Report H124

BFA

Dear Reader,

We are delighted to introduce BFA's Interim Financial Report for the first half year 2024 ('H1 2024').

Driven by the ambitious vision to make BFA more agile, efficient, and focused on the ongoing enhancement of its customers' and team members' experiences, we have started a new strategic business cycle for 2024-2026. The key areas of focus and top strategic priorities in this new business cycle are encapsulated within the acronym "**EASE**": **E**mpathy, **A**gility, **S**implicity, and **E**fficiency.

Against this backdrop, we draw our inspiration from top-level sportsmen and women's performance, particularly highlighting the human spirit to overcome odds and difficult challenges, as well as the ongoing pursuit of achieving high performance levels. Such an approach aims to strengthen our corporate communications and statements as well as to signal the start of BFA's new strategic business cycle.

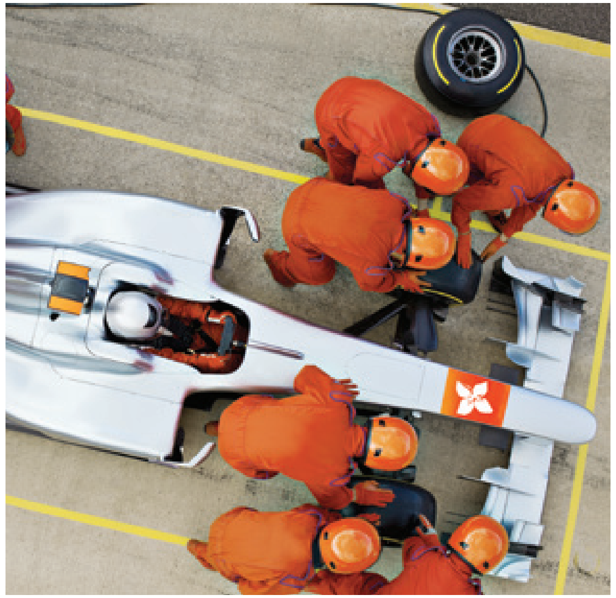
Hence, just as in high-performance sports, where preparation, discipline and technological innovation are key to achieving success, EASE 2024-2026 is underpinned by organisational transformation and the Bank's drive to maximise sustainable results. We have selected imagery that conveys agility, empathy, efficiency, and teamwork, symbolising the transformative power of the new business cycle (EASE 2024-2026).

This visual concept conveys a safe and collaborative environment, where the synergy between the different teams promotes effective and responsive action in the face of opportunities for improvement, with a focus on simplicity and efficiency. The aim is to maximise results through training, preparation, and ongoing organisational support.

With this steadfast and unwavering purpose in mind, we aim to redraw standards, overcome challenges, and develop innovative solutions that will shape the future of our organisation, further consolidating our leading position in the market.

KEY INDICATORS

CORPORATE GOVERNANCE MODEL



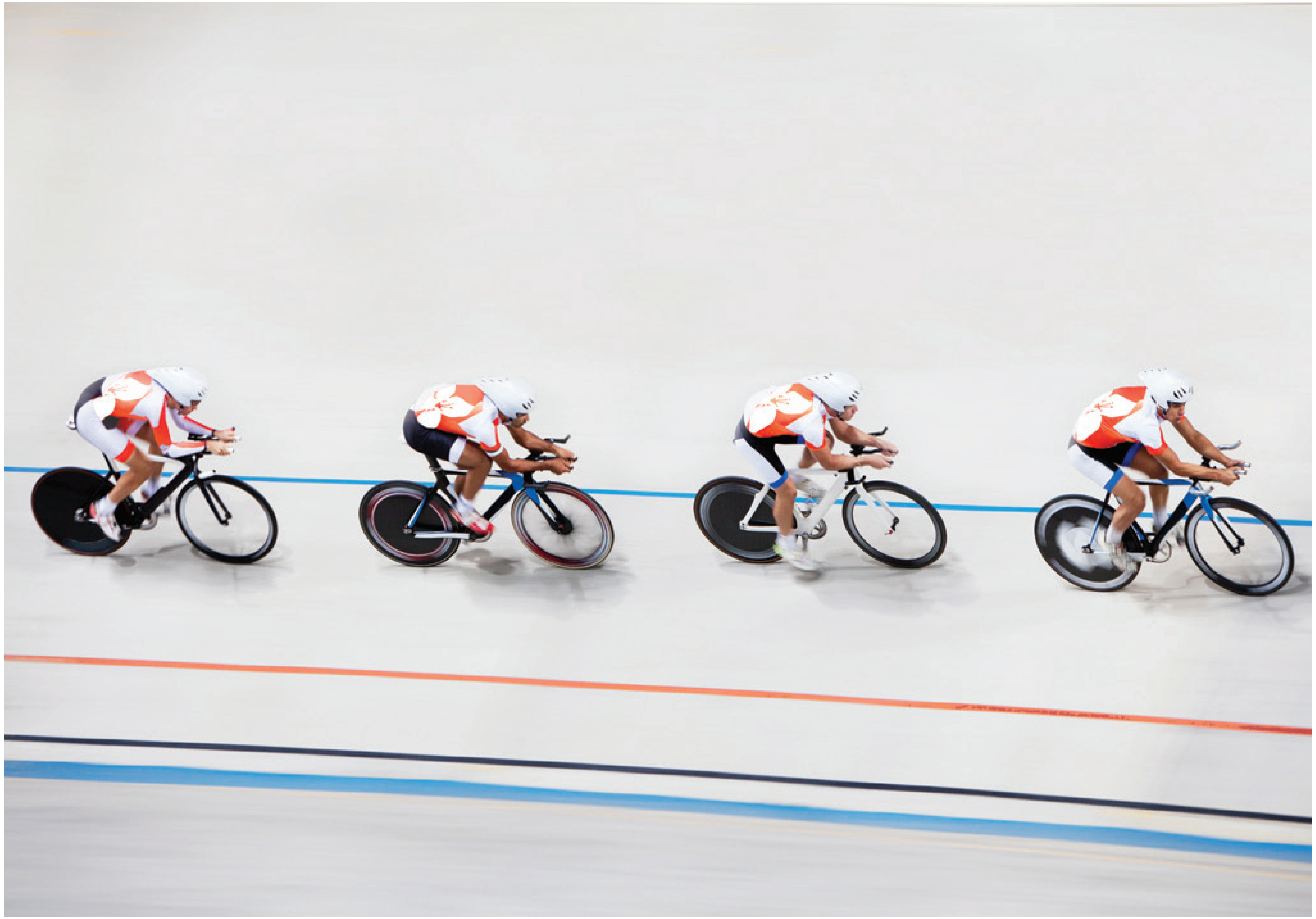
MACROECONOMIC ENVIRONMENT

FINANCIAL HIGHLIGHTS

EQUITY HOLDINGS

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



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KEY INDICATORS

BFA

Key Indicators

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Total Assets	3 360 999	3 658 284	8.8%
Loans to Customers [1]	496 773	629 109	26.6%
Customer Deposits	2 730 227	2 894 750	6.0%
Equity and Equivalent Capital	483 067	573 317	18.7%
Operating Income	142 642	163 921	14.9%
Net Financial Income	116 480	136 295	17.0%
Non-Interest Income	26 162	27 626	5.6%
Overheads [2]	55 342	62 499	12.9%
Net Profit	83 051	89 546	7.8%
Return On Total Assets [ROA]	5.8%	4.9%	-0.9 p.p.
Return On Equity [ROE]	33.2%	31.3%	-1.9 p.p.
Cost Income Ratio	38.8%	38.1%	-0.7 p.p.
Total Assets / Staff	1 263	1 425	162
Loan-to-Deposit Ratio	20.3%	23.6%	3.3 p.p.
Total Capital Ratio [3]	37.4%	43.0%	5.5 p.p.
30 days past-due credit ratio [4]	3.5%	1.9%	-1.6 p.p.
Non-Performing Loans Ratio [NPLR]	12.3%	9.1%	-3.2 p.p.
30 days past-due credit provisions coverage Ratio	302.0%	433.0%	131.0 p.p.
Credit provisions coverage due Impairment(s)	8.2%	6.6%	-1.6 p.p.
Customer base	2 729 803	3 022 507	292 704
Total number of branches [5]	194	192	-2
Total number of staff members	2 661	2 568	-93
BFA Net Penetration Rate	17.0%	8.3%	-8.7 p.p.
Debit Cards Penetration Rate	49.7%	50.7%	0.9 p.p.

1) Total Credit Net of Impairments
2) It comprises staff costs, third-party supplies and services, depreciations and amortizations
3) Total Capital Ratio = Capital Adequacy Ratio
4) 30 days past-due credit ratio = Overdue Loans to Customers / Total Loans to Customers
5) Branches + Corporate Centres + Investment Centres + Private Banking

2

GOVERNANCE MODEL

BFA

Corporate Governance Model

Governing Bodies and External Auditor Firm

BFA's governance model complies with the Financial Institutions Legal Framework requirements (Law no. 14/2021 dated 19th May) and its Articles of Association abide by the following organisational model:

Shareholders' General Meeting

Board of the General Meeting

Chairperson

Coutinho Nobre Miguel

Secretary

Flávia Furtado Gomes

Statutory External Auditor

External Auditor Firm

KPMG Angola

Supervisory Board

Chairperson

Alcides Horácio Safeca

Member

Adilson de Jesus Sequeira

Member

Valdir Lima Rodrigues

Board of Directors (BoD)

Chairperson

Maria do Carmo Bernardo

Deputy Chairman

Osvaldo Salvador Macaia

Non-Executive and Independent Directors

Laura Alcântara Monteiro
Maria Amélia Duarte

Non-Executive Directors

Divaldo Kienda Palhares
Jacinto Manuel Veloso
Filomeno Alves Ceita

Executive Committee of the BoD

CEO

Luís Roberto Gonçalves

Executive Directors

Sebastião Francisco Massango
Natacha Sofia Barradas
Paulo Freitas Alves
José Alves Nascimento
Francisca Ferrão Costa
Paulo Valódia Silva

Company Secretary

Secretary

Custódio Moreira João

Board of Directors' Support and Advisory Committees

In accordance with the international standards laid down by the European Banking Authority (EBA), the new Financial Institutions Legal Framework, and BNA's Notice n.º 01/2022 on Corporate Governance, the Bank's Board of Directors currently has five (5) support and advisory Committees, namely:

AUDIT AND INTERNAL CONTROL COMMITTEE (AICC)

Members entitled to vote

Chairperson
Maria Bernardo

Members
Osvaldo Macaia* | Laura Monteiro
Jacinto Veloso | Maria Duarte

Permanent Invitees

CEO
Luís Gonçalves

Chief Risk Officer
Natacha Barradas

Head of the Compliance Department
José Cerqueira

Head of the Risk Management Department
Sandra Vieira

Supervisory Board Members
Alcides Safeca | Adilson Sequeira | Valdir Rodrigues

Head of the Internal Audit Department
Irene Vicente

External Audit Firm
KPMG Angola

Head of the Organisation and Quality Department
Sílvia Peixinho

* Resigned from the position on the 17th of May 2024

RISK COMMITTEE

Members entitled to vote

Chairperson

Osvaldo Macaia[1]

Members

Divaldo Palhares
Filomeno Ceita
Laura Monteiro

Permanent Invitees

Chief Risk Officer

Natacha Barradas

Head of the Risk Management Department

Sandra Vieira

Credit Portfolio Executive Director

Sebastião Massango

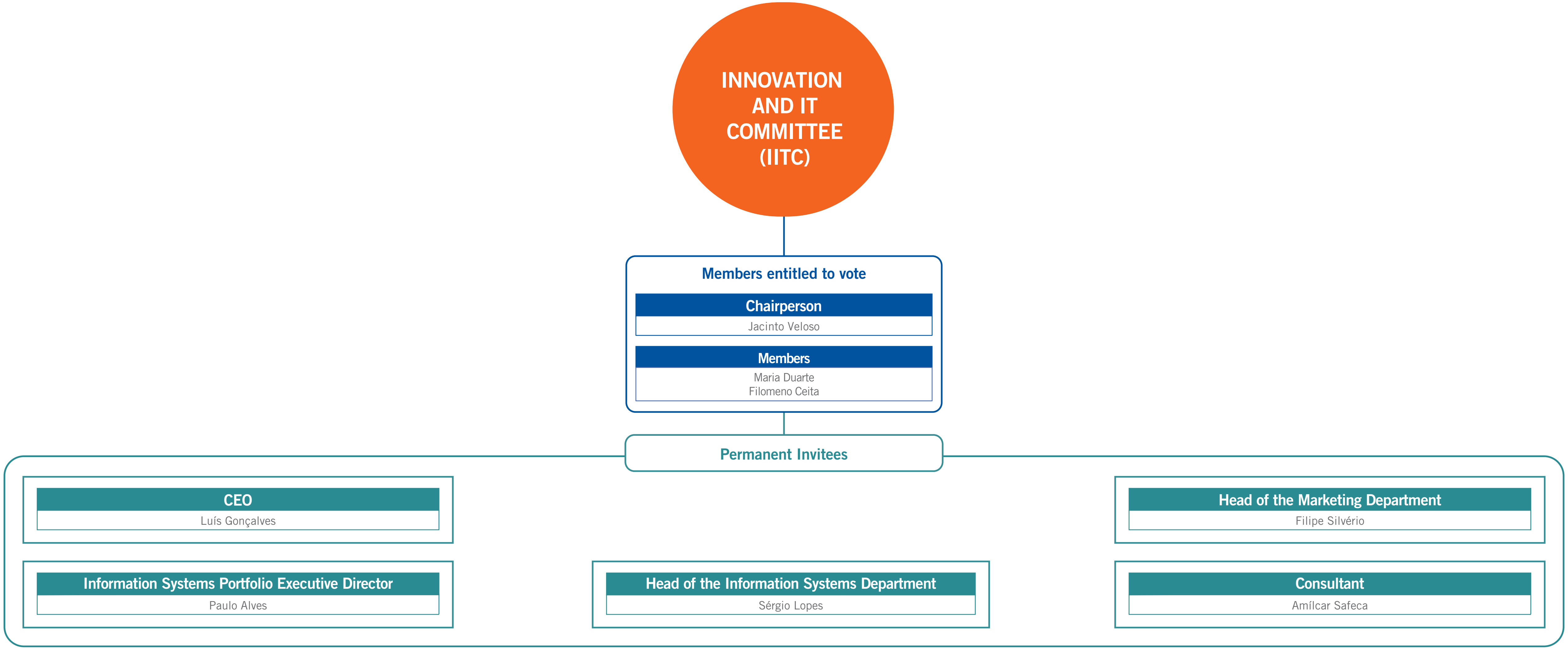
Head of the Credit Risk Department for Large Companies, Institutional, and Project Finance

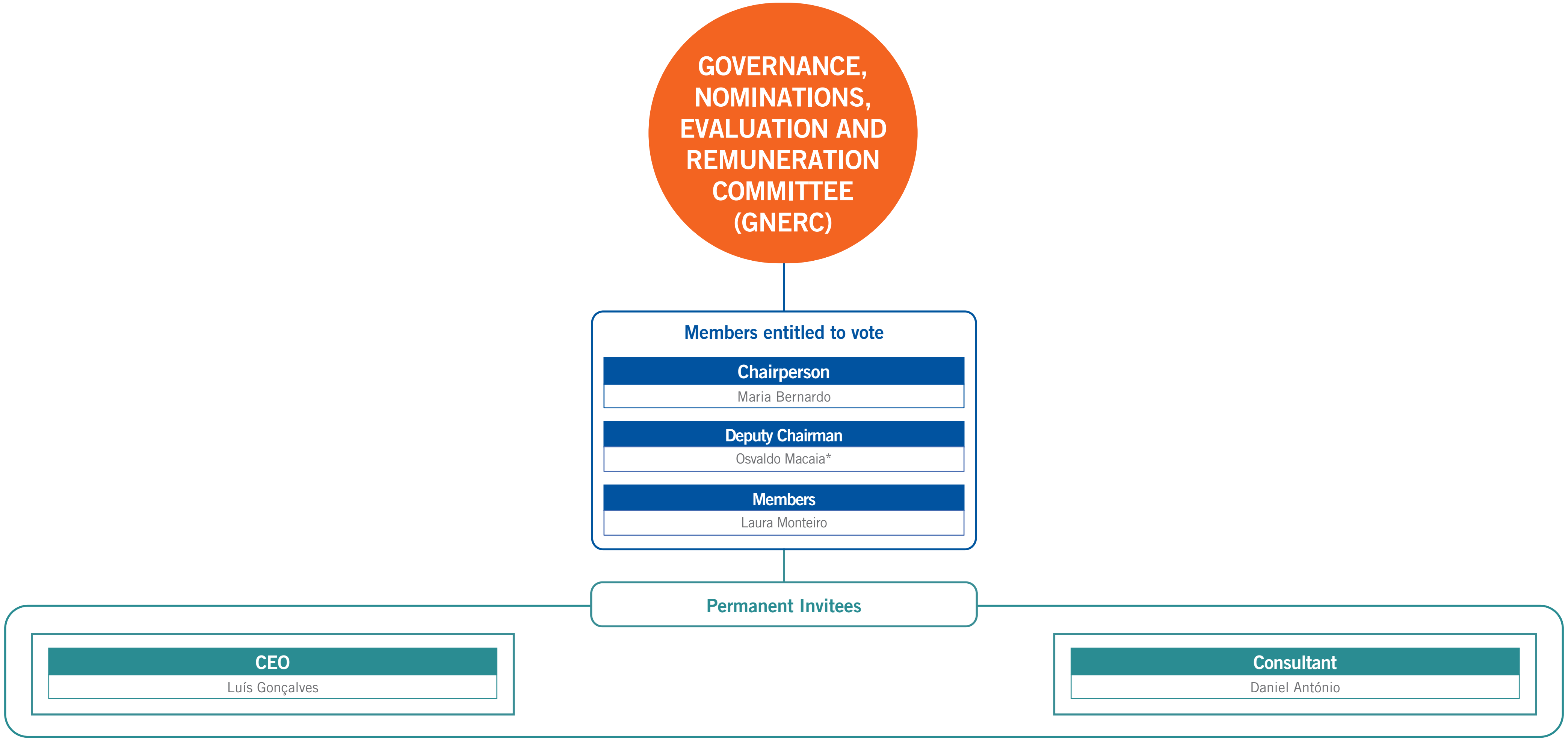
Vladimir Cunha[2]

Head of the Compliance Department

José Cerqueira

1 Resigned from the position on the 17th of May 2024
2 Terminated the employment relationship with BFA on the 21st of May 2024


INNOVATION AND IT COMMITTEE (IITC)
Members entitled to vote
Chairperson
Jacinto Veloso
Members
Maria Duarte
Filomeno Ceita
Permanent Invitees
CEO
Luís Gonçalves
Head of the Marketing Department
Filipe Silvério
Information Systems Portfolio Executive Director
Paulo Alves
Head of the Information Systems Department
Sérgio Lopes
Consultant
Amílcar Safeca



* Resigned from the position on the 17th of May 2024

ENVIRONMENTAL & SOCIAL RESPONSIBILITY COMMITTEE (ESRC)

Members entitled to vote

Chairperson
Maria Bernardo

Members
Filomeno Ceita
Maria Duarte

Permanent Invitees

Consultants
Mariana Assis
José Van-Dúnem

Permanent Invitees

CEO
Luís Gonçalves

Chief Risk Officer
Natacha Barradas

Social Responsibility Portfolio Executive Director
Francisca Costa

Non-Executive Director
Divaldo Palhares

Head of the Risk Management Department
Sandra Vieira

Finance Portfolio Executive Director
Francisca Costa

Head of the Social Responsibility Department
Maria Cabral

2024-2026 Strategic Plan +EASE

With a view to setting out our purpose and ambition to continue being the best bank to work for—more agile, simpler, and geared towards improving both BFA's Customer base and Team Members' experience—we have chosen 6 Strategic Pillars that will guide our operational activity during the 2024-2026 Strategic Business Cycle.

Each of these corporate strategic pillars represents our unwavering commitment over the next few years to enhance our ability to be of service to our customer base, as well as our capacity to attract, develop, retain, and acknowledge our top human capital talents.

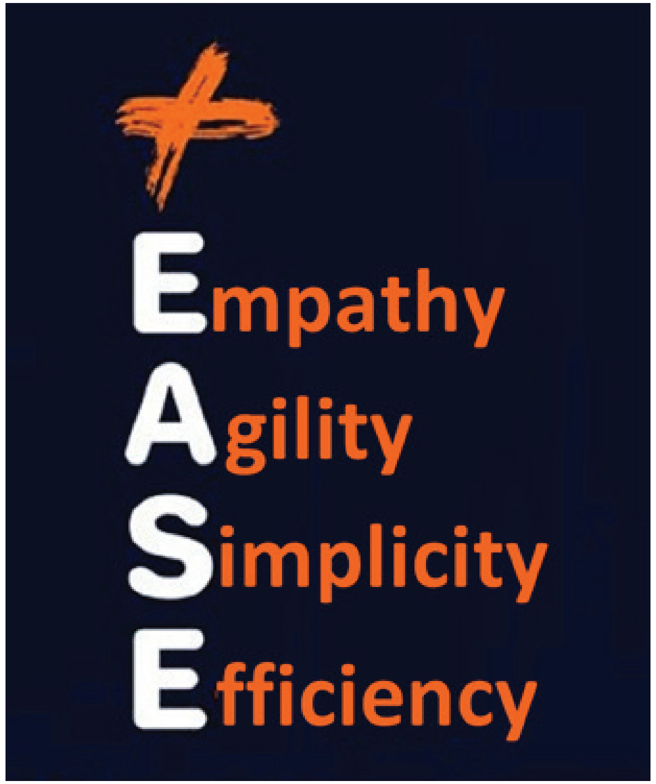
6 strategic pillars

16 initiatives prioritised

9 strategic goals

2.5 yearsof implementation

38 initiatives identified



Strategic Pillars and Initiatives

Sustainability
- To implement the initiatives of the short-term Strategic Sustainability Plan.

Increase BFA's Personnel efficiency and professional performance
- Performance and compensation assessment - Central Services + Commercial Areas;
- Development of the career management model;
- Organisational model and functions;
- Management of the Organisational Transformation (i.e. adjustments/changes) and Organisational Culture cross-cutting the Strategic Plan.

Business growth
- Planning, coordination, and management of BFA's teams' commercial activities aimed at high-value customer segments.

+EASE

Increase corporate/business processes efficiency
- Back-office automation programme;
- Basic Offering Journey for Retail Customers;
- Develop, enhance/streamline and put in place the processes set out in the ERP implementation.

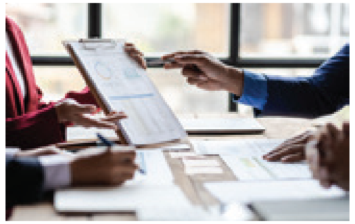
Technological infrastructure enhancement/streamlining and data management
- Governance model & data quality;
- Development of the EDW platform;
- Development of the Application Architecture;
- Cyber Security and Resilience.

Digitalisation / enhancement of the service model
- Expansion of the Banking Representatives Network (Footprint and Services);
- Operational workload and business opportunities of the DPN Branches;
- Expansion of self-service channels (new or with a wider scope).

Strategic Goals

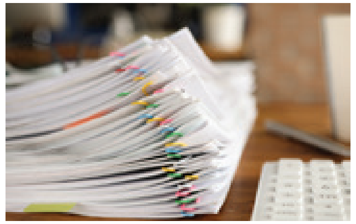
1. Personnel Efficiency and Professional Performance

+ TEAM MEMBERS' SATISFACTION



+ PROFESSIONAL PERFORMANCE PER TEAM MEMBER

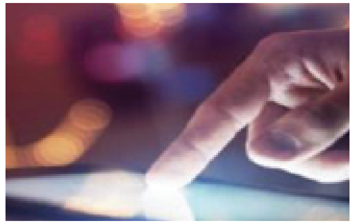
2. Corporate & Business Processes Efficiency



+ SLAs FOR CRITICAL PROCESSES

+ CUSTOMER SATISFACTION

3. Digitalisation / Enhancement of the Service Model



+ CUSTOMERS USING SELF-SERVICE CHANNELS

+ TRANSACTIONS CARRIED OUT AT BRANCHES

4. Optimization of Technological Infrastructure and Data Management

5. Business Growth

+ REVENUE PER CUSTOMER

+ BUSINESS OPPORTUNITIES ON ALTERNATIVE CHANNELS

6. Sustainability

+ INITIATIVES IMPLEMENTED WITH AN IMPACT ON EXTERNAL STAKEHOLDERS

Executive Board Expertise Committees

In a complementary role and in accordance with international standards and best corporate practices, the Executive Committee of the Board of Directors (EXCO) also has eleven expertise committees:

Asset & Liability Committee (ALCO)	Human Capital Committee	Costs & Productivity Committee	Financial Committee
FX Committee	Innovation & CX Committee	Governance and Data Quality Committee	Business Committee
Services & Products Committee	Internal Control & Risk Committee	Information & Security Committee	EASE Committee

Overview of the Executive Board Expertise Committees

ALCO Committee

- To advise the Executive Committee of the Board of Directors ('EXCO') with regard to the Assets and Liabilities management strategy;
- To submit a proposal to the Executive Committee of the Board of Directors on Assets and Liabilities management policies, with regard to liquidity, interest rate, exchange rate and market risk management, and to follow up and monitor these policies;
- To monitor key performance indicators and metrics and their alignment with the corporate goals and strategic targets established in the Strategic Planning with regard to the balance sheet's financial management;
- To monitor the national and international macroeconomic framework, particularly in terms of analysing market interest and exchange rate trends and identifying potential impacts.

Human Capital Committee

- Analyse and provide inputs on personnel management policies and regulations, whenever requested by HCD or by the EXCO;
- Analyse and issue an opinion for review and assessment by the EXCO:
  - With regard to proposals to appoint staff to management or leading positions in the commercial departments (managers or equivalent).
  - With regard to internal mobility proposals for management positions in the commercial departments.
- Monitor the development and implementation of the onboarding and training plans, with a particular focus on those aimed at the sales teams, and to propose to the EXCO changes or adjustments, whenever deemed appropriate;
- Review and provide inputs on the Succession Plans for key positions, for subsequent submission to the EXCO;
- Analyse labour-related incidents referred by the Audit Committee or any other corporate or governing body that may constitute relevant potential irregularities, substantiating the violation of the code of conduct or other labour duties, and propose to the EXCO the application of measures deemed appropriate to prevent similar events from happening in the future.

Productivity & Costs Committee

- To monitor the control of the budget execution and the progress levels made towards achieving the goals established;
- To analyse the corresponding deviations in conjunction with the relevant department heads/managers and to propose the adoption of mitigation and corrective measures to the EXCO.

Financial Committee

- To propose efficient methodologies for the control of the Bank's financial activity;
- To monitor the legislation and prudential regulations in force;
- Pricing policy;
- To drawn up the commercial and business strategy for the launch of new products;
- Management of balance sheet risks, namely: exchange rate risk, interest rate risk and liquidity risk.

Forex Committee

- To ensure compliance with BNA regulations regarding the foreign exchange market;
- To approve the criteria for the allocation and distribution of currency;
- To monitor the performance of the foreign exchange operations carried out by the Bank, both at auction and from other sources;
- To monitor the management policy of all issues related to the sale of foreign currency, namely by requesting the drawing up of proposals to be submitted to the EXCO with a view to solving key obstacles/problems to the business activity.

Innovation & CX Committee

- To foster the enhancement of the customer experience (CX), increase operational efficiency, and support the Bank's growth strategy;
- To establish and monitor key performance indicators for customer service levels related to the main customer journeys;
- To identify, analyse and prioritise a set of initiatives aimed at improving BFA's efficiency and the customer experience, in particular those that fall under the strategic pillars - Service Model Digitalisation, Process Efficiency and Technological Infrastructure Development;
- To analyse and approve the proposals for implementing the initiatives referred to in the previous subsection, taking into account their priority, the resources required and the proposed implementation plan;
- To monitor the implementation and development of these initiatives, by analysing deviations and their impact and identifying any potential mitigation measures to be implemented.

Governance & Data Quality Committee

- To develop and submit the data management operational model and strategy to the EXCO for approval;
- To assess and submit for approval to the EXCO, the regulations supporting Data Governance (DG), the implementation of the necessary organisational structures and the initiatives aimed at implementing the appropriate technological and data infrastructure;
- To determine the inclusion criteria applicable to data owners and administrators based on the business areas/data domains relevant to Data Governance (DG);
- To monitor the development of the Data Management ecosystem, troubleshoot shortcomings, constrains and capacity bottlenecks as well as ensure the active involvement of the relevant stakeholders;
- To assess the risks associated with Data Governance and ensure appropriate reporting;
- To identify and recognise, assess and prioritise the resolution of the main data-related problems;
- To approve mitigation/troubleshooting measures and corrective actions within the scope of data quality;
- To approve concept meanings, indicators and metrics including calculation rules;
- To determine, when appropriate, the setting up of Working Groups focused on particular frameworks or functional areas, with the aim of prioritising and/or troubleshooting critical topics related to the data quality, integrity, accuracy, or completeness.

Business Committee

- To monitor the business development and commercial performance of the different networks;
- To monitor the competitive landscape and comprehensive business outlook.
- To set out the business policy, namely through the identification of priorities, opportunities and constraints to the business activity;
- To request the drawing up of proposals to be submitted to the EXCO for the resolution of constraints relevant to business activity;
- To monitor the implementation of the established priorities, namely by analysing deviations and their impacts;
- To develop and drive the implementation of new products to be launched on the market, as well as monitoring their business performance;
- To monitor and boost the business activity by identifying new opportunities to implement processes and/or new methods as well as to ensure their subsequent analysis and assessment by the EXCO.

Products & Services Committee

- To monitor the business progress and commercial performance of the different networks;
- To monitor the regulatory framework that applies to and shapes the Bank's products and services offer, in its different dimensions/aspects, namely product features, pricing and sales processes;
- To monitor the competitive landscape and the outlook for developments (new trends) in the supply of financial products and services in the internal market;
- To submit a proposal for the EXCO decision, the priorities for the development of new financial products and services, considering the evolving regulatory and competitive environment as well as the potential impact on the Bank's business;
- To monitor the implementation of the priorities established for the development of new products and services, namely by analysing deviations and assessing their corresponding impacts;
- To monitor the implementation of pricing policies, namely at committee's level, requesting the drafting of proposals to be submitted to the EXCO with a view to adjusting them to the regulations in force or to the competitive landscape.

Internal Control & Risk Committee

- To monitor the Compliance and Risk Management functions' effectiveness, as well as the processes and procedures in place for managing materially relevant risks;
- To monitor the implementation of the strategy for managing all risks related to the Bank's business activities, namely: liquidity risk, interest rate risk, exchange rate risk, market risk, credit risk, operational risk, compliance strategy risk and reputational risk;
- Periodically monitoring and analysing all open recommendations for improving risk management carried out by the second line of defence (issued by regulators or auditors), taking into account the cases identified and the corresponding level of risk associated with them, in order to ensure that the necessary corrective measures are implemented in a timely manner;
- To analyse/assess and adopt a decision on the Risk Appetite Statement Tier 2 metrics proposal, as well as their monitoring and appraisal of possible action plans to mitigate risks;
- To analyse/assess and adopt a decision on the key operational risk indicators (KRI) proposal, as well as their monitoring and appraisal of possible action plans to mitigate risks;
- To analyse the development of materially relevant risks, monitored through reports (summarised, with an emphasis on the main issues, containing the appropriate risk metrics and submitted in a timely manner), which properly enable an informed decision-making process on the risks being monitored and managed.
- To issue opinions on initiatives in accordance with BFA Group's strategic plan, with regard to risks and impacts in relation to the approved Risk Appetite Statement (RAS) limits, in order to keep both the business strategy and the risk strategy aligned;
- To assess and issue an opinion on risk management regulations, limits, and practices for BFA Group's entities, taking into account the risk thresholds established by the Board of Directors;
- To monitor the comprehensive standards of compliance risk management in their full scale and scope;
- To oversee the development, implementation and ongoing maintenance of a comprehensive Compliance programme at the Bank;
- To monitor the implementation of the Compliance function's activity plan, identifying points for improvement and subsequent actions.

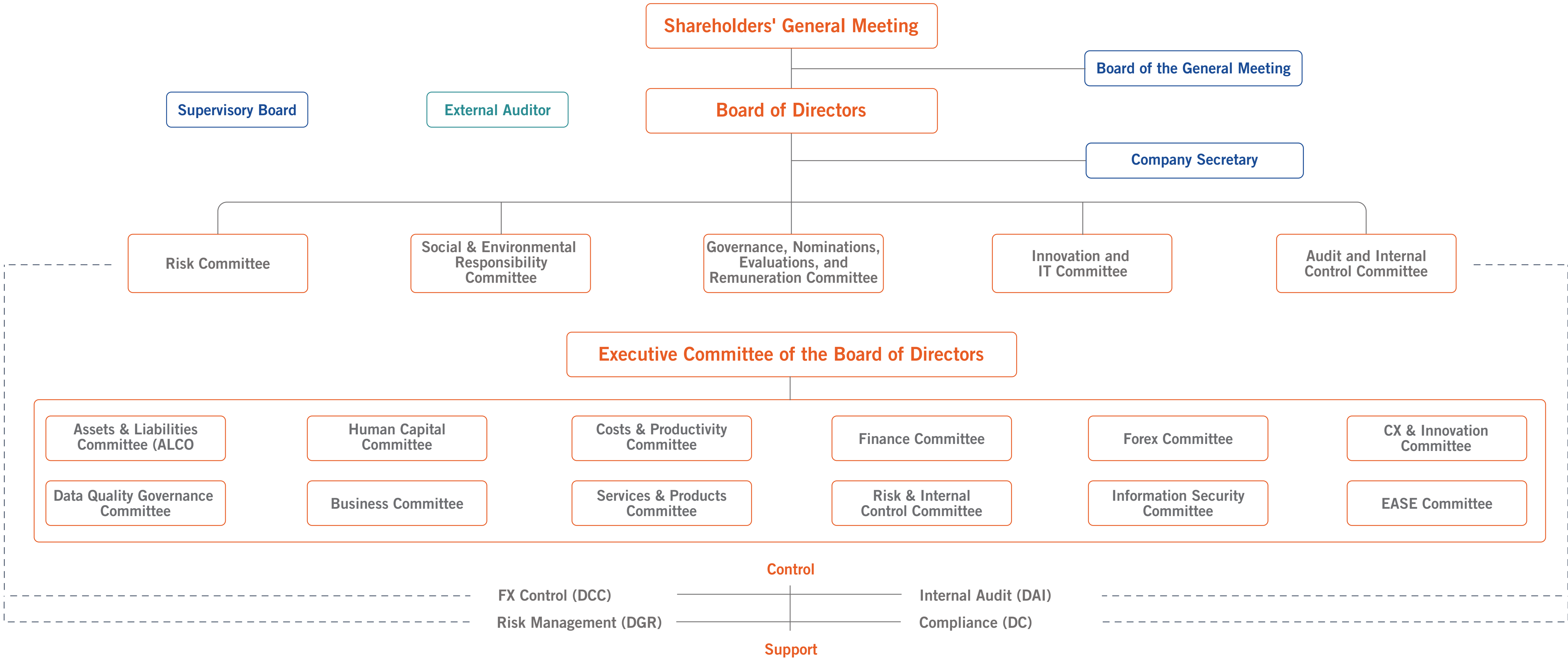
Security & Information Committee

- Advise the EXCO with regard to the Information Security strategy;
- Advise the EXCO with regard to the Information Security policies;
- Monitor, analyse and report on the "SGS" risk and performance metrics;
- Develop corrective plans, monitor their implementation and assign the appropriate functions and duties;
- Monitor and report on the information internal and external security framework, and promote the periodic review of the related regulations.

EASE COMMITTEE

- It is incumbent upon the EASE Committee to manage the comprehensive areas of focus and top priorities ('EASE 360º Vision') of each strategic pillar as well as to monitor and report on the development of the Strategic Plan's implementation, in particular the degree to which the Plan's goals have been attained, the level of progress/development of the initiatives underway, and their related KPIs;
- To unlock operational management situations, such as investments and implementation schedules;
- Take charge of decision-making on resource allocation in the event of conflicts/unavailability of resources;
- To expedite the potential processes for identifying external consultancy needs and analysing procurement processes.

Organisational Chart of the Governing Bodies and External Auditor Firm



Executive Committee of the Board of Directors – Organisational Chart

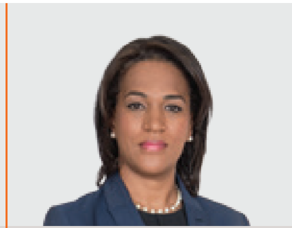
The Bank's Organisational Chart is underpinned by a functional organisational framework, which allows for a clear separation of each Institutional Department's business areas and functions, under the aegis and authority of each individual Executive Director.

Luís Gonçalves

- Company Secretary
- Board of Directors' Office
- BFA Academy
- Human Capital Department
- Marketing Department
- Sustainability Office

Sebastião Massango

- Credit Monitoring and Recovery Department
- Credit Management Department
- Corporate and Business Credit Risk Department
- Large Companies, Institutional and Projects Credit Risk Department
- Retail Credit Risk Department



Natacha Barradas

- Compliance Department
- Foreign Exchange Control Department
- Risk Management Department
- Legal Department

Paulo Alves

- Processing and Control Operations Department
- Means of Payment Department
- Cross-Border Transactions Department
- Organisation and Quality Department
- Treasury Operations Department
- Information Systems Department

José Nascimento

- Large Companies Department
- Medium-sized companies Department
- Agreements & Partnerships Department
- Oil & Gas and Institutional Department
- Private Banking Department

Francisca Costa

- Procurement Department
- Investment Banking Department
- Accounting and Planning Department
- International and Finance Department
- Social Responsibility Department

Paulo Silva

- Agribusiness Department
- Investment Centres Department
- Facilities and Property Department
- Retail and Business Department (Northern Region)
- Retail and Business Department (Southern Region)

Executive Committee of the Board of Directors

Luís Gonçalves
CEO

Nationality: Angolan
Date of Birth:
6th June 1972

Mr. Luís Gonçalves holds a degree in advanced management accounting from the Lusíada University of Angola and completed Postgraduate Studies in Monetary and Financial Economics at the Évora University, Portugal. His academic background includes training in Anti--Money Laundering and Counter Terrorist Financing and Sanctions from PricewaterhouseCoopers (PWC), as well as an Effective Leadership Programme provided by the Nova School of Business & Economics and an Interbank Markets programme taught by Intermoney, Financial Services Volunteer Corps (FSVC).

Mr. Luís Roberto Gonçalves began his banking career at BFA in 1996 and held numerous high-profile and executive management positions within the Bank over several years. In 2016, Mr. Luís Gonçalves was entrusted with the core remit of establishing the BFA Asset Management Company ('BFA AM'), where he served as Chairman of its Executive Committee.

Until early 2020, Mr. Gonçalves served as Executive Director of Banco Crédito do Sul. He also held senior management positions at KEVE Bank. Since July 2020, he has been co-opted as Chairman of the Executive Committee of BFA's Board of Directors (CEO).

Executive Committee of the Board of Directors

Sebastião Massango

Executive Director

Nationality: Angolan
Date of Birth:
10th September 1976

Mr. Sebastião Machado Francisco Massango holds a degree in business management from the Agostinho Neto University School of Economics. In addition, Mr. Sebastião Massango also holds in its academic curriculum a Postgraduate Degree in Business Management from the Portuguese Catholic University.

Mr. Sebastião Machado Francisco Massango has a 22 years' professional track record at BFA, having held several high-profile positions in Corporate Banking, Risk Management and Agribusiness Management Departments. During his preceding three-year term of office (2020-2022), he served as Executive Director with the Retail and Business Network (Northern and Southern Regions) portfolio, the Agribusiness Department, the Investment Centres Department and the Private Banking Department.

He currently serves as BFA's Executive Director, overseeing the Risk Management Departments portfolio.

Executive Committee of the Board of Directors

Natacha Barradas

Executive Director

Nationality: Angolan
Date of Birth:
25th September 1978

Degree of Laws (LL.B.) from the Catholic University of Angola, Luanda. Completed two postgraduate studies: Corporate Law and International Trade Law from the Lisbon University and Agostinho Neto University. Holds a Master's Degree in Business and Law from the Portuguese Catholic University.

Ms. Barradas held the positions of Head of the Legal Department, Company Secretary and Chair of the Shareholders' General Meeting Board at Standard Bank Angola. In addition, she was a voting member of the Angola's Sovereign Wealth Fund's supervisory board for two years. Since 2017, Ms. has been a partner at LEAD Attorneys in Law and has worked at a variety of Law firms, including MLGTS - Morais Leitão, Galvão Teles, Soares da Silva and FBL - Faria De Bastos e Lopes Attorneys in Law. In 2013, she joined the Angolan Ministry of Finance as Head of the Legal Office and later as Director of the Minister of Finance's Office. She also held the position of Legal Counsel at Banco BPI in 2008 and at New Insurance Company of Angola (Nossa Insurance Company) in 2005. In 2005, she took up the role as a lecturer at Angola's Catholic University Law School.

Since June 2020, she has been co-opted as BFA's Executive Director.

Executive Committee of the Board of Directors

Paulo Alves
Executive Director

Nationality: Angolan
Date of Birth:
24th November 1978

Degree in Linguistics/English from the Higher Institute of Educational Sciences in Lubango, and a Master's degree in Business Management from the Open University in Lisbon.

Mr. Paulo Freitas Alves possesses an extensive background in the commercial area and in leading multi-disciplinary teams. Within another financial institution, he held the positions of Counter Clerk, Credit Technician, Counter Manager, Deputy Branch Manager and Branch Manager. In 2005 he was invited to join the BFA team as a Branch Manager, and until 2017 he held numerous high-profile positions in the Retail and Business Department - Manager, Business Area Manager, Deputy Manager and Head of the Commercial Department. Afterwards, he was challenged to join the Transformation Team as Head of one of the work groups and, in 2019, he joined the Corporate Department team.

Since June 2020 he has been co-opted as BFA's Executive Director.

Executive Committee of the Board of Directors

José Nascimento

Executive Director

Nationality: Angolan
Date of Birth:
22nd May 1970

Degree in business management and control from the University of Salford, Manchester, United Kingdom and master's degree in Investment Management from London City University, London, United Kingdom.

Mr. José Alves do Nascimento served as Executive Director and CFO of Banco Económico, SA from January 2019 to November 2022. Mr. Nascimento also held several high-profile positions at the Bank for Savings and Housing Promotion ("BPPH"), where he served as Shareholder Representative and Voting Member of the Executive Committee of the Bank for Promotion and Development ("BPD"). At the beginning of his career, Mr. Nascimento worked as a Financial Consultant at QSL - Logistics Centres and Oil Installations during a five-year period.

Executive Committee of the Board of Directors

Francisca Costa

Executive Director

Nationality: Portuguese
Date of Birth:
14th December 1986

Degree in Corporate Finance from ISCTE - University Institute of Lisbon; completed technical certifications in ICAAP/ILAAP from the Banking Training Institute in Lisbon; Expert training in IFRS/IAS and Tax Codes and Regulations taught by the Auditing Firms KPMG, Deloitte, PWC and EY (Lisbon and Luanda).

Ms. Francisca Ferrão Costa has over 19 years' professional experience in the financial/accounting fields. On her career path, Ms. Francisca Costa held several high-profile positions, including Head of BFA's Accounting and Planning Department from 2017 to 2023. From 2007 to 2017, Ms. Costa worked at KPMG & Associates SROC, S.A. and KPMG Angola S.A., Lisbon and Luanda, where she took on the role of Audit Manager. In 2005, she held the position of Contact Supervisor at Espírito Santo Contact Centre Lisbon.

Executive Committee of the Board of Directors

Paulo Silva
Executive Director

Nationality: Angolan
Date of Birth:
19th April 1975

Degree in Financial Management from the AIEC College - Brasília University, Brazil. Completed Postgraduate Studies in Business Management from ISCTE, Portugal. Holds a Master's Degree in Marketing by the London School of Design and Marketing, United Kingdom.

Paulo Valódia de Carvalho Moreira da Silva has over 20 years' experience in banking, starting in 2003 at BFA, in the Commercial area, where he held the positions of Commercial Assistant, Credit Technician, Account Manager, Deputy Manager and Manager. From 2011 to 2018, Mr. Paulo Carvalho Silva held the position of BFA's Commercial Director, and also worked in the Transformation Department (Strategic Plan), acting as the 2nd Head of the Department. In 2019, Mr. Paulo Silva took over as head of the Retail and Business Department, and in the following year he became head of the Large Companies Department.

3

MACROECONOMIC ENVIRONMENT

BFA

Macroeconomic Environment

Global Economy

According to the IMF's World Economic Outlook Report, the global economy grew by +3.3% in FY2023, down from the +3.5% recorded in the preceding year (-0.2% YoY).

The global slowdown was primarily driven by central banks raising interest rates to counter inflation. However, employment and income growth remained stable, and inflation reversed the upward trend witnessed since the COVID-19 pandemic, dropping by 1.9 pp (from 8.7% in FY2022 to 6.8% in FY2023).

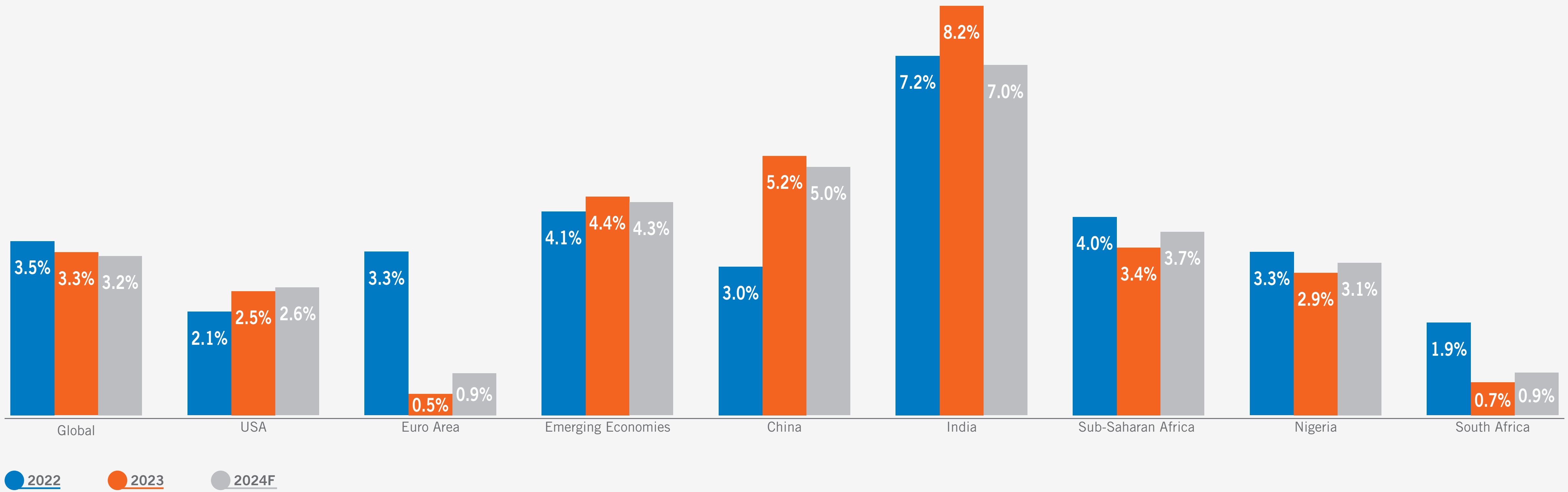
In FY2024, the global economy has remained resilient, despite significant increases in central bank interest rates aimed at restoring price stability. The world economy is forecast to grow by +3.2% during 2024, a slightly slower pace than that recorded in 2023. A sharp slowdown for advanced economies-where growth is expected to decline from +2.6% in FY2023 to +1.7% in FY2024-will be followed by a moderate slowdown in emerging markets and developing economies (from +4.4% in FY2023 to 4.3% in FY2024).

Regarding interest rates in advanced economies, despite the beginning of a downward trend, these are expected to remain well above the average levels witnessed during the 2015-19 economic period, leading to a significant slowdown in global economic growth.

Overall, the global economic outlook, while generally positive, remains subdued compared to historical standards: both advanced and emerging economies are expected to grow at a slower pace than in the decade before the COVID-19 pandemic. Unfolding geopolitical events remain the main risk to global economic growth prospects. Uncertainty about economic policies is also likely to remain high. Likewise, the risks to inflation have increased, making it more difficult to standardise monetary policy.

Global inflation is expected to drop from an annual average of 6.8% in FY2023 to 5.9% in FY2024.

Global Real GDP Growth



Source: IMF

2023

Developed Economies

- Economic growth forecasted at +1.7%;
- Geopolitical tensions with considerable impact, particularly on logistical networks;
- Developed Economies hit by high inflation and rising interest rates.

Emerging Economies

- Economic growth forecasted at +4.4%;
- Sub-Saharan Africa recorded a growth of +3.4%;
- China's economic growth accelerated to +5.2%, below India's 8.2%.

Global Economy: +3.3% Growth

2024

Developed Economies

- Economic growth forecasted at +1.7%;
- Economic growth flatlined due to the long-term effects of COVID-19 and Russia's military invasion of Ukraine;
- Interest rates may start to fall in the 2nd half of the year, bolstering economic growth.

Emerging Economies

- Economic growth forecasted at +4.3%;
- Sub-Saharan Africa is expected to record a growth of +3.7%;
- Asian economies with a forecast growth of +5.4%, highlighting India's economy which is expected to grow by +7.0%.

Global Economy: +3.2% Growth

Money and Bond Markets

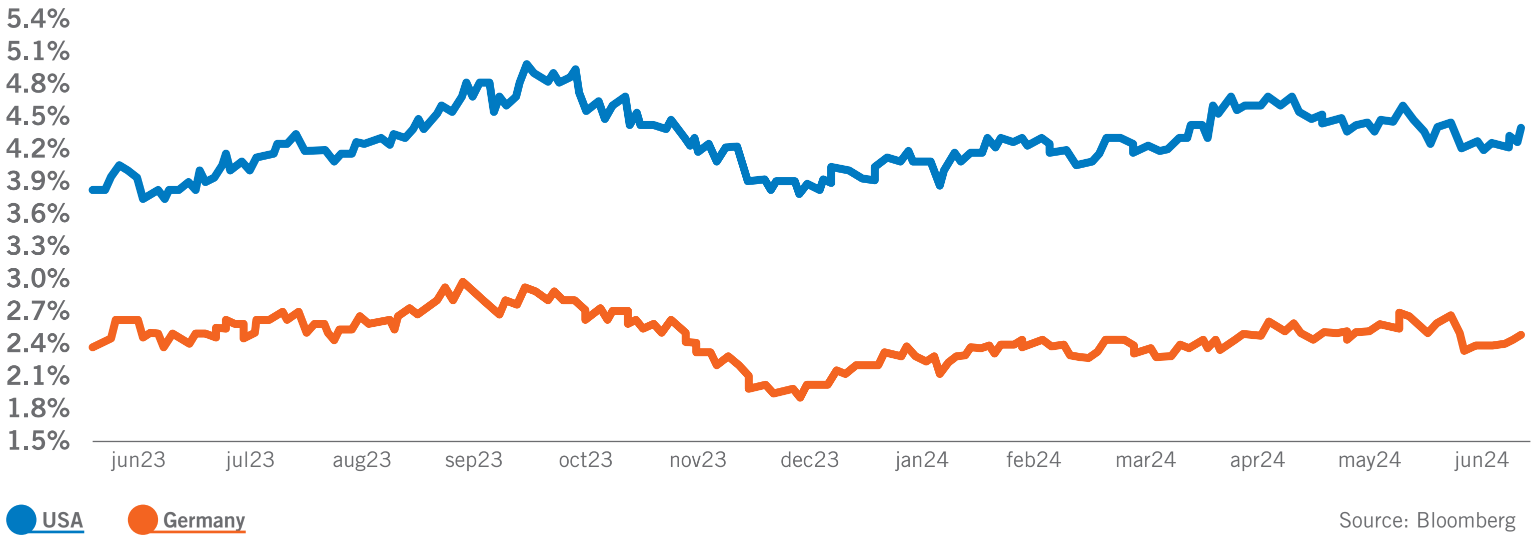
The financial year 2023 ('FY 2023') was notably characterised and shaped by the significant impact of interest rate rises, particularly in the advanced economies, alongside a reversal in the inflation trend, while concern persist over the Chinese economy's transition to a slower pace of growth.

In FY2024, the central banks of the world's leading economies remain cautious about the impact of interest rates on inflation but have chosen to pursue and adopt different monetary policy strategies. As far as the US economy is concerned, the Federal Reserve has kept the course of monetary policy unchanged, since there have been no relevant changes in interest rates since July 2023. While there is a lot of speculation about a rate cut, the Fed says it's still too early to lower rates, as inflation targets have not yet been reached (US inflation in May was 3.3% YoY).

As for the Euro Area, monetary policy moved in the opposite direction, with the ECB deciding to cut interest rates after 18 months, despite concerns about inflation rates in the European economies. The European Central Bank cut the three main key interest rates by 25 basis points (bps): the main refinancing rate to 4.25%, the marginal lending facility rate to 4.50%, and the deposit rate to 3.75%.

The 10-year German public debt closed H12024 with a yield of 2.50%, while US 10-year public debt closed with a yield of 4.39% over the same period.

10-year sovereign debt yield

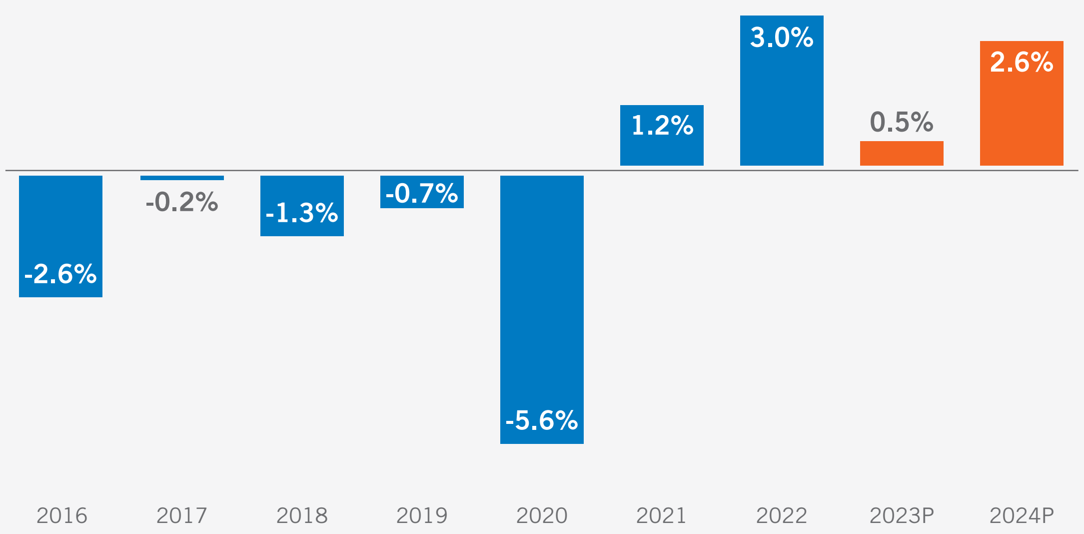


Source: Bloomberg

Angolan Economy

Economic Activity

Angola's Real GDP Growth



Source: FMI

As far as the Angolan economy is concerned, the economic recovery was almost halted in FY2023 due to a double shock: firstly, the weakening of oil output and lower crude oil prices, and secondly, the impact of higher debt repayments following the end of agreements and moratoriums from previous years. At the same time, cyclical measures were taken by the Angolan State that included cuts to fuel subsidies and tightening of monetary policy, leading to economic growth being constrained to +0.9% in FY2023.

IMF's World Economic Outlook Report forecasts economic growth for Angola in FY24 of approximately +2.6%, a figure driven to a large extent by the non-oil economy's performance at an estimated growth of +3.0%, followed by the oil economy's rise of +1.2%. According to the IMF, inflation will stand at 22.0% in FY24, with a succession of repeated increases taking place in H12024, followed by decreases in the following half-year.

The Angolan government foresees a slightly more favourable outlook, forecasting an economic growth rate of +2.8%, mainly underpinned by an estimated +4.6% growth in the non-oil economy, while assuming a possible decline of -2.6% in the oil sector. However, Angolan authorities are slightly more pessimistic about the inflation rate, expecting it to reach 23.4% by the end of the year.

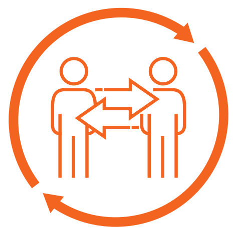
According to economic data provided by the National Statistics Institute (INE), the Angolan economy grew by +4.6 in Q1 2024, the highest figure since Q1 2015. This result was mainly driven by the growth recorded in the oil economy of 6.9% YoY, in alignment with the positive performance of oil output, which averaged approximately 1.10mbd compared to 1.04mbd in Q1 2023 (up by +5% YoY), alongside with a+3.9% rise recorded in the non-oil economy.

In Q1 2024, the oil economy grew by 5% YoY, making a positive contribution of as much as +1.6pp to the overall change in Gross Domestic Product (GDP). A total crude oil output of 1.10 million barrels per day (mbd) were exported during that period, up from the 1.04 mbd recorded YoY. These figures are consistent with the rise of +48.9% witnessed in export revenues. However, it's important to highlight that this growth rate is largely due to the poor crude oil output at the start of last year as a result of the "Dália" oil field stoppage.

In Q1 2024, Angola's oil exports increased by 2.1% year-over-year. Crude oil prices on the international markets also contributed to the increase in exports, taking into account the fact that geopolitical tensions in the Middle East escalated, prompting the average export barrel price to rise to USD 82.3 against the USD 78.7 traded over the same period in the preceding year, up by +4.5% YoY.

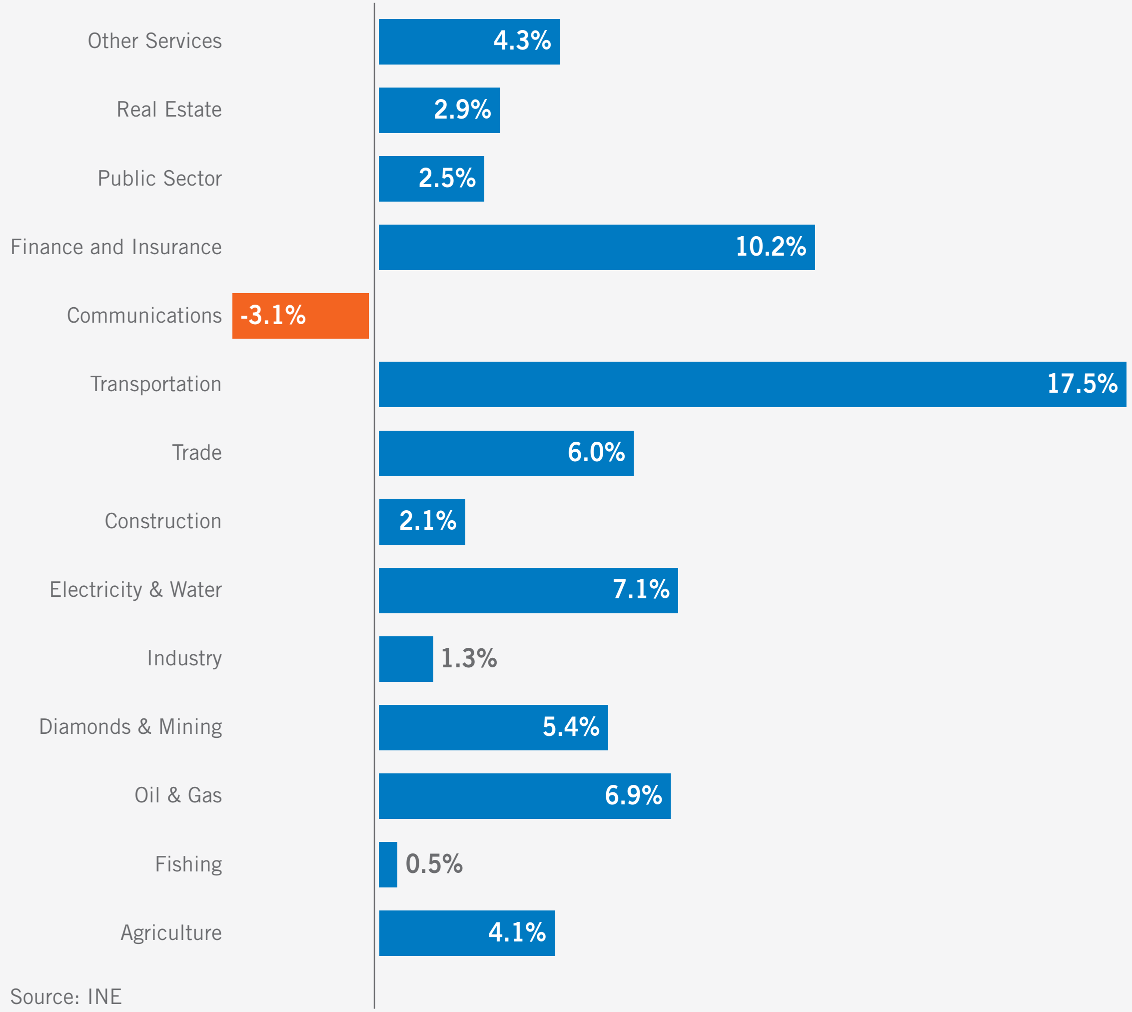
As far as the monetary landscape is concerned, BNA's Monetary Policy Committee (MPC) has held three meetings so far until June 2024, aiming to achieve macroeconomic stability and counter rising prices. During these meetings, BNA's MPC consolidated the tight-handed monetary policy approach which began in 2023, raising the rates of the primary monetary policy instruments, as follows: the basic interest rate and the marginal lending facility rate to 20.5% and 19.5%, respectively, as well as the coefficient of compulsory reserves in national currency to 21.0%. Only the foreign currency reserve ratio remains unchanged at 22%.

The Transportation sector was the growth engine in Q124.



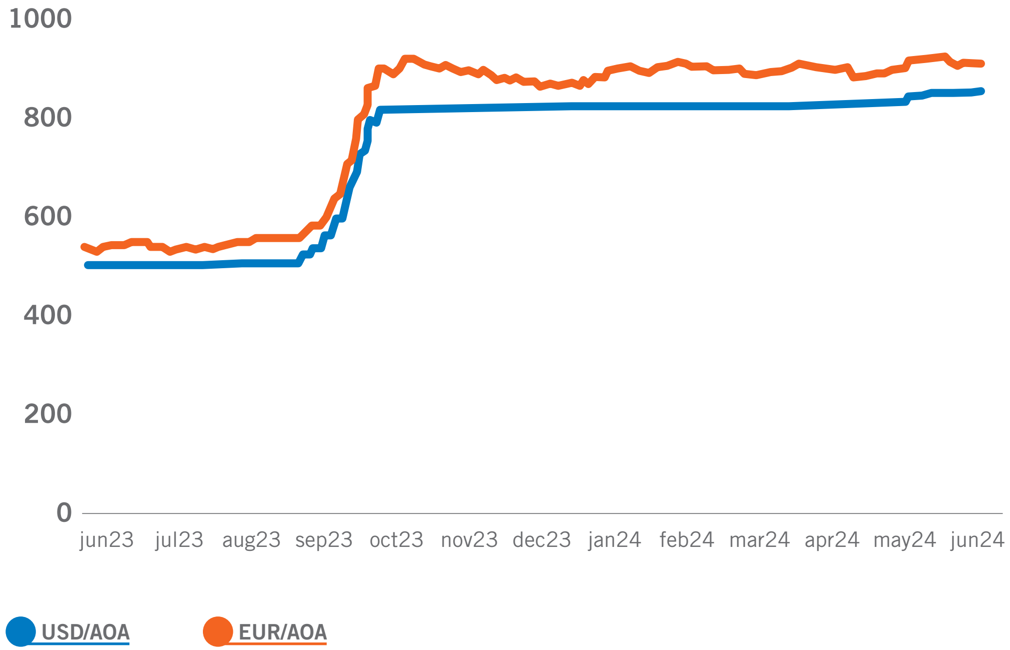
The communications sector experienced a downturn relative to the same period last year (YoY).

Angola's GDP by Economic Activity Sector, Q1 2024

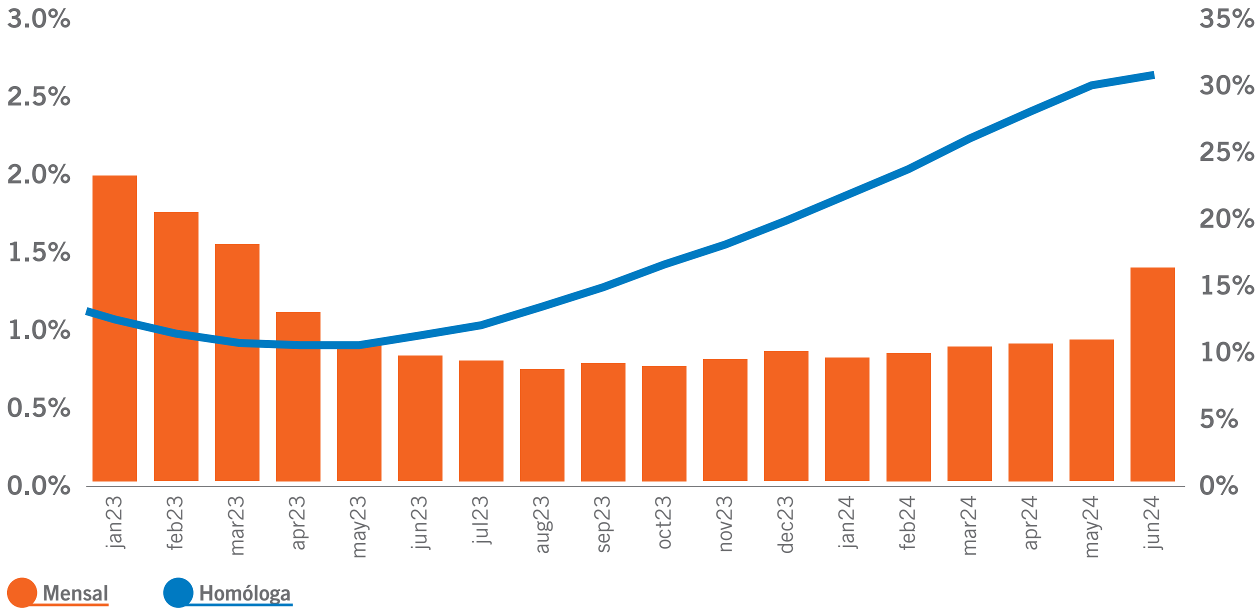


Source: INE

USD/AOA and EUR/AO Foreign Exchange Rates



Angola 's Monthly and Year-on-Year Inflation



Source: INE

Foreign Exchange Market

As for the foreign exchange market, after the sharp depreciation that the national currency underwent in FY2023 - 39% against the US Dollar and 40% against the Euro - the Angolan Kwanza experienced limited fluctuations during the first few months of 2024. Up until the end of June 2024, the Kwanza recorded mixed movements, having depreciated by 2.9% against the US Dollar and strengthened by 0.25% against the Euro, closing the month trading at USD/AOA 871.2 and EUR/AOA 943.1, respectively.

Inflation

With regard to inflation, the upward trend in prices that began in 2023 has remained unchanged throughout H1 2024, but now with stronger inflationary factors: the partial removal of petrol subsidies, the entry into force of the new customs tariff, combined with existing factors such as weak domestic production, lower availability of foreign currency and greater monetary expansion, have exerted upward pressure on the overall rise in prices across the overall country's economy. In the first 5 months of FY2024, year-on-year inflation averaged 26.1%, i.e. +14.9 p.p. when compared to the same period in FY2023. National inflation slowed down in May to 2.42% (-0.07 percentage points when compared to April 2024), but year-on-year inflation rose to 30.1%, the highest inflation level recorded since June 2017. In the upcoming months, inflation is anticipated to maintain its upward trend, as aforementioned, due to increasingly negative factors impacting price levels.

4

FINANCIAL HIGHLIGHTS

BFA

Financial Highlights

Loans to Customers
+ AOA 629.1 billion
+26.6% YoY

Operating Income
+ AOA 163.9 billion
+14.9% YoY

Equity
+ AOA 573.3 billion
+18.7% YoY

Net Profit
+ AOA 89.5 billion
+7.8% YoY

Overview
H1 2024

ROE
+31.3%
-1.9 p.p. YoY

BFA's Balance Sheet Strength and Soundness Against Foreseeable and Future Challenges

BFA's Balance Sheet H1 23 - H1 24

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Net Assets			
Cash and Cash Equivalents	630 073.5	673 420.6	6.9%
Total Short-Term Investments	2 668 817.6	2 902 624.5	8.8%
Cash and Balances at Central Banks and Other Credit Institutions	970 410.0	1 169 150.0	20.5%
Loans to Customers	496 773.1	629 108.7	26.6%
Securities Investments	1 201 634.6	1 104 365.9	-8.1%
Other Tangible and Intangible Assets Net of Depreciation and Amortisation	44 854.3	56 113.0	25.1%
Other Assets	17 253.6	26 125.6	51.4%
Total Assets	**3 360 999.1**	**3 658 283.8**	**8.8%**
Liabilities			
Deposits from Central Banks and Other Credit Institutions	16 485.0	64 141.8	289.1%
Deposits from Customers and other Loans	2 730 227.5	2 894 749.7	6.0%
Other Liabilities	74 189.1	70 899.4	-4.4%
Provisions for Risks and Charges	57 030.5	55 175.9	-3.3%
Total Liabilities	**2 877 932.1**	**3 084 966.8**	**7.2%**
Equity and Equivalent Capital	**483 067.0**	**573 316.9**	**18.7%**
Total Liabilities and Equity	**3 360 999.1**	**3 658 283.8**	**8.8%**

Total Assets

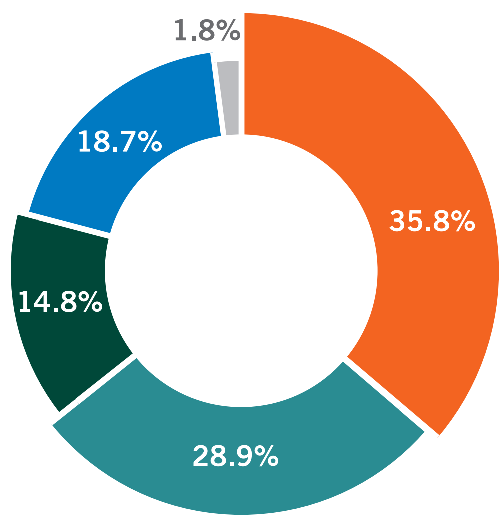
Despite the highly challenging macroeconomic landscape and current BNA's monetary policy, the Bank's balance sheet continued to grow steadily in H12024, which reveals and confirms BFA's ongoing financial stronghold, soundness, and resilience.

As at 30th June 2024, BFA's Total Assets recorded an increase of 8.8% YoY, amounting to +AOA 3,658,283.8 million. This development was primarily driven by a +20.5% surge registered in Cash and Balances at Central Banks and Other Credit Institutions (+AOA 198,740.0 million), a +26.6% increase in Loans to Customers (+AOA 132,335.6 million) and a +6.9% increase in Cash and Cash Equivalents at Central Banks (+AOA 43,347.0 million) headings.

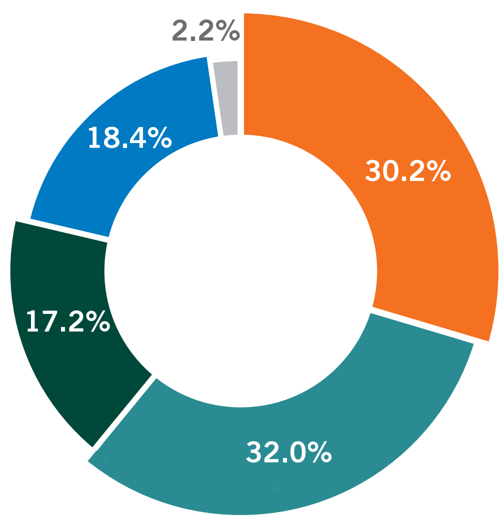
The development of these headings led to a change in the composition of BFA's Total Assets portfolio, with Cash and Balances at Central Banks and Other Credit Institutions becoming the most relevant heading, with a comprehensive weight of 32%, followed by the Securities Portfolio with a weight of 30.2%, which is mainly composed of Treasury Bonds in domestic currency. This development in the Bank's Total Assets portfolio composition stems primarily from BFA's endeavour and pursuit towards balance sheet diversification, coupled with a combination of risk, profitability and liquidity factors.

In H12024, Angola's economy witnessed the national currency Kwanza to continue its downward trend and devaluation, albeit at a slower rate YoY. In any case, BFA's balance sheet composition displays a larger variation in headings which results in a higher counter-value in AOA (kwanzas) of foreign currency-denominated exposures with a positive impact in the Total Assets portfolio growth due to the exchange rate effect in the amount of approximately +AOA 51,764.7 million.

Breakdown of BFA's Total Assets Portfolio in H1 2023



Breakdown of BFA's Total Assets Portfolio in H1 2024



Securities Investments
Cash and Balances at Central Banks & Other Credit Institutions
Loans to Customers
Cash and Cash Equivalents
Other Assets

Cash and Cash Equivalents

Cash and Cash Equivalents heading stood at +AOA 673,420.6 million, up +6.9% year-on-year (+AOA 43,347.0 million). A portion of this positive financial performance and growth was due to the change in the coefficient for Required Reserves in domestic currency from 17% in 2023 to 20% in 2024, as well as from the rise in the Customer Deposits portfolio, predominantly in domestic currency.

Applications in Central Banks and Other Credit Institutions

A key component of BFA's Total Assets portfolio is made up of the 'Cash and Balances at Central Banks and Other Credit Institutions' heading, which recorded a growth of +20.5% (up +AOA 198,740.0 million) YoY, amounting to +AOA 1,169,150.0 million in June 2024. Cross-Border investments totalled +AOA 709,609.7 million (+6%), up by +AOA 40,034.3 million. Domestic investments grew by +AOA 158,792.5 million (+52.7%) YoY, amounting to +AOA 460,047.7 million.

Total Loan Portfolio Development

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
1. Total Credit	**710 062.7**	**837 909.8**	**18.0%**
1.1 Loans to Customers	534 859.6	671 139.0	25.5%
Loan in Domestic Currency	498 593.2	598 812.3	20.1%
Loan in Foreign Currency	36 266.5	72 326.7	99.4%
1.2 Credit and Accrued Interest	19 254.3	12 720.1	-33.9%
1.3 Guarantees (Corporate Banking)	117 603.9	120 420.4	2.4%
1.4 Undrawn Credit Limits	38 344.9	33 630.3	-12.3%
2. Total Loan Loss Provisions	**57 999.3**	**55 203.3**	**-4.8%**
2.1 Specific Provisions	57 340.9	54 750.3	-4.5%
For Credit and Accrued Interest	23 884.3	17 575.5	-26.4%
2.2 For General Credit Risks	658.4	453.0	-31.2%
3. Total Credit Net of Impairments	**496 773.1**	**629 108.7**	**26.6%**
Of which Credit and accrued interest	19 254.3	12 720.1	-33.9%
4. Loan Portfolio Asset Quality			
Past-Due Loans (% Total Loan Portfolio)	3.5%	1.9%	-1.6 p.p.
Past-Due Loans Provisions Coverage Ratio	301.2%	434.0%	-132.8 p.p.

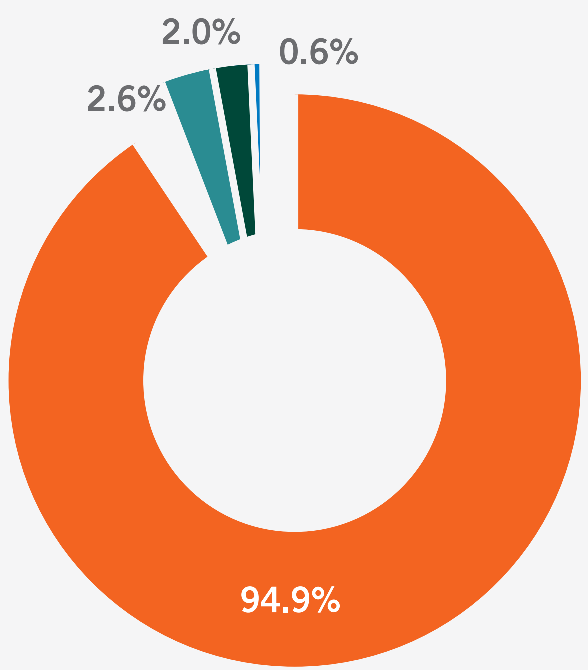
The Total Loan Portfolio rose by +AOA 127.847 million (+18.0%) YoY, amounting to +AOA 837.909,8 million. This growth is largely due to the +20.1% increase in loans granted and new disbursements in local currency, which stood at +AOA 598.812,3 million.

As for off-balance sheet exposures, made up of Guarantees (Corporate Banking) and Undrawn Credit Limits, it is worth highlighting the +AOA 2.816.6 million (+2.4%) increase recorded in the 'Guarantees (Corporate Banking)' heading year-on-year.

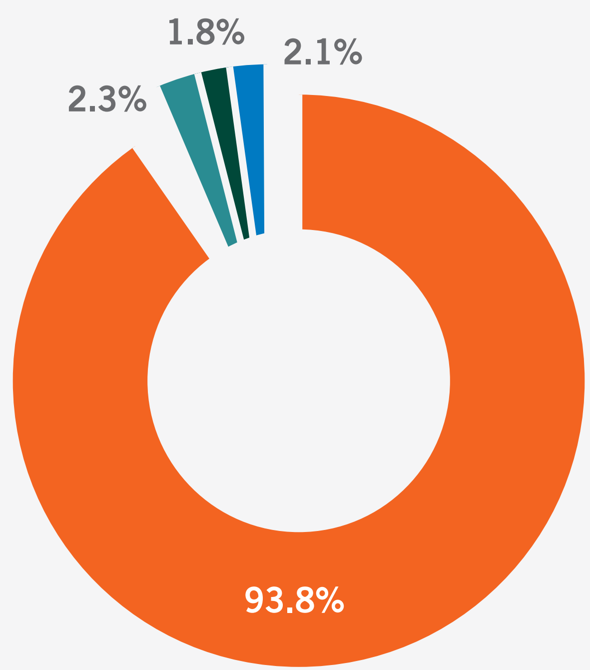
Liabilities

Liabilities rose by +7.2% (+AOA 207,034.8 million) YoY, standing at +AOA 3,084,966.8 million in H12024. BFA's total liabilities portfolio growth is mainly attributable to the +6% rise recorded in the 'Customer Deposits' heading, which accounts for 79% of the Total Liabilities Portfolio.

Breakdown of BFA's Liabilities Portfolio as of June 2023



Breakdown of BFA's Liabilities Portfolio as of June 2024



Customer Deposits | Other Liabilities | Provisions for Risks and Charges | Deposits from Central Banks and Other Credit Institutions

Customer Deposits

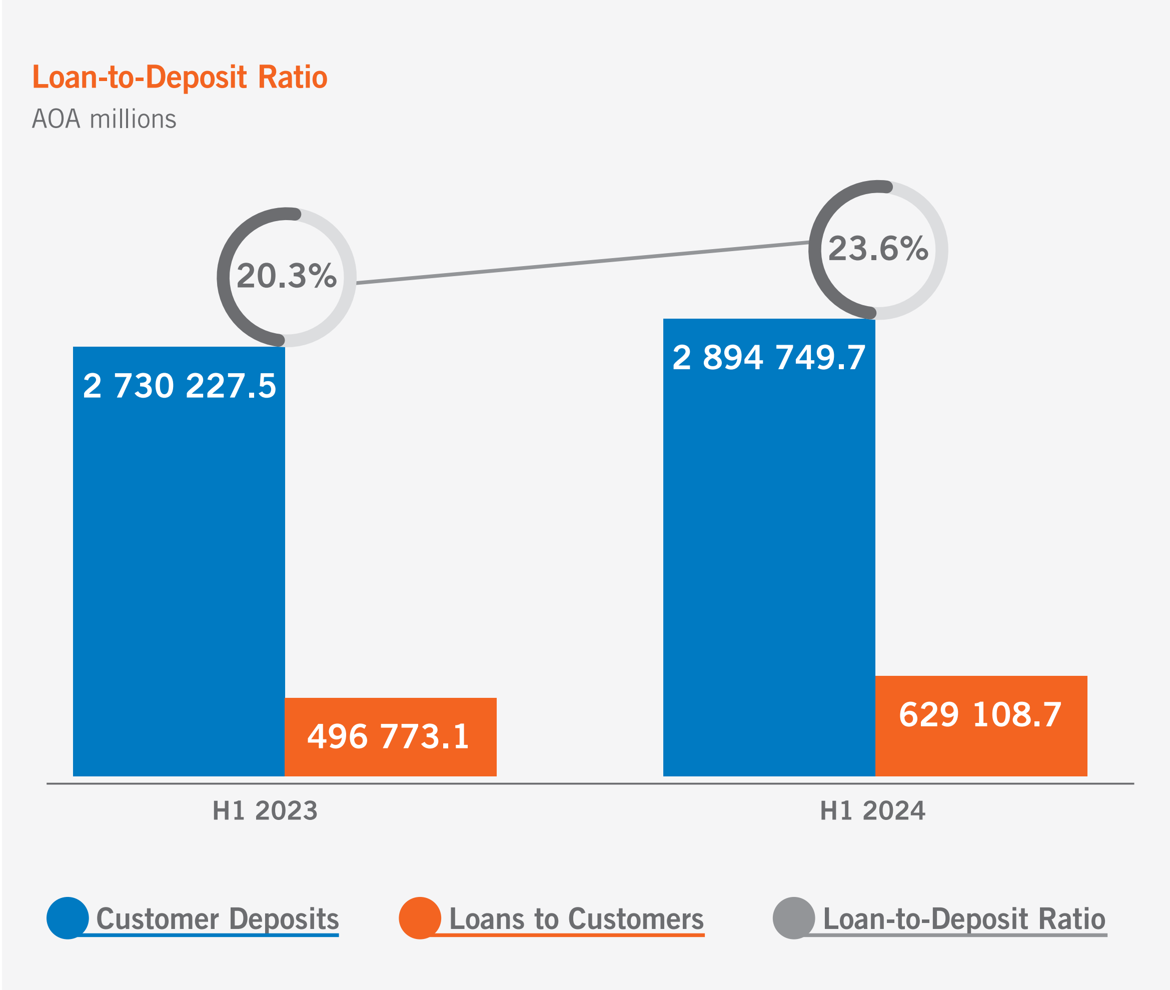
Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Demand Deposits	**1 030 092.4**	**1 239 853.1**	**20.4%**
Domestic Currency	641 393.3	843 933.7	31.6%
Foreign Currency	388 699.1	395 919.4	1.9%
Term Deposits	**1 700 135.1**	**1 654 896.6**	**-2.7%**
Domestic Currency	599 238.0	540 056.3	-9.9%
Foreign Currency	1 100 897.1	1 114 840.4	1.3%
Total	**2 730 227.5**	**2 894 749.7**	**6.0%**

The ‘Customer Deposits’ heading experienced a growth of +AOA 164,522.3 million year-on-year (+6.0%), amounting to +AOA 2,894,749.7 million in H1 2024.

Loan-to-Deposit Ratio

The Loan-to-Deposit Ratio stood at 23.6% in H1 2024, corresponding to an increase of 3.3 p.p. year-on-year. This change is mainly attributable to the +23% increase recorded in the loan portfolio heading. In turn, the loan-to-deposit ratio in domestic currency rose by 2.5 p.p. standing at +43.9%.



Equity and Equivalent Capital

Breakdown of BFA's Equity and Equivalent Capital

Amounts expressed in AOA millions

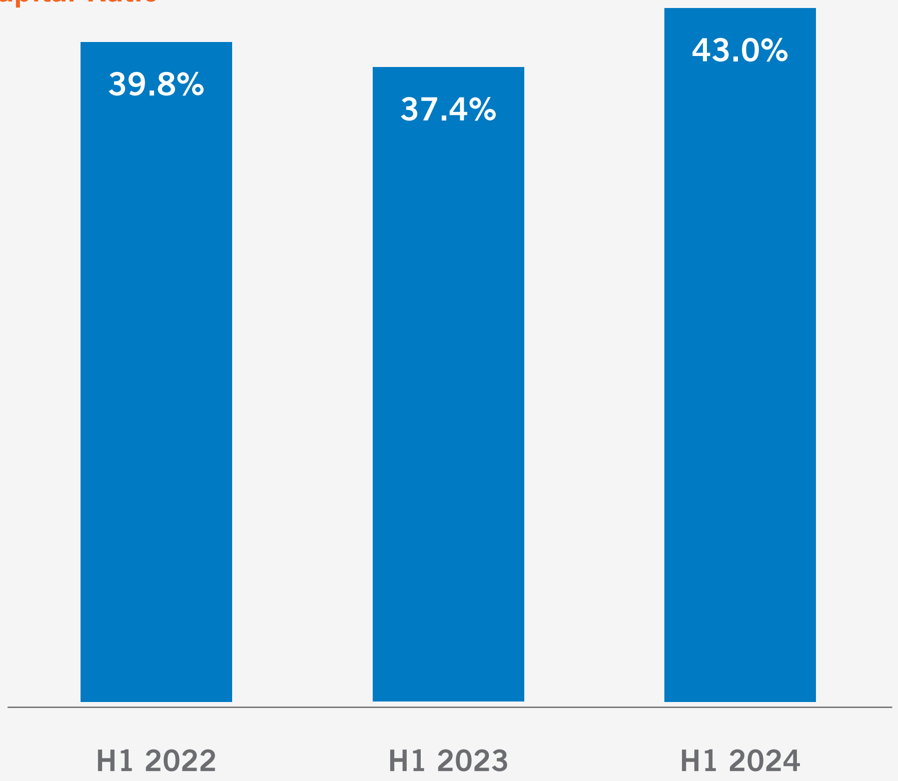
	H1 23	H1 24	Δ%
Equity			
Share Capital	15 000.0	45 000.0	200.0%
Other Reserves and Retained Earnings	385 016.4	438 771.2	14.0%
Net Profit for the Period on an individual basis	83 050.6	89 545.7	7.8%
Total Equity	**483 067.0**	**573 316.9**	**18.7%**

Equity and Equivalent Capital recorded a positive change in H1 2024, up by 18.7% year-on-year, totalling +AOA 573,316.9 million. This strong financial performance and positive change was mainly driven by a 14.0% increase in the 'Other Reserves and Retained Earnings' heading, totalling +AOA 53,754.8 million and, lastly, from a +7.8% growth in the 'Net Profit' heading, totalling +AOA 6,495.1 million.

Total Capital Ratio

Total Capital Ratio stood at 43.0%, which represents an increase of 5.5 p.p. YoY and, a figure that remains comfortably higher than the regulatory threshold required by the National Bank of Angola, thereby attesting to the Bank's financial autonomy, stability and capital adequacy levels.
Overall, BFA's balance sheet structure in June 2024 clearly reveals and demonstrates the pursuit of an ongoing liquidity strategy which, in line with the Bank's corporate policy, enables the financial institution to finance 94.8% of its Total Assets Portfolio through a combination of 'Customer Deposits' and Shareholders' Equity.

Total Capital Ratio



Income Statement

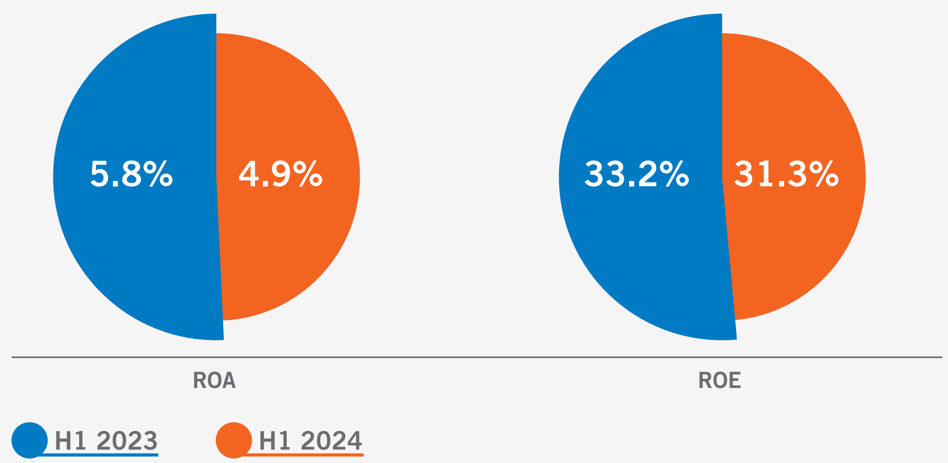
Over the course of H1 2024, BFA's Net Profit amounted to +AOA 89,545.7 million, which corresponds to a year-on-year increase of +7.8% (+AOA 6,495.1 million).

The financial result is fundamentally the result of the significant growth in Banking Income of around AOA 21,278.9 million (+14.9%), which was driven by the increase in Net Interest Income, which rose by 17.0% to AOA 136.294,8 million

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Net Financial Income	116 479.8	136 294.8	17.0%
Non-Interest Income	26 161.9	27 625.8	5.6%
Operating Income	142 641.6	163 920.6	14.9%
Staff Costs	31 477.3	34 272.2	8.9%
Third-Party supplies and services	17 496.8	20 360.9	16.4%
Depreciation and amortisation for the period	6 368.3	7 865.7	23.5%
Provisions and Impairments	-2 573.1	4 135.5	-260.7%
Profit Before Taxes	**89 872.3**	**97 286.3**	**8.2%**
Income Taxes	**-6 821.7**	**-7 740.5**	**13.5%**
Net Profit	**83 050.6**	**89 545.7**	**7.8%**

Return on Assets e Return on Equity



Overall, up until H1 2024, BFA continued to be able to return and provide value to its Customers, Shareholders, Team Members, and other stakeholders, recording a Return-on-Equity (ROE) ratio of +31.3% and a Return-on-Assets (ROA) ratio of +4.9%.

Net Financial Income Development

Net Financial Income amounted to +AOA 136,294.8 million, up by +AOA 19,815.0 million year-on-year and representing a growth of +17.0%.

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Interest and similar income	**146 618.3**	**174 695.8**	**19.2%**
Income from Short-term Investments	23 671.5	40 629.5	71.6%
Income from Securities Investments	89 303.1	87 659.9	-1.8%
Income from Loans and Advances to Customers	33 643.7	46 406.3	37.9%
Interest and similar charges	**30 138.5**	**38 401.0**	**27.4%**
Deposit Costs	29 441.8	36 587.4	24.3%
Other Costs	696.8	1 813.5	160.3%
Net Financial Income	**116 479.8**	**136 294.8**	**17.0%**

The Net Financial Income growth was primarily driven by the increase in income from short-term investments, highlighting short-term investments at Central Bank & other Credit Institutions and income from loans, which rose by +71.6% and +37.9%, respectively. As far as Interest and charges of the Net Financial Income are concerned, this figure rose by +27.4%.

In H1 2024, BFA's Non-Interest Income accounted for +83.1% of BFA's Operating Income, representing an increase of +1.5 p.p. in its contribution to the Bank's revenue YoY.

Non-Interest Income Development

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Income and Charges from Banking Services Fees and Commissions	8 010.4	11 270.2	40.7%
Income from financial assets and liabilities measured at fair value through profit or loss	-935.1	4 119.4	540.5%
Foreign Exchange gains/(losses)	11 382.1	15 399.1	35.3%
Disposal of other assets gains/(losses)	45.7	81.2	77.5%
Other Operating Income	7 658.7	-3 244.2	-142.4%
Non-Interest Income	**26 161.9**	**27 625.8**	**5.6%**

Non-Interest Income stood at +AOA 27,625.8 million, up by +5.6% YoY. This positive financial performance was mainly driven by an increase of +AOA 5,054.5 million (+540.5%) in Income from Financial Assets and Liabilities Measured at Fair Value through Profit or Loss totalling +AOA 4,119.4 million. This positive performance was mainly driven by gains resulting from the Revaluation of available-for-sale financial assets (i.e. Trading Portfolio Fair Value Revaluation) and, additionally, due to the +35.3% increase in Foreign Exchange Income (+AOA 4,017.0 million, YoY), as a result of the Bank's financial ability to provide foreign currency to its customer base for foreign exchange transactions.

The above-mentioned increases in earnings offset the decrease recorded in the 'Other Operating Income' heading, which was due to the recovery of administrative costs incurred during the course of H1 2023.

Overheads Development

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Staff Costs (I)	31 477.3	34 272.2	8.9%
Third-Party Supplies and Services (II)	17 496.8	20 360.9	16.4%
Depreciation and Amortisation Costs (III)	6 368.3	7 865.7	23.5%
Overheads (I + II + III)	55 342.4	62 498.8	12.9%
Cost-to-Income Ratio	**38.8%**	**38.1%**	**-0.7%**

Overheads rose by +AOA 7,156.3 million (+12.9%) YoY. The headings with the highest contribution to this development were as follows: Third-party Supplies and Services, up by +AOA 2,864.2 million (+16.4%) and Staff Costs, up by +AOA 2,794.8 million (+8.9%), resulting from the fact that the Bank increased the remuneration of its Team Members with a view to improving their purchasing power.

BFA also experienced a slight improvement in the Cost-to-Income ratio, going from 38.8% to 38.1%, mainly driven by the sharp increase recorded in the 'Operating Income' heading.

Provisions and Impairment

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Provisions net of impairment losses reversals	-2 649.3	-104.9	-96.0%
Impairment on loans to customers net of reversals and write-backs	-185.9	4 457.7	-2 498.3%
Impairment on other financial assets net of reversals and write-backs	268.1	-368.6	-237.5%
Impairment on other assets net of reversals and write-backs	-6.0	151.3	-2 640.0%
Total Provisions and Impairment	**-2 573.1**	**4 135.5**	**-260.7%**

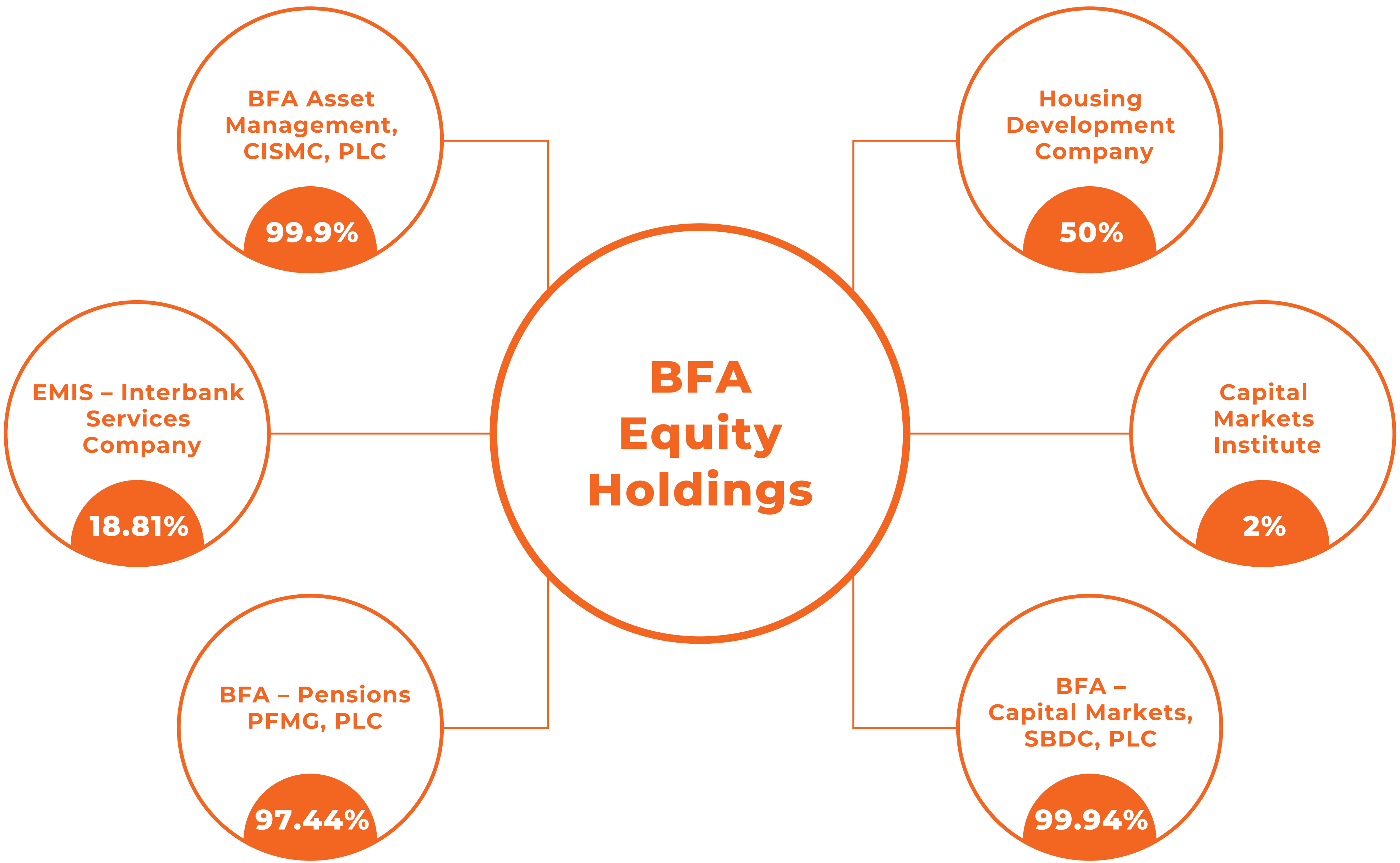
Provisions and impairments net of reversals and recoveries, amounted to +AOA 4 135.5 million in H1 2024, corresponding to an increase of +AOA 6 708.6 million YoY.

This growth was mainly driven by the surge recorded in impairments for loans and advances to customers net of reversals and recoveries (amounting to +AOA 4,643.5 million), as a result of the increased exposure of the loan portfolio that took place during 2024, totalling +AOA 4,457.7 million.

5

EQUITY HOLDINGS

BFA


BFA Asset Management, CISMC, PLC
99.9%
Housing Development Company
50%
EMIS – Interbank Services Company
18.81%
BFA Equity Holdings
Capital Markets Institute
2%
BFA – Pensions PFMG, PLC
97.44%
BFA – Capital Markets, SBDC, PLC
99.94%

BFA Capital Markets

Amounts expressed in AOA millions

	H1 23	H1 24	Δ%
Balance Sheet			
Cash and cash equivalents	205.5	8.6	-95.8%
Total short-term investments	0.0	3 081.5	100.0%
Other Assets	442.9	871.3	96.7%
Total Assets	**648.3**	**3 961.4**	**511.0%**
Other Liabilities	582.1	2 816.0	383.8%
Equity	66.2	1 145.4	1629.1%
Total Liabilities + Total Equity	**648.3**	**3 961.4**	**511.0%**
Net Profit/ (Loss)			
Operating Income	4.8	1 515.3	31620.0%
Overheads	**122.8**	**817.2**	**565.7%**
Net Profit	**-118.0**	**534.9**	**553.4%**

BFA Capital Markets' Net Assets portfolio amounted to +AOA 3 961.4 million in H1 2024, which represents an increase of +AOA 3 313.0 million (+511%) year-on-year. This financial performance was mainly driven by a growth of +AOA 3 081.5 million (+100%) recorded in the High-Liquidity Short-term Investments heading, corresponding to Term Deposits placed with Domestic Banks.

BFA Capital Markets' liabilities amounted to +AOA 2,816.0 million, while Shareholders' Equity totalled +AOA 1,145.4 million.

BFA Capital Markets ended the year with a Net Profit of +AOA 534.9 million, which represents an increase of +AOA 652.9 million compared to the negative -AOA 118.0 million recorded in FY2023. This positive performance is mainly attributable to the fact that BFA Capital Markets began operations in the second half of FY2023, recording a much lower turnover during the period under review. Additionally, the growth recorded in Income from Financial Intermediation Services, particularly in the securities commissions heading, outpaced the rise experienced in Overheads.

BFA Pension Fund Management Company

Amounts expressed in AOA millions

	Jun-23	Jun-24	Δ%
Balance Sheet			
Cash and cash equivalents	900.0	988.5	9.8%
Other Assets	114.2	1 092.1	856.5%
Total Assets	**1 014.2**	**2 080.6**	**105.2%**
Other Liabilities	114.2	1 483.1	1 199.0%
Equity	900.0	597.5	-33.6%
Total Liabilities + Total Equity	**1 014.2**	**2 080.6**	**105.2%**
Net Profit/(Loss)			
Income	0.0	750.8	100.0%
Overheads	0.0	566.0	100.0%
Net Profit	**0.0**	**184.8**	**100.0%**

BFA Pension Fund Management Company (‘BFA PFMC’) Net Assets amounted to +AOA 2,080.6 million in H12024, up by +105.2% year-on-year. This positive financial change was mainly driven by the increase recorded in the ‘Other Assets’ heading, as a result of investments made in software during H1 2024, as well as accrued income to be recognised from the provision of services rendered.

BFA PFMC’s Equity and Liabilities recorded a positive change of +AOA 1,066.4 million (+105.2%) year-on-year. This positive financial growth was primarily driven by a substantial increase recorded in the ‘Other Liabilities’ heading, up by approximately +1,199.0% (+AOA 1 368.9 million) YoY, stemming from amounts to be paid to BFA parent company under a re-debit agreement.

BFA PFMC’s Net Profit stood at +AOA 184.8 million, primarily due to the ‘Income from Management Fees’ heading. It’s worth highlighting that in June 2023, this BFA’s subsidiary had no business activity.

BFA Asset Management

Amounts expressed in AOA millions

	Jun-23	Jun-24	Δ%
Balance Sheet			
Cash and cash equivalents	592.7	348.8	-41.1%
Securities	1 764.3	2 168.9	22.9%
Equity Holdings	32.5	32.5	0.0%
Loans	238.5	473.1	98.3%
Other Assets	86.9	52.4	-39.6%
Total Assets	**2 714.9**	**3 075.7**	**13.3%**
Other Liabilities	869.5	791.1	-9.0%
Equity	1 845.4	2 284.6	23.8%
Total Liabilities + Total Equity	**2 714.9**	**3 075.7**	**13.3%**
Net Profit/(Loss)			
Income	618.4	872.5	41.1%
Overheads	525.6	758.7	44.4%
Net Profit	**92.8**	**113.8**	**22.6%**

As of June 2024, BFA Asset Management ('BFA AM') recorded a Net Assets growth of +AOA 360.9 million, up by +AOA 13.3% YoY, mainly as a result of new securities purchases from the company's proprietary portfolio.

Total Equity and Liabilities recorded a positive change of +13.3% YoY, amounting to +AOA 3.075.7 million in June 2024. Other Liabilities experienced a decrease of -9.0%, corresponding to an amount of -AOA 78.4 million, stemming primarily from the recognition of tax contingencies from FY2023.

BFA Asset Management's Net Profit amounted to +AOA 113.8 million in H1 2024, up by +22.6% YoY. As far as the 'Income' heading is concerned, BFA AM recorded a strong increase in the 'Interest and Other Income' item, highlighting management fees & commissions which amounted to +AOA 134.0 million, driven by the addition of one more Investment Fund compared to June 2023.

6

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

Financial Statements

CONDENSED INTERIM STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDING 30 JUNE 2024

Amounts expressed in thousands of Kwanzas

	Notes	30/06/2024	30/06/2023
Interest and similar income	20	174 695 782	146 618 304
Interest and similar expense	20	(38 400 970)	(30 138 526)
Net interest income		**136 294 812**	**116 479 778**
Fees and commission income	21	25 021 378	15 174 488
Fees and commission expense	21	(13 751 186)	(7 164 136)
Net gains/(losses) on financial assets and liabilities measured at fair value through profit or loss	7	4 119 407	(935 088)
Foreign exchange gains/(losses)	22	15 399 134	11 382 107
Net gains/(losses) on sale of other assets	23	81 198	45 742
Other operating income/(expense)	24	(3 244 170)	7 658 740
Net operating income		**163 920 573**	**142 641 631**
Staff costs	25	(34 272 157)	(31 477 347)
External supplies and services	26	(20 360 939)	(17 496 774)
Depreciation and amortization for the period	12	(7 865 681)	(6 368 309)
Provisions net of reversals	17	104 872	2 649 335
Impairment of loans and advances to customers net of reversals	17	(4 457 666)	185 870
Impairment of other financial assets net of reversals	17	368 614	(268 072)
Impairment of other assets net of reversals	17	(151 343)	5 958
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**97 286 273**	**89 872 292**
Income tax			
Current	13	(7 740 535)	(6 821 689)
Deferred	13	-	-
NET PROFIT/(LOSS) FOR THE PERIOD		**89 545 738**	**83 050 603**
INCOME RECOGNIZED DIRECTLY IN EQUITY		**-**	**-**
COMPREHENSIVE INCOME FOR THE PERIOD		**89 545 738**	**83 050 603**
Average number of ordinary shares issued	19	9 000 000	15 000 000
Basic earnings per share (in Kwanzas)	19	9.950	5.537
Diluted earnings per share (in Kwanzas)	19	9.950	5.537

CONDENSED INTERIM INDIVIDUAL BALANCETE SHEET AT AS 30 JUNE 2024

Amounts expressed in thousands of Kwanzas

ASSETS	Notes	30/06/2024	31/12/2023
Cash and deposits at central banks	4	636 469 838	556 646 795
Loans and advances to credit institutions	5	36 950 726	41 631 266
Other loans and advances to central banks and credit institutions	6	1 169 149 953	901 502 510
Financial assets at fair value through profit or loss	7	45 306 062	46 487 831
Investments at amortized cost	8	1 059 059 830	1 411 941 126
Loans and advances to customers	9	629 108 690	550 102 779
Non-curren assets held for sale	10	135 735	180 980
Investments in subsidiaries, associates and joint ventures	11	1 117 215	1 117 215
Property, pland and equipment	12	42 224 000	38 752 340
Intangible assets	12	13 889 033	12 424 952
Current tax assets	13	195 853	192 964
Deferred tax assets	13	-	-
Othe assets	14	24 676 844	23 413 473
Total Assets		**3 658 283 779**	**3 584 394 231**

Amounts expressed in thousands of Kwanzas

'LIABILITIES,AND,EQUITY	Notes	30/06/2024	31/12/2023
Deposits from central banks and other credit institutions	15	64 141 790	27 840 923
Deposits from customers and other loans	16	2 894 749 749	2 857 665 483
Financial liabilities at fair value through profit or loss	7	2 649 420	2 537 450
Provisions	17	55 175 940	55 524 646
Current tax liabilities	13	12 660 817	14 257 036
Lease liabilities	18	5 571 592	5 325 022
Other liabilities	18	50 017 527	53 717 659
Total Liabilities		**3 084 966 835**	**3 016 868 219**
Share capital	19	45 000 000	45 000 000
Other reserves and retained earnings	19	438 771 206	355 016 400
Net profit/(loss) for the period	19	89 545 738	167 509 612
Total Equity		**573 316 944**	**567 526 012**
Total Liabilities and Equity		**3 658 283 779**	**3 584 394 231**

CONDENSED INTERIM INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024

Amounts expressed in thousands of Kwanzas

	Notes	Share	Legal reserve, other reserves and retained	Net profit/(loss)	Total
Balance as at January 1, 2023		**15 000 000**	**328 834 312**	**140 455 220**	**484 289 532**
Appropriation of the 2022 net profit:					
. Reserve requirement	19	-	56 182 088	(56 182 088)	-
. Distribution of dividends	19	-	-	(84 273 132)	(84 273 132)
Capital increase		30 000 000	(30 000 000)	-	-
Net profit/(loss) for the period	19	-	-	167 509 612	167 509 612
Balance as at December 31, 2023		**45 000 000**	**355 016 400**	**167 509 612**	**567 526 012**
Appropriation of the 2023 net profit:					
. Reserve requirement	19	-	83 754 806	(83 754 806)	-
. Distribution of dividends	19	-	-	(83 754 806)	(83 754 806)
Net profit/(loss) for the period	19	-	-	89 545 738	89 545 738
Balance as at June 30, 2024		**45 000 000**	**438 771 206**	**89 545 738**	**573 316 944**

CONDENSED INTERIM CASH FLOWS STATEMENT
FOR THE SIX-MONTH PERIOD ENDING 30 JUNE 2024

Amounts expressed in thousands of Kwanzas

	Notes	30/06/2024	30/06/2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest, commissions and other similar income received		176 691 427	160 483 139
Interest, commissions and other similar income paid		(52 582 353)	(35 702 059)
Payments to employees and suppliers		(52 954 764)	(47 406 958)
Payments and contributions to pension funds and other benefits		(1 561 807)	(1 557 630)
Recovery of written-off loans		132 150	153 186
Other income/(expense) received/(paid)		10 122 035	10 586 623
Cash flows before changes in operating assets and liabilities		**79 846 688**	**86 556 301**
Increases/(decreases) in operating assets:			
Other loans and advances to central banks and credit institutions		(233 190 605)	16 547 537
Financial assets at fair value through profit or loss		6 199 549	46 111 587
Financial investments at amortized cost		365 543 114	(51 824 547)
Loans and advances to customers		(82 509 727)	(69 445 904)
Non-current assets held for sale		-	-
Other assets		(2 197 332)	2 449 454
Net cash flows from operating assets		**53 844 999**	**(56 161 873)**
Increases/(decreases) in operating liabilities:			
Deposits from central banks and other credit institutions		35 256 650	5 798 723
Deposits from customers and other loans		4 053 671	112 028 098
Other liabilities		(1 820 169)	(1 250 388)
Net cash flows from operating liabilities		**37 490 152**	**116 576 433**

Amounts expressed in thousands of Kwanzas

	Notes	30/06/2024	30/06/2023
Net cash from operating activities before income taxes		**171 181 839**	**146 970 861**
Income and capital taxes paid		(8 657 595)	(5 409 736)
Net cash from operating activities		**162 524 244**	**141 561 125**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment, net of disposals		(6 523 739)	(4 233 212)
Acquisition of intangible asset, net of disposals		(5 036 912)	(1 942 149)
Net cash from investing activities		**(11 560 651)**	**(6 175 361)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution of dividends		(83 754 806)	(132 423 132)
Net cash from financing activities		**(83 754 806)**	**(132 423 132)**
Change in cash and cash equivalents		**67 208 787**	**2 962 632**
Cash and cash equivalents at the beginning of the period		598 282 241	450 430 227
Effects of changes in foreign exchange rates on cash and cash equivalents		7 932 734	176 688 050
Cash and cash equivalents at the end of the period		**673 423 762**	**630 080 909**
Cash and cash equivalents comprises:			
Cash	4	29 975 649	22 885 061
Deposits at central banks	4	606 494 189	550 896 541
Loans and advances to credit institutions	5	36 953 924	56 299 307
		673 423 762	**630 080 909**

Notes to the Financial Statements as at 30 June 2024

1. INTRODUCTION

Banco de Fomento Angola, S.A. (hereinafter also referred to as Bank or BFA), was incorporated by Public Deed on 26 August 2002, following the transformation of the Angolan Branch of Banco BPI, S.A. into a bank under local law, and is fully owned by BPI.

In 2008, BPI sold 49.9% of its stake in the Bank to Unitel, S.A..

As indicated in Note 19, on 5 January 2017, in execution of the share purchase and sale agreement entered into 2016, the sale by Banco BPI to Unitel of the shareholding representing 2% of BFA's share capital was completed. Thus, on 30 June 2024 and 31 December 2023, BFA was majority held by Unitel, S.A., with a stake of 51.9%.

The Bank is engaged in obtaining funds from third parties in the form of deposits or other funds, which it invests, together with its own funds, in the granting of loans, deposits in the Banco Nacional de Angola, investments in credit institutions and acquisition of securities or other assets, for which it is duly authorized. It also provides other banking services and performs various types of operations in foreign currency, having for this purpose, as at 30 June 2024, a national network of 158 branches, 11 investment centers, 7 large corporate centers, 4 Oil & Gas and Public Sector centers, 11 medium corporate centers and 1 Private Banking center.

2. BASIS OF PRESENTATION AND SUMMARY OF MAIN ACCOUNTING POLICIES

2.1 Basis of presentation

The Bank's financial statements have been prepared on the going concern assumption and in accordance with International Financial Reporting Standards (IFRS), pursuant to Notice No. 5/2019, of 30 August of the Banco Nacional de Angola IFRS includes accounting standards, issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC).

The Bank's financial statements now presented relate to the period ended 30 June 2024. These condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting (IAS 34). Thus, these financial statements do not include all the information required by IFRS, and therefore should be read in conjunction with the financial statements for the period ended 31 December 2023.

The accounting policies used by the Bank in the preparation are consistent with those used in the preparation of the financial statements as at 31 December 2023 and 30 June 2023, except for the new standards issued.

The Bank's financial statements are stated in thousands of Kwanzas, rounded to the nearest thousand. The financial statements were prepared in accordance with the historical cost principle, modified by the application of the fair value to derivative financial instruments and financial assets and liabilities recognized at fair value through profit or loss. Other financial assets and liabilities and other non-financial assets and liabilities are recorded at amortized cost or historical cost.

The preparation of the financial statements in accordance with IAS/IFRS requires the Bank to make judgments and estimates and uses assumptions which affect the application of accounting policies and the amounts of income, expenses, assets and liabilities. Changes or differences between such assumptions and reality may have impacts on the actual estimates and judgments. The areas involving a higher degree of judgment or complexity, or areas where significant assumptions and estimates are made in preparing the financial statements are discussed in Note 3.

The condensed interim financial statements for the six-month period ended 30 June 2024 were approved at the meeting of the Bank's Board of Directors on 13 September 2024.

The recently issued accounting standards and interpretations that have not yet come into force and that the Bank has not yet applied in the preparation of its financial statements can be analyzed in Note 31.

2.2 Transactions in foreign currency

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

Foreign currency transactions are recorded in accordance with the principles of the multi-currency system, with each transaction being recorded according to the respective denomination currencies. Assets and liabilities stated in foreign currency are translated into Kwanzas at the exchange rate published by the Banco Nacional de Angola as at the balance sheet date. Non-monetary assets and liabilities recorded at fair value are translated into the functional currency at the exchange rate published by the Banco Nacional de Angola on the date the fair value is determined and recognized against profit or loss. Income and expenses related to exchange rate differences, whether realized or potential, are recorded in the income statement in the period in which they occur under Foreign exchange gains/(losses). The "forward currency position" transactions relate to currency forward contracts, and the related income and expenses are recorded under the caption Net gains/(losses) on financial assets and liabilities at fair value through profit or loss in the income statement.

As at 30 June 2024, 31 December 2023 and 30 June 2023, the exchange rates of the Kwanza (AOA) against the United States Dollar (USD) and the Euro (EUR) were as follows:

	30/06/2024	31/12/2023	30/06/2023
1 USD	853.629	828.800	822.940
1 EUR	913.725	915.990	899.227

Forward foreign exchange position

The forward currency position corresponds to the net balance of forward transactions pending settlement. All contracts related to these transactions are revalued at market forward exchange rates.

The difference between the equivalent in Kwanzas at the forward revaluation rates applied, and the equivalent at the contracted rates, is recorded under assets or liabilities, against income or expenses, respectively.

2.3 Financial instruments

2.3.1 Classification of financial assets

In accordance with IFRS 9 - Financial Instruments, financial assets can be classified into three categories with different measurement criteria:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVTPL).

The classification of financial assets depends on the business model and the contractual cash flow characteristics (SPPI criterion).

Business model

The business models foreseen in the standard are as follows:

- Business model whose objective is achieved by holding the asset to maturity to collect the contractual cash flows therefrom (Held to collect);
- Business model whose objective is achieved both by collecting the contractual cash flows from the asset and selling it (Held to collect and sell); and
- Other business models (*e.g.*, trading).

Evaluation of the business model

The business model reflects the way the Bank manages its assets from a cash-flow generation standpoint. Thus, it is important to understand whether the objective of the Bank is only to receive the contractual cash flows from the assets or whether it intends to receive the contractual cash flows and the cash flows resulting from the sale of the assets. If none of these situations apply (*e.g.*, financial assets are held for trading), the financial assets are classified as part of "other business models" and recognized at fair value through profit or loss.

The factors considered by the Bank in identifying the business model for a set of assets include past experience with respect to the way (i) cash flows are received, (ii) asset performance is assessed and reported to management, (iii) risks are assessed and managed and (iv) directors are remunerated.

Financial assets at fair value through profit or loss are held essentially for the purpose of being sold in the short term, or to form part of a portfolio of jointly-managed financial instruments, for which there is clear evidence of a recent pattern of short-term gains. These assets are classified under "other business models" and recognized at fair value through profit or loss.

The evaluation of the business model does not depend on the intentions for an individual instrument, but for a set of instruments, and considers the frequency, the value, the sales calendar in previous periods, the reasons for the referred sales and the expectations regarding future sales. Sales that are infrequent, or insignificant, or close to the maturity of the asset and those motivated by an increase in the credit risk of the financial assets, or to manage concentration risk, among others, may be compatible with the model of holding assets to receive contractual cash flows.

If a financial asset contains a contractual clause that can modify the timing or the amount of the contractual cash flows (such as early amortization or extension of term clauses), the Bank determines whether the cash flows that will be generated during the life of the instrument, due to the exercise of that contractual clause, are solely payments of principal and interest on the principal amount outstanding.

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

Contractual conditions that, at the time of the initial recognition, have a minimal effect on cash flows or depend on the occurrence of exceptional or highly unlikely events (such as redemption by the issuer) do not prevent their classification in portfolios at amortized cost or at fair value through other comprehensive income.

SPPI assessment

When the business model involves holding assets in order to (i) collect contractual cash flows or (ii) collect contractual cash flows and sell these assets, the Bank assesses whether the cash flows of the financial instrument correspond solely to payments of principal and interest on the principal amount outstanding (SPPI test).
In this assessment, the Bank considers whether the contractual cash flows are consistent with a basic loan agreement, that is, the interest includes only considerations regarding the time value of money, credit risk and a profit margin that is consistent with a basic loan agreement. When the contractual terms introduce exposure to risk or variability in cash flows that are inconsistent with a basic loan agreement, the financial instrument is classified and measured at fair value through profit or loss.

The financial assets with embedded derivatives are considered in their entirety, when determining whether the cash flows correspond solely to payments of principal and interest on the principal outstanding (SPPI test).

Financial liabilities at amortized cost

The Bank measures a financial asset at amortized cost if it complies, simultaneously, with the following characteristics and if it is not designated at FVTPL by option (use of the Fair Value Option):

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

- its contractual cash flows occur on specific dates and correspond solely to payments of principal and interest on the principal amount outstanding (SPPI).

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

This category of Financial assets at amortized cost includes Other loans and advances to credit institutions, Loans and advances to customers, debt securities and other financial instruments (Investments at amortized cost) managed based on a business model whose objective is to receive its contractual cash flows.

Financial assets at fair value through other comprehensive income

The Bank measures a financial asset at fair value through other comprehensive if it complies, simultaneously, with the following characteristics and if it is not designated at FVTPL by option (use of the Fair Value Option):

- the financial asset is held in a business model whose objective is to hold the assets to collect its contractual cash flows and/or sell them (HTC and Sell – Held to collect and Sell); and
- its contractual cash flows occur on specific dates and correspond solely to payments of principal and interest on the principal amount outstanding (SPPI - Solely Payments of Principal and Interest).

On initial recognition of an equity instrument that is not held for trading, the Bank may irrevocably assign it to this category. This designation is made on a case-by-case, investment-by-investment basis and is only available for financial instruments that meet the definition of equity instruments under IAS 32 and may not be used for financial instruments classified as equity instruments at issuer level under the exceptions provided for in paragraphs 16A to 16D of IAS 32.

Financial assets at fair value through other comprehensive income are initially recorded at fair value. Gains and losses relating to subsequent changes in fair value are reflected in a specific item of equity (Reserves of financial assets at fair value through other comprehensive income) until they are sold, where they are reclassified to profit or loss for the period, except for equity instruments which are reclassified to retained earnings. Additionally, they are subject, since their initial recognition, to calculation of impairment losses (debt instruments only).

Interest income is calculated in accordance with the effective interest rate method and recognized in the income statement under the caption Interest income and similar income. Income from variable-income securities is recognized in the income statement caption Income from equity instruments on the date when it is attributed. In accordance with this criterion, prepaid dividends are recorded as income in the year the distribution is decided.

Financial assets at fair value through profit or loss

All financial assets that are not measured according to the methods described above are measured at fair value through profit or loss.

Debt instruments whose contractual cash flow characteristics do not meet the SPPI criterion, and which would otherwise be measured at amortized cost or at fair value through other comprehensive income, are required to be measured at fair value through profit or loss.

This category also includes assets acquired for the purpose of realizing gains from short-term fluctuations in market prices. This category also includes derivative financial instruments, excluding those that comply with hedge accounting requirements. By default, equity instruments are also classified at fair value through profit or loss, unless the entities opt for the irrevocable classification at fair value through other comprehensive income as referred to above.

In addition, at initial recognition, the Bank may irrevocably classify a financial asset, which otherwise meets the requirements to be measured at amortized cost or at fair value through other comprehensive income, as at fair value through profit or loss if the classification significantly eliminates the accounting mismatch that would otherwise exist (Fair Value Option).

Financial assets classified in this category are initially recognized at fair value. Gains and losses arising from subsequent valuation at fair value are recognized in the income statement. Income is reflected in the respective captions of Interest and similar income.

Equity instruments

Equity instruments are instruments that meet the definition of capital from the issuer's perspective, which means, instruments that do not contain a contractual payment obligation and that evidence a residual interest in the issuer's net assets. An example of equity instruments are ordinary shares.

Investments in equity instruments are an exception to the general measurement criteria described above. As a general rule, the Bank has the option, on initial recognition, to designate, irrevocably, in the category of financial assets at fair value through other comprehensive income, the investments in equity instruments that are not classified as held for trading and that, in the event it did not exercise this option, would be classified as financial assets that are mandatorily accounted for at fair value through profit or loss.

2.3.2 Classification of financial liabilities

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

Financial liabilities are classified into the following categories:

i. Financial liabilities at amortized cost

Financial liabilities correspond essentially to Deposits from central banks and other credit institutions and Deposits from customers and other loans. These liabilities are initially measured at fair value, which normally corresponds to the consideration received, net of transaction costs, and are subsequently recorded at amortized cost, in accordance with the effective interest method.

ii. Financial liabilities held for trading

This category includes derivative financial instruments with a negative fair value.

iii. Financial liabilities at fair value through profit or loss (Fair Value Option)

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

- the financial liabilities are managed, measured and analyzed internally based on their fair value;
- derivative operations are contracted to hedge these assets or liabilities economically, thus ensuring consistency in the measurement of the assets or liabilities and the derivatives (accounting mismatch); and
- the financial liabilities contain embedded derivatives.

2.3.3 Recognition and initial measurement of financial instruments

At the time of their initial recognition, all financial instruments are recorded at their fair value. For financial instruments that are not recorded at fair value through profit or loss, fair value is adjusted by adding or subtracting transaction costs directly attributable to their acquisition or issue. In the case of financial instruments at fair value through profit or loss, the directly attributable transaction costs are immediately recognized in the income statement.

Transaction costs are defined as expenses directly attributable to the acquisition or disposal of a financial asset, or to the issue or assumption of a financial liability, which would not have been incurred if the Bank had not carried out the transaction. These include, for example, commissions paid to intermediaries (such as promoters) and mortgage formalization expenses.

Financial assets are recognized in the balance sheet on the transaction date - the date on which the Bank commits to purchase the assets, unless there is a contractual stipulation or applicable legal figure that determines that the transfer of rights occurs at a later date.

At initial recognition, when the fair value of financial assets and liabilities differs from the transaction price, the entity should recognize this difference as follows:

- When the fair value is evidenced by a quotation on an active market of an equivalent asset or liability (that is, level 1 inputs) or based on a valuation technique that uses only observable market data, the difference is recognized as a gain or loss, and

- In the remaining cases, the difference is deferred, and the moment of initial recognition of the gain or loss is determined individually. This difference can then be (i) amortized over the life of the instrument, (ii) deferred until the fair value of the instrument can be determined using observable market data, or (iii) recognized through the liquidation of the asset or liability.

2.3.4 Subsequent measurement of financial instruments

After its initial recognition, the Bank measures its financial assets at (i) amortized cost, at (ii) fair value through other comprehensive income, or at (iii) fair value through profit or loss.

Trade receivables from commercial operations that do not have a significant financing component and commercial loans and short-term debt instruments that are initially measured at the transaction price or by the principal outstanding, respectively, are valued at the aforementioned amount less impairment losses.

Immediately after initial recognition, an impairment is also recognized for expected credit losses (ECL), for financial assets measured at amortized cost and investments in debt instruments measured at fair value through other comprehensive income, resulting in the recognition of a loss in results when the asset is originated.

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

The subsequent measurement of financial liabilities is generally performed at amortized cost. There are some exceptions to this measurement basis, namely:

- Financial liabilities that are held for trading or when fair value option is applied – the subsequent measurement consists of fair value through profit or loss.
- Financial guarantees – the subsequent measurement consists of the higher of the corresponding expected credit losses and the amount of the initial fee received less the amounts already recognized as revenue in accordance with IFRS 15.

2.3.5 Income and expenses of financial instruments

Income and expenses from financial instruments at amortized cost are recognized according to the following criteria:

i. Interest is recorded in the income statement under Interest and similar income and Interest and similar expense, using the effective interest rate of the transaction on the gross book value of the transaction (except for impaired assets where the interest is applied on the book value net of impairment) and the interest already recognized and unpaid relating to overdue loans for more than 90 days is reversed, being recognized only when received since it is considered that its recovery is remote, and recognized off balance sheet; and

ii. The remaining changes in value will be recognized in the income statement as income, or expenses, when the financial instrument is derecognized from the balance sheet under Net gains/(losses) on investments at amortized cost, when it is reclassified, and in the case of financial assets, when there are impairment losses or gains through recovery, which are recorded under Impairment of loans and advances to customers net of reversals and recoveries, in the case of loans and advances to customers or under Impairment of other financial assets net of reversals and recoveries, in the case of other financial assets.

In order to determine the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument, without considering possible impairment losses. The calculation includes all fees paid or received considered as part of the effective interest rate, transaction costs and all other premiums or discounts directly related with the transaction, except for assets and liabilities at fair value through profit or loss.

Treasury Bonds issued in national currency indexed to the exchange rate of the United States Dollar (hereinafter US Dollar) are subject to exchange rate adjustments. The result of the exchange rate adjustments is reflected in the income statement for the period in which it occurs. The result of the exchange rate adjustment of the nominal value of the security is recorded in the caption Foreign exchange gains/(losses) and the result of the exchange rate adjustment of the discount and accrued interest is recorded under Net interest income – Interest and similar income.

Income and expenses from financial instruments at fair value through profit or loss are recognized according to the following criteria:

i. Changes in fair value are recorded directly in the income statement, separating the portion attributable to the instrument's income, which is recorded as interest or dividends according to its nature under the captions Interest and similar income and Income from equity instruments, respectively, and the remainder, which is recorded as results of financial operations under the caption Net gains/(losses) on financial assets and liabilities at fair value through profit or loss; and

ii. Interest on debt instruments is recorded in the income statement under the caption Interest and similar income and is calculated using the effective interest rate method.

Income and expenses from financial instruments at fair value through profit or loss are recognized according to the following criteria:

i. Interest or, when applicable, dividends are recognized in the income statement under the caption Interest and similar income and Income from equity instruments, respectively. For interest, the procedure is the same as for assets at amortized cost;

ii. Foreign exchange differences are recognized in the income statement under Foreign exchange gains/(losses), in the case of monetary financial assets, and in other comprehensive income, in the case of non-monetary financial assets;

iii. In the case of debt instruments, impairment losses or reversals are recognized in the income statement under the caption Impairment losses on other financial assets, net of reversals and recoveries; and

iv. The remaining changes in value are recognized in other comprehensive income.

Thus, when a debt instrument is measured at fair value through other comprehensive income, the amounts recognized in the income statement for the financial year are the same as those that would be recognized if measured at amortized cost.

When a debt instrument measured at fair value through other comprehensive income is derecognized from the balance sheet, the gain or loss recorded in other comprehensive income is reclassified to the net profit/(loss) for the period. On the other hand, when an equity instrument measured at fair value through other comprehensive income is derecognized from the balance sheet, the gain or loss recorded in other comprehensive income is not reclassified to the profit and loss account, remaining under a caption of reserves.

2.3.6 Reclassification between categories of financial instruments

Financial assets are not reclassified after their initial recognition, except in the period after the Bank changes its business model for managing financial assets Financial assets are reclassified to other categories only if the business model used in their management is changed. In this case, all affected financial assets are reclassified. The reclassification is applied prospectively from the date of reclassification, and any previously recognized gains, losses (including those related to impairment) or interest are not restated. Financial assets, at the date of their reclassification, are measured at fair value.

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

The reclassification of financial liabilities is not allowed.

During the six-month period ended 30 June 2024, the Bank did not reclassify any financial instruments.

2.3.7 Fair value

In accordance with IFRS 13, financial instruments at fair value are measured according to the valuation levels described in Note 30.4.

2.3.8 Modification of loans and advances

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

- If the debtor is in financial difficulty, whether the modification only reduces the contractual cash flows to an amount that the debtor is expected to be able to pay;
- If any significant new term has been introduced, such as profit-sharing or an equity-based return, which substantially affects credit risk;
- Significant extension of the maturity of the contract when the debtor is not in financial difficulties;
- Significant change in the interest rate;
- Change in the currency in which the loan was contracted; and
- Inclusion of a collateral, a guarantee or other improvement associated with the loan, which significantly affects the credit risk associated with the loan.

If the terms of the contract are significantly different, the Bank derecognizes the original financial asset and recognizes the new asset at fair value, calculating its new effective interest rate. The renegotiation date is considered the initial recognition date for the purpose of calculating the impairment, including for the purpose of assessing whether a significant increase in credit risk has occurred.

However, the Bank also assesses whether the newly recognized financial asset is impaired at initial recognition, especially when the renegotiation is related to the fact that the debtor has not made the payments originally agreed. Differences in the book value are recognized in the income statement, as a derecognition gain or loss.

If the terms of the contract are not significantly different, the renegotiation, or modification, does not result in derecognition and the Bank recalculates the gross book value based on the revised cash flows of the financial asset and recognizes a gain or loss from this modification in the income statement.

The new gross book value is recalculated discounting the modified cash flows at the original effective interest rate (or adjusted effective interest rate for impaired financial assets, originated or acquired).

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

2.3.9 Derecognition not resulting from a modification

Financial assets granted are derecognized when the associated cash flows are extinguished, collected or disposed of to third parties and (i) the Bank substantially transfers all risks and rewards of ownership of the asset, or (ii) the Bank neither transfers nor substantially holds all the risks and rewards of ownership of the asset and does not hold control over the asset. Gains and losses obtained from the definitive sale of loans and advances to customers are recorded under Other operating income/(expenses). These gains or losses correspond to the difference between the sales value set and the book value of those assets, net of impairment losses.

The Bank participates in transactions in which it has the contractual right to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all the risks and rewards. These transactions result in the derecognition of the asset if the Bank:

- Has no obligation to make payments unless it receives equivalent amounts from the assets;
- Is prohibited from selling or pledging the assets; and
- Is obliged to remit any cash flow it receives from the assets without material delays.

The guarantees granted by the Bank (shares and bonds) through repurchase agreements and securities lending and borrowing operations are not derecognized because the Bank holds substantially all the risks and rewards based on the pre-established repurchase price, and therefore the derecognition criteria are not met (see Note 2.4).

Financial liabilities are derecognized when the underlying obligation is settled, expires, or is canceled.

2.3.10 Write-off policy

The Bank writes off financial assets, in part or in whole, when it concludes that there is no reasonable expectation of collection. The indicators that demonstrate that there is no reasonable expectation of collection are (i) the shutdown of the activity and (ii) the cases in which the recovery depends on the collection of a collateral, but in which the value of the collateral is so low that there is no reasonable expectation of fully recovering the asset.

The rules implemented for the selection of loans that may be written off from assets are as follows:

- The loans cannot be under a risk-sharing protocol;
- The loans must be past due for more than 210 days; and
- The loans cannot be marked as overdue renegotiated loans or be part of an active payment agreement.

2.3.11 Impairment of financial assets

The Bank determines impairment losses for debt instruments that are measured at amortized cost and at fair value through other comprehensive income, as well as for other exposures that have an associated credit risk such as bank guarantees and commitments assumed.

The requirements of IFRS 9 aim to recognize expected losses from operations, assessed on an individual or collective basis, considering all reasonable, reliable, and duly substantiated information that is available, including information from a forward-looking perspective.

Impairment losses on debt instruments that are measured at amortized cost are recognized against an accumulated impairment caption in the balance sheet, which reduces the book value of the asset, while impairment of assets measured at fair value through other comprehensive income is recognized against other comprehensive income.

Impairment losses arising from the granting of loans and advances to customers are recognized in the income statement under the caption Impairment losses on loans and advances to customers, net of reversals and recoveries and those of the remaining financial assets under the caption Impairment losses on other financial assets, net of reversals and recoveries.

Impairment losses on exposures that have an associated credit risk and that are not positions recorded in assets are recorded as a provision under Provisions in liabilities, in the balance sheet. Charges for the period and reversals are recorded under the caption Provisions, net of reversals in the income statement.

Impairment model of loans and advances to customers

The methodology adopted by the Bank foresees, in a first stage, the identification of Economic Groups (and Retail customers, hereinafter “Retail”) considered as individually significant. These are analyzed individually and the remainder collectively, according to homogeneous risk groups. The following criteria for selecting Groups (and Retail) that are individually significant are considered:

- Customers/economic groups with no signs of impairment with exposure greater than or equal to 0.1% of FPR;
- Customers/economic groups with signs of impairment with exposure greater than or equal to 0.02% of FPR; and
- Customers restructured due to financial difficulties with exposure above AOA 50 million.

In the collective analysis methodology, the Bank groups customers into homogeneous risk segments, namely the following:

- Consumer credit
- Overdrafts
- Credit cards
- Car loans

- Mortgages
- Small and Medium-sized Businesses – Less significant exposures
- Large Businesses – significant exposures
- State
- Credit institutions

The amount of impairment losses is determined according to whether there is a significant deterioration of the risk since initial recognition, and whether a default event occurs. Consequently, the Bank classifies financial instruments into three stages of impairment, as described below:
- Stage 1: Classification to be applied on initial recognition of the financial instruments or in the event of not meeting any of the classification criteria of the other impairment stages
- Stage 2: Classification to be applied to financial instruments that show a significant increase in credit risk (SIRC) since their origin
- Stage 3: All financial instruments that are in default according to the Bank's internal definition and in line with Instruction No. 8/2019 will be classified under this stage.

The Stage 2 criteria for classification are as follows:

Marking
- Product contracts other than overdrafts, with credit more than 30 days overdue;
- Overdraft product contracts with credit more than 15 days overdue;
- Customer with at least one credit operation restructured due to financial difficulties in the last 6 months;
- Customers with an operation in litigation in the last 5 years;
- Customers with bounced checks and/or inhibited from using checks according to the information available at CIRC (Angolan Centralized Credit Register);
- Customers with unauthorized overdrafts;
- Customers with revolving operations (overdrafts, credit cards and escrow accounts) above the limit formally contracted, or revolving credit operations permanently used at, at least, 95% of the limit initially contracted in the last 6 months; and
- Credit with a material decrease in the value of the collateral (greater than 20%) when this results in a funding-collateral ratio greater than 80%.
- Transactions restructured in default (stage 3 on the origination date) and which, on the reporting date, do not meet stage 3 classification criteria.
- Classification of Customer operations due to Significant Increase in Credit Risk (SICR), whenever the Customer's exposure to these criteria is greater than 20% of the Customer's total exposure.
- POCI (Purchased or Originated Credit Impaired) operations that do not have stage 3 classification criteria on the reporting date.
- Unrestructured operations that have not complied with the quarantine period in Stage 2 (6 months after clearing default).
- Restructured operations that have not been restructured in default but have not yet been cleared of restructuring due to financial difficulties.

For individually analyzed customers the following additional criteria are considered:
- Customers with a credit operation in the financial system more than 90 days in arrears, principal or interest written off/ canceled or in litigation;
- Customer subject to Special Recovery Programs;
- Customers with overdue debts to the Tax Administration and/or Social Security;
- Bank pledges or expectation of insolvency or subject to a financial and/or operational recovery/reorganization process;
- Significant change in the Customer's operating results (Companies), for customers subject to Individual Analysis.

Propagation
- Propagation of all operations to Stage 2 if the total exposure of the operation in Stage 2 is greater than or equal to 20% of the Customer's exposure.

Applicable only to Stage 3 Customers, the default classification criteria, are as follows, provided they have (i) Absolute Materiality: >= AOA 5,000 of overdue loans; (ii) Relative materiality: 1% Corporate and 2.5% Retail, of the Customer's asset exposure.

Classification
- Contracts with overdue credit for more than 90 days;
- Restructured contracts with overdue credit for more than 30 days; and
- Restructurings with material loss or grace period of the principal or arising from contracts already at Stage 3.

For individually analyzed customers the following additional criteria are considered:

- Customers in bankruptcy/insolvency or with expectation of bankruptcy/insolvency.

Propagation

- Propagation of marking of default when the default exposure represents 20% of total customer exposure

Unmarking

- Contracts with overdue credit for more than 90 days: 12-month quarantine period (at least 6 months in Stage 3 and 6 months in Stage 2) with no default activation criteria; and
- Restructured credits: a quarantine period (at least 12 months) is applied with payment of principal and interest without overdue exposure for a period greater than 30 days.

In calculating collective impairment, the Bank considers the following credit risk parameters:

a) Exposure: The exposure at default (EAD) is the estimated amount outstanding in the event of default. This component is relevant for financial instruments that have a variable amortization structure depending on the Customer use (credit current accounts, credit cards, in general any revolving product). The calculation of this estimate is based on the observation of historical data for debtors in respect of which default situations have been verified, relating the levels of use of the limits at the time of default with those in the previous 12 months. In this context, future levels of use are estimated according to the nature of the product, the current levels of use and the value of the cap.

b) Probability of default (PD): the Bank applies a methodology for calculating the probability of default forecast for each borrower for the entire loan portfolio and for each risk segment. This parameter is used directly to calculate the ECL of operations in Stage 1 and 2 of impairment. Thus, for Stage 1 the 12-month period should be considered and for Stage 2 the residual maturity of the operation.

c) Loss given default (LGD): is the percentage of debt that will not be recovered in the event of a Customer default. The calculation of the LGD is performed based on historical internal information, considering the cash flows associated with the contracts from the time of default until their settlement or until the moment when there are no relevant recovery expectations. It is also included in the calculation of the estimates of the costs associated with the credit recovery processes..

The parameters considered for determining impairment are generally based on the internal historical experience of defaults and recoveries of the Bank. The parameters are reviewed and updated periodically to reflect the economic position and to be representative of the current economic context at all times.

The models also incorporate prospects of future economic evolution (forward looking) to determine the expected loss considering the macroeconomic factors that are related to the probability of default and/or recoverability indicators of the Bank, namely:

- Real GDP
- Growth rate of non-oil GDP
- (Parallel) USD/AOA exchange rate - end of period
- Luanda Consumer Price Index
- Real Effective Exchange Rate (REER)

In the review processes, the necessary improvements will also be made as detected in the backtesting exercises.

Impairment model for other financial instruments (Disponibilidades (Deposits at other credit institutions and Investments at amortized cost)

The Bank classifies exposures into stages of impairment with regard to financial instruments measured at amortized cost.

Stage 1 - *Financial assets with no significant increase in credit risk since initial recognition*

Assets that do not have a significant increase in credit risk since initial recognition are classified in Stage 1. The calculation of impairment losses for these exposures with a maturity of 12 months.

In assessing the existence of a significant increase in the credit risk for the financial asset portfolio, an increase of more than two notches is considered for a significant increase in the credit risk, in accordance with the information published by the international rating agency Moody's.

Stage 2 – *Financial assets with significant increase in credit risk since initial recognition*

Whenever the existence of a significant increase in the counterparty's credit risk is determined, the exposure is classified as Stage 2.
For these exposures, the Bank measures the impairment losses over the respective residual maturity.

Stage 3 - *Financial assets in default*

This stage includes all financial instruments for which events of default have been verified for more than 90 days.

Impairment losses for debt securities, investments and cash and cash equivalents in other credit institutions are calculated based on the credit risk parameters (probability of default and loss given default) provided by the international rating agency Moody's.

For the purposes of calculating impairment losses, the Bank also considers risk mitigation through the fair value of financial collateral and mortgage collateral.

2.4 Operations with repurchase or resale agreement

Securities sold under repurchase agreements (repos) at a fixed price or at a price equal to the sale price plus interest over the term of the transaction are not derecognized from the balance sheet and are revalued in accordance with the accounting policy of the category to which they belong. The corresponding liability is accounted for under Deposits from customers or Deposits from other credit institutions, as appropriate. The difference between the sale price and the repurchase price is treated as interest and is accrued over the life of the agreement using the effective rate method and recorded under Net interest income.

Securities purchased under resale agreements (reverse repos) at a fixed price or at a price equal to the purchase price plus interest over the term of the transaction, are not recognized in the balance sheet, and the purchase price is recorded under Loans and advances to customers or Other loans and advances to credit institutions, as appropriate. The difference between the purchase price and the resale price is treated as interest and is accrued over the life of the agreement using the effective interest rate method under Net interest income. The amounts receivable are collateralized by the associated securities.

2.5 Financial instruments derivatives

The Bank can carry out derivative financial instrument operations, within the scope of its activity, to manage its own positions based on expectations of market developments or to meet the needs of its customers.

All derivative instruments are recorded on the trade date at fair value and changes in fair value are recognized in the income statement unless they qualify as cash flow hedges or net investments in foreign operating units. Derivatives are also recorded in off-balance sheet accounts at their reference value (notional value).

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

Hedging derivatives

The Bank had no hedging derivatives at the date of the first adoption of IFRS 9, however it took the decision to continue to apply as a policy, the accounting treatment of IAS 39 as permitted by IFRS 9.

The Bank designates derivatives and other financial instruments to hedge interest rate and foreign exchange risks, resulting from its business. Derivatives that do not qualify for hedge accounting are recorded as trading instruments.

Hedging derivatives are recorded at fair value and the gains or losses resulting from their remeasurement are recognized in accordance with the hedge accounting model adopted.

A hedging relationship exists when:

- at the beginning of the relationship there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is assessed on an ongoing basis and effectively determined to be highly effective over the financial reporting period; and
- in relation to the hedging of an anticipated transaction, the transaction is highly probable and presents an exposure to changes in cash flows that could ultimately affect profit or loss.

When a derivative financial instrument is used to hedge foreign exchange changes arising from monetary assets or liabilities, no hedge accounting model is applied. Any gain or loss associated with the derivative is recognized in profit or loss for the period, as are the changes in the foreign exchange risk of the underlying monetary elements.

i. Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with changes in the fair value of the asset, liability or group of assets and liabilities to be hedged in respect of the risk covered. If the hedging relationship no longer meets the requirements of hedge accounting, the derivative financial instrument is transferred to the trading category and the hedge accounting is subsequently discontinued (the adjustment made to the book value of a hedging instrument, for which the effective interest rate method is used, is amortized through profit or loss for the period until its maturity and recognized in Net interest income). If the hedged asset or liability corresponds to a fixed-income instrument, the accumulated gains or losses in respect of changes in the interest rate risk associated with the hedging item until the date the hedging is discontinued, are amortized through profit or loss over the remaining period of the hedged item.

ii. Cash flow hedges

Changes in the fair value of derivatives, which qualify as cash flow hedges, are recognized in equity - cash flow reserves - for the effective part of the hedging relationships. Changes in the fair value of the ineffective portion of hedging relationships are recognized in the income statement when they occur.

The amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects results.

When the hedging instrument is derecognized or when the hedging relationship no longer meets the hedge accounting requirements or is revoked, the hedging relationship is discontinued prospectively. Accordingly, changes in fair value accumulated in equity until the date the hedging is discontinued can be:

- deferred for the remaining period of the hedged instrument; and
- recognized immediately in profit or loss for the period if the hedged instrument has been extinguished.

In the case of the discontinuation of a hedging relationship of a future transaction, the changes in fair value of the derivative recorded in equity remains there until the future transaction is recognized in the income statement. When the transaction is no longer expected to occur, the accumulated gains or losses recorded in equity are immediately recognized in the income statement.

As at 30 June 2024 and 31 December 2023, the Bank had no hedging derivatives.

Derivatives held for trading

Derivatives that are not considered in an accounting hedging relationship are considered as other financial instruments at fair value through profit or loss. When the fair value of the instruments is positive, they are presented under assets, when their fair value is negative, they are classified under liabilities, in both cases under financial assets or liabilities at fair value through profit or loss.

Embedded derivatives

There is an embedded derivative when a part of the financial instrument traded by the Bank trades contains a derivative and a non-derivative component. This component of the derivative is identified as an “embedded derivative”, while the remainder of the contract is described as a “host contract”.

Derivatives embedded in financial instruments are separately accounted for whenever

- the risks and rewards of the derivative are not related to those of the main instrument (host contract);
- a separate instrument with the same terms meets the definition of a derivative; and
- the hybrid instrument (as a whole) is not initially recognized at fair value through profit or loss.

Embedded derivatives are presented under the captions of financial assets or liabilities at fair value through profit or loss, being recorded at fair value with the changes being reflected in profit or loss. As at 30 June 2024, the Bank did not hold any embedded derivatives disclosed in its financial statements.

2.6 Investments in subsidiaries, associates and joint ventures

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

Subsidiaries are entities (including investment funds and securitization vehicles) controlled by the Bank. The Bank controls an entity when it is exposed to, or has rights to, the variability in returns arising from its involvement with that entity and can seize them through the power it has over the relevant activities of that entity (*de facto* control).

Associates are entities over which the Bank has significant influence but does not exercise control over their financial and operating policy. The Bank is presumed to have significant influence when it holds more than 20% of the voting rights of the associate. If the Bank holds, directly or indirectly, less than 20% of the voting rights, it is presumed that it does not have significant influence, except when that influence can be clearly demonstrated. The existence of significant influence by the Bank is usually demonstrated in one or more of the following:

- representation on the Board of Directors or equivalent governing body;
- participation in policy-making processes, including participation in decisions about dividends or other distributions;
- material transactions between the Bank and the investee;
- interchange of management personnel; and
- provision of essential technical information.

Impairment

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

2.7 Equity instruments

A financial instrument is classified as an equity instrument when it meets the definition of equity from the issuer's perspective, i.e., there is no contractual obligation for its settlement to be made by delivering cash or another financial asset to a third party, regardless of its legal form, evidencing a residual interest in the assets of the issuing entity after deducting all of its liabilities.

Transaction costs directly attributable to the issue of equity instruments are recorded against equity, as a deduction from the amount of the issue. The amounts paid and received for purchases and sales of equity instruments are recorded in equity, net of transaction costs.

Income from equity instruments (dividends) is recognized when the right to receive it is established and are deducted to equity.

2.8 Intangible assets and other tangible assets

Intangible assets are only recognized when: i) they are identifiable; ii) it is probable that future economic benefits will flow from the asset and iii) the cost of the asset can be reliably measured.

The acquisition cost of intangible assets comprises: i) the purchase price, including costs with intellectual rights and fees and after deducting any discounts and ii) any cost directly attributable to the preparation of the asset for its intended use.

After the initial accounting, BFA measures its intangible assets according to the cost model.

Intangible assets, which correspond mainly to IT software, are recorded at acquisition cost, and are amortized on a straight-line basis over a three-year period.

Property, plant, equipment and others tangible assets are recorded at acquisition cost less accrued amortization and impairment losses. The cost includes expenditure that is directly attributable to the acquisition of the goods.

The acquisition cost of property, plant and equipment comprises the purchase price of the asset, expenses directly attributable to its acquisition and costs incurred in preparing the asset to be ready for its intended use. Financial costs incurred with loans obtained for the construction of qualifying tangible fixed assets are recognized as part of the construction cost of the asset.

Land is not depreciated.

Depreciation is calculated on a straight-line basis, according to the useful life estimated by the Bank, which corresponds to the following years of useful life:

	Years of useful life
Real Estate for own use (Buildings)	50
Improvements in leased buildings	10
Equipment:	
Furniture and material	10
IT equipment	3
Indoor facilities	10
Transport equipment	3 e 5
Machines and tools	6 e 7
Automatic data processing system (Software)	3

As mentioned in Note 2.18, this caption includes right-of-use assets arising from lease agreements.

2.9 Non-current assets held for sale

Non-current assets are classified as non-current assets held for sale when their book value is intended to be realized mainly through a sale transaction rather than through their continued use in the Bank's activities.

The value of assets received as payment in kind is initially recorded at the lower of the fair value net of selling costs and the book value of the loan at the date the payment in kind was made.

When the outstanding amount of the loan operation is greater than its book value (net of provisions), the difference must be recognized as income for the period, up to the value determined upon valuation of the assets. When the valuation of the assets is lower than the book value of the loan operation, the difference must be recognized as a cost for the period.

Assets recorded under this caption are not amortized and are valued at the lower of book value and fair value. The fair value of these assets is determined based on periodic valuations performed by independent valuers. Whenever the value resulting from these valuations (net of costs to sell) is lower than the book value, impairment losses are recorded under Impairment of other assets, net of reversals and recoveries.

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

2.10 Impairment of non-financial assets

When there are signs that an asset may be impaired, IAS 36 requires that its recoverable amount is estimated, and an impairment loss shall be recognized whenever the net book value of an asset exceeds its recoverable amount. Impairment losses are recognized in the income statement and are reversed in subsequent reporting periods when the reasons that led to their initial recognition cease. For this purpose, the new depreciated amount shall not exceed the book value that would be accounted, had no impairment losses been allocated to the asset, considering its depreciation.

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

On the date of derecognition of a non-financial asset, the gain or loss calculated as the difference between the fair value less costs to sell and the net book value is recognized in the income statement under Net gains/(losses) on sale of other assets.

2.11 Cash and cash equivalents

For the purposes of the cash flow statement, Cash and cash equivalents comprise balances with less than three months' maturity from the balance sheet date, including Cash and deposits at central banks and Deposits at other credit institutions (Notes 4 and 5), and do not include impairment losses.

2.12 Dividends

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

2.13 Commissions

Income from services and commissions is recognized as revenue from customer agreements to the extent that the performance obligations are satisfied:

- when they are obtained as the services are rendered, their recognition in profit or loss is made in the period to which they relate; and
- when they result from the rendering of services, their recognition is made when that service is completed.

When they are an integral part of the effective interest rate of a financial instrument, the income resulting from services and commissions are recorded in net interest income.

2.14 Employee benefits

Short-term benefits

Short-term benefits are reflected under Staff costs in the period to which it relates, in accordance with the accrual accounting principle.

The Bank grants variable remuneration to its employees and directors as a result of their performance (performance bonus). The Executive Committee of the Board of Directors is responsible for establishing the respective allocation criteria for each employee, and the Remuneration Committee is responsible for establishing the criteria at director level. The variable remuneration paid to employees and directors is recorded against profit or loss in the period to which they relate, although payable in the following year (Note 25).

In November 2022, Order No. 3923/22 ((Official Gazette) No. 123 of Series II) published the Addendum to the BFA Pension Fund and the New Pension Plan. The new Defined Contribution Pension Plan defines a mixed contribution system between the Associate (BFA) and the Employees and sets the Associate's rate at 7.5% on the pensionable salary, also setting a variable employee contribution of between 2.5% and 10% on the pensionable salary.

For defined-contribution plans, the liabilities related to the benefit attributable to the Bank's employees are recognized as an expense for the period when due (Note 25).

Long-term benefit

This type of long-term benefit is recognized when the Bank has a legal or constructive obligation to pay its employees long-term benefits.

The Bank grants variable remuneration to directors and 40% of this amount is paid over a 3-year period plus remuneration. In this respect, the remuneration is associated with the interest rate of Angolan treasury bonds, traded on the secondary market in the same currency and maturity as the deferral. The deferred charges are recorded under Interest and similar expense and the principal is recorded under Staff costs, against Other assets.

Termination benefits

This type of benefit is recognized when the Bank terminates the employment contract before the employee reaches normal retirement date, or when an employee accepts the termination of employment in exchange for such benefit. The Bank recognizes a liability for termination benefits on the earliest of the following dates: when the Bank is no longer able to withdraw the offer of benefits or when the Bank recognizes the costs of a restructuring, within the scope of the recognition of restructuring provisions. Benefits due more than 12 months after the end of the reporting period are discounted to their present value.

2.15 Income tax and other taxes

The total income tax recorded in the income statement includes current and deferred taxes.

Current tax

Current tax is calculated based on the taxable income for the period, which differs from the accounting income due to adjustments to the tax base resulting from expenses or income not relevant for tax purposes, or which will only be considered in future periods according to the applicable tax laws (Corporate Tax Code).

Deferred tax

Deferred tax corresponds to the impact on tax recoverable/payable in future periods resulting from deductible or taxable temporary differences between the balance sheet value of assets and liabilities and their tax base, used to determine taxable income. Deferred taxes are calculated based on the tax rate in force or substantially in force at the financial reporting date, and which is estimated to be applicable on the date of realization of deferred tax assets or on the date of payment of deferred tax liabilities.

Deferred tax liabilities are normally recorded for all taxable temporary differences, whereas deferred tax assets are only recognized up to the amount by which it is probable that future taxable income will exist, to allow for the use of the corresponding deductible temporary differences or tax losses carried forward. Additionally, deferred tax assets are not recorded in cases where their recoverability may be questionable due to other situations, including issues of interpretation of the tax legislation in force.

As at 30 June 2024 and for the year ended 31 December 2023, the Bank has not recorded any deferred tax assets or liabilities in its financial statements.

Industrial Tax

As at 30 June 2024, the Bank is subject to a Corporate Tax under the terms of the General Tax System. The taxation of its income is carried out under the terms of Law No. 26/20, of 20 July (which revoked Law No. 19/14, of 22 October) and, currently, the applicable tax rate is 35%.

The income from public debt securities, resulting from Treasury Bonds and Treasury Bills issued by the Angolan State, whose issue is regulated by the Framework Law of Direct Public Debt (Law No. 16/02, of 5 December) and by Regulatory Decrees No. 51/03 and 52/03, of 8 July, as well as the other income obtained by the Bank subject to Capital Gains Tax (IAC), are exempt from Corporate Tax, in accordance with the provisions of Article 47(1)(b) of the Corporate Tax Code.

This article expressly states that in order to determine the taxable amount, income or gains subject to IAC must be deducted from the net profit calculated under the terms of the previous articles.

Moreover, this law enshrined, among other changes, the eligibility for tax purposes of favorable and unfavorable exchange rate variations as accepted income and costs for tax purposes, respectively. Likewise, provisions/impairment on secured loans are no longer accepted as a cost, except for the part not covered.

In addition, the Corporate Tax is subject to provisional assessment in a single installment to be made by the end of August, calculated by applying a rate of 2% on the result derived from financial intermediation operations, ascertained in the first six months of the previous tax year, excluding income subject to capital gains tax (taxpayers who have presented losses in the previous year are exempt from the provisional assessment).

Tax returns are subject to review and correction by tax authorities for 5 (five) years, which may result in possible amendments to the taxable income for the years 2019 to 2023.

The recording of the tax impacts of the transactions carried out by the Bank corresponds to management's understanding of the tax treatment applicable under the legislation issued. In situations where the tax interpretation is questioned by the Tax Authorities (AGT), Management reassesses the probability (above or below 50%) that the adopted tax treatment will be accepted, and consequently determines the most likely or expected amount of tax assets or liabilities to be recorded.

Capital Gains Tax (IAC)

The new IAC Code, approved by Presidential Legislative Decree No. 2/2014, of 20 October, came into force on 19 November 2014.

The IAC is generally levied on income from the Bank's financial investments. The rate varies between 5% (in the case of interest received on debt securities which are admitted to trading on a regulated market and which have a maturity of three years or more) and 15%.

Notwithstanding the above, with respect to income from public debt securities, according to the understanding of the AGT and the Banco Nacional de Angola addressed to the Angolan Banks Association (in Portuguese, Associação Angolana de Bancos) (letter from the Banco Nacional de Angola dated 26 September 2013), only income arising from securities issued on or after 1 January 2013 are subject to this tax.

This income from Treasury Bonds and Treasury Bills, issued by the Angolan State after 1 January 2013, is subject to IAC at the rate of 10% (5% in the case of debt securities admitted to trading on a regulated market and which have a maturity of three years or more).

On 1 August 2013, the automation process to withhold tax was initiated, by the BNA, in respect of IAC, in accordance with the provisions of Presidential Legislative Decree No. 5/11, of 31 December.

IAC is generally levied on the income from the securities identified above and is withheld by the Bank. For these reasons, the Bank considers that the conditions to consider IAC as an income tax under IFRS are fulfilled.

Value Added Tax (VAT)

Law No. 7/19 introduced VAT, which has been in force since 1 October 2019, repealing the Consumption Tax Regulation (IC) and introducing relevant amendments to the Stamp Duty Code (IS).

Under the terms of the VAT Code approved by Law No. 7/19 and the amendments introduced by Law No. 17/19 of 13 August, they are subject to this tax: (i) the transfer of goods and services carried out within national territory, for consideration, by a taxable person acting as such; and (ii) the import of goods.

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

It should be noted that the VAT rate in force in Angola, applicable to transactions subject and not exempt from VAT, is 14%. Additionally, and in accordance with Article 21(2) of the VAT Code, commercial banks must withhold 50% of the tax included in the invoice or equivalent document issued by the taxpayer at the time of transfer of goods or rendering of services (except for the transfers of goods or services listed as excluded from this withholding tax). In this regard, the withholding of this tax must be made in the periodic VAT return for the month in which this tax becomes chargeable under the terms of Article 21(3) of the VAT Code (i.e., upon receipt of the respective invoice or equivalent document by the entities subject to the withholding VAT system).

However, Instruction No. 000003/DNP/DSIVA/AGT/2020, issued by the Angolan tax authorities, has clarified that transfers of goods to any withholding entities whose payment is made by debit in the account, with the exception of the State, are exempt from withhold. Examples of these situations are transfers of goods within the scope of banking and financial operations in which the Institutions debit the customer's account, namely: (i) the transfer of leased assets to the respective lessee when the stipulated purchase option is exercised, as well as (ii) the sale of point-of-sale (POS) systems as part of the institutions' provision of payment card acceptance services to their customers.

Under the terms of Article 10(1) of the VAT Code, for the purposes of this tax, and as a general rule, the rendering of services takes place within the national territory when the purchaser has domicile, head office or fixed establishment therein for which the services are acquired. In this context, Article 29(2) of the VAT Code, in conjunction with Article 2(1)(d) of the same tax compendium, provides for a reverse charge mechanism, whereby "whenever the purchaser is a taxable person, the tax is payable by that purchaser, in respect of services rendered within national territory, under Article 10 of the VAT Code, where the service provider is a non-resident taxable person and does not have a fixed establishment in national territory", i.e., the purchaser, a VAT taxpayer in Angola, must (self)assess the Angolan VAT due on the rendering of services in Angola, when these are rendered by non-resident suppliers.

Moreover, considering the Bank is a taxable person that carries out transactions which grant the right to deduct (i.e., transactions subject to VAT) and transactions which do not grant the right to deduct (i.e., transactions which are exempt from this tax under the aforementioned terms), the VAT incurred by the Bank on its purchases of goods and services is only partially deductible using the pro rata method.

Nevertheless, the Bank, as a taxable person subject to the general VAT system, may, under the terms of Article 27(2) of the VAT Code, adopt the actual allocation method regarding the VAT incurred on goods for sale. This method of deduction consists of the possibility of deducting all the tax incurred in the acquisition of goods in transactions which give rise to a right to deduct but excludes the possibility of deducting the tax incurred in transactions which do not give rise to this right, under the terms of Articles 22 and 24 of the VAT Code. The goods whose tax may be deducted according to the actual use method are subject to prior authorization by the Tax Authorities. Additionally, Instruction No. 000003/DNP/DSIVA/AGT/2020, referred to below, established that credit institutions may adopt the actual allocation method to deduct the VAT incurred on the acquisition of goods and services "exclusively used" to carry out:

I. Financial lease operations;
II. Financial operations carried out by institutions without head office or permanent establishment in national territory ("correspondent banks") for Angolan institutions;
III. Operations covered by the provisions of Article 6(3) of the VAT Code, namely the re-invoicing of goods and/or services acquired by the institutions in their own name, but on behalf of third parties, to whom the respective goods and/or services are re-invoiced, with a view to obtaining a refund (cost recovery).

For the purposes of VAT deduction according to the mentioned method, credit institutions must prepare a letter addressed to the VAT Services Department (in Portuguese, *Direcção dos Serviços do IVA*), requesting the amendment of the statement on the commencement of operations, as well as the respective compliance with the obligations foreseen in the VAT Code regarding the accounting record of the operations, in order to allow the control of the operations whose tax was deducted according to the actual allocation method.

Moreover, the Bank is also required to comply with the invoicing rules under the Legal Regime of Invoices and Equivalent Documents (in Portuguese, *Regime Jurídico das Facturas e Documentos Equivalentes* (RJFDE)), in force since April 2019. Within this scope, the economic agents with a turnover equal or superior to Kwanzas equivalent to USD 250 thousand must issue the invoices or equivalent documents through a certified invoicing system.

Property Tax

In accordance with the provisions of Law No. 20/20, published on 9 July, which approved the new Property Tax Code and revoked the previous law, the Bank withholds Property Tax at a rate of 15% (considering that the taxable amount of these properties corresponds only to 60% of the value of the rents received during the year, since the applicable tax rate is 25%), on the payment or delivery of rents on rented property, with the exception of land for construction, for which Property Tax will be due at a rate of 0.6% of the asset value.

Property Tax will be due on non-rented property in accordance with the following ranges:

- A rate of 0.1% on the asset value, applicable to real estate with an asset value below AOA 5,000,000;
- A fixed value of AOA 5,000 for properties with an asset value above AOA 5,000,000 and below AOA 6,000,000;
- A rate of 0.5% on the asset value exceeding AOA 5,000,000, applicable to real estate with an asset value above AOA 6,000,000.

In the transfer with or without consideration of property, the taxable amount corresponds to the asset value as stated in the land registry at the date of transfer, the value determined by evaluation, in the case of an omitted building, or the declared value, whichever is greater. The transfer of real estate assets is subject to property tax at the rate of 2%, the charge and liability for settlement of which should fall on the Bank whenever it acts as purchaser.

Other taxes

The Bank is also subject to indirect taxes, namely customs duties, stamp duty, employment income tax, as well as other taxes, namely the Special Contribution on Foreign Exchange Transactions, which, in accordance with Law No. 15/23 of 29 December, which came into force on 1 January 2024, is applicable to all transfers made with a national registered office or domicile, within the scope of contracts for the provision of services, technical assistance, consultancy and management, capital operations and unilateral transfers.

2.16 Provisions and contingent assets and liabilities

Provisions

A provision is set up when there is a present obligation (legal or constructive) as a result of a past event for which the future outflow of resources is probable and can be reliably measured. The provision amount corresponds to the best estimate of the amount to be disbursed to settle the liability, at the balance sheet date. Provisions are measured at the present value of the estimated costs to settle the obligation using a pre-tax interest rate, which reflects the market value, for the discount period and for the risk of the provision in question.

If the future expenditure of resources is not likely, it is a contingent liability, and is subject to the respective disclosure, in accordance with the requirements of IAS 37 – Provisions, contingent liabilities and contingent assets.

Provisions related to legal proceedings, opposing BFA to third parties, are constituted in accordance with internal risk assessments carried out by the Board of Directors, with the support and advice of its legal advisors.

Provisions for loan commitments and financial guarantees provided are measured according to the impairment model implemented as described in Note 2.3.11.

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

Provisions are derecognized through their use for the obligations for which they were initially recognized or for the cases that the situations were no longer observed.

Contingent Assets

Contingent assets are not recognized in the financial statements, being disclosed when it is probable that there will be a future economic inflow of resources.

Contingent Liabilities

Contingent liabilities are not recognized in the financial statements but are covered by IAS 37 and disclosed whenever the possibility of an outflow of resources involving economic benefits is not remote. The Bank records a contingent liability when:

- i) it is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not entirely within the Bank's control; or,
- ii) it is a present obligation that arises from past events, but is not recognized because:
  - a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or,
  - b) the amount of the obligation cannot be measured with sufficient reliability.

Identified contingent liabilities are subject to disclosure unless the possibility of an outflow of resources embodying economic benefits is remote.

2.17 Financial and performance guarantees

Financial guarantees

Financial guarantees are contracts that require the issuer to make payments in order to compensate the holder for losses incurred, as a result of breaches of the contractual terms of debt instruments, namely the payment of the respective principal and/or interest.

Financial guarantees issued are initially recognized at their fair value. Subsequently, these guarantees are measured at the higher (i) of the fair value initially recognized and (ii) the amount of any obligation arising from the guarantee contract, measured at the balance sheet date. Any change in the amount of the obligation associated with financial guarantees issued is recognized in the income statement.

Financial guarantees issued by the Bank usually have a defined maturity and a periodic fee charged in advance, which varies according to the counterparty risk, amount, and performance of the contract. On this basis, the fair value of the guarantees, on the date of their initial recognition, is approximately equivalent to the value of the initial commission received, considering that the agreed conditions are market conditions. Thus, the amount recognized on the contracting date equals the amount of the initial commission received, which is recognized in the income statement during the period to which it relates. Subsequent commissions are recognized in the income statement, in the period to which it relates.

Performance guarantees

Performance guarantees are contracts that result in one party being compensated if it fails to perform its contractual obligation. Performance guarantees are initially recognized at fair value, which is normally stated by the amount of commissions received over the life of contract. Upon breach of contract, the Bank has the right to revert the guarantee, with the amounts being recognized in Loans and advances to customers, following the transfer of the loss compensation to the guarantee beneficiary.

2.18 Leases

IFRS 16 sets out requirements regarding the scope, classification/recognition and measurement of leases:

- from the lessor's perspective, leases continue to be classified as finance leases or operating leases;
- from the lessee's perspective, the standard defines a single accounting model for lease agreements that results in the recognition of a right-of-use asset and a lease liability for all lease agreements except for leases with a period of less than 12 months or for leases of low value assets in which cases the lessee may opt for the recognition exemption provided for in IFRS 16, and, in that case, should recognize the lease payments associated with those contracts as External supplies and services.

The Bank has opted not to apply this standard to short-term lease agreements of less than or equal to one year and to lease agreements where the underlying asset has low value, and the option of not applying this standard to leases of intangible assets has also been used.

Definition of a lease

A contract is or contains a lease if it conveys the right to control the use of an identified asset, that is, obtaining substantially all of the economic rewards of its use, and the right to direct the use of that identified asset, for a certain period of time in exchange for consideration.

Impacts from the lessee's perspective

The Bank recognizes for all leases, except for leases with a period of less than 12 months or for leases of low-value assets:

- a right-of-use asset, initially measured at cost, considering the Net Present Value (NPV) of the lease liability, plus payments made (fixed and/or variable) less lease incentives received, penalties for termination (if reasonably certain), as well as any cost estimates to be incurred by the lessee in dismantling and removing the underlying asset and/or restoring the location where it is located. Subsequently, it is measured according to the cost model (subject to depreciation/amortization according to the lease term of each agreement and to impairment tests);
- a lease liability, initially recorded at the present value of the future lease cash flows (NPV), which includes:
  - fixed payments, less leasing incentives receivable;
  - variable lease payments that depend on an index or rate, initially measured using the index or rate at the start date of the agreement;
  - the amounts payable by the lessee as residual value guarantees;
  - the exercise price of a call-option, if the lessee is reasonably certain to exercise that option; and
  - sanction payments for the termination of the lease if the lease term reflects the exercise of a lease termination option by the lessee.

The lease liability is measured at amortized cost using the effective interest rate method.

Since the interest rate implicit in the lease cannot be readily determined (paragraph 26 of IFRS 16), the lease payments are discounted at the lessee's incremental borrowing rate which incorporates the risk-free interest rate curve (swap curve), plus a risk spread of the Bank, applied over the weighted average term of each lease agreement. For open-ended contracts, this date is considered to be the end date of the lease. For other open-ended contracts, the period within which the lease will be enforceable is assessed, as well as any economic penalties associated with the lease. When assessing enforceability, the specific clauses of the contracts are considered, as well as the legislation in force regarding Urban Leases.

Subsequently, the lease liability is measured as follows:

- by an increase in its carrying amount to reflect interest thereon;
- by a decrease in its carrying amount to reflect lease payments; and
- the carrying amount is remeasured to reflect any revaluations or changes in the lease, as well as to incorporate the revision of lease payments fixed in substance and the revision of the lease term.

The Bank remeasures a lease liability, and calculates the respective adjustment related to the right-of-use asset whenever:

- there is a change in the lease term or in the assessment of a call-option over the underlying asset, in which case the lease liability is remeasured, discounting the revised lease payments and using a revised discount rate;
- there is a change in the amounts payable under a residual value guarantee, or in the future lease payments resulting from the change in an index or rate used to determine those payments, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the change in the lease payments results from a change in variable interest rates, in which case a revised discount rate should be used); and
- a lease agreement is changed, but such lease change is not accounted for as a separate lease, in which case the lease liability is remeasured, discounting the revised lease payments using a revised discount rate.

Right-of-use assets are depreciated from the lease start date until the end of the useful life of the underlying asset, or until the end of the lease term, whichever is earlier. If the lease transfers the ownership of the underlying asset, or if the cost of the right-of-use asset reflects the fact that the Bank will exercise a call-option, the right-of-use asset should be depreciated/amortized from the lease start date until the end of the useful life of the underlying asset.

The estimated useful life of the right-of-use assets is determined following the same principles as for Property, plant and equipment.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted by certain remeasurements of the lease liability.

Depreciation/amortization begins on the date the lease takes effect. Accounting for leases from the lessee's perspective in the Bank's financial statements is as follows:

In the income statement:

- the interest expense on lease liabilities is recorded under Net interest income;
- the amounts relating to short-term lease agreements and lease agreements for low-value assets are recorded under Other administrative expenses; and
- the cost of depreciation of right-of-use assets is recorded under Depreciation and amortization for the period. In the balance sheet:
- right-of-use assets recognized under Property, plant and equipment; and
- the value of lease liabilities recorded under Other liabilities.

Impact from the lessor's perspective

As at 30 June 2024 and 31 December 2023, the Bank has no lease agreements in which it is the lessor.

2.19 Earnings per share

Basic earnings per share are calculated by dividing the net income attributable to shareholders of the Bank by the weighted average number of ordinary shares outstanding, excluding the average number of own shares held by the Bank.

For the diluted earnings per share, the average number of ordinary shares outstanding is adjusted to reflect the effect of all potential ordinary shares treated as dilutive. Contingent or potential issues are treated as dilutive when their conversion into shares decreases earnings per share.

If earnings per share change as a result of an issue with a premium or discount or other event that changes the potential number of ordinary shares, or changes in accounting policies, the calculation of earnings per share for all periods presented is adjusted retrospectively (see Note 19).

2.20 Subsequent events

The Bank analyzes events that occur after the balance sheet date, i.e., favorable and/or unfavorable events that occur between the balance sheet date and the date on which the financial statements were authorized for issue. In this context, two types of events can be identified:

- those that provide evidence of conditions that existed at the balance sheet date (adjusting events after the balance sheet date); and
- those that are indicative of conditions that arose after the balance sheet date (non-adjusting events after the balance sheet date).

Events occurring after the date of the financial statements that are not considered as adjustable events, if material, are disclosed in the notes to the financial statements.

3. MAIN ESTIMATES AND UNCERTAINTIES ASSOCIATED WITH THE APPLICATION OF THE ACCOUNTING POLICIES

IFRS establish several accounting treatments and require the Board of Directors to make judgments and prepare the necessary estimates to decide which accounting treatment is most appropriate. The main estimates and judgments used in the application of accounting principles by the Bank are presented in this Note, with the objective of improving the understanding of how their application affects the Bank's reported results and their disclosure, considering the context of uncertainty resulting from the impact of the devaluation of the functional currency. A broad description of the main accounting policies used by the Bank is presented in Note 2 to the financial statements.

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

3.1 Impairment losses of financial assets at amortized cost and debt instruments at fair value through other comprehensive income

The determination of impairment losses of financial instruments involves judgments and estimates regarding the following aspects, among others:

a) Significant increase in credit risk:
Impairment losses correspond to the expected losses in the event of a default over a 12-month time horizon, for Stage 1 assets, and to the expected losses considering the probability of a default event occurring at some point up to the financial instrument's maturity date, for Stage 2 and 3 assets. An asset is classified as Stage 2 whenever there is a significant increase in the respective credit risk since its initial recognition. In assessing the existence of a significant increase in credit risk, the Bank considers reasonable and sustainable qualitative and quantitative information.

b) Definition of groups of assets with common credit risk characteristics:
When expected credit losses are measured on a collective basis, financial instruments are grouped based on common risk characteristics. The Bank monitors the adequacy of the credit risk characteristics on a regular basis to assess whether they remain similar. This procedure is necessary to ensure that, in the event of a change in credit risk characteristics, the asset segmentation is revised. This revision may result in the creation of new portfolios or in the transfer of assets to existing portfolios which better reflect their credit risk characteristics.

c) Probability of default:
The probability of default represents a determining factor in measuring expected credit losses. The probability of default corresponds to an estimate of the probability of default in a given period, which is calculated based on historical data, assumptions, and expectations about future conditions.

d) Loss given default:
Corresponds to an estimate of loss in a default scenario. It is based on the difference between the contractual cash flows and those that the Bank expects to receive, either through the cash flows generated by the customer's business or loan collateral. The calculation of the estimated loss given default is based, among other aspects, on the different recovery scenarios, historical information, the costs involved in the recovery process and the estimated valuation of collaterals associated with loan operations.

This assessment is performed using internal and external information and includes the use of assumptions and judgments in its modeling, the change of which could determine different results.

Consequently, the use of different methodologies or different assumptions or judgments in measuring impairment could lead to different results from those reported and summarized in Notes 6, 8, 9 and 30.

Finally, the Bank considers that the impairment determined based on this methodology allows an adequate reflection of the risk associated to its financial assets, considering the rules established by IFRS 9 - Financial Instruments.

3.2 Fair value of derivative financial instruments and other financial assets and liabilities measured at fair value

Fair value is based on market quotations, when available, and, in their absence, on the use of prices of similar recent transactions carried out under market conditions or based on valuation methodologies, using discounted cash flow techniques, applied to the future cash flows considering market conditions, the effect of time, the yield curve and volatility factors. These methodologies may require the use of assumptions or judgments in estimating fair value.

Consequently, the use of different methodologies or different assumptions or judgments in the application of a given model could give rise to different financial results from those reported in Notes 7 and 30.4.

3.3 Provisions

The measurement of provisions considers the principles defined in IAS 37 regarding the best estimate of the expected cost, the most likely outcome of ongoing actions, and considers the risks and uncertainties inherent in the process. Different assumptions and judgments would have an impact on the determination of the amount of the provisions, which are presented in Note 17.

Changes to these assumptions could have a significant impact on the values determined.

4. CASH AND DEPOSITS AT CENTRAL BANKS

As at 30 June 2024 and 31 December 2023, the caption Cash and deposits at Central Banks is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Cash		
National currency - banknotes and coins	24 725 754	21 416 760
Foreign currency - banknotes and coins		
In United States dollar	2 169 842	2 746 929
In Euro	2 490 021	2 179 124
In other currencies	590 032	555 764
	29 975 649	**26 898 577**
Deposits at Central Bank		
Demand deposits at the Banco Nacional de Angola (BNA)		
In national currency	156 095 443	153 175 534
In United States dollar	273 916 148	199 652 609
In Euro	176 482 598	176 920 075
	606 494 189	**529 748 218**
TOTAL	**636 469 838**	**556 646 795**

Demand deposits at the BNA in national and foreign currency aim to comply with the provisions in force regarding the reserve requirement to be maintained and are not remunerated. As at 30 June 2024, the minimum reserve requirements amounted to AOA 140,654,698 thousand in national currency and AOA 300,863,347 thousand in foreign currency (2023: AOA 100,838,260 thousand and AOA 297,515,264 thousand, respectively).

As at 30 June 2024 and 31 December 2023, the reserve requirements are calculated in accordance with the provisions of BNA Instruction No. 04/2023 of 30 March 2023, Directive No. 01/2024 of 30 January 2024 and Directive No. 12/2023 of 28 November 2023, respectively. The currencies for compliance with the minimum reserve requirements in Foreign Currency are the US Dollar, the Euro and the South African Rand, in accordance with Directive 03/DME/2023 of 6 February 2023.

As at 30 June 2024, the tax base for calculating reserve requirements in national currency (NC) and in foreign currency (FC) is every two weeks.

The reserve requirement in national currency is set at 20% for items that comprise the reserve base, in accordance with Directive No. 01/2024 of 30 January, and 20% for the balances of local governments and municipal administrations, to be applied to the average fortnightly balances of the reserve base.

The reserve requirement in foreign currency was set at 22%, to be applied to the average weekly balances of items that comprise the reserve base, as defined in paragraph 2 of Instruction No. 04/2023 of 30 March and at 100% for the balances of local governments and municipal administrations, to be applied to the daily balances of the accounts.

Directive No. 12/2023 provides that in relation to the reserve requirements in national and foreign currency, the balances of deposit accounts in foreign and national currency, opened at the Banco Nacional de Angola on behalf of each banking credit institution, are eligible. The following assets are eligible for compliance with the reserve requirement in foreign currency:

- The balance of the foreign currency deposit account, opened at the Banco Nacional de Angola, on behalf of each Banking Credit Institution. Deducted from the corresponding 100% (one hundred percent) of deposits on behalf of the Central Government held at the financial institution.

For the fulfillment of the minimum reserve requirements the following are also eligible:

- 80% (eighty percent) of the assets representing the value of loan disbursements in national currency, relating to projects in the agriculture, livestock, forestry and fishing sectors, granted until 14 April 2021, provided that they have a residual maturity equal to or greater than 24 (twenty-four) months;
- Loans defined in accordance with the provisions of Article 8, of Notice No. 10/2020, of 6 April on Granting Credit to the Real Sector of the Economy, whatever the residual maturity; and
- Loans defined in accordance with the provisions of Article 10 of Notice No. 09/2022, of 6 April on the granting of mortgages, whatever the residual maturity.

5. LOANS AND ADVANCES TO OTHER CREDIT INSTITUTIONS

As at 30 June 2024 and 31 December 2023, the caption Loans and advances to credit institutions is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Demand deposits	36 953 924	41 635 446
Accumulated impairment losses (Note 17)	(3 198)	(4 180)
	36 950 726	**41 631 266**

The reconciliation of changes in the gross book value and impairment losses per stage of impairment of Loans and advances to credit institutions is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024 Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2024	**41 635 446**	**4 180**
Originated / derecognized financial assets	(5 524 676)	(1 035)
Changes in exchange rates and other movements	843 154	53
Balance as at 30 June 2024		
	36 953 924	**3 198**

Amounts expressed in thousands of Kwanzas

	31/12/2023 Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2023	**24 125 503**	**3 444**
Originated or acquired financial assets	2 045 510	(1 954)
Changes in exchange rates and other movements	15 464 433	2 690
Balance as at 31 December 2023		
	41 635 446	**4 180**

As at 30 June 2024 and 31 December 2023, the balance, net of impairment, by currency under Loans and advances to credit institutions is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
In US dollars	20 063 151	21 717 823
In Euros	13 840 780	15 331 017
In other currencies	3 046 795	4 582 426
	36 950 726	**41 631 266**

6. OTHER LOANS AND ADVANCES TO CENTRAL BANKS AND CREDIT INSTITUTIONS

As at 30 June 2024 and 31 December 2023, the caption Other loans and advances to central banks and credit institutions is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Other loans and advances to credit institutions abroad:		
In United States Dollars	617 361 565	610 262 015
In Euro	81 601 125	74 561 586
In Pound Sterling	8 091 953	8 432 968
	707 054 643	**693 256 569**
Other loans and advances to central banks		
In Kwanzas	419 647 956	198 021 408
	419 647 956	**198 021 408**
Other loans and advances to credit institutions in Angola:		
In Kwanzas	20 999 926	-
	20 999 926	-
	1 147 702 525	**891 277 977**
Income receivable	21 954 935	10 599 657
	1 169 657 460	901 877 634
Accumulated impairment losses (Note 17)	(507 507)	(375 124)
	1 169 149 953	**901 502 510**

As at 30 June 2024 and 31 December 2023, the residual maturities of Other loans and advances to credit institutions in Angola, abroad and with Central Banks were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Up to 3 months	831 056 024	798 548 255
3 to 6 months	66 827 885	44 545 023
More than 6 months	249 818 616	48 184 699
	1 147 702 525	**891 277 977**

Other loans and advances to central banks refer to reverse repos, which are accounted for in accordance with the accounting policy described in Note 2.4.

As at 30 June 2024 and 31 December 2023, Other loans and advances to credit institutions earned interest at the following annual weighted average rates:

	30/06/2024	31/12/2023
In United States Dollars	5.14%	5.18%
In Euros	3.48%	3.58%
In Kwanzas	14.66%	9.58%
In Pound Sterling	4.75%	4.75%

The reconciliation of changes in the book value and impairment losses per stage of Other loans and advances to central banks and credit institutions is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024 Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2024	**901 877 634**	**(375 124)**
Originated financial assets	1 112 495 377	1 247 709
Derecognized financial assets	(849 602 215)	(375 124)
Changes in exchange rates and other movements	4 886 664	10 046
Balance as at 30 June 2024	**1 169 657 460**	**507 507**

Amounts expressed in thousands of Kwanzas

	31/12/2023 Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2023	**726 368 077**	**320 964**
Originated financial assets	898 336 170	216 020
Derecognized financial assets	(726 368 077)	(320 964)
Changes in exchange rates and other movements	3 541 464	159 104
Balance as at 31 December 2023	**901 877 634**	**375 124**

7. FINANCIAL ASSETS AND AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 30 June 2024 and 31 December 2023, Financial assets at fair value through profit or loss is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Currency	Average interest rate	Nominal value	Fair value	Accrued interest	Book value
Debt securities						
Treasury Bonds in national currency:						
Not indexed	AOA	16.98%	35 336 467	36 108 613	1 651 400	37 760 013
Derivatives	AOA	-	11 480 715	946 964	-	946 964
Equity instruments						
Visa Incl. - Class C (Series I)	USD	-	-	3 113 427	-	3 113 427
EMIS	AOA	-	-	3 277 888	-	3 277 888
IMC – Instituto de mercado de capitais	AOA	-	-	337	-	337
SWIFT	EUR	-	-	46 888	-	46 888
Participation units	AOA	-	-	160 545	-	160 545
			46 817 182	**43 654 662**	**1 651 400**	**45 306 062**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Currency	Average interest rate	Nominal value	Fair value	Accrued interest	Book value
Debt securities						
Treasury Bonds in national currency:						
Not indexed	AOA	16.35%	35 386 500	36 920 367	2 090 225	39 010 592
Derivatives	AOA	-	13 599 670	743 747	-	743 747
Equity instruments						
Visa Incl. - Class C (Series I)	USD	-	-	2 998 452	-	2 998 452
EMIS	AOA	-	-	3 277 888	-	3 277 888
IMC – Instituto de mercado de capitais	AOA	-	-	337	-	337
SWIFT	EUR	-	-	47 004	-	47 004
Participation units	AOA	-	-	409 811	-	409 811
			48 986 170	**44 397 606**	**2 090 225**	**46 487 831**

Debt securities

As at 30 June 2024 and 31 December 2023, the Bank holds Treasury Bonds issued by the Angolan State to be traded on the secondary market with other banks, or with its customers.

Equity instruments

As at 30 June 2024, the equity securities portfolio recorded at fair value through profit or loss, refers to:

Shares
- 13,896 Class C (Series I) shares of Visa Inc. (2023: 13,896 shares);
- shareholding in EMIS – Empresa Interbancária de Serviços, S.A.R.L. (18.81%) (2023: 18.81%);
- shareholding in IMC – Instituto de Mercado de Capitais (2%) (2023: 2%);

Participation Units in Funds as at 30 June 2024:
- 31,271 (0.31%) participation units in Fundo BFA Oportunidades XIX;
- 21,795 (0.13%) participation units in Fundo BFA Oportunidades XXI;
- 50,000 (4.10%) participation units in Fundo BFA Futuro.
- 42,100 (1.40%) participation units in Fundo BFA Futuro.

Participation Units in Funds as at 31 December 2023:
- 5,529 (0.06%) participation units in Fundo BFA Oportunidades XIX;
- 14,584 (0.26%) participation units in Fundo BFA Oportunidades XVII;
- 138,443 (1.26%) participation units in Fundo BFA Oportunidades XVIII;
- 133,290 (1.33%) participation units in Fundo BFA Oportunidades XVI;
- 17,180 (0.11%) participation units in Fundo BFA PRIVATE V;
- 100,784 (3.36%) participation units in Fundo BFA Futuro.

EMIS

As at 30 June 2024, the shareholding corresponded to 18.81% of the share capital of EMIS. EMIS was incorporated in Angola with the function of managing electronic means of payment and complementary services.

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, the Company did not distribute any dividends.

Derivatives

As at 30 June 2024 and 31 December 2023, the caption Derivatives - Currency forwards is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Financial assets at fair value through profit or loss		
Instrumentos Financeiros Derivados		
Positive fair value (assets)	946 964	743 747
	946 964	743 747
Financial liabilities at fair value through profit or loss		
Instrumentos Financeiros Derivados		
Positive fair value (liabilities)	(2 649 420)	(2 537 450)
	(2 649 420)	(2 537 450)
	(1 702 456)	**(1 793 703)**

As at 30 June 2024 and 31 December 2023, the derivative financial instruments correspond to currency forwards contracted with non-financial entities.

As at 30 June 2024 and 31 December 2023, the notional amounts of the currency forwards are recorded under off-balance sheet items, in the amount of AOA 7,628,967 thousand and AOA 7,703,799 thousand, respectively, as per Note 27.

The valuation model for financial instruments is described in Note 30.4.

The maturities of the financial instruments under this caption are detailed in Note 30.2.

As at 30 June 2024 and 31 December 2023, changes in the fair value of debt securities recorded at fair value through profit or loss and the capital gains realized by the Bank, resulting from transactions in these securities are recorded under Net Profit/(losses) on financial assets and liabilities measured at fair value through profit or loss in the income statement.

Net Profit/(losses) on financial assets and liabilities at fair value through profit or loss are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Net gains/(losses) on assets and liabilities at fair value through profit or loss		
Debt securities	3 982 858	129 829
Currency forwards	91 248	(1 367 791)
Equity instruments	21 226	268 664
Participation units	24 075	34 210
	4 119 407	**(935 088)**

8. INVESTMENTS AT AMORTIZED COST

As at 30 June 2024 and 31 December 2023, the caption Investments at amortized cost is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024											
	Internal risk level	Country	Currency	Nominal value	Acquisition cost	Premium/ accrued discount	Changes in foreign exchange rates	Accrued interest	Gross book value	Impairment (Note 17)	Net book value	Average interest rate
Debt securities												
Treasury Bills in national currency	A	Angola	AOA	147 764 542	129 113 745	9 487 355	-	-	138 601 100	(732 982)	137 868 118	-
Treasury Bonds in national currency:												
Not indexed	A	Angola	AOA	605 761 123	576 201 294	30 793 532	-	29 336 601	636 331 427	(8 525 342)	627 806 085	17.11%
Treasury bonds in foreign currency	A	Angola	USD	182 838 796	142 606 848	-	40 231 948	2 532 424	185 371 220	(1 982 465)	183 388 755	5.38%
Treasury bonds in foreign currency	A	Portugal	USD	8 350 199	4 977 058	(69 006)	3 456 643	89 156	8 453 851	-	8 453 851	5.13%
Treasury bonds in foreign currency	A	United States	USD	9 064 686	5 028 462	499 159	3 492 343	12 701	9 032 665	-	9 032 665	0.38%
Eurobond	A	Angola	USD	99 926 664	57 882 536	873 209	34 571 606	607 610	93 934 961	(1 424 605)	92 510 356	8.23%
				1 053 706 010	**915 809 943**	**41 584 249**	**81 752 540**	**32 578 492**	**1 071 725 224**	**(12 665 394)**	**1 059 059 830**	

Amounts expressed in thousands of Kwanzas

	31/12/2023											
	Internal risk level	Country	Currency	Nominal value	Acquisition cost	Premium/ accrued discount	Changes in foreign exchange rates	Accrued interest	Gross book value	Impairment (Note 17)	Net book value	Average interest rate
Debt securities												
Treasury Bills in national currency	A	Angola	AOA	151 118 859	139 968 178	2 803 305	-	-	142 771 483	(716 910)	142 054 573	0.11%
Treasury Bonds in national currency:												
Not indexed	A	Angola	AOA	625 194 100	590 371 435	33 071 851	-	29 379 922	652 823 208	(8 360 168)	644 463 040	17.04%
Treasury bonds in foreign currency	A	Angola	USD	189 952 672	155 038 818	13 723	34 913 854	2 693 228	192 659 623	(2 410 681)	190 248 942	5.35%
Treasury bonds in foreign currency	A	Portugal	USD	8 107 322	4 927 780	(44 233)	3 260 614	86 563	8 230 724	-	8 230 724	5.13%
Treasury bonds in foreign currency	A	United States	USD	8 801 027	5 349 427	319 037	2 923 538	12 376	8 604 378	-	8 604 378	0.38%
Eurobond	A	Angola	USD	97 020 157	62 581 552	656 236	26 932 584	601 883	90 772 255	(1 300 196)	89 472 059	8.23%
Other financial instruments												
Reverse Repos	A	Angola	AOA	327 001 802	327 001 802	-	-	2 126 424	329 128 226	(260 816)	328 867 410	10.01%
				1 407 195 939	**1 285 238 992**	**36 819 919**	**68 030 590**	**34 900 396**	**1 424 989 897**	**(13 048 771)**	**1 411 941 126**	

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In the period ended 31 December 2023, the Bank sold Angolan sovereign debt securities recognized in the Investment portfolio at amortized cost, which were close to maturity and whose receivable amount corresponded approximately to the sale price. Therefore, as this is an infrequent transaction, the Board of Directors considers that it does not jeopardize the business model established.
This operation led to the recognition of a capital gain of AOA 8,508,936 thousand in 2023.

In 2023, BFA contracted a set of short-term reverse repo operations with the Angolan state, negotiated through BODIVA, which matured in the first quarter of 2024. Given the nature of the operations, the Board of Directors recognizes their classification under Investments at amortized cost. Impairment recognized follows the model already implemented for other similar credit exposures.

The breakdown of investments at amortized cost, by residual maturity, is disclosed in Note 30.2.

The fair value and the detail by fair value hierarchy of the investment portfolio at amortized cost are presented in Note 30.4.

As at 30 June 2024 and 31 December 2023, impairment losses for Treasury Bonds, Treasury Bills, Eurobonds and foreign treasury bonds were calculated based on the credit risk parameters provided by the international rating agency Moody's.

The credit quality of the investment portfolio at amortized cost is disclosed in Note 30.1.

A reconciliation of changes in the gross book value and impairment losses per stage of investments at amortized cost is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024	
	Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2024	**1 424 989 897**	**13 048 771**
Financial assets acquired in the period / changes in credit risk	87 386 581	565 694
Other financial assets / changes in credit risk	-	(362 985)
Derecognized financial assets	(449 542 554)	(692 625)
Subtotal	**1 062 833 924**	**12 558 855**
Changes in exchange rates and other movements	8 891 300	106 539
Balance as at 30 June 2024	**1 071 725 224**	**12 665 394**

Amounts expressed in thousands of Kwanzas

	31/12/2023	
	Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2023	**958 579 426**	**10 211 818**
Financial assets acquired in the period / changes in credit risk	864 933 882	8 827 415
Other financial assets / changes in credit risk	-	(2 565 145)
Derecognized financial assets	(495 162 306)	(4 934 447)
Subtotal	**1 328 351 002**	**11 539 641**
Changes in exchange rates and other movements	96 638 895	1 509 130
Balance as at 31 December 2023	**1 424 989 897**	**13 048 771**

As at 30 June 2024 and 31 December 2023, the impairment of investments at amortized cost is AOA 12,665,394 thousand and AOA 13,048,771 thousand, respectively (see Note 17).

9. LOANS AND ADVANCES TO CUSTOMERS

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Loans falling due		
Credit cards	4 335 596	1 806 782
Consumer credit	85 718 035	82 008 441
Motor vehicle loans	160 176	76 005
Mortgages	22 681 490	22 093 697
Overdrafts	1 019 108	764 283
Corporate - less significant exposures	2 541 266	2 706 245
Corporate - significant exposures	334 614 717	275 454 938
State	206 529 922	190 144 611
Total loans falling due	**657 600 310**	**575 055 002**
Loans and interest overdue		
Credit cards	594 989	494 669
Consumer credit	3 350 901	3 085 764
Motor vehicle loans	-	-
Mortgages	543 905	591 888
Overdrafts	631 394	228 802
Corporate - less significant exposures	214 356	260 660
Corporate - significant exposures	7 631 994	7 275 956
Total loans and interest overdue	**12 967 539**	**11 937 739**
Total loans granted	670 567 849	586 992 741
Income receivable from loans granted	13 291 176	13 378 114
	683 859 025	600 370 855
Impairment for loans and advances (Note 17)	(54 750 335)	(50 268 076)
	629 108 690	550 102 779

As at 30 June 2024 and 31 December 2023, Loans and advances to customers earned interest at the following weighted average annual rates:

	30/06/2024	31/12/2023
In Kwanzas	16.,81%	16.12%
In United States Dollars	12.34%	12.09%
In Euros	7.00%	7.00%

As at 30 June 2024 and 31 December 2023, the group of ten largest debtors represents 62.71% and 64.02%, respectively, of the total loan portfolio (excluding guarantees provided and documentary credits).

In the period ended 31 December 2023, loans were written-off in the amount of AOA 9,247,161 thousand (Note 17), in accordance with the criteria defined by the Bank.

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, there were recoveries of loans and interest previously written off or written down from assets, in the amounts of AOA 132,150 thousand and AOA 342,381 thousand (Note 24), respectively.

The loan portfolio, by segment, presents the following structure:

Amounts expressed in thousands of Kwanzas

30/06/2024	Exposure												Impairment			
Segment	Total exposure (including interest)	Loans in Stage 1	Of which no longer in default	Of which restructured	Loans in Stage 2	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Loans in Stage3	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Total impairment (Note 16)	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3
Credit cards	4 930 585	3 457 623	-	-	955 481	615	-	-	517 481	-	-	-	592 885	50 247	79 106	463 532
Consumer credit	89 658 947	84 481 294	-	2 179	1 215 439	3 807	102 139	-	3 962 214	-	54 838	-	3 454 763	649 998	147 493	2 657 272
Motor vehicle loans	160 566	160 566	-	-	-	-	-	-	-	-	-	-	1 138	1 138	-	-
Mortgages	23 250 793	18 331 079	-	855 641	1 689 649	25 518	1 481 020	-	3 230 065	-	1 637 144	-	2 943 272	177 561	285 367	2 480 344
Overdrafts	1 650 502	618 832	-	-	838 689	-	-	-	192 981	-	-	-	327 293	42 294	142 646	142 353
Corporate - less significant exposures	2 815 564	1 999 229	12	7 148	282 472	-	170 934	-	533 863	-	239 415	-	426 588	56 999	72 054	297 535
Corporate - significant exposures	344 644 903	238 931 178	-	4 150 898	51 953 844	-	26 179 850	-	53 759 881	-	41 840 936	-	44 196 772	4 304 921	5 801 952	34 089 899
State	216 747 165	216 747 165	-	-	-	-	-	-	-	-	-	-	2 807 624	2 807 624	-	-
On-balance sheet exposure	**683 859 025**	**564 726 966**	**12**	**5 015 866**	**56 935 574**	**29 940**	**27 933 943**	**-**	**62 196 485**	**-**	**43 772 333**	**-**	**54 750 335**	**8 090 782**	**6 528 618**	**40 130 935**
Documentary credits and guarantees provided																
Corporate - less significant exposures	55 013 050	55 013 050	-	-	-	-	-	-	-	-	-	-	59 484	59 484	-	-
Corporate - significant exposures	65 407 382	63 875 963	-	-	1 531 419	-	-	-	-	-	-	-	333 225	287 282	45 943	-
Undrawn credit facilities	33 630 322	33 369 125	-	-	159 362	2 610	-	-	101 835	-	-	-	60 278	47 058	595	12 625
Off-balance sheet exposure	154 050 754	152 258 138	-	-	1 690 781	2 610	-	-	101 835	-	-	-	452 987	393 824	46 538	12 625
Total exposure	**837 909 779**	**716 985 104**	**12**	**5 015 866**	**58 626 355**	**32 550**	**27 933 943**	**-**	**62 298 320**	**-**	**43 772 333**	**-**	**55 203 322**	**8 484 606**	**6 575 156**	**40 143 560**

Amounts expressed in thousands of Kwanzas

31/12/2023	Exposure												Impairment			
Segment	Total exposure (including interest)	Loans in Stage 1	Of which no longer in default	Of which restructured	Loans in Stage 2	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Loans in Stage3	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Total impairment (Note 16)	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3
Credit cards	2 301 451	1 063 289	-	-	813 274	12 120	-	-	424 888	-	-	-	456 222	16 804	64 772	374 646
Consumer credit	85 609 541	80 187 364	-	-	1 715 306	5 177	6 114	-	3 706 871	-	11 099	-	3 078 256	577 137	79 947	2 421 172
Motor vehicle loans	76 265	76 265	-	-	-	-	-	-	-	-	-	-	385	385	-	-
Mortgages	22 710 906	17 671 884	-	1 048 764	1 645 297	198	1 333 627	-	3 393 725	-	1 392 342	-	3 103 917	292 532	295 915	2 515 470
Overdrafts	993 085	568 220	-	-	280 341	45	-	-	144 524	-	-	-	175 960	34 949	39 013	101 998
Corporate - less significant exposures	3 032 181	2 259 752	-	-	351 385	4	157 811	-	421 044	-	87 636	-	393 677	84 275	103 902	205 500
Corporate - significant exposures	286 658 455	202 992 922	-	2 758 032	30 567 860	-	19 528 972	-	53 097 673	-	41 634 282	-	40 635 014	2 739 953	6 126 750	31 768 311
State	198 988 971	198 988 971	-	-	-	-	-	-	-	-	-	-	2 424 645	2 424 645	-	-
On-balance sheet exposure	**600 370 855**	**503 808 667**	**-**	**3 806 796**	**35 373 463**	**17 544**	**21 026 524**	**-**	**61 188 725**	**-**	**43 125 359**	**-**	**50 268 076**	**6 170 680**	**6 710 299**	**37 387 097**
Documentary credits and guarantees provided																
Corporate - less significant exposures	51 318 231	51 318 231	-	-	-	-	-	-	-	-	-	-	98 004	98 004	-	-
Corporate - significant exposures	59 800 340	59 664 063	-	-	136 277	-	-	-	-	-	-	-	276 841	276 745	96	-
Undrawn credit facilities	45 101 700	44 575 324	-	-	408 994	11 886	-	-	117 382	350	-	-	104 946	90 182	979	13 785
Off-balance sheet exposure	156 220 271	155 557 618	-	-	545 271	11 886	-	-	117 382	350	-	-	479 791	464 931	1 075	13 785
Total exposure	**756 591 126**	**659 366 285**	**-**	**3 806 796**	**35 918 734**	**29 430**	**21 026 524**	**-**	**61 306 107**	**350**	**43 125 359**	**-**	**50 747 867**	**6 635 611**	**6 711 374**	**37 400 882**

The loan portfolio and impairment by range of days past due presents the following structure:

Amounts expressed in thousands of Kwanzas

30/06/2024	Exposure								
	Exposures without a significant increase in credit risk since initial recognition (Stage 1)			Exposures with a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Exposures credit impaired (Stage 3)		
Segment	**≤ 30 days**	**> 30 days ≤ 90 days**	**> 90 days**	**≤ 30 days**	**> 30 days ≤ 90 days**	**> 90 days**	**≤ 30 days**	**> 30 days ≤ 90 days**	**> 90 days**
Credit cards	3 457 623	-	-	876 202	79 279	-	32 072	8 433	476 976
Consumer credit	84 481 294	-	-	396 739	818 700	-	96 867	30 279	3 835 068
Motor vehicle loans	160 566	-	-	-	-	-	-	-	-
Mortgages	18 331 079	-	-	1 516 643	53 243	119 763	1 212 416	264 276	1 753 373
Overdrafts	618 832	-	-	396 576	439 760	2 353	3 700	4 520	184 761
Corporate - less significant exposures	1 999 229	-	-	213 324	69 110	38	125 975	4 224	403 664
Corporate - significant exposures	238 931 179	-	-	51 953 832	12	-	43 209 453	-	10 550 428
State	216 747 165	-	-	-	-	-	-	-	-
On-balance sheet exposure	**564 726 967**	**-**	**-**	**55 353 316**	**1 460 104**	**122 154**	**44 680 483**	**311 732**	**17 204 270**
Documentary credits and guarantees provided									
Corporate - less significant exposures	55 013 050	-	-	-	-	-	-	-	-
Corporate - significant exposures	63 875 963	-	-	1 531 419	-	-	-	-	-
Undrawn credit facilities	**33 369 125**	**-**	**-**	**128 038**	**31 324**	**-**	**75 658**	**7 421**	**18 756**
Off-balance sheet exposure	**152 258 138**	**-**	**-**	**1 659 457**	**31 324**	**-**	**75 658**	**7 421**	**18 756**
Total exposure	**716 985 105**	**-**	**-**	**57 012 773**	**1 491 428**	**122 154**	**44 756 141**	**319 153**	**17 223 026**

Amounts expressed in thousands of Kwanzas

30/06/2024	Impairment								
	Impairment without a significant increase in credit risk since initial recognition (Stage 1)			Impairment without a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Impairment for credit in default (Stage 3)		
Segment	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days
Credit cards	50 247	-	-	55 890	23 216	-	23 804	6 388	433 340
Consumer credit	649 998	-	-	9 009	138 484	-	56 504	15 960	2 584 808
Motor vehicle loans	1 138	-	-	-	-	-	-	-	-
Mortgages	177 561	-	-	226 970	11 172	47 225	846 388	213 968	1 419 988
Overdrafts	42 294	-	-	45 486	96 557	603	2 774	3 158	136 421
Corporate - less significant exposures	56 999	-	-	52 534	19 506	14	73 561	1 131	222 843
Corporate - significant exposures	4 304 921	-	-	5 801 951	1	-	26 755 122	-	7 334 777
State	2 807 624	-	-	-	-	-	-	-	-
On-balance sheet impairment	**8 090 782**	**-**	**-**	**6 191 840**	**288 936**	**47 842**	**27 758 153**	**240 605**	**12 132 177**
Documentary credits and guarantees provided									
Corporate - less significant exposures	59 484	-	-	-	-	-	-	-	-
Corporate - significant exposures	287 282	-	-	45 943	-	-	-	-	-
Undrawn credit facilities	**47 058**	**-**	**-**	**535**	**60**	**-**	**9 284**	**766**	**2 575**
Off-balance sheet impairment	**393 824**	**-**	**-**	**46 478**	**60**	**-**	**9 284**	**766**	**2 575**
Total impairment	**8 484 606**	**-**	**-**	**6 238 318**	**288 996**	**47 842**	**27 767 437**	**241 371**	**12 134 752**

Amounts expressed in thousands of Kwanzas

31/12/2023	Exposure								
	Exposures without a significant increase in credit risk since initial recognition (Stage 1)			Exposures with a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Exposures credit impaired (Stage 3)		
Segment	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days
Credit cards	1 063 289	-	-	747 323	65 951	-	19 089	9 078	396 721
Consumer credit	80 187 364	-	-	1 340 103	375 203	-	109 343	39 116	3 558 412
Motor vehicle loans	76 265	-	-	-	-	-	-	-	-
Mortgages	17 671 884	-	-	1 358 311	185 635	101 351	1 024 199	146 893	2 222 633
Overdrafts	568 220	-	-	190 022	87 757	2 562	6 042	1 414	137 068
Corporate - less significant exposures	2 259 752	-	-	236 122	115 225	38	16 610	30 771	373 663
Corporate - significant exposures	202 992 922	-	-	30 567 838	22	-	42 466 285	1 203 658	9 427 730
State	198 988 971	-	-	-	-	-	-	-	-
On-balance sheet exposure	**503 808 667**	**-**	**-**	**34 439 719**	**829 793**	**103 951**	**43 641 568**	**1 430 930**	**16 116 227**
Documentary credits and guarantees provided									
Corporate - less significant exposures	51 318 231	-	-	-	-	-	-	-	-
Corporate - significant exposures	59 664 063	-	-	136 277	-	-	-	-	-
Undrawn credit facilities	**44 575 324**	**-**	**-**	**354 950**	**54 044**	**-**	**79 524**	**2 577**	**35 281**
Off-balance sheet exposure	**155 557 618**	**-**	**-**	**491 227**	**54 044**	**-**	**79 524**	**2 577**	**35 281**
Total exposure	**659 366 285**	**-**	**-**	**34 930 946**	**883 837**	**103 951**	**43 721 092**	**1 433 507**	**16 151 508**

Amounts expressed in thousands of Kwanzas

31/12/2023	Impairment								
	Impairment without a significant increase in credit risk since initial recognition (Stage 1)			Impairment without a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Impairment for credit in default (Stage 3)		
Segment	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days
Credit cards	16 804	-	-	45 562	19 210	-	14 386	6 557	353 703
Consumer credit	577 137	-	-	17 522	62 425	-	62 293	17 448	2 341 431
Motor vehicle loans	385	-	-	-	-	-	-	-	-
Mortgages	292 532	-	-	207 162	56 400	32 353	744 703	112 540	1 658 227
Overdrafts	34 949	-	-	18 902	19 459	652	4 514	1 037	96 447
Corporate - less significant exposures	84 275	-	-	60 924	42 964	14	10 534	16 538	178 428
Corporate - significant exposures	2 739 953	-	-	6 126 750	-	-	24 582 860	402 412	6 783 039
State	2 424 645	-	-	-	-	-	-	-	-
On-balance sheet exposure	**6 170 680**	**-**	**-**	**6 476 822**	**200 458**	**33 019**	**25 419 290**	**556 532**	**11 411 275**
Documentary credits and guarantees provided									
Corporate - less significant exposures	98 004	-	-	-	-	-	-	-	-
Corporate - significant exposures	276 745	-	-	96	-	-	-	-	-
Undrawn credit facilities	**90 182**	**-**	**-**	**922**	**57**	**-**	**9 296**	**273**	**4 216**
Off-balance sheet exposure	**464 931**	**-**	**-**	**1 018**	**57**	**-**	**9 296**	**273**	**4 216**
Total exposure	**6 635 611**	**-**	**-**	**6 477 840**	**200 515**	**33 019**	**25 428 586**	**556 805**	**11 415 491**

The loan portfolio, by segment and by year, in which the operations were granted is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024														
	Credit Cards			Consumer Credit			Motor vehicle loans			Mortgages			Overdrafts		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2019 and prior years	18 770	3 562 649	551 696	287	2 697 431	1 960 042	-	-	-	517	15 553 497	2 413 033	10 715	1 491 511	249 671
2020	10	2 766	50	1 522	976 000	106 505	-	-	-	43	1 549 257	166 816	359	21 914	5 208
2021	1 535	476 082	11 757	4 817	5 309 770	215 879	-	-	-	20	813 576	82 250	680	37 188	16 968
2022	2 008	422 996	20 322	11 293	18 938 684	445 981	1	18 866	158	29	1 352 380	32 143	630	34 316	15 543
2023	923	346 461	7 565	13 432	37 171 637	518 066	3	47 777	140	44	2 264 880	28 566	370	63 476	39 269
2024	361	119 631	1 495	6 305	24 565 425	208 290	4	93 923	840	25	1 717 203	220 464	97	2 097	634
Total	**23 607**	**4 930 585**	**592 885**	**37 656**	**89 658 947**	**3 454 763**	**8**	**160 566**	**1 138**	**678**	**23 250 793**	**2 943 272**	**12 851**	**1 650 502**	**327 293**

Amounts expressed in thousands of Kwanzas

	30/06/2024														
	Corporate - less significant exposures			Corporate - significant exposures			State			Documentary credits and guarantees provided			Undrawn credit facilities		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2019 and prior years	1 134	447 155	65 933	66	27 248 432	9 190 368	2	47 361 007	508 102	6	859 663	1 176	31 491	18 907 728	43 168
2020	434	37 405	15 930	6	1 508 786	30 801	-	-	-	3	20 270 109	55 696	2 374	368 171	917
2021	458	262 717	77 220	34	72 528 869	4 006 675	-	-	-	5	8 121 756	41 347	7 544	5 416 285	5 339
2022	407	525 322	83 425	45	70 888 738	27 440 443	4	93 888 845	1 269 752	18	13 931 770	120 169	14 417	3 401 299	3 254
2023	62	785 530	63 905	53	57 316 345	887 096	2	75 497 313	1 029 770	33	11 392 564	53 774	14 889	2 661 658	5 287
2024	33	757 435	120 175	45	115 153 734	2 641 389	-	-	-	243	65 844 570	120 547	6 870	2 875 181	2 313
Total	**2 528**	**2 815 564**	**426 588**	**249**	**344 644 904**	**44 196 772**	**8**	**216 747 165**	**2 807 624**	**308**	**120 420 432**	**392 709**	**77 585**	**33 630 322**	**60 278**

Amounts expressed in thousands of Kwanzas

	31/12/2023														
	Credit Cards			Consumer Credit			Motor vehicle loans			Mortgages			Overdrafts		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2018 and prior years	17 534	1 721 617	429 534	5 043	2 635 118	1 851 112	67	-	-	229	3 420 715	1 299 362	6 788	842 995	110 254
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	1 597	125 179	5 655	3 382	2 349 902	196 018	2	629	-	515	14 886 269	1 694 040	715	50 412	9 431
2021	1 556	174 619	7 126	6 327	8 788 537	218 162	-	-	-	21	850 444	49 621	631	21 963	10 348
2022	2 063	178 471	11 563	13 144	25 983 377	379 000	1	21 189	184	29	1 381 802	36 449	606	23 184	9 825
2023	937	101 565	2 344	14 162	45 852 607	433 964	3	54 447	201	44	2 171 676	24 445	271	54 531	36 102
Total	**23 687**	**2 301 451**	**456 222**	**42 058**	**85 609 541**	**3 078 256**	**73**	**76 265**	**385**	**838**	**22 710 906**	**3 103 917**	**9 011**	**993 085**	**175 960**

Amounts expressed in thousands of Kwanzas

	31/12/2023														
	Corporate - less significant exposures			Corporate - significant exposures			State			Documentary credits and guarantees provided			Undrawn credit facilities		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2018 and prior years	947	460 643	83 617	210	6 433 806	1 334 531	4	60 653 345	629 096	2	564 246	3 517	30 822	23 476 227	67 008
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	650	170 261	42 295	23	15 767 234	7 704 331	-	-	-	1	20 093 856	58 935	6 885	3 157 695	6 918
2021	408	355 640	59 253	37	100 199 387	5 261 715	-	-	-	1	25 662 505	64 181	8 980	6 224 335	9 381
2022	407	709 801	100 092	51	71 464 836	25 382 663	3	81 243 536	1 034 041	7	14 646 985	121 045	16 304	3 684 968	10 914
2023	78	1 335 836	108 420	62	92 793 192	951 774	28	57 092 090	761 508	108	50 150 979	127 167	15 560	8 558 475	10 725
Total	**2 490**	**3 032 181**	**393 677**	**383**	**286 658 455**	**40 635 014**	**35**	**198 988 971**	**2 424 645**	**119**	**111 118 571**	**374 845**	**78 551**	**45 101 700**	**104 946**

The detail of the amount of the gross credit exposure and the amount of impairment set up for the exposures analyzed individually and collectively, by segment, corresponds to the following:

Amounts expressed in thousands of Kwanzas

By segment: 30/06/2024	Credit cards		Consumer credit		Motor vehicle loans		Mortgages		Overdrafts	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	4 925 769	592 757	86 242 807	1 706 631	160 566	1 138	20 205 248	1 627 962	1 650 215	327 285
Individual impairment	4 816	128	3 416 140	1 748 132	-	-	3 045 545	1 315 310	287	8
Total	**4 930 585**	**592 885**	**89 658 947**	**3 454 763**	**160 566**	**1 138**	**23 250 793**	**2 943 272**	**1 650 502**	**327 293**

Amounts expressed in thousands of Kwanzas

By segment: 30/06/2024	Corporate - less significant exposures		Corporate - significant exposures		State		Documentary credits and guarantees provided		Undrawn credit facilities	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 693 815	408 313	51 220 517	1 228 842	-	-	20 694 379	29 153	11 726 621	36 234
Individual impairment	121 749	18 275	293 424 387	42 967 930	216 747 165	2 807 624	99 726 053	363 556	21 903 701	24 044
Total	**2 815 564**	**426 588**	**344 644 904**	**44 196 772**	**216 747 165**	**2 807 624**	**120 420 432**	**392 709**	**33 630 322**	**60 278**

Amounts expressed in thousands of Kwanzas

By segment: 31/12/2023	Credit cards		Consumer credit		Motor vehicle loans		Mortgages		Overdrafts	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 301 016	456 182	83 146 457	1 386 497	76 265	385	19 339 307	1 500 794	992 813	175 688
Individual impairment	435	40	2 463 084	1 691 759	-	-	3 371 599	1 603 123	272	272
Total	**2 301 451**	**456 222**	**85 609 541**	**3 078 256**	**76 265**	**385**	**22 710 906**	**3 103 917**	**993 085**	**175 960**

Amounts expressed in thousands of Kwanzas

By segment: 31/12/2023	Corporate - less significant exposures		Corporate - significant exposures		State		Documentary credits and guarantees provided		Undrawn credit facilities	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 847 037	341 156	15 740 353	374 034	-	-	9 806 359	30 128	19 584 867	47 484
Individual impairment	185 144	52 521	270 918 102	40 260 980	198 988 971	2 424 645	101 312 212	344 717	25 516 833	57 462
Total	**3 032 181**	**393 677**	**286 658 455**	**40 635 014**	**198 988 971**	**2 424 645**	**111 118 571**	**374 845**	**45 101 700**	**104 946**

The detail of the amount of the gross credit exposure and the amount of impairment set up for the exposures analyzed individually and collectively, by sector of activity, corresponds to the following:

Amounts expressed in thousands of Kwanzas

By business sector: 30/06/2024	Real Estate, rental and services rendered by Companies		Cultural, recreational and sports activities		Public administration, defense and mandatory social security		Agriculture, forestry and fishing		Accommodation and catering	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	187 917	124	196	92	116	74	1 734 396	133 654	25 994	9 462
Individual impairment	50 230	900	-	-	216 747 165	2 807 624	73 329 700	25 097 351	1 737 623	39 813
Total	**238 147**	**1 024**	**196**	**92**	**216 747 281**	**2 807 698**	**75 064 096**	**25 231 005**	**1 763 617**	**49 275**

Amounts expressed in thousands of Kwanzas

By business sector: 30/06/2024	Banks and insurance		Wholesale and retail trade		Construction		Education		Extractive industries	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	381 698	526	5 516 146	234 686	1 201 196	65 700	375 548	12 633	39 157 092	853 223
Individual impairment	764 129	2 454	58 432 953	1 019 986	88 635 201	5 015 557	1 346 611	210 199	11 534 119	271 018
Total	**1 145 827**	**2 980**	**63 949 099**	**1 254 672**	**89 836 397**	**5 081 257**	**1 722 159**	**222 832**	**50 691 211**	**1 124 241**

Amounts expressed in thousands of Kwanzas

By business sector: 30/06/2024	Manufacturing industries		Other service companies		Retail		Production and distribution of energy, water and gas		Health and social services		Transport, storage and communication	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 881 684	48 303	1 698 507	229 452	113 223 767	4 257 814	293	205	240 178	23 655	474 209	23 325
Individual impairment	40 436 953	6 359 008	10 702 145	4 684 673	6 488 266	3 075 575	-	0	828 582	17 3915	5 726 412	99 334
Total	**43 318 637**	**6 407 311**	**12 400 652**	**4 914 125**	**119 712 033**	**7 333 389**	**293**	**205**	**1 068 760**	**197 570**	**6 200 621**	**122 659**

Amounts expressed in thousands of Kwanzas

By business sector: 31/12/2023	Real Estate, rental and services rendered by Companies		Cultural, recreational and sports activities		Public administration, defense and mandatory social security		Agriculture, forestry and fishing		Accommodation and catering	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	553 873	5 928	443 809	20 234	69	30	1 238 400	52 581	26 334	7 017
Individual impairment	-	-	573 149	33 042	198 988 972	2 424 645	69 317 511	22 779 933	2 262 081	35 863
Total	**553 873**	**5 928**	**1 016 958**	**53 276**	**198 989 041**	**2 424 675**	**70 555 911**	**22 832 514**	**2 288 415**	**42 880**

Amounts expressed in thousands of Kwanzas

By business sector: 31/12/2023	Banks and insurance		Wholesale and retail trade		Construction		Education		Extractive industries	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	-	-	2 022 390	83 889	404 406	55 485	1 037 714	20 211	8 880 172	189 478
Individual impairment	10 227	-	63 779 851	976 836	71 232 478	3 883 857	355 586	192 680	-	-
Total	**10 227**	**-**	**65 802 241**	**1 060 725**	**71 636 884**	**3 939 342**	**1 393 300**	**212 891**	**8 880 172**	**189 478**

Amounts expressed in thousands of Kwanzas

By business sector: 31/12/2023	Manufacturing industries		Other service companies		Retail		Production and distribution of energy, water and gas		Health and social services		Transport, storage and communication	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	232 650	1 842	2 814 984	204 251	105 901 054	3 521 784	429 942	46 635	102 934	1 158	354 517	24 213
Individual impairment	15 425 605	4 975 414	47 801 638	7 314 071	5 856 868	3 307 192	-	-	191 337	109 802	132 304	5
Total	**15 658 255**	**4 977 256**	**50 616 622**	**7 518 322**	**111 757 922**	**6 828 976**	**429 942**	**46 635**	**294 271**	**110 960**	**486 821**	**24 218**

The restructured loan portfolio by restructuring measure applied is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024											
	Loans in Stage 1			Loans in Stage 2			Loans in Stage 3			Total		
Measure applied	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment
Term extension	13	2 921 615	163 548	53	17 076 139	4 033 892	45	37 958 577	24 530 930	111	57 956 331	28 728 370
New loan	8	2 094 251	51 806	36	10 857 804	1 408 763	38	5 813 756	5 518 556	82	18 765 811	6 979 125
Total	**21**	**5 015 866**	**215 354**	**89**	**27 933 943**	**5 442 655**	**83**	**43 772 333**	**30 049 486**	**193**	**76 722 142**	**35 707 495**

Amounts expressed in thousands of Kwanzas

	31/12/2023											
	Loans in Stage 1			Loans in Stage 2			Loans in Stage 3			Total		
Measure applied	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment
Term extension	3	2 154 887	31 086	21	4 126 141	1 291 313	36	37 196 303	21 987 839	60	43 477 331	23 310 238
New loan	12	1 651 909	165 923	52	16 900 383	3 316 054	43	5 929 056	5 516 189	107	24 481 348	8 998 166
Total	**15**	**3 806 796**	**197 009**	**73**	**21 026 524**	**4 607 367**	**79**	**43 125 359**	**27 504 028**	**167**	**67 958 679**	**32 308 404**

The movement of inflows and outflows in the restructured loan portfolio was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Opening balance of restructured loans portfolio (gross of impairment + interest)	**67 958 679**	**72 756 618**
Restructured loans in the period	11 817 094	473 034
Accrued interest on the restructured loan portfolio	173 319	167 971
Settlement of restructured loans (partial or total)	(3 079 768)	(5 699 449)
Loans reclassified from "restructured" to "normal"		-
Other	(147 181)	260 505
Closing balance of restructured loans portfolio (gross of impairment + interest)	**76 722 142**	**67 958 679**

The detail of the guarantees underlying the loan portfolio of the corporate, construction and real estate development, and mortgage segments is as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024											
	Corporate				Construction and Real Estate development				Mortgages			
	Real Estate		Other real guarantees		Real Estate		Other real guarantees		Real Estate		Other real guarantees	
	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount
< 50MAOA	15	514 753	58	1 128 914	-	-	4	96 711	52	1 503 661	1	38 271
> = 50MAOA and < 100 MAOA	12	888 450	16	1 005 290	-	-	2	171 386	93	6 989 560	1	51 218
> = 100 MAOA and < 500 MAOA	42	10 927 662	33	7 570 202	1	187 375	6	1 469 847	183	37 398 261	4	896 310
> = 500 MAOA and < 1000 MAOA	8	5 847 551	11	5 073 464	-	-	-	-	7	4 467 872	1	853 629
> = 1000 MAOA and < 2000 MAOA	37	34 279 328	2	2 151 154	2	2 284 247	1	1 024 699	2	2 825 512	-	-
> = 2000 MAOA and < 5000 MAOA	8	25 109 027	10	23 962 016	4	13 565 997	3	9 507 008	2	2 083 869	-	-
> = 5.000 MAOA	21	252 440 067	12	118 368 771	2	17 236 887	4	55 901 622	-	-	-	-
Total	**143**	**330 006 838**	**142**	**159 259 811**	**9**	**33 274 506**	**20**	**68 171 273**	**339**	**55 268 735**	**7**	**1 839 428**

Amounts expressed in thousands of Kwanzas

	31/12/2023											
	Corporate				Construction and Real Estate development				Mortgages			
	Real Estate		Other real guarantees		Real Estate		Other real guarantees		Real Estate		Other real guarantees	
	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount
< 50MAOA	15	316 240	61	1 078 909	-	-	5	103 943	53	1 597 722	1	38 271
> = 50MAOA and < 100 MAOA	14	970 853	11	693 268	-	-	3	254 266	94	7 265 147	-	-
> = 100 MAOA and < 500 MAOA	36	9 196 859	42	9 001 274	1	187 375	3	660 879	180	37 326 239	4	870 240
> = 500 MAOA and < 1000 MAOA	10	6 774 765	10	4 195 910	-	-	-	-	8	4 929 941	2	1 408 960
> = 1000 MAOA and < 2000 MAOA	36	31 425 030	2	2 151 154	1	1 900 000	-	-	2	2 743 328	-	-
> = 2000 MAOA and < 5000 MAOA	7	19 889 757	8	25 190 674	3	10 545 557	-	-	2	2 023 257	-	-
> = 5.000 MAOA	22	287 973 590	13	131 428 249	2	62 557 879	5	59 881 644	-	-	-	-
Total	**140**	**356 547 094**	**147**	**173 739 438**	**7**	**75 190 811**	**16**	**60 900 732**	**339**	**55 885 634**	**7**	**2 317 471**

In order to mitigate the credit risk, credit operations have associated guarantees, namely mortgages or pledges. The fair value of these guarantees is determined on the date the loan is granted and is periodically reassessed.

The loan-guarantee ratio of the corporate, construction and real estate development, and residential segments has the following structure:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Number of properties	Number of other real guarantees	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3	Impairment
Corporate						
Without guarantee	-	-	56 919 901	209 462	10 551 781	8 894 118
< 50%	3	10	26 502 948	6 714	500 000	820 936
> = 50% and < 75%	2	14	1 183 197	35 452	746 522	31 606
> = 75% and < 100%	2	17	1 364 665	7 862 701	36 538 085	24 093 509
> = 100%	136	101	85 041 470	24 610 234	5 304 430	5 682 469
Construction and Real Estate development						
Without guarantee	-	-	8 498 761	3 212 680	537 170	2 254 201
< 50%	-	3	190 416	-	-	1 614
> = 50% and < 75%	1	1	53 638 642	-	-	1 110 839
> = 75% and < 100%	-	1	4 051	-	-	-
> = 100%	8	15	7 877 685	16 299 073	91 507	1 720 032
Mortgages						
Without guarantee	-	-	6 465 207	1 337 816	1 954 210	1 914 806
< 50%	5	-	96 536	-	1 657	1 471
> = 50% and < 75%	1	-	21 864	-	-	156
> = 75% and < 100%	6	-	312 034	-	-	2 131
> = 100%	327	7	11 435 438	351 832	1 274 199	1 024 707
Total	**491**	**169**	**259 552 815**	**53 925 964**	**57 499 561**	**47 552 595**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Number of properties	Number of other real guarantees	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3	Impairment
Corporate						
Without guarantee	-	-	21 734 080	465 685	10 414 358	8 104 963
< 50%	2	12	18 245 332	8 214	505 140	571 570
> = 50% and < 75%	4	5	375 893	787 376	152 570	55 822
> = 75% and < 100%	4	17	516 390	7 841 842	36 704 984	22 023 558
> = 100%	130	113	100 897 170	14 897 466	5 089 719	6 313 271
Construction and Real Estate development						
Without guarantee	-	-	2 215 559	3 002 308	535 940	2 104 445
< 50%	-	1	-	-	-	-
> = 50% and < 75%	-	-	-	-	-	-
> = 75% and < 100%	-	5	41 309 950	-	-	60 072
> = 100%	7	10	21 119 139	3 916 353	91 507	1 780 753
Mortgages						
Without guarantee	-	-	6 723 092	1 076 127	1 960 420	1 955 562
< 50%	5	-	101 071	-	2 568	3 290
> = 50% and < 75%	2	-	22 263	-	107 286	47 606
> = 75% and < 100%	6	-	197 422	-	-	1 202
> = 100%	326	7	10 628 035	569 169	1 323 451	1 096 256
Total	**486**	**170**	**224 085 396**	**32 564 540**	**56 887 943**	**44 118 370**

The distribution of the loan portfolio and impairment measured by internal risk levels is presented as follows:

Amounts expressed in thousands of Kwanzas

Segment	Exposure as at 30/06/2024							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	414	4 334 919	34 654	16 426	19 812	8 974	515 386	4 930 585
Consumer credit	4 826 867	79 030 733	1 497 221	316 285	324 965	37 402	3 625 474	89 658 947
Motor vehicle loans	-	160 566	-	-	-	-	-	160 566
Mortgages	57 145	21 002 993	278 855	38 664	99 518	75 443	1 698 175	23 250 793
Overdrafts	-	1 263 339	150 020	50 440	22 793	6 589	157 321	1 650 502
Corporate - less significant exposures	117 674	2 295 324	65 607	7 484	51 406	1 008	277 061	2 815 564
Corporate - significant exposures	48 522 367	274 590 685	12	-	-	-	21 531 840	344 644 904
State	216 747 165	-	-	-	-	-	-	216 747 165
On-balance sheet exposure	**270 271 632**	**382 678 559**	**2 026 369**	**429 299**	**518 494**	**129 416**	**27 805 257**	**683 859 026**
Documentary credits and guarantees provided								
Corporate - less significant exposures	171 916	54 841 134	-	-	-	-	-	55 013 050
Corporate - significant exposures	6 429 989	58 977 393	-	-	-	-	-	65 407 382
Undrawn credit facilities	8 812 462	24 741 438	28 570	16 199	7 685	2 550	21 418	33 630 322
Off-balance sheet exposure	**15 414 367**	**138 559 965**	**28 570**	**16 199**	**7 685**	**2 550**	**21 418**	**154 050 754**
Total exposure	**285 685 999**	**521 238 524**	**2 054 939**	**445 498**	**526 179**	**131 966**	**27 826 675**	**837 909 780**

Amounts expressed in thousands of Kwanzas

Segment	Impairment as at 30/06/2024							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	5	119 136	9 678	6 279	9 890	4 234	443 663	592 885
Consumer credit	22 859	662 811	97 995	56 145	106 592	16 933	2 491 428	3 454 763
Motor vehicle loans	-	1 138	-	-	-	-	-	1 138
Mortgages	222	1 250 697	188 918	36 222	61 777	32 735	1 372 701	2 943 272
Overdrafts	-	144 826	32 512	13 224	15 796	4 609	116 326	327 293
Corporate - less significant exposures	710	217 366	18 207	2 308	28 765	524	158 708	426 588
Corporate - significant exposures	659 127	30 544 959	1	-	-	-	12 992 685	44 196 772
State	2 807 624	-	-	-	-	-	-	2 807 624
On-balance sheet impairment	**3 490 547**	**32 940 933**	**347 311**	**114 178**	**222 820**	**59 035**	**17 575 511**	**54 750 335**
Documentary credits and guarantees provided								
Corporate - less significant exposures	4	59 480	-	-	-	-	-	59 484
Corporate - significant exposures	-	333 225	-	-	-	-	-	333 225
Undrawn credit facilities	5 994	49 665	432	596	750	271	2 570	60 278
Off-balance sheet impairment	**5 998**	**442 370**	**432**	**596**	**750**	**271**	**2 570**	**452 987**
Total impairment	**3 496 545**	**33 383 303**	**347 743**	**114 774**	**223 570**	**59 306**	**17 578 081**	**55 203 322**

Amounts expressed in thousands of Kwanzas

Segment	Exposure as at 31/12/2023							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	-	1 804 427	31 239	13 425	17 446	7 050	427 864	2 301 451
Consumer credit	2 601 659	78 880 431	367 876	130 804	204 165	106 230	3 318 376	85 609 541
Motor vehicle loans	-	76 265	-	-	-	-	-	76 265
Mortgages	58 773	19 995 621	169 732	124 113	125 506	91 718	2 145 443	22 710 906
Overdrafts	-	817 728	25 388	12 110	16 489	22 799	98 571	993 085
Corporate - less significant exposures	236 046	2 276 419	60 675	85 256	32 167	5 101	336 517	3 032 181
Corporate - significant exposures	60 496 624	202 184 477	2 312 137	695 000	1 501 390	115 245	19 353 582	286 658 455
State	198 988 971	-	-	-	-	-	-	198 988 971
On-balance sheet exposure	**262 382 073**	**306 035 368**	**2 967 047**	**1 060 708**	**1 897 163**	**348 143**	**25 680 353**	**600 370 855**
Documentary credits and guarantees provided								
Corporate - less significant exposures	180 643	51 137 588	-	-	-	-	-	51 318 231
Corporate - significant exposures	6 472 079	53 328 261	-	-	-	-	-	59 800 340
Undrawn credit facilities	4 893 570	40 099 453	42 281	15 927	14 655	4 405	31 409	45 101 700
Off-balance sheet exposure	**11 546 292**	**144 565 302**	**42 281**	**15 927**	**14 655**	**4 405**	**31 409**	**156 220 271**
Total exposure	**273 928 365**	**450 600 670**	**3 009 328**	**1 076 635**	**1 911 818**	**352 548**	**25 711 762**	**756 591 126**

Amounts expressed in thousands of Kwanzas

Segment	Impairment as at 31/12/2023							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	-	66 571	8 335	5 614	9 016	3 586	363 100	456 222
Consumer credit	13 533	630 937	42 733	31 374	79 324	46 888	2 233 467	3 078 256
Motor vehicle loans	-	385	-	-	-	-	-	385
Mortgages	211	1 244 186	81 603	79 025	43 591	59 832	1 595 469	3 103 917
Overdrafts	-	71 719	5 365	3 248	11 065	15 740	68 823	175 960
Corporate - less significant exposures	290	155 438	26 010	33 457	13 707	2 438	162 337	393 677
Corporate - significant exposures	765 661	26 945 815	53 264	153 497	478 018	10 970	12 227 789	40 635 014
State	2 424 645	-	-	-	-	-	-	2 424 645
On-balance sheet impairment	**3 204 340**	**29 115 051**	**217 310**	**306 215**	**634 721**	**139 454**	**16 650 985**	**50 268 076**
Documentary credits and guarantees provided								
Corporate - less significant exposures	279	97 725	-	-	-	-	-	98 004
Corporate - significant exposures	654	276 187	-	-	-	-	-	276 841
Undrawn credit facilities	5 113	93 984	258	119	1 299	414	3 759	104 946
Off-balance sheet impairment	**6 046**	**467 896**	**258**	**119**	**1 299**	**414**	**3 759**	**479 791**
Total Impairment	**3 210 386**	**29 582 947**	**217 568**	**306 334**	**636 020**	**139 868**	**16 654 744**	**50 747 867**

As at 30 June 2024 and 31 December 2023, the risk levels presented in the table above, are in accordance with the classification of Instruction No. 9/2015 of the Banco Nacional de Angola.

As at 30 June 2024 and 31 December 2023, the portfolio of loans and advances to customers according to credit risk categories (Stage 1, Stage 2 and Stage 3) is detailed as follows:

Amounts expressed in thousands of Kwanzas

30/06/2024	Exposure				Impairment			
Segment	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Credit cards	3 457 623	955 481	517 481	4 930 585	50 247	79 106	463 532	592 885
Consumer credit	84 481 294	1 215 439	3 962 214	89 658 947	649 998	147 493	2 657 272	3 454 763
Motor vehicle loans	160 566	-	-	160 566	1 138	-	-	1 138
Mortgages	18 331 079	1 689 649	3 230 065	23 250 793	177 561	285 367	2 480 344	2 943 272
Overdrafts	618 832	838 689	192 981	1 650 502	42 294	142 646	142 353	327 293
Corporate - less significant exposures	1 999 229	282 472	533 863	2 815 564	56 999	72 054	297 535	426 588
Corporate - significant exposures	238 931 178	51 953 844	53 759 881	344 644 903	4 304 921	5 801 952	34 089 899	44 196 772
State	216 747 165	-	-	216 747 165	2 807 624	-	-	2 807 624
On-balance sheet exposure	**564 726 966**	**56 935 574**	**62 196 485**	**683 859 025**	**8 090 782**	**6 528 618**	**40 130 935**	**54 750 335**
Documentary credit and guarantees provided								
Corporate - less significant exposures	55 013 050	-	-	55 013 050	59 484	-	-	59 484
Corporate - significant exposures	63 875 963	1 531 419	-	65 407 382	287 282	45 943	-	333 225
Undrawn credit facilities	33 369 125	159 362	101 835	33 630 322	47 058	595	12 625	60 278
Off-balance sheet exposure	**152 258 138**	**1 690 781**	**101 835**	**154 050 754**	**393 824**	**46 538**	**12 625**	**452 987**
Total exposure	**716 985 104**	**58 626 355**	**62 298 320**	**837 909 779**	**8 484 606**	**6 575 156**	**40 143 560**	**55 203 322**

Amounts expressed in thousands of Kwanzas

31/12/2023	Exposure				Impairment			
Segment	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Credit cards	1 063 289	813 274	424 888	2 301 451	16 804	64 772	374 646	456 222
Consumer credit	80 187 364	1 715 306	3 706 871	85 609 541	577 137	79 947	2 421 172	3 078 256
Motor vehicle loans	76 265	-	-	76 265	385	-	-	385
Mortgages	17 671 884	1 645 297	3 393 725	22 710 906	292 532	295 915	2 515 470	3 103 917
Overdrafts	568 220	280 341	144 524	993 085	34 949	39 013	101 998	175 960
Corporate - less significant exposures	2 259 752	351 385	421 044	3 032 181	84 275	103 902	205 500	393 677
Corporate - significant exposures	202 992 922	30 567 860	53 097 673	286 658 455	2 739 953	6 126 750	31 768 311	40 635 014
State	198 988 971	-	-	198 988 971	2 424 645	-	-	2 424 645
On-balance sheet exposure	**503 808 667**	**35 373 463**	**61 188 725**	**600 370 855**	**6 170 680**	**6 710 299**	**37 387 097**	**50 268 076**
Documentary credit and guarantees provided								
Corporate - less significant exposures	51 318 231	-	-	51 318 231	98 004	-	-	98 004
Corporate - significant exposures	59 664 063	136 277	-	59 800 340	276 745	96	-	276 841
Undrawn credit facilities	44 575 324	408 994	117 382	45 101 700	90 182	979	13 785	104 946
Off-balance sheet exposure	**155 557 618**	**545 271**	**117 382**	**156 220 271**	**464 931**	**1 075**	**13 785**	**479 791**
Total exposure	**659 366 285**	**35 918 734**	**61 306 107**	**756 591 126**	**6 635 611**	**6 711 374**	**37 400 882**	**50 747 867**

The movement in the caption Loans and advances to customers, by stage, for the six-month period ended 30 June 2024 and in the period ended 31 December 2023 was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024							
	Stage 1		Stage 2		Stage 3		Total	
	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses
Balance as at 1 January 2024	**503 808 667**	**6 170 680**	**35 373 463**	**6 710 299**	**61 188 725**	**37 387 097**	**600 370 855**	**50 268 076**
Financial assets purchased in the period / changes in credit risk	185 499 420	2 696 733	-	-	-	-	185 499 420	2 696 733
Other financial assets / changes in credit risk		(15 551)		(281 712)		2 984 076	-	2 686 813
Derecognized financial assets	(69 348 205)	(224 923)	(598 489)	(95 454)	(772 810)	(526 689)	(70 719 504)	(847 066)
Transfers to:								
Stage 1	3 666 108	310 144	(3 645 836)	(300 139)	(20 272)	(10 005)	-	-
Stage 2	(29 166 374)	(796 344)	29 378 764	944 839	(212 390)	(145 495)	-	-
Stage 3	(936 096)	(386 368)	(1 149 335)	(87 362)	2 085 431	473 730	-	-
Loans written off from assets	-	-	-	-	-	-	-	-
Settlements, changes in exchange rates and other	(28 796 554)	336 411	(2 422 993)	(361 853)	(72 199)	(28 779)	(31 291 746)	(54 221)
Balance as at 30 June 2024	**564 726 966**	**8 090 782**	**56 935 574**	**6 528 618**	**62 196 485**	**40 130 935**	**683 859 025**	**54 750 335**

Amounts expressed in thousands of Kwanzas

	31/12/2023							
	Stage 1		Stage 2		Stage 3		Total	
	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses
Balance as at 1 January 2023	**367 041 244**	**6 403 104**	**41 423 440**	**6 965 325**	**62 952 365**	**40 623 056**	**471 417 049**	**53 991 485**
Financial assets purchased in the period / changes in credit risk	259 837 617	2 108 053	-	-	-	-	259 837 617	2 108 053
Other financial assets / changes in credit risk		591 335		(548 615)		1 187 918	-	1 230 638
Derecognized financial assets	(59 439 140)	(632 214)	(872 401)	(39 944)	(1 398 438)	(745 394)	(61 709 979)	(1 417 552)
Transfers to:								
Stage 1	17 104 869	536 779	(17 014 887)	(453 522)	(89 982)	(83 257)	-	-
Stage 2	(14 446 624)	(775 406)	15 690 965	1 687 201	(1 244 341)	(911 795)	-	-
Stage 3	(3 618 601)	(431 767)	(1 584 274)	(133 578)	5 202 875	565 345	-	-
Loans written off from assets					(9 246 603)	(9 246 603)	(9 246 603)	(9 246 603)
Settlements, changes in exchange rates and other	(62 670 698)	(1 629 204)	(2 269 380)	(766 568)	5 012 849	5 997 827	(59 927 229)	3 602 055
Balance as at 31 December 2023	**503 808 667**	**6 170 680**	**35 373 463**	**6 710 299**	**61 188 725**	**37 387 097**	**600 370 855**	**50 268 076**

The risk factors associated with the impairment model, by segment, correspond to the following:

	Impairment in June 2024- Average parameters			
	PD		LGD	
Segment	Stage 1	Stage 2	Stage 1 and 2	Stage 3
Credit cards	2.5%	18.6%	49.2%	77.2%
Consumer credit	2.4%	22.7%	43.7%	59.7%
Motor vehicle loans	2.4%	-	43.7%	-
Mortgages	2.3%	60.3%	40.9%	76.7%
Overdrafts	10.7%	26.0%	69.6%	73.5%
Corporate - less significant exposures	30.0%	67.3%	46.8%	53.1%
Corporate - significant exposures	6.1%	33.2%	33.4%	56.1%

	Impairment in December 2023- Average parameters			
	PD		LGD	
Segment	Stage 1	Stage 2	Stage 1 and 2	Stage 3
Credit cards	2.3%	13.2%	49.2%	72.4%
Consumer credit	2.3%	11.3%	43.7%	68.7%
Motor vehicle loans	2.6%	10.3%	43.6%	67.4%
Mortgages	2.6%	50.8%	41.2%	76.8%
Overdrafts	9.2%	26.2%	69.6%	70.5%
Corporate - less significant exposures	17.6%	66.1%	46.7%	48.8%
Corporate - significant exposures	6.5%	22.5%	32.3%	49.1%

10. NON-CURRENT ASSETS HELD FOR SALE

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Non-current assets held for sale		
Real Estate	787 572	787 572
Accumulated impairment losses (Note 17)	(651 837)	(606 592)
	135 735	**180 980**

As at 30 June 2024 and 31 December 2023, the amounts disclosed refer to 14 properties received as payment, which are not in use and are available for immediate sale. The Bank has set up 100% impairment for 8 of the properties held in its portfolio.

11. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As at 30 June 2024 and 31 December 2023, Investments in subsidiaries, associates and joint ventures, are presented as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Country	Year of acquisition	Number of shares	% held	Acquisition cost
SHAREHOLDINGS IN SUBSIDIARIES					
SOFHA – Sociedade de Fomento Habitacional	Angola	2008	n.a	50%	375
BFA - Gestão de Activos	Angola	2016	399 968	99.99%	50 000
BFA - Capital Markets, SDVM, S.A.	Angola	2022	189 880	94.94%	189 880
BFA - Pensões SGFP, S.A.	Angola	2022	876 960	97.44%	876 960
Total Investments in subsidiaries, associates and joint ventures					**1 117 215**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Country	Year of acquisition	Number of shares	% held	Acquisition cost
SHAREHOLDINGS IN SUBSIDIARIES					
SOFHA – Sociedade de Fomento Habitacional	Angola	2008	n.a	50%	375
BFA - Gestão de Activos	Angola	2016	399 968	99.99%	50 000
BFA - Capital Markets, SDVM, S.A.	Angola	2022	189 880	94.94%	189 880
BFA - Pensões SGFP, S.A.	Angola	2022	876 960	97.44%	876 960
Total Investments in subsidiaries, associates and joint ventures					**1 117 215**

In the six-month period ended 30 June 2024, the subsidiaries did not distribute dividends.

12. OTHER INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2024 and the period ended 31 December 2023, the captions other intangible assets and property, plant and equipment presented the following movement:

Amounts expressed in thousands of Kwanzas

	30/06/2024													
	Balances as at 12/31/2023								Amortization		Balances as at 06/30/2024			
	Gross assets	Accumulated amortization	Impairment	Net assets	Increases	Impairment	Transfers	Abates, alienações e outros	for the period	Write-offs	Gross assets	Accumulated amortization	Impairment	Net assets
Property, plant and equipment														
Real Estate for own use	32 937 410	(12 497 975)	(396 875)	20 042 560	94 686	(106 098)	937 617	-	(456 202)	58	33 969 713	(12 954 119)	(502 973)	20 512 621
Furniture, tools, facilities and equipment	44 872 934	(31 601 593)	-	13 271 341	6 439 692	-	-	(453 750)	(3 162 383)	418 179	50 858 876	(34 345 797)	-	16 513 079
Assets under constuction	1 780 766	-	-	1 780 766	309 853	-	(937 617)	-	-	-	1 153 002	-	-	1 153 002
Right-of-use assets:														
Branches	5 653 769	(3 515 596)	-	2 138 173	363 630	-	-	-	(344 517)	-	6 017 399	(3 860 113)	-	2 157 286
Offices and central services	4 160 231	(2 674 815)	-	1 485 416	389 960	-	-	-	(264 663)	-	4 550 191	(2 939 478)	-	1 610 713
Other	594 115	(560 031)	-	34 084	308 301	-	-	-	(65 086)	-	902 416	(625 117)	-	277 299
Subtotal	**89 999 225**	**(50 850 010)**	**(396 875)**	**38 752 340**	**7 906 122**	**(106 098)**	**-**	**(453 750)**	**(4 292 851)**	**418 237**	**97 451 597**	**(54 724 624)**	**(502 973)**	**42 224 000**
Intangible assets														
Automatic data processing systems (Software)	26 193 956	(13 769 004)	-	12 424 952	4 235 855	-	-	-	(3 572 831)	-	30 429 811	(17 341 835)	-	13 087 976
Assets in progress	-	-	-	-	801 057	-	-	-	-	-	801 057	-	-	801 057
Organization and expansion costs	101 571	(101 571)	-	-	-	-	-	-	-	-	101 571	(101 571)	-	-
Transfers	93 923	(93 923)	-	-	-	-	-	-	-	-	93 923	(93 923)	-	-
Other intangible assets	29	(29)	-	-	-	-	-	-	-	-	29	(29)	-	-
Subtotal	**26 389 479**	**(13 964 527)**	**-**	**12 424 952**	**5 036 912**	**-**	**-**	**-**	**(3 572 831)**	**-**	**31 426 391**	**(17 537 358)**	**-**	**13 889 033**
Total	**116 388 704**	**(64 814 537)**	**(396 875)**	**51 177 292**	**12 943 034**	**(106 098)**	**-**	**(453 750)**	**(7 865 682)**	**418 237**	**128 877 988**	**(72 261 982)**	**(502 973)**	**56 113 033**

Amounts expressed in thousands of Kwanzas

	31/12/2023													
	Balances as at 31/12/2022								Amortization		Balances as at 31/12/2023			
	Gross assets	Accumulated amortization	Impairment	Net assets	Increases	Impairment	Transfers	Abates, alienações e outros	for the period	Write-offs	Gross assets	Accumulated amortization	Impairment	Net assets
Property, plant and equipment														
Real Estate for own use	32 648 299	(11 636 873)	(408 792)	20 602 634	289 111	11 917	-	-	(861 218)	116	32 937 410	(12 497 975)	(396 875)	20 042 560
Furniture, tools, facilities and equipment	39 063 645	(25 871 427)	-	13 192 218	6 510 969	-	-	(701 680)	(6 395 207)	665 041	44 872 934	(31 601 593)	-	13 271 341
Assets under constuction	237 061	-	-	237 061	1 543 705	-	-	-	-	-	1 780 766	-	-	1 780 766
Right-of-use assets:														
Branches	4 875 889	(2 836 944)	-	2 038 945	777 880	-	-	-	(678 652)	-	5 653 769	(3 515 596)	-	2 138 173
Offices and central services	2 521 622	(2 094 287)	-	427 335	1 638 609	-	-	-	(580 528)	-	4 160 231	(2 674 815)	-	1 485 416
Other	627 432	(440 648)	-	186 784	-	-	-	(33 317)	(144 372)	24 989	594 115	(560 031)	-	34 084
Subtotal	**79 973 948**	**(42 880 179)**	**(408 792)**	**36 684 977**	**10 760 274**	**11 917**	**-**	**(734 997)**	**(8 659 977)**	**690 146**	**89 999 225**	**(50 850 010)**	**(396 875)**	**38 752 340**
Intangible assets														
Automatic data processing systems (Software)	16 891 239	(8 771 554)	-	8 119 685	9 302 717	-	-	-	(4 997 450)	-	26 193 956	(13 769 004)	-	12 424 952
Organization and expansion costs	101 571	(101 571)	-	-	-	-	-	-	-	-	101 571	(101 571)	-	-
Transfers	93 923	(93 923)	-	-	-	-	-	-	-	-	93 923	(93 923)	-	-
Other intangible assets	29	(29)	-	-	-	-	-	-	-	-	29	(29)	-	-
Subtotal	**17 086 762**	**(8 967 077)**	**-**	**8 119 685**	**9 302 717**	**-**	**-**	**-**	**(4 997 450)**	**-**	**26 389 479**	**(13 964 527)**	**-**	**12 424 952**
Total	**97 060 710**	**(51 847 256)**	**-**	**44 804 662**	**20 062 991**	**11 917**	**-**	**(734 997)**	**(13 657 427)**	**690 146**	**116 388 704**	**(64 814 537)**	**(396 875)**	**51 177 292**

As at 30 June 2024, the increase in furniture, fixtures, installations and equipment relates to the acquisition of IT equipment.

As at 30 June 2024, the increase in the automatic data processing systems relates to the acquisition of software, mostly related to developments made in the Bank’s IT systems.

13. CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

As at 30 June 2024 and 31 December 2023, the balances of current tax assets and liabilities were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Current tax assets	195 853	192 964
Total - Current tax assets	**195 853**	**192 964**
Current tax liabilities:		
VAT	1 143 272	1 265 693
On capital gains	9 992 163	11 854 342
On income from employment	815 597	691 478
On income from property	59 727	68 169
Contributions to social security	385 099	377 354
CEOCIC	264 959	-
Total - Current tax liabilities	**12 660 817**	**14 257 036**

In the six-month periods ended 30 June 2024 and 30 June 2023, the income tax expense recognized in the income statement, as well as the tax burden, measured by the ratio between the tax assessed and the profit for the period before that assessment, can be summarized as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Capital gains tax	7 740 535	6 821 689
Total tax recorded in profit or loss	**7 740 535**	**6 821 689**
Profit before tax	**97 286 273**	**89 872 292**
Tax burden	7.96%	7.59%

The reconciliation between the nominal tax rate and the tax charge for the six-month periods ended 30 June 2024 and 2023, can be analyzed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024		30/06/2023	
	Tax rate	Amount	Tax rate	Amount
Profit before tax		97 286 273		89 872 292
Tax calculated using nominal tax rate	35%	34 050 196	35%	31 455 302
Income from public debt securities not subject to II (Subject to IAC)	-38.45%	(37 402 665)	-42.48%	(38 178 755)
Provisions and impairment	1.25%	1 216 257	-0.66%	(592 739)
Paid and unpaid exchange variations	-41.32%	(40 197 889)	18.02%	16 195 138
Capital Gains Tax (IAC)	7.96%	7 740 535	7.59%	6 821 689
Other permanent differences	1.04%	1 011 094	0.43%	384 066
Tax credits from previous periods	-	-	-0.84%	(751 748)
Tax losses (used)/to be carried forward	42.48%	41 323 007	-9.47%	(8 511 264)
Income tax	**7.96%**	**7 740 535**	**7.59%**	**6 821 689**

Corporate Tax

As mentioned in Note 2.15, the Bank is subject to Corporate Tax, and the applicable tax rate is 35% for the six-month period ended 30 June 2024 and in the period ended 31 December 2023.

Deferred taxes

As at 30 June 2024 and 31 December 2023, the Bank had no deferred tax assets or liabilities.

As at 30 June 2024, tax losses carried forward from previous periods in the tax return Modelo 1 and the tax losses carried forward for the six-month period ended 30 June 2024, by year of expiry, are analyzed as follows:

Amounts expressed in thousands of Kwanzas

Year	Year of expiry	Tax losses
2022	31/12/2027	21 838 961
2023	31/12/2028	154 477 132
2024	31/12/2029	118 065 736
		294 381 829

The tax authorities may review the Bank's tax position for a period of five years, and as a result of different interpretations of tax law, potential adjustments to the respective tax/tax losses assessed may arise.

The Bank's Board of Directors believes that any additional settlements, which may result from these reviews, will not be significant for the financial statements.

14. OTHER ASSETS

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Other assets of a tax nature		
Other taxes receivable	3 318 762	2 780 768
	3 318 762	**2 780 768**
Other amounts of a civil nature		
Sundry debtors:		
Public sector - Government	1 319 137	1 319 137
Private sector – Corporate	2 363 952	1 673 006
Private sector – Staff	1 154 502	1 362 154
Private sector – Retail	185	296
Advances to fixed asset suppliers	2 986 371	8 336 615
	7 824 147	**12 691 208**
Other amounts of an administrative and commercial nature		
Prepaid expenses:		
Insurance	1 178 972	48 326
Other	3 531 025	1 093 772
	4 709 997	**1 142 098**

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Office material	3 441 775	2 946 924
Outros adiantamentos:		
Cash shortfalls	18 340	6 287
BFA - Capital Markets	2 456 098	1 202 917
BFA - Pensões	1 269 666	858 711
BFA - SGOIC	674 371	261 784
Active transactions pending settlement	705 698	1 111 583
Other	**257 990**	**411 193**
	5 382 163	**3 852 475**
	24 676 844	**23 413 473**

As at 30 June 2024 and 31 December 2023, Other taxes receivable essentially represents taxes recoverable through the provisional assessment of Corporate Tax.

As at 30 June 2024 and 31 December 2023, Other amounts of a civil nature – Sundry debtors: Advances to fixed assets suppliers refers to advances made to suppliers of property, plant and equipment in the course of the Bank's business, relating to the acquisition of goods and services, namely the acquisition of vehicles, IT equipment and real estate.

As at 30 June 2024 and 31 December 2023, Other advances – BFA – Capital Markets, BFA – Pensions and BFA – SGOIC corresponds to amounts paid in advance by the Bank and yet to be paid by the Group's Subsidiaries.

15. FUNDS OF CENTRAL BANKS AND OTHER CREDIT INSTITUTIONS

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Transactions in the Interbank Money Market		
Deposits from Credit Institutions in the country - Loan (AOA)	37 586	35 762
Deposits from Credit Institutions abroad	43 805 557	24 502 926
Deposits from other entities		
Certified checks	391 647	419 514
ATM transactions - to be settled	19 808 920	2 882 721
Other	98 080	-
	64 141 790	**27 840 923**

In the period ended 30 June 2024, Deposits from credit institutions abroad includes the amount of AOA 32,704,492 thousand (Note 28), relating to dividends distributed to the shareholder BPI which were not transferred outside the Bank's sphere on that date, bearing interest at a rate of 12% and maturing in November 2024. The amount recorded includes interest of AOA 483,641 thousand.

In the period ended 31 December 2023, Deposits from credit institutions abroad includes the amount of AOA 22,442,172 thousand (Note 28), relating to dividends distributed to the shareholder BPI which were not transferred outside the Bank's sphere on that date, bearing interest at a rate of 12% and maturing in June 2024. The amount recorded includes interest of AOA 80,788 thousand.

The breakdown of deposits from Other credit institutions, by residual maturity, is disclosed in Note 30.2.

As at 30 June 2024 and 31 December 2023, the balance under Deposits from other entities relates essentially to interbank clearing values, namely, certified checks, ATM transactions, Multicaixa network transactions which were settled in the first days of the following month and import letters of credit.

16. DEPOSITS FROM CUSTOMERS AND OTHER LOANS

As at 30 June 2024 and 31 December 2023, the caption Deposits from customers and other loans is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Demand deposits from residents		
In national currency	814 026 309	804 093 636
In foreign currency	390 219 156	331 700 299
	1 204 245 465	**1 135 793 935**
Demand deposits from non-residents		
In national currency	29 966 732	57 749 394
In foreign currency	5 632 855	6 972 050
	35 599 587	64 721 444
Interest on demand deposits	8 062	5 994
Total demand deposits	**1 239 853 114**	**1 200 521 373**
Term deposits from residents		
In national currency	517 850 674	552 275 214
In foreign currency	1 107 404 421	1 064 057 579
	1 625 255 095	1 616 332 793
Term deposits from non-residents	13 062 399	23 395 786
Interest on term deposits	16 579 141	17 415 531
Total term deposits	**1 654 896 635**	**1 657 144 110**
Total deposits	**2 894 749 749**	**2 857 665 483**

As at 30 June 2024 and 31 December 2023, term deposits from customers have the following structure, according to the residual maturity of the operations:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Up to 1 month	320 180 075	319 990 193
1 to 3 months	459 303 877	568 653 621
3 to 6 months	494 608 000	459 266 809
6 to 12 months	351 960 287	292 328 236
1 to 3 years	28 844 396	16 905 251
	1 654 896 635	**1 657 144 110**

As at 30 June 2024 and 31 December 2023, interest on customer term deposits earned interest at the following annual weighted average rates:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
In Kwanzas	10.06%	10.69%
In US Dollars	1.46%	1.43%
In Pounds Sterling	0.19%	0.69%
In Euros	1.49%	1.41%

As at 30 June 2024 and 31 December 2023, demand and term deposits, by type of customer, presented the following structure:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Demand deposits		
Public sector - Government	146 104 740	99 847 345
Public sector - Corporate	20 775 676	27 658 753
Corporate	661 383 024	664 676 323
Retail	411 589 674	408 338 952
	1 239 853 114	**1 200 521 373**
Term deposits		
Public sector - Government	54 362 490	31 532 471
Public sector - Corporate	25 245 145	33 482 550
Corporate	822 471 964	830 106 211
Retail	752 817 036	762 022 878
	1 654 896 635	**1 657 144 110**
	2 894 749 749	**2 857 665 483**

17. IMPAIRMENT AND PROVISIONS

During the six-month period ended 30 June 2024 and the period ended 31 December 2023, the movement in impairment and provisions was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024								
		Increases	Decreases						
	Balances as at 31/12/2023	Charge for the period	Refunds and write-offs	Impact on Profit or Loss	Write-offs	Charge-off	Exchange rate and other differences	Transfers	Balances as at 30/06/2024
Impairment of other financial assets									
Loans and advances to credit institutions (Note 5)	4 180	9 526	(10 561)	(1 035)	-	-	53	-	3 198
Other loans and advances to central banks and credit institutions (Note 6)	375 124	640 037	(517 700)	122 337	-	-	10 046	-	507 507
Investments at amortized cost (Note 8)	13 048 771	872 417	(1 362 333)	(489 916)	-	-	106 539	-	12 665 394
	13 428 075	1 521 980	(1 890 594)	(368 614)	-	-	116 638	-	13 176 099
Impairment of other assets									
Non-current assets held for sale (Note 10)	606 592	45 245	-	45 245	-	-	-	-	651 837
Property, plant and equipment and intangible assets (Note 12)	396 875	106 098	-	106 098	-	-	-	-	502 973
	1 003 467	151 343	-	151 343	-	-	-	-	1 154 810
Loan impairment (Note 9)	**50 268 076**	**5 152 859**	**(695 193)**	**4 457 666**	**-**	**-**	**24 593**	**-**	**54 750 335**
Provisions:									
Of a social or statutory nature	26 770 430	-	-	-	-	(732 020)	601 556	-	26 639 966
Of an administrative and commercial nature	28 274 425	1 227 312	(1 380 385)	(153 073)	-	(57 749)	19 384	-	28 082 987
Guarantees provided and undrawn credit facilities (Note 9)	**479 791**	**307 100**	**(258 899)**	**(30 613)**	**-**	**-**	**(75 005)**	**-**	**452 987**
	55 524 646	**1 534 412**	**(1 639 284)**	**(183 686)**	**-**	**(789 769)**	**545 935**	**-**	**55 175 940**
	120 224 264	**8 360 594**	**(4 225 071)**	**4 135 523**	**-**	**(789 769)**	**687 166**	**-**	**124 257 184**

Amounts expressed in thousands of Kwanzas

	31/12/2023								
		Increases	Decreases						
	Balances as at 31/12/2022	Charge for the period	Refunds and write-offs	Impact on Profit or Loss	Write-offs	Charge-off	Exchange rate and other differences	Transfers	Balances as at 31/12/2023
Impairment of other financial assets									
Loans and advances to credit institutions (Note 5)	3 444	18 284	(20 238)	(1 954)	-	-	2 690	-	4 180
Other loans and advances to central banks and credit institutions (Note 6)	320 964	692 128	(797 072)	(104 944)	-	-	159 104	-	375 124
Investments at amortized cost (Note 8)	10 211 818	3 501 587	(2 173 764)	1 327 823	-	-	1 509 130	-	13 048 771
	10 536 226	4 211 999	(2 991 074)	1 220 925	-	-	1 670 924	-	13 428 075
Impairment of other assets									
Non-current assets held for sale (Note 10)	606 592	-	-	-	-	-	-	-	606 592
Property, plant and equipment and intangible assets (Note 12)	408 792	-	(11 917)	(11 917)	-	-	-	-	396 875
	1 015 384	-	(11 917)	(11 917)	-	-	-	-	1 003 467
Loan impairment (Note 9)	**53 991 485**	**4 562 615**	**(2 641 476)**	**1 921 139**	**(9 247 161)**	**-**	**3 602 613**	**-**	**50 268 076**
Provisions:									
Of a social or statutory nature	18 236 028	-	-	-	-	(1 230 731)	9 765 133	-	26 770 430
Of an administrative and commercial nature	32 680 810	16 433 575	(18 284 254)	(1 850 679)	-	(4 465 809)	1 910 103	-	28 274 425
Guarantees provided and undrawn credit facilities (Note 9)	**661 325**	**697 869**	**(941 068)**	**(243 199)**	**-**	**-**	**61 665**	**-**	**479 791**
	51 578 163	**17 131 444**	**(19 225 322)**	**(2 093 878)**	**-**	**(5 696 540)**	**11 736 901**	**-**	**55 524 646**
	117 121 258	**25 906 058**	**(24 869 789)**	**1 036 269**	**(9 247 161)**	**(5 696 540)**	**17 010 438**	**-**	**120 224 264**

Amounts expressed in thousands of Kwanzas

	30/06/2023								
		Increases	Decreases						
	Balances as at 31/12/2022	Charge for the period	Refunds and write-offs	Impact on Profit or Loss	Write-offs	Charge-off	Exchange rate and other differences	Transfers	Balances as at 30/06/2023
Impairment of other financial assets									
Loans and advances to credit institutions (Note 5)	3 444	8 027	(6 732)	1 295	-	-	2 625	-	7 364
Other loans and advances to central banks and credit institutions (Note 6)	320 964	153 387	(209 629)	(56 242)	-	-	155 866	-	420 588
Investments at amortized cost (Note 8)	10 211 818	1 469 647	(1 146 628)	323 019	-	-	1 483 676	-	12 018 513
	10 536 226	1 631 061	(1 362 989)	268 072	-	-	1 642 167	-	12 446 465
Impairment of other assets									
Non-current assets held for sale (Note 10)	606 592	-	-	-	-	-	-	-	606 592
Property, plant and equipment and intangible assets (Note 12)	408 792	-	(5 958)	(5 958)	-	-	-	-	402 834
	1 015 384	-	(5 958)	(5 958)	-	-	-	-	1 009 426
Loan impairment (Note 9)	**53 991 485**	**953 629**	**(1 139 499)**	**(185 870)**	**-**	**-**	**3 535 299**	**-**	**57 340 914**
Provisions:									
Of a social or statutory nature	18 236 028	-	-	-	-	(397 027)	9 588 901	-	27 427 902
Of an administrative and commercial nature	32 680 810	1 142 216	(3 730 074)	(2 587 858)	-	(3 047 186)	1 898 469	-	28 944 235
Guarantees provided and undrawn credit facilities (Note 9)	**661 325**	**256 164**	**(317 641)**	**(61 477)**	**-**	**-**	**58 556**	**-**	**658 404**
	51 578 163	**1 398 380**	**(4 047 715)**	**(2 649 335)**	**-**	**(3 444 213)**	**11 545 926**	**-**	**57 030 541**
	117 121 258	**3 983 070**	**(6 556 161)**	**(2 573 091)**	**-**	**(3 444 213)**	**16 723 392**	**-**	**127 827 346**

For the six-month period ended 30 June 2024, the Bank reversed impairment, on a net basis, in the amount of AOA 489,916 thousand for the portfolio of Impairment of other financial assets – Investments at amortized cost (see Note 8).

In terms of Loan impairment, the Bank increased impairment, on a net basis, in the amount of AOA 4,457,666 thousand (see Note 9).

In 2023, the Bank wrote off a set of operations, with an impairment amount of AOA 9,247,161.

As at 30 June 2024, the caption Guarantees provided includes the impairment recognized for off-balance sheet captions of documentary credits, guarantees provided and undrawn limits included in the loan portfolio. The Bank increased impairment, on a net basis, in the amount of AOA 48,201 thousand (2023: reversal of AOA 243,199 thousand) (see Note 9).

In 2018, the Bank created the Social Responsibility Department, which comprises the (i) monitoring of the “BFA Solidário” project and (ii) subsidies units and is responsible for the Bank’s social activities until the process of setting up the BFA Foundation is completed.

Since it is the intention of the Bank’s Board of Directors that the provision existing as at 30 June 2024 in the amount of AOA 26,639,966 thousand (2023: AOA 26,770,430 thousand) be used as a monetary endowment for the initial assets of the Fundação BFA, it is also its intention that it be alternatively used through the social activity to be developed by the Social Responsibility Directorate until the incorporation of the Fundação BFA is completed. It should be noted that, as mentioned in Note 32, on 5 July 2024, in accordance with a resolution of BFA’s Board of Directors, the Bank proceeded with the initial endowment of the BFA Foundation in the amount equivalent to 50%, which amounted to AOA 12,920,014 thousand.

As at 30 June 2024 and 31 December 2023, the caption Provisions of an administrative and commercial nature in the amount of AOA 28,082,987and AOA 28,274,425, respectively, consists of provisions to cover several contingencies, frauds, ongoing legal proceedings and other liabilities, corresponding to the best estimate of the costs that the Bank will bear in the future with these liabilities.

In 2023, the Bank settled the amount of AOA 4,183,789 thousand to deal with tax proceedings.

18. OTHER LIABILITIES AND LEASE LIABILITIES

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Foreign exchange transactions		
Foreign exchange spot transactions	3 774	6 902
	3 774	**6 902**
Taxes payable - withheld from third parties		
On income	807 802	745 313
Other	6	6
	807 808	**745 319**
Liabilities of a civil nature	**6 450 080**	**5 912 161**
Liabilities of an administrative and commercial nature		
Staff – salaries and wages		
Holiday pay and holiday allowance	5 973 770	5 704 604
Performance bonus	3 559 951	9 016 005
Other staff costs	1 770 209	1 778 333
Corporate bodies - Performance bonus	2 499 776	1 192 288
Contributions to the Bank Employees Union	457	2 807
	13 891 596	**17 694 037**

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Other administrative and marketing costs payable		
Liabilities to be settled	60 731	4 853
Accrued costs	2 919 075	2 858 647
VAT payable	1 354 594	1 203 024
Deposit Fund Guarantee	795 379	1 370 658
Premium/Discount - Acquisition of securities	13 279 718	14 567 530
IAC Accrual - Own Portfolio	2 719 357	2 037 309
Commissions to be deferred	1 857 425	1 681 538
Other	5 877 990	5 635 681
	28 864 269	**29 359 240**
Total other liabilities	**50 017 527**	**53 717 659**
Lease liabilities	5 571 592	5 325 022
	55 589 119	**59 042 681**

The balance of the caption Tax charges payable – withheld on behalf of third parties includes amounts payable to the Tax Authorities in the month following the month to which it relates. The balance of the caption Liabilities of a civil nature corresponds to invoices for services rendered outstanding to the Bank's suppliers.

As at 30 June 2024 and 31 December 2023, the balance of the caption Liabilities of an administrative and marketing nature – Staff – Salaries and wages includes the amounts of holidays and holiday allowances, performance bonus and other staff costs.

On 28 March 2023, by Unanimous Written Resolution No. 3/2023 (and following the postponement of the decision taken at the General Meeting of 30 March 2023), the amount relating to 60% of the variable remuneration for 2022 was settled and 40% (AOA 1,035,229 thousand) of that amount deferred for a 3-year period, to be valued considering the interest rate of Angolan treasury bonds, traded on the secondary market, in the same currency and maturity as the deferral.

On 1 April 2024, the General Meeting decided to settle the amount relating to 60% of the variable remuneration for 2023 and to defer 40% (AOA 1,024,727 thousand) of that amount for a 3-year period, to be valued considering the interest rate of Angolan treasury bonds, traded on the secondary market, in the same currency and maturity as the deferral.

On 30 June 2024, this caption includes the sum of AOA 1,021,543 thousand relating to 40% of the variable remuneration for 2022 and the sum of AOA 1,478,233 thousand relating to the variable remuneration for 2023, plus the remuneration described above.

The caption Premium/Discount – Acquisition of securities in the amount of AOA 13,279,718 and AOA 14,567,530 refer to the amount to be deferred to the gain on day 1, for the acquisition of public debt securities, considering that the fair value calculated by the Bank at the time of acquisition does not derive from prices directly observed in the market (the operation was OTC), but based on curves (level 2), it was concluded that the difference between the fair value of the security acquired and the acquisition price (P&L of day 1) should be accrued over the maturity of the securities and/or recognized in profit or loss at the time of derecognition.

The balance of the caption Other administrative and marketing costs payable – Accrued costs includes the amount of AOA 2,919,075 thousand (2023: AOA 2,858,647 thousand) related to accrued costs with external supplies and services rendered and not yet invoiced by the suppliers.

The caption Other administrative and marketing costs payable – IAC accruals – Own portfolio refers to the IAC payable to the BNA on the interest on securities in the own portfolio.

As at 30 June 2024 and 31 December 2023, the caption Lease liabilities corresponds to the present value of lease payments to be settled over the lease term, recognized under IFRS 16.

The detail of the lease liabilities by maturity is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Lease liabilities		
Up to 1 year	2 271 181	2 157 672
1 to 5 years	4 070 486	3 965 875
More than 5 years	1 355 873	1 193 481
	7 697 540	**7 317 028**
Interest accrued on net interest income	2 125 948	1 992 006
	5 571 592	**5 325 022**

Lease liabilities relate to the lease agreements for branches and offices used by the Bank in the course of its business

19. EQUITY

Share Capital

The Bank was incorporated with a share capital of AOA 1,305,561 thousand (equivalent to Euro 30,188,657 at the exchange rate in force on 30 June 2002), represented by 1,305,561 registered shares of one thousand Kwanzas each, having been subscribed and paid-up by incorporation of all assets and liabilities, including property or real estate rights of any nature, as well as all the rights and obligations of the former BFE Branch.

At the end of the 2004, 2003 and 2002, the Bank increased its share capital by AOA 537,672 thousand, AOA 1,224,333 thousand and AOA 454,430 thousand, respectively, through the incorporation of the special reserve for the maintenance of own funds, in order to maintain the counter value in kwanzas of the initial capital endowment in foreign currency.

By Unanimous Resolution of the General Meeting, of 4 October 2018, it was decided to increase BFA's share capital by incorporating reserves recorded under the caption Other reserves and Retained earnings in the amount of AOA 11,478,004 thousand. This capital increase was carried out within the scope of Notice No. 02/2018 of the Banco Nacional de Angola, which defines that the minimum value of fully paid-up share capital in national currency is AOA 7,500,000 thousand.

On 26 November 2018, there was an increase in share capital which corresponded to an increase in the shareholding of each shareholder in proportion to their respective holdings in the share capital of the Bank at that date, with 13,694,439 shares having been issued with a par value of AOA 1,000. Accordingly, at the end of 31 December 2018, the Bank had a total of 15,000,000 ordinary shares outstanding.

On 30 March 2023, the General Shareholders' Meeting decided on a share capital increase by incorporating Free Reserves in the amount of AOA 30,000,000 thousand, remaining above the minimum set by the BNA stipulated in BNA Notice No. 17/2022, raising the capital to AOA 45,000,000 thousand..

Following this resolution, Banco de Fomento Angola, S.A., in accordance with the Angolan Commercial Companies Code, registered the change in capital, which was registered after a public deed on 22 August 2023 and registered at the Commercial Registry Office on 28 August 2023. In addition, following a public deed on 22 August 2023 at the Commercial Registry Office, the General Shareholders' Meeting decided to regroup its shares representing its share capital by applying a regrouping ratio of 1:5, with each 5 shares prior to the regrouping corresponding to 1 share after the regrouping, with the regrouping applying to all shares in the same proportion The Bank regrouped the 45,000,000 shares it had after increasing its capital by incorporating reserves into 9,000,000 shares with a nominal value of 5,000 each.

Consequently, on 30 June 2024 and 31 December 2023, the Bank's share capital increased to AOA 9,000,000 thousand, represented by 9,000,000 registered shares of AOA 5,000 each, as a result of the grouping of the 45,000,000 shares it had after the capital increase.

As at 30 June 2024 and 31 December 2023, the shareholder structure of the Bank is as follows:

	30/06/2024		31/12/2023	
	Number of shares	%	Number of shares	%
Unitel, S.A.	4 671 000	51 90%	4 671 000	51 90%
Banco BPI, S.A.	4 328 370	48 09%	4 328 370	48 09%
Other BPI Group entities	630	0 01%	630	0 01%
	9 000 000	**100%**	**9 000 000**	**100%**

On 7 October 2016, Unitel, S.A. (Unitel) entered into an agreement with Banco BPI, S.A. (Banco BPI) for the purchase of 2% of the share capital of BFA, which led to an increase in Unitel's stake in BFA from 49.9% to 51.9%. On that same date, the new shareholders' agreement concerning BFA was also signed.

The completion of this operation was dependent on the verification of the following suspensive conditions:

- Authorization from the Banco Nacional de Angola (BNA) for the increase in the qualified shareholding already held by Unitel in BFA and authorization for the capital transactions necessary for the payment to Banco BPI and the transfer to Portugal of the agreed price of Euro 28 million;
- Authorization from the BNA to change the Articles of Association of BFA; and
- Approval of the operation by the General Shareholders' Meeting of Banco BPI.

On 12 December 2016, the Banco Nacional de Angola communicated that it did not object to the practice of the following acts:

i) i) Partial amendment of BFA's Articles of Association;

ii) Increase in Unitel's qualified shareholding in the share capital of BFA through the acquisition from Banco BPI of 26,111 ordinary shares representative of 2% of share capital;

iii) Indirect acquisition of the qualified shareholding representative of 48.10% of BFA's share capital, following the settlement of the general and mandatory initial public offer (IPO) launched by Caixabank for all the shares representative of Banco BPI's share capital.

The BNA established as a condition that the three operations referred to above are indivisible, i.e., it is assumed that they must occur simultaneously or almost simultaneously or, if it is not possible for any reason to ensure their simultaneity, the operation referred to in (ii) must precede the operations referred to in (i) and (iii).

On 5 January 2017, pursuant to the share purchase and sale agreement entered into in 2016, the sale by Banco BPI to Unitel of the shareholding representing 2% of the share capital of BFA was completed.

On 26 November 2018, a share capital increase took place which corresponded to an increase in the shareholding of each shareholder in proportion to their respective shareholdings in the Bank's share capital at that date, with 13,694,439 shares with a nominal value of AOA 1,000 having been issued. Accordingly, as at 31 December 2018, the Bank had a total of 15,000,000 ordinary shares outstanding.

On 22 August 2023, the Bank formalized the share capital increase by incorporation of Free Reserves in the amount of AOA 30,000,000 thousand, grouping its shares to the amount of 9,000,000 shares, with a nominal value of AOA 5,000.

Other reserves and Retained earnings

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2023	31/12/2022
Legal reserve, other reserves and retained earnings		
Reserva legal	45 000 000	38 224 192
Outras reservas	393 771 206	316 792 208
Resultados transitados	-	-
	438 771 206	**355 016 400**

Under current legislation, the Bank must set aside a legal reserve up to the amount of their capital. To this end, a minimum of 10% of the previous period's net profit is transferred to this reserve each period. This reserve can only be used to cover accumulated losses when the remaining reserves have been exhausted. As a result of the General Shareholders' Meeting resolution on the capital increase, effective on 22 August 2023, the Bank increased the legal reserve by 15%, as part of the distribution of profits for 2022, by unanimous resolution of the General Shareholders' Meeting held on 30 March 2023.

As at 30 June 2024, as provided for in Article 165 of the Legal Framework for Financial Institutions, the legal reserve set up by the Bank amounts to its entire share capital, considering that, by resolution of the General Shareholders' Meeting, it was approved, on 1 April 2024, to increase the legal reserve by 4.05% of the profit achieved in 2023 (AOA 6,775,808 thousand to AOA 45,000,000 thousand). In addition, on the same day and at the General Shareholders' Meeting, it was also decided to transfer 45.95% of the profit for 2023 (AOA 76,978,998 thousand) to free reserves, resulting in a balance of other reserves, as at 30 June 2024, of AOA 393,771,206 thousand. The remaining 50% (AOA 83,754,806 thousand) was distributed to shareholders, as disclosed below.

Earnings and dividend per share

In the six-month period ended 30 June 2024 and 31 December 2023, the basic earnings per share and the dividend attributed, relating to the profit of the previous year, were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Average number of ordinary shares issued	9 000 000	5 153 425
Net profit/(loss) for the period	89 545 738	167 509 612
Dividends distributed in the period relating to the previous period	83 754 806	84 273 132
Basic earnings per share	9.950	32.505
Diluted earnings per share	9.950	32.505
Dividend per share attributed during the period	9.306	16.353

20. NET INTEREST INCOME

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

Interest and similar income	30/06/2024	30/06/2023
For short-term investments:		
Term deposits with credit institutions abroad	17 758 422	10 052 101
Term deposits with credit institutions in the country	17 785 690	3 862 553
Other	361 621	549 845
Income from reverse purchase agreements	4 723 790	9 207 007
	40 629 523	**23 671 506**
From securities:		
From securities at fair value through profit or loss		
Treasury Bonds	3 458 549	5 084 326
From investments at amortized cost		
Treasury Bonds	67 693 774	82 290 839
Treasury Bills	9 793 386	1 927 924
Reverse Repos	6 714 210	-
	87 659 919	**89 303 089**
From loans granted		
Corporate and Government		
Loans	34 771 942	22 871 567
Credit current account	2 581 863	2 685 314
Other loans	4 887	3 080
Mortgages	380 777	180 251
Consumer credit	6 533 848	5 891 457
Other credit	1 946 682	1 747 864
Interest overdue	186 341	264 176
	46 406 340	**33 643 709**
Total interest and similar income	**174 695 782**	**146 618 304**

Amounts expressed in thousands of Kwanzas

Interest and similar income	30/06/2024	30/06/2023
Interest and similar expense		
From deposits:		
Demand deposits	418 067	278 393
Term deposits	36 169 382	29 163 377
	36 587 449	**29 441 770**
Funding liquidity:		
From transactions in the Interbank Money Market	855 349	361 059
	855 349	**361 059**
Other interest and similar expense	958 172	335 697
	958 172	**335 697**
Total interest and similar expense		
	38 400 970	**30 138 526**
Net interest income	**136 294 812**	**116 479 778**

21. FEES AND COMMISSIONS INCOME/(EXPENSE)

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Fees and commissions income		
Fees and commissions on ATMs and TPAs	13 510 512	6 211 948
Fees and commissions on payment orders issued	1 503 070	1 291 057
Commitment fee	1 364 640	246 374
Fees and commissions on open import documentary credits	1 331 147	634 457
Fees and commissions on cards	1 239 179	725 480
Fees and commissions on currency sales	996 870	746 827
Fees and commissions on interbank services	855 352	266 292
Fees and commissions on account maintenance and inactivity	842 798	211 098
Fees and commissions for restructuring credit operations	625 644	305 581
Fees and commissions on guarantees and sureties provided	597 826	460 756
Fees and commissions on securities	517 663	1 841 893
Fees and commissions for opening loans	509 836	363 641
Fees and commissions on services rendered	223 223	293 444
Fees and commissions on early settlements	144 876	10
Fees and commissions on card cancellation/replacement	77 804	626 279
Fees and commissions on the issuance of checks	40 843	348 618
Other fees and commissions	640 095	600 733
	25 021 378	**15 174 488**
Fees and commissions expense		
Fees and commissions on cards	(12 197 751)	(6 164 581)
Fees and commissions on ATMs and TPAs	(704 711)	(495 725)
Fees and commissions on securities	(342 919)	(207 456)
Other fees and commissions	(505 805)	(296 374)
	(13 751 186)	**(7 164 136)**
Total	**11 270 192**	**8 010 352**

The variation in the caption Fees and commissions income – Fees and commissions on ATM and POS and in the caption Fees and commissions expense – Fees and commissions on cards, compared to the same period of the previous year, is due to the increase in EMIS prices and its impact on the corresponding prices.

22. FOREIGN EXCHANGE GAINS/(LOSSES)

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Changes in exchange rates on assets and liabilities denominated in foreign currency	1 575 698	5 374 767
Foreign exchange spot and forward transactions	(2 651 758)	(701 095)
Foreign currency purchase and sale transactions	16 475 194	6 708 435
	15 399 134	**11 382 107**

The caption Changes in exchange rates on assets and liabilities denominated in foreign currency essentially refers to the foreign exchange gains/(losses) related to the exchange revaluation of the Bank's assets and liabilities in foreign currency on the reporting date.

In the six-month period ended 30 June 2024, the entity recorded an increase in foreign exchange gains/(losses) from foreign currency purchase and sale operations as a result of the pricing effect associated with these transactions.

23. GAINS/(LOSSES) ON DISPOSAL OF OTHER ASSETS

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Net gains/(losses) on sale of assets		
Gains on sale of property, plant and equipment	83 341	45 918
Losses on sale of property, plant and equipment	(2 143)	(176)
	81 198	**45 742**

24. OTHER OPERATING INCOME/(EXPENSE)

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Operating income:		
Recovery of administrative and commercial expenses	3 104 185	3 230 260
Gain on expenses charged	26 796	1 785 069
Gains on credit recovery	132 150	153 186
Other	252 168	10 158 205
	3 515 299	**15 326 720**
Operating expense:		
Taxes and fees not levied on income	(4 908 697)	(4 488 075)
Contribution to Deposits Guarantee Fund	(593 086)	(3 111 840)
Penalties applied by regulatory authorities	(7 990)	(42 709)
Other	(1 249 696)	(25 356)
	(6 759 469)	**(7 667 980)**
	(3 244 170)	**7 658 740**

In the six-month periods ended 30 June 2024 and 2023, the caption Taxes and fees not levied on income includes a balance for value added tax in the amount of AOA 4,360,329 thousand and AOA 3,338,028 thousand, respectively.

In the six-month periods ended 30 June 2024 and 2023, the caption Other operating income – Recovery of administrative and commercial expenses refers, essentially, to: (i) the reimbursement of communication and shipping expenses originally borne by the Bank, namely in execution of payment order operations and (ii) gains from lease renegotiations.

25. STAFF COSTS

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Members of the Management and Supervisory Bodies		
Monthly remuneration	1 673 440	1 661 198
Additional remuneration	1 180 136	1 547 954
Mandatory social charges	281 508	207 635
	3 135 084	**3 416 787**
Staff		
Monthly remuneration	23 175 933	19 869 249
Additional remuneration	2 142 415	2 975 326
Mandatory social charges	1 910 520	1 757 744
Optional social charges	2 261 085	1 864 705
Other	217 091	80 667
	29 707 044	**26 547 691**
Pension costs		
Supplementary pension plan	1 430 029	1 512 869
	1 430 029	**1 512 869**
	34 272 157	**31 477 347**

In 2013, with reference to the last day of the year, the Bank set up the BFA Pension Fund to cover the liabilities with retirement pensions for old age, disability and survival that the Bank granted to its Angolan employees registered with the Social Security, having used the provisions previously set up as an initial contribution to the BFA Pension Fund (defined contribution plan). In accordance with the contract for the set-up of the Fund, BFA will contribute annually with 10% of the salary subject to Angolan Social Security charges, applied on fourteen salaries.

In November 2022, Order No. 3923/22 ((Official Gazette) No. 123 of Series II) published the Addendum to the BFA Pension Fund and the New Pension Plan. The new Pension Plan defines a mixed contribution system between the Associate (BFA) and the Employees and establishes the associate's rate at 7.5% on the pensionable salary, also defining a variable employee contribution between 2.5% and 10% on the pensionable salary.

In the six-month periods ended 30 June 2024 and 2023, the Bank's contribution to the BFA Pension Fund amounted to AOA 1,430,029 thousand and AOA 1,512,869 thousand, respectively.
In the six-month period ended 30 June 2024, BFA Pensões – Sociedade Gestora de Fundos de Pensões, S.A. Is responsible for managing the BFA Pension Fund. The Bank assumes the role of depositary of the Fund.

26. EXTERNAL SUPPLIES AND SERVICES

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Audit, advisory and other specialised technical services	7 196 349	6 152 480
Safety, maintenance and repair	4 361 792	3 365 278
Sundry materials	1 194 556	2 340 861
Publications, advertising and marketing	960 920	2 017 391
Transport, travel and accommodation	1 638 405	1 102 774
Communication	1 068 155	1 514 866
Water and energy	260 369	153 835
Insurance	414 560	520 724
Rentals	280 632	82 334
Other external supplies and services	2 985 201	246 231
	20 360 939	**17 496 774**

27. OFF-BALANCE SHEET DISCLOSURES

These captions are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Liabilities to third parties:		
Guarantees provided	52 711 922	68 560 046
Commitments to third parties		
- Open documentary credits	67 708 509	42 558 525
- Undrawn limits	33 630 323	45 101 700
	154 050 754	**156 220 271**
Liabilities for services rendered:		
Services rendered by the Bank		
- Safekeeping of securities	1 920 399	200 279 059
- Check clearing on foreign banks	1 166 852	440 513
- Documentary remittances	(97 646 815)	(95 157 799)
	(94 559 564)	**105 561 773**

As at 30 June 2024 and 31 December 2023, the Bank has set up provisions to cover the credit risk assumed on the granting of guarantees, documentary credits and irrevocable credit facilities (Undrawn limits), in the amounts of AOA 452,987 and 479,791 thousand, respectively (Notes 9 and 17).

As at 30 June 2024 and 31 December 2023, the notional amounts of the forwards are recognized under off-balance sheet captions in the amounts of AOA 7,628,967 and AOA 7,703,799 thousand, respectively. (Note 7)

As at 30 June 2024 and 31 December 2023, the caption Safekeeping of securities refers essentially to securities of customers in the custody of the Bank.

28. RELATED PARTIES

In accordance with IAS 24, the following are considered entities related to the Bank:

- the entities that exercise, directly or indirectly, a significant influence over the management and financial policy of the Bank – Shareholders;
- those over which the Bank exercises, directly or indirectly, a significant influence over their financial management and policy – Associates and joint ventures and the Pension Fund;
- key management personnel of the Bank, considering for this purpose executive and non-executive members of the Board of Directors and companies in which the members of the Board of Directors have control or joint control;
- subsidiaries, joint ventures or associates of the shareholder holding control over the Bank;
- key personnel of the shareholder with control over the Bank (executive and non-executive members of the Board of Directors); and entities controlled or jointly controlled by key personnel of the shareholder with control over the Bank.

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, the Bank's related parties with which it had balances or transactions are as follows:

<table>
<tr><td colspan="2">BFA shareholders
• BPI Group
Unitel</td></tr>
<tr><th>Members of Corporate Bodies – UNITEL</th><th>Companies in which Members of Corporate Bodies have significant influence</th></tr>
<tr><td>Aguinaldo Jaime</td><td>• MULTINVEST-INVEST. E PARTICIPAÇÕES, Lda.
• HOTEL PRAIA MAR, Lda.</td></tr>
<tr><td>Osvaldo António Inácio</td><td></td></tr>
<tr><td>António Miguel Ferreira Geraldes</td><td></td></tr>
<tr><td>Amílcar Frederico Safeca</td><td>• NODIBRAND-SISTEMAS, TECNOLOGIA E CONSULTORIA
• ANTOSC, S.A.
• ANGLOBAL - COMÉRCIO, INDÚSTRIA E SERVIÇOS, S.A.</td></tr>
<tr><td>Eliana Maria Fortes dos Santos</td><td></td></tr>
<tr><td>Arlindo Ngueva Narciso das Chagas Rangel</td><td>• TRANSLUX EXPRESS, Lda.</td></tr>
<tr><td>José Manuel Rela dos Santos Bento</td><td></td></tr>
</table>

<table>
<tr><th colspan="2">Unitel investees</th></tr>
<tr><td>• ANGOLA CABLES, S.A.
• UNITEL INTERNATIONAL, B.V.
• HOLDFINANCE
• UNI TELECOMUNICAÇÕES
• UNITEL SOCIEDADE IMOBILIÁRIA
• TELEACE JLT</td><td>• UNICANDA – AGRO-INDUSTRIAL (SU), S.A.
• UNITEL SPM – SERVIÇOS DE PAGAMENTOS MÓVEIS (SU) S.A.
• UNITEAL SOCIEDADE IMOBILIÁRIA, S.A. (USI – MOBILIÁRIA, S.A.)</td></tr>
<tr><td></td><td></td></tr>
</table>

BFA – Members of Corporate Bodies and Companies in which Members have Control

Board of Directors	Companies in which Members have control or joint control
Maria do Carmo Bastos Corte Real Bernardo	• GRUPO REAL
Divaldo Kienda Feijó Palhares	
Jacinto Manuel Veloso	• BLENDGEST CONSULTING, Lda. • VLS GLOBAL
Filomeno da Costa Alegre Alves de Ceita	
Laura Maria Alcântara Monteiro	
Maria Amélia da Conceição Freitas Montenegro Duarte	• MON LARAMA ET ALLL SERVIÇOS, S.A.
Luís Roberto Fernandes Gonçalves	
Natacha Sofia da Silva Barradas	• LEAD ADVOGADOS - SOCIEDADE DE ADVOGADOS RL
Sebastião Machado Francisco Massango	• SEILMA, Lda. • HONGAMBANDU RESTAURAÇÃO E CARTERING
Paulo Lélis de Freitas Alves	
José Alves do Nascimento	
Francisca Ferrão Costa	• MOONEMPIRE UNIPESSOAL, Lda.
Paulo Valódia de Carvalho Moreira da Silva	

Supervisory Board	Companies in which Members have control or joint control
Alcides Horácio Frederico Safeca	• ARLUNDA - COMÉRCIO E SERVIÇOS, Lda. • AFIMA - COMERCIO E SERVIÇOS, Lda. • GRUPO OMNIA - SOCIEDADE DE INVESTIMENTOS Lda. • LISASTERN - EXPLORAÇÃO MINEIRA, S.A. (N/I)

Supervisory Board	Companies in which Members have control or joint control
Adilson de Jesus Manuel Sequeira	• AUDFISCO, Lda.
Valdir de Jesus Lima Rodrigues	
Henda N´Zinga Câmara Pires Teixeira	
Luzia de Castro Peres do Amaral	

BFA Investees
• BFA GESTÃO DE ACTIVOS SGOIC. S.A.
• BFA PENSÕES SOCIEDADE GESTORA DE FUNDOS DE PENSÕES S.A.
• BFA CAPITAL MARKETS, SDVM, S.A.

Qualified Parties

Unitel Shareholders	Qualified Parties
MS TELCOM - MERCURY, SERVIÇOS DE TELECOMUNICAÇÃO, S.A. – 25% ESTADO ANGOLANO (IGAPE – INSTITUTO DE GESTÃO DE ACTIVOS E PARTICIPAÇÕES DO ESTADO) – 50% PT VENTURES, SGPS, S.A. – 25%	• Sonangol E.P.

As at 30 June 2024 and 31 December 2023, the main balances and transactions maintained by the Bank with related entities are as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024							
	BFA Shareholders							
	BPI	Unitel	Members of the BFA's Board of Directors	Companies in which the members of the Board of Directors have significant influence	Investees	BFA Pension Fund	Related parties via Unitel	Total
Cash and deposits								
Loans and advances to credit institutions	13 523 604	-	-	-	-	-	-	13 523 604
Short-term investments								-
Other loans to credit institutions	249 296 099	-	-	-	-	-	-	249 296 099
Loans granted	49	-	254 421	-	-	-	3 411 361	3 665 831
Other assets					3 257 435	-	-	3 257 435
Deposits from other credit Institutions	32 704 492	-	-	-	-	-	-	32 704 492
Deposits from customers								-
Demand deposits	-	4 043 862	563 905	1 552	23 547	8 353 607	6 493 552	19 480 025
Term deposits	-	248 490 304	4 639 941	-	3 103 524	7 077 904	437 247	263 748 920
Other liabilities	-	-	-	-	-	-	-	-
Interest and similar income	6 742 228	-	5 794	-	27 000	-	157 971	6 932 993
Interest and similar expense	52 679	3 950 334	127 918	-	89 233	1 049 277	29 456	5 298 897
Fees and commissions	-	-	-	-	-	-	-	-
Securities used as deposits	-	-	-	-	-	-	-	-
Participation units	-	-	-	-	-	-	-	-
Documentary credits	-	15 227 940	-	-	-	-	53 684 728	68 912 668
Bank guarantees	-	6 253 211	-	-	-	-	-	6 253 211

Amounts expressed in thousands of Kwanzas

	31/12/2023							
	BFA Shareholders							
	BPI	Unitel	Members of the BFA's Board of Directors	Companies in which the members of the Board of Directors have significant influence	Investees	BFA Pension Fund	Related parties via Unitel	Total
Cash and deposits								
Loans and advances to credit institutions	14 465 892	-	-	-	-	-	-	14 465 892
Short-term investments								-
Other loans to credit institutions	318 808 428	-	-	-	-	-	-	318 808 428
Loans granted	**5 950**	**-**	**253 322**	**-**	**563 013**	**-**	**3 499 500**	**4 321 785**
Other assets	**-**	**-**	**-**			**2 061 628**	**-**	**2 061 628**
Deposits from other credit Institutions	**22 522 960**	**-**	**-**	**-**	**-**	**-**	**-**	**22 522 960**
Deposits from customers								-
Demand deposits	-	2 599 941	537 175	201 008	216 402	1 746 377	21 370 558	26 671 461
Term deposits	-	272 239 656	2 789 749	-	3 844 360	13 191 747	1 669 454	293 734 966
Other liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interest and similar income	**12 738 507**	**-**	**12 261**	**13**	**39 333**	**-**	**63**	**12 790 177**
Interest and similar expense	**1 830 512**	**6 005 573**	**333 116**	**-**	**258 565**	**2 999 010**	**163 604**	**11 590 380**
Fees and commissions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Securities used as deposits	**-**	**3 779 219**	**323 223**	**-**	**-**	**-**	**1 931 048**	**6 033 490**
Participation units	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Documentary credits	**-**	**400 047**	**-**	**-**	**-**	**-**	**52 121 723**	**52 521 770**
Bank guarantees	**-**	**22 941 497**	**-**	**-**	**-**	**-**	**-**	**22 941 497**

The balances relating to the shareholder BPI include the amounts of La Caixa Group, BPI's parent company.

The information presented in respect of the Members of BFA's Corporate Bodies includes the main balances and transactions maintained by the Bank with:

- Members of BFA's Corporate Bodies; and
- Close family members of the members of BFA's Corporate Bodies.

The information presented in respect of the Companies in which BFA's Corporate Bodies have a significant influence includes the main balances and transactions maintained by the Bank with:

- Companies in which members of BFA's Corporate Bodies have significant influence; and
- Companies in which close members of the members of BFA's Corporate Bodies have significant influence.

The information presented regarding the Related parties via Unitel includes the main balances and transactions maintained by the Bank with:

- Members of the Board of Directors of Unitel;
- Companies in which the members of the Board of Directors of Unitel have a significant influence;
- Close family members of the members of the Board of Directors of Unitel; and
- Unitel investees.

29. BALANCE SHEET BY CURRENCY

As at 30 June 2024 and 31 December 2023, the balance sheets by currency have the following structure:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Kwanzas	United States Dollar	Euro	"Indexed to the US Dollar"	Other currencies	Total
Cash and deposits at central banks	180 821 197	276 085 990	178 972 620	-	590 031	636 469 838
Loans and advances to credit institutions	-	20 063 151	13 840 780	-	3 046 795	36 950 726
Other loans and advances to central banks and credit institutions	459 911 874	619 402 975	81 745 740	-	8 089 364	1 169 149 953
Financial assets at fair value through profit or loss	42 145 747	3 113 427	46 888	-	-	45 306 062
Investments at amortized cost	765 674 204	293 385 626	-	-	-	1 059 059 830
Loans and advances to customers	557 662 415	51 778 157	19 668 115	-	3	629 108 690
Non-current assets held for sale	135 735	-	-	-	-	135 735
Investments in subsidiaries, associates and joint ventures	1 117 215	-	-	-	-	1 117 215
Property, plant and equipment	42 224 000	-	-	-	-	42 224 000
Intangible assets	13 889 033	-	-	-	-	13 889 033
Current tax assets	195 853	-	-	-	-	195 853
Other assets	24 411 164	253 431	12 240	-	9	24 676 844
Total Assets	**2 088 188 437**	**1 264 082 757**	**294 286 383**	**-**	**11 726 202**	**3 658 283 779**
Deposits from central banks and other credit institutions	52 784 918	9 360 008	1 238 800	-	116 700	63 500 426
Deposits from customers and other loans	1 383 989 927	1 217 536 622	287 399 546	-	5 823 654	2 894 749 749
Financial liabilities at fair value through profit or loss	2 649 420	-	-	-	-	2 649 420
Provisions	28 704 477	26 141 408	330 055	-	-	55 175 940
Current tax liabilities	12 660 817	-	-	-	-	12 660 817
Lease liabilities	4 970 788	-	-	600 804	-	5 571 592
Other liabilities	33 410 203	4 681 584	8 084 815	-	4 482 290	50 658 892
Total Liabilities	**1 519 170 550**	**1 257 719 622**	**297 053 216**	**600 804**	**10 422 644**	**3 084 966 836**
Net Assets/(Liabilities)	**569 017 887**	**6 363 135**	**(2 766 833)**	**(600 804)**	**1 303 558**	**573 316 943**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Kwanzas	United States Dollar	Euro	"Indexed to the US Dollar"	Other currencies	Total
Cash and deposits at central banks	174 592 294	202 399 538	179 099 199	-	555 764	556 646 795
Loans and advances to credit institutions	-	21 717 823	15 331 017	-	4 582 426	41 631 266
Other loans and advances to central banks and credit institutions	205 903 681	612 530 148	74 637 483	-	8 431 198	901 502 510
Financial assets at fair value through profit or loss	43 442 375	2 998 452	47 004	-	-	46 487 831
Investments at amortized cost	1 115 385 023	296 556 103	-	-	-	1 411 941 126
Loans and advances to customers	509 909 204	19 788 240	20 405 332	-	3	550 102 779
Non-current assets held for sale	180 980	-	-	-	-	180 980
Investments in subsidiaries, associates and joint ventures	1 117 215	-	-	-	-	1 117 215
Property, plant and equipment	38 752 340	-	-	-	-	38 752 340
Intangible assets	12 424 952	-	-	-	-	12 424 952
Current tax assets	192 964	-	-	-	-	192 964
Other assets	23 413 473	-	-	-	-	23 413 473
Total Assets	**2 125 314 501**	**1 155 990 304**	**289 520 035**	**-**	**13 569 391**	**3 584 394 231**
Deposits from central banks and other credit institutions	25 763 869	37 379	2 034 451	-	5 224	27 840 923
Deposits from customers and other loans	1 447 227 612	1 120 074 296	282 736 242	-	7 627 333	2 857 665 483
Financial liabilities at fair value through profit or loss	2 537 450	-	-	-	-	2 537 450
Provisions	29 180 315	25 444 470	899 861	-	-	55 524 646
Current tax liabilities	14 257 036	-	-	-	-	14 257 036
Lease liabilities	4 722 006	-	-	603 016	-	5 325 022
Other liabilities	37 469 951	7 092 957	4 729 420	-	4 425 331	53 717 659
Total Liabilities	**1 561 158 239**	**1 152 649 102**	**290 399 974**	**603 016**	**12 057 888**	**3 016 868 219**
Net Assets/(Liabilities)	**564 156 262**	**3 341 202**	**(879 939)**	**(603 016)**	**1 511 503**	**567 526 012**

30. RISK MANAGEMENT

BFA's activities are exposed to a variety of financial risk factors, including the effects of changes in market prices: foreign exchange risk, credit risk, liquidity risk and cash flow risks associated with interest rate risk, among others.

BFA's risk management is controlled by the Risk Management Department, in accordance with policies approved by the Board of Directors. Accordingly, the Board of Directors has defined, in writing, the main global risk management principles, as well as specific policies for some areas, such as interest rate risk, liquidity risk and credit risk.

The Board of Directors defines the principles for risk management as a whole and policies that cover specific areas, such as exchange risk, interest rate risk, credit risk, the use of derivatives and other non-derivative financial instruments, as well as the investment of excess liquidity.

Main Risk Categories

Credit – Credit risk is the uncertainty of recovery of an investment and its return, due to the debtor's inability (and that of his/her guarantor, if any) to fulfill its financial commitments, thus causing a financial loss to the creditor. Credit risk is reflected in debt securities or other receivables.

Market – Market risk reflects the potential loss that can be recorded by a given portfolio as a result of changes in rates (interest and exchange rates) and/or the prices of the different financial instruments that comprise it, considering both the correlations between them and the respective volatilities. Accordingly, Market Risk encompasses interest rate risk, exchange rate and other price risks.

Liquidity – Liquidity risk reflects the inability of the Bank to meet its liabilities associated with financial liabilities on each maturity date without incurring significant losses as a result of a deterioration in the conditions of access to financing (financing risk) and/or sale of its assets for amounts lower than the amounts usually practiced in the market (market liquidity risk).

Real Estate - Real estate risk is the probability of negative impacts on the Bank's income or capital level due to fluctuations in the market price of real estate assets.

Operating – Operational risk is the potential loss resulting from failures or inadequacies in internal processes, information systems, human behavior or external events.

30.1 Credit Risk

Credit risk corresponds to the risk of default by counterparties, with which the Bank maintains open positions in financial instruments, as a creditor. In accordance with the BFA's General Credit Regulations, the granting of credit in the Bank is based on the following fundamental principles:

Formulation of proposals

Loan operations, or guarantees, subject to the decision of BFA:
- They are adequately characterized in the Technical Data Sheet, containing all the essential and accessory elements necessary for the formalization of the operation;
- Respect the specific product sheet;
- Are accompanied by a duly substantiated credit risk analysis;
- Contain the signatures of the proposing bodies.

Credit risk analysis

In the credit risk analysis, the total exposure of the Bank to the customer, or to the group to which the customer belongs, is considered, according to the terms of the legislation applicable at any time. Exposures in respect of the same customer or economic group are classified, having as reference those that represent the greatest risk.

Currently, considering the regulations of the Banco Nacional de Angola:

- For a single customer, all its liabilities vis-à-vis the Bank, in force or potential, already contracted or committed, for financing and guarantees are considered (total exposure of the Bank to the customer);
- For a group of customers, the sum of the liabilities of each customer that comprises the group is considered (total exposure of the Bank to the group); and
- The existence of guarantees with State risk, or with immediate liquidity, has an impact on the calculation of the value of the Global Exposure.

Classification of Risk

The Bank classifies loan operations in ascending order of risk, according to the following grades:

Grade A: Minimum risk
Grade B: Very low risk
Grade C: Low risk
Grade D: Moderate risk
Grade E: High risk
Grade F: Very high risk
Grade G: Maximum risk

The individual classification of the exposure considers the characteristics and risks of the operation and of the borrower, and is initially classified based on the following criteria adopted by the Bank:

Grade A: operations that are:

(i) assumed by the Angolan State, encompassing its central and provincial administrations;

(ii) assumed by central administrations, central banks of countries, included in group 1 (defined in Instruction No. 1/2015, of 14 January, of the Banco Nacional de Angola), international organizations and multilateral development banks;

(iii) fully guaranteed by cash deposits, or certificates of deposit, constituted or issued by the lending institution, or by institutions in a controlling or group relationship with the lending institution and having their head office in Angola, or a country included in group 1, multilateral development banks and international organizations, provided that the exposure and the deposit or certificate are denominated in the same currency;

(iv) fully guaranteed by cash deposits or certificates of deposit constituted or issued by the lending institution or by branches of the lending institution, not covered by the preceding paragraph, provided that the exposure and the deposit or certificate are denominated in the same currency;

(v) fully guaranteed by securities or bonds issued by the Angolan State, or by the Banco Nacional de Angola.

Grade B and others: remaining loans.

The classification of exposures is revised whenever there are signs of impairment in late payments.

Within the scope of the regular review of loan operations, including loan operations overdue, BFA reclassifies overdue loan operations into those that are due, based on an analysis of the economic prospects of collectability, namely considering the existence of guarantees, the borrowers' or guarantors' assets and the existence of operations whose risk BFA equates to State risk, or even when the situation of delay results from the Bank's exclusive responsibility due to a one-off failure in its processes.

Association of Guarantees

When granting loans to Retail customers or small companies with a maturity of more than 36 months, in the absence of short-term financial investments, BFA requires, as a rule, the provision of a real guarantee on property.

Loan operations are associated with guarantees considered adequate to the risk of the borrower, the nature and term of the operation, which are duly substantiated, in terms of sufficiency and liquidity.

Real guarantees are assessed prior to the loan decision, and these assessments are periodically reviewed. Exceptions to this rule (with decisions being conditional on a subsequent assessment) imply that disbursement will only occur after the Bank has obtained the guarantee assessment.

The main types of collateral for loans and advances to customers are:

- Mortgages on residential properties;
- Encumbrances on Company assets, such as facilities, inventory or accounts receivable;
- Encumbrances on financial instruments, such as debt securities or shares; and
- Encumbrances on term deposits at the institution.

Long-term financing and loans to corporate entities usually have an associated guarantee. On the contrary, revolving credit products do not generally have an associated guarantee.

Collaterals obtained as a guarantee for financial assets, other than loans and advances to customers, always depends on the type of financial instrument. Debt instruments do not normally have an associated guarantee, with the exception of securitized instruments, which have portfolios of financial instruments as collateral. On the other hand, derivative instruments have associated guarantees.

The Bank's policies on collateral obtained as guarantee have not changed significantly during the reporting period, nor have there been any significant changes in the quality of the collateral held by the Bank since the previous period.

The Bank monitors collateral obtained as security for impaired loans and advances to customers as it becomes more likely that the Bank will take ownership of such collateral to mitigate possible credit losses. Loans to impaired customers (stage 3) and the collaterals obtained as guarantee are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Gross loans	Impairment	Net loans	Value of collateral
Retail				
Credit cards	517 481	463 532	53 949	-
Current accounts	21 478	11 997	9 481	-
Loans	2 576 302	1 846 081	730 221	3 286 642
Leasing	4 618 748	3 292 982	1 325 766	4 948 503
Overdrafts	192 981	142 353	50 628	-
	7 926 990	**5 756 945**	**2 170 045**	**8 235 145**
Corporate				
Current accounts	9 869	5 303	4 566	832 288
Loans	54 078 927	34 270 175	19 808 752	61 157 778
Leasing	65 146	32 727	32 419	2 667 748
Overdrafts	115 553	65 785	49 768	-
	54 269 495	**34 373 990**	**19 895 505**	**64 657 814**
Total	**62 196 485**	**40 130 935**	**22 065 550**	**72 892 959**

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Gross loans	Impairment	Net loans	Value of collateral
Retail				
Credit cards	424 888	374 646	50 242	-
Current accounts	21 478	11 998	9 480	-
Loans	2 777 112	1 876 215	900 897	3 201 055
Leasing	4 326 503	3 061 980	1 264 523	4 153 914
Overdrafts	144 524	101 998	42 526	-
	7 694 505	**5 426 837**	**2 267 668**	**7 354 969**
Corporate				
Current accounts	69 869	31 070	38 799	1 263 920
Loans	53 285 226	31 861 693	21 423 533	58 731 713
Leasing	70 210	34 537	35 673	2 591 342
Overdrafts	68 915	32 960	35 955	-
	53 494 220	**31 960 260**	**21 533 960**	**62 586 975**
Total	**61 188 725**	**37 387 097**	**23 801 628**	**69 941 944**

Exclusions due to incidents

The Bank does not grant loans and advances to customers who have registered material incidents in the last 24 months known to BFA, nor to other companies that are part of a group with customers in that situation. The following are considered material incidents:

- Delays in making payments of principal or interest owed to a credit institution, social security, AGT, court or State Inspectorate for more than 45 days;
- Irregular use of means of payment for which that person or entity is responsible;
- Pending legal actions against that person or entity that have potential adverse effects on their economic or financial position.

Exceptions to these rules have specific decision rules under the Bank's general credit regulation, which are stricter.

Restructurings

In principle, BFA only formalizes ongoing loan restructuring operations, after assessing the customer's ability to comply with the new plan, if the following criteria are met:

- New guarantees (more liquid and/or more valuable) are presented for the new operation;
- Interest and late payment fees are paid in advance (in the event of a non-performing operation); and
- There is a significant partial settlement of the outstanding principal (performing and/or non-performing).

Exceptionally, and if none of the above assumptions are met, BFA admits formalizing the formal restructuring of Retail customers' debts, if it is verified that in the last 6 months, deposits were made of a minimum amount equal to the installment amount foreseen for the restructured operation.

Loan operations restructured due to the customer's financial difficulties are defined in the General Credit Regulation and comply with the regulator's specific regulations in this matter.

Restructuring operations are classified, for the purpose of increasing risk, and periodically monitored as to compliance with the established plan and are only unclassified when certain conditions of regularity in complying with the plan are met.

The operations subject to renegotiation are maintained at least at the same risk level in which they were classified in the month immediately prior to the renegotiation. Reclassification to a lower risk level only occurs if there is regular and significant repayment of the operation, payment of interest due and on arrears, or depending on the quality and value of new guarantees presented for the renegotiated operation.

Monitoring of non-performing loans

Non-performing loans are monitored by the commercial teams, as a rule until it is 60 days overdue, with monitoring being done by a specialized team. After 60 days of default, the management of the relationship is transferred to this specialized team, which has the mission of collaborating in loan recovery actions, being able to take over negotiations and restructuring proposals.

The restructuring negotiations follow the principles mentioned above.

This team is responsible for the management and relationship with the customer, with the aim of recovering the loan, resorting to the enforcement, through the courts, if necessary.

Impairment

BFA implemented a model to calculate impairment losses of the loan portfolio, in accordance with the requirements set out in IFRS 9.

BFA calculates the impairment losses of the loan portfolio monthly based on the implemented model, with the amount of impairment determined being approved by the Executive Committee of the Board of Directors.

The first application and the respective outcomes of this model were calculated with reference to 1 January 2018. Since that reference date, monthly calculations have been carried out. The half-yearly results are approved by the Board of Directors of the Bank.

Securities and bonds

As at 30 June 2024 and 31 December 2023, BFA's securities portfolio complies with the principle of the high credit quality of its issuers, consisting mainly of securities issued by the Angolan State and by the Banco Nacional de Angola.

As at 30 June 2024 and 31 December 2023, the maximum exposure to credit risk presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024			31/12/2023		
	Gross book value	Impairment	Net book value	Gross book value	Impairment	Net book value
On-balance sheet						
Cash and deposits at central banks (Note 4)	636 469 838	-	636 469 838	556 646 795	-	556 646 795
Loans and advances to credit instititutions (Note 5)	36 953 924	(3 198)	36 950 726	41 635 446	(4 180)	41 631 266
Other loans and advances to central banks and credit institutions (Note 6)	1 169 657 460	(507 507)	1 169 149 953	901 877 634	(375 124)	901 502 510
Financial assets at fair value through profit or loss (Note 7)	45 306 062	-	45 306 062	46 487 831	-	46 487 831
Investments at amortized cost (Note 8)	1 071 725 224	(12 665 394)	1 059 059 830	1 424 989 897	(13 048 771)	1 411 941 126
Loans and advances to customers (Note 9)	683 859 025	(54 750 335)	629 108 690	600 370 855	(50 268 076)	550 102 779
Other assets (Note 14)	30 926 589		30 926 589	23 413 473		23 413 473
	3 674 898 122	**(67 926 434)**	**3 606 971 688**	**3 595 421 931**	**(63 696 151)**	**3 531 725 780**
Off-balance sheet						
Guarantees provided, open documentary credits and undrawn facilities (Note 9)	154 050 754	(452 987)	153 597 767	156 220 271	(479 791)	155 740 480
Total	**3 828 948 876**	**(68 379 421)**	**3 760 569 455**	**3 751 642 202**	**(64 175 942)**	**3 687 466 260**

For financial assets recognized in the balance sheet, the maximum exposure to credit risk is represented by the book value net of impairment. For off-balance sheet items, the maximum exposure from guarantees is the maximum amount that the Bank would have to pay should the guarantees be forfeited and of loan and other credit-related commitments of an irrevocable nature is the total amount of commitments made.

As at 30 June 2024 and 31 December 2023, the credit quality of financial assets is as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Cash and deposits at central banks	External rating	B+ to B-	606 494 189	-	606 494 189
	Unrated	N/ D	29 975 649	-	29 975 649
			636 469 838	-	636 469 838
Loans and advances to credit institutions	External rating	AAA to AA-	4 435 383	-	4 435 383
		A+ to A-	6 333 510	(518)	6 332 992
		BBB+ to BBB-	18 854 476	(983)	18 853 493
		BB+ to BB-	7 226 756	(1 562)	7 225 194
		B+ to B-	103 799	(135)	103 664
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			36 953 924	(3 198)	36 950 726
Other loans and advances to central banks and credit institutions	External rating	AAA to AA-	73 001 826	-	73 001 826
		A+ to A-	160 428 954	(40 926)	160 388 028
		BBB+ to BBB-	465 820 596	(284 536)	465 536 060
		BB+ to BB-	10 358 361	(46 196)	10 312 165
		B+ to B-	460 047 723	(135 849)	459 911 874
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			1 169 657 460	(507 507)	1 169 149 953
Financial assets at fair value through profit or loss	External rating	B+ to B-	37 760 013	-	37 760 013
	Unrated	N/ D	7 546 049	-	7 546 049
			45 306 062	-	45 306 062

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Investments at amortized cost	External rating	AAA to AA-	9 032 664	-	9 032 664
		A+ to A-	8 453 850	-	8 453 850
		BBB+ to BBB-	-	-	-
		BB+ to BB-	-	-	-
		B+ to B-	1 054 238 710	(12 665 394)	1 041 573 316
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			1 071 725 224	(12 665 394)	1 059 059 830
Loans and advances to customers - On-balance sheet	Internal rating	Grade A	270 271 632	(3 490 547)	266 781 085
		Grade B	382 678 559	(32 940 933)	349 737 626
		Grade C	2 026 369	(347 311)	1 679 058
		Grade D	429 299	(114 178)	315 121
		Grade E	518 494	(222 820)	295 674
		Grade F	129 416	(59 035)	70 381
		Grade G	27 805 256	(17 575 511)	10 229 745
			683 859 025	(54 750 335)	629 108 690
Loans and advances to customers - Off-balance sheet	Internal rating	Grade A	15 414 367	(5 998)	15 408 369
		Grade B	138 559 965	(442 370)	138 117 595
		Grade C	28 570	(432)	28 138
		Grade D	16 199	(596)	15 603
		Grade E	7 685	(750)	6 935
		Grade F	2 550	(271)	2 279
		Grade G	21 418	(2 570)	18 848
			154 050 754	(452 987)	153 597 767
		Total	**3 798 022 287**	**(68 379 421)**	**3 729 642 866**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Cash and deposits at central banks	External rating	B+ to B-	529 748 218	-	529 748 218
	Unrated	N/ D	26 898 577	-	26 898 577
			556 646 795	-	556 646 795
Loans and advances to credit institutions	External rating	AAA to AA-	5 102 103	-	5 102 103
		A+ to A-	9 241 993	(207)	9 241 786
		BBB+ to BBB-	19 618 488	(1 140)	19 617 348
		BB+ to BB-	7 619 159	(2 833)	7 616 326
		B+ to B-	53 703	-	53 703
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			41 635 446	(4 180)	41 631 266
Other loans and advances to central banks and credit institutions	External rating	AAA to AA-	70 900 041	-	70 900 041
		A+ to A-	148 343 459	(34 347)	148 309 112
		BBB+ to BBB-	466 669 374	(292 484)	466 376 890
		BB+ to BB-	10 061 079	(48 293)	10 012 786
		B+ to B-	205 903 681	-	205 903 681
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			901 877 634	(375 124)	901 502 510
Financial assets at fair value through profit or loss	External rating	B+ to B-	39 010 592	-	39 010 592
	Unrated	N/ D	7 477 239	-	7 477 239
			46 487 831	-	46 487 831

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Investments at amortized cost	External rating	AAA to AA-	8 600 355	-	8 600 355
		A+ to A-	8 231 473	-	8 231 473
		BBB+ to BBB-	-	-	-
		BB+ to BB-	-	-	-
		B+ to B-	1 408 158 069	(13 048 771)	1 395 109 298
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			1 424 989 897	(13 048 771)	1 411 941 126
Loans and advances to customers - On-balance sheet	Internal rating	Grade A	262 382 073	(3 204 340)	259 177 733
		Grade B	306 035 368	(29 115 051)	276 920 317
		Grade C	2 967 047	(217 310)	2 749 737
		Grade D	1 060 708	(306 215)	754 493
		Grade E	1 897 163	(634 721)	1 262 442
		Grade F	348 143	(139 454)	208 689
		Grade G	25 680 353	(16 650 985)	9 029 368
			600 370 855	(50 268 076)	550 102 779
Loans and advances to customers - Off-balance sheet	Internal rating	Grade A	11 546 292	(6 046)	11 540 246
		Grade B	144 565 302	(467 896)	144 097 406
		Grade C	42 281	(258)	42 023
		Grade D	15 927	(119)	15 808
		Grade E	14 655	(1 299)	13 356
		Grade F	4 405	(414)	3 991
		Grade G	31 409	(3 759)	27 650
			156 220 271	(479 791)	155 740 480
		Total	**3 728 228 729**	**(64 175 942)**	**3 664 052 787**

As at 30 June 2024 and 30 June 2023, interest income and expenses from financial instruments not measured at fair value through profit or loss, net of impairment, are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			30/06/2023		
	Gains	Losses	Net gains/(losses)	Gains	Losses	Net gains/(losses)
Assets						
Other loans and advances to central banks and credit institutions	41 147 223	(640 037)	40 507 186	23 881 135	(153 387)	23 727 748
Investments at amortized cost	84 975 667	(872 417)	84 103 250	90 449 717	(1 469 647)	88 980 070
Loans and advances to customers	48 381 889	(5 231 673)	43 150 216	34 783 208	(953 629)	33 829 579
	174 504 779	(6 744 127)	167 760 652	149 114 060	(2 576 663)	146 537 397
Liabilities						
Deposits from customers and other loans	-	(36 587 449)	(36 587 449)	-	(29 441 770)	(29 441 770)
Deposits from central banks and other credit institutions	-	(855 349)	(855 349)	-	(361 059)	(361 059)
	-	(37 442 798)	(37 442 798)	-	(29 802 829)	(29 802 829)
Off-balance sheet						
Guarantees provided, documentary credits and undrawn limits	2 187 872	(228 286)	1 959 586	778 397	(256 164)	522 233
	2 187 872	(228 286)	1 959 586	778 397	(256 164)	522 233
	176 692 651	**(44 415 211)**	**132 277 440**	**149 892 457**	**(32 635 656)**	**117 256 801**

As at 30 June 2024 and 31 December 2023, Net gains/(losses) on financial instruments are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Against profit or loss			Against equity		
	Gains	Losses	Net gains/(losses)	Gains	Losses	Net gains/(losses)
Assets						
Financial assets at fair value through profit or loss	5 060 071	(1 031 912)	4 028 159	-	-	-
Investments at amortized cost	-	-	-	-	-	-
	5 060 071	(1 031 912)	4 028 159	-	-	-
Liabilities						
Financial liabilities at fair value through profit or loss	91 248	-	91 248	-	-	-
	91 248	**-**	**91 248**	**-**	**-**	**-**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Against profit or loss			Against equity		
	Gains	Losses	Net gains/(losses)	Gains	Losses	Net gains/(losses)
Assets						
Financial assets at fair value through profit or loss	5 386 748	(5 697 560)	(310 812)	-	-	-
Investments at amortized cost	8 508 936	-	8 508 936			
	5 386 748	(5 697 560)	(310 812)	-	-	-
Liabilities						
Financial liabilities at fair value through profit or loss	-	(1 367 791)	(1 367 791)	-	-	-
	-	**(1 367 791)**	**(1 367 791)**	**-**	**-**	**-**

As at 30 June 2024 and 31 December 2023, the geographical concentration of credit risk exposure presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Angola	Other African countries	Europe	Other	Total
Assets					
Cash and deposits at central banks	636 469 838	-	-	-	636 469 838
Loans and advances to credit institutions	-	9 077 363	27 543 937	329 426	36 950 726
Other loans and advances to central banks and credit institutions	459 911 874	112 390 192	596 765 699	82 188	1 169 149 953
Financial assets at fair value through profit or loss	39 430 027	-	-	3 160 315	45 306 062
Investments at amortized cost	1 042 228 002	-	8 231 473	8 600 355	1 059 059 830
Loans and advances to customers	629 108 690	-	-	-	629 108 690
Total	**2 807 148 431**	**121 467 555**	**632 541 109**	**12 172 284**	**3 576 045 099**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Angola	Other African countries	Europe	Other	Total
Assets					
Cash and deposits at central banks	556 646 795	-	-	-	556 646 795
Loans and advances to credit institutions	-	9 221 684	32 072 120	337 462	41 631 266
Other loans and advances to central banks and credit institutions	205 903 681	61 993 582	633 605 247	-	901 502 510
Financial assets at fair value through profit or loss	40 726 655	-	-	3 045 456	46 487 831
Investments at amortized cost	1 395 109 298	-	8 231 473	8 600 355	1 411 941 126
Loans and advances to customers	550 102 779	-	-	-	550 102 779
Total	**2 748 489 208**	**71 215 266**	**673 908 840**	**11 983 273**	**3 508 312 307**

As at 30 June 2024 and 31 December 2023, the sectoral concentration of loans and advances to customers is as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024						
	Loans and advances to customers					Imparidade	
	Falling due	Overdue	Loans and advances to customers - off-balance sheet	Total exposure	Relative weight	Value	Total impairment / exposure
Corporate							
Real Estate, rental and services rendered by Companies			756 067	994 214	0%	4 364	0%
Other collective, social and personal service activities	-	196	-	196	0%	92	0%
Central Government	216 747 165	116	-	216 747 281	26%	2 807 698	5%
Agriculture, livestock, game and forestry	74 142 892	921 204	499 131	75 563 227	9%	25 231 347	46%
Accommodation and catering	1 746 471	17 146	100 000	1 863 617	0%	49 341	0%
Financial activities	1 145 827	-	19 797 139	20 942 966	2%	7 891	0%
Wholesale and retail trade	63 577 826	371 273	25 389 970	89 339 069	11%	1 318 161	2%
Construction	89 207 619	628 778	34 153 719	123 990 116	15%	5 319 996	10%
Education	1 361 406	360 753	5 080	1 727 239	0%	222 950	0%
Extractive industries	50 691 211	-	166 285	50 857 496	6%	1 124 309	2%
Manufacturing industries	42 515 205	803 432	24 931 868	68 250 505	8%	6 444 838	12%
Other service companies	7 763 941	4 636 711	13 219 401	25 620 053	3%	4 929 913	9%
Production and distribution of energy, gas and water	-	293	1 009 001	1 009 294	0%	3 159	0%
Health and social services	980 008	88 752	221 596	1 290 356	0%	198 511	0%
Transport, storage and communication	6 193 842	6 779	26 043 960	32 244 581	4%	177 611	0%
	556 311 259	**7 835 734**	**146 293 217**	**710 440 210**		**47 840 181**	
Retail							
Consumer	86 308 045	3 350 901	-	89 658 946	11%	3 454 763	6%
Mortgages	22 706 889	543 905	-	23 250 794	3%	2 943 272	5%
Other purposes	5 565 293	1 236 999	7 757 537	14 559 829	2%	965 106	2%
	114 580 227	**5 131 805**	**7 757 537**	**127 469 569**		**7 363 141**	
Total	**670 891 486**	**12 967 539**	**154 050 754**	**837 909 779**		**55 203 322**	

Amounts expressed in thousands of Kwanzas

	31/12/2023						
	Loans and advances to customers					Imparidade	
	Falling due	Overdue	Loans and advances to customers - off-balance sheet	Total exposure	Relative weight	Value	Total impairment / exposure
Corporate							
Real Estate, rental and services rendered by Companies	553 699	174	918 320	1 472 193	0%	10 056	0%
Other collective, social and personal service activities	999 776	17 182	551 080	1 568 038	0%	54 477	0%
Central Government	198 988 981	60	-	198 989 041	26%	2 424 675	5%
Agriculture, livestock, game and forestry	69 938 541	617 370	4 733 279	75 289 190	10%	22 843 254	45%
Accommodation and catering	2 274 933	13 482	100 000	2 388 415	0%	42 946	0%
Financial activities	10 227	-	3 014 955	3 025 182	0%	405	0%
Wholesale and retail trade	65 452 792	349 449	21 091 809	86 894 050	11%	1 095 435	2%
Construction	71 009 413	627 471	10 277 093	81 913 977	11%	4 011 386	8%
Education	1 037 582	355 718	7 000	1 400 300	0%	212 891	0%
Extractive industries	8 880 111	61	21 000	8 901 172	1%	189 492	0%
Manufacturing industries	15 404 608	253 647	12 930 343	28 588 598	4%	5 023 702	10%
Other service companies	45 478 036	5 138 586	62 552 789	113 169 411	15%	7 768 935	15%
Production and distribution of energy, gas and water	348 728	81 214	31 000	460 942	0%	46 655	0%
Health and social services	233 302	60 969	320 000	614 271	0%	111 802	0%
Transport, storage and communication	476 418	10 403	29 876 054	30 362 875	4%	44 929	0%
	481 087 147	**7 525 786**	**146 424 722**	**635 037 655**		**43 881 040**	
Retail							
Consumer	82 523 777	3 085 764	-	85 609 541	11%	3 078 256	6%
Mortgages	22 119 018	591 888	-	22 710 906	3%	3 103 917	6%
Other purposes	2 703 174	734 301	9 795 549	13 233 024	2%	684 654	1%
	107 345 969	**4 411 953**	**9 795 549**	**121 553 471**		**6 866 827**	
Total	**588 433 116**	**11 937 739**	**156 220 271**	**756 591 126**		**50 747 867**	

As at 30 June 2024 and 31 December 2023, the exposure to credit risk by class of financial assets, rating level and stage, presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Cash and deposits at central banks:				
B+ to B-	606 494 189	-	-	606 494 189
N/ D	29 975 649	-	-	29 975 649
	636 469 838	-	-	636 469 838
Loans and advances to credit institutions:				
AAA to AA-	4 435 383	-	-	4 435 383
A+ to A-	6 333 510	-	-	6 333 510
BBB+ to BBB-	18 854 476	-	-	18 854 476
BB+ to BB-	7 226 756	-	-	7 226 756
B+ to B-	103 799	-	-	103 799
N/ D	-	-	-	-
	36 953 924	-	-	36 953 924
Other loans and advances to central banks and credit institutions:				
AAA to AA-	73 001 826	-	-	73 001 826
A+ to A-	160 428 954	-	-	160 428 954
BBB+ to BBB-	465 820 596	-	-	465 820 596
BB+ to BB-	10 358 361	-	-	10 358 361
B+ to B-	460 047 723	-	-	460 047 723
	1 169 657 460	-	-	1 169 657 460
Investments at amortized cost:				
AAA to AA-	9 032 664	-	-	9 032 664
A+ to A-	8 453 850	-	-	8 453 850
B+ to B-	1 054 238 710	-	-	1 054 238 710
	1 071 725 224	-	-	1 071 725 224

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Loans and advances to customers - On-balance sheet:				
Grade A	269 762 877	508 755	-	270 271 632
Grade B	293 890 812	49 797 597	38 990 150	382 678 559
Grade C	875 214	905 546	245 609	2 026 369
Grade D	126 497	246 082	56 720	429 299
Grade E	69 987	77 966	370 541	518 494
Grade F	-	76 834	52 582	129 416
Grade G	1 579	5 322 794	22 480 883	27 805 256
	564 726 966	56 935 574	62 196 485	683 859 025
Loans and advances to customers - Off-balance sheet:				
Grade A	15 405 841	3 351	5 175	15 414 367
Grade B	136 851 354	1 647 016	61 595	138 559 965
Grade C	120	25 431	3 019	28 570
Grade D	50	10 795	5 354	16 199
Grade E	2	388	7 295	7 685
Grade F	-	-	2 550	2 550
Grade G	770	3 801	16 847	21 418
	152 258 137	1 690 782	101 835	154 050 754
Total gross book value	**3 631 791 549**	**58 626 356**	**62 298 320**	**3 752 716 225**
Accumulated impairment / Provision	21 660 705	6 575 156	40 143 560	68 379 421
Net book value	**3 653 452 254**	**65 201 512**	**102 441 880**	**3 821 095 646**

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Cash and deposits at central banks:				
B+ to B-	529 748 218	-	-	529 748 218
N/ D	26 898 577	-	-	26 898 577
	556 646 795	-	-	556 646 795
Loans and advances to credit institutions:				
AAA to AA-	5 102 103	-	-	5 102 103
A+ to A-	9 241 993	-	-	9 241 993
BBB+ to BBB-	19 618 488	-	-	19 618 488
BB+ to BB-	7 619 159	-	-	7 619 159
B+ to B-	53 703	-	-	53 703
N/ D	-	-	-	-
	41 635 446	-	-	41 635 446
Other loans and advances to central banks and credit institutions:				
AAA to AA-	70 900 041	-	-	70 900 041
A+ to A-	148 343 459	-	-	148 343 459
BBB+ to BBB-	466 669 374	-	-	466 669 374
BB+ to BB-	10 061 079	-	-	10 061 079
B+ to B-	205 903 681	-	-	205 903 681
	901 877 634	-	-	901 877 634
Investments at amortized cost:				
AAA to AA-	8 600 355	-	-	8 600 355
A+ to A-	8 231 473	-	-	8 231 473
B+ to B-	1 408 158 069	-	-	1 408 158 069
	1 424 989 897	-	-	1 424 989 897

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Loans and advances to customers - On-balance sheet:				
Grade A	262 382 073	-	-	262 382 073
Grade B	239 022 811	29 136 314	37 876 243	306 035 368
Grade C	2 369 772	481 583	115 692	2 967 047
Grade D	16 206	250 019	794 483	1 060 708
Grade E	10 572	110 700	1 775 891	1 897 163
Grade F	141	34 446	313 556	348 143
Grade G	7 092	5 360 401	20 312 860	25 680 353
	503 808 667	35 373 463	61 188 725	600 370 855
Loans and advances to customers - Off-balance sheet:				
Grade A	11 534 966	6 951	4 375	11 546 292
Grade B	144 021 456	477 588	66 258	144 565 302
Grade C	50	40 864	1 367	42 281
Grade D	-	14 969	958	15 927
Grade E	-	963	13 692	14 655
Grade F	109	-	4 296	4 405
Grade G	1 037	3 936	26 436	31 409
	155 557 618	545 271	117 382	156 220 271
Total gross book value	**3 584 516 057**	**35 918 734**	**61 306 107**	**3 681 740 898**
Accumulated impairment / Provision	20 324 502	6 711 374	37 400 882	64 436 758
Net book value	**3 604 840 559**	**42 630 108**	**98 706 989**	**3 746 177 656**

30.2 Liquidity risk

Liquidity risk corresponds to the risk of the Bank presenting difficulties in obtaining the financial resources it needs to meet its financial commitments when they become due. Liquidity risk may consist, for example, in the inability to sell a financial instrument quickly for an amount representative of its fair value, because of its large size, in relation to the volume normally traded, or because of some discontinuity in the market.

Within the scope of the Bank's internal policies with respect to exposure to liquidity risk, the respective follow-up and monitoring of the established principles and limits is ensured by the Risk Management Department.

As at 30 June 2024 and 31 December 2023, the total contractual cash flows are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	218 774 098	-	-	-	-	417 695 740	-	-	-	636 469 838
Loans and advances to credit institutions	36 953 924	-	-	-	-	-	-	-	-	36 953 924
Other loans and advances to central banks and credit institutions	-	659 525 798	175 368 868	71 919 998	262 842 796	-	-	-	-	1 169 657 460
Financial assets at fair value through profit or loss	-	316 682	17 839	144 173	3 226 944	12 013 483	18 368 782	3 672 110	7 546 049	45 306 062
Investments at amortized cost	-	22 442 369	69 628 232	106 877 220	131 339 903	267 794 698	306 367 580	167 275 222	-	1 071 725 224
Loans and advances to customers	-	14 585 698	32 290 947	12 405 503	16 637 890	125 912 185	181 108 921	287 950 342	12 967 539	683 859 025
Total Assets	**255 728 022**	**696 870 547**	**277 305 886**	**191 346 894**	**414 047 533**	**823 416 106**	**505 845 283**	**458 897 674**	**20 513 588**	**3 643 971 533**
Liabilities										
Deposits from central banks and other credit institutions	30 341 068			33 159 358						63 500 426
Deposits from customers and other loans	1 239 852 808	320 180 075	459 304 183	494 608 000	351 960 287	28 844 396	-	-	-	2 894 749 749
Financial liabilities at fair value through profit or loss	-	2 649 420	-	-	-	-	-	-	-	2 649 420
Total Liabilities	**1 270 193 876**	**322 829 495**	**459 304 183**	**527 767 358**	**351 960 287**	**28 844 396**	**-**	**-**	**-**	**2 960 899 595**
Liquidity Gap	**(1 014 465 854)**	**374 041 052**	**(181 998 297)**	**(336 420 464)**	**62 087 246**	**794 571 710**	**505 845 283**	**458 897 674**	**20 513 588**	**683 071 938**
Accumulated Liquidity Gap	**(1 014 465 854)**	**(640 424 802)**	**(822 423 099)**	**(1 158 843 563)**	**(1 096 756 317)**	**(302 184 607)**	**203 660 676**	**662 558 350**	**683 071 938**	**1 366 143 876**

Amounts expressed in thousands of Kwanzas

	31/12/2023									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	218 774 098	-	-	-	-	417 695 740	-	-	-	636 469 838
Loans and advances to credit institutions	36 953 924	-	-	-	-	-	-	-	-	36 953 924
Other loans and advances to central banks and credit institutions	-	656 425 659	174 637 324	66 827 885	249 811 657	-	-	-	-	1 147 702 525
Financial assets at fair value through profit or loss	-	296 187	16 991	143 597	3 145 040	11 399 221	17 684 286	3 423 291	7 546 049	43 654 662
Investments at amortized cost	-	22 426 680	68 063 625	106 481 541	129 060 968	259 405 269	290 949 364	162 759 285	-	1 039 146 732
Loans and advances to customers	-	14 507 354	32 155 565	12 240 718	16 543 174	124 460 892	179 487 239	278 411 563	12 761 344	670 567 849
Total Assets	**255 728 022**	**693 655 880**	**274 873 505**	**185 693 741**	**398 560 839**	**812 961 122**	**488 120 889**	**444 594 139**	**20 307 393**	**3 574 495 530**
Liabilities										
Deposits from central banks and other credit institutions	30 341 068	-		32 675 933	-	-				63 017 001
Deposits from customers and other loans	1 239 844 746	316 357 709	453 916 385	490 980 116	349 081 568	27 982 022	-	-	-	2 878 162 546
Financial liabilities at fair value through profit or loss	-	2 649 420	-	-	-	-	-	-	-	2 649 420
Total Liabilities	**1 270 185 814**	**319 007 129**	**453 916 385**	**523 656 049**	**349 081 568**	**27 982 022**	**-**	**-**	**-**	**2 943 828 967**
Liquidity Gap	**(1 014 457 792)**	**374 648 751**	**(179 042 880)**	**(337 962 308)**	**49 479 271**	**784 979 100**	**488 120 889**	**444 594 139**	**20 307 393**	**630 666 563**
Accumulated Liquidity Gap	**(1 014 457 792)**	**(639 809 041)**	**(818 851 921)**	**(1 156 814 229)**	**(1 107 334 958)**	**(322 355 858)**	**165 765 031**	**610 359 170**	**630 666 563**	**1 261 333 126**

As at 30 June 2024 and 31 December 2023, the contractual cash flows related to capital are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	218 774 098	-	-	-	-	417 695 740	-	-	-	636 469 838
Loans and advances to credit institutions	36 953 924	-	-	-	-	-	-	-	-	36 953 924
Other loans and advances to central banks and credit institutions	-	656 425 659	174 637 324	66 827 885	249 811 657	-	-	-	-	1 147 702 525
Financial assets at fair value through profit or loss	-	296 187	16 991	143 597	3 145 040	11 399 221	17 684 286	3 423 291	7 546 049	43 654 662
Investments at amortized cost		22 426 680	68 063 625	106 481 541	129 060 968	259 405 269	290 949 364	162 759 285	-	1 039 146 732
Loans and advances to customers	-	14 507 354	32 155 565	12 240 718	16 543 174	124 460 892	179 487 239	278 411 563	12 761 344	670 567 849
Total Assets	**255 728 022**	**693 655 880**	**274 873 505**	**185 693 741**	**398 560 839**	**812 961 122**	**488 120 889**	**444 594 139**	**20 307 393**	**3 574 495 530**
Liabilities										
Deposits from central banks and other credit institutions	30 341 068	-		32 675 933	-	-	-	-	-	63 017 001
Deposits from customers and other loans	1 239 844 746	316 357 709	453 916 385	490 980 116	349 081 568	27 982 022	-	-	-	2 878 162 546
Financial liabilities at fair value through profit or loss	-	2 649 420	-	-	-	-	-	-	-	2 649 420
Total Liabilities	**1 270 185 814**	**319 007 129**	**453 916 385**	**523 656 049**	**349 081 568**	**27 982 022**	**-**	**-**	**-**	**2 943 828 967**
Liquidity Gap	**(1 014 457 792)**	**374 648 751**	**(179 042 880)**	**(337 962 308)**	**49 479 271**	**784 979 100**	**488 120 889**	**444 594 139**	**20 307 393**	**630 666 563**
Accumulated Liquidity Gap	**(1 014 457 792)**	**(639 809 041)**	**(818 851 921)**	**(1 156 814 229)**	**(1 107 334 958)**	**(322 355 858)**	**165 765 031**	**610 359 170**	**630 666 563**	**1 261 333 126**

Amounts expressed in thousands of Kwanzas

	31/12/2023									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	158 293 271	-	-	-	-	398 353 524	-	-	-	556 646 795
Loans and advances to credit institutions	41 635 446	-	-	-	-	-	-	-	-	41 635 446
Other loans and advances to central banks and credit institutions	-	322 719 916	244 558 394	179 455 475	144 545 192	-	-	-	-	891 277 977
Financial assets at fair value through profit or loss	-	-	1 883 985	181 767	215 058	16 060 070	18 579 487	-	7 477 239	44 397 606
Investments at amortized cost		129 217 972	292 418 713	27 831 267	150 039 627	348 551 823	262 288 111	179 741 988	-	1 390 089 501
Loans and advances to customers	-	31 778 594	2 542 193	57 140 021	13 877 870	83 163 591	130 386 060	256 270 094	11 834 318	586 992 741
Total Assets	**199 928 717**	**483 716 482**	**541 402 285**	**264 608 530**	**308 677 747**	**846 129 008**	**411 253 658**	**436 012 082**	**19 311 557**	**3 511 040 066**
Liabilities										
Deposits from central banks and other credit institutions	5 317 963	-		22 442 173	-	-	-	-	-	27 760 136
Deposits from customers and other loans	1 200 515 381	317 036 161	562 183 893	452 986 761	291 248 837	16 272 925	-	-	-	2 840 243 958
Financial liabilities at fair value through profit or loss	-	2 437 450	-	-	-	-	-	-	-	2 537 450
Total Liabilities	**1 205 833 344**	**319 573 611**	**562 183 893**	**475 428 934**	**291 248 837**	**16 272 925**	**-**	**-**	**-**	**2 870 541 544**
Liquidity Gap	**(1 005 904 627)**	**164 142 871**	**(20 781 608)**	**(210 820 404)**	**17 428 910**	**829 856 083**	**411 253 658**	**436 012 082**	**19 311 557**	**640 498 522**
Accumulated Liquidity Gap	**(1 005 904 627)**	**(841 761 756)**	**(862 543 364)**	**(1 073 363 768)**	**(1 055 934 858)**	**(226 078 775)**	**185 174 883**	**621 186 965**	**640 498 522**	**1 280 997 044**

30.3 Market risk

Market risk corresponds to the possible fluctuation of the fair value or future cash flows associated with a financial instrument, due to changes in market prices. Market risk encompasses interest rate risk and exchange rate risk.

Interest rate risk

The interest rate risk corresponds to the risk arising from adverse movements in interest rates resulting in a mismatch in the amount, maturities or interest-fixing dates observed in financial instruments with interest receivable and payable.

As at 30 June 2024 and 31 December 2023, financial instruments by exposure to interest rate risk were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Exposure to		Not subject to interest risk	Derivatives	Total
	Fixed rate	Variable rate			
Assets	**3 564 761 901**	**2 189 331**	**6 599 084**	**-**	**3 574 497 280**
Cash and deposits at central banks	636 469 838	-	-	-	636 469 838
Loans and advances to credit institutions	36 953 924	-	-	-	36 953 924
Other loans and advances to central banks and credit institutions	1 147 702 526	-	-	-	1 147 702 526
Financial assets at fair value through profit or loss	36 108 613	-	6 599 084	946 964	43 654 661
Investments at amortized cost	1 039 148 482	-	-	-	1 039 148 482
Loans and advances to customers	668 378 518	2 189 331	-	-	670 567 849
Liabilities	**2 921 522 264**	**-**	**19 657 283**	**2 649 420**	**2 943 828 967**
Deposits from central banks and other credit institutions	43 359 718	-	19 657 283	-	63 017 001
Deposits from customers and other loans	2 878 162 546	-	-	-	2 878 162 546
Financial liabilities at fair value through profit or loss	-	-		2 649 420	2 649 420
Total	**6 486 284 165**	**2 189 331**	**26 256 367**	**3 596 385**	**6 518 326 248**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Exposure to		Not subject to interest risk	Derivatives	Total
	Fixed rate	Variable rate			
Assets	**3 501 027 741**	**2 535 086**	**6 733 492**	**-**	**3 511 040 066**
Cash and deposits at central banks	556 646 795	-	-	-	556 646 795
Loans and advances to credit institutions	41 635 446	-	-	-	41 635 446
Other loans and advances to central banks and credit institutions	891 277 977	-	-	-	891 277 977
Financial assets at fair value through profit or loss	36 920 367	-	6 733 492	743 747	44 397 606
Investments at amortized cost	1 390 089 501	-	-	-	1 390 089 501
Loans and advances to customers	584 457 655	2 535 086	-	-	586 992 741
Liabilities	**2 864 702 259**	**-**	**3 302 235**	**2 537 450**	**2 870 541 944**
Deposits from central banks and other credit institutions	24 457 901	-	3 302 235	-	27 760 136
Deposits from customers and other loans	2 840 244 358	-	-	-	2 840 244 358
Financial liabilities at fair value through profit or loss	-	-		2 537 450	2 537 450
Total	**6 365 730 000**	**2 535 086**	**10 035 727**	**3 281 197**	**6 381 582 010**

As at 30 June 2024 and 31 December 2023, financial instruments with exposure to interest rate risk by maturity date or prefixing date are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024 Refixing dates/Maturity dates								
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets	**952 598 569**	**277 305 886**	**191 346 894**	**414 047 533**	**823 416 106**	**505 845 283**	**458 897 674**	**7 546 049**	**3 631 003 994**
Cash and deposits at central banks	218 774 098				417 695 740				636 469 838
Loans and advances to credit institutions	36 953 924								36 953 924
Other loans and advances to central banks and credit institutions	659 525 798	175 368 868	71 919 998	262 842 796	-	-	-		1 169 657 460
Financial assets at fair value through profit or loss	316 682	17 839	144 173	3 226 944	12 013 483	18 368 782	3 672 110	-	37 760 013
Investments at amortized cost	22 442 369	69 628 232	106 877 220	131 339 903	267 794 698	306 367 580	167 275 222	7 546 049	1 079 271 273
Loans and advances to customers	14 585 698	32 290 947	12 405 503	16 637 890	125 912 185	181 108 921	287 950 342	-	670 891 486
Liabilities	**1 590 373 951**	**459 304 183**	**494 608 000**	**351 960 287**	**28 844 396**	**-**	**-**	**-**	**2 925 090 817**
Deposits from central banks and other credit institutions	30 341 068								30 341 068
Deposits from customers and other loans	1 560 032 883	459 304 183	494 608 000	351 960 287	28 844 396				2 894 749 749

Amounts expressed in thousands of Kwanzas

	31/12/2023								
	Refixing dates/Maturity dates								
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets	**683 645 199**	**541 402 285**	**264 608 530**	**308 677 747**	**846 129 008**	**411 253 658**	**436 012 082**	**19 311 557**	**3 511 040 066**
Cash and deposits at central banks	158 293 271	-	-	-	398 353 524	-	-	-	556 646 795
Loans and advances to credit institutions	41 635 446	-	-	-	-	-	-	-	41 635 446
Other loans and advances to central banks and credit institutions	322 719 916	244 557 394	179 455 475	144 545 192	-	-	-	-	891 277 977
Financial assets at fair value through profit or loss	-	1 883 985	181 767	215 058	16 060 070	18 579 487	-	7 477 239	44 397 606
Investments at amortized cost	129 217 972	292 418 713	27 831 267	150 039 627	348 551 823	262 288 111	179 741 988	-	1 390 089 501
Loans and advances to customers	31 778 594	2 542 193	57 140 021	13 877 870	83 163 591	130 386 060	256 270 094	11 834 318	586 992 741
Liabilities	**1 522 869 505**	**562 183 893**	**475 429 334**	**291 248 837**	**16 272 925**	**-**	**-**	**-**	**2 868 004 494**
Deposits from central banks and other credit institutions	5 317 963	-	22 442 173	-	-	-	-	-	27 760 136
Deposits from customers and other loans	1 517 551 542	562 183 893	452 987 161	291 248 837	16 272 925	-	-	-	2 840 244 358

As at 30 June 2024 and 31 December 2023, the average interest rates for the main financial assets and liabilities are as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			30/06/2023		
	Average balance of the period	Interest for the period	Average interest rate	Average balance of the period	Interest for the period	Average interest rate
Investments						
Financial assets at fair value through profit or loss	36 514 490	3 458 549	20%	69 166 605	5 084 326	4%
Loans and advances to customers	628 780 295	46 406 340	15%	529 204 895	33 643 708	3%
Investments at amortized cost	1 044 724 113	84 201 370	17%	1 004 439 585	84 218 762	4%
Other loans and advances to central banks and credit institutions	1 019 490 252	40 629 523	8%	808 823 027	23 671 508	1%
	2 729 509 150	**174 695 782**	**6%**	**2 411 634 112**	**146 618 304**	**6%**
Deposits						
Deposits from customers	2 859 203 452	36 587 449	3%	2 440 264 781	50 167 798	2%
Interbank deposits	33 908 810	855 349	5%	13 779 552	603 132	4%
Other deposits	5 448 307	958 172	38%	4 973 816	729 019	15%
	2 898 560 569	**38 400 970**	**1.32%**	**2 459 018 149**	**51 499 949**	**2%**
Net interest income		**136 294 812**			**95 118 355**	

As at 30 June 2024 and 31 December 2023, the sensitivity analysis of the results generated by financial instruments to changes in interest rates presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Change in interest rate					
	-150bps	-100bps	-50bps	50bps	100bps	150bps
Interest and similar income	(40 942 637)	(27 295 092)	(13 647 546)	13 647 546	27 295 092	40 942 637
Interest and similar expense	(43 478 409)	(28 985 606)	(14 492 803)	14 492 803	28 985 606	43 478 409
Total	**(84 421 046)**	**(56 280 698)**	**(28 140 349)**	**28 140 349**	**56 280 698**	**84 421 046**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Change in interest rate					
	-150bps	-100bps	-50bps	50bps	100bps	150bps
Interest and similar income	(178 623 261)	(172 919 953)	(167 229 361)	167 229 361	172 919 953	178 623 261
Interest and similar expense	(48 545 901)	(43 540 125)	(38 546 567)	38 546 567	43 540 125	48 545 901
Total	**(227 169 162)**	**(216 460 078)**	**(205 775 928)**	**205 775 928**	**216 460 078**	**227 169 162**

Currency risk

Currency risk is the fluctuation of the fair value or future cash flows of a financial instrument due to changes in exchange rates.

The securities portfolio of the Bank is divided between securities denominated in national currency and in foreign currency, taking into consideration the overall structure of its balance sheet, in order to avoid incurring, in this manner, currency risk.

As at 30 June 2024 and 31 December 2023, financial instruments by currency are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Kwanzas	United States Dollar	Euro	Other currencies	Total
Assets					
Cash and deposits at central banks	180 821 197	276 085 990	178 972 620	590 031	636 469 838
Loans and advances to credit institutions	-	20 063 151	13 840 780	3 046 795	36 950 726
Other loans and advances to central banks and credit institutions	459 911 874	619 402 975	81 745 740	8 089 364	1 169 149 953
Financial assets at fair value through profit or loss	42 145 747	3 113 427	46 888	-	45 306 062
Investments at amortized cost	765 674 204	293 385 626	-	-	1 059 059 830
Loans and advances to customers	557 662 415	51 778 157	19 668 115	3	629 108 690
	2 006 215 437	**1 263 829 326**	**294 274 143**	**11 726 193**	**3 576 045 099**
Liabulities					
Deposits from central banks and other credit institutions	52 784 918	9 360 008	1 238 800	116 700	63 500 426
Deposits from customers and other loans	1 383 989 927	1 217 536 622	287 399 546	5 823 654	2 894 749 749
Financial liabilities at fair value through profit or loss	2 649 420	-	-	-	2 649 420
	1 439 424 265	**1 226 896 630**	**288 638 346**	**5 940 354**	**2 960 899 595**
	566 791 172	**36 932 696**	**5 635 797**	**5 785 839**	**615 145 504**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Kwanzas	United States Dollar	Euro	Other currencies	Total
Assets					
Cash and deposits at central banks	174 592 294	202 399 538	179 099 199	555 764	556 646 795
Loans and advances to credit institutions	-	21 717 823	15 331 017	4 582 426	41 631 266
Other loans and advances to central banks and credit institutions	205 903 681	612 530 148	74 637 483	8 431 198	901 502 510
Financial assets at fair value through profit or loss	43 442 375	2 998 452	47 004	-	46 487 831
Investments at amortized cost	1 115 385 023	296 556 103	-	-	1 411 941 126
Loans and advances to customers	509 909 204	19 788 240	20 405 332	3	550 102 779
	2 049 232 577	**1 155 990 304**	**289 520 035**	**13 569 391**	**3 508 312 307**
Liabulities					
Deposits from central banks and other credit institutions	25 763 869	37 379	2 034 451	5 224	27 840 923
Deposits from customers and other loans	1 447 227 612	1 120 074 296	282 736 242	7 627 333	2 857 665 483
Financial liabilities at fair value through profit or loss	2 537 450	-	-	-	2 537 450
	1 475 528 931	**1 120 111 675**	**284 770 693**	**7 632 557**	**2 888 043 856**
	573 703 646	**35 878 629**	**4 749 342**	**5 936 834**	**620 268 451**

As at 30 June 2024 and 31 December 2023, the sensitivity analysis (considering Treasury Bonds indexed to the US dollar and currency forwards) of the asset value of financial instruments to changes in exchange rates, has the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	-20%	-10%	-5%	5%	10%	20%
United States Dollar	(7 386 539)	(3 693 270)	(1 846 635)	1 846 635	3 693 270	7 386 539
Euro	(1 127 159)	(563 580)	(281 790)	281 790	563 580	1 127 159
Other currencies	(1 157 168)	(578 584)	(289 292)	289 292	578 584	1 157 168
Total	**(9 670 866)**	**(4 835 434)**	**(2 417 717)**	**2 417 717**	**4 835 434**	**9 670 866**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	-20%	-10%	-5%	5%	10%	20%
United States Dollar	(7 175 726)	(3 587 863)	(1 793 931)	1 793 931	3 587 863	7 175 726
Euro	(949 868)	(474 934)	(237 467)	237 467	474 934	949 868
Other currencies	(1 187 367)	(593 683)	(296 842)	296 842	593 683	1 187 367
Total	**(9 312 961)**	**(4 656 480)**	**(2 328 240)**	**2 328 240**	**4 656 480**	**9 312 961**

30.4 Fair value of financial assets and liabilities

The Bank classified the financial instruments recorded in the balance sheet at fair value in accordance with the hierarchy established in IFRS 13.

Instruments listed in active markets (level 1)

This category includes financial instruments with available quoted prices in official markets and those in which there are entities that usually disclose prices of transactions for these instruments traded in liquid markets.

Priority in the prices used is given to those observed in official markets, in cases where there is more than one official market the option falls on the main market where these financial instruments are traded.

This category includes, among others, the following financial instruments: (i) derivatives traded on an organized market and (ii) listed shares.

Valuation methods with observable market parameters/prices (level 2)

This category includes financial instruments valued through internal models, namely discounted cash flow models, which require judgments that vary according to the complexity of the products being valued and use assumptions similar to those that an unrelated party would use in estimating the fair value of the same financial instrument. The Bank uses as inputs in its models variables provided by the market, such as interest rate curves and credit spreads. It also includes instruments whose valuation is obtained through quotations disclosed by independent entities but whose markets have the lowest liquidity.

This category includes, among others, the following financial instruments: (i) unlisted bonds; and (ii) over-the-counter (OTC) derivatives.

Valuation methods with non-observable parameters in the market (level 3)

This level includes the valuations determined by the use of internal valuation models or quotations provided by third parties but where the parameters used are not observable in the market. The bases and assumptions used in the calculation of the fair value are in accordance with the principles of IFRS 13.

This category includes, among others, the following financial instruments: (i) debt securities valued using inputs that are not observable in the market; (ii) unquoted shares; (iii) over-the-counter (OTC) market derivatives with quotes provided by third parties.

As at 30 June 2024 and 31 December 2023, the book value of financial instruments is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Measured at fair value	Measured at amortized cost	Impairment	Net value
Assets				
Cash and deposits at central banks	-	636 469 838	-	636 469 838
Loans and advances to credit institutions	-	36 953 924	(3 198)	36 950 726
Other loans and advances to central banks and credit institutions	-	1 169 657 460	(507 507)	1 169 149 953
Financial assets at fair value through profit or loss	45 306 062		-	45 306 062
Investments at amortized cost	-	1 071 725 224	(12 665 394)	1 059 059 830
Loans and advances to customers	-	683 859 025	(54 750 335)	629 108 690
	45 306 062	**3 598 665 471**	**(67 926 434)**	**3 576 045 099**
Liabilities				
Deposits from central banks and other institutions	-	63 500 426	-	63 500 426
Deposits from customers and other loans	-	2 894 749 749	-	2 894 749 749
Financial liabilities at fair value through profit or loss	2 649 420	-	-	2 649 420
	2 649 420	**2 958 250 175**	**-**	**2 960 899 595**

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Measured at fair value	Measured at amortized cost	Impairment	Net value
Assets				
Cash and deposits at central banks	-	556 646 795	-	556 646 795
Loans and advances to credit institutions	-	41 635 446	(4 180)	41 631 266
Other loans and advances to central banks and credit institutions	-	901 877 634	(375 124)	901 502 510
Financial assets at fair value through profit or loss	46 487 831	-	-	46 487 831
Investments at amortized cost	-	1 424 989 897	(13 048 771)	1 411 941 126
Loans and advances to customers	-	600 370 855	(50 268 076)	550 102 779
	46 487 831	**3 525 520 627**	**(63 696 151)**	**3 508 312 307**
Liabilities				
Deposits from central banks and other institutions	-	27 840 923	-	27 840 923
Deposits from customers and other loans	-	2 857 665 483	-	2 857 665 483
Financial liabilities at fair value through profit or loss	2 537 450	-	-	2 537 450
	2 537 450	**2 885 506 406**	**-**	**2 888 043 856**

As at 30 June 2024 and 31 December 2023, the fair value of the Bank's financial instruments is presented as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Book value (net)	Fair value of financial instruments		Total	Difference
		Recorded in the balance sheet at fair value	Recorded in the balance sheet at amortized cost		
Assets					
Cash and deposits at central banks	636 469 838	-	636 469 838	636 469 838	-
Loans and advances to credit institutions	36 950 726	-	36 950 726	36 950 726	-
Other loans and advances to central banks and credit institutions	1 169 149 953	-	1 169 149 953	1 169 149 953	-
Financial assets at fair value through profit or loss	45 306 062	45 306 062	-	45 306 062	-
Investments at amortized cost	1 059 059 830	-		1 087 113 470	28 053 640
Loans and advances to customers	629 108 690	-	631 198 937	631 198 937	2 090 247
	3 576 045 099	**45 306 062**	**2 473 769 454**	**3 606 188 986**	**30 143 887**
Liabilities					
Deposits from central banks and other institutions	63 500 426	-	63 500 426	63 500 426	-
Deposits from customers and other loans	2 894 749 749	-	2 894 749 749	2 894 749 749	-
Financial liabilities at fair value through profit or loss	2 649 420	2 649 420	-	2 649 420	-
	2 960 899 595	**2 649 420**	**2 958 250 175**	**2 960 899 595**	**-**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Book value (net)	Fair value of financial instruments		Total	Difference
		Recorded in the balance sheet at fair value	Recorded in the balance sheet at amortized cost		
Assets					
Cash and deposits at central banks	556 646 795	-	556 646 795	556 646 795	-
Loans and advances to credit institutions	41 631 266	-	41 631 266	41 631 266	-
Other loans and advances to central banks and credit institutions	901 502 510	-	901 502 510	901 502 510	-
Financial assets at fair value through profit or loss	46 487 831	46 487 831	-	46 487 831	-
Investments at amortized cost	1 411 941 126	-		1 477 651 434	65 710 308
Loans and advances to customers	550 102 779	-	547 098 501	547 098 501	(3 004 278)
	3 508 312 307	**46 487 831**	**2 046 879 072**	**3 571 018 337**	**62 706 030**
Liabilities					
Deposits from central banks and other institutions	27 840 923	-	27 840 923	27 840 923	-
Deposits from customers and other loans	2 857 665 483	-	2 857 665 483	2 857 665 483	-
Financial liabilities at fair value through profit or loss	2 537 450	2 537 450	-	2 537 450	-
	2 888 043 856	**2 537 450**	**2 885 506 406**	**2 888 043 856**	**-**

The fair value of financial instruments should be estimated, whenever possible, using quotations on an active market. A market is considered active, and therefore liquid, when it is accessed by equally knowledgeable counterparties and where transactions are carried out on a regular basis. Almost all the financial instruments of the Bank are not listed on active markets.

In view of the absence of quotations on active markets, the valuation of financial instruments is performed in the following terms:

a) Financial instruments recorded in the balance sheet at fair value:

Treasury Bonds in national currency that are non-readjustable and Treasury Bonds in national currency indexed to the US dollar exchange rate issued by the Angolan State and held by the Bank for trading in the secondary market with other banks are revalued based on a discounted cash-flows model. The discount curve used can be observed directly on BODIVA's daily report, which the Bank considers to be an active market.

Currency forwards are revalued using a discounted cash-flows model. The amounts in foreign currency are updated with an interest rate curve directly observed from Bloomberg and the amounts in national currency are updated with a curve built with interbank money market yields and reference rates (Luibor) observed on the BNA website.

Since they are not listed on a stock exchange and provided that there is observable market data, the equity instruments, with the exception of Visa Incl, are valued by the equity method and the Participation Units by the quotation made available by the fund management company.

b) Financial instruments recorded in the balance sheet at amortized cost:

For financial instruments recorded in the balance sheet at amortized cost, the Bank calculates their fair value using valuation techniques based on the conditions applicable to similar transactions on the reference date of the financial statements, namely the value of the respective discounted cash flows based on the interest rates considered most appropriate, *i.e.*:

- Non-adjustable Treasury Bills and Treasury Bonds in national currency issued by the Angolan State are valued, for disclosure purposes, based on a discounted cash-flows model.

- Treasury Bonds in dollars issued by the Angolan State are valued, for disclosure purposes, based on a discounted cash-flows model. As there are not yet any significant transactions of this instrument in BODIVA, the discount curve is built based on the yields of the last issues of these bonds.

- For loans and advances to customers, the average interest rates charged by the Bank in the six-month period ended 30 June 2024 and in the period ended 31 December 2023, respectively, were used for operations with similar characteristics and net of accumulated impairment losses; and

- Regarding Cash and deposits at central banks, Loans and advances to other credit institutions repayable on demand, Other loans and advances to central banks and credit institutions, Deposits from central banks and Deposits from other credit institutions and Deposits from customers and other loans, as they are essentially short-term investments, the balance sheet value was considered a reasonable approximation of their fair value.

It should be noted that the fair value presented does not correspond to the realization value of these financial instruments in a sale or liquidation scenario and was not calculated for that purpose.

As at 30 June 2024 and 31 December 2023, the fair value of financial instruments recorded in the balance sheet at fair value presents the following detail by valuation methodology:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Assets				
Financial assets at fair value through profit or loss	3 113 427	38 706 977	3 485 658	45 306 062
Debt securities issued by the State				
Non-adjustable Treasury Bonds in national currency	-	37 760 013	-	37 760 013
Equity instruments				
VISA	3 113 427	-	-	3 113 427
Other equity instruments	-	-	3 325 113	3 325 113
Participation units	-	-	160 545	160 545
Derivatives	-	946 964	-	946 964
Liabilities				
Financial liabilities at fair value through profit or loss	-	2 649 420	-	2 649 420
Derivatives	-	2 649 420	-	2 649 420

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Assets				
Financial assets at fair value through profit or loss	2 998 452	39 754 339	3 735 040	46 487 831
Debt securities issued by the State				
Non-adjustable Treasury Bonds in national currency	-	39 010 592	-	39 010 592
Equity instruments				
VISA	2 998 452	-	-	2 998 452
Other equity instruments	-	-	3 325 229	3 325 229
Participation units	-	-	409 811	409 811
Derivatives	-	743 747	-	743 747
Liabilities				
Financial liabilities at fair value through profit or loss	-	2 537 450	-	2 537 450
Derivatives	-	2 537 450	-	2 537 450

During the six-month period ended 30 June 2024 and the period ended 31 December 2023, the movement in financial instruments valued at level 3 was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	
	Equity instruments Other equity instruments	Participation units
Balance as at 1 January 2024	3 325 229	409 811
Acquisition	-	115 632
Exits by maturity	-	(303 498)
Exits by disposal	-	(71 247)
Transfers by entries	-	-
Transfers by exits	-	-
Other movements and exchange rate differences	(116)	9 847
Balance as at 30 June 2024	3 325 113	160 545

Amounts expressed in thousands of Kwanzas

	31/12/2023	
	Equity instruments Other equity instruments	Participation units
Balance as at 1 January 2023	1 398 588	193 687
Acquisition	-	989 130
Exits by maturity	-	(192 294)
Exits by disposal	-	(641 921)
Transfers by entries	-	-
Transfers by exits	-	-
Other movements and exchange rate differences	1 926 641	61 209
Balance as at 31 December 2023	3 325 229	409 811

Fair value of financial instruments recorded at amortized cost

The fair value hierarchy of the financial instruments recorded in the balance sheet at amortized cost is analyzed as follows. These were estimated based on the main methodologies and assumptions described below:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
		Fair Value			
	Book value	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total fair value
Assets					
Cash and deposits at central banks	636 469 838	-	636 469 838	-	636 469 838
Loans and advances to credit institutions	36 950 726	-	36 950 726	-	36 950 726
Other loans and advances to central banks and credit institutions	1 169 149 953	-	1 169 149 953	-	1 169 149 953
Investments at amortized cost	1 059 059 830	102 991 148	984 122 322		1 087 113 470
Loans and advances to customers	629 108 690	-	-	631 198 937	631 198 937
	3 530 739 037	**102 991 148**		**631 198 937**	**3 560 882 924**
Liabilities					
Deposits from central banks and other credit institutions	63 500 426	-	63 500 426	-	63 500 426
Deposits from customers and other loans	2 894 749 749	-	2 894 749 749	-	2 894 749 749
	2 958 250 175	**-**	**2 958 250 175**	**-**	**2 958 250 175**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
		Fair Value			
	Book value	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total fair value
Assets					
Cash and deposits at central banks	556 646 795	-	556 646 795	-	556 646 795
Loans and advances to credit institutions	41 631 266	-	41 631 266	-	41 631 266
Other loans and advances to central banks and credit institutions	901 502 510	-	901 502 510	-	901 502 510
Investments at amortized cost	1 411 941 126	104 836 290	1 372 815 144		1 477 651 434
Loans and advances to customers	550 102 779	-	-	547 098 501	547 098 501
	3 461 824 476	**104 836 290**		**547 098 501**	**3 524 530 506**
Liabilities					
Deposits from central banks and other credit institutions	27 840 923	-	27 840 923	-	27 840 923
Deposits from customers and other loans	2 857 665 483	-	2 857 665 483	-	2 857 665 483
	2 885 506 406	**-**	**2 885 506 406**	**-**	**2 885 506 406**

Cash and deposits at central banks and other demand deposits, Other loans and advances to credit institutions and Deposits from central banks
These assets and liabilities are very short-term, and therefore the balance sheet value is a reasonable estimate of their fair value.

Securities at amortized cost
The fair value of securities recorded at amortized cost is estimated in accordance with the methodologies followed for valuing securities that are recorded at fair value, as described at the beginning of this Note.

Loans and advances to customers
The fair value of loans and advances to customers is estimated based on the discounted expected cash flows of principal and interest, considering that the installments are paid on the contractually agreed dates. Discount rates used are the current rates for loans with similar characteristics. For stage 2 loans via the individual analysis model, the fair value considered is the balance sheet value.

For stage 3 loans, for which recovery is via foreclosure of the collateral, the Balance Sheet value was considered.

Deposits from customers
The fair value of deposits from customers and other loans is short-term, and therefore the balance sheet value is a reasonable estimate of fair value.

30.5 Capital management

As at 30 June 2024 and 31 December 2023, the Bank's capital and the regulatory capital ratio (solvency) are determined in accordance with the applicable regulatory standards, namely with Notice No. 8/2021.

Angolan credit institutions should hold a level of capital compatible with the nature and scale of operations, duly weighted by the risks inherent to the operations, with a minimum regulatory capital ratio of 8%, a minimum Tier 1 (T1) capital ratio of 6% and a minimum Common Equity Tier 1 (CET1) capital ratio of 4.5%.

Regulatory capital ratio comprises:

1. Tier 1 capital – comprises: i) Paid-up share capital; ii) Positive retained earnings from previous periods; iii) Legal, statutory and other reserves arising from non-distributed profits, or set up to increase capital; iv) Net profit of the previous period; v) Provisional net profit of the current period; vi) Equity instruments; and, vii) Share premium.

2. The negative elements of Tier 1 capital – comprise: (i) Own shares in the portfolio, at book value in the balance sheet; (ii) Losses carried forward from previous periods; (iii) Net loss of the previous period; (iv) Provisional net loss of the current period; (v) Intangible assets net of amortization, including goodwill included in the valuation of significant investments of the institution; vi) Expenses with deferred costs related to pension liabilities; vii) Deferred tax assets depending on future profitability; viii) Adjustments on impairment losses on financial instruments in relation to that determined by the Banco Nacional de Angola in the prudential supervision; ix) Positive revaluation differences arising from the application of the equity method; x) Actuarial losses not recognized in profit and loss; xi) The amount of the items that need to be deducted from additional Tier 1 capital items that exceed the Institution's additional Tier 1 capital items; xii) The exposure value of incomplete transactions; (xiii) The applicable amount of Common Equity Tier 1 instruments of credit institutions held directly, indirectly and synthetically with which the Institution has cross-holdings that the Banco Nacional de Angola considers to have been set up to artificially inflate the Institution's capital; (xiv) The applicable amount of Common Equity Tier 1 instruments of credit institutions held by the Institution directly, indirectly and synthetically where the Institution does not have a significant investment in such entities; (xv) The applicable amount of Common Equity Tier 1 instruments of credit institutions held by the Institution directly, indirectly and synthetically

where the Institution has a significant investment in such entities, excluding underwriting positions held for a period of five (5) business days or less (xvi) Any tax on Common Equity Tier 1 items that is foreseeable at the time it is calculated, except where the Institution appropriately adjusts the amount of Common Equity Tier 1 items to the extent that such tax reduces the amount by which those items may be used to hedge risks or losses.

3. Additional Tier 1 capital – comprises (i) Preference shares; ii) Hybrid and/or convertible instruments; iii) Other instruments whose issue conditions have been previously approved by the Banco Nacional de Angola; and iv) Share premium relating to the items included in the previous sub-paragraphs.

4. The negative elements of additional Tier 1 capital – comprise: i) Additional Tier 1 instruments held directly, indirectly and synthetically, including additional Tier 1 instruments that the Institution may be required to acquire as a result of existing contractual obligations; ii) Additional Tier 1 instruments of credit institutions held directly, indirectly and synthetically, with which the Institution has cross-holdings that the Banco Nacional de Angola considers to have been set up to artificially inflate the Institution's capital; iii) The applicable amount of additional Tier 1 instruments of credit institutions held directly, indirectly and synthetically, where the Institution does not have a significant investment in those credit institutions; (iv) The applicable amount of additional Tier 1 capital instruments of credit institutions held directly, indirectly and synthetically by the Institution, where the institution has a significant investment in such credit institutions, excluding underwriting positions held for a period of five (5) business days or less; (v) The amount of items required to be deducted from Tier 2 capital items in excess of the Institution's Tier 2 capital items; and, (vi) Any tax on additional Tier 1 capital items that is foreseeable at the time it is calculated, except where the Institution appropriately adjusts the amount of additional Tier 1 capital items to the extent that such tax reduces the amount by which those items may be used to hedge risks or losses.

5. Tier 2 capital – comprises: i) Redeemable preference shares; ii) Reserves from the revaluation of real estate for own use; iii) Subordinated debt, in the form of loans or bonds issued, whose issue conditions were previously approved by the Banco Nacional de Angola; iv) Other instruments whose issue conditions were previously approved by the Banco Nacional de Angola; and, v) Share premium relating to the items included in the previous points.

6. The negative elements of Tier 2 capital – comprise: i) Common Equity Tier 2 instruments held directly, indirectly and synthetically, including Tier 2 instruments that the Institution may be required to acquire as a result of existing contractual obligations; ii) Tier 2 instruments of directly, indirectly and synthetically held credit institutions with which the Institution has cross-holdings that the Banco Nacional de Angola considers to have been set up to artificially inflate the Institution's capital; (iii) The applicable amount of Tier 2 instruments of credit institutions held directly, indirectly and synthetically, where the Institution does not have a significant investment in such credit institutions; and, (iv) Tier 2 instruments of credit institutions held directly, indirectly and synthetically by the Institution, where the Institution has a significant investment in such entities, excluding underwriting positions held for a period of five (5) business days or less.

Net profit for the previous period and for the current period referred to in the previous paragraphs can only be considered whenever they are certified by the expert accountant who is a member of the supervisory body or single auditor and by the external auditor.

The table below shows the capital and the solvency ratio of the Bank as at 30 June 2024 and 31 December 2023:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Regulatory capital ratio		
Tier I capital	517 005 711	470 142 948
Tier II capital	-	-
Total	**517 005 711**	**470 142 948**
Regulatory Capital Requirements		
Credit risk requirements	54 886 286	47 048 554
Market risk requirements	1 807 967	1 884 471
Operational risk requirements	39 614 075	39 614 075
Excesses of prudential limits for large exposures	188	188
Total	96 308 516	88 547 288
Regulatory Solvency Ratio	**42.95%**	**42.48%**

31. RECENTLY ISSUED ACCOUNTING STANDARDS AND INTERPRETATIONS

Clarification of the requirements for classifying liabilities as current or non-current (amendments to IAS 1 – Presentation of Financial Statements)

On 23 January 2020, the IASB issued an amendment to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as current and non-current.

The amendments clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments:

a. specify that an entity's right to defer settlement must exist at the end of the reporting period;
b. clarify that the ratios that the entity must meet after the balance sheet date (i.e., future ratios) do not affect the classification of a liability on the balance sheet date. However, where non-current liabilities are subject to future ratios, companies must disclose information that enables users to understand the risk that these liabilities may be repaid within 12 months after the balance sheet date; and
c. clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments (e.g., convertible debt).

This amendment is effective for periods after 1 January 2024.

The Bank has no impacts resulting from the adoption of this standard.

Lease liability in a sale and leaseback transaction (amendments to IFRS 16 – Leases)

The IASB issued amendments to IFRS 16 – Leases in September 2022 that introduce a new accounting model for variable payments in a sale and leaseback transaction.

These amendments confirm that:
- On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.
- After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains.

A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.

Under IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16. This means that it will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments.

The Bank has no impacts resulting from the adoption of this standard.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

On 25 May 2023, the International Accounting Standards Board (IASB) published Supplier Finance Arrangements with amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments Disclosures.

The amendments address disclosure requirements for supplier finance arrangements – also known as supply chain finance, trade payables finance or reverse factoring arrangements.

The new requirements complement those already included in IFRS standards and include disclosures on:
- Terms and conditions of supplier finance arrangements;
- The amounts of liabilities covered by such agreements, the extent to which suppliers have already received payments from the finance providers and under which caption those liabilities are presented in the balance sheet;
- The ranges of payment due dates; and
- Information on liquidity risk.

The Bank has no impacts resulting from the adoption of this standard.

Standards, amendments and interpretations issued but not yet effective for the Bank:

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

On August 15, 2023, the International Accounting Standards Board (the IASB or Board) issued Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates) (the amendments).

The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. When a currency is not exchangeable, the entity has to estimate a spot exchange rate.

According to the amendments, entities will have to provide new disclosures to help users assess the impact of using an estimated exchange rate on financial statements. These disclosures may include:

- the nature and financial effects of the currency not being exchangeable into the other currency;
- the spot exchange rate(s) used
- the estimation process; and
- the risks to which the entity is exposed because of the currency not being exchangeable into the other currency.

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted.

The Bank has not early applied the standard.

Amendments to the Classification and Measurement of Financial Instruments

On 30 May 2024, the International Accounting Standards Board (the IASB or the Board) issued amendments to the classification and measurement requirements of IFRS 9 – Financial Instruments. The changes aim to resolve the diversity in the application of the standard, making the requirements more understandable and consistent.

The amendments:

- Clarify the classification of financial assets with environmental, social and governance (ESG)-linked features and other similar features, since these features in loans can affect whether loans are measured at amortized cost or fair value. In order to resolve any potential diversity in practice, the amendments clarify how to assess the contractual cash flows of loans.
- Clarify the date on which a financial asset or financial liability is derecognized when it is settled through electronic payment systems. There is an accounting policy option that allows the derecognition of a financial liability before delivering the cash on the settlement date, if certain criteria are met.
- Improve the description of the term “non-recourse”. According to the amendments, a financial asset has non-recourse features if the ultimate contractual right to receive cash flows from an entity is limited to the cash flows generated by specified assets. The presence of non-recourse features does not necessarily exclude the financial asset from complying with the SPPI (solely payment of principal and interest) requirement, but the features need to be carefully analyzed.
- Clarify the treatment of contractually linked instruments (CLI). CLI must feature a waterfall payment structure that creates concentration of credit risk by allocating losses disproportionately between different tranches. The underlying pool can include financial instruments not in the scope of IFRS 9 classification and measurement (e.g., lease receivables), but must have cash flows that are equivalent to SPPI criterion.

The IASB has also introduced additional disclosure requirements relating to equity instruments classified at fair value through other comprehensive income (FVOCI) and financial instruments with contingent features, for example features linked to ESG targets.

This amendment is effective for periods after 1 January 2026. Early adoption is permitted.

The Bank has not early applied the standard.

IFRS 18 Presentation and Disclosure in Financial Statements

On 9 April 2024, the International Accounting Standards Board (the IASB or Board) issued the new standard, IFRS 18 Presentation and Disclosure in Financial Statements.

The main amendments to this standard are:

- Providing a more structured income statement. Specifically, it introduces a new subtotal “operating profit or loss” and the requirement that all income and expenses be classified into three new separate categories based on an entity’s main business activities: Operating, Investing and Financing.

- Requirement for entities to analyze their operating expenses directly on the face of the income statement – either by nature, by function or in combination.
- Requirement for some of the "non-GAAP" measures that the Entity/Group uses to be reported in the financial statements. IFRS 18 defines management-defined performance measure (MPM or non-GAAP Performance Measures) as a subtotal of income and expenses that an Entity uses:
  - in public communications outside financial statements; and
  - to communicate management's view of the financial performance.

  IFRS 18 requires entities to disclose information about all its MPMs in a single note to the financial statements. These include: how the measure is calculated; how it provides useful information; and a reconciliation to a value determined in accordance with IFRS.
- Introduction of improved guidelines on how entities group information in financial statements. It provides guidance on whether material information should be included in the primary financial statements or in the notes.

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively. Early adoption is permitted.

The Bank has not early applied the standard.

IFRS 19 Presentation and Disclosure in Financial Statements

On 9 May 2024, the International Accounting Standards Board (the IASB or Board) issued the new standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures, which allows eligible subsidiaries to use IFRS with reduced disclosures. The application of IFRS 19 will reduce the costs of preparing the financial statements of subsidiaries, while maintaining the usefulness of the information for the users of their financial statements.

A subsidiary may elect to apply the new standard in its consolidated, individual or separate financial statements, provided that, at the reporting date:

- it has no public accountability;
- its parent prepares consolidated financial statements which comply with IFRS.

A subsidiary that applies IFRS 19 is required to make an explicit and unreserved statement of compliance with IFRS that IFRS 19 has been adopted.

IFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively. Early adoption is permitted.

The Bank has not early applied the standard.

32. SUBSEQUENT EVENTS

On 5 July 2024, in accordance with a resolution of BFA's Board of Directors, the Bank made the initial allocation to the BFA Foundation, in an amount equivalent to 50%, which amounted to AOA 12,920,014 thousand.

33. EXPLANATION ADDED FOR TRANSLATION

These financial statements are a free translation of the financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

KPMG

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LIMITED REVIEW REPORT ON THE FINANCIAL STATEMENTS

(Free Translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail)

To the Board of Directors of
Banco de Fomento Angola, S.A.

Introduction

We have performed a limited review on the accompanying condensed interim individual financial statements of **Banco de Fomento Angola, S.A.** ("Bank"), which comprise the condensed interim individual Balance Sheet as at June 30, 2024 (which shows a total of AOA 3,658,283,779 thousand and a total equity of AOA 573,316,944 thousand, including a net profit attributable to the Bank's shareholders of AOA 89,545,738 thousand), as well as the condensed interim individual Statement of Income and Other Comprehensive Income, the condensed interim individual Statement of Changes in Equity and the condensed interim individual Cash Flow Statement for the six-month period ended on that date, and the Notes to the condensed interim individual Financial Statements.

Responsibilities of the Management

The Management is responsible for the preparation and fair presentation of these condensed interim individual financial statements in accordance with IAS 34 – Interim Financial Reporting and for such internal control as the Board deems necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on these condensed interim individual financial statements. We conducted our review in accordance with ISRE 2410 –Review of Interim Financial Information Performed by the Independent Auditor of the Entity and the Technical Standards of the Angolan Institute of Accountants ("Normas Técnicas da Ordem dos Contabilistas e Peritos Contabilistas de Angola").

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These standards require us to conclude on whether anything has come to our attention that leads us to believe that the financial statements, as a whole, are not prepared, in all material aspects, in accordance with IAS 34 – Interim Financial Reporting.

A limited review of Financial Statements is a work designed to provide reasonable assurance. The procedures we perform consist primarily of inquiries and analytical procedures and the subsequent assessment of the evidence obtained.

The procedures performed on a limited review are substantially reduced than the procedures performed in an audit conducted in accordance with the International Standards on Auditing (ISA). Consequently, we do not express an audit opinion on those financial statements.

Conclusion

Based on our limited review, nothing has come to our knowledge that leads us to believe that the accompanying condensed interim individual financial statements of **Banco de Fomento Angola, S.A.** as at June 30, 2024, are not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting.

Luanda, September 13, 2024

KPMG Angola – Audit, Tax, Advisory, S.A.
Represented by
Maria Inês Rebelo Filipe
(Registered Auditor with certificate no. 20140081)

BFA

SUPERVISORY BOARD

OPINION OF THE SUPERVISORY BOARD ON THE INTERIM INDIVIDUAL FINANCIAL STATEMENTS FOR H12024

In compliance with the applicable legal and regulatory provisions, namely pursuant to article 441(g) of the Angolan Companies Act (Law no. 1/04 dated 13th February), as well as pursuant to article 71(2) of the Financial Institutions Legal Framework (Law no. 14/21 dated 19th May), in conjunction with article 15(1)(d) of Notice no. 1/22 dated 28th January (the Financial Institutions Corporate Governance Code) and article 6(5) of Notice no. 5/19 dated 30th August (the Accounting Standardisation and Harmonisation Process for the Angolan Banking Sector) and with article 8(1) of BFA's Supervisory Board Regulations approved on the 19th December 2023, it is incumbent upon the Supervisory Board to issue an opinion on BFA's Interim Condensed Individual Financial Statements as of 30th June 2024, as submitted by the Board of Directors.

It is incumbent upon BFA's Board of Directors the duty of drafting and submitting the Interim Condensed Individual Financial Statements as of 30th June 2024.

It is incumbent upon BFA's Supervisory Board the duty of reviewing, analysing and assessing the information contained within the Interim Condensed Individual Financial Statements in order to issue a professional and impartial opinion based on its supervisory function.

The Supervisory Board reviewed and analysed the Interim Condensed Individual Financial Statements, which comprise the Interim Condensed Individual Balance Sheet, the Interim Condensed Individual Income Statement and Other Comprehensive Income, the Interim Condensed Individual Cash Flow Statement and the Interim Condensed Individual Statement of Changes in Equity as of 30th June 2024. These statements demonstrate, for accounting purposes, that the Interim Condensed Individual Balance Sheet recorded as follows: Total Assets of AOA 3,658,283,779 thousand, Equity of AOA 573,316,944 thousand, which comprises a Net Profit of AOA 89,545,738 thousand and Total Liabilities of AOA 3,084,966,835 thousand. On the other hand, the Interim Condensed Individual Income Statement and Other Comprehensive Income recorded, for accounting

BFA

SUPERVISORY BOARD

purposes, a Net Financial Income of AOA 136,294,812 thousand, an Operating Income of AOA 163,920,573 thousand, a Profit Before Tax from Ongoing Operations of AOA 97,286,273 thousand and a Net Profit of AOA 89,545,738 thousand, all of which recorded for the six-month financial period under review that ended on the 30th of June 2024, in accordance with the Individual Financial Statements approved by the Board of Directors.

The Supervisory Board did not identify any situation that was not in accordance with legal regulations, International Financial Reporting Standards (IFRS) and applicable accounting practices. Moreover, the Supervisory Board considers that the financial statements present a true and fair view of the Bank's financial position and the results of its operations in all materially relevant aspects.

The Supervisory Board took note of the External Auditors' Limited Review Report concerning the Interim Condensed Individual Financial Statements as of 30th June 2024, which was issued unreservedly, with the auditor stating that "nothing has come to our attention that leads us to conclude that the accompanying interim condensed Individual financial statements of **Banco de Fomento Angola, S.A.** as of 30th June 2024 are not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting.".

Accordingly, the Supervisory Board issues a favourable opinion on the approval of BFA's Interim Condensed Individual Financial Statements as of 30th June 2024.

BFA's Supervisory Board, Luanda, 18th September 2024

BFA

SUPERVISORY BOARD

Alcides Safeca
(Chairperson)

Adilson Sequeira
(Deputy Chair)
(Chartered Accountant nº 20130051)

Valdir Rodrigues
(Voting Member)

7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

BFA

Financial Statements

CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

Amounts expressed in thousands of Kwanzas

	Notes	30/06/2024	30/06/2023
Interest and similar income	19	174 866 728	146 773 045
Interest and similar expense	19	(38 262 167)	(30 135 606)
Net interest income		**136 604 561**	**116 637 439**
Fees and commission income	20	27 829 075	15 624 732
Fees and commission expense	20	(13 883 906)	(7 164 263)
Net gains/(losses) on financial assets and liabilities measured at fair value through profit or loss	7	4 108 948	(982 450)
Foreign exchange gains/(losses)	21	15 397 833	11 378 489
Net gains/(losses) on sale of other assets	22	81 198	45 742
Other operating income/(expense)	23	(3 237 289)	7 596 539
Net operating income		**166 900 420**	**143 136 228**
Staff costs	24	(35 485 410)	(31 793 708)
External supplies and services	25	(20 954 518)	(17 658 837)
Depreciation and amortization for the period	11	(8 017 547)	(6 397 851)
Provisions net of reversals	16	104 872	2 649 335
Impairment of loans and advances to customers net of reversals	16	(4 457 666)	185 870
Impairment for other financial assets net of reversals and recoveries	16	368 614	(268 072)
Impairment for other assets net of reversals and recoveries	16	(151 343)	5 958
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**98 307 422**	**89 858 923**
Income tax			
Current	12	(7 928 212)	(6 833 500)
Deferred	12	-	-
NET PROFIT/(LOSS) FOR THE PERIOD		**90 379 210**	**83 025 423**
Non-controlling interests		546	22
Bank's shareholders		90 378 664	83 025 401
INCOME RECOGNIZED DIRECTLY IN EQUITY		-	-
COMPREHENSIVE INCOME FOR THE PERIOD		**90 379 210**	**83 025 423**
Average number of ordinary shares issued	18	9 000 000	15 000 000
Basic earnings per share (in Kwanzas)	18	10.042	5.535
Diluted earnings per share (in Kwanzas)	18	10.042	5.535

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2024

Amounts expressed in thousands of Kwanzas

ASSETS	Notes	30/06/2024	31/12/2023
Cash and deposits at central banks	4	636 469 838	556 646 795
Loans and advances to credit institutions	5	36 954 449	41 631 266
Other loans and advances to central banks and credit institutions	6	1 169 430 594	901 502 510
Financial assets at fair value through profit or loss	7	47 474 930	48 568 839
Investments at amortized cost	8	1 059 059 830	1 411 941 126
Loans and advances to customers	9	629 108 690	550 102 779
Non-curren assets held for sale	10	135 735	180 980
Property, pland and equipment	11	42 896 202	39 221 272
Intangible assets	11	14 467 912	12 956 217
Current tax assets	12	195 853	192 964
Deferred tax assets	12	-	-
Othe assets	13	21 492 245	21 456 161
Total Assets		**3 657 686 278**	**3 584 400 909**

Amounts expressed in thousands of Kwanzas

'LIABILITIES AND EQUITY	Notes	30/06/2024	31/12/2023
Deposits from central banks and other credit institutions	14	64 141 790	27 840 923
Deposits from customers and other loans	15	2 890 606 692	2 855 206 125
Financial liabilities at fair value through profit or loss	7	2 649 420	2 537 450
Provisions	16	55 175 940	55 524 646
Current tax liabilities	12	12 872 394	14 435 152
Lease liabilities	17	5 571 592	5 325 022
Other liabilities	17	50 473 799	53 891 187
Total Liabilities		**3 081 491 627**	**3 014 760 505**
Share capital	18	45 000 000	45 000 000
Legal reserve, other reserves and retained earnings	18	440 812 810	356 713 308
Net profit/(loss) attributable to the Bank's shareholders	18	90 378 664	167 923 953
Total equity attributable to the Bank's shareholders		**576 191 474**	**569 637 261**
Non-controlling interests		3 177	3 143
Total Liabilities and Equity		**3 657 686 278**	**3 584 400 909**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2024

Amounts expressed in thousands of Kwanzas

	Notes	Share capital	Legal reserve, other reserves and retained earnings	Net profit/(loss) for the period attributable to the Bank's Shareholders	Equity attributable to the Bank's Shareholders	Non-controlling interests	Total
Balance as at January 1, 2023		**15 000 000**	**330 090 946**	**140 895 497**	**485 986 443**	**2 410**	**485 988 853**
Appropriation of the 2022 net profit:							
. Reserve requirement	18	-	56 622 362	(56 622 365)	(3)	3	-
. Distribution of dividends	18	-	-	(84 273 132)	(84 273 132)	-	(84 273 132)
Capital increase		30 000 000	(30 000 000)	-	-	-	-
Net profit/(loss) for the period	18	-	-	167 923 953	167 923 953	730	167 924 683
Balance as at December 31, 2023		**45 000 000**	**356 713 308**	**167 923 953**	**569 637 261**	**3 143**	**569 640 404**
Appropriation of the 2023 net profit:							
. Reserve requirement	18	-	84 169 147	(84 169 147)	-	-	-
. Distribution of dividends	18	-	-	(83 754 806)	(83 754 806)	-	(83 754 806)
Other changes		-	(69 645)	-	(69 645)	(512)	(70 157)
Net profit/(loss) for the period	18	-	-	90 378 664	90 378 664	546	90 379 210
Balance as at June 30, 2024		**45 000 000**	**440 812 810**	**90 378 664**	**576 191 474**	**3 177**	**576 194 651**

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

Amounts expressed in thousands of Kwanzas

	Notes	30/06/2024	30/06/2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest, commissions and other similar income received		179 479 421	160 483 139
Interest, commissions and other similar income paid		(52 582 353)	(35 702 059)
Payments to employees and suppliers		(52 950 676)	(47 406 958)
Payments and contributions to pension funds and other benefits		(1 561 807)	(1 557 630)
Recovery of written-off loans		132 150	153 186
Other income/(expense) received/(paid)		9 955 325	10 586 623
Cash flows before changes in operating assets and liabilities		**82 472 060**	**86 556 301**
Increases/(decreases) in operating assets:			
Other loans and advances to central banks and credit institutions		(233 463 227)	16 547 537
Financial assets at fair value through profit or loss		6 990 727	46 111 587
Financial investments at amortized cost		365 543 114	(51 824 547)
Loans and advances to customers		(82 509 727)	(69 445 904)
Non-current assets held for sale		-	-
Other assets		(2 197 332)	2 449 454
Net cash flows from operating assets		**54 363 555**	**(56 161 873)**
Increases/(decreases) in operating liabilities:			
Deposits from central banks and other credit institutions		35 256 650	5 798 723
Deposits from customers and other loans		123 696	112 028 098
Other liabilities		(1 030 399)	(1 250 388)
Net cash flows from operating liabilities		**34 349 947**	**116 576 433**

Amounts expressed in thousands of Kwanzas

	Notes	30/06/2024	30/06/2023
Net cash from operating activities before income taxes		**171 185 562**	**146 970 861**
Income and capital taxes paid		(8 657 595)	(5 409 736)
Net cash from operating activities		**162 527 967**	**141 561 125**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment, net of disposals		(6 523 739)	(4 233 212)
Acquisition of intangible asset, net of disposals		(5 036 912)	(1 942 149)
Net cash from investing activities		**(11 560 651)**	**(6 175 361)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution of dividends		(83 754 806)	(132 423 132)
Net cash from financing activities		**(83 754 806)**	**(132 423 132)**
Change in cash and cash equivalents		**67 212 510**	**2 962 632**
Cash and cash equivalents at the beginning of the period		598 282 241	450 430 227
Effects of changes in foreign exchange rates on cash and cash equivalents		7 932 734	176 688 050
Cash and cash equivalents at the end of the period		**673 427 485**	**630 080 909**
Cash and cash equivalents comprises:			
Cash	4	29 975 649	22 885 061
Deposits at central banks	4	606 494 189	550 896 541
Loans and advances to credit institutions	5	36 957 647	56 299 307
		673 427 485	**630 080 909**

Notes to the Financial Statements

1. INTRODUCTION

Banco de Fomento Angola, S.A. (hereinafter also referred to as Bank or BFA), was incorporated by Public Deed on 26 August 2002, following the transformation of the Angolan Branch of Banco BPI, S.A. into a bank under local law, and is fully owned by BPI.

In 2008, BPI sold 49.9% of its stake in the Bank to Unitel, S.A..

As indicated in Note 18, on 5 January 2017, in execution of the share purchase and sale agreement entered into 2016, the sale by Banco BPI to Unitel of the shareholding representing 2% of BFA's share capital was completed. Thus, on 30 June 2024 and 31 December 2023, BFA was majority held by Unitel, S.A., with a stake of 51.9%.

The Bank is engaged in obtaining funds from third parties in the form of deposits or other funds, which it invests, together with its own funds, in the granting of loans, deposits in the Banco Nacional de Angola, investments in credit institutions and acquisition of securities or other assets, for which it is duly authorized. It also provides other banking services and performs various types of operations in foreign currency, having for this purpose, as at 30 June 2024, a national network of 158 branches, 11 investment centers, 7 large corporate centers, 4 Oil & Gas and Public Sector centers, 11 medium corporate centers and 1 Private Banking center.

These are the first condensed interim consolidated financial statements presented by the Bank, and therefore consolidation has been carried out for comparative purposes as at 30 June 2024 and 31 December 2023.

As at 30 June 2024, the individual financial information of the companies that comprise the BFA Group is as follows:

	Head office	Activicty	Equity	Assets	Profit/ (loss) for the period	BFA´s direct shareholding	BFA Group´s effective shareholdings	Consolidation method
BFA (Individual)	Angola	Banking	573 316 944	3 658 283 779	89 545 738	n.a.	n.a.	n.a.
BFA Gestão de Activos	Angola	Asset Management	2 284 586	3 053 430	113 819	99.90%	99.90%	Full
BFA Capital Markets	Angola	Asset Management	1 145 355	3 961 387	534 875	94.94%	94.94%	Full
BFA Pensões	Angola	Asset Management	597 481	2 080 589	184 778	97.44%	99.94%	Full

Following Instruction No. 05/CMC/03.23 on the Transfer of Services and Activities of Investment in Securities and Derivative Instruments, BFA Capital Markets started operating on June 8, 2023, with a share capital of AOA 200 million, focusing on securities trading and custody;

On May 10, 2023, the Angolan Agency for Insurance Regulation and Supervision (in Portuguese, *Agência Angolana de Regulação e Supervisão de Seguros* (ARSEG)) granted a license to BFA Pension Fund, with a share capital of AOA 900 million, endowing the Group with this type of pension fund management.

2. BASIS OF PRESENTATION AND SUMMARY OF MAIN ACCOUNTING POLICIES

2.1 Basis of presentation

The Group's financial statements have been prepared on the going concern assumption and in accordance with International Financial Reporting Standards (IFRS), pursuant to Notice No. 5/2019, of 30 August, of the Banco Nacional de Angola IFRS includes accounting standards, issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC).

The Group's financial statements now presented relate to the period ended 30 June 2024. These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting (IAS 34). Thus, these financial statements do not include all the information required by IFRS, and therefore should be read in conjunction with the financial statements for the period ended 31 December 2023.

The accounting policies used by the Group in the preparation are consistent with those used in the preparation of the financial statements as at 31 December 2023 and 30 June 2023, except for the new standards issued.

The Group's condensed interim consolidated financial statements are stated in thousands of Kwanzas, rounded to the nearest thousand. The condensed interim consolidated financial statements were prepared in accordance with the historical cost principle, modified by the application of the fair value to derivative financial instruments and financial assets and liabilities recognized at fair value through profit or loss. Other financial assets and liabilities and other non-financial assets and liabilities are recorded at amortized cost or historical cost.

The preparation of the condensed interim consolidated financial statements in accordance with IAS/IFRS requires the Group to make judgments and estimates and uses assumptions which affect the application of accounting policies and the amounts of income, expenses, assets and liabilities. Changes or differences between such assumptions and reality may have impacts on the actual estimates and judgments. The areas involving a higher degree of judgment or complexity, or areas where significant assumptions and estimates are made in preparing the financial statements are discussed in Note 3.

The condensed interim consolidated financial statements for the six-month period ended 30 June 2024 were approved at the meeting of the Bank's Board of Directors on 13 September, 2024.

The recently issued accounting standards and interpretations that have not yet come into force and that the Group has not yet applied in the preparation of its financial statements can be analyzed in Note 30.

2.2 Perimeter of Consolidation

These consolidated financial statements present the assets, liabilities, income, expenses, other comprehensive income and cash flows of Banco de Fomento Angola, S.A. and its subsidiaries.

The accounting policies were applied consistently by all the Bank's subsidiaries for the periods covered by these consolidated financial statements.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed or has rights, to variable returns from its involvement with that entity, being able to seize those returns through the power it has over the entity (de facto control) and having the ability to affect those variable returns through its power over the relevant activities of the entity.

As established in IFRS 10, the Group analyzes the purpose and structure of the way in which an entity's operations are carried out when assessing control over it.

Subsidiaries are fully consolidated from the date the Group obtains control of their activities until that control ceases.

Third-party shareholdings in these companies are disclosed under Non-controlling interests. The accumulated losses of a subsidiary are attributed to non-controlling interests in the proportions held, which may lead to the recognition of negative non-controlling interests. Gains or losses arising from the dilution or sale of part of the shareholding in a subsidiary, with loss of control, are recognized by the Group in the income statement.

Balances and transactions eliminated in consolidation

Balances and transactions between Group companies, including any unrealized gains or losses resulting from intra-group operations, are eliminated in the consolidation process, except in cases where unrealized losses suggest impairment that should be recognized in the consolidated financial statements.

2.3 Transactions in foreign currency

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

Foreign currency transactions are recorded in accordance with the principles of the multi-currency system, with each transaction being recorded according to the respective denomination currencies. Assets and liabilities stated in foreign currency are translated into Kwanzas at the exchange rate published by the Banco Nacional de Angola as at the balance sheet date. Non-monetary assets and liabilities recorded at fair value are translated into the functional currency at the exchange rate published by the Banco Nacional de Angola on the date the fair value is determined and recognized against profit or loss. Income and expenses related to exchange rate differences, whether realized or potential, are recorded in the income statement in the period in which they occur under Foreign exchange gains/(losses).

The "forward currency position" transactions relate to currency forward contracts, and the related income and expenses are recorded under the caption Net gains/(losses) on financial assets and liabilities at fair value through profit or loss in the income statement.

As at 30 June 2024, 31 December 2023 and 30 June 2023, the exchange rates of the Kwanza (AOA) against the United States Dollar (USD) and the Euro (EUR) were as follows:

	30/06/2024	31/12/2023	30/06/2023
1 USD	853.629	828.800	822.940
1 EUR	913.725	915.990	899.227

Forward currency position

The forward currency position corresponds to the net balance of forward transactions pending settlement. All contracts related to these transactions are revalued at market forward exchange rates.

The difference between the equivalent in Kwanzas at the forward revaluation rates applied, and the equivalent at the contracted rates, is recorded under assets or liabilities, against income or expenses, respectively.

2.4 Financial instruments

2.4.1 Classification of financial assets

In accordance with IFRS 9 - Financial Instruments, financial assets can be classified into three categories with different measurement criteria:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVTPL).

The classification of financial assets depends on the business model and the contractual cash flow characteristics (SPPI criterion).

Business model

The business models foreseen in the standard are as follows:

- Business model whose objective is achieved by holding the asset to maturity to collect the contractual cash flows therefrom (Held to collect);
- Business model whose objective is achieved both by collecting the contractual cash flows from the asset and selling it (Held to collect and sell); and
- Other business models (e.g., trading).

Evaluation of the business model

The business model reflects the way the Group manages its assets from a cash-flow generation standpoint. Thus, it is important to understand whether the objective of the Group is only to receive the contractual cash flows from the assets or whether it intends to receive the contractual cash flows and the cash flows resulting from the sale of the assets. If none of these situations apply (*e.g.*, financial assets are held for trading), the financial assets are classified as part of "other business models" and recognized at fair value through profit or loss.

The factors considered by the Group in identifying the business model for a set of assets include past experience with respect to the way (i) cash flows are received, (ii) asset performance is assessed and reported to management, (iii) risks are assessed and managed and (iv) directors are remunerated.

Financial assets at fair value through profit or loss are held essentially for the purpose of being sold in the short term, or to form part of a portfolio of jointly-managed financial instruments, for which there is clear evidence of a recent pattern of short-term gains. These assets are classified under "other business models" and recognized at fair value through profit or loss.

The evaluation of the business model does not depend on the intentions for an individual instrument, but for a set of instruments, and considers the frequency, the value, the sales calendar in previous periods, the reasons for the referred sales and the expectations regarding future sales. Sales that are infrequent, or insignificant, or close to the maturity of the asset and those motivated by an increase in the credit risk of the financial assets, or to manage concentration risk, among others, may be compatible with the model of holding assets to receive contractual cash flows.

If a financial asset contains a contractual clause that can modify the timing or the amount of the contractual cash flows (such as early amortization or extension of term clauses), the Group determines whether the cash flows that will be generated during the life of the instrument, due to the exercise of that contractual clause, are solely payments of principal and interest on the principal amount outstanding.

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

Contractual conditions that, at the time of the initial recognition, have a minimal effect on cash flows or depend on the occurrence of exceptional or highly unlikely events (such as redemption by the issuer) do not prevent their classification in portfolios at amortized cost or at fair value through other comprehensive income.

SPPI assessment

When the business model involves holding assets in order to (i) collect contractual cash flows or (ii) collect contractual cash flows and sell these assets, the Group assesses whether the cash flows of the financial instrument correspond solely to payments of principal and interest on the principal amount outstanding (SPPI test). In this assessment, the Group considers whether the contractual cash flows are consistent with a basic loan agreement, that is, the interest includes only considerations regarding the time value of money, credit risk and a profit margin that is consistent with a basic loan agreement. When the contractual terms introduce exposure to risk or variability in cash flows that are inconsistent with a basic loan agreement, the financial instrument is classified and measured at fair value through profit or loss.

The financial assets with embedded derivatives are considered in their entirety, when determining whether the cash flows correspond solely to payments of principal and interest on the principal outstanding (SPPI test).

Financial liabilities at amortized cost

The Group measures a financial asset at amortized cost if it complies, simultaneously, with the following characteristics and if it is not designated at FVTPL by option (use of the Fair Value Option):

- the financial asset is held in a business model whose main purpose is to hold the assets to collect its contractual cash flows (HTC – Held to collect); and
- its contractual cash flows occur on specific dates and correspond solely to payments of principal and interest on the principal amount outstanding (SPPI).

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

This category of Financial assets at amortized cost includes Other loans and advances to credit institutions, Loans and advances to customers, debt securities and other financial instruments (Investments at amortized cost) managed based on a business model whose objective is to receive its contractual cash flows.

Financial assets at fair value through other comprehensive income

The Group measures a financial asset at fair value through other comprehensive if it complies, simultaneously, with the following characteristics and if it is not designated at FVTPL by option (use of the Fair Value Option):

- the financial asset is held in a business model whose objective is to hold the assets to collect its contractual cash flows and/or sell them (HTC and Sell – Held to collect and Sell); and
- its contractual cash flows occur on specific dates and correspond solely to payments of principal and interest on the principal amount outstanding (SPPI - Solely Payments of Principal and Interest).

On initial recognition of an equity instrument that is not held for trading, the Group may irrevocably assign it to this category. This designation is made on a case-by-case, investment-by-investment basis and is only available for financial instruments that meet the definition of equity instruments under IAS 32 and may not be used for financial instruments classified as equity instruments at issuer level under the exceptions provided for in paragraphs 16A to 16D of IAS 32.

Financial assets at fair value through other comprehensive income are initially recorded at fair value. Gains and losses relating to subsequent changes in fair value are reflected in a specific item of equity (Reserves of financial assets at fair value through other comprehensive income) until they are sold, where they are reclassified to profit or loss for the period, except for equity instruments which are reclassified to retained earnings. Additionally, they are subject, since their initial recognition, to calculation of impairment losses (debt instruments only), which are recognized in profit or loss.

Interest income is calculated in accordance with the effective interest rate method and recognized in the income statement under the caption Interest income and similar income. Income from variable-income securities is recognized in the income statement caption Income from equity instruments on the date when it is attributed. In accordance with this criterion, prepaid dividends are recorded as income in the year the distribution is decided.

Financial assets at fair value through profit or loss

All financial assets that are not measured according to the methods described above are measured at fair value through profit or loss.

Debt instruments whose contractual cash flow characteristics do not meet the SPPI criterion, and which would otherwise be measured at amortized cost or at fair value through other comprehensive income, are required to be measured at fair value through profit or loss.

This category also includes assets acquired for the purpose of realizing gains from short-term fluctuations in market prices. This category also includes derivative financial instruments, excluding those that comply with hedge accounting requirements. By default, equity instruments are also classified at fair value through profit or loss, unless the entities opt for the irrevocable classification at fair value through other comprehensive income as referred to above.

In addition, at initial recognition, the Group may irrevocably classify a financial asset, which otherwise meets the requirements to be measured at amortized cost or at fair value through other comprehensive income, as at fair value through profit or loss if the classification significantly eliminates the accounting mismatch that would otherwise exist (Fair Value Option).

Financial assets classified in this category are initially recognized at fair value. Gains and losses arising from subsequent valuation at fair value are recognized in the income statement. Income is reflected in the respective captions of Interest and similar income.

Equity instruments

Equity instruments are instruments that meet the definition of capital from the issuer's perspective, which means, instruments that do not contain a contractual payment obligation and that evidence a residual interest in the issuer's net assets. An example of equity instruments are ordinary shares.

Investments in equity instruments are an exception to the general measurement criteria described above. As a general rule, the Group has the option, on initial recognition, to designate, irrevocably, in the category of financial assets at fair value through other comprehensive income, the investments in equity instruments that are not classified as held for trading and that, in the event it did not exercise this option, would be classified as financial assets that are mandatorily accounted for at fair value through profit or loss.

2.4.2 Classification of financial liabilities

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

Financial liabilities are classified into the following categories:

i. Financial liabilities at amortized cost

Financial liabilities correspond essentially to Deposits from central banks and other credit institutions and Deposits from customers and other loans. These liabilities are initially measured at fair value, which normally corresponds to the consideration received, net of transaction costs, and are subsequently recorded at amortized cost, in accordance with the effective interest method.

ii. Financial liabilities held for trading

This category includes derivative financial instruments with a negative fair value.

iii. Financial liabilities at fair value through profit or loss (Fair Value Option)

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

- the financial liabilities are managed, measured and analyzed internally based on their fair value;

- derivative operations are contracted to hedge these assets or liabilities economically, thus ensuring consistency in the measurement of the assets or liabilities and the derivatives (accounting mismatch); and
- the financial liabilities contain embedded derivatives.

2.4.3 Recognition and initial measurement of financial instruments

At the time of their initial recognition, all financial instruments are recorded at their fair value. For financial instruments that are not recorded at fair value through profit or loss, fair value is adjusted by adding or subtracting transaction costs directly attributable to their acquisition or issue. In the case of financial instruments at fair value through profit or loss, the directly attributable transaction costs are immediately recognized in the income statement.

Transaction costs are defined as expenses directly attributable to the acquisition or disposal of a financial asset, or to the issue or assumption of a financial liability, which would not have been incurred if the Group had not carried out the transaction. These include, for example, commissions paid to intermediaries (such as promoters) and mortgage formalization expenses.

Financial assets are recognized in the balance sheet on the transaction date – the date on which the Group commits to purchase the assets, unless there is a contractual stipulation or applicable legal figure that determines that the transfer of rights occurs at a later date.

At initial recognition, when the fair value of financial assets and liabilities differs from the transaction price, the entity should recognize this difference as follows:

- When the fair value is evidenced by a quotation on an active market of an equivalent asset or liability (that is, level 1 inputs) or based on a valuation technique that uses only observable market data, the difference is recognized as a gain or loss, and
- In the remaining cases, the difference is deferred, and the moment of initial recognition of the gain or loss is determined individually. This difference can then be (i) amortized over the life of the instrument, (ii) deferred until the fair value of the instrument can be determined using observable market data, or (iii) recognized through the liquidation of the asset or liability.

2.4.4 Subsequent measurement of financial instruments

After its initial recognition, the Group measures its financial assets at (i) amortized cost, at (ii) fair value through other comprehensive income, or at (iii) fair value through profit or loss.

Trade receivables from commercial operations that do not have a significant financing component and commercial loans and short-term debt instruments that are initially measured at the transaction price or by the principal outstanding, respectively, are valued at the aforementioned amount less impairment losses.

Immediately after initial recognition, an impairment is also recognized for expected credit losses (ECL), for financial assets measured at amortized cost and investments in debt instruments measured at fair value through other comprehensive income, resulting in the recognition of a loss in results when the asset is originated.

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

The subsequent measurement of financial liabilities is generally performed at amortized cost. There are some exceptions to this measurement basis, namely:

- Financial liabilities that are held for trading or when fair value option is applied – the subsequent measurement consists of fair value through profit or loss.
- Financial guarantees – the subsequent measurement consists of the higher of the corresponding expected credit losses and the amount of the initial fee received less the amounts already recognized as revenue in accordance with IFRS 15.

2.4.5 Income and expenses of financial instruments

Income and expenses from financial instruments at amortized cost are recognized according to the following criteria:

i. Interest is recorded in the income statement under Interest and similar income and Interest and similar expense, using the effective interest rate of the transaction on the gross book value of the transaction (except for impaired assets where the interest is applied on the book value net of impairment) and the interest already recognized and unpaid relating to overdue loans for more than 90 days is reversed, being recognized only when received since it is considered that its recovery is remote, and recognized off balance sheet; and

ii. The remaining changes in value will be recognized in the income statement as income, or expenses, when the financial instrument is derecognized from the balance sheet under Net gains/(losses) on investments at amortized cost, when it is reclassified, and in the case of financial assets, when there are impairment losses or gains through recovery, which are recorded under Impairment of loans and advances to customers net of reversals and recoveries, in the case of loans and advances to customers or under Impairment of other financial assets net of reversals and recoveries, in the case of other financial assets.

In order to determine the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, without considering possible impairment losses. The calculation includes all fees paid or received considered as part of the effective interest rate, transaction costs and all other premiums or discounts directly related with the transaction, except for assets and liabilities at fair value through profit or loss.

Treasury Bonds issued in national currency indexed to the exchange rate of the United States Dollar (hereinafter US Dollar) are subject to exchange rate adjustments. The result of the exchange rate adjustments is reflected in the income statement for the period in which it occurs. The result of the exchange rate adjustment of the nominal value of the security is recorded in the caption Foreign exchange gains/(losses) and the result of the exchange rate adjustment of the discount and accrued interest is recorded under Net interest income – Interest and similar income.

Income and expenses from financial instruments at fair value through profit or loss are recognized according to the following criteria:

i. Changes in fair value are recorded directly in the income statement, separating the portion attributable to the instrument's income, which is recorded as interest or dividends according to its nature under the captions Interest and similar income and Income from equity instruments, respectively, and the remainder, which is recorded as results of financial operations under the caption Net gains/(losses) on financial assets and liabilities at fair value through profit or loss; and

ii. Interest on debt instruments is recorded in the income statement under the caption Interest and similar income and is calculated using the effective interest rate method.

Income and expenses from financial instruments at fair value through profit or loss are recognized according to the following criteria:

i. Interest or, when applicable, dividends are recognized in the income statement under the caption Interest and similar income and Income from equity instruments, respectively. For interest, the procedure is the same as for assets at amortized cost;

ii. Foreign exchange differences are recognized in the income statement under Foreign exchange gains/(losses), in the case of monetary financial assets, and in other comprehensive income, in the case of non-monetary financial assets;

iii. In the case of debt instruments, impairment losses or reversals are recognized in the income statement under the caption Impairment losses on other financial assets, net of reversals and recoveries; and

iv. The remaining changes in value are recognized in other comprehensive income.

Thus, when a debt instrument is measured at fair value through other comprehensive income, the amounts recognized in the income statement for the financial year are the same as those that would be recognized if measured at amortized cost.

When a debt instrument measured at fair value through other comprehensive income is derecognized from the balance sheet, the gain or loss recorded in other comprehensive income is reclassified to the net profit/(loss) for the period. On the other hand, when an equity instrument measured at fair value through other comprehensive income is derecognized from the balance sheet, the gain or loss recorded in other comprehensive income is not reclassified to the profit and loss account, remaining under a caption of reserves.

2.4.6 Reclassification between categories of financial instruments

Financial assets are not reclassified after their initial recognition, except in the period after the Group changes its business model for managing financial assets. Financial assets are reclassified to other categories only if the business model used in their management is changed. In this case, all affected financial assets are reclassified. The reclassification is applied prospectively from the date of reclassification, and any previously recognized gains, losses (including those related to impairment) or interest are not restated. Financial assets, at the date of their reclassification, are measured at fair value.

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

The reclassification of financial liabilities is not allowed.

During the six-month period ended 30 June 2024, the Group did not reclassify any financial instruments.

2.4.7 Fair value

In accordance with IFRS 13, financial instruments at fair value are measured according to the valuation levels described in Note 29.4.

2.4.8 Modification of loans and advances

The Group occasionally renegotiates or modifies contractual cash flows from loans and advances to customers. In this situation, the Group assesses whether the new terms of the contract are substantially different from the original terms. The Group performs this analysis considering, among others, the following factors:

- If the debtor is in financial difficulty, whether the modification only reduces the contractual cash flows to an amount that the debtor is expected to be able to pay;
- If any significant new term has been introduced, such as profit-sharing or an equity-based return, which substantially affects credit risk;
- Significant extension of the maturity of the contract when the debtor is not in financial difficulties;
- Significant change in the interest rate;
- Change in the currency in which the loan was contracted; and
- Inclusion of a collateral, a guarantee or other improvement associated with the loan, which significantly affects the credit risk associated with the loan.

If the terms of the contract are significantly different, the Group derecognizes the original financial asset and recognizes the new asset at fair value, calculating its new effective interest rate. The renegotiation date is considered the initial recognition date for the purpose of calculating the impairment, including for the purpose of assessing whether a significant increase in credit risk has occurred. However, the Group also assesses whether the newly recognized financial asset is impaired at initial recognition, especially when the renegotiation is related to the fact that the debtor has not made the payments originally agreed. Differences in the book value are recognized in the income statement, as a derecognition gain or loss.

If the terms of the contract are not significantly different, the renegotiation, or modification, does not result in derecognition and the Group recalculates the gross book value based on the revised cash flows of the financial asset and recognizes a gain or loss from this modification in the income statement.

The new gross book value is recalculated discounting the modified cash flows at the original effective interest rate (or adjusted effective interest rate for impaired financial assets, originated or acquired).

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

2.4.9 Derecognition not resulting from a modification

Financial assets granted are derecognized when the associated cash flows are extinguished, collected or disposed of to third parties and (i) the Group substantially transfers all risks and rewards of ownership of the asset, or (ii) the Group neither transfers nor substantially holds all the risks and rewards of ownership of the asset and does not hold control over the asset. Gains and losses obtained from the definitive sale of loans and advances to customers are recorded under Other operating income/(expenses). These gains or losses correspond to the difference between the sales value set and the book value of those assets, net of impairment losses.

The Group participates in transactions in which it has the contractual right to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all the risks and rewards. These transactions result in the derecognition of the asset if the Group:
- Has no obligation to make payments unless it receives equivalent amounts from the assets;
- Is prohibited from selling or pledging the assets; and
- Is obliged to remit any cash flow it receives from the assets without material delays.

The guarantees granted by the Group (shares and bonds) through repurchase agreements and securities lending and borrowing operations are not derecognised because the Group holds substantially all the risks and rewards based on the pre-established repurchase price, and therefore the derecognition criteria are not met (see Note 2.5).

Financial liabilities are derecognized when the underlying obligation is settled, expires, or is canceled.

2.4.10. Write-off policy

The Group writes off financial assets, in part or in whole, when it concludes that there is no reasonable expectation of collection. The indicators that demonstrate that there is no reasonable expectation of collection are (i) the shutdown of the activity and (ii) the cases in which the recovery depends on the collection of a collateral, but in which the value of the collateral is so low that there is no reasonable expectation of fully recovering the asset.

The rules implemented for the selection of loans that may be written off from assets are as follows:
- The loans cannot be under a risk-sharing protocol;
- The loans must be past due for more than 210 days; and
- The loans cannot be marked as overdue renegotiated loans or be part of an active payment agreement.

2.4.11. Impairment of financial assets

The Group determines impairment losses for debt instruments that are measured at amortized cost and at fair value through other comprehensive income, as well as for other exposures that have an associated credit risk such as bank guarantees and commitments assumed.

The requirements of IFRS 9 aim to recognize expected losses from operations, assessed on an individual or collective basis, considering all reasonable, reliable, and duly substantiated information that is available, including information from a forward-looking perspective.

Impairment losses on debt instruments that are measured at amortized cost are recognized against an accumulated impairment caption in the balance sheet, which reduces the book value of the asset, while impairment of assets measured at fair value through other comprehensive income is recognized against other comprehensive income.

Impairment losses arising from the granting of loans and advances to customers are recognized in the income statement under the caption Impairment losses on loans and advances to customers, net of reversals and recoveries and those of the remaining financial assets under the caption Impairment losses on other financial assets, net of reversals and recoveries.

Impairment losses on exposures that have an associated credit risk and that are not positions recorded in assets are recorded as a provision under Provisions in liabilities, in the balance sheet. Charges for the period and reversals are recorded under the caption Provisions, net of reversals in the income statement.

Impairment model of loans and advances to customers

The methodology adopted by the Group foresees, in a first stage, the identification of Economic Groups (and Retail customers, hereinafter Retail) considered as individually significant. These are analyzed individually and the remainder collectively, according to homogeneous risk groups. The following criteria for selecting Groups (and Retail) that are individually significant are considered:

- Customers/economic groups with no signs of impairment with exposure greater than or equal to 0.1% of FPR;
- Customers/economic groups with signs of impairment with exposure greater than or equal to 0.02% of FPR; and
- Customers restructured due to financial difficulties with exposure above AOA 50 million.

In the collective analysis methodology, the Group groups customers into homogeneous risk segments, namely the following:

- Consumer credit
- Overdrafts
- Credit cards
- Car loans
- Mortgages
- Small and Medium-sized Businesses - Less significant exposures
- Large Businesses – significant exposures
- State
- Credit institutions

The amount of impairment losses is determined according to whether there is a significant deterioration of the risk since initial recognition, and whether a default event occurs. Consequently, the Group classifies financial instruments into three stages of impairment, as described below:

- Stage 1: Classification to be applied on initial recognition of the financial instruments or in the event of not meeting any of the classification criteria of the other impairment stages
- Stage 2: Classification to be applied to financial instruments that show a significant increase in credit risk (SIRC) since their origin
- Stage 3: All financial instruments that are in default according to the Group's internal definition and in line with Instruction No. 8/2019 will be classified under this stage.

The Stage 2 criteria for classification are as follows:

Classification

- Product contracts other than overdrafts, with credit more than 30 days overdue;
- Overdraft product contracts with credit more than 15 days overdue;
- Customer with at least one credit operation restructured due to financial difficulties in the last 6 months;
- Customers with an operation in litigation in the last 5 years;
- Customers with bounced checks and/or inhibited from using checks according to the information available at CIRC (Angolan Centralized Credit Register);
- Customers with unauthorized overdrafts
- Customers with revolving operations (overdrafts, credit cards and escrow accounts) above the limit formally contracted, or revolving credit operations permanently used at, at least, 95% of the limit initially contracted in the last 6 months; and
- Credit with a material decrease in the value of the collateral (greater than 20%) when this results in a funding-collateral ratio greater than 80%.
- Transactions restructured in default (stage 3 on the origination date) and which, on the reporting date, do not meet stage 3 classification criteria.
- Classification of Customer operations due to Significant Increase in Credit Risk (SICR), whenever the Customer's exposure to these criteria is greater than 20% of the Customer's total exposure.

- POCI (Purchased or Originated Credit Impaired) operations that do not have stage 3 classification criteria on the reporting date.
- Unrestructured operations that have not complied with the quarantine period in Stage 2 (6 months after clearing default).
- Restructured operations that have not been restructured in default but have not yet been cleared of restructuring due to financial difficulties.

For individually analyzed customers the following additional criteria are considered:
- Customers with a credit operation in the financial system more than 90 days in arrears, principal or interest written off/canceled or in litigation;
- Customer subject to Special Recovery Programs;
- Customers with overdue debts to the Tax Administration and/or Social Security;
- Bank pledges or expectation of insolvency or subject to a financial and/or operational recovery/reorganization process;
- Significant change in the Customer's operating results (Companies), for customers subject to Individual Analysis.

Propagation
- Propagation of all operations to Stage 2 if the total exposure of the operation in Stage 2 is greater than or equal to 20% of the Customer's exposure.

Applicable only to Stage 3 Customers, the default classification criteria, are as follows, provided they have (i) Absolute Materiality: >= AOA 5,000 of overdue loans; (ii) Relative materiality: 1% Corporate and 2.5% Retail, of the Customer's asset exposure.

Classification
- Contracts with overdue credit for more than 90 days;
- Restructured contracts with overdue credit for more than 30 days; and
- Restructurings with material loss or grace period of the principal or arising from contracts already at Stage 3.

For individually analyzed customers the following additional criteria are considered:
- Customers in bankruptcy/insolvency or with expectation of bankruptcy/insolvency.

Propagation
- Propagation of marking of default when the default exposure represents 20% of total customer exposure.

Declassification
- Contracts with overdue credit for more than 90 days: 12-month quarantine period (at least 6 months in Stage 3 and 6 months in Stage 2) with no default activation criteria; and
- Restructured credits: a quarantine period (at least 12 months) is applied with payment of principal and interest without overdue exposure for a period greater than 30 days.

In calculating collective impairment, the Group considers the following credit risk parameters:

a) Exposure: The exposure at default (EAD) is the estimated amount outstanding in the event of default. This component is relevant for financial instruments that have a variable amortization structure depending on the Customer use (credit current accounts, credit cards, in general any revolving product). The calculation of this estimate is based on the observation of historical data for debtors in respect of which default situations have been verified, relating the levels of use of the limits at the time of default with those in the previous 12 months. In this context, future levels of use are estimated according to the nature of the product, the current levels of use and the value of the cap.

b) Probability of default (PD): the Group applies a methodology for calculating the probability of default forecast for each borrower for the entire loan portfolio and for each risk segment. This parameter is used directly to calculate the ECL of operations in Stage 1 and 2 of impairment. Thus, for

Stage 1 the 12-month period should be considered and for Stage 2 the residual maturity of the operation.

c) Loss given default (LGD): is the percentage of debt that will not be recovered in the event of a Customer default. The calculation of the LGD is performed based on historical internal information, considering the cash flows associated with the contracts from the time of default until their settlement or until the moment when there are no relevant recovery expectations. It is also included in the calculation of the estimates of the costs associated with the credit recovery processes.

The parameters considered for determining impairment are generally based on the internal historical experience of defaults and recoveries of the Group. The parameters are reviewed and updated periodically to reflect the economic position and to be representative of the current economic context at all times.

The models also incorporate prospects of future economic evolution (forward looking) to determine the expected loss considering the macroeconomic factors that are related to the probability of default and/or recoverability indicators of the Group, namely:
- Real GDP
- Growth rate of non-oil GDP
- (Parallel) USD/AOA exchange rate - end of period
- Luanda Consumer Price Index
- Real Effective Exchange Rate (REER)

In the review processes, the necessary improvements will also be made as detected in the backtesting exercises.

Impairment model for other financial instruments
(Deposits at other credit institutions and Investments at amortized cost)

The Group classifies exposures into stages of impairment with regard to financial instruments measured at amortized cost.

Stage 1 - *Financial assets with no significant increase in credit risk since initial recognition*

Assets that do not have a significant increase in credit risk since initial recognition are classified in Stage 1. The calculation of impairment losses for these exposures with a maturity of 12 months.

In assessing the existence of a significant increase in the credit risk for the financial asset portfolio, an increase of more than two notches is considered for a significant increase in the credit risk, in accordance with the information published by the international rating agency Moody's.

Stage 2 – *Financial assets with significant increase in credit risk since initial recognition*

Whenever the existence of a significant increase in the counterparty's credit risk is determined, the exposure is classified as Stage 2.

For these exposures, the Group measures the impairment losses over the respective residual maturity.

Stage 3 - *Financial assets in default*

This stage includes all financial instruments for which events of default have been verified for more than 90 days.

Impairment losses for debt securities, investments and cash and cash equivalents in other credit institutions are calculated based on the credit risk parameters (probability of default and loss given default) provided by the international rating agency Moody's.

For the purposes of calculating impairment losses, the Group also considers risk mitigation through the fair value of financial collateral and mortgage collateral.

2.5 Operations with repurchase or resale agreement

Securities sold under repurchase agreements (repos) at a fixed price or at a price equal to the sale price plus interest over the term of the transaction are not derecognized from the balance sheet and are revalued in accordance with the accounting policy of the category to which they belong. The corresponding liability is accounted for under Deposits from customers or Deposits from other credit institutions, as appropriate. The difference between the sale price and the repurchase price is treated as interest and is accrued over the life of the agreement using the effective rate method and recorded under Net interest income.

Securities purchased under resale agreements (reverse repos) at a fixed price or at a price equal to the purchase price plus interest over the term of the transaction, are not recognized in the balance sheet, and the purchase price is recorded under Loans and advances to customers or Other loans and advances to credit institutions, as appropriate. The difference between the purchase price and the resale price is treated as interest and is accrued over the life of the agreement using the effective interest rate method under Net interest income. The amounts receivable are collateralized by the associated securities.

2.6 Derivative financial instruments

The Group can carry out derivative financial instrument operations, within the scope of its activity, to manage its own positions based on expectations of market developments or to meet the needs of its customers.

All derivative instruments are recorded on the trade date at fair value and changes in fair value are recognized in the income statement unless they qualify as cash flow hedges or net investments in foreign operating units. Derivatives are also recorded in off-balance sheet accounts at their reference value (notional value).

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

Hedging derivatives

The Group had no hedging derivatives at the date of the first adoption of IFRS 9, however it took the decision to continue to apply as a policy, the accounting treatment of IAS 39 as permitted by IFRS 9.

The Group designates derivatives and other financial instruments to hedge interest rate and foreign exchange risks, resulting from its business. Derivatives that do not qualify for hedge accounting are recorded as trading instruments.

Hedging derivatives are recorded at fair value and the gains or losses resulting from their remeasurement are recognized in accordance with the hedge accounting model adopted.

A hedging relationship exists when:

- at the beginning of the relationship there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is assessed on an ongoing basis and effectively determined to be highly effective over the financial reporting period; and
- in relation to the hedging of an anticipated transaction, the transaction is highly probable and presents an exposure to changes in cash flows that could ultimately affect profit or loss.

When a derivative financial instrument is used to hedge foreign exchange changes arising from monetary assets or liabilities, no hedge accounting model is applied. Any gain or loss associated with the derivative is recognized in profit or loss for the period, as are the changes in the foreign exchange risk of the underlying monetary elements.

i. Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with changes in the fair value of the asset, liability or group of assets and liabilities to be hedged in respect of the risk covered. If the hedging relationship no longer meets the requirements of hedge accounting, the derivative financial instrument is transferred to the trading category and the hedge accounting is subsequently discontinued (the adjustment made to the book value of a hedging instrument, for which the effective interest rate method is used, is amortized through profit or loss for the period until its maturity and recognized in Net interest income).

If the hedged asset or liability corresponds to a fixed-income instrument, the accumulated gains or losses in respect of changes in the interest rate risk associated with the hedging item until the date the hedging is discontinued, are amortized through profit or loss over the remaining period of the hedged item.

ii. Cash flow hedges

Changes in the fair value of derivatives, which qualify as cash flow hedges, are recognized in equity - cash flow reserves - for the effective part of the hedging relationships. Changes in the fair value of the ineffective portion of hedging relationships are recognized in the income statement when they occur.

The amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects results.

When the hedging instrument is derecognized or when the hedging relationship no longer meets the hedge accounting requirements or is revoked, the hedging relationship is discontinued prospectively. Accordingly, changes in fair value accumulated in equity until the date the hedging is discontinued can be:

- deferred for the remaining period of the hedged instrument; and
- recognized immediately in profit or loss for the period if the hedged instrument has been extinguished.

In the case of the discontinuation of a hedging relationship of a future transaction, the changes in fair value of the derivative recorded in equity remains there until the future transaction is recognized in the income statement. When the transaction is no longer expected to occur, the accumulated gains or losses recorded in equity are immediately recognized in the income statement.

As at 30 June 2024 and 31 December 2023, the Group had no hedging derivatives.

Derivatives held for trading

Derivatives that are not considered in an accounting hedging relationship are considered as other financial instruments at fair value through profit or loss. When the fair value of the instruments is positive, they are presented under assets, when their fair value is negative, they are classified under liabilities, in both cases under financial assets or liabilities at fair value through profit or loss.

Embedded derivatives

There is an embedded derivative when a part of the financial instrument traded by the Group trades contains a derivative and a non-derivative component. This component of the derivative is identified as an “embedded derivative”, while the remainder of the contract is described as a “host contract”.

Derivatives embedded in financial instruments are separately accounted for whenever:

- the risks and rewards of the derivative are not related to those of the main instrument (host contract);
- a separate instrument with the same terms meets the definition of a derivative; and
- the hybrid instrument (as a whole) is not initially recognized at fair value through profit or loss.

Embedded derivatives are presented under the captions of financial assets or liabilities at fair value through profit or loss, being recorded at fair value with the changes being reflected in profit or loss. As at 30 June 2024, the Group did not hold any embedded derivatives disclosed in its financial statements.

2.7 Equity instruments

A financial instrument is classified as an equity instrument when it meets the definition of equity from the issuer’s perspective, i.e., there is no contractual obligation for its settlement to be made by delivering cash or another financial asset to a third party, regardless of its legal form, evidencing a residual interest in the assets of the issuing entity after deducting all of its liabilities.

Transaction costs directly attributable to the issue of equity instruments are recorded against equity, as a deduction from the amount of the issue. The amounts paid and received for purchases and sales of equity instruments are recorded in equity, net of transaction costs.

Income from equity instruments (dividends) is recognized when the right to receive it is established and are deducted to equity.

2.8 Intangible assets and other tangible assets

Intangible assets are only recognized when: i) they are identifiable; ii) it is probable that future economic benefits will flow from the asset and iii) the cost of the asset can be reliably measured.

The acquisition cost of intangible assets comprises: i) the purchase price, including costs with intellectual rights and fees and after deducting any discounts and ii) any cost directly attributable to the preparation of the asset for its intended use.

After the initial accounting, the Group measures its intangible assets according to the cost model.

Intangible assets, which correspond mainly to IT software, are recorded at acquisition cost, and are amortized on a straight-line basis over a three-year period.

Intangible assets and other tangible assets are recorded at acquisition cost less accrued amortization and impairment losses.

The cost includes expenditure that is directly attributable to the acquisition of the goods.

The acquisition cost of property, plant and equipment comprises the purchase price of the asset, expenses directly attributable to its acquisition and costs incurred in preparing the asset to be ready for its intended use. Financial costs incurred with loans obtained for the construction of qual **Intangible assets and other tangible assets** ifying tangible fixed assets are recognized as part of the construction cost of the asset.

Land is not depreciated.

Depreciation is calculated on a straight-line basis, according to the useful life estimated by the Group, which corresponds to the following years of useful life:

	Years of useful life
Real Estate for own use (Buildings)	50
Improvements in leased buildings	10
Equipment:	
Furniture and material	10
IT equipment	3
Indoor facilities	10
Transport equipment	3 and 5
Machines and tools	6 and 7
Automatic data processing system (Software)	3

As mentioned in Note 2.18, this caption includes right-of-use assets arising from lease agreements.

2.9 Non-current assets held for sale

Non-current assets are classified as non-current assets held for sale when their book value is intended to be realized mainly through a sale transaction rather than through their continued use in the Group's activities.

The value of assets received as payment in kind is initially recorded at the lower of the fair value net of selling costs and the book value of the loan at the date the payment in kind was made.

When the outstanding amount of the loan operation is greater than its book value (net of provisions), the difference must be recognized as income for the period, up to the value determined upon valuation of the assets. When the valuation of the assets is lower than the book value of the loan operation, the difference must be recognized as a cost for the period.

Assets recorded under this caption are not amortized and are valued at the lower of book value and fair value. The fair value of these assets is determined based on periodic valuations performed by independent valuers. Whenever the value resulting from these valuations (net of costs to sell) is lower than the book value, impairment losses are recorded under Impairment of other assets, net of reversals and recoveries.

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

2.10 Impairment of non-financial assets

When there are signs that an asset may be impaired, IAS 36 requires that its recoverable amount is estimated, and an impairment loss shall be recognized whenever the net book value of an asset exceeds its recoverable amount. Impairment losses are recognized in the income statement and are reversed in subsequent reporting periods when the reasons that led to their initial recognition cease. For this purpose, the new depreciated amount shall not exceed the book value that would be accounted, had no impairment losses been allocated to the asset, considering its depreciation.

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

On the date of derecognition of a non-financial asset, the gain or loss calculated as the difference between the fair value less costs to sell and the net book value is recognized in the income statement under Net gains/(losses) on sale of other assets.

2.11 Cash and cash equivalents

For the purposes of the cash flow statement, Cash and cash equivalents comprise balances with less than three months' maturity from the balance sheet date, including Cash and deposits at central banks and Deposits at other credit institutions (Notes 4 and 5), and do not include impairment losses.

2.12 Dividends

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

2.13 Commissions

Income from services and commissions is recognized as revenue from customer agreements to the extent that the performance obligations are satisfied:

- when they are obtained as the services are rendered, their recognition in profit or loss is made in the period to which they relate; and
- when they result from the rendering of services, their recognition is made when that service is completed.

When they are an integral part of the effective interest rate of a financial instrument, the income resulting from services and commissions are recorded in net interest income.

2.14 Employee benefits

Short-term benefits

The Group grants variable remuneration to its employees and directors as a result of their performance (performance bonus). The Executive Committee of the Board of Directors is responsible for establishing the respective allocation criteria for each employee, and the Remuneration Committee is responsible for establishing the criteria at director level. The variable remuneration paid to employees and directors is recorded against profit or loss in the period to which they relate, although payable in the following year (Note 24).

In November 2022, Order No. 3923/22 ((Official Gazette) No. 123 of Series II) published the Addendum to the BFA Pension Fund and the New Pension Plan. The new Defined Contribution Pension Plan defines a mixed contribution system between the Associate (BFA) and the Employees and sets the Associate's rate at 7.5% on the pensionable salary, also setting a variable employee contribution of between 2.5% and 10% on the pensionable salary.

For defined-contribution plans, the liabilities related to the benefit attributable to the Group's employees are recognized as an expense for the period when due (Note 24).

Long-term benefit

This type of long-term benefit is recognized when the Group has a legal or constructive obligation to pay its employees long-term benefits.

The Group grants variable remuneration to directors and 40% of this amount is paid over a 3-year period plus remuneration. In this respect, the remuneration is associated with the interest rate of Angolan treasury bonds, traded on the secondary market in the same currency and maturity as the deferral. The deferred charges are recorded under Interest and similar expense and the principal is recorded under Staff costs, against Other assets.

Termination benefits

This type of benefit is recognized when the Group terminates the employment contract before the employee reaches normal retirement date, or when an employee accepts the termination of employment in exchange for such benefit. The Group recognizes a liability for termination benefits on the earliest of the following dates: when the Group is no longer able to withdraw the offer of benefits or when the Group recognizes the costs of a restructuring, within the scope of the recognition of restructuring provisions. Benefits due more than 12 months after the end of the reporting period are discounted to their present value.

2.15 Income tax and other taxes

The total income tax recorded in the income statement includes current and deferred taxes.

Current tax

Current tax is calculated based on the taxable income for the period, which differs from the accounting income due to adjustments to the tax base resulting from expenses or income not relevant for tax purposes, or which will only be considered in future periods according to the applicable tax laws (Corporate Tax Code).

Deferred tax

Deferred tax corresponds to the impact on tax recoverable/payable in future periods resulting from deductible or taxable temporary differences between the balance sheet value of assets and liabilities and their tax base, used to determine taxable income. Deferred taxes are calculated based on the tax rate in force or substantially in force at the financial reporting date, and which is estimated to be applicable on the date of realization of deferred tax assets or on the date of payment of deferred tax liabilities.

Deferred tax liabilities are normally recorded for all taxable temporary differences, whereas deferred tax assets are only recognized up to the amount by which it is probable that future taxable income will exist, to allow for the use of the corresponding deductible temporary differences or tax losses carried forward. Additionally, deferred tax assets are not recorded in cases where their recoverability may be questionable due to other situations, including issues of interpretation of the tax legislation in force.

As at 30 June 2024 and for the year ended 31 December 2023, the Group has not recorded any deferred tax assets or liabilities in its financial statements.

Industrial Tax

As at 30 June 2024, the Group is subject to a Corporate Tax under the terms of the General Tax System. The taxation of its income is carried out under the terms of Law No. 26/20, of July 20 (which revoked Law No. 19/14, of October 22) and, currently, the applicable tax rate is 35%.

The income from public debt securities, resulting from Treasury Bonds and Treasury Bills issued by the Angolan State, whose issue is regulated by the Framework Law of Direct Public Debt (Law No. 16/02, of December 5) and by Regulatory Decrees No. 51/03 and 52/03, of July 8, as well as the other income obtained by the Group subject to Capital Gains Tax (IAC), are exempt from Corporate Tax, in accordance with the provisions of Article 47(1)(b) of the Corporate Tax Code. This article expressly states that in order to determine the taxable amount, income or gains subject to IAC must be deducted from the net profit calculated under the terms of the previous articles.

Moreover, this law enshrined, among other changes, the eligibility for tax purposes of favorable and unfavorable exchange rate variations as accepted income and costs for tax purposes, respectively. Likewise, provisions/impairment on secured loans are no longer accepted as a cost, except for the part not covered.

In addition, the Corporate Tax is subject to provisional assessment in a single installment to be made by the end of August, calculated by applying a rate of 2% on the result derived from financial intermediation operations, ascertained in the first six months of the previous tax year, excluding income subject to capital gains tax (taxpayers who have presented losses in the previous year are exempt from the provisional assessment).

Tax returns are subject to review and correction by tax authorities for 5 (five) years, which may result in possible amendments to the taxable income for the years 2019 to 2023.

The recording of the tax impacts of the transactions carried out by the Group corresponds to management's understanding of the tax treatment applicable under the legislation issued. In situations where the tax interpretation is questioned by the Tax Authorities (AGT), Management reassesses the probability (above or below 50%) that the adopted tax treatment will be accepted, and consequently determines the most likely or expected amount of tax assets or liabilities to be recorded.

Capital Gains Tax (IAC)

The new IAC Code, approved by Presidential Legislative Decree No. 2/2014, of 20 October, came into force on 19 November 2014.

The IAC is generally levied on income from the Group's financial investments. The rate varies between 5% (in the case of interest received on debt securities which are admitted to trading on a regulated market and which have a maturity of three years or more) and 15%.

Notwithstanding the above, with respect to income from public debt securities, according to the understanding of the AGT and the Banco Nacional de Angola addressed to the Angolan Banks Association (in Portuguese, Associação Angolana de Bancos) (letter from the Banco Nacional de Angola dated 26 September 2013), only income arising from securities issued on or after 1 January 2013 are subject to this tax.

This income from Treasury Bonds and Treasury Bills, issued by the Angolan State after 1 January 2013, is subject to IAC at the rate of 10% (5% in the case of debt securities admitted to trading on a regulated market and which have a maturity of three years or more).

On 1 August 2013, the automation process to withhold tax was initiated, by the BNA, in respect of IAC, in accordance with the provisions of Presidential Legislative Decree No. 5/11, of 31 December.

IAC is generally levied on the income from the securities identified above and is withheld by the Group. For these reasons, the Group considers that the conditions to consider IAC as an income tax under IFRS are fulfilled.

Value Added Tax (VAT)

Law No. 7/19 introduced VAT, which has been in force since 1 October 2019, repealing the Consumption Tax Regulation (IC) and introducing relevant amendments to the Stamp Duty Code (IS).

Under the terms of the VAT Code approved by Law No. 7/19 and the amendments introduced by Law No. 17/19 of 13 August they are subject to this tax: (i) the transfer of goods and services carried out within national territory, for consideration, by a taxable person acting as such; and (ii) the import of goods.

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

It should be noted that the VAT rate in force in Angola, applicable to transactions subject and not exempt from VAT, is 14%. Additionally, and in accordance with Article 21(2) of the VAT Code, commercial banks must withhold 50% of the tax included in the invoice or equivalent document issued by the taxpayer at the time of transfer of goods or rendering of services (except for the transfers of goods or services listed as excluded from this withholding tax). In this regard, the withholding of this tax must be made in the periodic VAT return for the month in which this tax becomes chargeable under the terms of Article 21(3) of the VAT Code (i.e., upon receipt of the respective invoice or equivalent document by the entities subject to the withholding VAT system).

However, Instruction No. 000003/DNP/DSIVA/AGT/2020, issued by the Angolan tax authorities, has clarified that transfers of goods to any withholding entities whose payment is made by debit in the account, with the exception of the State, are exempt from withhold. Examples of these situations are transfers of goods within the scope of banking and financial operations in which the Institutions debit the customer's account, namely: (i) the transfer of leased assets to the respective lessee when the stipulated purchase option is exercised, as well as (ii) the sale of point-of-sale (POS) systems as part of the institutions' provision of payment card acceptance services to their customers.

Under the terms of Article 10(1) of the VAT Code, for the purposes of this tax, and as a general rule, the rendering of services takes place within the national territory when the purchaser has domicile, head office or fixed establishment therein for which the services are acquired. In this context, Article 29(2) of the VAT Code, in conjunction with Article 2(1)(d) of the same tax compendium, provides for a reverse charge mechanism, whereby "whenever the purchaser is a taxable person, the tax is payable by that purchaser, in respect of services rendered within national territory, under Article 10 of the VAT Code, where the service provider is a non-resident taxable person and does not have a fixed establishment in national territory", i.e., the purchaser, a VAT taxpayer in Angola, must (self)assess the Angolan VAT due on the rendering of services in Angola, when these are rendered by non-resident suppliers.

Moreover, considering the Group is a taxable person that carries out transactions which grant the right to deduct (i.e., transactions subject to VAT) and transactions which do not grant the right to deduct (i.e., transactions which are exempt from this tax under the aforementioned terms), the VAT incurred by the Group on its purchases of goods and services is only partially deductible using the pro rata method.

Nevertheless, the Group, as a taxable person subject to the general VAT system, may, under the terms of Article 27(2) of the VAT Code, adopt the actual allocation method regarding the VAT incurred on goods for sale. This method of deduction consists of the possibility of deducting all the tax incurred in the acquisition of goods in transactions which give rise to a right to deduct but excludes the possibility of deducting the tax incurred in transactions which do not give rise to this right, under the terms of Articles 22 and 24 of the VAT Code. The goods whose tax may be deducted according to the actual use method are subject to prior authorization by the Tax Authorities. Additionally, Instruction No. 000003/DNP/DSIVA/AGT/2020, referred to below, established that credit institutions may adopt the actual allocation method to deduct the VAT incurred on the acquisition of goods and services "exclusively used" to carry out:

I. Financial lease operations;
II. Financial operations carried out by institutions without head office or permanent establishment in national territory ("correspondent banks") for Angolan institutions;
III. Operations covered by the provisions of Article 6(3) of the VAT Code, namely the re-invoicing of goods and/or services acquired by the institutions in their own name, but on behalf of third parties, to whom the respective goods and/or services are re-invoiced, with a view to obtaining a refund (cost recovery).

For the purposes of VAT deduction according to the mentioned method, credit institutions must prepare a letter addressed to the VAT Services Department (in Portuguese, Direcção dos Serviços do IVA), requesting the amendment of the statement on the commencement of operations, as well as the respective compliance with the obligations foreseen in the VAT Code regarding the accounting record of the operations, in order to allow the control of the operations whose tax was deducted according to the actual allocation method.

Moreover, the Group is also required to comply with the invoicing rules under the Legal Regime of Invoices and Equivalent Documents (in Portuguese, *Regime Jurídico das Facturas e Documentos Equivalentes* (RJFDE)), in force since April 2019. Within this scope, the economic agents with a turnover equal or superior to Kwanzas equivalent to USD 250 thousand must issue the invoices or equivalent documents through a certified invoicing system.

Property Tax

In accordance with the provisions of Law No. 20/20, published on July 9, which approved the new Property Tax Code and revoked the previous law, the Group withholds Property Tax at a rate of 15% (considering that the taxable amount of these properties corresponds only to 60% of the value of the rents received during the year, since the applicable tax rate is 25%), on the payment or delivery of rents on rented property, with the exception of land for construction, for which Property Tax will be due at a rate of 0.6% of the asset value.

Property Tax will be due on non-rented property in accordance with the following ranges:

- A rate of 0.1% on the asset value, applicable to real estate with an asset value below AOA 5,000,000;
- A fixed value of AOA 5,000 for properties with an asset value above AOA 5,000,000 and below AOA 6,000,000;
- A rate of 0.5% on the asset value exceeding AOA 5,000,000, applicable to real estate with an asset value above AOA 6,000,000.

In the transfer with or without consideration of property, the taxable amount corresponds to the asset value as stated in the land registry at the date of transfer, the value determined by evaluation, in the case of an omitted building, or the declared value, whichever is greater. The transfer of real estate assets is subject to property tax at the rate of 2%, the charge and liability for settlement of which should fall on the Group whenever it acts as purchaser.

Other taxes

The Group is also subject to indirect taxes, namely customs duties, stamp duty, employment income tax, as well as other taxes, namely the Special Contribution on Foreign Exchange Transactions, which, in accordance with Law No. 15/23 of 29 December which came into force on 1 January 2024, is applicable to all transfers made with a national registered office or domicile, within the scope of contracts for the provision of services, technical assistance, consultancy and management, capital operations and unilateral transfers.

2.16 Provisions and contingent assets and liabilities

Provisions

A provision is set up when there is a present obligation (legal or constructive) as a result of a past event for which the future outflow of resources is probable and can be reliably measured. The provision amount corresponds to the best estimate of the amount to be disbursed to settle the liability, at the balance sheet date. Provisions are measured at the present value of the estimated costs to settle the obligation using a pre-tax interest rate, which reflects the market value, for the discount period and for the risk of the provision in question.

If the future expenditure of resources is not likely, it is a contingent liability, and is subject to the respective disclosure, in accordance with the requirements of IAS 37 – Provisions, contingent liabilities and contingent assets.

Provisions related to legal proceedings, opposing the Group to third parties, are constituted in accordance with internal risk assessments carried out by the Board of Directors, with the support and advice of its legal advisors.

Provisions for loan commitments and financial guarantees provided are measured according to the impairment model implemented as described in Note 2.4.11.

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

Provisions are derecognized through their use for the obligations for which they were initially recognized or for the cases that the situations were no longer observed.

Contingent Assets

Contingent assets are not recognized in the financial statements, being disclosed when it is probable that there will be a future economic inflow of resources.

Contingent Liabilities

Contingent liabilities are not recognized in the financial statements but are covered by IAS 37 and disclosed whenever the possibility of an outflow of resources involving economic benefits is not remote. The Group records a contingent liability when:

i) it is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not entirely within the Group's control; or,

ii) it is a present obligation that arises from past events, but is not recognized because:
   a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or,
   b) the amount of the obligation cannot be measured with sufficient reliability.

Identified contingent liabilities are subject to disclosure unless the possibility of an outflow of resources embodying economic benefits is remote.

2.17 Financial and performance guarantees

Financial guarantees

Financial guarantees are contracts that require the issuer to make payments in order to compensate the holder for losses incurred, as a result of breaches of the contractual terms of debt instruments, namely the payment of the respective principal and/or interest.

Financial guarantees issued are initially recognized at their fair value. Subsequently, these guarantees are measured at the higher (i) of the fair value initially recognized and (ii) the amount of any obligation arising from the guarantee contract, measured at the balance sheet date. Any change in the amount of the obligation associated with financial guarantees issued is recognized in the income statement.

Financial guarantees issued by the Group usually have a defined maturity and a periodic fee charged in advance, which varies according to the counterparty risk, amount, and performance of the contract. On this basis, the fair value of the guarantees, on the date of their initial recognition, is approximately equivalent to the value of the initial commission received, considering that the agreed conditions are market conditions. Thus, the amount recognized on the contracting date equals the amount of the initial commission received, which is recognized in the income statement during the period to which it relates. Subsequent commissions are recognized in the income statement, in the period to which it relates.

Performance guarantees

Performance guarantees are contracts that result in one party being compensated if it fails to perform its contractual obligation. Performance guarantees are initially recognized at fair value, which is normally stated by the amount of commissions received over the life of contract. Upon breach of contract, the Group has the right to revert the guarantee, with the amounts being recognized in Loans and advances to customers, following the transfer of the loss compensation to the guarantee beneficiary.

2.18 Leases

IFRS 16 sets out requirements regarding the scope, classification/recognition and measurement of leases:

- from the lessor's perspective, leases continue to be classified as finance leases or operating leases;
- from the lessee's perspective, the standard defines a single accounting model for lease agreements that results in the recognition of a right-of-use asset and a lease liability for all lease agreements except for leases with a period of less than 12 months or for leases of low value assets in which cases the lessee may opt for the recognition exemption provided for in IFRS 16, and, in that case, should recognize the lease payments associated with those contracts as External supplies and services.

The Group has opted not to apply this standard to short-term lease agreements of less than or equal to one year and to lease agreements where the underlying asset has low value, and the option of not applying this standard to leases of intangible assets has also been used.

Definition of a lease

A contract is or contains a lease if it conveys the right to control the use of an identified asset, that is, obtaining substantially all of the economic rewards of its use, and the right to direct the use of that identified asset, for a certain period of time in exchange for consideration.

Impacts from the lessee's perspective

The Group recognizes for all leases, except for leases with a period of less than 12 months or for leases of low-value assets:

- a right-of-use asset, initially measured at cost, considering the Net Present Value (NPV) of the lease liability, plus payments made (fixed and/or variable) less lease incentives received, penalties for termination (if reasonably certain), as well as any cost estimates to be incurred by the lessee in dismantling and removing the underlying asset and/or restoring the location where it is located. Subsequently, it is measured according to the cost model (subject to depreciation/amortization according to the lease term of each agreement and to impairment tests);
- a lease liability, initially recorded at the present value of the future lease cash flows (NPV), which includes:
  - fixed payments, less leasing incentives receivable;
  - variable lease payments that depend on an index or rate, initially measured using the index or rate at the start date of the agreement;
  - the amounts payable by the lessee as residual value guarantees;
  - the exercise price of a call-option, if the lessee is reasonably certain to exercise that option; and
  - sanction payments for the termination of the lease if the lease term reflects the exercise of a lease termination option by the lessee.

The lease liability is measured at amortized cost using the effective interest rate method.

Since the interest rate implicit in the lease cannot be readily determined (paragraph 26 of IFRS 16), the lease payments are discounted at the lessee's incremental borrowing rate which incorporates the risk-free interest rate curve (swap curve), plus a risk spread of the Group, applied over the weighted average term of each lease agreement. For open-ended contracts, this date is considered to be the end date of the lease. For other open-ended contracts, the period within which the lease will be enforceable is assessed, as well as any economic penalties associated with the lease. When assessing enforceability, the specific clauses of the contracts are considered, as well as the legislation in force regarding Urban Leases.

Subsequently, the lease liability is measured as follows:

- by an increase in its carrying amount to reflect interest thereon;
- by a decrease in its carrying amount to reflect lease payments; and
- the carrying amount is remeasured to reflect any revaluations or changes in the lease, as well as to incorporate the revision of lease payments fixed in substance and the revision of the lease term.

The Group remeasures a lease liability, and calculates the respective adjustment related to the right-of-use asset whenever:

- there is a change in the lease term or in the assessment of a call-option over the underlying asset, in which case the lease liability is remeasured, discounting the revised lease payments and using a revised discount rate;

- there is a change in the amounts payable under a residual value guarantee, or in the future lease payments resulting from the change in an index or rate used to determine those payments, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the change in the lease payments results from a change in variable interest rates, in which case a revised discount rate should be used); and
- a lease agreement is changed, but such lease change is not accounted for as a separate lease, in which case the lease liability is remeasured, discounting the revised lease payments using a revised discount rate.

Right-of-use assets are depreciated from the lease start date until the end of the useful life of the underlying asset, or until the end of the lease term, whichever is earlier. If the lease transfers the ownership of the underlying asset, or if the cost of the right-of-use asset reflects the fact that the Group will exercise a call-option, the right-of-use asset should be depreciated/amortized from the lease start date until the end of the useful life of the underlying asset.

The estimated useful life of the right-of-use assets is determined following the same principles as for Property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted by certain remeasurements of the lease liability.

Depreciation/amortization begins on the date the lease takes effect.

Accounting for leases from the lessee's perspective in the Group's financial statements is as follows:
In the income statement:

- the interest expense on lease liabilities is recorded under Net interest income;
- the amounts relating to short-term lease agreements and lease agreements for low-value assets are recorded under Other administrative expenses; and
- the cost of depreciation of right-of-use assets is recorded under Depreciation and amortization for the period.

In the balance sheet:

- right-of-use assets recognized under Property, plant and equipment; and
- the value of lease liabilities recorded under Other liabilities.

Impact from the lessor's perspective

As at 30 June 2024 and 31 December 2023, the Group has no lease agreements in which it is the lessor.

2.19 Earnings per share

Basic earnings per share are calculated by dividing the net income attributable to shareholders of the Group by the weighted

average number of ordinary shares outstanding, excluding the average number of own shares held by the Group.

For the diluted earnings per share, the average number of ordinary shares outstanding is adjusted to reflect the effect of all potential ordinary shares treated as dilutive. Contingent or potential issues are treated as dilutive when their conversion into shares decreases earnings per share.

If earnings per share change as a result of an issue with a premium or discount or other event that changes the potential number of ordinary shares, or changes in accounting policies, the calculation of earnings per share for all periods presented is adjusted retrospectively (see Note 18).

2.20 Subsequent events

The Group analyzes events that occur after the balance sheet date, i.e., favorable and/or unfavorable events that occur between the balance sheet date and the date on which the financial statements were authorized for issue. In this context, two types of events can be identified:

- those that provide evidence of conditions that existed at the balance sheet date (adjusting events after the balance sheet date); and
- those that are indicative of conditions that arose after the balance sheet date (non-adjusting events after the balance sheet date).

Events occurring after the date of the financial statements that are not considered as adjustable events, if material, are disclosed in the notes to the financial statements.

3. MAIN ESTIMATES AND UNCERTAINTIES ASSOCIATED WITH THE APPLICATION OF THE ACCOUNTING POLICIES

IFRS establish several accounting treatments and require the Board of Directors to make judgments and prepare the necessary estimates to decide which accounting treatment is most appropriate. The main estimates and judgments used in the application of accounting principles by the Group are presented in this Note, with the objective of improving the understanding of how their application affects the Group's reported results and their disclosure, considering the context of uncertainty resulting from the impact of the devaluation of the functional currency. A broad description of the main accounting policies used by the Group is presented in Note 2 to the financial statements.

Considering that, in many situations, there are alternatives to the accounting treatment adopted by the Board of Directors, the results reported by the Group could be different should a different treatment be chosen. The Board of Directors considers that the choices made are appropriate and that the financial statements give a true and fair view of the Group's financial position and the result of its operations in all material respects.

3.1 Impairment losses of financial assets at amortized cost and debt instruments at fair value through other comprehensive income

Determining impairment losses for financial instruments involves judgments and estimates regarding the following aspects, among others:

a) Significant increase in credit risk:
Impairment losses correspond to the expected losses in the event of a default over a 12-month time horizon, for Stage 1 assets, and to the expected losses considering the probability of a default event occurring at some point up to the financial instrument's maturity date, for Stage 2 and 3 assets. An asset is classified as Stage 2 whenever there is a significant increase in the respective credit risk since its initial recognition. In assessing the existence of a significant increase in credit risk, the Group considers reasonable and sustainable qualitative and quantitative information.

b) Definition of groups of assets with common credit risk characteristics:
When expected credit losses are measured on a collective basis, financial instruments are grouped based on common risk characteristics. The Group monitors the adequacy of the credit risk characteristics on a regular basis to assess whether they remain similar. This procedure is necessary to ensure that, in the event of a change in credit risk characteristics, the asset segmentation is revised. This revision may result in the creation of new portfolios or in the transfer of assets to existing portfolios which better reflect their credit risk characteristics.

c) Probability of default:
The probability of default represents a determining factor in measuring expected credit losses. The probability of default corresponds to an estimate of the probability of default in a given period, which is calculated based on historical data, assumptions, and expectations about future conditions.

d) Loss given default:
Corresponds to an estimate of loss in a default scenario. It is based on the difference between the contractual cash flows and those that the Group expects to receive, either through the cash flows generated by the customer's business or loan collateral. The calculation of the estimated loss given default is based, among other aspects, on the different recovery scenarios, historical information, the costs involved in the recovery process and the estimated valuation of collaterals associated with loan operations.

This assessment is performed using internal and external information and includes the use of assumptions and judgments in its modeling, the change of which could determine different results.

Consequently, the use of different methodologies or different assumptions or judgments in measuring impairment could lead to different results from those reported and summarized in Notes 6, 8, 9 and 29.

Finally, the Group considers that the impairment determined based on this methodology allows an adequate reflection of the risk associated to its financial assets, considering the rules established by IFRS 9 – Financial Instruments.

3.2 Fair value of derivative financial instruments and other financial assets and liabilities measured at fair value

Fair value is based on market quotations, when available, and, in their absence, on the use of prices of similar recent transactions carried out under market conditions or based on valuation methodologies, using discounted cash flow techniques, applied to the future cash flows considering market conditions, the effect of time, the yield curve and volatility factors. These methodologies may require the use of assumptions or judgments in estimating fair value.

Consequently, the use of different methodologies or different assumptions or judgments in the application of a given model could give rise to different financial results from those reported in Notes 7 and 29.4.

3.3 Provisions

The measurement of provisions considers the principles defined in IAS 37 regarding the best estimate of the expected cost, the most likely outcome of ongoing actions, and considers the risks and uncertainties inherent in the process. Different assumptions and judgments would have an impact on the determination of the amount of the provisions, which are presented in Note 16.

Changes to these assumptions could have a significant impact on the values determined.

4. CASH AND DEPOSITS AT CENTRAL BANKS

As at 30 June 2024 and 31 December 2023, the caption Cash and deposits at Central Banks is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Cash		
National currency - banknotes and coins	24 725 754	21 416 760
Foreign currency - banknotes and coins		
In United States dollar	2 169 842	2 746 929
In Euro	2 490 021	2 179 124
In other currencies	590 032	555 764
	29 975 649	**26 898 577**
Deposits at Central Bank		
Demand deposits at the Banco Nacional de Angola (BNA)		
In national currency	156 095 443	153 175 534
In United States dollar	273 916 148	199 652 609
In Euro	176 482 598	176 920 075
	606 494 189	**529 748 218**
TOTAL	**636 469 838**	**556 646 795**

Demand deposits at the BNA in national and foreign currency aim to comply with the provisions in force regarding the reserve requirement to be maintained and are not remunerated. As at 30 June 2024, the minimum reserve requirements amounted to AOA 140,654,698 thousand in national currency and AOA 300,863,347 thousand in foreign currency (2023: AOA 100,838,260 thousand and AOA 297,515,264 thousand, respectively).

As at 30 June 2024 and 31 December 2023, the reserve requirements are calculated in accordance with the provisions of BNA Instruction No. 04/2023 of 30 March 2023, Directive No. 01/2024 of 30 January 2024, and Directive No. 12/2023 of 28 November 2023, respectively. The currencies for compliance with the minimum reserve requirements in Foreign Currency are the US Dollar, the Euro and the South African Rand, in accordance with Directive 03/DME/2023 of 6 February 2023.

As at 30 June 2024, the tax base for calculating reserve requirements in national currency (NC) and in foreign currency (FC) is every two weeks.

The reserve requirement in national currency is set at 20% for items that comprise the reserve base, in accordance with Directive No. 01/2024 of 30 January, and 20% for the balances of local governments and municipal administrations, to be applied to the average fortnightly balances of the reserve base.

The reserve requirement in foreign currency was set at 22%, to be applied to the average weekly balances of items that comprise the reserve base, as defined in paragraph 2 of Instruction No. 04/2023 of 30 March, and at 100% for the balances of local governments and municipal administrations, to be applied to the daily balances of the accounts.

Directive No. 12/2023 provides that in relation to the reserve requirements in national and foreign currency, the balances of deposit accounts in foreign and national currency, opened at the Banco Nacional de Angola on behalf of each banking credit institution, are eligible. The following assets are eligible for compliance with the reserve requirement in foreign currency:

- The balance of the foreign currency deposit account, opened at the Banco Nacional de Angola, on behalf of each Banking Credit Institution. Deducted from the corresponding 100% (one hundred percent) of deposits on behalf of the Central Government held at the financial institution.

For the fulfillment of the minimum reserve requirements the following are also eligible:

- 80% (eighty percent) of the assets representing the value of loan disbursements in national currency, relating to projects in the agriculture, livestock, forestry and fishing sectors, granted until 14 April 2021, provided that they have a residual maturity equal to or greater than 24 (twenty-four) months;
- Loans defined in accordance with the provisions of Article 8, of Notice no. 10/2020, of 6 April, on Granting Credit to the Real Sector of the Economy, whatever the residual maturity; and
- Loans defined in accordance with the provisions of Article 10 of Notice No. 09/2022, of 6 April on the granting of mortgages, whatever the residual maturity.

5. LOANS AND ADVANCES TO OTHER CREDIT INSTITUTIONS

As at 30 June 2024 and 31 December 2023, the caption Loans and advances to credit institutions is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Demand deposits	36 957 647	41 635 446
Accumulated impairment losses (Note 16)	(3 198)	(4 180)
	36 954 449	**41 631 266**

The reconciliation of changes in the gross book value and impairment losses per stage of Loans and advances to credit institutions is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024 Stage 1	
	Gross book value	Impairment losses
Balance as at 1 January 2024	**41 635 446**	**4 180**
Originated/ derecognized financial assets	(5 520 953)	(1 035)
Changes in exchange rates and other movements	843 154	53
Balance as at 30 June 2024	**36 957 647**	**3 198**

Amounts expressed in thousands of Kwanzas

	31/12/2023 Stage 1	
	Gross book value	Impairment losses
Balance as at 1 January 2023	**24 125 503**	**3 444**
Originated/ derecognized financial assets	2 045 510	(1 954)
Changes in exchange rates and other movements	15 464 433	2 690
Balance as at 31 December 2023	**41 635 446**	**4 180**

As at 30 June 2024 and 31 December 2023, the balance, net of impairment, by currency under Loans and advances to credit institutions is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
In US dollars	20 063 151	21 717 823
Em Euros	13 840 780	15 331 017
In other currencies	3 050 518	4 582 426

6. OTHER LOANS AND ADVANCES TO CENTRAL BANKS AND CREDIT INSTITUTIONS

As at 30 June 2024 and 31 December 2023, the caption Other loans and advances to central banks and credit institutions is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Other loans and advances to credit institutions abroad:		
In United States Dollars	617 361 565	610 262 015
In Euro	81 601 125	74 561 586
In Pound Sterling	8 091 953	8 432 968
	707 054 643	**693 256 569**
Other loans and advances to central banks		
In Kwanzas	419 920 579	198 021 408
	419 920 579	**198 021 408**
Other loans and advances to credit institutions in Angola:		
In Kwanzas	20 999 926	-
	20 999 926	-
	1 147 975 148	**891 277 977**
Income receivable	21 962 953	10 599 657
	1 169 938 101	901 877 634
Accumulated impairment losses (Note 16)	(507 507)	(375 124)
	1 169 430 594	**901 502 510**

As at 30 June 2024 and 31 December 2023, the residual maturities of Other loans and advances to credit institutions in Angola, abroad and with Central Banks were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Up to 3 months	831 056 024	798 548 255
3 to 6 months	66 827 885	44 545 023
More than six months	250 091 239	48 184 699
	1 147 975 148	**891 277 977**

Other loans and advances to central banks refer to reverse repos, which are accounted for in accordance with the accounting policy described in Note 2.5.

As at 30 June 2024 and 31 December 2023, Other loans and advances to credit institutions earned interest at the following annual weighted average rates:

	30/06/2024	31/12/2023
In United States Dollars	5.14%	5.18%
In Euros	3.48%	3.58%
In Kwanzas	14.66%	9.58%
In Pound Sterling	4.75%	4.75%

The reconciliation of the changes in the book value and impairment losses per stage of Other loans and advances to central banks and credit institutions is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024 Stage 1	
	Gross book value	Impairment losses
Balance as at 1 January 2024	**901 877 634**	**(375 124)**
Originated/ derecognized financial assets	263 173 803	872 585
Changes in exchange rates and other movements	4 886 664	10 046
Balance as at 30 June 2024	**1 169 938 101**	**507 507**

Amounts expressed in thousands of Kwanzas

	31/12/2023 Stage 1	
	Gross book value	Impairment losses
Balance as at 1 January 2023	**726 368 077**	**320 964**
Originated/ derecognized financial assets	171 968 093	(104 944)
Changes in exchange rates and other movements	3 541 464	159 104
Balance as at 31 December 2023	**901 877 634**	**375 124**

7. FINANCIAL ASSETS AND AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 30 June 2024 and 31 December 2023, Financial assets at fair value through profit or loss is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Currency	Average interest rate	Nominal value	Fair value	Accrued interest	Book value
Debt securities						
Treasury Bonds in national currency:						
Not indexed	AOA	16.98%	35 336 467	38 190 246	1 738 635	39 928 881
Derivatives	AOA	-	11 480 715	946 964	-	946 964
Equity instruments						
Visa Incl. - Class C (Série I)	USD	-	-	3 113 427	-	3 113 427
EMIS	AOA	-	-	3 277 888	-	3 277 888
IMC – Instituto de mercado de capitais	AOA	-	-	337	-	337
SWIFT	EUR	-	-	46 888	-	46 888
Participation units	AOA	-	-	160 545	-	160 545
			46 817 182	**45 736 295**	**1 738 635**	**47 474 930**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Currency	Average interest rate	Nominal value	Fair value	Accrued interest	Book value
Debt securities						
Treasury Bonds in national currency:						
Not indexed	AOA	16.35%	35 386 500	38 899 777	2 191 823	41 091 600
Derivatives	AOA	-	13 599 670	743 747	-	743 747
Equity instruments						
Visa Incl. - Class C (Série I)	USD	-	-	2 998 452	-	2 998 452
EMIS	AOA	-	-	3 277 888	-	3 277 888
IMC – Instituto de mercado de capitais	AOA	-	-	337	-	337
SWIFT	EUR	-	-	47 004	-	47 004
Participation units	AOA	-	-	409 811	-	409 811
			48 986 170	**46 377 016**	**2 191 823**	**48 568 839**

Debt securities

As at 30 June 2024 and 31 December 2023, the Group holds Treasury Bonds issued by the Angolan State to be traded on the secondary market with other banks, or with its customers.

Equity instruments

As at 30 June 2024, the equity securities portfolio recorded at fair value through profit or loss, refers to:

Shares

- 13,896 Class C (Series I) shares of Visa Inc. (2023: 13,896 shares);
- shareholding in EMIS – Empresa Interbancária de Serviços, S.A.R.L. (18.81%) (2023: 18.81%);
- shareholding in IMC – Instituto de Mercado de Capitais (2%) (2023: 2%);

Participation Units in Funds as at 30 June 2024:

- 31,271 (0.31%) participation units in Fundo BFA Oportunidades XIX;
- 21,795 (0.13%) participation units in Fundo BFA Oportunidades XXI;
- 50,000 (4.10%) participation units in Fundo BFA Futuro.
- 42,100 (1.40%) participation units in Fundo BFA Futuro.

Participation Units in Funds as at 31 December 2023:

- 5,529 (0.06%) participation units in Fundo BFA Oportunidades XIX;
- 14,584 (0.26%) participation units in Fundo BFA Oportunidades XVII;
- 138,443 (1.26%) participation units in Fundo BFA Oportunidades XVIII;
- 133,290 (1.33%) participation units in Fundo BFA Oportunidades XVI;
- 17,180 (0.11%) participation units in Fundo BFA PRIVATE V;
- 100,784 (3.36%) participation units in Fundo BFA Futuro.

EMIS

As at 30 June 2024, the shareholding corresponded to 18.81% of the share capital of EMIS. EMIS was incorporated in Angola with the function of managing electronic means of payment and complementary services.

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, the Company did not distribute any dividends.

Derivatives

As at 30 June 2024 and 31 December 2023, the caption Derivatives - Currency forwards is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Financial assets at fair value through profit or loss		
Derivative financial instruments		
Positive fair value (assets)	946 964	743 747
	946 964	743 747
Financial liabilities at fair value through profit or loss		
Derivative financial instruments		
Negative fair value (liabilities)	(2 649 420)	(2 537 450)
	(2 649 420)	(2 537 450)
	(1 702 456)	**(1 793 703)**

As at 30 June 2024 and 31 December 2023, the derivative financial instruments correspond to currency forwards contracted with non-financial entities.

As at 30 June 2024 and 31 December 2023, the notional amounts of the currency forwards are recorded under off-balance sheet items, in the amount of AOA 7,628,967 thousand and AOA 7,703,799 thousand, respectively.

The valuation model for financial instruments is described in Note 29.4.

The maturities of the financial instruments under this caption are detailed in Note 29.2.

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, changes in the fair value of debt securities recorded at fair value through profit or loss and the capital gains realized by the Group, resulting from transactions in these securities are recorded under Net gains/(losses) on financial assets and liabilities measured at fair value through profit or loss in the income statement.

Net Profit/(losses) on financial assets and liabilities at fair value through profit or loss are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Net gains/(losses) on assets and liabilities at fair value through profit or loss		
Debt securities	3 972 399	82 467
Currency forwards	91 248	(1 367 791)
Equity instruments	21 226	268 664
Participation units	24 075	34 210
	4 108 948	**(982 450)**

8. INVESTMENTS AT AMORTIZED COST

As at 30 June 2024 and 31 December 2023, the caption Investments at amortized cost is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024											
	Internal risk level	Country	Currency	Nominal value	Acquisition cost	Premium/ accrued discount	Changes in foreign exchange rates	Accrued interest	Gross book value	Impairment (Note 16)	Net book value	Average interest rate
Debt securities												
Treasury Bills in national currency	A	Angola	AOA	147 764 542	129 113 745	9 487 355	-	-	138 601 100	(732 982)	137 868 118	-
Treasury Bonds in national currency:												
Not indexed	A	Angola	AOA	605 761 123	576 201 294	30 793 532	-	29 336 601	636 331 427	(8 525 342)	627 806 085	17.11%
Treasury bonds in foreign currency	A	Angola	USD	182 838 796	142 606 848	-	40 231 948	2 532 424	185 371 220	(1 982 465)	183 388 755	5.38%
Treasury bonds in foreign currency	A	Portugal	USD	8 350 199	4 977 058	(69 006)	3 456 643	89 156	8 453 851	-	8 453 851	5.13%
Treasury bonds in foreign currency	A	United States	USD	9 064 686	5 028 462	499 159	3 492 343	12 701	9 032 665	-	9 032 665	0.38%
Eurobond	A	Angola	USD	99 926 664	57 882 536	873 209	34 571 606	607 610	93 934 961	(1 424 605)	92 510 356	8.23%
				1 053 706 010	**915 809 943**	**41 584 249**	**81 752 540**	**32 578 492**	**1 071 725 224**	**(12 665 394)**	**1 059 059 830**	

Amounts expressed in thousands of Kwanzas

	31/12/2024											
	Internal risk level	Country	Currency	Nominal value	Acquisition cost	Premium/ accrued discount	Changes in foreign exchange rates	Accrued interest	Gross book value	Impairment (Note 16)	Net book value	Average interest rate
Debt securities												
Treasury Bills in national currency	A	Angola	AOA	151 118 859	139 968 178	2 803 305	-	-	142 771 483	(716 910)	142 054 573	0.11%
Treasury Bonds in national currency:												
. Not indexed	A	Angola	AOA	625 194 100	590 371 435	33 071 851	-	29 379 922	652 823 208	(8 360 168)	644 463 040	17.04%
Treasury bonds in foreign currency	A	Angola	USD	189 952 672	155 038 818	13 723	34 913 854	2 693 228	192 659 623	(2 410 681)	190 248 942	5.35%
Treasury bonds in foreign currency	A	Portugal	USD	8 107 322	4 927 780	(44 233)	3 260 614	86 563	8 230 724	-	8 230 724	5.13%
Treasury bonds in foreign currency	A	United,States	USD	8 801 027	5 349 427	319 037	2 923 538	12 376	8 604 378	-	8 604 378	0.38%
Eurobond	A	Angola	USD	97 020 157	62 581 552	656 236	26 932 584	601 883	90 772 255	(1 300 196)	89 472 059	8.23%
Other financial instruments												
Reverse Repos	A	Angola	AOA	327 001 802	327 001 802	-	-	2 126 424	329 128 226	(260 816)	328 867 410	10.01%
				1 407 195 939	**1 285 238 992**	**36 819 919**	**68 030 590**	**34 900 396**	**1 424 989 897**	**(13 048 771)**	**1 411 941 126**	

In the period ended 31 December 2023, the Group sold Angolan sovereign debt securities recognized in the Investment portfolio at amortized cost, which were close to maturity and whose receivable amount corresponded approximately to the sale price. Therefore, as this is an infrequent transaction, the Board of Directors considers that it does not jeopardize the business model established.

This operation led to the recognition of a capital gain of AOA 8,508,936 thousand in 2023.

In 2023, BFA contracted a set of short-term reverse repo operations with the Angolan state, negotiated through BODIVA, which matured in the first quarter of 2024. Given the nature of the operations, the Board of Directors recognizes their classification under Investments at amortized cost. Impairment recognized follows the model already implemented for other similar credit exposures.

The breakdown of investments at amortized cost, by residual maturity, is disclosed in Note 29.2.

The fair value and the detail by fair value hierarchy of the investment portfolio at amortized cost are presented in Note 29.4.

As at 30 June 2024 and 31 December 2023, impairment losses for Treasury Bonds, Treasury Bills, Eurobonds and foreign treasury bonds were calculated based on the credit risk parameters provided by the international rating agency Moody's.

The credit quality of the investment portfolio at amortized cost is disclosed in Note 29.1.

A reconciliation of changes in the gross book value and impairment losses per stage of investments at amortized cost is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024	
	Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2024	**1 424 989 897**	**13 048 771**
Impact on profit or loss		
Financial assets purchased in the period / changes in credit risk	87 386 581	565 694
Other financial assets / changes in credit risk	-	(362 985)
Derecognized financial assets	(449 542 554)	(692 625)
Subtotal	**1 062 833 924**	**12 558 855**
Changes in exchange rates and other movements	8 891 300	106 539
Balance as at 30 June 2024	**1 071 725 224**	**12 665 394**

Amounts expressed in thousands of Kwanzas

	31/12/2023	
	Stage 1	
	Book value	Impairment losses
Balance as at 1 January 2023	**958 579 426**	**10 211 818**
Impact on profit or loss		
Financial assets purchased in the period / changes in credit risk	864 933 882	8 827 415
Other financial assets / changes in credit risk	-	(2 565 145)
Derecognized financial assets	(495 162 306)	(4 934 447)
Subtotal	**1 328 351 002**	**11 539 641**
Changes in exchange rates and other movements	96 638 895	1 509 130
Balance as at 31 December 2023	**1 424 989 897**	**13 048 771**

As at 30 June 2024 and 31 December 2023, the impairment of investments at amortized cost is AOA 12,665,394 thousand and AOA 13,048,771 thousand, respectively (see Note 16).

9. LOANS AND ADVANCES TO CUSTOMERS

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Loans falling due		
Credit cards	4 335 596	1 806 782
Consumer credit	85 718 035	82 008 441
Motor vehicle loans	160 176	76 005
Mortgages	22 681 490	22 093 697
Overdrafts	1 019 108	764 283
Corporate - less significant exposures	2 541 266	2 706 245
Corporate - significant exposures	334 614 717	275 454 938
State	206 529 922	190 144 611
Total loans falling due	**657 600 310**	**575 055 002**
Loans and interest overdue		
Credit cards	594 989	494 669
Consumer credit	3 350 901	3 085 764
Motor vehicle loans	-	-
Mortgages	543 905	591 888
Overdrafts	631 394	228 802
Corporate - less significant exposures	214 356	260 660
Corporate - significant exposures	7 631 994	7 275 956
Total loans and interest overdue	**12 967 539**	**11 937 739**
Total loans granted	670 567 849	586 992 741
Income receivable from loans granted	13 291 176	13 378 114
	683 859 025	600 370 855
Impairment for loans and advances (Note 16)	(54 750 335)	(50 268 076)
	629 108 690	550 102 779

As at 30 June 2024 and 31 December 2023, Loans and advances to customers earned interest at the following weighted average annual rates:

	30/06/2024	31/12/2023
In Kwanzas	16.81%	16.12%
In United States Dollars	12.34%	12.09%
In Euros	7.00%	7.00%

As at 30 June 2024 and 31 December 2023, the group of ten largest debtors represents 62.71% and 64.02%, respectively, of the total loan portfolio (excluding guarantees provided and documentary credits).

In the period ended 31 December 2023, loans were written-off in the amount of AOA 9,247,161 thousand (Note 16), in accordance with the criteria defined by the Group.

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, there were recoveries of loans and interest previously written off or written down from assets, in the amounts of AOA 132,150 thousand and AOA 342,381 thousand (Note 23), respectively.

The loan portfolio, by segment, presents the following structure:

Amounts expressed in thousands of Kwanzas

30/06/2024	Exposure												Impairment			
Segment	Total exposure (including interest)	Loans in Stage 1	Of which no longer in default	Of which restructured	Loans in Stage 2	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Loans in Stage3	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Total impairment (Note 16)	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3
Credit cards	4 930 585	3 457 623	-	-	955 481	615	-	-	517 481	-	-	-	592 885	50 247	79 106	463 532
Consumer credit	89 658 947	84 481 294	-	2 179	1 215 439	3 807	2 179	-	3 962 214	-	54 838	-	3 454 763	649 998	147 493	2 657 272
Motor vehicle loans	160 566	160 566	-	-	-	-	-	-	-	-	-	-	1 138	1 138	-	-
Mortgages	23 250 793	18 331 079	-	855 641	1 689 649	25 518	1 481 020	-	3 230 065	-	1 637 144	-	2 943 272	177 561	285 367	2 480 344
Overdrafts	1 650 502	618 832	-	-	838 689	-	-	-	192 981	-	-	-	327 293	42 294	142 646	142 353
Corporate - less significant exposures	2 815 564	1 999 229	12	7 148	282 472	-	170 934	-	533 863	-	239 415	-	426 588	56 999	72 054	297 535
Corporate - significant exposures	344 644 903	238 931 178	-	4 150 898	51 953 844	-	26 179 850	-	53 759 881	-	41 840 936	-	44 196 772	4 304 921	5 801 952	34 089 899
State	216 747 165	216 747 165	-	-	-	-	-	-	-	-	-	-	2 807 624	2 807 624	-	-
On-balance sheet exposure	**683 859 025**	**564 726 966**	**12**	**5 015 866**	**56 935 574**	**29 940**	**27 933 943**	**-**	**62 196 485**	**-**	**43 772 333**	**-**	**54 750 335**	**8 090 782**	**6 528 618**	**40 130 935**
Documentary credits and guarantees provided																
Corporate - less significant exposures	55 013 050	55 013 050	-	-	-	-	-	-	-	-	-	-	59 484	59 484	-	-
Corporate - significant exposures	65 407 382	63 875 963	-	-	1 531 419	-	-	-	-	-	-	-	333 225	287 282	45 943	-
Undrawn credit facilities	33 630 322	33 369 125	-	-	159 362	2 610	-	-	101 835	-	-	-	60 278	47 058	595	12 625
Off-balance sheet exposure	154 050 754	152 258 138	-	-	1 690 781	2 610	-	-	101 835	-	-	-	452 987	393 824	46 538	12 625
Total exposure	**837 909 779**	**716 985 104**	**12**	**5 015 866**	**58 626 355**	**32 550**	**27 933 943**	**-**	**62 298 320**	**-**	**43 772 333**	**-**	**55 203 322**	**8 484 606**	**6 575 156**	**40 143 560**

Amounts expressed in thousands of Kwanzas

31/12/2023	Exposure												Impairment			
Segment	Total exposure (including interest)	Loans in Stage 1	Of which no longer in default	Of which restructured	Loans in Stage 2	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Loans in Stage3	Of which no longer in default	Of which restructured	Of which purchased or originated credit impaired	Total impairment (Note 16)	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3
Credit cards	2 301 451	1 063 289	-	-	813 274	12 120	-	-	424 888	-	-	-	456 222	16 804	64 772	374 646
Consumer credit	85 609 541	80 187 364	-	-	1 715 306	5 177	6 114	-	3 706 871	-	11 099	-	3 078 256	577 137	79 947	2 421 172
Motor vehicle loans	76 265	76 265	-	-	-	-	-	-	-	-	-	-	385	385	-	-
Mortgages	22 710 906	17 671 884	-	1 048 764	1 645 297	198	1 333 627	-	3 393 725	-	1 392 342	-	3 103 917	292 532	295 915	2 515 470
Overdrafts	993 085	568 220	-	-	280 341	45	-	-	144 524	-	-	-	175 960	34 949	39 013	101 998
Corporate - less significant exposures	3 032 181	2 259 752	-	-	351 385	4	157 811	-	421 044	-	87 636	-	393 677	84 275	103 902	205 500
Corporate - significant exposures	286 658 455	202 992 922	-	2 758 032	30 567 860	-	19 528 972	-	53 097 673	-	41 634 282	-	40 635 014	2 739 953	6 126 750	31 768 311
State	198 988 971	198 988 971	-	-	-	-	-	-	-	-	-	-	2 424 645	2 424 645	-	-
On-balance sheet exposure	**600 370 855**	**503 808 667**	**-**	**3 806 796**	**35 373 463**	**17 544**	**21 026 524**	**-**	**61 188 725**	**-**	**43 125 359**	**-**	**50 268 076**	**6 170 680**	**6 710 299**	**37 387 097**
Documentary credits and guarantees provided																
Corporate - less significant exposures	51 318 231	51 318 231	-	-	-	-	-	-	-	-	-	-	98 004	98 004	-	-
Corporate - significant exposures	59 800 340	59 664 063	-	-	136 277	-	-	-	-	-	-	-	276 841	276 745	96	-
Undrawn credit facilities	45 101 700	44 575 324	-	-	408 994	11 886	-	-	117 382	350	-	-	104 946	90 182	979	13 785
Off-balance sheet exposure	156 220 271	155 557 618	-	-	545 271	11 886	-	-	117 382	350	-	-	479 791	464 931	1 075	13 785
Total exposure	**756 591 126**	**659 366 285**	**-**	**3 806 796**	**35 918 734**	**29 430**	**21 026 524**	**-**	**61 306 107**	**350**	**43 125 359**	**-**	**50 747 867**	**6 635 611**	**6 711 374**	**37 400 882**

The loan portfolio and impairment by range of days past due presents the following structure:

Amounts expressed in thousands of Kwanzas

30/06/2024	Exposure								
	Exposures without a significant increase in credit risk since initial recognition (Stage 1)			Exposures with a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Exposures credit impaired (Stage 3)		
Segment	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days
Credit cards	3 457 623	-	-	876 202	79 279	-	32 072	8 433	476 976
Consumer credit	84 481 294	-	-	396 739	818 700	-	96 867	30 279	3 835 068
Motor vehicle loans	160 566	-	-	-	-	-	-	-	-
Mortgages	18 331 079	-	-	1 516 643	53 243	119 763	1 212 416	264 276	1 753 373
Overdrafts	618 832	-	-	396 576	439 760	2 353	3 700	4 520	184 761
Corporate - less significant exposures	1 999 229	-	-	213 324	69 110	38	125 975	4 224	403 664
Corporate - significant exposures	238 931 179	-	-	51 953 832	12	-	43 209 453	-	10 550 428
State	216 747 165	-	-	-	-	-	-	-	-
On-balance sheet exposure	**564 726 967**	**-**	**-**	**55 353 316**	**1 460 104**	**122 154**	**44 680 483**	**311 732**	**17 204 270**
Documentary credits and guarantees provided									
Corporate - less significant exposures	55 013 050	-	-	-	-	-	-	-	-
Corporate - significant exposures	63 875 963	-	-	1 531 419	-	-	-	-	-
Undrawn credit facilities	**33 369 125**	**-**	**-**	**128 038**	**31 324**	**-**	**75 658**	**7 421**	**18 756**
Off-balance sheet exposure	**152 258 138**	**-**	**-**	**1 659 457**	**31 324**	**-**	**75 658**	**7 421**	**18 756**
Total exposure	**716 985 105**	**-**	**-**	**57 012 773**	**1 491 428**	**122 154**	**44 756 141**	**319 153**	**17 223 026**

Amounts expressed in thousands of Kwanzas

30/06/2024	Impairment								
	Impairment without a significant increase in credit risk since initial recognition (Stage 1)			Impairment without a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Impairment for credit in default (Stage 3)		
Segment	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days
Credit cards	50 247	-	-	55 890	23 216	-	23 804	6 388	433 340
Consumer credit	649 998	-	-	9 009	138 484	-	56 504	15 960	2 584 808
Motor vehicle loans	1 138	-	-	-	-	-	-	-	-
Mortgages	177 561	-	-	226 970	11 172	47 225	846 388	213 968	1 419 988
Overdrafts	42 294	-	-	45 486	96 557	603	2 774	3 158	136 421
Corporate - less significant exposures	56 999	-	-	52 534	19 506	14	73 561	1 131	222 843
Corporate - significant exposures	4 304 921	-	-	5 801 951	1	-	26 755 122	-	7 334 777
State	2 807 624	-	-	-	-	-	-	-	-
On-balance sheet impairment	**8 090 782**	**-**	**-**	**6 191 840**	**288 936**	**47 842**	**27 758 153**	**240 605**	**12 132 177**
Documentary credits and guarantees provided									
Corporate - less significant exposures	59 484	-	-	-	-	-	-	-	-
Corporate - significant exposures	287 282	-	-	45 943	-	-	-	-	-
Undrawn credit facilities	**47 058**	**-**	**-**	**535**	**60**	**-**	**9 284**	**766**	**2 575**
Off-balance sheet impairment	**393 824**	**-**	**-**	**46 478**	**60**	**-**	**9 284**	**766**	**2 575**
Total impairment	**8 484 606**	**-**	**-**	**6 238 318**	**288 996**	**47 842**	**27 767 437**	**241 371**	**12 134 752**

Amounts expressed in thousands of Kwanzas

31/12/2023	Exposure								
	Exposures without a significant increase in credit risk since initial recognition (Stage 1)			Exposures with a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Exposures credit impaired (Stage 3)		
Segment	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days
Credit cards	1 063 289	-	-	747 323	65 951	-	19 089	9 078	396 721
Consumer credit	80 187 364	-	-	1 340 103	375 203	-	109 343	39 116	3 558 412
Motor vehicle loans	76 265	-	-	-	-	-	-	-	-
Mortgages	17 671 884	-	-	1 358 311	185 635	101 351	1 024 199	146 893	2 222 633
Overdrafts	568 220	-	-	190 022	87 757	2 562	6 042	1 414	137 068
Corporate - less significant exposures	2 259 752	-	-	236 122	115 225	38	16 610	30 771	373 663
Corporate - significant exposures	202 992 922	-	-	30 567 838	22	-	42 466 285	1 203 658	9 427 730
State	198 988 971	-	-	-	-	-	-	-	-
On-balance sheet exposure	**503 808 667**	**-**	**-**	**34 439 719**	**829 793**	**103 951**	**43 641 568**	**1 430 930**	**16 116 227**
Documentary credits and guarantees provided									
Corporate - less significant exposures	51 318 231	-	-	-	-	-	-	-	-
Corporate - significant exposures	59 664 063	-	-	136 277	-	-	-	-	-
Undrawn credit facilities	**44 575 324**	**-**	**-**	**354 950**	**54 044**	**-**	**79 524**	**2 577**	**35 281**
Off-balance sheet exposure	**155 557 618**	**-**	**-**	**491 227**	**54 044**	**-**	**79 524**	**2 577**	**35 281**
Total exposure	**659 366 285**	**-**	**-**	**34 930 946**	**883 837**	**103 951**	**43 721 092**	**1 433 507**	**16 151 508**

Amounts expressed in thousands of Kwanzas

31/12/2023	Impairment								
	Impairment without a significant increase in credit risk since initial recognition (Stage 1)			Impairment without a significant increase in credit risk since initial recognition and which are not credit impaired (Stage 2)			Impairment for credit in default (Stage 3)		
Segment	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days	≤ 30 days	> 30 days ≤ 90 days	> 90 days
Credit cards	16 804	-	-	45 562	19 210	-	14 386	6 557	353 703
Consumer credit	577 137	-	-	17 522	62 425	-	62 293	17 448	2 341 431
Motor vehicle loans	385	-	-	-	-	-	-	-	-
Mortgages	292 532	-	-	207 162	56 400	32 353	744 703	112 540	1 658 227
Overdrafts	34 949	-	-	18 902	19 459	652	4 514	1 037	96 447
Corporate - less significant exposures	84 275	-	-	60 924	42 964	14	10 534	16 538	178 428
Corporate - significant exposures	2 739 953	-	-	6 126 750	-	-	24 582 860	402 412	6 783 039
State	2 424 645	-	-	-	-	-	-	-	-
On-balance sheet exposure	**6 170 680**	**-**	**-**	**6 476 822**	**200 458**	**33 019**	**25 419 290**	**556 532**	**11 411 275**
Documentary credits and guarantees provided									
Corporate - less significant exposures	98 004	-	-	-	-	-	-	-	-
Corporate - significant exposures	276 745	-	-	96	-	-	-	-	-
Undrawn credit facilities	**90 182**	**-**	**-**	**922**	**57**	**-**	**9 296**	**273**	**4 216**
Off-balance sheet exposure	**464 931**	**-**	**-**	**1 018**	**57**	**-**	**9 296**	**273**	**4 216**
Total exposure	**6 635 611**	**-**	**-**	**6 477 840**	**200 515**	**33 019**	**25 428 586**	**556 805**	**11 415 491**

The loan portfolio, by segment and by year, in which the operations were granted is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024														
	Credit Cards			Consumer Credit			Motor vehicle loans			Mortgages			Overdrafts		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2019 and prior years	18 770	3 562 649	551 696	287	2 697 431	1 960 042	-	-	-	517	15 553 497	2 413 033	10 715	1 491 511	249 671
2020	10	2 766	50	1 522	976 000	106 505	-	-	-	43	1 549 257	166 816	359	21 914	5 208
2021	1 535	476 082	11 757	4 817	5 309 770	215 879	-	-	-	20	813 576	82 250	680	37 188	16 968
2022	2 008	422 996	20 322	11 293	18 938 684	445 981	1	18 866	158	29	1 352 380	32 143	630	34 316	15 543
2023	923	346 461	7 565	13 432	37 171 637	518 066	3	47 777	140	44	2 264 880	28 566	370	63 476	39 269
2024	361	119 631	1 495	6 305	24 565 425	208 290	4	93 923	840	25	1 717 203	220 464	97	2 097	634
Total	**23 607**	**4 930 585**	**592 885**	**37 656**	**89 658 947**	**3 454 763**	**8**	**160 566**	**1 138**	**678**	**23 250 793**	**2 943 272**	**12 851**	**1 650 502**	**327 293**

Amounts expressed in thousands of Kwanzas

	30/06/2024														
	Corporate - less significant exposures			Corporate - significant exposures			State			Documentary credits and guarantees provided			Undrawn credit facilities		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2019 and prior years	1 134	447 155	65 933	66	27 248 432	9 190 368	2	47 361 007	508 102	6	859 663	1 176	31 491	18 907 728	43 168
2020	434	37 405	15 930	6	1 508 786	30 801	-	-	-	3	20 270 109	55 696	2 374	368 171	917
2021	458	262 717	77 220	34	72 528 869	4 006 675	-	-	-	5	8 121 756	41 347	7 544	5 416 285	5 339
2022	407	525 322	83 425	45	70 888 738	27 440 443	4	93 888 845	1 269 752	18	13 931 770	120 169	14 417	3 401 299	3 254
2023	62	785 530	63 905	53	57 316 345	887 096	2	75 497 313	1 029 770	33	11 392 564	53 774	14 889	2 661 658	5 287
2024	33	757 435	120 175	45	115 153 734	2 641 389	-	-	-	243	65 844 570	120 547	6 870	2 875 181	2 313
Total	**2 528**	**2 815 564**	**426 588**	**249**	**344 644 904**	**44 196 772**	**8**	**216 747 165**	**2 807 624**	**308**	**120 420 432**	**392 709**	**77 585**	**33 630 322**	**60 278**

Amounts expressed in thousands of Kwanzas

	31/12/2023														
	Credit Cards			Consumer Credit			Motor vehicle loans			Mortgages			Overdrafts		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2018 and prior years	17 534	1 721 617	429 534	5 043	2 635 118	1 851 112	67	-	-	229	3 420 715	1 299 362	6 788	842 995	110 254
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	1 597	125 179	5 655	3 382	2 349 902	196 018	2	629	-	515	14 886 269	1 694 040	715	50 412	9 431
2021	1 556	174 619	7 126	6 327	8 788 537	218 162	-	-	-	21	850 444	49 621	631	21 963	10 348
2022	2 063	178 471	11 563	13 144	25 983 377	379 000	1	21 189	184	29	1 381 802	36 449	606	23 184	9 825
2023	937	101 565	2 344	14 162	45 852 607	433 964	3	54 447	201	44	2 171 676	24 445	271	54 531	36 102
Total	**23 687**	**2 301 451**	**456 222**	**42 058**	**85 609 541**	**3 078 256**	**73**	**76 265**	**385**	**838**	**22 710 906**	**3 103 917**	**9 011**	**993 085**	**175 960**

Amounts expressed in thousands of Kwanzas

	31/12/2023														
	Corporate - less significant exposures			Corporate - significant exposures			State			Documentary credits and guarantees provided			Undrawn credit facilities		
Segment	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized	Number of transactions	Amount	Impairment recognized
2018 and prior years	947	460 643	83 617	210	6 433 806	1 334 531	4	60 653 345	629 096	2	564 246	3 517	30 822	23 476 227	67 008
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	650	170 261	42 295	23	15 767 234	7 704 331	-	-	-	1	20 093 856	58 935	6 885	3 157 695	6 918
2021	408	355 640	59 253	37	100 199 387	5 261 715	-	-	-	1	25 662 505	64 181	8 980	6 224 335	9 381
2022	407	709 801	100 092	51	71 464 836	25 382 663	3	81 243 536	1 034 041	7	14 646 985	121 045	16 304	3 684 968	10 914
2023	78	1 335 836	108 420	62	92 793 192	951 774	28	57 092 090	761 508	108	50 150 979	127 167	15 560	8 558 475	10 725
Total	**2 490**	**3 032 181**	**393 677**	**383**	**286 658 455**	**40 635 014**	**35**	**198 988 971**	**2 424 645**	**119**	**111 118 571**	**374 845**	**78 551**	**45 101 700**	**104 946**

The detail of the amount of the gross credit exposure and the amount of impairment set up for the exposures analyzed individually and collectively, by segment, corresponds to the following:

Amounts expressed in thousands of Kwanzas

By segment: 30/06/2024	Credit cards		Consumer credit		Motor vehicle loans		Mortgages		Overdrafts	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	4 925 769	592 757	86 242 807	1 706 631	160 566	1 138	20 205 248	1 627 962	1 650 215	327 285
Individual impairment	4 816	128	3 416 140	1 748 132	-	-	3 045 545	1 315 310	287	8
Total	**4 930 585**	**592 885**	**89 658 947**	**3 454 763**	**160 566**	**1 138**	**23 250 793**	**2 943 272**	**1 650 502**	**327 293**

Amounts expressed in thousands of Kwanzas

By segment: 30/06/2024	Corporate - less significant exposures		Corporate - significant exposures		State		Documentary credits and guarantees provided		Undrawn credit facilities	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 693 815	408 313	51 220 517	1 228 842	-	-	20 694 379	29 153	11 726 621	36 234
Individual impairment	121 749	18 275	293 424 387	42 967 930	216 747 165	2 807 624	99 726 053	363 556	21 903 701	24 044
Total	**2 815 564**	**426 588**	**344 644 904**	**44 196 772**	**216 747 165**	**2 807 624**	**120 420 432**	**392 709**	**33 630 322**	**60 278**

Amounts expressed in thousands of Kwanzas

By segment: 31/12/2023	Credit cards		Consumer credit		Motor vehicle loans		Mortgages		Overdrafts	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 301 016	456 182	83 146 457	1 386 497	76 265	385	19 339 307	1 500 794	992 813	175 688
Individual impairment	435	40	2 463 084	1 691 759	-	-	3 371 599	1 603 123	272	272
Total	**2 301 451**	**456 222**	**85 609 541**	**3 078 256**	**76 265**	**385**	**22 710 906**	**3 103 917**	**993 085**	**175 960**

Amounts expressed in thousands of Kwanzas

By segment: 31/12/2023	Corporate - less significant exposures		Corporate - significant exposures		State		Documentary credits and guarantees provided		Undrawn credit facilities	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 847 037	341 156	15 740 353	374 034	-	-	9 806 359	30 128	19 584 867	47 484
Individual impairment	185 144	52 521	270 918 102	40 260 980	198 988 971	2 424 645	101 312 212	344 717	25 516 833	57 462
Total	**3 032 181**	**393 677**	**286 658 455**	**40 635 014**	**198 988 971**	**2 424 645**	**111 118 571**	**374 845**	**45 101 700**	**104 946**

The detail of the amount of the gross credit exposure and the amount of impairment set up for the exposures analyzed individually and collectively, by sector of activity, corresponds to the following:

Amounts expressed in thousands of Kwanzas

By business sector: 30/06/2024	Real Estate, rental and services rendered by Companies		Cultural, recreational and sports activities		Public administration, defense and mandatory social security		Agriculture, forestry and fishing		Accommodation and catering	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	187 917	124	196	92	116	74	1 734 396	133 654	25 994	9 462
Individual impairment	50 230	900	-	-	216 747 165	2 807 624	73 329 700	25 097 351	1 737 623	39 813
Total	**238 147**	**1 024**	**196**	**92**	**216 747 281**	**2 807 698**	**75 064 096**	**25 231 005**	**1 763 617**	**49 275**

Amounts expressed in thousands of Kwanzas

By business sector: 30/06/2024	Banks and insurance		Wholesale and retail trade		Construction		Education		Extractive industries	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	381 698	526	5 516 146	234 686	1 201 196	65 700	375 548	12 633	39 157 092	853 223
Individual impairment	764 129	2 454	58 432 953	1 019 986	88 635 201	5 015 557	1 346 611	210 199	11 534 119	271 018
Total	**1 145 827**	**2 980**	**63 949 099**	**1 254 672**	**89 836 397**	**5 081 257**	**1 722 159**	**222 832**	**50 691 211**	**1 124 241**

Amounts expressed in thousands of Kwanzas

By business sector: 30/06/2024	Manufacturing industries		Other service companies		Retail		Production and distribution of energy, water and gas		Health and social services		Transport, storage and communication	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	2 881 684	48 303	1 698 507	229 452	113 223 767	4 257 814	293	205	240 178	23655	474 209	23 325
Individual impairment	40 436 953	6 359 008	10 702 145	4 684 673	6 488 266	3 075 575	-	0	828 582	173915	5 726 412	99 334
Total	**43 318 637**	**6 407 311**	**12 400 652**	**4 914 125**	**119 712 033**	**7 333 389**	**293**	**205**	**1 068 760**	**197 570**	**6 200 621**	**122 659**

Amounts expressed in thousands of Kwanzas

By business sector: 31/12/2023	Real Estate, rental and services rendered by Companies		Cultural, recreational and sports activities		Public administration, defense and mandatory social security		Agriculture, forestry and fishing		Accommodation and catering	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	553 873	5 928	443 809	20 234	69	30	1 238 400	52 581	26 334	7 017
Individual impairment	-	-	573 149	33 042	198 988 972	2 424 645	69 317 511	22 779 933	2 262 081	35 863
Total	**553 873**	**5 928**	**1 016 958**	**53 276**	**198 989 041**	**2 424 675**	**70 555 911**	**22 832 514**	**2 288 415**	**42 880**

Amounts expressed in thousands of Kwanzas

By business sector: 31/12/2023	Banks and insurance		Wholesale and retail trade		Construction		Education		Extractive industries	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	-	-	2 022 390	83 889	404 406	55 485	1 037 714	20 211	8 880 172	189 478
Individual impairment	10 227	-	63 779 851	976 836	71 232 478	3 883 857	355 586	192 680	-	-
Total	**10 227**	**-**	**65 802 241**	**1 060 725**	**71 636 884**	**3 939 342**	**1 393 300**	**212 891**	**8 880 172**	**189 478**

Amounts expressed in thousands of Kwanzas

By business sector: 31/12/2023	Manufacturing industries		Other service companies		Retail		Production and distribution of energy, water and gas		Health and social services		Transport, storage and communication	
	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment	Total exposure	Impairment
Colective impairment	232 650	1 842	2 814 984	204 251	105 901 054	3 521 784	429 942	46 635	102 934	1 158	354 517	24 213
Individual impairment	15 425 605	4 975 414	47 801 638	7 314 071	5 856 868	3 307 192	-	-	191 337	109 802	132 304	5
Total	**15 658 255**	**4 977 256**	**50 616 622**	**7 518 322**	**111 757 922**	**6 828 976**	**429 942**	**46 635**	**294 271**	**110 960**	**486 821**	**24 218**

The restructured loan portfolio by restructuring measure applied is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024											
	Loans in Stage 1			Loans in Stage 2			Loans in Stage 3			Total		
Measure applied	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment
Term extension	13	2 921 615	163 548	53	17 076 139	4 033 892	45	37 958 577	24 530 930	111	57 956 331	28 728 370
New loan	8	2 094 251	51 806	36	10 857 804	1 408 763	38	5 813 756	5 518 556	82	18 765 811	6 979 125
Total	**21**	**5 015 866**	**215 354**	**89**	**27 933 943**	**5 442 655**	**83**	**43 772 333**	**30 049 486**	**193**	**76 722 142**	**35 707 495**

Amounts expressed in thousands of Kwanzas

	31/12/2023											
	Loans in Stage 1			Loans in Stage 2			Loans in Stage 3			Total		
Measure applied	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment	Number of transactions	Exposure	Impairment
Term extension	3	2 154 887	31 086	21	4 126 141	1 291 313	36	37 196 303	21 987 839	60	43 477 331	23 310 238
New loan	12	1 651 909	165 923	52	16 900 383	3 316 054	43	5 929 056	5 516 189	107	24 481 348	8 998 166
Total	**15**	**3 806 796**	**197 009**	**73**	**21 026 524**	**4 607 367**	**79**	**43 125 359**	**27 504 028**	**167**	**67 958 679**	**32 308 404**

The movement of inflows and outflows in the restructured loan portfolio was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Opening balance of restructured loans portfolio (gross of impairment + interest)	**67 958 679**	**72 756 618**
Restructured loans in the period	11 817 094	473 034
Accrued interest on the restructured loan portfolio	173 319	167 971
Settlement of restructured loans (partial or total)	(3 079 768)	(5 699 449)
Loans reclassified from "restructured" to "normal"		-
Other	(147 181)	260 505
Closing balance of restructured loans portfolio (gross of impairment + interest)	**76 722 142**	**67 958 679**

The detail of the guarantees underlying the loan portfolio of the corporate, construction and real estate development, and mortgage segments is as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024											
	Corporate				Construction and Real Estate development				Mortgages			
	Real Estate		Other real guarantees		Real Estate		Other real guarantees		Real Estate		Other real guarantees	
	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount
< 50MAOA	15	514 753	58	1 128 914	-	-	4	96 711	52	1 503 661	1	38 271
> = 50MAOA e < 100 MAOA	12	888 450	16	1 005 290	-	-	2	171 386	93	6 989 560	1	51 218
> = 100 MAOA e < 500 MAOA	42	10 927 662	33	7 570 202	1	187 375	6	1 469 847	183	37 398 261	4	896 310
> = 500 MAOA e < 1000 MAOA	8	5 847 551	11	5 073 464	-	-	-	-	7	4 467 872	1	853 629
> = 1000 MAOA e < 2000 MAOA	37	34 279 328	2	2 151 154	2	2 284 247	1	1 024 699	2	2 825 512	-	-
> = 2000 MAOA e < 5000 MAOA	8	25 109 027	10	23 962 016	4	13 565 997	3	9 507 008	2	2 083 869	-	-
> = 5.000 MAOA	21	252 440 067	12	118 368 771	2	17 236 887	4	55 901 622	-	-	-	-
Total	**143**	**330 006 838**	**142**	**159 259 811**	**9**	**33 274 506**	**20**	**68 171 273**	**339**	**55 268 735**	**7**	**1 839 428**

Amounts expressed in thousands of Kwanzas

	31/12/2023											
	Corporate				Construction and Real Estate development				Mortgages			
	Real Estate		Other real guarantees		Real Estate		Other real guarantees		Real Estate		Other real guarantees	
	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount	Number of properties	Amount	Number	Amount
< 50MAOA	15	316 240	61	1 078 909	-	-	5	103 943	53	1 597 722	1	38 271
> = 50MAOA e < 100 MAOA	14	970 853	11	693 268	-	-	3	254 266	94	7 265 147	-	-
> = 100 MAOA e < 500 MAOA	36	9 196 859	42	9 001 274	1	187 375	3	660 879	180	37 326 239	4	870 240
> = 500 MAOA e < 1000 MAOA	10	6 774 765	10	4 195 910	-	-	-	-	8	4 929 941	2	1 408 960
> = 1000 MAOA e < 2000 MAOA	36	31 425 030	2	2 151 154	1	1 900 000	-	-	2	2 743 328	-	-
> = 2000 MAOA e < 5000 MAOA	7	19 889 757	8	25 190 674	3	10 545 557	-	-	2	2 023 257	-	-
> = 5.000 MAOA	22	287 973 590	13	131 428 249	2	62 557 879	5	59 881 644	-	-	-	-
Total	**140**	**356 547 094**	**147**	**173 739 438**	**7**	**75 190 811**	**16**	**60 900 732**	**339**	**55 885 634**	**7**	**2 317 471**

In order to mitigate the credit risk, credit operations have associated guarantees, namely mortgages or pledges. The fair value of these guarantees is determined on the date the loan is granted and is periodically reassessed.

The loan-guarantee ratio of the corporate, construction and real estate development, and residential segments has the following structure:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Number of properties	Number of other real guarantees	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3	Impairment
Corporate						
Without guarantee	-	-	56 919 901	209 462	10 551 781	8 894 118
< 50%	3	10	26 502 948	6 714	500 000	820 936
> = 50% and < 75%	2	14	1 183 197	35 452	746 522	31 606
> = 75% and < 100%	2	17	1 364 665	7 862 701	36 538 085	24 093 509
> = 100%	136	101	85 041 470	24 610 234	5 304 430	5 682 469
Construction and Real Estate development						
Without guarantee	-	-	8 498 761	3 212 680	537 170	2 254 201
< 50%	-	3	190 416	-	-	1 614
> = 50% and < 75%	1	1	53 638 642	-	-	1 110 839
> = 75% and < 100%	-	1	4 051	-	-	-
> = 100%	8	15	7 877 685	16 299 073	91 507	1 720 032
Mortgages						
Without guarantee	-	-	6 465 207	1 337 816	1 954 210	1 914 806
< 50%	5	-	96 536	-	1 657	1 471
> = 50% and < 75%	1	-	21 864	-	-	156
> = 75% and < 100%	6	-	312 034	-	-	2 131
> = 100%	327	7	11 435 438	351 832	1 274 199	1 024 707
Total	**491**	**169**	**259 552 815**	**53 925 964**	**57 499 561**	**47 552 595**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Number of properties	Number of other real guarantees	Loans in Stage 1	Loans in Stage 2	Loans in Stage 3	Impairment
Corporate						
Without guarantee	-	-	21 734 080	465 685	10 414 358	8 104 963
< 50%	2	12	18 245 332	8 214	505 140	571 570
> = 50% and < 75%	4	5	375 893	787 376	152 570	55 822
> = 75% and < 100%	4	17	516 390	7 841 842	36 704 984	22 023 558
> = 100%	130	113	100 897 170	14 897 466	5 089 719	6 313 271
Construction and Real Estate development						
Without guarantee	-	-	2 215 559	3 002 308	535 940	2 104 445
< 50%	-	1	-	-	-	-
> = 50% and < 75%	-	-	-	-	-	-
> = 75% and < 100%	-	5	41 309 950	-	-	60 072
> = 100%	7	10	21 119 139	3 916 353	91 507	1 780 753
Mortgages						
Without guarantee	-	-	6 723 092	1 076 127	1 960 420	1 955 562
< 50%	5	-	101 071	-	2 568	3 290
> = 50% and < 75%	2	-	22 263	-	107 286	47 606
> = 75% and < 100%	6	-	197 422	-	-	1 202
> = 100%	326	7	10 628 035	569 169	1 323 451	1 096 256
Total	**486**	**170**	**224 085 396**	**32 564 540**	**56 887 943**	**44 118 370**

The distribution of the loan portfolio and impairment measured by internal risk levels is presented as follows:

Amounts expressed in thousands of Kwanzas

Segment	Exposure as at 30/06/2024							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	414	4 334 919	34 654	16 426	19 812	8 974	515 386	4 930 585
Consumer credit	4 826 867	79 030 733	1 497 221	316 285	324 965	37 402	3 625 474	89 658 947
Motor vehicle loans	-	160 566	-	-	-	-	-	160 566
Mortgages	57 145	21 002 993	278 855	38 664	99 518	75 443	1 698 175	23 250 793
Overdrafts	-	1 263 339	150 020	50 440	22 793	6 589	157 321	1 650 502
Corporate - less significant exposures	117 674	2 295 324	65 607	7 484	51 406	1 008	277 061	2 815 564
Corporate - significant exposures	48 522 367	274 590 685	12	-	-	-	21 531 840	344 644 904
State	216 747 165	-	-	-	-	-	-	216 747 165
On-balance sheet exposure	**270 271 632**	**382 678 559**	**2 026 369**	**429 299**	**518 494**	**129 416**	**27 805 257**	**683 859 026**
Documentary credits and guarantees provided								
Corporate - less significant exposures	171 916	54 841 134	-	-	-	-	-	55 013 050
Corporate - significant exposures	6 429 989	58 977 393	-	-	-	-	-	65 407 382
Undrawn credit facilities	8 812 462	24 741 438	28 570	16 199	7 685	2 550	21 418	33 630 322
Off-balance sheet exposure	**15 414 367**	**138 559 965**	**28 570**	**16 199**	**7 685**	**2 550**	**21 418**	**154 050 754**
Total exposure	**285 685 999**	**521 238 524**	**2 054 939**	**445 498**	**526 179**	**131 966**	**27 826 675**	**837 909 780**

Amounts expressed in thousands of Kwanzas

Segment	Impairment as at 30/06/2024							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	5	119 136	9 678	6 279	9 890	4 234	443 663	592 885
Consumer credit	22 859	662 811	97 995	56 145	106 592	16 933	2 491 428	3 454 763
Motor vehicle loans	-	1 138	-	-	-	-	-	1 138
Mortgages	222	1 250 697	188 918	36 222	61 777	32 735	1 372 701	2 943 272
Overdrafts	-	144 826	32 512	13 224	15 796	4 609	116 326	327 293
Corporate - less significant exposures	710	217 366	18 207	2 308	28 765	524	158 708	426 588
Corporate - significant exposures	659 127	30 544 959	1	-	-	-	12 992 685	44 196 772
State	2 807 624	-	-	-	-	-	-	2 807 624
On-balance sheet impairment	**3 490 547**	**32 940 933**	**347 311**	**114 178**	**222 820**	**59 035**	**17 575 511**	**54 750 335**
Documentary credits and guarantees provided								
Corporate - less significant exposures	4	59 480	-	-	-	-	-	59 484
Corporate - significant exposures	-	333 225	-	-	-	-	-	333 225
Undrawn credit facilities	5 994	49 665	432	596	750	271	2 570	60 278
Off-balance sheet impairment	**5 998**	**442 370**	**432**	**596**	**750**	**271**	**2 570**	**452 987**
Total impairment	**3 496 545**	**33 383 303**	**347 743**	**114 774**	**223 570**	**59 306**	**17 578 081**	**55 203 322**

Amounts expressed in thousands of Kwanzas

Segment	Exposure as at 31/12/2023							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	-	1 804 427	31 239	13 425	17 446	7 050	427 864	2 301 451
Consumer credit	2 601 659	78 880 431	367 876	130 804	204 165	106 230	3 318 376	85 609 541
Motor vehicle loans	-	76 265	-	-	-	-	-	76 265
Mortgages	58 773	19 995 621	169 732	124 113	125 506	91 718	2 145 443	22 710 906
Overdrafts	-	817 728	25 388	12 110	16 489	22 799	98 571	993 085
Corporate - less significant exposures	236 046	2 276 419	60 675	85 256	32 167	5 101	336 517	3 032 181
Corporate - significant exposures	60 496 624	202 184 477	2 312 137	695 000	1 501 390	115 245	19 353 582	286 658 455
State	198 988 971	-	-	-	-	-	-	198 988 971
On-balance sheet exposure	**262 382 073**	**306 035 368**	**2 967 047**	**1 060 708**	**1 897 163**	**348 143**	**25 680 353**	**600 370 855**
Documentary credits and guarantees provided								
Corporate - less significant exposures	180 643	51 137 588	-	-	-	-	-	51 318 231
Corporate - significant exposures	6 472 079	53 328 261	-	-	-	-	-	59 800 340
Undrawn credit facilities	4 893 570	40 099 453	42 281	15 927	14 655	4 405	31 409	45 101 700
Off-balance sheet exposure	**11 546 292**	**144 565 302**	**42 281**	**15 927**	**14 655**	**4 405**	**31 409**	**156 220 271**
Total exposure	**273 928 365**	**450 600 670**	**3 009 328**	**1 076 635**	**1 911 818**	**352 548**	**25 711 762**	**756 591 126**

Amounts expressed in thousands of Kwanzas

Segment	Impairment as at 31/12/2023							
	Risk grade A	Risk grade B	Risk grade C	Risk grade D	Risk grade E	Risk grade F	Risk grade G	Total
Credit carts	-	66 571	8 335	5 614	9 016	3 586	363 100	456 222
Consumer credit	13 533	630 937	42 733	31 374	79 324	46 888	2 233 467	3 078 256
Motor vehicle loans	-	385	-	-	-	-	-	385
Mortgages	211	1 244 186	81 603	79 025	43 591	59 832	1 595 469	3 103 917
Overdrafts	-	71 719	5 365	3 248	11 065	15 740	68 823	175 960
Corporate - less significant exposures	290	155 438	26 010	33 457	13 707	2 438	162 337	393 677
Corporate - significant exposures	765 661	26 945 815	53 264	153 497	478 018	10 970	12 227 789	40 635 014
State	2 424 645	-	-	-	-	-	-	2 424 645
On-balance sheet impairment	**3 204 340**	**29 115 051**	**217 310**	**306 215**	**634 721**	**139 454**	**16 650 985**	**50 268 076**
Documentary credits and guarantees provided								
Corporate - less significant exposures	279	97 725	-	-	-	-	-	98 004
Corporate - significant exposures	654	276 187	-	-	-	-	-	276 841
Undrawn credit facilities	5 113	93 984	258	119	1 299	414	3 759	104 946
Off-balance sheet impairment	**6 046**	**467 896**	**258**	**119**	**1 299**	**414**	**3 759**	**479 791**
Total Impairment	**3 210 386**	**29 582 947**	**217 568**	**306 334**	**636 020**	**139 868**	**16 654 744**	**50 747 867**

As at 30 June 2024 and 31 December 2023, the risk levels presented in the table above, are in accordance with the classification of Instruction No. 9/2015 of the Banco Nacional de Angola.

As at 30 June 2024 and 31 December 2023, the portfolio of loans and advances to customers according to credit risk categories (Stage 1, Stage 2 and Stage 3) is detailed as follows:

Amounts expressed in thousands of Kwanzas

30/06/2024	Exposure				Impairment			
Segment	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Credit cards	3 457 623	955 481	517 481	4 930 585	50 247	79 106	463 532	592 885
Consumer credit	84 481 294	1 215 439	3 962 214	89 658 947	649 998	147 493	2 657 272	3 454 763
Motor vehicle loans	160 566	-	-	160 566	1 138	-	-	1 138
Mortgages	18 331 079	1 689 649	3 230 065	23 250 793	177 561	285 367	2 480 344	2 943 272
Overdrafts	618 832	838 689	192 981	1 650 502	42 294	142 646	142 353	327 293
Corporate - less significant exposures	1 999 229	282 472	533 863	2 815 564	56 999	72 054	297 535	426 588
Corporate - significant exposures	238 931 178	51 953 844	53 759 881	344 644 903	4 304 921	5 801 952	34 089 899	44 196 772
State	216 747 165	-	-	216 747 165	2 807 624	-	-	2 807 624
On-balance sheet exposure	**564 726 966**	**56 935 574**	**62 196 485**	**683 859 025**	**8 090 782**	**6 528 618**	**40 130 935**	**54 750 335**
Documentary credit and guarantees provided								
Corporate - less significant exposures	55 013 050	-	-	55 013 050	59 484	-	-	59 484
Corporate - significant exposures	63 875 963	1 531 419	-	65 407 382	287 282	45 943	-	333 225
Undrawn credit facilities	33 369 125	159 362	101 835	33 630 322	47 058	595	12 625	60 278
Off-balance sheet exposure	**152 258 138**	**1 690 781**	**101 835**	**154 050 754**	**393 824**	**46 538**	**12 625**	**452 987**
Total exposure	**716 985 104**	**58 626 355**	**62 298 320**	**837 909 779**	**8 484 606**	**6 575 156**	**40 143 560**	**55 203 322**

Amounts expressed in thousands of Kwanzas

31/12/2023	Exposure				Impairment			
Segment	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Credit cards	1 063 289	813 274	424 888	2 301 451	16 804	64 772	374 646	456 222
Consumer credit	80 187 364	1 715 306	3 706 871	85 609 541	577 137	79 947	2 421 172	3 078 256
Motor vehicle loans	76 265	-	-	76 265	385	-	-	385
Mortgages	17 671 884	1 645 297	3 393 725	22 710 906	292 532	295 915	2 515 470	3 103 917
Overdrafts	568 220	280 341	144 524	993 085	34 949	39 013	101 998	175 960
Corporate - less significant exposures	2 259 752	351 385	421 044	3 032 181	84 275	103 902	205 500	393 677
Corporate - significant exposures	202 992 922	30 567 860	53 097 673	286 658 455	2 739 953	6 126 750	31 768 311	40 635 014
State	198 988 971	-	-	198 988 971	2 424 645	-	-	2 424 645
On-balance sheet exposure	**503 808 667**	**35 373 463**	**61 188 725**	**600 370 855**	**6 170 680**	**6 710 299**	**37 387 097**	**50 268 076**
Documentary credit and guarantees provided								
Corporate - less significant exposures	51 318 231	-	-	51 318 231	98 004	-	-	98 004
Corporate - significant exposures	59 664 063	136 277	-	59 800 340	276 745	96	-	276 841
Undrawn credit facilities	44 575 324	408 994	117 382	45 101 700	90 182	979	13 785	104 946
Off-balance sheet exposure	**155 557 618**	**545 271**	**117 382**	**156 220 271**	**464 931**	**1 075**	**13 785**	**479 791**
Total exposure	**659 366 285**	**35 918 734**	**61 306 107**	**756 591 126**	**6 635 611**	**6 711 374**	**37 400 882**	**50 747 867**

The movement in the caption Loans and advances to customers, by stage, for the six-month period ended 30 June 2024 and in the period ended 31 December 2023 was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024							
	Stage 1		Stage 2		Stage 3		Total	
	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses
Balance as at January 1, 2024	**503 808 667**	**6 170 680**	**35 373 463**	**6 710 299**	**61 188 725**	**37 387 097**	**600 370 855**	**50 268 076**
Financial assets purchased in the period / changes in credit risk	185 499 420	2 696 733	-	-	-	-	185 499 420	2 696 733
Other financial assets / changes in credit risk		(15 551)		(281 712)		2 984 076	-	2 686 813
Derecognized financial assets	(69 348 205)	(224 923)	(598 489)	(95 454)	(772 810)	(526 689)	(70 719 504)	(847 066)
Transfers to:								
Stage 1	3 666 108	310 144	(3 645 836)	(300 139)	(20 272)	(10 005)	-	-
Stage 2	(29 166 374)	(796 344)	29 378 764	944 839	(212 390)	(148 494)	-	-
Stage 3	(936 096)	(386 368)	(1 149 335)	(87 362)	2 085 431	473 730	-	-
Loans written off from assets	-	-	-	-	-	-	-	-
Settlements, changes in exchange rates and other	(28 796 554)	336 411	(2 422 993)	(361 853)	(72 199)	(28 779)	(31 291 746)	(54 221)
Balance as at June 30, 2024	**564 726 966**	**8 090 782**	**56 935 574**	**6 528 618**	**62 196 485**	**40 130 935**	**683 859 025**	**54 750 335**

Amounts expressed in thousands of Kwanzas

	31/12/2023							
	Stage 1		Stage 2		Stage 3		Total	
	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses	Gross book value	Impairment losses
Balance as at January 1, 2023	**367 041 244**	**6 403 104**	**41 423 440**	**6 965 325**	**62 952 365**	**40 623 056**	**471 417 049**	**53 991 485**
Financial assets purchased in the period / changes in credit risk	259 837 617	2 108 053	-	-	-	-	259 837 617	2 108 053
Other financial assets / changes in credit risk		591 335		(548 615)		1 187 918	-	1 230 638
Derecognized financial assets	(59 439 140)	(632 214)	(872 401)	(39 944)	(1 398 438)	(745 394)	(61 709 979)	(1 417 552)
Transfers to:								
Stage 1	17 104 869	536 779	(17 014 887)	(453 522)	(89 982)	(83 257)	-	-
Stage 2	(14 446 624)	(775 406)	15 690 965	1 687 201	(1 244 341)	(911 795)	-	-
Stage 3	(3 618 601)	(431 767)	(1 584 274)	(133 578)	5 202 875	565 345	-	-
Loans written off from assets					(9 246 603)	(9 246 603)	(9 246 603)	(9 246 603)
Settlements, changes in exchange rates and other	(62 670 698)	(1 629 204)	(2 269 380)	(766 568)	5 012 849	5 997 827	(59 927 229)	3 602 055
Balance as at December 31, 2023	**503 808 667**	**6 170 680**	**35 373 463**	**6 710 299**	**61 188 725**	**37 387 097**	**600 370 855**	**50 268 076**

The risk factors associated with the impairment model, by segment, correspond to the following:

	Impairment in June 2024- Average parameters			
	PD		LGD	
Segment	Stage 1	Stage 2	Stage 1 and 2	Stage 3
Credit cards	2.5%	18.6%	49.2%	77.2%
Consumer credit	2.4%	22.7%	43.7%	59.7%
Motor vehicle loans	2.4%	-	43.7%	-
Mortgages	2.3%	61.2%	41.1%	78.4%
Overdrafts	10.7%	26.0%	69.6%	73.5%
Corporate - less significant exposures	30.0%	67.3%	46.8%	53.1%
Corporate - significant exposures	6.1%	24.9%	32.9%	50.3%

	Impairment in December 2023- Average parameters			
	PD		LGD	
Segment	Stage 1	Stage 2	Stage 1 and 2	Stage 3
Credit cards	2.3%	13.2%	49.2%	72.4%
Consumer credit	2.3%	11.3%	43.7%	68.7%
Motor vehicle loans	2.6%	10.3%	43.6%	67.4%
Mortgages	2.6%	50.8%	41.2%	76.8%
Overdrafts	9.2%	26.2%	69.6%	70.5%
Corporate - less significant exposures	17.6%	66.1%	46.7%	48.8%
Corporate - significant exposures	6.5%	22.5%	32.3%	49.1%

10. NON-CURRENT ASSETS HELD FOR SALE

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Non-current assets held for sale		
Real Estate	787 572	787 572
Accumulated impairment losses (Note 16)	(651 837)	(606 592)
	135 735	**180 980**

As at 30 June 2024 and 31 December 2023, the amounts disclosed refer to 14 properties received as payment, which are not in use and are available for immediate sale. The Bank has set up 100% impairment for 8 of the properties held in its portfolio.

11. OTHER INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2024 and the period ended 31 December 2023, the captions Property, plant and equipment and Intangible assets presented the following movement:

Amounts expressed in thousands of Kwanzas

	30/06/2024													
	Balances as at 12/31/2023								Amortization		Balances as at 06/30/2024			
	Gross assets	Accumulated amortization	Impairment	Net assets	Increases	Impairment	Transfers	Write-offs, disposals and other	for the period	for the period	Gross assets	Amortizações acumuladas	Impairment	Net assets
Property, plant and equipment														
Real Estate for own use	33 069 153	(12 565 292)	(396 875)	20 106 986	94 686	(106 098)	937 617	-	(456 202)	58	34 101 456	(13 021 436)	(502 973)	20 577 047
Furniture, tools, facilities and equipment	45 400 839	(31 724 992)	-	13 675 847	6 735 037	-	-	(453 750)	(3 211 697)	418 179	51 682 126	(34 518 510)	-	17 163 616
Assets under constuction	1 780 766	-	-	1 780 766	309 853	-	(937 617)	-	-	-	1 153 002	-	-	1 153 002
Right-of-use assets:														
Branches	5 653 769	(3 515 596)	-	2 138 173	363 630	-	-	-	(344 517)	-	6 017 399	(3 860 113)	-	2 157 286
Offices and central services	4 160 231	(2 674 815)	-	1 485 416	395 900	-	-	-	(313 364)	-	4 556 131	(2 988 179)	-	1 567 952
Other	594 115	(560 031)	-	34 084	308 301	-	-	-	(65 086)	-	902 416	(625 117)	-	277 299
Subtotal	**90 658 873**	**(51 040 726)**	**(396 875)**	**39 221 272**	**8 207 407**	**(106 098)**	**-**	**(453 750)**	**(4 390 866)**	**418 237**	**98 412 530**	**(55 013 355)**	**(502 973)**	**42 896 202**
Intangible assets														
Automatic data processing systems (Software)	26 751 803	(13 795 586)	-	12 956 217	4 337 319	-	-	-	(3 626 681)	-	31 089 122	(17 422 267)	-	13 666 855
Assets in progress	-	-	-	-	801 057	-	-	-	-	-	801 057	-	-	801 057
Organization and expansion costs	101 571	(101 571)	-	-	-	-	-	-	-	-	101 571	(101 571)	-	-
Transfers	93 923	(93 923)	-	-	-	-	-	-	-	-	93 923	(93 923)	-	-
Other intangible assets	29	(29)	-	-	-	-	-	-	-	-	29	(29)	-	-
Subtotal	**26 947 326**	**(13 991 109)**	**-**	**12 956 217**	**5 138 376**	**-**	**-**	**-**	**(3 626 681)**	**-**	**32 085 702**	**(17 617 790)**	**-**	**14 467 912**
Total	**117 606 199**	**(65 031 835)**	**(396 875)**	**52 177 489**	**13 345 783**	**(106 098)**	**-**	**(453 750)**	**(8 017 547)**	**418 237**	**130 498 232**	**(72 631 145)**	**(502 973)**	**57 364 114**

Amounts expressed in thousands of Kwanzas

	31/12/2023													
	Balances as at 31/12/2022								Amortization		Balances as at 31/12/2023			
	Gross assets	Accumulated amortization	Impairment	Net assets	Increases	Impairment	Transfers	Write-offs, disposals and other	for the period	for the period	Gross assets	Amortizações acumuladas	Impairment	Net assets
Outros activos tangíveis														
Imóvel em Uso	32 780 042	(11 680 232)	(408 792)	20 691 018	289 111	11 917	-	-	(885 176)	116	33 069 153	(12 565 292)	(396 875)	20 106 986
Móveis, utensílios, instalações e equipamentos	39 350 049	(25 871 427)	-	13 478 622	6 752 470	-	-	(701 680)	(6 518 606)	665 041	45 400 839	(31 724 992)	-	13 675 847
Imobilizações em curso	237 061	-	-	237 061	1 543 705	-	-	-	-	-	1 780 766	-	-	1 780 766
Direitos de uso:														
Agências	4 875 889	(2 836 944)	-	2 038 945	777 880	-	-	-	(678 652)	-	5 653 769	(3 515 596)	-	2 138 173
Escritórios e serviços centrais	2 521 622	(2 094 287)	-	427 335	1 638 609	-	-	-	(580 528)	-	4 160 231	(2 674 815)	-	1 485 416
Outros	627 432	(440 648)	-	186 784	-	-	-	(33 317)	(144 372)	24 989	594 115	(560 031)	-	34 084
Subtotal	**80 392 095**	**(42 923 538)**	**(408 792)**	**37 059 765**	**11 001 775**	**11 917**	**-**	**(734 997)**	**(8 807 334)**	**690 146**	**90 658 873**	**(51 040 726)**	**(396 875)**	**39 221 272**
Activos intangíveis														
Sistemas de tratamento automático de dados (Software)	17 234 121	(8 798 114)	-	8 436 007	9 517 682	-	-	-	(4 997 472)	-	26 751 803	(13 795 586)	-	12 956 217
Gastos de organização e expansão	101 571	(101 571)	-	-	-	-	-	-	-	-	101 571	(101 571)	-	-
Trespasses	93 923	(93 923)	-	-	-	-	-	-	-	-	93 923	(93 923)	-	-
Outras imobilizações incorpóreas	29	(29)	-	-	-	-	-	-	-	-	29	(29)	-	-
Subtotal	**17 429 644**	**(8 993 637)**	**-**	**8 436 007**	**9 517 682**	**-**	**-**	**-**	**(4 997 472)**	**-**	**26 947 326**	**(13 991 109)**	**-**	**12 956 217**
Total	**97 821 739**	**(51 917 175)**	**-**	**45 495 772**	**20 519 457**	**11 917**	**-**	**(734 997)**	**(13 804 806)**	**690 146**	**117 606 199**	**(65 031 835)**	**(396 875)**	**52 177 489**

As at 30 June 2024, the increase in furniture, fixtures, installations and equipment relates to the acquisition of IT equipment.

As at 30 June 2024, the increase in the automatic data processing systems relates to the acquisition of software, mostly related to developments made in the Group's IT systems.

12. CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

As at 30 June 2024 and 31 December 2023, the balances of current tax assets and liabilities were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Current tax assets	195 853	192 964
Total - Current tax assets	**195 853**	**192 964**
Current tax liabilities:		
VAT	165 085	148 628
On capital gains	1 167 965	1 280 082
On income from employment	10 001 676	11 862 568
On income from property	827 883	698 351
Contributions to social security	59 727	68 169
CEOCIC	385 099	377 354
Total - Current tax liabilities	264 959	-
Total - Passivos por impostos correntes	**12 872 394**	**14 435 152**

In the six-month periods ended 30 June 2024 and 30 June 2023, the income tax expense recognized in the income statement, as well as the tax burden, measured by the ratio between the tax assessed and the profit for the period before that assessment, can be summarized as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Current tax liabilities		
Corporate tax	172 008	-
Capital gains tax	7 756 204	6 833 500
Total tax recorded in profit or loss	**7 928 212**	**6 833 500**
Profit before tax	98 307 422	89 858 923
Tax burden	8.06%	7.60%

The reconciliation between the nominal tax rate and the tax charge for the six-month period ended 30 June 2024 and the period ended 31 December 2023, can be analyzed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024		30/06/2023	
	Tax rate	Amount	Tax rate	Amount
Profit before tax		98 307 422		89 858 923
Tax calculated using nominal tax rate	35%	34 407 598	35%	31 450 623
Income from public debt securities not subject to II (Subject to IAC)	-38.05%	(37 402 665)	-42.49%	(38 178 755)
Provisions and impairment	1.24%	1 216 257	-0.66%	(592 739)
Paid and unpaid exchange variations	-40.89%	(40 197 889)	18.02%	16 195 138
Capital Gains Tax (IAC)	0.17%	172 008	0.00%	-
Other permanent differences	7.89%	7 756 204	7.60%	6 833 500
Tax credits from previous periods	0.67%	654 142	0.43%	384 066
Tax losses (used)/to be carried forward	0.00%	-	-0.84%	(751 748)
Income tax	42.03%	41 322 557	-9.47%	(8 506 585)
Imposto sobre os resultados	**8.06%**	**7 928 212**	**7.60%**	**6 833 500**

Industrial Tax

As mentioned in Note 2.15, the Group is subject to Corporate Tax, and the applicable tax rate is 35% for the six-month period ended 30 June 2024 and the period ended 31 December 2023.

Impostos diferidos

As at 30 June 2024 and 31 December 2023, the Group had no deferred tax assets or liabilities.

As at 30 June 2024, tax losses carried forward from previous periods in the tax return Modelo 1 and the tax losses carried forward for the six-month period ended 30 June 2023, by year of expiry, are analyzed as follows:

Amounts expressed in thousands of Kwanzas

Year	Year of expiry	Tax losses
2022	31/12/2027	21 838 961
2023	31/12/2028	154 477 132
2024	31/12/2029	118 064 449
		294 380 542

The tax authorities may review the Bank's tax position for a period of five years, and as a result of different interpretations of tax law, potential adjustments to the respective tax/tax losses assessed may arise.

The Group's Board of Directors believes that any additional settlements, which may result from these reviews, will not be significant for the financial statements.

13. OTHER ASSETS

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Other assets of a tax nature		
Other taxes receivable	3 318 762	2 780 768
	3 318 762	**2 780 768**
Other amounts of a civil nature		
Sundry debtors:		
Public sector - Government	1 319 137	1 319 137
Private sector – Corporate	2 363 996	1 673 006
Private sector – Staff	1 160 970	1 362 797
Private sector – Retail	185	296
Management fee	450 790	353 876
Advances to fixed asset suppliers	2 986 371	8 336 615
	8 281 449	**13 045 727**
Other amounts of an administrative and commercial nature		
Prepaid expenses:		
Rents and leasing	44 525	19 659
Insurance	1 185 200	53 844
Other	3 535 589	1 093 772
	4 765 314	**1 167 275**

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Office material	3 441 775	2 946 924
Other advances:		
Cash shortfalls	18 340	6 287
Active transactions pending settlement	705 698	1 111 583
Other	**960 907**	**397 597**
	1 684 945	**1 515 467**
	21 492 245	**21 456 161**

As at 30 June 2024 and 31 December 2023, Other taxes receivable essentially represents taxes recoverable through the provisional assessment of Corporate Tax.

As at 30 June 2024 and 31 December 2023, Other amounts of a civil nature – Sundry debtors: Advances to fixed assets suppliers refers to advances made to suppliers of property, plant and equipment in the course of the Group's business, relating to the acquisition of goods and services, namely the acquisition of vehicles, IT equipment and real estate.

14. FUNDS OF CENTRAL BANKS AND OTHER CREDIT INSTITUTIONS

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Transactions in the Interbank Money Market		
Deposits from Credit Institutions in the country - Loan (AOA)	37 586	35 762
Deposits from Credit Institutions abroad	43 805 557	24 502 926
Deposits from other entities		
Certified checks	391 647	419 514
ATM transactions - to be settled	19 808 920	2 882 721
Other	98 080	-
	64 141 790	**27 840 923**

In the period ended 30 June 2024, Deposits from credit institutions abroad includes the amount of AOA 32,704,492 thousand (Note 27), relating to dividends distributed to the shareholder BPI which were not transferred outside the Group's sphere on that date, bearing interest at a rate of 12% and maturing in November 2024. The amount recorded includes interest of AOA 483,641 thousand.

In the period ended 31 December 2023, Deposits from credit institutions abroad includes the amount of AOA 22,442,172 thousand (Note 27), relating to dividends distributed to the shareholder BPI which were not transferred outside the Group's sphere on that date, bearing interest at a rate of 12% and maturing in June 2024. The amount recorded includes interest of AOA 80,788 thousand.

The breakdown of deposits from Other credit institutions, by residual maturity, is disclosed in Note 29.2.

As at 30 June 2024 and 31 December 2023, the balance under Deposits from other entities relates essentially to interbank clearing values, namely, certified checks, ATM transactions, Multicaixa network transactions which were settled in the first days of the following month and import letters of credit.

15. DEPOSITS FROM CUSTOMERS AND OTHER LOANS

As at 30 June 2024 and 31 December 2023, the caption Deposits from customers and other loans is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Demand deposits from residents		
In national currency	813 874 658	803 138 258
In foreign currency	390 218 331	331 700 299
	1 204 092 989	**1 134 838 557**
Demand deposits from non-residents		
In national currency	29 966 732	57 749 394
In foreign currency	5 632 855	6 972 050
	35 599 587	64 721 444
Interest on demand deposits	8 062	5 994
Total demand deposits	**1 239 700 638**	**1 199 565 995**
Term deposits from residents		
In national currency	513 897 150	550 771 234
In foreign currency	1 107 404 421	1 064 057 579
	1 621 301 571	1 614 828 813
Term deposits from non-residents	13 062 399	23 395 786
Interest on term deposits	16 542 084	17 415 531
Total term deposits	**1 650 906 054**	**1 655 640 130**
Total deposits	**2 890 606 692**	**2 855 206 125**

As at 30 June 2024 and 31 December 2023, term deposits from customers have the following structure, according to the residual maturity of the operations

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Up to 1 month	319 004 911	319 990 193
1 to 3 months	456 459 910	567 149 641
3 to 6 months	494 636 550	459 266 809
6 to 12 months	351 960 287	292 328 236
1 to 3 years	28 844 396	16 905 251
	1 650 906 054	**1 655 640 130**

As at 30 June 2024 and 31 December 2023, interest on customer term deposits earned interest at the following annual weighted average rates:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
In Kwanzas	10,06%	10,69%
In US Dollars	1,46%	1,43%
In Pounds Sterling	0,19%	0,69%
In Euros	1,49%	1,41%

As at 30 June 2024 and 31 December 2023, demand and term deposits, by type of customer, presented the following structure:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Demand deposits		
Public sector - Government	146 104 740	99 847 345
Public sector - Corporate	20 775 676	27 658 753
Corporate	661 230 548	663 720 943
Retail	411 589 674	408 338 954
	1 239 700 638	**1 199 565 995**
Term deposits		
Public sector - Government	54 362 490	31 532 471
Public sector - Corporate	25 245 145	33 482 550
Corporate	818 481 383	828 602 232
Retail	752 817 036	762 022 877
	1 650 906 054	**1 655 640 130**
	2 890 606 692	**2 855 206 125**

16. IMPAIRMENT AND PROVISIONS

During the six-month period ended 30 June 2024 and the period ended 31 December 2023, the movement in impairment and provisions was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024								
		Increases	Decreases						
	Balances as at 31/12/2023	Charge for the period	Refunds and write-offs	Impact on Profit or Loss	Write-offs	Charge-off	Exchange rate and other differences	Transfers	Balances as at 30/06/2024
Impairment of other financial assets									
Loans and advances to credit institutions (Note 5)	4 180	9 526	(10 561)	(1 035)	-	-	53	-	3 198
Other loans and advances to central banks and credit institutions (Note 6)	375 124	640 037	(517 700)	122 337	-	-	10 046	-	507 507
Investments at amortized cost (Note 8)	13 048 771	872 417	(1 362 333)	(489 916)	-	-	106 539	-	12 665 394
	13 428 075	1 521 980	(1 890 594)	(368 614)	-	-	116 638	-	13 176 099
Impairment of other assets									
Non-current assets held for sale (Note 10)	606 592	45 245	-	45 245	-	-	-	-	651 837
Property, plant and equipment and intangible assets (Note 12)	396 875	106 098	-	106 098	-	-	-	-	502 973
	1 003 467	151 343	-	151 343	-	-	-	-	1 154 810
Loan impairment (Note 9)	**50 268 076**	**5 152 859**	**(695 193)**	**4 457 666**	**-**	**-**	**24 593**	**-**	**54 750 335**
Provisions:									
Of a social or statutory nature	26 770 430	-	-	-	-	(732 020)	601 556	-	26 639 966
Of an administrative and commercial nature	28 274 425	1 227 312	(1 380 385)	(153 073)	-	(57 749)	19 384	-	28 082 987
Guarantees provided and undrawn credit facilities (Note 9)	**479 791**	**307 100**	**(258 899)**	**48 201**	**-**	**-**	**(75 005)**	**-**	**452 987**
	55 524 646	**1 534 412**	**(1 639 284)**	**(104 872)**	**-**	**(789 769)**	**545 935**	**-**	**55 175 940**
	120 224 264	**8 360 594**	**(4 225 071)**	**4 135 523**	**-**	**(789 769)**	**687 166**	**-**	**124 257 184**

Amounts expressed in thousands of Kwanzas

	30/06/2023								
		Increases	Decreases						
	Balances as at 31/12/2022	Charge for the period	Refunds and write-offs	Impact on Profit or Loss	Write-offs	Charge-off	Exchange rate and other differences	Transfers	Balances as at 30/06/2023
Impairment of other financial assets									
Loans and advances to credit institutions (Note 5)	3 444	8 027	(6 732)	1 295	-	-	2 625	-	7 364
Other loans and advances to central banks and credit institutions (Note 6)	320 964	153 387	(209 629)	(56 242)	-	-	155 866	-	420 588
Investments at amortized cost (Note 8)	10 211 818	1 469 647	(1 146 628)	323 019	-	-	1 483 676	-	12 018 513
	10 536 226	1 631 061	(1 362 989)	268 072	-	-	1 642 167	-	12 446 465
Impairment of other assets									
Non-current assets held for sale (Note 10)	606 592	-	-	-	-	-	-	-	606 592
Property, plant and equipment and intangible assets (Note 11)	408 792	-	(5 958)	(5 958)	-	-	-	-	402 834
	1 015 384	-	(5 958)	(5 958)	-	-	-	-	1 009 426
Loan impairment (Note 9)	**53 991 485**	**953 629**	**(1 139 499)**	**(185 870)**	**-**	**-**	**3 535 299**	**-**	**57 340 914**
Provisions:									
Of a social or statutory nature	18 236 028	-	-	-	-	(397 027)	9 588 901	-	27 427 902
Of an administrative and commercial nature	32 680 810	1 142 216	(3 730 074)	(2 587 858)	-	(3 047 186)	1 898 469	-	28 944 235
Guarantees provided and undrawn credit facilities (Note 9)	**661 325**	**256 164**	**(317 641)**	**(61 477)**	**-**	**-**	**58 556**	**-**	**658 404**
	51 578 163	**1 398 380**	**(4 047 715)**	**(2 649 335)**	**-**	**(3 444 213)**	**11 545 926**	**-**	**57 030 541**
	117 121 258	**3 983 070**	**(6 556 161)**	**(2 573 091)**	**-**	**(3 444 213)**	**16 723 392**	**-**	**127 827 346**

For the six-month period ended 30 June 2024, the Group reversed impairment, on a net basis, in the amount of AOA 489,916 thousand for the portfolio of Impairment of other financial assets – Investments at amortized cost (see Note 8).

In terms of Loan impairment, the Group increased impairment, on a net basis, in the amount of AOA 4,457,666 thousand (see Note 9).

In 2023, the Group wrote off a set of operations, with an impairment amount of AOA 9,247,161.

As at 30 June 2024, the caption Guarantees provided includes the impairment recognized for off-balance sheet captions of documentary credits, guarantees provided and undrawn limits included in the loan portfolio. The Group increased impairment, on a net basis, in the amount of AOA 48,201 thousand (2023: reversal of AOA 243,199 thousand) (see Note 9).

In 2018, the Group created the Social Responsibility Department, which comprises the (i) monitoring of the “BFA Solidário” project and (ii) subsidies units and is responsible for the Group’s social activities until the process of setting up the BFA Foundation is completed.

Since it is the intention of the Group’s Board of Directors that the provision existing as at 30 June 2024 in the amount of AOA 26,639,966 thousand (2023: AOA 26,770,430 thousand) be used as a monetary endowment for the initial assets of the Fundação BFA, it is also its intention that it be alternatively used through the social activity to be developed by the Social Responsibility Directorate until the incorporation of the Fundação BFA is completed. It should be noted that, as mentioned in Note 31, on July 5, 2024, in accordance with a resolution of BFA’s Board of Directors, the Group proceeded with the initial endowment of the BFA Foundation in the amount equivalent to 50%, which amounted to AOA 12,920,014 thousand.

As at 30 June 2024 and 31 December 2023, the caption Provisions of an administrative and commercial nature in the amount of AOA 28,082,987 and AOA 28,274,425, respectively, consists of provisions to cover several contingencies, frauds, ongoing legal proceedings and other liabilities, corresponding to the best estimate of the costs that the Group will bear in the future with these liabilities.

In 2023, the Bank settled the amount of AOA 4,183,789 thousand to deal with tax proceedings.

17. OTHER LIABILITIES AND LEASE LIABILITIES

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Foreign exchange transactions		
Foreign exchange spot transactions	3 774	6 902
	3 774	**6 902**
Taxes payable - withheld from third parties		
On income	826 386	745 313
Other	**1 069**	**6**
	827 455	**745 319**
Liabilities of a civil nature	**6 450 080**	**5 912 161**
Liabilities of a statutory nature - Dividends outstanding	-	-
Liabilities of an administrative and commercial nature		
Staff – salaries and wages		
Holiday pay and holiday allowance	5 973 770	5 704 604
Performance bonus	3 559 951	9 016 005
Other staff costs	2 003 241	1 871 848
Corporate bodies - Performance bonus	2 499 776	1 192 288
Contributions to the Bank Employees Union	457	2 807
	14 124 628	**17 787 552**

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Other administrative and marketing costs payable		
Liabilities to be settled	60 731	4 853
Accrued costs	2 937 568	3 289 384
VAT payable	1 354 594	1 203 024
Deposit Fund Guarantee	795 379	1 370 658
Premium/Discount - Acquisition of securities	13 279 718	14 567 530
IAC Accrual - Own Portfolio	2 719 357	2 037 309
Other	7 920 515	6 966 495
	29 067 862	**29 439 253**
Total other liabilities	**50 473 799**	**53 891 187**
Lease liabilities	5 571 592	5 325 022
	56 045 391	**59 216 209**

The balance of the caption Tax charges payable – withheld on behalf of third parties includes amounts payable to the Tax Authorities in the month following the month to which it relates. The balance of the caption Liabilities of a civil nature corresponds to invoices for services rendered outstanding to the Group's suppliers.
As at 30 June 2024 and 31 December 2023, the balance of the caption Liabilities of an administrative and marketing nature – Staff – Salaries and wages includes the amounts of holidays and holiday allowances, performance bonus and other staff costs.

On March 28, 2023, by Unanimous Written Resolution No. 3/2023 (and following the postponement of the decision taken at the General Meeting of March 30, 2023), the amount relating to 60% of the variable remuneration for 2022 was settled and 40% (AOA 1,035,229 thousand) of that amount deferred for a 3-year period, to be valued considering the interest rate of Angolan treasury bonds, traded on the secondary market, in the same currency and maturity as the deferral.

On April 1, 2024, the General Meeting decided to settle the amount relating to 60% of the variable remuneration for 2023 and to defer 40% (AOA 1,024,727 thousand) of that amount for a 3-year period, to be valued considering the interest rate of Angolan treasury bonds, traded on the secondary market, in the same currency and maturity as the deferral.

On 30 June 2024, this caption includes the sum of AOA 1,021,543 thousand relating to 40% of the variable remuneration for 2022 and the sum of AOA 1,478,233 thousand relating to the variable remuneration for 2023, plus the remuneration described above.

The caption Premium/Discount – Acquisition of securities in the amount of AOA 13,279,718 and AOA 14,567,530 refer to the amount to be deferred to the gain on day 1, for the acquisition of public debt securities, considering that the fair value calculated by the Group at the time of acquisition does not derive from prices directly observed in the market (the operation was OTC), but based on curves (level 2), it was concluded that the difference between the fair value of the security acquired and the acquisition price (P&L of day 1) should be accrued over the maturity of the securities and/or recognized in profit or loss at the time of derecognition.

The balance of the caption Other administrative and marketing costs payable – Accrued costs includes the amount of AOA 2,919,075 thousand (2023: AOA 2,858,647 thousand) related to accrued costs with external supplies and services rendered and not yet invoiced by the suppliers.
The caption Other administrative and marketing costs payable – IAC accruals – Own portfolio refers to the IAC payable to the BNA on the interest on securities in the own portfolio.
As at 30 June 2024 and 31 December 2023, the caption Lease liabilities corresponds to the present value of lease payments to be settled over the lease term, recognized under IFRS 16.

The detail of the lease liabilities by maturity is presented below:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Lease liabilities		
Up to 1 year	2 271 181	2 157 672
1 to 5 years	4 070 486	3 965 875
More than 5 years	1 355 873	1 193 481
	7 697 540	**7 317 028**
Interest accrued on net interest income	2 125 948	1 992 006
	5 571 592	**5 325 022**

Lease liabilities relate to the lease agreements for branches and offices used by the Group in the course of its business.

18. EQUITY

Share Capital

The Bank was incorporated with a share capital of AOA 1,305,561 thousand (equivalent to Euro 30,188,657 at the exchange rate in force on 30 June 2002), represented by 1,305,561 registered shares of one thousand Kwanzas each, having been subscribed and paid-up by incorporation of all assets and liabilities, including property or real estate rights of any nature, as well as all the rights and obligations of the former BFE Branch.

At the end of the 2004, 2003 and 2002, the Bank increased its share capital by AOA 537,672 thousand, AOA 1,224,333 thousand and AOA 454,430 thousand, respectively, through the incorporation of the special reserve for the maintenance of own funds, in order to maintain the counter value in kwanzas of the initial capital endowment in foreign currency.

By Unanimous Resolution of the General Meeting, of October 4, 2018, it was decided to increase BFA's share capital by incorporating reserves recorded under the caption Other reserves and Retained earnings in the amount of AOA 11,478,004 thousand. This capital increase was carried out within the scope of Notice No. 02/2018 of the Banco Nacional de Angola, which defines that the minimum value of fully paid-up share capital in national currency is AOA 7,500,000 thousand.

On November 26, 2018, there was an increase in share capital which corresponded to an increase in the shareholding of each shareholder in proportion to their respective holdings in the share capital of the Bank at that date, with 13,694,439 shares having been issued with a par value of AOA 1,000. Accordingly, at the end of 31 December 2018, the Bank had a total of 15,000,000 ordinary shares outstanding.

Consequently, as at 31 December 2022, the share capital of the Bank amounts to AOA 15,000,000 thousand, represented by 15,000,000 nominal shares of one thousand kwanzas each, resulting from the aforementioned capital increases.

On March 30, 2023, the General Shareholders' Meeting decided on a share capital increase by incorporating Free Reserves in the amount of AOA 30,000,000 thousand, remaining above the minimum set by the BNA stipulated in BNA Notice No. 17/2022, raising the capital to AOA 45,000,000 thousand.

Following this resolution, Banco de Fomento Angola, S.A., in accordance with the Angolan Commercial Companies Code, registered the change in capital, which was registered after a public deed on August 22, 2023 and registered at the Commercial Registry Office on August 28, 2023. In addition, following a public deed on August 22, 2023 at the Commercial Registry Office, the General Shareholders' Meeting decided to regroup its shares representing its share capital by applying a regrouping ratio of 1:5, with each 5 shares prior to the regrouping corresponding to 1 share after the regrouping, with the regrouping applying to all shares in the same proportion. The Bank regrouped the 45,000,000 shares it had after increasing its capital by incorporating reserves into 9,000,000 shares with a nominal value of 5,000 each.

Consequently, on 30 June 2024 and 31 December 2023, the Bank's share capital increased to AOA 9,000,000 thousand, represented by 9,000,000 registered shares of AOA 5,000 each, as a result of the grouping of the 45,000,000 shares it had after the capital increase.

As at 30 June 2024 and 31 December 2023, the shareholder structure of the Bank is as follows:

	30/06/2024		31/12/2023	
	Number of shares	%	Number of shares	%
Unitel, S.A.	4 671 000	51.90%	4 671 000	51.90%
Banco BPI, S.A.	4 328 370	48.09%	4 328 370	48.09%
Other BPI Group entities	630	0.01%	630	0.01%
	9 000 000	**100%**	**9 000 000**	**100%**

On 7 October, 2016, Unitel, S.A. (Unitel) entered into an agreement with Banco BPI, S.A. (Banco BPI) for the purchase of 2% of the share capital of BFA, which led to an increase in Unitel's stake in BFA from 49.9% to 51.9%. On that same date, the new shareholders' agreement concerning BFA was also signed.

The completion of this operation was dependent on the verification of the following suspensive conditions:

- Authorization from the Banco Nacional de Angola (BNA) for the increase in the qualified shareholding already held by Unitel in BFA and authorization for the capital transactions necessary for the payment to Banco BPI and the transfer to Portugal of the agreed price of Euro 28 million;
- Authorization from the BNA to change the Articles of Association of BFA; and
- Approval of the operation by the General Shareholders' Meeting of Banco BPI.

On 12 December, 2016, the Banco Nacional de Angola communicated that it did not object to the practice of the following acts:

i) Partial amendment of BFA's Articles of Association;
ii) Increase in Unitel's qualified shareholding in the share capital of BFA through the acquisition from Banco BPI of 26,111 ordinary shares representative of 2% of share capital;
iii) Indirect acquisition of the qualified shareholding representative of 48.10% of BFA's share capital, following the settlement of the general and mandatory initial public offer (IPO) launched by Caixabank for all the shares representative of Banco BPI's share capital.

The BNA established as a condition that the three operations referred to above are indivisible, i.e., it is assumed that they must occur simultaneously or almost simultaneously or, if it is not possible for any reason to ensure their simultaneity, the operation referred to in (ii) must precede the operations referred to in (i) and (iii).

On 5 January, 2017, pursuant to the share purchase and sale agreement entered into in 2016, the sale by Banco BPI to Unitel of the shareholding representing 2% of the share capital of BFA was completed.

On 26 November, 2018, a share capital increase took place which corresponded to an increase in the shareholding of each shareholder in proportion to their respective shareholdings in the Bank's share capital at that date, with 13,694,439 shares with a nominal value of AOA 1,000 having been issued. Accordingly, as at 31 December 2018, the Bank had a total of 15,000,000 ordinary shares outstanding.

On 22 August, 2023, the Bank formalized the share capital increase by incorporation of Free Reserves in the amount of AOA 30,000,000 thousand, grouping its shares to the amount of 9,000,000 shares, with a nominal value of AOA 5,000.

Other reserves and Retained earnings

As at 30 June 2024 and 31 December 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2023	31/12/2022
Legal reserve, other reserves and retained earnings		
Legal reserve	45 280 450	38 444 642
Other reserves and retained earnings	395 530 589	318 268 666
	440 811 039	**356 713 308**

Under current legislation, Banks must set aside a legal reserve up to the amount of their capital. To this end, a minimum of 10% of the previous period's net profit is transferred to this reserve each period. This reserve can only be used to cover accumulated losses when the remaining reserves have been exhausted. As a result of the General Shareholders' Meeting resolution on the capital increase, effective on 22 August, 2023, the Bank increased the legal reserve by 15%, as part of the distribution of profits for 2022, by unanimous resolution of the General Shareholders' Meeting held on 30 March, 2023.

As at 30 June 2024, as provided for in Article 165 of the Legal Framework for Financial Institutions, the legal reserve set up by the Bank amounts to its entire share capital, considering that, by resolution of the General Shareholders' Meeting, it was approved, on 1 April, 2024, to increase the legal reserve by the amount of AOA 6,835,808 thousand from the profits achieved in 2023. In addition, on the same day and at the General Shareholders' Meeting, it was also decided to transfer the remaining profit for 2023 (AOA 77,261,923 thousand) to free reserves, resulting in a balance of other reserves, as at 30 June 2024, of AOA 395,530,589 thousand. A further AOA 83,754,806 thousand were distributed to shareholders, as detailed below.

Earnings and dividend per share

In the six-month period ended 30 June 2024 and 31 December 2023, the basic earnings per share and the dividend attributed, relating to the profit of the previous year, were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Average number of ordinary shares issued	9 000 000	5 153 425
Net profit/(loss) for the period	90 378 664	167 923 953
Dividends distributed in the period relating to the previous period	83 754 806	84 273 132
Basic earnings per share	10.042	32.585
Diluted earnings per share	10.042	32.585
Dividend per share attributed during the period	9.306	16.353

19. NET INTEREST INCOME

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

Interest and similar income	30/06/2024	30/06/2023
For short-term investments:		
Term deposits with credit institutions abroad	17 767 332	10 052 101
Term deposits with credit institutions in the country	17 785 690	3 862 553
Other	361 621	549 845
Income from reverse purchase agreements	4 723 790	9 207 007
	40 638 433	**23 671 506**
From securities:		
From securities at fair value through profit or loss		
Treasury Bonds	3 620 585	5 239 067
From investments at amortized cost		
Treasury Bonds	67 693 774	82 290 839
Treasury Bills	9 793 386	1 927 924
Reverse Repos	6 714 210	-
	87 821 955	**89 457 830**
From loans granted		
Corporate and Government		
Loans	34 771 942	22 871 567
Credit current account	2 581 863	2 685 314
Other loans	4 887	3 080
Mortgages	380 777	180 251
Consumer credit	6 533 848	5 891 457
Other credit	1 946 682	1 747 864
Interest overdue	186 341	264 176
	46 406 340	**33 643 709**
Total interest and similar income	**174 866 728**	**146 773 045**

Amounts expressed in thousands of Kwanzas

Interest and similar income	30/06/2024	30/06/2023
From deposits:		
Demand deposits	418 067	278 393
Term deposits	36 030 579	29 160 457
	36 448 646	**29 438 850**
Funding liquidity:		
From transactions in the Interbank Money Market	855 349	361 059
	855 349	**361 059**
Other interest and similar expense	958 172	335 697
	958 172	**335 697**
Total interest and similar expense		
	38 262 167	**30 135 606**
Net interest income	**136 604 561**	**116 637 439**

20. FEES AND COMMISSIONS INCOME/(EXPENSE)

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Fees and commissions income		
Fees and commissions on ATMs and TPAs	13 510 512	6 211 948
Fees and commissions on payment orders issued	1 503 070	1 291 057
Commitment fee	1 364 640	246 374
Fees and commissions on open import documentary credits	1 331 147	634 457
Fees and commissions on cards	1 239 179	725 480
Fees and commissions on currency sales	996 870	746 827
Fees and commissions on interbank services	855 352	266 292
Fees and commissions on account maintenance and inactivity	842 798	211 098
Fees and commissions for restructuring credit operations	625 644	305 581
Fees and commissions on guarantees and sureties provided	597 826	460 756
Fees and commissions on securities	2 074 098	1 846 691
Fees and commissions for opening loans	509 836	363 641
Fees and commissions on services rendered	223 223	293 444
Fees and commissions on early settlements	144 876	10
Fees and commissions on card cancellation/replacement	77 804	626 279
Fees and commissions on the issuance of checks	40 843	348 618
Management fee	1 297 746	460 701
Other fees and commissions	593 611	585 478
	27 829 075	**15 624 732**
Fees and commissions expense		
Fees and commissions on cards	(12 197 751)	(6 164 581)
Fees and commissions on ATMs and TPAs	(704 711)	(495 725)
Fees and commissions on securities	(342 919)	(207 456)
Other fees and commissions	(638 525)	(296 501)
	(13 883 906)	**(7 164 263)**
Total	**13 945 169**	**8 460 469**

The variation in the caption Fees and commissions income – Fees and commissions on ATM and POS and in the caption Fees and commissions expense – Fees and commissions on cards, compared to the same period of the previous year, is due to the increase in EMIS prices and its impact on the corresponding prices.

21. FOREIGN EXCHANGE GAINS/(LOSSES)

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Changes in exchange rates on assets and liabilities denominated in foreign currency	1 575 364	5 374 767
Foreign exchange spot and forward transactions	(2 651 758)	(701 095)
Foreign currency purchase and sale transactions	16 474 227	6 704 817
	15 397 833	**11 378 489**

The caption Changes in exchange rates on assets and liabilities denominated in foreign currency essentially refers to the foreign exchange gains/(losses) related to the exchange revaluation of the Bank's assets and liabilities in foreign currency on the reporting date.

In the six-month period ended 30 June 2024, the entity recorded an increase in foreign exchange gains/(losses) from foreign currency purchase and sale operations as a result of the pricing effect associated with these transactions.

22. GAINS/(LOSSES) ON DISPOSAL OF OTHER ASSETS

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Net gains/(losses) on sale of assets		
Gains on sale of property, plant and equipment	83 341	45 918
Losses on sale of property, plant and equipment	(2 143)	(176)
	81 198	**45 742**

23. OTHER OPERATING INCOME/(EXPENSE)

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Operating income:		
Recovery of administrative and commercial expenses	3 104 185	3 230 260
Gain on expenses charged	26 796	1 785 069
Gains on credit recovery	132 150	153 186
Other	252 168	10 158 205
	3 515 299	**15 326 720**
Operating expense:		
Taxes and fees not levied on income	(4 951 774)	(4 550 303)
Contribution to Deposits Guarantee Fund	(593 086)	(3 111 840)
Penalties applied by regulatory authorities	(7 990)	(42 709)
Other	(1 199 738)	(25 329)
	(6 752 588)	**(7 730 181)**
	(3 237 289)	**7 596 539**

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, the caption Taxes and fees not levied on income includes a balance for value added tax in the amount of AOA 4,385,355 thousand and AOA 3,366,352 thousand, respectively.

In the six-month periods ended 30 June 2024 and 2023, the caption Other operating income – Recovery of administrative and commercial expenses refers, essentially, to: (i) the reimbursement of communication and shipping expenses originally borne by the Group, namely in execution of payment order operations and (ii) gains from lease renegotiations.

24. STAFF COSTS

In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
In the six-month periods ended 30 June 2024 and 2023, this caption is detailed as follows:		
Remuneração mensal	1 964 840	1 806 508
Remunerações adicionais	1 393 164	1 570 593
Encargos sociais obrigatórios	320 437	212 818
Outros - encargos pensões	169 702	4 944
	3 848 143	**3 594 863**
Empregados		
Remuneração mensal	23 422 617	19 946 022
Remunerações adicionais	2 244 446	2 977 591
Encargos sociais obrigatórios	1 938 971	1 764 243
Encargos sociais facultativos	2 266 029	1 868 002
Outros - encargos pensões	300 181	128 391
	30 172 244	**26 684 249**
Encargos com planos de pensões		
Plano complementar de pensões	1 465 023	1 514 596
	1 465 023	**1 514 596**
	35 485 410	**31 793 708**

In 2013, with reference to the last day of the year, the Bank set up the BFA Pension Fund to cover the liabilities with retirement pensions for old age, disability and survival that the Bank granted to its Angolan employees registered with the Social Security, having used the provisions previously set up as an initial contribution to the BFA Pension Fund (defined contribution plan). In accordance with the contract for the set-up of the Fund, BFA will contribute annually with 10% of the salary subject to Angolan Social Security charges, applied on fourteen salaries.

In November 2022, Order No. 3923/22 ((Official Gazette) No. 123 of Series II) published the Addendum to the BFA Pension Fund and the New Pension Plan. The new Pension Plan defines a mixed contribution system between the Associate (BFA) and the Employees and establishes the associate's rate at 7.5% on the pensionable salary, also defining a variable employee contribution between 2.5% and 10% on the pensionable salary.

In the six-month periods ended 30 June 2024 and 2023, the Bank's contribution to the BFA Pension Fund amounted to AOA 1,465,023 thousand and AOA 1,514,596 thousand, respectively.

In the six-month period ended 30 June 2024, BFA Pensões – Sociedade Gestora de Fundos de Pensões, S.A. was responsible for managing the BFA Pension Fund. The Bank assumes the role of depositary of the Fund.

25. FORNECIMENTOS E SERVIÇOS DE TERCEIROS

No período de seis meses findo em 30 de Junho de 2024 e 30 de Junho de 2023 esta rubrica apresenta a seguinte composição:

Amounts expressed in thousands of Kwanzas

	30/06/2024	30/06/2023
Audit, advisory and other specialised technical services	8 949 906	6 182 149
Safety, maintenance and repair	5 186 442	3 366 016
Sundry materials	1 284 442	2 341 612
Publications, advertising and marketing	1 022 119	2 042 298
Transport, travel and accommodation	1 759 562	1 102 774
Communication	1 211 269	1 514 866
Water and energy	258 126	154 568
Insurance	421 209	520 724
Rentals	415 227	105 320
Other external supplies and services	446 330	328 511
	20 954 518	**17 658 837**

26. OFF-BALANCE SHEET DISCLOSURES

These captions are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Liabilities to third parties:		
Guarantees provided	52 711 922	68 560 046
Commitments to third parties		
- Open documentary credits	67 708 509	42 558 525
- Undrawn limits	33 630 323	45 101 700
	154 050 754	**156 220 271**
Liabilities for services rendered:		
Services rendered by the Bank		
- Safekeeping of securities	907 559 418	952 531 732
- Check clearing on foreign banks	1 166 852	440 513
- Documentary remittances	(97 646 815)	(95 157 799)
	811 079 455	**857 814 446**

As at 30 June 2024 and 31 December 2023, the Bank has set up provisions to cover the credit risk assumed on the granting of guarantees, documentary credits and irrevocable credit facilities (Undrawn limits), in the amounts of AOA 452,987 and 479,791 thousand, respectively (Notes 9 and 16).

As at 30 June 2024 and 31 December 2023, the notional amounts of the forwards are recognized under off-balance sheet captions in the amounts of AOA 7,628,967 and AOA 7,703,799 thousand, respectively. (Note 7)

As at 30 June 2024 and 31 December 2023, the caption Safekeeping of securities refers essentially to securities of customers in the custody of the Bank.

27. RELATED PARTIES

In accordance with IAS 24, the following are considered entities related to the Group:

- the entities that exercise, directly or indirectly, a significant influence over the management and financial policy of the Group – Shareholders;
- those over which the Group exercises, directly or indirectly, a significant influence over their financial management and policy;
- key management personnel of the Group, considering for this purpose executive and non-executive members of the Board of Directors and companies in which the members of the Board of Directors have control or joint control;
- subsidiaries, joint ventures or associates of the shareholder holding control over the Group;
- key personnel of the shareholder with control over the Group (executive and non-executive members of the Board of Directors); and
- entities controlled or jointly controlled by key personnel of the shareholder with control over the Group.

In the six-month period ended 30 June 2024 and in the period ended 31 December 2023, the Group's related parties with which it had balances or transactions are as follows:

BFA shareholders	
BPI Group	
Unitel	
Members of Corporate Bodies – UNITEL	**Companies in which Members of Corporate Bodies have significant influence**
Aguinaldo Jaime	• MULTINVEST-INVEST. E PARTICIPAÇÕES, Lda. • HOTEL PRAIA MAR, Lda.
Osvaldo António Inácio	
António Miguel Ferreira Geraldes	
Amílcar Frederico Safeca	• NODIBRAND-SISTEMAS, TECNOLOGIA E CONSULTORIA • ANTOSC, S.A. • ANGLOBAL - COMÉRCIO, INDÚSTRIA E SERVIÇOS, S.A.
Eliana Maria Fortes dos Santos	
Arlindo Ngueva Narciso das Chagas Rangel	• TRANSLUX EXPRESS, Lda.
José Manuel Rela dos Santos Bento	

Unitel investees	
• ANGOLA CABLES, S.A. • UNITEL INTERNATIONAL, B.V. • HOLDFINANCE • UNI TELECOMUNICAÇÕES • UNITEL SOCIEDADE IMOBILIÁRIA • TELEACE JLT	• UNICANDA – AGRO-INDUSTRIAL (SU), S.A. • UNITEL SPM – SERVIÇOS DE PAGAMENTOS MÓVEIS (SU) S.A. • UNITEAL SOCIEDADE IMOBILIÁRIA, S.A. (USI – MOBILIÁRIA, S.A.)

BFA - Members of Corporate Bodies and Companies in which Members have Control

Supervisory Board	Companies in which Members have control or joint control
Maria do Carmo Bastos Corte Real Bernardo	• GRUPO REAL
Jacinto Manuel Veloso	• BLENDGEST CONSULTING, Lda. • VLS GLOBAL
Filomeno da Costa Alegre Alves de Ceita	
Laura Maria Alcântara Monteiro	
Maria Amélia da Conceição Freitas Montenegro Duarte	• MON LARAMA ET ALLL SERVIÇOS, S.A.
Luís Roberto Fernandes Gonçalves	
Natacha Sofia da Silva Barradas	• LEAD ADVOGADOS - SOCIEDADE DE ADVOGADOS RL
Sebastião Machado Francisco Massango	• SEILMA, Lda. • HONGAMBANDU RESTAURAÇÃO E CARTERING
Paulo Lélis de Freitas Alves	
José Alves do Nascimento	
Francisca Ferrão Costa	• MOONEMPIRE UNIPESSOAL, Lda.
Paulo Valódia de Carvalho Moreira da Silva	

Supervisory Board	Companies in which Members have control or joint control
Alcides Horácio Frederico Safeca	• ARLUNDA - COMÉRCIO E SERVIÇOS, Lda. • AFIMA - COMERCIO E SERVIÇOS, Lda. • GRUPO OMNIA - SOCIEDADE DE INVESTIMENTOS Lda. • LISASTERN - EXPLORAÇÃO MINEIRA, S.A. (N/I)

Supervisory Board	Companies in which Members have control or joint control
Adilson de Jesus Manuel Sequeira	• AUDFISCO, Lda.
Valdir de Jesus Lima Rodrigues	
Henda N´Zinga Câmara Pires Teixeira	
Luzia de Castro Peres do Amaral	

BFA Investees

BFA GESTÃO DE ACTIVOS SGOIC. S.A.

Board of Directors	Companies in which Members have control or joint control
Rui Elvídio Gonçalves de Oliveira	• EUROCUANZA Lda. • SOCONCRETO CONSTRUÇÕES, S.A. • RUCATUR, Lda. • RUCATUR – RUCA'S PLACE
Carla Yessénia de Lousada L. E. de Jesus	• CNST-SERV, LDA
Manuel André	

Supervisory Board	Companies in which Members have control or joint control
Henrique Manuel Camões Serra	• C&S – ASSURANCE AND ADVISORY, S.A . • CE-MAGNUS - CONSULTORIA EMPRESARIAL S.A.
Catarino Eduardo César	• SIMPÓSIO DE AUDITORIA INTERNA • TCUL-TRANSPORTES COLECT.URB.DE LUANDA (PCA)
Ana Marisa Da Rocha Domingos	

Sociedades participadas do BFA	
BFA PENSÕES SOCIEDADE GESTORA DE FUNDOS DE PENSÕES S.A.	
Board of Directors	**Companies in which Members have control or joint control**
António José Simões Matias	• INSTITUTO DE FORMAÇÃO BANCÁRIA DE ANGOLA
Paulo Alexandre Caldeira Lages Ferreira	
Neusa Lopes Pilartes Da Silva	
Rosário Manuel Alberto Dala	

Board of Directors	Companies in which Members have control or joint control
Mariana da Conceição Francisco Assis	
José Miguel da Costa Henriques Sardinha	
Euclides Firmino Capitamolo	
Valentim Joaquim Manuel	
Henrique Manuel Camões Serra	• C&S – ASSURANCE AND ADVISORY, S.A. • CE-MAGNUS - CONSULTORIA EMPRESARIAL, S.A. • PKF ANGOLA, AUDITORES E CONSULTORES, S.A.

Qualified Parties

Unitel Shareholders	Qualified Parties
MS TELCOM - MERCURY, SERVIÇOS DE TELECOMUNICAÇÃO, S.A. – 25% ESTADO ANGOLANO (IGAPE – INSTITUTO DE GESTÃO DE ACTIVOS E PARTICIPAÇÕES DO ESTADO) – 50% PT VENTURES, SGPS, S.A. – 25%	• Sonangol E.P.

Sociedades participadas do BFA	
BFA CAPITAL MARKETS, SDVM, S.A.	
Board of Directors	**Companies in which Members have control or joint control**
Luís Roberto Fernandes Gonçalves*	
Francisca Ferrão Costa	
Deolinda Suzete e Bravo da Rosa	
Telmo José Pacavira Dias Van-Dúnem	• TINATEL INVESTMENTS, Lda.
Cláudia Rocha Cordeiro Almada Lourenço	• MUDIA-AGROINDUSTRIA, COM.PREST.DE SER, Lda. • MICLA-ENSINO GERAL TEC.PROFISSIONAL, Lda.

*Outros membros do Conselho de Administração são Administradores do BFA supra identificados.

Board of Directors	Companies in which Members have control or joint control
Mirian Custódio Ferreira	
Catarino Eduardo César	
Mariana Conceição Francisco de Assis	

As at 30 June 2024 and 31 December 2023, the main balances and transactions maintained by the Group with related entities are as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024						
	BFA Shareholders						
	BPI	Unitel	Members of the BFA´s Board of Directors	Companies in with the members of the Board of Directors have significant Influence	BFA Pension Fund	Related parties via Unitel	Total
Cash and deposits							
Loans and advances to credit institutions	13 523 604	-	-	-	-	-	13 523 604
Short-term investments							-
Other loans to credit institutions	249 296 099	-	-	-	-	-	249 296 099
Loans granted	**49**	**-**	**254 421**	**-**	**-**	**3 411 361**	**3 665 831**
Other assets							
Deposits from other credit institutions	**32 704 492**	**-**	**-**	**-**	**-**	**-**	**32 704 492**
Deposits from customers							-
Demand deposits	-	4 043 862	563 905	5 709	8 353 607	6 493 552	19 460 635
Term deposits	-	248 490 304	4 639 941	-	7 077 904	437 247	260 645 396
Other liabilities	-	-	-	-	-	-	-
Interest and similar income	**6 742 228**	**-**	**5 794**	**-**	**-**	**157 971**	**6 905 993**
Interest and similar expense	**52 679**	**3 950 334**	**127 918**	**-**	**1 049 277**	**29 456**	**5 209 664**
Fees and commissions	-	-	-	-	-	-	-
Securities used as deposits	**-**	**4 785 688**	**3 713 795**	**-**	**57 392 613**	**2 715 099**	**68 607 195**
Participation units	**-**	**3 525 000**	**130 200**	**10 000**	**-**	**982 000**	**4 647 200**
Documentary credits	**-**	**15 227 940**	**-**	**-**	**-**	**53 684 728**	**68 912 668**
Bank guarantees	**-**	**6 253 211**	**-**	**-**	**-**	**-**	**6 253 211**

Amounts expressed in thousands of Kwanzas

	31/12/2023						
	BFA Shareholders						
	BPI	Unitel	Members of the BFA´s Board of Directors	Companies in with the members of the Board of Directors have significant Influence	BFA Pension Fund	Related parties via Unitel	Total
Cash and deposits							
Loans and advances to credit institutions	14 465 892	-	-	-	-	-	14 465 892
Short-term investments							-
Other loans to credit institutions	318 918 561	-	-	-	-	-	318 918 561
Loans granted	**5 950**	-	**253 321**	-	-	**3 499 500**	**3 758 771**
Other assets	-	-	-		**2 061 628**	-	**2 061 628**
Deposits from other credit institutions	**22 522 957**	-	-	-	-	-	**22 522 957**
Deposits from customers							
Demand deposits	-	2 599 941	537 175	201 008	1 746 377	21 370 558	26 455 059
Term deposits	-	272 239 656	2 789 749	-	13 191 747	1 669 454	289 890 606
Other liabilities	-	-	-	-	-	-	-
Interest and similar income	**12 738 507**	-	**12 261**	**13**	-	**63**	**12 750 844**
Interest and similar expense	**1 830 512**	**6 005 573**	**333 116**	-	**2 999 010**	**163 604**	**11 331 815**
Fees and commissions	-	-	-	-	-	-	-
Securities used as deposits	-	**3 779 219**	**323 223**	-	-	**1 931 048**	**6 033 490**
Participation units	-	-	-	-	-	-	-
Documentary credits	-	**400 035**	-	-	-	**52 121 723**	**52 521 758**
Bank guarantees	-	**22 940 833**	-	-	-	-	**22 940 833**

The balances relating to the shareholder BPI include the amounts of La Caixa Group, BPI's parent company.

The information presented in respect of the Members of BFA’s Corporate Bodies includes the main balances and transactions maintained by the Bank with:

- Members of BFA’s Corporate Bodies; and
- Close family members of the members of BFA’s Corporate Bodies.

The information presented in respect of the Companies in which BFA's Corporate Bodies have a significant influence includes the main balances and transactions maintained by the Group with:

- Companies in which members of BFA's Corporate Bodies have significant influence; and
- Companies in which close members of the members of BFA's Corporate Bodies have significant influence.

The information presented regarding the Related parties via Unitel includes the main balances and transactions maintained by the Group with:

- Members of the Board of Directors of Unitel;
- Companies in which the members of the Board of Directors of Unitel have a significant influence;
- Close family members of the members of the Board of Directors of Unitel; and
- Unitel investees.

28. BALANCE SHEET BY CURRENCY

As at 30 June 2024 and 31 December 2023, the balance sheets by currency have the following structure:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Kwanzas	United States Dollar	Euro	Indexed to the US Dollar	Other currencies	Total
Cash and deposits at central banks	180 821 197	276 085 990	178 972 620	-	590 031	636 469 838
Loans and advances to credit institutions	3 723	20 063 151	13 840 780	-	3 046 795	36 954 449
Other loans and advances to central banks and credit institutions	460 192 515	619 402 975	81 745 740	-	8 089 364	1 169 430 594
Financial assets at fair value through profit or loss	44 314 615	3 113 427	46 888	-	-	47 474 930
Investments at amortized cost	765 674 204	293 385 626	-	-	-	1 059 059 830
Loans and advances to customers	557 662 415	51 778 157	19 668 115	-	3	629 108 690
Non-current assets held for sale	135 735	-	-	-	-	135 735
Branches	-	-	-	-	-	-
Property, plant and equipment	42 896 202	-	-	-	-	42 896 202
Intangible assets	14 467 912	-	-	-	-	14 467 912
Current tax assets	195 853	-	-	-	-	195 853
Other assets	21 226 565	253 431	12 240	-	9	21 492 245
Total Assets	**2 087 590 936**	**1 264 082 757**	**294 286 383**	**0**	**11 726 202**	**3 657 686 278**
Deposits from central banks and other credit institutions	53 426 282	9 360 008	1 238 800	-	116 700	64 141 790
Deposits from customers and other loans	1 379 846 045	1 217 537 447	287 399 546	-	5 823 654	2 890 606 692
Financial liabilities at fair value through profit or loss	2 649 420	-	-	-	-	2 649 420
Provisions	28 704 477	26 141 408	330 055	-	-	55 175 940
Current tax liabilities	12 872 394	-	-	-	-	12 872 394
Lease liabilities	4 970 788	-	-	600 804	-	5 571 592
Other liabilities	33 225 110	4 681 584	8 084 815	-	4 482 290	50 473 799
Total Liabilities	**1 515 694 516**	**1 257 720 447**	**297 053 216**	**600 804**	**10 422 644**	**3 081 491 627**
Net Assets/(Liabilities)	**571 896 420**	**6 362 310**	**(2 766 833)**	**(600 804)**	**1 303 558**	**576 194 651**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Kwanzas	United States Dollar	Euro	Indexed to the US Dollar	Other currencies	Total
Cash and deposits at central banks	174 592 294	202 399 538	179 099 199	-	555 764	556 646 795
Loans and advances to credit institutions	-	21 717 823	15 331 017	-	4 582 426	41 631 266
Other loans and advances to central banks and credit institutions	205 903 681	612 530 148	74 637 483	-	8 431 198	901 502 510
Financial assets at fair value through profit or loss	45 523 383	2 998 452	47 004	-	-	48 568 839
Investments at amortized cost	1 115 385 023	296 556 103	-	-	-	1 411 941 126
Loans and advances to customers	509 909 204	19 788 240	20 405 332	-	3	550 102 779
Non-current assets held for sale	180 980	-	-	-	-	180 980
Branches	39 221 272	-	-	-	-	39 221 272
Property, plant and equipment	12 956 217	-	-	-	-	12 956 217
Intangible assets	192 964	-	-	-	-	192 964
Current tax assets	21 456 161	-		-		21 456 161
Other assets						
Total Assets	**2 125 321 179**	**1 155 990 304**	**289 520 035**	**-**	**13 569 391**	**3 584 400 909**
Deposits from central banks and other credit institutions	25 763 869	37 379	2 034 451	-	5 224	27 840 923
Deposits from customers and other loans	1 444 768 254	1 120 074 296	282 736 242	-	7 627 333	2 855 206 125
Financial liabilities at fair value through profit or loss	2 537 450	-	-	-	-	2 537 450
Provisions	29 180 315	25 444 470	899 861	-	-	55 524 646
Current tax liabilities	14 435 152	-	-	-	-	14 435 152
Lease liabilities	4 722 006	-	-	603 016	-	5 325 022
Other liabilities	37 643 479	7 092 957	4 729 420	-	4 425 331	53 891 187
Total Liabilities	**1 559 050 525**	**1 152 649 102**	**290 399 974**	**603 016**	**12 057 888**	**3 014 760 505**
Net Assets/(Liabilities)	**566 270 654**	**3 341 202**	**(879 939)**	**(603 016)**	**1 511 503**	**569 640 404**

29. RISK MANAGEMENT

BFA’s activities are exposed to a variety of financial risk factors, including the effects of changes in market prices: foreign exchange risk, credit risk, liquidity risk and cash flow risks associated with interest rate risk, among others.

BFA’s risk management is controlled by the Risk Management Department, in accordance with policies approved by the Board of Directors. Accordingly, the Board of Directors has defined, in writing, the main global risk management principles, as well as specific policies for some areas, such as interest rate risk, liquidity risk and credit risk.

The Board of Directors defines the principles for risk management as a whole and policies that cover specific areas, such as exchange risk, interest rate risk, credit risk, the use of derivatives and other non-derivative financial instruments, as well as the investment of excess liquidity.

Main Risk Categories

Credit – Credit risk is the uncertainty of recovery of an investment and its return, due to the debtor’s inability (and that of his/her guarantor, if any) to fulfill its financial commitments, thus causing a financial loss to the creditor. Credit risk is reflected in debt securities or other receivables.

Market – Market risk reflects the potential loss that can be recorded by a given portfolio as a result of changes in rates (interest and exchange rates) and/or the prices of the different financial instruments that comprise it, considering both the correlations between them and the respective volatilities. Accordingly, Market Risk encompasses interest rate risk, exchange rate and other price risks.

Liquidity – Liquidity risk reflects the inability of the Group to meet its liabilities associated with financial liabilities on each maturity date without incurring significant losses as a result of a deterioration in the conditions of access to financing (financing risk) and/or sale of its assets for amounts lower than the amounts usually practiced in the market (market liquidity risk).

Real Estate - Real estate risk is the probability of negative impacts on the Group's income or capital level due to fluctuations in the market price of real estate assets.

Operating – Operational risk is the potential loss resulting from failures or inadequacies in internal processes, information systems, human behavior or external events.

29.1 Credit Risk

Credit risk corresponds to the risk of default by counterparties, with which the Group maintains open positions in financial instruments, as a creditor. In accordance with the BFA's General Credit Regulations, the granting of credit in the Bank is based on the following fundamental principles:

Formulation of proposals

Loan operations, or guarantees, subject to the decision of BFA:

- They are adequately characterized in the Technical Data Sheet, containing all the essential and accessory elements necessary for the formalization of the operation;
- Respect the specific product sheet;
- Are accompanied by a duly substantiated credit risk analysis;
- Contain the signatures of the proposing bodies.

Credit risk analysis

In the credit risk analysis, the total exposure of the Bank to the customer, or to the group to which the customer belongs, is considered, according to the terms of the legislation applicable at any time. Exposures in respect of the same customer or economic group are classified, having as reference those that represent the greatest risk .

Currently, considering the regulations of the Banco Nacional de Angola:

- For a single customer, all its liabilities vis-à-vis the Bank, in force or potential, already contracted or committed, for financing and guarantees are considered (total exposure of the Bank to the customer);
- For a group of customers, the sum of the liabilities of each customer that comprises the group is considered (total exposure of the Bank to the group); and
- The existence of guarantees with State risk, or with immediate liquidity, has an impact on the calculation of the value of the Global Exposure.

Classification of Risk

The Group classifies loan operations in ascending order of risk, according to the following grades:

Grade A: Minimum risk
Grade B: Very low risk
Grade C: Low risk
Grade D: Moderate risk
Grade E: High risk
Grade F: Very high risk
Grade G: Maximum risk

The individual classification of the exposure considers the characteristics and risks of the operation and of the borrower, and is initially classified based on the following criteria adopted by the Group:

Grade A: operations that are:

(i) assumed by the Angolan State, encompassing its central and provincial administrations;

(ii) assumed by central administrations, central banks of countries, included in group 1 (defined in Instruction No. 1/2015, of January 14, of the Banco Nacional de Angola), international organizations and multilateral development banks;

(iii) fully guaranteed by cash deposits, or certificates of deposit, constituted or issued by the lending institution, or by institutions in a controlling or group relationship with the lending institution and having their head office in Angola, or a country included in group 1, multilateral development banks and international organizations, provided that the exposure and the deposit or certificate are denominated in the same currency;

(iv) fully guaranteed by cash deposits or certificates of deposit constituted or issued by the lending institution or by branches of the lending institution, not covered by the preceding paragraph, provided that the exposure and the deposit or certificate are denominated in the same currency;

(v) fully guaranteed by securities or bonds issued by the Angolan State, or by the Banco Nacional de Angola.

Grade B and others: remaining loans.

The classification of exposures is revised whenever there are signs of impairment in late payments.

Within the scope of the regular review of loan operations, including loan operations overdue, BFA reclassifies overdue loan operations into those that are due, based on an analysis of the economic prospects of collectability, namely considering the existence of guarantees, the borrowers' or guarantors' assets and the existence of operations whose risk BFA equates to State risk, or even when the situation of delay results from the Bank's exclusive responsibility due to a one-off failure in its processes.

Association of Guarantees

When granting loans to Retail customers or small companies with a maturity of more than 36 months, in the absence of short-term financial investments, BFA requires, as a rule, the provision of a real guarantee on property.

Loan operations are associated with guarantees considered adequate to the risk of the borrower, the nature and term of the operation, which are duly substantiated, in terms of sufficiency and liquidity.

Real guarantees are assessed prior to the loan decision, and these assessments are periodically reviewed. Exceptions to this rule (with decisions being conditional on a subsequent assessment) imply that disbursement will only occur after the Bank has obtained the guarantee assessment.

The main types of collateral for loans and advances to customers are:

- Mortgages on residential properties;
- Encumbrances on Company assets, such as facilities, inventory or accounts receivable;
- Encumbrances on financial instruments, such as debt securities or shares; and
- Encumbrances on term deposits at the institution.

Long-term financing and loans to corporate entities usually have an associated guarantee. On the contrary, revolving credit products do not generally have an associated guarantee.

Collaterals obtained as a guarantee for financial assets, other than loans and advances to customers, always depends on the type of financial instrument. Debt instruments do not normally have an associated guarantee, with the exception of securitized instruments, which have portfolios of financial instruments as collateral. On the other hand, derivative instruments have associated guarantees.

The Bank’s policies on collateral obtained as guarantee have not changed significantly during the reporting period, nor have there been any significant changes in the quality of the collateral held by the Bank since the previous period.

The Bank monitors collateral obtained as security for impaired loans and advances to customers as it becomes more likely that the Bank will take ownership of such collateral to mitigate possible credit losses. Loans to impaired customers (stage 3) and the collaterals obtained as guarantee are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Gross loans	Impairment	Net loans	Value of collateral
Retail				
Credit cards	517 481	463 532	53 949	-
Current accounts	21 478	11 997	9 481	-
Loans	2 576 302	1 846 081	730 221	3 286 642
Leasing	4 618 748	3 292 982	1 325 766	4 948 503
Overdrafts	192 981	142 353	50 628	-
	7 926 990	**5 756 945**	**2 170 045**	**8 235 145**
Corporate				
Current accounts	9 869	5 303	4 566	832 288
Loans	54 078 927	34 270 175	19 808 752	61 157 778
Leasing	65 146	32 727	32 419	2 667 748
Overdrafts	115 553	65 785	49 768	-
	54 269 495	**34 373 990**	**19 895 505**	**64 657 814**
Total	**62 196 485**	**40 130 935**	**22 065 550**	**72 892 959**

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Gross loans	Impairment	Net loans	Value of collateral
Retail				
Credit cards	424 888	374 646	50 242	-
Current accounts	21 478	11 998	9 480	-
Loans	2 777 112	1 876 215	900 897	3 201 055
Leasing	4 326 503	3 061 980	1 264 523	4 153 914
Overdrafts	144 524	101 998	42 526	-
	7 694 505	**5 426 837**	**2 267 668**	**7 354 969**
Corporate				
Current accounts	69 869	31 070	38 799	1 263 920
Loans	53 285 226	31 861 693	21 423 533	58 731 713
Leasing	70 210	34 537	35 673	2 591 342
Overdrafts	68 915	32 960	35 955	-
	53 494 220	**31 960 260**	**21 533 960**	**62 586 975**
Total	**61 188 725**	**37 387 097**	**23 801 628**	**69 941 944**

Exclusions due to incidents

The Bank does not grant loans and advances to customers who have registered material incidents in the last 24 months known to BFA, nor to other companies that are part of a group with customers in that situation. The following are considered material incidents:

- Delays in making payments of principal or interest owed to a credit institution, social security, AGT, court or State Inspectorate for more than 45 days;
- Irregular use of means of payment for which that person or entity is responsible;
- Pending legal actions against that person or entity that have potential adverse effects on their economic or financial position.

Exceptions to these rules have specific decision rules under the Bank's general credit regulation, which are stricter.

Restructurings

In principle, BFA only formalizes ongoing loan restructuring operations, after assessing the customer's ability to comply with the new plan, if the following criteria are met:

- New guarantees (more liquid and/or more valuable) are presented for the new operation;
- Interest and late payment fees are paid in advance (in the event of a non-performing operation); and
- There is a significant partial settlement of the outstanding principal (performing and/or non-performing).

Exceptionally, and if none of the above assumptions are met, BFA admits formalizing the formal restructuring of Retail customers' debts, if it is verified that in the last 6 months, deposits were made of a minimum amount equal to the installment amount foreseen for the restructured operation.

Loan operations restructured due to the customer's financial difficulties are defined in the General Credit Regulation and comply with the regulator's specific regulations in this matter.

Restructuring operations are classified, for the purpose of increasing risk, and periodically monitored as to compliance with the established plan and are only unclassified when certain conditions of regularity in complying with the plan are met.

The Operations subject to renegotiation are maintained at least at the same risk level in which they were classified in the month immediately prior to the renegotiation. Reclassification to a lower risk level only occurs if there is regular and significant repayment of the operation, payment of interest due and on arrears, or depending on the quality and value of new guarantees presented for the renegotiated operation.

Monitoring of non-performing loans

Non-performing loans are monitored by the commercial teams, as a rule until it is 60 days overdue, with monitoring being done by a specialized team. After 60 days of default, the management of the relationship is transferred to this specialized team, which has the mission of collaborating in loan recovery actions, being able to take over negotiations and restructuring proposals. This team is responsible for monitoring the processes under its management.

The restructuring negotiations follow the principles mentioned above.

This team is responsible for the management and relationship with the customer, with the aim of recovering the loan, resorting to the enforcement, through the courts, if necessary.

Impairment

BFA implemented a model to calculate impairment losses of the loan portfolio, in accordance with the requirements set out in IFRS 9.

BFA calculates the impairment losses of the loan portfolio monthly based on the implemented model, with the amount of impairment determined being approved by the Executive Committee of the Board of Directors.

The first application and the respective outcomes of this model were calculated with reference to January 1, 2018. Since that reference date, monthly calculations have been carried out. The half-yearly results are approved by the Board of Directors of the Bank.

Securities and bonds

As at 30 June 2024 and 31 December 2023, BFA's securities portfolio complies with the principle of the high credit quality of its issuers, consisting mainly of securities issued by the Angolan State and by the Banco Nacional de Angola.

As at 30 June 2024 and 31 December 2023, the maximum exposure to credit risk presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024			31/12/2023		
	Gross book value	Impairment	Net book value	Gross book value	Impairment	Net book value
On-balance sheet						
Cash and deposits at central banks (Note 4)	636 469 838	-	636 469 838	556 646 795	-	556 646 795
Loans and advances to credit instititutions (Note 5)	36 957 647	(3 198)	36 954 449	41 635 446	(4 180)	41 631 266
Other loans and advances to central banks and credit institutions (Note 6)	1 169 938 101	(507 507)	1 169 430 594	901 877 634	(375 124)	901 502 510
Financial assets at fair value through profit or loss (Note 7)	47 474 930	-	47 474 930	48 568 839	-	48 568 839
Investments at amortized cost (Note 8)	1 071 725 224	(12 665 394)	1 059 059 830	1 424 989 897	(13 048 771)	1 411 941 126
Loans and advances to customers (Note 9)	683 859 025	(54 750 335)	629 108 690	600 370 855	(50 268 076)	550 102 779
Other assets (Note 13)	21 492 245		21 492 245	21 456 161		21 456 161
	3 667 917 010	**(67 926 434)**	**3 599 990 576**	**3 595 545 627**	**(63 696 151)**	**3 531 849 476**
Off-balance sheet						
Guarantees provided, open documentary credits and undrawn facilities (Note 9)	154 050 754	(452 987)	153 597 767	156 220 271	(479 791)	155 740 480
Total	**3 821 967 764**	**(68 379 421)**	**3 753 588 343**	**3 751 765 898**	**(64 175 942)**	**3 687 589 956**

For financial assets recognized in the balance sheet, the maximum exposure to credit risk is represented by the book value net of impairment. For off-balance sheet items, the maximum exposure from guarantees is the maximum amount that the Bank would have to pay should the guarantees be forfeited and of loan and other credit-related commitments of an irrevocable nature is the total amount of commitments made.

As at 30 June 2024 and 31 December 2023, the credit quality of financial assets is as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Cash and deposits at central banks	External rating	B+ to B-	606 494 189	-	606 494 189
	Unrated	N/ D	29 975 649	-	29 975 649
			636 469 838	-	636 469 838
Loans and advances to credit institutions	External rating	AAA to AA-	4 435 383	-	4 435 383
		A+ to A-	6 333 510	(518)	6 332 992
		BBB+ to BBB-	18 854 476	(983)	18 853 493
		BB+ to BB-	7 226 756	(1 562)	7 225 194
		B+ to B-	107 522	(135)	107 387
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			36 957 647	(3 198)	36 954 449
Other loans and advances to central banks and credit institutions	External rating	AAA to AA-	73 001 826	-	73 001 826
		A+ to A-	160 428 954	(40 926)	160 388 028
		BBB+ to BBB-	465 820 596	(284 536)	465 536 060
		BB+ to BB-	10 358 361	(46 196)	10 312 165
		B+ to B-	460 328 364	(135 849)	460 192 515
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			1 169 938 101	(507 507)	1 169 430 594
Financial assets at fair value through profit or loss	External rating	B+ to B-	39 928 881	-	39 928 881
	Unrated	N/ D	7 546 049	-	7 546 049
			47 474 930	-	47 474 930

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Investments at amortized cost	External rating	AAA to AA-	9 032 664	-	9 032 664
		A+ to A-	8 453 850	-	8 453 850
		BBB+ to BBB-	-	-	-
		BB+ to BB-	-	-	-
		B+ to B-	1 054 238 710	(12 665 394)	1 041 573 316
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			1 071 725 224	(12 665 394)	1 059 059 830
Loans and advances to customers - On-balance sheet	Internal rating	Grade A	270 271 632	(3 490 547)	266 781 085
		Grade B	382 678 559	(32 940 933)	349 737 626
		Grade C	2 026 369	(347 311)	1 679 058
		Grade D	429 299	(114 178)	315 121
		Grade E	518 494	(222 820)	295 674
		Grade F	129 416	(59 035)	70 381
		Grade G	27 805 256	(17 575 511)	10 229 745
			683 859 025	(54 750 335)	629 108 690
Loans and advances to customers - Off-balance sheet	Internal rating	Grade A	15 414 367	(5 998)	15 408 369
		Grade B	138 559 965	(442 370)	138 117 595
		Grade C	28 570	(432)	28 138
		Grade D	16 199	(596)	15 603
		Grade E	7 685	(750)	6 935
		Grade F	2 550	(271)	2 279
		Grade G	21 418	(2 570)	18 848
			154 050 754	(452 987)	153 597 767
		Total	**3 800 475 519**	**(68 379 421)**	**3 732 096 098**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Cash and deposits at central banks	External rating	B+ to B-	529 748 218	-	529 748 218
	Unrated	N/ D	26 898 577	-	26 898 577
			556 646 795	-	556 646 795
Loans and advances to credit institutions	External rating	AAA to AA-	5 102 103	-	5 102 103
		A+ to A-	9 241 993	(207)	9 241 786
		BBB+ to BBB-	19 618 488	(1 140)	19 617 348
		BB+ to BB-	7 619 159	(2 833)	7 616 326
		B+ to B-	53 703	-	53 703
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			41 635 446	(4 180)	41 631 266
Other loans and advances to central banks and credit institutions	External rating	AAA to AA-	70 900 041	-	70 900 041
		A+ to A-	148 343 459	(34 347)	148 309 112
		BBB+ to BBB-	466 669 374	(292 484)	466 376 890
		BB+ to BB-	10 061 079	(48 293)	10 012 786
		B+ to B-	205 903 681	-	205 903 681
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			901 877 634	(375 124)	901 502 510
Financial assets at fair value through profit or loss	External rating	B+ to B-	41 091 600	-	41 091 600
	Unrated	N/ D	7 477 239	-	7 477 239
			48 568 839	-	48 568 839

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Source of rating	Rating grade	Gross exposure	Impairment	Net exposure
Investments at amortized cost	External rating	AAA to AA-	8 600 355	-	8 600 355
		A+ to A-	8 231 473	-	8 231 473
		BBB+ to BBB-	-	-	-
		BB+ to BB-	-	-	-
		B+ to B-	1 408 158 069	(13 048 771)	1 395 109 298
		CCC+ to CCC	-	-	-
		CCC to CC-	-	-	-
	Unrated	N/ D	-	-	-
			1 424 989 897	(13 048 771)	1 411 941 126
Loans and advances to customers - On-balance sheet	Internal rating	Grade A	262 382 073	(3 204 340)	259 177 733
		Grade B	306 035 368	(29 115 051)	276 920 317
		Grade C	2 967 047	(217 310)	2 749 737
		Grade D	1 060 708	(306 215)	754 493
		Grade E	1 897 163	(634 721)	1 262 442
		Grade F	348 143	(139 454)	208 689
		Grade G	25 680 353	(16 650 985)	9 029 368
			600 370 855	(50 268 076)	550 102 779
Loans and advances to customers - Off-balance sheet	Internal rating	Grade A	11 546 292	(6 046)	11 540 246
		Grade B	144 565 302	(467 896)	144 097 406
		Grade C	42 281	(258)	42 023
		Grade D	15 927	(119)	15 808
		Grade E	14 655	(1 299)	13 356
		Grade F	4 405	(414)	3 991
		Grade G	31 409	(3 759)	27 650
			156 220 271	(479 791)	155 740 480
		Total	**3 730 309 737**	**(64 175 942)**	**3 666 133 795**

As at 30 June 2024 and 31 December 2023, Net gains/(losses) on financial instruments are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			31/12/2023		
	Gains	**Losses**	**Net gains/(losses)**	**Gains**	**Losses**	**Net gains/(losses)**
Assets						
Other loans and advances to central banks and credit institutions	41 147 223	(640 037)	40 507 186	23 881 135	(153 387)	23 727 748
Investments at amortized cost	84 975 667	(872 417)	84 103 250	90 449 717	(1 469 647)	88 980 070
Loans and advances to customers	48 381 889	(5 231 673)	43 150 216	34 783 208	(953 629)	33 829 579
	174 504 779	(6 744 127)	167 760 652	149 114 060	(2 576 663)	146 537 397
Liabilities						
Deposits from customers and other loans	-	(36 448 646)	(36 448 646)	-	(29 441 770)	(29 441 770)
Deposits from central banks and other credit institutions	-	(855 349)	(855 349)	-	(361 059)	(361 059)
	-	(37 303 995)	(37 303 995)	-	(29 802 829)	(29 802 829)
Off-balance sheet						
Guarantees provided, documentary credits and undrawn limits	2 187 872	(228 286)	1 959 586	778 397	(256 164)	522 233
	2 187 872	(228 286)	1 959 586	778 397	(256 164)	522 233
	176 692 651	**(44 276 408)**	**132 416 243**	**149 892 457**	**(32 635 656)**	**117 256 801**

As at 30 June 2024 and 31 December 2023, Net gains/(losses) on financial instruments are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Against profit or loss			Against equity		
	Gains	Losses	Net gains/(losses)	Gains	Losses	Net gains/(losses)
Assets						
Financial assets at fair value through profit or loss	5 060 071	(1 042 551)	4 017 520	-	-	-
Investments at amortized cost	-	-	-			
	5 060 071	(1 042 551)	4 017 520	-	-	-
Liabilities						
Financial liabilities at fair value through profit or loss	91 428	-	91 428	-	-	-
	91 428	**-**	**91 428**	**-**	**-**	**-**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Against profit or loss			Against equity		
	Gains	Losses	Net gains/(losses)	Gains	Losses	Net gains/(losses)
Assets						
Financial assets at fair value through profit or loss	5 386 748	(5 744 922)	(358 174)	-	-	-
Investments at amortized cost	8 508 936	-	8 508 936			
	5 386 748	(5 744 922)	(358 174)	-	-	-
Liabilities						
Financial liabilities at fair value through profit or loss	-	(1 367 791)	(1 367 791)	-	-	-
	-	**(1 367 791)**	**(1 367 791)**	**-**	**-**	**-**

As at 30 June 2024 and 31 December 2023, the geographical concentration of credit risk exposure presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Angola	Outros países de África	Europa	Outros	Total
Assets					
Cash and deposits at central banks	636 469 838	-	-	-	636 469 838
Loans and advances to credit institutions	-	9 077 363	27 543 937	333 149	36 954 449
Other loans and advances to central banks and credit institutions	460 192 515	112 390 192	596 765 699	82 188	1 169 430 594
Financial assets at fair value through profit or loss	41 598 895	-	-	3 160 315	47 474 930
Investments at amortized cost	1 042 228 002	-	8 231 473	8 600 355	1 059 059 830
Loans and advances to customers	629 108 690	-	-	-	629 108 690
Total	**2 809 597 940**	**121 467 555**	**632 541 109**	**12 176 007**	**3 578 498 331**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Angola	Outros países de África	Europa	Outros	Total
Assets					
Cash and deposits at central banks	556 646 795	-	-	-	556 646 795
Loans and advances to credit institutions	-	9 221 684	32 072 120	337 462	41 631 266
Other loans and advances to central banks and credit institutions	205 903 681	61 993 582	633 605 247	-	901 502 510
Financial assets at fair value through profit or loss	45 523 383	-	-	3 045 456	48 568 839
Investments at amortized cost	1 411 941 126	-	0	0	1 411 941 126
Loans and advances to customers	550 102 779	-	-	-	550 102 779
Total	**2 770 117 764**	**71 215 266**	**665 677 367**	**3 382 918**	**3 510 393 315**

As at 30 June 2024 and 31 December 2023, the sectoral concentration of loans and advances to customers is as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024						
	Loans and advances to customers					Imparidade	
	Falling due	Overdue	Loans and advances to customers - off-balance sheet	Total exposure	Relative weight	Value	Total impairment / exposure
Corporate							
Real Estate, rental and services rendered by Companies	237 846	301	756 067	994 214	0%	4 364	0%
Other collective, social and personal service activities	-	196	-	196	0%	92	0%
Central Government	216 747 165	116	-	216 747 281	26%	2 807 698	5%
Agriculture, livestock, game and forestry	74 142 892	921 204	499 131	75 563 227	9%	25 231 347	46%
Accommodation and catering	1 746 471	17 146	100 000	1 863 617	0%	49 341	0%
Financial activities	1 145 827	-	19 797 139	20 942 966	2%	7 891	0%
Wholesale and retail trade	63 577 826	371 273	25 389 970	89 339 069	11%	1 318 161	2%
Construction	89 207 619	628 778	34 153 719	123 990 116	15%	5 319 996	10%
Education	1 361 406	360 753	5 080	1 727 239	0%	222 950	0%
Extractive industries	50 691 211	-	166 285	50 857 496	6%	1 124 309	2%
Manufacturing industries	42 515 205	803 432	24 931 868	68 250 505	8%	6 444 838	12%
Other service companies	7 763 941	4 636 711	13 219 401	25 620 053	3%	4 929 913	9%
Production and distribution of energy, gas and water	-	293	1 009 001	1 009 294	0%	3 159	0%
Health and social services	980 008	88 752	221 596	1 290 356	0%	198 511	0%
Transport, storage and communication	6 193 842	6 779	26 043 960	32 244 581	4%	177 611	0%
	556 311 259	**7 835 734**	**146 293 217**	**710 440 210**		**47 840 181**	
Retail							
Consumer	86 308 045	3 350 901	-	89 658 946	11%	3 454 763	6%
Mortgages	22 706 889	543 905	-	23 250 794	3%	2 943 272	5%
Other purposes	5 565 293	1 236 999	7 757 537	14 559 829	2%	965 106	2%
	114 580 227	**5 131 805**	**7 757 537**	**127 469 569**		**7 363 141**	
Total	**670 891 486**	**12 967 539**	**154 050 754**	**837 909 779**		**55 203 322**	

Amounts expressed in thousands of Kwanzas

	31/12/2023						
	Loans and advances to customers					Imparidade	
	Falling due	Overdue	Loans and advances to customers - off-balance sheet	Total exposure	Relative weight	Value	Total impairment / exposure
Corporate							
Real Estate, rental and services rendered by Companies	553 699	174	918 320	1 472 193	0%	10 056	0%
Other collective, social and personal service activities	999 776	17 182	551 080	1 568 038	0%	54 477	0%
Central Government	198 988 981	60	-	198 989 041	26%	2 424 675	5%
Agriculture, livestock, game and forestry	69 938 541	617 370	4 733 279	75 289 190	10%	22 843 254	45%
Accommodation and catering	2 274 933	13 482	100 000	2 388 415	0%	42 946	0%
Financial activities	10 227	-	3 014 955	3 025 182	0%	405	0%
Wholesale and retail trade	65 452 792	349 449	21 091 809	86 894 050	11%	1 095 435	2%
Construction	71 009 413	627 471	10 277 093	81 913 977	11%	4 011 386	8%
Education	1 037 582	355 718	7 000	1 400 300	0%	212 891	0%
Extractive industries	8 880 111	61	21 000	8 901 172	1%	189 492	0%
Manufacturing industries	15 404 608	253 647	12 930 343	28 588 598	4%	5 023 702	10%
Other service companies	45 478 036	5 138 586	62 552 789	113 169 411	15%	7 768 935	15%
Production and distribution of energy, gas and water	348 728	81 214	31 000	460 942	0%	46 655	0%
Health and social services	233 302	60 969	320 000	614 271	0%	111 802	0%
Transport, storage and communication	476 418	10 403	29 876 054	30 362 875	4%	44 929	0%
	481 087 147	**7 525 786**	**146 424 722**	**635 037 655**		**43 881 040**	
Retail							
Consumer	82 523 777	3 085 764	-	85 609 541	11%	3 078 256	6%
Mortgages	22 119 018	591 888	-	22 710 906	3%	3 103 917	6%
Other purposes	2 703 174	734 301	9 795 549	13 233 024	2%	684 654	1%
	107 345 969	**4 411 953**	**9 795 549**	**121 553 471**		**6 866 827**	
Total	**588 433 116**	**11 937 739**	**156 220 271**	**756 591 126**		**50 747 867**	

As at 30 June 2024 and 31 December 2023, the exposure to credit risk by class of financial assets, rating level and stage, presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Cash and deposits at central banks:				
B+ to B-	606 494 189	-	-	606 494 189
N/ D	29 975 649	-	-	29 975 649
	636 469 838	-	-	636 469 838
Loans and advances to credit institutions:				
AAA to AA-	4 435 383	-	-	4 435 383
A+ to A-	6 333 510	-	-	6 333 510
BBB+ to BBB-	18 854 476	-	-	18 854 476
BB+ to BB-	7 226 756	-	-	7 226 756
B+ to B-	107 522	-	-	107 522
N/ D	-	-	-	-
	36 957 647	-	-	36 957 647
Other loans and advances to central banks and credit institutions:				
AAA to AA-	73 001 826	-	-	73 001 826
A+ to A-	160 428 954	-	-	160 428 954
BBB+ to BBB-	465 820 596	-	-	465 820 596
BB+ to BB-	10 358 361	-	-	10 358 361
B+ to B-	460 328 364	-	-	460 328 364
	1 169 938 101	-	-	1 169 938 101
Investments at amortized cost:				
AAA to AA-	9 032 664	-	-	9 032 664
A+ to A-	8 453 850	-	-	8 453 850
B+ to B-	1 054 238 710	-	-	1 054 238 710
	1 071 725 224	-	-	1 071 725 224

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Loans and advances to customers - On-balance sheet:				
Grade A	269 762 877	508 755	-	270 271 632
Grade B	293 890 812	49 797 597	38 990 150	382 678 559
Grade C	875 214	905 546	245 609	2 026 369
Grade D	126 497	246 082	56 720	429 299
Grade E	69 987	77 966	370 541	518 494
Grade F	-	76 834	52 582	129 416
Grade G	1 579	5 322 794	22 480 883	27 805 256
	564 726 966	56 935 574	62 196 485	683 859 025
Loans and advances to customers - Off-balance sheet:				
Grade A	15 405 841	3 351	5 175	15 414 367
Grade B	136 851 354	1 647 016	61 595	138 559 965
Grade C	120	25 431	3 019	28 570
Grade D	50	10 795	5 354	16 199
Grade E	2	388	7 295	7 685
Grade F	-	-	2 550	2 550
Grade G	770	3 801	16 847	21 418
	152 258 137	1 690 782	101 835	154 050 754
Total gross book value	**3 632 075 913**	**58 626 356**	**62 298 320**	**3 753 000 589**
Accumulated impairment / Provision	21 660 705	6 575 156	40 143 560	68 379 421
Net book value	**3 610 415 208**	**52 051 200**	**22 154 760**	**3 684 621 168**

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Cash and deposits at central banks:				
B+ to B-	529 748 218	-	-	529 748 218
N/ D	26 898 577	-	-	26 898 577
	556 646 795	-	-	556 646 795
Loans and advances to credit institutions:				
AAA to AA-	5 102 103	-	-	5 102 103
A+ to A-	9 241 993	-	-	9 241 993
BBB+ to BBB-	19 618 488	-	-	19 618 488
BB+ to BB-	7 619 159	-	-	7 619 159
B+ to B-	53 703	-	-	53 703
N/ D	-	-	-	-
	41 635 446	-	-	41 635 446
Other loans and advances to central banks and credit institutions:				
AAA to AA-	70 900 041	-	-	70 900 041
A+ to A-	148 343 459	-	-	148 343 459
BBB+ to BBB-	466 669 374	-	-	466 669 374
BB+ to BB-	10 061 079	-	-	10 061 079
B+ to B-	205 903 681	-	-	205 903 681
	901 877 634	-	-	901 877 634
Investments at amortized cost:				
AAA to AA-	8 600 355	-	-	8 600 355
A+ to A-	8 231 473	-	-	8 231 473
B+ to B-	1 408 158 069	-	-	1 408 158 069
	1 424 989 897	-	-	1 424 989 897

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Stage 1 (12 months)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Loans and advances to customers - On-balance sheet:				
Grade A	262 382 073	-	-	262 382 073
Grade B	239 022 811	29 136 314	37 876 243	306 035 368
Grade C	2 369 772	481 583	115 692	2 967 047
Grade D	16 206	250 019	794 483	1 060 708
Grade E	10 572	110 700	1 775 891	1 897 163
Grade F	141	34 446	313 556	348 143
Grade G	7 092	5 360 401	20 312 860	25 680 353
	503 808 667	35 373 463	61 188 725	600 370 855
Loans and advances to customers - Off-balance sheet:				
Grade A	11 534 966	6 951	4 375	11 546 292
Grade B	144 021 456	477 588	66 258	144 565 302
Grade C	50	40 864	1 367	42 281
Grade D	-	14 969	958	15 927
Grade E	-	963	13 692	14 655
Grade F	109	-	4 296	4 405
Grade G	1 037	3 936	26 436	31 409
	155 557 618	545 271	117 382	156 220 271
Total gross book value	**3 584 516 057**	**35 918 734**	**61 306 107**	**3 681 740 898**
Accumulated impairment / Provision	20 063 686	6 711 374	37 400 882	64 175 942
Net book value	**3 564 452 371**	**29 207 360**	**23 905 225**	**3 617 564 956**

29.2 Liquidity risk

Liquidity risk corresponds to the risk of the Group presenting difficulties in obtaining the financial resources it needs to meet its financial commitments when they become due. Liquidity risk may consist, for example, in the inability to sell a financial instrument quickly for an amount representative of its fair value, because of its large size, in relation to the volume normally traded, or because of some discontinuity in the market.

Within the scope of the Group's internal policies with respect to exposure to liquidity risk, the respective follow-up and monitoring of the established principles and limits is ensured by the Risk Management Department.

As at 30 June 2024 and 31 December 2023, the total contractual cash flows are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	218 774 098	-	-	-	-	417 695 740	-	-	-	636 469 838
Loans and advances to credit institutions	36 957 647	-	-	-	-	-	-	-	-	36 957 647
Other loans and advances to central banks and credit institutions	-	659 806 439	174 368 868	71 919 998	262 842 796	-	-	-	-	1 169 938 101
Financial assets at fair value through profit or loss	-	584 413	101 748	473 128	3 463 221	12 530 999	18 824 988	3 950 384	7 546 049	47 474 930
Investments at amortized cost	-	22 442 369	69 628 232	106 877 220	131 339 903	267 794 698	306 367 580	167 275 222	-	1 071 725 224
Loans and advances to customers	-	14 585 698	32 290 947	12 405 503	16 637 890	125 912 185	181 108 921	287 950 342	12 967 539	683 859 025
Total Assets	**255 731 745**	**697 418 919**	**277 389 795**	**191 675 849**	**414 283 810**	**823 933 622**	**506 301 489**	**459 175 948**	**20 513 588**	**3 646 424 765**
Liabilities										
Deposits from central banks and other credit institutions	30 341 068	-	-	33 159 358	-	-				63 500 426
Deposits from customers and other loans	1 239 700 332	319 004 911	456 460 216	494 636 550	351 960 287	28 844 396	-	-	-	2 890 606 692
Financial liabilities at fair value through profit or loss	-	2 649 420	-	-	-	-	-	-	-	2 649 420
Total Liabilities	**1 270 041 400**	**321 654 331**	**456 460 216**	**527 795 908**	**351 960 287**	**28 844 396**	**-**	**-**	**-**	**2 956 756 538**
Liquidity Gap	**(1 014 309 655)**	**375 764 588**	**(179 070 421)**	**(336 120 059)**	**62 323 523**	**795 089 226**	**506 301 489**	**459 175 948**	**20 513 588**	**689 668 227**
Accumulated Liquidity Gap	**(1 014 309 655)**	**(638 545 067)**	**(817 615 488)**	**(1 153 735 547)**	**1 091 412 024**	**(296 322 798)**	**209 978 691**	**669 154 639**	**689 668 227**	**1 379 336 454**

Amounts expressed in thousands of Kwanzas

	31/12/2023									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	158 293 271	-	-	-	-	398 353 524	-	-	-	556 646 795
Loans and advances to credit institutions	41 635 446	-	-	-	-	-	-	-	-	41 635 446
Other loans and advances to central banks and credit institutions	-	323 289 697	245 373 367	181 829 870	151 384 700	-	-	-	-	901 877 634
Financial assets at fair value through profit or loss	-	-	1 975 388	187 573	1 105 664	17 241 720	20 316 371	264 884	7 477 239	48 568 839
Investments at amortized cost	-	129 544 149	294 340 746	27 998 217	151 943 416	359 257 519	276 733 123	185 172 727	-	1 424 989 897
Loans and advances to customers	-	32 363 690	2 574 911	57 578 003	13 986 643	83 758 395	132 056 173	266 115 301	11 937 739	600 370 855
Total Assets	**199 928 717**	**485 197 536**	**544 264 412**	**267 593 663**	**318 420 423**	**858 611 158**	**429 105 667**	**451 552 912**	**19 414 978**	**3 574 089 466**
Liabilities										
Deposits from central banks and other credit institutions	5 317 963			22 522 961						27 840 924
Deposits from customers and other loans	1 200 521 375	319 962 006	566 222 450	458 128 242	293 466 801	16 905 251	-	-	-	2 855 206 125
Financial liabilities at fair value through profit or loss	-	2 537 450	-	-	-	-	-	-	-	2 537 450
Total Liabilities	**1 205 839 338**	**322 499 456**	**566 222 450**	**480 651 203**	**293 466 801**	**16 905 251**	**-**	**-**	**-**	**2 885 584 499**
Liquidity Gap	**(1 005 910 621)**	**162 698 080**	**(21 958 038)**	**(213 057 540)**	**24 953 622**	**841 705 907**	**429 105 667**	**451 552 912**	**19 414 978**	**688 504 967**
Accumulated Liquidity Gap	**(1 005 910 621)**	**(843 212 541)**	**(865 170 579)**	**(1 078 228 119)**	**(1 053 274 497)**	**(211 568 590)**	**217 537 077**	**669 089 989**	**688 504 967**	**1 377 009 934**

As at 30 June 2024 and 31 December 2023, the contractual cash flows related to capital are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	218 774 098	-	-	-	-	417 695 740	-	-	-	636 469 838
Loans and advances to credit institutions	36 957 647	-	-	-	-	-	-	-	-	36 957 647
Other loans and advances to central banks and credit institutions	-	656 698 282	174 637 324	66 827 885	249 811 657	-	-	-	-	1 147 975 148
Financial assets at fair value through profit or loss	-	544 411	99 059	472 552	3 375 426	11 889 272	18 120 260	3 689 266	7 546 049	45 736 295
Investments at amortized cost		22 426 680	68 063 625	106 481 541	129 060 968	259 405 269	290 949 364	162 759 285	-	1 039 146 732
Loans and advances to customers	-	14 507 354	32 155 565	12 240 718	16 543 174	124 460 892	179 487 239	278 411 563	12 761 344	670 567 849
Total Assets	**255 731 745**	**694 176 727**	**274 955 573**	**186 022 696**	**398 791 225**	**813 451 173**	**488 556 863**	**444 860 114**	**20 307 393**	**3 576 853 509**
Liabilities										
Deposits from central banks and other credit institutions	30 341 068	-		32 675 933	-	-	-	-	-	63 017 001
Deposits from customers and other loans	1 239 700 332	315 182 545	451 072 418	491 037 661	349 081 568	27 982 022	-	-	-	2 874 056 546
Financial liabilities at fair value through profit or loss	-	2 649 420	-	-	-	-	-	-	-	2 649 420
Total Liabilities	**1 270 041 400**	**317 831 965**	**451 072 418**	**523 713 594**	**349 081 568**	**27 982 022**	**-**	**-**	**-**	**2 939 722 967**
Liquidity Gap	**(1 014 309 655)**	**376 344 762**	**(176 116 845)**	**(337 690 898)**	**49 709 657**	**785 469 151**	**488 556 863**	**444 860 114**	**20 307 393**	**637 130 542**
Accumulated Liquidity Gap	**(1 014 309 655)**	**(637 964 893)**	**(814 081 738)**	**(1 151 772 636)**	**(1 102 062 979)**	**(316 593 828)**	**171 963 035**	**616 823 149**	**637 130 542**	**1 274 261 084**

Amounts expressed in thousands of Kwanzas

	31/12/2023									
	Residual contract terms									
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets										
Cash and deposits at central banks	158 293 271	-	-	-	-	398 353 524	-	-	-	556 646 795
Loans and advances to credit institutions	41 635 446	-	-	-	-	-	-	-	-	41 635 446
Other loans and advances to central banks and credit institutions	-	322 719 916	244 557 394	179 455 475	144 545 192	-	-	-	-	891 277 977
Financial assets at fair value through profit or loss	-	-	1 883 985	181 767	1 086 513	16 443 309	19 087 958	216 245	7 477 239	46 377 016
Investments at amortized cost	-	51 717 735	42 917 148	27 831 267	150 039 627	348 551 823	262 288 111	179 741 988	-	1 063 087 699
Loans and advances to customers	-	109 278 832	252 043 758	57 140 021	13 877 870	83 163 591	130 386 060	256 270 094	11 834 318	913 994 544
Total Assets	**199 928 717**	**483 716 483**	**541 402 285**	**264 608 530**	**309 549 202**	**846 512 247**	**411 762 129**	**436 228 327**	**19 311 557**	**3 513 019 477**
Liabilities										
Deposits from central banks and other credit institutions	5 317 963	-	-	22 442 173	-	-	-	-	-	27 760 136
Deposits from customers and other loans	1 200 515 381	317 036 161	559 724 535	452 986 761	291 248 837	16 272 925	-	-	-	2 837 784 600
Financial liabilities at fair value through profit or loss	-	2 537 450	-	-	-	-	-	-	-	2 537 450
Total Liabilities	**1 205 833 344**	**319 573 611**	**559 724 535**	**475 428 934**	**291 248 837**	**16 272 925**	**-**	**-**	**-**	**2 868 082 186**
Liquidity Gap	**(1 005 904 627)**	**164 142 872**	**(18 322 250)**	**(210 820 404)**	**18 300 365**	**830 239 322**	**411 762 129**	**436 228 327**	**19 311 557**	**644 937 291**
Accumulated Liquidity Gap	**(1 005 904 627)**	**(841 761 755)**	**(860 084 005)**	**(1 070 904 409)**	**(1 052 604 044)**	**(222 364 722)**	**189 397 407**	**625 625 734**	**644 937 291**	**1 289 874 582**

29.3 Market risk

Market risk corresponds to the possible fluctuation of the fair value or future cash flows associated with a financial instrument, due to changes in market prices. Market risk encompasses interest rate risk and exchange rate risk.

Interest rate risk

The interest rate risk corresponds to the risk arising from adverse movements in interest rates resulting in a mismatch in the amount, maturities or interest-fixing dates observed in financial instruments with interest receivable and payable.

As at 30 June 2024 and 31 December 2023, financial instruments by exposure to interest rate risk were as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2023				
	Exposure to		Not subject to interest risk	Derivatives	Total
	Fixed rate	Variable rate			
Assets	**3 567 215 133**	**2 189 331**	**6 599 084**	**-**	**3 576 950 512**
Cash and deposits at central banks	636 469 838	-	-	-	636 469 838
Loans and advances to credit institutions	36 957 647	-	-	-	36 957 647
Other loans and advances to central banks and credit institutions	1 147 983 167	-	-	-	1 147 983 167
Financial assets at fair value through profit or loss	38 277 481	-	6 599 084	946 964	45 823 529
Investments at amortized cost	1 039 148 482	-	-	-	1 039 148 482
Loans and advances to customers	668 378 518	2 189 331	-	-	670 567 849
Liabilities	**2 917 379 207**	**-**	**19 657 283**	**2 649 420**	**2 939 685 910**
Deposits from central banks and other credit institutions	43 359 718	-	19 657 283	-	63 017 001
Deposits from customers and other loans	2 874 019 489	-	-	-	2 874 019 489
Financial liabilities at fair value through profit or loss	-	-		2 649 420	2 649 420
Total	**6 484 594 340**	**2 189 331**	**26 256 367**	**3 596 385**	**6 516 636 423**

Amounts expressed in thousands of Kwanzas

	30/06/2023				
	Exposure to		Not subject to interest risk	Derivatives	Total
	Fixed rate	Variable rate			
Assets	**3 503 007 151**	**2 535 086**	**6 733 492**	**743 747**	**3 513 019 476**
Cash and deposits at central banks	556 646 795	-	-	-	556 646 795
Loans and advances to credit institutions	41 635 446	-	-	-	41 635 446
Other loans and advances to central banks and credit institutions	891 277 977	-	-	-	891 277 977
Financial assets at fair value through profit or loss	38 899 777	-	6 733 492	743 747	46 377 016
Investments at amortized cost	1 390 089 501	-	-	-	1 390 089 501
Loans and advances to customers	584 457 655	2 535 086	-	-	586 992 741
Liabilities	**2 862 242 501**	**-**	**3 302 235**	**2 537 450**	**2 868 082 186**
Deposits from central banks and other credit institutions	24 457 901	-	3 302 235	-	27 760 136
Deposits from customers and other loans	2 837 784 600	-	-	-	2 837 784 600
Financial liabilities at fair value through profit or loss	-	-		2 537 450	2 537 450
Total	**6 365 249 652**	**2 535 086**	**10 035 727**	**3 281 197**	**6 381 101 662**

As at 30 June 2024 and 31 December 2023, financial instruments with exposure to interest rate risk by maturity date or prefixing date are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024								
	Refixing dates/Maturity dates								
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets	**953 129 896**	**277 376 211**	**191 661 517**	**414 237 191**	**823 888 413**	**506 255 104**	**459 131 473**	**7 546 049**	**3 633 225 854**
Cash and deposits at central banks	218 774 098	-	-	-	417 695 740	-	-	-	636 469 838
Loans and advances to credit institutions	36 957 647	-	-	-	-	-	-	-	36 957 647
Other loans and advances to central banks and credit institutions	659 798 421	175 368 868	71 919 998	262 842 796	-	-	-	-	1 169 930 083
Financial assets at fair value through profit or loss	571 663	88 164	458 796	3 416 602	12 485 790	18 778 603	3 905 909	-	39 705 527
Investments at amortized cost	22 442 369	69 628 232	106 877 220	131 339 903	267 794 698	306 367 580	167 275 222	7 546 049	1 079 271 273
Loans and advances to customers	14 585 698	32 290 947	12 405 503	16 637 890	125 912 185	181 108 921	287 950 342	-	670 891 486
Liabilities	**1 589 198 787**	**456 260 216**	**494 608 000**	**351 960 287**	**28 844 396**	**-**	**-**	**-**	**2 921 071 686**
Deposits from central banks and other credit institutions	30 341 068	-	-	-	-	-	-	-	30 341 068
Deposits from customers and other loans	1 558 857 719	456 260 216	494 608 000	351 960 287	28 844 396	-	-	-	2 890 730 618

Amounts expressed in thousands of Kwanzas

	31/12/2023 Refixing dates/Maturity dates								
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Undetermined	Total
Assets	**684 935 776**	**248 967 834**	**148 079 357**	**219 755 391**	**594 880 336**	**287 774 062**	**336 683 135**	**17 955 071**	**2 539 030 962**
Cash and deposits at central banks	184 473 574	-	-	-	241 831 150	-	-	-	426 304 724
Loans and advances to credit institutions	24 125 503	-	-	-	-	-	-	-	24 125 503
Other loans and advances to central banks and credit institutions	426 636 810	191 754 001	73 547 143	27 805 125	-	-	-	-	719 743 079
Financial assets at fair value through profit or loss	-	527 897	491 885	59 486	52 989 645	28 748 220	14 333 117	3 418 465	100 568 715
Investments at amortized cost	34 666 144	48 155 427	55 816 917	152 575 960	214 669 418	130 928 264	165 768 853	-	802 580 983
Loans and advances to customers	15 033 745	8 530 509	18 223 412	39 314 820	85 390 123	128 097 578	156 581 165	14 536 606	465 707 958
Liabilities	**1 277 449 634**	**321 284 774**	**231 068 761**	**196 704 376**	**10 194 319**	**-**	**-**	**-**	**2 036 701 864**
Deposits from central banks and other credit institutions	10 686 251	-	-	-	-	-	-	-	10 686 251
Deposits from customers and other loans	1 266 763 383	321 284 774	231 068 761	196 704 376	10 194 319	-	-	-	2 026 015 613

As at 30 June 2024 and 31 December 2023, the average interest rates for the main financial assets and liabilities are as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			31/12/2023		
	Average balance of the period	Interest for the period	Average interest rate	Average balance of the period	Interest for the period	Average interest rate
Investments						
Financial assets at fair value through profit or loss	38 588 629	3 620 585	20%	70 156 310	8 479 192	12%
Loans and advances to customers	628 780 295	46 406 340	15%	529 204 895	76 332 556	14%
Investments at amortized cost	1 214 618 992	84 201 370	14%	1 004 439 585	177 256 751	18%
Other loans and advances to central banks and credit institutions	1 019 630 572	40 638 433	8%	808 823 027	51 752 748	6%
	2 901 618 488	**174 866 728**	**6%**	**2 412 623 817**	**313 821 247**	**13%**
Deposits						
Deposits from customers	2 855 902 045	36 448 646	3%	2 013 890 160	63 597 036	3%
Interbank deposits	33 908 810	855 349	5%	2 558 465	2 220 981	87%
Other deposits	5 448 307	958 172	38%	4 973 816	685 996	14%
	2 895 259 162	**38 262 167**	**3%**	**2 021 422 441**	**66 504 013**	**3%**
Net interest income		**136 604 561**			**247 317 234**	

As at 30 June 2024 and 31 December 2023, the sensitivity analysis of the results generated by financial instruments to changes in interest rates presents the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Change in interest rate					
	-150bps	-100bps	-50bps	50bps	100bps	150bps
Interest and similar income	141 880 836	156 388 928	170 897 020	(170 897 020)	(156 388 928)	(141 880 836)
Interest and similar expense	(46 661 068)	9 815 227	24 291 523	(24 291 523)	(9 815 227)	46 661 068
Total	**137 219 768**	**166 204 155**	**195 188 543**	**(195 188 543)**	**(166 204 155)**	**(137 219 768)**

Amounts expressed in thousands of Kwanzas

	31/12/2023					
	Change in interest rate					
	-150bps	-100bps	-50bps	50bps	100bps	150bps
Interest and similar income	(178 784 374)	(173 078 901)	(167 386 149)	167 386 149	173 078 901	178 784 374
Interest and similar expense	(48 492 915)	(43 490 125)	(38 499 547)	38 499 547	43 490 125	48 492 915
Total	**(227 277 289)**	**(216 569 026)**	**(205 885 696)**	**205 885 696**	**216 569 026**	**227 277 289**

Currency risk

Currency risk is the fluctuation of the fair value or future cash flows of a financial instrument due to changes in exchange rates.

The securities portfolio of the Bank is divided between securities denominated in national currency and in foreign currency, taking into consideration the overall structure of its balance sheet, in order to avoid incurring, in this manner, currency risk.

As at 30 June 2024 and 31 December 2023, financial instruments by currency are detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024					
	Kwanzas	United States Dollar	Euro	Indexed to the United States Dollar	Other currencies	Total
Assets						
Cash and deposits at central banks	180 821 197	276 085 990	178 972 620	-	590 031	636 469 838
Loans and advances to credit institutions	3 723	20 063 151	13 840 780	-	3 046 795	36 954 449
Other loans and advances to central banks and credit institutions	460 192 515	619 402 975	81 745 740	-	8 089 364	1 169 430 594
Financial assets at fair value through profit or loss	44 314 615	3 113 427	46 888	-	-	47 474 930
Investments at amortized cost	765 674 204	293 385 626	-	-	-	1 059 059 830
Loans and advances to customers	557 662 415	51 778 157	19 668 115	-	3	629 108 690
Total Assets	**2 008 668 669**	**1 263 829 326**	**294 274 143**	**0**	**11 726 193**	**3 578 498 331**
Deposits from central banks and other credit institutions	53 426 282	9 360 008	1 238 800	-	116 700	64 141 790
Deposits from customers and other loans	1 379 846 045	1 217 537 447	287 399 546	-	5 823 654	2 890 606 692
Financial liabilities at fair value through profit or loss	2 649 420	-	-	-	-	2 649 420
Total Liabilities	**1 435 921 747**	**1 226 897 455**	**288 638 346**	**0**	**5 940 354**	**2 957 397 902**
Net Assets/(Liabilities)	**572 746 922**	**36 931 871**	**5 635 797**	**0**	**5 785 839**	**621 100 429**

Amounts expressed in thousands of Kwanzas

	31/12/2024					
	Kwanzas	Dólar dos Estados Unidos da América	Euro	Indexados Dólar dos Estados Unidos da América	Outras moedas	Total
Assets						
Cash and deposits at central banks	174 592 294	202 399 538	179 099 199	-	555 764	556 646 795
Loans and advances to credit institutions	-	21 717 823	15 331 017	-	4 582 426	41 631 266
Other loans and advances to central banks and credit institutions	205 903 681	612 530 148	74 637 483	-	8 431 198	901 502 510
Financial assets at fair value through profit or loss	45 523 383	2 998 452	47 004	-	-	48 568 839
Investments at amortized cost	1 115 385 023	296 556 103	-	-	-	1 411 941 126
Loans and advances to customers	509 909 204	19 788 240	20 405 332	-	3	550 102 779
Total Assets	**2 051 313 585**	**1 155 990 304**	**289 520 035**	**0**	**13 569 391**	**3 510 393 315**
Deposits from central banks and other credit institutions	25 763 869	37 379	2 034 451	-	5 224	27 840 923
Deposits from customers and other loans	1 444 768 254	1 120 074 296	282 736 242	-	7 627 333	2 855 206 125
Financial liabilities at fair value through profit or loss	2 537 450	-	-	-	-	2 537 450
Total Liabilities	**1 473 069 573**	**1 120 111 675**	**284 770 693**	**0**	**7 632 557**	**2 885 584 498**
Net Assets/(Liabilities)	**578 244 012**	**35 878 629**	**4 749 342**	**0**	**5 936 834**	**624 808 817**

As at 30 June 2024 and 31 December 2023, the sensitivity analysis (considering Treasury Bonds indexed to the US dollar and currency forwards) of the asset value of financial instruments to changes in exchange rates, has the following detail:

Amounts expressed in thousands of Kwanzas

	30/06/2023					
	-20%	-10%	-5%	5%	10%	20%
United States Dollar	(7 386 374)	(3 693 187)	(1 846 594)	1 846 594	3 693 187	7 386 374
Euro	(1 127 159)	(563 580)	(281 790)	281 790	563 580	1 127 159
Other currencies	(1 157 168)	(578 584)	(289 292)	289 292	578 584	1 157 168
Total	**(9 670 701)**	**(4 835 351)**	**(2 417 675)**	**2 417 675**	**4 835 351**	**9 670 701**

Amounts expressed in thousands of Kwanzas

	30/06/2023					
	-20%	-10%	-5%	5%	10%	20%
United States Dollar	(7 175 726)	(3 587 863)	(1 793 931)	1 793 931	3 587 863	7 175 726
Euro	(949 868)	(474 934)	(237 467)	237 467	474 934	949 868
Other currencies	(1 187 367)	(593 683)	(296 842)	296 842	593 683	1 187 367
Total	**(9 312 961)**	**(4 656 480)**	**(2 328 240)**	**2 328 240**	**4 656 480**	**9 312 961**

29.4 Fair value of financial assets and liabilities

The Bank classified the financial instruments recorded in the balance sheet at fair value in accordance with the hierarchy established in IFRS 13.

Instruments listed in active markets (level 1)

This category includes financial instruments with available quoted prices in official markets and those in which there are entities that usually disclose prices of transactions for these instruments traded in liquid markets.

Priority in the prices used is given to those observed in official markets, in cases where there is more than one official market the option falls on the main market where these financial instruments are traded.

This category includes, among others, the following financial instruments: (i) derivatives traded on an organized market and (ii) listed shares.

Valuation methods with observable market parameters/prices (level 2)

This category includes financial instruments valued through internal models, namely discounted cash flow models, which require judgments that vary according to the complexity of the products being valued and use assumptions similar to those that an unrelated party would use in estimating the fair value of the same financial instrument. The Bank uses as inputs in its models variables provided by the market, such as interest rate curves and credit spreads. It also includes instruments whose valuation is obtained through quotations disclosed by independent entities but whose markets have the lowest liquidity.

This category includes, among others, the following financial instruments: (i) unlisted bonds; and (ii) over-the-counter (OTC) derivatives.

Valuation methods with non-observable parameters in the market (level 3)

This level includes the valuations determined by the use of internal valuation models or quotations provided by third parties but where the parameters used are not observable in the market. The bases and assumptions used in the calculation of the fair value are in accordance with the principles of IFRS 13.

This category includes, among others, the following financial instruments: (i) debt securities valued using inputs that are not observable in the market; (ii) unquoted shares; (iii) over-the-counter (OTC) market derivatives with quotes provided by third parties.

As at 30 June 2024 and 31 December 2023, the book value of financial instruments is detailed as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Measured at fair value	Measured at amortized cost	Impairment	Net value
Assets				
Cash and deposits at central banks	-	636 469 838	-	636 469 838
Loans and advances to credit institutions	-	36 957 647	(3 198)	36 954 449
Other loans and advances to central banks and credit institutions	-	1 169 938 101	(507 507)	1 169 430 594
Financial assets at fair value through profit or loss	47 474 930	-	-	47 474 930
Investments at amortized cost	-	1 071 725 224	(12 665 394)	1 059 059 830
Loans and advances to customers	-	683 859 025	(54 750 335)	629 108 690
	47 474 930	**3 598 949 835**	**(67 926 434)**	**3 578 498 331**
Liabilities				
Deposits from central banks and other institutions	-	64 141 790	-	64 141 790
Deposits from customers and other loans	-	2 890 606 692	-	2 890 606 692
Financial liabilities at fair value through profit or loss	2 649 420	-	-	2 649 420
	2 649 420	**2 954 748 482**	**-**	**2 957 397 902**

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Measured at fair value	Measured at amortized cost	Impairment	Net value
Assets				
Cash and deposits at central banks	-	556 646 795	-	556 646 795
Loans and advances to credit institutions	-	41 635 446	(4 180)	41 631 266
Other loans and advances to central banks and credit institutions	-	901 877 634	(375 124)	901 502 510
Financial assets at fair value through profit or loss	48 568 839	-	-	48 568 839
Investments at amortized cost	-	1 424 989 897	(13 048 771)	1 411 941 126
Loans and advances to customers	-	600 370 855	(50 268 076)	550 102 779
	48 568 839	**3 525 520 627**	**(63 696 151)**	**3 510 393 315**
Liabilities				
Deposits from central banks and other institutions	-	27 840 923	-	27 840 923
Deposits from customers and other loans	-	2 855 206 125	-	2 855 206 125
Financial liabilities at fair value through profit or loss	2 537 450	-	-	2 537 450
	2 537 450	**2 883 047 048**	**-**	**2 885 584 498**

As at 30 June 2024 and 31 December 2023, the fair value of the Bank's financial instruments is presented as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
	Book value (net)	Fair value of financial instruments		Total	Difference
		Recorded in the balance sheet at fair value	Recorded in the balance sheet at amortized cost		
Assets					
Cash and deposits at central banks	636 469 838	-	636 469 838	636 469 838	-
Loans and advances to credit institutions	36 954 449	-	36 954 449	36 954 449	-
Other loans and advances to central banks and credit institutions	1 169 430 594	-	1 169 430 594	1 169 430 594	-
Financial assets at fair value through profit or loss	47 474 930	47 474 930	-	47 474 930	-
Investments at amortized cost	1 059 059 830	-	1 087 113 470	1 087 113 470	28 053 640
Loans and advances to customers	629 108 690	-	631 198 937	631 198 937	2 090 247
	3 578 498 331	**47 474 930**	**3 561 167 288**	**3 608 642 218**	**30 143 887**
Liabilities					
Deposits from central banks and other institutions	64 141 790	-	64 141 790	64 141 790	-
Deposits from customers and other loans	2 890 606 692	-	2 890 606 692	2 890 606 692	-
Financial liabilities at fair value through profit or loss	2 649 420	2 649 420	-	2 649 420	-
	2 957 397 902	**2 649 420**	**2 954 748 482**	**2 957 397 902**	**-**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
	Book value (net)	Fair value of financial instruments		Total	Difference
		Recorded in the balance sheet at fair value	Recorded in the balance sheet at amortized cost		
Assets					
Cash and deposits at central banks	556 646 795	-	556 646 795	556 646 795	-
Loans and advances to credit institutions	41 631 266	-	41 631 266	41 631 266	-
Other loans and advances to central banks and credit institutions	901 502 510	-	901 502 510	901 502 510	-
Financial assets at fair value through profit or loss	48 568 839	48 568 839	-	48 568 839	-
Investments at amortized cost	1 411 941 126	-	1 477 651 434	1 477 651 434	65 710 308
Loans and advances to customers	550 102 779	-	547 098 501	547 098 501	(3 004 278)
	3 510 393 315	**48 568 839**	**3 524 530 506**	**3 573 099 345**	**62 706 030**
Liabilities					
Deposits from central banks and other institutions	27 840 923	-	27 840 923	27 840 923	-
Deposits from customers and other loans	2 855 206 125	-	2 855 206 125	2 855 206 125	-
Financial liabilities at fair value through profit or loss	2 537 450	2 537 450	-	2 537 450	-
	2 885 584 498	**2 537 450**	**2 883 047 048**	**2 885 584 498**	**-**

The fair value of financial instruments should be estimated, whenever possible, using quotations on an active market. A market is considered active, and therefore liquid, when it is accessed by equally knowledgeable counterparties and where transactions are carried out on a regular basis. Almost all the financial instruments of the Bank are not listed on active markets.

In view of the absence of quotations on active markets, the valuation of financial instruments is performed in the following terms:

a) Financial instruments recorded in the balance sheet at fair value:

Treasury Bonds in national currency that are non-readjustable and Treasury Bonds in national currency indexed to the US dollar exchange rate issued by the Angolan State and held by the Bank for trading in the secondary market with other banks are revalued based on a discounted cash-flows model. The discount curve used can be observed directly on BODIVA's daily report, which the Bank considers to be an active market.

Currency forwards are revalued using a discounted cash-flows model. The amounts in foreign currency are updated with an interest rate curve directly observed from Bloomberg and the amounts in national currency are updated with a curve built with interbank money market yields and reference rates (Luibor) observed on the BNA website.

Since they are not listed on a stock exchange and provided that there is observable market data, the equity instruments, with the exception of Visa Incl, are valued by the equity method and the Participation Units by the quotation made available by the fund management company.

b) Financial instruments recorded in the balance sheet at amortized cost:

For financial instruments recorded in the balance sheet at amortized cost, the Bank calculates their fair value using valuation techniques based on the conditions applicable to similar transactions on the reference date of the financial statements, namely the value of the respective discounted cash flows based on the interest rates considered most appropriate, *i.e.*:

- Non-adjustable Treasury Bills and Treasury Bonds in national currency issued by the Angolan State are valued, for disclosure purposes, based on a discounted cash-flows model.

- Treasury Bonds in dollars issued by the Angolan State are valued, for disclosure purposes, based on a discounted cash-flows model. As there are not yet any significant transactions of this instrument in BODIVA, the discount curve is built based on the yields of the last issues of these bonds.

- For loans and advances to customers, the average interest rates charged by the Bank in the six-month period ended 30 June 2024 and in the period ended 31 December 2023, respectively, were used for operations with similar characteristics and net of accumulated impairment losses; and

- Regarding Cash and deposits at central banks, Loans and advances to other credit institutions repayable on demand, Other loans and advances to central banks and credit institutions, Deposits from central banks and Deposits from other credit institutions and Deposits from customers and other loans, as they are essentially short-term investments, the balance sheet value was considered a reasonable approximation of their fair value.

It should be noted that the fair value presented does not correspond to the realization value of these financial instruments in a sale or liquidation scenario and was not calculated for that purpose.

As at 30 June 2024 and 31 December 2023, the fair value of financial instruments recorded in the balance sheet at fair value presents the following detail by valuation methodology:

Amounts expressed in thousands of Kwanzas

	30/06/2024			
	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Assets				
Financial assets at fair value through profit or loss	3 113 427	40 875 845	3 485 658	47 474 930
Debt securities issued by the State				
Non-adjustable Treasury Bonds in national currency	-	39 928 881	-	39 928 881
Equity instruments				
VISA	3 113 427	-	-	3 113 427
Other equity instruments	-	-	3 325 113	3 325 113
Participation units	-	-	160 545	160 545
Derivatives	-	946 964	-	946 964
Liabilities				
Financial liabilities at fair value through profit or loss	-	2 649 420	-	2 649 420
Derivatives	-	2 649 420	-	2 649 420

Amounts expressed in thousands of Kwanzas

	31/12/2023			
	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total
Assets				
Financial assets at fair value through profit or loss	2 998 452	41 835 347	3 735 040	48 568 839
Debt securities issued by the State				
Non-adjustable Treasury Bonds in national currency	-	41 091 600	-	41 091 600
Equity instruments				
VISA	2 998 452	-	-	2 998 452
Other equity instruments	-	-	3 325 229	3 325 229
Participation units	-	-	409 811	409 811
Derivatives	-	743 747	-	743 747
Liabilities				
Financial liabilities at fair value through profit or loss	-	2 537 450	-	2 537 450
Derivatives	-	2 537 450	-	2 537 450

During the six-month period ended 30 June 2024 and the period ended 31 December 2023, the movement in financial instruments valued at level 3 was as follows:

Amounts expressed in thousands of Kwanzas

	30/06/2024	
	Equity instruments Other equity instruments	Participation units
Balance as at 1 January 2024	3 325 229	409 811
Acquisition	-	115 632
Exits by maturity	-	(303 498)
Exits by disposal	-	(71 247)
Transfers by entries	-	-
Transfers by exits	-	-
Other movements and exchange rate differences	(116)	9 847
Balance as at 30 June 2024	3 325 113	160 545

Amounts expressed in thousands of Kwanzas

	31/12/2023	
	Equity instruments Other equity instruments	Participation units
Balance as at 1 January 2023	1 398 588	193 687
Acquisition	-	989 130
Exits by maturity	-	(192 294)
Exits by disposal	-	(641 921)
Transfers by entries	-	-
Transfers by exits	-	-
Other movements and exchange rate differences	1 926 641	61 209
Balance as at 31 December 2023	3 325 229	409 811

Fair value of financial instruments recorded at amortized cost

The fair value hierarchy of the financial instruments recorded in the balance sheet at amortized cost is analyzed as follows. These were estimated based on the main methodologies and assumptions described below:

Amounts expressed in thousands of Kwanzas

	30/06/2024				
		Fair Value			
	Book value	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total fair value
Assets					
Cash and deposits at central banks	636 469 838	-	636 469 838	-	636 469 838
Loans and advances to credit institutions	36 954 449	-	36 954 449	-	36 954 449
Other loans and advances to central banks and credit institutions	1 169 430 594	-	1 169 430 594	-	1 169 430 594
Investments at amortized cost	1 059 059 830	102 991 148	984 122 322		1 087 113 470
Loans and advances to customers	629 108 690	-	-	631 198 937	631 198 937
	3 531 023 401	**102 991 148**	**2 826 977 203**	**631 198 937**	**3 561 167 288**
Liabilities					
Deposits from central banks and other credit institutions	64 141 790	-	64 141 790	-	64 141 790
Deposits from customers and other loans	2 890 606 692	-	2 890 606 692	-	2 890 606 692
	2 954 748 482	**-**	**2 954 748 482**	**-**	**2 954 748 482**

Amounts expressed in thousands of Kwanzas

	31/12/2023				
		Fair Value			
	Book value	Level 1 Prices on the active market	Level 2 Observable market inputs	Level 3 Other valuation techniques	Total fair value
Assets					
Cash and deposits at central banks	556 646 795	-	556 646 795	-	556 646 795
Loans and advances to credit institutions	41 631 266	-	41 631 266	-	41 631 266
Other loans and advances to central banks and credit institutions	901 502 510	-	901 502 510	-	901 502 510
Investments at amortized cost	1 411 941 126	104 836 290	1 372 815 144		1 477 651 434
Loans and advances to customers	550 102 779	-	-	547 098 501	547 098 501
	3 461 824 476	**104 836 290**	**2 872 595 715**	**547 098 501**	**3 524 530 506**
Liabilities					
Deposits from central banks and other credit institutions	27 840 923	-	27 840 923	-	27 840 923
Deposits from customers and other loans	2 855 206 125	-	2 855 206 125	-	2 855 206 125
	2 883 047 048	**-**	**2 883 047 048**	**-**	**2 883 047 048**

Cash and deposits at central banks and other demand deposits, Other loans and advances to credit institutions and Deposits from central banks
These assets and liabilities are very short-term, and therefore the balance sheet value is a reasonable estimate of their fair value.

Securities at amortized cost
The fair value of securities recorded at amortized cost is estimated in accordance with the methodologies followed for valuing securities that are recorded at fair value, as described at the beginning of this Note.

Loans and advances to customers
The fair value of loans and advances to customers is estimated based on the discounted expected cash flows of principal and interest, considering that the installments are paid on the contractually agreed dates. Discount rates used are the current rates for loans with similar characteristics. For stage 2 loans via the individual analysis model, the fair value considered is the balance sheet value.

For stage 3 loans, for which recovery is via foreclosure of the collateral, the Balance Sheet value was considered.

Deposits from customers
The fair value of deposits from customers and other loans is short-term, and therefore the balance sheet value is a reasonable estimate of fair value.

29.5 Capital management

As at 30 June 2024 and 31 December 2023, the Bank's capital and the regulatory capital ratio (solvency) are determined in accordance with the applicable regulatory standards, namely with Notice No. 8/2021.

Angolan credit institutions should hold a level of capital compatible with the nature and scale of operations, duly weighted by the risks inherent to the operations, with a minimum regulatory capital ratio of 8%, a minimum Tier 1 (T1) capital ratio of 6% and a minimum Common Equity Tier 1 (CET1) capital ratio of 4.5%.

Regulatory capital ratio comprises:

1. Tier 1 capital – comprises: i) Paid-up share capital; ii) Positive retained earnings from previous periods; iii) Legal, statutory and other reserves arising from non-distributed profits, or set up to increase capital; iv) Net profit of the previous period; v) Provisional net profit of the current period; vi) Equity instruments; and, vii) Share premium.

2. The negative elements of Tier 1 capital – comprise: (i) Own shares in the portfolio, at book value in the balance sheet; (ii) Losses carried forward from previous periods; (iii) Net loss of the previous period; (iv) Provisional net loss of the current period; (v) Intangible assets net of amortization, including goodwill included in the valuation of significant investments of the institution; vi) Expenses with deferred costs related to pension liabilities; vii) Deferred tax assets depending on future profitability; viii) Adjustments on impairment losses on financial instruments in relation to that determined by the Banco Nacional de Angola in the prudential supervision; ix) Positive revaluation differences arising from the application of the equity method; x) Actuarial losses not recognized in profit and loss; xi) The amount of the items that need to be deducted from additional Tier 1 capital items that exceed the Institution's additional Tier 1 capital items; xii) The exposure value of incomplete transactions; (xiii) The applicable amount of Common Equity Tier 1 instruments of credit institutions held directly, indirectly and synthetically with which the Institution has cross-holdings that the Banco Nacional de Angola considers to have been set up to artificially inflate the Institution's capital; (xiv) The applicable amount of Common Equity Tier 1 instruments of credit institutions held by the Institution directly, indirectly and synthetically where the Institution does not have a significant investment in such entities; (xv) The applicable amount of Common Equity Tier 1 instruments of credit institutions held by the Institution directly, indirectly and synthetically

where the Institution has a significant investment in such entities, excluding underwriting positions held for a period of five (5) business days or less (xvi) Any tax on Common Equity Tier 1 items that is foreseeable at the time it is calculated, except where the Institution appropriately adjusts the amount of Common Equity Tier 1 items to the extent that such tax reduces the amount by which those items may be used to hedge risks or losses.

3. Additional Tier 1 capital – comprises (i) Preference shares; ii) Hybrid and/or convertible instruments; iii) Other instruments whose issue conditions have been previously approved by the Banco Nacional de Angola; and iv) Share premium relating to the items included in the previous sub-paragraphs.

4. The negative elements of additional Tier 1 capital – comprise: i) Additional Tier 1 instruments held directly, indirectly and synthetically, including additional Tier 1 instruments that the Institution may be required to acquire as a result of existing contractual obligations; ii) Additional Tier 1 instruments of credit institutions held directly, indirectly and synthetically, with which the Institution has cross-holdings that the Banco Nacional de Angola considers to have been set up to artificially inflate the Institution's capital; iii) The applicable amount of additional Tier 1 instruments of credit institutions held directly, indirectly and synthetically, where the Institution does not have a significant investment in those credit institutions; (iv) The applicable amount of additional Tier 1 capital instruments of credit institutions held directly, indirectly and synthetically by the Institution, where the institution has a significant investment in such credit institutions, excluding underwriting positions held for a period of five (5) business days or less; (v) The amount of items required to be deducted from Tier 2 capital items in excess of the Institution's Tier 2 capital items; and, (vi) Any tax on additional Tier 1 capital items that is foreseeable at the time it is calculated, except where the Institution appropriately adjusts the amount of additional Tier 1 capital items to the extent that such tax reduces the amount by which those items may be used to hedge risks or losses.

5. Tier 2 capital – comprises: i) Redeemable preference shares; ii) Reserves from the revaluation of real estate for own use; iii) Subordinated debt, in the form of loans or bonds issued, whose issue conditions were previously approved by the Banco Nacional de Angola; iv) Other instruments whose issue conditions were previously approved by the Banco Nacional de Angola; and, v) Share premium relating to the items included in the previous points.

6. The negative elements of Tier 2 capital – comprise: i) Common Equity Tier 2 instruments held directly, indirectly and synthetically, including Tier 2 instruments that the Institution may be required to acquire as a result of existing contractual obligations; ii) Tier 2 instruments of directly, indirectly and synthetically held credit institutions with which the Institution has cross-holdings that the Banco Nacional de Angola considers to have been set up to artificially inflate the Institution's capital; (iii) The applicable amount of Tier 2 instruments of credit institutions held directly, indirectly and synthetically, where the Institution does not have a significant investment in such credit institutions; and, (iv) Tier 2 instruments of credit institutions held directly, indirectly and synthetically by the Institution, where the Institution has a significant investment in such entities, excluding underwriting positions held for a period of five (5) business days or less.

Net profit for the previous period and for the current period referred to in the previous paragraphs can only be considered whenever they are certified by the expert accountant who is a member of the supervisory body or single auditor and by the external auditor.

The table below shows the capital and the solvency ratio of the Bank as at 30 June 2024 and 31 December 2023:

Amounts expressed in thousands of Kwanzas

	30/06/2024	31/12/2023
Regulatory capital ratio		
Tier I capital	517 005 711	470 142 948
Tier II capital	-	-
Total	**517 005 711**	**470 142 948**
Regulatory Capital Requirements		
Credit risk requirements	54 886 286	47 048 554
Market risk requirements	1 807 967	1 884 471
Operational risk requirements	39 614 075	39 614 075
Excesses of prudential limits for large exposures	188	188
Total	96 308 516	88 547 288
Regulatory Solvency Ratio	**42.95%**	**42.48%**

The Bank does not calculate the regulatory capital ratio on a consolidated basis. However, considering (i) that the consolidated entities are neither credit institutions nor financial companies; (ii) that the regulatory capital ratio on an individual basis amounts to 42.95%; and (iii) that the institution with the greatest weight of assets in the Group is BFA itself, we can conclude that the BFA Group's regulatory capital is sufficient.

30. RECENTLY ISSUED ACCOUNTING STANDARDS AND INTERPRETATIONS

Clarification of the requirements for classifying liabilities as current or non-current (amendments to IAS 1 – Presentation of Financial Statements)

On January 23, 2020, the IASB issued an amendment to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as current and non-current.

The amendments clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments:

a. specify that an entity's right to defer settlement must exist at the end of the reporting period;
b. clarify that the ratios that the company must meet after the balance sheet date (i.e., future ratios) do not affect the classification of a liability on the balance sheet date. However, where non-current liabilities are subject to future ratios, companies must disclose information that enables users to understand the risk that these liabilities may be repaid within 12 months after the balance sheet date; and
c. clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments (e.g., convertible debt).

This amendment is effective for periods after January 1, 2024.

The Group has no impact resulting from the adoption of this standard.

Lease liability in a sale and leaseback transaction (amendments to IFRS 16 – Leases)

The IASB issued amendments to IFRS 16 – Leases in September 2022 that introduce a new accounting model for variable payments in a sale and leaseback transaction.

These amendments confirm that:

- On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.
- After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains.

A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.

Under IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16. This means that it will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments.

The Group has no impact resulting from the adoption of this standard.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

On 25 May, 2023, the International Accounting Standards Board (IASB) published Supplier Finance Arrangements with amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments Disclosures.

The amendments address disclosure requirements for supplier finance arrangements – also known as supply chain finance, trade payables finance or reverse factoring arrangements.

The new requirements complement those already included in IFRS standards and include disclosures on:

- Terms and conditions of supplier finance arrangements;
- The amounts of liabilities covered by such agreements, the extent to which suppliers have already received payments from the finance providers and under which caption those liabilities are presented in the balance sheet;
- The ranges of payment due dates; and
- Information on liquidity risk.

The Group has no impact resulting from the adoption of this standard.

Standards, amendments and interpretations issued but not yet effective for the Group:

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

On 15 August, 2023, the International Accounting Standards Board (the IASB or Board) issued Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates) (the amendments).

The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when
exchangeability is lacking.

An entity assesses whether a currency is exchangeable into another currency at a
measurement date and for a specified purpose. When a currency is not exchangeable, the entity has to estimate a spot exchange rate.

According to the amendments, entities will have to provide new disclosures to help users assess the impact of using an estimated exchange rate on financial statements. These disclosures may include:

- the nature and financial effects of the currency not being exchangeable into the other currency;
- the spot exchange rate(s) used
- the estimation process; and
- the risks to which the entity is exposed because of the currency not being exchangeable into the other currency.

The amendments apply for annual reporting periods beginning on or after 1 January, 2025. Early adoption is permitted.

The Group has not early applied the standard.

Amendments to the Classification and Measurement of Financial Instruments

On 30 May, 2024, the International Accounting Standards Board (the IASB or the Board) issued amendments to the classification and measurement requirements of IFRS 9 – Financial Instruments. The changes aim to resolve the diversity in the application of the standard, making the requirements more understandable and consistent.

The amendments:

- Clarificar a classificação de activos financeiros com características ambientais, sociais e de governo corporativo (ESG) e similares, uma vez que estas características em empréstimos podem afetar se os empréstimos são mensurados ao custo amortizado ou ao justo valor. Para resolver qualquer potencial diversidade na aplicação prática, as alterações esclarecem como os fluxos de caixa contratuais dos empréstimos devem ser avaliados.
- Clarify the classification of financial assets with environmental, social and governance (ESG)-linked features and other similar features, since these features in loans can affect whether loans are measured at amortized cost or fair value. In order to resolve any potential diversity in practice, the amendments clarify how to assess the contractual cash flows of loans.
- Clarify the date on which a financial asset or financial liability is derecognized when it is settled through electronic payment systems. There is an accounting policy option that allows the derecognition of a financial liability before delivering the cash on the settlement date, if certain criteria are met.
- Improve the description of the term “non-recourse”. According to the amendments, a financial asset has non-recourse features if the ultimate contractual right to receive cash flows from an entity is limited to the cash flows generated by specified assets. The presence of non-recourse features does not necessarily exclude the financial asset from complying with the SPPI (solely payment of principal and interest) requirement, but the features need to be carefully analyzed.
- Clarify the treatment of contractually linked instruments (CLI). CLI must feature a waterfall payment structure that creates concentration of credit risk by allocating losses disproportionately between different tranches. The underlying pool can include financial instruments not in the scope of IFRS 9 classification and measurement (e.g., lease receivables), but must have cash flows that are equivalent to SPPI criterion.

The IASB has also introduced additional disclosure requirements relating to equity instruments classified at fair value through other comprehensive income (FVOCI) and financial instruments with contingent features, for example features linked to ESG targets.

This amendment is effective for periods after 1 January, 2026. Early adoption is permitted.

The Group has not early applied the standard.

IFRS 18 Presentation and Disclosure in Financial Statements

On 9 April, 2024, the International Accounting Standards Board (the IASB or Board) issued the new standard, IFRS 18 Presentation and Disclosure in Financial Statements.

The main amendments to this standard are:
- Providing a more structured income statement. Specifically, it introduces a new subtotal "operating profit or loss" and the requirement that all income and expenses be classified into three new separate categories based on an entity's main business activities: Operating, Investing and Financing.
- Requirement for entities to analyze their operating expenses directly on the face of the income statement – either by nature, by function or in combination.
- Requirement for some of the "non-GAAP" measures that the Entity/Group uses to be reported in the financial statements. IFRS 18 defines management-defined performance measure (MPM or non-GAAP Performance Measures) as a subtotal of income and expenses that an Entity uses:
  - in public communications outside financial statements; and
  - to communicate management's view of the financial performance.

  IFRS 18 requires entities to disclose information about all its MPMs in a single note to the financial statements. These include: how the measure is calculated; how it provides useful information; and a reconciliation to a value determined in accordance with IFRS.
- Introduction of improved guidelines on how entities group information in financial statements. It provides guidance on whether material information should be included in the primary financial statements or in the notes.

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively. Early adoption is permitted.

The Group has not early applied the standard.

IFRS 19 Presentation and Disclosure in Financial Statements

On 9 May, 2024, the International Accounting Standards Board (the IASB or Board) issued the new standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures, which allows eligible subsidiaries to use IFRS with reduced disclosures. The application of IFRS 19 will reduce the costs of preparing the financial statements of subsidiaries, while maintaining the usefulness of the information for the users of their financial statements.

A subsidiary may elect to apply the new standard in its consolidated, individual or separate financial statements, provided that, at the reporting date:
- it has no public accountability;
- its parent prepares consolidated financial statements which comply with IFRS.

A subsidiary that applies IFRS 19 is required to make an explicit and unreserved statement of compliance with IFRS that IFRS 19 has been adopted.

IFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively. Early adoption is permitted.

The Group has not early applied the standard.

31. SUBSEQUENT EVENTS

On 5 July, 2024, in accordance with a resolution of BFA's Board of Directors, the Bank made the initial allocation to the BFA Foundation, in an amount equivalent to 50%, which amounted to AOA 12,920,014 thousand.

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LIMITED REVIEW REPORT ON THE FINANCIAL STATEMENTS

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail)

To the Board of Directors of
Banco de Fomento Angola, S.A.

Introduction

We have performed a limited review on the accompanying condensed interim consolidated financial statements of **Banco de Fomento Angola, S.A.** ("Bank"), which comprise the condensed interim consolidated Balance Sheet as at June 30, 2024 (which shows a total of AOA 3,657,686,278 thousand and a total equity of AOA 576,194,651 thousand, including a net profit attributable to the Bank's shareholders of AOA 90,378,664 thousand), as well as the condensed interim consolidated Statement of Income and Other Comprehensive Income, the condensed interim consolidated Statement of Changes in Equity and the condensed interim consolidated Cash Flow Statement for the six-month period ended on that date, and the Notes to the condensed interim consolidated Financial Statements.

Responsibilities of the Management

The Management is responsible for the preparation and fair presentation of these condensed interim consolidated financial statements in accordance with IAS 34 – Interim Financial Reporting and for such internal control as the Board deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on these condensed interim consolidated financial statements. We conducted our review in accordance with ISRE 2410 –Review of Interim Financial Information Performed by the Independent Auditor of the Entity and the Technical Standards of the Angolan Institute of Accountants ("*Normas Técnicas da Ordem dos Contabilistas e Peritos Contabilistas de Angola*").

These standards require us to conclude on whether anything has come to our attention that leads us to believe that the financial statements, as a whole, are not prepared, in all material aspects, in accordance with IAS 34 – Interim Financial Reporting.

A limited review of Financial Statements is a work designed to provide reasonable assurance. The procedures we perform consist primarily of inquiries and analytical procedures and the subsequent assessment of the evidence obtained.

The procedures performed on a limited review are substantially reduced than the procedures performed in an audit conducted in accordance with the International Standards on Auditing (ISA). Consequently, we do not express an audit opinion on those financial statements.

Conclusion

Based on our limited review, nothing has come to our knowledge that leads us to believe that the accompanying condensed interim consolidated financial statements of **Banco de Fomento Angola, S.A.** as at June 30, 2024, are not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting.

Luanda, September 13, 2024

KPMG Angola – Audit, Tax, Advisory, S.A.
Represented by
Maria Inês Rebelo Filipe
(Registered Auditor with certificate no. 20140081)

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SUPERVISORY BOARD

OPINION OF THE SUPERVISORY BOARD ON THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR H12024

In compliance with the applicable legal and regulatory provisions, namely pursuant to article 441(g) of the Angolan Companies Act (Law no. 1/04 dated 13th February), as well as pursuant to article 71(2) of the Financial Institutions Legal Framework (Law no. 14/21 dated 19th May), in conjunction with article 15(1)(d) of Notice no. 1/22 dated 28th January (the Financial Institutions Corporate Governance Code) and article 6(5) of Notice no. 5/19 dated 30th August (the Accounting Standardisation and Harmonisation Process for the Angolan Banking Sector) and with article 8(1) of BFA's Supervisory Board Regulations approved on the 19th December 2023, it is incumbent upon the Supervisory Board to issue an opinion on BFA's Interim Condensed Consolidated Financial Statements as of 30th June 2024, as submitted by the Board of Directors.

It is incumbent upon BFA's Board of Directors the duty of drafting and submitting the Interim Condensed Consolidated Financial Statements as of 30th June 2024.

It is incumbent upon BFA's Supervisory Board the duty of reviewing, analysing and assessing the information contained within the Interim Condensed Consolidated Financial Statements in order to issue a professional and impartial opinion based on its supervisory function.

The Supervisory Board reviewed and analysed the Interim Condensed Consolidated Financial Statements, which comprise the Interim Condensed Consolidated Balance Sheet, the Interim Condensed Consolidated Income Statement and Other Comprehensive Income, the Interim Condensed Consolidated Cash Flow Statement and the Interim Condensed Consolidated Statement of Changes in Equity as of 30th June 2024. These statements demonstrate, for accounting purposes, that the Interim Condensed Consolidated Balance Sheet recorded as follows: Total Assets of AOA 3,657,686,278 thousand, Equity of AOA 576,194,651 thousand, which comprises a consolidated Net Profit of AOA 90,378,664 thousand and Total Liabilities of AOA 3,081,491,627 thousand. On the other hand, the Interim Condensed Consolidated Income Statement and Other Comprehensive

BFA

SUPERVISORY BOARD

Income recorded, for accounting purposes, a Net Financial Income of AOA 136,604,561 thousand, an Operating Income of AOA 166,900,420 thousand, a Profit Before Tax from Ongoing Operations of AOA 98,307,422 thousand and a Net Profit of AOA 90,379,210 thousand, all of which recorded for the six-month financial period under review that ended on the 30th of June 2024, in accordance with the Consolidated Financial Statements approved by the Board of Directors.

The Supervisory Board did not identify any situation that was not in accordance with legal regulations, International Financial Reporting Standards (IFRS) and applicable accounting practices. Moreover, the Supervisory Board considers that the financial statements present a true and fair view of the Bank's financial position and the results of its operations in all materially relevant aspects.

The Supervisory Board took note of the External Auditors' Limited Review Report concerning the Interim Condensed Consolidated Financial Statements as of 30th June 2024, which was issued unreservedly, with the auditor stating that "nothing has come to our attention that leads us to conclude that the accompanying interim condensed consolidated financial statements of Banco de Fomento Angola, S.A. as of 30th June 2024 are not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting.".

Accordingly, the Supervisory Board issues a favourable opinion on the approval of BFA's Interim Condensed Consolidated Financial Statements as of 30th June 2024.

BFA's Supervisory Board, Luanda, 18th September 2024

BFA

SUPERVISORY BOARD

Alcides Safeca
(Chairperson)

Adilson Sequeira
(Deputy Chair)
(Chartered Accountant nº 20130051)

Valdir Rodrigues
(Voting Member)