



FINANCIAL REPORT

2023 Q4



DISCLAIMER

This material is a presentation of general information from the Development Bank of Minas Gerais. This is summary information, not intended to be complete, which should not be taken as a recommendation.

We make no representations or warranties as to the correctness, adequacy or scope of the information presented here. This presentation was prepared for informational purposes only and should not be interpreted as a solicitation, offer or invitation to buy or sell any real estate values and should not be treated as an investment recommendation. This presentation should not be used as the basis for any agreement or contract.

This presentation contains forward-looking information, which is only an estimate and is not a guarantee of future performance. Investors should be aware that such forward-looking information is or will be, as the case may be, subject to various risks, uncertainties and factors related to BDMG's operations that could cause its current results to differ substantially from the forward-looking information contained in this presentation. Although BDMG believes that the estimates and considerations reflected in the forward-looking information in this presentation are reasonably based on information currently available to BDMG's management, BDMG cannot guarantee future results or events. BDMG will not update any of the information contained in this presentation, including, but not limited to, the forward-looking information. The information contained in this presentation is subject to change without notice to the recipients of the same. Also, the past performances of BDMG are not indicative of future results



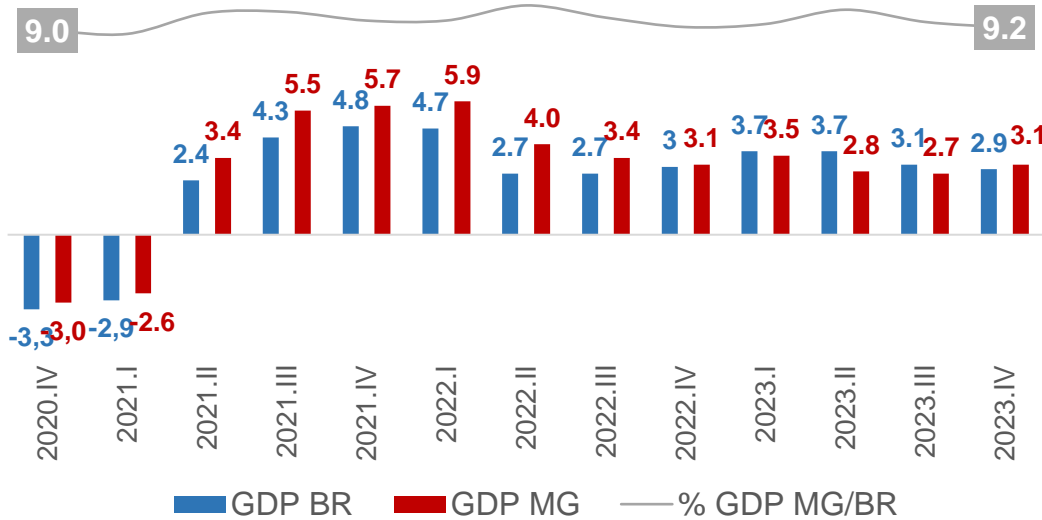
1. MINAS GERAIS



MINAS GERAIS IS ONE OF THE MOST IMPORTANT STATES IN BRAZIL

GDP growth rate of Minas Gerais and Brazil

(Accumulated Percentage Change in four quarters)



The **GDP of Minas Gerais** grew more than the national **GDP** in the last **three years**.

Minas Gerais increased its shares in **Brazil's GDP**, from 8.7% in 1Q2019 to 9.2% in 4Q2023.

Minas Gerais is a large and populous Brazilian state with a diversified economy and representative in the Brazilian economy.



The **2nd** most populous state in Brazil (20.5 million people) and the **2nd** most employer (10.7 million employees)



3rd highest state GDP in Brazil: BRL 857.6 billions in 2021.



The **1st** state exporter of Coffee, Pig, Iron and Gold.

The **2nd** state exporter of Iron Ore and Sugar.



The **1st** national producer of photovoltaic solar energy, capacity greater than 1GWp .



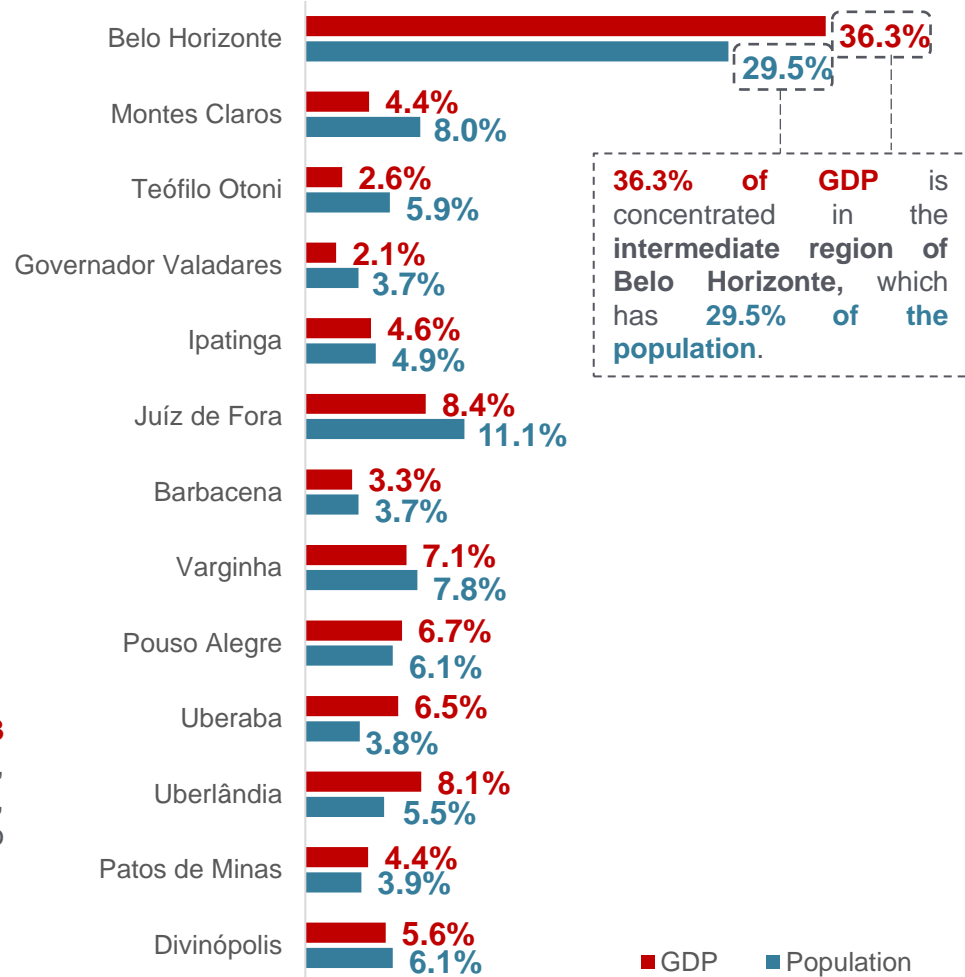
INTER-REGIONAL DIFFERENCES ARE A CHARACTERISTIC OF MINAS GERAIS

Minas Gerais' intermediate region's



Minas Gerais has **586.5** thousand km², composed by **13 geographical regions**: Barbacena, Belo Horizonte, Divinópolis, Governador Valadares, Ipatinga, Juiz de Fora, Montes Claros, Patos de Minas, Pouso Alegre, Teófilo Otoni, Uberaba, Uberlândia, Varginha.

GDP and Population in the intermediate regions

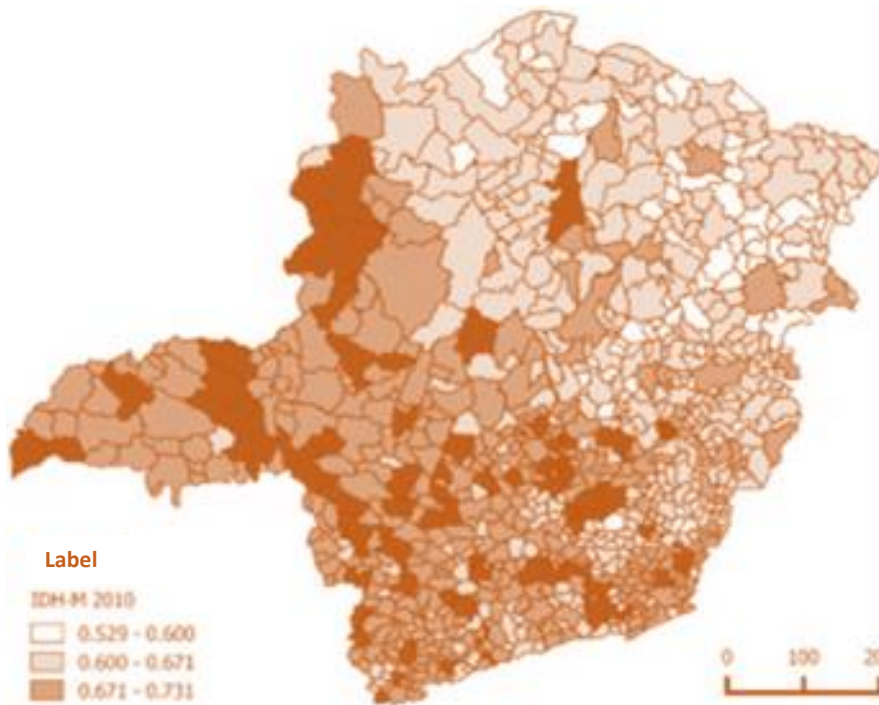


Source: Fundação João Pinheiro and IBGE



INTER-REGIONAL DIFFERENCES ARE A CHARACTERSTIC OF THE STATE

Human Development Index Municipalities (HDI-M) in Minas Gerais State



Minas Gerais has **853 municipalities**.

The **HDI-M average** is **0.731**, which is considered high. However, only **78 municipalities** are above this average.

The **50** largest municipalities concentrate 53% of the population.

Minas Gerais is unequal in economic and social development. There is an economic and social duality between the Northern and the Southern and Central regions.

Municipalities in the Northern region of the state have the lowest HDI-M, while municipalities in the Southern and Central regions have the highest HDI-M.

Municipalities in the Northern region have the highest proportion of poor people and the highest average income gap. In the Northern region of Minas Gerais there is less physical infrastructure and greater income inequalities.

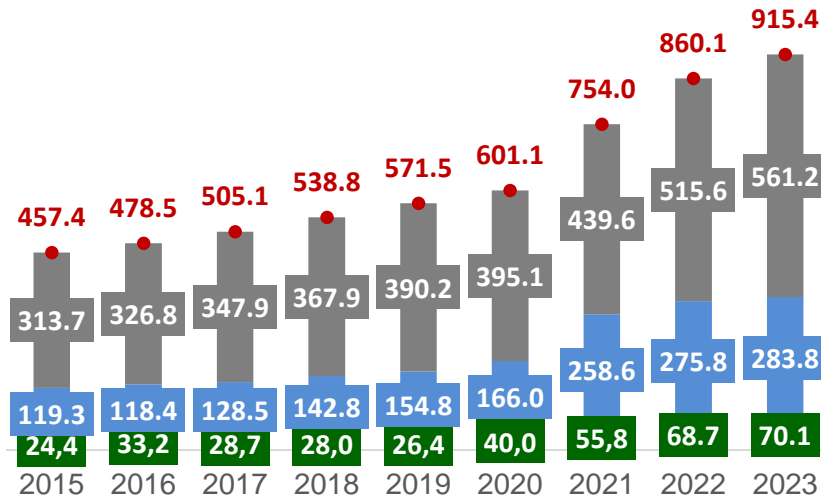
Municipalities of the Southern and Central regions concentrate most of the state's GDP. The Southern and Central regions, where the economy is dynamic, heterogeneous, and powerful, have more physical infrastructure and concentration of industries.



SECTORIAL CHARACTERISTICS IN THE ECONOMY OF MINAS GERAIS

GDP by sectors in Minas Gerais

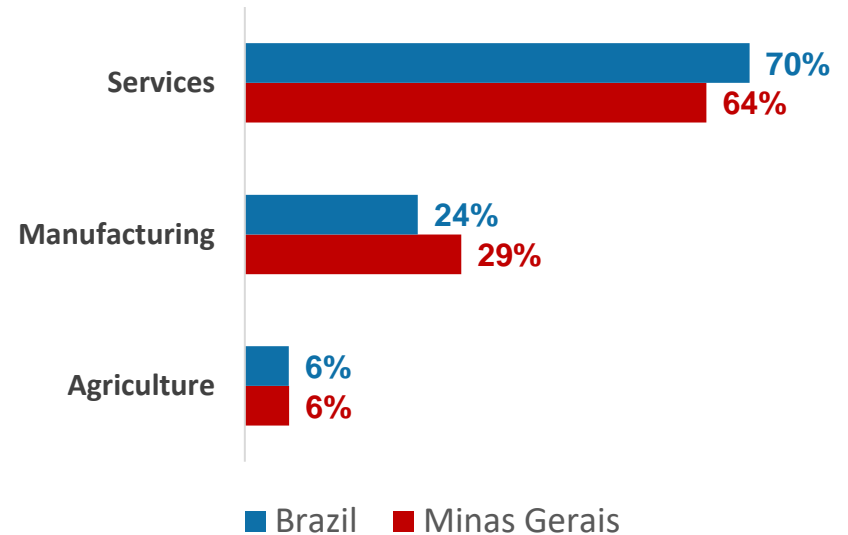
(BRL Billion)



■ Agriculture ■ Manufacturing ■ Services ● Total

Comparative analysis: sectoral share of GDP

(arithmetic average 2012 -2023)



■ Brazil ■ Minas Gerais

The economy of Minas Gerais has composed for a **greater participation of Services Sector**.

The main segments of this sector are professional and administrative services and transports and post office services.

The manufacturing of the state is the second most important sector. In the extractive industry, the metallic minerals extraction is the most relevant activity. The most important segments in the transformation industry are metallurgy and food.



ECONOMIC ACTIVITY WAS ROBUST IN 2023

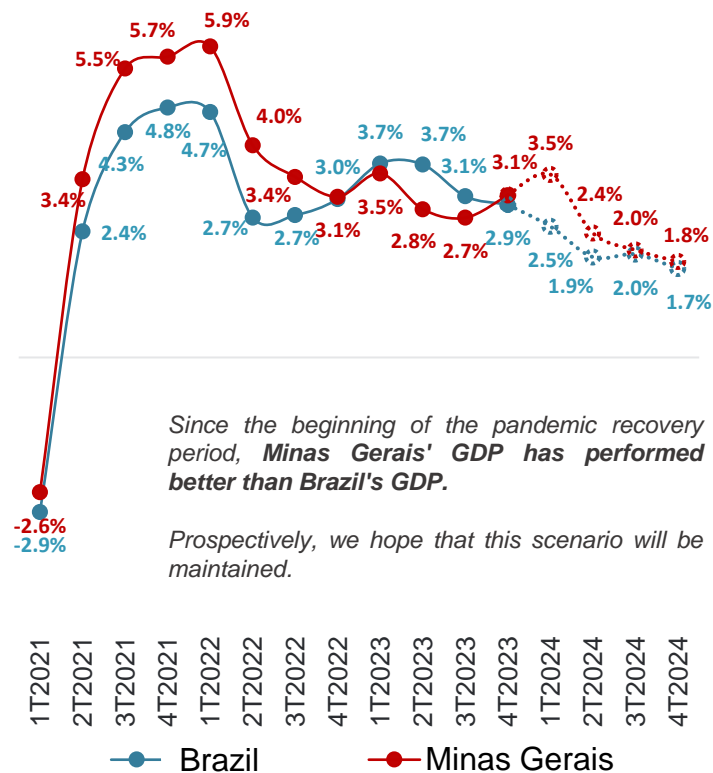
GDP Minas Gerais and Brazil
(Percentage Change)

Sectors	▲ Minas Gerais			🇧🇷 Brazil		
	4º Qua	4º Qua	Accum.	4º Qua	4º Qua	Accum.
	23/	23/		23/	23/	
	3º Qua	4º Qua	2023	3º Qua	4º Qua	2023
23	22		22	22		
Agriculture	-9.4	8.5	11.5	-5.3	0.0	15.1
Manufacturing	2	2.5	3.1	1.3	2.9	1.6
Extractive	14	10.3	7.6	4.7	10.8	8.7
Manufacturing	-1.8	-1.9	1.2	-0.2	-0.5	-1.3
Construction	2.6	1	-0.5	4.2	0.9	-0.5
Energy and sanitation	8.5	14.9	8.7	2.8	8.7	6.5
Services	0.2	2.3	2.2	0.3	1.9	2.4
Trade	-0.7	0.7	1	-0.8	-0.1	0.6
Transport	2.4	9.2	6.6	-0.6	0.0	2.6
Public Administration	0.1	1.3	1.1	0.1	1.7	1.1
Other services	0.3	3.5	4.4	1.2	2.4	2.8
GDP	-0.5	2.6	3.1	0.0	2.1	2.9

Minas Gerais' GDP fell 0.5% in the fourth quarter of 2023, compared to the third quarter of 2023. The result was due to the drop in agriculture (-9.4%) and low growth in Manufacturing (2.0%) and in Services (0.2%).

Source: IBGE and FJP. Elaboration: BDMG.

GDP Minas Gerais and Brazil
(Accumulated percentage change in four quarters)



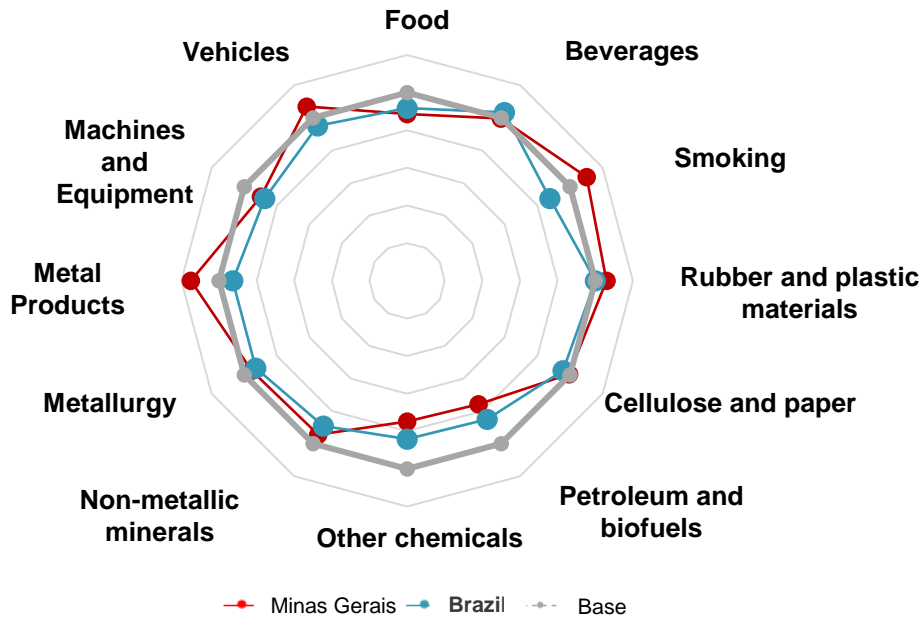
Since the beginning of the pandemic recovery period, **Minas Gerais' GDP has performed better than Brazil's GDP.**

Prospectively, we hope that this scenario will be maintained.



INDUSTRIAL PRODUCTION REMAINS STRONG IN MINAS GERAIS

Industrial Production Index



In *Minas Gerais*, the positive results of the manufacturing in 2024 are driven by the excellent performance in the extractive sector (12.7%). In the transformation sector, it is worth highlighting the beverage segment (12.8%) and the good performance of segments associated with the metals chain, such as metallurgy (6.1%) and metal products (19.3%).

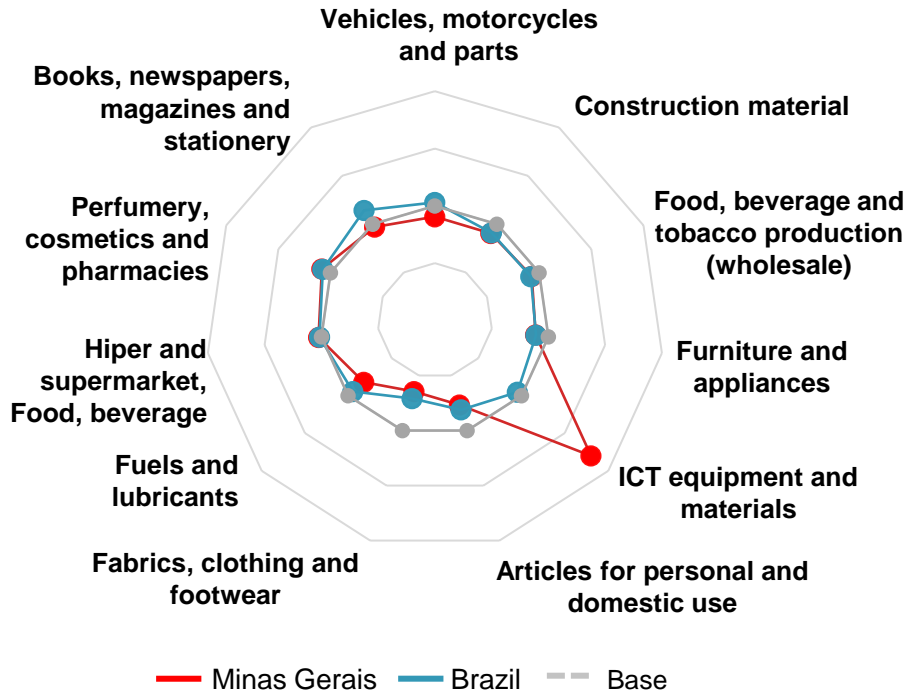
Industrial Production – rate of change

Segments	Accum 2023(%)	Contrib. (in p.p.)	Accum 2023 (%)
General Industry	5.8	5.8	4.3
Extractive	12.7	3.5	6.1
Manufacturing	3.2	2.3	4.0
Food	4.8	0.7	6.0
Drinks	12.8	0.4	8.7
Smoking	6.6	0.1	13.5
Cellulose and paper	7.1	0.1	3.8
Petroleum and biofuels	-5.6	-0.6	8.1
Other chemicals	0.2	0.0	2.8
Rubber and plastic materials	-4.1	-0.1	3.2
Non-metallic minerals	6.0	0.2	2.8
Metallurgy	6.1	1.0	1.7
Metal Products	19.3	0.7	0.2
Electric materials	19.0	0.3	7.0
Machines and equipment	-10.8	-0.3	-1.1
Vehicles	-4.5	-0.3	5.1



RETAIL AND SERVICES MAINTAIN STRONG PERFORMANCE

Retail Volume Index



*In the first two months of 2024, **Minas Gerais** performs below the country in retail, however it remains above the country in the services sector. **We expect growth in services and retail activities in the state, both in income and credit-sensitive sectors, at levels higher than those in the country.***

Source: IBGE. Elaboration: BDMG.

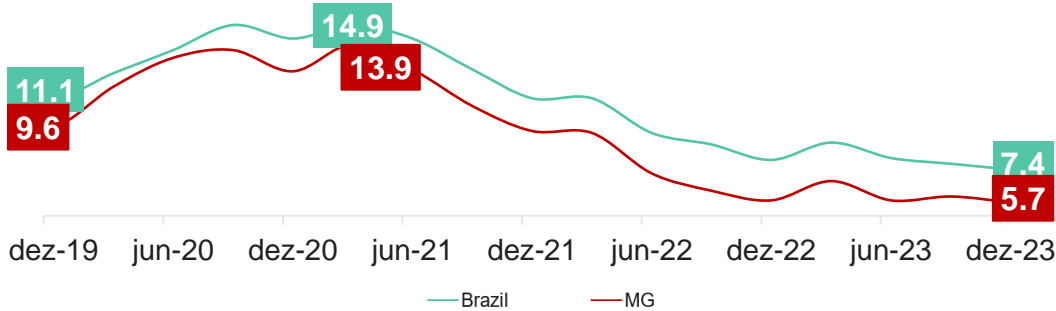
Variation in Retail and Services volume (%)

	Segments	In the year	In the year
Credit	Expanded retail trade	3.8	8.2
	Vehicles, motorcycles and parts	6.3	14.1
	Construction material	4.0	2.6
	Restricted retail trade	-4.7	13.2
	Furniture and appliances	5.6	6.1
	ICT equipment and materials	0.7	1.8
Income	Articles for personal and domestic use	78.4	7.2
	Fabrics, clothing and footwear	12.9	3.1
	Fuels and lubricants	-1.1	0.0
	Hyper and supermarkets, food and drinks	-12.6	0.3
	Perfumery, cosmetics and pharmacies	8.4	7.9
	Books, newspapers, magazines and stationery	15.2	12.7
	Services	-11.7	-7.7
	Provided to families	5.5	3.3
	Information and communication	4.7	4.6
	Professional and administrative	16.1	6.2
Transport and mail	-3.8	3.8	
Other services	6.9	0.6	



WITH A FALL IN UNEMPLOYMENT RATE, INCOME ADVANCES

Unemployment rate
(%)

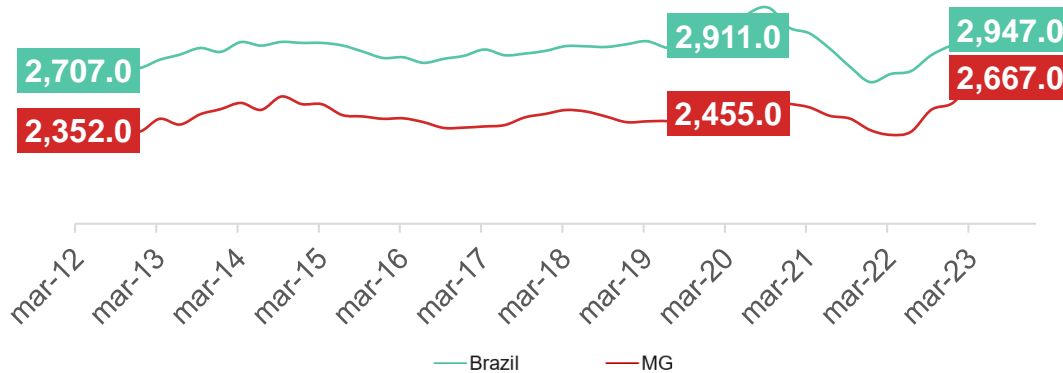


Behavior of selected variables

	4T2023/ 4T2022	4T2023/ 4T2019	4T2023/ 3T2023
Unemployment rate			
Brazil	-0.5 p.p.	-3.7 p.p.	-0.3 p.p.
Minas Gerais	-0.1 p.p.	-3.9 p.p.	-0.3 p.p.
Average income			
Brazil	3.3%	2.7%	0.8%
Minas Gerais	6.3%	9.8%	-1.7%
Labor productivity			
Brazil	1.2%	1.1%	-0.9%

Real Average Income from all Jobs: Minas Gerais and Brazil

(in R\$ constant as of Sep/23)



The year 2023 was characterized by a consistent decrease in the unemployment rate and a sustained increase in average real labor income.

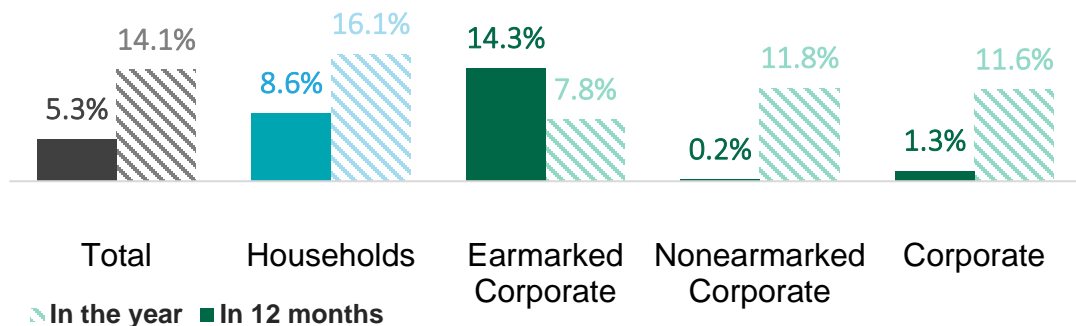
However, productivity per hour worked did not keep pace with average income, which could compromise the maintenance of income growth, in a scenario of full employment.



CREDIT GRANTS GROW IN 2023; BALANCE REMAINS STABLE

New operations: Corporate, Households and Total

(Accumulated % variation)

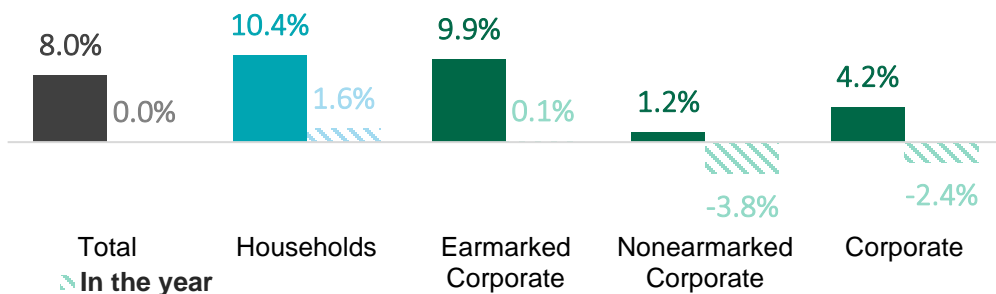


New operations: Nominal Variation (%)

	In 12 months	In the year (Nov-23)	Fev-24/ Jan-24
Corporate	1.3	11.6	-0.3
Non earmarked	0.2	11.8	-0.8
Earmarked	14.3	7.8	-2.4
Households	8.6	16.1	-0.3
Non earmarked	9.1	16.1	-1.6
Earmarked	5.6	16.5	15.6
Total	5.3	14.1	-0.3

Credit balance: Corporate, Households and Total

(Accumulated % variation)



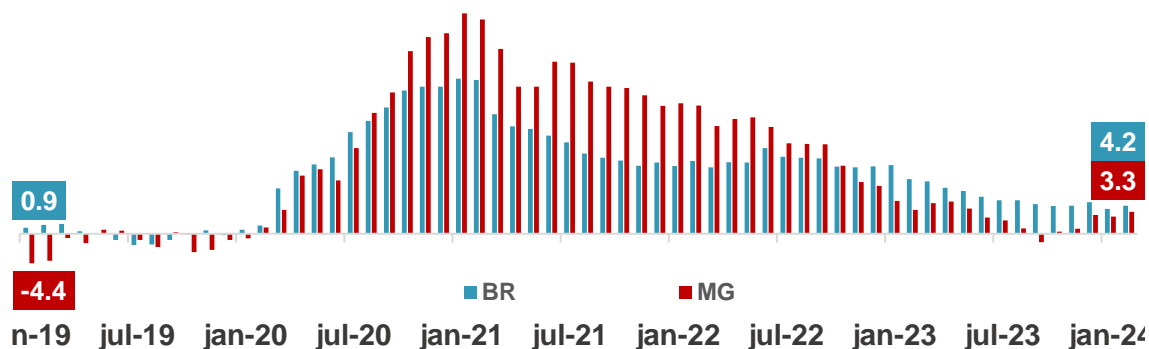
Credit Balance: Nominal Variation (%)

	In 12 months	In the year (Nov-23)	Fev-24/ Jan-24
Corporate	4.2	-2.4	-0.2
Non earmarked	1.2	-3.8	-0.3
Earmarked	9.9	0.1	-0.1
Households	10.4	1.6	0.5
Non earmarked	8.5	1.5	0.3
Earmarked	12.8	1.7	0.8
Total	8.0	0.0	0.2

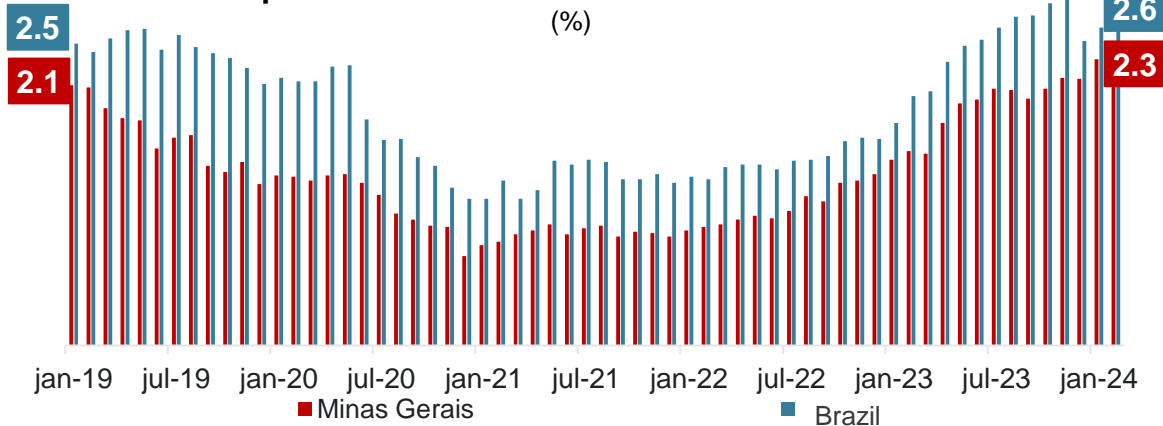


CORPORATE BALANCE CREDIT IS RECOVERING

▲ Corporate Credit Balance: Minas Gerais and Brazil
(% variation in 12 months)



▲ Corporate Default Rate: Minas Gerais and Brazil
(%)



▲ Credit Balance and Default in Minas Gerais

	In 12 months	In the year (Nov-23)	Nov-23/ Oct-23
Credit Balance	8.3%	-0.2%	0.2%
Households	11.1%	1.8%	0.5%
Corporate ▲	3.3%	-3.7%	-0.4%
Default	0.2%	0.1%	0.0%
Households	-0.1%	0.1%	0.0%
Corporate ▲	0.7%	0.1%	0.0%

The growth of the corporate credit balance in **Minas Gerais** has been lower than that in **Brazil** in the last six months.

Despite the slowdown in corporate credit in Minas Gerais, **default rates remain at a lower level than in Brazil** and with a tendency to stabilize. **This result signals the robustness of the financial conditions of companies in the state.**



2. EXECUTIVE SUMMARY



EXECUTIVE BOARD MESSAGE

The Minas Gerais Development Bank (BDMG) is a financial institution controlled by the state of Minas Gerais, with the goal of promoting the economic, financial and social development of the state.

BDMG reached the end of the 2023 financial year with a record disbursement in its 62 years of activity. In all, R\$2.98 billion were released, representing a 23% growth compared to 2022 (R\$2.42 billion) and 55% compared to 2021 (R\$1.92 billion).

We point out the significant volume of resources released to the municipal public sector, in the amount of R\$328.5 million, an 89% growth over 2022. With this, BDMG expands its capillarity and its operations for the development of Minas Gerais' municipalities.

We should also highlight the bank's performance in financing investment projects of medium and large-sized entities, with a 71% increase in disbursements, compared to the previous year, contributing to the implementation of long-term projects.

Regarding the sustainable development (SDGs), 40% of the total disbursements were aligned with 11 of the 17 SDGs, which materializes the Bank's commitment to generating positive impacts for the population.





2023 KEY INDICATORS

Loan Portfolio

BRL 6,229* million
USD 1,218 million

Net Income

BRL 97.5* million
USD 19.06 million

Basel Index

24.2%

Total Disbursement

BRL 2.98* billion
USD 0.58 billion

Disbursements in SDGs

BRL 1.2* billion
USD 0.23 billion

NPL Ratio > 90 days

0.9%

NIM (Net Interest Margin)

7.3%

ROAE

4.6%

Operational Efficiency Index

55%

* Exchange rate on April 29, 2024: USD 1.00 = BRL 5.1149 (Brazilian Central Bank)



MAIN FIGURES

R\$ 2,981.50 MM **↑ 23%***

DISBURSED**

5,108

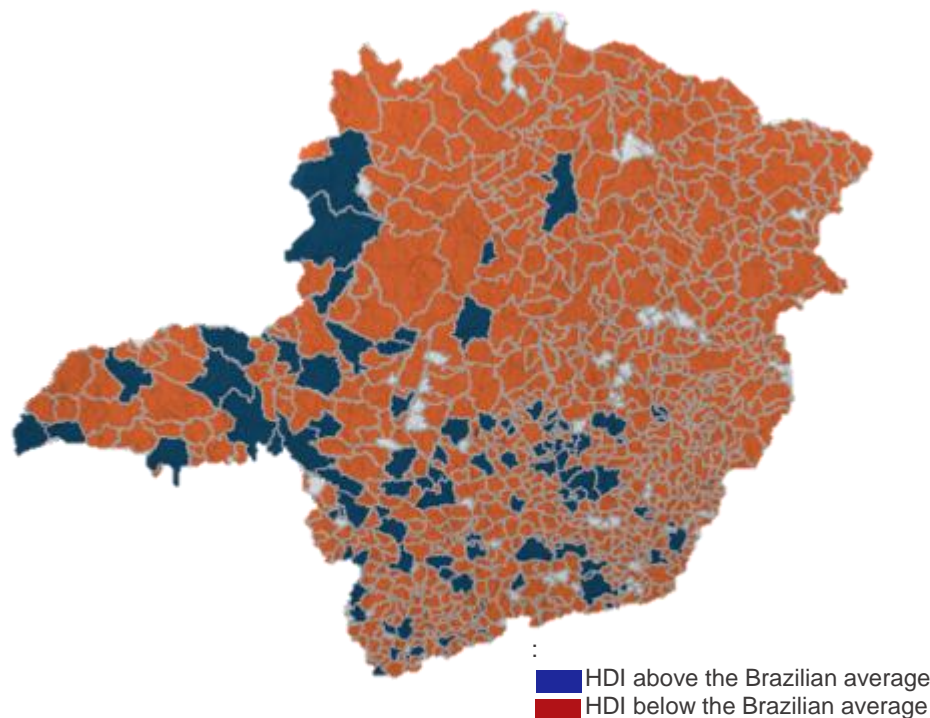
CLIENTS SERVED

613

MUNICIPALITIES SERVED,
84% of which have an HDI below
brazilian average

17,780

ACTIVE CLIENTS



The total number of **active clients** in the portfolio decreased by 22%* due to the closure of 7,623 Pronampe contracts, which were signed during the 2020 pandemic.

91% presence in the state of MINAS GERAIS. The BDMG ended the year with at least one active client in 776 of 853 municipalities.

Regarding **regional distribution** of the disbursements amount, 30% were allocated to the central macro-region and 19% to the southern region of Minas Gerais.

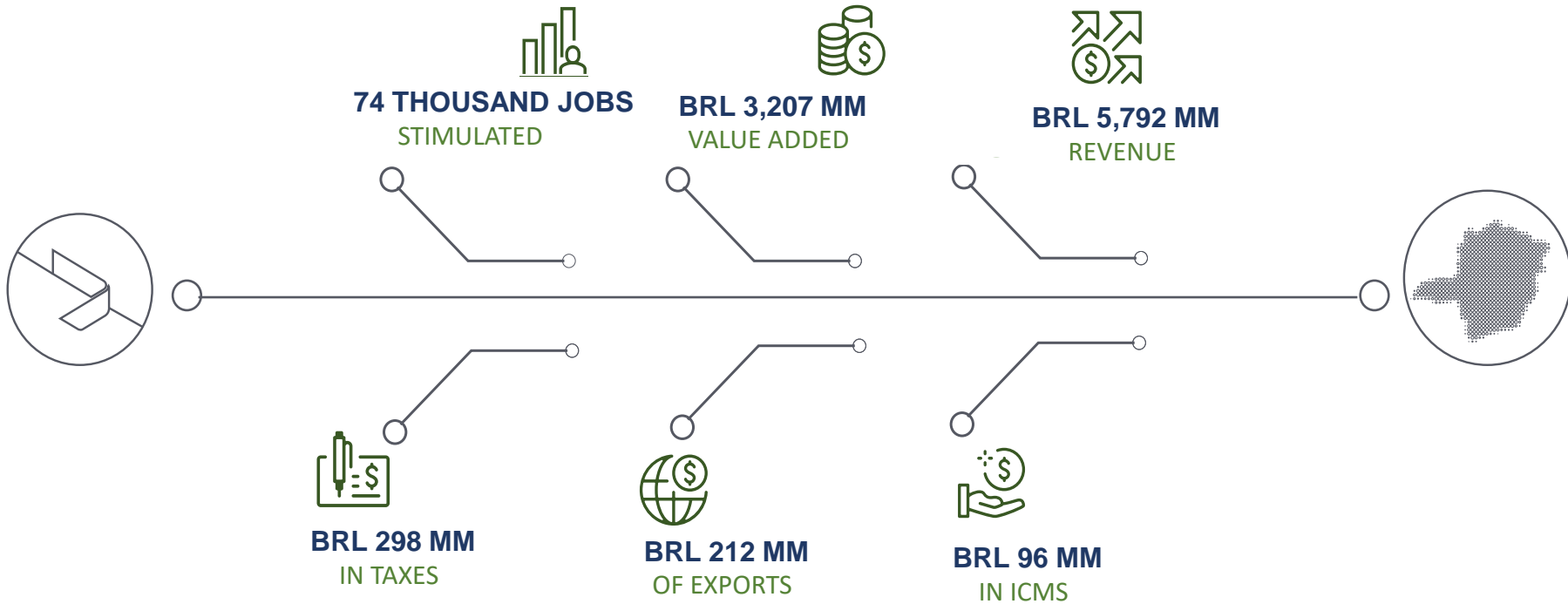
* Compared to the same period in 2022.

** Throughout 2023.



IMPACTS ON THE ECONOMY OF MINAS GERAIS

Input- Output Matrix*



* Values as of December 2023.



HIGHLIGHTS



BRL 1.6 Billion
Investment Projects



BRL 490 Million
MSE**



BRL 329 Million
Public Sector



BRL 1.2 Billion
Disbursement SDG



BRL 376 Million
Clean Energy
Projects



BRL 248 Million
Financial
Inclusion



BRL 57 Million
Women
Empowerment

* Compared to the same period in 2022.

** Micro and small-sized enterprises



HIGHLIGHTS



BRL 385 million in funds with the National Treasury to make available to agriculture and livestock in Minas Gerais.



In 2023, a **partnership between BDMG and Emprapa**, through the LabAgroMinas program, trained more than 450 professionals from the local technical assistance network.



Risk rating agencies (Moody's and S&P) upgraded BDMG's issuer rating to **A**, both on a national scale.



Panel Trophy Award - Winner in the Financial Institution category, awarded by the Besc Institute of Humanities and Economics.



Alide Award – Winner in the Special Category with **Support for Women Entrepreneurs**, for the results obtained and relevance in supporting female entrepreneurship in the state.



HIGHLIGHTS



BDMG was part of the Minas Gerais Government delegation at the 27th United Nations Climate Conference - **COP27**



BDMG made progress in sovereign operations guaranteed by the Federal Government, with **USD 300 million** already approved for the preparation of programs with the Inter-American Development Bank (IDB) and the New Development Bank (NDB).



In December 2023, BDMG signed the AIIB's **first loan agreement in Brazil**, of USD 30MM, aimed to renewable energies and projects in connectivity with Asia.



BRL 1.1 billion raised on the domestic market through LCA, CDB, DPGE, LF and CDI. 21% growth compared to the previous year



The opening of Bank Reserves Account with the Brazilian Central Bank will give to the BDMG independence in its financial operations, streamlining its processes and enabling the development of new products and services.



The BDMG's recognition for its responsible financial management resulted in upgrading of the bank's rating by two of the world's leading credit risk rating agencies.

	MOODY'S Set/2023	S&P Nov/2023
Global Scale (Long Term)	B2	B
Outlook	Positive	Stable
National Scale (Long Term)	A.br	brA
Outlook	Positive	Stable

STANDARD & POOR'S

Upgrade to brA (from brA-) with a stable outlook on a national scale.

MOODY'S

Upgraded to A.br (from BBB+.br), with a positive outlook, on a national scale. Rating maintained at B2 on a global scale, with a change in outlook to positive.

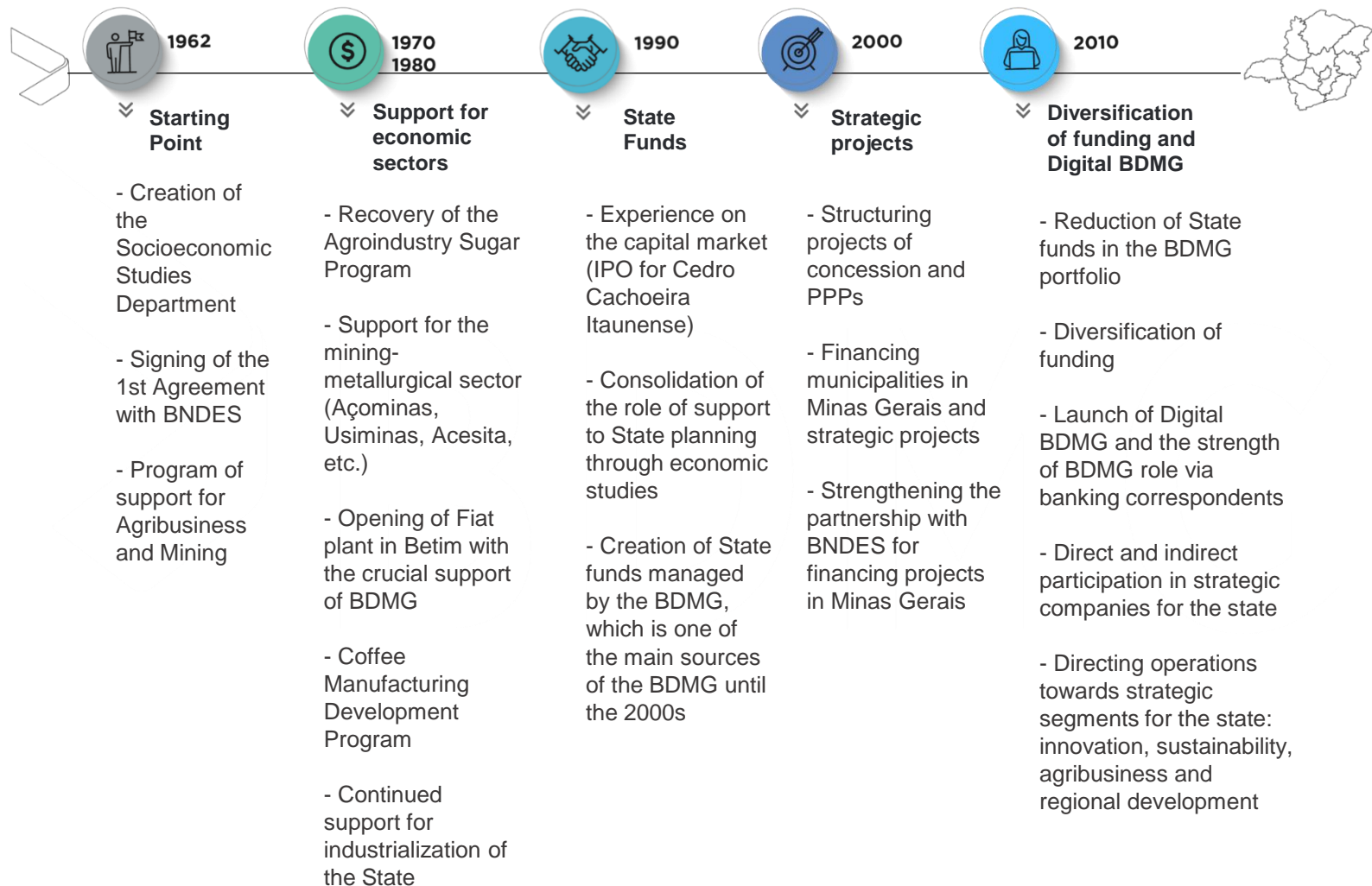
The Moody's assessment indicated an improvement in the quality of the credit portfolio, thanks to the gradual recovery in the default levels of the renegotiated portfolio, while the S&P assessment recognized the prudence of liquidity management.



3. INSTITUTIONAL



TIMELINE





TIMELINE



**2015
2018**

Focus on Development

- Targeting the performance in strategic segments for the state: innovation, sustainability, agribusiness and regional development
- Reduction of of funding by BNDES
- Funding diversification: Funcafé, Fungetur, Fundação Renova, Caixa, Finep, Fapemig
- New fundings: Agribusiness Credit Bonds (LCAs), Financial Letters, Bank Deposit Certificate (CDB), AFD, CAF, and Bank of Tokyo



**2019
2020**

Countercyclical Action in Sustainability

- ESG principles incorporation
- UN Global Compact Signatory
- Best Socio-Economic Impact Bank Award - Brazil 2020 - CFI
- Member of the 2030 Challenge Network – HUB ODS member
- Participation in *Finance in Common* and adherence to the *Paris Development Banks* declaration on gender equality and women's empowerment
- Record funding (BRL 2,3 billion): highlighting USD 100 million from CAF, EUR 70 MM from AFD and flexibilisation of the EIB line with a focus on mitigating the effects of the COVID-19 crisis and the SDGs
- Issuance of Sustainable Bonds (USD 50 million)



**2021
2022**

Sustainable performance

- Launch of the Alliance of Subnational Development Banks of Latin America and the Caribbean
- Green Bond Transparency Platform: Inclusion of BDMG's Sustainable Bond in the IDB's Green Bond Platform
- Launch of LabAgroMinas, a partnership between BDMG and Embrapa to encourage sustainable agriculture
- "Bank of the Year 2022" by ALIDE
- 2nd place in the SAIN-ABDE Award for Best Practices in International Funding
- Authorization to contract up to USD 200 MM a sovereign guaranteed operation with the NDB



2023

Impact on the State

- Participated in the 27th United Nations Climate Conference
- BDMG received the ALIDE Award - Special Category: Support for Women Entrepreneurs Award
- BDMG will make a record of BRL 385 million in funds available through the 2023/2024 Safra Plan.
- Record disbursement in 62 years of activity, with releases of BRL 2.98 billion
- Signing of the first loan contract in Brazil with AIIB, in the amount of USD 30 million
- Authorization to contract up to USD 100 MM a sovereign guaranteed operation with the IDB to the Program Based on Results





CORPORATIVE STRUCTURE





ADMINISTRATION

BOARD OF DIRECTORS

Wagner Lenhart – Chairman
Welerson Cavalieri – Vice Chairman
Alexandre N. de Castro Barreto - Counselor
Frederico Silva Miana – Counselor
José Henrique Santos Portugal - Counselor
Otávio Romagnolli Mendes - Counselor

RISK AND CAPITAL COMMITTEE

Otávio Romagnolli Mendes - Coordinator
Ricardo Fuscaldi de Figueiredo Baptista
Lucio Aparecido Alves Anacleto

PEOPLE, ELIGIBILITY, SUCCESSION AND REMUNERATION COMMITTEE

Welerson Cavalieri - President
Cleber Santiago

FISCAL COUNCIL

Permanent Members

Luísa Cardoso Barreto
Felippe Ferreira de Mello
Ronan Edgard dos Santos Moreira

Deputy Members

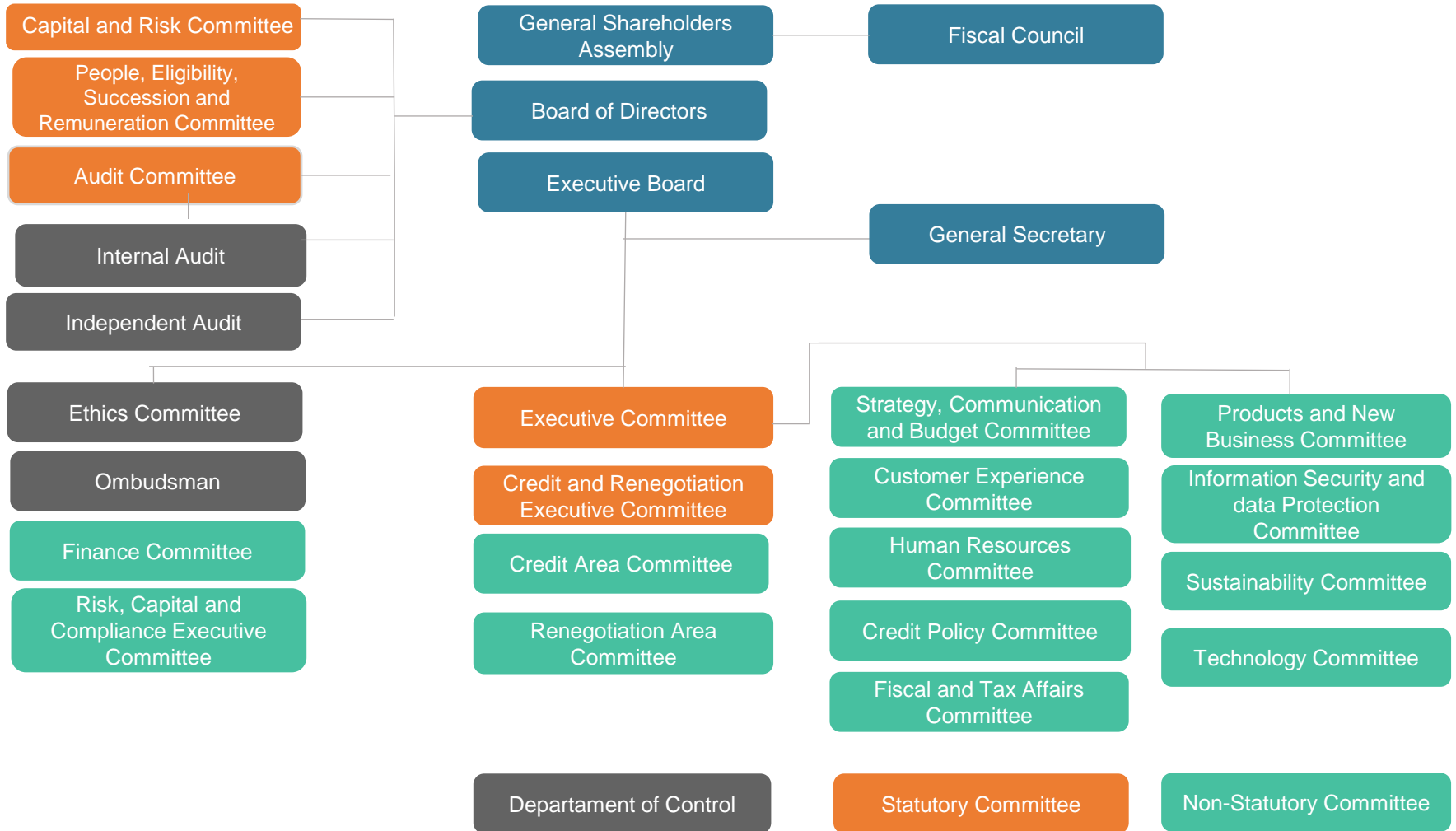
Luiz Ângelo Coutinho Gonçalves
Luiz Cláudio Fernandes Lourenço Gomes
Célio Benício Siqueira Filho

AUDIT COMMITTEE

Luciana Bacci Costa - Coordinator
Cleber Santiago
Norberto Valdrigue

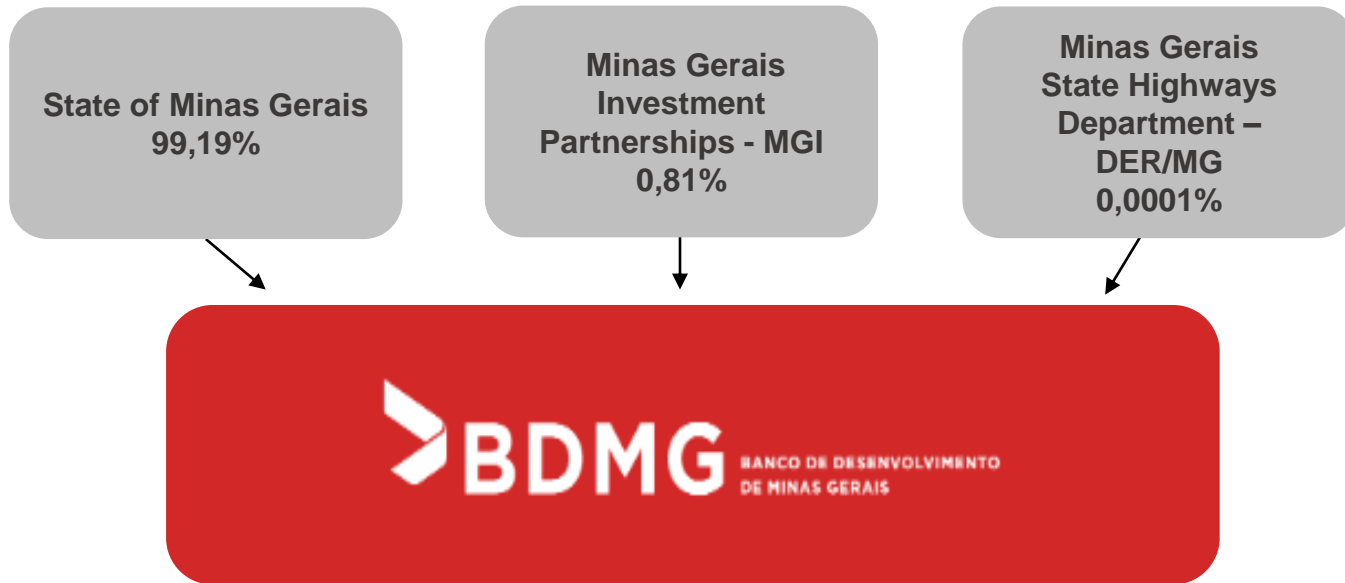


GOVERNANCE STRUCTURE





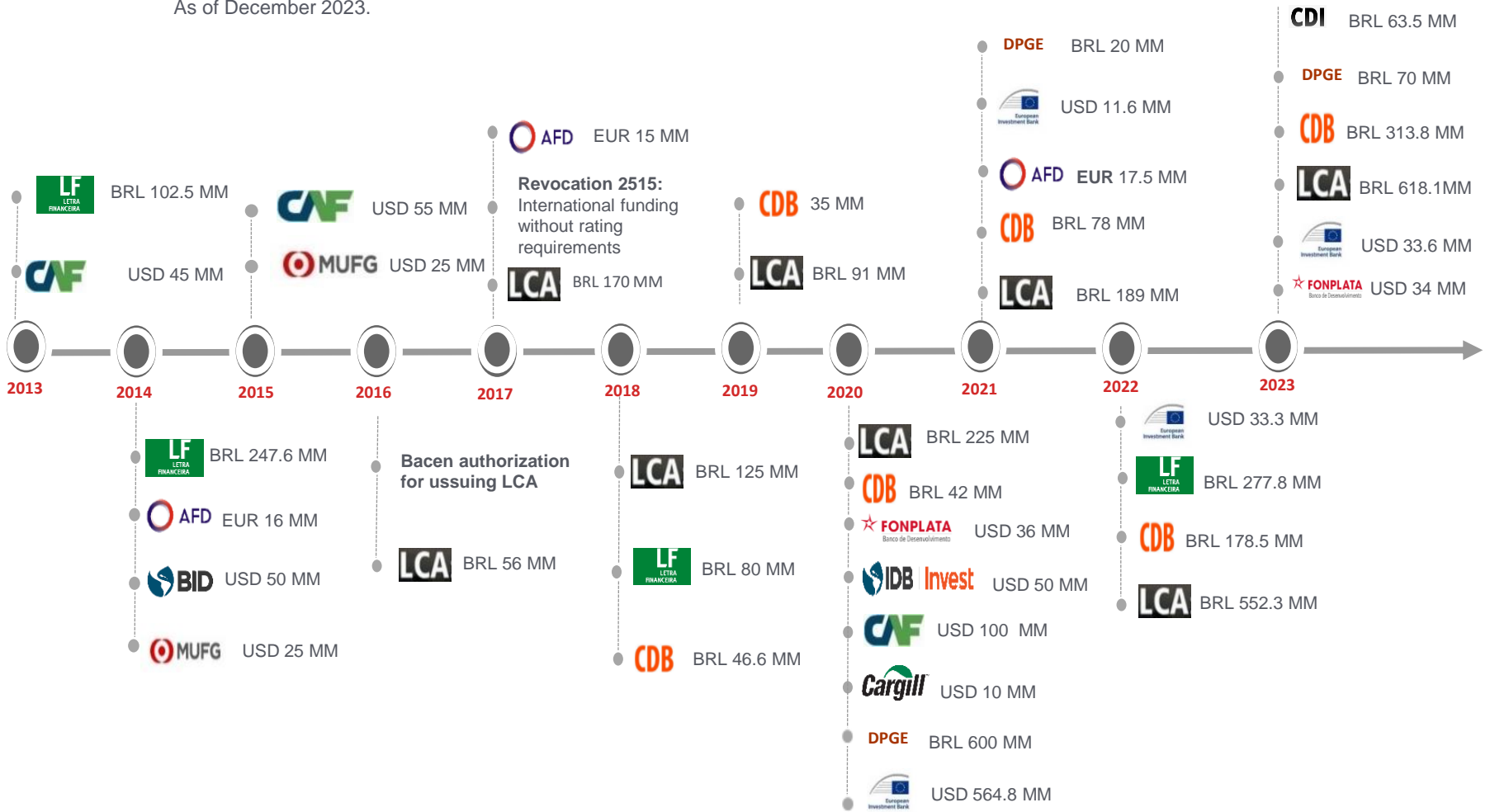
SHAREHOLDERS





FUNDING HISTORY

Disbursement point of view.
As of December 2023.





4. STRATEGY



STRATEGIC DRIVERS

IMPACT	COMPETITIVENESS	PARTNERSHIP	ORGANIZACIONAL CULTURE	DIGITAL TRANSFORMATION
<ul style="list-style-type: none">• Commitment to the 2030 Agenda and the Sustainable Development Goals (SDGs)	<ul style="list-style-type: none">• Excellence in financial solutions, customer and market services	New business partnerships; resources mobilization; dissemination of knowledge	Leadership and employees aligned with the Bank's mandate	Automation and productivity with the use of Data Intelligence and AI

FINANCIAL SUSTAINABILITY

In 2023, BDMG's performance was guided by the 2023-2027 Strategic Plan, with medium and long-term objectives built to ensure the achievement of its purpose: "transforming initiatives into reality to make a difference in the lives of the people of Minas Gerais". From this perspective, the Bank seeks to be a specialist in Minas Gerais in order to maximize impact and development, generating value for Minas Gerais society.

BRL 881 MM
DISBURSED

30%
Total disbursements

BRL 465 MM
Through the LCA line

LabAgroMinas 450

Professionals from the local technical assistance network had access to the training offered by BDMG for the application of the technologies fostered by the Program.



Government's Plano Safra BRL 385 MM



The largest amount ever provide for the financing of agriculture and livestock in Minas Gerais. This represented a growth of more 1000% in relation to the previous crop year.

Equalization with the National Treasury Secretariat to allocate resources to the 2023/2024 crop year.



Funding Transfer

BRL 90.5 MM **↑55%** Compared to 2022.

DISBURSED, in partnerships with 16 cooperatives, together with rural producers.



BRL 328.5 MM  **89%**
DISBURSED Increase compared to 2022

 **BRL 290 MM**
Distributed from own resources

 **BRL 38 MM**
Distributed with transfers from the Renova Foundation

305
Municipalities served
278 of them have a low HDI



In partnership with the **French Development Agency (AFD)**, several online training courses were held for municipal public managers.

Among them:

- Mobilization Program for Sustainability, focused on dissemination of sustainable projects in cities.
- Land Regularization (REURB) for technical consultants for structuring processes such as: mapping, georeferencing, property cadastral survey, urban Project for land regularization and owners registration
- 2023 Municipalities notice and SPB Worksheet System, the instrument used to submit projects to be presented to BDMG.



MSEs AND BDMG DIGITAL

BRL 490 MM

Disbursements for Micro and Small Entities - MSEs

4,387

MSE Clients served



↑ 31%

Growth in the volume of disbursements compared to 2022.

BRL 164.8 MM
Regarding Financing processes originating from the BDMG Digital online Platform

4,354

Clients served

Had processes originating from BDMG Digital online platform.





MEDIUM AND LARGER COMPANIES

BRL 1,449.6 MM

Disbursements for large companies



BRL 2,160.1 MM

Cumulative disbursement for medium and large companies

BRL 710.5 MM

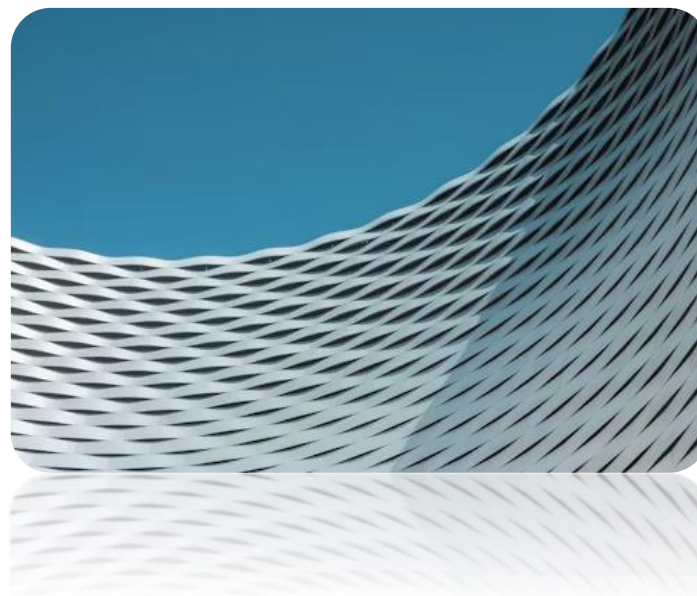
Disbursements for medium companies

81.5%

Growth in transactions to finance investment projects compared to 2022

32.2%

Of transaction proposals for new clients





RENEWABLE ENERGY AND ENERGY EFFICIENCY

BRL 376 MM

Disbursed to projects related to renewable energy and energy efficiency



59%

Disbursements for solar energy projects



Regarding BDMG's financing with funds from the European Investment Bank (EIB), since 2019 approximately EUR 120 million have been allocated in financing for 62 projects in 57 municipalities. Of these, 40 have been with HDI below the Brazilian average.



113

municipalities served

Of these, 80 have with HDI below the Brazilian average

7,982 tCO₂

Emissions avoided

163 GWh/year

Clean energy, avoiding the emission of 8,000 tons of CO₂

* In comparison with 2022.



BRL 63 MM
Disbursed



to **35 companies**, with a highlight to the Projects Financing Agency (FINEP) lines, which account for **96%** of the total amount released.



BDMG/FAPEMIG/ SEDE partnership, with the expansion of the Pró Inovação program lines, allowing the financing of companies of all sizes and the increase in the volume of resources allocated to **BRL 150 million**.





WOMEN ENTREPRENEURSHIP

BRL 57 MM

Disbursed through the Minas Gerais Women Entrepreneurs and Pronampe Women credit lines.

911 Enterprises

Served with this profile (+37% compared to 2022).



ALIDE* AWARD

Special Category with Support for Women Entrepreneurs for the results obtained and relevance in supporting female entrepreneurship.

15%

Percentage of financing for women entrepreneurs out of the total number of clients served via BDMG Digital Online Platform.

* Latin American Association of Development Financing Institutions (ALIDE)



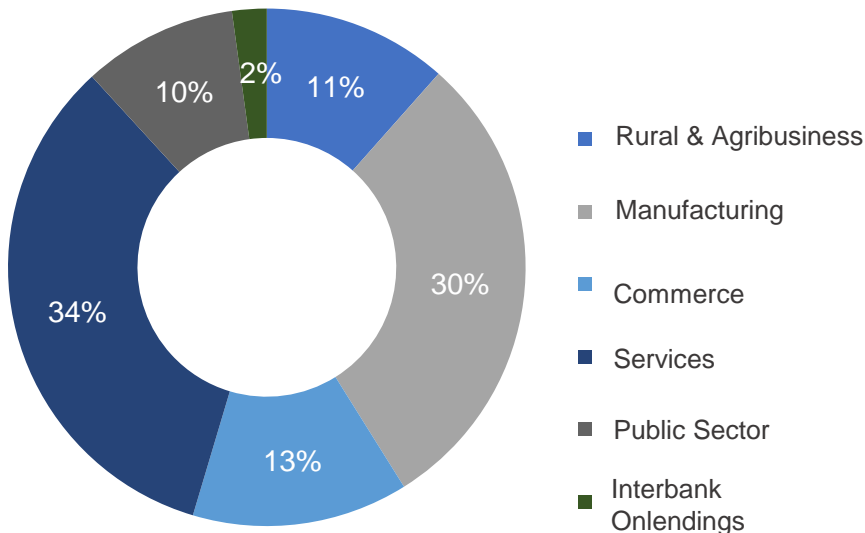
5. LOAN PORTFOLIO



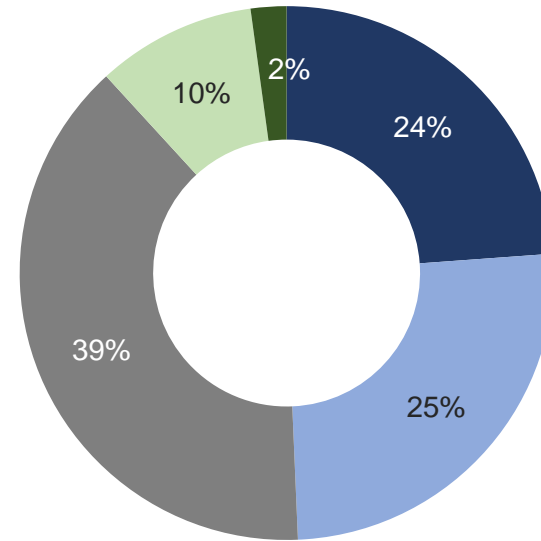
LOAN PORTFOLIO

BDMG's loan portfolio is composed of: (i) credit transactions that include loans, financing, and debtors for the purchase of goods and are taken out directly by the Bank, which is responsible for the credit risks of these transactions; (ii) Interbank onlendings through the transfer of Bank resources to partner institutions and accredited credit cooperatives*.

Business Sector



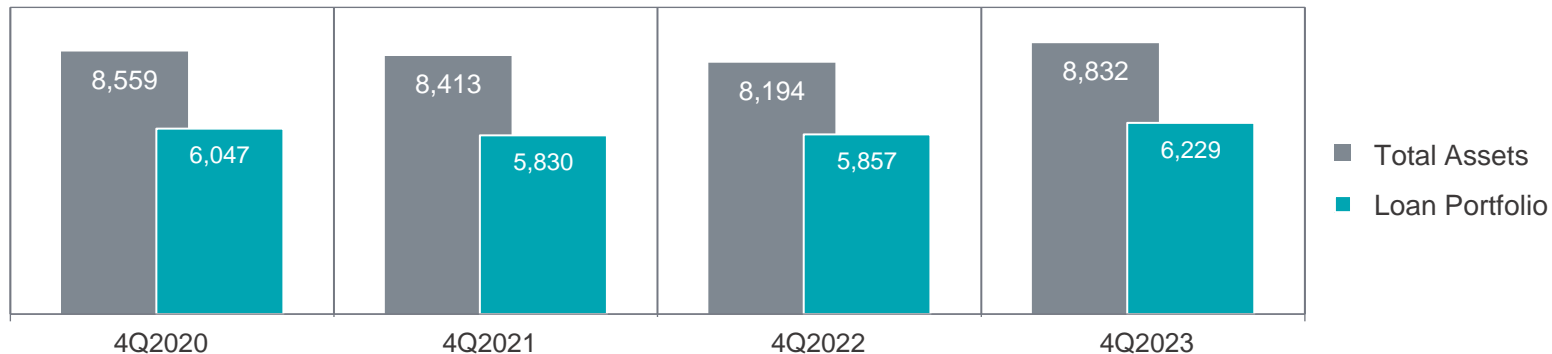
By Customer Size



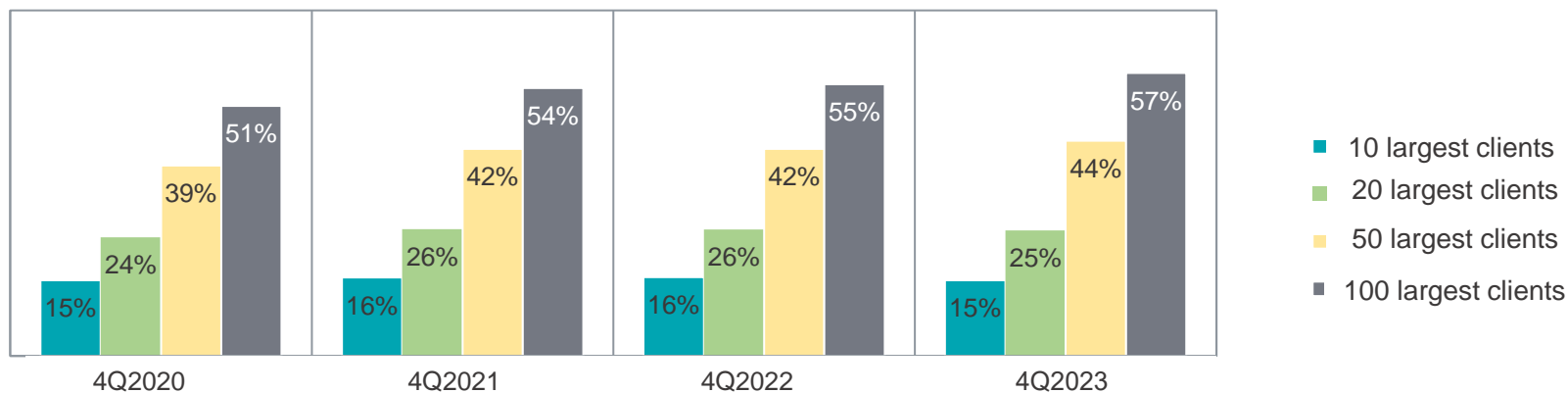
*These onlendings constitute indirect operations, since the partner institution that receives the resource is the one which negotiates the financing conditions and assumes the risk of credit granted.

Total Assets and Loan Portfolio

BRL Million



Loan Portfolio Concentration % Loan Portfolio - considering exposures in the extended portfolio concept*



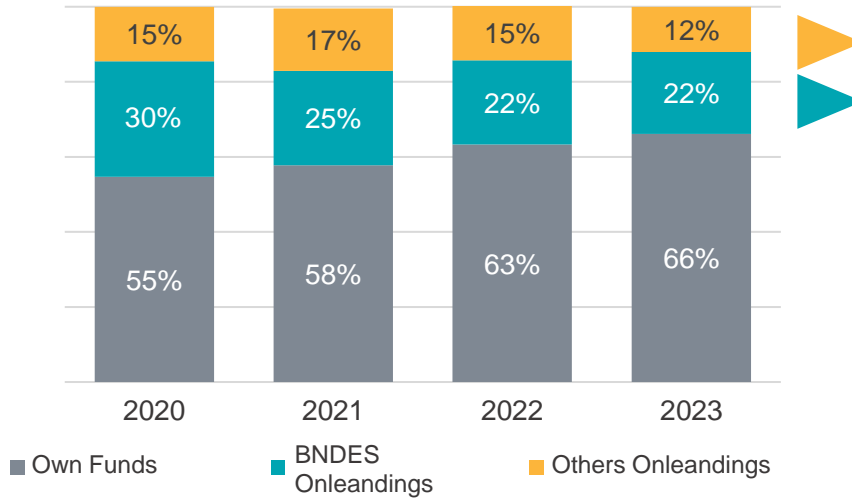
* Considers, in addition to the loan portfolio, bank guarantees, credit notes, and credits to be released up to 360 days.



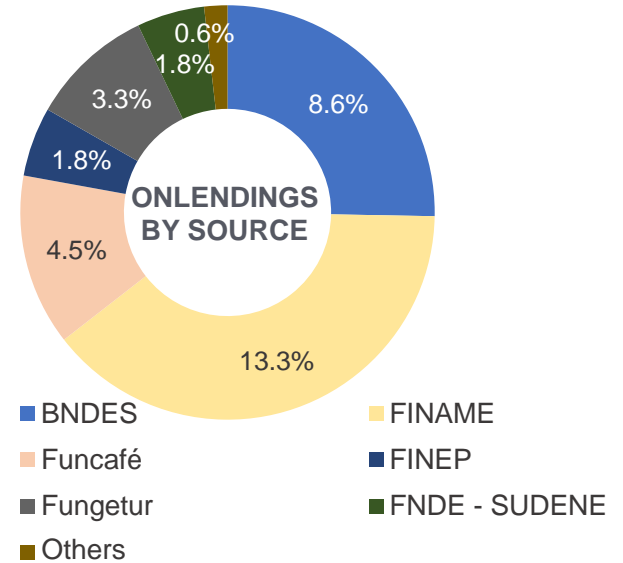
LOAN PORTFOLIO

By Onlendings

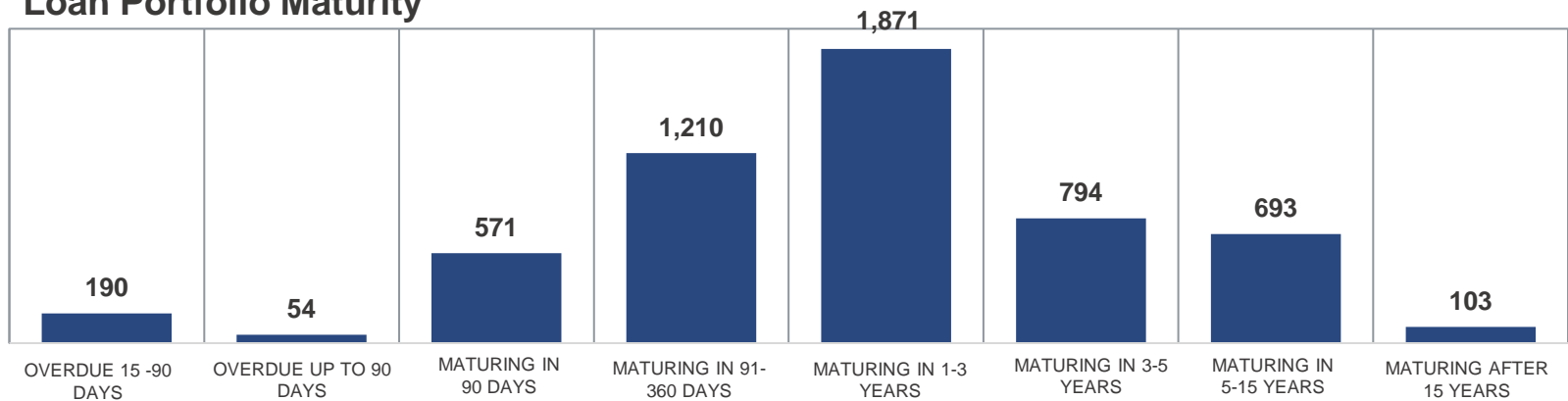
% Loan Portfolio



The graph below provides more detail on the headings: BNDES Onlendings and Other Onlendings



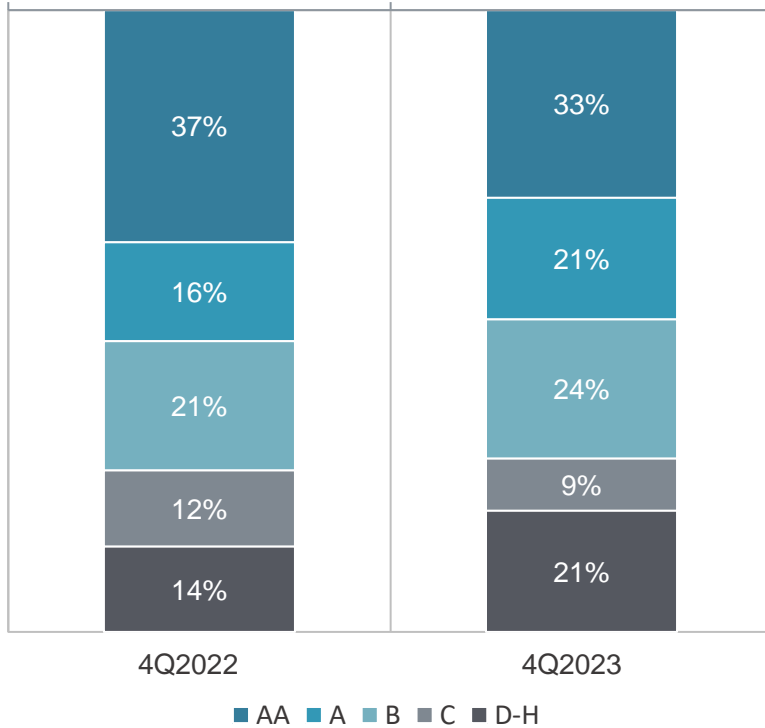
Loan Portfolio Maturity





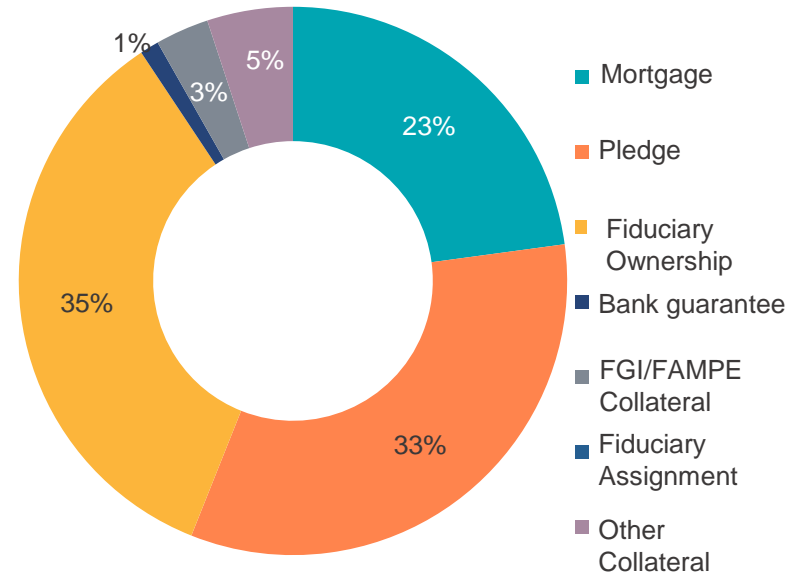
LOAN PORTFOLIO

Risk Level



% Credit portfolio of operations by rating classification, as of 2023/12/31.

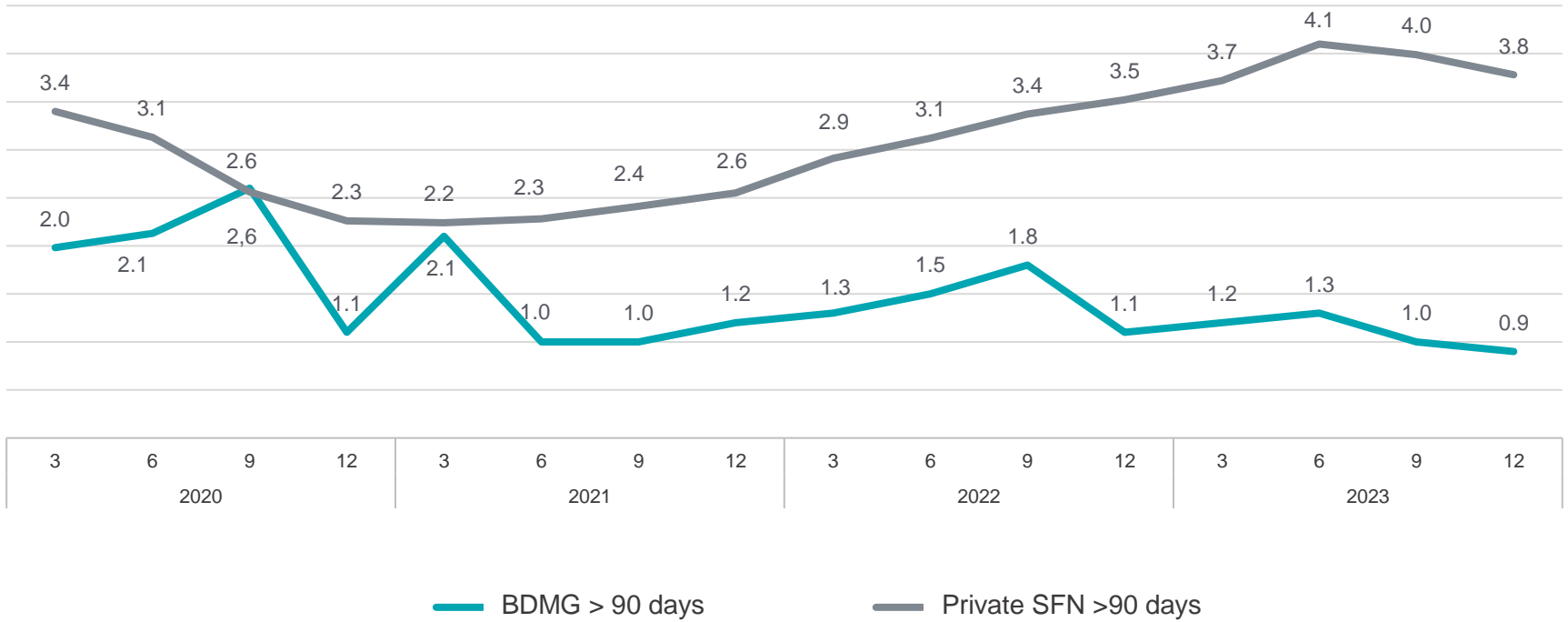
Collateral



% Of the guaranteed operations loan portfolio



NON PERFORMING LOANS (NPL) > 90 DAYS



NPL Coverage Ratio > 90 days: **9.4** (December/2023)



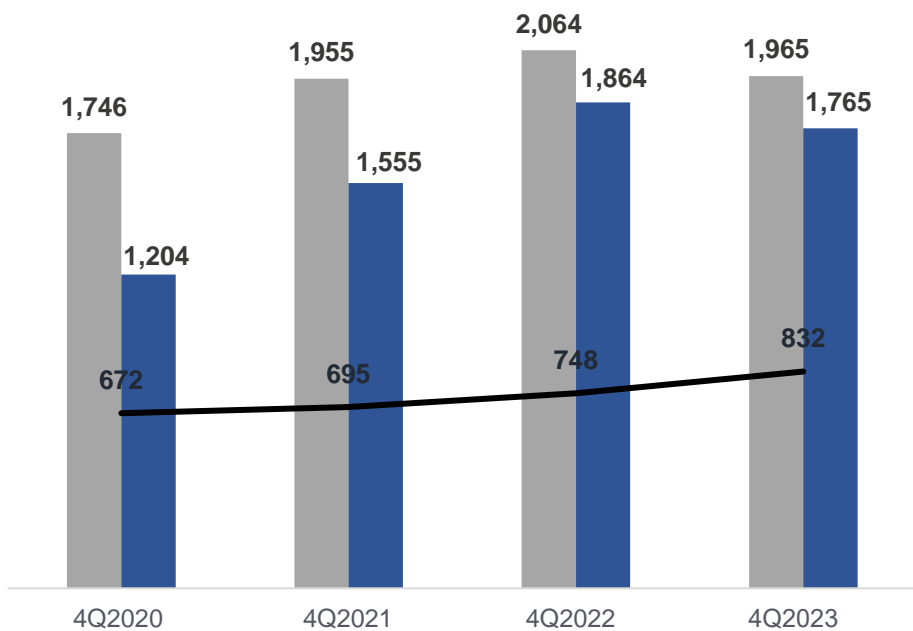
6. EQUITY STRUCTURE AND FINANCIAL ECONOMIC PERFORMANCE



REFERENCE EQUITY

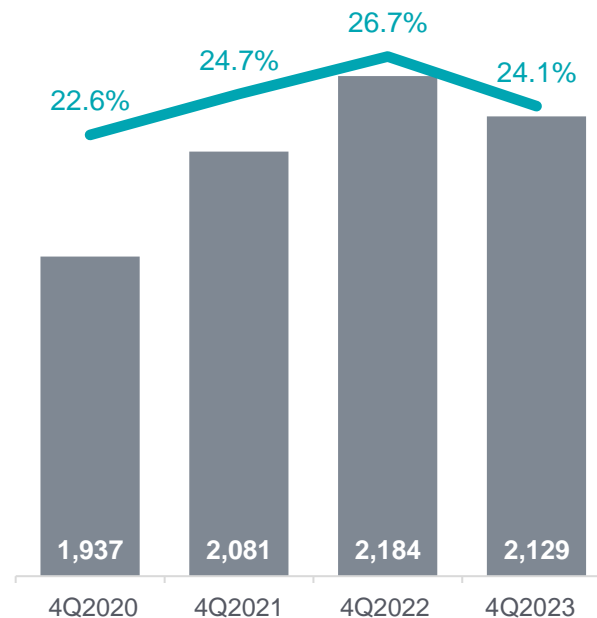
BRL Million

Reference Equity



- Tier I + Tier II
- Reference Equity (RE)
- Minimum Reference Equity

Evolution of Shareholders Equity/ Assets



- Shareholders' Equity
- Shareholders' Equity/Total Assets Ratio

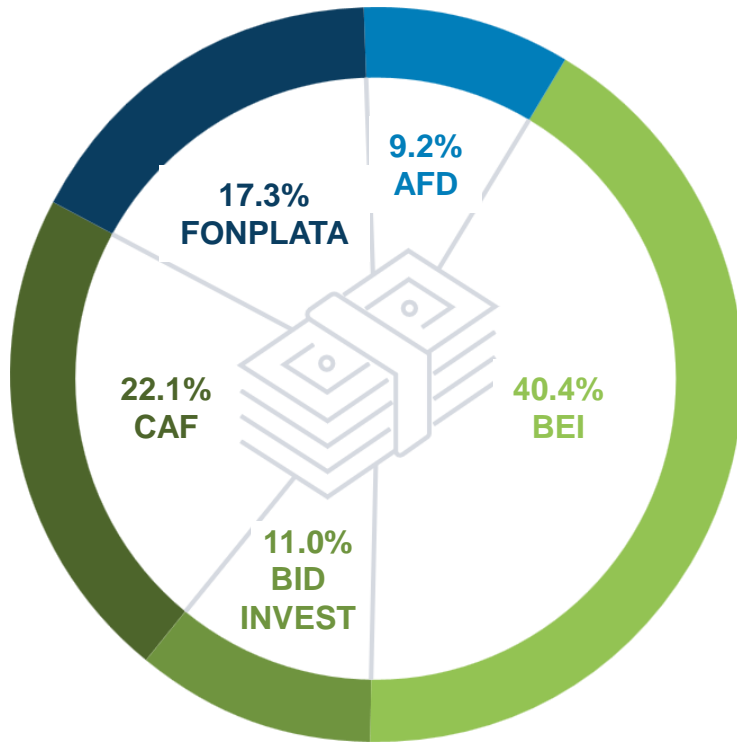


FUNDING

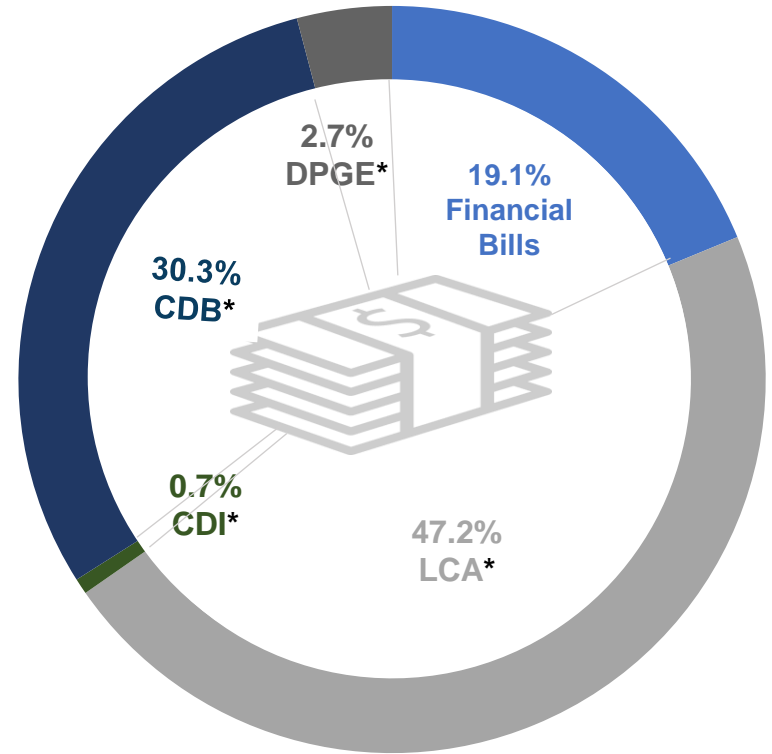
Market to Market Values
(balance BRL Million and %)



International



Local



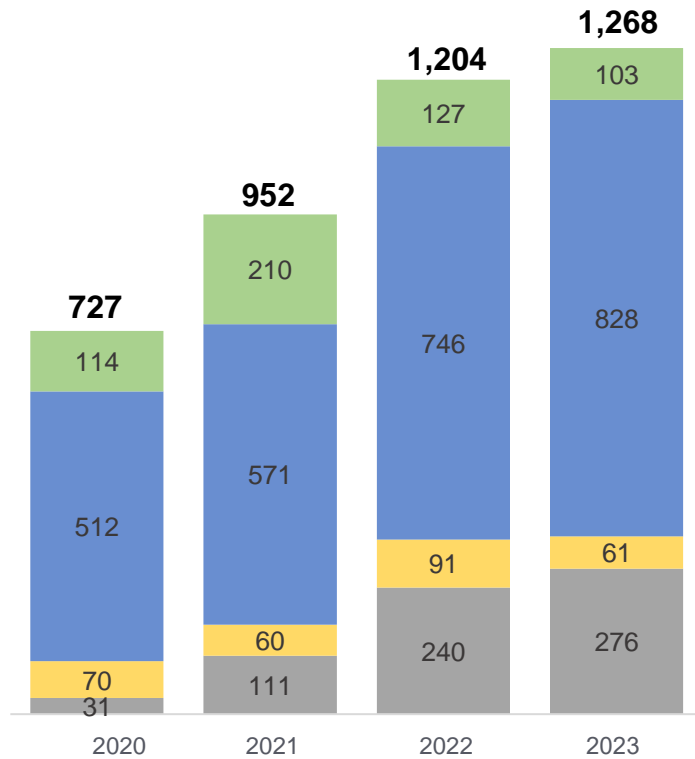
* CDB: Certificates of Deposit; CDI: Certificate of Interbank Deposit; DPGE: Time Deposit with Special Guarantee; LCA: Agribusiness Credit Bills



PERFORMANCE

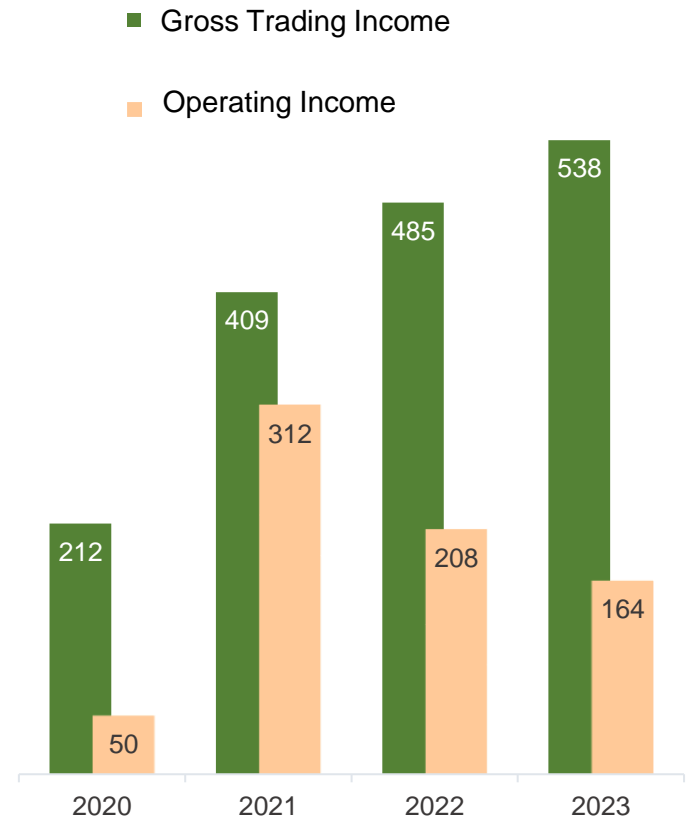
BRL Million

Financial Intermediation Revenue



- Credits Recovered revenue
- Loans (credit operations) revenue
- Income from exchange transactions
- Result on bonds securities transactions

Incomes

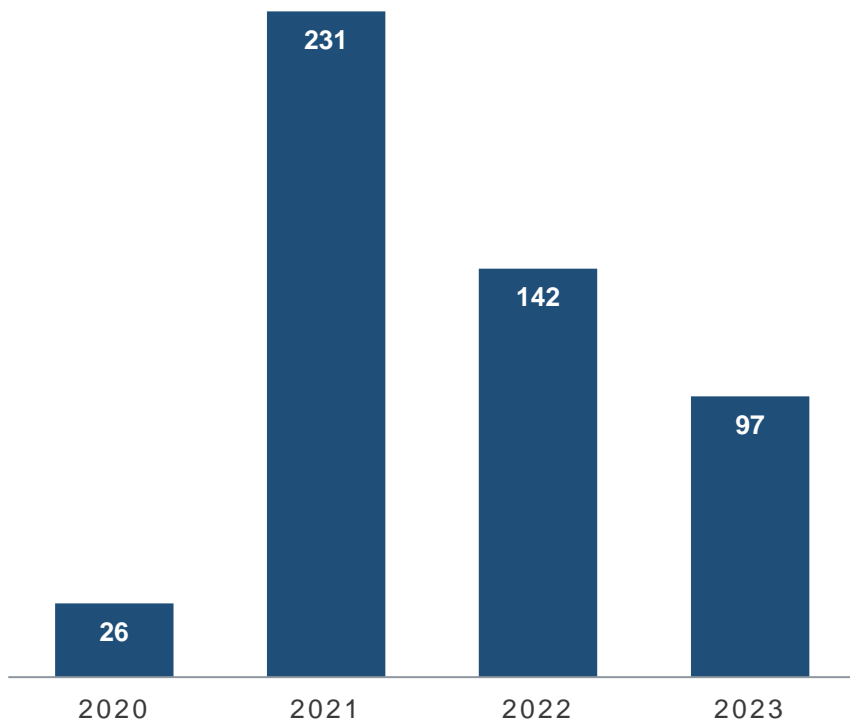




PERFORMANCE

BRL Million

Net Profit



RECORD NET PROFIT

of BRL **163,7** million.

↑ 15% higher than in 2022.

The reduction in profit in 2023, compared to the same period in 2022, is mainly due to the provisioning of around BRL 73 million, resulting from a lawsuit that discusses the PIS/CONFINS tax base, whose loss assessment was changed to probable.

In June 2023, the Brazilian Supreme Court issued an unfavorable ruling to banks regarding the payment of PIS/COFINS on all revenues obtained from financial intermediation. As a result of this decision, the BDMG reconstituted the provision and added to it the amounts of fines and legal charges.

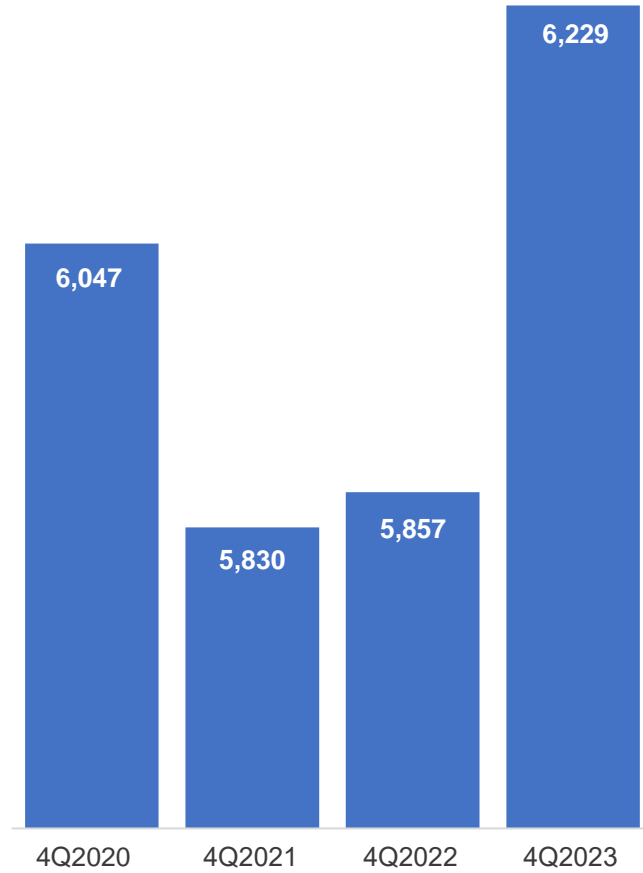


7. INDICATORS

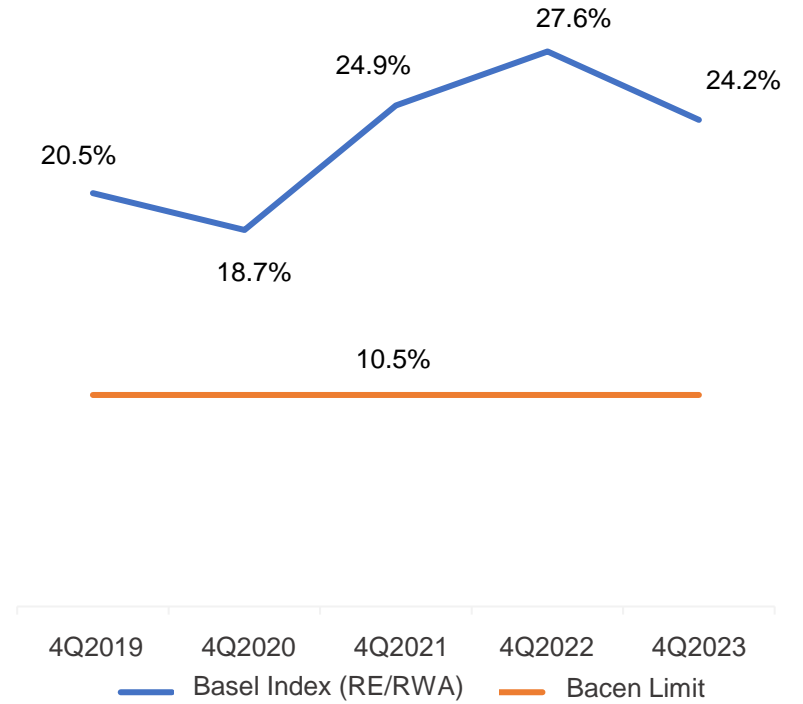


INDICATORS

Loan Portfolio



Basel Index (RE/RWA)

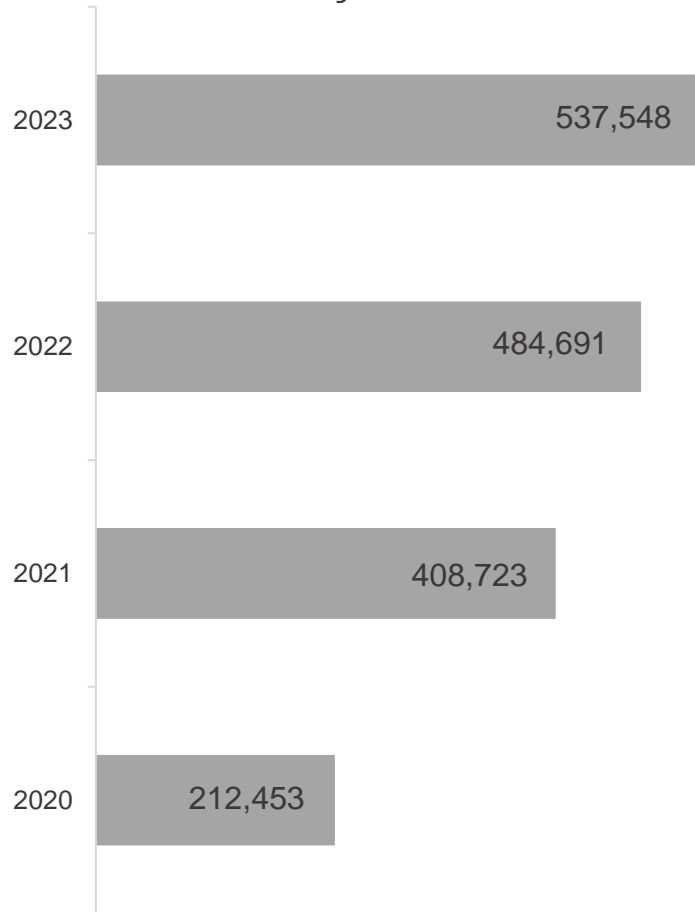




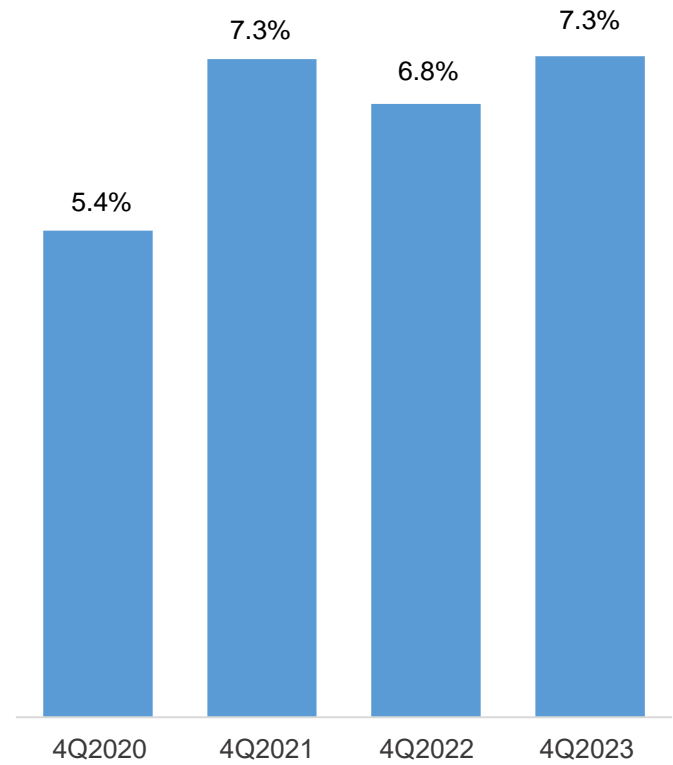
INDICATORS

BRL Million

Financial Intermediation Margin Index



NIM (Net Interest Margin)



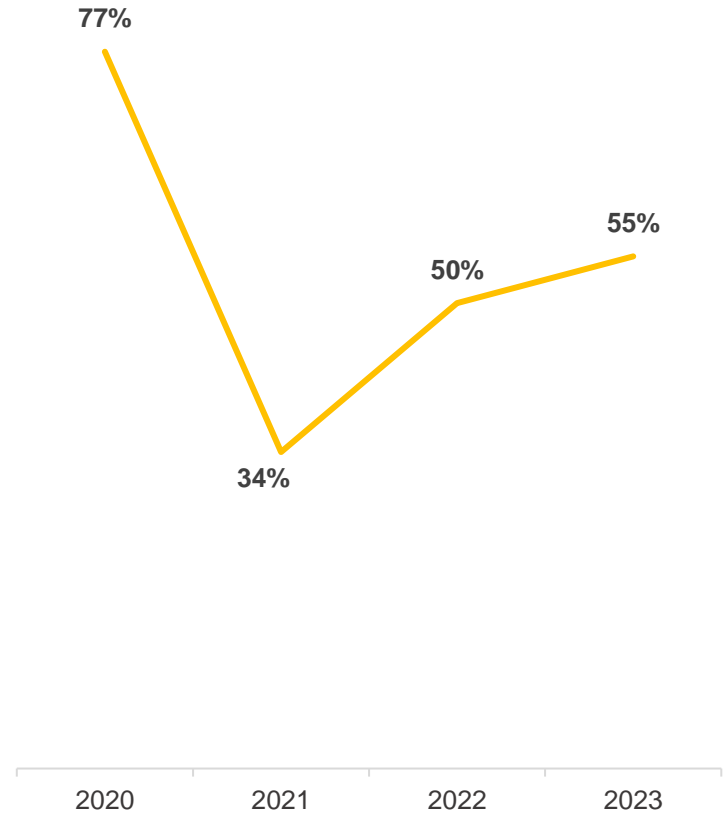


INDICATORS

ROAE



Operational Efficiency Index





BANCO DE DESENVOLVIMENTO DE MINAS GERAIS S.A. - BDMG



Edmilson Gama da Silva
Executive Director
Financial Director
RI T + 55 31 3219 8220
edmilsongama@bdmg.mg.gov.br
www.bdmg.mg.gov.br



Leonardo Delbis de Lacerda
Financial Superintendent
Superintendent of Financial Administration and Investor Relations
RI T + 55 31 3219 8551
RI C + 55 31 99966 1578
ri@bdmg.mg.gov.br
www.bdmg.mg.gov.br



**MINAS
GERAIS**

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.