

Financial Report 2024



What can we achieve together?

We believe in our country and in the potential of our People. We are dedicated to supporting the ambition of People and Organisations who want to build, achieve and contribute to sustainable and lasting prosperity. BCS stands as a beacon of trust, innovation and growth, so together we can find ways to consolidate our business, guided by a unified purpose and a firm commitment to the future, generating a positive impact on the national economy.

Our commitment is you.



01

LEADERSHIP VISION

1.1. Joint Message from the Chairmen of the Board of Directors and the Executive Board.....	05
1.2. Key indicators.....	07
1.3. Main events	10
1.4. Corporate Structure.....	11

04

INTERNATIONAL ECONOMIC
FRAMEWORK

4.1. Economic activity.....	21
4.2. Inflation and monetary policy.....	22
4.3. International trade	24
4.4. Commodities.....	26
4.5. Regional Economic Outlook: Sub-Saharan Africa	28
4.6. Main risks and prospects for 2025	31

07

GOVERNANCE MODEL
AND INTERNAL CONTROL

7.1. Corporate governance.....	59
7.2. Committees of the Board of Directors.....	64
7.3. Specialised Committees of the Executive Board	65
7.4. Organisational chart and structural units	66
7.5. Regulatory framework for legislative changes in 2024	68
7.6. Policies and processes.....	69

02

OUR COMMITMENTS

2.1. Our Purpose, Mission and Vision	13
2.2. Our values.....	13
2.3. Our Culture.....	14
2.4. Stakeholders.....	14
2.5. Sustainability.....	16

05

NATIONAL ECONOMIC
FRAMEWORK

5.1. Economic activity.....	33
5.2. External Accounts and Trade Balance.....	35
5.3. Inflation and monetary policy.....	38
5.4. Exchange rate policy	41
5.5. Fiscal policy.....	42
5.6. Main risks and prospects for 2025	43

08

RISK MANAGEMENT

8.1. Risk governance model.....	71
8.2. Adopting a risk culture – Risk Assessment Methodology (AMAR).....	75
8.3. Our risk profile and degree of risk tolerance	76
8.4. The main risks.....	77
8.5. Cyber resilience	84
8.6. Risk management in the BCS and improvements in 2024.....	85

03

OUR STRATEGY: BCS 21-25

3.1. Summary of BCS 21-25.....	19
--------------------------------	----

06

OUR PERFORMANCE

6.1. Commercial activity.....	45
6.2. Private, Corporate and Large Customers	45
6.3. Institutional Customers.....	45
6.4. Commercial activity of electronic banking	46
6.5. The recognition of our brand and the development of our portfolio	48
6.6. Technological and digital innovation	51
6.7. Evolution of Human Capital	55

09

PROPOSED APPROPRIATION OF
NET INCOME

86

10

FINANCIAL STATEMENTS

10.1. Balance sheets as at 31 December 2024 and 2023	89
10.2. Income statements for the years ending 31 December 2024 and 2023	90
10.3. Income statements of other comprehensive income for the years ended 31 December 2024 and 2023	91
10.4. Statements of changes in equity for the years ending 31 December 2024 and 2023	92
10.5. Statements of cash flow for the years ending 31 December 2024 and 2023	93

11

NOTES TO THE FINANCIAL STATEMENTS	94
--	-----------

12

ANNEXES

Independent auditor's report	213
Audit report on the financial statements	215





01.

Leadership Vision

1.1. Joint Message from the Chairmen
of the Board of Directors
and the Executive Board

1.2. Key indicators

1.3. Main events

1.4. Corporate Structure

1.1. Joint Message from the Chairmen of the Board of Directors and the Executive Committee

The year 2024 was marked by significant challenges, but also by unique opportunities for transformation. In a globally challenging economic context, characterised by the slowdown of the oil sector and the urgency to diversify the national economy, the BCS has established itself as a beacon of trust, innovation, and sustainable growth. Despite the uncertainties we faced, we found ways to consolidate our business, guided by a united purpose and a firm commitment to the future of Angola.

Despite a 2.6% drop in oil production due to planned operational shutdowns, the non-oil sector remained dynamic and resilient, with growth forecast at 4.6%. This contrast underlines the importance of the structural reforms underway in the national economy and reinforces our commitment to building a more robust economy, less dependent on oil and more open to private investment, good governance, the digitalisation of public administrative services and the modernisation of the business environment.

In this changing landscape, BCS has stood out as an example of solidity, strategic vision, and operational agility. Total assets grew by 43% to approximately 400 billion kwanzas. This milestone reflects the trust of our Customers and key Stakeholders, but also the positive impact we set out to generate for our Country's economy.

Every Kwanza invested is a firm step towards a more prosperous future, a path that is only possible thanks to the steadfast dedication of our team and the effectiveness of our strategy.

Customer resources increased by 15%, strengthening our financing capacity and reaffirming the robustness of our reputation in the market. The operating income grew by 148%, driven by the diversification of our offer and the continuous strengthening of our distribution channels. The Customer base grew by over 50%, demonstrating that our value proposition effectively meets the needs of a constantly evolving market that is increasingly aware of its rights.

With a return on equity of over 30% and a cost-to-income of 46%, we reaffirm our commitment to disciplined management, focused on efficiency and the creation of sustainable value. These indicators are a direct result of the rigorous execution of our Strategic Plan BCS 21-25, which has already achieved a completion level of 75% and continues to guide us with ambition and clarity.

In the digital domain, progress has also been remarkable. Our remote channels recorded significant growth: transactions through MyBCS (Internet Banking) increased substantially, nearly doubling among Individual Customers, with a 94% rise. These results reflect our Customers' growing confidence in the modernisation of our offer and our capacity to adapt to new market demands.

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In 2024, total assets grew by 43%, Customer resources increased by 15% and the banking product grew by 148%, indicators that show the financing capacity, the robustness and diversity of the offer and the reputation of BCS in the market.

In the payment methods, the indicators also demonstrate robust performance:

- Growth of 66% in the number of debit cards assigned and 43% growth in transaction volume;
- A 305% increase in the issuance of internationally branded Mastercard cards and a 248% rise in transaction volume;
- Expansion of the ATM network to 77 units, through BCS Cash, with a 301% increase in the value of transactions processed.

In institutional terms, we proudly celebrated our 9th Anniversary under the motto “BCS In9va”, reinforcing our identity as a modern, agile bank close to its Customers. We have also launched the process of opening a 100% remote account through our BCS Connect brand, a relevant milestone in our technological transformation journey.

At the same time, we began implementing a new compliance screening system, a strategic project that strengthens our internal control capabilities and demonstrates our commitment to increasingly robust, resilient, and transparent governance for our counterparties.

To summarise, 2024 was a year of consolidation, growth and renewed ambition. We have strengthened our position in the national financial system, deepened our relationships with our institutional partners, and reaffirmed our Purpose, which guides us: “To be at the service of prosperity.”

In 2025, we will stay the course with determination, continuing to invest in operational excellence, digital modernisation and, above all, in building lasting relationships with our Customers and Partners. With a clear vision and a cohesive team, we are confident that we are moving towards an even brighter future.

To all our Employees, Customers, Shareholders and other Stakeholders, we express our most sincere and profound gratitude. Your support, trust and dedication are the driving force of our success. We remain confident that there is much we can achieve together and that we will build solid bridges to the future.

It is in this spirit of collaboration that we write the history of the BCS every day.



Cristina Van-Dúnem
Chairwoman of the Board of Directors



Rafael Kapose
Chairman of the Executive Committee

I.2. Key Indicators

	2024	2023	AKZ'000 Var. % 24/23
Balance Sheet			
Total Assets	398,318,146	279,464,929	43%
Loans and advances to Customers (net)	85,749,298	80,806,437	6%
Customer resources and other loans	249,211,530	216,340,667	15%
Interest on securities	190,328,310	70,643,849	169%
Equity and equivalent	73,852,165	54,177,043	36%
Results			
Net interest income	28,203,815	18,009,339	57%
Complementary margin	21,701,835	2,147,296	911%
Operating income from banking activities	49,905,651	20,156,635	148%
Structural costs	(23,056,476)	(14,409,080)	60%
Pre-tax result	24,316,890	3,360,894	624%
Net income for the year	22,594,349	5,047,317	348%
Profitability and efficiency			
Return on assets (ROA)	5.67%	1.81%	4%
Return on equity (ROE)	30.59%	9.32%	21%
Cost-to-Income ratio	46.20%	71.49%	-25%
Total assets/Employee	2,053,186	1,735,807	30.04%
Leverage ratio	36.09%	39.05%	-3%
Own funds	73,852,165	54,177,043	36%
Solvency ratio	41.35%	33.86%	22%
Quality of loans and advances to Customers			
Loans overdue credit/Total loans	3.80%	1.78%	2.03%
Coverage of overdue loans by impairment	29.33%	39.65%	- 10.32%
Coverage of impaired loans	5.13%	4.4%	0.89%
Dispersion			
Business centres	5	5	-
Employees	194	177	9.6%
Customers	14,350	9,373	53.1%

In 2024, the global economy recorded moderate but uneven growth. While in developed markets the expansion was limited, reflecting the prolonged effects of restrictive monetary policies and the persistence of geopolitical uncertainties, various emerging economies, particularly in Asia and Africa, demonstrated robust performances, supported by internal growth dynamics and structural reforms.

In 2024, the Angolan economy began its recovery path, after the contraction observed in 2023, driven by structural reforms and measures aimed at diversifying the productive base. Although the oil sector – which remains a central component of the national economy – has faced relevant constraints, there was significant growth in the agriculture, manufacturing and services sectors. Fiscal consolidation and the implementation of a prudent monetary policy were critical for macroeconomic stabilisation in an internationally volatile context.

Angola's Gross Domestic Product (GDP) grew by 4.4% in 2024, reflecting a recovery driven mainly by the non-oil sector, in line with efforts to restructure the economy. This growth, although modest, represents a solid recovery from the contraction of the previous year, demonstrating the effectiveness of the diversification and economic resilience policies underway. The year-on-year growth of the economy has reached levels not observed since 2014, with an increase of 3.3% compared to 2023 – the fourth consecutive year of economic growth. Non-oil GDP continued to be the main driver of the expansion, with a positive variation of 5.2% in the period under review.

Angola continued to experience high inflation in 2024, with the national year-on-year inflation rate standing at 27.5% in December 2024, surpassing the 20.0% recorded at the end of 2023. This inflationary acceleration resulted primarily from the continued depreciation of the Kwanza, the pressure on international food prices, and the rising energy costs arising from the phased elimination of fuel subsidies. In response to inflationary pressures, the Banco Nacional de Angola maintained a restrictive monetary policy stance throughout the year, with the aim of controlling excess liquidity and preserving macroeconomic stability.

From a cross-sectional perspective of the macroeconomic environment in 2024, characterised by structural advancements, greater resilience of productive sectors, and high interest rates, it is important to highlight the main drivers of return on equity, which favoured the Bank's net interest income: a) the foreign exchange revaluation gains resulting from the depreciation of the Kwanza; b) the robust increase in the treasury securities portfolio, which provided attractive returns with controlled risk. Both of these factors together sustained the improvement in operating results, reflected in an increase in return on equity to 30.59% at the end of the 2024 financial year, up 21.28% p.p. compared to 9.32% last year.

**30.59%****Increase in
return on
equity****3.3%****Economic
growth
compared
to 2023**

The evolution of the main business indicators is noteworthy:

Number of Customers

14,350

Customers

+53.1%

compared to 2023

Customer resources

249,211,530

mAOA

+15%

compared to 2023

Assets

398,318,146

mAOA

+43%

compared to 2023

Loans and advances to Customers

85,749,298

mAOA

+6%

compared to 2023

Operating income from banking activities

49,905,651

mAOA

+148%

compared to 2023

Net Income for the Year

22,594,349

mAOA

+231%

compared to 2023

Own funds

73,852,165

mAOA

+36%

compared to 2023

Regulatory Solvency Ratio

41.35%

+22%

compared to 2023

I.3. Main Events

The BCS adopts a strong value proposition, aligning the bank's business positioning with its corporate objectives and continues to invest in risk and compliance matters, digitalisation, expansion of banking services, and sustainability, which has allowed for an improvement in financial and operational performance metrics enabling the BCS's operation within the context of a global platform.



I.4. Corporate Structure

Since its founding, BCS has communicated its corporate structure in a clear and transparent manner. It aims to ensure that the best corporate governance practices are implemented, thus enabling the Bank to achieve an inspiring long-term vision and anticipate any systemic changes.

In December 2024, the Shareholder structure was composed as per the table below:

	Share Capital		
	%	No. of Shares	Value/AOA
Rafael Arcanjo Kapose	47.00%	7,990,000	7,999,000,000.00
Francisca Kamia Kapose	45.00%	7,650,000	7,650,000,000.00
Severiano André Kapose	5.00%	850,000	850,000,000.00
Maria do Céu Figueira	2.50%	425,000	425,000,000.00
Sebastião Manuel	0.50%	85,000	85,000,000.00



02.

Our Commitments

2.1. Our Purpose, Mission and Vision

2.2. Our values

2.3. Our Culture

2.4. Stakeholders

2.5. Sustainability

2.1. Our Purpose, Mission and Vision

The assertion of the identity of BCS is marked by the robustness of the results obtained throughout the existence of the Bank and by a strong corporate culture based on excellence and the desire to improve the quality of service provided to our Customers. This is the basis on which the Bank's purpose was built.

Purpose: To be at the Service of Prosperity

We believe in our Country. We believe in the potential of our People. We are devoted to supporting the ambitions of People and Organisations who want to build, achieve and contribute to a sustainable and lasting prosperity.

The purpose of the BCS projects its actions into the future, while incorporating the mission and vision that were the basis of its foundation, fundamental elements for the reality of the Bank in 2024.

Mission

To be a reference brand in the financial system, for the differentiation, solidity and excellence of the service provided.

Vision

To create value for Customers, Shareholders and Employees by offering simplified financial solutions, with the aim of operate in the market as an Institution recognised for excellence, efficiency, rigour and innovation.

2.2. Our Values

These are the values that guide our actions:

We Keep Promises

We do what we say we're going to do and we take responsibility for our actions and our results.

We work with Integrity

We adhere to the highest ethical and safety standards. We demonstrate respect and value all individuals and all ideas.

We strive for Excellence

We provide an excellent service to our Customers and reward the distinction of our Employees.

We act Proactively

We understand the importance of staying attuned to the needs of our Customers, Employees and other Stakeholders, thus ensuring our relevance and impact.



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The assertion of the identity of BCS is marked by the robustness of the results obtained throughout the existence of the Bank and by a strong corporate culture based on excellence and the desire to improve the quality of service provided to our Customers.

2.3. Our Culture

In the year 2024, BCS strengthened its connection with its ecosystem, where Employees once again took on the role of its keystone. The Bank is committed to better assessing the needs of its People and has adjusted its Human Capital management Policies to align with the economic and financial reality of the Country and the Bank's respective growth. Human Capital management Policies have thus constituted a powerful tool for consolidating organisational Culture. At the same time, initiatives were undertaken to ensure a new outlook for the Bank's future, grounded in each Employee's motivation and a shared vision of the impact of their work.

It is with this framework and the determination of our People that the Bank's Culture has been cemented: the **Cultura MHAIS**. The Cultura MHAIS seeks to highlight the importance of unity between our People, and is marked by merit and flexibility of action.

Principles of the Cultura MHAIS

- **Meritocracy** – based on the performance evaluation process;
- **Humility** – to maximise our People every day;
- **Agility** – in the fast delivery to Customers of solutions tailored to their needs;
- **Innovation** – to build Customer loyalty through differentiated solutions;

- **Safety** – operational performance and professional conduct.

The principles of Cultura MHAIS have been decisive in guiding the performance of our Human Capital and strengthening the relationship of trust, established since the foundation of the Bank, focused on Customer service.

2.4. Stakeholders

The ecosystem in which the Bank operates is seen as a key element in the implementation of its strategic agenda.

Customers

The promotion of continuous improvement in the Bank's services for our Customers, focusing on close commercial relationships, through financial solutions that offer competitive advantages over those available in the market and with a simplified approach.

Employees

The cornerstone of the action of the BCS, as the Bank sought to ensure proper monitoring of the needs of Employees to reconcile work and family life. Talent management was made possible by reinforcing training hours and thanks to a rigorous and planned performance appraisal process.

Shareholders

The commitment to deliver value to Shareholders, while respecting regulatory and prudential ratios, and always establishing a continuous dialogue with them through transparent and objective financial reporting.

Regulators

The guarantee of financial stability, the protection of consumers and investors, whether from abusive practices or fraud, ensuring transparency and due mitigation of risk for all parties, more than the role of supervisory entities, is also the purpose of the Bank to seek a safe and efficient environment.

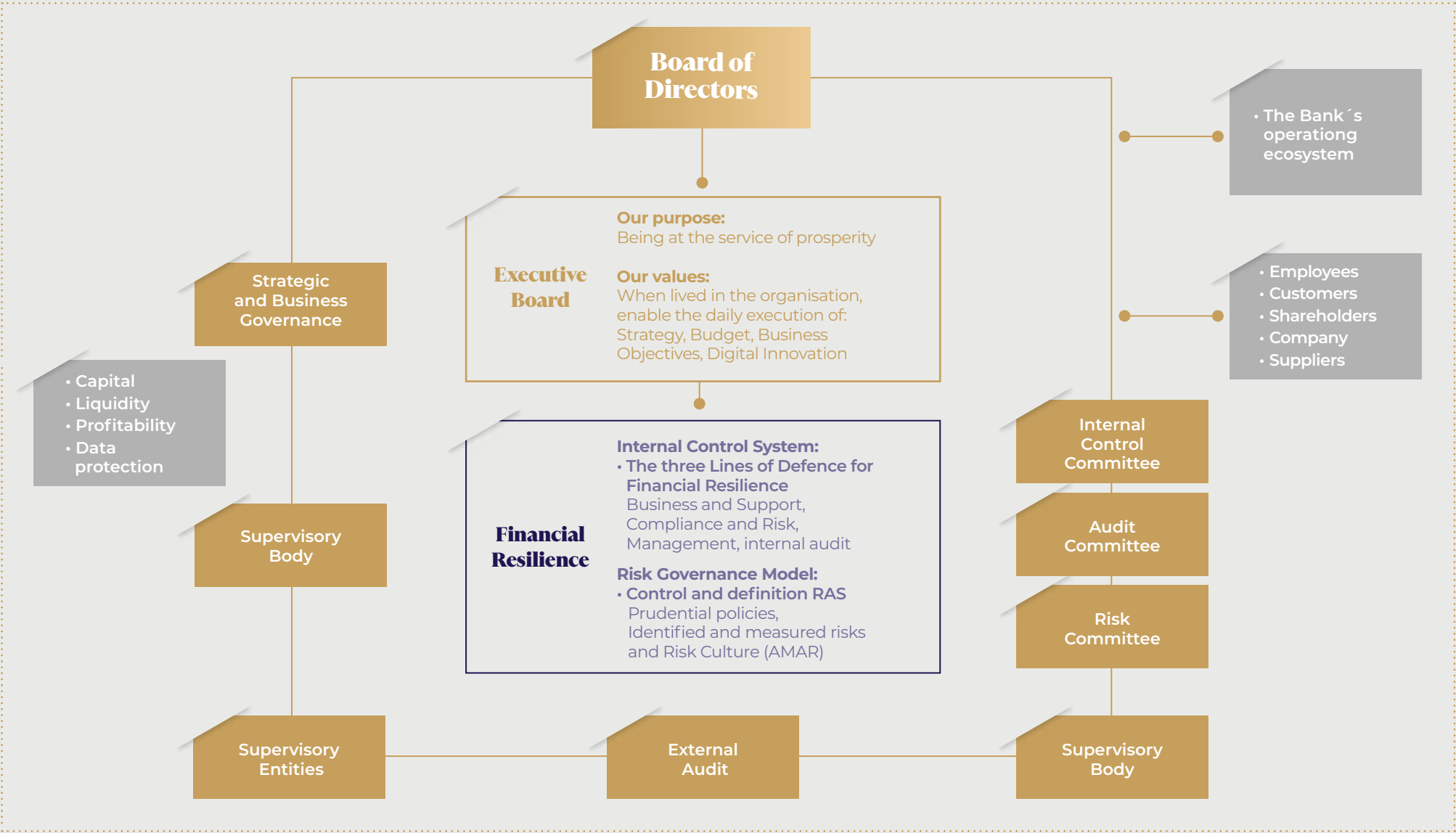
Partners/Suppliers

The relationship with suppliers and partners is of high importance to BCS, remaining firmly committed to compliance with procurement and due diligence policies.

Society

The BCS has undertaken to incorporate the Sustainable Development Goals (SDGs) into the management of its annual economic agenda. With the adoption of the SDGs, the Bank sought to support causes that were relevant in terms of sustainability and reiterated its support for the fabric of microenterprises, to foster employment and thus, greater social well-being.

Value Creation Model

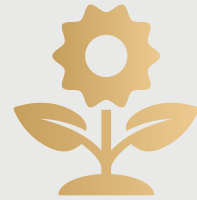


2.5. Sustainability

BCS's commitment to sustainability stems from the strategic orientation of the Board of Directors, which has sought to integrate corporate governance and management practices aligned with social equity and environmental preservation. In this context, the Bank has been strengthening its commitment to the ESG (Environmental, Social and Governance) agenda, having defined four Sustainable Development Goals that underpin its purpose of **Serving Prosperity**.

In 2024, BCS consolidated its sustainability strategy with structuring initiatives and strengthened its presence in national and international forums dedicated to the topic. The approval of the social investment project stands out, representing a significant milestone in the Bank's commitment to initiatives that have a positive impact on the community.

The Bank also maintained its active participation in the Sustainability Working Group of the Angolan Association of Banks (ABANC), assuming a role in the Coordination group, contributing to the strategic alignment and definition of good practices in the sector. In addition, the Institution has intensified its focus on internal capacity building and collaboration with global sustainability networks, notably through participation in various training sessions and events organised by the United Nations Global Compact (UNGC).



Environmental



Social



Governance

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BCS consolidated its sustainability strategy with structuring initiatives and strengthened its presence in national and international forums dedicated to the topic. The approval of the social investment project stands out, representing a significant milestone in the Bank's commitment to initiatives that have a positive impact on the community.

The main initiatives and participations of the BCS in 2024 include:



- Adhering to the UNGC Forward Faster Initiative (31/01/2024)



- Participation in the Peer Learning Groups of the Portugal and Brazil networks (SDGs Journeys)



- Appointment of Dr. Rafael Kapose (PCE) as a member of the United Nations Global Compact Advisory Council for Angola



- Meeting with the Focal Points of the Companies Participating in UNGC Angola with Hervé Lado, Regional Director of UNGC, with the participation of our CEO, Rafael Arcanjo Tchiongo Kapose, and our Executive Administrator, Dr. Odyle Cardoso



- Meeting between BCS and UNGC participants to share the Bank's Sustainability Journey



- Participation in the meeting and dialogue on "Policy Enablers for Actions Related to the Sustainable Development Goals in the Private Sector"



- Attendance at the meeting on Climate Action and the United Nations Global Compact Portfolio



- Participation and intervention in the 2nd Conference on Sustainability in Banking, promoted by ABANC



- Participation in the IFC Sustainable Finance workshop , promoted by ABANC

In this way, the BCS reaffirms its commitment to responsible and sustainable action, promoting initiatives that contribute to the economic and social development of the Country and aligning its strategy with the global challenges of sustainability.



03.

Our Strategy: The BCS 21-25

3.1. The BCS 21-25 summary

3.1. The BCS 21-25 summary

Our strategy is guided by the aim of meeting Customers’ expectations, providing a deeper involvement with the private and corporate banking approach in every interaction with the organisation.

In a robust, swift and strategic approach, we are focusing our attention on our ambition:

- i. to be a benchmark for the quality of the service provided;
- ii. be in the top 5 of profitability and efficiency indicators;
- iii. accelerate the sustained growth of the balance sheet;
- iv. strengthening the attraction and retention of talent;
- v. obtain international certifications in compliance and Cyber-security and;
- vi. leading innovation in the offer for corporate segments.

In December 2024, we updated the results of this path of the BCS strategy, with the objectives marking our commitment to being a complete, profitable and sustainable Bank in the short, medium and long term.

Our strategy shows an overall achievement rate of 74% in the completeness of our strategic axes and initiatives, which positively reflect the results of the quantifiable monitoring objectives of our strategy:



25.9%

Corporate Segment penetration rate



3,5 MAOA

Operating Income per Customer



34%

Loyal Customers



94%

Retention rate of Employees with above average evaluation



14,350

Number of Customers



94%

Level of Customer Satisfaction



17,4 MAOA

Average deposits per Customer



30.6%

Return on Equity



04.

Economic Framework International

- 4.1. Economic activity
- 4.2. Inflation and monetary policy
- 4.3. International trade
- 4.4. Commodities
- 4.5. Regional Economic Outlook:
Sub-Saharan Africa
- 4.6. Main risks and prospects for 2025

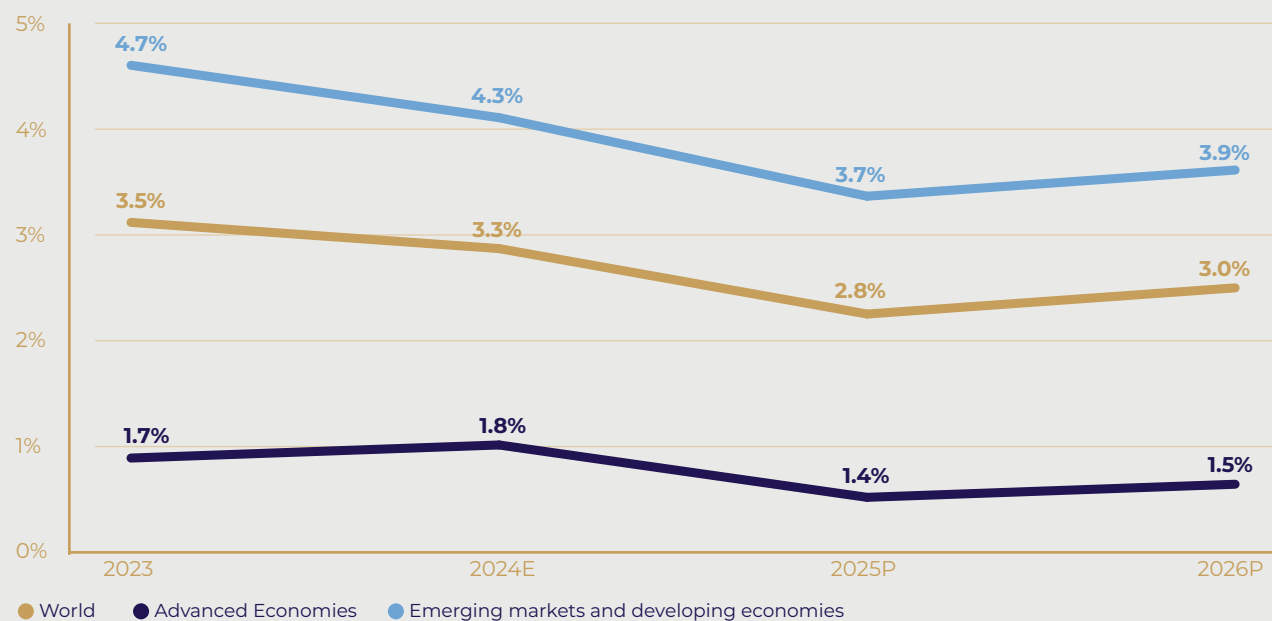
4.1. Economic activity

In 2024, the world economy maintained its moderate growth path, in a context still conditioned by persistent geopolitical tensions, restrictive monetary policies and gradually recovering industrial activity, especially in the advanced economies. Despite some resilience in emerging economies, global growth fell short of the historical average of the past decade, highlighting signs of economic fragmentation and structural vulnerabilities.

According to the International Monetary Fund (IMF), in its World Economic Outlook of April 2025, World Gross Domestic Product (GDP) will have grown by about 3.3% in 2024, a slight slowdown of 0.2% compared to 2023. In its Global Economic Prospects report published in January 2025, the World Bank provided a more conservative growth estimate of 2.7%, reflecting prevailing uncertainties and divergent regional dynamics. Notwithstanding the adverse conditions, private consumption and fixed investment demonstrated relative resilience across numerous economies. In several emerging economies, fiscal stimulus packages and dynamic labour markets (with continuous job creation and strong workforce participation) sustained domestic demand, which helped to avoid a deeper global recession.

Global performance reflected divergent dynamics between advanced and emerging economies. The developed economies slowed down the most, with an average growth of just 1.8%, while

Chart 1
Evolution of GDP growth from 2023 to 2026



Source: International Monetary Fund (Apr. 2025)

the emerging and developing markets sustained world economic growth with around 4.3%.

In the United States, growth was around 2.8%, driven by resilient domestic demand, despite high interest rates. In the Eurozone, growth remained below 1%, hampered by weak industrial activity and tight financial conditions. The Unit-

ed Kingdom remained virtually stagnant at 0.4%, still reeling from the lingering effects of Brexit and the real estate contraction. Japan experienced economic stagnation, driven by subdued domestic consumption, declining exports, and the depreciation of the yen, compounded by demographic decline and the slow adjustment of monetary policy.

Among the emerging economies, China recorded growth of 5%, surpassing expectations, supported by fiscal and monetary stimulus measures, despite ongoing challenges in the real estate sector. India stood out with 6.5%, benefiting from domestic consumption, technological innovation and public investment. The economies of the Association of Southeast Asian Nations (ASEAN) grew by approximately 4.5%, while Sub-Saharan Africa advanced by 4%, supported by infrastructure, commodity exports, and improvements in logistics chains.

In the medium term, a modest and uneven recovery is expected. The International Monetary Fund (IMF) projects global growth of 2.8% for 2025 and 3% for 2026, underpinned by resilient consumption, slowing inflation and possible monetary easing in major economies. The World Bank, in turn, forecasts more stable growth, around 2.7% through to 2026. However, factors such as elevated public debt, geopolitical tensions, and climate-related risks continue to present significant challenges to achieving sustainable growth.

3.3%
Growth of Gross Domestic Product worldwide, in 2024

4.2. Inflation and monetary policy

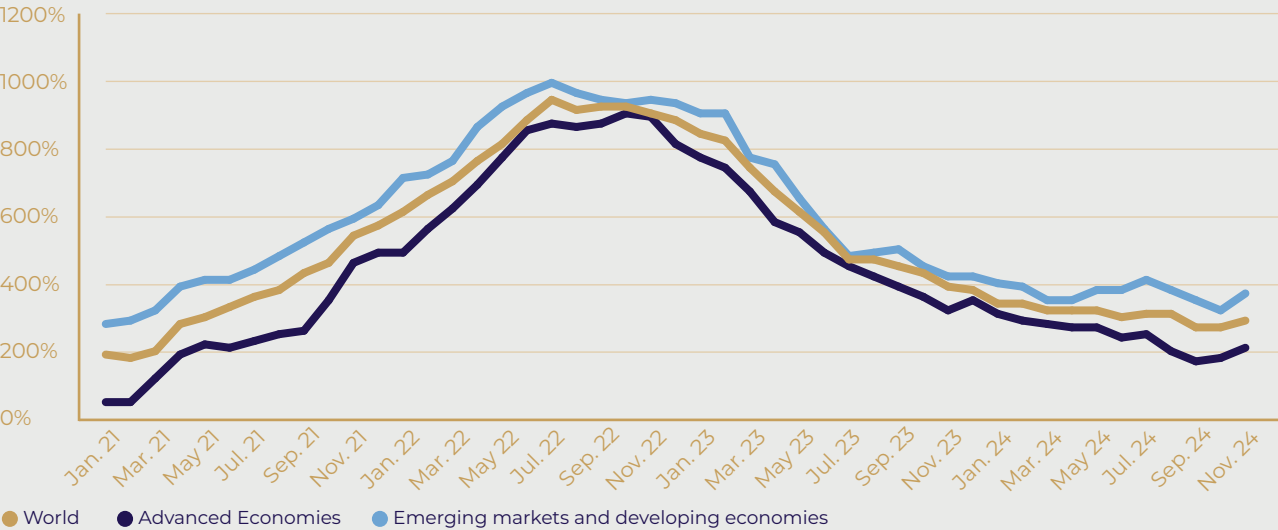
Since the end of 2023, global inflation has fallen faster than expected, reflecting the fall in energy and food prices, the normalisation of logistics chains and the gradual dissipation of supply shocks caused by the pandemic and the war in Ukraine.

According to the World Bank, global inflation has followed a downward trajectory, with the average rate falling to 2.9% in November 2024, compared to 3.9% in the same period in 2023. The slowdown was sharpest in advanced economies, where inflation fell 1.1%. In emerging markets, however, inflation

remained relatively high, reaching 3.7%, with only a modest reduction of half a percentage point.

In this context, central Banks faced the challenge of carefully calibrating the transition to less restrictive policies, ensuring that disinflation was sustained. A premature easing of key interest rates could reignite inflationary pressures, particularly in countries experiencing strong demand-side factors, such as wage growth outpacing productivity and robust domestic consumption, which may exert upward pressure on prices.

Chart 2
Evolution of the consumer price index



During 2023, the central Banks of the advanced economies maintained restrictive stances to consolidate the inflationary slowdown. In 2024, monetary policy entered a transitional phase, balancing progress in combating inflation with caution in the face of macroeconomic uncertainty.

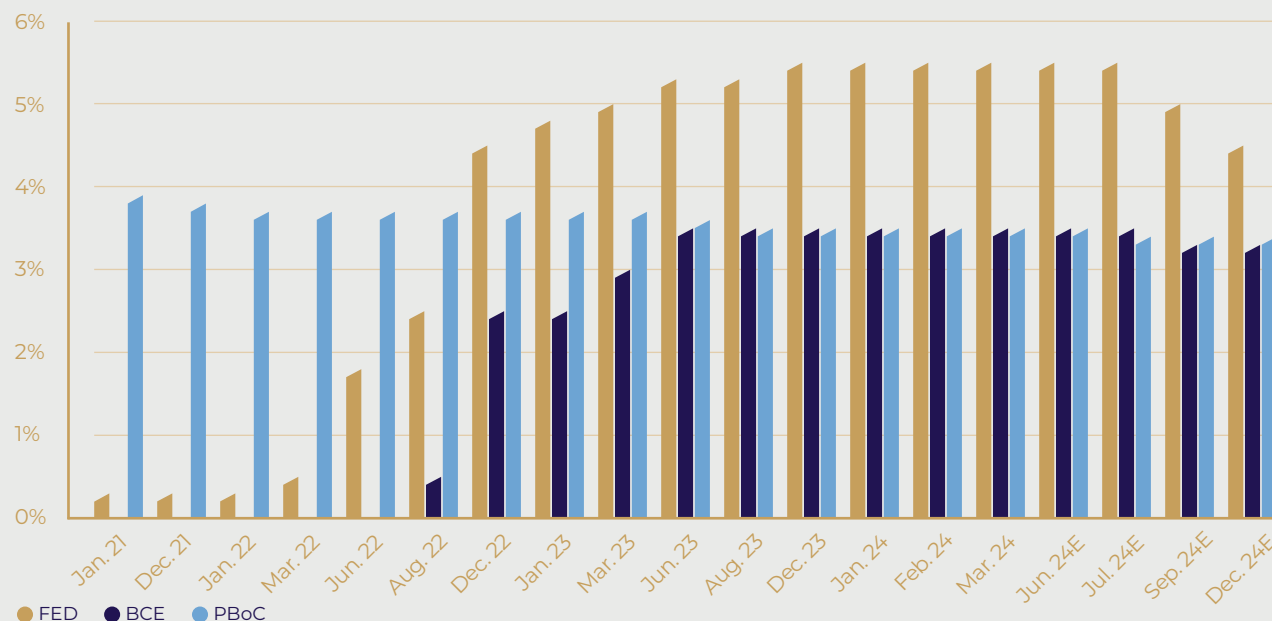
However, the monetary response was not uniform across regions. The Federal Reserve (Fed) and the European Central Bank (ECB) only began cutting interest rates after clear signs of weakening inflation and a cooling labour market, adopting a slow and gradual pace to avoid reigniting pressures. In China, the People's Bank maintained an accommodative stance to stimulate credit and investment amid deflationary risks and challenges in the real estate sector.

In emerging markets, the cycle of cuts was more assertive. Central banks in Latin America and Eastern Europe, which had started tightening earlier, continued the cycle of cuts, although the actual cost of credit remained high, restricting financing, especially in countries with higher sovereign risk.

In summary, 2024 was marked by fragile and uneven recovery, influenced by geopolitical factors and prudent monetary policies. Future performance will depend on the trajectory of interest rates in advanced economies, stability in energy markets and the resilience of emerging economies to external shocks and climate risks.

Chart 3

Evolution of key rates from 2021 to 2024 – selected economies



Sources: Federal Reserve, European Central Bank & People's Bank of China

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By 2026, the World Bank anticipates more stable growth of around 2.7%, despite significant challenges to sustainable growth such as geopolitical tensions and climate risks.

4.3. International trade

Global trade in goods and services was significantly impacted in 2023, primarily due to the synchronized slowdown in major advanced economies and the weakening growth of industrial production world-wide. However, with the disappearance of the logistical disruptions that marked the pandemic and the adjustment of supply chains, pressures returned to pre-pandemic levels by mid-2023, laying the foundations for a moderate recovery in 2024.

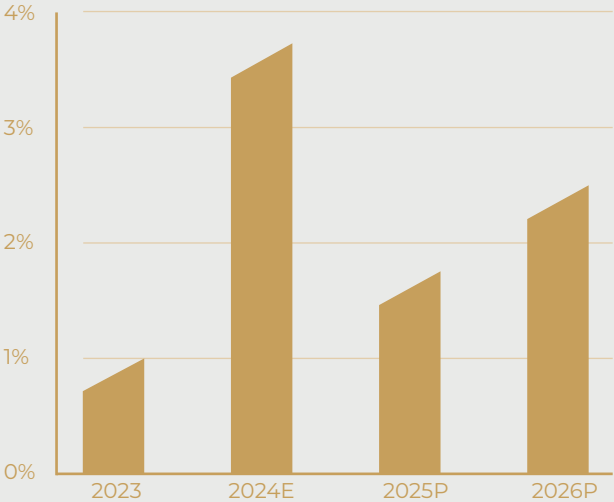
Trade in services, which initially spearheaded the post-pandemic recovery, slowed during the second half of 2023 but resumed a steadier pace in 2024, maintaining a consistent contribution to global trade. Even so, it was trade in goods that led the re-

covery in 2024, supported by the increase in industrial production and the gradual recovery in global demand.

In 2024, global trade began a path of recovery following a performance that was virtually stagnant in 2023, when global volume recorded a marginal growth of just 1%, the slowest pace outside of periods of global recession in the last five decades. The volume of international trade in goods is expected to grow by around 3.8% in 2024, according to projections by the World Trade Organization (WTO) and the International Monetary Fund (IMF), driven by the recovery in investment, the gradual strengthening of demand and the stabilisation of supply chains.

“
In 2024, trade in goods led the recovery, supported by the increase in industrial production and the gradual recovery in global demand.

Chart 4
Growth trends of international trade from 2023 to 2026



Source: International Monetary Fund

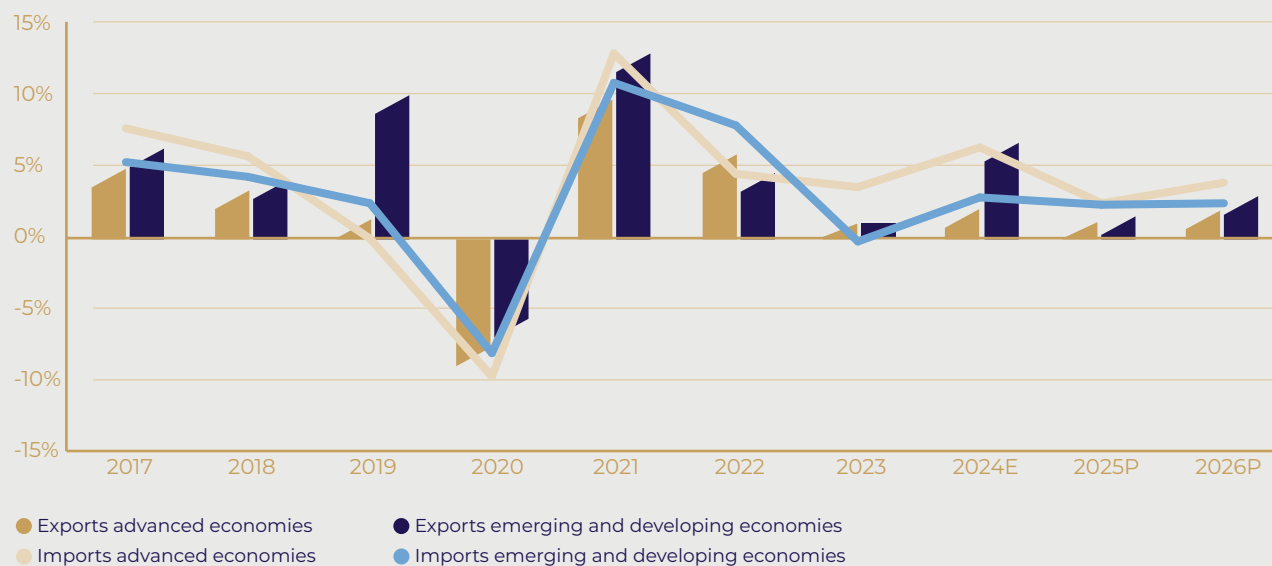
Despite the recovery, the trading environment remains constrained by geoeconomic tensions and the progression of fragmentation policies. According to Global Trade Alert, over 3,000 new trade-restrictive measures were implemented in 2024, indicating a trend towards increased protectionism and further regionalisation of global value chains. The intensification of these tensions, coupled with the increase in subsidies and industrial policies to relocate production, has accelerated the reconfiguration of global chains, particularly by multinational companies from the United States and the European Union. Although this trend is partly driven by the need to diversify suppliers and reduce vulnerabilities, it also reinforces commercial fragmentation and limits the potential for global trade expansion.

Geopolitical uncertainty, ongoing regional conflicts and the possible persistence of the slowdown in the Chinese economy pose significant risks to the medium-term trade outlook. Furthermore, digital trade and information technology-related services have continued to play a resilient role, even in an adverse context, partially offsetting the negative effects in other sectors.

By 2025, the IMF projects a slowdown in trade to 1.7%, indicating a scenario marked by several chal-

Chart 5

Exports and imports of goods and services in advanced, emerging and developing economies



Source: International Monetary Fund

lenges, including: a) the increase in tariffs, particularly in the USA; b) geopolitical uncertainty; and c) the tightening of financial conditions, with higher interest rates, which have reduced global demand. The largest economies – the USA and China – also

face a slowdown, amplifying negative impacts on international trade. In this context, governments and businesses will need to adopt flexible and adaptable strategies to navigate the challenging environment expected in 2025.

4.4. Commodities

The year 2023 was characterised by a challenging global environment for commodities markets, shaped by the lingering effects of the war in Ukraine, a slowdown in major economies such as China, and aggressive monetary tightening by central Banks in advanced economies in an effort to rein in inflation.

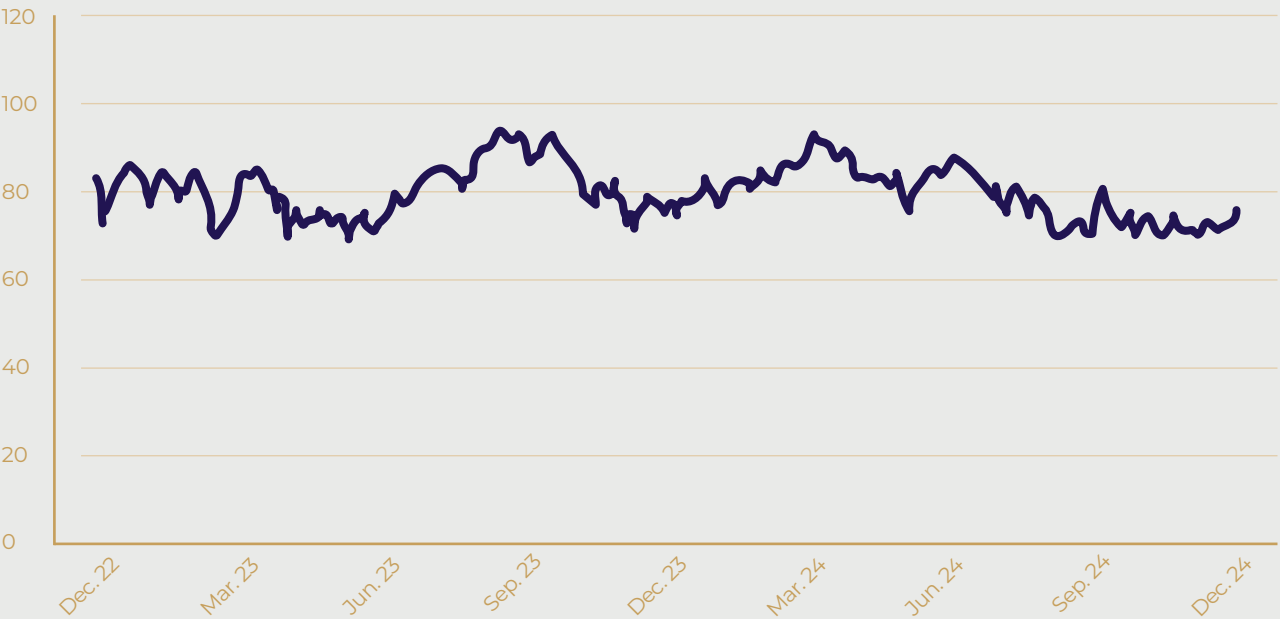
In 2024, the global commodities markets showed high volatility, reflecting both occasional shocks and structural transformations. In comparison to 2023, some relief was observed in certain segments, but the overall scenario remained challenging, particularly in the energy and agricultural sectors.

The average price of Brent in 2024 ranged between 80 and 85 USD per barrel, which is in line with the average of 82 USD per barrel recorded in 2023. This price level was sustained by prolonged production cuts implemented by OPEC+ (the expanded group of the Organisation of the Petroleum Exporting Countries), ongoing geopolitical tensions in the Middle East and the Red Sea, as well as fluctuations in China’s economic activity and energy consumption. Volatility throughout 2024 was lower than in 2023, a year in which markets were more susceptible to shocks stemming from the war in Ukraine and widespread logistical disruptions. On the other hand, the increase in oil production in non-OPEC+ countries (such as the United States and Brazil) and

the prospect of a global economic slowdown have put downward pressure on prices. According to the World Bank, energy prices are expected to decrease by around 6% in 2025, with an additional decline of 2% in 2026, as global supply adjusts and geopolitical risks are partially absorbed by the market.



Chart 6
Evolution of the Brent price



Source: Bloomberg

Metals such as copper and lithium performed robustly in 2024, benefiting from the revival of energy transition and green infrastructure projects. The IMF metal price index rose by 11.2% between August 2024 and March 2025, driven primarily by aluminium and copper, supported by concerns over constrained supply and impending trade tariffs. This contrasts with the performance in 2023, when prices recorded a modest decline due to the economic slowdown in China and global monetary tightening. By 2025, demand is expected to remain firm, but prices may show a more restrained rate of growth as new mining projects come on stream.

Agricultural prices, in turn, fell by an average of 9% in 2024 compared to 2023, reflecting the recovery of supply chains and the replenishment of stocks, following the severe climate shocks of the previous year. Despite this, vulnerability persists due to extreme weather events – droughts, floods and forest fires – that continue to be critical factors for food security, especially in low-income countries. For 2025, agricultural prices are expected to remain relatively stable, although climate risk continues to represent a key variable.

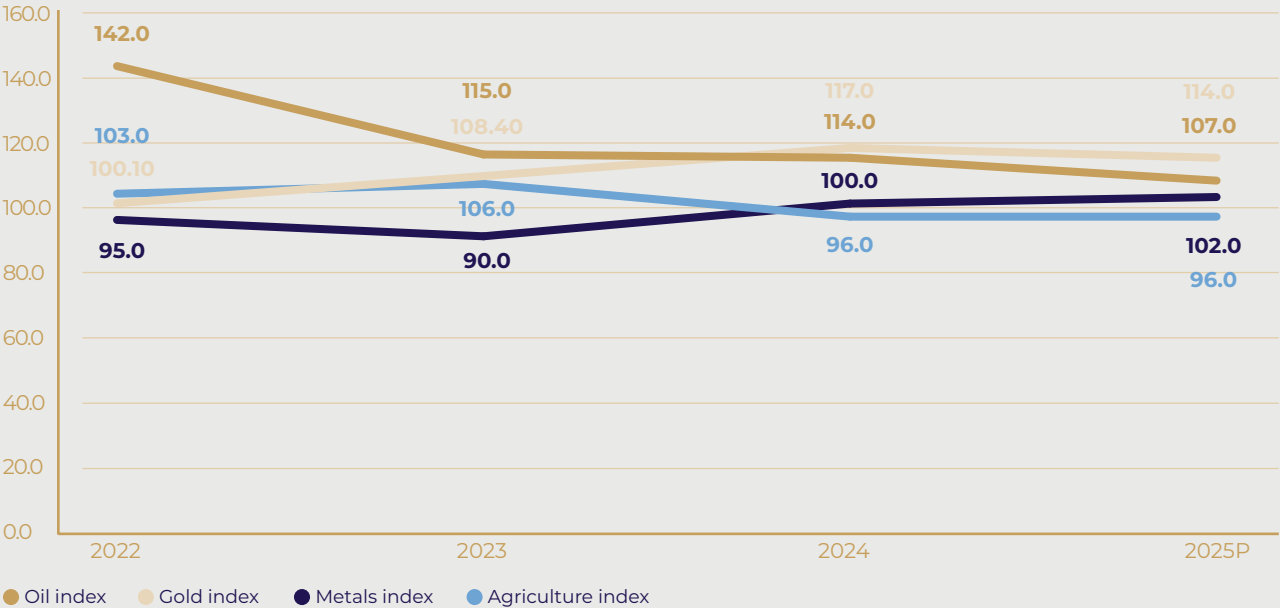
In 2024, gold consolidated its role as a safe-haven asset, trading above USD 2,100/oz, a significant increase compared to the USD 1,900–2,000/oz range observed in 2023, driven by geopolitical uncertainties and demand for a store of value amid financial instability. This movement also reflected heightened risk aver-

sion in volatile financial markets: amid a stronger US dollar and expectations of persistently high global interest rates, capital flowed into gold as a protective asset. On the other hand, industrial commodities were subject to less speculative investment.

In 2025, greater stability is expected in commodity markets: the adjustment between supply and demand should contain energy prices (despite per-

sistent risks), the demand for strategic metals will support their prices (while new sources of supply moderate increases), and the security of agricultural production will depend on weather conditions. Global interest rates will also continue to influence capital flows. In short, the balance in commodities in 2025 will be critical for measuring the resilience of supply chains and the adaptability of public and private policies.

Chart 7
Annual evolution of commodity price indices



Source: World Bank, IMF

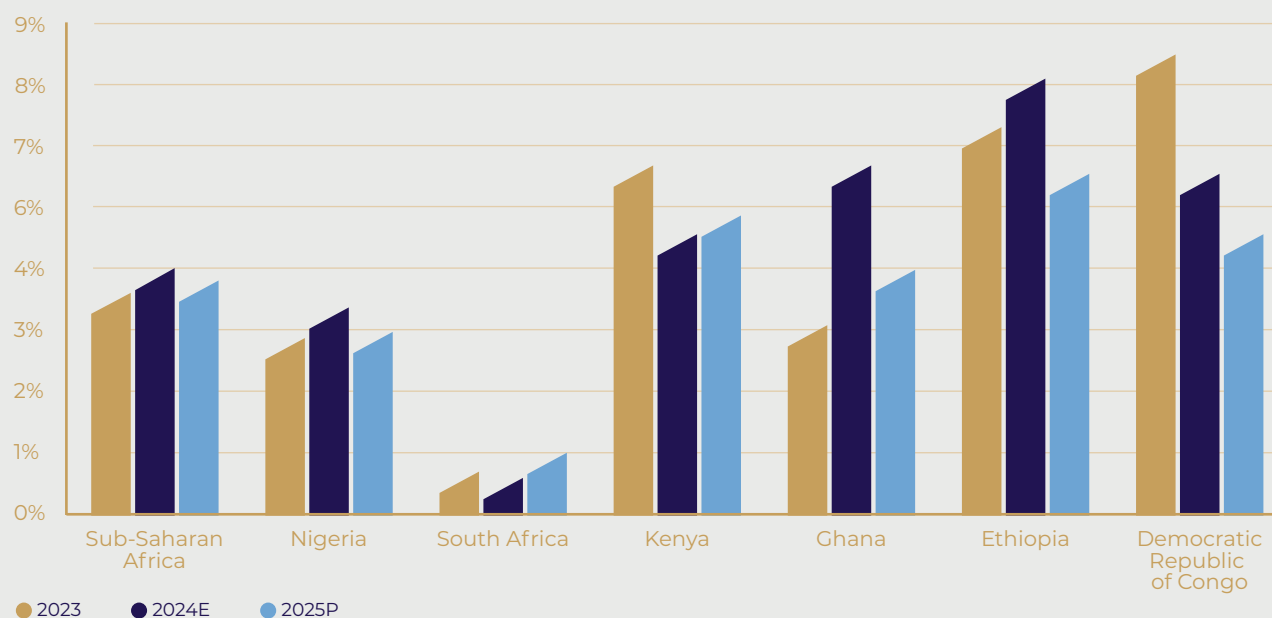
4.5. Regional Economic Outlook: Sub-Saharan Africa

Sub-Saharan Africa continued on a path of moderate recovery in 2024, with regional economic growth estimated at 4%, according to the IMF's World Economic Outlook (April 2025). This performance represents an improvement on the 3.6% recorded in 2023, indicating greater economic resilience, particularly among lower-middle-income economies. The recovery was underpinned by gains in the agricultural sector, progress in domestic revenue mobilisation, relative stability in export markets, and the gradual resumption of both public and private investment in strategic sectors.

For 2025, the IMF projects a slight slowdown, with regional growth falling back to 3.8%. This downward revision is associated with several factors, including: a) the impact of ongoing fiscal consolidation in various economies, persistent structural constraints (notably in the energy and infrastructure sectors), and b) an external environment that remains uncertain, characterised by shocks to terms of trade, climate risks, and international financing still constrained by high-risk spreads. Still, projected growth remains above the global average, reflecting the relative dynamism of several emerging African economies and the region's latent potential.

Chart 8

GDP growth trends in sub-Saharan Africa and selected economies



Source: IMF, Apr. 2025

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The IMF's projected growth remains above the global average, reflecting the relative dynamism of several emerging african economies and the region's latent potential.

Despite this momentum, the regional outlook continues to face structural limitations: high public debt, fragile institutions, and climate vulnerability, all of which hinder robust and inclusive growth. The region's heavy reliance on commodities renders it vulnerable to external shocks and a slowdown in global demand.

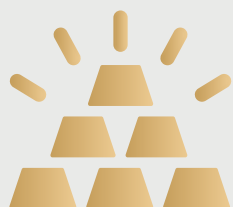
Nigeria and South Africa, the region's two largest economies, continue to underperform relative to their economic potential, reflecting significant structural imbalances. In Nigeria, economic growth was around 3.4%, sustained mainly by the resilience of the services sector and the partial recovery of oil production. However, persistently high inflation, currency instability, and delays in the implementation of fiscal reforms undermine investor confidence and hinder the mobilisation of capital for productive sectors. In South Africa, economic performance remained modest, with an expansion of around 0.6%, strongly conditioned by structur-

al failures in the energy sector, including recurrent instances load shedding, feeble budget execution and an uncertain political environment that discourages private investment and restricts industrial dynamism.

Conversely, despite severe fiscal constraints and exchange rate pressures, Ghana's economy managed to grow by 5.7%, supported by a favourable performance in the mining sector, particularly gold and lithium, and by more prudent fiscal management under the International Monetary Fund's assistance programme. Nevertheless, inflation levels and social unrest remain elevated, necessitating a delicate balance between maintaining fiscal discipline and safeguarding the most vulnerable segments of the population.

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Ghana's economy managed to grow by 5.7%, supported by a favourable performance in the mining sector, particularly gold and lithium, and by more prudent fiscal management.



Key macroeconomic indicators in 2024 – selected sub-Saharan African economies

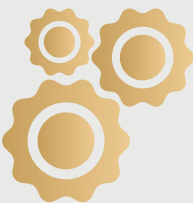
	Inflation	Current Account (% GDP)	Public Debt (% GDP)
Nigeria	22.0%	-3.5%	38.0%
South Africa	5.5%	-2.0%	70.0%
Kenya	6.0%	-5.0%	67.0%
Ghana	25.0%	-6.0%	90.0%
Ethiopia	30.0%	-4.0%	60.0%
Democratic Republic of Congo	10.0%	-3.0%	50.0%

Source: IMF, Apr. 2025

Natural resources remain at the centre of the region’s export agenda: oil, gas, gold and minerals critical for energy transitions and advanced technologies – such as cobalt, lithium and copper – are vital for countries like Angola, Nigeria and the DRC. Agricultural exports (coffee, cocoa, tea, fruit) are also important – as in Kenya and Ethiopia – although they are subject to climatic and logistical impacts.

Signs of transformation are emerging: digitalisation (especially in finance) has promoted inclusion and innovation, and young entrepreneurship is growing, particularly in the technology, agribusiness, and energy sectors. The gradual implementation of the African Continental Free Trade Area (AfCFTA), even at an early stage, represents concrete opportunity to strengthen intra-african trade, continental value chains and create scale for local producers.

The economic potential of Sub-Saharan Africa will, however, depend on strengthening climate resilience, improving public debt management, accelerating institutional reforms, and expanding access to productive finance and infrastructure. With the easing of global financial conditions and a more stable commodity environment, the outlook for 2025 will largely hinge on the effective implementation of domestic reforms, the gradual recovery of both foreign and domestic investment, and the preservation of a stable political and geopolitical climate.



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The economy of sub-Saharan Africa is heavily dependent on the export of natural resources, and the region's potential lies in technology and innovation, young entrepreneurship and agriculture.

4.6. Main risks and prospects for 2025



Despite relatively optimistic projections, the IMF and the World Bank warn that global growth remains below pre-pandemic averages, in the face of structural challenges such as high interest rates, volatile trade flows and geopolitical uncertainties.

By 2025, the global outlook remains uncertain, although there are signs of relief in some recent pressures (notably the inflationary slowdown in advanced economies, which creates room for monetary easing). However, premature interest rate cuts could reactivate inflationary pressures against a backdrop of instability in energy prices and significant fluctuations in international food prices.

Monetary policy will remain a key source of risk in 2025: central Banks' actions will depend on developments in labour markets, consumer confidence, essential goods prices, and trade balances, all of which will determine the timing and scale of any potential easing cycles. The Federal Reserve and the European Central Bank (ECB) are expected to closely monitor indicators, with any potential rate cuts likely to be gradual and contingent upon clear and sustained evidence of disinflation.

In addition, the geopolitical environment remains highly unstable: active conflicts in Ukraine, persistent tensions in the Middle East (including the Gaza Strip and the Red Sea) and the Indo-Pacific, and strategic rivalries between major powers aggravate the fragmentation of trade, raise logistics costs and undermine investor confidence. Extreme climatic phenomena (prolonged droughts, floods, fires) have a direct impact on agricultural production, food prices, and energy security, especially in vulnerable economies. These events threaten not only price stability, but also medium- and long-term growth potential.

Other risks pointed out include volatility in the global financial markets. If doubts persist about debt sustainability in emerging economies or a new episode of crisis of confidence occurs, investors may reduce exposure to peripheral countries, raising their financing costs. Conversely, if global conditions remain favourable, this will provide additional impetus to stimulus policies and recovery efforts.

In emerging markets, fiscal sustainability remains a key concern. Elevated debt levels, exacerbated

by recent restrictive monetary policies, make fiscal consolidation unavoidable. However, abrupt adjustments may trigger unemployment, curtail public investment, and heighten social tensions.

Ultimately, the capacity of both the public and private sectors to adapt to a volatile and multipolar global environment will shape 2025: strategic monitoring of key indicators, such as employment, foreign investment, capital flows, and consumer confidence, will be essential for calibrating public policies, corporate strategies, and investment decisions. In short, although there are positive signs of stabilisation in the short term (inflation control and the start of monetary normalisation), the global recovery remains fragile and uneven.

The prospects for 2025 will depend on the effective management of geopolitical risks, the response to climate change, the soundness of public finances, and international economic cooperation. In an increasingly interdependent world, collaboration between governments, companies and multilateral agencies will be critical to ensuring sustainable and resilient growth.



05.

National Economic Framework

5.1. Economic activity

5.2. External accounts and trade balance

5.3. Inflation and monetary policy

5.4. Exchange rate policy

5.5. Fiscal policy

5.6. Main risks and prospects for 2025

In 2024, the Angolan economy embarked on a recovery path following the contraction recorded in 2023, driven by structural reforms and diversification efforts. Although the oil sector, which continues to be a cornerstone of the national economy, has encountered significant challenges, strong growth in the non-oil sectors has supported overall economic expansion. Continued fiscal and monetary adjustments have likewise been instrumental in stabilising the economy amid ongoing global uncertainties.

5.1. Economic activity

Having embarked on a recovery path in 2021, supported by high oil prices and successful structural reforms, the national economy slowed down in 2023 due to a contraction in the oil sector, posing significant challenges for the country. In the first half of 2023, there was a simultaneous reduction in the price and volume of oil production. As a result, exports and oil revenues declined, affecting

budget execution capacity and foreign currency liquidity. This resulted in a significant devaluation of the nominal exchange rate in June 2023.

The significant loss of purchasing power of the Kwanza against foreign currencies, combined with the partial reduction of fuel subsidies, resulted in an acceleration of inflation in June 2023. In response, the National Bank adopted a more restrictive monetary stance, tightening liquidity conditions.

Despite these adversities, in 2024 the Angolan economy lived up to expectations and continued on its path to recovery. This performance was achieved even in an adverse international context, still marked by high geopolitical and economic uncertainties.

Despite the possibility of a favourable external environment providing a greater volume of oil revenue, the Executive has chosen to maintain its focus on diversifying the economy in 2024. A strategy that proved crucial to boosting exports, maintaining high levels of unemployment and laying the foundations for the country's economic sustainability.

In 2024, Gross Domestic Product (GDP) recorded a real growth of 4.4%, marking the strongest annual expansion since 2014. This outcome significantly exceeded the modest 1.1% growth recorded in 2023, underscoring the robust economic recovery currently underway. Growth in 2024 was supported by a strong rebound in non-oil activity, which expanded by 5.0%, while the oil sector registered a more moderate increase of 2.8%. The upward trajectory confirms the trend of diversification of the economy, driven by structural reforms and investments in strategic sectors.

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In 2024, the Angolan economy lived up to expectations and continued on its path to recovery.

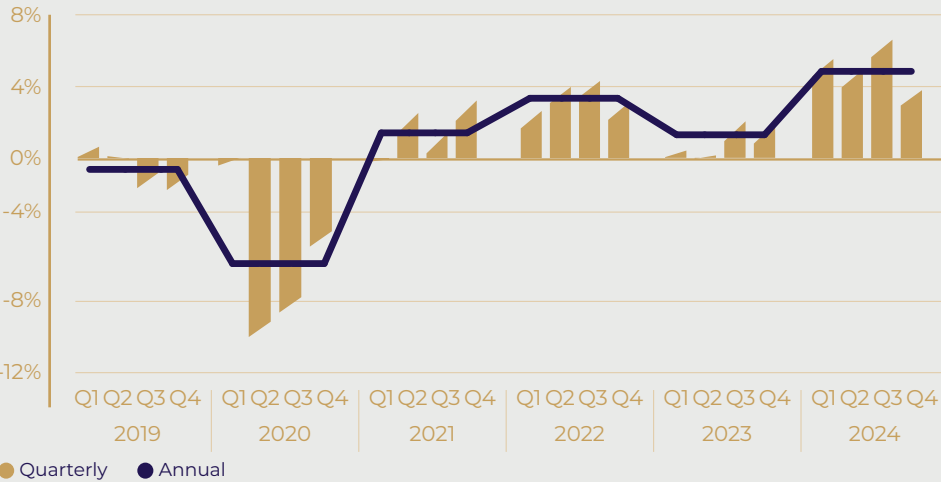
In terms of the sector, the performance of the diamond and metallic minerals sector stands out, with record annual growth of 44.8%, driven by gains in operational efficiency and the start-up of new mines. Significant growth was also observed in sectors such as fishing (+12.2%), transport and storage (+10.4%) and electricity and water (+6.5%), indicating extensive growth beyond oil. Other sectors, such as Trade, Services and Agriculture, also showed positive growth rates in the order of 3% to 5%, contributing to the greater diversification of sources of GDP growth. In contrast, the Financial Intermediation and Insurance sector was the only one to record a downturn in 2024, posting a con-

traction of 5.2%. This contraction reflected a downturn in financial activity, partly driven by reduced monetary issuance and market operations by the Banco Nacional de Angola, it also underscored ongoing structural challenges within the financial system, which constrained the provision of credit and insurance services.

Angola thus ended 2024 with the best performance of the decade, anchored in the non-oil sector and advances in diversification. However, the outlook for 2025 remains challenging: a) the anticipated decline in oil production might constrain the sector's contribution to GDP and fiscal reve-

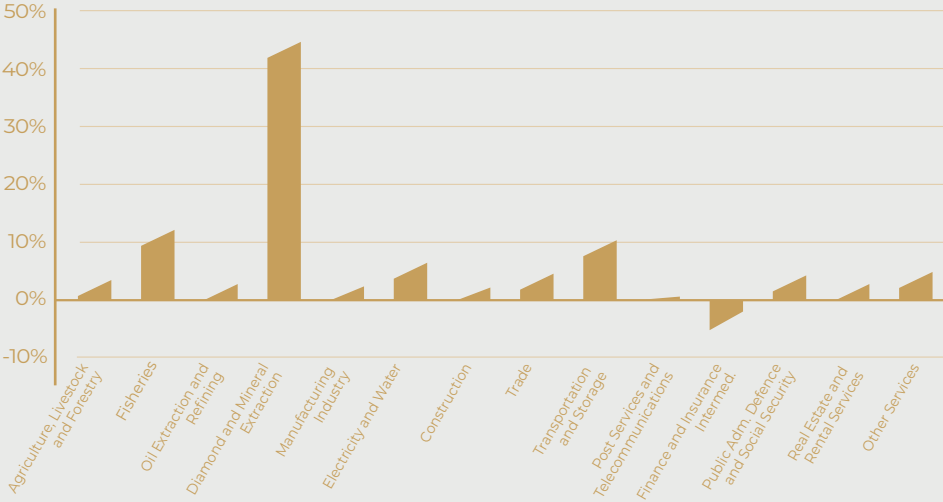
nues; b) elevated inflation may persist in the short term, pressuring household purchasing power; c) the Kwanza remains vulnerable to availability of foreign currency on the market; and d) access to external financing will continue to be limited if the global environment worsens. In this context, it will be crucial to effectively implement the ongoing reforms (improvement of the business environment, financial reform, efficiency of public spending) and strengthen investor confidence (local and foreign) to attract capital to the non-oil sector and sustain the creation of new jobs. These efforts will strengthen the basis for sustaining the growth seen in 2024, despite the risks identified for 2025.

Chart 9
Year-on-year percentage change of GDP



Source: INE

Chart 10
Cumulative change in GDP in volume, by activity



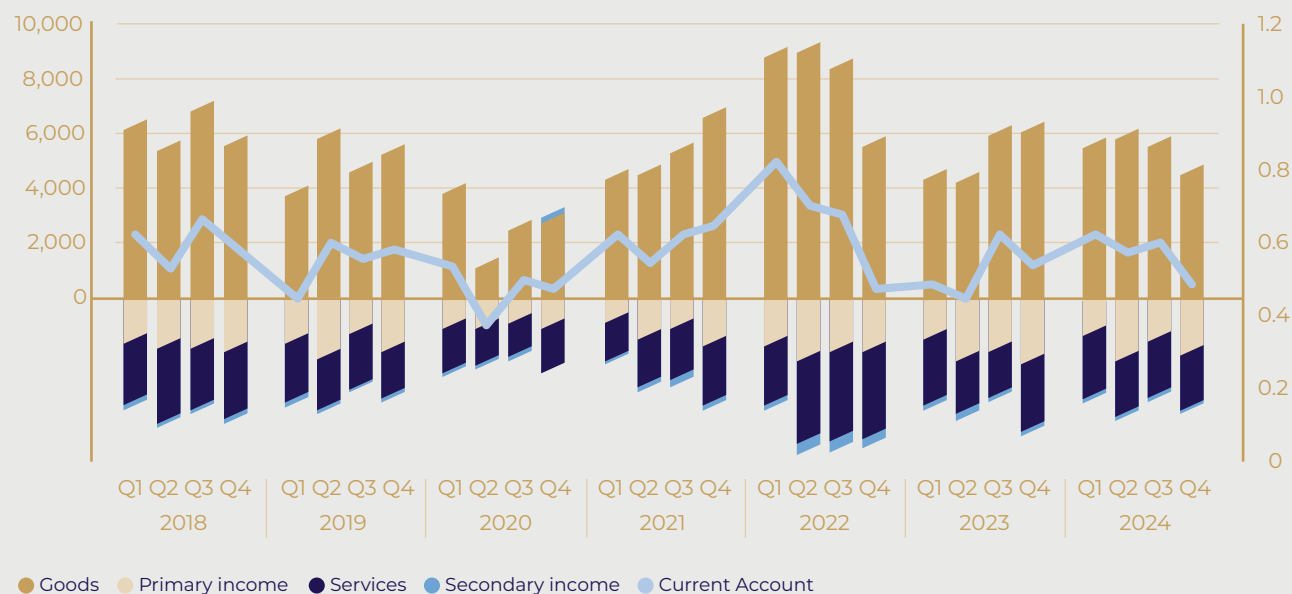
Source: INE

5.2. External accounts and trade balance

In the external sector, the current account closed 2024 with a surplus of USD 6.3 billion, representing an improvement of approximately USD 2.1 billion compared to the previous year. The improvement in the current account balance resulted, on the one hand, from a 3.7% increase in the goods account (trade balance) and, on the other, from an 11.2% reduction in the deficits in the primary income account (such as profit and interest payments abroad). In particular, the strengthening of the goods account was primarily due to the decrease in imports, the value of which fell by 5.9% in 2024, easing the pressure on the use of foreign currency to cover imports.

Imports of goods, in turn, reduced in 2024, a year-on-year drop of 5.9%, standing at USD 14.2 billion. In 2024, imports were predominantly composed of capital goods (machinery, transport equipment) and intermediate goods (fuels, chemicals, metals), alongside essential consumer goods (food). Total exports declined marginally by 0.2%, primarily reflecting a reduction in oil exports, which continue to represent approximately 94% of Angola's overall exports. The volume of oil exported increased slightly, however, lower average prices and a high base of comparison led to a marginally lower export value. Still, the combination of reduced imports and gains in some non-oil goods has lifted the external balance.

Chart 11
Current account evolution

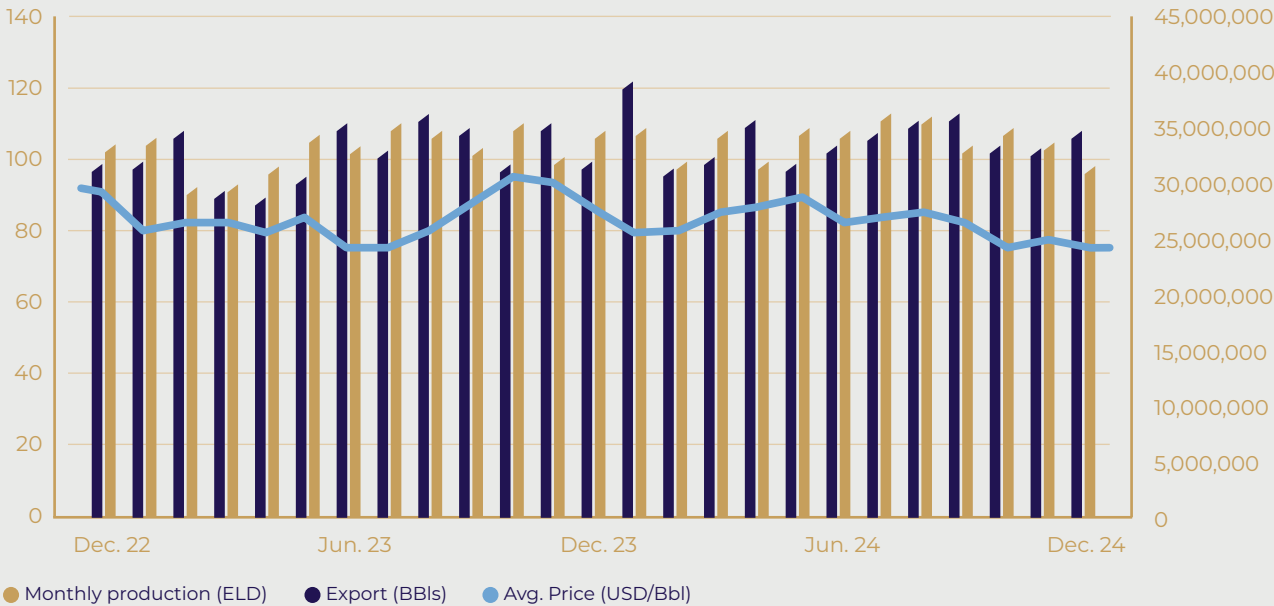


Source: BNA

“**Angola thus ended 2024 with the best performance of the decade, anchored in the non-oil sector and advances in diversification. However, the outlook for 2025 remains challenging.**”

In 2024, Angolan exports remained at high levels, driven mainly by oil. According to data from the Ministry of Finance of Angola (MinFin), oil exports for 2024 totalled approximately 413.4 million barrels per day (mbd), marking a year-on-year increase of 4.6% compared to 2023. The figures indicate a total export revenue for 2024 of around USD 33 billion, which represents an increase of 2.6% compared to 2023. Similarly, when we look at the average price, we see that it has also contracted by 1.9% compared to 2023, settling at around USD 79.95. According to the data published by the National Agency of Petroleum, Gas and Biofuels, Angola's average oil production in 2024 was 1.12 million barrels per day, slightly above the levels set in the General State Budget (OGE) 2024 (1.06 mbd) and 2.4% above the average daily production of 2023.

Chart 12
Oil production and exports



Source: Ministry of Finance of Angola & National Agency of Petroleum, Gas and Biofuels

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In 2024, Angolan exports remained at high levels, driven mainly by oil, totalling approximately 413.4 million barrels per day.

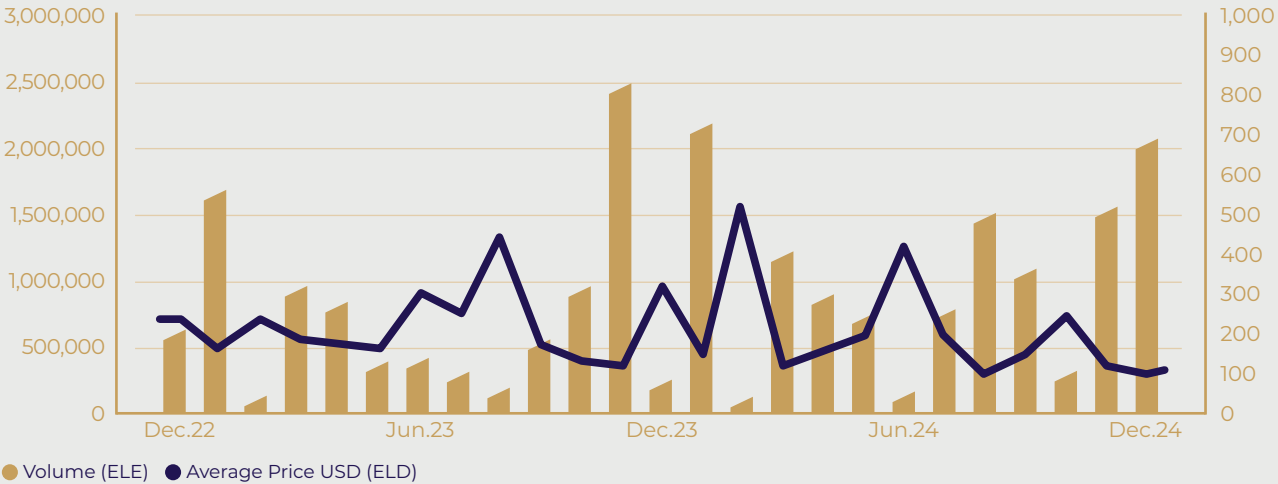


Despite exports, in 2024 they remained concentrated in oil. The Diamonds and Minerals sector was the second largest export goods group, accounting for approximately 4% of total exports, marking a historic year-on-year growth. In 2024, diamond exports totalled approximately 12.5 million carats, representing a year-on-year increase of around 40%. However, the average export price declined by 17% compared to 2023, settling at USD 140 per carat. This increase was mainly driven by improved efficiency in extraction processes, enhanced operational capacity, and strategic adaptation to prevailing market conditions.

China remained the main destination for angolan exports (about 50%), followed by India (about 13%). In regional terms, approximately 70% of exports were to Asia, 25% to Europe, and less than 5% to Africa. In terms of imports, the main partners are more diversified: China ~15% (machinery, consumer goods) and Portugal ~10% (food, consumer goods, technical services). This structure shows dependence on Asian suppliers and historical trade links with Portugal and other European countries.

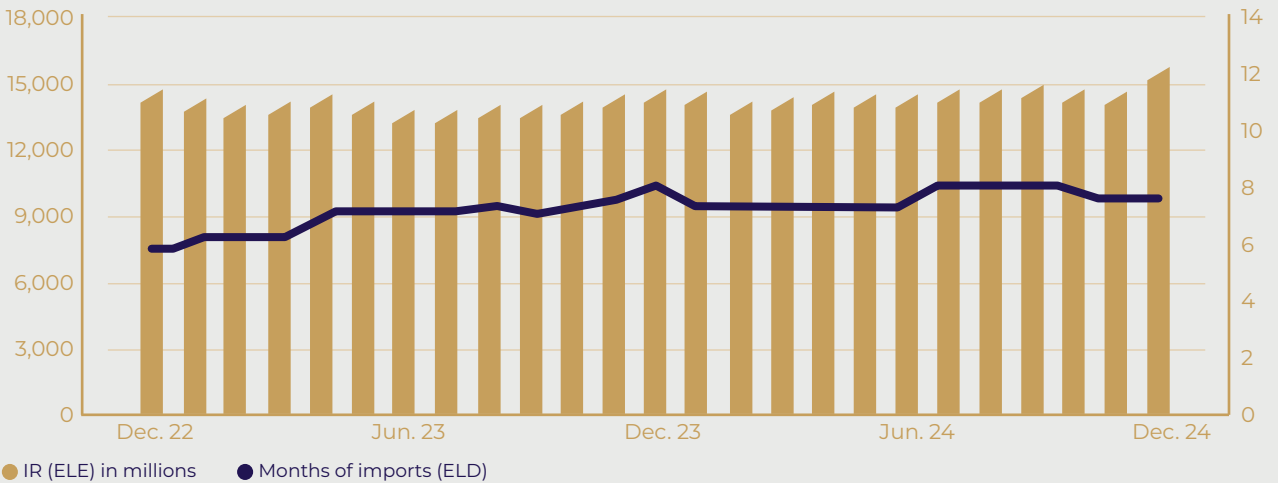
As a result of an improved dynamic in the external sector, international reserves also saw a significant improvement in 2024, reinforcing the country's external position. At the end of 2024, the stock of reserves stood at us USD 15.61 billion, compared to USD 14.73 billion at the end of 2023. This variation corresponds to an increase of 884 million USD (+6%) year-on-year. Part of this gain arose from the revaluation of reserve assets (monetary gold) and positive returns on the BNA's financial investments. This amount corresponds to approximately 8.3 months of imports of goods and services.

Chart 13
Evolution of diamond exports



Source: MinFin

Chart 14
Trends in International Reserves



Source: BNA

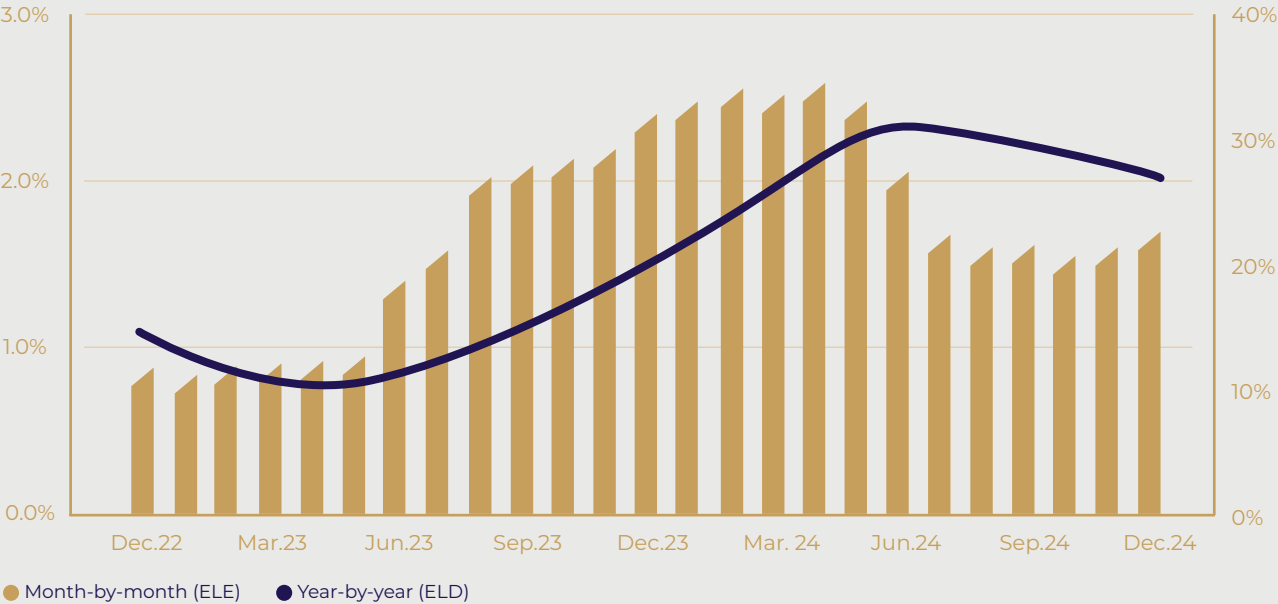
5.3. Monetary policy and inflation

Throughout 2023, annual inflation fluctuated between approximately 8% and 10.5%, remaining below the levels recorded in the first five months of 2023 and gradually rising during the second half of the year. In 2024, national year-on-year inflation exhibited an upward trend during the first half of the year, followed by a moderate deceleration in the second half. Compared to the same periods in 2023, it is clear that 2024 saw significantly higher year-on-year inflation levels. At the end of 2023, inflation was on an accelerating trajectory, albeit at levels significantly lower than those in 2024. For example, in December 2023, the year-on-year rate was approximately 20%, while in December 2024 it reached 27.5%, a difference of around 7.5 percentage points in twelve months. At the beginning of the year, the year-on-year rate was approximately 22% in January, already reflecting an increase of around 2% compared to the end of 2023. From then on, inflation picked up pace and reached 31.1% in the middle of the year, its annual peak. After reaching this maximum record, a gradual deceleration was observed and in the following months the year-on-year rate began to decline. By the end of the year, the year-on-year inflation still remained high, but about 3.6% lower, ending the year 2024 at 27.5%. Despite the slowdown, the price level remained high throughout 2024, putting pressure on the cost of living and the purchasing power of households.

The high inflation in 2024 was largely driven by specific groups of goods and services. According to data from the National Institute of Statistics, the main expenditure categories that contributed to the price increases in 2024 were food and non-alcoholic beverages, miscellaneous goods and servic-

es, and healthcare. The Banco Nacional de Angola (BNA) projects an inflation rate of approximately 17.5% by the end of 2025, anticipating improved supply of goods and services alongside monetary policy adjustments aligned with economic activity.

Chart 15
Evolution of National Inflation



Source: INE

In 2024, the Banco Nacional de Angola implemented a tighter monetary policy aimed at curbing inflationary pressures stemming from the depreciation of the national currency in June 2023, as well as controlling liquidity in circulation. Faced with high inflation, the Banco Nacional de Angola adopted contractionary monetary policy measures in 2024 in an attempt to contain rising prices. The main actions implemented by the BNA were:

1. Raising the basic interest rate: In the first half of 2024, the BNA’s Monetary Policy Committee increased the basic interest rate (BNA Rate) to 19.5% per year. This increase represented a monetary tightening of 2.5 percentage points compared to the level in place at the end of 2023. Following this increase, the basic interest rate was maintained at 19.5% until the end of 2024, signalling the Banco Nacional de Angola’s firm stance not to relax monetary conditions while inflation remained high. Higher interest rates made credit more expensive and slightly dampened demand in the economy, resulting in some relief in prices.

2. Strengthening of required reserve requirements: The BNA also raised the required reserve ratio in national currency for commercial Banks. This measure required banks to deposit more of their funds with the Banco Nacional de Angola, reducing liquidity (money in circulation) in the market. With fewer kwanzas available for loans and consumption, the pressure on demand decreases and thus contributed to the fall in inflation in the second half of the year.

In addition to these measures, the BNA maintained other active monetary policy tools, including foreign exchange interventions to soften the volatility of the Kwanza. A slowdown was also observed in indicators such as credit to the private sector, reflecting tighter monetary conditions.

The more restrictive monetary policy in 2024 was also reflected in the growth of interbank interest rates. At the beginning of 2024, LUIBOR overnight was at exceptionally low levels, close to 4% per year, but rose sharply to around 17.7% as early as February

2024. As a result, the overnight LUIBOR temporarily exceeded longer-term rates, even surpassing the 12-month LUIBOR, which stood at around 16% at the beginning of the year, leading to an inversion of the interbank yield curve.

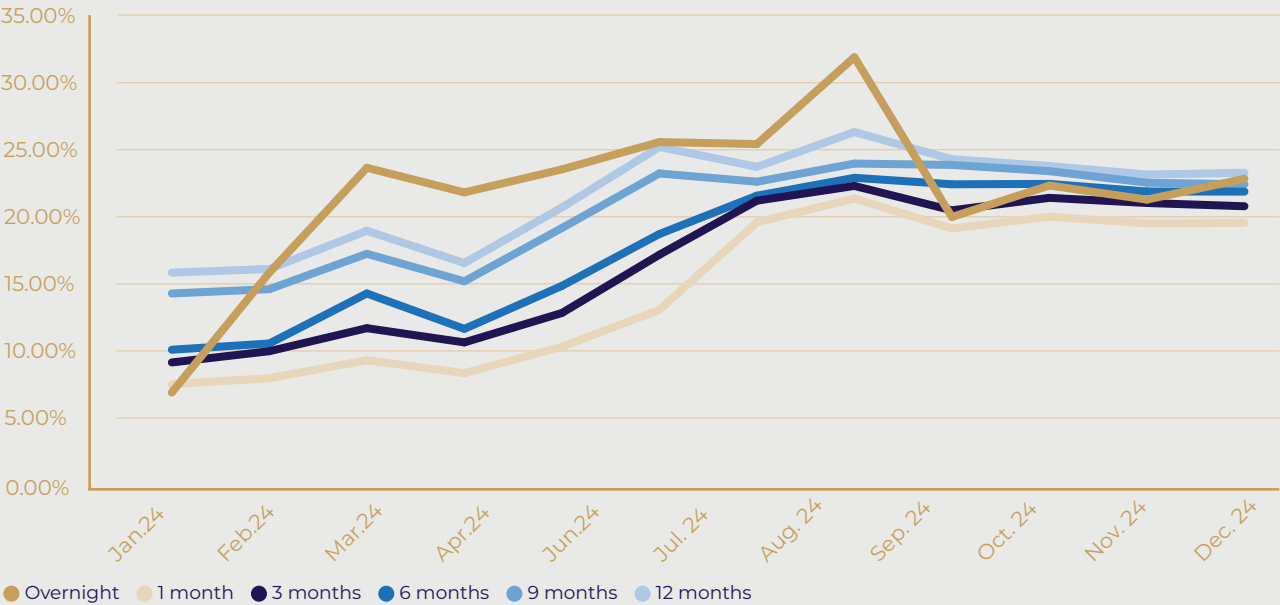
Throughout 2024, under a persistently tight monetary policy stance, rates continued to rise, the overnight LUIBOR peaked at approximately 26.1% per annum in August, marking the highest level since 2019. This peak reflected the increasing shortage of kwanzas in the interbank market, consistent with the Banco Nacional de Angola’s efforts to restrict monetary supply and stabilise the exchange rate. Rates for longer maturities also increased over the course of the year, albeit less sharply. By the end of 2024, some easing was observed: the overnight LUIBOR declined to approximately 22.7%, while the 6-month and 12-month LUIBORs stood at around 21.7% and 23.1%, respectively. The yield curve began to display a slightly upward slope once again.

Evolution of the Key Rates in accordance with the decision of the Monetary Policy Committee during 2024

Key Interest Rates	Jan.	Mar.	May	Jul.	Sep.	Nov.
BNA prime rate	18.00	19.00	19.50	19.50	19.50	19.50
Standing Lending Facility Rate	18.50	19.50	20.50	20.50	20.50	20.50
Standing Deposit Facility Rate	17.50	18.50	18.50	18.50	18.50	18.50
Required Reserves Ratio MN	18.00	20.00	21.00	21.00	21.00	21.00
Required Reserves Ratio ME	22.00	22.00	22.00	22.00	22.00	22.00

Source: Banco Nacional de Angola

Chart 16
Evolution of LUIBOR rates across all maturities for 2024



Source: Banco Nacional de Angola

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The National Bank of Angola has adopted a more restrictive monetary policy, to contain the inflationary pressures, caused by the depreciation of the national currency, and control the liquidity in circulation.

Overall, 2024 was marked by a significant rise in the cost of money, in line with the Banco Nacional de Angola’s continued strategy of tightening liquidity to alleviate exchange rate pressures and contain inflation. The monetary policy of 2024 was markedly restrictive, and although it did not immediately return inflation to comfortable levels, it created the basis for the gradual moderation of prices.



5.4. Exchange rate policy

In the year 2024, a relative stability was observed in the Angolan foreign exchange market when compared to the year 2023. The Kwanza depreciated at a much more moderate rate in 2024, thanks to the increase in the supply of foreign currency, especially from oil companies, and sporadic interventions by the BNA. In contrast, interbank interest rates rose sharply, reflecting the restrictive monetary policy adopted to curb exchange rate and inflationary pressures.

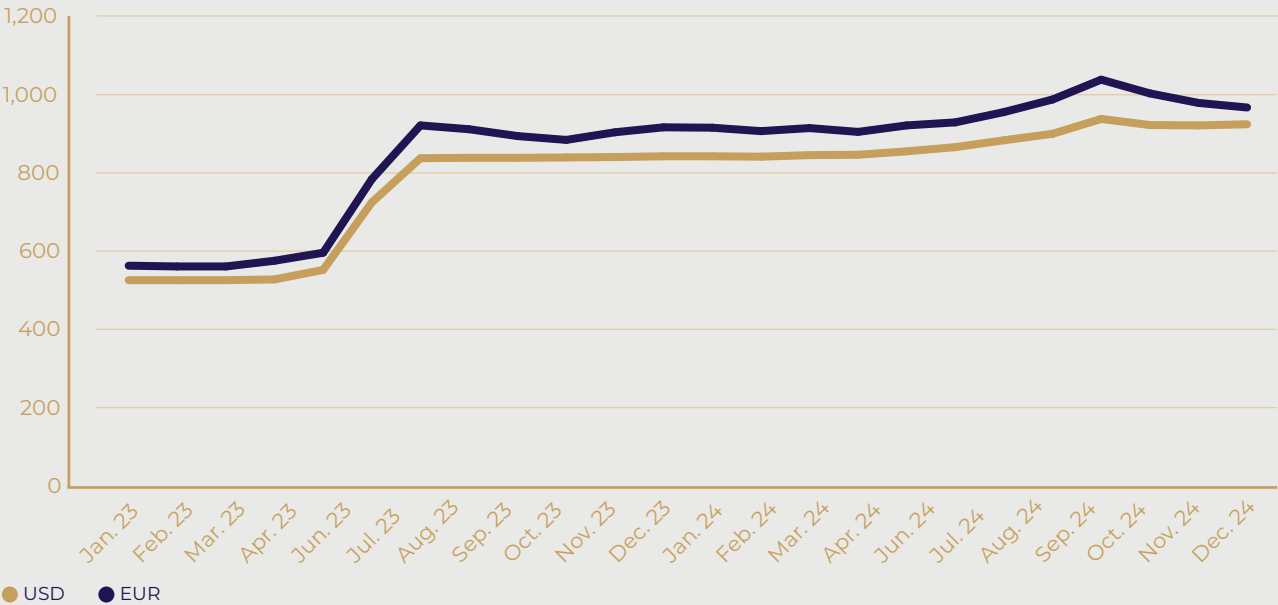
The USD/AOA exchange rate increased from 828.8 in December 2023 to around 912.0 in December 2024, which represents an annual depreciation of the Kwanza of about 9.1%. This loss of value against the Dollar contrasts sharply with the 39.2% recorded in 2023, showing that in 2024 the Kwanza remained much more stable. Against the Euro, the Kwanza depreciated by around 3.5% over the course of 2024, from 916 at the end of 2023 to around 949.5 at the end of 2024.

The data shows that 2024 was marked by a relatively more stable exchange rate compared to the previous year, especially in the last months of the year, when the Kwanza showed minimal fluctuation. It is worth noting that this stability occurred despite continued pressure from demand, resulting in the maintenance of the parallel market premium at around 25%, with the informal foreign exchange market paying 1.110 Kz for each dollar.

The increase in the supply of foreign currency in 2024 mainly stemmed from the oil sector and other economic agents, within the framework of the liberalised exchange rate regime in which exporting companies sell foreign currency directly to commercial Banks. Of the total USD 10.8 billion absorbed by Banks in 2024, an increase of 9.8% compared to 2023, about 78% were traded through

the Bloomberg platform and the remaining 22% in operations outside the platform, direct negotiations with Clients not participating in the electronic market. The National Treasury strengthened supply through targeted auctions amounting to approximately USD 2.0 billion, while the BNA sold around USD 953.5 million to commercial Banks on an ad hoc basis.

Chart 17
Evolution of the exchange rate against the USD and EUR



Source: INE

5.5. Fiscal policy

In 2024, Angola's fiscal policy remained focused on budget consolidation. The Government sought to control current expenditures and align investments with available revenues, capitalising on the improved performance of the non-oil sector. As a result, the fiscal deficit was reduced compared to 2023. The commitment to fiscal discipline, alongside adherence to targets agreed with international organisations, has contributed to bolstering investor confidence. These fiscal measures have laid a stronger foundation to sustain the growth achieved in 2024, despite the risks identified for 2025.

On the financing front, domestic debt issuance was predominantly through short-term instruments (Bills and Bonds), leading to a withdrawal of liquidity from the banking system. The Treasury compensated for this pressure with greater flexibility in cash management. Debt service was high, but eased in Q3/2024, with a 39% reduction compared to the previous quarter. Agreements with China have allowed pre-payments to be accounted for as advance deductions from amounts due in the future, resulting in estimated savings of USD 150–200 million per month. Nevertheless, the con-

centration of external debt in Chinese creditors at around 40% remains a vulnerability.

Despite the tight fiscal environment, primary surpluses and nominal GDP growth have allowed for a reduction in the debt-to-GDP ratio, which had reached 73.9% in 2023. Angola's fiscal consolidation has continued, focusing on budget discipline, debt control, and expenditure rationalisation.

The restrictive fiscal policy and gradual improvement in economic activity have contributed to the recovery of the non-oil sectors. Industrial production has seen its best start since 2015, and the sectors of trade, transport, telecommunications, and financial services have recorded expansion, driven by public investment in infrastructure and domestic consumption. Thus, the 2024 fiscal policy demonstrated significant advances in fiscal balance and debt sustainability, supporting a more balanced and diversified growth trajectory for Angola.

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The fiscal policy adopted in 2024 has shown significant progress in balancing the budget and sustaining the debt, supporting a more balanced and diversified growth path for Angola.



5.6. Main risks and prospects for 2025

For 2025, expectations point to a moderate economic recovery, supported by the non-oil sector and some price stability, although inflation is expected to remain high. The projections outlined in the 2025 General State Budget anticipate real GDP growth of around 4.1%, driven by a 5.1% expansion in the non-oil sector and a 1.6% increase in the oil sector, which includes natural gas production. Macroeconomic forecasts for 2025 are based on an average oil price of USD 70.00 per barrel and an average daily oil production of 1.098 million barrels, with an estimated average annual inflation rate of 19.29%.

This growth trajectory is primarily driven by a recovery in domestic demand, supported by the continuation of the wage increase policy aimed at offsetting the loss of household purchasing power, alongside a significant rise in public investment, which is expected to increase its share of GDP by 2.24 percentage points.

Regarding the exchange rate, a relative stabilisation of the Kwanza is anticipated in 2025, following the recent period of pronounced volatility. The baseline scenario assumes no further sharp depreciations, underpinned by prudent monetary policies and some easing of external imbalances. Consequently, the Kwanza is expected to fluctuate around cur-

rent levels, although it remains vulnerable to shocks stemming from oil prices and foreign currency liquidity demands. The main sources of uncertainty include currency, geopolitical, fiscal risks and those arising from dependence on oil.

Similarly, the base scenario for 2025 assumes the continuation of prudent policies and the structural reforms initiated in 2024. The effective implementation of measures, such as improving the business environment, reforming the financial sector and increasing the efficiency of public spending, will be crucial. At the same time, it will be essential to strengthen the confidence of national and foreign investors to channel capital into non-oil productive sectors and support job creation.

In summary, although Angola closed 2024 with a robust performance, 2025 will require a balance between growth and macroeconomic stability. The consolidation of the recovery trajectory will depend on coherent policies that balance sustained economic expansion with fiscal and exchange rate discipline. With continued reforms and prudent management of identified risks, Angola can mitigate external and internal threats, progressing towards its goal of building a more diversified and resilient economy.



Angola closed 2024 with a robust performance. However, 2025 will require balance between growth and macroeconomic stability, consolidation of the recovery path and continuity of the management reforms responsible for achieving the goal of building a more diversified and resilient economy.



06.

Our Performance

- 6.1. Commercial activity
- 6.2. Private, Corporate and Large Customers
- 6.3. Institutional Customers
- 6.4. Commercial activity of electronic banking
- 6.5. The recognition of our brand and the development of our portfolio
- 6.6. Technological and Digital Innovation
- 6.7. Evolution of Human Capital

6.1. Commercial activity

The year 2024 was a milestone for the Bank's commercial activity, marked by strategic advances and significant achievements. There has been robust growth in the term deposit portfolio, alongside the launch of new products and services, underpinned by a strong commitment to more structured products to deepen relationships with Customers.

Regarding term deposits, the Bank registered more than 1,870, representing an aggregate volume of more than 141 billion kwanzas.

In the context of technological innovation, the Mobile and Android POS version of the BCS EasyPay solution was launched, a platform that enables Client companies to manage payments, collections, and treasury in an agile, secure, and efficient manner.

The Sublime prepaid card stood out in the product portfolio, reaching the first place among the twelve most marketed products of the Bank, with a penetration rate of 22.5% particularly expressive in the last months of the year.

At the same time, the issuance of Multicaixa cards recorded a positive performance, with 3,687 cards issued throughout 2024, surpassing the previously established targets. This result is indicative of the strong commercial dynamics and growing Customer acceptance of the solutions offered, resulting in an accumulated total of 9,169 active cards.

The Internet Banking service has also recorded a remarkable evolution, driven by a digitalisation strategy aimed at ensuring an increasingly fluid, secure experience tailored to the needs of Customers.

The year 2024 thus consolidated Banco BCS' commitment to continuous innovation, operational excellence and the strengthening of its position as a leading financial partner in Angola.

6.2. Private, Corporate and Large Customers

Throughout 2024, Banco BCS continued to implement a Customer-centred strategy, focused on offering innovative, sustainable financial solutions tailored to the specific needs of each market segment.

The total number of Customers in the five Business Centres reached 14,220 at the end of 2024, confirming consistent growth and reinforcing the Bank's ability to attract and retain Customers, based on a personalised approach and a high standard of service.

The solidity of the relationship with Customers translated into high retention rates, reaching 34% in the Private and Corporate Department and 32% in the Large Corporate Department in December 2024.

The effectiveness of commercial strategies was reflected in the high rate of achievement of partner-

ship goals with new Customers, reaching 244% in the Individuals and Companies Department and 200% in the Large Corporate Department, indicators that demonstrate the alignment between institutional objectives and market needs.

Specifically, in the Individual Customers segment, the growth of the Customer portfolio demonstrates the increasing trust in Banco BCS and the strength of its value propositions.

6.3. Institutional Customers

In 2024, Banco BCS increased its efforts in the Institutional segment, recognising the high potential of this market, in perfect alignment with the range of products and services on offer.

The strategy for this segment prioritised a more dynamic management of assets, the optimisation of margins, and the development of loyalty programmes aimed at the Employees of partner institutions, with a view to strengthening institutional relationships and creating sustainable long-term value.

The Bank thus reaffirms its commitment to be a strategic partner in the Country's economic and financial development, through innovative, safe and positive impact-generating solutions

6.4. The commercial activity of electronic banking

The Bank remains committed to consistently investing in the development of its multichannel distribution platform. In 2024, this plan was reinforced with the introduction of new functionalities and improvements, both in payment means and in remote channels. Notably, in this context, is the conclusion of the project for the implementation of new web and mobile digital channels.

As part of the digital transformation, the mobile version of the payment gateway was launched, integrating the services available in Angola's payment system, "EasyPay". This solution is now available on both iOS and Android devices, as well as on next-generation point-of-sale (POS) terminals with the Android operating system.

Another significant milestone was the introduction of the service to open an account online, which uses advanced technology to simplify document collection and biometric validation (BiometricID). This service allows Customers to open accounts remotely and access a variety of banking products, such as NetBanking and debit cards.

The Bank will continue to invest in innovative technologies to expand its digital offering. Among the planned future services are investments, loans, and insurance, creating an integrated and accessible offering through digital platforms.

New services and developments in 2024

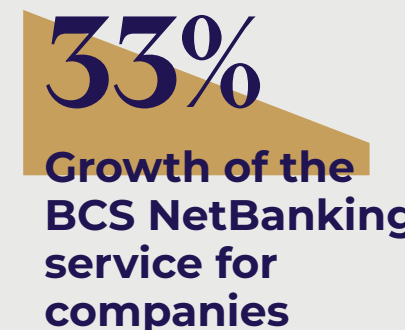
During 2024, several initiatives were implemented to consolidate the strategy of developing digital channels and issuing and acceptance services. These initiatives aim to enhance the experience of Customers and include:

- Certification of the Multicaixa prepaid card;
- Acceptance of Mastercard transactions at point-of-sale (POS) terminals;
- Membership of UnionPay International (UPI) to issue UnionPay cards;
- Expansion of the ATM network, with the installation of ATM Centres (BCS);
- Start of development of a new card and terminal management solution (national and SPI levels);
- Outsourcing of traditional and digital Customer service;
- Improved instant transfers (Kwik) on digital channels;
- Digitisation of processes and procedures;
- Certification of the TIN Red List, implementation of QR code purchases in physical POS and start of development of the PIN dematerialisation functionality, in collaboration with the operator (EMIS).

Additionally, several digital transformation projects have been launched, expected to be completed by 2025, aligned with the Strategic Information Systems Plan and the growing needs of Customers.

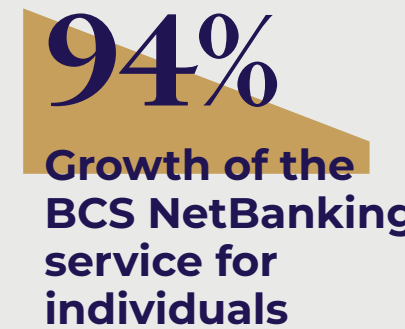
Remote Channels in Numbers

At the end of 2024, the BCS NetBanking service for companies reached a total of 1,865 users, registering a growth of 33% compared to December 2023. BCS NetBanking for Individual Customers recorded a significant increase of 94% compared to 2023, reaching a total of 6,462 users.



33%

**Growth of the
BCS NetBanking
service for
companies**



94%

**Growth of the
BCS NetBanking
service for
individuals**

Payment methods

In 2024, there was continued growth in the area of cards and point-of-sales (POS) terminals, in line with the Bank’s strategic plan. This progress reflects the commitment to diversifying the range of cards with international brands, providing Customers with more options for local and global transactions. At the same time, improvements were made in the issuance and acceptance processes, reinforcing the bank’s positioning as a relevant player in the payment solutions market.

Debit and Credit cards

Multicaixa debit cards grew by 66% in number of cards and 43% in transactions. Regarding Mastercard credit cards, there was a 106% increase in the number of cards issued and a 58% rise in billing.

Service and Metrics	2023	2024	Δ 2023/24	
			#	%
Multicaixa Debit No. of Cards	5,428	9,169	3,741	69%
Multicaixa Debit Transactions AOA (millions)	145,615,382	235,328,507	89,713,125	62%
Mastercard Credit No. of Credit Cards	939	1,927	988	105%
Mastercard Credit Transactions AOA (millions)	13,764,135	30,770,867	17,006,732	124%



Point-of-sales terminals

Regarding point-of-sales (POS) terminals, business continued to grow, with the number of terminals increasing by 21% and the value of POS transactions by 41% compared to 2023.

Service and Metrics	2023	2024	Δ 2023/24	
			#	%
Point-of-sales Terminals No.	1,983	2,411	428	22%
Point-of-sales Terminals Transactions AOA (millions)	170,031,012	241,253,496	71,222,484	42%

ATM | Automated teller machine

The bank’s ATM network has increased by 46 units, reaching 77 ATMs, with the value of financial transactions rising by 301%.

Service and Metrics	Δ 2023/24			
	2022	2023	#	%
Activity indicators				
Automatic Teller Machines – ATM No.	31	77	46	148%
Automatic Teller Machines – ATM Transactions AOA (millions)	15,998,864	62,534,200	46,535,336	291%
Quality of Service Indicators				
Automated Teller Machines – ATM Operational Rate	96.2%	96.2%	0.00	0.0%

6.5. The recognition of our brand and the development of our portfolio

JANUARY

We signed a memorandum of understanding with the Credit Guarantee Fund, within the scope of the Support Line for Sustainable Projects, reaffirming our role in supporting Micro, Small and Medium-sized Enterprises, Cooperatives and Individual Entrepreneurs.



We have announced our commitment to the #ForwardFaster movement, an initiative of the United Nations Global Compact, pledging to accelerate actions that contribute to the achievement of the Sustainable Development Goals (SDGs).

FEBRUARY

We launched the MasterCard Sublime Prepaid Card, reinforcing our proposal of convenience and security for our Customers.



MARCH

We launched BCS Vantagem, a protocol aimed at Companies and their Employees, with exclusive advantages and simplified processes.



APRIL

We inaugurated three ATM Centres in partnership with TotalEnergies Marketing Angola, extending our brand presence and facilitating access to banking services.



MAY

We launched BCS EasyPay, a digital solution for entrepreneurs that simplifies and optimises the management of payments and receipts.



JUNE

We presented BCS Junior, a banking service for young people since birth to 17 years old, accompanied by the mascot Leo, which promotes financial literacy among the little ones.



AUGUST

We launched BCS Connect, the digital account opening solution, officially presented at Expo-Huila



We presented the BCS MHAIS investment fund, developed in partnership with BFA Asset Management.



SEPTEMBER

We inaugurated another BCS Cash, in partnership with Pumangol.

We ended the year with a total of 22 BCS Cash up and running, reinforcing our presence at national level.



OCTOBER

We celebrated our 9th anniversary under the theme BCS In9va, reinforcing our continuous commitment to innovation and Angola's sustainable development.



NOVEMBER

We launched our second investment fund: BCS Multiplica, offering new opportunities for diversification to our Customers.



DECEMBER

We launched a new version of our BCS website, more modern, intuitive and highly functional.



In 2024, BCS reinforced its strategic commitment to consolidating and growing brand recognition, supported by innovation, proximity and commitment to the Country's economic and social development.

At the beginning of the year, in January, we signed a memorandum of understanding with the Credit Guarantee Fund (CFG), reaffirming our active role in stimulating the real economy and supporting access to credit for Micro, Small and Medium Enterprises, Cooperatives and Individual Entrepreneurs. This partnership, through the Support Line for Sustainable Projects, reinforced our commitment to promote financial inclusion and combat social challenges such as poverty and hunger.

Also in January, we reaffirmed our sustainable positioning by announcing our commitment to the #ForwardFaster movement, an initiative of the United Nations Global Compact, pledging to accelerate actions that contribute to the achievement of the Sustainable Development Goals (SDGs).

The year was also marked by the launch of solutions and services that strengthened our value offer. In February, we presented the MasterCard Sublime Prepaid Card to the public, reinforcing our proposal of convenience and security for our Customers. In March, we introduced the BCS Advantage, a protocol aimed at simplifying processes, strengthening partnerships and ensuring exclusive benefits for Companies and their Employees.

In the financial accessibility segment, in April, we inaugurated three ATM Centres in partnership with TotalEnergies Marketing Angola, expanding our brand presence and facilitating access to banking services. In September, this network was reinforced with the opening of another BCS Cash, in partnership with Pumangol. In total, we ended the year with 22 BCS Cash in operation, consolidating our presence at strategic points throughout the Country.

In May, we launched BCS EasyPay, a digital solution for entrepreneurs that simplifies and optimises the management of payments and receipts. In June, we presented BCS Junior, a banking service developed for young people since birth to 17 years old, accompanied by the mascot Leo, which promotes financial literacy among the little ones.

Maintaining our commitment to innovation, in August, we launched BCS Connect, our digital account opening solution, officially presented at Expo-Huíla. In the same month, we strengthened our investment offer with the launch of our first investment fund, BCS MHAIS, developed in partnership with BFA Gestão de Activos, which exceeded all expectations, raising 8 billion kwanzas, 60% more than expected, with an annual return of 16.07%.

In November, we launched our second investment fund, BCS Multiplica, offering new diversification opportunities for our Customers. In December, we concluded the year with the launch of our new website, a more modern, intuitive, and functional platform, aligned with our goal of delivering an outstanding digital experience.

BCS / MHAIS

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The new investment fund, BCS MHAIS, exceeded all expectations, raising 8 billion kwanzas, 60% more than expected.

As well as launching products and services, we maintained our commitment to promoting culture, sport and sustainable development, sponsoring and supporting a variety of high-profile projects, forums and conferences. We highlight the sponsorship of the angolan documentary "Virei", a production that celebrates the waves, the people, and the tourism potential of Angola, promoting themes such as sustainability and responsible tourism.

The growth and notoriety of the BCS brand were also visible on digital platforms, with significant results, as shown on the right.

We also celebrated our 9th anniversary in October under the theme BCS In9va, reaffirming our position as an innovative Bank, committed to excellence and to the sustainable development of Angola.

In summary, 2024 was a year of growth, innovation, and strengthening our presence in the market, marked by actions that consolidated the BCS brand's notoriety and reinforced our purpose of **To be at the Service of Prosperity.**



Linkedin

29,378
followers

+ 14,040 vs 2023



Instagram

13,118
followers

+ 7,957 vs 2023



Facebook

2,245
followers

+ 973 vs 2023



YouTube

4,213
views

Total in 2024

6.6. Technological and Digital Innovation

BCS Bank has focused on the continuation of actions to ensure the execution of the Strategic Plan for Information Systems aligned with the Global Strategic Plan, in compliance with current regulations regarding Information and Communication Technologies, Business Continuity and Information Security, such as Notice no. 08/2020 on Cybersecurity Policy and the Adoption of Cloud Computing, Directive No. 05/DSB/DRO/2022 on the Management of Risks Associated with Information and Communication Technologies and Cybersecurity, and the start of the Digital Transformation process.

Various investments have been made in personnel, processes and technology, with the objective of strengthening the quality of services and their safety.

6.6.1. Information systems strategy and alignment with the Institution's Global Strategy

During the year 2024, Banco BCS' commitment focused on: Digital transformation, regulatory compliance, strengthening the implementation of monitoring systems on Cyber-attacks, Risk Management, better external and internal Customer experience and strengthening internal controls.

The Technology and Information Security Departments are crucial areas for a financial institution, as they support and maintain business tools and provide benefits such as:

- **Data Security:** It protects sensitive information from cyber threats, guaranteeing the confidentiality and integrity of Customer data.
- **Operational efficiency:** Automates internal processes, reducing human error and increasing efficiency. This includes everything from account management to financial risk analysis.
- **Innovation and Competitiveness:** It implements new technologies that improve the services offered, such as mobile applications and online payment systems, keeping the Institution competitive in the market.
- **Customer Experience:** Enhances the Customer experience through quick and accessible digital services, such as internet banking and automated Customer support.
- **Regulatory Compliance:** Assists in compliance with financial regulations by ensuring that the Institution follows all applicable laws and standards.



“

BCS Bank has focused on the continuation of actions to ensure the execution of the Strategic Plan for Information Systems aligned with the Global Strategic Plan.

A commitment to the assessment of the Infrastructure for Systems and Information and Communication Technologies by a team of specialised consultants, with the objective of analysing the physical and logical architecture, documentation, policies, processes, controls, and evidence of the current operation of the technological infrastructure.

Ongoing initiatives

- **Implementation of SWIFT ISO20022 (2022) in the Banking application:** In anticipation of the mandatory discontinuation of the SWIFT (MT) message format in Swift messaging applications from the 2nd half of 2025, the BCS has begun updating its Banking application so that it will handle messages in the new format (XML) at the beginning of 2025.
- **Products aimed at the best Customer experience:** The provision of technological solutions aimed at improving financial services and products for corporate and individual Customers.
- **Improving internal Customer satisfaction:** Providing technological tools that make Employees' daily work easier, increasing efficiency and satisfaction.
- **Improved internal controls:** As part of its strategic vision to strengthen the internal control function, Banco BCS is developing various initiatives to implement robust technological solutions to support this important institutional function.

- **New payment services:** Together with EMIS, the Bank, in its strategic vision to strengthen the internal control function, is developing various initiatives to implement technological solutions for the innovation of means of payment.

Completed Initiatives

- **Institutional site and online account opening:** The new Institutional website will play a fundamental role in the digital transformation process, acting as a centralised digital showcase for communication and brand visibility with Customers, providing an ideal experience for accessing information about the Bank and its products and services.
- **Migration from Exchange to Microsoft 365:** Activity performed throughout the hybrid migration process from the Exchange Server 2019 environment to Exchange Online. The implementation of Microsoft Exchange Server in hybrid mode offers a versatile and efficient solution for organisations seeking to combine the robustness of on-premises servers with the flexibility of the cloud through Office 365.
- **Centralised Workflow Solution:** The Centralised Workflow Solution performs a vital role in the digital transformation process, automating, optimising and simplifying the business processes that support the Bank's operations, increasing operational efficiency and improving collaboration in interdepartmental activities and decision-making flows.
- **Design and implementation of new IT processes:** Definition and implementation of new IT processes and documentation of existing IT management and operation processes, with the aim to improve the efficiency and effectiveness of internal IT processes, optimising operations through the standardisation and alignment of procedures with best practices, while also ensuring document compliance.
- **Integration Layer:** The Integration Layer plays a crucial role in the digital transformation process, as it will allow interoperability between the various systems and applications of the Bank, facilitating the exchange of data, allowing the Bank to innovate faster and reducing the time-to-market in the launch of new solutions, products and services.
- **Implementation of the IT Support Architecture:** Definition and implementation of standards, guidelines, and components necessary to support IT operations efficiently and effectively. Based on an architecture that covers infrastructure aspects (communication networks, servers, storage, base systems, databases, security).
- **Opening an ATM Centre:** Installation of the telecommunications infrastructure necessary for the proper functioning of the ATM Centres opened during 2024.

Access Control

Regarding access management and control, several controls were implemented and executed, with the aim of enhancing information security and applying best reference practices, namely:

- Assignment of accesses and authorities, association of workstations and printers;
- Re-evaluation of Microsoft 365 solution administration accesses, to better match good practices;
- Re-evaluation of the accesses assigned to the management of the central antivirus solution;
- Re-evaluation of access to business and infrastructure applications;
- Re-evaluation of access to infrastructure solutions;
- Development and updating of the logical access matrix;
- Restructuring and improving infrastructure;
- Monitoring and management of access, user network, protection, security, and auditing of the Institution's technological assets.

Competencies and Responsibilities of Each Participant

The activities related to the year 2024, which impacted the information systems, were developed in a cross-cutting manner, with the participation of different Departments, coordinated by three (3), namely: the Department of Technologies and Innovation, the Department of Cybersecurity, and the Department of Digital Transformation and Strategic Initiatives Programme.

6.6.2. Digital transformation

The BCS, following axis five of the Strategic Business Plan BCS 21-25, "Accelerating Digital Transformation and Putting Innovation at the Heart of the Business", as well as the execution of the Strategic Information Systems Plan (PESI), continues to consolidate the Department of Digital Transformation and Strategic Initiatives (DTD), created in February 2023.

One year after its establishment, the Department of Digital Transformation and Strategic Initiatives laid a solid foundation for the implementation of the Strategic Information Systems Plan initiatives, taking on a decisive role in technological modernisation and the promotion of the Bank's operational efficiency.

The main achievements of the Department of Digital Transformation and Strategic Initiatives in 2024 include:

- **Advances in the Information Systems Strategic Plan:** We achieved an overall Strategic Information Systems Plan execution level of approximately 68%, reflecting a significant progress in various projects;



5
Ongoing initiatives



7
Completed initiatives



8
Access controls

- **Digitalisation and automation of processes:**

Workflows for account opening and an online account opening solution were implemented, providing Customers with a faster, safer and more convenient experience;

- **Implementation of integrated platforms for companies:**

Solutions have been developed to facilitate the interaction and integration of companies with the Bank, improving the efficiency and experience of our corporate partners;

- **Development of the data strategy:**

During our participation in the Gartner Data & Analytics Summit in London, we identified good practices and directions for developing a robust data management strategy, as well as making progress on designing a data warehouse solution;

- **Implementation of the Bank's new institutional website:**

A renewed website has been launched, aligned with the best practices of usability and accessibility, providing a more modern and intuitive experience for users;

- **Implementation of the SAS AML project:**

We are monitoring the implementation of an advanced anti-money laundering solution, reinforcing the Bank's compliance and security mechanisms.

- **Implementation of the ISO 20022 project:**

We have worked on adapting to the new international financial messaging standards, in order to increase the interoperability and efficiency of banking operations;

- **Implementation of the integration layer (API Manager):**

With an execution rate of 85%, we already have services in production that enhance the interoperability and efficiency of the Bank's systems.

- **Development of new digital channels for mobile and web:**

We are working on the completion of the new digital channels, expected to go live in early 2025, providing a more modern and accessible experience for users;

- **Innovation and training:**

We have continued to foster a culture of innovation and creative thinking, leveraging the skills of our multidisciplinary and highly qualified team.

These initiatives reinforce the Department of Digital Transformation and Strategic Initiatives strategic importance as an essential pillar for the success of the BCS's Digital Transformation Programme. The focus remains on creating value for Customers, Employees, and Stakeholders, aligning technological and digital solutions with market needs and the Bank's goals.

For 2025, the Department of Digital Transformation and Strategic Initiatives will continue to lead the Digital Transformation Programme, emphasizing the development of innovative business models, the expansion of data solutions and the acceleration of digitalisation, maintaining the commitment to position BCS as a benchmark in digital transformation in the banking sector.



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Strategic talent management has been a differentiator for Banco BCS, ensuring that its professionals are aligned with the demands of the market and prepared for the challenges of the sector.

6.7. Evolution of Human Capital

Within the framework of the BCS Bank Strategic Plan 2021-2025, one of our main focuses is investing in human capital as a pillar of the future.

We recognise that the sustainable growth of the Institution is directly linked to the empowerment, appreciation, and development of our staff. In this way, we have continuously invested in attracting and retaining talent, in professional training and in promoting an organisational culture based on inclusion, equity and meritocracy.

Banco BCS has strengthened its commitment to the development of its Employees through the implementation of structured professional growth programmes, aligned with best practices in the financial sector. These programmes include everything from reviewing and optimising the salary scale to improving performance appraisal processes, ensuring that Employees are clear about their career path and opportunities for progression within the Institution.

In this report, we present a detailed analysis of the key indicators related to the human capital of Banco BCS in 2024. The expansion of the Workforce,

the distribution by age group, academic qualifications, function segmentation, gender diversity, and experience in the banking sector are fundamental aspects that highlight the Institution's commitment to building a qualified, balanced, and inclusive working environment.

Strategic talent management has been a differential of Banco BCS, ensuring that its staff are aligned with market requirements and prepared for the challenges of the sector. The continuous investment in training and capacity-building reflects the Institution's commitment to maintaining a highly qualified workforce, directly contributing to operational efficiency and the innovation of the services offered.

Below is a detailed overview of the main indicators related to Banco BCS's workforce, reinforcing the central role of Employees in the growth and consolidation of the Institution as a benchmark in the banking sector.

Compared to the previous year, the number of permanent Employees in 2024 increased by 14%, following the growth of the business.

Chart 18
Number of permanent Employees

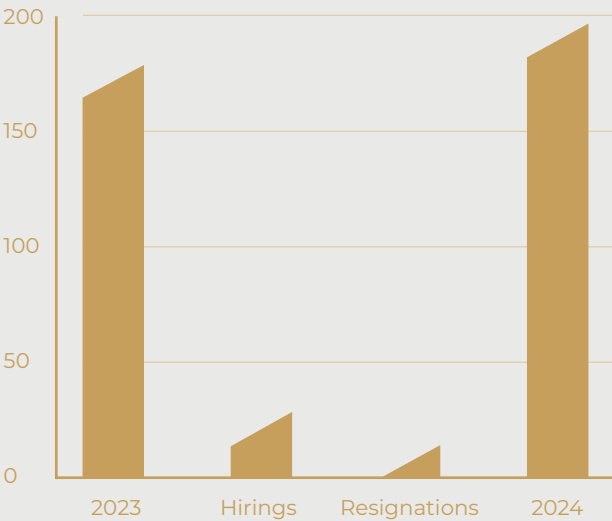
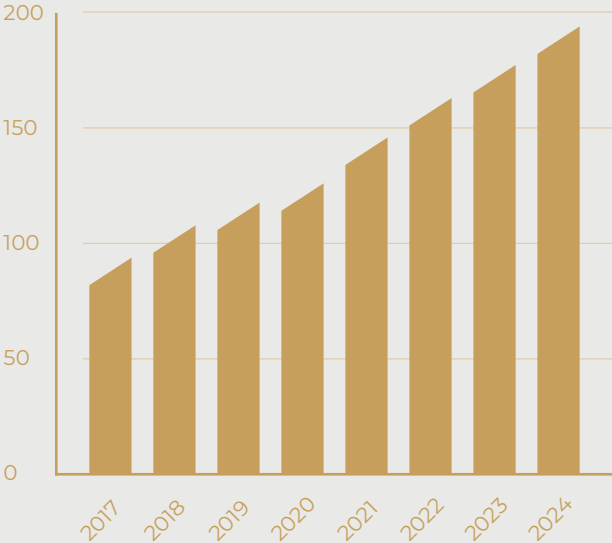


Chart 19
Growth of the number of permanent Employees



The staff turnover rate is 5%, with 27 hires and 10 resignations in 2024.

Regarding the distribution of Employees by business, control and support functions, there is a greater predominance in the support and business areas, with around 45% and 42% of the Bank's total workforce, respectively.

The age structure of Banco BCS is predominantly made up of Employees aged between 31 and 45 years, who represent 75% of the total.

Chart 20
Staff turnover

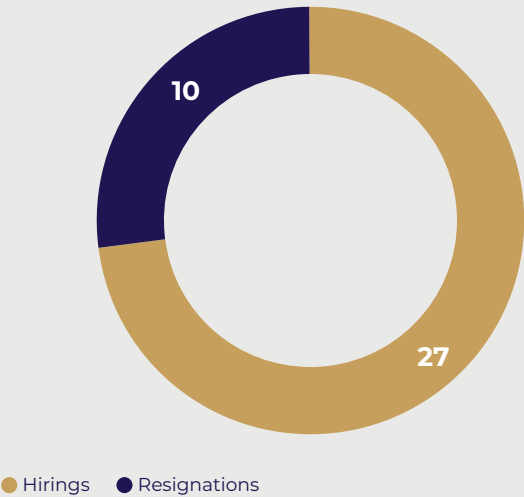


Chart 21
Distribution of Employees (%)

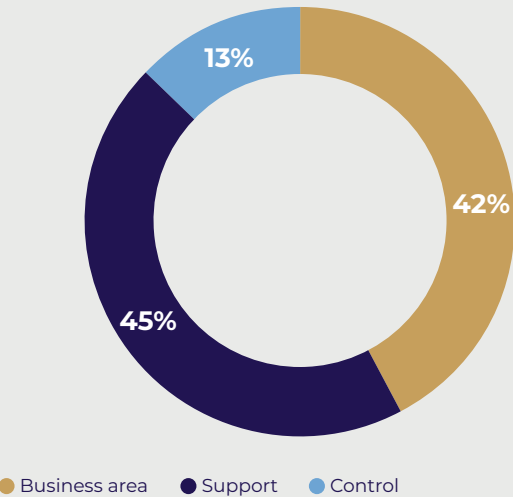
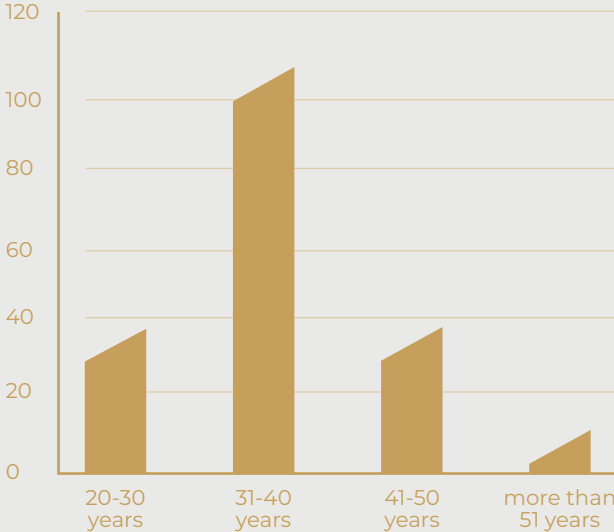


Chart 22
Age structure (No. of Employees)



In terms of gender, the distribution corresponds to 109 male Employees, equivalent to 56%, and 85 female Employees, equivalent to 44%.

Regarding the level of education, as of December 31, 2024, the bank had 6% of Employees with a Master's degree, 63% with a University's degree, 4% with a Postgraduate degree, 19% with a Bachelor's degree or university attendance, 9% with high school education and 0% with up to basic education completed.



Chart 23
Gender

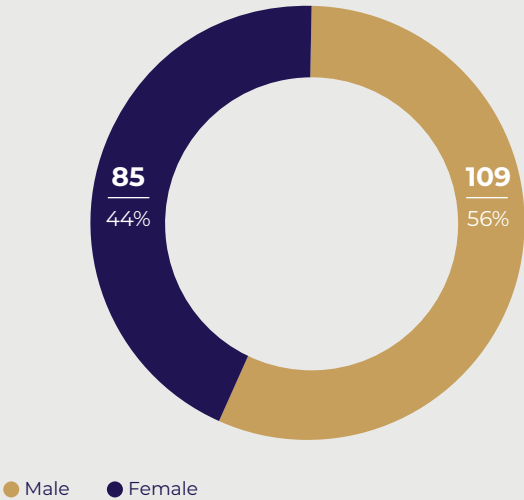
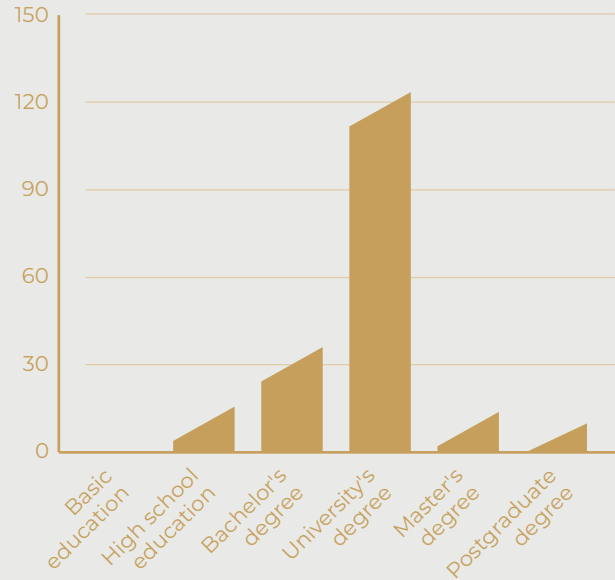


Chart 24
Level of education (No. of Employees)



14%
Growth in
the number
of permanent
Employees,
in 2024.



07.

Governance and Internal Control Model

- 7.1. Corporate Governance
- 7.2. Committees of the Board of Directors
- 7.3. Specialised Committees of the Executive Board
- 7.4. Organisational chart and structural units
- 7.5. Regulatory framework for legislative changes in 2024
- 7.6. Policies and processes

7.1. Corporate Governance

The organisational structure of Banco BCS reflects its governance model, with a Board of Directors from which an Executive Committee emanates, with delegated powers for the day-to-day management of the company.

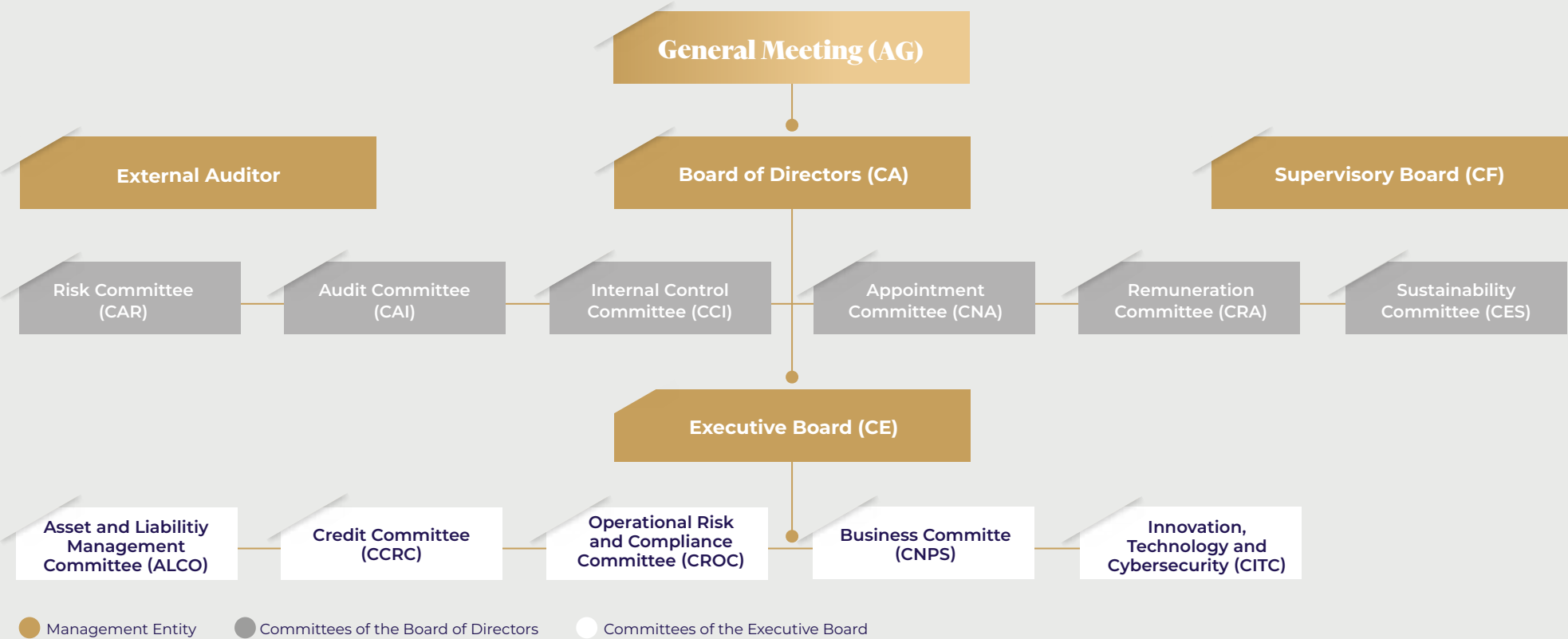
In addition to the Executive Committee, six (6) Committees functioned at Board level during 2024: (i) Audit Committee, (ii) Internal Control Committee;

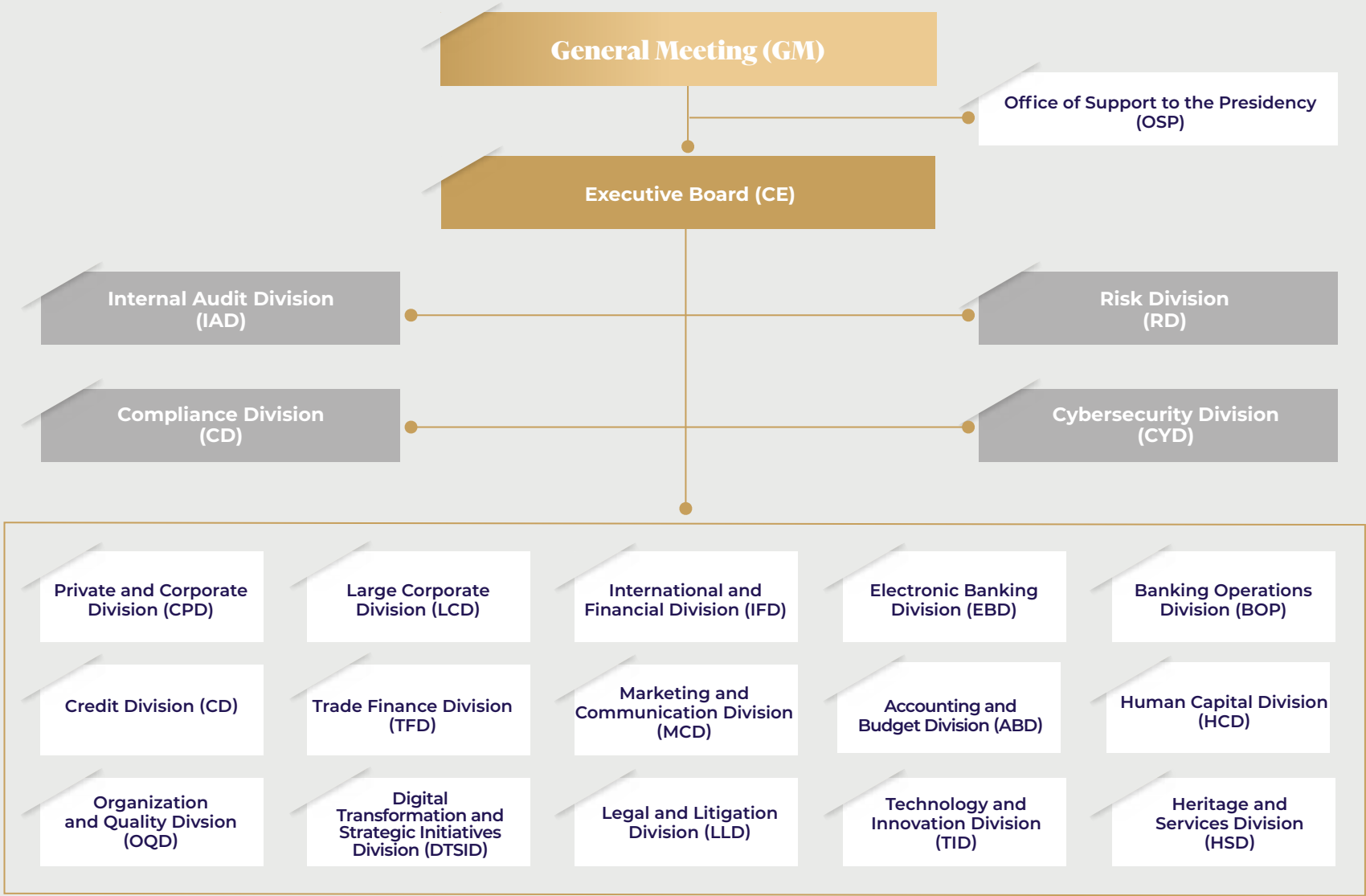
(iii) Risk Committee; (iv) Nominations Committee, (v) Remuneration Committee and (vi) Sustainability Committee, bodies with delegated powers to deal with some matters that are the sole responsibility of the Board of Directors.

In turn, the Executive Committee is assisted by five (5) Executive Committees which, in addition to executive directors, includes first-line managers, namely:

(i) ALCO Committee; (ii) Credit Committee; (iii) Operational Risk and Compliance Committee; (iv) Business Committee; (v) Technological Innovation and Cybersecurity Committee.

The following table shows the organisational structure of Banco BCS's governance model:





● Social Bodies ● Control Divisions ● Divisions/Offices

	AG	CF	CAR	CNA	CRA	CCI	CAI	CE	CCRC	CN	ALCO	CERI	CITC	CESG
Francisca Kaposé	●													
Diodato dos Santos	●													
Lúcio Pires da Costa		●												
Fernando Pereira		●												
Rúben Ndombasi		●												
Cristina Van-Dúnem			●	●	●	●	●							●
Maria Figueira			●	●	●	●	●							●
Miguel Tyimbonde			●	●	●	●	●							
Carlos Ceita			●			●								
Rafael Kaposé								●	●	●	●	●	●	●
Marciano Cardoso								●	●		●	●		
Pedro Botelho								●	●	●			●	
Odyle Cardoso								●	●	●				
Sebastião Manuel						●		●	●		●	●	●	●

● Chairman ● Member



General Meeting (GM)

The General Meeting (GM) is composed of a Chairman (Francisca da Conceição Kamia Kaposé) and a Secretary (Diodato Omar Carvalho dos Santos) and all Shareholders with voting rights may attend its meetings, while the others may have access to it if they regroup, and only by representation.

The members of the Board of Directors, as well as those of the Supervisory Board, may be present at the General Meeting and participate in its proceedings, although they do not have the right to vote.



Supervisory Board (SB)

The oversight of the Company is exercised by a Supervisory Board composed of three (3) effective members appointed by the General Meeting, with one of the members being a certified accountant, who cannot be a Shareholder of the Company.

The Supervisory Board is currently made up of the following persons:

- Lúcio Alberto Pires da Costa – Chairman
- Fernando Pontes Pereira – Member
- Rúben Kiala Ndombasi – Member



Board of Directors (BD)

The Board of Directors is the Bank's highest management body, responsible for setting the general direction of the Bank's business. It performs strategic and supervisory duties, not covering operational or executive functions. The Board of Directors decides on the internal organisation and administrative structure of the Departments and other units of the Bank and, at present, is composed of nine members elected by the General Meeting.

The current composition of the Board of Directors resulted from shareholder decisions taken at the General Meeting held on 13 July 2022.

Throughout 2024, the Board of Directors continued to fulfil its supervisory role over administrative management activities, ensuring the ongoing operation of its supporting bodies, namely the Risk Committee, Audit Committee, Internal Control Committee, Nominations Committee, and Remuneration Committee.

The composition of Banco BCS's Board of Directors on the date of this report is as follows:

Members	First Appointment	Mandate	Justification for the Mandate	Office and Position	Qualification
NON-EXECUTIVE MEMBERS					
Cristina Van-Dúnem	2019	2022/2024	Election	Board of Directors – Chairman	Non-Executive
Maria do Céu Figueira	2015	2022/2024	Election	Board of Directors – Member	Non-Executive
Miguel Tyimbonde	2022	2022/2024	Election	Board of Directors – Member	Non-executive
Carlos Ceita	2023	2022/2024	Election	Board of Directors – Member	Independent
EXECUTIVE MEMBERS					
Rafael Kapose	2017	2022/2024	Election	Executive Committee – Chairman	Executive
Marciano Cardoso	2022	2022/2024	Election	Executive Committee – Director	Executive
Pedro Botelho	2019	2022/2024	Election	Executive Committee – Director	Executive
Odyle Cardoso	2021	2022/2024	Election	Executive Committee – Director	Executive
Sebastião Manuel	2020	2022/2024	Election	Executive Committee – Director	Executive

The Governance model is defined in such a way as to respond to the segregation of competences, in accordance with best practices, but also to the challenges of implementing the **Strategic Plan BCS 21-25**.

7.2. Committees of the Board of Directors

Considering the relevance of the various matters to be supervised by the Board of Directors, as well as the risks associated with banking activity, the Board of Directors established at its level five specialised Committees: (i) the Risk Committee; (ii) the Nominations Committee; (iii) the Remuneration Committee; (iv) the Internal Control Committee and (v) the Audit Committee.



Risk Committee

It was created with the purpose of advising the Board of Directors on the exercise of its functions relating to the Bank's risk management. It is the responsibility of the Risk Committee to monitor and supervise the global exposure to the risks of the Bank's activities, particularly liquidity risk, market risk (interest rate, exchange rate, counterparty, credit, and other materially relevant risks), as well as operational risk. It consists of five full members, elected and dismissed by the Board of Directors.

Nominations Committee

The Nominations Committee is responsible for ensuring and establishing the policies and processes for talent appointments within the Bank, with particular emphasis on senior management and individuals in key functions, it is also tasked with submitting to the General Meeting an opinion on the Members of the Governing Bodies, taking into account the Institution's objectives and long-term vision, the various business segments, and the level of risk involved.

Remuneration Committee

The Remuneration Committee is responsible for ensuring and establishing remuneration policies and processes for the different types of Employees, and for the Members of the Governing Bodies, taking into account the Institution's objectives and long-term vision, considering the different business segments and the level of risk.

Internal Control Committee

The Internal Control Committee is an advisory body to the Board of Directors and is responsible, without prejudice to the powers conferred on the Supervisory Board, for monitoring the process of preparing and disclosing financial information, internal audit activities and Compliance, transactions with related parties, and the effectiveness of the internal control system.

Audit Committee

The Audit Committee has the mission of supervising the activity, independence, and efficiency of the external auditor, establishing an effective communication channel, with the aim of evaluating the reports issued by the external auditors.

7.3. Specialised Committees of the Executive Board

Bearing in mind the relevance of the various matters to be supervised by the Executive Board, as well as the risks associated with banking activity, the Executive Board constituted eight Committees at its level, which we describe below their composition.

Credit Committee

The Credit Committee has the mission of analysing and deciding on credit operation proposals within the limits and powers delegated by the Board of Directors, as well as issuing the corresponding opinion on operations that exceed the delegated limit.

Business Committee

The Business Committee is an advisory body linked to the Executive Committee, of a permanent nature, whose aim is to support the launch of new products and services and to analyse, prepare and propose the operational strategy, plan and monitor the Bank's development in its various business segments, identifying the associated risks. It is still responsible for promoting the Bank's Communication Plan and its respective scheduling.

Assets and Liabilities Committee (ALCO)

The ALCO is the body delegated by the BCS Executive Committee responsible for the ALM (Asset and Liability Management) process. It is tasked with managing market, liquidity, and foreign exchange risks, and defining the strategic positioning to optimise the Bank's net interest income and return on equity.

Executive Risk Committee

The Executive Risk Committee is responsible for supervising and monitoring the management of all non-financial and other risks that are not dealt with by the specific risk Committees at Executive Board level. It is also responsible for monitoring the risk strategy and its implementation through the integrated set of policies and processes, procedures, limits, controls and systems, in order to permanently identify, assess, monitor and control risks and oversee the actions of the risk management function. During 2024, it incorporated the functions of the Crisis Management Committee, which was dissolved by the decision of the Bank.

Technological Innovation and Cybersecurity Committee

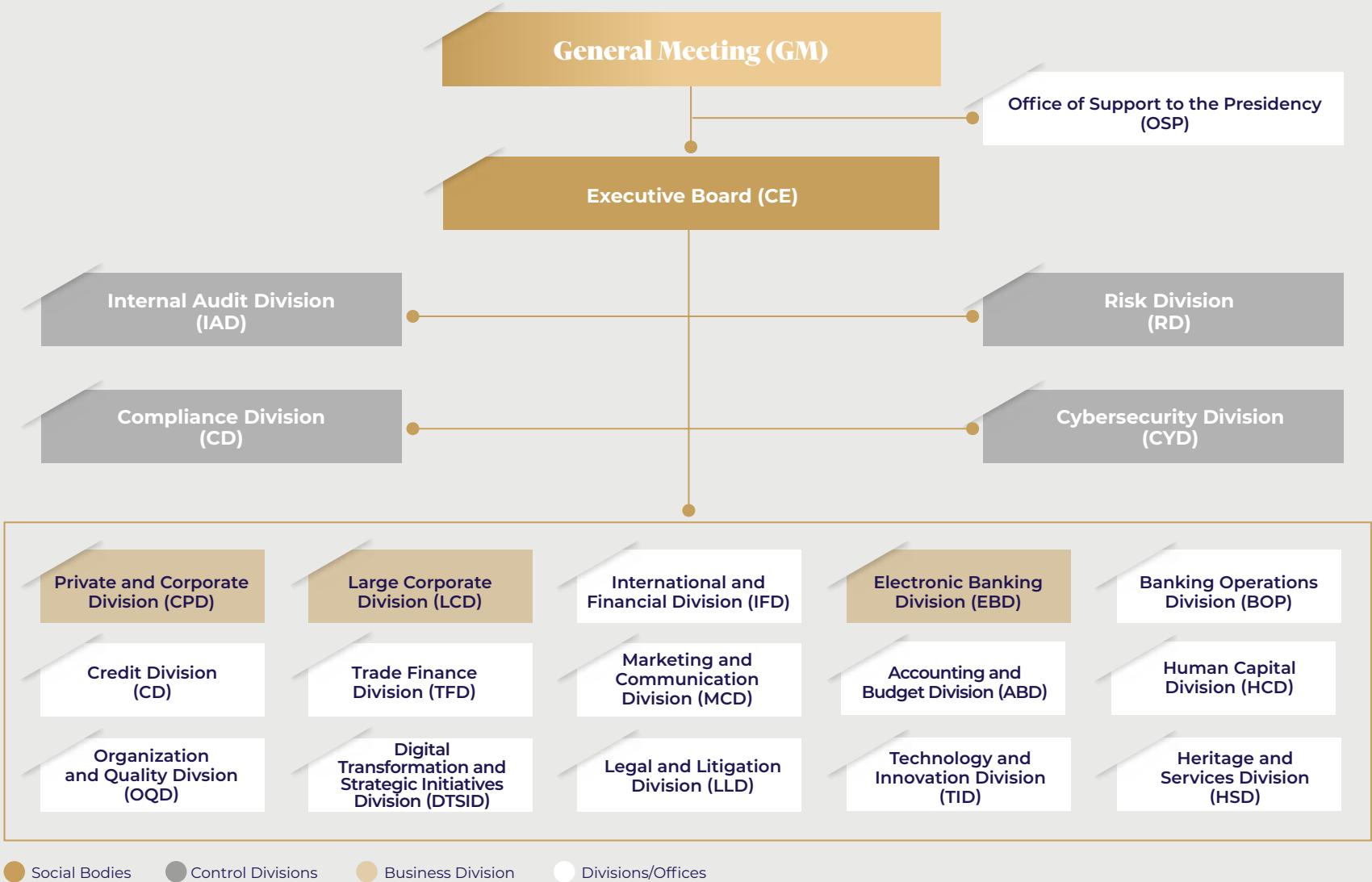
This committee aims to ensure a transparent approach, as responsible for monitoring issues related to Information Technologies, Communications Systems and Corporate Cybersecurity, and, on the other hand, analyse proposals for initiatives and investments in information technology and Cybersecurity, as well as deliberate on strategic projects, Cybersecurity risks and other issues related to Information Technologies, Communications Systems and Cybersecurity.

Sustainability Committee

The Committee is responsible for promoting a culture of sustainability within the organisation, monitoring ESG performance, managing risks and opportunities, securing Stakeholder commitment, and ensuring the integration of sustainability into the Bank's operations. Among other competences of this Committee, it is responsible for developing and implementing a comprehensive sustainability strategy for the Bank, establishing clear goals and objectives. This involves identifying areas of environmental, social, and corporate governance (ESG) impact relevant to the Bank, proposing concrete actions to improve performance in these areas.

7.4. Organisation chart and structure units

The organisational chart of the BCS is another mechanism of the Governance Model that aims to ensure a clear separation of functions within the Bank, between control, business, and support functions.



Distribution of duties

In its organizational form, the Board of Directors assigned duties to each member of the Executive Committee as follows:



Odyle Cardoso

ADM

Private and Corporate
Division
(PCD)

Marketing and
Communication Division
(MCD)

Legal and Litigation Division
(LLD)

Organisation and
Quality Division
(OQD)



Sebastião Manuel

ADM

Internal Audit Division
(IAD)

Risk Division
(RID)

Cybersecurity Division
(CYD)

Compliance Division
(CD)



Rafael Kapose

PCE

Office of Support to the
Presidency
(OSP)

International and Financial
Division
(IFD)

Human Capital Division
(HCD)

Technology and Innovation
Division
(TID)

Digital Transformation and
Strategic Initiatives Division
(DTD)



Pedro Botelho

ADM

Large Corporate Division
(LCD)

Electronic Banking Division
(EBD)

Assets and Services Division
(ASD)



Marciano Cardoso

ADM

Credit Division
(CRD)

Trade Finance Division
(TFD)

Operations Division
(OPD)

Accounting Division
(AC)

7.5. Regulatory framework for legislative changes in 2024

No.	Type	Subject	Publication Date	No.	Type	Subject	Publication Date
1	Circular Letter no. 01/2024	Notice no. 10/22, of 6 April, on the Granting of Credit to the Real Sector of the Economy – Support for the Agricultural Campaign.	25 January	15	Law no. 11/24	Amending Law no. 5/20, of 27 January – Law on Preventing and Combating Money Laundering, the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction.	4 July
2	Directive 01/2024	Requirements for Calculating and Complying with Mandatory Reserves.	30 January	16	Circular Letter 03/DEF/2024	Manual on Crisis Prevention and Management and Bank Resolution Planning.	24 July
3	Instruction no. 01/2024	Liquidity risk.	26 January	17	Directive 05/2024	Foreign Currency Purchase Transactions from Banking Financial Institutions to Companies in the Oil and Diamond Sectors on the Bloomberg FXGO Platform.	13 September
4	Notice no. 01/2024	Recovery Plans for Banking Financial Institutions.	21 February	18	Directive 06/2024	Indicative Exchange Rates for Buying and Selling Submitted by Banking Financial Institutions on the Bloomberg FXGO Platform (AOA – BGN).	7 October
5	Notice no. 02/2024	Rules for Preventing and Combating Money Laundering, the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction.	11 March	19	Instruction no. 08/2024	Registration and Verification of the Beneficial Owner.	9 December
6	Circular Letter no. 02/2024	Dissemination of Financial Action Task Force (FATF) measures.	20 March	20	Directive 07-2024	Statistical Information Report on Microcredit Operators.	16 December
7	Directive 02/2024	Basic Interest Rate (BNA Rate) – Permanent Liquidity Lending Rate – Permanent Liquidity Absorption Rate.	25 March	21	Notice no. 03/2024	Minimum Share Capital of Banking Financial Institutions.	16 December
8	Instruction no. 02/2024	Withdrawing Cash from a Point-of-Sales Terminal.	6 March	22	Notice no. 04/2024	Minimum Share Capital of Non-Banking Financial Institutions.	16 December
9	Instruction no. 03/2024	Rules for Reporting the Recovery Plans of Banking Financial Institutions.	6 March	23	Notice no. 05/2024	Provision of Safe Deposit Box Rental and Valuables Storage.	16 December
10	Instruction no. 03/2024	Reporting information to the Commission Comparator.	3 May	24	Directive 08-2024	Information Report on Safe Deposit Box Rental Services and Valuables Storage.	19 December
11	Directive 03/DME/2024	Permanent Liquidity Lending (FCO) and Liquidity Absorption.	6 June	25	Directive 09-2024	Requirements for Calculating and Complying with Mandatory Reserves.	20 December
12	Directive 04/DME/2024	Requirements for Calculating and Complying with Mandatory Reserves.	17 June				
13	Instruction no. 06/2024	Mandatory reserves.	13 June				
14	Law no. 9/24	Law amending Law no. 19/17, of 25 August – Law on Preventing and Combating Terrorism.	3 July				

7.6. Policies and processes

The commitment of Banco de Crédito do Sul (BCS) to operational excellence and regulatory compliance is reflected in the publication and continuous implementation of norms, procedure manuals, regulations, codes and policies that guide the Institution's activities. In the 2024 financial year, those documents were key to ensuring corporate governance, risk management and a Customer experience aligned with the highest quality standards.

During the period under review, the BCS strengthened its regulatory framework through the publication of various norms and procedures, covering critical areas such as process management, corporate strategy, and regulatory compliance.

The normative advances achieved in this financial year reflect the Bank's efforts to create a robust regulatory environment, tailored to market demands and Stakeholder expectations. Highlights of the period include:

- **Simplification and Automation of Processes:** The publication of manuals focused on operational optimisation promoted greater efficiency in internal flows and cost reduction;
- **Strategic Management:** The updating of policies and manuals ensured alignment between the Bank's operations and the BCS 21-25 Strategic Plan;

- **Strengthening the Culture of Compliance:** The Code of Ethics and Conduct has been revised to reinforce institutional values and the adoption of ethical practices in all business units.

The implementation of updated standards and procedures brought positive impacts, namely: **i) Risk mitigation** with clear guidelines that allowed for more effective risk management, reducing exposure to operational failures and non-compliance; **ii) strengthening of Trust** with enhanced transparency and predictability in processes, increasing credibility with Customers, partners and regulators; and **iii) improvement of the Customer Experience** with the standardisation of procedures that contributed to a more agile and consistent experience in banking services.

With the advancements achieved, the BCS will continue to invest in the evolution of its regulatory framework. The focus will be to further enhance operational efficiency and strengthen alignment with the financial sector best practices, creating value for all Stakeholders.



“

BCS will continue to invest in the evolution of its robust standards and continue to focus on operational efficiency and in line with best practices.



08.

Risk Management

- 8.1. Risk governance model
- 8.2. Adopting a risk culture –
Risk Assessment Methodology (AMAR)
- 8.3. Our risk profile and degree
of risk tolerance
- 8.4. The main risks
- 8.5. Cyber resilience
- 8.6. Risk management in the BCS
and improvements in 2024

8.1. Risk governance model

At BCS, the governance of the risk management function ensures sound and efficient decision-making, as well as effective risk control, guaranteeing that risks are managed in line with the risk appetite defined by the Board of Directors and the managers of the respective units.

Based on a management structure covering: i) the strategic risk management processes for identifying, measuring, monitoring, controlling and reporting risks, ii) the risk culture and iii) the internal control structure, based on the three lines of defence model, the Bank has developed a governance model aimed at guaranteeing agility, quality and security in decision-making regarding risk matters.

Regarding the recurring activities of risk management and mitigation, these are the responsibility of all managers, Employees and staff of the Bank, supported by the mechanisms and functions of the internal control system implemented.

The risk governance structure is essentially composed of the Board of Directors, which includes an Executive Committee and collegiate forums, formally organised and with delegated authority



Board of Directors

In line with the BNA, the Board of Directors is the highest body responsible for risk management of the Bank. Naturally, it is the responsibility of this body to approve the implementation and updating of policies related to risk management, as well as to assess their effectiveness on an annual basis, covering the following competences:

- Defining general guidelines for the risk management system and defining the Bank's risk profile, formalised in the risk management policy;
- Define and approve the methodology and results of stress tests in risk management;
- Delegate functional competencies, regarding stress tests, to the organisational structures that are relevant;
- Implement and maintain an adequate and effective internal control system, in particular regarding risk management;
- Define and approve the risk strategy and the Risk Appetite Framework (RAF), including the Risk Appetite Statement (RAS);
- To approve the Internal Capital and Liquidity Adequacy (ICAAP and ILAAP) Exercises;
- Approve the Business Plan and Annual Budget and the Liquidity Contingency Plan;

- Approve the annual report and other reports deemed relevant in the area of risk management;
- Supervising the disclosure process and communications with external stakeholders and competent authorities;
- Ensure the consistent application of the Bank's risk culture, enabling informed and well-founded decision-making, increasing awareness of the Bank's risk exposure and behaviours, and promoting ethical and responsible conduct.

Risk Committee of the Board of Directors

It was created with the purpose of advising the Board of Directors on the exercise of its functions relating to the Bank's risk management. It is the responsibility of the Risk Committee to monitor and supervise the global exposure to the risks of the Bank's activities, particularly liquidity risk, market risk (interest rate, exchange rate, counterparty, credit, and other materially relevant risks), as well as operational risk. Its main activities are as follows:

- Identified and measured risks;
- Mitigation measures implemented and their performance;
- Other reports on the overall performance of risk management;

- Monitoring internal policies to identify and determine the key risks to which the Bank is exposed;
- Supervision, approval, and issuance of opinions; and
- Monitoring key risks.

Internal Control Committee

The Internal Control Committee is an advisory body to the Board of Directors and is responsible, without prejudice to the powers conferred on the Supervisory Board, for monitoring the process of preparing and disclosing financial information, internal audit activities and Compliance, transactions with related parties, and the effectiveness of the internal control system.

Audit Committee

The Audit Committee has the mission of supervising the activity, independence, and efficiency of the external auditor, establishing an effective communication channel, with the aim of evaluating the reports issued by the external auditors.

Evaluation Committee

Responsible for ensuring and establishing the policies and processes for talent appointments within the Bank, with particular emphasis on senior management and individuals in key functions, it is also tasked with submitting to the General Meeting an opinion on the Members of the Governing Bodies,

taking into account the Institution's objectives and long-term vision, the various business segments, and the level of risk involved.

Remuneration Committee (CCR)

Responsible for ensuring and establishing the remuneration policies and processes for the different types of Employees, and for the Members of the Governing Bodies, taking into account the Institution's objectives and long-term vision, considering the different business segments and the level of risk.

Executive Committee

The Executive Committee is responsible for managing and implementing the risk management policy at the Bank, accumulating the following functions:

- Implement the strategy and actions defined by the Board of Directors, ensuring that the risks incurred are consistent with what has been established;
- Ensure the existence of adequate and sufficient human and technical resources dedicated to risk management, in order to allow the continuous and effective identification, evaluation, monitoring and reporting of risk and the correction of excess situations in a timely manner when necessary;
- Hold monthly discussions on the Risk Appetite Framework (RAF) and the Risk Appetite Statement (RAS), analysing the Bank's overall risk per-

formance and summarising the status of metrics and remediation plans.

Credit Committee

The Credit Committee is responsible for analysing and deciding on proposals for credit operations within the limits and powers delegated by the Board of Directors and issuing its opinion on operations outside the delegated limit, guaranteeing the implementation of credit granting policies in accordance with the guidelines issued by the Board of Directors, as well as the application of the granting rules defined in the Credit Manual.

Assets and Liabilities Committee (ALCO)

The ALCO is the body delegated by the BCS Executive Committee responsible for the ALM (Asset and Liability Management) process. It is tasked with managing market, liquidity, and foreign exchange risks, and defining the strategic positioning to optimise the Bank's net interest income and return on equity.

Technological Innovation and Cybersecurity Committee

It aims to analyse proposals for information technology initiatives and investments, as well as deliberate on strategic projects, Cybersecurity risks and other issues related to Innovation and Communications Technologies.

Risk Department

The Risk Department is operationally responsible for managing the risks associated with the Institution and, in parallel, for structuring and maintaining the Risk Management Policy up to date. The Risk Department reports to the Risk Committee and maintains a close relationship with the Internal Control Committee: (i) financial risks and (ii) non-financial risks. Part of its responsibilities include:

- Ensure sufficient knowledge to proceed with risk identification, as well as to evaluate, measure, suggest and support the implementation of the respective limits;
- To promote meetings with the different members of the Departments to determine, monitor and implement controls or limits on risks;
- Monitor the risks according to their level of impact on the structure of the Bank, issuing the reports associated with the different statuses;
- Propagation of Risk Culture.

Under the Risk Department is the Risk Management Function. This structure functionally reports to the Risk Committee and hierarchically to the Executive Committee, while also maintaining a relationship with the Internal Control Committee, the Compliance Department, and the Internal Audit Department, in order to define and implement internal controls for the risks identified in the Bank.

The responsibilities of the risk management role are primarily based: (i) in the identification, evaluation, monitoring and mitigation of current and emerging risks, (ii) in the suggestion and implementation of policies, practices, controls and other risk management mechanisms and (iii) in the reporting of the results of risk monitoring to the Risk Committee, with the knowledge of the Executive Committee and Internal Control Committee.

However, responsibility for the risk management function does not lie solely with the Risk Department, the business areas play a key role and can, and should, be called to support not only the identification of risks, but also the adherence to established practices for their monitoring and the implementation of mitigation measures.

The business areas understand and assess the risks associated with their activities and know that any failure on their part will influence the efficiency of risk management.



Compliance Department

The Compliance function is responsible for:

- Monitor and regularly assess the adequacy and effectiveness of the measures and procedures adopted to detect any risk of non-compliance with the legal, regulatory and other obligations to which the Bank is subject, as well as the measures taken to correct any deficiencies detected;
- Advise the Governing Bodies and other organisational structures, for the purpose of fulfilling the legal, regulatory and other duties to which the Bank is or may be subject;
- To promote the implementation of training and awareness activities in order to ensure a culture of Compliance throughout the organisation;
- Ensure compliance with regulations on the prevention of money laundering and terrorist financing, as well as any other related to the risks that accompany it.

Cybersecurity Department

The Cybersecurity Department is responsible for:

- Propose the implementation of the General Policy and Specific Policies and coordinate their operationalisation in Regulations;

- Communicate about the importance of Cybersecurity management and the development and integration of minimum requirements applicable to corporate processes;
- To monitor the evolution of national and international regulations and other matters related to Cybersecurity.

Internal Audit Department

The Internal Audit Directorate, as a function that ensures the third line of defence, is responsible for conducting an independent and regular assessment of the Risk Appetite Framework (RAF) and the Risk Appetite Statement (RAS). In particular, it is responsible for:

Organic Units

Finally, the Managers of the organisational units are a fundamental element in the identification and measurement of risks, as well as in suggesting and advising on matters of definition and implementation of controls or limits.

These areas may also be responsible for, or invited to collaborate in, the implementation of risk control strategies and in ensuring that controls and due diligence measures are applied on a daily basis. They are also responsible for maintaining the robustness of the controls and communicating any needs for improvement.

8.2. Adopting a risk culture – Risk Assessment Methodology

In 2024, the Bank completed its first Risk Assessment cycle, based on qualitative elements and, whenever possible, quantitative ones, allowing for an assessment of the likelihood of occurrence and expected impact of risk factors, in terms of inherent risk and residual risk.

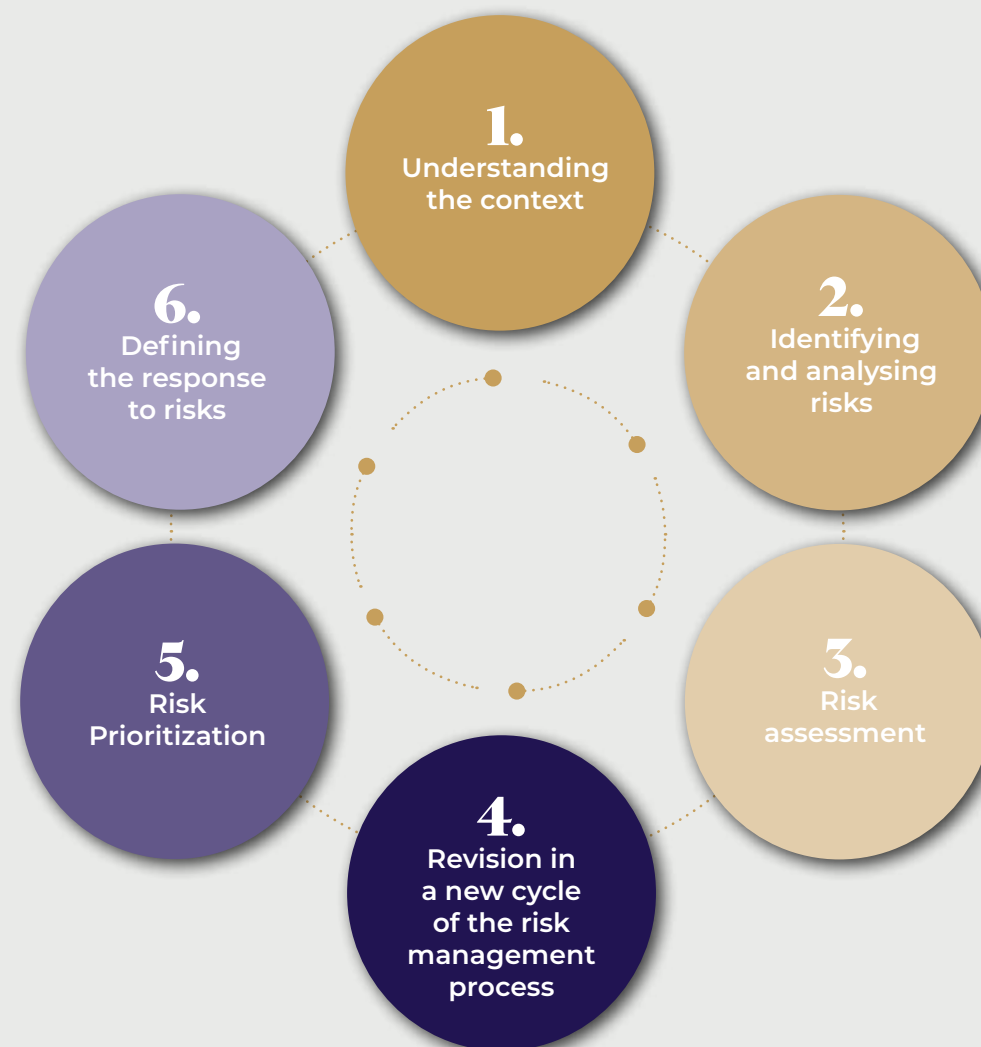
This methodology establishes the guidelines and necessary steps for the operationalisation of risk assessment in the Bank and defines the tasks to be carried out at each stage of the process, including:

Capital and Liquidity Assessment and Adequacy Process

In order to comply with the guidelines and requirements set forth in Instructions No. 10/21 and 11/21, the Risk Department coordinated the Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) exercises.

The impacts of the ICAAP and ILAAP exercises are assessed over a forward-looking period of three years, aligned with the projections of the Strategic Plan, and based on a baseline scenario and a stress scenario, in accordance with the stress testing methodology approved by the Board of Directors. This assessment allows the Bank to test its resilience, verifying that capital and liquidity levels are adequate in the face of current and prospective risks.

The results of ICAAP and ILAAP are assessed by the Board of Directors, constituting one of the main sources for the review of the RAS and the Bank's risk strategy.



8.3. Our risk profile and degree of risk tolerance

According to the Banco Nacional de Angola (Notice no. 8/21), Financial Institutions have a duty to consider their risk appetite in their strategies, policies and risk management processes, in line with their capacity to assume it and their overall strategy.

For a proper consideration of risk appetite, it is crucial to identify the risks to which the Bank is exposed, as well as the definition of their limits, taking into account the types and levels of risk considered as acceptable in the context of the business strategy, so that the Institution's activity is safeguarded from unexpected events that may affect its levels of capital, liquidity or profitability.

As a fundamental element for the success of its activity, the Bank seeks to adopt an adequate risk management, reflected in the definition of its risk appetite and the implementation of strategies and policies aimed at achieving its objectives and ensuring that risk exposure not only remains within predefined limits, but is also subject to appropriate and continuous supervision.

Risk Appetite Model

In this theme, the Risk Appetite Policy presents the model that defines the maximum exposure to risk that the Bank is willing to incur when making decisions, in support of the outlined business strategy and taking into account the expectations of Shareholders, Customers, Employees, strategic partners and the regulator. Thus, this policy seeks to maintain the balance between risk and return, ensuring that the Bank's financial situation remains sound and profitable.

Furthermore, regarding risk appetite, the BCS has developed a model based on four phases, which seeks to reflect any changes in the Bank's strategic priorities or the objectives of risk management, as explained in the table below.

In this context, the Board of Directors plays a key role in defining risk appetite and aligning with the Bank's strategy, capital and liquidity management and remuneration practices.

With regard to the periodic monitoring of risk appetite, this is the responsibility of the Risk Department which, in coordination with the Risk Committee, must monitor the alignment of the Bank's risk profile with its objectives and business strategy, and propose the development of the necessary action plans.

0.1	0.2	0.3	0.4
Defining risk appetite	Integration of risk appetite	Monitoring and reporting on risk appetite	Review of risk appetite
1. Define strategic and business objectives.	1. Planning the strategy and budget.	1. Monitoring and managing the limit framework.	1. Review annually.
2. Allocate risk appetite through a structure of metrics and limits.	2. Support decision making.	2. Carry out periodic and case-by-case monitoring.	2. Review "out of cycle".
3. Make a risk appetite statement.	3. Disaggregate limits at an operational level.		
	4. Implementing risk management policies and regulations.		
	5. Communicating the risk culture.		

8.4. The main risks

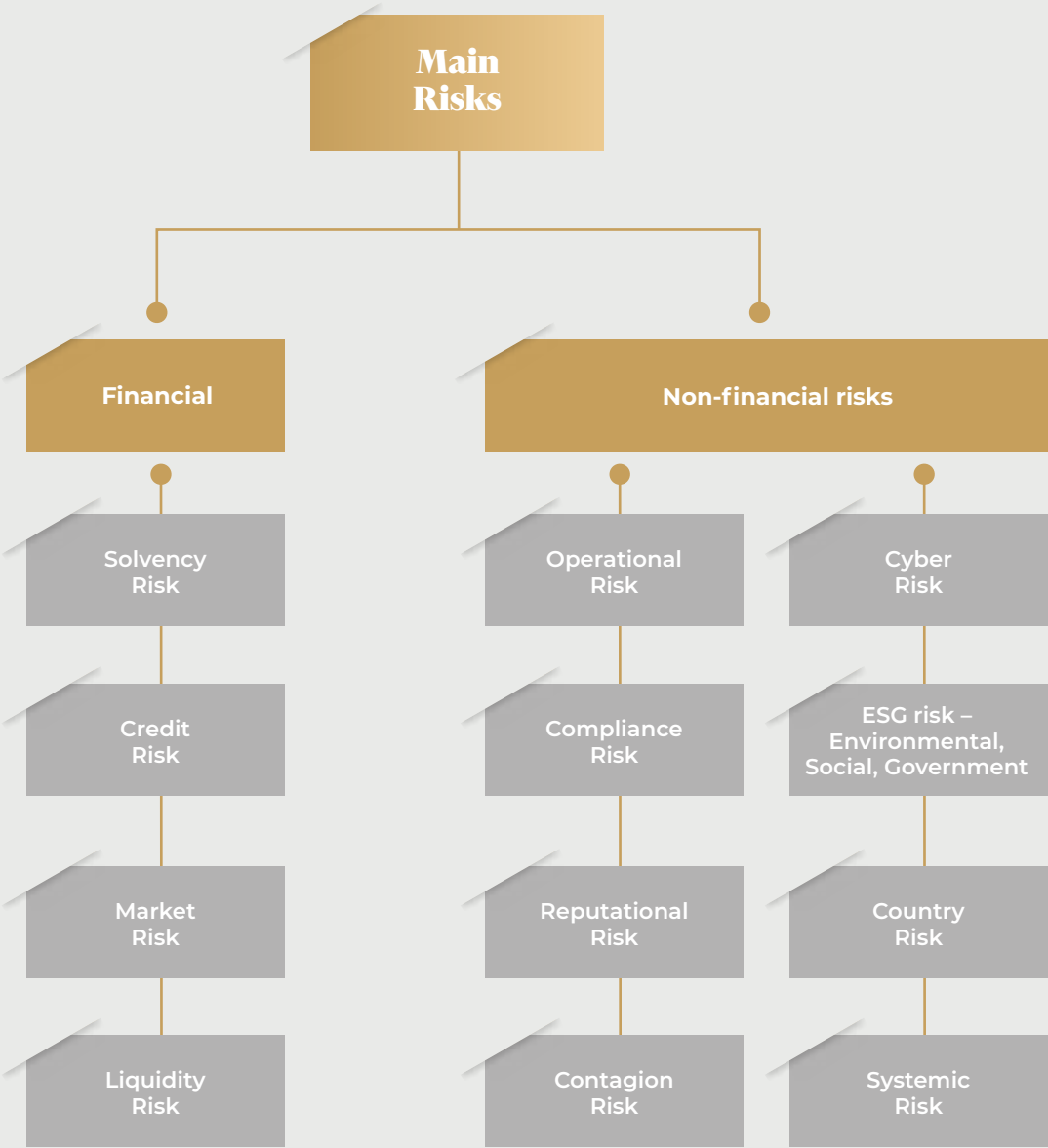
The risk corresponds to all the events that could have an impact on the capital structure of the Institution, whether they are expected events or not.

In this matter, the Bank defined a risk identification process, associated with an inventory of all existing risks, which is of great importance both for risk management itself and for business management. In accordance with its global risk management policy, BCS categorises risks into three types of nature: financial risks, non-financial risks, and other risks.

Financial risks

Financial risks, which include solvency, credit, market and liquidity risk, are directly related to the Institution's assets and liabilities and are those that assume the greatest prominence, being those that usually taking the most reflection time due to their impact on the capital structure.

In the first instance, these risks are mitigated by all departments of the Bank, particularly in the execution of the controls established on various processes. In a second instance, the Bank controls financial risks through limits set by the Board of Directors and the BNA, which are monitored by the Risk Department and the Risk Committee.



Credit risk

Credit risk is considered one of the most relevant risks in the activities of Financial Institutions, as it materialises in losses and uncertainty regarding future returns generated by the credit portfolio, due to the possibility of default by borrowers (and their guarantor, if any) and by issuers of securities or counterparties of a contract.

Identification and evaluation

The Credit Department is the unit responsible for granting, monitoring and recovering credit.

The process of analysing the credit decision is carried out in accordance with the current regulation, which formalises the framework for the definition and assignment of pre-approved credit limits. This analysis is based on the Bank's credit risk management strategy and takes into account concentration limits and the risk assessment of each Customer.

Credit monitoring and follow-up

On a monthly basis, the Risk Department monitors the level of provisioning of credit operations and calculates and reports the impairment values of its credit portfolio, as well as the analyses and conclusions for approval by the Committee.

Periodically, the indicators and their respective credit risk limits are monitored, as well as the concentration credit exposure, with the Risk Department being responsible for informing the Credit Committee about the quality of new operations and the results of the monitoring mechanisms. Additionally, stress tests are carried out on the risk.

For credit risk monitoring, the BCS applies a framework of internal limits and monitoring systems for control, consistent with its risk appetite:



The Risk Department monitors, monthly, the level of provisioning of credit operations.

KEY INDICATORS	TYPE	APPETITE	LIMIT
Credit risk [% of gross loans more than 30 days overdue]	Internal	< 5.0%	< 7.0%
Credit risk coverage [Impairment credit risk B/credit risk]	Internal	> 15.0%	> 10.0%
Non-performing loans ratio [loans more than 90 days overdue – Stage 3]	Internal	< 5.0%	< 10.0%
Credit risk coverage NPL [credit impairment NPL B/gross credit NPL]	Internal	> 40.0%	> 30.0%
On-balance credit coverage [on-balance impairment/total gross loans]	Internal	> 2.5%	> 1.5%
Off-balance credit coverage [off-balance impairment/total gross loans]	Internal	> 0.75%	> 0.5%
On-balance exposure covered by Financial Collateral [Total Financial Collateral/total on-balance loans]	Internal	> 35.0%	> 25.0%
Off-Balance exposure covered by Financial Collateral [Total Financial Collateral/total off-balance loans]	Internal	> 10.0%	> 5.0%

Impairment analysis and credit risk assessment

The amount of impairment corresponds to the difference between the Balance sheet value of a given operation and the recoverable amount. That is, it corresponds to the portion of the total amount of the operation that the Bank estimates is likely to remain uncollected.

For Customers that are not individually significant, the impairment value is determined according to the impairment model that is formalised and has been reported to the Banco Nacional de Angola. In order to determine the collective impairment charge, considering that no statistically representative historical data on the behaviour of operations are available to reliably calculate the risk factors (Probability of Default and Loss Given Default), the Bank carries out analyses using market comparisons.

In determining impairment losses on an individual basis, factors considered include the existence of payment arrears (overdue credit), the Customer's economic and financial situation and ability to generate income to meet debt service obligations, the collateral associated with the credit and the possible existence of preferred creditors, the deterioration of the Customer's rating, and other factors that enable the Bank to evaluate the risk of default and the recoverable amount based on the Customer's assets. When the Bank concludes from the analysis that there is no evidence of individual impairment, the operation is attributed collective impairment.

Additionally, in order to comply with the requirements of International Financial Reporting Standard 9 (IFRS 9), the Bank proceeded to analyse the remaining financial assets, developing scenarios to estimate potential future losses.

Market risk

Market risk is identified as the probability of adverse impacts on results or capital, due to unfavourable movements in the market price of financial instruments, caused by fluctuations in stock quotations, commodity prices, interest rates, and exchange rates. In this way, given the Bank's activity, market risk can be broken down into exchange rate risk and interest rate risk.

Identification and evaluation

The identification of market risk includes all operations held by the Bank, whether assets or liabilities, including the prior identification of risks inherent to new activities and products.

Monitoring and follow-up

The Financial Department is responsible for monitoring this type of risk, which is monitored by the Risk Department.

The monitoring of indicators is supported by a monthly reporting framework in the risk management tool, with information on market risk being prepared on a regular basis, in particular by drawing up prudential reports on a consolidated basis to the Bank's supervisory authorities.

Exchange rate risk

Exchange rate risk refers to the probability of negative impacts on the capital or results of the Bank due to adverse fluctuations in exchange rates.

For the continuous monitoring of indicators and their respective market risk limits (exchange rate), the Bank applies the following metrics:

KEY INDICATORS	TYPE	APPETITE	LIMIT
Net exchange exposure not indexed [net exchange exposure/Regulatory Own Funds]	Regulation	< 15.0%	< 20.0%
Net exchange exposure indexed [net exchange exposure (inc. Indexed)/Regulatory Own Funds]	Internal	< 30.0%	< 40.0%
Exchange position [exchange position/Regulatory Own Funds]	Regulation	< 5.0%	< 10.0%



22,594,349 AOA
BCS net profit
in 2024

43%
Growth
of total assets

Interest rate risk

Interest rate risk corresponds to the probability of negative impacts on the Bank's capital or results due to changes in interest rates.

The key indicators related to interest rate risk include:

KEY INDICATORS	TYPE	APPETITE	LIMIT
Impact of the interest rate on net position [impact on economic capital/Regulatory Own Funds]	Regulation	< 15.0%	< 20.0%
Interest rate impact on net interest income [interest margin/net interest income impact]	Regulation	< 15.0%	< 20.0%

Liquidity risk

The liquidity risk can be defined as an Institution's inability to meet its financial obligations on their due dates, due to difficulty in managing changes in funding sources or the incapacity to recognise changes in market conditions that affect its ability to liquidate assets on time and with minimal loss of value.

The liquidity risk management strategy and the tolerance for liquidity risk are established in accordance with the Bank's risk appetite statement, aiming to maintain a stable funding structure and a sufficient level of liquidity to ensure survival in adverse scenarios. To this end, the Bank has defined a set of strategies and policies aimed at managing liquidity risk in a prudent and appropriate manner.

In the process of defining these policies, BCS Bank took into account the regulatory guidelines issued by national and foreign supervisors and, in particular, the requirements produced by the Basel Committee. Following good governance practices, the bank's liquidity risk management policies aim to build a solid liquidity management structure, assessing and monitoring the Bank's behaviour in the most varied stress scenarios.

Identification and evaluation

Liquidity risk management involves ensuring the availability of sufficient assets to cover both expected and unexpected liquidity needs, and funding costs.

Monitoring and follow-up

The monitoring of risk indicators is supported by a monthly reporting framework included in the risk management tool, and the management and control of intraday liquidity is the responsibility of the Finance Department.

In this context, the Liquidity Contingency Plan stands out, which aims to raise resources in times of crisis, in order to ensure the continuity of activity and which has the following objectives:

For liquidity risk monitoring, BCS applies a framework of internal limits and monitoring systems for control, in line with its risk appetite:



KEY INDICATORS	TYPE	APPETITE	LIMIT
Transformation ratio of all currencies [gross credit/deposits]	Internal	< 40.0%	< 50.0%
Liquidity ratio (1) [AL/FC output – min.(FC input; 75% FC output)]	Regulation	> 200.0%	> 130.0%
Liquidity ratio MN (1) [AL MN/output FCMN – min(input FCMN; 75% output FCMN)]	Regulation	> 200.0%	> 130.0%
ME liquidity ratio (1) [AL ME / FCME output – min(FCME input; 75% FCME output)]	Regulation	> 300.0%	> 180.0%
Observation ratio (2) [(accum lag + FC input)/ FC output]	Regulation	> 200.0%	> 130.0%
MN observation ratio (2) [(MN accum lag + FCMN input)/ FCMN output]	Regulation	> 200.0%	> 130.0%
ME observation ratio (2) [(ME accum lag + FCME input)/ FCME output]	Regulation	> 300.0%	> 180.0%

Non-financial risks

Non-financial risks are not a direct result of the Bank's structure and can have external origins (social, political or economic events) or internal (human resources, technologies, procedures and others), including:

Operational Risk

Operational risk is the risk arising from the inadequacy of internal processes, people or systems, the possibility of fraud occurring, both internal and external, as well as external events.



For the management of operational risk, the Bank adopts duly formalised principles and practices, particularly in the segregation of roles, presenting an updated regulatory framework that includes a code of conduct available to all Employees of the Bank.

The identification and evaluation of operational risks at BCS aims to ensure that all risks and related factors, internal or external, inherent to business processes, products, people or systems that may impact the Bank's services, Customers, capital or reputation are monitored and controlled.

For the management of operational risk, the Bank adopts duly formalised principles and practices, particularly in the segregation of roles, presenting an updated regulatory framework that includes a code of conduct available to all Employees of the Bank.

In this context, the risk management function, assigned to the Risk Department, must periodically analyse reported operational risk events and assess compliance with the metrics defined in the risk appetite.

Reputational risk

Reputational risk is a highly relevant risk and is considered by some to be the most dangerous risk to which a financial Institution is subject.

Typically, the potential impact of reputational risk arises from the occurrence of other risks such as, for example, credit risk, legal risk, operational risk, strategic risk, and liquidity risk. This type of risk is undoubtedly a potentially harmful risk, as the nature of the Bank's business requires the maintenance of trust among depositors, creditors, Shareholders, and the market in general.

In order to mitigate this risk, the Bank's policy is the constant transmission of its vision, mission and values to its Stakeholders, as well as a close relationship with them.

The BCS applies a framework of internal limits and monitoring systems to control reputational risk, in line with its risk appetite, among which the following stand bellow.

KEY INDICATORS	TYPE	APPETITE	LIMIT
Number of complaints [total complaints received – accumulated]	Internal	< 15	< 25
Number of serious complaints [complaints via BNA, AGT, CMC, other regulators]	Internal	< 1	< 2

Compliance Risk

Compliance risk arises from potential violations or non-compliance with laws, regulations, contracts, codes of conduct, established practices or ethical principles. A regulatory compliance failure can result in lawsuits, financial sanctions, operational restrictions, and damage to BCS's reputation. This situation can easily occur due to the substantial flow of legislation aimed at Financial Institutions and the frequency with which it is produced.

In this regard, the Bank regularly reviews its internal regulations in order to meet the requirements of the regulator and international best practices and ensure that the conduct of its Employees is guided by the highest ethical principles.

In addition, BCS is committed to the ongoing improvement of its policies and procedures regarding conflicts of interest and related parties, as well as matters relating to money laundering and terrorist financing (ML/TF), including investments in technological solutions that effectively support the mitigation, assessment, and monitoring of risks associated with Customers, correspondent Banks, and transactions.

Environmental and social risks

Given that this is an emerging issue, the Angolan Banking Association (ABANC), through a Working Group comprising the Banks of the SFA, has been holding recurrent meetings with the aim of follow-

ing up with the BNA on the process of standardising ESG issues and their applicability to the economic sector.

In 2024, the Banks, aware of the risks of the context, continued the process of implementing effective risk management measures, through the strengthening of their risk management systems, increased transparency, reinforcing Stakeholder trust, and investing in innovation, through the development of mechanisms that support the identification, assessment, quantification, mitigation, monitoring, and reporting of risks.

By the year 2025, challenges will persist: Financial Institutions will need to overcome significant obstacles in order to achieve sustainable growth in a challenging macroeconomic environment. To do this, industry leaders will need to make strategic and often difficult decisions, seeking to balance efficiency and innovation.

Aligned with this framework, the Bank recognises that the management of environmental and social risks presents some of the most significant challenges to the long-term prosperity of the global economy, the well-being of people and society, and the capacity of nature.

The Bank assumes the commitment of being an Institution that is engaged in creating values of sustainability, through excellence in service to its Customers by providing financial products and/or services to business activities that are environmen-

tally and socially responsible, in accordance with its sustainability commitments, promoting the commitment of its suppliers, developing actions for and with its Shareholders and fostering a sense of social and environmental responsibility in the lives and careers of its Employees.

Additionally, the Bank is aware that all human activities induce an impact on the environment and acknowledges the environmental role of its activities, seeking to optimise available resources such as energy, financial inclusion, as well as the continuous improvement of the incorporation of ethical and environmental concerns, with a view to gradually and sustainably mitigating the negative impacts on the environment.

Attention is also given to social issues that may arise, such as the involuntary displacement of local or indigenous populations, the health, safety and human rights of workers involved in business activities, as well as the impact on local communities and other Stakeholders affected by these activities.

Country risk

Country risk is associated with specific changes or disruptions of a political, economic or financial nature in the places where counterparties operate that may in some way prevent full fulfilment of contracts.

The Bank regularly monitors the impact that changes to Angola's credit rating may have on its financial statements and capital ratios.

Solvency risk

The solvency risk corresponds to the possibility of the Institution not surviving due to the inability to cover the losses generated by the other risks with the available capital.

The Bank has defined metrics in its risk appetite policy, which monitor solvency risk, namely:

KEY INDICATORS	TYPE	APPETITE	LIMIT
Regulatory Own Funds ratio [Own Funds/Own Funds requirements * 12.5%]	Regulation	> 20.0%	> 17.6%
Leverage ratio [Own Funds level 1/ (assets + off-balance sheet)]	Regulation	> 8.0%	> 3%
Regulatory Own Funds requirements/total assets [Regulatory Own Funds/total assets]	Regulation	< 12.0%	< 7.0%

Contagion risk

The contagion risk relates to a verifiable effect when there is a contamination of one Bank's problems to another or others, arising from the high correlation between them.

Systemic risk

Systemic risk arises from disruption to the financial system, which is likely to have serious negative consequences on the domestic market and the real economy. Systemic risk arises from a negative externality affecting the financial system.

8.5. Cyber resilience

Cybersecurity remained a priority in 2024, with several Banks investing in advanced technologies to protect Customer data and prevent cyberattacks. The Banco Nacional de Angola (BNA) has also issued guidelines to strengthen the cyber defences of financial institutions. During the second edition of the BNA conference cycle, held in April 2024, the ongoing need for improvements in cybersecurity systems was highlighted. BNA is reinforcing the pillars of cybersecurity with investments in innovative technologies, including artificial intelligence, and in specialists to strengthen trust in the financial sector. In addition, regulatory instruments are being developed to adapt to the requirements of the national and international cyber environment, aiming at the exchange of information between financial and non-financial institutions to deal with cyber incidents. Digital security is viewed as a continuous adaptive capability, aimed at protecting data and ensuring business continuity. This commitment is not just limited to prevention, but also to constant innovation and preparation for the future.

In this context, BCS Bank reiterated in 2024 its commitment to cyber resilience, not just as a response to incidents, but as an essential pillar of the organisational strategy. For BCS Bank, the focus is on improving the integration of advanced technologies, the continuous training of teams, and strengthening security and recovery processes, with a constant eye on the future.

Understanding that resilience starts with people and increasingly intelligent technological solutions, BCS Bank will continue to invest in these areas in order to maintain its agile and proactive stance in the face of the sector's challenges.

By 2025, BCS Bank's goal is to build an increasingly integrated and automated resilience, aligned with best practices and continuous innovation in the field of cybersecurity, ensuring the protection of assets and the trust of its Customers.

8.6. Risk management in the BCS and improvements in 2024

The year 2024 brought significant changes and ongoing efforts to strengthen the banking sector in Angola, focusing on risk management and continuous improvement, within the framework of the ongoing Project to obtain equivalence from the Central Bank with the European Commission, the SREP (Supervisory Review and Evaluation Process).

Among the main developments the following stand out:

- Completion of the first risk assessment cycle for the Bank's processes and its Risk Matrix for the Bank's Processes;
- Throughout the entire period, the Bank continued to disseminate its risk culture through communications on related matters, specific training on risk assessment across all levels of the Institution, and also through meetings with senior managers in order to promote the sharing of information about the Bank's risks;
- Preparation of the self-assessment report on the internal capital and liquidity adequacy (ICAAP and ILAAP), having identified and quantified the materially relevant risks to its activity, ensuring a robust level of economic and regulatory capital to address the risks to which the Bank is exposed;
- Execution of individual stress tests for December 2023, in accordance with Directive No. 02/DSB/DRO/22 on standardized stress tests for supervisory purposes;
- Publication of the second Market Discipline Report of the Financial Group, relating to December 2023;
- Preparation of the first Recovery Plan to prevent situations in which there are significant shortfalls in the Banks' capital, liquidity, profitability and asset quality, in accordance with Instruction 03/2024;
- Monitoring and tracking the extent of compliance with the limits of risk indicators outlined in the Risk Appetite Statement (RAS);
- Calculation of the Liquidity Ratio according to Instruction 1/2024, which establishes a new methodology for liquidity management.

The Banco Nacional de Angola (BNA) has announced that a data quality audit will be carried out in 2025 to assess the accuracy and completeness of financial information reported by banks. This audit is part of an ongoing effort to enhance transparency and trust in the banking system. The data quality and consistency assessment programme, which will be implemented in the second half of 2025, will involve all banking financial institutions in the Angolan financial system.





09.

Proposed Appropriation of Net Income

In the 2024 financial year, BCS – Banco de Crédito do Sul generated Net Income of 22,594,349 mAOA ;

Considering the current context of the angolan economy, as well as the growth strategy of the Bank and the need to maintain equity that allows for safe and balanced growth,

Considering the provisions in Articles 239 and 240 of the Commercial Company Law, the Board of Directors proposes

the following allocation of Net Income to the Shareholders' General Meeting:

- 60%: For dividend distributions, in an amount exceeding 13.5 billion AOA;
- 30%: For reinvestment, in an amount exceeding 6.7 billion AOA, which should be allocated to retained earnings;
- 10%: For legal reserves in the amount of 2.2 billion AOA.

AOA thousands		
Distribution of Results	Amount	%
Distribution of Dividends	13,556,400	60
Legal Reserves	2,259,435	10
Retained earnings	6,778,304	30
Net profit	22,594,349	100

10.

Financial Statements

10.1. Balance sheets as at 31 December 2024 and 2023

10.2. Income statements for the years ending 31 December 2024 and 2023

10.3. Income statements of other comprehensive income for the years ended 31 December 2024 and 2023

10.4. Statements of changes in equity for the years ending 31 December, 2024 and 2023

10.5. Statements of cash flow for the years ending 31 December, 2024 and 2023

10.1. Balance sheets as at 31 December 2024 and 2023

		AOA '000	
	Notes	31/12/2024	31/12/2023
Cash and deposits at Central Banks	4	70,190,326	56,158,839
Deposits at other credit institutions	5	29,753,810	43,477,881
Investments at Central Banks and other credit institutions	6	3,322,388	11,281,284
Financial assets at fair value through other comprehensive income	7	114,790,085	68,203
Investments at amortised cost	8	75,538,226	70,575,646
Loans and advances to Customers	9	85,749,298	80,806,437
Other tangible assets	10	12,176,449	10,404,162
Intangible assets	10	1,533,992	678,680
Current tax assets	11	176,529	176,529
Deferred tax assets	11	1,505,264	3,784,993
Other assets	12	3,581,781	2,052,275
Total Assets		398,318,148	279,464,929
Resources from central banks and other credit institutions	13	62,990,199	2,928,044
Customer resources and other loans	14	249,211,530	216,340,667
Provisions	15	594,320	649,957
Deferred tax liabilities	11	4,202,371	2,327,207
Other liabilities	16	7,467,563	3,042,010
Total Liabilities		324,465,983	225,287,885
Share capital	17	17,000,000	17,000,000
Revaluation reserves	17	6,220,274	-
Other reserves and retained earnings	17	28,037,542	32,129,726
Net income for the year		22,594,349	5,047,318
Total Equity		73,852,165	54,177,044
Total Liabilities and Equity		398,318,148	279,464,929

The attached explanatory notes form an integral part of these financial statements.

10.2. Income statements for the years ending 31 December 2024 and 2023

		AOA '000	
	Notes	31/12/2024	31/12/2023
Interest and similar income	18	41,010,736	22,485,329
Interest and similar charges	18	(12,806,921)	(4,475,990)
Net interest income		28,203,815	18,009,339
Income from services and fees	19	12,565,186	4,780,745
Charges related to services and fees	19	(2,208,523)	(1,091,983)
Income financial assets at fair value through other comprehensive income		2,139	-
Income from investments at amortised cost	20	610,753	880,537
Foreign exchange results	21	13,099,042	(510,730)
Results of the sale of other assets		(17,240)	18,953
Other operating results	22	(2,349,522)	(1,930,226)
Operating income from banking activities		49,905,650	20,156,635
Staff costs	23	(12,282,756)	(8,038,837)
Third-party supplies and services	24	(8,334,662)	(5,091,711)
Depreciation and amortization for the year	10	(2,439,058)	(1,278,532)
Provisions net of annulments	15	64,517	300,183
Impairment for loans and advances to Customers net of reversals and recoveries	15	(835,013)	(2,359,143)
Impairment for other financial assets net of reversals and recoveries	15	(1,761,789)	(327,701)
Income before tax from continuing operations		24,316,889	3,360,894
Current income taxes	11	-	-
Deferred income taxes	11	(1,722,540)	1,686,424
Net income for the year		22,594,349	5,047,318
Average number of ordinary shares issued	17	17,000,000	17,000,000
Earnings per basic share (kwanzas)	17	1,329,08	296,90
Earnings per diluted share (kwanzas)	17	1,329,08	296,90

The attached explanatory notes form an integral part of these financial statements.

10.3. Income statements of other comprehensive income for the years ended 31 December 2024 and 2023

	Notes	31/12/2024	31/12/2023
AOA '000			
Net income for the year		22,594,349	5,047,318
Other comprehensive income			
Items that will subsequently be reclassified to profit or loss for the year			
Debt instruments at fair value through other comprehensive income			
Changes in fair value	7	6,949,579	-
Transfer to profit or loss for impairment recognised in the year	15	1,703,048	-
Tax impact	11	(2,432,353)	-
		6,220,274	-
Comprehensive income for the year		28,814,623	5,047,318

The attached explanatory notes form an integral part of these financial statements.

10.4. Statements of changes in equity for the years ending 31 December 2024 and 2023

AOA '000

	Other reserves and retained earnings					Net income for the year	Total Equity
	Share capital	Revaluation reserves	Legal reserve	Retained earnings	Subtotal		
Balance as at 31 December 2022	17,000,000	-	4,050,007	22,450,566	26,500,573	11,258,308	54,758,881
Appropriation of net profit for 2022							
Transfer to legal reserve	-	-	1,125,831	-	1,125,831	(1,125,831)	-
Transfer to retained earnings	-	-	-	4,503,322	4,503,322	(4,503,322)	-
Distribution of dividends	-	-	-	-	-	(5,629,155)	(5,629,155)
Comprehensive income for the year							
Net income for the year	-	-	-	-	-	5,047,318	5,047,318
Balance as at 31 December 2023	17,000,000	-	5,175,838	26,953,888	32,129,726	5,047,318	54,177,044
Appropriation of net profit for 2023							
Transfer to legal reserve	-	-	504,732	-	504,732	(504,732)	-
Transfer to retained earnings	-	-	-	1,514,195	1,514,195	(1,514,195)	-
Distribution of dividends	-	-	-	-	-	(3,028,391)	(3,028,391)
Distribution of retained earnings	-	-	-	(6,111,111)	(6,111,111)	-	(6,111,111)
Comprehensive income for the year							
Net income for the year	-	-	-	-	-	22,594,349	22,594,349
Other comprehensive income	-	6,220,274	-	-	-	-	6,220,274
Balance as at 31 December 2024	17,000,000	6,220,274	5,680,570	22,356,972	28,037,542	22,594,349	73,852,165

The attached explanatory notes form an integral part of these financial statements.

10.5. Statements of cash flow for the years ending 31 December 2024 and 2023

	Notes	31/12/2024	31/12/2023
AOA '000			
Cash flows from operating activities			
Interest, fees and other equivalent income received		48,700,699	26,598,223
Interest, fees and other equivalent costs paid		(14,956,711)	(5,857,215)
Payments to employees and suppliers		(17,425,542)	(12,637,539)
Other results		11,438,273	3,982,454
Cash flow of changes in operating assets and liabilities		27,756,719	12,085,923
(Increases)/Reductions in operating assets			
Investments at Central Banks and other credit institutions		7,847,671	(1,616,444)
Financial assets at fair value through other comprehensive income		(104,280,718)	-
Investments at amortised cost		(6,110,943)	(24,787,198)
Loans and advances to Customers		(4,403,649)	(33,367,336)
Other assets		(1,409,961)	3,846,154
Net flow from operating assets		(108,357,600)	(55,924,824)
Increases/(Reductions) in operating liabilities			
Resources from central banks and other credit institutions		59,949,769	1,606,785
Customer resources and other loans		29,305,965	100,537,767
Other liabilities		2,724,393	(335,100)
Net flow from operating liabilities		91,980,127	101,809,452
Net cash of operating activities before income taxes		11,379,246	57,970,551
Income taxes paid		-	(1,583,370)
Net cash of operating activities		11,379,246	56,387,181
Cash flows from investing activities			
Acquisition of other tangible assets, net of disposals		(3,632,843)	(1,591,247)
Acquisition of intangible assets, net of disposals		(1,397,188)	(809,687)
Net cash of investing activities		(5,030,031)	(2,400,934)
Cash flows from financing activities			
Distribution of dividends		(9,139,502)	(5,629,155)
Net cash of financing activities		(9,139,502)	(5,629,155)
Variation of cash and cash equivalents		(2,790,287)	48,357,092
Cash and cash equivalents at the beginning of the year		99,712,288	47,577,172
Effects of exchange rate variation on cash and cash equivalents		3,037,978	3,778,024
Cash and cash equivalents at the end of the year		99,959,979	99,712,288
Cash and cash equivalents includes			
Cash and deposits at Central Banks	4	70,190,326	56,158,839
Deposits at other credit institutions	5	29,769,653	43,553,449
		99,959,979	99,712,288

The attached explanatory notes form an integral part of these financial statements.



11.

Notes to the Financial Statements

1. Introduction	98
2. Basis of presentation and main accounting policies	99
2.1. Bases of presentation	99
2.2. Adoption of accounting standards (new and revised) issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretation Committee	99
2.3. Accrual basis	100
2.4. Transactions in foreign currency	100
2.5. Financial assets	101
2.5.1. Classification and measurement of financial assets	101
2.5.2. Fair value	105
2.5.3. Reclassification between categories of financial assets	105
2.5.4. Changing credits	105
2.5.5. Derecognition and modification of financial assets	106
2.5.6. Financial asset write-off policy	106
2.5.7. Impairment losses for financial assets	106
2.6. Financial liabilities	110
2.7. Repurchase and resale agreement transactions	110
2.8. Derivative financial instruments	110
2.9. Other tangible assets	110
2.10. Intangible assets	111
2.11. Leases	111
2.12. Non-current assets held for sale	112
2.13. Property valuations	112

2.14. Taxes	113
2.15. Provisions, contingent assets and liabilities	116
2.16. Financial reporting in hyperinflationary economies	117
2.17. Recognition of interest	118
2.18. Recognition of dividends	118
2.19. Recognition of income from services and commissions	118
2.20. Provided guarantees and commitments	119
2.21. Fiduciary activities	119
2.22. Earnings per share	119
2.23. Cash and cash equivalents	119
3. Main estimates and judgments used in the preparation of the Financial Statements	120
3.1. Classification and measurement of financial assets	120
3.2. Fair value of financial instruments	120
3.3. Impairment losses for financial assets	121
3.4. Identification and treatment of balances and transactions with related parties	122
3.5. Income tax	123
4. Cash and deposits at central banks	124
5. Deposits at other credit institutions	126
6. Investments at central banks and other credit institutions	126
7. Financial assets at fair value through other comprehensive income	127
8. Investments at amortised cost	129

9. Loans and advances to Customers	130
10. Other tangible and intangible assets	162
11. Taxes	164
12. Other assets	167
13. Resources from central banks and other credit institutions	168
14. Customer resources and other loans	169
15. Impairment and provisions	170
16. Other liabilities	172
17. Equity	173
18. Net interest income	175
19. Results of services and commissions	176
20. Income from investments at amortised cost	177
21. Foreign exchange results	177
22. Other operating results	178
23. Staff costs	179
24. Third-party supplies and services	180
25. Off-balance sheet headings	181
26. Balances and transactions with related parties	182
27. Fair value of financial instruments	184
28. Risk management of the activity	190
29. Subsequent events	211

“

2024 was a year of consolidation, growth and renewed ambition, renewing the position of the BCS in the national financial system.

1. Introduction

BCS – Banco de Crédito do Sul, S.A. (hereinafter also referred to as “BCS” or “Bank”) was incorporated by Public Deed on May 20, 2015, following the communication of Banco Nacional de Angola of 23 March 2015 authorising its constitution. The Bank started its activities on October 21, 2015.

The Bank's core business is obtaining resources from third parties in the form of deposits or others, which it uses, together with its own resources, to grant loans, make deposits at Banco Nacional de Angola, investments at credit institutions, acquire securities and other assets, for which it is duly authorised. The Bank also provides other banking services and performs several types of foreign currency operations.

On December 31, 2024 and 2023, the Bank had a service desk in the Head Office Building (Garden Towers Building, Tower B, Floor 15, Comandante Gika Complex, Luanda) and four branches in Bairro de Talatona, Bairro de Alvalade, Torre Ambiente and the city of Lubango.

2. Basis of presentation and main accounting policies

2.1. Bases of presentation

The Bank's financial statements were prepared on a going concern basis, based on the accounting books and records kept in accordance with the principles established in the International Accounting Standards/International Financial Reporting Standards (IAS/IFRS), pursuant to Banco Nacional de Angola Notice no. 05/2019 of 30 August. IAS/IFRS comprise accounting standards issued by the International Accounting Standards Board (IASB) as well as interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and its predecessor bodies.

The Bank's financial statements are expressed in thousands of kwanzas, rounded to the nearest thousand, with assets and liabilities denominated in other currencies having been converted into the domestic currency based on the average indicative exchange rate published by Banco Nacional de Angola on those dates (Note 2.4.).

The preparation of financial statements in accordance with IAS/IFRS requires the Board of Directors to make judgments, estimates and assumptions that affect the application of accounting policies and the value of assets, liabilities, income and costs. Estimates and associated assumptions are based on historical experience and other factors considered reasonable in the circumstances and form the basis for judgments about the values of assets and liabilities the valuation of which is not evident from other sources. Actual results may differ from estimates. Matters requiring a higher level of judgment or complexity, or for which assumptions and estimates are considered significant are presented in Note 3.

The accounting policies are consistent with those used to prepare the financial statements for the previous year.

The financial statements for the year ended 31 December 2024 were approved at a meeting of the Board of Directors held on 12 March 2025 and will be submitted for approval by the General Meeting of Shareholders, who have the power to amend them. However, it is the belief of the Board of Directors of the Bank that these will be approved without significant changes.

2.2. Adoption of accounting standards (new and revised) issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretation Committee

The application of the following accounting standards, interpretations, amendments and revisions were mandatory for the first time in the financial year starting 1 January 2024:

- Amendments to IAS 1 – Presentation of financial statements – Classification of liabilities as current and non-current; Deferral of the application date; Non-current liabilities as covenants: These amendments published by the IASB clarify the classification of liabilities as current and non-current by analysing the contractual conditions existing on the reporting date. The amendment relative to non-current liabilities and covenants clarified that only the conditions that should be fulfilled before or on the reporting date of the financial statements are relevant or purposes of classification as current/non-current;

- Amendment to IFRS 16 – Leases – Lease liability in a sale and leaseback transactions: This amendment published by the IASB clarifies how a seller-lessee measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be classified as a sale;
- Amendment to IAS 7 – Statement of cash flows and IFRS 7 – Financial Instruments: Disclosures – Supplier Finance Arrangements: These amendments published by the IASB in May 2023 include additional disclosure requirements of qualitative and quantitative information about supplier finance arrangements.

There were no significant effects on the Bank's financial statements arising from the adoption of these standards, interpretations, amendments and revisions referred to above.

The application of the following standards, interpretations, amendments and revisions is mandatory in future economic periods:

- Amendment to IAS 21 – Effects of changes in foreign exchange rates – Lack of exchangeability: This amendment published by IASB in August 2023, defines the approach to appraise whether a currency can or cannot be exchanged for another currency. If it is concluded that the currency cannot be exchanged for another, it indicates how the applicable exchange rate is determined and the additional disclosure requirements. Applicable to financial years starting on or after 1 January 2025;
- Amendment to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments: These amendments, published by the IASB in May 2024, include changes arising from the results of the IFRS 9 post-implementation review conducted by the IASB. Applicable to financial years starting on or after 1 January 2026;
- Amendment to IFRS 9 and IFRS 7 – Contracts related to electricity depend on their nature: This amendment, published by the IASB in December 2024, includes additional guidance and disclosures related to contracts for the supply of electricity from renewable energies, as well as the possibility of designating these contracts as hedging instruments if certain requirements are met. Applicable to financial years starting on or after 1 January 2026;
- Annual improvements to international financial reporting standards (volume 11): It essentially corresponds to amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. Applicable to financial years starting on or after 1 January 2026;
- IFRS 18 – Presentation and disclosure of financial statements: This standard replaces IAS 1 and includes presentation and disclosure requirements in the financial statements for entities that report in accordance with IFRS. Applicable to financial years starting on or after 1 January 2027;

- IFRS 19 – Subsidiaries without public accountability: disclosures: This standard allows an eligible subsidiary to opt for reduced disclosures in its IFRS financial statements. Applicable to financial years starting on or after 1 January 2027.

The Bank does not anticipate that significant effects will be produced on its financial statements with the adoption of these new standards, interpretations, amendments and revisions referred to above.

2.3. Accrual basis

Income and costs are recognized according to the duration period of the operations, pursuant to the accrual basis of accounting, being recorded as they are generated, regardless of the moment of their receipt or payment.

2.4. Transactions in foreign currency

Transactions in foreign currency are converted into the functional currency (Kwanza) at the exchange rate in force on the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are converted into the functional currency at the average exchange rate published by the National Bank of Angola on the balance sheet date. Exchange rate differences resulting from the conversion are recognised in the income statement under "Foreign exchange results" (Note 21).

Non-monetary assets and liabilities denominated in foreign currency and recorded at historical cost are converted to the functional currency at the exchange rate in effect on the date of the transaction. Non-cash assets and liabilities recorded at fair value are translated into the functional currency at the exchange rate in effect on the date the fair value is determined and recognised for profit or loss, with the exception of those recognised at fair value through other comprehensive income, the difference of which is recorded for equity.

On 31 December 2024 and 2023, the average exchange rates of the Kwanza (Kz) against the United States Dollar (USD) and the Euro (EUR) are as follow:

Exchange rate	31/12/2024	31/12/2023
1 USD	912,000	828,800
1 EUR	949,483	915,990

On the date they are contracted, spot and forward purchases and sales of foreign currency are immediately recorded in the spot or forward foreign exchange position, in accordance with the following revaluation criteria:

Foreign exchange spot position

The spot foreign exchange position in each currency is given by the net balance of the assets and liabilities of that currency, as well as the spot transactions awaiting settlement and the forward transactions

maturing in the two subsequent business days. The spot foreign exchange position is revalued daily bases on the average exchange rate published by the Banco Nacional Angola on that date, giving rise to a movement in the foreign exchange position account (domestic currency), against profit or loss.

Forward exchange position

The forward exchange position in each currency corresponds to the net balance of forward transactions awaiting settlement, excluding those that mature in the two subsequent business days. All contracts related to these operations (currency forwards) are revalued at the market forward exchange rates or, in their absence, through their calculation based on the applicable interest rates for the residual term of each operation. The difference between the countervalues in kwanzas at the revaluation rates applied for forward contracts and the countervalues at the contracted rates, which represent the gain or cost of revaluation of the forward currency position, is recorded in the assets or liabilities, corresponding to the item “Foreign exchange results” (Note 21).

2.5. Financial assets

2.5.1. Classification and measurement of financial assets

The Bank classifies its financial assets into one of the following valuation categories:

- Financial assets at amortised cost;

- Financial assets at fair value through other comprehensive income; and
- Financial assets at fair value through profit or loss.

The classification and subsequent valuation of these instruments in the above categories is carried out on based on the following two elements:

- The Bank’s business model for managing financial assets; and
- The characteristics of the contractual cash flows of financial assets.

Assessment of the business model

The Bank conducts an assessment of the business model in which the financial asset is held, at the portfolio level, as this approach best reflects how the assets are managed and how information is made available to the Management Bodies. The information considered includes:

- The objectives and policies established for the portfolio and the practical operation of these policies;
- The assessment of the risks that affect the performance of the business model (and the financial assets held within that business model) and the way these risks are managed;
- The way business managers are remunerated; and

- The frequency, volume, and frequency of sales in previous periods, the reasons for the aforementioned sales, and the expectations for future sales. However, sales information should not be considered in isolation, but as part of an overall assessment of how the Bank sets financial asset management objectives and how cash-flows are obtained.

The business model reflects how the Bank manages its assets from the perspective of generating cash flows. Thus, it is important to understand whether the objective of the Bank is solely to receive the contractual cash flows from the assets ("Hold to collect") or if it intends to receive both the contractual cash flows and the cash flows resulting from the sale of the assets ("Hold to collect and sell"). If none of these situations are applicable (for example: financial assets are held for trading), then financial assets are classified as part of another business model and recognised at fair value through profit or loss. The factors considered by the Bank in identifying the business model for a set of assets include the past experience regarding how cash flows are received, how the performance of the assets is evaluated and reported to management, how risks are assessed and managed, and how the managers are remunerated.

Trading securities are held primarily with the intention of being sold in the short term or are part of a portfolio of financial instruments managed as a whole, for which there is clear evidence of a recent pattern of short-term profit-taking. These securi-

ties are classified under "other" business models and recognised at fair value through profit or loss.

The evaluation of the business model does not depend on the intentions for an individual instrument, but rather on a set of instruments, taking into account the frequency, value, sales calendar in previous years, the reasons for the aforementioned sales, and the expectations regarding future sales. Infrequent or insignificant sales, or those close to the maturity of the asset, and those motivated by an increase in the credit risk of financial assets or to manage concentration risk, among others, may be compatible with the business model that consists of holding financial assets to receive contractual cash flows. Accordingly, in line with the requirements of IFRS 9 – Financial Instruments, the Bank established the frequency criterion as three sales of distinct financial instruments per month and significance as 10% of the portfolio, corresponding to the ratio between the book value of sales during the period and the average of the opening and closing balances of the period. The review of the suitability of portfolios for business models, which includes an analysis of frequency and significance, takes place annually.

The evaluation of the business model does not depend on the intentions for an individual instrument, but rather on a set of instruments, taking into account the frequency, value, sales calendar in previous years, the reasons for the aforementioned sales, and the expectations regarding future sales. Infrequent or insignificant sales, or those close to

the maturity of the asset, and those motivated by an increase in the credit risk of financial assets or to manage concentration risk, among others, may be compatible with the model of holding assets to receive contractual cash flows.

Assessment of whether the contractual cash flows correspond only to the payment of principal and interest

When the business model involves holding assets with the purpose of (i) receiving contractual cash flows or (ii) receiving contractual cash flows and selling these assets, the Bank assesses whether the cash flows of the financial instrument correspond solely to Solely Payments of Principal and Interest (SPPI) test.

In this assessment, the Bank considers whether the contractual cash flows are consistent with a basic loan contract, that is, the interest includes only considerations relating to the time value of money, credit risk, other normal credit risks, and a profit margin that is consistent with a basic credit contract. When the contractual terms introduce exposure to risk or variability of cash flows that are inconsistent with a simpler loan agreement, the financial asset is classified and measured at fair value through profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether cash flows solely represent payments of principal and interest on the outstanding amount (SPPI test).

If a financial asset contains a contractual clause that may modify the schedule or the amount of the contractual cash flows (such as early repayment or extension of duration clauses), the Bank determines whether the cash flows that will be generated during the life of the instrument, due to the exercise of the aforementioned contractual clause, consist solely of payments of principal and interest on the principal amount outstanding.

In the event that a financial asset includes a periodic adjustment of the interest rate, but the frequency of that adjustment does not align with the term of the reference interest rate (for example: the monthly reference interest rate being adjusted every three months), the Bank assesses, at the time of initial recognition, this inconsistency in the interest component to determine whether the contractual cash flows represent solely payments of principal and interest on the outstanding principal amount.

The contractual terms that, at the time of initial recognition, have a minimal effect on cash flows or depend on the occurrence of exceptional or highly improbable events (such as settlement by the issuer) do not preclude their classification in portfolios at amortised cost or at fair value through other comprehensive income.

a) Financial assets at amortised cost

A financial asset is classified in the category of financial assets at amortised cost when the following conditions are cumulatively met:

- It is managed with a business model whose objective is to hold financial assets to receive contractual cash flows; and
- The contractual conditions give rise to cash flows on specific dates and correspond only to payments of principal and interest on the amount of capital outstanding.

The category of financial assets at amortised cost includes the balances of the items “Investments at central banks and other credit institutions”, “Investments at amortised cost”, and “Loans and advances to Customers”. The balances under “Investments at central banks and other credit institutions” and “Loans and advances to Customers” are recognised on the date the funds are made available to the counterparty (settlement date). Debt securities, recognised under the heading “Investments at amortised cost”, are recognised on the trade date, that is, on the date when the Bank commits to acquiring them.

Financial assets at amortised cost are initially recognized at fair value plus transaction costs and subsequently measured at amortized cost. Additionally, they are subject, after their initial recognition, to the calculation of impairment losses for expected credit losses.

Transaction costs are defined as expenses directly attributable to the acquisition or disposal of a financial asset, or to the issuance or assumption of a financial liability, which would not have been incurred if the Bank had not carried out the transaction. These include, for example, commissions paid to in-

termediaries (such as brokers) and expenses related to the formalisation of mortgages.

Interest on financial assets at amortised cost is recognized under net interest income in the heading “Interest and similar income” (Note 18), based on the effective interest rate method and in accordance with the principles detailed in Note 2.17.

b) Financial assets at fair value through other comprehensive income

A financial asset is classified in the category of financial assets at fair value through other comprehensive income when both of the following two conditions are met:

- It is managed like a business model whose aim combines the receipt of contractual cash flows from financial assets and their sale; and
- The contractual conditions give rise to cash flows on specific dates and correspond only to payments of principal and interest on the amount of capital outstanding.

Additionally, the Bank may irrevocably choose, upon initial recognition, to classify an equity instrument in the category of financial assets at fair value through other comprehensive income provided that it is neither held for trading nor has contingent consideration recognized by a buyer in a business combination subject to IFRS 3 – Business combinations (IFRS 3). This alternative is exercised on a case-by-case basis for each investment, where only financial instru-

ments that fall within the scope of the definition established in the provisions of IFRS 9 and IAS 32 – Financial Instruments: Presentation (IAS 32) are eligible. Capital instruments are instruments that satisfy the definition of capital from the issuer's perspective, that is, they are instruments that do not contain a contractual obligation of payment and that evidences a residual interest in the issuer's net assets. An example of equity instruments are ordinary shares.

As a general rule, the Bank exercises the option, upon initial recognition, to irrevocably designate investments in equity instruments not classified as held for trading in the category of financial assets at fair value through other comprehensive income, which would be classified as financial assets at fair value through profit or loss if the said option were not exercised. Impairment losses (and impairment reversals) are not recorded separately from other changes in fair value.

The category of financial assets at fair value through other comprehensive income includes debt and equity instruments recognised under the heading "Financial assets at fair value through other comprehensive income".

Debt instruments at fair value through other comprehensive income are initially recognised at fair value plus transaction costs and are subsequently measured at fair value. Changes in the fair value of these financial assets are recognised in other comprehensive income, and upon their disposal, the respective accumulated gains or losses in other comprehensive income are reclassified to a specific item in profit or loss.

The changes in the fair value of financial assets at fair value through other comprehensive income are recognised in accordance with the following criteria:

- Interest or, where applicable, dividends are recognised in profit or loss in the heading "Interest and similar income" and "Income from equity instruments" respectively. For interest, the procedure is the same as for assets measured at amortised cost;
- Exchange rate differences are recognised in the income statement in the heading "Foreign exchange results" in the case of monetary financial assets and as other comprehensive income in the case of non-monetary financial assets;
- In the case of debt instruments, impairment losses or gains on their recovery are recognised in the results under the heading "Impairment for other financial assets net of reversals and recoveries"; and
- The remaining value changes are recognised in another comprehensive income.

Thus, when a debt instrument is measured at fair value through other comprehensive income, the amounts recognised in profit or loss are the same as those that would be recognised if measured at amortised cost.

When a debt instrument measured at fair value through other comprehensive income is derecognised from the balance sheet, the gain or loss recorded in other comprehensive income is reclassified

to profit or loss. On the other hand, when an equity instrument valued at fair value through other comprehensive income is derecognised from the balance sheet, the gain or loss recorded in other comprehensive income is not reclassified to the profit and loss account, but remains in equity.

c) Financial assets at fair value through results

A financial asset is classified in the category of financial assets at fair value through profit or loss whenever, due to the Bank's business model or the characteristics of its contractual cash flows, it is not appropriate to classify the financial assets in any of the previous categories. In the classification of financial assets in this category, the Bank takes into account whether it expects to recover the book value of the asset through sale to a third party.

Also included in this portfolio are all instruments that meet any of the following characteristics:

- They are originated or acquired with the aim of trading them in the short term;
- Be part of a group of financial instruments identified and managed together for which there is evidence of recent actions aimed at achieving short-term gains; or
- Whether they are derivative instruments that do not meet the definition of a financial guarantee contract or have not been designated as hedging instruments.

As at 31 December 2024 and 2023, the Bank did not classify financial assets in this category.

2.5.2. Fair value

The following methodology is considered for the calculation of the fair value of debt securities:

- Average trading price on the calculation day or, if unavailable, the average trading price on the previous business day;
- Probable net realisable value obtained by adopting an internal valuation technique or model by discounting estimated future cash flows at market rates of return;
- Price of a similar financial instrument, taking into account, at a minimum, the payment and maturity terms, credit risk, and the currency or index; and
- Price set by the Banco Nacional de Angola.

2.5.3. Reclassification between categories of financial assets

The Bank reclassifies financial assets only if the business model used in their management changes, in which case, and in accordance with the requirements of IFRS 9, all the financial assets affected are reclassified.

The reclassification is made prospectively from the date of reclassification, not restating any gains, losses (including those related to impairment) or interest previously recognised.

The reclassification of investments under equity instruments measured at fair value through other comprehensive income, and financial instruments designated at fair value through profit or loss, is not permitted.

2.5.4. Changing credits

Occasionally, the Bank renegotiates or modifies the contractual cash flows of loans to Customers. In this situation, the Bank assesses whether the new terms of the contract are substantially different from the original terms.

The Bank makes this analysis considering, among others, the following factors:

- If the debtor is in financial difficulty, and the modification only reduces the contractual cash flows to an amount expected to be payable by the debtor;
- If any significant new term has been introduced, such as profit-sharing or an equity-based return, which substantially affects the credit risk;
- Significant extension of the maturity of the contract when the debtor is not in financial difficulties;

- Significant change in the interest rate;
- Change in the currency in which the credit was contracted; and
- Inclusion of collateral, a guarantee or another enhancement associated with the credit, which significantly affects the credit risk associated with the loan.

If the terms of the contract are materially different, the Bank derecognises the original financial asset and recognises the new asset at fair value by calculating its new effective interest rate. The renegotiation date is considered the initial recognition date for impairment calculation purposes, including for assessing whether there has been a significant increase in credit risk. However, the Bank also assesses whether the newly recognised financial asset is impaired at initial recognition, especially when the renegotiation is related to the debtor's failure to make the originally agreed payments. Differences in the book value are recognised in the income statement as a derecognition gain or loss.

If the terms of the contract are not significantly different, the renegotiation or modification does not result in derecognition and the Bank recalculates the gross book value based on the revised cash flows of the financial asset and recognises a gain or loss from this modification in profit or loss. The new gross book value is recalculated by discounting the modified cash flows at the original effective interest rate (or the effective interest rate adjusted for impaired financial assets, either originated or acquired).

2.5.5. Derecognition and modification of financial assets

Financial assets granted are derecognised when the associated cash flows cease, are collected, or disposed of to third parties, and the Bank: (i) transfers substantially all of the risks and benefits associated with holding the asset; or (ii) neither transfers nor holds substantially all of the risks and benefits associated with holding the asset and has no control over the asset. Gains and losses arising from the definitive disposal of loans to Customers are recorded under the heading "Other operating income." These gains or losses correspond to the difference between the agreed sale price and the book value of those assets, net of impairment losses.

The Bank participates in transactions in which it holds the contractual right to receive cash flows from assets, but assumes a contractual obligation to pay such cash flows to other entities and transfers substantially all risks and benefits.

These transactions result in the derecognition of the asset if the Bank:

- Shall have no obligation to make payments unless receiving equivalent amounts from the assets;
- It is prohibited from selling or pledging the assets; and
- Have the obligation to remit any cash flow it receives from the assets without material delay.

The guarantees granted by the Bank (shares and bonds) through repurchase agreements and securities lending and borrowing operations are not derecognised because the Bank retains substantially all the risks and benefits based on the predetermined repurchase price, thus failing to meet the criteria for derecognition.

Financial liabilities are derecognised when the underlying obligation is settled, expires or is cancelled.

2.5.6. Financial asset write-off policy

The Bank writes off financial assets, in part or in whole, when it concludes there is no reasonable expectation of collection, leading to an extreme total impairment scenario. The indicators demonstrating that there is no reasonable expectation of collection are: (i) the cessation of activity; and (ii) cases where recovery depends on the collection of collateral, but where the value of the collateral is so low that there is no reasonable expectation of recovering the asset in full.

The rules in place for selecting loans that can be written off are as follows:

- Financial assets cannot be backed by collateral;
- The financial assets must be fully closed (exposure fully recorded as overdue); and
- Financial assets cannot bear the mark of overdue renegotiated credits, nor be involved in the scope of an active payment agreement.

2.5.7. Impairment losses for financial assets

IFRS 9 requires that the concept of impairment based on expected losses is applied to all financial assets, except those measured at fair value through profit or loss.

Impairment losses are recognised for all financial assets, except for assets classified or designated at fair value through profit or loss and equity instruments designated at fair value through other comprehensive income. Financial assets subject to impairment loss assessment include cash, investments, debt securities, and loans and advances to Customers. Impairment losses are recorded against profit or loss, and subsequently reversed through profit or loss if the amount of the calculated loss decreases in a subsequent year.

Off-balance sheet asset such as guarantees provided and unused credit commitments are also subject to impairment loss assessment.

The measurement of impairment losses at each reporting date is made according to the evolution of its credit risk since the date of the initial recognition, and not according to the credit risk at the reporting date, considering:

- Stage 1 – Financial assets in which it is considered that there has been no significant increase in credit risk since the initial recognition. In this case, impairment will reflect expected credit losses resulting from default events that may occur within 12 months of the reporting date;

- Stage 2 – Financial assets for which a significant increase in credit risk is considered to have occurred since the initial recognition, but for which there is still no objective evidence of impairment. In this case, the impairment will reflect the expected credit losses over the remaining expected period of the financial asset; and
- Stage 3 – Financial assets for which there is concrete evidence of impairment as a result of checking default indicators. For financial assets considered to be credit impaired. In this case, the impairment will reflect the expected credit losses over the remaining expected period of the financial asset.

Assessment of a significant increase in credit risk

The criteria used to assess the significant increase in credit risk take into account the guidelines of Banco Nacional de Angola Instruction no. 08/2019 of 27 August and the requirements of IFRS 9.

The identification of a significant increase in credit risk requires considerable judgments. The movements between stage 1 and stage 2 are based, whenever possible, on the comparison of the credit risk of the instrument at the reporting date with the credit risk at the time of origination.

The assessment is generally carried out at the instrument level but may consider information at the debtor level.

This assessment is carried out at each reporting date based on a set of qualitative and/or non-s-

tatistical quantitative indicators. Instruments that are more than 30 days overdue are generally considered to have seen a significant increase in credit risk. In the case of loans and advances to Customers, other criteria are also considered, such as the existence of restructurings due to financial difficulties, default flag on Central Credit Information and Risk of Banco Nacional Bank de Angola, among others.

Regarding exposures associated with the angolan state, namely public debt securities, a downgrade of more than two notches in the rating since the date of origination of the asset is considered to be a significant increase in credit risk.

Exposures that are not in default but for which there has been a significant increase in credit risk since the initial recognition date are classified as stage 2.

Definition of default

The criteria used to classify an exposure in default take into account the guidelines of Banco Nacional de Angola Instruction no. 08/2019 of 27 August and the requirements of IFRS 9.

The definition of default takes into account risk management processes, particularly in the area of credit recovery, as well as best international practices in this field. The definition of default considers both qualitative and quantitative factors. The default criteria are applied at the transaction level for private Customers and at the debtor level for corporate Customers. Default will occur when the-

re is a delay of more than 90 days and/or when it is considered unlikely that the debtor will fully meet their obligations, for example, due to the existence of written-down capital or multiple restructurings of credit operations. The definition of default is applied consistently from period to period.

Exposures in default are classified as stage 3.

Measurement of expected credit losses

Expected credit losses are an estimate, weighted by probability, of the reductions in the value of cash flows resulting from default over the relevant horizon. For credit commitments, the estimates of expected credit losses consider a portion of the limit that is expected to be utilised during the relevant period. For financial guarantees, credit loss estimates are based on the payments expected under the guarantee agreement.

Expected credit losses are based on a range of possible outcomes and take into account all reasonable and credible information available, including expectations of future cash flows and historical experience of credit losses (in the case of loans to Customers). The measurement of expected credit losses is primarily the product of the instrument's Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) discounted to the reporting date using the effective interest rate.

The increases and decreases in the amount of expected credit losses attributable to acquisitions and new originations, derecognition or maturity,

and the remeasurements due to changes in the loss expectation or transfer between stages are recognised in profit or loss.

It is regarded as judgment in defining assumptions and estimates in the calculation of expected credit losses, which may result in changes in the amount of impairments from period to period.

Expected credit losses are discounted to the reporting date using the effective interest rate.

In relation to balances recorded under the headings “Cash and deposits at central banks” (Note 4), “Deposits at other credit institutions” (Note 5), “Investments at central banks and other credit institutions” (Note 6), “Financial assets at fair value through other comprehensive income” (Note 7) and “Investments at amortised cost” (Note 8) are analysed for expected credit losses according to the following assumptions:

- For the balances under the heading “Deposits at other credit institutions” (Note 5), the entity’s rating is checked or, if this is not available, the rating of the respective country. It is considered a PD equivalent to 1/12 (one twelfth) of the 12-month PD, taking into account the counterparty’s rating (or the rating of the respective country of the counterparty, if it has no rating) and an LGD of 60% for all counterparties that have not recorded a significant increase in credit risk.

- For the balances of the item “Investments at central banks and other credit institutions – Interbank money market operations” (Note 6), the rating of the entity is verified, or if not available, the rating of the respective country. A 12-month PD is considered taking into account the rating of the counterparty (or the country in which the counterparty has his headquarter, if the counterparty is not rated) and an LGD of 60% for all counterparties that have not experienced a significant increase in credit risk; and

- For the balances under the headings “Financial assets at fair value through other comprehensive income” (Note 7) and “Investments at amortised cost” (Note 8) relating to angolan sovereign debt securities denominated in domestic and foreign currency, the PD for sovereign debt corresponds to the rating assigned to the Angolan State, as determined using Moody’s study “Sovereign Default and Recovery Rates, 1983–2023”, and the LGD associated with observed sovereign default events, as indicated in the same study (61%). The PD is adjusted linearly for operations with a residual maturity of less than 12 months.

Regarding the balances recorded under “Cash and deposits at central banks” (Note 4) and “Investments at central banks and other credit institutions – Purchase of securities from third parties with resale agreements” (Note 6), the LGD is considered to be nil as there is no risk of recovery and no impairment losses are estimated.

The assumptions presented are based on the guidelines of Directive no. 13/DSB/DRO/2019, of 27 December, from the Banco Nacional de Angola – Guide on the Recommendations for the Implementation of the AQA Methodologies for the 2019 Financial Year (“Directive no. 13/DSB/DRO/2019”), with no subsequent guidelines having been issued.

Regarding the balances of the heading “Loans and advances to Customers” and off-balance sheet items such as guarantees provided and unused credit commitments, the following methods for calculation of expected credit losses are considered:

- Individual analysis; and
- Collective analysis.

Individual analysis

The assessment of the existence of expected credit losses by individual analysis is determined through an analysis of the total exposure on a case-by-case basis. For each individually significant exposure, the Bank assesses, at each balance sheet date, the existence of an objective evidence of impairment.

Exposures classified as individually significant are Customers or economic groups with gross exposure (total on-balance sheet and off-balan-

ce sheet liabilities without the application of credit conversion factors) of more than 0.5% of the amount of regulatory own funds. This materiality criterion ensures that the coverage of the exposure analysed individually is greater than 90% of the gross exposure.

When determining expected credit losses through individual analysis, the following factors are considered:

- The total exposure of each Customer to the Bank and the existence of overdue credit;
- The Customer's business's economic and financial viability and its ability to generate sufficient funds to meet future debt service obligations;
- The existence, nature and estimated value of the collateral associated with each loan;
- The Customer's assets in liquidation or bankruptcy situations;
- The existence of preferential creditors;
- Customer indebtedness to the financial sector;
- The estimated amount and timing of recoveries; and
- Other factors.

The weightings to be assigned to each of the financial projection scenarios, in accordance with the requirements set out in IFRS 9, take into account the guidelines in Directive no. 13/DSB/DRO/2019:

- Baseline scenario: 70%;
- Favourable scenario: 10%; and
- Adverse scenario: 20%.

To assess the value of real estate collateral, the Bank considers the valuations made by independent appraisers duly certified by the Capital Markets Commission. The valuation amount is adjusted by considering time discount periods and discount rates, taking into account the age of property valuations, in accordance with the guidance of Instruction no. 08/2019, dated 27 August, from the Banco Nacional de Angola and Directive no. 13/DSB/DRO/2019.

Impairment losses are calculated by comparing the present value of the expected future cash flows discounted at the original effective interest rate of each contract with the book value of each receivable, with the losses being recorded against profit or loss. The book value of impaired loans is presented in the balance sheet net of impairment losses. For loans with a variable interest rate, the discount rate used corresponds to the effective annual interest rate applicable during the period in which the impairment was determined.

Collective analysis

In the case of exposures that are not considered individually significant according to the selection criteria described above, or for which no objective evidence of impairment has been identified as a result of individual analysis, they should be subject to collective analysis. Thus, these Customers are grouped into homogeneous risk groups for the determination of expected credit losses.

Given the absence of a history with statistically representative observations, the risk parameters (PD and LGD) considered are based on a benchmark analysis of angolan financial institutions that present expected credit loss calculation through collective analysis in accordance with IFRS 9 requirements, and whose risk parameters have been determined based on historical loss experience in comparable transactions with similar credit risk characteristics, adjusted for the current economic situation and future expectations. The risk parameters determined through the benchmark analysis consider the identification of homogeneous groups similar to those of the Bank.

The risk parameters considered are applied to the EAD, which corresponds to the total exposure (on-balance sheet and off-balance sheet) net of financial collateral. Regarding off-balance sheet exposure, credit conversion factors are applied, which result in a reduction in exposure, taking into account the guidelines of Banco Nacional de Angola Instruction no. 08/2019 of 27 August.

2.6. Financial liabilities

A financial instrument is classified as a financial liability when there is a contractual obligation for its settlement to be made through the delivery of cash or another financial asset, regardless of its legal form.

Financial liabilities are initially recognised at their fair value less transaction costs incurred and subsequently at amortised cost, based on the effective interest method, with the exception of financial liabilities designated at fair value through profit or loss, which are recorded at fair value.

The Bank designates, at initial recognition, certain financial liabilities at fair value through profit or loss ("Fair Value Option") provided that at least one of the following requirements is met:

- Financial liabilities are managed, valued and analysed internally based on their fair value;
- Derivatives operations are contracted with the aim of providing economic hedging for these assets or liabilities, thereby ensuring consistency in the valuation of the assets or liabilities and the derivatives ("accounting mismatch"); or
- Financial liabilities contain embedded derivatives.

Financial liabilities are derecognised when the underlying obligation is settled, expires or is cancelled.

Financial non-derivative liabilities include central bank resources and resources from other credit institutions, Customer resources and other loans.

Financial liabilities cannot be reclassified between valuation categories.

2.7. Repurchase and resale agreement transactions

Securities sold with a repurchase agreement ("repo") at a fixed price or at a price that equals the selling price plus an interest inherent to the term of the operation are not derecognised from the balance sheet. The corresponding liability is accounted for in amounts payable to other credit institutions or to Customers, as appropriate. The difference between the sale price and the repurchase price is accounted as interest and is deferred over the term of the agreement using the effective interest method.

Securities purchased with a resale agreement ("reverse repo") for a fixed price or for a price that equals the purchase price plus an interest inherent to the term of the operation are not recognised in the balance sheet, and the purchase price is recorded as loans to other credit institutions or Customers, as appropriate. The difference between the purchase price and the resale value is treated as interest and is deferred over the duration of the agreement, using the effective interest rate method.

2.8. Derivative financial instruments

The Bank may carry out operations in derivative financial instruments within the scope of its activities, managing its own positions based on market evolution expectations or fulfilling its Customers' needs.

All derivative instruments are recorded at their trading date at fair value and fair value changes recognised in profit or loss, unless they qualify as hedging cash flows or net investment in foreign operating units. Derivatives are also recorded in off-balance sheet accounts at their reference value (notional amount).

Derivative financial instruments are classified as hedging (provided all the conditions for designation are met) or trading, depending on their purpose.

As of 31 December 2024 and 2023, the Bank had not contracted any derivative financial instruments.

2.9. Other tangible assets

Other tangible assets are stated at acquisition cost, less accumulated depreciation and impairment losses. The cost includes expenses that are directly attributable to the acquisition of the goods and essential for putting them in a usable condition.

Improvements on leased properties are capitalised and depreciated over the shorter of their useful life or the period that the Board of Directors expects to occupy these facilities.

Subsequent costs are recognised as a separate asset only if they are likely to result in future economic benefits for the Bank. Maintenance and repair expenses are recognised as costs as they are incurred, in accordance with the matching principle.

Depreciation is calculated over the estimated useful life of the assets, which corresponds to the period during which the assets are expected to be available for use. The estimated useful life years for the Bank’s main tangible asset classes are as follows:

	Years of useful life
Properties in use	25
Work on rented properties (improvements)	10 to 15
Furniture, fixtures, plant and equipment	
Safety equipment	8 to 15
Furniture and material	8 to 12
Interior facilities	3 to 8
Machinery and tools	3 to 8
Transport equipment	4
Computer equipment	3 to 6
Other equipment	3 to 8

In accordance with IAS 36 – Impairment of assets, when an asset has evidence of impairment, its recoverable amount must be estimated, and an impairment loss must be recognised when the net value of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement. Whenever it is established that the original indications of impairment no longer exist, impairment losses are reversed up to the value that the assets would have had if the losses had never been recognised.

The recoverable amount is determined as the higher of its net selling price and its value in use, the latter being calculated based on the present value of estimated future cash flows expected to be derived from the continued use of the asset and its disposal at the end of its useful life.

2.10. Intangible assets

Intangible assets essentially correspond to automatic data processing systems (software). Intangible assets are recorded at acquisition cost, less accumulated amortization and impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, which averages out to a period of three years.

The expenses related to software maintenance are recorded as costs in the financial year in which they are incurred, while the development of software applications for which there is an expectation of future economic benefits beyond a

financial year are recognised and recorded as intangible assets.

2.11. Leases

The Bank applies IFRS 16 – Leases. On the start date of each contract, the Bank assesses whether the scope of it corresponds to a lease contract or if it includes a lease. A lease is defined as a contract, or part of a contract, through which the right to control the use of an identifiable asset is granted for a specified period, in exchange for a payment.

To determine whether a contract confers the right to control the use of an identifiable asset for a certain period, the Bank assesses whether, during the period of use of the asset, it cumulatively owns it:

- The right to obtain substantially all the economic benefits arising from the use of the identifiable asset; and
- The right to control the use of the identifiable asset.

On the effective date of the lease, the Bank recognises a right-of-use asset at its cost, which corresponds to the initial amount of the lease liability adjusted by:

- Any advance payments;
- Rental incentives received; and
- Direct costs initially incurred.

The asset under right-of-use may include the estimated costs to remove and/or restore the underlying asset and/or the site where it is located, when required by the lease agreement.

The asset under right-of-use is subsequently depreciated using the straight-line method, from the effective date until the earlier of the end of the asset's useful life and the term of the lease. Additionally, the right-of-use asset is reduced by impairment losses, where applicable, and adjusted for any remeasurements of the lease liability.

On the effective date of the lease, the Bank recognises the lease liabilities measured at the present value of future lease payments, which include fixed payments deducted from lease incentives receivable, variable lease payments, and amounts expected to be paid as guaranteed residual value.

Lease payments also include the exercise price of purchase or renewal options reasonably certain to be exercised by the Bank, or lease termination penalty payments, if the lease term reflects the Bank's option to terminate the contract.

The services acquired from the lessor under the lease agreement are segregated and recorded according to their nature, and are not considered as a component of the lease for the purposes of determining the lease liability.

When calculating the present value of future lease payments, the Bank uses an incremental finan-

cing interest rate if the interest rate implicit in the lease is not readily determinable. An average incremental interest rate of 17% was applied to all contracts, taking into account the type of uniform assets (real estate) and the Bank's risk profile.

Subsequently, the value of lease liabilities is increased by the amount of interest and decreased by lease payments (rents).

Regarding the application of IFRS 16, short-term leases and leases of low-value assets were excluded, with the benchmark amount set at the equivalent in kwanzas of USD 5,000 at the lease commencement date.

2.12. Non-current assets held for sale

Assets are classified as non-current assets held for sale when their book value is intended to be realised primarily through a sale transaction rather than through their continued use in the activities of the Bank.

Non-current assets, groups of non-current assets held for sale (groups of assets combined with their respective liabilities, which include at least one non-current asset) and discontinued operations are classified as held for sale when there is an intention to dispose of these assets and liabilities and the assets or groups of assets are available for an immediate and highly probable sale (within one year).

Properties received through debt recovery are classified under the category "Non-current assets held for sale" when there is an expectation of sale within a maximum period of one year, being reclassified to the category "Other assets" once that period has elapsed. Properties are initially measured at the lower of their fair value less costs to sell and the book value of the existing credit at the date when the transfer or judicial execution of the asset took place.

Subsequently, these assets are measured at the lower of their cost and their fair value less selling costs, with unrealised losses being recognised in the income statement. When the book value corresponds to the fair value less costs to sell, the fair value level of the hierarchy of IFRS 13 – Fair Value Measurement corresponds to level 3.

As at 31 December 2024 and 2023, the Bank does not hold assets of this nature.

2.13. Property valuations

Property valuations related to real estate collateral connected with exposures under "Loans and advances to Customers" and directly held properties recognised under "Other tangible assets" are conducted in accordance with one of the following methodologies, applied according to the specific situation of the property.

Market method

This method is intended to estimate the value of the property from transaction values of similar and comparable properties to the property under study obtained through market prospecting carried out in the area.

Income method

This method aims to estimate the value of the property by capitalising its net income, discounted to present value using the discounted cash flow method.

Cost method

This method aims to estimate the value of the property by breaking down the value into its fundamental components: the value of the urban land and the value of urbanity, the value of the construction, and the value of indirect costs.

When valuing real estate, the Bank takes into account the assessments by independent appraisers duly certified by the Capital Markets Commission. The assessments are analysed internally with verification of the adequacy of the assumptions considered by the assessing appraisers.

2.14. Taxes

Income taxes recognised in the income statement include the effect of current and deferred taxes. The tax is recognised in the income statement, except when related to items that are moved in equity, a fact that implies its recognition under the aforementioned heading. Deferred taxes recognised in equity arising from the revaluation of financial assets at fair value through other comprehensive income and cash flow hedge derivatives are subsequently recognised in the profit or loss when the gains and losses that gave rise to them are recognised in profit or loss.

Current tax

The current tax is calculated based on the taxable income of the period, which differs from the accounting result due to adjustments to the taxable amount arising from income or costs that are not relevant for tax purposes, or that will only be considered in future periods in accordance with the applicable tax laws. The tax rate enacted or substantively enacted by the entities at the balance sheet date is taken into account.

Deferred tax

Deferred tax assets and liabilities correspond to the amount of tax recoverable or payable in future periods arising from deductible or taxable temporary differences between the book values of assets and liabilities in the balance sheet and their tax base, using the tax rates enacted or substantively enacted at the balance sheet date that are expected to be applied when the temporary differences reverse, in accordance with the requirements of IAS 12 – Income Taxes.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of assets and liabilities that do not affect either accounting profit or taxable profit, and for differences related to investments in subsidiaries to the extent that it is not probable that they will reverse in the future.

Deferred tax assets are recognised when it is probable that future taxable profits will be available to absorb temporary differences deductible for tax purposes (including tax losses carried forward).

To assess the recoverability of deferred tax assets, the Bank makes projections of taxable profits over the time horizon in which they may be recoverable, recognising deferred tax assets to the extent that recoverability can be demonstrated through the existence of future taxable profits.

Industrial tax

The Bank is subject to Industrial Tax and is considered a Group A taxpayer for tax purposes.

With the publication of Law No. 19/14, of 22 October, which came into force on 1 January 2015, as amended by Law No. 26/20, of 20 July, which approves the Industrial Tax Code, this tax is subject to provisional settlement in a single instalment to be made in August, determined by the application of a rate of 2% on the results derived from financial intermediation operations, computed in the first six months of the previous fiscal year, excluding profits subject to Capital Gains Tax (CGT), unless a loss was recorded in the previous year.

Law no. 26/20 of 20 July increased the Industrial Tax rate for banking sector activities from 30% to 35%. On the other hand, this law creates rules that have a significant impact on the determination of taxable income, such as:

- Costs/income with potential exchange rate valuations – In view of the new wording of paragraph c) of articles 13 and 14 of the Industrial Tax Code, only realised favourable and unfavourable exchange rate variations are considered as benefits and costs for tax purposes. In view of the above, the Bank must exclude, for the calculation of the tax base, the amounts of potential favourable and unfavourable exchange rate changes recorded in the year;
- Costs of impairment losses on guaranteed loans – In view of the new wording of article 45 of the Industrial Tax Code, impairment losses on loans whose risk is covered by collateral are not accepted, except for the part not covered; and
- Property Tax costs – According to the new wording of Article 18(a) of the Industrial Tax Code, it is not acceptable to deduct Property Tax from the taxable amount.

Tax losses calculated in a given financial year, in accordance with article 48 of the Industrial Tax Code, are deducted from the taxable income of one or more of the subsequent five years.

Capital Gains Tax

Presidential Legislative Decree No. 2/14 of October 20, in effect since November 19, 2014, revised and

introduced several legislative changes to the Capital Gains Tax Code following the Taxation Reform project.

IAC is generally levied on the income from the Bank's financial investments. The rate varies between 5% (in the case of interest, amortization or repayment premiums, and other forms of remuneration from public debt securities, bonds, share certificates, or other similar securities issued by any company, which are accepted for trading on a regulated market and have a maturity of three years or more) and 15%. Notwithstanding the foregoing, with regard to income from public debt securities, according to the latest understanding of the tax authorities conveyed to the Angolan Banking Association (ABANC), only those deriving from securities issued on or after 1 January 2012 are subject to this tax. Furthermore, it should be noted that, according to the position of the tax authorities also conveyed to ABANC, foreign exchange revaluations of government debt securities issued in domestic currency but indexed to foreign currency, issued since 1 January 2012, should be subject to Industrial Tax.

For its part, under the terms of Article 18 of the Industrial Tax Code, the CGT itself is not accepted as a deductible expense for the purposes of calculation of the taxable base, and, on the other hand, income subject to CGT shall be deducted from the taxable base, as provided for in Article 47 of the Industrial Tax Code.

Property Tax

The Property Tax Code entered into force on 9 August 2020, which is applicable to the holding of own properties, rents and the onerous transfer of real estate properties, approved by Law No. 20/20 of 9 July. The Property Tax replaced the Urban Property Tax that had previously been in force in the legal system.

According to the Property Tax Code, there are three tax tiers for urban buildings:

- 0.1%, for properties with an asset value of up to and including 5,000 thousand kwanzas;
- 5,000 kwanzas, for properties with an asset value between 5,000 thousand kwanzas and up to and including 6,000 thousand kwanzas; and
- 0.5%, for properties with an asset value above 6,000 thousand kwanzas (applicable to amounts in excess of 5,000 thousand kwanzas).

Specific rates apply to building land (0.6%) and rural properties (sum of hectares). Additionally, a property tax surcharge applies to empty urban buildings.

Value Added Tax

The Value Added Tax ("VAT") Code, approved by Law no. 7/19 of 24 April, and amended by Law no.

17/19 of 13 August, introduced a new excise duty in the angolan legislation, which entered into force on 1 October 2019. Subject to this tax are (i) transfers of goods and services carried out in the national territory, for consideration by a taxable person, acting in that capacity and (ii) imports of goods. VAT replaced the Excise Duty that had previously been in force in the legal system.

However, the VAT Code provides for the exemption of certain transactions, namely financial intermediation transactions, including those described in Annex III to the Code, unless they give rise to the payment of a specific and predetermined fee or consideration for their performance. These exempt transactions do not give rise to the right to deduct the VAT incurred by the taxable person on the acquisition of goods and services related to their performance.

Considering that the Bank is a taxable person that simultaneously carries out transactions that confer the right to deduction (transactions subject to VAT) and transactions that do not confer the right to deduction (transactions exempt from this tax as mentioned above), the VAT incurred by the Bank on its purchases of goods and services is only partially deductible using the pro rata method. The General Tax Administration issued Instruction 000003/DNP/DSIVA/AGT/2021 on 10 February, authorising the recovery of VAT using the real allocation method in certain transactions carried out by financial institutions (e.g. leasing transactions).

According to the current legislation, periodic VAT returns may be subject to review and correction by the tax authorities in the five years following the financial year to which they refer.

Tax substitution

In the context of its activities, the Bank assumes the role of tax substitute, withholding the taxes related to third parties at source, which are then subsequently paid to the State.

Industrial tax

In accordance with article 67 of Law no. 19/14, of 22 October, amended by Law no. 26/20, of 20 July, services of any kind provided by taxpayers with effective management or a permanent establishment in Angola are subject to withholding tax at the rate of 6.5%.

In turn, according to the provisions of Articles 71 and following of Law No. 19/14, of 22 October, amended by Law No. 26/20, of 20 July, the provision of services of any kind by taxpayers without a registered office, effective direction, or permanent establishment in Angola, who engage in the provision of services of any kind within angolan territory or provided for the benefit of entities with a registered office, effective direction, or permanent establishment in Angola, regardless of the location of their provision, shall be subject to Industrial Tax, by withholding at source, at a rate of 15%.

In the case of payments for services made to entities resident in Portugal and the United Arab Emirates, there is the possibility of applying the Double Taxation Agreements signed between Angola and Portugal and Angola and the United Arab Emirates and, as such, instead of withholding tax at 15%, it may be possible to apply a lower rate of withholding tax, provided that a number of requirements are met.

Capital Gains Tax

In accordance with Presidential Legislative Decree 2/14 of 20 October, the Bank withholds CGT at the rate of 10% from interest on term deposits paid to Customers.

Stamp Duty

Stamp Duty is generally levied on all acts, contracts, documents, titles, operations, and other events provided for in the table attached to the Stamp Duty Code, or in special laws, which take place within Angolan territory.

In accordance with the Stamp Duty Code, approved by Presidential Legislative Decree no. 3/14 of 21 October, the Bank is responsible for assessing and paying the Stamp Duty due by its Customers on most banking transactions, such as loans and the collection of interest on loans, and the Bank assesses the tax in accordance with the rates set out in the Stamp Duty Table.

Property Tax

With regard to properties leased by the Bank, as a lessee, the Bank withholds the tax due, at the effective rate of 15%, on the payment or delivery of rents for leased properties.

2.15. Provisions, contingent assets and liabilities

Provisions

Provisions are recognized when: (i) the Bank has a present obligation (legal or arising from past practices or published policies that imply the recognition of certain liabilities); (ii) it is probable that its payment will be demanded; and (iii) when a reliable estimate can be made of the amount of that obligation.

The measurement of provisions takes into account the principles defined in IAS 37 – Provisions, contingent liabilities and contingent assets (IAS 37) concerning the best estimate of expected cost, the most probable outcome of ongoing actions, and considering the inherent risks and uncertainties of the process, taking into account the best available information regarding the consequences of the event that would lead to their establishment.

In cases where the discount effect is material, for the determination of the corresponding provisions, the current value of expected future payments discoun-

ted at a rate that takes into account the risk associated with the obligation is calculated.

The provisions are revised at the end of each reporting date and adjusted to reflect the best estimate, and are reversed for the proportion of payments that are not probable.

Provisions are derecognised through their use for the obligations for which they were originally constituted or in cases where they are no longer observed.

Contingent liabilities

Contingent liabilities correspond to:

- A possible obligation arising from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not entirely under the control of the Bank; or
- A present obligation arising from past events, but which is not recognized because (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the financial statements, in accordance with IAS 37, and are disclosed whenever the possibility of an outflow of resources embodying economic benefits is not remote or the amounts involved are not immaterial.

Provisions relating to legal and tax proceedings between the Bank and third parties are constituted in accordance with internal risk assessments carried out by the Board of Directors, with the support and advice of its consultants in these matters.

As part of the Bank's business activity, guarantees are provided and credit commitments assumed to third parties, which, being off-balance sheet items (Note 25), and therefore contingent liabilities, may become credit exposures to be recorded on the Bank's balance sheet. At each reporting date, the Bank assesses the potential credit risk involved in these contracts in accordance with the expected credit loss model (Note 2.5.6.) and whenever it estimates credit risk losses, it records the respective provision in the balance sheet.

Contingent assets

Contingent assets typically arise from unplanned events or other unforeseen occurrences that give rise to the possibility of inflow of economic benefits for the Bank.

Contingent assets are not recognised in the financial statements, being framed within IAS 37 and disclosed whenever the possibility of an inflow of resources exists.

2.16. Financial reporting in hyperinflationary economies

In accordance with IAS 29 – Financial reporting in hyperinflationary economies ("IAS 29"), financial institutions must, in the event of hyperinflation, account monthly for the effects of changes in the purchasing power of the domestic currency, based on the application of the Consumer Price Index to non-monetary items. Hyperinflation is indicated by the characteristics of a country's economic environment, which includes, but is not limited to, the following situations:

- The general population prefers to store their wealth in non-cash assets or in relatively stable foreign currency. The amounts in domestic currency held are immediately invested to maintain purchasing power;
- The general population sees monetary amounts in terms of stable foreign currency. Prices may be quoted in that currency;
- Sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if that period is short.
- Interest rates, wages and prices are linked to a price index; and
- The cumulative inflation rate over three years is close to or exceeds 100%.

In accordance with the requirements set out in IAS 29, for the years ending 31 December 2018 and 2017, the functional currency of the Bank's financial statements corresponded to the currency of a hyperinflationary economy, losing that classification in the year that began in 2019, primarily as a result of the reduction in the inflation rate in Angola. However, with reference to those exercises, the Angolan Association of Banks and the Banco Nacional de Angola expressed their interpretation that not all the requirements laid down in IAS 29 were fulfilled for the Angolan economy to be considered hyperinflationary. The Bank's Board of Directors decided not to apply the provisions of IAS 29 in its financial statements for the years ended 31 December 2018 and 2017, and also not to make the necessary adjustments to the financial statements for subsequent years, regarding the opening balances and the adjustments resulting from the application of the provisions of IAS 29 when an economy ceases to be hyperinflationary, considering that the estimate of the impacts of applying the requirements of this standard led to the conclusion that they are immaterial for the presentation of the financial statements. In the exercise initiated in 2019, Angola ceased to be regarded as a hyperinflationary economy, as a result, essentially, of the reduction in the inflation rate (Note 17).

2.17. Recognition of interest

Interest income from financial instruments measured at amortised cost is recognised in headings “Interest and similar income” and “Interest and similar charges” (Note 18), using the effective interest rate method. The Effective interest rate on financial assets at fair value through other comprehensive income is also recognised in net interest income, as well as on financial assets and liabilities at fair value through profit or loss.

The effective interest rate is the rate that discounts estimated future payments or receipts over the expected life of the financial instrument (or, where appropriate, for a shorter period) for the net present book value of the financial asset or liability.

In determining the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument (for example, prepayment options), not accounting for potential impairment losses. The calculation includes fees paid or received, considered as an integral part of the effective interest rate, transaction costs and all premiums or discounts directly related to the transaction, except for financial assets and liabilities at fair value through profit or loss.

In the case of financial assets or groups of similar financial assets for which impairment losses have been recognised, the interest recorded in the income statement is determined based on the interest rate used to discount future cash flows when measuring impairment losses.

Interest income recognised in profit or loss on contracts classified in stages 1 or 2 is determined by applying the effective interest rate of each contract to its gross balance sheet value, which corresponds to its amortised cost, before deducting any impairment. For stage 3 financial assets, interest is recognised in the income statement based on their book value net of impairment.

For derivative financial instruments, with the exception of those classified as interest rate hedging instruments, the interest component is not independent of changes in fair value and is recognised under the heading “Results from assets and liabilities measured at fair value through profit or loss”. For derivatives hedging interest rate risk and associated with financial assets or financial liabilities recognised in the fair value option category, the interest component is recognized in net interest income.

2.18. Recognition of dividends

Dividends (income from equity instruments) are recognized in the income statement when the right to receive them is assigned.

2.19. Recognition of income from services and commissions

Income from services and commissions is recognised according to the following criteria:

- When they are obtained as the services are rendered, their recognition in results is carried out in the period to which they relate in accordance with IFRS 15 – Revenue from Contracts with Customers;
- When resulting from a provision of services, their recognition is performed when the said service is completed in accordance with IFRS 15; and
- When they are an integral part of the effective interest rate of a financial instrument, the income resulting from services and commissions is recorded in net interest income accordingly with IFRS 9.

2.20. Provided guarantees and commitments

Financial guarantees are contracts that oblige the Bank to make specific payments in order to reimburse the holder for a loss incurred as a result of a debtor defaulting on a payment. Irrevocable commitments are intended to provide credit under predetermined conditions.

Liabilities arising from financial guarantees or commitments given to provide a loan at an interest rate below market value are initially recognised at fair value, with the initial fair value being amortised over the useful life of the guarantee or commitment. Subsequently the liability is recorded at the higher of the amortised value and the present value of any payment expected to settle.

2.21. Fiduciary activities

The assets held in the context of fiduciary activities are not recognised in the Bank's financial statements. The results obtained from services and commissions arising from these activities are recognised in the income statement for the period in which they occur.

2.22. Earnings per share

The basic earnings per share is calculated by dividing the net income attributable to the Shareholders of the Bank by the weighted average number of ordinary shares in circulation, excluding the weighted average number of own shares held by the Bank.

Diluted earnings per share are calculated by adjusting for the effect of all potential ordinary shares that are treated as dilutive. Contingent or potential issues are treated as dilutive when their conversion into shares reduces earnings per share.

If the earnings per share are altered as a result of an issuance at a premium or discount or any other event that changes the potential number of ordinary shares or changes in accounting policies, the calculation of earnings per share for all periods presented is retrospectively adjusted.

2.23. Cash and cash equivalents

For the purposes of preparing the cash flow statement, cash and cash equivalents include the balances under the heading "Cash and deposits at central banks" (Note 4) and "Deposits at other credit institutions" (Note 5).

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The identity of BCS is marked by the strength of the results obtained and by a strong corporate culture based on excellence and the will to raise the quality of service provided to our Customers.

3. Main estimates and judgments used in the preparation of the financial statements

The IAS/IFRS establish a series of accounting procedures and require the Board of Directors to exercise judgement and make the necessary estimates in order to decide on the most appropriate accounting procedure.

The main accounting estimates and judgments used in the application of accounting principles by the Bank are presented in this Note, with the aim of improving understanding of how their application affects the Bank's reported results and their disclosure. A description of the material accounting policies used by the Bank is presented in Note 2.

Considering that, in many situations, there are alternatives to the accounting procedures adopted by the Board of Directors, the results reported by the Bank could be different had a different procedure been chosen. The Board of Directors believes that the choices made are appropriate and that the financial statements give a true and fair view of the Bank's financial position and the financial performance of its operations in all material respects.

3.1. Classification and measurement of financial assets

The classification and measurement of financial assets depends on the results of the analysis of the characteristics of the contractual cash flows, to conclude whether they correspond exclusively to payments of principal and interest, and the definition of the business model for managing these cash flows.

The Bank determines the business model by considering how groups of financial assets are managed together to achieve a specific business objective. This assessment requires judgement, as the following aspects, among others, must be taken into consideration:

- The manner in which the performance of the assets is assessed;
- The risks that affect the performance of the assets and how these risks are managed;
- The way in which business managers are compensated; and
- The frequency and significance of sales of financial assets in previous periods and the respective forecast of future sales.

The Bank monitors financial assets measured at amortised cost and at fair value through other comprehensive income that are derecognised before maturity, in order to understand the reasons behind their disposal and determine whether they are consistent with the objective of the business model defined for those assets. This monitoring is part of the process of continuous assessment by the Bank of the business model of the financial assets that remain in the portfolio, to determine whether it is appropriate and, if not, whether there has been a change in the business model and consequently a prospective change in the classification of these financial assets (Notes 6, 7, 8 and 9).

3.2. Fair value of financial instruments

The fair value of a financial instrument is the price at which an orderly transaction for the sale of an asset or the transfer of a liability would occur between market participants on the balance sheet date.

Fair value is based on market quotations, when available, and in the absence of quotations it is determined using the prices of recent similar transactions carried out under market conditions, or using valuation methodologies based on discounted future cash flow techniques taking into account mar-

ket conditions, time value, the yield curve and volatility factors. These methodologies may require the use of assumptions or judgments in estimating fair value. Consequently, the use of different methodologies, or different assumptions or judgements in applying a given model, could result in financial outcomes different from those reported.

3.3. Impairment losses for financial assets

The process of calculating impairment losses for financial assets is subject to various estimates and judgments. This process includes factors such as the probability of default, the loss given default, the impairment stage, the value of the collateral associated with each transaction, and the estimates of both future cash flows and the timing of their receipt.

Significant increase in credit risk

Impairment losses for financial assets correspond to the expected credit losses in the event of default over a 12-month time period, for stage 1 financial assets, and expected losses considering the probability of a default event occurring at some point up to the financial asset's maturity date, for stages 2 and 3.

A financial asset is classified in stage 2 whenever there has been a significant increase in credit risk since its initial recognition. When assessing the existence of a significant increase in credit risk, the Bank takes into account reasonable and sustainable qualitative and quantitative information.

Calculation of expected credit losses

The criteria to calculate impairment losses on financial assets are described in Note 2.5.6.

Impairment losses associated with Customer credit are based, among other factors and when applicable, on the valuations of the collateral associated with Customer credit operations, such as property mortgages. These were made on the assumption of maintaining all conditions of the real estate market, during the lifespan of the operations, corresponding to the best estimate of the market value of the said collateral as at the balance sheet date.

Property evaluations are prepared by independent experts registered with the Capital Markets Commission, and they implicitly involve a set of assumptions whose verification is subject to uncertainty given the current circumstances of the real estate market. Additionally, regarding the

calculation of impairment losses for loans and advances to Customers, the Bank also considers estimates regarding the recover and sale periods of the real estate collateral.

The recovery of loans to Customers, which is based on the debtors' business plans and the valuation of collateral, could be significantly impacted by the evolution of Angola's macroeconomic indicators. In this context, we should also highlight the expected recoverability of balances with related parties, which also depends on the future evolution of the activity of these entities.

Considering that there is no statistically representative historical data available on the behaviour of loans and advances to Customers to reliably estimate risk parameters (PD and LGD), the Bank carries out benchmark analysis to calculate impairment losses for loans and advances to Customers by collective analysis on each reference date.

Alternative methodologies and the evaluation of other assumptions and estimates could result in different levels of impairment losses recognised and presented for the headings "Cash and deposits at central banks" (Note 4), "Deposits at other credit institutions" (Note 5), "Investments at

348%**Variance
24/23 of the
result net**

central banks and other credit institutions” (Note 6), “Financial assets at fair value through other comprehensive income” (Note 7), “Investments at amortised cost” (Note 8) and “Loans and advances to Customers” (Note 9).

3.4. Identification and treatment of balances and transactions with related parties

In identifying related parties, the definition provided in Law No. 14/21 of 19 May, the Legal Framework of Financial Institutions, is considered, corresponding to holders of qualified or non-qualified holdings, entities that are directly or indirectly in a relationship of control or group, members of the governing and supervisory bodies of Financial Institutions and their spouses, descendants or ascendants up to the second degree in the direct line, considered as the ultimate beneficial owners of the transactions or the assets. According to this law, the ultimate beneficial owner is the natural person who is the ultimate owner or holder of ultimate control of a Customer or the person in whose interest a transaction is carried out.

The Bank has defined and implemented policies on conflict of interest and transactions with related parties, aimed at adopting procedures in accordance with current legislation, namely the execution of transactions with related parties on market terms (similar to those practiced with non-related parties). In this context, with regard to the approval of credit

operations with related parties, these are subject to assessment by the Compliance Department and the Supervisory Board through the issuance of opinions, and are ratified by the Board of Directors.

Considering the regulatory requirements, the identification of economic groups is carried out, taking into account the definition of Notice no. 08/2021, of 5 July, from the Banco Nacional de Angola, corresponding to the group of individuals or legal entities that constitute a single entity from the perspective of the risk assumed, due to their interconnection such that, in the event of financial difficulties, the other parties may face challenges in meeting their obligations. Indications of the existence of a group of counterparties linked to each other are considered to exist whenever there are common shareholders or directors, cross-guarantees or commercial interdependence that cannot be replaced in the short term, with the substance of the transactions and economic relations taking precedence over their formal aspects. This does not apply to relations between companies with majority public capital, based in Angola, without participation relations between them, and between them and the Angolan State.

The internal procedures for identifying and addressing balances and transactions with related parties and group relationships include a set of subjective and judgmental assumptions, notably regarding the nature of the relationships between the entities and the recoverability perspective of the outstanding balances, which may be affected by the future development of those entities' activities.

The Board of Directors believes that, regarding this matter, with reference to 31 December 2024, based on all the information available at that date, the disclosures included in the Bank's financial statements are sufficient and appropriate and that the applicable legal and regulatory requirements are being met.

Other interpretations could result in changes to the balances and transactions with related parties disclosed in Note 26.

3.5. Income tax

Taxes, including income taxes (current and deferred), are determined by the Bank on the basis of the rules defined by the tax framework in force. However, in some situations, tax legislation may not be sufficiently clear and objective, giving rise to different interpretations. In these cases, the amounts recorded are the result of the Bank's Board of Directors' best understanding of the correct framework for its operations, which may, however, be questioned by the tax authorities.

The calculation of the current tax estimate was determined in accordance with Law No. 26/20, of 20 July, with the applicable tax rate being 35%.

In order to determine the overall amount of income tax, it was necessary to make certain interpretations and estimates. There are various transactions and calculations for which the determination of taxes payable is uncertain during the normal business cycle, with emphasis on the tax treatments introduced by the

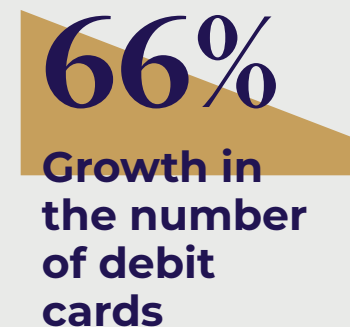
wording of Law 26/20, of 20 July, namely (i) costs/income with potential/realised exchange rate valuations and (ii) costs with impairment losses on secured loans, as well as the assumptions made by the Bank in determining income tax for the year and deferred taxes, which are still subject to ratification by the General Tax Administration.

Deferred taxes are calculated based on the tax rates expected to be in force on the date of the reversal of the temporary differences, which correspond to the rates approved or substantially approved on the balance sheet date. For the years ending 31 December, 2024 and 2023, deferred tax was generally calculated at a rate of 35%.

In accordance with the requirements of IAS 12, deferred tax liabilities should be recognised in their entirety, while deferred tax assets should only be recognized if there is certainty that future taxable income will be sufficient to allow the benefit of the loss to be realized.

The General Tax Administration has the possibility of reviewing the Bank's calculation of the tax base for a period of five years. As such, adjustments to the taxable amount may arise, mainly due to differences in the interpretation of tax legislation, which, given their likelihood, the Board of Directors considers will not have a materially relevant impact on the financial statements.

Other interpretations and estimates could result in a different level of taxes on results, current and deferred, recognised or in the analysis of their recoverability (Note 11).



66%
**Growth in
the number
of debit
cards**

4. Cash and deposits at central banks

This heading has the following composition:

	31/12/2024	31/12/2023
Cash		
Domestic notes and coins	6,513,050	1,418,850
Foreign notes and coins		
In euros	31,385	68,718
In United States dollars	17,781	201,010
Other currencies	509	464
	6,562,725	1,689,042
Demand deposits at Banco Nacional de Angola		
In domestic currency	53,578,662	37,710,290
In United States dollars	5,563,200	3,730,097
In euros	4,485,739	13,029,410
	63,627,601	54,469,797
Total	70,190,326	56,158,839

Demand deposits at Banco Nacional de Angola in domestic and foreign currency are intended to comply with the provisions in force for maintaining mandatory reserves and are not remunerated.

As at 31 December 2024, the mandatory reserves are determined pursuant to the provisions in Instruction No. 08/2021 of 14 May, in Instruction No. 06/2024 of 12 June, in Directive No. 06/DMA/DSP/2021 of 21 May, and in Directive No. 04/2024 of 17 June.

As at 31 December 2023, the mandatory reserves are determined pursuant to the provisions in Instruction No. 08/2021 of 14 May, in Instruction No. 04/2021 of 30 March, in Directive No. 06/DMA/DSP/2021 of 21 May, and in Directive No. 12/2023 of 28 November.

The mandatory reserves are constituted in domestic currency and in foreign currency, according to the respective denomination of the liabilities constituting their basis of assessment.

As at 31 December 2024 and 2023, the mandatory minimum reserve requirement in demand deposits at Banco Nacional de Angola is determined by applying the quotients summarised in the following table:

	31/12/2024			31/12/2023		
	Calculation	Domestic currency	Foreign currency	Calculation	Domestic currency	Foreign currency
Rate on the Basis of Assessment						
Central Government	Daily	100%	100%	Daily	100%	100%
Local Governments and Municipal Administrations	Daily	21%	100%	Daily	18%	100%
Other sectors	Monthly	21%	22%	Biweekly	18%	22%

On 31 December 2024 and 2023, up to 80% of the assets representing the value of credit disbursements, in domestic currency, in good standing, relating to projects in the agriculture, livestock, forestry and fisheries sectors, granted up to 14 April 2021, provided that they have a residual maturity of 24 months or more, as well as all credits defined in accordance with the provisions of the Article 8 of Notice no. 10/2024 of 20 December (Article 8 of Notice no. 10/2022 of 6 April on 31 December 2023), on the granting of credit to the

real sector of the economy, whatever the residual maturity and of credits defined in accordance with the provisions of Article 11 of Notice no. 09/2024 of 20 December (Article 11 of Notice no. 09/2023 of 3 August on 31 December 2023), on the granting of housing loans, whatever the residual maturity.

The methodology for calculating impairment losses is described in Note 2.5.6.

5. Deposits at other credit institutions

This heading has the following composition:

	31/12/2024	31/12/2023
Deposits at other credit institutions abroad		
In United States dollars	24,046,164	36,444,323
In euros	4,248,275	5,704,439
Other currencies	360,948	463,077
	28,655,387	42,611,839
Credits in the payment system	1,114,266	941,610
Impairment losses (Note 15)	(15,843)	(75,568)
Total	29,753,810	43,477,881

Demand deposits held with other credit institutions are not remunerated.

On 31 December 2024 and 2023, the amount to be collateralised for import letters of credit amounts to 3,754,210 thousand kwanzas and 7,547,931 thousand kwanzas, respectively.

The methodology for calculating impairment losses is described in Note 2.5.6.

6. Investments at central banks and other credit institutions

This heading has the following composition:

	31/12/2024	31/12/2023
Interbank money market operations		
Abroad	3,323,191	8,288,000
Domestic	-	3,000,000
	3,323,191	11,288,000
Income receivable	254	5,414
Impairment losses (Note 15)	(1,057)	(12,130)
Total	3,322,388	11,281,284

On 31 December 2024 and 2023, interbank money market operations had residual maturities of up to one month.

On 31 December 2024 and 2023, investments in central banks and other credit institutions bear interest at the following average annual rates, weighted by the respective nominal value of the operations:

	31/12/2024	31/12/2023
Interbank money market operations		
In euros	2.75%	n.a.
In kwanzas	n.a.	5.00%
In United States dollars	n.a.	4.84%

The methodology for calculating impairment losses is described in Note 2.5.6.

7. Financial assets at fair value through other comprehensive income

This heading has the following composition:

	31/12/2024					
	Average interest rate	Cost of acquisition	Positive change in fair value	Negative change in fair value	Income receivable	Book value
Treasury bonds in domestic currency	17.91%	103,888,468	7,290,848	(341,269)	3,491,585	114,329,632
Investment fund units	n.a.	392,250	-	-	-	392,250
Shares	n.a.	68,203	-	-	-	68,203
Total		104,348,921	7,290,848	(341,269)	3,491,585	114,790,085

	31/12/2023					
	Average interest rate	Cost of acquisition	Income receivable	(Premium)/Discount	Gross value	Book value
Shares	n.a.	68,203	-	-	-	68,203
Total		68,203	-	-	-	68,203

On 31 December 2024, the participation units correspond to the subscription of 39,225 investment units (3.76%) of BCS – Multiplica, Special Closed-End Investment Fund in Securities, for Public Subscription.

On 31 December 2024 and 2023, the shares refer entirely to the 0.9% stake, based on the changes resulting from the Shareholders' agreement of 2018, in the capital of EMIS – Empresa Interbancária de Serviços, S.A.R.L. ("EMIS"). EMIS was incorporated in Angola for the purpose of management of electronic means of payment and ancillary services.

As at 31 December 2024, public debt securities are classified in this portfolio as they comply with SPPI requirements and the associated business model consists of receiving contractual cash flows or through their sale, and equity instruments.

On 31 December 2024, government debt securities are remunerated at a fixed rate.

On 31 December 2024, and 2023, the fair value valuation hierarchy in accordance with the requirements of IFRS 13 is as follows:

	31/12/2024			Total
	Level 1 Active market prices	Level 2 Observable market data	Level 3 Other valuation techniques	
Treasury bonds in domestic currency	-	114,329,632	-	114,329,632
Investment fund units	-	-	392,250	392,250
Shares	-	-	68,203	68,203
Total	-	114,329,632	460,453	114,790,085

	31/12/2023			Total
	Level 1 Active market prices	Level 2 Observable market data	Level 3 Other valuation techniques	
Shares	-	-	68,203	68,203
Total	-	-	68,203	68,203

On 31 December 2024 and 2023, public debt securities, excluding changes in fair value and receivables, show the following structure by residual maturity periods:

	31/12/2024
Up to one month	-
One to three months	-
Three to six months	-
Three months to one year	-
One to three years	46,649,150
Three to five years	5,670,831
More than five years	51,568,487
Total	103,888,468

The fair value calculation methodology is described in Note 2.5.2. The movement in the fair value reserve is shown in Note 17.

The disclosures set out in IFRS 7 – Financial instruments: Disclosures (IFRS 7) and IFRS 9 associated with this item are presented in Notes 27 and 28.

8. Investments at amortised cost

This heading has the following composition:

31/12/2024							
	Average interest rate	Cost of acquisition	Income receivable	(Premium)/Discount	Gross value	Impairment losses (Note 15)	Book value
Treasury bonds in domestic currency	17.10%	41,988,766	1,949,145	53,401	43,991,312	(644,201)	43,347,111
Treasury Bills	16.65%	16,537,633	1,120,156	-	17,657,789	(114,923)	17,542,866
Treasury bonds in foreign currency	7.10%	14,592,000	293,010	(694)	14,884,316	(236,067)	14,648,249
Total		73,118,399	3,362,311	52,707	76,533,417	(995,191)	75,538,226

31/12/2023							
	Average interest rate	Cost of acquisition	Income receivable	(Premium)/Discount	Gross value	Impairment losses (Note 15)	Book value
Treasury bonds in domestic currency	16.95%	53,889,293	2,493,759	421,215	56,804,267	(693,923)	56,110,344
Treasury Bills	12.10%	11,160,830	131,389	-	11,292,219	(119,628)	11,172,591
Treasury bonds in foreign currency	5.90%	3,315,200	27,405	-	3,342,605	(49,894)	3,292,711
Total		68,365,323	2,652,553	421,215	71,439,091	(863,445)	70,575,646

On 31 December 2024, and 2023, the balance of this heading corresponds to public debt securities.

On 31 December 2024 and 2023, public debt securities are classified in this portfolio since they comply with SPPI requirements and the associated business model consists of receiving contractual cash flows.

On 31 December 2024 and 2023, government debt securities are remunerated at a fixed rate.

On 31 December 2024 and 2023, the public debt securities, excluding receivables, discount and impairment losses, present the following structure by residual maturity dates:

	31/12/2024	31/12/2023
One to three months	9,626,052	10,607,132
Three to six months	2,880,294	1,815,800
Three months to one year	6,911,581	10,588,565
One to three years	18,597,414	11,057,012
Three to five years	5,427,551	14,565,900
More than five years	29,675,507	19,730,914
Total	73,118,399	68,365,323

In the financial years ended 31 December 2024 and 2023, disposals of financial assets classified in this portfolio were made. However, in view of the analysis carried out, it is understood that they do not jeopardize the business model, considering that the disposals are not cumulatively frequent and significant according to the criteria defined by the Bank in relation to the requirements of IFRS 9 (Note 2.5.1).

The methodology for calculating impairment losses is described in Note 2.5.6.

The IFRS 7 and IFRS 9 disclosures associated with this item are presented in Notes 27 and 28.

9. Loans and advances to Customers

This heading has the following composition:

	31/12/2024	31/12/2023
Non-overdue loans		
Medium and long-term loans	50,939,847	59,274,182
Escrow accounts	32,363,210	22,681,210
Demand deposit overdrafts	436,198	370,523
Credit cards	2,287,028	1,212,773
	86,026,283	83,538,688
Overdue loans		
Medium and long-term loans	2,678,556	1,168,754
Escrow accounts	408,425	2,151
	3,086,981	1,170,905
Total loans granted	89,113,264	84,709,593
Income receivable	893,198	214,158
Deferred fees	(71,628)	(437,426)
Impairment losses (Note 15)	(4,185,536)	(3,679,888)
Total	85,749,298	80,806,437

On 31 December 2024 and 2023, the balance of this heading corresponds essentially to credit operations denominated in domestic currency.

On 31 December 2024 and 2023, the balance of the heading associated with related parties amounted to 55,350,167 thousand kwanzas and 52,292,361 thousand kwanzas, respectively (Note 26).

On 31 December 2024, and 2023, the exposure to non-overdue loans, excluding receivables, presents the following structure by residual maturity terms:

	31/12/2024	31/12/2023
Up to one month	4,529,333	2,665,264
One to three months	6,837,595	391,274
Three to six months	24,577,946	41,150,960
Three months to one year	990,888	19,314,105
One to three years	13,288,007	9,645,368
Three to five years	30,563,310	9,448,048
More than five years	5,239,204	923,669
Total	86,026,283	83,538,688

On 31 December 2024, and 2023, the loans exposure, excluding receivables and impairment losses, presents the following structure regarding the type of interest rate:

	31/12/2024	31/12/2023
Variable rate	79,467,475	75,375,580
Fixed rate	9,645,789	9,334,013
Total	89,113,264	84,709,593

On 31 December 2024, and 2023, the loan operations accrue interest at an average annual rate weighted by capital of 23.14% and 14.14%, respectively.

On 31 December 2024, and 2023, the breakdown of gross exposure to loans and advances to Customers, including off-balance sheet liabilities (Note 25) and impairment losses and provisions (Note 15) is as follows:

	31/12/2024		31/12/2023	
	Exposure	Impairment losses (Note 15)	Exposure	Impairment losses (Note 15)
Loans and advances to Customers	90,006,462	(4,185,536)	84,923,751	(3,679,888)
Import letters of credit (Note 25)	10,199,774	(173,428)	30,098,716	(445,007)
Guarantees given (Note 25)	10,860,186	(260,435)	11,115,554	(204,950)
Irrevocable credit lines (Note 25)	2,662,575	-	2,535,849	-
Total	113,728,997	(4,619,399)	128,673,870	(4,329,845)

Regarding the balance of irrevocable credit lines, corresponding to unused limits, impairment losses are shown under loans and advances to Customers.

On 31 December 2024, and 2023, the credit exposure is fully based in Angola.

The methodology for calculating impairment losses is described in Note 2.5.6.

On 31 December 2024 and 2023, credit exposure by sector of activity is as follows:

Sector of activity	31/12/2024						
	Loans and advances to Customers		Off-balance sheet	Total exposure	Relative weight	Impairment losses	
	Non-overdue	Overdue				Value	Coverage %
Companies							
Wholesale and retail trade; repair of motor vehicles and motorcycles	46,426,708	174,592	2,601,545	49,202,845	43%	(1,812,570)	4%
Manufacturing industries	12,281,003	783,145	1,158,578	14,222,726	13%	(1,126,145)	8%
Construction	1,118,003	10	9,701,623	10,819,636	10%	(290,388)	3%
Information and communication activities	7,666,159	1,212,425	961,919	9,840,503	9%	(471,750)	5%
Transport and storage	9,102,559	405,220	9,481	9,517,260	8%	(204,675)	2%
Administrative activities and support services	890,402	-	7,061,751	7,952,153	7%	(194,792)	2%
Other service activities	910,584	421,250	978,533	2,310,367	2%	(234,666)	10%
Artistic, entertainment, sporting and recreational activities	187,972	10,137	5,272	203,381	0%	(47,720)	23%
Consulting, scientific, technical and similar activities	68,299	-	74,670	142,969	0%	(4,009)	3%
Financial and insurance activities	10,957	-	24,043	35,000	0%	(225)	1%
Collection, treatment and distribution of water, sanitation, public hygiene and similar activities	-	32,409	-	32,409	0%	(27,039)	83%
Public administration and defence; compulsory social security	2,852	-	17,148	20,000	0%	(90)	0%
Education	3,555	-	7,458	11,013	0%	(72)	1%
Accommodation, catering (restaurants and similar)	4,408	-	2,592	7,000	0%	(70)	1%
Activities of international organizations and other extraterritorial institutions	57	638	943	1,638	0%	(536)	33%
	78,673,518	3,039,826	22,605,556	104,318,900	92%	(4,414,747)	4%
Individuals							
Consumer credit	5,560,763	37,129	-	5,597,892	5%	(169,025)	3%
Mortgage loans	1,051,977	-	-	1,051,977	1%	(6,907)	1%
Other purposes	1,633,223	10,026	1,116,979	2,760,228	2%	(28,720)	1%
	8,245,963	47,155	1,116,979	9,410,097	8%	(204,652)	2%
Total	86,919,481	3,086,981	23,722,535	113,728,997	100%	(4,619,399)	4%

31/12/2023

Sector of activity	Loans and advances to Customers		Off-balance sheet	Total exposure	Relative weight	Impairment losses	
	Non-overdue	Overdue				Value	Coverage %
Companies							
Wholesale and retail trade; repair of motor vehicles and motorcycles	43,695,735	542,690	19,780,169	64,018,594	50%	(1,959,299)	3%
Manufacturing industries	3,949,257	-	8,179,863	12,129,120	9%	(334,262)	3%
Construction	3,128,474	262,319	8,457,307	11,848,100	9%	(476,271)	4%
Transport and storage	10,455,376	95,000	8,691	10,559,067	8%	(258,892)	2%
Agriculture, animal husbandry, hunting, forestry and fisheries	9,850,573	37,526	13,177	9,901,276	8%	(575,783)	6%
Administrative activities and support services	234,990	45,985	4,401,081	4,682,056	4%	(108,648)	2%
Information and communication activities	2,734,370	-	1,140,367	3,874,737	3%	(127,804)	3%
Other service activities	1,411,536	20,889	890,411	2,322,836	2%	(216,278)	9%
Artistic, entertainment, sporting and recreational activities	175,477	3,020	170,695	349,192	0%	(11,967)	3%
Financial and insurance activities	199,106	-	10,894	210,000	0%	(11,368)	5%
Collection, treatment and distribution of water, sanitation, public hygiene and similar activities	-	52,601	-	52,601	0%	(42,606)	81%
Consulting, scientific, technical and similar activities	17,815	-	15,364	33,179	0%	(238)	1%
Mining industries	749	18,564	3,751	23,064	0%	(3,116)	14%
Accommodation, catering (restaurants and similar)	8,820	-	2,854	11,674	0%	(391)	3%
Education	83	-	4,917	5,000	0%	(12)	0%
	75,862,361	1,078,594	43,079,541	120,020,496	93%	(4,126,935)	3%
Individuals							
Consumer credit	5,947,041	12,211	-	5,959,252	5%	(170,774)	3%
Mortgage loans	844,778	-	-	844,778	1%	(7,671)	1%
Other purposes	1,098,666	80,100	670,578	1,849,344	1%	(24,465)	1%
	7,890,485	92,311	670,578	8,653,374	7%	(202,910)	2%
Total	83,752,846	1,170,905	43,750,119	128,673,870	100%	(4,329,845)	3%

On 31 December 2024 and 2023, the exposures and impairments by segment and stage are detailed as follows:

Segment	31/12/2024													
	Loans to Customers										Impairment losses			
	Total	Stage 1 credit	Of which forborne	Of which restructured	Stage 2 credit	Of which under remedy	Of which restructured	Stage 3 credit	Of which under remedy	Of which restructured	Total	Stage 1 credit	Stage 2 credit	Stage 3 credit
Financing														
Large Corporate	43,112,620	41,900,195	-	-	-	-	-	1,212,425	-	-	(1,091,130)	(1,018,191)	-	(72,939)
Individuals	5,157,148	5,155,993	-	2,619	589	-	-	566	-	-	(169,100)	(168,476)	(151)	(473)
Companies	3,405,271	1,852,696	-	-	394,437	233,457	394,437	1,158,138	527,511	708,037	(780,548)	(88,951)	(40,277)	(651,320)
Employees	1,634,362	1,634,362	-	-	-	-	-	-	-	-	(10,731)	(10,731)	-	-
Escrow accounts	34,842,554	34,122,554	-	-	200,000	-	-	520,000	-	-	(2,035,075)	(1,554,184)	(47,582)	(433,309)
Credit cards	4,087,247	4,082,247	-	-	-	-	-	5,000	-	-	(39,027)	(37,788)	-	(1,239)
Overdrafts	429,835	417,314	-	-	424	-	-	12,097	647	-	(59,925)	(49,726)	(106)	(10,093)
Off-balance sheet														
Large Corporate	12,801,206	12,801,206	-	-	-	-	-	-	-	-	(278,817)	(278,817)	-	-
Companies	8,258,754	8,258,754	-	-	-	-	-	-	-	-	(155,046)	(155,046)	-	-
Total	113,728,997	110,225,321	-	2,619	595,450	233,457	394,437	2,908,226	528,158	708,037	(4,619,399)	(3,361,910)	(88,116)	(1,169,373)

Segment	31/12/2023													
	Loans and advances to Customers										Impairment losses			
	Total	Stage 1 credit	Of which forborne	Of which restructured	Stage 2 credit	Of which under remedy	Of which restructured	Stage 3 credit	Of which under remedy	Of which restructured	Total	Stage 1 credit	Stage 2 credit	Stage 3 credit
Financing														
Large Corporate	41,993,621	41,993,621	-	-	-	-	-	-	-	-	(894,572)	(894,572)	-	-
Individuals	11,406,772	9,682,295	-	233,750	324,013	311,210	311,210	1,400,464	461,777	505,514	(1,180,848)	(365,769)	(32,325)	(782,754)
Companies	5,925,780	5,925,024	-	102,862	756	756	-	-	-	-	(177,689)	(177,460)	(229)	-
Employees	1,225,154	1,224,253	-	-	-	-	-	901	901	901	(8,496)	(7,767)	-	(729)
Escrow accounts	24,761,065	24,641,065	-	-	-	-	-	120,000	120,000	-	(1,367,351)	(1,270,663)	-	(96,688)
Credit cards	2,336,620	2,331,620	-	-	5,000	5,000	-	-	-	-	(16,538)	(16,384)	(154)	-
Overdrafts	369,152	363,780	-	-	7	7	-	5,365	54	-	(34,394)	(30,046)	(2)	(4,346)
Off-balance sheet														
Large Corporate	34,237,996	34,237,996	-	-	-	-	-	-	-	-	(535,600)	(535,600)	-	-
Companies	6,417,710	6,417,710	-	-	-	-	-	-	-	-	(114,357)	(114,357)	-	-
Total	128,673,870	126,817,364	-	336,612	329,776	316,973	311,210	1,526,730	582,732	506,415	(4,329,845)	(3,412,618)	(32,710)	(884,517)

On 31 December 2024 and 2023, the credit exposure by segment and by range of days in arrears is as follows:

Segment	31/12/2024																	
	Exposure									Impairment losses								
	Stage 1			Stage 2			Stage 3			Stage 1			Stage 2			Stage 3		
	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days
Financing																		
Large Corporate	41,900,195	-	-	-	-	-	-	-	1,212,425	(1,018,191)	-	-	-	-	-	-	-	(72,939)
Individuals	5,155,993	-	-	-	589	-	-	-	566	(168,476)	-	-	-	(151)	-	-	-	(473)
Companies	1,852,696	-	-	233,457	160,980	-	527,511	-	630,627	(88,951)	-	-	(23,675)	(16,602)	-	(260,044)	-	(391,276)
Employees	1,634,362	-	-	-	-	-	-	-	-	(10,731)	-	-	-	-	-	-	-	-
Escrow accounts	34,122,554	-	-	-	200,000	-	-	-	520,000	(1,554,184)	-	-	-	(47,582)	-	-	-	(433,309)
Credit cards	4,082,247	-	-	-	-	-	5,000	-	-	(37,788)	-	-	-	-	-	(1,239)	-	-
Overdrafts	417,314	-	-	424	-	-	6,272	2,060	3,765	(49,726)	-	-	(106)	-	-	(5,232)	(1,719)	(3,142)
Guarantees given																		
Large Corporate	12,801,206	-	-	-	-	-	-	-	-	(278,817)	-	-	-	-	-	-	-	-
Companies	8,258,754	-	-	-	-	-	-	-	-	(155,046)	-	-	-	-	-	-	-	-
Total	110,225,321	-	-	233,881	361,569	-	538,783	2,060	2,367,383	(3,361,910)	-	-	(23,781)	(64,335)	-	(266,515)	(1,719)	(901,139)

Segment	31/12/2023																	
	Exposure									Impairment losses								
	Stage 1			Stage 2			Stage 3			Stage 1			Stage 2			Stage 3		
	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days	≤ 30 days	> 30 days and ≤ 90 days	> 90 days
Financing																		
Large Corporate	41,993,621	-	-	-	-	-	-	-	-	(894,572)	-	-	-	-	-	-	-	-
Companies	9,682,295	-	-	311,210	12,803	-	258,375	203,402	938,687	(365,769)	-	-	(30,995)	(1,330)	-	(209,283)	(41,312)	(532,159)
Individuals	5,925,024	-	-	756	-	-	-	-	-	(177,460)	-	-	(229)	-	-	-	-	-
Employees	1,224,253	-	-	-	-	-	901	-	-	(7,767)	-	-	-	-	-	(729)	-	-
Escrow accounts	24,641,065	-	-	-	-	-	120,000	-	-	(1,270,663)	-	-	-	-	-	(96,688)	-	-
Credit cards	2,331,620	-	-	5,000	-	-	-	-	-	(16,384)	-	-	(154)	-	-	-	-	-
Overdrafts	363,780	-	-	7	-	-	454	-	4,911	(30,046)	-	-	(2)	-	-	(368)	-	(3,978)
Guarantees given																		
Large Corporate	34,237,996	-	-	-	-	-	-	-	-	(535,600)	-	-	-	-	-	-	-	-
Companies	6,417,710	-	-	-	-	-	-	-	-	(114,357)	-	-	-	-	-	-	-	-
Total	126,817,364	-	-	316,973	12,803	-	379,730	203,402	943,598	(3,412,618)	-	-	(31,380)	(1,330)	-	(307,068)	(41,312)	(536,137)

On 31 December 2024 and 2023, the credit exposure by segment and by year in which the operations were granted is as follows:

Segment	31/12/2024								
	2024			2023			2022		
	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses
Financing									
Large Corporate	1	3,088,667	(200,260)	5	9,371,714	(285,065)	5	26,490,147	(486,430)
Individuals	43	107,452	(3,644)	7	5,039,676	(165,129)	3	8,854	(289)
Companies	6	820,844	(273,742)	9	1,239,669	(156,949)	6	721,889	(261,883)
Employees	65	658,505	(4,324)	19	298,729	(1,961)	7	97,227	(638)
Escrow accounts	19	34,842,554	(2,035,075)	-	-	-	-	-	-
Credit cards	507	2,197,013	(21,143)	293	1,138,637	(10,110)	143	488,881	(4,267)
Overdrafts	11	1,119	(135)	3	418,162	(54,272)	2	-	-
Guarantees given									
Large Corporate	22	2,774,861	(38,213)	4	10,026,345	(240,604)	-	-	-
Companies	55	8,162,173	(152,095)	3	96,581	(2,951)	-	-	-
Total	729	52,653,188	(2,728,631)	343	27,629,513	(917,041)	166	27,806,998	(753,507)

(continue)

(continuation)

Segment	31/12/2024											
	2021			2020			2019 and prior years			Total		
	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses
Financing												
Large Corporate	-	-	-	1	3,209,219	(71,799)	1	952,873	(47,576)	13	43,112,620	(1,091,130)
Individuals	-	-	-	-	-	-	1	1,166	(38)	54	5,157,148	(169,100)
Companies	6	622,869	(87,974)	-	-	-	-	-	-	27	3,405,271	(780,548)
Employees	3	63,375	(416)	2	38,031	(250)	6	478,495	(3,142)	102	1,634,362	(10,731)
Escrow accounts	-	-	-	-	-	-	-	-	-	19	34,842,554	(2,035,075)
Credit cards	68	247,916	(3,368)	7	14,800	(139)	-	-	-	1,018	4,087,247	(39,027)
Overdrafts	11	7,015	(2,808)	3	74	(27)	9	3,465	(2,683)	39	429,835	(59,925)
Guarantees given												
Large Corporate	-	-	-	-	-	-	-	-	-	26	12,801,206	(278,817)
Companies	-	-	-	-	-	-	-	-	-	58	8,258,754	(155,046)
Total	88	941,175	(94,566)	13	3,262,124	(72,215)	17	1,435,999	(53,439)	1,356	113,728,997	(4,619,399)

Segment	31/12/2023								
	2023			2022			2021		
	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses
Financing									
Large Corporate	5	13,014,631	(348,716)	4	25,215,888	(464,411)	-	-	-
Companies	11	1,708,596	(78,201)	10	6,192,788	(670,395)	16	1,409,067	(319,082)
Individuals	16	5,591,244	(167,463)	3	9,253	(277)	6	325,283	(9,949)
Employees	62	476,786	(3,025)	10	123,768	(785)	11	72,875	(462)
Escrow accounts	11	24,511,065	(1,367,351)	1	250,000	-	-	-	-
Credit cards	291	1,133,794	(8,472)	182	789,568	(5,437)	77	405,958	(2,581)
Overdrafts	19	8	(2)	3	-	-	15	812	(314)
Guarantees given									
Large Corporate	47	28,086,948	(419,284)	2	6,151,048	(116,316)	-	-	-
Companies	42	5,547,471	(106,022)	2	870,239	(8,335)	-	-	-
Total	504	80,070,543	(2,498,536)	217	39,602,552	(1,265,956)	125	2,213,995	(332,388)

(continue)

(continuation)

Segment	31/12/2023											
	2020			2019			2018 and prior years			Total		
	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses
Financiamientos												
Large Corporate	1	3,763,102	(81,445)	-	-	-	-	-	-	10	41,993,621	(894,572)
Companies	-	-	-	1	2,096,321	(113,170)	-	-	-	38	11,406,772	(1,180,848)
Individuals	-	-	-	-	-	-	-	-	-	25	5,925,780	(177,689)
Employees	6	51,120	(1,048)	3	63,210	(401)	4	437,395	(2,775)	96	1,225,154	(8,496)
Escrow accounts	-	-	-	-	-	-	-	-	-	12	24,761,065	(1,367,351)
Credit cards	4	7,300	(48)	-	-	-	-	-	-	554	2,336,620	(16,538)
Overdrafts	5	71,219	(5,889)	2	1	-	15	297,112	(28,189)	59	369,152	(34,394)
Guarantees given												
Large Corporate	-	-	-	-	-	-	-	-	-	49	34,237,996	(535,600)
Companies	-	-	-	-	-	-	-	-	-	44	6,417,710	(114,357)
Total	16	3,892,741	(88,430)	6	2,159,532	(113,571)	19	734,507	(30,964)	887	128,673,870	(4,329,845)

On 31 December 2024 and 2023, the credit exposure, analysed individually and collectively by segment, is as follows:

Segment	31/12/2024					
	Individual impairment		Collective impairment		Total	
	Exposure	Impairment losses	Exposure	Impairment losses	Exposure	Impairment losses
Financing						
Large Corporate	42,778,384	(1,074,442)	334,236	(16,688)	43,112,620	(1,091,130)
Individuals	4,800,122	(156,848)	357,026	(12,252)	5,157,148	(169,100)
Companies	2,128,705	(681,258)	1,276,566	(99,290)	3,405,271	(780,548)
Employees	-	-	1,634,362	(10,731)	1,634,362	(10,731)
Escrow accounts	34,474,812	(2,020,351)	367,742	(14,724)	34,842,554	(2,035,075)
Credit cards	21,359	(1,385)	4,065,888	(37,642)	4,087,247	(39,027)
Overdrafts	11,862	(9,649)	417,973	(50,276)	429,835	(59,925)
Guarantees given						
Large Corporate	1,288,622	(12,936)	11,512,584	(265,881)	12,801,206	(278,817)
Companies	7,544,261	(144,351)	714,493	(10,695)	8,258,754	(155,046)
Total	93,048,127	(4,101,220)	20,680,870	(518,179)	113,728,997	(4,619,399)

31/12/2023						
Segment	Individual impairment		Collective impairment		Total	
	Exposure	Impairment losses	Exposure	Impairment losses	Exposure	Impairment losses
Financing						
Large Corporate	41,993,621	(894,572)	-	-	41,993,621	(894,572)
Companies	9,199,885	(523,097)	2,206,887	(657,751)	11,406,772	(1,180,848)
Individuals	5,777,707	(173,254)	148,073	(4,435)	5,925,780	(177,689)
Employees	-	-	1,225,154	(8,496)	1,225,154	(8,496)
Escrow accounts	24,090,811	(1,253,548)	670,254	(113,803)	24,761,065	(1,367,351)
Credit cards	121,279	(706)	2,215,341	(15,832)	2,336,620	(16,538)
Overdrafts	222,947	(18,414)	146,205	(15,980)	369,152	(34,394)
Guarantees given						
Large Corporate	34,038,503	(535,017)	199,493	(583)	34,237,996	(535,600)
Companies	6,042,676	(111,001)	375,034	(3,356)	6,417,710	(114,357)
Total	121,487,429	(3,509,609)	7,186,441	(820,236)	128,673,870	(4,329,845)

On 31 December 2024 and 2023, the credit exposure, assessed individually and collectively, by sector of activity presents the following details:

Sector of activity	31/12/2024					
	Individual impairment		Collective impairment		Total	
	Exposure	Impairment losses	Exposure	Impairment losses	Exposure	Impairment losses
Companies						
Wholesale and retail trade; repair of motor vehicles and motorcycles	46,484,636	(1,730,525)	2,718,209	(82,045)	49,202,845	(1,812,570)
Manufacturing industries	12,491,569	(1,027,201)	1,731,157	(98,944)	14,222,726	(1,126,145)
Construction	1,084,390	(56,534)	9,735,246	(233,854)	10,819,636	(290,388)
Information and communication activities	9,423,641	(462,792)	416,862	(8,958)	9,840,503	(471,750)
Transport and storage	9,492,541	(204,056)	24,719	(619)	9,517,260	(204,675)
Administrative activities and support services	6,899,554	(181,831)	1,052,599	(12,961)	7,952,153	(194,792)
Other service activities	2,171,293	(233,756)	139,074	(910)	2,310,367	(234,666)
Artistic, entertainment, sporting and recreational activities	200,381	(47,677)	3,000	(43)	203,381	(47,720)
Consulting, scientific, technical and similar activities	-	-	142,969	(4,009)	142,969	(4,009)
Financial and insurance activities	-	-	35,000	(225)	35,000	(225)
Collection, treatment and distribution of water, sanitation, public hygiene and similar activities	-	-	32,409	(27,039)	32,409	(27,039)
Public administration and defence; compulsory social security	-	-	20,000	(90)	20,000	(90)
Education	-	-	11,013	(72)	11,013	(72)
Accommodation, catering (restaurants and similar)	-	-	7,000	(70)	7,000	(70)
Activities of international organizations and other extraterritorial institutions	-	-	1,638	(536)	1,638	(536)
	88,248,005	(3,944,372)	16,070,895	(470,375)	104,318,900	(4,414,747)
Individuals						
Consumer credit	4,800,122	(156,848)	797,770	(12,177)	5,597,892	(169,025)
Mortgage loans	-	-	1,051,977	(6,907)	1,051,977	(6,907)
Other purposes	-	-	2,760,228	(28,720)	2,760,228	(28,720)
	4,800,122	(156,848)	4,609,975	(47,804)	9,410,097	(204,652)
Total	93,048,127	(4,101,220)	20,680,870	(518,179)	113,728,997	(4,619,399)

Sector of activity	31/12/2023					
	Individual impairment		Collective impairment		Total	
	Exposure	Impairment losses	Exposure	Impairment losses	Exposure	Impairment losses
Companies						
Wholesale and retail trade; repair of motor vehicles and motorcycles	62,179,644	(1,735,824)	1,838,950	(223,475)	64,018,594	(1,959,299)
Manufacturing industries	11,729,067	(326,995)	400,053	(7,267)	12,129,120	(334,262)
Construction	11,545,184	(277,007)	302,916	(199,264)	11,848,100	(476,271)
Transport and storage	10,399,866	(197,489)	159,201	(61,403)	10,559,067	(258,892)
Agriculture, animal husbandry, hunting, forestry and fisheries	9,685,654	(562,149)	215,622	(13,634)	9,901,276	(575,783)
Administrative activities and support services	4,171,771	(97,077)	510,285	(11,571)	4,682,056	(108,648)
Information and communication activities	3,809,919	(126,766)	64,818	(1,038)	3,874,737	(127,804)
Other service activities	1,750,000	-	572,836	(216,278)	2,322,836	(216,278)
Artistic, entertainment, sporting and recreational activities	349,192	(11,967)	-	-	349,192	(11,967)
Financial and insurance activities	-	-	210,000	(11,368)	210,000	(11,368)
Collection, treatment and distribution of water, sanitation, public hygiene and similar activities	-	-	52,601	(42,606)	52,601	(42,606)
Consulting, scientific, technical and similar activities	-	-	33,179	(238)	33,179	(238)
Mining industries	-	-	23,064	(3,116)	23,064	(3,116)
Accommodation, catering (restaurants and similar)	-	-	11,674	(391)	11,674	(391)
Education	-	-	5,000	(12)	5,000	(12)
	115,620,297	(3,335,274)	4,400,199	(791,661)	120,020,496	(4,126,935)
Individuals						
Consumer credit	5,554,808	(166,578)	404,444	(4,196)	5,959,252	(170,774)
Mortgage loans	-	-	844,778	(7,671)	844,778	(7,671)
Other purposes	312,324	(7,757)	1,537,020	(16,708)	1,849,344	(24,465)
	5,867,132	(174,335)	2,786,242	(28,575)	8,653,374	(202,910)
Total	121,487,429	(3,509,609)	7,186,441	(820,236)	128,673,870	(4,329,845)

On 31 December 2024 and 2023, the restructured credit exposure due to the applied restructuring measure presents the following detail:

31/12/2024												
Measure applied	Stage 1			Stage 2			Stage 3			Total		
	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses
Time extension	1	2,619	(86)	2	394,437	(40,277)	2	708,037	(297,646)	5	1,105,093	(338,009)
Total	1	2,619	(86)	2	394,437	(40,277)	2	708,037	(297,646)	5	1,105,093	(338,009)

31/12/2023												
Measure applied	Stage 1			Stage 2			Stage 3			Total		
	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses	Number of operations	Exposure	Impairment losses
Time extension	3	336,612	(6,236)	1	311,210	(30,995)	6	506,415	(242,602)	10	1,154,237	(279,833)
Total	3	336,612	(6,236)	1	311,210	(30,995)	6	506,415	(242,602)	10	1,154,237	(279,833)

On 31 December 2024 and 2023, the movement of the restructured credit exposure shows the following details:

Measure applied	31/12/2024	31/12/2023
Opening balance of the restructured loan portfolio (gross value)	1,154,237	-
Restructured loans in the period	347,250	1,151,825
Accrued interest of the restructured loan portfolio	4,545	2,412
Settlement of restructured loans (partial or total)	(400,939)	-
Closing balance of the restructured loan portfolio (gross value)	1,105,093	1,154,237

On 31 December 2024 and 2023, the restructured credit to customers presents the following details:

31/12/2024				
Loans and advances to customers			Impairment losses	
Non-overdue	Overdue	Total		
Companies	514,599	587,875	1,102,474	(337,923)
Individuals				
Consumer credit	-	-	-	-
Mortgage loans	2,619	-	2,619	(86)
	2,619	-	2,619	(86)
Total	517,218	587,875	1,105,093	(338,009)

	31/12/2023			Impairment losses
	Loans and advances to customers			
	Non-overdue	Overdue	Total	
Companies	544,960	505,514	1,050,474	(276,023)
Individuals				
Consumer credit	97,927	-	97,927	(2,933)
Mortgage loans	5,836	-	5,836	(877)
	103,763	-	103,763	(3,810)
Total	648,723	505,514	1,154,237	(279,833)

77
Units
of ATM

On 31 December 2024 and 2023, the fair value of the collateral underlying the credit exposure of the corporate and housing segments presents the following details:

Fair value	31/12/2024											
	Large Corporate				Companies				Mortgage loans			
	Real estate properties		Other asset-backed collateral		Real estate properties		Other asset-backed collateral		Real estate properties		Other asset-backed collateral	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
< 50 MKz	-	-	8	186,420	2	46,000	7	83,380	5	163,208	-	-
≥ 50 MKz and < 100 MKz	-	-	9	638,427	-	-	-	-	2	110,726	-	-
≥ 100 MKz and < 500 MKz	-	-	5	1,270,365	4	1,187,287	7	1,138,279	1	350,000	-	-
≥ 500 MKz and < 1 000 MKz	1	500,000	-	-	-	-	-	-	-	-	-	-
≥ 1 000 MKz and < 2 000 MKz	-	-	5	7,333,930	-	-	3	4,026,561	-	-	-	-
≥ 2 000 MKz and < 5 000 MKz	-	-	2	6,509,917	-	-	-	-	-	-	-	-
≥ 5 000 MKz	1	5,700,000	1	9,710,750	-	-	-	-	-	-	-	-
Total	2	6,200,000	30	25,649,809	6	1,233,287	17	5,248,220	8	623,934	-	-

Fair value	31/12/2023											
	Large Corporate				Companies				Mortgage loans			
	Real estate properties		Other asset-backed collateral		Real estate properties		Other asset-backed collateral		Real estate properties		Other asset-backed collateral	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
< 50 MKz	-	-	12	324,774	3	53,500	18	312,079	5	163,208	-	-
≥ 50 MKz and < 100 MKz	-	-	14	1,151,188	1	52,500	1	52,000	2	110,726	-	-
≥ 100 MKz and < 500 MKz	-	-	9	2,013,260	6	1,490,139	6	1,032,027	1	350,000	-	-
≥ 500 MKz and < 1 000 MKz	1	500,000	1	745,911	-	-	1	520,000	-	-	-	-
≥ 1 000 MKz and < 2 000 MKz	-	-	7	9,514,369	-	-	1	1,355,076	-	-	-	-
≥ 2 000 MKz and < 5 000 MKz	-	-	1	3,794,267	-	-	1	2,362,052	-	-	-	-
≥ 5 000 MKz	-	-	1	8,824,750	1	5,700,000	-	-	-	-	-	-
Total	1	500,000	45	26,368,519	11	7,296,139	28	5,633,234	8	623,934	-	-

"Other real guarantees" refer to pledges of deposits, pledges of public debt securities held by Costumers constituted at the Bank, and public guarantees.

On 31 December 2024 and 2023, the funding-to-guarantee ratio of the credit exposure in the corporate and housing segments presents the following details:

Segment/Ratio	31/12/2024					
	Number of properties	Number of other real guarantees	Stage 1 exposure	Stage 2 exposure	Stage 3 exposure	Impairment losses
Large Corporate						
No associated guarantee	n.a.	n.a.	14,129,010	-	-	(502,229)
< 50%	-	11	4,725,211	-	-	(113,866)
≥ 50% and < 75%	-	6	31,868,192	-	-	(599,419)
≥ 75% and < 100%	-	5	1,881,090	-	1,212,425	(90,169)
≥ 100%	2	8	2,097,898	-	-	(64,264)
	2	30	54,701,401	-	1,212,425	(1,369,947)
Companies						
No associated guarantee	n.a.	n.a.	5,289,488	-	382,699	(512,610)
< 50%	-	2	285,584	-	-	(10,731)
≥ 50% and < 75%	-	10	1,154,863	160,980	228,432	(85,241)
≥ 75% and < 100%	1	1	1,896,668	-	514,598	(271,715)
≥ 100%	5	4	1,484,847	233,457	32,409	(55,297)
	6	17	10,111,450	394,437	1,158,138	(935,594)
Mortgage loans						
No associated guarantee	n.a.	n.a.	511,324	-	-	(3,357)
< 50%	1	-	127,425	-	-	(837)
≥ 50% and < 75%	-	-	-	-	-	-
≥ 75% and < 100%	-	-	-	-	-	-
≥ 100%	7	-	413,228	-	-	(2,713)
	8	-	1,051,977	-	-	(6,907)
Total	16	47	65,864,828	394,437	2,370,563	(2,312,448)

31/12/2023

Segment/Ratio	Number of properties	Number of other real guarantees	Stage 1 exposure	Stage 2 exposure	Stage 3 exposure	Impairment losses
Large Corporate						
No associated guarantee	n.a.	n.a.	19,650,129	-	-	(438,488)
< 50%	-	28	26,531,799	-	-	(453,876)
≥ 50% and < 75%	-	7	26,594,922	-	-	(461,579)
≥ 75% and < 100%	-	3	2,715,683	-	-	(58,171)
≥ 100%	1	7	739,084	-	-	(18,058)
	1	45	76,231,617	-	-	(1,430,172)
Companies						
No associated guarantee	n.a.	n.a.	3,723,831	-	271,193	(364,243)
< 50%	-	8	2,330,866	-	95,000	(125,639)
≥ 50% and < 75%	1	5	7,359,806	12,803	256,003	(231,566)
≥ 75% and < 100%	-	8	408,880	-	74,654	(15,464)
≥ 100%	10	7	2,276,622	311,210	703,614	(558,293)
	11	28	16,100,005	324,013	1,400,464	(1,295,205)
Mortgage loans						
No associated guarantee	n.a.	n.a.	282,158	-	-	(4,102)
< 50%	1	-	129,557	-	-	(822)
≥ 50% and < 75%	-	-	-	-	-	-
≥ 75% and < 100%	1	-	25,516	-	-	(162)
≥ 100%	6	-	407,547	-	-	(2,585)
	8	-	844,778	-	-	(7,671)
Total	20	73	93,176,400	324,013	1,400,464	(2,733,048)

On 31 December 2024 and 2023, the credit exposure, by segment and internal risk grade, presents the following detail:

Segment	31/12/2024							Total
	Low risk level		Medium risk level		High risk level			
	A	B	C	D	E	F	G	
Financing								
Large Corporate	-	41,900,195	1,212,425	-	-	-	-	43,112,620
Individuals	21,827	5,134,755	-	-	566	-	-	5,157,148
Companies	-	2,774,644	32,409	-	147,637	450,581	-	3,405,271
Employees	-	1,634,362	-	-	-	-	-	1,634,362
Escrow accounts	-	34,442,554	-	-	400,000	-	-	34,842,554
Credit cards	52,500	4,034,747	-	-	-	-	-	4,087,247
Overdrafts	-	420,415	-	-	2,051	3,153	4,216	429,835
Guarantees given								
Large Corporate	315,572	12,485,634	-	-	-	-	-	12,801,206
Companies	-	8,258,754	-	-	-	-	-	8,258,754
Total	389,899	111,086,060	1,244,834	-	550,254	453,734	4,216	113,728,997

Segment	31/12/2023							Total
	Low risk level		Medium risk level		High risk level			
	A	B	C	D	E	F	G	
Financing								
Large Corporate	3,763,102	38,230,519	-	-	-	-	-	41,993,621
Individuals	-	11,033,935	226,932	145,905	-	-	-	11,406,772
Companies	-	5,925,780	-	-	-	-	-	5,925,780
Employees	-	1,225,154	-	-	-	-	-	1,225,154
Escrow accounts	2,000,000	22,761,065	-	-	-	-	-	24,761,065
Credit cards	40,179	2,296,441	-	-	-	-	-	2,336,620
Overdrafts	-	369,152	-	-	-	-	-	369,152
Guarantees given								
Large Corporate	84,339	34,153,657	-	-	-	-	-	34,237,996
Companies	-	6,417,710	-	-	-	-	-	6,417,710
Total	5,887,620	122,413,413	226,932	145,905	-	-	-	128,673,870

On 31 December 2024 and 2023, the composition of the loans and advances to customers by stage shows the following detail:

Loans and advances to customers	31/12/2024				Total
	Non-overdue loans and income receivable	Non-performing loans			
		Stage 1	Stage 2	Stage 3	
Loans without impairment	853,607	-	-	-	853,607
With impairment assigned based on individual analysis					
Loans and income receivable	514,598	-	-	-	514,598
Impairment losses	(257,299)	-	-	-	(257,299)
	257,299	-	-	-	257,299
With impairment assigned based on collective analysis					
Loans and income receivable	85,551,276	451,220	405,162	2,230,599	88,638,257
Impairment losses	(3,027,078)	(10,042)	(87,850)	(803,267)	(3,928,237)
	82,524,198	441,178	317,312	1,427,332	84,710,020
Associated fees at amortised cost	(71,628)	-	-	-	(71,628)
Total	83,563,476	441,178	317,312	1,427,332	85,749,298

31/12/2023					
Loans and advances to Customers	Non-overdue loans and income receivable	Non-performing loans			Total
		Stage 1	Stage 2	Stage 3	
Loans without impairment	1,007,855	-	-	62,889	1,070,744
With impairment assigned based on individual analysis					
Loans and income receivable	-	-	-	355,727	355,727
Impairment losses	-	-	-	(177,863)	(177,863)
	-	-	-	177,864	177,864
With impairment assigned based on collective analysis					
Loans and income receivable	82,744,991	267,832	12,803	471,654	83,497,280
Impairment losses	(3,060,797)	(40,299)	(1,330)	(399,599)	(3,502,025)
	79,684,194	227,533	11,473	72,055	79,995,255
Associated fees at amortised cost	(437,426)	-	-	-	(437,426)
Total	80,254,623	227,533	11,473	312,808	80,806,437

On 31 December 2024 and 2023, the composition of Customer loans by default stage shows the following details:

Loans and advances to Customers	31/12/2024						Total
	Non-overdue loans and income receivable	Non-performing loans					
		Up to 1 month	From 1 month to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	
Loans without impairment	853,607	-	-	-	-	-	853,607
With impairment assigned based on individual analysis							
Loans and income receivable	514,598	-	-	-	-	-	514,598
Impairment losses	(257,299)	-	-	-	-	-	(257,299)
	257,299	-	-	-	-	-	257,299
With impairment assigned based on collective analysis							
Loans and income receivable	85,551,276	682,997	173,385	2,053,945	176,654	-	88,638,257
Impairment losses	(3,027,078)	(33,811)	(65,799)	(761,202)	(40,347)	-	(3,928,237)
	82,524,198	649,186	107,586	1,292,743	136,307	-	84,710,020
Associated fees at amortised cost	(71,628)	-	-	-	-	-	(71,628)
Total	83,563,476	649,186	107,586	1,292,743	136,307	-	85,749,298

31/12/2023							
Loans and advances to Customers	Non-overdue loans and income receivable	Non-performing loans					Total
		Up to 1 month	From 1 month to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	
Loans without impairment	1,007,855	-	-	-	62,889	-	1,070,744
With impairment assigned based on individual analysis							
Loans and income receivable	-	-	-	-	355,727	-	355,727
Impairment losses	-	-	-	-	(177,863)	-	(177,863)
	-	-	-	-	177,864	-	177,864
With impairment assigned based on collective analysis							
Loans and income receivable	82,744,991	280,635	-	342,510	129,144	-	83,497,280
Impairment losses	(3,060,797)	(82,954)	-	(275,003)	(83,271)	-	(3,502,025)
	79,684,194	197,681	-	67,507	45,873	-	79,995,255
Associated fees at amortised cost	(437,426)	-	-	-	-	-	(437,426)
Total	80,254,623	197,681	-	67,507	286,626	-	80,806,437

On 31 December 2024, there are no overdue Customer loans without impairment.

On 31 December 2023, the breakdown of overdue Customer loans without impairment stage is as follows:

Loans and advances to Customers	31/12/2023				
	Non-overdue loans associated with overdue loans	Non-performing loans			Total
		Stage 1	Stage 2	Stage 3	
No impairment attributed					
Based on individual analysis	-	-	-	-	-
Based on collective analysis	-	-	-	62,889	62,889
Total	-	-	-	62,889	62,889

On 31 December 2023, the breakdown of overdue Customer loans without impairment by default stage is as follows:

Loans and advances to Customers	31/12/2023						Total
	Non-overdue loans associated with overdue loans	Crédito em incumprimento					
		Up to 1 month	From 1 month to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	
No impairment attributed							
Based on individual analysis	-	-	-	-	-	-	-
Based on collective analysis	-	-	-	-	62,889	-	62,889
Total	-	-	-	-	62,889	-	62,889

On 31 December 2024 and 2023, the breakdown of overdue Customer loans with impairment stage is as follows:

Loans and advances to Customers	31/12/2024				Total
	Non-overdue loans associated with overdue loans	Non-performing loans			
		Stage 1	Stage 2	Stage 3	
With impairment attributed					
Based on individual analysis	-	-	-	-	-
Based on collective analysis	185,000	451,220	405,162	2,230,599	3,271,981
Total	185,000	451,220	405,162	2,230,599	3,271,981

Loans and advances to Customers	31/12/2023				Total
	Non-overdue loans associated with overdue loans	Non-performing loans			
		Stage 1	Stage 2	Stage 3	
With impairment attributed					
Based on individual analysis	-	-	-	355,727	355,727
Based on collective analysis	175,000	267,832	12,803	471,654	927,289
Total	175,000	267,832	12,803	827,381	1,283,016

On 31 December 2024 and 2023, the breakdown of overdue Customer loans with impairment by default stage is as follows:

31/12/2024							
Loans and advances to Customers	Non-overdue loans associated with overdue loans	Non-performing loans					Total
		Up to 1 month	From 1 month to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	
With impairment attributed							
Based on individual analysis	-	-	-	-	-	-	-
Based on collective analysis	185,000	682,997	173,385	2,053,945	176,654	-	3,271,981
Total	185,000	682,997	173,385	2,053,945	176,654	-	3,271,981

31/12/2023							
Loans and advances to Customers	Non-overdue loans associated with overdue loans	Non-performing loans					Total
		Up to 1 month	From 1 month to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	
With impairment attributed							
Based on individual analysis	-	-	-	-	355,727	-	355,727
Based on collective analysis	175,000	280,635	-	342,510	129,144	-	927,289
Total	175,000	280,635	-	342,510	484,871	-	1,283,016

On December 31 2024 and 2023, the risk factors associated with the calculation of impairment losses by collective analysis are as follows:

Segment	31/12/2024					
	Probability of default (%)			Loss given default (%)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financing						
Large Corporate	8.18%	n.a.	100.00%	61.00%	n.a.	83.43%
Individuals	5.35%	36.02%	100.00%	61.00%	71.00%	83.43%
Companies	10.01%	56.03%	100.00%	61.00%	71.00%	83.43%
Employees	1.07%	n.a.	n.a.	61.00%	n.a.	n.a.
Escrow accounts	8.18%	34.22%	100.00%	61.00%	71.00%	83.43%
Credit cards	2.34%	n.a.	100.00%	61.00%	n.a.	83.43%
Overdrafts	19.53%	35.11%	100.00%	61.00%	71.00%	83.43%
Guarantees given						
Large Corporate	8.18%	n.a.	n.a.	61.00%	n.a.	n.a.
Companies	10.01%	n.a.	n.a.	61.00%	n.a.	n.a.

Segment	31/12/2023					
	Probability of default (%)			Loss given default (%)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financing						
Large Corporate	6.20%	n.a.	n.a.	61.00%	n.a.	n.a.
Individuals	8.85%	56.04%	100.00%	61.00%	71.00%	81.00%
Companies	4.91%	42.67%	n.a.	61.00%	71.00%	n.a.
Employees	1.04%	n.a.	100.00%	61.00%	n.a.	81.00%
Escrow accounts	9.53%	n.a.	100.00%	61.00%	n.a.	81.00%
Credit cards	1.87%	18.05%	n.a.	61.00%	71.00%	n.a.
Overdrafts	13.54%	42.15%	100.00%	61.00%	71.00%	81.00%
Guarantees given						
Large Corporate	6.20%	n.a.	n.a.	61.00%	n.a.	n.a.
Companies	8.85%	n.a.	n.a.	61.00%	n.a.	n.a.

The movement in impairment losses is shown in Note 15.

10. Other tangible and intangible assets

These headings showed the following movements during the fiscal years ended 31 December 2024 and 2023:

	Balance as at 31/12/2023			Exercise movement					Balance as at 31/12/2024		
	Gross value	Accumulated depreciation	Net value	Acquisitions	Write-offs and disposals	Accumulated depreciation	Transfers	Depreciation for the year	Gross value	Accumulated depreciation	Net value
Other tangible assets											
Properties for own use	9,243,544	(1,568,747)	7,674,797	1,860	-	-	-	(786,198)	9,245,404	(2,354,945)	6,890,459
Furniture, fixtures, plant and equipment	4,586,784	(2,360,043)	2,226,741	2,647,202	18,313	18,313	-	(930,808)	7,252,299	(3,272,538)	3,979,761
Work on rented properties (improvements)	527,929	(202,470)	325,459	-	-	-	-	(33,172)	527,929	(235,642)	292,287
Tangible assets in progress	49,621	-	49,621	948,458	-	-	-	-	998,079	-	998,079
Rights of use	708,411	(580,867)	127,544	35,323	-	-	-	(147,004)	743,734	(727,871)	15,863
Total	15,116,289	(4,712,127)	10,404,162	3,632,843	18,313	18,313	-	(1,897,182)	18,767,445	(6,590,996)	12,176,449
Intangible assets											
Automatic data processing systems (software)	1,509,994	(831,314)	678,680	1,397,188	-	-	-	(541,876)	2,907,182	(1,373,190)	1,533,992
Total	1,509,994	(831,314)	678,680	1,397,188	-	-	-	(541,876)	2,907,182	(1,373,190)	1,533,992

	Balance as at 31/12/2022			Exercise movement					Balance as at 31/12/2023		
	Gross value	Accumulated depreciation	Net value	Acquisitions	Write-offs and disposals		Transfers	Depreciation for the year	Gross value	Accumulated depreciation	Net value
					Write-offs and disposals	Accumulated depreciation					
Other tangible assets											
Properties for own use	9,126,127	(1,237,588)	7,888,539	118,552	-	-	(1,135)	(331,159)	9,243,544	(1,568,747)	7,674,797
Furniture, fixtures, plant and equipment	3,381,180	(1,888,861)	1,492,319	1,331,659	(126,055)	126,055	-	(597,237)	4,586,784	(2,360,043)	2,226,741
Work on rented properties (improvements)	464,613	(169,001)	295,612	63,316	-	-	-	(33,469)	527,929	(202,470)	325,459
Tangible assets in progress	4,230	-	4,230	44,256	-	-	1,135	-	49,621	-	49,621
Rights of Use	674,947	(433,254)	241,693	33,464	-	-	-	(147,613)	708,411	(580,867)	127,544
Total	13,651,097	(3,728,704)	9,922,393	1,591,247	(126,055)	126,055	-	(1,109,478)	15,116,289	(4,712,127)	10,404,162
Intangible Assets											
Automatic data processing systems (software)	700,307	(662,260)	38,047	809,687	-	-	-	(169,054)	1,509,994	(831,314)	678,680
Total	700,307	(662,260)	38,047	809,687	-	-	-	(169,054)	1,509,994	(831,314)	678,680

The rights of use correspond to operating leases, related with the leasing of branches (Note 2.1.1.).

On 31 December 2024 and 2023, the increases in furniture, fixtures, installations and equipment and automatic data processing systems (software) correspond to investments in the context of the Bank's activity.

11. Taxes

On 31 December 2024 and 2023, the balance sheet amounts relating to taxes are detailed as follows:

	31/12/2024	31/12/2023
Current tax assets	176,529	176,529
Deferred tax assets	1,505,264	3,784,993
Deferred tax liabilities	(4,202,371)	(2,327,207)

On 31 December 2024 and 2023, the amount of current tax assets relates to provisional settlements to be recovered in the settlement of Industrial Tax.

On 31 December 2024 and 2023, the recognised deferred tax assets and liabilities present the following details:

	Assets		Liabilities		Net	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Deferred tax assets/liabilities						
Tax losses	1,327,595	3,726,769	-	-	1,327,595	3,726,769
Fair value other comprehensive income	119,445	-	(2,551,797)	-	(2,432,352)	-
Unrealised exchange rate changes	58,224	58,224	(1,650,574)	(2,327,207)	(1,592,350)	(2,268,983)
Total	1,505,264	3,784,993	(4,202,371)	(2,327,207)	(2,697,107)	1,457,786

On 31 December 2024 and 2023, the balances associated with the recording of deferred tax assets and liabilities present the following details:

	31/12/2024	31/12/2023
Opening balance of deferred tax	1,457,786	(228,638)
Recognised in profit or loss	(1,722,540)	1,686,424
Recognised in other comprehensive income	(2,432,353)	-
Closing balance of deferred tax	(2,697,107)	1,457,786

Deferred tax assets and deferred tax liabilities associated with unrealised exchange rate changes moved as follows during the years ended 31 December 2024 and 2023:

	Balance as at 31/12/2023	Top-ups	Realisation/Reversal	Balance as at 31/12/2024
Deferred tax assets				
Unrealised exchange rate changes	58,224	-	-	58,224
Deferred tax liabilities				
Unrealised exchange rate changes	(2,327,207)	-	676,633	(1,650,574)
Total	(2,268,983)	-	676,633	(1,592,350)

	Balance as at 31/12/2022	Top-ups	Realisation/Reversal	Balance as at 31/12/2023
Deferred tax assets				
Unrealised exchange rate changes	164	58,060	-	58,224
Deferred tax liabilities				
Unrealised exchange rate changes	(228,802)	(2,098,405)	-	(2,327,207)
Total	(228,638)	(2,040,345)	-	(2,268,983)

On 31 December 2024 and 2023, the reconciliation between the nominal rate and the effective tax rate present the following details:

	31/12/2024	31/12/2023
Pre-tax result	24,316,889	3,360,894
Nominal Industrial Tax rate	35%	35%
Tax calculated based on the nominal rate	8,510,911	1,176,313
Accruals		
Exchange rate revaluation	3,407,298	4,092,120
Capital Gains Tax	1,615,627	666,807
Provisions	192,792	540,390
Fines and charges for infringements	44,873	263,860
Non-deductible expenses	165,741	75,666
Excessive depreciation	148,650	75,513
Corrections relating to prior and extraordinary financial years	991,250	128,670
Other	247,183	357,361
	6,813,414	6,200,387
Deductions		
Interest on public debt securities	(22,332,356)	(10,372,429)
Exchange rate revaluation	(1,640,418)	(9,836,762)
	(23,972,774)	(20,209,191)
Tax profit/(loss)	7,157,529	(10,647,910)
Estimated Industrial Tax	2,505,135	-
Effective tax rate	10%	0%
(Utilization)/deferred tax assets associated with tax losses	(2,505,135)	3,726,769

The accounting policy for taxes is described in Notes 2.14. and 3.5.

12. Other assets

This heading has the following composition:

	31/12/2024	31/12/2023
Deposits for Mastercard transactions	2,048,572	459,026
Prepaid expenses	650,502	1,148,558
Active operations to be settled	511,468	336,380
Other tax-related assets	185,433	92,900
Other receivables	140,447	15,365
Advances to suppliers	45,359	46
Total	3,581,781	2,052,275

On 31 December 2024 and 2023, the amount relating to “Deposits for Mastercard transactions” refers to the amounts deposited with counterparties for the execution of transactions on the Mastercard network.

13. Resources from central banks and other credit institutions

This heading has the following composition:

	31/12/2024	31/12/2023
Interbank money market operations in the country		
Domestic	61,500,000	-
Abroad	-	2,499,176
	61,500,000	2,499,176
Interest payable	101,994	16,236
Payment system obligations	1,388,205	412,632
Total	62,990,199	2,928,044

On 31 December 2024 and 2023, interbank money market operations, excluding interest payable, have the following structure by residual maturity periods:

	31/12/2024	31/12/2023
Up to one month	61,500,000	-
Three to six months	-	2,471,934
Three months to one year	-	27,242
Total	61,500,000	2,499,176

On 31 December 2024 and 2023, interbank money market operations bear interest at the following average annual rates, weighted by the respective nominal value of the operations:

	31/12/2024	31/12/2023
In kwanzas	22.75%	n.a.
In United States dollars	n.a.	9.29%
In euros	n.a.	6.57%

On 31 December 2024 and 2023, the amount of liabilities in the payment system refers to the settlements of the Multicaixa Network, which were settled in the first days of 2025 and 2024, respectively.

14. Customer resources and other loans

This heading has the following composition:

	31/12/2024	31/12/2023
Demand deposits of residents		
In domestic currency		
Companies	70,765,349	75,412,434
Individuals	12,881,239	5,920,759
	83,646,588	81,333,193
In foreign currency		
Companies	18,341,461	14,157,372
Individuals	284,893	237,234
	18,626,354	14,394,606
	102,272,942	95,727,799
Demand deposits of non-residents		
In domestic currency		
Individuals	1,304,147	1,714,682
Companies	9,164	7,363
	1,313,311	1,722,045
In foreign currency		
Individuals	13,307	12,838
Companies	1,959	-
	15,266	12,838
	1,328,577	1,734,883
Total demand deposits	103,601,519	97,462,682
Term deposits of residents		
In domestic currency		
Companies	102,963,796	55,220,441
Individuals	9,002,994	5,205,349
	111,966,790	60,425,790
In foreign currency		
Companies	32,730,304	57,337,967
Individuals	13,680	-
	32,743,984	57,337,967
	144,710,774	117,763,757
Term deposits of non-residents		
In domestic currency		
Individuals	56,000	126,500
Total term deposits	144,766,774	117,890,257
Interest payable	843,237	987,728
Total	249,211,530	216,340,667

On 31 December 2024 and 2023, the Bank's five largest depositors accounted for 44% and 54% of the total balance under "Customer resources and other loans".

On 31 December 2024 and 2023, Customer term deposits, excluding interest payable, show the following structure, by residual maturity periods:

	31/12/2024	31/12/2023
Up to one month	26,906,640	19,149,852
One to three months	28,077,224	51,182,005
Three to six months	20,816,571	2,582,578
Six months to one year	44,277,003	42,847,909
More than one year	24,689,336	2,127,913
Total	144,766,774	117,890,257

On 31 December 2024 and 2023, Customer term deposits bear interest at the following average annual rates, weighted by capital:

	31/12/2024	31/12/2023
In kwanzas	13.88%	13.10%
In United States dollars	1.43%	1.90%
In euros	1.29%	0.98%

15. Impairment and provisions

These headings showed the following movements during the fiscal years ended 31 December 2024 and 2023:

	Balance as at 31/12/2023	Appropriations/ (Reversals)	Uses	Exchange rate revaluation	Balance as at 31/12/2024
Impairment for other financial assets					
Deposits at other credit institutions (Note 5)	75,568	(61,932)	-	2,207	15,843
Investments at central banks and other credit institutions (Note 6)	12,130	(11,073)	-	-	1,057
Financial assets at fair value through other comprehensive income (Note 17)	-	1,703,048	-	-	1,703,048
Investments at amortised cost (Note 8)	863,445	131,746	-	-	995,191
Total	951,143	1,761,789	-	2,207	2,715,139
Impairment for loans and advances to Customers					
Impairment of loans and advances to Customers (Note 9)	3,679,888	835,013	(329,384)	19	4,185,536
Provisions					
Guarantees given and letters of credit for imports	649,957	(257,309)	-	41,215	433,863
Other risks and charges	-	160,457	-	-	160,457
Tax contingencies	-	32,335	(32,335)	-	-
Total	649,957	(64,517)	(32,335)	41,215	594,320

	Balance as at 31/12/2022	Appropriations/ (Reversals)	Uses	Exchange Rate Revaluation	Balance as at 31/12/2023
Impairment for other financial assets net of reversals and recoveries					
Deposits at other credit institutions (Note 5)	16,376	50,474	-	8,718	75,568
Investments at central banks and other credit institutions (Note 6)	15,819	(3,689)	-	-	12,130
Investments at amortised cost (Note 8)	582,529	280,916	-	-	863,445
Total	614,724	327,701	-	8,718	951,143
Impairment for loans and advances to Customers net of reversals and recoveries					
Impairment of loans and advances to Customers (Note 9)	1,315,945	2,359,143	-	4,800	3,679,888
Provisions net of annulments					
Guarantees given and letters of credit for imports	854,456	(840,573)	-	636,074	649,957
Tax contingencies	900,000	540,390	(1,440,390)	-	-
Total	1,754,456	(300,183)	(1,440,390)	636,074	649,957

16. Other liabilities

This heading has the following composition:

	31/12/2024	31/12/2023
Wages and other remuneration payable		
Variable performance remuneration (Note 23)	2,374,080	706,328
Holiday allowance	621,198	496,810
Holiday pay	620,206	495,399
	3,615,484	1,698,537
Other tax liabilities		
Capital Gains Tax (Note 22)	1,379,600	145,104
Specific Deductions for Foreign exchange Transactions	354,563	-
Value Added Tax	245,395	206,201
Employment Income Tax	158,069	1,084
Stamp Duty	42,337	37,320
Other	81,504	89,231
	2,261,468	478,940
Accrued expenses	700,070	235,694
Credit Transfer System transactions pending clearing	601,951	7,640
Deferred commissions	48,397	312,154
Lease liabilities	37	170,355
Other	240,156	138,690
Total	7,467,563	3,042,010

On 31 December 2024 and 2023, the amount of deferred commissions relates to deferred commissions on letters of credit for imports and guarantees provided. Deferred commissions associated with credit transactions are deducted from the respective heading (Note 9).

17. Equity

Share capital

The Bank was set up with a share capital of 2,500,000 thousand kwanzas, represented by 2,500,000 shares with a nominal value of 1,000 kwanzas each, fully subscribed and paid up in cash.

On 1 October 2015, the General Meeting of Shareholders approved the increase of share capital to the amount of 6,000,000 thousand kwanzas, through the issuance of 3,500,000 new shares with a nominal value of 1,000 kwanzas, to be subscribed proportionally by the Shareholders, having been authorised by the Banco Nacional de Angola in March 2016.

On 30 October 2017, the General Meeting of Shareholders approved the increase of share capital to the amount of 10,000,000 thousand kwanzas, through the issuance of 4,000,000 new shares with a nominal value of 1,000 kwanzas, subscribed by the Shareholders in March 2018, having been authorised by the Banco Nacional de Angola in June 2018.

On 30 July 2019, the General Meeting of Shareholders approved the increase of share capital of the Bank, through the incorporation of reserves amounting to 7,000,000 thousand kwanzas, increasing the Bank's share capital to 17,000,000 thousand kwanzas.

In the financial years ending 31 December 2018 and 2017, the Board of Directors of the Bank did not reflect the impacts of IAS 29 in its financial statements, considering the interpretations of the Angolan Banking Association and the Banco Nacional de Angola on this matter and deeming that the impacts are immaterial for the presentation of the financial statements (Note 2.16.). If IAS 29 had been applied, the accumulated impact on equity on January 1, 2019 would be nil, incorporating the effect of the monetary updating of the share capital on that date in the amount of 7,403,642 thousand kwanzas.

On 31 December 2024 and 2023, the Bank's shareholder structure is as follows:

	31/12/2024			31/12/2023		
	Total shares	%	Share capital	Total shares	%	Share capital
Rafael Arcanjo Kapose	7,990,000	47.00%	7,990,000	7,990,000	47.00%	7,990,000
Francisca Kamia Kapose	7,650,000	45.00%	7,650,000	7,650,000	45.00%	7,650,000
Severiano Tyihongo Kapose	850,000	5.00%	850,000	850,000	5.00%	850,000
Maria do Céu Figueira	425,000	2.50%	425,000	425,000	2.50%	425,000
Sebastião João Manuel	85,000	0.50%	85,000	85,000	0.50%	85,000
Total	17,000,000	100%	17,000,000	17,000,000	100%	17,000,000

On 31 December 2024 and 2023, the Bank holds no own shares and there are no shares with differentiated rights.

Balances and transactions with related parties are shown in Note 26.

Revaluation reserves

Revaluation reserves represent gains and losses arising from changes in the fair value of financial assets measured at fair value through other comprehensive income. Revaluation reserves are presented net of tax under the heading "Deferred tax liabilities".

This heading changed as follows during the year ending 31 December 2024:

	31/12/2024
Opening balance	
Changes in fair value	6,949,579
Impairment losses	1,703,048
Deferred tax	(2,432,353)
Total	6,220,274

Legal reserve

According to Article 165 of Law No. 14/21, dated 19 May, the Legal Framework of Financial Institutions requires banks to allocate a legal reserve of at least 10% of net profits each financial year, until the legal reserve equals the amount of the share capital.

This reserve can only be used to cover accumulated losses, when all other constituted reserves have been depleted.

Earnings per share

Basic earnings per share represent the ratio of net profit attributable to the Bank's Shareholders to the weighted average number of ordinary shares outstanding:

	31/12/2024	31/12/2023
Net income for the year	22,594,349	5,047,318
Average number of ordinary shares issued (units)	17,000,000	17,000,000
Average number of ordinary shares in circulation (units)	17,000,000	17,000,000
Basic earnings per share attributable to the Bank's shareholders (in kwanzas)	1,329,08	296,90

Basic earnings per share are equal to diluted earnings per share.

Appropriation of net income

At the General Meeting of Shareholders held on 26 November 2024, a decision was made to distribute retained earnings amounting to 6,111,111 thousand kwanzas.

At the General Meeting of Shareholders held on 26 April 2024, it was decided to allocate the 2023 net profit as follows: 10% to legal reserves (504,732 thousand kwanzas), 30% to retained earnings (1,514,195 thousand kwanzas) and 60% to dividends (3,028,391 thousand kwanzas).

At the General Meeting of Shareholders held on 26 April 2023, it was decided to allocate the 2022 net profit as follows: 10% to legal reserves (1,125,831 thousand kwanzas), 40% to retained earnings (4,503,322 thousand kwanzas) and 50% to dividends (5,629,155 thousand kwanzas).

18. Net interest income

This heading has the following composition:

	31/12/2024	31/12/2023
Interest and similar income		
Of Customer loans	17,373,788	11,612,534
Of investments at amortised cost		
Treasury bonds in domestic currency	18,892,666	10,115,404
Treasury Bills	2,260,210	172,190
Treasury bonds in foreign currency	605,023	110,430
	21,757,899	10,398,024
Of investments in central banks and other credit institutions	1,879,049	474,771
Total	41,010,736	22,485,329
Interest and similar charges		
Of Customer resources and other loans	(11,224,349)	(4,159,542)
Of resources from central banks and other credit institutions	(1,551,866)	(261,466)
Of rights of use	(30,706)	(54,982)
Total	(12,806,921)	(4,475,990)
Net interest income	28,203,815	18,009,339

19. Results of services and commissions

This heading has the following composition:

	31/12/2024	31/12/2023
Income from services and fees		
Mastercard interchange fees	3,732,067	868,367
ATM interchange fees	1,737,214	322,577
Foreign exchange transfer fees	1,525,445	958,459
Commissions associated with letters of credit	1,209,293	873,879
Commissions associated with pledges	1,139,697	632,385
Cash advance fees	555,000	-
Commissions on guarantees provided	530,820	100,956
Administrative expenses	389,350	329,430
Commissions on credit operations	363,179	144,206
Service commissions	304,275	197
Card handling fees	270,840	128,276
Other fees	808,006	422,013
Total	12,565,186	4,780,745
Charges related to services and fees		
Mastercard interchange fees	(1,359,721)	(561,113)
Correspondent expenses	(448,374)	(274,303)
EMIS commissions	(400,428)	(256,567)
Total	(2,208,523)	(1,091,983)

On 31 December 2024 and 2023, income from “Mastercard interchange fees” corresponds to the commissions charged by the Bank to Customers for transactions carried out using Mastercard cards, namely commissions on cash withdrawals, purchases, bill payments, and early settlements.

On 31 December 2024 and 2023, “Mastercard interchange fees” charges, correspond to the fees paid by the Bank in connection with transactions carried out by Customers on the Mastercard network.

In the year ending 31 December 2024, there was an increase in the number of Mastercard cards and the volume of transactions.

20. Income from investments at amortised cost

On 31 December 2024 and 2023, the balance of the heading reflects the capital gains associated with the one-off disposal of investments at amortised cost (public debt securities).

21. Foreign exchange results

This heading has the following composition:

	31/12/2024			31/12/2023		
	Income	Costs	Net	Income	Costs	Net
Result of foreign exchange operations	16,081,830	(2,887,548)	13,194,282	5,140,160	(126,970)	5,013,190
Foreign exchange revaluation result	2,996,234	(3,091,474)	(95,240)	10,742,131	(16,266,051)	(5,523,920)
Total	19,078,064	(5,979,022)	13,099,042	15,882,291	(16,393,021)	(510,730)

On 31 December 2024 and 2023, the balance of the heading reflects the income and costs related to foreign exchange changes, realised or potential, arising from transactions conducted in foreign currency and the reassessment of foreign currency balance sheet exposures.

22. Other operating results

This heading has the following composition:

	31/12/2024	31/12/2023
Taxes		
Capital Gains Tax	(1,615,627)	(666,807)
Specific Deductions for Foreign exchange Transactions	(204,571)	-
Value Added Tax	(164,714)	(136,246)
Other taxes	(6,228)	(39,095)
	(1,991,140)	(842,148)
Payments on write-offs	227,423	-
Membership fees	(132,121)	(139,121)
Penalties imposed by regulatory authorities	(44,873)	(263,860)
Custody fee on excess reserves	-	(568,061)
Other	(408,811)	(117,036)
Total	(2,349,522)	(1,930,226)

On 31 December 2024 and 2023, the amount of Capital Gains Tax corresponds to the tax applicable on income from the investment of capital (Note 16).

23. Staff costs

This heading has the following composition:

	31/12/2024	31/12/2023
Salaries and wages		
Remuneration of Management and Supervisory Bodies	3,655,592	2,881,380
Remuneration of employees	4,976,200	4,126,017
Variable performance remuneration	2,243,874	538,082
	10,875,666	7,545,479
Other costs		
Of Management and Supervisory Bodies	423,905	257,653
Of employees	302,185	190,858
	726,090	448,511
Social Security	428,692	25,378
Training expenses	252,308	19,469
Total	12,282,756	8,038,837

On 31 December 2024 and 2023, the Bank had 194 and 176 Employees, respectively, 12 of whom are members of the Governing Bodies.

On 31 December 2024 and 2023, the amount of variable performance remuneration corresponds to the estimate of the bonus to be paid, based on the net profit for the year in relation to the agreement between the Shareholders and the Board of Directors, to be awarded to the Board of Directors and Employees (Note 16).

24. Third-party supplies and services

This heading has the following composition:

	31/12/2024	31/12/2023
Specialised services		
Audits and consultancies	1,662,441	1,520,650
IT	1,138,806	337,589
ATM cards	320,404	243,822
Specialised staff fees	161,170	159,906
Branding and multimedia	119,246	233,898
Other	102,127	22,778
	3,504,194	2,518,643
Communications	729,741	435,183
Transportation, travel and accommodation	673,483	519,507
Security, maintenance and repair	617,369	402,610
Miscellaneous materials	427,892	22,616
Publications, advertising and marketing	408,950	177,300
Insurance	289,183	297,797
Rents and leases	32,645	68,796
Water, energy and fuel	41,501	24,528
Other third-party supplies	1,609,704	624,731
Total	8,334,662	5,091,711

25. Off-balance sheet headings

On 31 December 2024 and 2023, these headings are broken down as follows:

	31/12/2024	31/12/2023
Off-balance sheet liabilities associated with loans and advances to Customers		
Guarantees given	10,860,186	11,115,554
Letters of credit for imports	10,199,774	30,098,716
Irrevocable credit lines	2,662,575	2,535,849
	23,722,535	43,750,119
Deposit and safekeeping of valuables	-	21,272,400
Total	23,722,535	65,022,519

Letters of credit for imports are irrevocable or revocable commitments (depending on the formalization underlying them) entered into by the Bank, on behalf of its Customers, to pay/mandate payment of a certain amount to the supplier of a given good or service, within a stipulated period of time, against presentation of documents relating to the dispatch of the good or provision of the service. The irrevocable condition consists in the fact that its cancellation or alteration is not feasible without the express agreement of all parties involved.

The guarantees provided are banking operations that do not involve the mobilisation of funds by the Bank, being related to guarantees given for the execution of contracts by the Bank's Customers.

Irrevocable credit lines represent contractual agreements for the granting of credit to Customers of the Bank (unused credit lines) which, in general, are contracted for fixed periods or with other expiry requirements and normally require the payment of a fee. The existing loan commitments demand that certain requirements are kept in the procurement of operations.

Notwithstanding the particularities of these contingent liabilities and commitments, the assessment of these operations adheres to the same basic principles as any other commercial operation, namely that of solvency, both of the Customer and of the underlying business, with the Bank requiring that these operations be adequately collateralised when necessary. Since most of them are expected to expire unused, the amounts indicated do not necessarily represent future cash requirements.

The methodology for calculating provisions is described in Note 2.5.6. The maximum credit exposure is represented by the nominal value that could be lost by the Bank in the event of default by the respective counterparties.

On 31 December 2024 and 2023, the provisions made to cover the credit risk associated with off-balance-sheet liabilities related to Customer credit amount to 433,863 thousand kwanzas and 649,957 thousand kwanzas, respectively (Note 15).

On 31 December 2023, the balance of deposits and the safekeeping of valuables corresponds to the custodial activity of Customers' assets, which, in light of regulatory requirements, has ceased to be conducted by the Bank, with the last Customers' assets being transferred at the beginning of 2024.

26. Balances and transactions with related parties

In accordance with the requirements of IAS 24 – Related Party Disclosure, the Bank considers as related parties the holders of qualifying holdings (holders of a percentage of not less than 10% of the Bank's share capital or voting rights), entities that are directly or indirectly in a control or group relationship, members of the Bank's Management and Supervisory Bodies and their spouses, descendants or ascendants up to the second degree of the straight line, considered to be the ultimate beneficiaries of the transactions or assets.

On 31 December 2024 and 2023, the main related parties are as follows:

- Shareholders and their families
- Members of the Board of Directors and Supervisory Board
- COREAUTO LDA
- CORPORACAO KIANDA-PRE.SER.E COMERCIO,LDA
- DALP AUTOMOVEL DISTRI DE AUT LIGEIOS
- DELTA-JET, LDA
- EHD-EXPLORACAO L.COM.E EXP.MINERAIS,SA
- ESOPAK LIMITADA
- GLOBALINE-INVESTIMENTOS LDA
- GLOBALMOTION, SA
- IHE PROMOCAO E INVEST IMOBILIARIOS LDA
- IMOSUL LIMITADA
- IMOSUL TRADING, LIMITADA
- IMOSUL HIDRAULICA – LOGIST. E TRANS. LDA
- LIFETIME-SOC ANGOLANA DISTR ALIMENTAR,SA
- MARKELUB, LDA
- MERCONS-ENGENHARIA E CONTRUÇAO CIVIL,LDA
- NUTRIAVELE LDA
- POIBA – POLO INDUSTRIAL DE BEBIDAS E ALIMENTOS
- S.TULUMBA-GREEN LAND,SA
- S.TULUMBA-INVESTIMENTOS E PARTICIPACOES
- STI-SILVESTRE TULUMBA INVESTIMENTOS
- S TULUMBA – INDUSTRIA ALIMENTAR, SA.
- SOLO OCEAN – INDUSTRIA DE PESCA, LDA
- SRR, LIMITADA – HOTEL SERRA DA CHELA
- SUL TRADING
- TRANSPORTES-SRR LIMITADA

On December 31 2024 and 2023, the balances and transactions with related parties were as follows:

	31/12/2024			31/12/2023		
	Shareholders and entities related to Shareholders	Members of the Board of Directors and Supervisory Board	Total	Shareholders and entities related to Shareholders	Members of the Board of Directors and Supervisory Board	Total
Assets						
Loans and advances to Customers (Note 9)	55,283,349	66,818	55,350,167	52,190,836	101,525	52,292,361
Liabilities						
Customer resources and other loans (Note 14)	(23,697,852)	(308,986)	(24,006,838)	(21,335,291)	(191,088)	(21,526,379)
Off-balance Sheet						
Letters of credit and guarantees provided (Note 25)	-	-	-	5,607,613	-	5,607,613
Statement of Results						
Interest and similar income (Note 18)	11,401,687	7,265	11,408,952	8,906,069	6,954	8,913,023
Interest and similar charges (Note 18)	(23,973)	(1,405)	(25,378)	(11,370)	(6,550)	(17,920)
Income from services and commissions (Note 19)	1,949,103	13,511	1,962,614	963,377	8,230	971,607
Third-party supplies and services (Note 24)	(552,755)	-	(552,755)	(5,564)	-	(5,564)
	12,774,062	19,371	12,793,433	9,852,512	8,634	9,861,146

The internal procedures for identification and treatment of balances and transactions with related parties and group relationships include a number of subjective assumptions, and the Board of Directors' judgment on this matter is disclosed in Note 3.4.

As of 31 December 2024, the balances with related parties in assets represent 14% of the total, the balances with related parties in loans and advances to Customers represent 65% of the total, showing a coverage ratio by financial collateral of approximately 41%.

As of 31 December 2023, balances with related parties in assets represent 19% of the total, balances with related parties in receivables from Customers represent 65% of the total, showing a coverage ratio by financial collaterals of approximately 39%, and balances with related parties in off-balance sheet items, related to letters of credit and guarantees provided, represent 13% of the total.

27. Fair value of financial instruments

On 31 December 2024 and 2023, the book value of financial instruments is as follows:

	31/12/2024				
	Measured at fair value	Measured at amortized cost	Measured at historical cost	Impairment losses	Net value
Assets					
Cash and deposits at central banks	-	70,190,326	-	-	70,190,326
Deposits at other credit institutions	-	29,769,653	-	(15,843)	29,753,810
Investments at central banks and other credit institutions	-	3,323,445	-	(1,057)	3,322,388
Financial assets at fair value through other comprehensive income	114,329,632	-	460,453	-	114,790,085
Investments at amortised cost	-	76,533,417	-	(995,191)	75,538,226
Loans and advances to Customers	-	89,934,834	-	(4,185,536)	85,749,298
	114,329,632	269,751,675	460,453	(5,197,627)	379,344,133
Liabilities					
Resources from central banks and other credit institutions	-	(62,990,199)	-	-	(62,990,199)
Customer resources and other loans	-	(249,211,530)	-	-	(249,211,530)
	-	(312,201,729)	-	-	(312,201,729)
Net Asset/(Liability)	114,329,632	(42,450,054)	460,453	(5,197,627)	67,142,404

	31/12/2023				
	Measured at fair value	Measured at amortized cost	Measured at historical cost	Impairment losses	Net value
Assets					
Cash and deposits at central banks	-	56,158,839	-	-	56,158,839
Deposits at other credit institutions	-	43,553,449	-	(75,568)	43,477,881
Investments at central banks and other credit institutions	-	11,293,414	-	(12,130)	11,281,284
Financial assets at fair value through other comprehensive income	-	-	68,203	-	68,203
Investments at amortised cost	-	71,439,091	-	(863,445)	70,575,646
Loans and advances to Customers	-	84,486,325	-	(3,679,888)	80,806,437
	-	266,931,118	68,203	(4,631,031)	262,368,290
Liabilities					
Resources from central banks and other credit institutions	-	(2,928,044)	-	-	(2,928,044)
Customer resources and other loans	-	(216,340,667)	-	-	(216,340,667)
	-	(219,268,711)	-	-	(219,268,711)
Net Asset/(Liability)	-	47,662,407	68,203	(4,631,031)	43,099,579

On 31 December 2024 and 2023, there are no offset financial instruments or non-offset but related financial instruments were recorded.

On 31 December 2024 and 2023, no reclassifications of financial assets were recorded.

On 31 December 2024 and 2023, no derivative financial instruments were recorded.

The Bank uses the following hierarchy of fair value, with three levels in the valuation of financial instruments, which reflects the level of judgement, the observability of the data used, and the significance of the parameters applied in determining the fair value assessment of the instrument, in accordance with the provisions of IFRS 13:

- **Level 1:** Fair value is determined on the basis of unadjusted quoted prices captured in transactions on active markets involving financial instruments identical to the instruments being valued. If there is more than one active market for the same financial instrument, the relevant price is that which prevails on the instrument's main market, or the most advantageous market that can be accessed;
- **Level 2:** Fair value is calculated using valuation techniques based on observable data in active markets, whether direct (prices, rates, spreads, among others) or indirect (derivatives), and valuation assumptions similar to those that an unrelated party would use to estimate the fair value of the same financial instrument. It also includes instruments whose valuation is obtained through quotes disclosed by independent entities but whose markets have lower liquidity; and
- **Level 3:** Fair value is determined based on non-observable data in active markets, using techniques and assumptions that market participants would employ to evaluate the same instruments, including hypotheses regarding inherent risks, the valuation technique used, and the inputs considered, as well as review processes of the accuracy of the values thus obtained.

The Bank considers a market for a given financial instrument to be active at the measurement date based on factors such as the volume and liquidity of transactions, the relative volatility of quoted prices, and the timeliness and availability of information, for this purpose, the following minimum conditions must be verified:

- Existence of frequent daily trading quotes in the last year;
- The aforementioned quotes change regularly;
- There are executable quotes from more than one entity.

A parameter used in a valuation technique is considered an observable market data if the following conditions are met:

- If its value is determined in an active market;
- If there is an Over the Counter market and it is reasonable to assume that active market conditions prevail, except for the trading volume condition; and
- The value of the parameter can be obtained by the inverse calculation of the prices of financial instruments and/or derivatives where the other parameters necessary for the initial evaluation are observable in a liquid market or in an Over the Counter market that comply with the previous paragraphs.

Fair value of financial instruments

On 31 December 2024 and 2023, the fair value of financial instruments is detailed as follows:

	31/12/2024						
	Book value (net)	Fair value of financial instruments		Total	Difference	Assets valued at historical cost	Total book value
Measured at fair value	Measured at amortised cost						
Assets							
Cash and deposits at central banks	70,190,326	-	70,190,326	70,190,326	-	-	70,190,326
Deposits at other credit institutions	29,753,810	-	29,753,810	29,753,810	-	-	29,753,810
Investments at central banks and other credit institutions	3,322,388	-	3,322,388	3,322,388	-	-	3,322,388
Financial assets at fair value through other comprehensive income	114,329,632	114,329,632	-	114,329,632	-	460,453	114,790,085
Investments at amortised cost	75,538,226	-	75,538,226	75,538,226	-	-	75,538,226
Loans and advances to Customers	85,749,298	-	85,749,298	85,749,298	-	-	85,749,298
	378,883,680	114,329,632	264,554,048	378,883,680	-	460,453	379,344,133
Liabilities							
Resources from central banks and other credit institutions	(62,990,199)	-	(62,990,199)	(62,990,199)	-	-	(62,990,199)
Customer resources and other loans	(249,211,530)	-	(249,211,530)	(249,211,530)	-	-	(249,211,530)
	(312,201,729)	-	(312,201,729)	(312,201,729)	-	-	(312,201,729)
Net Asset/(Liability)	66,681,951	114,329,632	(47,647,681)	66,681,951	-	460,453	67,142,404

31/12/2023								
	Book value (net)	Fair value of financial instruments			Difference	Assets valued at historical cost	Total book value	
		Measured at fair value	Measured at amortised cost	Total				
Assets								
Cash and deposits at central banks	56,158,839	-	56,158,839	56,158,839	-	-	56,158,839	
Deposits at other credit institutions	43,477,881	-	43,477,881	43,477,881	-	-	43,477,881	
Investments at central banks and other credit institutions	11,281,284	-	11,281,284	11,281,284	-	-	11,281,284	
Financial assets at fair value through other comprehensive income	-	-	-	-	-	68,203	68,203	
Investments at amortised cost	70,575,646	-	70,575,646	70,575,646	-	-	70,575,646	
Loans and advances to Customers	80,806,437	-	80,806,437	80,806,437	-	-	80,806,437	
	262,300,087	-	262,300,087	262,300,087	-	68,203	262,368,290	
Liabilities								
Resources from central banks and other credit institutions	(2,928,044)	-	(2,928,044)	(2,928,044)	-	-	(2,928,044)	
Customer resources and other loans	(216,340,667)	-	(216,340,667)	(216,340,667)	-	-	(216,340,667)	
	(219,268,711)	-	(219,268,711)	(219,268,711)	-	-	(219,268,711)	
Net Asset/(Liability)	43,031,376	-	43,031,376	43,031,376	-	68,203	43,099,579	

The main methodologies and assumptions in preparing the disclosure of the fair value of financial instruments are as follows:

Cash and deposits at central banks, deposits at other credit institutions, investments at central banks and other credit institutions and funds from central banks and other credit institutions

Considering that these are spot or very short-term operations, it is understood that the book value is a reasonable approximation of its fair value.

Investments at amortised cost

The fair value of these financial instruments is based on market prices, when available. If they don't exist, the fair value is estimated based on the discounted expected future cash flows of principal and interest for these assets.

For the purposes of this disclosure, considering that the portfolio consists of public debt securities with maturities and interest rates aligned with market conditions, it is deemed that the book value represents a reasonable approximation of the fair value of these assets.

Loans and advances to customers

The fair value is not calculated, since the Bank considers that the amortised cost corresponds to the best estimate of fair value based on the information available.

Customer resources and other loans

Considering that the fair value is estimated by discounting the expected cash flows of principal and interest, based on the rates applied to transactions with similar characteristics as at the balance sheet date, with interest rates renewed for periods of less than one year, there are no material differences between the amortised cost and the fair value.

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BCS stands out as an example of solidity, vision strategic and agility operational. In 2024, total assets grew by 43%, reaching approximately 400 billion kwanzas.

28. Risk management of the activity

The Bank is subject to various risks in the context of its operations. Risk management is carried out in a centralised manner in coordination with the various structure units, taking into account the specific risks of each business.

The Bank's risk management policy aims to maintain, on a continuous basis, an appropriate relationship between its own capital and the activity undertaken, as well as the corresponding assessment of the risk/return profile by line of business. In this context, monitoring and controlling the main types of financial risks is particularly relevant, namely credit risk, market risk, liquidity risk, and operational risk to which the Bank's activities are exposed.

Main risk categories

Credit risk – Refers to the risk associated with negative impacts on earnings or principal due to the inability of a counterparty to meet its financial commitments to the Bank, including possible restrictions on the transfer of payments abroad.

Market risk – Refers to the risk associated with negative impacts on earnings or capital due to unfavourable movements in the market price of trading portfolio instruments, caused in particular by fluctuations in interest rates, exchange rates, stock prices or commodity prices. Market risk includes interest rate risk, foreign exchange rate risk and other price risks.

Liquidity risk – Refers to the risk associated with negative impacts on earnings or capital resulting from the possibility of a mismatch or non-compensation between monetary flows of payments and those of receipts, generating an inability to meet the commitments assumed, with insufficient reserves and availability to honour obligations when they occur.

Solvency risk – Refers to the risk associated with negative impacts on earnings or capital (the possibility of the institution not surviving) due to the inability to cover the losses generated by other risks with available capital.

Operational risk – Refers to the risk associated with negative impacts on earnings or capital arising from failures in the analysis, processing or settlement of operations, internal or external fraud, the use of subcontracted resources, ineffective internal decision-making processes, insufficient or inadequate human resources, or the non-functionality of the structure.

Cyber risk – Refers to the risk associated with negative impacts on earnings or capital arising from inadequately configured or faulty technology, which could jeopardise the availability, integrity, accessibility, and security of infrastructure and data.

Compliance risk – Refers to the risk associated with negative impacts on capital or capital arising from violations or non-compliance with laws, regulations, agreements, Customer relations, prescribed practices or ethical standards that may result in legal penalties, restriction of business opportunities, reduction of expansion potential or inability to apply contractual obligations.

ESG risk (Environmental, Social, and Corporate Governance) – Refers to the risk associated with negative impacts on earnings or capital due to the effects of climate change and the current or future impacts of social and governance factors on the Institution's counterparties and assets.

Operational risk is related to the potential loss arising from failures or inadequacies in internal processes, people, or systems, as well as potential losses resulting from external events.

Internal organisation

As a basic element for the success of its business, the Bank considers it essential to implement and maintain adequate risk management, which should take the form of defining the Bank's risk appetite and implementing strategies and policies aimed at achieving its objectives, taking into account the defined risk appetite, ensuring that it remains within predefined limits and that it is subject to adequate and continuous supervision.

The Bank's Board of Directors is responsible for approving the risk appetite, overall risk policy and specific policies for significant risks. This scope includes the approval of the highest level principles and rules that must be followed in the Bank's risk management, as well as the guidelines that should dictate the allocation of capital to the different risks and lines of business.

The Board of Directors, through the Risk Committee, ensures that there is adequate risk control and effective management systems in all areas of the Bank. The Risk Committee is responsible for periodically monitoring the overall levels of risk incurred, ensuring that they are compatible with the objectives and strategies approved for the development of the activity.

The risk management function is performed by the Risk Department, which is responsible for the design, development, monitoring, and updating of risk models that ensure the proper identification, assessment, monitoring, control, and reporting of the risks associated with the Bank's activities, in order to ensure

that risks remain within levels consistent with the risk profile and risk appetite defined and approved by the Board of Directors.

The compliance function is carried out by the Compliance Department, covering all of the Bank's structure units, processes and activities, and its mission is to contribute to the prevention and mitigation of compliance risk.

The risk management and compliance functions report functionally to an executive director who does not hold operational unit responsibilities and hierarchically to the Board of Directors through the Risk Committee and the Internal Control Committee composed of non-executive directors.

Banco Nacional de Angola Notice no. 08/2021, of 5 July, and other associated regulations, established relevant changes to the regulatory and prudential framework for the angolan financial system as a result of the supervisory and regulatory equivalence project that has been implemented.

Credit risk

Credit risk models play an essential role in the credit decision process. Thus, the decision-making process for credit portfolio operations is based on a set of policies. Credit decisions depend on risk assessments and compliance with various rules on the financial capacity and behaviour of applicants.

On 31 December 2024 and 2023, the maximum exposure to credit risk is as follows.

	31/12/2024			31/12/2023		
	Gross book value	Impairment losses	Net book value	Gross book value	Impairment losses	Net book value
On-balance sheet						
Cash and deposits at central banks	70,190,326	-	70,190,326	56,158,839	-	56,158,839
Deposits at other credit institutions	29,769,653	(15,843)	29,753,810	43,553,449	(75,568)	43,477,881
Investments at central banks and other credit institutions	3,323,445	(1,057)	3,322,388	11,293,414	(12,130)	11,281,284
Financial assets at fair value through other comprehensive income	114,790,085	-	114,790,085	68,203	-	68,203
Investments at amortised cost	76,533,417	(995,191)	75,538,226	71,439,091	(863,445)	70,575,646
Loans and advances to Customers	89,934,834	(4,185,536)	85,749,298	84,486,325	(3,679,888)	80,806,437
	384,541,760	(5,197,627)	379,344,133	266,999,321	(4,631,031)	262,368,290
Off-balance sheet						
Letters of credit for imports	10,199,774	(173,428)	10,026,346	30,098,716	(445,007)	29,653,709
Guarantees given	10,860,186	(260,435)	10,599,751	11,115,554	(204,950)	10,910,604
Irrevocable credit lines	2,662,575	-	2,662,575	2,535,849	-	2,535,849
	23,722,535	(433,863)	23,288,672	43,750,119	(649,957)	43,100,162
Total	408,264,295	(5,631,490)	402,632,805	310,749,440	(5,280,988)	305,468,452

On 31 December 2024 and 2023, the net gains and losses on financial instruments are detailed as follows:

	31/12/2024					
	Recognised in profit or loss			Recognised in other comprehensive income		
	Gains	Losses	Net	Gains	Losses	Net
Assets						
Deposits at other credit institutions	59,725	-	59,725	-	-	-
Investments at central banks and other credit institutions	1,890,122	-	1,890,122	-	-	-
Financial assets at fair value through other comprehensive income	-	(1,703,048)	(1,703,048)	6,949,579	(2,432,353)	4,517,226
Investments at amortised cost	21,757,899	(131,746)	21,626,153	-	-	-
Loans and advances to Customers	17,736,967	(835,032)	16,901,935	-	-	-
	41,444,713	(2,669,826)	38,774,887	6,949,579	(2,432,353)	4,517,226
Liabilities						
Resources from central banks and other credit institutions	-	(1,551,866)	(1,551,866)	-	-	-
Customer resources and other loans	-	(11,224,349)	(11,224,349)	-	-	-
	-	(12,776,215)	(12,776,215)	-	-	-
Off-balance sheet						
Letters of credit and guarantees provided	1,956,207	-	1,956,207	-	-	-
	1,956,207	-	1,956,207	-	-	-
Total	43,400,920	(15,446,041)	27,954,879	6,949,579	(2,432,353)	4,517,226

	31/12/2023		
	Recognised in profit or loss		
	Gains	Losses	Net
Assets			
Deposits at other credit institutions	-	(59,192)	(59,192)
Investments at central banks and other credit institutions	478,460	-	478,460
Financial assets at fair value through other comprehensive income	-	-	-
Investments at amortised cost	10,398,024	(280,916)	10,117,108
Loans and advances to Customers	11,756,740	(2,363,943)	9,392,797
	22,633,224	(2,704,051)	19,929,173
Liabilities			
Resources from central banks and other credit institutions	-	(261,466)	(261,466)
Customer resources and other loans	-	(4,159,542)	(4,159,542)
	-	(4,421,008)	(4,421,008)
Off-balance sheet			
Letters of credit and guarantees provided	1,179,334	-	1,179,334
	1,179,334	-	1,179,334
Total	23,812,558	(7,125,059)	16,687,499

On 31 December 2024 and 2023, the income and expenses related to interest on financial instruments not measured at fair value through profit or loss are detailed as follows:

	31/12/2024			31/12/2023		
	Income	Expenses	Net	Income	Expenses	Net
Assets						
Investments at central banks and other credit institutions	1,879,049	-	1,879,049	474,771	-	474,771
Investments at amortised cost	21,757,899	-	21,757,899	10,398,024	-	10,398,024
Loans and advances to Customers	17,373,788	-	17,373,788	11,612,534	-	11,612,534
	41,010,736	-	41,010,736	22,485,329	-	22,485,329
Liabilities						
Resources from central banks and other credit institutions	-	(1,551,866)	(1,551,866)	-	(261,466)	(261,466)
Customer resources and other loans	-	(11,224,349)	(11,224,349)	-	(4,159,542)	(4,159,542)
	-	(12,776,215)	(12,776,215)	-	(4,159,542)	(4,421,008)
Total	41,010,736	(12,776,215)	28,234,521	22,485,329	(4,159,542)	18,064,321

On 31 December 2024 and 2023, the credit quality of the financial assets is as follows:

	31/12/2024				
	Rating origin	Rating level	Gross exposure	Impairment losses	Net exposure
Cash and deposits at central banks	External rating	B1 to B3	63,627,601	-	63,627,601
		no rating	6,562,725	-	6,562,725
			70,190,326	-	70,190,326
Deposits at other credit institutions	External rating	A1 to A3	15,024,141	(463)	15,023,678
	External rating	Aa1 to Aa3	106,740	(2)	106,738
	External rating	Aaa1 to Aaa3	8,918,042	(93)	8,917,949
	External rating	Ba1 to Ba3	65,927	(30)	65,897
	External rating	B1 a B3	1,487,736	(1,639)	1,486,097
	External rating	Caa1 a Caa3	3,052,801	(13,616)	3,039,185
		no rating	1,114,266	-	1,114,266
			29,769,653	(15,843)	29,753,810
Investments at central banks and other credit institutions	External rating	A1 to A3	3,323,445	(1,057)	3,322,388
Financial assets at fair value through other comprehensive income	External rating	B1 to B3	114,329,632	-	114,329,632
		no rating	460,453	-	460,453
			114,790,085	-	114,790,085
Investments at amortised cost	External rating	B1 to B3	76,533,417	(995,191)	75,538,226
Loans and advances to Customers – on-balance sheet	Internal rating	A	50,585	(1,124)	49,461
	Internal rating	B	87,631,210	(3,380,699)	84,250,511
	Internal rating	C	1,244,834	(99,977)	1,144,857
	Internal rating	E	550,255	(445,260)	104,995
	Internal rating	F	453,734	(257,511)	196,223
	Internal rating	G	4,216	(965)	3,251
			89,934,834	(4,185,536)	85,749,298
Off-balance sheet	Internal rating	A	339,314	(7,946)	331,368
	Internal rating	B	23,383,221	(425,917)	22,957,304
			23,722,535	(433,863)	23,288,672
Total			408,264,295	(5,631,490)	402,632,805

31/12/2023					
	Rating origin	Rating level	Gross exposure	Impairment losses	Net exposure
Cash and deposits at central banks	External rating	B1 to B3	54,469,797	-	54,469,797
		no rating	1,689,042	-	1,689,042
			56,158,839	-	56,158,839
Deposits at other credit institutions	External rating	Aa1 to Aa3	1,172,034	(211)	1,171,823
	External rating	Baa1 to Baa3	39,386,185	(40,521)	39,345,664
	External rating	Ba1 to Ba3	344,992	(1,836)	343,156
	External rating	B1 to B3	1,708,629	(33,000)	1,675,629
		no rating	941,609	-	941,609
			43,553,449	(75,568)	43,477,881
Investments at central banks and other credit institutions	External rating	Baa1 to Baa3	8,292,181	(8,458)	8,283,723
	External rating	B1 to B3	3,001,233	(3,672)	2,997,561
			11,293,414	(12,130)	11,281,284
Financial assets at fair value through other comprehensive income		no rating	68,203	-	68,203
Investments at amortised cost	External rating	B1 to B3	71,439,091	(863,445)	70,575,646
Loans and advances to Customers – on-balance sheet	Internal rating	A	4,794,435	(81,713)	4,712,722
	Internal rating	B	79,319,053	(3,426,523)	75,892,530
	Internal rating	C	226,932	(53,469)	173,463
	Internal rating	D	145,905	(118,183)	27,722
			84,486,325	(3,679,888)	80,806,437
Off-balance sheet	Internal rating	A	1,093,184	(1,633)	1,091,551
	Internal rating	B	42,656,935	(648,324)	42,008,611
			43,750,119	(649,957)	43,100,162
Total			310,749,440	(5,280,988)	305,468,452

On 31 December 2024 and 2023, the breakdown of financial instruments by impairment stage is as follows:

	31/12/2024											
	Gross exposure				Impairment losses				Net exposure			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
On-balance sheet												
Cash and deposits at central banks	70,190,326	-	-	70,190,326	-	-	-	-	70,190,326	-	-	70,190,326
Deposits at other credit institutions	29,769,653	-	-	29,769,653	(15,843)	-	-	(15,843)	29,753,810	-	-	29,753,810
Investments at central banks and other credit institutions	3,323,445	-	-	3,323,445	(1,057)	-	-	(1,057)	3,322,388	-	-	3,322,388
Financial assets at fair value through other comprehensive income	114,790,085	-	-	114,790,085	-	-	-	-	114,790,085	-	-	114,790,085
Investments at amortised cost	76,533,417	-	-	76,533,417	(995,191)	-	-	(995,191)	75,538,226	-	-	75,538,226
Loans and advances to Customers	86,441,586	590,205	2,903,043	89,934,834	(2,929,168)	(87,861)	(1,168,507)	(4,185,536)	83,512,418	502,344	1,734,536	85,749,298
Off-balance sheet	23,712,108	5,244	5,183	23,722,535	(432,743)	(255)	(865)	(433,863)	23,279,365	4,989	4,318	23,288,672
Total	404,760,620	595,449	2,908,226	408,264,295	(4,374,002)	(88,116)	(1,169,372)	(5,631,490)	400,386,618	507,333	1,738,854	402,632,805

31/12/2023												
	Gross exposure				Impairment losses				Net exposure			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
On-balance sheet												
Cash and deposits at central banks	56,158,839	-	-	56,158,839	-	-	-	-	56,158,839	-	-	56,158,839
Deposits at other credit institutions	43,553,449	-	-	43,553,449	(75,568)	-	-	(75,568)	43,477,881	-	-	43,477,881
Investments at central banks and other credit institutions	11,293,414	-	-	11,293,414	(12,130)	-	-	(12,130)	11,281,284	-	-	11,281,284
Financial assets at fair value through other comprehensive income	68,203	-	-	68,203	-	-	-	-	68,203	-	-	68,203
Investments at amortised cost	71,439,091	-	-	71,439,091	(863,445)	-	-	(863,445)	70,575,646	-	-	70,575,646
Loans and advances to Customers	82,635,361	325,023	1,525,941	84,486,325	(2,762,910)	(32,588)	(884,390)	(3,679,888)	79,872,451	292,435	641,551	80,806,437
Off-balance sheet	43,744,577	4,752	790	43,750,119	(649,707)	(122)	(128)	(649,957)	43,094,870	4,630	662	43,100,162
Total	308,892,934	329,775	1,526,731	310,749,440	(4,363,760)	(32,710)	(884,518)	(5,280,988)	304,529,174	297,065	642,213	305,468,452

On 31 December 2024 and 2023, the geographical concentration of credit risk is as follows:

	31/12/2024				
	Angola	Other African countries	Europe	Other	Total
Cash and deposits at central banks	70,190,326	-	-	-	70,190,326
Deposits at other credit institutions	1,114,265	3,561,040	15,795,691	9,282,814	29,753,810
Investments at central banks and other credit institutions	-	-	3,322,388	-	3,322,388
Financial assets at fair value through other comprehensive income	114,790,085	-	-	-	114,790,085
Investments at amortised cost	75,538,226	-	-	-	75,538,226
Loans and advances to Customers	85,749,298	-	-	-	85,749,298
On-balance sheet exposure	347,382,200	3,561,040	19,118,079	9,282,814	379,344,133
Off-balance sheet	23,288,672	-	-	-	23,288,672
Total	370,670,872	3,561,040	19,118,079	9,282,814	402,632,805

	31-12-2023				
	Angola	Other African countries	Europe	Other	Total
Cash and deposits at central banks	56,158,839	-	-	-	56,158,839
Deposits at other credit institutions	885,437	1,499,414	29,506,843	11,586,187	43,477,881
Investments at central banks and other credit institutions	2,997,561	829,149	7,454,574	-	11,281,284
Financial assets at fair value through other comprehensive income	68,203	-	-	-	68,203
Investments at amortised cost	70,575,646	-	-	-	70,575,646
Loans and advances to Customers	80,806,437	-	-	-	80,806,437
On-balance sheet exposure	211,492,123	2,328,563	36,961,417	11,586,187	262,368,290
Off-balance sheet	43,100,162	-	-	-	43,100,162
Total	254,592,285	2,328,563	36,961,417	11,586,187	305,468,452

The disclosures provided for in IFRS 7 and IFRS 9 associated with loans and advances to Customers are presented in Note 9.

Liquidity risk

The evaluation of liquidity risk is conducted using internal metrics defined by the Bank's management, namely, exposure limits. This control is reinforced by the monthly execution of sensitivity analyses, aimed at characterising the Bank's risk profile and ensuring that its obligations in a liquidity crisis scenario are met.

The control of liquidity levels aims to maintain a satisfactory level of availability to meet financial needs in the short, medium and long term. Liquidity risk is monitored on a daily basis, and several reports are prepared for control purposes and to monitor and support decision-making in the Executive Committee.

The evolution of the liquidity position is monitored, in particular, based on estimated future cash flows over various time horizons, taking into consideration the Bank's balance sheet. The liquidity position on the date of analysis, together with the amount of highly liquid assets held in the portfolio of unencumbered securities, is added to the projected values, thereby determining the cumulative liquidity gap across various time horizons. In addition, liquidity positions are monitored from a prudential point of view, calculated in accordance with Banco Nacional de Angola Instruction 01/2024 of 26 January.

On 31 December 2024 and 2023, the contractual cash flows relating to capital are as follows:

31/12/2024										
Residual contractual maturities										
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	70,190,326	-	-	-	-	-	-	-	-	70,190,326
Deposits at other credit institutions	29,769,653	-	-	-	-	-	-	-	-	29,769,653
Investments at central banks and other credit institutions	-	3,323,191	-	-	-	-	-	-	-	3,323,191
Financial assets at fair value through other comprehensive income	-	-	-	-	-	46,649,150	5,670,831	51,568,487	460,453	104,348,921
Investments at amortised cost	-	-	9,626,052	2,880,294	6,911,581	18,597,414	5,427,551	29,675,507	-	73,118,399
Loans and advances to Customers	-	4,529,333	6,837,595	24,577,946	990,888	13,288,007	30,563,310	5,239,204	-	86,026,283
	99,959,979	7,852,524	16,463,647	27,458,240	7,902,469	78,534,571	41,661,692	86,483,198	460,453	366,776,773
Liabilities										
Resources from central banks and other credit institutions	(1,388,205)	(61,500,000)	-	-	-	-	-	-	-	(62,888,205)
Customer resources and other loans	(103,601,519)	(26,906,640)	(28,077,224)	(20,816,571)	(44,277,003)	(9,821,111)	(14,806,225)	(62,000)	-	(248,368,293)
	(104,989,724)	(88,406,640)	(28,077,224)	(20,816,571)	(44,277,003)	(9,821,111)	(14,806,225)	(62,000)	-	(311,256,498)
Liquidity gap	(5,029,745)	(80,554,116)	(11,613,577)	6,641,669	(36,374,534)	68,713,460	26,855,467	86,421,198	460,453	55,520,275
Cumulative liquidity gap	(5,029,745)	(85,583,861)	(97,197,438)	(90,555,769)	(126,930,303)	(58,216,843)	(31,361,376)	55,059,822	55,520,275	

31/12/2023										
Residual contractual maturities										
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	56,158,839	-	-	-	-	-	-	-	-	56,158,839
Deposits at other credit institutions	43,553,449	-	-	-	-	-	-	-	-	43,553,449
Investments at central banks and other credit institutions	-	11,288,000	-	-	-	-	-	-	-	11,288,000
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	68,203	68,203
Investments at amortised cost	-	-	10,607,132	1,815,800	10,588,565	11,057,012	14,565,900	19,730,914	-	68,365,323
Loans and advances to Customers	-	2,665,264	391,274	41,150,960	19,314,105	9,645,368	9,448,048	923,669	-	83,538,688
	99,712,288	13,953,264	10,998,406	42,966,760	29,902,670	20,702,380	24,013,948	20,654,583	68,203	262,972,502
Liabilities										
Resources from central banks and other credit institutions	(412,632)	-	(2,471,934)	(27,242)	-	-	-	-	-	(2,911,808)
Customer resources and other loans	(97,462,682)	(19,149,852)	(51,182,005)	(2,582,578)	(42,847,909)	(1,357,913)	(770,000)	-	-	(215,352,939)
	(97,875,314)	(19,149,852)	(53,653,939)	(2,609,820)	(42,847,909)	(1,357,913)	(770,000)	-	-	(218,264,747)
Liquidity gap	1,836,974	(5,196,588)	(42,655,533)	40,356,940	(12,945,239)	19,344,467	23,243,948	20,654,583	68,203	44,707,755
Cumulative liquidity gap	1,836,974	(186,231,018)	(423,008,632)	(385,851,912)	(587,992,466)	(519,462,448)	(454,236,513)	(250,791,744)	(194,606,407)	

Market risk

With regard to market risk information and analysis, regular reporting on financial asset portfolios is ensured. Various risk limits have been set for own portfolios. Different exposure limits are also defined by issuer, by type/class of asset, and by credit quality level (rating). Stop loss and loss triggers limits for positions held for trading and available for sale are still defined.

The Bank considers the requirements of Notice no. 08/2021, of 5 July, of the Banco Nacional de Angola regarding the interest rate risk in the Bank portfolio.

The assessment of interest rate risk arising from Bank portfolio operations shall be carried out by risk sensitivity analysis.

Based on the financial characteristics of each contract, the respective projection of expected cash flows is prepared, taking into account the rate reset dates and any relevant behavioural assumptions.

The aggregation of expected cash flows for each of the currencies analysed within each time interval enables the determination of interest rate gaps by repricing period.

“

Resources from Clients increased by 15%, strengthening capacity to finance and reiterating the strength of reputation of BCS in the market.

Interest rate risk

On 31 December 2024 and 2023, the financial instruments by exposure to interest rate risk are detailed as follows:

	31/12/2024				31/12/2023			
	Exposure to		Not subject to interest rate risk	Total	Exposure to		Not subject to interest rate risk	Total
	Fixed rate	Variable rate			Fixed rate	Variable rate		
Assets								
Cash and deposits at central banks	-	-	70,190,326	70,190,326	-	-	56,158,839	56,158,839
Deposits at other credit institutions	-	-	29,753,810	29,753,810	-	-	43,477,881	43,477,881
Investments at central banks and other credit institutions	3,322,388	-	-	3,322,388	11,281,284	-	-	11,281,284
Financial assets at fair value through other comprehensive income	114,329,632	-	460,453	114,790,085	-	-	68,203	68,203
Investments at amortised cost	75,538,226	-	-	75,538,226	70,575,646	-	-	70,575,646
Loans and advances to Customers	76,987,507	8,761,791	-	85,749,298	72,259,065	8,547,372	-	80,806,437
	270,177,753	8,761,791	100,404,589	379,344,133	154,115,995	8,547,372	99,704,923	262,368,290
Liabilities								
Resources from central banks and other credit institutions	(61,601,994)	-	(1,388,205)	(62,990,199)	-	(2,515,412)	(412,632)	(2,928,044)
Customer resources and other loans	(145,610,011)	-	(103,601,519)	(249,211,530)	(118,877,985)	-	(97,462,682)	(216,340,667)
	(207,212,005)	-	(104,989,724)	(312,201,729)	(118,877,985)	(2,515,412)	(97,875,314)	(219,268,711)
Net Asset/(Liability)	62,965,748	8,761,791	(4,585,135)	67,142,404	35,238,010	6,031,960	1,829,609	43,099,579

On 31 December 2024 and 2023, financial instruments exposed to interest rate risk, classified by their maturity or repricing date, are detailed as follows:

31/12/2024									
	Repricing/Maturity Dates								
	Up to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets									
Investments at central banks and other credit institutions	3,323,191	-	-	-	-	-	-	-	3,323,191
Financial assets at fair value through other comprehensive income	-	-	-	-	46,649,150	5,670,831	51,568,487	-	103,888,468
Investments at amortised cost	-	9,626,052	2,880,294	6,911,581	18,597,414	5,427,551	29,675,507	-	73,118,399
Loans and advances to Customers	4,529,333	6,837,595	24,577,946	990,888	13,288,007	30,563,310	5,239,204	-	86,026,283
	7,852,524	16,463,647	27,458,240	7,902,469	78,534,571	41,661,692	86,483,198	-	266,356,341
Liabilities									
Resources from central banks and other credit institutions	(61,500,000)	-	-	-	-	-	-	-	(61,500,000)
Customer resources and other loans	(26,906,640)	(28,077,224)	(20,816,571)	(44,277,003)	(9,821,111)	(14,806,225)	(62,000)	-	(144,766,774)
	(88,406,640)	(28,077,224)	(20,816,571)	(44,277,003)	(9,821,111)	(14,806,225)	(62,000)	-	(206,266,774)
Net exposure	(80,554,116)	(11,613,577)	6,641,669	(36,374,534)	68,713,460	26,855,467	86,421,198	-	60,089,567

31/12/2023									
Repricing/Maturity Dates									
	Up to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets									
Investments at central banks and other credit institutions	11,288,000	-	-	-	-	-	-	-	11,288,000
Investments at amortised cost	-	10,607,132	1,815,800	10,588,565	11,057,012	14,565,900	19,730,914	-	68,365,323
Loans and advances to Customers	2,665,264	391,274	41,150,960	19,314,105	9,645,368	9,448,048	923,669	-	83,538,688
	13,953,264	10,998,406	42,966,760	29,902,670	20,702,380	24,013,948	20,654,583	-	163,192,011
Liabilities									
Customer resources and other loans	(19,149,852)	(51,182,005)	(2,582,578)	(42,847,909)	(1,357,913)	(770,000)	-	-	(117,890,257)
	(19,149,852)	(51,182,005)	(2,582,578)	(42,847,909)	(1,357,913)	(770,000)	-	-	(117,890,257)
Net exposure	(5,196,588)	(40,183,599)	40,384,182	(12,945,239)	19,344,467	23,243,948	20,654,583	-	45,301,754

On 31 December 2024 and 2023, the sensitivity analysis of the equity value of financial instruments to changes in interest rates is as follows:

	31/12/2024					
	-200 bp	-100 bp	-50 bp	+50 bp	+100 bp	+200 bp
Assets						
Investments at central banks and other credit institutions	(66,448)	(33,224)	(16,612)	16,612	33,224	66,448
Financial assets at fair value through other comprehensive income	(2,286,593)	(1,143,296)	(571,648)	571,648	1,143,296	2,286,593
Investments at amortised cost	(1,510,765)	(755,382)	(377,691)	377,691	755,382	1,510,765
Loans and advances to Customers	(1,714,986)	(857,493)	(428,746)	428,746	857,493	1,714,986
	(5,578,792)	(2,789,395)	(1,394,697)	1,394,697	2,789,395	5,578,792
Liabilities						
Resources from central banks and other credit institutions	1,232,040	616,020	308,010	(308,010)	(616,020)	(1,232,040)
Customer resources and other loans	2,912,200	1,456,100	728,050	(728,050)	(1,456,100)	(2,912,200)
	4,144,240	2,072,120	1,036,060	(1,036,060)	(2,072,120)	(4,144,240)
Total	(1,434,552)	(717,275)	(358,637)	358,637	717,275	1,434,552

	31/12/2023					
	-200 bp	-100 bp	-50 bp	+50 bp	+100 bp	+200 bp
Assets						
Investments at central banks and other credit institutions	(225,626)	(112,813)	(56,406)	56,406	112,813	225,626
Investments at amortised cost	(1,411,513)	(705,756)	(352,878)	352,878	705,756	1,411,513
Loans and advances to Customers	(1,616,129)	(808,064)	(404,032)	404,032	808,064	1,616,129
	(3,253,268)	(1,626,633)	(813,316)	813,316	1,626,633	3,253,268
Liabilities						
Resources from central banks and other credit institutions	50,308	25,154	12,577	(12,577)	(25,154)	(50,308)
Customer resources and other loans	2,377,562	1,188,781	594,390	(594,390)	(1,188,781)	(2,377,562)
	2,427,870	1,213,935	606,967	(606,967)	(1,213,935)	(2,427,870)
Total	(825,398)	(412,698)	(206,349)	206,349	412,698	825,398

Exchange rate risk

On 31 December 2024 and 2023, the breakdown of financial instruments by currency is as follows:

	31/12/2024				
	Kwanzas	United States Dollars	Euros	Other	Total
Assets					
Cash and deposits at central banks	60,091,712	5,580,981	4,517,124	509	70,190,326
Deposits at other credit institutions	1,110,458	24,031,068	4,251,372	360,912	29,753,810
Investments at central banks and other credit institutions	-	-	3,322,388	-	3,322,388
Financial assets at fair value through other comprehensive income	114,790,085	-	-	-	114,790,085
Investments at amortised cost	60,653,909	14,884,317	-	-	75,538,226
Loans and advances to Customers	85,749,059	239	-	-	85,749,298
	322,395,223	44,496,605	12,090,884	361,421	379,344,133
Liabilities					
Resources from central banks and other credit institutions	(62,235,328)	-	(754,871)	-	(62,990,199)
Customer resources and other loans	(197,683,553)	(33,809,405)	(17,718,572)	-	(249,211,530)
	(259,918,881)	(33,809,405)	(18,473,443)	-	(312,201,729)
Net Asset/(Liability)	62,476,342	10,687,200	(6,382,559)	361,421	67,142,404

	31/12/2023				
	Kwanzas	United States Dollars	Euros	Other	Total
Assets					
Cash and deposits at central banks	39,129,140	3,931,107	13,098,127	465	56,158,839
Deposits at other credit institutions	937,936	36,377,396	5,701,428	461,121	43,477,881
Investments at central banks and other credit institutions	2,989,103	8,292,181	-	-	11,281,284
Financial assets at fair value through other comprehensive income	68,203	-	-	-	68,203
Investments at amortised cost	67,233,041	3,342,605	-	-	70,575,646
Loans and advances to Customers	80,806,437	-	-	-	80,806,437
	191,163,860	51,943,289	18,799,555	461,586	262,368,290
Liabilities					
Resources from central banks and other credit institutions	(263,461)	(2,195,312)	(469,271)	-	(2,928,044)
Customer resources and other loans	(144,567,455)	(64,252,971)	(7,520,241)	-	(216,340,667)
	(144,830,916)	(66,448,283)	(7,989,512)	-	(219,268,711)
Net Asset/(Liability)	46,332,944	(14,504,994)	10,810,043	461,586	43,099,579

On 31 December 2024 and 2023, the sensitivity analysis of the equity value of financial instruments to changes in exchange rates is as follows:

	31/12/2024					
	-20%	-10%	-5%	+5%	+10%	+20%
United States Dollars	2,137,440	1,068,720	534,360	(534,360)	(1,068,720)	(2,137,440)
Euros	(1,276,512)	(638,256)	(319,128)	319,128	638,256	1,276,512
Other	72,284	36,142	18,071	(18,071)	(36,142)	(72,284)
Total	933,212	466,606	233,303	(233,303)	(466,606)	(933,212)

	31/12/2023					
	-20%	-10%	-5%	+5%	+10%	+20%
United States Dollars	(2,900,999)	(1,450,499)	(725,250)	725,250	1,450,499	2,900,999
Euros	2,162,009	1,081,004	540,502	(540,502)	(1,081,004)	(2,162,009)
Other	92,317	46,159	23,079	(23,079)	(46,159)	(92,317)
Total	(646,673)	(323,337)	(161,668)	161,668	323,337	646,673

Own funds requirements

The Bank’s regulatory own funds are calculated in accordance with the applicable regulatory standards, namely Banco Nacional de Angola Notice no. 08/2021 of 5 July and Banco Nacional de Angola Instruction 19/2021 of 27 October.

The risk-weighted assets resulting from the regulatory own funds requirements for (i) credit risk and counterparty credit risk (Banco Nacional de Angola Instruction no. 11/2023, of 9 August), (ii) market risk (Banco Nacional de Angola Instruction no. 16/2021, of 27 October), (iii) operational risk (Banco Nacional de Angola Instruction no. 13/2021, of 27 October), (iv) credit adjustment and evaluation risk (Banco Nacional de Angola Instruction no. 18/2021, of 27 October), (iv) credit evaluation and adjustment risk (Banco Nacional de Angola Instruction nº 18/2021, of 27 October) and (v) for excesses of prudential limits for major risks (Banco Nacional de Angola Instruction no. 10/2023, of 9 August 9).

According to the communication from Banco Nacional de Angola dated 29 April 2024, considering the Analysis and Assessment Process by the Supervisor, a regulatory capital requirement of 14.25% is applicable to the Bank.

On 31 December 2024 and 2023, regulatory capital, respective requirements, and ratios are detailed as follows:

	31/12/2024	31/12/2023
Regulatory own funds	72,318,173	53,498,363
Tier 1 capital	72,318,173	53,498,363
Common Equity Tier 1 capital	72,318,173	53,498,363
Capital requirements for credit risk	8,031,740	7,943,918
Capital requirements for market risk	962,658	1,196,725
Own funds requirements for operational risk	4,996,578	3,500,202
Regulatory capital ratio	41.35%	33.86%

As established in Banco Nacional de Angola Instruction no.10/2023, of 9 August, if the individual or aggregate limit of exposure to large risks is exceeded, requirements for own funds are constituted, which are considered for the purposes of the risk-weighted assets that make up the denominator in the calculation of the regulatory capital ratio, as established in Banco Nacional de Angola Notice no. 08/2021, of 5 July. On 31 December 2024, and 2023, based on the analysis and judgments of the Board of Directors, there are no exposures that exceed the limits for major risks.

28. Subsequent events

Up to the date of approval of the Annual Report, no subsequent events have occurred that require recognition or disclosure.



12.

Annexes

Independent auditor's report

Audit report on the financial statements

Independent auditor’s report



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RELATÓRIO DO AUDITOR INDEPENDENTE

Aos Accionistas
do BCS - Banco de Crédito do Sul, S.A.

RELATO SOBRE A AUDITORIA DAS DEMONSTRAÇÕES FINANCEIRAS

Opinião

Auditámos as demonstrações financeiras anexas do BCS - Banco de Crédito do Sul, S.A. ("Banco"), que compreendem o Balanço em 31 de Dezembro de 2024 (que evidencia um total de 398 318 148 milhares de kwanzas e um total de capital próprio de 73 852 165 milhares de kwanzas, incluindo um resultado líquido de 22 594 349 milhares de kwanzas), as Demonstrações dos resultados, do outro rendimento integral, de alterações no capital próprio e dos fluxos de caixa relativas ao ano findo naquela data, e as notas às demonstrações financeiras, incluindo informações materiais sobre a política contabilística.

Em nossa opinião, as demonstrações financeiras anexas apresentam de forma apropriada, em todos os aspectos materiais, a posição financeira do BCS - Banco de Crédito do Sul, S.A. em 31 de Dezembro de 2024 e o seu desempenho financeiro e fluxos de caixa relativos ao ano findo naquela data de acordo com as Normas Internacionais de Relato Financeiro ("IFRS").

Bases para a opinião

A nossa auditoria foi efectuada de acordo com as Normas Internacionais de Auditoria ("ISA") e demais normas e orientações técnicas e éticas da Ordem dos Contabilistas e Peritos Contabilistas de Angola. As nossas responsabilidades nos termos dessas normas estão descritas na secção "Responsabilidades do auditor pela auditoria das demonstrações financeiras" abaixo. Somos independentes do Banco nos termos da lei e cumprimos os demais requisitos éticos nos termos do código de ética da Ordem dos Contabilistas e Peritos Contabilistas de Angola.

Estamos convictos de que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião.



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Página 2 de 3

Ênfase

Na Nota 26 do Anexo é apresentada informação sobre saldos e transacções com partes relacionadas, sendo de destacar em 31 de Dezembro de 2024 os saldos das rubricas "Créditos a clientes" e "Recursos de clientes e outros empréstimos". Adicionalmente, na Nota 3 do Anexo são referidos os principais julgamentos utilizados pelo Conselho de Administração do Banco na identificação e tratamento de saldos e transacções com partes relacionadas e de relações de grupo.

A nossa opinião não é modificada com respeito a esta matéria.

Responsabilidades do órgão de gestão e do órgão de fiscalização pelas demonstrações financeiras

O órgão de gestão é responsável pela:

- preparação de demonstrações financeiras que apresentem de forma apropriada a posição financeira, o desempenho financeiro e os fluxos de caixa do Banco de acordo com as Normas Internacionais de Relato Financeiro ("IFRS");
- elaboração do relatório de gestão nos termos legais e regulamentares aplicáveis;
- criação e manutenção de um sistema de controlo interno apropriado para permitir a preparação de demonstrações financeiras isentas de distorção material devido a fraude ou a erro;
- adopção de políticas e critérios contabilísticos adequados nas circunstâncias; e
- avaliação da capacidade do Banco de se manter em continuidade, divulgando, quando aplicável, as matérias que possam suscitar dúvidas significativas sobre a continuidade das actividades.

O órgão de fiscalização é responsável pela supervisão do processo de preparação e divulgação da informação financeira do Banco.

Responsabilidades do auditor pela auditoria das demonstrações financeiras

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras como um todo estão isentas de distorções materiais devido a fraude ou a erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança mas não é uma garantia de que uma auditoria executada de acordo com as ISA detectará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou em erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras.

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Página 3 de 3

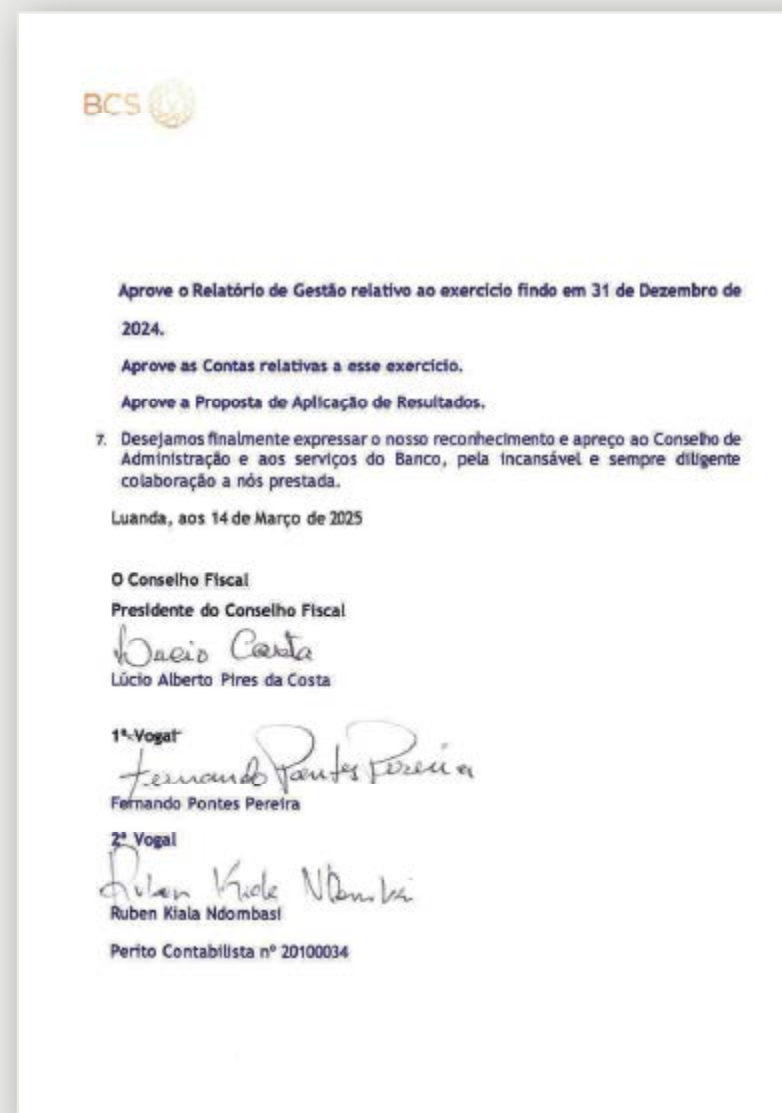
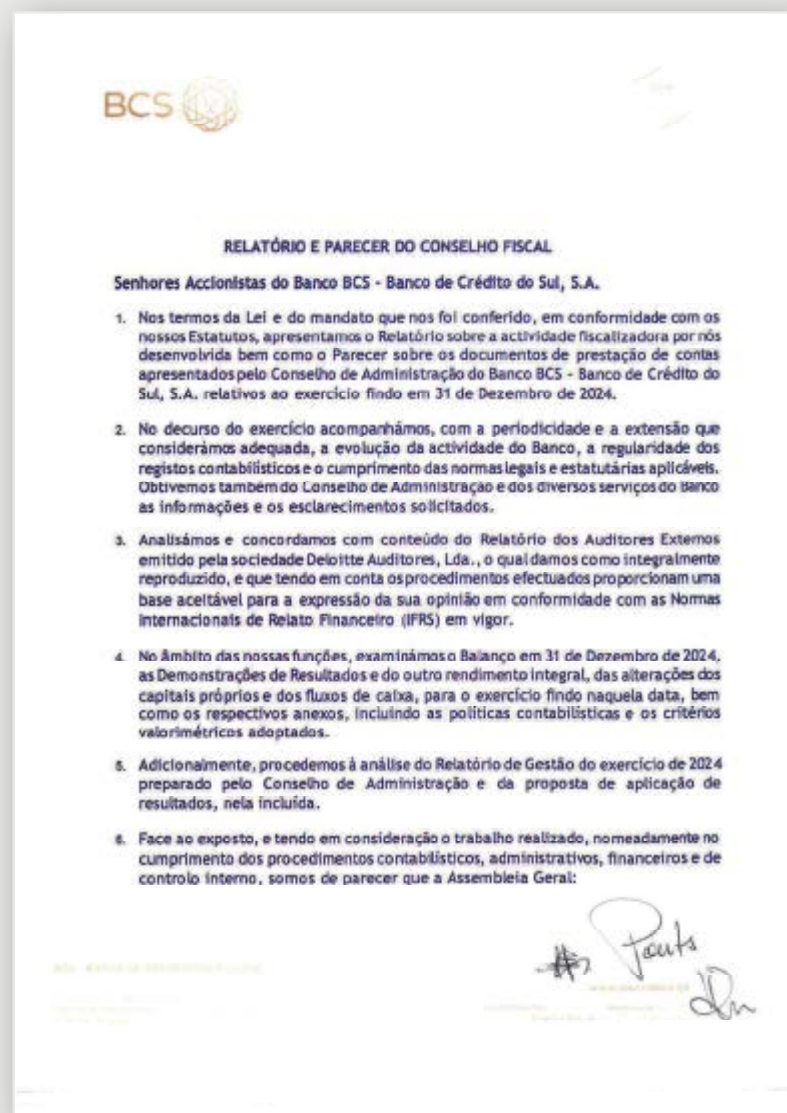
Como parte de uma auditoria de acordo com as ISA, fazemos julgamentos profissionais e mantemos ceticismo profissional durante a auditoria e também:

- identificamos e avaliamos os riscos de distorção material das demonstrações financeiras, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detectar uma distorção material devido a fraude é maior do que o risco de não detectar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;
- obtemos uma compreensão do controlo interno relevante para a auditoria com o objectivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno do Banco;
- avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respectivas divulgações feitas pelo órgão de gestão;
- concluímos sobre a apropriação do uso, pelo órgão de gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade do Banco para dar continuidade às suas actividades. Se concluirmos que existe uma incerteza material, devemos chamar a atenção no nosso relatório para as divulgações relacionadas incluídas nas demonstrações financeiras ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que o Banco descontinue as suas actividades;
- avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras, incluindo as divulgações, e se essas demonstrações financeiras representam as transacções e acontecimentos subjacentes de forma a atingir uma apresentação apropriada; e
- comunicamos com os encarregados da governação, incluindo o órgão de fiscalização, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria incluindo qualquer deficiência significativa de controlo interno identificada durante a auditoria.

Luanda, 13 de Março de 2025


Deloitte Auditores, Lda.
Representada por José António Mendes Garcia Barata
Membro da OCPCA n.º 20130163

Audit report on the financial statements



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