(A free translation of the original in Portuguese)

# China Construction Bank (Brasil) Banco Múltiplo S.A.

Financial statements at December 31, 2023 and independent auditor's report





(A free translation of the original in Portuguese)

# Independent auditor's report

To the Board of Directors and Shareholders China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Opinion

We have audited the accompanying financial statements of China Construction Bank (Brasil) Banco Múltiplo S.A. ("Bank"), which comprise the balance sheet as at December 31, 2023 and the statements of income, comprehensive income, changes in shareholder's equity and cash flows for the year and six-month period then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

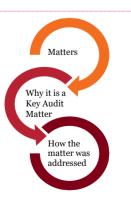
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bank, as at December 31, 2023, and its financial performance and cash flows for the year and six-month period then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

#### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are 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 ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, 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.

#### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. 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 a separate opinion on these matters.



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#### Why it is a Key Audit Matter

How the matter was addressed in the audit

#### Allowance for expected credit risk loss -(Notes 3 (f), 8(d) and 11)

The determination of the amount of the allowance for expected credit risk loss is an area that requires judgment and the use of a set of considerations by management.

In this process, loans operations are classified according to the level of risk, considering several assumptions and factors, including the counterparty's financial situation, the default levels, realization of guarantees, as well as the legal and regulatory standards of Resolution nº 2.682 of National Monetary Council (CMN) and subsequent changes made by BACEN.

Considering all those aspects, as well as the significance of the amounts involved, this is a critical estimation area that continues to be defined as a focus in our audit.

Our procedures considered, among others, the update of our understanding and testing of the relevant internal controls related to credit granting and its corresponding risk analysis and approval of the counterparty.

We analyzed the criteria described in the Bank's internal policies and used by management to determine the credit risk of the operations, as well as (i) recalculated the provisions based on those risk attributions and default levels and (ii) validated the completeness of the database extracted from the underlying systems used as basis for recalculating the provision.

We also performed other tests in compliance with the requirements of CMN Resolution no 2,682, as well as evaluating the aspects related to the disclosure in the explanatory notes.

We considered that the criteria and assumptions adopted by management in the determination and recording of the allowance for expected credit risk loss are reasonable and consistent with the information analyzed in our audit.

#### Tax credits (Notes 3(j) and 14(a))

The China Construction Bank (Brasil) Banco Múltiplo S.A. recorded tax credits arising from temporary differences substantially, based on a study of the taxable profit projections regarding the realization of these tax credits. The taxable income projection involves judgments and assumptions of a With the support of our specialists, we have subjective nature established by management based analyzed the consistency of the relevant on a study of the current and future scenarios. according to specific requirements of the National Monetary Council and the Brazilian Central Bank.

Considering that the use of different assumptions in and the logical and arithmetic consistency of the the future taxable profit projection could significantly modify the terms expected for the realization of the tax credits, with consequent

Our procedures considered the update of our understanding of the process of determination and recording of the tax credits in accordance with the tax and accounting standards.

assumptions used in the study of tax credit realization with the macroeconomic data disclosed in the market, when applicable, as well as the methodology used to estimate the taxable profits, calculations.



Why it is a Key Audit Matter	How the matter was addressed in the audit				
accounting impact, this is an area of critical estimation that continues to be defined as a focus in our audit.	We discussed with management and confirmed the approval of the technical study that supports the realization of the tax credits by the appropriate management bodies.				
	Based on the audit procedures results and in the context of the inherent uncertainties of realization of the amounts registered as tax credits, we consider that the assumptions adopted by management are reasonable and consistent with the information analyzed in our audit.				

#### Information technology environment

China Construction Bank (Brasil) Banco Múltiplo S.A. is dependent on its technology structure to manage and generate information used to process their operations and, consequently, to prepare the financial statements.

Therefore, if the technology structure and the respective general controls are not adequate, there could be an incorrect processing of critical information for decision-making or for their own operations.

Therefore, the information technology environment continues to be considered as an area of focus in our audit.significance of the amounts involved, this is a critical estimation area that continues to be defined as a focus in our audit.

Our procedures considered, among others, the update of our understanding and testing of the information technology environment, including the automated controls or those dependent of technology relevant to the preparation of the financial statements.

With the support of our specialists, the main procedures performed involved tests of controls related to information security, linked to the processes of management and development of systemic changes, security of accesses to programs and databases, physical security of the data processing center, including access management and segregation of duties.

We considered that the information technology environment and the controls established by management have provided a reasonable basis to support the main business processes, which provide information used in the preparation of the financial statements.

#### Other information accompanying the financial statements and the audit report

The Bank's management is responsible for the other information that 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 the 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 with 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.

# **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (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.

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 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 these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of associates to express an opinion on the Bank's financial statements. We are responsible for the direction, supervision and performance of the audit, considering these investees. We remain solely responsible for our audit opinion.

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 semester and 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.

São Paulo, April 26, 2024

PricewaterhouseCoopers (1)900

PricewaterhouseCoopers Auditores Independentes Ltda. CRC 2SP000160/O-5

Fábio de Oliveira Araújo Contador CRC 1SP241313/O-3



#### Management report

#### Dear shareholders,

The new Management of China Construction Bank (Brasil) Banco Múltiplo S.A. ("CCB Brasil" or "Bank"), which took office on February 1, 2024, submits for your analysis, the Management Report and the corresponding Financial Statements, prepared based on the assumptions and estimates applied by the previous Management, along with the Independent Auditor's report, with unqualified opinion, and the Audit Committee's report, for the semester and year ended on December 31, 2023. The remarks presented here, except when emphasized differently, are demonstrated in domestic currency (Reais – R\$). The financial statements portrayed are in accordance with the standards of the Brazilian Central Bank (BACEN). Finally, emphasizing that it has recognized the premises adopted by the previous management in the financial statement and in the technical study of tax credits, the new management must review and align these premises with the basis of the new strategy of the new controller Bank of China for the Bank. This outline will be published in due course by the end of the next fiscal year.

#### Performance for the year of 2023

At the end of the year of 2023, loan operations reached R\$ 9,612.9 million (R\$ 10,157.5 million on December 31, 2022). The balance of the loan portfolio with the corporate segment on December 31, 2023 was R\$ 8,933.2 million (R\$ 9,319.3 million in December 2022), while the retail loan portfolio, basically composed of payroll loans, ended the year of 2023 with R\$ 679.7 million, down 7.1% compared to December 2022, whose balance of this portfolio was R\$ 838.2 million in 2022.

The NPL (non performing loans) ratios, formed by the portion of the loan portfolio classified between risk levels D and H, demonstrate a positive performance in terms of the quality of the corporate portfolio. The portfolio as of December 31, 2023 presented 1.5% of NPL, while as of December 31, 2022 was of 3.1%. Actions were carried out to maintain the process of reducing the NPL ratio and expenses with provisions, maintaining stability in the quality of the loan portfolio.

Management declares that it has the financial capacity and intention to hold the securities classified in the held-to-maturity category until maturity.

In relation to Funding, we observed an increase of 6.4% in funding in reais in this year. Time deposits reached R\$ 4,421.3 million, an increase of 5.1% over December of 2022. The funds issued, composed of LCAs, LFs and LCIs, totaled R\$ 1,305.2 million, an increase of 17.6% compared to December 31, 2022.

As December 31, 2023, the resources from Head Office represented 21.7% of total funding of R\$ 16,005.8 million. It is worth noting that the Head Office has provided its Subsidiary with adequate funding to maintain the continuity of its operational activities and adhering to market rate conditions.

The gross result of financial intermediation for the year ended on December 31, 2023 reached R\$ 317.0 million, a decrease of 7.53% compared to the result obtained in the year ended on December 31, 2022, R\$ 342.8 million.

The loss for the year ended December 31, 2023 was R\$ 26.7 million (R\$ 21.8 million on 2022).

On December 31, 2023, shareholders' equity reached R\$ 1,621.7 million and the Basel ratio was 20.28%.



#### Change of control

On January 31, 2024, through the acquisition of Bank shares previously held by CCB Holding, the transfer of share control of CCB Brasil was implemented, starting in the first half of 2023 through a capital increase of R\$ 540 million to the Bank of China Limited ("BOC"), a Chinese financial institution headquartered in Beijing, current controller in Brazil of Banco da China Brasil S.A. ("BOC Brasil"). CCB Holding maintained a minority stake in the Bank.

A process of transition and compliance with certain contractual and regulatory obligations begins to complete the transaction and, in due course, change the trade names and corporate names of CCB Brasil and its controlled companies.

BOC is a Chinese bank with more than 112 years of tradition. Globally, it has more than US\$ 4.5 trillion in assets and approximately US\$ 363 billion in Tier I Capital. In 2023, BOC was considered the 4th best World Bank by The Banker magazine and the Best Private Bank for Entrepreneurs by Global Finance magazine.

#### **Final comments**

We would like to thank our shareholders, clients and suppliers for their support and trust concerning our management, and also our employees for their valuable contribution.

(Disclosure authorized at the meeting of the Board of Directors on April 25, 2024).



### Summary of the Audit Committee Report Semester and Year Ended on December 31, 2023

The Audit Committee of China Construction Bank (Brasil) Banco Múltiplo S.A. is established in compliance with the rules of the Central Bank of Brasil and the bank's bylaws.

The Committee analyzed the individual and consolidated financial statements for the semester and year ended December 31, 2023, focusing on the application of accounting practices adopted by the market and compliance with standards issued by the Central Bank of Brasil - BACEN. The Committee evaluated the recommendations proposed by the Internal and Independent Audits, discussing with Management the arrangements for the respective compliance. Based on the information and reports received from the internal control and risk areas, the work of the Internal Audit and the Independent Audit reports, the Audit Committee concluded that there were no relevant failures to comply with internal regulations and standards that could endanger the continuity of the institution.

The Audit Committee discussed with PricewaterhouseCoopers (PwC) the results of the work and its conclusions on the audit of these financial statements, the report of which is unqualified. The key audit matters were also discussed with PwC, as well as other points related to accounting practices, recommendations and notes in the internal control and risk reports, and presentation of the financial statements. The Audit Committee made recommendations in order to improve the management processes of internal controls, Compliance and risk management, whose actions are monitored by the Internal Audit.

The Audit Committee, as a result of evaluations based on information received from Management, Internal Audit, Independent Audit and the area responsible for corporate monitoring of internal controls and risks, considering the limitations arising from the scope of its function, understands that the Audited Financial Statements individual and consolidated for the semester and year ended December 31, 2023, are in a condition to be approved by the Board of Directors.

São Paulo, April 25, 2024

Audit Committee

CCB ② 中国建设银行 China Construction Bank China Construction Bank (Brasil) Banco Múltiplo S.A.

## Balance sheet on December 31

(In thousands of reais)

Assets	Note	12/31/2023	12/31/2022	
Current and non-current				
Financial instruments		17,256,620	16,973,468	
Cash and cash equivalents		8,227	50,727	
Interbank funds applied	5	2,136,543	1,844,012	
Securities	6.b	5,073,440	4,510,349	
Derivatives	7.f	101,516	109,322	
Credit Portfolio	8.a	7,742,589	8,763,763	
Foreign exchange operations	9	1,918,253	1,548,019	
Other financial instruments	10	425,895	454,969	
Allowance for expected loss to credit risk	11	(149,843)	(307,693)	
Non-financial assets held for sale	12	77,018	93,754	
Cost		184,242	196,175	
Provision for impairment		(107,224)	(102,421)	
Investments		356,452	342,040	
Investments in domestic subsidiaries	13	356,285	341,834	
Other investments		167	206	
Property and equipment		4,739	6,321	
Cost		89,753	96,720	
Accumulated depreciation		(84,625)	(90,009)	
Provision for impairment		(389)	(390)	
Intangible		1,823	1,385	
Cost		28,120	25,736	
Accumulated amortization		(26,297)	(24,351)	
Tax assets		881,552	1,202,562	
Taxes to be offset		20,754	16,127	
Tax credits	14.a	628,883	805,773	
Presumed - Law nº 12.838/13	14.b	231,915	380,662	
Other assets	15	88,707	79,799	
Total Assets		18,666,911	18,699,329	

CCB O 中国建设银行 China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Balance sheet on December 31

(In thousands of reais)			(continue
Liabilities	Note	12/31/2023	12/31/2022
Current and non-current			
Financial instruments		16,173,662	16,079,070
Funds obtained in the market	16	11,781,168	10,317,894
Borrowings and onlendings	17	3,401,657	4,670,897
Derivatives	7.f	29,947	49,406
Foreign exchange operations	9	133,967	140,906
Debt instruments eligible to capital	18	823,021	887,009
Other financial instruments	19	3,902	12,958
Provisions	20	570,525	1,135,009
Tax liabilities		216,460	310,995
Current Taxes		11,893	25,561
Deferred Taxes	14.c	163,866	202,289
Presumed Taxes - Law nº 12.838/13	14.b	40,701	83,145
Other liabilities	23	84,586	67,830
Total liabilities		17,045,233	17,592,904
Shareholders' equity			
Share Capital	24.a	3,497,234	2,956,864
Treasury shares	24.b	(55,105)	(55,105)
Accumulated losses		(1,822,855)	(1,796,187)
Capital reserve		899	899
Other comprehensive income		1,505	(46)
		1,621,678	1,106,425
Total shareholders' equity			
Total liabilities and shareholders' equity		18,666,911	18,699,329

CCB ② 中国建设银行 China Construction Bank China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Statement of Income

Years and Semester ended on December 31

(In thousands of reais, except for losses per capital share)

	Note	2nd Half 2023	12/31/2023	12/31/2022
Income from financial intermediation		1,007,794	1,526,941	1,309,130
Loan operations	26	524,395	844,340	680,818
Results from Interbank funds applied and securities	27	407,379	792,396	692,550
Derivatives	28	(28,389)	(92,325)	(33,229)
Foreign exchange results	29	104,409	(17,470)	(31,009)
Financial intermediation expenses		(852,269)	(1,209,901)	(966,310)
Borrowings and onlendings	31	(232,472)	(16,176)	168,157
Funds obtained in the market	32	(615,414)	(1,255,977)	(1,192,126)
Debt instruments eligible to capital	33	(3,757)	63,988	61,676
Other financial intermediation expenses	30	(626)	(1,736)	(4,017)
Gross profit (loss) from financial intermediation before				
expected credit loss		155,525_	317,040	342,820
Provision for expected loss to credit risk	11	684	3,005	(444)
Net profit (loss) from financial intermediation		156,209	320,045	342,376
Other operating income (expenses)		(112,657)	(263,649)	(308,481)
Service revenues	34	14,251	33,919	44,251
Personnel expenses	35	(82,341)	(164,597)	(174,503)
Other administrative expenses	36	(57,711)	(95,030)	(78,268)
Other operating income	37	20,596	40,712	36,269
Other operating expenses	38	(22,097)	(53,793)	(74,894)
Equity in the results of subsidiaries	13	16,162	20,817	(3,553)
Provision for contingent liabilities	21.a	(20)	(40,253)	(56,382)
Provisions for guarantees provided		(1,497)	(5,424)	(1,401)
Operating result		43,552	56,396	33,895
Other non operating income		3,200	5,840	5,541
Reversion provision for other non operating income		(10)	(6,101)	6,743
Non operating result	39	3,190	(261)	12,284
Profit (loss) before taxes		46,742	56,135	46,179
Income tax and social contribution	14.d	-	-	(12,186)
Deferred taxes	14.d	(53,270)	(82,803)	(55,822)
Loss for the semester/years		(6,528)	(26,668)	(21,829)
Amount of shares (thousand)		689,797	689,797	459,233
Loss per share - R\$		(0.01)	(0.04)	(0.05)



## Statement of comprehensive income

### Years and Semester ended on December 31

(In thousands of reais)

-	2nd Half 2023	12/31/2023	12/31/2022
Loss for semester/years	(6,528)	(26,668)	(21,829)
Other comprehensive results which will be reclassified subsequently for net income	(572)	1,551	1,435
Securities available for sale			
Change in fair value	(1,039)	2,821	2,609
Deferred taxes	467	(1,270)	(1,174)
Comprehensive loss for the semester/years	(7,100)	(25,117)	(20,394)



## Statement of changes in shareholders' equity

Years and Semester ended on December 31

(In thousands of reais)

	Share Capital	Capital increase	Treasury share	Capital reserves Goodwill of the issues of share	Other comprehensive income	Accumulated Loss	Total
Balance at January 1, 2022	2,956,864	·	(55,105)	899	(1,481)	(1,774,358)	1,126,819
Other comprehensive results	-	-	-	-	1,435	-	1,435
Loss for the year						(21,829)	(21,829)
Balance at December 31, 2022	2,956,864		(55,105)	899	(46)	(1,796,187)	1,106,425
Variation in the year					1,435	(21,829)	(20,394)
Balances at January 1, 2023	2,956,864	<u> </u>	(55,105)	899	(46)	(1,796,187)	1,106,425
Capital increase in cash	540,370	-	-	-	-	-	540,370
Other comprehensive results	-	-	-	-	1,551	-	1,551
Loss for the year			-	=		(26,668)	(26,668)
Balances at December 31, 2023	3,497,234		(55,105)	899	1,505	(1,822,855)	1,621,678
Variation in the year	540,370	·			1,551	(26,668)	515,253
Balances at July 1, 2023	2,956,864	540,370	(55,105)	899	2,077	(1,816,327)	1,628,778
Capital increase in cash	540,370	(540,370)	-	-	-	-	-
Other comprehensive results	-	-	-	-	(572)	-	(572)
Loss for the semester			-	=		(6,528)	(6,528)
Balances at December 31, 2023	3,497,234	<u> </u>	(55,105)	899	1,505	(1,822,855)	1,621,678
Variation in the semester	540,370	(540,370)	-		(572)	(6,528)	(7,100)

## CCB ② 中国建设银行 China Construction Bank China Construction Bank (Brasil) Banco Múltiplo S.A.

## Statement of cash flows

## Years and Semester ended on December 31

(In thousands of reais)

Cash flow from operating activities	Note	2nd Half 2023	12/31/2023	12/31/2022
Loss for the semester/years		(6,528)	(26,668)	(21,829)
Adjustments to the Profit (Loss)	-	22,543	120,417	99,301
Provision for expected loss to credit risk	11	(684)	(3,005)	444
Monetary update of judicial deposits	37	(13,788)	(28,214)	(27,194)
Provision for contingent liabilities	21.a	(15,788)	40,253	56,382
-	31	20		
Provision for loans linked to credit operations	51		40,674	42,104
Other operating provisions	26	1,507	11,525	(5,342)
Depreciation and amortization	36 14	1,715	3,588	7,359
Tax credits and Deferred tax liabilities		53,270	82,803	55,822
Equity in the results of subsidiaries	13	(16,162)	(20,817)	3,553
Loss on sales of property and equipment	39	(2.250)	-	146
(Gain) on sales of assets held for sale	39	(3,256)	(5,890)	(6,568)
Exchange variations on cash and cash equivalents Write-off of assets due to disuse	39	(368) 49	(549) 49	(28,355) 950
	39	+5	49	550
Adjusted Profit	-	16,015	93,749	77,472
Decrease (increase) in interbank funds applied		(89)	367	(713)
(Increase) in securities		(289,090)	(560,270)	(451,387)
(Increase) decrease in derivatives		35,957	(11,653)	(44,144)
Decrease in credit portfolio		457,643	865,475	177,988
(Increase) decrease in foreign exchange portfolio - assets		1,985,430	(370,234)	(82,057)
(Decrease) in foreign exchange portfolio - liabilities		(1,812,617)	(6,939)	(102,997)
(Increase) in other financial instruments and other assets		(199,906)	(487,687)	(376,773)
Increase in funds obtained in the market		960,220	1,463,274	613,344
Income tax and social contribution paid		, -	(1,344)	(9,390)
Interest payment		(200,830)	(391,880)	(98,706)
Contingencies payment	21.a	(455,259)	(464,489)	(21,264)
Interest received		299,672	553,793	393,382
(Decrease) in other liabilities		(38,037)	(5,170)	(1,977)
(Decrease) in other financial instruments - liabilities		(4,159)	(9,056)	(78,545)
Dividends received	13.a	( .)=== /	217	1,362
Interest on own capital received	13.b	-	8,500	
Net cash provided (used in) by operating activities		754,950	676,653	(4,405)
Cash flow from investing activities				
Sale of assets not for own use		11,181	17,353	29,463
(Acquisition) sale of property and equipment		/	(81)	208
Acquisition of intangible assets		(222)	(2,384)	(2,137)
(Acquisition) sale of investments		(36)	(40)	204
Net cash provided by investing activities	-	10,923	14,848	27,738
Cash flow from financing activities				
Increase in borrowings and onlending resources		24,068,802	39,023,259	9,379,215
(Decrease) increase debt instruments eligible to capital	33	3,757	(63,988)	(61,676)
Repayment of borrowings		(25,311,134)	(39,941,292)	(9,482,653)
Capital increase		-	540,370	-
Net cash (used in) by financing activities	-	(1,238,575)	(441,651)	(165,114)
Increase (decrease) in cash and cash equivalents		(472,702)	249,850	(141,781)
Cash and cash equivalents at the beginning of the semester/years	4	2,613,155	1,890,422	2,003,848
Exchange variations on cash and cash equivalents		368	549	28,355
Cash and cash equivalents at the end of the semester/years	4	2,140,821	2,140,821	1,890,422
Increase (decrease) in cash and cash equivalents		(472,702)	249,850	(141,781)
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## CCB O 中国建设银行 China Construction Bank China Construction Bank (Brasil) Banco Múltiplo S.A.

Notes to financial statements In thousands of reais - R\$, unless otherwise indicated.

#### 1. OPERATIONS

China Construction Bank (Brazil) Banco Múltiplo S.A. ("CCB Brasil"), headquartered at Avenida Brigadeiro Faria Lima, 4.440, São Paulo - SP, Brazil, is a privately-held corporation controlled by CCB Brazil Financial Holding -Investimentos Participações Ltda. ("CCB Holding"), a member of the China Construction Bank Corporation group, headquartered in the People's Republic of China and authorized by BACEN (the Brazilian Central Bank) to operate as a Multiple Bank to develop its operations through the following portfolios: commercial, investments, real estate loans and foreign exchange.

Through subsidiaries, it operates throughout the national territory in the markets: lease, credit, financing and investments and distribution of securities.

On January 31, 2024, through the acquisition of Bank shares previously held by CCB Holding, the transfer of share control of CCB Brasil was implemented, starting in the first half of 2023 through a capital increase of R\$ 540 million to the Bank of China Limited ("BOC"), a Chinese financial institution headquartered in Beijing, current controller in Brazil of Banco da China Brasil S.A. ("BOC Brasil"). CCB Holding maintained a minority stake in the Bank.

A process of transition and compliance with certain contractual and regulatory obligations begins to complete the transaction and, in due course, change the trade names and corporate names of CCB Brasil and its controlled companies. See, additionally, note 43, subsequent events.

#### 2. PRESENTATION OF FINANCIAL STATEMENTS

Financial statements of China Construction Bank (Brazil) Banco Múltiplo S.A. - CCB Brasil, including overseas facilities have been prepared based on Brazilian accounting policies applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN) and provided for in the Brazilian Corporate Law - Law 6,404/76 as amended by Laws 11,638/07 and 11,941/09 together with rules and instructions of the National Monetary Council - CMN and BACEN, and evidence all relevant information specific to the financial statements, and only those, which are consistent with those used by Management in its management.

CMN Resolution No. 4,818/20 and BACEN Resolution No. 02/20 of BACEN established general criteria and procedures for the preparation and disclosure of financial statements. BCB Resolution No. 2/20, revoked Bacen Circular No. 3,959/19 and became effective as of January 1, 2021. This standard, among other requirements, determined the separate disclosure in an explanatory note of recurring and non-recurring results (note 41).

We emphasize that, according to option provided for in Article 23 of BCB Resolution 02/20, CCB Brasil chose to present Balance Sheet accounts in decreasing order of liquidity and enforceability, with no separation between current and non-current, the segregation of which is presented in the explanatory notes.

In order to improve the presentation of the financial statements referring to the base date December 31, 2022, the balances referring to "negotiations and intermediation of values" in an amount of R\$ 26,332 and R\$ 18,907 in assets and liabilities, respectively, previously presented in the Balance Sheet under the heading "Other financial instruments" were reclassified to the heading "Derivatives".



#### Notes to financial statements

#### In thousands of reais - R\$, unless otherwise indicated.

Management declares that disclosures in the Bank's financial statements show all relevant information used in its management and that accounting policies have been applied consistently from one presented period to another.

The CCB Brasil Conglomerate prepared a plan to implement the accounting concepts and criteria applicable to financial instruments required by CMN Resolution No. 4,966/21 and CMN Resolution nº 5,019/22. This Implementation Plan is segregated as follows:

- (i) Organization and Governance: Forums and Committees made up of different hierarchical levels dedicated to defining and monitoring implementation;
- (ii) Processes and Systems: Mapping impacts and implementing changes in processes and systems;
- (iii) Models and Criteria: Review and update of models and criteria used in accounting estimates. The Implementation Plan schedule is being phased throughout the 2024 financial year, in accordance with additional standards issued by BACEN. The impacts on the financial statements will be disclosed in a timely manner after the implementation required by said resolution at the end of the 2024 financial year.

The issue of financial statements was approved by the Board of Directors on April 25, 2024.

#### 3. PRINCIPAL ACCOUNTING POLICIES

#### a) Functional currency

The financial statements are presented in Reais, the functional and presentation currency of CCB Brasil. Monetary assets and liabilities denominated in foreign currencies were translated into Reais at the foreign exchange rate ruling on the balance sheet closing date disclosed by Brazilian Central Bank, and the foreign exchange differences arising on translation were recognized in the income (loss) for the year.

For foreign branch abroad whose transactions are carried out in foreign currency – as, in essence, it is an extension of Brazilian activities with no significant autonomy, functional currency determined according to criteria established by CMN Resolution 4,524/16 is the Brazilian Real; assets and liabilities are translated at exchange rate prevailing on balance sheet date, and income (loss) is translated at foreign exchange rate on transaction date. Adjustments deriving from translation are recorded as a contra-entry to income for the year.

#### b) Cash and cash equivalents

Cash and cash equivalents are represented by cash and cash equivalents in local and foreign currency, which are readily convertible into a known amount of cash, money market repurchase commitments, and interbank deposits, whose maturity of the operations on the date of the effective investment is equal to or shorter than 03 months and present insignificant risk of fair value change, in case of redemption in advance.

#### c) Interbank funds applied

Are shown at cost of investment or acquisition, plus income accrued up to the balance sheet date.

#### d) Securities

As established by BACEN Circular Letter 3,068/01, securities are classified as follows and evaluated:



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

- **Trading securities** securities acquired for the purpose of being frequently and actively negotiated, adjusted to market value with the corresponding entry to the results for the year.
- Securities available for sale Securities that are not for trading or held to maturity, which are adjusted to market value with the corresponding entry to a separate account in shareholders' equity, reduced for any tax effects.
- Securities held to maturity Securities in which Management declares the intention and financial capacity to be held in portfolio until maturity, valued at acquisition cost, plus income with the corresponding entry to the income (loss) for the year.

#### e) Derivative financial instruments

Evaluation is carried out based on market value and resulting valuations and devaluations are recorded in income (loss) for the year.

#### f) Loan portfolio and provision for expected credit risk loss

Loan portfolio includes operations related to loan, lease, advances on foreign exchange contracts and other loans with credit granting characteristics. It is stated at present value, considering indices, interest rate and agreed charges and calculated on a pro rata day basis up to balance sheet date. For transactions overdue for more than 60 days, recognition in revenues will only occur when they are actually received.

For the determination of provisions for expected credit losses, loan operations are classified according to the level of risk, taking into consideration the economic panorama, past experience and specific risks in relation to the operations, to obligators and guarantors, among others, financial status among parties, default levels, expected future cash flows, amounts estimates of recovery and realization of guarantees, observing the parameters established by CMN Resolution 2,682/99, which requires the periodic analysis of the portfolio and its rating at nine levels, ranging from AA (minimum risk) to H (potential loss) and Management's judgment, as shown in Note 8.d – Breakdown of portfolio per levels of risk.

#### g) Credit assignment

A financial asset is written-off when rights in cash flow agreement expire or when financial asset is sold or transferred.

As established in CMN Resolution 3,533/08, sale or transfer of a financial asset is classified in three categories:

- Operations with substantial transfer of risks and rewards: transactions in which seller or assignor substantially transfer all property risks and benefits of the financial asset that is the object of the transaction such as: (I) unconditional sale of financial asset; (II) sale of financial asset together with repurchase option at fair value of that asset at the time of repurchase; and (III) sale of financial asset together with call or put option whose exercise is improbable. In this category, asset that is the object of assignment is written off at transaction time and income is recognized in profit or loss through transfer of financial assets.

- Operations with substantial retention of the risks and rewards: transactions in which seller or assignor does not substantially retain all property risks and benefits of the financial asset that is the object of the transaction such



#### Notes to financial statements

#### In thousands of reais - R\$, unless otherwise indicated.

as: (I) sale of financial asset together with commitment to repurchase the same asset at a fixed price or at sales price plus earnings; (II) loan agreements for securities; (III) sale of financial asset together with total return rate swap that transfers exposure to market risk back to seller or assignor; (IV) sale of financial asset together with call or put option whose exercise is improbable; and (V) sale of receivables for which the seller or assignor guarantees that will use any way to compensate buyer or assignee for credit losses that may occur, or whose sale occurred together with acquisition of subordinated quotas of the buyer's Credit Right Investment Fund (FIDC). In this category, asset that is the object of assignment is kept in accounting books and a liability in favor of the assignee is recognized for the assignment value. Assets continue generating positive results income and liabilities generate expenses at the rate applied on assignment. These amounts are recorded in financial assets' transfer revenue account (assets) and financial assets' transfer expense account (liabilities) over the term of assigned transactions.

- Operations without transfer or substantial retention of risks and rewards: transactions in which seller or assignor does not substantially transfer neither retains all property risks and benefits of the financial asset that is the object of the transaction. The Bank does not work with this category.

Evaluation of transfer or retention of property risks and benefits of financial assets is conducted based on consistent criteria liable to verification, with the methodology of comparing exposure, before and after sale or transfer, with expected variation of present value of cash flow associated to the financial asset discounted at proper market interest rate.

#### h) Non-financial assets held for sale

Non-financial assets held for sale include the book value of individual items, or groups of assets for disposal or items making part of a business unit destined to disposal ("Discontinued Operations"), the sale of which in their present condition is highly and which shall probably occur within one year as of the base date of financial information. They are generally measured for the lower between the fair value less the sale cost and the book value on the date in which they are classified in such category. They are not depreciated, provided that they remain in such category.

#### i) Investments in domestic subsidiaries

Investments in domestic subsidiaries are valued under the equity method.

#### j) Tax assets and liabilities

Income tax and social contribution are calculated on accounting profit adjusted under the terms of the tax legislation, at the rates of 15%, plus an additional 10% above a certain limit for income tax and 20% on profit before income tax deduction for social contribution. From August 1, 2022 to December 31, 2022, in accordance with Law No. 14,446/22, the social contribution was 21%.

The stock of tax credits and deferred tax liabilities recorded on December 31, 2023 and 2022 were calculated considering the rate in effect on the date of realization.

#### k) Financial instruments recorded in current and non-current liabilities

They are stated at known or estimated amounts, including, where applicable, charges and inflation adjustments (on a pro rata basis) and exchange-rate change earned.



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

#### I) Provisions, contingent assets and liabilities and legal obligations - taxes and social security

The recognition, measurement and disclosure of contingent liabilities and legal obligations are carried out in accordance with the criteria set forth by CVM Resolution 3,823/09.

- **Contingent assets:** are not recognized in accounting books, except when there is a favorable final court decision, and such assets are characterized as practically certain. Assets with probable likelihood of success are only disclosed in notes. CCB Brasil does not have contingent assets with probable likelihood of success.
- **Provisions:** are recognized when the Management, advised by the legal advisors' opinion, evaluates if the chance of loss is probable. Cases for which an unfavorable outcome is regarded as possible are only disclosed in the note.
- Contingent liabilities according to CPC 25, the term "contingent" is used for liabilities and assets that are not recognized, as their existence will only be confirmed by the occurrence or non-occurrence of one or more future and uncertain events, not fully under the control of the Entity. The term "contingent liability" is used for liabilities that do not satisfy the recognition criteria, as they are considered possible losses, and should only be disclosed in notes, when material. Obligations classified as remote are not accrued or disclosed; and
- Legal obligations: these are recognized and provided for in the balance sheet.

#### m) Accounting estimates

The preparation of financial statements complies with accounting policies adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank and requires that Management uses its judgment in determining and recording accounting estimates. Significant items subject to these estimates and assumptions include: the evaluation of realization of the credit portfolio for calculation of allowance for doubtful accounts, the technical studies to estimate the periods for realization of tax credits, the evaluation of contingencies, liabilities and respective provisions, and evaluation of non-financial asset impairment loss and evaluation of market value of financial instruments and derivatives.

The settlement of the transactions and the respective book balances determined using estimates may present differences, due to inaccuracies inherent in the process. CCB Brasil reviews the estimates and assumptions at least semi-annually.

CCB ② 中国建设银行 China Construction Bank China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

#### 4. CASH AND CASH EQUIVALENTS

	12/31/2023	12/31/2022
Cash and cash equivalents	8,227	50,727
Money market repurchase commitments	2,000,429	1,500,239
Interbank deposit investments	19,616	56,438
Foreign currencies investments	112,549	283,018
Total	2,140,821	1,890,422

#### 5. INTERBANK FUNDS APPLIED

	12/31/2023	12/31/2022
Money market repurchase commitments	2,000,429	1,500,239
Interbank deposit investments	23,565	60,755
Foreign currencies investments	112,549	283,018
Total	2,136,543	1,844,012
Current	2,136,543	1,842,728
Non-current		1,284
Total	2,136,543	1,844,012

#### 6. SECURITIES

#### a) Operation policy

Destination of securities is evaluated upon acquisitions, and formed portfolio is evaluated upon half-annual balance sheet.

#### b) Securities portfolio by category and type

	12/31/2023							
	Up to 90 days	91–360 days	Total current	Non- current	Total account amount	Adjusted cost	Market value	
Securities available for sale	1,107,463	447,910	1,555,373	3,398,305	4,953,678	4,950,941	4,953,678	
Own portfolio (*)	230,868	8,605	239,473	145,805	385,278	385,164	385,277	
Financial Treasury Bills	230,868	8,605	239,473	145,805	385,278	385,164	385,277	
Subject to purchase and sale agreements	820,230	-	820,230	3,220,719	4,040,949	4,038,321	4,040,950	
Financial Treasury Bills	820,230	-	820,230	3,220,719	4,040,949	4,038,321	4,040,950	
Related to guarantees provided (**)	56,365	439,305	495,670	31,781	527,451	527,456	527,451	
Financial Treasury Bills	56,365	439,305	495,670	31,781	527,451	527,456	527,451	
Securities held to maturity	-	-	-	119,762	119,762	119,762	119,762	
Own portfolio	-	-	-	119,762	119,762	119,762	119,762	
Quotas - FIDC	-	-	-	119,762	119,762	119,762	119,762	
Total	1,107,463	447,910	1,555,373	3,518,067	5,073,440	5,070,703	5,073,440	

(\*) Terms are assigned based on nominal maturity without considering public securities' high liquidity.

(\*\*) Book balance includes R\$ 525,884 referring to margin deposited in guarantee of transactions with derivative financial instruments, R\$ 853 referring to lawsuits and R\$ 714 referring to other guarantees.

## CCB ② 中国建设银行 China Construction Bank China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

				12/3	1/2022		
	Up to 90 days	91 - 360 days	Total current	Non- current	Total account amount	Adjusted cost	Market value
Securities available for sale	719,487	315,562	1,035,049	3,370,652	4,405,701	4,405,784	4,405,701
Own portfolio (*)	111,268	115,458	226,726	908,492	1,135,218	1,135,124	1,135,218
Financial Treasury Bills	111,268	115,458	226,726	908,492	1,135,218	1,135,124	1,135,218
Subject to purchase and sale agreements	608,219	200,104	808,323	2,378,208	3,186,531	3,186,729	3,186,531
Financial Treasury Bills	608,219	200,104	808,323	2,378,208	3,186,531	3,186,729	3,186,531
Related to guarantees provided (**)	-	-	-	83,952	83,952	83,931	83,952
Financial Treasury Bills	-	-	-	83,952	83,952	83,931	83,952
Securities held to maturity	-	-	-	104,648	104,648	104,648	104,648
Own portfolio	-	-	-	104,648	104,648	104,648	104,648
Quotas - FIDC	-	-	-	104,648	104,648	104,648	104,648
Total	719,487	315,562	1,035,049	3,475,300	4,510,349	4,510,432	4,510,349

(\*) Terms are assigned based on nominal maturity without considering public securities' high liquidity.

(\*\*) Book balance includes R\$ 82,569 referring to margin deposited in guarantee of transactions with derivative financial instruments, R\$ 752 referring to lawsuits and R\$ 631 referring to other guarantees.

Public securities are registered with BACEN's Special Settlement and Custody System (SELIC) and FIDC quotas are held in custody by custodian institution indicated by Fund Administrator.

Government bonds' market value was determined based on unit prices disclosed by ANBIMA on balance sheet date and investment fund quotas by the quota value on the date of balance sheet disclosed by the Fund's administrator.

#### 7. DERIVATIVE FINANCIAL INSTRUMENT PORTFOLIO

#### a) Policy of use

Due to *Paul Volcker* Rule, applicable to the CCB Group on a global basis, transactions of CCB Brasil's trading portfolio are restricted to derivative transactions with customers and must always be hedged. In current year and or the purpose of mitigating market risk deriving from mismatches between the Conglomerate's assets and liabilities, CCB Brasil traded traditional and non-complex derivatives (plain vanilla) aiming at meeting clients' needs mainly, always with respective hedges. It also used this instrument to hedge exposure of banking portfolio to interest rates.

#### b) Protection against Exchange Rate Exposures

CCB Brasil carries out Swap, NDF (currency term) and Futures Market transactions to hedge obligations with securities issued abroad and foreign currency funding received. Therefore, it is possible to protect the Bank from the risk of currency and exchange coupon change to which such transactions are naturally subject to, and thus, protect it from unexpected impacting changes through economic and accounting hedge, when applicable.

#### c) Portfolio Protection with Fixed Rates

CCB Brasil adopts the strategy of acquiring DI futures contracts, evaluating amount allocated per credit portfolio term and amount allocated per DI futures contracts' maturities. Hedge coverage is daily monitored and assessed on a quarterly basis for the purpose of maintaining accounting hedge and making it effective. It complies with criteria that consider total portfolio less delayed payments and prepayment. The Bank's Treasury assesses the need to buy



#### Notes to financial statements

#### In thousands of reais - R\$, unless otherwise indicated.

or sell new DI futures contracts to offset adjustment to market value of hedge object and guarantee hedge effectiveness ranging 80–125%, considering relationship between market change of protected layer, designated hedge object and market change of DI futures contracts.

#### d) Risk management

CCB Brasil operates with derivative financial instruments as part of a list of services provided to its customers and to meet its own needs in connection with the management of market risks, arising basically from normal mismatches between currencies, interest rates, indices, and terms of its asset and liability transactions.

The main risk factors for derivatives assumed on December 31, 2023 were related to exchange rate, interest rate and dollar coupon, which aim maximizing risk and return ratios, even in situations of high volatility. Portfolios' risk management control is carried out using metrics VaR (trading portfolio), EVE and NII (banking portfolio), Profitability and Liquidity Risk.

#### e) Measurement criteria of market value

In order to obtain market values, the following criteria were adopted:

- Term and Futures Contracts: quotations in Stock exchanges; and
- *Swap*: cash flow of each of its parties is estimated discounted to present value, according to corresponding interest curves obtained based on prices of B3 S.A. Brasil, Bolsa, Balcão, and/or on public securities' market prices for Brazilian transactions, and on prices of international exchanges for transactions carried out abroad, when applicable.

#### f) Recognition of amounts

The balances arising from these transactions are recorded in offset and equity accounts, pursuant to specific rule of the BACEN.

In terms of accounting, the financial instruments are classified according to the intention of Management of using them as hedge instruments or not, according to the BACEN Circular Letter 3,082/02 and subsequent updates.

Operations that use financial instruments carried out upon a request from clients, or that do not fulfill the protection criteria (especially derivatives utilized to manage global risk exposure up to December 31, 2023), are recorded at market value, with realized and unrealized gains and losses, recorded directly in the statement of income.

Specifically, for the market value hedge, the financial assets and liabilities, and the related financial instruments are stated at market values including gains and losses, realized and unrealized, and recognized directly to the statement of income.



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

The outstanding derivative financial instruments on December 31, 2023 have the following characteristics:

										Re	ference value
							N	et position of	assets' and (lia	abilities) contrac	ts
							Due	Due			
	<b>C</b>	Non-	Differential	<b>C</b>	Non-	Differential	up to 03	03-12	Total	N	Tetel
Swap contracts	Current	current	receivable	Current	current	payable	months	months	current	Non-current	Total
Interbank market	14,658	58.047	72,705	69		69	12.642	101.155	113.797	374,392	488,189
	,	58,047	,		- -		,	,	,	,	,
Foreign currency	5,630	-	5,630	-	6,333	6,333	(13,916)	(116,280)	(130,196)	(366,961)	(497,157)
Fixed rate	761		761	-		-	1,274	15,125	16,399	(7,431)	8,968
Subtotal	21,049	58,047	79,096	69	6,333	6,402	-	-	-	-	-
Adjustment to market value	1,844	7,458	9,302	3	207	210	-	-	-	-	-
Total	22,893	65,505	88,398	72	6,540	6,612	-	-	-	-	-
Forward contracts/Non-											
deliverable forwards - NDF											
Forward purchase/NDF	33	-	33	13,463	-	13,463	58,446	140,957	199,403	-	199,403
Forward sale/NDF	552	-	552	14	-	14	(28,622)	(183)	(28,805)	-	(28,805)
Subtotal	585	-	585	13,477	-	13,477	-	-	-	-	=
Total	23,478	65,505	88,983	13,549	6,540	20,089	-	-	-	-	-
Futures contracts											
Purchase - Interbank market	-	=	-	23	-	23	-	198,900	198,900	6,614	205,514
Sale - Interbank market	143	=	143	-	-	-	(155,470)	(125,392)	(280,862)	(284,851)	(565,713)
Buy - DDI - For. cur. coupon	1,916	-	1,916	-	-	-	219,503	60,207	279,710	203,906	483,616
Sale - DDI - For. cur. coupon	-	=	-	2,239	-	2,239	-	(346,964)	(346,964)	(139,322)	(486,286)
Purchase - Foreign currency	10,471	-	10,471	, 2	-	, 2	2,152,451	-	2,152,451	-	2,152,451
Sale - Foreign currency	3	-	3	7,594	-	7,594	(1,612,494)	-	(1,612,494)	-	(1,612,494)
Total	12,533	-	12,533	9,858	-	9,858					
Total Derivatives	36,011	65.505	101,516	23,407	6,540	29,947					

The outstanding derivative financial instruments on December 31, 2022 have the following characteristics:

									R	eference value
						Ne	et position of	fassets' and (liab	ilities) contra	cts
						Due	Due			
	Non-	Differential		Non-	Differential	up to 03	03–12		Non-	
Current	current	receivable	Current	current	payable	months	months	Total current	current	Total
25,619	37,570	63,189	240	1,688	1,928	68,402	243,468	311,870	607,902	919,772
283	1,657	1,940	4,993	4,622	9,615	(68,402)	(275,265)	(343,667)	(614,272)	(957,939)
584	-	584	-	119	119	-	31,797	31,797	6,370	38,167
26,486	39,227	65,713	5,233	6,429	11,662	-	-	-	-	-
(133)	15,289	15,156	(404)	360	(44)	-	-	-	-	-
26,353	54,516	80,869	4,829	6,789	11,618	-	-	-	-	-
1,442	-	1,442	14,232	2,238	16,470	201,139	172,957	374,096	15,653	389,749
679	-	679	2,411	-	2,411	89,685	21,460	111,145	-	111,145
2,121	-	2,121	16,643	2,238	18,881	-	-	-	-	-
28,474	54,516	82,990	21,472	9,027	30,499	-	-	-	-	-
20	-	20	-	-	-	50 132	134 757	184 889	22 842	207,731
-	-		284	-	284	,	,	,	,	(848,206)
17.330	_	17.330				( , ,	. , ,	( , ,	. , ,	2,801,337
,	_	,	,	, _	,		, ,	, ,		(123,539)
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4,275	-	4,275		-		,	-	,	-	(2,301,100)
26,332	-	26,332	18,907	-	18,907	(,,,,,		(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		(_,,,,
E4 906	E4 E16	100 222	40 270	0.027	40.406					
	25,619 283 584 26,486 (133) 26,353 26,353 1,442 679 2,121 28,474 20 17,330 691 4,016 4,275	Current         current           25,619         37,570           283         1,657           584         -           26,486         39,227           26,353         54,516           11,422         -           26,474         54,516           20         -           28,474         54,516           20         -           17,330         -           691         -           4,016         -           4,275         -           26,332         54,516	Current         current         receivable           25,619         37,570         63,189           283         1,657         1,940           584         -         584           26,486         39,227         65,713           (133)         15,289         15,156           26,353         54,516         80,869           1,442         -         1,442           679         -         1,442           679         -         2,121           28,474         54,516         82,990           20         -         -           17,330         -         1,7,330           6691         -         661           4,016         -         4,016           4,275         -         4,275           26,332         3         4,215	Current         current         receivable         Current           25,619         37,570         63,189         240           283         1,657         1,940         4,993           584         -         584         -           26,866         39,227         65,713         5,233           (133)         15,289         15,156         (404)           26,353         54,516         80,869         4,829           1,442         -         1,442         14,232           679         -         2,121         16,643           28,474         54,516         82,990         21,472           20         -         20         -           -         -         20         -           -         20         -         2844           17,330         -         17,430         4,270           691         -         691         108           4,016         806         4,275         13,439           26,332         -         4,275         13,439	Current         current         receivable         Current         current           25,619         37,570         63,189         240         1,688           283         1,657         1,940         4,993         4,622           584         -         5,834         -         119           26,486         39,227         65,713         5,233         64,29           (133)         15,289         15,156         (404)         360           26,353         54,516         80,869         4,829         6,789           1,442         -         14,232         2,238           6679         -         2,411         -           2,121         16,643         2,238           2,8474         54,516         82,990         21,472         9,027           20         -         -         2,847         -         -           20         -         2         2,8         -         -           17,330         -         17,330         4,270         ,           691         -         661         806         -           4,016         4,016         806         -         -	Current         current         receivable         Current         current         payable           25,619         37,570         63,189         240         1,688         1,928           283         1,657         1,940         4,993         4,622         9,615           584         -         584         -         119         119           26,866         39,227         65,713         5,233         6,429         11,662           (133)         15,289         15,156         (404)         360         (44)           26,353         54,516         80,869         4,829         6,789         11,618           1,442         -         1,442         14,232         2,238         16,470           679         -         1,442         14,232         2,238         16,470           2,121         16,643         2,238         18,881         2,411           2,121         16,643         2,238         18,881           28,474         54,516         82,990         21,472         9,027         30,499           20         -         20         -         -         -         -           20         -         20	Non- Current         Differential receivable         Non- Current         Differential payable         Due up to 03 months           25,619         37,570         63,189         240         1,688         1,928         68,402           283         1,657         1,940         4,993         4,622         9,615         (68,402)           584         -         584         -         119         119         -           26,486         39,227         65,713         5,233         6,429         11,662         -           (133)         15,289         15,156         (404)         360         (44)         -           26,486         39,227         65,713         5,233         6,429         11,662         -           (133)         15,289         15,156         (404)         360         (44)         -           26,353         54,516         80,869         4,829         6,789         11,618         -           1,442         -         2,411         -         2,411         89,685         -           2,121         -         2,121         16,643         2,238         18,881         -           28,474         54,516         82,990	Non- Current         Differential receivable         Non- Current         Differential current         Due payable         Due up to 03 months         Due 03–12 months           25,619         37,570         63,189         240         1,688         1,928         68,402         243,468           283         1,657         1,940         4,993         4,622         9,615         (68,402)         (275,265)           584         -         584         -         119         119         -         31,797           26,486         39,227         65,713         5,233         6,429         11,662         -         -           (133)         15,289         15,156         (404)         360         (44)         -         -         -           1,442         -         1,422         14,232         2,238         16,470         201,139         172,957           679         -         679         2,411         -         2,411         89,685         21,460           2,121         -         2,121         16,643         2,238         18,881         -         -           28,474         54,516         82,990         21,472         9,027         30,499         -         -	Non- current         Differential receivable         Non- current         Differential current         Due payable         Due up to 03 months         Due 03-12 months         Due 03-12 (134,3667)         Due 03-12 months         Due 03-12 months         Due 03-12 months         Due 03-12 months         Due 03-12 (134,3667)         Due 03-12 (134,367)         Due 03-12 (134,367)         Due 03-12 (134,367)         Due 03-12 (134,367)         Due 03-12 (134,367)         Due 03-12 (134,367)         Due 03-12 (134,167)         Due 03-12 (134,167)         Due 03-12 (134,167)         Due 03-12 (134,167)         Due 03-12 (134,167)         Due 03-12	Non- current         Differential receivable         Non- Current         Differential current         Non- payable         Differential payable         Non- months         Non- Total current         Non- current           26,486         39,227         65,713         5,233         6,429         11,622         -

Swap and NDF transactions are registered at B3 S.A. - Brasil, Bolsa, Balcão, adjustments referring to receivable or payable differences are recognized in an asset or liability account, respectively, as a contra-entry to revenues or

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expenses. Transactions in "futures market" are registered at the B3 S.A. - Brasil, Bolsa, Balcão, daily appropriate/paid adjustments are accounted for as revenue or expense.

Amount of margins deposited as collateral for transactions involving derivative financial instruments are comprised as follows:

		12/31/2023	12/31/2022
Title	Maturity	Fair value / Book value	Fair value / Book value
LFT	03/01/2024	56,365	-
LFT	09/01/2024	438,591	82,569
LFT	03/01/2028	30,928	-
		525,884	82,569

#### g) Hedge accounting

#### Credit Transaction for Individuals

CCB Brasil has payroll loan portfolios for civil servants and retirees, and vehicle financing transactions. Loans are granted at fixed rates, exposing CCB Brasil to market risk arising from changes in interbank deposits (CDI) reference rate, index in which CCB Brasil's cost of funding and risk management are controlled. Thus, to cover fixed rate risk to CDI fluctuations, the Bank's treasury acquires DI futures contracts considering the ratio between quantities x maturities that offsets effect from hedge object item adjustment to market value; and effects of this fair value hedge structure began to be recorded at the Bank as of January 2022.

#### Funding abroad

In order to seek protection for exposure to the exchange coupon variation of funding in foreign currency, CCB Brasil contracts derivative financial instrument operations (USDxCDI), with similar values, terms and rates, and from April 2022 it designated operations of loans made from that date as an item subject to fair value hedge accounting.

12/31/2023	/31/2023 Hedge Object		Hedge instrument				
	Carrying value		Fair Value		Ineffective	Nominal	Changes in amount
Interest rate risk	Assets	Liabilities	Assets	Liabilities	value	value	recognized in income (loss)
Loans transaction (note 26)	451,843	-	460,412	-	2,294	543,105	8,569
Total	451,843	-	460,412	-	2,294	543,105	8,569

12/31/2022		Hedge C	Object			Hedge instrument		
	Carryin	g value	Fair V	/alue	Ineffective	Nominal	Changes in amount	
Interest rate risk	Assets	Liabilities	Assets	Liabilities	value	value	recognized in income (loss)	
Loans transaction Funding abroad indexed to the	585,790	-	576,084	-	952	839,829	(9,706)	
dollar	-	1,869,997	-	1,873,414	(4,420)	1,871	(3,417)	
Total	585,790	1,869,997	576,084	1,873,414	(3,468)	841,700	(13,123)	



Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

#### 8. CREDIT AND LEASE PORTFOLIO

#### a) Breakdown per type of operation

	12/31/2023	12/31/2022
Export financing	3,388,430	3,537,447
Working capital and discounts	2,275,555	3,186,900
Rural and agribusiness financing	996,638	668,331
Payroll loans	675,877	825,795
Import financing	101,933	269,370
Vehicle financing	32,641	38,859
Debtors in purchase of assets	12,159	17,785
Loan operations subject to assignment (*)	3,801	12,403
Other	255,555	206,873
Total Loan	7,742,589	8,763,763
Advances on exchange contracts (**)	1,870,331	1,393,735
TOTAL	9,612,920	10,157,498

(\*) Refers to payroll loans granted with co-obligation to CCB Financeira and recognized as Payroll loans in consolidated (Note 8.f).

(\*\*) Advance on foreign exchange contracts are recognized in balance sheets under "Liabilities - Foreign exchange transactions" (Note 9) plus income receivable on advances granted, which are under "Assets - Foreign exchange transactions" (Note 9).

#### b) Diversification by sector of activity

	12/31/2023	12/31/2022
Private sector	8,924,222	9,307,250
Industry	4,453,566	4,780,456
Trade	2,705,410	2,146,468
Other services	1,616,157	2,143,363
Agribusiness	149,089	236,963
Individuals	688,698	850,248
Total	9,612,920	10,157,498

#### c) Diversification per periods - per installment

	12/31/2023	%	12/31/2022	%
Past due as of 15 days	5,952	0.06	9,021	0.10
Due up to 03 months	2,797,530	29.10	2,197,123	21.62
Due 03–12 months	2,848,804	29.64	3,929,340	38.68
Total current	5,652,286	58.80	6,135,484	60.40
Non-current	3,960,634	41.20	4,022,014	39.60
Total	9,612,920	100	10,157,498	100



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

#### d) Breakdown of portfolio per levels of risk

	12/31/2023			12/31/2022		
	Calculation			Calculation		
Risk level	basis	% (*)	Provision	basis	% (*)	Provision
AA	4,069,989	42,34	-	4,418,826	43.50	-
А	4,091,404	42,56	20,457	3,543,887	34.89	17,719
В	1,215,310	12,65	12,153	1,811,429	17.83	18,114
С	92,456	0,96	2,774	65,438	0.65	1,963
D	3,318	0,03	332	13,027	0.13	1,303
E	8,085	0,08	2,424	20,277	0.20	6,083
F	3,429	0,04	1,715	5,695	0.06	2,847
G	63,137	0,66	44,196	64,184	0.63	44,929
Н	65,792	0,68	65,792	214,735	2.11	214,735
Total	9,612,920	100	149,843	10,157,498	100	307,693

(\*) Percentage of credit portfolio per rating over total portfolio.

#### e) Levels of risk concentration

	12/31/2023		12/31/2022		
	R\$	%	R\$	%	
Major debtor	309,342	3.22	179,558	1.77	
10 greatest debtors	1,657,123	17.24	1,536,523	15.13	
100 main debtors	8,141,829	84.70	7,727,987	76.08	

#### f) Operations related to assignment

#### f1) Interbank credit assignment

In years prior to those presented, payroll loan transactions were carried out with its subsidiary, CCB Brasil S.A. - Crédito, Financiamentos e Investmentos.

These assignments are classified in category "transactions with substantial risk and benefit retention" and present the balance of R\$ 3,801 (December/22 - R\$ 12,403), and amount recorded as obligations from credit transactions linked to the assignment, presented in liabilities under "Other financial instruments (note 19), is R\$ 3,896 (December/22 - R\$ 12,955). Expenses from linked obligations recognized in the period amounted to R\$ 1,736 (December/22 - R\$ 4,017), and are in the Statement of Income under "Other financial intermediation expenses" (Note 30), deriving from "pro rata temporis" appropriation over the term of each assigned contract. Granting is subject to application of CMN Resolution 2,682/99 for the purpose of classifying credit risk and recognizing an allowance for doubtful accounts.

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#### Notes to financial statements

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#### 9. FOREIGN EXCHANGE TRANSACTIONS

_	12/31/2023	12/31/2022
Assets		
Purchased foreign exchange to be settled	1,835,358	1,454,431
Receivables from foreign exchange sales	29,841	66,926
Earnings receivable from granted advances	57,423	27,473
Advances received in national currency	(4,369)	(811)
Total	1,918,253	1,548,019
Current	1,708,299	1,344,112
Non-current	209,954	203,907
Total	1,918,253	1,548,019
_	12/31/2023	12/31/2022
Liabilities		
Obligations from foreign currency purchases	1,886,493	1,417,443
Advances on exchange contracts	(1,812,908)	(1,366,262)
Sold foreign exchange to be settled	60,382	89,725
Total	133,967	140,906
Current	133,967	140,906
Total	133,967	140,906

#### 10. OTHER FINANCIAL INSTRUMENTS - ASSETS

	12/31/2023	12/31/2022
Debtors of guarantee deposits	418,584	438,668
Income receivable	7,304	16,154
Securities and credits receivable	7	147
Total	425,895	454,969
Current	5,071	5,685
Non-current	420,824	449,284
Total	425,895	454,969

#### 11. PROVISION FOR EXPECTED CREDIT RISK LOSS

	12/31/2023	12/31/2022
Opening Balance	307,693	378,569
Increase of provision for credits for the year	(3,005)	444
Subtotal	304,688	379,013
Write-offs to loss (*)	(154,845)	(71,320)
Closing balance	149,843	307,693
Recovery of loans written off	98,072	90,355

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#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

Closing balance	149,843	307,693
Non-current	89,848	167,281
Current	59,995	140,412
Percentage of provision on portfolio	1.56	3.03

(\*) Of the write-off amount, R\$ 44,618 - (December/22 - R\$ -) refer to credit operations linked to funding operations in accordance with the rules established by CMN Resolution 2,921/02 (Note 17).

As of December 31, 2023, renegotiated contracts portfolio presented balance of R\$ 1,214,861 (December/22 - R\$ 1,729,868). It should be noted that, pursuant to paragraph 3 of article 8 of CMN Resolution No. 2,682/99, debt composition, extension, novation, concession of a new transaction for partial or full settlement of a previous transaction or any other type of agreement that involves changing the due dates or payment terms originally agreed are considered as renegotiation. In this case, renegotiations are included that do not necessarily imply readjustments in the face of issues related to the payment capacity of the contracts themselves, but any and all changes to the originally agreed payment conditions. The balance of provision for renegotiated credits of R\$ 78,722 (December/22 - R\$ 210,871).

Of the amount of renegotiated contracts, R 61,528 (December/22 – R 85,726) includes contracts renegotiated due to debtor' financial difficulties.

#### 12. NON-FINANCIAL ASSETS HELD FOR SALE

They are mainly represented by assets received to settle loan operations.

	12/31/2023	12/31/2022
Real estate	166,642	179,143
Machinery and equipment	15,582	15,668
Vehicles and the like	1,703	1,049
Other	315	315
Subtotal	184,242	196,175
Provision for impairment	(107,224)	(102,421)
Total	77,018	93,754

#### **13. OWNERSHIP INVESTMENTS**

The main information of subsidiaries in which the Bank has direct interest is shown as follows:

		12/31/2022					
Company's name	Number of shares/quotas held	s % Interest Shareholders' Net income Equity in net equity / (loss) income of investments subsidiaries					Book value of investments
CCB Brasil Arrendamento							
Mercantil S.A.	180,920,168	100%	305,121	25,132	25,132	305,121	285,958
CCB Brasil Distribuidora de Títulos							
e Valores Mobiliários S.A.	14,223,228	100%	23,206	1,582	1,582	23,206	22,000
CCB Brasil Informática S.A.	50,000	100%	902	62	62	902	840
CCB Brasil Administradora de							
Cartões de Crédito Ltda.	3,670,000	100%	5,170	324	324	5,170	4,846
CCB Brasil S.A. – CFI	116,405,774	100%	21,854	(6,309)	(6,309)	21,854	28,163



## Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

CCB Brasil Promotora de Vendas Ltda.	1,354,000	1.67%	1,906	277	5	32	27
Subtotal				_	20,796	356,285	341,834
CCB Brasil Cobrança Ltda. (*)	110,402,810	3.75%	(25)	(25)	(1)	(1)	-
Brasilfactors S.A. (*)	62,931	50%	(10,210)	58	22	(5,105)	(5,126)

#### Total

(\*) As Brasilfactors S.A. and CCB Brasil Cobrança Ltda. presented shareholders' deficit, amounts equivalent to the Bank's interest are recorded in Other liabilities (Note 23).

20,817

351,179

336,708

#### a) Dividends

On June 29, 2023, the Bank received from its subsidiary CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. the amount of R\$ 217 as dividends for the year 2022. On June 28, 2022, the Bank received from its subsidiaries CCB Brasil Arrendamento Mercantil S.A. and CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. the amount of R\$ 1,289 and R\$ 73, respectively, as dividends for the year 2021.

On December 29, 2023, minimum dividends in the amounts of R\$ 5,969 and R\$ 376 were proposed by the subsidiaries CCB Brasil Arrendamento Mercantil S.A. and CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A., respectively, to be received in 2024, recorded in the group of "Other Assets" (note 15).

#### b) Interest on own capital

On June 29, 2023, the Bank received the amount of R\$ 8,500 in the form of interest on own capital by the subsidiary CCB Brasil Arrendamento Mercantil S.A., which, after withholding income tax at source, at the rate of 15%, resulted in the net amount of R\$ 7,225. No interest on own capital was received from the subsidiary CCB Brasil Arrendamento Mercantil S.A. in fiscal year 2022.

#### 14. TAX ASSETS AND LIABILITIES

a) Deferred tax credits: the deferred income tax and social contribution, recorded at Tax Assets presented the following changes in the year:

	12/31/2022	Change in shareholders' equity	Realizations	Additions	Tranfers	Payments of taxes (*)	12/31/2023
Income tax							
Provision for expected credit loss	244,830	-	(51,551)	1,926	82,637	-	277,842
Provision for Hedge Accounting	3,281	-	(4,909)	3,914	-	-	2,286
Provision for impairment of non-operating							
assets	994	-	(994)	-	-	-	-
Provision for contingencies and others	198,547	(21)	(168,835)	23,714	-	-	53,405
Subtotal	447,652	(21)	(226,289)	29,554	82,637	-	333,533
Tax loss	-	-	-	98,280	-	(74,190)	24,090
Subtotal – Tax Credit IRPJ (corporate income							
tax)	447,652	(21)	(226,289)	127,834	82,637	(74,190)	357,623
Social contribution							
Provision for expected credit loss	195,864	-	(41,240)	1,540	66,110	-	222,274
Provision for Hedge Accounting	2,625	-	(3,928)	3,132	-	-	1,829



#### Notes to financial statements

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Provision for impairment of non-operating							
assets	795	-	(795)	-	-	-	-
Provision for contingencies and others	158,837	(17)	(135,068)	18,972	-	-	42,724
Subtotal	358,121	(17)	(181,031)	23,644	66,110	-	266,827
Negative basis of accumulated CSLL	-	-	-	78,623	-	(74,190)	4,433
Subtotal – Tax Credit CSLL (social contribution							
on net income)	358,121	(17)	(181,031)	102,267	66,110	(74,190)	271,260
Total - Tax credit - IRPJ/CSSL	805,773	(38)	(407,320)	230,101	148,747	(148,380)	628,883

(\*) In 2023, CCB Brasil joined the Tax Litigation Reduction Program (PRLF) - "Zero Litigation" with the Federal Revenue as established by RFB/PGFN Joint Ordinance nº 1, of January 12, 2023, which, among other benefits, promoted discounts on outstanding debts and made it possible to pay tax debts with the use of tax credits from tax losses and negative basis of social contribution, in the amount of R\$ 136,069 in the Bank and R\$ 12,311 regarding the assignment of tax credit for its subsidiary CCB Brasil Arrendamento Mercantil S.A., which was later reimbursed by this subsidiary.

**Realization of tax credits -** based on a technical study, it was possible to estimate the generation of future taxable income, in a sufficient amount for the realization of all tax credits existing on the balance sheet date, in a ten-year period, distributed as follows:

_		Realization of tax credits									12/31/2023
Projected year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
Projected value	78,334	180,838	132,958	122,960	107,293	6,500	-	-	-	-	628,883
Present value (*)	70,098	144,809	95,273	78,845	61,565	3,337	-	-	-	-	453,927
<b>% Realization</b> (*) Calculated based	12.5%	28.8%	21.1%	19.5%	17.1%	1.0%	0.0%	0.0%	0.0%	0.0%	100%

(\*) Calculated based on projected Selic rate.

			R	ealization of	f tax credits						12/31/2022
Projected year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Projected value	80,658	173,797	85,337	85,337	89,692	-	-	-	-	290,952	805,773
Present value (*)	70,908	134,319	57,981	50,972	47,098	-	-	-	-	80,225	441,503
% Realization	10.0%	21.6%	10.6%	10.6%	11.1%	0.1%	0.0%	0.0%	0.0%	36.0%	100%

(\*) Calculated based on projected Selic rate.

On the base date of December 31, 2023, the Bank complies with the other minimum requirements established by current regulations for maintaining the registration of tax credits.

On December 31, 2023, the Bank has non-recorded tax credits derived from income tax loss and negative basis of social contribution in the total amount of R\$ 981,272 (December/22 - R\$ 1,023,317) and tax credits from temporary differences in the amount of R\$ 218,078 (December/22 – R\$ 206,353), for which there is no expectation of realization within the period provided for in CMN Resolution 4,842/20 of up to 10 years.

#### b) Presumed tax credit

In view of high balance of temporary differences deriving from credit losses incurred beginning as of 2014, the Bank chose to determine Presumed Tax Credit, according to criteria established by Law 12,838/13 and BACEN Circular Letter 3,624/13, which require determination of tax losses and credits deriving from temporary differences deriving from allowance for doubtful accounts, determined and existing in prior calendar year.

During the year of 2023, the Bank recovered R\$ 952 (December/22 - R\$ 1,005) from credit transactions that are part of presumed tax credit calculation basis, whose deferred taxes, in the amount of R\$ 427 (December/22 - R\$ 452),

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were recognized in Deferred taxes, as these amounts will be taxed when credit is reimbursed by the National Treasury.

In November 2023, CCB Brasil reevaluated the criteria applied in determining the presumed credit constituted, which resulted in the transfer of R\$ 148,747 to the tax credit balance arising from losses on credit operations, for which the Bank verified the ability to carry out in Technical Study on the Realization of Tax Credit, carried out for the base date of December 31, 2023. Additionally, recoveries of defaulted credit related to reclassified operations were offered for taxation.

	12/31/2023	12/31/2022
Presumed tax credit formed	231,915	380,662
Deferred tax liabilities	(40,701)	(83,145)

#### c) Deferred tax liabilities

	12/31/2022	Change in shareholders ' equity	Realizations	Additions	12/31/2023
Income tax					
Linked funding (Res 2,921)	69,149	-	(12,123)	-	57,026
Inflation adjustment of judicial deposits Positive MTM adjustment of government securities and	29,378	-	(8,413)	6,782	27,747
derivatives	13,856	684	(10,419)	-	4,121
Hedge Accounting	-	-	-	2,142	2,142
Subtotal Income tax	112,383	684	(30,955)	8,924	91,036
Social contribution					
Linked funding (Res 2921)	55,319	-	(9,699)	-	45,620
Inflation adjustment of judicial deposits	23,502	-	(1,304)	-	22,198
Positive MTM adjustment of government securities and					
derivatives	11,085	548	(8,335)	-	3,298
Hedge Accounting	-	-	-	1,714	1,714
Subtotal Social contribution	89,906	548	(19,338)	1,714	72,830
Total deferred taxes	202,289	1,232	(50,293)	10,638	163,866
Presumed tax credit Income tax – Law 12,838/13	46,192	-	(23,817)	237	22,612
Presumed tax credit Social contribution – Law 12,838/13	36,953	-	(19,054)	190	18,089
Total presumed tax credit	83,145	-	(42,871)	427	40,701
Total	285,434	1,232	(93,164)	11,065	204,567

#### d) Statement of calculation of income and social contribution tax charges

	12/31/	/2023	12/31/2022		
Determination	Income tax	Social contribution	Income tax	Social contribution	
Income before tax on profit	192,204	192,204	46,179	46,179	
Calculation basis	192,204	192,204	46,179	46,179	
Temporary additions	524,130	524,130	501,870	501,870	
Permanent additions	623,892	623,892	742,260	742,260	
Exclusions	(1,639,909)	(1,639,909)	(1,256,485)	(1,256,485)	



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

-				
Taxable income and calculation basis of income tax and social contribution on net income	(299,683)	(299,683)	33,824	33,824
(-) Compensation of Tax Losses/CSLL Negative Calculation Base	-	-	(10,147)	(10,147)
Taxable income and calculation basis of income tax and social contribution				
on net income adjusted	(299,683)	(299,683)	23,677	23,677
Charges at the rates of 15% for Income Tax and Social Contribution	-	-	3,551	6,291
10% IR Surtax	-	-	2,344	-
Current taxes	-	-	5,895	6,291
Reconciliation of Income (loss)				
Current taxes	-	-	5,895	6,291
IRRF - Foreign to offset	(12,317)	-	-	-
Income tax and deferred CSLL (Liabilities)	(45,611)	(36,488)	(7,255)	(5,806)
(=) Provision for Income Tax and Social Contribution on Net Income	(57,928)	(36,488)	(1,360)	485
Constitution of tax credit (on temporary additions)	(29,554)	(23,644)	(8,890)	(7,113)
Constitution of tax credit (tax loss and negative basis of accumulated CSLL)	(98,280)	(78,623)	-	-
Realization of tax credit (on temporary additions)	226,289	181,031	47,025	37,861
(=) Net effect of tax credit	98,455	78,764	38,135	30,748
Income and social contribution tax expense	40,527	42,276	36,775	31,233
IRRF - Foreign to offset Income tax and deferred CSLL (Liabilities) (=) Provision for Income Tax and Social Contribution on Net Income Constitution of tax credit (on temporary additions) Constitution of tax credit (tax loss and negative basis of accumulated CSLL) Realization of tax credit (on temporary additions) (=) Net effect of tax credit	(45,611) (57,928) (29,554) (98,280) 226,289 98,455	(36,488) (23,644) (78,623) 181,031 78,764	(7,255) (1,360) (8,890) - 47,025 38,135	(

#### 15. OTHER ASSETS

_	12/31/2023	12/31/2022
Sundry debtors in the country	38,446	36,370
Payments to be refunded	35,110	28,409
Interbank accounts/relations Interest on own capital and dividends receivable (notes	6,422	5,416
13.a and 13.b)	6,345	7,442
Prepaid expenses	1,385	1,523
Other	999	639
Total	88,707	79,799
Current	20,633	54,417
Non-current	68,074	25,382
Total	88,707	79,799

#### 16. FUNDS OBTAINED IN THE MARKET

			12/3	1/2023		
-	Without maturity	Up to 03 months	03–12 months	Total current	Non-current	Total
Demand deposits	54,124	-	-	54,124	-	54,124
Saving deposits	2,211	-	-	2,211	-	2,211
Interbank deposits	-	567,201	510	567,711	196,573	764,284
Time Deposits Liabilities from repurchase and	-	3,724,910	666,736	4,391,646	29,615	4,421,261
resale agreements	-	5,234,060	-	5,234,060	-	5,234,060
Real Estate Credit Bills - LCI	-	-	136	136	-	136
Agribusiness Credit Bills – LCA	-	356,572	820,697	1,177,269	65,178	1,242,447
Financial Bills - LF	-	16,498	46,147	62,645	-	62,645
Total	56,335	9,899,241	1,534,226	11,489,802	291,366	11,781,168

## CCB ② 中国建设银行 China Construction Bank China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

			12/3	1/2022		
-	Without maturity	Up to 03 months	03–12 months	Total current	Non-current	Total
Demand deposits	73,550	-	-	73,550	-	73,550
Saving deposits	2,295	-	-	2,295	-	2,295
Interbank deposits	-	744,464	-	744,464	890	745,354
Time Deposits Liabilities from repurchase and	-	1,830,122	1,578,837	3,408,959	797,235	4,206,194
resale agreements	-	4,181,011	-	4,181,011	-	4,181,011
Real Estate Credit Bills - LCI	-	-	84	84	153	237
Agribusiness Credit Bills – LCA	-	535,081	377,270	912,351	75,485	987,836
Financial Bills - LF	-	24,430	41,442	65,872	55,545	121,417
Total	75,845	7,315,108	1,997,633	9,388,586	929,308	10,317,894

#### 17. BORROWINGS AND ONLENDINGS

Obligations from loans and foreign contributions refer to raising of funds to finance import and export and contributions granted mainly by the controlling shareholder abroad.

The country's contributions are represented by funds from the Ministry of Agriculture under FUNCAFÉ category and Ministry of the Cities in the PSH - Social Housing Program and PMCMV - Minha Casa Minha Vida Program.

Maturities are broken down as follows:

	Up to 03 months	03–12 months	Total current	Non- current	12/31/2023	12/31/2022
Domestic onlendings - Official						
Institutions	99,792	129,409	229,201	23,157	252,358	254,067
Abroad	2,993,925	145,554	3,139,479	9,820	3,149,299	4,416,830
Loan with head office Loans from the Parent Company -	2,647,924	-	2,647,924	-	2,647,924	4,190,271
linked <sup>(*)</sup>	-	-	-	9,820	9,820	20,633
Other foreign loans	346,001	145,554	491,555	-	491,555	205,926
Total on December 31, 2023	3,093,717	274,963	3,368,680	32,977	3,401,657	
Total on December 31, 2022	2,099,615	2,555,180	4,654,795	16,102		4,670,897

(\*) In 2017, the Bank raised funds linked to active transactions in accordance with conditions established by CMN Resolution 2921/02, namely:

I - Link between funds raised and corresponding active transaction;

II - Subordination of raised funds' due dates to payment flow of linked active transaction;

III - Linked active transaction remuneration sufficient to cover funding transaction costs;



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

IV - Compatibility between linked active transaction cash flows and funding transaction;

V - Funding transaction term equal to or greater than that of the linked active transaction;

VI - Postponement of any payment to the creditor, including as charges or amortization, in case of default in linked active transaction, and

VII - Non-payment to the creditor, in whole or in part, of principal and charges in case execution of guarantees is not sufficient to settle linked active transaction, or in other situations in which this transaction is not settled.

As of December 31, 2023, amount of funding linked to credit transactions recognized in group "Foreign Loans" is R\$ 308,374 (December/22 - R\$ 365,010) and credit transactions balance is R\$ 30,360 (December/22 - R\$ 153,294), and this year there is no overdue installments (December/22 – no overdue installments).

To provide the best expected disbursement estimate for the linked obligation, as well as reduce asymmetry, the Bank, considering the expectation of receiving the linked receivables, recorded a downward adjustment in the group "Foreign loans" of R\$ 298,554 (December/22 - R\$ 344,377), with the expenses amount of R\$ 40,674 (December/22 - R\$ 42,104 of expenses) as contra-entry to income for the year (Note 31).

#### 18. DEBT INSTRUMENTS ELIGIBLE TO CAPITAL

Funding	lssue value - Original currency	Issuance	Maturity	lssue value - Domestic currency	Interest rate (p.a.)	12/31/2023	12/31/2022
Level I Perpetual Debt (a)	US\$ 70,000	12/29/2016	-	228,025	8.00%	338,891	365,239
Level I Perpetual Debt (a)	US\$ 100,000	06/04/2021	-	506,660	5.80%	484,130	521,770
Total					_	823,021	887,009

	12/31/2023	12/31/2022
Non-current	823,021	887,009
Total	823,021	887,009

As provided for in current regulations, as a result of accumulated losses in previous years, the Bank did not recorded a provision for payment of interest for the years of 2022 and 2023, arising from perpetual debts issued.

#### **19. OTHER FINANCIAL INSTRUMENTS - LIABILITIES**

	12/31/2023	12/31/2022
Borrowings related to assignment (note 8.f)	3,896	12,955
Commissions payable	6	3
Total	3,902	12,958
Current	3,680	9,753
Non-current	222	3,205



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

Total	3,902	12,958

#### 20. PROVISIONS

	12/31/2023	12/31/2022
Provisions for contingencies (Note 21)	507,953	1,068,258
Provisions for financial guarantees provided (Note 22)	32,758	27,334
Other	29,814	39,417
Total	570,525	1,135,009
Current	56,955	60,728
Non-current	513,570	1,074,281
Total	570,525	1,135,009

#### 21. CONTINGENCIES AND LEGAL OBLIGATIONS

CCB Brasil and its subsidiaries are parties in lawsuits and administrative proceedings arising from the normal course of business, involving issues of a civil, labor, fiscal, and welfare nature.

#### a) Provisions classified as probable loss and legal obligations

Based on information from its legal advisors, on examinations of outstanding lawsuits, and on the history of losses, the Management formed a provision for liabilities classified as probable loss in an amount deemed to be sufficient to cover estimated losses in the lawsuits in progress and the most relevant ones are:

#### **Civil lawsuits**

The Bank is party to civil lawsuits assessed as having a probable risk, which have been fully accrued and amount to R\$158,571 (December/22 – R\$199,012). In general, the provisions are the result of contract revisions, declarations, obligations to do/not do and compensation for material and moral damages.

#### Labor lawsuits

The Bank is party to labor lawsuits assessed as having a probable risk, which have been fully accrued and amount to R\$ 106,472 (December/22 – R\$ 101,341). Provisions relate to lawsuits discussing labor claims referring to labor law, such as overtime, salary equalization, additional payment due to transfer and other.

#### Tax and social security proceedings

**COFINS x Law 9,718/98** – amount involved R\$ 40,414 (December/22 - R\$ 591,592): claims payment of the contribution from November 2005 to December 2014, based on the calculation provided in Complementary Law 7/70, in view of the unconstitutionality of expanding the calculation basis provided for in Law 9,718/98. Part of the amount involved was deposited in court, R\$ 34,413 (December/22 – R\$ 32,020). On June 2023, the Federal Supreme Court concluded the judgment on Theme 372 of the General Repercussion, determining that

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## China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

gross operating revenues, arising from the typical business activity of financial institutions, are part of the PIS and COFINS calculation basis. The remaining provision balance, as well as those held as collateral through judicial deposit, will be written off at the time the final certification and adjudication takes place.

**PIS x Law 9,718/98** – amount involved R\$ 71,803 (December/22 – R\$ 96,068): claims payment of the contribution from November 2005 up to December 2014, based on the calculation provided in Complementary Law 7/70, in view of the unconstitutionality of expanding the calculation basis provided for in Law 9718/98. The amount of R\$ 81,805 (December/22 – R\$ 120,776) was placed in a judicial deposit. On June 2023, the Federal Supreme Court concluded the judgment on Theme 372 of the General Repercussion, recognizing that the gross operating revenues arising from the typical business activity of financial institutions are part of the PIS and COFINS calculation basis. The remaining provision balance, as well as those held as collateral through judicial deposit, will be written off at the time the final certification and adjudication takes place.

**Income tax/Social contribution PDD/94** - amount involved R\$ 20,179 (December/22 – R\$ 18,413): claims to deduct, from the calculation of income tax and social contribution on net income, for the tax base year of 1994, the expense related to the setting up of the Allowance for Ioan Iosses, as specified by the National Monetary Council and the Brazilian Central Bank, as allowed by CMN Resolution 1,748/90 and subsequent amendments, and dismissing, due to unconstitutionality and unlawfulness, the provision of article 43, paragraph 4, of Law 8,981/95. The amount of R\$ 30,664 (December/22 – R\$ 28,899) was placed in a judicial deposit.

**INSS - Profit Sharing of Directors – Years 2009 to 2011 –** amount involved of R\$ 68,094 (December/22 – R\$ 61,400): claims the derecognition of a supposed INSS debit, levied on the profit sharing of administrators, related to the base periods from 2009 to 2011, entered through the Tax Assessment Notice, as this contribution is not levied on profit sharing, under the terms of Article 7, XI of the Federal Constitution and Article 28, § 9, j, of Law 8.212/91. The amount of R\$ 73,947 (December/22 – R\$ 67,253) was placed in a judicial deposit.

**INSS – Profit Sharing of Directors – Years 2006 to 2008 –** amount involved R\$ 41,937 (December/22 – R\$ -): requests the cancellation of the entry of supposed INSS debt, relating to the base periods from 2006 to 2008, launched through a Notice of Infraction, firstly due to the fact that it has already been forfeited in relation to the debts relating to the triggering events that occurred up to October 10, 2006, secondly because INSS does not apply to profit sharing, under the terms of article 7, XI, of the Federal Constitution and article 28, § 9, of Law n<sup>o</sup> 8,212/91. The amount of R\$ 41,446 (December/22 – R\$ 37.750) was deposited in court.

Description	12/31/2022	Addition	Reversal	Monetary Update	Payment	Payment with tax credit (*)	12/31/2023
Civil	199,012	3,976	(31,754)	8,645	(21,308)	-	158,571
Labor	101,341	5,428	(7,002)	14,326	(7,621)	-	106,472
Subtotal	300,353	9,404	(38,756)	22,971	(28,929)	-	265,043
Tax and social security	12/31/2022	Addition	Reversal	Monetary Update	Payment	Payment with tax credit (*)	12/31/2023
PIS/COFINS – Expansion of Calculation Basis - Law 9718/98 Inc. tax and soc. contr.	687,660	-	(3,814)	-	(435,560)	(136,069)	112,217
(IRPJ/CSLL) PDD 1994	18,413	-	-	1,766	-	-	20,179
INSS of Administrators – Years 2009–2011 INSS of Administrators – Years	61,400	-	-	6,694	-	-	68,094
2006–2008	-	41,937	-	-	-	-	41,937 <b>37</b>

#### Changes in provisions classified as probable loss and legal obligations

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## China Construction Bank (Brasil) Banco Múltiplo S.A.

#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

Others	432	-	-	51	-	-	483
Subtotal	767,905	41,937	(3,814)	8,511	(435,560)	(136,069)	242,910
Total	1,068,258	51,341	(42,570)	31,482	(464,489)	(136,069)	507,953

(\*) In 2023, CCB Brasil joined the Tax Litigation Reduction Program (PRLF) - "Zero Litigation" with the Federal Revenue as established by RFB/PGFN Joint Ordinance nº 1, of January 12, 2023, which, among other benefits, promoted discounts on outstanding debts and made it possible to pay tax debts with the use of tax credits from tax losses and negative basis of social contribution, in the amount of R\$ 136,069.

In the case of the above-described contingencies, CCB Brasil made a judicial deposit (note 10 - Other financial instruments - Assets), totaling R\$ 418,584, of which R\$ 100,357 - civil lawsuits, R\$ 15,970 - labor claims and R\$ 302,257 - tax lawsuits.

#### b) Lawsuits classified as possible loss

Contingent liabilities stated as likely losses are monitored by CCB Brasil and are based on opinions by legal counsel, with regard to each of the lawsuits and administrative proceedings. Therefore, pursuant to the standards in force, any likely losses are not recognized in the accounting records, and these are composed mainly of the following issues:

#### Tax and social security proceedings

ISS – Service Tax – Taxed services - Correctness of levying the service tax on services listed in the attachment to Complementary Law 56/87 - involved amount of R\$ 34,373 (December/22 – R\$ 26,450): claims to discontinue the charges of the service tax levied on supposed revenues from provision of taxable services, not expressly included in the list of services attached to Complementary Law 56/87, with the allegation that the list contains mere examples, contrary to understanding taken for granted at the Superior Court of Justice, which adopts the interpretation that only the listed services are taxed. The amount of R\$ 28,478 (December/22 – R\$ 26,758) was placed in a judicial deposit.

**IRPJ/2008** – amount involved R\$ 40,566 (December/22 – R\$ 40,566): awaiting approval of the adherence to the installment payment of Law 12,996/14 (REFIS of COPA), whose analysis of the RQA - Request for Early Discharge (art. 33 of Law 13,043/14) is suspended awaiting the judgment of the disallowance of tax losses and negative basis of social contribution on net income for the years 2012 and 2014 (see IRPJ/CSLL).

**INSS - Profit Sharing of Directors –** amount involved of R\$ 7,186 (December/22 – R\$ 44,594): pleads cancellation of alleged INSS debt for the base period of 2012, issued through a Notice of Infraction, due to the INSS not being levied on profit sharing, in accordance with article 7, XI, of the Federal Constitution and article 28, § 9, of Law No. 8,212/91. The amount of R\$ 7,810 (December/22 – R\$ 44,799) was placed in a judicial deposit.

**IRPJ/CSLL** – amount involved R\$ 92,084 (December/22 – R\$ 92,084): claims the derecognition of the IRPJ/CSLL debt, related to the base period of 2012 and 2014, entered due to the tax assessment notice, due to disallowance of the deductibility of credit losses, for supposed non-compliance with the procedures established in Law 9,430/96.

Tax on financial transactions (IOF) and Withholding income tax (IRRF) - amount involved R\$ 1,797 (December/22 – R\$ 1,669): CCB Brasil, as jointly liable, claims the derecognition of the supposed IRRF/IOF debit entry related to seven foreign exchange transactions for foreign currency remittances.



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

**IOF on Assignment of Receivables** – amount involved R\$ 3,172 (December/22 – R\$ 2,929): claims the derecognition of the entry of IOF debit regarding the supposed levy on receivables assignment contracts with co-obligation, for the period from March 2014 to December 2014, for supposed non-compliance with Decree 6,306/07.

**Unapproved Offset** – amount involved R\$ 4,675 (December/22 – R\$ 4,423): claims in the administrative level with the RFB the ratification of tax offsets against receivables arising from overpayment or incorrect payment.

#### Labor lawsuits

There are lawsuits in the Conglomerate that are classified as a possible risk, and no provisions were formed for these cases. According to an estimate by legal advisors, the sum of indemnities for these lawsuits in case of loss amounts to R27,038 (December/22 – R42,905). Contingencies relate to lawsuits discussing labor claims referring to labor law that is specific of the professional category, such as overtime, salary equalization, additional payment due to transfer and other.

#### **Civil lawsuits**

The Conglomerate is party to lawsuits that are classified as a possible risk; thus, no provision was formed. According to an estimate by legal advisors, the possible sum of indemnities for these lawsuits amounts to R208,389 (December/22 – R167,592). In general, the contingencies are the result of contract revisions and indemnities for material damages and pain and suffering.

#### 22. SURETIES AND GUARANTEES

	12/31/202	23	12/31/2022		
Description	Amounts guaranteed Provisions		Amounts guaranteed	Provisions	
Guarantees or sureties in tax lawsuits and proceedings of a fiscal nature	249,007	28,684	249,297	26,805	
Judicial guarantees – others	358,125	3,333	388,792	288	
Sureties - payments	808,842	641	735,029	137	
Performance sureties	32,564	97	35,487	97	
Bank guarantees	17,758	2	144,980	-	
Other sureties	9,783	1	78,110	7	
Total	1,476,079	32,758	1,631,695	27,334	
Current	-	32,753	-	27,203	
Non-current		5	-	131	
Total	-	32,758	-	27,334	

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#### 23. OTHER OBLIGATIONS

	12/31/2023	12/31/2022
Sundry creditors - domestic	29,859	38,593
Amounts payable to related companies (*)	21,130	-
Interbranch accounts	17,342	15,269



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

Payables to related companies		<u> </u>
Adjustment of negative equity invested (Note 13)	5,106	5,126
Social and statutory	11,061	8,804

(\*) Refers to the remuneration for the provision of payroll loan portfolio management services carried out by the subsidiary CCB Financeira, which cover promotion and capture of operations, credit analysis, formalization, marketing, support, management, customer service, collection and all other services necessary for the good management of the credit portfolio.

Current	84,586	62,704
Non-current	-	5,126
Total	84,586	67,830

#### 24. SHAREHOLDERS' EQUITY

CCB Brasil's shareholder structure is as follows:

#### a) Share capital

Shareholder	12/31/2023			12/31/2022		
	Common	Preferred	Total	Common	Preferred	Total
CCB Brazil Financial Holding						
Investimentos	297,223,908	162,009,040	459,232,948	297,223,908	162,009,040	459,232,948
Bank of China Limited (BOC)(*)	149,225,015	81,338,683	230,563,698		-	-
Total shares	446,448,923	243,347,723	689,796,646	297,223,908	162,009,040	459,232,948
Total in reais (R\$)	2,263,473	1,233,761	3,497,234	1,887,438	1,069,426	2,956,864

(\*) On May 26, 2023, the Extraordinary General Meeting approved the increase in share capital in the amount of R\$ 540,370, increasing it from R\$ 2,956,864 to R\$ 3,497,234, through the issuance of 230,563,698 new shares at the price of R\$ 2.34 per share, comprising 149,225,015 common shares and 81,338,683 preferred shares. On this date, CCB Brazil Financial Holding - Investimentos e Participações Ltda. transferred its preemptive right to subscribe for new shares to Bank of China Limited (BOC). The aforementioned capital increase was approved by the Central Bank of Brazil on August 22, 2023.

#### b) Treasury shares

The number of treasury shares as of December 31, 2023 corresponds to 6,398,518 (December/22 – 6,398,518) preferred shares in the amount of R\$55,105 (December/22 – R\$55,105).

#### c) Dividends and interest on own capital

Pursuant to by-laws, it is entitled to minimum dividends corresponding to 25% of net income for the year, in accordance with the applicable corporate legislation.

#### d) Reserves

The retained loss justified the non-recognition of profit reserves.

Notes to financial statements In thousands of reais - R\$, unless otherwise indicated.

#### 25. RELATED PARTIES

#### a) Related parties

The Bank and its direct subsidiaries carry out transactions between themselves, which were eliminated in the consolidated statement.

The balances of operations of the Bank with the direct, indirect subsidiary, key management personnel and controlling shareholder are shown below:

	Assets / (liabilities)		Revenues / (expenses)		
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	
Cash and cash equivalents in foreign currencies	1,370	4,312	-	-	
China Construction Bank Corporation (d)	1,370	4,312	-	-	
Interbank funds applied in interbank deposits – CDI	19,616	56,438	4,401	11,623	
CCB Brasil S.A Crédito, Financiamentos e Investimentos (a)	19,616	56,438	4,401	11,623	
Investment fund quotas	119,762	104,648	15,113	13,065	
FIDC Brasilfactors (b)	119,762	104,648	15,113	13,065	
Rendering of services	20	40	220	241	
CCB Brasil Arrendamento Mercantil S.A. (a)	20	40	220	241	
Other credits – Income receivable	31,302	30,600	-	-	
China Construction Bank Corporation (d)	24,957	23,158	-	-	
CCB Brasil Arrendamento Mercantil S.A. (a)	5,969	7,225	-	-	
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	376	217	-	-	
Demand deposits	(735)	(1,315)	-	-	
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	(39)	(11)	-	-	
CCB Brasil Arrendamento Mercantil S.A. (a)	(60)	(287)	-	-	
CCB Brasil Informática S.A. (a)	(7)	(3)	-	-	
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	(1)	(2)	-	-	
CCB Brasil S.A Crédito, Financiamentos e Investimentos (a)	(505)	(456)	-	-	
CCB Brasil Promotora de Vendas Ltda. (b)	(1)	-	-	-	
Brasilfactors S.A. (f) CCB Brazil Financial Holding Ltda. (e)	(1) (77)	(6) (80)	-	-	
Key management personnel (c)	(77) (44)	(80)	-	-	
Interbank deposits	(298,884)	(345,974)	(41,498)	(27,595)	
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	(24,385)	(22,690)	(2,847)	(2,534)	
CCB Brasil Arrendamento Mercantil S.A. (a)	(172,698)	(222,688)	(25,880)	(23,164)	
Banco da China Brasil S.A. (e)	(101,801)	(100,596)	(12,771)	(1,897)	
Time deposits	(391,949)	(113,153)	(38,767)	(10,820)	
CCB Brasil Informática S.A. (a)	(865)	(795)	(100)	(89)	
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	(4,911)	(3,996)	(564)	(221)	
CCB Brasil Promotora de Vendas Ltda. (b)	(1,923)	(1,803)	(228)	(203)	
Brasilfactors S.A. (f)	(47)	-	(1)	(26)	
FIDC Brasilfactors (b)	(39 <i>,</i> 395)	(15,115)	(3,612)	(2,334)	
CCB Brazil Financial Holding Ltda. (e)	(344,310)	(86,538)	(34,085)	(7,724)	
Key management personnel (c)	(498)	(4,906)	(177)	(223)	
Purchase and sale agreements	(309,813)	(484,405)	(64,517)	(267,024)	
CCB Brasil Arrendamento Mercantil S.A. (a)	(7,095)	(46,592)	(3,175)	(3,880)	



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

	Assets / (liabilities)		Revenues / (expenses)		
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	
CCB Brasil S.A Crédito, Financiamentos e Investimentos (a)	(1,061)	(3,566)	(276)	(729)	
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	-	-	-	(164)	
Bank of China Limited (BOC) (e)	(301,657)	(434,247)	(61,066)	(262,251)	
LCA	(2,468)	(4,235)	(387)	(793)	
Key management personnel (c)	(2,468)	(4,235)	(387)	(793)	
LCI	-	-	-	(42)	
Key management personnel (c)	-	-	-	(42)	
NDF	-	-	-	(1,783)	
Brasilfactors S.A. (f)	-	-	-	(1,783)	
Borrowings	(2,657,744)	(4,210,904)	71,103	100,522	
China Construction Bank Corporation (d)	(2.657,744)	(4,210,904)	71,103	100,522	
Obligations from sales of financial assets – Resolution 3533/08	(3,896)	(12,955)	(1,736)	(4,017)	
CCB Brasil S.A Crédito, Financiamentos e Investimentos (a)	(3,896)	(12,955)	(1,736)	(4,017)	
Amounts payable by related companies	(21,130)	-	(21,130)	-	
CCB Brasil S.A Crédito, Financiamentos e Investimentos (a)	(21,130)	-	(21,130)		
Transfer of credit assignment	(172)	(45)	-	-	
CCB Brasil S.A Crédito, Financiamentos e Investimentos (a)	(172)	(45)	-	-	

Namely:

- (a) Subsidiaries and associated companies Direct
- (b) Subsidiaries and associated companies Indirect
- (c) Key management personnel
- (d) Indirect controlling shareholder headquartered overseas
- (e) Parent Company direct
- (f) Joint venture

#### a.1) Transactions due dates and rates

Interbank investments with floating rates are valued at the average CDI rate of 100% (December/22 – 100%); pre-fixed purchase and sale agreements were carried out at average rates of 11.65% p.a. (December/22 – 13.65% p.a.) and mature on January 2, 2023 (December/22 – January 2, 2023), with guarantee of up to 3 months (December/22 – up to 3 months). LCA (Agribusiness Credit Bills) operations were carried out with average rates of 97.00% of the CDI (December/22 – 99.78%) and with final maturity up to 3 months (December/22 - up to 2 years). Term deposits are remunerated at the average rate of 98.65% of CDI (December/22 - 84.52% of CDI), directly related to the invested amount, with final maturity in up to 2 years (December/22 - up to 3 years). Borrowings were carried out at average rates of 5.47% p.a. (December/22 - 5.53% p.a.) and foreign exchange-rate change with final maturity up to 7 years (December/22 - up to 7 years). Information regarding granting of loans to related parties is found in Note 8.f.



#### Notes to financial statements

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#### b) Provision of services carried out by Group companies

The remuneration for services provided is equivalent to 2.8% of the average balance of the payroll loan portfolio, net of credits assigned, recorded in the Bank's assets over the last 12 months.

#### c) Remuneration of key management personnel - Consolidated

At the annual shareholders' meeting the maximum remuneration for Administrators, members of the Board of Directors, Executive Board and Audit Committee is established, as well as the maximum limit for the participation of Managers in the profit for the year, when applicable, in compliance with limits of the CMN Resolution 3,921/10.

During the years of 2023 and 2022, the Board of Directors did not approve payments for the profit sharing of the administrators, in view of the recorded net loss in Bank's Shareholders Equity.

#### c.1) Short-term benefits - Board of Directors, Executive Board and Audit Committee

	12/31/2023	12/31/2022
Fixed remuneration (note 35)	(22,380)	(25,451)
Other	(644)	(689)
Total expenses	(23,024)	(26,140)

#### c.2) Long-term benefits

CCB Brasil does not offer long-time benefits for termination of employment contract to the Key Management Personnel.

#### 26. INCOME (LOSS) FROM LOAN OPERATIONS AND LEASE

	2nd Half 2023	12/31/2023	12/31/2022
Loans	483,753	718,040	583,247
Recovery of loans written off as loss (note 11)	28,713	98,072	90,355
Mark-to-market – hedged items (note 7.g)	3,460	8,569	(9,706)
Acquisition of receivables	7,791	18,168	15,439
Income from credit notes and sale of assets	678	1,491	1,483
Total	524,395	844,340	680,818

#### 27. INCOME (LOSS) FROM INTERBANK FUNDS APPLIED AND SECURITIES

	2nd Half 2023	12/31/2023	12/31/2022
Income from Repurchase and resale agreement	209,894	422,852	382,184
Income from short-term interbank investments	102,309	190,430	190,635
Income from fixed income securities	79,582	152,901	108,367
Income from investments abroad	3,170	5,820	(716)
Other securities' operations	12,424	20,393	12,080
Total	407,379	792,396	692,550

#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

#### 28. INCOME (LOSS) FROM DERIVATIVE FINANCIAL INSTRUMENTS

	2nd Half 2023	12/31/2023	12/31/2022
Swap	7,623	120,262	143,198
Future Market - DI	257	(6,456)	8,923
Term of currencies	(3,727)	(36,730)	(53,817)
Future Market - Dollar	(32,542)	(169,401)	(131,533)
Total	(28,389)	(92,325)	(33,229)

#### 29. FOREIGN EXCHANGE INCOME

	2nd Half 2023	12/31/2023	12/31/2022
Foreign exchange transactions	63,830	115,508	49,378
Exchange-rate changes	20,221	(141,114)	(142,405)
Cash and cash equivalents in foreign currencies	20,358	8,136	62,018
Total	104,409	(17,470)	(31,009)

#### **30. OTHER FINANCIAL INTERMEDIATION EXPENSES**

	2nd Half 2023	12/31/2023	12/31/2022
Loss from credit assignment operations	(626)	(1,736)	(4,017)
Total	(626)	(1,736)	(4,017)

#### 31. BORROWINGS AND ONLENDINGS

	2nd Half 2023	12/31/2023	12/31/2022
Expenses with obligations to foreign bankers	(213,957)	36,602	223,451
Market to market – Hedge objects (note 7.g)	(9,477)	3,417	(3,417)
FUNCAFÉ/BNDES Onlendings	(8,798)	(15,521)	(9,773)
Reversal to funding linked to credit operations	(240)	(40,674)	(42,104)
Total	(232,472)	(16,176)	168,157

The Bank has obligations with bankers abroad for loans indexed in foreign currency, whose amount recorded in the year of 2023 was impacted by the exchange rate variation in that period in the amount of R\$ 328,715 in revenue (December/22 – R\$ 325,352 in revenue).

#### 32. EXPENSES WITH MONEY MARKET REPURCHASE AGREEMENTS

	2nd Half 2023	12/31/2023	12/31/2022
Repurchase and resale agreements	(259,792)	(521,345)	(470,244)
Time Deposits	(245,227)	(509,938)	(541,688)
Agribusiness credit bills expenses - LCA	(64,194)	(122,563)	(113,114)
Interbank deposits	(39,467)	(85,440)	(44,823)



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

Financial bills expenses - LF	(3,594)	(10,305)	(14,855)
Credit Guarantee Fund (FGC) contribution expense	(3,127)	(6,358)	(7,199)
Real estate credit bills expenses - LCI	(13)	(28)	(203)
Total	(615,414)	(1,255,977)	(1,192,126)

#### 33. EXPENSES WITH DEBT INSTRUMENTS ELIGIBLE TO CAPITAL

	2nd Half 2023	12/31/2023	12/31/2022
Perpetual debt – exchange variation	(3,757)	63,988	61,676
Total	(3,757)	63,988	61,676

#### 34. REVENUES FROM RENDERING OF SERVICES AND TARIFFS

	2nd Half 2023	12/31/2023	12/31/2022
Income from guarantees granted	12,541	27,067	32,323
Collection income	690	1,398	1,388
Income from bank fees	427	1,076	2,432
Income from other services	593	4,378	8,108
Total	14,251	33,919	44,251

#### **35. PERSONNEL EXPENSES**

	2nd Half 2023	12/31/2023	12/31/2022
Salaries	(44,284)	(88,037)	(92,721)
Social charges	(17,066)	(33,902)	(38,812)
Directors' fees (note 25.c1)	(10,672)	(22,380)	(25,451)
Benefits	(10,203)	(20,047)	(17,331)
Other	(116)	(231)	(188)
Total	(82,341)	(164,597)	(174,503)

#### **36. OTHER ADMINISTRATIVE EXPENSES**

	2nd Half 2023	12/31/2023	12/31/2022
Outside service expenses	(9,638)	(20,213)	(20,097)
Expenses with the provision of services to related companies	(21,130)	(21,130)	-
Rental and fees expenses	(9,165)	(18,373)	(17,599)
Data processing expenses	(6,578)	(13,463)	(14,113)
Financial system service expenses	(4,712)	(9,175)	(8,406)
Expenses with maintenance and preservation	(1,842)	(3,584)	(4,441)
Expenses with amortization and depreciation	(1,715)	(3,588)	(7,359)
Expenses with judicial and notary public fees	(248)	(349)	(669)
Other expenses	(2,683)	(5,155)	(5,584)
Total	(57,711)	(95,030)	(78,268)

#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

#### **37. OTHER OPERATING REVENUES**

	2nd Half 2023	12/31/2023	12/31/2022
Monetary update of judicial deposits	13,788	28,214	27,194
Revenue with housing social programs	1,533	5,735	-
Recovery of charges and expenses	2,876	3,222	499
Reversal of provision for restructuring	-	281	6,756
Other operating income	2,399	3,260	1,820
Total	20,596	40,712	36,269

#### **38. OTHER OPERATING EXPENSES**

	2nd Half 2023	12/31/2023	12/31/2022
Tax expenses	(10,115)	(27,503)	(35,519)
Provision for profit sharing - employees	(5,536)	(11,072)	(11,579)
Commission expenses	(4,219)	(8,874)	(9,956)
Processing fee	(1,822)	(3,768)	(3,811)
Other operating expenses	(405)	(2,576)	(1,666)
Total	(22,097)	(53,793)	(74,894)

#### 39. NON-OPERATING INCOME (LOSS)

	2nd Half 2023	12/31/2023	12/31/2022
Income from disposal of assets	3,256	5,890	6,568
Reversion (increase) provision for non-operating income	(10)	(6,101)	6,743
(Loss) on write-off of goods in use	-	-	(146)
Write-off of assets due to disuse	(49)	(49)	(950)
Other non-operating income (expenses)	(7)	(1)	69
Total	3,190	(261)	12,284

#### 40. RISK AND CAPITAL MANAGEMENT FRAMEWORK

The Bank's risk management enables inherent risks to be properly identified, measured, mitigated, and controlled, to support the sustained development of activities and the continuous improvement in risk management.

The Bank centralizes the management of Social and Environmental, Market, Credit, Liquidity, Operational and Capital Management risks to enhance the efficiency of its controls. It results in an overview of the exposures to which the Bank is subject due to the very nature of its activities, which makes it possible to improve and make more agile strategic decisions, in addition to ensure compliance with the policies established for the area and improve the identification of risks that may affect the business strategy and the fulfillment of related goals, thus complying with CMN Resolution 4,557/17 which provides for integrated Risk Management – "GIR".

The "Basel Pillar III Risk Management Report" can also be found on the Bank's website, in compliance with BCB Resolution No. 54/20 of BACEN, which provides for the structure and responsibilities of CCB Brasil within the scope of prudential risk management.



Notes to financial statements

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The Capital Management Framework is implemented, in compliance with CMN Resolution 4,557/17. The Board of Directors approved the appointment of the executive officer in charge and the definition of the organizational structure, applicable to the entire Financial Conglomerate and other member companies of the financial-economic consolidated. There are institutional policies and processes defined with the procedures and systems necessary for the effective implementation of the Capital Management framework.

Likewise, in compliance with CMN Resolution 4,557/17, the Risk Management framework was established and implemented. The Board of Directors approved the appointment of the executive officer in charge and the definition of the organizational structure, applicable to the entire financial Conglomerate and other member companies of the financial-economic consolidated, as well as approved the institutional policies on risk management.

CMN Resolution 4,943/21 is also observed in relation to the establishment and implementation of the Social and Environmental Responsibility Policy. The Bank has already adjusted the risk management framework to comply with CMN Resolution 4,557/17.

The Risk Management Policy establishes the underlying principles of the institutional strategy with regards to the control and management of risks in all operations. In the administrative scope, the shares are valued in the several committees that guarantee management compliance, considering the complexity of the products, the exposure to risk and the risk-return ratio that involves all the Bank's business decisions. Risk management is in line with guidelines set forth by the Central Bank and covers all subsidiaries.

CCB Brasil's risk management policies are designed to support the formulation of risk appetite, guide employees and establish procedures to monitor, control, dimension and report the risks to the Executive Board. The Senior Management's involvement with risk management issues occurs through deliberations of its management bodies, defined, in the articles of association, as the Board of Directors, the Executive Board and the Committees. The governance structure ensures effective risk management. The Bank's risk management is carried out through collective decisions, supported by specific Committees. The Risk Management Department is composed, among others, of departments dedicated to the management of social and environmental, market, credit, liquidity, and capital management risks. These areas provide support to the Risk Committee, Internal Controls, Financial Operations that analyze and define strategies and actions pertinent to the areas of operations.

The controls and risk management committees and management bodies provide support to development and seek to minimize losses by adopting a centralized integrated view. They aim at the automation and creation of the database for risk management and modeling, based on history data of losses and evolution of controls.

- I. The risk mitigating controls allow the limits to be defined in advance, considering the profile and the strategic and operational aspects of each unit.
- II. The risk limits broadly consider the amounts that the Bank is willing to accept to meet its goals, and is reflected in the enterprise risk management philosophy, which in turn influences the Bank's culture and operation conduct. This tolerance is influenced by several factors, including the assessment of the risk's consistency with the corporate strategy.

Notes to financial statements In thousands of reais - R\$, unless otherwise indicated.

#### **RISK MANAGEMENT**

CCB Brasil's Risk Management Policy defines a set of controls, process, tools, systems and standard reports, needed to provide the appropriate control and management of risk.

The Bank designated the CRO (Chief Risk Officer) as the one responsible for the Risk Framework before the Central Bank, according to the Board of Directors' decision.

#### Market Risk Management

The Liquidity, Market and Capital Risk Division is responsible for maintaining and updating the Policy and structure of the area on an annual basis. It is independent in relation to the business areas and has as duty to monitor and analyze market risks arising from business activities and the Bank's treasury. It also has a duty to guarantee that the levels of exposure to risk comply with the limits adopted by the Risk Appetite Statement (RAS), and to identify and recommend capitalization levels that are appropriate and compatible with these risks.

Market risk monitoring can be characterized by certain main types of measurements: stale positions, foreign exchange exposure level control, sensitivities, stress tests, Value-at-risk (including adherence tests and validations), DV01, EVE- Economic Value of Equity and NII - Net Interest Income.

All risk metrics are monitored continuously on an integrated basis with the purpose of offering a global view of CCB Brasil's risk profile. The monitoring and control of the Bank's positions is not limited to calculating its market value but recognizes an adequate sensitivity to the real exposure to the Bank's many risk factors. Complementing this measure with the other risk control tools improves monitoring and exposure analysis.

#### Credit Risk Management

CCB Brasil has an independent area for managing credit risk, in accordance with best governance practices. This area operates independently from the credit approval structure, calculates the ratings of clients based on metrics that consider their behavior in the market as well as that arising from their operations at the Bank. Thus, it differs from the concepts used by the credit approval area, whose structure is built on careful analysis procedures, developed from the expertise acquired throughout the Bank's history.

#### ESG - Social and Environmental Risk

The Bank constantly improves the methodologies and tools used for assessing social and environmental variables in its loan granting process to mitigate any risks associated with the capacity of payment and default on investments. For this reason, it has established policies and instruments that allow the suspension of the operation, accelerate contracts and the imposition of restriction penalties.

#### Liquidity Risk Management

CCB Brasil's Liquidity Risk management consists of measuring, evaluating, and controlling the bank's capacity to meet its financial commitments through mathematical estimates and modeling on its own base of operations. Such models have complementary characteristics and are described below:

I. Backward Looking: historical analysis of transactions, repurchases, renewals of transactions by clients to estimate the potential of insufficient cash to pay the bank's commitments.

#### Notes to financial statements

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II. Forward Looking: analysis of the projected portfolio, considering budget scenarios and expected portfolio growth.

The results of the liquidity calculations made for the next three years, following these models, demonstrate that CCB Brasil has and will have sufficient funds to meet its obligations and has a position with a wide safety margin in current and non-current.

CCB Brasil has a liquidity risk management department for the identification, monitoring and control of events that may impact the bank's liquidity in both current and non-current.

Liquidity risk management provides:

- I. Preparation of cash flow for evaluation and monitoring of liquidity in current and non-current terms;
- II. Statistical models for estimating unexpected cash outflows such as acceleration of CDB, derivative adjustment payments and additional guarantee deposits with B3;
- III. Stress tests to monitor financial health in adverse liquidity scenarios.

Events that indicate inadequate liquidity capacity for the institution's future obligations are reported on a timely basis to take corrective and preventive actions.

The assets and liabilities according to the remaining contractual maturities, considering their undiscounted flows, are shown below:

As of December 31, 2023, CCB Brasil presented its Current Liabilities greater than Current Assets, calculated according to the nominal maturity of its operations, however, the Bank has securities classified in the category available for sale (note 6.b), which, except for the balance of those linked to the guarantees provided, has an amount of R\$ 3,366,524 (December/22 – R\$ 3,286,700), which even classified as non-current, represent highly liquid investments in government bonds issued by the National Treasury, and a portion of the current liabilities are loans with the parent company in China in the total amount of R\$ 2,647,924 (December/22 – R\$ 4,210,904), maturing in less than one year, which has been systematically renewed.

		12/31/2023	
		Reclassification by	
	Nominal liquidity	effective liquidity	Adjusted liquidity
Current assets	9,192,126	3,366,524	12,558,650
Current liabilities	(15,172,414)	2,647,924	(12,524,490)
Net balance	(5,980,288)	6,014,448	34,160

#### Sensitivity analysis

CCB Brasil has conducted a sensitivity analysis using the scenario of 10% for foreign exchange appreciations or depreciation, interest rates and shares (Scenario I), 25% (Scenario II) and 50% (Scenario III). It is necessary to disclose the demonstrative table of sensitivity analysis for each type of relevant market risk arising from financial instruments that expose the Institution on the closing date for each period. For its preparation we identified the types of risks



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that could generate material losses, including transactions with derivative financial instruments in a more probable scenario, as well as two (2) scenarios that could generate adverse results for the Institution. In the definition of the scenarios, the situation considered probable by management had as reference an independent external source: B3 S.A. - Brasil, Bolsa, Balcão and a situation, with depreciation or appreciation of 25% and 50% in the risk variable was considered.

We present in the sensitivity analysis table the set of operations involving financial instruments registered in equity accounts that CCB Brasil has with the purpose of managing its exposure to market risks and that aims to protect it, especially in periods of historical records. This valuation is systematically carried out by the risk management area and evaluated by the Risk Committee and Asset and Liability Management Committee (ALCO), which meets and defines a set of scenarios in a crisis environment. A scenario, in this context, is regarded as a certain combination of prices and interest rates. The preparation of the table followed the procedure below:

- (i) In each scenario, the amounts of the trading portfolio (Trading Book) and the structural transactions from several of the Institution's business lines and their respective hedges (Banking Book) were calculated;
- (ii) For each one of the risk factors, we chose the calculation that incurred in the highest loss and, based on it, applied the defined increase or decrease;
- (iii) Finally, we obtained the losses, corresponding to the related hypothetical scenario.

The following scenarios do not necessarily reflect the market risk management of the Institution neither is it associated with the accounting policies. The stress models may represent extreme situations that are distant from a day-to-day situation.

Below is the summary of the premises for each one of the scenarios.

We chose for each portfolio the trend (increase or decrease) that maximizes loss for each risk factor. The parallel dislocations of the curve were maintained, that is, a dislocation of + 1,000 basis means that in all future curves there was a 10% increase to the current rates.

For each scenario, the expected loss of the portfolio in relation to the marked-to-market position was measured.

Scenarios are described as follow

**Scenario 1:** Lower oscillation situation. Assumptions adopted: parallel shock of 10% in risk variables, based on market conditions seen on December 31, 2023, and considering the most significant losses from risk factor, not including the relationship dynamics between the macroeconomic variables.

**Scenario 2:** Potential situation. Assumptions adopted: parallel shock of 25% in risk variables, based on market conditions seen on December 31, 2023, and considering the most significant losses from risk factor, not including the relationship dynamics between the macroeconomic variables.

**Scenario 3:** Potential situation. Assumptions adopted: parallel shock of 50% in risk variables, based on market conditions seen on December 31, 2023, and considering the most significant losses from risk factor, not including the relationship dynamics between the macroeconomic variables.

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The scenarios adopted for Banking and Trading Portfolio are shown in the following table, and also reflects the deterioration in the macroeconomic expectations since it maximizes loss for each risk factor in this portfolio. (Fixed) interest rates strongly increase (10%; 25%; and, 50%), there is a substantial parallel dislocation of the foreign exchange coupon curves, the foreign exchange rates increase widely, the Brazilian stock exchange faces a downfall, reflecting in the indicators and indexed contracts

Banking Portfolio - premises for risk factors			
	Scenario 1	Scenario 2	Scenario 3
(Fixed) Interest Rate Curve	parallel shift of +1,000 basis points	parallel shift of +2,500 basis points	parallel shift of +5,000 basis points
Foreign Exchange Coupon Curve	parallel shift of -1,000 basis points	parallel shift of -2,500 basis points	parallel shift of -5,000 basis points
Dollar - Spot	10% decrease	25% decrease	50% decrease

The results of the losses calculated in the scenarios presented summarize the losses from market fluctuations by risk factor, generated by CCB Brasil's systems and calculated for the Banking portfolio. These losses are shown in the following table:

Banking Portfolio - Results for risk factors in 12/31/2023			
Risk factors	Scenario 1	Scenario 2	Scenario 3
Dollar and dollar coupon	(18,479)	(46,109)	(91,851)
Fixed Rate in reais	(4,646)	(10,635)	(18,282)
Total loss	(23,125)	(56,744)	(110,133)

Trading Portfolio - Results for risk factors in 12/31/2023			
Risk factors	Scenario 1	Scenario 2	Scenario 3
Dollar and dollar coupon	(522)	(1,317)	(2,672)
Fixed Rate in reais	565	1,291	2,216
Total loss	43	(26)	(456)

The risk factors are presented as follows:

- US\$ Coupon - Includes all the products that have price variations pegged to dollar variations and interest rates in dollars.

- Fixed rate in real – Includes all products that have price variations pegged to dollar variations and interest rates in Real.

The sensitivity analysis Table has limitations and the economic impact on a potential fluctuation in interest rates might not represent necessarily a profit or a material accounting loss for the institution. The specific combination of prices which determine each scenario is an arbitrary decision, though possible. The signs of historical correlations between the assets were not necessarily respected and the scenarios chosen were analyzed according to a past time frame.



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The accounting of the "Banking" Portfolio instruments, at a large extent, is made by the contract curve, which is different from the derivative financial instruments in the "Trading" Portfolio that are subject to fluctuations in the respective accounting record due to mark-to-market.

The results presented in the table referring to the banking portfolio may, at first glance, give the impression of high sensitivity to volatility. For a better analysis of the results obtained in this portfolio, it is suggested to evaluate the results of the measurements of Delta EVE (Economic Value of Equity) and Delta NII (Net Interest Income) with the calculation methodology standardized by the Brazilian Central Bank in Circular 3,876 /18 and in BCB Resolution 54/20. In view of this, it is noteworthy that the sensitivity analysis is an overview of the potential losses involved in the portfolio in the event of materialization of shocks on the stressed risk factors in isolation. This means that correlation and conjectural impacts are not being considered in this analysis.

Likewise, in the sensitivity chart, interest rates and foreign exchange were considered unrelated. The limitations of the analysis of scenarios also involve the marking to market of all positions, which contradicts the Institution's determination in taking operations (especially foreign currency funding operations) to maturity, which may lead readers to make a mistake in judging that the losses presented in the scenarios will materialize, even if the oscillations provided for in the risk factors are verified.

#### CAPITAL MANAGEMENT

CCB Brasil's risk and capital sufficiency management adopts, among others, basic elements of analysis, such as the understanding and identification of the risks inherent in its activities embodied in Capital and Liquidity management policy, assessment of the need for capital for the most relevant risks; development of methodologies for quantifying capital buffer; Capital and Contingency plan, and Strategic budget. It is carried out using quantitative metrics that include models and recommendations from the Brazilian Central Bank, from the Basel III perspectives and concepts.

The follow-up and monitoring of this management is continuous by the Risk Committee, assessed by the Board of Directors in Brazil, by the Head Office and regularly reported to BACEN. This framework is based on the guidelines established by CMN Resolution 4,557/17, which provides for the Risk and Capital management structure and the information disclosure policy. The resolution highlights the mandatory creation of a continuous and integrated risk management framework in banks, the definition of a Risk Appetite Statement (RAS), of stress testing programs, the creation of the Risk Committee, among others.

BACEN Requirements	Valid in 12/31/2023	Valid in 12/31/2022
Core capital ratio	7.0%	7.0%
Tier I Capital ratio	8.5%	8.5%
Basel Ratio (total PR)	10.5%	10.5%

The following table indicates the minimum capital requirements valid for December 31, 2023:

The Leverage Ratio (RA) is defined as the ratio between Tier I Capital and Total Exposure, calculated in accordance with BACEN Circular 3,748/15. It is a simple leverage measure not sensitive to risk and does not consider the Risk Weighting Factors (FPR) or mitigations considered in the RWA. It is not required for S3 Group banks, but is calculated for the purpose of monitoring RAS and is a good indicator of an institution's capital X assets ration.

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The tables presented below show the main capital indicators calculated as of December 31, 2023 and 2022 and those established in the RAS Policy for 2023 - with review expected to occur in a year or any time when the circumstance requires.

In R\$ thousand	12/31/2023	12/31/2022
Capital – Tier 1	2,405,653	1,979,876
- Core Capital	1,582,632	1,092,867
- Perpetual Bonds	823,021	887,009
Reference Equity	2,405,653	1,979,876
- RWACpad	10,420,893	11,020,720
- RWAMpad	127,651	167,968
- RWAOpad	1,310,934	1,332,733
Total RWA	11,859,478	12,521,421
- IRRBB	47,358	90,728
Ratios		
Main Capital	13.34%	8.76%
Level 1	20.28%	15.87%
Basel Ratio	20.28%	15.87%
IB to RWA + IRRBB	19.32%	14.55%

Art. 12, CMN Resolution 4,958/21, determines that institutions must maintain sufficient Capital to cover the risk of changes in interest rates on the bank portfolio (IRRBB), treating it as a capital buffer requirement, without including it in the definition of RWA. At CCB Brasil, the limit for IRRBB is set in R\$ in the risk appetite statement.

#### 41. RECURRING AND NON-RECURRING RESULTS

As provided for in BCB Resolution No. 02/2020, a non-recurring result should be considered as a result that is not related or is incidentally related to the typical activities of CCB Brasil and is not expected to occur frequently in future years. On the years of 2023 and 2022, there was no record of non-recurring results in the Bank.

#### 42. OTHER INFORMATION

#### a) Insurance

The Bank adopts a risk protection policy, according to the relevance of the amounts involved, and Management considers the global amounts of the insurance contracted to be sufficient.

#### 43. SUBSEQUENT EVENTS

On January 31, 2024, the acquisition of controlling interest in CCB Brasil was implemented by BOC, a Chinese financial institution headquartered in Beijing, current controller in the country of Banco da China Brasil S.A. ("BOC Brasil"), through the acquisition of shares of CCB Brasil held until then by CCB Holding. 240,855,998 shares were transferred, of which 155,886,378 were common shares and 84,969,620 were preferred shares. In view of the above, the list of shareholders of CCB Brasil will be as follows:



#### Notes to financial statements

In thousands of reais - R\$, unless otherwise indicated.

Shareholder	01/31/2024			
_	Common	Preferred	Total	%
Bank of China Limited (BOC) CCB Brazil Financial Holding Investimentos e	305,111,393	166,308,303	471,419,696	67%
Participações Ltda.	141,337,530	77,039,420	218,376,950	32%
Treasury shares	-	6,398,518	6,398,518	1%
Total of shares	446,448,923	249,746,241	696,195,164	100%

A process of transition and compliance with certain contractual and regulatory obligations begins to complete the transaction and, in due course, change the trade names and corporate names of CCB Brasil and its controlled companies.

Board of Directors	
President:	Xilai Feng
Board members:	Fanggen Liu Liping Shang Daniel Joseph McQuoid Heraldo Gilberto de Oliveira
Executive Board	
Chief Executive Officer:	Zhang Guanghua
Directors, Vice-President:	Li Deming Lei Xu
Directors:	Hsia Hua Sheng Claudio Augusto Rotolo
Accountant:	Fábio José Mazzetto Said CRC: 1SP264988/O-8
Audit Committee	
President qualified member:	Heraldo Gilberto de Oliveira
Committee Members:	Walter Mallas Machado de Barros Daniel Joseph McQuoid