



BCH

Banco Comercial do Huambo

Annual Report and Accounts 2025

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Message from the Chairperson

Dear stakeholders,

As we close another financial year, we present this review of 2025 with a strong sense of responsibility and transparency. The year, though marked by significant global and national challenges, also revealed clear signs of resilience, adaptation, and consolidation, both for the Angolan economy and for Banco Comercial do Huambo.

In 2025, the international environment remained shaped by complex geopolitical dynamics. Ongoing conflicts in Ukraine and the Middle East maintained high levels of uncertainty, affecting global trade, energy prices, and overall economic confidence. In response, major economies continued pursuing strategies to strengthen their productive autonomy and reorganize supply chains amid intensified trade tensions and growing geoeconomic fragmentation.

Despite these headwinds, the global economy avoided recession, posting moderate growth estimated at around 3.3%, driven largely by the dynamism of Asian markets and the ongoing expansion of Artificial Intelligence technologies. Global inflation continued to ease, moving progressively closer to the targets set by central banks, reflecting the normalization of supply chains and the stabilization of energy markets.

While global conditions were somewhat more predictable than in previous years, they still posed notable challenges to emerging economies that remain highly dependent on the performance of the energy sector, such as Angola.

Domestically, 2025 was a demanding year. Oil production continued its gradual decline, placing pressure on external revenues, public finances, and foreign currency availability. Nevertheless, the Government maintained its commitment to fiscal consolidation, strengthening budgetary discipline, boosting non-oil revenues, and rationalizing public expenditure. Inflation fell markedly, ending the year at approximately 15.7%, compared with 28% in 2024. In the foreign currency area, the Kwanza (AOA) remained relatively stable against the US dollar, although it depreciated more noticeably against the euro.

Public debt also followed a downward trajectory, standing at around 62.4% of GDP, reinforcing the credibility of fiscal policy and confirming the Angolan Government's commitment to sustainability.

Despite these positive signs, structural challenges persist: dependence on the oil sector, high debt service costs, labour market constraints, and external economic vulnerabilities. These issues underline the importance of continuing economic diversification, institutional modernization, and strengthening the reforms already under way in the country.

In this context, the Angolan banking sector continued to operate within a demanding regulatory environment, characterized by tighter prudential standards, enhanced supervisory initiatives, and evolving requirements in risk management, compliance, capital, and internal processes. This reality demanded heightened adaptability, resilience, and rigour from financial institutions.

For Banco Comercial do Huambo, 2025 was a year of growth, stability, and institutional strengthening. Despite external pressures, the Bank delivered a strong financial and economic performance, fulfilling its sustained growth strategy, and reinforcing the trust placed in it by customers, employees, and shareholders alike.

Total Assets increased by 16.77%, driven mainly by the growth of investments in central banks and other credit institutions. The financial margin improved, and profitability indicators strengthened significantly: Return on Equity (ROE) reached 17.32% and Return on Assets (ROA) was 10.89%.

Net profit for the year reached AOA 10 595 615 thousand, a notable rise of approximately 71.7% compared with 2024, a milestone reflecting the Bank's commitment to prudent, rigorous, and results-oriented management aimed at sustainable performance.

Customer deposits continued to rise, reaching AOA 34 782 913 thousand, while credit granted rose significantly to AOA 3 095 886 thousand. The Bank closed the year with a solvency ratio well above the regulatory minimum, reaffirming its financial strength and capacity to absorb shocks while supporting Angola's economic activity.

Operationally, 2025 was also a year of major investment in technological infrastructure. Key initiatives included cybersecurity enhancements, system modernization, and strengthening internal control mechanisms. The Bank expanded its workforce to 84 employees – a growth of 16.6% – and increased its customer base to 24 688, confirming its role as a trusted financial partner in the communities it serves.

BCH's commitment to a culture of strength, transparency, and prudence remains unwavering. In 2026, the Bank will further enhance its risk management practices, adapt to evolving regulatory requirements and continue to invest in staff development and technology while diversifying the services we offer to our customers. The coming year will also mark the progressive integration of sustainability principles (ESG) into the Bank's operations, an area of growing importance in both the national and international financial landscape.

I would like to express my deep appreciation of our staff, whose professionalism, dedication, and resilience were at the heart of everything we achieved in 2025. I would also like to thank our customers for their continued confidence and loyalty, and our shareholders, for their support and strategic alignment, all of which has allowed the Bank to consolidate its path of sustainable growth.

To all of you, our sincere thanks.



Chairperson of the Board of Directors

Macroeconomic Framework

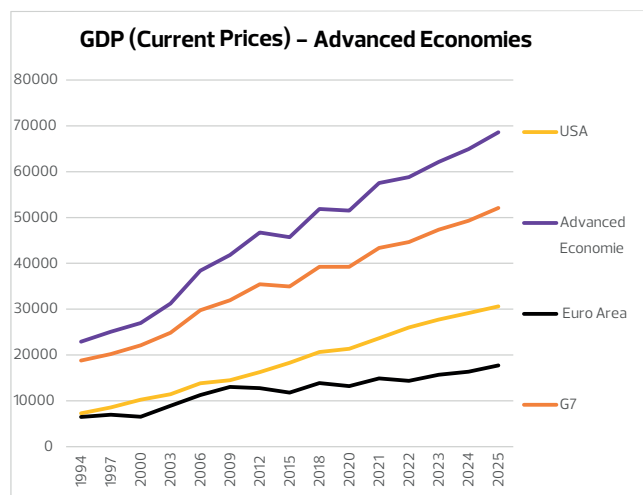
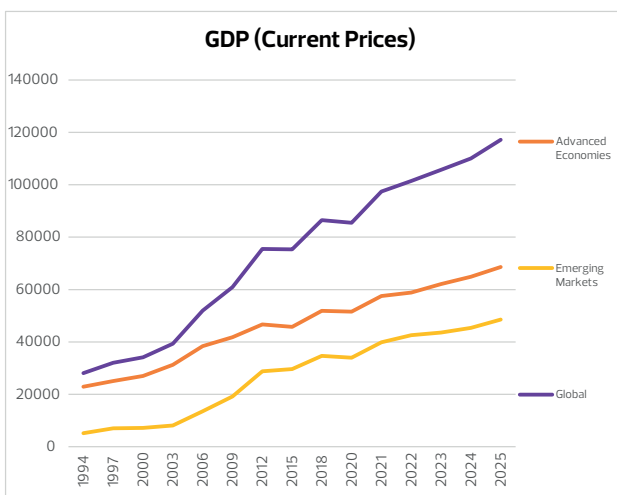
International Economy

The year 2025 marked a stage of consolidation and adjustment in the global economy. Although no new large-scale geopolitical shocks emerged compared with previous years, the international environment remained one of significant structural uncertainty. The world economy entered a period characterized by moderate growth, greater geoeconomic fragmentation, and a strengthening of national strategies focused on resilience, economic security, and the reduction of external dependencies. Within this context, the main structural shift continued to take place in the technological sphere, particularly in the development and dissemination of Artificial Intelligence, applications of which expanded significantly throughout the year in both production processes and services, influencing investment decisions, work organization, and patterns of international competitiveness.

From a geopolitical standpoint, 2025 remained shaped by a background of unresolved armed conflicts, notably in the Middle East, which continued to generate regional instability, high humanitarian costs, and latent geopolitical risks. However, the global economic impact of these conflicts was more contained than before, especially when compared with the initial shocks affecting energy and food markets. The capacity of economies to adapt, the diversification of suppliers, and the gradual reconfiguration of supply chains helped mitigate part of the adverse impact and contributed to greater predictability in global economic activity.

At the same time, international supply chains continued to show signs of normalization during much of 2025, gradually moving away from the extreme disruptions experienced during the pandemic. Although isolated episodes of pressure emerged in connection with trade tensions and the anticipation of international transactions in response to tariff changes, global supply chain pressure indices remained close to historical averages, reflecting a more resilient and flexible international logistics system. This supported international trade, albeit in an environment marked by greater strategic caution, diversification, and the selective shortening of production chains.

One of the central factors shaping the economic trajectory of 2025 was United States trade policy. The initial increase in tariffs on a broad set of trading partners, followed by partial moderation during the year, led to front-loading effects in exports and imports, temporarily supporting economic activity in various regions. Despite this short-term resilience, the structural trend remained one of rising protectionism, weakening of the multilateral trading system, and greater uncertainty regarding the rules governing international trade, all of which continue to constrain global growth potential in the medium term. According to the International Monetary Fund, the world economy posted real growth of close to 3.3% in 2025, in line with that recorded in 2024. This pace reflects a transition toward a structurally more moderate growth cycle, broadly consistent with the five years preceding the pandemic, and influenced by demographic ageing in advanced economies, elevated public and private levels of debt, subdued productivity gains, and a geopolitical environment less conducive to international cooperation.

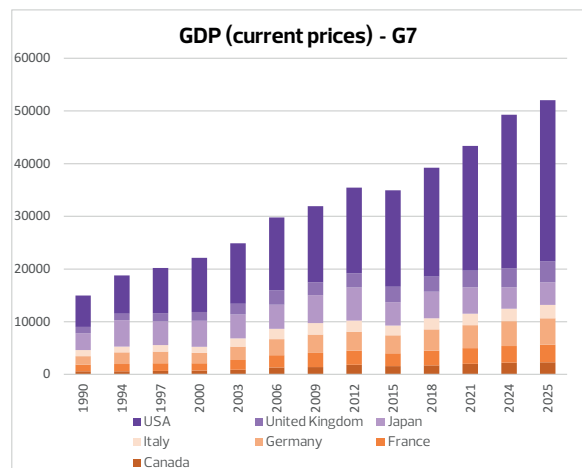
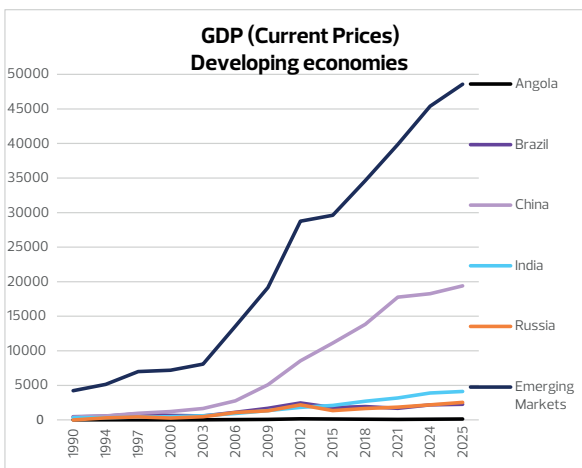


Source: IMF

In the advanced economies, performance remained uneven. The United States continued to stand out positively, with economic growth of 2.2% in 2025, according to consolidated data. This growth was supported by private consumption, business investment, and the dynamism of the technology sector, particularly in artificial intelligence, semiconductors, and digital infrastructure. Even so, a gradual cooling in the labour market became visible, reflected in a slight increase in the unemployment rate, consistent with the normalization of the economic cycle and the cumulative effects of tighter financial conditions.

Economic recovery in the Euro Area remained positive, although marked by some heterogeneity among Member States and a persistent weakness in manufacturing. Annual data indicated real GDP growth of 1.5% in 2025, an improvement on 2024, reflecting a better-than-initially-projected outcome, driven by recovering real wages, resilient labour markets, and improved financing conditions associated with a cycle of interest rate cuts. At the same time, domestic demand gradually improved, supported by easing inflation and stronger investment, factors helping to sustain economic activity throughout the year.

In developing economies and emerging markets, growth remained above the global average, at slightly above 4.2%, according to World Bank estimates for this group of countries. Within this group, Asia continued to be the main driver of global economic growth. In China, the economy expanded by 5%, according to updated IMF projections, representing an upward revision from earlier estimates and supported by fiscal stimuli, a lower impact from external tariffs, and resilient technology exports. Despite this momentum, structural challenges remain in the property sector, domestic consumption, and demographics. India once again stood out as the most dynamic major economy, with growth rates estimated by the IMF at above 6.6%.



Source: IMF

Global inflation continued its downward path throughout 2025, reflecting labour market stabilization, supply chain normalization, and a moderation in energy prices. In the United States, the convergence process was more gradual. According to the IMF, average inflation is expected to remain above the 2% target in 2025, at around 2.4% according to the World Economic Outlook. This slower convergence is consistent with the effect of trade tariffs, which continue to exert pressure on prices of goods, even as inflation related to services continues to ease.

This slower pace is consistent with the impact of import tariffs, which are keeping pressure on goods prices, even though services inflation continues to slow.

After several years of volatility, labour markets showed greater stability in 2025. In Europe, unemployment rates remained at historically low levels, close to what may be considered a situation of structural full employment, while in the United States there was a slight rise in unemployment, consistent with a controlled cyclical slowdown and without signs of significant deterioration.

From a structural perspective, 2025 confirmed the central role of technology – particularly artificial intelligence – as a factor supporting economic growth in a context of greater global fragmentation. Investment in digital technologies acted as a buffer against trade and geopolitical shocks, although uncertainty remains about the pace at which these investments will translate into sustained productivity gains.

Overall, the year was marked by a combination of resilience and fragility: the world economy continued to grow, avoiding recessionary scenarios, but did so at a rate below its historical potential, in an environment where risks remain tilted to the downside. The persistence of geopolitical tensions, instability in trade policies and high levels of indebtedness continue to pose significant challenges, reinforcing the need for prudent economic policies, international cooperation and structural reforms capable of sustaining growth in the medium and long term.

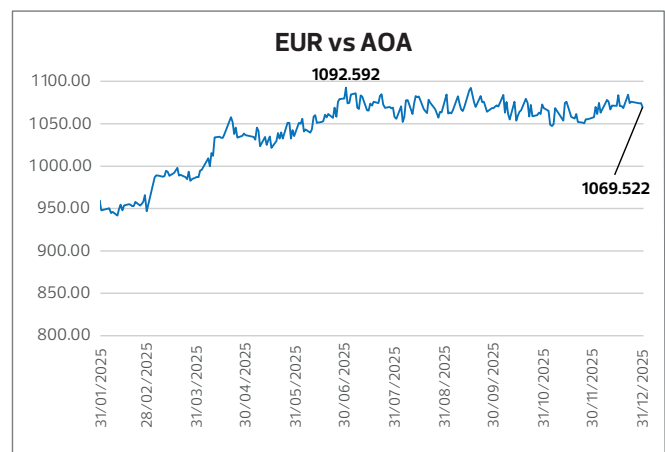
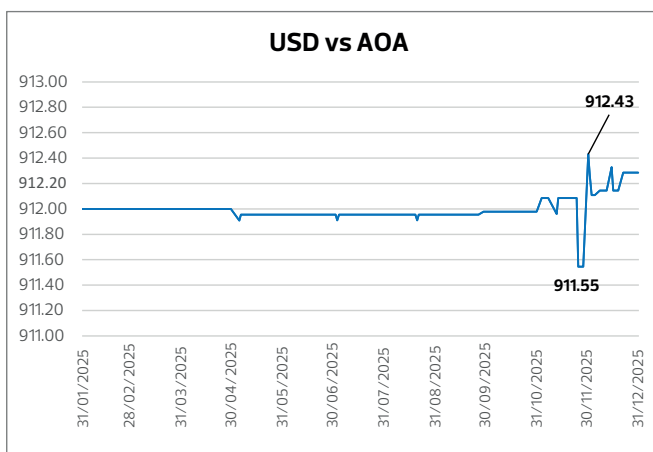
Angolan Economy

Angola remains an economy whose growth is still heavily influenced by the external demand for oil and its international price, and it is the sector that continues to be the main driver of exports, fiscal revenues, and foreign exchange inflows. Although the oil sector remains decisive for the national economy, this elevated structural dependence is also a source of macroeconomic vulnerability, exposing the country to external shocks linked to the volatility of crude oil prices, changes in global demand, and energy transition constraints. This reality affects the sustainability of economic growth in the medium and long term and continues to be reflected in persistent social and economic challenges which, although addressed through corrective policies by the Angolan Government, have not yet been fully overcome.

In recent years, and more consistently in 2024 and 2025, the Government of Angola has reinforced a set of structural reforms aimed at strengthening macroeconomic stability and accelerating the process of economic diversification. These measures are based on the recognition that oil, despite being highly profitable, is a non-renewable resource increasingly subject to external pressures, making it essential to develop alternative sectors capable of sustaining economic growth and job creation. In this context, the Government has directed strategic investment towards agriculture, energy, and tourism, with particular emphasis on developing renewable energy projects – particularly solar and hydroelectric power – and on the modernization of transport and logistics infrastructure. The Lobito Corridor deserves special mention, as the modernization and rehabilitation of the railway line have strengthened Angola's position as a regional logistics platform, facilitating the transportation of goods from the Democratic Republic of the Congo and Zambia to international markets, and promoting regional economic integration.

The implementation of these investments has been made possible through a combination of public funds and external financing, with foreign direct investment playing a central role in this strategy. The United States has strengthened its involvement, both in financing strategic infrastructure – including the Lobito Corridor – and in the financial sector. The European Union, in turn, has played a significant role in the sustainability area, in support for energy transition projects and the promotion of renewable sources. It should also be noted that domestic creditors became Angola's largest creditor group in 2025, accounting for around 28% of total debt, while China fell to third place, behind the United Kingdom, with 19%, a figure significantly lower than in previous years. This change is not merely numerical; it reflects a strategic shift in Angola's financial policy.

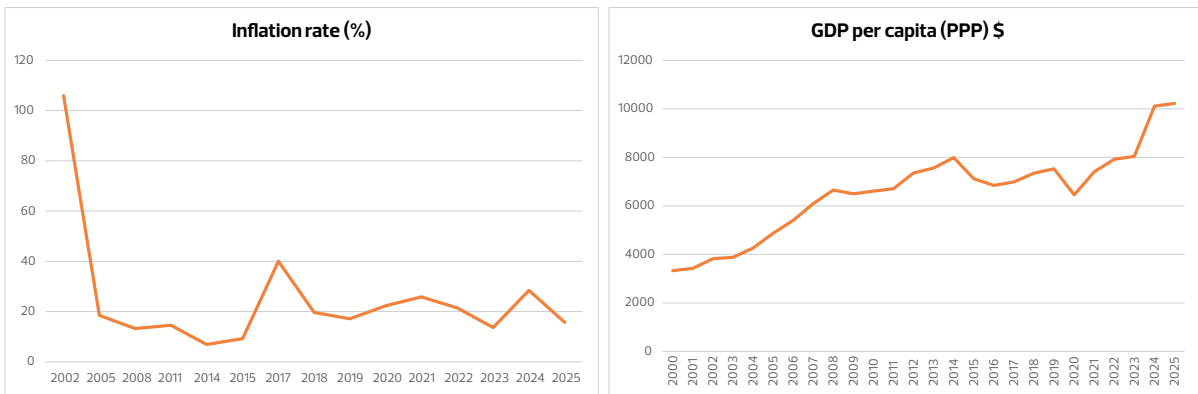
A firm and consistent implementation of this set of measures could contribute to the consolidation of a more balanced and resilient economy, with positive effects on the stability of the national currency, the reduction of external vulnerability, and the strengthening of Angola's attractiveness as a destination for foreign investment.



Source: BNA

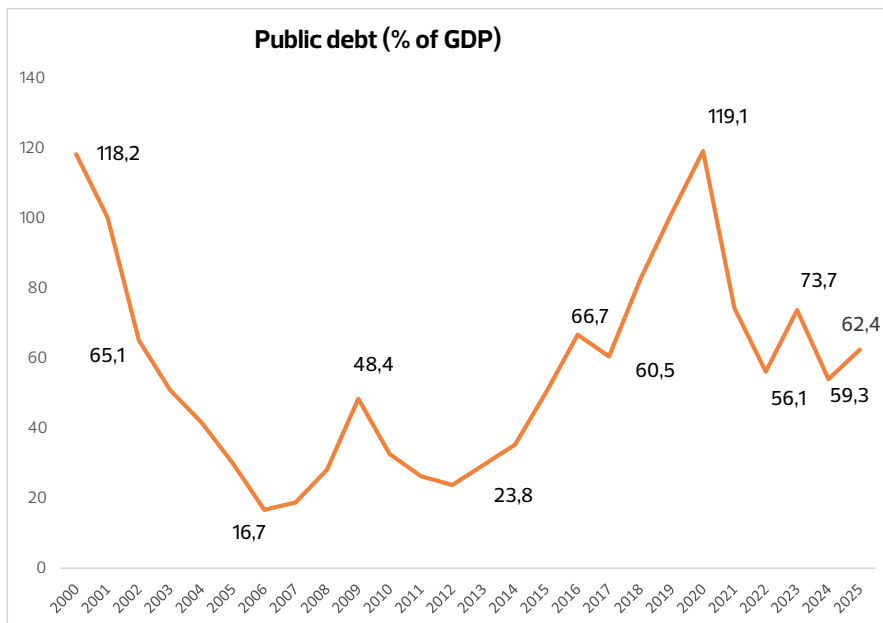
With regard to exchange rate developments, according to data from the Banco Nacional de Angola, the exchange rate stood at 912 kwanzas per US dollar at the start of 2025. Throughout the year, the kwanza remained stable against the dollar, recording only a marginal change and ending at around AOA 912.43 per USD, representing an economically insignificant depreciation. This evolution shows, despite continued pressure on foreign currency demand, foreign exchange supply constraints, and structural challenges in the economy, the impact of monetary policy measures adopted to control liquidity and to improve predictability in the foreign exchange market. Even so, the exchange rate continues to reflect the economy's sensitivity to internal and external shocks, although without materially significant effects on its development during the period under review.

The kwanza's performance against the euro followed a depreciating trend throughout 2025. At the start of the year, the exchange rate stood above AOA 940 per euro and subsequently moved to higher levels, reaching a peak of close to 1.093 kwanzas per euro. This evolution reflected not only domestic factors, such as pressure on the foreign exchange market and foreign currency supply constraints, but also the movement of the European currency in the international context.



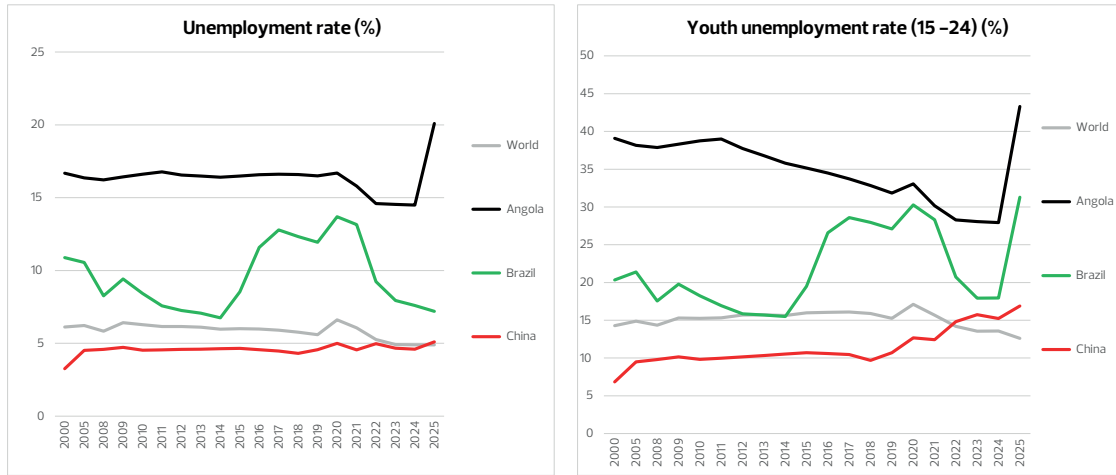
Source: INE Angola

Inflation remained one of the main macroeconomic challenges. Despite reaching high levels in 2024, estimated at around 28%, inflation in 2025 followed a downward trajectory and, according to INE, the National Statistics Institute of Angola, stood at 15.7% at the end of the year, the lowest level since 2023. This statistically shown slowdown resulted from tighter monetary policy, public spending restraint, and greater exchange rate stability, although food prices and essential services continued to exert pressure on household living costs



Source: IMF

As for economic growth, projections for 2025 pointed to real GDP expansion of between 2.4% and 3.0%, depending on the reference institution, reflecting moderate performance constrained by the gradual decline in oil production and by a less favourable international environment. The INE also reported that Angola's GDP grew by 2.15% in the cumulative first nine months of 2025, compared with the same period of the previous year. Growth continued to be driven mainly by the non-oil sector, particularly agriculture, fisheries, construction, and services, although it remained below the level of population growth



Source: WB and INE

In the area of public finances, the public debt ratio continued its downward trajectory. In 2025, public debt stood at around 62.4% of GDP, according to IMF data, consolidating the improvement seen from levels above 100% of GDP registered in the post-pandemic period. Despite this progress, debt servicing remains high, absorbing a significant share of the State's revenue and limiting fiscal space for social spending and public investment. It is important to note that Angola's debt strategy for 2026–2028 aims to ensure that public debt remains on a sustainable trajectory, with priority given to domestic borrowing.

With regard to the labour market, the most recent data available from INE for the fourth quarter of 2025 shows that the overall unemployment rate stood at 20.1%, maintaining a gradual improvement trend over recent years. However, quarterly national data indicates higher levels, especially in youth unemployment, which remains structurally high despite some improvement in 2025. Informality remains predominant, reflecting the limited absorptive capacity of the formal labour market.

Finally, from a broader human development perspective, future prospects point to gradual improvements, although still constrained by the country's structural vulnerabilities. Projections by international organizations suggest that the moderate economic recovery expected for 2026–2028 could create room to strengthen investment in human capital, provided it is accompanied by sustained reforms in public finance management and economic diversification. At the same time, the country is expected to advance in the implementation of social transfer programmes and formal employment initiatives, which are essential to mitigate persistent inequalities and reduce the high level of informality that continues to constrain productivity and household incomes.

Regulatory Framework

Regulations approved by the BNA in 2025						
Instrument	Number	State	Publication	Subject	Entry Into Force	Intended recipients
Directives	Directive no. 01-2025, de 17 of January	In Force	01/17/2025	Financial System Stability – Reporting of Information for the Drafting of Resolution Plans	01/18/2025	Financial Institutions
Directives	Directive no. 02-2025, of 20 de January	In Force	20/01/2025	Financial System Stability – Guiding Principles on Improving Resolvability	01/21/2025	
CircularLetter	Circular Letter no. 01-2025, of 13 de March	In Force	03/14/2025	Circular Letter no. 01-2025 – Financial System – Principles of Sustainability of the Angolan Financial System	03/13/2025	Financial Institutions
Directives	Directive no. 04-2025, 21 of March	In Force	03/25/2025	Financial System – Permanent Lending Facilities (FCO) and Liquidity Absorption Facilities – Notice no.11/2011, of 20 October	03/24/2025	Financial Institutions
Notices	Notice no. 1/2025, of 30 April	In Force	05/05/2025	Financial System Granting of Credit to Related Parties and Holders of Relevant Management Functions or Positions	05/04/2025	Financial Institutions
Directives	Directive no. 05/2025, of 22 May	In Force	05/28/2025	Financial System – Information Report on the Granting of Credit to Related Parties and Holders of Relevant Management Functions or Positions	05/27/2025	Financial Institutions
Notices	Notice no. 2/2025, of 21 May	In Force	05/28/2025	Financial System – Purchase and Sale Operations of Foreign Currency by Hotel Companies, Travel and Tourism Agencies and Duty-Free Shops	27/05/2025	Financial Institutions
Notices	Notice no. 3/2025, de 21 of May	In Force	05/28/2025	Angola Payments System – Participation in the SADAC Real-Time Gross Settlement (RTGS) System and the SADC Low Value Transactions Cleared on an Immediate Basis Scheme (TCIB).	05/27/2025	Financial Institutions
Directives	Directive no. 07, of 28 July 2025	In Force	07/30/2025	Financial System – Requirements for Calculating and Compliance with Compulsory Minimum Reserves	07/29/2025	Financial Institutions
Directives	Directive no. 08, of 04 August 2025	In Force	08/08/2025	Payments System – Valuation Criteria for Mandatory Adhesion and Participation in the KWIK Payment Scheme	08/07/2025	Financial Institutions
Notices	Notice no. 04/2025, of 22 August	In Force	08/22/2025	Payments System – Opening, Handling and Closing Electronic Currency Accounts	08/22/2025	Financial Institutions
Instructions	Instruction no. 02-2025, of 13 August	In Force	09/05/2025	Payments System – Value limits on transactions made in payment systems	10/05/2025	Financial Institutions
Notices	Notice no. 05/2025, of 10 September	In Force	09/10/2025	Financial System – Determination of Initial, Periodic and Extraordinary Contributions to the Resolution Fund	09/10/2025	
Directives	Directive no. 09/2025, of 30 September	In Force	10/01/2025	Financial System – Permanent Lending Facilities (FCO) and Liquidity Absorption Facilities – Notice no.11/11, of 20 October	09/30/2025	Financial Institutions
Instructions	Instruction no. 03-2025, of 02 December	In Force	12/02/2025	Financial System – Recirculation of Cash	03/02/2026	Financial Institutions
Instructions	Instruction no. 04-2025, of 02 December	In Force	12/02/2025	Financial System – Deposit Operations and Withdrawal of Kwanzav Banknotes and Coins	12/02/2025	Financial Institutions
CircularLetter	Circular Letter no. 02 – 2025 – Financial System – Principles of Sustainability of the Angolan Financial	In Force	12/03/2025	Financial System – Principles of Sustainability of the Angolan Financial System – Implementation Guide for Principle II: Identify and Incorporate Environmental and Social Risks in the Governance and Risk	12/03/2025	Financial Institutions
Notices	Notice no. 06/2025, of 18 December	In Force	12/19/2025	Financial System – Minimum Share Capital of Banking Financial Institutions	12/18/2025	Financial Institutions
CircularLetter	Circular Letter no 03 – 2025, of 18 de December	In Force	12/23/2025	Financial System – Standardization Guide for the Criteria for the Identification of Critical Functions and Strategic Business Lines	12/22/2025	Financial Institutions
CircularLetter	Circular Letter no. 04 – 2025, of 18 December	In Force	12/23/2025	Financial System – Principles of Sustainability of the Angolan Financial System – Implementation Guide for Principle III – Leveraging Partnerships to Deepen Understanding of Issues and Sustainability Practices	12/22/2025	Financial Institutions
Notices	Notice no. 7/2025, of 23 December	In Force	12/30/2025	Financial System – Opening of Demand Deposit Accounts between Banking Financial Institutions	12/29/2025	Financial Institutions
Directives	Directive no.11/2025, of 17 December	In Force	12/30/2025	Financial System Stability – Reporting of Information for the Calculation of Periodic Contributions to the Resolution Fund	12/29/2025	Financial Institutions

Source: Website of the National Bank of Angola – <http://www.bna.ao>

Policies, Reforms and Future prospects

The year 2025 was a period of consolidation and adjustment for the Angolan economy, in a context marked by significant external constraints, persistent volatility in the oil market, and intensifying domestic social pressures. After robust economic growth in 2024, supported by the recovery in oil production and the rebound of the non-oil sector, Angola entered 2025 facing a more challenging macroeconomic environment, which required an economic policy approach centred on fiscal prudence, risk management, and continuing structural reforms.

In 2025, the conduct of macroeconomic policy was strongly influenced by the decline in oil revenues recorded in the first half of the year, resulting from lower international crude oil prices and structural limitations in domestic production. This situation had a direct impact on public accounts, leading to a widening of the budget deficit and a strengthening of measures to contain public expenditure.

The 2025 General State Budget was both expansionary and selective in nature, seeking to address the most pressing social needs – particularly in the areas of education, health, and social protection – without compromising the fiscal consolidation effort initiated in previous years. However, the high burden of public debt servicing continued to absorb a significant share of budgetary resources, constraining the Government's room for manoeuvre and limiting the capacity for structural public investment. In this context, fiscal policy remained focused on strengthening non-oil revenue collection through the modernization of the tax authority, the broadening of the tax base, and the fight against economic informality.

Monetary policy in 2025 remained restrictive, with the Banco Nacional de Angola pursuing its objective of controlling inflation and preserving exchange rate stability. Although inflation trended downward from the peaks observed in 2024, price levels remained high, reflecting persistent structural shocks, high logistics costs, and external dependency on essential goods. The relative stability of the kwanza exchange rate, supported by prudent management of international reserves, helped to mitigate additional inflationary pressures and improve predictability for economic agents, although this did not eliminate the risks associated with the country's high exposure to fluctuations in the oil market.

In 2025, the Angolan Government continued the structural reform process, with particular emphasis on the reorganization of the Public Enterprise Sector and the gradual reduction of the State's presence in the economy. The Privatisation Programme (PROPRIV), extended until 2026, remained one of the main economic policy tools and recorded important progress during the year, with the completion of new asset disposal processes and the preparation of a new phase of privatisations in sectors deemed strategic.

Despite the progress achieved, the 2025 assessment of PROPRIV showed persistent challenges, particularly in aligning privatisation objectives with the need to ensure that such processes contribute to stronger corporate efficiency and the medium-term sustainability of the companies involved. Difficulties also remain in creating conditions that allow for greater participation by domestic investors and in establishing mechanisms that ensure a smooth transition of companies to market-oriented management models. Even so, the programme continued to play an important role in mitigating fiscal risks associated with public enterprises and in promoting private sector initiatives.

At the same time, significant institutional reforms were implemented, including changes to the economic inspection system and to the regulatory framework, with the aim of strengthening legal certainty, reducing administrative arbitrariness, and improving the business environment, key factors for attracting both domestic and foreign private investment.

Economic growth prospects for 2025 were more moderate than in the previous year, with projections below the population growth rate. This once again highlighted the limitations of the current growth model and the difficulty of generating inclusive and sustainable growth. The labour market remained one of the main structural challenges, with high levels of unemployment – particularly among young people – and a strong prevalence of informal employment. Despite the continuation of public programmes to support employability, entrepreneurship, and income transfers, economic effects combined with the loss of household purchasing power continued to place significant pressure on social cohesion.

The year 2025 reinforced the perception that Angola's economic future will depend critically on its ability to deepen economic diversification, strengthen public institutions, and consolidate macroeconomic stability in a context of significant external uncertainty. The reforms underway, although not sufficient on their own, continue to establish important foundations for a gradual transition towards a more resilient economic model, less dependent on oil and more anchored in private sector dynamism. In the medium term, public debt sustainability, productive job creation, and a real improvement in the business environment will remain the main strategic priorities to ensure not only economic growth, but also social progress and lasting structural development.

Banco Comercial do Huambo

Vision, Mission and Values

Visão



BCH's vision is to be a benchmark Bank for Customer service and prudent management of the Institution.

Mission



Our mission is to offer our Customers banking and financial products and services with superior quality, in order to create and distribute value for Customers, Employees, Partners and Shareholders.

Values



The six fundamental values that underpin BCH's culture are:

1. Integrity, acting with honesty, loyalty and seriousness;
 2. Trust and transparency, acting with truth and clarity;
 3. Teamwork – We believe that working together is the best way to achieve our goals;
 4. Rigour, acting with professionalism, technical competence and diligence, so as to achieve greater levels of quality and efficiency;
 5. Equality, acting with courtesy and complying with the principles of non-discrimination, tolerance and equal opportunities;
 6. Solidity, acting with prudent risk management and Institutional stability and solidity.
-

Governing Bodies and Shareholder Structure

Governing Bodies

The Board of Directors is made up of 5 Directors, 3 of whom are Executives and 2 of whom are Non-Executives. Of the latter, 1 is the Chairperson of the Board of Directors – coincidentally the Bank's largest shareholder – and 1 is independent.

Board of the General Meeting

Chairwoman	Alexandra Teodora da Conceição Cruz Martins
Vice-Chairwoman	Maria Helena Miguel
General Secretary	Regina Luísa Lagos Fernandes dos Santos

Board of Directors

Chairperson	Natalino Bastos Lavrador
Independent Director	Hélia Cristina dos Santos Bras Nunes
Chairwoman of the Executive Com.	Cristiana de Azevedo Neto Lavrador
Executive Administrator	Salim Abdul Valimamade
Executive Administrator	Valdir Macedo Hamilton dos Santos

Supervisory Board

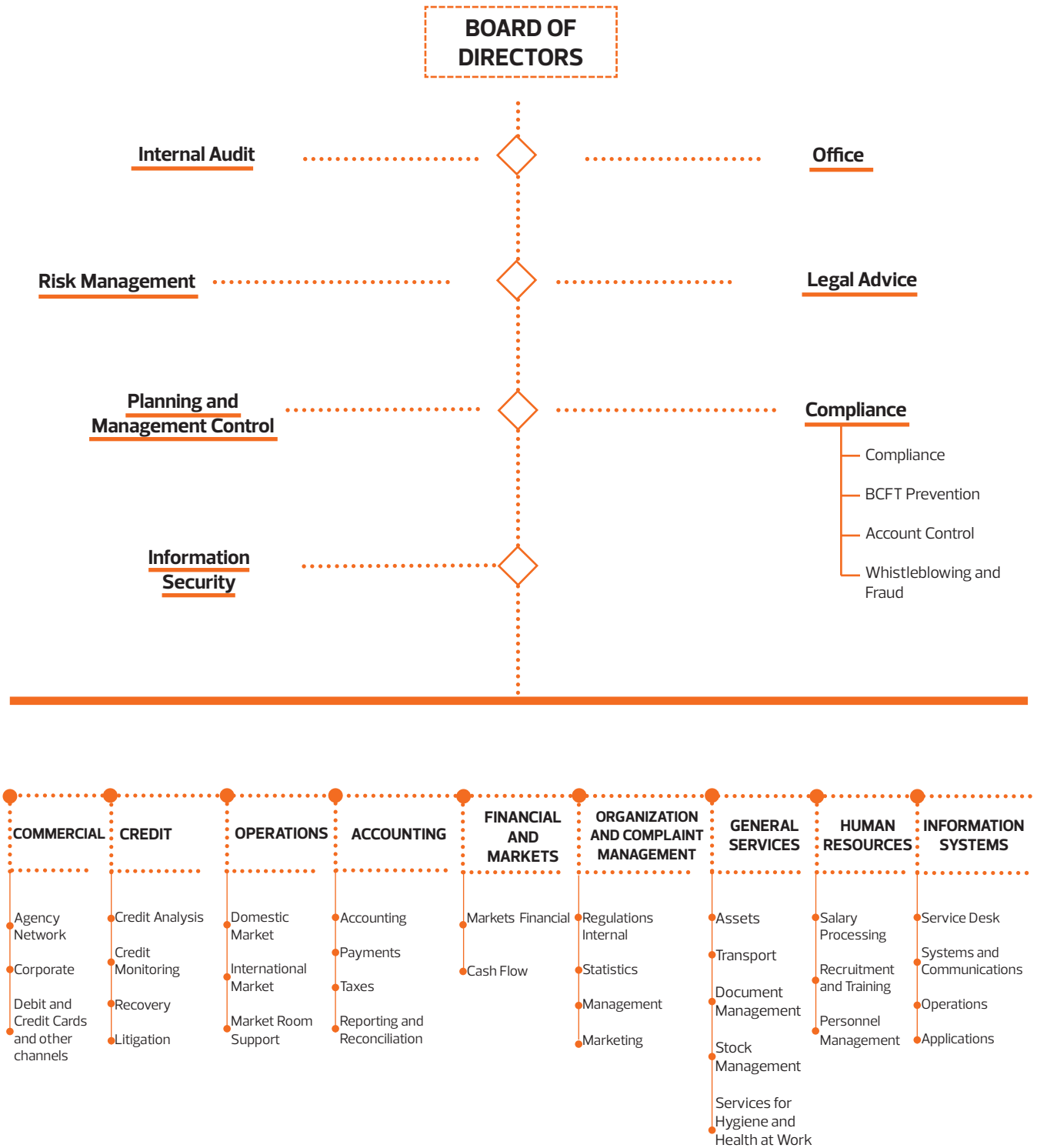
Chair	UHY – A Paredes & Associados – Angola
1 st Member	Mário Silva Castelo Branco
2 nd Member	Carlos Deosvaldo Fragozo Vaz

Shareholder Structure

On 31 December 2025, the equity of Banco Comercial do Huambo was held

Shareholders	Holding
Natalino Bastos Lavrador	51.50%
António Mosquito	20.00%
Valdomiro Minoru Dondo	10.00%
Banco Comercial do Huambo	10.00%
Sebastião Bastos Lavrador	5.50%
Carlos Saturnino Guerra Sousa e Oliveira	3.00%

Internal Organization



Activity Undertaken in 2025

Main Indicators

(amount in thousands of kwanzas)

	2021	2022	2023	2024	2025	Var-21-22	Var. 22-23	Var. 23-24	Var. 24-25
INDICATORS									
Total Assets	56 374 427	66 017 104	57 736 337	83 352 074	97 326 910	17.10%	-12.54%	44.37%	16.77%
Credit to the Economy	32 071 234	19 649 852	29 826 536	11 022 838	61 690 952	-38.73%	51.79%	-63.04%	459.56%
Credit to Customers	2 099 633	1 980 126	3 141 606	1 163 364	2 587 904	-5.69%	58.66%	-62.97%	122.45%
Credit to the state	29 971 601	17 669 726	26 684 930	9 859 474	59 103 048	-41.05%	51.02%	-63.05%	499.45%
Customer Deposits	17 175 586	23 943 113	12 172 437	28 417 033	34 782 913	39.40%	-49.16%	133.45%	22.40%
Regulatory Own Funds	37 196 969	40 642 096	44 169 698	52 806 710	61 176 802	9.26%	8.68%	19.55%	15.85%
Banking Product	9 263 674	9 652 841	6 967 949	12 914 912	19 027 975	4.20%	-27.81%	85.35%	47.33%
Net Interest Income	6 740 347	7 248 544	5 196 024	9 373 159	12 359 037	7.54%	-28.32%	80.39%	31.86%
Net Profit	6 355 589	6 365 776	3 486 586	6 170 837	10 595 615	0.16%	-45.23%	76.99%	71.70%
FINANCIAL RATIOS									
Cost to Income Ratio	23.89%	23.34%	38.59%	28.30%	23.01%	-0.55%	15.25%	-10.29%	-5.29%
Loans / Deposits Ratio	12.22%	8.27%	25.81%	4.09%	7.44%	-3.95%	17.54%	-21.72%	3.35%
Own Funds Ratio	205.22%	227.23%	229.07%	312.35%	313.93%	22.01%	1.85%	83.28%	1.58%
Return on Total Assets (ROA)	11.27%	9.64%	6.04%	7.40%	10.89%	-1.63%	-3.60%	1.36%	3.48%
Return on Equity (ROE)	17.03%	15.64%	7.83%	12.26%	17.32%	-1.38%	-7.81%	4.43%	5.06%
Overdue Loans / Total Loans	0.02%	3.45%	0.59%	0.36%	0.11%	3.43%	-2.86%	-0.23%	-0.24%
Credit Provisions / Overdue Loans	-381.09%	-6.20%	-39.84%	0.00%	-192.61%	374.89%	-33.63%	39.84%	-185.63%
BUSINESS EVOLUTION									
No. of Branches	6	6	7	7	8	10.00%	16.67%	0.00%	14.29%
No. of employees	64	64	70	72	84	0.00%	9.38%	2.86%	16.67%
Customers	19 486	20 584	22 117	23 701	24 688	5.63%	7.45%	7.16%	4.16%

In 2025, most of BCH's physical presence was in Luanda, where it now has seven branches, and it also has one branch in the city of Huambo. The bank is ambitious about continuing its expansion, aiming to increase the number of branches and the consequent growth in its teams.



8

Branches

After the recent opening of the branch in Sanzala, the Bank now has 7 branches in Luanda, totalling 8 branches at the national level.



+16.6%

Team

At the end of 2025, the personnel in the Bank totalled 84 employees, 12 more than in 2024.



+4.16%

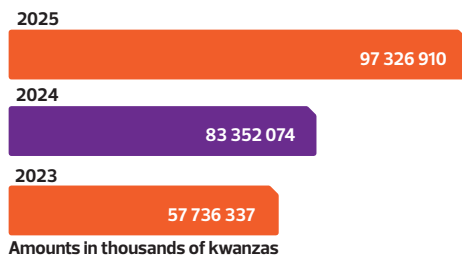
Customer Variation

The number of Customers increased by 987 in 2025 and reached a total of 24 688 on 31 December 2025.

Business Evolution

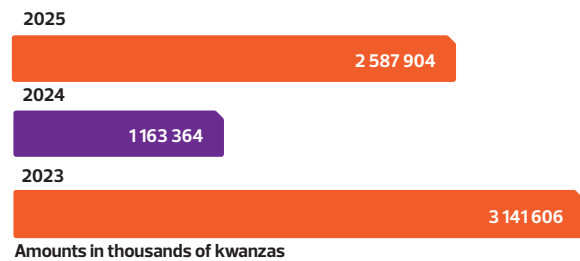
Total Assets

In 2025, BCH recorded a considerable increase in the level of Total Assets of around 16.77%, caused by a major increase in Investments in Central banks and other credit institutions.



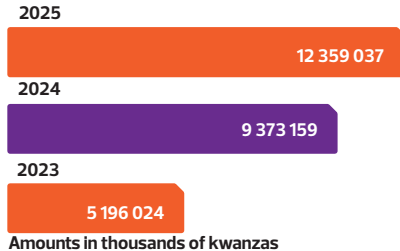
Loans Granted to Customers

In 2025, loans granted to customers increased to AOA 2 587 904 thousand, as opposed to the 2024 result: AOA 1163 364 thousand.



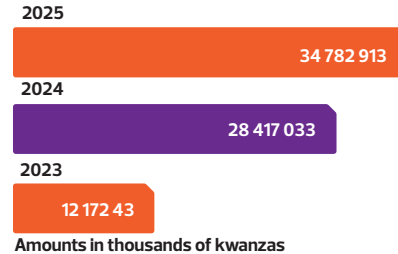
Net Interest Income

In 2025, the Bank's Net Interest Income increased again, rising 31.86% compared to 2024, as a result of an increase in investments in central banks and other credit institutions



Customer Deposits

In 2025, the amount of customer deposits continued the growth path recorded in 2024, reaching AOA 34 782 913 thousand.



ROE and ROA

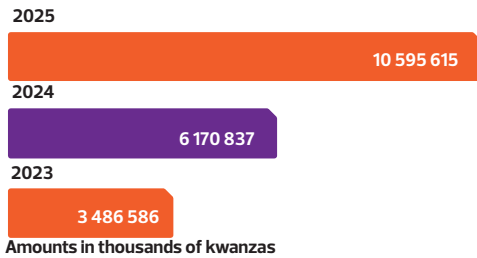
Return on Equity (ROE) grew by 5.06 percentage points, from 12.26% in 2024 to 17.32% in 2025. Return on Assets (ROA) also evolved positively from 7.4% to 10.89% in 2025. The net result presented in 2025 made it possible to obtain these returns, even though there was considerable growth in assets and equity.

Solvency Ratio

BCH maintains a high level of financial solidity, based on the calculation defined in Article 4 of Notice no. 02/16 of 15 July. At the end of 2025 this ratio stood at 313.93% (312.35% in 2024), well above the minimum requirement of 10% as stipulated by the Banco Nacional de Angola.

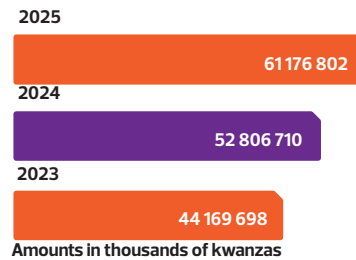
Net Income

The Bank's Net Income grew 71.70% in 2025 compared to the previous year, reaching AOA 10 595 615 thousand.



Regulatory Own Funds

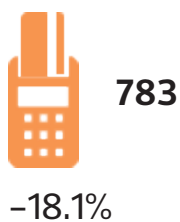
In 2025, Own Capital totalled AOA 61 176 802 thousand, a significant increase of 15.85% compared to 2024, largely due to the incorporation of reserves, as required by the BNA



Administrative Costs

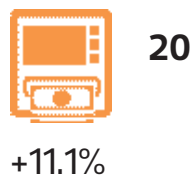
In 2025, the Bank recorded a variation of 19.80% in its cost structure. The item that varied the most was "Third-party Costs", which became the item with the greatest weight in the bank's administrative cost structure. This increase in costs can be explained by the spending increment on consultancy and auditing services.

	(Amount in thousands kwanzas)									
	2021	2022	2023	2024	2025	Var. 21-22	Var. 22-23	Var. 23-24	Var. 24-25	
Administrative Costs	2 213 026	2 252 843	2 688 696	3 654 767	4 378 571	1.80%	19.35%	35.93%	19.80%	
Personnel costs	851 835	1 259 160	1 554 411	1 775 834	1 852 517	47.82%	23.45%	14.24%	4.32%	
Third-party costs	1 727 611	1 348 786	1 470 473	2 338 794	3 066 990	-21.93%	9.02%	59.05%	31.14%	
Amortization and depreciations	(366 420)	(355 103)	(336 188)	(459 861)	(540 936)	-3.09%	-5.33%	36.79%	17.63%	
Other	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	



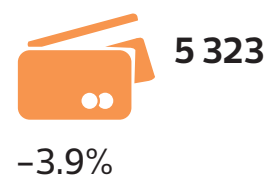
POS

BCH closed 2025 with 783 active POS, representing a reduction of more than 18.1% compared to 2024.



ATMs

BCH has 20 ATMs available to the public, positioned in various locations in Luanda and in the province of Huambo



Debit Cards

In 2025, the number of debit cards was slightly less than in the previous year.

Risk Management, Compliance and Internal Auditing

Throughout 2025, BCH has continued its risk management activities for the year, as in previous years, when it implemented its Risk Management System based on the 3 Lines of Defence Model, and has strengthened the processes associated with its control functions – Risk, Compliance and Internal Audit – as well as the relation and coordination between these areas, in order to ensure the suitability, strengthening and functioning of the Bank's Internal Control System, to mitigate risks according to the complexity of the business.

As such, the Risk Management Department is responsible for developing practices and methodologies to enable the identification, assessment, monitoring, control and reporting of different types of relevant risk inherent to BCH's activity, namely operational risk, credit risk and financial risks. These practices aim to preserve the financial solidity of the institution, protect capital, and ensure compliance with the applicable prudential requirements. This Department is also responsible for designing, updating, and monitoring risk management models, ensuring that exposure levels remain aligned with the risk tolerance profile and risk ("Risk Appetite") approved by the Board of Directors.

During 2025, the Risk Management Function operated normally, with stabilized mechanisms, methodologies, and tools already available. During this period, particular note should be made of the implementation of the Resolution Plan, in compliance with Notice no. 1/2025, contributing to strengthening the institution's response capacity in the face of current and future prudential, regulatory, and operational challenges.

Despite occasional adjustments to the Risk Management structure, it is important to highlight BCH's continued investment in cybersecurity, with a focus on strengthening operational resilience and the ability to mitigate technological risks. This approach is aligned with the priorities established for the financial system and with the expectations of supervisory authorities, given the emerging nature and growing significance of this type of risk in the prudential landscape.

As for the Compliance function, which was also formally autonomised in 2016, it has so far consolidated the efficiency and effectiveness of the activities associated with its assigned responsibilities. In this way, 2025 was a year in which the Compliance function, once the mechanisms, methodologies and tools at its disposal had been consolidated, operated normally – with improvements having been implemented in terms of the procedures for analysing account opening processes (KYC), as well as a workflow for the process, while maintaining readiness to respond to the present and future challenges it faces.

The activities carried out by the Compliance function include:

- Accompanying the commercial network when accepting customers, carrying out certain operations or selling services and products;
- Ensuring that the information produced and reported complies with applicable legislation, particularly those from the BNA;
- Ensuring ethics/good conduct are implemented throughout the Bank as a whole;
- Evaluating the impact of regulations on the business, to better understand the risks involved versus the cost/benefit ratio of necessary changes to processes/systems/products;
- Acting proactively and in a preventive manner when approving the risks of new products/processes and their respective changes;
- Defining mechanisms for detecting signs of unauthorised or fraudulent financial intermediation;
- Establishing measures to prevent and combat market abuse, money laundering and fraud.

In view of the importance of the issues related to the Prevention of Money Laundering (PML) and Combating the Financing of Terrorism (CFT), the following activities carried out by the Compliance function should also be highlighted:

- Monitoring customers using internal and external lists;
- Analysing Anti-Money Laundering (AML) forms;

- Analysing and approving the opening of accounts;
- Ensuring the adequacy of internal standards and procedures relating to the prevention of money laundering and combating the financing of terrorism (PML/CFT);
- Monitoring domestic and foreign operations;
- Accompanying the commercial network when accepting customers, carrying out certain operations or selling services and products;
- Acting as a liaison point between the Bank and the authorities responsible for PML/CFT, to resolve any internal or external issue related to PML/CFT;
- Contributing to the sharing of knowledge on PML/CFT matters.

Finally, with regard to the Internal Audit function, during 2025 it continued to operate on an outsourced basis, consolidating its role as the third line of defence, in accordance with the provisions of Notice no. 01/2022 of the Banco Nacional de Angola and aligned with the Bank's Strategic Plan for the 2024–2026 three-year period. Activity remained guided by a risk-based approach, ensuring coverage of the main operational and support areas, including the branch network, central departments, and various matters such as ICAAP, ILAAP and PML/CFT.

During 2025, the function carried out a diverse set of risk assessment based audits, which made it possible to assess the degree of compliance with applicable legislation, internal policies, the effectiveness of controls, and the reliability of the information systems. The related recommendations were aimed at strengthening the internal control system, improving the operational efficiency of processes, and reinforcing the robustness of the audited areas. The function also ensured systematic follow-up of the implementation of the recommendations issued, maintaining regular reporting to the Board of Directors and the Audit and Internal Control Committee.

In addition to audit and follow-up activities, other relevant complementary tasks were also carried out, namely support in preparing the Internal Control Report submitted to the BNA, spot-checking the cash held in branch vaults, and active participation in meetings of the Audit and Internal Control Committee. In summary, 2025 was characterized by stable execution aligned with best practices, reflecting greater maturity in the function's processes, methodologies, and tools, as well as its ability to contribute to strengthening BCH's control environment and risk management.

Forecast

Notwithstanding the current economic and geopolitical environment, including the continued conflicts in the Middle East, and the outlook for the African economy, particularly the Angolan economy, BCH's strategy continues to be to focus on sustained growth, ensuring a flexible structure which provides for a swift and efficient response to the demanding business and regulatory challenges facing the financial sector. Given this, in 2025 BCH proposes to:

- Continue to offer a structure of different financial products set apart from the rest and which can continue to meet our customers' needs;
- Maintain the Bank's commitment to sustained growth while retaining its profitability margin;
- Continue to focus on strengthening its Control functions (Risk Management, Compliance and Internal Audit) by continuing to implement best practices in this area and improving the efficiency and effectiveness of internal processes, in response to the regulatory requirements in force;
- Rigorously and effectively monitor and implement any changes to the regulatory framework applicable to the financial sector and to BCH;
- In the regulatory area, undertake any necessary developments in terms of risk management to enable BCH to respond in an appropriate manner to the additional challenges and requirements that will result from the BNA's "supervisory equivalence" process (e.g. SREP, ICAAP, ILAAP);
- Maintain the focus on developing and implementing a plan which enables BCH to achieve alignment and compliance with the principles and requirements applicable to credit institutions in ESG (Environmental, Social, and Governance) areas;
- Reinforce our commitment to defining and implementing training plans that strengthen the skills of our employees and maintain the high levels of motivation of our teams.

Proposal for the Allocation of Profits

The Net Profit for the Year obtained in 2025, totalling AOA 10 595 615 thousand will be invested as follows:

- 10% reinforcing Legal Reserves;
- The remainder will be transferred to Results Carried Forward

The Board of Directors

Financial Statements

Income Statement for the years ended 31 December 2025 & 2024

(amount in thousands of kwanzas)

	Notes	31.12.2025	31.12.2024
Interest and similar income	4	12 829 739	10 001 090
Interest and similar costs	4	(470 702)	(627 931)
Net interest income		12 359 037	9 373 159
Income from services and fees	5	2 076 639	1 873 055
Cost of services and fees	5	(453 063)	(419 179)
Foreign exchange results	6	6 388 966	3 349 847
Other operating results	7	(1 291 392)	(1 257 517)
Proceeds from banking activity		19 080 187	12 914 912
Staff costs	8	(1 852 517)	(1 775 834)
Third-party supplies and services	9	(3 119 202)	(2 338 794)
Depreciation and amortisation in the year	16 e 17	(540 936)	(459 861)
Impairment on loans to customers net of reversals and recoveries	15	(9 898)	1 890
Impairment for other financial assets net of reversals and recoveries	10, 11, 12 e 14	(413 282)	105 069
Profit and loss before tax		13 144 352	8 447 382
Tax on profits			
Current	18	(2 548 737)	(2 276 545)
Net profit for the year		10 595 615	6 170 837
Average number of ordinary shares in circulation		18 000	18 000
Basic earnings per share (in kwanzas)	22	589	343
Diluted earnings per share (in kwanzas)	22	589	343

The accompanying notes form an integral part of these financial statements

Balance sheets as of 31 December 2025 and 2024

(amount in thousands of kwanzas)

	Notes	31.12.2025	31.12.2024
Asset			
Cash and deposits in central banks	10	25 538 305	10 491 929
Cash from other credit institutions	11	4 951 636	1 130 224
Investments in central banks and other credit institutions	12	2 107	55 479 637
Financial assets at fair value through other comprehensive income	13	43 656	43 656
Financial assets at amortized cost	14	59 103 048	9 859 474
Credit to customers	15	2 587 904	1 163 364
Other tangible assets	16	2 375 380	1 530 682
Intangible assets	17	428 523	837 739
Deferred tax assets	18	6 015	6 015
Other assets	19	2 290 336	2 809 354
Total Assets		97 326 910	83 352 074
Liabilities			
Customer funds and other loans	20	34 782 913	28 417 033
Current tax liabilities	18	2 265 135	2 711 790
Other liabilities	21	2 022 154	1 874 809
Total Liabilities		39 070 202	33 003 632
Equity			
Share Capital	22	20 000 000	20 000 000
Own shares	22	-3 000 000	-3 000 000
Other reserves and results carried forward	23	30 661 093	27 177 605
Net profit		10 595 615	6 170 837
Total equity		58 256 708	50 348 442
Total liabilities and equity		97 326 910	83 352 074

The accompanying notes form an integral part of these financial statements

Statements of Comprehensive Income for the years ended 31 December 2025 & 2024

(amount in thousands of kwanzas)

	Notes	31.12.2025	31.12.2024
Net profit for the year		10 595 615	6 170 837
Other comprehensive income		-	-
Individual comprehensive income for the year		10 595 615	6 170 837

The accompanying notes form an integral part of these financial statements

Statement of Changes in Equity for the years ended 31 December 2025 & 2024

(montantes em milhares de kwanzas)

	Notes	Share Capital	Own Shares	Other Reserves and Results Carried Forward			Distribution of Profits	Total Reserves and Results Carried Forward	Net Income	Total Equity
				Legal Reserve	Effect of changes in accounting policies	Other reserves and Results Carried Forward				
Balance as at 1 January 2024		20 000 000	(3 000 000)	4 159 152	(8 289)	19 539 753	-	23 690 616	3 486 586	44 177 202
Allocation of profits	23 and 24	-	-	348 659	-	3 137 927	-	3 486 586	(3 486 586)	-
Acquisition of Own Shares	23 and 24	-	-	-	-	-	-	-	-	-
Net Income	23 and 24	-	-	-	-	-	-	6 170 837	-	6 170 837
Other movements	23 and 24	-	-	-	-	403	-	403	-	403
	-									
Balance as at 31 December 2024		20 000 000	(3 000 000)	4 507 811	(8 289)	22 678 083	-	27 177 605	6 170 837	50 348 442
Balance as at 1 January 2025		20 000 000	(3 000 000)	4 507 811	(8 289)	22 678 083	-	27 177 605	6 170 837	50 348 442
Allocation of profits	23 and 24	-	-	617 084	-	2 553 753	-	3 170 837	(3 170 837)	-
Capital Increase	23 and 24	-	-	-	-	-	-	-	-	-
Distribution of Profits	23 and 24	-	-	-	-	-	3 000 000	3 000 000	(3 000 000)	(3 000 000)
Net Income	23 and 24	-	-	-	-	13 139	-	13 139	10 595 615	10 608 754
Other movements	23 and 24	-	-	(488)	-	300 000	-	299 512	-	299 512
Saldo em 31 de Dezembro de 2025		20 000 000	(3 000 000)	5 124 406	(8 289)	25 544 976	3 000 000	33 661 093	10 595 615	58 256 708

Cash Flow Statements for the years ended 31 December 2025 & 2024

(montantes em milhares de kwanzas)

	Notes	31.12.2025	31.12.2024
Cash flows from operating activities			
Interest and other income		10 070 807	10 748 041
Interest and costs paid		(404 617)	(395 835)
Services and commissions received		2 065 665	1 871 248
Services and fees paid		(451 489)	(417 566)
Cash payments to employees and suppliers		(4 943 011)	(4 106 104)
		6 336 995	7 699 784
<i>Changes in operating assets and liabilities</i>			
Financial assets at fair value through profit or loss		6 388 966	3 349 852
Investments in credit institutions		55 381 423	(42 284 119)
Resources from credit institutions		126 475	(19 844)
Credit to customers		(1 411 241)	1 965 156
Customer funds and other loans		6 311 780	16 207 717
Other operating assets and liabilities		(572 482)	(1 898 443)
		72 561 916	(14 979 897)
Net cash flows from operating activities, before taxes on profits			
Taxes on profits paid		(2 995 392)	189 635
		69 566 524	(14 790 262)
Net cash flows from operating activities			
Cash flows from investment activities			
Financial assets at amortized cost		(46 825 013)	16 060 953
Disposal of non-current assets held for sale		-	(13 613)
Purchase/disposal of fixed assets		(891 296)	(579 762)
Financial Leasing Operations		(295 503)	(197 632)
		(48 011 812)	15 269 946
Net cash variation and equivalents			
		21 554 712	479 684
Cash variation and equivalents at the start of the period			
		11 622 153	11 142 469
Net cash variation and equivalents		21 554 712	479 684
		33 176 865	11 622 153
Cash and cash equivalents encompass::			
Cash and deposits in central banks	10	25 538 305	10 491 929
Cash from other credit institutions	11	4 951 636	1 130 224
		30 489 941	11 622 153

The accompanying explanatory notes form an integral part of these financial statements

Notes to the Financial Statements

1-Introductory Note

By public deed of 17th June 2009, the Banco Comercial do Huambo, hereinafter referred to as the "Bank" or "BCH", was incorporated. The Bank began its commercial activity on 16 July 2010.

Originally a regional bank with its head office in the city of Huambo, its banking activity centred on providing support for small and medium-sized enterprises and contributing to the socio-economic development of the region in which it was based, BCH has more recently and over the last few years diversified its activity in order to offer a wider range of products and services, with greater added value for more discerning customers, which is also better suited to the geographical location that the Bank also has in the city of Luanda, the country's capital.

As part of its services, the Bank also offers its customers technical assistance, from the setting up a company to drawing up an economic and financial feasibility study. This support is innovative within the Angolan financial system and is available at the BCH branches in Huambo and Luanda.

As far as the shareholder structure is concerned and as mentioned in Note 22, the Bank is owned by Angolan shareholders, and the details of the shareholder structure are presented in that note.

2- Accounting Policies

2.1 Bases for the presentation

Under the provisions of Notice no. 6/2016 of 22 June, of the Banco Nacional de Angola (BNA), BCH's financial statements were prepared on a going concern basis from the Bank's records and in accordance with the International Accounting Standards/International Financial Reporting Standards (IAS/IFRS). These financial statements refer to the Bank's individual activity as at 31 December 2025 and have been drawn up in order to comply with the requirements for presenting individual accounts as set out by the BNA.

IAS/IFRS include the accounting standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), and their predecessor bodies.

The financial statements presented here relate to the year ending 31 December 2025.

The accounting policies presented in this note have been applied consistently with those used in the financial statements as at 31 December 2025.

The financial statements are expressed in thousands of Kwanzas, rounded to the nearest thousand, and have been prepared in accordance with the historical cost principle, with the exception of assets recognised at fair value, namely financial assets held for trading, at fair value through profit or loss and financial assets at fair value through other comprehensive income.

The preparation of financial statements in accordance with IAS/IFRS requires the Bank to make judgements and estimates and to use assumptions that affect the application of accounting policies and the amounts of income, costs, assets and liabilities. Changes in these assumptions or differences between assumptions and reality could have impacts on current estimates and judgements. Areas that involve a greater degree of judgment or complexity, or where significant assumptions and estimates are used in preparing the financial statements are examined in Note 3.

The financial statements for the year ended 31 December 2025 were approved at a meeting of the Board of Directors on 27 March 2026.

2.2 Foreign Currency Transactions

Assets and liabilities denominated in foreign currency are recorded in accordance with the multi-currency system, i.e. in the respective currency denominations.

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

Monetary assets and liabilities denominated in foreign currency are converted into the functional currency (Kwanzas) at the average exchange rate in force on the balance sheet date. The exchange rate differences resulting from the conversion are recognised in the income statement.

Non-monetary assets and liabilities denominated in foreign currency are converted into Kwanzas using the following methodology:

- Recorded at historical cost – at the average exchange rate in force on the date of the transaction.
- Recorded at fair value – at the average exchange rate in force on the date the fair value is determined and recognised against profit or loss, with the exception of those recognised in financial assets at fair value through other comprehensive income, the difference between which is recorded against equity.

The Bank's financial statements as at 31 December 2025 and 2024 are expressed in Angolan Kwanzas, with assets and liabilities denominated in other currencies having been converted into national currency on the basis of the indicative average exchange rate published by the Banco Nacional de Angola on those dates. On 31 December 2025 and 2024, the exchange rates of the Angolan Kwanza (AOA) against the United States Dollar (USD) and the Euro (EUR) were as follows:

	2025	2024
USD	912.290	912.000
EUR	1 069.522	949.483

2.3 Financial Instruments

Financial instruments are presented, classified and measured in accordance with the principles defined in IAS 32 – Financial instruments: presentation and IFRS 9 – Financial instruments.

The classification of financial assets is determined at initial recognition and it is extremely rare that reclassifications are made. A financial asset may only be reclassified if there is a change in the business model for managing financial assets and, therefore, this reclassification requires approval and the updating of the accounting policy.

According to IFRS 9 – Financial Instruments, financial assets can be classified into three categories with different measurement criteria – Amortised cost, Fair value through other comprehensive income (FVOCI) and Fair value through profit or loss (FVTPL).

2.3.1 Investments in Equity Instruments

Investments in equity instruments must be measured at fair value, with changes reflected in profit or loss, i.e. they are classified as FVTPL. Investments in equity instruments are considered to be held for trading when the entity intends to trade the positions with a view to obtaining a short-term profit.

However, on initial recognition, there is an irrevocable option, on an instrument-by-instrument basis, to classify investments in equity instruments as FVOCI. This option applies only to instruments that are not held for trading and that are not recognised as contingent by a buyer in a business combination in which IFRS 3 – Business Combinations applies.

With the application of the irrevocable option to classify as FVOCI, fair value profits and losses on investments in equity instruments designated as FVOCI will be recognised in other comprehensive income and can never be reclassified from capital to profit and loss (even when the investments are derecognised). Dividends attributed are recognised as income in the statement of comprehensive income when the right to receive them has been established.

2.3.2 Debt Instruments

The classification of Debt instruments depends on the characteristics of the contractual cash flows and the business model associated with them.

2.3.2.1 Solely Payments of Principal and Interest on the principal amount outstanding (SPPI)

In the HTC and Sell business models, the classification and measurement of debt instruments also depends on the characteristics of the contractual cash flows.

In this way, for each financial asset, the Bank determines whether the expected contractual cash flows correspond exclusively to the payment of capital and principal on the outstanding capital, by carrying out SPPI tests.

2.3.2.2 Business model

Definition and documentation of the Business Model

The business model represents the way in which the Bank manages its financial assets in order to generate cash flows, which, according to IFRS 9, can be through the collection of contractual cash flows (Hold-to-Collect – HTC), a mixed model of collecting contractual cash flows and making sales when market opportunities are identified (HTC and Sell) or other business models (e.g. trading).

The measurement categories are applied according to the business model assigned to the debt instruments – business model decision.

Business models do not depend on management's intentions for an individual instrument (i.e. it is not an instrument-by-instrument assessment). This analysis is carried out at a higher level of aggregation (i.e. on a portfolio-by-portfolio basis). The Institution may opt for more than one business model for managing its debt instruments.

Evaluating the business model requires judgement based on facts and circumstances. Thus, both quantitative factors (the frequency and expected value of sales) and qualitative factors (the purpose of the acquisition of financial assets, the reasons for any sale, how performance is managed and how employees are remunerated, etc.) should be considered.

According to IFRS 9, the following business models can be identified:

- Business model where the objectives are achieved by obtaining the contractual cash flows of the asset (Hold-to-Collect);
- Business model where the objectives are achieved both by obtaining the contractual cash flows of the asset and by selling it (Hold-to-Collect and Sell);
- Another business model.

Hold-to-Collect (HTC)

Financial assets accounted for using an "HTC" model are managed in such a way as to obtain cash flows by collecting capital and principal payments over the life of the instruments. In this business model, sales should be circumstantial and

an additional element to the objective of the business model. It typically involves a lower level of sales compared to other business models, both in terms of frequency and volume.

Although the aim of the HTC business model is to hold the financial assets in order to collect the contractual cash flows, the entity does not need to hold all the assets until maturity. A business model can be HTC even when some sales of financial assets have taken place or are expected to take place, as long as these sales are not significant.

Accordingly, the Bank has set the following limits for the instruments recognised in this category:

- 10% of the value of the portfolio is sold during the period;
- More than one sale per month.

Hold-to-Collect and Sell (HTC & Sell)

Both the collection of contractual cash flows and sales form an integral part of the objective of this business model. For the HTC and Sell category, the business model is often that of holding a portfolio of liquid assets in order to meet expected or unexpected commitments or to finance anticipated acquisitions. In this case, the classification of debt instruments focuses not on the business model itself, but on how these instruments are managed in order to fulfil the objectives of the business model.

A business model where the objective is achieved through both the collection of contractual cash flows and the sales of financial assets will typically have a higher frequency and value of sales compared to the HTC business model. This is due to the fact that sales of financial assets form an integral part of the objective of the business model and are not an ancillary part of it. However, there is no limit to the frequency or number of sales that can occur in this business model, as both forms are integral to achieving the objective of this business model.

Another business model

Any business model that does not fit into the two business models described above.

Financial assets and liabilities are recognised in the Bank's balance sheet on the date they are negotiated or contracted, unless it is expressly stipulated in the contract or in the applicable legal or regulatory regime that the rights and obligations inherent in the amounts transacted are transferred on a different date, in which case the latter will be the relevant date.

At the start, financial assets and liabilities are recognised at fair value plus transaction costs directly attributable to acquisition or issue, except for assets and liabilities at fair value through profit or loss where transaction costs are recognised immediately in profit or loss

2.3.3 Credit to Customers

Credit to customers includes loans created by the Bank which are not intended to be sold in the short term and which are recognised on the date on which the amount of the loan is advanced to the customer.

Credit to customers is initially recorded at fair value and subsequently at amortised cost net of impairment. The associated transaction costs form part of the effective interest rate of these financial instruments. Interest recognized using the effective interest rate method is recognized in net interest income.

To calculate the effective interest rate, future cash flows are estimated, taking into account all the contractual terms of the financial instrument. The calculation includes a set of fees that form an integral part of the effective interest rate, such as opening fees, management fees and renewal fees, transaction costs and all the premiums and discounts directly related to the transaction.

Credits to customers are initially recognised at fair value, plus transaction costs, less fees receivable, and are subsequently valued at amortised cost, using the effective interest rate method, and are shown in the balance sheet net of impairment losses. Credits to customers are derecognised from the balance sheet when (i) the Bank's contractual rights to the respective cash flows have expired, (ii) the Bank has substantially transferred all the risks and benefits associated with holding them, or (iii)

although the Bank has retained part but not substantially all of the risks and benefits associated with holding them, control over the assets has been transferred.

Under IFRS 9, the classification and measurement of the Bank's financial assets results from the combination of the Business Model chosen for the management of these assets and the results of the tests carried out to assess compliance with the SPPI (Solely Payments of Principal and Interest) criterion.

Accordingly, the business model specified for BCH's credit portfolio is Hold-to-Collect (HTC) and, as a result of this decision, all loans to customers will be classified as HTC and measured at amortised cost, except in situations where there is non-compliance with the SPPI criterion. In cases where credit operations do not fulfil the SPPI criteria, they should be classified at fair value through profit or loss (FVTPL).

2.3.3.1 Modification of customer credit exposures

Credit restructuring is understood to mean any change to the conditions in force for credit operations with customers in financial difficulties, which results in modifying the rights or duties of the parties. Most loans that are restructured due to the customer's financial difficulties are subject to a minimum 12-month healing period. In the event of successive modifications, the healing period restarts on the date of the last restructuring.

If a new recognised financial asset results from a contractual modification of a financial asset previously marked as restructured, it will continue to have this marking, and the healing period is also restarted from the date of the last restructuring.

2.3.3.2 Credits written off from assets

The Bank recognises a loan written off from assets when there is no reasonable expectation of recovering the asset and, for collateralised loans, when the funds from realising the collateral have already been received. This is recorded as such after all the actions taken by the Bank have proved unsuccessful.

Loans are written off in the accounts using impairment losses when they correspond to 100% of the value of the loans considered non-recoverable.

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

2.3.4 Determining the Measurement Method for Financial Assets

Financial assets are included for valuation purposes in one of the following categories:

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

2.3.4.1 Financial assets at amortised cost

In the portfolio of financial instruments at amortised cost, these are recorded as financial assets when the following two conditions are met:

- Business Model: There is a business model with the objective of holding the asset in order to obtain the contractual cash flows (HTC); and
- Compliance with SPPI criteria: The contractual conditions give rise to cash flows on specific dates, which are solely payments of principal and interest on the outstanding principal amount (SPPI).

Initial recognition:

Financial assets measured at amortised cost are, on initial recognition, recorded at fair value plus any transaction costs directly attributable to their acquisition or issue. The fair value at initial recognition is normally the transaction price, provided that the asset does not have a below-market interest rate (IFRS 13 – 'Fair value: measurement and disclosure').

Subsequent measurement:

Income and expenses from financial instruments at amortised cost are recognised according to the following criteria:

- Interest is recorded in profit and loss, using the effective interest rate of the amortised cost of the asset. In the case of impaired financial assets (stage 3), the effective interest rate is applied to the amortised cost net of impairment;
- Changes in impairment losses are recognised as income or expense in the period to which they relate, under Impairment of loans and advances to customers net of reversals and recoveries;
- Debt instruments issued in local currency indexed to the exchange rate of the United States Dollar are subject to the updating of the nominal value of the security in accordance with the variation in the respective exchange rate. Given this, the result of this updating of the security is reflected in the income statement for the year in which this occurs in the item exchange rate results. Likewise, the effects of the exchange rate update of debt instruments in foreign currency (United States dollar) are recognised in the income statement in the item exchange rate results.

2.3.4.2 Financial assets at fair value through other comprehensive income

In the portfolio of financial debt instruments at fair value through other comprehensive income, financial assets that fulfil the following two conditions are recorded:

- Business Model: if the debt instrument is held in a business model where the objective is to hold the asset in order to obtain its contractual cash flows and eventually profit from its sale (HTC and Sell); and
- Compliance with SPPI criteria: The contractual conditions give rise to cash flows on specific dates, which are solely payments of principal and interest on the outstanding principal amount.

Initial recognition:

FVOCI financial instruments are, at the time of initial recognition, recognised at fair value (in accordance with IFRS 13 – Fair value: measurement and disclosure), plus transaction costs.

Subsequent measurement:

Income and expenses from financial instruments at fair value through other comprehensive income are recognised according to the following criteria:

- Gains and losses on debt instruments classified as FVOCI resulting from changes in their fair value are recognised in other comprehensive income. At the time of their disposal, the respective gains or losses accumulated in other comprehensive income are reclassified to Profit or loss on financial assets at fair value through other comprehensive income.
- Interest is recognised in the income statement in the item Interest and similar income and is determined using the effective interest method.
- In the case of foreign currency assets, the effects of the corresponding exchange rate updates are recognised in the income statement in the item exchange rate results.
- Impairment losses or gains on reversals of impairment losses are recognised in the income statement in the item Impairment from other financial assets.

On this basis, and at their initial recognition, investments in equity instruments not held for trading are also measured at fair value through other comprehensive income. These financial assets are initially and subsequently measured at fair value plus any transaction costs. Subsequent changes in fair value are recognised in other comprehensive income and cannot be reclassified to profit or loss. Any dividends obtained are recognised as income in the period in which they are attributed.

2.3.4.3 Financial assets at fair value through profit or loss

All financial assets that are not measured at amortised cost or fair value through other comprehensive income, in accordance with the criteria defined above, are measured at fair value through profit or loss. In particular, the following are measured on this basis: (i) all financial assets that do not pass the SPPI test and are not investments in equity instruments designated at fair value through other comprehensive income; (ii) financial assets that are not held within an HTC or HTC and Sell business model; and (iii) financial assets for which the fair value option is applied (to eliminate or significantly reduce a measurement inconsistency).

Initial recognition:

FVOCI financial instruments are, at the time of initial recognition, recognised at fair value (in accordance with IFRS 13 – Fair value: measurement and disclosure).

Subsequent measurement:

These assets are subsequently measured at fair value and changes in fair value are recognised immediately in the income statement.

On 31 December 2025 and 2024, the bank did not hold any financial assets at fair value through profit or loss.

2.3.5 Impairment of financial assets

The impairment model developed in accordance with IFRS 9 is applicable to the following financial assets:

- All financial assets measured at amortised cost (including lease contracts where the Bank acts as lessor – IFRS 16 – Leases);
- Debt instruments measured at fair value through other comprehensive income (FVOCI);
- Documentary credits and guarantees and sureties provided; and
- Assets from contracts with customers, as referred to in IFRS 15 – Revenue from contracts with customers.

The identified impairment losses are recorded in the income statement and are subsequently reversed through the income statement if there is a reduction in the estimated loss amount, in a later financial year.

The aforementioned financial assets are subject to impairment tests at each reporting date. The impairment model determined in accordance with IFRS 9 translates into an Expected Credit Losses (ECL) model, which considers the expected losses over the life of the financial assets. This means that when determining the ECL, macroeconomic factors are taken into account which have changes that can have an impact on the expected losses.

In the expected loss model, assets subject to impairment calculation must be categorised into one of the following stages, depending on the change in credit risk since the asset was initially recognised:

- Stage 1 – From the initial recognition of the asset and whenever there has been no significant increase in the credit risk since that date, the assets are classified in stage 1. For these assets, an impairment corresponding to the ECL should be recognised for default events that may occur within a time window of 12 months following the reporting reference date;
- Stage 2 – If there has been a significant increase in risk since initial recognition, the assets should be classified in stage 2. In this category, impairment will correspond to the ECL for default events that may occur during the remaining lifetime of that asset (ECL lifetime).
- Stage 3 – Assets in default should be classified in this category, with impairment corresponding to the lifetime ECL.

The Bank considers that there is a default when the asset is more than 90 days overdue. The following conditions are also indicators of default:

- a. Significant financial difficulty of the issuer or borrower;
- b. A breach of contract, such as a default or delay;

- c. The borrower's lender(s), for economic or contractual reasons related to the borrower's financial difficulties, have granted the borrower facilities that they would not otherwise have granted;
- d. It is likely that the borrower will enter into bankruptcy or other financial reorganisation;
- e. The disappearance of an active market for that financial asset due to financial difficulties; or
- f. The acquisition or creation of a financial asset at a large discount that reflects the credit losses which have incurred.

The stage 2 classification is based on observing a significant increase in credit risk (SICR) since initial recognition. The SICR is identified through various quantitative and qualitative criteria, such as arrears of more than 30 days, loans restructured due to financial difficulties, and other criteria listed in Instruction no. 8/2019 of the Banco Nacional de Angola

Expected losses are a probability-weighted estimate of the reductions in the value of the cash flows resulting from the default over the relevant time frame and correspond to the present value of the estimated difference between the contractual cash flows and the expected cash flows of the financial assets ("cash shortfalls"). This estimate corresponds to an expected determined value which is the unbiased weighted average (through the respective occurrence probabilities) of various possible outcomes. Expected losses are discounted to the reporting date using the effective interest rate.

The calculation of the expected loss is based on historical and current information, but must also incorporate future projection scenarios that are reliable, reasonable, bearable and available without excessive cost or effort.

The IFRS 9 impairment calculation is complex and requires management decisions, estimates and assumptions, particularly in assessing whether there has been a significant increase in risk since the initial recognition.

Instruments with low credit risk

The credit risk of a financial instrument is low if the borrower has a low probability of defaulting, has a strong capacity to fulfil its contractual obligations in the short term and if adverse changes in economic and business conditions in the long term may reduce the customer's ability to fulfil its contractual cash flow obligations. Financial instruments are not considered low credit risk when they are considered to have a low level of loss given default (LGD) simply because of the value of the guarantee and if they would not be considered low risk if that guarantee did not exist.

To determine whether a financial instrument has low credit risk, the Bank uses its internal credit risk ratings. These instruments should be considered to have low credit risk, taking into account all the terms and conditions of the financial instrument and not just its internal or external risk rating.

POCI Assets (Purchased or Originated Credit Impaired)

POCI assets are assets which have defaulted at the time of initial recognition which can originate from one of the following criteria:

- (i) new financial assets originated after modification of contractual conditions that result in derecognition of the original asset and recognition of a new asset; and
- (ii) new customer contracts in default. The calculation of ECL for assets classified as POCI is determined by the following principles.

These financial assets are initially recognised at fair value plus transaction costs, with the corresponding effective interest rate determined by reference to their expected future cash flows and not their contractual cash flows. This effective interest rate is therefore an effective interest rate adjusted to the credit risk of the assets.

All changes in the expected cash flows of these financial assets following their initial recognition are treated as changes in the assets' impairment losses.

In the 2025 and 2024 financial years, there were no assets classified as POCI.

The Bank calculates impairment losses by analysing loans individually or by collectively analysing homogeneous groups

2.3.5.1 Individual analysis

The amount of impairment losses in individual terms is determined by analysing the total exposure of loans and advances to customers on a case-by-case basis. This individual analysis is carried out for the credits considered individually significant. The criteria specified by the Bank for identifying customers or economic groups that are individually significant and therefore subject to individual impairment analyses were as follows:

Segment	Criterion
Customers/economic groups for which there is observadas evidências objectivas de imparidade	0.1% of the amount of the institution's own funds
Customers/economic groups for which there is no objective evidence of impairment	0.5% of the amount of the institution's own funds

The global exposure amount for each customer/economic group does not take into account the consideration of conversion factors for off-balance sheet exposures [CCF].

Impairment losses are calculated by comparing the present value of the expected future cash flows discounted at the original effective interest rate of each contract and the book value of each loan, and the losses are recognised in the income statement. The book value of impaired loans is shown in the balance sheet net of impairment losses. For loans with a variable interest rate, the discount rate used corresponds to the effective annual interest rate applicable in the period in which the impairment was determined.

2.3.5.2 Collective analysis

Loans that are not considered individually significant, or those the individual analysis of which has resulted in zero impairment, are grouped based on similar risk characteristics with the aim of determining impairment losses in collective terms. This analysis allows the Bank to recognize losses whose identification, in individual terms, will only occur in future periods. Impairment losses in collective terms are determined by considering the following aspects:

- Historical experience of losses in portfolios with similar risk;
- Knowledge of the current economic and credit environment and its influence on the level of historical losses; and
- Estimated period between the occurrence of the loss and its identification.

The methodology and assumptions used to estimate future cash flows are reviewed regularly by the Bank in order to monitor differences between estimated losses and actual losses.

Segmentation of the credit portfolio for collective analysis

In accordance with IFRS 9, non-significant customers are included in homogeneous segments with similar credit risk, considering the Bank's management model, and subject to collective impairment determination. This is to ensure that they have similar risk characteristics when analysing these exposures and determining their risk parameters.

As regards the segmentation of exposures for the purposes of calculating risk parameters, the Bank decided to do this on the basis of two vectors, that is, segmentation based on the type of customer and product (homogeneous populations) and risk buckets. Customers/operations are classified at each point in time on the basis of these two vectors, which form the basis for the subsequent estimation of risk parameters per segment.

Significant segmentation factors considered in defining homogeneous populations when estimating risk parameters were certain characteristics of credit operations, such as the type of customer and the type of product.

In order to ensure that the portfolio segmentation was consistent with regulatory requirements and had the statistical relevance needed to determine robust risk parameters, the following segmentation was specified:

Type of customer	Segment
Individuals	Overdrafts – Individuals Consumer Credit Mortgage Loan Other Loans Employees
Companies	Current Accounts Overdrafts – Companies Other Loans Guarantees Provided and CGI

In the financial assets portfolio, impairments are determined by attributing:

- A probability of default (PD) derived from the debt rating of the issuer or counterparty, respectively; and
- A loss, given default (LGD), which results from market parameters.

2.3.5.3 Collateral assessment process

The assessment of guarantees is regularly ensured, so that the Bank has up-to-date information on the value of these instruments and, consequently, its ability to mitigate the risk of credit operations.

As part of the conditions for approving credit operations, whenever the need to obtain a guarantee from the customer is specified, if the type of guarantee or collateral identified implies a request for an assessment to define and validate its value, a request for an assessment of the guarantee should be made to the Credit Department, so that it can contact and trigger the process with the external assessment companies with which the Bank has an established agreement.

With regard to the process involving the periodic reassessment of collateral, based on the requirements of Notice no. 10/2014, Instruction 8/2019 and Directive 13/2019, namely with regard to the criteria that have been defined for carrying out a new assessment of the mortgage collateral, it has been specified that the Credit Department will be responsible for identifying the guarantees that should be subject to reassessment and for triggering the respective process with external valuers.

As part of the impairment model, the Bank has laid down a set of guarantees that can support the credit operations contracted.

Whenever it is relevant as part of the credit recovery process and in order to determine the recoverable amount of the credit through the enforcement of existing guarantees or to support a credit restructuring operation, the Credit Division or the Legal Department may request a reassessment of the guarantees associated with the operations under their management.

2.4 Financial Liabilities

UA financial instrument is classified as a financial liability when there is a contractual obligation for a settlement to be made by delivering cash or another financial asset, regardless of its legal form.

Financial liabilities are subsequently measured at amortised cost, except when they are held for trading (this is always the case with derivatives), or when the fair value option is applied. In these cases, financial liabilities are subsequently measured at fair value through profit or loss. For financial liabilities at amortised cost, the corresponding interest is recognised using the effective interest rate method and is shown in net interest income.

Non-derivative financial liabilities essentially include deposits from credit institutions and customers, loans and liabilities represented by securities.

Financial liabilities are initially recognised at fair value. For initial recognition purposes, the fair value is deducted from any transaction costs when the corresponding subsequent measurement corresponds to the amortised cost.

Any gains or losses resulting from the settlement of financial liabilities are recognised in the income statement when they occur.

Financial guarantees are contracts that oblige the Bank to make specific payments in order to reimburse the holder for a loss incurred as a result of a debtor failing to fulfil a payment. Financial guarantees are subsequently measured at the higher amount between the corresponding expected credit losses and the amount of the initial commission received less the amounts already recognised as revenue in accordance with the provisions of IFRS 15.

2.5 Other Tangible Assets

i. Recognition and measurement

Other tangible assets are recorded at acquisition cost less the respective accumulated amortisation and impairment losses. Cost includes expenses that are directly attributable to the acquisition of the goods.

ii. Subsequent costs

Subsequent costs are recognised as a separate asset only if it is probable that future economic benefits will accrue to the Bank. Maintenance and repair costs are recognised as an expense as they are incurred on an accruals basis, in the item "General Administrative Expenses".

iii. Amortisations

Land is not amortised. Amortisations are calculated on a straight-line basis over the estimated useful life of the asset, which corresponds to the period in which the asset is expected to be available for use, according to the following expected useful life periods:

	Number of years
Own service properties	50
Works on leased buildings	10
Transport equipment	3
Furniture and equipment	10
Machines and tools	6 to 7
IT equipment	3
Interior fittings	10

Amortisations of the remaining assets are recorded in costs for the financial year.

IAS 36 – Impairment of assets annually requires that whenever there are indications that their recoverable amount be estimated, that an impairment loss should be recognised whenever the net value of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Recoverable value is defined as the higher amount between the asset's net sale value and its use value, the latter calculated on the basis of the current value of estimated future cash flows that are expected to be obtained from continued use of the asset and disposal of the asset at the end of its useful life.

2.6 Intangible Assets

Software

The costs incurred in acquiring software from third parties are capitalised, as are the additional expenses borne by the Bank necessary for its implementation. These costs are amortised on a straight-line basis over their estimated useful life, which is usually 5 years.

Costs directly related to the development of computer applications, which are expected to generate future economic benefits beyond one financial year, are recognised and recorded as intangible assets.

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

2.7 Leasing

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

- the contract involves the use of an identified asset – the asset may be specified explicitly or implicitly and must be physically distinct or represent substantially all the capacity of a physically non-distinct asset. Even if an asset is specified, the Bank does not have the right to use an identified asset if the supplier has the substantive right to replace that asset during the utilisation period;
- the Bank has the right to substantially obtain all the economic benefits from the use of the identified asset, during the entire period of utilisation; and
- the Bank has the right to manage the use of the identified asset. The Bank has this right when it has the most important decision-making rights to change the manner and purpose with which the asset is used throughout the period of utilisation. In cases where the decision on how and for what purpose the asset is used is predetermined, the Bank has the right to manage the use of the asset if:
 - the Bank has the right to exploit the asset (or to have others exploit the asset in the manner it so determines) during the entire period of utilisation, without the supplier having the right to change these operational instructions; or
 - the Bank has designed the asset (or specific aspects of the asset) in such a way as to determine in advance the manner and purpose for which the asset will be used throughout the period of utilisation.

The Bank initially applied IFRS 16 on 1 January 2019 to lease contracts existing on that date or entered into afterwards.

At the start or the reassessment of a contract containing a lease component, the Bank allocates the consideration in the contract to each lease component on the basis of their individual prices. However, for leases of buildings, ATMs and equipment in which it is the lessee, the Bank has chosen not to separate the non-lease components and to account for the lease and non-lease components as a single component.

2.7.1 As a lessee

The Bank recognises a right-of-use asset and a lease liability on the lease commencement date. The right-of-use asset is initially measured at cost, which includes the initial amount of the lease liability adjusted for all lease prepayments on or before the commencement date (less lease incentives received), plus any initial direct costs incurred and the estimated costs of dismantling and removing the underlying asset or restoring the underlying asset or the premises in which it is located.

Subsequently, the right-of-use asset is depreciated using the straight-line method from the start date until the end of the service life of the right-of-use asset or the end of the lease term, whichever ends first. The estimated service life of right-of-use assets is determined according to the same principles as Tangible Assets. In addition, the right-of-use asset is periodically deducted from impairment losses, if any, and adjusted by certain remeasurements of the lease liability.

Lease liabilities are measured initially at the present value of the lease payments that have not been made at that date, discounted at the interest rate implicit in the lease, if that rate can be easily determined. If the rate cannot be easily determined, the Bank's incremental financing rate should be used. As a rule, the Bank uses its incremental financing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that have not been made on that date:

- fixed payments (including fixed payments in substance), less lease incentives;
- variable payments that depend on an index or a rate, initially measured using the rate or index existing at the start date;
- amounts expected to be paid as residual value guarantees;
- the price involved in exercising a call option, if the Bank is reasonably certain to exercise that option; and
- payments of penalties for termination of the lease, if the lease term shows the exercise of an option to terminate the lease by the Bank.

Lease liabilities are measured at amortised cost using the effective interest rate method. They are remeasured when there is a change in future lease payments resulting from a change in an index or rate, when there is a change in the Bank's estimate of the amount expected to be paid under a residual value guarantee, or whenever the Bank changes its assessment of whether or not it expects to exercise a purchase, extension or cancellation option.

Whenever the lease liability is remeasured, the Bank recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Bank recognises this reduction in the income statement.

The Bank puts right-of-use assets that do not meet the definition of investment property under "Other Tangible Assets" and lease liabilities under "Other Liabilities" in the statement of its financial position.

Short-term leases and leases of low-value assets

The standard allows a lessee not to recognise right-of-use assets and short-term lease liabilities that have a lease term of 12 months or less and leases of low-value assets, and the payments associated with these leases are recognised as an expense using the straight-line method over the term of the contract.

The Bank opted to apply the exemption defined by IFRS 16 for recognising right-of-use assets and lease liabilities for short-term leases, where the lease term is 12 months or less, and leases of low-value assets. The Bank therefore recognises the expenses associated with these contracts directly under "General administrative expenses" in the income statement.

2.7.2 As a lessor

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

To classify each lease, the Bank makes an overall assessment of whether the lease substantially transfers all the risks and benefits inherent to the ownership of the underlying asset. If the lease substantially transfers all the risks and benefits inherent to the ownership of the underlying asset, it is classified as a finance lease, otherwise as an operating lease. As part of this assessment, the Bank considers certain indicators such as whether the lease is for the majority of the asset's economic working life.

When the Bank is an intermediate lessor, it accounts for its interests in the main lease and the sublease separately. Subleases are classified by reference to the asset under the right of use arising from the original lease, and not by reference to the underlying asset. If the original lease is a short-term lease to which the Bank applies its exemption from recognition described above, the Bank classifies the sublease as an operating lease.

If a contract contains a lease and a non-lease component, the Bank will apply IFRS 15 to allocate the consideration provided for in the contract.

The Bank recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of General Administrative Expenses.

2.8 Taxes on Profits

The Bank is subject to the tax regime set out in the Industrial Tax Code in force in Angola.

Corporation tax for the year is determined based on a rate of 30% on the total value of pre-tax profits, adjusted according to the specific additions and deductions contained in the tax legislation in force. For tax purposes, the Bank is considered a Group A taxpayer.

With the publication of Law 19/14, which came into force on 1 January 2015, Industrial tax is subject to provisional settlement in a single instalment to be made in August, calculated by applying a 2% rate on the result of financial intermediation operations, determined in the first six months of the previous tax year, excluding income subject to capital investment tax, regardless of a basis for tax assessment in the year.

The tax returns are subject to review and correction by the tax authorities for a period of 10 years, which may result in possible corrections to the taxable profit for the financial years 2014 to 2025.

The Bank is also subject to the payment of IPU, at the rate of 0.5% on the asset value of properties used for the normal operation of its business, as laid down in Law no. 18/11 of 21 April.

The Bank is also subject to indirect taxes, namely, customs taxes, Stamp Duty, Consumption Tax, as well as other fees.

Capital Investment Tax

Presidential Legislative Decree no. 5/11, of 30 December, introduced several legislative amendments to the IAC Code, following the Tax Reform currently underway.

IAC is generally levied on income from the Bank's financial investments, namely income derived from investments, liquidity-providing operations and interest on Central Bank Securities.

The general rate is 10%, but a reduced rate of 5% (in the case of income from public debt securities with a maturity of three years or more) or a rate of 15% may be applied. Under the terms of Article 47(1)(a), income subject to IAC will be deducted from Industrial Tax.

Without prejudice to the above, as far as income from public debt securities is concerned, according to the latest position of the Tax Authority addressed to ABANC (letter with reference 196/DGC/AGT/2016, dated 17 May 2016), only income from securities issued on or after 1 January 2012 is subject to this tax.

It should also be noted that according to the Tax Authority's position, the exchange rate revaluations of public debt securities issued in national currency but indexed to foreign currency, issued since 1 January 2012, should be subject to Industrial Tax until the Banco Nacional de Angola is in a position to make the appropriate deduction of tax at source for the Capital Investment Tax (IAC).

Deferred taxes

Deferred taxes are calculated based on the temporary differences between the book values of assets and liabilities and their tax base, using the tax rates approved or substantially approved at the balance sheet date and which are expected to be applied when the temporary differences reverse.

Deferred tax liabilities are recognised for all temporary taxable differences with the exception of goodwill that is not deductible for fiscal purposes, the differences resulting from initial recognition of assets and liabilities which do not affect either the accounting profit or the fiscal profit, and differences relating to investments in subsidiaries insofar as they will probably not be reversed in the future.

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

2.9 Provisions

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

The measurement of provisions takes into account the principles specified in IAS 37 with regard to the best estimate of the expected cost, the most likely result of the ongoing actions and considering the risks and uncertainties inherent in the process.

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

Provisions are reviewed at the end of each reporting date and adjusted to reflect the best estimate, being reversed against the income statement in proportion to the payments that are not likely to take place.

Provisions are derecognised through their use for the liabilities for which they were initially set up or in cases where such liabilities have ceased to be observed.

2.10 Interest Recognition

Income and expenses from financial instruments measured at amortised cost (assets and liabilities) and measured at fair value through comprehensive income (assets) are recognised in the items interest and similar income or interest and similar charges (net interest income).

The effective interest rate is the rate that discounts estimated future payments or receipts over the expected lifetime of the financial instrument (or, where appropriate, over a shorter period) to the amount paid or received on acquisition or assumption of the financial asset or liability.

To determine the effective interest rate, the Bank estimates future cash flows considering all the contractual terms of the financial instrument (e.g. prepayment options), while not considering any impairment losses. The calculation includes commissions paid or received considered as an integral part of the effective interest rate, transaction costs and all premiums or discounts directly related to the transaction.

2.11 Recognition of Income from Services and Commissions

Income from services rendered and fees include commissions and fees not included in the effective interest rate of financial assets. This income includes, among other things, fees charged in connection with loan instalments, fees related to the non-use of credit lines and fees related to the provision of means of payment and cards.

This income is recognised in accordance with the provisions of IFRS 15 – Revenue from contracts with customers. The price associated with these transactions is generally fixed and does not have a significant financing component. The corresponding revenue is recognised when control over the services rendered is transferred to customers, which normally happens when the amounts in question are debited to customers.

When service income is an integral part of the effective interest rate of a financial instrument, the resulting income is recognised in net interest income.

2.12 Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents include amounts recognised in the balance sheet with a maturity of less than three months from the balance sheet date, including cash and deposits with other credit institutions.

Cash and cash equivalents exclude mandatory deposits made with Central Banks.

2.13 Financial Guarantees and Commitments

Financial guarantees are contracts that oblige the Bank to make specific payments in order to reimburse the holder for a loss incurred as a result of a debtor failing to fulfil a payment. Commitments are firm commitments with the aim of providing credit under predetermined conditions.

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

2.14 Earnings per Share

Basic earnings per share are calculated by dividing the result by the weighted average number of ordinary shares in circulation, excluding the average number of own shares held by the Bank.

For diluted earnings per share, earnings and the average number of ordinary shares in circulation are 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 reduces earnings per share.

The average number of shares in circulation is adjusted retrospectively whenever there is an increase or decrease in the number of shares in circulation, without this resulting in a corresponding change in resources.

3 – Main Estimates and Judgments Used in Drawing Up the Financial Statements

The IAS/IFRS set out a series of accounting procedures and require the Board of Directors to apply judgements and make estimates in order to decide on which is the most appropriate accounting process. The main accounting estimates and judgements used in the application of accounting principles by the Bank are presented in this note, with the aim of improving the understanding of how their application affects the results reported by the Bank and their disclosure. An extended description of the main accounting policies used by the Bank is presented in Note 2 to the financial statements.

Given that in many situations there are alternatives to the accounting procedure adopted by the Board of Directors, the results reported by the Bank could be different if an alternative procedure were chosen. The Board of Directors considers that the choices made are appropriate and that the financial statements truly and appropriately show the financial position of the Bank and the results of its operations in all materially relevant aspects.

3.1 Impairment Losses on Loans and Advances to Customers

The Bank periodically reviews its loan portfolio in order to assess the existence of impairment losses, as stated in the accounting policy described in Note 2.

The process of assessing the loan portfolio in order to determine whether an impairment loss should be recognised is subject to various estimates and judgements. This process includes factors such as the probability of default, credit ratings, the value of the collateral associated with each operation, recovery rates and estimates of both future cash flows and when they will be received.

Alternative methodologies and the use of other assumptions and estimates could result in different levels of recognised impairment losses, with a consequent impact on the Bank's profit and loss.

The Bank considers that the impairment determined on the basis of the methodology described in Note 2 adequately reflects the risk associated with its customer loan portfolio, taking into account the rules defined by IFRS 9.

3.2 Tax on Profits

In order to determine the overall amount of taxes on profits, certain interpretations and estimates had to be made. There are various transactions and calculations for which the determination of the tax payable is uncertain during the normal business cycle.

Other interpretations and estimates could result in a different level of tax on earnings, current and deferred, which are recognised in the period.

The Tax Authorities have the possibility of reviewing the Bank's calculation of the taxable amount for a period of ten years. Therefore, it is possible that there may be corrections to the taxable amount, resulting mainly from differences in the interpretation of tax legislation, which the Board of Directors considers unlikely to have a material effect on the financial statements.

3.3 Leasing

The application of the requirements of IFRS 16 involves a series of judgements that can have a material impact on the financial statements. In particular, the carrying amount of right-of-use assets and lease liabilities is highly dependent on the estimate corresponding to the term of the leases and more specifically the number of renewals of the respective contracts.

4 – Net Interest Income

The value of this item is made up as follows:

(amount in thousands of kwanzas)

	31.12.2025			31.12.2024		
	Assets/ liabilities at amortised cost	From assets/ at fair value	Total	Assets/ liabilities at amortised cost	From assets/ at fair value	Total
Interest and similar income						
Interest on loans to customers	840 386	-	840 386	580 863	-	580 863
J Interest on balances and investments at credit institutions	4 843 811	-	4 843 811	6 763 254	-	6 763 254
Interest on financial assets at amortised cost	7 145 542	-	7 145 542	2 656 973	-	2 656 973
	12 829 739	-	12 829 739	10 001 090	-	10 001 090
Interest and similar costs						
Interest on central bank and customer funds	393 063	-	393 063	545 067	-	545 067
Lease Interest	77 639	-	77 639	82 864	-	82 864
	470 702	-	470 702	627 931	-	627 931
Net Interest Income	12 359 037	-	12 359 037	9 373 159	-	9 373 159

The item interest on loans to customers records the interest on credit agreements granted to customers.

The item interest on financial assets at amortised cost refers to interest on public debt securities, namely bonds and treasury bills. The income from public debt securities, obtained from treasury bonds and treasury bills issued by the Angolan State is subject to Capital Investment Tax (IAC) and is deducted from the taxable amount for industrial tax purposes.

The item interest on central bank and customer funds essentially refers to interest paid to customers on funds capitalised at the Bank. This item has a cost of AOA 393 063 thousand in the 2025 financial year (31 December 2024: AOA 545 067 thousand), lower than the previous year, due to the decrease in the number of deposits in central banks.

5 – Income From Services and Fees

The value of this item is made up as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Income from services and fees		
For banking services rendered	2 076 39	1 873 055
Cost of services and fees		
For banking services rendered	453 063	419 179
	1 623 576	1 453 876

The following details are by type of fee:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Income from services and fees		
Commissions for electronic clearing	924 277	1 018 545
Transfer commissions	873 248	612 865
Commissions on dossiers	15 306	2 672
Commissions for remittance services	(1923)	36 096
Commissions for guarantees and sureties provided	30 698	40 875
Commissions for opening credit	103 460	44 642
Commissions for banking services	52 886	54 772
Other commissions	78 686	62 589
	2 076 639	1 873 055
Costs of services and fees		
Commissions for electronic clearing	113 227	128 803
Commissions for securities management	32 061	58 955
Commissions for payment systems	852	316
Commission for provision of funds	278 070	222 382
Commissions for other services provided by third parties	28 853	8 722
	453 063	419 179
	1 623 576	1 453 876

The increase in the balance of this item is mainly the result of the increase in transfer fees in the amount of AOA 873 248 thousand (31 December 2024: AOA 612 865 thousand) and credit opening commissions in the amount of AOA 103 460 thousand (31 December 2024: AOA 44 642 thousand).

6 – Foreign Exchange Results

The value of this item is made up as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Results from Foreign Exchange Transactions		
Foreign Exchange Transactions	6 562 927	3 523 808
Currency Exchange Revaluation	(173 961)	(173 961)
	6 388 966	3 349 847

The Foreign Exchange Transactions item reflects the results of buying and selling foreign currency, in accordance with the accounting policy described in Note 2.2.

The Foreign Exchange Revaluation item includes the results of the foreign exchange revaluation of monetary assets and liabilities expressed in foreign currency in accordance with the accounting policy described in Note 2.2.

7 – Other Operating Profits

The value of this item is made up as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Penalties applied by regulatory bodies	(655 784)	(614 168)
Direct and indirect taxes	(648 052)	(423 354)
Other operating costs	(73 303)	(305 626)
Other operating income	85 747	85 632
	(1 291 392)	(1 257 517)

The item Direct and indirect taxes includes the amount of AOA 507 771 thousand (31 December 2024: AOA 184 596 thousand) regarding the Capital Investment Tax (IAC);

8 – Personnel Costs

The value of this item is made up as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Members of the management and supervisory bodies		
Remunerations	610 677	609 860
Holiday and Christmas Allowance	99 132	113 705
Other Subsidies	-	3
Other remuneration and charges	34 866	63 658
	<u>744 675</u>	<u>787 226</u>
Employees		
Remunerations	636 844	588 711
Holiday and Christmas Allowance	24 303	162 529
Other SubsidiesOutros Subsidios	250 933	114 923
	<u>912 080</u>	<u>866 163</u>
Other staff costs		
Salary expenses	189 049	118 900
Workplace accident insurance	6 713	3 545
	<u>195 762</u>	<u>122 445</u>
	1852 517	1775 834

The costs of remuneration and other benefits attributed to members of the management and supervisory bodies for the 2025 and 2024 financial years refer entirely to remuneration and other short-term benefits.

The remuneration of the members of the management and supervisory bodies consists of the following amounts:

	31.12.2025			31.12.2024		
	Board of Directors	Supervisory Board	Total	Board of Directors	Supervisory Board	Total
Remuneration and other short-term benefits	49 566	2 736	52 302	49 566	2 727	52 293
Total	49 566	2 736	52 302	49 566	2 727	52 293

The number of Bank employees, when considering permanent and fixed-term contracts, is broken down by professional category as follows:

	31.12.2025		31.12.2024	
	Average for the Period	End of the financial Year	Average for the Period	End of the financial Year
Directors	5	5	5	5
Department	2	2	3	2
Head of Department	-	-	1	-
Administrative Area	36	37	32	34
Commercial Area	36	40	31	31
	78	84	71	72

9 – Third-Party Supplies and Services

The value of this item is made up as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Consultancy and auditing	2 071 957	1 479 539
Rents and leases	1 723	35 560
Security, maintenance and repair	337 032	264 949
Communications	111 057	71 444
Various materials	98 803	200 383
Transport, travel and accommodation	20 785	17 826
Water, energy and fuel	8 954	5 894
Insurance	63 546	21 779
Publications, publicity and advertising	30 906	17 734
Cheque and card production services	286 303	207 857
Other third-party supplies	34 789	15 830
	3 066 990	2 338 794

The item consultancy and auditing includes the provision of auditing services, tax consultancy and IT services.

On 31 December 2025, the rents and leases item corresponds to short-term leases not included in the measurement of lease liabilities, as described in accounting policy 2.7.1.

10 – Cash and Deposits in Central Banks

The value of this item is made up as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Cash		
Banknotes at branch counters	3 316 631	2 024 868
Banknotes in ATMs	345 833	278 581
	<u>3 662 464</u>	<u>2 303 449</u>
Deposits with Central Banks		
National Bank of Angola	21 875 841	8 188 480
	<u>21 875 841</u>	<u>8 188 480</u>
	25 538 305	10 491 929

The item Deposits at Central Banks includes compulsory deposits with the Banco Nacional de Angola, the purpose of which is to fulfil the legal requirements regarding the constitution of minimum cash holdings. It should be noted that there is no remuneration associated with these deposits. The variation observed between periods is due to the maturity of the liquidity provisions on 31 December 2025, the amount of which was held in cash.

As at 31 December 2025 and 2024, the minimum reserve requirements on demand deposits at the Banco Nacional de Angola are summarised in the following table:

	(amount in thousands of kwanzas)					
	31.12.2025			31.12.2024		
	USD	EUR	AOA	USD	EUR	AOA
Compulsory reserves						
Kwanzas	-	-	4 749 761	-	-	4 432 102
US Dollars	-	-	488 254	535	-	488 101
Euros	-	-	8 057	-	75	71 432
	-	-	5 246 072	535	75	4 991 634
Free Reserves	-	-	16 629 768	-	-	3 196 846
			21 875 841			8 188 480

The balance of deposits at Central Banks is made up of demand deposits in local and foreign currency, which are non-interest-bearing, in order to meet the BNA's minimum reserve requirements and other effective liabilities. There were no impairment loss movements.

All the exposures relating to deposits at central banks are at stage 1.

On 4 June 2010, BNA Instruction no. 3/2010 came into force, establishing that compulsory reserves would now be made up in two currencies – AOA for accounts in AOA that form the reserve base and USD, for accounts in foreign currency that form the reserve base.

In 2016, the BNA issued Instruction no. 2/2016, which specifies that the reserves to be set aside in national currency are 30%, with the exception of deposits from Local Government and Municipal Administrations, which are subject to a 50% rate, and Central Government, which is subject to a 75%. The coefficient for mandatory reserves in foreign currency is 15% for customer deposit balances and 100% for Local and Central Government deposit balances, as well as for Municipal Administrations.

In addition, Instruction no. 04/2016 of 13 May specifies that the reserve base, with the exception of Central Government, Local Government and Municipal Government accounts, is 30%, with banks being able to comply with up to 20% with Treasury Bonds belonging to the banks' own portfolio, provided they were issued from January 2015 onwards and with the amount of the financing contracts made with the Ministry of Finance, complying with the weightings defined in the aforementioned Instruction.

11 – Deposits with Other Credit Institutions

The balance of the item Deposits with other credit institutions is made up as follows:

	(amount in thousands of kwanzas)	
Deposits in financial institutions abroad	4 973 875	1 072 598
Pending transactions and settlement	(21 417)	57 773
	<u>4 952 458</u>	<u>1 130 371</u>
Impairment losses		
Deposits in financial institutions abroad	(823)	(147)
	4 951 636	1 130 224

As at 31 December 2025 and 2024, the item Deposits in financial institutions abroad includes the balances of accounts with the corresponding bank, and these amounts are part of the Bank's day-to-day business management without any associated remuneration. The variation between periods is due to an increase in the portfolio of USD deposits as of 30 December 2025, which led to a rise in deposits abroad.

The changes which occurred in impairment losses shown is the assets were as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Opening balance	(147)	(195)
Net Allocations from Reversals	(676)	48
Final balance	(823)	(147)

All the exposures relating to deposits with other credit institutions are at stage 1.

12 – Investments at Central Banks and Other Credit Institutions

The breakdown of this item as at 31 December 2025 and 2024 was as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Investments in Central banks in the country		
Deposits at the National Bank of Angola	-	54 381 423
	-	54 381 423
Investments in credit institutions abroad		
Short term investments		-
Resale agreement transactions	1 427	1 097 533
Interest receivable	681	680
	2 107	1 098 214
Impairment losses	-	-
	2 107	55 479 637

The investments were set up as collateral for the issue of documentary credits alongside the corresponding items. The variation between periods is due to the Bank's change in investment strategy, as it opted not to hold liquidity provisions with other banks.

The reverse repurchase agreements relate to repos on Angolan public debt securities, denominated in Angolan currency, with a maturity of up to 3 months.

The analysis of investments in central banks and other credit institutions, by maturity, on 31 December 2025 and 2024 was as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Up to 3 months	681	54 382 103
From 3 months to one year	1 427	1 097 533
Final balance	2 107	55 479 637

The changes which occurred in impairment losses shown is the assets were as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Opening balance	0	(2 357)
Net Allocations from Reversals	-	2 357
Uses and other handling	-	-
Final balance	0	0

All the exposures relating to investments in other credit institutions are at stage 1

13 – Financial Assets at Fair Value Through Other Comprehensive Income

The breakdown of this item as at 31 December 2025 and 2024 was as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Opening balance	43 656	43 656
Final balance	43 656	43 656

On 31 December 2025 and 2024, this item only included the Bank's stake in EMIS – Empresa Interbancária de Serviços, S.A.R.L. (EMIS), with head office in Luanda, in which the Bank holds less than 10% of the capital.

EMIS was set up in Angola to manage electronic means of payment and complementary services.

The analysis of financial assets at fair value through other comprehensive income, by valuation levels, with reference to 31 December 2025 and 2024, was as follows:

	(amount in thousands of kwanzas)			
	Level 1	Level 2	Level 3	Total
Shares	-	-	43 656	43 656
Balance at 31 December 2025	-	-	43 656	43 656
Shares	-	-	43 656	43 656
Balance at 31 December 2024	-	-	43 656	43 656

In accordance with the IFRS, the fair value of these financial assets was determined in accordance with level 3 of the IFRS 13 fair value hierarchy (Note 27).

14 – Financial Assets at Amortised Cost

The breakdown of this item as at 31 December 2025 and 2024 was as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Bonds and other fixed-yield securities		
From public issuers	6 900 061	888 101
Treasury Bills	52 698 198	9 053 980
National Currency Treasury Bonds	<u>59 598 259</u>	<u>9 942 081</u>
Impairment		
Treasury Bills	(27 478)	-
National Currency Treasury Bonds	<u>(467 733)</u>	<u>(82 607)</u>
	<u>(495 211)</u>	<u>(82 607)</u>
	59 103 048	9 859 474

The fair value of the portfolio of financial assets at amortised cost is presented in Note 27, within the scope of the disclosure requirements specified in IFRS 7 and 13. The variation between periods is due to the Bank's change in investment strategy during 2025, opting for greater investment in securities and a reduction in liquidity provisions with other banks.

The breakdown of investments at amortised cost by maturity is as follows:

	(amount in thousands of kwanzas)				
	Less than three months	Between three months and one year	From one to five years	More than five years	Total
From public issuers					
Treasury Bills	-	6 900 061	-	-	6 900 061
National Currency Treasury Bonds	-	-	52 698 198	-	52 698 198
Balance at 31 December 2025	-	6 900 061	52 698 198	-	59 598 259
From public issuers					
Treasury Bills	-	888 101	-	-	888 101
National Currency Treasury Bonds	-	-	9 053 980	-	9 053 980
Balance at 31 December 2024	-	888 101	9 053 980	-	9 942 081

The movements in impairment losses recognised in assets as a correction to investment values were as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Opening balance	(82 607)	(133 555)
Net Allocations from Reversals	(412 604)	50 948
Final balance	(495 211)	(82 607)

All exposures relating to financial assets at amortised cost are at stage 1.

15 – Loans and Advances to Customers

The breakdown of this item as at 31 December 2025 and 2024 was as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Credit falling due		
The companies		
Loans	670 457	987 074
Current account credit	1 750 518	518
	2 420 974	987 591
To individuals		
Loans	171 619	170 141
Overdrafts	-	7 091
	171 619	177 232
	2 592 594	1 164 824
Credit and interest overdue		
Up to 3 months	198	17
From 3 months to 1 year	2 134	4 128
	2 332	4 145
	2 594 926	1 168 968
Accumulated impairment losses	(7 021)	(5 605)
	2 587 904	1 163 364

As at 31 December 2025, there were no credit agreements with customers being restructured due to financial difficulties.

As at 31 December 2024 and 2025, the composition of the loan portfolio by residual maturity was as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Up to 3 months	515 302	12 000
From 3 months to one year	-	-
From one to five years	1 921 624	1 021 968
More than five years	158 000	135 000
Indeterminate duration	-	-
	2 594 926	1 168 968

The Bank classifies instalments of principal or interest due on the day they fall due as overdue loans.

The movements in impairment losses recognised on the asset side as a correction to loan values were as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Opening balance	5 605	7 380
Net Allocations from Reversals	(1 327)	(1 890)
Uses and other handling	2 743	115
Final balance	7 021	5 605

Credit exposures to customers broken down by stage of impairment are shown below:

- As at 31 December 2025:

(amount in thousands of kwanzas)

Segment	Exposure on 31-12-2025				Impairment 31.12.2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Companies	2 420 974	-	-	2 420 974	4 828	-	-	4 828
Loans	670 457	-	-	670 457	4 181	-	-	4 181
Current Accounts	1 750 518	-	-	1 750 518	647	-	-	647
Overdrafts	-	-	-	-	-	-	-	-
Individuals	1 716 19	-	2 332	1 173 951	533	-	1 660	2 193
Overdrafts	-	-	2 332	2 332	-	-	1 660	1 660
Loans	137 512	-	-	137 512	115	-	-	115
Employee	34 107	-	-	34 107	418	-	-	418
Total	2 592 594	-	2 332	2 594 926	5 361	-	256	7 021

- A 31 de Dezembro de 2024:

(amount in thousands of kwanzas)

Segment	Exposure on 31-12-2024				Impairment 31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Companies	987 592	-	-	987 592	3 789	-	-	3 789
Loans	987 074	-	-	987 074	3 789	-	-	3 789
Current Accounts	518	-	-	518	-	-	-	-
Overdrafts	-	-	-	-	-	-	-	-
Individuals	177 231	-	4 145	181 376	1 561	-	256	1 817
Overdrafts	7 091	-	4 145	11 236	-	-	256	256
Loans	125 970	-	-	125 970	234	-	-	234
Employee	44 170	-	-	44 170	1 327	-	-	1 327
Total	1 164 823	-	4 145	1 168 968	5 349	-	256	5 605

The breakdown of loans and advances to customers falling due by type of rate was as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Fixed rate	2 209 830	287 891
Variable rate	385 096	881 077
Total	2 594 926	1 168 968

As at 31 December 2025 and 2024, the breakdown of loans and impairment by segment and by situation was as follows:

- As at 31 December 2025:

(amount in thousands of kwanzas)

Segmento	Exposure Year 2025			Total exposure	Relative weight	Impairment Year 2025		
	Credit in compliance	Credit in non-compliance	Guarantees provided			Credit in compliance	Credit in non-compliance	Impairment total
Pulic Sector								
Companies	2 420 974	-	-	2 420 974	93%	4 828	-	4 828
Loans	670 457	-	-	670 457	26%	4 181	-	4 181
Current Accounts	1750 518	-	-	1750 518	67%	647	-	647
Overdrafts	-	-	-	-	0%	-	-	-
Guarantees Provided and CDI	-	-	-	-	0%	-	-	-
Individuals	171 619	2 332	-	173 951	7%	533	1 660	2 193
Overdrafts	-	2 332	-	2 332	0%	-	1 660	1 660
Loans	137 512	-	-	137 512	5%	115	-	115
Employee	34 107	-	-	34 107	1%	418	-	418
Total	2 592 594	2 332	-	2 594 926	100%	5 361	1 660	7 021

- As at 31 December 2024:

(amount in thousands of kwanzas)

Credit in Segmento	Exposure Year 2024			Relative exposure	Credit in weight	Impairment Year 2024		
	Credit in compliance	Guarantees non-compliance	Total provided			Credit in compliance	Impairment non-compliance	total
Pulic Sector								
Companies	987 592	-	-	987 592	84%	3 789	-	3 789
Loans	987 074	-	-	987 074	84%	3789	-	3789
Current Accounts	518	-	-	518	0%	-	-	-
Overdrafts	-	-	-	-	0%	-	-	-
Guarantees Provided and CDI	-	-	-	-	0%	-	-	-
Individuals	177 231	4 145	-	181 376	16%	1 561	256	1 817
Overdrafts	7 091	4 145	-	11 236	1%	-	256	256
Loans	125 970	-	-	125 970	11%	234	-	234
Employee	44 170	-	-	44 170	4%	1327	-	1327
Total	1 164 823	4 145	-	1 168 968	100%	5 349	256	5 605

As at 31 December 2025 and 2024, the breakdown of loans and impairment by year of concession for individuals and companies was as follows:

(amount in thousands of kwanzas)

Segment	31.12.2025			31.12.2024		
	Number of operations	Amount	Impairment constituted	Number of operations	Amount	Impairment constituted
Companies						
Loans	28	670 457	4 181	17	987 074	3 789
Current Accounts	1	1750 518	647	1	518	-
Overdrafts	-	-	-	-	-	-
Individuals						
Overdrafts	1	2 332	1 660	4	11 236	256
Employee	12	34 107	418	14	44 170	234
Loans	30	137 512	115	10	125 970	1 327
Total	72	2 594 926	7 021	46	1 168 968	5 605

As at 31 December 2025 and 2024, the detail of exposures and impairment by segment was as follows:

(amount in thousands of kwanzas)

Segment	Exposure Year 2025						Impairment Year 2025			
	Total exposure	Stage 1 Credit	Stage 2 Credit	Of which being cured	Stage 3 Credit	Of which acquired or originated in credit impairment	Total impairment	Stage 1 Credit	Stage 2 Credit	Stage 3 Credit
Income Credit	842 076	842 076	-	-	-	-	4 714	4 714	-	-
Escrow Account	1750 518	1750 518	-	-	-	-	647	647	-	-
Overdrafts	2 332	-	-	-	2 332	-	1660	-	-	1660
Total	2 594 926	2 592 594	-	-	2 332	-	7 021	5 361	-	1660

(amount in thousands of kwanzas)

Segment	Exposure Year 2024						Impairment Year 2024			
	Total exposure	Stage 1 Credit	Stage 2 Credit	Of which being cured	Stage 3 Credit	Of which acquired or originated in credit impairment	Total impairment	Stage 1 Credit	Stage 2 Credit	Stage 3 Credit
Income Credit	1 157 214	1 157 214	-	-	-	-	5 349	5 349	-	-
Escrow Account	518	518	-	-	-	-	-	-	-	-
Overdrafts	11 236	7 091	-	-	4 145	-	256	-	-	256
Total	1 168 968	1 164 823	-	-	4 145	-	5 605	5 349	-	256

As at 31 December 2025 and 2024, the detail of exposures and impairment constituted by interval of days in arrears was as follows:

(amount in thousands of kwanzas)

Segment	Exposure Year 2025									Impairment Year 2025								
	Exposures with no significant increase in credit risk since Initial recognition (Stage 1)			Exposures with a significant increase in credit risk since Initial recognition that are not credit impaired (Stage 2)			Impaired credit exposures (Stage 3)			Exposures with no significant increase in credit risk since Initial recognition (Stage 1)			Exposures with a significant increase in credit risk since Initial recognition that are not credit impaired (Stage 2)			Impaired credit exposures (Stage 3)		
	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days
Income Credits	842 076	-	-	-	-	-	-	-	-	4 714	-	-	-	-	-	-	-	-
Escrow Account	1750 518	-	-	-	-	-	-	-	-	647	-	-	-	-	-	-	-	-
Overdrafts	-	-	-	-	-	-	-	-	2 332	-	-	-	-	-	-	-	-	1660
Total	2 592 594	-	-	-	-	-	-	-	2 332	5 361	-	-	-	-	-	-	-	1660

(montantes em milhares de kwanzas)

Segment	Exposure Year 2024									Impairment Year 2024								
	Exposures with no significant increase in credit risk since Initial recognition (Stage 1)			Exposures with a significant increase in credit risk since Initial recognition that are not credit impaired (Stage 2)			Impaired credit exposures (Stage 3)			Exposures with no significant increase in credit risk since Initial recognition (Stage 1)			Exposures with a significant increase in credit risk since Initial recognition that are not credit impaired (Stage 2)			Impaired credit exposures (Stage 3)		
	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days	≤ 30 days	> 30 days	> 90 days
Income Credits	1 157 214	-	-	-	-	-	-	-	-	5 349	-	-	-	-	-	-	-	-
Escrow Account	518	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts	7 091	-	-	-	-	-	-	-	4 145	-	-	-	-	-	-	-	-	256
Total	1 164 823	-	-	-	-	-	-	-	4 145	5 349	-	-	-	-	-	-	-	256

As at 31 December 2025 and 2024, the detail of the fair value of the guarantees underlying the loan portfolio of the Companies, Construction and property development and Housing segments was as follows:

(amount in thousands of kwanzas)

Fair Value	Year 2025							
	Companies				Housing			
	Property		Other real estate guarantees		Property		Other real estate guarantees	
	Number of Properties	Amount	Number	Amount	Number Properties	Amount	Number	Amount
< 50 AOA thousand	-	-	-	-	-	-	-	-
>= 50 AOA thousand and < 100 AOA thousand	-	-	-	-	2	195 844	-	-
>= 100 AOA thousand and < 500 AOA thousand	-	-	-	-	1	93 358	-	-
>= 500 AOA thousand and < 1.000 AOA thousand	-	-	-	-	-	-	-	-
>= 1.000 AOA thousand and < 2.000 AOA thousand	1	845 643	-	-	-	-	-	-
>= 2.000 AOA thousand and < 5.000 AOA thousand	1	2 260 892	-	-	-	-	-	-
>= 5.000 AOA thousand	1	14 599 359	-	-	-	-	-	-
Total	3	17 705 894	-	-	3	289 202	-	-

(amount in thousands of kwanzas)

Fair Value	Year 2025							
	Companies				Housing			
	Property		Other real estate guarantees		Property		Other real estate guarantees	
	Number of Properties	Amount	Number	Amount	Number Properties	Amount	Number	Amount
< 50 AOA thousand	-	-	-	-	-	-	-	-
>= 50 AOA thousand and < 100 AOA thousand	-	-	-	-	2	180 002	-	-
>= 100 AOA thousand and < 500 AOA thousand	-	-	-	-	1	126 529	-	-
>= 500 AOA thousand and < 1.000 AOA thousand	2	1 164 945	-	-	-	-	-	-
>= 1.000 AOA thousand and < 2.000 AOA thousand	1	1 668 392	-	-	-	-	-	-
>= 2.000 AOA thousand and < 5.000 AOA thousand	-	-	-	-	-	-	-	-
>= 5.000 AOA thousand	-	-	-	-	-	-	-	-
Total	3	2 833 337	-	-	3	306 531	-	-

As at 31 December 2025 and 2024, the detail of the financing-guarantee ratio for the Corporate, Construction and property development and Housing segments was as follows:

(amount in thousands of kwanzas)

Segment	Year 2025					
	Number of Properties	Number of other real collateral securities	Stage 1 Credit	Stage 2 Credit	Stage 3 Credit	Impairment
Companies						
No associated guarantee	n.a	n.a	434 034	-	-	-
>= 100%	2	-	1 986 941	-	-	-
Housing						
No associated guarantee	n.a	n.a	51 496	-	-	7 021
>= 75% e < 100%	-	-	-	-	-	-
>= 100%	3	-	120 123	-	-	-
Other Credits						
No associated guarantee	n.a	n.a	-	-	2 332	-
>= 100%	-	-	-	-	-	-
Total	5	0	2 592 594	0	2 332	7 021

(amount in thousands of kwanzas)

Segment	Year 2024					
	Number of Properties	Number of other real collateral securities	Stage 1 Credit	Stage 2 Credit	Stage 3 Credit	Impairment
Companies						
No associated guarantee	n.a	n.a	236 476	-	-	3 789
>= 100%	3	-	751 116	-	-	-
Housing						
No associated guarantee	n.a	n.a	55 053	-	-	-
>= 75% e < 100%	-	-	-	-	-	-
>= 100%	3	-	122 179	-	-	1 561
Other Credits						
No associated guarantee	n.a	n.a	-	-	4 145	256
>= 100%	-	-	-	-	-	0
Total	6	0	1 164 824	0	4 145	5 605

16 – Other Tangible Assets

As at 31 December 2025 and 2024, this item was as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Property		
For own service	206 819	206 819
Building Works	3 797	3 797
	210 616	210 616
Equipment		
Administrative	538 707	394 788
Banking	329 291	244 320
Security	29 671	25 345
Transport	135 012	91 718
Basic	29 375	29 375
IT	362 560	184 945
Other	792 224	712 167
	2 216 840	1 682 658
Fixed assets in progress		
Other	740 312	156 996
	740 312	156 996
Assets under right of use		
	673 845	765 985
	673 845	765 985
Gross Tangible Assets		
	3 841 613	2 816 255
Accumulated depreciation		
	1 466 233	1 285 573
	2 375 380	1 530 682

The movement in the item Other Tangible Assets for the periods ending 31 December 2025 and 2024 was as follows:

(montantes em milhares de kwanzas)

	Balance at 01.01.2025	Purchases/ Allocations	Disposals/ Write-offs	Transfers and other adjustments	Balance at 31.12.2025
Property					
For own service	206 819	-	-	-	206 819
Building Works	3 797	-	-	-	3 797
	210 616	-	-	-	210 616
Equipment					
Administrative	394 788	143 920	-	-	538 708
Banking	244 320	84 972	-	-	329 291
Security	25 345	4 326	-	-	29 671
Transport	91 718	43 294	-	-	135 012
Basic	29 375	-	-	-	29 375
IT	184 945	177 615	-	-	362 560
Other	712 167	80 055	-	-	792 222
	1 682 658	534 182	-	-	2 216 840
	1 893 275				2 427 456
Assets under Right of Use	765 985	(92 140)	-	-	673 845
Fixed assets in progress					
Other	156 996	583 316	-	-	740 312
	156 996	583 316	-	-	740 312
	2 816 255	1 025 358	-	-	3 841 613
Accumulated amortisations					
Property					
For own service	(50 326)	(4 136)	-	-	(54 462)
Building Works	(680)	(409 924)	-	-	(410 604)
	(51 006)	(414 060)	-	-	(465 066)
Equipment					
Administrative	(113 093)	(82 332)	-	-	(195 425)
Banking	(119 582)	(31 269)	-	-	(150 851)
Security	(13 043)	(2 288)	-	-	(15 331)
Transport	(125 984)	(86 156)	-	-	(212 139)
Basic	(11 064)	(14 414)	-	-	(25 478)
Other	(504 886)		407 107	-	(97 779)
	(887 652)	(216 458)	407 107	-	(697 003)
Assets under Right of Use	(346 915)	-	42 752	-	(304 163)
	(1 285 573)	(630 519)	449 859	-	(1 466 233)
	1 530 682	394 839	449 859	-	2 375 380

(amount in thousands of kwanzas)

	Balance at 01.01.2024	Purchases/ Allocations	Disposals/ Write-offs	Transfers and other adjustments	Balance at 31.12.2024
Property					
For own service	206 819	-	-	-	206 819
Building Works	376	3 421	-	-	3 797
	207 195	3 421	-	-	210 616
Equipment					
Administrative	196 412	215 412	(17 036)	-	394 788
Banking	127 272	117 048	-	-	244 320
Security	17 585	7 761	-	-	25 345
Transport	52 550	39 168	-	-	91 718
Basic	15 763	13 612	-	-	29 375
IT	64 016	124 028	(3 099)	-	184 945
Other	486 372	225 795	-	-	712 167
	959 970	742 824	(20 135)	-	1 682 658
	1167 165			-	1 893 275
Assets under Right of Use	689 393	76 592	-	-	765 985
Fixed assets in progress					
Other	608 066	76 124	(527 194)	-	156 996
	608 066	76 124	(527 194)	-	156 996
	2 464 624	898 961	(527 330)	-	2 816 255
Accumulated amortisations					
Property					
For own service	(46 190)	(4 136)	-	-	(50 326)
Building Works	(377)	(303)	-	-	(680)
	(46 567)	(4 439)	-	-	(51 006)
Equipment					
Administrative	(100 796)	(29 334)	17 036	-	(113 093)
Banking	(84 576)	(35 006)	-	-	(119 582)
Security	(11 064)	(1 979)	-	-	(13 043)
Transport	(86 366)	(39 618)	-	-	(125 984)
Basic	(3 143)	(7 921)	-	-	(11 064)
Other	(415 521)	(89 366)	-	-	(504 886)
	(701 466)	(203 223)	17 036	-	(887 652)
Assets under Right of Use	(377 969)	-	31 054	-	(346 915)
	(1 126 001)	(207 662)	48 090	-	(1 285 573)
	1 338 623	691 299	(499 240)	-	1 530 682

17 – Intangible Assets

As at 31 December 2025 and 2024, this item was as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Software	113 331	113 331
Studies, projects and consultancy	89 383	89 383
Other	1 248 602	1 078 042
	1 451 316	1 280 756
Fixed assets in progress		
Other – in progress	-	396 760
Accumulated Amortisations	(1 022 793)	(839 777)
	428 523	837 739

The change in the Others item essentially relates to the transfer of fixed assets from in progress to firm.

The movement in the item Intangible Assets for the periods ending 31 December 2025 and 2024 is as follows:

	(amount in thousands of kwanzas)				
	Balance at 01.01.2025	Purchases/ Allocations	Disposals/ Write-offs	Transfers and other ajustments	Balance at 31.12.2025
Intangible assets	1 677 516	170 560	(396 760)	-	1 451 316
Software	113 331	-	-	-	113 331
Studies, projects and consultancy	89 383	-	-	-	89 383
Other	1 078 042	170 560	-	-	1 248 602
	<u>1 280 756</u>	<u>170 560</u>	<u>-</u>	<u>-</u>	<u>1 451 316</u>
Fixed assets in progress	396 760	-	(396 760)	-	-
Accumulated amortisation	(839 777)	(183 016)	-	-	(1 022 793)
Software	(105 811)	-	-	-	(105 811)
Studies, projects and consultancy	(89 383)	-	-	-	(89 383)
Other	(644 584)	(183 016)	-	-	(827 600)
Net balance	837 739	(12 456)	(396 760)	-	428 523

	(amount in thousands of kwanzas)				
	Balance at 01.01.2024	Purchases/ Allocations	Disposals/ Write-offs	Transfers and other ajustments	Balance at 31.12.2024
Intangible assets	1 359 181	259 757	(220 059)	278 637	1 677 516
Software	113 331	-	-	-	113 331
Studies, projects and consultancy	89 383	-	-	-	89 383
Other	847 815	37 196	(3 903)	196 934	1 078 042
	<u>1 050 529</u>	<u>37 196</u>	<u>(3 903)</u>	<u>196 934</u>	<u>1 280 756</u>
Fixed assets in progress	308 652	222 561	(216 156)	81 703	396 760
Accumulated amortisation	(671 558)	(159 581)	3 903	(12 541)	(839 777)
Software	(105 811)	-	-	-	(105 811)
Studies, projects and consultancy	(89 383)	-	-	-	(89 383)
Other	(476 365)	(159 581)	3 903	(12 541)	(644 584)
Net balance	687 623	100 176	(216 155)	266 096	837 739

18 – Taxes

Income taxes (current or deferred) are reflected in the profit and loss for the year, except in cases where the transactions giving rise to them have been reflected in other equity items. In these situations, the corresponding tax is also reflected against equity, without affecting the income for the year.

The calculation of the current tax estimate for the year was calculated in accordance with article 64(1) & (2) of Law no. 19/14 of 22 October, amended by Law no. 26/20 of 20 July, which amends the Industrial Tax Code. Accordingly, the calculation of the current tax estimate for the year ending 31 December 2025 was based on a rate of 35%.

Tax returns are subject to review and correction by the tax authorities for a period of ten years and, due to different interpretations of tax legislation, may result in possible corrections to taxable profit for the financial years that remain open to inspection.

Within the scope of this, the General Tax Administration carried out a tax inspection relating to the 2024 financial year and issued a draft report proposing certain adjustments to the taxable base under the Industrial Tax regime. The Bank exercised its right to a prior hearing, having submitted clarifications and supporting documentation in respect of the proposed adjustments. As at the date of the financial statements, the Bank's response was under review by the General Tax Administration.

Tax losses calculated in a given year, in accordance with Article 48(1) of the Industrial Tax Code and Law 26/20 of 20 July, can be deducted from taxable profits in the following five years.

The item Current taxes include taxes payable and recoverable through tax credits paid in recent years.

As at 31 December 2025, provisional tax assessments totalled AOA 165 011 thousand (2024: AOA 67,349 thousand), so current tax liabilities decrease to AOA 2 265 135 thousand (2024: AOA 2 711 790 thousand).

Deferred taxes are calculated based on the tax rates expected to be in force on the date of the reversal of temporary differences, which correspond to the rates approved or substantially approved on the balance sheet date.

The deferred tax assets recognised in the balance sheet as at 31 December 2025 and 2024 can be analysed as follows:

(amount in thousands of kwanzas)

	Assets		Liabilities		Net	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Impairment for loans to customers	-	-	-	-	-	-
Effective rate of credit commissions	76	76	-	-	76	76
Effective bond rate	-	-	-	-	-	-
Other tangible assets	1 177	1 177	-	-	1 177	1 177
Other	4 762	4 762	-	-	4 762	4 762
Deferred tax asset/(liability)	6 015	6 015	-	-	6 015	6 015

The Bank assessed the recoverability of its deferred taxes on the balance sheet based on expectations of future taxable profits. The movements in deferred tax items in the balance sheet had the following counterparts:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Opening balance	6 015	6 015
Recognised in profit or loss	-	-
Balance at the end (Assets/(Liabilities))	6 015	6 015

The reconciliation of the tax rate, in relation to the mount recognised in profit or loss, can be analysed as follows:

(amount in thousands of kwanzas)

	31.12.2025		31.12.2024	
	%	Amount	%	Amount
Income before taxes		13 144 352		8 447 382
Tax rate		35%		35%
tax calculated based on income tax rate		(4 600 523)		(2 956 584)
Tax benefits on income from public debt securities – Art 47°	30.98%	4 071 613	38.63%	3 263 442
Capital investment tax	3.99%	524 023	-2.61%	(220 683)
(Excess)/Insuficient provision for tax payable	0.00%		0.00%	
Provisions not allowed for tax purposes	0.00%		0.00%	
Excessive amortisations	0.00%		0.00%	
Other	-19.35%	(2 543 850)	-27.97%	(2 362 720)
Industrial tax		(2 548 737)		(2 276 545)
Capital investment tax				
Tax in the year	-19.39%	(2 548 737)	-26.95%	(2 276 545)

Without prejudice to the above, as far as income from public debt securities is concerned, according to the latest position of the Tax Authority addressed to ABANC (letter with reference 196/DGC/AGT/2016, dated 17 May 2016), only income from securities issued on or after 1 January 2012 is subject to this tax.

It should also be noted that according to the Tax Authority's position, the exchange rate revaluations of public debt securities issued in national currency but indexed to foreign currency, issued since 1 January 2012, should be subject to Industrial Tax until the Banco Nacional de Angola is in a position to make the appropriate deduction of tax at source for the Capital Investment Tax (IAC).

In addition, Presidential Legislative Decree no. 5/11 of 30 December (revised and republished by Presidential Legislative Decree no. 2/14 of 20 October) introduced a rule subjecting income from public debt securities resulting from Treasury Bonds and Treasury Bills issued by the Angolan state to IAC.

However, in accordance with the provisions of article 47 of the Industrial Tax Code (Law no. 19/14 of 22 October), in force since 1 January 2015, income subject to IAC will be deducted from taxable income up to the level of net profit.

As such, in determining taxable profit for the years ending 31 December 2025 and 2024, this income was deducted from taxable profit.

In the same way, the cost of assessing settlement of IAC is not accepted for tax purposes when calculating the taxable amount, in accordance with Article 18(1)(a) of the Industrial Tax Code.

Without prejudice to the above, as far as income from public debt securities is concerned, according to the latest position of the Tax Authority addressed to ABANC (letter with reference 196/DGC/AGT/2016, dated 17 May 2016), only income from securities issued on or after 1 January 2012 is subject to this tax.

19 – Other Assets

The breakdown of the item Other assets as at 31 December 2025 and 2024 was as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Salary advances and prepayments	3 123	3 241
Prepaid expenses	254 387	165 381
Sundry debtors	1 323 264	1 969 149
Office supplies	32 158	16 239
Deposit Guarantee Fund	114 015	99 870
Other advances	563 388	555 473
	2 290 336	2 809 354

As at 31 December 2025, the amount of AOA 114 015 thousand relates to the Bank's annual contribution to the Deposit Guarantee Fund, which was launched by the BNA during 2019 and is intended to cover the reimbursement of depositors.

20 – Customer Resources and Other Loans

The balance of the item customer resources and other loans, as to its nature, can be shown as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Demand accounts		
In Local Currency	21 682 163	20 767 770
In Foreign Currency	4 930 885	1 180 802
	<u>26 613 048</u>	<u>21 948 572</u>
Term Deposits		
In Local Currency	6 951 935	5 310 376
In Foreign Currency	1 217 930	1 158 085
	<u>8 169 865</u>	<u>6 468 461</u>
	34 782 913	28 417 033

The breakdown of customer funds and other loans by maturity as at 31 December 2025 and 2024 was as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Payable at sight	<u>26 613 048</u>	<u>21 948 572</u>
Payable on maturity date		
Up to 3 months	5 858 287	5 406 020
From 3 months to one year	<u>2 311 578</u>	<u>1 062 441</u>
	8 169 865	6 468 461
	34 782 913	28 417 033

On 31 December 2025 and 2024, term deposits in local and foreign currency bore interest at average annual rates of 8.07% and 2.53% (2024: 7.71% and 2.57%), respectively.

The balance of the item customer resources and other loans, by segment, was as follows:

- As at 31 December 2025:

(amount in thousands of kwanzas)

Segment	31/12/2025		
	In local currency	In foreign	Total
Public Sector			
Companies	22 696 637	4 045 802	26 742 439
Demand deposits	17 426 781	4 045 802	21 472 583
Term Deposits	5 269 856	-	5 269 856
Individuals	5 937 461	2 103 013	8 040 474
Demand deposits	4 255 382	885 083	5 140 465
Term Deposits	1 682 079	1 217 930	2 900 009
Total	28 634 098	6 148 815	34 782 913

- As at 31 December 2024:

(amount in thousands of kwanzas)

Segment	31/12/2024		
	In local currency	In foreign	Total
Public Sector			
Companies	21 225 827	345 047	21 570 874
Demand deposits	16 761 874	345 047	17 106 920
Term Deposits	4 463 953	-	4 463 953
Particulares	4 852 320	1 993 840	6 846 159
Demand deposits	4 005 897	835 755	4 841 652
Term Deposits	846 423	1 158 085	2 004 508
Total	26 078 146	2 338 887	28 417 033

21 – Other Liabilities

This item is analysed as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Tax charges payable – own	8 232	2 274
Suppliers	601 184	663 956
Staff costs	224 433	222 352
Other administrative and commercialisation	91 447	(2 231)
tax charges payable – withheld from third parties	500 844	277 988
Lease Liability	433 035	565 778
Other creditors	162 979	144 693
Total	2 022 154	1 874 809

The Other creditors account relates to the following balances:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
ATM clearing movements	3 758	2 994
Other	159 221	141 699
Total	162 979	144 693

On 31 December 2025, lease liabilities relate to leasing contracts for branch spaces, ATMs and equipment, recognised under IFRS 16. The non-discounted future lease payments relating to the contract under IFRS 16, by maturity, are as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Less than 1 year	-	-
1 to 5 years	327 040	77 129
More than 5 years	28 356	405 785
Total undiscounted lease liabilities	355 396	482 914
Interest accrued on net interest income	77 639	82 864
Lease liabilities 31.12.2025	433 035	565 778

22 – Capital

Banco Comercial do Huambo was set up in 2009 with share capital of AOA 300 000 thousand. In 2011, the Bank increased its share capital to AOA 1 000 000 thousand and in 2012 an increase in the share capital to AOA 1 500 000 thousand was subscribed to and approved, divided and represented by 1 500 000 shares, issued at par, with a nominal value of 1 000 AOA each. In 2014, the Bank increased its share capital to AOA 2 265 249 thousand, fully subscribed and paid up.

Despite the capital increase, on 31 December 2014 the Bank still did not meet the minimum share capital and regulatory own funds requirement of AOA 2 500 000 thousand required by the BNA through Notice no. 14/2013 of 15 November.

On 31 March 2016, the Bank asked the BNA for authorisation to carry out a capital increase by incorporation of reserves during the 2016 financial year, which was accepted by the BNA and which specified September 2016 as the deadline for its implementation. In July 2016 BCH recorded a capital increase of AOA 734 751 thousand in its financial statements.

In August 2023, in order to comply with the minimum share capital requirement imposed by the BNA, BCH increased its capital by incorporating free reserves in the amount of AOA 10 000 000 thousand.

As at 31 December 2025 and 2024, the distribution of shares among the Bank's shareholders is broken down as follows:

(amount in thousands of kwanzas)

	31.12.2025				31.12.2024			
	Nominal value	No of shares	Total	% Equity	Nominal value	No of shares	Total	% Equity
Natalino Lavrador	1000	10 300	10 300 000	51,50%	1000	10 300	10 300 000	51,50%
António Mosquito	1000	4 000	4 000 000	20,00%	1000	4 000	4 000 000	20,00%
Minoru Dondo	1000	2 000	2 000 000	10,00%	1000	2 000	2 000 000	10,00%
Banco Comercial do Huambo	1000	2 000	2 000 000	10,00%	1000	2 000	2 000 000	10,00%
Sebastião Lavrador	1000	1 100	1 100 000	5,50%	1000	1 100	1 100 000	5,50%
Carlos Oliveira	1000	600	600 000	3,00%	1000	600	600 000	3,00%
	20 000	20 000 000	20 000 000	100,00%	20 000	20 000 000	20 000 000	100,00%

On 31 December 2025 BCH held 2 000 own shares registered at the amount of AOA 3 000 000 thousand (31 December 2024: AOA 3 000 000 thousand).

Earnings per Share

In the financial years 2025 and 2024, the earnings per share and the dividend attributed in each financial year, relating to the previous year's profit, were as follows:

(amount in thousands of kwanzas)

	31.12.2025	31.12.2024
Net income for the year	10 595 615	6 170 837
Weighted average number of ordinary shares issued (thousands)	20 000 00	20 000 000
Weighted average number of own shares in the portfolio (thousands)	(2 000 000)	(2 000 000)
Average number of ordinary shares in circulation (thousands)	18 000	18 000
Basic earnings per share(in kwanzas)	589	343

In the financial years 2025 and 2024 no potentially dilutive instruments were issued.

23 – Other Reserves and Results Carried Forward

The movements in the item equity during the periods ended 31 December 2025 and 2024 were as follows:

(amount in thousands of kwanzas)

	Share Capital	Legal Reserve	Other Reserves and Results Carried Forward				Net Income
			Effect of Changes in Accounting Policies	Other reserves and Carried Forwrd	Distribution of Profits	Total Other Reserves and Results Carried Forwad	
Balance as at 1 January 2024	20 000 000	4 159 152	(8 289)	19 539 753	-	23 690 616	3 486 586
Constitution of legal reserve	-	348 659	-	-	-	348 659	(348 659)
Allocation of profits	-	-	-	3 137 927	-	3 137 927	(3 137 927)
Own shares	-	-	-	-	-	-	-
Capital Increase	-	-	-	-	-	-	-
Net Income	-	-	-	-	-	-	6 170 837
Other movements	-	-	-	403	-	403	-
Balance as at 31 December 2024	20 000 000	4 507 811	(8 289)	22 678 083	-	27 177 605	6 170 837
Balance as at 1 January 2025	20 000 000	4 507 811	(8 289)	22 678 083	-	27 177 605	6 170 837
Constitution of legal reserve	-	617 084	-	-	-	617 084	(617 084)
Allocation of profits	-	-	-	2 553 753	3 000 000	5 553 753	(5 553 753)
Own shares	-	-	-	300 000	-	300 000	-
Capital Increase	-	-	-	-	-	-	-
Net Income	-	-	-	13 139	-	13 139	10 595 615
Other movements	-	(488)	-	-	-	(488)	-
Balance as at 31 December 2025	20 000 000	5 124 406	(8 289)	25 544 976	3 000 000	33 661 093	10 595 615

The applicable Angolan legislation requires that the legal reserve be annually credited with at least 10% of the annual net profit, up to the amount of the share capital.

The net profit for 2025 was used to reinforce legal reserves, in accordance with commercial law, and the remainder was transferred to retained earnings.

Additionally, the movements that occurred during the year should be noted, particularly the distribution of dividends in the amount of AOA 3 000 000 thousand.

24 – Off-Balance Sheet Accounts

Liabilities for off-balance sheet items are detailed as follows:

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Documentary credits	222 136	1 053 189
Guarantees and sureties received	(14 898 885)	(13 607 8857)
Revocable credit lines available	5 619 228	4 183 548
Custody of customer securities	(79 505)	(79 505)

Documentary credits are irrevocable commitments by the Bank, on behalf of its customers, to pay/mandate payment of a specified amount to the supplier of a given good or service, within a stipulated period, against presentation of documents relating to the dispatch of the good or provision of the service. The condition of being irrevocable consists in the fact that its cancellation or amendment is not enforceable without the express agreement of all parties involved. Documentary credits at 31 December 2025 and 2024 were guaranteed by term deposits.

The revocable and irrevocable commitments represent contractual agreements for the granting of credit to the Bank's customers (e.g. unused credit lines) which, in general, are contracted for fixed periods or with other expiration requirements and, normally, require the payment of a commission. Substantially all current credit granting commitments require customers to maintain certain requirements which are verified when entering into these.

Despite the particularities of these commitments, consideration of these operations follows the same basic principles as any other commercial operation, namely that of the solvency of both the customer and the business underlying them, and the Bank requires that these operations be properly collateralised as appropriate. Since most of these are expected to expire without being used, the amounts indicated do not necessarily represent future cash requirements.

The financial instruments accounted for as Guarantees and other commitments are subject to the same approval and control procedures applied to the credit portfolio, particularly with regard to assessing the adequacy of the provisions set up. The maximum credit exposure is represented by the nominal value that could be lost in relation to contingent liabilities and other commitments assumed by the Bank in the event of default by the respective counterparties, without taking into account potential credit recoveries or collateral.

The Bank provides custody, asset management, investment management and advisory services involving decisions to buy and sell various types of financial instruments. For certain services provided, objectives and profitability levels are established for the assets under management.

Documentary credits are recorded as stage 1 and have no associated impairment since they have financial collateral that covers all the exposures.

25 – Transactions with Related Parties

According to IAS 24, the following are considered to be entities related to the Bank:

- Holders of qualified holdings – Shareholders, presuming that the shareholding is no less than 10%;
- Entities that are directly or indirectly in a control or group relationship – Subsidiaries, associated and jointly controlled companies;
- Members of the Bank’s management and supervisory bodies and their spouses, descendants or ascendants up to the second degree of the direct line, considered to be the ultimate beneficiaries of the transactions or assets.

BCH balances with related entities were as follows:

– As at 31 December 2025:

(amount in thousands of kwanzas)

Related Entity	Demand Deposits	Term Deposits	Interest and similar costs	Credits	Interest and similar income
Shareholders	911 361	809 863	24 167	–	–
Members of the Board of Directors	180 165	2 293	285	15 936	3
Close relatives of shareholders and/or Board Members	732 239	109 115	–	–	–
Companies where Shareholders and close relatives having significant influence	151 235	254 258	39 171	–	–
	1 975 001	1 175 530	63 623	15 936	3

– As at 31 December 2024:

(amount in thousands of kwanzas)

Related Entity	Demand Deposits	Term Deposits	Interest and similar costs	Credits	Interest and similar income
Shareholders	546 673	–	–	–	–
Members of the Board of Directors	150 466	–	–	26 489	355
Close relatives of shareholders and/or Board Members	328 406	24 950	722	–	–
Companies where Shareholders and close relatives having significant influence	187 831	2 183 251	33 704	–	–
	1 213 377	2 208 201	34 426	26 489	355

Below is a list of entities related to the Bank:

Shareholders, Members of the Board of Directors and Close Relatives

Natalino Lavrador
 Valdomiro Minoru Dondo
 António Mosquito
 Sebastião Lavrador
 Carlos Saturnino
 Cristiana Lavrador
 Salim Valimamade
 Valdir Macedo Hamilton dos Santos
 Hélia Cristina Nunes

Alexandra Teodora da C. Martins
Maria Helena Miguel
Regina Luísa Lagos dos Santos
UHY – A.Paredes & associados – Angola
Mário Silva Castelo Branco
Carlos Deosvaldo Fragoso Vaz
Agla Mara Tinoco Dondo
Eduarda Nassandjuka Mbakassy
Djavana Saturnino Oliveira
Fauzia Valimamade
Ana Maria de Azevedo Neto Lavrador
Maria José Lavrador
Sheila Eugénia Macedo Hamilton dos Santos
Yola Cristina da Silva Vieiga dos Santos
Edwaldo de Macedo Hamilton Santos
Sandra Carla Sampaio Nunes Lavrador

Companies where the relate parties have significant control

Auto Zuid
Exata Engenharia LDA
Macon Transport
Consortio Mayaca e Sol Maior
Amosmid Lda
Sol Maior Emp. Part. Lda
Bobs Comércio geral Lda
Taiping Lda
Parige Lda
Esplanada Grill Lda
Bacatral, sociedade de transp. LDA
M'bakassy & Filhos
Kulanda Belas Malls Gestao E Part LDA
Unitransfer Casa de Câmbios SA
Nocebo
Pérola de Gingko, Lda
Dgm Sistemas Informaticos
Envirobac Comercio gGeral, Lda
Kinaxixi Empreendimentos Imobiliários SA

26 – Fair Value of Financial Assets and Liabilities

Fair value is based on market prices, whenever these are available. If these do not exist, the fair value is estimated using internal models based on discounted cash flow techniques. The cash flow generation of the different instruments is based on their financial characteristics and the discount rates used incorporate both the market interest rate curve and the current risk levels of the respective issuer.

The fair value of the financial assets and liabilities held by the Bank as at 31 December 2025 and 2024 was as follows:

(amount in thousands of kwanzas)

	31.12.2025						Book Value	Fair Value
	Amortised Cost	Impairment	Valued at Fair Value					
			Level 1	Level 2	Level 3			
Assets								
Cash and deposits in central banks	25 538 305	-	-	-	-	-	25 538 305	25 538 305
Cash from other credit institutions	4 951 636	-	-	-	-	-	4 951 636	4 951 636
Investments in central banks and other credit institutions	2 107	-	-	-	-	-	2 107	2 107
Financial assets at fair value through other comprehensive income	-	-	-	-	43 656	-	43 656	43 656
Financial assets at amortized cost	59 598 259	(495 211)	-	-	-	-	59 103 048	13 961 155
Credit to customers	2 594 926	(7 021)	-	-	-	-	2 587 904	2 691 923
Total Assets	92 685 233	(502 232)	-	-	43 656	-	92 226 656	47 188 783
Liabilities								
Customer funds and other loans	34 782 913	-	-	-	-	-	34 782 913	34 782 913
Total Liabilities	34 782 913	-	-	-	-	-	34 782 913	34 782 913

(amount in thousands of kwanzas)

	31.12.2024						Book Value	Fair Value
	Amortised Cost	Impairment	Valued at Fair Value					
			Level 1	Level 2	Level 3			
Assets								
Cash and deposits in central banks	10 491 929	-	-	-	-	-	10 491 929	10 491 929
Cash from other credit institutions	1 130 224	-	-	-	-	-	1 130 224	1 130 224
Investments in central banks and other credit institutions	55 479 637	-	-	-	-	-	55 479 637	55 479 637
Financial assets at fair value through other comprehensive income	-	-	-	-	43 656	-	43 656	43 656
Financial assets at amortized cost	9 942 081	(82 607)	-	-	-	-	9 859 474	7 949 195
Credit to customers	1 168 969	(5 605)	-	-	-	-	1 163 364	804 570
Total Assets	78 212 840	(88 212)	-	-	43 656	-	78 168 284	75 899 212
Liabilities								
Customer funds and other loans	28 417 033	-	-	-	-	-	28 417 033	28 417 033
Total Liabilities	28 417 033	-	-	-	-	-	28 417 033	28 417 033

The Bank uses the following three-level fair value hierarchy when valuing financial instruments (assets or liabilities), which reflects the level of judgement, the observability of the data used and the importance of the parameters applied in determining the assessment of the instrument's fair value, in accordance with IFRS 13:

- **Level 1:** Fair value is determined on the basis of unadjusted quoted prices captured in transactions on active markets involving financial instruments identical to the instruments being valued. If there is more than one active market for the same financial instrument, the relevant price is that which prevails on the instrument's main market or the most advantageous market for which access exists;

- **Level 2:** Fair value is calculated using valuation techniques based on observable data in active markets, whether direct (prices, rates, spreads, etc.) or indirect (derivatives), and valuation assumptions similar to those that an unrelated party would use to estimate the fair value of the same financial instrument. It also includes instruments where their valuation is obtained through quotations published by independent entities but where those markets have less liquidity; and
- **Level 3:** Fair value is determined on the basis of data that is not observable in active markets, using techniques and assumptions that market participants would use to value the same instruments, including assumptions about the inherent risks, the valuation technique used and the inputs used and processes for reviewing the accuracy of the values thus obtained.

The Bank considers an active market for a given financial instrument on the measurement date, depending on the volume of business and liquidity of the transactions carried out, the relative volatility of the quoted prices and the readiness and availability of information, and for this purpose this must fulfil the following minimum conditions:

- Frequent daily trading quoted prices over the last year;
- The quoted prices mentioned above change regularly;
- There are executable quoted prices from more than one entity.

A parameter used in a valuation technique is considered observable data on the market if the following conditions are met:

- If its value is determined in an active market;
- If there is an OTC market and it is reasonable to assume that the conditions of an active market are met, with the exception of the condition of trading volumes; and
- The value of the parameter can be obtained by inverse calculation of the prices of financial instruments and/or derivatives where the other parameters required for the initial valuation are observable on a liquid market or an OTC market in compliance with the previous paragraphs.

The main methods and assumptions used to estimate the fair value of the financial assets and liabilities recorded in the balance sheet at amortised cost are analysed as follows:

Cash and deposits at central banks, Deposits at other credit institutions and Investments in Central Banks and at other credit institutions

These assets are very short-term, such that the balance sheet value is a reasonable estimate of the respective fair value.

Investments at amortised cost

The fair value of these financial instruments is based on market prices, when available. If they do not exist, the fair value is estimated based on the updating of the expected future cash flows of equity and interest for these instruments.

For the purposes of this disclosure, it has been assumed that Treasury Bills have short-term residual maturities.

Credit to customers

The fair value of credit to customers is estimated based on the updating of expected cash flows from equity and interest, considering that the instalments are paid on the contractually specified dates.

The difference between the amortised cost of the item loans and advances to customers and their estimated fair value includes an amount of AOA 2 170 502 thousand corresponding to credit operations with a regulated rate (fixed rate of 7.5%) granted to the Bank under BNA Notice no. 10/2020 of 3 April.

Funds from central banks and other credit institutions

These liabilities are very short-term, such that the balance sheet value is a reasonable estimate of the respective fair value.

Customer funds and other loans

The fair value of these financial instruments is estimated based on the updating of expected cash flows from equity and interest. The discount rate used is that which reflects the rates applied for deposits with similar characteristics on the balance sheet date. Considering that, in the vast majority of the Bank's portfolio of customer funds and other loans, the applicable interest rates are renewed for periods of less than one year, there are no material differences in their fair value.

27 – Activity Risk Management

The Bank is subject to a variety of risks in the course of its business. Risk management is carried out in a centralised manner in relation to the specific risks of each business.

The risk management policy aims to define the profile for each risk identified as material to the Bank, with a view to protecting the Bank's solidity, as well as the guidelines for implementing a risk management system that enables the identification, assessment, monitoring, control and reporting of all material risks inherent to the Bank's activity.

As such, it is particularly important to monitor and control the main financial risks – credit, market and liquidity – and non-financial risks – operational – to which the Bank's business is subject:

Main Risk Categories

Credit – Reflects the likelihood of negative impacts on profits or capital due to the inability of a counterparty to fulfil its financial commitments to the institution, including possible restrictions on the transfer of payments from abroad.

Market – The concept of market risk reflects the probability of negative impacts on profits or capital due to adverse movements in interest and exchange rates and/or the prices of the different financial instruments involved, considering both the correlations between them and their respective volatilities. Market Risk thus includes interest rate risk, exchange rate risk and other price risks.

Liquidity – This risk reflects the likelihood of negative impacts on profit and loss or capital arising from the institution's inability to have liquid funds to meet its financial obligations as they fall due.

Operational – Operational risk means the probability of negative impacts on profits or capital arising from failures in analysing, processing or settling transactions, internal and external fraud, the use of subcontracted resources, inefficient internal decision-making processes, insufficient or inadequate human resources or infrastructures not being operational.

Risk Assessment

Credit Risk

It is the responsibility of the Risk Management Office to define and monitor the lines of credit and exposure limits applied to Customers and/or Economic Groups, taking into account the maximum regulatory exposure limits; the internal risk limits specified by the Bank, in accordance with the profile and risk appetite, as well as the risk analysis carried out; and the identification of overall exposure limits and specific limits by product type or operation.

Credit risk analysis models play an essential role in the credit allocation decision process. In order to identify whether a particular Customer is eligible for a credit line, as well as whether it falls within the overall credit exposure limits defined by the Bank, the Risk Management Office issues an opinion on the Customer's risk quality and assesses the Bank's overall exposure and the possibility that the use of the line of credit could cause non-compliance with defined internal limits and regulatory limits.

For the purposes of the above, a monthly monitoring and control map is drawn up in accordance with Notice no. 03/2016.

Credit risk models play an essential role in the credit allocation decision process. Thus, the decision-making process for granting a loan is based on a set of policies and parameters that are embodied in internal models.

The following provides information on the Bank's exposure to credit risk:

(amount in thousands of kwanzas)

	Gross Book Value	31/12/2025 Impairment	Net Book Value
Cash and deposits at central banks	25 538 305	-	25 538 305
Cash from other credit institutions	4 952 458	(823)	4 951 636
Financial assets at amortised cost	59 598 259	(495 211)	59 103 048
Credit to customers	2 594 926	(7 021)	2 587 904
Other assets	2 290 336	-	2 290 336
	42 691 914	(503 055)	94 471 229

Off balance sheet

Documentary credits	222 136	-	222 136
Commitments to third parties	5 619 228	-	5 619 228
	5 841 364	-	5 841 364
	48 533 278	(503 055)	100 312 593

(amount in thousands of kwanzas)

	Gross Book Value	31/12/2024 Impairment	Net Book Value
Cash and deposits at central banks	10 491 929	-	10 491 929
Cash from other credit institutions	1 130 371	(147)	1 130 224
Financial assets at amortised cost	9 942 08	(82 607)	9 859 474
Credit to customers	1 168 969	(5 605)	1 163 364
Other assets	2 809 354	-	2 809 354
	42 691 914	(88 359)	25 454 345

Off balance sheet

Documentary credits	1 053 189	-	1 053 189
Commitments to third parties	4 183 548	-	4 183 548
	5 236 737	-	5 236 737
	47 928 651	(88 359)	30 691 082

Details of exposures at amortised cost by level of risk and stage of impairment are presented below:

(amount in thousands of kwanzas)

	2025							
	Gross Exposure				Impairment			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Credit to Customers								
Low risk level	-	-	-	-	-	-	-	-
Level A	-	-	-	-	-	-	-	-
Level B	-	-	-	-	-	-	-	-
Medium risk level	2 081 626	-	2 332	2 083 958	5 361	-	1 660	7 021
Level C	2 081 626	-	2 332	2 083 958	5 361	-	-	5 361
Level D	-	-	-	-	-	-	1 660	1 660
High risk level	510 968	-	-	510 968	-	-	-	-
Level E	510 968	-	-	510 968	-	-	-	-
Level F	-	-	-	-	-	-	-	-
Level G	-	-	-	-	-	-	-	-
Investments at Amortised Cost	59 598 259	-	-	59 598 259	(495 211)	-	-	(495 211)
Angolan State	59 598 259	-	-	59 598 259	(495 211)	-	-	(495 211)
	61 679 885	-	2 332	61 682 217	(489 850)	-	1 660	(488 190)

Details of exposures by sectoral concentration of credits to customers are presented below:

(amount in thousands of kwanzas)

	2025				
	Credit to Customers		Total Exposure	Imparidade	
	Due	Overdue		Valor	Imparidade/Exposição Total
Companies	2 420 974	-	2 420 974	4 828	68.8%
Construction	847 601	0	847 601	3 514	50.0%
Wholesale and retail trade	1 506 721	-	1 506 721	647	9.2%
Transport, storage and communications	66 652	-	66 652	667	9.5%
Individuals	171 619	2 332	173 951	2 193	31.2%
Housing	118 163	0	118 163	533	7.6%
Other purposes	53 456	2 332	55 788	1 660	23.6%
	2 592 594	2 332	2 594 926	7 021	100.0%

Market Risk

The Risk Management Office is responsible for controlling the market risks to which the Bank is exposed, and is responsible for identifying, quantifying, monitoring, evaluating, controlling, reporting and mitigating these risks.

Foreign exchange risk management is based on identifying the impact that variations in exchange rates relevant to the Bank may have on the value of exposures and respective cash flow regarding assets and liabilities.

In order to identify the impact that movements in exchange rates may have on these cash flows and thus estimate the possibility of financial losses, the Bank periodically analyses possible scenarios and simulations of movements in exchange rates, based on internal analysis and the Bank's expectations of their evolution.

With regard to information and analysis of foreign exchange risk, regular reporting on net foreign currency exposures is ensured on a monthly basis in accordance with Notice no. 4/2016.

Interest rate risk control is guaranteed by the Risk Management Office. This type of risk occurs in the Bank's activity whenever it contracts operations with financial cash flows that are sensitive to interest rate variations. There is therefore interest rate

risk, derived from variations in market reference interest rates, associated with mismatching in interest rate review periods between assets and liabilities held, reducing their expected profitability (net interest income) or increasing their financial cost.

The Bank's exposure to interest rate risk is monitored by analysing the level of compliance with the limits and maximum tolerable limits specified for exposure to this risk. This aspect of risk assesses the impact of shocks to interest rates on total exposure.

The quantification of interest rate risk is based on ascertaining the total exposure to interest rate risk, i.e., the total amount of Assets and Liabilities sensitive to interest rate variations.

The sensitivity analysis to exchange rate risk is presented below, which calculates the impact on the profit or loss of the Bank for a positive and negative variation of 5%, 10% and 20% in the exchange rate:

(Amounts in original currency)

Description	CHF	EUR	GBP	JPY	NAD	USD	ZAR	Impact on FP
Total currency at 31-12-2025	345	728 962	96 274	400 071	80	(680 080)	(415 818)	
Exchange rate on 31-12-2025	1155,96	1074,37	1232,15	5,85	54,90	912,29	54,72	
Positive variation of 5%	20	39 159	5 931	117	0	(31 021)	(1 138)	0.000%
Positive variation of 10%	40	78 318	11 862	234	0	(62 043)	(2 275)	0.000%
Positive variation of 20%	80	156 635	23 725	468	1	(124 086)	(4 551)	0.000%
Negative variation of 5%	(20)	(39 159)	(5 931)	(117)	(0)	31 021	1 138	0.000%
Negative variation of 10%	(40)	(78 318)	(11 862)	(234)	(0)	62 043	2 275	0.000%
Negative variation of 20%	(80)	(156 635)	(23 725)	(468)	(1)	124 086	4 551	0.000%

Thus, any losses, in the worst-case scenario (a 20% change in the exchange rate), would only represent a residual impact on own funds of less than 0.01%.

With regard to interest rate risk, the sensitivity analysis of the Bank's exposure to interest rates is shown below, with reference to 31 December 2025:

(amount in thousands of kwanzas)

	Rate		Total
	LUIBOR at 12 months	LUIBOR at 1 month	
Balance as at 31-12-2025			
Credit falling due	62 704	389 354	452 058
Overdue credit	-	-	-
	62 704	389 354	452 058
Positive variation of 1%	464	(748)	(284)
Positive variation of 2%	928	(2 515)	(1586)
Positive variation of 5%	2 321	(7 869)	(5 548)
Negative variation of 1%	(464)	748	284
Negative variation of 2%	(928)	2 515	1586
Negative variation of 5%	(2 321)	7 869	5 548

The Bank's assets and liabilities are broken down by type of rate as at 31 December 2025 and 2024 as follows:

(amount in thousands of kwanzas)

	31.12.2025			
	Exposure to		Not subject to risk of interest rate	Total
	Fixed rate	Variable rate		
Assets				
Cash and deposits in central banks	-	-	25 538 305	25 538 305
Cash from other credit institutions	-	-	4 951 636	4 951 636
Investments in central banks and other credit institutions	-	2 107	-	2 107
Financial assets at fair value through other comprehensive income	-	-	43 656	43 656
Financial assets at amortized cost	59 103 048	-	-	59 103 048
Credit to customers	2 209 830	385 096	-	2 594 926
	61 312 878	387 203	30 533 597	92 233 678
Liabilities				
Customer funds and other loans	-	-	34 782 913	34 782 913
	-	-	34 782 913	34 782 913
Total	61 312 878	387 203	(4 249 316)	57 450 765

(amount in thousands of kwanzas)

	31.12.2024			
	Exposure to		Not subject to risk of interest rate	Total
	Fixed rate	Variable rate		
Assets				
Cash and deposits in central banks	-	-	10 491 929	10 491 929
Cash from other credit institutions	-	-	1 130 224	1 130 224
Investments in central banks and other credit institutions	-	55 479 637	-	55 479 637
Financial assets at fair value through other comprehensive income	-	-	43 656	43 656
Financial assets at amortized cost	9 859 474	-	-	9 859 474
Credit to customers	287 891	881 077	-	1 168 968
	10 147 365	56 360 714	11 665 809	78 173 888
Liabilities				
Customer funds and other loans	-	-	28 417 033	28 417 033
	-	-	28 417 033	28 417 033
Total	10 147 365	56 360 714	(16 751 224)	49 756 855

The following table shows the average interest rates for the Bank's main categories of financial assets and liabilities for the years ending 31 December 2025 and 2024, as well as the respective average balances and income and costs for the year:

(amount in thousands of kwanzas)

	31.12.2025			31.12.2024		
	Average balance for the year	Interest for the year	Average interest rate	Average balance for the year	Interest for the year	Average interest rate
Applicatons						
Credit to customers	18 015 117	840 386	4.7%	10 049 057	580 863	5.8%
Cash and applications	21 057 101	4 843 811	23.0%	39 122 130	6 763 254	17.3%
Securities	34 524 917	7 145 542	20.7%	18 315 858	2 656 973	14.5%
Total Investments	73 597 135	12 829 739	17.4%	67 487 045	10 001 090	14.8%
Resources						
Customer and CB deposits	63 199 946	393 063	0.6%	40 589 470	545 067	1.3%
Lease Liability	433 035	77 639	17.9%	565 778	82 864	14.6%
Financial liabilities	63 632 981	470 702	0.7%	41 155 248	627 931	1.5%
Net Interest Income	9 964 154	12 359 037		26 331 797	9 373 159	

Under the terms of Article 6 of Notice no. 08/2016 of 22 June, the Bank must inform the BNA whenever there is a potential reduction in the economic value of its banking book equal to or greater than 20% of regulatory own funds or net interest income as a result of a change in the interest rate of 2%. During the financial years 2025 and 2024, the Bank complied with this requirement.

The breakdown of assets and liabilities by currency as at 31 December 2025 and 2024 was as follows:

(amount in thousands of kwanzas)

	31.12.2025				
	Kwanzas	United States Dollars	Euros	Other currencies	Total
Assets					
Cash and deposits at central banks	25 041 994	488 254	8 057	-	25 538 305
Cash from other credit institutions	-	4 624 567	290 854	36 215	4 951 636
Investments in central banks and other credit institutions	2 107	-	-	-	2 107
Financial assets at fair value through other comprehensive income	43 656	-	-	-	43 656
Financial assets at amortised cost	59 103 048	-	-	-	59 103 048
Credit to customers	2 587 904	-	-	-	2 587 904
Other tangible assets	2 375 38	-	-	-	2 375 380
Intangible assets	428 523	-	-	-	428 523
Deferred tax assets	6 015	-	-	-	6 015
Other assets	1374 640	49 993	1865 703	-	2 290 336
	90 963 267	5 162 814	1 164 613	36 215	97 326 909
Liabilities					
Customer funds and other loans	28 581 082	5 497 262	680 321	24 247	34 782 913
Provisions	-	-	-	-	-
Current tax liabilities	2 265 135	-	-	-	2 265 135
Other liabilities	1 373 912	322 954	324 339	-	2 021 205
	32 220 129	5 820 217	1 004 660	24 247	39 069 253
	58 743 138	(657 403)	159 953	11 968	58 257 656

(amount in thousands of kwanzas)

	31.12.2024				
	Kwanzas	United States Dollars	Euros	Other currencies	Total
Assets					
Cash and deposits at central banks	9 932 396	488 101	71 432	-	10 491 929
Cash from other credit institutions	-	761 629	290 854	77 741	1 130 224
Investments in central banks and other credit institutions	55 479 637	-	-	-	55 479 637
Financial assets at fair value through other comprehensive income	43 656	-	-	-	43 656
Financial assets at amortised cost	9 859 474	-	-	-	9 859 474
Credit to customers	1 163 364	-	-	-	1 163 364
Other tangible assets	1 530 682	-	-	-	1 530 682
Intangible assets	837 739	-	-	-	837 739
Deferred tax assets	6 015	-	-	-	6 015
Other assets	1 574 640	49 993	1 006 330	178 391	2 809 354
	80 427 603	1 299 723	1 368 615	256 133	83 352 074
Liabilities					
Customer funds and other loans	26 078 202	1 497 262	820 321	21 247	28 417 033
Provisions	-	-	-	-	-
Current tax liabilities	2 711 790	-	-	-	2 711 790
Other liabilities	1 473 912	222 954	177 943	-	1 874 809
	30 263 904	1 720 217	998 264	21 247	33 003 632
	50 163 700	(420 494)	370 351	234 885	50 348 442

Details of financial instruments with exposure to interest rate risk according to maturity or resetting date are given below:

(amount in thousands of kwanzas)

	31.12. 2025								Total
	Setting dates / Maturity dates								
	On demand	Between 1 and 3 months	Between 3 and 6 months	Between 6 and 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Undetermined	
Assets									
Investments in central banks and other credit institutions	-	681	-	-	-	-	-	-	681
Securities	-	-	-	-	6 404 850	-	52 698 197	-	59 103 048
Credits	4	-	-	516 338	1 235 558	13 008	829 278	740	2 594 926
	4	681	-	516 338	7 640 408	13 008	53 527 475	740	61 698 654
Liabilities									
Deposits	26 613 048	5 858 287	-	2 311 578	-	-	-	-	34 782 913
	26 613 048	5 858 287	-	2 311 578	-	-	-	-	34 782 913
Net exposure	(26 613 044)	(5 857 6206)	-	(1 795 240)	7 640 408	13 008	53 527 475	740	26 915 741

Liquidity Risk

OThe Risk Management Office monitors mismatches arising from the use of short-term liabilities to cover medium- and long-term assets, in order to avoid liquidity impacts and shortfalls and to ensure that the institution's reserves are sufficient to meet daily cash needs, both cyclical and non-cyclical, as well as long-term needs.

As part of the liquidity risk quantification and assessment process, BCH periodically assesses resources in local currency (LC) and foreign currency (FC), with the aim of maintaining a satisfactory level of cash and cash equivalents to meet short-, medium- and long-term financial needs, both in normal and crisis scenarios.

Bearing in mind Instruction 19/2016, the bank draws up fortnightly and monthly charts to control possible outflows and inflows of liquidity in various time buckets and currencies in order to guard against future disruptions to better deal with managing capital.

On 31 December 2025 and 2024, the liquidity gap in the Bank's balance sheet was as follows:

(amount in thousands of kwanzas)

	31.12. 2025						Total
	On demand	Up to 3 months	Between 3 and 1 year	Between 1 year and 5 Years	More than 5 years	Indeterminate Duration	
Assets							
Cash and deposits at central banks	3 662 464	-	-	-	-	21 875 841	25 538 305
Cash from other credit institutions	4 951 636	-	-	-	-	-	4 951 636
Investments in central banks and other credit institutions	-	2 107	-	-	-	-	2 107
Financial assets at fair value through other comprehensive income	-	-	-	-	-	43 656	43 656
Financial assets at amortised cost	-	-	6 900 061	52 698 198	-	-	59 598 259
Credit to customers	-	515 302	-	1 921 624	158 000	-	2 594 926
	8 614 100	517 409	6 900 061	54 619 822	158 000	21 919 497	92 728 888
Liabilities							
Funds from central banks and other credit institutions	-	-	-	-	-	-	-
Customer funds and other loans	26 613 048	5 858 287	2 311 578	-	-	-	34 782 13
	26 613 048	5 858 287	2 311 578	-	-	-	34 782 913
	(17 998 949)	(5 340 878)	4 588 483	54 619 822	158 000	21 919 497	57 945 975

(amount in thousands of kwanzas)

	31.12. 2024							Total
	On demand	Up to 3 months	Between 3 and 1 year	Between 1 year and 5 Years	More than 5 years	Indeterminate Duration		
Assets								
Cash and deposits at central banks	2 303 599	-	-	-	-	8 188 330	-	10 491 929
Cash from other credit institutions	1 130 224	-	-	-	-	-	-	1 130 224
Investments in central banks and other credit institutions	-	54 382 103	1 097 533	-	-	-	-	55 479 637
Financial assets at fair value through other comprehensive income	-	-	-	-	-	43 656	-	43 656
Financial assets at amortised cost	-	-	758 435	9 072 291	-	28 749	-	9 859 474
Credit to customers	-	12 000	-	1 017 824	135 000	-	-	1 164 824
	3 433 823	54 394 103	1 855 969	10 090 115	135 000	8 260 734	-	78 169 744
Liabilities								
Funds from central banks and other credit institutions	-	-	-	-	-	-	-	-
Customer funds and other loans	21 948 572	5 406 020	1 062 441	-	-	-	-	28 417 033
	21 948 572	5 406 020	1 062 441	-	-	-	-	28 417 033
	(18 514 749)	48 988 083	793 528	10 090 115	135 000	8 260 734	-	49 752 711

The breakdown of contractual cash flows relating to capital was as follows:

(amount in thousands of kwanzas)

	31.12. 2025									
	Contractual residual periods									Total
	On demand	Up to 1 month	Between 1 and 3 month	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Undetermined	
Activos										
Cash and deposits at central banks	25 538 305	-	-	-	-	-	-	-	-	25 528 305
Cash in other financial institutions	4 951 636	-	-	-	-	-	-	-	-	4 951 636
Investments in central banks and other credit institutions	681	-	1 427	-	-	-	-	-	-	2 107
Securities	-	-	-	-	6 404 850	-	52 698 197	-	-	59 103 048
Credits	4	-	-	-	516 338	12 355 558	13 008	829 278	740	2 594 926
Other values	357 307	-	-	-	-	-	-	-	2 361 552	2 718 859
	30 847 934	-	1 427	-	516 338	7 640 408	13 008	53 527 475	2 362 292	94 908 881
Liabilities										
Deposits	26 613 048	-	5 858 287	-	2 311 578	-	-	-	-	34 782 913
Other obligations	-	-	-	-	-	-	-	-	4 287 289	4 287 289
	26 613 048	-	5 858 287	-	12 311 578	-	-	-	4 287 289	39 070 202
Liquidity Gap	4 234 885	-	(5 856 860)	-	(1 795 240)	7 640 408	13 008	53 527 475	(1924 997)	55 838 679
Accumulated liquidity Gap	4 234 885	4 234 885	(1 621 975)	(1 621 975)	(3 417 215)	4 223 193	4 236 201	57 763 676	55 838 679	

Operational Risk

Operational risk management covers all of the bank's activities, making the various business units responsible for identifying and managing the risks associated with their activities. The risk management office identifies and assesses the specific

periods of the main risks that could jeopardise achieving the bank's objectives, as well as carrying out continuous monitoring and developing measures to correct the risks identified.

The quantification of operational risk is calculated under the terms of Instructions no. 16/2016 and no. 17/2016, corresponding to 15% of the average of the last three years of the annual exposure indicator, if positive, and calculated using the basic indicator method, which takes into account the sum of various items in the income statement, such as net interest income, net income from liquidity investments, net income from trading in securities held for trading, net income from foreign exchange transactions and net income from financial services, which in turn is constant until the end of the period, changing only in December.

The amounts in these accounts have to do with the proper functioning and commitment of all areas of the institution and these are monitored on a regular basis and reported monthly to the regulatory body.

Capital Management and Solvency Ratio

The Bank's own funds are calculated in accordance with the applicable regulations, namely Notice no. 05/2007 of 12 September, Instruction no. 03/2011 of 08 June, Notice no. 2/2015 of 26 January and Notice no. 10/2014 of 05 December.

Financial institutions must maintain a level of own funds compatible with the nature and scale of their operations, duly weighted by the risks inherent to the operations, with a minimum Regulatory Solvency Ratio of 10%. Regulatory Own Funds consist of the following:

1. Basic Own Funds – involving (i) paid-up Share Capital; (ii) a Reserve to record the value of the monetary update of paid-up share capital; (iii) retained earnings from previous years; (iv) legal and statutory reserves and other reserves arising from undistributed earnings, or reserves set up for capital increases, and (v) net profit for the year.
2. Complementary Own Funds – involving: (i) redeemable preference shares; (ii) general funds and provisions; (iii) reserves from the realisation of own-use properties; (iv) subordinated debts and hybrid capital and debt instruments; and (v) other amounts authorised by the BNA.
3. Deductions – involving: (i) shares in the institution itself which are being repurchased; (ii) redeemable preference shares with fixed and cumulative dividends; (iii) loans granted as capital; (iv) loans granted as capital; value of shareholdings; (v) tax credits arising from tax losses; (vi) goodwill (transfer); (vii) other intangible assets net of amortisation; and (viii) other amounts, as determined by the BNA.

BNA Notice no. 09/2016 establishes that for the purposes of calculating the Regulatory Solvency Ratio, the excess verified in the exposure limit per customer must be deducted from Regulatory Own Funds (FPR).

	(amount in thousands of kwanzas)	
	31.12.2025	31.12.2024
Regulatory Own Funds	61 176 802	52 806 710
Risk Weighted Assets	24 359 226	21 132 776
Regulatory Capital Requirements	1 948 738	1 690 622
Regulatory Own Funds for credit risk	327 910	292 096
Regulatory Own Funds for market risk	–	–
Regulatory Own Funds for operational risk	1 620 828	1 398 526
Regulatory Solvency Ratio – Base	251.14%	249.88%
Regulatory Solvency Ratio – Adjusted	251.14%	249.88%

28 – Recently Issued Accounting Standards and Pronouncements

New standards, amendments to standards and interpretations that became effective on 1 January 2025:

There were no voluntary changes in accounting policies during the year ended 31 December 2025. The following standards, interpretations, amendments and revisions become mandatory in their application for the first time in the financial year beginning on 1 January 2025:

Amendments relating to the conversion of financial information from a non-hyperinflationary currency into a hyperinflationary currency.

On 13 November 2025, the International Accounting Standards Board (IASB) issued amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates, which clarify how companies should convert financial statements from a non-hyperinflationary currency into a hyperinflationary currency.

The change applies to annual reporting periods beginning on or after 1 January 2027 and applies retrospectively. Early application is permitted. The Bank did not apply the standard in advance.

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 that an entity has the right to defer settlement of the liability for at least 12 months after the reporting period.

The changes are aimed at:

- a. specifying that an entity's right to defer settlement must exist at the end of the reporting period and must be substantive;
- b. clarifying that the ratios that the company must fulfil after the balance sheet date (i.e. future ratios) do not affect the classification of a liability on the balance sheet date. However, when non-current liabilities are subject to future ratios, companies must disclose information that allows users to understand the risk of these liabilities possibly being repaid within 12 months of the balance sheet date; and
- c. clarifying the requirements for classifying liabilities that an entity will settle, 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 not foreseen any significant impact resulting from the adoption of this standard.

Lease liabilities in a sale and leaseback transaction (amendments to IFRS 16 – Leases)

In September 2022, the IASB issued amendments to IFRS 16 – Leases which introduce a new accounting model for variable payments in a sale and leaseback transaction.

The changes confirm that:

- a. On initial recognition, the seller – lessee includes variable lease payments when measuring a lease liability arising from a sale and leaseback transaction.
- b. After initial recognition, the seller – lessee applies the general requirements for subsequent accounting of the lease liability, so that it does not recognise any gain or loss related to the right of use it retains.

A seller – lessee can adopt different approaches that satisfy the new subsequent measurement requirements. In accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, a seller – lessee will have to apply the changes retrospectively to sale and leaseback transactions entered into on or after the date of the initial application of IFRS 16. This means that it will have to identify and re-analyse the sale and leaseback transactions entered into since the implementation of IFRS 16 in 2019 and potentially restate those that included variable lease payments. The Bank does not foresee any significant 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 – Disclosures of Financial Instruments.

The changes concern disclosure requirements relating to supplier finance arrangements – also known as supply chain financing, accounts payable financing or reverse-factoring arrangements.

The new requirements complement those already included in the IFRS standards and include disclosures on:

- a. Terms and conditions of supplier finance agreements;
- b. The amounts of the liabilities that are the subject of such arrangements, the extent to which suppliers have already received payments from the financiers and the item under which these liabilities are presented in the balance sheet;
- c. Due date intervals; and
- d. Information on liquidity risk.

The Bank does not foresee any impact resulting from the adoption of this standard.

Standards, amendments and pronouncements issued but not yet effective for the Bank:

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

On 15 August 2023, the International Accounting Standards Board (IASB) 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 to determine a spot exchange rate when there is a lack of exchangeability.

A currency is considered exchangeable into another currency when an entity is able to exchange that currency for another at the measurement date and for a specified purpose. When a currency is not exchangeable, the entity is required to estimate the spot exchange rate.

Under the amendments, entities are required to provide new disclosures to help users assess the impact of using an estimated exchange rate in the financial statements. These disclosures may include:

- a. the nature and financial effects of the currency not being exchangeable;
- b. the spot exchange rate used;
- c. the estimation process; and
- d. the risks to the entity arising from the lack of exchangeability.

These changes apply to annual reporting periods beginning on or after 1 January 2025. Early application is permitted. Significant impacts on the financial statements arising from their adoption were not expected.

Changes to the Classification and Measurement of Financial Instruments

On 30 May 2024, the International Accounting Standards Board (IASB or Board) issued amendments to the classification and measurement requirements in IFRS 9 – Financial Instruments. The amendments aim to address diversity in the application of the standard, making the requirements more understandable and consistent.

These amendments have the following objectives:

- a. To clarify the classification of financial assets with environmental, social, and corporate governance (ESG) and similar features, since these features in loans can affect whether the loans are measured at amortised cost or at fair value. To resolve any potential diversity in the practical application of this, the amendments clarify how the contractual cash flows of the loans should be assessed.
- b. To clarify the date on which a financial asset or financial liability is derecognized when its settlement is carried out 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.
- c. To improve the description of the term "non-recourse", according to the amendments, a financial asset has non-recourse features if the final right to receive cash flows from an entity is contractually limited to the cash flows generated by specific assets. The presence of non-recourse features does not necessarily exclude the financial asset from meeting the SPPI, but its features need to be carefully analysed.
- d. To clarify that a contractually linked instrument must have a waterfall payment structure that creates a concentration of credit risk by allocating losses disproportionately among different tranches. The underlying pool may include financial instruments that do not fall within the scope of IFRS 9 classification and measurement (for example, finance lease contracts), but must have cash flows equivalent to the SPPI criterion.

The IASB also introduced additional disclosure requirements for investments in equities designated at fair value through other comprehensive income and financial instruments with contingent features, for example, features linked to ESG targets.

This alteration is effective for periods starting on or after 1 January 2026. Earlier adoption is permitted.

The Bank did not apply any of these standards in the financial statements in the year ended 31 December 2025. Significant impacts on the financial statements arising from their adoption were not expected.

Amendments to IFRS 9 and IFRS 7 – Contracts referencing nature-dependent electricity

On 18 December 2024, the International Accounting Standards Board (IASB) issued amendments to help companies better report the financial effects of contracts referencing nature-dependent electricity, which are often structured as power purchase agreements (PPAs).

Nature-dependent electricity contracts help companies secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary due to uncontrollable factors, such as weather conditions. Current accounting requirements may not adequately reflect how these contracts affect a company's performance.

To enable companies to better reflect these contracts in their financial statements, the IASB made specific amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The changes introduce:

- a. Clarification of the application of own-use requirements;
- b. Permitting hedge accounting if such contracts are used as hedging instruments; and
- c. Introducing new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

This alteration is effective for periods starting on or after 1 January 2026. Earlier adoption is permitted.

The Bank did not apply any of these standards in the financial statements in the year ended 31 December 2025. Significant impacts on the financial statements arising from their adoption were not expected.

IFRS 18 Presentation and Disclosures in the Financial Statements

On 9 April 2024, the International Accounting Standards Board (IASB or Board) issued the new standard, IFRS 18 Presentation and Disclosure of Financial Statements.

The principal changes introduced by this Standard are as follows:

- a. It promotes a more structured statement of profit or loss. In particular, it introduces a new subtotal, operating profit (along with its definition), and requires that all income and expenses be classified into three new distinct categories based on the main business activities of a company: Operational, Investment, and Financing.
- b. Entities are required to present an analysis of operating expenses directly in the statement of profit or loss – by nature, by function, or using a mixed approach.
- c. The Standard requires certain non-GAAP performance measures used by the Company to be disclosed in the financial statements. The Standard defines Management Performance Measures (MPMs) as subtotals of income and expenses that:
 - d. Are used in public communications outside the financial statements; and
 - e. Communicate management's view of an entity's financial performance.
- f. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated, and reconcile it to an amount determined in accordance with IFRS.
- g. This introduces enhanced guidance on how companies aggregate and disaggregate information in the financial statements, It includes guidance on whether material information is presented in the primary financial statements or disclosed in more detail in the notes.

The Standard applies to annual reporting periods beginning on or after 1 January 2027 and applies retrospectively. Early application is permitted.

The Bank did not apply any of these standards in the financial statements in the year ended 31 December 2025. Significant impacts on the financial statements arising from their adoption were not expected.

IFRS 19 Presentation and Disclosures in the Financial Statements

On 9 May 2024, the International Accounting Standards Board (IASB) issued a new Standard, IFRS 19, Subsidiaries without Public Accountability: Disclosures, which permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. The application of IFRS 19 is expected to reduce the cost of preparing financial statements for subsidiaries while maintaining the usefulness of the information for 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:

- a. it does not have public accountability; .
- b. its parent prepares consolidated financial statements in accordance with IFRS.

A subsidiary applying IFRS 19 is required to state clearly, in its explicit and unreserved statement of compliance with IFRS, that IFRS 19 has been adopted.

The Standard applies to annual reporting periods beginning on or after 1 January 2027 and applies retrospectively. Early application is permitted.

The Bank did not apply the standard in advance.

Annual Improvements

On 18 July 2024, the International Accounting Standards Board (IASB) issued narrow amendments to IFRS Standards and accompanying guidance as part of its regular maintenance of the Standards.

These amendments include clarifications, simplifications, corrections and changes to improve the consistency of several IFRS Accounting Standards.

The IASB amended:

- a. IFRS 1 First-time Adoption of International Financial Reporting Standards, to clarify certain aspects related to the application of hedge accounting by an entity preparing its first financial statements in accordance with IFRS;
- b. IFRS 7 Financial Instruments Disclosures and its accompanying Guidance on implementation, to clarify:
 1. Application guidance regarding Gain or loss on derecognition; and
 2. Implementation guidance, including the Introduction, Fair value paragraph (disclosures about the difference between fair value and transaction price), and Credit risk disclosures.
- c. IFRS 9 Financial Instruments to:
 1. Require that entities initially measure a receivable without a significant financing component at the amount determined under IFRS 15; and
 2. Clarify that when a lease liability is derecognized, derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases. The amendment specifies that when lease liabilities are derecognized under IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss.
 3. IFRS 10 Consolidated Financial Statements, to clarify the determination of a "de facto agent"; and
 4. IAS 7 Statement of Cash Flows, to make minor amendments to the paragraph relating to Investments in subsidiaries, associates, and joint ventures.

The changes apply to annual reporting periods beginning on or after 1 January 2026. Early application is permitted.

The Bank did not apply the standard in advance.

External Auditor's Report

C&S – Assurance and Advisory

Auditors and Consultants

Registered with the Order of Accountants and Accounting Experts of Angola as number E20180018
Registered with the Capital Markets Commission as no. 001/AE/CMC/02-19
Corresponding Member of RSM International



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Banco Comercial do Huambo, S.A.

Report on the audit of the financial statements Opinion

1. We have audited the attached financial statements of **Banco Comercial do Huambo, S.A.** ("the Bank"), which comprise the Balance Sheet as at 31 December 2025, showing total assets of 97,326,910 thousand Kwanzas and total equity of 58,256,708 thousand Kwanzas, including a net profit of 10,595,615 thousand Kwanzas, the Statements of Results, the statements of profit and loss and other comprehensive income, the changes in equity and the cash flow statement for the year then ended and the corresponding Notes to the accounts.
2. In our opinion the financial statements referred to in paragraph 1 above present fairly, in all material respects, the financial position of Banco Comercial do Huambo, S.A. on 31 December 2025, the statements of profit and loss and other comprehensive income from its operations, the changes in its equity and its cash flows for the year then ended in accordance with the International Financial Reporting Standards issued by the IASB – International Accounting Standards Board (Note 2).

Basis for the opinion

3. Our audit was carried out in accordance with the International Standards on Auditing (ISA) and other standards and the technical and ethical guidelines of the Order of Accountants and Accounting Experts of Angola. Our responsibilities under these standards are described in the section "Auditor's responsibilities for the audit of financial statements" below. We are independent of the Entity according to the law and we comply with the other ethical requirements under the code of ethics of the Order of Accountants and Accounting Experts of Angola.
4. We are convinced that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our auditing opinion.

Responsibilities of the Management Body and the Supervisory Body for the Financial Statements

5. The Board of Directors is responsible for:
 - preparation of financial statements that appropriately present the financial position, financial performance and cash flows of the Bank in accordance with the International Financial Reporting Standards issued by IASB – the International Accounting Standards Board;
 - preparation of the management report in the applicable legal and regulatory terms;
 - creation and maintenance of an appropriate internal control system to enable the preparation of financial statements free from material misstatement due to fraud or error;
 - adoption of accounting policies and criteria appropriate to the circumstances; and
 - assessing the Bank's ability to remain a going concern, disclosing, when applicable, matters that may raise significant doubts about the going concern of the business.
6. The Supervisory Board is responsible for overseeing the preparation and disclosure of the Bank's financial information.

Responsibilities of the Auditor for the audit of the Financial Statements

7. Our responsibility is to obtain reasonable assurance in issuing an independent opinion on whether the Financial Statements are free from material misstatement based on our audit, which was conducted in accordance with the Technical Standards of the Order of Accountants and Accounting Experts of Angola. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit performed under ISA will always detect any material misstatement when it exists. Distortions may arise from fraud or be in error and are considered material if, alone or together, they can reasonably be expected to influence economic decisions of users taken on the basis of these financial statements.

C&S – Assurance and Advisory

Auditors and Consultants

Registered with the Order of Accountants and Accounting Experts of Angola as number E20180018

Registered with the Capital Markets Commission as no. 001/AE/CMC/02-19

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8. As part of an audit undertaken in accordance with ISA, we make professional judgments and maintain professional scepticism during the audit and also:
- We identify and assess the risks of material misstatement of the financial statements, due to fraud or error, we design and perform audit procedures that respond to those risks, and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, since fraud may involve collusion, counterfeiting, intentional omissions, false statements or overlapping of internal control;
 - We obtain an understanding of the internal control that is relevant to the audit for the purpose of designing audit procedures that are appropriate in the circumstances but not to express an opinion on the effectiveness of the Bank's internal control;
 - We assess the suitability of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by the Board of Directors;
 - We reach a conclusion on the appropriation of the use, by the Board of Directors, of the going concern assumption and, based on the audit evidence obtained, whether there is any material uncertainty related to events or conditions that could give rise to significant doubts about the Bank's capacity to continue its business activities. If we conclude that there is material uncertainty, we should draw attention in our report to the related disclosures included in the financial statements or, if these disclosures are not appropriate, modify our opinion. Our findings are based on audit evidence obtained as of the date of our report. However, future events or conditions may cause the Bank to discontinue its activities;
 - We assess the overall presentation, structure and content of the financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that ensures an appropriate presentation; and
 - We report to the Directors and the Supervisory Board, inter alia, the scope and planned timetable of the audit as well as significant audit conclusions including any significant deficiencies in internal control identified during the audit.
9. Our responsibility also includes verifying the consistency of the information contained in the management report with the financial statements.

Report on Other Legal and Regulatory Requirements for the Management Report

10. In compliance with the applicable legal requirements, we are of the opinion that the management report was prepared in accordance with applicable legal and regulatory requirements in force, the information contained therein is in accordance with the audited financial statements and, taking into account the knowledge of and appraisal of the Bank, we have not found any material misstatements.

Luanda, 30 March 2026

C&S – Assurance and Advisory, S.A.

Registered with the Order of Accountants and Accounting Experts of Angola as number E20180018 and with the Capital Markets Commission as number 001/AE/CMC/02-19

Represented by:

Henrique Manuel Camões Serra
(Accountant Expert no. 20130167)

Report and Opinion of the Supervisory Board

REPORT AND OPINION OF THE SUPERVISORY BOARD

Dear Shareholders,

1. In compliance with the legal and statutory provisions, namely Law 1/04 of 13 February (Commercial Companies Law), Law 14/21 of 19 May (Law on the General Regime for Financial Institutions), in conjunction with Notice no. 1/22 of 28 January (Corporate Governance Code for Financial Institutions), we hereby submit for your consideration the Opinion of the Supervisory Board on the Report of the Board of Directors and Financial Statements for the financial year 2025 of Banco Comercial do Huambo, SA, comprising the Balance Sheet, which shows total assets of 97 326 910 thousand kwanzas, total liabilities of 39 070 202 thousand kwanzas and total equity of 58 256 708 thousand kwanzas.
2. During the year we monitored the Bank's business developments, the regularity of its accounting records and compliance with the legal and statutory regulations in force as often and as extensively as we deemed appropriate, and received the information and clarifications requested from the Board of Directors and the Bank's various departments.
3. Within the scope of our duties, we carried out the analyses that are typical of our supervisory work to the depth and extent that we considered appropriate, and analysed the Balance Sheet and Income Statement and the respective accompanying Notes, documents that were prepared in accordance with the requirements of the International Accounting Standards (IAS) and the Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB).
4. We have taken note of the opinion of the External Auditors, which was issued without any reservation or emphases, stating that the Financial Statements present fairly, in all material respects, the financial position of Banco Comercial do Huambo, SA as at 31 December 2025, and its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards.
5. In view of the above and taking into account the work carried out, we conclude the following:
 - a. The Management Report of the Board of Directors and the Financial Statements of Banco Comercial do Huambo, SA, for the financial year 2025, comply with the legal and statutory provisions and appropriately express the Bank's financial situation as at 31 December 2025;

- b. The 2025 financial year was a positive one, with the bank posting a net profit of 10,595,615 thousand kwanzas;
6. Considering that the financial statements referred to above and the Management Report are in accordance with the applicable accounting, legal and statutory provisions and appropriately express the financial situation of Banco Comercial do Huambo, SA, as at 31 December 2025, we are of the opinion that the General Meeting:
- a) Approve the financial statements for the financial year 2025;
 - b) Approve the proposal for the allocation of profit for the financial year 2025.
7. We would also like to express our appreciation to the Board of Directors and all the company employees with whom we had contact for the cooperation provided.

Done and signed on 31 March 2026



UHY -A. Paredes e Associados Angola - Auditores e Consultores, S.A.
Chairperson
Eurico César Gomes da Silva



Dr. Mário Castelo Branco
Member



Dr. Carlos Deosvaldo Fragoso Vaz
Member