recognized in equity	30,446	(17,456)	65	969	17,874	(6,776)	1,653	(1,152)
Employer contributions	16,046	20,788	-	72	5,415	6,687	829	1,116
Benefits directly paid by the Company	576	653	-	-	-	-	-	-
Transfer to other assets in the employer's balance sheet	-	-	-	(844)	-	-	-	-
Final net (liabilities) recorded ⁽¹⁾	(234,096)	(261,529)	-	(21)	(125,751)	(138,528)	(14,125)	(15,537)

(1) Refers to the share of sponsor's actuarial liability upon calculation of the effects of sharing risks with active and assisted participants.

(2) The BDMG CV Pension Benefit Plan (Variable Contribution) was changed to BDMG DC Pension Benefit Plan (Defined Contribution) through PREVIC Ordinance 992, of November 1, 2023.

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Amounts recognized in profit or loss

Expenses on the benefit plans are detailed below:

	Period from 01/01/2024 to 09/30/2024				Total
	Pension benefit plan - DB	Pension benefit plan - DC	Health Promotion Program (PRO-SAÚDE)	Group life insurance	
Cost of current services	(1,952)				(1,952)
Net interest cost	(17,683)		(9,584)	(1,070)	(28,337)
Cost of past services		(44)			(44)
Expected contributions for administrative expenses			(928)		(928)
(Expenses) income recognized in the income statement ⁽¹⁾	(19,635)	(44)	(10,512)	(1,070)	(31,261)
	Period from 1/01/2023 to 9/30/2023				
	Pension benefit plan - DB	Pension benefit plan - DC	Health Promotion Program (PRO-SAÚDE)	Group life insurance	Total
Cost of current services	(1,520)	(1)	-	-	(1,521)
Net interest cost	(19,257)	3	(10,621)	(1,175)	(31,050)
Expected contributions for administrative expenses	-	-	(725)	-	(725)
(Expenses) income recognized in the income statement ⁽¹⁾	(20,777)	2	(11,346)	(1,175)	(33,296)

(1) The accounting records of expenses, in the period, were segregated as follows: R\$ 5,275 (period from 01/01/2023 to 09/30/2023 - R\$ 4,936 referring to benefits to be granted (active employees) and R\$ 25,986 (period from 01/01/2023 to 09/30/2023 - R\$ 28,360) referring to granted benefits (assisted employees). As for the Pension Benefit Plan - VC, contributions referring to the defined contribution share (DC), recognized as expenses for the period ended 09/30/2024, amounted to R\$711 (period from 01/01/2023 to 09/30/2023 - R\$602).

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17. Other information

a) Implementation of CMN Resolution No. 4.966/2021

For implementation of the accounting procedures established under CMN Resolution No. 4.966/2021, presented in the financial statements for December 2022, BDMG engaged a consulting company that is working with various internal teams of the Bank, discussing and providing guidance on the actions identified in respect of changes that must be made to the automated routines, processes and systems for the adoption of the new procedures that contemplate also the complementary rules to Resolution 4.966/2021. Considering the progress of the work, the current assessment is that the new accounting procedures established by the Resolution should be implemented at the Bank beginning January 1, 2025.

b) Agreement for reparation of the municipalities affected by Brumadinho dam collapse.

Within the scope of the Judicial Agreement for Full Reparation, signed on 02/04/2021, for the reparation of 26 municipalities affected by Brumadinho dam collapse.

Vale S.A. must deposit the amount of R\$1,417,001, adjusted for inflation based on the IPCA from the date of signing of the Judicial Agreement for Reparation to the date of actual deposit of the amounts.

BDMG, appointed as the financial manager of these amounts, among other obligations, must make transfers to the impacted municipalities, analyze the technical-financial feasibility of the engineering projects, and monitor the works.

On November 4, 2024, Vale S.A. deposited at the Bank the amount of R\$721,361.

c) Judicial Agreement for Full and Definitive Reparation related to the collapse of the Fundão Dam in Mariana was signed on 10/25/2024 and approved on 11/06/2024.

BDMG is included in the agreement as the agent of the State of Minas Gerais to receive, keep and financially manage the amounts detailed in Annexes 9 and 18. Annex 9 regulates the use of funds in basic sanitation actions, allocating 7.54 billion reais to Minas Gerais; and Annex 18 regulates the use of funds in responses to floods and environmental and productive recovery of the banks of Rio Doce, establishing, for Minas Gerais, that 750 million reais must be kept in an account similar to a perpetual fund.

The amounts will be transferred according to Annex 22 – Financial Disbursement Schedule for the Payment Obligation.

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Annex 19 deals with the transition and closure of programs under the responsibility of Fundação Renova. The Sewage Collection and Treatment and Solid Waste Disposal Program will be terminated by the agreement and the amount of R\$133.9 million will be transferred to BDMG for the continuity of its operation as the financial operator of the program for projects and works already underway in Minas Gerais municipalities.

Board of Directors

Wagner Lenhart	Chairman
Welerson Cavaliere	Vice Chairman
Alexandre Navarro de Castro Barreto	Board Member
Frederico Amaral e Silva	Board Member
Frederico Silva Miana	Board Member
Gustavo Leipnitz Ene	Board Member
José Henrique Santos Portugal	Board Member
Michele da Silva Gonsales Torres	Board Member
Otávio Romagnolli Mendes	Board Member

Executive Board

Gabriel Viégas Neto	Chief Executive Officer
Antônio Claret de Oliveira Junior	Vice President
Edmilson Gama da Silva	Officer
Rômulo Martins de Freitas	Officer
Sérgio Rodrigues Pimentel	Officer

Controllership Authority

Giovani Rosemberg Ferreira Gomes	Accountant CRC-MG-075701/O-5
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