

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

# **ICBC do Brasil Banco Múltiplo S.A.**

Financial Statements for the  
Six-month Period Ended June 30, 2024 and  
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

**ICBC do Brasil Banco Múltiplo S.A.**

Financial statements

June 30, 2024

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## **ICBC do Brasil Banco Múltiplo S.A.**

### **Management Report**

The Management of ICBC do Brasil Banco Múltiplo S.A. ("Bank" or "ICBC do Brasil") submits for your consideration the financial statements for the six-month periods ended June 30, 2024 and 2023 and year ended December 31, 2023.

Banco ICBC do Brasil Banco Múltiplo S.A., authorized to operate with commercial and investment portfolios and carry out operations in the foreign exchange market, started its operations in September 2013 comprising primarily Corporate clients that operate in the foreign market and foreign companies that have subsidiaries in Brazil with specific needs to operate in the Trade Finance market, besides maintaining a conservative, consistent position in relation to the credit granting, mainly clients that maintain a history of good governance and financial position.

Based on the unified risk strategy of the ICBC Group (ICBC - Industrial and Commercial Bank of China Ltd. and subsidiaries), the Bank studied deeply the domestic market by focusing primarily on the wholesale business. It worked on maintaining the credit portfolio and seeks to obtain the diversity of the client portfolio, not only in agribusiness, but also in the infrastructure, oil and gas, and electric power industries. Thus, in the first half of 2024, the Bank maintained a more enriched, streamlined portfolio in terms of structure, average term, and risk diversification. We strived to expand our product portfolio and, in order to diversify operating income, we improved our credit management, and having a comprehensive risk control, and capabilities to ensure the compliance and quality of operations.

Since March 2023 ICBC do Brasil is authorized to operate as a clearing house by performing direct clearance and intermediating the transactions between the Chinese currency (Yuans) and the Brazilian currency (Reais). In June 2023 ICBC Brasil was accepted as a member of the Foreign Exchange Clearing at B3.

In the first half of 2024, the credit and foreign exchange portfolio totaled R\$329,229 thousand, a decrease of 35.73% in relation to the year ended 2023. Deposits totaled R\$2,037,902 thousand. Total assets of R\$2,585,843 thousand, equity of R\$130,989 thousand and Basel index of 36.13%.

The Bank recognized a loss of R\$22,224 thousand in the first half of 2024, mainly due to the payment of finance charges arising from the cancellation/write-off of foreign exchange transactions, as required by CMN Resolution 5056 of December 15, 2022.

## **The Economy**

During the first half of 2024, the Bank observed a change in market expectations concerning the macroeconomic agents. At the end of last year, the scenario comprised a higher global liquidity, lower interest rates in the developed economies and Brazil; however, such trend was suspended in a relatively abrupt manner. There were concerns over the governmental tax situation and divergences between the government's economic agents. All these factors led to depreciation in the Brazilian real by 13.11% in the first half, which reached R\$5.59.

Brazil's official inflation accumulated for the past 12 months of 4.23%, below the 4.62% observed at the end of last year, surpassed the target set by the National Monetary Council (CMN). The Monetary Policy Committee (Copom) decreased the Selic rate to 10.50% p.a. (11.75% at the end of 2023). An approximate inflation growth of 4% is currently expected for 2024, i.e., a downward trend when compared to 2023. The benchmark interest rate is expected to remain unchanged until the end of the year.

The Gross Domestic Product estimated for 2024 is around 2%, i.e., a decrease over the prior year (2.9%). The factors contributing to such drop comprise the interest rate (Selic) that must remain higher to curb inflation and consequently reduce purchasing power and investments in the economy in general.

ICBC do Brasil Banco Múltiplo S.A. foresees a more cautious stance for disbursements and the increase in loan operations, especially in the "Trade Finance" market in 2024. The expansion of the active customer portfolio and offering of products should be sustainable over the coming years to ensure greater diversification of investments and borrowings with a view to focusing on better opportunities.

## **Risk and Capital Management Structure**

ICBC do Brasil has a risk management department independent from its front office and audit function—the Risk Management Department (DGR)—which is responsible for preparing and reviewing the risk policies and procedures, as well as, by using systems, identifying, measuring and continuously monitoring the credit, operational, market, liquidity, and interest rate risk in the banking book (IRRBB), social, environmental and climate risks, as well as for capital management, emphasizing the Bank's commitment to ensuring adequate management in line with the regulatory requirements and internal risk policies.

The organizational framework for the Bank's risk management relies on the direct involvement of its management, in the form of active risk management committee chaired by members of senior management, which set the risk monitoring policies and guidelines.

The risk management committee consists of the CEO, the Risk Management Department, the Commercial Department, the Finance Department, the Front Office Department, the Treasury Department, the Internal Controls & Compliance Department, and the Technology, Information Security, and Administration Department. In case of other demands or different needs, other Bank departments may be called to attend, depending on the materiality of the issues to be discussed or deliberated.

ICBC do Brasil has a board of directors assigned the roles and responsibilities set forth in accordance with CMN Resolution 4557 of February 23, 2017, which provides for the continuous and integrated risk management structure and the continuous capital management structure.

A full description of the Risk Management Structure is disclosed on the Bank's website at [www.icbcbbr.com.br](http://www.icbcbbr.com.br).

## **Capital Adequacy and Basel Guidelines**

Starting October 2013, the recommendations of the Basel Committee on Banking Supervision regarding the capital structure of financial institutions, known as Basel III, became effective in Brazil. Currently, the capital determination and adequacy are governed by CMN Resolutions 4955/2021 and 4958/2021, which provide for the methodology for determining the Regulatory Capital (PR), the minimum Regulatory Capital (PR) requirements, Common Equity Tier 1, Common Equity, and Tier 1 buffer capital.

As at June 30, 2024, ICBC do Brasil posted a Basel index of 36.13% (37.81% as at December 31, 2023).

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors, Executive Officers and Shareholders of  
ICBC do Brasil Banco Múltiplo S.A.

### **Opinion**

We have audited the accompanying financial statements of ICBC do Brasil Banco Múltiplo S.A. ("Bank"), which comprise the balance sheet as at June 30, 2024, and the related statements of profit and 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 the material accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ICBC do Brasil Banco Múltiplo S.A. as at June 30, 2024, and its financial performance and its cash flows for the six-month period then ended, in accordance with accounting practices adopted in Brazil applicable to financial 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 requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("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 audit opinion.

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

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

Our opinion on the financial statements does not cover the Management Report and we do not express any form of audit 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 such 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 in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

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## **Management's responsibilities for the financial statements**

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

In preparing the financial statements, Management 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 Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

## **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 an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- Evaluate 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 Management 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.

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

São Paulo, August 26, 2024



DELOITTE TOUCHE TOHMATSU  
Auditores Independentes Ltda.



Dario Ramos da Cunha  
Engagement Partner



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ICBC do Brasil Banco Múltiplo S.A.

Balance sheets as at June 30, 2024 and December 31, 2023

(In thousands of Brazilian reais - R\$)

ASSETS	Note	06.30.2024	12.31.2023	LIABILITIES AND EQUITY	Note	06.30.2024	12.31.2023
<b>Current assets</b>		<b>1.793.900</b>	<b>1.533.072</b>	<b>Current liabilities</b>		<b>1.883.314</b>	<b>1.444.058</b>
<b>Cash and cash equivalents</b>	(4)	<b>1.019</b>	<b>1.614</b>	<b>Deposits and other financial instruments</b>		<b>1.877.957</b>	<b>1.438.211</b>
Cash in reais		161	190	<b>Demand deposits</b>	(14)	<b>26.756</b>	<b>59.603</b>
Cash in foreign currency		858	1,424	Corporate and restricted		26,756	59,603
<b>Financial instruments</b>		<b>1.785.790</b>	<b>1.567.248</b>	<b>Interbank deposits</b>	(14)	<b>900,622</b>	<b>110,074</b>
Interbank investments	(5)	1.330.140	708.941	Interbank deposits - CDI		900,622	110,074
Investments in foreign currency	(5)	-	2,906	<b>Time deposits</b>	(14)	<b>824,863</b>	<b>922,929</b>
<b>Interbranch accounts</b>	(8)	<b>103,219</b>	<b>184,794</b>	Bank certificates of deposit		824,863	922,929
Compulsory deposit at Central Bank of Brazil		413	373	<b>Obligations for issuance of agribusiness credit bills</b>	(14)	<b>-</b>	<b>98,242</b>
Payment transactions		102,806	184,421	Agribusiness credit bills		-	98,242
<b>Securities</b>		<b>97,426</b>	<b>240,379</b>	<b>Interbranch and interbank accounts</b>		<b>361</b>	<b>189</b>
Own portfolio - government securities	(6)	97,426	240,379	Third-party funds in transit	(15)	361	189
<b>Derivatives</b>	(7)	<b>-</b>	<b>16</b>	<b>Borrowings and lendings</b>	(16)	<b>125,355</b>	<b>247,174</b>
<b>Loan operations</b>		<b>86,426</b>	<b>78,812</b>	Foreign currency obligations for exports up to 360 days		125,355	247,174
Export financing	(9 a)	86,426	78,812				
<b>Other financial instruments</b>		<b>168,579</b>	<b>351,400</b>				
Foreign exchange purchased pending settlement - deliverable bills	(9),(11)	168,579	351,400				
<b>(-) Allowance for expected credit losses</b>	(10)	<b>(2,819)</b>	<b>(56,170)</b>	<b>Current and deferred taxes payable</b>		<b>3,553</b>	<b>4,003</b>
<b>Income receivable</b>		<b>-</b>	<b>342</b>	Tax and social security	(17 a)	3,553	4,003
Trade and other receivables		-	342				
<b>Deferred tax assets</b>	(22)	<b>-</b>	<b>10,427</b>	<b>Other payables</b>		<b>1,804</b>	<b>1,844</b>
<b>Other assets</b>		<b>9,910</b>	<b>9,611</b>	Accrued liabilities	(17 b)	1,787	1,749
Recoverable income tax and social contribution	(12)	6,917	9,249	Tax collection and payment	(17 c)	17	65
Receivables	(9 a)	2,382	-	Social and statutory provisions		-	30
Other recoverable taxes	(12)	467	70				
Other receivables	(12)	144	292				
<b>Noncurrent assets</b>		<b>791,943</b>	<b>320,558</b>	<b>Noncurrent liabilities</b>		<b>571,540</b>	<b>249,695</b>
<b>Long-term receivables</b>		<b>791,943</b>	<b>320,558</b>	<b>Long-term payables</b>		<b>571,540</b>	<b>249,695</b>
<b>Securities</b>		<b>705,653</b>	<b>241,468</b>	<b>Time deposits</b>	(14)	<b>285,661</b>	<b>5,227</b>
Own portfolio - government securities	(6)	705,653	241,468	Bank certificates of deposit		285,661	5,227
<b>Loan operations</b>		<b>71,842</b>	<b>82,038</b>	<b>Debt instruments eligible as capital</b>	(18)	<b>284,569</b>	<b>243,131</b>
Export financing	(9 a)	71,842	82,038	Authorized supplementary capital		284,569	243,131
<b>(-) Allowance for expected credit losses</b>	(10)	<b>(4,396)</b>	<b>(4,412)</b>	<b>Current and deferred taxes payable</b>		<b>564</b>	<b>1,300</b>
<b>Deferred tax assets</b>	(22)	<b>17,582</b>	<b>-</b>	Deferred taxes payable	(17 a)	564	1,300
<b>Property, plant and equipment in use</b>	(13)	<b>775</b>	<b>907</b>	<b>Other payables</b>		<b>746</b>	<b>37</b>
Facilities, furniture and equipment		4,360	4,272	Provision for contingencies	(17 b)	742	37
( - ) Accumulated depreciation		(3,585)	(3,365)	Provision for financial guarantees		4	-
<b>Intangible assets</b>	(13)	<b>487</b>	<b>557</b>	<b>Equity</b>		<b>130,989</b>	<b>159,877</b>
Intangible assets		987	933	Capital	(19 a)	202,100	202,100
( - ) Accumulated amortization		(500)	(376)	Of domiciled abroad	(19 e)	(5,026)	(1,849)
				Other comprehensive income	(19 f)	(66,085)	(44,072)
				Accumulated losses			
<b>TOTAL ASSETS</b>		<b>2,585,843</b>	<b>1,853,630</b>	<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,585,843</b>	<b>1,853,630</b>

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

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

**ICBC do Brasil Banco Múltiplo S.A.**

**Statements of profit and loss**

**For the six-month periods ended June 30, 2024 and 2023**

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

	<b>Note</b>	<b>Six-month period ended 06/30/2024</b>	<b>Six-month period ended 06/30/2023</b>
<b>Revenue from financial intermediation</b>		<b>109,316</b>	<b>36,719</b>
Income from interbank investments	5	22,067	23,387
Income from securities	6	33,453	27,478
Income from loan operations	9	27,662	3,616
Income from foreign exchange transactions	11//20 f	26,134	(17,762)
<b>Expenses on financial intermediation</b>		<b>(125,854)</b>	<b>(56,146)</b>
Funding expenses	14	(97,945)	(45,784)
Foreign borrowings and onlendings	16	(26,545)	19,060
Expenses on allowance for expected credit losses	10	(1,360)	(29,614)
Expenses on guarantees, collaterals and sureties	25 a	(4)	192
<b>Income from financial intermediation</b>		<b>(16,538)</b>	<b>(19,427)</b>
<b>Other operating income (expenses)</b>		<b>(7,388)</b>	<b>(11,550)</b>
Income from services rendered	21	16,659	18,871
Other administrative expenses	20 a	(7,611)	(8,177)
Personnel expenses	20 b	(13,834)	(13,996)
Tax expenses	22 a	(2,633)	(1,928)
Other operating income	20 d	1,412	2,501
Other operating expenses	20 c	(676)	(8,809)
Expenses on labor contingencies		(705)	(12)
<b>Operating income (expenses)</b>		<b>(23,926)</b>	<b>(30,977)</b>
<b>Non-operating income (expenses)</b>		<b>113</b>	<b>-</b>
<b>Profit (loss) before income taxes and profit sharing</b>		<b>(23,813)</b>	<b>(30,977)</b>
Provision for income tax	22 b	(495)	(631)
Provision for social contribution	22 b	(400)	(539)
Deferred tax assets (liabilities)		2,484	8,345
<b>Income tax and social contribution</b>		<b>1,589</b>	<b>7,175</b>
<b>Loss for the six-month periods</b>		<b>(22,224)</b>	<b>(23,802)</b>
<b>Number of paid-in shares</b>		202,100,000	202,100,000
<b>Loss per share in Brazilian reais</b>		(0.110)	(0.118)

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

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

**ICBC DO BRASIL BANCO MÚLTIPLO S/A**  
**Statements of comprehensive income**  
**For the six-month periods ended June 30, 2024 and 2023**

*(In thousands of Brazilian reais - R\$)*

	<b>Six-month period ended 06/30/2024</b>	<b>Six-month period ended 06/30/2023</b>
<b>Loss for the six-month periods</b>	<b><u>(22,224)</u></b>	<b><u>(23,802)</u></b>
<b>Other comprehensive income</b>		
<b>Valuation adjustments to equity</b>	<b>(6,875)</b>	<b>814</b>
Available-for-sale securities	(12,500)	1,481
Deferred taxes on valuation adjustments to equity	5,625	(666)
<b>Total comprehensive income</b>	<b><u><u>(29,099)</u></u></b>	<b><u><u>(22,988)</u></u></b>

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

**Statements of changes in equity**  
**For the six-month periods ended June 30, 2024 and 2023**

*(In thousands of Brazilian reais - R\$)*

	Capital	Earnings reserves		Other comprehensive income	Accumulated losses	Total
		Legal reserve	Bylaws reserve			
<b>Balances as at December 31, 2022</b>	<b>202,100</b>	-	-	<b>1,400</b>	<b>(39,578)</b>	<b>163,922</b>
Loss for the six-month period	-	-	-	-	(23,802)	(23,802)
Mark-to-market of available-for-sale government securities	-	-	-	814	-	814
<b>Balances as at June 30, 2023</b>	<b>202,100</b>	-	-	<b>2,214</b>	<b>(63,380)</b>	<b>140,934</b>
<b>Changes in the six-month period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>814</b>	<b>(23,802)</b>	<b>(22,988)</b>
	Capital	Earnings reserves		Other comprehensive income	Accumulated losses	Total
		Legal reserve	Bylaws reserve			
<b>Balances as at December 31, 2023</b>	<b>202,100</b>	-	-	<b>1,849</b>	<b>(44,072)</b>	<b>159,877</b>
Loss for the six-month period	-	-	-	-	(22,224)	(22,224)
Mark-to-market of available-for-sale government securities	-	-	-	(6,875)	-	(6,875)
Prior-period adjustments	-	-	-	-	211	211
<b>Balances as at June 30, 2024</b>	<b>202,100</b>	-	-	<b>(5,026)</b>	<b>(66,085)</b>	<b>130,989</b>
<b>Changes in the six-month period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,875)</b>	<b>(22,224)</b>	<b>(29,099)</b>

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

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

**Statements of cash flows**  
**For the six-month periods ended June 30, 2024 and 2023**

*(In thousands of Brazilian reais - R\$)*

		<b>Six-month period ended 06/30/2024</b>	<b>Six-month period ended 06/30/2023</b>
<b>Operating activities:</b>			
<b>Adjusted loss</b>	<b>Note</b>	<b><u>(22,294)</u></b>	<b><u>(2,644)</u></b>
Loss for the six-month periods		(22,224)	(23,802)
Adjustments to loss		<b><u>(70)</u></b>	<b><u>21,158</u></b>
Depreciation/amortization	20c	345	261
Provision for/(reversal of) labor contingencies		705	12
Provision for guarantees, collaterals and sureties		4	(192)
Allowance for expected credit losses	10	1,360	29,422
Deferred tax assets		(2,484)	(8,345)
<b>Increase (decrease) in assets and liabilities</b>		<b><u>598,698</u></b>	<b><u>364,689</u></b>
Securities		(327,896)	310,182
Loan operations		2,582	(21,655)
Interbank accounts		81,574	(36,269)
Derivatives		16	-
Foreign exchange transactions		182,821	112,868
Other receivables		(4,968)	(65,632)
Allowance for expected credit losses		(54,727)	-
Other assets		342	181
Deposits		940,069	56,568
Agribusiness credit bills		(98,242)	(17,605)
Borrowings and onlendings		(121,819)	31,351
Third-party funds in transit		172	2,688
Other payables		(331)	(1,283)
Taxes paid		(895)	(6,705)
<b>Net cash generated by operating activities</b>		<b><u>576,404</u></b>	<b><u>362,045</u></b>
Purchase of property, plant and equipment		(89)	(259)
Purchase of intangible assets		(54)	(83)
<b>Net cash (used in) investing activities</b>		<b><u>(143)</u></b>	<b><u>(342)</u></b>
Increase (decrease) in debt instruments eligible as capital		41,438	(15,313)
<b>Net cash provided by (used in) financing activities</b>		<b><u>41,438</u></b>	<b><u>(15,313)</u></b>
<b>Increase (decrease) in cash and cash equivalents, net</b>		<b><u>617,699</u></b>	<b><u>346,390</u></b>
<b>Cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the six-month period	4	713,460	512,812
Cash and cash equivalents at the end of the six-month period	4	<u>1,331,159</u>	<u>859,202</u>
<b>Increase (decrease) in cash and cash equivalents, net</b>		<b><u>617,699</u></b>	<b><u>346,390</u></b>

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

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## **ICBC do Brasil Banco Múltiplo S.A.**

Notes to the financial statements

for the six-month periods ended June 30, 2024 and 2023 and

year ended December 31, 2023

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

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### **1. General Information**

ICBC do Brasil Banco Múltiplo S.A. ("Bank" or "ICBC do Brasil") is a subsidiary of ICBC - Industrial and Commercial Bank of China Ltd. whose establishment obtained favorable opinion of the Collegiate Board of the Central Bank of Brazil (BACEN) on December 19, 2012. The Bank obtained authorization to operate as a full-service bank and is engaged in operations with commercial and investment portfolios, and is authorized to operate in the foreign exchange market, in accordance with the legal provisions and standards of BACEN. The Bank started its operations in September 2013.

### **2. Preparation and presentation of financial statements**

The financial statements have been prepared based on the guidelines from the Brazilian Corporate Law, associated with the standards and guidelines of the National Monetary Council (CMN), the Central Bank of Brazil (BACEN), and the Accounting Pronouncements Committee (CPC), when applicable. The presentation of these financial statements is in accordance with the Chart of Accounts for Institutions of the National Financial System (COSIF).

The CPCs approved by CMN/BACEN to be followed by the Financial Institutions are:

- a) CPC 00 (R2) *Conceptual Framework for Financial Reporting*, approved by CMN Resolution 4924/2021;
- b) CPC 01 (R1) *Impairment of Assets*, approved by CMN Resolution 4924/2021;
- c) CPC 02 (R2) *The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements*, approved by CMN Resolution 4524/2016;
- d) CPC 03 (R2) *Statement of Cash Flows*, approved by CMN Resolution 4818/20;
- e) CPC 04 (R1) *Intangible Assets*, approved by CMN Resolution 4534/2016;
- f) CPC 05 (R1) *Related Party Disclosures*, approved by CMN Resolution 4818/2020;
- g) CPC 10 (R1) *Share-based Payment*, approved by CMN Resolution 3989/2011;
- h) CPC 23 *Accounting Policies, Changes in Accounting Estimates and Errors*, approved by CMN Resolution 4924/2021;
- i) CPC 24 *Events after the Reporting Period*, approved by CMN Resolution 4818/2020;
- j) CPC 25 *Provisions, Contingent Liabilities and Contingent Assets*, approved by CMN Resolution 3823/2009;
- k) CPC 27 *Property, Plant and Equipment*, approved by CMN Resolution 4535/2016;
- l) CPC 33 (R1) *Employee Benefits*, approved by CMN Resolution 4877/2020;
- m) CPC 41 *Earnings per Share*, approved by CMN Resolution 4818/2020; and
- n) CPC 46 *Fair Value Measurement*, approved by CMN Resolution 4924/2021.

In the preparation of these financial statements, assumptions and estimates were used to account for and determine assets and liabilities, such as: allowance for expected credit losses, mark-to-market of financial instruments, and contingent liabilities. Therefore, when these assets are realized and liabilities are settled, actual results may differ from estimates. Management reviews estimates and assumptions periodically in order to verify their consistency.

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The financial statements were approved by Management on August 26, 2024.

### **New standards issued that will be effective in the future**

CMN Resolution 4966/2021 and BCB Resolution 352/2023, issued by BACEN and effective beginning January 1, 2025, set out new criteria applicable to financial instruments to be adopted by financial institutions authorized to operate by the Central Bank of Brazil. The following aspects are highlighted: classification, measurement, recognition and derecognition of financial instruments, recognition of an allowance for expected credit losses, adjustments to financial instruments at a contractual effective interest rate, recognition of interest on past-due financial assets, as well as designation and recognition of hedging relationships involving financial instruments.

Banco ICBC do Brasil adjusted the Implementation Plan comprising the definitions set out in said resolution, which defines the schedule to be met in 2024, with expected completion for January 1, 2025. During the first half of 2024, ICBC do Brasil held meetings with the implementation committee composed of representatives of each area, in order to monitor and discuss the impacts from implementing Resolution 4966/2021 and monitor the supplementary regulatory provisions issued by the National Monetary Council and Central Bank of Brazil.

Law 14467, of November 16, 2022, which will become effective beginning January 1, 2025, changes the tax treatment applicable to losses incurred on loan operations deriving from the activities performed by financial institutions and other institutions authorized to operate by the Central Bank of Brazil, where the main charge is the deduction of any losses incurred on determining the taxable income from the social contribution tax base.

### **3. Significant accounting policies**

#### **Revenue and expenses recognition**

Revenue and expenses are recognized on an accrual basis, using the daily prorating criterion, calculated under the exponential method, except for revenue and expenses related to foreign operations, which are calculated on a straight-line basis.

#### **Functional and presentation currency**

The financial statements are being presented in thousands of Brazilian reais, which is the Bank's functional and presentation currency. Monetary assets and liabilities denominated in foreign currencies were translated into Brazilian reais at the exchange rate in effect at the end of the reporting period, disclosed by BACEN, and currency translation differences are recognized in profit or loss for the six-month period.

#### **Cash and cash equivalents**

Cash and cash equivalents are represented by cash in local and foreign currency, and short-term interbank investments and interbank deposits, when applicable, whose maturity on the investment date is equal to or lower than 90 days and present an insignificant risk of change in value in case of early redemption.

## ICBC do Brasil Banco Múltiplo S.A.

Notes to the financial statements

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### Securities and derivative financial instruments

Securities are classified according to Management's trading intent, into three specific categories, as follows:

- **Trading securities** - securities acquired for the purpose of being actively and frequently traded. They are marked to market as a contra entry to profit or loss for the period.
- **Available-for-sale securities** - securities that are not classified either as trading or held-to-maturity securities. These are marked to market as a contra entry to the corresponding separate equity line item, net of taxes.
- **Held-to-maturity securities** - securities acquired with the intention of and the financial ability to be held to maturity. These are stated at acquisition cost, plus income earned, as a contra entry to profit or loss for the period. In this category securities are not marked to market, except when subject to permanent losses.
- **Derivative financial instruments** - transactions with derivative financial instruments, not intended for hedging, are used to support client demand, and the exposure to inflation adjustments or changes in foreign exchange rates is passed on to the market, thus keeping the spread of the underlying transactions; both long and short positions are measured at market value, pursuant to BACEN Circular 3082/2002, substantiated in BACEN Resolution 4277/2013, as amended by BACEN Resolution 4389/2014.

### Loan operations and allowance for expected credit losses

- a. Loan operations are classified using an internal methodology, according to the lending policy that provides for nine risk levels, as defined in CMN Resolution 2682/1999, and the allowance for expected credit losses is recognized based on the client ratings into the risk levels outlined in said CMN Resolution. Credit rating takes into consideration, but is not limited to, a periodic review of each transaction, client history, late payments, and guarantees received, where applicable.
- b. As defined in the COSIF, loan operations are presented net of deferred income, which is recognized on a daily prorated basis in profit or loss. Income from loan operations over 60 days past due, regardless of the risk level, is only recognized when actually received.
- c. The Bank recognizes an allowance for expected losses on guarantee, collateral, and surety transactions based on BACEN standards and guidelines, set out in CMN Resolution 2682/1999, and this allowance is recognized in liabilities, in line item 'Other provisions', where applicable.

### Property, plant and equipment and intangible assets

Property, plant and equipment items are stated at purchase cost. Depreciation is calculated on a straight-line basis at the following annual rates: 10% for equipment in use, 20% for communication systems and the security system, and 20% for the data processing system and the transportation system. The amortization of intangible assets is also calculated on a straight-line basis, at a 20% rate.



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### **Current and noncurrent liabilities**

The stated amounts include charges and inflation adjustments incurred (on a daily prorated basis), when applicable.

### **Income tax and social contribution**

The provision for income tax was calculated at the rate of 15% plus a 10% surtax on taxable income in excess of R\$240 thousand per year, and social contribution at the rate of 20% beginning March 2020 according to Constitutional Amendment 103, of November 2019, which established in Article 32 the increase in the social contribution rate for financial institutions to 20% on taxable income, considering the adjustments determined by the applicable tax laws.

Deferred tax assets arising on tax loss carryforwards and temporary differences are recognized, if applicable, pursuant to CMN Resolution 4842/2020 taking into account the expected generation of future taxable income based on a technical feasibility study.

### **Impairment of assets**

CPC 01, as approved by CMN Resolution 3566/08, outlines procedures for the recognition, measurement, and disclosure of losses on the impairment of assets. Pursuant to said Resolution, assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss occurs when the net carrying amount of an asset exceeds its recoverable amount; such loss is recognized directly in profit or loss. The Bank did not identify impaired assets as at June 30, 2024 and December 31, 2023.

### **Contingent assets and contingent liabilities, legal obligations, and other provisions**

Contingent assets and contingent liabilities are recognized, measured, and disclosed according to the criteria below:

- (i) **Contingent assets** - are recognized in the financial statements only when there is evidence that provides assurance that they will be realized, based on an unappealable court decision, characterizing the gain as practically certain;
- (ii) **Contingent liabilities** - are recognized in the financial statements when, based on the opinion of the legal counsel and Management, the risk of loss in an administrative or judicial proceeding is considered probable, with a probable disbursement of resources to settle the obligations, and whenever the amounts involved can be reliably measured. Contingent liabilities classified as possible losses are not recorded and should only be disclosed in the notes to the financial statements whereas those classified as remote loss do not require a provision or disclosure; and
- (iii) **Legal obligations** - are recognized and provided for in the balance sheet, considering the assessment of the likelihood of a favorable outcome in a lawsuit, when applicable.
- (iv) **Employee benefits** - the Bank offers and has as its policy to provide some benefits to employees during their employment, and all employees are eligible to life insurance, the healthcare and dental plan, and meal vouchers. Expatriate employees during their stay in Brazil receive an education allowance offered to their school-age children, which is discontinued upon their return to their country of origin.

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Notes to the financial statements

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### Recurring and non-recurring revenue and expenses

In order to classify revenue and expenses into recurring and nonrecurring, Banco ICBC considers as recurring the revenue and expenses obtained in the regular course of business, namely, revenue and expenses related to asset (investments) and liability (borrowing) operations, the provision of services, and other expenses related to the maintenance of the Bank's business. Non-recurring revenue and expenses include income from and expenses on unusual administrative actions and events with low probability of occurring again in future years.

## 4. Cash and cash equivalents

The Bank concentrates its funds in its reserve requirement account with the Central Bank of Brazil, amounting to R\$161 (R\$190 as at December 31, 2023) and cash in foreign currency with foreign bankers, in the total amount of R\$858 (R\$1,424 as at December 31, 2023), as shown below:

	<b>06/30/2024</b>	<b>12/31/2023</b>
<b>Cash</b>	<b>1,019</b>	<b>1,614</b>
Cash in Reais	161	190
Cash in foreign currency	858	1,424
<b>Investments</b>	<b>1,330,140</b>	<b>711,847</b>
Interbank investments	1,330,140	708,941
Investments in foreign currency	-	2,906
<b>Total</b>	<b>1,331,159</b>	<b>713,460</b>

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### 5. Interbank investments

Interbank investments are concentrated in repo transactions and interbank deposits amounting to R\$1,330,140 (R\$708,941 as at December 31, 2023), as shown below:

#### Repo transactions – Purchase with resale

Position date	Return date	Guarantee				Amount invested	Amount redeemed	Balance as at 06/30/2024
		Security	Number	Issue	Maturity (i)			
06/28/2024	07/01/2024	LFT	33,721	07/05/2023	09/01/2029	499,994	500,191	500,125
06/28/2024	07/01/2024	LTN	5,141	07/08/2022	10/01/2024	5,000	5,002	5,001
06/28/2024	07/01/2024	LTN	101,747	07/08/2022	10/01/2024	98,949	98,988	98,975
06/28/2024	07/01/2024	NTNB	127,087	01/12/2022	05/15/2027	539,999	540,211	540,140
06/28/2024	07/01/2024	NTNB	42,477	10/15/2003	08/15/2024	185,849	185,922	185,898
<b>Total</b>						<b>1,329,792</b>	<b>1,330,314</b>	<b>1,330,140</b>
<b>Current</b>						<b>1,329,792</b>	<b>1,330,314</b>	<b>1,330,140</b>

Position date	Return date	Guarantee				Amount invested	Amount redeemed	Balance as at 12/31/2023
		Security	Number	Issue	Maturity (i)			
12/29/2023	01/02/2024	LFT	14,897	09/06/2019	03/01/2026	212,005	212,097	212,051
12/29/2023	01/02/2024	LTN	1,216	02/06/2020	01/01/2026	999	1,000	1,000
12/29/2023	01/02/2024	NTNB	23,183	01/06/2016	08/15/2026	99,999	100,043	100,021
12/28/2023	01/02/2024	NTNB	57,755	01/06/2016	08/15/2026	248,998	249,216	249,129
12/28/2023	01/02/2024	NTNB	13,340	01/08/2020	05/15/2025	56,196	56,245	56,225
<b>Total</b>						<b>618,197</b>	<b>618,601</b>	<b>618,426</b>
<b>Current</b>						<b>618,197</b>	<b>618,601</b>	<b>618,426</b>

(i) The stated maturities refer to the securities that backed the transaction, which are for immediate settlement.

#### Interbank Certificate Transactions

Issuer	Issue	Maturity	Amount invested	Balance as at 06/30/2024
-	-	-	-	-
<b>Total</b>			<b>-</b>	<b>-</b>
<b>Current</b>			<b>-</b>	<b>-</b>

Issuer	Issue	Maturity	Amount invested	Balance as at 12/31/2023
CHINA CONSTRUCTION BANK	12/12/2023	01/11/2024	90,000	90,515
<b>Total</b>			<b>90,000</b>	<b>90,515</b>
<b>Current</b>			<b>90,000</b>	<b>90,515</b>

No foreign currency-denominated investments were made with related parties as at June 30, 2024 (R\$2,906 as at December 31, 2023). (note 24b)

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Income from interbank investments for the six-month period ended June 30, 2024 totaled R\$22,067 (R\$23,387 as at June 30, 2023).

### 6. Securities

The securities portfolio disclosed in the balance sheet is classified according to the criteria set out in BACEN Circular Letter 3068/01.

Federal government securities are held in custody with Special Settlement and Custody System (SELIC).

The market value of government securities corresponds to the securities' amount valued at the average market prices disclosed by the Brazilian Association of Financial and Capital Market Entities (ANBIMA).

#### - Available-for-sale securities

The inflation-adjusted cost of these securities (plus income earned) and the market value of securities classified as 'available for sale' are as follows:

Available-for-sale securities	Number	Maturity range	06/30/2024		
			Adjusted cost	Carrying amount	Mark to market
Own portfolio – government securities (LTN)	100,000	90 to 360 days	96,762	97,426	553
Own portfolio – government securities (LTN)	460,143	Over 360 days	358,980	348,618	(10,393)
Own portfolio – government securities (LFT)	23,903	Over 360 days	356,333	357,035	700
		<b>Total</b>	<b>812,075</b>	<b>803,079</b>	<b>(9,140)</b>
		<b>Current</b>	<b>96,762</b>	<b>97,426</b>	<b>553</b>
		<b>Noncurrent</b>	<b>715,313</b>	<b>705,653</b>	<b>(9,693)</b>

Available-for-sale securities	Number	Maturity range	12/31/2023		
			Adjusted cost	Carrying amount	Mark to market
Own portfolio – government securities (LTN)	50,000	Up to 30 days	49,988	49,954	(12)
Own portfolio – government securities (LFT)	200,000	90 to 360 days	188,094	190,425	2,331
Own portfolio – government securities (LFT)	17,000	Over 360 days	240,857	241,468	611
		<b>Total</b>	<b>478,939</b>	<b>481,847</b>	<b>2,930</b>
		<b>Current</b>	<b>238,082</b>	<b>240,379</b>	<b>2,319</b>
		<b>Noncurrent</b>	<b>240,857</b>	<b>241,468</b>	<b>611</b>

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### Gains and losses

Unrealized losses as at June 30, 2024 totaled R\$9,140 represented by LFTs and LTNs (gains of R\$2,930 as at December 31, 2023), which are recorded as mark-to-market as a contra entry to a specific account in equity.

The securities portfolio in the six-month period ended June 30, 2024 generated income of R\$33,453 (R\$27,478 as at June 30, 2023).

The breakdown of the portfolio as at June 30, 2024 was measured under Level 1 (Level 1 as at December 31, 2023) of the fair value measurement hierarchy, in the amounts of R\$446,044 for LTN (R\$49,954 as at December 31, 2023) and R\$357,035 for LFT (R\$431,893 as at December 31, 2023).

Level 1 fair value measurements: are obtained based on prices quoted (unadjusted) in active markets for identical assets and liabilities.

Level 2 fair value measurements: are obtained based on other variables besides quoted prices included in Level 1, which are directly observable for an asset or a liability (i.e., as prices) or indirectly observable (i.e., based on prices).

Level 3 fair value measurements: are obtained based on valuation techniques that include variables for an asset or a liability, but which are not based on observable market inputs (unobservable inputs).

## 7. Derivative financial instruments

Derivative financial instruments refer to agreements entered into to meet client needs in the form of swaps to avoid any exposure to inflation or changes in foreign exchange rates, while managing interest rate spreads. As at June 30, there was no position of derivative transactions involving Non-Deliverable Forwards - NDF (R\$16, receivable, as at December 31, 2023). As at December 31, 2023, our position is under the custody of CETIP as follows:

	12/31/2023			Net position
	Notional amount	Amounts receivable	Amounts payable	
<b>Forwards</b>				
<b>Currency forward</b>				
<b>Long position</b>				
U.S. dollar x Brazilian reais	3,201	11	-	11
<b>Total long position</b>	<b>3,201</b>	<b>11</b>	<b>-</b>	<b>11</b>
<b>Short position</b>				
U.S. dollar x Brazilian reais	3,201	5	-	5
<b>Total short position</b>	<b>3,201</b>	<b>5</b>	<b>-</b>	<b>5</b>
<b>Total - current</b>	<b>6,402</b>	<b>16</b>	<b>-</b>	<b>16</b>

Derivative transactions did not generate income in the six-month periods ended June 30, 2024 and 2023.

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### 8. Interbank accounts

#### a. Reserve requirements

Refer to reserve requirements calculated on payable from micro finance transactions, totaling R\$413 as at June 30, 2024 (R\$373 as at December 31, 2023).

#### b. Payment transactions

The Bank has receivables called Visa and Mastercard credit card payment transactions totaling R\$102,806 as at June 30, 2024 (R\$184,421 as at December 31, 2023), with financial market partners. These transactions amounted to R\$10,516 in the six-month period then ended (R\$14,770 as at June 30, 2023) (note 21).

### 9. Loan operations

The Bank keeps conducting 'Corporate' loan operations by financially advising its clients and offering them with import and export financing facilities. The loan portfolio as at June 30, 2024 and December 31, 2023 is broken down as follows:

#### a. Loans by maturity range

06/30/2024			
	Maturity	Principal	Outstanding balance
Export Credit Bill (CCE)	Up to 360 days	2,350	2,350
Export Credit Note (NCE)	Up to 360 days	83,384	84,076
Assignment of receivables - CRB	Up to 360 days	2,328	2,382
Export Credit Bill (CCE)	Over 360 days	8,400	8,792
Export Credit Note (NCE)	Over 360 days	62,538	63,050
	<b>Total</b>	<b>158,999</b>	<b>160,650</b>
	<b>Current</b>	<b>88,061</b>	<b>88,808</b>
	<b>Noncurrent</b>	<b>70,938</b>	<b>71,842</b>

12/31/2023			
	Maturity	Principal	Outstanding balance
Export Credit Bill (CCE)	Up to 360 days	7,000	5,602
Export Credit Note (NCE)	Up to 360 days	73,616	73,210
Export Credit Bill (CCE)	Over 360 days	14,000	8,824
Export Credit Note (NCE)	Over 360 days	80,550	73,214
	<b>Total</b>	<b>175,166</b>	<b>160,850</b>
	<b>Current</b>	<b>80,616</b>	<b>78,812</b>
	<b>Noncurrent</b>	<b>94,550</b>	<b>82,038</b>

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### b. Transactions with loan characteristics by maturity range

		06/30/2024	
	Maturity	Principal	Outstanding balance
Advances on foreign exchange contracts (ACCs)	Up to 360 days	166,749	168,579
	<b>Total</b>	<b>166,749</b>	<b>168,579</b>
	<b>Current</b>	<b>166,749</b>	<b>168,579</b>
		12/31/2023	
	Maturity	Principal	Outstanding balance
Advances on foreign exchange contracts (ACCs)	Up to 360 days	321,907	351,400
	<b>Total</b>	<b>321,907</b>	<b>351,400</b>
	<b>Current</b>	<b>321,907</b>	<b>351,400</b>

### c. Portfolio breakdown by Maturity Range and Risk Level

Normal course - 06/30/2024							
	AA	A	B	C	F	H	Total
<b>Installments falling due</b>	<b>148,092</b>	<b>86,458</b>	<b>2,350</b>	<b>83,537</b>	<b>8,792</b>	<b>-</b>	<b>329,229</b>
<b>01 to 60</b>	-	86,458	-	83,537	-	-	169,995
<b>61 to 90</b>	-	-	2,350	-	-	-	2,350
<b>181 to 360</b>	85,042	-	-	-	-	-	85,042
<b>Over 360</b>	63,050	-	-	-	8,792	-	71,842
<b>Grand total as at 06/30/2024</b>	<b>148,092</b>	<b>86,458</b>	<b>2,350</b>	<b>83,537</b>	<b>8,792</b>	<b>-</b>	<b>329,229</b>
Normal course - 12/31/2023							
	AA	A	B	C	F	H	Total
<b>Installments falling due</b>	<b>279,207</b>	<b>91,041</b>	<b>5,602</b>	<b>77,078</b>	<b>8,824</b>	<b>50,498</b>	<b>512,250</b>
<b>01 to 60</b>	78,085	-	-	-	-	-	78,085
<b>61 to 90</b>	15,608	-	-	77,078	-	-	92,686
<b>91 to 180</b>	112,300	17,831	-	-	-	50,498	180,629
<b>181 to 360</b>	-	73,210	5,602	-	-	-	78,812
<b>Over 360</b>	73,214	-	-	-	8,824	-	82,038
<b>Grand total as at 12/31/2023</b>	<b>279,207</b>	<b>91,041</b>	<b>5,602</b>	<b>77,078</b>	<b>8,824</b>	<b>50,498</b>	<b>512,250</b>

### d. Breakdown by industry

Private Sector	06/30/2024	12/31/2023
Corporate (i)		
Manufacturing	156,884	288,031
Agriculture	-	17,831
Commerce	88,269	133,178
Services	84,076	73,210
<b>Total</b>	<b>329,229</b>	<b>512,250</b>

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- (i) Foreign exchange differences are taken into account to recognize the amount of Advances on Foreign Exchange Contracts (ACCs).

Breakdown by client – Largest clients	06/30/2024		12/31/2023	
	Amount	%	Amount	%
Largest client	85,042	25.8%	78,085	15.2%
Next ten largest clients	244,187	74.2%	434,164	84.8%
Other clients	-	0.0%	-	0.0%
<b>TOTAL</b>	<b>329,229</b>	<b>100.0%</b>	<b>512,250</b>	<b>100.0%</b>

In the six-month period ended June 30, 2024, loan operations generated income of R\$27,662 (R\$3,616 as at June 30, 2023), as shown below:

	First half of 2024	First half of 2023
Export Credit Bill (CCE)	917	7,455
Export Credit Note (NCE)	25,011	(5,263)
Assignment of receivables - CRB	1,734	1,424
<b>Total</b>	<b>27,662</b>	<b>3,616</b>

## 10. Allowance for expected credit losses

Normal course - 06/30/2024							
PRODUCT	AA	A	B	C	F	H	Total
Advance on foreign Exchange contract (ACE)	76,658	-	-	78,763	-	-	155,421
Export Credit Bill (CCE)	-	-	2,350	-	8,792	-	11,142
Export Credit Note (NCE)	63,050	84,076	-	-	-	-	147,126
Assignment of receivables - CRB	-	2,382	-	-	-	-	2,382
<b>Total</b>	<b>139,708</b>	<b>86,458</b>	<b>2,350</b>	<b>78,763</b>	<b>8,792</b>	<b>-</b>	<b>316,071</b>
<b>Percentage of allowance</b>	<b>0,00%</b>	<b>0,50%</b>	<b>1,00%</b>	<b>3,00%</b>	<b>50,00%</b>	<b>100,00%</b>	
<b>Total allowance for expected credit losses (i)</b>	<b>-</b>	<b>432</b>	<b>24</b>	<b>2,363</b>	<b>4,396</b>	<b>-</b>	<b>7,215</b>

Normal course - 12/31/2023							
PRODUCT	AA	A	B	C	F	H	Total
Advance on foreign Exchange contract (ACE)	214,640	18,256	-	83,068	-	53,165	369,128
Export Credit Bill (CCE)	-	-	5,602	-	8,824	-	14,425
Export Credit Note (NCE)	73,214	73,210	-	-	-	-	146,424
<b>Total</b>	<b>287,854</b>	<b>91,466</b>	<b>5,602</b>	<b>83,068</b>	<b>8,824</b>	<b>53,165</b>	<b>529,978</b>
<b>Percentage of allowance</b>	<b>0,00%</b>	<b>0,50%</b>	<b>1,00%</b>	<b>3,00%</b>	<b>50,00%</b>	<b>100,00%</b>	
<b>Total allowance for expected credit losses (i)</b>	<b>-</b>	<b>457</b>	<b>56</b>	<b>2,492</b>	<b>4,412</b>	<b>53,165</b>	<b>60,582</b>

- (i) The recognized allowance for expected credit losses does not take into consideration changes in foreign exchange rates on translating ACC transactions because the advance is made in Brazilian reais, according to the product's characteristic.



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### Variations in the allowance for expected credit losses:

06/30/2024			
	Balance as at 12/31/2023	Write-offs as losses and reversal (ii)	Balance as at 06/30/2024
<b>Variations</b>	60,582	55,714	7,215
12/31/2023			
	Balance as at 12/31/2022	Write-offs as losses and reversal (ii)	Balance as at 12/31/2023
<b>Variations</b>	75,441	106,268	60,582

- (ii) The significant variations derive from amounts written off as losses on loan operations and foreign exchange operations in the six-month period ended June 30, 2024 and December 31, 2023.

During the six-month period ended June 30, 2024, foreign exchange operations were renegotiated in the amount of R\$83,537 (R\$50,498 as at December 31, 2023).

In the six-month period ended June 30, 2024, there was no recovery of credits written off as losses (R\$2,077 as at December 31, 2023). (note 20 d).

## 11. Other receivables - foreign exchange operations

One of the Bank's main products, foreign exchange operations, consists of providing foreign currency financing and intermediating foreign currency remittances for its clients. Foreign exchange operations in the six-month period ended June 30, 2024 generated income of R\$26,134 (loss of R\$17,762 as at June 30, 2023). As at June 30, 2024 and December 31, 2023, the foreign exchange position was as follows:

Foreign exchange portfolio	06/30/2024	12/31/2023
<b>Assets - other receivables</b>		
Foreign exchange purchased pending settlement	166,749	321,907
Rights on foreign exchange sale	-	-
Income receivable on advances granted	1,830	29,494
<b>Total (i)</b>	<b>168,579</b>	<b>351,400</b>
<b>Liabilities - other payables</b>		
Foreign exchange sold pending settlement	(153,591)	(339,635)
Payables for foreign exchange purchased	153,591	339,635
<b>Total</b>	<b>-</b>	<b>-</b>

- (i) Refers to the export financing operations using ACCs effective for one year. The Bank's loan policy constrains loan operations to the guarantees provided, including the principal, interest, and charges for the total term of the loan, when applicable. (note 9b)

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### 12. Other assets

	06/30/2024	12/31/2023
Recoverable income tax and social contribution (i)	6,917	9,249
Receivables (iii)	2,382	-
Other recoverable taxes (ii)	467	70
Other receivables	144	292
<b>Total</b>	<b>9,910</b>	<b>9,611</b>
<b>Current</b>	<b>9,910</b>	<b>9,611</b>

(i) Refers to amounts relating to the prepayment of income tax and social contribution not offset during the first half of 2024, with Corporate Income Tax (IRPJ) of R\$3,544 and Social Contribution on Net Income (CSLL) of R\$3,372 (IRPJ of R\$4,991 and CSLL of R\$4,257 as at December 31, 2023), due to the adoption of the tax suspension and reduction process.

(ii) Basically refers to credits from recoverable contributions, namely: PIS, COFINS, CSRF and Cide.

(iii) Refers to the assignment of receivables, as stated in note 9 (a).

### 13. Property, plant and equipment and intangible assets

Property, plant and equipment in use	06/30/2024		
	Balance as at 12/31/2023	Acquisitions	Depreciation
Furniture and equipment	907	89	(221)
<b>Total</b>	<b>907</b>	<b>89</b>	<b>(221)</b>

Intangible assets	06/30/2024		
	Balance as at 12/31/2023	Acquisitions	Amortization
Intangible assets	557	54	(124)
<b>Total</b>	<b>557</b>	<b>54</b>	<b>(124)</b>

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### 14. Deposits and other financial instruments

#### Maturity range

06/30/2024				
	No maturity	Up to 360 days	Over 360 days	Total
Demand deposits	26,756	-	-	26,756
Time deposits	-	824,863	285,661	1,110,524
<b>Total</b>	<b>26,756</b>	<b>824,863</b>	<b>285,661</b>	<b>1,137,280</b>

06/30/2024				
	No maturity	Up to 360 days	Over 360 days	Total
Interbank deposits	-	900,622	-	900,622
<b>Total</b>	<b>-</b>	<b>900,622</b>	<b>-</b>	<b>900,622</b>

#### Maturity range

12/31/2023				
	No maturity	Up to 360 days	Over 360 days	Total
Demand deposits	59,603	-	-	59,603
Time deposits	-	922,929	5,227	928,156
<b>Total</b>	<b>59,603</b>	<b>922,929</b>	<b>5,227</b>	<b>987,759</b>

12/31/2023				
	No maturity	Up to 360 days	Over 360 days	Total
Agribusiness credit bills	-	98,242	-	98,242
Interbank deposits	-	110,074	-	110,074
<b>Total</b>	<b>-</b>	<b>208,316</b>	<b>-</b>	<b>208,316</b>

In the six-month period ended June 30, 2024, funding expenses totaled R\$97,945 (R\$45,784 as at June 30, 2023), indexed between 90.0% and 107% of the benchmark rate CDI in 2024 (90.0% and 108% in 2023).

### 15. Third-party funds in transit

Third-party funds in transit refer to Payment Orders from clients in the total amount of R\$361 (R\$189 as at December 31, 2023), which are settled on behalf of the clients.

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**16. Foreign borrowings**

Refers to foreign currency-denominated loan transactions with foreign bankers, with the purpose of onlending to export and import financing, with a minimum maturity of 1 year, according to the characteristics below:

<b>Liabilities</b>	<b>06/30/2024</b>	<b>12/31/2023</b>
Foreign borrowings	124,126	237,195
Interest on foreign borrowings	1,229	9,979
<b>Total</b>	<b>125,355</b>	<b>247,174</b>
<b>Current</b>	<b>125,355</b>	<b>247,174</b>

<b>Bankers</b>	<b>Maturity range</b>	<b>06/30/2024</b>	
		<b>Principal</b>	<b>Outstanding balance</b>
ICBC - Doha	Up to 360 days	53,536	53,635
ICBC - London	Up to 360 days	70,590	71,720
<b>Total</b>		<b>124,126</b>	<b>125,355</b>

<b>Bankers</b>	<b>Maturity range</b>	<b>12/31/2023</b>	
		<b>Principal</b>	<b>Outstanding balance</b>
BANK OF MONTREAL, THE (INTL BRANCH) TORONTO	Up to 360 days	24,204	25,296
ICBC - Doha	Up to 360 days	140,380	146,750
ICBC - London	Up to 360 days	72,611	75,128
<b>Total</b>		<b>237,194</b>	<b>247,174</b>

In the six-month period ended June 30, 2024, expenses on foreign borrowings totaled R\$26,545 (income of R\$19,060 as at June 30, 2023).

**17. Current and deferred taxes payable and provisions****a. Tax and social security and collection and payment of taxes**

<b>Taxes</b>	<b>06/30/2024</b>	<b>12/31/2023</b>
Corporate income tax (IRPJ) (i)	-	-
Social contribution (i)	-	-
Tax on revenue (PIS)	28	4
Tax on revenue (COFINS)	171	24
Service tax (ISS)	302	834
Taxes and social contribution withheld on outside services	176	30
Payroll taxes	1,400	3,111
Withholding income tax (IRRF) on fixed-income investment redemption	1,476	-
Provision for deferred taxes and contributions	564	1,300
<b>Total</b>	<b>4,117</b>	<b>5,303</b>
<b>Current</b>	<b>3,553</b>	<b>4,003</b>
<b>Noncurrent</b>	<b>564</b>	<b>1,300</b>

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(i) As at June 30, 2024 and December 31, 2023, income tax and social contribution amounts were offset and calculated under the tax suspension and relief regime.

### b. Accrued liabilities and other provisions

	06/30/2024	12/31/2023
Accrued vacation pay	1,209	1,298
Social security (INSS) on vacation pay	348	347
Accrued INSS on 13th salary	124	-
Severance pay fund (FGTS) on vacation pay	106	104
Other administrative provisions (i)	746	37
<b>Total</b>	<b>2,533</b>	<b>1,786</b>
<b>Current</b>	<b>1,787</b>	<b>1,749</b>
<b>Noncurrent</b>	<b>746</b>	<b>37</b>

(i) Refers basically to the provision for labor lawsuits totaling R\$742 (R\$37 as at December 31, 2023) and other provisions in the amount of R\$4 (R\$0 as at December 31, 2023).

## 18. Debt instruments eligible as capital

The Bank raised funds abroad, in the form of Perpetual Notes Eligible for Additional Capital, totaling US\$50,000,000.00, eligible to be added to the Regulatory Capital (PR) level, authorized as Additional Capital, pursuant to Resolution 4192/2013, with the Bank's parent company Industrial and Commercial Bank of China Limited, on November 19, 2021 and authorized by the BACEN on December 23, 2021, since the issue date. As at June 30, 2024, capital buffer totaled R\$284,569 (R\$243,131 as at December 31, 2023). At the end of the first half of 2024, interest income (expenses) accounted for R\$5,655 (R\$4,925 as at June 30, 2023).

## 19. Equity

### a. Capital

The Bank's capital is represented by 202,100,000 registered common shares with par value of R\$1.00 and book value of R\$202,100.

### b. Dividends

Shareholders are ensured minimum dividends of 25% of the annual profit adjusted pursuant to the Brazilian corporate law, subject to the approval of the Shareholders' Meeting. The Board of Directors' Meeting held on August 20, 2024 resolved on not distributing any dividends for the six-month period ended June 30, 2024.

### c. Legal reserve

Set up at 5% of profit for the year, as set forth by Article 193 of Law 6404/76, up to the limit of 20% of capital. The Bank did not recognize a legal reserve as at June 30, 2024 and December 31, 2023 because of the existing accumulated losses.

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### d. Bylaws reserves

Reserves used for operating buffer, recognized for the purpose of providing a buffer to absorb possible losses, capital increases, or future distribution of dividends. The Bank did not recognize Bylaws Reserves as at June 30, 2024 and 2023 and December 31, 2023 due to the accumulated losses.

### e. Valuation adjustments to equity

Represents unrealized gains and losses arising from the fair value adjustment of securities classified as 'Available for sale', as outlined in note 6. These gains and losses are transferred to the corresponding profit or loss accounts on the date of their financial realization. As at June 30, 2024, the recognized amount is R\$5,026 (loss) (gain of R\$1,849 as at December 31, 2023), net of income tax and social contribution, as determined by specific regulations.

### f. Accumulated losses

The Bank reported loss for the six-month period ended June 30, 2024 amounting to R\$22,224 (R\$23,802 in June 2023), which was charged to accumulated losses amounting to R\$66,085 (R\$44,072 as at December 31, 2023).

## 20. Sundry income and expenses

### a. Other administrative expenses

Description	First half of 2024	First half of 2023
Rentals and CAM fees	2,684	3,133
Data processing expenses	2,403	2,370
Communication expenses	260	387
Travel expenses	692	659
Expenses on specialized technical services	347	708
Expenses on financial services	235	247
Expenses on maintenance and upkeep	26	32
Other administrative expenses	964	641
<b>Total</b>	<b>7,611</b>	<b>8,177</b>

### b. Personnel expenses

Description	First half of 2024	First half of 2023
Wages	8,298	6,881
Payroll taxes	2,010	3,423
Management fees	1,879	1,963
Benefits	1,588	1,468
Training	38	223
Interns' compensation	21	38
<b>Total</b>	<b>13,834</b>	<b>13,996</b>

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### c. Other operating expenses

Description	First half of 2024	First half of 2023
Operating losses	-	8,548
Depreciation and amortization expenses	345	261
Other operating expenses	331	-
<b>Total</b>	<b>676</b>	<b>8,809</b>

### d. Other operating income

Description	First half of 2024	First half of 2023
Reversal of operating provisions	-	24
Recovery of receivables written off as losses	-	2,077
Other operating income (i)	1,412	400
<b>Total</b>	<b>1,412</b>	<b>2,501</b>

(i) Ultimately refers to income from inflation adjustments to recoverable taxes based on the SELIC rate.

### e. Tax expenses

Refers to expenses on federal, state and municipal taxes. See note 22 a.

### f. Non-recurring revenues and expenses

ICBC do Brasil recorded non-recurring revenues and expenses in the amount of R\$18,011 referring to the payment of finance charges on the cancellation of foreign exchange operations (ACC), as required by CMN Resolution 5056 of December 15, 2022, recognized in line item "Foreign exchange expenses" in the first half of 2024.

## 21. Service revenue

The Bank's service revenue comprises basically payments for services provided abroad to its clients, managed accounts, income from guarantees and sureties, fees, financial advice to clients, and other services, as shown below:

Service revenue	First half of 2024	First half of 2023
Income from payment transactions	10,516	14,770
Income from financial advisory	6,079	4,009
Income from commissions, sureties and collaterals	36	20
Other	28	72
<b>Total</b>	<b>16,659</b>	<b>18,871</b>

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### 22. Income tax and social contribution tax base

The Bank did not report a taxable base for the calculation of income tax and social contribution for the six-month period ended June 30, 2024, thus recognizing deferred tax assets on tax loss carryforwards.

The Bank calculates income tax and social contribution under the tax suspension and reduction criterion by making monthly payments based on prepayments when calculating the monthly taxable income.

#### a. Tax expenses

	First half of 2024	First half of 2023
<b>Federal</b>		
Tax on financial transactions (IOF)	3	4
Withholding income tax (IRRF)	67	150
Tax on revenue (PIS)	207	188
Tax on revenue (COFINS)	1,282	1,155
Other	759	185
<b>State</b>		
Vehicle tax (IPVA)	8	8
<b>Municipal</b>		
Service tax (ISS)	307	238
<b>Total</b>	<b>2,633</b>	<b>1,928</b>

#### b. Income tax and social contribution

Income tax and social contribution tax base:

	Six-month period ended 06/30/2024		Six-month period ended 06/30/2023	
	IRPJ	CSLL	IRPJ	CSLL
Profit (loss) before income taxes and profit sharing	(23,813)	(23,813)	(30,977)	(30,977)
<b>Add-backs (deductions)</b>	<b>19,954</b>	<b>19,503</b>	<b>33,671</b>	<b>33,671</b>
Non-deductible expenses	19,448	18,997	181	181
Operating losses	-	-	6,472	6,472
Accrued bonuses	-	-	(2,392)	(2,392)
Accrual for loans	(199)	(199)	29,422	29,422
Provision for labor contingencies	705	705	(12)	(12)
<b>Tax base</b>	<b>(3,859)</b>	<b>(4,310)</b>	<b>2,694</b>	<b>2,694</b>
Tax rates	15% e 10%	-	15% e 10%	-
Workers' Meal Program (PAT)	-	-	12	-
Extended Maternity Leave	-	-	19	-
<b>Total IRPJ and CSLL due in the period</b>	<b>-</b>	<b>-</b>	<b>631</b>	<b>539</b>



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	Six-month period ended 06/30/2024		Six-month period ended 06/30/2023	
	IRPJ	CSLL	IRPJ	CSLL
Profit (loss) before income taxes and profit	(23,813)	(23,813)	(30,977)	(30,977)
<b>Add-backs (deductions)</b>	<b>19,954</b>	<b>19,503</b>	<b>33,671</b>	<b>33,671</b>
Non-deductible expenses	19,448	18,997	181	181
Operating losses	-	-	6,472	6,472
Accrued bonuses	-	-	(2,392)	(2,392)
Accrual for loans	(199)	(199)	29,422	29,422
Provision for labor contingencies	705	705	(12)	(12)
<b>Tax base</b>	<b>(3,859)</b>	<b>(4,310)</b>	<b>2,694</b>	<b>2,694</b>
Tax rates	15% e 10%	-	15% e 10%	-
Workers' Meal Program (PAT)	-	-	12	-
Extended Maternity Leave	-	-	19	-
<b>Total IRPJ and CSLL due in the period</b>	<b>-</b>	<b>-</b>	<b>631</b>	<b>539</b>

During the first half of 2024, ICBC do Brasil paid income tax in the amount of R\$495 (R\$0 in June 2023) and social contribution in the amount of R\$400 (R\$0 in June 2023) corresponding to prior periods.

### c. Tax credits

As at June 30, 2024, temporary differences referring to nondeductible provisions (personnel expenses, allowance for expected credit losses, and labor contingencies) totaled R\$7,960 (R\$7,396 in December 2023), on which income tax (25%) and social contribution (20%) credits amounting to R\$3,582 (R\$3,299 in December 2023) were recognized. Temporary differences on the mark-to-market of securities were also recorded, in the total amount of R\$4,677 (R\$6 in December 2023). In the same period, deferred tax assets arising on tax loss carryforwards were calculated, in the total amount of R\$9,323 (R\$7,092 in December 2023).

	06/30/2024	12/31/2023
<b>Tax assets</b>		
Deferred		
Tax credits	17,582	10,427
<b>Total</b>	<b>17,582</b>	<b>10,427</b>

Pursuant to CMN Resolution 4842/20, the accounting recognition of deferred tax assets ("tax credits") arising on temporary differences must cumulatively meet the following conditions: (i) the entity has a history of taxable profit or income for income tax and social contribution purposes, recorded at least in three of the past five fiscal years, including the reporting year; and (ii) the entity expects to generate future taxable profits or income for income tax and social contribution purposes in subsequent periods, based on an entity-specific technical study that shows the likelihood of future taxes payable against which the tax credits can be offset within ten years or less.

### d. Origin of deferred tax credits

	06/30/2024	12/31/2023
<b>Tax credits</b>		
<b>Deferred income tax and social contribution arising on:</b>		
Accrual for loans	3,248	3,299
Accrued profit sharing	-	13
Provision for labor contingencies	334	17
Mark-to-market of securities	4,677	6
<b>Total tax credits on temporary differences</b>	<b>8,259</b>	<b>3,335</b>
Tax loss carryforwards (IRPJ)	5,075	3,886
Tax loss carryforwards (CSLL)	4,248	3,206
<b>Total tax credits on tax loss carryforwards</b>	<b>9,323</b>	<b>7,092</b>
<b>Total tax credits</b>	<b>17,582</b>	<b>10,427</b>

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### e. Expected realization of tax credits

The realization of tax credits is estimated according to the new rules of losses incurred on tax credits received, introduced by Law 14467/2022, which will become effective beginning January 2025:

Tax credits	2024	2025	2026	2027	2028	Total
Accrual for loans	-	812	1,083	1,083	270	3,248
Tax loss carryforwards (IRPJ)	5,075	-	-	-	-	5,075
Tax loss carryforwards (CSLL)	4,248	-	-	-	-	4,248
Mark-to-market and provision for labor contingencies	-	3,774	1,001	112	124	5,011
<b>Total tax credits</b>	<b>9,323</b>	<b>4,586</b>	<b>2,084</b>	<b>1,195</b>	<b>394</b>	<b>17,582</b>

- (i) The present value was calculated based on the expected realization of tax credits, at the borrowing rate of 10.66% for the six-month period ended June 30, 2024.

## 23. Risk management

### Risks and controls

The main risks related to the financial instruments arising from the Bank's business are: credit risk, market risk, interest rate risk in the banking book (IRRBB), liquidity risk, and operational risk, as defined below.

### Risk Management Structure

ICBC do Brasil has a risk management department independent from its front office and audit function—the Risk Management Department (DGR)—which is responsible for preparing the risk policies and procedures, as well as, by using systems, identifying, measuring and continuously monitoring the credit, market, liquidity, operational and interest rate risk in the banking book (IRRBB), social and environmental and climate risks and other risks, as well as for capital management, emphasizing the Bank's commitment to ensuring adequate management in line with the regulatory requirements and internal risk policies.

The organizational framework for ICBC do Brasil Banco Múltiplo S.A.'s risk management relies on the direct involvement of its management, in the form of active risk management committee chaired by members of senior management, which set the risk monitoring policies and guidelines.

The risk management committee consists of the CEO, the Risk Management Department, the Commercial Department, the Finance Department, the Front Office Department, the Treasury Department, the Internal Controls & Compliance Department, and the Technology, Information Security, and Administration Department. In case of other demands or different needs, other Bank departments may be called to attend, depending on the materiality of the issues to be discussed or deliberated.

## ICBC do Brasil Banco Múltiplo S.A.

Notes to the financial statements

for the six-month periods ended June 30, 2024 and 2023 and

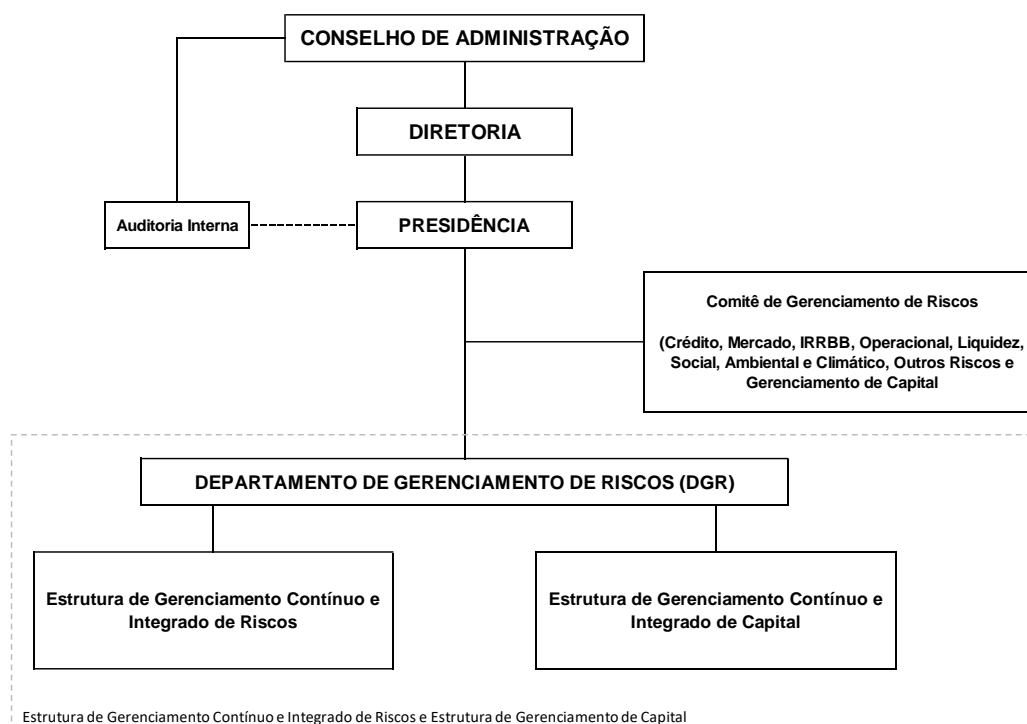
year ended December 31, 2023

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

ICBC do Brasil has a board of directors assigned the roles and responsibilities set forth in accordance with CMN Resolution 4557 of February 23, 2017, which provides for the continuous and integrated risk management structure and the continuous capital management structure.

### ICBC DO BRASIL BANCO MÚLTIPLO S.A.

#### (ESTRUTURA ORGANIZACIONAL DO DEPARTAMENTO DE GERENCIAMENTO DE RISCOS - DGR)



### Credit risk

The Bank defines credit risk as the possibility of incurring losses associated with the a borrower or counterparty failing to meet their respective financial obligations under the agreed terms, depreciation, decrease in yields of and expected gains on financial instruments, arising from the deterioration of the creditworthiness of a counterparty, intervening party, or the mitigating instrument; restructuring of financial instruments; or costs of recovering exposures characterized as distressed assets. Credit risk also includes sovereign risk, transfer risk, risk arising on financial guarantees provided, and concentration risk.

### Market risk

ICBC do Brasil Banco Múltiplo S.A. defines market risk as the possibility of incurring losses arising from the risk of fluctuation in the market values of instruments held by the Bank with risk factors, such as: interest rate, foreign exchange rate, indices, and prices.

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Stress tests are conducted to assess the potential vulnerability of portfolios when submitted to extreme conditions, which are probable to occur. They allow measuring and assessing the impact on the portfolios' gains and losses when submitted to extreme changes in prices and/or interest rate, under situations where the market abruptly and suddenly changes. Results are presented to the risk management committee and used as a decision-making tool for market risk strategies.

The four scenarios for market risk stress tests (very high, high, low and very low) defined by the Risk Management Department are subject to analysis by the Risk Management Committee on annual basis. They are also used for the sensitivity tests and measurement of the impacts on the Bank's capital. The Basel index as at June 30, 2024 was 36.13%. Upon adoption of the scenarios, the Basel index would be 32.21% (very high), 33.20% (high), 36.49% (low) and 38.73% (very low).

### **Interest Rate Risk in the Banking Book (IRRBB)**

ICBC do Brasil defines the Interest Rate Risk in the Banking Book (IRRBB) as the risk of Bank exposure to adverse changes in interest rates. Specifically, this refers to the current or prospective risk arising from adverse changes in interest rates in the banking book that affect the Bank's capital or gains. When interest rates change, the present value of future cash flows changes. This, in turn, changes the value of assets, liabilities, and off-balance sheet items and, consequently, their economic value.

The  $\Delta$ NI (Delta Net Interest Income) given as the difference between the gain (loss) on financial intermediation from instruments subject to the IRRBB in a base scenario and the gain (loss) on financial intermediation from these instruments in an interest rate stress scenario amounted to R\$23,826 thousand as at June 30, 2024, equivalent to 5.87% of the Regulatory Capital (PR) – Tier 1.

### **Liquidity risk**

The Bank defines the liquidity risk as the risk arising from the possibility that the Bank would not be able to efficiently discharge its expected and unexpected, current and future obligations, including those arising from the binding of guarantees, without affecting its daily operations and incurring significant losses. It is defined also as the possibility that the Bank would not be able to negotiate a position at market price due to its large size compared to the volume usually traded or due to some market disruption.

### **Operational risk**

ICBC do Brasil defines operational risk as the possibility of incurring losses as a result of external events or failure, deficiency, or inadequacy of internal processes, persons, and systems.

This definition includes also the legal risk associated to inadequacy or weaknesses in contracts entered into by the Bank, as well as penalties due to noncompliance with statutes, and compensation paid for damages caused to third parties as a result of the activities conducted by the Bank.

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As for the calculation of the portion of the Required Regulatory Capital (PRE) for operational risk (RWAOPAD), ICBC do Brasil adopts the Basic Indicator Approach methodology, as outlined in BACEN Circular Letter 3640 of March 4, 2013.

### **Social, environmental and climate risk**

ICBC do Brasil defines the social, environmental and climate risk as the possibility of incurring losses arising from environmental and social damages and has routines and procedures to identify, classify, assess, monitor, mitigate, and control the environmental and social risk posed in its activities and operations. The Risk Management Department (DGR) is also an integral part of the process to monitor the level of exposure to the environmental, social and climate risks of its essential and significant borrowers, guarantors, issuers and suppliers and service providers.

### **Other risks**

Other material risks, according to criteria defined by the Bank, including risks not covered in calculating the amount of risk-weighted assets (RWA).

### **Capital management**

ICBC do Brasil defines capital management as the continuous process of monitoring the capital held at the Bank, as well as the constant assessment of the capital required to address the risks to which the Bank is exposed. It also includes planning capital targets and requirements, in light of the Bank's strategic objectives.

The Risk Management Department (DGR), a function independent from the Bank's front office and audit function, is responsible for capital management, which includes the ongoing capital monitoring and control process, the capital requirements to face risks, and target and projection planning.

### **Capital Adequacy and Basel Guidelines**

As previously mentioned, starting October 2013, the recommendations of the Basel Committee on Banking Supervision regarding the capital structure of financial institutions, known as Basel III, became effective in Brazil. Currently, the capital determination and adequacy are governed by CMN Resolutions 4955/2021 and 4958/2021, which provide for the methodology for determining the Regulatory Capital (PR), the minimum Regulatory Capital (PR) requirements, Common Equity Tier 1, Common Equity, and Tier 1 buffer capital.

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The minimum Regulatory Capital (PR) requirement at the reporting date is 8.0%, while the Common Equity Tier 1 requirement is 6.0% and the Tier 1 Capital Buffer requirement is 4.5%. For the Tier 1 Capital Buffer (T1CB), corresponding to the sum of the Capital Conservation Buffer (CCB), the Countercyclical Capital Buffer (CCyB), and the Systemic Importance Capital Buffer (SICB), the portion amount results from applying the percentages set in CMN Resolution 4958/2021. For ICBC do Brasil 2.5% is required for Capital Conservation Buffer (CCB).

Reporting date	Risk-weighted assets (RWA) and IRRBB	Tier 1 Regulatory Capital	Basel Index	Capital Allocation	Capital Conservation Buffer (CCB)	Net margin
06/30/2024	1,123,002	405,748	36.13%	111,760	27,479	266,508
12/31/2023	1,045,640	395,357	37.81%	88,414	26,012	280,932

**24. Related parties**

The Bank has foreign currency-denominated borrowings granted by its parent bank, ICBC China ("Head Office"), and its branches located in Doha and London. These direct branches of ICBC HO do not have any other equity holding or correspondence relationships with ICBC Brasil.

**a. Borrowings**

Bankers Maturity range	06/30/2024		12/31/2023	
	Principal Up to 360 days	Outstanding balance Up to 360 days	Principal Up to 360 days	Outstanding balance Up to 360 days
ICBC - Doha	53,536	53,635	140,380	146,750
ICBC - London	70,590	71,720	72,611	75,128
Total	124,126	125,355	212,991	221,878

In addition, in the first half of 2024, the Bank recognized income from services in the total amount of R\$111 (R\$0 in June 2023) of ICBC CHONGQING CITY and ICBC Macau during the period in which the agreed-upon services were provided.

**b. Cash and cash equivalents**

The Bank recorded cash and cash equivalents and investments in foreign currency of ICBC China ("Head Office") and its branches located in Toronto, New York, Hong Kong and London.

Cash in foreign currency	06/30/2024	12/31/2023
ICBC - China	259	595
ICBC - Toronto	119	111
ICBC - NY	37	64
ICBC - Hong Kong	4	337
Total	419	1,107

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<b>Investments in foreign currency</b>	<b>06/30/2024</b>	<b>12/31/2023</b>
ICBC - London	-	2,906
<b>Total</b>	<b>-</b>	<b>2,906</b>

### c. Debt instruments eligible as capital

Refers to the acquisition of Perpetual Notes Eligible for Additional Capital from the head office Industrial and Commercial Bank of China Limited. See note 18.

### d. Management compensation

<b>Management compensation</b>	<b>First half of 2024</b>	<b>First half of 2023</b>
<b>Short-term benefits paid to managers</b>		
Fees	1,429	1,963
Bonuses	451	-
<b>Total</b>	<b>1,879</b>	<b>1,963</b>

The Annual Shareholders' Meeting sets the overall amount of the compensation of key management personnel.

## 25. Other information

### a. Guarantees, collaterals and sureties

These products are distributed as follows:

<b>Type</b>	<b>Purpose</b>	<b>06/30/2024</b>	<b>Rating</b>	<b>Provision in June 2024</b>
Surety	Banking - domestic	710	A	4
	<b>Total</b>	<b>710</b>		<b>4</b>

<b>Type</b>	<b>Purpose</b>	<b>12/31/2023</b>	<b>Rating</b>	<b>Provision in December 2023</b>
Surety	Banking - domestic	17,458	AA	-
	<b>Total</b>	<b>17,458</b>		<b>-</b>

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### **b. Other contingent liabilities**

The Bank has a contingent labor liability of R\$742 (R\$37 in December 2023) recognized in provision for contingencies - labor (note 17b). The Bank is not aware of being a party (defendant) to other legal, tax, or administrative proceedings. The Bank has labor contingencies classified as possible loss totaling R\$511 (R\$620 as at December 31, 2023).

### **c. Officers' Representation on the Financial Statements**

In compliance with the provisions of CMN Resolution 4818 and BCB Resolution 2, the officers of ICBC do Brasil Banco Múltiplo S.A. represent, for all due purposes, that at the reporting date as at June 30, 2024 of the Bank, with registered head office in São Paulo, State of São Paulo, at Av. Brigadeiro Faria Lima, 3477, Torre B, 6º andar, Itaim Bibi CEP: 04538-133, registered under the Corporate Taxpayer's ID 17.453.575/0001-62, the financial statements as at June 30, 2024 are true and reliable, properly reflecting the results obtained by the Bank in the mentioned period.

Accordingly, please do not hesitate to contact us should you require any further clarifications.

**Chengyong Xue**  
CEO

**Wenxian Chen**  
Officer

**Nathalia de Souza Barreto**  
Accountant  
CRC 1SP-328924/O-7