2024 ANNUAL REPORT

BANCO MILLENNIUM ATLANTICO

ATLANTICO

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MESSAGE FROM THE CHAIRMAN AND THE CEO

Joint Message from the Chairman of the Board of Directors and the Chief Executive Officer

Joint Message from the Chairman of the Board of Directors and the Chief Executive Officer

Miguel Raposo Alves
Chief Executive Officer

António Assis de Almeida
Chairman of the Board of Directors

Dear Stakeholders,

In 2024, the world economy grew by 3.2%, driven by the dynamism of the US economy (2.8%), while Europe faced more modest growth, reflecting a weakened industrial sector and political uncertainties. Global inflation fell to 5.8%, opening up room for gradual interest rate cuts by the main Central Banks.

The advance of digitalisation and Artificial Intelligence has continued to be a vector of structural transformation, although its economic impacts have not yet been fully absorbed. However, geopolitical tensions, armed conflicts and uncertainties in international trade have maintained an environment of volatility in the markets and global value chains.

The Angolan economy grew by 4.4%, above initial projections, driven by the performance of the oil sector. However, the persistence of inflation, which reached 27.5% in December, and the maintenance of the benchmark interest rate at 19.5% by the Banco Nacional de Angola, underline the need for prudent financial management geared towards creating sustainable value.

In this scenario, our actions focused on strengthening the main indicators that reflect the robustness of our structure and the ability to support the real economy.

For ATLANTICO, the year 2024 will be marked by a period in which we consolidated the strength of our balance sheet and reinforced the strategic pillars that support our sustainable growth path. In a challenging macroeconomic environment, we remained committed to operational efficiency, financial stability and proximity to our Employees, Customers, Shareholders and partners.

In 2024, we maintained a regulatory solvency ratio of 18.1%, a level that demonstrates our solid capacity to absorb risks and ensure the confidence of our Customers, Shareholders and regulators.

This performance reflects the prudence of our capital management and our commitment to ensuring long-term stability.

The transformation ratio reached 40.9%, a significant increase on the 36.2% recorded in 2023.

This progress reinforces our commitment to financing the real economy and supporting the productive sector, with a responsible lending policy aligned with the diversification of the Angolan economy. Every loan we grant translates into an investment in job creation, in fostering entrepreneurship and in improving the socio-economic conditions of the communities we serve.

Rigorous cost management and the optimization of our processes have allowed us to reduce cost-to-income by 7.2 percentage points, consolidating our operational efficiency.

This financial discipline ensures that we continue to invest in innovative solutions while preserving sustainable profitability and excellence in customer service.

We are convinced that the focus on balance sheet strength and operational efficiency is not an end, but a means to fulfil our mission of promoting financial inclusion and sustainable development.

The net profit of AOA 16.8 billion reflects our ability to generate value sustainably, as a result of a strategy geared towards sustainability and building solid foundations that ensure continuity and confidence in the long term.

Our activity has also been guided by environmental, social and governance (ESG) principles, integrating responsible practices into all areas of the business. We highlight initiatives aimed at implementing the environmental and social management policy (SGAS) of the credit and Procurement function, expanding the digital service system and digital inclusion *400# Agiliza, boosting financial education programs, and supporting social impact projects, reaffirming our role as an agent of transformation in Angola.

The year 2024 was also marked by the successful delivery of the PHIT 2.4 Strategic Plan, which was based on six strategic pillars of transformation:

- An organisation that recognizes and empowers talent;
- Providing an excellent Customer experience;
- An organisation based on information and the extraction of its value;
- Efficient use of innovation to better serve Customers and Talents;
- Solid financial structure with a risk culture; and
- Serving at scale with a focus on Customers and profitability.

The implementation of the Plan has boosted sustainable growth and consolidated ATLANTICO's transformation Among the main results, we highlight the following:

- **Expansion of digital presence** with 1.5 million registered users on the *400# Agiliza channel, of which 400,000 are active users;
- **Transformation of the Service Point network**, with 75% of the units operating 24/7 and 20% in Selfbanking format;
- **Doubling of the ATM and Automatic Deposit Machine network**, reinforcing Customer convenience and autonomy;
- **Launch of the ATLANTICO Card Machine** which allows Multicaixa cards to be issued and identity card data to be instantly updated 24/7;
- **Doubling of the POS** and an increase of the respective activity rate to 75%;
- **Doubling the number of active Customers and reducing complaints** by a third, reaching 3rd place in the BNA's quality ranking.

Moreover, we have evolved the Corporate Governance model and strengthened Internal Control, maintaining our commitment to sustainability and the creation of value for all Stakeholders.

The strength of our balance sheet, combined with the strategic vision and commitment of each of our nearly 1,500 Employees, gives us the certainty that we are prepared to continue building a future of responsible growth with a positive impact. We know that our strength lies in the people who trust Banco Millennium Atlântico as a pillar of stability and innovation.

We are deeply grateful to everyone who has been part of this journey. To our Employees, for their tireless commitment; to our Customers, for the trust that allows us to continually evolve; to our Shareholders, for their long-term vision; and to our Partners, for the collaboration that drives new opportunities and our sustainable growth.

Together, we will continue to build a Bank that is ever more solid, innovative and committed to the development of our Angola.

ATLANTICO, Values for Life

1

STRATEGY

1.1. Mission, Vision and Values

MISSION

To be a **benchmark** institution in Angola, respected in the World, that stands out for **Customer's**, experience, excellence in the **transformation** of Lives, **multiplication** of Customers' Assets, committed to its **Ecosystem**, today and in the future.

PARTNERSHIP'S ECOSYSTEM
Extend our value chain with strong partnerships

ESG
An institution that seeks to generate impact in everything it does

PHIT 2.4 VISION

To leverage **Talent**, **Innovation**, and **Information**, to serve Customers with excellence, maximising the value generated for **Society**.

TALENT
An organisation that recognises and leverages Talent

CUSTOMER'S PRIMACY
Provide an excellent Customer experience

DIGITAL INNOVATION
Efficient use of technology to better serve Customers and Talents

DATA AND AI
An organisation based on information and extracting its value

SCALABILITY
Serve at scale with a focus on the Customer and profitability

RESILIENCE
A solid financial structure and a risk culture

OUR VALUES FOR LIFE

PEOPLE DEVELOPMENT
"People are ATLANTICO's Greatest Asset"

CUSTOMER DRIVEN
"Think, Live and Feel the Customer"

INNOVATION
"Thinking Dierent, Simple and Digital, anticipating the future"

AGILITY
"Harmony of skills in delivering value"

EFFICIENCY AND ACCURACY
"With responsibility, we create more value"

1.2. Foundation, Strategic Pillars and Focus

OUR FOUNDATION

TALENT

An organisation that recognises and leverages Talent

- People as ATLANTICO's main asset
- Talent development model based on the assessment of acquired knowledge and productivity
- Career development model leveraged by a mentoring programme
- Programme of initiatives that enhance the Talent experience

OUR STRATEGIC PILLARS

DIGITAL INNOVATION

Efficient use of innovation to better serve Customers and Talents

- Promote digital innovation in Angola, putting it at the service of Customers and Talents
- Massify the use of digital channels and processes

DATA AND AI

An organisation based on the information and extracting its value

- Development of skills and tools for advanced data analysis
- Constant knowledge of the Customer and his needs

SCALABILITY

Serve at scale with a focus on the Customer and profitability

- Business model based on scalable processes and alternative channels
- Increase the base of Active Customers

RESILIENCE

A solid financial structure and a risk culture

- Balance sheet with liquidity and value generator
- Strengthening a culture of proactive risk management
- Focus on cyber risk mitigation

OUR FOCUS

CUSTOMER'S PRIMACY

Provide an excellent Customer experience

- Obstinate with the Client and the experience we provide, as the ultimate goal of all our activity
- Commitment to Talent development, digital transformation, data analysis and scalable processes to raise Customer satisfaction

1.3. Main indicators

Talent our main asset

- **1,517** Talents
- **86%** Retention of High-Potential Talent
- **15%** Talent with career development

Customers with value

- **3.3** million Customers
- Digital personalised management **+27** thousand Prestige Digital Clients
- **0.4** Complaints per **1,000** Customers

Using innovation to better serve

- **4,023** Customer service centres
- **104** Branches (67% in 24/7)
- **51** Customer management centres
- **3,868** Banking Agents' points of sale
- **30%** digital active Customers
- **2.7** million digital channels users
- **+806** thousand mobile account openings
- **1.5** million *400# AGILIZA users
- Core processes **62%** digital **55%** self-banking

Resilience

- Net Profit AOA **16.8** billion
- Operating costs on total assets **3.1%**
- Own Funds AOA **231** bilion
- Regulatory Solvency Ratio **18.1%**

ESG

- **65%** Paperless processes
- **+2.1** million Lives Impacted
- **+780** thousand Customers financial inclusion
- **25** Opportunities to improve the internal control report

PHIT 2.4 ATLANTICO

2

MACROECONOMIC FRAMEWORK

2.1. World Economy

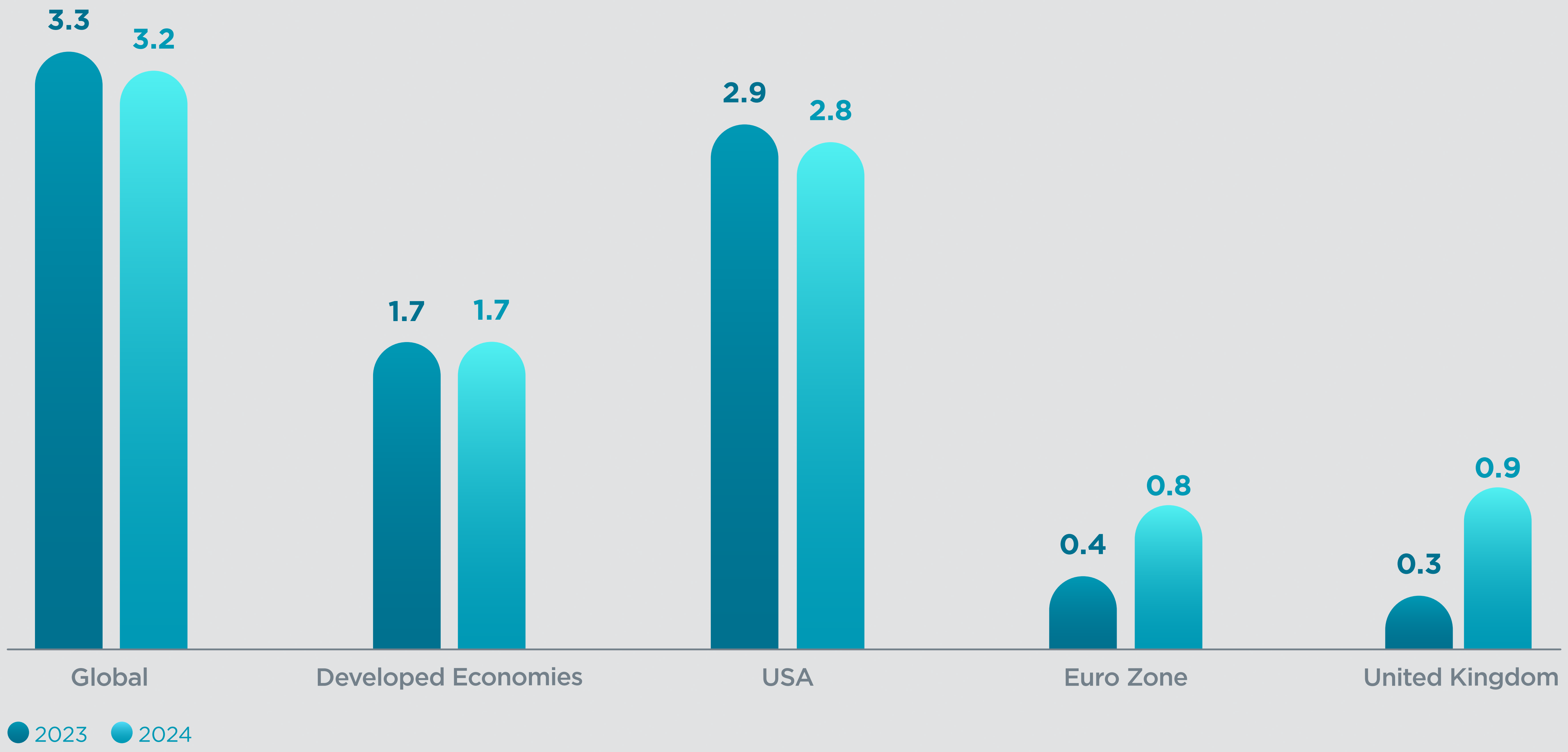
Growth in the global economy was robust and stable throughout 2024, driven by a less restrictive monetary policy in the US and Europe, in line with the slowdown in inflation, the expansion of world trade, and a more accommodating fiscal policy in Japan and the UK. Moderating the growth dynamics were the conflicts in the Middle East and Eastern Europe, which constrained greater investment in the countries of these regions (Chart 1).

The International Monetary Fund (IMF) has estimated growth of 3.2% for the world's real Gross Domestic Product (GDP) in 2024, slightly below the 3.3% recorded in 2023, according to the January 2025 update of the World Economic Outlook. Forecasts for economic growth showed a divergent trend at the regional level in 2024. In the Advanced Economies, the IMF forecast real GDP growth of 1.7%, with the US leading the way with 2.8%, followed by the Other Advanced Economies (2.0%), while the Euro Zone could show a more moderate expansion of 0.8%. The same institution forecast growth of 4.2% for Emerging and Developing Economies, led by India (6.5%) and China (4.8%).

Global trade recovered in 2024, driven mainly by rising stocks, although manufacturing activity remained subdued in some Advanced Economies. The World Bank has estimated growth of 2.7% for global trade, a significant increase on the 0.8% recorded in 2023.

In the oil market, demand and supply followed an upward trend. According to the Organisation of the Petroleum Exporting Countries (OPEC), global demand in 2024 was 103.75 million barrels/day, an annual reduction of 1.54 million barrels/day. On the other hand, supply increased by 1.33 million barrels/day to 53.17 million barrels/day. The price of a barrel of Brent oil, the benchmark for Angola's oil exports, was traded at an average price of USD 74.64 per barrel in 2024, down from USD 77.04 per barrel in 2023.

Chart 1: Growth Rates of the World Economy (%)



Soucer: IMF, *World Economic Outlook*, January 2025

The stock markets recorded significant gains, driven by the easing of monetary policy, the positive performance of technology companies – especially due to the growth of Artificial Intelligence (AI) – and the outcome of the U.S. elections. In the US, the tech-heavy Nasdaq and the Dow Jones rose by 28.64% and 12.88%, respectively. In Europe, the FTSE 100 (UK) recorded a 5.69% increase, while in Asia the CSI 300 (China) rose 14,68%. On the foreign exchange market, the US dollar appreciated against the main rival currencies, driven by the strength of the US economy, geopolitical tensions and political instability on the European continent, and by the geopolitical conflict in the Middle East. The USD Index increased by 7.06% and the US Dollar appreciated by 6.21% against the Euro.

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Financial Market Performance

Market	Dec./24	Dec./23	%
Stock exchange		**Shareholders**	
Dow Jones (USA)	42,544.22	37,689.54	12.88%
Nasdaq (USA)	19,310.79	15,011.35	28.64%
FTSE 100 (England)	8,173.02	7,733.24	5.69%
CSI 300 (China)	3,934.91	3,431.11	14.68%
MSCI World (Global)	3,707.84	3,169.18	17.00%
MSCI Emerging Markets	1,075.48	1,023.74	5.05%
Exchange		**Rate**	
USD Index	108.487	101.33	7.06%
EUR/USD	1.035	1.104	-6.21%
GBP/USD	1.252	1.27	-1.69%
Quotation		**Raw materials**	
Brent	74.64	77.04	-3.12%
WTI	71.72	71.65	0.10%
Gold	2,624.50	2,062.98	27.22%
Silver	28.90	23.80	21.46%
Platinum	907.55	991.90	-8.50%
Monetary Interbank		**Rates**	
EURIBOR USD 1M	2.85	3.85	-0.26
EURIBOR USD 3M	2.71	3.91	-0.31
SOFR USD 1M	4.33	5.35	-1.02
SOFR USD 3M	4.31	5.33	-1.02
Countries		**10-year debt yield**	
USA	4.569	3.8791	18%
Germany	2.367	2.024	17%
Japan	1.085	0.608	78%
United Kingdom	4.5649	3.5298	29%
China	1.667	2.557	-35%

Source: Bloomberg

2.2. Angolan Economy

In 2024, the Angolan economy maintained the growth trajectory observed over the past two years, recording the highest level of real GDP growth since 2015. According to the *Instituto Nacional de Estatística* (INE), GDP grew by 4.4% year-on-year, driven mainly by the Mining of diamonds, metallic minerals and other non-metallic minerals (+44.8%), Fishing (+12.2%), Transport and Storage (+10.4%), Agriculture and Forestry (+3.5%), and the Oil sector (+2.8%). The Banco Nacional de Angola (BNA) has estimated economic growth of 4.4% for 2024, driven by the oil sector (+3.6%) and the non-oil sector (+4.8%) (Chart 2).

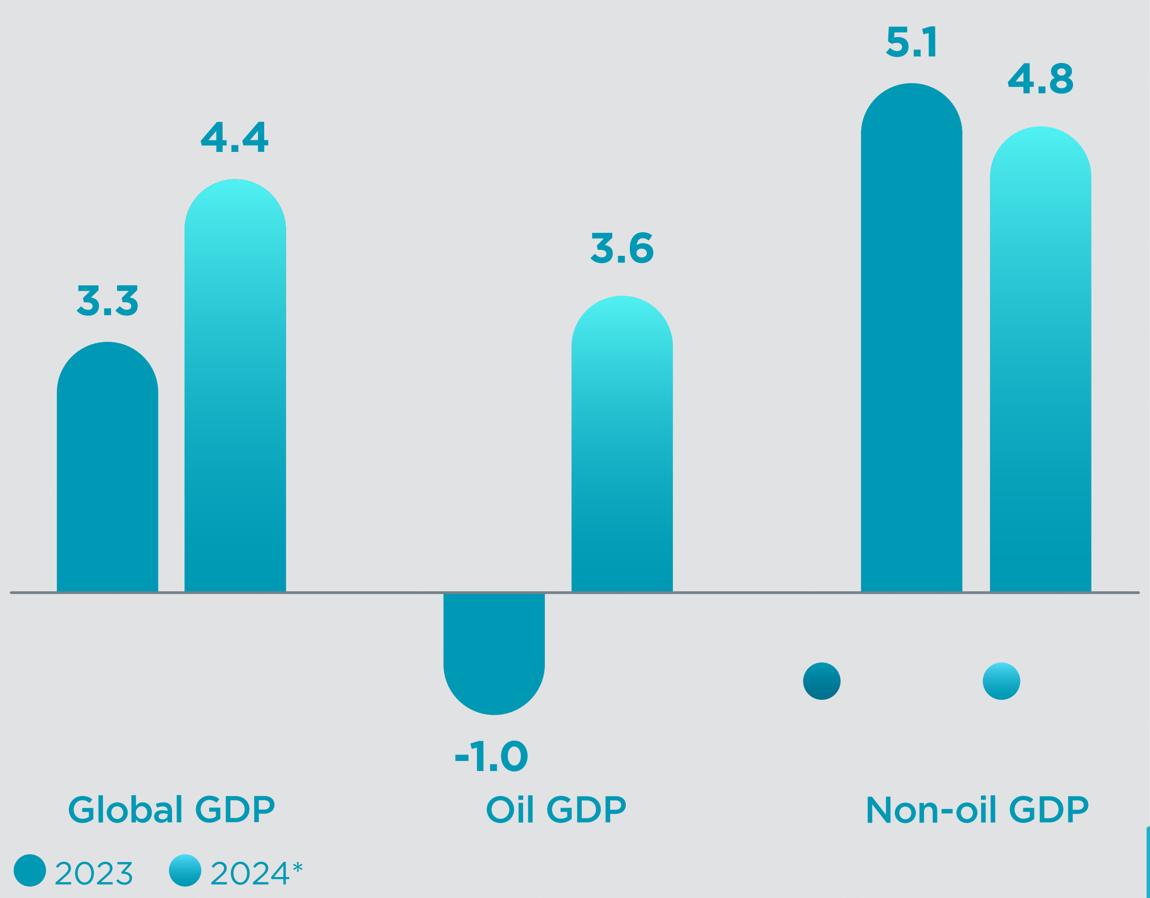
Regarding inflation, according to INE data, the year-on-year rate stood at 27.5% in 2024, up from 20.0% in 2023. This increase was driven by several factors, namely: i) exchange rate depreciation; ii) adjustment of urban public transport and shared taxi fares; iii) increase in the price of diesel per litre; iv) rise in tuition fees at both public and private schools; v) higher telecommunications service prices; and vi) reduced supply of agricultural goods in Q1 (Chart 3).

With regard to public Financials, oil tax revenues in 2024 stood at AOA 9,248.8 billion, a year-on-year increase of 28.7%, according to figures from the Ministry of Financial. The performance was driven by a 4.6% increase in oil production, which reached 413.4 million barrels, outweighing the effect of the 1.9% reduction in the average price, which stood at USD 79.95 per barrel. The amount collected corresponds to 92.0% of the forecasts in the 2025 State Budget, which estimates revenue of AOA 10,054.8 billion in 2024.

The fiscal deficit stood at 1.46% of GDP in 2024, below the surplus of 0.02% of GDP in 2023, in line with the acceleration in the execution of current expenditure in the period in question. Following the opposite trend was the public debt ratio, which stood at 70.9% of GDP in 2024, down from 89.4% in 2023, according to the 2025 State Budget. The reduction in the indicator may have been driven by the moderation of exchange rate depreciation, nominal GDP growth, and a decrease in the stock of external debt from USD 49.32 billion in 2023 to USD 46.44 billion in 2024. The performance of public Financials, combined with the State's commitment to meeting its debt service obligations and the sustained stability of International Reserves, contributed to the maintenance of the Country's rating by the main international agencies.

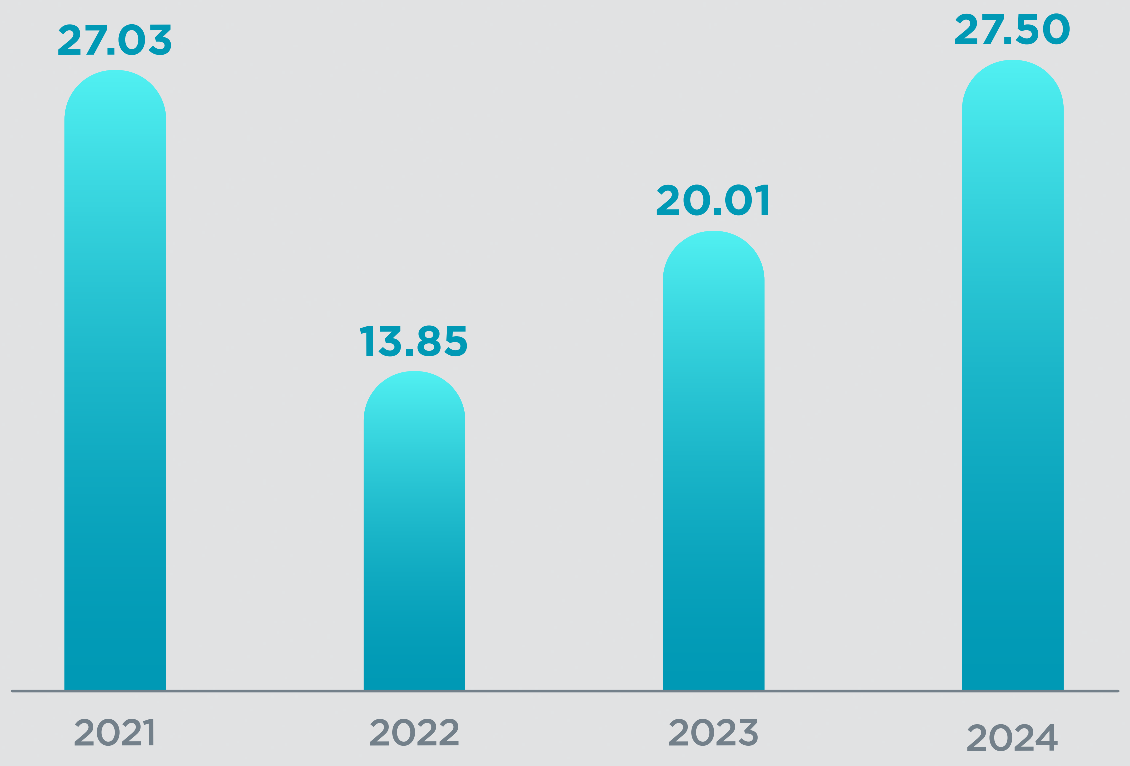
In the external sector, the goods account balance reached USD 22.6 billion in 2024, representing 2.29% of GDP and an increase of 3.7% over the previous year. According to the BNA, the increase in the goods account surplus was mainly the result of a 5.9% decline in imports to USD 14.2 billion. In the same period, exports fell by 0.2% to USD 36.8 billion, pressured by the fall in oil prices in the international markets. International reserves at the end of 2024 stood at USD 15.77 billion, an annual increase compared to the 2023 figure of USD 14.73 billion, driven by the appreciation of gold and the increase in returns on financial investments (Chart 4).

Chart 2: Economic Growth (%)



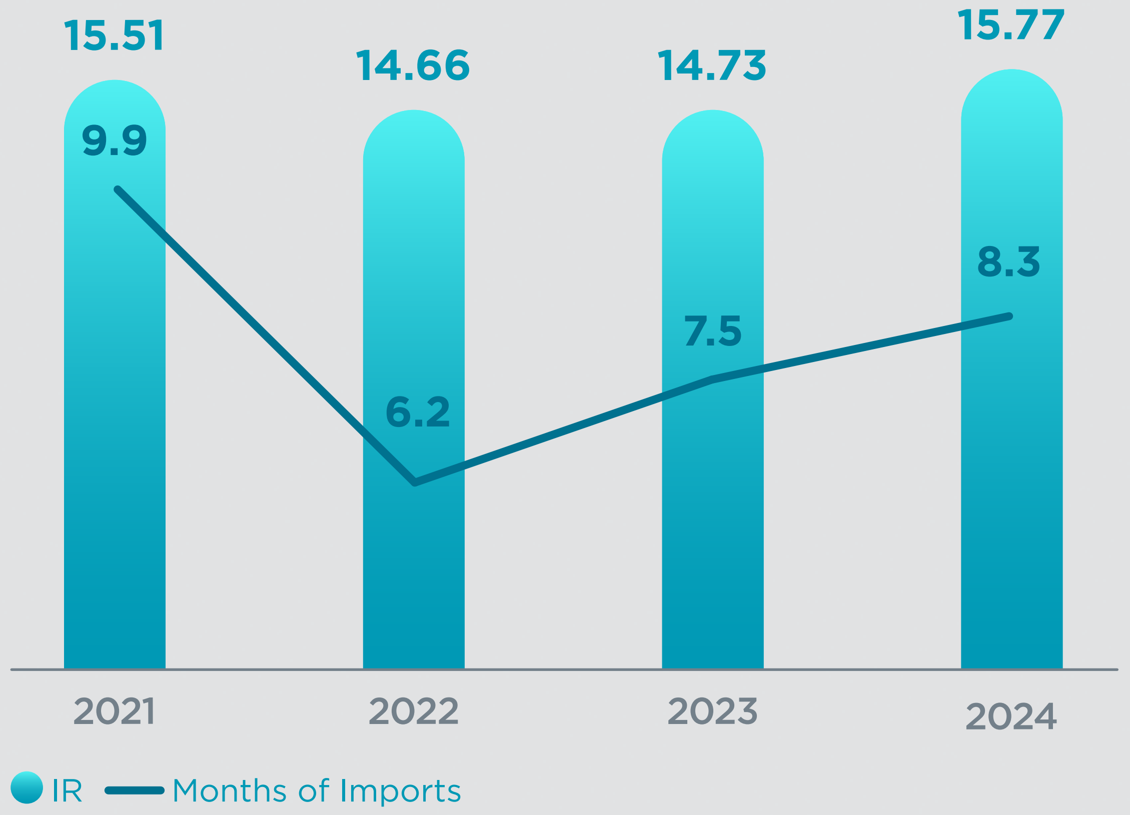
Source: 2025 SB Proposal. *BNA

Chart 3: Year-on-year inflation rate (%)



Source: INE

Chart 4: International Reserves (USD billion)



Source: BNA

2.3. Financial Markets

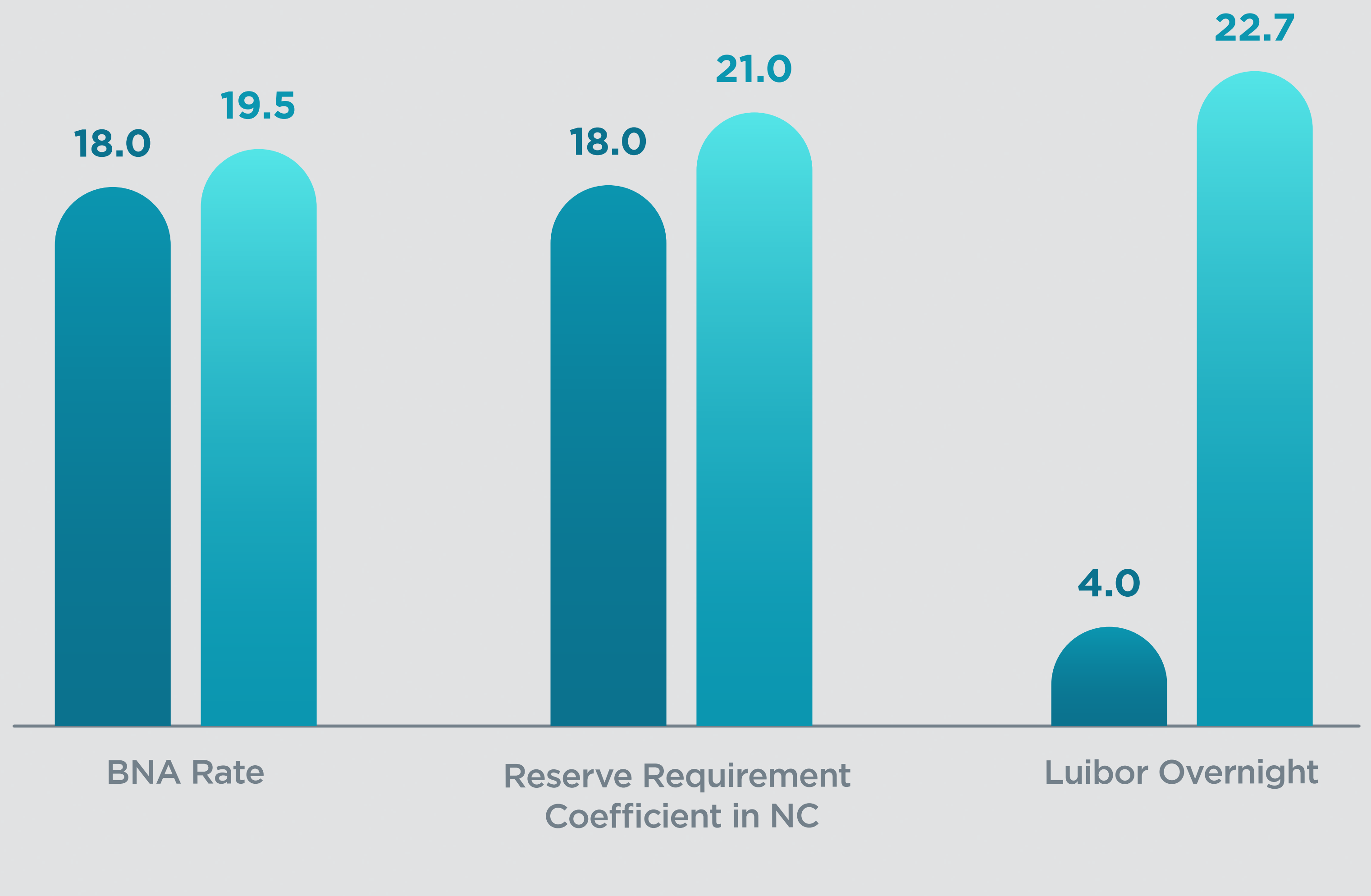
The money supply, measured by the M2 monetary aggregate, stood at AOA 16,665.0 billion in 2024, an increase of 6.5% year-on-year. In national currency, M2 increased by 9.9% to AOA 10,039.2 billion, driven by growth in Notes and Coins Held by the Public (3.0%), Demand Deposits (8.9%) and Term Deposits (12.9%).

The BNA's benchmark interest rates recorded an upward trend – particularly the BNA Rate, which stood at 19.5%, an annual increase of 1.5 p.p. – a more restrictive monetary policy stance, in line with keeping the inflation rate at a high level. Following the same trend, the Standing Deposit Facility Rate increased by 2 p.p. to 20.5%, and the Reserve Requirement Ratio in national currency increased by 3 p.p. to 21.0%.

Interest rates on the Interbank Money Market rose by an average of 11.3 p.p., most notably Luibor Overnight, which increased by 19 p.p. to close the year at 22.7%, the highest level since 2016 (Chart 5).

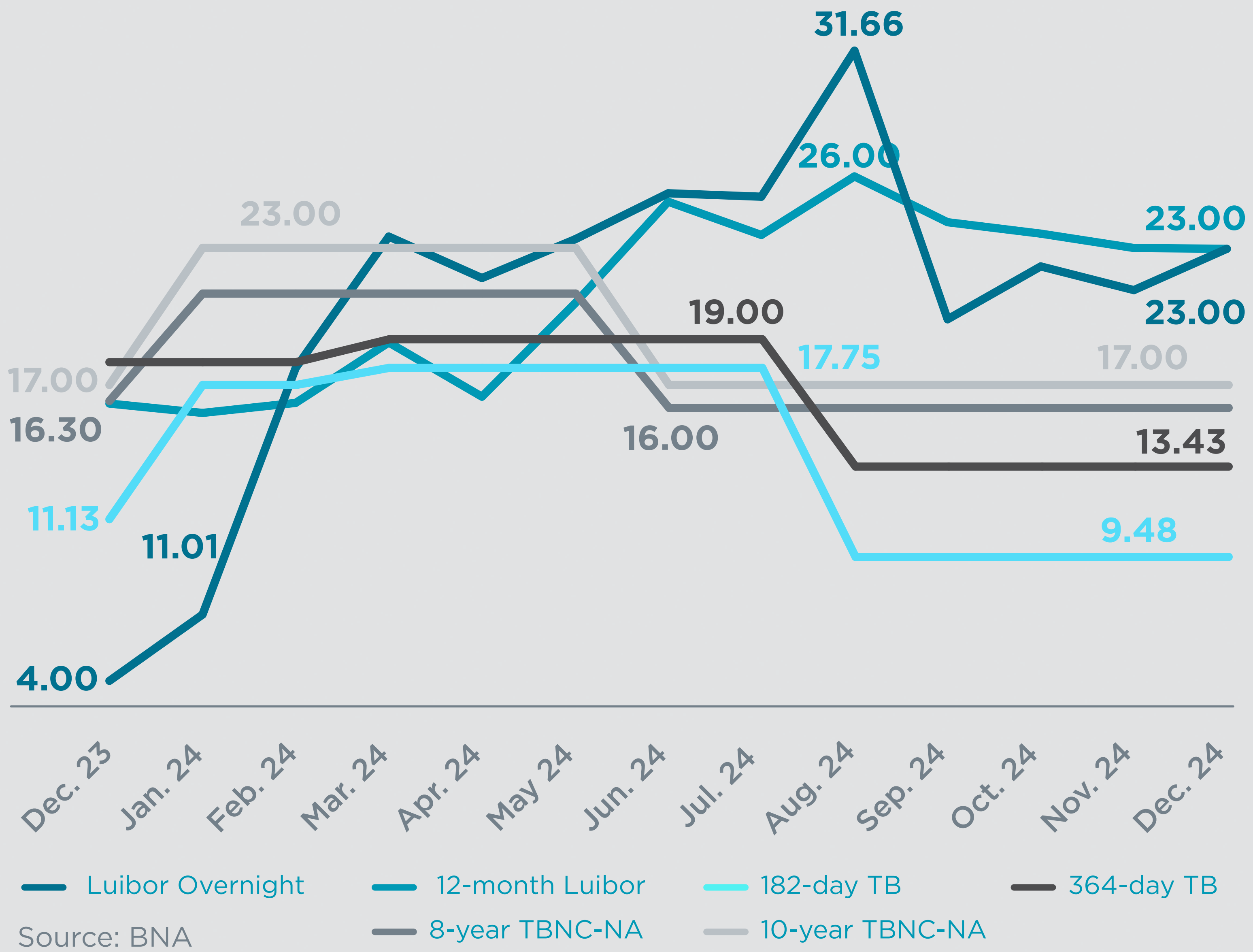
In the primary public debt market, there was a reduction in interest rates on shorter maturity Treasury Securities. Treasury Bills with a maturity of 364 days fell from 16.35% to 13.43% between December 2023 and 2024. However, the rates on long-term securities increased, particularly the 8-year Non-Readjustable Treasury Bonds, which accelerated from 16.30% in December 2023 to 21.0% in April 2024, the latest figure disclosed by the BNA (Chart 6).

Chart 5: Key Monetary Indicators (%)



Source: BNA

Chart 6: Short-, Medium- and Long-Term Interest Rates (%)



Source: BNA

On the foreign exchange market, USD 10.8 billion was made available in 2024, an increase of USD 970 million compared to 2023. Of this amount, USD 5.5 billion was purchased on the Bloomberg platform, USD 1.97 billion from the National Treasury, the BNA made USD 953.5 million available to the market and USD 2.4 billion was made available by Customers operating outside the Bloomberg platform (Chart 7).

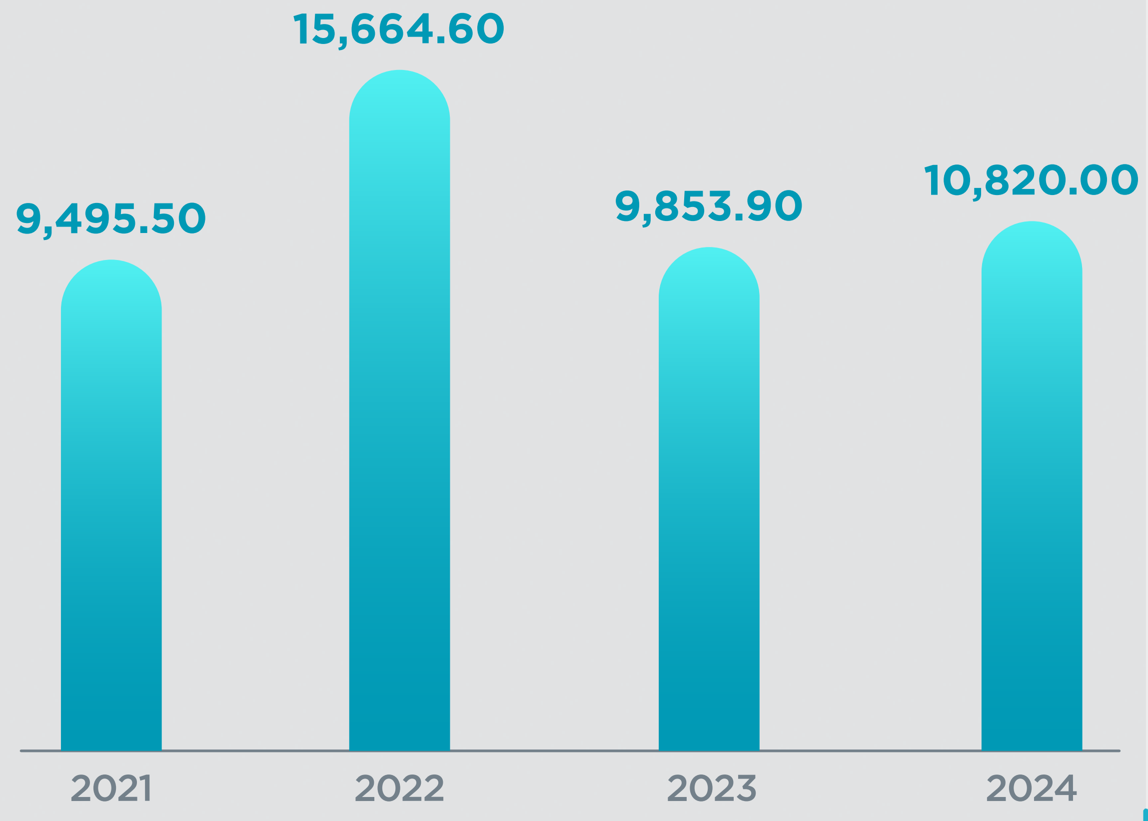
The foreign exchange rate depreciated by 9.1% in the year under review, standing at USD/AOA 912, which is lower than the 39.2% depreciation recorded in 2023 (Chart 8).

With regard to the amount of Treasury Securities traded on the secondary market, in 2024, there was a total of AOA 6,052.8 billion, an annual decrease of 21.1%. Of this total, AOA 5,333.5 billion were traded bilaterally (88.1%), while the remaining AOA 719.3 billion were traded multilaterally (Chart 9).

Moreover, during the year under review, there were Offers for Sale (OFS) by companies such as ENSA - Seguros de Angola, which issued 720,000 ordinary shares, corresponding to 30.0% of its share capital. The operation resulted in the collection of AOA 8,973.7 million at AOA 12,499.8 per share. BODIVA also carried out an OFS of 30.0% of its share capital, which resulted in total proceeds of AOA 2,386.6 million.

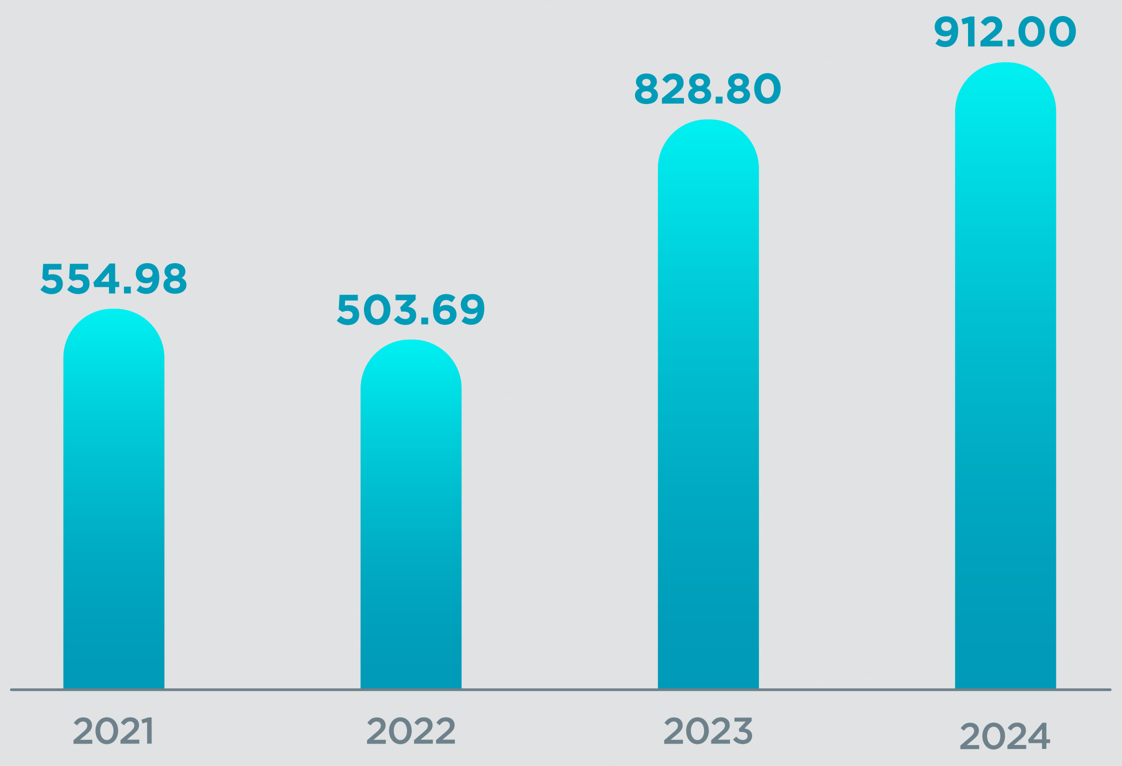
Eurobond yields fell by an average of 9.2 basis points. Of particular note are the yields on Eurobonds maturing in 2025 and 2028, which went from 10.3% and 10.5% in 2023 to 8.9% and 10.3% in 2024, respectively.

Chart 7: Sale of Foreign Currency (USD million)



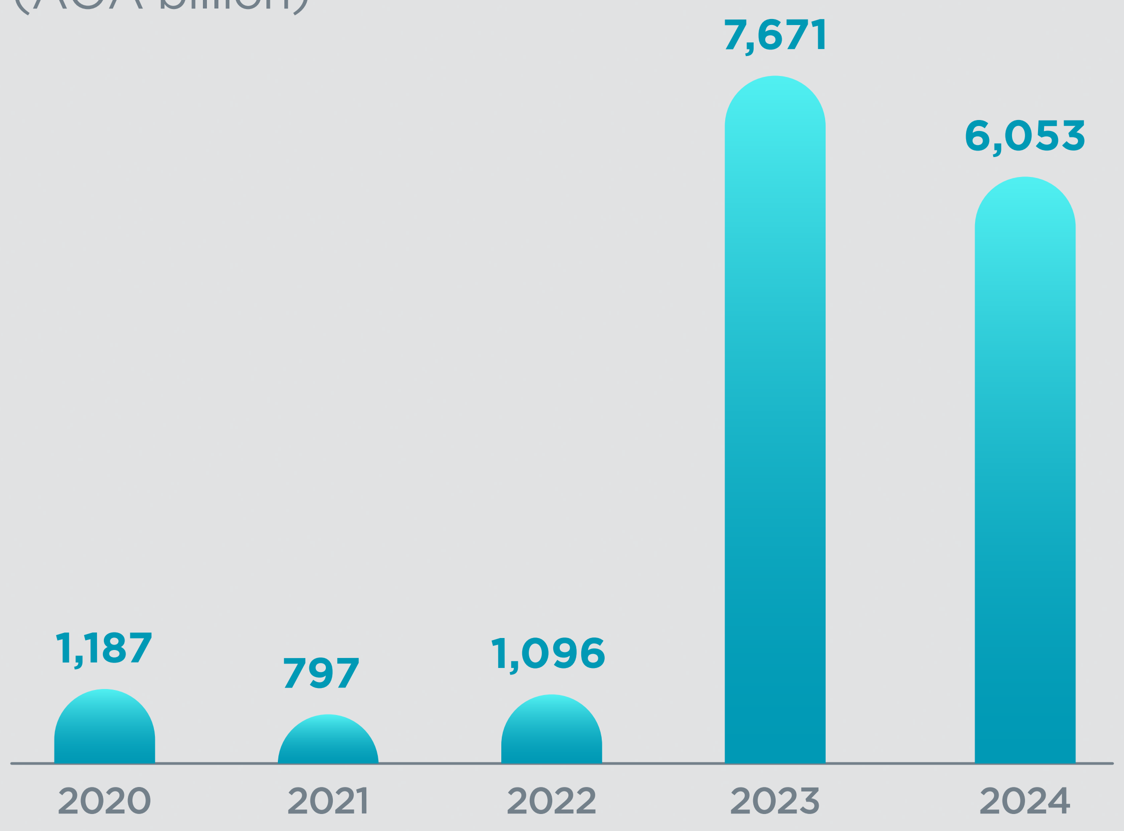
Source: BNA

Chart 8: Evolution of the USD/AOA exchange rate, end of period (%)



Source: BNA

Chart 9: Transactions on the Secondary Market (AOA billion)



Source: BODIVA

During the year under review, there were Offers for Sale (OFS) by companies such as **ENSA - Seguros de Angola**, and **BODIVA**. Both issued shares equivalent to 30.0% of their share capital, resulting in a combined capital raise of approximately **AOA 11.4 billion**

3

ATLANTICO

3.1. Institutional

ATLANTICO was incorporated on 31 August 2006, and started its activity in November of the same year, as an Angolan banking institution regulated by Angola Central Bank. On 3 May 2016, Banco Millennium Angola was merged into ATLANTICO. This merger enabled the integration of operations of both banking institutions, which together have more than 20 years of experience and have been acting as partners since 2008, as a result of the crossover of shareholdings between the two banks. As a result of this merger, ATLANTICO consolidated its universal character and strengthened its position in the Angolan banking market, joining the top 5 of Angola's largest banks, as one of the largest private banks in financing Angolan Companies and Households, promoting digital innovation and focused on financial inclusion, creating a partnership's ecosystem, including with international counterparties, and promoting a more sustainable business environment.

Shareholders' Structure

Banco Millennium Atlântico, S.A. is mainly held by private Angolan Shareholders. As at 31 December 2024, the Shareholders' structure was detailed as follows:

- **29.8%** Interlagos Equity Partners, S.A.
- **19.8%** Sotto Financial Group, S.à.r.l
- **9.8%** Other
- **22.5%** BCP África, SGPS, Lda.
- **18.1%** Jasper Capital Partners – Investimentos e Participações, S.A.

3.2. An experience of excellence

Framework

The commitment to developing People, the Bank's greatest asset, is a foundational pillar of ATLANTICO. In the strategic vision for 2024, this pillar has been substantially strengthened by ATLANTICO's ambition to establish itself as the bank that best leverages its Talent.

A team of properly trained, aligned, and motivated Talents ensures the delivery of greater value, which is one of the critical success factors for ATLANTICO, making it also a bank that provides an excellent Customer experience.

Talent and Customer satisfaction is one of the main key indicators for measuring the success of ATLANTICO's performance, with People remaining an unavoidable differentiating factor that raises the quality of service, in line with the ambition to be a benchmark institution. Through its activity, ATLANTICO aims to continue transforming lives, consolidating itself as a catalyst for the future, driving economic and social development in Angola.

1,517 Talents

86% Retention of high-potential Talents

15% Talents with career development

3.3 million Customers

0.4 Complaints per **1,000** Customers

AN ORGANISATION FOCUSED ON TALENT DEVELOPMENT

PROVIDE AN EXCELLENT CUSTOMER EXPERIENCE

Our values for life

PEOPLE DEVELOPMENT

"People are ATLANTICO's Greatest Asset"

People are a priority for ATLANTICO. They embody our culture and deliver our commitment to ATLANTICO's Ecosystem, generating "Attitude with Value" with their skills. ATLANTICO transforms their lives, compromising them as agents of the development of People in this ecosystem.

CUSTOMER DRIVEN

"Think, Live and Feel the Customer"

Anticipate, understand, and satisfy the true needs of Customers, adding value and being a Partner in the achievement of their dreams and life projects.

INNOVATION

"Thinking Different, Simple and Digital, anticipating the future"

The ongoing concern, the boldness to go beyond, the ambition to anticipate the future, which leads us to the constant search for disruptive solutions to improve Customer's experience, by simplifying it.

AGILITY

"Harmony of skills in delivering value"

Agility, in ATLANTICO, represents a proper way of being and thinking, detached from status quo. A constant availability and flexibility to work, in a multidisciplinary way, with new variables and methodologies, contributing for the creation of solutions for Customers' equations.

EFFICIENCY AND ACCURACY

"With responsibility, we create more value"

Ability to achieve goals within the agreed deadlines, with the highest quality, optimising available resources and ensuring careful compliance with the legislation, standards and procedures.

The brand signature **"Values for Life"** talks about personal and financial values, that ATLANTICO shares with its Customers. It talks about the **profound commitment with the Client.** The better life is achieved with effort and determination, and it is here to stay

An organisation that recognises and leverages Talent

ATLANTICO remains focused on highlighting the high level of Talent retention, especially those who deliver differentiated results, in line with its strategy of being an organisation that recognizes and enhances Talent.

184 High-potential Talents

86% Retention of high-potential Talents

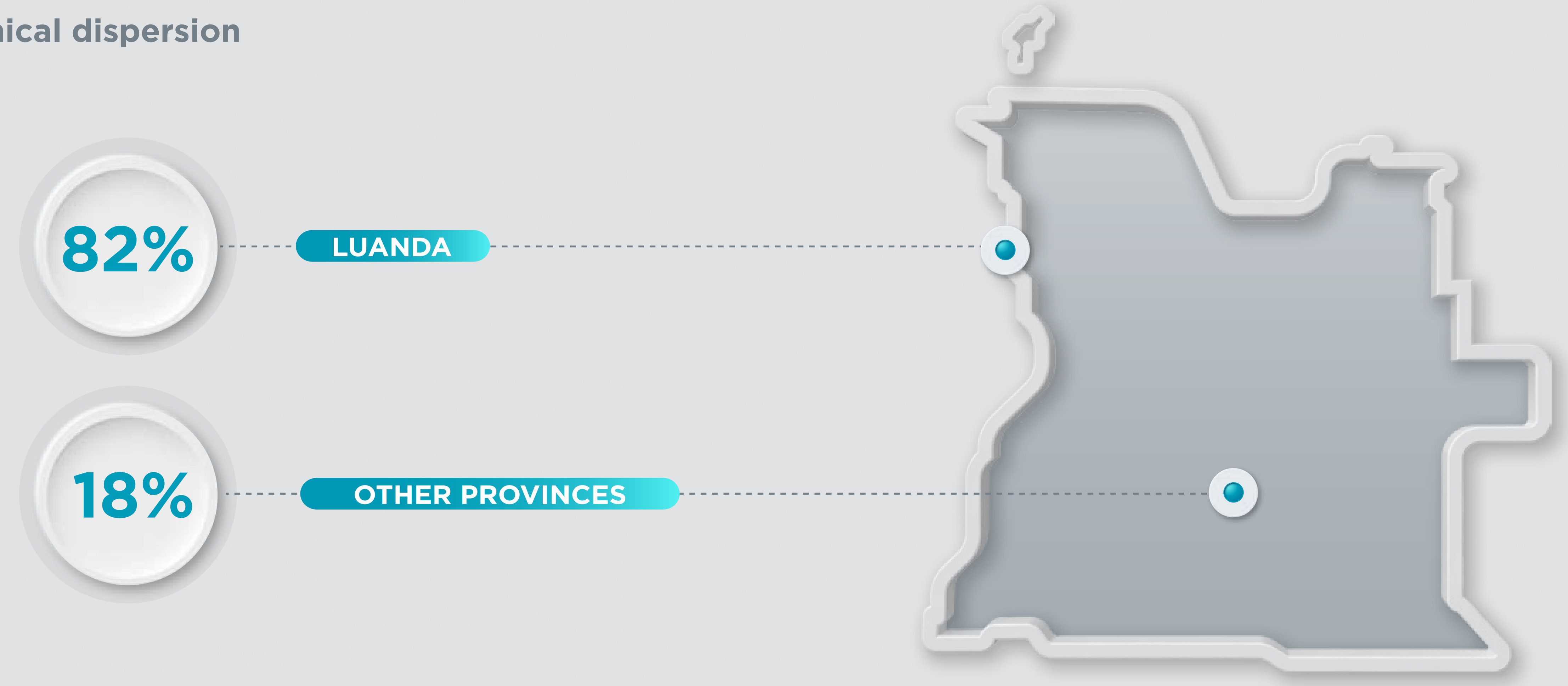
Commitment to People

How the Bank organises and develops its teams is crucial to achieving its goals. From January to December 2024, the Bank had **1,517 Talents** spread across the 18 provinces of Angola.

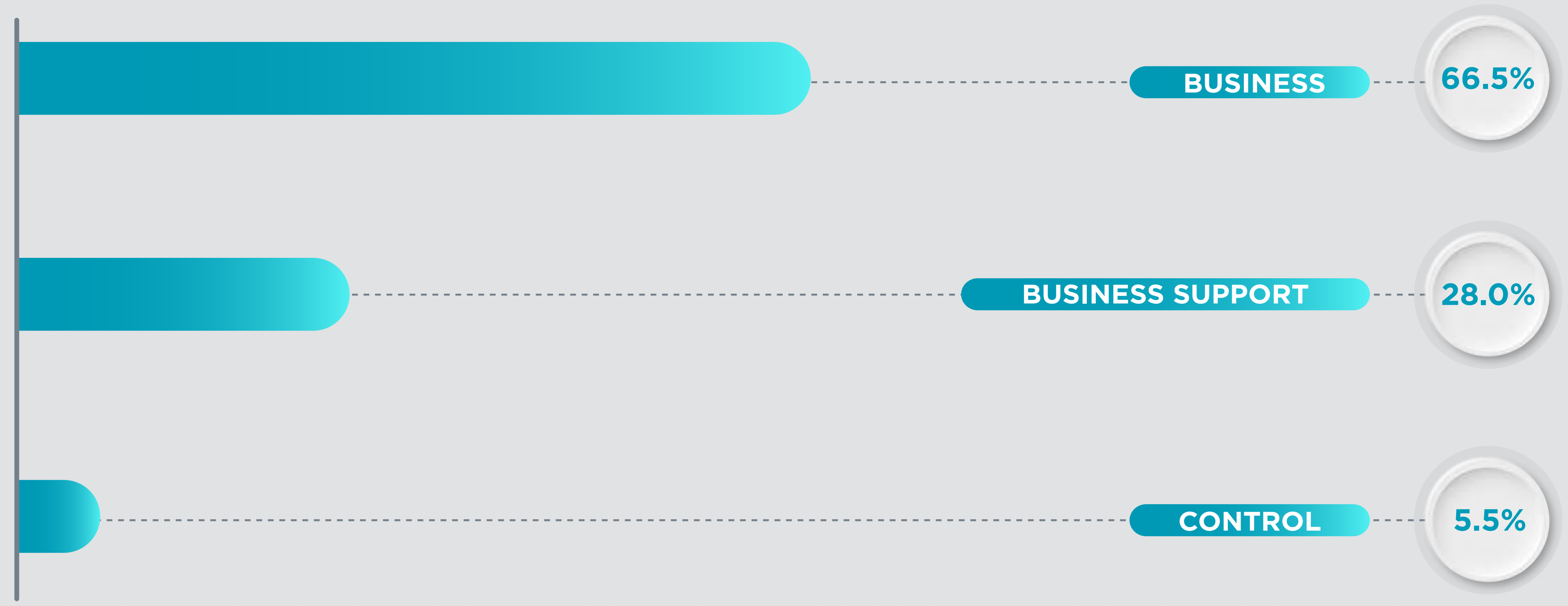
Regarding geographical dispersion, 82% of the Talents are distributed throughout Luanda, and the remaining 18% are located in service points outside the capital, ensuring the mission of ATLANTICO.

Concerning the distribution of Talents, the Business area continues to be larger than the Support and Control areas.

Geographical dispersion

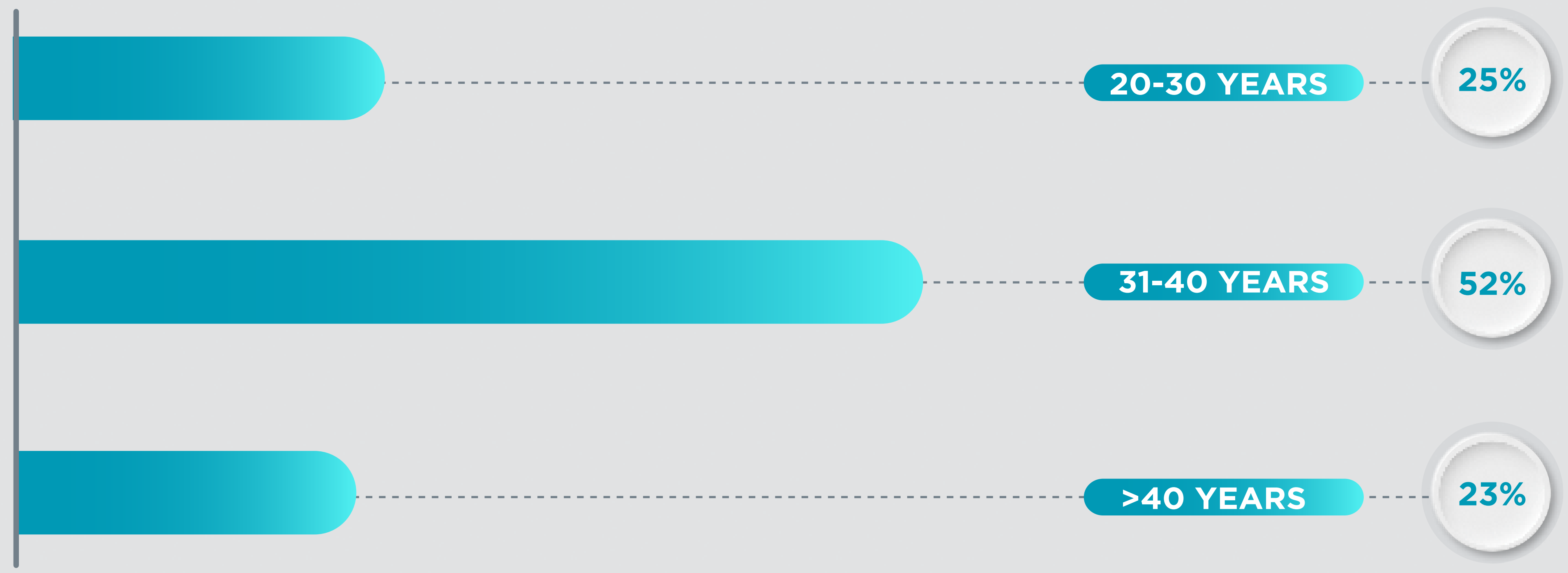


Area

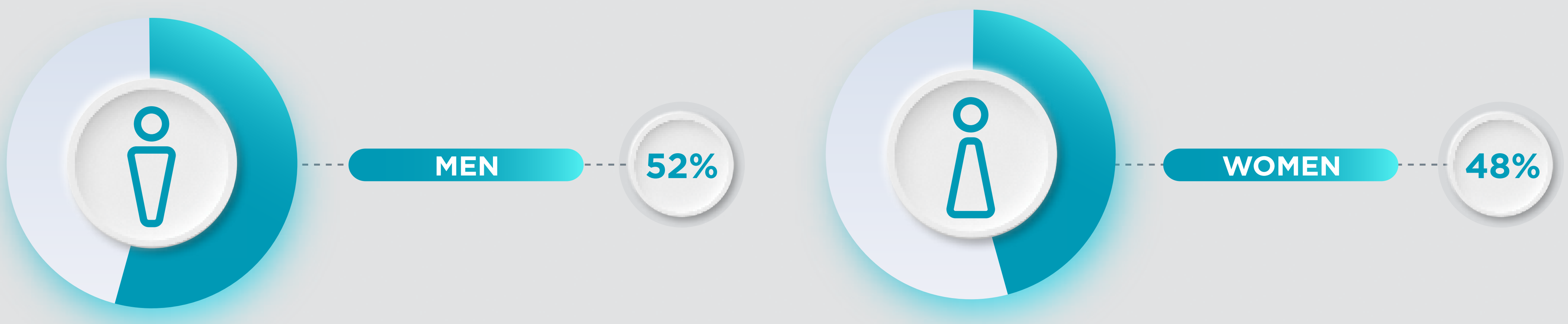


The team is young, gender-balanced, and essentially composed of Angolan Employees, of whom 73% are of the Y generation. The ATLANTICO Team is therefore characterised by a strong sense of mission, restlessness, innovation, and openness to the digital world.

Age group

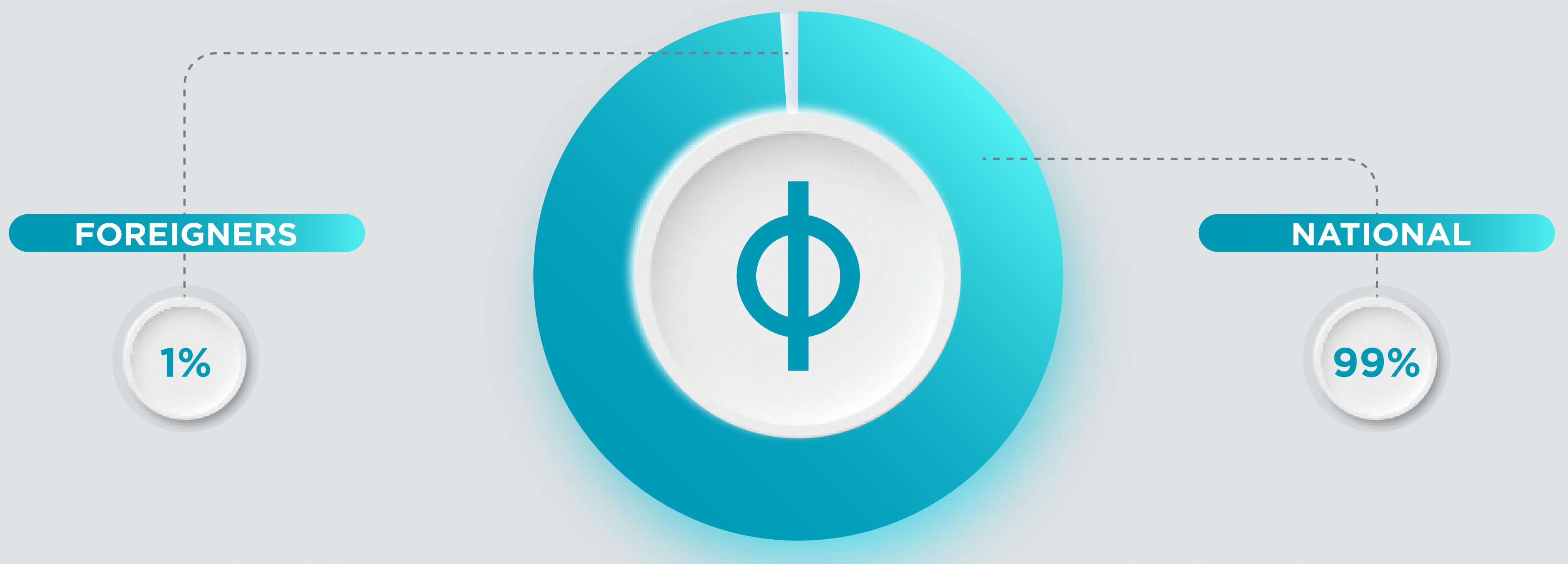


Gender



Average age

Nationalities



Attracting Talent

In 2024, 247 new talents were hired from different sources:

Recruitment in 2024

18,864 Applications submitted

247 New admissions

15,178 Website applications

2,631 E-mail applications

178 Social media/in-person applications

495 Member Get Member applications

These results are the outcome of a series of initiatives that strengthen ATLANTICO's position and commitment as a Bank that invests in Talent. The most relevant initiatives are highlighted below:

- ***Member Get Member*:** Through this program, ATLANTICO relies on the support of its Employees and encourages them to actively contribute to the mission of recruiting the best talent, which is the basis of the Bank's success.
- **Strengthening our presence in universities:** This activity made it possible to take ATLANTICO to students and gain access to candidates with high potential, with a view to providing them with first job opportunities. In 2024, ATLANTICO was present at the Catholic University of Angola, the Higher Polytechnic Institute of Technologies and Sciences, the Higher Institute of Administration and Financial, the Agostinho Neto University and the Lusíadas University of Angola.

Commitment to knowledge

Skills are increasingly valued and considered to be the key factor for talent management in organisations. With this in mind, ATLANTICO is implementing measures to strengthen the development of its teams' skills, both in the career development process and in the definition of responsibilities. As part of the training policy, it is increasingly important to consolidate this paradigm, aligning the training strategy according to groups of skills.

The year 2024 was marked by the launch of the ATLANTICO School which, in line with the Bank's strategy, aims to continuously develop skills in various areas, namely Leadership, Control, Being ATLANTICO, Business, Support and Technology. The aim is to create a working environment and tools that facilitate the development of excellent professionals, contributing even more to the Bank's success.

For ATLANTICO, the training of its Talents aims to develop the essential skills to build a sustainable and meritocratic Bank. ATLANTICO will continue to do more to serve better; to act with agility; to respond with a focus on Customers; to look, grow and care; and to lead the future.

INVESTMENT IN TRAINING

54,684 Hours

22,318 Participations

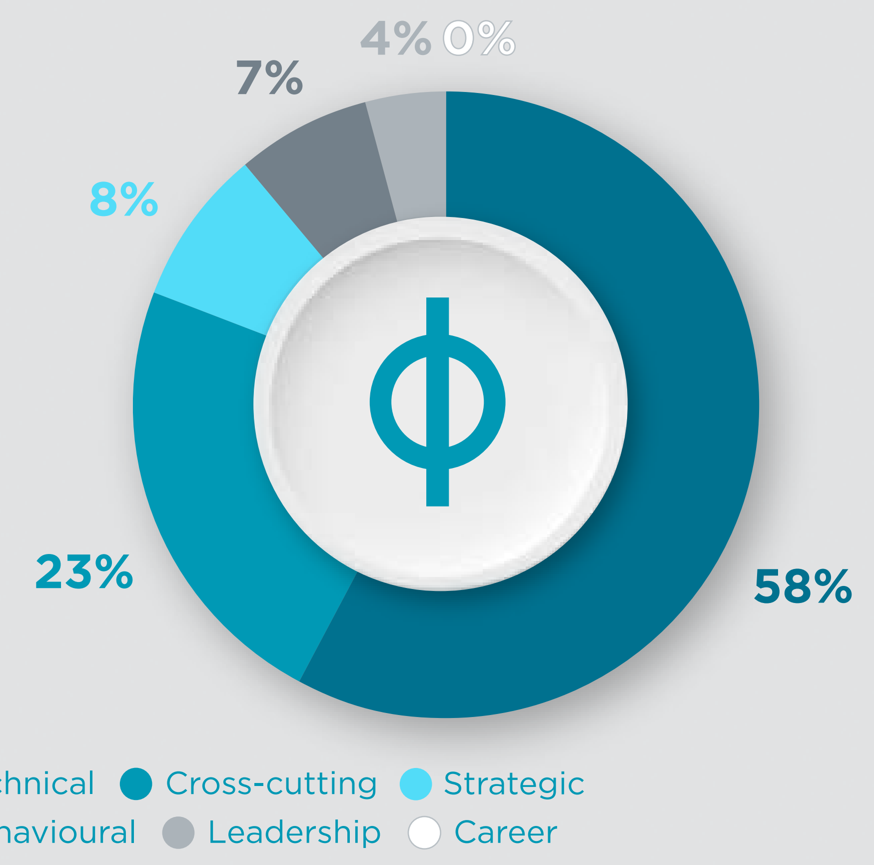
TRAINING FORMAT

34% In-person

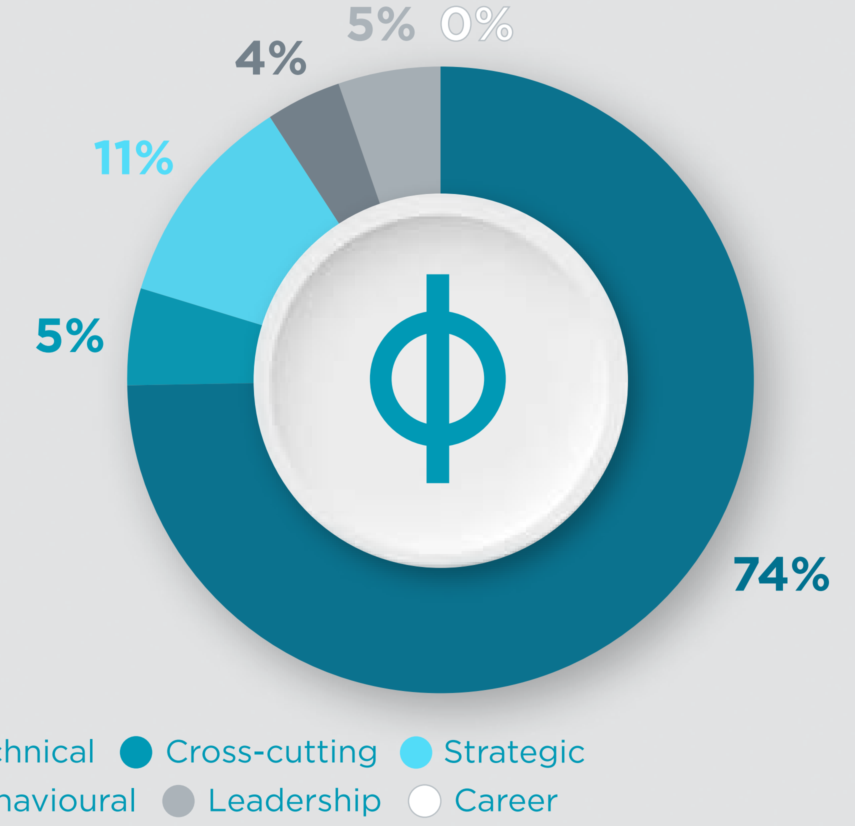
66% Digital

ATLANTICO School

% Hours by Type



% Participants by Type



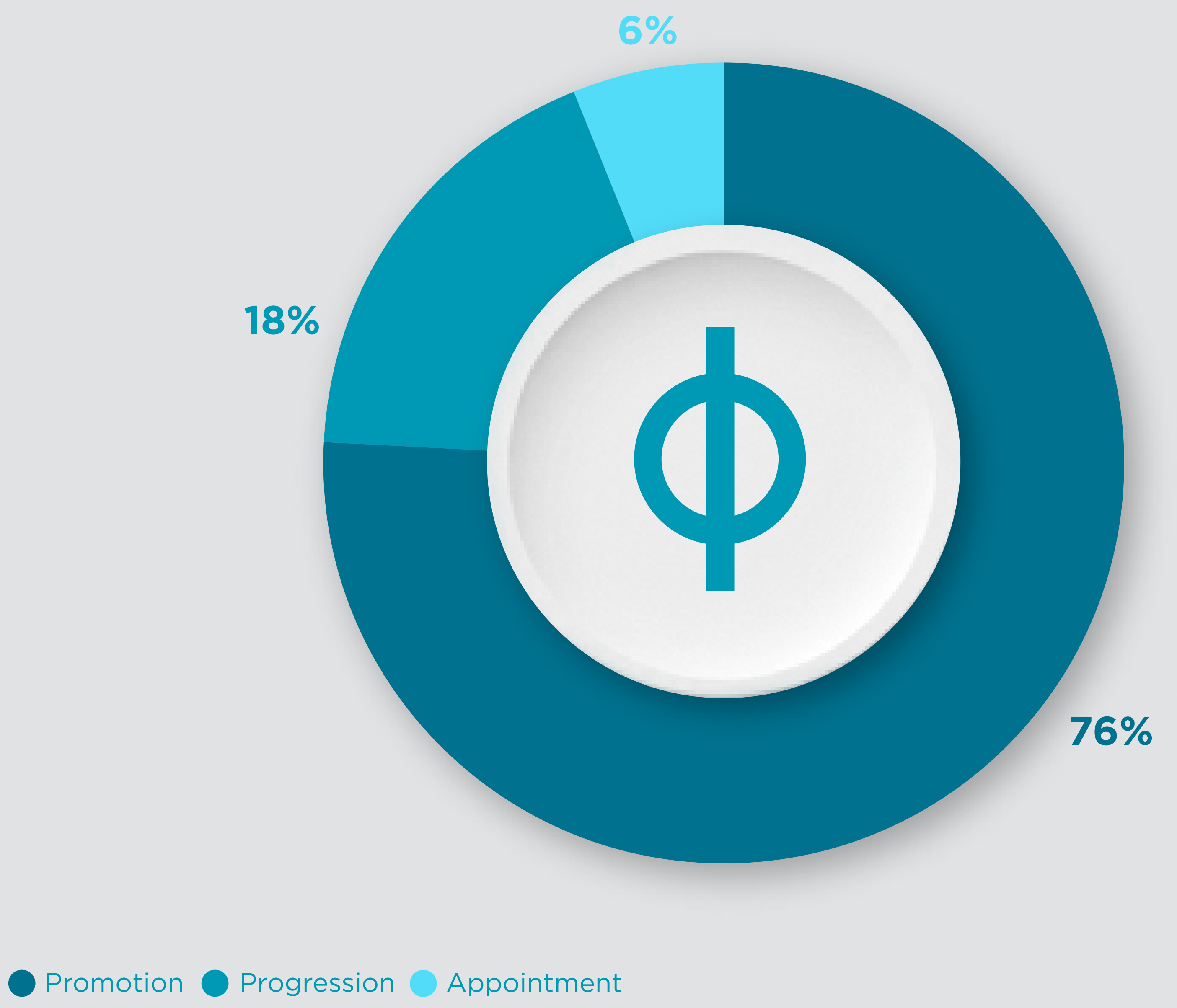
Commitment to the future

In a culture guided by meritocracy, ATLANTICO continued to recognise the differentiated deliveries of its teams and promoted the career development of 361 Talents.

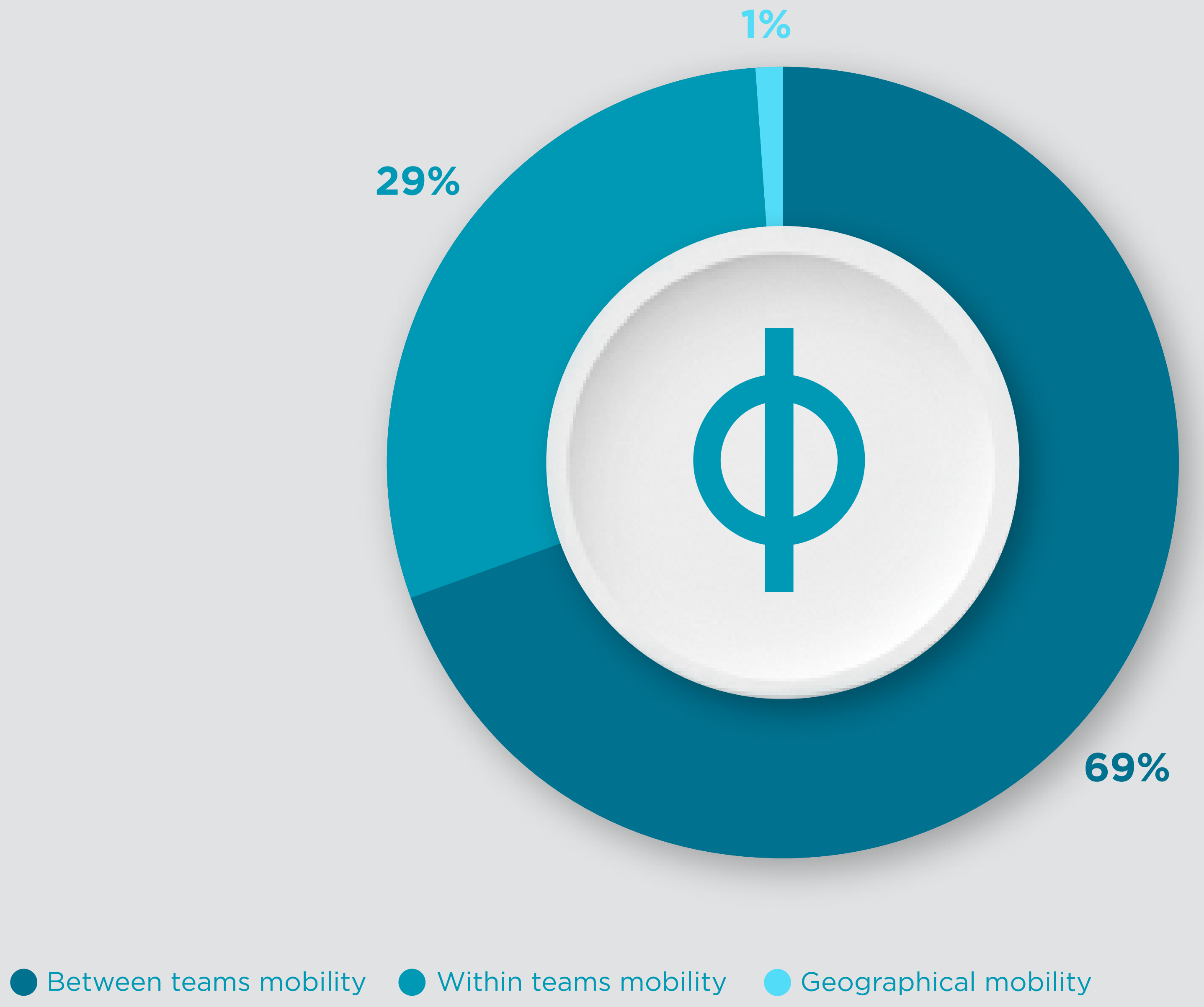
Talent mobility (between teams and across geographies) is encouraged to foster multidirectional career development opportunities, sharing of knowledge, experiences, cultural diversity, and the creation of synergies. Over the year, 386 Talents (25% of the total workforce) entered mobility processes, as detailed in the following chart.

Talent mobility is encouraged to foster multidirectional career development opportunities, sharing of **knowledge, experiences, cultural diversity, and the creation of synergies**

Career development



Type of mobility



Commitment to ATLANTICO families

To reinforce the corporate identity and sense of belonging, ATLANTICO has carried out several actions with an impact on the lives of Employees and their families, through the Bank's five pillars of action: Environment, Culture, Sport, Education, and Health.

In 2024, the Bank invested in activities aimed at the cultural, sporting, and environmental development and well-being of its Employees.

One of the year's milestones was the celebration of ATLANTICO's 18th anniversary. To mark this important date, the Bank brought together its Employees for an event that served to strengthen team spirit and celebrate the journey that has been built up over almost two decades. The initiative reflected ATLANTICO's commitment to valuing its Talents and the organisational culture that the institution has been consolidating.

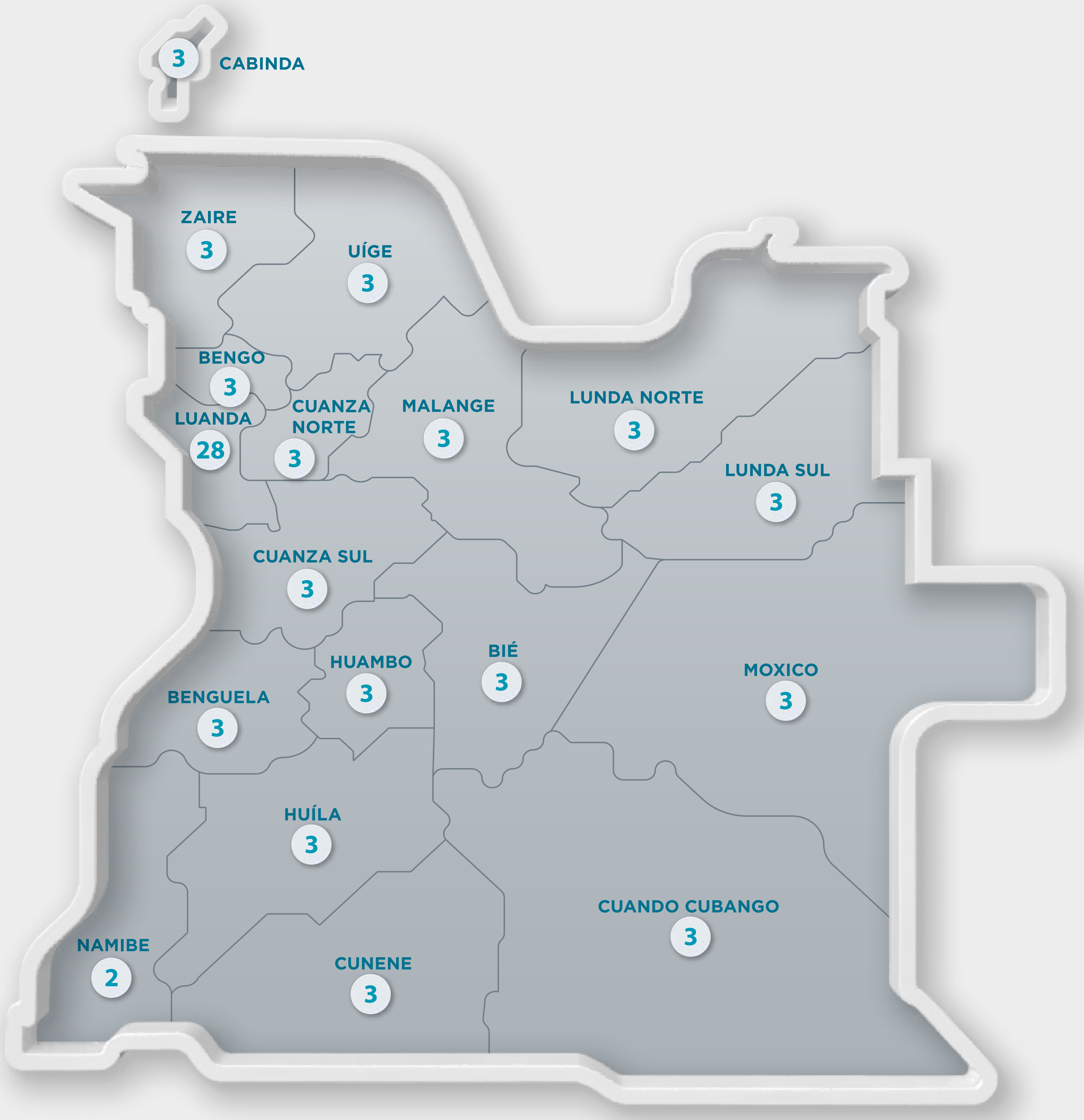
ATLANTICO Talents remain committed to supporting institutions with social needs and in the area of sustainability. From January to December, more than 1,400 Employees took part in volunteering activities and invested approximately 6,000 hours to benefit communities.

During this period, we took part in several campaigns to collect goods and school supplies, as well as renewing our support for the Banco Alimentar de Angola in two campaigns. It is worth highlighting the participation of more than 300 ATLANTICO Volunteers, together with their families, who contributed to the collection of approximately 18 tons of food in the province of Luanda, which was channelled to institutions with social needs.

Through the "We share values for life" program, ATLANTICO was present in all 18 provinces of Angola with social, environmental and health actions.

It is worth highlighting the participation of more than **300 ATLANTICO Volunteers**, together with their families, who contributed to the collection of approximately **18 tons** of food in the province of Luanda

Volunteering actions at a geographical level



Financial Sector Pink Walk

ATLANTICO's 18th anniversary

ATLANTICO's 18th anniversary

Festival FIT

ATLANTICO's 18th anniversary

ATLANTICO's 18th anniversary

3.3. Using innovation to better serve

Innovation is a fundamental principle of ATLANTICO's operations and is present in the Organisation's day-to-day activities in order to serve its Customers better each day.

CUSTOMER EXPERIENCE VS. DIGITAL INNOVATION

DIGITAL BRANCH

BANKING AGENTS

INCLUSION ACCOUNT OPENING

MOBILE BANKING TRADITIONAL PHONES

DIGITAL CREDIT

DIGITAL ONBOARDING

100% DIGITAL ACCOUNT OPENING

DIRECT DEPOSIT MACHINE

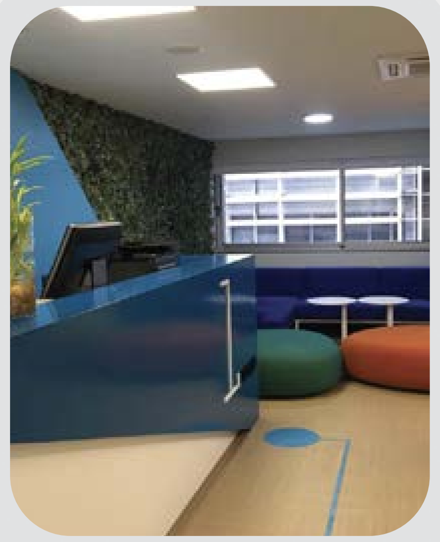
KITADI

HIGH AVAILABILITY

PERSONAL INTERNATIONAL PAYMENT ORDERS ATLANTICO DIRECTO

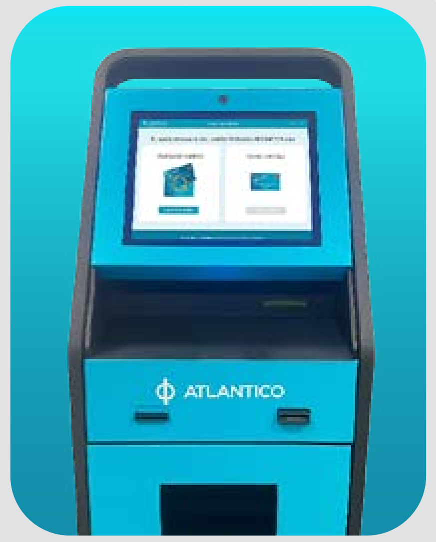
PRESTIGE DIGITAL

iOLA DIGITAL ASSISTANT



DISRUPTION LAB

ATLANTICO 24H SELF-BANKING SPACES



ATLANTICO CARD MACHINE

CASH WITHDRAWAL WITHOUT CARD (USSD)

100% RECYCLED MULTICAIXA CARD

4.5 Complaints/1,000 Customers (Dec. 2017) — Customer Experience — **0.4 Complaints/**1,000 Customers (Dec. 2024)

In 2024, the commitment to innovation was reinforced with a renewed focus on the Customer experience, recognising that their trust is essential for the sustainability and solidity of the Bank's multi-segment business model. Continuing the process begun in 2023, ATLANTICO has strengthened its focus on its Organic Units dedicated to innovation, implementing new management practices to increase agility in the creation and delivery of products and services.

In this context, the Bank has been strengthening these units, with a particular focus on:

- Strengthening the principles of sustainability in its actions;
- Developing strategic partnerships to deliver more value to Customers;
- Building new data and information management models for a deeper understanding of Customer and partner needs;
- Systematising innovation and transformation processes.

ATLANTICO strengthened its focus on the Organisational Units dedicated to **innovation**, implementing new management practices to **increase agility**

The power of data in transforming ATLANTICO

In 2024, ATLANTICO consolidated its strategic commitment to using data as a fundamental foundation for strengthening its relationship with Customers. Recognising the central role of information in building better experiences and supporting decision-making, the Bank has invested in specialising and training Employees in Data and Artificial Intelligence, and has promoted projects that improve knowledge of Customer needs and preferences.

Throughout the year, several initiatives were developed aimed at making the most of data as a strategic asset. The focus was on strengthening the Bank's analytical capabilities by implementing tools and methodologies that support decision-making, operational efficiency and the personalisation of the offer.

In this context, the Bank has deepened its capacity to generate relevant knowledge from the information available, contributing to a better understanding of Customer behavior, as well as identifying opportunities for improvement in internal processes. Among other initiatives, we highlight the use of technological solutions that allow us to continuously monitor Customer activity, identifying behavioural variations and promoting proactive and personalised responses aimed at strengthening proximity and satisfaction.

Monitoring and forecasting solutions have also been adopted, enabling more proactive action geared towards Customer needs, while at the same time strengthening security and risk detection mechanisms.

With these actions, ATLANTICO is consolidating its commitment to putting Customers at the heart of its strategy, using the power of data to anticipate needs and offer solutions that are more in line with expectations, producing benefits for both Customers and Stakeholders.

Customer Experience and Digital Transformation

Customer experience has been one of the main drivers of ATLANTICO's transformation. In this sense, in 2024, the systematic measurement of the Net Promoter Score (NPS) became an essential tool for identifying opportunities for improvement and understanding the journeys most valued by Customers, contributing to the Bank's consolidation in the market.

To complement this quantitative analysis, listening and brainstorming sessions were held, directly involving Customers in identifying opportunities for improvement, both in technical aspects of the services and in behavioural interactions. The strategy adopted reflects the conviction that the Customer experience is a central pillar for building lasting relationships, based on trust, transparency and proximity to their reality.

During the year, ATLANTICO continued to strengthen its commitment to the self-banking model with the expansion of the 24/7 network, through the availability of Automatic Deposit Machines and the evolution of Automatic Card Machines to a Kiosk concept. This transformation allows Customers to update their data with total autonomy, quickly, securely and 100% digitally. All they need to have with them is their up-to-date ID card and the telephone number registered with the Bank. This new journey contributes to maintaining a more up-to-date database, reducing queues at Branches and optimising the range of products and services on offer.

ATLANTICO continued to strengthen its commitment to the self-banking model

In addition, various initiatives have been implemented to simplify and optimize the Customer experience, namely:

- **Adapting the product and service offer:** reviewing and adapting the product and service portfolio to better meet the needs of the different segments. In 2024, the Visa Prepaid Card was launched, as part of the Prestige Offer, as well as more than 20 segmented term deposits, including those available exclusively through ATLANTICO Directo;
- **Smart Notifications:** implementation of multichannel notifications based on analytics, promoting proximity, personalisation and usefulness;
- **Improved performance of Digital Channels:** optimisation of ATLANTICO Directo and *400# AGILIZA, improving uptime and menu loading speed, providing faster and more efficient navigation;
- **Team empowerment:** training business and support teams, developing technical and behavioural skills that promote Customer focus, efficiency, agility, rigor and empathy at all points of contact.

Payment innovation and operational efficiency

Demonstrating its alignment to the latest innovations in the banking sector, ATLANTICO has certified and is operating in KWiK (Kwanza Instantâneo) as a participant and aggregator of payment service providers. With this implementation and certification as a receiving and issuing bank in the USSD and ATLANTICO Directo channels, ATLANTICO reinforces its commitment to financial inclusion, agility, and operational efficiency in its branch network.

Prior consultation of the final beneficiary was also introduced for interbank transfers in national currency, the Credit Transfer System (STC) and the Real Time Payments System (SPTR). This functionality is currently in a pilot phase at the Financial City Small and Medium Business Centre and in the Large Companies business segment and is expected to be expanded to all ATLANTICO Service Points by the end of the first half of 2025.

Within the regulatory scope, the focus should be on certifying the Direct Debit System (SDD), which now includes creditor entities, and responding to SPTR 24/7, Instruction no. 03/2023, and Notice no. 03/2023 (regarding the financial capacity of private Customers) issued by Banco Nacional de Angola.

Regarding technology, it is important to emphasise the evolution of the application portfolio, especially Business Process Management (BAW) and Enterprise Service Bus (ESB), which are necessary as an operational foundation for process transformation and digitalisation.

By integrating technological innovation with in-depth knowledge of Customer needs, ATLANTICO strengthens its strategy and consolidates long-lasting relationships based on trust, transparency, and proximity.

Inclusion, efficiency, and regulatory compliance marked ATLANTICO's operations in 2024, with highlights including KWiK certification, new features in interbank transfers, and technological evolution towards a more agile and innovative service

3.4. Scalable business model

ATLANTICO is committed to a scalable business model that allows it to provide its Customers with an excellent banking experience. Its business model is based on the following fundamental principles:

ALL

SERVE ALL CUSTOMER SEGMENTS + INCREASE BANKING LEVELS + INCREASE THE QUALITY OF THE CUSTOMER BASE

AS PREFERRED

CUSTOMER AUTONOMY (SELF-BANKING) + SIMPLE, FLEXIBLE, AND DIGITAL PROCESSES + TAILORED AND EXPERIENCED MANAGEMENT

ALWAYS

FULL AVAILABILITY (24/7)

WHERE

REMOTE MANAGEMENT AND SALES + DIGITAL CHANNELS + BANKING AGENTS + OMNICHANNEL EXPERIENCE

The transformation operated in the Retail business has been decisive for the consolidation of ATLANTICO as a commercial and digital bank, allowing it to achieve the following milestones with quality:

INITIATIVES	MILESTONES	31 DECEMBER 2024
"5 EM 1" DIGITAL ONBOARDING Simple, streamlined and digital experience for opening an account, assigning multicaixa codes and accessing digital channels.	+ Clients > Activity > Satisfaction	**+3.3** million Customers **~792** thousand active Customers **0.4** complaints for every 1,000 Customers
ATLANTICO 24H Availability of self-banking and high-availability banking services (ATM and cash deposit machines).	> Coverage + Self-banking processes + Autonomy	**67%** of branches on 24/7 **55%** of core processes in self-banking **86%** of self-banking deposits
***400# AGILIZA** Scalable digital platform and capillary network of banking agents, providing financial services.	+ Digital Customers + Service points + Mobile onboarding	**30%** of active digital Customers **4,023** service points **+806** thousand mobile account openings
REMOTE MANAGEMENT AND SALES MODEL Remote tailored management that allows the Bank to serve at scale and with greater proximity.	+ Remotely managed Customers	**+27** thousand Prestige Digital Customers
DIFFERENTIATING MODEL FOR SMES Specific and differentiated approach and value proposition for SMEs.	+ Active SMEs > Engagement	**+22** thousand active SMEs **+185.6** billion in SME resources
DIGITALISATION OF CORE PROCESSES Automated, paperless and self-banking processes.	+ Digital processes	**62%** of core processes
BANCASSURANCE Universal Fortaleza insurance offer available through banking channels.	> Turnover Bancassurance + Insurance policies	**4,389** AOA million in insurance premiums **+111** thousand insurance policies sold

3.4.1. *400# Agiliza

ATLANTICO's *400# Agiliza platform is geared towards financial inclusion and allows anyone, whether an ATLANTICO customer or not, to autonomously join or open a bank account in less than two minutes, via a feature phone (push-button/2G phone) or smartphone. To do so, simply dial *400#, no need to install applications or consume voice, data, or SMS balance.

This platform is composed of three channels: USSD, Banking Agents and the *400# Agiliza Payment Terminal, through which Customers can perform their day-to-day operations.

• USSD

With *400# Agiliza, the cell phone becomes a customised, safe, and ever-present Bank, where the Client can, in a simple and accessible way, perform the main banking operations, such as balance and transaction inquiries, transfers, top-ups, service payments, among others.

The USSD channel of *400# Agiliza has been instrumental in growing ATLANTICO's Customer portfolio, in increasing the number of Customers performing transactions through digital channels and in enabling more people to have access to structured financial services, thereby enhancing financial inclusion and economic growth.

In 2024, USSD continued to be the main channel for private Customers, who opened their account remotely and via cell phones without internet access. This milestone underscores the ease of use and trust that the USSD channel provides and enabled *400# Agiliza to surpass its first million users.

+1.5 million subscribers *400# Agiliza

+780 thousand inclusion accounts opened in *400# Agiliza

+20 million transactions *400# Agiliza, for a total of **+AOA 51** billion

• Banking Agents

The Banking Agents channel has been key in enabling ATLANTICO to reach remote areas, such as the outskirts of cities and rural areas where access to banking services is limited. Through partnerships with local agents, the Bank brings core financial services such as deposits and withdrawals to a growing number of communities and individuals. This high capillarity approach has allowed ATLANTICO to strengthen its presence in previously unserved areas and end 2024 with 3,868 *400# Agiliza Banking Agents service points, covering all 18 provinces and 86 municipalities in Angola

3,868 Service Points (Banking Agents)

18 Provinces

86 Municipalities

• *400# Agiliza Payment Terminal

In order to ease payments between Customers and traders, *400# Agiliza offers the opportunity to activate the *400# Agiliza Payment option, which turns the cell phone into a mobile payment terminal. To do this, the platform assigns a numeric code to the trader, who can share it with Customers to receive mobile payments in a fast, secure, and hygienic way.

The *400# Agiliza Payment Terminal has currently more than 100,000 traders, including taxi drivers, neighborhood stores, market vendors, among others.

+100,000 Traders

As a way of strengthening the proximity that distinguishes *400# Agiliza and the network of Banking Agents, the Bank carried out more than 100 actions of inclusion and financial and digital literacy through a team of promoters, who are present daily in markets, neighbourhoods and communities throughout the country.

3.4.2. ATLANTICO Directo

The ATLANTICO Directo platform continues to play a key role in delivering convenient financial services, in particular to Retail Customers with personalised management and Corporate Customers, whether through the App available for cell phones with Android or iOS operating systems, or through the web version, which continues to be the preference of businesses.

In line with Clients' growing appetite for remote and self-service channels, there was an 8.9% year-on-year growth in the number of active users, where national and international transfers, payroll processing and top-ups have been the Customers' transactional preferences. It should also be noted the 86% growth in the number of new Customers who opened their bank account through ATLANTICO Directo.

+48 Customers used ATLANTICO Directo with a total of
+AOA 1.03 billion traded

3.4.3. Self-banking

ATLANTICO's strategic priority is to provide a network of self-banking equipment (ATMs and Automatic Deposit Machines) with high availability, operating 24 hours a day, 7 days a week. The aim is to provide Customers with a more autonomous, convenient and efficient experience, allowing them to perform the most popular banking operations in branches at any time. Under the vision of customer-centric scalability, this bet materializes in the development and implementation of the ATLANTICO 24-hour concept.

To strengthen this strategy, the Bank has been expanding its network of self-banking equipment, both in branches and at partner facilities, increasing the capillarity and geographical coverage of services.

In 2024, the ATM segment saw significant growth, with the installation of 63 new machines over the course of the year, totaling 392 operational units in December. This 19% increase in the number of ATMs demonstrates ATLANTICO's commitment to the expansion and accessibility of its financial services.

As far as Automatic Deposit Machines are concerned, progress was equally positive, with 16 new units installed. The number of machines rose from 99 machines in January to 115 in December, reflecting an increase of approximately 16% and consolidating the implementation of this solution.

To complement this expansion, 10 modular solutions were introduced during the year, incorporating 44 new ATMs and 10 Automatic Deposit Machines. This initiative contributed significantly to strengthening the service network, increasing the capacity to respond to customer needs and strengthening ATLANTICO's presence in the market.

In the Automatic Payment Terminals (APT) segment, the number of machines exceeded 23,500, with net growth of 758 units over the year. This growth reflects the continuous evolution of the fleet and operational optimisation, as evidenced by the increase in the operational rate from 58% to 78%.

ATLANTICO cards: Innovation and Sustainability

In 2024, ATLANTICO continued its journey of modernising its card offer, with the aim of promoting financial inclusion and encouraging sustainable practices through these means of payment.

Following on from the innovation begun the previous year with the launch of the ATLANTICO Card Machine, which marked the advance of the self-banking business model, the Bank inaugurated a new machine at the Viana Vila branch, allowing Customers greater autonomy in obtaining their cards. During the year, the new machine issued more than 3,900 cards, consolidating the commitment to innovation and modernisation of services.

Additionally, ATLANTICO broadened its offer with the launch of Prepaid Cards, which resulted in more than 2,000 units being issued. This initiative is an important step in expanding the diversity of services available, as well as promoting financial inclusion.

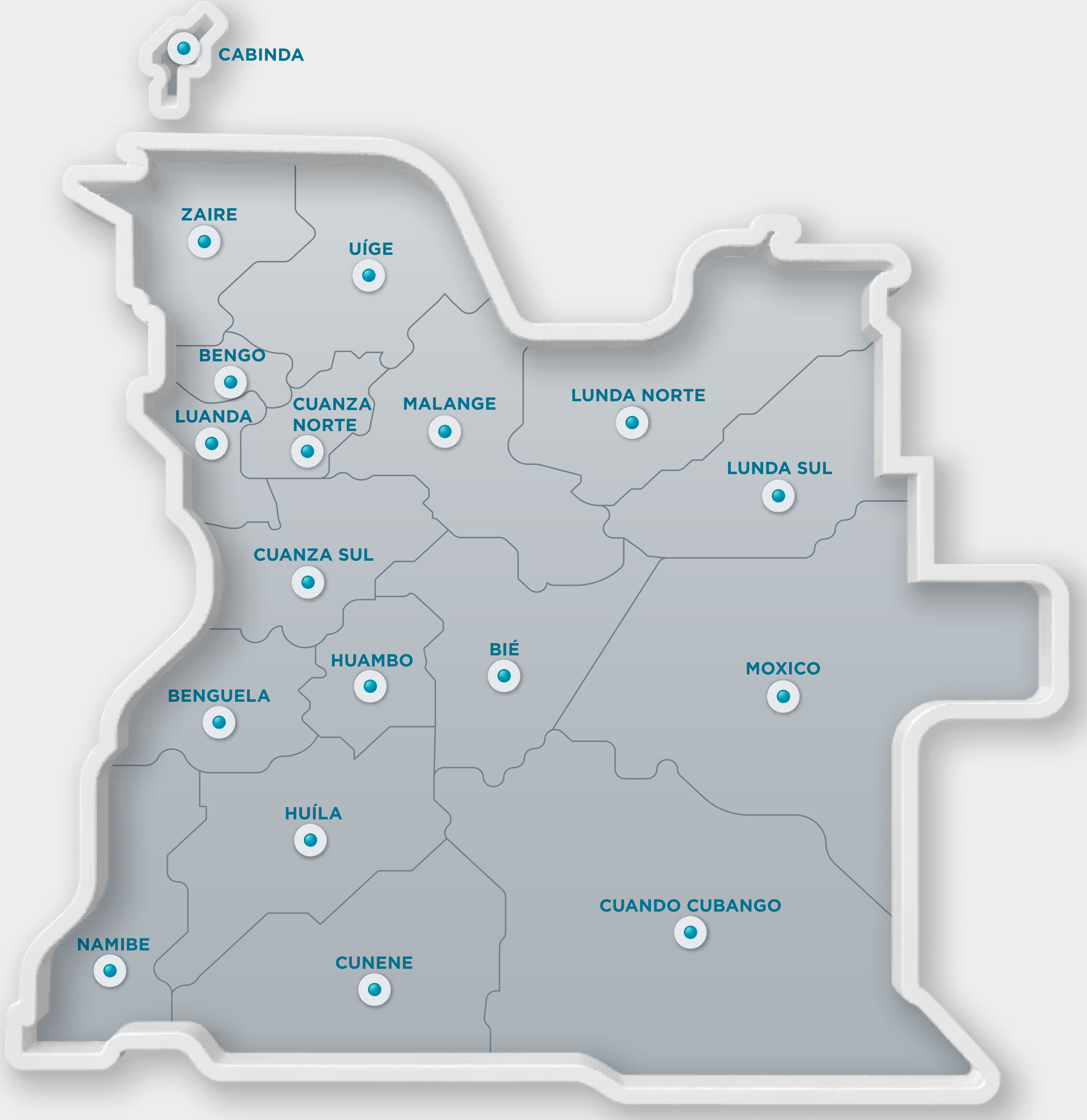
In the Credit Card segment, growth was notable, with the number of cards rising from around 5,750 to over 15,850. The 7% increase in the number of active cards reflects the recovery and strengthening of take-up of this means of payment.

In line with the principles of sustainability, ATLANTICO launched its Recycled Cards, having distributed 56,800 units throughout the year. This initiative reinforces the commitment to more responsible and sustainable practices, complementing the offer of more innovative products.

Finally, in accordance with the BNA's instructions, ATLANTICO stopped issuing cheques in December 2024, after having issued more than 300 cheques during the year. This step ensured the gradual transition of Customers to more efficient and secure electronic payment solutions

3.4.4. Customer service points

Province	Mass Market Branches	Prestige Centres	Private Banking Centre	SME Centres	Large Corporate Centre	ATLANTICO 24H	ATLANTICO 24H spaces	Banking Agents' Points of Sale
BENGO	2			1		1		121
BENGUELA	6	2		2		4	1	69
BIÉ	1			1		1		23
CABINDA	3	1		1		1		33
CUANDO CUBANGO	1			1		1		9
CUANZA NORTE	1			1		1		57
CUANZA SUL	2			1		1		75
CUNENE	2			1		1		6
HUAMBO	3	1		1		2	1	86
HUÍLA	4	1		1		2		37
LUANDA	68	7	1	18	1	37	12	3 145
LUNDA NORTE	1			1		1		21
LUNDA SUL	1			1		1		8
MALANGE	2			1		1	1	61
MOXICO	1					1		10
NAMIBE	2			1		1	1	11
UÍGE	3			1		1		60
ZAIRE	1			1		1		36

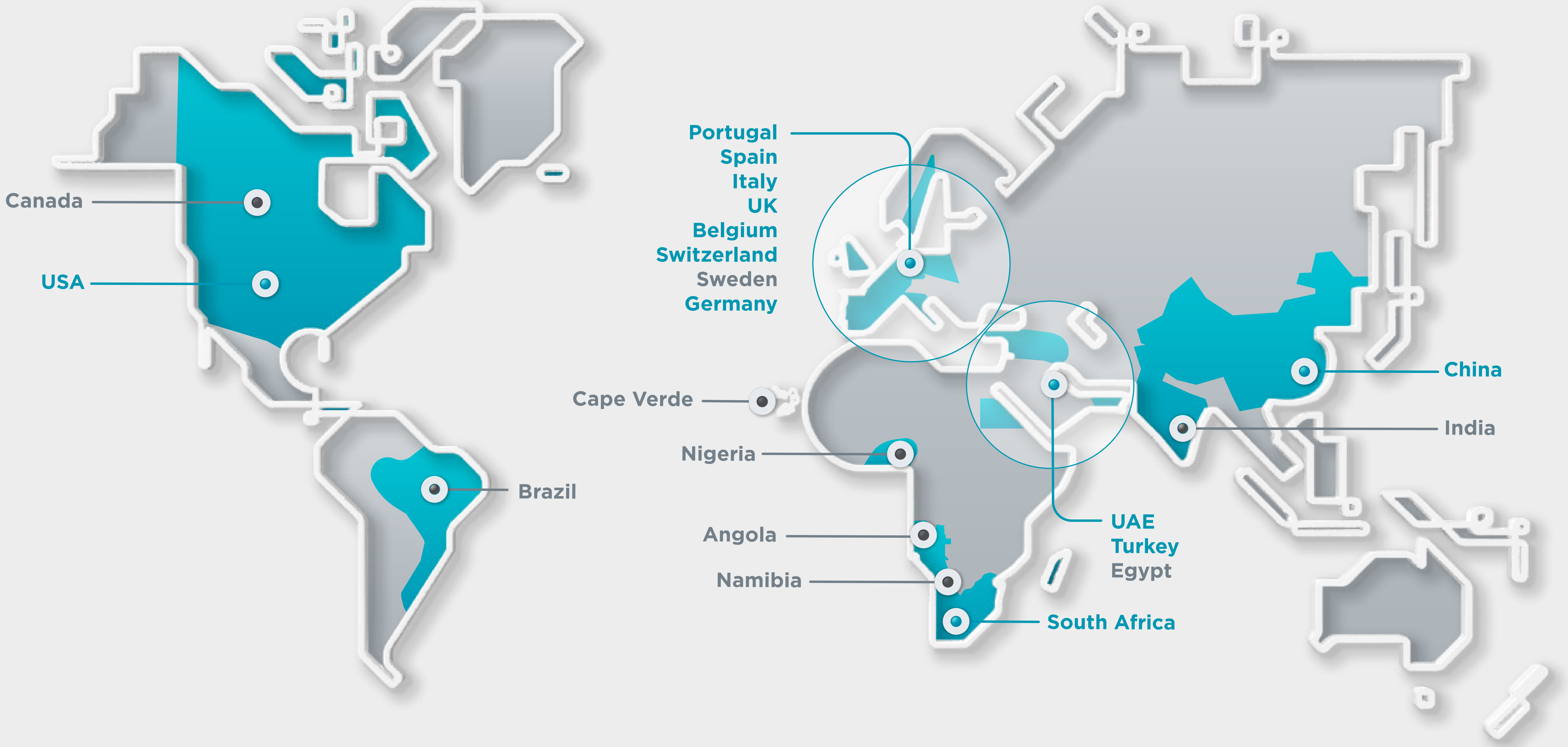


3,868 Banking Agents' Points of Sale
104 Mass Market Branches
59 ATLANTICO 24H
16 ATLANTICO 24H spaces
12 Prestige Centres
1 Private Banking Centre
35 SME Centres
1 Large Corporate Centre

3.5. Partnership Ecosystem

Worldwide coverage of ATLANTICO Customers' operations

26 correspondent **banks** on **4 continents**



Correspondent Banks

COMMERZBANK
ICBC
mashreq المشرق
Deutsche Bank
Millennium bcp
UniCredit
中国银行 BANK OF CHINA
ATLANTICO EUROPA
BYBLOS BANK
RAND MERCHANT BANK
novobanco
Santander
NEDBANK
absa

Countries with correspondent banks:

Countries where ATLANTICO has commercial relations

2024 was dominated by significant economic challenges, driven by persistent inflation and geopolitical tensions that affected global production chains. Combined with the restrictive policies adopted by the main central banks, these factors have resulted in difficulties in accessing credit, increased pressure on the budgets of companies and families, and slowed down investment in several sectors.

Within the context of the PHIT 2.4 strategic plan, ATLANTICO maintained its focus on consolidating external financing lines, with the AGF Guarantee Line standing out. At the same time, it has also reinforced its credit lines, which are essential for supporting trade Financial and treasury operations, to strengthen its position in the domestic and international markets. Additionally, by facilitating access to foreign markets, it actively contributes to the country's industrialisation.

In terms of international relations, ATLANTICO has focused on strengthening its correspondent banking network, which currently has 125 institutions (26 of which have active relationships). This network plays a key role in processing operations, providing solutions such as clearing services in several currencies, especially the US dollar, processed by two correspondent banks.

In trade Financial, ATLANTICO consolidated its position as one of the main players in the market for means of payment for imports, having achieved a market share (MS) of 15% in the issue of Documentary Credits. Committed to its Customers' transactional needs, the Bank has adapted to market challenges, including the shortage of foreign exchange resources seen in recent years.

The value of Payment Orders Issued by ATLANTICO amounted to USD 2.8 billion, resulting in a MS of 9.5%, slightly down on the previous period (-0.5 p.p.).

In Exports, the Bank continued to focus on supporting the non-oil sector, maintaining strategic partnerships, and boosting the supply of financing lines, credit coverage guarantee facilities, and short-term treasury financing solutions. The MS of documentary operations stood at 10%, with documentary collections accounting for 15%.

Payment Orders Received fell slightly to USD 2.2 billion, corresponding to a MS of 11.3%. This decrease of 3.1 p.p. year-on-year reflects the economic slowdown and the difficulties faced by all market players.

Financing facilities

Entities	Country	Negotiated amount	Facility
IFC International Finance Corporation World Bank Group	USA	**USD 30,000,000**	Trade Financial operations facility
Commerzbank	Germany	**EUR 30,000,000**	Specific financing facility to support operations with import requirements with the coverage of Export Credit Agencies
African Guarantee Fund	Kenya	**USD 5,000,000**	Guarantee facility to cover credit risk for SMEs
Afreximbank	Egypt	**USD 10,000,000**	Trade Financial facility for confirming Documentary Credits, Guarantees and Irrevocable Reimbursement Undertaking (IRU)

Strategic Partners Network

FINANCIAL SOLUTIONS, INSURANCE, AND PAYMENTS

HEMERA CAPITAL PARTNERS: An independent partner, it acts as an asset management and financial advisory company active in the structuring, creation, and management of investment funds in several asset classes, including real estate, securities, and alternative investments, supported by the adoption of international best practices in accordance with Angolan regulations.

FORTALEZA SEGUROS: Partnership within Bancassurance, boosting synergies between the banking and insurance sectors. It offers solutions for the day-to-day protection of companies and families, covering assets, liabilities, health, and the future.

Western Union: Strategic partner that provides services for sending and receiving money transfers in minutes, available in more than 200 countries.

VISA: A world leader in electronic payments with credit and debit cards, it stands out for its diverse functionalities and solutions in security systems, guaranteeing acceptance in both national and international territories.

3.6. ESG (Environmental, Social and Governance)

3.6.1. ATLANTICO's Transformation Journey

Sustainability is a strategic pillar for ATLANTICO, reflecting its commitment to creating long-term value for society, Customers, and other stakeholders. In line with this vision, the Bank has been strengthening its approach to ESG (Environmental, Social and Governance) issues, promoting initiatives that drive responsible and sustainable practices.

In 2024, as part of its Sustainability Journey, ATLANTICO developed a set of actions and initiatives, of which the following stand out:

- **Beginning of the implementation process for the ESMS – Environmental and Social Management System**, through the integration of social and environmental impact assessment criteria into the credit function;

- **Training sessions and workshops on Sustainability**, for approximately 130 Employees, including members of the Board of Directors, senior management, and other strategic professionals;

- **Creation and implementation of an Introduction to Sustainability module** in the 1st Dive programme, ensuring that approximately 200 new Employees receive a comprehensive overview of the importance of this strategic issue for the Bank;

- **Consultation with the Bank's stakeholders** – Customers, Employees, Suppliers, and Shareholders – as part of the process of developing the Materiality Matrix and defining priority Sustainable Development Goals (SDG);

  The priority SDG, which were selected and approved by ATLANTICO as strategic areas of impact, are:

- **Publication of the first sustainability report**, included in the 2023 Annual Report in a "Notebook" format, represented a first draft for the Sustainability Report that ATLANTICO aims to publish in 2025;

- **Launch of the 1st Edition of ATLANTICO Sustainability Days (*Jornadas de Sustentabilidade do ATLANTICO*)** – an event held with institutional support from the UN Global Compact (UNGC). This event brought together more than 180 stakeholders, including Employees, Customers, and partners, as well as invited companies and members of the UNGC in Angola. With this annual initiative, the Bank aims to bring together its stakeholders and create a space for sharing and learning about best practices and strategies for promoting the SDG, as well as fostering a constructive approach to strengthening sustainable solutions capable of generating value for organisations and society as a whole.

- **Launch of the recycled ATLANTICO Multicaixa Card**, an environmentally friendly debit card made from recycled plastic waste. This initiative is a big step toward reducing environmental impact and promoting social responsibility by encouraging sustainable practices throughout the value chain.

- **Promoting internal and external awareness of sustainability** – the Bank published four more editions of IMPACTO, its sustainability research article, which now has seven editions. Additionally, ATLANTICO participated in several events and conferences, notably:

  - **International Conference on The Impact of the Carbon Market on the Achievement of Global Climate Goals (O impacto do mercado de carbono na concretização dos objectivos mundiais do clima),** organised by Agostinho Neto University and ABANC, where ATLANTICO acted as moderator of the main panel;

  - **2nd Conference on Sustainability in Banking**, held by ABANC, with the participation of ATLANTICO's CEO as a speaker on one of the panels;

- **Training on Sustainable Financial –** a programme promoted by ABANC in partnership with the IFC, in which ATLANTICO participated, reinforcing the qualifications of its professionals in this area.

Partnerships to implement the SDG

ATLANTICO has been strengthening its commitment to sustainability by joining initiatives of national and international importance, notably the UN Global Compact. This voluntary initiative encourages companies to align their strategies and operations with universal principles in the areas of human rights, labor, the environment, and anti-corruption, as well as to develop concrete actions to address global challenges.

Activities and initiatives implemented in 2024

Participation in the "SDG Ambition" programme – a six-month training and acceleration programme focused on implementing the SDG. This programme was aimed at a wide range of African companies that are members of the UNGC's HUB AFRICA;

Integration into a select working group of the Global Compact Advisory Council – ATLANTICO was invited to join a working group of three companies that are members of the United Nations Global Compact Advisory Council. This group was created as part of the Africa Strategy (2021-2024) with the aim of establishing networks of responsible companies on the African continent and contributing more effectively to the achievement of the SDG;

Submission of the first CoP (Communication on Progress) report – o ATLANTICO successfully submitted its first CoP report to the Global Compact, which represents a milestone and a barometer for the Bank's progress in relation to the Global Compact Principles and its contribution to the SDG.

Coordination of ABANC's ESG working – growing awareness of sustainability, both nationally and in the region, has been driven by several initiatives that have played a key role, not only in public opinion but also in the Angolan banking sector. Among the most relevant, we highlight the creation of ABANC's ESG and Sustainability Working Group, in which ATLANTICO, represented by the Director of the Sustainability and Impact Office, was elected Coordinator.

Training on sustainable securities issuance – as part of training initiatives to strengthen the response to the challenges of the Sustainability Journey, ATLANTICO, at the invitation of the IFC, participated in two highly relevant international events: The Green, Social and Sustainability Bonds Executive Training Programme, held in Istanbul (Turkey) in partnership with BORSA Istanbul, and the Financial a just transition with Nature, Biodiversity, and Social Impact Executive Leadership Training, held in Geneva (Switzerland) in collaboration with the Building Bridges Summit. In these programmes, participants deepened their knowledge and techniques for aligning financing strategies with global objectives, such as the SDG, in order to meet the expectations of investors, regulators, and Customers. This training programme bridges the gap between high-level ESG aspirations and the development of viable financing solutions, as well as providing expertise for the assessment of projects with measurable environmental and social impacts.

3.6.2. Environmental Dimension

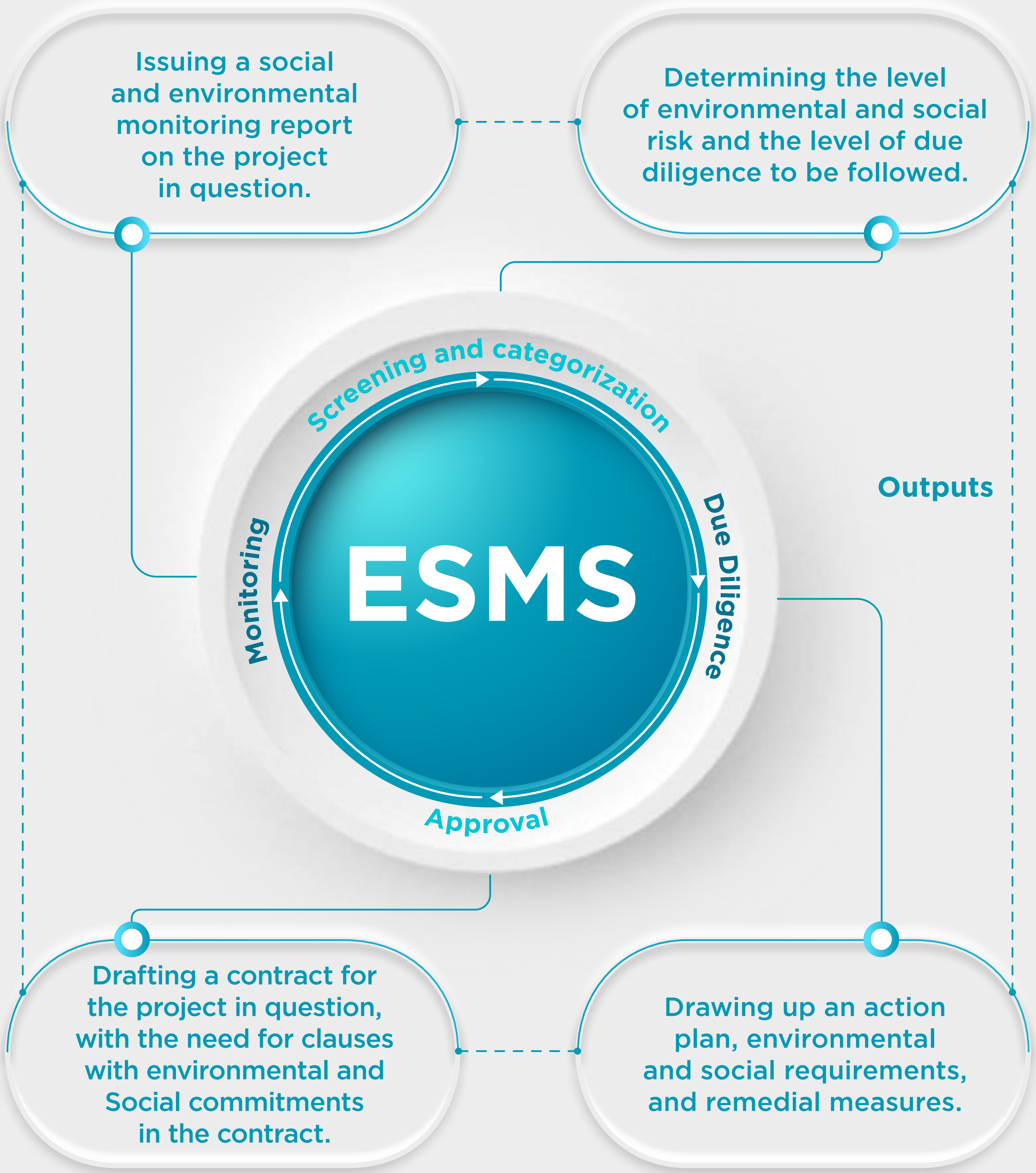
ESMS – Environmental and Social Management System

ATLANTICO is committed not only to offering solid financial solutions, but also to promoting sustainable development in all its operations. As such, it will continue to support Customers in assessing and monitoring their social and environmental impacts. The Bank believes that the success of a project goes beyond financial results, as it should also generate a positive impact on the environment and communities.

In this context, with the support of the IFC (International Financial Corporation), ATLANTICO began implementing its ESMS Policy, in a revised version approved and published in 2024. Through this policy, the Bank seeks to strengthen the management and mitigation of environmental and social risks associated with its loan portfolio. Using careful analysis, ATLANTICO establishes clear guidelines and rules for the selection and evaluation of projects, with the aim of promoting sustainable and responsible practices.

ATLANTICO's approach covers not only environmental and social impact analysis of projects, but also active engagement/commitment with Customers. The Bank thus seeks to encourage the adoption of best practices, promoting awareness and providing support for the implementation of sustainable solutions throughout the value chain.

With the update of the ESMS Policy, in accordance with the eight IFC Environmental and Social Performance Standards, ATLANTICO assessed, in 2024, the environmental and social impacts of 25% of its loan portfolio in the industrial sector; 100% of new financing applications from companies that meet the requirements defined in the policy; and approximately 25% of the Bank's branches and other facilities.



ATLANTICO's commitments and guidelines for measuring and reporting social and environmental impact metrics

UN Global Compact

A voluntary initiative for businesses to align their strategies and operations with universal principles in the areas of human rights, labor, the environment and anti-corruption, and to develop policies to address societal challenges.

Adherence to and commitment to the Principles of the United Nations Global Compact

IFC Social and Environmental Sustainability Performance Standards

Through ATLANTICO's Environmental and Social Management System, the Bank has promoted alignment with IFC standards in this area.
This alignment creates a financing agreement with environmental and social covenants, the performance of which is reported annually to the IFC, with the goal of improving the Bank's development opportunities.

Environmental and Social Management System (ESMS) for the credit function – in line with IFC's eight Performance Standards

1. Assessment and Management of Environmental and Social Risks and Impacts
2. Labor and Working Conditions
3. Resource Efficiency and Pollution Prevention
4. Community Health, Safety, and Security
5. Land Acquisition and Involuntary Resettlement
6. Biodiversity Conservation and Sustainable Management of Living Natural Resources
7. Indigenous Peoples
8. Cultural Heritage

Global Reporting Initiative Sustainability Reporting Standards

Adoption of GRI Standards for sustainability reporting to disclose social and environmental impacts.

Report Principles

- Accuracy
- Balance
- Clarity
- Comparability
- Completeness
- Sustainability context
- Timeliness
- Verifiability

Mangrove Plantation on Mussulo Island

In Luanda, the World Cleanup Day initiative took place at Cancun Beach

"*Kandengue Escritor*" Contest Award Ceremony

Social and Environmental Awareness Initiatives

Mangrove Plantation on Mussulo Island

In honour of International Mangrove Conservation Day, the Bank promoted a mangrove planting initiative on the coast of Mussulo Island, in which ATLANTICO volunteers participated in collaboration with Otchiva – Protecção e Restauração dos Mangais em Angola, an association dedicated to the protection and restoration of mangroves, and with the involvement of representatives and volunteers from the local community. 6,650 mangroves were planted, contributing significantly to the recovery and preservation of the coastal ecosystem.

Mangroves play an essential role in reducing greenhouse gases and improving biodiversity, which directly supports the livelihoods of communities that depend on fishing. This initiative reinforces ATLANTICO's commitment to the Sustainable Development Goals that are priorities for its Sustainability Strategy.

The mangrove planting initiative is a concrete example of ATLANTICO's commitment to sustainability, aligning its initiatives with global efforts for environmental preservation and responsible development.

World Cleanup Day

In the same spirit of environmental responsibility, ATLANTICO joined World Cleanup Day, which, for the first time, included the participation of Employees and volunteers from across the country. In Luanda, the initiative took place at Cancun Beach, in the municipality of Sambizanga. In other provinces, the Bank carried out cleaning operations around its branches.

In line with ATLANTICO's commitment to SDG 13 (Climate Action), this initiative helped raise awareness about the importance of preserving the marine ecosystem and reducing pollution through the adoption of more sustainable practices, such as waste separation, reducing the use of single-use plastics, and recycling. The event was organised by Associação Nação Verde, with support from local communities and several institutions. The more than 6,800 volunteers who participated – including around 230 from ATLANTICO – collected 90 tons of waste, actively contributing to the well-being of communities.

3.6.3. Social Dimension

"*Kandengue Escritor*" Contest

In 2024, ATLANTICO participated in the "*Kandengue Escritor*" Contest Award Ceremony, a UNESCO initiative held at Fundação Arte e Cultura in Luanda. The contest, which encourages primary, secondary, and high school students to explore creative writing, honoured Angolan writer António Jacinto in this edition.

ATLANTICO has partnered with the award for young writers, reinforcing its commitment to SDG 4 (Quality Education). In addition to supporting the awards ceremony, the Bank provided financial literacy training with the aim of contributing to the personal development of all participants in the competition. During the training, young people had the opportunity to deepen their knowledge about money, saving, and financial management, building solid foundations for the future. In total, the programme benefited around 30 children and adolescents from different provinces.

Impact programme – *Malembe Malembe* Credit

The expression *Malembe Malembe*, which comes from the Kikongo language and means “Slowly, slowly, you will get there”, was chosen as the name for the sustainable credit programme specifically dedicated to artisan fishermen in the provinces of Zaire and Namibe.

Recognising the crucial importance of artisanal fishing as an essential economic activity in Angola, ATLANTICO created this programme with the aim of providing access to adequate financing, enabling artisan fishermen to strengthen their operations and achieve greater financial stability. The programme aims to boost local socioeconomic development and promote financial inclusion in these communities.

The *Malembe Malembe* programme was carefully designed to offer favourable conditions to fishermen, including affordable interest rates and flexible repayment terms.

ATLANTICO created the *Malembe Malembe* programme with the aim of providing access to a **adequate financing**, enabling artisan fishers to strengthen their operations and achieve **greater financial stability**

Impact programme – *Malembe Malembe* Credit

Project impacts on SDG:

- 1 NO POVERTY
- 2 ZERO HUNGER
- 8 DECENT WORK AND ECONOMIC GROWTH
- 10 REDUCED INEQUALITIES

OBJECTIVES

- Boost local socioeconomic development
- Promote the financial inclusion of artisan fishermen
- Provide specialised technical support to the populations concerned

SOCIAL AND ECONOMIC IMPACTS

- **+63** beneficiaries included in 2024, totalling 82 families and microenterprises integrated into the financial system;
- Significant contribution to the capture and formalisation of this resource ecosystem, which is still mostly traded informally;
- **+250** people impacted in 2024, totalling **+1,012** people impacted since the programme began, reflecting the positive impact on the social life of populations through the promotion of formal employment;
- Expanding access to financing for these communities, in accordance with Notice 10/BNA_2022, contributing to the national economic diversification programme.

Literacy, Financial Inclusion and Innovation – *400# Agiliza

The *400# Agiliza is ATLANTICO's platform for creating value and prosperity through financial literacy and inclusion. With the motto, *O teu telemóvel é o teu Banco* (Your cell phone is your bank), *400# Agiliza empowers the entire population, particularly low-income families living in remote and/or regions where access to structured financial services is limited or non-existent.

Literacy, Financial Inclusion and Innovation – *400# Agiliza

Project impacts on SDG:

1 NO POVERTY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

*400# Agiliza!

RANGE OF ACTION

It operates in the **18 provinces** of Angola, focusing on the low-income population living in remote areas and/or financially underserved areas.

2024 OBJECTIVES

- **+3 million** users impacted
- Expand the network of Banking Agents and double the number of municipalities covered
- Support the reconversion of the economy, with financial and digital literacy actions for informal traders
- Promote actions that empower women financially, especially informal traders
- Boost savings and reduce transaction costs for people who live in financially underserved areas
- Improve the speed and availability of the channels to ensure a lasting impact.

SOCIAL AND ECONOMIC IMPACTS

- **+1.5 million** users with access to *400# Agiliza via USSD channel
- **+3.8 thousand** service points of banking agents *400# Agiliza, with national coverage in the **18** provinces of Angola and in **86** municipalities
- **+660 actions** of financial and digital inclusion and literacy, with daily permanence in markets, neighborhoods and communities
- **+20 million** transactions *400# Agiliza, for a total of + AOA **51 billion**
- **+780 thousand** inclusion accounts opened in *400# Agiliza

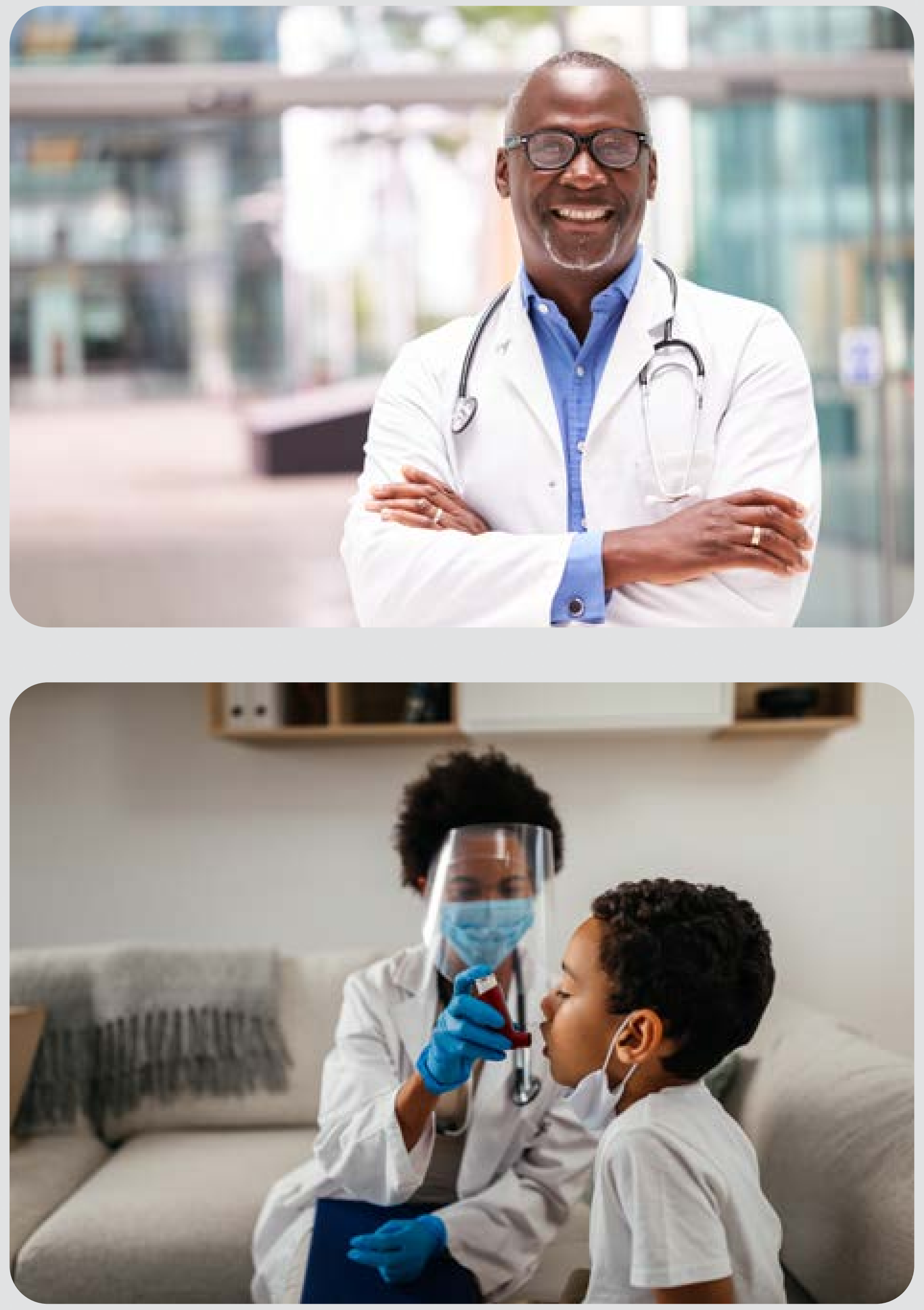
3.6.4. Corporate Social Responsibility Initiatives and Projects

Social transformation is a foundational pillar of ATLANTICO, and it is in its DNA to share the results of its activity with the communities in which it operates, leaving a relevant mark on society. The Founders created an Institution based on creating Values for Life. An institution that generates value for its Customers, Shareholders, People and, above all, for the Communities.

ATLANTICO'S SOCIAL TRANSFORMATION STRATEGY

Knowledge

Entrepreneurship



Health and Wellness

ATLANTICO'S SOCIAL TRANSFORMATION ECOSYSTEM

ATLANTICO is continuously and increasingly committed to social transformation, impacting the lives of communities. Through the *Partilhamos Valores para a Vida* (We Share Values for Life) Programme, each employee has the opportunity to positively impact society in a responsible and innovative way by demonstrating solidarity, commitment, empathy, and love for others. The programme inspires dreams, helps achieve goals, and supports sustainable projects.

In 2024, a set of activities was carried out to demonstrate and strengthen our strong sense of responsibility towards people. Committed to support charitable institutions, more than 1,500 Employees invested over 6,000 hours in voluntary action, helping approximately 11,500 People - including children, young people, and the elderly. Additionally, a Goods Collection Campaign was carried out, and the proceeds were donated to the institutions supported by the Bank.

These figures reflect the strong sense of mission of ATLANTICO volunteers. Through integrated, consistent, strong, and continuous actions, the Bank honours its commitment to the future and the transformation of society. Our goal is to build and strengthen an informed and sustainable society with "Values for Life".

IMPACT OF THE ECOSYSTEM ON COMMUNITIES

+11,500 Impacted Lives

+1,500 Employees

+6,000 Hours

- Food
- Teaching material
- Clothing
- Toys

Christmas Charity Event at Lar Consoladora dos Aflitos

Christmas Charity Event at Internato Padre Tiago Brendel – Dundo

Christmas Charity Event at Lar Ana Jeto – Luena

Food Bank

More than 1,500 Employees invested around 6,000 hours in volunteer work, **impacting more than 11,500 People**

Actions have also been developed to support institutions, selected in line with ATLANTICO's social transformation strategy, with a focus on knowledge and entrepreneurship, namely through initiatives to boost agri-business, in partnership with SEIVA, and to support inclusive, equitable and quality education, with the Ulwazi Foundation and the Lar de Nazaré.

Under this strategy, ATLANTICO aims to impact on communities far beyond financial contributions, but equally through knowledge sharing and financial inclusion, targeting high levels of banking and tradability, through *400# Agiliza.

ENTREPRENEURSHIP

SEIVA

Mission

Foster the development of families in rural areas through initiatives with economic and social impact, supporting and following the principles of the Sustainable Development Goals (SDG) as a measurement and barometer of the impact generated

Pillars

ATER (technical assistance and rural extension
Support for the sustainable development of agricultural production by rural families

Capacity Building
Development of technical and institutional skills of local partners

Research and Innovation
Conceptualisation, testing and development of local solutions and challenges

Logistics and Fairtrade
Creation of agri-food value chain links, with a focus on the rural environment

KNOWLEDGE

Ulwazi
AN AFRICAN INITIATIVE FOR EDUCATION

Mission

Promote the qualitative improvement of elementary education in Angola as a priority for human and national development

Lines of Action

The Persuit of Excellence
Ulwazi contributes towards positioning Angola and Africa at the frontier of Knowledge in the Education sector

Structuring Action
Ulwazi is an active partner in the definition and implementation of education policies and strategies

A Catalyst for Innovation
Ulwazi is an accelerator for innovation and new models of education

A Skills Factory for Education
Education plays a fundamental role in preparing for the future. But it is also essential to prepare the future of Education

LAR DE NAZARÉ

Mission

Helping orphaned children in extreme poverty, aged 3-14 and out of the education system, by providing better living and educational conditions. Permanent shelter for girls at risk.

DOMBE 4.0 PROJECTO INTEGRADO

1 NO POVERTY
2 ZERO HUNGER
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

SEIVA

SEIVA
SEIVA TALKS

ENTREPRENEURSHIP

OBJECT

- Enhance models of inclusive development based on rural property
- Supporting rural households through training programmemes
- Technical assistance and agricultural management
- Promoting production and the rural community in the formal market
- Attracting young Angolans to the primary sectors

SCOPE OF ACTION

- Rural households in Dombe Grande Commune, Benguela province.
- The aim is to replicate the model to other regions of the country.

IMPACT

- **+1,087** lives impacted (including 281 farmers directly)
- **433** hectares of production areas
- **368** tons of total bean production
- **29** tons of bean seeds
- Banking of communities (*400# Agiliza).

KNOWLEDGE

KNOWLEDGE

- **6** Webinars
- **34** Speakers
- **+500** Participants
- **+1,500** Hours invested

UNIDOS PELA EDUCAÇÃO

4 QUALITY EDUCATION

Ulwazi

AN AFRICAN INITIATIVE FOR EDUCATION

IMPACT

OBJECT

1. **Teachers:** training and mentoring to improve skills in good teaching practices, focusing on the active role of students
2. **School managers:** training and mentoring to promote efficient human resource management that takes into account specific local contexts (geography, land use, etc.) and to ensure the maintenance of school infrastructure
3. **Infrastructure:** to assist in the improvement and maintenance of essential infrastructure for the proper functioning of the schools participating in the project
4. **Students:** raising awareness among local communities, public authorities, and private entities about the importance of education: awareness-raising activities among communities, state administrative structures (central and local), and companies to make education a national priority, without which it is not possible to improve the quality of life and well-being of Angolans

IMPACT

- **+690** hours of monitoring of Pilot Schools
- **5** Trainers
- **+350** Trained Managers
- **+400** Trained Teachers
- Potential impact of **+21,000** students

SCOPE OF ACTION

- **6** Provinces (Malanje, Kwanza Norte, Lunda Norte, Lunda Sul, Huambo e Bie)
- **7** Pilot Schools
- **6** Schools Targeted

In the pillar of entrepreneurship, ATLANTICO also has a partnership with Hemera Capital Partners, and is the initial investor in the Dual Impact Fund, the first impact fund in Angola. This is a specialised vehicle to support startups and SMEs that focuses on investing in projects that offer potential financial return allied with the resolution of social problems.

DUAL IMPACT FUND

ENTREPRENEURSHIP

OBJECTIVES

- Contribute to the development of the Angolan business system, supporting companies to incorporate sustainability and impact criteria into their mission
- Be a source of funding for startups and SMEs
- Create impact with financial, social and environmental return

FEATURES

AOA 3.075 billion under management
Objective: **AOA 10** billion

10 years
Fund Maturity
5 year investment period

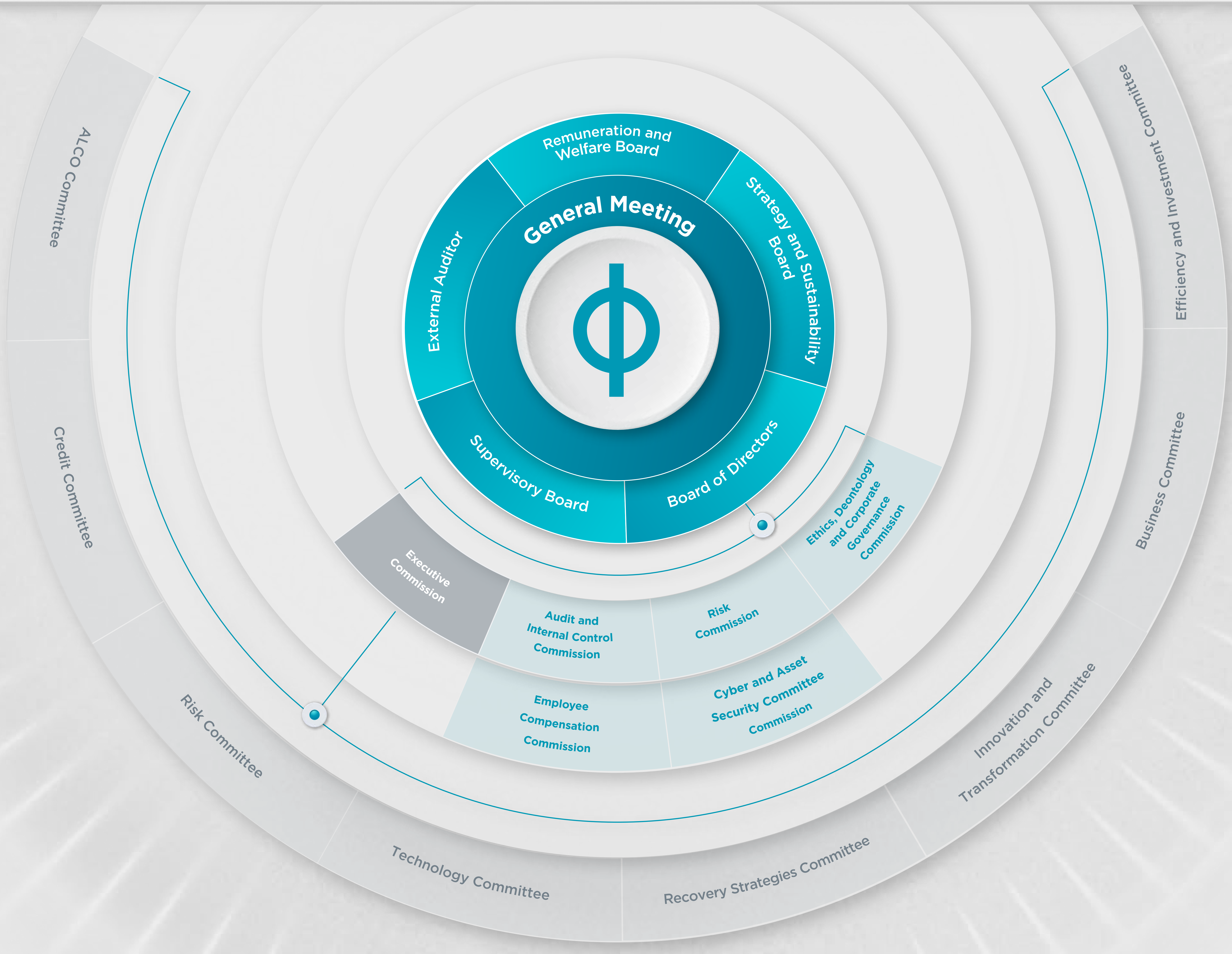
AOA 30 – 600 million
Investment per project

SCOPE OF ACTION

- Affordable Housing
- Logistics
- Agriculture
- Financial Services
- Industry
- Health Care
- Energy & Utilities
- Education

3.6.5. Governance

Governance model



Composition of the governing bodies

	Board of Directors	Executive Commission	Audit and Internal Control Commission	Risk Commission	Ethics, Deontology and Corporate Governance Commission	Cyber and Asset Security Commission	Employee Compensation Commission	Supervisory Board	General Meeting Board
António Assis de Almeida	ϕ						ϕ		
Daniel Santos	ϕ			ϕ			ϕ		
Miguel Pessanha	ϕ		ϕ						
Elpídio Neto	ϕ		ϕ		ϕ				
Paulo Tomás	ϕ			ϕ			ϕ		
José Carlos Burity	ϕ		ϕ		ϕ				
Madalena Neto	ϕ		ϕ						
Vanessa Mendonça	ϕ			ϕ	ϕ				
Miguel Alves	ϕ	ϕ							
Éder Sousa[2]	ϕ	ϕ							
Patrícia Gabriel	ϕ	ϕ				ϕ			
João Mendonça	ϕ	ϕ							
Isabel Espírito Santo	ϕ	ϕ							
Mauro Neves	ϕ	ϕ							
Catarina Souza	ϕ	ϕ							
Marcelo Costa[1]	ϕ	ϕ							
Mário Kipipa[1]	ϕ	ϕ							
António Frutuoso de Melo									
José Wanassi									
Manuel Aguiar									
Nuno Teodósio de Oliveira								ϕ	
Nélson Teixeira								ϕ	
Guilherme Frutuoso de Melo							ϕ	ϕ	
José Dordio								ϕ	
Cristina Ferreira								ϕ	
João Manuel Pedro									ϕ
Fernando Magarreiro									ϕ
Nina Araújo[3]									ϕ
Katya da Silva[4]									ϕ

[1] Took office in September 2024 • [2] Left office in September 2024 • [3] Left office in October 2024 • [4] Took office in October 2024

Organic structure

Department
Office
Autonomous Unit

Executive Commission

Members and Areas of Responsibility

* The replacement order presented should only be applied in cases where the absent/prevented Board Member has not had the opportunity to directly appoint his replacement, with due caution regarding potential conflict of interest situations.

The CEO and the Deputy Chairman may adjust the appropriate division of areas of responsibility among themselves whenever one of them is absent/prevented from performing duties.

** Hierarchical reporting, with functional reporting to the Chairman of the Audit and Internal Control Committee for Compliance Office and Internal Audit, and to the Chairman of the Risk Committee for Risk Office.

João Mendonça • Member
Chief Marketing Officer (CMO)
- Marketing & Customer Experience • MDK
- Brand and Communications • BCD
- Credit • CRD
- Strategic Partnerships • SPO

COO and CBO-R*

Isabel Espirito Santo • Member
Chief Business Officer (CBO) - Retail
- Mass Market • MMT
- Prestige • PRD
- Simplified Banking Business • SBB
- Small and Medium Enterprises • SME

CBO-C and CMO

Marcelo Costa • Member
Chief Operating Officer (COO)
- Assets and Services • ASD
- Cyber Security • CSD
- Technologies • DTC
- Accounting • ACT
- Operations • DOP

CMO and CBO-C*

Miguel Raposo Alves • PCE
Chief Executive Officer (CEO)
- Talent Management • TMD
- Innovation & Transformation • ITO
- Sustainability & Impact • SIO
- Disruption Lab • LAB

CRO and CFO*

Mauro Neves • Member
Chief Financial Officer (CFO)
- Financial and Markets • FMD
- Legal and Credit Recovery • LCRD
- Planning and Control • DPC
- Data & Information Management • DIMO
- Investor Relations • IR

CRO and CEO*

Catarina Souza • Member
Chief Risk Officer (CRO)
- Compliance Office • COF**
- Audit • AU**
- Risk Office • ROF**
- Processes and Organisation • POD

CEO and CFO*

Mário Kipipa • Member
Chief Business Officer (CBO) - Corporate
- Large Corporate • LCD
- Private Banking • PBD
- Systems Payment • PSD

CBO-R and CMO*

Department | Office | Autonomous Unit | Replacement

3.7. Risk Management Culture

ATLANTICO sees risk management as a central element of its strategic vision, supporting this area through a structure of collegiate bodies composed of Committees and Commissions independent from the other governance structures. Thus, the function of risk management is independent of the risk-generating areas and provides decision-making and control mechanisms directly dependent on the Bank's Board of Directors.

ATLANTICO's risk management is carried out in accordance with strategies and policies defined by the Board of Directors, with the respective delegation of powers to the Executive Committee and the Risk Office (ROF), which is responsible for implementing the strategies and policies defined.

RISK OFFICE STRUCTURE

Breakdown of Employees by unit

Unit	No. of Employees
Management	3
Credit Risk	5
Market and Liquidity Risk	5
Operating Risk	2
Business Continuity	1
Rating	6
Total	**22**

The ROF reports functionally to the Risk Committee appointed by the Board of Directors for risk management, thereby enhancing the independence and authority of the risk management function. This reporting is complemented by hierarchical/administrative reporting to the Executive Committee, on operational matters and/or practical relations with other areas, in order to improve the efficiency and effectiveness of the daily management of activities, thereby ensuring that the assignment of other areas to the same executive director, to whom the control functions report, respects the principle of segregation.

In order to reinforce the independence of this control function, the Risk Committee receives a wide range of information on risk management and on the planning and results of the main activities carried out, and is responsible for monitoring the general level of risk assumed by ATLANTICO and controlling the process of its management.

Moreover, the Bank's risk management is articulated with the actions of other bodies, namely with the main committees.

Main committees

RISK MANAGEMENT COMMITTEE*

Responsible for the supervision of financial risks (credit risk, foreign exchange risk, interest rate risk of the banking portfolio and liquidity and solvency risk) and non-financial risks (namely strategy risk, operational risk, information systems (IT) risk, compliance risk, reputational risk and others). Responsible for monitoring, assessing and proposing measures to correct deviations from financial and non-financial risk policies.

Frequency: quarterly

ASSETS AND LIABILITIES COMMITTEE (ALCO)

Responsible for monitoring and taking decisions to ensure a sustainable evolution of the balance sheet and optimize the Bank's profitability. It also ensures that the objectives relating to the review and monitoring of ALCO's financial reporting are met, with recommendations for the implementation and monitoring of measures to ensure the maintenance of a sustainable capital/funding structure, as well as ensuring that asset and liability management processes are in place to contribute to the appropriate use of the balance sheet.

Frequency: bi-monthly

CREDIT COMMITTEE

Responsible for the monitoring and careful management of the Bank's credit portfolio, by assessing and deciding on proposals for granting credit in accordance with the credit policy in force and monitoring the evolution of the risk associated with Customers/business (portfolio concentration, exposure, default, etc.).

Frequency: weekly

TECHNOLOGY COMMITTEE

Responsible for defining the guidelines for implementing the Bank's technological systems infrastructure, in alignment with the strategic plan. Also responsible for presenting the backlog of needs, defining and approving priorities for technology-related projects, ensuring proper management and monitoring, and proposing changes to the key performance indicators for the Bank's technological processes.

Frequency: monthly

(to be continued)

*On the organisational side, it is important to stress the importance of the Risk Management Committee, in which three Directors participate, as well as those responsible for the Departments that manage and control financial (credit, interest rate, exchange rate, liquidity and solvency) and non-financial risks (namely operational risk, compliance risk, reputational risk and information systems risk).

(continued)

RECOVERY STRATEGIES COMMITTEE

Responsible for monitoring the credit portfolio, the largest exposures and non-performing exposures (NPE), with the aim of determining the recovery strategy for these exposures.

Frequency: monthly

INNOVATION AND TRANSFORMATION COMMITTEE

Responsible for monitoring and managing innovation and continuous improvement needs, setting priorities in line with the Bank's Strategic Plan and overseeing the development of innovation, ongoing projects, and their progress against the plan. This committee is tasked with driving an innovative culture and promoting continuous improvement across all areas of the organisation. It plays a key role in the Bank's strategy and in reinforcing its position as a benchmark in Customer service. All matters related to Innovation and Transformation, regardless of the departments involved, should be addressed within this committee in a cross-functional manner and may be monitored and led by the Innovation Office.

Frequency: quarterly

BUSINESS COMMITTEE

Responsible for monitoring the evolution of commercial activity and proposing decisions that guide the business vis-à-vis the strategic guidelines approved by the Board of Directors.

Frequency: fortnightly during the 1st and 4th quarters; monthly during the 2nd and 3rd quarters

EFFICIENCY AND INVESTMENT COMMITTEE

Responsible for monitoring budget execution in terms of costs and investments, including the monitoring of tenders for the contracting of suppliers

Frequency: fortnightly

Main Events in 2024

In line with the activities carried out by the ROF, we would like to highlight the main focuses of 2024, which mobilised significant resources in their execution:

1. Responding to the SREP 2022 letter and coordinating the definition of the Action Plan for the recommendations of Banco Nacional de Angola. Monitoring the implementation of the action plan and reporting to the supervisor;

2. Reporting the results of the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP), as at 31 December 2023, as set out in Instructions 10/2021 and 11/2021;

3. Carrying out the annual stress tests, including scenario analysis and reverse stress tests, as at 31 December 2023, in accordance with Instruction 03/2022;

4. Preparing the 2023 Market Discipline Report, to be published on the institutional website on 31 May 2024, as part of the public disclosure of prudential information by banking financial institutions, in accordance with the provisions of Notice No. 08/2021, dated 5 July, on prudential requirements, and Instruction No. 05/2022, dated 13 June, on the public disclosure of prudential information, provided for in the requirements of Pillar 3 of the SREP process (Supervisory Review and Evaluation Process). This is the second report on the Bank and the Angolan financial system;

5. Monitor the evolution of the limits approved for the 2024 Risk Profile, in accordance with the governance model in place;

6. Review of the strategy for the management of nonproductive exposures, with the calibration of objectives and strategies and the incorporation of additional indicators, in accordance with the regulations in force, namely Directive No. 02/DSB/DRO/2020 – Guidelines on management of non-performing and restructured exposures and assets executed as payment in kind, as well as its monthly monitoring with quarterly reporting to the BNA, the non-performing exposure report;

7. Continuously update and adapt the support tool for individual credit impairment analysis, taking into account the requirements of the applicable regulations;

8. Monitoring of compliance with Notice no. 10/2022 – Lending to the Real Sector of the Economy and its impact on the reserve requirements to be constituted in national currency, within the scope of liquidity risk management;

9. Monitoring the implementation of Directive no. 01/DSB/2020 on Property Valuation, strengthening the valuation of mortgage guarantees with valuations of more than two years, as well as those with valuations in foreign currency;

10. Monitoring and reporting to Banco Nacional de Angola on the credits granted to the Holders of Qualified Shareholdings within the scope of the provisions of Directive No. 05/DSB/DRO/2022;

11. Monitoring and reporting to Banco Nacional de Angola and the Bank's management on the evolution of the credit exposures of Customers intervened by the State or subject to seizure of assets and shareholdings;

12. Launch of the Central Balance Sheet tool and its integration into the internal process for assigning risk ratings to Corporate Customers;

13. Preparing the 2024 Recovery Plan in accordance with Notice No. 01/2024 and Instruction No. 01/2024, submitted to the BNA on 31/10/2024, in line with BNA letter 360/DSB/2024 dated 27/07/2024, issued in response to the Angolan Banking Association (ABANC)'s request to amend the submission deadline for this initial exercise;

14. Comprehensive monitoring of the operational risk management model in all the Bank's representative business processes, through the operationalisation of all the management tools (process mapping, risk self-assessment, loss capture and key risk indicators) in the 41 catalogued processes.

15. Implementation of the actions planned for compliance with Directive 02/DSB/DRO/2020 – Guide on Recommendations for the Management of Non-Productive and Restructured Exposures and Assets in Delivery for Payment and start of periodic regulatory reporting;

16. Updating the Non-Productive Exposure Management Strategy and reviewing the associated objectives, as well as drawing up a self-assessment of the internal capacity to implement this strategy. This document presents the actions that support it, with a focus on those that the Bank has been carrying out and the respective results, as well as details of the main constraints and external dependence. Among these, we highlight the slowness of the courts in concluding cases and recovering through litigation, with the average length of cases being five years, some of which are more than seven years old;

17. Continuous monitoring of the recording and revaluation of collaterals in credit operations, supporting and promoting the improvement of the quality of the recording of collaterals and its allocation to operations, with a view to optimising capital consumption;

18. Implementation of continuous improvement processes focused on reconciliation, quality of information and automation of integrations between critical systems for assessing credit risk, liquidity, solvency and interest rates. It also includes the automation of the production of critical reports at the end of the month, as well as the implementation and automation of the changes resulting from the new regulations established in Notice 08/2021, of 5 July, in order to optimising reporting processes in terms of the quality of information and reducing execution time;

19. Calibration of the scoring models developed by the Bank specifically to support automatic credit decisions, considering the transactional profile and financial behaviour of the private Customer base;

20. Backtesting the risk rating model;

21. Backtesting of credit parameters for Individual Analysis and Collective Analysis;

22. Monitoring of the processes aligned with the Business Continuity Plan, in particular the process of reviewing the RACI Matrix and monitoring the testing of this plan.

3.7.1. Risk Appetite Statement

The definition of Risk Appetite integrates a broader approach to managing the risk profile, making it possible to translate the risk strategy into operational limits or objectives.

The ROF is the organisational unit responsible for monitoring the risk profile and for communicating the main results and conclusions. It is also responsible for advising the Executive Committee and the Bank's Board of Directors on its review and periodic update, as well as assessing the corrective actions or measures to be implemented whenever there is a breach of the established limits that may condition or negatively impact the Bank's activity.

The limits that make up the Bank's risk profile are established on three levels, deriving from them the responsibilities for communication and the development of corrective measures in accordance with the table presented.

The Risk Appetite (green) reflects the level of risk that the Bank is willing to accept. The definition of a tolerance zone (yellow) makes it possible to establish a timely warning system and trigger previous corrective measures before the Bank reaches its maximum risk-taking capacity (red). The risk tolerance refers to the maximum amount of risk that the Bank is prepared to accept in the course of its business without undermining its stability, positioning and/or solvency.

Furthermore, the Risk Appetite Framework (RAF) is the main element of the Bank's risk management system, consisting of an overall approach whereby the risk appetite and strategy are set, communicated and monitored including the necessary policies, processes, controls and systems. The risk limits, which support the risk management strategy and the maintenance of an adequate level of capital and liquidity, are broadly reflected in a Risk Appetite Statement (RAS) whose final approval is the responsibility of the Board of Directors.

Formal reporting to monitor the risk profile is done at least quarterly by the Risk Commission and the Risk Management Committee, with monthly presentation of the results to the Executive Committee and the Board of Directors. Whenever any of the indicators calculated at a lower frequency are outside the established limits, it is duly communicated so that the mitigating actions may be established and implemented in a timely manner.

The ICAAP and ILAAP are key risk management tools, and their processes are a consequence of the Bank's business and risk management strategy. Moreover, they have consequences that may lead to the amendment of the strategy defined by the Bank, through the indication of weaknesses, the analysis of impacts in the consideration of various scenarios or the balance and interconnection between risk management processes. Thus, in its business decision-making and risk management process, the Bank considers the ICAAP and ILAAP findings.

Risk Appetite

	Limit levels		
Metrics	**Risk Appetite**	**Risk Tolerance**	**Risk Capacity**
Metric status vs. defined risk appetite	Framed within the defined risk appetite	• Framed within acceptable risk appetite, but with potential for breach (still in business-as-usual mode). • May require the definition of actions to avoid entering the risk appetite breach zone, exceeding the capacity limit.	• Risk appetite exceeded. • If the breach is not occasional, a plan must be defined to return to an acceptable risk level.
Level of risk appetite metric	Above tolerance limit[1]	• Below tolerance limit.[1]	• Below capacity limit.[1]
Communication of limit breaches	No reporting required	• ROF communicates to the OUs responsible for managing the metric with the exceeded limit, the respective Directors and the CRO. • Reporting to the Risk Commission and the Risk Management Committee.	• ROF communicates to the Risk Management Committee and the Executive Commission.
Follow-up actions (non-exhaustive)	No actions required	• Definition of action plan by OUs to return to the defined risk appetite level. • ROF and Risk Management Committee monitoring reinforcement.	• If the breach is not an occasional occurrence: - Definition of an action plan by the Executive Commission to return to the defined risk appetite level - Reinforcing the intensive monitoring of the evolution of the metrics and implementation of the action plan.

[1] Should be understood as "above the tolerance limit" for indicators defined on a continuous positive scale (e.g. Solvency Ratio) or "below the tolerance limit" for indicators defined on a continuous inverse scale (e.g. Deposit-to-Loan Conversion Ratio).

3.7.2. Key Risks

3.7.2.1. Solvency Risk

The determination of regulatory own funds and the solvency ratio is carried out and reported by the Bank in accordance with the new regulatory package, with emphasis on Notice 08/2021, and proceeds with the review of Pillar 1 Requirements, Pillar 2 Requirements and the Agreed Reserve Requirement. As a result, new methods have been adopted to determine regulatory own funds and the global own fund ratio.

The Bank has a preventive approach to solvency risk management, namely:

- The Risk Profile defines minimum limits for the solvency ratio from which the ROF performs interim calculations to measure the impact of the evolution, during the month, of the main balance sheet items on the value of the ratio, reconciling it with events detected in the management of other risks, namely credit, foreign exchange rate, liquidity and operational risks.
- Investment or divestment operations, as well as credit granting or settlement operations with significant volumes, are previously assessed by the ROF as to their impact on the Bank's solvency – through profit or loss and capital consumption.

The final amount and detail of the Regulatory Own Funds and Regulatory Solvency Ratio calculation performed by the Risk Office are reported to the Risk Committee and the Risk Management Committee at least quarterly, as well as in the monthly earnings presentation to the Executive Committee and the Board of Directors.

(i) ICAAP (Internal Capital Adequacy Assessment Process)

The Internal Capital Adequacy Assessment Process aims to review the evolution of the qualitative and quantitative risk assessment practices to which the Bank is exposed in its activity, the measurement of internal controls and effects that mitigate risk exposure and the simulation of adverse situations with impacts on its solvency, as well as the assessment of the adequacy of internal capital. The Bank performs this process on a consolidated basis and in accordance with the provisions of BNA Instruction No. 12/2021 of 21 June 2021. This process should be carried out at least annually, or when there is a reason to do so, as indicated by the Board of Directors.

The ICAAP was carried out by the Bank as at 31 December 2023 and reported on 2 May 2024 at a consolidated level (Bank and investment funds in which it is the majority shareholder) and will have as its main objectives:

- Promote ICAAP as a tool to support strategic decision-making;
- Promote a risk culture that encourages the participation of the entire organisation in the management of internal capital (Board of Directors, Executive Committee, Business Areas and Internal Control functions);
- Ensure the adequacy of internal capital in relation to the risk profile and business and risk strategies;
- Ensure the proper identification, quantification, control and mitigation of the material risks to which ATLANTICO is exposed;;
- Ensure the proper identification, quantification, control and mitigation of the material risks to which ATLANTICO is exposed;
- Provide for a contingency plan to ensure the management of the business and the adequacy of internal capital in the event of a recession or crisis.

(ii) Strategy and ESG risk

The Strategy Risk measures the probability of a negative impact occurring on income or capital resulting from the inability to fully implement the business strategy and to dynamize and adapt to market changes. Strategic risk includes the Environmental, Social and Governance (ESG) sub-risk arising from climate change and its impact on society, government, regions of the planet and ecosystems.

The ESG risk was identified in ATLANTICO's risk taxonomy in 2020 and recognised as material, being currently quantified in ICAAP under Pillar 2, in a capital buffer, considering its growing relevance and economic impact. The Bank considers that ESG is not an isolated risk, being interconnected with other financial risks to which the Institution is exposed, and may be a factor of increased risk, namely in credit risk. Given that there are still no standardised metrics for the identification, measurement and control of ESG risk, the Bank has not yet defined indicators in its risk profile, but as it evolves towards the ESG paradigm (as foreseen in the strategic plan) it will follow this evolution with the definition of metrics and risk appetite.

3.7.2.2. Credit Risk

Credit Risk is the likelihood of negative impacts on profit or loss or capital due to the inability of a Customer or counterparty to meet its financial commitments to the Institution, including possible restrictions on the transfer of payments from abroad. Credit risk exists primarily in exposures to loans (including securitised), credit facilities, guarantees provided, letters of credit and derivatives with underlying assets composed of credit.

Credit risk management is based on a set of policies and guidelines established according to the business strategies and risk profile of the Institution. It is reviewed regularly and whenever necessary.

In addition to the regulations and standards, the granting of credit is supported by the assessment and classification of the Customer's risk with the support of scoring and rating models, and the assessment of the level of collateral coverage of operations. For the most significant exposures, capital consumption and the impact it may have on aggregate exposure limits are also reviewed. It is the responsibility of all those involved in the credit process, and in particular the commercial areas to monitor the credit, ensuring the provision of any information from the Customer that may reflect a change in their solvency conditions.

3.7.2.3. Market Risk

Market risk is the probability of negative impacts on profit or loss or capital as a result of unfavorable movements in the market price of instruments in the investment portfolio, caused by fluctuations in security, commodity, interest rate and exchange rate quotations. This risk is mainly associated with the holding of positions in debt and equity securities in currencies, commodities and derivatives with the above as underlying assets.

The main market risks to which the Bank is exposed arise from changes in interest rates, exchange rates and the market quotations underlying securities.

(i) Interest Rate Risk

The assessment of interest rate risk is carried out through a risk sensitivity analysis process carried out for the operations comprising the Bank's balance sheet. The interest rate risk is calculated by classifying all assets, liabilities and off-balance-sheet items in the banking book which are sensitive to interest rate movements, by marginal maturity bands of interest rate reset. The Bank analyses daily the main reference rates of the national and international markets, namely LUIBOR, EURIBOR and LIBOR, in order to assess the risk inherent to assets and liabilities sensitive to interest rate changes.

(ii) Foreign Exchange Risk

The Bank monitors its exposure to foreign exchange risk by monitoring and revaluing on a daily basis the exposure of the global open positions taken in the various currencies and adopts global hedging strategies to ensure that these positions remain within the limits approved by the Board. The Bank's assessment of exchange rate risk is based on the definition and control of limits established for short- and long-term foreign exchange exposure and its relationship with Own Funds. In addition to monitoring exchange position and exposure and comparing it with the limits established by the Bank, the ROF is responsible for preparing stress tests in which it assesses the impact of any exchange rate appreciation or devaluation on the Bank's asset structure, results and solvency ratio.

3.7.2.4. Liquidity Risk

The main players involved in the daily management of the liquidity risk are the Financial and Markets Department (FMD) and the Risk Office (ROF). The FMD is responsible for selecting and carrying out transactions with the market and for the daily management of liquidity, within the limits defined in the Bank's risk profile. The ROF is responsible for identifying, measuring and monitoring risk, ensuring that the defined limits are followed.

The Risk Management Committee and the ALCO Committee are the bodies responsible for overseeing these risks and are responsible for monitoring, assessing and proposing measures to correct deviations from management policies and limits set for liquidity risks.

The assessment of liquidity risk is based on the calculation and analysis of indicators that allow the Bank's liquidity situation to be identified for short-term horizons. The monitoring of current and structural liquidity levels, according to the amounts and deadlines of commitments and resources in the portfolio, is carried out through the identification of liquidity gaps, for which exposure limits are defined. These indicators are based on the distribution by time bands of the flows of existing liabilities and assets at the date of the analysis, according to pre-established assumptions.

ILAAP (Internal Liquidity Adequacy Assessment Process)

In accordance with Instruction No. 11/2021, published by BNA on 21 June 2021, banking financial institutions that carry out credit activities must ensure and be able to demonstrate that they have an internal process that allows them to identify, measure, manage and monitor their liquidity risk.

The purpose of the internal liquidity adequacy assessment process (ILAAP) is to provide a risk management tool for the Bank to ensure that internally defined limits on liquidity risk are met, and that the operational and governance processes for managing and controlling these limits are adequate.

The ILAAP reporting performed on 2 May 2024, as at 31 December 2023, demonstrates compliance with the above limits and summarizes the main outcomes of the self-assessment carried out, including the Bank's opinion on its current liquidity positions on an individual basis, and its ability to cover the risk to which it is or may be exposed, as well as the measures to be used to ensure that adequate liquidity levels are maintained or restored.

3.7.2.5. Operational Risk

The operational risk management model is based on a process-based approach, with an end-to-end perspective of the product and service value chain in operational risk management and allows the identification of potential risks and assessment of the impact of improvements.

Aware of the importance of effective monitoring and control of operational risk and to achieve the proposed objectives, ATLANTICO has designated persons in charge of operational risk management for each process – the process owners. The profile of these persons in charge includes a strong command of the themes of their area of intervention, namely in terms of knowledge of business processes and capacity to suggest risk mitigation measures and increase efficiency, ensuring the recording and monitoring of all events that may lead to financial losses.

The responsibility of the Organic Units and process owners in the identification and active management of operational risk is key to the methodology.

ATLANTICO's operational risk management model is based on three main instruments:

- Gathering information on losses resulting from operational risk events;
- Risk self-assessment meetings which allow the Bank to take a qualitative approach to identifying potential risks through an analysis of the materialisation of losses in the process, considering the worst scenarios in each category of risk and defining the strategy and action plans for reducing the risk inherent in each process to the maximum acceptable level of risk;
- Identification and quantification of Key Risk Indicators (KRI), metrics that alert to changes in the risk profile or effectiveness of process controls, allowing the preventive launch of corrective measures.

The three operational risk management instruments are developed based on twenty risk categories, defined by the Bank in accordance with the recommendations of the BNA in Instruction no. 28/2016 and the guidelines of the Basel Committee, and grouped into the following categories:

- People risks;
- Information systems risks;
- Process risks;
- External risks;
- Organisational risks.

It is evident from the categories presented that ATLANTICO's operational risk management also covers compliance and information systems risks, including cyber threats. Reputational risk is assessed in the annual self-assessment exercises and is also included in the management model.

3.7.2.6. Cyber risk

In an era of growing geopolitical tensions and the rapid professionalisation of cybercriminals, cyber threats have become increasingly sophisticated. As a result, cyberattacks have generally intensified in frequency and intensity, affecting not only companies and third parties, but also critical infrastructures and government bodies. Given this scenario, the need for a proactive and adaptive approach to cybersecurity has become even more urgent, placing it at the heart of financial institutions' risk considerations in order to protect their systems, data and Customers.

ATLANTICO has been strengthening its commitment to cyber security, implementing robust measures to mitigate emerging threats. With the increasing digitalisation of operations, cybersecurity has become a key non-financial risk. The Bank recognizes that cybersecurity is not just a technical requirement, but a strategic pillar of risk management and business resilience.

ATLANTICO's aim is to become a benchmark organisation in cyber resilience, capable of effectively preventing, detecting and responding to cyber threats. To this end, it maintains a continuous cycle of improvement, constantly reinforcing its defences to anticipate potential threats. In addition to the need to protect banking operations, this commitment also aims to safeguard Stakeholders' trust.

The initiatives underway are based on a strategy structured around five pillars:

1. **Cybersecurity culture –** Strengthening the organisational culture to incorporate cyber security awareness into the corporate DNA, making every employee a front-line defender against cyber threats.
2. **Advanced threat intelligence –** Use of AI and Machine Learning to identify and mitigate emerging threats before they affect operations.
3. **Zero trust architecture –** Transition to a Zero Trust security model, based on the principle of "never trust, always verify" to minimize the impact of possible breaches.
4. **Third party risk management –** Strengthening the risk assessment of suppliers to prevent potential vulnerabilities in their supply chain.
5. **Regulatory compliance and beyond –** Definition of rigorous internal standards, often exceeding regulatory requirements, consolidating the Bank's position at the forefront of cyber-resilience in the financial sector.

ATLANTICO sees robust cybersecurity not as a cost centre, but as a strategic differentiator. By safeguarding its Customers' assets and data, the Bank strengthens the trust that sustains its relationships and drives digital innovation. The commitment to excellence in cybersecurity guarantees the ability to provide cutting-edge financial services without compromising security.

The Bank will continue to invest in its cybersecurity capabilities, remaining vigilant and agile in responding to emerging threats. Through these efforts, ATLANTICO aims to set new standards in the banking sector, contributing to the stability and security of the financial ecosystem.

MAIN RESULTS ACHIEVED

Training and awareness: 4 e-learning for more than **1,400 Employees**

Simulated cyberattacks on Employees: more than **11,000 simulated phishing and social engineering campaigns were performed**

Awareness-raising: over **30,000 awareness campaigns** on cyber threats

Vulnerability Management: regular threat mitigation exercises

Compliance: Implementation of **12 Policies** and **12 Processes** and **more than 90 controls** to ensure regulatory compliance, in line with the requirements of international standards

Technical Training: around **340 hours of training** delivered to the **Cyber Security Team**

Performance: remained in the **top 5** of Angolan banks with the highest external exposure, with an average cybersecurity rating of **91.25%** in the Security Scorecard indicators.

3.7.3. Compliance

The compliance activities focus on the promotion, definition, approval and implementation of policies and processes aimed at ensuring that management bodies, functional structures and all Employees comply with the legislation, rules and regulations (internal and external) that guide the Bank's activities.

These standards make it possible to carry out appropriate compliance risk management at the strategic and operational levels and avoid the risk of the Institution incurring legal or regulatory sanctions and financial or reputational losses arising from failure to comply with laws, codes of conduct and rules of good business practice and duties to which it is subject.

Compliance performs its functions autonomously, independently, and permanently, with total and free access to the Bank's internal information.

ATLANTICO's management model is based on the Policy on Prevention and Detection of Money Laundering and the Terrorist Financing and the Proliferation of Weapons of Mass Destruction, the Policy on Identification and Acceptance of Customers and the Policy on Sanctions, which define the activities aimed at carrying out of operations and the identification and acceptance of their players, as well as the control activities carried out by the areas of execution, Compliance and Internal Audit.

At the end of 2024, it was decided to create Systems and Analytical Models Units with the aim of making the systems and information databases supporting the Compliance function more productive, as well as promoting innovation and the adoption of new technologies that can improve the quality of compliance analyses and the capacity to detect and control suspicious entities and operations. The full implementation of this new department is one of the main objectives of the 2025 Compliance Plan.

The Compliance function is based on two major units that complement each other: AML, and Compliance.

AML (Anti Money Laundering): responsible for monitoring all anti-money laundering and terrorist financing activities on a national and international basis with Correspondent Banks.

The key functions in the performance of this activity are:

- Ensure response to AML questionnaires for the purpose of accepting and updating the corresponding banking relationship;
- Ensure interaction with Correspondent Banks regarding Customer and foreign exchange transactions;
- Defining rules, procedures and criteria for action in accordance with the legal standards associated with the processes of opening accounts;
- Strengthening the filtering process of Customers and operations;
- Ensuring an assertive Customer monitoring and acceptance process;
- Comply with the legal requirements associated with the closure of accounts;
- Ensuring the implementation of tools capable of identifying suspicious operations under the terms of the legislation;
- Parameterize a Customer risk matrix that guarantees the respective classification of the Customer risk level;
- Comply with the obligation to report to the relevant authorities; and
- Ensuring compliance and updating of KYC (Know Your Customer), KYT (Know Your Transaction), KYB (Know Your Business) and KYCC (Know Your Customer's Customer) policies and processes within the corresponding banking relationship.

In this context, the AML Unit took due care of 2,498 high-risk Customers, with no true positives or Customers who, due to their complexity, could jeopardize the Bank's reputation.

For the purposes of analysis, assessment and rating of the Customer's risk level, ATLANTICO has robust and automated tools that guarantee the daily rating of the risk, screening of its Customer database against sanction lists and PEP (Politically Exposed Person), namely: OFAC – Office of Foreign Assets Control, BOE (Official State Gazette – Spain), EU (European Union), PEP, UN (United Nations), HM Treasury (Uk's Economic and Financial Ministry). These lists are incorporated in Dow Jones Risk & Compliance, Firco Continuity and Trust.

Taking a 360º view of the process of research, analysis and monitoring of Customers and operations, the Bank has implemented the following tools to prudently mitigate the risk of Money Laundering, Terrorist Financing and the Proliferation of Weapons of Mass Destruction:

- **EAGLE –** it's an AML tool, which has three modules, which provide a 360º view of the Customer profile in terms of KYC, KYT, KYCC and KYB. These modules are: risk matrix, Customer screening and AML rules for transactions. EAGLE also allows us to collect all the documentation we deem important to include in the analysed alert or Customer profile.
- **FIRCO TRUST –** daily screening tool of the Bank's database for existing and pre-existing Customers, which includes Accuity's sanctions lists in an online database, such as: OFAC, PEP, HMT, BOE, UN and EU.
- **FIRCO CONTINUITY –** transaction screening tool, based on the logic of checking the originator of the transaction, the jurisdiction of origin and destination of the transaction and the recipient of the transaction. It includes ACCUITY's listings.

With regard to the collaboration and reporting obligation, the Bank reported to the Financial Intelligence Unit, in 2024:

56,809 Operations, associated with cash transactions, exchange of different currencies, settlement of cheques and securities

83 Operations suspected of crimes underlying money laundering practices

20 Unsolicited communication

0 Sanctioned entities

Systems and Analytical Models: responsible for identifying the Bank's needs with regard to making the systems and information bases that support the Compliance function more productive, as well as promoting innovation and the adoption of new technologies that can improve the quality of compliance analyses and the ability to detect and control suspicious entities and operations.

The main functions for performing this activity are:

- Securing the operation and integrity of the Compliance Office's information systems, internal databases and analytical models, ensuring their correct implementation and supporting the development of improvements;
- Defining information models and looking for integrated and automatic solutions to predict, calculate and compute the information used in the analyses carried out by the Compliance Office, promoting the efficiency and effectiveness of the function;
- Promoting innovation and the adoption of new technologies and inherent analytical tools that increase the productivity and effectiveness of Compliance activity;
- Supporting all operational areas of the Compliance Office in their relationship with internal and external IT teams;
- Ensuring that models and systems comply with the law and regulations;
- Ensuring that information systems are properly and effectively parameterised.

Compliance: responsible for ensuring legal compliance of the Bank's processes, procedures and policies in line with legal standards, identification of internal and external factors with operational and reputational impact; preparation of the Compliance and AML training programme and management of KYE (Know Your Employee) processes.

The functions for this component to be ensured are:

- Sharing with the Bank legislation on BC/FT/PADM and national and international regulations, as well as ensuring that the areas comply with and implement what is defined by the regulator;
- Participating in the process of drawing up, defining and updating the Bank's internal policies, rules and procedures, as well as ensuring compliance with them;
- Issuing expert opinions on regulatory compliance requested by the Bank's several departments;
- Issuing opinions on donations and potential conflicts of interest;
- Detect any risk of non-compliance with legal and regulatory obligations in terms of BC/FT/PADM;
- Ensuring compliance of processes relating to products, banking services and advertising;
- Promoting knowledge of and compliance with the Code of Conduct and Ethics through training and initiatives that encourage the communication of compliance issues and a culture of rigor and respect for the Bank's ethical values;

- Identifying, monitoring, assessing and managing compliance risks in the Bank's different processes, recommending measures to mitigate compliance risks;
- Promoting and monitoring the continuous improvement of the Bank's compliance processes;
- Perform compliance tests on the Bank's processes, including those of the Compliance Office;
- Identify internal and external factors with an operational and reputational impact on the Bank;
- Accompanying and monitoring compliance with the reporting obligations of the Bank's several departments to the Regulator and supervisors;
- Monitor and record financial losses resulting from non-compliance with processes, within the scope of the Internal Control Team (ECI) and issue recommendations;
- Ensuring that all foreign exchange regulations published by the BNA are monitored and complied with;
- Ensuring that adequate systems and controls are in place to comply with legislation and regulations and that they are updated when necessary;
- Monitoring and testing Customers' transactions, assessing their financial capacity on the basis of the information and documents they submit.

During 2024, as part of its responsibility to align processes and ensure full compliance with standards, Compliance participated in the updating, drafting and approval of:

62 Processes across the Bank

This unit also disseminated and ensured the implementation of the necessary measures in relation to the publication of regulatory and legislative bodies' regulations.

Under the licensing of banking products and services in accordance with the provisions of BNA Circular Letter No. 01/DCF/2020 of 23 April, combined with Notice 03/2015, Compliance validated and sent sixteen products for analysis/acknowledgment, sent thirty-four subscription forms and thirty-four technical information sheets on financial products and services and seven advertising campaigns to the Regulator in the period under analysis. It also monitored compliance with regulatory reports and took actions to mitigate the risk of non-compliance with regulatory deadlines.

Additionally, during the same period, the Compliance area issued opinions on matters related to Internal Control and other Departments of the Bank.

In total, the following were issued:

134 Compliance Opinions

29 Internal Control Opinions

The Compliance Office, in the context of Customer onboarding, must ensure the compliance of processes related to the opening, operation, and closing of deposit accounts, as well as the creation of new banking products and/or services. To this end, it issues opinions on various requests received.

The opinions issued focus on:

- Review of the compliance of documentation for the opening of specific accounts;
- Review of the compliance of foreign currency account-to-account transfers, in accordance with applicable regulations;
- Review of requests for removal from the defaulters' list, based on supporting documentation and current regulations;
- Legal compliance review related to the creation of new banking products;
- Clarifications on the compliance of supporting documentation;
- Clarifications regarding applicable legislation;
- Validation of 2,498 account opening processes in the risk matrix (BAW); and
- Issuance of opinions for initiating relationships with service providers.

Throughout 2024, the Compliance Office (COF), as a member of Internal Control and together with the Audit and Risk Department, issued a total of 29 opinions on products and services. Among the favourable opinions, the following are highlighted:

- Visa Prepaid Product;
- KWiK transfers via USSD;
- New features on the Wizzio platform;
- ID data update – Selfbanking format;
- Improvements in the implementation of the conventional account maintenance process via the BAW application.

3.7.4. Internal Audit

Internal Audit maintained a continuous focus on delivering an independent and objective service, aimed at adding value, improving operations and advising the Bank's Management on the achievement of objectives, as determined by Article 37 of BNA's Notice 01/2022 of 28 January 2022, and ratified in its Internal Audit Activity Regulations, approved by the Board of Directors, which defines its mission, powers, and responsibilities.

The definition of the strategic guidelines of the internal audit function is the responsibility of the Board of Directors, under the supervision and monitoring of the Audit and Internal Control Commission (AICC).

The Audit Department (AU) remains attentive to each phase of the Bank's and the market's growth and development, always taking into account the several economic, political and global uncertainties and expectations, considering their impact on the daily routines of all the Bank's stakeholders, as well as constantly changing cyber threats and regulatory developments. Although the challenges are increasing, the AU's operating model provides a positive scope in forecasting and diagnostic actions, to which the accelerated learning that has been established in the understanding of current and emerging risks contributes significantly, driven by opportunities for improvement in work methodology, the use of systems, and the performance of increasingly remote activities, supported by significant and comprehensive improvements in information analysis.

The work carried out has enabled the AU's role and participation to be highlighted as ATLANTICO's third line of defence and a permanent partner in monitoring and strengthening the Internal Control System.

Based on the plan approved for 2024, the AU achieved, quantitatively and considering the full range of planned actions, an overall average implementation rate of 97%.

This performance is particularly noteworthy in the audit reports prepared as part of the AU's activities throughout the year, with an average quantitative implementation rate of 95% (212 reports), down 4 p.p. compared to 2023.

AU also designed and optimised a total of 17 preventive and detective alerts and controls, as well as developing eight projects that support and reinforce its activities. At the same time, it carried out 12,764 continuous monitoring operations (through alert analysis), which enabled direct action to be taken in 1,745 situations.

This was also a year in which autonomy in accessing the documentation necessary to carry out audits (specifically in the business areas) was further strengthened, further consolidating remote audits with a consequent reduction in direct interaction with those being audited.

For the implementation of the plan, the AU kept in mind the perspective of promoting the development of work supported by more skills, held and reinforced through specific training in technology, compliance, accounting/financial, regulatory obligations and information analysis, to strengthen an Audit Department more focused on mitigating the several types of risk.

Based on this operating approach, the AU intends to maximise the value it provides to the Bank, maintaining the focus on the main risk areas and an intervention aligned with the Strategic Plan for the 2021-2024 cycle – called "**PHIT 2.4**" –, in line with the Bank's ambition to define a vision that is better adapted to the current context and aligned with the ability to transform itself, remaining faithful to its DNA and anticipating the future.

The regulations in force, which derive from Notices 08/2021 of 18 June, 01/2022 of 28 January and Directive 05 DSB/DRO/2022 of 2 June, all from the BNA, continue to guide the Audit Department to ensure the implementation of an

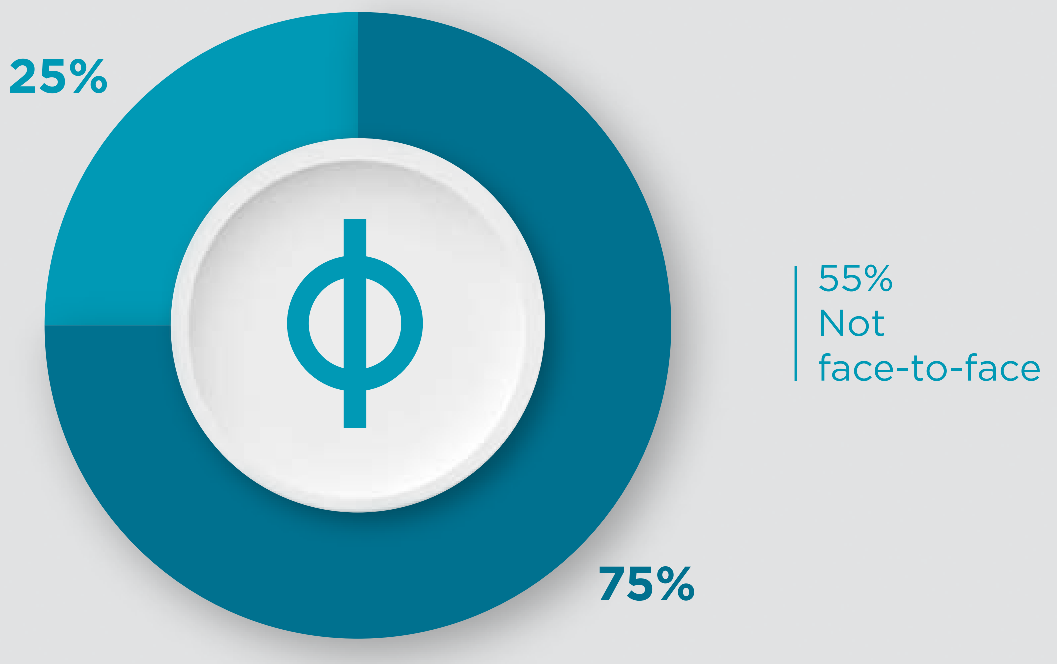
Although the challenges are increasing, the AU's operating model provides a positive scope in **forecasting and diagnostic actions**, to which the accelerated learning that has been established in the **understanding of current and emerging risks** contributes significantly, driven by opportunities for improvement in work methodology, the use of systems, and the performance of increasingly remote activities, supported by significant and **comprehensive improvements** in information analysis

Internal Control System appropriate to the nature, dimension and complexity of its activity, with the objectives of efficiency in the execution of operations, risk control, reliability of information and compliance with applicable legal regulations and internal guidelines.

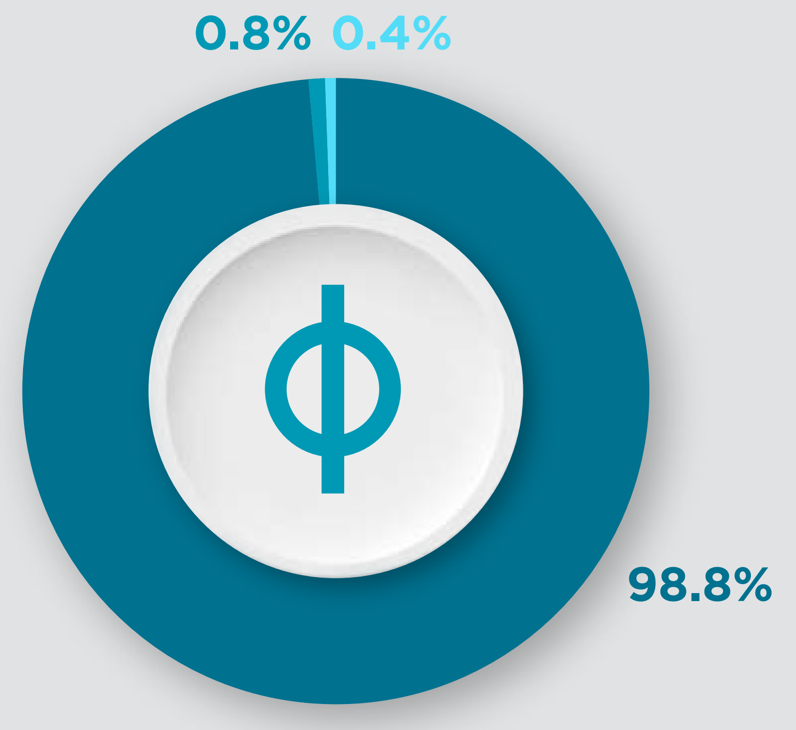
Aware of this importance, the Bank has not limited itself to viewing the Audit function as a legal requirement, but as a management ally and a guarantor of its fundamental pillars, reinforced by the Internal Audit Function Regulation, as well as by its Annual Training Plan with specific actions, with a view to creating greater skills and ensuring greater consistency in the actions carried out.

Type of Actions/Audits Undertaken

Weight distribution of actions/audits undertaken by segmentation



Weight distribution of other activities



Description of deliverables	#
1. TRANSVERSAL	
Projects implemented	8
Preventive/detective controls/alerts implemented/optimised	17
Training provided	14
Opinions issued (products, processes, and projects)	64
Participation in the operational risk self-assessment process	28
Monitoring of external audits and inspections (BNA/CMC/External Auditor)	3
2. AUDIT AND CONTINUOUS MONITORING	
Audits performed	**212**
Points of response	1,060
Improvement recommendations/opportunities	65/55
Deployment/correction	58%
Control actions and continuous monitoring	**12,764**
Operations reviewed	12,764
Analysed alerts	12,764
Shortcomings identified/operational errors or failures	1,745
Improvement recommendations/opportunities	12
Prevented situations	153
Deployment/correction	94%
3. FRAUD AND COMPLAINTS	
Cases and/or complaints received with indication of fraud	**439**
Whistle-blowing channel (with materiality)*	**68**
Closure - cases and/or complaints	73%
Closure – complaints (received through the Whistle-blowing channel and other means)**	88.2%
Opinions issued	**124**

* 60 complaints/occurrences received via the Whistle-blowing channel ("Canal Denúncia") and 8 complaints/occurrences received via other channels.
** Of the complaints that were open at the time of this report, 8 were in the process of being closed.

Highlight activities and actions undertaken

Maintenance of actions that allow the design, implementation, and automation of projects (8) and new controls and alerts (17), with a view to ensuring greater suitability, review, and reinforcement of the Internal Audit function, as well as providing greater efficiency and agility in the daily activities and tasks performed.

Conducting new transversal and comprehensive audit actions, by a multidisciplinary team involving the various internal areas of the AU, in order to add more value to the analyses and results.

Maintenance of routines and controls at the operational level, with a view to promoting solutions for monitoring and preventing negative events, whether reported or not by other units, mainly the Fraud Unit.

Maintenance of the implementation of remote verification actions (audit by evidence), on a systematic basis, using selected and processed information, with a view to ensuring the adequacy of the internal control system, as well as mitigating negative events that may jeopardise the image or reputation of the Bank.

Differentiated and closer monitoring of high-risk Agencies, as well as holding feedback meetings with Managers and Regional Deputy Directors.

Focus on monitoring the implementation of internal and external recommendations (External Auditor and Regulator) with reinforcement of the Audit Department's action on the audited departments.

Creation and development of an e-learning training course related to the Internal Audit function (in accordance with Circular Letter 8/2023 of the BNA), for all Bank Employees.

Participation in first dive (14) **training courses**, in order to share its mission, scope, and action with the Bank's new Employees, as well as to reinforce the need to safeguard the adequate control environment.

Participation in the operational risk self-assessment sessions (28), in order to strengthen the risk assessment process and provide scenarios based on the experience of audits already carried out.

Monitoring the external inspections carried out by the BNA and the external auditor, as well as strengthening the follow-up of the recommendations issued to the Bank by these entities.

Identification of recommendations/opportunities for improvement with financial impacts, with a view to mitigating loss events to contribute to the Bank's profitability.

Employee training on ICAAP/ILAAP (Capital Adequacy Self-Assessment Process/Liquidity Adequacy Self-Assessment), ATLANTICO Culture (training to reinforce cross-cutting knowledge of the vision, mission, founding pillars, and other general aspects associated with the ATLANTICO governance model), Internal Audit (training provided to reinforce actions already developed in internal control matters, with an emphasis on new international internal audit standards), Compliance (Money Laundering and Terrorist Financing), IFRS (International Financial Reporting Standards, training on financial reporting standards), Cybersecurity (reinforcement of knowledge on prevention against malicious cyber activities) as well as Descriptive and Inferential Statistics, MySQL, and Power BI, enabling the proper performance of the Internal Audit function in the face of current challenges and emerging risks.

3.8. Financial resilience

3.8.1. Table of indicators

Net profit/(loss)
16.8 AOA billion
+84.7% vs. Dec. 23

Return on equity
8.0%
+3.0 p.p. vs. Dec. 23

Return on assets
0.8%
+0.3 p.p. vs. Dec. 23

Net Interest Margin (NIM)
2.2%
+0.5 p.p. vs. Dec. 23

Operating income
101.7 AOA billion
+21.6% vs. Dec. 23

Operating costs
62.2 AOA billion
+8.8% vs. Dec. 23

Assets
2,001.6 AOA billion
-4.1% vs. Dec. 23

Customer resources
1,700.9 AOA billion
-8.0% vs. Dec. 23

Net credit
485.4 AOA billion
+1.3% vs. Dec. 23

Credit at risk
22.9%
-1.7 p.p. vs. Dec. 23

Coverage of credit at risk
130.8%
+16.2 vs. Dec. 23

Solvency ratio
18.1%
-0.3 p.p vs. Dec. 23

3.8.2. Summary of activity performance

3.8.2.1. Framework

The year 2024 was marked by economic growth of approximately 4.0%, according to projections disclosed by the Banco Nacional de Angola (BNA). This growth, higher than the increase in population, estimated at around 3.0%, was largely due to the positive performance of the non-oil sector, driven by the expansion of fisheries, investment in agri-livestock and the modernisation of transport and logistics.

From a monetary perspective, the year was characterised by a restrictive policy, especially the increase in reserve requirements in national currency, which rose from 18.5% to 21% over the period. The main aim of this approach was to control the trajectory of the inflation rate, which also resulted in an increase in benchmark interest rates, particularly the BNA rate, which rose from 18% to 19.5% in 2024. The money supply in national currency, represented by M2 in NC, reached a year-on-year growth peak of 29.51% in the first half of 2024. However, with the tightening of monetary policy, it followed a downward trend, ending the year with an annual change of 9.99%.

In the foreign exchange market, there was relative stability, with the depreciation of the Kwanza against the US dollar standing at around 10.0% in 2024, representing a significant slowdown compared to the depreciation of approximately 65% recorded in 2023.

Fluctuations in the main economic indicators have had a direct impact on household savings, company performance, and particularly the entire banking sector.

In response to an environment of significant instability, a number of strategic measures were implemented which enabled ATLANTICO to face the challenges of the market efficiently, ensuring compliance with its asset and liability management strategy.

This approach made it possible to achieve the objectives outlined in the strategic agenda, while at the same time strengthening the institution's liquidity, resilience and profitability. The aim of the measures adopted was to optimize operational efficiency and raise the quality of the experience offered to ATLANTICO Customers.

The results achieved in 2024 reflect alignment with the budget targets set by the Bank, resulting in higher net profits than in the same period last year, and the materialisation of the PHIT 2.4 Strategic Plan, based on transforming the balance sheet structure and strengthening the business model.

3.8.2.2. Net profit

The Bank's net profit for 2024 amounted to AOA 16,818,523 thousand. This figure corresponds to an increase of 85%, around AOA 7,712,327 thousand, compared to the same period last year. This growth was supported by:

- **Improvement in the financial margin** by AOA 8,364,042 thousand, explained by the increase in interest rates on credit operations and the increase in interest on securities, associated with a significant position in national currency bonds on the Balance Sheet;
- **Net commission income increased** by AOA 3,954,527 thousand, as a result of the Bank's investments in expanding the self-banking network and boosting the means of payment business (POS and Cards), with the aim of boosting the effectiveness of financial solutions and, above all, ensuring proximity to the Customer;
- **Increase in the financial operations results** by AOA 5,571,358 thousand.

3.8.3. Changes in the financial statements

3.8.3.1. Changes in the Balance Sheet

In December 2024, the Bank's assets reached AOA 2,001,647,127 thousand.

AOA thousand

Balance Sheet	Dec. 24	Dec. 23	Δ	
			Abs.	%
Cash and deposits at central banks	325,319,262	356,926,890	(31,607,628)	-8.9%
Loans and advances to other credit institutions	38,614,876	94,147,108	(55,532,232)	-59.0%
Financial assets at fair value through profit or loss	384,043,138	299,015,502	85,027,636	28.4%
Financial assets at fair value through other comprehensive income	25,379,483	53,107,016	(27,727,533)	-52.2%
Financial assets at amortised cost				
Debt securities	361,187,099	467,315,333	(106,128,234)	-22.7%
Loans and advances to Customers	485,435,095	479,108,472	6,326,623	1.3%
Other loans and advances to central banks and credit institutions	97,484,363	81,193,455	16,290,908	20.1%
Other property, plant and equipment	96,006,718	92,372,476	3,634,242	3.9%
Intangible assets	15,403,233	10,658,318	4,744,915	44.5%
Non-current assets held for sale	-	716,352	(716,352)	-100.0%
Current tax assets	2,604,027	2,464,674	139,353	5.7%
Deferred tax assets	4,559,386	3,657,438	901,948	24.7%
Other assets	165,610,447	147,016,525	18,593,922	12.6%
Total Assets	**2,001,647,127**	**2,087,699,559**	**(86,052,432)**	**-4.1%**
Liabilities and Equity				
Deposits from central banks and other credit institutions	41,995,949	1,323,068	40,672,881	3,074.1%
Deposits from Customers and other loans	1,700,859,305	1,849,007,508	(148,148,203)	-8.0%
Financial liabilities at fair value through profit or loss	-	-	-	-
Provisions	1,568,260	3,613,319	(2,045,059)	-56.6%
Deferred tax liabilities	5,462,501	7,230,139	(1,767,638)	-24.4%
Other liabilities	20,672,186	14,566,717	6,105,469	41.9%
Total Liabilities	**1,770,558,201**	**1,875,740,751**	**(105,182,550)**	**-5.6%**
Share capital	142,324,747	142,324,747	-	0.0%
Share premium	70,707,406	70,707,406	-	0.0%
Own shares	(841,657)	(841,657)	-	0.0%
Revaluation reserves	14,910,638	13,427,848	1,482,790	11.0%
Other reserves and retained earnings	(12,830,731)	(22,765,732)	9,935,001	-43.6%
Net profit/(loss) for the period	16,818,523	9,106,196	7,712,327	84.7%
Total Equity	**231,088,926**	**211,958,808**	**19,130,118**	**9.0%**
Total Liabilities and Equity	**2,001,647,127**	**2,087,699,559**	**(86,052,432)**	**-4.1%**

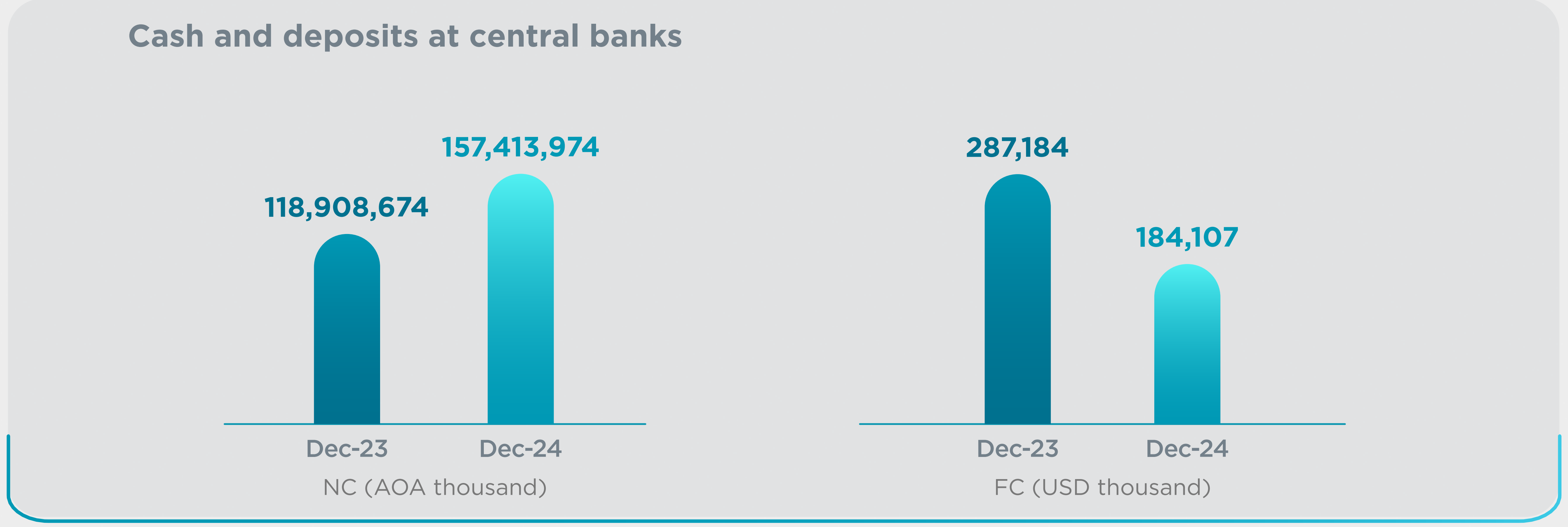
3.8.3.1.1. Assets

a) Cash and deposits at central banks

"Cash and deposits at central banks" amounted to AOA 325,319,262 thousand at the end of 2024, a 9% reduction compared to the AOA 356,926,890 thousand recorded in December 2023. This decrease was largely attributable to the reduction in reserve requirements in foreign currency, due to the fall in customer deposits in this currency.

AOA thousand

Cash and deposits at central banks	Dec. 24	Dec. 23	Δ Abs.	Δ %
Cash				
National currency	23,484,772	17,167,938	6,316,834	37%
Foreign currency	3,201,862	4,233,371	(1,031,509)	-24%
Total Cash	**26,686,634**	**21,401,309**	**5,285,325**	**25%**
Demand Deposits at BNA				
National currency	133,929,202	101,740,736	32,188,466	32%
Foreign currency	164,703,426	233,784,845	(69,081,419)	-30%
Total demand deposits at BNA	**298,632,628**	**335,525,581**	**(36,892,953)**	**-11%**
Cash and Deposits at central banks	**325,319,262**	**356,926,890**	**(31,607,628)**	**-9%**
National currency	157,413,974	118,908,674	38,505,300	32%
Foreign Currency translated into AOA	167,905,288	238,018,216	(70,112,928)	-29%
Foreign Currency translated into USD	184,107	287,184	(103,077)	-36%



b) Financial assets at fair value through profit or loss

"Financial assets at fair value through profit or loss" amounted to AOA 384,043,138 thousand, an increase of AOA 85,027,636 thousand compared to the amount recorded in 2023. This evolution is explained by the acquisition of securities classified as financial assets at fair value through profit or loss, as well as the appreciation of investment fund units.

AOA thousand

Financial assets at fair value through profit or loss	Dec. 24	Dec. 23	Δ Abs.	Δ %
Shares	327,743,818	298,890,931	28,852,887	10%
Bonds and other fixed-income securities	56,062,725	-	56,062,725	-
Loans and advances to Customers	236,595	124,571	112,024	90%
	384,043,138	**299,015,502**	**85,027,636**	**28,4%**

c) Debt securities

ATLANTICO's debt securities portfolio, as at December 2024, amounted to AOA 361,187,099 thousand, which represented a decrease of AOA 106,128,234 thousand compared to AOA 467,315,333 thousand as at 31 December 2023.

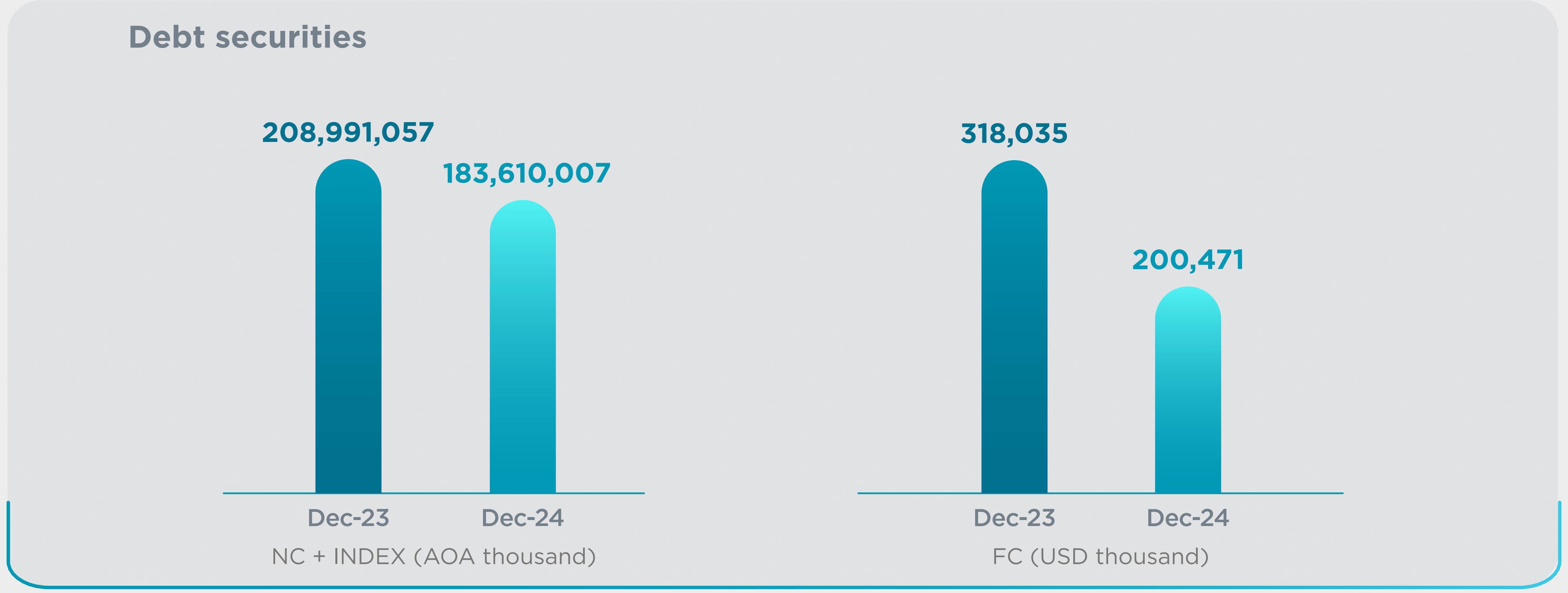
AOA thousand

Debt securities	Dec. 24	Dec. 23	Δ Abs.	Δ %
National currency	103,677,979	137,851,877	(34,173,898)	-25%
Foreign currency	182,829,423	263,587,038	(80,757,615)	-31%
Indexed to the US Dollar	79,932,028	71,139,180	8,792,848	12%
Total gross debt securities	**366,439,430**	**472,578,095**	**(106,138,665)**	**-22%**
Impairment	(5,252,331)	(5,262,762)	10,431	0%
Total debt securities	**361,187,099**	**467,315,333**	**(106,128,234)**	**-23%**
Foreign Currency translated into USD	200,471	318,035	(117,564)	-37%

The reduction in the Treasury Bond portfolio in national currency resulted from the strategy of replenishing liquidity in the balance sheet, as a consequence of the more moderate growth in money supply during the year. Similarly, foreign currency bonds decreased due to the maturity of a significant portion of the portfolio, with liquidity being reallocated to the interbank money market.

d) Loans and advances to Customers

The loan portfolio amounted to AOA 695,445,620 thousand at the end of 2024, which represents an increase of AOA 26,808,064 thousand (+4%) compared to December 2023.



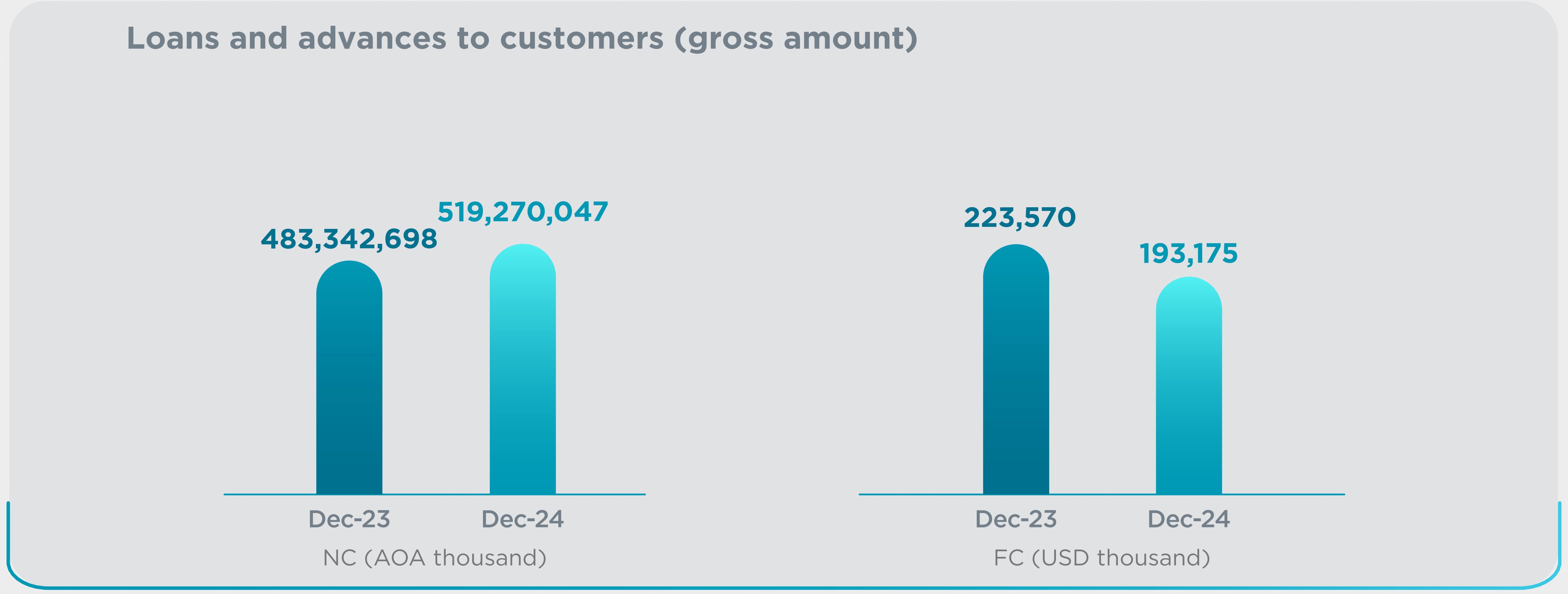
AOA thousand

Loans and advances to Customers (gross amount)	Dec. 24	Dec. 23	Δ Abs.	Δ %
National currency	519,270,047	483,342,698	35,927,349	7.4%
Foreign currency	157,157,858	166,166,832	(9,008,974)	-5.4%
Indexed to the US Dollar	19,017,715	19,128,026	(110,311)	-0.6%
Total gross credit	**695,445,620**	**668,637,556**	**26,808,064**	**4.0%**
(-) Accumulated credit impairment	(210,010,525)	(189,529,085)	(20,481,440)	10.8%

The increase in the national currency portfolio is due to the solidification of ongoing operations, the growth in accrued interest and new credit operations, which accounted for around half of the portfolio's growth. These operations were aimed at boosting the national economy, with priority given to Government credit programs for individuals and companies. The decrease in foreign currency was due to the successful recovery of overdue loans.

e) Investments in central banks and other credit institutions

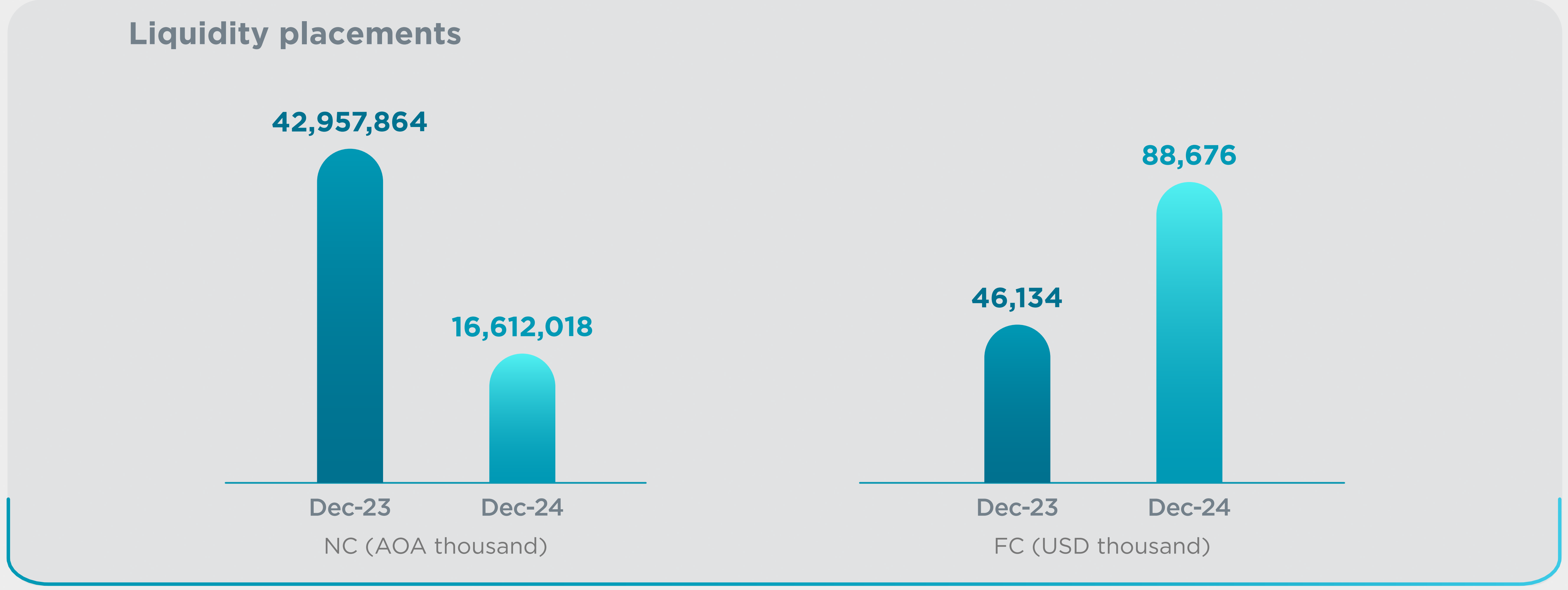
“Investments in central banks and other credit institutions” amounted to AOA 97,484,363 thousand, an increase of AOA 16,290,908 thousand compared to the same period in the previous year. This growth is the result of an increase in investments in foreign currency, despite a reduction in investments in the domestic interbank money market.



At the end of 2024, the loan portfolio amounted to **AOA 695,445,620 thousand**, which represents a 4% increase compared to December 2023, mainly due to the growth in accrued interest and new credit operations

f) Property, plant and equipment

In 2024, ATLANTICO's property, plant and equipment increased by AOA 3,634,242 thousand, up 4% on the previous year. This growth is associated with continuous investment in equipment for means of payment, with a focus on the digitalization of banking services, with the aim of promoting banking and financial inclusion.



AOA thousand

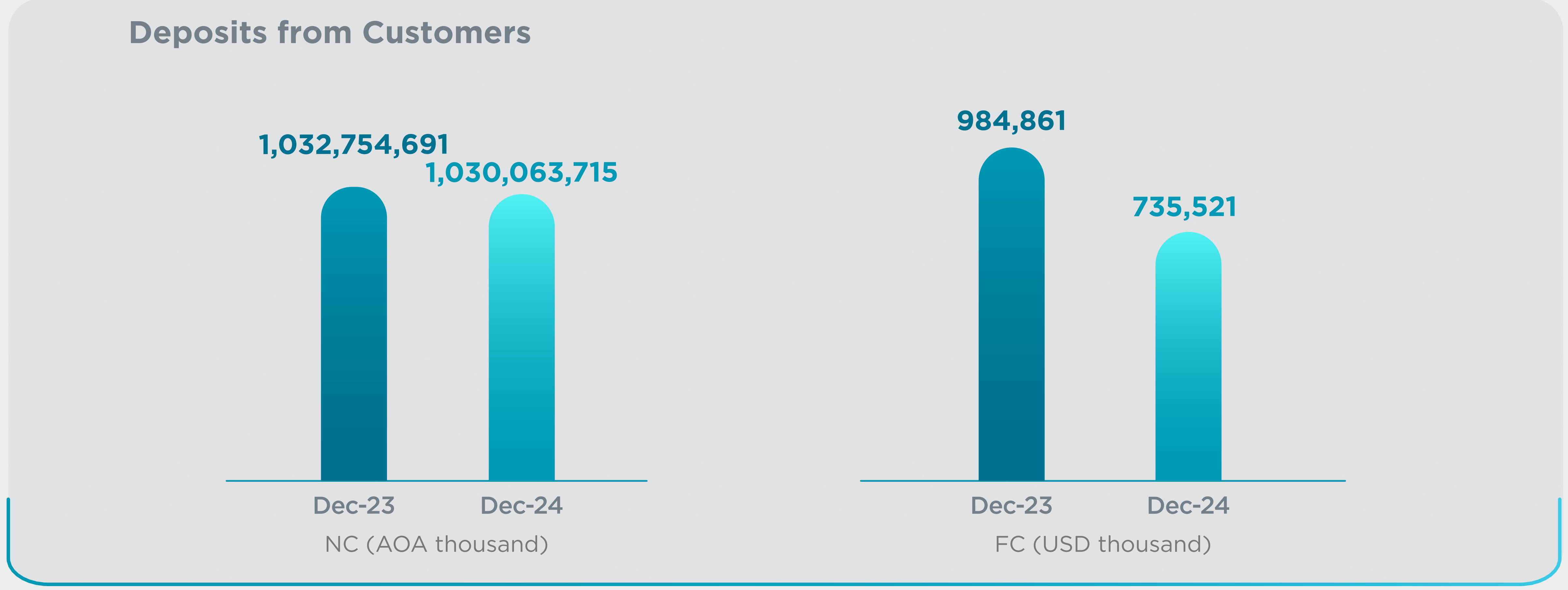
Other property, plant and equipment	Dec. 24	Dec. 23	Δ Abs.	Δ %
Property	78,394,145	77,653,933	740,212	1%
Equipment	13,692,807	10,140,611	3,552,196	35.0%
Right of use assets	3,645,826	4,303,992	(658,166)	-15.3%
Other assets under construction	273,940	273,940	-	0.0%
	96,006,718	**92,372,476**	**3,634,242**	**3.9%**

3.8.3.1.2. Liabilities

a) Deposits from Customers and other loans

As at 31 December 2024, the Customer deposits portfolio amounted to AOA 1,700,859,305 thousand, compared to AOA 1,849,007,508 thousand the previous year, which represents a reduction of 8%, corresponding to AOA 148,148,203 thousand.

Despite the challenges posed by the context, the Bank maintained its funding strategy, also retaining significant amounts of deposits, which mitigated the contraction in the portfolio of deposits in national currency. In contrast, the portfolio of foreign currency deposits fell significantly in the period.



3.8.3.2. Changes in the income statement

AOA thousand

Income statement	Dec. 24	Dec. 23	Δ Abs.	Δ %
Interest and similar income	113,371,508	89,197,498	24,174,010	27%
Interest and similar expenses	(88,824,299)	(73,014,331)	(15,809,968)	22%
Net interest income	**24,547,209**	**16,183,167**	**8,364,042**	**52%**
Fees and commissions income	37,041,369	28,417,107	8,624,262	30%
Fees and commissions expense	(11,484,126)	(6,814,391)	(4,669,735)	69%
Fees and commissions income/(expense)	**25,557,243**	**21,602,716**	**3,954,527**	**18%**
Profit/(loss) from financial assets and liabilities at fair value through profit or loss	29,981,226	38,504,385	(8,523,159)	-22%
Profit/(loss) from financial assets not measured at fair value through profit or loss	(79,529)	417,836	(497,365)	-119%
Profit/(loss) arising from foreign exchange differences	28,806,178	32,490,097	(3,683,919)	-11%
Profit/(loss) arising from the sale of other assets	286,463	(16,002,681)	16,289,144	-102%
Other operating income	(7,391,943)	(9,558,600)	2,166,657	-23%
Profit/(loss) from financial operations	**51,602,395**	**45,851,037**	**5,751,358**	**13%**
Operating income	**101,706,847**	**83,636,920**	**18,069,927**	**22%**
Staff costs	(30,121,382)	(28,495,834)	(1,625,548)	6%
Supplies and services	(22,285,367)	(19,109,419)	(3,175,948)	17%
Depreciation and amortisation for the period	(9,799,676)	(9,580,382)	(219,294)	2%
Provisions and impairment of other assets net of reversals	(5,680,218)	(7,744,577)	2,064,359	-27%
Impairment of other financial assets	10,090	(6,364)	16,454	-259%
Impairment for financial assets at amortised cost	(18,084,201)	(9,762,011)	(8,322,190)	85%
Impairment of financial assets at fair value through other comprehensive income	170,482	260,568	(90,086)	-35%
Profit/(loss) before tax from continuing operations	**15,916,575**	**9,198,901**	**6,717,674**	**73%**
Income tax				
Deferred Tax	901,948	(92,705)	994,653	-1,073%
Current Tax	-	-	-	-
Profit/(loss) after tax from continuing operations	**16,818,523**	**9,106,196**	**50,569,855**	**85%**
Net profit/(loss) for the period	**16,818,523**	**9,106,196**	**7,712,327**	**85%**

a) Net interest income

In 2024, financial margin reached AOA 24,547,209 thousand, an increase of AOA 8,364,042 thousand, which represents an increase of 52% compared to the same period last year.

AOA thousand

Net interest income	Dec. 24	Dec. 23	Δ Abs.	Δ %
Interest from debt securities	56,681,100	45,425,708	11,255,392	25%
Interest from loans and advances to Customers	49,262,583	40,539,572	8,723,011	22%
Interest from investments in central banks and other credit institutions	7,427,825	3,232,218	4,195,607	130%
Interest and similar income	**113,371,508**	**89,197,498**	**24,174,010**	**27%**
Interest from deposits	80,558,353	67,265,400	13,292,953	20%
Interest from deposits from central banks and other credit institutions	7,072,789	4,339,802	2,732,987	63%
Lease interest	1,193,157	1,409,129	(215,972)	-15%
Interest and similar expenses	**88,824,299**	**73,014,331**	**15,809,968**	**22%**
Net interest income	**24,547,209**	**16,183,167**	**8,364,042**	**52%**

The performance of financial margin is essentially attributable to the favourable evolution of interest and similar income, which grew by 27%, surpassing the 22% change in interest and similar charges. This development is supported by the significant increase in interest from securities and loans, which together account for more than 83% of the Bank's interest assets. Of particular note is the increase in investments, which more than doubled, driven mainly by investments in foreign currency.

Although the growth in interest on deposits had some impact on interest liabilities, the increase in interest assets was more significant, resulting in a positive evolution of the financial margin. This performance reflects the effective management of the portfolio of financial assets and liabilities, especially the increase in interest on securities and loans.

b) Complementary margin

The complementary margin amounted to AOA 77,159,638 thousand, representing an increase of 14%, approximately AOA 9,705,885 thousand, when compared to the same period last year. This increase is largely due to the positive performance of commissioning, which rose by 18% to AOA 25,557,243 thousand.

AOA thousand

Complementary margin	Dec. 24	Dec. 23	Δ	
			Abs.	%
Profit/(loss) from financial assets and liabilities at fair value through profit or loss	29,981,226	38,504,385	(8,523,159)	22%
Profit/(loss) arising from foreign exchange differences	28,806,178	32,490,097	(3,683,919)	-11%
Commission results	25,557,243	21,602,716	3,954,527	18%
Profit/(loss) arising from the sale of other assets	286,463	(16,002,681)	16,289,144	-102%
Profit/(loss) from financial assets and liabilities not measured at fair value through profit or loss	(79,529)	417,836	(497,365)	-119%
Other operating income	(7,391,943)	(9,558,600)	(2,166,657)	-23%
Complementary margin	**77,159,638**	**67,453,753**	**9,705,885**	**14%**

c) Fees and commissions income/(expense)

In 2024, ATLANTICO's net commissioning reached AOA 25,557,243 thousand, an increase of 18% compared to the same period last year. This performance reflects the effectiveness of the strategy to modernize banking infrastructures and processes, which boosted the volume of transactions and, consequently, resulted in a substantial increase in commission income, especially from electronic operations (ATM, POS, Multicaixa, etc.), transfers issued/received and the opening of documentary credit.

AOA thousand

Net commissions	Dec. 24	Dec. 23	Δ	
			Abs.	%
Commissions received	**37,041,369**	**28,417,107**	**8,624,262**	**30%**
Electronic transactions	16,443,622	11,710,781	4,732,841	40%
Transfers	8,314,553	6,195,865	2,118,688	34%
VISA and Multicaixa Commissions	3,889,127	3,249,728	639,399	20%
Guarantees provided	1,636,769	1,163,582	473,187	41%
Documentary letters of credit	1,244,209	73,854	1,170,355	1585%
Custody commissions and market transactions	1,086,181	654,432	431,749	66%
Opening of lines of credit/renewals and maintenance	539,166	1,050,468	(511,302)	-49%
Term Deposit account maintenance	718,797	680,863	37,934	6%
Withdrawing	228,897	229,431	(534)	0%
Foreign exchange transactions	4,637	3,437	1,200	35%
Other	2,935,411	3,404,666	(469,255)	-14%
Fees and commissions expense	**(11,484,126)**	**(6,814,391)**	**(4,669,735)**	**69%**
Commission results	**25,557,243**	**21,602,716**	**3,954,527**	**18%**

d) Operating expenses

Operating expenses were 9% higher than in the same period of the previous year, corresponding to an increase of AOA 5,020,790 thousand, in a context characterised by the continuing challenge of inflation and the depreciation of the currency. This growth reflects the impact of the strategy of valuing ATLANTICO Talents, as well as the digitalisation of financial services, with a focus on financial and operational efficiency, as detailed below:

AOA thousand

Operating expenses	Dec. 24	Dec. 23	Δ	
			Abs.	%
Wages and salaries	18,103,701	18,272,106	(168,405)	-1%
Mandatory social charges	2,015,332	3,619,978	(1,604,646)	-44%
Other staff costs	10,002,349	6,603,750	3,398,599	51%
Staff costs	**30,121,382**	**28,495,834**	**1,625,548**	**6%**
Communication and shipment	7,648,381	6,767,812	880,569	13%
Audit and advisory	5,246,025	4,718,999	527,026	11%
Security and surveillance	1,905,008	1,870,960	34,048	2%
Maintenance and repair	1,691,254	2,014,731	(323,477)	-16%
Travel and representation	1,429,183	1,420,036	9,147	1%
IT services	546,081	1,038,599	(492,518)	-47%
Consumables	537,764	237,526	300,238	126%
Advertising and publications	470,947	406,086	64,861	16%
Water, energy and fuel	249,549	242,132	7,417	3%
Rents & Leases	231,455	110,908	120,547	109%
Other	2,329,720	281,630	2,048,090	727%
Third-party supplies and services	**22,285,367**	**19,109,419**	**3,175,948**	**17%**
Depreciation and amortisation for the period	**9,799,676**	**9,580,382**	**219,294**	**2%**
Total operating expenses	**62,206,425**	**57,185,635**	**5,020,790**	**9%**

4

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

4.1. Financial Statements

Balance Sheet

AOA thousand

Individual balance sheet as at 31 December 2024 and 2023	Notes	31-12-2024	31-12-2023
Assets			
Cash and deposits at central banks	4	325,319,262	356,926,890
Loans and advances to credit institutions repayable on demand	5	38,614,876	94,147,108
Financial assets at fair value through profit or loss	6	384,043,138	299,015,502
Financial assets at fair value through other comprehensive income	7	25,379,483	53,107,016
Financial assets at amortised cost			
Debt securities	8	361,187,099	467,315,333
Loans and advances to Customers	9	485,435,095	479,108,472
Other loans and advances to central banks and credit institutions	10	97,484,363	81,193,455
Other property, plant and equipment	11	96,006,718	92,372,476
Intangible assets	12	15,403,233	10,658,318
Non-current assets held for sale	13	-	716,352
Current tax assets	14	2,604,027	2,464,674
Deferred tax assets	14	4,559,386	3,657,438
Other assets	15	165,610,447	147,016,525
Total Assets		**2,001,647,127**	**2,087,699,559**
Liabilities and Equity			
Deposits from central banks and other credit institutions	16	41,995,949	1,323,068
Deposits from Customers and other loans	17	1,700,859,305	1,849,007,508
Provisions	18	1,568,260	3,613,319
Deferred tax liabilities	14	5,462,501	7,230,139
Other liabilities	19	20,672,186	14,566,717
Total Liabilities		**1,770,558,201**	**1,875,740,751**
Share capital	20	142,324,747	142,324,747
Share premiums	20	70,707,406	70,707,406
Treasury shares	20	(841,657)	(841,657)
Revaluation reserves	21	14,910,638	13,427,848
Other reserves and retained earnings	21	(12,830,731)	(22,765,732)
Individual net profit/(loss) for the period		16,818,523	9,106,196
Total Equity		**231,088,926**	**211,958,808**
Total Liabilities and Equity		**2,001,647,127**	**2,087,699,559**

The following notes form an integral part of these financial statements.

Income Statement

AOA thousand

Individual income statement for the periods ended 31 December 2024 and 2023	Notes	31-12-2024	31-12-2023
Interest and similar income	22	113,371,508	89,197,498
Interest and similar expenses	22	(88,824,299)	(73,014,331)
Net interest income		**24,547,209**	**16,183,167**
Fees and commissions income	23	37,041,369	28,417,107
Fees and commissions expense	23	(11,484,126)	(6,814,391)
Profit/(loss) from fees and commissions		**25,557,243**	**21,602,716**
Profit/(loss) from financial assets and liabilities at fair value through profit or loss	24	29,981,226	38,504,385
Profit/(loss) from financial assets not measured at fair value through profit or loss	25	(79,529)	417,836
Profit/(loss) from foreign exchange differences	26	28,806,178	32,490,097
Profit/(loss) from the sale of other assets	27	286,463	(16,002,681)
Other operating income	34	(7,391,943)	(9,558,600)
Profit/(loss) from financial operations		**51,602,395**	**45,851,037**
Operating income		**101,706,847**	**83,636,920**
Staff costs	28	(30,121,382)	(28,495,834)
Supplies and services	29	(22,285,367)	(19,109,419)
Depreciation and amortisation for the period	11, 12 and 30	(9,799,676)	(9,580,382)
Provisions and impairment of other assets net of reversals	13, 15, 18 and 31	(5,680,218)	(7,744,577)
Impairment of other financial assets	5 and 32	10,090	(6,364)
Impairment for financial assets at amortised cost	8, 9, 10 and 33	(18,084,201)	(9,762,011)
Impairment of financial assets at fair value through other comprehensive income	21	170,482	260,568
Profit/(loss) before tax from continuing operations		**15,916,575**	**9,198,901**
Income tax			
Deferred Tax	14	901,948	(92,705)
Current tax	14	-	-
Profit/(loss) after tax from continuing operations		**16,818,523**	**9,106,196**
Individual net profit/(loss) for the period		**16,818,523**	**9,106,196**
Individual net profit/(loss) for the period	35	0.315	0.171
Diluted earnings per share (in thousands of AOA)	35	0.315	0.171

The following notes form an integral part of these financial statements.

Statement of Comprehensive Income

AOA thousand

Individual statement of comprehensive income for the periods ended 31 December 2024 and 2023	Notes	31-12-2024	31-12-2023
Individual net profit/(loss) for the period		**16,818,523**	**9,106,196**
Other comprehensive income			
Items that will be subsequently reclassified to profit or loss			
Debt instruments at fair value through other comprehensive income			
Changes in fair value	7 and 21	(3,320,711)	5,614,155
Reclassification of revaluation reserves to profit/(loss) for the period	21	3,543	-
Impairment recognised in the period	21	(170,402)	260,568
Tax impact	14	2,209,268	(2,056,153)
		(1,278,302)	**3,818,570**
Items that will not be subsequently reclassified to profit or loss			
Revaluation reserves for other property, plant and equipment			
Gross amount	11 and 21	3,435,952	13,000,000
Tax impact	14	(912,501)	(4,550,000)
Other reserves resulting from valuation at fair value			
Gross amount	7 and 21	595,335	1,346,032
Tax impact	14	471,111	(471,111)
		3,589,897	**9,324,921**
Profit/(loss) not included in the individual income statements		**2,311,595**	**13,143,491**
Individual comprehensive income for the period		**19,130,118**	**22,249,687**

The following notes form an integral part of these financial statements.

Statement of Changes in Equity

AOA thousand

Individual statement of changes in equity for the periods ended 31 December 2024 and 2023	Share capital	Share premiums	Treasury shares	Revaluation reserves	Other reserves and retained earnings: Legal reserve	Other reserves and retained earnings: Other reserves and retained earnings	Other reserves and retained earnings: Total	Individual net profit/(loss) for the period	Total equity
Balance as at 31 December 2022	**142,324,747**	**70,707,406**	**(841,657)**	**284,357**	**20,188,362**	**(46,452,206)**	**(26,263,845)**	**3,498,114**	**189,709,122**
Appropriation of net profit for the period									
Transfer to legal reserve	-	-	-	-	349,811	-	349,811	(349,811)	-
Transfer to reserves and retained earnings	-	-	-	-	-	3,148,303	3,148,303	(3,148,303)	-
Other comprehensive income for the period	-	-	-	13,143,491	-	-	-	-	13,143,491
Individual net profit/(loss) for the period	-	-	-	-	-	-	-	9,106,196	9,106,196
Balance as at 31 December 2023	**142,324,747**	**70,707,406**	**(841,657)**	**13,427,848**	**20,538,173**	**(43,303,903)**	**(22,765,732)**	**9,106,196**	**211,958,808**
Appropriation of net profit for the period									
Transfer to legal reserve	-	-	-	-	910,620	-	910,620	(910,620)	-
Transfer to reserves and retained earnings	-	-	-	-	-	8,195,576	8,195,576	(8,195,576)	-
Other comprehensive income for the period	-	-	-	2,311,595	-	-	-	-	2,311,595
Reclassification of revaluation reserves to retained earnings	-	-	-	(828,805)	-	828,805	828,805	-	-
Individual net profit/(loss) for the period	-	-	-	-	-	-	-	16,818,523	16,818,523
Balance as at 31 December 2024	**142,324,747**	**70,707,406**	**(841,657)**	**14,910,638**	**21,448,793**	**(34,279,524)**	**(12,830,731)**	**16,818,523**	**231,088,926**

The following notes form an integral part of these financial statements.

Cash Flow Statement

AOA thousand

Individual cash flow statement for the periods ended 31 December 2024 and 2023	Notes	31-12-2024	31-12-2023
Cash flows from operating activities			
Interest, commissions and other similar income received		126,952,687	76,867,325
Interest, commissions and other similar expense paid		(96,897,020)	(77,817,508)
Payments to Employees and suppliers		(52,476,382)	(45,725,655)
Cash flows before changes in operating assets and liabilities		**(22,420,715)**	**(46,675,838)**
(Increases)/decreases in operating assets and liabilities:			
Financial assets at fair value through profit or loss		(50,188,374)	-
Financial assets at fair value through other comprehensive income		24,148,778	9,658,027
Financial assets at amortised cost			
Debt securities		129,674,173	(9,201,959)
Loans and advances to Customers		4,299,438	59,979,514
Other loans and advances to credit institutions		(14,430,194)	(50,459,542)
Deposits from central banks and other credit institutions		40,559,738	(1,939,791)
Non-current assets held for sale		-	116,444
Deposits from Customers and other loans		(213,471,104)	172,116,492
Other operating assets and liabilities		5,156,623	(32,539,805)
Net cash from operating activities before income tax		**(96,671,637)**	**101,053,543**
Income tax paid		(139,353)	(10,643)
Net cash from operating activities		**(96,810,990)**	**101,042,900**
Cash flows from investment activities			
Acquisitions of property, plant and equipment and intangible assets, net of disposals		(15,540,516)	(8,524,572)
Net cash from investment activities		**(15,540,516)**	**(8,524,572)**
Cash flows from financing activities			
Payments relating to lease liabilities		(994,204)	(3,479,142)
Net cash from financing activities		**(994,204)**	**(3,479,142)**
Changes in cash and cash equivalents		**(113,345,710)**	**89,039,186**
Cash and cash equivalents at the beginning of the period		451,087,530	260,406,692
Effects of exchange rate changes on cash and cash equivalents		26,195,760	101,641,652
Changes in cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		**363,937,580**	**451,087,530**
Cash and cash equivalents (excluding impairment losses) include:			
Cash	4	26,686,634	21,401,309
Cash and deposits at central banks	4	298,632,628	335,525,581
Loans and advances to credit institutions repayable on demand	5	38,618,318	94,160,640
		363,937,580	**451,087,530**

The following notes form an integral part of these financial statements.

4.2. Notes to the Financial Statements

CONTENTS

Note 1 – Introduction

Banco Millennium Atlântico, S.A., which also uses the brand ATLANTICO (hereinafter referred to as "Bank" or "ATLANTICO"), was incorporated by Public Deed on 31 August 2006. Through communication of Banco Nacional de Angola (hereinafter also referred to as "BNA") dated 6 November 2006, ATLANTICO was authorised and definitively registered as ATLANTICO, and started its business activity on 17 November 2006. ATLANTICO operates and has its head office in Angola, at Rua do Centro de Convenções de Talatona, Via S8, GU05B, Edifício ATLANTICO, Bloco 7/8, Bairro Talatona, Distrito Urbano da Samba, Luanda.

The Bank is dedicated to obtaining resources from third parties in the form of deposits or other, which applies, together with its own resources, in the granting of loans, in deposits at BNA, in investments in credit institutions, in the acquisition of securities and other assets, for which it is duly authorised. The Bank also provides other bank services and carries out various types of transactions in foreign currency, for which, as at 31 December 2024, it had a network of 104 bank branches.

Regarding the shareholder structure, as detailed in Note 20, the Bank is owned mainly by private Angolan Shareholders.

In May 2016, the former Banco Privado Atlântico entered a merger by incorporation with Banco Millennium Angola, S.A. creating Banco Millennium Atlântico, S.A. The merger produced accounting effects on 1 January 2016.

Note 2 – Accounting policies

2.1. Basis of presentation

In accordance with the provisions of Notice 05/2019 of 30 August, from Banco Nacional de Angola, the individual financial statements of Banco Millennium Atlântico, S.A. are prepared on a going concern basis and in accordance with the International Financial Reporting Standards (IAS/IFRS). IAS/IFRS include accounting standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and their predecessor bodies.

The financial statements are expressed in thousands of kwanzas (thousands of AOA) rounded to the nearest thousand. These were prepared in accordance with the historical cost principle, except for assets and liabilities recorded at fair value, namely financial assets at fair value through profit or loss (Note 6) and financial assets at fair value through other comprehensive income (Note 7), as well as own-use property for which the revaluation model is adopted (Note 11).

The preparation of financial statements in accordance with IAS/IFRS requires the Bank to make judgments and estimates and to use assumptions that affect the application of accounting policies and the amounts of income, expenses, assets and liabilities. Changes in such assumptions or differences between them and reality may have an impact on current estimates and judgments. Areas that involve a higher level of judgment or complexity, or where assumptions and significant estimates are used in the preparation of the financial statements are described in Note 3.

The financial statements for the period ended 31 December 2024 were approved at the Board of Directors meeting held on 10 February 2025, and it is the Board of Directors' belief that they will be approved at the General Meeting of Shareholders without material changes.

The individual financial statements of Banco Millennium Atlântico, S.A., presented herein relate to the periods ended 31 December 2024 and 2023. In accordance with the legislation in force, the Bank prepares and presents separate consolidated financial statements.

2.2. Comparability of the information

The accounting policies were consistently applied and are consistent with those used in the preparation of the prior period financial statements.

The requirements presented by IAS/IFRS are generally applied retrospectively, by adjusting the opening balance sheet to the date of initial application, where material.

The recently issued accounting standards applicable to the Bank, which were not yet in force on 31 December 2024, can be analysed in Note 40.

2.3. Transactions in foreign currency

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

Monetary assets and liabilities expressed in foreign currency are converted into the functional currency at the exchange rate published by the BNA at the balance sheet date. Foreign exchange differences arising on translation are recognised in the income statement under Net gains/(losses) arising from foreign exchange differences (Note 26).

Non-monetary assets and liabilities expressed in foreign currency and recorded at historical cost are converted to the functional currency at the exchange rate published on the date of the transaction. Non-monetary assets and liabilities recorded at fair value are translated into the functional currency at the exchange rate published on the date the fair value is determined and recognised against the income statement, except for those recognised in financial assets at fair value though other comprehensive income, whose difference is recorded against equity.

The reference exchange rates of the Kwanza (AOA) against United States Dollar (USD) and Euro (EUR) were as follows:

Exchange rate	31-12-2024	31-12-2023
USD/AOA	912.000	828.800
EUR/AOA	949.483	915.990

2.4. Loans and advances to Customers and account receivables

Loans and advances to Customers and account receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market and are not intended to be sold in the short term.

These categories include loans and advances to Customers, cash and cash equivalents, other loans and advances to central banks and credit institutions and other receivables that are not traded in an active market. These are recorded by the contracted amounts, when originated by the Bank, or by amounts paid when purchased from other entities.

Loans and advances to Customers and account receivables are initially accounted for at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method and are presented in the balance sheet net of impairment losses. Interest calculated at the effective interest rate is recognised in net interest income.

Loans and advances to Customers and account receivables are derecognised from the balance sheet when (i) the contractual rights of the Bank to their respective cash flows have expired, (ii) the Bank transferred substantially all associated risks and rewards of ownership, or (iii) notwithstanding the fact that the Bank may have retained part, but not substantially all the associated risks and rewards of ownership, control over the assets was transferred.

2.5. Financial instruments

Classification, initial recognition and subsequent measurement

In accordance with IFRS 9 – Financial instruments (IFRS 9), financial assets can be classified into three categories with different measurement criteria:

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

The classification of assets depends on the characteristics of the contractual cash flows and the business model related to them.

With regards to the characteristics of contractual cash flows, the criterion is to assess whether these reflect solely payments of principal and interest (SPPI).

Business model

The business models provided for in the standard are identified as follows:

- Business model whose purpose is to hold the asset to collect its contractual cash flows (Hold to collect);
- Business model whose purpose is both to collect contractual cash flows and to sell the financial assets (Hold to collect and sell); and
- Other business models

- A debt financial instrument that (i) is managed under a business model whose purpose is to held financial assets in the portfolio and receive all of its contractual cash flows and (ii) has contractual cash flows on specific dates corresponding to solely payments of principal and interest on the outstanding principal – should be measured at amortised cost, unless it is designated at fair value through profit or loss under the fair value option – Hold to collect.

- A debt financial instrument that (i) is managed under a business model whose purpose is both to collect its contractual cash flows and the sale of financial assets and (ii) contains contractual clauses that give rise to cash flows corresponding to solely payments of principal and interest on the outstanding capital – should be measured at fair value through other comprehensive income (FVOCI), unless it is designated at fair value through profit or loss under the fair value option – Hold to collect and sale.

- All other financial instruments should be measured at fair value through profit or loss (FVTPL).

The Bank assessed its business models based on a wide set of indicators, including its business plan and current risk management policies.

The Bank conducted an assessment of the business model in which the financial instrument is held, at a portfolio level, as this approach reflects the best way in which assets are managed and how the information is made available to management bodies. The information considered in this assessment includes:

- Policies and goals established for the portfolio and the practical operability of these policies. In particular, how the management strategy focuses on receiving contractual interest, keeping a certain interest rate profile, adjusting the lifetime of financial assets to the lifetime of liabilities that sponsor these assets or generating cash flows through the sale of the assets;

- How the portfolio's performance is assessed and reported to the Bank's management bodies;

- Assessing the risks that affect the performance of the business model (and of the financial assets held under this business model) and how these risks are managed;

- The remuneration of business managers (e.g., the extent to which compensation depends on the fair value of assets under management or contractual cash flows received); and

- Frequency, volume and periodicity of sales in previous periods, the reasons for such sales and the expectations about future sales. However, sales information should not be considered separately, but as part of an overall assessment of how the Bank sets goals for managing financial assets and how cash flows are obtained.

Other business models

This model includes all portfolios managed in ways other than Hold to collect or Hold to collect and sale and includes particularly portfolios that:

- Are managed with the objective of generating cash flows through sale;

- Are managed, and whose performance is evaluated, on a fair value basis; or

- Meet the definition of held for negotiation.

The performance of financial assets that fall within these models is assessed on a fair value basis and are measured at fair value through profit or loss as they are neither held to collect contractual cash flows nor held to sell such financial assets.

Assess if contractual cash flows correspond solely to payments of principal and interest (SPPI)

For the purpose of this assessment, “principal” is defined as the fair value of the financial asset at initial recognition. “Interest” is defined as the compensation for the time value of money, the credit risk associated with the outstanding amount over a given period of time and for other risks and costs associated to the activity (e.g., liquidity risk and administrative costs), as well as a mark-up rate.

In the assessment of financial instruments in which contractual cash flows relate exclusively to the payments of principal and interest, the Bank considered the original contractual terms of the instrument. This assessment included the analysis of existing situations in which the contractual terms can change the periodicity and the amount of cash flows which fail to comply with the SPPI condition. In the assessment process, the Bank considered:

- Contingent events that may change the periodicity and amount of cash flows;

- Leverage characteristics;

- Prepayment and maturity extension terms;

- Provisions that may restrict the Bank’s right to claim cash flows relating to specific assets (e.g., non-recourse loans); and

- Characteristics that may change time-value compensation of money (e.g., periodic resetting of interest rates).

As previously mentioned, the Hold to collect business model establishes quantitative thresholds based on past experience in order to evaluate the frequency and materiality of sales. The threshold for frequency is defined according to the number of transactions in a given period. The threshold for materiality is defined according to the weight of the book value of the asset to be disposed over the total portfolio.

The standard provides that sales may occur without it being necessary to change the business model, as long as the thresholds defined by the Bank for frequent or significant sales are not exceeded, or the sales occur close to maturity or due to credit risk deterioration.

With regards to the other financial instruments, namely equity and derivative instruments, these are by definition classified at fair value through profit or loss. For equity instruments, there is an irrevocable option to designate that all changes in fair value are recognised in other comprehensive income, in which case only dividends are recognised in profit or loss provided that they do not clearly represent a recovery of part of the investment cost as gains and losses are not reclassified to profit or loss even on derecognition/sale.

Reclassification

Financial assets are not reclassified after their initial recognition, except for the period after the Bank changes its business model to the management of financial assets. Financial assets are reclassified to other categories only if the business model is used in their management changes. In such cases, all affected financial assets are reclassified. The reclassification is applied prospectively from the date of reclassification, and no gains, losses (including impairment losses) or previously recognised interest are restated. Financial assets, at the date of their reclassification, are measured at fair value.

Reclassification of investments in equity instruments measured at fair value through other comprehensive income or financial instruments designated at fair value through profit or loss is not permitted.

Reclassification of financial liabilities are not permitted.

Derecognition

i. The Bank derecognises a financial asset when, and only when:

- The contractual rights to the cash flows from the financial asset expire; or
- It transfers the financial asset as set out in ii and iii and the transfer qualifies for derecognition in accordance with iv.

ii. The Bank transfers a financial asset if, and only if, one of the following situations occurs:

- It transfers the contractual rights to receive the cash flows of the financial asset; or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement that meets the conditions in iii.

iii. When the Bank retains the contractual rights to receive the cash flows of a financial asset (the original asset), but assumes a contractual obligation to pay those cash flows to one or more entities (the eventual recipients), the Bank treats the transaction as a transfer of a financial asset if, and only if, all the following three conditions are met:

- The Bank has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset. Short-term advances by the entity with the right of full recovery of the amount lent plus accrued interest at market rates do not violate this condition;
- The Bank is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows; and

- The Bank has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, it is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

iv. When the Bank transfers a financial asset (see ii. above), it shall evaluate the extent to which it retains the risks and rewards of ownership of the financial asset. In this case:

- If the Bank transfers substantially all the risks and rewards of ownership of the financial asset, it shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer;

- If the Bank retains substantially all the risks and rewards of ownership of the financial asset, it shall continue to recognise the financial asset; or

- If the Bank neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it shall determine whether it has retained control of the financial asset. In this case:

  a) If the Bank has not retained control, it shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer; and

  b) If the Bank has retained control, it shall continue to recognise the financial asset to the extent of its continuing involvement in the financial asset.

v. The transfer of risks and rewards is evaluated by comparing the Bank's exposure, before and after the transfer, with the variability in the amounts and timing of the net cash flows of the transferred asset.

vi. Whether the Bank has retained control (see iv. above) of the transferred asset depends on the transferee's ability to sell the asset. If the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer, the entity has not retained control. In all other cases, the entity has retained control.

Assets pledged as collateral by the Bank through repurchase agreements and other transactions are not derecognised because the Bank holds substantially all the risks and rewards based on the pre-specified repurchase price and therefore the derecognition criteria are not met.

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

Modification of loans

In some circumstances, the Bank renegotiates or modifies the contractual cash flows of loans and advances to Customers. In such cases, the Bank assesses whether the new terms of the contract are substantially different from the original terms. The Bank performs this analysis considering, among others, the following factors:

- Whether the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to an amount the borrower is expected to be able to pay;

- Whether any significant new terms have been introduced, such as profit-sharing or equity-based returns, that substantially affect the risk profile of the loan;

- Significant extension of the loan term when the borrower is not in financial difficulty;

- Significant change in the interest rate;

- Change in the currency in which the loan was contracted; and

- Inclusion of collateral, securities or other credit enhancement which significantly affects the credit risk associated with the loan.

If the terms of the contract are substantially different, the Bank derecognises the original financial asset and recognises a new asset at fair value and calculates its new effective interest rate. The date of renegotiation is considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Bank also assesses whether the new recognised financial asset is impaired at initial recognition, especially where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are recognised in profit or loss, as a derecognition gain or loss.

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

After the modification, the Bank may determine that the credit risk has improved significantly and that the assets have moved from Stage 3 to Stage 2 (lifetime ECL) or from Stage 2 to Stage 1 (12-month ECL). This situation can only occur when the performance of the modified asset is in line with the new terms of the agreement during a period of twelve consecutive months. Additionally, the Bank continues to monitor whether there has been a significant increase in credit risk on these assets, applying specific models for modified assets.

Impaired financial assets

A financial asset is impaired when one or more events that have a negative impact on the estimated future cash flows of the financial asset have occurred. Financial assets impaired are referred to as Stage 3 assets. The Bank has adopted the internal definition of non-performing loans as a criterion for identifying credits under Stage 3. The internal definition of non-performing loans is governed by objective and subjective criteria and is used for the Bank's credit risk management

Purchased or originated credit impaired (POCI)

Purchased or originated credit-impaired financial assets (POCI) are treated differently as these are "impaired". For these assets, the Bank, upon its initial recognition under Stage 3, records the asset at the net amount of the expected loss.

In subsequent measurement, an ECL with a lifetime PD is always calculated and its changes are recorded in the income statement. The associated interest is calculated by applying the effective interest rate to the net book value of the asset.

Asset write-off policy

The Bank recognises a loan written off from assets when it has no reasonable expectations of recovering the full amount. This recording occurs after all actions undertaken by the Bank have proved unsuccessful.

Loans written off from assets must be subject to periodic reconciliation to control the amount included in off-balance sheet accounts, where, in accordance with legal requirements, they must remain recorded for a minimum of 10 years and as long as all collection procedures have not been exhausted.

Guarantees provided and irrevocable commitments

Liabilities for guarantees and irrevocable commitments are recorded under off-balance-sheet items at their fair value, with interest, commissions or other income being recorded in the income statement over their maturity period.

Performance guarantees are initially recognised at fair value, which is usually evidenced by the amount of commissions received over the contract period. Upon breach of contract, the Bank has the right to revert the guarantee, and the amounts are recognised in Loans and advances to Customers after the loss compensation is transferred to the collateral taker.

Financial assets measured at amortised cost

The Bank measures a financial asset at amortised cost if it meets, simultaneously, the following requirements and is not recorded at FVTPL (use of the Fair Value Option):

- The financial asset is held in a business model whose main purpose is to hold the asset to collect its contractual cash flows (HTC – Hold to collect); and

- Its contractual cash flows occur on specific dates and correspond solely to payments of principal and interest on the principal outstanding amount (SPPI – Solely Payments of Principal and Interest).

These instruments are initially recorded at fair value and subsequently valued at amortised cost, based on the effective interest rate method and are subject to impairment tests.

Included in this category are debt securities, loans and advances to Customers and other loans and advances to central banks and credit institutions and other receivables.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity and debt instruments that are recorded at fair value at the time of their initial recognition. Gains and losses on subsequent changes in fair value are recorded in equity until they are sold, where they are reclassified to profit or loss for the period, except for equity instruments which are reclassified to retained earnings.

The Bank uses the fair value hierarchy, with three levels for the valuation of financial instruments, which reflects the level of judgment, the observability of the data used, and the importance of the parameters applied in determining the fair value of the instrument, in accordance with IFRS 13 – Fair value measurement (Note 38).

Accordingly, the fair value of financial instruments traded on active markets is based on the closing price on the balance sheet date. If an active market price is not available, the fair value of the instrument is estimated based on valuation techniques, which include price valuation models or discounted cash flow techniques. When discounted cash flow techniques are used, future cash flows are estimated based on management expectations and the discount rate used corresponds to the market rate for financial instruments with similar characteristics. In price valuation models, the data used corresponds to market price information.

Interest is calculated using the effective interest rate method and recorded in the income statement under Interest and similar income.

Income from variable-income securities is recognised in the income statement under Income from equity instruments at the date these are allocated. According to this criteria, prepaid dividends are recorded as income for the period in which its distribution is approved.

Financial assets at fair value through profit or loss

All financial assets that are not measured in accordance with the methods described above are measured at fair value through profit or loss. In addition, at initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or fair value through other comprehensive income as fair value through profit or loss if the classification eliminates a significant accounting mismatch that would otherwise exist (Fair Value Option).

Debt instruments whose contractual cash flow characteristics do not comply with the SPPI criteria, and that would otherwise be measured at amortised cost or at fair value through other comprehensive income, are mandatorily measured at fair value through profit or loss.

Financial assets at fair value through profit or loss and other financial assets that must be measured at fair value through profit or loss are initially recognised at fair value. Gains and losses arising from the subsequent changes in fair value are recognised in the income statement.

The Bank uses the fair value hierarchy, with three levels for the valuation of financial instruments, which reflects the level of judgment, the observability of the data used, and the importance of the parameters applied in determining the fair value of the instrument, in accordance with IFRS 13 – Fair value measurement (Note 38).

Accordingly, the fair value of financial instruments traded on active markets is based on the closing price on the balance sheet date. If an active market price is not available, the fair value of the instrument is estimated based on valuation techniques, which include price valuation models or discounted cash flow techniques. When discounted cash flow techniques are used, future cash flows are estimated based on management expectations and the discount rate used corresponds to the market rate for financial instruments with similar characteristics. In price valuation models, the data used corresponds to market price information.

Gains and losses generated by the subsequent valuation are recorded in the income statement, under Gains/(losses) arising from financial assets and liabilities measured at fair value through profit or loss.

Interest is reflected under the caption Interest and similar income.

Shares

The Bank classifies under Financial assets at fair value through profit or loss the shares held in collective investment undertakings (Investment Funds) managed by management companies of collective investment undertakings (Management Company) certified by the Capital Market Commission (CMC) of Angola, when applicable.

i. Classification and measurement

When an entity prepares separate financial statements, it shall account for investments in subsidiaries, joint ventures and associates either:

a) At cost;

b) At fair value, in accordance with IFRS 9, where applicable; or

c) Using the equity method as described in IAS 28 – Investments in associates and joint ventures.

The Bank has chosen the second option and has applied the same accounting method consistently to all investments in the same category.

On acquisition, the Bank records these assets at their purchase price, determined by the Management Company, based on accepted financial techniques for determining the fair value of the assets in portfolio, in accordance with the type of investment fund.

ii. Subsequent measurement

The Bank determines the fair value of the shares by multiplying the number of shares held in each Fund by the share price/quotation and the closing price/quotation is updated and made available on a daily and monthly basis by the Management Company.

In order to assess and validate fair value, the Bank uses valuation techniques that consider the specificity and type of each Investment Fund (Property, Real Estate, Venture Capital or other), namely:

- Analysis of the accounting policies and valuation models (determining the fair value) of the investment portfolios held by these investment funds;
- Analysis of the opinions issued by independent auditors on the financial statements of investment funds, checking relevant matters with a potential impact on the price of shares, and
- Analysis of the suitability of the criteria and methodologies used by the Management Company to value the investment portfolio in accordance with the market's regulatory requirements.

The gains and losses arising from changes in the market value or fair value of shares are recorded in the income statement under Net gains/(losses) arising from financial assets and liabilities at fair value through profit or loss (Note 24).

Other credit risk assets

The impairment of assets that relate to advances, promissory contracts of purchase and sale and other amounts due is determined based on a similar methodology to that used for the heading “Financial assets at amortised cost – Loans and advances to Customers”. The impairment established for these assets is determined by the credit risk of the counterparty resulting from its financial capacity, the exposure at risk and the contractual features binding the balances, including the term on which they are expected to be received and the applicability of interest rate during the collection period.

When the same borrower has balances simultaneously under loan agreements and under this type of asset, impairment is calculated considering the total exposure, both on an individual or collective basis.

Notwithstanding the discount applicable to those assets through calculation of the current contract value, the balances related to real estate promissory contracts follow a specific impairment calculation methodology based on the following elements:

- Contract seniority;
- Date of the last payment; and
- Percentage of the contract value paid,

Resulting in a maximum 25% impairment rate on the contract value after discounting the adjustment of the present value and the valuation value of the real estate asset underlying the contract after haircuts (the haircuts defined for non-current assets held for sale, in Directive 13/DSB/DRO/2019, are applied).

If the rate resulting from this determination process is lower than the impairment rate determined in the loan agreements (should this exposure be applicable to the borrower) the impairment rate of the loan is applied.

Amounts receivable from promissory contracts of purchase and sale (CPCV)

i. Recognition of amounts receivable from promissory contracts of purchase and sale

For the recognition of real estate CPCV, the Bank has defined and consistently applies an accounting policy in line with the relevant regulatory and legal framework, based on the following principles:

- CPCV comply with the requirements for recognition of contracts with borrowers; and
- The transfer of control of the property to the promissory purchaser is fulfiled upon completion of the CPCV, which establishes the immediate taking of ownership of the asset by the promissory purchaser, transferring to him/her all the risks and rewards inherent to the asset.

Accordingly, the property is derecognised for recognition of the related contract with the borrower – account receivable – and corresponding capital gains resulting from the sale of the property, when applicable (Note 27).

The capital gains are calculated as the difference between the historical cost and the sale value agreed upon the conclusion of the CPCV.

Considering the principles established by the accounting policy, the Bank only recognises the value of the contract after the requirements previously mentioned have been fulfiled, therefore recording the gains in accordance with IFRS 15 – Revenue from contracts with Customers (IFRS 15).

ii. Impairment losses on CPCV

In accordance with the real estate assets profitability policy approved by the Group, it is not expected that in the moment subsequent to a CPCV cancellation event the underlying asset would remain on the Group's balance sheet as a non-current asset held for sale. However, the policy conservatively assumes that this will occur for the purposes of defining the applicable haircut, using that defined by BNA Nacional de Angola to determine what would be a maximum loss associated with a failure to perform the contract in accordance with its terms.

Sale transactions with repurchase agreement

Securities sold under repurchase agreements are held in the portfolio where they were originally recorded. The funds received are recorded as liabilities. The difference between the contracted repurchase value and the respective initial sale value is recognised on a straight-line basis in profit or loss over the life of the operation.

Impairment losses

IFRS 9 determines that the concept of impairment based on expected losses is applied to all financial assets other than financial assets measured at fair value through profit or loss and equity instruments measured at fair value through other comprehensive income. Thus, when determining the ECL, macroeconomic factors are considered, whose changes impact the expected losses.

The Bank applies the concept of expected credit losses of IFRS 9 to financial assets at amortised cost, debt instruments measured at fair value through other comprehensive income, off-balance sheet exposures, Financial leases, other account receivables, financial guarantees and loan commitments not recorded at fair value.

There are two methods for calculating impairment losses:

i) Individual analysis; and
ii) Collective analysis.

OThe Bank measures the expected loss on an individual or collective basis for portfolios of financial instruments that share similar risk characteristics. The measurement of impairment losses is based on the present value of the expected cash flows of the asset using the asset's original effective interest rate, whether measured individually or collectively.

The objective of individual analysis is to ensure a more careful analysis of the status of Customers with exposures considered individually significant in the Bank. The materiality of the exposures is determined by reference to qualitative and quantitative criteria reflecting the size, complexity and risk associated with the portfolio.

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

The analysis of each Customer/economic group, as well as the existence of impairment losses, should consider, among others, the following factors:

- Contractual aspects, by assessing potential non-compliance with contractual terms, or the existence of loans restructured due to Customers' financial difficulties;

- Financial aspects, by assessing the potential reduction in gross revenues, or net income;

- The evaluation of guarantees received, including their nature, effective formalisation, valuation and degree of coverage; and

- Other aspects, by assessing potential instability in the management/shareholder structure, or the existence of insolvency proceedings.

In order to identify individually significant exposures, the Bank defined the amount of the institution's own funds as the benchmark for the identification of significant exposures. The criteria defined by the Bank for identifying individually significant Customers or economic groups comply with the following assumptions:

- Customers/economic groups for which there is evidence of a significant increase in credit risk or objective evidence of impairment: 0.5% of the amount of the institution's own funds; and

- Customers/economic groups, for which there is no evidence of a significant increase in credit risk or objective evidence of impairment: 2% of the amount of the institution's own funds.

The materiality criteria adopted by the Bank ensure that portfolio coverage by individual analysis is above 84% of the value of credit exposure recorded in the Bank's assets, for a group of approximately 68 different Customers.

The adoption of the materiality criteria recommended in BNA Instruction 08/2019, of 27 August, on Impairment losses for the loan portfolio (Instruction 08/2019), would define the need for individual analysis for an additional set of approximately 71 Customers obtaining an increase in coverage of less than 10.6 p.p. ATLANTICO considered that the operational effort involved in the analysis of these Customers is disproportionate to the estimated additional impact on the quality of the impairment calculation process and the calculated impairment amount.

The global exposure amount of each Customer/economic group does not consider the application of translation factors for off-balance sheet exposures.

For the remaining segments of the loan portfolio, and for the individually significant exposures that do not show signs of impairment, the Bank carries out a collective analysis to determine impairment losses.

The ECL determination to be applied depends on the allocation of the contract to one of three stages. At the time of initial recognition, each contract is allocated to Stage 1 (except for Purchased or originated credit-impaired contracts: Purchased or Originated Credit-Impaired – POCI).

For each of the subsequent reporting dates, it is necessary to perform an analysis of the variation in the default risk from that date to the expected maturity of the contract.

The expected loss for credit risk is an estimate weighted by the probability of the present value of the credit losses. This estimate results from the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of several future macroeconomic scenarios discounted at the interest rate of the financial instruments.

Instruments subject to impairment calculation are divided into three stages considering their credit risk level, as follows:

- **Stage 1:** instruments for which there is no significant increase in credit risk since its initial recognition. In this case, impairment losses will correspond to expected credit losses resulting from default events that may occur within 12 months after the reporting date;

- **Stage 2:** instruments for which there is a significant increase in credit risk since its initial recognition, however no objective evidence of impairment exists. In this case, the amount of impairment will reflect expected credit losses over the expected residual life of the instrument; and

- **Stage 3:** instruments for which there is objective evidence of impairment losses as a result of events that resulted in losses. In this case, the amount of impairment will reflect expected credit losses over the expected residual life of the instrument.

With the exception of purchased or originated with credit-impaired financial assets (POCI), impairment losses must be estimated in accordance with the following criteria and by an amount equal to:

- Expected loss on a 12-month credit risk, i.e. estimated total loss resulting from events of default of the financial instrument that may occur within 12 months after the reporting date (referred to as Stage 1); or

- Expected loss for credit risk to maturity, i.e., expected loss that is obtained through the difference between the contractual cash flows and the cash flows the entity expects to receive by the maturity of the contract, resulting from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3). A provision for an expected credit loss to maturity is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition or if the financial instrument is impaired.

IFRS 9 does not define a concept of default. However, the Bank has chosen to update its internal default definition by introducing a set of criteria to reflect a more forward-looking model for the recognition of expected losses on financial assets. For an operation to be classified in default, it is only necessary that one of the criteria is met. A given transaction/Customer will cease to be flagged as default if it no longer meets the relevant entry criteria and upon completion of the relevant quarantine period, which varies in accordance with the criteria for flagging the transaction as being at risk of default:

- Transactions overdue for more than 90 days – 12 months (if the materiality criterion is not checked, there is no quarantine period);

- Transactions restructured due to financial difficulties that do not fall within Stage 3 criteria – 24 months (if the transaction has not been delayed by more than 30 days and, the capital exposure after 24 months from the origination date is less than 80% of the initial exposure; otherwise, a further 24-month quarantine is applied); and

- Principal and/or interest written off from assets – 12 months.

Impairment requirements of IFRS 9 are complex and require Management decisions, estimates and assumptions, particularly in the following areas

- Assessment of whether there has been a significant increase in credit risk since initial recognition; and

- Incorporation of forward-looking information in the ECL calculation.

ECL Calculation

ECL is weighted estimates of credit losses that will be determined as follows:

- Financial assets with no signs of impairment at the reporting date: the present value of the difference of all cash shortfalls (i.e., the difference between the cash flows due to the Bank under the contract and the cash flows the Bank expects to receive);

- Financial assets with impairment signs at the reporting date: the difference between the gross book value and the present value of the estimated cash flows; and

- Guarantees provided and not drawn loan commitments: the present value of the difference between the resulting contractual cash flows that are due to the Bank if the commitment is fulfilled and the cash flows that the Bank expects to receive.

The concept supporting the Bank's approach for the determination of impairment losses on loans subject to collective analysis is the definition of homogeneous segments that consider the quality of its assets and the characteristics of credit/Customer risk. The Bank's impairment model considers firstly, non-significant Customers or individually significant Customers classified in Stage 1 (after individual analysis), which are included in homogeneous segments with similar credit risk, considering the Bank's management model, and subject to the determination of impairment on a collective basis.

For the purpose of determining impairment losses for loans assessed on a collective basis, as mentioned above, and in accordance with the regulatory requirements set out in paragraph 11 of Instruction No. 08/2019, exposures must be grouped by homogeneous groups considering the quality of their assets/credit risk characteristics. The Bank's impairment model divides corporate Customers by sector of economic activity and private Customers by credit product.

Accordingly, the Bank ensures that for the purposes of analysing these exposures and determining the risk parameters (PD and LGD), these have similar risk characteristics. Each segment is set up based on assumptions of statistical materiality (in order to estimate its risk profile) and relevance or adequacy to the various processes related to the Bank's credit risk management.

Based on the segmentation defined, the risk parameters that enable the expected loss to be quantified were determined, namely, the probability of the transaction/Customer going into default (PD) and the estimated losses for that transaction/Customer after default (LGD).

In accordance with IFRS 9, the Bank has developed ECL lifetime for financial assets as the present value of the difference between (1) the cash flows to which the entity is entitled under the agreement, and (2) the cash flows that the entity expects to receive. For assets that are not in default, the same principle applies.

The Bank defined the 12-month ECL as the portion of ECL lifetime that represents the expected credit losses that result from default events that may occur within 12 months after the reporting date. Accordingly, this principle applies to assets that are not in default.

The current methodology in the Bank defines that, for assets in default, the lifetime ECL is obtained through the loss value given the default, depending on the elapsed time since the asset entered in default.

With regard to the balances recorded under Cash and deposits at central banks (Note 4), Loans and advances to credit institutions repayable on demand (Note 5), Financial assets at amortised cost – Debt securities (Note 8) and Financial assets at amortised cost – Other loans and advances to central banks and credit institutions (Note 10), an analysis of expected losses is made in accordance with the following assumptions:

- For the balances recorded under Cash and deposits at central banks (Note 4) the Loss Given Default (LGD) is considered to be null since there are no risks of recovery, and no impairment is estimated, in accordance with Directive 13/DSB/DRO/2019, of 27 December 2019, of the BNA – Guidelines on the Recommendations for Implementation of the Asset Quality Review (AQA) Methodologies for the 2019 financial year;

- For the balances recorded under Loans and advances to credit institutions repayable on demand (Note 5), the entity's rating is verified, or, if not available, the rating of the country where it is headquartered. In accordance with Directive 13/DSB/DRO/2019, a Probability of Default (PD) equivalent to 1/12 (one twelfth) of the twelve-month PD is considered considering the counterparty's rating (or the country where the counterparty is headquartered if it has no rating) and an LGD of 60% for all counterparties that have not significantly increased their credit risk;

- For the balances recorded under Financial assets at amortised cost – Debt securities (Note 8) relating to Angolan public debt securities in national and foreign currency, the PD for sovereign debt of the rating associated with the Angolan State obtained through the latest available study carried out by Moody's "Sovereign default and recovery rates" and the LGD associated with the sovereign default events occurred, indicated in the same study, in accordance with Directive 13/DSB/DRO/2019, is considered; and

- For the balances recorded under Financial assets at amortised cost – Other loans and advances to central Groups and credit institutions (Note 10), the entity's rating is verified, or, if not available, the rating of the country where it is headquartered. In accordance with Directive 13/DSB/DRO/2019, a 12-month PD is considered considering the counterparty's rating (or the country where the counterparty is headquartered if it has no rating) and an LGD of 60% for all counterparties that have not significantly increased their credit risk.

In addition, and notwithstanding the above, a 0% LGD is considered for the investments made with the BNA, as these are considered to have no credit risk, in accordance with Directive 13/DSB/DRO/2019.

Notwithstanding the requirements established in Directive 13/DSB/DRO/2019 regarding the use of PDs by rating contained in the Moody's publication, the Bank considers for securities with a maturity of less than 12 months the PD associated with the residual maturity of the security, calculated using a linear month-to-month interpolation resulting in monthly PDs. On the other hand, a minimum PD of 0.03% was set for these assets, based on a conservative approach.

Significant increase in credit risk

The stage 2 rating is based on the observation of a significant increase in the credit risk level.

The Bank's impairment model provides for a significant increase in the level of credit risk for sovereign risks, supranational entities and financial institutions with ratings assigned by international agencies, and it occurs when the following triggers are met:

- When a downgrade of more than two notches is observed in at least two rating agencies in the period elapsed since the origination date of the asset; or

- When there is a default of credit obligations by that counterparty in a period longer than 30 days (activation of the internal rating scale, T1).

Once the significant increase in risk has been determined, the minimum monitoring period is 12 months, irrespective of any rating upgrade during that period, and the impairment rate cannot be reduced during that period.

The remaining borrowers, although classified with internal ratings, are not yet considered to have sufficient maturity and amplitude of application of the internal rating models to consider that variable (defined as T1) in determining the significant increase in credit risk, and therefore the objective criteria established for the attribution of stage are applied.

The rating and scoring model defined by the Bank objectively describes the input, materiality and contamination criteria for a given exposure to be classified as having a significant increase in credit risk from the time of its initial recognition, as well as the monitoring period.

Inputs in ECL measurement

The main inputs used to measure ECLs on a collective basis should include the following variables:

- Probability of Default (PD);

- Loss Given Default (LGD);

- Exposure at Default (EAD);

- Discount rate of cash flows corresponding to the effective interest rate of the contract (Discount Rate — DR); and

- These parameters will be achieved through internal statistical models and other relevant historical data, tailored to reflect forward-looking information.

PDs will be estimated based on a certain historical period and will be calculated based on statistical models. These models will be based on internal data comprising both quantitative and qualitative factors. If there is a change in the risk of the counterparty or exposure, the estimate of the associated PD will also change.

The risk levels will be a highly relevant input for determining PDs associated with each exposure. The Bank will collect performance and default indicators on its credit risk exposures with analysis by types of Customers and products.

LGD is the extent of the loss that is expected to occur if the exposure goes into default. The Bank estimates LGD parameters based on the historical recovery rates after counterparty defaults. LGD models consider the associated collaterals and the default time.

EAD represents the expected exposure if the exposure and/or the Customer enter into default. The Bank will obtain EAD amounts from the counterparty's current exposure and potential changes to the current allowable amount under contractual conditions, including amortisations and prepayments. For commitments and financial guarantees, the EAD amount considers the credit conversion factor (CCF), which measures the proportion of the off-balance sheet exposure that is converted into equity exposure until the effective date, that is, the prospective potential amount that may be used in accordance with the agreement.

The discount rate to use according to the standard would be the effective interest rate of the contract.

As described above, except for financial assets that consider a 12-month PD once they do not present a significant increase in credit risk, the Bank will calculate the ECL amount considering the risk of default during the maximum contractual period of the contract or, in some specific situations, based on behavioural maturity.

The analysis is updated on a monthly basis. Impairment losses identified are recorded against the income statement. If, in future periods, there is a reduction of the estimated loss, the impairment initially recorded is also reversed against the income statement.

Forward-looking information

According to this new model recommended by IFRS 9, the measurement of expected losses will also require the provision of forward-looking information, including trends and future scenarios, including macroeconomic data. In this context, estimates of expected credit impairment losses will include several macroeconomic scenarios whose probability will be assessed considering past events, the current status and future macroeconomic trends. In addition, IFRS 9 also proposes the identification of alternative scenarios for impairment calculation.

Under IFRS 9, the Bank conducted several correlation tests to incorporate forward-looking information both in its assessment of the significant risk increase and in the measurement of ECL.

A detailed analysis of available macroeconomic data was conducted to determine statistically significant relationships between them and portfolio default rates. Based on this analysis, prospective scenarios were assumed that include, besides the central scenario, best-case and worst-case scenarios. This analysis and consequent incorporation into the impairment model are carried out regularly by the Bank, including identification and testing of other macroeconomic data.

In this context, the Bank used a linear regression model to capture the impact of macroeconomic factors with a significant influence on the probability of default. This model considered three different scenarios: (i) an economic development best-case scenario; (ii) an economic growth best-case scenario; and (iii) a worst-case scenario that included an increase in inflation rates.

Back-testing

Considering the complexity involved in calculating the risk parameters and determining the estimated impairment loss, in order to ensure the robustness of these elements, the Bank has defined a back-testing process with the aim of ensuring consistency between the estimated parameters (resulting from the calculation process based on historical information) and the observed parameters.

This back-testing process must be carried out at least on an annual basis, in line with the regulatory requirements set out in Instruction 08/2019.

The back-testing defined aims to assess the performance of the different risk factors, namely the base parameters and the calculation assumptions. The proposed methodology consists of the following assumptions:

- Analysis of a sample of transactions comprising the portfolio analysed collectively, on a given reference date;
- The development of the selected sample is monitored for a period of 12 months; and
- Subsequently, the evidence resulting from this development is compared with the assumptions used in the model for calculating impairment losses, namely with regard to risk factors.

The PD back-testing methodology aims to assess the difference between the observed PD and the estimated PD (resulting from the calculation process). As the parameter to be applied in the impairment calculation process was estimated based on historical data it is fundamental to ensure that the difference between them is not significant, therefore the observed PD is calculated for each time period and based on the estimated PD.

The LGD back-testing methodology aims to assess the difference between the recovery value observed in the last 12 months and the estimated LGD (resulting from the calculation process which used the Chain Ladder algorithm). This comparison is made on an aggregate basis and confidence intervals are used for each estimated value.

With respect to the validation of the model/action plan, it may be required, depending on the back-testing results, to carry out corrective measures such as model redevelopment or calibration.

The Bank has set the frequency for monitoring the model and ensuring the improvement and implementation of corrective measures for the inconsistencies that are identified in the validation process.

Financial liabilities

Financial liabilities are mainly composed of deposits from central banks, other credit institutions and Customers' deposits. These liabilities are initially measured at fair value, which normally refers to the consideration received, net of transaction costs, and are subsequently stated at amortised cost, in accordance with the effective interest rate method on a straight-line basis.

Changes in the fair value of financial liabilities arising from changes in the entity's own credit risk are recognised in equity unless this accounting treatment results in an accounting mismatch. Subsequent reclassifications of these changes to profit or loss are not permitted, including on the repurchase of these liabilities.

2.6. Equity instruments

A financial instrument is classified as an equity instrument when there is no contractual obligation at settlement to deliver cash or another financial asset to another entity, regardless of its legal form, showing a residual interest in the assets of an entity after deducting all its liabilities.

Transaction costs directly attributable to equity instruments issuance are recognised in equity as a deduction to the amount issued. Amounts paid or received related to sales or acquisitions of equity instruments are recognised in equity, net of transaction costs.

Income from equity instruments (dividends) are recognised when the right to receive this income is established and is deducted to equity.

2.7. Property, plant and equipment

Recognition and measurement

Property, plant and equipment are recorded at acquisition cost less accumulated depreciation and impairment losses, except for own-service properties, for which the revaluation model will apply from 2023 onwards.

The revaluation amount is based on market values determined through appraisals carried out by independent experts.

Increases in book value as a result of revaluations are charged to property, plant and equipment. Decreases that can be offset by previous revaluations of the same asset are transferred to the respective revaluation reserve, while the remaining are recognised in the income statement.

Revaluations are performed with the frequency necessary to ensure that the carrying amount does not differ materially from that which would be determined using the fair value at the balance sheet date.

The revaluation reserve included in equity is transferred directly to retained earnings when the asset is derecognised.

Subsequent costs

Subsequent costs are recognised as a separate asset only when it is likely that future economic benefits will result for the Bank. All other repairs and maintenance expenses are recognised as costs as they are incurred following the accrual principle.

Depreciation

Land is not depreciated. Depreciation is calculated on a straight-line basis, over the following periods which correspond to their estimated useful life:

	Number of years
Own use properties (Buildings)	25 to 50
Equipment	
Furniture and material	8 to 10
Machinery and tools	4 to 10
IT equipment	3 to 6
Indoor facilities	4 to 10
Transport equipment	3 to 4
Security equipment	6 to 15

Whenever there is an indication that an asset may be impaired, IAS 36 – Impairment of Assets (IAS 36) requires that its recoverable amount is estimated, and an impairment loss shall be recognised when the net book value of the asset exceeds its recoverable amount. Impairment losses are recognised in the income statement.

The recoverable amount is determined as the highest between the fair value less costs to sell and its value in use calculated based on the present value of future cash flows estimated to be obtained from the continued use of the asset and its sale at the end of the useful life.

As mentioned in Note 2.11, this caption includes right-of-use assets arising from lease agreements.

2.8. Intangible assets

Recognition and measurement

Intangible assets are recorded at acquisition cost less accumulated depreciation and impairment losses.

The amount resulting from monetary revaluation must be reflected monthly as a credit to a profit or loss account, against the gross value and accumulated amortisation items of property, plant and equipment.

Software

The costs incurred with the acquisition of software from third parties are capitalised as well as the additional expenses incurred by the Bank necessary for their implementation. These costs are amortised on a straight-line basis over the estimated useful life, which normally corresponds to five years.

Research and development expenditure

Costs directly related to the development of computer applications, whose use can be expected to generate future economic benefits extending beyond one year, are recognised and recorded as intangible assets.

All other charges related to IT services are recognised as costs when incurred.

2.9. Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted in the Bank's financial statements at their historical cost, less any impairment losses.

In the specific case of the shares held by the Bank, the Bank has chosen to classify and measure them at fair value, in accordance with IFRS 9, using one of the options under IAS 27 (Note 2.5).

Subsidiaries are entities (including investment funds) controlled by the Bank. The Bank controls an entity when it is exposed, or has rights, to the variability in return resulting from its involvement with that entity and might set hold of them through the power it holds over its relevant activities (de facto control).

Associates are entities over which the Bank has significant influence but not control over their financial and operating policies. It is assumed that the Bank has significant influence when it holds 20% or more of the voting rights of the investee. If the Bank holds, directly or indirectly, less than 20% of the voting rights of the investee, it is presumed that the Bank does not have significant influence, unless such influence can be clearly demonstrated.

The existence of significant influence by the Bank is normally demonstrated in one or more of the following ways:

- Representation on the Board of Directors or equivalent governing body;
- Participation in policy-making processes, including participation in decisions about dividends or other distributions;
- Material transactions between the Bank and the investee;
- Interchange of the management team; and
- Provision of essential technical information.

Dividends are recorded as income in the period in which the decision to distribute them among subsidiaries and associates is taken.

Impairment losses

The recoverable amount of investments in subsidiaries and associates is reviewed whenever there is evidence of impairment. Impairment losses are determined based on the difference between the recoverable value of investments in subsidiaries or associates and their book value. Impairment losses identified are recorded in the income statement being subsequently reversed, if there is a reduction of the estimated impairment loss, in a subsequent period. The recoverable amount is determined as the highest between the value in use of the assets and the fair value less selling costs, and is calculated using valuation methodologies, supported by discounted cash flow techniques, considering market conditions, time value of money and business risks.

2.10. Non-current assets held for sale and discontinued operations

Non-current assets, groups of non-current assets held for sale (groups of assets together and related liabilities that include at least a non-current asset) and discontinued operations are classified as held for sale when there is an intention to sell the referred assets and liabilities and when the referred assets are available for immediate sale and its sale is highly probable.

The Bank also classifies as non-current assets held for sale those non-current assets or groups of assets acquired exclusively with a view to its subsequent disposal, which are available for immediate sale and its sale is highly probable.

Immediately before classification as non-current assets held for sale, measurement is performed in accordance with the applicable IAS/IFRS. After their reclassification, these assets or disposal groups are measured at the lower of their cost and fair value less costs to sell.

The Bank also classifies as non-current assets held for sale, the investments held for credit recovery, which are initially measured at the lower of their fair value net of selling costs and the book value of the loan at the date when the recovery occurs, or the judicial decision is formalised.

Assets recorded under this caption are not depreciated. The fair value of these assets is determined based on periodic valuations performed by independent valuers. Additionally, and in accordance with Directive 13/DSB/DRO/2019, this valuation is adjusted based on specific discount rates according to the seniority of the valuation. Whenever the value resulting from these valuations (net of costs to sell) is lower than the book value, impairment losses are recorded under Provisions and impairment for other assets.

The valuations of this real estate are carried out according to one of the following approaches, applied according to the specific situation of the property:

i. Market Approach
The market method has as reference transaction values of similar and comparable real estate properties to the one studied through market research conducted in the area.

ii. Income Approach
The purpose of this method is to estimate the value of the property from the capitalisation of its net income, updated to the present moment, using the discounted cash flow method.

iii. Cost Approach
The cost approach is intended to reflect the amount that would be currently required to replace the asset under current conditions, decomposing the value of the property into its fundamental components.

The valuations carried out are conducted by independent valuers registered with CMC. The valuation reports are analysed internally, to assess the adequacy of assumptions, comparing the historical sales values with the revalued values of the properties, in order to keep updated the parameters and valuation processes to the market evolution.

In addition, as these are assets whose fair value level in the IFRS 13 hierarchy corresponds mainly to level 3, given the subjectivity of some assumptions used in the valuations and the fact that there are external indications with alternative values, the Bank carries out internal analyses on the assumptions used, which may imply additional adjustments to their fair value.

Given that circumstances considered unlikely and beyond the Bank's control may occur, the sale of these assets may not be completed until one year after the date of classification. In such circumstances, the Bank remains committed to the plan to dispose of the assets by making efforts, inter alia, such as the engagement of an expert and intermediary agent, active advertising, review of the sale price according to the context so that it is reasonable compared to its current fair value.

When the legal term of 12 months has elapsed without the assets being sold (extendable with the authorisation of the BNA), a new valuation is carried out, aimed at determining the updated market value, with a view to the possible establishment of the corresponding impairment.

2.11. Leases

In accordance with IFRS 16:

- As lessee, the standard defines a single accounting model, with the recognition of right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligations to make lease payments; and
- As lessor, the accounting depends on the financial or operational classification.

Lease definition

The Bank evaluates whether an agreement is or contains a lease on the basis of the lease definition. In accordance with IFRS 16, an agreement is, or contains, a lease if it transfers the right to use an identified asset (the underlying asset) for a specified period of time in return for consideration.

On the commencement date or at the revaluation of an agreement containing a leasing component, the Bank allocates the consideration in the agreement for each leasing component and not the leasing based on its individual relative price. However, for leases in which the entity is a lessee, it has been decided not to separate the non-lease components and to account for the lease and non-lease components as a single lease component.

As lessee

From the lessee's point of view, the Bank leases several real estate properties used for the Bank's branches and central services.

The Bank recognises a right-of-use asset and a lease liability at the inception of the lease.

However, the Bank applies the exemption from recognition provided for in IFRS 16 – Leases, and does not recognise assets under right of use and lease liabilities for short-term leases (lease term equal to or less than 12 months) and leases of low-value assets. The Bank recognises lease payments associated with these leases as expenses on a straight-line basis over the lease term under “Supplies and Services” in the Income Statement.

The Bank records right-of-use assets under Property, plant and equipment, that is, in the same caption as the underlying assets of the same nature that are its property.

The Bank records lease liabilities under Other liabilities in the balance sheet.

Right-of-use assets

Right-of-use assets are initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for any re-measurements of lease liabilities. Right-of-use assets are depreciated from the commencement date to the end of the useful life of the underlying asset, or to the end of the lease term if shorter.

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term, discounted at the implicit rate of the lease or, if the rate cannot be readily determined, at the Bank's incremental financing rate. The Bank generally uses its incremental financing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the expected amount to be paid under a residual value guarantee, or, if appropriate, changes in the assessment of whether a call or renewal option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Judgment in determining the term of the lease

The Bank has applied judgment to determine the lease term of some agreements in which it is the lessee, which include renewal and termination options. The Bank determines the lease term as the non-cancellable period during which it has the right to use an underlying asset together with the periods covered by an option to renew the lease if there is reasonable certainty of exercising that option and the periods covered by a termination option if there is reasonable certainty of not exercising that option. The assessment of whether the Bank will exercise such options will have an impact on the lease term, which will significantly affect the amount of lease liabilities and right-of-use assets recognised.

As lessor

When the Bank acts as lessor, at the beginning of the lease it determines whether it should be classified as an operating lease or a Financial lease.

In order to classify each lease, the Bank makes an overall assessment of whether the lease transfers substantially all the risks and rewards inherent to ownership of the underlying asset. If the lease transfers substantially all the risks and rewards inherent to ownership of the underlying asset, it is classified as a Financial lease, otherwise as an operating lease. As part of this assessment, the Bank considers some indicators such as whether the lease is held for most of the economic life of the asset.

Financial leases

Lease agreements are recorded on the balance sheet as loans granted for the equivalent of the net investment made in the leased assets, together with any estimated unsecured residual value. Interest included in rents charged to Customers is recorded as income while capital amortisation, also included in rents, is deducted from the value of the loans and advances to Customers. Recognition of interest reflects a constant periodical return rate over the remaining net investment of the lessor.

If an agreement contains both lease and non-lease components, the Bank applies IFRS 15 to allocate the contractual amounts.

Operating leases

Payments made by the Bank under operating lease agreements are recorded as expenses in the periods to which they relate when applicable.

2.12. Taxes

Income taxes

Income tax recognised in profit or loss comprises current and deferred tax effects. Income tax is recognised in the income statement, except when related to items that are moved in equity, a fact that requires its recognition in that caption. Deferred taxes recognised in equity arising from the revaluation of financial assets available at fair value through other comprehensive income, Other property, plant and equipment and cash flow hedging derivatives are subsequently recognised in profit or loss in the moment the results were originated.

Current tax

Current tax is the expected tax payable on the taxable profit for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Following the publication of Law 19/14 of 22 October, which came into force on 1 January 2015, recently amended by Law 26/20 of 20 July, the Industrial Tax is subject to provisional assessment in a single instalment to be carried out in August, calculated by applying a rate of 2% on the amount resulting from financial intermediation, calculated in the first six months of the previous fiscal year, excluding income subject to Capital Gains Tax, unless a loss was established in the previous year.

According to the legislation in force, industrial and other tax returns may be subject to revision and correction by the tax authorities within five years following the year to which they relate.

Law 26/20 of 20 July has increased the rate of Industrial Tax for activities in the banking sector from 30% to 35%. Moreover, this Law establishes rules with relevant impacts on the determination of taxable profit, such as:

- Costs/income with potential exchange rate changes – In view of the new wording of Articles 13(c) and 14(c) of the Corporate Income Tax Code, as amended by Law 26/20 of 20 July, only realised favourable and unfavourable exchange rate changes are considered as income and costs for tax purposes. In view of the above, the Bank must exclude from the net profit for the period the amounts of potential favourable and unfavourable exchange rate changes recorded in the year;

- Costs with impairment losses on collateralised loans – In view of the new wording of Article 45 of the Industrial Tax Code, as amended by Law 26/20 of 20 July, the provisions set up for collateralised loans are not accepted, except for the part not covered; and

- Costs with Property Tax – According to the new wording of Article 18(a) of the Corporate Tax Code, as amended by Law 26/20 of 20 July, Property Tax is not accepted as a cost deductible from taxable profit.

The assumptions for applying the above rules for the purpose of determining taxable profit are described in Note 3.3.

Deferred tax

Deferred tax assets and liabilities are the amounts of income taxes recoverable or payable in future periods as a result of deductible or taxable temporary differences between the value of assets and liabilities in the balance sheet and their tax base, using the tax rates approved or substantially approved on the balance sheet date and which are expected to be applied when the temporary differences are reversed (IAS 12).

Deferred tax liabilities are recognised for all taxable temporary differences except for goodwill, not deductible for tax purposes, differences arising on initial recognition of assets and liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that probably they will not reverse in the foreseeable future.

Deferred taxes assets are recognised to the extent when it is probable that future taxable profits will be available to absorb deductible temporary differences for taxation purposes (including reportable taxable losses).

The Bank proceeds, as established in IAS 12 – Income Tax (IAS 12), paragraph 74, to offset deferred tax assets and liabilities whenever (i) it has a legally enforceable right to offset current tax assets and current tax liabilities and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same tax authority on the same taxable entity or different taxable entities that intend to settle liabilities and current tax assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which the deferred tax liabilities or assets are expected to be settled or recovered.

Capital Gains Tax (IAC – Imposto sobre a Aplicação de Capitais)

Presidential Legislative Decree 2/14 of 20 October, in force since 19 November 2014, reviewed and introduced several legislative changes to the IAC Code, following the Tax Reform project.

IAC is applied generally to income from the Bank's financial investments. The rate varies from 5% (in case of interest, amortisation premiums or reimbursement and other forms of remuneration of government securities, bonds, equity securities or other similar securities issued by any company, which are admitted to trading on a regulated market and with a maturity equal or greater than three years) and 15%. Notwithstanding the above, regarding income from government debt securities, in accordance with the latest understanding of Tax Authorities addressed to ABANC, only those arising 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 communicated to ABANC, the exchange rate revaluations of public debt securities issued in national currency but indexed to foreign currency, issued since 1 January 2012, should be subject to Industrial Tax.

Furthermore, under the terms of Article 18 of the Industrial Tax Code, the CGT itself is not accepted as a deductible expense for the purpose of determining taxable profit. However, income subject to CGT, as provided for in Article 47 of the Industrial Tax Code, will be deducted from taxable profit.

Property tax

Property tax (IP)

On 9 August 2020, the new Property Tax Code (CIP), which is levied on the ownership of own property, rents and real estate transfer, approved by Law 20/20 of 9 July, came into force.

According to the new CIP, three rate brackets are foreseen for urban buildings:

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

Specific rates apply to building land (0.6%) and rural buildings (sum of hectares). Additionally, an increase in Property Tax rates is applicable in the case of unoccupied urban buildings.

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 on leased properties.

SISA and Real Estate Transfer Tax

Pursuant to the CIP, approved by Law 20/20 of 9 July, Property Tax on real estate transfer tax is levied at a rate of 2% on the transfer, whether for valuable consideration or not, of the right of ownership or equivalent rights, namely the usufruct, surface right and easement, including acquisitive prescription (usucapion) on real estate.

Value Added Tax

The Bank, as a taxable person registered with the Tax Office of Large Taxpayers, is covered by the general VAT system since the entry into force of this tax on 1 October 2019.

As a taxpayer registered at the Tax Office of Large Taxpayers, the Bank, since the entry into force of VAT, has been included in the General VAT System, and is required to comply with all the rules and reporting obligations laid down in this context.

Under the terms of the VAT Code approved by Law 7/19 of 24 April and the amendments introduced by Law 17/19 of 13 August, they are subject to this tax: (i) the transfer of goods and services carried out within national territory, for consideration, by a taxable person acting as such; and (ii) the import of goods. VAT revoked and replaced the Consumption Tax which until then had been in force in the legal system.

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

Considering that the Bank is a taxable person that carries out transactions which grant the right to deduct (i.e., transactions subject to VAT) and transactions which do not grant the right to deduct (i.e., transactions which are exempt from this tax under the aforementioned terms), the VAT incurred by the Bank on its purchases of goods and services is only partially deductible using the pro rata method. In the meantime, AGT, through Instruction 000003/DNP/DSIVA/AGT/2020 of 10 February, authorised the recovery of VAT through the actual allocation method in certain transactions carried out by financial institutions (e.g., financial leases).

According to the legislation in force, periodic VAT returns may be subject to revision and correction by the tax authorities within five years following the year to which they relate.

Tax replacement

In the course of its business, the Bank acts as a substitute taxpayer, withholding tax from third parties, which is subsequently paid to the State.

Stamp Duty

Stamp Duty is levied, in general, on all acts, contracts, documents, titles, transactions and other facts provided for in the table attached to the Stamp Duty Code, or in special laws, occurring within the national territory.

According to the Stamp Duty Code, approved by Presidential Legislative Decree 3/14 of 21 October, the Bank is responsible for the settlement of Stamp Duty due by its Customers on most banking operations such as financing and collection of interest on financing, and it pays the tax at the rates set out in the Stamp Duty Table.

Industrial Tax

In accordance with the provisions of Article 67(1) of Law 26/20 of 20 July (Law amending the Industrial Tax Code, approved by Law 19/14 of 22 October), services of any nature provided by taxpayers with headquarters, effective management, or a permanent establishment in Angola are subject to taxation, by withholding, at a rate of 6.5%.

In turn, in accordance with the provisions of Article 73(1) of Law 27/22 of 22 August (Law amending Article 73 of the Industrial Tax Code, approved by Law 19/14 of 22 October, with the amendments introduced by Law 26/20, of 20 July), services of any nature provided by taxpayers with headquarters, effective management, or a permanent establishment in Angola, who carry out activities involving the provision of services of any nature, are subject to Industrial Tax, by withholding, at a rate of 6.5%.

Where payments for services rendered to entities resident in Portugal and the United Arab Emirates, Double Taxation Agreements (ADT) may apply and, accordingly, a lower rate of withholding tax may be applicable, provided the required formalities are fulfilled.

2.13. Employee benefits

Defined-contribution plans

For defined contribution plans, the liabilities related to the benefit attributable to the Bank's Employees are recognised as an expense of the period when due. Prepaid contributions are recognised as an asset if a refund or reduction of future payments is available.

Short-term employee benefits

Short-term employee benefits are recorded as a cost once the associated service has been provided. A liability is recognised for the amount expected to be settled if the Bank has a present legal or constructive obligation to pay this amount as a result of a service rendered in the past by the employee and that liability can be estimated reliably.

Holiday allowance

The General Labour Law, Law 7/15, of 15 June, establishes that the amount of holiday allowance payable to Employees in a given year is a right they acquired in the immediately preceding year. As a result, the Bank records the amounts relating to holiday payable in the following year at the end of the year.

Benefits associated with the termination of functions

Benefits associated with the termination of functions are recognised as cost, whichever is earlier, between the time where the Bank can no longer withdraw the offer of these benefits or when the group recognises costs associated with a restructuring. If benefits are not expected to be net benefits within 12 months, these are then discounted.

Pension fund liabilities

Law 07/04 of 15 October, which revoked Law 18/90, of 27 October, which regulates the Angolan Social Security system, foresees the attribution of retirement pensions to all Angolan workers registered at the Social Security. The value of these pensions is calculated based on a table proportional to the number of service years applied to the average monthly gross wages received in the periods immediately preceding the date on which the worker ceases to work. According to Presidential Decree 227/18, of 27 September, the contribution rates for this system are 8% for the employer and 3% for the workers.

By resolution of the Board of Directors, ATLANTICO is making contributions under a defined contribution plan, corresponding to a fixed percentage of 2.5% of the monthly pensionable salary of each employee (1.5% is Financiald by the Bank and 1% voluntarily by the Employees, who may raise their contributions to the maximum limit of 5% on a voluntary basis), in order to ensure Employees hired locally or their families, the entitlement to cash benefits covering old-age, disability or death pension supplements. The old-age retirement pension is awarded to Employees if they are 60 years old and have at least 5 years of continuous service at the Bank. The disability benefit is granted to Employees who have 5 years of continuous service and who have been diagnosed with total and permanent disability equal to 100%. In case of death, Employees may appoint beneficiaries and respective percentages of the reimbursement's distribution.

In December 2017, the Bank set up a Pension Fund, called ATLANTICO Pension Fund, to which the amounts of contributions made to date have been transferred. Since its setting-up, the Fund has been managed by Fortaleza Seguros, S.A.

These contributions are initially kept under the respective provisions' caption and are transferred to the Pension Fund immediately afterwards.

Variable remuneration paid to Employees and directors

The Bank assigns variable remuneration to its Employees and directors as a result of their performance (performance bonus). It is the responsibility of the Board of Directors and the Assessment, Remuneration and Welfare Board of the Governing Bodies to set the relevant allocation criteria for each employee and director, respectively, whenever they are allocated. The variable remuneration paid to Employees and directors is recorded against profit or loss in the period to which they relate, although payable in the following year (Note 28).

2.14. Provisions

Provisions are recognised when (i) the Bank has a present obligation (legal or resulting from past practices or published policies that imply the recognition of certain responsibilities), (ii) it is probable that its payment will be required and (iii) a reliable estimate can be made of the amount of the obligation.

The measurement of provisions for guarantees and other commitments is made in accordance with the impairment model defined by the Bank, as described in Note 2.5.

The measurement of provisions follows the principles defined in IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, regarding the best estimate of the expected cost, the most probable result of the actions in progress and considering the risks and uncertainties inherent to the process.

In cases where the discount effect is material, provisions correspond to the actual value of the expected future payments, discounted at a rate that considers the risk associated with the obligation.

Provisions are reviewed at the end of each reporting date and adjusted to reflect the best estimate and are reversed against profit or loss in the proportion of the payments that are not probable.

The provisions are derecognised through their use for the obligations for which they were initially recognised or for the cases where the situations were no longer observed.

2.15. Interest income

Interest income and expense for financial instruments measured at amortised cost are recognised under Interest and similar income or Interest and similar expenses, using the effective interest rate method. Interest in financial assets at fair value through other comprehensive income and financial assets and liabilities at fair value through profit or loss are also recognised in Net interest income.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument (or, when appropriate, for a shorter period), to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument (example: early payment options) but without considering future impairment losses. The calculation includes all fees and commissions paid or received considered as included in the effective interest rate, transaction costs and all other premiums or discounts directly related to the transaction except for assets and liabilities at fair value through profit or loss.

If a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the interest rate used to discount the future cash flows for the purpose of measuring the impairment loss.

Specifically, with regard to the policy for recording interest on overdue loans, the following aspects are considered in accordance with IFRS 9:

- Interest income for overdue loans secured by collaterals up to the limit of prudently evaluated coverage is recorded against profit or loss on the assumption that there is a reasonable probability of recoverability; and

- Interest already recognised and unpaid relating to loans past due for more than 90 days, which are not covered by collateral are written off, and are only recognised when received, as their recovery is considered to be remote, and recognised off balance sheet.

For financial assets classified under stage 3, interest is recognised in profit or loss, in Net interest income, based on their carrying amount net of impairment.

For derivative financial instruments, except those classified as hedging instruments of interest rate risk, the interest component is not separated from the changes in the fair value and is classified under Profit/(loss) from financial assets and liabilities at fair value through profit or loss.

2.16. Dividends

Dividends (income from equity instruments) are recognised in the income statement when the right to receive the dividends is attributed. Dividends are recorded under Net gains/(losses) arising from financial operations, Net gains/(losses) arising from other financial instruments at fair value through profit or loss or other income, depending on the classification of the underlying instrument.

2.17. Fees and commissions income/(expense)

Fees and commissions income/(expense) is recognised according to performance obligations:

- Fees and commissions which are earned as services are rendered are recognised in profit or loss in the period to which they relate in accordance with IFRS 15;

- Fees and commissions that are earned from a service rendered, are recognised as income when the service is completed in accordance with IFRS 15; and

- Fees and commissions that are an integral part of the effective interest rate of a financial instrument, are recognised in net interest income in accordance with IFRS 9.

2.18. Fiduciary activities

Assets held under fiduciary activities are not recognised in the Bank's financial statements. Fees and commissions arising from this activity are recognised in the income statement in the period to which they relate.

2.19. Financial guarantees and commitments

Financial guarantees are contracts which require the Bank to make specific payments in order to reimburse the holder for a loss incurred as a result of a debtor's failure to comply with a payment. Irrevocable commitments have the purpose of providing 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 and the initial fair value is amortised over the useful life of the guarantee or commitment. Subsequently the liability is recorded at the higher of the amortised amount and the present value of any payment is expected to be settled.

2.20. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances of the captions Cash and deposits at central banks and Loans and advances to credit institutions repayable on demand (Notes 4 and 5), and do not include impairment losses.

2.21. Earnings per share

Basic earnings per share are calculated by dividing net income attributable to the Bank's Shareholders by the weighted average number of ordinary shares outstanding, excluding the average number of treasury shares held by the Bank.

Diluted earnings per share are calculated by adjusting the effect of all potential dilutive ordinary shares on the weighted average number of ordinary shares outstanding and to the net profit attributable to the Bank's Shareholders.

If the earnings per share are changed as a result of a share premium or discount or 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 adjusted retrospectively.

Note 3 – Critical accounting estimates and judgments used in the preparation of the financial statements

IAS/IFRS set out a range of accounting treatments and requires the Board of Directors to apply judgment and make estimates in deciding which treatment is most appropriate. The main accounting estimates and judgments used in the application of the accounting principles by the Bank are presented in this Note, with the objective of improving the understanding of how their application affects the results reported by the Bank and their disclosure. A broad des cription of the main accounting policies used by the Bank is presented in Note 2 to the financial statements.

Considering that in some cases there are several alternatives to the accounting treatment chosen by the Board of Directors, the Bank reported results would differ if a different treatment was chosen. The Board of Directors believes that the choices made are appropriate and that the financial statements give a true and fair view, in all material respects, of the Bank's equity and financial position and results.

3.1 Classification of financial assets

The classification and measurement of financial assets depends on the results of the SPPI test and the definition of the business model.

This assessment requires judgment in that it has to consider, among other things, how the performance of the assets is assessed, the risks affecting the performance of the assets and how these risks are managed.

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 Bank's ongoing assessment of the business model of the financial assets remaining 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, 9).

3.2. Fair value of other financial assets and liabilities valued at fair value

Fair values are based on listed market prices if available, otherwise fair value is determined either by dealer price quotations (both for that transaction or for similar instruments traded) or by pricing models, based on net present value of estimated future cash flows which considers the market conditions, time value, 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 of different assumptions or judgments in applying a particular model may have produced financial results that differ from those reported in notes 6 and 7.

The Bank uses the following hierarchy for fair value, with 3 levels in the valuation of financial instruments (assets and liabilities), which reflects the level of judgment, the observability of the data used, and the importance of the parameters used in determining the fair value of the instrument, in accordance with the provisions of IFRS 13:

- **Level 1:** Fair value is determined based on unadjusted quoted prices, captured in transactions in active markets involving identical instruments to the ones being valued. If there is more than one active market for the same financial instrument, the relevant price is the one prevailing in the main market of the instrument, or the most advantageous market for which there is access;

- **Level 2:** Fair value is determined by using valuation techniques based on observable inputs in active markets, whether direct data (prices, rates, spreads, etc.) or indirect data (derivatives), and valuation assumptions similar to those that an unrelated party would use in estimating the fair value of the same financial instrument. It also includes instruments whose valuation is obtained through quotations disclosed by independent entities but whose markets have the lowest liquidity;

- **Level 3:** Fair value is determined based on unobservable inputs in active markets using techniques and assumptions that market participants would use to value the same instruments, including assumptions about inherent risks, the valuation technique used, and the inputs used and review processes to test the accuracy of the values obtained.

The Bank considers an active market for a given financial instrument at the measurement date, depending on the turnover and liquidity of the transactions carried out, the relative volatility of quoted prices and the readiness and availability of the information, and the following conditions should apply:

- Existence of frequent daily prices trading in the last year;
- The above quotations change regularly;
- There are executable quotes from more than one entity.

A parameter used in a valuation technique is considered observable in the market, if the following conditions are met:

- If its value is determined in an active market;
- If there is an OTC market and it is reasonable to assume that the conditions of an active market are met, except for the condition of trading volumes; and
- The parameter value can be obtained by the inverse calculation of prices of financial instruments or derivatives where the remaining parameters required for initial assessment are observable in a liquid market or an OTC market that complies with the preceding paragraphs.

Impairment tests on the measurement of real estate held directly and indirectly (Notes 6 and 13) are based on valuations prepared by independent experts registered with the CMC, which considered the outlook for macroeconomic indicators for Angola and assumptions that are subject to a degree of subjectivity and whose verification is uncertain given the current circumstances of the real estate market, as well as the real estate risk management analysis carried out by the Bank (Note 39).

Consequently, the use of different methodologies or of different assumptions or judgments in applying a particular model may have produced financial results that differ from those reported.

3.3. Impairment of financial assets at amortised cost and fair value through other comprehensive income

The critical judgments with the greatest impact on the recognised amounts of impairment of financial assets at amortised cost and at fair value through other comprehensive income are as follows:

- Evaluation of the business model: the classification and measurement of financial assets depends on the SPPI test results and on the business model definition. The Bank determines the business model based on how it wants to manage financial assets and business objectives. The Bank monitors whether the classification of the business model is appropriate based on the analysis of the early derecognition of assets at amortised cost or at fair value through other comprehensive income, considering whether a prospective change of the asset is required;
- Significant increase in credit risk: as described in Note 2.5 – Financial instruments, the determination of the transfer of an asset from stage 1 to stage 2 for impairment purposes is carried out based on a significant increase in its credit risk, and IFRS 9 does not objectively define what represents a significant increase in credit risk;
- With specific regard to the significant increase in credit risk for sovereign risks, supranational entities and financial institutions with ratings assigned by international agencies, it is the Board of Directors' understanding that a downgrade of more than two notches by at least two rating agencies in the period since the origination date of the asset is reasonable and in compliance with the requirements of IFRS 9;
- Definition for assets with similar credit risk characteristics: when expected credit losses are measured within a collective model, financial instruments are bundled based on the same risk characteristics. The Bank monitors the suitability of the credit risk characteristics to ensure that appropriate reclassification of assets is carried out in the event of a change in the credit risk characteristics; and
- Models and assumptions used: the Bank uses several models and assumptions when measuring the estimate of expected credit losses. The judgment is applied in the identification of the most suitable model for each type of asset as well as in the determination of assumptions used in these models. In addition, in compliance with the IFRS 9 regulation that explains the need for the impairment result to consider multiple scenarios, a methodology for incorporating scenario analysis into the risk parameters was implemented. Accordingly, the collective impairment calculation considers several scenarios with a specific weighting, based on the internally defined methodology on scenario – definition of multiple perspectives of macroeconomic development, with a relevant probability of occurrence.

Alternative methodologies and the use of other assumptions and estimates could result in different levels of expected impairment losses recognised and presented in Notes 5, 7, 8, 9 and 10, with the consequent impact on the Bank's results.

Impairment losses on loans and advances to Customers and account receivables

The Bank reviews its loan portfolio regularly in order to assess the existence of impairment losses, as described in the accounting policy in Note 2.5.

The process of evaluating the loan portfolio and account receivables to determine whether an impairment loss should be recognised is subject to several estimates and judgments. This process includes factors such as probability of default, credit ratings, the value of the collaterals associated to each operation, recovery rates and cash flow estimates, either from future cash flows or the time of their receipt.

Alternative methodologies and the use of different assumptions and estimates could result in a different level of impairment losses recognised with a consequent impact in the income statement of the Bank.

The calculation of impairment associated with loans and advances to Customers and accounts receivable is based, among other factors and when applicable, on the valuations of collateral from loan operations, such as mortgages of real estate. These valuations were performed under the assumption that all conditions of the real estate market will be maintained, during the lifetime of the operations, and reflected the best estimate of the fair value of those collaterals at the balance sheet date.

Property valuations are prepared by independent experts registered with the CMC, which have implied a set of assumptions whose verification is subject to uncertainty in view of the current circumstances of the real estate market. Additionally, the Bank also uses estimates as to the date of recovery and sale of the real estate collateral.

Furthermore, the recovery of loans and advances granted to Customers and other account receivables (Notes 9 and 15), which has underlying business plans of the borrowers and evaluation of collateral, may be significantly impacted by the development of macroeconomic indicators in Angola.

3.4. Income taxes

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

Income taxes (current or deferred) are recognised in profit or loss, except where transactions giving rise to it have been carried in other equity items. In such situations, the corresponding tax is also carried against equity and does not affect the income statement.

The current tax estimate for the years ended 31 December 2024 and 2023 was calculated in accordance with Law 26/20, of 20 July, using the applicable tax rate of 35%.

Tax returns are subject to review and correction by tax authorities for a 5-year period, which may extend to 10 years. This may lead to possible corrections to taxable income for previous years due to different interpretations of tax law. However, no significant correction is to be expected in respect to those years and, if it occurs, no significant impacts on the financial statements are expected.

Taxes losses generated in each year, as provided in the Industrial Tax Code, may be deducted from taxable profit in the following 5 years.

In order to determine the overall amount of income tax payable, certain interpretations and estimates were required. There are several transactions and calculations for which the assessment of taxes payable is uncertain during the normal course of business, with emphasis on the aspects set out in Note 2.13, resulting from the new wording of Law 26/20, of 20 July, namely, (i) income/expenses with potential/realised foreign exchange valuations, (ii) impairment losses on secured loans and (iii) property tax, as well as assumptions made by the Bank in determining income tax and deferred taxes, which are still subject to ratification by the Angolan Tax Authorities (AGT).

Deferred taxes are calculated using the tax rates expected to be in force when the temporary differences are reversed, which correspond to the rates enacted or substantively enacted at the balance sheet date. Thus, for the years ended 31 December 2024 and 2023, deferred tax was generally calculated based on a 35% rate.

In accordance with the Board of Directors' understanding of the requirements of IAS 12, deferred tax liabilities should be recognised in their entirety, whereas a deferred tax asset should only be recognised if it is certain that future taxable profit will be sufficient to allow the benefit of the loss to be realised.

Other interpretations and estimates could result in a different level of income taxes, current or deferred, recognised in the period or in an analysis of their recoverability (Note 14).

3.5. Measurement of promissory contracts

The Bank recognises at the initial moment, when the requirements for derecognition of the asset are met, the value of the contract with a borrower and related capital gains, including exchange rate revaluation, in the case of indexed CPCV.

In contracts with payment plans with a term longer than one year and no agreed interest rate, the Bank records the discount effect associated with the contracted payment plan, adjusting the fair value of the financial asset to its present value.

The calculation of impairment is based on a maximum loss associated with a failure to perform the contract according to its terms. The Bank defined a maximum rate of 25% as a threshold for the classification in Stage 3 of the individually significant exposures (as a result of the credit impairment model), applying this concept in the CPCV, according to the verification of the defined risk criteria (Note 2.5).

In addition to the evaluation factors described above, the Bank monitors the financial capacity of the borrower and its continuing interest in keeping the promise contracted on a regular basis, reflecting the results of this monitoring in the assessment of impairment.

Alternative methodologies and the use of different assumptions and risk criteria could result in a different level of impairment losses recognised with a consequent impact in the profit or loss of the Bank.

Additionally, the measurements and impairment tests on the CPCV (Notes 15) are based, among other factors, on valuations made by independent experts registered with the Capital Market Commission of Angola, which have implied a set of assumptions whose verification is subject to uncertainty in view of the current circumstances of the real estate market.

3.6. Provisions and contingent liabilities

Provisions are measured in accordance with the principles set out in IAS 37 regarding the best estimate of the expected cost, the most probable result of the actions in progress and considering the risks and uncertainties inherent to the process. Different assumptions and judgments would have an impact on determining the amount of the provisions which are presented in Note 18.

Note 4 – Cash and deposits at central banks

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Cash		
In national currency	23,484,772	17,167,938
In foreign currency	3,201,862	4,233,371
	26,686,634	**21,401,309**
Demand deposits at Banco Nacional de Angola		
In national currency	133,929,202	101,740,736
In foreign currency	164,703,426	233,784,845
	298,632,628	**335,525,581**
	325,319,262	**356,926,890**

The caption "Demand deposits at Banco Nacional de Angola" includes mandatory deposits whose purpose is to satisfy legal reserve requirements. These deposits do not bear interest.

As at 31 December 2024, reserve requirements are determined in accordance with the provisions of Instruction 08/2021, of 14 May, Instruction 06/2024, of 12 June, and Directive 09/DME/2024, of 20 December.

As at 31 December 2023, reserve requirements are determined in accordance with the provisions of Instruction 08/2021 of 14 May, Instruction 04/2023 of 30 March and Directive 12/DME/2023, of 28 November.

Reserve requirements are established in national and foreign currency according to the respective denomination of the liabilities that form their reserve base.

As at 31 December 2024 and 31 December 2023, the minimum reserve requirements for demand deposits with the BNA were calculated by applying the ratios summarised in the following table:

	31-12-2024			31-12-2023		
	Constitution period	National currency	Foreign currency	Constitution period	National currency	Foreign currency
Rate on Tax Base						
Central Government	Monthly calculation	100%	100%	Fortnightly calculation	100%	100%
Local Governments and Municipal Administrations	Monthly calculation	21%	100%	Fortnightly calculation	18%	100%
Other sectors	Monthly calculation	21%	22%	Fortnightly calculation	18%	22%

As at 31 December 2024 and 31 December 2023, the following may be deducted from the amount payable in local currency: (i) 80% of assets representing the amount of credit disbursements, in national 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 (twenty-four) months or more; (ii) credits defined in accordance with the provisions of Article 8 of Notice 10/2022, of 6 April, on the Granting of Credit to the Real Economy Sector, regardless of their residual maturity; (iii) credits defined in accordance with the provisions of Article 10 of Notice 09/2022, of 6 April, on the Granting of Credit for Housing, regardless of their residual maturity; (iv) cash in hand at its branch network, including cash in ATMs, in accordance with Notice 18/22, of 11 October, on the rules and procedures for the extension of the Banking Network.

The methodology for calculating impairment loss is described in Note 2.5.

Note 5 – Loans and advances to credit institutions repayable on demand

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Loans and advances to other credit institutions in Angola		
Demand Deposits	244,500	227,211
Other interbank money market transactions	6,681	-
	251,181	**227,211**
Loans and advances to other credit institutions abroad		
Demand Deposits	38,367,137	93,933,429
	38,367,137	**93,933,429**
Impairment losses (Note 32)	(3,442)	(13,532)
	38,614,876	**94,147,108**

As at 31 December 2024 and 31 December 2023, “Loans and advances to other credit institutions abroad – Demand Deposits” includes (i) the amounts of AOA 5,486,295 thousand and AOA 5,164,710 thousand, respectively, which aim to ensure the provisioning in the corresponding Bank for the daily settlement of the use of VISA cards; and (ii) the amounts of AOA 6,957,246 thousand and AOA 5,795,840 thousand, respectively, which aim to ensure the provisioning in the Bank for the fulfilment of signed agreements related to import documentary credit facilities, for later settlement with the Customer.

As at 31 December 2024 and 31 December 2023, Loans and advances to credit institutions repayable on demand, in Angola and abroad, do not bear interest.

The methodology for calculating impairment loss is described in Note 2.5.

Note 6 – Financial assets at fair value through profit or loss

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Financial assets at fair value through profit or loss		
Other variable income securities		
Shares	327,743,818	298,890,931
Loans and advances to Customers	236,595	124,571
Bonds and other fixed-income securities	56,062,725	-
	384,043,138	**299,015,502**

As at 31 December 2024 and 31 December 2023, the amount of Other variable income securities refers to shares held in the following Collective Investment Undertakings (Investment Funds):

AOA thousand

	31-12-2024					
	Issuing Entity	Country	Activity/ Tipology	Currency	Shareholding	Book value
Financial assets at fair value through profit or loss						
Other variable income securities						
Pactual Property Fund – FIIF	Private	Angola	CIU	AOA	99.52%	317,500,369
Dual Impact Fund - FCR	Private	Angola	CIU	AOA	100.00%	3,455,370
FIPA Fund	Private	Luxembourg	CIU	USD	5.13%	1,469,261
FIPA Fund II	Private	Luxembourg	CIU	USD	8.42%	5,318,818
						327,743,818

AOA thousand

	31-12-2023					
	Issuing Entity	Country	Activity/ Tipology	Currency	Shareholding	Book value
Financial assets at fair value through profit or loss						
Other variable income securities						
Pactual Property Fund – FIIF	Private	Angola	CIU	AOA	99.50%	291,905,863
Dual Impact Fund - FCR	Private	Angola	CIU	AOA	100.00%	3,263,984
FIPA Fund	Private	Luxembourg	CIU	USD	5.13%	1,335,223
FIPA Fund II	Private	Luxembourg	CIU	USD	8.42%	2,385,862
						298,890,931

The investment funds Pactual Property Fund – FIIF and Dual Impact Fund – FCR are managed by SG Hemera Capital Partners – SGOIC, S.A., while the investment funds Fundo FIPA and Fundo FIPA II are managed by Angola Capital Partners, LLC. These funds are valued according to the share prices published daily by these Management Companies, as disclosed in Note 2.5.

The participation units held in the Pactual Property Fund – FIIF were mainly acquired through capital increases, namely two operations carried out during 2020, one operation carried out during 2021, and one operation carried out during 2024.

In March 2024, the capital increase was completed with the subscription of 7,455 new units, with a unit price of AOA 1,391 thousand, for a total of AOA 10,364,530 thousand, of which (i) AOA 6,097,795 thousand was paid in cash and (ii) AOA 4,266,735 thousand was paid in kind.

The capital increases made by contributions in kind of (i) real estate received as payment in kind of loan obligations, previously recorded under "Non-current assets held for sale" (Note 13), and (ii) own use properties whose use was discontinued, previously recorded under "Other property, plant and equipment" (Note 11), were previously valued, and their transfer amount corresponds to the arithmetic average of the value of three valuations, obtained from three independent expert valuers, registered with the CMC. Accordingly, the Bank derecognised the properties against the subscription of shares at their market value, and the difference between the book value of the derecognised properties and their market value is recognised as capital gains or losses on the sale of other assets under "Profit/(loss) from the sale of other assets" (Note 27).

As at 31 December 2024 and 31 December 2023, the increase in the fair value of the units held in the Pactual Property Fund – FIIF is essentially the result of the revaluation process of all the properties held by the Fund, performed in 2024 and 2023, respectively, based on the average of three valuations carried out by independent valuers registered with the CMC of Angola. The gains inherent in the valuation of the investment units were recognised against the item "Profit/(loss) from financial assets and liabilities at fair value through profit or loss" (Note 24).

Considering that the registration of real estate assets in Angola is a lengthy process due to the inherent administrative and legal aspects, as felt by the Angolan market in general, it was not possible to sign all the public deeds for the properties transferred from the Bank to the Pactual Porperty Fund – FIIF as part of the capital increases carried out in 2020, 2021 and 2024, irrevocable powers of attorney were signed between the Bank and the Fund, granting powers to the latter to carry out all the acts related to formalising the transfer of the properties, as well as their enjoyment. It is the opinion of the Board of Directors, supported by the opinion of legal advisors, that the documentation available to the Bank and the Fund's Management Company supports the respective ownership of the properties, with the registration of the acquisition only pending the development of the legal procedures inherent in the deed process, so it is the Board of Directors' conviction that the Fund holds all the risks and benefits associated with the ownership of the properties transferred and that there will be no future material impacts on the Bank's financial statements related to this situation.

In July 2023, the Bank performed the redemption of 10,103,554 investment units, corresponding to all the investment units held in Atlântico Protecção – FIMF, managed by SG Hemera Capital Partners – SGOIC, S.A., and the consequent liquidation of the Fund, due to its having reached the expiry date defined by the Shareholders' Meeting.

As at 31 December 2024 and 31 December 2023, the amounts recorded under Loans and advances to Customers refer to six loan transactions, whose cash flows do not meet the SPPI criteria (Solely Payments of Principal and Interest). On 31 December 2024 and 2023, the nominal value of these transactions amounted to AOA 1,447,133 thousand and AOA 1,401,477 thousand, respectively, classified in stage 3 of impairment due to default exceeding 90 days, with their fair value amounting to AOA 236,595 thousand and AOA 124,571 thousand, respectively.

As at 31 December 2024, Bonds and other fixed-income securities present the following changes:

AOA thousand

	31-12-2023	Acquisitions	Maturities	Disposals	Changes in fair value	Variation in accrued interest	31-12-2024
Bonds and other fixed-income securities							
Issued by public entities							
Non-adjustable Treasury Bonds	-	56,632,611	-	(13,781,462)	11,473,175	1,738,401	56,062,725
Treasury Bills	-	12,213,884	-	(12,644,108)	430,224	-	-
	-	**68,846,495**	**-**	**(26,425,570)**	**11,903,399**	**1,738,401**	**56,062,725**

During 2024, the Bank acquired non-adjustable public debt securities and national treasury bills in the amount of AOA 56,632,611 thousand and AOA 12,213,884 thousand, respectively, which are classified as financial assets at fair value through profit or loss in accordance with the defined business model. During the financial year, it carried out a series of disposals, as identified below. The gains inherent in the valuation of Bonds and other fixed-income securities and capital gains on securities sold during the year were recognised against the item "Profit/(loss) from financial assets and liabilities at fair value through profit or loss" (Note 24).

As at 31 December 2024 and 31 December 2023, as provided for in IFRS 13, financial instruments are measured in accordance with the following valuation hierarchy levels:

AOA thousand

	31-12-2024			
	Level 1 Quoted prices in active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Financial assets at fair value through profit or loss				
Other variable income securities				
Shares	-	-	327,743,818	327,743,818
Loans and advances to Customers	-	-	236,595	236,595
Bonds and other fixed-income securities	-	56,062,725	-	56,062,725
	-	**56,062,725**	**327,980,413**	**384,043,138**

AOA thousand

	31-12-2023			
	Level 1 Quoted prices in active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Financial assets at fair value through profit or loss				
Other variable income securities				
Shares	-	-	298,890,931	298,890,931
Loans and advances to Customers	-	-	124,571	124,571
	-	**-**	**299,015,502**	**299,015,502**

As at 31 December 2024 and 31 December 2023, the main parameters used in the valuation model, as well as the description of the valuation levels provided for in IFRS 13, are described in Note 38.

As at 31 December 2024 and 31 December 2023, the breakdown of financial assets at fair value through profit or loss by residual maturity is as follows:

AOA thousand

	31-12-2024					
	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Undefined maturity	Total
Financial assets at fair value through profit or loss						
Other variable income securities	-	-	-	-	327,743,818	327,743,818
Loans and advances to Customers	-	-	-	87,803	148,792	236,595
Bonds and other fixed-income securities	-	-	6,532,347	49,530,378	-	56,062,725
	-	**-**	**6,532,347**	**49,618,181**	**327,892,610**	**384,043,138**

AOA thousand

	31-12-2023					
	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Undefined maturity	Total
Financial assets at fair value through profit or loss						
Other variable income securities	-	-	-	-	298,890,931	298,890,931
Loans and advances to Customers	-	-	-	-	124,571	124,571
	-	**-**	**-**	**-**	**299,015,502**	**299,015,502**

Note 7 – Financial assets at fair value through other comprehensive income

This caption is analysed as follows:

AOA thousand

	31-12-2024				
	Cost (1)	Changes in fair value		Accrued interest	Book value
		Positive	Negative		
Bonds and other fixed-income securities					
Issued by public entities	19,759,935	7,071,035	(4,609,743)	1,069,760	23,290,987
Shares	368,408	1,720,088	-	-	2,088,496
	20,128,343	**8,791,123**	**(4,609,743)**	**1,069,760**	**25,379,483**

Acquisition cost for shares and other equity instruments and amortised cost for debt securities.

AOA thousand

	31-12-2023				
	Cost (1)	Changes in fair value		Accrued interest	Book value
		Positive	Negative		
Bonds and other fixed-income securities					
Issued by public entities	43,448,089	7,456,989	(1,678,529)	2,105,046	51,331,595
Shares	429,389	1,346,032	-	-	1,775,421
	43,877,478	**8,803,021**	**(1,678,529)**	**2,105,046**	**53,107,016**

Acquisition cost for shares and other equity instruments and amortised cost for debt securities.

As at 31 December 2024 and 31 December 2023, debt securities at fair value through other comprehensive income are measured in accordance with the accounting policy described in Note 2.5.

As at 31 December 2024 and 31 December 2023, “Shares” includes the financial investment in EMIS – Empresa Interbancária de Serviços, S.A.R.L (EMIS), which was set up to manage electronic facilities for payments and other complementary services. As at 31 December 2024, the Bank holds an 8.99% stake (31 December 2023: 10.14%) stake in the share capital of this entity, and its fair value is calculated as described in Note 38. The resulting effect of the fair value update as at 31 December 2024 and 31 December 2023, in the amount of AOA 595,335 thousand and AOA 1,346,032 thousand, respectively, was reflected against the item “Revaluation reserves” (Note 21).

As at 31 December 2024 and 31 December 2023, as provided for in IFRS 13, financial instruments are measured in accordance with the following valuation hierarchy levels:

AOA thousand

	31-12-2023	Acquisitions	Maturities	Disposals	Exchange rate effect (Note 26)	Change in fair value and amortised cost	31-12-2024
Bonds and other fixed-income securities							
Issued by public entities							
Foreign currency Treasury Bonds	51,328	-	-	-	5,153,	(226)	56,255
Non-adjustable Treasury Bonds	51,280,267	1,984,759	(20,499,900)	(5,620,135)	-	(3,910,259)	23,234,732
Treasury Bills	-	2,027,848	-	(2,041,350)	-	13,502	-
	51,331,595	**4,012,607**	**(20,499,900)**	**(7,661,485)**	**5,153**	**(3,896,983)**	**23,290,987**

AOA thousand

	31-12-2022	Acquisitions	Maturities	Disposals	Exchange rate effect (Note 26)	Change in fair value and amortised cost	31-12-2023
Bonds and other fixed-income securities							
Issued by public entities							
Foreign currency Treasury Bonds	-	50,224	-	-	1	1,103	51,328
Non-adjustable Treasury Bonds	52,475,485	46,524,747	(7,599,700)	(46,574,359)	-	6,454,094	51,280,267
Treasury Bills	-	1,462,319	(1,500,000)	-	-	37,681	-
	52,475,485	**48,037,290**	**(9,099,700)**	**(46,574,359)**	**1**	**6,492,878**	**51,331,595**
Issued by other entities							
Foreign currency bonds	1,331,477	-	(1,012,849)	-	(227,006)	(91,622)	-
	53,806,962	**48,037,290**	**(10,112,549)**	**(46,574,359)**	**(227,005)**	**6,401,256**	**51,331,595**

As at 31 December 2024 and 31 December 2023, as provided for in IFRS 13, financial instruments are measured in accordance with the following valuation hierarchy levels:

AOA thousand

	31-12-2024			
	Level 1 Quoted prices in active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Bonds and other fixed-income securities				
Issued by public entities	-	23,290,987	-	23,290,987
Shares	-	-	2,088,496	2,088,496
	-	**23,290,987**	**2,088,496**	**25,379,483**

AOA thousand

	31-12-2023			
	Level 1 Quoted prices in active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Bonds and other fixed-income securities				
Issued by public entities	-	51,331,595	-	51,331,595
Shares	-	-	1,775,421	1,775,421
	-	**51,331,595**	**1,775,421**	**53,107,016**

As at 31 December 2024 and 31 December 2023, the main parameters used in the valuation model, as well as the description of the valuation levels provided for in IFRS 13, are described in Note 38.

As at 31 December 2024 and 31 December 2023, the fair value of "Bonds and other fixed-income securities" was determined based on an internal model supported by observable market data, as described in Note 38.

As at 31 December 2024 and 31 December 2023, the breakdown of financial assets at fair value through other comprehensive income, by residual maturity periods, is as follows:

AOA thousand

	31-12-2024					
	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Undefined maturity	Total
Bonds and other fixed-income securities						
Issued by public entities	-	612	4,127,091	19,163,284	-	23,290,987
Shares	-	-	-	-	2,088,496	2,088,496
	-	**612**	**4,127,091**	**19,163,284**	**2,088,496**	**25,379,483**

AOA thousand

	31-12-2023					
	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Undefined maturity	Total
Bonds and other fixed-income securities						
Issued by public entities	3,045	20,816,236	8,887,267	21,625,047	-	51,331,595
Shares	-	-	-	-	1,775,421	1,775,421
	3,045	**20,816,236**	**8,887,267**	**21,625,047**	**1,775,421**	**53,107,016**

Changes in the fair value reserve during the year are detailed in Note 21.

Note 8 – Financial assets at amortised cost – Debt securities

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Bonds and other fixed-income securities		
Issued by public entities		
Foreign currency bonds	182,829,423	263,587,038
Non-adjustable bonds	103,677,979	120,456,956
Bonds indexed to the US Dollar	79,932,028	71,139,180
Treasury Bills	-	17,394,921
	366,439,430	**472,578,095**
Impairment losses	(5,252,331)	(5,262,762)
	361,187,099	**467,315,333**

The fair value of debt securities classified as financial assets at amortised cost is presented in Note 38, in accordance with the disclosure requirements established in IFRS 7 and IFRS 9.

In accordance with this accounting policy, debt securities measured at amortised cost are impaired, in accordance with the model defined (Note 2.5).

In December 2023, the rating agency Fitch revised the rating of the debt of the Republic of Angola, maintaining the external rating at B-, with a stable outlook. According to the published note, this revision reflects forecasts of lower economic growth, higher inflation and an increase in the ratio of debt to Gross Domestic Product (GDP) as a result of the strong depreciation of the Kwanza. In June 2024, the same agency revised the rating of the debt of the Republic of Angola, maintaining the external rating at B-, with a stable outlook. According to the published note, this revision reflects high inflation and high levels of public debt denominated in foreign currency.

Directive 13/DSB/DRO/2019, which includes the recommendations for implementing the methodologies of the Asset Quality Assessment (AQA) exercise, states that “In the specific case of impairment losses for national public debt in national and foreign currency (measured at amortised cost), the following criteria should be considered: (i) 12-month probability of default (PD) for Angola's rating published in Moody's study “Sovereign default and recovery rates” applicable to the period concerned; and (ii) loss given default (LGD) associated with the sovereign default events verified, as indicated in the same study”. The Bank has adopted this methodology as its accounting policy for this matter.

In accordance with the accounting policy described in Note 2.5, the assessment of the significant increase in credit risk for the determination of the impairment stage should be based on the date of origination of the assets.

As at 31 December 2024 and 31 December 2023, Moody's study was used to calculate impairment, which on that date showed an implied impairment rate of 1.560% – “PD of 2.60% and LGD of 60%” (2023: 1.468% – PD of 2.447% and LGD of 60%) for stage 1 operations.

In the period ended 31 December 2024 and 2023, the caption presents the following changes:

AOA thousand

	31-12-2023	Acquisitions	Maturities	Disposals	Exchange rate effect (Note 26)	Variation at amortised cost	31-12-2024
Bonds and other fixed-income securities							
Issued by public entities							
Foreign currency Treasury Bonds	263,587,038	95,721,360	(190,374,195)	-	13,412,395	482,825	182,829,423
Non-adjustable Treasury Bonds	120,456,956	7,517,700	(1,461,600)	(22,344,297)	-	(490,780)	103,677,979
Treasury Bonds indexed to the US Dollar	71,139,180	-	(46,754)	-	7,188,420	1,651,182	79,932,028
Treasury Bills	17,394,921	5,000,000	(5,059,551)	(18,924,261)	-	1,588,891	-
	472,578,095	**108,239,060**	**(196,942,100)**	**(41,268,558)**	**20,600,815**	**3,232,118**	**366,439,430**

AOA thousand

	31-12-2022	Acquisitions	Maturities	Disposals	Exchange rate effect (Note 26)	Variation at amortised cost	31-12-2023
Bonds and other fixed-income securities							
Issued by public entities							
Foreign currency Treasury Bonds	202,194,207	27,382,981	(89,351,608)	-	124,320,263	(958,805)	263,587,038
Non-adjustable Treasury Bonds	,65,098,672	61,298,194	(2,528,200)	(5,656,600)	-	2,244,890	120,456,956
Treasury Bonds indexed to the US Dollar	43,409,044	-	-	-	28,162,925	(432,789)	71,139,180
Treasury Bills	-	17,254,239	(2,709)	-	-	143,391	17,394,921
	310,701,923	**105,935,414**	**(91,882,517)**	**(5,656,600)**	**152,483,188**	**996,687**	**472,578,095**

Disposals of financial assets classified under this business model do not exceed the defined frequency and significance thresholds (Note 2.5).

As at 31 December 2024 and 31 December 2023, the breakdown of debt securities classified as financial assets measured at amortised cost, by residual maturity, was as follows:

AOA thousand

	31-12-2024					
	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Indefinite duration	Total
Bonds and other fixed-income securities						
Issued by public entities						
Foreign currency Treasury Bonds	-	80,298,643	102,530,780	-	-	182,829,423
Non-adjustable Treasury Bonds	-	2,099	35,479,021	68,196,859	-	103,677,979
Treasury Bonds indexed to the US Dollar	-	38,782,294	41,149,734	-	-	79,932,028
Impairment losses	-	(1,393,580)	(2,794,880)	(1,063,871)	-	(5,252,331)
	-	**117,689,456**	**176,364,655**	**67,132,988**	**-**	**361,187,099**

AOA thousand

	31-12-2023					
	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Indefinite duration	Total
Bonds and other fixed-income securities						
Issued by public entities						
Foreign currency Treasury Bonds	-	190,005,132	73,581,906	-	-	263,587,038
Non-adjustable Treasury Bonds	94,558	8,441,513	33,502,428	78,418,457	-	120,456,956
Treasury Bonds indexed to the US Dollar	48,115	-	71,091,065	-	-	71,139,180
Treasury Bills	-	17,394,921	-	-	-	17,394,921
Impairment losses	(498)	(1,494,953)	(2,615,971)	(1,151,340)	-	(5,262,762)
	142,175	**214,346,613**	**175,559,428**	**77,267,117**	**-**	**467,315,333**

As at 31 December 2024 and 31 December 2023, Financial assets measured at amortised cost – Debt securities are as follows:

AOA thousand

	31-12-2024								
	Issuing Entity	Average rate	Nominal value	Acquisition cost	Accrued interest	Discount premium	Cambial	Impairment losses	Book value
Bonds and other fixed-income securities									
Issued by public entities									
Foreign currency Treasury Bonds	Angolan State	8.70%	182,856,000	153,774,967	1,438,805	(2,052,482)	29,668,133	(2,699,037)	180,130,386
Non-adjustable Treasury Bonds	Angolan State	17.34%	98,189,400	98,655,346	5,292,586	(269,953)	-	(1,617,358)	102,060,621
Treasury Bonds indexed to the US Dollar	Angolan State	8.15%	76,085,899	13,773,242	3,397,558	(2,396,586)	65,157,814	(935,936)	78,996,092
			357,131,299	**266,203,555**	**10,128,949**	**(4,719,021)**	**94,825,947**	**(5,252,331)**	**361,187,099**

AOA thousand

	31-12-2023								
	Issuing Entity	Average rate	Nominal value	Acquisition cost	Accrued interest	Discount premium	Cambial	Impairment losses	Book value
Bonds and other fixed-income securities									
Issued by public entities									
Foreign currency Treasury Bonds	Angolan State	6.21%	257,300,960	164,092,394	1,702,776	(1,540,619)	99,332,487	(2,242,686)	261,344,352
Non-adjustable Treasury Bonds	Angolan State	17.34%	114,886,200	115,068,617	5,365,982	22,357	-	(1,756,958)	118,699,998
Treasury Bonds indexed to the US Dollar	Angolan State	8.36%	69,191,499	13,816,737	1,249,569	(1,896,520)	57,969,394	(1,043,906)	70,095,274
Treasury Bills	Angolan State	-	20,000,000	17,251,600	-	143,321	-	(219,212)	17,175,709
			461,378,659	**310,229,348**	**8,318,327**	**(3,271,461)**	**157,301,881**	**(5,262,762)**	**467,315,333**

Changes in impairment losses for financial assets measured at amortised cost were as follows:

AOA thousand

	31-12-2024	31-12-2023
Opening balance	**5,262,762**	**4,404,485**
Increases/(Reversals) (Note 33)	(330,989)	(1,404,091)
Foreign exchange differences and other (Note 26)	320,558	2,262,368
Closing balance	**5,252,331**	**5,262,762**

Note 9 – Financial assets at amortised cost – Loans and advances to Customers

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Domestic loans		
Corporate		
Loans	327,860,741	333,566,233
Current account loans	7,073,490	11,193,566
Credit cards	419,788	752,016
Overdrafts	451,872	60,917
	335,805,891	**345,572,732**
Retail		
Loans	38,298,236	27,045,002
Mortgages	9,237,439	7,602,501
Employees	2,292,948	3,344,255
Credit cards	2,139,102	2,735,641
Consumer loans	3,431,674	8,402,054
Overdrafts	14,801	9,404
	55,414,200	**49,138,855**
	391,220,091	**394,711,587**
Foreign loans		
Retail		
Employees	95,757	398,668
Credit cards	132,544	79,600
Consumer loans	2,750	4,955
Loans	5,209	4,739
Overdrafts	-	27
	236,260	**487,988**
Total outstanding loans	**391,456,351**	**395,199,575**
Overdue loans		
Below 1 year	3,162,176	19,272,314
1 to 3 years	17,559,822	12,955,455
Above 3 years	113,149,097	117,979,204
	133,871,095	**150,206,972**
Total loans granted	**525,327,446**	**545,406,547**
Interest receivable	170,118,174	123,231,010
Total loans granted and interest receivable	**695,445,620**	**668,637,557**
Impairment losses	(210,010,525)	(189,529,085)
	485,435,095	**479,108,472**

Notice 10/2022 of Banco Nacional de Angola requires credit to be granted to the real sector of the economy, as well as the requirements to be met. For loans granted or restructured under this Notice, the total cost of the loan on the borrower, including the interest rate and commissions, cannot exceed 7.5% per annum (all-in-cost). In turn, the Bank can deduct the full amount of the loan in the value of the established reserve requirements. Accordingly, in relation to the new loans granted under Notice 10/2022, which have an interest rate limit of 7.5% and release of reserve requirements that the Bank can apply to other interest-bearing assets, it is the Bank's understanding that the fair value of the loans does not differ from their nominal value.

As at 31 December 2024 and 31 December 2023, exposure and impairment established by situation and risk segment is detailed as follows:

AOA thousand

Segment	31-12-2024							
	Exposure					Impairment losses		
	Total exposure	Outstanding loan	Of which restructured	Overdue loan	Of which restructured	Total impairment	Outstanding loans	Overdue loans
Corporate								
Loans	557,373,683	465,196,884	389,388,797	92,176,799	79,391,752	(121,378,298)	(79,088,340)	(42,289,958)
Current account loans	16,032,085	8,265,819	1,168,644	7,766,266	2,507,996	(6,366,005)	(110,965)	(6,255,041)
Overdrafts	18,993,361	712,491	-	18,280,870	-	(5,611,317)	(36,493)	(5,574,824)
Credit cards	419,503	419,503	-	-	-	(27,522)	(26,918)	(605)
	592,818,632	**474,594,697**	**390,557,441**	**118,223,935**	**81,899,748**	**(133,383,142)**	**(79,262,716)**	**(54,120,428)**
Retail								
Loans	68,475,270	67,943,117	44,624,795	532,153	136,611	(59,125,552)	(58,647,055)	(478,496)
Mortgages	15,456,464	10,623,692	2,353,610	4,832,772	3,670,375	(6,060,963)	(569,601)	(5,491,362)
Overdrafts	5,250,437	208,316	-	5,042,121	-	(3,952,040)	(1,104)	(3,950,936)
Consumer loans	8,698,307	3,524,265	164,301	5,174,042	455,101	(6,497,849)	(138,710)	(6,359,139)
Employees	2,476,410	2,410,338	-	66,072	-	(561,383)	(189,450)	(371,933)
Credit cards	2,270,100	2,270,100	-	-	-	(429,596)	(416,691)	(12,905)
	102,626,988	**86,979,828**	**47,142,706**	**15,647,160**	**4,262,087**	**(76,627,383)**	**(59,962,611)**	**(16,664,771)**
	695,445,620	**561,574,525**	**437,700,147**	**133,871,095**	**86,161,835**	**(210,010,525)**	**(139,225,327)**	**(70,785,199)**

AOA thousand

Segment	31-12-2023							
	Exposure					Impairment losses		
	Total exposure	Outstanding loan	Of which restructured	Overdue loan	Of which restructured	Total impairment	Outstanding loans	Overdue loans
Corporate								
Loans	536,151,404	434,256,761	360,040,761	101,894,643	86,505,048	(113,358,716)	(62,824,817)	(50,533,899)
Current account loans	18,764,703	11,734,494	6,636,617	7,030,209	2,279,196	(5,880,717)	(300,820)	(5,579,897)
Overdrafts	19,539,387	427,005	-	19,112,382	-	(6,834,336)	(1,964)	(6,832,372)
Credit cards	751,418	751,418	-	-	-	(23,277)	(23,277)	-
	575,206,912	**447,169,678**	**366,677,378**	**128,037,234**	**88,784,244**	**(126,097,046)**	**(63,150,878)**	**(62,946,168)**
Retail								
Loans	44,572,784	39,601,618	33,649,792	4,971,166	4,066,719	(35,278,051)	(1,749,762)	(33,528,288)
Mortgages	8,441,755	7,615,215	85,758	826,540	18,422	(5,607,108)	(620,404)	(4,986,704)
Overdrafts	5,300,982	206,394	-	5,094,587	-	(4,017,042)	(1,152)	(4,015,890)
Consumer loans	28,521,333	17,276,328	2,851,975	11,245,006	3,233,006	(17,843,527)	(285,393)	(17,558,134)
Employees	3,780,818	3,748,378	-	32,440	-	(400,876)	(215,593)	(185,283)
Credit cards	2,812,972	2,812,972	-	-	-	(285,435)	(285,435)	-
	93,430,645	**71,260,906**	**36,587,525**	**22,169,739**	**7,318,147**	**(63,432,039)**	**(3,157,740)**	**(60,274,299)**
	668,637,557	**518,430,584**	**403,264,903**	**150,206,972**	**96,102,391**	**(189,529,085)**	**(66,308,618)**	**(123,220,467)**

As at 31 December 2024 and 31 December 2023, changes in inflows and outflows in the restructured exposure are detailed as follows:

AOA thousand

	31-12-2024	31-12-2023
Opening balance of restructured loan portfolio (gross)	**499,367,294**	**428,904,343**
Loans restructured in the period	881,699	19,197,784
Accrued interest of restructured loan portfolio	33,109,002	32,151,817
Settlement of restructured loans (partial or total)	(29,066,196)	(29,723,851)
Foreign exchange and Other	19,570,183	51,077,505
Write-offs	-	(2,240,305)
Closing balance of restructured loan portfolio (gross)	**523,861,982**	**499,367,294**

As at 31 December 2024 and 31 December 2023, restructured exposure and impairment losses established by situation and segment are detailed as follows:

AOA thousand

	31-12-2024			
	Loans			Impairment losses
	Outstanding	Overdue	Total	
Corporate	**390,557,441**	**81,899,748**	**472,457,189**	**(113,123,041)**
Retail				
Consumer	164,301	455,101	619,402	(599,866)
Mortgages	2,353,610	3,670,375	6,023,985	(549,512)
Other	44,624,795	136,611	44,761,407	(38,511,511)
	437,700,147	**86,161,835**	**523,861,983**	**(152,783,930)**

AOA thousand

	31-12-2023			
	Loans			Impairment losses
	Outstanding	Overdue	Total	
Corporate	**366,677,378**	**88,784,244**	**455,461,622**	**(101,280,796)**
Retail				
Consumer	2,851,975	3,233,006	6,084,981	(928,920)
Mortgages	85,758	18,422	104,180	(53,445)
Other	33,649,792	4,066,719	37,716,511	(30,541,960)
	403,264,903	**96,102,391**	**499,367,294**	**(132,805,122)**

As at 31 December 2024 and 31 December 2023, restructured exposure and impairment losses established by segment and stage are detailed as follows:

AOA thousand

	31-12-2024				
	Impairment stage				Impairment losses
	Stage 1	Stage 2	Stage 3	Total	
Corporate	**-**	**312,086,333**	**160,370,856**	**472,457,189**	**(113,123,041)**
Retail					
Consumer	-	1,470	617,932	619,402	(599,866)
Mortgages	-	47,994	5,975,991	6,023,985	(549,512)
Other	-	-	44,761,407	44,761,407	(38,511,511)
	-	**312,135,797**	**211,726,186**	**523,861,983**	**(152,783,930)**

AOA thousand

	31-12-2023				
	Impairment stage				Impairment losses
	Stage 1	Stage 2	Stage 3	Total	
Corporate	**-**	**306,811,354**	**148,650,269**	**455,461,622**	**(101,280,796)**
Retail					
Consumer	-	-	6,084,981	6,084,981	(928,920)
Mortgages	-	7,527	96,653	104,180	(53,445)
Other	-	-	37,716,511	37,716,511	(30,541,960)
	-	**306,818,881**	**192,548,414**	**499,367,294**	**(132,805,122)**

As at 31 December 2024 and 31 December 2023, the breakdown of exposure by residual maturity, excluding interest receivable, is as follows:

AOA thousand

	31-12-2024	31-12-2023
Below 3 months	85,946,325	76,867,198
3 to 12 months	21,855,314	16,609,354
1 to 5 years	117,988,389	137,551,842
Above 5 years	165,666,323	164,171,180
Undefined maturity	133,871,095	150,206,973
	525,327,446	**545,406,547**

As at 31 December 2024 and 31 December 2023, the breakdown of exposure by rate type, including interest receivable, is presented as follows:

AOA thousand

	31-12-2024	31-12-2023
Fixed rate	221,912,753	168,950,932
Variable rate	473,532,867	499,686,625
	695,445,620	**668,637,557**

Changes occurred in impairment losses of Loans and advances to Customers at amortised cost are detailed as follows:

AOA thousand

	31-12-2024	31-12-2023
Opening balance	**189,529,085**	**156,245,906**
Increases/(Reversals) (Note 33)	18,418,176	11,185,691
Increases interest stage 3	11,723,437	8,576,916
Charge-off	(11,967,383)	(7,721,236)
Foreign exchange differences and other (Note 26)	2,307,210	21,241,808
Closing balance	**210,010,525**	**189,529,085**

As at 31 December 2024, the balance of impairment losses essentially corresponds to write-offs of credit operation granted to Customers and the recovery of credit operation granted to Customers under payment in kind proceedings (Note 13).

As at 31 December 2024 and 31 December 2023, the exposure and impairment established, by stage, is presented as follows:

AOA thousand

	31-12-2024			
	Impairment stage			
	Stage 1	Stage 2	Stage 3	Total
Total exposure	43,204,823	353,542,375	298,698,422	695,445,620
Impairment losses	(395,038)	(46,290,940)	(163,324,547)	(210,010,525)
	42,809,785	**307,251,435**	**135,373,875**	**485,435,095**

AOA thousand

	31-12-2023			
	Impairment stage			
	Stage 1	Stage 2	Stage 3	Total
Total exposure	52,741,476	340,475,454	275,420,627	668,637,557
Impairment losses	(627,852)	(43,644,605)	(145,256,627)	(189,529,085)
	52,113,624	**296,830,849**	**130,164,000**	**479,108,472**

As at 31 December 2024 and 31 December 2023, the exposure transfer matrix, by stage, is presented as follows:

AOA thousand

	31-12-2024			
	Impairment stage			
	Stage 1	Stage 2	Stage 3	Total
Stage as at 1 January 2024				
Stage 1	27,497,208	8,320,524	4,421,288	40,239,020
Stage 2	278,135	332,438,140	36,953,182	369,669,457
Stage 3	495	10,511,694	255,388,474	265,900,663
Exposures originated in 2024	15,428,985	2,272,017	1,935,478	19,636,480
	43,204,823	**353,542,375**	**298,698,422**	**695,445,620**

AOA thousand

	31-12-2023			
	Impairment stage			
	Stage 1	Stage 2	Stage 3	Total
Stage as at 1 January 2023				
Stage 1	23,921,934	9,028,487	225,771	33,176,192
Stage 2	8,123,536	319,192,121	18,718,267	346,033,924
Stage 3	-	314,213	248,396,880	248,711,093
Exposures originated in 2023	20,696,006	11,940,633	8,079,709	40,716,348
	52,741,476	**340,475,454**	**275,420,627**	**668,637,557**

As at 31 December 2024 and 31 December 2023, the detail of exposure and impairment losses established, by segment and stage with the respective classifications, is as follows:

AOA thousand

Segment	31-12-2024												
	Exposure									Impairment losses			
	Total exposure	Credit in Stage 1	Of which recovered	Credit in Stage 2	Of which to be recovered	Of which restructured	Credit in Stage 3	Of which to be recovered	Of which restructured	Total impairment	Credit in Stage 1	Credit in Stage 2	Credit in Stage 3
Corporate													
Loans	557,373,683	28,494,538	196,248	348,474,238	1,451,245	310,915,982	180,404,907	12,227,107	157,864,567	(121,378,298)	(180,789)	(45,724,221)	(75,473,288)
Current account loans	16,032,085	5,203,500	-	3,056,287	164,442	1,170,351	7,772,298	-	2,506,289	(6,366,005)	(1,380)	(98,327)	(6,266,298)
Overdrafts	18,993,361	159,490	3,352	46,101	15	-	18,787,770	398	-	(5,611,317)	(93)	(9,134)	(5,602,090)
Credit cards	419,503	333,333	1,170	65,785	585	-	20,385	6,563	-	(27,522)	(4,112)	(5,252)	(18,158)
	592,818,632	**34,190,861**	**200,770**	**351,642,411**	**1,616,287**	**312,086,333**	**206,985,360**	**12,234,068**	**160,370,856**	**(133,383,142)**	**(186,374)**	**(45,836,934)**	**(87,359,834)**
Retail													
Loans	68,475,270	859,172	-	73,761	20,886	-	67,542,337	9,700	44,761,407	(59,125,552)	(20,158)	(30,515)	(59,074,879)
Mortgages	15,456,464	2,559,951	32,170	721,922	283,615	47,994	12,174,591	1,411,474	5,975,991	(6,060,963)	(49,072)	(200,211)	(5,811,680)
Overdrafts	5,250,437	12,984	1	6,813	250	-	5,230,640	1,116	-	(3,952,040)	(367)	(751)	(3,950,922)
Consumer loans	8,698,307	2,233,499	13,012	212,466	158,184	1,470	6,252,342	94,789	617,932	(6,497,849)	(50,148)	(63,328)	(6,384,373)
Employees	2,476,410	2,241,890	10,921	143,240	35,516	-	91,280	29,220	-	(561,383)	(73,804)	(116,632)	(370,947)
Credit cards	2,270,100	1,106,466	21,261	741,762	41,781	-	421,872	326,796	-	(429,596)	(15,115)	(42,569)	(371,912)
	102,626,988	**9,013,962**	**77,365**	**1,899,964**	**540,232**	**49,464**	**91,713,062**	**1,873,095**	**51,355,330**	**(76,627,383)**	**(208,664)**	**(454,006)**	**(75,964,713)**
	695,445,620	**43,204,823**	**278,135**	**353,542,375**	**2,156,519**	**312,135,797**	**298,698,422**	**14,107,163**	**211,726,186**	**(210,010,525)**	**(395,038)**	**(46,290,940)**	**(163,324,547)**

AOA thousand

Segment	31-12-2023												
	Exposure									Impairment losses			
	Total exposure	Credit in Stage 1	Of which recovered	Credit in Stage 2	Of which to be recovered	Of which restructured	Credit in Stage 3	Of which to be recovered	Of which restructured	Total impairment	Credit in Stage 1	Credit in Stage 2	Credit in Stage 3
Corporate													
Loans	536,151,404	38,731,857	7,858,995	330,618,818	3,221,939	300,431,444	166,800,729	20,768,678	146,114,365	(113,358,716)	(291,690)	(42,950,825)	(70,116,201)
Current account loans	18,764,703	2,617,390	-	8,115,425	1,735,515	6,379,910	8,031,888	727,840	2,535,904	(5,880,717)	(48,571)	(95,354)	(5,736,793)
Overdrafts	19,539,386	42,663	0	149,534	3,174	-	19,347,190	1,593,654	-	(6,834,336)	(74)	(62,783)	(6,771,479)
Credit cards	751,418	686,539	2,262	46,432	13,260	-	18,447	6,340	-	(23,277)	(6,190)	(3,039)	(14,048)
	575,206,911	**42,078,448**	**7,861,257**	**338,930,209**	**4,973,887**	**306,811,354**	**194,198,254**	**23,096,512**	**148,650,269**	**(126,097,046)**	**(346,524)**	**(43,112,001)**	**(82,638,521)**
Retail													
Loans	44,572,784	1,050,877	9,247	76,797	32,988	-	43,445,110	-	37,716,511	(35,278,051)	(28,737)	(38,511)	(35,210,803)
Mortgages	8,441,755	1,959,121	153,758	650,968	298,947	7,527	5,831,666	615,947	96,653	(5,607,108)	(45,141)	(298,755)	(5,263,212)
Overdrafts	5,300,982	7,672	36	10,252	686	-	5,283,058	2,975	-	(4,017,042)	(256)	(1,946)	(4,014,840)
Consumer loans	28,521,333	1,997,691	29,789	249,080	173,379	-	26,274,562	284,868	6,084,981	(17,843,527)	(88,109)	(64,216)	(17,691,203)
Employees	3,780,818	3,616,585	58,326	69,747	48,468	-	94,486	16,501	-	(400,876)	(98,399)	(98,329)	(204,147)
Credit cards	2,812,972	2,031,081	11,123	488,400	65,983	-	293,491	214,384	-	(285,435)	(20,686)	(30,847)	(233,902)
	93,430,645	**10,663,028**	**262,279**	**1,545,245**	**620,451**	**7,527**	**81,222,373**	**1,134,675**	**43,898,145**	**(63,432,039)**	**(281,328)**	**(532,604)**	**(62,618,107)**
	668,637,557	**52,741,476**	**8,123,536**	**340,475,454**	**5,594,338**	**306,818,881**	**275,420,627**	**24,231,187**	**192,548,414**	**(189,529,085)**	**(627,852)**	**(43,644,605)**	**(145,256,627)**

As at 31 December 2024 and 31 December 2023, the detail of exposure and impairment losses established by segment and by range of days past due is presented as follows:

AOA thousand

Segment	31-12-2024													
	Exposure							Impairment losses						
	Stage 1	Stage 2			Stage 3			Stage 1	Stage 2			Stage 3		
	≤30 days	≤30 days	>30 days	≤90 days	≤30 days	>30 days	≤90 days	≤30 days	≤30 days	>30 days	≤90 days	≤30 days	>30 days	≤90 days
Corporate														
Loans	28,494,538	348,467,066	7,172	-	70,460,884	28,268	109,915,755	(180,789)	(45,723,990)	(231)	-	(33,183,561)	(25,534)	(42,264,193)
Current account loans	5,203,500	3,056,287	-	-	11,319	-	7,760,979	(1,380)	(98,327)	-	-	(11,257)	-	(6,255,041)
Overdrafts	159,490	105	-	45,996	299,114	11,546	18,477,110	(93)	(11)	-	(9,123)	(36,388)	(10,989)	(5,554,713)
Credit cards	333,333	52,256	11,362	2,167	20,385	-	-	(4,112)	(4,647)	(372)	(233)	(18,158)	-	-
	34,190,861	**351,575,714**	**18,534**	**48,163**	**70,791,702**	**39,814**	**136,153,844**	**(186,374)**	**(45,826,975)**	**(603)**	**(9,356)**	**(33,249,364)**	**(36,523)**	**(54,073,947)**
Retail														
Loans	859,172	30,683	43,078	-	66,925,091	9,700	607,546	(20,158)	(7,652)	(22,863)	-	(58,619,248)	(8,725)	(446,906)
Mortgages	2,559,951	381,680	65,625	274,617	786,681	160,658	11,227,252	(49,072)	(78,642)	(14,243)	(107,326)	(441,887)	(146,644)	(5,223,149)
Overdrafts	12,984	422	1,913	4,478	790	27	5,229,823	(367)	(25)	(459)	(267)	(712)	(26)	(3,950,184)
Consumer loans	2,233,499	160,724	50,519	1,223	57,667	120,859	6,073,816	(50,148)	(36,488)	(26,019)	(821)	(52,074)	(108,781)	(6,223,518)
Employees	2,241,890	128,607	13,082	1,551	7,162	23,491	60,627	(73,804)	(85,644)	(30,358)	(630)	(30,002)	(97,697)	(243,248)
Credit cards	1,106,466	681,271	31,070	29,421	409,925	560	11,387	(15,115)	(40,215)	(571)	(1,783)	(361,361)	(80)	(10,471)
	9,013,962	**1,383,387**	**205,287**	**311,290**	**68,187,316**	**315,295**	**23,210,451**	**(208,664)**	**(248,666)**	**(94,513)**	**(110,827)**	**(59,505,284)**	**(361,953)**	**(16,097,476)**
	43,204,823	**352,959,101**	**223,821**	**359,453**	**138,979,018**	**355,109**	**159,364,295**	**(395,038)**	**(46,075,641)**	**(95,116)**	**(120,183)**	**(92,754,648)**	**(398,476)**	**(70,171,423)**

AOA thousand

Segment	31-12-2023													
	Exposure							Impairment losses						
	Stage 1	Stage 2			Stage 3			Stage 1	Stage 2			Stage 3		
	≤30 days	≤30 days	>30 days	≤90 days	≤30 days	>30 days	≤90 days	≤30 days	≤30 days	>30 days	≤90 days	≤30 days	>30 days	≤90 days
Corporate														
Loans	38,731,857	323,614,437	5,763,261	1,241,120	49,570,137	915,742	116,314,851	(291,690)	(40,806,676)	(1,350,486)	(793,664)	(21,726,451)	(124,410)	(48,265,339)
Current account loans	2,617,390	8,115,425	-	-	727,840	-	7,304,048	(48,571)	(95,354)	-	-	(156,896)	-	(5,579,897)
Overdrafts	42,664	16,419	83,990	49,125	1,911	1,591,463	17,753,815	(74)	(1,757)	(51,290)	(9,736)	(133)	(241)	(6,771,105)
Credit cards	686,539	46,432	-	-	18,447	-	-	(6,190)	(3,039)	-	-	(14,048)	-	-
	42,078,450	**331,792,714**	**5,847,251**	**1,290,245**	**50,318,335**	**2,507,205**	**141,372,714**	**(346,524)**	**(40,906,826)**	**(1,401,776)**	**(803,399)**	**(21,897,529)**	**(124,651)**	**(60,616,342)**
Retail														
Loans	1,050,877	32,988	43,809	-	2,108,437	40,728,796	607,878	(28,737)	(8,991)	(29,520)	-	(1,712,035)	(33,075,014)	(423,754)
Mortgages	1,959,121	355,543	266,137	29,289	456,648	134,200	5,240,817	(45,141)	(129,483)	(156,608)	(12,663)	(445,779)	(128,849)	(4,688,584)
Overdrafts	7,672	1,501	3,237	5,513	839	574	5,281,645	(256)	(105)	(1,449)	(392)	(791)	(545)	(4,013,504)
Consumer loans	1,997,691	187,643	61,275	162	193,366	14,605,001	11,476,195	(88,109)	(35,183)	(28,919)	(114)	(162,102)	(11,704,993)	(5,824,108)
Employees	3,616,585	62,370	7,155	223	10,279	7,412	76,797	(98,399)	(86,742)	(11,462)	(126)	(30,452)	(19,485)	(154,209)
Credit cards	2,031,081	488,400	-	-	293,490	-	-	(20,686)	(30,847)	-	-	(233,902)	-	-
	10,663,028	**1,128,445**	**381,613**	**35,187**	**3,063,058**	**55,475,982**	**22,683,332**	**(281,328)**	**(291,351)**	**(227,958)**	**(13,296)**	**(2,585,061)**	**(44,928,886)**	**(15,104,159)**
	52,741,477	**332,921,159**	**6,228,864**	**1,325,431**	**53,381,393**	**57,983,187**	**164,056,046**	**(627,852)**	**(41,198,176)**	**(1,629,734)**	**(816,695)**	**(24,482,590)**	**(45,053,537)**	**(75,720,501)**

As at 31 December 2024 and 31 December 2023, the detail of exposure and impairment losses established, by segment and by granting year, is presented as follows:

AOA thousand

Segment	31-12-2024														
	2021 and preceding years			2022			2023			2024			Total		
	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses
Corporate															
Loans	314	396,014,734	(108,876,535)	31	127,071,217	(8,493,225)	65	26,386,063	(3,848,617)	59	7,901,669	(159,921)	469	557,373,683	(121,378,298)
Current account loans	37	7,760,980	(6,255,040)	-	-	-	1	1,170,351	(53,935)	14	7,100,754	(57,030)	52	16,032,085	(6,366,005)
Overdrafts	384	18,320,958	(5,219,745)	27	1	-	10	672,189	(391,369)	1	213	(203)	422	18,993,361	(5,611,317)
Credit cards	1,131	233,881	(24,298)	202	28,335	(1,171)	354	68,598	(739)	220	88,689	(1,314)	1,907	419,503	(27,522)
	1,866	**422,330,553**	**(120,375,618)**	**260**	**127,099,553**	**(8,494,396)**	**430**	**28,297,201**	**(4,294,660)**	**294**	**15,091,325**	**(218,468)**	**2,850**	**592,818,632**	**(133,383,142)**
Retail															
Loans	117	23,269,154	(20,698,087)	7	44,607,813	(38,389,726)	18	437,829	(22,615)	9	160,474	(15,124)	151	68,475,270	(59,125,552)
Mortgages	117	13,716,201	(5,702,063)	6	14,713	(2,021)	55	409,065	(41,480)	85	1,316,485	(315,399)	263	15,456,464	(6,060,963)
Overdrafts	12,241	5,069,026	(3,787,685)	211	179,339	(162,657)	143	1,949	(1,675)	111	123	(23)	12,706	5,250,437	(3,952,040)
Consumer loans	3,586	5,809,920	(5,879,455)	137	261,677	(83,919)	163	566,388	(301,107)	782	2,060,322	(233,368)	4,668	8,698,307	(6,497,849)
Employees	2,394	1,493,281	(404,566)	183	198,525	(37,499)	386	410,673	(43,187)	312	373,931	(76,131)	3,275	2,476,410	(561,383)
Credit cards	8,041	1,540,050	(364,117)	1,931	295,704	(52,706)	1,433	210,642	(6,683)	1,294	223,704	(6,090)	12,699	2,270,100	(429,596)
	26,496	**50,897,632**	**(36,835,973)**	**2,475**	**45,557,771**	**(38,728,528)**	**2,198**	**2,036,546**	**(416,747)**	**2,593**	**4,135,039**	**(646,135)**	**33,762**	**102,626,988**	**(76,627,383)**
	28,362	**473,228,185**	**(157,211,591)**	**2,735**	**172,657,324**	**(47,222,924)**	**2,628**	**30,333,747**	**(4,711,407)**	**2,887**	**19,226,364**	**(864,603)**	**36,612**	**695,445,620**	**(210,010,525)**

AOA thousand

Segment	31-12-2023														
	2020 and preceding years			2021			2022			2023			Total		
	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses	Number of transactions	Total exposure	Impairment losses
Corporate															
Loans	222	364,372,684	(98,851,389)	44	27,333,919	(4,942,286)	40	116,421,212	(7,587,287)	69	28,023,589	(1,977,754)	375	536,151,404	(113,358,716)
Current account loans	23	7,304,048	(5,579,897)	1	713,699	(142,813)	-	-	-	13	10,746,956	(158,007)	37	18,764,703	(5,880,717)
Overdrafts	735	19,523,123	(6,831,198)	77	1,170	(874)	152	15,075	(2,264)	15	18	-	979	19,539,386	(6,834,336)
Credit cards	506	412,747	(19,134)	66	53,199	(301)	102	95,994	(1,081)	205	189,479	(2,761)	879	751,419	(23,277)
	1,486	**391,612,602**	**(111,281,618)**	**188**	**28,101,987**	**(5,086,274)**	**294**	**116,532,281**	**(7,590,632)**	**302**	**38,960,042**	**(2,138,522)**	**2,270**	**575,206,912**	**(126,097,046)**
Retail															
Loans	99	6,257,297	(4,730,101)	20	160,321	(35,482)	8	37,593,106	(30,480,833)	18	562,060	(31,635)	145	44,572,784	(35,278,051)
Mortgages	90	6,891,851	(4,671,950)	7	869,808	(678,082)	1	229,412	(215,786)	8	450,684	(41,290)	106	8,441,755	(5,607,108)
Overdrafts	11,245	5,092,527	(3,819,667)	1,492	27,262	(25,486)	732	178,739	(170,653)	46	2,454	(1,236)	13,515	5,300,982	(4,017,042)
Consumer loans	1,598	26,199,975	(17,268,323)	178	333,980	(147,014)	246	490,415	(207,091)	958	1,496,963	(221,099)	2,980	28,521,333	(17,843,527)
Employees	1,286	2,005,020	(278,469)	221	563,440	(29,779)	180	372,223	(47,973)	336	840,137	(44,655)	2,023	3,780,820	(400,876)
Credit cards	4,063	1,896,673	(256,391)	244	125,411	(8,985)	1,324	428,852	(9,115)	908	362,035	(10,944)	6,539	2,812,971	(285,435)
	18,381	**48,343,343**	**(31,024,901)**	**2,162**	**2,080,222**	**(924,828)**	**2,491**	**39,292,747**	**(31,131,451)**	**2,274**	**3,714,333**	**(350,859)**	**25,308**	**93,430,645**	**(63,432,039)**
	19,867	**439,955,945**	**(142,306,519)**	**2,350**	**30,182,209**	**(6,011,102)**	**2,785**	**155,825,028**	**(38,722,083)**	**2,576**	**42,674,375**	**(2,489,381)**	**27,578**	**668,637,557**	**(189,529,085)**

As at 31 December 2024 and 31 December 2023, the detail of exposure and impairment losses established, by segment and type of analysis, is presented as follows:

AOA thousand

Segment	31-12-2024					
	Individual impairment		Collective impairment		Total	
	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses
Corporate						
Loans	514,905,578	(112,125,872)	42,468,105	(9,252,426)	557,373,683	(121,378,298)
Current account loans	9,834,963	(5,413,625)	6,197,122	(952,380)	16,032,085	(6,366,005)
Overdrafts	15,140,439	(3,486,976)	3,852,922	(2,124,341)	18,993,361	(5,611,317)
Credit cards	6,221	(2,447)	413,282	(25,075)	419,503	(27,522)
	539,887,201	**(121,028,920)**	**52,931,431**	**(12,354,222)**	**592,818,632**	**(133,383,142)**
Retail						
Loans	66,925,092	(58,619,249)	1,550,178	(506,303)	68,475,270	(59,125,552)
Mortgages	5,527,570	(293,726)	9,928,894	(5,767,237)	15,456,464	(6,060,963)
Overdrafts	4,035,061	(2,793,640)	1,215,376	(1,158,400)	5,250,437	(3,952,040)
Consumer loans	-	-	8,698,307	(6,497,849)	8,698,307	(6,497,849)
Employees	-	-	2,476,410	(561,383)	2,476,410	(561,383)
Credit cards	2,336	(1,905)	2,267,764	(427,691)	2,270,100	(429,596)
	76,490,059	**(61,708,520)**	**26,136,929**	**(14,918,863)**	**102,626,988**	**(76,627,383)**
	616,377,260	**(182,737,440)**	**79,068,360**	**(27,273,085)**	**695,445,620**	**(210,010,525)**

AOA thousand

Segment	31-12-2023					
	Individual impairment		Collective impairment		Total	
	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses
Corporate						
Loans	478,405,496	(100,242,058)	57,745,909	(13,116,657)	536,151,405	(113,358,715)
Current account loans	14,825,450	(4,579,604)	3,939,253	(1,301,114)	18,764,703	(5,880,718)
Overdrafts	14,758,233	(3,812,236)	4,781,153	(3,022,101)	19,539,386	(6,834,337)
Credit cards	3,900	(1,541)	747,518	(21,737)	751,418	(23,277)
	507,993,079	**(108,635,438)**	**67,213,833**	**(17,461,609)**	**575,206,912**	**(126,097,047)**
Retail						
Loans	42,837,232	(34,787,048)	1,735,553	(491,002)	44,572,785	(35,278,051)
Mortgages	271,188	(96,283)	8,170,567	(5,510,825)	8,441,755	(5,607,108)
Overdrafts	4,037,167	(2,787,328)	1,263,814	(1,229,715)	5,300,981	(4,017,043)
Consumer loans	19,727,421	(11,687,869)	8,793,913	(6,155,658)	28,521,334	(17,843,527)
Employees	-	-	3,780,818	(400,876)	3,780,818	(400,876)
Credit cards	2,452	(1,557)	2,810,520	(283,876)	2,812,972	(285,433)
	66,875,460	**(49,360,085)**	**26,555,186**	**(14,071,952)**	**93,430,645**	**(63,432,037)**
	574,868,538	**(157,995,524)**	**93,769,019**	**(31,533,561)**	**668,637,557**	**(189,529,085)**

As at 31 December 2024 and 31 December 2023, the Bank collected the relevant information on its Customers, namely their credit operations and associated guarantees, in order to obtain aggregate information on the credit portfolio. The information collected makes it possible to determine the amount of global exposure for each Customer, including the amount of direct and indirect credit. Additionally, through the automatic criteria, it is possible to identify individually significant Customers or economic groups as well as the stage of each operation. For significant exposures where no objective stage 2 or 3 indicators have been detected, a case-by-case review is performed to determine whether there is a significant increase in credit risk (in which case they are reclassified to stage 2). If no significant credit risk factors have been identified for these Customers or economic groups, they are kept at stage 1 and analysed under collective impairment.

Significant exposures classified as stage 2 (through objective criteria or through case-by-case analysis) or stage 3 are subject to individual analysis in order to determine their individual impairment rate.

Non-significant exposures are grouped into exposure segments with similar credit risk characteristics, which are assessed collectively. This segmentation is based on the characteristics of the Customer and their operations, as well as the existence of guarantees associated with these operations.

Additionally, the Bank defines the existence of a portfolio segmentation consistent with regulatory requirements, with the statistical relevance necessary to determine robust LGD parameters that are in line with the Bank's recovery strategies.

As at 31 December 2024 and 31 December 2023, the detail of exposure and impairment losses established, by type of analysis and business sector, is presented as follows:

AOA thousand

Segment	31-12-2024													
	Real Estate		Wholesale and Retail Trade		Construction		Manufacturing Industry		Retail		Other		Total	
	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses
Individual impairment	207,014,483	(44,950,741)	82,154,746	(26,297,889)	158,328,364	(64,132,653)	123,467,993	(23,600,714)	26,088,180	(18,296,127)	19,323,494	(5,459,316)	616,377,260	(182,737,440)
Collective impairment	13,974	(9,886)	16,197,713	(3,903,449)	10,400,937	(2,385,707)	14,911,286	(1,630,587)	26,116,373	(14,908,664)	11,428,077	(4,434,792)	79,068,360	(27,273,085)
	207,028,457	**(44,960,627)**	**98,352,459**	**(30,201,338)**	**168,729,301**	**(66,518,360)**	**138,379,279**	**(25,231,301)**	**52,204,553**	**(33,204,791)**	**30,751,571**	**(9,894,108)**	**695,445,620**	**(210,010,525)**

AOA thousand

Segment	31-12-2023													
	Real Estate		Wholesale and Retail Trade		Construction		Indústria Transformadora		Retail		Other		Total	
	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses
Individual impairment	205,179,290	(44,516,134)	76,751,728	(20,297,318)	145,389,825	(49,168,730)	111,169,933	(23,777,114)	24,036,346	(14,571,508)	12,341,416	(5,664,720)	574,868,538	(157,995,524)
Collective impairment	15,988	(9,861)	17,256,073	(6,829,823)	6,431,807	(2,321,860)	27,337,583	(3,326,985)	26,555,184	(14,071,954)	16,172,383	(4,973,078)	93,769,018	(31,533,561)
	205,195,278	**(44,525,995)**	**94,007,801**	**(27,127,142)**	**151,821,632**	**(51,490,590)**	**138,507,517**	**(27,104,099)**	**50,591,530**	**(28,643,462)**	**28,513,799**	**(10,637,797)**	**668,637,557**	**(189,529,085)**

As at 31 December 2024 and 31 December 2023, the detail of exposure and impairment losses established, by type of analysis and geography, is presented as follows:

AOA thousand

Segment	31-12-2024							
	Angola		Portugal		Other countries		Total	
	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses
Individual impairment	616,377,260	(182,737,440)	-	-	-	-	616,377,260	(182,737,440)
Collective impairment	78,550,038	(27,016,852)	289,338	(141,222)	228,984	(115,011)	79,068,360	(27,273,085)
	694,927,298	**(209,754,292)**	**289,338**	**(141,222)**	**228,984**	**(115,011)**	**695,445,620**	**(210,010,525)**

AOA thousand

Segment	31-12-2023							
	Angola		Portugal		Other countries		Total	
	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses	Total exposure	Impairment losses
Individual impairment	574,868,538	(157,995,524)	-	-	-	-	574,868,538	(157,995,524)
Collective impairment	93,405,182	(31,382,484)	317,694	(146,481)	46,143	(4,596)	93,769,019	(31,533,561)
	668,273,720	**(189,378,008)**	**317,694**	**(146,481)**	**46,143**	**(4,596)**	**668,637,557**	**(189,529,085)**

As at 31 December 2024 and 31 December 2023, the analysis of the fair value of guarantees underlying the loan portfolio of the corporate, construction and real estate development and housing segments is as follows:

AOA thousand

	31-12-2024											
	Corporate				Construction and Retail Trade				Mortgages			
	Real Estate		Other guarantees		Real Estate		Other guarantees		Real Estate		Other guarantees	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
< AOA 50 M	11	305,896	430	1,429,607	1	20,000	27	81,960	42	1,131,051	3	26,720
≥ AOA 50 M and < AOA 100 M	7	608,410	23	1,540,061	-	-	3	216,293	35	2,508,601	-	-
≥ AOA 100 M and < AOA 500 M	24	5,381,000	65	13,969,939	19	3,849,974	4	430,281	28	4,947,335	1	119,572
≥ AOA 500 M and < AOA 1,000 M	12	7,717,539	19	13,443,755	4	2,992,278	-	-	1	874,556	-	-
≥ AOA 1,000 M and < AOA 2,000 M	11	16,746,736	14	17,092,537	4	5,635,756	1	1,434,971	-	-	-	-
≥ AOA 2,000 M and < AOA 5,000 M	10	32,595,924	4	9,750,918	2	6,684,378	1	522,481	-	-	-	-
≥ AOA 5,000 M	22	285,166,809	4	66,885,779	11	227,838,682	4	13,633,729	-	-	-	-
	97	**348,522,314**	**559**	**124,112,596**	**41**	**247,021,068**	**40**	**16,319,715**	**106**	**9,461,543**	**4**	**146,292**

AOA thousand

	31-12-2023											
	Corporate				Construction and Retail Trade				Mortgages			
	Real Estate		Other guarantees		Real Estate		Other guarantees		Real Estate		Other guarantees	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
< AOA 50 M	13	342,931	1,268	3,794,904	-	-	3	3,319	48	1,251,895	4	64,848
≥ AOA 50 M and < AOA 100 M	8	708,916	45	3,048,823	-	-	-	-	35	2,452,229	-	-
≥ AOA 100 M and < AOA 500 M	42	8,320,695	77	17,675,767	5	1,844,228	-	-	19	3,175,963	3	556,216
≥ AOA 500 M and < AOA 1,000 M	8	5,802,692	25	14,015,461	6	3,857,555	-	-	1	874,556	-	-
≥ AOA 1,000 M and < AOA 2,000 M	13	15,897,094	12	11,910,759	2	3,267,600	-	-	-	-	-	-
≥ AOA 2,000 M and < AOA 5,000 M	10	24,813,155	14	31,269,452	1	4,511,972	-	-	-	-	-	-
≥ AOA 5,000 M	20	259,130,936	9	75,785,519	12	262,463,270	1	9,945,600	-	-	-	-
	114	**315,016,419**	**1,450**	**157,500,685**	**26**	**275,944,625**	**4**	**9,948,919**	**103**	**7,754,643**	**7**	**621,064**

As at 31 December 2024 and 31 December 2023, the loan-to-value ratio of the corporate, construction and property development and housing segments is presented as follows:

AOA thousand

Segment/Ratio	31-12-2024					
	Number of properties	Number of other real guarantees	Credit in Stage 1	Credit in Stage 2	Credit in Stage 3	Impairment losses
Corporate						
No guarantee provided	-	-	6,179,528	3,147,527	16,764,469	(10,938,429)
< 50%	47	44	5,196,900	8,833,652	39,086,739	(15,807,890)
≥ 50% and < 75%	7	52	245,068	60,849,753	16,162,323	(18,847,192)
≥ 75% and < 100%	6	29	52,295	28,685,922	2,692,484	(2,478,166)
≥ 100%	37	434	18,252,677	35,525,845	48,943,208	(22,179,565)
	97	**559**	**29,926,468**	**137,042,699**	**123,649,223**	**(70,251,242)**
Construction and Retail Trade						
No guarantee provided	-	-	-	-	-	-
< 50%	26	9	3,222,481	16,449,634	30,117,059	(26,269,688)
≥ 50% and < 75%	5	3	25,716	120,145,121	52,905,906	(59,838,505)
≥ 75% and < 100%	1	5	401,107	55,437,760	9,929,204	(9,757,972)
≥ 100%	9	23	615,090	22,567,197	34,952,566	(5,653,781)
	41	**40**	**4,264,394**	**214,599,712**	**127,904,735**	**(101,519,946)**
Mortgages						
No guarantee provided	-	-	-	-	-	-
< 50%	14	3	239,282	274,614	369,302	(424,434)
≥ 50% and < 75%	3	1	-	-	-	-
≥ 75% and < 100%	6	-	81,954	-	249,787	(167,423)
≥ 100%	83	-	1,578,586	356,658	5,440,306	(4,698,756)
	106	**4**	**1,899,822**	**631,272**	**6,059,395**	**(5,290,613)**
	244	**603**	**36,090,684**	**352,273,683**	**257,613,353**	**(177,061,801)**

AOA thousand

Segment/Ratio	31-12-2023					
	Number of properties	Number of other real guarantees	Credit in Stage 1	Credit in Stage 2	Credit in Stage 3	Impairment losses
Corporate						
No guarantee provided	-	-	1,409,485	8,014,608	17,786,649	(15,741,162)
< 50%	57	234	8,361,344	101,475,591	23,400,133	(32,049,993)
≥ 50% and < 75%	10	116	2,055,431	14,745,746	50,430,472	(35,308,305)
≥ 75% and < 100%	5	133	20,895,823	10,081,823	9,369,677	(2,969,565)
≥ 100%	42	967	9,356,366	55,395,043	56,136,089	(27,342,171)
	114	**1,450**	**42,078,449**	**189,712,812**	**157,123,020**	**(113,411,196)**
Construction and Retail Trade						
No guarantee provided	-	-	-	-	-	-
< 50%	7	1	-	46,416,686	18,930,145	(20,745,233)
≥ 50% and < 75%	7	2	-	63,517,634	2,268,843	(10,223,607)
≥ 75% and < 100%	2	-	-	39,283,076	27,407,443	(14,732,292)
≥ 100%	10	1	-	-	31,307,916	(2,689,225)
	26	**4**	**-**	**149,217,397**	**79,914,348**	**(48,390,357)**
Mortgages						
No guarantee provided	-	-	-	-	-	-
< 50%	8	3	213,199	298,271	326,996	(526,411)
≥ 50% and < 75%	6	1	95,093	-	27,132	(28,227)
≥ 75% and < 100%	5	-	82,055	-	56,361	(55,482)
≥ 100%	84	3	2,538,185	243,850	5,257,940	(5,017,213)
	103	**7**	**2,928,533**	**542,121**	**5,668,430**	**(5,627,334)**
	243	**1,461**	**45,006,981**	**339,472,331**	**242,705,798**	**(167,428,887)**

As at 31 December 2024 and 31 December 2023, the analysis of the fair value and the net book value of properties received as recovery or foreclosure, recorded under "Non-current assets held for sale" (Note 13), by type of real estate, is as follows:

AOA thousand

Type of property	31-12-2024			31-12-2023		
	Number of properties	Valuation value of the asset	Net book value	Number of properties	Valuation value of the asset	Net book value
Constructed buildings						
Commercial	-	-	-	1	743,211	564,840
Mortgages	-	-	-	1	199,357	151,511
	-	**-**	**-**	**2**	**942,568**	**716,352**

As at 31 December 2024 and 31 December 2023, the analysis of the net book value of properties received as recovery or foreclosure, recorded under "Non-current assets held for sale" (Note 13), by type of real estate and seniority, is as follows:

AOA thousand

Time elapsed since the payment/foreclosure	31-12-2024				31-12-2023			
	< 1 year	≥ 1 year and < 2,5 years	≥ 2,5 years and < 5 years	Total	< 1 year	≥ 1 year and < 2,5 years	≥ 2,5 years and < 5 years	Total
Constructed buildings								
Commercial	-	-	-	-	743,211	-	-	743,211
Mortgages	-	-	-	-	199,357	-	-	199,357
	-	**-**	**-**	**-**	**942,568**	**-**	**-**	**942,568**

As at 31 December 2024 and 31 December 2023, the detail of exposure, by segment and internal risk degree, is presented as follows:

AOA thousand

Segment	31-12-2024									
	Low risk level			Medium risk level	High risk level				No rating	Total
	B1	B2	B3	C	D	E	F	G	-	
Corporate										
Loans	-	12,761,079	1,110,960	98,442,274	71,306,813	21,317,769	-	230,938,731	121,496,057	557,373,683
Current account loans	-	-	164,442	5,198,987	4,204,627	96,038	-	1,843,561	4,524,430	16,032,085
Overdrafts	-	-	-	827,974	949,087	1,360,727	1,817	10,884,189	4,969,567	18,993,361
Credit cards	-	-	26,347	32,889	20,187	12,363	-	8,074	319,643	419,503
	-	**12,761,079**	**1,301,749**	**104,502,124**	**76,480,714**	**22,786,897**	**1,817**	**243,674,555**	**131,309,697**	**592,818,632**
Retail										
Loans	-	144,471	123,602	247,050	285,543	-	-	-	67,674,604	68,475,270
Mortgages	41,241	362,493	669,167	5,844,065	1,108,590	553,984	47,950	262,604	6,566,370	15,456,464
Overdrafts	-	57	3,535	204,703	5,905	2	-	465	5,035,770	5,250,437
Consumer loans	1,004,991	222,236	533,416	755,571	159,106	1,203	-	6,204	6,015,580	8,698,307
Employees	2,302	-	12,834	-	19	-	-	-	2,461,255	2,476,410
Credit cards	2,382	15,617	34,043	18,631	3,678	7,244	-	840	2,187,665	2,270,100
	1,050,916	**744,874**	**1,376,597**	**7,070,020**	**1,562,841**	**562,433**	**47,950**	**270,113**	**89,941,244**	**102,626,988**
	1,050,916	**13,505,953**	**2,678,346**	**111,572,144**	**78,043,555**	**23,349,330**	**49,767**	**243,944,668**	**221,250,941**	**695,445,620**

AOA thousand

Segment	31-12-2023									
	Low risk level			Medium risk level	High risk level				No rating	Total
	B1	B2	B3	C	D	E	F	G	-	
Corporate										
Loans	-	11,153,741	2,779,938	87,850,982	74,277,418	39,402,999	-	205,859,369	114,826,958	536,151,405
Current account loans	-	-	2,406,356	69,524	9,703,654	96,103	-	1,849,667	4,639,399	18,764,703
Overdrafts	-	-	-	83,018	869,789	1,293,066	1,818	9,955,043	7,336,652	19,539,386
Credit cards	-	207	18,622	47,654	45,374	29,499	-	6,750	603,311	751,418
	-	**11,153,948**	**5,204,916**	**88,051,178**	**84,896,235**	**40,821,668**	**1,818**	**217,670,829**	**127,406,320**	**575,206,912**
Retail										
Loans	5,849	128,866	136,539	271,075	320,074	-	-	-	43,710,382	44,572,785
Mortgages	-	274,009	382,779	373,671	1,008,953	511,610	49,069	47,762	5,793,902	8,441,755
Overdrafts	-	64	1,400	205,886	5,420	84	-	569	5,087,557	5,300,981
Consumer loans	66,531	182,316	838,446	6,146,648	190,548	64	-	207,519	20,889,261	28,521,333
Employees	4,077	459	19,501	-	-	-	-	-	3,756,781	3,780,818
Credit cards	2,964	39,393	50,184	21,113	7,249	6,162	168	3,504	2,682,235	2,812,972
	79,421	**625,108**	**1,428,850**	**7,018,394**	**1,532,244**	**517,921**	**49,238**	**259,354**	**81,920,118**	**93,430,645**
	79,421	**11,779,056**	**6,633,766**	**95,069,572**	**86,428,478**	**41,339,589**	**51,056**	**217,930,183**	**209,326,437**	**668,637,557**

As at 31 December 2024 and 31 December 2023, the disclosure of risk factors associated with the impairment model, by segment, is as follows:

AOA thousand

Segment	31-12-2024			
	Probability of default (%)			Loss given default (%)
	Stage 1	Stage 2	Stage 3	
Corporate				
Loans	3%	38%	100%	87%
Current account loans	3%	29%	100%	95%
Overdrafts	2%	12%	100%	98%
Credit cards	3%	16%	100%	95%
Retail				
Loans	4%	29%	100%	92%
Consumer loans	6%	22%	100%	95%
Employees	1%	16%	100%	90%
Overdrafts	3%	7%	100%	94%
Credit cards	3%	7%	100%	91%
Mortgages	3%	12%	100%	83%

AOA thousand

Segment	31-12-2023			
	Probability of default (%)			Loss given default (%)
	Stage 1	Stage 2	Stage 3	
Corporate				
Loans	3%	25%	100%	94%
Current account loans	3%	12%	100%	94%
Overdrafts	3%	13%	100%	92%
Credit cards	3%	13%	100%	88%
Retail				
Loans	4%	29%	100%	96%
Consumer loans	6%	22%	100%	97%
Employees	1%	14%	100%	94%
Overdrafts	4%	7%	100%	95%
Credit cards	3%	8%	100%	94%
Mortgages	3%	14%	100%	96%

In 2024, the calculation model for LGDs (Loss given default) and EAD (Exposure at default) was revised, changing the treatment of real estate collateral, which were previously deducted directly from EAD after applying generic haircuts based on the type and age of the appraisal, without considering the execution time, possession, and associated costs. Currently, only financial guarantees are deducted from EAD for the purpose of calculating Impairment (ECL), while mortgages will be incorporated into the estimation of loss given default (LGD), considering the conditions of enforcement. The value of other collateral, both non-real estate and non-financial, is excluded from the calculation.

In order to determine the forward-looking effect in the update of the default probabilities calculation, the Bank only considered the effect of the oil price evolution with a 1-year lag in the default rates projection of the Companies. In the Retail segment, the Bank decided not to carry out the forward-looking effect when calculating the probabilities of default.

As at 31 December 2024 and 31 December 2023, financial leases, by residual maturity, is as follows:

AOA thousand

	31-12-2024	31-12-2023
Outstanding rents and residual values		
Below 1 year	5,016,542	4,285,823
1 to 5 years	10,133,836	6,327,377
Above 5 years	1,240,311	1,319,038
	16,390,689	**11,932,238**
Outstanding interest		
Below 1 year	2,101,385	843,072
1 to 5 years	2,595,181	1,111,126
Above 5 years	520,505	356,704
	5,217,071	**2,310,902**
Outstanding principal		
Below 1 year	2,915,158	3,442,750
1 to 5 years	7,538,654	5,216,251
Above 5 years	719,806	962,335
	11,173,618	**9,621,336**
Impairment losses	(575,971)	(1,162,928)
	10,597,647	**8,458,408**

There are no lease agreements with contingent rents.

Note 10 – Financial assets at amortised cost – Other loans and advances to central banks and credit institutions

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Other loans and advances to credit institutions in Angola		
Loans and advances	14,500,000	42,722,284
Interest receivable	2,112,018	235,578
	16,612,018	**42,957,862**
Other loans and advances to credit institutions abroad		
Loans and advances	80,844,826	38,192,355
Interest receivable	28,207	46,912
	80,873,033	**38,239,267**
Impairment losses (Note 33)	(688)	(3,674)
	97,484,363	**81,193,455**

As at 31 December 2024 and 31 December 2023, the breakdown of "Other loans and advances to central banks and credit institutions", excluding interest receivable, by residual maturity, is as follows:

AOA thousand

	31-12-2024	31-12-2023
Below 3 months	91,632,707	78,206,464
3 to 12 months	3,712,119	2,708,175
	95,344,826	**80,914,639**

As at 31 December 2024 and 31 December 2023, the breakdown of "Other loans and advances to credit institutions", including interest receivable, by currency, is as follows:

AOA thousand

	31-12-2024			31-12-2023		
	Gross exposure	Impairment losses	Net Exposure	Gross exposure	Impairment losses	Net Exposure
In AOA	16,612,018	-	16,612,018	42,957,864	-	42,957,864
In USD	79,526,883	(515)	79,526,368	37,089,890	(3,160)	37,086,730
In EUR	1,346,150	(173)	1,345,977	1,149,375	(514)	1,148,861
	97,485,051	**(688)**	**97,484,363**	**81,197,129**	**(3,674)**	**81,193,455**

As at 31 December 2024, the balance of "Other loans and advances to credit institutions in Angola – Loans and advances", refers to twelve liquidity-providing operations on the interbank money market, with an average maturity of up to twelve months and bearing interest at an average annual rate of 17.5%.

As at 31 December 2023, the balance of "Other loans and advances to credit institutions in Angola – Loans and advances", refers to seven liquidity providing operations on the interbank money market, with an average maturity of three months and bearing interest at an average annual rate of 13.33%.

As at 31 December 2024 and 31 December 2023, the balance of "Loans and advances to credit institutions abroad – Loans and advances" relating to liquidity investments, includes AOA 22,322,844 thousand and AOA 8,498,994 thousand, respectively, which are collateralising documentary credit operations for Customer imports.

As at 31 December 2024 and 31 December 2023, Loans and advances to credit institutions abroad are not remunerated, and the outstanding operations earned interest at an average annual rate of 4.12% and 4.02%, respectively.

As at 31 December 2024 and 31 December 2023, exposures relating to investments are classified in Stage 1.

Changes in impairment losses for other loans and advances to central banks and credit institutions measured at amortised cost are as follows:

AOA thousand

	31-12-2024	31-12-2023
Opening balance	**3,674**	**23,263**
Increases/(Reversals) (Note 3	(2,986)	(19,589)
Closing balance	**688**	**3,674**

Note 11 – Property, plant and equipment

The changes in this caption are detailed as follows:

AOA thousand

	Gross amount						Depreciation, amortisation and impairment losses					Net amount	
	Balance as at 31-12-2023	Acquisitions	Revaluation	Disposals/ Write-offs	Transfers	Balance as at 31-12-2024	Balance as at 31-12-2023	Amortisation for the period	Disposals/ Write-offs	Transfers	Balance as at 31-12-2024	31-12-2023	31-12-2024
Real Estate													
For own use	65,680,990	259,224	3,435,952	(1,560,607)	-	67,815,559	(7,441,543)	(1,352,304)	32,293	-	(8,761,554)	58,239,447	59,054,005
Improvements to leased properties	15,275,078	681,450	-	(136,150)	-	15,820,378	(5,147,173)	(507,855)	57,221	-	(5,597,807)	10,127,905	10,222,571
Other	9,286,581	-	-	(169,012)	-	9,117,569	-	-	-	-	-	9,286,581	9,117,569
	90,242,649	**940,674**	**3,435,952**	**(1,865,769)**	**-**	**92,753,506**	**(12,588,716)**	**(1,860,159)**	**89,514**	**-**	**(14,359,361)**	**77,653,933**	**78,394,145**
Other assets under construction													
For own use	273,940	-	-	-	-	273,940	-	-	-	-	-	273,940	273,940
Advances	-	-	-		-	-	-	-	-	-	-	-	-
	273,940	**-**	**-**	**-**	**-**	**273,940**	**-**	**-**	**-**	**-**	**-**	**273,940**	**273,940**
Equipment													
IT equipment	21,567,073	4,627,405	-	(281,091)	-	25,913,387	(14,351,395)	(2,342,816)	280,540	-	(16,413,671)	7,215,678	9,499,716
Indoor facilities	2,711,461	323,638	-	(16,165)	-	3,018,934	(2,173,860)	(150,782)	15,065	-	(2,309,577)	537,601	709,357
Furniture and material	6,760,192	1,655	-	(36)	-	6,761,811	(6,444,630)	(201,146)	36	-	(6,645,740)	315,562	116,071
Security equipment	4,970,638	679,876	-	-	-	5,650,514	(4,572,626)	(161,588)	-	-	(4,734,214)	398,012	916,300
Machinery and tools	1,928,451	407,665	-	-	-	2,336,116	(1,653,856)	(95,292)	-	-	(1,749,148)	274,596	586,968
Transport equipment	3,593,917	393,562	-	(950,085)	-	3,037,394	(2,337,210)	(493,971)	916,705	-	(1,914,476)	1,256,707	1,122,918
Other	2,757,742	707,581	-	(60,143)	-	3,405,180	(2,615,287)	(48,416)	-	-	(2,663,703)	142,455	741,477
	44,289,474	**7,141,382**	**-**	**(1,307,520)**	**-**	**50,123,336**	**(34,148,864)**	**(3,494,011)**	**1,212,346**	**-**	**(36,430,529)**	**10,140,611**	**13,692,807**
Other property, plant and equipment													
Other	2,705	-	-	-	-	2,705	(2,705)	-	-	-	(2,705)	-	-
	2,705	**-**	**-**	**-**	**-**	**2,705**	**(2,705)**	**-**	**-**	**-**	**(2,705)**	**-**	**-**
Right-of-use assets													
Real Estate	6,046,684	-	-	(387,530)	-	5,659,154	(1,742,692)	(348,649)	78,013	-	(2,013,328)	4,303,992	3,645,826
	6,046,684	**-**	**-**	**(387,530)**	**-**	**5,659,154**	**(1,742,692)**	**(348,649)**	**78,013**	**-**	**(2,013,328)**	**4,303,992**	**3,645,826**
	140,855,452	**8,082,056**	**3,435,952**	**(3,560,819)**	**-**	**148,812,641**	**(48,482,977)**	**(5,702,819)**	**1,379,873**	**-**	**(52,805,923)**	**92,372,476**	**96,006,718**

AOA thousand

	Gross amount						Depreciation, amortisation and impairment losses					Net amount	
	Balance as at 31-12-2022	Acquisitions	Revaluation	Disposals/ Write-offs	Transfers	Balance as at 31-12-2023	Balance as at 31-12-2022	Amortisation for the period	Disposals/ Write-offs	Transfers	Balance as at 31-12-2023	31-12-2022	31-12-2023
Real Estate													
For own use	50,836,997	1,843,425	13,000,000	-	568	65,680,990	(6,389,156)	(1,052,202)	-	(185)	(7,441,543)	44,447,841	58,239,447
Improvements to leased properties	14,625,833	649,813	-	-	(568)	15,275,078	(4,645,566)	(501,792)	-	185	(5,147,173)	9,980,267	10,127,905
Other	9,286,581	-	-	-	-	9,286,581	-	-	-	-	-	9,286,581	9,286,581
	74,749,411	**2,493,238**	**13,000,000**	**-**	**-**	**90,242,649**	**(11,034,722)**	**(1,553,994)**	**-**	**-**	**(12,588,716)**	**63,714,689**	**77,653,933**
Other assets under construction													
For own use	12,091,765	-	-	(11,817,825)	-	273,940	-	-	-	-	-	12,091,765	273,940
Advances	14,104,760	-	-	(14,104,760)	-	-	-	-	-	-	-	14,104,760	-
	26,196,525	**-**	**-**	**(25,922,585)**	**-**	**273,940**	**-**	**-**	**-**	**-**	**-**	**26,196,525**	**273,940**
Equipment													
IT equipment	19,376,154	2,278,789	-	(87,869)	-	21,567,073	(12,364,281)	(2,072,058)	84,944	-	(14,351,395)	7,011,873	7,215,678
Indoor facilities	2,558,652	152,809	-	-	-	2,711,461	(2,010,468)	(163,392)	-	-	(2,173,860)	548,184	537,601
Furniture and material	6,758,932	1,260	-	-	-	6,760,192	(6,044,447)	(400,183)	-	-	(6,444,630)	714,485	315,562
Security equipment	4,895,146	75,493	-	-	-	4,970,638	(4,314,508)	(258,118)	-	-	(4,572,626)	580,638	398,012
Machinery and tools	1,757,271	185,439	-	(14,259)	-	1,928,451	(1,588,509)	(79,605)	14,259	-	(1,653,856)	168,762	274,596
Transport equipment	2,205,145	1,548,280	-	(159,507)	-	3,593,917	(2,017,325)	(479,392)	159,597	(90)	(2,337,210)	187,820	1,256,707
Other	2,664,127	93,615	-	-	-	2,757,742	(2,562,569)	(52,718)	-	-	(2,615,287)	101,558	142,455
	40,215,426	**4,335,683**	**-**	**(261,635)**	**-**	**44,289,474**	**(30,902,107)**	**(3,505,467)**	**258,800**	**(90)**	**(34,148,864)**	**9,313,319**	**10,140,611**
Other property, plant and equipment													
Other	2,705	-	-	-		2,705	(2,702)	(3)	-	-	(2,705)	3	-
	2,705	-	**-**	**-**		2,705	**(2,702)**	**(3)**	**-**	**-**	**(2,705)**	**3**	**-**
Right-of-use assets													
Real Estate	5,976,506	70,178	-	-	-	6,046,684	(1,341,348)	(401,344)	-	-	(1,742,692)	4,635,158	4,303,992
	5,976,506	**70,178**	**-**	**-**	**-**	**6,046,684**	**(1,341,348)**	**(401,344)**	**-**	**-**	**(1,742,692)**	**4,635,158**	**4,303,992**
	147,140,573	**6,899,099**	**13,000,000**	**(26,184,220)**	**-**	**140,855,452**	**(43,280,879)**	**(5,460,807)**	**258,800**	**(90)**	**(48,482,977)**	**103,859,695**	**92,372,476**

As described in Note 2.7, during the 2023 financial year the Bank changed its accounting policy regarding the measurement of the properties recorded under this caption, subsequently changing their measurement from acquisition cost to fair value. As part of this, the properties recorded under "Real Estate – For own use" were revalued by appraisers registered with the CMC of Angola.

As at 31 December 2023, the effect of the revaluation, amounting to AOA 13,000,000 thousand, was recorded against "Revaluation reserves" (Note 21), net of tax calculated at the rate in force (Note 14).

As at 31 December 2024, the Bank revalued the properties recorded under the heading "Real estate – For own use", and the effect of this revaluation in the amount of AOA 3,435,952 thousand was recorded against the heading "Revaluation reserves" (Note 21), net of tax calculated at the rate in force (Note 14).

As at 31 December 2024 and 31 December 2023, the increase in the "Real Estate – Improvements to leased properties" corresponds mainly to works to adapt the branch network.

As at 31 December 2024 and 31 December 2023, the amount recorded under "Real Estate – Other" corresponds mainly to land and other similar non-amortizable properties.

As at 31 December 2024, the balance of disposals/write-offs under "Real estate – For own use" corresponds essentially to the sale made through the signing of a CPCV, which was settled in the month following the signing of the contract.

As at 31 December 2024 and 31 December 2023, the increase in the item "Equipment – IT equipment" mainly corresponds to investments related to the acquisition of ATMs, POS terminals, banknote deposit machines, and card issuance machines.

As at 31 December 2024 and 31 December 2023, the caption "Right-of-use assets – Real Estate" corresponds to assets under lease, in accordance with the requirements of IFRS 16, as described in Note 2.11.

Note 12 – Intangible assets

The changes in this caption are detailed as follows:

AOA thousand

	Gross amount				Accumulated Amortisations				Accumulated impairment losses			Net amount	
	Balance as at 31-12-2023	Acquisitions	Disposals/ Write-offs	Balance as at 31-12-2024	Balance as at 31-12-2023	Amortisation for the period	Disposals/ Write-offs	Balance as at 31-12-2024	Balance as at 31-12-2023	Impairment losses for the period	Balance as at 31-12-2024	31-12-2023	31-12-2024
Automatic data processing systems	35,731,040	8,947,892	(107,920)	44,571,012	(25,705,866)	(4,043,326)	1,799	(29,747,393)	-	-	-	10,025,174	14,823,619
Goodwill	51,349,585	-	-	51,349,585	-	-	-	-	(51,349,585)	-	(51,349,585)	-	-
Other intangible assets	2,180,355	-	-	2,180,355	(1,547,210)	(53,531)	-	(1,600,741)	-	-	-	633,145	579,614
	89,260,980	**8,947,892**	**(107,920)**	**98,100,952**	**(27,253,077)**	**(4,096,857)**	**1,799**	**(31,348,134)**	**(51,349,585)**	**-**	**(51,349,585)**	**10,658,318**	**15,403,233**

AOA thousand

	Gross amount				Accumulated Amortisations				Accumulated impairment losses			Net amount	
	Balance as at 31-12-2022	Acquisitions	Disposals/ Write-offs	Balance as at 31-12-2023	Balance as at 31-12-2022	Amortisation for the period	Disposals/ Write-offs	Balance as at 31-12-2023	Balance as at 31-12-2022	Impairment losses for the period	Balance as at 31-12-2023	31-12-2022	31-12-2023
Automatic data processing systems	33,975,246	1,755,794	-	35,731,040	(21,645,042)	(4,060,824)	-	(25,705,866)	-	-	-	12,330,204	10,025,174
Goodwill	51,349,585	-	-	51,349,585	-	-	-	-	(51,349,585)	-	(51,349,585)	-	-
Other intangible assets	2,933,594	-	(753,239)	2,180,355	(2,241,698)	(58,751)	753,239	(1,547,210)	-	-	-	691,896	633,145
	88,258,425	**1,755,794**	**(753,239)**	**89,260,980**	**(23,886,740)**	**(4,119,576)**	**753,239**	**(27,253,077)**	**(51,349,585)**	**-**	**(51,349,585)**	**13,022,100**	**10,658,318**

In the year ended 31 December 2024, the item "Intangible assets – Automatic data processing systems – Acquisitions" shows an amount of AOA 8,947,892 thousand, which essentially corresponds to investments made in cybersecurity systems, communications and electronic channel platforms.

Note 13 – Non-current assets held for sale

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Real Estate	-	942,568
Impairment losses	-	(226,216)
	-	**716,352**

The changes in this caption are detailed as follows:

AOA thousand

	Balance as at 31-12-2023					Impairment losses (Note 31)		Balance as at 31-12-2024		
	Gross amount	Impairment losses	Net amount	Inflows	Disposals	Increases	Reversals, charge-offs and transfers	Gross amount	Impairment losses	Net amount
Properties received *in lieu* of payment	942,568	(226,216)	716,352	19,904,184	(20,846,752)	(10,983)	237,199	-	-	-
	942,568	**(226,216)**	**716,352**	**19,904,184**	**(20,846,752)**	**(10,983)**	**237,199**	**-**	**-**	**-**

AOA thousand

	Balance as at 31-12-2022					Impairment losses (Note 31)		Balance as at 31-12-2023		
	Gross amount	Impairment losses	Net amount	Inflows	Disposals	Increases	Reversals, charge-offs and transfers	Gross amount	Impairment losses	Net amount
Properties received *in lieu* of payment	-	-	-	67,204,881	(66,262,313)	(226,216)	-	942,568	(226,216)	716,352
	-	**-**	**-**	**67,204,881**	**(66,262,313)**	**(226,216)**	**-**	**942,568**	**(226,216)**	**716,352**

As at 31 December 2024, the "Inflows" presented relate to property received in payment in kind, as part of the recovery of a credit operation granted to Customers. The disposals presented correspond, essentially, to disposals of real estate for cash contributions to Pactual Property Fund – FIIF (Note 6), as part of the capital increase and the promissory contract entered into with Pactual Property Fund – FIIF in December 2024 (Note 15).

As at 31 December 2023, the "Inflows" presented mainly relate to a property received in payment in kind, as part of the recovery of a credit operation granted to Customers and other liabilities with the Bank. Within the scope of this payment in kind, the Customer handed over the property called "Projecto Parcela 1" located in Luanda Bay, whose market value in its current state amounted to AOA 70,512,465 thousand, determined by the average of three valuations carried out by independent experts registered with the Capital Markets Commission. On the date the contract was signed, the Customer's liabilities with the Bank amounted to AOA 66,262,313 thousand, corresponding to (i) credit exposure in the total amount of AOA 27,928,044 thousand, previously recorded under "Loans and advances to Customers" (Note 9), (ii) advances under the promissory contract for the acquisition of a building in the "Projecto Parcela 1" in the total amount of AOA 25,922,585 thousand, previously recorded under "Assets under construction" (Note 11), and (iii) transfer to the Bank of a set of liabilities relating to costs and expenses related to the development of the project's works recorded under "Accrued costs", in the caption "Other liabilities" (Note 19), as the Bank awaits the issue of the respective invoices. Additionally, two other properties were received *in lieu* of payment.

Also, in the year ended 31 December 2023, the Bank signed a promissory contract for the transfer of the "Projecto Parcela 1" property to a private entity, for the amount of AOA 49,800,000 thousand. Gains and losses, resulting from the difference between the amount recorded in the balance sheet and the sale value charged on the promissory contracts and direct sales to third parties, were recorded in the income statement, under the caption "Net gains/(losses) arising from the sale of other assets" (Note 27).

Where the asset is not disposed of within 12 months, the Bank assesses whether the requirements continue to be met, namely the sale was not made for reasons beyond the Bank's control. The Bank shall ensure that all necessary actions have been taken to enable the sale, and that the asset continues to be actively marketed at reasonable selling prices given the market circumstances (Note 2.10).

Note 14 – Taxes

As at 31 December 2024 and 31 December 2023, the caption Current tax assets is presented as follows:

AOA thousand

	31-12-2024	31-12-2023
Current tax assets		
Other taxes receivable	2,604,027	2,464,674
	2,604,027	**2,464,674**

As at 31 December 2024 and 31 December 2023, the caption "Current tax assets" includes (i) taxes recoverable through the provisional settlement of Industrial Tax for the financial years 2017 and 2018, in the amounts of AOA 694,824 thousand and AOA 543,364 thousand, respectively, (ii) an amount to be recovered from the Tax Authorities (AGT) in the amount of AOA 580,295 thousand, and (iii) provisional settlement of Industrial Tax on services ("withholding tax") for the years 2021 and 2022 in the amounts of AOA 58,958 thousand and AOA 51,729 thousand, respectively.

Regarding the assessment and payment of provisional Industrial Tax, in accordance with Article 66(10) of the Industrial Tax Code, as amended by Law 26/20 of 20 July, the Bank assessed the tax for the 2023 financial year.

As at 31 December 2024 and 31 December 2023, Deferred tax assets and Deferred tax liabilities are as follows:

AOA thousand

	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)						
Impairment not accepted	4,559,386	3,657,438	-	-	4,559,386	3,657,438
Securities portfolio	-	-		(2,209,028)	-	(2,209,028)
Other property, plant and equipment	-	-	(5,462,501)	(4,550,000)	(5,462,501)	(4,550,000)
Other financial assets	-	-	-	(471,111)	-	(471,111)
Potential changes in foreign exchange rates	-	-	(45,714,658)	(61,447,608)	(45,714,658)	(61,447,608)
Tax losses carried forward	-	-	45,714,658	61,447,608	45,714,658	61,447,608
	4,559,386	**3,657,438**	**(5,462,501)**	**(7,230,139)**	**(903,115)**	**(3,572,701)**

In 2020, Law 26/20 of 20 July was published which introduced several amendments to the corporate income tax system provided for in the Industrial Tax Code, namely to Articles 13 and 14 (Income or gains/Costs or expenses) and Article 45 (Provisions).

In particular, a rewording of the rules on income and gains of a financial nature has been carried out, as provided for in Articles 13(c) and 14(c) of the Industrial Tax Code, so that only realised favourable and unfavourable exchange rate changes will now be considered as income and costs of this nature. Moreover, Article 45 of the Industrial Tax Code has been amended, with the introduction of a new paragraph 4 to the list of articles, which now states that "Provisions set up for collateralised loans are not accepted, except for the part not covered".

Accordingly, for the purposes of calculating current and deferred tax, the Bank considered the effects arising from the changes in the Industrial Tax Code, namely those related to (i) costs and income with unrealised exchange rate valuations and devaluations and (ii) costs with impairment losses on amounts of loans secured by collaterals.

It should be noted that these tax changes are under review and discussion between Associação Angolana de Bancos (ABANC) and the Angolan Tax Authority (AGT), with some uncertainties persisting as to (i) the procedures for calculating these adjustments, (ii) the type of deferred tax assets and liabilities to be considered on the effects of unrealised exchange rate changes and (iii) the type and valuation of collaterals for purposes of determining impairment losses not accepted for tax purposes.

In view of the above and in accordance with the provisions of IAS 12, deferred tax liabilities should be recognised in their entirety, whereas a deferred tax asset should only be recognised if it is certain that future taxable profit will be sufficient to allow its recoverability to be evidenced within the period laid down in the tax law. Accordingly, the Bank, using the best possible estimate, calculated the Industrial Tax for 2021 and 2022, considering the changes disclosed in the AGT letter (reference no. 1633/GAGA/GJ/AGT/2021, of 8 April), and the projections of the tax results for the next five years.

As at 31 December 2024, it was calculated deferred tax liabilities related to potential exchange rate changes in the amount of AOA 45,714,658 thousand, considering the net effect of this nature of deferred tax, and deferred tax assets related to tax losses generated in the year and in previous years in the amount of AOA 45,714,658 thousand.

As at 31 December 2023, it was calculated deferred tax liabilities related to potential exchange rate changes in the amount of AOA 61,447,608 thousand, considering the net effect of this nature of deferred tax, and deferred tax assets related to tax losses generated in the year and in previous years in the amount of AOA 61,447,608 thousand.

The Bank records deferred tax assets and deferred tax liabilities on an offsetting basis, since they relate to income taxes levied by the same tax authority and considering that the taxable temporary differences are expected to reverse in the same period.

As these deferred tax assets and liabilities are offset, their impact on the income statement is null, and no materially relevant future financial impacts are anticipated, resulting from the aforementioned Law and further clarifications to be made by the AGT.

Changes in "Deferred tax assets" and "Deferred tax liabilities" are presented as follows:

AOA thousand

	31-12-2024	31-12-2023
Opening balance	**(3,572,701)**	**3,597,268**
Recorded in profit or loss	901,948	(92,705)
Recorded in reserves - other comprehensive income	1,767,878	(7,077,264)
Other changes	(240)	-
Closing balance (Assets/(Liabilities))	**(903,115)**	**(3,572,701)**

As at 31 December 2024 and 31 December 2023, tax recorded in profit or loss and reserves is as follows:

AOA thousand

	31-12-2024		31-12-2023	
	Recorded in profit or loss	Recognised in reserves	Recorded in profit or loss	Recognised in reserves
Impairment not accepted	901,948	-	(92,705)	-
Other property, plant and equipment	-	(912,501)	-	(4,550,000)
Securities portfolio	-	2,209,268	-	(2,056,153)
Other financial assets	-	471,111	-	(471,111)
Deferred Tax	**901,948**	**1,767,878**	**(92,705)**	**(7,077,264)**
Total tax recognised in the period	**901,948**	**1,767,878**	**(92,705)**	**(7,077,264)**

As at 31 December 2024 and 31 December 2023, the estimated industrial tax of the Bank can be analysed as follows:

AOA thousand

	31-12-2024		31-12-2023	
	%	Amount	%	Amount
Profit/(loss) before tax		**15,916,575**		**9,198,901**
Tax rate	35.00		35.00	
Tax assessed based on the tax rate		5,570,801		3,219,615
Positive changes in equity (Article 13)	1.82	290,082	-	n.a.
Excessive Amortisation (Article 40)	0.26	41,231	2.36	216,860
Unforeseen provisions (Article 45)	35.18	5,598,660	87.03	8,005,640
Capital Gains Tax and Property Tax (Article 18)	6.49	1,033,206	14.43	1,327,319
Fines and penalties for infringements (Article 18)	0.33	52,103	2.21	203,281
Adjustments related to prior and extraordinary periods (Article 18)	3.75	596,103	5.46	502,582
Currency valuations (Article 13/14)	98.85	15,732,950	(751.84)	(69,160,784)
Income subject to Capital Gains Tax (Article 47)	(133.72)	(21,283,586)	(189.94)	(17,472,652)
Potential gains	(62.25)	(9,907,310)	(145.65)	(13,398,138)
Unforeseen provisions (Article 45)	(15.23)	(2,423,810)	(2.36)	(217,345)
Other	4.88	776,201	6.47	595,583
Tax losses – Consumer goods	-	-	-	-
Tax payable – Current tax liability	**-**	**-**	**-**	**-**
Other expense/(income) – Industrial Tax	-	-	-	-
Income tax	**-**	**-**	**-**	**-**

As at 31 December 2024, the Bank did not recognise deferred tax assets on the full amount of recoverable tax losses. Therefore, as at 31 December 2024, the Group has tax losses carried forward amounting to approximately AOA 46,657,832 thousand, on which it does not recognise deferred tax assets as their recoverability has not been demonstrated on this date.

In accordance with the applicable legislation, tax losses carried forward can be used for a period of five years.

Income from public debt securities resulting from Treasury Bonds and Treasury Bills issued by the Angolan Government, whose issue is regulated by Presidential Decree 259/10, of 18 November and Presidential Decree 31/12, of 30 January, is exempted from all taxes.

In addition, Presidential Legislative Decree 5/11, of 30 December (revised and republished by Presidential Legislative Decree 2/14, of 20 October) implemented a rule subjecting income from public debt securities resulting from Treasury Bonds and Treasury Bills issued by the Angolan State to Capital Gains Tax.

Nevertheless, in accordance with the provisions of Article 47 of the Industrial Tax Code and the Law amending the Industrial Tax Code (Law 19/14 of 22 October, in force from 1 January 2015, and Law 26/20 of 20 July, respectively), income subject to Capital Gains Tax will be deducted in the determination of the taxable amount.

Thus, to determine taxable profit for the periods ended 31 December 2024 and 31 December 2023, such income was deducted from taxable profit. Likewise, the expenditure calculated with the assessment of Capital Gains Tax is not accepted for tax purposes for the calculation of taxable profit, as provided for in Article 18(1)(a) of the Industrial Tax Code.

Notwithstanding the above, regarding income from public debt securities, in accordance with the latest understanding of Tax Authorities addressed to ABANC (letter with reference 196/DGC/AGT/2016 of 17 May 2016), only those arising from securities issued on or after 1 January 2013, are subject to this tax.

It should also be noted that, according to AGT position, the exchange revaluations of public debt securities issued in national currency but indexed to foreign currency, issued since 1 January 2013, should be subject to Industrial Tax.

Note 15 – Other assets

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Debtors from promissory contracts	138,103,031	123,518,549
Sundry debtors	36,394,177	29,345,774
Other assets		
Other pending transactions	12,939,772	12,426,733
Deferred expenses	5,876,831	7,491,186
Escrow accounts	333,912	333,912
Precious metals, coins, medals and other valuables	2,210	2,210
Other assets	1,248,223	331,949
	20,400,948	**20,585,990**
	194,898,156	**173,450,313**
Impairment losses	(29,287,709)	(26,433,788)
	165,610,447	**147,016,525**

As at 31 December 2024 and 31 December 2023, the caption "Debtors from promissory contracts" refers to amounts receivable under real estate sale agreements, most of which are recorded in domestic currency, with the remainder recorded in foreign currency, whose accounting policy is described in Note 2.6. The real estate properties were previously recorded under "Non-current assets held for sale" (Note 13) and the capital gains and losses arising from their sale were recorded under "Profit/(loss) from the sale of other assets" (Note 27), whose accounting policy is described in Note 2.10.

During the year ended 31 December 2024, the increase in the balance of the item "Debtors within the signing of promissory contracts" is explained by the following effects: (i) settlement of the deposit relating to 10% of a CPCV signed in 2023, in the amount of AOA 4,980,000 thousand; (ii) settlement of the CPCVs signed in 2023 with Pactual Property Fund – FIIF in connection with the capital increase carried out in the Fund, through a cash contribution, as described in Note 6; and (iii) CPCV entered into with Pactual Property Fund – FIIF in 2024 following a payment in kind (Note 13).

During the year ended 31 December 2023, the increase in the balance of the item "Debtors within the signing of promissory contracts" is essentially due to (i) the signing of a new CPCV, in the amount of AOA 49,800,000 thousand, as disclosed in Note 13, and (ii) the increase in the gross book value of CPCVs expressed in foreign currency, due to the effect of the devaluation of the Kwanza against the main international currencies, recorded against the item "Foreign exchange results", as described in Note 26.

As at 31 December 2024 and 31 December 2023, the caption Other assets – Sundry debtors refers to other assets with credit risk, namely: (i) amounts receivable under the "Angola Invest" Programme of the Ministry of Economy and Planning, (ii) debt acknowledgement agreements through the assignment of the contractual position in loan agreements with Customers; (iii) agreements for the assignment of surface rights; and (iv) mandate agreements, which are contracts entered into by the Bank with third parties, accounted for in accordance with the accounting policy described in Note 2.6.

Changes occurred in impairment losses in Other assets are disclosed as follows:

AOA thousand

	31-12-2024	31-12-2023
Opening balance	**26,433,788**	**19,138,010**
Increases/(Reversals) (Note 31)	1,442,023	7,599,445
Foreign exchange differences and other (Note 26)	1,411,898	(303,667)
Closing balance	**29,287,709**	**26,433,788**

The methodology for calculating impairment loss is described in Note 2.5.

Note 16 – Deposits from central banks and other credit institutions

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Deposits from central banks		
Loans	40,000,000	-
Interest payable	113,143	-
	40,113,143	**-**
Deposits from credit institutions in Angola		
Other interbank money market transactions	1,666,920	1,206,518
	1,666,920	**1,206,518**
Deposits from credit institutions abroad		
Loans	215,886	116,550
	215,886	**116,550**
	41,995,949	**1,323,068**

As at 31 December 2024, the heading "Deposits from central banks – Loans" refers to two short-term REPO transactions with Banco Nacional de Angola.

As at 31 December 2024 and 31 December 2023, the balance of the item "Deposits from credit institutions in Angola – Other interbank market transactions" refers to a set of transactions pending settlement/adjustment, in national and foreign currency, relating to the use of internationally branded cards (VISA network) used in the Bank's payment terminal network in national territory and other transactions pending settlement in the national interbank payment subsystem.

Note 17 – Deposits from Customers and other loans

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Demand deposits from residents		
In national currency		
Corporate	193,936,069	322,997,882
Retail	228,711,901	122,040,122
	422,647,970	**445,038,004**
In foreign currency		
Corporate	175,194,930	245,147,919
Retail	75,856,538	72,252,696
	251,051,468	**317,400,615**
	673,699,438	**762,438,619**
Demand deposits from non-residents		
In national currency		
Corporate	**1,363,657**	**1,274,242**
Retail	**23,512,479**	**17,675,725**
	24,876,136	**18,949,967**
In foreign currency		
Corporate	119,284	2,639,582
Retail	4,626,626	4,535,948
	4,745,910	**7,175,530**
	29,622,046	**26,125,497**
Total demand deposits	**703,321,484**	**788,564,116**
Term deposits in national currency		
From residents		
Corporate	356,176,563	360,725,201
Retail	183,161,955	180,729,229
From non-residents	12,001,104	9,016,314
	551,339,622	**550,470,744**
Term deposits in foreign currency		
From residents		
Corporate	151,000,092	263,852,786
Retail	210,171,243	218,884,448
From non-residents	20,877,876	6,576,612
	382,049,211	**489,313,845**
Total term deposits	**933,388,833**	**1,039,784,589**
Total interest payable on term deposits	18,354,408	13,651,283
Total term deposits and interest payable	**951,743,241**	**1,053,435,872**
Other loans		
In national currency		
Principal	44,100,000	7,000,000
Interest payable	1,694,580	7,521
Total other loans and interest payable	**45,794,580**	**7,007,521**
	1,700,859,305	**1,849,007,508**

As at 31 December 2024, the caption "Other loans – In domestic currency" corresponds to REPO operations with institutional Customers, with a maturity of 6 months, maturing in March, April, and May 2025. The interest rate on these transactions ranges from 14% to 20.12%.

As at 31 December 2023, the caption "Other loans – In domestic currency" corresponds to a REPO operation contracted with an institutional Customer, in the amount of AOA 7,000,000 thousand, on 30 June 2023, and renewed on 30 June 2024, which has a maturity of 6 months and bears interest at an average annual rate of 13.50%.

As at 31 December 2024 and 31 December 2023, term deposits by residual maturity periods, excluding interest payable, is as follows:

AOA thousand

	31-12-2024	31-12-2023
Term deposits in national currency		
Below 3 months	287,652,178	295,245,739
3 to 6 months	125,582,626	112,420,580
6 to 12 months	138,103,818	142,804,425
More than 1 year	1,000	-
	551,339,622	**550,470,744**
Term deposits in foreign currency		
Below 3 months	130,632,789	176,506,199
3 to 6 months	128,072,365	122,406,877
6 to 12 months	123,344,057	190,400,770
	382,049,211	**489,313,845**
	933,388,833	**1,039,784,589**

As at 31 December 2024 and 31 December 2023, term deposits by currency and average interest rate, excluding interest payable, is as follows:

AOA thousand

	31-12-2024		31-12-2023	
	Average interest rate	Amount	Average interest rate	Amount
In AOA	12.72%	551,339,622	11.54%	550,470,744
In USD	1.82%	323,589,051	1.43%	440,242,696
In EUR	1.61%	56,934,593	0.30%	49,071,150
In GBP	2.00%	515,791	-	-
In CHF	0.50%	1,009,776	-	-
		933,388,833		**1,039,784,589**

Note 18 – Provisions

The changes in this caption are detailed as follows:

AOA thousand

	Provisions for guarantees and commitments	Other provisions for risks and charges	Total
Balance as at 31 December 2022	**943,828**	**1,983,004**	**2,926,832**
Increases/Reversals (Note 31)	(261,546)	180,462	(81,084)
Foreign exchange differences and other (Note 26)	(207,882)	975,453	767,571
Balance as at 31 December 2023	**474,400**	**3,138,919**	**3,613,319**
Increases/Reversals (Note 31)	116,743	4,347,668	4,464,411
Charge-off	-	(6,545,446)	(6,545,446)
Foreign exchange differences and other (Note 26)	42,632	(6,656)	35,976
Balance as at 31 December 2024	**633,775**	**934,485**	**1,568,260**

As at 31 December 2024 and 31 December 2023, the caption "Provisions for guarantees and commitments" records provisions for estimated impairment losses for off-balance sheet balances that show the possibility and conversion into loans and advances to Customers, namely guarantees provided, documentary credits and not drawn credit facilities.

As at 31 December 2024 and 31 December 2023, "Other provisions for risks and charges" is intended to cover certain contingencies arising from the Bank's activity and is reviewed at each reporting date with the purpose of reflecting the best estimate of the amount and associated probability of payment.

As at 31 December 2023, the balance of "Other provisions for risks and charges" includes the amount of EUR 2,966,861, corresponding to AOA 2,717,615 thousand, relating to liabilities to third parties. In the period ended 31 December 2024, the reduction in this item refers to the use of the provision recorded in Euro through the settlement of this amount with third parties.

Note 19 – Other liabilities

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Accrued expenses	9,111,373	5,239,307
Lease liabilities	3,320,609	3,482,493
Administrative and marketing expenses payable	1,411,366	558,867
Liabilities with Employees	1,331,887	1,350,054
Sundry creditors	1,273,082	1,204,637
Special Contribution on Foreign Exchange Transactions	1,251,246	-
Tax charges payable – withheld from third parties	1,233,663	1,507,446
VAT payable from clearance/captive	748,381	459,007
Social Security contribution	191,261	193,933
Other	799,318	570,973
	20,672,186	**14,566,717**

As at 31 December 2024 and 31 December 2023, the caption "Other liabilities – Accrued expenses" includes amounts payable to service providers for telecommunications, security, valuables transportation, cleaning and other services.

As at 31 December 2024 and 31 December 2023, the caption "Other liabilities – Lease liabilities" corresponds to the present value of lease payments to be settled over the lease term, recognised under IFRS 16, as described in Note 2.11.

As at 31 December 2024 and 31 December 2023, the maturity analysis of lease liabilities by residual maturities is presented as follows:

AOA thousand

	31-12-2024	31-12-2023
Below 1 year	148,585	-
1 to 5 years	222,446	346,284
Above 5 years	2,949,578	3,136,209
	3,320,609	**3,482,493**

As at 31 December 2024 and 31 December 2023, the balance of “Other liabilities – Liabilities with Employees” includes the amount of AOA 1,118,375 thousand and AOA 1,134,914 thousand, respectively, related to holiday allowances.

As at 31 December 2024 and 31 December 2023, the item “Other liabilities – Sundry creditors” essentially includes (i) other expenses payable arising from other guarantees and commitments assumed by the Bank in the amount of AOA 890,761 thousand and AOA 798,845 thousand, respectively.

As at 31 December 2024, the item “Other liabilities – Special Contribution on Foreign Exchange Transactions” includes the amount payable as special contribution on foreign exchange transactions for transfers made. This contribution entered into force in January 2024.

Note 20 – Share capital, share premiums and treasury shares

Ordinary shares

The Bank was incorporated with a share capital of AOA 801,728 thousand (equivalent to USD 10,000 thousand at the exchange rate in force on 6 and 21 November 2006), represented by 1,000,000 nominal shares of USD 10 each, fully subscribed and paid up in cash.

In June 2009, a capital increase in the amount of AOA 6,510,772 thousand (equivalent to USD 55,000 thousand), represented by 5,500,000 new shares with a nominal value of USD 10 each, was fully subscribed and paid up by the incorporation of retained earnings (AOA 268,346 thousand), conversion of a subordinated loan (AOA 300,886 thousand), cash inflows (AOA 3,504,040 thousand) and through the issue of preferred shares without voting rights, non-redeemable in the amount of AOA 2,437,500 thousand (equivalent to USD 32,500 thousand). Preferred shares were issued for USD 25,14 each, which included a share premium of USD 15.14 per share.

In June 2011, a capital increase in the amount of AOA 4,949,243 thousand (equivalent to USD 52,500 thousand), represented by 5,250,000 new shares with a nominal value of USD 10 each, was fully subscribed and paid up by the incorporation of retained earnings (AOA 3,764,524 thousand) and cash inflows (AOA 1,184,719 thousand).

In November 2011, a new capital increase was carried out in the amount of AOA 4,763,650 thousand (equivalent to USD 50,000 thousand), represented by 5,000,000 new shares with a nominal value of USD 10 each, was fully subscribed and paid up through cash inflows. As part of this new capital increase, additional cash inflows in the amount of AOA 2,029,207 thousand were made with a view to maintaining the equivalent in kwanzas of all the USD shares incorporated to the share capital, based on the exchange rate of 13 December 2011.

In September 2013, ATLANTICO incorporated in its share capital, share premiums of preferred shares, issued in June 2009, in the amount of AOA 1,467,930 thousand, through the issue of 1,144,740 new ordinary shares, with a nominal value of AOA 1,000 each, in the amount of AOA 1,144,740 thousand and the adjustment of the nominal value of 1,292,760 preferred shares to AOA 1,000, in the amount of AOA 323,190 thousand. Additionally, and on the same date, the Bank carried out a capital increase by incorporation of retained earnings, in the amount of AOA 205,400 thousand, in order to make the Bank's share capital equivalent to USD 200,000,000 thousand, at the exchange rate of 6 September 2013.

In December 2013, the Bank converted preferred shares without voting rights, non-redeemable, in the amount of AOA 1,292,760 thousand into ordinary shares in equal number and nominal value. Also in December 2013, a capital increase in the amount of AOA 14,897,900 thousand, represented by 14,897,900 new shares with a nominal value of AOA 1,000, was fully subscribed, through the incorporation of retained earnings in the amount of AOA 4,879,700 thousand (equivalent to USD 50,000 thousand at the exchange rate of 17 December 2013) and cash inflows in the amount of AOA 9,759,400 thousand (equivalent to USD 100,000 thousand at the exchange rate of 17 December 2013). As part of this new capital increase, retained earnings in the amount of AOA 258,800 thousand were also incorporated in order to maintain the equivalent in kwanzas of the Group's share capital, corresponding to USD 350,000 thousand at the exchange rate of 17 December 2013. As at 31 December 2013, this capital increase was not yet fully paid up, with cash inflows in the amount of AOA 975,940 thousand still to be undertaken. In 2014, cash inflows in the amount of AOA 975,940 thousand were made and the above-mentioned capital increase was fully paid up.

As a result of the operations described above, as at 31 December 2015, the Bank's share capital amounted to AOA 34,157,900 thousand, represented by 34,157,900 ordinary shares with a nominal value of AOA 1,000.

In 2016, with the merger and contribution in kind made with the assets of Banco Millennium Angola, S.A., the capital increase referred to in the minutes under the transaction carried out amounted to AOA 21,939,787 thousand, corresponding to 21,939,787 new shares. Simultaneously, a share premium of AOA 40,782,829 thousand was also generated.

Considering the existence of own shares received within the merger, it was decided to cancel the own shares held. On this basis, the share capital of ATLANTICO is reduced from AOA 56,097,687 thousand to AOA 53,821,603 thousand, as a result of the extinction of 2,276,084 fully paid-up own shares of which, as a result of the merger, ATLANTICO will become holder, based on Articles 461 and 372(4)(a), of the Commercial Companies Code.

As at 31 December 2024 and 31 December 2023, ATLANTICO's share capital in the amount of AOA 142,324,747 thousand was represented by 53,821,603 ordinary shares, with a nominal value of AOA 1,000, fully subscribed and paid up by different Shareholders and by the monetary revaluation effect described above.

As at 31 December 2024 and 31 December 2023, the Shareholder structure is as follows:

AOA thousand

	31-12-2024		31-12-2023	
	Number of shares	% of shareholding	Number of shares	% of shareholding
Interlagos Equity Partners, S.A.	16,023,355	29.77%	16,023,355	29.77%
BCP África, SGPS, Lda.	12,124,244	22.53%	12,124,244	22.53%
Sotto Financial Group S.A.R.L	10,657,874	19.80%	10,657,874	19.80%
Jasper Capital Partners - Investimentos e Participações, S.A.	9,753,116	18.12%	9,753,116	18.12%
Quadros - Gestão de Activos, S.A.	2,220,263	4.13%	2,220,263	4.13%
Fundação ULWAZI	1,247,223	2.32%	1,247,223	2.32%
Gemcorp Fund I LP	1,024,737	1.90%	1,024,737	1.90%
Treasury shares (ATLANTICO)	492,182	0.91%	492,182	0.91%
Other entities	278,609	0.52%	278,609	0.52%
	53,821,603	**100.00%**	**53,821,603**	**100.00%**

Share premiums

The capital increase made in 2016 under the merger by incorporation led to a share premium of AOA 40,782,829 thousand. The balance of share premiums was reduced in the amount of AOA 4,589,246 thousand as a result of the dividends distributed in 2016 related to 2015 from Banco Millennium Angola, S.A. and in the amount of AOA 1,361,574 thousand, under the acquisition of treasury shares. Additionally, the amount related to costs with capital increases amounts to AOA 21,940 thousand. The adoption of IAS 29 on the share premium arising from the merger resulted in an impact of AOA 35,897,337 thousand. Accordingly, as at 31 December 2019, and subsequent years the restated amount of Share premiums totals AOA 70,707,406 thousand.

Treasury shares

During 2016, the Bank acquired treasury shares in the amount of AOA 492,182 thousand with a corresponding share premium of AOA 1,361,574 thousand under a settlement of an amount receivable by a shareholder. The share price calculation within this operation was based on the same market multiple adopted in the merger process of Banco Privado Atlântico S.A. and Banco Millennium Angola, S.A. The adoption of IAS 29 on treasury shares resulted in an impact of AOA 349,475 thousand. Accordingly, as at 31 December 2019, and subsequent years, the restated amount of Treasury shares totals AOA 841,657 thousand.

Note 21 – Reserves and Retained earnings

Legal reserve

This caption consists entirely of legal reserve, which can only be used to cover previous year's losses or to increase share capital.

Angolan legislation applicable to the banking sector requires that 10% of the profit for the year must be transferred to the legal reserve until it is equal to the share capital.

Revaluation reserve (fair value reserves)

The fair value reserve represents the potential gains and losses relating to the updating of (i) the portfolio of financial assets at fair value through other comprehensive income, (ii) shareholdings recorded at fair value through other comprehensive income and (iii) the revaluation of properties for own use recorded under "Other property, plant and equipment". The value of this reserve is disclosed net of deferred taxes.

Changes in fair value reserve, net of deferred taxes, can be analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Opening balance	**13,427,848**	284,357
Changes in fair value of other property, plant and equipment (Note 11)	3,435,952	13,000,000
Changes in fair value of securities at fair value through OCI (Note 7)	(3,320,711)	5,614,155
Changes in fair value of shareholdings at fair value through OCI (Note 7)	595,335	1,346,032
Recognised impairment	(170,402)	260,568
Deferred taxes recognised in reserves (Note 14)	1,767,878	(7,077,264)
Reclassification of revaluation reserves to profit/(loss) for the period	3,543	-
Reclassification of revaluation reserves to retained earnings	(828,805)	-
Closing balance	**14,910,638**	**13,427,848**

Revaluation reserves, other reserves and retained earnings

The changes in this caption are detailed as follows:

AOA thousand

	Revaluation reserves			Other reserves and retained earnings			
	Gross fair value reserve	Deferred tax reserve	Total	Legal reserve	Other reserves and retained earnings	Total	Total reserves and retained earnings
Balance as at 31 December 2022	**437,472**	**(153,115)**	**284,357**	**20,188,362**	**(46,452,206)**	**(26,263,845)**	**(25,979,488)**
Other comprehensive income for the period	20,220,755	(7,077,264)	13,143,491	-	-	-	13,143,491
Transfer to legal reserve	-	-	-	349,811	-	349,811	349,811
Transfer to retained earnings	-	-	-	-	3,148,303	3,148,303	3,148,303
Balance as at 31 December 2023	**20,658,227**	**(7,230,379)**	**13,427,848**	**20,538,173**	**(43,303,903)**	**(22,765,732)**	**(9,337,884)**
Other comprehensive income for the period	543,717	1,767,878	2,311,595	-	-	-	2,311,595
Transfer to legal reserve	-	-	-	910,620	-	910,620	910,620
Transfer to retained earnings	-	-	-	-	8,195,576	8,195,576	8,195,576
Reclassification of revaluation reserves to retained earnings	(828,805)	-	(828,805)	-	828,805	828,805	-
Balance as at 31 December 2024	**20,373,139**	**(5,462,501)**	**14,910,638**	**21,448,793**	**(34,279,524)**	**(12,830,731)**	**2,079,907**

By unanimous resolution of the General Meeting held on 17 April 2024, it was decided to apply the amount corresponding to the net profit obtained in the previous period (2023) as follows: 90% in free reserves and 10% in legal reserves.

Note 22 – Net interest income

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Interest and similar income		
Interest from financial assets at amortised cost		
Interest from loans and advances to Customers	49,262,583	40,539,572
Interest from debt securities	40,205,422	39,101,772
Interest from deposits from central banks and other credit institutions	7,427,825	3,232,218
Interest from financial assets at fair value through other comprehensive income	7,185,399	6,323,936
Financial assets at fair value through profit or loss	9,290,279	-
	113,371,508	**89,197,498**
Interest and similar expenses		
Interest from deposits	(80,558,353)	(67,265,400)
Interest from deposits from central banks and other credit institutions	(7,072,789)	(4,339,802)
Lease interest	(1,193,157)	(1,409,129)
	(88,824,299)	(73,014,331)
	24,547,209	**16,183,167**

As at 31 December 2024 and 31 December 2023, the caption "Interest from loans and advances to Customers" includes the amount of AOA 898,044 thousand and AOA 1,058,481 thousand, respectively, relating to commissions and other income accounted for under the effective interest rate method, as established in IAS/IFRS and detailed in Note 2.15.

As at 31 December 2024 and 31 December 2023, the caption "Interest from loans and advances to Customers" includes the amount of AOA 880,145 thousand and AOA 583,403 thousand, relating to the effect of loans and advances to Employees, in accordance with IAS 19.

As at 31 December 2024 and 31 December 2023, the negative effect of the adjustment of Stage 3 credit operations under "Interest from loans and advances to Customers", resulting from the application of IFRS 9, amounts to AOA 11,723,437 thousand and AOA 8,576,916 thousand, respectively.

As at 31 December 2024 and 31 December 2023, loans at fair value through profit or loss, described in Note 6, are in default for more than 90 days (Stage 3), and for this reason the Bank no longer recognises interest in these operations, in accordance with the accounting policy described in Note 2.15.

Note 23 – Profit/(loss) from fees and commissions

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Fees and commissions income		
Electronic transactions	16,443,622	11,710,781
Transfers issued/received	8,314,553	6,195,865
VISA and Multicaixa fees	3,889,127	3,249,728
Guarantees provided	1,636,769	1,163,582
Documentary letters of credit	1,244,209	73,854
Custody commissions and market transactions	1,086,181	654,432
Term Deposit account maintenance	718,797	680,863
Opening of credit facilities/renewals and maintenance	539,166	1,050,468
Withdrawing	228,897	229,431
Foreign exchange transactions	4,637	3,437
Other	2,935,411	3,404,666
	37,041,369	**28,417,107**
Fees and commissions expense		
Electronic transactions	(9,685,698)	(5,770,565)
Foreign transactions	(731,288)	(490,242)
Other	(1,067,140)	(553,584)
	(11,484,126)	**(6,814,391)**
	25,557,243	**21,602,716**

As at 31 December 2024 and 31 December 2023, the caption "Fees and commissions income – Electronic transactions", is essentially related to gains obtained with commissions from transactions carried out at the Bank's ATM and POS terminals, which recorded a significant growth justified by the increase in the number of transactions carried out in these payment subsystems.

As at 31 December 2024 and 31 December 2023, the caption "Fees and commissions income – Other" essentially corresponds to the gains obtained from commissions on products and services marketed by the Bank.

As at 31 December 2024 and 31 December 2023, the balance under "Fees and commissions expense – Electronic transactions" essentially corresponds to the costs incurred with commissions for transactions carried out at ATM and POS terminals belonging to other Banks.

Note 24 – Profit/(loss) from financial assets and liabilities at fair value through profit or loss

This caption is analysed as follows:

AOA thousand

	31-12-2024			31-12-2023		
	Income	Expense	Total	Income	Expense	Total
Other variable income securities						
Shares	17,965,803	-	17,965,803	38,504,424	-	38,504,424
Loans and advances to Customers	112,024	-	112,024	-	(39)	(39)
Bonds and other fixed-income securities	11,903,399	-	11,903,399	-	-	-
	29,981,226	**-**	**29,981,226**	**38,504,424**	**(39)**	**38,504,385**

This caption records the change in fair value and the result of disposals of other variable income securities and bonds and other fixed income securities recorded in the financial assets portfolio at fair value through profit or loss and the change in fair value of loans and advances to Customers whose contractual cash flows do not meet the SPPI (Solely Payments of Principal and Interest) requirements, as disclosed in Note 2.5.

As at 31 December 2024 and 31 December 2023, the income recorded under "Other variable income securities – Investment units" mainly refers to the valuation of the investment units held in the Pactual Property Fund – FIIF (Note 6), calculated in accordance with the accounting policy described in Note 2.5. The valuation increase results from the revaluation of the properties held by the Fund in 2024 and 2023.

As at 31 December 2024, income recorded under "Bonds and other fixed-income securities", in the amount of AOA 11,903,339 thousand, include income relating to the valuation of debt securities classified at fair value through profit or loss (Note 6), calculated in accordance with the accounting policy described in Note 2.5, and income from capital gains on the sale of debt securities classified at fair value through profit or loss.

Note 25 – Profit/(loss) from financial assets not measured at fair value through profit or loss

This caption is analysed as follows:

AOA thousand

	31-12-2024			31-12-2023		
	Income	Expense	Total	Income	Expense	Total
Interest from financial assets at amortised cost						
Bonds and other fixed-income securities	-	(75,986)	(75,986)	417,836	-	417,836
Interest from financial assets at fair value through other comprehensive income						
Bonds and other fixed-income securities	-	(3,543)	(3,543)	-	-	-
	-	**(79,529)**	**(79,529)**	**417,836**	**-**	**417,836**

The balance of this caption includes gains on the disposal of treasury bonds and treasury bills held under the business models underlying the categories identified (Notes 2.5, 7, and 8).

Note 26 – Net gains/(losses) arising from foreign exchange differences

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Profit/(loss) from revaluation of assets and liabilities	10,447,046	20,847,047
Profit/(loss) from currency purchase and sale transactions	18,359,132	7,294,304
Other foreign exchange results	-	4,348,746
	28,806,178	**32,490,097**

As at 31 December 2024 and 31 December 2023, the caption “Profit/(loss) from revaluation of assets and liabilities” includes the foreign exchange gains and losses obtained on the revaluation of the foreign exchange position of monetary assets and liabilities denominated in, or indexed to, foreign currency, in accordance with the accounting policy described in Note 2.3.

As at 31 December 2024 and 31 December 2023, in accordance with the accounting policy described in Note 2.3, foreign exchange gains and losses on own and Customer transactions in foreign currencies, namely hedging of import documentary credits, foreign exchange transactions abroad, direct sale of foreign currency and other similar transactions, are recorded in the caption “Profit/(loss) from currency purchase and sale transactions”.

Note 27 – Profit/(loss) from the sale of other assets

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Promissory contracts	-	(15,970,776)
Write-offs of property, plant and equipment	286,463	(31,905)
	286,463	**(16,002,681)**

As at 31 December 2024 and 31 December 2023, the balance of this caption corresponds mainly to gains obtained from the disposal of non-current assets held for sale (Note 13) and property, plant and equipment (Note 11).

Note 28 – Staff costs

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Wages and salaries	18,103,701	18,272,106
Mandatory social charges	2,015,332	3,619,978
Other staff costs	10,002,349	6,603,750
	30,121,382	**28,495,834**

The number of Bank Employees, considering permanent and fixed-term contract Employees, is detailed by professional category, as follows:

AOA thousand

	31-12-2024	31-12-2023
Senior management functions	123	115
Management functions	286	318
Specific functions	556	538
Administrative and other functions	552	525
	1,517	**1,496**

As at 31 December 2024 and 31 December 2023, staff costs relating to members of the Board of Directors and Other Corporate Bodies were as follows:

AOA thousand

	31-12-2024				
		Other Corporate Bodies			
	Board of Directors	Supervisory Board	Members of the Board of the General Meeting	Total	Total
Remuneration	3,314,866	142,690	4,862	147,552	3,462,418
Other remuneration	1,353,727	-	-	-	1,353,727
Other social charges	255,282	-	-	-	255,282
	4,923,875	**142,690**	**4,862**	**147,552**	**5,071,427**

AOA thousand

	31-12-2023				
		Other Corporate Bodies			
	Board of Directors	Supervisory Board	Members of the Board of the General Meeting	Total	Total
Remuneration	3,077,486	108,560	5,878	114,438	3,191,924
Other remuneration	1,672,226	-	-	-	1,672,226
Other social charges	291,466	-	-	-	291,466
	5,041,178	**108,560**	**5,878**	**114,438**	**5,155,616**

Note 29 - Supplies and services

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Communication and shipment	7,648,381	6,767,812
Audit and advisory	5,246,025	4,718,999
Security and surveillance	1,905,008	1,870,960
Maintenance and repair	1,691,254	2,014,731
Travel and representation	1,429,183	1,420,036
IT services	546,081	1,038,599
Consumables	537,764	237,526
Advertising and publications	470,947	406,086
Water, energy and fuel	249,549	242,132
Rents & Leases	231,455	110,908
Other	2,329,720	281,630
	22,285,367	**19,109,419**

As at 31 December 2024 and 31 December 2023, the balance of “Communication and shipment” includes AOA 6,407,899 thousand and AOA 5,636,392 thousand, respectively, relating to communication services on the interbank network, for communication with platforms shared between EMIS, BODIVA and the Banks operating in the market.

As at 31 December 2024 and 31 December 2023, the balance of “Audit and advisory” essentially includes amounts related to technical support services from external partners.

As at 31 December 2024 and 31 December 2023, the balance of “Security and surveillance” and “Maintenance and repair” includes amounts related to the Bank's investments in developing and strengthening the security of the digital business and other maintenance services for means and equipment used by the Bank, respectively.

Note 30 – Depreciation and amortisation for the period

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Other property, plant and equipment (Note 11)		
Real Estate	1,860,159	1,553,993
Equipment		
IT equipment	2,342,816	2,072,058
Transport equipment	493,971	479,392
Furniture and material	201,146	400,183
Security equipment	161,588	258,118
Indoor facilities	150,782	163,392
Machinery and tools	95,292	79,606
Other	48,416	52,718
Right-of-use assets		
Real Estate	348,649	401,347
	5,702,819	**5,460,807**
Intangible assets (Note 12)		
Automatic data processing systems	4,043,326	4,060,823
Other intangible assets	53,531	58,752
	4,096,857	**4,119,575**
	9,799,676	**9,580,382**

Note 31 – Provisions and impairment of other assets

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Charges net of reversals		
Non-current assets held for sale (Note 13)	226,216	(226,216)
Other assets (Note 15)	(1,442,023)	(7,599,445)
Provisions (Note 18)	(4,464,411)	81,084
	(5,680,218)	**(7,744,577)**

Note 32 – Impairment of other financial assets

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Charges net of reversals		
Loans and advances to credit institutions repayable on demand (Note 5)	10,090	(6,364)
	10,090	**(6,364)**

As at 31 December 2024 and 31 December 2023, the balance of this caption results from the application of the requirements of Directive 13/DSB/DRO/2019 on its other loans and advances to credit institutions.

Note 33 – Impairment for financial assets at amortised cost

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Charges net of reversals		
Debt securities (Note 8)	330,989	1,404,091
Loans and advances to Customers (Note 9)	(18,418,176)	(11,185,691)
Other loans and advances to central banks and credit institutions (Note 10)	2,986	19,589
	(18,084,201)	**(9,762,011)**

As at 31 December 2024 and 31 December 2023, the balance of this caption results from the application of the requirements of Directive 13/DSB/DRO/2019 on securities, loans and advances to Customers and loans and advances to credit institutions repayable on demand.

Note 34 – Other operating income

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Direct and indirect taxes	(8,346,937)	(7,759,948)
Deposit guarantee fund	(1,818,048)	(749,332)
Contributions and donations	(250,729)	(151,610)
Other	3,023,771	(897,710)
	(7,391,943)	**(9,558,600)**

As at 31 December 2024 and 31 December 2023, "Direct and indirect taxes" includes (i) the amounts of AOA 4,391,801 thousand and AOA 2,927,319 thousand, respectively, relating to Value Added Tax, and (ii) the amounts of AOA 2,388,718 thousand and AOA 2,353,996 thousand, respectively, relating to Capital Gains Tax.

As at 31 December 2024 and 31 December 2023, the caption "Deposit guarantee fund" corresponds to payments of the periodic contribution to the Deposit Guarantee Fund, in accordance with BNA Notice 01/2019.

Note 35 – Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing net income attributable to the Bank's Shareholders by the weighted average number of ordinary shares outstanding, excluding the average number of treasury shares held by the Bank.

Diluted earnings per share

Diluted earnings per share are calculated by adjusting the effect of all potential dilutive ordinary shares to the weighted average number of ordinary shares outstanding and to the net profit attributable to the Bank's Shareholders.

As at 31 December 2024 and 31 December 2023, Earnings per share are detailed as follows:

AOA thousand

	31-12-2024	31-12-2023
Individual net profit/(loss) attributable to Shareholders of the Bank	**16,818,523**	9,106,196
Weighted average number of ordinary shares issued	53,821,603	53,821,603
Weighted average number of treasury shares in portfolio	(492,182)	(492,182)
Average number of ordinary shares outstanding	**53,329,421**	**53,329,421**
Basic earnings per share attributable to Shareholders of the Bank (in AOA)	**315.37**	**170.75**
Diluted earnings per share attributable to Shareholders of the Bank (in AOA)	**315.37**	**170.75**

Note 36 – Off-balance sheet accounts

This caption is analysed as follows:

AOA thousand

	31-12-2024	31-12-2023
Guarantees provided	95,910,602	125,743,714
Commitments to third parties	20,280,608	14,893,375
Liabilities for services rendered	5,850	345,155,656
Guarantees received	1,998,999,419	2,026,292,902

Guarantees provided and commitments to third parties include exposures that are subject to ECL calculation according to the impairment model defined by the Bank and in accordance with the requirements of IFRS 9.

Bank guarantees provided are banking operations that do not result in the mobilisation of Funds by the Bank.

As at 31 December 2024 and 31 December 2023, the exposure and impairment losses associated with guarantees received, by stage, are detailed as follows:

AOA thousand

	31-12-2024			
	Stage 1	Stage 2	Stage 3	Total
Gross amount	91,134,335	1,668,582	3,107,685	95,910,602
Impairment losses (Note 18)	(135,640)	(4,895)	(493,240)	(633,775)
	90,998,695	**1,663,687**	**2,614,445**	**95,276,827**

AOA thousand

	31-12-2023			
	Stage 1	Stage 2	Stage 3	Total
Gross amount	122,220,453	2,967,035	556,226	125,743,714
Impairment losses (Note 18)	(162,394)	(239,801)	(72,205)	(474,400)
	122,058,060	**2,727,234**	**484,021**	**125,269,315**

Documentary credits correspond to commitments by the Bank, on behalf of its Customers, which ensure the payment of a specified amount to the supplier of a given good or service, within a fixed term, against the presentation of the documentation confirming the shipment of goods or the rendering of services. The irrevocable condition arises from the fact that the commitment is non-cancellable or amended without the agreement of all parties involved.

Revocable and irrevocable commitments represent contractual agreements to extend credit to the Group's Customers (for example not drawn credit facilities). These agreements are generally contracted for fixed periods of time or with other expiring requirements and usually require the payment of a commission. Substantially, all credit commitments require that Customers maintain certain conditions verified at the time the credit was granted.

Notwithstanding the characteristics of these commitments, the analysis of these operations follows the same basic principles of any commercial operation, namely the solvency of the Customer and of the underlying business, and the Bank requires that these operations be duly covered by collaterals when necessary. Considering it is expected that most of these commitments expire without having been used, the indicated amounts do not represent necessarily future cash flow needs.

Financial instruments recorded as Guarantees and other commitments are subject to the same approval and control procedures applied to the credit portfolio, namely regarding the analysis of objective evidence of impairment, as described in Note 2.6. The maximum credit exposure is represented by the nominal value that could be lost related to guarantees and commitments undertaken by the Bank in the event of default by the respective counterparties, without considering potential recoveries or collaterals.

Note 37 – Transactions with related parties

In accordance with IAS 24 – Related party disclosures, the Bank considers the following to be related parties:

1. All entities that are directly or indirectly owned by more than 2% of ATLANTICO's share capital;

2. All entities in which Shareholders directly or indirectly hold more than 10% of the share capital, falling within point 1, or in which they are the effective beneficiaries;

3. All entities in which ATLANTICO owns, directly or indirectly, at least 10% of the share capital or voting rights of the subsidiary company or that, for any reason, allows for the exercise of the control and/or significant influence in the management of the subsidiary company;

4. Any person or entity, who has a relationship with the holder of a qualified shareholding of one of the following types:

- **a.** Spouse or unmarried partner, parents, grandparents, children, grandchildren and household members; and
- **b.** Entities in which some of the people listed in the previous paragraph a) hold a qualified shareholding.

5. Entities that are directly or indirectly in a control or group relationship with ATLANTICO (cf. definitions in paragraphs 5 and 6 below of Title IV);

6. Members of the management and/or supervisory bodies of ATLANTICO as well as any person or entity, irrespective of its legal form, that has a relationship with a member of the management and/or supervisory bodies of ATLANTICO, of one of the following:

- **a.** Spouse or unmarried partner, parents, grandparents, children, grandchildren and household members;
- **b.** Entities controlled by the member of the administrative and/or supervisory bodies, and entities in which they hold a qualified shareholding; and
- **c.** Entities controlled by one of the people listed in paragraph a) and/or in which they hold a qualified shareholding.

7. Entities in which members of the management and/or supervisory body exercise management or supervisory functions;

8. Key management personnel of ATLANTICO and their family members: first-line Directors, their spouses, descending and ascending relatives, in direct line up to the second degree; and

9. Entity hired by ATLANTICO to provide post-employment benefit plans for ATLANTICO Employees.

As at 31 December 2024 and 31 December 2023, the members of the Board of Directors, the Supervisory Board and the General Meeting, the Shareholders, subsidiaries and other shareholdings, as well as other entities under the Bank's control with which balances and/or transactions are recorded, are as follows:

Shareholders
Interlagos Equity Partners, S.A.
BCP África SGPS, Lda
Sotto Financial Group, SARL
Jasper Capital Partners – Investimentos e Participações S.A.
Quadros – Gestão de Activos, S.A.
Fundação ULWAZI
Gemcorp Fund I LP
Members of the Board of Directors
António João Assis de Almeida
Daniel Gustavo Carvalho dos Santos
José Miguel Bensliman Schorcht da Silva Pessanha
Elpídio Ferreira Lourenço Neto
Paulo Fernando Cartaxo Tomás
Ana Patrícia Pereira Gabriel Tavares [1]
José Carlos Manuel Burity
Madalena Adriano Domingos de Lemos Neto
Vanessa Fernandes de Oliveira Mendonça
Miguel Nuno André Raposo Alves
Éder Nuno Vicente Samuel de Sousa [1]
João da Conceição Ribeiro Mendonça
Isabel Regina do Espírito Santo
Mauro André dos Santos Neves
Ana Catarina Nunes de Souza e Sá
Mário Gaspar da Silva Kipipa [2]
Marcelo de Sousa Rebelo e Fernandes Costa [2]
Members of the Supervisory Board
Nuno Gonçalo de Teodósio e Cruz Cachado de Oliveira
António Guilherme Rodrigues Frutuoso de Melo
José Pedro Porto Dordio
Nelson Luís Vieira Teixeira
Maria Cristina Santos Ferreira
Members of the Board of the General Meeting
João Manuel Pedro
Fernando Magiolo Magarreiro
Nina Delgado de Silva Araújo [3]
Katya Mwtango Tavares da Silva [4]
Other related entities
Banco Comercial Português S.A.
Banco Atlântico Europa, S.A.
Pactual Property Fund – FIIF
Fortaleza Seguros, S.A.
SG Hermera Capital Partners - SGOIC, S.A.
Milos Capital Partners, S.A.
Dual Impact Fund, FCR

[1] Terminated in September 2024
[2] Started in September 2024
[3] Terminated in October 2024
[4] Started in October 2024

As at 31 December 2024 and 31 December 2023, the balances with related parties are detailed as follows:

AOA thousand

	31-12-2024				
	Shareholders	Board of Directors	Other key management personnel and family members	Other related parties	Total
Assets					
Loans and advances to credit institutions repayable on demand	2,302,624	-	-	10,361,406	12,664,030
Financial assets at fair value through profit or loss	-	-	-	320,955,739	320,955,739
Financial assets at amortised cost					
Loans and advances to Customers	12,913,513	2,298,515	2,023,276	162	17,235,466
Other loans and advances to central banks and credit institutions	32,194,854	-	-	-	32,194,854
Other assets	7,768,606	-	-	20,347,489	28,116,095
Total Assets	**55,179,597**	**2,298,515**	**2,023,276**	**351,664,796**	**411,166,184**
Liabilities					
Deposits from Customers	44,382,546	9,821,618	3,238,050	17,835,024	75,277,238
Total Liabilities	**44,382,546**	**9,821,618**	**3,238,050**	**17,835,024**	**75,277,238**

AOA thousand

	31-12-2023				
	Shareholders	Board of Directors	Other key management personnel and family members	Other related parties	Total
Assets					
Loans and advances to credit institutions repayable on demand	11,733,495	-	-	7,129,518	18,863,013
Financial assets at fair value through profit or loss	-	-	-	295,169,846	295,169,846
Financial assets at amortised cost					
Loans and advances to Customers	12,202,321	2,753,291	2,567,813	334	17,523,759
Other loans and advances to central banks and credit institutions	1,144,988	-	-	-	1,144,988
Other assets	7,560,606	-	-	3,623,352	11,183,958
Total Assets	**32,641,410**	**2,753,291**	**2,567,813**	**305,923,050**	**343,885,564**
Liabilities					
Deposits from Customers	25,578,718	14,019,644	2,861,968	7,815,137	50,275,467
Total Liabilities	**25,578,718**	**14,019,644**	**2,861,968**	**7,815,137**	**50,275,467**

As at 31 December 2024 and 31 December 2023, the income and expenses recognised in net interest income for the period, arising from the Bank's transactions with related parties were as follows:

AOA thousand

Net interest income	31-12-2024 Shareholders	Board of Directors	Other key management personnel and family members	Other related parties	Total
Interest from loans and advances to Customers	782,107	49,793	129,327	-	961,227
Interest and similar income	**782,107**	**49,793**	**129,327**	**-**	**961,227**
Interest from deposits	(705,546)	(962,279)	(107,679)	(1,085,614)	(2,861,118)
Interest and similar expenses	**(705,546)**	**(962,279)**	**(107,679)**	**(1,085,614)**	**(2,861,118)**
Net interest income	**76,561**	**(912,486)**	**21,648**	**(1,085,614)**	**(1,899,891)**

AOA thousand

Net interest income	31-12-2023 Shareholders	Board of Directors	Other key management personnel and family members	Other related parties	Total
Interest from loans and advances to Customers	855,139	50,952	141,514	-	1,047,606
Interest and similar income	**855,139**	**50,952**	**141,514**	**-**	**1,047,606**
Interest from deposits	(491,909)	(950,710)	(61,221)	(574,904)	(2,078,745)
Interest and similar expenses	**(491,909)**	**(950,710)**	**(61,221)**	**(574,904)**	**(2,078,745)**
Net interest income	**363,230**	**(899,758)**	**80,293**	**(574,904)**	**(1,031,139)**

The remuneration costs and other benefits granted to the Bank's key management personnel (short- and long-term) are disclosed in Note 28.

Additionally, it should be noted, as at 31 December 2024 and 31 December 2023, the Gains/(losses) of financial assets and liabilities at fair value through profit or loss (Note 24), amounting to AOA 15,421,363 thousand and AOA 38,280,395 thousand, respectively, relating to the valuation of the Pactual Property Fund – FIIF and Dual Impact Fund – FCR funds.

All transactions with related parties are carried out at regular market prices, using the principle of fair value.

Note 38 – Fair value of financial assets and liabilities

Fair value is based on quoted market prices, whenever available. Otherwise, fair value is determined based on cash-flow discounting techniques. Cash flows for the different instruments are calculated according to its financial characteristics and discount rates used included both the market interest rate curve and the current risk levels of the respective issuers.

Therefore, the fair value obtained is influenced by parameters used in the evaluation model, that necessarily have some degree of subjectivity and exclusively reflect the value attributed to different financial instruments.

As at 31 December 2024 and 31 December 2023, the carrying amount of financial assets and liabilities measured at fair value is presented as follows:

AOA thousand

	31-12-2024			
	Measured at fair value			
	Level 1 Quoted prices in active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Assets				
Financial assets at fair value through profit or loss				
Shares	-	-	327,743,818	327,743,818
Loans and advances to Customers	-	-	236,595	236,595
Debt securities	-	56,062,725	-	56,062,725
	-	**56,062,725**	**327,980,413**	**384,043,138**
Financial assets at fair value through other comprehensive income				
Debt securities	-	23,290,987	-	23,290,987
Shares	-	-	2,088,496	2,088,496
	-	**23,290,987**		**25,379,483**
Assets at fair value	**-**	**79,353,712**	**327,980,413**	**409,422,621**

AOA thousand

	31-12-2023			
	Measured at fair value			
	Level 1 Quoted prices in active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Assets				
Financial assets at fair value through profit or loss				
Shares	-	-	298,890,931	298,890,931
Loans and advances to Customers	-	-	124,571	124,571
	-	**-**	**299,015,502**	**299,015,502**
Financial assets at fair value through other comprehensive income				
Debt securities	-	51,331,595	-	51,331,595
Shares	-	-	1,775,421	1,775,421
	-	**51,331,595**	**1,775,421**	**53,107,016**
Assets at fair value	**-**	**51,331,595**	**300,790,923**	**352,122,518**

The Bank uses the following hierarchy for fair value, with 3 levels in the valuation of financial instruments (assets and liabilities), which reflects the level of judgment, the observability of the data used, and the importance of the parameters used in determining the fair value of the instrument, in accordance with the provisions of IFRS 13:

- **Level 1:** Fair value is determined based on unadjusted quoted prices, captured in transactions in active markets involving identical instruments to the ones being valued. If there is more than one active market for the same financial instrument, the relevant price is the one prevailing in the main market of the instrument, or the most advantageous market for which there is access;

- **Level 2:** Fair value is determined by using valuation techniques based on observable inputs in active markets, whether direct data (prices, rates, spreads, etc.) or indirect data (derivatives), and valuation assumptions similar to those that an unrelated party would use in estimating the fair value of the same financial instrument. It also includes instruments whose valuation is obtained through quotations disclosed by independent entities but whose markets have the lowest liquidity; and

- **Level 3:** Fair value is determined based on unobservable inputs in active markets using techniques and assumptions that market participants would use to value the same instruments, including assumptions about inherent risks, the valuation technique used, and the inputs used and review processes to test the accuracy of the values obtained.

The Bank considers an active market for a given financial instrument at the measurement date, depending on the turnover and liquidity of the transactions carried out, the relative volatility of quoted prices and the readiness and availability of the information, and the following conditions should apply:

- Existence of frequent daily prices trading in the last year;

- The above quotations change regularly; and

- There are executable quotes from more than one entity. A parameter used in a valuation technique is considered observable in the market, if the following conditions are met:

- If its value is determined in an active market;

- If there is an OTC market and it is reasonable to assume that the conditions of an active market are met, except for the condition of trading volumes; and

- The parameter value can be obtained by the inverse calculation of prices of financial instruments or derivatives where the remaining parameters required for initial assessment are observable in a liquid market or an OTC market that complies with the preceding paragraphs.

As at 31 December 2024 and 31 December 2023, all financial assets recorded at fair value were classified in levels 2 and 3, despite the fact that, in some situations, these were prices verified on the Angolan capital market (BODIVA). Because this market started its activity at the end of 2016 and given the low liquidity and depth of the capital market and its early stage of development, it was considered that the prices observed on each date did not meet the necessary conditions to be used directly for Level 1 valuation.

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

For Angolan public debt securities, fair value is based on an internal model supported by observable market data.

For investment funds, the best estimate of fair value is considered to be the prices of the units of these entities on the Bank's balance sheet date and, where possible, with the Auditor's Report.

For shares, the best estimate of fair value is the book value of the entities in which the Bank holds shares, given by their equity and the percentage held by the Bank and, where possible, with the Auditor's Report.

As at 31 December 2024 and 31 December 2023, the fair value of financial assets and liabilities not measured at fair value is analysed as follows, having been estimated based on the main methodologies and assumptions described below:

AOA thousand

	31-12-2024				
		Fair value			
	Book value	Level 1 – Quoted prices in active market	Level 2 – Observable market inputs	Level 3 – Other valuation techniques	Total
Assets					
Cash and deposits at central banks	325,319,262	-	325,319,262	-	325,319,262
Loans and advances to credit institutions repayable on demand	38,614,876	-	38,614,876	-	38,614,876
Financial assets at amortised cost					
Debt securities	361,187,099	-	392,306,786	-	392,306,786
Loans and advances to Customers	485,435,095	-	-	485,435,095	485,435,095
Other loans and advances to central banks and credit institutions	97,484,363	-	97,484,363	-	97,484,363
Other assets	165,610,447	-	-	165,610,447	165,610,447
	1,473,651,142	**-**	**853,725,287**	**651,045,542**	**1,504,770,829**
Liabilities					
Deposits from central banks and other credit institutions	41,995,949	-	41,995,949	-	41,995,949
Deposits from Customers and other loans	1,700,859,305	-	1,700,859,305	-	1,700,859,305
	1,742,855,254	**-**	**1,742,855,254**	**-**	**1,742,855,254**

AOA thousand

	31-12-2023				
		Fair value			
	Book value	Level 1 – Quoted prices in active market	Level 2 – Observable market inputs	Level 3 – Other valuation techniques	Total
Assets					
Cash and deposits at central banks	356,926,890	-	356,926,890	-	356,926,890
Loans and advances to credit institutions repayable on demand	94,147,108	-	94,147,108	-	94,147,108
Financial assets at amortised cost					
Debt securities	467,315,333	-	482,798,892	-	482,798,892
Loans and advances to Customers	479,108,472	-	-	479,108,472	479,108,472
Other loans and advances to central banks and credit institutions	81,193,455	-	81,193,455	-	81,193,455
Other assets	147,016,525	-	-	147,016,525	147,016,525
	1,625,707,783	**-**	**1,015,066,345**	**626,124,997**	**1,641,191,342**
Liabilities					
Deposits from central banks and other credit institutions	1,323,068	-	1,323,068	-	1,323,068
Deposits from Customers and other loans	1,849,007,508	-	1,849,007,508	-	1,849,007,508
	1,850,330,576	**-**	**1,850,330,576**	**-**	**1,850,330,576**

The main methodologies and assumptions used in estimating the fair value of financial assets and liabilities not recorded at fair value are as follows:

Cash and deposits at central banks, Loans and advances to credit institutions repayable on demand and Other loans and advances to central banks and credit institutions

Considering the short maturity of these financial instruments, the amount on the balance sheet is a reasonable estimate of its fair value.

Financial assets at amortised cost – Debt securities

Fair value is based on quoted prices whenever an active market exists. Otherwise, fair value is estimated through numerical models based on discounted cash-flow techniques which, in order to calculate fair value, use market data such as market prices and interest rate curves adjusted for relevant factors, predominantly credit risk and liquidity risk, determined in accordance with market conditions and respective maturities.

Interest rates are determined based on information disseminated by financial content providers and BNA. Interest rates for specific periods of the cash flows are determined by appropriate interpolation methods. The same interest rate curves are also used in the projection of the non-deterministic cash flows, such as indexes.

For Angolan public debt securities, fair value is based on an internal model supported by observable market data.

For disclosure purposes, it is presumed that Treasury Bills (where applicable) have short-term residual maturities and that Treasury Bonds in foreign currency bear interest rates in line with the comparable market rates in force, therefore their book value substantially represents the fair value of these assets.

Financial assets at amortised cost – Loans and advances to Customers

The fair value of loans and advances to Customers is calculated based on the update of expected principal and interest future cash flows, considering that the payments of the instalments occur on the contractually defined dates. The expected future cash flows of homogeneous credit portfolios, such as mortgage loans, are estimated on a portfolio basis. The discount rates used are the current rates charged for loans with similar characteristics.

Other assets

Other assets were valued in accordance with the assumptions defined in the internal fair value measurement model at level 3 of the hierarchy. The model estimates the fair value of these assets by the sum of the discounted cash flows at a valuation benchmark rate defined based on the assumptions made in the internal model. The fair value of other assets at amortised cost is presumed to be their carrying amount.

Deposits from central banks and other credit institutions

The fair value of these liabilities is calculated based on the update of expected principal and interest future cash flows, considering that the payments of the instalments occur on the contractually defined dates.

Deposits from Customers and other loans

The fair value of these financial instruments is calculated based on the expected principal and interest in future cash flows. The discount rate used reflects the rates charged for deposits with similar characteristics at the balance sheet date.

Considering that the applicable interest rates are renewed for periods of less than one year, there are no material differences in their fair value.

Concerning the exchange rates, the Bank uses in its valuation models the spot rate observed in the market at the time of the valuation.

Note 39 – Risk management

The Bank is subject to different types of risk in the course of its business. Risk management is carried out centrally with respect to the specific risks of each business.

The risk management policy aims to define the profile for each risk identified as material to the Bank, with a view to protecting the Bank's soundness, as well as the guidelines for implementing a risk management system that allows the identification, assessment, monitoring, control and reporting of all material risks inherent to the Bank's activity.

In this context, the monitoring and control of the main financial risks (credit, market and liquidity) and non-financial risks (operational) to which the Bank's activity is subject to, are of particular importance.

Main risk categories

Credit – Credit risk is the uncertainty of recovering an investment and its return, due to a debtor's (or guarantor, if applicable) inability to fulfil its financial commitments to the Bank, causing a financial loss to the creditor. Credit risk is reflected in debt securities or other receivables.

Market – Market risk reflects the potential loss that can be incurred by a given portfolio as a result of changes in rates (interest and exchange rates) and/or in the prices of the different financial instruments that comprise it, considering both the correlations between them and the respective volatilities. Therefore, market risk encompasses the risk of interest rate, exchange rate and other price risks.

Liquidity – Liquidity risk reflects the Bank's inability to meet its obligations associated with financial liabilities at each maturity date without incurring in significant losses due to deteriorating access to Financial (financing risk) and/or the sale of its assets below their normal market value (market liquidity risk).

Real Estate – Real estate risk results from the probability of negative impacts on the Bank's income and/or capital due to unfavourable changes in the market price.

Operating – Operating risk is the probability of failures or inappropriateness of internal procedures, information systems, human behaviour or external events.

Internal organisation

The Risk Office (ROF) is part of ATLANTICO's organisational structure and takes autonomous and independent direct accountability for the risk management system. This Department has no direct responsibility over any risk-taking function, which depends on the hierarchical and functional structure of the Board of Directors (BoD) and is monitored daily by a director appointed by the Executive Commission (EC).

The Board of Directors is responsible for defining, approving and implementing a risk management system that identifies, assesses, controls and monitors all the material risks to which the Bank is exposed, in order to ensure that they remain at the previously defined level and that they will not significantly affect the Bank's financial position.

The BoD is responsible for (i) approving the operating regulations of the ROF; (ii) ensuring adequate material and human resources for the performance of risk management functions; (iii) ensuring that risk management activities have sufficient independence, status and visibility and are subject to periodic reviews; (iv) approving the exposure limits to the different material risks to which the Bank is exposed; and (v) setting general guidelines for the risk management system and definition of the Bank's risk profile, formalised in the risk management policy.

ROF is responsible for identifying, assessing and monitoring materially relevant risks to the Bank, as well as monitoring the adequacy and effectiveness of measures taken to address any shortcomings in the risk management system.

The Bank's structural units are responsible for the effective control of risks and compliance with the internal procedures defined by the EC.

The risk management system is documented through policies, internal rules (processes) and procedure manuals.

During 2021, the BNA issued Notice 08/2021, which establishes a new regulatory and prudential framework for the Angolan financial system arising from the supervisory equivalence programme under implementation. The regulatory package consisting of the aforementioned Notice and supplementary Instructions revokes the regulations published in 2016, which guided risk management and regulatory limits until this date. In accordance with the new regulatory framework, the Bank made its first report in May 2022, with reference to the period ended 31 March 2022. On this date, the new regulatory package has been fully implemented by the Bank, in accordance with the guidelines of the Banco Nacional de Angola.

Risk Assessment

Credit Risk

Credit risk models play a key role in the credit decision process. Therefore, the loan portfolio's decision-making process is based on a set of policies, through scoring models for Retail and Corporate Customers' portfolios and rating for the corporate segment.

Credit decisions depend on risk classifications and compliance with several rules on the financial standing and behaviour of the proposers. There are relative scoring models for the main consumer credit portfolios, namely mortgages and individual loans, including the necessary segmentation between Customers and non-Customers (or recent Customers).

The main goals of credit risk management are:

- Define the provisioning rules/impairment calculations;
- Define the process of risk analysis;
- Analyse concentration/individual, sector and geographic risks;
- Define and monitor the internal boundaries for counter parties; and
- Monitor the implementation of risks cutback plans, through a follow-up of the overdue credit portfolio.

In order to mitigate the credit risk, the portfolio analysis includes the following criteria:

- Customer's background, to seek the existence of credit defaults, pledges or debts;
- Exposure limits to credit risk, where, in accordance with the counterparties' credit capacity, it is established an internal rating, as well as the definition of maximum limits to counterparties;
- Default risk where Customers with high probability of default rating are rejected; and
- Personal or real guarantees at the credit conception, in order to mitigate the Bank's exposure to the respective counterparty.

As at 31 December 2024 and 31 December 2023, the information on the Bank's exposure to credit risk by type of financial assets, including off-balance sheet exposure, is detailed as follows:

AOA thousand

	31-12-2024		
	Gross carrying amount	Impairment losses	Net book value
Balance sheet items			
Cash and deposits at central banks	325,319,262	-	325,319,262
Loans and advances to credit institutions repayable on demand	38,618,318	(3,442)	38,614,876
Financial assets at fair value through profit or loss	384,043,138	-	384,043,138
Financial assets at fair value through other comprehensive income	25,379,483	-	25,379,483
Financial assets at amortised cost			
Debt securities	366,439,430	(5,252,331)	361,187,099
Loans and advances to Customers	695,445,620	(210,010,525)	485,435,095
Other loans and advances to central banks and credit institutions	97,485,051	(688)	97,484,363
Other assets	194,898,156	(29,287,709)	165,610,447
	2,127,628,458	**(244,554,695)**	**1,883,073,763**
Off-balance sheet items			
Documentary credit	61,800,565	(43,402)	61,757,163
Guarantees provided	34,110,037	(590,373)	33,519,664
	95,910,602	**(633,775)**	**95,276,827**
	2,223,539,060	**(245,188,470)**	**1,978,350,590**

AOA thousand

	31-12-2023		
	Gross carrying amount	Impairment losses	Net book value
Balance sheet items			
Cash and deposits at central banks	356,926,890	-	356,926,890
Loans and advances to credit institutions repayable on demand	94,160,640	(13,532)	94,147,108
Financial assets at fair value through profit or loss	299,015,502	-	299,015,502
Financial assets at fair value through other comprehensive income	53,107,016	-	53,107,016
Financial assets at amortised cost			
Debt securities	472,578,094	(5,262,762)	467,315,333
Loans and advances to Customers	668,637,557	(189,529,085)	479,108,472
Other loans and advances to central banks and credit institutions	81,197,130	(3,674)	81,193,455
Other assets	173,450,313	(26,433,788)	147,016,525
	2,199,073,142	**(221,242,841)**	**1,977,830,301**
Off-balance sheet items			
Documentary credit	87,422,704	(56,508)	87,366,196
Guarantees provided	38,321,010	(417,892)	37,903,118
	125,743,714	**(474,400)**	**125,269,315**
	2,324,816,856	**(221,717,240)**	**2,103,099,616**

As at 31 December 2024 and 31 December 2023, the breakdown by sector of activity of the loan exposure to Customers, including guarantees provided and documentary credit, is as follows:

AOA thousand

Business sector	31-12-2024					
	Loans and advances to Customers		Guarantees provided and documentary credit	Total exposure	Impairment losses and provisions	
	Outstanding	Overdue			Amount	%
Real Estate	176,463,052	30,565,405	-	207,028,457	(44,960,627)	22%
Wholesale and Retail Trade	77,193,205	21,159,254	45,725,347	144,077,806	(30,237,332)	21%
Construction	159,470,733	9,258,568	31,448,420	200,177,721	(67,098,952)	34%
Manufacturing Industry	100,572,561	37,806,718	5,618,280	143,997,559	(25,238,528)	18%
Retail	36,558,852	15,645,701	-	52,204,553	(33,204,791)	64%
Other	11,316,122	19,435,449	13,118,555	43,870,126	(9,904,070)	23%
	561,574,525	**133,871,095**	**95,910,602**	**791,356,222**	**(210,644,300)**	**27%**

AOA thousand

Business sector	31-12-2023					
	Loans and advances to Customers		Guarantees provided and documentary credit	Total exposure	Impairment losses and provisions	
	Outstanding	Overdue			Amount	%
Real Estate	156,655,165	48,540,113	-	205,195,278	(44,525,995)	22%
Wholesale and Retail Trade	72,422,520	21,585,281	53,614,580	147,622,381	(27,137,570)	18%
Construction	138,717,419	13,104,213	28,688,400	180,510,032	(51,894,872)	29%
Manufacturing Industry	105,441,852	33,065,664	22,128,812	160,636,328	(27,143,935)	17%
Retail	32,904,087	17,687,443	-	50,591,530	(28,643,462)	57%
Institucional	0	0	-	0	-	
Other	12,289,541	16,224,258	21,311,923	49,825,722	(10,657,651)	21%
	518,430,584	**150,206,972**	**125,743,714**	**794,381,271**	**(190,003,485)**	**24%**

As at 31 December 2024 and 31 December 2023, the geographical concentration of credit risk is presented as follows:

AOA thousand

	31-12-2024			
	Geaography			
	Angola	Portugal	Other	Total
Loans and advances to Customers	694,927,298	289,338	228,984	695,445,620
Guarantees provided and documentary credit	95,806,657	-	103,945	95,910,602
	790,733,955	**289,338**	**332,929**	**791,356,222**

AOA thousand

	31-12-2023			
	Geaography			
	Angola	Portugal	Other	Total
Loans and advances to Customers	668,273,720	317,694	46,141	668,637,556
Guarantees provided and documentary credit	125,639,769	-	103,945	125,743,714
	793,913,489	**317,694**	**150,087**	**794,381,270**

As at 31 December 2024 and 31 December 2023, the exposure to credit risk by financial asset class, rating level and stage, is presented as follows:

AOA thousand

	31-12-2024			
	Stage 1 (12 months)	Stage 2 (instrument duration)	Stage 3 (instrument duration)	Total
Loans and advances to Customers				
Low level	3,144,185	1,043,176	13,047,854	17,235,215
Medium level	22,089,649	70,618,977	18,863,518	111,572,144
High level	12,475,181	225,079,672	107,832,467	345,387,320
No rating	5,495,808	56,800,550	158,954,583	221,250,941
Gross carrying amount	**43,204,823**	**353,542,375**	**298,698,422**	**695,445,620**
Impairment losses	(395,038)	(46,290,940)	(163,324,547)	(210,010,525)
Net book value	**42,809,785**	**307,251,435**	**135,373,875**	**485,435,095**

AOA thousand

	31-12-2023			
	Stage 1 (12 months)	Stage 2 (instrument duration)	Stage 3 (instrument duration)	Total
Loans and advances to Customers				
Low level	6,820,535	11,222,062	449,646	18,492,243
Medium level	18,695,684	57,296,458	19,077,429	95,069,571
High level	18,385,438	220,056,440	107,307,428	345,749,306
No rating	8,839,819	51,900,494	148,586,124	209,326,437
Gross carrying amount	**52,741,476**	**340,475,454**	**275,420,627**	**668,637,557**
Impairment losses	(627,852)	(43,644,605)	(145,256,627)	(189,529,085)
Net book value	**52,113,624**	**296,830,849**	**130,164,000**	**479,108,472**

Regarding the quality of credit risk of the financial assets, the Bank, based on internal rating levels, is developing the necessary tools to disclose information along these lines.

As at 31 December 2024 and 31 December 2023, the credit quality of financial assets, is presented as follows:

AOA thousand

	31-12-2024				
	Rating origin	Rating level	Total exposure	Impairment losses	Net exposure
Loans and advances to Customers	Internal rating	Low	17,235,215	(4,286,033)	12,949,182
		Medium	111,572,144	(17,980,446)	93,591,698
		High	345,387,320	(65,304,522)	280,082,798
	No rating	Not available	221,250,941	(122,439,524)	98,811,417
Other assets	External rating	AAA to AA-	10,755,276	(144)	10,755,132
		A+ to A-	87,736,482	(924)	87,735,558
		BBB+ to BBB-	19,874,489	(1,680)	19,872,809
		BB+ to BB-	-	-	-
		B+ to B-	762,162,892	(5,253,713)	756,909,179
	No rating	Not available	805,730,705	(164,791,351)	640,939,354
			2,381,705,464	**(380,058,337)**	**2,001,647,127**

AOA thousand

	31-12-2023				
	Rating origin	Rating level	Total exposure	Impairment losses	Net exposure
Loans and advances to Customers	Internal rating	Low	18,492,243	(1,186,300)	17,305,943
		Medium	95,069,572	(13,909,922)	81,159,649
		High	345,749,306	(62,222,073)	283,527,232
	No rating	Not available	209,326,435	(112,210,789)	97,115,646
Other assets	External rating	AAA to AA-	5,706,184	(86)	5,706,099
		A+ to A-	21,609,759	(445)	21,609,314
		BBB+ to BBB-	97,383,137	(6,932)	97,376,206
		BB+ to BB-	3,382,649	(3,155)	3,379,494
		B+ to B-	906,710,590	(5,269,346)	901,441,245
	No rating	Not available	657,088,320	(78,009,589)	579,078,731
			2,360,518,196	**(272,818,637)**	**2,087,699,559**

Nevertheless, it is important to consider the following aspects related to credit risk mitigation of the Bank's financial assets:

- Real estate guarantees and financial collaterals, which allow a direct reduction in the position value, are important for credit risk mitigation. Personal protection guarantees, with a substitution effect in the position at risk, are also considered;
- Credit operations collateralised by financial guarantees are considered for direct reductions, namely deposits, Angolan State bonds and other similar guarantees;
- Regarding real mortgage guarantees, the valuation of assets is performed by independent valuers registered with the Capital Market Commission (CMC) of Angola. The revaluation of the assets is performed through assessments on-the-site, performed by a technical valuer, in accordance with the best market practices;
- The model for calculating impairment losses on the loans and advances to Customers portfolio was implemented in 2018, governed by the general principles defined in IFRS 9, as well as the guidelines and iterations of IAS/IFRS implementation with Banco Nacional de Angola, in order to align the calculation process with the best international practices;
- The Bank's impairment model begins with the segmentation of the credit portfolio Customers into separate groups, according to their stage and depending on the existence of signs of impairment (which include internal and external information) and the size of the set of exposures of each economic/Customer group;
- The assessment of impairment losses on an individual basis is determined through an analysis of the total credit exposure on a case-by-case basis. For each loan considered individually significant, the Bank assesses at each balance sheet date, the expected impairment loss (ECL);
- For each one of the Customers/active loans, a set of impairment signs is verified, which includes internal and external information. This information increases impairment values, since these represent an increase in the risk of default;
- It should be noted that a restructured loan is a sign of impairment and, therefore, the loan portfolio marked as restructured is included in the loans with signs of impairment;
- In the group of homogeneous populations, Customer exposures are subject to collective analysis; and
- The amount of impairment for Customers subject to individual analysis is calculated using the discounted cash flow method and macroeconomic scenarios with impacts on the recovery strategy, i.e., the amount of impairment corresponds to the difference between the value of the loan and the sum of the expected cash flows related to the various operations of the Customer, adjusted to the macroeconomic scenarios and updated according to the effective interest rate of each operation.

Market Risk

Market Risk is controlled, in a short- and long-term vision, for the banking portfolio.

The main players involved in the daily management of Market and Liquidity Risk are the Financial and Markets Department and the Risk Office.

The Financial and Markets Department is responsible for the selection and performance of market operations and for liquidity management, considering the limits defined in the Bank's risk profile.

The Risk Office is responsible for the identification, measurement, and monitoring of risks, always ensuring that the defined limits are met.

The Bank is subject to reporting under Notice 08/2021 of 18 June and Instruction 22/2021 of 27 March, regarding the Interest Rate Risk in the banking portfolio (financial instruments not held in the portfolio of financial assets at fair value through profit or loss).

As at 31 December 2024 and 31 December 2023, the total portfolios of financial assets at fair value through other comprehensive income and at amortised cost are mainly concentrated in loans and advances to Customers, representing 50% and 44%, respectively, and in public debt securities (National Treasury Bonds), representing 37% and 43%, respectively.

The assessment of the interest rate risk originated by operations from the banking portfolio is made by risk sensitivity analysis.

Based on the financial characteristics of each contract, cash flows are projected according to the dates of rate resetting and possible behavioural assumptions considered.

The aggregation of the expected cash flows, at each range of days, for each of the currencies analysed, allows the determination of the interest rate gaps by resetting maturity.

Following the recommendations of BNA's Instruction 22/2021 of 27 October, the Bank calculates its exposure to the balance sheet interest rate risk based on the methodology defined in the Instruction. It also carries out the quantification of the economic capital requirements for the interest rate risk of the banking portfolio, based on the simulation of a 260-day historical value at risk (VaR) with a 99% confidence interval (considering all the institution's positions, sensitive to interest rate fluctuations and related to currencies representing more than 5% of total assets or liabilities), in accordance with Instruction 10/2021 of 7 July.

As at 31 December 2024 and 31 December 2023, the financial instruments for interest rate risk are detailed as follows:

AOA thousand

	31-12-2024				
	Exposure to		Not subject to interest rate risk	Derivatives	Total
	Fixed rate	Variable rate			
Assets					
Cash and deposits at central banks	-	-	325,319,262	-	325,319,262
Loans and advances to credit institutions repayable on demand	-	-	38,614,876	-	38,614,876
Financial assets at fair value through profit or loss	56,175,890	123,430	327,743,818	-	384,043,138
Financial assets at fair value through other comprehensive income	23,290,987	-	2,088,496	-	25,379,483
Financial assets at amortised cost					
Debt securities	361,187,099	-	-	-	361,187,099
Loans and advances to Customers	190,942,113	294,492,982	-	-	485,435,095
Other loans and advances to central banks and credit institutions	97,484,363	-	-	-	97,484,363
Other assets	-	-	165,610,447	-	165,610,447
	729,080,452	**294,616,412**	**859,376,899**	**-**	**1,883,073,763**
Liabilities					
Deposits from central banks and other credit institutions	40,113,143	-	1,882,806	-	41,995,949
Deposits from Customers and other loans	997,537,821	-	703,321,484	-	1,700,859,305
Financial liabilities at fair value through profit or loss	-	-	-	-	-
Other liabilities	3,320,609	-	17,351,577	-	20,672,186
	1,040,971,573	**-**	**722,555,867**	**-**	**1,763,527,440**
	(311,891,121)	**294,616,412**	**136,821,032**	**-**	**119,546,323**

AOA thousand

	31-12-2023				
	Exposure to		Not subject to interest rate risk	Derivatives	Total
	Fixed rate	Variable rate			
Assets					
Cash and deposits at central banks	-	-	356,926,890	-	356,926,890
Loans and advances to credit institutions repayable on demand	-	-	94,147,108	-	94,147,108
Financial assets at fair value through profit or loss	-	124,571	298,890,931	-	299,015,502
Financial assets at fair value through other comprehensive income	51,331,595	-	1,775,420	-	53,107,016
Financial assets at amortised cost					
Debt securities	450,139,623	-	17,175,710	-	467,315,333
Loans and advances to Customers	141,338,145	337,770,327	-	-	479,108,472
Other loans and advances to central banks and credit institutions	81,193,455	-	-	-	81,193,455
Other assets	-	-	147,016,525	-	147,016,525
	724,002,819	**337,894,898**	**915,932,585**	**-**	**1,977,830,302**
Liabilities					
Deposits from central banks and other credit institutions	-	-	1,323,068	-	1,323,068
Deposits from Customers and other loans	1,060,443,394	-	788,564,114	-	1,849,007,508
Financial liabilities at fair value through profit or loss	-	-	-	-	-
Other liabilities	3,482,493	-	11,084,224	-	14,566,717
	1,063,925,887	-	**800,971,406**	**-**	**1,864,897,293**
	(339,923,068)	**337,894,898**	**114,961,180**	**-**	**112,933,009**

As at 31 December 2024 and 31 December 2023, the financial instruments with exposure to interest rate risk according to the maturity or resetting date had the following structure:

AOA thousand

	31-12-2024								
	Resetting dates/Maturity dates								
	Below 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	Above 5 years	Undetermined	Total
Assets									
Financial assets at fair value through profit or loss	-	-	-	-	-	-		236 595	236 595
Financial assets at fair value through other comprehensive income	-	-	561	-	55,864	3,411,070	15,992,634	-	19,460,129
Financial assets at amortised cost									
Debt securities	-	-	22,617,106	97,579,303	47,973,876	128,509,792	64,349,424	-	361,029,501
Loans and advances to Customers	220,992,383	11,578,454	2,185,427	39,556,464	7,635,062	25,090,833	84,417,730	-	391,456,351
Other loans and advances to central banks and credit institutions	83,063,807	8,568,906	3,000,000	712,112	-	-	-	-	95,344,826
Other assets	-	-	-	-	-		-	-	
	304,056,191	**20,147,360**	**27,803,093**	**137,847,879**	**55,664,802**	**157,011,695**	**164,759,788**	**236,595**	**867,527,402**
Liabilities									
Deposits from central banks and other credit institutions	40,000,000	-	-	-	-	-	-	-	40,000,000
Deposits from Customers and other loans	112,813,453	303,866,460	248,097,074	271,571,891	-	-	-	-	936,348,878
Other liabilities	-	-	-	-	-	3,320,609	-	-	3,320,609
	152,813,453	**303,866,460**	**248,097,074**	**271,571,891**	**-**	**3,320,609**	**-**	**-**	**979,669,487**
	151,242,738	**(283,719,100)**	**(220,293,981)**	**(133,724,012)**	**55,664,802**	**153,691,085**	**164,759,788**	**236,595**	**(112,142,085)**

AOA thousand

	31-12-2023								
	Resetting dates/Maturity dates								
	Below 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	Above 5 years	Undetermined	Total
Assets									
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	124,571	124,571
Financial assets at fair value through other comprehensive income	-	2,903	19,199,981	-	66,630	6,810,785	16,693,720	-	42,774,020
Financial assets at amortised cost									
Debt securities		55,890	190,047,407	24,751,565	124,802,958	53,524,244	74,349,165	-	467,531,229
Loans and advances to Customers	214,939,877	11,408,447	10,917,220	50,565,267	5,651,224	22,109,259	87,683,948	-	403,275,242
Other loans and advances to central banks and credit institutions	65,505,443	12,701,028	-	2,708,167	-	-	-	-	80,914,639
Other assets									
	280,445,320	**24,168,268**	**220,164,608**	**78,025,000**	**130,520,812**	**82,444,288**	**178,726,833**	**124,571**	**994,619,700**
Liabilities									
Deposits from central banks and other credit institutions	-	-	-	-	-	-	-	-	-
Deposits from Customers and other loans	155,826,045	315,560,636	234,827,456	333,570,451	-	-	-	-	1,039,784,589
Other liabilities	-	-	-	-	-	3,482,493	-	-	3,482,493
	155,826,045	**315,560,636**	**234,827,456**	**333,570,451**	**-**	**3,482,493**	**-**	**-**	**1,043,267,083**
	124,619,275	**(291,392,368)**	**(14,662,849)**	**(255,545,452)**	**130,520,812**	**78,961,794**	**178,726,833**	**124,571**	**(48,647,382)**

As at 31 December 2024 and 31 December 2023, the average interest rates on the main categories of financial assets and liabilities, as well as the respective average balances and interest for the period, were as follows:

AOA thousand

	31-12-2024			31-12-2023		
	Average balance for the period	Interest for the period	Average interest rate	Average balance for the period	Interest for the period	Average interest rate
Financial assets						
Loans and advances to credit institutions repayable on demand	59,110,647	-	0.00%	39,467,870	-	0.00%
Financial assets at amortised cost						
Debt securities	390,349,156	40,205,422	10.30%	411,877,949	39,101,772	9.49%
Loans and advances to Customers	555,210,467	49,262,583	8.87%	465,913,581	40,539,572	8.70%
Other loans and advances to central banks and credit institutions	114,918,286	7,427,825	6.46%	60,513,501	3,232,218	5.34%
Financial assets at fair value through other comprehensive income	28,348,438	7,185,399	25.35%	39,299,227	6,323,936	16.09%
Financial assets at fair value through profit or loss	46,310,843	9,290,279	20.06%	-	-	0.00%
	1,194,247,837	**113,371,508**	-	**1,017,072,128**	**89,197,498**	-
Financial liabilities						
Deposits from Customers and other loans	1,763,945,389	80,558,353	4.57%	1,559,913,984	67,265,400	4.31%
Deposits from central banks and other credit institutions	40,750,464	7,072,789	17.36%	45,037,130	4,339,802	9.64%
Other liabilities						
Lease liabilities	3,362,119	1,193,157	35.49%	3,482,493	1,409,129	40.46%
Financial liabilities	**1,808,057,972**	**88,824,299**	-	**1,608,433,607**	**73,014,331**	-
Net interest income	**-**	**24,547,209**	**-**	**-**	**16,183,167**	**-**

The sensitivity to the balance sheet interest rate risk, by currency, is calculated through the difference between the present value of the interest rate mismatch, discounted at market interest rates in force, and the discounted value of the same cash flows simulating parallel shifts of the market interest rate yield curve.

As at 31 December 2024 and 31 December 2023, the breakdown of assets and liabilities, by currency, net of impairment, is presented as follows:

AOA thousand

	31-12-2024					
	Kwanza	Kwanza indexed to the US Dollar	US Dollar	Euro	Other currencies	Total
Assets						
Cash and deposits at central banks	157,413,974	-	75,608,653	91,936,064	360,571	325,319,262
Loans and advances to credit institutions repayable on demand	247,739	-	23,506,073	12,496,620	2,364,444	38,614,876
Financial assets at fair value through profit or loss	377,167,256	-	6,540,557	335,325	-	384,043,138
Financial assets at fair value through other comprehensive income	25,323,228	-	56,255	-	-	25,379,483
Financial assets at amortised cost						
Debt securities	102,060,621	78,996,092	180,130,386	-	-	361,187,099
Loans and advances to Customers	369,785,526	6,678,572	105,533,632	3,437,365	-	485,435,095
Other loans and advances to central banks and credit institutions	16,611,330	-	79,526,883	1,346,150	-	97,484,363
Other property, plant and equipment	96,006,718	-	-	-	-	96,006,718
Intangible assets	15,403,233	-	-	-	-	15,403,233
Non-current assets held for sale	-	-	-	-	-	-
Current tax assets	2,604,027	-	-	-	-	2,604,027
Deferred tax assets	4,559,386	-	-	-	-	4,559,386
Other assets	124,973,293	-	40,048,000	589,154	-	165,610,447
Total Assets	**1,292,156,331**	**85,674,664**	**510,950,439**	**110,140,678**	**2,725,015**	**2,001,647,127**
Liabilities						
Deposits from central banks and other credit institutions	41,780,063	-	-	215,886	-	41,995,949
Deposits from Customers and other loans	1,030,063,715	3,643	564,313,639	104,480,000	1,998,308	1,700,859,305
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Provisions	1,184,967	367,643	-	15,650	-	1,568,260
Deferred tax liabilities	5,462,501	-	-	-	-	5,462,501
Other liabilities	17,158,421	-	1,306,192	2,207,553	20	20,672,186
Total Liabilities	**1,095,649,667**	**371,286**	**565,619,831**	**106,919,089**	**1,998,328**	**1,770,558,201**
	196,506,664	**85,303,378**	**(54,669,392)**	**3,221,589**	**726,687**	**231,088,926**

AOA thousand

	31-12-2023					
	Kwanza	Kwanza indexed to the US Dollar	US Dollar	Euro	Other currencies	Total
Assets						
Cash and deposits at central banks	118,908,675	-	151,340,956	86,311,368	365,892	356,926,890
Loans and advances to credit institutions repayable on demand	213,681	-	63,894,855	28,003,274	2,035,298	94,147,108
Financial assets at fair value through profit or loss	295,294,417	-	3,397,588	323,497	-	299,015,502
Financial assets at fair value through other comprehensive income	53,055,687	-	51,328	-	-	53,107,016
Financial assets at amortised cost						
Debt securities	135,875,709	70,095,273	261,344,351	-	-	467,315,333
Loans and advances to Customers	356,575,779	7,453,142	110,894,233	4,185,318	-	479,108,472
Other loans and advances to central banks and credit institutions	-	-	80,044,078	1,149,377	-	81,193,455
Other property, plant and equipment	92,372,476	-	-	-	-	92,372,476
Intangible assets	10,658,318	-	-	-	-	10,658,318
Non-current assets held for sale	716,352	-	-	-	-	716,352
Current tax assets	2,464,674	-	-	-	-	2,464,674
Deferred tax assets	3,657,438	-	-	-	-	3,657,438
Other assets	134,937,384	-	12,077,230	1,911	-	147,016,525
Total Assets	**1,204,730,590**	**77,548,415**	**683,044,620**	**119,974,745**	**2,401,190**	**2,087,699,559**
Liabilities						
Deposits from central banks and other credit institutions	1,206,518	-	-	93,329	23,221	1,323,068
Deposits from Customers and other loans	1,032,754,691	3,280	700,107,045	114,052,260	2,090,232	1,849,007,508
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Provisions	731,533	117,016	-	2,764,770	-	3,613,319
Deferred tax liabilities	7,229,618	264	258	-	-	7,230,139
Other liabilities	11,964,932	-	977,762	1,624,020	3	14,566,717
Total Liabilities	**1,053,887,292**	120,560	**701,085,064**	118,534,379	2,113,456	1,875,740,751
	150,843,298	**77,427,855**	**(18,040,444)**	**1,440,366**	**287,734**	**211,958,808**

As at 31 December 2024 and 31 December 2023, the sensitivity analysis of the book value of financial instruments to changes in exchange rates is presented as follows:

AOA thousand

Currency	31-12-2024					
	-20%	-10%	-5%	5%	10%	20%
US Dollar	10,933,878	5,466,939	2,733,470	(2,733,470)	(5,466,939)	(10,933,878)
Kwanza indexed to the US Dollar	(17,060,676)	(8,530,338)	(4,265,169)	4,265,169	8,530,338	17,060,676
Euro	(644,318)	(322,159)	(161,079)	161,079	322,159	644,318
Other currencies	(145,337)	(72,669)	(36,334)	36,334	72,669	145,337
	(6,916,452)	**(3,458,226)**	**(1,729,113)**	**1,729,113**	**3,458,226**	**6,916,452**

AOA thousand

Currency	31-12-2023					
	-20%	-10%	-5%	5%	10%	20%
US Dollar	3,608,089	1,804,044	902,022	(902,022)	(1,804,044)	(3,608,089)
Kwanza indexed to the US Dollar	(15,485,571)	(7,742,785)	(3,871,393)	3,871,393	7,742,785	15,485,571
Euro	(288,073)	(144,037)	(72,018)	72,018	144,037	288,073
Other currencies	(57,547)	(28,773)	(14,387)	14,387	28,773	57,547
	(12,223,102)	**(6,111,551)**	**(3,055,776)**	**3,055,776**	**6,111,551**	**12,223,102**

As at the date of this report, the Bank's assets and liabilities show significant revaluation impacts, taking into account the variation in the Kwanza (AOA) exchange rates against the main foreign currencies, especially the United States Dollar (USD) and the Euro (EUR), the reference currencies in the foreign exchange market, which are the same as those published by Banco Nacional de Angola on 31 December 2024.

Liquidity Risk

In addition to regulatory ratios, liquidity risk is assessed using internal metrics defined by the Group's management, namely exposure limits, intra-day liquidity risk, Net Stable Funding Required (NSFR), and the weight of liquid assets in total assets. This control is reinforced with the monthly execution of sensitivity analysis, in order to characterise the Bank's risk profile and ensure that it fulfils its obligations in a liquidity crisis scenario.

The purpose of liquidity management is to maintain adequate liquidity levels to meet short, medium- and long-term funding needs. Liquidity risk is monitored daily, and several reports are prepared for control, monitor and support the decision-making process of the Risk Committee.

The evolution of the liquidity situation is performed based particularly on future cash flows estimated for various time horizons, considering the Bank's balance sheet. To the calculated values is added the analysis day's liquidity position and the amount of assets considered highly liquid in the portfolio of uncommitted assets, determining the cumulative liquidity gap for different time horizons. Additionally, monitoring of liquidity positions from a prudential standpoint is also performed, calculated according to the rules required by BNA's Instruction 14/2021 of 27 September (revoked Instruction 09/2019 of 27 August).

As at 31 December 2024 and 31 December 2023, the total contractual cash flows by residual maturities of the Bank's financial assets and liabilities, are presented as follows:

AOA thousand

	31-12-2024						
	Contractual residual maturities						
	On demand	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Undetermined	Total
Assets							
Cash and deposits at central banks	325,319,262	-	-	-	-	-	325,319,262
Loans and advances to credit institutions repayable on demand	38,614,876	-	-	-	-	-	38,614,876
Financial assets at fair value through profit or loss	-	-	-	6,532,347	49,618,181	327,892,610	384,043,138
Financial assets at fair value through other comprehensive income	-	-	612	4,127,091	19,163,284	2,088,496	25,379,483
Financial assets at amortised cost							
Debt securities	-	-	117,689,457	176,364,076	67,133,566	-	361,187,099
Loans and advances to Customers	-	139,994,000	32,429,355	121,658,432	141,878,847	49,474,461	485,435,095
Other loans and advances to central banks and credit institutions	-	93,384,078	4,100,285	-	-	-	97,484,363
Other assets	-	-	-	-	-	165,610,447	165,610,447
	363,934,138	**233,378,078**	**154,219,709**	**308,681,946**	**277,793,878**	**545,066,014**	**1,883,073,763**
Liabilities							
Deposits from central banks and other credit institutions	1,666,920	40,113,143	-	-	-	215,886	41,995,949
Deposits from Customers and other loans	703,321,484	465,430,820	532,105,989	1,012	-	-	1,700,859,305
Provisions	-	-	-	-	-	1,568,260	1,568,260
Other liabilities	-	-	148,585	222,446	2,949,578	17,351,577	20,672,186
	704,988,404	**505,543,963**	**532,254,574**	**223,458**	**2,949,578**	**19,135,723**	**1,765,095,700**
Liquidity gap	**(341,054,266)**	**(272,165,885)**	**(378,034,865)**	**308,458,488**	**274,844,300**	**525,930,291**	**117,978,063**
Accrued liquidity gap	**(341,054,266)**	**(613,220,151)**	**(991,255,016)**	**(682,796,528)**	**(407,952,228)**	**117,978,063**	

AOA thousand

	31-12-2023						
	Contractual residual maturities						
	On demand	Below 3 months	3 to 12 months	1 to 5 years	Above 5 years	Undeter-mined	Total
Assets							
Cash and deposits at central banks	356,926,890	-	-	-	-	-	356,926,890
Loans and advances to credit institutions repayable on demand	94,147,108	-	-	-	-	-	94,147,108
Financial assets at fair value through profit or loss	-	-	-	-	124,571	298,890,931	299,015,502
Financial assets at fair value through other comprehensive income	-	3,045	20,816,236	8,887,267	21,625,047	1,775,420	53,107,016
Financial assets at amortised cost							
Debt securities	-	47,968	214,440,821	175,559,427	77,267,116	-	467,315,333
Loans and advances to Customers	777	87,005,726	23,212,553	165,673,641	125,927,598	77,288,176	479,108,472
Other loans and advances to central banks and credit institutions	-	78,472,456	2,720,999	-	-	-	81,193,455
Other assets	-	-	-	-	-	147,016,525	147,016,525
	451,074,776	**165,529,196**	**261,190,609**	**350,120,336**	**224,944,332**	**524,971,053**	**1,977,830,301**
Liabilities							
Deposits from central banks and other credit institutions	1,206,518	-	-	-	-	116,550	1,323,068
Deposits from Customers and other loans	788,564,116	478,617,720	581,825,673	-	-	-	1,849,007,508
Provisions	-	-	-	-	-	3,613,319	3,613,319
Other liabilities	-	-	-	346,284	3,136,209	11,084,224	14,566,717
	789,770,634	**478,617,720**	**581,825,673**	**346,284**	**3,136,209**	**14,814,092**	**1,868,510,612**
Liquidity gap	**(338,695,859)**	**(313,088,524)**	**(320,635,064)**	**349,774,052**	**221,808,123**	**510,156,961**	**109,319,689**
Accrued liquidity gap	**(338,695,859)**	**(651,784,383)**	**(972,419,446)**	**(622,645,395)**	**(400,837,271)**	**109,319,689**	

As at 31 December 2024 and 31 December 2023, the liquidity ratio calculated in accordance with Instruction 14/2021 of 27 September, amounts to 545% and 380%, respectively.

This Instruction defines as the minimum advisable, a liquidity ratio of 130% for cash flows in domestic currency and aggregate cash flows in all currencies, and 180% for exposure to cash flows in foreign currency. The BNA has defined the same minimum observation ratios as those for liquidity.

As at 31 December 2024 and 31 December 2023, the Bank has observation ratios of 1 to 3 months at 411% and 468%, respectively, 3 to 6 months at 484% and 850%, respectively, and 6 to 12 months at 469% and 560%, respectively.

Real Estate Risk

As at 31 December 2024 and 31 December 2023, the Bank's exposure to real estate (direct and indirect) is as follows:

AOA thousand

	31-12-2024			31-12-2023		
	Gross book value	Impairment losses	Net book value	Gross book value	Impairment losses	Net book value
Shares held in Real Estate funds (Note 6)	317,500,369	-	317,500,369	291,905,863	-	291,905,863
Loans and advances to Customers (Note 9)	329,582,617	(72,720,224)	256,862,393	327,641,219	(94,374,997)	233,266,222
Other property, plant and equipment (Note 11)	92,753,506	(14,359,361)	78,394,145	90,516,589	(12,588,716)	77,927,873
Non-current assets held for sale (Note 13)	-	-	-	942,568	(226,216)	716,352
Promissory Contracts (Note 15)	138,103,031	(9,593,796)	128,509,235	123,518,549	(13,501,597)	110,016,952
	877,939,523	**(96,673,381)**	**781,266,142**	**834,524,788**	**(120,691,526)**	**713,833,262**

The Bank uses the expertise of SG Hemera Capital Partners, SGOIC, S.A. (HCP), Collective Investment Scheme (CIS) Management Company that manages the real estate investment funds (REIFs) in which it is an investor, and which has a high level of expertise in the area of real estate funds, to obtain additional information in the assessment of real estate risk. The management company is a non-banking financial entity, supervised by the CMC – Capital Market Commission, and audited by an independent auditor. CIS under its management, including the REIFs in which the Bank is an investor, are also supervised by the CMC and independently audited.

The "Análise de Benchmark do Mercado Imobiliário Angolano *(Angola Real Estate Benchmark Analysis)* reports, prepared by the Management Company, is a fundamental element, as it adds to the market information a universe of assessments that is particularly significant for the Bank's exposure and validates them within a reasonable range, in a transparent manner, reinforcing our confidence in the value of the investment unit, reported in terms of its reflection of the fair value of the asset and also in the quality of the valuations. The Bank carefully identifies warning signs that make it possible to identify risks in advance and, in the half-yearly stress tests, simulates the impacts of contraction of the real estate value in the functional accounting currency.

At each moment, the conclusions and determination of impairment on Non-current Assets Held for Saleand REIFs Credit result from specific methodologies that depend directly on the assessment of the specific quality of these assets and their fair value, with any market benchmarks performed by the Bank and HCP being accessory instruments in this analysis. Regarding Credit and Non-current Assets Held for Sale, the Bank follows the regulatory guidelines within the scope of the frequency of revaluations (and most of the portfolio is already fully complied with), as well as the discounts applicable for seniority of evaluations and timing of recovery, so that the impairment methodologies are adjusted to the values of the properties one by one when these are the base factors of the strategy of recovery of the credit and values. The amount recorded on the Bank's balance sheet of the units of the Pactual Property Fund is calculated using the amount of the unit reported monthly by the HCP, which is subject to regular validation by its independent auditors.

Considering the warning signs identified, namely some parameters in real estate evaluations performed in 2024 and the analyses performed so far, the Board of Directors' conclusion is that the evolution of the real estate market in Angola, during 2024, in kwanzas, is adequately expressed in the value of real estate assets recorded, directly and indirectly, in the balance sheet as at 31 December 2024.

In this context, the Board of Directors believes that the current uncertainty in the main indicators of the Angolan economy may result in possible future impacts on the accounting estimates made on the valuations of real estate assets considered in the preparation of the Bank's individual financial statements: (i) a real estate investment fund majority-owned by the Bank; (ii) properties for own use recorded under "Other property, plant and equipment"; and (iii) collateral from credit operations granted to Customers and amounts receivable from promissory contracts for the purchase and sale of real estate. These valuations incorporate some degree of subjectivity and include assumptions made by expert appraisers which may be strongly influenced by the evolution of the country's macroeconomic factors, particularly in terms of sales prices, sales periods and construction costs. Accordingly, although the Board of Directors considers that the forecasts for Angola's macroeconomic indicators, as well as the valuation reports prepared by experts in the real estate sector of the market, are adequate and support the fair value determined for the real estate assets, their realisation at the balance sheet figures as at 31 December 2024 may be affected by developments in the Angolan economy and the success of the Bank's future operations.

Operational risk

The Bank's Risk Office performs the corporate operational risk management function of the Bank, which is supported by the existence of counterparts in different organisational units that ensure the adequate implementation of operational risk management in the Bank.

The Bank has initiated a set of guidelines and actions aimed at better alignment of systems, human resources and processes in order to allow an effective continuous mitigation of operational risk, making a continuous investment to be in line with the best international practices.

The management of ATLANTICO's operational risk is based on an organisational model by processes, which allows the Bank to adopt an end-to-end perspective of the value chain of products and services in Operational Risk management, involving the entire organisation and enhancing transversal responsibility.

The identification of events that might generate operational risks and respective assessments is performed at the level of the organic units by the process owners of the different Operational Risk processes.

Operational Risk management is performed using three instruments:

- Identification of events of losses resulting from Operating Risks and respective mitigation actions performed by Departments;
- Risk self-assessment meetings organised by those responsible for each process and which allow the Bank to take a qualitative approach to identifying potential risks through a structured analysis from a procedural perspective; and
- Identification and quantification of Key Risk Indicators (KRI), that is, metrics that identify changes in the risk profile or in the effectiveness of process controls, allowing the preventive implementation of corrective actions.

Regulatory own funds ratio

As at 31 December 2024 and 31 December 2023, the Bank is in compliance with the regulatory own funds ratio.

Note 40 – Recently issued accounting standards and interpretations

New standards and interpretations applicable to the period

The following standards, interpretations, amendments and revisions have mandatory application for the first time in annual periods beginning on 1 January 2024:

Amendment to IAS 1 – Presentation of Financial Statements – Classification of Liabilities as Current and Non-current; Deferral of Effective Date; Non-current Liabilities with Covenants

This amendment issued by IASB clarifies the classification of liabilities as current and non-current by analysing the contractual conditions existing at the reporting date. The amendment to non-current liabilities with covenants clarifies that only conditions that must be met on or before the balance sheet date are relevant for the purpose of current/non-current classification.

Amendment to IFRS 16 – Leases – Lease liabilities in sale and leaseback transactions

This amendment, issued by the IASB in September 2022, clarifies how a lessee seller should account for a sale and leaseback transaction that meets the criteria in IFRS 15 to be classified as a sale.

Amendment to IAS 7 – Statement of Cash Flows – and IFRS 7 – Financial Instruments: Disclosures – Supplier Financial Arrangements

These amendments published by the IASB in May 2023 include additional disclosure requirements for qualitative and quantitative information on supplier financing arrangements.

New standards and interpretations already issued, which will come into force in future periods

The following standards, interpretations, amendments and revisions have mandatory application in future periods:

Amendments to IAS 21 – The effects of changes in exchange rates – Lack of exchangeability

This amendment published by the IASB in August 2023 defines the approach to assessing whether or not a currency can be exchanged for another currency. If it is concluded that the currency cannot be exchanged for another, it indicates how the exchange rate to be applied is determined and the additional disclosures required.

Note 41 – Events after the reporting period

Up to the date of publication of these financial statements, there were no subsequent events to report.

Note 42 – Explanation added for translation

These financial statements are a translation of the financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version shall prevail.

5

CERTIFICATES

5.1. Independent Auditor's Report

Deloitte.

Deloitte Auditores, Lda.
Condomínio da Cidade Financeira
Via S8, Bloco 4 - 5º, Talatona
Luanda, Angola

Tel: +(244) 923 168 100
www.deloitte.co.ao

INDEPENDENT AUDITORS' REPORT

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail.)

To the Shareholders of Banco Millennium Atlântico, S.A.

REPORT ON THE AUDIT OF THE INDIVIDUAL FINANCIAL STATEMENTS

Opinion

We have audited the accompanying individual financial statements of Banco Millennium Atlântico, S.A. ("Bank"), which comprise the balance sheet as at December 31, 2024, showing total assets of AOA 2,001,647,127 thousand and total equity of AOA 231,088,926 thousand, including net profit/(loss) for the year of AOA 16,818,523 thousand, the individual income statement, the comprehensive income statement, the statement of changes in equity and cash flows for the year then ended, and notes to the individual financial statements, including material information on accounting policies.

In our opinion, the accompanying individual financial statements present fairly, in all material respects, the financial position of Banco Millennium Atlântico, S.A. as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

Our audit was carried out in accordance with the International Standards on Auditing (ISA) and other technical and ethical standards and guidelines of the Order of Accountants and Accounting Experts of Angola ("Ordem dos Contabilistas e Peritos Contabilistas de Angola"). Our responsibilities under these standards are described in the "Auditor's responsibilities for the audit of the individual financial statements" section below. We are independent of the Bank under the terms of the law and comply with the other ethical requirements under the terms of the code of ethics of the Order of Accountants and Accounting Experts of Angola.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte.

Emphasis of matter

As mentioned in Note 39, the current uncertainty in the main indicators of the Angolan economy may result in possible future impacts on the accounting estimates made on the valuations of real estate assets considered in the preparation of the Bank's individual financial statements: (i) assets held by a real estate investment fund majority-owned by the Bank; (ii) properties for own use recorded under "Other property, plant and equipment"; and (iii) collateral from credit operations granted to customers and amounts receivable from promissory contracts for the purchase and sale of real estate.

These valuations incorporate some degree of subjectivity and include assumptions made by expert appraisers which may be strongly influenced by the evolution of the country's macroeconomic factors, particularly in terms of sales prices, sales periods and construction costs. Accordingly, although the Board of Directors considers that the forecasts for Angola's macroeconomic indicators, as well as the valuation reports prepared by experts in the real estate sector of the market, are adequate and support the fair value determined for the real estate assets, their realization at the balance sheet figures as at December 31, 2024 may be affected by developments in the Angolan economy and the success of the Bank's future operations.

Our opinion is unchanged on this matter.

Other matters

The accompanying individual financial statements refer to the Bank's individual activity and have been prepared by the Board of Directors for approval at the General Meeting of Shareholders and to comply with the legal and Banco Nacional de Angola requirements for the presentation of individual accounts. As disclosed in Note 6 of the Notes to the Financial Statements, the caption "Financial assets at fair value through profit or loss" includes investment fund units ("Funds") mainly held by the Bank, measured at fair value, in the amount of AOA 320,955,739 thousand. The attached financial statements do not include the effect of the full consolidation of these Funds, which will be carried out in consolidated financial statements to be approved and published separately.

Responsibilities of the management body and the supervisory body for the individual financial statements

The management body is responsible for:

– preparing individual financial statements that present fairly the financial position, financial performance and cash flows of the Bank in accordance with International Financial Reporting Standards (IFRS);

– preparing the management report in accordance with the applicable laws and regulations;

– establishing and maintaining an adequate internal control system to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error;

– adopting accounting policies and criteria that are appropriate in the circumstances; and

– assessing the Bank's ability to continue as a going concern, disclosing, where applicable, any matters that may give rise to significant doubts as to the continuity of its activities.

The supervisory body is responsible for supervising the process of preparing and disclosing the Bank's individual financial information.

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Auditor's responsibilities for the audit of the individual financial statements

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

As part of an audit in accordance with the ISA, we make professional judgments and maintain professional skepticism during the audit and also:

– identify and assess the risks of material misstatement of the individual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, as fraud can involve collusion, forgery, intentional omissions, misrepresentations or override of internal control;

– obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;

– assess the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

– conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures included in the individual financial statements or, if those disclosures are not adequate, to modify our opinion. Our findings are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Bank to discontinue its activities;

– assess the overall presentation, structure and content of the individual financial statements, including the disclosures, and whether those individual financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

– communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit, and significant audit findings including any significant deficiencies in internal control identified during the audit.

Luanda, February 28, 2025

Deloitte Auditores, Lda.
Represented by José António Mendes Garcia Barata OCPCA member no. 20130163

5.2. Report and Opinion of the Supervisory Board

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BANCO MILLENNIUM ATLANTICO

Report of the Supervisory Board

(This report is a free translation to English from the original Portuguese version)

To the Shareholders,

1. The Supervisory Board hereby submits its report and advice on the management report and financial statements in both individual and consolidated basis of Banco Millennium Atlântico, S.A. prepared by the Board of Directors relating to the year of 2024, in fulfilment of the legal provisions contained in articles nr. 441.1. g), nr. 442 and nr. 443 of the Companies Act ("*Lei das Sociedades Comerciais*"), and in article nr. 30.1 of the company bylaws.

2. The Supervisory Board held meetings with the members of the Board of Directors and the Executive Committee responsible for the financial area as it considered necessary and was promptly and fully informed on the resolutions of the Executive Committee, Board of Directors and decisions and recommendations from the Shareholders.

3. In the performance of its duties, this Board had the opportunity to witness the professionalism, commitment and transparency of the procedures adopted by the Executive Committee as well as by the Board of Directors and other officers of the Bank.

4. The Supervisory Board carried out all checks it deemed useful and necessary. It monitored the preparation of the financial statements and analysed the individual and consolidated reports from the external auditor, taking into account the emphasis of matter and other matters that are hereby reproduced, as well as managed to obtain all clarifications it requested in relation thereto from the Bank, and watched over the compliance of legal and regulatory provisions, bylaws and rules issued by the supervisory authorities and also with the general policies, rules and practices established internally.

5. Moreover, this Supervisory Board did not identify any situation that did not comply with the bylaws and legal provisions, or with the applicable accounting policies, criteria, rules and practices.

6. All things considered, including the contents of the financial statements and the report from the external auditor, we are of the opinion that the Annual General Meeting should:

   - Approve the report prepared by the Board of Directors and the financial statements in both individual and consolidated basis of Banco Millennium Atlântico, S.A. relating to the year ended on the 31st of December 2024;

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BANCO MILLENNIUM ATLANTICO

- Approve the application of results of the fiscal year of 2023 proposed by the Board of Directors, as follows:
  a) Legal reserve (10%), in the amount of 1 681 852 thousand AOA; and
  b) Retained earnings (90%), in the amount of 15 136 671 thousand AOA.

- Propose a motion of praise and recognition for the performance of the Board of Directors.

Luanda, the 7th of March 2025

The Supervisory Board,

SIGNED ON THE ORIGINAL
Nuno Gonçalo de Teodósio e Cruz e Cachado de Oliveira – Chairman of the Supervisory Board

SIGNED ON THE ORIGINAL
António Guilherme Rodrigues Frutuoso de Melo – Member of the Supervisory Board

SIGNED ON THE ORIGINAL
José Pedro Porto Pais Dordio – Member of the Supervisory Board

SIGNED ON THE ORIGINAL
Nélson Luís Vieira Teixeira – Member of the Supervisory Board

SIGNED ON THE ORIGINAL
Maria Cristina Santos Ferreira – Accounting Expert – Supervisory Board

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2024 ANNUAL REPORT

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