

Financial Statements

June 30, 2025



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BRDE
BANCO REGIONAL DE
DESENVOLVIMENTO DO EXTREMO SUL



MESSAGE FROM THE BOARD

The Board of Directors of Banco Regional de Desenvolvimento do Extremo Sul - BRDE, a Brazilian regional development bank, in compliance with legal and regulatory requirements, presents the Financial Statements for the semester ended June 30, 2025.

BRDE is a public financial institution owned by the states of Paraná, Santa Catarina, and Rio Grande do Sul. Since 1961, it has operated in the Southern Region of Brazil with the mission of promoting and leading initiatives for economic and social development. To achieve this, it supports governmental and private initiatives through planning, technical and institutional support, and long-term credit. The Bank also operates in Mato Grosso do Sul, as it borders the Southern Region and is a member of the Council for Development and Integration of the South (*Conselho de Desenvolvimento e Integração Sul* – CODESUL).

Uncertainty is an inherent element of the economy, but at certain times, it significantly influences financial markets and, consequently, consumption and investment decisions. There is no doubt that the measures adopted by the United States in the first half of 2025 — such as increased import tariffs, especially on products from China, Mexico, Canada, and the European Union — have caused instability in the foreign exchange market and global business outlook.

To intensify the level of uncertainty, fighting between Israel and Iran in the Middle East resumed in June, with involvement from the United States. Although a ceasefire was reached at the end of the semester, this situation raises concerns about a potential increase in oil prices, which could trigger global inflationary pressures.

Amid this turbulent context, the United States recorded a decline in inflation and economic activity, along with stabilization in the unemployment rate. Although this scenario could suggest a possible short-term interest rate cut, expectations of a rising public deficit — due to anticipated tax reductions — make such a move more difficult.

In the Eurozone, the European Central Bank (ECB) further reduced basic interest rates this semester, driven by slowing inflation. The region's economy showed slightly higher growth compared to the previous year, while unemployment remained at historically low levels throughout 2025.

China, in turn, has maintained low interest rates since the end of 2024, when it implemented a significant reduction accompanied by other economic stimulus measures. As a result, the world's second-largest economy accelerated its growth pace, although uncertainties persist regarding the impact of new U.S. trade tariffs.

In Brazil, the accumulated economic growth over 12 months reached approximately 3.5% in the first quarter of 2025. The unemployment rate fell to a historic low of 6%, even with interest rates remaining above 14% per year since March — a high level that reflects the government's challenges in curbing inflation, which remains above 5% over the past 12 months.

According to the Central Bank's Economic Activity Index, the states of Santa Catarina and Paraná recorded growth of around 2% compared to December of the previous year, mainly driven by industrial production. Meanwhile, Rio Grande do Sul showed a 1% increase, impacted by drought that affected the soybean harvest, the state's main summer crop.

The labor market performance in the Southern Region also stands out, with unemployment rates below the national average, ranging between 3% and 4% in Santa Catarina and Paraná.

During this semester, BRDE completed a comprehensive review of its Strategic Planning, reaffirming its commitment to sustainable regional development. The new plan establishes institutional legacies such as strengthening production chains, supporting cities, encouraging innovation, and promoting sustainability. Based on these pillars, strategic objectives and actions were defined to guide the Bank's operations in the coming years, with a focus on generating value for society.

New financing contracts signed by the Bank totaled BRL 2.2 billion in the first half of 2025, of which 74.7% are aligned with at least one Sustainable Development Goal (SDG). With these operations, the credit portfolio reached a record BRL 23.0 billion in June of this year, 7.1% higher than at the end of 2024.

To strengthen the regional economy, the Bank not only secured financial resources from national and international institutions for lending, but also increased its capital market fundraising. This semester, BRDE obtained its fourth loan from the French Development Agency (AFD), amounting to 120 million euros, reflecting the success of this partnership initiated in 2018. In June, BRDE totaled BRL 1.1 billion in market-issued financial instruments. In this semester alone, BRL 295.5 million were raised, mainly through Development Credit Bills (LCDs).

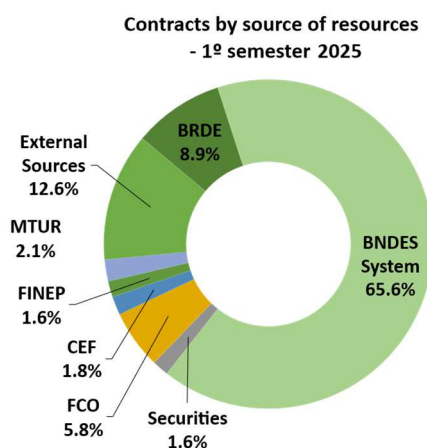
BRDE's technical and credit support to its controlling states also stands out, enabling the implementation of the Irriga Paraná Program and the new edition of the Support Program for Micro and Small Enterprises (PRONAMPE Santa Catarina).

From a financial standpoint, the Bank posted a profit of BRL 325.4 million, driven by increased revenue from credit recovery and reduced losses on financial assets.

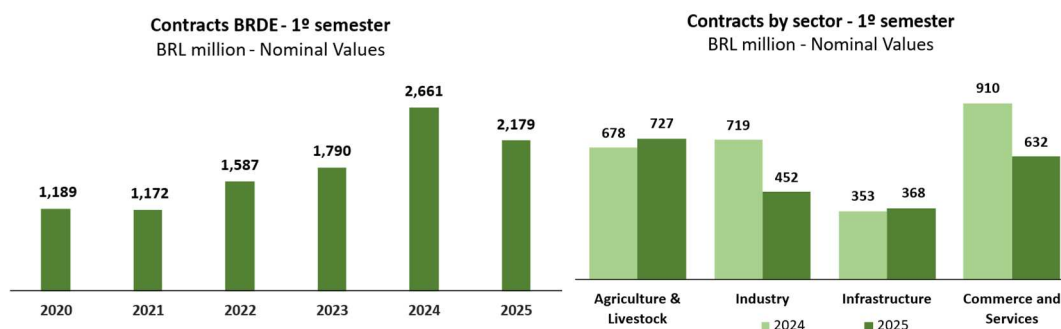
Operational Performance

BRDE's financing contracts in this semester totaled BRL 2.2 billion, representing an 18.1% decrease compared to the same period of the previous year. This investment volume encompasses a diverse range of rural and urban projects distributed across BRDE's entire area of operation.

Regarding the sources of funds used to execute this financed amount, the BNDES System accounted for 65.6% of the total contracted in 2025, while BRDE's own resources represented 8.9%. International sources (French Development Agency - *Agence Française de Développement* AFD, Development Bank of Latin America and the Caribbean - *Corporación Andina de Fomento* CAF, Inter-American Development Bank - IDB, European Investment Bank - EIB, International Bank for Reconstruction and Development - IBRD, and New Development Bank - NDB) accounted for 12.6% of the total contracted by the Bank.

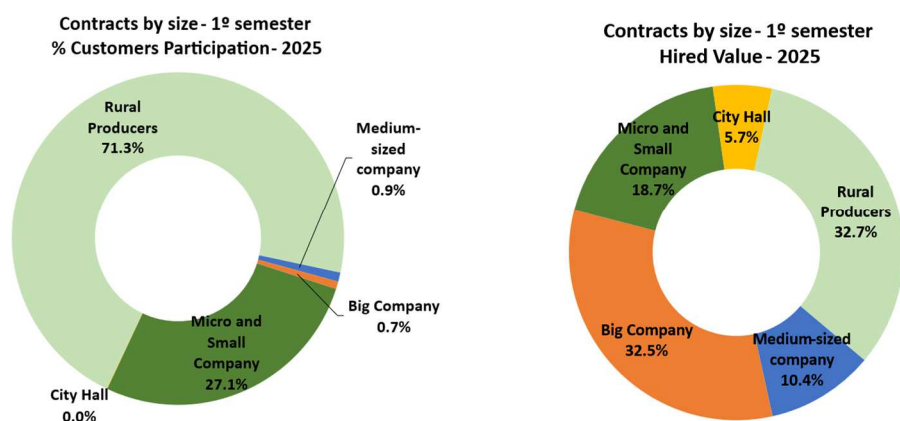


Analyzing credit contracts by the economic sector, agriculture was the sector with the highest volume of financing in the first half of 2025: BRL 727 million, representing 33.4% of the total financed. Next came commerce and services, with BRL 632 million in contracted credit, accounting for 29.0%. Industry received BRL 452 million, corresponding to 20.7%, and infrastructure followed with BRL 368 million, representing 16.9%.



The financing amounts by business size reinforce the emphasis on agribusiness support. Rural producers were the group that received the most credit from BRDE this semester, followed by large companies — especially agro-industrial cooperatives — which accounted for 42.8% of the total financing allocated to large enterprises.

The number of financing contracts in 2025 shows that 71.3% were made with rural producers, mostly family farmers, and 27.1% were contracts with micro and small enterprises (MSEs).



Demonstrating BRDE's reach and improved access to credit for small entrepreneurs, the volume of financing operations carried out through agreements with partner institutions — known as indirect operations — increased by 62.7% in 2025 compared to the same period of the previous year. These loans serve small rural producers and micro and small enterprises. This success was also driven by the Bank's support in implementing PRONAMPE SC, designed to foster micro and small businesses in Santa Catarina.

Program for Micro and Small Enterprises in Santa Catarina

BRDE has acted as a strategic partner of the Government of Santa Catarina in the development and execution of the new edition of the Support Program for Micro and Small Enterprises (PRONAMPE SC). The goal is to foster the business environment and boost the productivity and competitiveness of micro and small enterprises in the state.

To access credit, companies must meet one of three criteria: alignment with the Sustainable Development Goals (SDGs), participation in export or internationalization programs, or proof of innovation. The program offers BRL 500 million in working capital financing under attractive conditions: a 6-month grace period, repayment over up to 24 months, and reduced interest rates. By June, BRDE had financed BRL 162.5 million for 1,059 companies, with an average loan amount of BRL 153.5 thousand per operation.

Irriga Paraná Program

The Government of Paraná launched the Irriga Paraná Program to expand irrigated areas in the state, increase crop productivity, and reduce the impact of prolonged droughts on agricultural production.

With planned investments of BRL 200 million, the program combines subsidized credit lines with support for scientific research. BRDE participated in the program's development and is responsible for operating the credit line, aimed at acquiring irrigation systems for crops. By June, the Bank had financed 24 irrigation projects, totaling BRL 3.5 million and benefiting an area of 200 hectares.

Financial Performance

BRDE recorded a net profit of BRL 325.4 million in the semester, representing a 151% increase compared to the same period in 2024. This performance was mainly driven by increased revenue from credit recovery and reduced losses on financial assets.

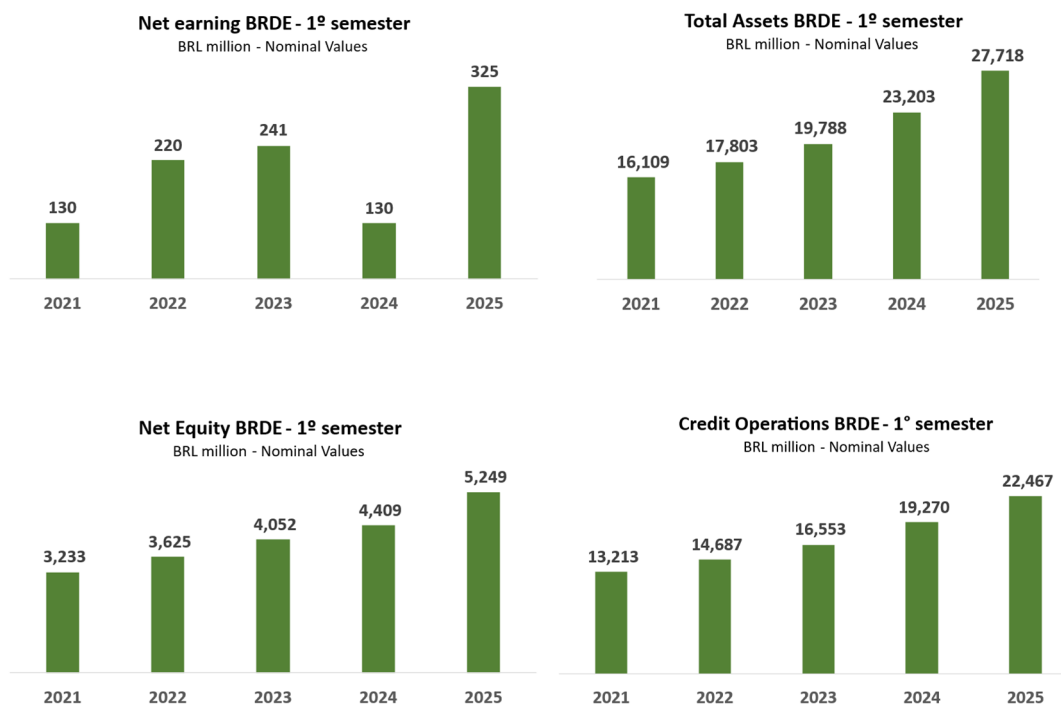
BRDE's total assets grew by 19.5% compared to the first half of the previous year, closing the period at BRL 27.7 billion. This growth was primarily driven by the expansion of the Bank's credit portfolio.

Shareholders' Equity (SE) also continued its upward trajectory, reaching BRL 5.2 billion at the end of the semester — a 19.1% increase compared to the same period in 2024. This growth is linked to the incorporation of earned results and capitalizations from the controlling states. The strengthening of SE enhances BRDE's leverage capacity, reinforcing its financial solidity and ability to promote regional development.

The balance of BRDE's credit operations and financial transfers grew by 7.1% in 2025, reaching BRL 23.0 billion. This performance reflects the successful deployment of the growing volume of available resources in recent years, made possible by the diversification of funding sources.

The credit portfolio comprises 42.3 thousand active clients, with financed projects distributed across 1,202 municipalities, of which 1,130 are in the Southern Region. Notably, BRDE's financing is present in 95% of the municipalities in the Southern Region, highlighting its extensive regional reach.

The default rate, considering delays over 90 days, reached 0.75% in June 2025. In the same period, BRDE's Basel Index stood at 19.8%, remaining at a comfortable level and in line with prudential capitalization requirements.



BRDE and French Development Agency Celebrate New Partnership for Investments in Southern Brazil

With a priority focus on high-impact environmental and climate projects, BRDE signed a new agreement in June with the French Development Agency (AFD), totaling 120 million euros. The funds will be allocated to financing projects in the southern states of Brazil, with emphasis on initiatives in education, health, cultural preservation, and disaster response — one of the major innovations of this partnership. In addition to credit, the operation also includes resources for technical assistance aimed, among other aspects, at BRDE's institutional development and strengthening.

This is BRDE's fourth fundraising operation with AFD and the largest in volume since the beginning of the collaboration. Previous operations took place in 2018 (50 million euros), 2020 (70 million euros), and 2022 (100 million euros), all focused on sustainability initiatives. With the new agreement, the total raised through the partnership reaches 340 million euros.

Fundraising Funds in the Capital Market

BRDE's funding diversification policy includes, as one of its business fronts, raising funds through the issuance of fixed-income securities in the financial market.

With the issuances completed by June, BRDE surpassed the BRL 1 billion mark in fundraising, approximately one year after beginning fixed-income operations through brokerage firms. During the semester, new issuances of Development Credit Bills (LCDs) were carried out, reaching the annual limit set by the National Monetary Council (CMN) within just a few days. The strong demand for BRDE's securities demonstrates that the Bank's financial strength is recognized in the market.

Rating

BRDE is periodically evaluated by credit rating agencies. Currently, Fitch Ratings, Moody's Investors Service and Moody's Local BR are the agencies that assess the Bank.

In its May 2025 review, Fitch Ratings affirmed BRDE's credit ratings. The long-term Issuer Default Ratings (IDRs) in foreign and local currency remained at BB, in line with Brazil's sovereign rating, and the short-term IDRs in foreign and local currency were maintained at B, with a stable outlook. Fitch also affirmed BRDE's National Long-Term Rating at AAA(bra) and National Short-Term Rating at F1+(bra). The credit quality of the three controlling states is considered to have a strong influence on the Bank's ratings.

In October 2024, Moody's Investors Service maintained BRDE's global long-term rating at ba2, with a stable outlook. Meanwhile, Moody's Local BR ("Moody's Local") upgraded BRDE's issuer rating in December 2024 from A+.br to AA-.br, also with a stable outlook.

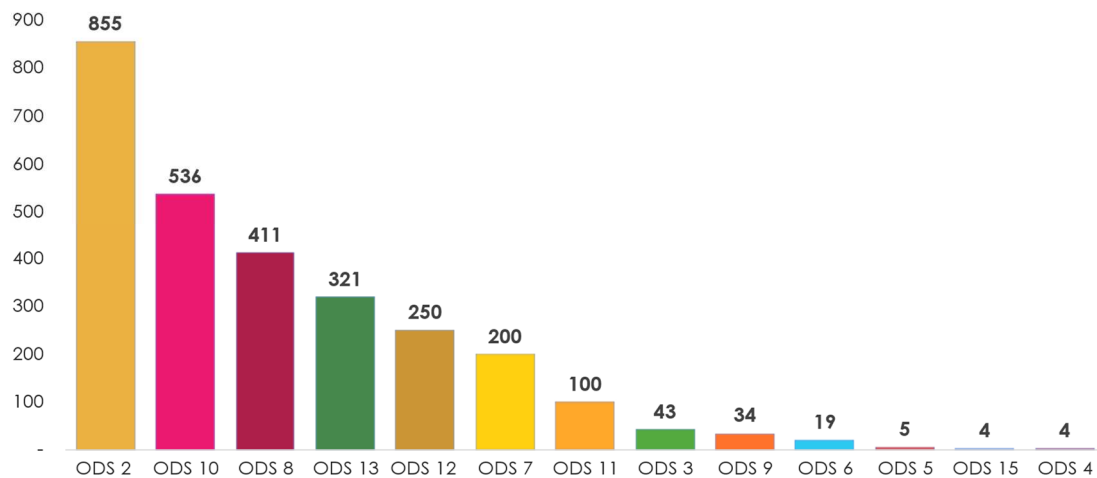
Institutional Highlights

Support for Sustainability

In the first half of 2025, BRDE contracted BRL 2.2 billion in credit, of which 74.7% is aligned with at least one of the United Nations Sustainable Development Goals (SDGs). This indicator, known as the adherence rate or operational alignment, reflects the Bank's commitment to sustainable development. Thus, during this period alone, BRL 1.6 billion was allocated to projects that directly contribute to the SDGs, reinforcing BRDE's role in supporting initiatives with positive social, environmental, and economic impact.

In the chart below, we highlight the SDGs most positively impacted by BRDE's credit operations:

BRDE contracts by SDG - 1º semester 2025



Due to the characteristics of productive activities in BRDE's area of operation, Sustainable Development Goal (SDG) 2 – Zero Hunger received the highest volume of support during the period. In this semester, the Bank allocated BRL 855 million to financing investments in agro-industrial cooperatives, family farming, grain storage infrastructure, crop-livestock integration projects, irrigation systems, and initiatives focused on soil recovery and sustainable management.

These investments reinforce BRDE's commitment to strengthening agricultural production in an inclusive, resilient, and environmentally responsible manner, contributing to food security and sustainable development in the Southern Region.

Financing specifically for family farming — approximately BRL 425 million — also promoted SDG 10 – Reduced Inequalities. Meanwhile, financing for small entrepreneurs, especially through PRONAMPE SC and Microcredit programs, positively impacted SDG 8 – Decent Work and Economic Growth.

BRDE Signs International Pact for Sustainability, Social Impact, and Gender Equity

Faced with the challenge of expanding cooperation among financial institutions committed to the global sustainability agenda, BRDE signed a pact in 2025 with key international partners to promote actions focused on climate transition, social impact, and the empowerment of women entrepreneurs.

The agreement, which aims to align the Bank's financing with projects pursuing these goals throughout Southern Brazil, brings together the French Development Agency (AFD) and the Development Bank of Latin America and the Caribbean (CAF).

The partnership was formalized through a joint declaration signed during South Summit Brazil, a global innovation and entrepreneurship event held in April in

Porto Alegre. The document acknowledges the importance of coordinated efforts to build a more inclusive, sustainable, and resilient economy.

Among the planned strategies, a key focus is strengthening the monitoring of projects aimed at equity and mitigating the impacts of extreme climate events — such as the historic flood that affected Rio Grande do Sul in 2024.

2025 Call for Project Selection via Tax Incentives

BRDE published its 2025 call for project selection to receive support through tax incentive programs. The initiative includes actions focused on serving children, youth, and the elderly; promoting education through sports; acquiring equipment for hospitals, daycare centers, and nursing homes; and supporting cultural production.

As part of the socio-environmental responsibility policy adopted over a decade ago, this initiative has already allocated more than BRL 40 million in direct transfers. The funds are applied to institutions located in Rio Grande do Sul, Santa Catarina, and Paraná, or to projects operating across all three states.

Support for Innovation

Fostering innovation is a permanent strategic goal for BRDE. To consolidate this directive, the BRDE INOVA Program brings together the Bank's main instruments for supporting innovation, organized into three areas:

- Financing for innovative projects;
- Equity investments through Private Equity Funds (PEs);
- Startup acceleration programs, such as BRDE Labs.

In addition to these initiatives, the Bank reaffirms its commitment to strengthening the innovation ecosystem by promoting collaboration among its various stakeholders. This commitment was evident in BRDE's active participation in several events held this semester, especially the fourth edition of South Summit Brazil.

BRDE's financing for innovation projects through the Innovation and Modernization Program reached BRL 185.9 million. In addition to financing innovative projects, BRDE is an investor in four Private Equity Funds supporting startups at various development stages: Criatec 3, Criatec 4, FIP Anjo, and Quartzo Capital VC4. The Bank subscribed BRL 47 million in these PEs, which have so far invested in 34 innovative companies in the Southern Region, with total contributions of BRL 131.3 million.

BRDE Labs

BRDE Labs was created to strengthen the innovation ecosystem in the Southern Region, offering continuous non-credit support to startups. Acting as a public agent aligned with the demands of the innovation market, BRDE fosters an environment conducive to the development of disruptive businesses.

The program's main goal is to accelerate the growth of these companies by facilitating access to future funding, strategic partnerships, and training — all free of charge. BRDE Labs also promotes business maturity through mentoring, qualified connections, and real market opportunities.

The program connects startups with the Private Equity Funds in which BRDE is a shareholder and encourages partnerships with established companies in its client portfolio. This network of connections promotes innovative solutions to various challenges, contributing to digital transformation and sustainable regional growth.

BRDE and HOTMILK — the innovation ecosystem of the Pontifical Catholic University of Paraná (PUCPR) — launched the sixth edition of **BRDE Labs Paraná**. In 2025, the program focuses on artificial intelligence, promoting connections between startups and companies to develop innovative solutions. The initiative is supported by the American Chamber of Commerce for Brazil (Amcham-Brasil), which helps recruit participating companies. This edition features 10 anchor companies from Paraná, which presented 20 challenges seeking creative and technological solutions. In the second semester, selected startups will participate in an immersion with the anchor companies, beginning a collaborative journey of development and innovation.

The 2024 edition of **BRDE Labs Rio Grande do Sul** concluded in April this year, following the floods that devastated the state in 2024. The program selected 15 startups from 110 submitted projects in three areas (Environment and Sustainability; Health; and Information Technology), which participated in an acceleration process led by Feevale Techpark — 14 of them completed the process. A new feature of this edition was that, in addition to the four main winners, all 10 other startups that completed the acceleration cycle received cash prizes. The top startups were Protege Química from Santa Cruz do Sul, Eva Saúde from Porto Alegre, Igapó from Porto Alegre, and LimbX from Santa Cruz do Sul.

The 2025 edition of BRDE Labs Rio Grande do Sul was launched in April at South Summit Brazil, once again in partnership with Feevale Techpark. In this new edition, BRL 245 thousand in prizes will be distributed among the 15 companies selected for the acceleration stage, which supports startups in the operational and traction phases. Eligible participants must be startups based in the Southern Region, in operational or traction stages, with a functional prototype (MVP), existing clients, and a validated business model.

The 2025 edition of **BRDE Labs Santa Catarina**, launched in March, features three support tracks: Growth, Venture, and Innovation. BRDE Labs Growth aims to support 100 startups from Santa Catarina in the operational and traction phases, helping them structure their commercial processes, scale sales, and validate their business models. Over the course of a semester, the program will

offer workshops, individual mentoring, and regional events, along with BRL 360 thousand in prizes distributed among the winning companies.

BRDE Labs Venture focuses on preparing startups to attract investment. The venture phase will support 30 startups from Santa Catarina that have already completed the Growth phase in previous editions. The program includes individual mentoring, workshops on capital access, and a networking event with investors. Finalists will have the opportunity to pitch at Investor Day, a live event designed to connect startups with potential investors.

BRDE Labs Innovation, the main new feature of the 2025 edition, aims to foster open innovation and connect startups with large companies in Santa Catarina. Five anchor companies will be selected, and afterward, applications will open for 25 startups from across Brazil, based on the challenges presented by the anchor companies.

BRDE Presents the Regional Vision 2040 Project

In April, BRDE presented the final version of the Regional Vision 2040 Project during the meeting of governors from the Council for Development and Integration of the South (CODESUL). The study was developed by experts from the University of Vale do Rio dos Sinos (Unisinos), with technical support from BRDE and the planning departments of the member states.

The initiative proposes an integrated, long-term vision for regional development, based on a comprehensive diagnostic. The study includes an overview of planned investments, mapping of potential and bottlenecks, and the definition of priority areas, strategic guidelines, indicators, and goals for the next 15 years.

BRDE Strategic Planning 2025–2030

The development of BRDE's new Strategic Planning involved several departments of the Bank and is closely aligned with the Regional Vision 2040 project. The work was carried out with support from the consulting firm Symnetics and was organized into four phases, starting with the Work Plan.

In the second phase, BRDE's strategic performance was evaluated through individual interviews with internal stakeholders, including board members, directors, management committee members, managers, and analysts. Employee opinions were also collected via an online survey. To complete the evaluation, interviews were conducted with key stakeholders from partner organizations, along with a study on trends and benchmarking.

Subsequently, a new Corporate Identity was developed, including Mission, Future Vision, and Organizational Values. BRDE's new mission is: "Supporting those who produce and transforming lives." Following this, a new Strategic Map was created, featuring 9 main pillars, 4 legacies, 18 objectives, 39 indicators, and 26 strategic actions. Finally, the model for monitoring and evaluating the strategy was defined, along with the Strategic Planning Communication Plan.

Public-Private Partnerships (PPP)

In addition to providing credit and technical support to private and municipal projects aligned with the public policies of its controlling states, BRDE also plays a role in structuring Public-Private Partnerships (PPPs), concessions, and other forms of private sector participation in the delivery and management of public services. The Bank has positioned itself as a strategic ally of states and municipalities in the Southern Region, helping to enable the development of public infrastructure. This activity is one of BRDE's strategic priorities and is included as a goal in its Strategic Planning.

In the first half of 2025, BRDE signed Technical Cooperation Agreements with 17 municipalities to provide technical support in selecting, identifying, and prioritizing projects aimed at modernizing municipal management, especially through PPPs.

The signatory municipalities in Rio Grande do Sul are: Gramado, Gravataí, Tramandaí, Alvorada, Capão da Canoa, Xangri-lá, Viamão, Canela, Estância Velha, and Lajeado. In Santa Catarina, the municipalities of São Bento do Sul, Guaramirim, Itajaí, Braço do Norte, Balneário Camboriú, Blumenau, and Balneário Piçarras joined the partnership.

Following the Technical Cooperation Agreements, BRDE and the Municipality of São Bento do Sul signed a contract to structure a PPP. The project involves the administrative concession of public lighting services, including modernization, efficiency improvements, expansion, operation, and maintenance of the city's lighting infrastructure.

At least nine other PPP projects from municipalities that signed ACTs are expected to begin structuring with BRDE's support in 2025.

BRDE Opens Office to Strengthen Institutional Presence in Brasília

To expand strategic actions with operational partners and strengthen its institutional presence in Brasília (DF), BRDE inaugurated its new representative office in the federal capital in February. The new space will facilitate closer monitoring of priority agendas with public agencies and other bilateral institutions, especially to expedite new fundraising operations.

In addition to international development banks, the Brazilian Development Association (ABDE) — which brings together the country's development institutions — also has its headquarters and holds regular meetings and assemblies in Brasília. BRDE's office is located in the Number One Building — SCN Quadra 1 Bloco A, 17th floor, Asa Norte, Brasília.

BRDE also maintains a representative office in Rio de Janeiro to support matters involving BNDES and Finep.

Risk Management

In compliance with National Monetary Council Resolution No. 4,557/2017 and complementary regulations, BRDE has a risk management structure that is separate from other business units and the internal audit unit. The Superintendency of Risk Management, Internal Controls, and Compliance (SURIS) is responsible for preparing and reviewing risk management policies and reports. It operates under the administration of the Chief Risk Officer (CRO) and reports directly to the Risk Committee, the CEO, and the Board of Directors. The report outlining the continuous risk and capital management structure is available on the Bank's website: <https://www.brde.com.br/gestao-de-riscos/estrutura/>

In compliance with Central Bank of Brazil Resolution No. 54/2020, BRDE publishes its Pillar 3 Report, which provides a comprehensive set of information on its risk and capital management. By offering stakeholders broad access to risk and management data, BRDE aims to meet the recommendations of the Basel Committee on Banking Supervision, particularly regarding transparency, market discipline, and reducing information asymmetry. The Pillar 3 Report is available at: <https://www.brde.com.br/gestao-de-riscos/pilar-3/>

It is also available as open data according to specifications established by the Central Bank of Brazil: <https://dadosabertos.bcb.gov.br/dataset/pilar3>

Acknowledgements

The results presented to society in this report would not have been possible without the joint efforts of the Controlling States and representatives of civil society. In this context, the Board of Directors thanks the clients for trusting BRDE's support, the funding partners for their continued and growing collaboration in the development process, the Governments of the Controlling States, the Board of Directors, the support committees, and other partners for their confidence. Special thanks are also extended to all employees who contributed with dedication, commitment, and professionalism.

Porto Alegre, June 30, 2025.

Financial Statements

Banco Regional de Desenvolvimento do Extremo Sul – BRDE

June 30, 2025
with the Independent Auditor's Report



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A free translation from Portuguese into English of Independent Auditor's Report on financial statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN)

Independent auditor's report on financial statements

To the
Controlling Shareholders and Executive Board of
Banco Regional de Desenvolvimento do Extremo Sul – BRDE
Porto Alegre - RS

Opinion

We have audited the financial statements of Banco Regional de Desenvolvimento do Extremo Sul – BRDE ("Bank"), which comprise the statement of financial position as at June 30, 2025, and the statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the six-month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at June 30, 2025, six-month period then ended in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Absence of Comparative Amounts

We draw attention to Note 2 to the financial statements, which describes that these financial statements have been prepared in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil, considering the exemption from presenting, in the financial statements for the year ending in 2025, comparative amounts related to prior periods, as provided for in National Monetary Council (CMN) Resolution No. 4,966/2021. Our opinion is not modified in respect of this matter.



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Key audit matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the financial statements of the current six-month period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide an individual opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

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

Allowance for expected losses associated with credit risk

As disclosed in Notes 7 and 9 to the financial statements, the bank had, as at June 30, 2025, credit operations totaling R\$23,193,489 thousand, with a corresponding provision for expected credit losses amounting to R\$517,670 thousand. These provisions take into consideration the economic environment, historical experience, attached collateral, delays, and the history of renegotiations, in accordance with the parameters established by National Monetary Council (CMN) Resolution No. 4,966/21. The Bank also adopts an internal provisioning model based on several internal and external assumptions and factors, aimed at identifying, in advance, the deterioration of the related financial instruments.

We considered the provision for expected credit losses as one of the key audit matters due to the materiality of the amounts involved and because the classification of counterparties' risk levels, the assessment of collateral, and the current and prospective economic environment involve significant management judgment.

How our audit addressed this matter

Our audit procedures included, among others: obtaining an understanding of the parameters used in the Expected Credit Loss calculation, such as the probability of the instrument being characterized as a credit-impaired asset, the expected recovery of the financial instrument, the present value calculation, carrying amount, credit conversion factor, and effective interest rate, as developed by the Bank and related to the assumptions adopted by Management for provisioning expected credit losses, as well as testing their effectiveness; (ii) analyzing stage classifications, credit-impaired assets, homogeneous groups, portfolios, definitions of renegotiation and restructuring; (iii) assessing the collateral and monitoring renegotiated transactions performed by Management; (iv) analyzing the economic and financial assessment carried out by the Bank at the time of determining the counterparties' risk level, through a selected sample for testing; (v) recalculating the provision for expected credit losses based on the parameters established by CMN Resolution No. 4,966/21; (vi) reconciling accounting records with analytical controls; and (vii) analyzing the disclosures related to this matter in the financial statements made by the Bank's Management.



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Based on the results of the audit procedures performed on the expected credit loss provisions, which are consistent with Management's assessment, we consider that the criteria and assumptions adopted by Management, as well as the related disclosures in Notes 7 and 9, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Post-employment benefit plans

The Bank records actuarial liabilities related to post-employment benefit plans which, as mentioned in Note 17 to the financial statements, comprise pension benefits and health care programs, totaling R\$197.455 thousand as of June 30, 2025. This was considered a key audit matter given the materiality of the amounts involved and the complexity of the actuarial liability assessment models, which include the use of long-term assumptions, such as: general mortality, disability, medical costs, salary growth, family structure, discount rate, and inflation.

How our audit addressed this matter

With the support of our actuarial specialists, we conducted the following procedures, among others: analysis of the methodology and of the main assumptions used by the board of directors in assessing actuarial obligations arising from post-employment benefit plans; verification of the mathematical accuracy of the calculation of reserves; and analysis of the consistency of the results in relation to the parameters used in the assessments. Our audit procedures also included testing of the integrity of master record information used in actuarial projections and the sufficiency of disclosures related to post-employment benefit plans in the financial statements.

Based on the result of the audit procedures carried out on the post-employment benefit plans, which is consistent with the executive board's assessment, we consider that the criteria and assumptions for assessment of actuarial obligations adopted by the executive board, as well as the respective disclosures in Note 17 to the financial statements, are acceptable, in the context of the financial statements taken as a whole.

Recoverability of tax credits

As of June 30, 2025, the Bank records deferred tax assets in the amount of R\$444.891 thousand, as presented in Note No. 16 to the financial statements, consisting substantially of temporary differences in the calculation of the income and social contribution tax bases, arising substantially from losses on temporarily nondeductible credits, allowance for expected losses, and provision for contingencies and for post-employment benefits.

This was considered a key audit matter given the materiality of the recorded amount and the reasonable level of judgment required to determine assumptions about the Bank's future performance and in the study of realization of these assets, as described in Note 16 to the financial statements.



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How our audit addressed this matter

Among other procedures, we involved our tax specialists to validate the taxable bases and the changes in credit in accordance with current legislation. We also analyzed the methodology and assumptions used by the executive board in the study of realization of tax credits, including projections of future income, as well as compliance with the requirements of the Central Bank of Brazil. We verified the mathematical accuracy of the calculation and the consistency between the data used and the accounting balances, as well as consistency with previous assessments, reasonableness of the assumptions used, and sufficiency of the disclosures in explanatory notes.

Based on the results of audit procedures performed on tax credits, which are consistent with the executive board's assessment, we consider that the recorded balances and criteria and assumptions used in the study of realization of tax credits, including projections of future income, prepared by the executive board, as well as the respective disclosures in Note 16, are acceptable in the context of the financial statements taken as a whole.

Other matters

Statement of value added

The statement of value added (SVA) for the six-month period ended June 30, 2025, prepared under the responsibility of the Company's executive board and presented as supplementary information for purposes of the Central Bank of Brazil, were submitted to audit procedures conducted jointly with the audit of the Bank's financial statements. To form our opinion, we evaluated if this statement is reconciled to the financial statements and accounting records, as applicable, and if its form and content comply with the criteria defined in Accounting Pronouncement NBC TG 09 – Statement of Value Added. In our opinion, this statement of value added was prepared fairly, in all material respects, in accordance with the criteria defined in the abovementioned accounting pronouncement, and is consistent in relation to the financial statements taken as a whole.

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

The executive board is responsible for such other information, which comprises the Management Report.

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

In connection with our audit of the financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.



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Responsibilities of the executive board and those charged with governance for the financial statements

The executive board is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of the audit conducted in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.



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- Concluded on the appropriateness of the executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Brasília, September 03, 2025.

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC SP-015199/F

A handwritten signature in blue ink, reading 'Renata Zanotta Calçada', written in a cursive style.

Renata Zanotta Calçada
Accountant CRC - RS062793/O-8

BALANCE SHEET

ASSETS	Note	06/30/2025
Cash	5	70,078
Financial assets at fair value through profit or loss	6	4,058,881
Financial assets at fair value through other comprehensive income	7	241,151
Financial assets at amortized cost		23,314,037
Loans and other credit operations	8.1	23,193,489
Other financial assets	8.2	120,548
(-) Provision for expected losses related to credit risk	9	(517,670)
Other assets	10	59,765
Deferred tax assets	16.2	444,891
Fixed assets, net		39,575
Fixed assets in use		78,780
(-) Accumulated depreciation		(39,205)
Intangible assets, net		6,797
Intangible assets		54,326
(-) Accumulated amortization		(47,529)
TOTAL ASSETS		27,717,505
LIABILITIES	Note	06/30/2025
Financial liabilities at amortized cost		21,649,958
Deposits and funding	11	1,147,111
Domestic onlendings	12	16,318,826
Foreign borrowings and onlendings	12	3,687,321
Other financial liabilities	13	496,700
Other liabilities	14	306,653
Provisions	15	174,450
Deferred tax	16.2	139,562
Actuarial liabilities	17	197,455
TOTAL LIABILITIES		22,468,078
EQUITY	Note	06/30/2025
Capital	18.1	3,499,877
Profit reserves	18.2	1,781,847
Other comprehensive income		(32,297)
TOTAL EQUITY		5,249,427
TOTAL LIABILITIES AND EQUITY		27,717,505

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

STATEMENT OF INCOME

	Note	06/30/2025
Income from financial intermediation	19	1,539,568
Loans and other credit operations		1,312,712
Securities and derivative financial instruments		226,856
Expenses from financial intermediation	19	(745,832)
Funding		(64,100)
Borrowings and onlendings		(656,763)
Securities and derivative financial instruments		(24,969)
Net income from financial intermediation	19	793,736
(-) Provision for expected losses related to credit risk	9.3	11,761
Other operating income (expenses)		(199,789)
Income from services	20	29,025
Personnel expenses	21	(132,756)
Other administrative expenses	22	(49,478)
Tax expenses	23	(37,069)
Civil and labor claims		(16,267)
Other operating income (expenses)	24	6,756
Net income before tax and profit sharing		605,708
Income tax and social contribution	16.1	(270,277)
Current		(285,701)
Deferred	16.2	15,424
Profit sharing		(10,035)
NET INCOME		325,396
Basic and diluted earnings per share (lot of 1000 shares)		0.23

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

STATEMENT OF COMPREHENSIVE INCOME

	06/30/2025
Net income	325,396
Items that may be reclassified to the income statement	92
Financial assets at fair value through other comprehensive income	92
Change in fair value	92
Tax effect	-
Items that cannot be reclassified to the income statement	2,379
Post-employment benefits	2,379
Remeasurement of actuarial liabilities	3,565
Tax effect	(1,186)
Total other comprehensive income	2,471
TOTAL COMPREHENSIVE INCOME	327,867

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

STATEMENT OF CHANGES IN EQUITY

	Note	Capital	Profit reserves	Other comprehensive Income	Retained earnings	Total
Balances on 12/31/2024		2,487,333	2,043,333	(34,768)	-	4,495,898
Effects on the initial adoption of CMN Resolution No. 4,966	18.2		25,052			25,052
Balances on 01/01/2025		2,487,333	2,068,385	(34,768)	-	4,520,950
Changes to market value of securities				92		92
Actuarial valuation changes				2,379		2,379
Capital increase	18.1	1,012,544	(611,934)			400,610
Net income					325,396	325,396
Constitution of reserves			325,396		(325,396)	-
Balances on 06/30/2025		3,499,877	1,781,847	(32,297)	-	5,249,427

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

STATEMENT OF CASH FLOWS
06/30/2025

Cash flow from operating activities	
Income before income tax	605,708
Adjustments that do not affect cash flow from operating activities	25,391
Depreciation and amortization	3,548
Provision for expected losses related to credit risk	(11,761)
Provision for expected losses not related to credit risk	16,267
Provision for losses on other assets	3,801
Loss on sale of non-financial assets held for sale	166
Cost on actuarial liabilities	13,370
Changes in assets and liabilities	(705,117)
(Increase) / decrease in securities and derivative financial instruments	(233,738)
(Increase) / decrease in loans and other credit operations	(1,524,275)
(Increase) / decrease in other financial assets	2,889
(Increase) / decrease in other assets	(15,034)
Increase / (decrease) in financial liabilities	1,742,460
Increase / (decrease) in other liabilities	(496,315)
Increase / (decrease) in provisions and actuarial liabilities	(3,053)
Paid income tax and social contribution	(178,051)
Net cash generated from (used in) operating activities	(74,018)
Cash flow from investing activities	
Investment in intangible assets	(2,460)
Investment in fixed assets	(1,031)
Net cash generated from (used in) investing activities	(3,491)
Cash flow from financing activities	
Capitalized interest on equity and resources from Fundo Impulsiona Sul	200,610
Contribution to capital by partners	200,000
Net cash generated from (used in) financing activities	400,610
Increase / (decrease) in cash and cash equivalents	323,101
Changes in the financial position	
Cash and cash equivalents at the beginning of the period	1,506,349
Cash and cash equivalents at the end of the period	1,829,450
Increase / (decrease) in cash and cash equivalents	323,101

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

NOTES TO THE FINANCIAL STATEMENTS**1. OPERATING CONTEXT**

Banco Regional de Desenvolvimento do Extremo Sul (“BRDE”) is a privately held public financial institution established under the form of an agreement signed between its controlling States: Rio Grande do Sul, Santa Catarina and Paraná.

As a financial institution that drives regional development, BRDE aims to promote and lead actions to stimulate economic and social development, through planning and long-term technical and credit support, with the main activities:

- I. Loans and financing;
- II. Guarantee granting;
- III. Investments;
- IV. Services;
- V. Agreements of any nature;
- VI. Other modalities compatible with the nature of the institution and authorized by the Central Bank of Brazil.

As it has legal personality under private law, BRDE is subject to the rules applicable to private companies regarding labor, tax, civil and commercial obligations defined in the legal system, and as a financial institution BRDE is subject to the rules defined by the National Monetary Council – CMN and by the Central Bank of Brazil – BACEN.

BRDE is headquartered at Rua Uruguai, 155, Centro, Porto Alegre – RS, and has 1 operational agency in each capital of the controlling States: Porto Alegre, Florianópolis and Curitiba.

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**2.1 Approval and functional currency of Financial Statements**

The Financial Statements are presented in Real (R\$), which is the functional currency. Amounts are expressed in thousands of Reais, unless otherwise indicated.

These Financial Statements, after consideration by the Fiscal Council, Audit Committee and the Executive Board, were approved by the Board of Directors at a meeting held on September 3rd, 2025.

2.2 Basis of preparation and presentation of financial statements

The financial statements were prepared in accordance with BACEN and CMN regulations, and based on the provisions of the Brazilian Corporation Law, as long as they do not conflict with the regulations issued by regulatory bodies.

The presentation of the statements is in accordance with the Accounting Plan for Institutions of the Financial System – COSIF and with the pronouncements issued by the Accounting Pronouncements Committee – CPC, which were received by the regulatory bodies.

The Balance Sheet is presented in order of liquidity and enforceability, for the asset and liability accounts, respectively, as per the prerogative provided for in art. 23 of BACEN Resolution No. 2/2020, with the segregation of short- and long-term values presented in note 4.

On November 25, 2021, the National Monetary Council published CMN Resolution No. 4,966/21, effective January 1, 2025, establishing the accounting criteria applicable to financial instruments, incorporating the basic concepts of international standard IFRS 9 and CPC 48. The main impact of CMN Resolution No. 4,966/21 was to amend CMN Resolution No. 2,682/99, which defined the measurement basis for the provision for expected losses associated with credit risk based on the incurred loss concept. Additionally, BCB Resolution No. 352/23 defines specific criteria for recognizing, measuring, and providing for credit risk in financial instruments.

The accounting criteria arising from this Resolution were applied prospectively from its effective date, and the effects of adjustments arising from changes in accounting criteria methodology were recorded as a counterpart to Accumulated Profits and Losses, for their balance net of tax effects.

Following the guidelines of article 79 of CMN Resolution 4,966/21, during the fiscal year 2025, financial statements of previous periods will not be presented for comparative purposes.

3. MAIN ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents include cash in national and foreign currency, bank deposits and securities, among all those that make up the investment fund portfolio, whose maturities are up to 90 days and which present an insignificant risk of change in value.

3.2 Financial assets and liabilities

Financial assets and liabilities are recognized on the date of their acquisition, origination or issuance, at their transaction value or fair value, where applicable.

a. Financial assets

The classification and subsequent measurement is made based on the business model for managing financial assets and the contractual cash flow characteristics (SPPI test).

- Business model: refers to the way in which BRDE manages its financial assets to generate cash flow, which may be: (i) a business model whose objective is to maintain the assets in order to receive contractual cash flows; (ii) a business model whose objective is achieved both by receiving contractual cash flows and by selling them; (iii) other models.
- SPPI Test: assesses the cash characteristics of financial assets, with the aim of demonstrating whether the cash flows of these assets are solely formed by the payment of principal and interest.

Financial assets are classified into the following categories:

- Amortized cost (AC): financial assets that meet the SPPI test criteria, with the purpose to hold the assets to collect contractual cash flows. In this category, financial assets are initially recognized at fair value including transaction costs and subsequently accounted for at amortized cost using the effective interest rate.

- Fair value through other comprehensive income (FVOCI): financial assets that meet the criteria of the SPPI test, with the purpose to hold the assets to receive contractual cash flows or to sell them. Assets are initially and subsequently recognized at fair value plus transaction costs, and unrealized gains and losses (except expected credit losses, exchange differences, dividends, and interest income) are recognized in other comprehensive income.
- Fair value through profit or loss (FVPL): assets that do not meet the classification criteria of the previous categories or are designated at initial recognition as FVPL to eliminate or reduce accounting mismatches. They are initially and subsequently measured at fair value, with transaction costs and subsequent changes in fair value recognized directly in profit or loss for the period.

b. Financial liabilities

At BRDE, as a general rule, financial liabilities are classified at amortized cost, reflecting the expected contractual cash flow over time. Exceptions to the general rule are derivative liabilities, transactions involving loans or leases of financial assets, and liabilities resulting from the transfer of assets, which should be classified as fair value through profit or loss.

Credit commitments, credits to be released and financial guarantees granted follow specific recognition and measurement criteria, taking into account both the expectation of expected losses and the fair value at the initial moment.

c. Derivative financial instruments

BRDE's operations in the derivatives market are limited to swap transactions, exclusively to protect its active and passive positions.

Transactions involving derivative financial instruments are recorded at fair value, considering the mark-to-market methodologies adopted by BRDE. Gains and losses resulting from these transactions are recorded in the income statement.

BRDE adopts hedge accounting, in the fair value hedge category, for eligible swap transactions. Instruments classified in this category are intended to offset risks arising from exposure to changes in the market value of the hedged item, with the amounts of gains and losses, whether realized or not, recorded in the income statement.

The ineffective portion of the hedge is immediately recognized in the income statement.

Detailed information on the operations involved, their strategies, and risk management objectives, including their effectiveness, are documented from the beginning of the operations in order to highlight the main elements involved, namely: (i) hedging objective; (ii) documentary identification of the hedged risk and risk management; (iii) hedge classification and strategy; (iv) internal accounting procedures; (v) identification of the hedged object and instrument.

d. Fair value measurement

To measure fair value, BRDE classifies financial instruments according to the following hierarchy:

- Level 1: prices traded in active markets for the same financial instrument;
- Level 2: prices traded in active markets for similar financial instruments or based on a pricing model in which the significant parameters are based on observable data in active markets;
- Level 3: pricing models that use price references, rates and unobservable market data.

e. Effective interest rate

The effective interest rate is the rate that discounts payments received from estimated future cash flows over the expected life of the financial asset or liability.

The application of the effective interest rate occurs on the gross book value of the financial instrument, adjusted as follows:

- For financial assets, transaction costs individually attributable to the operation must be added and any amounts received upon acquisition or origination of the instrument must be deducted;
- For financial liabilities, transaction costs individually attributable to the operation must be deducted and any amounts received upon issuance of the instrument must be added.

After a technical study prepared for this purpose, BRDE adopted the materiality criterion provided for in art. 13 of BCB Resolution No. 352/2023 for attributable costs and revenues, so that its effective interest rate is equal to the contractual rate.

f. Provision for expected losses related to credit risk

CMN Resolution No. 4,966/2021 determines that the recognition of losses related to credit risk are currently based on a prospective model of expected losses. Due to its classification (S3 segment) BRDE is required to adopt the full methodology.

BRDE recognizes a provision for credit losses from the moment of initial recognition of the financial asset, based on the expectation of future loss. From this moment on, it assesses whether the credit risk has increased significantly individually and collectively, across homogeneous groups, resulting in the financial instrument being classified into one of the following stages:

- Stage 1: Financial instruments are allocated that are not characterized as financial assets with credit recovery problems upon initial recognition, and whose credit risk has not increased significantly after initial recognition.
- Stage 2: financial instruments whose credit risk has increased significantly in relation to that determined in the original allocation in the first stage and which are no longer characterized as assets with credit recovery problems are allocated; and

- Stage 3: Financial instruments with credit recovery problems, considered as problematic assets. This stage includes: (i) non-performing financial assets (more than 90 days past due); (ii) financial assets that indicate they have not fully honored their obligations; (iii) restructured financial assets.

For non-performing financial assets, a provision for incurred losses is recognized as part of the total expected provision. The level of provision for operations must correspond to the amount resulting from applying the percentages defined in Annex I of BCB Resolution No. 352/2023, considering the periods of delay and the portfolios defined by this Resolution, to the gross book value of the asset.

Recognizing revenue generated by impaired assets in the income statement for the period is prohibited (stop accrual). This revenue is recognized in the income statement upon actual receipt and does not apply to revenue generated by the recovery of written-off assets.

Regularization of the delay, in addition to other factors defined in the Policy approved by the BRDE Administration, justifies the reclassification of the operation to a lower risk category (cure).

BRDE, through internal statistical models, calculates expected losses, considering the following factors:

- PD – Probability of default occurring within a predetermined time window;
- EAD – Exposure at default;
- LGD (Loss given default) – Percentage of loss given the default event.

g. Write-off of financial instruments

The write-off of a financial asset, as defined in CMN Resolution No. 4,966/2021, occurs when:

- the contractual rights to the cash flows expire;
- the sale or transfer of this asset occurs;
- there is no longer any expectation of recovery.

According to the policy approved by the BRDE Administration, write-off occurs in the 21st month after being classified as defaulting (delay of more than 90 days), but the Bank maintains controls to identify the written-off financial assets until all collection procedures have been exhausted, observing a minimum period of 5 (five) years.

Financial liabilities are written off when extinguished, that is, when the obligation specified in the contract is settled, cancelled, matured or expired.

h. Recovery and restructuring

Renegotiation is an agreement that implies the modification of the originally agreed conditions of the instrument or the replacement of the original financial instrument by another, with partial or full settlement or refinancing of the respective original obligation.

Restructuring is a renegotiation that involves significant concessions to the counterparty due to a significant deterioration in its credit quality, which would not have been granted had such deterioration not occurred. In this case, the gross book value of the financial instrument must be revalued to represent the present value of the restructured contractual cash flows, discounted at the originally agreed effective interest rate or at the renegotiated interest rate. CMN Resolution No. 5,146/2024 allows, until December 2026, the use of the renegotiated effective interest rate.

3.3 Other assets

BRDE's other assets are basically formed by non-financial assets held for sale and prepaid expenses. Non-financial assets held for sale correspond to goods received in settlement of financial instruments that are difficult or doubtful to resolve and are not intended for own use, and goods for own use that are no longer usable and available for sale.

These assets are measured annually and if the amount determined is lower than the amount recorded, a provision is made for the impairment.

3.4 Fixed and intangible assets

Fixed assets are recorded at acquisition cost, less accumulated depreciation and adjusted to recoverable amount, when applicable. Depreciation is calculated using the straight-line method based on the useful lives of the assets.

Intangible assets refer primarily to software and usage rights, acquired or developed internally for the institution's maintenance or exercised for that purpose. They are stated at acquisition cost and other directly attributable costs, less accumulated amortization and adjusted for impairment, when applicable. Amortization of assets with finite useful lives is calculated using the straight-line method, based on their estimated useful life.

3.5 Income Tax and Social Contribution

The provision for Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) is composed of current taxes, which are paid in the applicable period, and deferred taxes, represented by deferred tax assets and liabilities, arising from temporary differences between the accounting and tax calculation basis of assets and liabilities, at the end of each period.

The IRPJ provision consists of a rate of 15% of taxable income, plus an additional 10%. The CSLL rate for BRDE is 20%.

The recognition of deferred IRPJ/CSLL tax assets and liabilities is based on the estimated realization date, as per a semi-annual technical study, considering the tax rates in effect during the year in which these assets are realized. Deferred tax assets are recorded based on the expected future results and comply with the recognition, maintenance, and write-off criteria established by CMN Resolution No. 4,842/2020. In the case of deferred tax liabilities, this legislation does not establish limits for recognition and maintenance, since their realization does not require future profits.

Deferred tax assets and deferred tax liabilities are subject to realization according to their origin.

Those arising from temporary differences are realized through the use or reversal of the provisions that served as the basis for their constitution, with the main realization criteria being:

- Provision for expected losses associated with credit risk:
 - a) credit reimbursement schedule; and
 - b) classification as losses in accordance with Law No. 14,467/2022;
- Other provisions: payment estimate date.

3.6 Contingent assets and liabilities

The recognition, measurement and disclosure of active and passive contingencies and legal obligations are carried out in accordance with the criteria defined in CMN Resolution No. 3,823/2009.

Contingent assets: contingent assets are not recognized in accounting, except when Management has total control of the situation or when there are real guarantees or favorable decisions, over which no further appeals can be made, characterizing the realization of the asset as practically certain.

Contingencies: basically arise from judicial and administrative proceedings, inherent to the normal course of business brought by third parties, former employees and public bodies, in civil, labor, tax and social security actions and other risks. These contingencies, consistent with conservative practices adopted, are evaluated by legal advisors and take into account the probability that financial resources will be required to settle the obligations and that their amount can be estimated with sufficient certainty. The values of contingencies are quantified using models and criteria that allow them to be measured appropriately, based on documentary or accounting support, or a history of similar facts, despite the uncertainty inherent to the term or value. Contingencies classified as probable are those for which provisions are set up; possible contingencies require only disclosure and remote contingencies do not require provisions or disclosure.

3.7 Post-employment benefits

The Bank is a sponsor of the Fundação BRDE de Previdência Complementar - ISBRE, whose main purpose is to maintain retirement and pension plans (note 17). The actuarial system for calculating the cost and contributions of the plans is capitalization, evaluated every six months by an independent actuary.

Actuarial gains or losses recognized for a given period correspond to increases or decreases in the present value of the defined benefit obligation due to changes in actuarial assumptions and adjustments based on experience.

Post-employment benefits are recognized in the income statement as follows:

- Cost of current service: increase in the plan commitment (actuarial liabilities) resulting from the service provided by the employee in the period, that is, due to the “acquisition” of the right for the time of service provision for another period.

- Cost of interest on the actuarial liability: defined as the increase, during the period, in the present value of the obligations as a result of the passage of time.

- Valuation adjustments in net equity: actuarial gains and losses, return on plan assets excluding amounts considered in defined benefit net interest and any change in the effect of the asset ceiling excluding amounts considered in defined benefit net interest.

In accordance with CPC 33 (R1), during the process of allocating a special reserve of a Benefit Plan, determined in accordance with rules issued by regulatory authorities, as a sponsor and in order to effectively represent the economic benefit entitled to BRDE at present value, the Bank constitutes an actuarial asset for this purpose.

3.8 Net income recognition

Revenues and expenses are recognized in profit or loss on an accrual basis, using the effective interest method, including income, charges, and monetary or exchange rate variations at official rates, applicable to current and long-term assets and liabilities. This also includes the effects of adjustments of assets to market or realizable value.

3.9 Non-recurring result

BRDE understands that a non-recurring result is one that is not related to the typical activities of the institution and is in some way not expected to occur with eventual frequency in future years. When this occurs, we demonstrate this result in an explanatory note.

4. CURRENT AND NON-CURRENT SEGREGATION

In compliance with art. 23 of BACEN Resolution No. 02/2020, we present, for balance sheet items, the current and non-current segregation.

ASSETS	Current	Non-current
Cash	70,078	-
Financial assets at fair value through profit or loss	4,005,821	53,060
Financial assets at fair value through other comprehensive income	129,628	111,523
Loans and other credit operations	3,570,124	19,623,365
Other financial assets	28,664	91,884
(-) Provision for expected losses related to credit risk	57,001	460,669
Other assets	47,240	12,525
Deferred tax assets	-	444,891
Fixed assets, net	-	39,575
Intangible assets, net	-	6,797
LIABILITIES	Current	Non-current
Deposits and funding	268,854	878,257
Domestic onlendings	2,518,610	13,800,216
Foreign borrowings and onlendings	277,898	3,409,423
Other financial liabilities	485,359	11,341
Other liabilities	284,553	22,100
Provisions	55,805	118,645
Deferred tax	-	139,562
Actuarial liabilities	-	197,455

5. CASH AND CASH EQUIVALENTS

	06/30/2025
Cash	70,078
Investment fund quotas	1,759,372
Total	1,829,450

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

6.1 Portfolio composition

	ACQUISITION	FAIR VALUE		BALANCE ON
	COST	Level 1	Level 2	06/30/2025
Fixed income investment fund quotas – note 5	1,759,372	1,759,372	-	1,759,372
Fixed income investment fund quotas ⁽¹⁾	1,775,763	2,017,582	-	2,017,582
Quotas of participation funds ⁽²⁾	36,892	44,058	-	44,058
Fixed income investment fund quotas – FSA resources	237,594	237,594	-	237,594
Derivative financial instruments – note 6.3	275		275	275
Total	3,809,896	4,058,606	275	4,058,881

(1) Of this amount, R\$ 9,002 are subject to labor lawsuits.

(2) They represent quotas of funds in participations or guarantors, which are managed by private institutions, with their quotas updated by the values disclosed by the respective administrators.

6.2 Financial assets at fair value through profit or loss by maturity

	Up to 1 year	From 1 to 3 years	Above 3 years	Total
Fixed income investment fund quotas	2,410,378	768,755	597,821	3,776,954
Quotas of participation funds	-	-	44,058	44,058
Fixed income investment fund quotas – FSA resources	18,900	47,458	171,236	237,594
Derivative financial instruments	-	275	-	275
Total – 06/30/2025	2,429,278	816,488	813,115	4,058,881

6.3 Derivative financial instruments

	06/30/2025
Assets	275
Swap contracts – not designated to hedge accounting	275
Liabilities	18,266
Swap contracts – designated to hedge accounting – note 6.2	18,145
Swap contracts – not designated to hedge accounting	121

6.4 Hedge accounting

BRDE has market value hedge structures to protect itself from the risks arising from exchange rate variations in the external funding operation (hedge object) carried out by BRDE with international financial institutions.

Protection occurs through swap contracts, under the following conditions:

- Asset index: Euro + SOFR + contractual rate;
- Liability index: Real + CDI + contractual rate.
- Frequency and maturity: identical to that of the hedge object.

Mark-to-market variations of hedge instruments and hedge objects in market value structures are recognized directly in profit or loss.

	Notional	Curve value	Market value adjustment	Market value
Instrument	180,894	16,370	1,775	18,145
Object	180,894	168,870	(1,704)	167,166

The effectiveness of the hedge structure is assessed at the time of designation and reviewed periodically at the time of accounting closing. The methodology adopted for effectiveness testing is based on the ratio between the fair value adjustment of the hedge instrument and the fair value adjustment of the hedge object, which allows BRDE to assess the market variation, net of accruals.

External funding protected by derivatives:

Institution	Contracted value ⁽¹⁾	Initial date	Final date	Indexer
EIB	€\$ 6,707	02/25/2021	09/10/2025	EUR + 0.65% per year
CAF	U\$ 30,000	04/10/2025	02/15/2028	SOFR 6M+1.3% per year

(1) amount expressed in thousands in the contractual currency.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME
7.1 Portfolio composition

	ACQUISITION	FAIR VALUE		ACCOUNTING
	COST	Level 1	Level 2	BALANCE
Financial Treasury Letter - LFT	230,831	241,151	-	241,151
Total	230,831	241,151	-	241,151

7.2 financial assets at fair value through other comprehensive income by maturity

	Up to 1 year	From 1 to 3 years	Above 3 years	Total
Financial Treasury Letter - LFT	129,628	84,091	27,432	241,151
Total – 06/30/2025	129,628	84,091	27,432	241,151

8. FINANCIAL ASSETS AT AMORTIZED COST
8.1 LOANS AND OTHER CREDIT OPERATIONS
a. Composition by type of operation and stage

ASSETS	06/30/2025			
	Stage 1	Stage 2	Stage 3	Total
Loans	1,853,039	170,695	71,474	2,095,208
Financing	9,247,090	928,397	492,018	10,667,505
Rural financing	9,491,220	662,591	66,521	10,220,332
Total loans and other credit operations	20,591,349	1,761,683	630,013	22,983,045
Interbank onlendings	57,761	-	-	57,761
Honored sureties and guarantees	1,072	-	1,086	2,158
Securities with credit characteristics	88,019	-	-	88,019
Term sale of non-financial assets	56,375	6,056	75	62,506
Total operations with credit characteristics	203,227	6,056	1,161	210,444
Total portfolio	20,794,576	1,767,739	631,174	23,193,489

b. Changes in the credit portfolio

ASSETS	Stage 1	Stage 2	Stage 3	Total
Balances on 01/01/2025	20,958,562	88,965	621,687	21,669,214
Net constitution / (reversal)	982,486	602,613	(60,824)	1,524,275
Write-off	-	-	-	-
Changes in stages:	<u>(1,146,472)</u>	<u>1,076,161</u>	<u>70,311</u>	-
between stages 1 and 2	(1,116,210)	1,116,210	-	-
between stages 1 and 3	(30,262)	-	30,262	-
between stages 2 and 3	-	(40,049)	40,049	-
Balances on 06/30/2025	20,794,576	1,767,739	631,174	23,193,489

c. Composition by maturity

	Stage 1	Stage 2	Stage 3	Total
Up to 1 year	3,307,554	173,727	88,843	3,570,124
From 1 to 5 years	10,104,425	757,788	163,472	11,025,685
Above 5 years	7,382,597	836,224	378,859	8,597,680
Total loans and other credit operations	20,794,576	1,767,739	631,174	23,193,489
Overdue for more than 30 days	0,00	40,086	202,234	242,320

d. Concentration by economic activity sector

	06/30/2025	%
Public sector	<u>1,438,315</u>	<u>6.20%</u>
Private sector	<u>21,755,174</u>	<u>93.80%</u>
Farming and cattle raising	5,992,484	25.84%
Industry	5,183,385	22.35%
Infrastructure	4,651,381	20.05%
Commerce	3,708,059	15.99%
Services	937,716	4.04%
Tourism	387,281	1.67%
Health	223,179	0.96%
Financial intermediation	304,143	1.31%
Sports, recreation and leisure	203,361	0.88%
Food supply	85,089	0.34%
Education	79,096	0.37%
Total portfolio	23,193,489	100%

e. Concentration by client

	06/30/2025	%
Largest debtor	392,037	1.69%
Next 10 largest debtors	2,349,116	10.13%
Next 20 largest debtors	2,715,821	11.71%
Next 50 largest debtors	3,471,000	14.97%
Next 100 largest debtors	3,006,634	12.96%
Other debtors	11,258,881	48.54%
Total portfolio	23,193,489	100%

f. Write-off and recovery of financial instruments

In the first half of 2025, no financial instruments were written off.

	06/30/2025	%
Restructured	5,335	76.73%
Renegotiated	1,598	23.27%
Total financial instruments recovered	6,953	100%

8.2 OTHER FINANCIAL ASSETS

	06/30/2025
Income receivable	14,204
Guarantee deposits	73,932
Actuarial assets – post-employment benefit	24,480
Advances and salary anticipations	5,722
Other financial assets	2,210
Total	120,548

9. PROVISIONS FOR EXPECTED LOSSES RELATED TO CREDIT RISK

9.1 Composition of the provision by portfolio stage

ASSET	Stage 1	Stage 2	Stage 3	Total
Loans	8,334	1,012	51,411	60,757
Financing	34,216	8,112	348,205	390,533
Rural financing	14,325	3,526	47,106	64,957
Operations with credit characteristics	266	28	1,129	1,423
Total expected loss – 06/30/2025	57,141	12,678	447,851	517,670

9.2 Changes in portfolio provision

ASSET	Stage 1	Stage 2	Stage 3	Total
Balances on 01/01/2025	63,855	1,349	460,796	526,000
Net constitution / (reversal)	(28,845)	8,326	12,189	(8,330)
Changes in stages:	<u>22,131</u>	<u>3,003</u>	<u>(25,134)</u>	-
between stages 1 and 2	(1,492)	1,492	-	-
between stages 1 and 3	23,623	-	(23,623)	-
between stages 2 and 3	-	1,511	(1,511)	-
Balances on 06/30/2025	57,141	12,678	447,851	517,670

9.3 Expense (income) from provision for expected losses related to credit risk

	Total
Provision balance – asset and liability - 01/01/2025	535,285
Constitution (reversal) of provision on credit portfolio	(8,330)
Constitution (reversal) of provision on financial guarantees granted	(3,454)
Constitution (reversal) of provision on credits to be released	23
Total constituted (reversed) provision in the semester	(11,761)
Provision balance – asset and liability - 06/30/2025	523,524

10. OTHER ASSETS

	06/30/2025
Prepaid expenses	6,268
Works of art	271
Non-financial assets held for sale - received	66,137
Impairment of non-financial assets	(12,911)
Total	59,765

11. DEPOSITS AND FUNDING

	Up to 1 year	From 1 to 3 years	Over 3 years	Total
Time deposits – CDB and RDB	106,327	1,892	13,663	121,882
Agribusiness letters of credit - LCA	16,511	383,034	-	399,545
Development letters of credit – LCD	146,016	139,048	296,819	581,883
Financial letters – LF	-	43,801	-	43,801
Total – 06/30/2025	268,854	567,775	310,482	1,147,111

12. BORROWINGS AND ONLENDINGS

	Up to 1 year	From 1 to 5 years	Over 5 years	Total
Domestic	2,518,610	8,261,805	5,538,411	16,318,826
BNDES	1,671,987	5,430,553	3,910,941	11,013,481
FINAME	342,342	1,225,793	412,196	1,980,331
FINEP	217,961	952,881	270,333	1,441,175
BB	80,773	174,013	179,590	434,376
CEF	83,608	183,230	447,659	714,497
FUNGETUR	100,259	284,716	303,518	688,493
Other	21,680	10,619	14,174	46,473
Foreign	277,898	1,255,456	2,153,967	3,687,321
AFD	113,593	498,844	625,602	1,238,039
CAF	99,360	324,388	15,818	439,566
EIB	38,745	175,218	208,549	422,512
NDB	6,387	94,805	662,075	763,267
IDB	14,712	130,316	557,089	702,117
BIRD	5,101	31,885	84,834	121,820
Total – 06/30/2025	2,796,508	9,517,261	7,692,378	20,006,147

Agence Française de Développement (AFD), New Development Bank (NDB), Inter-American Development Bank (IDB) and International Bank of Reconstruction and Development (BIRD) – onlending operations in which the effects of exchange rate variations are passed on to the final customer;

Corporación Andina de Fomento (CAF) – borrowing operations with resources internalized in Reais (offshore swap);

European Investment Bank (EIB) – BRDE has a loan operation, for which it contracted a swap (note 6.4). The remaining operations are onlendings and the effects of exchange rate variations are passed on to the final customer.

13. OTHER FINANCIAL LIABILITIES

	06/30/2025
Derivative financial instruments (note 6.3)	18,266
Fundo Setorial do Audiovisual (FSA) ⁽¹⁾	228,448
Ministry of Tourism – FUNGETUR ⁽²⁾	60,465
Fundo Impulsiona Sul ⁽³⁾	179,442
Client values to be regularized ⁽⁴⁾	10,079
Total	496,700

(1) These are resources, managed by BRDE, destined for the production chain of audiovisual activity in Brazil.

(2) Resources made available by the Ministry of Tourism for financing operations related to the main activity.

(3) Resources from the interest on equity of the controlling States destined for Fundo Impulsiona Sul (note 25.d).

(4) amounts received from clients in advance of credit renegotiations, pending formalization, and replacement of contracted guarantees.

14. OTHER LIABILITIES

	06/30/2025
Payable taxes and contributions	262,108
Profit sharing and payable results	10,035
Guarantee fund honors	22,099
Other	12,411
Total	306,653

15. PROVISIONS

Provisions composition:

	06/30/2025
Provisions for contingencies (note 15.1)	116,000
Provision for payments to be made ⁽¹⁾	52,596
Provision for financial guarantees granted ⁽²⁾	360
Provision for credits to be released ⁽³⁾	5,494
Total	174,450

(1) Of this amount, R\$38,864 is related to the provisioning of personnel expenses (vacation, 13th salary, bonus leave, among others) and R\$12,705 refers to the compensation to be paid to employees who joined the voluntary dismissal program (PDV).

(2) the guaranteed amount is R\$ 259,517. All financial guarantee operations granted have a real guarantee.

(3) Provision constituted on the balance of contracted operations, which total R\$ 1,510,253, whose resources have not yet been released to clients.

15.1 Provision for contingencies

	Labor	Civil	Total
Initial balance – 01/01/2025	36,629	75,463	112,092
Constitution	1,066	-	1,066
Adjustment / Interest	1,228	3,664	4,892
Write-off by reversal	(174)	(8)	(182)
Write-off by payment	(1,039)	(829)	(1,868)
Final balance – 06/30/2025	37,710	78,290	116,000

According to note 3.6, the amount of labor provision refers to actions classified as probable loss. Furthermore, there are labor claims considered as possible loss by the bank's legal advisors in the amount of R\$ 26,866.

The civil provisions refer to the following facts:

- R\$ 63,014 refer to attorney's fees due to loss;
- R\$ 4,783 refer to lawsuits filed by debtors seeking compensation; and
- R\$ 10,493 refer to embargoes filed by a debtor against execution of default.

Of the total provision for civil lawsuits, the amount of R\$ 68.075 has been deposited for legal guarantee. Additionally, there are other civil actions classified as possible loss amounting to R\$ 6,620.

During the 2017 financial year, BRDE was fined by the Brazilian Federal Revenue Service for excluding active monetary variations arising from judicial deposits of a civil nature from the IRPJ and CSLL calculation basis. The process is in the administrative phase and according to our legal advisors, the probability of loss is possible and its value is R\$ 32,307.

16. INCOME TAX AND SOCIAL CONTRIBUTION**16.1 Calculation of income tax and social contribution**

Demonstration of the calculation of IRPJ and CSLL in the period.

	06/30/2025
Net income before tax and profit sharing	605,708
Profit sharing	(10,035)
Net income before tax	595,673
Current rates	45%
IRPJ and CSLL at current rates	(268,053)
Effects on tax calculation:	
Effects on tax calculation:	(17,855)
Interest on equity	-
Tax incentives	103
Other	104
Current IRPJ and CSLL	(285,701)
Deferred IRPJ and CSLL	15,424
Total IRPJ and CSLL recorded in the income statement	270,277

16.2 Deferred income tax and social contribution

The effective date of CMN Resolution No. 4,966/2021 and Law No. 14,467/2022, starting on 01/01/2025, had the following impacts:

- Changing the calculation of expected losses associated with credit risk, which are not deductible for calculating income tax and social contributions; and
- Losses determined on January 1, 2025, related to credits that were in default on December 31, 2024, which have not been deducted up to that date and which have not been recovered, should be excluded from net profit, in determining real profit and the CSLL calculation basis, at a rate of 1/84 (one eighty-fourth) for each month of the calculation period, starting in January 2026.

a) Changes in deferred tax credits and debts

DEFERRED ASSET	01/01/2025	Constitution	Reversal	06/30/2025
Effect on net income	429,083	112,838	(113,983)	427,938
Provision for expected loss related to credit risk	216,059	85,050	(101,461)	199,648
Provision for contingencies	50,442	3,147	(1,389)	52,200
Provision for medical assistance	33,403	3,771	(2,203)	34,971
Transition credits Law 14,467 – written-off	106,044	-	-	106,044
Transition Credits Law 14,467 – default 12/31/24	18,579	-	-	18,579
Other	4,556	20,870	(8,930)	16,496
Effect on equity	18,051	2,165	(3,263)	16,953
Provision for medical assistance	18,051	2,165	(3,263)	16,953
Total – deferred asset	447,134	115,003	(117,246)	444,891
DEFERRED LIABILITY	01/01/2025	Constitution	Reversal	06/30/2025
Effect on net income	145,115	18,588	(35,157)	128,546
Renegotiations taxed upon receipt	121,652	16,767	(34,246)	104,173
Update of judicial deposits	23,463	1,821	(911)	24,373
Effect on equity	10,928	88	-	11,016
Actuarial asset – post-employment benefit (PB I)	10,928	88	-	11,016
Total – deferred liability	156,043	18,676	(35,157)	139,562

b) Expectation of realization of deferred tax assets and liabilities

Year of realization	Deferred tax assets			Deferred tax liabilities		
	Current value	Present value	%	Current value	Present value	%
2025	35,199	33,701	7.91%	3,365	3,221	2.41%
2026	93,953	82,611	21.12%	31,150	27,389	22.32%
2027	47,767	38,572	10.74%	9,072	7,326	6.50%
2028	35,690	26,467	8.02%	6,950	5,154	4.98%
2029	34,348	23,392	7.72%	9,166	6,243	6.57%
2030 to 2034	197,934	100,993	44.49%	23,818	12,716	17.07%
After 2034	-	-	-	56,041	27,147	40.15%
Total	444,891	305,736	100%	139,562	89,196	100%

c) Unrecognized deferred tax assets

Credits and liabilities were classified according to expected realization, with those tax credits expected to be realized over a period of more than 10 years, not recognized in the balance sheet as of June 30, 2025 totaling R\$ 43,117.

17. POST-EMPLOYMENT BENEFITS

The Bank offers pension benefit plans and a health care program that are classified as post-employment benefit plans, in accordance with Technical Pronouncement CPC 33 (R1) – Employee Benefits, approved by CMN Resolution No. 4,877/2020.

The accounting of post-employment liabilities/assets and respective expenses/revenues related to post-employment benefit plans is carried out in accordance with the referred Technical Pronouncement and with a report prepared by independent actuaries for June 30, 2025.

17.1 Characteristics of benefit plans

17.1.1 – Pension benefit plans

BRDE is a sponsor of the Fundação BRDE de Previdência Complementar – ISBRE, a closed, non-profit complementary pension entity, created with the aim of offering employees of its sponsors, BRDE and ISBRE itself, supplementary benefits to those of the Official Pension, in special retirement and pension supplementation. The Bank participates in the governance of ISBRE through the appointment of members of the Foundation's Deliberative Council and Fiscal Council.

ISBRE operates within the regulatory structure of the closed supplementary pension system, with the National Complementary Pension Council (CNPC) as its regulatory body and the National Complementary Pension Superintendence (PREVIC) as supervisor, considering the standards issued by these bodies, as well as the provisions of Complementary Law No. 108/2001 and Complementary Law No. 109/2001 and the guidelines established by the National Monetary Council (CMN) for the application of plan guarantee resources. ISBRE manages two pension benefit plans, both sponsored by BRDE:

Benefit Plan I (PB I): structured in the Defined Benefit modality, in which the level of benefits granted by the Plan is determined in advance and depending on the participant's salary in the activity phase, it is closed to new adhesions. The majority of the group of participants is in the inactive phase, and the participants still active have already met, for the most part, the necessary requirements for eligibility to begin retirement under the Plan.

PB I exposes the Bank to risks related to longevity, due to the payment of lifetime benefits, and interest rates. PB I is in a surplus situation, determined in accordance with local rules issued by CNPC and PREVIC, with surplus resources allocated to the Contingency Reserve and the excess of the limit established by law to the Special Reserve. According to the decision of the ISBRE Deliberative Council, the process of allocating the PB-I Special Reserve was approved as of 12/31/2024, in accordance with local rules issued by the CNPC and Previc.

On 06/30/2025, the Bank is a sponsor of 44 active participants (12/31/2024 - 44), 376 retirees (12/31/2024 - 378) and 101 pensioners (12/31/2024 - 104).

Benefit Plan II (PB II): implemented in the first half of 2002, structured in the Variable Contribution modality, in which the programmed lifetime income benefits are determined on the date the benefit is granted based on the capitalized amount of BRDE and participants' contributions in individual account balances. The majority of the group of participants is in the activity phase.

PB II exposes the Bank to risks related to longevity, due to the payment of lifetime benefits, and interest rates, although to a lesser extent than PB I, due to its structure in the Variable Contribution modality, in which during the period of activity, contributions are allocated to individual accounts and there are only risks arising from the probability of death or disability of participants.

On 06/30/2025, the Bank is a sponsor of 404 active participants (12/31/2024 - 406), 6 retirees (12/31/2024 - 6) and 15 pensioners (12/31/2024 - 15).

Due to paragraph 3 of art. 202 of the Federal Constitution, BRDE is limited to making contributions to ISBRE of, at most, the same value as the contributions made by participants. In PB I, contributions made by BRDE are equal to those made by its employees, even inactive ones. In PB II, contributions made by BRDE are equal to those made by its employees up to a pre-determined level, in compliance with the Regulations and the annual funding plan. No normal contribution is foreseen for those benefiting from Benefit Plan II.

As part of the management of pension benefit plans, ISBRE implements asset/liability comparison strategies by carrying out annual Asset and Liability Management – ALM studies, as well as carrying out periodic adherence studies of the actuarial tables used in projections of cash flows with future payment of benefits.

17.1.2 – Health assistance program - PAS

BRDE offers its retired employees, members of Personnel Regulation I, as well as their respective dependents and active employees, a Health Assistance Program (PAS) with partial reimbursement of medical expenses. PAS is operationalized through health insurance administered by the operator Unimed Seguro Saúde S/A, in Outpatient and Hospital modalities with national coverage. PAS beneficiaries are also former employees who receive supplementary retirement benefits from ISBRE's PB I, and their respective dependents, as well as dependents of deceased employees, reflecting the need for recognition of post-employment liabilities by BRDE.

PAS is structured in a post-payment modality, offering lifetime health care coverage for policyholders, who are also assisted by ISBRE, and their dependents. Therefore, the Program exposes the Bank to risks related to longevity, due to lifetime coverage, interest rates and increased medical costs.

On 06/30/2025, the total number of beneficiaries with post-employment coverage is 813 (31/12/2024 - 807).

17.2 Net value of defined benefit liability (asset)

17.2.1 – Defined benefit liability (asset)

	PB I	PB II	PAS
Present value of actuarial liabilities	804,373	28,517	197,455
Fair value of plan assets	(1,007,989)	(36,702)	-
Deficit (surplus)	(203,616)	(8,185)	197,455
Effect of asset ceiling	179,136	8,185	-
Net actuarial liabilities (assets)	(24,480)	-	197,455

The ISBRE Deliberative Council approved the process of allocating the PB-I Special Reserve, calculated according to local rules issued by the CNPC and Previc.

The Asset Ceiling is defined by CPC 33(R1) as “the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan”. Thus, considering the surplus distribution process of the PB-I plan in progress (as per the decision of the ISBRE Deliberative Council, dated December 12, 2024) and the use of part of the resources to partially cover the contributions due by the Bank to ISBRE (PB-I), the present value of the economic benefit was determined on 06/30/2025 considering the value of the Plan Review Pension Fund (sponsors' portion) on 05/31/2025 in proportion to the actuarial obligations of the sponsor BRDE in relation to the total actuarial obligations of the plan.

The application of these criteria aimed to estimate the present value of economic benefits available to the company in the form of reductions in future contributions to the plan, as defined in CPC 33 (R1), resulting in an Asset Ceiling of R\$ 24,480.

17.2.2 – Reconciliation of the present value of actuarial obligations

	PB I	PB II	PAS
Actuarial obligations at the beginning of the period	773,474	25,651	194,123
Net cost of current service	8	573	44
Contributions from participants in the period	363	-	-
Interest expenses	47,585	1,593	11,884
Benefits paid in the period	(41,887)	(652)	(5,031)
(Gains)/losses – changes in demographic assumptions	23,303	-	(1,413)
(Gains)/losses – changes in financial assumptions	-	2,072	6,375
(Gains)/losses – adjustments by experience	1,527	(719)	(8,527)
Actuarial obligations at the end of the period	804,373	28,518	197,455

17.2.3 – Reconciliation of fair value of assets

	PB I	PB II
Fair value of assets at the beginning of the period	(1,093,188)	(34,107)
Benefits paid in the period	41,887	652
Contributions from participants in the period	(363)	-
Contributions from the employer in the period	(5,133)	(1,254)
Interest income	(68,642)	(2,205)
Return on assets below (above) interest income	117,450	212
Fair value of assets at the end of the period	(1,007,989)	(36,702)

17.2.4 – Reconciliation of effect of asset ceiling

	PB I	PB II
Effect of asset ceiling at the beginning of the period	295,431	8,456
Interest expenses	19,187	539
Changes in the effect of asset ceiling	(135,482)	(810)
Effect of asset ceiling at the end of the period	179,136	8,185

17.3 Recognition of defined benefit costs

According to item 120 of CPC 33(R1), BRDE must recognize the cost of the service and net interest on the net value of actuarial liabilities (assets) in profit or loss and the remeasurements of the net value of liabilities (assets) in other comprehensive income.

The following table presents the recognition of the defined benefit cost components in profit or loss and other comprehensive income, as well as the reconciliation of the net actuarial liability (asset).

	PB I	PB II	PAS
Net actuarial liabilities/(assets) at the beginning of the period	(24,283)	-	194,123
Net cost of current service	8	573	44
Interest expenses – present value of actuarial liabilities	47,585	1,593	11,884
Interest expenses – effect of asset ceiling	19,187	539	-
Interest income – fair value of assets	(68,642)	(2,205)	-
Expenses/(income) through profit or loss	(1,862)	500	11,928
(Gains)/losses on present value of actuarial liabilities	24,830	212	(3,565)
Changes in the effect of asset ceiling	(135,482)	(810)	-
Return on assets below/(above) interest income	117,450	1,352	-
Remeasurements in other comprehensive income	6,798	754	(3,565)
Contributions from the Bank in the period	(5,133)	(1,254)	(5,031)
Net actuarial liabilities/(assets) at the end of the period	(24,480)	-	197,455

17.4 Composition of fair value of assets

The PB I and PB II plans maintain assets that are used to fully or partially cover actuarial obligations. The table below shows the composition of the plans' investment portfolio into classes according to the nature and risk of these assets.

	PB I	PB II
Cash and cash equivalents	0.00%	0.00%
Fixed income	79.80%	79.13%
Variable income	3.43%	3.35%
Real estate	0.61%	0.09%
Structured	9.27%	9.52%
Loan portfolio	0.53%	2.25%
Other	6.36%	5.66%

17.5 Actuarial assumptions

The measurement of the Bank's liability with post-employment benefit plans requires the adoption of long-term actuarial and financial estimates and assumptions, as well as the application and interpretation of current regulatory standards. Therefore, the use of estimates and assumptions may result in divergences between the value recorded and the amount actually realized, causing negative or positive impacts on the Bank's operations.

The discount rates, in real terms, were calculated considering the interpolation of reference rates from the IMA-B index, published by ANBIMA, according to the duration of each post-employment benefit plan: 7.10 years for PB I, 16.91 years for PB II and 10.25 years for PAS.

The following table presents the actuarial assumptions used to determine the present value of the actuarial liability.

	PB I	PB II	PAS
Real actuarial discount rate	7.21%	6.97%	7.04%
Expected real return on assets	7.21%	6.97%	7.04%
Real salary growth rate for active employees	2.74%	*	N/A
Capacity factor on benefits	98.20%	100.00%	100.00%
Capacity factor on salaries	98.20%	100.00%	100.00%
Expected inflation rate	5.20%	5.20%	5.20%
Nominal discount rate	12.78%	12.53%	12.61%
Expected nominal return on assets	12.78%	12.53%	12.61%
Nominal salary growth rate for active employees	8.08%	*	N/A
Nominal growth in plan benefits during receipt	5.20%	5.20%	5.20%
General mortality table	AT 2012. gender specific		
Mortality table (disabled)	AT 49. gender specific		
Disability entry table	Álvaro Vindas		
Annual turnover rate	Null		
Retirement entry	100% when eligible	100% when eligible for the scheduled benefit	Male: 65 years Female: 62 years
Family composition	Average family For retirees and pensioners. real family (as registered)		Real family (as registered)
HCCTR ("medical inflation")	N/A	N/A	4.10%
Aging factor	N/A	N/A	Up to 24 years: 1.50% From 25 to 54 years: 2.50% From 55 to 79 years: 4.50% 80 years or more: 2.50%
Take up	N/A	N/A	100.00%

* according to individually projected salary progression, considering BRDE's job and salary plan

17.5.1 – Sensitivity analysis of actuarial assumptions

The table below presents a sensitivity analysis of significant actuarial assumptions, in relation to the effect on the present value of the actuarial liability in the event of a change in assumption, considering reasonably possible variations at the actuarial valuation date.

Assumption	Sensitivity Analysis	Impact (in thousands of Reais)			Impact %		
		PB I	PB II	PAS	PB I	PB II	PAS
Discount rate	Increase of 0.5%	(26,384)	(2,196)	(9,258)	(3.28%)	(7.70%)	(4.69%)
	Decrease of 0.5%	28,091	2,473	10,037	3.49%	8.67%	5.08%
Life expectancy	Increase of 1 year	20,005	(259)	9,390	2.49%	(0.90%)	4.76%
	Decrease of 1 year	(20,437)	284	(9,303)	(2.54%)	1.00%	(4.71%)
HCCTR	Increase of 0.5%	-	-	10,447	-	-	5.29%
	Decrease of 0.5%	-	-	(9,704)	-	-	(4.91%)

17.6 Future cash flows
17.6.1 – Cash flow occurred in the period and expected for the next period

	Expected for December 2025			Occurred in June 2025		
	PB I	PB II	PAS	PB I	PB II	PAS
Contributions from the employer	9,604	2,448	14,522	5,133	1,254	5,031
Contributions from participants	377	-	-	363	-	-
Benefits paid by the plan	87,469	1,496	14,522	41,887	652	5,031

17.6.2 – Maturity profile of the actuarial liability

The amounts presented in the table below, in millions of Reais, represent the expected payment of benefits under the pension benefit plans and, in the case of PAS, cash expenditure by the Bank to cover obligations.

	PB I	PB II	PAS
Next 5 years	426	365	663
From 6 to 10 years	9	13	116
After 10 years	64	52	82

18. EQUITY

18.1 Capital

The subscribed and paid-up capital is represented by 3,499,877,000 common shares with a nominal value of R\$ 1.00 per share and is divided in equal portions between the States of Rio Grande do Sul, Santa Catarina and Paraná. These portions are paid by incorporating any financial contributions and the results generated in each participating State, which are calculated and controlled separately. In the first half of 2025 the following capital increases occurred:

	Capital
Balance on 12/31/2024	2,487,333
Increase by incorporation of profit reserves	611,934
Increase by incorporation of interest on equity	158,787
Increase by partial incorporation of Fundo Impulsiona Sul	41,823
Increase by financial contribution from partner ⁽¹⁾	200,000
Balance on 06/30/2025	3,499,877

(1) Resources transferred to BRDE in December 2024 as an allocation for future capital increase, effective in June 2025, after authorization from the Central Bank of Brazil.

18.2 Profit reserves

BRDE's profit reserves are formed by the historical amount arising from the accumulation of results generated by the Bank, discounting the portions that are subject to capitalization or distribution to controlling shareholders in the form of Interest on Equity.

As determined by the sole paragraph of art. 70 of CMN Resolution No. 4,966/21, the effects of the adjustments resulting from the initial adoption of said Resolution must be recorded in Equity, at the net value of tax effects, with its effects, on 01/01/2025, being the following:

	12/31/2024	01/01/2025	Variation
Expected losses related to credit risk	580,508	(535,285)	45,223
Tax credits on expected losses	(254,988)	234,638	(20,350)
Unrecognized revenue between the 61st and 90th day of overdue	-	179	179
Initial effect on equity			25,052

19. NET INCOME FROM FINANCIAL INTERMEDIATION

	06/30/2025
Income from loans	158,727
Income from financing	606,196
Income from rural financing	384,863
Income from operations with credit characteristics	16,211
Income from recovery of written-off credits	146,715
Income from fixed income securities	13,465
Income from investment fund quotas	207,396
Income from derivative financial instruments	5,995
Total income from financial intermediation	1,539,568
Expense with funding – time deposits	(7,506)
Expense with funding – LCA	(23,632)
Expense with funding – LCD	(29,662)
Expense with funding – other	(3,300)
Expense with domestic onlendings	(512,141)
Expense with foreign borrowings and onlendings	(144,622)
Expense with derivative financial instruments	(24,969)
Total expense with financial intermediation	(745,832)
Net income from financial intermediation	793,736

20. INCOME FROM SERVICES

	06/30/2025
Analysis fee	11,500
Inspection and monitoring fee	6,044
Registration fee	1,628
Early settlement fee	2,886
Fee for changing or structuring guarantees	507
Fee for preparing an opinion/report/technical study	488
Fee for providing financial guarantees	3,189
FSA administration compensation	2,403
Other fees and income	380
Total	29,025

21. PERSONNEL EXPENSES

	06/30/2025
Salaries	78,710
Social charges	35,097
Benefits	12,821
Fees	3,602
Other expenses	2,526
Total	132,756

22. OTHER ADMINISTRATIVE EXPENSES

	06/30/2025
Rent, water and energy	2,153
Communications	864
Assets maintenance and conservation	1,622
Data processing	12,733
Promotions and public relations	1,222
Advertising	2,451
Financial system services	1,265
Third party services	4,177
Specialized technical services	6,458
Surveillance and security	699
Transport and travel	4,779
Judicial and notary fees	659
Statutory expenses (CODESUL)	3,132
Depreciation and amortization	3,548
Other administrative expenses	3,716
Total	49,478

23. TAX EXPENSES

	06/30/2025
ISS	1,307
COFINS	28,887
PIS/PASEP	4,693
Other tax expenses	2,182
Total	37,069

24. OTHER OPERATING (EXPENSES)/INCOME

	06/30/2025
Exchange rate variation on cash	(5)
Exchange rate variation on loans and other credit operations	(50,065)
Exchange rate variation on borrowings and onlendings	60,682
Income / (expense) from exchange rate variation	10,612
Fair value adjustment	(4,370)
Fair value hedge adjustment	2,330
Update on judicial deposits	2,715
Interest on actuarial liabilities	(13,370)
Partial sale of written off credit operations ⁽¹⁾	14,280
Discounts granted in renegotiation	(4,017)
Other income (expenses)	(1,424)
Total	6,756

(1) This involves the assignment of overdue credits that are fully written-off as losses, without co-obligation, arising from their credit operations to buyers not characterized as related parties.

25. RELATED PARTIES**a) Fundação BRDE de Previdência Complementar – ISBRE**

The relationship between BRDE and ISBRE takes place through the following events:

- BRDE rents rooms owned by the ISBRE Foundation for use in its operational activities;
- Assignment of an employee to serve as director of the ISBRE Foundation, with compensation and charges reimbursed; and
- The Bank pays the Foundation monthly contributions as sponsor of the post-employment benefit plans.

The income and expenses incurred with ISBRE are presented below:

	06/30/2025
Rent	(459)
Salary reimbursement	642
Employer contribution	(8,055)
Total	(7,872)

b) Remuneration on key management personnel

Related parties are individuals who are members of the Executive Board, Board of Directors, Fiscal Council and Audit Committee, thus considered as key Management personnel, who received the following amounts consisting of remuneration, charges and benefits:

	06/30/2025
Short-term benefits	4,858
Executive Board	4,455
Board of Directors	257
Fiscal Council	73
Audit Committee	73
Contract termination benefits	-
Total	4,858

c) Agência de Fomento da Paraná S/A – FOMENTO PR

In the 1st half of 2021, BRDE granted a loan, under similar conditions to other BRDE clients, to Agência de Fomento do Paraná (FOMENTO PR), whose controller is the State of Paraná, one of BRDE's partners, with the balance in June 30, 2025 being R\$ 641 (31/12/2024 – R\$ 1,923).

d) Controlling States - Fundo Impulsiona Sul

Fund created with the objective of equalizing charges and/or providing guarantees in direct or indirect operations contracted by BRDE as support for economic activities and/or productive financing programs of interest to the controlling States, determined by act of their respective Governor or by manifestation of the Conselho de Desenvolvimento e Integração Sul – CODESUL.

The balance, as of June 30, 2025, of each State's fund is as follow:

Paraná	Santa Catarina	Rio Grande do Sul	Total
43,305	61,174	74,963	179,442

26. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS

BRDE's risk management is developed in accordance with the provisions of Resolution 4,557/2017 of the National Monetary Council applicable to financial institutions classified in the S3 segment and with internal regulations based on objectives and policies established by the Board of Directors, as consolidated in the Declaration of Risk Appetite – BRDE RAS. In this sense, it can be considered as a process in constant evolution, where efforts and work are developed in order to promote and guarantee the continuous improvement of risk management processes, criteria and methodologies.

To achieve its strategic objectives, BRDE assumes risks of different types and natures inherent to banking practice and to this end defines acceptable levels of risks that it is willing to incur and maintains controls for their identification, measurement, evaluation, monitoring, reporting, control and mitigation, in addition to managing them through specific processes that emphasize integrity, effectiveness, prudence and public responsibility.

BRDE also has policies, plans, standards and procedures that guide risk management, providing a uniform and coherent normative basis that ensures a control structure compatible with the nature of its operations, with the complexity of its activities, processes and systems and with the dimension of its exposure to risk. Such processes are included in the risk management structure, coordinated by a specific area, separate from the business and support units, subordinate to the director responsible for risk management (Chief Risk Officer – CRO) and supervised by a specific internal committee (Risk Committee – CORIS) linked to the Board of Directors and composed of members external to the institution.

The Central Bank of Brazil establishes that financial institutions have sufficient Reference Equity to cover the risks to which they are exposed, depending on the activities they carry out. Risk Weighted Assets (RWA) are a measure of the minimum equity required by financial institutions to face the risks associated with their activities. In the period reported, BRDE complied with the capital requirements set out in current legislation.

BRDE does not receive demand or savings deposits, nor does it have funds of a fiscal or parafiscal nature. In this way, its capital is composed exclusively of social capital and accumulated profit reserves. BRDE also maintains a three-year capital contingency plan, identifying the actions to be considered in possible capital crisis scenarios, with the definition of the governance necessary to reestablish appropriate standards. Capital management procedures include monthly analysis by the risk management area and periodic assessment by the risk, management and audit committees, as well as by the Executive Board and Board of Directors. Constant monitoring of capital adequacy, through the aforementioned controls, aims to anticipate the possibility of contingency events occurring, enabling corrective and mitigating actions, in accordance with the Capital Contingency Plan.

Finally, in accordance with and in compliance with the guidelines of BCB Resolution No. 54/2020 for the disclosure of information related to risk management, BRDE publishes the Pillar 3 Report on a quarterly basis, which is available for access at the following address: <https://www.brde.com.br/gestao-de-riscos/pilar-3/>. The information contained in this document is not part of the Bank's financial statements.

In relation to the provisions of item XX of art. 90 of BCB Resolution No. 352/2023, it is worth highlighting:

- The main risks to which the institution is exposed, according to its capital requirements, are credit risk, market risk, and operational risk. Liquidity risk, in the case of BRDE, is constantly monitored. However, given the bank's operating characteristics, which largely rely on onlendings, the likelihood of liquidity problems occurring is mitigated.
- The policies and processes for risk management, containing the management principles and instruments through which BRDE seeks to ensure compliance with the parameters and other provisions of the Risk Appetite Declaration (RAS), are available for access at the following address: <https://www.brde.com.br/gestao-de-riscos/estrutura/>.
- At BRDE, the methods used to measure risk are those permitted by the Central Bank of Brazil, in the format of standardized approaches, according to the resolutions, circulars and normative instructions related to each risk.
- the summary of quantitative data on risk exposures, their descriptions and respective concentrations are presented in the subsequent note.

27. REGULATORY CAPITAL AND CAPITAL REQUIREMENT

In accordance with the criteria established in CMN Resolutions No. 4,955 and 4,958/2021, and other complementary standards, we present the values of the Reference Equity, Risk-Weighted Assets and the Basel Ratio, as of June 30:

	06/30/2025
Reference Equity	5,217,829
Total risk-weighted assets (RWA)	26,293,481
Credit Risk - RWACPAD	21,868,754
Market Risk- RWAMPAD	3,022,149
Operational Risk - RWAOPAD	1,402,578
Basel Ratio	19.84

The definitions of credit, market, operational, liquidity and other relevant risks for BRDE are all derived from the respective definitions of the Central Bank of Brazil, namely:

Credit Risk is defined as the possibility of losses occurring associated with:

- Non-compliance by the counterparty with its obligations under the agreed terms;
- Devaluation, reduction of remuneration and expected gains in a financial instrument resulting from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument;
- Restructuring of financial instruments; or
- Costs of recovering exposures characterized as assets with credit recovery problems.

Market Risk is defined as the possibility of losses resulting from fluctuations in the market values of instruments held by BRDE arising from the risk of changes in interest rates and stock prices, for instruments classified in the trading book; and from the risk of exchange rate changes and commodity prices, for instruments classified in the trading book or banking book.

Operational Risk is defined as the possibility of losses resulting from external events or from failure, deficiency, or inadequacy of internal processes, people, or systems. This definition also includes the legal risk associated with:

- i) Inadequacy or deficiency in contracts signed by BRDE; and
- ii) Sanctions for non-compliance with legal provisions and compensation for damages to third parties arising from the activities carried out.

Liquidity Risk is defined as:

- i) The possibility that the institution will not be able to efficiently honor its expected and unexpected current and future obligations, including those arising from the binding of guarantees, without affecting its daily operations and without incurring significant losses; and
- ii) The possibility that the institution may not be able to negotiate a position at market price, due to its large size in relation to the volume normally traded or due to some discontinuity in the market.

28. SENSITIVITY ANALYSIS

In compliance with art. 35 of BCB Resolution No. 2/2020 we present 3 scenarios for sensitivity tests: one pessimistic and two optimistic scenarios. To define these scenarios, we consider the current situation of the economy, the demand for financing and the interest projection for 2025 and their effects on the main balance sheet items:

- ➔ Provision for expected losses related to credit risk: scenarios of changes considering the current economic scenario and the Bank's default history;
- ➔ Net income from financial intermediation: considers the relationship between the availability of funding and the demand for credit;
- ➔ Financial income: the scenarios were defined by maintaining the CDI rate or presenting a variation of 1 percentage point up or down;
- ➔ Provision for contingencies: possible increase given the uncertain times the economy is in;
- ➔ Tax assets: impact resulting from the movement occurring in the items and scenarios described above.

The following table presents the indicators used in each scenario and their effect on net income:

Scenarios	Scenario 1	Scenario 2	Scenario 3
Quality of the credit portfolio – changes in provision			
Assumption	Decrease of 5%	Decrease of 7%	Decrease of 10%
Effect on net income	(25,884)	(36,237)	(51,767)
Gross income of financial intermediation			
Assumption	Decrease of 5%	Increase of 10%	Increase of 15%
Effect on net income	(39,687)	79,374	119,060
Net financial income			
Assumption	CDI -1% per year	CDI	CDI +1% per year
Effect on net income	265,310	282,279	299,175
Increase in the provision for contingencies			
Assumption	Decrease of 5%	Increase of 5%	Increase of 10%
Effect on net income	5,800	(5,800)	(11,600)
Impact on tax assets			
Assumption	Decrease of 5%	Decrease of 7%	Decrease of 10%
Effect on net income	(22,245)	(31,142)	(44,489)

29. OTHER INFORMATION

a. Floods in Rio Grande do Sul

The major adverse weather events that affected the state of Rio Grande do Sul between April and May 2024 caused countless losses of lives, damage to property in general and disruptions to infrastructure, among other important consequences that affected the society from Rio Grande do Sul as a whole.

Regarding its operations, BRDE has taken the opportunity to suspend payments on credit operations (standstill) for those customers affected by the floods that occurred in Rio Grande do Sul, which varied from 6 to 12 months depending on funding or its own decision.

In total, 288 contracts were renegotiated and their current status is as follows:

	06/30/2025	% ⁽¹⁾	% ⁽²⁾
1. Total portfolio	23,193,489	100.00%	
2. Total renegotiated portfolio due to the floods	1,430,850	6.17%	100.00%
2.1 Renegotiated portfolio in grace period	624,756	2.69%	43.66%
2.2 Renegotiated portfolio in amortization	806,094	3.48%	56.34%
2.2.1 Portfolio in amortization up to date	684,978	2.95%	47.87%
2.2.2 Portfolio in overdue amortization	92,621	0.40%	6.47%
2.2.3 Portfolio in defaulted amortization	28,495	0.12%	1.99%

(1) on the total credit portfolio

(2) on the total renegotiated portfolio

EXECUTIVE BOARD

Chief Executive Officer
RANOLFO VIEIRA JUNIOR

Deputy CEO and Operations Director
RENÊ DE OLIVEIRA GARCIA JUNIOR

Planning Director
LEONARDO MARANHÃO BUSATTO

Credit Monitoring and Recovery Director
MAURO MARIANI

Financial Director
JOÃO PAULO KARAM KLEINÜBING

Administrative Director
HERALDO ALVES DAS NEVES

BOARD OF DIRECTORS

Chairman
RANOLFO VIEIRA JUNIOR

Board Members
WAGNER CARLOS AICHNER
LUIZ CARLOS BORGES DA SILVEIRA
IVAN CESAR RANZOLIN
LEANDRO RIBEIRO MACIEL
FRANCISCO SÉRGIO TURRA
THAÍS POMPERMAYER

FABIANO MEASSI
Accountant – CRCRS – 70.237/O-6