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ANNUAL REPORT 2024

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Index

Index

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BCA
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Approval by the Board of Directors

Approval by the board of Directors

The members of the Board of "Banco Comercial Angolano, S.A." are responsible for the preparation, integrity and objectivity of the financial statements and other information contained in this report.

To satisfy this responsibility the Bank has put in place systems of internal accounting and administrative control, to ensure that its assets are safeguarded and that transactions are executed and recorded in accordance with the rules and procedures adopted.

The audited financial statements for the year ended on the 31st of December 2024, presented herewith were approved by the Board of Directors and are signed on its behalf by:

Francisco da Silva Cristovão
Chairman

Mateus Filipe Martins
Chief Executive Officer

Luanda, 22 April 2025

Colonial architecture, Luanda
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Banco Comercial Angolano

Management Report

Management Report

Over the course of financial year 2024 ('FY2024'), the national economy was heavily shaped by persistent inflationary pressures. As far as the domestic economy is concerned, year-on-year inflation recorded a sharp increase standing at 27,50% at year-end 2024, against the 20% inflation rate recorded over the course of FY2023. Luanda's annual inflation rate, which is the most representative in the country, also experienced a steep rise, surging from 26,02% in December 2023 to 32,18 % YoY, thus reflecting the economic headwinds faced during the period under review.

On the other hand, the ongoing downward trend witnessed in the national currency's depreciation against the main global currencies (i.e. USD, EURO), which are widely used by domestic economic players, recorded a significant slowdown throughout FY2024, standing at just 10% against the USD (vs. FY2023: 65%) and 3,66% against the EURO (vs. FY2023: 70%). However, since August 2024, Kwanza's exchange rate against the USD has remained broadly steady, hovering slightly above Kz 900/USD. Consequently, some key elements and economic-related events played a key role in terms of this slight stabilisation of the domestic currency exchange rate, highlighting the following: monetary and exchange rate policies adopted by the national regulatory body in the preceding financial year, notably Directive No. 05/2024, which requires the immediate transfer of 30% of foreign currency proceeds from the Oil & gas and Diamond economic activity sectors, into the foreign exchange market.

Hence, amid the slight easing witnessed in the foreign exchange market, Banco Comercial Angolano (BCA) was able to acquire more foreign currency than in the preceding year of 2023 and, thereby facilitating the execution of a higher volume of foreign exchange transactions with BCA's customer base, which in turn drove substantial growth in its Non-Interest Margin, up by +81% YoY.

A key priority of BCA's executive management team throughout the year ended ('FY2024'), was to undertake concerted endeavours towards decreasing BCA's credit exposure to public debt while expanding its loan portfolio. As a result of these concerted endeavours, BCA's securities portfolio decreased by 21%, and currently accounts for 42% of the total assets' portfolio, down from 58% registered in FY2023. Conversely, BCA's loan portfolio expanded by 91% YoY.

The sharp increase witnessed in BCA's loan portfolio over the period under review, was achieved while always taking into account the prudential principles that guide the financial institution: impairment coverage stood at 5% (vs. FY2023: 6%), and the ratio of non-performing loans to total loans dropped from 2,4% to 1,5% YoY.

As a result of this strategic shift in BCA's investment strategy, credit-related income grew by double digits, accounting for 17% of total Interest and other similar income (vs. FY2023: 10%).

Income from securities rose marginally by 1%, with its share in Interest and other similar income declining from 82% to 59% YoY.

The Bank's primary focus remains on the enhancement of key operational elements and business processes in order to improve its revenue profitability, efficiency gains and business activity growth. A higher degree of attention and effort will be given to BCA's corporate strategic guidelines aimed at boosting the Bank's financial results, reducing costs, diversifying the distribution channels of its financial products and services, with a view to increasing and diversifying its customer base and improving customer satisfaction and loyalty.

Over the last few years, BCA has displayed a Tier 1 Capital and a liquidity position level in accordance with its risk profile. Concurrently, it has also proven to have the capacity to maintain its liquidity position and ensure the sustainability and continuity of its businesses, thus not foreseeing any difficulties in complying with its financial obligations.

In the realm of Human Resources, being a service-providing institution, BCA considers that the key to differentiating its brand lies in the efficiency and qualification of its human capital. Against this backdrop, the Bank has carried out a variety of training courses, among which the following stand out: the training related to the prudential requirements framework (Anti-Money Laundering and Terrorist Financing, as well as Anti-Corruption), the training in the fiscal area, as well as English language training, which are understood as being key working tools/resources within the scope of BCA's relationship and daily interaction with its partners.

Alongside with its human capital training activities, the Bank has refocused its attention and efforts on the development of a customer-centric approach and strategy, with the aim of improving and enhancing the provision of financial services to the general public, transferring powers to the commercial branches and improving customers' perception of the BCA Brand.

In terms of corporate social responsibility, significant attention is being given to solve social problems directly affecting the workers and their families, and the society in general, with emphasis on social, health, and sporting initiatives.

The bank's vision continues to be "A universal bank in Angola focusing mainly on corporate and institutional banking yet maintaining a close eye on the prospects offered by the retail segment".

The bank's mission continues to be to "Create value for our stakeholders by providing world class banking services to our clients through maintaining excellent relationships with all those who contribute to the bank's growth, consolidating the banks image, reputation and prestige and ultimately by increasing our market share".

Financial indicators

Assets

In 2024, the bank´s assets increased by 8%. Interest-bearing assets increased 5%. Furthermore, the following situations occurred:

- An increase in "Placements with Central Banks and other Credit Institutions" (91%), "Loans and Advances" (91%) and "Cash and Balances at Central Banks" (29%); and
- A decrease in "Financial assets at fair value through Other Comprehensive Income" (21%), and "Other Tangible Assets" (7%).

Liabilities

The liabilities increased nearly 6%, as a result of the increase observed in "clients Term Deposits" (48%), despite the decrease in "Clients Demand deposits" (23%), "Deposits from other credit institutions" (60%) and "Deferred taxes payable" (32%). The interest-bearing liabilities increased from 37% of the total of liabilities in 2023 to 51% in 2024.

Equity

Shareholders' Equity grew up by 13%, because of the increase in more than the double of the "Net income for the year 2024" "Revaluation Reserves" and the increase of "Statutory and free reserves" (18%).

Income statement

Net Profit for the year under review increased by over two-fold, amounting to Kz 4,69 billion, primarily due to a sharp increase recorded in Net Interest Margin (Kz 3,48 billion) and Net-Operating-Margin (Kz 2,83 billion). It is worth highlighting, that the sharp rise experienced in Net Interest Margin stemmed primarily from a four-fold increase in income from short-term investments and higher income from loans (Kz 1,72 billion). The positive performance of the Net operating margin arose mainly from an increase in foreign exchange gains (Kz 1,71 billion) and Fee and commission income (Kz 1,44 billion).

At the same time, a 38% growth in interest-bearing liabilities drove the increase recorded in "Interest and other similar expenses" (Kz 1,46 billion).

The rise in "Third parties supplies" costs was due to the Kwanza's exchange rate impact against the USD and EUR, given that payments for licences and support services for the main IT solutions currently used by the bank are made in foreign currency to non-resident providers.

Proposal for the appropriation of the 2024 profits

Pursuant to the special regulations laid down by the Central Bank of Angola ("BNA"), specifically under article 165 (1) of the Financial Institutions Regulatory Framework (Law No. 14/21, dated 19th May), alongside the prudential rules issued by the Supervisory Authority, as well as article 19 (j) of BCA's statutory rules, it is proposed to distribute Kz 5 billion, with the remaining profits allocated to "Statutory Reserves" and "Free Reserves" as detailed below:

- Statutory reserves (10% of net income) – 815 972 thousand of Kwanzas; and
- Free reserves (remaining) – 2 343 749 thousand of Kwanzas.

Francisco da Silva Cristovão
Chairman

Mateus Filipe Martins
Chief Executive officer

Palace of the National Assembly of Angola
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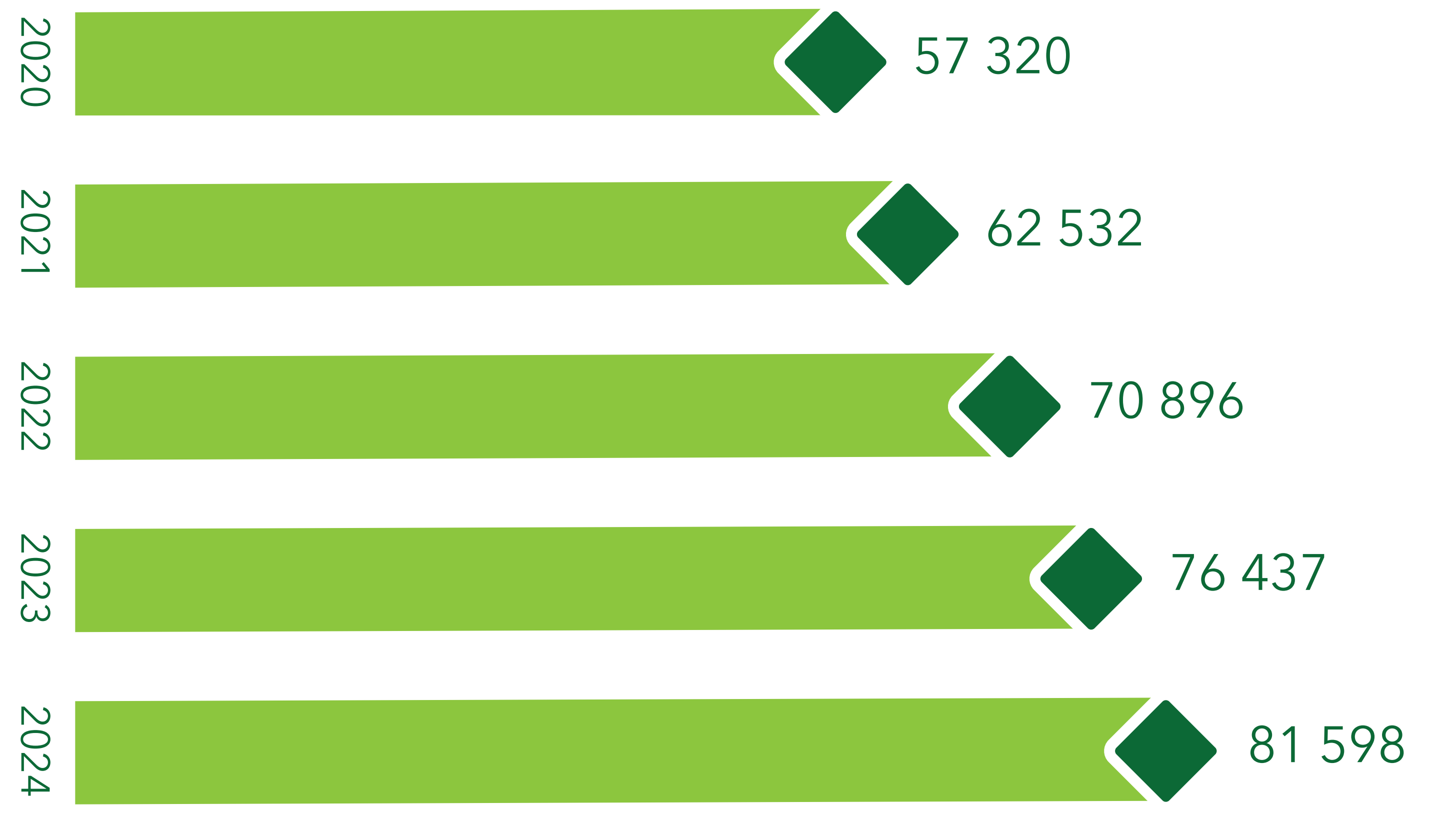
Banco Comercial Angolano

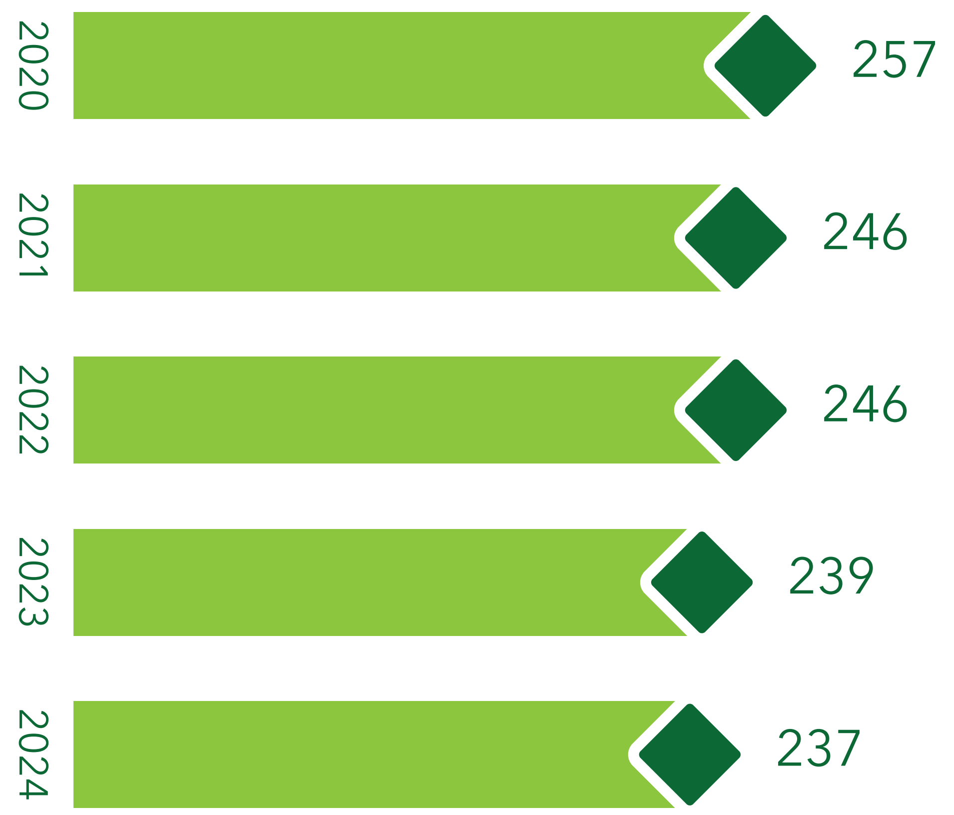
Growth of BCA

Growth of BCA

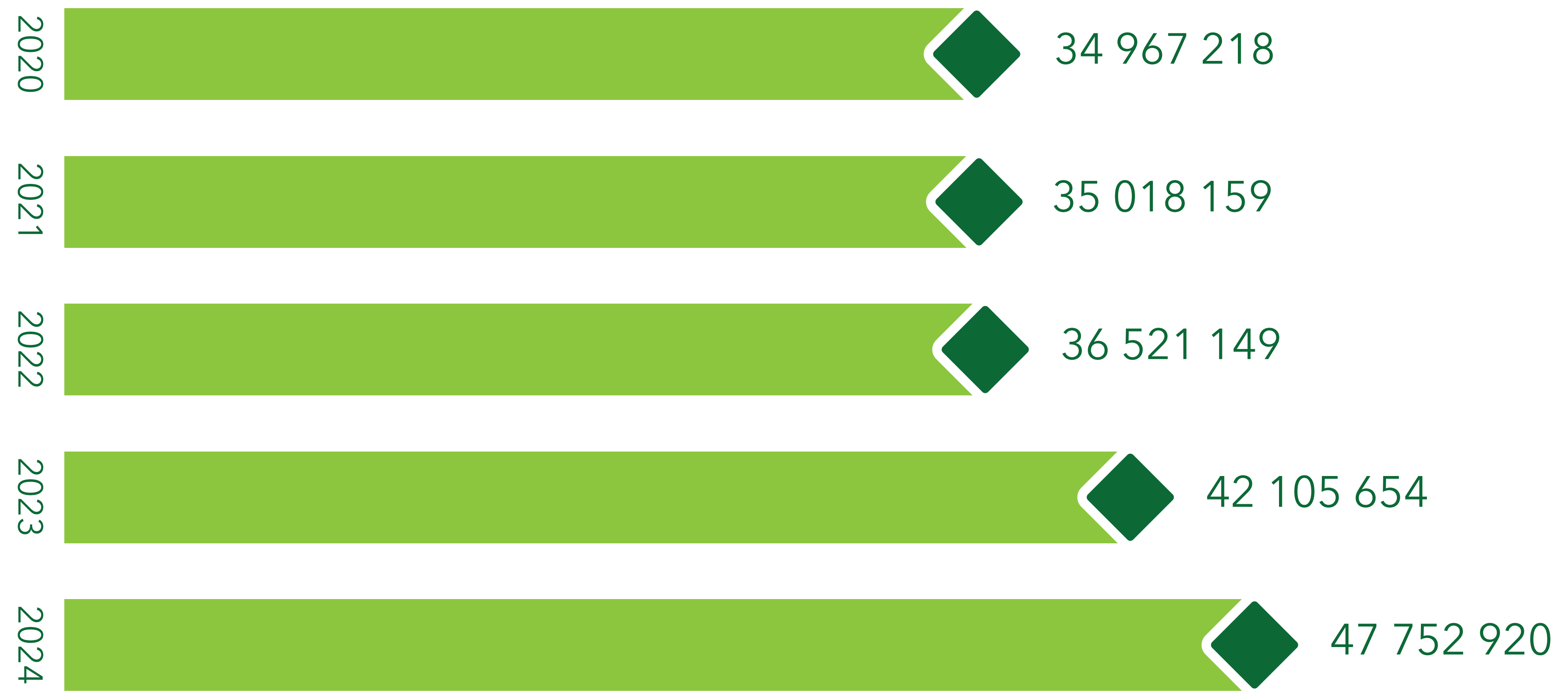
Customers



Total Employees

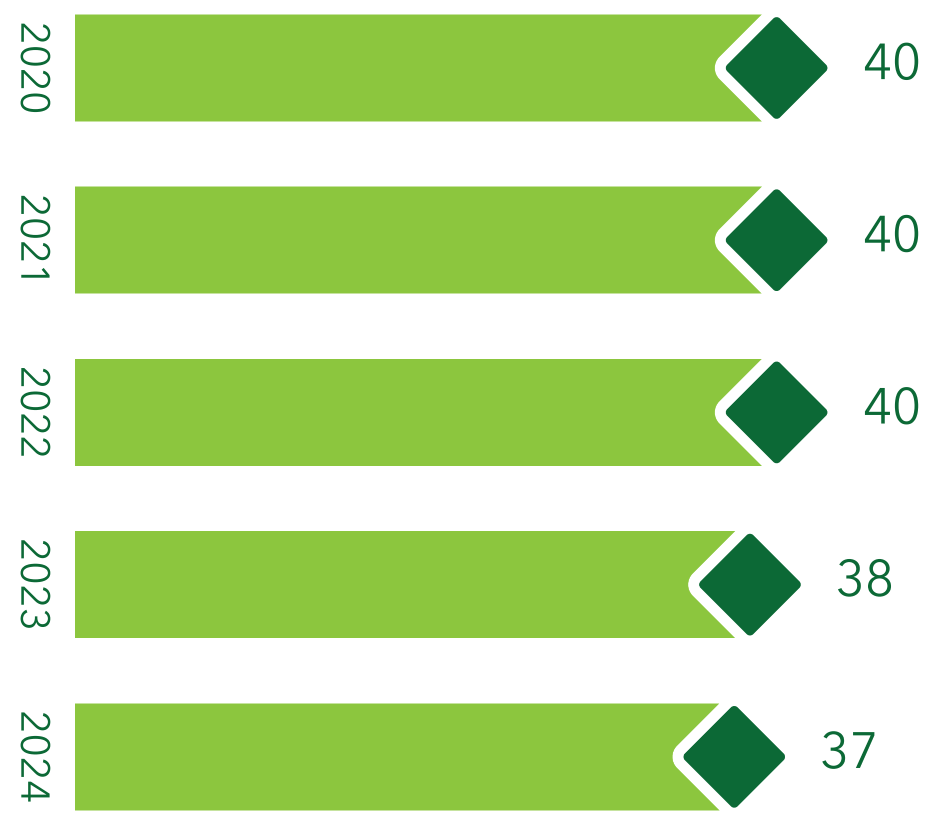


Equity **(Kz'000)**

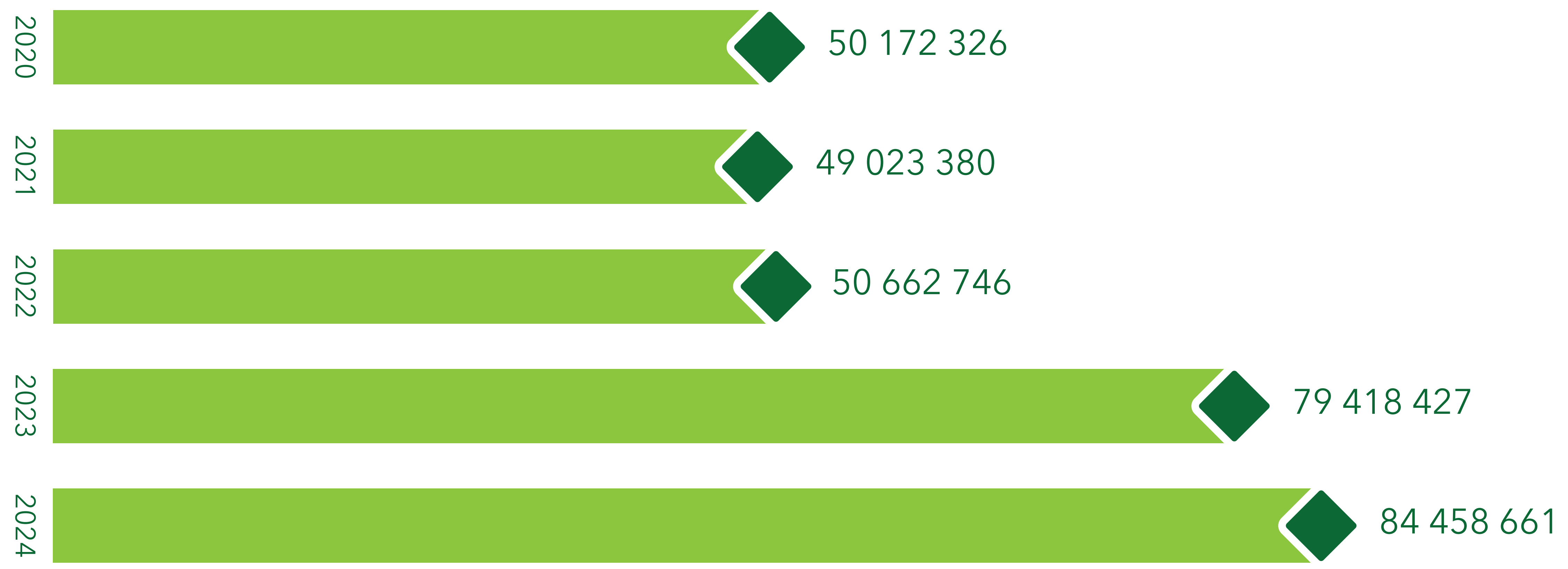


Growth of BCA

Branches

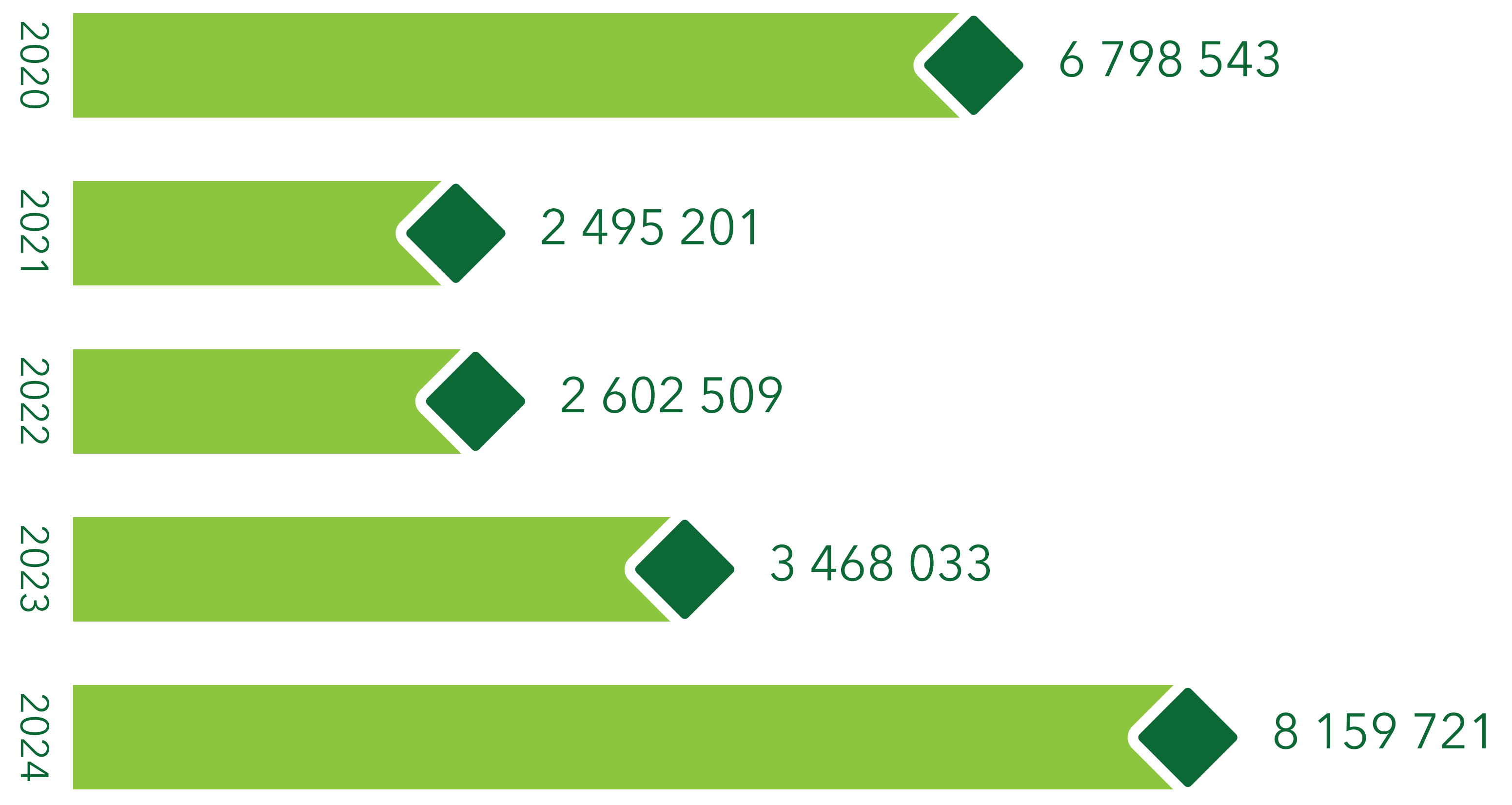


Customers Assets **(Kz'000)**

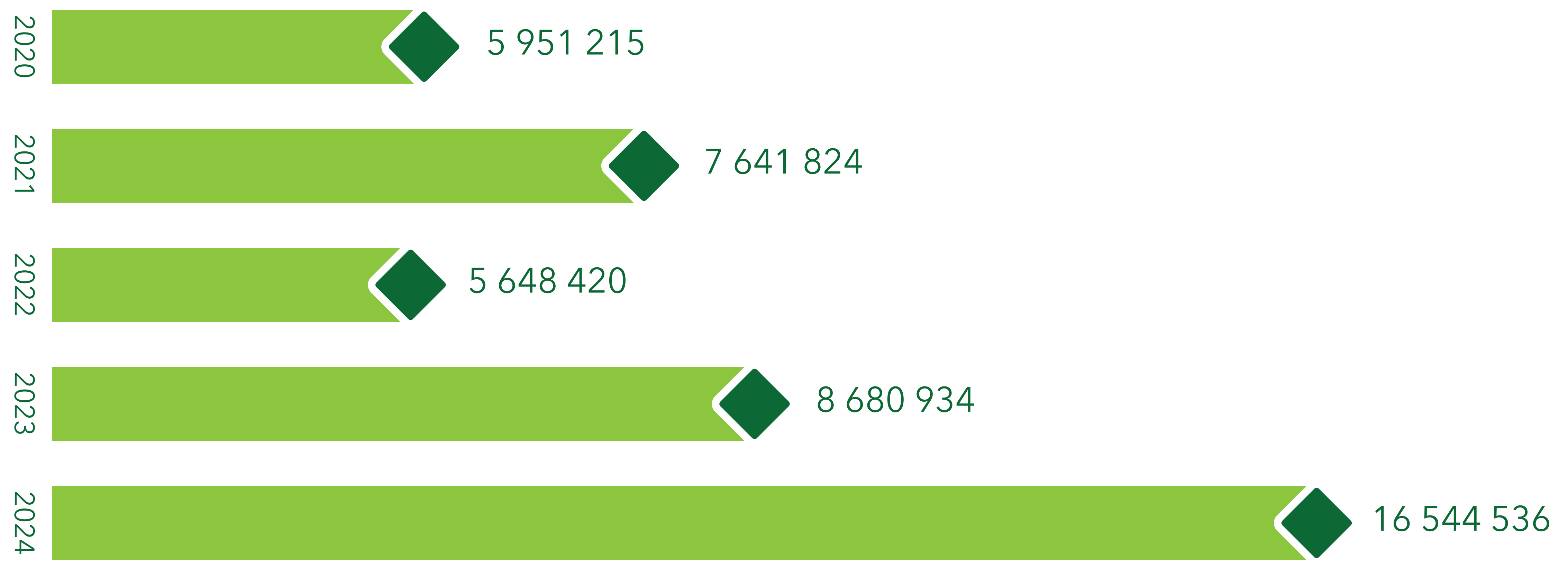


Growth of BCA

Net Profit **(Kz'000)**



Loans **(Kz'000)**




Sagrada Família Church, Ingombota
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Key Indicators

Key Indicators

	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000	2022 Kz'000	2022 USD'000	2021 Kz'000	2021 USD'000
Balance Sheet								
Total Assets	143 963 399	157 854	133 010 764	160 486	96 071 159	190 734	94 199 199	169 736
Loans and Advances	16 544 536	18 141	8 680 934	10 474	5 648 420	11 214	7 641 824	13 770
Customers Liabilities	84 458 661	92 608	79 418 427	95 824	50 662 746	100 583	49 023 380	88 333
Shareholders´ Equity	47 752 920	52 360	42 105 654	50 803	36 521 149	72 506	35 018 159	63 101
Activity								
Net Interest Margin (NIM)	13 072 611	14 954	9 590 356	13 723	9 223 640	20 049	8 025 068	12 973
Net Operating Margin (NOM)	19 407 293	22 200	13 091 874	18 733	10 295 589	22 379	10 100 352	16 328
Operating Costs (OC)	10 847 591	12 354	8 980 608	12 589	7 875 562	16 940	8 418 452	13 782
Operating Profit (OP)	8 159 721	9 408	3 771 713	5 733	1 933 791	4 473	3 431 360	5 699
Net Profit (NP)	8 159 721	9 408	3 468 033	5 367	2 602 509	5 801	2 495 201	4 012
NIM/NOM	67,36%	67,36%	73,25%	73,25%	89,59%	89,59%	79,45%	79,45%
Non Interest Margin/ NIM	48,46%	48,46%	38,28%	38,28%	12,68%	12,68%	25,86%	25,86%
Cost-to-Income	55,89%	55,89%	68,60%	68,60%	76,49%	76,49%	83,35%	83,35%
Operating Costs/Average Assets	7,53%	7,53%	6,75%	6,75%	8,20%	8,20%	8,94%	8,94%
Solidity								
Non-Performing Loans/ Total Loans	1,54%	1,54%	2,41%	2,41%	6,95%	6,95%	5,68%	5,68%
Impairment/ Non-Performing Loans	348,23%	348,23%	261,86%	261,86%	180,39%	180,39%	146,77%	146,77%
Impairment/ Gross Loans and advances	5,35%	5,35%	6,30%	6,30%	12,54%	12,54%	8,34%	8,34%
Return On Average Assets (ROAA)	5,67%	5,67%	2,61%	2,61%	2,71%	2,71%	2,65%	2,65%
Return On Equity (ROE)	18,16%	18,16%	8,82%	8,82%	7,28%	7,28%	7,13%	7,13%
Capital Adequacy Ratio	65,83%	65,83%	70,00%	70,00%	73,00%	73,00%	73,80%	73,80%
Other Tangible Assets and Intangible Assets Ratio	20,67%	20,67%	22,00%	22,00%	20,39%	20,39%	22,62%	22,62%

Governance and Management Structure

São Miguel Fortress, Luanda
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Governance and Management Structure

FISCAL COUNCIL
Chairman
João Paulo Borges de Sousa
Members
Esperança Cahango and Antónia Sebastião

GENERAL ASSEMBLY
Chairman
Guiomar Dias
Secretary
João Muatonguela

EXTERNAL AUDIT
Deloitte & Touche - Auditores Limitada

BOARD OF DIRECTORS
Chairman (Non Executive)
Francisco da Silva Cristóvão
Independent Director
(Non Executive)
Maria Lizete Silva e Lemos
Director
Mateus Filipe Martins
Director
Hernani Lúcio A. Cambinda
Director
Cesaltina de Jesus M. Pinto
Director
Helder Nacossengue A. Lisboa
Director
Mário Tarana S. N. Leitão

INTERNAL CONTROL AND AUDIT
Chairman - Independent Director (Non Executive)
Maria Lizete Silva e Lemos
Executive Director:
Mário Tarana S. N. Leitão
Executive Director:
Helder Lisboa
Head of Risk Management Department
Head of Internal Audit Department
Compliance Officer

EXCO CONSULTANCY OFFICE
Bo Kronback

EXECUTIVE COMMITTEE
Chief Executive Officer:
Mateus Filipe Martins
Cesaltina de Jesus M. Pinto
Hernani Lúcio A. Cambinda
Helder Nacossengue A. Lisboa
Mário Tarana S. N. Leitão

INTERNAL AUDIT OFFICE
(Head)
Madalena Salvador Matias

DISTRIBUTION OF PORTFOLIOS

Chief Executive Officer Mateus Filipe Martins	Executive Director Hernani Lúcio A. Cambinda	Executive Director Helder N. A. Lisboa	Executive Director Mário Tarana S. N. Leitão	Executive Director Cesaltina de Jesus M. Pinto
Human Capital	**Corporate Governance Office**	**Accounting**	**Risk Management**	**Retail Banking**
Soque Caricoco (Head)	Fernando L. Muturi (Head)	Osvaldo A. P. Fernandes (Head of Department)	Joel Graciano (Deputy Head)	Hirondina Ferreira (Deputy Head)
Operations	**Legal and Litigation Office**	**Treasury**	**Information Security**	**Corporate Banking**
Bendo Malembe Ana (Head)	Elias Chipalavela (Head of Department)	Pedro Cristóvão (Deputy Head)	Matheus Bernardo (Head of Department)	Cristóvão Manuel (Head of Department)
Infrastructure	**Credit Recovery Department**	**Credit**	**Compliance Office**	**Marketing And Social Responsability**
Domingos Muhongo (Head of Department)	Nzuzi Sampaio Joni (Head of Department)	Evanilda Marimba Mate (Head)	Mauro Lourenço (Deputy Head)	Leonor Cadete Mariano (Head of Department)
IT	**Organisation, Policies and Procedures Office**		**Forex Control and Reconciliations Office**	
Fernando Chimuco (Head)	Jorge Lourenço (Head of Department)		Úlpia Nunes (Head of Department)	

Colonial Building of the Companhia Geral de Angola - Prince Henry Square
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Banco Comercial Angolano

Corporate Governance Statement

Corporate Governance Statement

The corporate governance comprises the comprehensive set of relationships, policies and processes involving the Bank's shareholders, governing bodies and personnel in connection with supervisory bodies, external auditors and other financial market players, with the aim of achieving strategic objectives, promoting organisational transparency, as well as the control and oversight of the Financial Institution.

BCA's governance model is based on a "one-tier" system comprising a Shareholders' General Meeting, within which were incorporated, in addition to the Board of the General Meeting, a Senior Board and a Remuneration Committee of the Governing Bodies.

The Bank's oversight is carried out by a **Supervisory Board** and by the **External Auditor** certified by the National Bank of Angola.

The BCA's Board of Directors is the statutory body with the broadest company management and governance powers, as provided for in Article 23 of BCA statutory rules. BCA's Board of Directors is comprised of seven members, two of whom are Non-Executive Directors and the remaining five are Executive Directors. The Board of Directors currently includes the following members:

- **Non-Executive Director and Chairman of the Board of Directors:** Francisco da Silva Cristóvão
- **Non-Executive and Independent Director:** Maria Lizete Silva e Lemos
- **Executive Director and Chief Executive Officer (CEO):** Mateus Filipe Martins
- **Executive Director:** Hernani Lúcio André Cambinda
- **Executive Director:** Cesaltina Pinto
- **Executive Director:** Mário Leitão
- **Executive Director:** Helder Lisboa

By resolution of the Board of Directors dated May 17th, 2022, considering BCA's organisation's size and features, the Internal Control and Audit Committee (ICAC) was formally established, chaired by the non-executive and independent director Maria Lizete Silva e Lemos, which includes the Executive Directors Hélder Lisboa and Mário Leitão, as well as the managers of the Bank's internal control business units/departments.

The Board of Directors has a properly approved Operating Regulation that complies with the provisions of Notice 1/2022 dated January 23rd.

The Internal Control and Audit Committee has likewise been given formal status and approval for its operating regulations.

The Executive Committee of the Board of Directors is comprised of five Executive Directors, one of whom is the Chairman. In accordance with BCA's Articles of Association and in compliance with the Board of Directors' Regulations, the Executive Committee has been assigned the powers of the **financial institution 's business and operational activities management**.

The scope of action for the five members of the Executive Committee is laid down in BCA's Articles of Association, and their portfolio assignments, powers, and duties were stipulated in a Board of Directors resolution dated May 17th, 2022:

- **Chief Executive Officer (Chairperson) - Mateus Filipe Martins:** Human Capital Department; Infrastructures Department; IT Department and Operations Department;
- **Executive Director - Hernani Cambinda:** Corporate Governance Office; Legal; Credit Recovery Department; Organisation, Policies and Procedures Office;
- **Executive Director – Cesaltina Pinto:** Retail Banking Department; Corporate Banking Department; Marketing and Social Responsibility Department;
- **Executive Director – Mário Leitão:** Risk Management Department; Compliance Office; Foreign Exchange Control and Reconciliations Office;
- **Executive Director - Hélder Lisboa:** Accounting Department; Treasury Department and Credit Department;

Notwithstanding the portfolio assignment and allocation of powers and duties, the Executive Directors discuss all matters within the Executive Committee (EXCO) during their board meetings. The Executive Committee meets monthly and whenever convened by its respective Chairperson, to discuss and approve matters relating to the Bank's day-to-day management.

Assuming the corporate role of support, assessment and decision-making governing bodies, the following committees (sub-committees of the Executive Committee) stand out:

- **Credit and Investments Committee:** It comprises all the Executive Committee members together with the General Operations, Risk Management, Legal and Corporate Governance, Retail Banking and Corporate Banking Departments, as well as with the Treasury Department. The Credit and Investments Committee (CIC) assesses, discusses and approves credit processes up to USD 2 000 000 and recommends the submission of the dossiers for approval by the Board of Directors for loan applications over USD 2 000 000. In addition, the CIC also assesses and deliberates on the allocation of the bank's liquidity in markets such as the Interbank Money Market (IMM) and Public Debt Securities Market. The Committee meets whenever there are credit applications for approval and/or the need to decide on investments in the IMM and public debt securities market. The Credit and Investments Committee (CIC) is chaired by the President of the Executive Committee/ Chief Executive Officer (CEO);

- **Assets and Liabilities Management Committee (ALCO):** The Asset and Liability Committee (ALCO) is composed by the Executive Directors and the heads of Accounting, Credit, Market Risk, Corporate Banking, Retail banking and Treasury departments. The ALCO has the responsibility of assessing, recommending, and supporting the bank's operations by adding value to the business through the effective management of liquidity and market risks, determining risk appetite for these classes, managing assets mix and maximising the bank's income. This committee meets ordinarily every month and is chaired by the Executive Director for the financial area;

- **Loans Recovery Committee:** It is comprised of all EXCO members and the Credit, Risk Management, Legal, Retail Banking, Corporate Banking Departments. This Committee assesses, discusses and approves the measures and credit files tiers/stages under recovery process, decision-making on financial restructuring procedures and/or sending to litigation problematic loan dossiers classified as "difficult to recover". This Committee meets as a rule once a month and is chaired by the Chief Executive Officer (CEO);

- **Assistance Committee for the Supporting and Advisory Bodies:** It comprises the Chief Executive Officer (Chairperson), the Executive Director with the financial control function/ portfolio, and the Heads of Infrastructure, Retail, Corporate, and Information Technology Departments. This Committee assesses the level and status of operational performance and implementation of the expansion and modernization plan regarding BCA's commercial branches network. At the same time, it provides strategic guidance and monitors the operational performance of the business supporting bodies.

The Bank has an internal organisational chart that has been duly endorsed and approved by the Board of Directors and within the scope of the adoption and implementation of the in-house regulations and corporate good practices in matters of corporate governance and internal control, the following policies, among others, have been approved and implemented:

i. Branches' Procedures Handbook;

ii. Directorates/Offices Procedures Handbooks

iii. Fixed Assets Policy;

iv. BCA's Trial Balance Control Policy;

v. Supplies and Resources Handbook and Policy;

vi. Employees' Benefits Policy;

vii. Leasing Policy;

viii. Identification, and Management of Conflicts of Interest Policy"

ix. Confidentiality, insider information and conflicts of interest Policy;

x. Anti-bribery and corruption Policy;

xi. Transactions with Related Parties Policy;

xii. Code of Conduct of the Treasury Department;
xiii. Employees' and Governing Bodies' Remuneration Policy;
xiv. Overtime Policy;
xv. Performance Assessment Process Regulation;
xvi. Employees' financial benefits policy;
xvii. Code of Conduct;
xviii. Code of Conduct of the Treasury Department;
xix. BCA's Disciplinary Procedure Policy;
xx. HIV/AIDS and Other Serious Epidemics Policy;
xxi. Reputational Risk Policy;
xxii. Information Disclosure Policy;
xxiii. International Sanctions Compliance Policy ("Sanctions Policy") of the Banco Comercial Angolano ("BCA" or the "Bank");
xxiv. Internal Control Policy;
xxv. Irregularities Reporting Policy (Whistleblowing Channel);
xxvi. Risk Management and Outsourcing Policy.

Cathedral of the Holy Saviour - UNESCO World Heritage, M'banza-Kongo
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Banco Comercial Angolano

Macroeconomic Overview

Macroeconomic Overview

GLOBAL ECONOMY

Throughout the financial year 2024 ('FY2024'), the global economy sustained its steady trajectory, achieving a robust growth rate of 3,2%. This performance closely mirrored FY2023, with only a marginal decline of 0,1 percentage point from the previous year's 3,3%, reflecting remarkable resilience in the face of global challenges.

Underlying this economic performance is the widespread impact of tight-handed monetary policies implemented across the world's major economies, aimed at curbing inflation, which has dampened global economic activity.

Real GDP growth (%)

Region	2020	2021	2022	2023	2024*
World	-2,7	6,6	3,6	3,3	3,2
Advanced economies	-4,0	6,0	2,9	1,7	1,8
Euro Area	-6,1	6,2	3,3	0,4	0,8
Emerging markets and developing economies	-1,8	7,0	4,0	4,4	4,2

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

Emerging markets and developing economies witnessed their GDP growth ease by 0,2 percentage point in FY2024, thus reflecting the broader impact of tight global monetary policies.

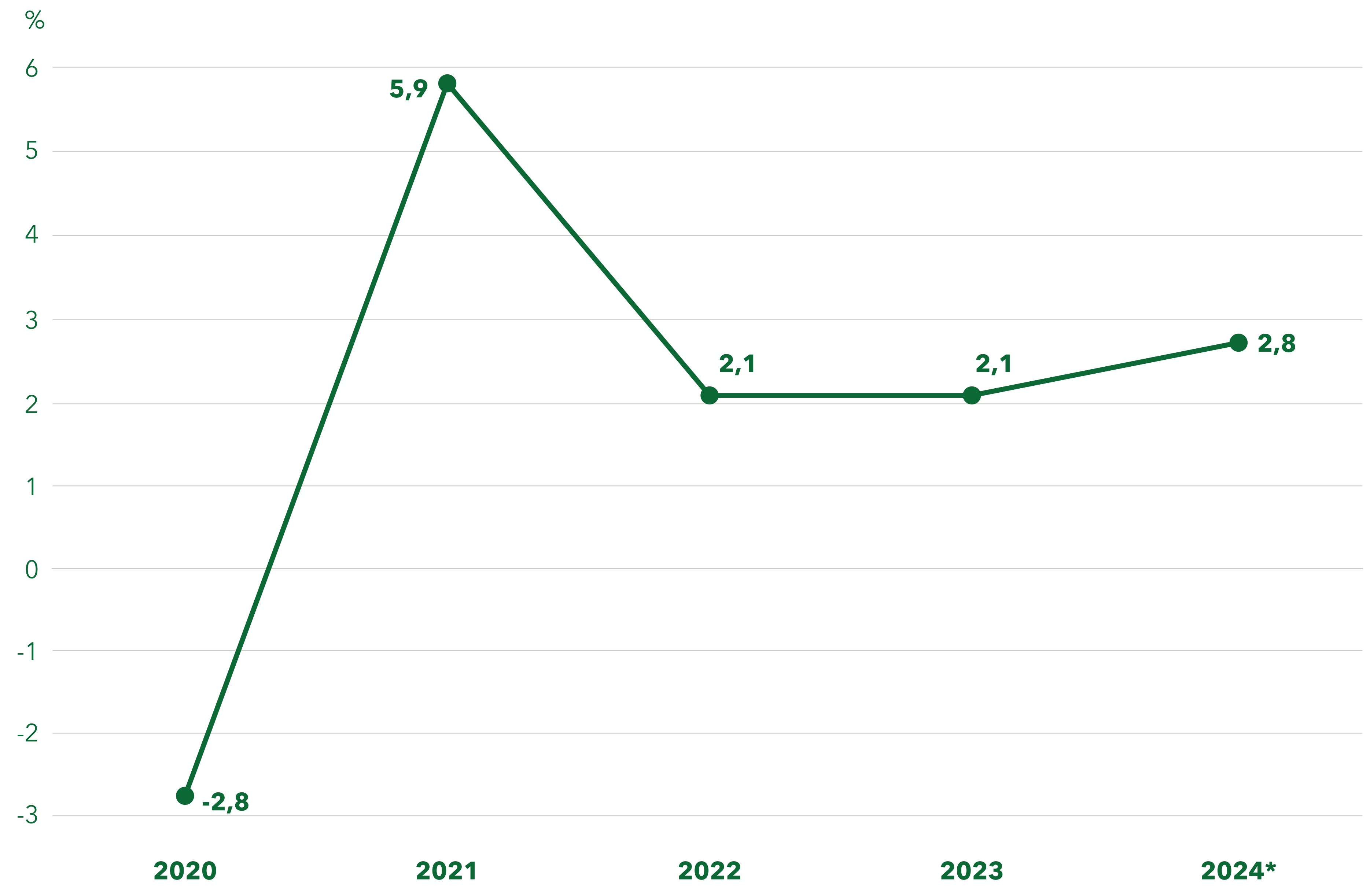
On the other hand, advanced economies and the Euro Area economy experienced a mild year-on-year increase in GDP growth, standing at 0,1 p.p. and 0,4 p.p., respectively.

United States of America

It is worth highlighting that despite implementing a tight-handed monetary policy, much like most worldwide economies, aimed at bringing inflation closer to the 2,0% target, the United States managed to increase economic growth by 0,7 percentage point, rising from 2,1% to 2,8% YoY.

Notwithstanding the comprehensive economic challenges and headwinds experienced, sound domestic demand coupled with the strength of the US labour market provided a broad-based and resilient foundation to the US economy upward growth trend.

Real GDP growth – USA



Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

Macroeconomic Overview

The strength of the US labour market can be explained by three key underlying drivers:

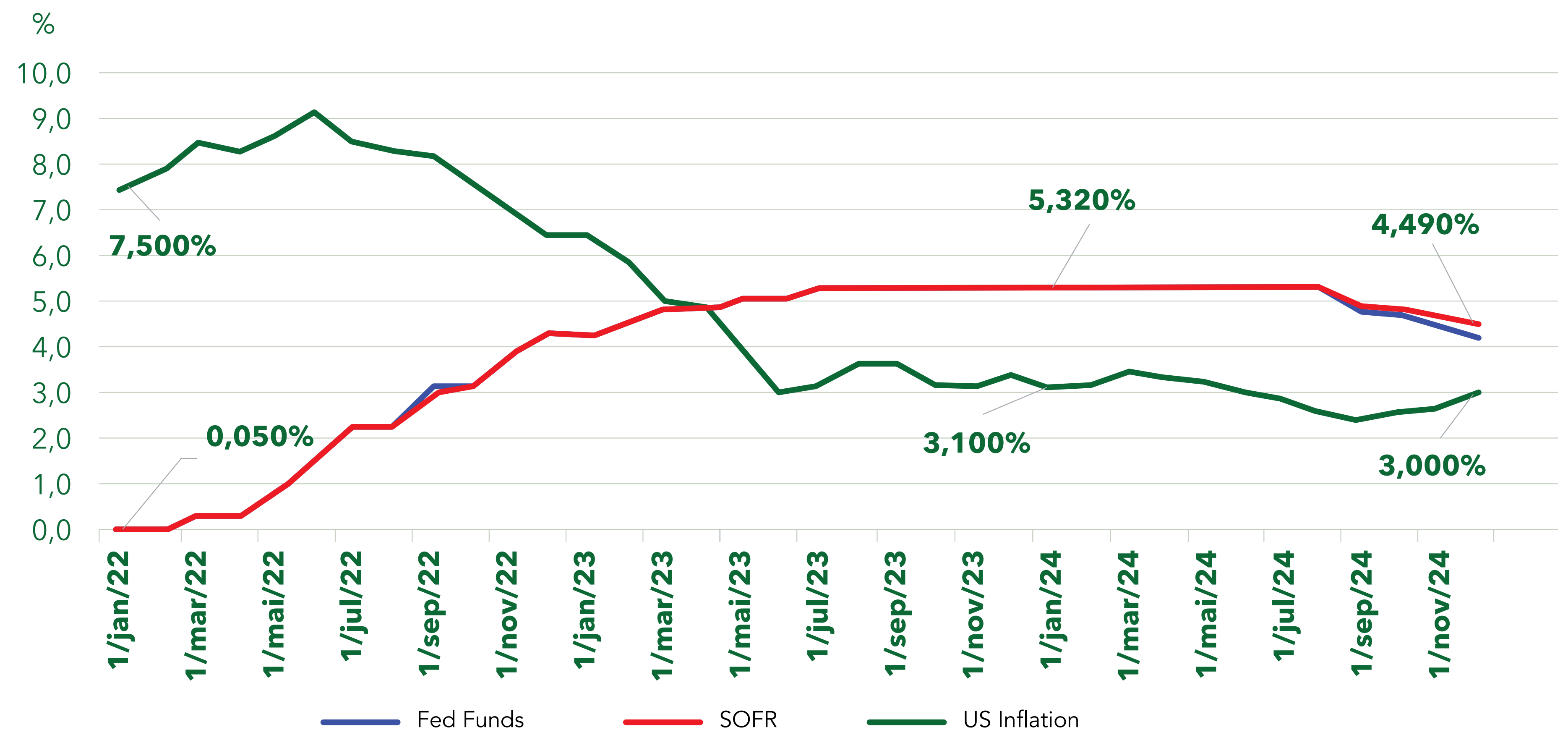
- Declining unemployment among women and African Americans;
- The rise in the number of 'newcomers' in the US workforce, i.e., first-time workers, referred to by the U.S. Bureau of Labor Statistics as the 'prime-age labour force"; and
- The increase in immigration at the end of FY2022, helped to mitigate the labour shortage that had primarily impacted the service and wholesale trade sectors, effectively counterbalancing the challenges posed by an ageing population and by high holiday rates.

The United States kicked off FY24 with an annual inflation rate of 3,1%, down from 7,5% reported in January FY22.

The Federal Reserve stayed on course and proceeded to raise the Fed funds rate in an effort to bring inflation closer to its 2,0% target.

In January 2022, the Fed fund rate stood at 0,080%. This figure rose to 5,32% at the start of 2024. The Fed Funds rate is very close to the SOFR (Secured Overnight Financing Rate).

Evolution of Fed Funds, SOFR & US Inflation



Source: newyorkfed.org/markets/reference-rates/effr

In December 2024, the Federal Reserve's key interest rate dropped to 4,33% and, as a result, year-end inflation rate stood at 3,00%.

Euro Area

The Euro Area economy recorded a 0,4 percentage point rise in its year-on-year GDP growth rate.

Real GDP growth (%) – Euro Area								
Country	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024***
Ireland	10,0	7,5	5,0	7,2	16,3	8,6	-5,5	-0,2
Lithuania	4,3	4,0	4,6	0,1	6,2	2,4	-0,3	2,4
Luxembourg	1,3	1,2	2,9	-0,9	7,2	1,4	-1,1	1,3
Finland	3,3	1,2	1,4	-2,5	2,7	1,5	-1,2	-0,2
Estonia	5,6	3,7	3,7	-2,9	7,1	0,1	-3,0	-0,9
Latvia	3,3	4,0	0,6	-3,5	6,7	3,0	-0,3	1,2
Netherlands	2,8	2,3	2,3	-3,9	6,3	5,0	0,1	0,6
Germany	2,7	1,1	1,0	-4,1	3,7	1,4	-0,3	0,0
Cyprus	5,7	5,6	5,5	-3,4	9,9	5,1	2,5	3,3
Slovak Republic	2,9	4,0	2,5	-3,3	4,8	1,9	1,6	2,2
Slovenia	5,2	4,4	3,5	-4,1	8,4	2,7	2,1	1,5
Belgium	1,6	1,8	2,2	-5,3	6,9	3,0	1,4	1,1
Austria	2,3	2,4	1,5	-6,6	4,2	4,8	-0,8	-0,6
Malta	13,0	7,2	4,1	-3,5	13,5	4,1	7,5	5,0
Portugal	3,5	2,8	2,7	-8,3	5,7	6,8	2,3	1,9
France	2,3	1,6	2,1	-7,6	6,8	2,6	1,1	1,1
Greece	1,1	1,7	1,9	-9,3	8,4	5,6	2,0	2,3
Italy	1,6	0,8	0,4	-8,9	8,9	4,7	0,7	0,7
Spain	2,9	2,4	2,0	-10,9	6,7	6,2	2,7	2,9
Euro Area	**2,6**	**1,8**	**1,6**	**-6,1**	**6,2**	**3,3**	**0,4**	**0,8**

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

The five leading economies in the Euro Area based on GDP, Germany, France, Italy, Spain and the Netherlands, experienced a slight upsurge in their GDP growth rates ranging from zero to 0,6 percentage points, with Spain and Italy retaining their economic growth rates and the Netherlands, Germany and Spain witnessing a sluggish GDP growth, with rates rising from 0,1% to 0,6%, from -0,3% to 0,0% and from 2,7% to 2,9%, respectively.

Despite rising GDP growth rates, Slovenia, Belgium, Malta and Portugal saw their economic growth rates drop by figures ranging from 0,3 to 2,5 percentage points.

The reason behind this trend lies to a large extent on the economic slowdown impact triggered by tight-handed monetary policies aimed at curbing and controlling inflation, combined with the implementation of tax consolidation measures.

Macroeconomic Overview

Unemployment rate (%) – Euro Area countries					
Country	**2020**	**2021**	**2022**	**2023**	**2024***
Greece	16,3	14,8	12,4	11,1	10,5
Spain	15,5	14,9	13,0	12,2	11,6
Italy	9,4	9,5	8,1	7,7	7,0
France	8,5	7,1	6,0	6,9	7,3
Finland	8,0	7,9	7,3	7,4	7,4
Ireland	8,1	7,6	6,9	6,5	6,7
Latvia	7,8	7,6	6,8	7,2	8,3
Cyprus	7,6	7,5	6,8	6,1	5,3
Portugal	6,8	6,2	5,6	6,4	7,5
Slovak Republic	7,1	6,7	6,2	6,6	6,5
Estonia	6,6	6,8	6,2	5,8	5,6
Lithuania	6,4	5,7	4,8	5,2	5,8
Austria	5,8	6,3	4,5	4,3	4,4
Belgium	5,6	6,3	5,6	5,5	5,7
Luxembourg	5,5	6,2	4,7	5,1	5,6
Slovenia	5,0	4,7	4,0	3,7	3,5
Germany	4,9	3,8	3,5	3,1	3,0
Malta	3,6	3,6	3,1	3,0	3,4
Netherlands	4,9	4,2	3,5	3,6	3,9
Euro Area	**8,0**	**7,8**	**6,8**	**6,6**	**6,5**

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024.

Unemployment in the Euro Area decreased marginally, going from 6,6% to 6,5% YoY.

Furthermore, in nearly half of the Euro Area countries, unemployment rates have declined, while in the other half these rates have risen slightly.

The rationale behind this trend, which is common across Europe, is related to declining youth employment and the repercussions of Russia's full-scale war against Ukraine.

The following three subgroups stand out:

Spain and Greece top the list with the highest unemployment rates in the region, as has been the case for years.

In the second subgroup, with unemployment rates ranging from 6% to 8%, Latvia, Finland, France and Italy stand out with 8,3%, 7,4%, 7,3% and 7,0%, respectively.

The third and final subgroup has the lowest unemployment rate, ranging between 3% and 5%, with Germany standing out with 3,0% of the workforce unemployed.

Macroeconomic Overview

Inflation – End of Period						
Country	**2020**	**2021**	**2022**	**2023**	**2024***	**Dez. 2024#**
Estonia	-0,9	12,0	17,5	4,3	2,5	4,1
Latvia	-0,5	7,9	20,7	0,9	2,9	3,4
Germany	-0,5	5,4	10,8	3,0	2,0	2,8
Slovak Republic	1,8	5,2	15,1	6,6	2,4	3,2
Ireland	-1,0	5,6	8,2	3,2	1,5	1,0
Portugal	-0,3	2,8	9,8	1,9	2,2	3,1
Lithuania	-0,1	10,7	20,0	0,6	1,9	1,9
Belgium	0,4	6,6	10,2	0,5	2,7	4,4
Austria	1,0	3,8	10,5	5,7	1,9	2,1
France	0,1	3,5	6,8	4,1	1,5	1,8
Spain	-0,6	6,6	5,5	3,3	1,9	2,8
Finland	0,2	3,2	8,8	1,3	2,1	1,6
Slovenia	-1,1	4,9	10,3	4,2	1,7	2,0
Cyprus	-0,8	4,8	7,6	2,0	2,0	3,1
Netherlands	0,9	6,4	11,0	1,0	3,3	3,9
Italy	-0,3	4,2	12,3	0,5	2,1	1,4
Malta	0,2	2,6	7,7	3,7	2,6	1,8
Greece	-2,4	4,4	7,6	3,7	2,8	2,9
Luxembourg	-0,2	5,6	6,4	3,2	1,9	1,6
Euro Area	**-0,3**	**5,0**	**9,2**	**2,9**	**2,0**	**2,4**

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024
\# Eurostat

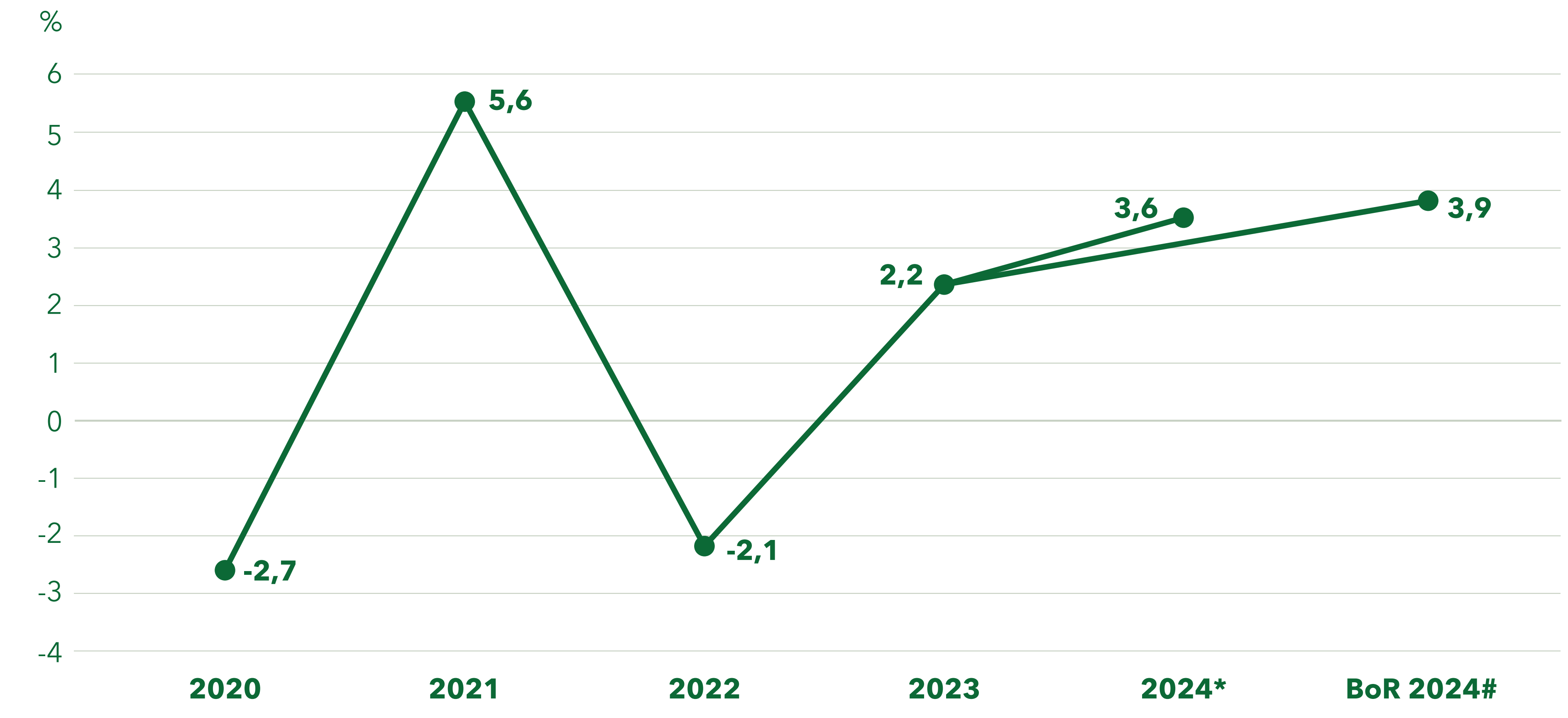
The annual change in the "HICP", which stands for Harmonised Index of Consumer Prices in the Euro Area, dropped from 2,9% to 2,4% YoY.

IMF's World Economic Outlook (WEO) forecasts from October 2024, predicted an annual inflation rate of 2,0% for the Euro Area.

Updated economic data released in December 2024 by Eurostat revealed that FY2024 ended with a year-on-year inflation rate of 2,4%. In general, this positive outcome highlights the successful impact achieved by the monetary policy measures implemented by the European Central Bank (ECB) and, in particular, the curbing measures implemented by the central banks of the Eurozone member countries.

Russia

Real GDP Growth (%, y/y) – Russia



Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024
\# Statistics Published by the Bank of Russia

Macroeconomic Overview

In October 2024, IMF's forecasts for Russia's economic expansion projected a 3,6% annual growth rate, as opposed to 2,2% reached in FY2023.

According to economic data published by the Central Bank of Russia, the country's GDP rose by 3,9% in FY2024 against 2,2% in FY2023.

Russia's economic growth is widely attributed to the expansion of public expenditure on construction and manufacturing industry, aimed at sustaining and enabling the government's endeavours to maintain the full-scale war against Ukraine.

Inflation end of period – Russia					
2020	2021	2022	2023	2024*	BoR 2024#
4,9	8,4	11,9	7,4	7,4	9,5

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024
# Statistics Published by the Bank of Russia

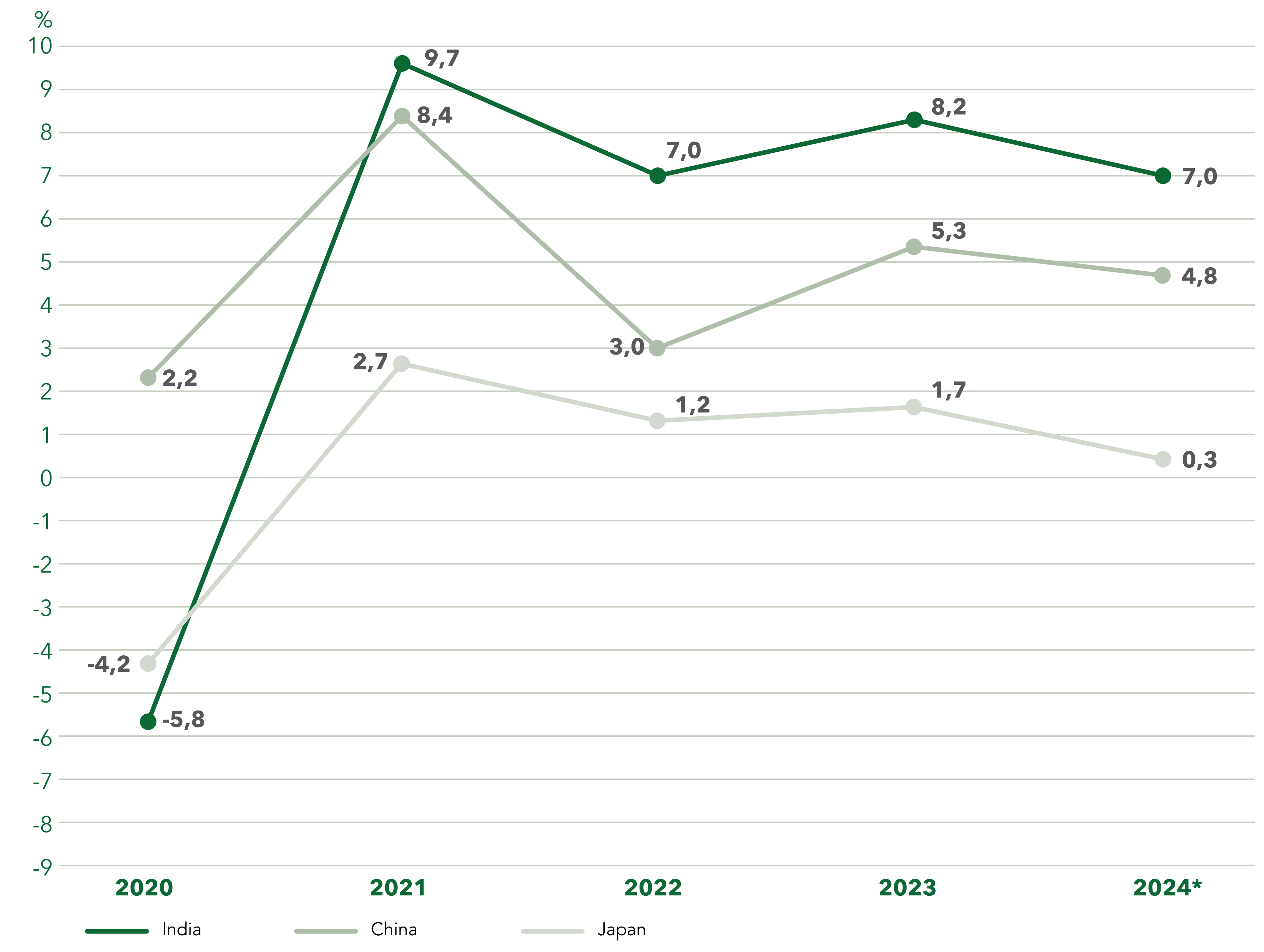
Like almost every country, Russia is also struggling to control its annual inflation and has embarked on a tight-handed monetary policy.

Over the course of FY2021, the Central Bank of the Russian Federation benchmark interest rate stood at 5,7%. This rate rose to 10,6% by year-end of 2022, and stood at 9,9% in FY2023, thus leading to year-on-year inflation rate of 7,4% at the end of the year, according to the macroeconomic survey of the Central Bank of the Russian Federation released in March 2024.

The IMF's World Economic Outlook from October 2024 estimated that Russia's annual inflation would stand at 7.4% at year-end 2024. In addition, economic data from the Central Bank of the Russian Federation indicated that annual inflation reached 9,5% in FY2024.

Asia

Real GDP Growth (%; y/y) – Asia



Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

China's economic growth rate dropped from 5,3% to 4,8% YoY.

According to the IMF's World Economic Outlook from October 2024 forecasts, the Indian economy's growth rate slipped from 8,2% to 7,0% YoY, primarily driven by strong domestic consumption, increased investment and high levels of public spending.

The IMF's October 2024 forecasts also predicted a decline in Japan's GDP growth rate from 1,7% to 0,3% year-over-year.

Economic data released by the Bank of Japan indicates that the country's GDP growth in FY2023 stood at 1,7%, up from 1,2% recorded in FY2022, mainly driven by improved consumer spending. However, the country has to contend with a high level of economic uncertainty, mainly caused by the adverse short-term effects of the current monetary policy, which is attempting to move towards negative interest rates with the aim of boosting investment, but which is leading to the depreciation of the Japanese yen.

Latin America and the Caribbean

Real GDP Growth (%, y/y) – Latin America					
Country	**2020**	**2021**	**2022**	**2023**	**2024***
Argentina	-9,9	10,4	5,3	-1,6	-3,5
Brazil	-3,3	4,8	3,0	2,9	3,0
Chile	-6,1	11,3	2,1	0,2	2,5
Colombia	-7,2	10,8	7,3	0,6	1,6
Dominican Republic	-6,7	12,3	4,9	2,4	5,1
Ecuador	-9,2	9,8	6,2	2,4	0,3
Guatemala	-1,8	8,0	4,2	3,5	3,5
Mexico	-8,4	6,0	3,7	3,2	1,5
Peru	-10,9	13,4	2,7	-0,6	3,0

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

The IMF's WEO forecasts in October 2024 indicated that the Brazilian economy was expected to expand by 0,1%.

Economic data provided by the 'IBGE' (Brazilian Institute of Geography and Statistics) released in early 2024 reveals that the Brazilian economy rose by 2,9% in 2023, almost the same economic growth as the one recorded in the preceding year of 2022, largely influenced by rising consumer spending and export revenues.

According to IMF's WEO October 2024 forecasts, the Dominican Republic has the best GDP growth prospects in the Latin American and Caribbean Region, projected at 5,1%.

Mexico's GDP growth is expected to experience a sharp decline to 1,5%.

Sub-Saharan Africa

Nominal GDP in Billion USD – Sub-Saharan Africa					
Country	**2020**	**2021**	**2022**	**2023**	**2024***
South Africa	338	421	407	381	403
Nigeria	433	442	476	364	200
Ethiopia	97	99	119	160	145
Kenya	101	110	115	109	116
Angola	67	84	142	110	113
Ivory Coast	63	73	70	79	87
Tanzania	63	68	74	79	80
Ghana	70	80	74	76	75
RDC	50	58	66	67	72
Uganda	38	43	47	51	56

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

The Sub-Saharan Africa Region has ten (10) major economies, whose combined weight accounts for just over three-quarters of the region's total GDP.

Macroeconomic Overview

South Africa took the lead with a 30% share of GDP, followed by Nigeria with 15%, and between these two countries they account for 45% of the Sub-Saharan Africa Region's GDP.

Ethiopia and Kenya rank third and fourth in the top 10 of the Sub-Saharan Africa region's largest economies.

Angola ranks fifth with 8% of the Sub-Saharan Africa region's GDP.

According to IMF's forecasts, with respect to the Sub-Saharan Africa region's GDP growth, it is worth highlighting that Rwanda, Côte d'Ivoire, Benin, Mauritius and Ethiopia are the best performing economies with the highest growth prospects.

Among the region's five leading economies, Rwanda stands out in terms of GDP growth, with a 7,0% GDP growth rate, followed by Côte d'Ivoire with 6,5%.

Real GDP Growth (%, y/y) – Sub-Saharan Africa

Country	2020	2021	2022	2023	2024*
Rwanda	-3,4	10,9	8,2	8,2	7,0
Ivory Coast	0,7	7,1	6,2	6,2	6,5
Benin	3,8	7,2	6,3	6,4	6,5
Mauritius	-14,5	3,4	8,9	7,0	6,1
Ethiopia	6,1	6,3	6,4	7,2	6,1
Uganda	-1,1	5,5	6,3	4,6	5,9
Gambia	0,6	5,3	4,9	5,3	5,8
Equatorial Guinea	-4,8	0,9	3,7	-6,2	5,8
Tanzania	4,5	4,8	4,7	5,1	5,4
Togo	2,0	6,0	5,8	5,6	5,3
Kenya	-0,3	7,6	4,9	5,6	5,0
RDC	1,7	5,9	8,8	8,4	4,7
Mozambique	-1,2	2,4	4,4	5,4	4,3
Nigeria	-1,8	3,6	3,3	2,9	2,9
Angola	-4,0	2,1	4,2	1,0	2,4
South Africa	-6,2	5,0	1,9	0,7	1,1

Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

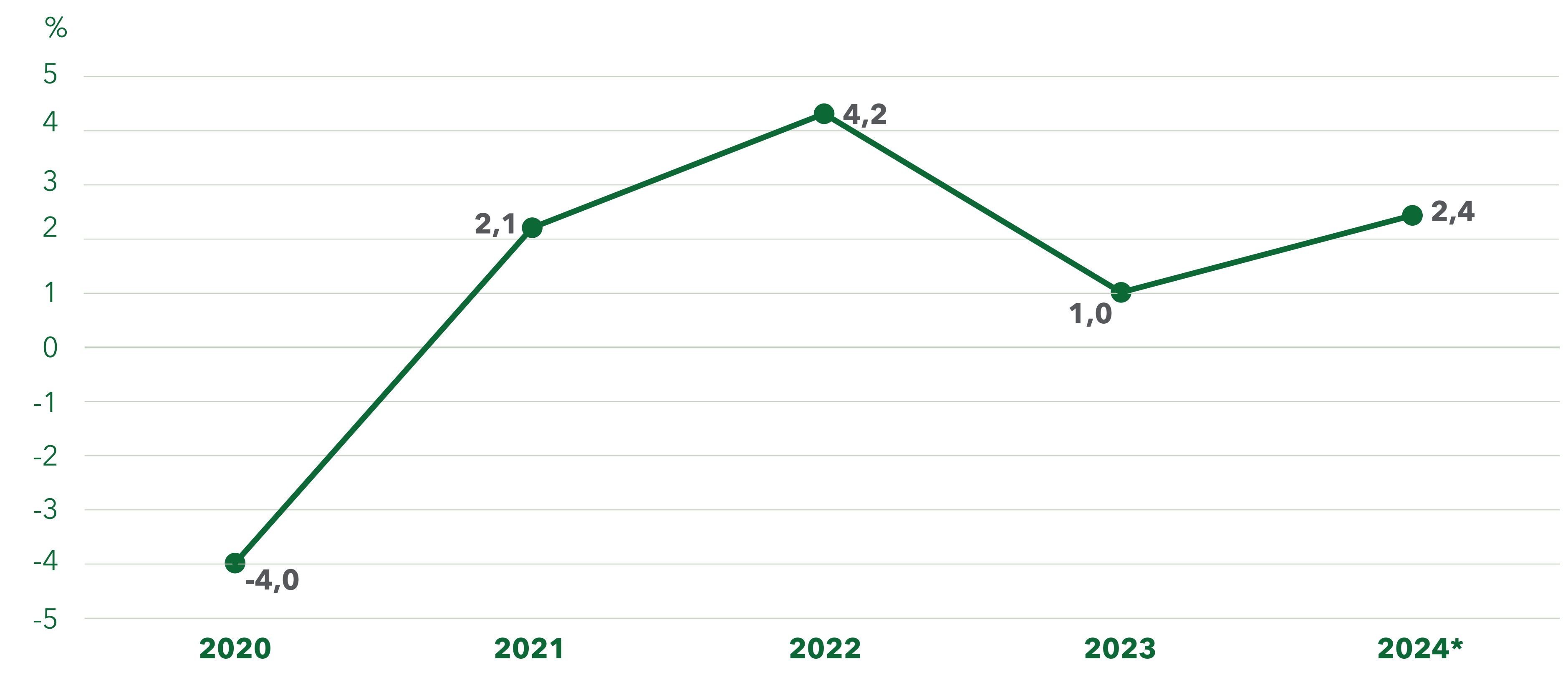
The region's largest economy, South Africa, is expected to expand by 1,1% in FY2024 against 0,7% experienced in the previous year (FY2023). Downturns recorded across the economic activity sectors of agriculture, forestry and fishing, trade and services, construction, as well as in the electric power sector in South Africa are behind the sluggish performance of the country's economy, which has been vying with Nigeria for the title of the Sub-Saharan Africa region's leading economy.

In October 2024, the IMF predicted that Nigeria, the 2nd largest economy, would be stagnant, experiencing the same GDP growth rate as in the preceding year ('FY2023').

NATIONAL ECONOMY

Over the course of FY2022, Angola's economy showed positive indicators of recovering from its recessionary cycle, with the IMF adjusting its growth forecasts to match 2021 GDP tiers. According to the IMF's October 2024 World Economic Outlook, Angola's GDP is forecasted to grow by 2,4% in FY2024, as opposed to the 1,0% rise experienced in FY2023.

Real GDP growth (%, y/y) – Angola



Source: IMF
* Forecasts disclosed in IMF's World Economic Outlook, October 2024

Macroeconomic Overview

Economic data recently released by the National Statistics Institute (INE) reveal that Angola's economy expanded by 4,4% YoY.

This domestic GDP growth was primarily driven by the oil & gas sector (3,6%) in conjunction with the non-oil sector, which rose by 4,8%, outpacing population growth.

According to the Express Information Sheet on the Q4 2024 GDP figures as reported by the National Statistics Institute (INE), this positive growth was primarily driven by the following activity sectors: extraction of diamonds, metallic minerals and other mining activities (44,8%); Transportation and storage activities (10,4%); Fishing (12,2%); Electricity and Water Supply (6,5%); Trade (4,6%); Other services (4,9%); Public Administration, National Defence and Compulsory Social Security (4,3%); Agriculture and Livestock (3,5%); and Oil extraction and Petroleum Refining (2,8%).

Oil & Gas

Average Crude Oil Barrel Price & Oil Exports						
Year	Average Barrel Price - USD	Variation	Export - millions of barrels	Variation	Oil Tax Revenue	Variation
2019	62,61	-11%	497	-7%	3 908	17%
2020	42,60	-32%	472	-5%	3 751	-4%
2021	66,99	57%	413	-13%	6 051	61%
2022	100,55	50%	417	1%	9 108	51%
2023	81,51	-19%	395	-5%	7 188	-21%
2024	79,92	-2%	413	5%	9 249	29%

Source: Ministry of Finance

The volume of crude oil barrels exported in 2024 rose by 5% YoY.

The average price per crude oil barrel exported in 2024 stood at USD 79,92, down 2% from the average price per crude oil barrel recorded in 2023, but 23% higher than the USD 65,00 price per barrel forecast under the country's 2024 General State Budget (Portuguese acronym 'OGE').

Angola's oil tax revenues, including concession fees, indicate that the country collected 29% higher revenues in FY2024 YoY.

Exchange Rate

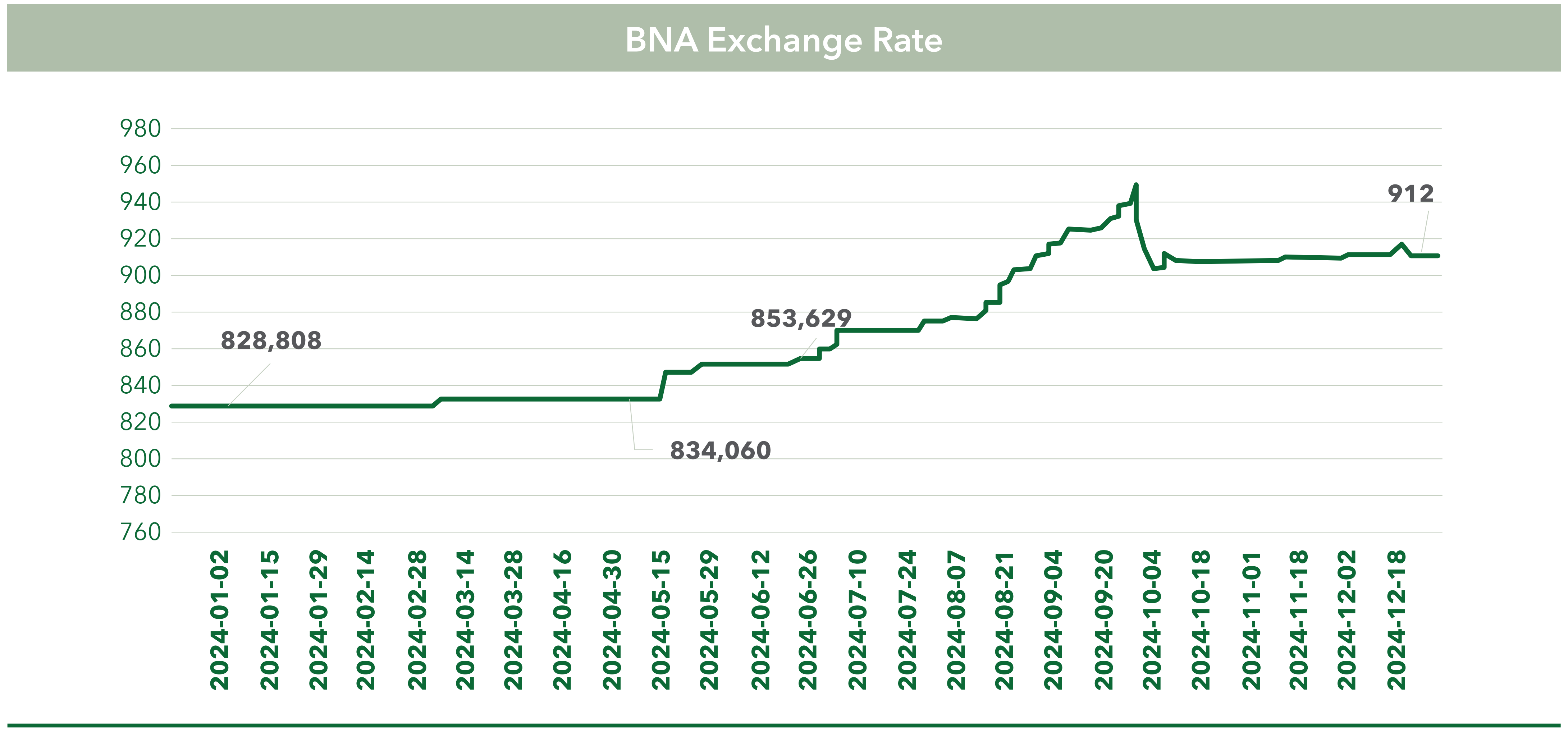
USD/Kz Exchange Rate – Primary Market (Year-End)					
	2020	2021	2022	2023	2024
BNA Sale Rate	649,604	554,981	503,691	828,800	912,000
Bloomberg Rate				842,500	930,000
BNA Rate Annual Variation	33%	-15%	-9%	65%	10%
BNA/Bloomberg Gap				2%	2%

Sources: BNA & Bloomberg

BNA's key interest rate intra-annual pattern suggests that the local currency Kwanza depreciated by 0,46% in Q1 2024, by 2,5% in Q2, by 10,13% in Q3, and appreciated by 2,99% in Q4 2024 against the US dollar, with a cumulative depreciation of approximately 10%, going from 828,80 at the start of the year to 912,00 at year-end 2024. It is worth highlighting that most of the local currency depreciation was recorded in Q3 2024, in an opposite trend to the rest of the year when the exchange rate was relatively steadier.

At the same time, throughout 2024 there was an increase in the volume of foreign currency traded on the Bloomberg platform. Total sales executed by the National Treasury amounted to USD 1 967 billion, coupled with total sales carried out by the National Bank of Angola (BNA – the Angolan Central Bank) totalling USD 953 billion, bringing the overall total to USD 2 920 billion. The months with the highest sales were February, recording a total sales volume worth USD 400 billion, and October with almost USD 600 billion, according to financial data disclosed by the BNA entitled 'Summary of Participation in the Money and Foreign Exchange Markets 2024'.

Macroeconomic Overview



International Reserves

International Reserves (USD millions)	2020	2021	2022	2023	2024*
Net International Reserves	14 879	15 508	14 477	14 733	15 768
Annual Variation	-14%	4%	-7%	2%	7%

Source: BNA (*) preliminary data

Since 2022, the National Bank of Angola (BNA) has discontinued the publication of Net International Reserves, as they were previously referred to, to denote gross international reserves minus related liabilities (generally only short-term ones). Since then, it has only reported International Reserves (i.e. gross), consisting of the Central Bank's foreign assets and commercial banks' foreign currency deposits held with the National Bank of Angola, excluding National Treasury resources.

Preliminary economic data released by the National Bank of Angola ('BNA') as at December 2024, indicate a 7% surge in terms of the country's international reserves YoY. The amount of USD 15,7 billion, when compared to the annual import volume outlined iin table named "Balance of Payment (page 36), including services, covers 8,3 months of imports.

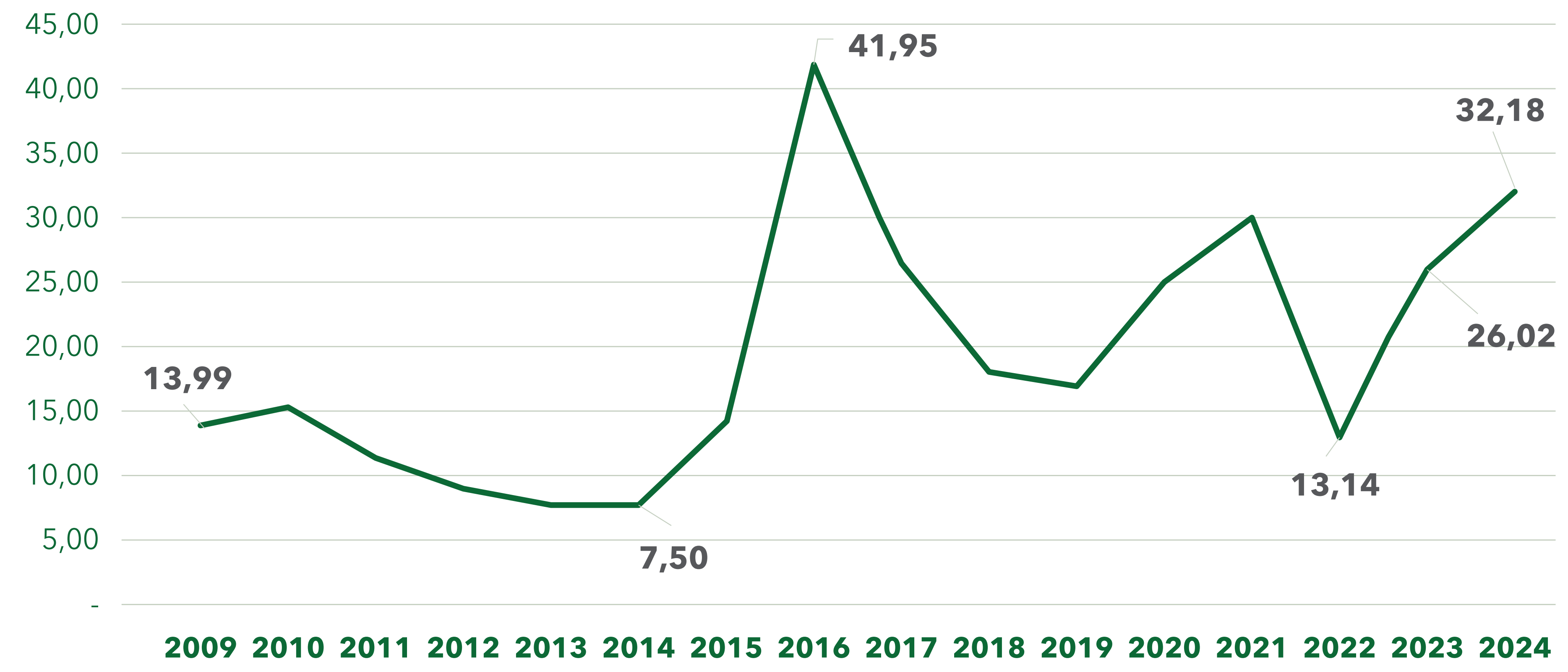
Imports Coverage by International Reserves (USD millions)	2019	2020	2021	2022	2023	2024
Reservs	17 211	14 879	15 508	14 477	14 733	15 768
Imports (including services)	1 858	1 262	1 570	2 279	1 973	1 890
Import coverage (months)	9,3	11,8	9,9	6,4	7,5	8,3

Source: BNA

Macroeconomic Overview

Inflation

Inflation – Luanda CPI



As far as the annual inflation rate is concerned, as measured by Luanda's Consumer Price Index ('CPI'), which is the most representative of the country, it recorded a sharp increase going from 26,02% to 32,18% YoY.

Luanda's inflation upward trend persists at the national level, with monthly inflation rising from 1,61% in November to 1,70% in December. Likewise, year-on-year inflation decreased from 28,41% in November to 27,50% at year-end 2024.

Interest Rates

T-Bills – yields

Maturity	2019	2020	2021	2022	2023	2024
TB 3M	n/d	19,35%	n/d	7,30%	10,50%	n/d
TB 6M	12,00%	20,50%	13,98%	9,20%	11,13%	9,48%
TB 12M	14,68%	21,00%	16,99%	11,00%	18,00%	13,43%

Source: Debt Management Unit (DMU) and BODIVA

Over the course of financial year 2024 ("FY2024"), Angola's Treasury Bills (TBs) with 9-month maturity began trading in August, bearing interest at 9,48%. The 12-month Treasury Bills (TBs) yielded 19% in August 2024, but the yield later dropped, closing the year at 13,43%. The 3-month TBs were not available on the market during the period under review.

BNA Basic Interest Rate

TB Term	2019	2020	2021	2022	2023	2024
BNA Basic Interest Rate	15,50%	15,50%	20,00%	19,50%	18,00%	19,50%
Marginal Lending Facility Rate (overnight)	15,50%	15,50%	25,00%	21,00%	18,50%	20,50%
Overnight deposit facility	0,00%	0,00%	0,00%	0,00%	18,50%	18,50%
Deposit facility 7 days	10,00%	7,00%	15,00%	15,00%	17,50%	18,50%
Rediscount rate	20,00%	20,00%	20,00%	21,00%	21,00%	19,50%
Coefficient of Minimum Statutory Reserves in local currency	22,00%	22,00%	22,00%	17,00%	18,00%	21,00%
Coefficient of Minimum Statutory Reserves in foreign currency	15,00%	17,00%	22,00%	22,00%	22,00%	22,00%

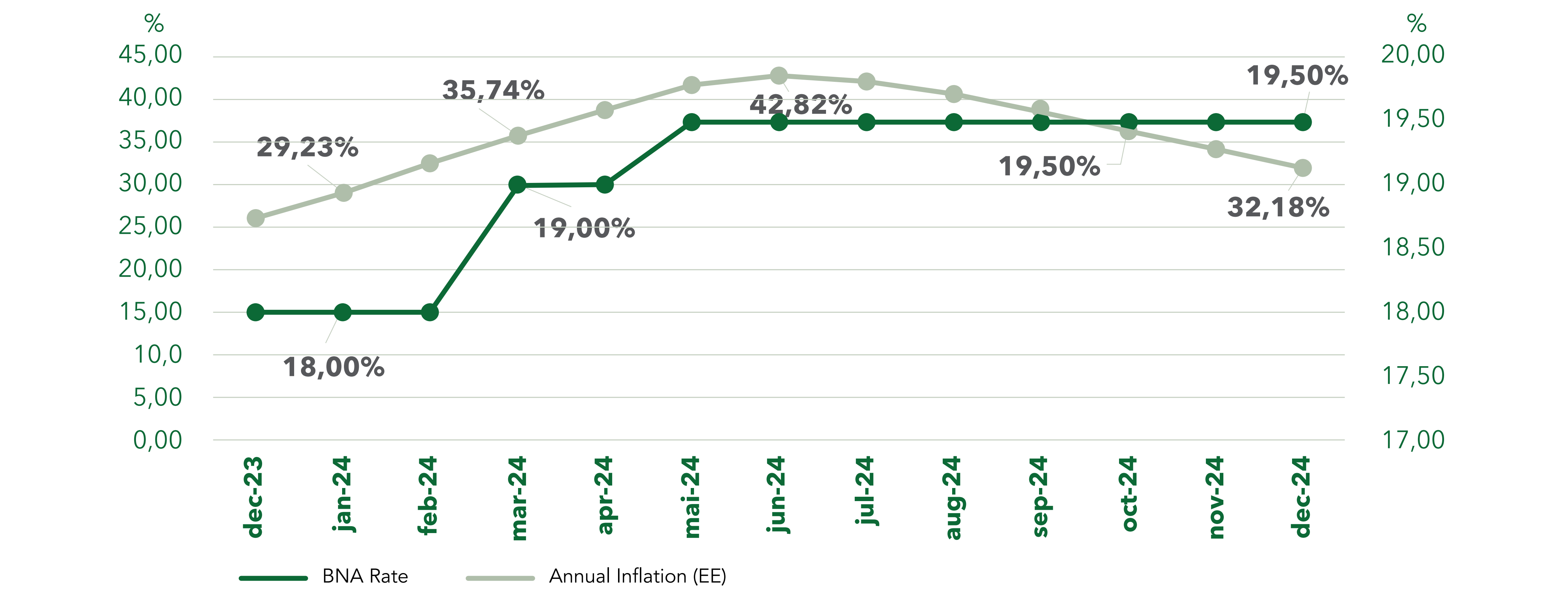
Source: BNA

Macroeconomic Overview

The National Bank of Angola's key interest rates cautiously followed economic trends in terms of headline inflation and market rates.

BNA basic interest rate ('BNA Rate'), which signals the Central Bank's monetary policy stance and direction, closed the period under review at 19,50%, as opposed to 18,00% recorded in FY2023.

Inflation – Luanda CPI vs. BNA Rate



BNA's basic interest rate in January 2024 stood at 18% until March, when the National Bank of Angola decided to raise its basic interest rate to 19%, remaining at this threshold until May 2024, when BNA intervened again and raised the basic interest rate to 19,50%, which remained unchanged until the end of the year. In January 2024, domestic headline inflation stood at 29,23%, peaking in June at 42,82% and closing at 32,18% at year-end 2024.

Money Supply

The M1 monetary aggregate increased by 6%, rising from Kz 8 606 billion in FY2023 to Kz 9 094 billion in FY2024.

The M2 monetary aggregate expanded by 4%, rising from Kz 15 799 billion in FY2023 to Kz 16 420 billion in FY2024.

Monetary Aggregates (Kz million)

	2019	2020	2021	2022	2023	2024	Δ% 23/24
Banknotes and coins in circulation	418 993	404 595	401 789	494 514	664 013	678 200	2%
Demand Deposit in Local Currency (LC)	2 773 605	3 269 836	3 229 953	3 514 491	5 003 438	5 498 738	10%
Demand Deposit in Foreign Currency (FC)	1 732 977	2 669 431	2 088 673	1 767 393	2 939 513	2 917 570	-1%
M1	4 925 575	6 343 861	5 720 415	5 776 398	8 606 964	9 094 508	6%
Term Deposit in Local Currency (LC)	1 646 926	2 166 097	2 269 597	2 990 744	3 525 315	3 643 084	3%
Term Deposit in Foreign Currency (FC)	3 627 906	4 187 778	3 523 235	2 588 121	3 667 638	3 682 829	0%
M2 (M1 + Near Money)	10 200 407	12 697 737	11 513 247	11 355 262	15 799 917	16 420 421	4%
Other Deposit-like Instruments	4 746	4 746	5 066	-	-	-	
M3 (M2 + Other Deposits)	10 205 153	12 702 483	11 518 313	11 355 262	15 799 917	16 420 421	4%
Total Deposits in Foreign Currency	5 360 883	6 857 208	5 611 908	4 355 513	6 415 860	6 600 399	3%
Economy's Level of Dollarisation (3)	55%	56%	51%	40%	42%	42%	

Source: BNA

In the absence of other monetary instruments comparable to deposits, the M3 monetary aggregate also rose by 4% YoY.

Changes in monetary aggregates were relatively moderate, keeping values almost steady year-over-year, thus indicating some price stability. As far as foreign currency deposits are concerned, there was no percentage change as opposed to the previous year (2023).

Lending to the Real Economy

Lending to the real economy expanded by 29,00% year-over-year. The active loan portfolio at year-end 2024 was Kz 7 909 billion higher than the amount recorded at year-end 2023

Lending to the Real Economy (Kz billion) – Balance at the end of the period							
Year	2018	2019	2020	2021	2022	2023	2024
Lending to the Real Economy	4 159	4 930	4 602	4 797	4 616	6 111	7 909
Variation	15%	19%	-7%	4%	-4%	32%	29%

Source: BNA

BNA's economic data indicate that the three economic sectors in the table hereunder account for almost half of the lending extended to the real economy. These key economic activity sectors comprise wholesale and retail trade and motor vehicle repairs, households, and construction. These activity sectors are followed by the extractive industry, manufacturing industry and other service economic activities.

Lending by Economic Activity Sector – amounts in Kz billion								
Sector	2020	2021	2022	2023	2024	% Sector	% Cum	Sector Growth
Wholesale and retail trade; Repair of motor vehicles and motorbikes	1 025	1 222	1 007	1 276	1 572	20%	20%	23%
Households	806	844	930	1 204	1 423	18%	38%	18%
Construction	368	465	539	626	761	10%	47%	22%
Agriculture, Livestock, Hunting, Forestry and Fishing	543	598	383	578	371	5%	52%	-36%
Mining and Quarrying Industry	56	173	186	387	727	9%	61%	88%
Other related Service Activities	280	223	234	373	582	7%	69%	56%
Information and Communication Activities	230	202	203	354	377	5%	74%	6%
Manufacturing Industry	288	311	397	331	540	7%	80%	63%

Source: BNA

As far as lending growth by economic sector is concerned, the mining and quarrying industry stands out with 88%, manufacturing industry with 63% and other service activities with 56%. Lending to agriculture, livestock, hunting, forestry and fishing activities dropped by 36% over the course of 2024.

General State Budget

Angola's general state budget for financial year 2024 ("FY2024") includes an estimated revenue totalling Kz 14 710 billion and expenditures of Kz 14 692 billion, almost the same amount of the preceding year of 2023, with an overall surplus balance in terms of commitments amounting to Kz 17 billion.

The forecasts were made based on a crude oil daily output of approximately 1 060 000 barrels at USD 65,00 per barrel.

The following table displays a general state budget that is still heavily dependent on domestic crude oil output, with 53% of the general state budget revenues stemming from state oil revenues.

General State Budget (Kz billion)												
	2019		2020		2021		2022		2023		2024	
Revenue from the oil sector	3 953	60%	2 952	48%	4 059	50%	6 118	53%	7 196	53%	7 859	53%
Revenue from non-oil sectors	2 122	32%	2 329	38%	3 428	42%	4 612	40%	4 804	36%	5 191	35%
Other Revenue	473	7%	845	14%	617	8%	908	8%	1 463	11%	1 659	11%
Total Revenue	6 547		6 125		8 105		11 637		13 462		14 710	
Total Expenditure	6 336		7 393		9 087		11 636		12 902		14 692	
Surplus/Deficit	211		-1 268		-982		2		560		17	

Source: Ministry of Finance

Public Debt

Direct Government Debt (Kz billion)						
	2020	2021	2022	2023	2024*	Var. %
Direct Government Debt	41 278	36 758	29 444	51 132	55 160	8%
Domestic Debt	11 612	10 786	9 392	13 031	13 897	7%
External Debt	29 666	25 972	20 052	38 101	41 263	8%

Source: Ministry of Finance/Public Debt Management Unit
*Debt Bulletim 2024

	2020	2021	2022	2023	2024
GDP	38 466	53 278	65 604	75 161	99 431
Debt/GDP	107%	69%	45%	68%	55%

Source of GDP: IMF

According to economic data released by the Public Debt Management Unit (Portuguese acronym 'UGD'), a government economic unit operating under the aegis of the Ministry of Finance, it shows that the stock of direct public debt at year-end of 2024 is Kz 55 160 billion, with external debt accounting for the vast majority of this amount (Kz 41 263 billion).

Angola's Debt-to-GDP ratio stood at 55% at year-end of 2024.

The public debt measured in Kwanzas increased by 8%, rising from Kz 51 160 billion to Kz 55 160 billion YoY. Similarly, external debt rose by 8% YoY.

Direct Government Debt (USD billion)						
	2020	2021	2022	2023	2024	Var. %
Direct Government Debt	64	66	58	62	60	-2%
Domestic Debt	18	19	19	16	15	-3%
External Debt	46	47	40	46	45	-2%

Source: Ministry of Finance/DMU

When expressed and/or calculated in USD currency, total domestic debt stock has declined by 3%, while total external debt stock has fallen by 2%, as can be observed in the table above.

Angola's Sovereign Credit Rating - Long term								
	2021		2022		2023		2024	
Rating Agencies	Rating	Month	Rating	Month	Rating	Month	Rating	Month
S&P	CCC+	sep-21	B-	feb-22	B-	feb-22	B-	feb-22
Fitch	CCC	sep-21	B-	jul-22	B-	dec-23	B-	dec-23
Moody's	B3	sep-21	B3	oct-22	B3	dec-23	B3	nov-24

Source: S&P, Fitch e Moody's

In December 2024, international credit rating agencies Fitch and Moody's kept Angola's rating at B- and B3, respectively.

Balance of Payments

“Balance of payments (USD million)						
	2019	2020	2021	2022	2023	2024
Goods	**20 599**	**11 394**	**21 787**	**34 756**	**21 800**	**22 605**
Exports	**34 726**	**20 937**	**33 581**	**51 727**	**36 885**	**36 795**
Oil and Oil Derivatives	33 365	19 584	31 838	49 476	34 671	34 645
Diamond sector	1 215	1 070	1 550	1 993	1 572	1 536
Agriculture and other sectors	146	283	194	258	642	614
Imports	**14 127**	**9 543**	**11 795**	**16 971**	**15 085**	**14 190**
Consumer goods	9 639	7 160	8 866	13 416	11 396	10 585
Capital goods	4 488	2 383	2 929	3 555	3 689	3 605
Services	**-7 718**	**-5 536**	**-6 958**	**-10 292**	**-8 515**	**-8 399**
Credit	**455**	**67**	**86**	**80**	**76**	**91**
Debt	**8 172**	**5 603**	**7 044**	**10 372**	**8 591**	**8 490**
Primary income	**-7 516**	**-4 924**	**-5 784**	**-8 727**	**-8 590**	**-7 640**
Secondary income	**-227**	**-63**	**-646**	**-1 139**	**-485**	**-288**
Current account	**5 137**	**872**	**8 398**	**14 598**	**4 210**	**6 277**

Source: BNA

Angola experienced a slight growth of 4% in its goods account over the course of the preceding year (‘FY2024’), rising from USD 21,80 billion to USD 22,60 billion YoY.

As a direct consequence, the current account balance of the country’s balance of payments rose by 49%, rising from USD 4 210 million to USD 6 277 million YoY.

National (Central) Bank of Angola, Luanda
@mtcurado | iStock by Getty Images

Distribution Channels

Distribution Channels

1 - Direct:
Branches (37)

LUANDA
Head Office and Corporate Center of Edifício Kilamba
Avenida 4 de Fevereiro,
Edifício Kilamba, R/C
Tel: (+244) 222 641 386
E-mail: bca@bca.co.ao

Valódia
Av. Comandante Valódia, 83-A
Tel: (+244) 222 448 842/48/49
Fax: (+244) 222 449 516

Ngola Kiluanji
Rua Ngola Kiluanji, 183
São Paulo - Luanda
Tel: (+244) 222 384 508/40
Fax: (+244) 222 384 570

Rainha Ginga
Rua Rainha Ginga, 8 - B
Coqueiros - Luanda
Tel: (+244) 222 334 160/3289/3678
Fax: (+244) 222 330 189

Morro Bento
Rua Pedro Castro Van-Dúnem
Estrada Nacional - Talatona
Bairro Morro Bento

Torres da Imporáfrica
Rua Kwame N'Krumah,
Edifício Torres Imporáfrica, R/C
Bairro Maculusso
Tel/Fax: (+244) 222 208 222/01

Porto de Luanda
Guiché Único das Alfândegas
Rua Padre José Maria Antunes
Tel: (+244) 222 206 000

Missão
Rua da Missão, 42
Tel: (+244) 222 641 313

ENDE Sambizanga
Comuna de Ngola Kiluanji
Avenida Ngola Kiluanji

Hipermercado Jumbo
Município da Maianga
Avenida Deolinda Rodrigues
Tel: (+244) 222 641 359

ENDE Viana
Município de Viana
Rua 11 de Fevereiro
Centro de Distribuição ENDE E.P.

Patriota
Município de Talatona
Comuna do Benfica
Bairro Honga
Rua Direita do Patriota

ENDE Patriota
Município de Talatona
Comuna do Benfica
Bairro Urbanização
"Lar do Patriota"
Rua Direita do Patriota

Rocha Pinto
Município da Maianga
Avenida 21 de Janeiro

ENDE Kilamba
Município de Kilamba
Comuna Centralidade de Kilamba
Bairro Nzinga Mbandi - Quarteirão L
Rua Amílcar Cabral, Loja 196 B R/C; Prédio 15

CABINDA
ENDE Cabinda
Bairro da Resistência
Avenida Salazar
(Comando da Régia)

Porto de Cabinda
Rua do Comércio
Empresa Portuária de Cabinda
Tel: (+244) 222 641 364

BENGUELA
Benguela
Rua Comandante Kassanje, 1
Tel:(+244) 272 23704/42/43/44/71
Fax: (+244) 272 236 640

Lobito
Av. 25 de Abril, Bairro 28
Edifício da ENE
Tel: (+244) 272 226 606/7/8/9/10
Fax: (+244) 272 611

Porto do Lobito
Avenida da Independência

Catumbela
Rua Bernardino Correia RC
Junto ao Centro de Distribuição
da ENDE E.P.

Baía Farta
Rua Comandante Jika 2009 RC
Junto ao Centro de Distribuição
da ENDE E.P.

CUNENE
Ondjiva
Município de Ondjiva
Comuna de Bangula
Rua Comandante Cowboy

Santa Clara
Rua Principal de Santa Clara
Próximo da Alfândega Santa Clara
Tel: (+244) 222 641 361

HUAMBO
Huambo
Comuna Sede do Huambo
Av. da Independência
Tel: (+244) 222 641 353

ENDE Huambo
Comuna Sede do Huambo
Cidade Baixa
Av. Norton de Matos, 24

ENDE São João
Comuna Comandante Vilinga
Junto à Loja da ENDE E.P.

Distribution Channels

ENDE Caála
Município da Caála
Comuna Sede
Avenida Norton de Matos
Área Operacional do Centro
de Distribuição da Caála

UÍGE
Comércio Uíge
Convergência da Rua do Comércio, 23-A
com a Rua da Ambuila, 20

ENDE Uíge
Rua Comandante Bula
Edifício Rimada
Centro de Distribuição ENDE E.P. Uíge
Tel: (+244) 222 641 335

MALANGE
Malange
Rua António Dienes
Hotel Gigante
Tel:(+244) 222 641 331

HUILA
ENDE Lubango
Rua 11 de Novembro
Centro de Distribuição ENDE E.P. Huíla
Tel: (+244) 927 561 111

CUANZA NORTE
ENDE Dondo
Comuna do Dondo
Bairro dos Cahoios, Zona 4
Próximo à Loja de Atendimento ENDE E.P.
Dondo

CUANZA SUL
Sumbe
Rua do Cabouqueiro, Nº 16, Zona 3
R/C do Edifício da Direcção da ENDE E.P.

Porto Amboim
Rua de Moçambique, Nº 1120
Edifício dos serviços da ENDE E.P.

BENGO
Caxito
Centro de Distribuição ENDE Caxito

ZAIRE
Soyo
Bairro 1º de Maio
Avenida 28 de Maio

2 - Indirects:
Limited Service Branches
ATM Machines (81)
POS (1 793)

Ministry of Foreign Affairs head office, Luanda
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Banco Comercial Angolano

Financial Statements

Balance Sheet as at 31 December 2024 and 2023	Notes	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Assets					
Cash and Balances at Central Banks	3	27 261 258	29 892	21 190 833	25 568
Balances at Other Credit Institutions	4	1 185 639	1 300	1 301 938	1 571
Placements with C. Banks and Other Credit Institutions	5	28 856 717	31 641	15 109 132	18 230
Financial Assets at FV through OCI	6	60 553 317	66 396	76 836 650	92 708
Loans and Advances	7	16 544 536	18 141	8 680 934	10 474
Other Tangible Assets	8	7 284 090	7 987	7 870 691	9 496
Intangible Assets	8	412 404	452	339 470	410
Current Taxes Receivable	9	115 917	127	111 660	135
Other Assets	10	1 749 521	1 918	1 569 456	1 894
Total Assets		**143 963 399**	**157 854**	**133 010 764**	**160 486**
Liabilities					
Deposits from Other Credit Institutions	11	323 434	355	810 799	978
Deposits from Clients					
a) Demand	12	34 105 372	37 396	44 100 044	53 210
b) Term	12	49 506 148	54 283	33 390 376	40 288
Provisions	13	134 009	147	126 366	152
Deferred Taxes Payable	15	808 346	886	1 189 504	1 435
Other Liabilities	16	11 333 170	12 427	11 288 021	13 620
Total Liabilities		**96 210 479**	**105 494**	**90 905 110**	**109 683**
Equity					
Capital	17	22 500 000	66 248	22 500 000	66 248
Equity Premium	17.1	84 284	92	84 284	102
Own Shares		(842 113)	(923)	-	-
Revaluation reserves	17.1	2 345 837	2 572	3 016 179	3 639
Other Reserves and Retained Income	17.1	15 505 191	17 001	13 037 158	15 730
Foreign Currency Translation Reserve	17.1	-	(42 038)	-	(40 283)
Retained Income for the year	17.1	8 159 721	9 408	3 468 033	5 367
Total Equity		**47 752 920**	**52 360**	**42 105 654**	**50 803**
Total Liabilities and Equity		**143 963 399**	**157 854**	**133 010 764**	**160 486**
OFF BALANCE SHEET ITEMS					
Guarantees Issued	29	-	-	972	1
Letters of Credit	29	327 571	359	855 375	1 032
Undrawn Commitments	29	2 318 846	2 543	4 127 179	4 980
Guarantees Received	29	(51 483 513)	(56 451)	(43 374 064)	(52 334)

The accompanying notes form an integral part of these financial statements
The amounts presented in United States Dollars are submitted for reading purposes

Income Statement for the year ended 31 December 2024 and 2023	Notes	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Interest and other similar Income	20	17 073 844	19 531	12 130 513	17 358
Interest and other similar Expenses	21	(4 001 233)	(4 577)	(2 540 157)	(3 635)
Net Interest Margin		**13 072 611**	**14 954**	**9 590 356**	**13 723**
Fee and Commission Income	22	4 854 548	5 553	3 415 923	4 888
Fee and Commission Expenses	23	(1 048 760)	(1 200)	(803 432)	(1 150)
Results of Financial Operations	24	3 796 784	4 343	2 088 612	2 989
Other Operating Expenses	25	(1 267 890)	(1 450)	(1 199 585)	(1 717)
		6 334 682	**7 246**	**3 501 518**	**5 010**
Operating Margin		**19 407 293**	**22 200**	**13 091 874**	**18 733**
Salaries and other Payroll Expenses	26	(4 492 041)	(5 138)	(4 139 434)	(5 923)
Third parties supplies	27	(5 200 154)	(5 949)	(3 678 908)	(5 264)
Depreciation and Amortisation	8	(1 155 396)	(1 267)	(1 162 266)	(1 402)
Impairment Losses on Loans[1]	7/13	(361 605)	(396)	(217 698)	(263)
Impairment Losses on FATOCI[2]	6	(37 522)	(41)	(137 486)	(166)
Impairment Losses on Other Fin. Assets[3]	4/5	(739)	(1)	3 695	4
Impairment Losses on Other Assets[4]	10	(115)	-	11 936	14
		(11 247 572)	**(12 792)**	**(9 320 161)**	**(13 000)**
Income before Taxes		**8 159 721**	**9 408**	**3 771 713**	**5 733**
Income taxes					
- Deferred	15	-	-	(303 680)	(366)
Net Income for the year		**8 159 721**	**9 408**	**3 468 033**	**5 367**
Earnings per share (Kz'000)	28				
- Basic		0,15		0,06	
- Diluted		0,15		0,06	

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[1] Impairment losses on loans and advances for clients, net of reversals and recoveries;
[2] Impairment losses on financial assets through other comprehensive income, net of reversals and recoveries – securities;
[3] Impairment losses on other financial assets, net of reversals and recoveries;
[4] Impairment losses on other assets, net of reversals and recoveries.

Statement of Comprehensive Income for the year ended 31 December 2024 and 2023	Notes	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Net profit		**8 159 721**	**9 408**	**3 468 033**	**5 367**
Other Comprehensive Income					
Items that may be reclassified to Income Statement					
Change in the fair value of financial assets through other comprehensive income	6	(1 089 022)	(1 194)	4 573 195	5 518
Tax Effect		381 158	418	(1 600 618)	(1 931)
Transfer to income of impairment recognised in the year ended	6	37 522	41	137 486	166
Income (Expenses) not included in the income statement	**17 .1**	**(670 342)**	**(735)**	**3 110 063**	**3 753**
Comprehensive Income for the Year		**7 489 379**	**8 673**	**6 578 096**	**9 120**

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Statement of Changes in Shareholders' Equity for the year ended 31 December 2024

Kz'000	Share Capital	Equity Premium	Own Shares	Fair Value Adjust. Reserves	Statutory Reserves	Free Reserves	Retained Income	Profit for the Year	Total of Equity
Balance at 31-12-2022	**7 500 000**	**-**	**-**	**(93 884)**	**4 108 963**	**22 403 561**	**-**	**2 602 509**	**36 521 149**
Appropriation of 2022 retained income	-	-	-	-	260 251	1 342 258	-	(1 602 509)	-
2022 Dividends	-	-	-	-	-	-	-	(1 000 000)	(1 000 000)
Sales of Own Shares	-	84 284	-	-	-	-	-	-	84 284
Increase of Share Capital	15 000 000	-	-	-	-	(15 000 000)	-	-	-
Charges of share capital increase	-	-	-	-	-	-	(77 875)	-	(77 875)
Fair Value Adjustment	-	-	-	2 972 577	-	-	-	-	2 972 577
Impairment Losses on Fin. Assets through OCI	-	-	-	137 486	-	-	-	-	137 486
Profit por the Year 2023	-	-	-	-	-	-	-	3 468 033	3 468 033
Balance at 31-12-2023	**22 500 000**	**84 284**	**-**	**3 016 179**	**4 369 214**	**8 745 819**	**(77 875)**	**3 468 033**	**42 105 654**
Appropriation of 2023 retained income	-	-	-	-	346 803	2 121 230	-	(2 468 033)	-
2023 Dividends	-	-	-	-	-	-	-	(1 000 000)	(1 000 000)
Purchase of Own Shares	-	-	(842 113)	-	-	-	-	-	(842 113)
Fair Value Adjustements	-	-	-	(707 864)	-	-	-	-	(707 864)
Impairment Losses on Fin. Assets through OCI	-	-	-	37 522	-	-	-	-	37 522
Profit por the Year 2024	-	-	-	-	-	-	-	8 159 721	8 159 721
Saldo a 31-12-2024	**22 500 000**	**84 284**	**(842 113)**	**2 345 837**	**4 716 017**	**10 867 049**	**(77 875)**	**8 159 721**	**47 752 920**

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Statement of Cash Flows for the year ended 31 December 2024 and 2023			
	Notes	2024 Kz'000	2023 Kz'000
Profit before tax		8 159 721	3 771 713
Add:			
Depreciations	8	1 155 396	1 162 266
Impairment losses on fin. assets (excluding loans)	6	37 522	137 486
Impairment losses on loans	7	361 605	217 698
Provision for potential responsibilities	4/5/10	854	(15 631)
Less:			
Dividends paid	17.1	(1 000 000)	(850 000)
Tax paid	16	(3 726 354)	(1 901 653)
Cash Flows from Operating Activities		**4 988 744**	**2 521 879**
Increase in Loans and Advances	7	(8 215 114)	(2 806 903)
Increase in Other Assets	10	(180 180)	(246 862)
Decrease (increase) in Deposits from Other Banks	11	(487 364)	495 483
Decrease (increase) in other Lliabilities	16	(52 517)	1 809 505
		(3 946 431)	**1 773 102**
Investing Activities			
Purchase of Tangible and Intangible Assets	8	(641 729)	(1 866 514)
Purchase of Trading and Investment Securities	6	15 194 311	(20 144 502)
Placements with Central Banks and other Banks	5	(13 748 021)	(2 874 894)
		804 561	**(24 885 910)**
Financing Activities			
Demand Deposits	12	(7 019 474)	13 284 366
Term Deposits	12	16 115 772	15 602 706
		9 096 298	**28 887 072**
Increase in Cash and Cash Equivalents		5 954 428	5 774 264
Opening Balance of Cash and Cash Equivalents		22 492 778	16 718 514
Closing Balance of Cash and Cash Equivalents		**28 447 206**	**22 492 778**
Cash and Cash equivalents comprises:			
Cash and Balances at Central Banks	3	27 261 258	21 190 833
Balances at other Credit Institutions	4	1 185 948	1 301 945
Closing Balance of Cash and Cash Equivalents		**28 447 206**	**22 492 778**

The accompanying notes form an integral part of these financial statements
The amounts presented in United States Dollars are submitted for reading purposes

NOTES TO THE FINANCIAL STATEMENTS

1. CONSTITUTION AND ACTIVITY

Banco Comercial Angolano, S.A. ("BCA" or "the Bank"), with its head office in Luanda, is a 100% Angolan owned private company.

The Bank was formed on the 17 March 1997 and started its business activity on the 23 March 1999. BCA's business goal is to operate as a bank and to provide loans, using any financial operations as appropriate and investing in bonds or other financial instruments, such as Money transfer, Insurance sales.

At the end of 2024, the Bank operated 37 branches throughout the country.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

2.1. BASIS OF PRESENTATION

The BCA financial statements disclosed herewith, are related to the year ended 31 December 2024 and 2023.

The financial statements were prepared from the accounting records of BCA in conformity with International Accounting Standards/International Financial Reporting Standards (IAS/IFRS), as issued by the International Financial Reporting Standards Board (IASB) and interpreted by Internacional Financial Reporting Interpretation Committee (IFRIC), incorporated into the Angolan legislation through the Central Bank (Banco Nacional de Angola – BNA) Notice 5/2019 of 23 August. BCA adopted IFRS and mandatory interpretations for the years started on 01 January 2024 and 2023. Accounting policies were applied consistently as the year before.

With regard to the financial years ended 2017 and 2018, the BNA expressed an interpretative opinion that the requirements set out in IAS 29 – Financial reporting in hyperinflationary economies ('IAS 29') were not fully met for the Angolan economy to be classified as hyperinflationary. Consequently, BCA's Board of Directors decided not to apply the provisions of that standard to its financial statements for those periods. During the financial year ended 31st December 2024, BCA's Board of Directors conducted an assessment of the financial impacts, concluding that they were not material to the financial statements at that date or subsequent periods. Hence, BCA's Board of Directors decided not to recognise these impacts in the financial statements.

The financial statements were prepared on the basis of continuity of operations, as by the books kept by the Bank, and on the historic cost basis, except for assets and liabilities recorded at fair value, such as the derivative financial instruments, financial assets and liabilities at fair value through profit and loss, financial assets through other comprehensive income.

The financial statement for the year ended 31 December 2024 were approved by the Board of Directors at 22 April 2025 and will be submitted to the Shareholders´ General Assembly, the body with a final power either to approve or not to approve them. However, the Board of Directors expects the General Assembly will approve them.

The preparation of the financial statements in accordance with IFRS requires the Board of Directors to make judgments, estimates and assumptions that affect the application of the accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances and form the basis for making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The issues involving a higher degree of judgment or complexity or for which assumptions and estimates are considered to be significant are presented in note 2.3.16.

Currency of presentation

The financial statements for the years ended 31 December 2024 and 2023, are prepared in thousand of Kwanza (Kz'000), as per Notice 05/2019, article 9º of BNA. The functional currency of the Bank is Kwanza (Kz). However, the Board has decided that the US Dollar (USD) is the Bank's reference currency as it is the currency most representative of the Bank's international operations. As a result, financial information is disclosed in both currencies in the most relevant notes, as per the Board of Directors' consideration. The Kz/USD exchange rates used in the preparation of this financial statement were as follows:

Year ended on	Average Rate	Closing Rate
31-12-2024	874,198	912,000
31-12-2023	698,828	828,800

The financial statements in Kz were converted to USD using the following rates:

- Historical – Shareholders' equity;
- Closing – All other assets and liabilities;
- Average – Income statement.

The financial information in the financial statements and the attached Appendix presented in United States dollars is submitted for reading purposes only. Consequently, it was converted based on the criteria described above, and should not be interpreted as representing that the amounts in kwanzas have been, could have been or may come to be converted into United States dollars. Additionally, these amounts are unaudited.

2.2. TRANSACTIONS IN FOREIGN CURRENCY

The transactions in foreign currency are converted to the functional currency (Kwanza) applying the exchange rate in use at the date of transaction. The monetary assets and liabilities expressed in foreign currency, are converted to the functional currency applying the exchange rate in use at the date of balance sheet.

The closing rates of the main foreign currencies used in the Bank dealings are:

Currencies	31-12-2024	31-12-2023
Dollars (USD)	912,000	828,800
European Union currency (EUR)	949,480	915,990

The foreign exchanges differences issued from this conversion are recognized in income statement. The monetary assets and liabilities expressed in foreign currency, recognized at their historic cost, are converted to functional currency at the exchange rate on the date of transaction. The non-monetary assets and liabilities recorded at fair value, are converted to the functional currency at the exchange rate in use on the date in which the fair value is estimated, and recognized in income statement, except for the financial assets at fair value through other comprehensive income, whose exchange rate differences are recognized in the revaluation reserves of equity.

2.3. ACCOUNTING POLICIES

The following accounting policies are applicable to the financial statements of BCA:

2.3.1. Financial Instruments

Business model

Nature of operations and main activities

BCA carries out a number of activities and banking services in Angola, offering a huge range of financial products and services: demand deposit accounts, low-cost accounts, means of payment, saving and investment products, private banking, asset management, investment banking, housing loans, consumer credit, commercial banking etc.

Distinctive features of the business model

a) Service quality

BCA as a brand stands for customer service, with excellent quality, efficiency and speed as the key factors in its response to client needs and in the execution of their transactions.

b) Market pioneer in compliance

BCA leads the market in building into its procedures all the processes needed to ensure full compliance with regulations and with the fight against money laundering and the financing of terrorism and has invested heavily in technological and human resources to achieve this aim.

c) Sustainability of business model

The robustness of BCA's business model has its main foundation on naturally more stable and less volatile corporate and retail banking. BCA has successfully introduced operational recovery into its core market, reinforcing its financial and equity position despite the challenging banking environment in Angola.

Recovery depends on three separate factors: a client-focused relationship model; market leadership in terms of efficiency; and sustainability. The Bank's efficiency ratios are above the market average and it has sufficient solvency to be able to withstand any negative shocks the market may produce.

BCA business model

The business model within which the Bank holds its financial instruments is reassessed each year at the reporting date. Portfolio objectives are always built into the business model, translating into a management strategy that focuses on how contractual cash flows are originated and received.

BCA's financial instruments are currently held within a held to collect business model.

2.3.1.1. Financial assets

2.3.1.1.1. Classification, initial recognition, and subsequent measurement

At initial recognition, financial assets are classified as:

i) Financial assets at amortised cost;

ii) Financial assets at fair value through other comprehensive income; or

iii) Financial assets at fair value through profit or loss.

Classification takes account of:

- the business model used by the Bank to manage the financial asset; and

- the features of the contractual cash flows on the asset.

Assessment of the business model

At 1 January 2024 BCA undertook a portfolio-level assessment of the business model under which the financial instrument is held since this is the best reflection of how assets are managed and how information is provided to management bodies. The information considered was:

- portfolio policies and objectives and how policies are implemented in practice, including how management strategy covers the receipt of contractual interest, maintaining a set interest rate profile, matching the duration of the financial assets to that of the financial liabilities funding the assets, or realising cash flow through the sale of assets;

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

- assessment of the risks affecting the performance of the business model (and of the financial assets held within it) and how they are managed;

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

- the frequency, volume and timing of sales in previous periods, the reasons for those sales and expected future sales. Information on sales must not however be considered in isolation but as part of a general assessment of how the Bank sets management targets for financial assets and of how cash flows are obtained.

Financial assets held for trading and financial assets that by option are managed and assessed at fair value are measured at fair value through profit or loss on an SPPI (solely payments of principal and interest) basis.

For assessment purposes, "capital" is defined as the fair value of the financial asset at initial recognition. "Interest" is defined as the consideration given for the time value of money, the credit risk associated with the debt over a set period of time, and other risks and costs associated with the activity (e.g. liquidity risk and administrative expense) and for a profit margin.

When assessing the financial instruments to which contractual SPPI cash flows refer, the Bank takes account of the terms of the underlying original contracts for the investment concerned. The assessment includes analysis of any situations in which contract terms could alter the timing and amounts of cash flows to prevent them meeting SPPI requirements. During assessment BCA will look at:

i. contingencies that could alter cash flow timings and/or amounts;

ii. features resulting in leverage;

iii. clauses allowing early repayment or extended maturity;

iv. clauses that might restrict BCA's ability to claim cash flows on particular assets (e.g. non-recourse assets); and

v. features that can alter remuneration of the time value of money.

Early repayment is consistent with SPPI so long as:

i. the financial asset was acquired or originated at a premium or discount on the nominal value of the contract;

ii. early repayment is essentially the nominal value of the contract plus accrued contractual interest plus unpaid items (may include reasonable compensation for early repayment); and

iii. the fair value of the early repayment is not material at initial recognition.

2.3.1.1.1.1. Financial assets at amortised cost

Classification

Financial assets are classified as financial assets at amortised cost if they meet all the following conditions:

i. the financial asset is held within a business model whose principal objective is to hold the asset to collect the contractual cash flows; and

ii. its contractual cash flows occur on specified dates and are solely payments of principal and interest on amounts outstanding (SPPI).

Financial assets at amortised cost include investments with lending institutions, loans and advances to clients and debt securities held within a business model whose objective is to collect the contractual cash flows (government bonds, corporate bonds and commercial paper).

Initial recognition and subsequent measurement

Investments with lending institutions and loans and advances to clients are recognised at the date the funds become available to the counterparty (settlement date). Debt securities are recognised at the trading date, i.e. the date on which the Bank undertakes to acquire them.

Financial assets at amortised cost are initially recognised at fair value plus transaction charges, and thereafter are measured at amortised cost. As of initial recognition they are also impaired for expected credit loss (note 2.3.1.1.4.1.1.).

Interest on financial assets at amortised cost is recognised in interest and similar income using the effective interest method and the criteria set out in Note 2.3.1.3.

Derecognition gains/losses are posted to gain/(loss) at derecognition of financial assets and liabilities at amortised cost.

2.3.1.1.1.2. Financial assets at fair value through other comprehensive income

Classification

Financial assets are classified at fair value through other comprehensive income if they meet all the following conditions:

i. they are held within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets; and

ii. contractual cash flows occur on specified dates and are solely payments of principal and interest on the principal amount outstanding (SPPI).

In addition, at initial recognition of an equity instrument that is not held for trading and for which no contingent consideration is recognised by a purchaser in a concentration of business interests to which IFRS 3 applies, the Bank can make an irrevocable election to measure it at fair value through other comprehensive income (FVOCI). The option is exercised on a case-by-case and investment-by-investment basis and is available only for financial instruments that meet the IAS 32 definition of an equity instrument, which cannot apply to financial instruments that the issuer has classified as equity instruments under the exemptions allowed at 16A and 16D of IAS 32.

Initial recognition and subsequent measurement

Changes in the fair value of these financial assets are recognised in the revaluation reserves, while disposal gains/losses accumulated in other comprehensive income are reclassified as a separate item in profit or loss as a gain/loss on the derecognition of financial assets at fair value through other comprehensive income.

As of initial recognition, debt instruments at fair value through other comprehensive income are impaired for expected credit loss (ECL) (Note 2.3.1.1.4). ECL is carried to loss under impairment of financial assets at fair value through other comprehensive income in the revaluation reserves and does not reduce the recorded value of the financial asset on the balance sheet.

All interest, premiums and discounts on financial assets at fair value through other comprehensive income are recognised under interest and similar income under the effective interest method and the criteria described in Note 2.3.1.3.

Equity instruments at fair value through other comprehensive income are initially recognised at fair value plus transaction charges and thereafter are measured at fair value. Changes in the fair value of these financial assets are posted to the revaluation reserves. The dividends are carried to income when attributed and so long as they clearly do not represent recovery of part of the investment cost. Dividends that do represent recovery of part of the investment cost are recognised in other comprehensive income.

Equity instruments at fair value through other comprehensive income are not impaired since at derecognition the accumulated gain/loss recorded in changes in fair value is carried to profit/loss brought forward.

2.3.1.1.1.3. Financial assets at fair value through profit or loss

Classification

Financial assets are classified at fair value through profit or loss (FVPL) if the business model within which the Bank holds them, or their cash flows do not meet the above conditions for measurement at either amortised cost or fair value through other comprehensive income (FVOCI).

Even where a financial asset meets the requirements for measurement at amortised cost or FVOCI, at initial recognition the Bank can still make an irrevocable decision to designate it as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition mismatch (accounting mismatch) that would otherwise arise from measuring assets or liabilities or from recognising the gains and losses on them on different bases.

The Bank classifies financial assets at fair value through profit or loss as follows:

a) Financial assets held for trading

These financial assets have been acquired for sale in the short term. At initial recognition they form part of a portfolio of identified financial instruments that either present evidence of a pattern of recent short-term profit-taking or fall within the definition of a derivative (unless the derivative is used as a hedge).

b) Financial assets not held for trading necessarily at fair value through profit or loss

These are debt instruments on which the contractual cash flows are not only SPPI.

c) Financial assets designated at fair value through profit or loss (fair value option)

This item includes the financial assets that the Bank has opted to designate at fair value through profit or loss to eliminate an accounting mismatch.

Initial recognition and subsequent measurement

Since the transactions undertaken by the Bank during the normal course of business are at arm's length, financial assets at fair value through profit or loss are initially recognised at fair value while the costs and income associated with the transactions are carried to profit or loss at initial recognition. Subsequent changes in the fair value of these financial assets are carried to profit or loss.

Accrued interest and premiums/discounts (where applicable) are posted to interest and similar income at the effective interest rate for each transaction, along with accrued interest on the derivatives associated with the financial instruments under this heading. Dividends are recognised according to Note 2.3.1.1.1.2.

2.3.1.1.2. Reclassification of financial assets

Financial assets are not reclassified unless the business model within which they are held is changed, in which case all affected financial assets will be reclassified.

Reclassification is prospective from the reclassification date but gain, loss (including impairment) and previously recognised interest are not restated.

Investments in equity instruments measured at fair value through other comprehensive income and financial instruments designated at fair value through profit or loss cannot be reclassified.

2.3.1.1.3. Modification and derecognition of financial assets

General principles

i) The Bank does not derecognise financial assets unless:

- the contractual rights to the cash flows from the financial asset have expired; or

- the financial asset is transferred as described at ii) and iii) below, and the transfer meets the conditions for derecognition set out at iv).

ii) The Bank will not transfer a financial asset unless:

- the contractual rights to receive the cash flows on the financial asset are transferred; or

- it retains the contractual rights to receive the cash flows on the financial asset but accepts a contractual obligation to pay the cash flows to one or more recipients under an agreement that meets the conditions set out at iii) below.

iii) If the Bank retains the right to receive the cash flows on a financial asset (original asset) but accepts a contractual obligation to pay the cash flows on the financial asset, and accepts a contractual obligation to pay the cash flows to one or more entities (original recipients) the Bank will treat the transaction as a transfer of the financial asset so long as the following three conditions are met:

-- the Bank has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts on the original asset. Short-term advances by the entity that include the right to full recovery of the amount advanced plus interest at market rates will not prevent this condition being met;

- 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 its obligation to pay the cash flows to them); and

- the Bank has an obligation to remit all cash flows it collects in the name of the eventual recipients without material delay. In addition, it is not entitled to reinvest the cash flows except in cash or cash equivalent (as defined in IAS 7 – Statement of Cash Flows) during the short settlement period from the collection date to the date of required remittance to the eventual recipients and any interest on such investments being passed to the eventual recipients.

iv) If the Bank transfers a financial asset (see ii above), it must assess the degree to which it retains the risks and rewards of the asset.

- If the Bank has transferred substantially all the risks and rewards on the financial asset, it will derecognise the financial asset and separately recognise as assets or liabilities any rights and obligations created or retained at transfer;

- If the Bank has retained substantially all the risks and rewards on the financial asset, it will continue to recognise the financial asset;

- If the Bank has neither retained nor transferred substantially all the risks and rewards on the financial asset, it must assess whether it has relinquished control of the financial asset.

a) If the Bank has relinquished control, it must derecognise the financial asset and separately recognise as assets or liabilities any rights and obligations created or retained at transfer;

b) If the Bank has retained control, it must continue to recognise the financial asset to the extent to which it has a continuing involvement in the financial asset.

v) Transfer of the risks and rewards referred to above is assessed by comparing the Bank's exposure before and after transfer to variation in the amounts and timings of the net cash flows on the transferred asset.

vi) The question of whether the Bank has retained control (see IV above) of the transferred asset depends on the ability of the recipient of the transfer to sell the asset in its entirety to an unrelated third party and its ability to do so unilaterally and without the need to impose additional restrictions at transfer. If it can do so, the entity has relinquished control. In all other cases, the entity has retained control.

Derecognition criteria

Based on the general principles described in the previous section and since contract changes can in some cases lead to the derecognition of the original financial assets that the recognition of new assets, this section sets out the criteria and circumstances under which a financial asset will be derecognised.

The Bank considers that amendment of the terms and conditions of a credit exposure will lead to derecognition of the transaction and recognition of a new transaction so long as the amendment meets at least one of the following conditions:

- a new exposure is created through a consolidation of debt, but none of the derecognised instruments has a nominal value that is more than 90% of the nominal value of the new instrument;

- double extension of the residual term so long as the extension is not over 3 years less than the residual term at the time of the change;

- more than 10% increase in the exposure vs nominal value (using the last approved value in the operation subject to change);

- change in quality characteristics:

a) change of currency, unless the old and new currency exchange rate is fixed or managed within a restricted band by law or by the relevant monetary authorities;

b) exclusion or addition of a material characteristic for the conversion of principal into a debt instrument, unless this could not reasonably be exercised during its term;

c) transfer of the credit risk on the instrument to another debtor, or material change in debtor structure within the instrument.

Write-offs/write-downs

The Bank writes loans and advances off/down if it has no reasonable expectation of making full or partial recovery of an asset. Write-off/down occurs after all actions taken by the Bank to recover the assets concerned have failed. Written off/down loans is recognised in the off-balance sheet.

2.3.1.1.4. Impairment Losses

2.3.1.1.4.1. Impaired financial instruments

The Bank recognises impairment losses for expected loans and advances losses on financial instruments as follows:

2.3.1.1.4.1.1. Financial assets at amortised cost

The impairment losses on financial assets at amortised cost reduce the carrying value of these financial assets under impaired financial assets at amortised cost (in profit or loss).

2.3.1.1.4.1.2. Debt instruments at fair value through other comprehensive income

The impairment losses on debt instruments at fair value through other comprehensive income are recognised in profit or loss under impaired financial assets at fair value through other comprehensive income (reducing the carrying value of these financial assets).

2.3.1.1.4.1.3. Loan commitments, letters of credit and financial guarantees

The impairment losses on loan commitments, letters of credit and financial guarantees are carried to loss under provisions for guarantees and other commitments within other provisions (in profit and loss).

2.3.1.1.5. Impairment losses on loans and advances portfolio

In March 2017 during full IAS/IFRS adoption, BNA informed financial institutions of the need to prepare for the challenges involved in replacing IAS 39 Financial Instruments - Recognition and Measurement with IFRS 9 Financial Instruments.

IFRS 9, which was issued in July 2014 by the International Accounting Standards Board (IASB), replaced IAS 39 and set new rules for the classification and measurement of financial assets and liabilities. The final version of IFRS 9 was issued in 2014 and its application became compulsory in all financial years commencing on or after 1 January 2018.

IFRS 9 aims to improve financial information about financial instruments and to deal with the concerns that arose in this area during the financial crisis. In particular, IFRS 9 looks to respond to the G20 call for a more forward-looking model for recognising expected credit loss (ECL) on financial assets.

According to IFRS 9, ECL introduces a material change to IAS 39 impairment requirements with new rules on the recognition of impairment, under which impairment must be recognised as expected loss in the 12 months following the initial recognition of financial assets that at initial recognition are not impaired and present no material increase in credit risk.

IFRS 9 introduces a 3-stage approach based on change in the credit quality of financial assets after initial recognition. The assets pass through 3 stages as their credit quality changes, the stages dictating how the entity must measure the impairment. If there is a material change in credit risk since origination, impairment is measured as ECL over the lifetime of the asset, i.e., over the residual maturity of the financial asset, rather than ECL over 12 months (or less if the residual maturity of the transactions is under 12 months).

To summarise, IFRS 9 establishes an expected loss model that is based on early recognition of loss arising from credit risk and is founded on the concept of material increase in credit risk from the time of initial recognition (i.e., before objective evidence of impairment appears, credit risk rises materially but is not reflected in the pricing of the financial asset).

Restrictions on application of the standard

- In 2016 the Bank introduced an information form into its system in order to create a client loan book with the information required to analyse credit risk. It therefore does not have enough historic information to estimate the robust and statistically significant factors needed to assess collective impairment, particularly LGD. Historic analysis of the portfolio also revealed that the Bank has a small number of defaults, mainly regarding enterprise exposures. In the case of individual clients, although with a higher number of defaults events, the exposures concerned are not materially relevant (a material exposure is defined as being over Kz 20 000) in terms of significant probability of default for the portfolio.
- The Bank does not have sophisticated models that would allow it to monitor transaction credit risk from origination using statistical models. The Bank also does not have a central database of relevant and reliable data that would allow it to look at particular quantitative and qualitative factors when determining whether there has been a significant increase in credit risk across the entire client loan book.

Stage allocation criteria

BCA organises loans to clients into stages 1, 2 or 3, depending on delinquency at each reporting date. Stage change is based on individual analysis of the loan in the portfolio and on the number of days' default. The definition of 'default' was developed by considering the Bank's own risk management process and best market practice.

Under IFRS 9 B.5.37, "When defining default for the purposes of determining the risk of a default occurring, an entity shall apply a default definition that is consistent with the definition used for internal credit risk management purposes for the relevant financial instrument and consider qualitative indicators when appropriate. However, there is a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate." The 90 days past due criterion was used to identify a client in default. Nevertheless, based on its individual credit analysis the Bank may still manually identify a loan as being in default if it gives signs of impairment (e.g., multiple restructurings).

To ensure the stability of the stage model and consequently quantification of ECL in the loan book, minimum periods were set for holding clients at stages 2 or 3 (quarantine) when the criteria for moving them to stage 2 or 3 are met.

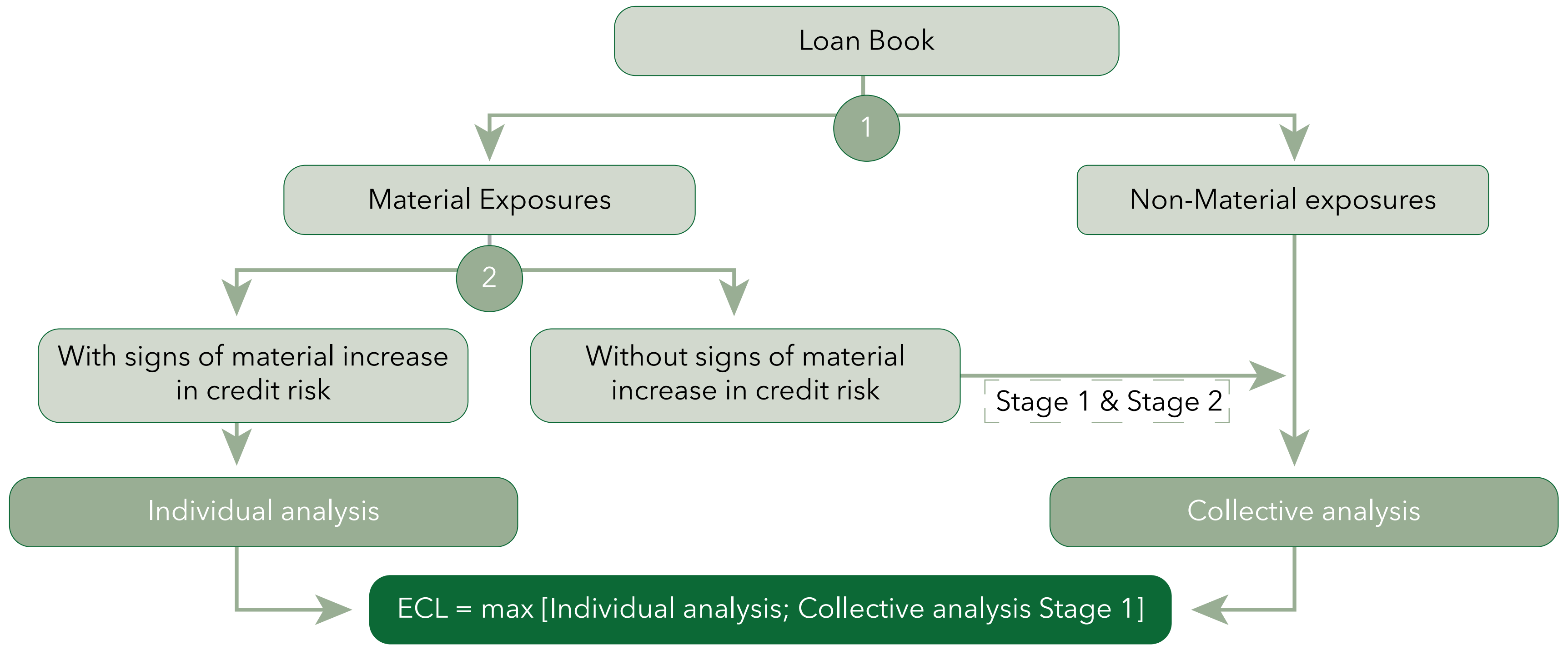
Impairment calculation methodology

Under the new system, entities must recognise expected credit loss (ECL) before the loss event occurs. Forward-looking information must also be considered when estimating ECL, along with future (macro-economic) trends and scenarios.

Under the ECL approach, assets subject to impairment must be classified into one of the following categories (stages), depending on changes in credit risk since initial recognition of the asset, and no longer on its credit risk at the reporting date:

- Stage 1 – As of initial recognition and unless credit risk has materially degraded since then, assets are held at stage 1. They are impaired for ECL over 1 year from the reporting date;
- Stage 2 – If there has been material degradation in credit risk since initial recognition, assets will be held at stage 2 and will be impaired for ECL over their lifetimes. By introducing the concept of material degradation in credit risk, IFRS 9 makes the calculation of impairment more subjective and requires a closer link with the entity's credit risk management policies. The lifetime and forward-looking approaches present financial institutions with challenges when modelling credit risk parameters;
- Stage 3 - Impaired assets must be held at stage 3 and be impaired for lifetime ECL. Unlike at stage 2, the effective interest rate recognised is based on net carrying value (gross value at stage 2).

The impairment model developed by the Bank is briefly described in the diagram below, which shows the method for calculating monthly impairment:



Individual credit analysis is applied to all debtors presenting a balance-sheet credit exposure that is over 0,1% of capital adequacy requirements.

individual credit analysis

The individual credit analysis of individually material exposures aims to:

i) examine staging in order to review the classification of each exposure using the impairment model;

ii) estimate credit impairment for stage 2 debtors (clients that present indications of, or have seen a material increase in credit risk) and stage 3 debtors (clients in default).

The Bank performs individual credit analysis every six months (in May and November each year), using a dedicated template to standardise analysis and ensure compliance with its analysis methodology.

Staging analysis involves reviewing the stage to which each debtor is automatically allocated by the Bank's impairment model, based on the client's characteristics and the credit relationship with him and on the financial information available and the information provided by CIRC.

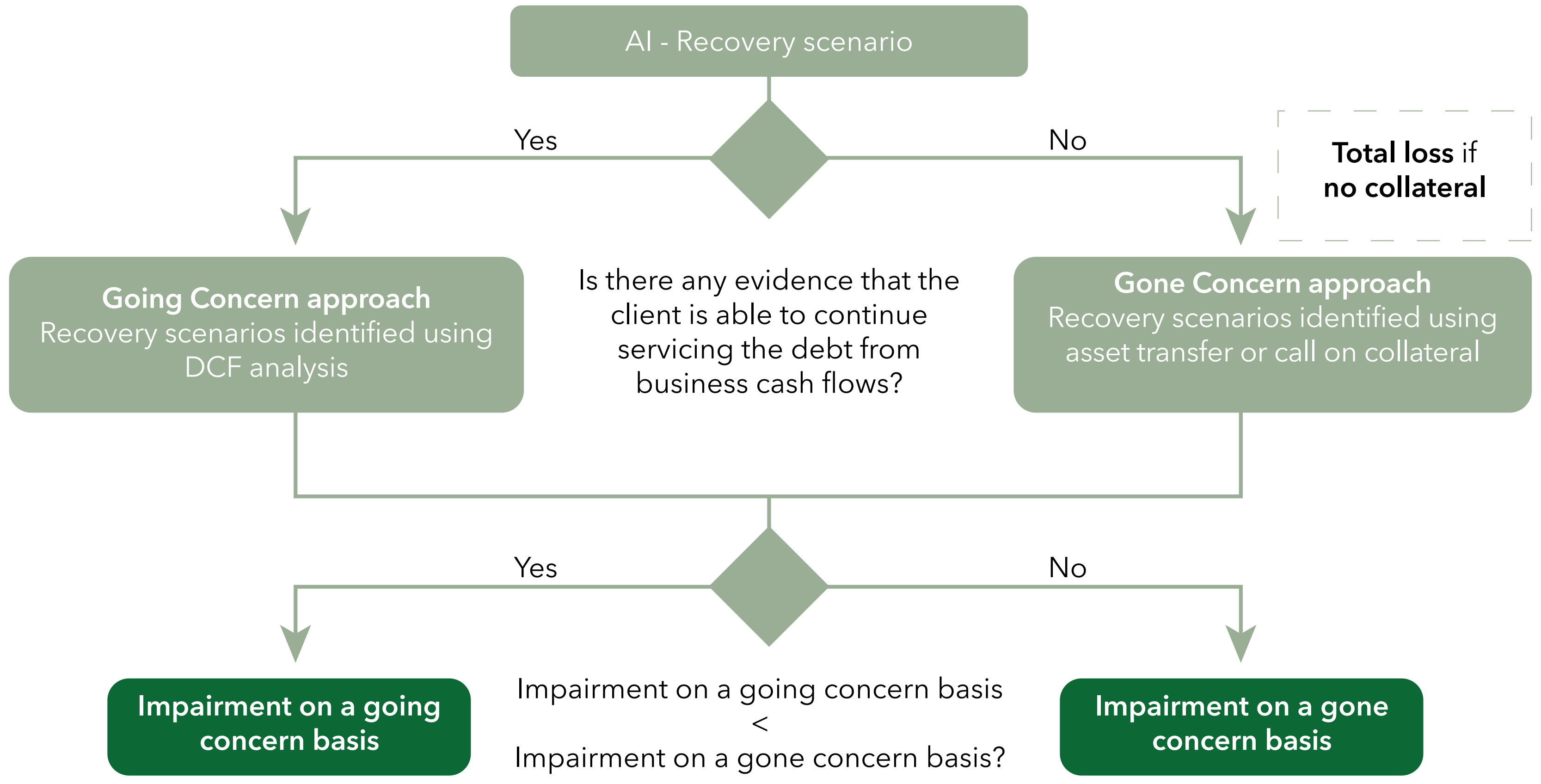
The Bank has produced a staging questionnaire that contains a set of criteria/triggers used to identify:

i) indications of/material increase in, credit risk after initial recognition;

ii) impaired clients.

Based on the client's financial information and the current stage in negotiations with him, the Bank will determine the best recovery strategy to apply. The Bank's main preference will be to use the debtor's ability to continue servicing the debt from his business flows (where necessary with restructuring of the loan).

The following diagram briefly shows how the recovery scenario is selected, based on estimated impairment:



Based on the above diagram, if updated financial information is available and if the client proves to be able to service his debt through his business cash flows, the Bank will tend to opt for the cheaper going concern, rather than the more expensive gone concern (recovery through collateral), approach. However, if the exposure carries sufficient collateral and impairment after recovery through collateral would be less than through business cash flows, the Bank will recognise the impairment using the gone concern approach.

Collective credit analysis

Using the historic data in the historic loan books, the following drivers were used to organise the loan book into consistent risk classes by: (i) type of client, (ii) type of product, (iii) volume and materiality of operations. However, given the limited historic information available and data quality, as mentioned above, the risk factors applied to the loan book were based on analysis of the market benchmark. Portfolio segmentation has therefore been adjusted for benchmark risk factors.

Operations/clients are classified into segments as follows:

Type of Client	Segment	BCA Portfolio	Type of products
Company	Company	Secured Current Accounts	CC
		Overdrafts	DO, CARC
		Income	CRR, CRF
		Off-balance Sheet	CRDI, GARP
Individual	Overdrafts	Overdrafts	DO, CARC
	Housing & Consumption	Employee Loans	Employee Loans
		Credit Protocols	Protocols
		Income	CRR, CRF
State	State	State	-

The benchmark is assessed with the information displayed on the last financial statements of Angolan banks, considering the reference date of calculation.

Risk factors

Probability of default (PD) is the probability of default on an operation (or by a client) within a specific period of time and a specific time horizon, based on the status of the operation /client at the start of the observation period.

However, in the event of default, banks will also calculate their risk of loss on such clients by estimating loss-given default (LGD).

Given the small number of operations in the loan book and the lack of any historic database of operations in the Bank's loan book (see Restrictions on application of the standard, above) it has not been possible to estimate risk factors (PDs and LGDs) specific to the Bank. The Bank therefore uses market benchmark analysis to understand Angolan financial sector, at the same time adjusting the characteristics of its own loan book.

Market benchmark analysis, as used to calculate the ECL on the Bank's loan book, takes account of the following in connection with the application of risk factors:

- Probability of default: PD segments risk by: (i) portfolio segment (see Collective analysis, above); and (ii) the number of days in default.

Each combination of risk segment with days in default produces a separate lifetime PD curve and shows the PD time structure, reflecting expected change in default risk over the lifetime of the loan.

- Loss-given default: LGD gives a breakdown by risk segment in the collective model.

LGD curves ignore collateral-based recovery. This is consistent with the use of net EAD to calculate ECL.

Each year the Bank reviews loan book risk parameters to check the reasonability of the market benchmark applied to it and/or to check whether internal risk should be taken into account when calculating ECL.

When calculating impairment for off-balance sheet exposures, the Bank uses a credit conversion factor (CCF) to determine the probability of a given off-balance sheet operation being converted into a loan.

Based on a BNA Instruction, the Bank determines the CCF on the basis of the level of risk on the off-balance sheet item, as follows:

Risk	CCF
High	100%
Average	50%
Average/low	20%
Low	0%

The exposure to risk is the sum of balance-sheet exposure plus off-balance sheet exposure, converted using the CCF at the reference date for the ECL calculation, net of financial guarantees given as collateral. Eligible financial guarantees are blocked term deposits and treasury bonds denominated in Kz that are held in custody by the Bank.

ECL calculation

The following table shows how ECL is calculated for each stage:

Stage	ECL calculation	Inputs | risk factors
Stage 1 No indication of significant increase in credit risk	ECL*12m* = EAD x PD*12m* x LGD	• EAD = Exposure at default at the reporting date • LGD = Estimated loss if the segment defaults • PD*12m* = Probability of default on the loan in the next 12 months • PD *lifetime* = Probability of default on the loan up to maturity
Stage 2 Credit risk has significantly increased but is not impaired	ECL *lifetime* = EAD x PD *lifetime* x LGD	
Stage 3 Impaired	ECL *lifetime* = EAD x LGD	

Following individual staging analysis of stage 1 clients, ECL is automatically included in the collective calculation, i.e., the ECL rate obtained using the collective model is applied.

For all other clients individually analysed for staging purposes, impairment floors are applied to clients presenting indications or evidence of impairment (i.e., stage 2 or 3 clients) and are used to calculate their ECL.

To summarise, the consolidated/final impairment attributed for staging purposes is:

Stages	Final ECL
Stage 1	ECL resulting from collective stage 1 assessment.
Stage 2	ECL is the greater of: (i) Individually calculated impairment; or (ii) ECL resulting from collective stage 1 assessment.
Stage 3	

The floor of the model taken into account is the ECL resulted from stage 1 of collective assessment.

2.3.1.1.6. Calculation of impairment losses on trading and investment securities portfolio

2.3.1.1.6.1. Significant increase in credit risk

The criterion for measuring the significant increase in credit risk for financial assets other than credit is always based on reasonable and sustainable qualitative and quantitative information available to the Bank. All reasonable and reliable information on macroeconomic and macro-fiscal indicators, as well as the evolution of the sovereign or issuer's rating, for example, are used to assess the existence or not of a significant increase in credit risk. The impairment losses correspond to the expected losses in case of default in a 12-month period, for stage 1 assets, and to the expected losses considering the probability of occurrence of a default event at any moment during the life of the financial instrument (until its maturity), for stage 2 and 3 assets. An asset is classified in stage 2 whenever there is a significant increase in the respective credit risk since its initial recognition.

2.3.1.1.6.2. Assumptions for the calculation of impairments

2.3.1.1.6.2.1. Government bonds

For the calculation of impairment losses on government bonds in foreign currency, the ECL (Expected Credit Losses) is obtained as the sum of the product of PD's (Probability of Default), LGD's (Losses Given Default) and EAD (Exposure At Default).

For computing purposes, the Bank applies the National Bank of Angola's Directive no. 13/DSB/DRO/2019 guidelines, dated 27th December, which concerns the assessment and verification process of the issuing country's rating. The Moody's study "Sovereign default and recovery rates, 1983-2023" was used to obtain the risk factors to be considered, analysed and applied.

Both Probability of Default (PD) and Loss Given Default (LGD) are sourced from Moody's rating agency monthly reports. In these financial data sources, LGDs are not explicitly stated or disclosed, and are therefore calculated as the inverse of the weighted recovery rate (1-Weighted Recovery Rate = LGD). The Probability of Default (PD) used for public debt instruments is the Issuer-Weighted Cumulative Default Rate for States, obtained from Moody's financial data report.

2.3.1.1.6.2.2. Corporate Debt Securities

Historical data of instruments admitted to trading on BODIVA will be used to estimate PDs and LGDs for the corporate debt. While this information is not available, the best result obtained among the following options will be used: the risk premium between treasury bills and the corporate credit rate and the market benchmark.

2.3.1.1.6.2.3. Liquid Assets and Placements

For liquid assets and investments in foreign currency, the PD calculation basis will be the financial institution rating where the amounts are deposited or invested. In the absence of a rating, the market benchmark used by institutions within the financial sector is applied.

2.3.1.1.6.3. Methodology for impairment losses calculation

2.3.1.1.6.3.1. Government bonds

The EAD is calculated instrument by instrument, based on the financial statements. On the information exposed is applied the relevant percentage of the product curve of PD and LGD at the corresponding maturity. The sum of these weightings represents the impairment for the instrument in the calculation period.

2.3.1.1.6.3.2. Liquid Assets and Placements

a) Foreign currency

The ratings of the institutions where the liquid assets in foreign currency are deposited and/or applied are matched with the respective PDs (in duodecimal form) and these are reflected on the EADs, resulting in the impairment of these assets.

b) Local currency

The PDs corresponding to the ratings are multiplied by the LGDs and reflected on the EADs. The sum of the products of these represents the impairment in these instruments.

2.3.1.2. Financial liabilities

2.3.1.2.1. Classification, initial recognition and subsequent measurement

At initial recognition, financial liabilities are classified as:

- Financial liabilities at amortised cost;
- Financial liabilities at fair value through profit or loss.

2.3.1.2.1.1. Financial liabilities at fair value through profit or loss

Classification

Financial liabilities at fair value through profit or loss include:

a) Financial liabilities held for trading

These are liabilities issued for repurchase in the short term, that are held in a portfolio of identified financial instruments for which there is evidence of a pattern of recent short-term profit taking or that fall within the definition of a derivative (unless the derivative is used as a hedge).

b) Financial liabilities designated at fair value through profit or loss (fair value option)

The Bank can at initial recognition irrevocably designate a financial liability as being measured at fair value through profit or loss if it meets at least one of the following conditions:

- it is managed, assessed, and reported internally at fair value; or

- the designation eliminates or significantly reduces an accounting mismatch on the transactions.

Initial recognition and subsequent measurement

Since the transactions undertaken by the Bank during the normal course of business are at arm's length, financial liabilities at fair value through profit or loss are initially recognised at fair value, while the costs and income associated with the transactions are carried to profit or loss at initial recognition.

Subsequent changes in the fair value of these financial liabilities are recognised as follows:

- changes in fair value that are attributable to the credit risk on the liability are carried to other comprehensive income;

- the remainder of the variation in fair value is carried to profit or loss.

Accrued interest and premiums/discounts (where applicable) are posted to interest and equivalent costs at the effective interest rate for each transaction.

- At 31 December 2024 and 2023 the Bank had no operations classified in this way.

2.3.1.2.2. Financial guarantees

Unless designated at fair value through profit or loss at initial recognition, financial guarantee contracts are subsequently measured at the higher of:

- the loss provision determined as per Notes 2.3.1.1.4. and 2.3.1.1.5.;

- the initially recognised amount minus (where relevant) cumulative revenue recognised as per IFRS 15 - Revenue from Contracts with Customers.

Financial guarantee contracts that are not designated at fair value through profit or loss are posted to Provisions where applicable.

2.3.1.2.3. Financial liabilities at amortised cost

Classification

Financial liabilities not classified at fair value through profit or loss and that are not financial guarantee contracts are measured at amortised cost.

Financial liabilities at amortised cost include "Deposits from other Credit Institutions", "Deposits from Clients" and subordinated and other debt securities.

Initial recognition and subsequent measurement

Financial liabilities at amortised cost are recognised initially at fair value plus transaction costs and are subsequently measured at amortised cost. Interest on financial liabilities at amortised cost is posted to interest and similar costs using the effective interest method.

2.3.1.2.4. Reclassification of financial liabilities

Financial liabilities cannot be reclassified.

2.3.1.2.5. Derecognition of financial liabilities

The Bank derecognises financial liabilities when they are cancelled or extinguished.

2.3.1.3. Recognition of interest

Interest income and expense on financial instruments measured at amortised cost are carried to interest and similar income or interest and similar expense (Net Interest Margin) using the effective interest method. Interest at the effective rate on financial assets at fair value through other comprehensive income is also recognised in the Net Interest Margin.

The effective interest rate (EIR) is the rate applied to discount estimated future payments and receipts over the expected lifetime of the financial instrument (or a shorter period if appropriate) to the current net carrying value of the financial asset or liability.

When determining EIR, the Bank estimates future cash flows on the basis of all the terms in the contract for the financial instrument (e.g., early repayment options) but does not consider impairment. The calculation includes commission paid/received, which is treated as an integral part of the EIR,transaction costs and all premiums and discounts directly connected with the transaction, except in the case of financial assets and liabilities at fair value through profit or loss.

Interest income recognised in profit or loss on stage 1 or 2 contracts is calculated by applying the EIR for each contract to its gross carrying value. The gross carrying value of a contract is its amortised cost before impairment. In the case of stage 3 financial assets, interest is recognised in profit or loss at net carrying value (minus impairment). Interest is always recognised on a forward-looking basis, i.e., in the case of stage 3 financial assets, on amortised cost (net of impairment) for subsequent periods.

In the case of financial assets originated or acquired with credit impairment, EIR will reflect the expected credit loss when the future cash flows expected from them are determined.

2.3.2. Guarantees given and irrevocable commitments

Financial guarantees are contracts that bind the Bank to execute payments in order to reimburse the holder of a loss incurred, as result of a debtor lacking the payment of an instalment.

Liabilities issued from financial guarantees or commitments given to grant a loan at an interest rate below the market value are initially recognised at a fair value. The initial fair value is amortised during the lifetime of the guarantee or commitment. Subsequently, the liability is recorded at the higher value between the amortised value and present value of any expected outstanding payment.

Guarantees given and irrevocable commitments are recorded in off-balance sheet accounts by the amount at risk, while interest, commission, fees, and other income are recorded in income statement over the period of the operations.

These operations are subject to impairment tests.

2.3.3. Securities repurchase agreement transactions

Securities sold with repurchase agreement (repos), at a fixed price, or for a price which is the same as the sale price plus interest inherent to the period of the operation, are recognised in the balance sheet being classified as assets given as guarantee. The corresponding liability is accounted for as deposits from other credit institutions or deposits from clients, as appropriate. The difference between the acquisition and reselling values is recognised on an accrual basis over the period of the transaction and is included in interest income or expenses.

Securities bought with resale agreement (reverse repos), at a fixed price or for a price that is equal to the purchase price plus the interest that is inherent in the operating period are not recognised in the balance sheet, with the purchase value being recorded as loans and advances to other credit institutions or clients, as appropriate. The difference between the purchase value and the resale value is treated as interest and is deferred during the validity period of the agreement, using the effective rate method. The difference between the sale and repurchase values is recognized on an accrual basis over the period of the transaction and is included in interest income or expenses.

Securities transferred through loan agreements are not derecognized in the balance sheet but are classified and accounted for in accordance with the accounting policy outlined in note 2.3.1.1. Securities received through loan agreements are not recognized in the balance sheet.

2.3.4. Equity instruments

A financial instrument is classified as an equity instrument when there is no contractual obligation to be liquidated delivering either money or financial assets to third parties, regardless of its legal form, highlighting a residual interest in entity's assets net of all its liabilities.

The cost of transaction for issuing equity instruments are recorded against the equity as a deduction from issue amount. The values paid and received for the equity instruments purchase or sale, are recognized in the equity, net of costs of transaction.

The gains from the equity instruments (dividends) are recognized when the right to receive payment is established.

2.3.5. Leases

The Bank applied IFRS 16 on the contracts celebrated or modified on or after the 1 of January 2019.

At the inception of a contract, the Bank assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an asset (the underlying asset) for a specified period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank assesses whether:

- the contract concerns the use of an identified asset – the asset could be specified in an explicit or implicit way and might be physically distinct or might represents materially the capacity of an asset physically distinct. Even if an asset is specified, the Bank has no right to use the identified asset, if the supplier has the substantive right to replace this asset during the period of use;
- the Bank has the right to obtain substantially all economic benefits by the use of the identified asset, during the period of use; and
- The Bank has the right to direct the use of an identified asset. The Bank has this right, when it can take the most important decisions to modify the way and the aim for which the asset is used, during the period of use. If the decision regarding the method of use, and the aim for which the asset is used is predefined, the Bank has the right to direct the use of the asset when:
  - The Bank has the right to use the asset (or to delegate other entities to exploit the asset in accordance with the way established by the Bank) during the period of use, and the supplier has no right to modify those instructions of exploitation; or
  - The Bank designed the asset (or specific aspects of the asset) in such a manner that establishes previously the method of use and the aim for which the asset must be used, during the period of use.

In the beginning or when revaluating, a contract which comprises a lease component, the Bank allocates the retribution of each component based on each individual price. However, for those lease contracts in which the Bank is the lessee, it decided to not set apart the "no-leasing" components, and to recognize both "no-leasing" components and leasing components, as a unique component.

2.3.5.1. As lessee

The Bank recognises a right-to-use asset or a lease liability at the lease opening date. The right-to-use asset is initially accounted for at cost, which comprises the initial value of lease liability, adjusted with all advance lease payments at or before the initial date (deducting the incentives for leases received), added any initial direct cost incurred, and estimation of dismantling cost and removal of the underlying asset, or to restore the underlying asset, or the premises in which it is located.

Subsequently, the right-to-use asset is depreciated on a straight-line basis, from the initial date to the end of its useful life, or the lease expiry, depending on which of the two expires the first. The estimated useful life of assets under the right of use is established following the same principles of tangible assets. Moreover, the right-to-use asset is periodically deducted from impairment losses, if required, and adjusted according to particular lease liabilities remeasurements.

The lease liability is initially measured by the current value of lease payments not liquidated, discounted at an implicit interest rate, if the concerned interest rate is easily calculated. If the interest rate is not easily calculated, an incremental interest rate of the Bank funding must be used. A funding incremental interest rate is a discounted rate the Bank would obtain, to get at the same maturity and with the similar collaterals, the required funds to acquire the underlying asset. Usually, the Bank considers as discount rate its funding incremental rate.

The lease payments included in the lease liabilities comprise the following payments, for the right to use the underlying assets, over the lease term, which have not been settled at the concerned date:

- fixed payments (including fixed payments in substance), minus lease incentives;
- variable payments which depend on an index or rate, initially measured by using an index or rate at initial date;
- amounts expected to be paid as collaterals for the residual value;
- the price for the year of a call option, if the Bank is reasonably sure to exercise such a call option; and
- penalties payments for the lease termination, if the lease term reflects the exercise of an option of lease termination by the Bank.

The lease liability is measured at amortized cost through the effective interest rate method. It is remeasured if a change in leasing future payment occurs, arising from a change in an index or a rate, as a result of a change in the Bank estimation of the amount expected to be paid, under a collateral of a residual value, or whenever the Bank changes its estimation of the expectation to either or not exercise a call option, an extension or a termination.

Whenever the lease liability is remeasured, the Bank recognises the amount of remeasurement of lease liability as an adjustment to the right-to-use asset. However, if the carrying amount of the right-to-use asset is reduced to zero, and if, simultaneously, there is a reduction to the lease liability measurement as well, the Bank recognises such a reduction in the profit and loss accounts.

The Bank displays the right-to-use assets which do not match to the definition of investment properties in “Other tangible Assets” and lease liabilities in “Other Liabilities” in the financial position statement.

i) Short term leases and leases of assets of low value

The standard allows the lessee to not recognize the right-to-use assets and lease liabilities with a 12 months term or less, and leases of a low value. The payments related to such leases are recognized as expenditures on a straight-line basis over the term of the contract.

The Bank chose not to apply the exemption established in IFRS 16, to recognize the right-to-use assets and lease liabilities with a 12 months term or less than 12 months, and leases of assets of low value. Therefore, the Bank recognises the expenditures related to such contracts in “Third Parties Supplies” in the income statement.

2.3.5.2. As lessor

When the Bank acts as lessor, It settles at the beginning of the lease, whether to classify the lease as operating lease or finance lease.

The Bank assesses at the beginning of each lease if it transfers substantially all risks and rewards of ownership of the underlying asset. If it transfers substantially all risks and rewards of the ownership of the underlying asset, it is classified as finance lease, otherwise it is classified as operating lease. In this assessment, the Bank takes into account some indicators, such as, if the lease covers most of the economic lifetime of the asset.

If the Bank is an intermediary lessor, it recognises its interests in the main lease and in the sublease separately. The classification of the sublease is realised according to the right-to-use asset of the original lease, and not according to the underlying asset. If the original lease is a short-term lease contract, the Bank classifies the sublease as operating lease.

If a contract has leasing and no leasing components, the Bank will apply IFRS 15 standard, to allocate the retribution established in the contract.

The Bank recognises the payments received of lease under operating leases as profits on a straight-line basis during the lease term, as part of "Third Parties Supplies".

2.3.6. Other tangible Assets

Tangible assets are stated at acquisition cost, less accumulated depreciation, and impairment losses. At the transition date to IFRS/IAS, the Bank elected to consider as cost, the value of acquisition of its tangible assets, as per the previous accounting policies, which is broadly similar to depreciated cost measured under IFRS. The cost includes expenses directly attributable to the acquisition of goods. There are ancillary costs included as well, which are incurred when tangible assets are acquired, such as, notary fees, brokerages, taxes paid.

Subsequent costs are recorded only if it is probable that future economic benefits for the Bank will stem from them. All maintenance and repair expenses are recorded in the costs, in accordance with the accrual principle.

Lands are not amortized. Depreciation of tangible assets is recorded on a straight-line basis over their estimated useful lives, which corresponds to the period the assets are expected to be available for use:

	Useful life (Years)
Premises owned	50
Improvements to leasehold premises	3-25
Computer Equipment	3
Vehicles	3
Other tangible fixed Assets	2-10

Non-recoverable expenditure on Improvements to leasehold premises are depreciated in accordance with its estimated useful life or the remaining period of the lease contract.

When there is an evidence of impairment loss in a tangible asset, IAS 36 prescribes that the recoverable amount might be assessed, and an impairment loss might be recorded whenever the net value of the asset is greater than its recoverable amount. The impairment loss is recognized in income statement. The recoverable amount is determined as the highest between the fair value of an asset, net of sale costs and its value in use, which is calculated taking into account the present value of estimated future cash flows expected to be derived from the continuous use of the asset, and its disposal at the end of its useful life.

2.3.7. Intangible assets

The Bank recognizes, in this caption, expenses relating to the development stage of projects implemented and to be implemented, as well as the cost of acquiring software, in both cases where the impact extends beyond the financial year in which the cost is incurred.

Intangible assets are amortized on a straight-line monthly basis over the estimated period of useful life of the assets which, in general, corresponds to a period of three years.

To date the Bank has not recognized any intangible assets generated internally.

2.3.8. Employee benefits

Employee benefits are accounted for as established in IAS 19, and can be classified as:

2.3.8.1. Short-term employee benefits

Employee benefits are essentially comprised of wages, salaries, and social security contributions, paid annual leave and paid sick leave, non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees.

Actually, the Bank has at its disposal short-term employee benefits only. Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services.

2.3.8.2. Post-employment benefits

Post-employment benefits can be: retirement pension and other retirement benefits, post-employment life insurance, and post-employment health care.

Actually, the Bank does not provide any specific post-employment plan for its employees. All employees are subject to the legally set retirement plan, through the State Social Security Institute (INSS).

2.3.8.3. Termination benefits

Termination benefits are the benefits provided by BCA, for employees' retirement before legal retirement.

2.3.9. Provisions and Contingent Liabilities

Provisions are recognized when: (i) the Bank has a present legal or constructive obligation (whether it is legal, or arising from past practice, politics implying the recognition of certain responsibilities); (ii) it is probable that an outflow of economic benefits will be required to settle present legal or constructive obligation, as a result of past events and (iii) a reliable estimate can be made of the amount of the obligation.

The measurement of provisions takes into account the standards defined in IAS 37, regarding the best estimate of expected cost, the most probable results of actions in progress, with consideration of risks, uncertainty inherent to the process. If the effect of discounting is material, provisions corresponding to present value of expected future payments, are discounted at a rate that considers the risk associated with the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the best estimate, being reverted through income statement in the proportion of the payments that are probable.

Provisions are derecognized through their use for the obligations for which they were initially accounted for, or for the cases that the situations were not already observed.

2.3.10. Fees and commissions income

Fees and commissions are recognized as follows:

- Fees and commissions that are earned on the execution of a significant act, such as loan syndication fees, are recognized as income during lifetime of such a significant act;
- Fees and commissions earned over the period in which the services are provided are recognized as income in the period the service is rendered;
- Fees and commissions which are an integral part of the effective interest rate of a financial instrument are recorded in income statement by the effective interest rate method.

2.3.11. Corporate Income Tax

BCA is subject to the tax regime set out in the Income Tax Code currently in force in Angola.

From 2020, under Law 26/20 of 20 July (amending the Income Tax Code enacted by Law 19/14 of 22 October), the Bank's income for the year is taxed at the rate of 35% (income tax rate for banks, previously 30%). Income tax is levied on the total amount of earnings before tax, adjusted for any additions or deductions applicable under current tax legislation. For tax purposes, the Bank is a General Regime taxpayer (formerly Group A taxpayer).

Moreover, Income Tax is paid on a provisional basis in August, in a single payment calculated as 2% of the income from banking activity for the first six months of the previous period, excluding income subject to Capital Gains Tax (IAC), regardless of whether there is any taxable income in the period or even whether there was a tax loss in the previous period. In addition, Law 26/20 of 20 July enshrined, among other amendments, the eligibility of realised foreign exchange gains and losses as income and expenses for tax purposes. Similarly, loan loss provisions and impairment allowances are eligible as expenses only for the unsecured portion of secured loans.

Income from Treasury bonds and Treasury bills issued by the Angolan State under the Framework

Law on Direct Public Debt (Law 16/02 of 5 December) and Regulatory Decrees 51/03 and 52/03 of 8 July, as well as other income obtained by the Bank that is subject to Investment Income Tax (IAC), is exempt from Income Tax under Article 47(1)(b) of the Income Tax Code, which expressly states that, in determining taxable income, any income or gains subject to IAC are to be deducted from the net income calculated in accordance with the preceding articles.

Tax returns are subject to review and correction by the tax authorities for a period of five years, which may give rise to corrections to taxable income for the years 2020 to 2024.

Property Tax

In compliance with Law 20/20 of 9 July, which introduced the new Property Tax (IP) Code and repealed the previous law, the Bank withholds at source the IP payable at the rate of 15% on income from rented properties, except for land for construction, where IP is payable at the rate of 0,6% on the land value.

IP will be payable on properties that are not being rented as follows:

- At the rate of 0,1% of the property value for properties valued at less than Kz 5 000 000;
- At a fixed amount of Kz 5 000 for properties with a value of between Kz 5 000 000 and Kz 6 000 000;
- At the rate of 0,5% of the property value in excess of Kz 5 000 000 for properties valued at more than Kz 6 000 000.

When a property is transferred with or without consideration, the taxable amount is the greater of the registered value (or the appraised value in the case of an unregistered property) and the declared value. Transfers of immovable property are subject to Property Tax at the rate of 2%, which must be charged and settled by the Bank when the Bank acts as acquirer.

The Bank is also subject to indirect taxes, namely, customs duties, stamp duty, value added tax (VAT) and other taxes.

Value Added Tax (VAT)

The VAT Code was enacted by Law 7/19 of 24 April (VAT Act), subsequently amended by Law 17/19 of 12 August, and VAT came into effect on 1 October 2019. Further changes to the VAT system, not directly reflected in the VAT Code, were made through the Law on the General State Budget for 2024 (Law 15/23 of 29 December).

Under Article 4(1)(a) of the VAT Act, the Bank, as a taxable person registered with the Large Taxpayers Office, is subject to the general VAT regime enshrined in the VAT Code.

VAT is levied on (i) supplies of goods and services for consideration within Angolan territory by a taxable person acting as such, and (ii) imports of goods.

In addition, where services are provided by a non-resident supplier, the purchaser, who is liable to VAT in Angola, must self-assess Angolan VAT when the supply is located, for VAT purposes, in Angolan territory.

Under the general VAT regime, taxable persons may, as a general rule, deduct VAT incurred on purchases of goods and services from VAT due by them, except where the right of deduction is wholly or partly limited under the VAT Code.

Some transactions confer the right to deduct (e.g. taxable supplies), whereas others do not confer that right (e.g. supplies exempt from VAT under Article 12).

As a rule, the VAT rate is 14%, which in supplies of goods and services is applied, as a general rule, to the amount of the consideration (i.e. price, fee) obtained or to be obtained by the supplier from the purchaser or a third party.

The VAT Code provides for an exemption that applies to the financial intermediation transactions listed in Annex III to the Code, with the exception of transactions that give rise to the payment of a specific, predetermined transaction fee or consideration. This exemption does not confer the right to deduct VAT incurred by the taxable person in the acquisition of goods and services through exempt transactions.

It should be noted in this context, however, that the AGT (Angolan Tax Authorities Department) has informally adopted a fairly restrictive interpretation of this exemption (in lending transactions, for example, only the loan itself is considered exempt from VAT, whereas any fees or commissions charged on the loan are subject to VAT). Given that the Bank carries out transactions that confer the right to deduct (i.e. transactions subject to VAT) and transactions that do not confer that right (i.e. financial transactions that benefit from the abovementioned exemption), the VAT incurred on purchases of goods and services is therefore only partially deductible, using the pro rata method provided for in Article 27(1) of the VAT Code.

The VAT Code designates a set of entities (including commercial banks) that are subject to the VAT withholding regime. These designated entities are required to withhold and remit to the State the VAT on invoices issued by suppliers resident in Angola. The percentage of VAT payable to be withheld is 100% in the case of oil investor companies and the State, excluding state-owned enterprises, and 50% in the case of commercial banks, Banco Nacional de Angola, insurers and reinsurers, and telecommunications operators. However, services provided by commercial banks to customers are excluded from this regime.

In addition, Instruction No. 000003/DNP/DSIVA/AGT/2020, issued by the Angolan tax authorities, clarifies that transfers of goods to captive entities for which payment is made by debit to an account, with the exception of the State, also benefit from the exemption. Examples of such situations include transfers of assets in connection with banking and financial transactions where banks debit the customer's account, namely: (i) transfers of goods under finance leases to the lessee on exercise of the agreed purchase option; and (ii) sales of point-of-sale (POS) terminals where banks provide card acceptance services to their customers.

In this context, given that the Bank carries out transactions that confer the right to deduct (i.e. transactions subject to VAT) and transactions that do not confer that right (i.e. transactions that are exempt from VAT as set out above), the VAT incurred on purchases of goods and services is only partially deductible, using the pro rata method.

Nevertheless, under Article 27(2) of the VAT Code, the Bank, as a general regime taxpayer, may adopt the actual use method for VAT incurred on goods intended for sale. This method of deduction allows the taxpayer to deduct the full amount of input tax paid on supplies of goods in transactions that confer the right to deduct but excludes the possibility of deducting input tax paid in transactions that do not confer that right, in accordance with Articles 22 and 24 of the VAT Code.

Goods whose tax may be deducted under the actual use method are subject to prior authorization by the AGT. Additionally, the abovementioned Instruction 000003/DNP/DSIVA/AGT/2020 stipulates that financial institutions may adopt the actual use method for deducting VAT on supplies of goods and services "used exclusively" for:

i) Finance lease transactions;

ii) Financial transactions carried out by entities with no headquarters or permanent establishment in Angola ("correspondent banks") for Angolan banks;

iii) Transactions covered by Article 6(3) of the VAT Code, namely, recharges of goods or services purchased by banks on behalf of third parties, who are billed for the goods or services in question with a view to obtaining reimbursement.

For the purposes of deducting VAT under the abovementioned method, financial institutions must send an official notice to the VAT Services Department requesting a change to the declaration of commencement of business and must meet the requirements set out in the VAT Code as regards the keeping of accounting records of transactions, so that checks can be carried out on the transactions for which input tax has been deducted in accordance with the actual use method.

Capital Gains Tax (IAC)

Presidential Legislative Decree 2/14 of 20 October introduced various amendments to the IAC Code, in line with the tax reform.

IAC is payable, in general, on income from the Bank's financial investments, namely gains from investments, liquidity-providing operations and interest on Central Bank securities.

The general rate is 10%, but a reduced rate of 5% (on returns from public debt securities with a maturity of three years or more) or a rate of 15% may be applied. Under Article 47(b) of the IAC

Code, income subject to IAC is to be deducted from taxable income for Income Tax purposes.

However, as regards income from public debt securities, according to the latest opinion issued to ABANC by the AGT (letter with reference 196/DGC/AGT/2016, dated 17 May 2016), only income from public debt securities issued on or after 1 January 2012 is subject to IAC.

It should also be noted that, according to the tax authorities, income from foreign exchange gains on local currency public debt securities linked to foreign currency issued since 1 January 2012 is subject to Income Tax.

Deferred Tax

Deferred taxes are calculated in accordance with the liabilities method on the basis of the balance sheet, in respect of temporary differences between the accounting values of assets and liabilities and their fiscal basis, using the rates of tax approved or substantially approved at the balance sheet date in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax liabilities are recognized for all taxable temporary differences, except for goodwill, not deductible for tax purposes, differences arising on initial recognition of assets and liabilities that affects 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 recognized 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 compensates, as established in IAS 12, paragraph 74 the deferred tax assets and liabilities if, and only if: (i) has a legally enforceable right to set off current tax assets against current tax liabilities; and (ii) the deferred tax assets and the deferred tax liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize assets and settle liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Stamp Duty

Stamp Duty is generally levied on all acts, contracts, documents, securities, operations and other acts 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 no. 3/14, of 21 October, the Bank is responsible for the payment of Stamp Duty due by its clients in most banking operations, such as financing and collection of interest on financing, and the Bank shall proceed to pay the tax, in accordance with the rates set out in the Stamp Duty Table.

Corporate Tax

In accordance with the provisions of Article 67 of Law 19/14 of 22 October, amended by Law 26/20 of 20 July, the provision of services of any nature provided by taxpayers with effective location or permanent commercial office in Angola are subject to taxation by tax withholding at a rate of 6,5%.

On the other hand, in accordance with the provisions of articles 71 and following articles of Law no. 19/14, of 22 October, amended by Law no. 26/20, of 20 July, the provision of services of any nature provided by taxpayers without head office, effective location or permanent commercial office in Angola, which carry out service provision activities of any nature without effective location or permanent commercial office in Angola, are subject to the payment of Corporate Tax and the imposition of a withholding tax rate of 6,50% (As per Law no. 28/22, of 22 August, which replaced the 15% tax rate established by Laws 19/14 and 26/20).

In the case of payments for services made to institutions with offices in Portugal and in the United Arab Emirates, there is the possibility of applying Double Taxation Agreements ("DTA") and, as such, it may be possible to apply a lower withholding tax rate (5%), provided the necessary formalities are fulfilled.

Special Contribution on Foreign Exchange Transactions ('CEOC')

The Special Contribution on Foreign Exchange Transactions (Portuguese acronym: "CEOC"), laid down by Law No. 15/23 dated 29th December, is levied on transfers made under contracts for the provision of services, technical assistance, consultancy and management, as well as capital transactions and unilateral transfers. Transfers for the payment of health and education expenses are excluded from this scope, provided they are made directly to the health or education institution, as well as transfers of dividends or repayments of borrowed capital, including the corresponding interest. The applicable rate on the transfer amount is 2,5% for single persons and 10% for legal persons.

2.3.12. Cash and cash equivalent

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than ninety days' maturity from the balance sheet date, including balances at other credit institutions.

2.3.13. Dividends received

The dividends (income from equity instruments) are recognized when the right to receive such payment is established. Dividends are recorded in results of financial operations, net profits of other financial instruments at fair value through profit or loss, or in other income, depending on the classification of the instrument underlying them.

2.3.14. Results of financial operations

Results in financial operations include gains and losses arising from financial assets and financial liabilities at fair value through profit and loss, of the trading portfolio.

This caption also includes the gains and losses arising from the sale of financial assets at fair value through other comprehensive income and financial assets held to maturity. The changes in fair value of hedging derivatives and hedged items, when fair value hedge is applicable, are also recognized in this caption.

2.3.15. Earnings per share

Basic earnings per share (note 28) are calculated by dividing net profit attributable to shareholders of the Bank, by the weighted average number of ordinary shares outstanding during the year, excluding the average number of ordinary shares purchased by the Bank and held as treasury stock. At 31 December 2024, the Bank had 1 125 000 own shares held as treasury stock (note 17).

For the diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted to consider conversion of all dilutive potential ordinary shares. Potential or contingent share issues are treated as dilutive when their conversion to shares decreases net earnings per share.

If the earnings per share are changed as a result of an issue with premium or discount or other event that changed the potential number of ordinary shares or as a result of changes in the accounting policies, the earnings per share for all presented periods should be adjusted retrospectively.

2.3.16. Main estimates and uncertainties associated with the application of accounting policies

IFRS set forth a range of accounting treatments that require the Board of Directors and management to apply judgment and make estimates in deciding which treatment is most appropriate. The most significant of these accounting policies are discussed in this section in order to improve understanding of how their application affects the Bank's reported results and related disclosure.

Considering that in some cases there are several alternatives to the accounting treatment chosen by the Board of Directors, the Bank's 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 present the Bank's financial position and results fairly in all material aspects.

The alternative outcomes discussed below are presented solely to assist the reader in understanding the financial statements and are not intended to suggest that other alternatives or estimates would be more appropriate.

2.3.16.1. Impairment losses on loan portfolio

The Bank reviews its loan portfolios to assess impairment losses on a regular basis, as described in note 2.3.1.1.4.

The evaluation process in determining whether an impairment loss should be recorded in the income statement is subject to numerous estimates and judgments. The probability of default, risk ratings, value of associated collaterals recovery rates and the estimation of both the amount and timing of future cash flows, among other things, are considered in making this evaluation.

Alternative methodologies and the use of different assumptions and estimates could result in a different level of impairment losses with a consequent impact in the consolidated income statement of the Bank.

2.3.16.2. Fair value of financial instruments

Fair values are based on listed market prices if available, otherwise fair value is determined either by dealer price quotations (either for that transaction or for similar instruments traded) or by pricing models, based on net present value of estimated future cash flows which take into account market conditions for the underlying instruments, time value, yield curve and volatility factors in conformity with IFRS 13 – Fair Value. These pricing models may require assumptions or judgments in estimating their values.

Consequently, the use of a different model or of different assumptions or judgments in applying a particular model could result in different financial results for a particular period.

3. CASH AND BALANCES AT CENTRAL BANKS

This item, at 31 December 2024 and 2023, had the following composition:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Cash				
- Local currency	4 638 135	5 086	3 479 364	4 198
- Foreign currency	3 206 187	3 516	2 872 207	3 466
	7 844 322	**8 602**	**6 351 571**	**7 664**
Balances at the Central Bank of Angola (BNA)				
- Local currency	16 314 342	17 888	11 936 832	14 402
- Foreign currency	3 102 594	3 402	2 902 430	3 502
	19 416 936	**21 290**	**14 839 262**	**17 904**
	27 261 258	**29 892**	**21 190 833**	**25 568**

The heading deposits at the BNA [Cash and Balances at Central Banks and Other Credit Institutions] is made up of deposits (in local and foreign currencies) intended to assure compliance with the minimum statutory reserves requirements and free reserves.

Directive 04/DME/2024, dated 17th June, which supplements Instruction No. 06/2024, dated 12th June, sets out the statutory reserve ratio ('SRR') in local currency at 21% (vs. 2023: Directive 12/DME/2023, dated 28th November, which supplements Instruction No. 04/2023 – SRR ratio for local currency – 18%), to be met in full through balances of deposits in local currency held with the Central Bank of Angola (BNA). The statutory reserve ratio for compliance with regulatory reserves thresholds in foreign currency, consistent with Directive 12/DME/2023, remains unchanged at 22%. Statutory reserves in foreign currency are fully met through foreign currency deposit balances held with the BNA. On the other hand, Instruction No. 06/2024 offers the possibility of deducting the local currency reserve requirement by the total updated value of loans granted to the real economy, as laid down in Notice No. 10/2022.

The calculation basis and compliance frequency for statutory reserves, previously fortnightly under Directive 12/DME/2023, became monthly following the entry into force of Directive 04/DME/2024.

On 20th December 2024, the BNA issued Directive No. 09/2024 which outlines the requirements for the calculation and compliance of statutory reserves. This Directive establishes that treasury bonds denominated in foreign currency (TB-FC), issued after the directive's publication date and held in BCA's proprietary portfolio as recorded in SIGMA, are eligible for compliance with SRRs denominated in foreign currency, up to a maximum of 50% of the effective requirement. Mandatory compliance with this Directive began in January 2025.

The coefficients for compliance with minimum statutory reserves on 31 December 2024 and 2023 were:

	2024 Instruction n° 04/2023 Directive 04/DME/2024		2023 Instruction n° 04/2023 Directive 12/DME/2024	
	LCY	FCY	LCY	FCY
Coefficients of Statutory Reserves				
- Central Government	21%	100%	18%	100%
- Local Governments and municipalities	21%	100%	18%	100%
- Other Sectors	21%	22%	18%	22%

The balance of Deposits at the Central Bank on 31 December 2024, both in local and foreign currencies, are aimed at meeting the requirements of minimum statutory reserves and are also usable for the weekly purchases of foreign currency and are not remunerated.

On 31st December 2024 and 2023, the requirement to maintain minimum statutory reserves in demand deposits with the BNA, calculated by applying the above-mentioned coefficients, is summarized as follows:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Statutory Reserves				
- Local Currency	14 471 752	15 868	10 837 328	13 076
- Foreign Currency	3 102 594	3 402	2 902 430	3 502
	17 574 346	**19 270**	**13 739 758**	**16 578**

The above-mentioned statutory reserve requirements were calculated based on the average daily deposit balances over a month (vs. 2023: a fortnight). Their validity period was fortnightly over the course of 2023 and became monthly as of June 2024. BCA does not hold deposits from central, local or municipal governments.

4. BALANCES AT OTHER CREDIT INSTITUTIONS

This item, at 31 December 2024 and 2023, had the following composition:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
NOSTRO accounts	1 185 948	1 300	1 152 989	1 391
Pending operations	-	-	148 956	180
	1 185 948	**1 300**	**1 301 945**	**1 571**
Impairment	(309)	-	(7)	-
	1 185 639	**1 300**	**1 301 938**	**1 571**

The amount of 148 956 thousand Kwanzas recorded in Pending Operations in 2023 referred to the clearing system managed by EMIS.

NOSTRO accounts had the following breakdown:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
First Rand Bank	414 228	454	741 745	895
BPI - Portugal	403 054	442	76 720	93
Atlântico Europa – Portugal	203 310	223	123 127	148
AKTIF Bank – Turkey	113 533	125	18 506	22
Banque du Commerce et Placement – Portugal	27 557	30	14 241	17
ACCESS Bank UK Limited	19 364	21	19 183	23
BYBLOS Bank	4 902	5	4 702	6
Natixis Banques Populaires	-	-	154 765	187
	1 185 948	**1 300**	**1 152 989**	**1 391**

The movement of impairment losses on Balances at Other Credit Institutions during 2024, was:

Captions	2024 Kz'000	2023 Kz'000
Opening balance	**7**	**10**
Reinforcements	669	44
Deductions	(366)	(48)
Impairment losses for the year	303	(4)
Exchange rate changes and others	(1)	1
Closing balance	**309**	**7**

The calculation of Impairment losses method is described in note 2.3.1.1.6.3.

5. PLACEMENTS WITH CENTRAL BANK AND OTHER CREDIT INSTITUTIONS

This item, at 31 December 2024 and 2023, had the following composition:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Placements with local banks				
- Capital	18 817 049	20 632	8 644 768	10 431
- Accrued interests	369 955	405	21 091	25
	19 187 004	**21 037**	**8 665 859**	**10 456**
Placements with foreign banks				
- Capital	9 612 480	10 540	6 363 195	7 678
- Accrued interests	59 003	65	81 412	98
	9 671 483	**10 605**	**6 444 607**	**7 776**
(-) Accumulated impairment losses	(1 770)	(1)	(1 334)	(2)
	28 856 717	**31 641**	**15 109 132**	**18 230**

The residual maturities profile, at 31 December 2024 and 2023, was as follows:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Up to 3 days	19 076 993	20 917	6 960 994	8 400
4 to 15 days	4 614 951	5 060	1 330 829	1 605
16 to 30 days	-	-	1 860 480	2 245
31 to 45 days	918 900	1 008	846 571	1 021
More than 45 days	4 245 873	4 656	4 110 258	4 959
	28 856 717	**31 641**	**15 109 132**	**18 230**

The interest rate of placements at 31 December 2024 was as follows:

- Kz – 22,43% (2023: 6,55%);
- USD – 4,30% (2023: 5,21%);
- EUR – 2023: 2,50%.

All exposures of placements with foreign banks that fall under this heading are in stage 1.

The movement of impairment losses on placements with other credit institutions during the year 2024 is shown below:

Captions	2024 Kz'000	2023 Kz'000
Opening balance for the current year	**1 334**	**5 025**
Reinforcements	10 547	14 166
Deductions	(10 111)	(17 857)
Impairment losses for the year	436	(3 691)
Closing balance	**1 770**	**1 334**

The calculation of Impairment losses method is described in note 2.3.1.1.6.3.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

On the 31 December 2024 and 2023, the trading and investment securities were classified as “Financial assets at fair value through other comprehensive income” (and are thefore managed by a Securities Broker-Dealer Company – SDVM), in accordance with the accounting policy described in note 2.3.1.1.1.2. They were as displayed below:

2024						
Kz'000	Buying Costs	Capital Revaluation	Premium/ Discount	Fair Value Reserve	Deferred Profits	Balance
Treasury bills – LCY	2 400 000	-	(231 543)	(12 000)	-	2 156 457
Treasury bonds – LCY:						
- Non adjustable	47 529 910	-	(79 914)	2 116 948	2 410 767	51 977 711
Treasury bonds – FCY:						
- EUROBONDs	4 040 367	2 095 569	(127 456)	(71 218)	47 844	5 985 106
Shares at EMIS (LCY)[5]	158 213	-	-	275 830	-	434 043
	54 128 490	**2 095 569**	**(438 913)**	**2 309 560**	**2 458 611**	**60 553 317**

2023						
Kz'000	Buying Costs	Capital Revaluation	Premium/ Discount	Fair Value Reserve	Deferred Profits	Balance
Treasury bills – LCY	7 800 000	-	(611 094)	186 296	-	7 375 202
Treasury bonds – LCY:						
- Non adjustable	58 251 500	-	174 503	3 188 104	3 060 013	64 674 120
Treasury bonds – FCY:						
- EUROBONDs	3 128 367	1 619 000	(141 693)	(150 908)	32 763	4 487 529
Shares at EMIS (LCY)	124 709	-	-	175 090	-	299 799
	69 304 576	**1 619 000**	**(578 284)**	**3 398 582**	**3 092 776**	**76 836 650**

2024						
USD'000	Buying Costs	Capital Revaluation	Premium/ Discount	Fair Value Reserve	Deferred Profits	Balance
Treasury Bills – LCY	2 632	-	(254)	(13)	-	2 365
Treasury Bonds – LCY:						
- Non adjustable	52 117	-	(88)	2 321	2 644	56 994
Treasury Bonds – LCY:						
- EUROBONDs	6 728	-	(140)	(78)	52	6 562
Shares at EMIS (LCY)	173	-	-	302	-	475
	61 650	**-**	**(482)**	**2 532**	**2 696**	**66 396**

2023						
USD'000	Buying Costs	Capital Revaluation	Premium/ Discount	Fair Value Reserve	Deferred Profits	Balance
Treasury Bills – LCY	9 411	-	(737)	225	-	8 899
Treasury Bonds – LCY:						
- Non adjustable	70 283	-	211	3 846	3 692	78 032
Treasury Bonds – LCY:						
- EUROBONDs	5 728	-	(171)	(182)	40	5 415
Shares at EMIS (LCY)	150	-	-	212	-	362
	85 572	**-**	**(697)**	**4 101**	**3 732**	**92 708**

[5] For the valuation of BCA's shareholding in EMIS, the Bank considers the equity method to be the best approach to fair value

Over the course of financial year 2023 ('FY2023'), BCA underwent a tax audit concerning the Special Contribution on FX operations ('CEOCIC') for the financial years 2018 to 2020. As a result of this tax audit, the General Tax Authority (Portuguese acronym: 'AGT') imposed a fine on the financial institution (BCA). Consequently, within the scope of Article 66 of the General Tax Code, in conjunction with Article 43 of the Tax Enforcement Code, BCA provided a suitable guarantee for its non-adjustable liabilities, totalling AOA 1.2 billion. This guarantee was issued to cancel any suspensive effect of the administrative complaint submitted by the Bank to the General Tax Authority ('AGT').

In relation to this matter, BCA's Board of Directors determined that no provision should be made for the contingency because, as similar to a comparable case that occurred in the financial year 2022, BCA clients reimbursed the Bank the amounts corresponding to the fine imposed on BCA during the first quarter of 2024 ('Q1 2024').

The fines imposed from the tax audits carried out in 2023 and 2022 have been fully settled.

During the financial year 2024 ('FY2024'), BCA was not subject to any tax audits.

The Bank uses Level 1, Level 2, and Level 3 data in assessing the fair value of the investment securities portfolio at each measurement date.

- Level 1 data - for investment securities in local currency and quoted on BODIVA, unadjusted BODIVA prices are used. For EUROBONDs, unadjusted prices taken directly from Reuters are used;
- Level 2 data - for investment securities either in local currency or in foreign currency, without the last available price on BODIVA or whose last available price on this market is from a distant time from the measurement date, the Bank uses a yield curve that considers only yields observable at or close to the measurement date.
- Level 3 data - fair value is based on inputs that are unobservable in active markets, using techniques and assumptions that market players would use to value the same instruments, including assumptions about inherent risks, the valuation technique used and the inputs used. In the specific case of EMIS, the bank considers the equity method to be the best approach to the fair value of the asset in question.

In addition, BCA's supplementary contributions to EMIS were updated at the USD/Kz exchange rate and incorporated in BCA's share capital.

For the valuation of BCA's shareholding in EMIS, the Bank considers the equity method to be the best approach to fair value.

The grading of assets at fair value through other comprehensive income, by type of valuation, is as follows:

	2024			
Kz'000	Fair value valuation	Amortised cost valuation	Historic cost valuation	Net value
Treasury bills – LCY	2 156 457	-	-	2 156 457
Treasury bonds – LCY:				
- Non adjustable	51 977 711	-	-	51 977 711
Treasury bonds – FCY:				
- EUROBONDs	5 985 106	-	-	5 985 106
Shares at EMIS (LCY)	434 043	-	-	434 043
	60 553 317	**-**	**-**	**60 553 317**

	2024			
USD'000	Fair value valuation	Amortised cost valuation	Historic cost valuation	Net value
Treasury bills – LCY	2 365	-	-	2 365
Treasury bonds – LCY:				
- Non adjustable	56 994	-	-	56 994
Treasury bonds – FCY:				
- EUROBONDs	6 562	-	-	6 562
Shares at EMIS (LCY)	475	-	-	475
	66 396	**-**	**-**	**66 396**

2023				
Kz'000	Fair value valuation	Amortised cost valuation	Historic cost valuation	Net value
Treasury bills – LCY	7 375 202	-	-	7 375 202
Treasury bonds – LCY:				
- Non adjustable	64 674 120	-	-	64 674 120
Treasury bonds – FCY:				
- EUROBONDs	4 487 529	-	-	4 487 529
Shares at EMIS (LCY)	299 799	-	-	299 799
	76 836 650	**-**	**-**	**76 836 650**

2023				
USD'000	Fair value valuation	Amortised cost valuation	Historic cost valuation	Net value
Treasury bills – LCY	8 899	-	-	8 899
Treasury bonds – LCY:				
- Non adjustable	78 032	-	-	78 032
Treasury bonds – FCY:				
- EUROBONDs	5 415	-	-	5 415
Shares at EMIS (LCY)	362	-	-	362
	92 708	**-**	**-**	**92 708**

The whole portfolio of financial assets at fair value through other comprehensive income by stage, both in 2024 and 2023 was classified at stage 1.

Losses and gains associated with changes in the fair value of financial assets at fair value through other comprehensive income, not recognized in the income statement, were as follows:

2024 Losses/(Gains) associated with the fair value, recognised in the Revaluation Reserves			
Kz'000	Fair value reserve	Deferred tax (35%)	Net Loss/gains recorded in other comprehensive income
Treasury bills - LCY	(12 000)	4 200	(7 800)
Treasury bonds - LCY			
- Non adjustable	2 116 948	(740 931)	1 376 016
Treasury bonds in USD			
- EUROBONDs	(71 218)	24 926	(46 292)
Shares at EMIS (LCY)	275 830	(96 541)	179 289
	2 309 560	**(808 346)**	**1 501 214**

2023 Losses/(Gains) associated with the fair value, recognised in the Revaluation Reserves			
Kz'000	Fair value reserve	Deferred tax (35%)	Net Loss/gains recorded in other comprehensive income
Treasury bills - LCY	186 296	(65 204)	121 092
Treasury bonds - LCY			
- Non adjustable	3 188 104	(1 115 836)	2 072 268
Treasury bonds in USD			
- EUROBONDs	(150 908)	52 818	(98 090)
Shares at EMIS (LCY)	175 090	(61 282)	113 809
	3 398 582	**(1 189 504)**	**2 209 078**

The maturity profile of the above-mentioned trading and investment securities is as follows:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Treasury bills				
Up to 6 months	-	-	3 333 944	4 023
From 6 months to 1 year	2 156 457	2 365	4 041 258	4 876
	2 156 457	**2 365**	**7 375 202**	**8 899**
Treasury bonds:				
Up to 6 months	3 538 089	3 879	14 966 503	18 058
From 6 months to 1 year	4 113 595	4 511	15 321 493	18 486
From 1 year to 3 years	14 103 166	15 464	15 477 662	18 675
More than 3 years	36 207 967	39 702	23 395 991	28 228
	57 962 817	**63 556**	**69 161 649**	**83 447**
Shares at EMIS:				
Unlimited term	434 043	475	299 799	362
	434 043	**475**	**299 799**	**362**
	60 553 317	**66 396**	**76 836 650**	**92 708**

The average interest rates are displayed below:

Captions	2024	2023
	%	%
Treasury bills	19,00	12,39
Treasury bonds – non adjustable	17,83	16,78
Treasury bonds in USD – EUROBONDs	9,08	8,88

As for geographic concentration, the BCA financial assets were all issued by resident entities.

The movement of impairment losses on Financial Assets through Other Comprehensive Income during the year 2024 is shown below:

Captions	2024 Kz'000	2023 Kz'000
Opening balance for the current year	**807 101**	**669 615**
Reinforcements	242 430	208 164
Deductions	(204 908)	(70 678)
Impairment losses for the year	37 522	137 486
Closing balance	**844 623**	**807 101**

7. LOANS AND ADVANCES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Internal Loans				
- Loans	12 257 325	13 441	7 906 677	9 540
- Overdrafts	4 698 093	5 151	996 596	1 203
- Credit Cards	72 395	79	68 984	83
Non-performing Loans and Interest	268 651	295	223 025	269
Accrued interest				
- Overdrafts	78 471	86	13 398	16
- Loans and other loans	105 133	115	56 274	68
	17 480 068	19 167	9 264 954	11 179
Impairment losses on loans	(935 532)	(1 026)	(584 020)	(705)
	16 544 536	**18 141**	**8 680 934**	**10 474**

The impairment losses on loans are calculated in accordance with the accounting policy No. 2.3.1.1.4.

The basic principles that BCA is using in granting loans and advances are as follow:

The basic principles that BCA is using in granting loans and advances are as follow:

- Granting of loans is subject to a rigorous process which ensures the accomplishment of the defined strategy and the regulatory laws issued by the central bank;

- In the credit risk assessment and evaluation process the bank takes into consideration the marginal effect of each loan on the whole loans and advances portfolio, the industry/sector limits, and the financial stability of the customer;

- In order to mitigate the credit risk, especially in ensuring the reduction of losses resulting from the loan granting process, the board of directors has emphasised the need for continuous improvement of the internal control environment and credit risk governance and hence approved the constitution of a Loan Recovery Committee in this regard.

Loans and advances are subject of a greater supervisory approach. Their size and typology provide for the opportunity of significant concentration levels, requiring a particular consideration at risk management level, in a transversal way.

At 31 December 2024 and 2023 the bank major customer represented 20,83% and 24,46% of the loan portfolio, respectively. The total of the top twenty customers represented in those dates 71,18% and 53,57% of the loan portfolio, respectively.

At 31 December 2024 and 2023 the loans granted to the bank shareholders or to companies managed by them was 154 604 thousand Kwanzas and 46 561 thousand Kwanzas, respectively. The note 30 analyses in detail the transactions with related parties.

At 31 December 2024, the annual average loans interest rate (excluding the advances) was 19,24%, (2023: 19,10%) for loans conceded in local currency – 7,00% (2023: 7,00%) for loans granted in foreign currency.

Loans granted in foreign currency were disbursed in previous years. There are no new loans granted in foreign currency, since the entry into force of the Notice 3/2012, which partially banned the granting of loans in foreign currency, and at a later date, the Notice 11/2014, which banned totally the granting of loans in foreign currency, with the exception of the Angolan State and the exporters (Art°8, n°2 and n°3).

The increase in overdraft is due to loans granted to some very good clients.

At 31 December 2024 and 2023, the maturity profile of loans and advances was:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Loans and advances In foreign currency:				
Up to 1 year	2 117	2	1 716	2
More than 5 years	-	-	-	-
	2 117	**2**	**1 716**	**2**
In local currency:				
Up to 1 year	5 624 111	6 167	1 506 362	1 818
1 year to 5 years	6 761 020	7 413	6 382 795	7 701
More than 5 years	316 256	347	364 087	439
Advances	4 776 564	5 238	1 009 994	1 219
	17 477 951	19 165	9 263 238	11 177
	17 480 068	**19 167**	**9 264 954**	**11 179**

For the financial years of 2024 and 2023, bad debts have been deducted from the assets by use of Impairment losses on loans, which were rated at stage 3, amounting to 13 990 thousand of Kwanzas and 449 493 thousand of Kwanzas, respectively.

The composition of loans and advances to clients at 31 December 2024 and 31 December 2023 was as follows:

2024 Loans and Advances to Clients							
			Non-performing loans and advances				
Kz'000	Performing off-balance	Performing in-balance	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	Total
Without impairment	-	1 403 355	-	-	-	-	1 403 355
With impairment analysed on individual basis	-	-	-	-	-	-	-
- Loans and interests	-	-	-	-	-	41 256	41 256
- Impairment	-	-	-	-	-	(41 256)	(41 256)
With impairment analysed on collective basis	**2 644 056**	**15 116 303**	**437**	**11 758**	**12 683**	-	**17 781 337**
- Loans and interests	2 646 417	15 808 062	4 188	22 050	62 047	139 110	18 681 874
- Impairment	(2 361)	(691 759)	(3 751)	(10 292)	(49 364)	(139 110)	(896 637)
	2 644 056	**16 519 658**	**437**	**11 758**	**12 683**	-	**19 188 592**

In 2021 there was a change in the methodology for calculating impairment losses on loans portfolio: only loans analysed individually in stage 3 determine impairment in individual analysis. If the individual analysis results in stage 1 or stage 2, the loans are impaired using the collective model. Accordingly, loans due as at 31st December 2024, amounting to Kz 41 256 thousand (vs. 31st December 2023: Kz 64 117 thousand), for which no impairment was recognised on an individual basis, were subjected to collective assessment.

The maturing on-balance sheet exposures without impairments correspond to loans whose real guarantees provided fully cover of the financial exposure.

2023 Loans and Advances to Clients			Non-performing loans and advances				
Kz'000	Performing off-balance	Performing in-balance	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	Total
Without impairment	-	-	-	-	-	-	-
With impairment analysed on individual basis	-	-	8 995	-	-	4 125	13 120
- Loans and interests	-	-	35 981	-	-	41 256	77 237
- Impairment	-	-	(26 986)	-	-	(37 131)	(64 117)
With impairment analysed on collective basis	4 977 269	8 660 822	1 788	611	4 593	-	13 645 083
- Loans and interests	4 983 526	9 041 929	4 932	5 485	31 800	103 571	14 171 243
- Impairment	(6 257)	(381 107)	(3 144)	(4 874)	(27 207)	(103 571)	(526 160)
	4 977 269	**8 660 822**	**10 783**	**611**	**4 593**	**4 125**	**13 658 203**

The composition of the performing Loans and Advances without signs of impairment, at 31 December 2024 and 31 December 2023 was as follows:

2024 Loans and Advances to Clients	Maturity Profile for Performing Loans and Advances				
Kz'000	Up to 30 Days	30 to 90 Days	90 to 180 Days	More than 180 Days	Total
Performing Loans and Interest					
Without Impairment on an individual basis analysis	-	-	-	-	-
Without Impairment on a collective basis analysis	8 397 120	9 087	164 467	8 640 743	17 211 417
	8 397 120	**9 087**	**164 467**	**8 640 743**	**17 211 417**

2023 Loans and Advances to Clients	Maturity Profile for Performing Loans and Advances				
Kz'000	Up to 30 Days	30 to 90 Days	90 to 180 Days	More than 180 Days	Total
Performing Loans and Interest					
Without Impairment on an individual basis analysis	-	-	-	-	-
Without Impairment on a collective basis analysis	1 173 504	17 500	26 539	7 824 386	9 041 929
	1 173 504	**17 500**	**26 539**	**7 824 386**	**9 041 929**

The composition of non-performing Loans and Advances with impairment signs, at 31 December 2024 and 31 December 2023 was as follows:

2024 Loans and Advances					
	Non-Performing Classes – Non-Performing Loans				
Kz'000	Up to 30 Days	30 to 90 Days	90 to 180 Days	More than 180 Days	Total
Non-Performing Loans and Interest					
With Impairment on an individual basis analysis	-	-	-	41 256	41 256
With Impairment on a collective basis analysis	4 188	22 050	5 150	196 007	227 395
	4 188	**22 050**	**5 150**	**237 263**	**268 651**

2023 Loans and Advances					
	Non-Performing Classes – Non-Performing Loans				
Kz'000	Up to 30 Days	30 to 90 Days	90 to 180 Days	More than 180 Days	Total
Non-Performing Loans and Interest					
With Impairment on an individual basis analysis	35 981	-	-	41 256	77 237
With Impairment on a collective basis analysis	43 106	1 913	2 138	98 631	145 788
	79 087	**1 913**	**2 138**	**139 887**	**223 025**

The analysis of loans and advances exposures and the related impairment, composed by segment, in 2024 was:

	Loans Exposures – 2024 Kz'000			Impairment – 2024 Kz'000		
Segment	Total	Performing Loans	Non-Performing Loans	Total	Performing Loans	Non-Performing Loans
Car Loans	1 534	-	1 534	1 534	-	1 534
Consumer Credit	239 762	160 155	79 607	91 511	13 612	77 899
Pre-Approved Loans	12 228	9 693	2 535	2 928	393	2 535
Employees Loans	504 430	504 430	-	4 397	4 397	-
Enterprises Protocol	4 469 942	4 331 028	138 914	335 200	215 105	120 095
Overdrafts / Advances	4 776 564	4 732 555	44 009	310 017	270 359	39 658
Corporate Loans	7 403 213	7 401 161	2 052	184 391	182 339	2 052
Credit Cards	72 395	72 395	-	5 554	5 554	-
	17 480 068	**17 211 417**	**268 651**	**935 532**	**691 759**	**243 773**

The analysis of loans and advances exposures and the related impairment, composed by segment, in 2023 was:

	Loans Exposures – 2023 Kz'000			Impairment – 2023 Kz'000		
Segment	**Total**	**Performing Loans**	**Non-Performing Loans**	**Total**	**Performing Loans**	**Non-Performing Loans**
Car Loans	1 534	-	1 534	1 534	-	1 534
Consumer Credit	204 207	151 024	53 183	58 333	5 150	53 183
Pre-Approved Loans	2 604	-	2 604	2 604	-	2 604
Employees Loans	630 035	630 035	-	8 934	8 934	-
Enterprises Protocol	3 730 715	3 598 814	131 901	210 338	98 206	112 132
Overdrafts / Advances	1 009 994	978 662	31 332	72 187	41 198	30 989
Corporate Loans	3 616 881	3 614 410	2 471	198 808	196 337	2 471
Credit Cards	68 984	68 984	-	31 282	31 282	-
	9 264 954	**9 041 929**	**223 025**	**584 020**	**381 107**	**202 913**

The exposure by segment and by stage for the year ended 31 December 2024, was:

	Stage 1			
Kz'000				
Segment	**Total Exposure**	**Total Loans and Advances in stage 1**	**Of which healed**	**Of which restructured**
Car Loans	1 534	-	-	-
Consumer Credit	239 762	119 940	508	-
Pre-Approved Loans	12 228	9 693	-	-
Employees Loans	504 430	504 430	-	-
Enterprises Protocol	4 469 942	4 249 005	-	-
Overdrafts / Advances	4 776 564	3 247 410	243	-
Corporate Loans	7 403 213	7 343 654	-	-
Credit Cards	72 395	72 395	-	-
	17 480 068	**15 546 527**	**751**	**-**

Stage 2				
Kz'000				
Segment	**Total Loans and Advances in stage 2**	**Of which healed**	**Of which restructured**	**Of which acquired or originated through impairment losses on loans and advances**
Car Loans	-	-	-	-
Consumer Credit	40 215	34 906	-	-
Pre-Approved Loans	-	-	-	-
Employees Loans	-	-	-	-
Enterprises Protocol	82 023	-	-	-
Overdrafts / Advances	1 485 145	-	-	-
Corporate Loans	57 507	-	-	-
Credit Cards	-	-	-	-
	1 664 890	**34 906**	**-**	**-**

Stage 3				
Kz'000				
Segment	**Total Loans and advances in stage 3**	**Of which healed**	**Of which restructured**	**Of which acquired or originated through impairment losses on loans and advances**
Car Loans	1 534	-	-	-
Consumer Credit	79 607	-	-	-
Pre-Approved Loans	2 535	-	-	-
Employees Loans	-	-	-	-
Enterprises Protocol	138 914	-	-	-
Overdrafts / Advances	44 009	-	-	-
Corporate Loans	2 052	-	-	-
Credit Cards	-	-	-	-
	268 651	**-**	**-**	**-**

The impairment losses by segment and by stage for the year ended 31 December 2024, was:

Kz'000 Segment	Total Impairment losses	Stage 1	Stage 2	Stage 3
Car Loans	1 534	-	-	1 534
Consumer Credit	91 511	3 500	10 112	77 899
Pre-Approved Loans	2 928	393	-	2 535
Employees Loans	4 397	4 397	-	-
Enterprises Protocol	335 200	188 461	26 644	120 095
Overdrafts / Advances	310 017	152 959	117 400	39 658
Corporate Loans	184 391	180 485	1 854	2 052
Credit Cards	5 554	5 554	-	-
	935 532	**535 749**	**156 010**	**243 773**

The exposure by segment and by stage for the year ended 31 December 2023, was:

	Stage 1			
Kz'000 **Segment**	**Total Exposure**	**Total Loans and Advances in stage 1**	**Of which healed**	**Of which restructured**
Car Loans	1 534	-	-	-
Consumer Credit	204 207	141 506	13 327	-
Pre-Approved Loans	2 604	-	-	-
Employees Loans	630 035	627 179	-	-
Enterprises Protocol	3 730 715	3 573 976	5 313	-
Overdrafts / Advances	1 009 994	978 438	151	-
Corporate Loans	3 616 881	3 458 319	-	-
Credit Cards	68 984	68 984	-	-
	9 264 954	**8 848 402**	**18 791**	**-**

Stage 2				
Kz'000				
Segment	**Total Loans and Advances in stage 2**	**Of which healed**	**Of which restructured**	**Of which acquired or originated through impairment losses on loans and advances**
Car Loans	-	-	-	-
Consumer Credit	9 518	-	-	-
Pre-Approved Loans	-	-	-	-
Employees Loans	2 856	-	-	-
Enterprises Protocol	24 838	-	-	-
Overdrafts / Advances	224	-	-	-
Corporate Loans	156 091	-	-	-
Credit Cards	-	-	-	-
	193 527	**-**	**-**	**-**

Stage 3				
Kz'000				
Segment	**Total Loans and Advances in stage 3**	**Of which healed**	**Of which restructured**	**Of which acquired or originated through impairment losses on loans and advances**
Car Loans	1 534	-	-	-
Consumer Credit	53 183	-	-	-
Pre-Approved Loans	2 604	-	-	-
Employees Loans	-	-	-	-
Enterprises Protocol	131 901	-	-	-
Overdrafts / Advances	31 332	-	-	-
Corporate Loans	2 471	-	-	-
Credit Cards	-	-	-	-
	223 025	**-**	**-**	**-**

The impairment losses by segment and by stage for the year ended 31 December 2023, was:

Kz'000 Segment	Total Impairment losses	Stage 1	Stage 2	Stage 3
Car Loans	1 534	-	-	1 534
Consumer Credit	58 333	3 303	1 847	53 183
Pre-Approved Loans	2 604	-	-	2 604
Employees Loans	8 934	8 480	454	-
Enterprises Protocol	210 338	93 910	4 296	112 132
Overdrafts / Advances	72 187	41 116	82	30 989
Corporate Loans	198 808	169 505	26 832	2 471
Credit Cards	31 282	31 264	18	-
	584 020	**347 578**	**33 529**	**202 913**

Exposures by segment and by gap of days of delay – 2024:

Kz'000	2024						
		Exposures with no significant increase of credit risk since initial recognition (stage 1)			Exposures with significant increase of credit risk since initial recognition and with impairment losses (stage 2)		
Segment	Total Exposure	< = 30 Days	> 30 Days and < = 90 Days	> 90 Days	< = 30 Days	> 30 Days and < = 90 Days	> 90 Days
Car Loans	1 534	-	-	-	-	-	-
Consumer Credit	239 762	119 940	-	-	39 464	751	-
Pre-Approved Loans	12 228	9 693	-	-	-	-	-
Employees Loans	504 430	504 430	-	-	-	-	-
Enterprises Protocol	4 469 942	4 249 005	-	-	45 797	36 226	-
Overdrafts / Advances	4 776 564	3 247 410	-	-	1 481 469	3 676	-
Corporate Loans	7 403 213	7 343 654	-	-	57 507	-	-
Credit Cards	72 395	72 395	-	-	-	-	-
	17 480 068	**15 546 527**	**-**	**-**	**1 624 237**	**40 653**	**-**

Kz'000 Segment	2024 Loans and advances exposures with impairment losses (stage 3) < = 30 Days	> 30 Days and < = 90 Days	> 90Days
Car Loans	-	-	1 534
Consumer Credit	-	12 793	66 814
Pre-Approved Loans	-	-	2 535
Employees Loans	-	-	-
Enterprises Protocol	2 194	5 425	131 295
Overdrafts / Advances	1 994	3 832	38 183
Corporate Loans	-	-	2 052
Credit Cards	-	-	-
	4 188	**22 050**	**242 413**

Impairment by segment, and by gap of days of delay – 2024:

Kz'000		Exposures with no significant increase of credit risk since initial recognition (Stage 1)		Exposures with significant increase of credit risk since initial recognition and with impairment losses (Stage 2)		Loans and advances exposures with impairment losses (Stage 3)		
Segment	Total Impairment	< = 30 Days	> 30 Days and < = 90 Days	< = 30 Days	> 30 Days and < = 90 Days	< = 30 Days	> 30 Days and < = 90 Days	> 90 Days
Car Loans	1 534	-	-	-	-	-	-	1 534
Consumer Credit	91 511	3 500	-	9 996	116	-	7 915	69 984
Pre-Approved Loans	2 928	393	-	-	-	-	-	2 535
Employees Loans	4 397	4 397	-	-	-	-	-	-
Enterprises Protocol	335 200	188 461	-	14 812	11 832	1 896	4 803	113 396
Overdrafts / Advances	310 017	152 959	-	116 867	533	1 855	3 832	33 971
Corporate Loans	184 391	180 485	-	1 854	-	-	-	2 052
Credit Cards	5 554	5 554	-	-	-	-	-	-
	935 532	**535 749**	**-**	**143 529**	**12 481**	**3 751**	**16 550**	**223 472**

Exposures by segment and by gap of days of delay – 2023:

Kz'000		2023					
		Exposures with no significant increase of credit risk since initial recognition (stage 1)			Exposures with significant increase of credit risk since initial recognition and with impairment losses (stage 2)		
Segment	Total Exposure	< = 30 Days	> 30 Days and < = 90 Days	> 90 Days	< = 30 Days	> 30 Days and < = 90 Days	> 90 Days
Car Loans	1 534	-	-	-	-	-	-
Consumer Credit	204 207	141 506	-	-	2 523	6 995	-
Pre-Approved Loans	2 604	-	-	-	-	-	-
Employees Loans	630 035	627 179	-	-	2 856	-	-
Enterprises Protocol	3 730 715	3 573 976	-	-	18 469	6 369	-
Overdrafts / Advances	1 009 994	978 438	-	-	3	221	-
Corporate Loans	3 616 881	3 458 319	-	-	156 091	-	-
Credit Cards	68 984	68 984	-	-	-	-	-
	9 264 954	**8 848 402**	**-**	**-**	**179 942**	**13 585**	**-**

Kz'000	Exposição 2023		
	Loans and advances exposures with impairment losses (stage 3)		
Segment	< = 30 Days	30 Days and < = 90 Days	> 90 Days
Car Loans	-	-	1 534
Consumer Credit	38 538	1 054	13 591
Pre-Approved Loans	-	-	2 604
Employees Loans	-	-	-
Enterprises Protocol	1 604	4 287	126 010
Overdrafts / Advances	772	143	30 417
Corporate Loans	-	-	2 471
Credit Cards	-	-	-
	40 914	**5 484**	**176 627**

Impairment by segment, and by gap of days of delay – 2023

Kz'000		Exposures with no significant increase of credit risk since initial recognition (Stage 1)		Exposures with significant increase of credit risk since initial recognition and with impairment losses (Stage 2)		Loans and advances exposures with impairment losses (Stage 3)		
Segment	Total Impairment	< = 30 Days	> 30 Days and < =90 Days	< = 30 Days	> 30 Days and < = 90 Days	< = 30 Days	> 30 Days and < = 90 Days	> 90 Days
Car Loans	1 534	-	-	-	-	-	-	1 534
Consumer Credit	58 333	3 303	-	494	1 353	28 227	512	24 444
Pre-Approved Loans	2 604	-	-	-	-	-	-	2 604
Employees Loans	8 934	8 480	-	454	-	-	-	-
Enterprises Protocol	210 338	93 910	-	3 216	1 080	1 169	4 287	106 676
Overdrafts / Advances	72 187	41 117	-	1	80	735	76	30 178
Corporate Loans	198 808	169 505	-	26 832	-	-	-	2 471
Credit Cards	31 282	31 264	-	18	-	-	-	-
	584 020	**347 579**	**-**	**31 015**	**2 513**	**30 131**	**4 875**	**167 907**

The Loans and Advances Portfolio by segment, and by year of loans and advances granted, during the last years, was as follows:

Car Loans			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous	3	1 534	1 534
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024	-	-	-
	3	**1 534**	**1 534**

Consumer Loans			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous	20	125 886	76 687
2020	7	10 386	6 168
2021	17	13 437	2 229
2022	2	5 718	959
2023	7	14 433	3 426
2024	28	69 902	2 042
	81	**239 762**	**91 511**

Pre-approved Loans			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous	9	2 535	2 535
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024	1	9 693	393
	10	**12 228**	**2 928**

Enterprises Protocol			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous	121	102 611	100 682
2020	179	130 303	11 307
2021	228	317 283	25 742
2022	205	486 180	30 823
2023	514	1 524 888	79 384
2024	453	1 908 677	87 262
	1 700	**4 469 942**	**335 200**

Employees Loans			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous	14	273 193	2 118
2020	28	17 683	254
2021	4	5 351	42
2022	-	-	-
2023	65	113 058	1 235
2024	34	95 145	748
	145	**504 430**	**4 397**

Overdrafts/advances			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous	3 924	56 674	26 081
2020	986	16 072	13 509
2021	252	5 916	1 652
2022	124	2 216	283
2023	66	772	99
2024	34	4 694 914	268 393
	5 386	**4 776 564**	**310 017**

Corporate loans			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous years	1	2 052	2 052
2020	1	-	-
2021	1	260 827	9 394
2022	1	1 386 536	-
2023	5	5 511 088	162 486
2024	**4**	**242 710**	**10 459**
	13	**7 403 213**	**184 391**

Credit Cards			
Year Granted	Number of Operations	Amount (Kz'000)	Impairment (Kz'000)
2019 and previous years	172	54 401	4 926
2020	8	1 995	155
2021	27	6 426	358
2022	5	501	45
2023	3	-	-
2024	2	9 072	70
	217	**72 395**	**5 554**

Details of gross exposure amount of Loans and Advances, and the respective amount of impairment for the exposures analysed individually and collectively, by segment:

a) at 31 December 2024

2024	Car Loans		Consumer loans	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	41 256	41 256
Collective assessment	1 534	1 534	198 506	50 255
	1 534	**1 534**	**239 762**	**91 511**

2024	Pre-approved Loans		Employees Loans	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	12 228	2 928	504 430	4 397
	12 228	**2 928**	**504 430**	**4 397**

2024	Enterprise Protocol		Overdrafts / Advances	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	4 469 942	335 200	4 776 564	310 017
	4 469 942	**335 200**	**4 776 564**	**310 017**

2024	Corporate Loans		Credit Cards	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	7 403 213	184 391	72 395	5 554
	7 403 213	**184 391**	**72 395**	**5 554**

2024	Total	
Milhares de Kwanzas	Total exposure	Impairment
Individual assessment	41 256	41 256
Collective assessment	17 438 812	894 276
	17 480 068	**935 532**

b) at 31 December 2023:

2023	Car Loans		Consumer Loans	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	77 237	57 860
Collective assessment	1 534	1 534	126 970	473
	1 534	**1 534**	**204 207**	**58 333**

2023	Pre-aproved Loans		Employees Loans	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	2 604	2 604	630 035	8 934
	2 604	**2 604**	**630 035**	**8 934**

2023	Enterprises Protocol		Overdraft/Advances	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	3 730 715	210 338	1 009 994	72 187
	3 730 715	**210 338**	**1 009 994**	**72 187**

2023	Corporate Loans		Credit Cards	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	3 616 881	198 808	68 984	31 282
	3 616 881	**198 808**	**68 984**	**31 282**

2023	Total	
Kz'000	Total exposure	Impairment
Individual assessment	77 237	57 860
Collective assessment	9 187 717	526 160
	9 264 954	**584 020**

Details of gross exposure amount of Loans and Advances, and the respective amount of impairment for the exposures analysed individually and collectively, by sector of activities:

a) at 31 December 2024:

2024	Trade		Construction	
Kz'000	**Total exposure**	**Impairment**	**Total exposure**	**Impairment**
Individual assessment	-	-	-	-
Collective assessment	1 513 225	117 609	10	3
	1 513 225	**117 609**	**10**	**3**

2024	Electricity		Agriculture and Fisheries	
Kz'000	**Total exposure**	**Impairment**	**Total exposure**	**Impairment**
Individual assessment	-	-	-	-
Collective assessment	5 044 043	98 086	7	5
	5 044 043	**98 086**	**7**	**5**

2024	Particulars		Services	
Kz'000	**Total exposure**	**Impairment**	**Total exposure**	**Impairment**
Individual assessment	41 256	41 256	-	-
Collective assessment	5 417 309	445 385	125 586	5 183
	5 458 565	**486 641**	**125 586**	**5 183**

2024	Public Sector		Transportation	
Kz'000	**Total exposure**	**Impairment**	**Total exposure**	**Impairment**
Individual assessment	-	-	-	-
Collective assessment	11	7	4 241	194
	11	**7**	**4 241**	**194**

2024	Industry		Education	
Kz'000	**Total exposure**	**Impairment**	**Total exposure**	**Impairment**
Individual assessment	-	-	-	-
Collective assessment	5 334 376	227 800	4	4
	5 334 376	**227 800**	**4**	**4**

2024	Total	
Kz'000	**Total exposure**	**Impairment**
Individual assessment	41 256	41 256
Collective assessment	17 438 812	894 276
	17 480 068	**935 532**

b) at 31 December 2023:

2023	Trade		Construction	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	958 521	38 066	11	7
	958 521	**38 066**	**11**	**7**

2023	Electricity		Agriculture and Fisheries	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	1 329 244	102 849	11	6
	1 329 244	**102 849**	**11**	**6**

2023	Particulars		Services	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	77 237	57 860	-	-
Collective assessment	4 633 231	302 418	110	102
	4 710 468	**360 278**	**110**	**102**

2023	Public Sector		Transportation	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	8	6	8	8
	8	**6**	**8**	**8**

2023	Industry		Education	
Kz'000	Total exposure	Impairment	Total exposure	Impairment
Individual assessment	-	-	-	-
Collective assessment	2 266 569	82 694	4	4
	2 266 569	**82 694**	**4**	**4**

2023	Total	
Kz'000	Total exposure	Impairment
Individual assessment	77 237	57 860
Collective assessment	9 187 717	526 160
	9 264 954	**584 020**

Details of gross exposure amount of Loans and Advances, and the respective amount of impairment for the exposures analysed individually and collectively, by geographical location:

2024	Angola	
Milhares de Kwanzas	**Total exposure**	**Impairment**
Individual assessment	41 256	41 256
Collective assessment	17 438 812	894 276
	17 480 068	**935 532**

2023	Angola	
Milhares de Kwanzas	**Total exposure**	**Impairment**
Individual assessment	77 237	57 860
Collective assessment	9 187 717	526 160
	9 264 954	**584 020**

Both in 2024 and 2023 there were no restructured loans executed.

The details of the fair value of the guarantees related to the loans and advances portfolio, for the corporate and housing segments were as follow:

2024								
Fair Value	**Corporate**				**Housing**			
	Property		**Other real guarantees**		**Property**		**Other real guarantees**	
Kz'000	**Number of properties**	**Amount**	**Number**	**Amount**	**Number of properties**	**Amount**	**Number**	**Amount**
< 50	-	-	-	-	-	-	-	-
> = 50 & < 100	-	-	-	-	-	-	-	-
> = 100 & < 500	-	-	-	-	-	-	-	-
> = 500 & < 1000	-	-	-	-	-	-	2	1 818 000
> = 1000 & < 2000	-	-	-	-	-	-	4	5 460 000
> = 2000 & < 5000	-	-	-	-	-	-	4	12 430
> = 5000	1	9 000	-	-	-	-	5	275 236
	1	**9 000**	**-**	**-**	**-**	**-**	**15**	**7 565 666**

2023								
Fair Value	Corporate				Housing			
	Property		Other real guarantees		Property		Other real guarantees	
Kz'000	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount
< 50	-	-	-	-	-	-	-	-
> = 50 & < 100	-	-	-	-	-	-	-	-
> = 100 & < 500	-	-	-	-	-	-	-	-
> = 500 & < 1000	-	-	-	-	-	-	1	918 000
> = 1000 & < 2000	-	-	-	-	-	-	3	4 683 700
> = 2000 & < 5000	-	-	-	-	-	-	5	15 550
> = 5000	1	9 000	-	-	2	36 778	4	122 169
	1	**9 000**	**-**	**-**	**2**	**36 778**	**13**	**5 739 419**

The significant increase in 2023 in the fair value of real guarantees in the housing segment results from the offer of a client who pledged a house as a collateral.

The below figures display the amounts of lending, by lending ratio, at 31 December 2024 and 2023:

2024						
Segment / Ratio	Number of properties	Number of other real guarantees	Loans and advances in Stage 1	Loans and advances in Stage 2	Loans and advances in Stage 3	Impairment
			Kz'000	Kz'000	Kz'000	Kz'000
Corporate:	**1**	**-**	**10 481 246**	**1 537 591**	**2 666**	**448 891**
With no guarantees associated	n.a.	n.a.	10 481 246	1 537 591	614	446 839
< 50%	1	-	-	-	2 052	2 052
> = 50% & <75%	-	-	-	-	-	-
> = 75% & <100%	-	-	-	-	-	-
> = 100%	-	-	-	-	-	-
Housing	**-**	**15**	**286 021**	**34 906**	**60 029**	**66 695**
With no guarantees associated	n.a.	n.a.	246 604	34 906	60 029	62 289
< 50%	-	12	39 417	-	-	4 406
> = 50% & <75%	-	2	-	-	-	-
> = 75% & <100%	-	1	-	-	-	-
> = 100%	-	-	-	-	-	-
	1	**15**	**10 767 267**	**1 572 497**	**62 695**	**515 586**

2023						
Segment / Ratio	Number of properties	Number of other real guarantees	Loans and advances in Stage 1 Kz'000	Loans and advances in Stage 2 Kz'000	Loans and advances in Stage 3 Kz'000	Impairment Kz'000
Corporate	**-**	**1**	**4 395 445**	**156 094**	**2 947**	**223 742**
With no guarantees associated	n.a	n.a	4 395 445	156 094	476	221 271
< 50%	-	1	-	-	2 471	2 471
> = 50% e <75%	-	-	-	-	-	-
> = 75% e <100%	-	-	-	-	-	-
> = 100%	-	-	-	-	-	-
Housing	**2**	**13**	**633 165**	**2 856**	**-**	**366 583**
With no guarantees associated	n.a	n.a	571 269	2 856	-	335 422
< 50%	2	8	10 049	-	-	258
> = 50% e <75%	-	3	17 356	-	-	3 446
> = 75% e <100%	-	2	34 491	-	-	27 457
> = 100%	-	-	-	-	-	-
	2	**14**	**5 028 610**	**158 950**	**2 947**	**590 325**

Both in 2024 and 2023, there were no repossessed properties, guarantees and other collateral executed within the scope of loans and advances granted.

The breakdown of loans and advances portfolio, assessed by internal risk grades, at 31 December 2024, was as follows:

2024				
Segment		**Low Risk Grade**		
Risk grade-BNA	**aaa/1**	**aa+/2**	**aa/3**	
Kz'000	**A**	**B**	**C**	**Subtotal**
Car Loans	-	-	-	-
Consumer Credit	-	131 707	15 866	147 573
Pre-approved Loans	-	9 693	-	9 693
Employees Loans	-	496 445	5 518	501 963
Enterprises Protocol	29 101	4 126 754	96 976	4 252 831
Overdrafts/Advances	3	4 722 363	7 356	4 729 722
Corporate Loans	1 386 536	6 014 625	-	7 401 161
Credit Cards	49	71 103	-	71 152
	1 415 689	**15 572 690**	**125 716**	**17 114 095**

2024				
Segment		**Medium Risk Grade**		
Risk grade-BNA	**bbb+/6**	**bbb/7**	**bbb-/8**	
Kz'000	**D**	**D**	**D**	**Subtotal**
Car Loans	-	-	-	-
Consumer Credit	13 544	-	-	161 117
Pre-approved Loans	-	-	-	9 693
Employees Loans	2 467	-	-	504 430
Enterprises Protocol	70 610	-	-	4 323 441
Overdrafts/Advances	641	-	-	4 730 363
Corporate Loans	-	-	-	7 401 161
Credit Cards	-	-	-	71 152
	87 262	**-**	**-**	**17 201 357**

2024				
Segment		**High Risk Grade**		
Risk grade-BNA	**ccc+/10**	**ccc/11**	**ccc-/12**	
Kz'000	**E**	**F**	**G**	**General Total**
Car Loans	-	-	1 534	1 534
Consumer Credit	5 709	2 523	70 413	239 762
Pre-approved Loans	-	-	2 535	12 228
Employees Loans	-	-	-	504 430
Enterprises Protocol	15 206	1 164	130 131	4 469 942
Overdrafts/Advances	3 531	523	42 147	4 776 564
Corporate Loans	-	-	2 052	7 403 213
Credit Cards	-	1 180	63	72 395
	24 446	**5 390**	**248 875**	**17 480 068**

The breakdown of loans and advances portfolio, assessed by internal risk grades, at 31 December 2023, was as follows:

2023				
Segment	Low Risk Grade			
Risk grade-BNA	aaa/1	aa+/2	aa/3	
Kz'000	A	B	C	Subtotal
Car Loans	-	-	-	-
Consumer Credit	-	96 789	24 102	120 891
Pre-approved Loans	-	-	-	-
Employees Loans	-	627 861	-	627 861
Enterprises Protocol	5 206	3 513 023	31 576	3 549 805
Overdrafts/Advances	281	974 163	4 185	978 629
Corporate Loans	1 173 153	2 441 257	-	3 614 410
Credit Cards	-	67 668	10	67 678
	1 178 640	**7 720 761**	**59 873**	**8 959 274**

2023				
Segment	Medium Risk Grade			
Risk grade-BNA	bbb+/6	bbb/7	bbb-/8	
Kz'000	D	D	D	Subtotal
Car Loans	-	-	-	-
Consumer Credit	14 381	-	-	135 272
Pre-approved Loans	-	-	-	-
Employees Loans	2 174	-	-	630 035
Enterprises Protocol	49 853	-	-	3 599 658
Overdrafts/Advances	83	-	-	978 712
Corporate Loans	-	-	-	3 614 410
Credit Cards	-	-	-	67 678
	66 491	**-**	**-**	**9 025 765**

2023				
Segment	**High Risk Grade**			
Risk grade-BNA	**ccc+/10**	**ccc/11**	**ccc-/12**	
Kz'000	**E**	**F**	**G**	**Total Geral**
Car Loans	-	-	1 534	1 534
Consumer Credit	2 921	-	66 014	204 207
Pre-approved Loans	-	-	2 604	2 604
Employees Loans	-	-	-	630 035
Enterprises Protocol	9 095	360	121 602	3 730 715
Overdrafts/Advances	1 183	301	29 798	1 009 994
Corporate Loans	-	-	2 471	3 616 881
Credit Cards	-	-	1 306	68 984
	13 199	**661**	**225 329**	**9 264 954**

The risk factors associated to the model of impairment by segment, for 2024 and 2023 were:

	2024				2023			
	Average Probability of Default (%)				Average Probability of Default (%)			
Segment R&C	**Stage 1**	**Stage 2**	**Stage 3**	**Average Loss Given Default (%)**	**Stage 1**	**Stage 2**	**Stage 3**	**Average Loss Given Default (%)**
Car Loans	-	-	100,00%	100,00%	-	-	100,00%	100,00%
Consumer Credit	6,11%	33,07%	100,00%	68,83%	7,01%	38,08%	100,00%	75,87%
Pre-approved Loans	6,56%	-	100,00%	95,76%	-	-	100,00%	100,00%
Employees Loans	1,85%	-	-	61,87%	3,96%	49,50%	-	32,09%
Enterprises Protocol	6,26%	46,92%	100,00%	64,39%	4,77%	50,79%	100,00%	41,60%
Overdrafts/Advances	6,62%	15,21%	100,00%	89,14%	46,55%	70,12%	100,00%	94,44%
Corporate Loans	5,96%	-	100,00%	63,35%	8,72%	-	100,00%	44,47%
Credit Cards	6,62%	-	-	61,87%	46,96%	70,12%	-	52,60%

The movement on impairments during the year of 2024 was:

Kz'000	2024	2023
Opening balance	**584 020**	**809 631**
Reinforcements	425 834	656 121
Deductions	(60 332)	(432 239)
Impairment losses for the year	365 502	223 882
Used	(13 990)	(449 493)
Closing balance	**935 532**	**584 020**

The sum of impairment losses on loans and advances for the year of 2024 amounting to 365 502 thousand of Kwanzas (2023: Kz 223 882 thousand), and impairment losses on letters of credit, which in 2024 was amounting to (3 897) thousand of Kwanzas (2023: (6 184) thousand of Kwanzas), disclosed in "note 13 - Provisions", equates to 361 605 thousand of Kwanzas (2023: 217 698 thousand of Kwanzas), as presented in the income statement.

In 2023, the usages are essentially made up of five housing loans write-offs, the net impact of which is 190 032 thousand of Kwanzas and of several overdaraft/advances (129 433 thousand of Kwanzas).

The segregation of impairment losses on loans portfolio, and on recovered loans, was as follows:

	2024			
Kz'000	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Opening balance – current year	**353 835**	**33 529**	**202 913**	**590 277**
Impairment losses on loans				
Originated or acquired financial assets	221 681	9 409	40 449	271 539
Stage Transfers:				
Stage 1	-	131 482	23 157	154 639
Stage 2	(36 110)	-	(19 120)	(55 230)
Stage 3	(1 296)	6 563	-	5 267
Exchange rate changes and other movements	-	(24 973)	(3 626)	(28 599)
Closing balance – current year	**538 110**	**156 010**	**243 773**	**937 893**
Recovery of claims	-	-	-	-

	2023			
Kz'000	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Opening balance – current year	**390 729**	**10 028**	**421 316**	**822 073**
Impairment losses on loans				
Originated or acquired financial assets	44 083	29 261	126 010	199 354
Derecognised financial assets	(67 773)	(1 125)	(344 785)	(413 683)
Stage Transfers:				
Stage 1	-	(2 052)	(2 843)	(4 895)
Stage 2	185	-	7 340	7 525
Stage 3	(400)	(2 237)	-	(2 637)
Exchange rate changes and other movements	(12 989)	(346)	(4 125)	(17 460)
Closing balance – current year	**353 835**	**33 529**	**202 913**	**590 277**
Recovery of claims	-	-	-	-

The segregation of off-balance and in-balance exposures by risk level, and respective impairment losses:

	Clients Loans				
	2024				2023
Kz'000	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Loans and Advances to Clients at Amortised Cost Before Impairment					
Performing Loans and Advances	15 514 798	1 618 175	78 444	**17 211 417**	**9 041 929**
Loans and Interest Overdue for up to 30 days	31 729	6 061	2 730	**40 520**	**61 096**
Loans and Interest Overdue for more than 30 days	-	40 654	187 477	**228 131**	**161 929**
Impairment Losses	(535 749)	(156 010)	(243 773)	**(935 532)**	**(584 020)**
	15 010 778	**1 508 880**	**24 878**	**16 544 536**	**8 680 934**
Commitments for Credit					
High Risk	-	-	-	-	-
Medium Risk	-	-	-	-	-
Medium-Low Risk	2 632 713	13 704	-	**2 646 417**	**4 982 554**
Low Risk	-	-	-	-	-
Impairment Losses	(2 120)	(241)	-	**(2 361)**	**(6 239)**
	2 630 593	**13 463**	-	**2 644 056**	**4 976 315**
Financial Guarantees Provided					
High Risk	-	-	-	-	-
Medium Risk	-	-	-	-	**972**
Medium-Low Risk	-	-	-	-	-
Low Risk	-	-	-	-	-
Impairment Losses	-	-	-	-	**(18)**
	-	-	-	-	**954**

	Clients Loans				
	2023				2022
Kz'000	Stage 1	Stage 2	Stage 3	Total	Total
Loans and Advances to Clients at Amortised Cost Before Impairment					
Performing Loans and Advances	8 789 909	178 795	73 225	**9 041 929**	**5 822 293**
Loans and Interest Overdue for up to 30 days	58 493	1 147	1 456	**61 096**	**57 504**
Loans and Interest Overdue for more than 30 days	-	13 585	148 344	**161 929**	**578 254**
Impairment Losses	(347 578)	(33 529)	(202 913)	**(584 020)**	**(809 631)**
	8 500 824	**159 998**	**20 112**	**8 680 934**	**5 648 420**
Commitments for Credit					
High Risk	-	-	-	**-**	**-**
Medium Risk	-	-	-	**-**	**-**
Medium-Low Risk	4 982 314	240	-	**4 982 554**	**1 644 099**
Low Risk	-	-	-	**-**	**-**
Impairment Losses	(6 221)	(18)	-	**(6 239)**	**(9 433)**
	4 976 093	**222**	**-**	**4 976 315**	**1 634 666**
Financial Guarantees Provided					
High Risk	-	-	-	**-**	**-**
Medium Risk	972	-	-	**972**	**165 000**
Medium-Low Risk	-	-	-	**-**	**-**
Low Risk	-	-	-	**-**	**-**
Impairment Losses	(18)	-	-	**(18)**	**(3 009)**
	954	**-**	**-**	**954**	**161 991**

8. OTHER TANGIBLE ASSETS AND INTANGIBLE ASSETS

	2024 Other Tangible Assets				
Kz'000	Opening Balance	Increases	Transfers	Settlement	Closing balance
Cost					
Buildings	5 654 677	-	141 530	(241 366)	5 554 841
Right-to-use Assets	867 378	-	-	-	867 378
Equipment	4 348 686	89 536	103 625	-	4 541 847
Work in rented properties	2 186 778	-	5 635	241 366	2 433 779
Capital WIP	73 709	306 261	(250 790)	-	129 180
	13 131 228	**395 797**	**-**	**-**	**13 527 025**
Depreciation					
Buildings	(1 534 402)	(199 711)	-	3 809	(1 730 304)
Right-to-use Assets	(207 076)	(151 182)	-	-	(358 258)
Equipment	(2 514 326)	(554 501)	-	-	(3 068 827)
Work in rented properties	(1 004 733)	(77 004)	-	(3 809)	(1 085 546)
	(5 260 537)	**(982 398)**	**-**	**-**	**(6 242 935)**
Net					
Buildings	4 120 275	(199 711)	141 530	(237 557)	3 824 537
Right-to-use Assets	660 302	(151 182)	-	-	509 120
Equipment	1 834 360	(464 965)	103 625	-	1 473 020
Work in rented properties	1 182 045	(77 004)	5 635	237 557	1 348 233
Capital WIP	73 709	306 261	(250 790)	-	129 180
	7 870 691	**(586 601)**	**-**	**-**	**7 284 090**

The settlement refers to the transfer of work in rented properties to an appropriate account.

2023 Other Tangible Assets					
Kz'000	**Opening Balance**	**Increases**	**Transfers**	**Write-off**	**Closing balance**
Cost					
Buildings	5 309 929	46 051	298 697	-	5 654 677
Right-to-use Assets	202 644	664 734	-	-	867 378
Equipment	3 244 897	368 386	735 403	-	4 348 686
Work in rented properties	2 186 778	-	-	-	2 186 778
Capital WIP	434 681	673 128	(1 034 100)	-	73 709
	11 378 929	**1 752 299**	**-**	**-**	**13 131 228**
Depreciation					
Buildings	(1 323 886)	(210 516)	-	-	(1 534 402)
Right-to-use Assets	(100 805)	(106 271)	-	-	(207 076)
Equipment	(2 116 781)	(397 545)	-	-	(2 514 326)
Work in rented properties	(933 917)	(70 816)	-	-	(1 004 733)
	(4 475 389)	**(785 148)**	**-**	**-**	**(5 260 537)**
Net					
Buildings	3 986 043	(164 465)	298 697	-	4 120 275
Right-to-use Assets	101 839	558 463	-	-	660 302
Equipment	1 128 116	(29 159)	735 403	-	1 834 360
Work in rented properties	1 252 861	(70 816)	-	-	1 182 045
Capital WIP	434 681	673 128	(1 034 100)	-	73 709
	6 903 540	**967 151**	**-**	**-**	**7 870 691**

During 2023, the increases are made of equipment bought for the new head office. Additionally, the transfers correspond to the beginning of the new equipment usage in the new head office 2023.

2024 Intangible Assets				
Kz'000	**Opening Balance**	**Increases**	**Transfers**	**Closing Balance**
Cost				
Software	1 223 464	-	57 776	1 281 240
Other Intangible Assets	67 646	-	-	67 646
Capital WIP	96 866	245 932	(57 776)	285 022
	1 387 976	**245 932**	**-**	**1 633 908**
Depreciation				
Software	(982 528)	(171 330)	-	(1 153 858)
Other Intangible Assets	(65 978)	(1 668)	-	(67 646)
	(1 048 506)	**(172 998)**	**-**	**(1 221 504)**
Net				
Software	240 936	(171 330)	57 776	127 382
Other Intangible Assets	1 668	(1 668)	-	-
Capital WIP	96 866	245 932	(57 776)	285 022
	339 470	**72 934**	**-**	**412 404**

2023 Intangible Assets				
Kz'000	**Opening Balance**	**Increases**	**Transfers**	**Closing Balance**
Cost				
Software	1 155 675	17 349	50 440	1 223 464
Other Intangible Assets	67 646	-	-	67 646
Capital WIP	50 440	96 866	(50 440)	96 866
	1 273 761	**114 215**	**-**	**1 387 976**
Depreciation				
Software	(609 424)	(373 104)	-	(982 528)
Other Intangible Assets	(61 964)	(4 014)	-	(65 978)
	(671 388)	**(377 118)**	**-**	**(1 048 506)**
Net				
Software	546 251	(355 755)	50 440	240 936
Other Intangible Assets	5 682	(4 014)	-	1 668
Capital WIP	50 440	96 866	(50 440)	96 866
	602 373	**(262 903)**	**-**	**339 470**

The increases comprise the consulting services acquired to set up the Risk Management and Compliance departments devices.

Depreciations for the year are composed of:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Other Tangible Assets	831 216	912	678 877	819
Intangible Assets	172 998	190	377 118	455
Right-to-use assets	151 182	165	106 271	128
	1 155 396	**1 267**	**1 162 266**	**1 402**

Costs incurred for the occupation of airport spaces are not part of the right-to-use assets.

9. CURRENT TAXES RECEIVABLE

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Advance Income Tax	109 151	120	109 151	132
Withholding income tax by clients	6 766	7	2 509	3
Current Taxes Receivable	**115 917**	**127**	**111 660**	**135**

The advance income tax comprises an advance of the income tax paid in August of a given year, in accordance with Article 66° of the Income Tax Code, settled in the final income tax payment, made in May of the following year. Withholding income tax is hold by clients on their payments made to BCA, as established in Article 67° of the Income Tax Code and is settled when the final income tax is paid.

10. OTHER ASSETS

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
a) VISA Cards	656 326	720	633 063	764
- VISA Cards	657 010	721	633 632	765
- Impairment	(684)	(1)	(569)	(1)
EMIS Compensation	108 918	120	-	-
Deposit for "Edifício Kilamba" rent	27 131	30	27 131	33
Insurance commissions	5 827	6	3 221	4
Commissions on "Porto de Luanda" revenue collection	6 835	7	3 323	4
b) CEOCIC Receivable from clients	-	-	245 877	296
VAT refundable on interbank commissions	48 787	54	59 363	72
VAT refund	2 608	3	-	-
c) Stationary	150 906	165	37 987	46
Accruals	562 831	617	434 880	525
- Health insurance	309 490	339	231 320	279
- Rental and hire	85 511	94	47 326	57
- Others	167 830	184	156 234	189
d) Expense advance	17 347	18	14 463	17
Artistic Patrimony	35 772	39	35 772	43
Discount teller shortages	100	-	4 192	5
- Teller shortages	115 902	127	119 994	145
- Impairment	(115 802)	(127)	(115 802)	(140)
Others	126 133	139	70 184	85
	1 749 521	**1 918**	**1 569 456**	**1 894**

a) The account "VISA cards" represents the collateral set up with VISA.

b) As disclosed in note 6, in 2023 the Bank was fined on CEOCIC (a 10% fiscal contribution calculated over FX transactions) for FY2018 to FY2020. The CEOCIC receivable from clients disclosed in FY2023 resulted from the fine over the client CEOCIC paid by the Bank. It was settled by clients on a monthly instalment as per agreements subscribed.

c) The amount in "Stationery" account refers to the existing consumable at the head office for the daily use in the head office and in some branches located in Luanda.

d) At 31 December 2024 the expense advances were composed of the amounts advanced to the branches to acquire consumables for their daily use.

All exposures under this heading, subject to impairment, are in stage 1, except for some discount teller shortages, which are in stage 3.

The movement of impairment losses on other assets, during 2024 and 2023, was as follows:

Kz'000	2024	2023
Opening balance	**116 371**	**415 451**
Reinforcements	729	-
Deductions	(614)	(11 936)
Impairment losses – current year	115	(11 936)
Uses	-	(287 145)
Exchange rate changes and others	-	1
Closing balance	**116 486**	**116 371**

The uses during 2023 refers to the write-off of the balance international school (275 867 thousand of Kwanza), custom gains (1 923 thousand of Kwanza), unsold vehicle licence discs (9 355 thousand of Kwanza).

11. DEPOSITS FROM OTHER CREDIT INSTITUTIONS

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
From Banks in the Country				
- Withholding Income Tax	14 146	16	20 058	24
- Withholding Property Tax	3 543	4	6 561	8
- Cashier Excesses	8 684	9	12 957	16
- Emis Compensation	-	-	258 123	311
- Cheques to be Settled	37 604	41	38 239	46
- STC – Credit Transfer System	81 359	89	147 294	178
- Cambridge Fx Dealings	30 172	33	33 369	40
- VAT Refundable on Interbank Commissions	21 759	24	25 815	31
- Outstanding Pos Balances	78 458	86	189 548	229
- Others	21 677	24	20 248	24
	297 402	**326**	**752 212**	**907**
From Banks Abroad				
- Natixis	11 467	13	58 587	71
- BPA	14 565	16	-	-
	26 032	**29**	**58 587**	**71**
	323 434	**355**	**810 799**	**978**

All deposits from other credit institutions displayed above had a very short term.

Outstanding POS balances are amounts pending settlement, automatically created through the integration in our computer system of files received from EMIS.

The "VAT refundable on interbank commissions" is the VAT charged on interbank commissions received by the Bank (income), which is payable to other banks in our market.

12. DEPOSITS FROM CLIENTS

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Demand deposits				
- In local currency	26 411 509	28 960	37 884 641	45 711
- In foreign currency	7 693 863	8 436	6 215 403	7 499
	34 105 372	**37 396**	**44 100 044**	**53 210**
Term deposits				
- In local currency	43 492 606	47 689	26 973 116	32 545
- In foreign currency	6 013 542	6 594	6 417 260	7 743
	49 506 148	**54 283**	**33 390 376**	**40 288**
	83 611 520	**91 679**	**77 490 420**	**93 498**

On the 31 December 2024 and 2023, the major bank deposit was 36,33% and 29,03% of all deposits, respectively. The Top 20 deposits represented 65,95% and 62,30%, of all deposits, respectively.

The analysis of the residual maturity is displayed below:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Term deposits in local currency:				
Up to 3 months	15 409 034	16 896	2 410 729	2 909
From 3 to 6 months	2 285 127	2 506	242 146	292
From 6 to 12 months	15 734 308	17 252	8 392 527	10 126
More than 1 year	10 064 137	11 035	15 927 714	19 218
	43 492 606	**47 689**	**26 973 116**	**32 545**
Term deposits in foreign currency:				
Up to 3 months	2 669 038	2 927	3 707 219	4 473
From 3 to 6 months	771 672	846	480 694	580
From 6 to 12 months	2 372 713	2 602	2 095 895	2 529
More than 1 year	200 119	219	133 452	161
	6 013 542	**6 594**	**6 417 260**	**7 743**
	49 506 148	**54 283**	**33 390 376**	**40 288**

The average rate of return on term deposits in local currency is 12,29% (2023: 12,07%), and the average rate of return on term deposits in foreign currency is 1,08% (2023: 0,32%).

13. PROVISIONS

2024							
Kz'000	Opening Balance	Reinforcements	Deductions	Provisions for the Year	Used	Exchange Rates Changes and Others	Closing Balance
Impairment losses on letters of credit	6 258	9 710	(13 607)	(3 897)	-	-	2 361
Provisions for problable contingencies	120 108	-	-	-	-	11 540	131 648
	126 366	**9 710**	**(13 607)**	**(3 897)**	**-**	**11 540**	**134 009**

2023							
Kz'000	Opening Balance	Reinforcements	Deductions	Provisions for the Year	Used	Exchange Rates Changes and Others	Closing Balance
Impairment losses on letters of credit	12 442	6 375	(12 559)	(6 184)	-	-	6 258
Provisions for problable contingencies	89 188	-	-	-	(23 220)	54 140	120 108
	101 630	**6 375**	**(12 559)**	**(6 184)**	**(23 220)**	**54 140**	**126 366**

At 31 December 2024 and 2023, the provisions for the year are accounted for a recovery.

14. INCOME TAXES

The income tax reconciliation at 31 December 2024 and 2023 is presented below:

Captions	2024 Kz'000	2023 Kz'000
Income before tax	8 159 721	3 771 713
Nondeductible costs	3 360 146	4 115 943
Tax exempt income	(12 213 367)	(13 183 939)
Taxable Loss/profit	(693 500)	(5 296 283)
Nominal tax rate	35%	35%
Net income tax payable	**-**	**-**
Effective tax rate	-	-

Income tax was calculated based on the Income Tax Code (Law 19/14, as amended by Presidential Decree 26/2020, which came into force in January 2020). The deductions from taxable income consist of interest on government securities and transfers subject to Capital Gain Tax (IAC).

15. DEFERRED TAXES PAYABLE

	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Change in fair value of:				
- Financial assets at fair value through other comprehensive income (Government bonds and securities)	2 033 730	2 229	3 223 492	3 889
- Financial assets at fair value through other comprehensive income (Shares at EMIS)	275 830	302	175 090	212
	2 309 560	**2 531**	**3 398 582**	**4 101**
Tax rate applied	35%	35%	35%	35%
Deferred taxes payable	**808 346**	**886**	**1 189 504**	**1 435**

The deferred taxes in the income statement of 2023 are the deferred taxes receivable recorded in 2022, written off in 2023 and had the following composition:

	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Unrealised Foreign Exchange Losses	-	-	(63 284)	(76)
Provisions	-	-	1 923	2
Loans and advances Impairments	-	-	34 020	41
Tax Losses	-	-	894 997	1 079
	-	**-**	**867 656**	**1 046**
Tax rate applied	35%	35%	35%	35%
Deferred taxes receivable	**-**	**-**	**303 680**	**366**

The movement of deferred taxes payable during 2024 and 2023 were:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Opening balance (Assets/(Liabilities))	**(1 189 504)**	**(1 435)**	**714 795**	**1 419**
Recognized in income statement/ retained income	381 158	418	(1 904 299)	(2 298)
Exchange rate changes	-	131	-	(556)
Closing balance ((Liabilities)/Assets)	**(808 436)**	**(886)**	**(1 189 504)**	**(1 435)**

16. OTHER LIABILITIES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
16.1. Suppliers	1 216 564	1 334	1 056 834	1 275
16.2. Accruals	7 712 377	8 456	6 796 847	8 201
16.3. Staff	463 341	508	426 290	514
16.4. Fiscal obligations	323 499	355	225 833	273
16.5. Deposits for foreign Exchange operations	847 140	929	1 928 007	2 326
16.6. Dividends payable	96 319	106	89 550	108
16.7. Lease liabilities	673 930	739	764 660	923
	11 333 170	**12 427**	**11 288 021**	**13 620**

16.1. The supplier's balance is mainly composed of the amounts to be paid for the acquisition of the Branch of "Rua da Missão" (Kz 456 000 thousand; 2023: Kz 414 400 thousand. The difference between the amounts of the two years refers to the exchange rate differences, as they are recorded in USD dollars), to NORAFRICA (Kz 173 663 thousand; 2023: Kz 157 820 thousand), FLOSEL (Kz 102 819 thousand; 2023: Kz 94 414 thousand), Casais Angola (Kz 93 620 thousand; 2023: Kz 52 498 thousand), Laufer (Kz 45 495 thousand; 2023: Kz 45 495 thousand).

16.2. The heading "Accruals " includes the following amounts:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
a) Income tax	4 657 436	5 107	4 656 217	5 618
b) Clinical services	1 113 552	1 221	1 011 965	1 221
c) Staff charges	415 198	455	97 910	118
d) Consulting services	425 590	467	3 212	4
e) Fine on Clients CEOCIC	170 676	187	170 676	206
f) Capital Gains tax on interest from government bonds and securities	147 226	161	248 233	300
g) IT services	106 710	117	130 099	157
h) Lease payments	102 772	113	79 627	96
Communications	97 977	107	60 824	73
Securities services	40 735	45	75 792	91
Others	434 505	476	262 292	317
	7 712 377	**8 456**	**6 796 847**	**8 201**

a) This amount refers to the income tax liabilities payable by the Bank to the tax authority related to gains from revaluations of treasury bonds indexed to US dollar for the years 2018 and 2019.

b) The heading "Accruals " includes the amounts payable for clinical services provided up to 2014 that are awaiting supporting documentation for their payment. The variation from 2022 to 2023 refers to the exchange rate differences as they are recorded in USD dollars.

c) At 31 December 2024, the staff charges refer to Bank co-payment to purchase his workers vehicles, training, workplace accidents insurance, and travels on duties.

d) Accruals for consulting services, such as, external audit, tax consultancy, business continuity plan.

e) Excess of fine over Clients 2018-2020 CEOCIC recovered, to refund the clients.

f) Capital gains on treasury bonds recorded on accrued basis, to be liquidated at the maturity of the coupon.

g) Unsettled charges of maintenance services, licenses of several IT solutions.

h) This amount corresponds to rents payable, not accounted for under IFRS 16.

16.3. The "Staff" item is composed of the amount payable in January 2025, as employees vacation allowance.

16.4. Fiscal Obligations refer essentially to value added tax (VAT), income tax deducted from suppliers' invoices, income tax deducted from employees' salaries, stamp tax and social security contributions, and capital gains tax, referring to December 2024. All these amounts were liquidated on January 2025.

16.5. At 31 December 2024, the balance in "Deposits for Foreign Exchange Operations" is composed by the stand-by amounts of clients for letters of credit.

16.6. The account "Dividends payable" is comprised of dividends to be paid to the families of deceased shareholders, awaiting the court judgement on legal heirs. There are in these accounts, dividends belonging to actual shareholders, related to the shares acquired from the former shareholder ABSA, after its exit from the BCA shareholding structure. A decision on its division among the actual shareholders has been waited for.

16.7. The caption "Lease Liabilities" is comprised of future lease payments discounted as at 31 December 2024, in accordance with standard IFRS 16. Costs incurred for the occupation of airport spaces are not part of the right-to-use assets.

The residual maturity of lease liabilities, were:

Kz'000	31-12-2024 Maturity Analysis – Contractual cash flows not discounted.
Less than 1 year	5 215
1 to 5 years	781 361
More than 5 years	51 640
Lease Liabilities not discounted	**838 216**
Interest to be accrued in Net Interest Margin	(164 286)
	673 930

31-12-2023 Maturity Analysis – Contractual cash flows not discounted	
Kz'000	
Less than 1 year	12
1 to 5 years	1 022 877
More than 5 years	61 514
Lease Liabilities not discounted	**1 084 403**
Interest to be accrued in Net Interest Margin	(319 743)
	764 660

The sizeable increase in leases with a residual maturity of 1 to 5 years is related to the lease agreement signed for the new central services offices, located on floors zero (Risk Management Department and Compliance Office) and twenty-three of the Kilamba building, which began to be fully occupied and used during FY2023.

17. CAPITAL

The share capital of the bank is Kz 22 500 000 000, represented by 56 250 000 shares of a nominal value of Kz 400 each.

At 31 December 2024 the Bank shareholders structure changed slightly, and was as follows:

	2024		2023	
	Number of Shares	% of Capital	Number of Shares	% of Capital
SADINO, Lda.	7 373 146	13,11	7 373 146	13,11
GEFI	5 493 411	9,77	5 493 411	9,77
Fundo de Pensões	5 260 951	9,35	5 260 951	9,35
José Francisco Luís António	5 187 042	9,22	5 187 042	9,22
Salomão José Luheto Xirimbimbi	5 103 288	9,07	6 228 288	11,07
Julião Mateus Paulo "Dino Matrosse"	3 937 500	7,00	3 937 500	7,00
Mateus Filipe Martins	3 449 178	6,13	3 449 178	6,13
Afonso D. Van-Dúnem "Mbinda" (Heirs)	2 812 509	5,00	2 812 509	5,00
Casa Smart	2 137 968	3,80	2 137 968	3,80
José Jaime Agostinho de S. Freitas	1 765 569	3,14	1 765 569	3,14
Fernando José de Franca Van-Dunen	1 761 885	3,13	1 761 885	3,13
Visgosol	1 503 145	2,68	1 503 145	2,68
Lopo Fortunato Ferreira do Nascimento	1 178 658	2,10	1 178 658	2,10
Abel Fernandes da Silva	1 026 800	1,83	1 026 800	1,83
António Mosquito Mbakassy	1 024 659	1,82	1 024 659	1,82
Pedro de Castro Van-Dunem (Heirs)	1 012 968	1,80	1 012 968	1,80
Marcolino José Carlos Moco	812 073	1,44	812 073	1,44
*IGAPE	810 378	1,44	810 378	1,44
João Manuel de Oliveira Barradas	771 786	1,37	771 786	1,37
Dumilde das Chagas Rangel	486 207	0,86	486 207	0,86
IMPORAFRICA-IMOBILIÁRIA Lda.	486 207	0,86	486 207	0,86
Valentim Amões (Heirs)	423 072	0,75	423 072	0,75
Generoso Hermenegildo G. de Almeida	406 027	0,72	406 027	0,72
Benvindo Rafael Pitra (Heirs)	299 997	0,53	299 997	0,53
Estevão Pitra	150 303	0,27	150 303	0,27
Isaac Francisco Mário dos Anjos	150 303	0,27	150 303	0,27
José Amaro Tati	149 985	0,27	149 985	0,27
Santos Matoso Júnior	149 985	0,27	149 985	0,27
Own shares	1 125 000	2,00	-	-
Total	**56 250 000**	**100**	**56 250 000**	**100**

*Shares held before by Augusto da Silva Tomás.

The BCA shares were issued at par and were fully paid.

The own shares (1 125 000) were bought from the shareholder Salomão José Luheto Xirimbimbi, at a unit price of Kz 748,54. The total amount paid of 842 113 thousand of Kwanzas is recorded in account "Own Shares" in the equity.

In 2018, BCA's shareholder João Manuel de Oliveira Barradas granted the Bank the authority to sell 21 000 shares he held, on account of an advance payment totalling Kz 40 203 thousand – individual proprietary shares. The 21 000 shares previously held by Dr. Barradas became 63 000 shares, as a result of the increase in BCA's share capital from Kz 7 500 000 thousand to Kz 22 500 000 thousand occurred in 2023. Hereunder is the result of the apportionment of the 63 000 individual proprietary shares and the share premium generated:

	Ownership in Share Capital (%) Prior to enforcement Notice n. ° 17/2022	Total Subscribed Shares	Amount Paid (Kz'000)
SADINO, Lda	13,08	15 394	32 707
Salomão José Luheto Xirimbimbi	11,05	13 005	27 631
GEFI	9,75	11 475	24 380
Fundo de Pensões	9,33	10 981	23 330
José Jaime Agostinho de S. Freitas	3,13	3 684	7 827
VISGOSOL	2,67	3 142	6 675
Abel Fernandes da Silva	1,82	2 141	4 549
Marcolino José Carlos Moco	1,44	1 695	3 601
Generoso Hermenegildo G. de Almeida	0,72	847	1 800
Estevão Pitra	0,27	318	676
Isaac Francisco Mário dos Anjos	0,27	318	676
	53,53	**63 000**	**133 852**
Unit price of shares sold	**2 124,63**		
Selling value of individual proprietary shares			133 852
Initial value of individual proprietary shares			(40 203)
Issuance premium for shares sold (gross)			**93 649**
Premium Tax (10%)			(9 365)
Issuance Premium for Shares Sold (Net)			**84 284**

17.1. STATEMENT OF SHAREHOLDERS' EQUITY

The legal and other reserves represent amounts that have been appropriated from prior period profits in accordance with legal requirements.

"Legal reserves" must be credited with 10% of each annual net profit, up to the level of the share capital.

In the "Reserves", the only amount available for distribution are those recorded in "Other Reserves". At 31 December 2024, the amount of Kz 10,80 billion (2023: Kz 8,75 billion) recorded in "Free reserves" account, could be used either to cover cumulated losses, or to increase the capital.

The amount displayed in "2022 Dividend paid" was shared as follows:

- Shareholders dividends – Kz 850 000 thousand; and
- Staff rewarding – Kz 150 000 thousand.

The full amount displayed in "2023 Dividend paid" was shared among the shareholders during the year of 2024.

18. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair value is based on the market valuations, whenever they are available. However when market valuations do not exist, the fair value is assessed by use of internal models, based on cash flows discount techniques. The production of cash flows of different financial instruments is executed taking into account the respective financial features, and the discount rates in use consider the most recently conceded operations of the Bank.

Therefore, the fair value obtained has an influence of parameters used in the assessment model, embodying a degree of subjectivity, and reflects exclusively the amount allocated to different financial instruments.

The Bank considers three levels of financial instruments (assets or liabilities) valuation, in the hierarchy of fair value. This categorization reflects the level of judgment, observance of data used, and the importance of parameters applied, to determine the fair value calculation in accordance with IFRS 13. The three level in use by the Bank are:

- **Level 1** – The fair value is determined by taking into account non-adjusted, quoted prices, obtained from transactions in active market with financial instruments similar to those to be assessed. If there are more than one active market, the relevant price is the one prevailing in the main market, or in the most advantageous market, with existing access;
- **Level 2** – The fair value is determined through assessment techniques supported by observable data in active markets, whether direct data (prices, rates, spreads, etc…) or indirect data (derivatives), and valuation assumptions similar to those a non related party should use to assess the fair value of the same financial instrument. Instruments whose valuation is obtained through quotation disclosed by independent entities, and in markets with reduced liquidity, are herewith enclosed; and,
- **Level 3** – The fair value is determined taking into consideration non observable data in active markets, through techniques and assumptions that attendee of such a market should use to assess the same instruments, including the hypothesis of intrinsic risks, through used assessment techniques, and used input and covered processes of revision of obtained values.

The Bank considers an active market for a provided financial instrument, at measurement date, depending on the business volume, and the liquidity of realised transactions, on the relative volatility of quoted prices, and the redness and availability of information. Therefore the following minimum conditions might be observed:

- Existence of daily quotations of frequent negotiations in the last year;
- The above-mentioned quotations change regularly;
- There are quotations executed by more than one entity.

A parameter used in a valuation technique is considered an observable datum in the market if the following conditions are fulfilled:

- If its value is determined in an active market;
- If there is an OTC market, and it is reasonable to consider that the conditions for an active market were observed, with exception of the condition of the volumes of transaction; and,
- The value of parameter can be obtained by a reverse calculation of financial instruments prices, and/or derivatives, where the remaining parameters necessary to the initial valuation are observable in a liquid market, or in an OTC market, which comply with the previous paragraphs.

The main methodologies and assumptions used to assess the fair value of financial assets and liabilities, recorded at amortized cost in the balance are analyzed as follows:

Cash and balances at Central Banks, Balances at Other Credit Institutions, Placements with Central Banks and Other Credit Institutions, and other assets.

The above-mentioned assets are of a very short term, therefore their value in the balance represents a reasonable assessment of their fair value.

Financial assets at fair value through other comprehensive income

These financial instruments are accounted for at fair value. The fair value is based on the market quotations (Bid-price), whenever they are available. If they do not exist, the fair value calculation is based on the use of numeric models, taking into account the cash flow discount techniques, to calculate the fair value, using the curve of interest rate of the market, adjusted by associated factors, mainly the credit risk and the liquidity risk, calculated in accordance with the market conditions, and the respective terms.

The value for the very short term rates, are obtained from similar sources of the interbank market. The interest rate for specific term of cash flows are determined by use of adequate interpolation methods. The same curves of interest rate are used to deploy non deterministic cash flows, like in the case of indexants.

The market interest rate for Kwanza are calculated based on the treasury bills interest rates for several maturities.

Loans and advances

The fair value of loans and advances is calculated based on the upgrade of estimated cash flows of capital and interest, considering that the instalments are paid on the contractually established dates. The discount rates used are the actual rates used in similar loans and advances.

Deposits from Central Banks and Other Credit Institutions

The fair value of these liabilities is calculated based on the expected cash flows upgrade of capital and interest, considering that the instalments are paid on the contractually established dates. These liabilities are of a very short term that, their value recorded in the balance, is a reasonable estimate for their fair value.

Deposits from clients and other liabilities

The fair value of these financial instruments is calculated, based on their capital and interest estimated cash flows upgrade. The discount rate used reflects the rates used for deposits with the same features at the date of balance. Considering that the interest rates applied are renewed for the periods less than a year, there are no materially relevant differences in their fair value.

The fair value of the financial assets and liabilities for the Bank was:

2024						
		Fair value valuation				
Kz'000	Amortised cost	Market quotations (Level 1)	Valuation model with parameters observable in the market (Level 2)	Valuation model with parameters non observable in the market (Level 3)	Total amount in balance	Fair value
Assets	**74 504 476**	**-**	**60 119 274**	**434 043**	**135 057 793**	**135 057 793**
Cash and balances at Central Bank	27 261 258	-	-	-	27 261 258	27 261 258
Balances at OCI	1 185 639	-	-	-	1 185 639	1 185 639
Placements with CB and OCI	28 856 717	-	-	-	28 856 717	28 856 717
Fin. assets at FV through OCI	-	-	60 119 274	434 043	60 553 317	60 553 317
- Bonds issued by Government	-	-	60 119 274	-	60 119 274	60 119 274
- Shares	-	-	-	434 043	434 043	434 043
Loans and advances	16 544 536	-	-	-	16 544 536	16 544 536
Other assets	656 326	-	-	-	656 326	656 326
Liabilities	**(84 782 094)**	**-**	**-**	**-**	**(84 782 094)**	**(84 782 094)**
Deposits from CB and OCI	(323 434)	-	-	-	(323 434)	(323 434)
Demand deposits from clients	(34 105 372)	-	-	-	(34 105 372)	(34 105 372)
Term deposits from clients	(49 506 148)	-	-	-	(49 506 148)	(49 506 148)
Deposits for FX operations	(847 140)	-	-	-	(847 140)	(847 140)
	(10 277 618)	**-**	**60 119 274**	**434 043**	**50 275 699**	**50 275 699**

2023						
		Fair value valuation				
Kz'000	Amortised cost	Market quotations (Level 1)	Valuation model with parameters observable in the market (Level 2)	Valuation model with parameters non observable in the market (Level 3)	Total amount in balance	Fair value
Assets	**46 915 900**	**-**	**76 536 851**	**299 799**	**123 752 550**	**123 752 550**
Cash and balances at Central Bank	21 190 833	-	-	-	21 190 833	21 190 833
Balances at OCI	1 301 938	-	-	-	1 301 938	1 301 938
Placements with CB and OCI	15 109 132	-	-	-	15 109 132	15 109 132
Fin. assets at FV through OCI	-	-	76 536 851	299 799	76 836 650	76 836 650
- Bonds issued by Government	-	-	76 536 851	-	76 536 851	76 536 851
- Shares	-	-	-	299 799	299 799	299 799
Loans and advances	8 680 934	-	-	-	8 680 934	8 680 934
Other assets	633 063	-	-	-	633 063	633 063
Liabilities	**(80 229 226)**	**-**	**-**	**-**	**(80 229 226)**	**(80 229 226)**
Deposits from CB and OCI	(810 799)	-	-	-	(810 799)	(810 799)
Demand deposits from clients	(44 100 044)	-	-	-	(44 100 044)	(44 100 044)
Term deposits from clients	(33 390 376)	-	-	-	(33 390 376)	(33 390 376)
Deposits for FX operations	(1 928 007)	-	-	-	(1 928 007)	(1 928 007)
	(33 313 326)	**-**	**76 536 851**	**299 799**	**43 523 324**	**43 523 324**

Financial assets at fair value through other comprehensive income movements, ranked at level 3:

2024			
Kz'000	Debt Instruments	Equity Instruments	Total
Opening Balance (Net) at 01 January	**-**	**299 799**	**299 799**
Total gains/losses	-	134 244	134 244
In income statement	-	-	-
- In other comprehensive income	-	134 244	134 244
Reimbursement	-	-	
Closing Balance (Net) at 31 December	**-**	**434 043**	**434 043**

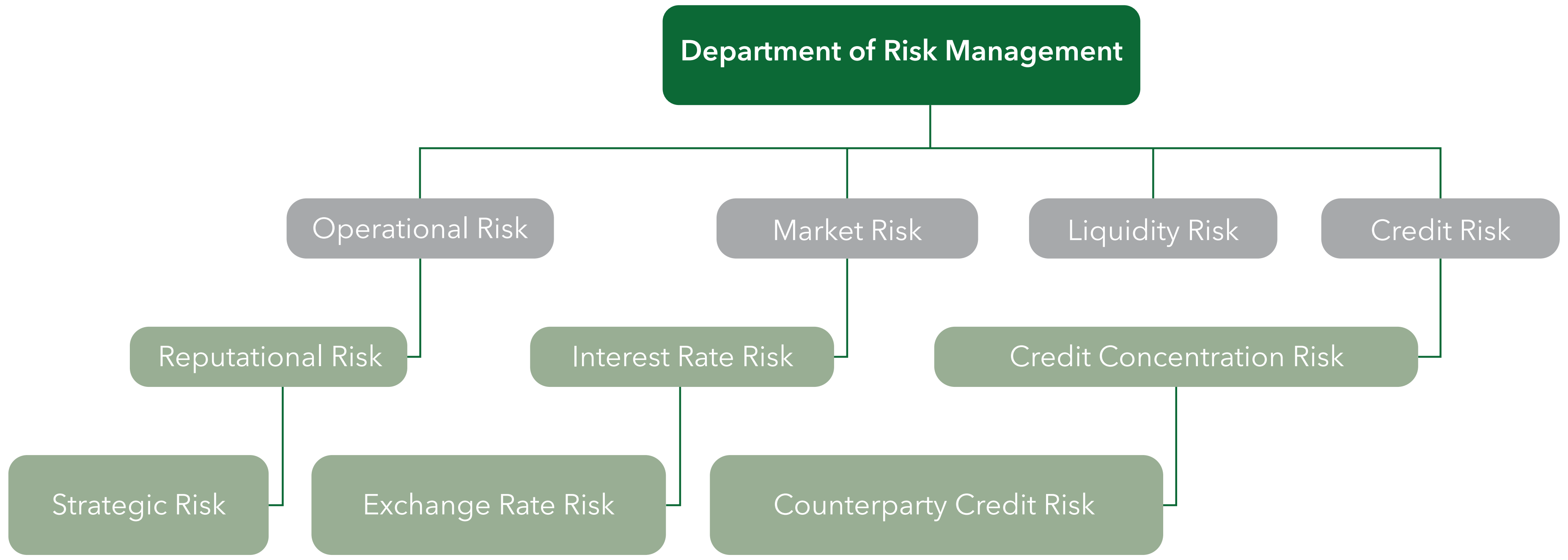
2023			
Kz'000	Debt Instruments	Equity Instruments	Total
Opening Balance (Net) at 01 January	**-**	**192 131**	**192 131**
Total gains/losses	-	107 668	107 668
In income statement	-	-	-
- In other comprehensive income	-	107 668	107 668
Reimbursement	-	-	
Closing Balance (Net) at 31 December	**-**	**299 799**	**299 799**

19. RISK MANAGEMENT

The accuracy in Risk management comprises the basic approach in "Banco Comercial Angolano" (BCA) line of corporative policy, with view to evaluate strategic alternatives and setting objectives aligned with its strategy. The caution in risk management, associated to the use of advanced techniques of management, are the most effective factor to achieve the goals of the Bank.

BCA's philosophy is underpinned by its objective of creating stakeholder value through sustainable and profitable growth, consistent with shareholders' expectations of the group's risk-bearing capacity and risk appetite. On the other hand, it aims the permanent keeping of an adequate link between the equity and the activities developed, and the corresponding assessment of the outline of the risk/ return by business line.

Within the scope of the Risk Management System of the BCA, four types of risks are considered as shown in the figure below:

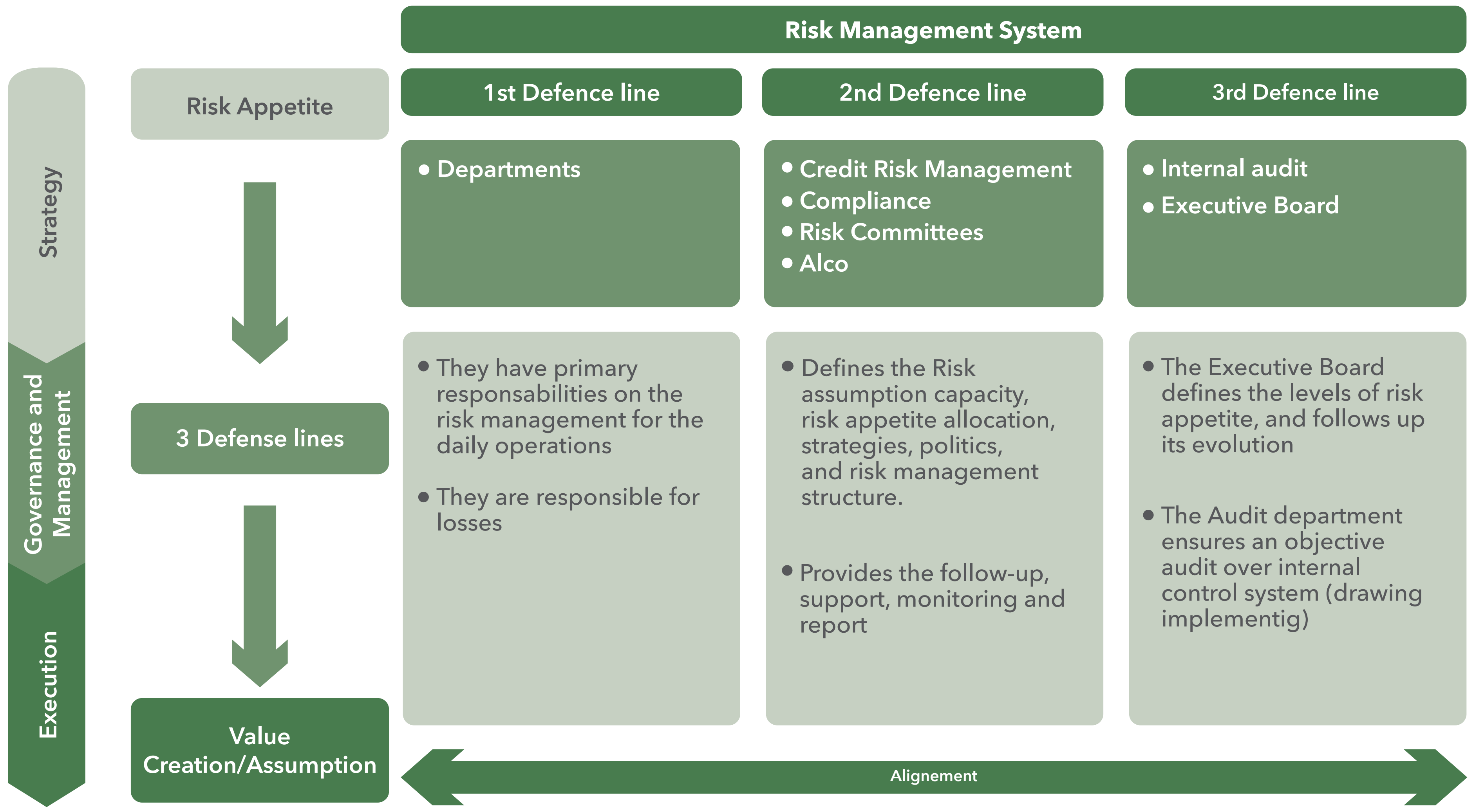


BCA's risk and ethical culture is aligned with its risk philosophy. The bank's objective is to ensure that a world-class risk management culture is sustained throughout its operations.

The Risk Management System is governed by the following principles:

- Board commitment in defining, formalizing, implementing and reviewing the risk management system, installing in BCA, a culture driven for prudential management of the risks;
- Periodic review of the bank structure, to assure a proper distribution and segregation of responsibilities so that execution and validation activities are not assigned to the same employee;
- Correct, accurate, and reliable data output;
- All employees must be submitted to a risk and compliance training, and must adopt a proactive rather than a reactive attitude.

There are several players who intervene in the Risk Management and Internal Control Systems, each one, with specific duties and responsibilities. Three major lines of defense are defined:



Credit and Counterparty risk

The loan risk refers to the risk of financial loss (capital and/or revenue) as a result of a debtor default, for any reason. Credit risk arises from a potential failure to meet financial commitments contractually established by a borrower or counterparty in transactions. The credit risk exists mainly in loans exposures, credit lines and guarantees associated with the possibility of financial losses resulting from the failure of borrowers or counterparties, particularly in loans granted to small, medium and large companies, small businesses, private individuals and other financial institutions.

The Bank endeavours to grant loan facilities based on loan principles with appropriate returns, balancing the risk and the revenue. The general policy is to find primary motivation in the:

- Merits of the business;
- Debtor's financial position; and
- Transaction (the decision should never be based on guarantee only).

The process of managing risks effectively consists of the proper identification, measurement, analysis, control and mitigating the risks that the bank is exposed to on a daily basis.

This process starts in the front-end business departments who analyze and propose for approval transactions whose risk profile they deem to be within the risk appetite defined for and delegated to them by the Board of Directors.

A balance between risk and customer quality service must be held. A quality service does not imply granting loans to entities that are not creditworthy.

The credit risk assessment procedure uses qualitative and quantitative methodologies, to ensure that all risks are addressed, either through automated calculations or through the customer relationship. The Bank will not grant loans of any nature to any customer lacking the capacity to pay back the debt.

The aim of the Bank is to concede loans to any companies and/or individuals, based on their own financial capacity and not exclusively based on the main company confidence, others debtors, or the granted guarantee base.

The assessment of the financial profile of individuals and companies varies from sector to sector or from individual to individual, and efforts should be made to use comparative studies as guidance where possible.

It is essential to develop mutual trust through personal contact with the clients to whom we are lending. In the specific case of companies, we should visit the facilities where they are located at least once a year, preferably at the time when the facilities are assessed.

In general, the Bank should obtain unlimited guarantees and assignment or capitalization of the credit accounts (except those of partnerships) of the directors/partners/purchasers as collateral for facilities granted to companies, corporations, partnerships, attorneys and wives, in the case of individuals. Some of the main vectors of the credit risk area in 2024 were as follows:

- Reinforcement of the strictness in the admission criteria and consequently in the quality of the risks accepted in each of the segments aiming at preservation of the quality of the credit portfolios;
- Concerning standardized risks customer proximity was intensified in order to anticipate their credit requirements, review their credit lines and foresee possible issues in their repayment capability;

This action and the level of the customers' credit quality allowed maintaining non-performing loans and credit at risk ratios significantly below the average of the industry. On the other hand, support levels to the business in the capture of good risk customers were intensified and improvements were implemented in the procedures with the objective to swiftly and effectively provide answers to customers' requests.

The following organs are responsible for credit sanctioning on behalf of the bank, according to their responsibilities: Credit Department, Staff Loans Committee, Executive Credit Committee, and the Board Credit Committee.

Counterparty risk, present in contracts carried out in financial markets, corresponds to the possibility of default by the counterparties over the contractual terms and subsequent occurrence of financial losses for the institution.

The types of transactions include the purchase and sale of securities, operations in the interbank money market, contracting of "repos", loans of securities and derivative instruments.

The control of such risks is carried out through an integrated system that allows recording the approved limits and provides information on their availability for different products and maturities. The same system also allows the transversal control of risk concentration for certain groups of customers and/or counterparties.

Risks in derivative positions, known as Credit Risk Equivalent (CRE), is the sum of the present value of each contract (or Current Replacement Cost) and the respective risk potential, a component that reflects an estimate of the maximum expected value until maturity, according to the underlying volatilities of the market factors and the contracted flow structure.

The maximum exposure of financial instruments to credit risk was:

2024			
Kz'000	Gross Book Value	Impairment	Net Book Value
In balance	**135 996 088**	**(1 782 918)**	**134 213 170**
- Balances at Central Bank	27 261 258	-	27 261 258
- Balances at other credit institutions	1 185 948	(309)	1 185 639
- Placements with CB and OCI	28 858 487	(1 770)	28 856 717
- Fin. assets at FVOCI	60 553 317	(844 623)	59 708 694
- Loans and Advances	17 480 068	(935 532)	16 544 536
- Other Assets	657 010	(684)	656 326
Off balance	**2 646 417**	**(2 361)**	**2 644 056**
- Letters of Credit	327 571	(2 361)	325 210
- Undrawn Commitments	2 318 846	-	2 318 846
	138 642 505	**(1 785 279)**	**136 857 226**

Impairment losses on financial assets at fair value through other comprehensive income are recorded in revaluation reserves, in the equity. They were included in this display to reflect the real exposure to the credit risk.

Kz'000	Gross Book Value	Impairment	Net Book Value
2023			
In balance	**124 338 480**	**(1 393 031)**	**122 945 449**
- Balances at Central Bank	21 190 833	-	21 190 833
- Balances at other credit institutions	1 301 945	(7)	1 301 938
- Placements with CB and OCI	15 110 466	(1 334)	15 109 132
- Fin. assets at FVOCI	76 836 650	(807 101)	76 029 549
- Loans and Advances	9 264 954	(584 020)	8 680 934
- Other Assets	633 632	(569)	633 063
Off balance	**4 982 554**	**(6 257)**	**4 976 297**
- Letters of Credit	855 375	(6 257)	849 118
- Undrawn Commitments	4 127 179	-	4 127 179
	129 321 034	**(1 399 288)**	**127 921 746**

The book value of financial instruments at 31 December 2024 and 31 December 2023 was:

Kz'000	Fair Value Valuation	Amortised Cost Valuation	Gross Value	Impairment	Net Value
2024					
Assets	**60 553 317**	**75 442 771**	**135 996 088**	**(1 782 918)**	**134 213 170**
Cash and balances at Central Banks	-	27 261 258	27 261 258	-	27 261 258
Balances at other credit institutions	-	1 185 948	1 185 948	(309)	1 185 639
Placements with Central Banks and other credit institutions	-	28 858 487	28 858 487	(1 770)	28 856 717
Financial assets at FV through OCI	60 553 317	-	60 553 317	(844 623)	59 708 694
- Government bonds	*60 119 274*	-	*60 119 274*	*(844 623)*	*59 274 651*
- Shares	*434 043*	-	*434 043*	-	*434 043*
Loans and advances	-	17 480 068	17 480 068	(935 532)	16 544 536
Others Assets	-	657 010	657 010	(684)	656 326
Liabilities	**-**	**(84 782 094)**	**(84 782 094)**	**-**	**(84 782 094)**
Deposits from Central Bank and other credit institutions	-	(323 434)	(323 434)	-	(323 434)
Demand deposits from clients	-	(34 105 372)	(34 105 372)	-	(34 105 372)
Term deposits from clients	-	(49 506 148)	(49 506 148)	-	(49 506 148)
Deposits for FX operations	-	(847 140)	(847 140)	-	(847 140)
Total	**60 553 317**	**(9 339 323)**	**51 213 994**	**(1 782 918)**	**49 431 076**

Kz'000	Fair Value Valuation	Amortised Cost Valuation	Gross Value	Impairment	Net Value
			2023		
Assets	**76 836 650**	**47 501 830**	**124 338 480**	**(1 393 031)**	**122 945 449**
Cash and balances at Central Banks	-	21 190 833	21 190 833	-	21 190 833
Balances at other credit institutions	-	1 301 945	1 301 945	(7)	1 301 938
Placements with Central Banks and other credit institutions	-	15 110 466	15 110 466	(1 334)	15 109 132
Financial assets at FV through OCI	76 836 650	-	76 836 650	(807 101)	76 029 549
- Government bonds	*76 536 851*	*-*	*76 536 851*	*(807 101)*	*75 729 750*
- Shares	*299 799*	*-*	*299 799*	*-*	*299 799*
Loans and advances	-	9 264 954	9 264 954	(584 020)	8 680 934
Others Assets	-	633 632	633 632	(569)	633 063
Liabilities	**-**	**(80 229 226)**	**(80 229 226)**	**-**	**(80 229 226)**
Deposits from Central Bank and other credit institutions	-	(810 799)	(810 799)	-	(810 799)
Demand deposits from clients	-	(44 100 044)	(44 100 044)	-	(44 100 044)
Term deposits from clients	-	(33 390 376)	(33 390 376)	-	(33 390 376)
Deposits for FX operations	-	(1 928 007)	(1 928 007)	-	(1 928 007)
Total	**76 836 650**	**(32 727 396)**	**44 109 254**	**(1 393 031)**	**42 716 223**

At 31 December 2024 and 31 December 2023 there were no financial instruments recorded at their historic cost.

The level of credit risk quality of financial assets, as at 31 December 2024 and 2023, is as follows:

Kz'000	Internal Grade of Rating	In-Balance Values	Gross Exposure	Impairment	Net Exposure
			2024		
Assets					
Balances at Central Bank	A	27 261 258	27 261 258	-	27 261 258
Balances at OCI	A	1 185 948	1 185 948	(309)	1 185 639
Placements		28 858 487	28 858 487	(1 770)	28 856 717
- with the Central Bank	A	*2 471 905*	*2 471 905*	*-*	*2 471 905*
- With OCI	B	*26 386 582*	*26 386 582*	*(1 770)*	*26 384 812*
Fin. assets at FV through OCI		60 553 317	60 553 317	(844 623)	59 708 694
- Government Bonds	A	*60 119 274*	*60 119 274*	*(844 623)*	*59 274 651*
- Shares	B	*434 043*	*434 043*	*-*	*434 043*
Loans and Advances		17 480 068	17 480 068	(935 532)	16 544 536
	A	*1 415 689*	*1 415 689*	*(3 698)*	*1 411 991*
	B	*15 572 690*	*15 572 690*	*(635 846)*	*14 936 844*
	C	*125 716*	*125 716*	*(11 866)*	*113 850*
	D	*87 262*	*87 262*	*(18 631)*	*68 631*
	E	*24 446*	*24 446*	*(14 085)*	*10 361*
	F	*5 390*	*5 390*	*(2 531)*	*2 859*
	G	*248 875*	*248 875*	*(248 875)*	*-*
Other assets		657 010	657 010	(684)	656 326
- VISA Cards collateral	B	*657 010*	*657 010*	*(684)*	*656 326*
		135 996 088	**135 996 088**	**(1 782 918)**	**134 213 170**

Impairments of financial assets through other comprehensive income are recorded in revaluation reserves, in the equity. They were included in this display to reflect the real exposure to the credit risk.

2023					
Kz'000	Internal Grade of Rating	In-Balance Values	Gross Exposure	Impairment	Net Exposure
Assets					
Balances at Central Bank	A	21 190 833	21 190 833	-	21 190 833
Balances at OCI	A	1 301 945	1 301 945	(7)	1 301 938
Placements		15 110 466	15 110 466	(1 334)	15 109 132
- with the Central Bank	A	*8 665 859*	*8 665 859*	-	*8 665 859*
- With OCI	B	*6 444 607*	*6 444 607*	*(1 334)*	*6 443 273*
Fin. assets at FV through OCI		76 836 650	76 836 650	(807 101)	76 029 549
- Government Bonds	A	*76 536 851*	*76 536 851*	*(807 101)*	*75 729 750*
- Shares	B	*299 799*	*299 799*	-	*299 799*
Loans and Advances		9 264 954	9 264 954	(584 020)	8 680 934
	A	*1 178 640*	*1 178 640*	*(69 918)*	*1 108 722*
	B	*7 720 761*	*7 720 761*	*(282 276)*	*7 438 485*
	C	*59 873*	*59 873*	*(3 801)*	*56 072*
	D	*66 491*	*66 491*	*(2 271)*	*64 220*
	E	*13 199*	*13 199*	*(9 127)*	*4 072*
	F	*661*	*661*	*(478)*	*183*
	G	*225 329*	*225 329*	*(216 149)*	*9 180*
Other assets		633 632	633 632	(569)	633 063
- VISA Cards collateral	B	*633 632*	*633 632*	*(569)*	*633 063*
		124 338 480	**124 338 480**	**(1 393 031)**	**122 945 449**

The internal grades of risk disclosed above, comply with the classification of Instruction n° 09/2015, of BNA, regarding the approach to calculate provisions. However, this instruction is no longer applicable for prudential ratios purposes, as it has been revoked.

The sector analysis of credit risk exposure for the years ended at 31 December 2024 and 2023 was as follows:

2024							
	Loans and Advances					Impairment	
Kz'000	Performing	Non Performing	Guarantees given	Total Exposure	Relative weighting	Amount	Coverage of exposure
Institutions	**12 059 063**	**3 696**	**2 287 005**	**14 349 764**		**496 405**	
Wholesale and retail	1 509 729	3 496	13 704	1 526 929	8%	117 609	8%
Other collective, social, and personnel services	5 210 763	144	444 167	5 655 074	28%	150 795	3%
Construction	5	5	-	10	0%	3	30%
Manufacturing industry	5 334 335	41	1 829 134	7 163 510	36%	227 800	3%
Transport, warehousing, communication	4 231	10	-	4 241	0%	198	5%
Individuals	**5 152 354**	**264 955**	**359 412**	**5 776 721**		**445 385**	
Consumption	4 555 371	219 143	-	4 774 514	24%	394 936	8%
Housing	504 270	-	-	504 270	3%	4 393	1%
Other purposes	92 713	45 812	359 412	497 937	2%	46 056	9%
	17 211 417	**268 651**	**2 646 417**	**20 126 485**		**941 790**	

2023							
	Loans and Advances					Impairment	
Kz'000	Performing	Non Performing	Guarantees given	Total Exposure	Relative weighting	Amount	Coverage of exposure
Institutions	**4 551 593**	**2 893**	**4 614 710**	**9 169 196**		**229 999**	
Wholesale and retail	955 749	2 772	58 623	1 017 144	7%	38 066	4%
Other collective, social, and personnel services	1 329 302	75	4 556 087	5 885 464	41%	109 224	2%
Construction	-	11	-	11	0%	7	64%
Manufacturing industry	2 266 542	27	-	2 266 569	16%	82 694	4%
Transport, warehousing, communication	-	8	-	8	0%	8	100%
Individuals	**4 490 336**	**220 132**	**368 816**	**5 079 284**		**360 278**	
Consumption	3 778 647	188 818	-	3 967 465	28%	282 593	7%
Housing	631 732	9	-	631 741	4%	8 957	1%
Other purposes	79 957	31 305	368 816	480 078	3%	68 728	14%
	9 041 929	**223 025**	**4 983 526**	**14 248 480**		**590 277**	

The geographical concentration of credit risk at 31 December 2024, and 2023, was as follows:

2024				
	Geographical Area			
Kz'000	Angola	Other African Countries	Europe	Total
Assets	**123 546 115**	**414 142**	**11 097 536**	**135 057 793**
Cash and balances at Central Banks	27 261 258	-	-	27 261 258
Balances at OCI	-	414 142	771 497	1 185 639
Placements with CB and OCI	19 187 004	-	9 669 713	28 856 717
- with local financial institutions	*19 187 004*	-	-	*19 187 004*
- with foreign fin. institutions	-	-	*9 669 713*	*9 669 713*
Financial assets at FV through OCI	60 553 317	-	-	60 553 317
- Treasury bills	*2 156 457*	-	-	*2 156 457*
- Treasury bonds	*57 962 817*	-	-	*57 962 817*
- Shares EMIS	*434 043*	-	-	*434 043*
Loans and advances	16 544 536			16 544 536
Other assets	-	-	656 326	656 326
Liabilities	**(84 782 094)**	**-**	**-**	**(84 782 094)**
Deposits from other credit institutions	(323 434)	-	-	(323 434)
Deposits from clients	(83 611 520)	-	-	(83 611 520)
- Demand	*(34 105 372)*	-	-	*(34 105 372)*
- Term	*(49 506 148)*	-	-	*(49 506 148)*
Other liabilities	(847 140)	-	-	(847 140)
Total	**38 764 021**	**414 142**	**11 097 536**	**50 275 699**

2023				
	Geographical Area			
Kz'000	Angola	Other African Countries	Europe	Total
Assets	**115 523 232**	**741 741**	**7 487 577**	**123 752 550**
Cash and balances at Central Banks	21 190 833	-	-	21 190 833
Balances at OCI	148 956	741 741	411 241	1 301 938
Placements with CB and OCI	8 665 859	-	6 443 273	15 109 132
- with local financial institutions	*8 665 859*	-	-	*8 665 859*
- with foreign fin. institutions	-	-	*6 443 273*	*6 443 273*
Financial assets at FV through OCI	76 836 650	-	-	76 836 650
- Treasury bills	*7 375 202*	-	-	*7 375 202*
- Treasury bonds	*69 161 649*	-	-	*69 161 649*
- Shares EMIS	*299 799*	-	-	*299 799*
Loans and advances	8 680 934			8 680 934
Other assets	-	-	633 063	633 063
Liabilities	**(80 229 226)**	**-**	**-**	**(80 229 226)**
Deposits from other credit institutions	(810 799)	-	-	(810 799)
Deposits from clients	(77 490 420)	-	-	(77 490 420)
- Demand	*(44 100 044)*	-	-	*(44 100 044)*
- Term	*(33 390 376)*	-	-	*(33 390 376)*
Other liabilities	(1 928 007)	-	-	(1 928 007)
Total	**35 294 006**	**741 741**	**7 487 577**	**43 523 324**

In order to decrease the credit risk effects, the real guarantees secured by mortgage, and financial collaterals allowing to mitigate the client LGD are essential.

The goods provided as real guarantees secured by mortgage are assessed either by independent valuers, or by appropriate institution department. The assessment of goods is executed locally by external valuers, in accordance with the best pratices of the market.

For legal rights over real estate property, the following conditions must be met:

a) Substantiate a right of possession with first-degree preferential claim over the asset;

b) Be subject to an on-site inspection of their premises by the financial institution;

c) Have associated insurance agreements against fire and other relevant risks of accidents and damages; and,

d) To be reviewed, analysed and assessed at least every two years by a qualified, professional and renowned organisation, or whenever the exposure represents a significant risk:

- An amount equal to or higher than 1% (one per cent) of BCA's total credit portfolio or equal to or higher than Kz 100 000 000 (one hundred million Kwanzas); or
- Overdue Loans with more than 90 days past-due and/or other signs of impairment; or
- In situations where other changes in market conditions are identified with a potentially significant impact on the value of real estate assets and/or on a group or multiple real estate assets with similar features.

As far as financial guarantees (collateral) are concerned, namely listed securities and equity holdings, the recognised value will be the market value as of the reporting reference date. For non-listed securities and equity holdings, assessments should be made using the discounted cash flow method, carried out by renowned and qualified organisations on the basis of the latest audited accounts with a reference date not exceeding 18 months. Otherwise, they should be assessed at the time of the credit processes annual review.

With regard to other collateral received, such as pledges of equipment, brands and works of art, the market value should be calculated on the basis of an up-to-date assessment, less than one (1) year old, carried out by a renowned and qualified organisation with expertise knowledge in the nature of the collateral.

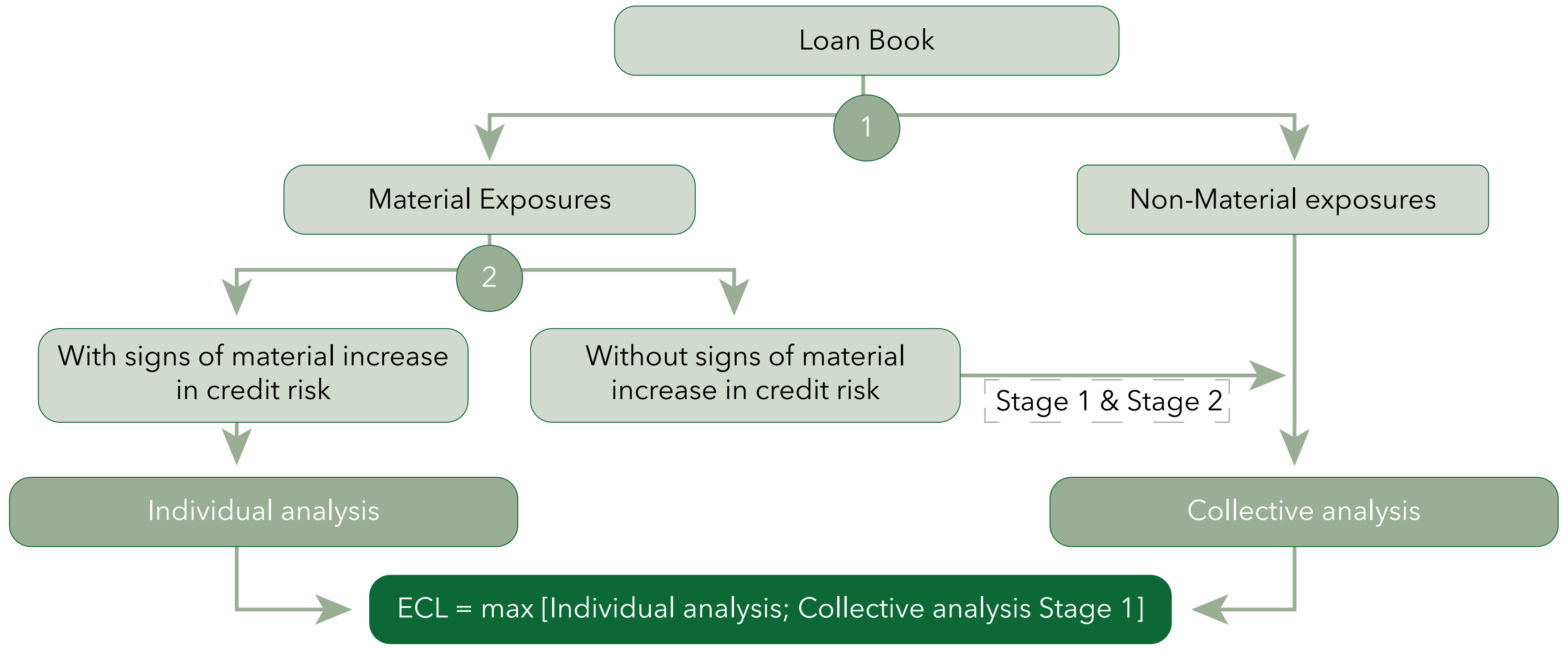
Starting from the year 2018, the Model for calculating Impairment Losses of the Bank's Credit Portfolio began to be regulated by the general principles outlined in IFRS 9. Issued in July 2014 by the International Accounting Standards Board, IFRS 9 replaces IAS 39, establishing new rules for the classification and measurement of financial assets and liabilities.

IFRS 9 introduces a 3 stages approach which is based on changes in the credit quality of financial assets after initial recognition. The assets transition between the 3 stages occurs as the credit quality changes, and the stages dictate the way that the entity measures impairment. When there is a significant change in credit risk since its origination, the impairment is measured through an ECL for the entire life of the asset (lifetime), i.e. for a period of time corresponding to the residual maturity of the financial asset, instead of a 12-month ECL (or for a shorter period if the residual maturity of the operations is less than 12 months).

In summary, IFRS 9 defines a model of expected credit losses that is based on a prior recognition of losses associated with credit risk, based on the concept of a significant increase in credit risk since initial recognition (i.e., before an objective evidence of impairment occurs, there must be a significant increase in credit risk that is not reflected in the pricing of the financial asset).

Therefore, the Bank reviewed its model of impairment losses on loans and advances in order to adapt it to the regulatory framework in Angola and to apply IFRS 9 from the year beginning on the 1 January 2018.

The impairment model developed by the Bank is displayed in the following:



Individually Significant Exposures are those whose debtor has a global exposure exceeding 0,1% and 0,5% of the Bank's Equity.

BCA classifies loans and advances to clients in its portfolio as stage 1, stage 2 and stage 3, according to the delinquency criteria presented at each reporting date. For clients analyzed individually, a "Stage 1" questionnaire is completed in order to identify whether there was a significant increase in the debtor's credit risk that would lead to the conclusion that the debtor was not performing.

In order to ensure the staging model stability and, consequently, the quantification of the ECL of the client credit portfolio, minimum periods that clients are kept either in stage 2 or stage 3 (ahead referred to as "quarantine") when the criteria to shift clients between stage 2 and stage 3 are fulfilled.

BCA started the portfolio treatment criteria approach under IAS 39 in 2016, and therefore, it does not have sufficient historical data to gather strong and statistically significant risk factors for the calculation of collective impairment, mainly those regarding the LGD parameter. Analyzing the default events, it was verified that the Bank has a reduced number of events related to the exposures to enterprises. On the other hand, in the exposures to individual clients, with a greater number of default events, it can be checked that the referred exposures are not materially relevant (for the definition of material exposures a materiality threshold of Kz 20 000 was considered) to assess a significant probability of default in the portfolio.

Taking into consideration the historical information available in the loan portfolios, the following drivers were used for the segmentation of the loan portfolio into homogeneous risk classes: (i) type of customer, (ii) type of product, (iii) volume and materiality of operations. The risk factors to be applied to the loan portfolio were determined using a market benchmark analysis. Consequently, the portfolio segmentation was adjusted based on the risk factors applied on the basis of the benchmark.

The classification of the operations/clients in the different segments follows the following criteria:

Client Type	Segment	BCA Portfolio	Type of Products
Enterprises	Enterprises	Current accounts cautioned	CC
		Overdrafts	DO, CARC
		Rentals	CRR, CRF
		Off Balance	CRDI, GARP
Individuals	Overdrafts	Overdrafts	DO, CARC
	Housing & Consumption	Employees Loans	Employees Loans
		Credit Protocols	Protocol
		Rentals	CRR, CRF
State	State	State	-

Consolidated/final impairment allocated by staging:

Stage	Final ECL
Stage 1	ECL corresponds to the ECL resulting from the collective analysis of stage 1.
Stage 2	ECL corresponds to the maximum between: (i) The amount of impairment determined individually; and (ii) The ECL resulting from the collective analysis in stage 1.
Stage 3	

The ECL resulting from collective assessment in stage 1 was taken as floor of the model.

Liquidity risk

The liquidity risk is the risk of compromising the financial capacity of the bank, in such a way that the current operations cannot be financed, and the financial commitments cannot be accomplished in due time. In accordance with Basel III, issued after the "subprime crisis", which has a goal of adopting the banks with enough equity to face liquidity crisis, the Central bank, in cooperation with local banks, is developing instruments to assess the liquidity risk exposure. This will be done through regulatory calculations that take into consideration the weighting of different classes of assets, liabilities and off-balance sheet exposures in both local and foreign currency based on their maturity profiles. The central bank has established a minimum liquidity ratio that all banks will have to comply with and which seeks to avert a liquidity crisis in the banking sector.

The risk of commercial liquidity refers to the risk of the incapacity for covering the open positions of financial instruments in a fast way and in enough value at market prices, preventing adverse financial impacts, resultant so much of liquidity shortage in the Market or for the fact of the market being closed.

The careful administration of the liquidity is fundamental for the viability of the Bank. The administration of the liquidity risk includes a general approach on the Balance Sheet structure, which consolidates and synthesizes all of the origins and application of the liquidity, for besides including the analysis of the liquidity, of the profitability and of the sensibility of the different elements of the assets and liabilities relatively to variations of the interest tax. The liquidity risk management is developed independent and regularly by the Head of Risk Department and it is reported to the Assets and liabilities Committee (ALCO) and the Executive Board.

The Bank´s effective management of liquidity risk seeks to achieve the following main objectives:

- To satisfy the customer requirements for cash withdrawals, loans and advances and other short-term liquidity requirements;
- To ensure that there is a buffer for any seasonal changes to demand for liquid assets are adequately catered for;
- To ensure the right balance between covering cyclical fluctuations in customer demand and the holding of excessive liquid assets with low returns;
- To minimise the potential negative impact of changes in market conditions that may affect the bank; and
- To provide security against the negative consequences that may be generated by a loss of confidence by customers resulting in a run on banks.

To reach the objectives above proposed, the following instruments are used for liquidity management:

- Monitor and manage the liquidity cost in the Bank through daily meetings of liquidity;
- Assure that the Bank possesses, at any moment, a certain amount of net assets as protection against an unexpected movement in the cash flow;
- Consider and manage the characteristics and the risks of the different liquidity sources, adopting appropriate funding strategies (including the constitution of a wallet of bottoms, diversified and stable), according to the Bank's needs of liquidity;
- Reduce the liquidity risk emanated from improper funding source concentrations - to guarantee the appropriate diversification of deposits structure, to examine the trust level in a certain specific source of funding;
- Consider the need of diversification of the liquidity sources, assets' stability and the readiness of the alternative sources of funding of liquidity.

In general, the liquidity risk is managed by the approach on the cash flow, with the final purpose of assuring an appropriate level of monthly liquidity (avoiding an improper concentration of funds, as well as accomplishing with the limits of cash flows expressed as percentage of the total deposits and current accounts) through the funding strategy optimization, always considering the weighted interest rate and the projected growth in the Balance Sheet.

The liquidity risk process monitoring includes:

- Monthly Cash flows expressed as percentage of the total deposits and current accounts;
- Allocation of in-balance and off-balance positions by bands of time, in accordance with regulations;
- Required reserves and other required regulations.

The Treasury and Markets departments of the Bank are responsible for the liquidity regulations accomplishment, issued by the Board of Directors.

The Bank reports its liquidity risk to BNA, as required by the Instruction Instruction N° 01/2024. This Instruction establishes that the Banks have to report to the Central Bank, their individual information about the allocation of their in-balance and off-balance positions per band of time dully filled, and the calculations of liquidity and observation ratios.

Therefore, the banks have to provide the following liquidity reports:

- A report taking into account the cash-flows of all currencies;
- A report taking into account the cash-flows of local currency; and
- A report taking into account the cash-flows of significant foreign currencies for the institution, on an individual manner.

A foreign currency is considered significant when the liability expressed in such a currency, represents more than 5% of total of liabilities of the institution.

In accordance with this Instruction, the financial institutions have to keep a liquidity ratio (the ratio between the total net assets, and the net outgoing of cash) in local currency, and in all other currencies equal to or in excess of 110%, whilst the liquidity ratio in foreign currency might not be less than 160%.

The liquidity ratio in local and foreign currencies might be submitted to BNA every two weeks, and the liquidity ratio that considers the cash-flows in all currencies might be submitted on a monthly basis to BNA.

Summary of Liquidity Report – Local Currency				
Unities of Kz	**Wighted band of maturity 1 - up to 1 month**	**Wighted band of maturity 2 - from 1 to 3 months**	**Wighted band of maturity 3 - from 3 to 6 months**	**Wighted band of maturity 4 - from 6 to 12 months**
A. Net Assets				
Cash	4 638 134 600	-	-	-
Balance with the Central Bank (including the Legal Reserves)	16 314 342 581	-	-	-
Assets designated as collateral for credit transaction with the Central Bank	935 023 477	-	-	-
Trading and investment securities	400 762 979	-	-	-
Total of Net Assets	**22 288 283 637**	**-**	**-**	**-**
B. Outgoing of Cash-Flows				
Demand deposits	26 004 391 293	-	-	-
Term deposits	1 178 723 235	1 437 651 083	3 167 637 993	5 800 046 764
Irrevocable commitments to others	-	-	-	2 203 349 278
Total of Outgoing of Cash-Flows	**27 183 114 528**	**1 437 651 083**	**3 167 637 993**	**8 003 396 043**
C. Ingoing of cash-flows				
Operations in MMI - with the Central Bank	2 471 904 803	-	-	-
Loans and advances	5 319 094 937	1 560 386 851	2 241 477 835	11 528 568 968
Total of Ingoing of Cash-Flows	**7 790 999 740**	**1 560 386 851**	**2 241 477 835**	**11 528 568 968**
D. Liquidity and Observation Ratios				
Total of net assets (A.)	18 345 707 246			
Total of outgoing of cash-flows (B.)	8 315 170 285	516 164 468	1 085 922 812	2 544 767 117
Total of ingoing of cash-flows (C.)	21 846 551 669	780 193 426	1 120 738 917	5 764 284 484
GAP (A + C - B)	**31 877 088 629**	**264 028 958**	**34 816 105**	**3 219 517 367**
Cumulative GAP	**31 877 088 629**	**32 141 117 587**	**32 175 933 692**	**35 395 451 059**
Liquidity ratio (A. / (B. - min. (C ; B* 75%)))	**883%**			
Observation ratios (gap of previous band of maturity + C)/B)		**6327%**	**3063%**	**1491%**

Summary of Liquidity Report – All Currencies				
Unities of Kz	Wighted band of maturity 1 - up to 1 month	Wighted band of maturity 2 - from 1 to 3 months	Wighted band of maturity 3 - from 3 to 6 months	Wighted band of maturity 4 - from 6 to 12 months
A. Net Assets				
Cash	7 844 321 253	-	-	-
Balances with the Central Bank (including the Legal Reserves)	19 416 936 494	-	-	-
Trading and investment securities	400 782 979	-	-	-
Total of Net Assets	**27 662 040 726**	**-**	**-**	**-**
B. Outgoing of Cash-Flows				
Demand deposits	33 696 528 478	-	-	-
Term deposits	2 015 117 452	3 011 634 163	3 805 491 779	8 493 665 138
Operations in MMI- with banking institutions	26 031 888	-	-	-
Irrevocable commitments to others	-	-	327 570 600	2 203 349 276
Total of Outgoing of Cash-Flows	**35 737 677 818**	**3 011 634 163**	**4 133 062 379**	**10 697 014 417**
C. Ingoing of cash-flows				
Operations in MMI - with the Central Bank	2 471 904 803	-	-	18 218 657
Loans and advances	5 319 094 937	1 560 386 851	2 236 412 212	7 814 066 165
Total of Ingoing of Cash-Flows	**7 790 999 740**	**1 560 386 851**	**2 236 412 212**	**7 832 284 821**
D. Liquidity and Observation Ratios				
Total of net assets (A.)	26 012 413 316			
Total of outgoing of cash-flows (B.)	10 145 799 936	1 026 382 343	1 215 222 311	2 891 839 301
Total of ingoing of cash-flows (C.)	26 352 315 849	3 526 425 637	3 537 692 730	3 907 033 082
GAP (A + C - B)	**42 218 929 230**	**2 500 043 294**	**2 322 470 419**	**1 015 193 781**
Cumulative GAP	**42 218 929 230**	**44 718 972 524**	**47 041 442 943**	**48 056 636 724**
Liquidity ratio (A. / (B. - min. (C ; B* 75%)))	**1026%**			
Observation ratios (gap of previous band of maturity + C)/B)		**4457%**	**3971%**	**1762%**

Besides reporting the liquidity risk to BNA, "Banco Comercial Angolano" executes liquidity risk assessment under the metrics set by the "Assets and Liabilities Committee" (ALCO), which establishes limits of tolerance and alerts of risk appetite for each metric. This control is reinforced with the execution of monthly stress testing, aiming to outline risk of the Bank, and to ensure obligations, in a liquidity crisis scenario, are fulfilled.

The control of liquidity levels aims to keep a satisfactory level of balances to face financial needs in a short, medium and long terms. The liquidity risk is monitored daily, and several reports are produced for the control, supervising, and support of the ALCO decision making.

In the liquidity risk scope, the full contractual cash-flows, at 31 December 2024:

	2024 Residual Maturity Profile									
Kz'000	Demand	<= 1 Month	> 1 Month <= 3 Months	> 3 Months <= 6 Months	> 6 Months <= 1 Year	> 1 Year <= 3 Years	> 3 Years <= 5 Years	> 5 Years	Unlimited	Total
Assets	**43 742 235**	**18 337 493**	**2 834 136**	**6 348 302**	**4 546 616**	**17 810 322**	**24 918 703**	**15 429 617**	**1 090 369**	**135 057 793**
Balances at Central Bank	27 261 258	-	-	-	-	-	-	-	-	27 261 258
Balances at OCI	1 185 639	-	-	-	-	-	-	-	-	1 185 639
Placements with OCI	7 209 127	17 401 717	1 826 829	2 419 044	-	-	-	-	-	28 856 717
- Local financial Institutions	7 209 127	11 977 877	-	-	-	-	-	-	-	19 187 004
- Foreign financial Institutions	-	5 423 840	1 826 829	2 419 044	-	-	-	-	-	9 669 713
Fin. Assets at FV through OCI	-	933 836	996 466	3 764 244	4 113 595	14 103 166	21 052 571	15 155 396	434 043	60 553 317
- Treasury bills	-	-	-	2 156 457	-	-	-	-	-	2 156 457
- Treasury bonds	-	933 836	996 466	1 607 787	4 113 595	14 103 166	21 052 571	15 155 396	-	57 962 817
- Shares at EMIS	-	-	-	-	-	-	-	-	434 043	434 043
Loans and advances	8 086 211	1 940	10 841	165 014	433 021	3 707 156	3 866 132	274 221	-	16 544 536
Other assets	-	-	-	-	-	-	-	-	656 326	656 326
Liabilities	**(34 435 290)**	**(6 761 288)**	**(11 310 301)**	**(3 056 799)**	**(18 107 021)**	**(10 264 255)**	**-**	**-**	**(847 140)**	**(84 782 094)**
Deposits from OCI	(323 434)	-	-	-	-	-	-	-	-	(323 434)
Deposits from clients	(34 111 856)	(6 761 288)	(11 310 301)	(3 056 799)	(18 107 021)	(10 264 255)	-	-	-	(83 611 520)
- Demand	(34 105 372)	-	-	-	-	-	-	-	-	(34 105 372)
- Term	(6 484)	(6 761 288)	(11 310 301)	(3 056 799)	(18 107 021)	(10 264 255)	-	-	-	(49 506 148)
Other liabilities	-	-	-	-	-	-	-	-	(847 140)	(847 140)
Liquidity gap	**9 306 945**	**11 576 205**	**(8 476 165)**	**3 291 503**	**(13 560 405)**	**7 546 067**	**24 918 703**	**15 429 617**	**243 229**	**50 275 699**
Cumulative gap	**9 306 945**	**20 883 150**	**12 406 985**	**15 698 488**	**2 138 083**	**9 684 150**	**34 602 853**	**50 032 470**	**50 275 699**	**50 275 699**

In the liquidity risk scope, the full contractual cash-flows, at 31 December 2023, were:

Kz'000	Demand	<= 1 Month	> 1 Month <= 3 Months	> 3 Months <= 6 Months	> 6 Months <= 1 Year	> 1 Year <= 3 Years	> 3 Years <= 5 Years	> 5 Years	Unlimited	Total
					2023 Residual Maturity Profile					
Assets	**26 960 261**	**6 669 563**	**9 358 577**	**13 940 921**	**19 496 135**	**17 908 091**	**22 613 660**	**5 872 480**	**932 862**	**123 752 550**
Balances at Central Bank	21 190 833	-	-	-	-	-	-	-	-	21 190 833
Balances at OCI	1 301 938	-	-	-	-	-	-	-	-	1 301 938
Placements with OCI	3 501 745	6 650 558	846 571	4 110 258	-	-	-	-	-	15 109 132
- Local financial Institutions	3 501 745	4 013 807	846 571	303 736	-	-	-	-	-	8 665 859
- Foreign financial Institutions	-	2 636 751	-	3 806 522	-	-	-	-	-	6 443 273
Fin. Assets at FV through OCI	-	-	8 500 399	9 800 048	19 362 751	15 477 662	17 842 316	5 553 675	299 799	76 836 650
- Treasury bills	-	-	1 024 833	2 309 111	4 041 258	-	-	-	-	7 375 202
- Treasury bonds	-	-	7 475 566	7 490 937	15 321 493	15 477 662	17 842 316	5 553 675	-	69 161 649
- Shares at EMIS	-	-	-	-	-	-	-	-	299 799	299 799
Loans and advances	965 745	19 005	11 607	30 615	133 384	2 430 429	4 771 344	318 805	-	8 680 934
Other assets	-	-	-	-	-	-	-	-	633 063	633 063
Liabilities	**(45 283 735)**	**(3 903 120)**	**(1 855 758)**	**(709 019)**	**(10 488 421)**	**(12 799 981)**	**(3 261 185)**	**-**	**(1 928 007)**	**(80 229 226)**
Deposits from OCI	(810 799)	-	-	-	-	-	-	-	-	(810 799)
Deposits from clients	(44 472 936)	(3 903 120)	(1 855 758)	(709 019)	(10 488 421)	(12 799 981)	(3 261 185)	-	-	(77 490 420)
- Demand	(44 100 044)	-	-	-	-	-	-	-	-	(44 100 044)
- Term	(372 892)	(3 903 120)	(1 855 758)	(709 019)	(10 488 421)	(12 799 981)	(3 261 185)	-	-	(33 390 376)
Other liabilities	-	-	-	-	-	-	-	-	(1 928 007)	(1 928 007)
Liquidity gap	**(18 323 474)**	**2 766 443**	**7 502 819**	**13 231 902**	**9 007 714**	**5 108 110**	**19 352 475**	**5 872 480**	**(995 145)**	**43 523 324**
Cumulative gap	**(18 323 474)**	**(15 557 031)**	**(8 054 212)**	**5 177 690**	**14 185 404**	**19 293 514**	**38 645 989**	**44 518 469**	**43 523 324**	**43 523 324**

The contractual cash flows for the capital, at 31 December 2024, were:

2024 Residual Contractual Maturity Profile										
Kz'000	Demand	<= 1 Month	> 1 Month <= 3 Months	> 3 Months <= 6 Months	> 6 Months <= 1 Year	> 1 Year <= 3 Years	> 3 Years <= 5 Years	> 5 Years	Unlimited	Total
Assets	**44 228 120**	**17 954 275**	**2 808 695**	**6 715 306**	**4 512 129**	**16 910 584**	**23 516 214**	**13 670 181**	**1 090 369**	**131 405 873**
Balances at Central Bank	27 261 258	-	-	-	-	-	-	-	-	27 261 258
Balances at OCI	1 185 639	-	-	-	-	-	-	-	-	1 185 639
Placements with OCI	7 200 000	17 034 328	1 824 000	2 371 200	-	-	-	-	-	28 429 528
- Local Financial Institutions	7 200 000	11 617 048	-	-	-	-	-	-	-	18 817 048
- Foreign Financial Institutions	-	5 417 280	1 824 000	2 371 200	-	-	-	-	-	9 612 480
Fin. Assets at FV Throught OCI	-	918 000	969 600	4 174 900	4 058 300	13 104 999	19 504 036	13 336 011	434 043	56 499 889
- Treasury bills	-	-	-	2 400 000	-	-	-	-	-	2 400 000
- Treasury bonds	-	918 000	969 600	1 774 900	4 058 300	13 104 999	19 504 036	13 336 011	-	53 665 846
Shares at EMIS	-	-	-	-	-	-	-	-	434 043	434 043
Loans and Advances	8 581 223	1 947	15 095	169 206	453 829	3 805 585	4 012 178	334 170	-	17 373 233
Other Assets	-	-	-	-	-	-	-	-	656 326	656 326
Liabilities	**(34 922 643)**	**(6 699 880)**	**(9 682 858)**	**(2 924 731)**	**(17 678 250)**	**(8 964 778)**	**-**	**-**	**(847 140)**	**(81 720 280)**
Deposits from OCI	(810 799)	-	-	-	-	-	-	-	-	(810 799)
Deposits from Clients	(34 111 844)	(6 699 880)	(9 682 858)	(2 924 731)	(17 678 250)	(8 964 778)	-	-	-	(80 062 341)
- Demand	(34 105 372)	-	-	-	-	-	-	-	-	(34 105 372)
- Term	(6 472)	(6 699 880)	(9 682 858)	(2 924 731)	(17 678 250)	(8 964 778)	-	-	-	(45 956 969)
Other liabilities	-	-	-	-	-	-	-	-	(847 140)	(847 140)
Liquidity gap	**9 305 477**	**11 254 395**	**(6 874 163)**	**3 790 575**	**(13 166 121)**	**7 945 806**	**23 516 214**	**13 670 181**	**243 229**	**49 685 593**
Cumulative gap	**9 305 477**	**20 559 872**	**13 685 709**	**17 476 284**	**4 310 163**	**12 255 969**	**35 772 183**	**49 442 364**	**49 685 593**	**49 685 593**

The contractual cash flows for the capital, at 31 Decemver 2023, were:

	2023 Residual Contractual Maturity Profile									
Kz'000	Demand	<= 1 Month	> 1 Month <= 3 Months	> 3 Months <= 6 Months	> 6 Months <= 1 Year	> 1 Year <= 3 Years	> 3 Years <= 5 Years	> 5 Years	Unlimited	Total
Assets	**27 194 840**	**6 623 029**	**8 950 338**	**13 364 329**	**18 754 370**	**16 662 082**	**20 557 195**	**5 387 563**	**932 862**	**118 426 608**
Balances at Central Bank	21 190 833	-	-	-	-	-	-	-	-	21 190 833
Balances at OCI	1 301 938	-	-	-	-	-	-	-	-	1 301 938
Placements with OCI	3 500 000	6 621 459	840 328	3 746 176	300 000	-	-	-	-	15 007 963
- Local Financial Institutions	3 500 000	4 004 440	840 328	-	300 000	-	-	-	-	8 644 768
- Foreign Financial Institutions	-	2 617 019	-	3 746 176	-	-	-	-	-	6 363 195
Fin. Assets at FV Throught OCI	-	-	8 090 500	9 587 200	18 291 900	14 145 400	15 683 866	5 000 000	299 799	71 098 665
- Treasury bills	-	-	1 000 000	2 300 000	4 500 000	-	-	-	-	7 800 000
- Treasury bonds	-	-	7 090 500	7 287 200	13 791 900	14 145 400	15 683 866	5 000 000	-	62 998 866
Shares at EMIS	-	-	-	-	-	-	-	-	299 799	299 799
Loans and Advances	1 202 069	1 570	19 510	30 953	162 470	2 516 682	4 873 329	387 563	-	9 194 146
Other Assets	-	-	-	-	-	-	-	-	633 063	633 063
Liabilities	**(44 788 189)**	**(3 873 638)**	**(1 840 295)**	**(703 210)**	**(10 363 768)**	**(11 751 797)**	**(3 000 000)**	**-**	**(1 928 007)**	**(78 248 904)**
Deposits from OCI	(315 316)	-	-	-	-	-	-	-	-	(315 316)
Deposits from Clients	(44 472 873)	(3 873 638)	(1 840 295)	(703 210)	(10 363 768)	(11 751 797)	(3 000 000)	-	-	(76 005 581)
- Demand	(44 100 044)	-	-	-	-	-	-	-	-	(44 100 044)
- Term	(372 829)	(3 873 638)	(1 840 295)	(703 210)	(10 363 768)	(11 751 797)	(3 000 000)	-	-	(31 905 537)
Other liabilities	-	-	-	-	-	-	-	-	(1 928 007)	(1 928 007)
Liquidity gap	**(17 593 349)**	**2 749 391**	**7 110 043**	**12 661 119**	**8 390 602**	**4 910 285**	**17 557 195**	**5 387 563**	**(995 145)**	**40 177 704**
Cumulative gap	**(17 593 349)**	**(14 843 958)**	**(7 733 915)**	**4 927 204**	**13 317 806**	**18 228 091**	**35 785 286**	**41 172 849**	**40 177 704**	**40 177 704**

Market Risk

Market risk arises from unfavorable movements in the market price of instruments in the trading portfolio, caused by fluctuations in share prices, bonds, commodity prices, interest rates and exchange rates. BCA includes in the assessment of this risk component the assessment of liquidity risk, which consists of the possibility of a possible inability of the institution to meet its liabilities when they become due.

The assessment of Market Risk takes into account:

- The volatility of the price of portfolio positions, namely debt and equity securities, currencies, commodities and derivatives;
- The concentration risk of trading portfolio, mainly by identifying the significant positions – in the same kind of product, in the same currency, against the same counterparty or group of counterparties interconnected, against the same collateral, or against the same counterparty providing guarantee;
- The outcomes of correlation between the positions, dictated by common risk factors;
- The amount of positions of assets with few liquidity (reduced volume of transactions);
- The Bank's position in the market - its ability to grant/contract loans and to intervene in the various markets, especially the interbank market;
- Diversification and volatility of the Bank's bonds and the stability of its funding base;
- Return on assets and its quality;
- Cross-currency activities;
- Availability and reliability of the companies' likely funding operations;
- Access to support schemes of industrially based liquidity;
- Qualified and experienced staff and quality of management systems policies and liquidity control.

The market risk is comprised of the following risks: market risk, exchange rate risk, and interest rate risk.

Exchange Rate Risk

The exchange rate risk results from adverse movements in exchange rates resulting from currency positions caused by the existence of financial instruments denominated in different currencies.

This risk is based on changes in the price of instruments that correspond to open positions in foreign currencies (transaction risk), changes in book value for the conversion into the currency of bookkeeping of open positions in foreign currencies (conversion risk) and change of the bank competitive position due to significant variations in exchange rates (economic risk of exchange rate).

Evaluation of Exchange Rate Risk considers:

- Total amount of positions subjected to reevaluation by the conversion to the base currency;
- Volatility of the relevant exchange rates;
- Analysis of the magnitude of impacts on income and capital due to different scenarios of evolution in currency rates, through simulations.

Stress Test analysis of financial instruments, to the exchange rate variations:

2024						
Kz'000	**- 20%**	**- 10%**	**- 5%**	**+ 5%**	**+ 10%**	**+ 20%**
Currency						
USD Dollars	1 768 477	785 990	372 311	(336 853)	(643 083)	(1 178 985)
Euro	(211 357)	(93 936)	(44 496)	40 258	76 857	140 905
Other currencies	56 487	25 105	11 892	(10 759)	(20 541)	(37 658)
	1 613 607	**717 159**	**339 707**	**(307 354)**	**(586 767)**	**(1 075 738)**

2023						
Kz'000	**- 20%**	**- 10%**	**- 5%**	**+ 5%**	**+ 10%**	**+ 20%**
Currency						
USD Dollars	(695 713)	(309 206)	(146 466)	132 517	252 986	463 809
Euro	(112 147)	(49 843)	(23 610)	21 361	40 781	74 765
Other currencies	29 221	12 987	6 152	(5 566)	(10 626)	(19 481)
	(778 639)	**(346 062)**	**(163 924)**	**148 312**	**283 141**	**519 093**

Interest rate risk

The Bank reports to the Central Bank of Angola (BNA) the interest rate risk of its portfolio in accordance with Instruction Nº 22/2021, issued 27 October 2021. Through this Instruction the banks are required to report their interest rate risk twice a year.

By means of Instruction N°22/2021 of 27 October, BNA sets a 2% stress test in interest rate, resulting in a parallel movement of the yield curve of the same scale, which promotes an impact on the amount of cash-flows, over interest margin.

Based on financial features of every contract, an outreach of expected cash-flows per interest rate reset date or contractual maturity is made. Such outreach observes probable behavior assumptions for interest rate reset of assets and liabilities that, despite of being subject to interest rate risk, have no defined contractual maturity, and for loans and advances contracts of fixed interest rate, dispose of stipulation allowing the bank to alter the interest rate in accordance with changes in the market conditions.

The same Instruction binds the Bank to assess their levels of exposure to interest rate risk on a continued basis. And within a deadline of a day, they are demanded to inform the Central Bank, whenever there will be a potential decrease of its economic value of 20% (or more than 20%) in its regulatory capital.

A separate analysis is required whenever the elements in foreign currency, exposed to interest rate risk comprise more than 5% of the Bank portfolio. In this case, a specific analysis and report, for the concerned currency must be provided.

The risk of interest rate is derived from movements in interest rates resulting from discrepancies in the amount, the maturity or the repricing terms of interest rates observed in financial instruments with interest receivable and payable.

Through matched funds transfer pricing and asset/liability repricing, risk is transferred from businesses. The inherent mismatch is managed centrally within an agreed risk tolerance at net income level. In doing so, the effects of interest rates on other aspects of the business, which may offset the impact of interest rates on net interest income, are also considered.

The assessment of interest rate risk should consider:

- Evolution trend of interest rates in different time horizons; and
- Gap analysis that details, by maturity periods or repricing, which the liquid position at risk of interest rate.

Quantitative limits for interest rate risk are established to meet BCA's goal of containing its exposure to adverse consequences arising from changes in prevailing interest rates.

The Bank should use models of simulation of liquid incomes of interest (projections) to evaluate its exposure to short term interest rate alterations. The management Board can annually establish and approve limits of sensibility for liquid income of interests. At least, the Bank should quarterly measure the sensibility for its liquid incomes of interest according to variations of the interest rate. The results propitiated by the models of simulation of liquid incomes of interest illustrate the premature impact, in at least two different and hypothetical sceneries, of variations in the interest rates, for periods of at least one year. One of the sceneries contemplates, as much as possible, the best estimate relatively to the more probable future conditions of the interest rate. Another of the sceneries reflects the Board's estimative relatively an extremely adverse level of the interest rate and it is used to evaluate the behaviour of the liquid incomes of interest in tension conditions.

Reward profiles of the risk with an interest rate to twelve months (with the defined reward as the accomplishment or about accomplishment of the variable destiny - as they are liquid incomes of interests and their expected components and the defined risk as the negative variation of the variable destiny), for the income of the liquid interest and their components, they are quantified and appraised through an approach of understanding simulation.

This simulation approach collects a variety of possible sceneries of interest rate. In the development of sceneries of interest rates, several factors are considered such as the level and the prevalent structure of interest rates, as well as the historical movements.

The interest rates can have a direct or indirect influence in the business in the following way:

- Assets Margin: The assets margin at risk is the impact that adverse movements at price, volumes and assets composition level (product type, structures of the customers' base) have in the value of the Bank assets. Regarding the connection between the assets price and the loans risk, the expected loans losses constitute an intrinsic cost to the loan business. The loan risk is, however, managed as a part of the normal management activities process and the loans portfolio monitoring, according to the current loans risk policies;
- Liabilities Margin: The liabilities margin at risk is the impact that the adverse movements at prices and liability composition level (product type, etc.) have in the value of the bank liabilities;
- Operating Results: measured through the negative deviation from the set fees level, commissions, and service rate, as a consequence of the business risk resulting from the non-accomplishment of the sales objectives, reduction of prices due to pressures of the competitors and the reduction on the transactions volume. The risk associated to revenues from the trading and investment activities is managed as an integral part of the market, trade and investment risk;
- Operating expenses: measured through the negative deviation from the set operating expenses level, which can happen due to the occurrence of no planned costs, inadequate costs control and under-use of the installed capacity.

Details of financial instruments according to the exposure to interest risk rate:

2024				
	Exposure to			
Kz'000	Fixed interest rate	Variable interest rate	Items that are not subject to interest rate risk	Total
Assets	**105 520 527**	**-**	**29 537 266**	**135 057 793**
Balances at Central Bank	-	-	27 261 258	27 261 258
Balances at OCI	-	-	1 185 639	1 185 639
Placements with CB and OCI	28 856 717	-	-	28 856 717
- with local financial institutions	19 187 004	-	-	19 187 004
- with foreign fin. institutions	9 669 713	-	-	9 669 713
Fin. assets at FV through OCI	60 119 274	-	434 043	60 553 317
Loans and advances	16 544 536	-	-	16 544 536
Other assets	-	-	656 326	656 326
Liabilities	**(49 506 148)**	**-**	**(35 275 946)**	**(84 782 094)**
Deposits from OCI	-	-	(323 434)	(323 434)
Deposits from clients	(49 506 148)	-	(34 105 372)	(83 611 520)
- Demand	-	-	(34 105 372)	(34 105 372)
- Term	(49 506 148)	-	-	(49 506 148)
Other liabilities	-	-	(847 140)	(847 140)
	56 014 379	**-**	**(5 738 680)**	**50 275 699**

2023				
	Exposure to			
Kz'000	Fixed interest rate	Variable interest rate	Items that are not subject to interest rate risk	Total
Assets	**100 326 917**	**-**	**23 425 633**	**123 752 550**
Balances at Central Bank	-	-	21 190 833	21 190 833
Balances at OCI	-	-	1 301 938	1 301 938
Placements with CB and OCI	15 109 132	-	-	15 109 132
- with local financial institutions	8 665 859	-	-	8 665 859
- with foreign fin. institutions	6 443 273	-	-	6 443 273
Fin. assets at FV through OCI	76 536 851	-	299 799	76 836 650
Loans and advances	8 680 934	-	-	8 680 934
Other assets	-	-	633 063	633 063
Liabilities	**(33 390 376)**	**-**	**(46 838 850)**	**(80 229 226)**
Deposits from OCI	-	-	(810 799)	(810 799)
Deposits from clients	(33 390 376)	-	(44 100 044)	(77 490 420)
- Demand	-	-	(44 100 044)	(44 100 044)
- Term	(33 390 376)	-	-	(33 390 376)
Other liabilities	-	-	(1 928 007)	(1 928 007)
	66 936 541	**-**	**(23 413 217)**	**43 523 324**

The breakdown of the financial instruments with interest rate exposure, according to their residual maturity, at 31 December 2024, was as follows:

	2024 Residual Maturities								
Kz'000	**Demand**	**Up to 1 month**	**1 month to 3 months**	**3 months to 6 months**	**6 months to 1 year**	**1 year to 3 years**	**3 years to 5 years**	**More than 5 years**	**Total**
Activos	**15 781 223**	**17 954 275**	**2 808 695**	**6 715 306**	**4 512 129**	**16 910 584**	**23 516 214**	**13 670 181**	**101 868 607**
Placements with CB and OCI	7 200 000	17 034 328	1 824 000	2 371 200	-	-	-	-	28 429 528
- with local Financial Institutions	7 200 000	11 617 048	-	-	-	-	-	-	18 817 048
- with foreign Finacial Institutions	-	5 417 280	1 824 000	2 371 200	-	-	-	-	9 612 480
Financial assets at FV through OCI	-	918 000	969 600	4 174 900	4 058 300	13 104 999	19 504 036	13 336 011	56 065 846
- Treasury bills	-	-	-	2 400 000	-	-	-	-	2 400 000
- Treasury bonds	-	918 000	969 600	1 774 900	4 058 300	13 104 999	19 504 036	13 336 011	53 665 846
Loans and Advances	8 581 223	1 947	15 095	169 206	453 829	3 805 585	4 012 178	334 170	17 373 233
Liabilities	**(6 472)**	**(6 699 880)**	**(9 682 858)**	**(2 924 731)**	**(17 678 250)**	**(8 964 778)**	**-**	**-**	**(45 956 969)**
Term Deposits from Clients	(6 472)	(6 699 880)	(9 682 858)	(2 924 731)	(17 678 250)	(8 964 778)	-	-	(45 956 969)
Net Exposure	**15 774 751**	**11 254 395**	**(6 874 163)**	**3 790 575**	**(13 166 121)**	**7 945 806**	**23 516 214**	**13 670 181**	**55 911 638**

The breakdown of the financial instruments with interest rate exposure, according to residual maturity, at 31 December 2023, was as follows:

	2023 Residual Maturities								
Kz'000	**Demand**	**Up to 1 month**	**1 month to 3 months**	**3 months to 6 months**	**6 months to 1 year**	**1 year to 3 years**	**3 years to 5 years**	**More than 5 years**	**Total**
Activos	**4 702 069**	**6 623 029**	**8 950 338**	**13 364 329**	**18 754 370**	**16 662 082**	**20 557 195**	**5 387 563**	**95 000 975**
Placements with CB and OCI	3 500 000	6 621 459	840 328	3 746 176	300 000	-	-	-	15 007 963
- with local Financial Institutions	3 500 000	4 004 440	840 328	-	300 000	-	-	-	8 644 768
- with foreign Finacial Institutions	-	2 617 019	-	3 746 176	-	-	-	-	6 363 195
Financial assets at FV through OCI	-	-	8 090 500	9 587 200	18 291 900	14 145 400	15 683 866	5 000 000	70 798 866
- Treasury bills	-	-	1 000 000	2 300 000	4 500 000	-	-	-	7 800 000
- Treasury bonds	-	-	7 090 500	7 287 200	13 791 900	14 145 400	15 683 866	5 000 000	62 998 866
Loans and Advances	1 202 069	1 570	19 510	30 953	162 470	2 516 682	4 873 329	387 563	9 194 146
Liabilities	**(372 829)**	**(3 873 638)**	**(1 840 295)**	**(703 210)**	**(10 363 768)**	**(11 751 797)**	**(3 000 000)**	**-**	**(31 905 537)**
Term Deposits from Clients	(372 829)	(3 873 638)	(1 840 295)	(703 210)	(10 363 768)	(11 751 797)	(3 000 000)	-	(31 905 537)
Net Exposure	**4 329 240**	**2 749 391**	**7 110 043**	**12 661 119**	**8 390 602**	**4 910 285**	**17 557 195**	**5 387 563**	**63 095 438**

BCA had no financial instruments in both financial years of 2024 and 2023, which were exposed to the interest rate risk as a result of resetting.

The average interest rate associated with the main category of the Bank financial assets and liabilities, as well as the corresponding average of profits and costs, for the years ended 31 December 2024 and 2023, were:

2024			
Kz'000	Average balance of capital invested in the financial year	Interest earned/paid during the financial year	Average interest rate
Investments	**1 196 287 726**	**17 073 844**	
- Loans and advances	15 594 634	2 966 613	19%
- Trading and investment securities	60 701 558	10 092 908	17%
- Placements with CB and OCI	1 119 991 534	4 014 323	0%
Intakes	**(101 853 748)**	**(3 890 021)**	
- Deposits from clients	(91 953 748)	(3 881 811)	4%
- Deposits from CB and OCI	(9 900 000)	(8 210)	0%
Net interest margin	**1 094 433 978**	**13 183 823**	

2023			
Kz'000	Average balance of capital invested in the financial year	Interest earned/paid during the financial year	Average interest rate
Investments	**290 119 699**	**12 130 513**	
- Loans and advances	6 566 820	1 245 503	19%
- Trading and investment securities	63 147 989	9 970 492	16%
- Placements with CB and OCI	220 404 890	914 518	0%
Intakes	**(104 566 683)**	**(2 447 597)**	
- Deposits from clients	(94 190 124)	(2 437 985)	3%
- Deposits from CB and OCI	(10 376 559)	(9 612)	0%
Net interest margin	**185 553 016**	**9 682 916**	

In 2024 and 2023, the placements with the Central Bank (CB) and with Other Credit Institutions (OCI) had an average maturity of eight days and five days, respectively. Deposits from clients had an average maturity from thirteen months and nine months. And the deposits from the Central Bank and from Other Credit Institutions had an average maturity of two days.

The decomposition of assets and liabilities by currency, at 31 December 2024 and 2023, was:

2024					
Kz'000	Kwanzas	US Dollars	Euro	Other Currencies	Total
Assets	**119 971 569**	**21 103 487**	**2 635 626**	**252 717**	**143 963 399**
Cash and balances at CB	20 952 477	4 669 893	1 625 228	13 660	27 261 258
Balances at OCI	(309)	698 237	248 654	239 057	1 185 639
Placements with CB and OCI	19 185 234	9 671 483	-	-	28 856 717
Fin. assets at FV through OCI	54 496 993	6 056 324	-	-	60 553 317
Loans and advances	16 542 419	2 083	34	-	16 544 536
Other tangible assets	7 284 090	-	-	-	7 284 090
Intangible assets	412 404	-	-	-	412 404
Current taxes receivable	115 917	-	-	-	115 917
Other assets	982 344	5 467	761 710	-	1 749 521
Liabilities	**(76 210 239)**	**(17 194 009)**	**(2 736 842)**	**(69 389)**	**(96 210 479)**
Deposits from CB and OCI	(276 187)	(14 566)	(25 450)	(7 231)	(323 434)
Demand deposits from clients	(26 411 509)	(6 470 844)	(1 217 143)	(5 876)	(34 105 372)
Term deposits from clients	(43 492 606)	(5 655 835)	(357 707)	-	(49 506 148)
Provisions	(7 510)	(126 499)	-	-	(134 009)
Deferred taxes payable	(808 346)	-	-	-	(808 346)
Other liabilities	(5 214 081)	(4 926 265)	(1 136 542)	(56 282)	(11 333 170)
	43 761 330	**3 909 478**	**(101 216)**	**183 328**	**47 752 920**

Kz'000	Kwanzas	US Dollars	Euro	Other Currencies	Total
			2023		
Assets	**114 300 703**	**15 255 938**	**3 253 812**	**200 311**	**133 010 764**
Cash and balances at CB	15 416 196	4 352 691	1 409 084	12 862	21 190 833
Balances at OCI	148 949	276 454	689 086	187 449	1 301 938
Placements with CB and OCI	8 664 525	5 986 485	458 122	-	15 109 132
Fin. assets at FV through OCI	72 198 213	4 638 437	-	-	76 836 650
Loans and advances	8 679 032	1 871	31	-	8 680 934
Other tangible assets	7 870 691	-	-	-	7 870 691
Intangible assets	339 470	-	-	-	339 470
Current taxes receivable	111 660	-	-	-	111 660
Other assets	871 967	-	697 489	-	1 569 456
Liabilities	**(72 452 693)**	**(15 813 725)**	**(2 515 894)**	**(122 798)**	**(90 905 110)**
Deposits from CB and OCI	(732 091)	-	(13 490)	(65 218)	(810 799)
Demand deposits from clients	(37 884 640)	(5 250 214)	(959 846)	(5 344)	(44 100 044)
Term deposits from clients	(26 973 116)	(6 103 723)	(313 537)	-	(33 390 376)
Provisions	(11 407)	(114 959)	-	-	(126 366)
Deferred taxes payable	(1 189 504)	-	-	-	(1 189 504)
Other liabilities	(5 661 935)	(4 344 829)	(1 229 021)	(52 236)	(11 288 021)
	41 848 010	**(557 787)**	**737 918**	**77 513**	**42 105 654**

Stress Test of financial instruments to the interest rate variations:

Kz'000	- 200 bp	- 100 bp	- 50 bp	+ 50 bp	+ 100 bp	+ 200 bp
			2024			
Assets						
Loans and advances	672 241	336 120	168 060	(168 060)	(336 120)	(672 241)
Fin. Assets at FVOCI	3 339 499	1 669 750	834 875	(834 875)	(1 669 750)	(3 339 499)
Placements	45 161	22 580	11 290	(11 290)	(22 580)	(45 161)
Total Assets	**4 056 901**	**2 028 450**	**1 014 225**	**(1 014 225)**	**(2 028 450)**	**(4 056 901)**
Liabilities						
Deposits	(1 097 468)	(548 734)	(274 367)	274 367	548 734	1 097 468
Total of liabilities	**(1 097 468)**	**(548 734)**	**(274 367)**	**274 367**	**548 734**	**1 097 468**
Net effect	**2 959 433**	**1 479 716**	**739 858**	**(739 858)**	**(1 479 716)**	**(2 959 433)**

Kz'000	- 200 bp	- 100 bp	- 50 bp	+ 50 bp	+ 100 bp	+ 200 bp
			2023			
Assets						
Loans and advances	385 929	192 965	96 482	(96 482)	(192 965)	(385 929)
Fin. Assets at FVOCI	2 423 034	1 211 517	605 759	(605 759)	(1 211 517)	(2 423 034)
Placements	46 877	23 439	11 719	(11 719)	(23 439)	(46 877)
Total Assets	**2 855 840**	**1 427 921**	**713 960**	**(713 960)**	**(1 427 921)**	**(2 855 840)**
Liabilities						
Deposits	(1 033 651)	(516 826)	(258 413)	258 413	516 826	1 033 651
Total of liabilities	**(1 033 651)**	**(516 826)**	**(258 413)**	**258 413**	**516 826**	**1 033 651**
Net effect	**1 822 189**	**911 095**	**455 547**	**(455 547)**	**(911 095)**	**(1 822 189)**

Operational risk

BCA defines the operational risk as the risk caused by inadequate internal processes, people or systems, the possibility of internal and external fraud, the information systems failure to prevent unauthorized access, to ensure data integrity or ensure business continuity in the event of failure, arising from violations or nonconformities in relation to laws, regulations, contracts, codes of conduct, established practices or ethical principles.

Operational risk management forms part of the day-to-day responsibilities of all business units and specialist function management. Several specialist functions also attend to specialised areas of operational risk management contained within the causal structure of the operational risk definition.

- The risk of Information Technology (IT) systems derives from IT mismatching in the scope of processing, integrity, control, availability, and continuity, arising from inadequate strategies and uses;
- The processes risk is the probability of the occurrence of negative effects in income statement or in equity, arising from failures in analysis, processing, and liquidation of transactions, internal and external frauds, or infrastructures inadequacies, unserviceability;
- The personnel risk arises from inadequacy of quantitative and qualitative human resources, recruitment processes, compensation and assessment schemes, training program, motivation culture, social policies, in relation to Institution activities and goals.

BCA follows the Basic Indicator Approach (BIA) in managing operational risk for now, however, the intention is to migrate towards the more sophisticated forms of quantifying operational risk as stipulated in Basel II. The current approach helps manage operational risk as this helps to:

- Reduce the operational risk management events and associated financial losses;
- Strengthen the BCA brand and the bank's economic capital;
- Satisfy the central bank requirements;
- Introduce and assess the full implementation of tax reform rules, applicable to banking transactions;
- Make a proactive follow-up of significant operational risk management events, ineffective controls and possible breaches of indicative limits;
- Establish appropriate risk appetite and tolerance;
- Delegate competencies and authorisation limits;
- Define operational risk assignment, through a culture of a deeper acknowledgement of operational risk. Therefore the assessment bodies will consider the operational risk as an indispensable component for loans assessment; and
- Other tasks executed in management of operational risk.

BCA board of directors expects that operational risks related to the business activities might be fully identified, assessed, controlled, communicated and managed through an internal process designed DRACA (Detailed Risks Assessment and Control). Each BCA unity of business and tasks might manage its operational risk, in the accomplishment of this model. A record loss resulting from operational risk situations in order to create historical data base to be used in the future to move to an internal developed calculation model and operational risk management, is kept to be the most efficient of the three models accepted by Basel II.

In order to a further operational risk mitigation, the Bank disposes of a business continuity plan supported by two Disaster Recovery sites (DR sites), in case of hard and/or adverse situations. The two DR sites are run in a standalone manner and independently, allowing the reposition of service in a few minutes, as well as the normal running of the branch network.

Compliance and Reputational Risk

Reputational risk results from the adverse perception of the image of the institution by customers, counterparties, shareholders, investors, supervisors and the general public.

The evaluation of Reputational Risk considers:

- The trust degree that clients place in the Institution, particularly in terms of financial strength and honesty in business transactions, which can be evaluated through the evolution of customer base, customers rotation, questionnaires or surveys results, and/or any opinion studies conducted by the Bank with its customers, and the image that results from press stances;

- The perception of clients, suppliers and other counterparties on the institution behavior regarding the duty of confidentiality, ethical principles, legal dispositions and common practices, through tracking of evolution in quantitative and substantive claims of counterparts and litigations, the evolution of quantitative or substantive claims made to Central Bank or press news;

- The perception of investors and analysts regarding transparency, sufficiency and credibility of information released by the institution, the legal and ethical principles and practices implemented, in the form of financial analysts reports, the evolution of the note attributed and the quality of financial reports issued;

- The employees degree of satisfaction, expressed in through questionnaires and / or any opinion polls conducted by the institution to its employees.

Compliance risk is defined as the probability of the occurrence of negative impacts for the institution, which may influence results or equity, deriving from the breach of legal standards, specific determinations, contractual responsibilities, rules of conduct and relationship with customers, ethical principles and established practices, relative to the practiced activity, which may be materialized, for instance, in legal or regulatory sanctions, impairment of business opportunities, reduction of expansion potential or inability to demand contractual responsibilities by third parties.

The objective of the policy governing compliance and reputational risk is their management such as defined in the above paragraphs, determining the devices and procedures that allow: i) to minimize the probability that it becomes factual; ii) to identify, report to the Board and overcome the situations that may have arisen; iii) to ensure follow up and control; and iv) to provide evidence, if necessary, that the Bank has reputational risk amongst its main concerns and has available the organization and means required for its prevention and, should it be the case, to overcome it.

Allocation of Equity

The Angolan Central Bank (BNA) defined through notice 08/2021, of 05 July, that the banks must allocate a part of their equity to face probable losses arising from operational risks; market risks, and credit and counterparty risks. The above-referred allocation has an effect of decreasing the capital adequacy ratio in general. If the adjusted capital adequacy ratio is lower than the minimum required, the concerned institution must increase its equity or reduce its risk exposure.

The implementation of the above-mentioned BNA Notices had no significant effect in BCA capital adequacy ratio calculation, in the year of its implementation.

Capital Management and Solvency Ratio

Regulatory Owned Funds comprise the following elements:

1. Common Equity Tier 1 (CET1) Capital – encompassing: (i) paid-up share capital; (ii) Issue premiums relating to elements classified under the foregoing subparagraph; (iii) reserve for recording the monetary value adjustment of paid-up share capital; (iv) retained earnings from previous financial years; (v) legal, statutory and other reserves from undistributed profits, or set up for capital increases; (vi) positive net profit from the previous financial year; (vii) provisional positive net profit for the current financial year; (viii) portion of reserves and financial results corresponding to deferred tax assets, to the extent that they are associated with losses that contain a negative element of Common Equity Tier 1 (CET 1) Capital, and (ix) instruments whose issuance terms and conditions have been pre-approved by the Central Bank of Angola.

1. Negative elements of Common Equity Tier 1 (CET 1) Capital – which include: (i) treasury shares held in the proprietary portfolio, at their carrying amount in the balance sheet; (ii) negative retained earnings from previous financial years; (iii) negative net profit from the previous financial year; (iv) negative unrealised gains relating to the revaluation of

securities; (v) negative unrealised gains relating to the revaluation of available-for-sale securities, cash flow hedging operations and foreign investment operations; (vi) provisional net loss for the current financial year; (vii) intangible fixed assets net of amortisation; (viii) deferred expenses relating to pension liabilities; (ix) portion of reserves and earnings corresponding to deferred tax liabilities, to the extent that they are associated with gains included as a positive element of Common Equity Tier 1 (CET 1) Capital; (x) positive revaluation differences arising from the application of the equity method, in accordance with Notice No. 08/2021, dated 5th July.

2. Additional Tier 1 (AT1) Capital – comprising (i) redeemable pre-emptive shares; (ii) general funds and provisions; (iii) reserves from the sale of owner-occupied property; (iv) subordinated debt, in the form of loans or issued bonds, whose issuance conditions have been previously approved by the National Bank of Angola; (v) positive unrealised gains relating to the revaluation of available-for-sale securities, cash flow hedging, and foreign investment operations, up to 45% (forty-five per cent) of their value (based on the net effect of the hedging) before tax; (vi) other financial instruments whose issuance conditions have been previously approved by the National Bank of Angola.

3. Deductions from Common Equity Tier 1 (CET1) Capital and Additional Tier 1 (AT1) Capital – Comprise:

   For the purposes of deducting Tier 1 Capital instruments as referred to in Article 20(3)(a) and Article 22(3)(a) of Notice No. 08/2021, financial institutions shall calculate holdings of Tier 1 Capital instruments held on the basis of gross long positions, subject to the following:

   a) Financial Institutions may calculate the value of holdings based on the net long position, provided that the following conditions are met:

   i. The long and short positions have the same underlying exposure, and the short positions do not involve counterparty risk; and

   ii. The long position and the short position are both included in the trading portfolio or are both included in the proprietary banking portfolio.

   b) Financial Institutions shall determine the amount to be deducted for direct, indirect or synthetic holdings of index securities by calculating the underlying exposure to Tier 1 Capital instruments associated with those financial instruments included in those indices;

   c) Financial Institutions shall offset gross long positions in Tier 1 Capital instruments associated with those financial instruments resulting from holdings of index securities with short positions in Tier 1 Capital instruments associated with the underlying indices, including short positions involving counterparty risk, provided that the following conditions are met:

   i. The long and short positions are included in the same underlying indices; and

   ii. The long and short positions are both included in the trading portfolio or are both included in the proprietary banking portfolio.

4. An investment is deemed significant in a financial institution when any of the following conditions are met:

   a) The legal entity holds more than 10% (ten per cent) of the Common Equity Tier 1 (CET1) capital instruments issued by that financial institution;

   b) The legal entity has a close relationship with that financial institution and holds Common Equity Tier 1 (CET1) capital instruments issued by it; or

   c) The legal entity holds Core Tier 1 capital instruments issued by that financial institution and the latter is not included in the consolidation framework pursuant to Article 5 of the current Notice, but is included in the same accounting consolidation framework as the financial institution, for financial reporting purposes.

5. Legal entities shall make deductions from Tier 1 Capital Instruments of financial institutions referred to in subparagraphs n), o) and p) of Article 18(5), subparagraphs b), c) and d) of Article 20(3), and subparagraphs b), c) and d) of Article 22(3), all from Notice No. 08/2021, as follows:

   a) The associated Tier 1 capital instruments held are calculated based on gross long positions; and

   b) For the purposes of deductions related to non-bank financial institutions engaged in insurance activities:

   i. Tier 1 capital elements are treated as holdings of Common Equity Tier 1 (CET 1) capital instruments;

   ii. Additional Tier 1 capital elements are treated as holdings of Additional Tier 1 (AT1)

   iii. Tier 2 capital elements are treated as holdings of Tier 2 capital instruments.

6. Legal entities shall deduct Tier 1 capital instruments of financial institutions as referred to in Article 18(5)(o) and (p), Article 20(3)(c) and (d) and Article 22(3)(c) and (d) of Notice No. 08/2021, as follows:

   a) They may calculate direct, indirect and synthetic holdings of associated Tier 1 capital instruments of financial institutions based on the net position in the same underlying risk exposure, provided that the following conditions are met:

   i. The maturity date of the short position is equal to or later than the maturity date of the long position, or the residual maturity of the short position is at least one year; and,

   ii. The short position and the long position are both included in the trading portfolio or are both included in the proprietary banking portfolio.

   b) They shall determine the amount to be deducted for direct, indirect and synthetic holdings of index securities by calculating the underlying exposure to the Tier 1 capital instruments of financial institutions that are included in those indices.

7. For the purposes of deductions of Tier 1capital instruments of financial institutions in which the legal entity does not have a significant investment as referred to in Article 18(5)(o), Article 20(3)(c) and Article 22(3)(c), all of Notice No. 08/2021, shall calculate the applicable amount to be deducted by multiplying the amount referred to in subparagraph (a) by the factor resulting from the calculation referred to in subparagraph (b), both of the current paragraph, namely:

   a) The aggregate value by which a legal entity's direct, indirect and synthetic holdings of Common Equity Tier 1 (CET 1) capital instruments, Additional Tier 1 (AT1) capital instruments and Tier 2 capital instruments of financial institutions in which the legal entity does not have a significant investment exceeding 10% (ten per cent) of the financial institution's Common Equity Tier 1 (CET 1) capital, calculated after applying the following:

   i. Prudential filters referred to in Article 17 of Notice No. 08/2021;

   ii. Deductions from Common Equity Tier 1 (CET 1) capital referred to in points (a) to (h), (j), (k), (m), (n) and (q) of Article 18(5) of Notice No. 08/2021; and, Article 25(4) and (5).

   b) The value of the legal entity's direct, indirect and synthetic holdings of Tier 1 capital instruments associated with financial institutions in which the legal entity does not have a significant investment, divided by the aggregate value of all direct, indirect and synthetic holdings of CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments of those financial institutions.

8. Financial Institutions shall exclude from the amount referred to in paragraph 6(a) and from the calculation of the factor referred to in paragraph 6(b), both of this Article, underwriting positions held for a period equal to or less than five (5) working days.

9. The amount to be deducted in accordance with paragraph 6 of this Article shall be allocated across all associated Tier 1 capital instruments held.

10. Financial Institutions shall determine the value of each associated Tier 1 capital instrument to be deducted in accordance with Article 25(6) by multiplying the value specified in point (a) by the proportion specified in point (b), both of this paragraph, as follows:

a) the value of the mandatory deduction holdings established in paragraph 6 of the current article; and

b) the proportion of the aggregate value of the legal entity's direct, indirect and synthetic holdings of associated Tier 1 capital instruments of financial institutions in which the legal entity does not have a significant investment, as represented by each associated Tier 1 capital instrument held..

11. The value of holdings not deducted in accordance with the calculation referred to in the preceding paragraph is subject to Total Capital requirements set out in specific regulations on Total Capital requirements for credit risk or market risk, as applicable.

(ii) amounts exceeding the thresholds set out in Notice No. 08/2021, dated 5th July, on prudential thresholds for large risk exposures.

The positive results referred to in the foregoing paragraphs may only be taken into account if certified by the chartered accountant who is a member of the supervisory body or sole auditor, as well as by the external audit firm.

Capital Adequacy Ratio		
Unities of Kz	**31-12-2024**	**31-12-2023**
Regulatory Owned Funds	**47 234 852 389**	**38 817 347 153**
Risk Weighted Assets		
Requirements of Regulatory Owned Funs	5 740 042 457	4 427 834 499
- Requirements of Credit Risk	3 092 733 077	2 551 366 639
- Requirements of Market Risk	328 332 589	65 353 391
- Requirements of Operational Risk	2 318 976 791	1 811 114 469
***Weighted of Equity Requirements**	**71 750 530 713**	**55 347 931 238**
RSR	**66%**	**70%**
Minimum Regulatory Requirements	**8%**	**12,65%**

* To the sum of equity requirements, a multiplier of 10 was applied until 2021. Since 2022 the multiplier is 12, 65

CAMEL analysis

The acronym CAMELS stands for the initials of each of the six blocks of analysis of banks income statements: Capital adequacy, Asset quality, Management, Earnings, Liquidity, Sensitivity to market risk. This is a classification system that regulators or supervisors use to assess the banks general performances, identifying their points of strength and weakness.

Results of the Supervisory Review and Evaluation Process (SREP) for FY2022

On the 29th of April 2024, BNA sent BCA a letter containing the SREP results for FY2022, along with the relevant remarks and guidelines stemming from this assessment process.

It is worth to highlight that in accordance with the best international prudential supervisory practices, the SREP follows the structure and procedures disclosed by the regulatory body to the Financial Sector, with the aim of assessing whether Financial Institutions have the appropriate strategies, processes, capital and liquidity that are suitable/proportional for the risks to which they are or may be potentially exposed.

The SREP consists of a set of procedures carried out on an ongoing basis throughout the year by the supervisory authority to ensure that each financial institution possesses the appropriate strategies, processes, capital and liquidity to address the risk to which it is or may be potentially exposed to, as well as it adopts a forward-looking view.

It is a process that is divided into three main blocks, namely:

a) **Block 1 - SREP Risk Assessment Model (Portuguese acronym: "MARS")** – where are assessed the following components:

   1. Business Model;
   2. Internal Governance and Risk Management;
   3. Capital Position;
   4. Liquidity Position.

As a result of this assessment, the financial institution received a 2+ rating, corresponding to a Moderate Level of Risk. The assigned ratings range from 1 to 5, with 1 being 'Low Risk' and 5 being 'Bankruptcy Risk'.

b) Block 2 - Quantification of SREP Capital and Liquidity Requirements - within this block, based on the results of the SREP process, it was determined an overall equity ratio of 16% (sixteen percent). It is worth highlighting that in addition to the 8% minimum regulatory threshold concerning the Capital Adequacy Ratio, the bank must also comply with a further 8% (the sum of the requirements mentioned in the table provided hereunder), totaling a Global Capital Adequacy Ratio of 16%.

	Common Equity Tier (CET1) Ratio	Ter 1 Capital Ratio	Total Capital Ratio
Minimum Capital Requirement	4,50%	6,00%	8,00%
RP2		3,50%	
TRCS	**8,00%**	**9,50%**	**11,50%**
Capital Conservation Buffer		2,50%	
Counter-Cyclical Capital Buffer		0,00%	
Systemic Risk Buffer		0,00%	
RGFP	**10,50%**	**12,00%**	**14,00%**
OP2		2,00%	
RGFP post OP2	**12,50%**	**14,00%**	**16,00%**

c) **Block 3: SREP Resolution - SREP Risk Assessment Model Final Rating (Block 1), SREP Measures and Recommendations** – within this block, the final assessment is assigned to the components of block 1, which resulted in BCA receiving a 2+ rating, corresponding to a Moderate Risk Level. The assigned rating scores range from 1 to 5, where 1 is Low Risk and 5 is Bankruptcy Risk. Following this assessment, the BNA issued specific remarks and recommendations for which the financial institution has drawn up an action plan to ensure that they are properly addressed, analysed and rectified by the teams in charge of the issues detected by the BNA.

The global assessment of BCA illustrates a solid bank, with a high standard of risks management, and capital adequacy.

	Prudential Ratios	Regulatory / Internal		Dec/2024	Dec/2023	Tolerance	Threshold
Capital Adequacy	Total Capital Ratio	Regulatory	KPI	65,83%	70,13%	30,00%	16,00%
	Leverage Ratio	Regulatory	KPI	32,83%	29,95%	15,00%	5,00%
Sustainability	ROE	Internal	KPI	18,19%	8,82%	30,00%	15,00%
	ROA	Internal	KPI	5,68%	2,61%	1,00%	2,00%
	Net Interest Income by Operating Income	Internal	KPI	67,36%	73,25%	35,00%	40,00%
	Cost-to-Income Ratio	Internal	KPI	55,89%	68,60%	45,00%	60,00%
Concentration	Exposure to Public Debt Securities (Foreign Currency)	Internal	KPI	4,21%	3,60%	5,00%	6,00%
	Exposure to Public Debt Securities (Local Currency)	Internal	KPI	37,47%	53,11%	45,00%	50,00%
	Largest counterparty concentration	Regulatory	KPI	18,43%	7,73%	20,00%	25,00%
	Concentration among the 20 largest counterparty	Regulatory	KPI	80,24%	53,63%	150,00%	300,00%
	Credit Concentration	Internal	KPI	12,13%	7,18%	15,00%	20,00%
	Angoland Government Concentration	Internal	KPI	41,68%	56,70%	50,00%	55,00%
	TOP 20+ Deposit Concentration	Internal	KPI	65,95%	62,30%	30,00%	60,00%
	TOP 20+ Credit Concentration	Internal	KPI	0,09%	0,22%	50,00%	60,00%
Credit	Credit Risk	Regulatory	KRI	11,01%	1,89%	2,00%	5,00%
	Credit Default Portfolio	Internal	KRI	1,91%	2,70%	2,00%	5,00%
	Credit Risk Coverage	Internal	KRI	9,35%	17,32%	70,00%	60,00%
	Credit Default Coverage	Internal	KRI	88,12%	86,34%	80,00%	60,00%
	On-balance-sheet CreditCoverage	Internal	KRI	5,26%	5,64%	5,00%	3,00%

follow up

	Prudential Ratios	Regulatory / Internal		Dec/2024	Dec/2023	Tolerance	Threshold
Liquidity	Overall Liquidity Ratio	Regulatory	KRI	590,94%	209,89%	300,00%	110,00%
	Liquidity Ratio (Local Currency)	Regulatory	KRI	695,32%	180,20%	300,00%	110,00%
	Liquidity Ratio (Foreign Currency)	Regulatory	KRI	346,98%	253,34%	300,00%	160,00%
	Global Observation Ratio Time Band 2	Regulatory	KRI	2573,75%	1769,75%	500,00%	110,00%
	Global Observation Ratio Time Band 2 (Local Currency)	Regulatory	KRI	4020,50%	2522,18%	500,00%	110,00%
	Global Observation Ratio Time Band 2 (Foreign Currency)	Regulatory	KRI	748,90%	693,99%	500,00%	160,00%
	Loan-to-Deposit Ratio	Internal	KRI	20,84%	11,94%	70,00%	80,00%
	Net Assets / Total Assets	Internal	KRI	38,18%	18,99%	30,00%	25,00%
	Internal Liquidity Reserve (as a % of Deposits)	Internal	KRI	587,00%	209,54%	150,00%	120,00%
Market	Financial instruments measured at fair value through comprehensive income	Internal	KRI	41,96%	3,98%	45,00%	50,00%
	Impact of interest rate on net position	Internal	KRI	0,28%	0,04%	15,00%	20,00%
	Impact of interest rate on net interest income	Regulatory	KRI	7,74%	12,19%	15,00%	20,00%
	Net foreign exchange exposure with indexed instruments	Internal	KRI	8,69%	2,10%	30,00%	75,00%
	Net foreign exchange exposure without indexed instruments	Regulatory	KRI	8,69%	2,10%	8,00%	10,00%
	Exchange rate position	Regulatory	KRI	8,62%	0,66%	8,00%	10,00%

Stress tests

Stress tests are risk management tools used to assess and manage the risks of the Bank whose benefit is a better understanding of risks profile related to the Bank. Stress tests play an important role in management, as well as in capital and liquidity planning, allowing the Bank to absorb adverse shocks.

The implementation of stress tests is done by executing analyses or simulations in order to assess the institution capacity to resist adverse scenarios (downside risks). Therefore, BCA defined a certain adverse scenario, of probable occurrence, in order to study the adequacy and the strength of its solvency and liquidity.

The understanding and methodology of stress tests to be executed by BCA are in accordance with the requirements of Instruction n° 03/2022, issued by BNA, which binds the banks to realize specific type of stress tests, their periodicity, and how they must be reported. BNA guidelines about a program implementation of stress tests has been taken into account.

In June 2024, BCA carried out the following types of stress tests:

- Reverse stress tests;
- Scenario analysis; and
- Standardised stress tests.

Overall, BCA proved to be financially sound and resilient after the several stress tests it underwent.

In a widely adverse and challenging macro-economic environment, BCA continues to be classified as a compliant bank in terms of regulatory thresholds, with no factors that could compromise BCA's underlying financial foothold, always complying with the regulatory thresholds of the key variables laid down within the scope of Pillar 2 recommendations and outlined in the SREP letter for the financial year 2022.

The kinds of risks identified by the Bank as being materially relevant, requesting a stress test analysis are:

a) Credit risk;

b) Market risk;

c) Operational risk;

d) Liquidity risk; and

e) Concentration risk.

The materially relevant risks were defined in accordance with BNA guidelines, and in accordance with internal analysis of risk factors with a greater probability of effect in BCA solvency.

20. INTEREST AND OTHER SIMILAR INCOME

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Treasury Bonds and Bills Interests	10 019 157	11 461	9 960 877	14 253
Interbank lending	3 666 468	4 194	637 739	913
Loans & Advances to Clients	2 482 530	2 840	1 180 023	1 688
Other debtors and investments	484 083	554	65 480	94
Term deposits with Banks abroad	347 855	398	276 779	396
Treasury Bonds Discounts	73 751	84	9 615	14
	17 073 844	**19 531**	**12 130 513**	**17 358**

The profit growth generated from the loans and advances to clients, term deposits with banks abroad and interbank lending is due to the considerable increase of the bank's investment in these financial instruments throughout the financial year.

21. INTEREST AND OTHER SIMILAR EXPENSES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Term deposits from clients	3 881 811	4 441	2 437 984	3 489
Lease Liabilities interests	111 212	127	92 561	132
Deposits from O.C.I. in the Country	8 210	9	9 612	14
	4 001 233	**4 577**	**2 540 157**	**3 635**

The increase in interest paid on term deposits from clients is due to the increase of term deposits. The increase of lease liabilities interest arises from the new contract signed for the use of the new premises at "Edifício Kilamba". Both the "interest and other similar income", and the "interest and other similar expenses" were calculated in accordance with the accounting policy No. 2.3.1.3. The lease liabilities interests were calculated in accordance with note 2.3.5. (IFRS 16 – Lease).

22. FEE AND COMMISSION INCOME

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
From general banking services	4 792 038	5 482	3 348 070	4 791
Withdrawal fees	62 353	71	65 664	94
From guarantees given by the Bank	157	-	2 189	3
	4 854 548	**5 553**	**3 415 923**	**4 888**

The fee and commission from general banking services are derived from the intermediation in import operations, clients payment order, insurance and others.

23. FEE AND COMMISSION EXPENSES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Electronic settlements fees	775 050	887	636 407	911
Fees on own government bonds intermediation	101 809	116	-	-
Fees paid to Nostro banks	171 901	197	167 025	239
	1 048 760	**1 200**	**803 432**	**1 150**

Both "fee and commission income" and "fee and commission expenses" were calculated in accordance with the accounting policy No. 2.3.10.

24. RESULTS OF FINANCIAL OPERATIONS

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Gains from FX transactions	3 919 565	4 483	1 517 261	2 171
Balance sheet revaluations	(122 781)	(140)	571 315	818
Treasury bonds revaluations	-	-	36	-
	3 796 784	**4 343**	**2 088 612**	**2 989**

25. OTHER OPERATING EXPENSES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Taxes and similar expenses	945 611	1 081	864 017	1 236
Regulation's Penalty	33 630	39	150 000	215
Others	288 649	330	185 568	266
	1 267 890	**1 450**	**1 199 585**	**1 717**

There are in this account taxes charged on the bank incoming fees and interest, withhold by other banks; vehicle license tax; fees paid for the use of SPTR service provided by the Central Bank, and the cost of capital gains tax withhold by other institutions to be liquidated to tax authority.

The regulator's penalty refers to the fine for the lack of compliance with BNA Notice No. 10/2022, regarding the minimum amount of loan and advances to be conceded each year to the sector of real economy.

26. SALARIES AND OTHER PAYROLL EXPENSES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Remuneration of Corporate board	**538 850**	**616**	**439 509**	**629**
- Basic salary	538 850	616	439 509	629
Remuneration of employees	**2 559 712**	**2 928**	**2 493 192**	**3 567**
- Basic salary	1 944 384	2 224	1 897 097	2 715
- Vacation allowance	242 800	278	206 107	295
- Christmas allowance	221 183	253	220 771	316
- Transport allowance	103 267	118	128 517	184
- Travel expenses allowance	28 161	32	16 186	23
- Work Schedule exemption	11 027	13	14 247	20
- shortages allowance	5 588	6	6 588	9
- Seniority payments	3 302	4	3 679	5
Health insurance, workplace accidents, social security	**1 160 822**	**1 328**	**1 018 724**	**1 458**
- Cost-sharing for cars purchase	563 783	645	480 364	687
- Clinical services	344 841	394	304 461	436
- Social security	220 783	253	205 183	294
- Workplace accidents insurance	19 200	22	12 487	18
- Functional allowance	12 215	14	16 229	23
Others	**232 657**	**266**	**188 009**	**269**
	4 492 041	**5 138**	**4 139 434**	**5 923**

The corporate board salaries take into account the compensation for activities performed directly in the bank, and any other task fulfilled in any body, as per the Shareholders' General Assembly appointment. Their salaries are fully made of fixed remuneration, net of any associated tax (income tax). The bank bears 8% of salaries for social contributions, paid to the Social Security.

The global increase of salaries is due to the expansion of the board of directors, which, in the light of notice n° 1/2022 of 23 January, is now composed of seven members (previously five).

All salaries and other payroll expenses are short term employee benefits, as per the accounting policy 2.3.8.1. The Bank had 237 employees at 31 December 2024 (239 at 31 December 2023).

Breakdown of BCA employees:

Captions	2024	2023
Board of Directors	5	5
EXCO Consultants	1	2
Heads	4	7
Deputy heads	5	10
Heads of departments	26	18
Managers, deputy managers, and heads of branches	38	39
Others employees	158	158
	237	**239**

The cost-sharing for cars purchase is a benefit the bank gives to its senior managerial staff in order to solve their mobility problems.

27. THIRD PARTY SUPPLIES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
IT services	1 964 453	2 247	1 534 224	2 195
Professional services	742 835	850	447 673	641
Marketing	521 480	596	239 021	342
Communication costs	319 837	366	278 534	398
Staff Training	288 721	330	104 335	149
Stationary/Consumables	288 200	330	154 964	222
Travel and other related costs	237 407	272	123 347	176
Security Services	158 261	181	205 262	294
Casual Labours	141 616	162	129 058	185
Repairs and maintenance	128 602	147	62 968	90
Transport for Staff and Assets	64 834	74	82 484	118
Water and Electricity	33 296	38	34 971	50
Rentals	29 568	34	55 606	80
Fuel and Lubricant	20 753	24	16 610	24
Insurance	7 754	9	805	1
Others	252 537	289	209 046	299
	5 200 154	**5 949**	**3 678 908**	**5 264**

The comprehensive increase in costs related to IT services, professional services and marketing primarily stems from the impact of the local currency Kwanza's exchange rate depreciation against the main global currencies Euro and the US Dollar, which are the primary currencies used for payments to non-resident suppliers, and from the impact of the Special Contribution on Foreign Exchange Operations (CEOC), which came into effect at the beginning of the financial year 2024 ('FY2024').

IT services refer to costs incurred for licences and maintenance of the various IT subsystems currently in use at the financial institution.

In 2024 and 2023, the amount recognized in rentals refers to short term leases not included in measurement of lease liabilities (IFRS 16), as per note 2.3.5.1.

28. EARNINGS PER SHARE

Earnings per share are calculated as follows:

Kz'000	2024	2023
Net Profit for the year	8 159 721	3 468 033
Average number of shares	55 125 000	56 250 000
Basic earnings per Share	0,15	0,06
Diluted earnings per share	0,15	0,06

The difference between the average number of shares (55 125 000) and the total of shares (56 250 000) in 2024 refers to own shares (1 125 000) acquired during FY2024. There are no preference shares in BCA share capital structure.

29. OFF BALANCE SHEETS ITEMS AND CONTINGENCIES

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Guarantees issued and other contingent liabilities				
Guarantees and sureties given	-	-	972	1
Letters of Credit issued	327 571	359	855 375	1 032
Undrawn commitments	2 318 846	2 543	4 127 179	4 980
	2 646 417	**2 902**	**4 983 526**	**6 013**
Responsibilities for services rendered				
Guarantees received	**51 483 513**	**56 451**	**43 374 064**	**52 334**

The guarantees received are composed of real and non real guarantees, whilst the note 7 discloses real guarantees only.

All guarantees given and other contingent liabilities are classified in stage 1.

30. RELATED PARTY DISCLOSURE

At 31 December 2024 and 2023, the Bank related Parties were the Bank shareholders and their families.

Disclosure of Balance sheet:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Assets:				
Loans and Advances	154 604	170	46 561	56
Impairment losses	(3 664)	(4)	(4 044)	(5)
	150 940	**166**	**42 517**	**51**
Liabilities:				
Deposits				
- Demand	575 297	631	1 957 123	2 361
- Term	2 410 777	2 643	860 874	1 039
Other Liabilities	12 725	14	11 620	14
	2 998 799	**3 288**	**2 829 617**	**3 414**

Related parties are entities (individuals and institutions) having a significant influence on BCA, composed of the key management personnel including their close family members; or those owning a shareholding in the share capital of BCA that allows them to exercise a significant influence i.e. a shareholding above 10% of the total of the share capital of BCA.

Disclosure of income statement:

Captions	2024 Kz'000	2024 USD'000	2023 Kz'000	2023 USD'000
Interest earned from loans and advances	3 928	4	41 160	59
Interest paid to Demand deposits	(45 113)	(52)	(78 749)	(113)
Net interest margin	**(41 185)**	**(48)**	**(37 589)**	**(54)**
Fee and commission income	21 240	24	32 769	47
Results of financial operations	62 385	71	19 531	28
Non-interest margin	**83 625**	**95**	**52 300**	**75**
Operating margin	**42 440**	**47**	**14 711**	**21**
Salaries and other payroll expenses	(585 924)	(670)	(439 509)	(629)
Loans and advances Impairment losses	380	-	3 851	6
	(585 544)	(670)	(435 658)	(623)
Losses before taxes	**(543 104)**	**(623)**	**(420 947)**	**(602)**
- Fiscal impact	190 086	217	147 331	211
Net Losses for the year	**(353 018)**	**(406)**	**(273 616)**	**(391)**

As at 31 December 2024, the average interest rates on transactions with related parties were 38% (2023: 34%) for loans in local currency. In 2024 and 2023 there were no loans granted in foreign currency.

The interest rates for term deposits in local currency were 9,77% (2023: 6%), and 1,43% (2023: 0,87%) for deposits in foreign currency.

The fee and commission income refers to commission earned over the monthly amounts used on transactions with international credit cards (6% of the amount used).

31. SUBSEQUENT EVENTS

From 31 December 2024 to the date of the financial statements' approval, there were no significant facts affecting the financial position and/or performance of the Bank that required adjustment and/or disclosure.

32. ACCOUNTING STANDARDS AND INTERPRETATIONS RECENTLY ISSUED

32.1. Standards, interpretations, amendments and reviews that came into effect during the financial year

The following standards, interpretations, amendments and reviews are mandatory for the first time in the financial year beginning on 1st January 2024:

- **Amendments to IAS 1 Presentation of financial statements – Classification of liabilities as current or non-current; Deferral of the effective date; non-current liabilities with covenants**

  These amendments published by the IASB clarify the classification of liabilities as current and non-current, analysing the contractual conditions existing at the reporting date. The amendment relating to non-current liabilities with covenants clarified that only conditions that must be complied with before or on the reporting date of the financial statements are relevant for the purposes of classification as current/non-current. The effective date of the amendments was deferred to 1st January 2024;

- **Amendment to IFRS 16 – Leases – Lease liability in a sale and leaseback transaction**

  This amendment published by the IASB clarifies how a seller-lessee accounts for a sale and lease back transaction that meets the criteria of IFRS 15 to be classified as a sale; and

- **Supplier Finance Arrangements/ Amendment to IAS 7 – Cash Flow Statements – and IFRS 7 – Financial Instruments: Disclosures – Supplier Finance Arrangements**

  These amendments published by the IASB in May 2023 include additional disclosure requirements for qualitative and quantitative information about supplier financing arrangements.

No significant effects were experienced on BCA's financial statements for the year ended 31st December 2024 as a result of the adoption of the above standards, interpretations, amendments and reviews abovementioned.

32.2. Standards, interpretations, amendments and reviews that will come into effect in subsequent financial years

- **Amendment to IAS 21 – The effects of changes in foreign exchange rates – Lack of exchangeability**

  This amendment published by the IASB in August 2023 sets out the approach for assessing whether a currency can be exchanged for another currency. If it is conclusively determined that the currency cannot be exchanged for another, it outlines how to set the exchange rate to be applied, and the additional disclosures required

32.3. Standards, interpretations, amendments and reviews not yet adopted

- **Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments**

  These amendments published by the IASB in May 2024 include changes resulting from the outcome of the IASB's post-implementation review of IFRS 9.

- **Amendment to IFRS 9 and IFRS 7 – Nature-dependent electricity arrangements**

  This amendment published by the IASB in December 2024 includes additional guidance and disclosures related to electricity supply contracts from renewable energy sources, as well as the option to designate these agreements as hedging instruments, provided they meet certain requirements.

- **Annual improvements to international financial reporting standards (volume 11)**

  Essentially corresponds to amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7;

- **IFRS 18 – Presentation and Disclosure of Financial Statements**

  This standard replaces IAS 1 and includes presentation and disclosure requirements in financial statements for entities reporting in accordance with IFRS; and

- **IFRS 19 – Subsidiaries without public responsibility: disclosures**

  This standard allows an eligible subsidiary to have the option of making reduced disclosures in its financial statements prepared in accordance with IFRS.

33. ACRONYMS AND ABBREVIATIONS

ABANC	Angolan Banks Association (in portuguese: Associação Angolana de Bancos)
Kz	Kwanza
Kz'000	Thousand of Kwanzas
ALCO	Assets and Liabilities Committee
AML	Anti Money Laundery
BCA	Angolan Commercial Bank (in portuguese: Banco Comercial Angolano, S.A.)
BNA	National Bank of Angola (in portuguese: Banco Nacional de Angola)
CB	Central Bank
BT	Treasury Bills
CA	Board of Directors
CE	Executive Committee
CFT	Combating of Financial Terrorism
CMC	Central Management Committee
DO	Demand Deposits
DP	Term Deposits
ECL	Expected Credit Loss
EMIS	Interbank Service Company (in portuguese: Empresa Interbancária de Serviços)
FATCA	Foreign Account Tax Compliance Act
FPR	Regulatory owned funds
FV	Fair Value
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profits and loss
IFRIC	Internacional Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
MINFIN	Ministry of Finance
Obrig.	Bonds
O.C.I.	Other Credit Institutions
OCI	Other comprehensive income
Op.	Operations
OT	Treasury Bonds
Rec.	Resources
USD	United States Dollars
USD'000	Thousand of US Dollars

United Nations Building, Luanda
@mtcurado | iStock by Getty Images

Banco Comercial Angolano

Report and Opinion of the Fiscal Council

Report and Opinion of the Fiscal Council

REPORT AND OPINION OF THE FISCAL COUNCIL

Dear Shareholders,

In accordance with Angolan laws and regulations, the Fiscal Council is required to issue a report on its supervisory duties and issue an opinion on the Financial Statements of Banco Comercial Angolano, S.A. (BCA) for the year ended 31 December 2024.

The Fiscal Council continuously monitored the evolution of the Bank's activity and verified the regularity of its accounting records, as well as the respective documentation. Within the scope of its powers, the Fiscal Council is pleased to acknowledge that it has always counted on the collaboration of the Executive Committee (EXCO), providing the information it considered necessary to perform its duties accordingly.

The financial statements were subject to a full audit by the Bank's external auditors, whose unqualified opinion is that the financial statements present fairly, in all materially relevant aspects, the financial position of BCA as at 31 December 2024 and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

In the scope of our duties, we analysed the balance sheet, income statement, notes to financial statements and the management report for the year ended 31 December 2024. Compared to FY2023, we highlight the following positive changes:

- Increase of total assets – 8%;
- Increase of shareholders' equity – 13%; and
- Increase of net profit – 135% (8,16 billion of Kwanzas).

It is the opinion of the Fiscal Council that the General Meeting should approve the Management Report, the Financial Statement for the year ended 31 December 2024 and the proposal for the appropriation of the 2024 profits.

The Fiscal Council, 15 April 2025.

João Paulo Borges de Sousa
(Chairman of the Fiscal Council)

Antónia Ariete Oliveira Sebastião
(Accountant Expert – Member)

Esperança K. Rogeiro Cahango
(Member)

Doctor António Agostinho Neto Memorial
@Nuno Almeida | iStock by Getty Images

BCA
Banco Comercial Angolano

Independent Auditor's Report

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
of Banco Comercial Angolano, S.A.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Banco Comercial Angolano, S.A. (hereinafter also referred to as "the Bank"), which comprise the Balance Sheet as of December 31, 2024 (that presents a total of 143 963 399 thousands of kwanzas and total equity of 47 752 920 thousands of kwanzas, including a net profit of 8 159 721 thousands of kwanzas), the income statement, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and the corresponding notes, including material information about the accounting policy.

In our opinion, the attached financial statements appropriately present, in all material respects, the financial position of Banco Comercial Angolano, S.A. as of December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

Basis for opinion

Our audit was conducted in accordance with the International Standards on Auditing (ISA) and other technical and ethical standards and guidelines of the Angola Institute of Statutory Auditors ("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 Financial Statements" section below. We are independent from the Bank in accordance with the law and comply with the other ethical requirements in accordance with the code of ethics of the Angola Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other matters

The financial statements of the Bank are expressed in kwanzas, which is the Bank's functional currency. The financial information in the financial statements and in the corresponding notes in United States dollars is presented only for reading convenience and was converted based on the criteria described in Note 2.1, and should not be interpreted as the representation that the amounts in kwanzas have been, could have been or may be in the future, converted into United States dollars.

The financial statements for the year ended December 31, 2023 are presented by the Board of Directors for comparative purposes and in order to comply with the financial statements publication requirements. The Bank's financial statements as at December 31, 2023 have been audited by us and our Independent Auditor's Report, dated 26 April 2024, contained a scope limitation qualification on the possible effects of the non-application of the guidelines contained in IAS 29 in the Bank's financial statements for the year 2017 and subsequent years, which is not applicable to the financial statements as at December 31, 2024.

Responsibilities of Management and Supervisory Body for the financial statements

The Management is responsible for:

- the preparation of financial statements that appropriately present the financial position, financial performance and cash flows of the Bank in accordance with the International Financial Reporting Standards (IFRS);~
- the preparation of the management report in accordance with applicable legal and regulatory requirements;
- the creation and maintenance of an appropriate internal control system to allow the preparation of financial statements that are free from material misstatement due to fraud or error;
- the adoption of accounting policies and criteria appropriate in the circumstances; and
- the assessment of the Bank's ability to continue as a going concern, disclosing, when applicable, matters that may cast significant doubt on the continuity of its operations.

The supervisory body is responsible for supervising the process of preparing and disclosing the Bank's financial information.

Auditor's responsibilities for the audit of the financial statements

Our responsibility consists in obtaining reasonable assurance on whether the financial statements as a whole are free from material misstatements, 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 conducted in accordance with ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit and we also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than not detecting one resulting from error, as fraud may 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;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management;

- conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether any 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 should draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Bank to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether those financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- 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 deficiency in internal control identified during the audit.

Luanda, April 24, 2025

Deloitte Auditores, Lda.
Representada por José António Mendes Garcia Barata
Membro da OCPCA nº 20130163

EXPLANATION ADDED FOR TRANSLATION
(This report is a translation of a report originally issued in Portuguese. Therefore, according to Deloitte Auditores, Lda. internal procedures, the report should not be signed. In the event of discrepancies, the Portuguese language version prevails.)

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