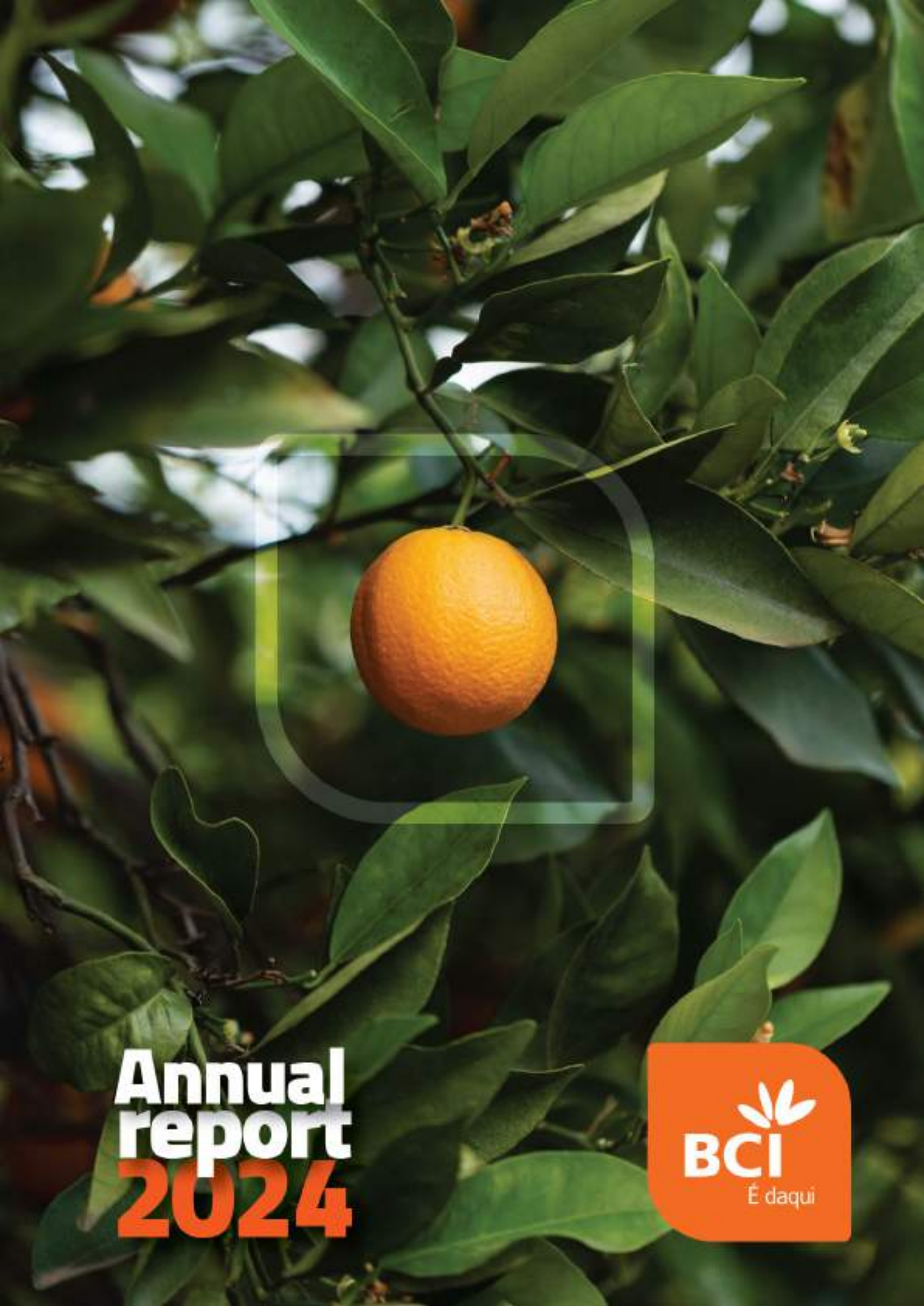
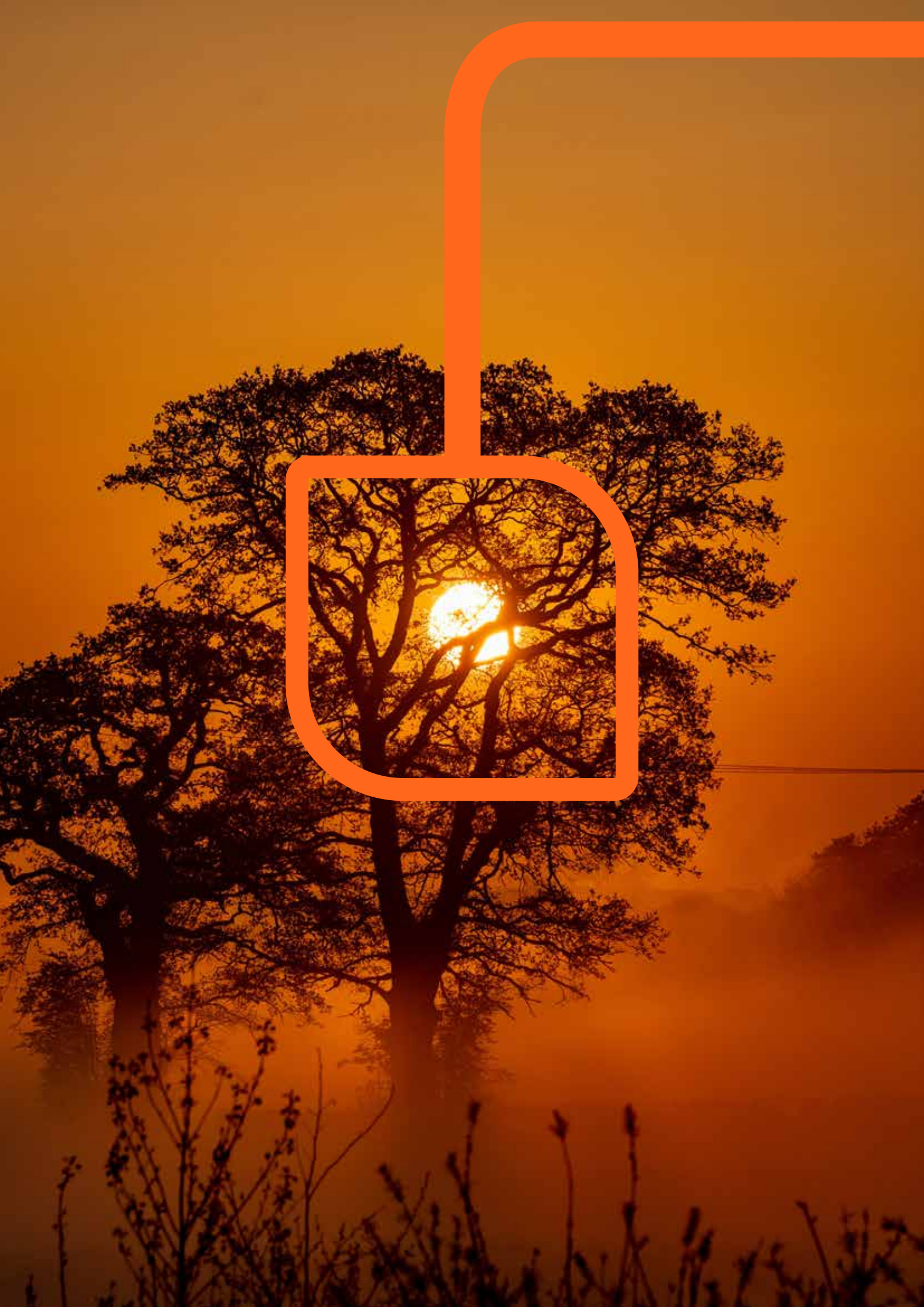
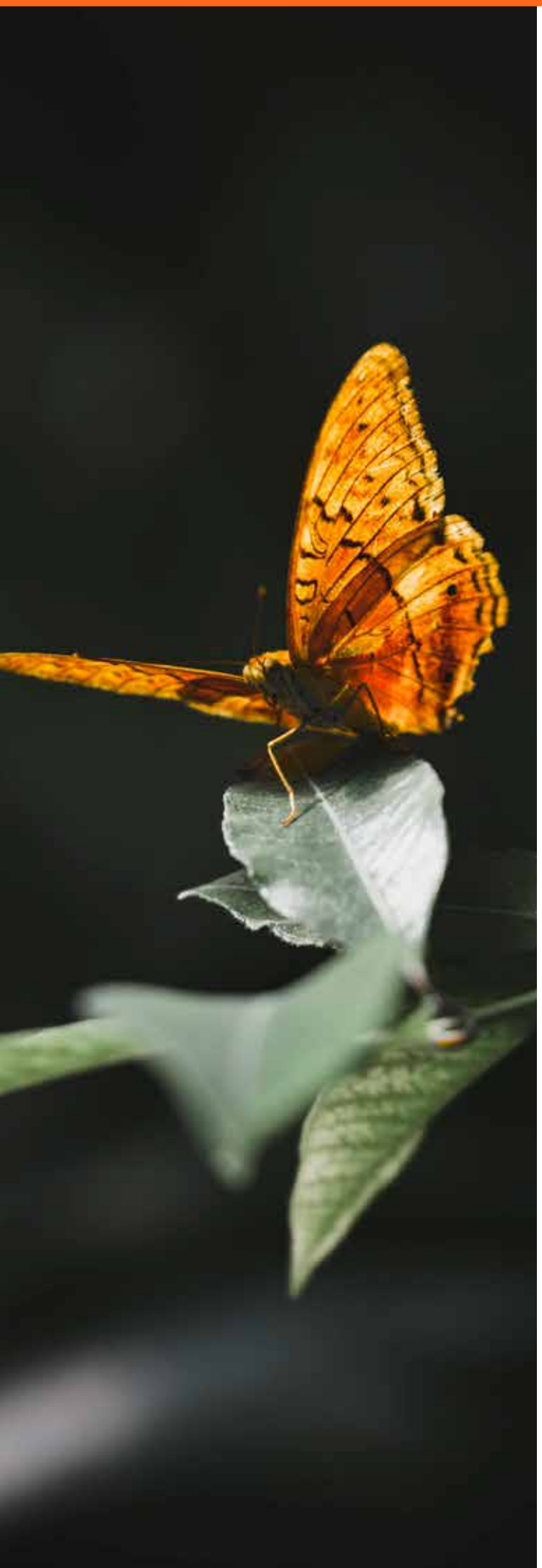


Annual report 2024

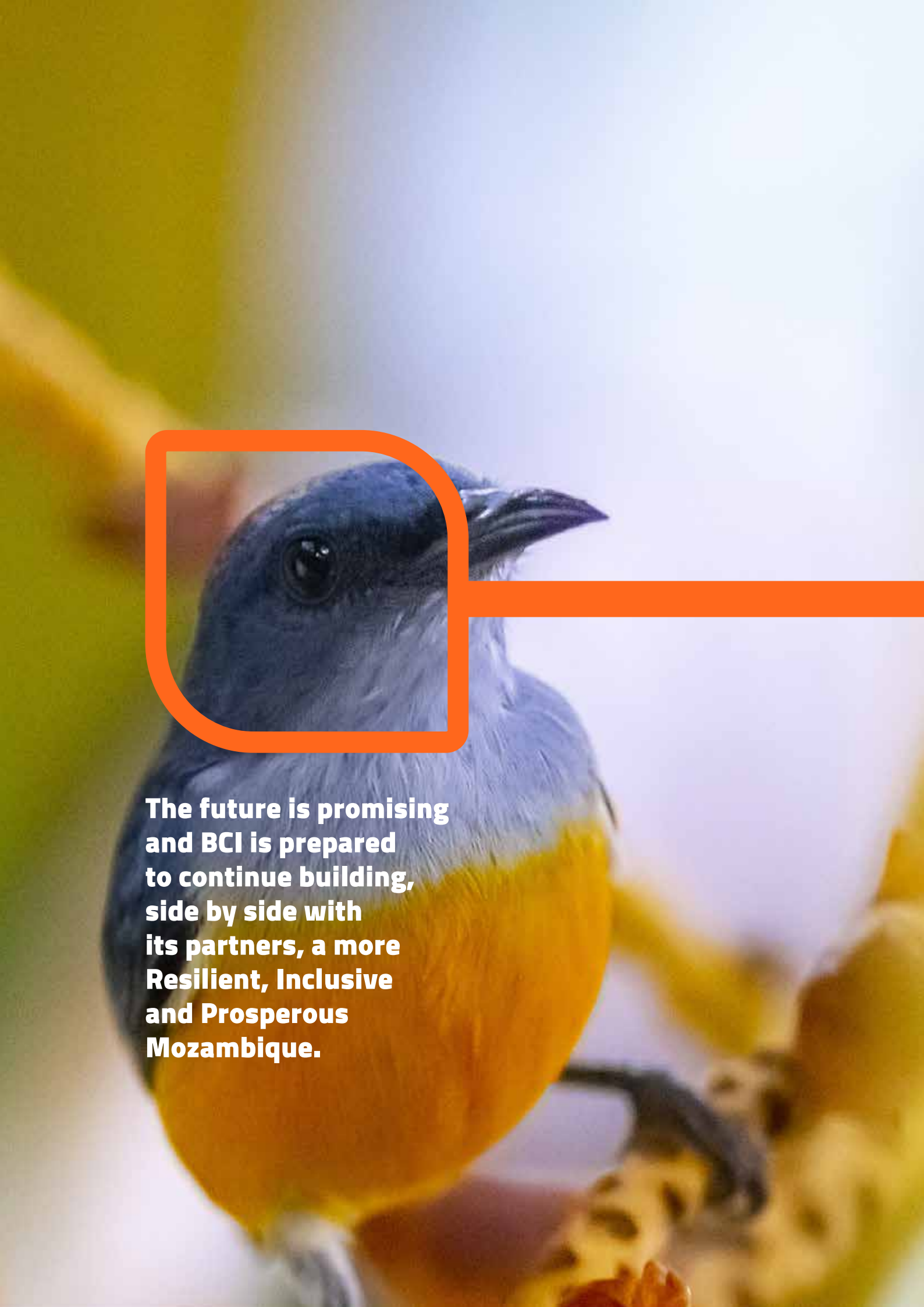
BCI
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The future is promising and BCI is prepared to continue building, side by side with its partners, a more Resilient, Inclusive and Prosperous Mozambique.

Report of the Board of Directors

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER



Francisco Pinto Machado Costa
Vice-Chairperson of the Board of Directors and Chief Executive Officer



Carlos Agostinho do Rosário
Chairperson of the Board of Directors

The year 2024 was marked by a demanding macroeconomic environment, with significant challenges at both the global and national levels, requiring resilience, innovation, and a renewed commitment to sustainable development. Internationally, the implementation of more flexible monetary policies contributed to the recovery of economic growth. Domestically, Mozambique experienced a slowdown in GDP growth, which stood at 1.85%, due to severe constraints caused by climatic shocks and, particularly, the political and social instability recorded in the fourth quarter of the year. This period was characterized by strict restrictions and/or paralysis of economic activity, limitations on the mobility of people and goods, as well as damage to public and private infrastructure. In this demanding context, BCI reaffirmed its role as a catalyst for national economic growth, achieving a positive operational result, reflecting the strength of its performance and the coherence of its strategy.

This achievement was even more relevant considering the prudent impairments made to cover potential future losses, without compromising the Bank's soundness and sustainable performance.

Fully aware of its responsibility as a leading institution in the Mozambican financial system, BCI continued to pursue its strategic focus, remaining faithful to the four pillars that have guided its path:

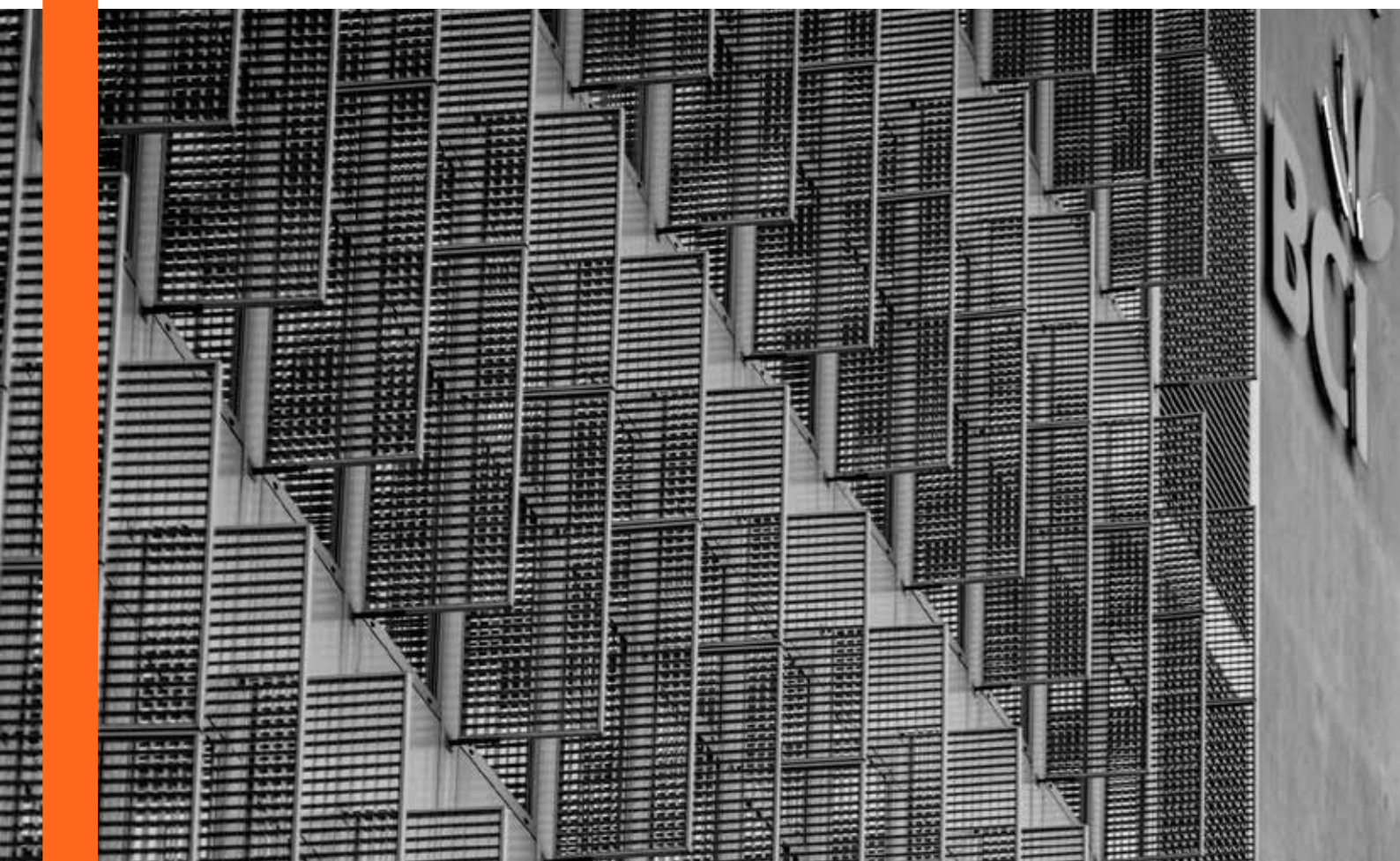
- **Sustainability**, by strengthening governance, corporate ethics, and risk management;
- **Efficiency**, through the modernization of processes, with a focus on digitalization and mitigating environmental impact;
- **Quality**, by promoting a customer-centric value proposition;
- **Profitability**, by supporting responsible and lasting economic growth.

These pillars continue to reinforce the Bank's operational model, which combines financial performance with economic and social progress, guiding all its initiatives in a transversal way.

In 2024, the modernization process of the payment system, initiated the previous year, was consolidated, marking an important milestone in the digital transformation of the banking sector. The introduction of contactless technology and the creation of a universal interoperability network between banks and Electronic Money Institutions enhanced the efficiency and security of payments. Implementing this new transaction processing platform represented a large-scale challenge for the country as a whole and particularly for BCI — both from a technological standpoint and in terms of human resource management — requiring rigorous planning to ensure service continuity and maintain customer trust in a challenging context of increasing digitalization.

Infrastructure investment was also a priority. The Bank modernized payment terminals, installed new ATMs, and strengthened digital channels, in alignment with its vision of innovation and proximity. In parallel, it invested in process automation by introducing technologies such as Machine Learning for liquidity management and language models for automated customer service, contributing to more efficient operations and a safer environment. The daki App gained new functionalities, such as automatic notifications, reinforcing transparency and proximity to customers and providing a faster, more intuitive, and secure banking experience.

Digital security was another priority, with the strengthening of the Cybersecurity structure and operational integrity. The modernization of protection and monitoring systems enhanced the integrity of digital operations and elevated the institution's security standards.



The Bank maintained a solid presence throughout the country, supported by a base of 2.4 million customers and a wide network of 211 business units, 521 ATMs, and 11,818 payment terminals, promoting financial inclusion and access to banking services. As a result of this performance, BCI reaffirmed its leadership in the sector, reaching market shares of 26.94% in Credit, 25.78% in Deposits, and 22.73% in Assets as of December 2024.

In terms of financial performance, 2024 was a year of sustainable growth for BCI. Banking Product grew by 2.50%, mainly driven by the strengthening of the Financial Margin, which increased by 4.73%. Net Income declined by 26.18%, due to a sharp increase in Impairment and Provision expenses of 127.1%, reflecting the Bank's prudent approach to covering assets exposed to credit and sovereign risk. This approach was largely driven by the impacts of the adverse post-electoral context, including the country's potential credit rating downgrade, which naturally affected profitability indicators such as ROE and ROA. Nevertheless, the Bank's overall performance remained solid: Deposits grew by 15.01%, while Equity increased by 4.27%, contributing to a total Asset growth of 10.87%. The credit portfolio also expanded by 6.06%, reinforcing BCI's commitment to financing productive and consumer sectors and stimulating the country's economic growth.

The Bank's financial and operational performance reflected not only the strength of its strategy but also its ongoing commitment to delivering quality services and strengthening customer relationships. With a customer-centric vision, BCI reinforced its strategy of proximity and humanization of services, promoting initiatives aimed at increasing satisfaction and loyalty. As a result, the active customer base grew by 13%, a clear indication of the positive impact of actions focused on service excellence. BCI's sustainable growth was also based on the development of its human capital. In 2024, 221,087 hours of training were provided, mostly in e-learning format, reaching all employees.

The graduate integration program also stood out, resulting in the incorporation of 660 new talents — 275 more than the previous year — and has proven essential in attracting qualified professionals and fostering internal innovation.

The value placed on people is complemented by a strong commitment to diversity and inclusion. Female representation reached 55% of the staff, reflecting the Bank's ongoing commitment to equal opportunities. This inclusive and collaborative environment strengthens the organizational culture and stimulates the creativity and dynamism essential to the banking sector.

BCI's commitment goes beyond financial soundness and technological innovation. In 2024, the Bank consolidated its role as a promoter of economic and social development through active involvement in social responsibility and sustainability. Financial inclusion remained one of its strategic pillars, with financial literacy initiatives such as lectures, workshops, and the launch of the BCITalks podcast, which promotes knowledge and the conscious use of financial services.

BCI's Social Responsibility was also reflected in support for causes essential to community well-being. Highlights include assistance to flood victims and bicycle donations, reinforcing its commitment to mobility and social recovery. Education, a central axis of the Bank's social intervention, benefited from donations of furniture, educational materials, and sports equipment for schools, directly benefiting children and youth. The Bank also invested in promoting culture and sports, valuing Mozambican identity.

It sponsored literary publications, art exhibitions, and supported sports such as football and chess, contributing to the country's social and cultural development. Proximity to the community was strengthened through active participation in fairs and events, enhancing relationships with Customers and Partners and expanding institutional presence in the market.

National and international recognition of the BCI Brand — reflected in the achievement of more than 30 awards in categories such as Innovation, Social Responsibility, and Customer Service — demonstrates market confidence and the success of a strategy focused on excellence.

With 28 years of history, the Bank continues to affirm itself as a close and approachable institution, with human-centered campaigns and products that meet the real needs of Mozambicans, reinforcing its identity as a Bank "From Here" and "For All."

This journey was only possible thanks to the dedication of our Employees, the trust of our Customers, and the support of our Shareholders and Institutional Partners — such as SIMOrede, the Bank of Mozambique, and the Ministry of Finance — to whom we express our sincere gratitude.

We offer a special word of appreciation to our Employees, whose cohesion, team spirit, and resilience were instrumental in achieving the results obtained in 2024. This positive momentum has been strongly driven by the internal project "Humanizar," implemented at the end of 2023, which has been fostering a more empathetic and collaborative organizational culture aligned with the Bank's values. We believe that this initiative has contributed decisively to the dedication, engagement, and sense of purpose of our Employees.

Together, we continue to walk the path of growth and transformation.

The future is promising, and BCI is prepared to continue building, side by side with its partners, a more Resilient, Inclusive, and Prosperous Mozambique.

KEY FINANCIAL INDICATORS

(thousand meticais)

Balance sheet	Dec-22	Dec-23	Dec-24	Δ% 24/23	Δ Absolute
Total Assets (Net)	202 176 368	209 856 237	231 641 351	10,38%	21 785 115
Turnover	229 566 875	233 269 304	261 690 286	12,18%	28 420 982
Loans and Advances to Customers (Gross)	70 718 796	73 738 642	78 207 207	6,06%	4 468 565
Domestic Currency Loans	57 004 388	61 908 865	65 466 063	5,75%	3 557 198
Foreign Currency Loans	8 427 467	7 732 308	9 387 964	21,41%	1 655 656
Loans with Consigned Funds	5 286 941	4 097 469	3 353 180	(18,16%)	(744 289)
Customer Deposits	158 848 079	159 530 663	183 483 079	15,01%	23 952 417
Equity	28 069 198	30 837 364	32 153 832	4,27%	1 316 468
Loan-to-Deposit Ratio	44,16%	45,85%	42,26%	(3,59pp)	
Turnover per Employee	84 649	85 322	94 337	10,57%	9 015
Results					
Net Operating Income	20 208 737	20 940 776	21 464 700	2,50%	523 925
Net Interest Income	15 705 074	15 728 388	16 472 957	4,73%	744 569
Complementary Margin	4 503 663	5 212 388	4 991 744	(4,23%)	(220 644)
Operating Costs[1]	8 620 792	9 019 102	9 919 623	9,98%	900 521
Impairments and Provisions for the Fiscal Year[2]	671 577	1 884 891	4 280 325	127,09%	2 395 434
Income Tax	2 838 256	1 855 349	1 225 025	(33,97%)	(630 323)
Net Income	8 078 112	8 181 434	6 039 727	(26,18%)	(2 141 707)
Return					
Banking Product / Average Net Assets	10,37%	10,07%	9,72%	(0,34pp)	
Return on Average Total Assets (ROAA)	4,18%	3,89%	2,64%	(1,25pp)	
Return on Earning Asset (ROEA)	32,91%	29,74%	19,26%	(10,48pp)	
Operating Costs / Net Operating Income (Cost-to-Income)	42,66%	43,07%	46,21%	3,14pp	
Net Operating Income per employee	7 452	7 586	7 738	151,79	
Credit Quality					
Non-Performing Loans Ratio (NPL) EBA Methodology	5,48%	3,84%	2,84%	(1,00pp)	
Non-Performing Loans Ratio (NPL) BdM Methodology[3]	14,43%	11,02%	10,97%	(0,05pp)	
Coverage of Overdue Loans by Impairment of EBA Loans	102,69%	111,51%	142,67%	31,17pp	
Coverage of Overdue Loans by Impairment of BdM Loans	74,06%	80,25%	79,10%	(1,16pp)	
Cost of Risk	0,49%	0,18%	1,01%	0,83pp	
Solvency					
Own funds[4]	19 131 180	21 796 561	24 803 919	13,80%	3 007 358
Risk-Weighted Assets	75 466 342	89 551 074	106 319 324	18,72%	16 768 250
Equity / Total Assets Ratio	13,88%	14,69%	13,88%	(0,8pp)	
Tier I Core Ratio	26,59%	25,19%	23,95%	(1,24pp)	
Solvency Ratio[5]	25,35%	24,34%	23,33%	(1,01pp)	
Market Share					
Deposits	25,41%	25,39%	25,78%	0,39pp	
Loans and Advances to Customers	24,25%	25,80%	26,94%	1,14pp	
Assets	23,68%	22,89%	22,73%	(0,16pp)	
Other Indicators					
No. of branches	211	211	211	0,00%	-
No. of Employees	2 712	2 734	2 774	1,46%	40
No. of Customers	2 178 206	2 285 251	2 368 020	3,62%	82 769
No. of ATMs	532	520	521	0,19%	1
No. of POS	13 427	10 831	11 818	9,11%	987

[1]Operating costs: includes staff costs, general administrative expenditure and depreciation for the fiscal year.
[2]Impairments and provisions for the year: includes the net reinforcement for credit impairment, impairment of other assets and miscellaneous provisions for the fiscal year.
[3]Non-performing loans ratio (NPL): calculated based on the Basel II regulations (overdue loans including outstanding installments). During the second quarter of 2020, BdM recommended the revision of the regulatory NPL concept, which now incorporates all restructured loans that experienced delays equal to or longer than 1 day.
[4]Own funds: calculated based on the provisions of the Bank of Mozambique, which abides by the Basel II rules.
[1]Solvency ratio: calculated based on the methodology established by the Bank of Mozambique, which echoes the Basel II standards and implies stricter control of the institutions' capital adequacy levels.



BCI
WHO WE ARE

BCI's identity is marked by the financial and business culture of the Caixa Geral de Depósitos and Banco Português de Investimento Groups. The essential features of this culture are management independence, organisational flexibility, teamwork, the ability to anticipate and innovate, stringent risk management and the secure creation of value.

Our Vision

To actively contribute to Mozambique's economic and social development, creating **Value** and generating **Satisfaction** for Customers, **Shareholders**, **Employees**, **Partners** and the **Community** in general, in a socially **responsible** and **sustainable** manner.

Our Mission

To be a Bank with a Mozambican culture and a **benchmark** for the **financial system** in **sub-Saharan Africa**, in terms of the application of **best practices**, competitiveness, innovation and **quality of service**.

BCI's activity and relationship with its stakeholders respects **Our Values**:

Closeness

Being ever **closer to our Customers** and **potential Customers**, through a network of capillary points of sale in the main urban centres and rural areas.

Accessibility

Making **access channels permanently available that are simple** and **easy to use**, allowing each Customer to choose the one that best suits them at any given time.

Quality

Offering a **level of service appropriate to each segment, promoting**, measuring and **improving Customer satisfaction**.

Friendliness

Being recognised for the high level of professionalism, cordiality and friendliness of our Employees.

Ethics and Transparency

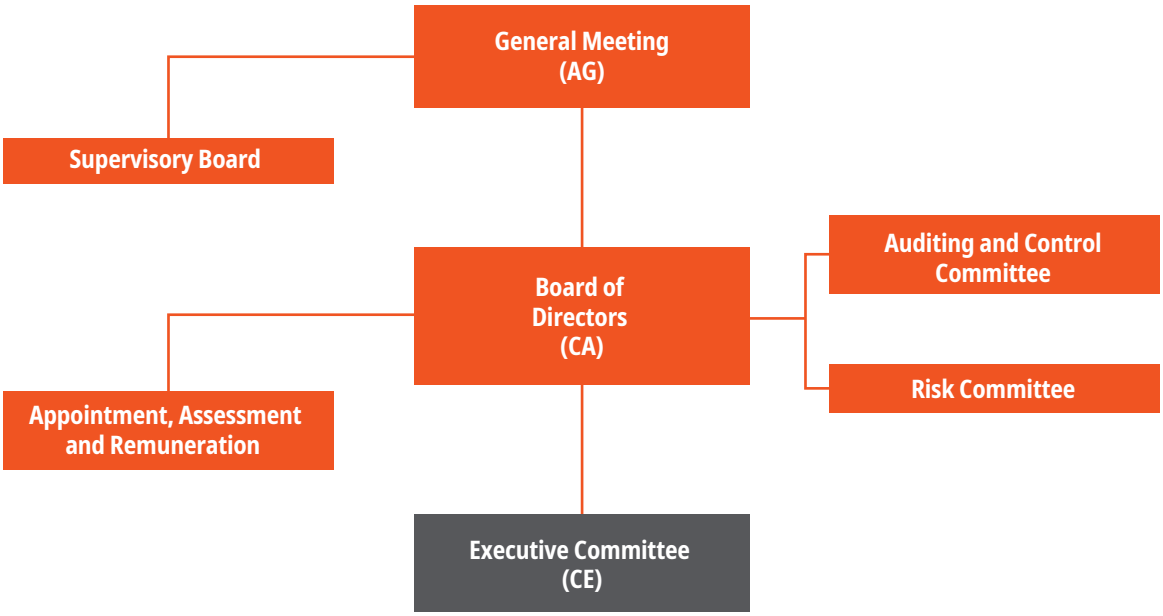
Acting with integrity, honesty and transparency to preserve our Customers' interests.

BCI's **Strategic Plan** sets out the initiatives and actions undertaken by the Bank with the aim of creating value for our stakeholders, and is built upon four Pillars:



GOVERNING BODIES AND GOVERNANCE MODEL

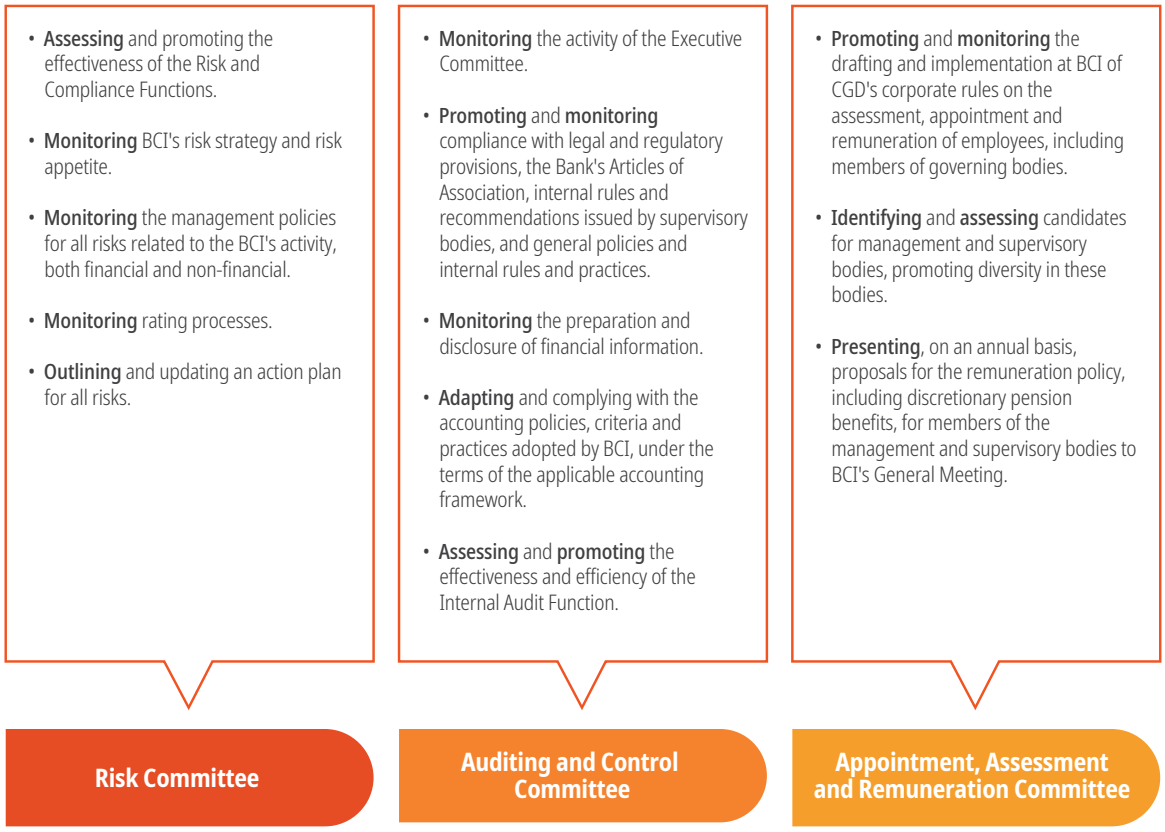
BCI's governance model ensures a clear distribution of roles and responsibilities between the different management and control bodies and committees, thereby promoting efficiency and transparency in the decision-making process, appropriate risk management and limiting the occurrence of potential conflicts of interest, with the aim of generating value for its stakeholders sustainably. BCI's Governance structure comprises the General Meeting, the Board of Directors and its specialised Corporate Governance support committees, namely the Auditing and Control Committee, the Risk Committee and the Appointment, Assessment and Remuneration Committee, as well as the Executive Committee, with the Supervisory Board as its supervisory body.



The Board of Directors is responsible, among other duties, for exercising the broadest management and representation powers of BCI, subject to the resolutions of the General Meeting. It is also responsible for approving the Strategic Plan, the policies related to the identification, assessment, and management of risks, as well as the internal control measures that enable the effective management and mitigation of the risks to which the Bank is exposed. The Board of Directors is also responsible for approving corporate governance policies in line with the provisions of the Articles of Association, applicable laws and regulations, as well as ensuring the continuous improvement of the Governance and Supervisory Model implemented. The Board of Directors delegates the Bank's day-to-day management to the Executive Committee, setting the limits of its powers.

Continuous monitoring of the relevant control functions by the Board of Directors is ensured by its Special Advisory and Corporate Governance Support Committees, made up of non-executive members of the Board, in order to guarantee the separation and independence of control functions from management functions.

Special Advisory and Corporate Governance Support Committees



The first managers of the control functions (Risk Management, Compliance and Internal Audit) report, in functional terms, to the respective managers of these functions in the CGD Group and to the respective Specialised Committees of the Board of Directors, which guarantees their greater independence from the Bank's management, particularly the Executive Committee.

With regard to the Bank's day-to-day management, the Executive Committee delegates the monitoring and decision-making on certain specific matters to its Delegated Boards and General Committees, namely: the Strategic Forum (FE), Credit Council (CC), Delegated Rating Council (CDR), Transformation Committee (CTR), Product Committee (CPR), Business Continuity General Committee (CGCN), Cost and Investment Committee (CCI), Capital, Assets and Liabilities Management Committee (CALCO), IT Steering Committee, Operational Committee (CO), Customer Experience Committee (CEC), Sustainability Committee (CSU), Foreign Operations Committee (COE), and the Credit Risk Monitoring Committee (CARC). In addition to members of the Executive Committee, these bodies also include the heads of the relevant areas involved in the matters under analysis, decision, and oversight.

GOVERNING BODIES

As at 31 December 2024, the composition of BCI's Governing Bodies, whose three-year term of office began in 2023, was represented by the following organisation chart:

Board of the General Meeting

Chairman: **Prof. José** Francisco **de Faria Costa**
Secretary: **Dr. Sérgio** Alexandre Cruz de Matos e Gois **Caupers**
Secretary: **Dr. Maveja** Aboobacar Ismael **Mulima**

Company Secretary

Secretary: **Dr. Sérgio** Alexandre Cruz de Matos e Gois **Caupers**

Board of Directors (CA)

Chairman: **Dr. Carlos** Agostinho **do Rosário**
1st Vice-Chairman: **Dr. José** João **Guilherme**
2nd Vice-Chair: **Dr. Francisco** Pinto Machado **Costa**
Voting Members: **Dr. João** Paulo Tudela **Martins**
Dr. Pedro Ferraz Correia dos **Reis**
Dr. Luis Filipe Costa Reis Marques de **Aguiar**
Eng.º Rogério Paulo Cabacinha **Lam**
Dr. Ibraimo Abdul Gafur Cassamo **Bhai**
Dr. George Lenon Ibraimo **Mandawa**
Dr. Raúl António Correia Saraiva **de Almeida**
Dr. Luis Miguel Gubert Morais **Leitão**
Dra. Cecília Figueiredo **Gaspar**

Executive Committee (CE)

Chairman: **Dr. Francisco** Pinto Machado **Costa**
Voting Members: **Dr. Pedro Ferraz** Correia dos **Reis**
Dr. Luís Filipe Costa Reis Marques de **Aguiar**
Eng.º Rogério Paulo Cabacinha **Lam**
Dr. Ibraimo Abdul Gafur Cassamo **Bhai**
Dr. George Lenon Ibraimo **Mandawa**
Dr. Raúl António Correia Saraiva **de Almeida**

Supervisory Board (CF)

Chairman: **Dr. Frederico** José Ortigão da Silva **Pinto**
Voting Members: **Dr. José** Manuel Nunes **Liberato**
Dr. Mário Vicente **Sitoe**
Alternate: **Dr. João** Miguel Pacheco de **Sales Luis**

Auditing and Control Committee (CAC)

Chairman: **Dr. Luis** Miguel Gubert Morais **Leitão**
Voting Members: **Dr. João** Paulo Tudela **Martins**
Dra. Cecília Figueiredo **Gaspar**

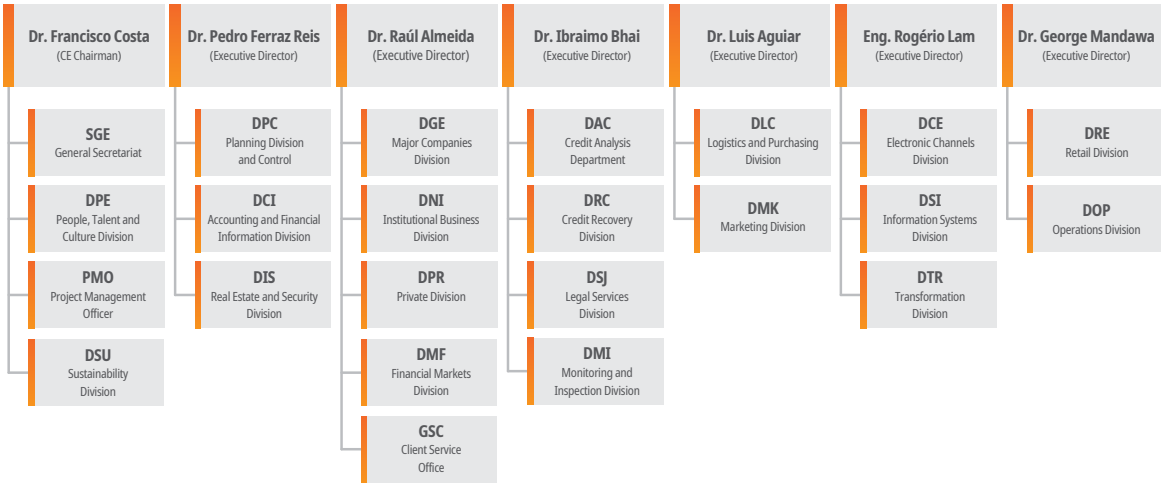
Risk Committee – (CR)

Chairman: **Dr. João** Paulo Tudela **Martins**
Voting Members: **Dr. Luis** Miguel Gubert Morais **Leitão**
Dra. Cecília Figueiredo **Gaspar**

Appointment, Assessment and Remuneration Committee (CNAR) - CA Committee

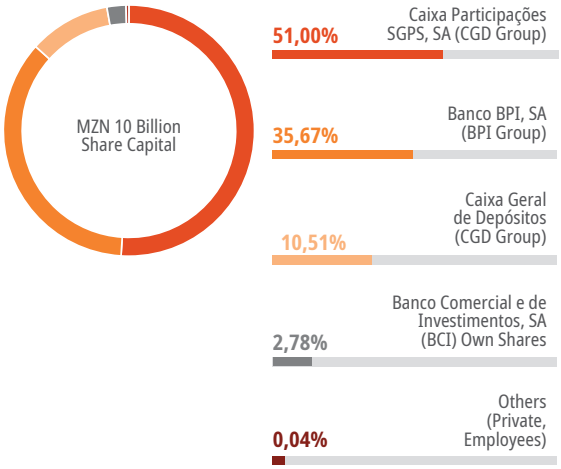
Chairman: **Dra. Cecília** Figueiredo **Gaspar**
Voting Members: **Dr. João** Paulo Tudela **Martins**
Dr. Luis Miguel Gubert Morais **Leitão**

Departments of the Executive Committee



Corporate Structure

The Bank's shareholder structure as at 31 December 2024 consisted of three major institutional investors (Caixa Participações SPGS, S.A., Banco BPI, SA and Caixa Geral de Depósitos, S.A.). which together held 97.18% of the shares, and various other minority investors, with around 0.04%, as well as 2.78% of own shares. The Bank's share capital is represented by 1,000,000,000 (one billion) shares with a nominal value of ten meticais each.

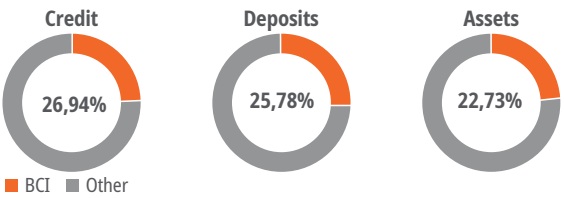


Due to the size of CGD Group's stake in BCI's shareholder structure and the subsequent consolidation of the financial statements, which implies the need for full compliance with the Group's corporate rules, policies and standards in terms of business management, as well as alignment in terms of reporting requirements and models, BCI is, albeit indirectly, subject to the regulatory framework of the Bank of Portugal and the European Central Bank, without neglecting compliance with the Mozambican legal framework, which implies greater stringency and prudence in the business management model. It should be noted that the fact that CGD is considered a systemically important institution in the Portuguese financial system and, as a result, is subject to stricter capital adequacy requirements on a consolidated basis, reinforces the need for high prudence in BCI's management, which is embodied in the internal and corporate risk appetite limits that guide the pursuit of the Bank's activity.



The dimension of BCI

BCI's Market Shares as at December 2024 (%) - A Consolidation of Leadership



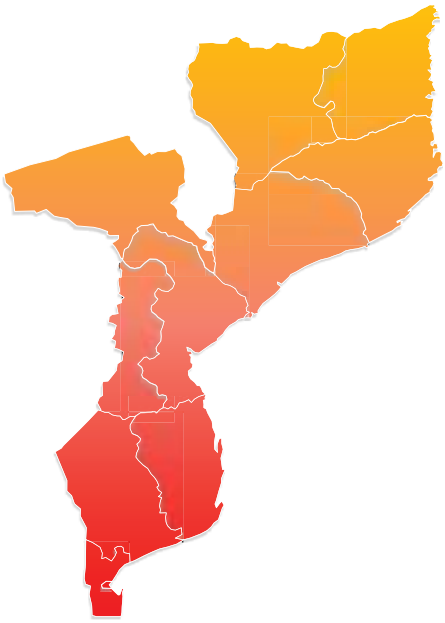
Banco Comercial e de Investimentos (BCI) has maintained the strength and solidity built up over recent years, preserving its **leading position within the national banking system**.

BCI serves 2,4 million customers in the domestic market and is the largest financial institution operating in the Mozambican Financial System in terms of business volume (Credit and Deposits)

and Assets. In 2024, market shares stood at 26.94% in Loans, 25.78% in Deposits, and 22.73% in Assets.

Distribution Network and Customer Segmentation

Commercial banking is BCI's predominant area, both in terms of business volume and results. The business model is based on providing a complete and diversified range of financial products and services, structured to meet the specific needs of Retail, Corporate and Institutional Customers, through a specialised, omnichannel and fully integrated distribution network.



Customers

2.4 million
From total customers

40%
Digital Customers*

16%
App*

Retail:	Corporate:	Institutional:	Private:
+6%	+7,5%	+12,3%	+8,9%

*% of Active customers

Distribution Network

Universal: 204 branches | 2 Integrated Centres | 2 Mobile Banks
Corporate: 1 Integrated Centre | Specialised Desks: Agribusiness, Energy and Oiland Gas
Private: 2 Private Centres

BCI has 211 commercial units in its physical network (including 28 Exclusive Centres, 2 Integrated Centres, 1 Corporate Centre, 2 Private Banking Centres and 2 Mobile Banks), 521 ATMs and 11,818 POSs. BCI offers ebanking services (Retail and Corporate), Call Centre (Linha Fala Daqui), mobile applications (BCI App and Mobile), and WhatsApp Banking, thus ensuring the provision of banking services and products to all customer segments.

Awards and Recognition in 2024

As in previous years, the success of our strategy and our commitment to service quality in the various lines of business and areas of operation was recognised and honoured in 2024 by a number of important international and national bodies.

In 2024, BCI was honoured with 31 awards by 12 international institutions:

1. **PMR Africa Excellence (Diamond Arrow):** Best Corporate Banking | Best Credit Cards | Best Retail Banking
2. **International Finance Magazine:** Best Customer Centred Bank in Mozambique | Best CEO in the Banking Sector in Mozambique 'Francisco Costa';
3. **Euromoney Award for Excellence:** Best Bank in Mozambique for SMEs;

4. **Global Business Magazine:** Best Bank for Social Responsibility in Mozambique | Best Retail Bank in Mozambique | Best Commercial Bank in Mozambique | Retail Bank with the Best Customer Service in Mozambique;
5. **World Economic Magazine:** Best Commercial Bank in Mozambique | Best Private Segment Bank in Mozambique;
6. **The Global Economics:** Best Commercial Bank in Mozambique | Best Social Responsibility Bank in Mozambique;
7. **World Business Outlook:** Preferred Bank in Mozambique | Largest Commercial and Investment Bank in Mozambique | Most Reliable Retail Bank with Customer Service in Mozambique | Banking CEO of the Year in Mozambique;
8. **Global Business Outlook:** Best Commercial Bank in Mozambique | Best Bank for SMEs in Mozambique;
9. **Global Business and Finance Magazine:** Best Bank in Mozambique | Best Private Segment Bank in Mozambique | Best Retail Bank in Mozambique.
10. **Brands and Business Magazine:** Most Innovative Banking Advertising Campaign in Mozambique | Best Commercial Bank in Mozambique; and
11. **Global Brands Magazine:** Excellence in the Corporate Segment in Mozambique | Leading Commercial Bank in Mozambique.

We would like to thank our Employees for their daily commitment and our Customers for the trust that makes these achievements possible. This recognition reinforces our commitment to continue delivering excellence, innovation, and trust to everyone.

Main Events in 2024

- Launch of the Institutional Campaign, with the motto 'É de Todos. É daqui' (It's from here).
- As part of the Transformation Committee's initiatives, BCI implemented the 'Quick Wins' project, aimed at fast-tracked actions with immediate impact on customer experience.
- Award for Best CEO in the Banking Sector in Mozambique - 'Francisco Costa,' as nominated by International Finance Magazine.
- Distinção como Melhor Banco Comercial de Moçambique, nomeada pela World Economic Magazine.
- Creation of the Customer Experience Committee and the Transformation Committee aimed at strengthening customer satisfaction and loyalty. The Transformation Committee played a crucial role in adapting the Bank to the new digital reality and in delivering innovative solutions for customers.
- Launch of the new version of the 'Daqui' App at the end of 2024 for iOS and Android devices, featuring a renewed, more intuitive and efficient interface, reinforcing the Bank's position as a benchmark in the sector.
- Creation of the Sustainability Committee, with the aim of presenting and implementing initiatives to promote sustainability in the Bank's operations, encompassing environmental, social, and governance (ESG) impact; and
- BCI took a significant step forward in financial education by launching 'BCI Talks', a 30-minute podcast dedicated to topics such as investments, financial markets, technology, and innovation.



THE BCI BRAND IT'S FROM HERE

THE BCI BRAND - THE IMPORTANCE OF BEING FROM HERE

BCI is one of the most solid and recognised brands in Mozambique. With over two decades of presence in the market, Banco Comercial e de Investimentos has built a strong identity, consolidating its leadership position in the national financial sector, as well as gaining international recognition.

This journey has been guided by a clear strategic positioning focused on differentiation, consistency, and innovation, enabling BCI to remain competitive in a constantly evolving market. The strength of the brand lies not only in its institutional presence but in the authentic and deep connection it has established with its customers. Today, the BCI brand does not belong solely to the Bank; it belongs to the **people, reflecting trust, credibility, and proximity**.

The decision to **humanise** campaigns and **strengthen customer centricity** reflects BCI's commitment to meeting the real needs of its customers. This approach, combined with a product and service offer tailored to real needs, strengthens the connection with the public and reaffirms BCI as an institution that understands and values people.

What makes the BCI Brand so important in its sector of activity is its identity. Year after year, BCI reflects in its Brand the very best of Mozambique and its people, always striving to align with the most cherished and distinctive values of Mozambican identity.

Campaign after campaign, the Bank highlights the significance of Mozambican identity. This careful and comprehensive work extends to all areas of BCI's operations. With every action it takes - from the products and solutions it develops to its social responsibility initiatives - BCI seeks to celebrate local culture throughout the country and highlight its relevance to consumers.

In building its Brand, BCI has always focused on the consumer - on people. It embraced storytelling and continues to tell the story of Mozambique through its marketing. The BCI brand has transcended traditional marketing, becoming an integral part of Mozambique's cultural and emotional landscape.

And that is why we proudly say: It Belongs to Everyone. É Daqui.

Commercial Dynamisation and Brand Activation

As part of activities aimed at the various segments, namely Individuals, Small and Medium-sized Companies, Large Companies and Institutional Customers (Public Companies, State Institutions and NGOs), and in line with the strategy outlined, we adopt specific actions to promote Customer satisfaction and loyalty, attract new Customers, raise Funds and place Loans. In addition, we organise actions to promote various banking solutions such as Payment Methods and Electronic Banking Services. The actions carried out include the following:

Institutional Brand Campaign

In May, BCI launched a new Brand Campaign under the slogan 'It Belongs to Everyone. It's From Here', reinforcing its positioning as the Bank that promotes Mozambican identity and a strong sense of belonging. The campaign aimed to create a deeper emotional connection, highlight the accessibility and reliability of its services, and reaffirm that we are here to serve everyone — because **WE ARE ALL BCI**. BCI is, and always has been, a **'Mozambican Bank, by everyone and for everyone'**.

Consumer Loans - 2024 Civil Servants Loan Campaign

We have strengthened our focus on and commitment to supporting civil servants through Fixed Rate Consumer Loans, with a particular emphasis on the ability to disburse loan applications in a very short time (48 hours on average). These are solutions developed to meet the needs of Retail Customers, offering new possibilities in terms of placement and management of financing, and repayment is made in fixed instalments. In 2024, this solution achieved 82% of the defined target.

Salary Domiciliation – Salary Domiciliation Incentive Campaign

Salary Domiciliation refers to the choice made by Customers to have their salaries or other regular income paid directly into their Bank Account with BCI. The campaign lasted six months, starting on 15 February 2024 and ending on 15 August 2024. The campaign targeted all current and potential Retail Customers of the Bank who receive regular salaries, whether they are employees of public or private companies, or self-employed professionals. Through this campaign, BCI managed to domicile 32,749 bank accounts.

With regard to the draw and prize awarding, both Customers who enrolled in salary domiciliation during the campaign period and those who already had their salaries domiciled with BCI were considered. For the purpose of awarding prizes, 3 bimonthly draws were held, resulting in cash prizes every 2 months and brand-new vehicles at the end of the campaign.

Customer Database Update Campaign via Website and App

A campaign was conducted to update the Customer database via the Website and App, with the aim of encouraging Customers to update their information without the need to visit a BCI branch, as well as to improve the performance of database update initiatives.

Winners were eligible to receive shopping vouchers, and the selection was made through monthly draws.

Unique Bank Identification Number - NUIB

The **NUIB** is the Unique Bank Identification Number assigned by the Bank of Mozambique to individuals and legal entities, serving as their identifier within the entire national financial system. It was implemented within the national financial system to improve the customer identification process among Credit Institutions and Financial Companies in the country.

Since 2023, BCI has been informing its customers of their assigned NUIBs through email marketing and SMS.

In 2024, we also launched a communication plan on social media aimed at educating and informing the general public about what the NUIB is, as well as encouraging customers to update their information in order to obtain their NUIB.

Electronic Payment Methods Promotion Campaign - Debit and Credit Cards

Following the replacement of the national electronic payments system, the aim was to promote and publicise the Bank's payment methods. Within this framework, a campaign was launched to encourage the use and reduce inactivity of the PRIVATE, **EXCLUSIVO** and **BIO** debit cards, by offering incentives to cardholders through a draw, with bimonthly prizes awarded to eligible Customers.

POS Activation Campaign

The POS Billing Increase Incentive Campaign, which ran from 1 July to 30 November 2024, aimed to promote the use of BCI POS terminals by merchants and other entities with BCI POS contracts, through the awarding of prizes. The campaign included monthly draws, supervised by the General Gaming Inspection. As a result of this initiative, billing in the second half of the year increased by 123% compared to the previous semester.

Promotion of the New Prepaid Card Top-Up Method

As part of the public rollout of the new VISA prepaid cards (Tako Pago and Mambas), featuring contactless technology, there arose a need to communicate the new top-up method for national prepaid cards, which will now be done via transfer to the **card's BIN**.

Digital Channels Promotion Campaign

Effective communication about banking services is crucial to developing a relationship of trust and efficiency between BCI and its customers.

Given the strategic importance of informing customers about the possibility of making service payments through the DAKI digital channels, an advertising campaign was launched under the slogan '**Make payments quickly and securely, wherever and whenever you want, with BCI.'** The campaign aims to provide greater convenience to customers in carrying out their daily transactions, while also reducing branch traffic, thus enabling the Bank to operate more efficiently by allocating human and technological resources more strategically. With clear communication, this campaign contributed to a significant increase in customer adoption of digital channels, promoting greater use of eBanking, the APP, ATMs, the Mobile Account and *134# Service.

In this regard, the Bank gave its Customers with the option to unblock their *134# Service PIN through the DAKI APP and the eBanking channel. This campaign also included targeted communication to the university segment, with the main theme **'Pay your tuition via Mobile, Internet, and ATM.'**

Promotion of Non-Banking Insurance

In 2024, we continued to promote non-banking insurance products (automobile, international and domestic travel, funeral, and health), driving sales at branches where training and informational sessions are also organised. The promotion is supported by a communication campaign that includes the distribution of brochures and the availability of information on the Bank's website, partner insurers' websites, and social media channels.

Consumer Loan Campaign through Non-Banking Product in partnership with the Company Procomputers

This six-month initiative, running from 1 July to 31 December 2024, provided access to financing on preferential terms for the purchase of devices marketed by Procomputers. The Procomputers NBP Campaign focuses on consumer loans and the promotion of Non-Banking Products (NBP), targeting Individual in the BCI Universal and BCI Exclusive segments..

Account Opening at UEM – 2024

Eduardo Mondlane University promoted new student registrations from 12 February to 15 March. As part of its longstanding partnership with UEM, BCI participated in this process, attracting new university customers and strengthening the brand's presence in this segment.

Participation in Events and Trade Fairs

In 2024, BCI is reinforcing its commitment to being closer to its customers and partners through active participation in events and trade fairs.

The Bank believes that participating in events is essential to share its vision, highlight its impact on the financial sector, and reaffirm BCI as a leading Bank aligned with society's needs.

FACIM 2024 - Commercial Promotion

BCI's participation in the 59th edition of FACIM (26 August to 1 September), held in the Marracuene district, helped reinforce the Bank's commitment as a government partner in the development and expansion of business in the country. It also provided an opportunity to promote BCI's product and service solutions and to attract new business and customers to the Bank.





The Bank adopted a more proactive approach with visitors and exhibitors, consistently seeking networking opportunities during the fair. Additionally, the approach involved prize draws, participation in themed events, and the distribution of promotional gifts.

Portuguese School - Portugal Day celebrations

The Bank participated in the Portugal Day celebrations held on 10 June, taking part as a partner in the event held on 15 June at the Portuguese School grounds.

With a variety of attractions, the Bank provided fast and effective financial solutions, supported by the Bank's technical and commercial teams for guidance and recommendations.

The BCI space was one of the main attractions, featuring two distinct areas: the first dedicated to networking and the promotion of products and services for businesses. The stand was equipped with an LED wall for video presentations and a lounge area for networking. Four BMX bikes were raffled off in this area.

American School - June Fest2024

The Bank participated as a sponsor in the fair organised by the American School in Maputo. The event was attended by members of the American community living in Mozambique and was an opportunity to strengthen the relationship between BCI and the American School, as well as to engage more closely with this community.

45th anniversary of the French School of Mozambique

BCI participated in the city of Maputo in the celebrations marking the 45th anniversary of the French School of Maputo (Lycée Français International Gustave Eiffel), an event in which the Bank took part as a sponsor.

The event featured various activities, notably cultural ones including photography, visual arts, dance, sports, and gastronomy.

Women in Leadership: Challenging Boundaries in the Corporate World

On 29 April, a workshop titled 'Women in Leadership: Challenging Boundaries in the Corporate World' was held at the BCI auditorium. Promoted in partnership with New Faces New Voices, the event aimed to empower and inspire women to reach their potential and excel in their careers, making a significant contribution to the success of their respective environments.

The event featured the following panellists: Dr. Francisco Costa, CEO of BCI; Denise Cortês Keyser, CEO, businesswoman, leadership workshop specialist, entrepreneur, and motivational speaker; Laila Chemane Chilemba, Vice President for Socioeconomic Development for LNGMoz projects at Total Energies; Sofia Cassamo Pitanga, Vice President of the Women Entrepreneurs Portfolio at CTA; and Esselina Macome, Executive Director of FSDMoc.

Mozambique Energy & Industry Summit

The Mozambique Energy & Industry Summit is an annual conference held in Cabo Delgado, bringing together leaders and professionals from the country's energy and industrial sectors as well as from various regions. The event serves as a platform

It is an important forum to discuss and debate trends, challenges, and opportunities in Mozambique's energy and industrial sectors, as well as to promote collaboration and networking among participants.

The event took place from 2 to 4 July and featured the participation of the Deputy Central Director, José Leonel Notiço, on the Local Content Panel, where he discussed the Bank's achievements on this topic.

6th edition of Mozgrow

BCI reaffirmed its support for the agribusiness sector in Mozambique by participating in the 6th edition of MozGrow. A partner in this initiative since its inception, and in recognition of the high potential of agriculture as the foundation of Mozambique's economic development, BCI presented financing solutions for agribusiness at the fair.

Mozgrow is an agribusiness platform that brings together stakeholders from the production, industrial and commercial chains to promote investment and sustainable socioeconomic development in Mozambique. The 2024 edition took place from 24 to 26 July under the slogan 'Agribusiness and Climate Resilience'.

2nd Luso Music Festival - Xutos e Pontapés

An event organised by Arena Eventos, aimed at ensuring cultural exchange in the Portuguese-speaking music scene, featuring the renowned Portuguese band Xutos & Pontapés as the headliner.

Air Show2024

It is the country's largest airshow, organised by the Aero Clube de Moçambique in partnership with VIVO and the Municipality of Maputo, and supported by BCI in its 12th edition. The event, attended by prominent public and private figures, aimed to promote aviation culture in Mozambique and contribute to enhancing Maputo's reputation as a destination for sports, culture, and tourism.

Gwaza Muthini Festival

It is an annual event held in memory of the Mozambicans who participated in the anti-colonial resistance struggle, culminating in the memorable 1895 Battle of Marracuene between the Portuguese colonial army and the warriors of the then Gaza Empire. BCI provided support for this event, helping to preserve Mozambique's identity and history.

Commemoration of the 52nd Anniversary of the Matola Municipal Council

With more than 1 million inhabitants, Matola is Mozambique's second largest city and an important industrial and commercial hub. BCI provided support to the Matola Municipal Council to assist with the commemorative activities marking this occasion.

Celebrations of the 38th Anniversary of the Government of Nacaroa District

BCI's support for the celebrations of the 38th anniversary of the Government of Nacaroa District, located in Nampula Province, was primarily aimed at contributing to the successful organisation of the various commemorative activities for this important occasion. This gesture reflects BCI's commitment to supporting local communities and strengthening institutional celebrations.

The Power of Networking - Organised by ANJE

In May, we participated in the 2nd edition of the event 'The Power of Networking.' BCI's support for this initiative once again falls within the scope of the partnership between the Bank and the National Association of Young Entrepreneurs (ANJE). Considered one of the largest networking events in the world, the programme brought together approximately 1,500 young people who listened to Mozambican speakers and entrepreneurs, including Lineu Candieiro, Ayaz Hassan, and Nilza Chipe, as well as Brazilian nationals such as Bruno Avelar, Davi Braga, Mayra Cardi, Carlinhos Malaquias, and Thiago Nigro, over a period of about 10 hours.

The common denominator among the presentations was the sharing of practical advice for achieving success, such as stepping out of one's comfort zone, being bold, embracing the desire for change, maintaining the right attitude, having a sense of organisation, and paying attention to personal image, among others.

19th Annual Conference of the Private Sector (CASP)

The event was organised by the Confederation of Economic Associations of Mozambique (CTA), in partnership with the Government of Mozambique. The event focused on the theme 'Investments and Business in the Context of Economic Acceleration Measures: Challenges and Opportunities.' As one of the main sponsors of this conference, BCI partnered with Mozambique's largest business event, contributing to enriching the important debate on the business environment in Mozambique.

4th and 5th Editions of the Índico Conferences

The Índico Conferences are hybrid corporate events (both in-person and online) featuring thematic alignments relevant to the country's socioeconomic development. Topics are presented and discussed by experts, managers from private and public associations, organisations, companies, and other legal entities. In 2024, BCI supported the 4th

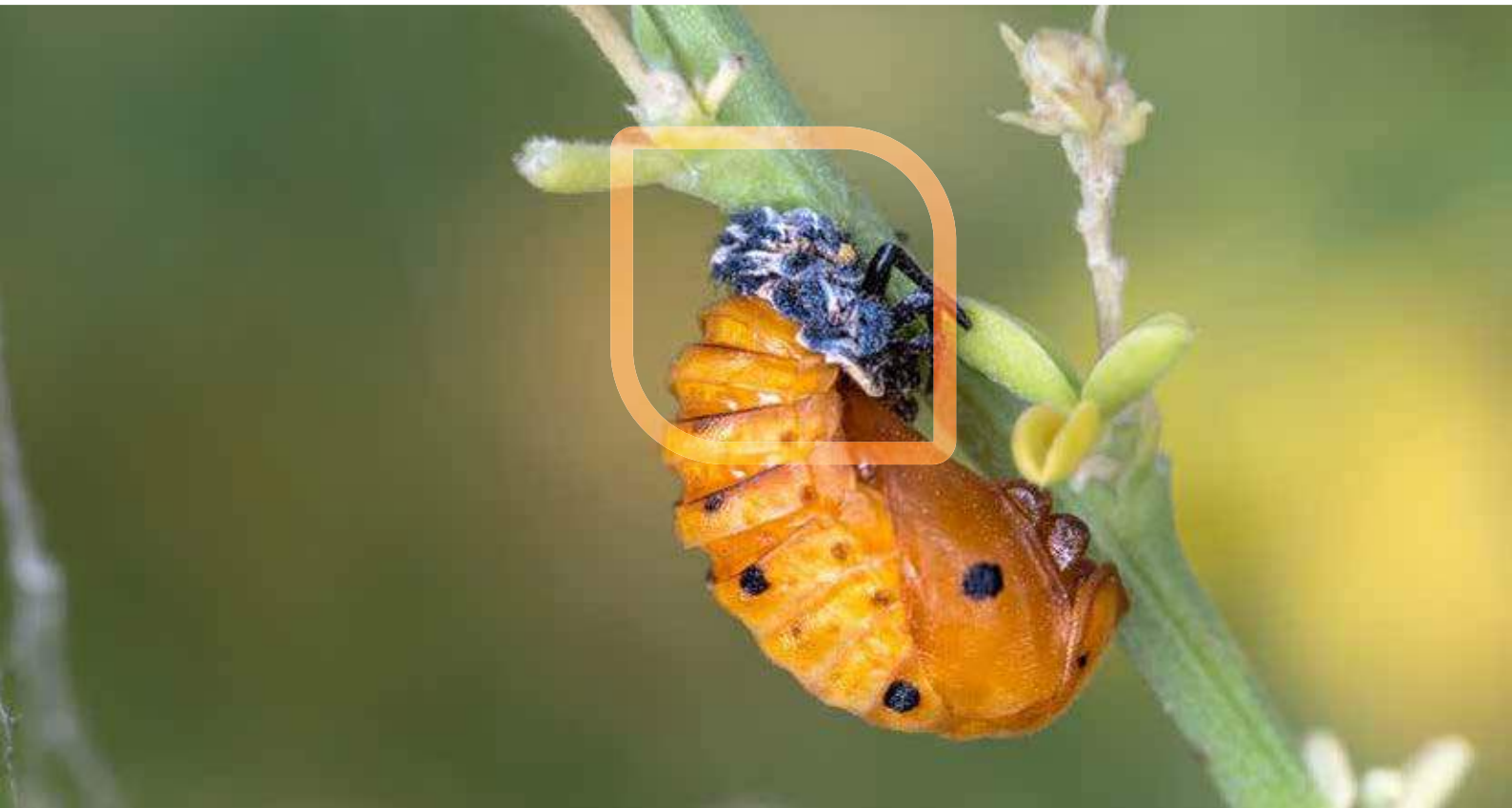
edition of the Índico Conferences with the theme: 'Digital Transformation' and the 5th edition with the theme: 'Insurance in Mozambique'. The Bank also actively participated in the discussion panels at both events.

2nd Edition of the BFSI - Banking, Finance and Insurance Conference

BCI was one of the major sponsors of the 2nd edition of the Mozambique Banking, Finance and Insurance Conference (BFSI), held on 19 June. The event aimed to share knowledge and ideas through joint reflections on the digital transformation process in Mozambique, creating platforms to drive the implementation of technically supported and strategically defined recommendations to advance and improve the national financial and technological sector.

Mozambique CEO Summit 2024

BCI ensured its participation in this business event, which brought together executives, organisational leaders, and entrepreneurs to share practical tools for business development, investments, and exploring new approaches. This forum featured the participation of national and international speakers and experts, as well as CEOs of major companies, notably including BCI's CEO, Francisco Costa. During the event, he was awarded the title of Best CEO of the Year 2024 and was also recognised as one of the 'Top 10 Most Influential CEOs in Mozambique.'





THE ECONOMY IN 2024



INTERNATIONAL ECONOMY

According to the World Bank[1] (WB), the global economic context became more favourable from mid-2024 onwards, following several shocks over recent years. This improvement was mainly due to the beginning of a cycle of downward revisions in the United States' benchmark interest rate, as well as a robust recovery in risk appetite. Thus, the WB estimates that the global economy grew by 2.7% in 2024 and expects this growth rate to be maintained in 2025 and 2026.

However, the global economy continues to face significant risks, including geopolitical tensions, trade fragmentation and restrictive financial conditions, as well as natural disasters linked to climate change.

GDP Growth Rate - Main Economic Blocs

	Estimated	Perspective	Difference compared to the January 2024 disclosure	
GDP growth rate (%)	**2024***	**2025****	**2024**	**2025**
World Economy	2,7	2,7	0,3	0,0
Developed Economies	1,7	1,7	0,5	0,1
Emerging and Developing Economies	4,1	4,1	0,2	0,1

Source: World Bank, January 2025

Global Inflation

According to the WB, global inflation continued to ease gradually in 2024, reaching levels below targets in some economies, due to falling energy and food prices, the recovery of supply chains, and the effects of restrictive monetary policies. This trend is expected to continue in 2025, settling at its lowest levels since the peak recorded in 2022.

It is worth noting that, despite the downward trend, core inflation remained high in 2024, contrasting with the disinflationary impact of the sharp slowdown in energy and food prices.

It is important to highlight that the WB forecasts global inflation to decrease to an average of 2.7% in 2025 and 2026, a figure broadly consistent with the targets set by many advanced economies and emerging market countries.

Developed Economies

For the bloc of advanced economies, the WB[2] estimates economic growth of 1.7% in 2024 (in line with the International Monetary Fund - IMF), the same level observed in the previous year, as stable growth in the United States of America (USA) and a slight recovery in the Eurozone were accompanied by a significant slowdown in Japan. For 2025 and 2026, growth is forecasted to average around 1.7%, as modest recoveries in the Eurozone and Japan may offset the expected slowdown in the United States.

In the United States, the WB estimates growth of 2.8% for 2024, down from 2.9% recorded in 2023, with a further slowdown to 2.3% expected in 2025. Although growth in the first half of 2024 was slightly stronger than expected, activity

[1]Global Economics Prospects – January 2025
[2]Global Economics Prospects – January 2025

showed preliminary signs of slowing down at the end of 2024, reflecting a weakening in consumer sentiment.

In the Eurozone, the WB estimated growth of 0.7% in 2024, noting, however, that growth remained weak, hindered by consumption, business investment, and industrial activity. For 2025, growth in the single currency bloc is expected to expand to around 1.0% as the cyclical recovery takes hold. This outlook is in line with that of the IMF[3], which cited improved domestic demand and rising real wages as factors likely to boost consumption, in a context where the gradual reduction in benchmark interest rates supports investment.

GDP growth rate in Developed Economies

	Estimated	Perspective	Difference compared to the January 2024 disclosure	
GDP growth rate (%)	**2024***	**2025****	**2024**	**2025**
Developed Economies	**1,7**	**1,7**	**0,5**	**0,1**
USA	2,8	2,3	1,2	0,6
Eurozone	0,7	1,0	0	-0,6

Source: World Bank, January 2025

Emerging and Developing Economies

The WB estimates that the Gross Domestic Product (GDP) of Emerging and Developing Countries grew by 4.1% in 2024 and 2025. Economic activity in China is expected to slow down, which may be largely offset by growth consolidation in other emerging and developing economies.

The estimate is that China grew by 4.9% in 2024, down from 5.2% the previous year, and is expected to slow to 4.5% in 2025 amid a persistent real estate sector crisis, unstable domestic demand, deflation risks, and trade frictions with the West.

In this context, the People's Bank of China implemented several measures at the end of 2024 to support the economy, notably lowering benchmark interest rates, mortgage rates on existing loans, and the reserve requirement ratio. However, their impact was somewhat mitigated by weak market sentiment and low credit demand. The expansion of Treasury bond issuance enabled an increase in public spending but rising budgetary pressures at the local government level continue to constrain overall fiscal support.

Furthermore, the new political context in the United States following the recent presidential elections has introduced additional risks for China, as protectionist policies targeting Chinese products may further restrict exports, which are already under pressure due to increased trade barriers in key markets such as the European Union.

For sub-Saharan Africa, the WB estimates that GDP increased from 2.9% in 2023 to 3.2% in 2024. This estimate is 30 bp lower than projected in June, reflecting the ongoing violent conflict in Sudan, as well as various country-specific challenges that constrained the region's economic recovery last year.

[3]World Economic Outlook Update – published in January 2025

Regarding South Africa, the estimate is that it grew by 0.8% in 2024 (in line with the IMF's estimate), following growth of 0.7% in the previous year, driven by improvements in electricity supply and a slowdown in inflation. Meanwhile, persistent structural constraints - particularly in the transport sector - inefficiencies in state-owned enterprises, and high crime rates continued to weigh on the economy's activity.

GDP Growth Rate of Emerging and Developing Economies

	Estimated	Perspective	Difference compared to the January release	
GDP growth rate (%)	**2024**	**2025**	**2024**	**2025**
Emerging and Developing Economies	4,1	4,1	0,2	0,1
Russia	3,4	1,6	2,1	0,7
China	4,9	4,5	0,4	0,2
India	6,5	6,7	0,1	0,2
Latin America and the Caribbean	2,2	2,5	-0,1	0,0
Sub-Saharan Africa	3,2	4,1	-0,6	0,0
Nigeria	3,3	3,5	0,0	-0,2
South Africa	0,8	1,8	-0,5	0,3

Source: World Bank, January 2025

Monetary Policy

In 2024, several Central Banks lowered their benchmark interest rates amid easing inflationary pressures and a slowdown in economic activity.

In the US, the Federal Reserve (Fed)) lowered its benchmark interest rate by 100 bp over the course of the year, bringing it to a range between 4.25% and 4.50%. However, the new US administration lowered market expectations regarding further benchmark interest rate cuts by the Fed in 2025, as its intentions to increase tariffs on key trading partners - particularly China and the European Union - as well as plans to restrict immigration, raised concerns about inflationary pressures.

In Europe, the slowdown in inflation to levels close to the European Central Bank's (ECB) target of 2.0% led the monetary authority to reduce borrowing costs by 135 bp to 3.15%.

In South Africa, inflation remained below the midpoint of the target range set by the local Central Bank of 4.5% since August 2024, leading to a 75bp reduction in the benchmark interest rate to 7.75%. Outlooks indicate a slight reduction in benchmark interest rates, potentially stabilising at 7.25%.

In China, the Central Bank lowered the benchmark interest rate by 35 bp to 3.10%, a historic low, as part of government measures aimed at boosting economic growth and stimulating inflation, which stood at 0.1% in December 2024.

It is important to highlight that the WB[4] forecasts benchmark interest rates in advanced economies to continue easing slightly in 2025 but to remain above the low levels seen during the 2010s. For most of 2024, improved investor sentiment translated into capital inflows and better financial conditions in emerging and developing economies.

[4]Global Economics Prospects - January 2025

Following the US presidential elections, risk appetite in the United States continued to strengthen. However, the appreciation of the US dollar, rising yields on American bonds, and various internal idiosyncratic risks reduced the easing of financial conditions in emerging and developing economies at the end of 2024. Several currencies in these economies weakened amid capital outflows and debt pressures.

Commodities

The World Bank[5] estimates that the commodity price index declined by 3% throughout 2024 and forecasts further declines of 6% and 2% in 2025 and 2026, respectively, potentially bringing prices to their lowest levels since 2020. However, prices for many commodities remain well above pre-pandemic levels, supporting economic activity in numerous commodity-exporting countries.

During 2024, the average price of natural gas in Europe appreciated, driven by concerns over supply reductions following the escalation of geopolitical tensions in the Middle East. Additionally, concerns about gas supply through Ukraine increased due to the escalation of the conflict with Russia, as the agreement guaranteeing exports via Ukraine expired on 31 December 2024.

The WB forecasts that gas prices in Europe will rise in 2025, reflecting strong global demand for liquefied natural gas (LNG) and reduced supply. Upside risks include developments related to conflicts that reduce gas exports from the Middle East, as well as uncertainty surrounding LNG supply from the Russian Federation to Europe, particularly due to recent reductions in LNG deliveries to the European Union.

The price of thermal coal depreciated, weighed down by increased supply from China, the world's largest producer. According to China's National Bureau of Statistics, coal production increased by 1.3% to 4.76 billion tonnes in 2024 compared to 2023. It is noteworthy that in November, China's coal production reached an all-time high average of 14.27 million tonnes per day.

However, regarding demand, the WB estimates an increase in global coal consumption in 2024, noting that rising consumption in India and China may offset reductions in Europe and the United States, as these regions continue to expand renewable energy sources. It should be noted that for 2025 and 2026, the forecast is for a reduction in overall coal consumption.

The WB estimates that the average Brent price declined by approximately 3.1% to USD 80 per barrel in 2024 compared to the previous year, reflecting a broad global supply of oil due to modest consumption growth, which offset the impact of escalating geopolitical tensions.

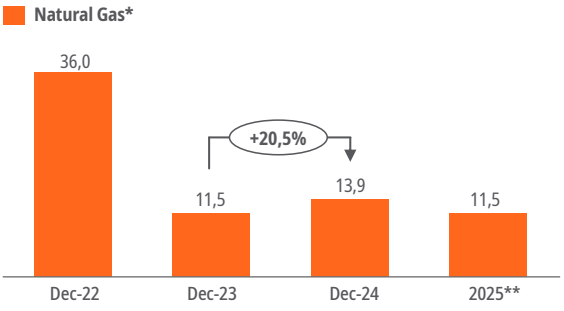
Furthermore, Brent prices are expected to continue declining, averaging USD 72 per barrel in 2025 and USD 71 per barrel in 2026. This decline is driven by increased supply from non-OPEC+ producers - particularly Brazil, Canada, Guinea, and the United States - combined with modest global oil demand growth due to slowing consumption in China and advanced economies.

It is also worth noting that OPEC revised its global oil demand forecasts downward by 80,000 barrels per day (bpd) to 2 million bpd for both 2024 and 2025, reflecting reduced oil consumption in China, mainly due to increased electric vehicle sales.

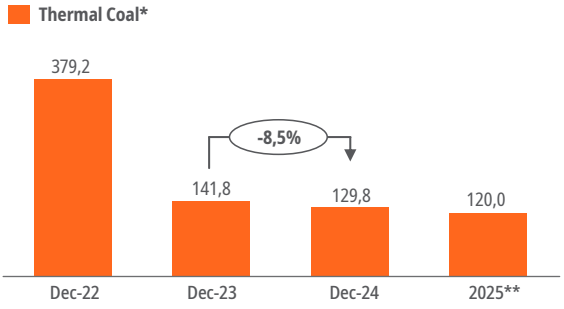
[5]Global Economics Prospects - January 2025

The WB estimates that the prices of base metals (excluding iron ore) increased by 6% over 2024, particularly aluminium and copper, mainly reflecting tight supply conditions. Thus, during 2024, the price of aluminium appreciated, driven by the reduction in supply against a backdrop of risks in the supply of bauxite (the raw material used to produce aluminium), leading to increased production costs. In addition, there was an increase in demand from Chinese industries (the world's largest consumer of aluminium) driven by the implementation of economic stimulus measures.

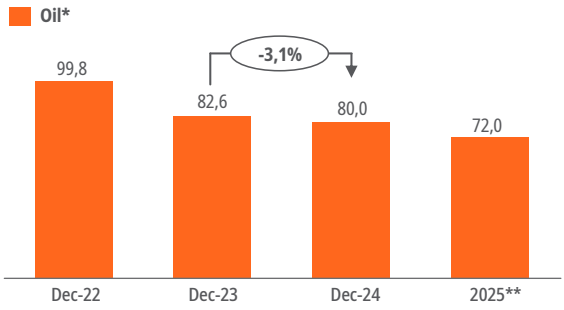
In 2024, agricultural commodity prices appreciated, driven by concerns over a reduction in global supply due to adverse weather conditions in major producing and exporting countries[6]. It is also worth noting that the La Niña phenomenon is expected to occur in 2025, which, like El Niño in 2024, could disrupt production and consequently drive prices higher.



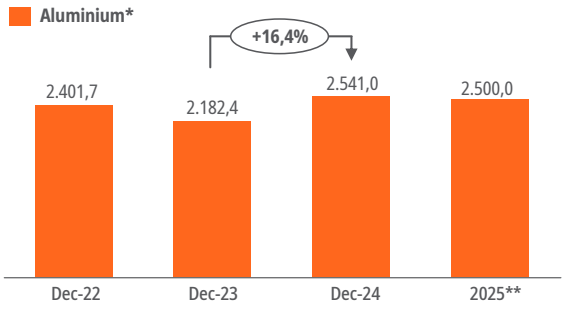
* Unit of measurement: USD/Million British Thermal Units
** Perspective



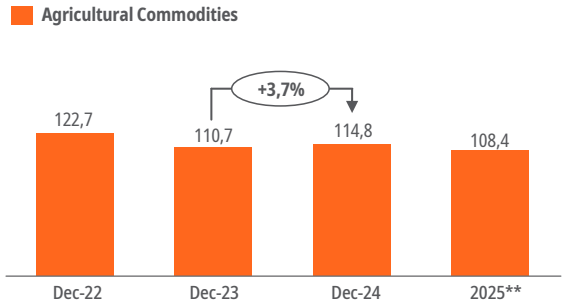
* Unit of measurement: USD/Metric Ton
** Perspective



* Unit of measurement: USD/Barrel
** Perspective



* Unit of measurement: USD/Metric Tonne
** Perspective



Sources:
World Bank, Pink Sheet released in January 2025; and
World Bank, Price forecast released in January 2025.
Note: Prices reflect the monthly average.
*Estimate | **Outlook

It is important to note that the Bank of Mozambique (BdM) forecasts price stability for Brent crude oil and food commodities in the medium term, in line with expectations of weak global demand constrained by current restrictive monetary conditions, amid ongoing geopolitical conflicts in the Middle East and Europe.

[6]World Bank Price Forecast- released January 2025
[7]Economic Situation and Inflation Outlook - November 2024

MOZAMBICAN ECONOMY

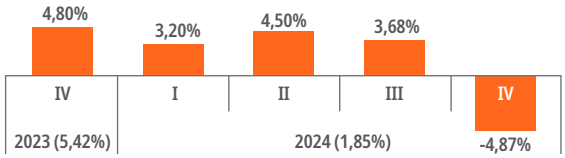
Gross Domestic Product

According to data released by the National Institute of Statistics (INE), economic activity contracted by 4.87% year-on-year in the fourth quarter of 2024, following a cumulative growth of 3.80% in the previous three quarters. This decline primarily reflects the performance of the mining extraction industry, notably gas production[8]. This contraction was the first since 2020, when COVID-19 hit, and the sharpest since at least 2001. On a cumulative basis, GDP grew by 1.85% over the course of 2024, falling short of expectations.

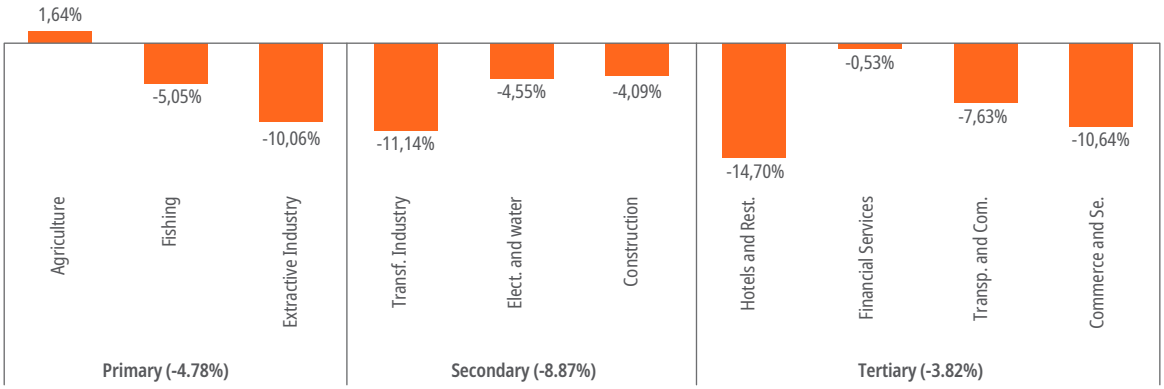
In a context where the economy had been affected by climatic shocks, performance in the last quarter of the year was further worsened by post-electoral tensions, significantly impacting the secondary sector with a negative variation of 8.87%. Notably affected were the Manufacturing Industry (-11.14%) and the Electricity, Gas, and Water Distribution sector (-4.55%).

The primary sector recorded a negative variation of 4.78%, particularly the Mining Industry (-10.06%).

National Accounts – IV Quarter 2024



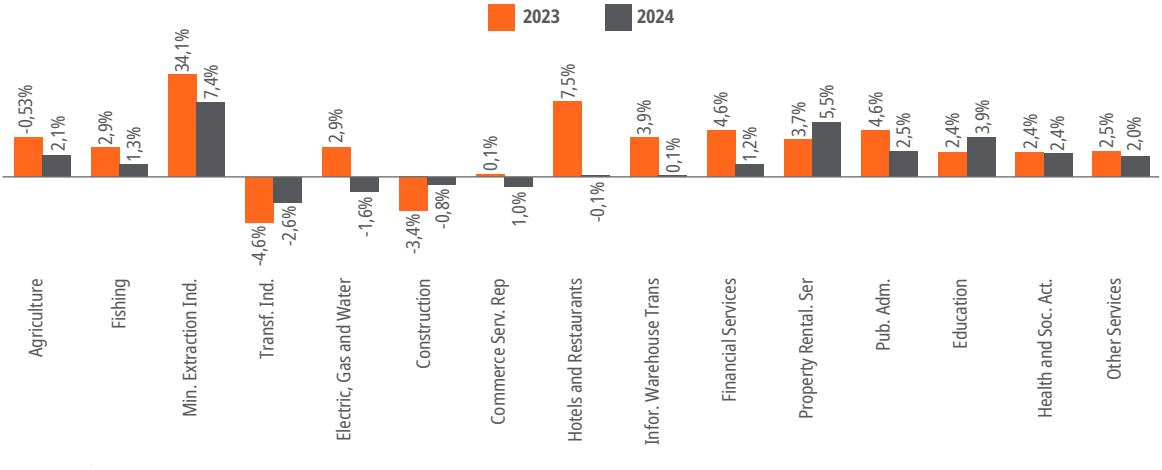
Sectors with the most dynamic growth in the economy in the 4th Quarter of 2024



Source: INE, February 2025

[8]National Accounts - Q4 2024

GDP Growth Rate by Industry 2024 vs. 2023



It is important to note that the BdM[9] forecast a short-term slowdown in economic activity, excluding liquefied natural gas (LNG) production, primarily due to the constrained functioning of the economy resulting from the effects of post-electoral tensions across most economic sectors.

Economic Activity Outlook in Mozambique

The BdM expects economic activity to grow moderately in the medium term, despite prevailing uncertainties regarding the impacts of post-electoral tensions and climatic shocks on agricultural production and various infrastructures.

However, stabilising the political environment is crucial to restoring investor confidence and strengthening the sectors that contribute most to GDP.

The IMF predicts growth of 3% as social conditions normalise and economic activity recovers, especially in the services sector.

The credit rating agency Fitch Ratings projects growth of 3.2% in 2025, citing high uncertainties, fiscal policy challenges, and foreign currency shortages[10]. S&P Global Rating expects a recovery in 2025, to a GDP of 4.3&. In turn, the WB expects economic activity to grow by 4%.

GDP Developments and Projections in Mozambique

GDP Evolution	2022	2023	2024	2025 Persp.
Real Growth Rate	4,36%	5,44%	11,87%	-
World Bank	-	-	-	4,00%
International Monetary Fund	-	-	-	3,00%

[9]Economic Situation and Inflation Outlook - January 2025
[10]Fitch - Rating Action Commentary

Inflation

In 2024, Mozambique's year-on-year inflation rate remained low and stable, reaching a minimum of 2.45% in September, according to data from the National Institute of Statistics.

However, there was an acceleration in the general price level in the last three months of 2024, as forecast by the BdM[11], essentially due to the restrictions on the supply of goods and services resulting from the effects of the post-election tensions.

However, the BdM's assessment of the risks and uncertainties associated with inflation projections remains positive. It is important to highlight that key factors likely to contain inflation in the medium term include the stability of the Metical and the reduction in commodity prices on the international market, despite uncertainties regarding the duration of the post-electoral tensions and their impact on the prices of goods and services.

Inflation Rate Trends Throughout 2024

Mozambique	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Monthly	1,29%	0,93%	0,47%	0,03%	0,37%	-0,38%	-0,21%	-0,05%	-0,11%	0,16%	0,56%	0,72%	1,60%
Accumulated	5,30%	0,93%	1,40%	1,143%	1,80%	1,42%	1,20%	1,15%	1,04%	1,20%	1,77%	2,50%	4,15%
12M Average	7,13%	6,54%	6,05%	5,48%	5,03%	4,65%	4,35%	4,11%	3,88%	3,65%	3,42%	3,21%	3,20%
Year-on-Year	5,30%	4,19%	4,00%	3,03%	3,26%	3,07%	0,34%	2,97%	2,75%	2,45%	2,68%	2,84%	4,15%

Source: INE/January 2005

Exchange Rates

Throughout 2024, the Metical remained stable against the US Dollar, although there were pressures on demand. It appreciated against the Rand and the Euro as a result of the performance of these currencies on the international market.

Changes in the exchange rates of the main foreign benchmark currencies

Exchange Rate Evolution 2024	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
USD/MZN	63,90	63,90	63,90	63,90	63,90	63,91	63,91	63,91	63,91	63,91	63,90	63,90	63,91
ZAR/MZN	3,47	3,41	3,31	3,37	3,41	3,42	3,52	3,52	3,62	3,72	3,63	3,54	3,41
EUR/MZN	70,65	69,27	69,18	69,10	68,38	69,55	68,42	69,29	70,73	71,51	69,54	67,52	66,79

Source: Bank of Mozambique, 2024

Monetary Policy

During 2024, the BdM lowered the MIMO rate by 450 bp to 12.75%. These decisions were based on the continued consolidation of single-digit inflation prospects in the medium term, despite an increase in risks and uncertainties related to the projections in the last months of the year, particularly those arising from post-electoral tensions.

[11]Economic Situation and Inflation Outlook - November 2024

However, the Central Bank kept the Reserve Requirement Ratios unchanged at 39.00% for deposits in local currency and 39.50% for deposits in foreign currency.

It should be noted that in January 2025, despite inflation showing an upward trend, the monetary authority maintained its monetary policy stance, lowering the MIMO rate by 25 bp and reducing the Reserve Requirement Ratios for liabilities in both local and foreign currency by 10 pp, aiming to provide greater liquidity to the economy to support the restoration of productive capacity and the supply of goods and services.

Evolution of Key Interest Rates in 2024

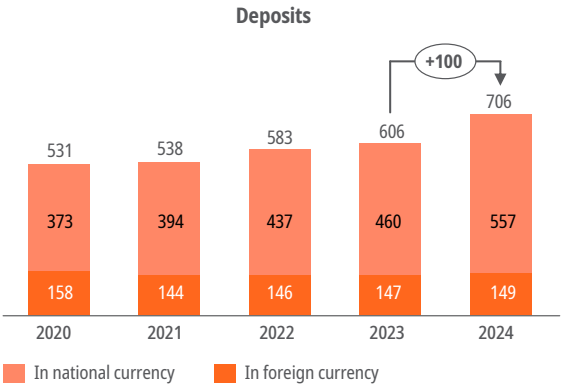
Evolution of Directive Rates 2024	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
FPC	20,25	20,25	19,50	18,75	18,75	18,75	18,00	18,00	17,25	16,50	16,50	15,75	15,75
FPD	14,25	14,25	13,50	12,75	12,75	12,75	12,00	12,00	11,25	10,50	10,50	9,75	9,75
MIMO	17,25	17,25	16,50	15,75	15,75	15,75	15,00	15,00	14,25	13,50	13,50	12,75	12,75
ROs in NC	39,00	39,00	39,00	39,00	39,00	39,00	39,00	39,00	39,00	39,00	39,00	39,00	39,00
ROs in FC	39,50	39,50	39,50	39,50	39,50	39,50	39,50	39,50	39,50	39,50	39,50	39,50	39,50
PLR system	24,10	23,50	23,50	23,10	22,70	22,30	22,00	21,20	21,20	21,20	20,50	19,80	19,70

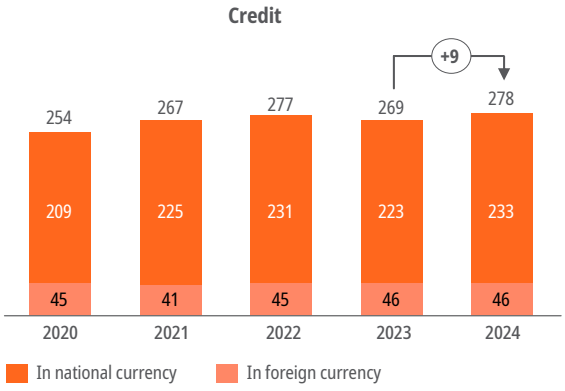
Source: Bank of Mozambique, 2024

Deposits and Credits

According to data from the BdM[12], in December 2024, the balance of the Financial System's Deposit portfolio increased by MT 100 billion to MT 706 billion compared to December 2023, with notable growth in Domestic Currency Deposits.

Regarding the Loan portfolio, the volume of loans to the economy increased by MT 9 billion to MT 278 billion between December 2023 and December 2024, indicating a slight recovery in consumption and private investment, which may be explained by improved access to financing following the reduction of the benchmark interest rate in 2024.





Source: Bank of Mozambique

[12]Overview of Credit Institutions - released in February 2025

Financial System

Throughout 2024, the BdM committed to consolidating the legal framework and strengthening the resilience of the financial system, aiming to adapt them to emerging challenges inherent to its operations, as well as to the complex dynamics of the national and international economies, having issued a series of regulations (Notices, Circulars, Laws and Decrees), notably the following, affecting the activities of Credit Institutions:

2024 Legislation and Regulations

01	Mar-24	**Notice no. 01/GBM/2024, of 15 March**	→ Establishes Rules on Own Funds and Prudential Limits for Payment Service Providers
02	Mar-24	**Notice no. 03/GBM/2024, of 20 March**	→ Establishes Rules and Procedures for Foreign Exchange Transactions
03	Mar-24	**Notice no. 04/GBM/2024, of 21 March**	→ Liberalisation of Capital and Other Operations
04	Mar-24	**Notice no. 05/GBM/2024, of 21 March**	→ Repatriation and Conversion of Export Revenues
05	Mar-24	**Notice no. 06/GBM/2024, of 27 March**	→ Regulation on the Legal Framework for Bank Accounts
06	Feb-24	**Notice no. 07/GBM/2024, of 29 February**	→ Transactional Limits Applicable to Electronic Currency Institutions
07	Jun-24	**Notice no. 08/GBM/2024, of 14 June**	→ Establishes the Issue of 2024 Series Metical Notes and Coins and Defines Their Characteristics
08	Aug-24	**Notice no. 09/GBM/2024, of 30 August**	→ Repeal of Article 13 of Notice no. 1-GBM-2023
09	Aug-24	**Notice no. 08/GBM/2024, of 30 August**	→ Guidelines on the Prevention of Money Laundering
10	Jan-24	**Circular letter no. 01/OEF/2024, of 03 January**	→ Risk-Based Supervision Analytical Framework 1
11	Jun-24	**Circular letter no. 01/OEF/2024, of 19 June**	→ Deposit and Withdrawal of Metical Notes and Coins at the Bank of Mozambique
12	Mar-24	**Law no. 03, of 22 March**	→ Amends Law 14/2023, of 28 August, establishing the Legal Framework for Measures to Prevent and Combat Money Laundering and Terrorist Financing
13	Mar-24	**Law no. 04, of 22 March**	→ Amends Law 15/2023, of 28 August, establishing the Legal Framework for Measures to Prevent and Combat Money Laundering and Terrorist Financing
14	Jun-24	**Decree Law no. 36, of 10 June**	→ Regulation on the Deposit Guarantee Fund
15	Jun-24	**Decree Law no. 50, of 11 June**	→ Regulation of the Credit Institutions Law





CUSTOMER - OUR PRIORITY

2024 was a year marked by significant challenges, reflecting the effects of restrictive monetary policy and high Reserve Requirement ratios, which directly impacted credit access and market liquidity, posing challenges to financing operations for consumption and investment. Moreover, the post-electoral political instability created tensions in the economic and financial environment, affecting business confidence and predictability, prompting investors, companies, and customers to adopt a more cautious stance.

Despite these challenges, the Bank played a crucial role in adapting to the new market conditions by offering creative solutions and risk management strategies to customers, continuing to support the ongoing needs of customers and businesses to ensure the continuity of their operations and promote stability. The pursuit of efficiency and resilience was fundamental to navigating a demanding year, with a focus on rapid adaptation to change.

Even amid challenges, the commercial area continued to play a key role in advising on structured operations, reinforcing the Bank's commitment to supporting its customers' needs and contributing to the strength of Mozambique's financial sector.

Customer Experience

Challenges Following the Migration of the Payment System to the Euronet Platform

The period 2023 and 2024 was marked by a significant challenge: the migration of the payment system to the Euronet platform. This transition required rigorous planning and a substantial effort to guarantee the continuity and security of the services provided to customers. The process was managed to ensure there were no interruptions to electronic channels and payment methods, guaranteeing that online banking, mobile banking, and digital payment systems continued to operate efficiently and securely. This approach enabled the Bank to minimise risks and guarantee customer trust, even during a major transition.

Strategic Actions to Improve Customer Experience. The continuous improvement of Customer Experience was a strategic priority for BCI in 2024. Various initiatives were implemented, organised in internal forums, with the aim of ensuring that strategic decisions had a direct impact on customer satisfaction and loyalty:

- **Electronic Channels Steering:** This forum was created to ensure the continuous optimisation of electronic channels and payment methods following the migration to the Euronet platform. It focused on reinstating services and improving security so that customers could carry out their banking transactions more easily and securely.

- **Customer Experience Committee:** This committee's primary mission is to promote the continuous improvement of customer experience by aligning all internal processes with customer needs. Its actions were instrumental in ensuring customer satisfaction and strengthening loyalty, as well as enhancing the Bank's reputation in terms of customer protection;

- **Product Committee:** The Product Committee is responsible for approving new products and services, ensuring their compliance with current regulations and supervisory authorities' guidelines. This body was essential in driving innovation within the banking solutions portfolio, always with a focus on protecting customers' interests; and

- **Transformation Committee:** This body was responsible for managing projects with a direct impact on customers, aiming to increase satisfaction, loyalty, and the reach of banking services. The Transformation

Committee played a crucial role in adapting the Bank to the new digital reality and in delivering innovative solutions for customers.

'Quick Wins' Initiatives' '

As part of the Transformation Committee's initiatives, BCI implemented the 'Quick Wins' project, aimed at fast-tracked actions with immediate impact on customer experience." This project focuses on identifying and correcting failures in customer service and operational processes. Teamwork enabled improved use of electronic channels, optimisation of processes at branches and the Contact Centre, and the implementation of more agile solutions to meet customer needs.

Investment in Continuous Training

The commitment to excellence in service was strengthened through ongoing investment in employee training. In 2024, continuous training activities were promoted for employees, focusing on **ethics and conduct in customer service**, ensuring that all staff were aligned with the institution's values, such as **transparency, responsibility, and integrity**. This investment not only strengthened the organisational culture, but also ensured that the Bank continued to delliver services to our customers with high standards of professionalism and trust.

Through these initiatives, BCI consolidates its market position by providing an excellent experience to its customers. The strategy implemented in 2024 has enabled the Bank to adapt to the new demands of the digital environment, while maintaining the quality of service and ensuring compliance with the highest ethical standards in its operations. The focus on digital transformation and enhancing customer experience were fundamental to the Bank's success, strengthening customer trust and satisfaction.

Retail and Corporate Banking

Throughout the year, commercial activity in this segment experienced significant growth, driven by the implementation of various strategic initiatives by the Bank and the DRE. These efforts shared a common goal: improving service quality and enhancing customer experience. The focus was on turning complaints into compliments, strengthening an increasingly positive relationship with customers.

The Bank recorded strong production, with credit growth driven mainly by Fixed Rate Public Servant Loans (CEDSIF), which stood out as the flagship product. This growth results from the continued focus on consumer loans to public servants, translating into a significant increase in both the number of transactions and the volume of loans granted.

Regarding Resources, there was a 16.0% growth, resulting from intensified commercial efforts, optimisation of branch processes, and the implementation of more agile solutions to meet customer needs.

The results achieved reflect the transformation of recent years, which has led to gains in effectiveness and efficiency, while simultaneously improving customer experience. Reflecting this progress, the active customer base grew by 6%, with the acquisition of 126,000 new customers compared to the end of 2023.

In 2025, the Bank will continue to strengthen its proximity to customers, ensuring personalised service and interactions based on empathy, understanding and efficiency. Service quality remains a priority, ensuring an excellent experience at every stage of the relationship with the Bank.

Furthermore, the commitment to business sustainability is reaffirmed by promoting practices that drive the country's economic development and strengthen the business fabric, with particular focus on ongoing support for SMEs.

Corporate and Investment Banking

Corporate (Large Enterprises segment) and Investment Banking remain a priority in BCI's commercial strategy, with a presence in the country's main economic hubs - Maputo, Beira, Nampula, Nacala, and Pemba - to ensure the necessary proximity and understanding of its customers' business realities. This segment accounts for approximately 32% of the Bank's business volume, with a Transformation Ratio of 29%.

Its team is dedicated, experienced and capable of meeting the quality standards and demands of this segment, which includes a significant number of multinational companies. In 2024, it once again stood out for the growth of its portfolio of deposits in foreign currency, which increased by 23.4% compared to 2023, thereby reinforcing its position as a strategic partner for major projects across the Oil & Gas, energy, mining, logistics, agriculture, and services sectors, among others.

In a context of growing concern about sustainability, the Large Enterprises and Investment Banking Division has taken a proactive role in developing and offering green and sustainable credit lines. These products were designed to support projects contributing to the transition towards a low-carbon economy, reflecting the Bank's commitment to aligning with more environmentally friendly and responsible practices. In the coming years, the launch of new green funds is expected, aimed at driving the sector through investments focused on clean technologies and energy efficiency.

Attracting new customers remained a strategic priority, with growth of 4.7% compared to 2023, as a result of implementing differentiated financial solutions, including sustainable credit lines and innovative products tailored to meet customers' needs. Simultaneously, strategic partnerships also played a significant role in expanding the customer base, consolidating BCI's market presence.

Credit risk management was enhanced through the use of new analytical tools and predictive models, enabling a more accurate assessment of credit risk. Emphasising conservative management based on the specific characteristics of each company helped mitigate potential default risks while ensuring the sustainability of the loan portfolio. Sectoral and geographical diversification also played an important role in reducing risks.

The Bank also has a Specialised Business area, subdivided into Desks that support key sectors deemed crucial for economic support, such as Agriculture, Renewable Energy, and Local Content. These desks feature specialised teams that facilitate the implementation of credit lines and financing solutions that are accessible and structuring, fostering business development through local and international partnerships with economic and social impact.

Agribusiness

Financing agribusiness, with particular emphasis on SMEs, remains a strategic priority for BCI, which maintains its position as a benchmark in financing this sector.

The development of agribusiness value chains is supported by the Bank, relying in part on the specialised technical support of the Agrodesk team, the development of partnerships that enable the structuring of credit lines tailored to the sector with differentiated terms, and participation in platforms for promotion, discussion, and the search for solutions that contribute to the sector's progress.

Renewable Energy Sources

BCI's commitment to sustainability and energy efficiency led the Bank, early on, to invest in capacity building, specialization, and the acquisition of know-how in the renewable energy sector, where Mozambique has significant development potential.

The strategic decision to invest in this sector is aimed at creating conditions for analysing and financing projects that incorporate sustainable energy solutions, helping an increasingly large number of companies to access and take advantage of the economic, social and environmental benefits of energy-efficient solutions.

With several dedicated lines, such as BCI Eco Ambiental - a partnership with KfW and the Bank of Mozambique - BCI SUPER Credit Line for Sustainability and Productive Use of Renewable Energy, in collaboration with the United Nations Industrial Development Organisation (UNIDO) and the Energy Fund (FUNAE), among others, the team has been working on new options and partnerships to implement in the coming year, reaffirming BCI's intention and commitment to Sustainability, Renewable Energy, and Energy Efficiency.

Local Content

The development of value chains for mega-projects, particularly in the Oil & Gas sector and other strategic areas, remains one of BCI's top priorities. The Bank aims to actively facilitate SMEs' access to these value chains by developing creative and accessible solutions in partnership with key public and/or private stakeholders of these major projects, thereby promoting the integration of a greater number of Mozambican SMEs into the ecosystem of mega-projects.

An example of this approach is the partnership established with the South African multinational SASOL - 'Linha BCI Negócios SASOL' - a credit line exclusively dedicated to supporting Mozambican SMEs operating in the province where the Pande and Temane natural gas project is being developed. This initiative reinforces the commitment to promoting local content, ensuring access to bank financing on very favourable terms for several dozen SMEs.

The coming year presents a range of growth opportunities, particularly in the areas of sustainability, digitalisation, and adaptation to new economic models. The interest rate reduction process, which began in the second half of 2024, acts as a catalyst for the business sector and sends a message of confidence to the economy. Simultaneously, BCI intends to continue developing products that promote green economic growth, supporting the energy transition and strengthening environmental policies - areas that represent a natural path for creating new credit lines and investments.

Private Banking

BCI's Private segment positions itself as the premier banking service solution dedicated to high-net-worth individuals. With a differentiated care and service model, it offers highly personalised service that combines tailored financial solutions with wealth management strategies aligned with each customer's objectives and needs. It is also distinguished by its exclusive offer of products and solutions tailored to the customers' preferences.

The Bank adopted a robust and targeted strategy, with internal campaigns that responded effectively to the customers' specific needs and ensured that the objectives set were met.

In terms of commercial activity in this segment, there was increased momentum in the final months of the year, driven by a revitalisation programme that delivered very positive results, achieving a Turnover of 22,096 million Meticais, representing 8.6% of BCI's total global portfolio.

In terms of Deposits, there was an overall growth of 6.8%, equivalent to 1.354 billion Meticais compared to the previous year. In Domestic Currency Deposits, the Bank exceeded its target with growth of 1,546 million Meticais. Regarding Foreign Currency Deposits, despite a negative deviation of USD 3.1 million, the conversion campaigns notably succeeded in attracting USD 13.1 million.

The Private segment increased its active customer base by 106 new customers, representing a 9% growth compared to the end of 2023.

The expansion and loyalty of the Private segment's customer base were accompanied by stronger customer relationships, realised through the implementation of the following initiatives throughout the year:

- **Member Get Member:** The Bank encouraged referrals from existing customers, strengthening customer satisfaction;
- Financial Investment Advisory: In addition to day-to-day management, it provided financial investment advice to customers, thus promoting the diversification of their investments and providing a return on their assets;
- **Mother's Day and Children's Day Event:** In collaboration with the Marketing Department, a Mother's Day event was held alongside Children's Day, featuring an interactive art session between mothers/fathers and their children. This unique and memorable experience provided special moments of connection, serving as an opportunity to strengthen relationships with current and prospective customers while promoting values of proximity and family involvement;
- **Rewarding customers who prioritise their commercial relationship with BCI:** Customer rewards were promoted by identifying 2 customers per month and scheduling a coffee or lunch with the responsible Administrator, CEO, or Chairman of the Board (applicable to customers with significant commercial involvement, track record and/or public opinion leaders);
- **Commemorative Dates:** Promotional givea-ways accompanied by personalised cards were offered (e.g., on Women's Day, roses and traditional 'capulanas' were given to at least 30 customers, delivered by the account manager either at the branch or at the customer's home); and
- **Daki Experiences:** Identification of topics that interest specific groups (yoga, art, painting, fashion, gastronomy, etc.) and providing experience days on these themes at the Private segment's space for around 10 to 20 customers.

The Private segment remains a strategic pillar of BCI, reaffirming our commitment to creating sustainable value and positive impact for our customers and society.

Institutional Business

Institutional Business is a commercial structure focused on developing and energising BCI's business with the State segment, including subordinate and/or overseen entities, as well as NGOs and Embassies.

This business segment's primary mission is to ensure the mobilisation and management of resources from these institutions by providing solutions for intermediation in revenue/fund collection, as well as financing initiatives and/or investments within the sector.

Notable strategic partnerships include those with FECOP (economic growth and business development); the United Nations (sustainable development, poverty eradication, among others); the Korean Health Representation in Mozambique (health partnership involving the deployment of specialist doctors to local health units); and the Danish Embassy (partnership in the agricultural sector).

Throughout 2024, the Institutional Business area maintained a customer-oriented focus in pursuit of modernised solutions, achieving an 8% growth in its customer base. This strategy, supported by the latest technological and market trends, enhanced the ability to respond to customer needs by adapting the products and services we provide.

Within the scope of promoting payment solutions and technological integration, the segment participated in several initiatives, notably the renewal of the Adhesion Agreement for customs duty collection (Electronic Single Window Project), whose SLA (currently being implemented) now provides for the automated reconciliation and submission of collections to the Single Treasury Account (CUT), reducing human intervention in the process.

Additionally, the segment continued to expand its customer base of users for systems such as eBanking and host-to-host integration solutions, substantially contributing to the improvement of processes and enhancement of BCI's systems.

The Institutional Business area also played an active role in partnerships between the Bank, government institutions and NGOs, supporting socio-economic development events and initiatives through donations and sponsorship, as well as creating credit lines. Some of these partnerships are highlighted below:

- **BIO Card:** BCI maintained its partnership with BIOFUND to issue biodegradable cards. For each card issued, the card's annual fee and a percentage per transaction at BCI POS terminals are shared with BIOFUND, at no cost to the cardholder;
- **WFP:** World Food Programme: Within the scope of public tenders participated in during 2024, BCI was selected to be included in the list of financial service providers to the WFP, which seeks to obtain a remote cash assistance service that could benefit 88,925 households and involve approximately USD 13 million; and
- **FUNAE:** BCI SUPER Credit Line: Credit line with favourable terms for Micro, Small and Medium-sized Enterprises (MSMEs) and Sole Proprietors, aimed at the acquisition of renewable energy equipment for productive use in the agribusiness sector (agriculture and agro-food processing) in Mozambique.




DIGITAL BANKING

INNOVATION AND DIGITAL TRANSFORMATION

The year 2024 marked a significant step in the development of the financial sector, with the consolidation of services associated with the new National Payment System platform, following the successful replacement of the previous system in 2023. This stage represented a significant milestone in the modernisation of the payments infrastructure, enabling the introduction of contactless cards and full interoperability between Banks and Electronic Money Institutions (EMIs). These innovations resulted in more efficient and accessible transactions, fostering financial inclusion nationwide.

The transition from bilateral interoperability between the main operators to universal interoperability was one of the major advances of the year. This innovation comprehensively connected Banks and Electronic Money Institutions (EMIs), driving significant growth in transaction volume, with increases of 62% from Banks to EMIs and 45% from EMIs to Banks, compared to the previous year.

In parallel, the Bank strengthened its infrastructure by installing 94 new ATMs, many of which include cash deposit functionality, and by upgrading 1,200 POS terminals, ensuring state-of-the-art technology and greater accessibility for Customers. In addition to the modernisation of POS terminals, Incentive Campaigns to Increase Billing and Promote POS Usage were carried out, resulting in an expansion of the network by over 987 POS terminals.

Impact of Digital Channels on Customer Base Growth and Retention

The Bank's commitment to innovation and excellence in customer service was demonstrated by the investments made to enhance its digital platforms and customer interaction channels. The new version of the Daki App, launched at the end of 2024 for iOS and Android devices, introduced a redesigned, more intuitive and efficient interface, reinforcing the Bank's position as a benchmark in the sector. Additionally, self-service functionalities - such as card requests and blocking, scheduling transfers to mobile wallets, and topping up prepaid cards - have made the customer experience even more convenient and autonomous. Additionally, the option to subscribe to and reset the PIN for the *134# Mobile service via the Internet channel (App and eBanking) was introduced.).

Another improvement welcomed with great satisfaction by our Customers was the modernisation of the layout of the 'borderaux' (receipts) issued through digital channels, both on the Daki App and via eBanking. With the update, transaction details are presented more clearly and now include the Bank's stamp and signature, serving unequivocally as valid proof of the transaction.

To meet the growing needs of Customers and the increasing transaction volume, an innovative solution using the Bank's mobile devices (tablets) was implemented for payments at Universities and State Institutions. This method offers a fast and simple experience, requiring only the use of the BCI Debit Card to complete transactions.

Also, within the scope of digital transformation, a key highlight was the introduction of automatic SMS notifications, covering credit and debit transactions, as well as real-time tracking of cheque and card requests. These improvements reinforced transparency and trust in the use of the Bank's services.

The continued investment in digital transformation yielded concrete results:

- The number of active users on the Internet channel (App and eBanking) grew by 17% compared to the previous year; and
- The number of Debit and Credit Cards increased by 26% and 19%, respectively, compared to the end of the previous year.

Impact on Customer Experience

Throughout the year, the Fala Daki Line established itself as an essential support channel, recording a 38% increase in the number of calls handled, rising from a daily average of 49,854 to 69,040 calls. This growth was driven by innovations such as the Call Back functionality, which allows Customers to receive a return call at the indicated number in cases of prolonged wait times.

The digitalisation of processes has also played a key role in enhancing service efficiency. Some interactions that previously required direct assistance from agents are now handled through IVR (Interactive Voice Response) technology, ensuring greater speed and increased autonomy for Customers.

Security and Compliance

The protection of our Customers' data and financial assets remained a priority in 2024, with continued investment in the modernisation of security systems and the strengthening of fraud prevention measures.

Also within the context of fraud prevention in the use of our services in particular, and Information and Communication Technologies (ICTs) in general, educational and awareness-raising initiatives were promoted for both Employees and Customers. These included communication campaigns across various media - especially the Bank's social media platforms - aimed at guiding them on safe practices and how to protect themselves against threats such as phishing and social engineering.

Outlook for the Future

The results achieved in 2024 confirm the effectiveness of our digital transformation strategy, with positive impacts on the modernisation of services and increased Customer satisfaction. With a solid foundation and a vision focused on innovation, we will continue to invest in the development of technological solutions and operational excellence, reaffirming our commitment to the challenges of an ever-evolving market.




TECHNOLOGY

The year 2024 was marked by significant advances in service quality developments with a direct impact on the end Customer and on enhancing their service experience - whenever possible through innovation and by leveraging the potential of Artificial Intelligence - without compromising security, sustainability, or good governance. As a result, various policies were updated to reflect this evolution.

In the digitalisation of processes, a key milestone was the implementation of the new integrated complaints management platform, which provides a unified, real-time view of all processes, enabling more efficient and fully digital management. In addition, enhancements were made to the digital channel experience, making them more intuitive and accessible.

Other relevant projects include the 'caixa almoço' solution, which provides greater flexibility in managing customer service to handle peak traffic in branches, and the launch of a new mobile application for payment of services at partner locations, optimising in-person service.

Innovation was also present in the automation of strategic processes. The use of ML (Machine Learning) for liquidity management in business units and central treasuries brought greater accuracy in resource allocation. In Customer service, the adoption of Large Language Models (LLMs) enabled the implementation of an automated voice service, allowing conversational interactions for service inquiries and execution.

In strengthening the technological infrastructure, key investments were made in the modernisation of cybersecurity platforms, servers, and workstations, ensuring greater security, resilience, performance, mobility, and sustainability. The adoption of next-generation hardware enabled performance gains and a reduction in carbon footprint, as well as significant energy savings compared to previous generations.

Greater performance and the ability to meet the increasing demands of KYC (Know Your Customer) and CDD (Customer Due Diligence) processes also drove the implementation of an innovative KYC platform, capable of managing the entire process end-to-end in real time, supported by an elastic, event-driven architecture.

At the information security level, a new identity and access management platform was introduced, along with the modernisation of integrated technology asset management. In terms of governance, notable progress was made in policies related to information security, data governance, and data quality, anticipating the requirements of Notice 2/GBM/2024, which sets out new regulatory guidelines for the sector.



PEOPLE, TALENT AND CULTURE

In line with the ongoing commitment to improving people management, the recent restructuring of the Human Resources area was consolidated through the creation of a team more focused on people-centric service. This process resulted in the adoption of a new name: People, Talent and Culture Division. This change reflects the priority of putting People First, promoting team well-being, strengthening skills development, and consolidating a culture grounded in the ethical values that define us.

In 2024, the Bank maintained its focus on appreciation, recognition and proximity, with the aim of ensuring the continuous improvement of the work environment and delivering excellent service to our customers.

There was a continuous investment in team development, with a focus on innovative and digital approaches aligned with current trends, enabling resilient adaptation to the challenges posed by the current environment. Ethics and responsible conduct remain at the core of our actions, guiding our People towards fulfilling our mission.

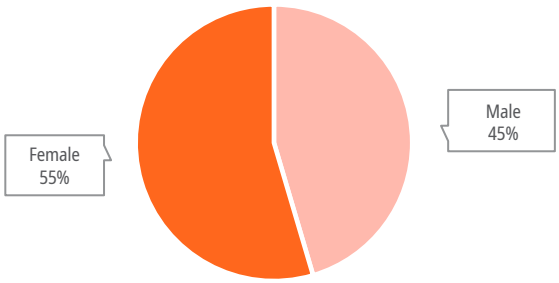
This transformation reinforces the purpose of being an organisation that values people and fosters a culture of excellence and responsibility.

Activities, Indicators and Results

In 2024, the Bank's workforce comprised 2,774 permanent staff, 99.7% of whom were Mozambican nationals, reflecting a strong commitment to the development and promotion of local talent.

In the past year, the graduate programme successfully integrated 660 recent graduates (an increase of +275 compared to 2023), offering them the opportunity to gain solid initial professional experience and development in a dynamic and challenging environment. This programme is not only an entry point for young talent; it is a key driver of innovation and internal transformation. Graduates have brought creative ideas and solutions, challenging traditional ways of working and driving continuous process improvement. The investment in new talent has not only ensured the quality and innovation of services but has also strengthened the Bank's commitment to sustainability and growth.

The distribution by gender is mostly represented by 55% of women, a difference of ten percentage points compared to men.

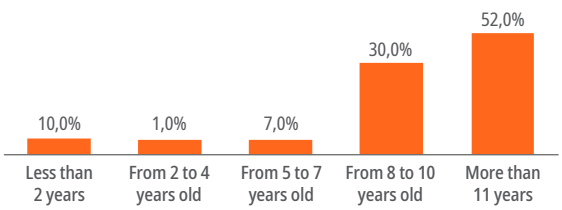


As a result of the Bank's extensive branch network, the distribution of Human Resources by functional area continues to show that the Commercial Area accounts for the largest share of the workforce (61.0%).

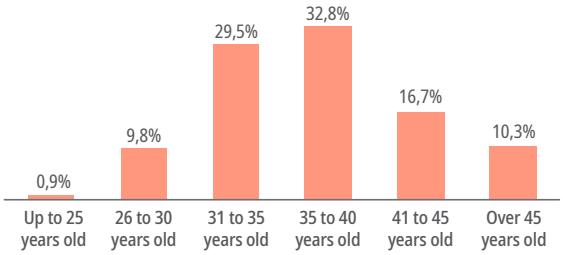
The age structure remained mainly represented by young people, with 40.2% of the workforce aged up to 35. Employees' average age was 12 and the average length of service was 38 years. The young age structure makes the organisation more attractive, enhancing market competitiveness through more balanced and creative solutions, allowing the organisation to have a broader understanding of generational diversity, understanding their expectations, behaviours and needs.

These indicators reflect the Bank's loyalty strategy and the image of a young bank with energy, dynamism and the experience to fulfil its commitment to its Customers and other stakeholders with confidence.

Distribution by seniority in 2024 (%)



Distribution by age in 2024 (%)



Remuneration, Rewards and Retention

During 2024, in the context of the employee retention and loyalty policy, it was possible to recognise and value 1,405 employees (50.6% of the workforce) by changing their remuneration and/or functional situation.

In response to the high cost of living, salary adjustments were made for approximately 230 employees (8.2% of the workforce) whose earnings were aligned with the lowest remuneration levels. In response to the challenges encountered, 96 employees were promoted to positions of greater responsibility across various structures and hierarchical levels of the Bank. As part of the policy to encourage and promote internal mobility, 52 employees embraced new professional challenges by transferring to different areas within the Bank. As one of the key drivers of recognition for the results achieved, 2,730 employees (98.4% of the workforce) received Variable Remuneration, granted in the form of a monetary award proportional to their individual contribution to the results.

A monthly average of 911 employees (32.8% of the workforce) were also rewarded with monetary incentives for achieving the commercial goals set for 2024.

The Human Resources turnover rate stood at 3.5% (0.5 percentage points lower than in 2023), while the attrition rate was 2.9% (a decrease of 1.4 percentage points compared to 2023). These results reflect significant advances in People Management practices, demonstrating the organisation's commitment to talent retention, employee recognition, and the continuous improvement of the organisational climate. The stability achieved has strengthened the organisational culture, promoting greater alignment with the Bank's values and objectives. This scenario has also resulted in more stable and experienced teams, capable of delivering higher quality service and increasing customer satisfaction.

The reduction in turnover and attrition rates demonstrates the effectiveness of initiatives focused on employee well-being and development, contributing to a more humanised and productive work environment, thereby strengthening the Bank's position as a market-leading reference institution.

Talent Development

Training continues to play a key role in the Bank's Human Resources strategy, standing out as a fundamental instrument for developing business-critical skills, driving innovation, and fostering a culture of continuous learning. In addition to contributing to employees' professional growth, it strengthens institutional engagement by offering development opportunities that attract and retain talent, ensuring competitiveness and ongoing transformation.

Throughout 2024, training initiatives were focused on strengthening technical skills and developing talent - key pillars for driving the Bank's performance. These initiatives, aligned with the Bank's identified needs and strategic objectives, contributed to the development of a more skilled workforce, better prepared to meet the challenges of a competitive market.

Key topics included Compliance, Anti-Money Laundering and Counter-Terrorist Financing, and Know Your Customer (KYC). These training programmes not only aimed to strengthen employees' technical skills but also ensured compliance with regulatory requirements, which are essential for the Bank's operations in the financial environment. In addition, the promotion of cybersecurity awareness and programmes focused on the development of managers and future leaders enhanced the Bank's ability to attract, retain, and develop strategic talent.

The focus on technical skills and leadership development has generated significant impacts, such as increased operational efficiency, the promotion of innovation, and the consolidation of an organisational culture driven by learning and excellence.

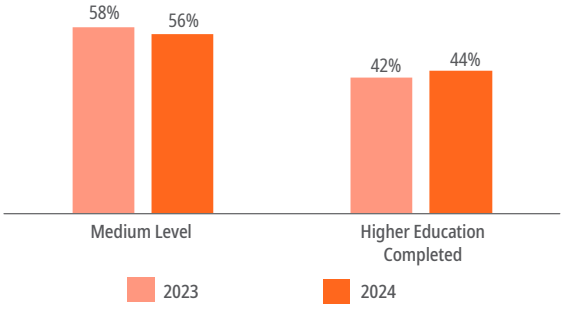
During this period, BCI recorded significant growth in its key training indicators, notably the total training volume, which reached 221,087 hours - an increase of 120,961 hours compared to 2023. The number of participants in training courses reached 52,108, and the number of training courses given reached 936, an increase of 125 compared to 2023, demonstrating the Bank's commitment to the continuous strengthening of its employees' technical and behavioural skills, and reinforcing its talent development strategy.

The policy of supporting training through scholarships for employees has strategically contributed to the enhancement of their skills, particularly through the pursuit of higher education programmes, aligning individual development with the Bank's needs.

In 2024, a total of 66 scholarships were granted for undergraduate, postgraduate, and Master's degree programmes.

The results achieved highlight the importance of maintaining a focus on continuous development and investment in training as a strategic differentiator, offering a benefit that fosters a highly skilled workforce, well-prepared to meet future challenges.

Distribution of Employees by Academic Qualifications



Culture, Health and Well-Being

The Bank's culture was evident in all the programmes developed to improve the organisational environment.

Also with a focus on connection, appreciation, and recognition, leisure moments were created by making alternative use of the Bank's facilities and leveraging internal talent to promote relaxation and engagement activities.

In addition to the continued periodic meetings between senior management and other teams, conversation circles and mentoring programmes were held, thereby reinforcing the focus on skills development and the strengthening of core values.

The health and well-being of teams was prioritised through various programmes focused on organisational humanisation, with the aim of creating a work environment where each individual feels more valued and supported.

Investment was made in fostering a culture that occasionally allows work to take place in environments different from the usual, promoting greater interaction and closer collaboration among teams.

Throughout the year, various initiatives were implemented to strengthen employee proximity, well-being, and engagement, as well as to promote the Bank's social responsibility. The main actions include:

- ✓ **Meetings with Directors:** moments of interaction between the employees and the Directors of the different areas, reinforcing a culture of proximity and allowing the presentation of contributions for improvements to the Bank;
- ✓ **Creation of a breastfeeding room:** a dedicated space was created within the Bank's premises for women during the breastfeeding period, promoting comfort and inclusion.
- ✓ **Seniority Day Off:** granting a day off on the employee's birthday as a recognition of their tenure;
- ✓ Greater employee involvement in social causes: promoting greater integration with communities;
- ✓ **Psychosocial support:** around 400 employees benefited from psychosocial support, reinforcing the Bank's commitment to and concern for mental and emotional well-being;
- ✓ **Support after natural disasters:** 63 employees affected by natural disasters received financial support to ensure their post-event recovery and well-being;
- ✓ **Financial Literacy:** sessions were held for selected employees, with priority given to those in critical situations, helping them to better manage their resources;
- ✓ **Pre-retirement programme:** employees approaching retirement age began to benefit from a pre-retirement programme, supporting their transition into this new stage of life.
- ✓ **'Talk Cycle':** an initiative aimed at promoting dialogue, idea exchange, and the sharing of experience and knowledge among Employees. These talks will address relevant and current topics for the Bank, with the objective of fostering a space for reflection, featuring Bank staff as panellists and moderators.

- ✓ **Launch of the Mentorship Programme:** an initiative framed within the Talk Cycle, aimed at strengthening bonds among employees through closer interaction, with the objective of developing essential skills for each employee's personal growth.

These initiatives reflect the Bank's commitment to placing employees at the centre of its organisational strategy, and in addition to valuing individual contributions, they also foster an inclusive work environment. Promoting the physical, emotional and social well-being of employees is a priority, as demonstrated by measures such as psychosocial support, the creation of dedicated spaces for breastfeeding women, and seniority-based recognition.

In addition, engagement in social causes and interaction with the community reinforce the Bank's values, and initiatives such as solidarity visits and financial support for employees during times of vulnerability highlight the organisation's social responsibility, fostering a sense of purpose and a relationship of trust between employees and the Bank.



RISK MANAGEMENT

For BCI, risk management is a highly important activity, for which the guiding principles, organisational structure, responsibilities and evaluation and monitoring system are set out in the Risk Management Policy and Risk Management Programme. The Bank's Risk Management policy seeks to maintain an appropriate balance between Equity, Sustainability, and Profitability.

BCI's Risk Management function is based on a governance model that aims both to comply with the best practices in this area, as established in the Risk Management Guidelines, and to guarantee the solidity and effectiveness of the system for identifying, measuring, monitoring, reporting and controlling financial risks (credit, market, liquidity, interest rate on the balance sheet) and non-financial risks (strategy and business, operational, IT, reputational, climate and environmental), compliance and conduct) to which the Bank is or may be exposed.

The head of BCI's Risk Management Function is the Chief Risk Officer (CRO), who reports hierarchically and functionally to BCI's Risk Committee and CGD's CRO, and is completely independent of the Executive Committee. The CRO is globally responsible for monitoring the Bank's risk management framework and, in particular, for ensuring that the Risk Management Function works properly and effectively, and is also responsible for informing and clarifying the members of the management and supervisory bodies about the risks incurred, the overall risk profile and the degree of compliance with the established risk tolerance levels.

Risk control and monitoring is carried out by a dedicated structure, the Risk Management Department (DGR), which is responsible for managing and controlling the Bank's risks. This Division's objectives include financial stability, solvency and soundness, ensuring the identification, assessment, measurement, monitoring, control and reporting of the risks to which the Bank is exposed and the interrelationships between them, in order to ensure the coherent integration of their partial contributions, which remain within the level of risk appetite outlined by the Board of Directors and which do not significantly affect the institution's financial situation, while continuously ensuring compliance with external standards and legal and regulatory requirements in these matters. The Risk Management Directorate coordinates the execution of cross-functional exercises, whether within the scope of regulatory processes or internal initiatives. It monitors and promotes the resolution of recommendations identified both internally and externally, contributing to the effectiveness of the Internal Control System. Additionally, it disseminates and seeks to enhance the Bank's risk culture, thereby improving the effectiveness and efficiency of risk management across the organisation.

For adequate and effective risk management, the Bank has formalised its risk appetite, approved by the Board of Directors through two documents (the Risk Appetite Framework - RAF) and the Risk Appetite Statement (RAS), which define the levels of risk the Bank is willing to accept, taking into account its risk and business strategies, and aligning with the Risk Appetite Framework of the CGD Group. The RAS is updated annually, along with the other Strategic Risk Processes, which include the annual risk profile self-assessment, where the institution's risk profile is assessed, the associated management, control and governance structures, as well as the emergence of new risks (emerging or potential), included in the Risk taxonomy.

At the international level, the year 2024 was marked by the ongoing military conflicts in the Middle East and Ukraine, as well as by the uncertainties and risks these pose to commodity price dynamics. Also noteworthy were the US presidential election and the decisions of major central banks, which initiated a cycle of downward revisions of key interest rates, with particular emphasis on the European Central Bank and the US Federal Reserve.

Domestically, the economic landscape was characterised by a cycle of downward revisions to the MIMO rate (a cumulative reduction of 450 bp during the period under review, reaching 12.75%), as inflation showed a decelerating trend. This reflected overall price stability, in line with the single-digit target set by the Bank of Mozambique. In addition, the Metical remained stable despite demand-side pressures.

It is also important to note the impact of the reduction in the MIMO rate on the evolution of the financial system's Prime Rate, which declined by 430 bp to 19.80%, potentially contributing to an improved perception of credit risk. In April 2024, the BdM published the list of banks according to their systemic importance. BCI moved from Tier 2, which required an additional capital buffer of 3%, to Tier 1, with a 2% capital requirement. As a result, the Bank is now required to comply with a solvency ratio of 14% (12% general + 2% systemic importance), compared to the previous 15% (12% + 3%). Nonetheless, it is important to note that BCI continues to lead the ranking of the Most Systemically Important Banks in the Mozambican market.

It is worth noting that in recent months there have been delays in the payment of principal and interest on Treasury Bonds, which has affected BCI's appetite for this type of risk.

BCI continues to comfortably comply with all internal and regulatory ratios established in its Risk Appetite Framework. During the period under review, fraud detection mechanisms in payment systems were strengthened, along with enhancements to control mechanisms.

Lastly, the Q4 was marked by post-electoral political and social tensions, which led to the vandalism and destruction of certain key infrastructures, disrupting the normal functioning of the national economy. In this context, at BCI in particular, the Business Continuity Plan was activated, under which operational decisions were made to ensure the continuity of activities.

This post-electoral disruption also had a negative impact on tax collection and, consequently, on the liquidity available to the Government of Mozambique, further aggravating the country's fiscal situation. As a result, some of the rating agencies covering Mozambique revised the sovereign credit rating downward and changed the outlook. Notably, Standard & Poor's (S&P) downgraded the country's local currency rating to Selective Default and revised the outlook to Negative.

This context reinforced the Bank's adoption of a more conservative approach to credit risk management - particularly sovereign risk - resulting in the establishment or strengthening of overlays to address potential deterioration in the portfolio.

Throughout the year, the Risk Management Division strengthened its commitment to the transformation and enhancement of the function, with key highlights including:

- Update of several Risk Management Policies, notably the transposition and implementation of ESG regulations, in response to corporate requirements, including the definition of ESG risk appetite limits;
- Focus on the continuous improvement of customer complaints management;
- Preparation and submission to the supervisor of the Informative Elements for the drafting of the institution's Resolution Plan as of June 2024, in accordance with Notice 04/GBM/2022 and Circular 07/EFI/2022;
- Annual review of the Risk Management Programme for 2024 under the terms of Notice 4/GBM/2013 and Review of the Bank's Risk Profile;
- Production and submission of the 2023 ICAAP Report, and execution of Stress Tests (Sensitivity and Scenario Analysis), pursuant to Circulars No. 2/SCO/2013 and No. 5/SCO/2013, both under Notice 20/GBM/2013, as well as the submission of the 2023 Recovery Plan and the Market Discipline Report as of June 2024 to the Bank of Mozambique;
- Development of new Scoring models and participation in the development of Pricing models and the corporate Central Balance Sheet system;
- Execution of the ILAAP exercise and support to the Board of Directors in the preparation of the Liquidity Adequacy Statement (LAS); and
- Monitoring and certification of action plans addressing internal control deficiencies, and Promotion and dissemination of the Bank's Risk Culture.

It is worth noting that BCI's Risk Management Division was subject to 12 audit processes throughout 2024, as a means of ensuring the robustness of the processes under its management. No deficiencies were identified with a critical or high-risk level.



COMPLIANCE AND CONDUCT MANAGEMENT

Compliance Risk Management is a fundamental pillar in the Bank's governance structure, playing a crucial role in ensuring adherence to legal, regulatory, and corporate requirements. In an increasingly complex and dynamic regulatory environment, BCI adopts a robust and cross-cutting approach to Compliance Risk Management, aiming to protect the interests of its Customers and the Bank's Capital, while ensuring that all actions and operations are aligned with market best practices and the highest standards of ethics and conduct. Below is an overview of the actions carried out throughout 2024, the main risks identified, the mitigation measures implemented and the results achieved, which reinforce our commitment to transparency, integrity and trust in the banking sector.

Compliance and Regulatory Conformity

In 2024, the Compliance Function's activities were based on the implementation and consolidation of a wide range of processes and procedures supporting approved internal policies as well as new regulatory requirements, enabling improved legal compliance levels across various areas of the Bank's operations. Indeed, BCI strengthened its Compliance programme by adjusting internal mechanisms to prevent any potential compliance risk situations, while also promoting a culture committed to ethics and high standards of corporate conduct.

Among the key internal regulatory adoptions is the publication of the DIVERSITY, EQUITY, AND INCLUSION POLICY, which can be found on the website: https://www.bci.co.mz/ficheiros/2024/09/POLITICADE_DIVERSIDADE_EQUIDADE_E_INCLUSAO.pdf. This policy complements the SUSTAINABILITY, SUSTAINABLE FINANCING AND ENERGY TRANSITION AND CLIMATE AND ENVIRONMENTAL RISK MANAGEMENT POLICIES, which together define the Bank's strategic vision in environmental, social and governance (ESG) matters.

With regard to regulatory changes that had a significant impact on the Bank's activities, the following notices stand out:

- Notice no. 02/GBM/2024, which defines the guidelines for Cyber Risk Management and Resilience;
- Notice no. 03/GBM/2024, which establishes the rules and procedures for conducting foreign exchange operations;
- Notice no. 04/GBM/2024, which addresses the liberalisation regime for capital operations and other foreign exchange operations;
- Notice no. 05/GBM/2024, which establishes the regime for repatriation and conversion of export proceeds from goods, services, and investment income abroad;

- Notice no. 06/GBM/2024 of March 27, which refers to the Regulation and Management of Bank Accounts, brought about several changes to the Bank's internal processes with significant impact,
  particularly regarding the possibility of introducing biometric mechanisms in the account opening process and the mandatory establishment/opening of simplified accounts aimed at financial inclusion, which is also one of the Bank's objectives; and
- Notice no. 10/GBM/2024, which establishes the new regime for the Prevention and Combating of Money Laundering, Terrorist Financing, and Financing of the Proliferation of Weapons of Mass Destruction.

Conduct and Ethics Management

Conduct and Ethics underpin the Bank's credibility and integrity. In a dynamic and increasingly demanding corporate environment, ensuring that all employees adhere to appropriate ethical and behavioural practices is crucial to maintaining the trust of our customers and other stakeholders, ensuring compliance with legal standards, and fostering a healthy and productive working environment.

The BCI Code of Conduct, which is available at https://www.bci.co.mz/ficheiros/2022/06/Codigo-de-Conduta-BCI-Junho2022.pdf, is a fundamental instrument for managing ethics within the Institution. It is a self-regulatory and mandatory document to be observed by all employees, since it contributes to:

- Harmonising reference standards in the face of ethical dilemmas;
- Affirmation of the values, principles of action and standards of conduct that guide relationships with the various stakeholders;
- Promoting an organisational culture of legal compliance and adherence to adopted values and principles; and
- Developing best practices in corporate governance and ethical conduct, including alignment with environmental, social, and governance (ESG) principles.

During 2024, several actions were undertaken to ensure the effective implementation of the Code of Conduct management model, with particular emphasis on its ongoing dissemination. In this context, an annual e-learning course on the Code of Conduct is provided, alongside in-person training sessions in lecture format. In 2024, these sessions covered employees located in 8 provinces across Mozambique.

As part of BCI's ongoing commitment to best governance practices and the promotion of environmental, social, and governance (ESG) principles, the 'Tone from the Top' campaign was implemented, integrated into the BCI Integrity Project. This strategic initiative, launched in 2024 and set to continue in the coming years, aims to strengthen a culture of integrity and ethics across all the Bank's activities, aligning such conduct with the expectations of our stakeholders and contributing to responsible and sustainable management. The 'Tone from the Top' campaign reflects the strategic commitment of the management bodies to lead by example. Through clear and consistent communications, the Bank's leaders have emphasised the importance of an organisational culture that values transparency, responsibility, and business ethics. This approach not only strengthens the trust of our customers and investors, but also ensures that all employees understand and embrace the principles that guide the institution, fostering a collaborative work environment aligned with the Bank's core values.

Actions and initiatives promoted by the management bodies in this regard, such as workshops and seminars, further strengthen the bond between leadership and employees, fostering a culture of openness and dialogue. This leadership commitment not only inspires trust but also solidifies the ethical foundation of the institution.

To promote best conduct practices regarding Financial Consumer Protection - in the design, disclosure, and provision of financial products, as well as fostering trust and fairness in the relationship between the Bank and its customers - BCI has implemented an internal standard that defines the principles of conduct and rules of financial consumer protection to be observed by the Bank in mitigating conduct risk. The development of new products and services aims to serve the target customers, ensuring that their interests, objectives, and characteristics are taken into account. It is required to specify and justify the customer objectives the product intends to help achieve, as well as the characteristics of the customers for whom the product is designed.

The BCI also has a Code of Good Conduct for Preventing and Combating Harassment in the Workplace, complying with local and corporate requirements on the matter, which reinforces the regulatory framework for preventing harassment in the workplace and aligns with its own Code of Conduct. The Code aims to identify behaviours that may constitute workplace harassment and to define measures for preventing and combating them, serving as a guiding framework for all those performing functions within the Bank.

Also within the scope of Conduct, the BCI has implemented a system for reporting irregular practices, an alternative to the usual reporting chain, which allows employees and other stakeholders to communicate legitimate and significant concerns about matters related to the institution's activity. Reports of irregularities or complaints may be made in writing, verbally, or both, with confidentiality and anonymity ensured by the Compliance Officer, to whom such communications are addressed. As part of continuous improvement, a new IT platform for reporting irregular practices is in the process of being implemented, which will ensure even easier and more immediate access, as well as greater efficiency and agility in handling the respective reports.

Prevention of Corruption and Related Offences

BCI's governance model is based on a clear separation between administrative and supervisory functions, which helps prevent and mitigate various risks inherent to the activities of a credit institution, including the risk of corruption and related offences.

Within the internal control system, the Bank has implemented ongoing measures aimed at preventing and combating corruption and related offences. These are reflected in various internal procedures and regulations, notably including the Code of Conduct, the Policy for the Prevention of Corruption and Related Offences, the Global Policy for the Prevention and Management of Conflicts of Interest, and the Internal Reporting System for Irregular Practices.

In addition to the internal procedures and regulations identified above, all activities of BCI and its employees are bound by the principle of active rejection of all forms of corruption. This is a professional conduct imperative established in Article 35 of the Code of Conduct, which expressly states that:

a) BCI actively rejects all forms of corruption, and its employees must not engage in situations that could facilitate acts associated with this phenomenon;
b) BCI's activities are subject to strict internal control mechanisms, including internal regulations aimed at preventing and combating corruption.

It is also important to note that the Policy for the Prevention of Corruption and Related Offences is a corporate-wide regulation that establishes guiding principles for the detection and prevention of corruption and related offences. It identifies areas potentially most exposed to such phenomena, describes preventive measures and their responsible parties, and sets out rules applicable to the monitoring, evaluation, and updating of the Policy itself.

Also within the scope of this Policy, employees are enabled to report situations they are aware of and consider related to corruption, through defined internal or external mechanisms, namely via the Internal Reporting System for Irregular Practices, whose objectives are also related to preventing and combating corruption.

Cybersecurity and Data Protection

The current Personal Data Protection Policy, which came into effect on 31 December 2020, establishes the principles, legal, regulatory, and corporate rules, codes of conduct, and best practices observed by BCI in the processing of personal data within the scope of its activities.

In line with the principle of transparency, this regulation highlights the purposes of personal data processing, the information duties owed to data subjects, the procedures for exercising data subject rights, and the corporate and organisational responsibilities assigned in data processing. It also discloses the functions of the Data Protection Officer, whose appointment is mandatory at BCI.

The Personal Data Protection Policy aims to foster an internal culture of data protection within the Bank, also contributing to the cross-cutting reinforcement of the commitment of the members of the governing bodies and all employees to compliance with personal data protection.

It is worth noting that during 2024, with the publication of Notice no. 02/GBM/2024 by the Bank of Mozambique, the Global Cybersecurity Policy and Information Governance Model were revised. These policies define the objectives, responsibilities, and purpose in preserving and protecting the confidentiality, integrity, authenticity, and availability of information and Information and Communication Technologies (ICT) against cyber threats that may affect the Institution, its users, and other stakeholders. They take into account BCI's external and internal context, contributing to maintaining the Bank's trust and reputation.



Prevention of Money Laundering and Terrorist Financing

BCI is committed to the highest standards in the Prevention of Money Laundering and Combating the Financing of Terrorism (AML/CFT). It has defined and implemented a set of policies, procedures, and control systems that enable the assessment and mitigation of potential risks inherent to its clients and business relationships. This is aimed at ensuring compliance with applicable legal and regulatory frameworks, as well as specific recommendations from the supervisor and other relevant authorities in this area.

To this end, BCI, through the Financial Crime Prevention Office within the Compliance Function Division, is equipped with various IT tools that enable monitoring of banking activity under AML/CFT. Notably, these include applications dedicated to account and customer monitoring, which constitute a continuous, systematic process based on established indicators within a Risk-Based Approach (RBA). This involves classifying clients' risk profiles and filtering sanctioned clients and politically exposed persons (PEPs).

In 2024, a new, more robust Customer filtering system was successfully implemented, enabling the generation of alerts and their prompt handling. This development has increased both operational effectiveness and efficiency. The teams responsible for Alert Management and Handling were also resized to ensure better quality analyses and communication of suspicious transactions.

In line with the training obligation, and considering that all employees are required to know and comply with the legal and regulatory standards directly applicable to their functions, as well as all internal rules and procedures established for the proper conduct of their activities, the following training content on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) was provided: In-person training for new hires; E-learning training for all Bank employees; Online training for senior management and MOAFs; In-person training for Suspicious Transaction Reporting Officers; and Compliance visits to assess adherence to regulatory requirements and provide targeted training for continuous skills improvement.

Prevention and Management of Fraud Risk

To protect its reputation and meet legal and regulatory obligations, BCI adopts responsible measures to minimise the risk of fraud throughout its organisation. In this context, policies have been developed that describe the governance, management, and prevention model for fraud risk, as well as the implementation of a risk matrix highlighting inherent and residual risks. The Fraud Risk Prevention and Management Office, established in early 2024 within the Compliance Function Division as a result of the merger of several areas from other Bank Divisions, has the primary objective of preventing and managing fraud incidents to reduce the Bank's exposure and protect its customers' assets. It carries out various activities, including:

- Monitoring and analysing fraud alerts and situations reported through internal channels and by external entities, assessing the need to implement additional preventive measures, as well as identifying possible systemic effects and behavioural patterns in coordination with relevant Divisions and/or external entities to detect new patterns of customer behaviour, possible contamination of occurrences and new procedures to be adopted;



- Evaluating the effectiveness and efficiency of processes implemented by the Bank in combating fraud, identifying opportunities for improvement, and promoting the implementation of monitoring mechanisms and continuous identification of tools to reduce operational risk and maintain service quality provided to its Customers;
- Analysing situations identified through internal controls or alerts received from external/international entities within the scope of issuing and acquiring activities, to determine the existence of fraud incidents and the possible adoption of containment measures deemed appropriate on a case-by-case basis.

To carry out its activities in External Fraud Prevention and Management, the Compliance Function Division has established a dedicated communication channel with all stakeholders and provides support to various organisational bodies of the Bank concerning situations indicating possible fraud. Whenever an indication is detected, appropriate preventive measures are triggered for the specific case, including precautionary actions involving customers, such as monitoring capital flows in accounts showing signs of suspicion. Whenever justified, corresponding investigation procedures are initiated to address incidents requiring deeper evaluation.



SOCIAL RESPONSIBILITY - CONTRIBUTING TO OUR COMMUNITY

BCI has strengthened its ongoing commitment to driving Corporate Social Responsibility actions, strategically integrating them into its operations in the Mozambican market.

In 2024, BCI implemented a diverse range of initiatives within the framework of programmes to support Financial and Social Inclusion, Education, Health and Sports, with the aim of promoting the well-being of Mozambican communities.

Support for Financial Inclusion

Financial literacy has taken on increasing importance in the banking sector, particularly as the country faces economic challenges and seeks to strengthen financial inclusion.

Financial literacy encompasses the ability to understand and make informed decisions about financial products and services, such as bank accounts, loans, investments, and other products offered by financial institutions.

Since the Bank of Mozambique launched the Financial Education Programme as part of the Savings Day celebrations within the Financial Sector Development Strategy, BCI has contributed to improving financial literacy among the Mozambican population and has since carried out various awareness-raising activities focused on savings and the use of financial services.

The actions will take the form of talks, training sessions, workshops, games and competitions related to the theme, as well as the distribution of gifts alluding to the date in various institutions and media:

- The Country's Primary and Secondary schools;
- National Universities;
- Public and Private Institutions and Non-Governmental Organisations (NGOs); and
- Social Networks and Media Channels.

Financial Literacy initiatives were carried out throughout the year, most notably Global Money Week in March and World Savings Day in October.

BCI Talks Podcast

In 2024, BCI took a significant step in financial education by launching **BCI Talks**, a 30-minute podcast dedicated to topics such as investments, financial markets, technology, and innovation. This project, led by BCI professionals in collaboration with host Sérgio Faife, reaffirms the Bank's commitment to promoting economic growth and empowering Mozambicans with financial knowledge.

Support for Social Inclusion

Within the context of Corporate Social Responsibility, the Bank plays a fundamental role by dedicating significant efforts to promoting the social inclusion of the most vulnerable groups, with key achievements including:

Solidarity Campaign

In response to the catastrophe that struck Maputo Province at the beginning of the year, resulting in fatalities and numerous families losing all their possessions and homes, a solidarity advertising campaign was developed to support the victims of the floods in Maputo Province. This initiative underscores BCI's sense of Corporate Social Responsibility in the face of this calamity affecting the southern region of the country. BCI's involvement in this cause aimed to publicise and promote the collection of donations, using various communication channels, namely television, print media, and social networks, to publicise the partner's BCI account.

Through this initiative, BCI became the supporting Bank for this cause, engaging and mobilising the entire Mozambican society.



Bicycle Donation to Motorcycle Taxi Drivers in Zambézia

In January, BCI donated 100 bicycles to two associations: ATAMOZ (motorcycle taxi drivers in Zambézia) and ASTAQ (taxi drivers in the Quelimane district). This initiative aligns with the Bank's social responsibility policy, which aims to promote the empowerment of local communities and consequently improve the living conditions of the population.

Support for Flood Victims in the Provinces of Maputo and Gaza

BCI donated MZN 1,000,000.00 worth of food products and mosquito nets through the National Disaster Management Institute (INGD), supporting victims of the adverse weather conditions recorded in March.

This social responsibility initiative reinforces the Bank's commitment to contributing to the well-being of the population, especially during times of crisis.

Supporting the Sopa Solidária Programme - Makobo Platform

Operating in Mozambique since 2009, Makobo's mission is to support people living in extreme poverty while promoting self-sufficiency initiatives for disadvantaged groups. Through the Sopa Solidária programme, supported by BCI, the Bank's employees took part in 10 food preparation sessions throughout the year, benefiting vulnerable individuals, especially children and the elderly in the city and province of Maputo. Also as part of the partnership between BCI and the Makobo platform, which supports disadvantaged

people by providing meals, sewing classes, computer courses, library services, and more, BCI strengthened its collaboration through the donation of books, contributing to the enrichment of the library's collection.

Supporting the Nutritional Reinforcement Programme - Winnua

BCI ensured the renewal of its support for the Winnua Nutritional Reinforcement Programme, located in Zambézia Province, aiming to continue efforts to combat child malnutrition and improve child health in the region, which faces serious challenges related to inadequate nutrition and lack of access to quality healthcare services.

This programme involves the production and free distribution of soy milk to school-age children in the Lobué village, located in the Mocuba district. In 2024, the programme directly benefited 330 children, making a significant contribution to reducing cases of malnutrition and lowering the school drop-out rate.

Donation of Furniture to Lar Madre Maria Clara

Lar Madre Maria Clara de Marracuene, belonging to the Congregation of the Franciscan Hospitaller Sisters of the Immaculate Conception, is located in the Marracuene district of Maputo province and shelters orphaned, abandoned, and vulnerable children. In May, this home received a set of furniture from BCI, consisting of tables and chairs to equip the dining hall.

Celebrations of Mozambican Women's Day

As part of the celebrations for Mozambican Women's Day (7 April), BCI employees offered flowers to women in several markets across the southern, central, and northern regions of the country, ensuring their inclusion in the festivities as a way to acknowledge their dedication and contribution to the economy.

Solidarity Action with Orphanage Children

As part of the celebrations for International Children's Day and African Children's Day in June, the Bank organised a solidarity action, offering snacks and gifts (BCI-branded jump ropes and balls) to 100 children from 10 orphanages spread across Mozambique's 10 provinces. The following orphanages benefited from this initiative: Maria Madre Clara (Maputo), Infantário Provincial (Gaza), Centro de Acolhimento Laura Vicunã (Inhambane), Lar de Siloé (Sofala), Infantário Provincial (Manica), Casa Família (Zambézia), Infantil Madre Day (Nampula), Irmãs de Caridade de Pemba (C. Delgado), Orfanato Mosteiro (Niassa), and Maria Pilar (Nampula Nacala).

Donation of Fabric Masks for Urban Cleaning Workers

BCI donated fabric masks to sanitation workers in the municipalities of Maputo and Matola, recognising the importance of their vital work in maintaining urban cleanliness, often carried out under challenging conditions.

Support for the Kutsaca Project

This project aims to support the initiatives developed by Kutsaca, with a special focus on pre-school children, raising their environmental awareness in Vila da Praia do Bilene, Gaza Province. It also empowers youth on local protection through the 'Kutsaca Project Ambassadors Club', equipping them with knowledge and awareness about environmental issues.

Partnership with Childfund

ChildFund is a non-governmental organisation dedicated to social assistance and education activities in the provinces of Maputo and Inhambane, with additional programmes focused on gender and health in Nampula Province. With the agreement signed between the two organisations, BCI now provides a range of financial solutions and facilities tailored to ChildFund and its members and employees.

Support for the Programme Be a Like Woman

This programme, developed by Ernst & Young Mozambique in partnership with New Faces New Voices, is exclusively dedicated to supporting and empowering women through individualised mentoring sessions and interactive workshops, aiming to enhance their skills as well as their financial management and leadership capabilities. BCI joined this initiative as a sponsor and partner in recognising and awarding the participants who stood out in the Programme.

Support for the Strong Woman Project

A project aimed at motivating, inspiring, and educating women who are victims of stigmatisation, gender discrimination, social exclusion, and domestic violence. BCI provided support to this initiative and participated in the panel discussion held at the Project's launch ceremony.

Association of Mozambican Persons with Disabilities

BCI donated desks, rolling pads, cabinets, and various office supplies to this Association to equip its office. The Association of Mozambican Persons with Disabilities (ADEMO) is an organisation that supports and advocates for the rights of people with disabilities in Mozambique. BCI's donation helps optimise ADEMO's work by creating conditions for the continued development of projects aimed at inclusion and the promotion of human rights. The improvement of ADEMO's office facilities reflects BCI's commitment to social responsibility and support for initiatives that positively impact Mozambican society.

Donation of IT Equipment to the NGO Association Solidariedade Internacional a Moçambique

BCI provided IT equipment to this association to strengthen its operational capacity. The organisation works on various fronts of social development, implementing support projects in health, education, environment, and basic infrastructure in Mozambique's most marginalised peripheral communities, where development opportunities are largely inaccessible.

Support for the Public Transport Driver Training and Capacity Building Project (2024-2025)

As part of accident prevention and road safety efforts, BCI partnered with the Mozambican Association for the Defence of Police Rights in this initiative, which aims to provide training on traffic laws, road safety, and defensive driving. The objective is to improve safety in public transport, motorcycles, mopeds, bicycles, and the transport of goods and merchandise.

Partnership with the State Secretariat for Youth and Employment

BCI provided financial support to the 'Young Creative Award' Programme, an initiative of the State Secretariat for Youth and Employment aimed at encouraging talent, innovation, and creativity among Mozambican youth. This programme aims to promote artistic expression, the development of innovative solutions and entrepreneurship, creating a space for young people to stand out and contribute to the country's progress. By supporting the Young Creative Award, BCI reaffirms its commitment to youth entrepreneurship and sustainable development in Mozambique, ensuring the inclusion of new generations of young talent in the world of entrepreneurship and the arts.

'Gente Daqui' Documentary

'Gente Daqui' is a BCI initiative launched in 2024 that celebrates and highlights the real stories of the protagonists driving Mozambique's development. This is a documentary series, distributed through social media, featuring individuals invited by the Bank and projects that not only receive support but also shape and positively transform social causes, the environment, culture, sports, and development in Mozambique. Each episode aims not only to convey the beauty of the personal stories of those involved but also to inspire the audience to become part of the positive change.

Supporting Education

BCI has contributed to developing education through several initiatives, including donating IT equipment to schools, encouraging reading by offering literary and educational works to libraries, giving school supplies to orphanages, supporting scientific conferences and awarding prizes to final-year students from secondary and higher education study programmes at the country's main universities and polytechnics.

Support for the Girl Move Academy

BCI strengthened its support for Girl Move Academy, an institution recognised by UNESCO that promotes education and female empowerment based on an intergenerational circular mentoring model, with the goal of training women leaders in Mozambique.

Donation of IT Equipment and Furniture

As part of its commitment to promoting digital inclusion and improving educational conditions in Mozambique, a significant donation of IT equipment and furniture was made to various primary and secondary schools. This initiative aimed to benefit primary and secondary schools located in Maputo Province and Maputo City. The following schools benefited from BCI's support: Escola Básica de Josina Machel, Escola Básica São Dâmaso, Escola Primária Completa da Liberdade, Escola Comunitária São Vicente da Malhangalene, Escola Primária do 1º grau da Machava J, Escola Primária Completa 30 de Janeiro, Escola Primária de Patrice Lumumba, Escola Secundária Mártires Mbuzine, and Escola Secundária de Laulane.

Supporting the Study Centre at the São Vicente de Paulo School in Chókwé

Since 2022, BCI has been sponsoring the Study Centre project at São Vicente de Paulo School in Chokwé, an initiative that is part of the 'A Small Gesture - A Big Help' programme promoted by UPG – Um Pequeno Gesto in Gaza Province. To date, BCI's support has benefited more than 485 children and young people, from 1st to 12th grade, providing them with a quality education, as well as essential support for their basic needs. This programme aims to support children from economically vulnerable families by providing not only a quality education, but also nutritional reinforcement on the days they attend the Study Centre.

BCI's support has contributed to the following objectives: improved academic performance and school progression, reduction of early school dropout, and the personal and social development of the children.

Awarding of Final-Year Students

This initiative aims to recognise and reward the top students from medium and higher education courses at major universities and polytechnic institutes in Mozambique, covering a total of 8 higher education institutions across different regions of the country. In 2024, BCI provided internship opportunities and monetary awards to the top finalists during the Graduation Ceremonies of the following institutions: Universidade Eduardo Mondlane, Universidade Pedagógica de Maputo, Universidade Politécnica, Universidade Wutive, Instituto Superior de Contabilidade e Auditoria de Moçambique, Universidade Católica de Moçambique, Universidade Uni Lúrio, Universidade Licungo, and Universidade Uni Púnguè.



Support for the Naval Fusiliers School

Donation of IT equipment to the Naval Fusiliers School in Maputo, an action aligned with the Bank's social responsibility policy aimed at equipping the institution's IT department. This school is part of the Mozambican Navy, whose mission is to protect territorial waters, combat piracy and ensure the safety of maritime activities.

Donation of Books to Secondary Schools and Libraries

As part of its Social Responsibility policy, BCI donated books to secondary schools and municipal libraries across the country. The goal is to equip libraries as a way to encourage reading and the development of writing skills among young people. Throughout 2024, more than 2,000 books were delivered as part of these initiatives.

Support for the World Book and Reading Day Celebrations

As part of a collaboration with the National Directorate for Primary Education, BCI supported the World Book and Reading Day celebrations by organising initiatives to promote literary education and raise awareness about reading.

Support for the SOS Hermann Gmeiner Primary and Secondary School

The Bank provided support for the drilling of a water well at the SOS Hermann Gmeiner Primary and Secondary School, located in Maputo, contributing to improved hygiene and well-being conditions for the students.

Episcopal Conference of Mozambique
BCI donated computers, desks, rolling pads, and metal shelves to this entity.

Internal Solidarity Actions Carried Out by BCI Employees
More than 50 underprivileged institutions, mostly primary schools, were visited by employees from all areas and hierarchical levels of BCI. These actions benefited around 10,000 children, as well as some elderly and adults with special needs, providing snacks and moments of play, joy and hope.

Supporting Health

As part of our commitment to improving the quality of life of communities, the Bank has been dedicated to supporting initiatives that contribute to public health. Through strategic partnerships with causes and institutions that provide assistance to the population, the Bank has implemented various actions in the health sector. The main BCI initiatives to support the health sector during 2024 were as follows:

Donation of Hand Sanitiser to Hospitals
BCI donated 5-litre containers of hand sanitiser to the Mavalane and Polana Caniço hospitals in Maputo, as part of its contribution to promoting hygiene measures and disease prevention in these hospitals. This type of initiative reflects the Bank's commitment to social responsibility, specifically to improving public health.

Donation of IT Equipment and Furniture
With the aim of improving administrative efficiency and service delivery in healthcare units, BCI also provided IT equipment and furniture to two key hospitals in Maputo Province, namely: Matola Provincial Hospital and Machava General Hospital.

Sponsorship of the Scientific Conference and Health Fair at Mavalane General Hospital
With the aim of disseminating relevant information and promoting collective well-being, BCI supported this initiative by sponsoring the Scientific Conferences and Health Fair organised by the Mavalane General Hospital.

BCI Social Responsibility Action in Hospitals
As part of its solidarity actions, BCI is committed to creating moments of happiness and comfort during the Christmas festivities, especially for hospitalised children and their mothers or caregivers in hospitals across the country. Celebrating 25 years of this practice, BCI donates basic food baskets and toys to the country's main hospitals, reflecting its commitment to solidarity, fraternity and care for others. This gesture aims to make the hospital environment more humane and welcoming. The following hospitals benefited from this BCI solidarity initiative: Lichinga Central Hospital,

Quelimane Central Hospital, Manica Central Hospital, Inhambane Central Hospital, Beira Central Hospital, Tete Central Hospital, Xai-Xai Provincial Hospital, and Nacala Central Hospital.

Environment and Sustainability

As part of environmental responsibility, the following noteworthy actions are carried out by BCI:

Tree Planting on World Environment Day

On 5 June, World Environment Day, BCI promoted tree planting in Niassa Province, contributing to the preservation of green areas and environmental education, which is essential for the protection of our planet. This type of initiative is essential for maintaining biodiversity, improving air quality and preventing soil degradation.

Partnership with BIOFUND

Support for biodiversity protection projects through the Bio Card, a biodegradable debit card, whose use by customers allows BCI to channel part of the proceeds to support the projects of the Foundation for the Conservation of Biodiversity (BIOFUND), namely:

- Sea Turtle Monitoring in APAIPS - In the rich Banco de Sofala area, near the Archipelago of the Primeiras and Segundas Islands, this project aims to protect and monitor sea turtles, enhancing knowledge about their migration routes and foraging areas. The initiative has a significant impact on the preservation of green turtles, a crucial species for the marine ecosystem.
- BCI's participation in the Marine Biodiversity Conference and Exhibition on the topic 'Technology for Training and Raising Awareness to the Value of Coastal and Marine Biodiversity in Mozambique'.
- Conservation of Red List Species in the University Botanical Garden - This project aims to protect threatened species such as Warburgia salutaris and two cycad species (Encephalartos lebomboensis and Encephalartos umbeluziensis), all of which are included on Mozambique's Red List. The conservation of these plants is essential for maintaining biodiversity and promoting environmental education.
- Promotion of the Wetlands of Banhine National Park as a Bird Migration Route - Banhine National Park has the potential to serve as a crucial route for the migration of Eurasian birds. This project assesses the park's qualification to be recognised internationally as a KBA (Key Biodiversity Area), reinforcing the importance of the local ecosystem and protecting migratory birds.
- Sustainable Charcoal Production in Cheringoma and Muanza - This project aims to supply the market with charcoal and briquettes produced sustainably, preserving local forests and contributing to carbon sequestration. With the creation of 60 permanent jobs, 30% of which will be held by women, the project not only protects the environment, but also generates significant social benefits for the community.
- Voices from the Savannah: Elephant Monitoring - In partnership with the Mozambique Wildlife Alliance (MWA), this initiative aims to monitor elephants involved in conflicts with communities through GPS collars and state-of-the-art technological systems. In addition, agricultural resilience projects will be implemented for communities along the Moamba-Namaacha-Matutuíne corridor, thus mitigating the conflict between humans and wildlife. Wildlife protection and community safety go hand in hand in this project.
- Development of the Chingonguene Primary School and Community Centre - Led by the Vilanculos Wildlife Sanctuary, this innovative project aims to provide sustainable electricity and safe drinking water to the rural community through the OffGridBox solution, a container that combines renewable energy sources with water purification systems. This initiative will ensure a better quality of life, greater access to essential resources and promote

sustainable living habits for all the region's residents.

- Rescue, Rehabilitation and Release of Pangolins in Chimanimani National Park - This ambitious project in Chimanimani National Park involves building a sanctuary and rehabilitation centre for pangolins, a critically endangered species. In addition, inspectors will be trained in specialised first aid for these animals, and a post-release monitoring programme will be implemented using advanced technology such as GPS and VHF tracking. The project also includes ecological and genetic studies, as well as educational materials in the local language to raise community awareness.

Supporting Culture

BCI has contributed to promoting art and culture through various initiatives, most notably the dissemination of literary and artistic works by various social players, in order to highlight their projects. BCI's intervention in this area is materialised, in particular, by sponsoring the publication of various literary and scientific works, as well as making the media libraries in Maputo, Beira, Nampula and Ilha de Moçambique available for bibliographic consultations.

Literary works supported:

- 'Community Communication: Past, Present and Future' by Escola Superior de Jornalismo;
- 'Prática Forense Civil' de Clover Bila;
- 'Conteúdo Local Sector de Petróleo e Gás & Desenvolvimento Sustentável de Moçambique' by Victor Tivane;
- 'Assembleia da República: Centro de Convergência Democrática' by Carlos Siliya;
- 'Da consulta à Gramática' by Delfina Mugabe;
- Commemorative editions of the books 'Xigubo' and 'Karingana Ua Karingana' by José Craveirinha;
- 'Geotecnologias Aplicadas à Gestão do Território' by the group of researchers and lecturers from Instituto de Formação em Administração de Terras e Cartografia-INFANTEC;
- 'Memórias e Nostalgia' by Augusto Mangove;
- 'O Kaio e o Cão Panda: Uma Incrível Aventura Pelo Espaço' by Patrícia Vasco; and
- 'Empreender com Sucesso' by Admira Martins.

Lectures and Reading Circles

- Monthly literary gatherings, held on the last Saturday of each month at the Nampula Media Library, where various literary works were discussed, in coordination with the 'Olhar Literário' project;
- Lectures and seminars held monthly at the Beira Media Library, in coordination with the Beira Book Club, aimed at discussing topics of social interest;
- Yellow September - dedicated to suicide prevention, at the Ilha de Moçambique Media Library.
- Pink October - dedicated to cancer awareness month, the Media Libraries held lectures and debates on the topic at the Maputo and Nampula Media Libraries.
- Blue November – Lecture on prostate cancer awareness at the Nampula Media Library.

Support for the Muraleando Maputo Project

BCI partnered with the 'Muraleando Maputo' Project, promoted by the young visual artist Rachid Gutierrez, with the aim of transforming the inner neighbourhoods of the city of Maputo through art, specifically by painting colourful and expressive murals that brought colour and joy to the residents. These vibrant murals beautified the neighbourhoods, boosted community self-

esteem, and served as a tool for raising awareness on various topics relevant to society.

Visual arts exhibitions hosted in the Bank's facilities:

- 'O SonhoADor', mixed media exhibition - sawdust on canvas - by Leidito Penga;
- 'Certeza Utópica', first painting exhibition using mixed media on plywood by Palmeirim de Jesus Macaúze;
- 'Rostos', first solo painting exhibition by Fernando Alfredo;
- 'Vestígios de um Percurso', painting exhibition by Abdala Mussa;
- 'Pontes Movediças em Palma(s)', painting exhibition by Virgílio Sitole;
- 'Comunicação & Arte', exhibition of various handmade works by students from the Pequenos Sábios School;
- 'Arte & Sustentabilidade', exhibition of metalwork art using scrap iron and artefacts by Rui Paulino;
- 'Retalhos de uma Vida', exhibition of various artistic expressions (basketry, painting, collage, recycling) by Ancha Bucuane.

Supporting Sport

In this area, BCI's commitment is mirrored in the multiple initiatives developed throughout 2024 in collaboration with various partners, within the framework of encouraging the practice of sport:

Mambas Institutional Campaign

In February, the Bank launched a campaign to support the Mambas National Team during CAN 2023, highlighting the pride of being Mozambican on TV, radio, newspapers and a strong presence on social media, leveraging its partnership with the Mozambican Football Federation. Internally, initiatives were also carried out to engage employees in supporting this campaign.

Mozambican Football Federation (FMF)

The Bank renewed its partnership with the Mozambican Football Federation, ensuring the continued support of the Mozambican men's national football team. The BCI has been a partner of the FMF since 2007.

Donation of footballs to primary and secondary schools across the country

Donation of footballs to primary and secondary schools across the country: BCI recognises sport as a powerful tool for social change and, as such, has been promoting the adoption of healthy habits. Based on this premise, the Bank carried out a campaign to donate footballs to primary and secondary schools across the country, with the aim of promoting sports within communities and fostering social inclusion.

Throughout 2024, BCI continued the campaign launched in September 2023, involving the donation of 15,000 footballs to primary schools across the country. This initiative is not merely an act of generosity by the Bank, but a statement of BCI's commitment to promoting equal opportunities in access to education and sports. By encouraging the practice of healthy physical activities, BCI contributes to the well-being of children and to their academic success, helping to shape a more active, confident, and future-ready generation. This initiative reinforces BCI's role as an agent of social change, positively impacting the lives of thousands of students across the country.



With this initiative, by the end of 2024, BCI had donated footballs to 1,442 primary and secondary schools nationwide.

Support for the 4th Edition of the BCI Chess Open

The BCI once again supported the Mozambican Chess Federation in organising the 4th edition of the 'BCI Chess Open, 2024 Edition', an event that took place in the KaTembe Municipal District, in Maputo City, and was attended by chess players from six countries. Around 200 chess players from different age groups, both male and female, participated in the tournament.

Maputo City Winter Swimming Championships

BCI supported the organisation of the Winter Championship of the Maputo City Swimming Association (ANCM). Held in two phases, the tournament involved, in the first phase, pre-beginners, beginners, and children, comprising the training category; and in the second phase, the absolute category, including youth, junior, and senior swimmers.

15th National School Sports Games Festival

Held annually and organised by the Ministry of Education and Human Development, this event was attended by students from various public secondary schools representing each province. BCI supported the organisation of this festival, which took place in Nampula Province.

Support for the 'Presidential Golf Day' Tournament

BCI joined the sporting event 'Presidential Golf Day,' held at the Tongaat Hulett Sports Club in Xinavane, Manhiça District.

The event, held within the scope of the partnership between the Maputo Provincial Executive Council and Tongaat Hulett, aimed, among other objectives, to promote the practice of this sport among golf enthusiasts. For BCI, the support provided is part of its identity as a Bank and reflects its commitment to promoting well-being and excellence in sports.

Mozambican Rugby Federation (FMR)

BCI established a partnership with the Mozambican Rugby Federation, based on financial support to assist the Federation's activities, as well as the expansion of rugby to other provinces of the country. The FMR launched this social responsibility project, currently benefiting 1,800 underprivileged individuals, with the aim of instilling discipline, focus, determination, and responsibility in young people.

Recognition of the Mozambican athletes who participated in the 2024 Olympic Games

In recognition of the athletes' dedication and effort, the Bank granted a special award to the seven Mozambican athletes who represented the country at the 2024 Olympic Games. The disciplines included Boxing, Sailing, Athletics, Swimming, and Judo.

Donation of IT Equipment to Clube Maxaquene

BCI provided IT equipment to Clube de Desportos da Maxaquene to support the club's activities.





SUSTAINABILITY

Importance of ESG Practices at BCI

As the largest bank in the national financial system, BCI recognises the need and undertakes the commitment to integrate Environmental, Social, and Governance (ESG) best practices into the definition of its strategy and the pursuit of its operations. This is grounded in sustainable principles across its various dimensions, with the aim of contributing to the construction of a more sustainable future, thereby responding to current challenges and giving back to the communities in which the Bank operates the results of its activity. The Bank has also remained focused on the goal of contributing positively to making the financial market and the broader ecosystem more sustainable, by adhering to the principles of corporate sustainability. This is pursued through a strategy of continuous engagement, generating benefits within the community, and also through training and awareness-raising initiatives for our employees, partners, and clients on the critical importance of ESG.

BCI's Sustainability Strategy therefore consists of implementing a comprehensive, goal-oriented plan that integrates ESG considerations across its operations, decision-making processes, and organisational culture. The primary objective is to align the Bank's practices and targets with international best practices in ESG matters, as well as with the sustainability principles of the CGD Group.

A successful Sustainability strategy not only mitigates risks but also creates opportunities for innovation, growth, talent attraction and retention, while enhancing reputation and brand value. Sustainability must be embedded in BCI's culture starting from the top, beginning at the level of the Board of Directors and cascading through all operational levels, to ensure its effectiveness.

ESG Governance Model

To ensure the implementation of its Sustainability strategy, BCI has established a governance model led by its Board of Directors, the composition of which is outlined in summary as follows:

- **Board of Directors (CA):** Responsible for defining the Sustainability Strategy, approving proposals and budgets submitted by the Sustainability Committee (CSU).
- **Sustainability Committee (CSU):** Strategic and monitoring body, responsible for reviewing proposals from the Working Groups (WG) and proposing new initiatives.
- **Sustainability Division (DSU):** Formally established in 2024, the DSU operates in the operational management of Sustainability and is made up of teams dedicated to information analysis, research, and dissemination of ESG-related content.
- **Working Groups (GT):** Dynamic structures that carry out specific actions to achieve BCI's strategic objectives on Sustainability issues.

Cross-cutting Actions Developed in 2024

Throughout 2024, BCI made significant progress in its ESG agenda, notably with:

- The establishment of a Sustainability Division, openly adopting a dedicated approach to ESG matters.
- Approval of key policies, such as the Sustainability Policy, **Sustainable Financing Policy and Climate and Environmental Risk Policy and its Implementation Guide for the Carbon Neutrality Plan**.

- Dissemination of ESG content across internal and external communication platforms, as well as the organisation of workshops with strategic partners on these matters.
- Review and enhancement of the commercial offer framework with new sustainable products, accompanied by a favourable revision of the pricing structure to encourage the adoption of socially and environmentally responsible practices.

On the 'social' side, recent and highly relevant practices include:

- In the process of changing service providers within the Bank's premises, the 'mandatory' inclusion of employees from the outgoing company to prevent job losses.
- Procurement of agendas and calendars made from recycled paper.
- Default configuration of double-sided printing on all Bank printers, which contributed to the reduction of A4 paper consumption.

BCI ESG Agenda for 2025

- **Supporting the Energy Transition of Companies and the Journey to Carbon Neutrality:**
  Providing customers with credit lines to support investments in energy efficiency improvements and projects that promote the circular economy or the reduction of CO2 emissions, in particular the Eco Ambiental Line and the BCI SUPER Line.
- **Promoting the Circular Economy:**
  Preservation of resources used by the Bank by maintaining their economic value for a longer period through reuse or recycling, aiming to reduce the need for raw materials and promote efficient resource management. This context makes the adoption of a circular economy model even more pressing, contributing to reduce environmental impacts (BIO Card).
- **Environmental, Climate, Financial and** Digital Awareness and Literacy:
  BCI recognises its role in developing environmental awareness and literacy initiatives within the communities it serves. This initiative will be launched in collaboration with knowledge and media partners, targeting both individual and corporate customers, to promote best practices and amplify its reach and impact.
- **Ethics, Transparency and Data Security:**
  At BCI, we follow a framework of values that guides our actions with integrity, honesty, competence and transparency. Our governance model prevents conflicts of interest, fraud, corruption and money laundering. In addition, the senior management remuneration model will integrate ESG objectives, aligning incentives with a long-term sustainable vision.

- **Responsible and Sustainable Investment:**
  Understanding the customers' sustainability preferences and, based on them, providing the most suitable offer.
- **Reducing the Environmental Footprint of Own Operations:**
  The transposition and adoption of environmental policies are beneficial not only for the energy performance of buildings but also for the circular economy. At BCI, reducing direct environmental impact is a strategic priority, and in this context, a set of metrics and targets will be developed to monitor the progress of our climate strategy. Additional actions aimed at mitigating the environmental impacts of internal processes will include the acquisition of air conditioning units with 70% energy savings and Inverter or Dual Inverter technology, the optimisation of vehicle routes and journeys to reduce fossil fuel consumption, and the minimisation of plastic utensil usage wherever possible.

ESG Rating in 2024

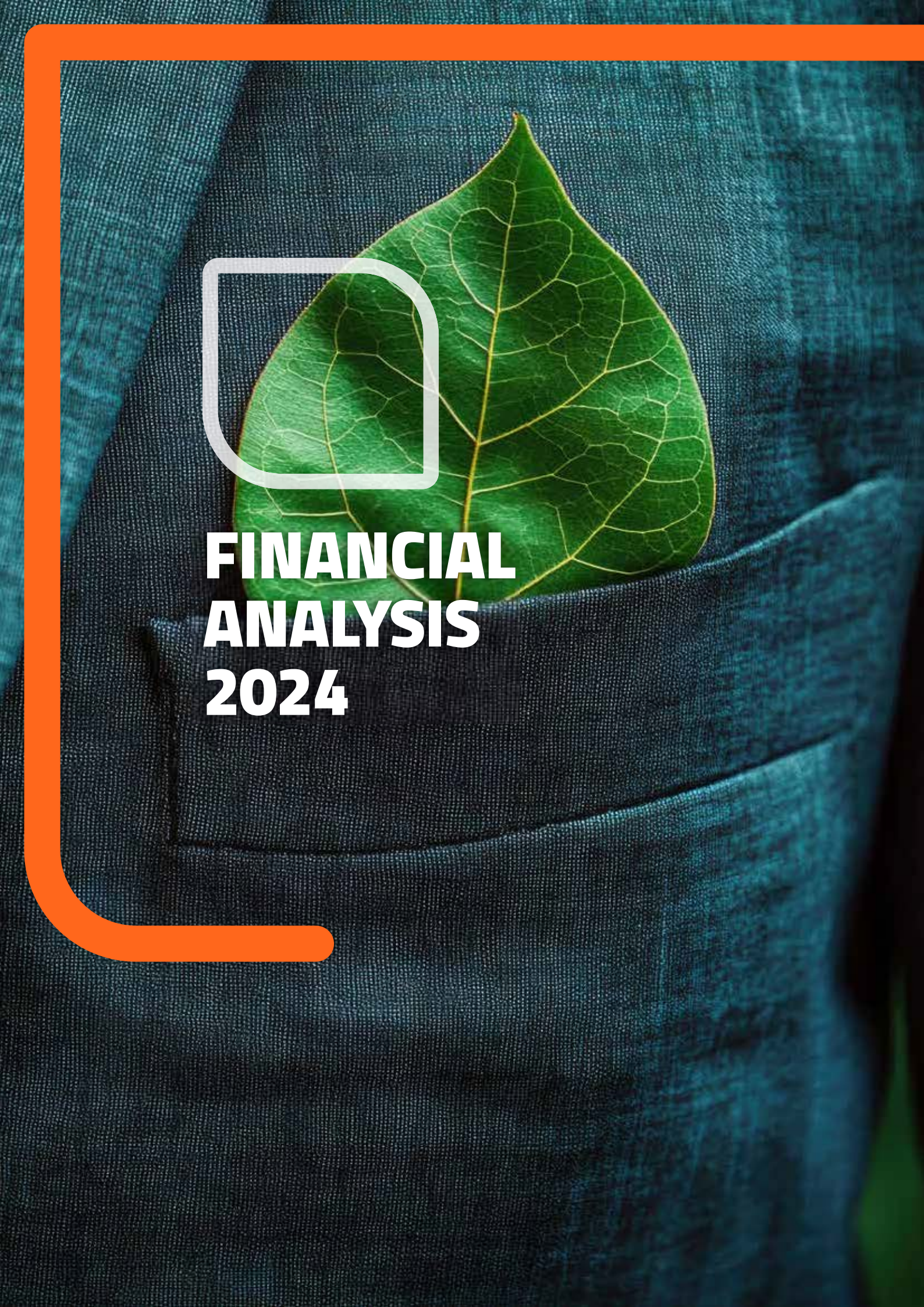
In 2024, BCI developed an ESG Rating system, which serves as an assessment tool for evaluating the performance of the Bank and its customers in terms of managing the environmental, social, and climate-related risks inherent to their activities. BCI's ESG Rating comprises 11 distinct variables, each with different weightings ranging between 0% and 100%. Grouped by affinity, they make up the subgroups environment (E), social (S) and governance (G). The weight of each subgroup is 50%, 40% and 10%, respectively.

Similar to the Risk Matrix used in the financial sector, BCI's ESG rating applied the different sectors of the economy to a sample comprising the 16 largest companies - representing 43% of the loan portfolio - and included 2 new potential ESG clients, with no credit exposure, for monitoring and control purposes. Based on the methodology of the TCFD Banking Pilot Project Phase II, developed by UNEP FI and Acclimatise – Charting a New Climate (which provides cutting-edge tools and data for financial institutions to assess credit risks and opportunities arising from the physical impacts of climate change), various vulnerability factors were considered, including: dependence on natural resources and the activity's impact on them, occupational health and productivity, energy dependence, and the impacts on demand and the supply chain.

The ESG rating is yet another differentiating tool to better assess the relevance or rejection of environmentally and socially unviable investments.

The expectation is that the results will demonstrate greater accuracy in decision-making, enhanced discernment, and institutional robustness across the board in its engagement with society, positioning the Bank's environmental commitment at the core of its financing and customer advisory practices, and aligning it with the path toward fulfilling the Paris Agreement on Climate Change.

BCI will implement three levers to support its partners in decarbonisation: providing transition financing, (re)balancing its loan portfolio by prioritising customers focused on developing decarbonisation plans, and reducing its exposure to customers with limited capacity or willingness to decarbonise.



FINANCIAL ANALYSIS 2024

The year 2024 unfolded in an environment marked by challenges and uncertainties, both nationally and internationally, significantly impacting Mozambique's economy. The main contributing factors were: i. the persistence of military instability in Cabo Delgado, which caused delays and stoppages in natural gas exploration projects in the Rovuma Basin; ii. climate events with adverse impacts, which affected agricultural production and critical infrastructure; iii. the worsening of domestic public debt; iv. the electoral cycle, which generated a scenario of post-electoral political and social instability, negatively affecting economic activity in the last quarter of 2024; and v. the ongoing military conflicts in the Middle East and Ukraine, as well as the uncertainties and risks these pose to global commodity price dynamics.

Amid the adverse scenario mentioned above, Mozambique's economy experienced a slowdown, with GDP growth reaching only 1.85% in 2024. This growth was primarily supported by the favourable performance of the extractive industry, particularly the production and export of Liquefied Natural Gas (LNG), in a context where the secondary and tertiary sectors showed signs of deceleration. As mentioned above, economic growth was severely impacted by the performance in the last quarter of the year (-4.87%).

The actions of the Bank of Mozambique (BdM) in terms of monetary policy ensured that inflation followed a downward trend until October 2024, standing at 2.68% (compared to 4.29% at the end of 2023), reflecting the stability of the general price level. However, this scenario was reversed with a sharp deterioration to 4.15% in December 2024, as a result of supply constraints in goods and services caused by the effects of post-electoral tensions.

On the foreign exchange front, the metical remained stable against the US dollar, although demand-side pressures persisted due to the imbalance between exports and imports, especially fuel imports, which represent significant values and have not received support from the BdM through foreign currency sales since 2023.

Given the context of exchange rate stability, in a scenario where the assessment of risks and uncertainties associated with inflation projections remained favourable, and with the aim of stimulating economic growth, the Bank of Mozambique adopted an expansionary monetary policy from the beginning of 2024. It reduced the MIMO rate to 12.75%, resulting in a cumulative reduction of 450 bp throughout 2024. This also led to a reduction of the system's Prime Rate by 440 bp, bringing it to 19.70%, with a positive impact on financing costs. However, the Bank of Mozambique adopted a more cautious approach in managing the Required Reserves, maintaining high levels of 39.00% for deposits in local currency and 39.50% for deposits in foreign currency, due to the persistence of certain risks, particularly the increase in public debt.

The fourth quarter of 2024 proved particularly challenging compared to the previous three quarters, as the country felt the repercussions of post-electoral tensions, as previously mentioned. This led to a contraction in economic activity, a decline in state revenues, an increase in public debt, reduced confidence from the business sector and foreign investors, and a consequent drop in foreign investment and delays in the start of Oil & Gas projects in the north of the country. These developments further worsened the foreign exchange shortage that has been ongoing since 2023.

The strategy to mitigate the impacts of the challenging environment experienced in 2024, as well as the events associated with the post-electoral tensions in the fourth quarter of 2024, was anchored in revenue diversification and strengthening the Bank's resilience. This approach aimed to ensure greater coverage for a potential increase in the risk associated with the Bank's various assets. Taking into account the impacts of post-electoral tensions and the outlook for public finances, the assessment of economic performance and the underlying risk factors in the Bank's impairment model was revised. As a result, the Bank strengthened coverage for assets exposed to credit and sovereign risk, including an impairment overlay for Financial Assets and Direct Loans to the State, reflecting the outlook for a significant downgrade of the country's credit rating. This risk deterioration outlook materialised with the downgrade of the country's rating by Fitch and Standard & Poor's (S&P) on 19 February 2025, followed by a further review by S&P on 21 March 2025, which placed the country's sovereign debt rating in local currency under 'Selective Default'. The Bank's level of impairments for Sovereign Debt, as recorded in the 2024 accounts, already includes the necessary coverage to reflect this 'Selective Default' scenario.

The strategy adopted by the Bank enabled the Balance Sheet to remain resilient to external shocks, preserving the robustness and strength that have been built over recent years through strict financial discipline and prudent risk management. Thus, in 2024, the Bank achieved a Net Income of MT 6,039.73 million, supported by sustainable growth in Operating Income, an adequate capital level, appropriate risk coverage, all within a challenging economic and country risk context, and comfortable liquidity levels, aligned with the objectives of the Bank's Strategic Plan.

Results and Profitability

Operating in a challenging context, BCI's Net Operating Income recorded growth of 2.50% (MT +523.93 million) compared to the same period last year, driven by strong performance in the Financial Margin (+4.73%) due to the increase in the volume of the Loan Portfolio and Financial Assets in domestic currency, despite a backdrop of declining market interest rates and high Required Reserve ratios. However, Impairments and Provisions increased by 127.09% (MT +2,395.43 million), mainly due to the country's rating downgrade, significantly impacting the results. Thus, the Net Income for 2024 recorded a decrease of 26.18%, reaching MT 6,039.73 million compared to MT 8,181.43 million achieved in 2023. This decline impacted the reduction of the Return on Equity (ROE) and Return on Assets (ROA) ratios, which stood at 19.26% (29.74% in 2023) and 2.64% (3.89% in 2023), respectively.

The reduction in Net Income was due to the following factors: i. a decrease in Credit Recovery income and an increase in Impairments and Provisions expenses, reflecting the Bank's prudent risk assessment policy and the need to strengthen coverage of its assets amid a challenging economic environment, anticipating potential negative impacts from post-electoral tensions, particularly concerning the country's rating downgrade, as explained above; ii. negative performance of the Complementary Margin (MT -220.6 million), driven by a decline in Net Commissions (MT -289.60 million), impacted by reduced transaction volumes through electronic channels due to temporary unavailability and instability of some channels and payment methods during the migration to the new Euronet platform, as well as reduced revenues from Card Annual Fees; and iii. growth in Operating Costs (+9.98%), as in 2024 the Bank implemented several initiatives to enhance customer service quality and improve technological platforms, resulting in a cost-to-income ratio of 46.21%, compared to 43.07% in the same period of 2023 (+3.14 pp).

Regarding Taxes, there was a decrease of 33.97%, largely explained by the reduction in Withholding Tax on Interbank Money Market (IMM) operations, in line with the lower interest volume from these operations following the decline in market interest rates, as well as by the Tax Adjustment related to Previous Fiscal Years carried out in 2023. Additionally, it is important to note that a significant amount of Deferred Tax Income was recorded as a deduction under the Income Tax expense line item.

(Thousand Meticais)

Profit-and-Loss Account	Dec-23	Dec-24	Variation	
			Absolute	Relative
Net interest income	15 728 388	16 472 957	744 569	4,73%
Complementary Margin	5 212 388	4 991 744	(220 644)	(4,23%)
Net Operating Income	**20 940 776**	**21 464 700**	**523 925**	**2,50%**
Staff Costs	5 140 646	5 575 872	435 226	8,47%
Other Administrative Expenditures	3 025 795	3 492 866	467 071	15,44%
Amortisation and depreciation	852 661	850 885	(1 776)	(0,21%)
Structure Costs	**9 019 102**	**9 919 623**	**900 521**	**9,98%**
Impairment and Provisions	1 884 891	4 280 325	2 395 434	127,09%
Income Before Taxes	**10 036 783**	**7 264 752**	**(2 772 030)**	**(27,62%)**
Tax	1 855 349	1 225 025	(630 323)	(33,97%)
Net income	**8 181 434**	**6 039 727**	**(2 141 707)**	**(26,18%)**

Net Interest Income

The Bank of Mozambique initiated a cycle of market interest rate reductions in 2024, while maintaining high levels of Required Reserves - factors that constrained the performance of the Net Interest Income throughout the year.

Even so, the Net Interest Income reached MT 16,472.96 million in 2024, compared to MT 15,728.39 million in 2023, which corresponds to a growth of MT +744.57 million (+4.73%). This growth was driven by an increase in Interest and Similar Income (+2.70%), resulting from strong performance in the Deposit portfolio, which boosted liquidity and supported the expansion of Financial Assets and Loans to Customers, despite the sharp drop in interest rates that had a negative price effect on Interest on Loans and Investments in Credit Institutions.

The increase in Interest on Loans (+7.23%), which represents the largest component of Interest and Similar Income at 58.27% in 2024 (December 2023: 55.81%), was primarily driven by the growth of the portfolio of Consumer Credit in domestic currency, in a context of greater demand for credit resulting from economic growth.

Interest from Financial Assets grew by 8.68% due to an increase in the volume of the portfolio, in line with the Bank's interest rate risk management strategy, which consists of investing in financial instruments with longer repricing periods to mitigate the effects of rate cuts on the Net Interest Income. As a result, Financial Assets consolidated their position as the best investment option on the domestic market, contributing 34.88% of total Interest and Similar Income (December 2023: 32.69%). On the other hand, Interest on Investments in Credit Institutions dropped

(-36.25%), reflecting the reallocation of funds toward investments in Financial Assets as well as the reduction in market interest rates.

Interest and Similar Costs performed favourably (-1.53%), driven by a disciplined policy on deposit remuneration aligned with the reduction of the MIMO rate, and by a significant decrease in Interest on Resources from Central Banks (-97.5%), which resulted from borrowings from the Central Bank in 2023, particularly in the third quarter, following the increase of Required Reserves (RRs) in domestic currency by BdM to 39.5% with immediate effect. This scenario did not occur in the financial year in question in a context of an increase in customer deposits at the Bank and maintenance of RRs. However, this reduction was offset by an increase in interest on Customer Deposits (+3.12%), reflecting a strong growth in the Deposit portfolio.

It should be noted that the Net Interest Income was also influenced by the subsidised interest rate on loans to employees added to Interest on Loans, against Staff Costs amounting to MT 199.18 million (December 2023: MT 200.59 million).

(Thousand Meticais)

Net Interest Income	Dec-23	Dec-24	Variation	
			Absolute	Relative
Interest and Similar Income	24 105 849	24 757 833	651 983	2,70%
Interest and Similar Costs	8 422 830	8 293 884	(128 946)	(1,53%)
Net fees associated with amortised cost	45 369	9 008	(36 361)	(80,14%)
Net interest income	**15 728 388**	**16 472 957**	**744 569**	**4,73%**
Net interest income rate	**9,90%**	**9,28%**		

Net Fee and Commission Income

Net Commissions amounted to MT 1,486.16 million in 2024, representing a decrease of 16.31% (MT -289.60 million) compared to MT 1,775.76 million in the same period last year. This decline largely reflects the reduced transaction volume of customers using Electronic Channels during the migration to the Euronet system. The negative impact had a greater impact on the Commissions Received in terms of income from the Mobile, ATM and POS channels, compared to the Commissions payable to service providers for each transaction carried out on the respective channels. During

the second half of 2024 there was a gradual upturn in transactions, with the stabilisation of the systems and the Bank's initiatives to enhance and promote customer service through Electronic Channels. From a regulatory perspective, the discontinuation of certain fees and commissions occurred following the directive of the Bank of Mozambique under Notice No. 13/2017, with a significant impact on both Electronic Channel Commissions and other Commissions.

(Thousand Meticais)

Net Fees	Dec-23	Dec-24	Variation	
			Absolute	Relative
For guarantees provided	346 076	337 501	(8 575)	(2,48%)
For services rendered	542 964	375 346	(167 617)	(30,87%)
For operations on behalf of third parties	91 858	107 101	15 243	16,59%
Electronic Banking	1 566 456	1 203 173	(363 283)	(23,19%)
Other income from commissions	716 644	566 515	(150 130)	(20,95%)
Fees Received	**3 263 999**	**2 589 636**	**(674 363)**	**(20,66%)**
For services provided to third parties	6 003	3 872	(2 131)	(35,50%)
Electronic Banking	1 207 870	802 469	(405 402)	(33,56%)
Correspondent banks commissions	61 758	91 538	29 779	48,22%
Other expenses with commissions	212 612	205 602	(7 010)	(3,30%)
Fees Paid	**1 488 244**	**1 103 480**	**(384 764)**	**(25,85%)**
Net Fees	**1 775 755**	**1 486 156**	**(289 599)**	**(16,31%)**
Net Fees/Banking Product	**8,48%**	**6,92%**		



Income from Financial transactions

In 2024, Income from Financial Transactions amounted to MT 2,661.09 million, corresponding to an increase of MT 66.01 million (+2.54%) compared to the MT 2,595.09 million recorded in 2023. This growth was driven by gains from discounts on Treasury Bonds purchased below par, as well as increased income from foreign exchange operations.

(Thousand Meticais)

Income from Financial transactions	Dec-23	Dec-24	Variation	
			Absolute	Relative
Income from Financial transactions	**2 595 090**	**2 661 096**	**66 006**	**2,54%**
Gains on Financial Transactions	143 600 339	127 559 118	(16 041 222)	(11,2%)
Losses on Financial Transactions	141 005 250	124 898 022	(16 107 228)	(11,4%)
Result from Financial Transactions/Banking Product	**12,39%**	**12,40%**		

Other Operating Income

Other Operating Income amounted to MT 804.51 million in 2024, compared to MT 829.03 million in 2023, representing a slight decrease of MT 24.52 million (-2.96%), largely attributable to a substantial reduction in Operating Income (MT -93.38 million). This development is mainly explained by decreased Office Costs resulting from the discontinuation of customer collections in 2023, as well as a reduced volume of checkbooks due to the proactive issuance of individual checks in 2023. These measures were taken to mitigate the impact on customers during periods of unavailability of electronic payment methods during the migration to the Euronet system. However, it is worth noting that the negative performance was mitigated by the reduction in Operating Expenses (MT -68.86 million).

(Thousand Meticais)

Other Net Operating Income	Dec-23	Dec-24	Variação	
			Absolute	Relative
Other Operating Income	1 418 797	1 325 415	(93 382)	(6,6%)
Other Operating Expenses	589 763	520 905	(68 858)	(11,7%)
Total	**829 033**	**804 510**	**(24 523)**	**(2,96%)**

Structure Costs

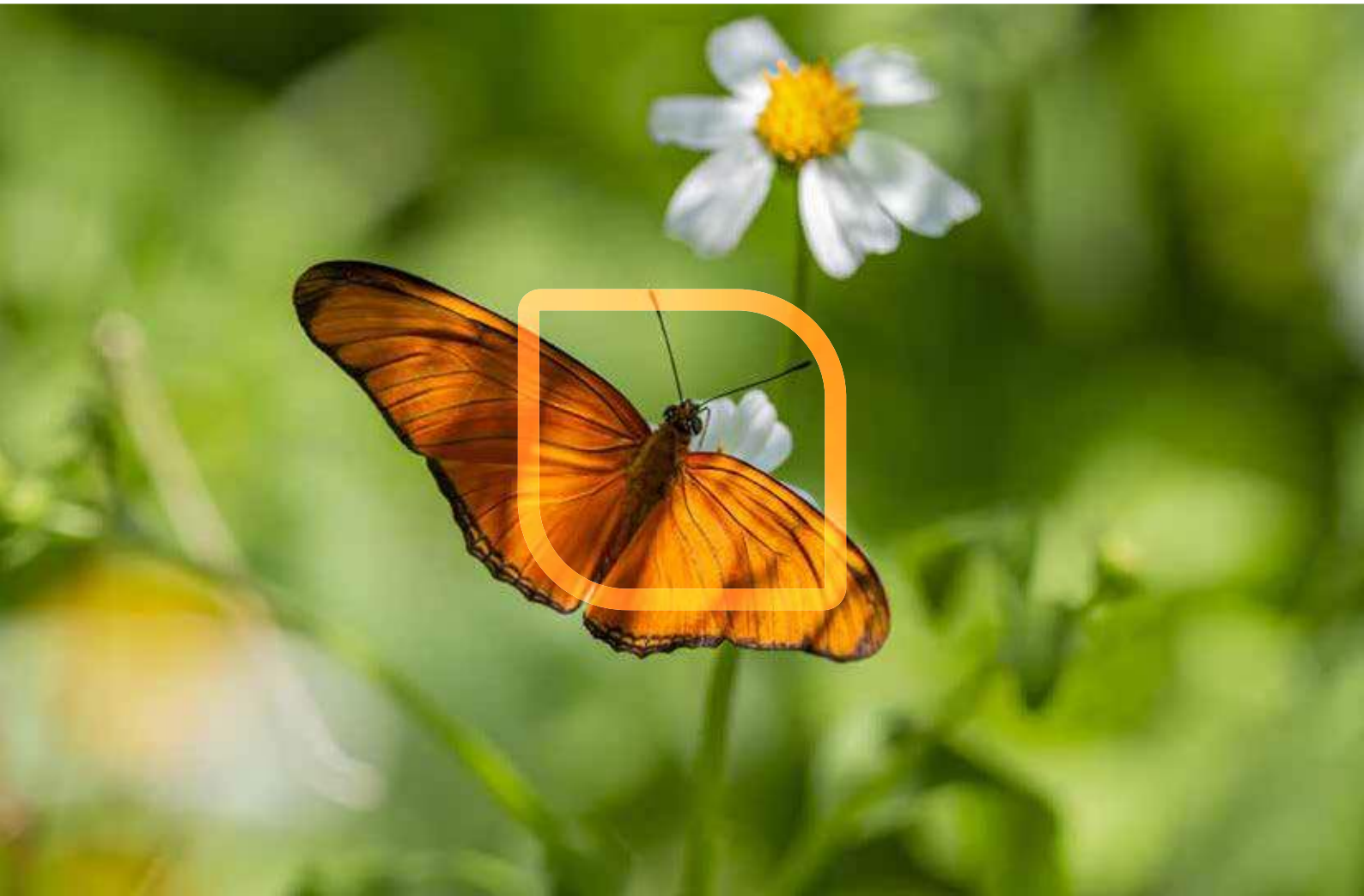
The Bank has been implementing a series of initiatives, determined by the Costs and Investments Committee, focused on rationalising costs and achieving efficiency gains by optimising processes, renegotiating contracts and centralising procurement. In 2024, as part of its strategy to enhance quality and ensure excellence in service provision, the Bank focused on investing in technological infrastructure improvements, strengthening its capacity to respond to new technological and cybersecurity challenges, as well as evolving regulatory requirements. This aligned the Bank's operational structure with the growing demand for innovative and personalised banking solutions, while committing to providing agile responses to customers' needs in an increasingly dynamic and competitive environment.

As a result, Structure Costs, which include Staff Costs, General Administrative Expenditure and Amortisation for the year, reached MT 9.919.62 million in 2024, which represents an increase of 9.98% (MT +900.52 million) compared to the same period in 2023, essentially explained by an increase in General Administrative Expediture (+15.44%) and Staff Costs (+8.47%).

Of the total Structure Costs, 56.21% correspond to Staff Costs (57.00% in 2023), 35.21% to General Administrative Expenditure (33.55% in 2023) and 8.58% to Amortisation and Depreciation (9.45% in 2023).

(Thousand Meticais)

Structure Costs	Dec-23	Dec-24	Variation	
			Absolute	Relative
Staff costs	5 140 646	5 575 872	435 226	8,47%
Other Administrative Expenditures	3 025 795	3 492 866	467 071	15,44%
Amortisation and depreciation	852 661	850 885	(1 776)	(0,21%)
Structure Costs	**9 019 102**	**9 919 623**	**900 521**	**9,98%**
Net operating income	**20 940 776**	**21 464 700**	**523 925**	**2,50%**
Cost-To-Income	**43,07%**	**46,21%**		**3,14pp**



Staff Costs

EIn 2024, Staff Costs remained the largest component of the cost structure, amounting to MT 5,575.87 million, compared to MT 5,140.65 million in the same period of 2023, representing an increase of 8.47% (MT +435.23 million). This increase reflects the impact of the annual salary scale adjustment and merit-based promotions, as well as higher costs related to medical and pharmaceutical assistance for employees.

It should be noted that the figures for Staff Costs include MT 199.18 million (December 2023: MT 200.59 million), corresponding to the impact of the subsidised interest rate on loans to employees, which was added to Interest on Loans against Staff Costs, in accordance with the International Financial Reporting Standards (IFRS).

(Thousand Meticais)

Staff Costs	Dec-23	Dec-24	Variation	
			Absolute	Relative
Remuneration of Management and Supervisory Bodies	280 376	279 899	(476)	(0,17%)
Remuneration of Employees	4 261 762	4 643 580	381 818	8,96%
Social Security Contribution	181 551	198 089	16 538	9,11%
Other Staff Costs	416 958	454 304	37 347	8,96%
Total	**5 140 646**	**5 575 872**	**435 226**	**8,47%**
SC / Banking Product Ratio	**24,55%**	**25,98%**	**1,43pp**	

General Administrative Expenditure

General Administrative Expenditure totalled MT 3,492.87 million in 2024, which represents a significant increase of 15.44% (MT +467.07 million) compared to the MT 3,025.79 million recorded in 2023. Key contributors included:

i. Staff Training, due to an increased number of employees attending courses provided by the Bank as part of its strategy to strengthen staff competencies;
ii. Retainers and Fees, explained by the increase in costs with the outsourcing of some services, aligned with initiatives to enhance customer service quality;
iii. Acquisition of new software, as part of process automation and risk mitigation initiatives; and
iv. Advertising, aimed at strengthening the BCI brand's proximity to customers through various advertising channels.

(Thousand Meticais)

General Administrative Expenditure	Dec-23	Dec-24	Variation	
			Absolute	Relative
Water, Energy and Fuel	211 613	215 927	4 314	2,04%
Printed Material and Consumables	196 791	140 352	(56 439)	(28,68%)
Service and Repair Material	2 600	19 660	17 061	656,25%
Rents and Leases	71 957	80 437	8 480	11,78%
Communication and Shipping Expenses	686 399	612 246	(74 153)	(10,80%)
Travel, Lodging and Representation	90 200	103 291	13 091	14,51%
Advertising and Publishing	58 785	131 705	72 919	124,04%
Maintenance and Repair	353 574	328 768	(24 807)	(7,02%)
Training and Staff Development	26 582	76 987	50 404	189,61%
Insurance	57 977	58 187	209	0,36%
Security and Surveillance	548 442	717 943	169 501	30,91%
Other Third-Party Services and Supplies	720 874	1 007 365	286 491	39,74%
Total	**3 025 795**	**3 492 866**	**467 071**	**15,44%**
GAE / Banking Product Ratio	**14,45%**	**16,27%**	**1,82pp**	

The increase in the ratio of General Administrative Expenditure to Net Operating Income, which stood at 16.27% in 2024 compared to 14.45% in 2023, reflects a more pronounced rise in administrative costs relative to revenue growth.



Amortisation and Depreciation for the period

In 2024, amortisation for the year stood at MT 850.89 million, showing a very slight decrease (-0.21%) when compared to the amount of MT 852.66 million recorded in the same period last year.

(Thousand Meticais)

Amortisations	Dec-23	Dec-24	Variation	
			Absolute	Relative
Tangible Assets	813 241	812 348	(893)	(0,11%)
For Own Use	522 408	550 901	28 492	5,45%
Properties	88 612	86 261	(2 351)	(2,65%)
Equipment	433 797	464 640	30 843	7,11%
Construction works in leased buildings	38 121	35 560	(2 560)	(6,72%)
Assets under operating lease	252 712	225 887	(26 824)	(10,61%)
Intangible Assets	39 420	38 537	(883)	(2,24%)
Total	**852 661**	**850 885**	**(1 776)**	**(0,21%)**
Amortisation/Operating Income Ratio	**4,07%**	**3,96%**	**(0,11pp)**	

Efficiency Ratio

The Cost-to-Income ratio stood at 46.21% at the end of 2024, reflecting a deterioration (+3.14 pp) compared to the 43.07% recorded in the same period of 2023. This development reflects the Bank's Net Operating Income growth (+2.50%) being lower than the increase in Structure Costs (+9.98%), for the reasons outlined above.

(Thousand Meticais)

Structure Costs	Dec-23	Dec-24	Variation	
			Absolute	Relative
Staff Costs	5 140 646	5 575 872	435 226	8,47%
General Administrative Expenditure	3 025 795	3 492 866	467 071	15,44%
Operating Costs	8 166 441	9 068 738	902 297	11,0%
Amortisations	852 661	850 885	(1 776)	(0,2%)
Structure Costs	**9 019 102**	**9 919 623**	**900 521**	**9,98%**
Net Operating Income	**20 940 776**	**21 464 700**	**523 925**	**2,50%**
Cost-to-Income	**43,07%**	**46,21%**	**3,14pp**	
SC/Banking Product Ratio	24,55%	25,98%	1,4pp	
GAE/Banking Product Ratio	14,45%	16,27%	1,8pp	
Amortisation/Operating Income Ratio	4,07%	3,96%	(0,1pp)	

Net Impairment and Provisions

In 2024, Net Impairments and Provisions stood at MT 4,280.33 million, which corresponds to an increase of MT +2,395.43 million, compared to the MT 1,884.89 million recorded in the same period last year.

In line with the Bank's strategy of maintaining Balance Sheet resilience, the year was marked by a prudent stance approach to strengthening Asset Impairments. This approach was strengthened in the fourth quarter of 2024, in terms of coverage for credit risk and sovereign risk, considering the impacts of post-electoral tensions and the outlook for public finances amid economic slowdown. This signalled the potential downgrade of the Country risk by Fitch and Standard & Poor's (S&P) in February 2025, followed by the sovereign debt in domestic currency rating being classified as 'Selective Default' by S&P on 21 March 2025.

The main impacts under this item were essentially:

i. Allocation and strengthening of Impairments for Financial Assets, notably Domestic Public Debt Securities, and increased impairment for Direct and State-guaranteed Loans, following the results of the Bank's impairment model within a challenging economic context, as detailed above, with particular emphasis on the Country rating downgrade and the outlook resulting from post-electoral tensions;
ii. Partial reversal of Impairments of Other Assets, recognised in December 2023, considering the ongoing electronic channel system migration process and the adaptation of the Bank's reconciliation systems at that time. The completion of the implementation of reconciliation processes and workflows during 2024 enabled the release of impairments, and an additional reversal of the remaining impairments is expected in 2025, with process stabilisation anticipated in the first half of 2025;
iii. A high volume of income from Credit Recoveries on write-offs was recorded in 2023, totalling MT 1,635.1 million, including a transaction valued at MT 1,011.9 million considered an extraordinary event; and
iv. Provisioning was made in 2023 for the reimbursement of Commissions in compliance with Notice No. 13/2017, with a portion of these provisions reversed in 2024 following the final determination of the amounts to be refunded in interactions with the BdM. The reversal of these previously overstated provisions was offset by the recognition of new provisions related to the collection process of annual card fees, also resulting from interactions with the BdM during 2024.

(Thousand Meticais)

Net Impairment and Provisions	Dec-23	Dec-24	Variation	
			Absolute	Relative
Provisions	605 641	62 951	(542 690)	(89,61%)
Financial Assets and Loans Impairment	190 460	3 681 922	3 491 462	1833,17%
Net Reinforcement	1 825 479	4 018 378	(2 192 899)	(120,13%)
Recovery of Bad Credit	(1 635 019)	(336 457)	(1 298 562)	79,42%
Impairment of Other Assets[1]	1 088 790	535 452	553 338	50,82%
Total	**1 884 891**	**4 280 325**	**2 395 434**	**127,09%**

[1]Includes: Impairment of Other Debtors and Other Applications, as well as Other Tangible Assets and Non-Current Assets Held for Sale

Tax for the Financial Year

In 2024, Taxes for the Year amounted to MT 1,225.03 million, corresponding to a decrease of 33.97% compared to the same period in 2023. This change was driven by a reduction in Withholding Tax on Debt Securities and IMM operations, reflecting lower interest income from these transactions following the decline in market interest rates. Additionally, it was influenced by a Tax Adjustment related to Previous Fiscal Years amounting to MT 293 million, made in 2023.

Additionally, it is important to highlight that a significant amount of Deferred Tax Income, totalling MT 1,308 million, was recorded. This relates to temporary differences associated with impairments of Financial Assets and excess Credit Impairments compared to Regulatory Provisions, in accordance with the IRPC Code. This amount exceeded the MT 1,106 million recorded in 2023, reflecting the Bank's prudent approach in covering potential risks associated with the adverse post-electoral context.

(Thousand Meticais)

Tax for the Financial Year	Dec-23	Dec-24	Variação	
			Absolute	Relative
Current Tax	651 681	618 620	(33 061)	(5,07%)
Withholding Tax on Debt Securities and MMI	2 010 712	1 900 533	(110 179)	(5,48%)
Adjustment of Taxes for Past Years	293 047	0	(293 047)	(100,00%)
Deferred Tax	(1 106 822)	(1 307 692)	(200 870)	18,15%
Deferred Tax Charges	6 732	13 565	6 833	101,51%
Total	**1 855 349**	**1 225 025**	**(630 323)**	**(33,97%)**



BALANCE SHEET

BCI's financial performance was positive, especially the significant growth in Deposits (+15.01%) and Equity (+4.27%), which led to an overall growth in Assets of 10.38%, reaching MT 231,641.35 million compared to MT 209,856.24 million recorded in 2023. This development was mainly driven by growth in the Loan Portfolio, Financial Assets and Cash and Cash Equivalents, offset by a reduction in Investments in Credit Institutions.

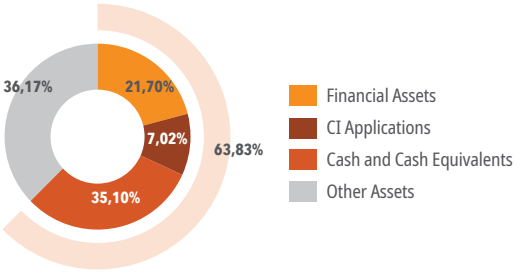
The Gross Customer Loans portfolio, excluding Loans financed by Consigned Funds, stood at MT 74,854.03 million in 2024, corresponding to an increase of 7.49% compared to the MT 69,641.17 million recorded in the same period of 2023.

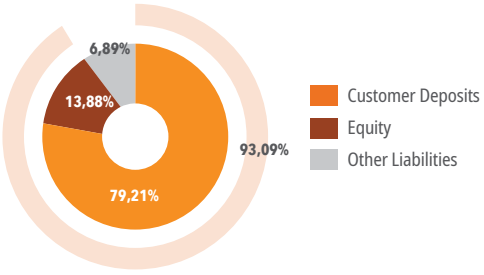
Liabilities stood at MT 199,487.52 million at the end of 2024, compared to MT 179,018.87 million in 2023, representing an increase of 11.43%, driven by an efficient commercial strategy, reflected in a significant rise in Customer Deposits (+15.01%), reaching MT 183,483.08 million compared to MT 159,530.66 million in the same period of 2023. This development in Deposits, combined with the increase in Loans (excluding Loans granted with Consigned Funds), led to a widening of the commercial gap and a reduction in the Loan-to-Deposit Ratio to 40.43% in 2024, compared to 43.27% recorded in 2023.

Equity totalled MT 32,153.83 million in December 2024, corresponding to a positive evolution of 4.27% (MT +1,316.47 million) when compared to the MT 30,837.36 million recorded in December 2023.

Thus, the structure of the Balance Sheet shows that the Bank has adequate levels of liquidity, with a total of 63.83% of Assets made up of the aggregate of Financial Assets, Investments in Credit Institutions, Cash and Cash Equivalents. Total assets were 93.09% financed by Customer Deposits and Equity.

LIQUIDITY





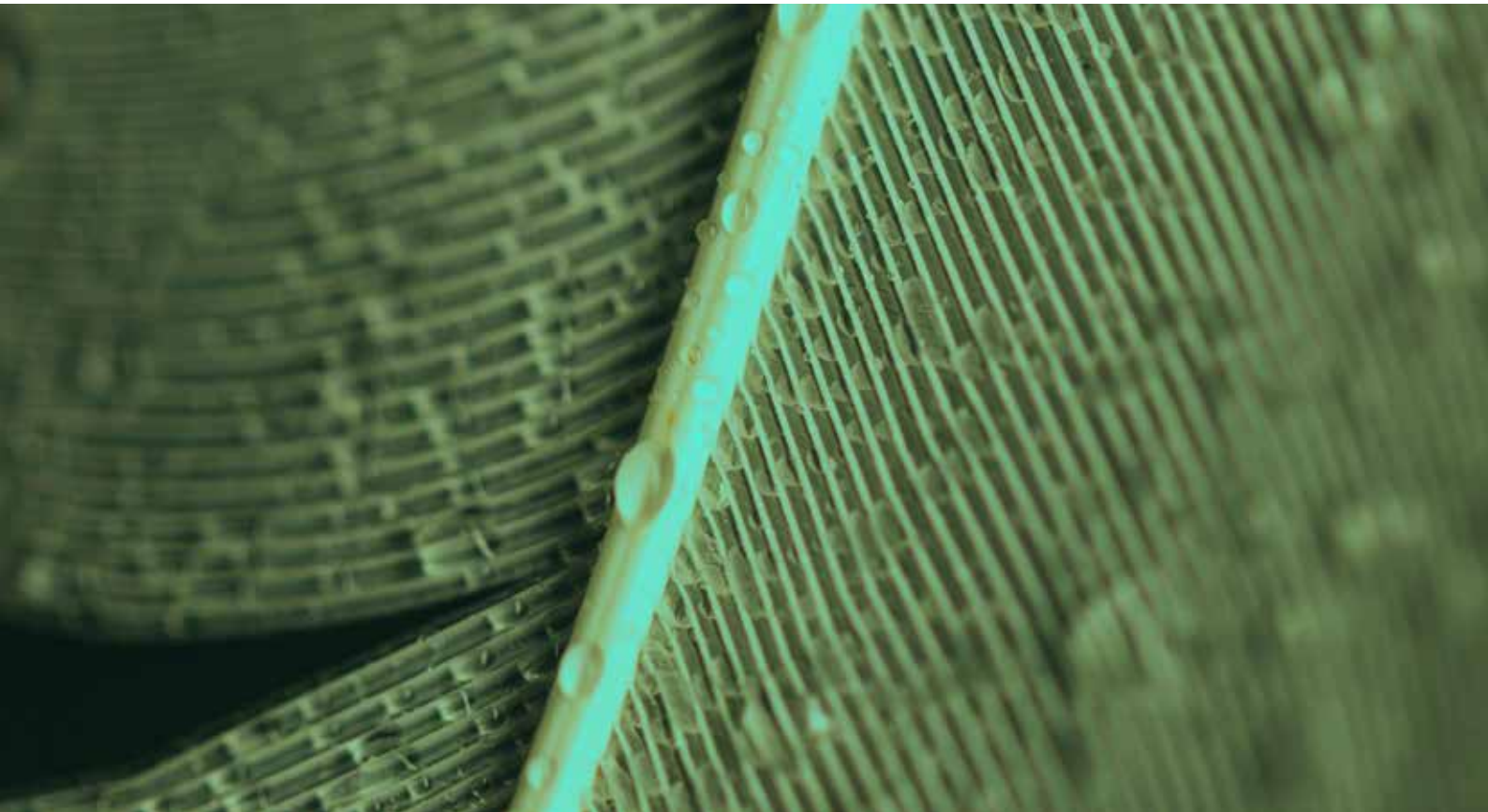
Other assets include: Investment properties, investments in subsidiaries and associates, current and deferred tax assets, and other assets.
Other liabilities include: liabilities represented by securities, other subordinated liabilities, current and deferred tax liabilities, other liabilities, and provisions.

Balance sheet as at 31 December 2023 and 31 December 2024

(Thousand Meticais)

Balance Sheet Structure	Dec-23	Dec-24	Variação	
			Absolute	Relative
Assets				
Cash and Cash Equivalents	64 633 640	81 311 146	16 677 505	25,80%
Investments in Credit Institutions	22 661 869	16 264 393	(6 397 476)	(28,23%)
Financial Assets	43 878 968	50 274 155	6 395 187	14,57%
Loans and Advances to Customers	67 210 965	71 417 689	4 206 724	6,26%
Of which Loans with Consigned Funds	4 097 469	3 353 180	(744 289)	(18,16%)
Non-Current Assets Held for Sale	1 082 142	1 125 160	43 018	3,98%
Property and equipment and right-to-use assets	6 417 580	6 416 343	(1 238)	(0,02%)
Other Assets[1]	3 971 072	4 832 466	861 393	21,69%
Total assets	**209 856 237**	**231 641 351**	**21 785 115**	**10,38%**
Liabilities				
Customer Deposits	159 530 663	183 483 079	23 952 417	15,01%
Deposits from Central Banks	89 144	32 904	(56 240)	(63,09%)
Deposits from credit institutions	1 131 612	1 211 511	79 900	7,06%
Consigned Funds	4 249 709	3 418 706	(831 003)	(19,55%)
Other Liabilities[2]	14 017 745	11 341 318	(2 676 428)	(19,09%)
Equity	30 837 364	32 153 832	1 316 468	4,27%
Total Liabilities and Equity	**209 856 237**	**231 641 351**	**21 785 115**	**10,38%**

[1]Includes: Investment Property, Investments in Subsidiaries and Associated Companies, Current and Deferred Tax Assets, and Other Assets.
[2]Includes: Securities Liabilities, Subordinated Liabilities, Current and Deferred Tax liabilities, Other Liabilities, and Provisions.



Loans and Advances to Customers

In a context marked by a decline in the reference interest rate, encouraging higher demand for financing, the gross Customer Loan Portfolio - excluding Loans financed by Consigned Funds (which amounts to MT 3,353.28 million) - grew by 7.49%, reaching MT 74,854.03 million in 2024 compared to MT 69,641.17 million in the same period last year. This growth mainly reflects an increase in Loans in Domestic Currency (MT +3,557.20 million), driven by Consumer Credit growth of MT +6,570.88 million (+23.31%), also highlighting increased diversification of the portfolio.

The reduction in Loans with Consigned Funds (MT -744.29 million) compared to the same period last year was influenced by the amortisation of the portfolio throughout 2024, in accordance with the payment plan.

The growth of the Loan portfolio enabled the Bank to maintain its leading position in the domestic banking system throughout 2024, reaching a market share of 26.94% in December 2024 (December 2023: 24.25%).

Regarding the Net Loan Portfolio, it recorded an increase of 6.26% (MT +4,206.72 million) compared to the same period last year, amounting to MT 71,417.69 million compared to MT 67,210.97 million.

(Thousand Meticais)

Loans and Advances to Customers	Dec-23	Dec-24	Variação	
			Absolute	Relative
Loans and advances to customers (gross ex consigned funds)	**69 641 173**	**74 854 027**	**5 212 854**	**7,49%**
Domestic Currency Loans	61 908 865	65 466 063	3 557 198	5,75%
Foreign Currency Credit	7 732 308	9 387 964	1 655 656	21,41%
Loans with Consigned Funds	4 097 469	3 353 180	(744 289)	(18,16%)
Gross Loans (Total)	73 738 642	78 207 207	4 468 565	6,06%
Accumulated Loan Impairment	(6 527 677)	(6 789 518)	(261 841)	4,01%
Loans and Advances to Customers (Net)	**67 210 965**	**71 417 689**	**4 206 724**	**6,26%**

Asset Quality and Impairment

The regulatory Non-Performing Loans (NPL) ratio showed a slight improvement, decreasing from 11.02% in 2023 to 10.97% at the end of 2024. The current context has required greater prudence from the Bank in strengthening impairments to address credit risk and sovereign risk, given the potential impact of post-electoral tensions on the quality of Loans and Financial Assets, resulting in an allocation and enhancement of an impairment overlay for exposure to Financial Assets associated with sovereign risk, namely Public Debt Securities, as well as the reinforcement of impairments for Direct and State-guaranteed Loans. In this context, the Coverage Ratio of Debt Securities by their respective impairments stood at 5.48% in 2024, compared to 0.67% recorded in 2023.

Accumulated Loan Impairment reached MT 6,789.52 million at the end of December 2024, representing an increase of MT 261.84 million compared to December 2023.

Asset quality, as measured by the NPL ratio calculated according to the criteria of the European Banking Authority (EBA), also improved, decreasing from 3.84% in 2023 to 2.84% in 2024. The coverage of NPLs by impairments increased from 111.51% in 2023 to 142.67% in 2024, driven by a reduction in the volume of NPLs.

The Cost of Risk, calculated considering only Credit risk, stood at 1.01% in 2024, compared to 0.18% in 2023.

Indicators calculated according to Bank of Mozambique criteria

(Thousand Meticais)

Qualidade de Crédito	Dec-23	Dec-24	Variation
Non-Performing Loans (>90 days)	8 134 560	8 583 935	449 376
Accumulated Loan Impairment	6 527 677	6 789 518	261 841
NPL Ratio (%)	11,02%	10,97%	(0,05pp)
Coverage of Overdue Loans by Impairments (%)	80,25%	79,10%	(1,15pp)

Indicators calculated according to European Banking Authority (EBA) criteria

(Thousand Meticais)

Qualidade de Crédito	Dec-23	Dec-24	Variation
Non-Performing Loans (NPL)	5 854 447	4 758 841	(1 095 606)
Accumulated Loan Impairment	6 527 677	6 789 518	261 841
NPL Ratio (%)	3,84%	2,84%	(1,00pp)
NPL coverage by impairments (%)	111,51%	142,67%	31,170pp
NPL coverage by impairments + Collateral (%)	120,58%	134,27%	13,690pp
Cost of Risk Ratio (%)	0,18%	1,01%	0,830pp

Securities Portfolio

In 2024, the Bank's Securities Portfolio, which includes Financial Assets at Amortised Cost and Financial Assets at Fair Value, reached 50,274.16 million MT, a significant increase (+14.57%) on the 43,878.97 million MT recorded in 2023. This growth was driven by available liquidity and the consequent increase in investments in Treasury Bills and Treasury Bonds, within the limits established by the Risk Appetite Framework, combined with the Bank's strategy to mitigate the impact of falling interest rates in 2024 on Net Interest Income. It should be noted that Financial Assets accounted for 21.70% of the Bank's Assets in December 2024, compared to 20.91% in 2023.

As mentioned above, in 2024 the Bank reinforced the allocation of impairments to the Sovereign Debt Securities Portfolio, reflecting the outlook for the macroeconomic environment and the potential downgrade rating which materialised in February and March 2025.

(Thousand Meticais)

Financial Assets	Dec-23	Dec-24	Variation	
			Absolute	Relative
Amortised Cost	**39 671 581**	**42 742 076**	**3 070 495**	**7,74%**
Treasury bills	22 233 843	27 905 503	5 671 660	25,51%
Treasury bonds	17 646 413	17 534 020	(112 393)	(0,64%)
Other Securities	61 197	58 920	(2 277)	(3,72%)
Impairment	(269 872)	(2 756 367)	(2 486 495)	921,36%
Fair Value	**4 207 387**	**7 532 079**	**3 324 693**	**79,02%**
Treasury bills	2 095 486	4 756 851	2 661 364	127,00%
Treasury bonds	1 889 457	2 500 754	611 296	32,35%
Other Securities	244 424	274 475	30 051	12,29%
Impairment	(21 981)	-	(21 981)	(100%)
Total	**43 878 968**	**50 274 155**	**6 395 188**	**14,57%**

Investments in Credit Institutions (CIs)

In 2024, Investments at CIs fell significantly by around 28.23% (MT -6,397.48 million), totalling MT 16,264.39 million compared to MT 22,661.87 million in 2023, which represents 7.02% of total Assets (10.80% in December 2023). This development is the result of a sharp reduction in Investments in Reverse Repo with the BdM, offset by liquidity investments in Financial Assets with longer repricing terms, as part of the Bank's strategy to mitigate interest rate risk on the Balance Sheet amid the declining market rate environment.

Foreign investments grew by 60.64% (MT +6,034.67 million) to reach MT 15,986.25 million in 2024, compared to MT 9,951.58 million in 2023, due to the increase in the foreign currency deposit portfolio.

(Thousand Meticais)

CI applications	Dec-23	Dec-24	Variation	
			Absolute	Relative
In Mozambique	12 710 752	278 148	(12 432 603)	(97,81%)
At the Bank of Mozambique	12 530 498	100 752	(12 429 746)	(99,20%)
In Other CIs	180 254	177 397	(2 857)	(1,59%)
Abroad	9 951 575	15 986 245	(6 034 670)	60,64%
Impairment	458	0	(458)	(100,00%)
Total	**22 661 869**	**16 264 393**	**(6 397 476)**	**(28,23%)**

Financing Structure

The financing structure of BCI's Assets continued to be characterised last year by the consolidation of the Customer Deposits portfolio as the main source of funding, amounting to 79.21%, with Equity financing Assets by 13.88%.

(Thousand Meticais)

Financing Structure	Dec-23	Dec-24	Variation
Customer Deposits	159 530 663	183 483 079	15,01%
Deposits from credit institutions	1 220 755	1 244 415	1,94%
Consigned Funds	4 249 709	3 418 706	(19,55%)
Other Liabilities[1]	14 017 745	11 341 318	(19,09%)
Equity	30 837 364	32 153 832	4,27%
Total	**209 856 237**	**231 641 351**	**10,38%**

[1]Includes: Securities Liabilities, Other Subordinated Liabilities, Current and Deferred Tax Liabilities, Other Liabilities, and Provisions

Customer Deposits amounted to MT 183,483.08 million in December 2024 compared to MT 159,530.66 million in 2023, a significant increase of 15.01% (MT +23,952.42 million), reflecting an increase in both Demand Deposits and Term Deposits. This change reflects, on the one hand, the natural effect of growth in nominal GDP and the monetary base, driven by an expansionary monetary policy cycle and the consequent increase in Credit to the Economy and, on the other, the impact of attracting new customers, thanks to the Bank's extensive retail network coverage. Thus, the Bank maintained its leadership in the deposit ranking against competitors, with a market share of 25.78% in December 2024 (25.39% in December 2023).

(Thousand Meticais)

Customer Deposits	Dec-23	Dec-24	Variation		Weight on Total	
			Absolute	Relative	dec-23	dec-24
Domestic currency deposits	**131 172 648**	**143 652 273**	**12 479 625**	**9,51%**	**82,22%**	**78,29%**
On Demand	88 771 678	98 568 196	9 796 518	11,04%	55,65%	53,72%
Term	41 591 469	44 412 784	2 821 315	6,78%	26,07%	24,21%
Other Deposits[1]	252 469	259 381	6 912	2,74%	0,16%	0,14%
Interest Payable	557 031	411 911	(145 120)	-26,05%	0,35%	0,22%
Foreign Currency Deposits	**28 358 015**	**39 830 807**	**11 472 792**	**40,46%**	**17,78%**	**21,71%**
On Demand	12 689 893	16 773 655	4 083 762	32,18%	7,95%	9,14%
Term	15 503 425	22 873 114	7 369 689	47,54%	9,72%	12,47%
Other Deposits[1]	29 176	26 517	(2 659)	-9,12%	0,02%	0,01%
Interest Payable	135 521	157 521	22 000	16,23%	0,08%	0,09%
Total	**159 530 663**	**183 483 079**	**23 952 417**	**15,01%**		

[1]Includes: Deposits redeemable at notice and Other Deposits



Deposits by Currency and Product

As regards the structure of Customer Deposits, 62.86% correspond to Demand Deposits and 36.67% to Term Deposits. Both Demand and Term Deposits recorded significant growth equivalent to 14% (MT +13,880.28 million) and 18% (MT +10,191.0 million), respectively, when compared to the same period last year, helping to strengthen the flow of funding.

Deposits in Domestic Currency continue to dominate the Customer Deposits structure, accounting for 82.22% of the total portfolio (December 2023: 78.30%) and growing by 9.51% compared to the same period in 2023. This growth was driven by both Demand Deposits (+11.04%) and Term Deposits (+6.78%).

In a context of exchange rate stability, Foreign Currency Deposits grew by 40.46%, with increases both in Demand Deposits (+32.18%) and Term Deposits (+47.54%). It is important to note that the share of Foreign Currency Deposits in the Total Deposits structure increased by 3.92 pp, representing 21.71% in 2024 compared to 17.78% in 2023.

(Thousand Meticais)

Customer Deposits	Dec-23	Dec-24	Variation	
			Absolute	Relative
Demand Deposits	**101 461 571**	**115 341 852**	**13 880 280**	**13,68%**
Domestic Currency	88 771 678	98 568 196	9 796 518	11,04%
Foreign Currency	12 689 893	16 773 655	4 083 762	32,18%
Term Deposits	**57 094 894**	**67 285 898**	**10 191 004**	**17,85%**
Domestic Currency	41 591 469	44 412 784	2 821 315	6,78%
Foreign Currency	15 503 425	22 873 114	7 369 689	47,54%
Other Deposits	**974 198**	**855 330**	**(118 868)**	**(12,20%)**
Total	**159 530 663**	**183 483 079**	**23 952 417**	**15,01%**



Loan-to-deposit Ratio

Despite the challenging context, BCI has endeavoured to strengthen its position as a driving force behind economic activity by granting credit to the economy without, however, neglecting to maintain a prudent and robust management profile in relation to Credit, Liquidity and Solvency risk in line with established policies, good international practices and local regulations.

As a result, in December 2024, BCI had a transformation ratio, excluding credit financed by consigned funds, of 40.43%, corresponding to a reduction of 2.84 pp (43.27% achieved in 2023). This performance reflects the strong growth in Customer Deposits (+15.01%), that is higher than the growth in the Loan Portfolio (+7.49%), which was reflected in the widening of the commercial gap.

(Thousand Meticais)

Loan-to-Deposit Ratio	Dec-23	Dec-24	Variation	
			Absolute	Relative
Customer Deposits	159 530 663	183 483 079	23 952 416,8	15,01%
Total Credit (Excluding Consigned Funds)	69 641 173	74 854 027	5 212 854,28	7,49%
Loan-to-Deposit Ratio	**43,27%**	**40,43%**	**(2,84pp)**	

Note: if consigned funds were included, the ratio would be Dec.24: 42.26% vs Dec.23: 45.85%

Equity and Solvency

Equity totalled MT 32,153.83 million, a figure 4.27% higher (MT +1,316.47 million) than the MT 30,837.36 million recorded in the same period last year, reflecting the Net Income for the year and the distribution of profits.

Despite the positive evolution of Equity, and the subsequent increase in Regulatory Equity by MT 3,007.36 million, the Capital Adequacy Ratios deteriorated, with the Basic Equity Ratio (Tier I Ratio) standing at 23.95% (25.19% in December 2023) and the Global Solvency Ratio (calculated



in accordance with Basel II rules) standing at 23.33% in December 2024, a reduction (-1.01 pp) compared to the 24.34% recorded in 2023, while remaining comfortably above the 14% minimum set by the Bank of Mozambique. This increase in the Solvency Ratio resulted of an increase in Risk Weighted Assets, essentially in the credit risk component, impacted by the increase in Mandatory Reserves, in line with the increase in the Deposits portfolio, whose Foreign Currency component is weighted at 150%.

In turn, the Bank continued to demonstrate strong liquidity, with a Liquidity Ratio well above the regulatory minimum (25%), standing at 41.03% in December 2024 (December 2023: 43.08%), reflecting the strong increase in Deposits and the reduction in the Loan-to-Deposit Ratio.

(Thousand Meticais)

Equity	Dec-23	Dec-24	Variation	
			Absolute	Relative
Share capital	10 000 000	10 000 000	-	0,00%
Legal Reserve	7 448 413	10 000 000	2 551 587	34,26%
Other reserves and retained earnings	5 459 807	5 769 946	310 139	5,68%
Revaluation Reserves	25 770	622 220	596 450	2314,49%
Own shares	(278 060)	(278 060)	-	0,00%
Net Income for the Year	8 181 434	6 039 727	(2 141 707)	(26,18%)
Total	**30 837 364**	**32 153 832**	**1 316 468**	**4,27%**

PROPOSED APPROPRIATION OF PROFITS

In accordance with Decree-Law no. 01/2022 - Commercial Code, with Law no. 20/2020 of 31 December 2020 - Credit Institutions and Financial Companies Law, and other applicable legislation, taking into account the Bank's Own Funds position, as well as the fact that the Solvency and Liquidity Ratio significantly above prudential limits, thus ensuring a robust capital and liquidity position, the Board of Directors submitted to the General Shareholders' Meeting the following proposal for the appropriation of the Net Profit for the year ending 31 December 2024, in the amount of **MT 6,039,727,174.76** (six thousand, thirty-nine million, seven hundred and twenty-seven thousand, one hundred and seventy-four meticais and seventy-six centavos):

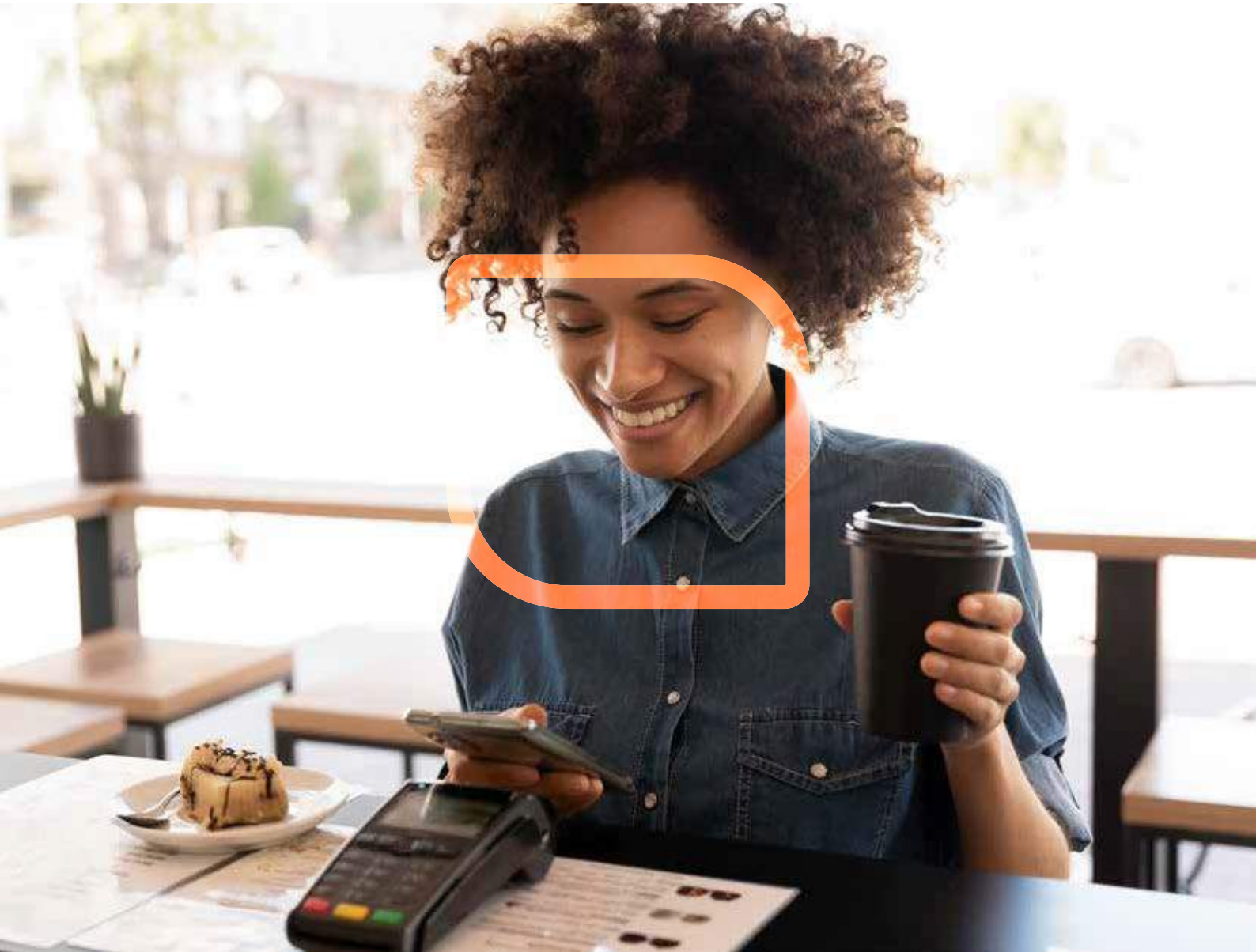
- **Legal Reserves (15%):** MT 905,959,076.21 (nine hundred and five million, nine hundred and fifty-nine thousand, seventy-six meticais and twenty-one centavos); and
- **Free Reserves (85%):** MT5,133,768,098.54 (five thousand, one hundred and thirty-three million, seven hundred and sixty-eight thousand, ninety-eight meticais and fifty-four centavos).

ACKNOWLEDGEMENTS AND REFERENCES

In concluding the presentation of the Bank's activities for FY 2024, the Board of Directors of BCI expresses its gratitude to all who contributed to the consolidation of this project, in particular:

- To our customers;
- To the monetary and financial authorities, for their assistance and support in developing BCI's activity;
- To the Board of the General Assembly and the Supervisory Board, for their cooperation throughout the year;
- To our correspondents;
- To our suppliers; and
- To the shareholders, for their vote of confidence and for their support and collaboration.

Special recognition is due to our Employees for their professionalism and dedication demonstrated in the performance of their duties, despite the ongoing challenges of the macroeconomic environment in which BCI operates, and they deserve our sincere gratitude.



APPROVAL OF THE MANAGEMENT REPORT

This Annual Management Report of Banco Comercial e de Investimentos, SA was approved by the Board of Directors on 27 March 2025 and is signed by its members:

Dr. Carlos Agostinho do Rosário
(Chairman)

Dr. Ibraimo Abdul Gafur Cassamo Bhai
(Voting Member and Executive Director)

Dr. José João Guilherme
(Vice-Chairman)

Dr. George Lenon Ibraimo Mandawa
(Voting Member and Executive Director)

Dr. Francisco Pinto Machado Costa
(Vice-Chairman and Chairman of the Executive Committee)

Dr. Raúl António Correia Saraiva de Almeida
(Voting Member and Executive Director)

Dr. Pedro Ferraz Correia dos Reis
(Voting Member and Executive Director)

Dr. João Paulo Tudela Martins
(Voting Member)

Dr. Luis Filipe Costa Reis Marques de Aguiar
(Voting Member and Executive Director)

Dr. Luis Miguel Gubert Morais Leitão
(Voting Member)

Eng.º Rogério Paulo Cabacinha Lam
(Voting Member and Executive Director)

Dra. Cecília Figueiredo Gaspar
(Voting Member)





FINANCIAL STATEMENTS

CONSOLIDATED AND INDIVIDUAL INCOME STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

Values expressed in Meticais

		Group		Bank	
	Notes	Dec-24	Dec-23	Dec-24	Dec-23
Interest and similar income	9.1	24 742 438 256	24 081 511 968	24 757 832 881	24 105 849 396
Interest and similar costs	9.1	(8 296 321 025)	(8 415 915 167)	(8 293 884 239)	(8 422 830 148)
Strict net interest income		**16 446 117 231**	**15 665 596 801**	**16 463 948 642**	**15 683 019 248**
Net fees associated with amortised cost	9.2	9 007 996	45 368 795	9 007 996	45 368 795
Net interest income		**16 455 125 227**	**15 710 965 596**	**16 472 956 638**	**15 728 388 043**
Profit/(loss) derecognising fair-value financial assets through other comprehensive income	9.3	38 296 470	9 546 174	38 296 470	9 546 174
Income from equity instruments	9.4	1 684 685	2 963 353	1 684 685	2 963 353
Fee and commission income	9.5	2 589 636 380	3 263 998 933	2 589 636 380	3 263 998 933
Expenditure on fees and commissions	9.5	(1 104 021 855)	(1 488 256 473)	(1 103 479 896)	(1 488 243 937)
Income from financial transactions	9.6	2 661 095 808	2 595 089 236	2 661 095 808	2 595 089 560
Other operating income	9.7	820 686 557	862 214 100	804 510 101	829 033 434
Operating income		**21 462 503 272**	**20 956 520 919**	**21 464 700 186**	**20 940 775 560**
Staff Costs	9.8	(5 580 417 819)	(5 144 646 090)	(5 575 871 842)	(5 140 645 977)
Other administrative expenditures	9.9	(3 495 636 755)	(3 027 757 301)	(3 492 865 906)	(3 025 794 928)
Impairment of loans and advances to customers and other financial assets	9.10	(3 681 921 704)	(190 460 015)	(3 681 921 704)	(190 460 015)
Impairment of other assets	9.10	(535 451 776)	(1 088 790 129)	(535 451 776)	(1 088 790 129)
Amortisation and depreciation	9.20/ 9.21/ 9.22	(828 994 877)	(835 168 069)	(850 885 311)	(852 660 953)
Net provisions	9.32	(62 951 325)	(605 640 849)	(62 951 325)	(605 640 849)
Income before tax		**7 277 129 016**	**10 064 058 466**	**7 264 752 322**	**10 036 782 709**
Income taxes	9.11	(1 226 664 811)	(1 861 781 747)	(1 225 025 147)	(1 855 348 621)
Net income		**6 050 464 205**	**8 202 276 719**	**6 039 727 175**	**8 181 434 088**
Consolidated income attributable to:					
Bank shareholders		6 047 330 477	8 190 867 975	6 039 727 175	8 181 434 088
Non-controlling interests		3 133 727	11 408 743	-	-
Earnings per Share					
Basic earnings per share	9.12	6,22	8,44	6,21	8,42
Diluted earnings per share	9.12	6,22	8,44	6,21	8,42

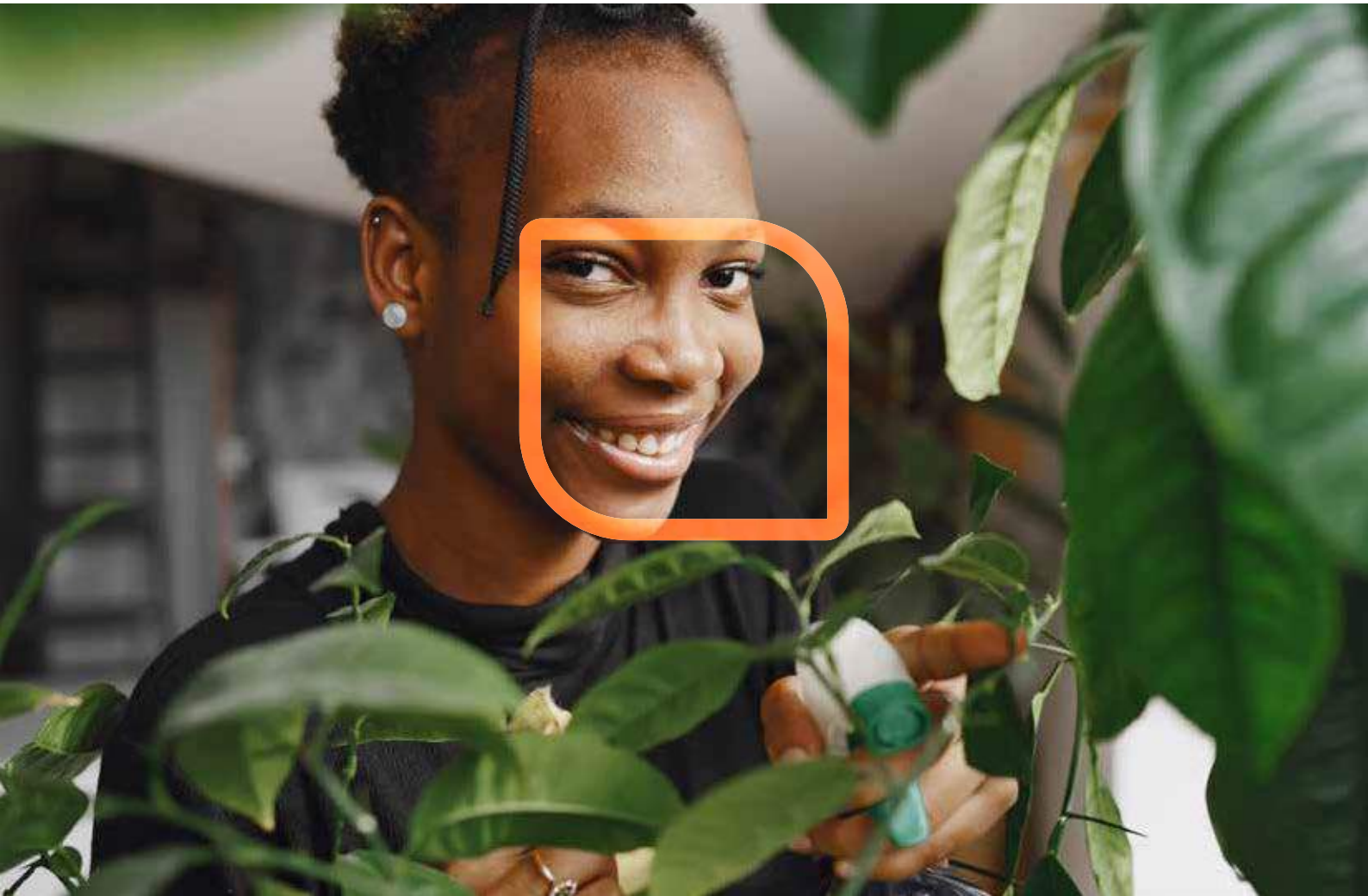
The accompanying notes form an integral part of these financial statements.

CONSOLIDATED AND INDIVIDUAL STATEMENTS OF COMPREHENSIVE NET INCOME FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2023

Values expressed in Meticais

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Net income		**6 050 464 205**	**8 202 276 719**	**6 039 727 175**	**8 181 434 088**
Items which may be latterly reclassified to profit and loss:					
Fair value income on financial assets		596 449 585	88 098 722	596 449 585	88 098 722
Deferred tax	9.23/ 9.29	(190 863 867)	(28 191 592)	(190 863 867)	(28 191 592)
	9.34	**405 585 718**	**59 907 130**	**405 585 718**	**59 907 130**
Items which cannot be latterly reclassified to profit and loss:					
Actuarial profit and loss					
Change occurred in the year	9.23/ 9.29	(180 065 000)	35 691 000	(180 065 000)	35 691 000
Deferred tax	9.34	57 620 800	(11 421 120)	57 620 800	(11 421 120)
		(122 444 200)	**24 269 880**	**(122 444 200)**	**24 269 880**
Comprehensive income		**6 333 605 723**	**8 286 453 729**	**6 322 868 693**	**8 265 611 098**
Consolidated income attributable to:					
Bank shareholders		**6 330 471 996**	**8 275 044 986**	**6 322 868 693**	**8 265 611 098**
Non-controlling interests		**3 133 727**	**11 408 743**	**-**	**-**
		6 333 605 723	**8 286 453 729**	**6 322 868 693**	**8 265 611 098**

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



CONSOLIDATED AND INDIVIDUAL BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2023

Values expressed in Meticais

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
ASSETS					
Cash and cash equivalents at central banks	9.13	80 779 080 185	61 667 286 526	80 779 079 379	61 667 285 720
Cash and cash equivalents at credit institutions	9.14	532 069 542	2 966 357 802	532 066 144	2 966 354 404
Investments in credit institutions	9.15	16 264 393 298	22 661 869 264	16 264 393 298	22 661 869 264
Financial assets at amortised cost	9.16	42 742 075 956	39 671 581 100	42 742 075 956	39 671 581 100
Fair-value financial assets through other comprehensive income					
of which with repurchase agreement	9.16	7 532 079 280	4 207 386 684	7 532 079 280	4 207 386 684
Loans and advances to customers	9.17	71 311 187 621	67 088 121 844	71 417 689 145	67 210 964 844
Investments in subsidiaries	9.18	-	-	460 059	460 059
Non-current assets held for sale	9.19	1 125 159 832	1 082 141 781	1 125 159 832	1 082 141 781
Investment Properties	9.20	690 991 059	717 773 364	206 731 984	222 544 892
Property and equipment and assets under right of use	9.21	6 427 531 025	6 450 922 732	6 416 342 593	6 417 580 265
Intangible Assets	9.22	167 570 044	219 191 565	167 570 044	219 191 565
Current tax assets	9.23	588 183 374	678 682 320	577 290 244	671 114 526
Deferred tax assets	9.23	2 488 755 570	1 146 221 379	2 487 606 923	1 144 347 004
Other assets	9.24	1 032 477 662	1 310 393 499	1 392 806 273	1 713 414 413
TOTAL ASSETS		**231 681 554 448**	**209 867 929 860**	**231 641 351 154**	**209 856 236 521**
LIABILITIES					
Deposits from Central Banks	9.25	32 904 136	89 143 689	32 904 136	89 143 689
Deposits from credit institutions	9.26	1 211 511 028	1 131 611 516	1 211 511 028	1 131 611 516
Customer deposits	9.27	183 451 073 077	159 498 656 217	183 483 079 416	159 530 662 556
of which received as collateral under a repurchase agreement					
Consigned Funds	9.28	3 418 706 457	4 249 709 152	3 418 706 457	4 249 709 152
Current tax liabilities	9.29	-	-	-	-
Deferred tax liabilities	9.29	244 809 276	62 433 671	244 809 276	62 433 671
Liabilities with established benefit plans	9.30	360 964 000	153 323 000	360 964 000	153 323 000
Other liabilities	9.31	9 469 136 917	12 356 967 023	9 477 215 090	12 392 050 148
Provisions	9.32	1 258 329 271	1 409 938 376	1 258 329 271	1 409 938 376
TOTAL LIABILITIES		**199 447 434 162**	**178 951 782 644**	**199 487 518 674**	**179 018 872 108**
EQUITY					
Share Capital	9.33	10 000 000 000	10 000 000 000	10 000 000 000	10 000 000 000
Reserves and retained earnings	9.34	16 373 694 988	12 915 318 146	16 392 165 505	12 933 990 524
Own shares	9.33	(278 060 200)	(278 060 200)	(278 060 200)	(278 060 200)
Net income for the year		6 050 464 205	8 202 276 720	6 039 727 175	8 181 434 089
Bank shareholders		6 047 330 475	8 190 867 974	-	-
Non-controlling interests		3 133 730	11 408 746	-	-
Non-controlling interests		88 021 293	76 612 550	-	-
TOTAL EQUITY		**32 234 120 286**	**30 916 147 216**	**32 153 832 480**	**30 837 364 413**
TOTAL LIABILITIES AND EQUITY		**231 681 554 448**	**209 867 929 860**	**231 641 351 154**	**209 856 236 521**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31 DECEMBER 2024

Values expressed in meticais

	Notes	Equity	Own Shares	Fair-value Reserves	Legal reserve
Balance as at 1 January 2024		**10 000 000 000**	**(278 060 200)**	**17 523 797**	**7 449 556 356**
Comprehensive net income for the year					
Profit		-	-	-	-
Fair-value reserves (financial assets)	9.34	-	-	405 585 718	-
Remeasurement of established benefit plans	9.34	-	-	-	-
		-	**-**	**405 585 718**	**-**
Dividends to shareholders	9.34	-	-	-	-
		-	**-**	**-**	**-**
2023 net income appropriation					
Reinforcement of reserves through results	9.34	-	-	-	2 551 586 623
		-	**-**	**-**	**2 551 586 623**
Balance as at 31 December 2024		**10 000 000 000**	**(278 060 200)**	**423 109 515**	**10 001 142 979**

	Notes	Other Reserves and Retained Earnings	Remeasurement of established benefit plans	Net Income for the year	Non-controlling interests	Total
Balance as at 1 January 2024		**5 349 368 565**	**98 869 428**	**8 190 867 974**	**88 021 296**	**30 916 147 216**
Comprehensive net income for the year						
Profit		-	-	6 047 330 475	3 133 727	6 050 464 202
Fair-value reserves (financial assets)	9.34	-	-	-	-	405 585 718
Remeasurement of established benefit plans	9.34	-	(122 444 200)	-	-	(122 444 200)
		-	**(122 444 200)**	**6 047 330 475**	**3 133 727**	**6 333 605 720**
Dividends to shareholders	9.34	143 189 609	-	(5 149 590 235)	-	(5 006 400 626)
		143 189 609	**-**	**(5 149 590 235)**	**-**	**(5 006 400 626)**
2023 net income appropriation						
Reinforcement of reserves through results	9.34	480 459 092	-	(3 041 277 739)	-	(9 232 024)
		480 459 092	**-**	**(3 041 277 739)**	**-**	**(9 232 024)**
Balance as at 31 December 2024		**5 973 017 266**	**(23 574 772)**	**6 047 330 475**	**91 155 023**	**32 234 120 286**

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

a) The amount of MT 143,189,609,00 refers to the effect of withholding the 2023 dividend on own shares.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31 DECEMBER 2023

Values expressed in meticais

	Notes	Equity	Own Shares	Fair-value Reserves	Legal reserve
Balance as at 1 January 2023		**10 000 000 000**	**(278 060 202)**	**(42 383 333)**	**5 026 122 783**
Comprehensive net income for the year					
Profit		-	-	-	-
Fair-value reserves (financial assets)	9.34	-	-	59 907 130	-
Remeasurement of established benefit plans	9.34	-	-	-	-
		-	**-**	**59 907 130**	**-**
Dividends to shareholders (a)	9.12		-	-	-
		-	**-**	**-**	**-**
2022 net income appropriation					
Reinforcement of reserves through results	9.34	-	-	-	2 423 433 573
Other operations		-	2	-	-
		-	**2**	**-**	**2 423 433 573**
Balance as at 31 December 2023		**10 000 000 000**	**(278 060 200)**	**17 523 797**	**7 449 556 356**

	Notes	Other Reserves and Retained Earnings	Remeasurement of established benefit plans	Net Income for the year	Non-controlling interests	Total
Balance as at 1 January 2023		**5 188 973 539**	**74 599 548**	**8 089 966 586**	**76 612 552**	**28 135 831 473**
Comprehensive net income for the year						
Profit		-	-	8 190 867 974	11 408 744	8 202 276 718
Fair-value reserves (financial assets)	9.34	-	-	-	-	59 907 130
Remeasurement of established benefit plans	9.34	-	24 269 880	-	-	24 269 880
		-	**24 269 880**	**8 190 867 974**	**11 408 744**	**8 286 453 728**
Dividends to shareholders (a)	9.12	157 234 099	-	(5 654 678 336)	-	(5 497 444 237)
		157 234 099	-	**(5 654 678 336)**	**-**	**(5 497 444 237)**
2022 net income appropriation						
Reinforcement of reserves through results	9.34	-	-	(2 423 433 573)	-	-
Other operations		3 160 927	-	(11 854 677)	-	(8.693.748)
		3 160 927	**-**	**(2 435 288 250)**	**-**	**(8 693 748)**
Balance as at 31 December 2023		**5 349 368 565**	**98 869 428**	**8 190 867 974**	**88 021 296**	**30 916 147 216**

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

a) The amount of MT 157,234,099.00 refers to the effect of withholding the 2022 dividend on own shares.

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31 DECEMBER 2024

Values expressed in meticais

	Notes	Equity	Own Shares	Fair-value Reserves	Legal reserve
Balance as at 1 January 2024		**10 000 000 000**	**(278 060 200)**	**17 523 797**	**7 448 413 377**
Comprehensive net income for the year					
Profit		-	-	-	-
Fair-value reserves (financial assets)	9.34	-	-	405 585 718	-
Remeasurement of established benefit plans	9.34	-	-	-	-
		-	**-**	**405 585 718**	**-**
Dividends to shareholders	9.34	**-**	-	-	-
		-	**-**	**-**	**-**
2023 net income appropriation					
Reinforcement of reserves through results	9.34	-	-	-	2 551 586 623
		-	**-**	**-**	**2 551 586 623**
Balance as at 31 December 2024		**10 000 000 000**	**(278 060 200)**	**423 109 515**	**10 000 000 000**

	Notes	Other Reserves and Retained Earnings	Remeasurement of established benefit plans	Net Income for the year	Total
Balance as at 1 January 2024		**5 369 183 922**	**98 869 428**	**8 181 434 089**	**30 837 364 413**
Comprehensive net income for the year					
Profit		-	-	6 039 727 175	6 039 727 175
Fair-value reserves (financial assets)	9.34	-	-	-	405 585 718
Remeasurement of established benefit plans	9.34	-	(122 444 200)	-	(122 444 200)
		-	**(122 444 200)**	**6 039 727 175**	**6 322 868 693**
Dividends to shareholders	9.34	143 189 609	-	(5 149 590 235)	(5 006 400 626)
		143 189 609	**-**	**(5 149 590 235)**	**(5 006 400 626)**
2023 net income appropriation					
Reinforcement of reserves through results	9.34	480 257 231	-	(3 031 843 854)	-
		480 257 231	**-**	**(3 031 843 854)**	**-**
Balance as at 31 December 2024		**5 992 630 762**	**(23 574 772)**	**6 039 727 175**	**32 153 832 480**

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

a) The amount of MT 143,189,609,00 refers to the effect of withholding the 2023 dividend on own shares

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31 DECEMBER 2023

Values expressed in meticais

	Notes	Equity	Own Shares	Fair-value Reserves	Legal reserve
Balance as at 1 January 2023		**10 000 000 000**	**(278 060 202)**	**(42 383 333)**	**5 024 979 804**
Comprehensive net income for the year					
Profit		-	-	-	-
Fair-value reserves (financial assets)	9.34	-	-	59 907 130	-
Remeasurement of established benefit plans	9.34	-	-	-	-
		-	**-**	**59 907 130**	**-**
Dividends to shareholders (a)	9.12	-	-	-	-
		-	**-**	**-**	**-**
2022 net income appropriation					
Reinforcement of reserves through results	9.34	**-**	-	-	2 423 433 573
Other operations		**-**	2	-	-
		-	**2**	**-**	**2 423 433 573**
Balance as at 31 December 2023		**10 000 000 000**	**(278 060 200)**	**17 523 797**	**7 448 413 377**

	Notes	Other Reserves and Retained Earnings	Remeasurement of established benefit plans	Net Income for the year	Total
Balance as at 1 January 2023		**5 211 949 823**	**74 599 548**	**8 078 111 909**	**28 069 197 549**
Comprehensive net income for the year					
Profit		-	-	8 181 434 089	8 181 434 089
Fair-value reserves (financial assets)	9.34	-	-	-	59 907 130
Remeasurement of established benefit plans	9.34	-	24 269 880	-	24 269 880
		-	**24 269 880**	**8 181 434 089**	**8 265 611 099**
Dividends to shareholders (a)	9.12	157 234 099	-	(5 654 678 336)	(5 497 444 237
		157 234 099	**-**	**(5 654 678 336)**	**(5 497 444 237)**
2022 net income appropriation					
Reinforcement of reserves through results	9.34	-	-	(2 423 433 573)	-
Other operations		-	-	-	2
		-	**-**	**(2 423 433 573)**	**2**
Balance as at 31 December 2023		**5 369 183 922**	**98 869 428**	**8 181 434 089**	**30 837 364 413**

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

a) The amount of MT 157,234,099.00 refers to the effect of withholding the 2022 dividend on own shares.

CONSOLIDATED AND INDIVIDUAL CASH FLOW STATEMENTS FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2023

Values expressed in Meticais

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Operating activities					
Interest, fees, currency trading and other income received		20 133 378 651	20 771 889 609	19 792 072 445	19 120 885 002
Interest, fees and other expenses paid		(9 579 537 759)	(9 795 039 539)	(9 576 559 014)	(9 801 941 984)
Payments to staff and suppliers		(9 372 102 557)	(8 527 607 318)	(9 360 717 893)	(8 514 502 337)
Interest received from securities		7 287 524 133	7 974 104 633	7 287 524 133	7 974 104 633
Net income and expenses		**8 469 262 468**	**10 423 347 385**	**8 142 319 671**	**8 778 545 314**
Increases (reductions) in:					
Investments in credit institutions		6 594 528 472	23 565 728 789	6 594 528 472	23 565 728 789
Loans and advances to customers		(5 508 605 177)	(6 013 830 117)	(5 155 807 164)	(4 356 290 940)
Securities portfolio		(5 078 803 587)	9 810 654 300	(7 543 317 910)	9 750 694 290
Other assets		386 005 773	2 081 499 225	357 848 902	2 445 805 458
Net cash flow from operating assets		**(3 606 874 519)**	**29 444 052 197**	**(5 746 747 700)**	**31 405 937 597**
Increases (reductions) in:					
Deposits from central banks and other credit institutions		14 927 965	27 726 343	71 167 518	77 385 835
Customer deposits		24 075 537 131	545 375 927	24 075 537 131	545 375 987
Other liabilities		(4 715 895 489)	(2 094 941 281)	(2 266 023 455)	(2 381 315 358)
Net cash flow from operating liabilities		**19 374 569 607**	**(1 521 839 011)**	**21 880 681 194**	**(1 758 553 536)**
Net cash flow from operating activities		**24 236 957 556**	**38 345 560 571**	**24 276 253 165**	**38 425 929 375**
Investment activities					
Acquisitions of tangible assets		(995 761 935)	(863 833 121)	(995 761 935)	(863 833 121)
Acquisitions of intangible assets		(50 077 101)	(103 648 748)	(50 077 101)	(103 648 748)
Disposal of tangible assets		159 904 770	1 438 438 262	159 904 770	1 397 467 771
Net cash flow from investing activities		**(885 934 266)**	**470 956 393**	**(885 934 266)**	**429 985 902**
Financing activities					
Dividends distributed	9.34	(6 268 396 926)	(550 905 865)	(6 268 396 926)	(550 905 865)
Repayments of financing operations through leasing contracts	9.21	(182 467 641)	(293 680 169)	(221 763 250)	(333 078 157)
Net cash flow from financing activities		**(6 450 864 567)**	**(844 586 034)**	**(6 490 160 176)**	**(883 984 022)**
Increase in cash and cash equivalents		16 921 927 712	37 947 520 844	16 921 927 712	37 947 521 169
Effect of exchange rate differences		(21 768 990)	24 410 086	(21 768 990)	24 410 086
Cash and cash equivalents at beginning of period		64 351 041 809	26 379 110 879	64 351 037 605	26 379 106 350
Cash and cash equivalents at end of the period		**81 251 200 531**	**64 351 041 809**	**81 251 196 327**	**64 351 037 605**

Reconciliation with balances set out in the balance sheet:	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Cash and cash equivalents		**81 251 200 531**	**64 351 041 809**	**81 251 196 327**	**64 351 037 605**
(+) Cheques to be collected from foreign credit institutions	9.14	27 991 646	28 976 789	27 991 646	28 976 789
(+) Cheques to be collected from credit inst. in the country	9.14	31 957 550	253 625 730	31 957 550	253 625 730
Total		**81 311 149 727**	**64 633 644 328**	**81 311 145 523**	**64 633 640 124**
Cash and Cash Equivalents at Central Banks	9.13	80 779 080 185	61 667 286 526	80 779 079 379	61 667 285 720
Cash and cash equivalents at credit institutions	9.14	532 069 542	2 966 357 802	532 066 144	2 966 354 404

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


$ 19.90



NOTES TO THE CONSOLIDATED AND INDIVIDUAL ACCOUNTS

SUMMARY OF ACCOUNTING POLICIES

1. Introductory note

Banco Comercial e de Investimentos, S.A. (hereinafter referred to as BCI or simply the Bank) is a public limited company incorporated on 17 January 1996 for an indefinite period of time. BCI began operating on 19 April 1997. BCI has its headquarters in Maputo and is governed by its articles of association and other legislation applicable to the sector.

BCI's core business includes providing banking services throughout the national territory. The subsidiaries IMOBCI, Limitada (IMOBCI) and BPI Moçambique, S.A. (BPI Mozambique) are engaged in real estate and investment banking consultancy, respectively. The Bank and its subsidiaries together are hereinafter referred to as the Group. The subsidiary BPI Moçambique, S.A. is no longer active and is in the process of merging with BCI.

BCI is a subsidiary of the Caixa Geral de Depósitos group, with headquarters in Lisbon, Portugal.

2. Bases of presentation

Following the provisions of Bank de Mozambique Notice No. 4/GBM/2007 of 30 March 2007, the financial statements for the year ended 31 December 2024 were prepared in accordance with the International Financial Reporting Standards ("IFRS") in force on 1 January 2023. The IFRS include the standards issued by the International Accounting Standards Board ('IASB') and interpretations issued by the International Financial Reporting Interpretations Committee.

The financial statements have been prepared based on the historical cost principle, modified by applying fair value to fair-value financial assets through other comprehensive income.

The preparation of financial statements in accordance with IFRS requires the formulation of judgements, estimates and assumptions for applying accounting policies, and the main estimates and interpretations associated with applying accounting policies are described in Note 8.

These financial statements are expressed in Metical (MT), rounded to the nearest unit, and approved by the Board of Directors and the General Shareholders Meeting, and if necessary the shareholders may amend the financial statements after they have been issued.

3. Declaration of conformity

The Bank's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

4. Presentation of financial statements

The Bank presents its balance sheet in order of liquidity, based on the intention and ability to recover or settle the assets or liabilities, respectively, and the financial assets and liabilities in the balance sheet are generally disclosed in unmatched form, except where IFRS offsetting criteria are permitted.

5. Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those used in the previous financial year, except for the adoption of the following standards, amendments and revisions, which have mandatory application for the first time in the financial year beginning 1 January 2024:

(i) IAS 7 (amendment) and IFRS 7 (amendment), 'Supplier financing arrangements'. Supplier financing arrangements are characterised by the existence of a financier who undertakes to pay the balances that an entity owes to its suppliers and the entity, in turn, agrees to pay in accordance with the terms and conditions of the agreements, on the same date, or later, than the date of payment to the suppliers. The amendments introduced require an entity to make additional disclosures about the supplier financing agreements negotiated to enable: i) assessing how supplier financing arrangements affect the entity's liabilities and cash flows; and ii) understanding the effect of supplier financing arrangements on an entity's exposure to liquidity risk, and how the entity would be affected if the arrangements were no longer available. The additional requirements complement the presentation and disclosure requirements that already exist in the IFRS, as established by the IFRS CI in the December 2020 Agenda Decision. This amendment to the standard had no impact on the Bank's financial statements.

(ii) IFRS 16 - Leases (amendment), 'Lease liabilities in sale and leaseback transactions'. The amendment made to the leases standard introduces guidelines regarding the subsequent measurement of lease liabilities related to sale and leaseback transactions that qualify as a 'sale' following the principles of IFRS 15 - 'Revenue from contracts with customers', with a greater impact when some or all of the lease payments are variable lease payments that do not depend on an index or a rate.

(iii) When subsequently measuring lease liabilities, seller-lessees should determine 'lease payments' and 'revised lease payments' in such a way that they do not recognise profit/(loss) in relation to the right of use they retain. This amendment to the standard had no impact on the Bank's financial statements.

(iv) IAS 1 - Presentation of Financial Statements (amendment), 'Classification of liabilities as non-current and current' and 'Non-current liabilities with covenants'. This amendment to the standard clarifies that the classification of liabilities as current or non-current balances depends on the rights that an entity has to defer their payment beyond 12 months after the financial reporting date. The classification of liabilities is not affected by the entity's expectations, or by events occurred after the balance sheet date, such as a breach of a given agreement.

(v) When an entity classifies liabilities resulting from financing contracts as non-current and these liabilities are subject to covenants, it is required to disclose information that allows investors to assess the risk of these liabilities becoming repayable within 12 months, such as: (i) The book value of the liabilities, (ii) The nature of the covenants and the fulfilment dates and (iii) The facts and circumstances that indicate that the entity may have difficulties in fulfilling the covenants on the due dates. This amendment to the standard had no impact on the Bank's financial statements.

i) New standards and amendments and interpretations issued by the IASB with mandatory application in future financial years

The standards and interpretations that have been issued but have not become effective as of the date of the Bank's financial statements are disclosed below. The Bank will comply with the following new standards and interpretations from the established date of entry into force.

IFRS 18 (replaces IAS 1), 'Presentation and disclosure in financial statements' (effective for annual periods beginning on or after 1 January 2027). This new standard replaces IAS 1 and aims to improve the disclosure of entities' financial performance and provide more transparent and comparable information. The profit and loss account will now be presented with the classification of expenses and income into three categories: operating, investment and financing, with an additional category for income tax. The standard retained a substantial portion of the

application principles from IAS 1 and transferred certain principles to IAS 8 and IFRS 7. The main impact of the application of IFRS 18 relates to the presentation of the Income Statement.

This new presentation structure is ensured by the obligation to include additional subtotals such as 'Operating income' and 'Income before financing and taxes'. In addition to this amendment, the standard also establishes requirements for the aggregation and disaggregation of information in the main financial statements and in the accompanying notes.

IFRS 18 also introduces improvements to the disclosure requirements for management performance measures, requiring the disclosure of the calculation bases for the indicators included in the Annual Report and reconciliation with the subtotals presented in the financial statements.

6. Bases of Consolidation

(a) Subsidiary companies (IFRS10)

BCI holds, directly and indirectly, financial stakes in subsidiary companies. Subsidiaries or affiliates are those entities in which the Bank has control or the power to manage the company's financial and operating policies, is exposed, or has rights, to variable returns from its involvement with the investment and can affect those returns through its power over the investment. In BCI's individual financial statements, subsidiaries are valued at historical cost.

The acquisition of subsidiaries is recorded using the purchase method. The cost of an acquisition is measured at the fair value of the assets delivered, equity instruments issued and liabilities incurred or assumed on the acquisition date. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value on the acquisition date, regardless of the existence of non-controlling interests. The excess of the acquisition cost over the fair value of the Group's interest in the identifiable assets acquired is recognised as goodwill. If the acquisition cost is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Costs directly attributable to the acquisition are recognised when they occur in the income statement.

When at the date of acquisition of control the Group already holds a previously acquired stake, the fair value of that stake contributes to the determination of goodwill or badwill.

When control is acquired in a percentage of less than 100%, when applying the purchase method, non-controlling interests may be measured at fair value, or in proportion to the fair value of the assets and liabilities acquired, this option being set out in each transaction.

The negative results generated in each period by subsidiaries with non-controlling interests are allocated in the percentage held by them, regardless of whether they have a negative balance.

Transactions between Group companies and balances and income and costs in transactions between Group companies are eliminated in consolidation, as are profits and losses resulting from transactions between Group companies that are recognised in assets. The accounting policies of associates are amended when necessary to ensure consistency with the Group's policies.
Subsidiaries are fully consolidated from the date control is transferred to the Group and cease to be consolidated from the date control ceases.

(b) Changes in holdings in subsidiaries without change of control

Transactions with non-controlling interests are accounted for as capital transactions, i.e. transactions with the owners in their capacity as associates. The difference between the fair value of any consideration paid and the relevant interest

acquired and *the book value of the associate's net assets is recognised in equity. Gains or losses on disposals of non-controlling interests are also recognised in equity.*

(c) Disposal of subsidiaries

When the Group ceases to have control of a subsidiary, but retains an interest in the previously controlled entity, the carrying amount of the holding is revalued to fair value on the date of disposal. The book value is recognised in profit or loss.

7. Summary of material accounting policies

The main accounting policies applied in the preparation of these financial statements have been applied consistently throughout the financial years presented here.

7.1 Foreign currency transactions (IAS 21)

The items included in the financial statements are measured and presented in Metical, the functional and presentation currency of the Group and the Bank.

On the balance sheet date, monetary assets and liabilities denominated in foreign currency are converted into meticais at the daily exchange rate published by the Bank of Mozambique and exchange differences are recognised in the statement of comprehensive income for the period to which they relate. As at 31 December 2024 and 31 December 2023 the following exchange rates were applied:

Currency	31-12-2024	31-12-2023
EUR	66,79	70,65
USD	63,91	63,90
ZAR	3,41	3,47

Non-monetary assets in foreign currency valued at historical cost are converted at the exchange rate in force on the date the transaction took place. Non-monetary assets in foreign currency valued at fair value are converted at the exchange rate in force on the date the fair value is determined.

7.2 Recognition of interest and fees

7.2.1 Interest and similar income/similar charges

Net interest income includes income and interest charges on financial instruments that are recognised in the Bank's income statement over the life of the financial instrument. When calculating interest income on loans, the impairment of stage 3 customers is deducted, in accordance with IFRS 9.

7.2.2 Income from fees and commissions

Income from fees and commissions comes from various services that the Bank provides to its customers. Fee and commission income is generally recognised in the income statement on an accrual basis and deferred over time, except for income and fees relating to immediate services. Other fees and commissions refer to the costs of transactions and services provided by third parties, which are recognised in the income statement over the term of the services or when the services are rendered.

Guarantees provided: This commission arises from operations involving the issue of guarantees, where the Bank becomes a guarantor of third party obligations and is responsible for the resulting credit risk. This fee is recognised in the income statement using the accrual and deferral principle.

Services provided: It comprises various services that the Bank provides to its customers, including the following: deposit, custody of securities and brokerage. These fees are recognised in the income statement immediately after the service is rendered.

Electronic banking: Under this line item the Bank records commissions from ATM transactions, card annuities, POS transactions and top-up purchases. These fees are recognised in the income statement immediately when the service is rendered, except for card annuities which are specialised for 12 months.

Investment banking: Fees charged for financial advice given to customers on setting up and structuring financial transactions. These fees are recognised in the income statement when the service is rendered.

7.3 Basic and diluted earnings per share (IAS 33)

Basic earnings per share are calculated by dividing the profit attributable to the Bank's equity holders by the weighted average number of ordinary shares issued, excluding the average number of ordinary shares purchased by the Bank and held as own shares.

Diluted earnings per share are calculated by adjusting the profit attributable to shareholders and the weighted average number of ordinary shares outstanding, assuming conversion of all dilutive potential ordinary shares (weighted average number of other shares) at the reporting date.

7.4 Cash and cash equivalents

In 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 date of issue or acquisition and a low risk of changes in fair value, including cash and deposits with other credit institutions.

7.5 Financial assets (IFRS 9)

Financial assets can be classified into three categories using different measurement criteria (fair value through profit or loss, fair value through other comprehensive income and amortised cost). The classification of assets depends on the business model within which the financial assets are managed and the characteristics of the contractual cash flows.

Regular purchases and sales of financial assets are recognised on the transaction date, which is the date on which the Group undertakes to buy or sell the assets.

The Bank classifies financial assets as follows:
A financial asset is measured at amortised cost ('CA') if the following criteria are met:

- The asset is held for the purpose of receiving contractual cash flows; and
- The contractual cash flows of the assets represent only exclusive payments of equity and interest ('SPPI').

Financial assets included in this category are initially recognised at fair value and subsequently measured at amortised cost. Interest income on these assets is recognised using the effective interest rate method. Any gains or losses generated by their derecognition are recognised directly in the income statement.

A financial asset is measured at fair value through other comprehensive income ('FVOCI') if the following criteria are met:

- The asset is held for the purpose of receiving contractual cash flows or for a future sale; and
- The contractual cash flows of the assets represent only exclusive payments of equity and interest ('SPPI').

Additionally, in the initial recognition of an equity instrument that is not held for trading, and in which there is no contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies, the Group may irrevocably choose to classify it in the JVORI category. This option is exercised on a case-by-case, investment-by-investment basis and is only available for financial instruments that fulfil the definition of an equity instrument set out in IAS 32. It cannot be used for financial instruments classified as an equity instrument in the issuer's sphere under the exceptions set out in paragraphs 16A to 16D of IAS 32.

Financial assets included in the JOVRI category are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in comprehensive income ('RI'), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in net income.

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

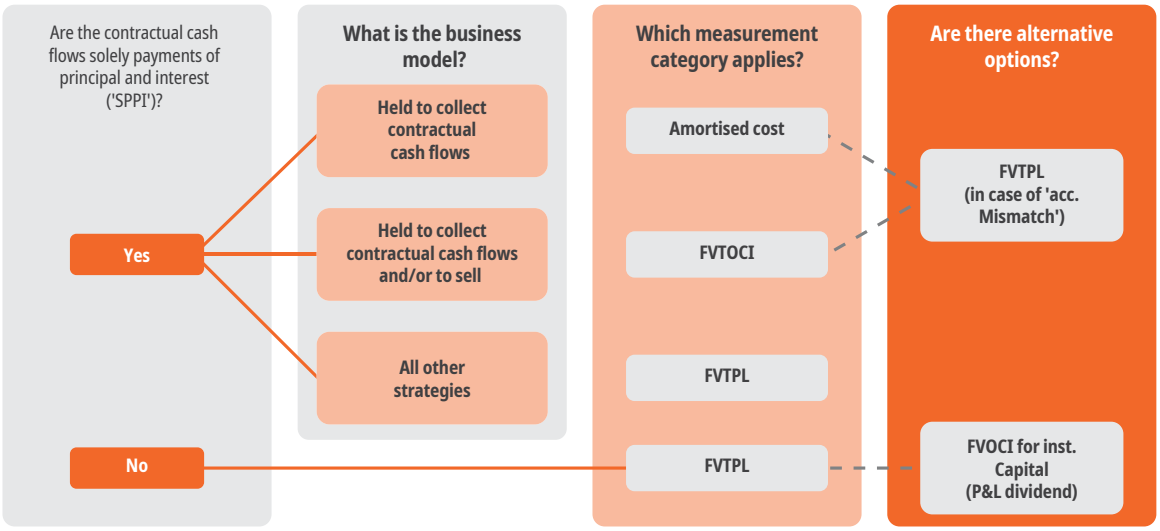
Debt instruments at fair value through other comprehensive income are also subject, from their initial recognition to the calculation of impairment losses for expected credit losses. Estimated impairment losses are recognised in the income statement against other comprehensive income and do not reduce the carrying amount of the financial asset in the balance sheet.

Interest, premiums or discounts on fair-value financial assets through other comprehensive income are recognised using the effective interest rate method.
Equity instruments at fair value through other comprehensive income are initially recognised at fair value plus transaction costs and subsequently measured at fair value. Changes in the fair value of these financial assets are recognised against other comprehensive income. Dividends are recognised in the income statement when the right to receive them is assigned.

No impairment is recognised for equity instruments at fair value through other comprehensive income and the respective profit or loss relating to changes in fair value are transferred to 'retained earnings' when they are derecognised.

The Fair Value Through Profit or Loss ('FVTPL') category is the residual category. Financial assets should be classified as FVTPL if they do not fulfil the FVTCI or AC criteria. Financial assets included in the FVTPL category must be measured at fair value with all changes recognised in the net income. Transaction costs associated with these financial assets are recognised in the income statement when incurred.

The following image represents the classification process applied by the Bank:



Derecognition and modification of financial assets

The Bank derecognises a financial asset when, and only when, the contractual right to receive the cash flows expires or the financial asset is transferred and the transfer qualifies for derecognition. The Bank transfers a financial asset if, and only if, the contractual rights to receive the cash flows from that financial asset are transferred or if the contractual rights to receive the cash flows are maintained but it assumes a contractual obligation to deliver those cash flows to one or more beneficiaries. In the event that the contractual rights to receive the cash flows are maintained, the bank treats the transaction as a transfer only if all the following conditions are met:

(i) the Bank has no obligation to pay amounts to the beneficiary except those received from the original asset;
(ii) the Bank is prevented by the terms of the transfer agreement from selling the original asset; and
(iii) the Bank is obliged to pay the cash flows received without material delay and is not allowed to reinvest these cash flows until they are paid.

Business model and SPPI test

The Bank reviews its Business Model on an annual basis, which is categorised as follows:

1. Amortised cost (Held to collect contractual cash flows):
   (i) Application made to receive contractual cash flows;
   (ii) Cash flows represent capital and interest payments;
   (iii) They are measured at book value until maturity.

2. Fair value through other comprehensive income (Held to collect contractual cash flows and/or sell):
   (ix) Application made to receive contractual cash flows or future sales;
   (x) Cash flows represent capital and interest payments;
   (xi) They are measured daily at fair value (calculated by CGD's Risk Division).

Securities are categorised when they are registered.

According to IFRS 9, the classification and measurement of financial assets 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 solely to capital and interest payment, as outlined by IFRS 9, on the outstanding capital, by carrying out the SPPI test. The SPPI test is based on analysing the performance and covenants of the financial asset. To this end, the Bank assesses whether the contractual conditions relating to capital and interest are consistent with the conditions normally associated with a basic credit agreement, where the most relevant aspects are generally the component of the financial instrument's yield relating to the time value of money and the credit risk, and may include considerations relating to liquidity risk, costs associated with financing the operation and the associated profit margin. In this way, the Bank checks whether the performance of the financial assets includes any element that introduces exposure to risks or volatilities not consistent with a basic credit agreement, including the existence of mismatches between the components of the instrument's return (for example, the periodicity of the index different from the periodicity of the review of the interest rate paid). It also assesses whether the contractual cash flows that may be generated over the life of the instrument are solely capital and interest payments on the outstanding principal if the financial asset includes any contractual condition that may alter the term or amount of the contractual cash flows.

Fair value levels of financial assets

The Bank measures fair value using the following fair value hierarchy which reflects the importance of the inputs used in the measurement:

- *Level 1*: Quoted market price (unadjusted) on an active market for an identical instrument;
- *Level 2*: Valuation techniques based on observable data, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets considered less active and other valuation techniques in which all inputs are directly or indirectly observable from market data;
- *Level 3*: Valuation techniques using significant unobservable inputs. This category includes all instruments where the evaluation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the evaluation of the instrument. This category includes instruments that are valued on the basis of quotes for similar instruments whenever there is a need for significant unobservable adjustments or assumptions to reflect differences between instruments.

Impairment of financial assets

The Bank calculates impairment for financial assets at amortised cost and fair-value financial assets through other comprehensive income (debt instruments) in accordance with IFRS 9, which establishes a calculation model based on expected losses. The methodology applied by the Bank is disclosed in Note 9.37.

7.6 Leases (IFRS 16)

IFRS 16 determines that a contract is or contains a lease if it grants the right to use and control an identifiable asset for a period of time in exchange for payments of consideration and this assumption affects only the lessee.

Classification and measuring

a) Classification

The rule provides for an option not to classify low-value contracts or contracts with a term of up to one year as leases. The Bank has opted to classify

only contracts with a term of more than 1 year as leases and has excluded ATM space leases from the classification because they are of low value. The term used in all the analyses is equivalent to the number of leases that will have to be paid from the entry into force until the end of each contract, taking into account the probability of its renewal within the time horizon equivalent to two of the Bank's Strategic Plans (6 years).

b) Measurement
The lease asset must be measured initially at cost, which includes: the initial measurement of the lease liability, plus payment or minus incentives paid on or before the effective date, plus initial direct costs and estimated costs to dismantle, remove or refurbish the asset at the end. Subsequently, the asset shall be measured at its cost minus any accumulated depreciation and accumulated impairments; alternatively, IAS 36 Impairment of Assets shall be applied to determine whether the asset under right of use is impaired and account for any identified impairment loss. The Bank's lease assets are recognised at cost.

Lease liabilities should be measured at the present value of the fixed lease payments. These payments must be updated at the rate implicit in the contract, where applicable, or, alternatively, using the discount rate, which is the rate that the lessee would have to pay if he took out a loan to purchase the asset in the same market, under the same conditions (term, quality of the asset, guarantees). Subsequently, the liability should be measured by the increase in the value of the interest and reduced by the value of the payments with the interest component recognised in the income statement.

7.7 Non-current assets held for sale (IFRS 5)
Non-current assets (or disposal groups) are classified as held for sale whenever their carrying amount is expected to be essentially recovered through sale and sale is considered highly probable. These assets can be isolated assets or part of a group of assets and liabilities to be aligned (disposal group) or part of a business unit to be sold (discontinued operations). For an asset (or disposal group) to be classified under this line item, the following requirements must be met:

- The sale is very likely to occur;
- The sale is expected to take place up to a year from the asset's classification in the account heading;
- There must be an expectation that the sale will materialise within one year of the asset being classified under this line item, except in situations where the delay in selling the asset is caused by events or circumstances beyond the control of the entity and there is sufficient evidence that the entity remains committed to its plan to sell the asset. There are the following exceptions:

a) At the date an entity commits to planning the sale of a non-current asset (or disposal group), it reasonably expects that other entities (non-buyers) will impose conditions on the transfer of the asset (or disposal group) that extend the period required for the sale to be completed; and i. The actions necessary to fulfil these conditions may not be initiated until a firm purchase commitment has been obtained; and ii. A firm purchase commitment is highly likely within a year.

b) An entity obtains a firm purchase commitment and, as a result, the buyer or other entities unexpectedly impose conditions on the transfer of the non-current asset (or disposal group), previously classified as held for sale, that will extend the period required for the sale to be completed; and i. Timely action has been taken to address the conditions; and ii. A favourable resolution of the facts conditioning the delay is expected.

c) During the initial one-year period, circumstances occur that were previously considered unlikely and, as a result, a non-current asset (or disposal group) previously classified as held for sale is not sold by the end of that period; and i. During the initial one-

year period, the entity took the necessary actions to respond to the change in circumstances; ii. The non-current asset (or disposal group) is being widely publicised at a price that is reasonable, given the change in circumstances.
If any of these exceptions apply, the asset may remain classified under this line item for longer than one year.

The assets recorded under this line item are not amortised or depreciated and are valued at the lower of cost or fair value minus costs to sell. The fair value of these assets is determined on the basis of valuations carried out by specialised entities. If the balance sheet value is lower than the fair value minus costs to sell, impairment losses are recognised under the appropriate line item.

Real estate and other auctioned assets obtained through the recovery of overdue loans are recorded at their auction value and the amount owed is settled when the respective legal proceedings are concluded, against the value of the loan.

Also recorded under this line item are the Bank's tangible assets that have been taken out of use (discontinued property and equipment) and are in the process of being sold. These assets are transferred from tangible assets at book value (acquisition cost net of accumulated depreciation and impairment) on the date they become held for sale and are subsequently revalued in the same way as assets received through loan recovery.

When, due to changes in the Group's circumstances, non-current assets and/or disposal groups no longer fulfil the conditions to be classified as held for sale, these assets and/or disposal groups are reclassified pursuant to the underlying nature of the assets and are measured at the lower of:

i) the book value they had before they were classified as held for sale, adjusted by any depreciation expenses, if these assets had not been classified as held for sale, and
ii) the recoverable amounts of the items on the date they are reclassified according to their underlying nature. These adjustments are recognised in the income statement.

Changes in impairment losses of a non-current asset held for sale are recognised in the income statement under the line item 'Impairment of other assets (Note 9.10)'. No potential capital gains are recognised on these assets.

On the date of sale, the capital gains or losses realised on these assets are recorded in the income statement under the line item 'Other operating income (Note 9.7)'.

7.8 Impairment of non-financial assets (IAS 36)

Non-financial assets, such as tangible and intangible assets with an established useful life, are subject to impairment tests when, and only when, certain events or circumstances indicate that the book value of the assets may not be recoverable.
The Bank assesses at each reporting date, or more frequently if changes have occurred that indicate that a particular asset may be impaired, whether there are indications that a non-financial asset may be impaired. If such an indication exists, the Bank estimates the respective recoverable amount and, if this is lower than the carrying amount, the asset is impaired and reduced to its recoverable amount.

An impairment loss is recognised for the amount of the excess of the asset's carrying amount over its recoverable amount, the recoverable amount being the higher of an asset's fair value minus costs to sell and its value in use. To determine the existence of impairment, assets are allocated to the lowest level for which there are separate identifiable cash flows (cash-generating units).

The calculation of fair value minus costs to sell can be based on:

i) the contractually agreed-upon selling price in a transaction between unrelated third parties, minus selling costs;
ii) the market price if the asset is traded on an active market; or
iii) the fair value calculated based on an estimate of the future cash flows that any market agent would expect to obtain from the asset.

When calculating the value in use, the discounted cash flow methodology is applied, which the entity expects to obtain from the asset, in accordance with management's strategy and budgets.

At each balance sheet date, the Bank reassesses whether there is any indication that a previously recognised impairment loss may no longer exist or may have reduced. If there is such an indication, the Bank estimates the recoverable amount of the asset and reverses previously recognised impairment losses only if there have been changes in the estimates used to estimate the recoverable amount since the loss was recognised. When an impairment loss is recorded or reversed, the depreciation/amortisation of the respective assets is recalculated prospectively in accordance with the recoverable amount adjusted for the impairment recognised.

7.9 Investment properties (IAS 40)

(xii) The Bank considers properties (land and buildings) to be investment properties if they are held to earn rental income and/or for capital appreciation, and not for the purpose of investment: (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business. Investment properties are initially measured at cost and transaction costs are included in the initial measurement. After initial recognition, the Bank values investment properties according to the cost model, following the same accounting policy as tangible assets. Income from investment properties is recognised under the line item 'Other operating income' (Note 9.7). And the estimated useful life of investment property is between 10 and 50 years.

7.10 Tangible assets (IAS 16)

Tangible assets used by the Bank in the course of its business are recognised at acquisition cost minus depreciation and accumulated impairment losses. Subsequent costs are recognised as a separate asset only if future economic benefits are likely to flow to the Bank. Maintenance and repair costs and other costs associated with their use are recognised in the income statement in the period in which they are incurred.

Depreciation of tangible assets is calculated on a systematic 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:

Type of tangible asset	Years of useful life
Properties	50
Construction works in leased buildings	10 a 50
Equipment	4 a 14

The Bank regularly analyses the adequacy of the estimated useful life of its tangible assets. Changes in the expected useful life of assets are recorded by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

The costs of third-party buildings are depreciated over a period compatible with their expected usefulness or the lease contract.

Analyses are carried out periodically to identify evidence of impairment in tangible assets. Whenever the net book value of tangible assets exceeds their recoverable value, an impairment loss is recognised and reflected in the results for the year. The recoverable amount is determined as the higher of the fair value minus costs to sell and the value in use of the asset, the latter being calculated based on the present value of the estimated future cash flows arising from the

continued use and disposal of the asset at the end of its established useful life. The Bank reverses impairment losses in the income statement for the period up to the production of the acquisition value, minus accumulated depreciation, as if the asset had not been impaired, if there is a subsequent increase in the asset's recoverable amount.

A tangible asset item is no longer recognised when it is disposed of or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the sale proceeds and the carrying amount of the asset) is recognised in the income statement for the period.

7.11 Intangible assets (IAS 38)

The Bank recognises as intangible assets the costs of acquiring, developing or preparing computer applications (software) for its own use. In cases where the requirements of IAS 38 are met, direct internal costs incurred in developing computer applications are capitalised as intangible assets.

When acquired individually, intangible assets are recognised at cost, which comprises: i) the purchase price, including costs of intellectual rights and fees after deducting any discounts; and ii) any cost directly attributable to preparing the asset for its intended use.

Intangible assets are recognised at acquisition cost and may either a finite or indefinite useful life.

- For intangible assets with a finite useful life, accumulated amortisation of the acquisition value is deducted. Amortisation is recorded on a systematic basis, over the estimated useful life of these assets, as a general rule. The amortisation period and the amortisation method for intangible assets with an established useful life are reviewed at the end of each period and changes in the expected useful life are recorded as changes in estimates.
- For intangible assets with an indefinite useful life, accumulated impairment losses are deducted from their acquisition cost. Impairments are recorded under International Accounting Standard IAS 38 - Intangible Assets, an annual impairment test must be carried out on these licences which involves comparing their recoverable amount to their carrying amount.

7.12 Financial liabilities (IAS 32 and IFRS 9)

The classification of financial instruments at initial recognition depends on their objectives and characteristics.

Financial liabilities are recognised in the Bank's balance sheet on the contract date at their fair value plus directly attributable transaction costs, except for liabilities at fair value through profit or loss where transaction costs are immediately recognised in profit or loss.

After initial recognition, deposits and other financial resources from customers and credit institutions are valued at amortised cost, based on the effective interest rate method.

A financial liability ceases to be recognised when the respective obligation is satisfied, cancelled or expires. When the liability is replaced by another from the same borrower under substantially different conditions, or when the conditions of an existing liability are substantially modified, such modification or exchange is treated as the recognition of a new liability, and consequently the derecognition of the original liability, with the difference between the respective amounts being recognised in profit or loss for the period.

Financial liabilities are only offset, and their net value presented in the balance sheet, when the Bank has the right to offset them and intends to settle on a net basis or realise the asset and settle the liability simultaneously.

7.13 Income tax (IAS 12)

Income tax (current or deferred) is translated in net income for the year, except for cases in which the originating transactions have been translated in other own equity items. In these situations, the corresponding tax is also translated against own equity, not affecting the net income for the year.

Current tax

The current tax asset or liability is estimated based on the amount expected to be recovered or paid to the tax authorities. The statutory tax rate used to calculate the amount is that in force on the balance sheet date.

Current tax is calculated based on the taxable profit for the year, which differs from the accounting result due to adjustments to the tax base resulting from expenses or income that are not relevant for tax purposes or will only be taken into account in other accounting periods.

Management periodically assesses the positions taken in tax returns in situations where the applicable tax regulations are subject to interpretation and creates provisions, where appropriate, based on the amounts expected to be paid to the tax authorities. The Tax Authority can make income tax corrections up to 5 years back.

Withholding taxes resulting from the 20% rate are recognised as a tax expense in the Income Statement.

Deferred tax

Deferred tax assets and liabilities correspond to the amount of tax recoverable and payable in future periods resulting from temporary differences between the value of an asset or liability in the balance sheet and its tax base. Tax losses carried forward and tax benefits also give rise to deferred tax assets.

Deferred tax assets are recognised to the extent that future taxable profits are likely to be available against which the deferred tax assets can be offset.

Deferred taxes were calculated on the basis of the tax rates decreed for the period in which the respective asset or liability is expected to be realised.

Deferred tax assets are recognised to the extent that future taxable profits are likely to be available to utilise the temporary difference. Deferred tax liabilities are recognised for all taxable temporary differences, except those relating to: (a) the initial recognition of goodwill; or (b) the initial recognition of assets and liabilities, which:

(i) do not result from a concentration of business activities;
(ii) do not affect the accounting or tax result at the date of the transaction; and
(iii) do not give rise to equal taxable and deductible temporary differences at the date of the transaction.

However, with regard to taxable temporary differences related to investments in subsidiaries, these are not recognised to the extent that:

i) the parent company is able to control the period of the reversal of the temporary difference; and
ii) it is likely that the temporary difference will not reverse in the near future.

7.14 Employee benefits (IAS 19)

The liability for established benefit pension plans relating to the employees of the former Banco de Fomento was incorporated into the Bank's liabilities under the deed of the merger dated 4 December 2003.

The now-extinct Banco de Fomento signed the Collective Bargaining Agreement (ACT) of 30 December 1997, which is in force for the banking sector, under which its locally hired employees and their families are entitled to cash benefits

in the form of old-age, disability and survivor's pensions.

These benefits are calculated based on the employee's length of service and salary at the date of retirement and updated based on the salary scales annexed to the ACT, which are revised annually.

However, since the workers are registered with the National Social Security Institute, the Bank's responsibilities consist of paying supplements to their pensions. As at 31 December 2024, these supplements covered 68 employees of the former Banco de Fomento, according to note 9.30.

The value of liabilities for past services is determined annually by specialised actuaries using the 'Projected Unit Credit' method and actuarial assumptions deemed appropriate. The Bank recognises under line item Staff Costs (Note 9.8) the impact of current services and interest costs, calculated by the actuary each year.

Gains and losses arising from differences between the actuarial and financial assumptions used and the values actually realised, as well as those resulting from changes in actuarial assumptions, are recognised in Equity, under line item 'Established benefit plan remeasurement reserves'. The Bank does not have a fund set up to cover established benefit plan liabilities. As such, the liability is recognised directly in liabilities and assumed in full with the Bank's assets. On the transition date, the Bank adopted the exception provided for in IFRS 1, of not recalculating deferred actuarial profit and loss since the start of the plans.

7.15 Provisions and contingent liabilities (IAS 37)

The Bank recognises provisions when it has a present obligation (legal or constructive) resulting from past events, for which the future outflow of financial resources is probable and can be reliably determined. The amount of the provision corresponds to the best estimate of the amount to be disbursed to settle the liability on the balance sheet date. Provisions are measured on a present value basis, and the effect of updating their time value is recognised as a provision expense.

Provisions for other risks are intended to cover:

(i) Liabilities with guarantees provided and other off-balance sheet commitments, determined based on an analysis of the risk of the operations and the respective customers; and,
(ii) Legal, tax and other contingencies arising from BCI Group's activities.

7.16 Guarantees (IFRS 9)

In the course of its business, the Bank grants guarantees, letters of credit and sureties. These guarantees are recorded in off-balance sheet accounts and are periodically analysed to determine the credit risk to which the Bank is exposed and recognise impairment. These guarantees are disclosed as contingent liabilities.

These operations are periodically analysed to determine the credit risk to which the Bank is exposed and to recognise impairment. To this end, they are subject to the methodology applied to the credit portfolio, with the particularity that Credit Conversion Factors (CCFs) are used to calculate the exposure at risk.

CCFs resulting from the process of calibrating the risk factors of the Impairment Model are applied to the limits (Unutilised Lines) and regulatory CCFs outlined under Bank of Mozambique Notice no. 11/GBM/2013 are used for the remaining operations.

7.17 Own shares (IAS 32)

The Bank's own shares are deducted from equity and no gains or losses realised on their sale are recognised in the financial statements. Remuneration received is recognised in the financial statements under reserves for own shares.

7.18 Dividends on ordinary shares (IAS 10)
Dividends on ordinary shares are recognised as a liability and deducted from equity when they are declared and are no longer at the Bank's discretion.

7.19 Business continuity
The financial statements have been prepared on a business continuity basis.

The Directors have reviewed the Bank's budgets and cash flow forecasts for the next three years and consider that the Bank can continue operating on a business continuity basis under current and forecast economic conditions. These budgets and cash flow forecasts include projections of the impact on the Bank's capital, funding and liquidity needs, all of which remained within internal targets and above regulatory requirements.

Based on this review, and considering the current financial position and the history of profitable transactions, the Directors are convinced that the Bank has adequate resources to continue in business for the foreseeable future and, therefore, the business continuity assumption is maintained, is applicable and has been adopted in the preparation of these annual financial statements.

8. Main estimates and interpretations associated with the application of accounting policies
The IFRS establish a set of accounting policies that require the Board of Directors to make judgements and estimates. The estimates and associated assumptions are based on historical experience and other factors considered reasonable under the circumstances, and are a foundation for judgements on the values of assets and liabilities whose valuation is not evident from other sources. The main accounting estimates used by the Bank are analysed as follows:

Impairment of loans and advances to customers (note 9.37)
Impairment losses on loans and advances to customers are determined in accordance with the methodology set out in note 9.37 a. Credit risk. Therefore, the determination of impairment of individually analysed assets results from a specific assessment made by the Bank based on knowledge of its customers' circumstances and the guarantees associated with the operations in question.

The determination of impairment by collective analysis is based on historical and forward-looking parameters determined for comparable types of transactions, taking into account estimates of default and recovery.

The Bank considers that the impairment determined on the basis of this methodology adequately reflects the risk associated with its loan portfolio, taking into account the principles outlined by IFRS 9.

In determining impairment losses, the bank makes the following judgements:

- ✓ Significant Increase in credit risk (SICR)
  The Bank assesses whether there has been significant deterioration in the credit risk of exposures since they were first recognised in the balance sheet. To this end, the SICR methodology is being implemented, which, based on the Rating and Scoring Models, will assess, on each reporting date, the level of PD (probability of default) degradation since the initial date of its recognition in the balance sheet. The recording of a significant deterioration (worsening) of the PD implies that this exposure is moved from Stage 1 to 2, resulting in an increase in the recognition of expected losses.
- ✓ Forward Looking
  In the process of estimating risk factors (PDs, LGDs, BMs and CCFs), the Bank applies adjustments according to the projection of macroeconomic variables, if in the regression analyses these have a material impact on previous estimates. This analysis is based on outlining 3 macroeconomic

scenarios (Base, Favourable and Adverse) and with different weightings.

- ✓ Definition of Default
  With each report, the Bank assesses the existence of additional events that could lead to a customer and/or exposure going from Performing to Non-Performing, resulting in a worsening of expected losses, by worsening the respective PDs (100%) and a possible worsening of the LGD.

Fair value of financial instruments (note 9.39)
Determining the fair value of financial instruments for which there is no observable market price requires the use of valuation techniques, the basis of which is described in note 9.39. For financial instruments that are not frequently traded and whose market price is not transparent, the determination of fair value is less objective, requiring varying degrees of judgement, depending on the concentration of liquidity, uncertainty about market values, pricing assumptions and other risks affecting the specific instruments.

Employee benefits (Note 9.30)
The Bank's liabilities for post-employment benefits granted to its employees, if any, are determined annually, based on actuarial valuations carried out by independent experts. These actuarial valuations incorporate financial and actuarial assumptions regarding mortality, disability, wage growth and pensions, among others. The assumptions adopted correspond to the Bank's and its actuaries' best estimate of the future behaviour of the variables. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Income tax (Note 9.11)
Income taxes (current and deferred) are determined by the Bank based on the rules established by the tax framework. However, in some situations, tax legislation is not sufficiently clear and objective and can give rise to different interpretations. In these cases, the amounts recorded result from the Bank's best understanding of the appropriate framework for its operations, which may be revised depending on the position and interpretation of the Tax Authorities.

Impairment of non-financial assets
Properties for own use recorded under Property and equipment and property recorded under Non-current assets held for sale are subject to impairment losses as mentioned in note 7.8.

For properties for own use, at each reporting date, the Board of Directors checks for indicators of impairment based on the branches' profitability. In cases where the agencies are not profitable, the fair value of the assets is calculated based on valuation methodologies supported mainly by external valuations, which use different fair value calculation techniques, taking into account the estimates of the management body, the market conditions in which they operate and certain assumptions or judgements.

For non-current assets held for sale, the fair value of the assets is calculated based on valuation methodologies supported mainly by external valuations, which use different fair value calculation techniques, taking into account the estimates of the management body, the market conditions in which they operate and certain assumptions or judgements.

Alternative methodologies and the use of different assumptions and estimates could result in a different level of impairment of these assets.

Provisions and contingent liabilities
The decision to recognise provisions and measure them takes into account the assessment made by the Board of Directors of the risks and uncertainties associated with ongoing processes and the expectation of realising future cash flows, concerning the best information available at the closing date of the financial statements.

9. Other notes to the consolidated and individual accounts

9.1 Strict net interest income

This line item is broken down as follows:

Values expressed in Meticais

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Interest and similar income					
Interest on cash and cash equivalents		-	852 218	-	852 145
Interest on investments in credit institutions		1 765 521 837	2 769 237 113	1 765 521 837	2 769 237 113
Interest on loans and advances to customers		14 411 304 891	13 430 253 331	14 426 699 516	13 454 590 832
Interest on financial assets		8 565 611 528	7 881 169 306	8 565 611 528	7 881 169 306
		24 742 438 256	**24 081 511 968**	**24 757 832 881**	**24 105 849 396**
Interest and similar costs					
Interest on resources of central banks		5 521 505	245 052 050	5 521 505	245 052 050
Interest on other resources of credit institutions		95 676 499	102 014 643	89 856 712	102 014 649
Interest on customer deposits		7 806 270 020	7 569 747 189	7 806 270 020	7 569 747 189
Interest on consigned funds		363 123 792	459 061 069	363 123 792	459 061 069
Other interest and similar costs		25 729 209	40 040 216	29 112 210	46 955 191
		8 296 321 025	**8 415 915 167**	**8 293 884 239**	**8 422 830 148**

The interest on financial assets line item was broken down as follows:

Values expressed in Meticais

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Interest on financial assets					
Financial assets at amortised cost		7 396 703 582	6 882 253 046	7 396 703 582	6 882 253 046
Fair-value financial assets through other comprehensive income		1 168 907 946	998 916 260	1 168 907 946	998 916 260
		8 565 611 528	**7 881 169 306**	**8 565 611 528**	**7 881 169 306**

9.2 Net fees associated with amortised cost

This line item is broken down as follows:

Values expressed in Meticais

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Fees received associated with amortised cost					
Loans and advances to customers		96 983 726	104 984 732	96 983 726	104 984 732
		96 983 726	**104 984 732**	**96 983 726**	**104 984 732**
Fees paid associated with amortised cost					
Other operations		87 975 730	59 615 937	87 975 730	59 615 937
		87 975 730	**59 615 937**	**87 975 730**	**59 615 937**

9.3 Profit/(loss) derecognising fair-value financial assets through other comprehensive income

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Gain	40 119 711	21 066 399	40 119 711	21 066 399
Loss	(1 823 241)	(11 520 225)	(1 823 241)	(11 520 225)
	38 296 470	**9 546 174**	**38 296 470**	**9 546 174**

9.4 Income from equity instruments

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Entities				
In resident entities				
Emose	1 684 685	2 963 353	1 684 685	2 963 353
	1 684 685	**2 963 353**	**1 684 685**	**2 963 353**

The amount of MT 1,684,685.00 (2023: MT 2,963,353.00) in the income from capital instrument line item refers to dividends received from Empresa Moçambicana de Seguros (EMOSE), on account of shares held by the Bank.

9.5 Net fee and commission income

This line item is broken down as follows:

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Fee and commission income					
For guarantees provided		337 500 850	346 076 342	337 500 850	346 076 342
For services rendered		375 346 473	542 963 548	375 346 473	542 963 548
For operations on behalf of third parties		107 101 060	91 858 497	107 101 060	91 858 497
Electronic Banking		1 203 173 252	1 566 456 059	1 203 173 252	1 566 456 059
Other income from commissions		566 514 745	716 644 487	566 514 745	716 644 487
		2 589 636 380	**3 263 998 933**	**2 589 636 380**	**3 263 998 933**
Expenditure on fees and commissions					
For services provided to third parties		4 413 981	6 015 762	3 872 022	6 003 226
Electronic Banking		802 468 508	1 207 870 040	802 468 508	1 207 870 040
Correspondent banks commissions		91 537 514	61 758 403	91 537 514	61 758 403
Other expenses with commissions		205 601 852	212 612 268	205 601 852	212 612 268
		1 104 021 855	**1 488 256 473**	**1 103 479 896**	**1 488 243 937**
		1 485 614 525	**1 775 742 460**	**1 486 156 484**	**1 775 754 996**

9.6 Income from financial transactions

This line item is broken down as follows:

		Group		Bank	
	Notes	Dec-24	Dec-23	Dec-24	Dec-23
Gains on financial transactions					
Foreign exchange operations		127 406 303 081	143 501 786 072	127 406 303 081	143 501 786 072
Other operations		152 814 453	98 553 006	152 814 453	98 553 006
		127 559 117 534	**143 600 339 078**	**127 559 117 534**	**143 600 339 078**
Losses on financial transactions					
Foreign exchange operations		124 895 063 392	141 004 291 085	124 895 063 392	141 004 290 761
Other operations		2 958 334	958 757	2 958 334	958 757
		124 898 021 726	**141 005 249 842**	**124 898 021 726**	**141 005 249 518**
Income from financial transactions		**2 661 095 808**	**2 595 089 236**	**2 661 095 808**	**2 595 089 560**

9.7 Other operating income

This line item is broken down as follows:

		Group		Bank	
	Notes	Dec-24	Dec-23	Dec-24	Dec-23
Other operating income					
Office costs		209 703 503	277 861 443	209 703 503	277 861 443
Issuing statements, cheques		10 806 002	13 807 892	10 806 002	13 807 892
Chequebooks/saving passbooks		151 068 469	178 280 011	151 068 469	178 280 011
Provision of miscellaneous services		124 307	-	124 307	-
Cost reimbursement		114 238 240	141 332 596	114 238 240	141 332 596
Other operating income		859 718 872	847 838 019	839 474 578	807 514 858
		1 345 659 393	**1 459 119 961**	**1 325 415 099**	**1 418 796 800**
Other operating costs					
Subscriptions and donations		21 276 212	7 158 219	21 276 212	7 158 219
Taxes and charges		11 901 121	14 020 780	8 401 249	11 048 780
Losses on other tangible assets		17 706 308	81 659 803	17 706 308	81 659 803
Account closures		218 704 032	227 960 694	218 704 032	227 960 694
Other operating costs		255 385 163	266 106 365	254 817 197	261 935 870
		524 972 836	**596 905 861**	**520 904 998**	**589 763 366**
Other operating income		**820 686 557**	**862 214 100**	**804 510 101**	**829 033 434**

Other operating income - the amount of MT 839,474,578.00 (2023: MT807,514,858.00) in the 'Other operating income' line includes income generated by investment properties in the amount of MT 43,909,563.00 (2023: MT 44,423,102.00) and recoveries of uncollectible interest and interest on arrears in the amount of MT 326,832,609.00 (2023: MT 373,365,455.00).

9.8 Staff Costs

This line item is broken down as follows:

		Group		Bank	
	Notes	Dec-24	Dec-23	Dec-24	Dec-23
Remuneration of Management and Supervisory Bodies		279 899 070	280 375 536	279 899 070	280 375 536
Remuneration of Employees		4 647 084 832	4 264 814 632	4 643 579 574	4 261 761 824
Mandatory Social Costs		198 252 706	181 704 729	198 088 744	181 550 879
Optional Social costs		327 936 135	292 530 014	327 936 135	292 530 014
Liabilities with established benefit plans		29 743 000	29 519 311	29 743 000	29 519 311
Other staff costs		97 502 076	95 701 868	96 625 319	94 908 413
		5 580 417 819	**5 144 646 090**	**5 575 871 842**	**5 140 645 977**

In the periods under review, the remuneration line item includes the following costs relating to remuneration paid to members of the Bank's Board of Directors:

- MT 189,807,178.00 (2023: MT 180,076,699.00) relating to monthly remunerations; and
- MT 90,091,892.00 (2023: MT 100,298,838.00) relating to other remunerations.

The Bank's social security contribution amounts to MT 186,917,876.00 (2023: MT 170,323,056.00).

Liabilities for established benefit plans represent a charge for the Bank and are a reinforcement of past service liabilities.

The amount of Pension liabilities is made up of (i) current servicing costs of MT 3,504,000.00 (2023: MT 2,060,000.00) and (ii) interest costs of MT 26,239,000.00 (2023: MT 27,459,000.00).

Permanent Staff

In 2024 and 2023, the average number of permanent staff at the end of the period was as follows:

	Dec-24		Dec-23	
	Average for the period	End of the period	Average for the period	End of the period
Senior staff	137	132	128	131
Other staff	1 519	1 490	1 412	1 464
Administrative staff	1 074	1 070	1 143	1 107
Other employees	44	48	35	32
	2 774	**2 740**	**2 718**	**2 734**

Souce: DRH-GRH03, Unidade de Gestão de Processos e Informações

9.9 Other administrative expenditures

This line item is broken down as follows:

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Third-party supplies					
Water, energy and fuel		216 112 124	211 652 872	215 927 301	211 613 465
Consumables		140 351 699	196 790 844	140 351 699	196 790 844
Other third-party supplies		47 173 871	22 538 687	47 173 871	22 538 687
		403 637 694	**430 982 403**	**403 452 871**	**430 942 996**
Third-party services					
IT		528 786 338	379 707 002	528 749 797	379 650 411
Travel, accommodation and representation		103 290 829	90 200 263	103 290 829	90 200 263
Advertising and publishing		131 704 622	58 785 195	131 704 622	58 785 195
Maintenance and repair		329 475 882	353 574 226	328 767 621	353 574 226
Consultancy services		610 724 692	336 319 920	609 822 112	334 887 062
Cleaning services		65 123 126	60 771 959	65 105 193	60 771 959
Rents and leases		80 622 030	72 133 117	80 437 030	71 957 082
Communications and office costs		612 245 533	686 398 657	612 245 533	686 398 657
Security and Surveillance		165 992 833	147 708 999	165 992 833	147 708 999
Fund transfers		110 540 034	106 650 054	110 540 034	106 650 054
Training		76 986 585	26 582 389	76 986 585	26 582 389
Insurance		58 186 557	57 977 190	58 186 557	57 977 190
Recruitment		5 131 286	536 342	5 131 286	536 342
Database		43 057 027	40 427 816	43 057 027	40 427 816
Other Third-Party Services		170 131 687	179 001 769	169 395 976	178 744 287
		3 091 999 061	**2 596 774 898**	**3 089 413 035**	**2 594 851 932**
		3 495 636 755	**3 027 757 301**	**3 492 865 906**	**3 025 794 928**

The external auditors did not provide the Bank with any services that could lead to a conflict of interest or impair the quality of the audit work, namely in areas related to financial information technology, internal auditing, valuations, legal defence and recruitment, among others.

The amount of MT80,437,030.00 (2023: MT 71,957,082.00) recorded under 'Rents and leases' includes short-term leases and low-value leases, totalling MT 30,971,121.00 (2023: MT 34,880,359.00).

	Notes	Group		Bank	
		Dec-24	Dec-23	Dec-24	Dec-23
Type of lease					
Low-value leases		8.893.235	9.299.770	8 893 235	9 299 770
Short-term leases		22.077.886	25.580.589	22 077 886	25 580 589
		30.971.121	**34.880.359**	**30 971 121**	**34 880 359**

9.10 Impairment of assets

Operations in the Group's impairment during the periods ended 31 December 2024 and 31 December 2023 were as follows:

	Balance as at 31/12/2023	Constitutions\ Reinforcements	Reversals
Impairment of loans and advances to customers (Note 9.17)	**6 527 676 975**	12 681 732 978	(11 575 963 494)
Impairment of investments in credit institutions (Note 9.15)	**457 637**	185 594	(572 931)
Impairment of financial assets (Note 9.16)			
Financial assets at amortised cost	**269 871 509**	2 530 776 345	(40 901 343)
Fair-value financial assets through other comprehensive income	**21 981 075**	423 121 092	-
Impairment of tangible assets (Note 9.21)			
Properties for own use	**152 150 095**	103 108 140	(78 549 592)
Impairment of non-current assets held for sale (Note 9.19)	**1 370 660 698**	163 315 714	(774 310)
Impairment of investment properties (Note 9.20)	**43 163 826**	-	-
Impairment of intangible assets (Note 9.22)	**17 365 912**	8 346 806	-
Impairment of other assets (Note 9.24)	**1 259 751 456**	518 583 889	(178 578 871)
	9 663 079 183	**16 429 170 558**	**(11 875 340 541)**

	Uses	Adjustments	Balance as at 31.12.2024	Credit recovery and interest
Imparidade de crédito a clientes (Nota 9.17)	(1 040 529 282)	196 600 415	**6 789 517 592**	(336 456 537)
Imparidade de aplicações em instituições de crédito (Nota 9.15)	-	4 147	**74 447**	-
Imparidade de activos financeiros (Nota 9.16)				
Activos financeiros ao custo amortizado	-	(3 379 604)	**2 756 366 907**	-
Activos financeiros ao justo valor através do outro rendimento integral	-	-	**445 102 167**	-
Imparidade de activos tangíveis (Nota 9.21)				
Imóveis em uso	-	-	**176 708 643**	-
Imparidade de activos não corrente detidos para venda (Nota 9.19)	(523 986)	-	**1 532 678 116**	-
Imparidade de propriedades de investimento (Nota 9.20)	-	-	**43 163 826**	-
Imparidade de activos intangíveis (Nota 9.22)	-	-	**25 712 718**	-
Imparidade de outros activos (Nota 9.24)	(37 758 859)	-	**1 561 997 615**	-
	(1 078 812 127)	**193 224 958**	**13 331 322 031**	**(336 456 537)**

	Balance as at 31/12/2022	Constitutions\ Reinforcements	Reversals
Impairment of loans and advances to customers (Note 9.17)	**7 568 598 044**	6 043 734 286	(4 275 967 987)
Impairment of investments in credit institutions (Note 9.15)	**563 895**	618 846	(755 938)
Impairment of financial assets (Note 9.16)			
Financial assets at amortised cost	**231 892 573**	47 702 725	(11 834 118)
Fair-value financial assets through other comprehensive income	**-**	21 981 075	-
Impairment of tangible assets (Note 9.21)			
Properties for own use	**97 493 245**	55 138 586	(481 736)
Impairment of non-current assets held for sale (Note 9.19)	**1 226 703 799**	253 818 167	(28 538 252)
Impairment of investment properties (Note 9.20)	**43 163 826**	-	-
Impairment of intangible assets (Note 9.22)	**17 172 070**	193 842	-
Impairment of other assets (Note 9.24)	**741 740 617**	850 441 861	(41 782 339)
	9 927 328 069	**7 273 629 388**	**(4 359 360 370)**

	Uses	Adjustments	Balance as at 31.12.2023	Credit recovery and interest
Impairment of loans and advances to customers (Note 9.17)	**(3 095 860 059)**	287 172 691	**6 527 676 975**	(1 635 018 874)
Impairment of investments in credit institutions (Note 9.15)	**-**	30 834	**457 637**	-
Impairment of financial assets (Note 9.16)				
Financial assets at amortised cost	**-**	2 110 329	**269 871 509**	-
Fair-value financial assets through other comprehensive income	**-**	-	**21 981 075**	-
Impairment of tangible assets (Note 9.21)				
Properties for own use	**-**	-	**152 150 095**	-
Impairment of non-current assets held for sale (Note 9.19)	**(81 323 016)**	-	**1 370 660 698**	-
Impairment of investment properties (Note 9.20)	**-**	-	**43 163 826**	-
Impairment of intangible assets (Note 9.22)	**-**	-	**17 365 912**	-
Impairment of other assets (Note 9.24)	**(290 648 683)**	-	**1 259 751 456**	-
	(3 467 831 758)	**289 313 854**	**9 663 079 183**	**(1 635 018 874)**

Operations in the Bank's impairment during the periods ended 31 December 2024 and 31 December 2023 were as follows:

	Balance as at 31.12.2023	Constitutions\ Reinforcements	Reversals
Impairment of loans and advances to customers (Note 9.17)	**6 527 676 975**	12 681 732 978	(11 575 963 494)
Impairment of investments in credit institutions (Note 9.15)	**457 637**	185 594	(572 931)
Impairment of financial assets (Note 9.16)			
Financial assets at amortised cost	**269 871 509**	2 530 776 345	(40 901 343)
Fair-value financial assets through other comprehensive income	**21 981 075**	423 121 092	-
Impairment of tangible assets (Note 9.21)	**152 150 095**	103 108 140	(78 549 592)
Properties for own use			
Impairment of non-current assets held for sale (Note 9.19)	**1 370 660 698**	163 315 714	(774 310)
Impairment of investment properties (Note 9.20)	**43 163 826**	-	-
Impairment of intangible assets (Note 9.22)	**17 365 912**	8 346 806	-
Impairment of other assets (Note 9.24)	**1 255 145 166**	518 583 889	(178 578 871)
	9 658 472 893	**16 429 170 558**	**(11 875 340 541)**

	Uses	Adjustments	Balance as at 31.12.2024	Credit recovery and interest
Impairment of loans and advances to customers (Note 9.17)	(1 040 529 282)	196 600 415	**6 789 517 592**	(336 456 537)
Impairment of investments in credit institutions (Note 9.15)	-	4 147	**74 447**	-
Impairment of financial assets (Note 9.16)				
Financial assets at amortised cost	-	(3 379 604)	**2 756 366 907**	-
Fair-value financial assets through other comprehensive income	-	-	**445 102 167**	-
Impairment of tangible assets (Note 9.21)	-	-	**176 708 643**	-
Properties for own use				
Impairment of non-current assets held for sale (Note 9.19)	(523 986)	-	**1 532 678 116**	-
Impairment of investment properties (Note 9.20)	-	-	**43 163 826**	-
Impairment of intangible assets (Note 9.22)	-	-	**25 712 718**	-
Impairment of other assets (Note 9.24)	(37 758 859)	-	**1 557 391 325**	-
	(1 078 812 127)	**193 224 958**	**13 326 715 741**	**(336 456 537)**

	Balance as at 31.12.2022	Constitutions\ Reinforcements	Reversals
Impairment of loans and advances to customers (Note 9.17)	**7 568 598 044**	6 043 734 286	(4 275 967 987)
Impairment of investments in credit institutions (Note 9.15)	**563 895**	618 846	(755 938)
Impairment of financial assets (Note 9.16)			
Financial assets at amortised cost	**231 892 573**	47 702 725	(11 834 118)
Fair-value financial assets through other comprehensive income	**-**	21 981 075	-
Impairment of tangible assets (Note 9.21)	**97 493 245**	55 138 586	(481 736)
Properties for own use			
Impairment of non-current assets held for sale (Note 9.19)	**1 226 703 799**	253 818 167	(28 538 252)
Impairment of investment properties (Note 9.20)	**43 163 826**	-	-
Impairment of intangible assets (Note 9.22)	**17 172 070**	193 842	-
Impairment of other assets (Note 9.24)	**737 134 327**	850 441 861	(41 782 339)
	9 922 721 779	**7 273 629 388**	**(4 359 360 370)**

	Uses	Adjustments	Balance as at 31.12.2024	Credit recovery and interest
Impairment of loans and advances to customers (Note 9.17)	(3 095 860 059)	287 172 691	**6 527 676 975**	(1 635 018 874)
Impairment of investments in credit institutions (Note 9.15)	-	30 834	**457 637**	-
Impairment of financial assets (Note 9.16)				
Financial assets at amortised cost	-	2 110 329	**269 871 509**	-
Fair-value financial assets through other comprehensive income	-	-	**21 981 075**	-
Impairment of tangible assets (Note 9.21)	-	-	**152 150 095**	-
Properties for own use				
Impairment of non-current assets held for sale (Note 9.19)	(81 323 016)	-	**1 370 660 698**	-
Impairment of investment properties (Note 9.20)	-	-	**43 163 826**	-
Impairment of intangible assets (Note 9.22)	-	-	**17 365 912**	-
Impairment of other assets (Note 9.24)	(290 648 683)	-	**1 255 145 166**	-
	(3 467 831 758)	**289 313 854**	**9 658 472 893**	**(1 635 018 874)**

It should be noted that the amount of MT 1.040.529.282.00 (2023: MT 3,095,860,059.00) of credit impairment utilisations refers to credit write-offs made during the period.

Credit recovery

In 2024, the Bank received the amount of MT 336,456,537.00 relating to the recovery of various credit operations, by agreement between the parties. These operations had already been written off against assets. This amount is recognised under impairment of loans and advances to customers (reversals).

9.11 Tax expenditure

As at 31 December 2024 and 2023, the line item 'Income tax for the year' was detailed as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Taxes:				
Current tax				
Tax estimate	620 355 422	658 184 620	618 619 758	651 680 917
Withholding tax (20%)	1 900 532 770	2 010 711 634	1 900 532 770	2 010 711 634
Tax for previous years	-	293 076 524	-	293 046 524
	2 520 888 192	**2 961 972 778**	**2 519 152 528**	**2 955 439 075**
Deferred tax (9.24/ 9.30)	**(1 294 223 381)**	**(1 100 191 031)**	**(1 294 127 381)**	**(1 100 090 454)**
	1 226 664 811	**1 861 781 747**	**1 225 025 147**	**1 855 348 621**

The reconciliation of the effective tax rate for the years ended 31 December 2024 and 2023 is as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Profit before tax (RAI)	**7 277 129 016**	**10 064 058 466**	**7 264 752 322**	**10 036 782 709**
Tax at the nominal rate (32%)	**2 328 681 285**	**3 220 498 709**	**2 324 720 743**	**3 211 770 467**
Tax corrections				
Non-deductible provisions and impairment losses	1 622 743 999	691 535 991	1 622 743 999	691 535 991
Impairment of tangible investment assets	52 013 249	72 089 573	52 013 249	72 089 573
Others not accepted for tax purposes	237 316 863	167 123 096	239 541 742	169 347 636
Replacement of taxed provisions	(318 762 494)	(88 033 272)	(318 762 494)	(88 033 272)
Net interest on BT, OT and liquidity swaps	(3 301 637 481)	(3 405 029 477)	(3 301 637 481)	(3 405 029 477)
Current tax	**620 355 422**	**658 184 620**	**618 619 758**	**651 680 917**
Withholding tax (20%)	**1 900 532 770**	**2 010 711 634**	**1 900 532 770**	**2 010 711 634**
Tax for previous years	**-**	**293 076 524**	**-**	**293 046 524**
	2 520 888 192	**2 961 972 778**	**2 519 152 528**	**2 955 439 075**
Effective tax rate	**34,64%**	**29,43%**	**34,68%**	**29,45%**

9.12 Basic and diluted earnings per share

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Net income (A)	6 050 464 205	8 202 276 719	6 039 727 175	8 181 434 088
Total number of shares (B)	1 000 000 000	1 000 000 000	1 000 000 000	1 000 000 000
Number of own shares (C)	27 806 020	27 806 020	27 806 020	27 806 020
Average number of shares excluding own shares (B-C)	972 193 980	972 193 980	972 193 980	972 193 980
Basic profit per share [A/(B-C)]	**6,22**	**8,44**	**6,21**	**8,42**
Diluted earnings per share [A/(B-C)]	**6,22**	**8,44**	**6,21**	**8,42**

Basic and diluted earnings per share are obtained by dividing the profit for the year by the average number of shares (total number of shares excluding own shares). In the financial year there were no convertible instruments, so diluted earnings are the same as basic and diluted earnings per share.

9.13 Cash and cash equivalents at central banks

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Cash	5 692 859 387	6 530 179 557	5 692 858 581	6 530 178 751
Deposits at the Bank of Mozambique	75 086 220 798	55 137 106 969	75 086 220 798	55 137 106 969
	80 779 080 185	**61 667 286 526**	**80 779 079 379**	**61 667 285 720**

The line item Deposits at the Bank of Mozambique includes deposits set up to fulfil the requirements for the constitution of mandatory reserves. The scheme in force as at 31 December 2024, as set out in Bank of Mozambique Notice 08/GBM/2019, determines the maintenance of deposits in domestic currency with the Central Bank, at a coefficient of 39.00%, and 39.50% in foreign currency, on the average balance of residents' deposits, non-residents' deposits and state deposits. These compulsory deposits are not remunerated.

9.14 Cash and cash equivalents at credit institutions

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Demand deposits and other cash and cash equivalents				
In credit institutions in the country	3 398	3 398	-	-
In credit institutions abroad	472 116 948	2 683 751 885	472 116 948	2 683 751 885
	472 120 346	**2 683 755 283**	**472 116 948**	**2 683 751 885**
Cheques pending collection				
In credit institutions in the country	31 957 550	253 625 730	31 957 550	253 625 730
In credit institutions abroad	27 991 646	28 976 789	27 991 646	28 976 789
	59 949 196	**282 602 519**	**59 949 196**	**282 602 519**
	532 069 542	**2 966 357 802**	**532 066 144**	**2 966 354 404**

9.15 Investments in credit institutions

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
CI investment in the country				
Interbank money market	100 000 252	12 500 000 400	100 000 252	12 500 000 400
Loans - short-term	886 819	853 346	886 819	853 346
Loans - medium- and long-term	7 148 297	10 065 650	7 148 297	10 065 650
Deposits	169 361 500	169 335 000	169 361 500	169 335 000
Interest receivable	751 503	30 497 452	751 503	30 497 452
	278 148 371	**12 710 751 848**	**278 148 371**	**12 710 751 848**
CI Investments abroad				
Very-short-term investments	1 278 200 000	-	1 278 200 000	-
Deposits	14 691 528 000	9 939 512 000	14 691 528 000	9 939 512 000
Interest receivable	16 591 374	12 063 053	16 591 374	12 063 053
	15 986 319 374	**9 951 575 053**	**15 986 319 374**	**9 951 575 053**
Impairment (Note 9.10)	**(74 447)**	**(457 637)**	**(74 447)**	**(457 637)**
	16 264 393 298	**22 661 869 264**	**16 264 393 298**	**22 661 869 264**

At the balance sheet date, the maturity profile of investments in credit institutions was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Decz-23
Up to 1 month	16 257 319 391	22 652 261 193	16 257 319 391	22 652 261 193
Between 1 and 3 months	222 891	-	222 891	-
Between 3 months and 1 year	923 940	-	923 940	-
Between 1 and 3 years	-	2 627 574		2 627 574
More than 3 years	6 001 523	7 438 134	6 001 523	7 438 134
	16 264 467 745	**22 662 326 901**	**16 264 467 745**	**22 662 326 901**
Impairment (Note 9.10)	**(74 447)**	**(457 637)**	**(74 447)**	**(457 637)**
	16 264 393 298	**22 661 869 264**	**16 264 393 298**	**22 661 869 264**

Souce: Reconciliation Unit

Below is a summary of the weighted average rates of return on investments in credit institutions by type of investment as at 31/12/2024 (%):

CI investment in the country	Dec-24	Dec-23
Deposits	7,10	8,13
Loans - short-term (inc. credit cards)	39,34	39,41
Loans - medium and long term	19,83	24,39
Interbank money market	13,11	17,25
CI Investments abroad		
Deposits	4,41	5,39

9.16 Financial assets at amortised cost / at fair value through other comprehensive income

In accordance with IFRS 9, the Bank categorises its securities portfolio into two groups:

- ✓ Financial assets at amortised cost; and
- ✓ Fair-value financial assets through other comprehensive income

In the year under review, the line item of financial assets at amortised cost for the Group and the Bank is as follows:

Financial assets at amortised cost	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Debt instruments				
Issued by domestic entities				
Treasury bonds	16 551 958 300	16 771 650 488	16 551 958 300	16 771 650 488
Treasury bills	25 932 044 525	21 263 249 530	25 932 044 525	21 263 249 530
Issued by foreign entities				
FAST FERRY bonds	47 059 219	49 778 917	47 059 219	49 778 917
	42 531 062 044	**38 084 678 935**	**42 531 062 044**	**38 084 678 935**
Interest receivable	**2 967 380 819**	**1 856 773 674**	**2 967 380 819**	**1 856 773 674**
Impairment (Note 9.10)	**(2 756 366 907)**	**(269 871 509)**	**(2 756 366 907)**	**(269 871 509)**
	42 742 075 956	**39 671 581 100**	**42 742 075 956**	**39 671 581 100**

In the year under review, the line item fair-value financial assets through other comprehensive income for the Group and the Bank is as follows:

Fair-value financial assets through other comprehensive income	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Debt instruments				
Issued by domestic entities				
Treasury bonds	2 211 430 687	1 765 648 806	2 211 430 687	1 765 648 806
Treasury bills	4 432 630 044	1 932 824 557	4 432 630 044	1 932 824 557
	6 644 060 731	**3 698 473 363**	**6 644 060 731**	**3 698 473 363**
Other securities (shares)				
EMOSE	254 157 780	254 157 780	254 157 780	254 157 780
SIMO	97 164 366	97 164 366	97 164 366	97 164 366
GCI	233 699	233 699	233 699	233 699
	351 555 845	**351 555 845**	**351 555 845**	**351 555 845**
Fair Value	**59 238 545**	**(92 108 871)**	**59 238 545**	**(92 108 871)**
Interest receivable	**477 224 159**	**271 447 422**	**477 224 159**	**271 447 422**
Impairment (Note 9.10)	**-**	**(21 981 075)**	**-**	**(21 981 075)**
	7 532 079 280	**4 207 386 684**	**7 532 079 280**	**4 207 386 684**

The breakdown of capital instruments is as follows:

EMOSE shares - The Bank holds 12,707,889 shares in EMOSE - Empresa Moçambicana de Seguros, which are classified at fair value through other comprehensive income, whose fair value as at 31/12/2024 was MT 63,539,445.00, with these shares generating a dividend to the bank in the order of MT 1,684,685.00 (2023: MT 2,963.353.00).

SIMO shares - The Bank holds 971,643 shares in SIMO - Sociedade Interbancária de Moçambique, which are classified at fair value through other comprehensive income, whose fair value as at 31/12/2024 totalled MT 13,541,377.00 (2023: MT 53,572,147.00);

GCI shares - The Bank holds 18,899 shares in GCI - Sociedade Gestora de Capital de Risco, a Group company, which are classified at fair value through other comprehensive income, whose fair value as at 31/12/2024 was MT 233,699.00, the same as at 31/12/2023; This company has its operations suspended and is in the process of dissolution.

The table below shows the weighted average rates of return on Treasury Bills and Treasury Bonds in 2024 and 2023:

Description	2024	2023
Treasury Bills	16,10%	18,74%
Treasury Bonds	16,43%	18,50%

For impairment calculation purposes, debt financial instruments were classified as Stage 1 in 2023, and in 2024 were classified as Stage 2 (Treasury Bills) and Stage 3 (Treasury Bonds).

Operations in the Group's and the Bank's financial assets during the years under review were as follows:

	Dec-23	Additions	Deductions	JV variation	Exchange rate difference	Dec.24
Financial assets at amortised cost						
Treasury bonds	17 646 412 687	9 090 018 823	(9 202 411 705)	-	-	**17 534 019 805**
Treasury bills	22 233 842 706	37 277 595 443	(31 605 935 422)	-	-	**27 905 502 727**
Fast Ferry bonds	61 197 216	2 007 845	(941 185)	-	(3 343 545)	**58 920 331**
	39 941 452 609	**46 369 622 111**	**(40 809 288 312)**	**-**	**(3 343 545)**	**45 498 442 863**
Fair-value financial assets through other comprehensive income						
Treasury bonds	1 889 457 249	1 144 747 854	(669 270 681)	135 819 228	-	**2 500 753 650**
Treasury bills	2 095 486 329	15 542 063 956	(12 866 177 026)	(14 522 654)	-	**4 756 850 605**
Other securities (shares)	244 424 181	-	-	30 050 844	-	**274 475 025**
	4 229 367 759	**16 686 811 810**	**(13 535 447 707)**	**151 347 418**	**-**	**7 532 079 280**
	44 170 820 368	**63 056 433 921**	**(54 344 736 019)**	**151 347 418**	**(3 343 545)**	**53 030 522 143**

	Dec-22	Additions	Deductions	JV variation	Exchange rate difference	Dec.23
Financial assets at amortised cost						
Treasury bonds	14 854 501 353	6 521 188 977	(3 729 277 643)	-	-	**17 646 412 687**
Treasury bills	31 936 387 629	44 005 256 816	(53 707 801 739)	-	-	**22 233 842 706**
Fast Ferry bonds	57 136 247	1 991 060	-	-	2 069 909	**61 197 216**
	46 848 025 229	**50 528 436 853**	**(57 437 079 382)**	**-**	**2 069 909**	**39 941 452 609**
Fair-value financial assets through other comprehensive income						
Treasury bonds	510 986 532	1 700 016 649	(351 113 506)	29 567 578	-	**1 889 457 253**
Treasury bills	6 401 615 342	9 593 839 924	(13 958 352 522)	58 383 585	-	**2 095 486 329**
Other securities (shares)	244 276 618	-	-	147 559	-	**244 424 177**
	7 156 878 492	**11 293 856 573**	**(14 309 466 028)**	**88 098 722**	**-**	**4 229 367 759**
	54 004 903 721	**61 822 293 426**	**(71 746 545 410)**	**88 098 722**	**2 069 909**	**44 170 820 368**

In terms of residual maturity, financial assets are distributed as follows:

Financial assets at amortised cost	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Maturity of 1 month	1 685 189 458	1 393 214 075	1 685 189 458	1 393 214 075
Maturity more than 1 month < 6 months	18 625 841 719	15 659 013 931	18 625 841 719	15 659 013 931
Maturity more than 6 months < 12 months	9 351 988 935	8 218 531 253	9 351 988 935	8 218 531 253
Maturity more than 12 months	15 835 422 751	14 670 693 350	15 835 422 751	14 670 693 350
	45 498 442 863	**39 941 452 609**	**45 498 442 863**	**39 941 452 609**
Impairment (Note 9.10)	**(2 756 366 907)**	**(269 871 509)**	**(2 756 366 907)**	**(269 871 509)**
	42 742 075 956	**39 671 581 100**	**42 742 075 956**	**39 671 581 100**

Fair-value financial assets through other comprehensive income	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Maturity of 1 month	265 231 705	311 113 525	265 231 705	311 113 525
Maturity more than 1 month < 6 months	2 912 747 202	1 409 726 379	2 912 747 202	1 409 726 379
Maturity more than 6 months < 12 months	1 653 793 872	627 704 859	1 653 793 872	627 704 859
Maturity more than 12 months	2 700 306 501	1 880 822 996	2 700 306 501	1 880 822 996
	7 532 079 280	**4 229 367 759**	**7 532 079 280**	**4 229 367 759**
Impairment (Note 9.10)	**-**	**(21 981 075)**	**-**	**(21 981 075)**
	7 532 079 280	**4 207 386 684**	**7 532 079 280**	**4 207 386 684**

9.17 Loans and advances to customers

In consolidated terms, loans and advances to customers are as follows:

	Group					
	Dec-24			Dec-23		
	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total
Outstanding loans						
Companies						
Loans	3 242 146 232	6 886 423 307	10 128 569 539	6 387 961 371	10 195 539 609	16 583 500 980
Current account loans	1 968 247 283	2 023 962 303	3 992 209 586	1 266 753 139	1 099 812 043	2 366 565 182
Financial leasing - equipment	316 069 358	-	316 069 358	511 072 161	-	511 072 161
Financial leasing - real estate	1 972 035 517	-	1 972 035 517	2 386 993 835	-	2 386 993 835
Credit cards	132 203 752	-	132 203 752	139 149 743	-	139 149 743
Discount on bills of exchange and promissory notes	226 593 241	47 932 500	274 525 741	187 974 159	19 553 400	207 527 559
Bank overdrafts	1 313 995 762	5 164 848	1 319 160 610	1 734 972 268	85 855	1 735 058 123
	9 171 291 146	**8 963 482 958**	**18 134 774 104**	**12 614 876 676**	**11 314 990 907**	**23 929 867 583**
Individuals						
Housing	1 413 563 580	97 427 159	1 510 990 739	1 507 670 297	106 205 113	1 613 875 410
Consumption	39 953 190 378	6 168 444	39 959 358 822	33 294 089 624	9 025 879	33 303 115 503
Other loans	567 812 823	-	567 812 823	715 436 905	-	715 436 905
	41 934 566 782	**103 595 603**	**42 038 162 385**	**35 517 196 826**	**115 230 992**	**35 632 427 818**
	51 105 857 928	**9 067 078 561**	**60 172 936 489**	**48 132 073 502**	**11 430 221 899**	**59 562 295 401**
Interest receivable, net of deferred revenue	812 405 361	85 289 805	897 695 166	791 564 822	116 304 350	907 869 172
			61 070 631 655			**60 470 164 573**
Fees associated with amortised cost (net)	(36 380 627)	(13 349 169)	(49 729 796)	(57 115 566)	(19 655 381)	(76 770 947)
Overdue loans and interest	13 478 592 872	3 601 210 482	17 079 803 354	12 920 359 269	302 045 925	13 222 405 194
Impairment (Note 9.10)	-	-	(6 789 517 592)	-	-	(6 527 676 976)
			71 311 187 621			**67 088 121 844**



In individual terms, loans and advances to customers are as follows:

	Bank					
	Dec-24			Dec-23		
	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total
Outstanding loans						
Companies						
Loans	3 242 146 232	6 886 423 307	10 128 569 539	6 387 961 371	10 195 539 609	16 583 500 980
Current account loans	2 073 616 353	2 023 962 303	4 097 578 656	1 388 427 308	1 099 812 043	2 488 239 351
Financial leasing - equipment	316 069 358	-	316 069 358	511 072 161	-	511 072 161
Financial leasing - real estate						
Credit cards	1 972 035 517	-	1 972 035 517	2 386 993 835	-	2 386 993 835
Discount on bills of exchange						
and promissory notes	132 203 752	-	132 203 752	139 149 743	-	139 149 743
Bank overdrafts	226 593 241	47 932 500	274 525 741	187 974 159	19 553 400	207 527 559
	1 313 995 762	5 164 848	1 319 160 610	1 734 972 268	85 855	1 735 058 123
	9 276 660 216	**8 963 482 958**	**18 240 143 174**	**12 736 550 845**	**11 314 990 907**	**24 051 541 752**
Individuals						
Housing	1 413 563 580	97 427 159	1 510 990 739	1 507 670 297	106 205 113	1 613 875 410
Consumption	39 953 190 378	6 168 444	39 959 358 822	33 294 089 624	9 025 879	33 303 115 503
Other loans	567 812 823	-	567 812 823	715 436 905	-	715 436 905
	41 934 566 782	**103 595 603**	**42 038 162 385**	**35 517 196 826**	**115 230 992**	**35 632 427 818**
	51 211 226 998	**9 067 078 561**	**60 278 305 559**	**48 253 747 671**	**11 430 221 899**	**59 683 969 570**
Interest receivable, net of						
deferred revenue	813 537 815	85 289 805	898 827 620	792 733 653	116 304 350	909 038 003
			61 177 133 179			**60 593 007 573**
Fees associated with amortised						
cost (net)	(36 380 627)	(13 349 169)	(49 729 796)	(57 115 566)	(19 655 381)	(76 770 947)
Overdue loans and interest	13 478 592 872	3 601 210 482	17 079 803 354	12 920 359 269	302 045 925	13 222 405 194
Impairment (Note 9.10)			(6 789 517 592)			(6 527 676 976)
			71 417 689 145			**67 210 964 844**



As at 31 December 2024 and 2023, the sectoral structure of the Bank's loan portfolio was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Agriculture and fisheries	383 025 467	1 042 250 491	383 025 467	1 042 250 491
Industry	3 150 770 127	1 378 648 672	3 150 770 127	1 378 648 672
Energy	1 771 017 116	1 769 392 850	1 771 017 116	1 769 392 850
Construction	3 786 171 202	4 413 719 380	3 786 171 202	4 413 719 380
Hospitality and Tourism	774 703 561	1 017 528 704	774 703 561	1 017 528 704
Trade and Services	5 303 813 084	6 892 105 567	5 303 813 084	6 892 105 567
Transportation	10 103 607 904	10 567 927 575	10 103 607 904	10 567 927 575
Non-monetary Financial institutions	117 829 039	135 304 680	117 829 039	135 304 680
Individuals	44 972 855 704	39 377 105 964	44 972 855 704	39 377 105 964
Other	6 888 946 640	6 190 716 711	6 994 315 710	6 312 390 881
	77 252 739 843	**72 784 700 595**	**77 358 108 913**	**72 906 374 764**
Interest receivable, net of deferred revenue	897 695 166	907 869 172	898 827 620	909 038 003
Fees associated with amortised cost (net)	(49 729 796)	(76 770 947)	(49 729 796)	(76 770 947)
Impairment (Note 9.10)	(6 789 517 592)	(6 527 676 976)	(6 789 517 592)	(6 527 676 976)
	71 789 139 321	**67 088 121 844**	**71 895 640 845**	**67 210 964 844**

As at 31 December 2024 and 2023, the residual maturity of outstanding loans, including interest already accrued, was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Up to three months	3 912 328 617	1 866 044 128	4 018 830 141	1 988 887 128
More than three months and less than one year	5 085 173 163	5 586 434 946	5 085 173 163	5 586 434 946
More than one year and less than five years	33 477 892 015	34 283 216 439	33 477 892 015	34 283 216 439
More than five years	18 488 504 564	18 628 717 265	18 488 504 564	18 628 717 265
	60 963 898 358	**60 364 412 779**	**61 070 399 882**	**60 487 255 779**

As at 31 December 2024 and 2023, the residual maturity of outstanding loans including interest already accrued was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Up to three months	927 246 509	899 774 684	927 246 509	899 774 684
More than three months and less than one year	347 023 095	269 058 839	347 023 095	269 058 839
More than one year and less than five years	8 142 100 452	3 523 195 525	8 142 100 452	3 523 195 525
More than five years	7 770 166 594	8 636 127 940	7 770 166 594	8 636 127 940
	17 186 536 651	**13 328 156 988**	**17 186 536 651**	**13 328 156 988**

In the same period, the ageing of loans and accrued interest had the following structure:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Up to three months	8 553 105 554	5 170 846 843	8 553 105 554	5 170 846 843
From three to six months	1 660 366 310	293 587 638	1 660 366 310	293 587 638
From six months to one year	352 762 537	546 660 129	352 762 537	546 660 129
From one to three years	1 347 367 539	1 167 464 555	1 347 367 539	1 167 464 555
More than three years	5 166 201 414	6 043 846 029	5 166 201 414	6 043 846 029
	17 079 803 354	**13 222 405 194**	**17 079 803 354**	**13 222 405 194**

9.18 Investments in subsidiaries

As at 31 December 2024 and 2023, the financial information of the subsidiaries is as follows:

		Group				Bank			
		31-Dec-24		31-Dec-23		31-Dec-24		31-Dec-23	
	Type	Share (%)	Value MZN)	Share (%)	Value (MZN)	Share (%)	Value (MZN)	Share (%)	Value (MZN)
BPI MOÇAMBIQUE	Subsidiary	100,00%	59	100,00%	59	100,00%	59	100,00%	59
IMOBCI, Lda	Subsidiary	10,00%	460 000	10,00%	460 000	10,00%	460 000	10,00%	460 000
			460 059		**460 059**		**460 059**		**460 059**
Impairment									
			460 059		**460 059**		**460 059**		**460 059**
Consolidation adjustments			(460 059)		(460 059)		-		-
			-		-		**460 059**		**460 059**

The consolidation adjustments mentioned above refer to the cancellation of the intra-group balances between BCI and IMOBCI, given that BPI Moçambique and GCI are not operating (the latter has its activity suspended by the Tax Authority).

Although the Bank's stake in IMOBCI is 10%, it has control over this entity through exposure to and rights over variable returns through its relationship and the ability to affect these returns through the power it wields, which, in accordance with IFRS 10, obliges it to consolidate this entity using the full consolidation method and to consider it as a subsidiary.

Below is a brief description of the subsidiary companies:

IMOBCI, Limitada is a limited company incorporated on 28 February 1997, with registered office at Avenida 25 de Setembro, nº1465, Maputo, Mozambique. IMOBCI's main object involves managing real estate investments, in all its forms, namely the realising urbanisations, allotments and real estate developments, the purchase, sale, construction, maintenance and restoration of real estate, administering and operating any real estate, measuring and commercialising real estate and carrying out studies, consultancy and the provision of related services.

In FY 2024, IMOBCI recorded:

Items:	Dec-24	Dec-23
Net income for the year	3 481 920	12 676 382
Total Current and Non-Current Assets	521 549 878	581 193 497
Total Current and Non-Current Liabilities	420 266 521	483 392 060

BPI Moçambique, Sociedade de Investimento, S.A. is a limited liability company, incorporated on 22 July 1999 as BPI Dealer - Sociedade Financeira de Corretagem (Moçambique), SA, for an indefinite period, and transformed into an investment company on 12 July 2013, whose activity began on 17 April 2014, after approval by the Bank of Mozambique, and has its registered office in Maputo, at Rua dos Desportistas 833, Edifício JAT V - 1, 1ºandar in Maputo.

The company is currently inactive, and the process for its merger with BCI is underway.

In FY 2024, BPI Moçambique recorded:

Items:	Dec-24	Dec-23
Net income for the year	(204 000)	(244 049)
Total Current and Non-Current Assets	42 160 958	42 846 687
Total Current and Non-Current Liabilities	70 155 560	69 815 560

9.19 Non-Current Assets Held for Sale

This line item includes properties that were obtained through credit recovery under the conditions laid down in IFRS 5. As at 31 December 2024 and 2023, it was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Gross Value				
Start of the period	2 452 802 479	2 410 899 094	2 452 802 479	2 410 899 094
Acquisitions	-	3 500 000	-	3 500 000
Disposals and write-offs	(2 523 986)	(415 190 510)	(2 523 986)	(415 190 510)
Reclassifications	207 559 455	453 593 895	207 559 455	453 593 895
	2 657 837 948	**2 452 802 479**	**2 657 837 948**	**2 452 802 479**
Impairment (Note 9.10)	(1 532 678 116)	(1 370 660 698)	(1 532 678 116)	(1 370 660 698)
	1 125 159 832	**1 082 141 781**	**1 125 159 832**	**1 082 141 781**

Non-current assets held for sale by category are shown in the table below:

FY 2024:

Type	Quantity	Balance Gross Value	Impairment Balance	Balance Present Value
Agriculture	1	17 671 000	(6 768 800)	10 902 200
Commercial building	5	397 485 802	(194 195 378)	203 290 424
Multifunctional Building	17	874 939 111	(469 708 751)	405 230 360
Factory	4	421 920 458	(335 156 208)	86 764 250
Housing	24	261 285 570	(146 740 163)	114 545 407
Hospitality	3	549 346 543	(320 147 351)	229 199 192
Bakery	1	5 222 000	(4 122 000)	1 100 000
Warehouse	1	129 967 464	(55 839 465)	74 127 999
Total	**56**	**2 657 837 948**	**(1 532 678 116)**	**1 125 159 832**

FY 2023:

Type	Quantity	Balance Gross Value	Impairment Balance	Balance Present Value
Agriculture	1	17 671 000	(5 091 550)	12 579 450
Commercial building	3	338 487 028	(188 563 310)	149 923 718
Multifunctional Building	5	478 529 158	(131 195 028)	347 334 130
Factory	4	914 036 139	(717 348 179)	196 687 960
Housing	25	308 181 771	(152 774 008)	155 407 763
Hospitality	2	215 679 793	(115 887 662)	99 792 131
Bakery	1	5 222 000	(2 804 000)	2 418 000
Food	1	1 059 629	-	1 059 629
Land - Urban	1	43 968 497	(43 968 497)	-
Warehouse	1	129 967 464	(13 028 464)	116 939 000
Total	**44**	**2 452 802 479**	**(1 370 660 698)**	**1 082 141 781**

The fair value of non-current assets held for sale is determined by specialised companies which issue valuation reports on the properties recorded in this category, and for this purpose the companies use the income method. The fair value for this type of property is classified in terms of hierarchy at level 3.

9.20 Investment properties

The Investment Properties line item showed the following evolution, in terms of gross values and depreciation, in the years ended 31 December 2024 and 2023:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Gross Value				
Start of the period	863 838 154	1 390 351 045	309 826 346	795 368 746
Disposals and write-offs	-	(514 877 891)	-	(473 907 400)
Reclassifications	(8 131 795)	(11 635 000)	(8 131 795)	(11 635 000)
	855 706 359	**863 838 154**	**301 694 551**	**309 826 346**
Accumulated depreciation				
Start of the period	102 900 964	189 965 357	44 117 628	137 807 063
Depreciation for the period	21 108 068	49 478 275	10 138 671	37 731 922
Disposals and write-offs	-	(8 768 618)	-	(3 647 307)
Reclassifications	(2 457 558)	(127 774 050)	(2 457 558)	(127 774 050)
	121 551 474	**102 900 964**	**51 798 741**	**44 117 628**
Impairment (Note 9.10)	**(43 163 826)**	**(43 163 826)**	**(43 163 826)**	**(43 163 826)**
	690 991 059	**717 773 364**	**206 731 984**	**222 544 892**

The Bank holds a portfolio of investment properties measured at cost, whose fair value as at 31 December 2024 stood at MT 384,626,133.00 (2023: MT 376,704,737.00) for the Bank, with these properties having generated rental income in the amount of MT 43,909,563.00 (2023: MT 44,423,102.00). Income from these properties is recognised under Other Operating Income line item (Note 9.7).

9.21 Property and equipment and assets under right of use

As at 31 December 2024 and 2023, this line item was broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Properties for own use	5 856 413 574	5 726 260 195	5 849 593 526	5 719 440 147
Assets under right of use	435 675 238	1 032 716 161	449 005 168	1 179 877 156
Equipment				
Furniture and material	460 363 653	452 123 909	459 781 355	451 541 611
Machinery and tools	181 609 687	154 959 554	181 609 687	154 959 554
IT equipment	2 198 135 547	2 125 011 116	2 195 399 835	2 122 275 404
Interior installations	12 320 903	12 320 903	12 320 903	12 320 903
Vehicles	530 330 552	500 455 210	519 390 260	489 514 918
Security equipment	426 169 028	353 314 977	426 169 028	353 314 977
Other equipment	1 778 103 888	1 684 693 309	1 776 435 712	1 683 025 133
Other tangible assets	12 564 881	12 564 881	12 564 881	12 564 881
Assets in progress	844 649 456	656 891 216	821 259 533	594 212 087
	12 736 336 407	**12 711 311 43**	**12 703 529 888**	**12 773 046 771**
Accumulated depreciation	(6 132 096 739)	(6 108 238 604)	(6 110 478 652)	(6 203 316 411)
Accumulated impairment (Note 9.10)	**(176 708 643)**	**(152 150 095)**	**(176 708 643)**	**(152 150 095)**
	6 427 531 025	**6 450 922 732**	**6 416 342 593**	**6 417 580 265**

Operations in the Group's property and equipment and assets under right of use during the financial years under review were as follows:

	Properties for own use	Equipment	Other Tangible Assets	Assets in progress	Assets under right of use	Total
Cost						
1 January 2023	**5 889 320 023**	**4 793 623 445**	**12 564 881**	**409 672 448**	**1 175 674 747**	**12 280 855 544**
Acquisitions	-	-	-	863 833 121	-	863 833 121
Disposals and write-offs	(394 034 290)	(57 875 735)	-	-	-	(451 910 025)
Revaluations	-	-	-	-	(52 483 475)	(52 483 475)
Reclassifications	95 065 512	(935 555)	-	67 361 420	(90 475 111)	71 016 266
Transfers	135 908 950	548 066 823	-	(683 975 773)	-	-
31 December 2023	**5 726 260 195**	**5 282 878 978**	**12 564 881**	**656 891 216**	**1 032 716 161**	**12 711 311 431**
Acquisitions	-	1 602 080	-	994 159 855	-	995 761 935
Disposals and write-offs	(20 600 855)	(112 341 129)	-	-	-	(132 941 984)
Revaluations	-	-	-	-	128 870 742	128 870 742
Reclassifications	(6 827 342)	(1 602 077)	-	(135 210 777)	(725 911 665)	(869 551 861)
Transfers	157 581 576	416 495 406	-	(671 190 838)	-	(97 113 856)
31 December 2024	**5 856 413 574**	**5 587 033 258**	**12 564 881**	**844 649 456**	**435 675 238**	**12 736 336 407**
Accumulated depreciation and impairment						
1 January 2023	**1 332 317 280**	**3 728 090 835**	**-**	**21 736 034**	**624 169 329**	**5 706 313 478**
Depreciation for the period	126 732 534	433 976 865	-	-	185 547 521	746 256 920
Impairment for the period	54 656 850	-	-	-	-	54 656 850
Disposals and write-offs	(93 570 866)	(49 672 216)	-	-	-	(143 243 082)
Revaluations	-	-	-	-	(52 483 475)	(52 483 475)
Reclassifications	5 483 994	(2 986 389)	-	-	(53 609 597)	(51 111 992)
31 December 2023	**1 425 619 792**	**4 109 409 095**	**-**	**21 736 034**	**703 623 778**	**6 260 388 699**
Depreciation for the period	121 821 508	464 735 049	-	-	182 793 288	769 349 845
Impairment for the period	24 558 548	-	-	-	-	24 558 548
Disposals and write-offs	(3 643 529)	(34 530 230)	-	-	-	(38 173 759)
Revaluations	-	-	-	-	130 053 313	130 053 313
Reclassifications	1 435 393	(70 907 486)	-	-	(767 899 171)	(837 371 264)
31 December 2024	**1 569 791 712**	**4 468 706 428**	**-**	**21 736 034**	**248 571 208**	**6 308 805 382**
Net amount						
31 December 2024	**4 286 621 862**	**1 118 326 830**	**12 564 881**	**822 913 422**	**177 268 642**	**6 427 531 025**
31 December 2023	**4 300 640 403**	**1 173 469 883**	**12 564 881**	**635 155 182**	**329 092 383**	**6 450 922 732**

Operations in the Bank's property and equipment and assets under right of use during the financial years under review were as follows:

	Properties for own use	Equipment	Other Tangible Assets	Assets in progress	Assets under right of use	Total
Cost						
1 January 2023	**5 882 499 975**	**4 777 696 967**	**12 564 881**	**346 993 319**	**1 322 835 742**	**12 342 590 884**
Acquisitions	-	-	-	863 833 121	-	863 833 121
Disposals and write-offs	(394 034 290)	(57 875 735)	-	-	-	(451 910 025)
Revaluations	-	-	-	-	(52 483 475)	(52 483 475)
Reclassifications	95 065 512	(935 555)	-	67 361 420	(90 475 111)	71 016 266
Transfers	135 908 950	548 066 823	-	(683 975 773)	-	-
31 December 2023	**5 719 440 147**	**5 266 952 500**	**12 564 881**	**594 212 087**	**1 179 877 156**	**12 773 046 771**
Acquisitions	-	1 602 080	-	994 159 855	-	995 761 935
Disposals and write-offs	(20 600 855)	(112 341 129)	-	-	-	(132 941 984)
Revaluations	-	-	-	-	(4 960 323)	(4 960 323)
Reclassifications	(6 827 342)	(1 602 077)	-	(95 921 571)	(725 911 665)	(830 262 655)
Transfers	157 581 576	416 495 406	-	(671 190 838)	-	(97 113 856)
31 December 2024	**5 849 593 526**	**5 571 106 780**	**12 564 881**	**821 259 533**	**449 005 168**	**12 703 529 888**
Accumulated depreciation and impairment						
1 January 2023	**1 335 799 680**	**3 723 873 597**	**-**	**-**	**712 465 926**	**5 772 139 203**
Depreciation for the period	126 732 534	433 796 747	-	-	214 979 720	775 509 001
Impairment for the period	54 656 850	-	-	-	-	54 656 850
Disposals and write-offs	(93 570 866)	(49 672 215)	-	-	-	(143 243 081)
Revaluations	-	-	-	-	(52 483 475)	(52 483 475)
Reclassifications	5 483 994	(2 986 389)	-	-	(53 609 597)	(51 111 992)
31 December 2023	**1 429 102 192**	**4 105 011 740**	**-**	**-**	**821 352 574**	**6 355 466 506**
Depreciation for the period	121 821 508	464 639 509	-	-	215 748 659	802 209 676
Impairment for the period	24 558 548		-	-	-	24 558 548
Disposals and write-offs	(3 643 529)	(34 530 230)	-	-	-	(38 173 759)
Revaluations	-	-	-	-	(19 502 412)	(19 502 412)
Reclassifications	1 435 393	(70 907 486)	-	-	(767 899 171)	(837 371 264)
31 December 2024	**1 573 274 112**	**4 464 213 533**	**-**	**-**	**249 699 650**	**6 287 187 295**
Net amount						
31 December 2024	**4 276 319 414**	**1 106 893 247**	**12 564 881**	**821 259 533**	**199 305 518**	**6 416 342 593**
31 December 2023	**4 290 337 955**	**1 161 940 760**	**12 564 881**	**594 212 087**	**358 524 582**	**6 417 580 265**

As a result of IFRS 16, in the financial year ending 31 December 2024, the Bank incurred interest on leases in the amount of MT 29,112,210.00 (2023: MT 46,769,439.00) and depreciation for the period on assets under right of use in the amount of MT 215,748,659.00 MT (2023: 214,979,720.00 MT).

Operations during the period in the Bank's lease liabilities (included in 'Other liabilities' in Note 9.31):

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
As at 1 January	375 243 950	629 069 655	415 308 184	701 616 902
Accrued interest	25 729 209	39 854 464	29 112 210	46 769 439
Payments	(190 774 807)	(293 680 169)	(221 763 250)	(333 078 157)
End of the period	**210 198 352**	**375 243 950**	**222 657 144**	**415 308 184**

Assets in progress include work on owned and leased buildings totalling MT 168,643,782.00 (2023: MT 102,338,263.00) and the acquisition of miscellaneous equipment not yet in use totalling MT 186,476,454.00 (2023: MT 186,476,454.00).

9.22 Intangible Assets

This line item was broken down as follows as at 31 December 2024 and 31 December 2023:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Automatic data processing system	870 517 228	810 743 412	869 924 645	810 150 829
Other intangible assets	425 457 887	425 457 887	425 457 887	425 457 887
Intangible assets in progress	100 129 871	141 295 890	99 922 617	141 088 636
	1 396 104 986	**1 377 497 189**	**1 395 305 149**	**1 376 697 352**
Accumulated amortisation	(1 202 822 224)	(1 140 939 712)	(1 202 022 387)	(1 140 139 875)
Accumulated impairment (Note 9.10)	(25 712 718)	(17 365 912)	(25 712 718)	(17 365 912)
	167 570 044	**219 191 565**	**167 570 044**	**219 191 565**

Operations in the Group's intangible assets during the years under review were as follows:

	Automatic data processing system	Other intangible assets	Intangible assets in progress	Total
Cost				
1 January 2023	**771 148 467**	**423 823 634**	**226 160 720**	**1 421 132 821**
Acquisitions	-	-	103 648 748	103 648 748
Reclassifications	35 774 785	1 634 253	(184 693 418)	(147 284 380)
Transfers	3 820 160	-	(3 820 160)	-
31 December 2023	**810 743 412**	**425 457 887**	**141 295 890**	**1 377 497 189**
Acquisitions	-	-	50 077 101	50 077 101
Reclassifications	54 162 204	-	(85 631 508)	(31 469 304)
Transfers	5 611 612	-	(5 611 612)	-
31 December 2024	**870 517 228**	**425 457 887**	**100 129 871**	**1 396 104 986**
Amortisation and impairment				
1 January 2023	**688 685 220**	**419 115 400**	**61 652**	**1 107 862 272**
Amortisation for the period	36 761 798	2 658 232	12 844	39 432 874
Impairment (Note 9.10)	193 842	-	-	193 842
Reclassifications	10 816 636	-	-	10 816 636
31 December 2023	**736 457 496**	**421 773 632**	**74 496**	**1 158 305 624**
Amortisation for the period	37 439 680	1 097 284	-	38 536 964
Impairment (Note 9.10)	8 346 806	-	-	8 346 806
Reclassifications	23 345 548	-	-	23 345 548
31 December 2024	**805 589 530**	**422 870 916**	**74 496**	**1 228 534 942**
Net amount				
31 December 2024	**64 927 698**	**2 586 971**	**100 055 375**	**167 570 044**
31 December 2023	**74 285 916**	**3 684 255**	**141 221 394**	**219 191 565**

Operations in the Bank's intangible assets during the years under review were as follows:

	Automatic data processing system	Other intangible assets	Intangible assets in progress	Total
Cost				
1 January 2023	**770 555 884**	**423 823 634**	**225 953 466**	**1 420 332 984**
Acquisitions	-	-	103 648 748	103 648 748
Reclassifications	35 774 785	1 634 253	(184 693 418)	(147 284 380)
Transfers	3 820 160	-	(3 820 160)	-
31 December 2023	**810 150 829**	**425 457 887**	**141 088 636**	**1 376 697 352**
Acquisitions	-	-	50 077 101	50 077 101
Reclassifications	54 162 204	-	(85 631 508)	(31 469 304)
Transfers	5 611 612	-	(5 611 612)	-
31 December 2024	**869 924 645**	**425 457 887**	**99 922 617**	**1 395 305 149**
Amortisation and impairment				
1 January 2023	**688 013 003**	**419 062 276**	**-**	**1 107 075 279**
Amortisation for the period	36 761 798	2 658 232	-	39 420 030
Impairment (Note 9.10)	193 842	-	-	193 842
Reclassifications	10 816 636	-	-	10 816 636
31 December 2023	**735 785 279**	**421 720 508**	**-**	**1 157 505 787**
Amortisation for the period	37 439 680	1 097 284	-	38 536 964
Impairment (Note 9.10)	8 346 806	-	-	8 346 806
Reclassifications	23 345 548	-	-	23 345 548
31 December 2024	**804 917 313**	**422 817 792**	**-**	**1 227 735 105**
Net amount				
31 December 2024	**65 007 332**	**2 640 095**	**99 922 617**	**167 570 044**
31 December 2023	**74 365 550**	**3 737 379**	**141 088 636**	**219 191 565**

In the financial years under review, current intangible assets essentially refer to costs incurred in developing computer applications and development projects that had not yet started operating on those dates.

As at 31 December 2024, the Bank holds 2 intangible assets with an indefinite useful life. The annual impairment test was carried out in accordance with the assumptions established in the accounting standard, and the following conclusions were reached:

- One of the assets was impaired, which led to the impairment of MT 8,346,806.00 being reinforced, keeping it as an intangible asset with an indefinite useful life;
- For the remaining asset, it was concluded that it was not impaired and continued to fulfil the conditions to be classified as an intangible asset with a perpetual useful life.

9.23 Tax assets

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Current tax assets				
IRPC rebate	588 183 374	678 682 320	577 290 244	671 114 526
Deferred tax assets				
Due to Temporary differences	2 488 755 570	1 146 221 379	2 487 606 923	1 144 347 004
	3 076 938 944	**1 824 903 699**	**3 064 897 167**	**1 815 461 530**

The breakdown of the Group's and Bank's current tax assets was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Current tax assets				
Tax withholdings	43 859 479	36 234 003	43 524 627	35 899 151
Payment on account	1 170 953 019	1 300 402 937	1 152 385 375	1 286 896 293
Special payment on account	230 000	230 000	-	-
Estimated payable tax	(626 859 124)	(658 184 620)	(618 619 758)	(651 680 918)
	588 183 374	**678 682 320**	**577 290 244**	**671 114 526**

Operations in the Group's deferred tax assets during the years under review were as follows:

Group						
		By results		By own funds		
	Dec-23	Cost	Income	Increase	Decrease	Dec-24
Deferred tax assets						
Impairment for loans and advances to customers	496 453 508	-	281 523 525	-	-	777 977 033
Impairment of tangible assets	510 244 119	(6 554 078)	101 020 937	-	-	604 710 978
Fair value of financial assets	42 318 378	-	-	-	(8 488 261)	33 830 117
Impairment of financial assets	95 330 999,00	(7 010 877)	925 147 873	-	-	1 013 467 995
Remeasurement of established benefit plans	-	-	-	-	57 620 800	57 620 800
Tax losses	1 874 375	-	(725 728)	-	-	1 148 647
	1 146 221 379	**(13 564 955)**	**1 306 966 607**	**-**	**49 132 539**	**2 488 755 570**

		By results		By own funds		
	Dec-22	Cost	Income	Increase	Decrease	Dec-23
Deferred tax assets						
Impairment for loans and advances to customers	-	-	496 453 508	-	-	496 453 508
Impairment of tangible assets	-	-	510 244 119	-	-	510 244 119
Fair value of financial assets	60 162 094	-	-	-	(17 843 716)	42 318 378
Impairment of financial assets	-	-	93 392 827	1 938 172	-	95 330 999
Remeasurement of established benefit plans	27 795 520	-	-	-	(27 795 520)	-
Tax losses	1 890 265	-	100 577	-	(116 467)	1 874 375
	89 847 879		**1 100 191 031**	**1 938 172**	**(45 755 703)**	**1 146 221 379**

To calculate deferred tax, the group applied a tax rate of 32%.

Operations in the Bank's deferred tax assets during the years under review were as follows:

	Bank					
		By results		By own funds		
	Dec-23	Cost	Income	Increase	Decrease	Dec-24
Deferred tax assets						
Impairment for loans and advances to customers	496 453 508	-	281 523 525	-	-	777 977 033
Impairment of tangible assets	510 244 119	(6 554 078)	101 020 937	-	-	604 710 978
Fair value of financial assets	42 318 378	-	-	-	(8 488 261)	33 830 117
Impairment of financial assets	95 330 999	(7 010 877)	925 147 873	-	-	1 013 467 995
Remeasurement of established benefit plans	-	-	-	-	57 620 800	57 620 800
	1 144 347 004	**(13 564 955)**	**1 307 692 335**	**-**	**49 132 539**	**2 487 606 923**

		By results		By own funds		
	Dec-22	Cost	Income	Increase	Decrease	Dec-23
Deferred tax assets						
Impairment for loans and advances to customers	-	-	496 453 508	-	-	496 453 508
Impairment of tangible assets	-	-	510 244 119	-	-	510 244 119
Fair value of financial assets	60 162 094	-	-	-	(17 843 716)	42 318 378
Impairment of financial assets	-	-	93 392 827	1 938 172	-	95 330 999
Remeasurement of established benefit plans	27 795 520	-	-	-	(27 795 520)	-
Tax losses						
	87 957 614	**-**	**1 100 090 454**	**1 938 172**	**(45 639 236)**	**1 144 347 004**

To calculate deferred tax, the group applied a tax rate of 32%.

9.24 Other Assets

The other assets line item is as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Debtors and other investments				
Debtors - group companies (Note 9.36)	377 000	-	379 686 938	418 649 808
Other resident debtors	1 405 989 312	1 448 685 653	1 384 474 531	1 436 634 415
Non-resident debtors	137 540 264	145 855 448	136 620 264	144 935 448
	1 543 906 576	**1 594 541 101**	**1 900 781 733**	**2 000 219 671**
Income receivable				
Other income receivable	46 719 964	47 037 727	46 719 964	47 037 727
	46 719 964	**47 037 727**	**46 719 964**	**47 037 727**
Deferred expenses				
Rents	4 165 451	14 374 764	4 017 615	8 115 818
Insurance	1 874 143	43 384 600	1 874 143	43 384 600
Other deferred expenses	415 941 274	336 987 671	415 941 274	336 987 671
	421 980 868	**394 747 035**	**421 833 032**	**388 488 089**
Other offset accounts				
Foreign exchange operations	-	396 017	-	396 017
Clearing accounts	265 486 185	268 372 661	265 486 185	268 372 661
Other internal accounts	316 381 684	265 050 414	315 376 684	264 045 414
	581 867 869	**533 819 092**	**580 862 869**	**532 814 092**
Impairment (Note 9.10)	**(1 561 997 615)**	**(1 259 751 456)**	**(1 557 391 325)**	**(1 255 145 166)**
	1 032 477 662	**1 310 393 499**	**1 392 806 273**	**1 713 414 413**

Other resident debtors - under this line item, the Bank records the properties it has received in lieu of payment but which are not yet available for sale because they are under administrative or legal property registration procedures, as well as debtors in litigation and bonds paid.

Other income receivable - the Bank records under Other income receivable the amounts of transactions with customers, both for services provided and leasing.

Other expenses with deferred expenses - under this line item, the Bank records other expenses with deferred expenses, namely the amounts of invoices whose cost refers to more than one period (month), in order to recognise the cost in the period to which it refers.

Other accruals and clearing accounts – under this line item, the Bank records balances related to compensation flows from the card payment system and other outstanding transactions pending settlement.

9.25 Deposits from Central Banks

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Deposits from Central Banks				
Loans	32 822 081	88 938 852	32 822 081	88 938 852
Interest payable	82 055	204 837	82 055	204 837
	32 904 136	**89 143 689**	**32 904 136**	**89 143 689**

9.26 Deposits from credit institutions

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Deposits from credit institutions in the country				
Deposits	409 947 238	388 941 393	409 947 238	388 941 393
Interest payable	75 182	162 725	75 182	162 725
	410 022 420	**389 104 118**	**410 022 420**	**389 104 118**
Funds from credit institutions abroad				
Deposits	789 150 568	739 111 439	789 150 568	739 111 439
Interest payable	12 338 040	3 395 959	12 338 040	3 395 959
	801 488 608	**742 507 398**	**801 488 608**	**742 507 398**
	1 211 511 028	**1 131 611 516**	**1 211 511 028**	**1 131 611 516**

The table below shows the weighted average rates of return on Deposits with other credit institution in 2024 and 2023:

Description	2024	2023
Term deposits	6,91%	9,13%

9.27 Customer deposits

The Group has the following breakdown for this line item:

	Dec-24			Dec-23		
	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total
Demand deposits	98 536 189 911	16 773 655 298	115 309 845 209	88 739 671 854	12 689 893 073	101 429 564 927
Deposits redeemable at notice	41 342 665	26 295 702	67 638 367	40 299 769	28 587 298	68 887 067
Term deposits	44 412 783 740	22 873 114 280	67 285 898 020	41 591 468 867	15 503 424 851	57 094 893 718
Cheques and orders payable	218 038 580	220 923	218 259 503	212 169 517	588 740	212 758 257
	143 208 354 896	**39 673 286 203**	**182 881 641 099**	**130 583 610 007**	**28 222 493 962**	**158 806 103 969**
Interest payable	411 911 370	157 520 608	569 431 978	557 031 333	135 520 915	692 552 248
	143 620 266 266	**39 830 806 811**	**183 451 073 077**	**131 140 641 340**	**28 358 014 877**	**159 498 656 217**

The Bank has the following breakdown for this line item:

	Dec-24			Dec-23		
	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total
Demand deposits	98 568 196 192	16 773 655 356	115 341 851 548	88 771 678 135	12 689 893 131	101 461 571 266
Deposits redeemable at notice	41 342 665	26 295 702	67 638 367	40 299 769	28 587 298	68 887 067
Term deposits	44 412 783 740	22 873 114 280	67 285 898 020	41 591 468 867	15 503 424 851	57 094 893 718
Cheques and orders payable	218 038 580	220 923	218 259 503	212 169 517	588 740	212 758 257
	143 240 361 177	**39 673 286 261**	**182 913 647 438**	**130 615 616 288**	**28 222 494 020**	**158 838 110 308**
Interest payable	411 911 370	157 520 608	569 431 978	557 031 333	135 520 915	692 552 248
	143 652 272 547	**39 830 806 869**	**183 483 079 416**	**131 172 647 621**	**28 358 014 935**	**159 530 662 556**

Term deposits guaranteeing customer credit operations in the year ending 31 December 2024 amount to MT 2,589,014,938.00 MT (2023: MT 2,821,157,209.00).

The table below shows the weighted average rates of return on Customer deposits in 2024 and 2023:

Description	2024	2023
Demand deposits	1,32%	2,49%
Term deposits	6,99%	8,93%

The residual maturity of term operations, including deposits redeemable at notice, was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Up to 1 month	30 690 439 306	26 349 280 240	30 690 439 306	26 349 280 240
Between 1 and 3 months	26 938 769 185	17 173 819 228	26 938 769 185	17 173 819 228
Between 1 and 3 years	183 821 795	263 270 916	183 821 795	263 270 916
More than 3 years	357 374 122	373 766 084	357 374 122	373 766 084
	67 353 536 387	**57 163 780 785**	**67 353 536 387**	**57 163 780 785**

The breakdown of customer deposits (demand, term and redeemable at notice deposits) was as follows :

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Type of customers				
Companies	116 267 129 012	98 871 876 888	116 299 135 351	98 903 883 227
Individuals	66 396 252 584	59 721 468 824	66 396 252 584	59 721 468 824
	182 663 381 596	**158 593 345 712**	**182 695 387 935**	**158 625 352 051**

9.28 Consigned funds

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
USAID	8 199 324	12 631 089	8 199 324	12 631 089
National Treasury Directorate	18 512 866	95 031 881	18 512 866	95 031 881
ANE/Road Fund	3 353 179 847	4 097 469 208	3 353 179 847	4 097 469 208
Other	15 656 950	13 683 004	15 656 950	13 683 004
	3 395 548 987	**4 218 815 182**	**3 395 548 987**	**4 218 815 182**
Interest payable	23 157 470	30 893 970	23 157 470	30 893 970
	3 418 706 457	**4 249 709 152**	**3 418 706 457**	**4 249 709 152**

ANE/Road Fund consigned funds refer to funds for financing infrastructure development under the management of the National Roads Administration. These loans were granted under an agreement signed between the Government of Portugal and the Government of Mozambique, with disbursements being made directly by CGD, as representative of the Government of Portugal, to pay the invoices of the construction companies that carried out the work in their accounts registered with that institution, and the funding repayments made directly by the Government of Mozambique to CGD. BCI is a mere intermediary, with the function of guaranteeing the operational management of the Agreement in Mozambique, thus having no income associated with the resources or financing, nor any exposure to credit risk in this operation. For the services provided, the bank earns an intermediation commission established in the agreement.

9.29 Tax liabilities

This line item is broken down as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Current tax liabilities				
IRPC payable	-	-	-	-
Deferred tax liabilities				
Due to Temporary differences	244 809 276	62 433 671	244 809 276	62 433 671
	244 809 276	**62 433 671**	**244 809 276**	**62 433 671**

The amount of deferred taxes due to temporary differences arises from the application of corporate income tax on the fair-value revaluation reserve of the financial assets portfolio and the liabilities of established benefit plans.

Operations in the Group's deferred tax liabilities during the years under review were as follows:

	Group					
		By results		By own funds		
	Dec-23	Cost	Income	Increase	Decrease	Dec-24
Deferred tax liabilities						
Fair value of financial assets	50 564 871	-	-	-	182 375 605	232 940 476
Remeasurement of established benefit plans	11 868 800	-	-	-	-	11 868 800
	62 433 671	**-**	**-**	-	**182 375 605**	**244 809 276**

		By results		By own funds		
	Dec-22	Cost	Income	Increase	Decrease	Dec-23
Deferred tax liabilities						
Fair value of financial assets	40 216 995	-	-	-	10 347 876	50 564 871
Remeasurement of established benefit plans	28 243 200	-	-	(16 374 400)	-	11 868 800
	68 460 195	**-**	**-**	**(16 374 400)**	**10 347 876**	**62 433 671**

Operations in the Bank's deferred tax liabilities during the years under review were as follows:

	Bank					
		By results		By own funds		
	Dec-23	Cost	Income	Increase	Decrease	Dec-24
Deferred tax liabilities						
Fair value of financial assets	50 564 871	-	-	-	182 375 605	232 940 476
Remeasurement of established benefit plans	11 868 800	-	-	-	-	11 868 800
	62 433 671	**-**	**-**	-	**182 375 605**	**244 809 276**

		By results		By own funds		
	Dec-22	Cost	Income	Increase	Decrease	Dec-23
Deferred tax liabilities						
Fair value of financial assets	40 216 995	-	-	-	10 347 876	50 564 871
Remeasurement of established benefit plans	28 243 200	-	-	(16 374 400)	-	11 868 800
	68 460 195	**-**	**-**	**(16 374 400)**	**10 347 876**	**62 433 671**

To calculate deferred tax, the Group applied a tax rate of 32%.

9.30 Liabilities with established benefit plans

Under the Collective Bargaining Agreement (ACT) in force in the banking sector, which was signed by the now defunct Banco de Fomento, locally hired employees and their families are entitled to cash benefits for old age, disability and survivors' pensions. The table below shows the number of participants covered by this pension plan.

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Number of Participants				
Current employees	54	55	54	55
Retirees	14	9	14	9
	68	**64**	**68**	**64**

In accordance with the accounting policy adopted by the Bank, the liability for employee pensions, based on the calculation of the actuarial value of projected benefits, is analysed as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Liabilities for past services	164 588 000	64 521 000	164 588 000	64 521 000
Liabilities to retirees	196 376 000	88 802 000	196 376 000	88 802 000
Liabilities to pensioners	-	-	-	-
Liabilities for total services	360 964 000	153 323 000	360 964 000	153 323 000
Cost for the period	**29 743 000**	**29 519 000**	**29 743 000**	**29 519 000**

The basic assumptions used to calculate the actuarial value of the liabilities are in accordance with the requirements outlined in IAS 19 and are analysed as follows:

	Dec-24	Dec-23
Wages growth rate	5,00%	5,00%
Pensions growth rate	3,00%	3,00%
Discount rate	13,50%	17,25%
Mortality table	TV – 73/77	TV – 73/77
Standard retirement age		
Men	60	60
Women	55	55

The Bank's employees covered by this pension plan will be awarded a pension supplement based on the application of the benefits scheme of the ACT for the Banking Sector, minus the benefits they receive from the National Social Security Institute.

The pension plan does not have a constituted fund and therefore the entire calculated liability is assumed based on the Bank's Assets.

An established benefit plan is a pension plan that establishes an amount of pension benefit that an employee will be entitled to receive on their retirement date, depending on one or more factors such as age, years of service and salary.

The average age of employees receiving this pension supplement is 49.5 years and the pension can be calculated for a further 11.9 years.

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Liabilities at 01 January	153 323 000	161 841 000	153 323 000	161 841 000
Current servicing cost	3 504 000	2 060 000	3 504 000	2 060 000
Interest cost	26 239 000	27 459 000	26 239 000	27 459 000
Actuarial profit and loss on liabilities	87 726 000	(28 605 000)	87 726 000	(28 605 000)
Gain) / Loss of benefits	(9 434 000)	(7 086 000)	(9 434 000)	(7 086 000)
Pensions paid by the Bank	-	(2 346 000)	-	(2 346 000)
Change in discount rate	99 606 000	-	99 606 000	-
Liabilities at 31 December	**360 964 000**	**153 323 000**	**360 964 000**	**153 323 000**

According to the actuarial study, the amount of gross losses recognised is MT 180,065,000.00 (2023: MT 35,691,000.00 gain).

Sensitivity Analysis

According to the assumptions used, an increase in the discount rate reduces liabilities, and a reduction in the rediscount rate increases liabilities, as shown in the table below:

Discount rate	Dec-24		Dec-23	
	Actuarial (Gains) / Losses		Actuarial gains)/losses	
	Value	%	Value	%
1.0% increase	(32 209 869)	-8,9%	(12 558 215)	-8,2%
1.0% decrease	37 786 189	10,5%	14 533 821	9,5%
Increase of 2.5%	(72 235 606)	-20,0%	(28 401 568)	-18,5%
Decrease of 2.5%	107 863 903	29,9%	40 979 595	26,7%
5.0% increase	(122 717 935)	-34,0%	(48 801 845)	-31,8%
5.0% decrease	277 124 953	76,8%	102 610 246	66,9%

9.31 Other Liabilities

The breakdown of the Other liabilities line item is as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Creditors				
Shareholder payables (Note 9.36)	3 684 161 185	4 946 157 489	3 684 161 185	4 946 157 489
Suppliers	235 474 031	250 506 764	235 474 031	250 506 764
Lease liabilities (IFRS 16)	210 198 352	375 243 950	222 657 144	415 308 184
Other creditors	471 327 146	18 477 392	471 327 146	18 477 392
Retained tax	252 056 063	226 769 385	251 336 199	226 098 566
	4 853 216 777	**5 817 154 980**	**4 864 955 705**	**5 856 548 395**
Costs payable				
Staff Costs	546 409 218	470 332 204	546 409 218	470 332 204
Rents	22 437 357	13 121 089	21 011 357	11 956 150
Other costs payable	1 210 156 388	990 241 622	1 207 921 633	987 096 271
	1 779 002 963	**1 473 694 915**	**1 775 342 208**	**1 469 384 625**
Deferred revenue				
Other deferred revenue	231 481 730	118 416 763	231 481 730	118 416 763
	231 481 730	**118 416 763**	**231 481 730**	**118 416 763**
Other offset accounts				
Foreign exchange operations	2 889 572	-	2 889 572	-
Clearing accounts	602 424 865	687 568 691	602 424 865	687 568 691
Other internal accounts	2 000 121 010	4 260 131 674	2 000 121 010	4 260 131 674
	2 605 435 447	**4 947 700 365**	**2 605 435 447**	**4 947 700 365**
	9 469 136 917	**12 356 967 023**	**9 477 215 090**	**12 392 050 148**

The Other liabilities line item essentially includes:

(i) Shareholder creditors: amount of dividends, net of tax, duly approved and in the process of being paid to the Bank's shareholders.

(ii) Lease liabilities: discounted amount of the lease liability (operations during the period);

(iii) Staff costs: essentially made up of the amount of holiday pay to be paid the following year;

(iv) Other costs payable: charges payable for services provided by various suppliers;

The breakdown of lease liabilities by maturity period was as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Up to 1 year	72 199 326	201 352 138	76 474 777	241 416 372
1 to 5 years	136 122 968	168 454 233	144 306 309	168 454 233
More than 5 years	1 876 058	5 437 579	1 876 058	5 437 579
	210 198 352	**375 243 950**	**222 657 144**	**415 308 184**

9.32 Provisions

Operations in Provisions during the financial years under review were as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Provisions for guarantees and commitments				
As at 1 January	107 429 883	93 455 360	107 429 883	93 455 360
Net increase in the provision in the period	(52 705 939)	14 078 065	(52 705 939)	14 078 065
Adjustments	(321 260)	(103 542)	(321 260)	(103 542)
	54 402 684	**107 429 883**	**54 402 684**	**107 429 883**
Provisions for qualified operations				
As at 1 January	12 929 655	12 929 655	12 929 655	12 929 655
	12 929 655	**12 929 655**	**12 929 655**	**12 929 655**
Miscellaneous provisions				
As at 1 January	1 289 578 839	1 127 772 383	1 289 578 838	1 127 772 382
Net increase in the provision in the period	115 657 264	591 562 784	115 657 264	591 562 784
Uses	(206 382 547)	(434 784 761)	(206 382 547)	(434 784 761)
Adjustments	(7 856 623)	5 028 433	(7 856 623)	5 028 433
	1 190 996 933	**1 289 578 839**	**1 190 996 932**	**1 289 578 838**
	1 258 329 271	**1 409 938 376**	**1 258 329 271**	**1 409 938 376**

Provisions for guarantees and commitments:

As at 31/12/2024, the Bank had recognised an amount of MT 54,402,684.00 for impairments related to Guarantees Provided, Import Documentary Credits and Unused Credit Lines, whose exposure at the time of default (EAD) is determined through the application of Credit Conversion Factor (CCF).

Provisions for qualified operations:

The amount of MT 12,929,655.00 relates to the provisions set up as part of the due diligence carried out when Banco de Fomento was merged into BCI (30/11/2003). In this process, some operations were identified in the credit portfolios of the two banks that differed in terms of their degree of collectability, which required the comfort of both parties. The current balances in the Provisions account represent the potential reimbursement to shareholders as a result of the recoveries recorded in this customer group.

Miscellaneous provisions:

As at 31 December 2024, miscellaneous provisions consisted mainly of provisions for legal proceedings in which the Bank is involved, currently ongoing in the courts.

9.33 Share Capital

The current shareholder structure of BCI - Banco Comercial e de Investimentos, S.A. breaks down as follows:

	Dec-24			Dec-23		
	No. of shares	%	Value	No. of shares	%	Value
Shareholder:						
Caixa Participações, SGPS, S.A.	510 000 000	51,00%	5 100 000 000	510 000 000	51,00%	5 100 000 000
Banco BPI, S.A.	356 731 952	35,67%	3 567 319 520	356 731 952	35,67%	3 567 319 520
Caixa Geral de Depósitos, S.A.	105 074 967	10,51%	1 050 749 670	105 074 967	10,51%	1 050 749 670
BCI (Treasury Shares)	27 806 020	2,78%	278 060 200	27 806 020	2,78%	278 060 200
Other	387 061	0,04%	3 870 610	387 061	0,04%	3 870 610
	1 000 000 000	**100%**	**10 000 000 000**	**1 000 000 000**	**100%**	**10 000 000 000**

BCI's accounts are consolidated at the level of the Caixa Geral de Depósitos, S.A. Group, the entity that controls the Bank.

9.34 Reserves and retained earnings

Operations in the Group during the period under review were as follows:

	Group					
	Legal Reserve	Fair-value Reserves	Retained earnings	Other Reserves	Remeasurement of established benefit plans	Total
Balance 1 January 2023	**5 026 122 783**	**(42 383 333)**	**(25 626 007)**	**5 214 599 546**	**74 599 548**	**10 247 312 537**
2022 Retained earnings	2 423 433 573	-	3 160 927	157 234 099	-	2 583 828 599
Other transactions	-	59 907 130	-	-	24 269 880	84 177 010
Balance 31 December 2023	**7 449 556 356**	**17 523 797**	**(22 465 080)**	**5 371 833 645**	**98 869 428**	**12 915 318 146**
Balance 1 January 2024	**7 449 556 356**	**17 523 797**	**(22 465 080)**	**5 371 833 645**	**98 869 428**	**12 915 318 146**
Retained earnings 2023	2 551 586 623	-	201 861	623 446 840	-	3 175 235 324
Other transactions	-	405 585 718	-	-	(122 444 200)	283 141 518
Balance 31 December 2024	**10 001 142 979**	**423 109 515**	**(22 263 219)**	**5 995 280 485**	**(23 574 772)**	**16 373 694 988**

Operations at the Bank during the period under review were as follows:

	Bank					
	Legal Reserve	Fair-value Reserves	Retained earnings	Other Reserves	Remeasurement of established benefit plans	Total
Balance 1 January 2023	**5 024 979 804**	**(42 383 333)**	-	**5 211 949 823**	**74 599 548**	**10 269 145 842**
2022 Retained earnings	2 423 433 573	-	-	157 234 099	-	2 580 667 672
Other transactions	-	59 907 130	-	-	24 269 880	84 177 010
Balance 31 December 2023	**7 448 413 377**	**17 523 797**	**-**	**5 369 183 922**	**98 869 428**	**12 933 990 524**
Balance 1 January 2024	**7 448 413 377**	**17 523 797**	**-**	**5 369 183 922**	**98 869 428**	**12 933 990 524**
Retained earnings 2023	2 551 586 623	-	-	623 446 840	-	3 175 033 463
Other transactions	-	405 585 718	-	-	(122 444 200)	283 141 518
Balance 31 December 2024	**10 000 000 000**	**423 109 515**	**-**	**5 992 630 762**	**(23 574 772)**	**16 392 165 505**

There are no statutory restrictions on the distribution of Free Reserves and/or Retained Earnings.

The proposed appropriation of profits for 2023 provided for a distribution of dividends, which are detailed in the table below:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Dividends declared and paid:				
Majority shareholders	6 266 403 720	549 525 553	6 266 403 720	549 525 553
Minority shareholders	1 993 206	1 380 312	1 993 206	1 380 312
	6 268 396 926	**550 905 865**	**6 268 396 926**	**550 905 865**
Dividends declared but not paid:				
Majority shareholders (Note 9.31)	3 683 733 675	4 945 729 979	3 683 733 675	4 945 729 979
Minority shareholders (Note 9.31)	427 510	427 510	427 510	427 510
	3 827 350 794	**5 103 391 588**	**3 827 350 794**	**5 103 391 588**

[1]Dividends of deceased shareholders, with heir succession proceedings in progress.

The proposed appropriation of profits for 2024, approved at the General Meeting, is specified in the Management Report. Dividends on own shares cannot be distributed to the shareholders within the scope of Article 367 of Decree-Law 01/2022 - Commercial Code, and are recognised in the financial statements under own share reserves.

In the year ended 31 December 2024, the Bank had the following reserves:

Legal reserve: the legal reserve is compulsory, in accordance with Law 15/2020 (the Credit Institutions and Financial Companies Act), and is made up of a portion of the net profit for the year. As at 31 December 2024, the Bank must allocate 15% of its net profit to the Legal Reserve, in accordance with the criteria set out in Law 15/2020, as the total amount of the Legal Reserve equals the amount of fully subscribed share capital;

Fair-Value Reserve: The fair-value reserve records the accumulated change net of deferred tax of fair-value financial assets through other comprehensive income;

Liability for established benefit plans (Actuarial reserve): The liability for established benefit plans (Actuarial reserve) includes the actuarial variation in pension plans under the Collective Bargaining Agreement (ACT) in force in the banking sector, which had been signed by the now extinct Banco de Fomento;

Free reserves: free reserves are those that have no pre-established use by the shareholders, are created when the shareholders resolve to do so and can be used to cover losses, for investments and for distribution to shareholders; and

Own share reserves: the own shares reserve records the amount of dividends that remunerate the Bank's own shares.

9.35 Off-Balance Sheet headings

In order to meet the needs of its customers, the Bank undertakes various commitments and has contingent liabilities. Although the associated bonds may not be recognised in the balance sheet, they have an inherent credit risk and therefore constitute part of the risk to which the Bank is exposed.

The overall contingent liabilities of the Group and the Bank are as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Contingent liabilities				
Financial Guarantees	12 467 484 103	12 912 437 453	12 549 587 615	12 994 540 965
Letters of credit	2 121 281 310	1 661 689 845	2 121 281 310	1 661 689 845
Unused credit lines	7 416 286 138	8 165 670 340	7 416 286 138	8 165 670 340
	22 005 051 551	**22 739 797 638**	**22 087 155 063**	**22 821 901 150**

Financial assets written off by cash flows:

	Dec-24	Dec-23
Credits written off with expired cash flows	3 690 168 254	6 242 967 458
Credits written off with not yet expired cash flows	2 638 283 100	2 016 126 992
Total	**6 328 451 353**	**8 259 094 450**

Letters of credit and documentary credits oblige the Bank to make payments on behalf of its customers to face a specific situation, usually related to the import or export of goods. Guarantees and documentary credits, by their nature, are exposed to similar credit risk.

9.36 Related Parties

Under IAS 24, related entities are those in which the Bank directly or indirectly exercises significant influence over its management and financial policy (Associates and Subsidiaries) and those that exercise significant influence over the Bank's management (Key staff: Members of the Board of Directors and Central Managers).

Various banking transactions, deposits, guarantees and other operations are carried out with related entities on a commercial basis in the normal course of business. The transactions carried out during the year with related parties and the respective balances as at 31 December 2024 were as follows:

	Shareholders	Associates	Key staff	Total
Assets				
Cash and cash equivalents at credit institutions (i)	132 873 729	-	-	132 873 729
Deposits from credit institutions (iv)	1 760 888 600	-	-	1 760 888 600
Loans and advances to customers (iii)	-	106 501 524	12 326 241	118 827 765
Other assets	668 942	379 686 938	-	380 355 880
	1 894 431 271	**486 188 462**	**12 326 241**	**2 392 945 974**
Liabilities				
Deposits from credit institutions (iv)	783 528 290	-	-	783 528 290
Consigned funds (v)	3 353 179 847	-	-	3 353 179 847
Customer deposits	1 456	32 006 281	168 961 898	200 969 635
Other liabilities (vi)	3 712 278 176	3 772 308	-	3 716 050 484
	7 848 987 769	**35 778 589**	**168 961 898**	**8 053 728 256**
Income				
Interest and similar income	143 443 214	15 345 713	60 378 360	219 167 287
Fee and commission income	-	-	395 598	395 598
	143 443 214	**15 345 713**	**60 773 958**	**219 562 885**
Costs				
Interest and similar costs	361 578 245	2 773 683	4 443 943	368 795 871
Expenditure on fees and commissions	30 910 795	-	14 367	30 925 162
	392 489 040	**2 773 683**	**4 458 310**	**399 721 033**
Off-balance sheet				
Guarantees received	68 142 371	180 000 000	1 081 844 819	1 329 987 190
Guarantees provided	2 827 026 661	-	333 856	2 827 360 517
Commitments to Third Parties	134 064	-	-	134 064
	2 895 303 096	**180 000 000**	**1 082 178 675**	**4 157 481 771**

Loans to Key Staff include Home Loans, Consumer Loans, Credit Cards, Guarantees Provided, Documentary Credits and Other loans on the Balance Sheet

Loans to Key Staff include Home Loans, Consumer Loans, Credit Cards, Guarantees Provided, Documentary Credits and Other loans on the Balance Sheet.

Loans granted to the key staff of the Bank are in accordance with the conditions approved for all the employees, in terms of time and rates. The loan is available at subsidised rates depending on the term and purpose of the loan, which may be fixed or indexed to the system's Prime Rate, depending on its type and in accordance with the Bank's internal policy applicable to all loans to employees.

(i) Cash and cash equivalents with other credit institutions correspond to demand deposits with the CGD Group, totalling MT 132,873,729.00 (equivalent to USD 2,079,076.00);
(ii) The amount of MT 1,760,888,600.00 of investments in credit institutions corresponds to the transfer from the Bank to Caixa Geral de Depósitos;
(iii) The credit granted to subsidiaries corresponds to the current account credit to IMOBCI, including accrued interest, in the amount of 106,501,524.00 MT;
(iv) Deposits from credit institutions relate to shareholders' deposits with the Bank, from Caixa Geral de Depósitos, totalling MT 783,528,290.00, of which MT 781,988,440.00 relate to a CGD term deposit remunerated at 8.00% and the remaining MT 1,539,850.00 relate to a CGD demand deposit;
(v) The amount of MT 3,353,179,847.00 of consigned funds refers to the Agreement between the Government of Portugal and the Government of Mozambique, regarding the line of financing for ANE/ Fundo de Estradas, disbursed by Caixa Geral de Depósitos, S.A., in which BCI is merely an intermediary;
(vi) The amount of MT 3,712,278,176.00 in the other liabilities line includes the amount of MT 3,683,733,675.00 relating to the 2023 net dividends still in the process of being paid to Caixa Participações, SGPS, Caixa Geral de Depósitos, S.A and Banco BPI, S.A. in the amounts of MT 2,331,504,669.00 and MT 1,352,229,006.00 respectively.

In the periods under review, the remuneration line item includes the following costs relating to remuneration paid to members of the Bank's Board of Directors:

- MT 189,807,178.00 (2023: MT 180,076,699.00) relating to monthly remunerations; and
- MT 90,091,892.00 (2023: MT 100,298,838.00) relating to other remunerations.

The Bank's social security contribution in 2024 totalled MT 186,917,876.00 (2023: MT 170,323,056.00).

As at 31 December 2023, the total amount of assets, liabilities, expenses and off-balance sheet income and liabilities relating to operations carried out with related entities and key members of Management was as follows:

	Shareholders	Associates	Key staff	Total
Assets				
Cash and cash equivalents at credit institutions (i)	187 022 484	-	-	187 022 484
Deposits from credit institutions (iv)	1 727 225 466	-	-	1 727 225 466
Loans and advances to customers (iii)	-	122 843 000	583 207 920	706 050 920
Other assets	-	418 649 808	-	418 649 808
	1 914 247 950	**541 492 808**	**583 207 920**	**3 038 948 678**
Liabilities				
Deposits from credit institutions (iv)	733 489 160	-	-	733 489 160
Consigned funds (v)	4 097 469 208	-	-	4 097 469 208
Customer deposits	1 455	32 006 281	115 054 603	147 062 339
Other liabilities (vi)	5 528 037 530	40 294 234	-	5 568 331 764
	10 358 997 353	**72 300 515**	**115 054 603**	**10 546 352 471**
Income				
Interest and similar income	59 184 525	24 337 495	55 182 169	138 704 189
Fee and commission income	-	-	304 258	304 258
	59 184 525	**24 337 495**	**55 486 427**	**139 008 447**
Costs				
Interest and similar costs	434 736 710	6 914 975	3 706 783	445 358 468
Expenditure on fees and commissions	1 006 575	-	13 206	1 019 781
	435 743 285	**6 914 975**	**3 719 989**	**446 378 249**
Off-balance sheet	72 168 863	262 103 512	907 493 091	1 241 765 466
Guarantees received				
Guarantees provided	1 916 314 741	-	16 428	1 916 331 169
Commitments to Third Parties	72 177 727	-	-	72 177 727
	2 060 661 331	**262 103 512**	**907 509 519**	**3 230 274 362**

Below is a list of entities related to the BCI Group:

Entities:	
Caixa Participações SGPS, S.A	Shareholder
Caixa Geral de Depósitos, S.A	Shareholder
Banco BPI, S.A .	Shareholder
BPI Moçambique, Sociedade de Investimento, S.A	Associates
IMOBCI, Limitada	Associates

9.37 Risk Management

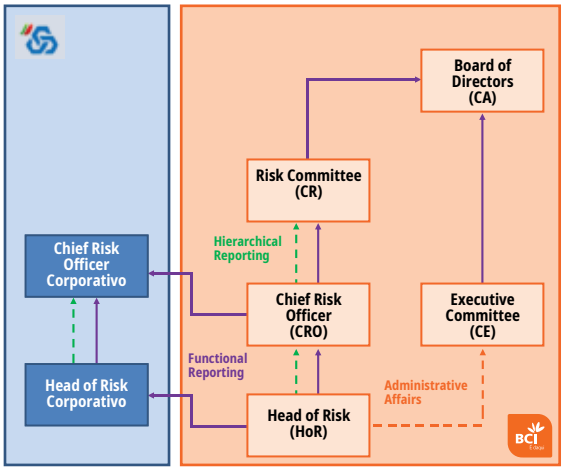
The Board of Directors (CA) guarantees that the risk management system implemented, as well as the processes and measures designed to ensure that the established risk limits are complied with, is adequate for the correct development of the business strategy, taking into account the Bank's profile and size. In accordance with best practices, and to ensure control of the risks incurred, the Bank has formalised its risk appetite, approved by the Board of Directors through two documents (the Risk Appetite Framework and the Risk Appetite Statement) which identify the relevant risks, outline the metrics for their assessment and indicate the limits, tolerance levels for their control and the respective recovery triggers.

Risk management is a highly important activity for the Bank, for which the guiding principles, organisational structure, responsibilities and assessing and monitoring system are set out in the Risk Management Policies and Risk Management Programme. The Bank's risk profile is prudent, due to the characteristics of the institution's governance model and its main financial shareholders (CGD and BPI), its size and age, as well as the regulatory requirements of internal and external supervision. The Bank's risk management policy endeavours to maintain

an appropriate relationship between equity, sustainability and profitability. In this context, risk monitoring and control are particularly important.

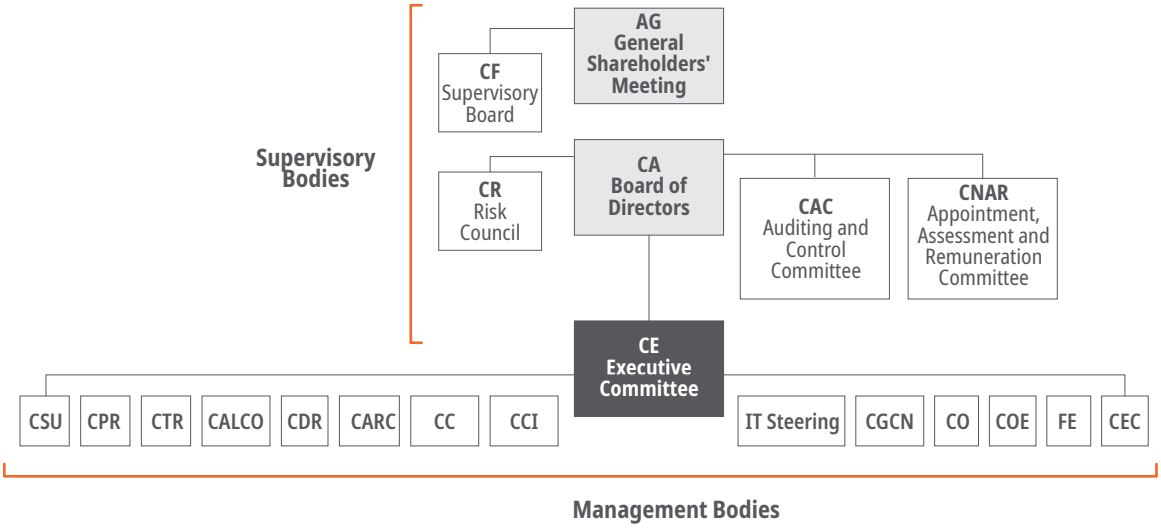
BCI's risk management function is part of the basic organisational model of the CGD Group's corporate risk function and simultaneously aims to comply with best practices in this area and guarantee the solidity and effectiveness of the system for identifying, measuring, monitoring, reporting and controlling financial risks (credit, market, liquidity and interest rate on the balance sheet) and non-financial risks (strategy and business, operational, IT, reputational, climate/ environmental, compliance, amongst others) to which the Bank is or may be exposed.

The head of BCI's Risk Management Function is the Chief Risk Officer (CRO), who reports hierarchically and functionally to BCI's Risk Committee and CGD's CRO and is completely independent of the Executive Committee. The CRO is globally responsible for monitoring the Bank's risk management framework and, in particular, for ensuring that the Risk Management Function works properly and effectively, and is also responsible for informing and clarifying the members of the management and supervisory bodies about the risks incurred, the overall risk profile and the degree of compliance with the established risk tolerance levels.



Risk control and monitoring is carried out by a dedicated structure, the Risk Management Division (DGR), under the direct responsibility of the Head of Risk (HoR). The Risk Management Division is responsible for managing and controlling the Bank's risks, with the objectives of stability, solvency and financial soundness, ensuring the identification, assessment, measurement, monitoring, control and reporting of the risks to which the Bank is exposed and the interrelationships between them, in order to ensure the coherent integration of their partial contributions, that they remain at the level of risk appetite outlined by the Board of Directors and that they will not significantly affect the institution's financial situation, continuously ensuring compliance and conformity with external standards and legal and regulatory requirements in these matters. The DGR coordinates cross-cutting exercises as part of regulatory processes or internal initiatives, monitors and promotes the resolution of recommendations identified internally and externally, contributing to the effectiveness of the Internal Control System, and disseminates and improves the risk culture throughout the Bank, increasing the effectiveness and efficiency of risk management.

In order to better separate supervisory and management functions, as recommended by good practice, the Audit and Control Committee, the Risk Committee and the Appointments, Assessment and Remuneration Committee and the Risk Committee report directly to the Board of Directors, while the other Committees and Commissions report to the Executive Committee, as shown in the organisational chart below:



Caption:

CSU	Sustainability Committee
CPR	Product Committee
CTR	Transformation Committee
CALCO	Capital Asset and Liability Management Committee
CDR	Delegated Rating Council
CARC	Credit Risk Monitoring Committee
CC	Credit Council
CCI	Cost and Investment Committee

LEGENDA

IT Steering	Systems Committee
CGCN	General Business Continuity Committee
CO	Operational Committee
COE	Foreign Operations Committee
FE	Strategic Forum
CEC	Customer Experience Committee

a. Credit Risk

Credit risk is the possibility of negative impacts on results and/or capital due to the inability of a counterparty to fulfil its financial commitments to the Bank.

BCI has established a system for identifying, assessing and controlling the risk of its portfolio, which covers all customer segments and is active both at the time of granting credit and in monitoring the risk throughout the life of the operations.

Given the nature of the banking business, Credit Risk is of particular importance given its materiality, despite its interconnection with other risks.

The specific analysis of credit operations follows the principles and procedures established in the General Credit Regulations to establish the risk profile, essentially by assessing the following indicators, among others:

- Limits of exposure to credit risk, current debt capacity and assessment of forecast debt repayment capacity based on cash flows. In the case of individuals, the credit limit and the assessment of the foreseeable capacity to repay the debt is based, among other things, on the calculation of the effort rate or the estimated value of the income/assets of the applicants, guarantors and/or sureties.
- Incidents and defaults, seizures or tax and social security debts;
- Value, robustness and liquidity of the real and/or personal guarantees to cover the credit and the subsequent mitigation of the associated risk in the event of enforcement due to default.

Three essential levels of competence are established (Credit Council, Delegated Credit Council and Delegated Bodies) for approving credit operations, depending on whether they are original or delegated.

The aim of decentralising credit approval decisions is to ensure greater speed and efficiency in the process of analysing and granting credit, while safeguarding risk.

Determines the level of credit approval competence:

- The Accumulated Limit per Customer/Group;
- Verification of conditions for exclusion from the Delegation of Competences (e.g. existence of irregular credit, correlated credit).

Subsequently, the Bank keeps a constant watch on the behaviour of the portfolio's evolution (by geographical area, sector of activity, credit segment, counterparty, currency and maturity), and on the results and returns achieved in relation to the risks assumed.

Problem loans are also analysed on a regular basis, along with the degree to which they are covered by impairments/provisions, the evolution of write-offs and recoveries.

During the year, the quest to continuously improve internal processes and procedures, and for the best practices and tools for identifying, evaluating, managing and controlling credit risk, remained one of the main objectives to increase the quality of the loan portfolio and consequently reduce the probability of default. In this way, the impairment models in use, the rating model, the balance sheet centre, the scoring models and the overdue credit management solution were calibrated.

Additionally, as part of Credit Risk Management and Control and compliance with the institution's risk appetite, the various inherent regulations were updated and the evolution of the portfolio was continuously monitored, with a particular focus on analysing Credit Concentration (customer/group, product, maturity, residual term, sector of activity and region), Correlated Credit (shareholders, subsidiaries and Group companies, and employees) and High Risk Credit (Loans to customers/groups with exposure equal to or greater than 10% of the value of the Bank's Own Funds), and Credit in default (NPL/NPE).

Credit-related risks

BCI makes Signature Credits available to its Customers (bank guarantees and documentary credits), which represent an obligation on the part of the Bank towards the beneficiaries. These products expose the Bank to risks similar to those of disbursement loans and are mitigated through similar processes.

Maximum exposure to credit risk without taking into account any guarantees

The table below shows the maximum exposure to Credit Risk by product and by business sector. The maximum exposure is presented in gross figures, not taking into account the possible effects of any guarantees/collateral.

The maximum exposure by financial asset as at 31 December 2024 and 31 December 2023 is as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Cash and Cash Equivalents at Central Banks	80 779 080 185	61 667 286 526	80 779 079 379	61 667 285 720
Cash and cash equivalents at credit institutions	532 069 542	2 966 357 802	532 066 144	2 966 354 404
Financial assets at amortised cost	42 742 075 956	39 671 581 100	42 742 075 956	39 671 581 100
Fair-value financial assets through other comprehensive income	7 532 079 280	4 207 386 684	7 532 079 280	4 207 386 684
Investments in credit institutions	16 264 393 298	22 661 869 264	16 264 393 298	22 661 869 264
Loans and advances to customers - Retail Banking				
Mortgage credits	1 617 154 420	1 732 704 587	1 617 154 420	1 732 704 587
Sales on instalments and finance leases	42 599 907 983	36 631 531 510	42 599 907 983	36 631 531 510
Loans - Card	444 781 235	467 256 876	444 781 235	467 256 876
Other loans and advances	5 579 609 636	7 103 385 996	5 579 609 636	7 103 385 996
Loans and advances to customers - Corporate and Investment Banking				
Loans to Large Companies	27 011 286 569	26 849 821 626	27 116 655 639	26 971 495 795
Accrued interest	897 695 166	907 869 172	898 827 620	909 038 003
Credit risk exposures relating to off-balance sheet items:				
- Unused credit lines	5 422 802 433	5 881 935 807	5 422 802 433	5 881 935 807
- Letters of credit	1 430 585 921	1 033 986 252	1 430 585 921	1 033 986 252
- Financial guarantees	12 250 404 643	12 414 442 672	12 250 404 643	12 414 442 672
	245 103 926 267	**224 197 415 874**	**245 210 423 587**	**224 320 254 670**

The table above represents the Group's and the Bank's worst-case exposure in terms of credit risk as at 31 December 2024 and 2023. With regard to the assets shown on the balance sheet, the above presentation is based on the gross book value, except for off-balance sheet items at nominal value for which conversion ratios and other treatments are applied.

The Bank is confident in its ability to continue to control and sustain minimum exposure levels in terms of the credit risk arising from its customer loan portfolio and investments in subsidiaries, based on the following:

- Mortgage credits and finance leases are backed by robust and valuable guarantees.
- Large companies have managers who monitor performance, the evolution of the customer's business and other factors that make it possible to identify signs of potential defaults in good time.

Of all the financial assets, 61.31% (2023: 55.05%) were issued by the Bank of Mozambique and 37.89% (2023: 44.00%) were issued by the Government of Mozambique, including instruments issued and/or guaranteed by the Treasury.

Guarantees and/or collateral

To cover credit risk, the Bank may accept Guarantees and/or Collateral, whose type and value depend on the counterparty's credit risk assessment.

These guarantees and/or collaterals are susceptible to devaluation during the life cycle of the associated credit, which means that their level of coverage deteriorates. In order to monitor the degree of coverage, frequent assessments (by independent assessors) must be carried out in the light of Notice 11/GBM/2013 (maximum every 3 years) or when the Bank deems it necessary.

The table below shows the main types of collateral:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Contingent assets				
Guarantee and/or surety from partners/shareholders and/or	10 783 184 836	24 515 266 780	10 783 184 836	24 695 266 780
third parties	3 709 001 712	12 393 559 942	3 709 001 712	12 393 559 942
Comfort letter from parent companies	55 833 869 029	47 159 335 204	55 833 869 029	47 159 335 204
Consignment of income	18 004 618 069	20 020 301 999	18 004 618 069	20 020 301 999
Guarantees provided by the State	155 110 244	671 473 843	155 110 244	671 473 843
Guarantees provided by other credit institutions	8 044 083 233	11 700 241 671	8 044 083 233 15	11 700 241 671
Mortgages on owner-occupied housing	15 805 957 910	21 334 562 569	805 957 910 24	21 334 562 569
Mortgages on industrial and/or commercial real estate	24 158 661 480	8 881 644 335	158 661 480	8 881 644 335
Other	140 000 000	322 571 983	140 000 000	322 571 983
Pledge of shares/equipment/securities	3 021 795 681	5 339 100 198	3 021 795 681	5 339 100 198
Pledge of deposits with BCI and/or financial shareholders (CGD/BPI)				
	139 656 282 194	**152 338 058 524**	**139 656 282 194**	**152 518 058 524**



Credit quality by asset class

Loans and advances with maturities of less than 90 days are not considered to have their recoverable value reduced, unless there is information to the contrary. As at 31 December 2024, the figure was MT 8,553,105,553.00 (2023: MT 5,170,846,843.00).

The table below represents the Group's credit quality by asset class:

Product	Collective Gross Carrying Amount	Individual Gross Carrying Amount	Total Carrying Amount	Net Guarantees - Collective	Net Guarantees - Individual
Mortgage credits	1 586 927 123	30 227 297	1 617 154 420	48 881 532	-
Sales on instalments and finance leases	42 551 240 031	48 667 952	42 599 907 983	218 826 017	-
Credit Cards	444 781 235	-	444 781 235	15 990 763	-
Other loans and advances	4 006 091 881	1 460 113 569	5 466 205 450	672 113 608	-
Loans to large companies	25 496 041 103	1 628 649 652	27 124 690 755	11 936 499 472	1 605 211 267
Total	**74 085 081 374**	**3 167 658 469**	**77 252 739 843**	**12 892 311 391**	**1 605 211 267**
Interest receivable	**883 985 546**	**13 709 620**	**897 695 166**	**-**	**-**
As at 31 December 2024	**74 969 066 919**	**3 181 368 090**	**78 150 435 009**	**12 892 311 391**	**1 605 211 267,17**
As at 31 December 2023	**67 139 928 137**	**6 552 641 630**	**73 692 569 767**	**15 545 166 299**	**-**

Product	Total Net Guarantees	Net Collective Exposure	Individual Net Exposure	Total net exposure
Mortgage credits	48 881 532	1 538 045 592	30 227 297	1 568 272 889
Sales on instalments and finance leases	218 826 017	42 332 414 014	48 667 952	42 381 081 966
Credit Cards	15 990 763	428 790 473	-	428 790 473
Other loans and advances	672 113 608	3 333 978 273	1 460 113 569	4 794 091 842
Loans to large companies	13 541 710 739	13 559 541 631	23 438 384	13 582 980 016
Total	**14 497 522 658**	**61 192 769 983**	**1 562 447 202**	**62 755 217 185**
Interest receivable	**-**	**-**	**-**	**-**
As at 31 December 2024	**14 497 522 658**	**62 076 755 529**	**1 576 156 822**	**63 652 912 351**
As at 31 December 2023	**15 545 166 299**	**51 594 761 839**	**6 552 641 630**	**58 147 403 468**



The table below represents the Bank's credit quality by asset class:

Product	Collective Gross Carrying Amount	Individual Gross Carrying Amount	Total Carrying Amount	Net Guarantees - Collective	Net Guarantees - Individual
Mortgage credits	1 586 927 123	30 227 297	1 732 704 587	48 881 532	-
Sales on instalments and finance leases	42 551 240 031	48 667 952	36 631 531 510	218 826 017	-
Credit Cards	444 781 235	-	467 256 876	15 990 763	-
Other loans and advances	4 111 460 951	1 460 113 569	7 102 102 269	672 113 608	-
Loans to large companies	25 496 041 103	1 628 649 652	26 972 513 909	11 936 499 472	1 605 211 267
Total	**74 190 450 444**	**3 167 658 469**	**72 906 109 151**	**12 892 311 391**	**1 605 211 267**
Interest receivable	**885 118 000**	**13 709 620**	**898 827 620**	**-**	**-**
As at 31 December 2024	**75 075 568 443**	**3 181 368 090**	**78 256 936 533**	**12 892 311 391**	**1 605 211 267,17**
As at 31 December 2023	**67 262 771 137**	**6 552 641 630**	**73 815 412 767**	**15 545 166 299**	**-**

Product	Total Net Guarantees	Net Collective Exposure	Individual Net Exposure	Total net exposure
Mortgage credits	48 881 532	1 538 045 592	30 227 297	1 568 272 889
Sales on instalments and finance leases	218 826 017	42 332 414 014	48 667 952	42 381 081 966
Credit Cards	15 990 763	428 790 473	-	428 790 473
Other loans and advances	672 113 608	3 439 347 343	1 460 113 569	4 899 460 912
Loans to large companies	13 541 710 739	13 559 541 631	23 438 384	13 582 980 016
Total	**14 497 522 658**	**61 298 139 053**	**1 562 447 202**	**62 860 586 255**
Interest receivable	**-**	**-**	**-**	**-**
As at 31 December 2024	**14 497 522 658**	**62 183 257 053**	**1 576 156 822**	**63 759 413 875**
As at 31 December 2023	**15 545 166 299**	**51 717 604 839**	**6 552 641 630**	**58 270 246 468**

Beakdown of overdue loans

As at 31 December 2024, the breakdown of overdue loans and interest by class of default was as follows, in accordance with the rules of the Bank of Mozambique (Notice 16/GBM/2013), according to which the full exposure of the operation is classified as overdue if at least one instalment of principal and/or interest is overdue by one (1) day or more[2]:

	Up to three months	From three to six months	From six months to one year	From one to three years	More than three years	Total
Overdue Loan						
Gross Value	8 553 105 554	1 660 366 310	352 762 537	1 347 367 539	5 166 201 414	17 079 803 354
Impairment	(301 981 210)	(807 280 637)	(223 324 439)	(1 109 907 514)	(562 517 702)	(3 005 011 502)
	8 251 124 344	**853 085 674**	**129 438 098**	**237 460 025**	**4 603 683 712**	**14 074 791 852**

[2]In cases of restructuring without the payment of overdue principal and/or interest and/or without the reinforcement of collateral, the counting of days past due should not be interrupted.

Does not include provisions for non-performing loans and for the risk of the country.

As at 31 December 2023, the breakdown of overdue loans and interest by class of default was as follows:

	Up to three months	From three to six months	From six months to one year	From one to three years	More than three years	Total
Overdue Loan						
Gross Value	5 170 846 843	293 587 638	546 660 129	1 167 464 555	6 043 846 029	13 222 405 194
Impairment	(545 865 165)	(149 510 198)	(296 239 261)	(816 061 283)	(1 648 205 990)	(3 455 881 898)
	4 624 981 678	**144 077 441**	**250 420 868**	**351 403 271**	**4 395 640 039**	**9 766 523 297**

Does not include provisions for non-performing loans and for the risk of the country.

Impairment

The loan impairment model, developed by the BCI under IFRS 9, makes it possible to measure expected losses (impairment) according to the credit quality of borrowers, the risk segment in which they are classified and taking into account the level of existing collateral, by allocating loans to the following macro segments:

- **Stage 1** - Non-defaulting loan, with no evidence of significant deterioration in credit risk;
- **Stage 2** - Credit without default, but where significant credit risk deterioration criteria have been identified. This segment includes restructuring due to the customer's financial difficulties that have not triggered default criteria;
- **Stage 3** - Defaulting loan.

The risk factors used in the credit impairment model (12-month, lifetime PD, LGD, Behavioural Maturity and Credit Conversion Factor) are updated annually and are subject to backtesting and point-in-time adjustments to ensure that they adequately reflect market conditions.

The macroeconomic scenarios that support the forward-looking aspect of the risk factors are also updated annually, taking into account the most recent macroeconomic projections made available by CGD in conjunction with other institutions (e.g. the IMF, World Bank and Bank of Mozambique). Three macroeconomic scenarios (favourable, central and adverse) are considered in the calculation of impairment, whose weighting is established by CGD's Research Office/BCI.

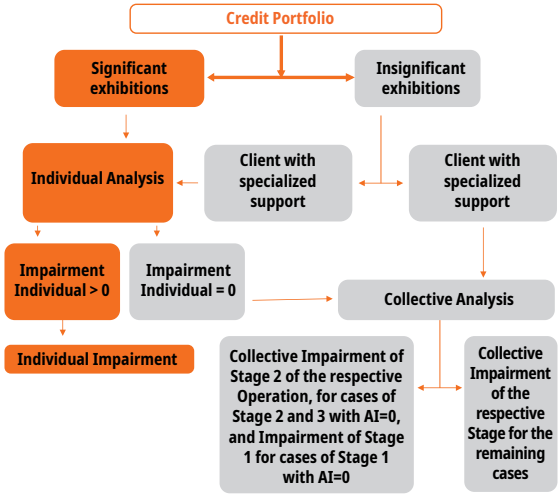
Base Scenario: 60%
Favourable Scenario: 20%
Adverse Scenario: 20%

The loan impairment model maintains the concepts of collective impairment and individual impairment, as described below:

- **Collective Impairment Analysis** - for exposures considered individually non-significant, the expected loss is determined by risk sub-segments, which encompass assets with similar risk characteristics (credit segment, type of credit or purpose, payment behaviour history, among others);
- **Individual Impairment Analysis** - an individual assessment is carried out on customers with exposures considered individually significant. The process involves the Bank's commercial areas, the Credit Analysis Division, the Credit Recovery Division and the Risk Management Division, with final validation by the Credit Council.

Impairment assessment

According to IFRS 9, all loans must be assessed for impairment. The diagram below summarises the impairment calculation process at BCI.



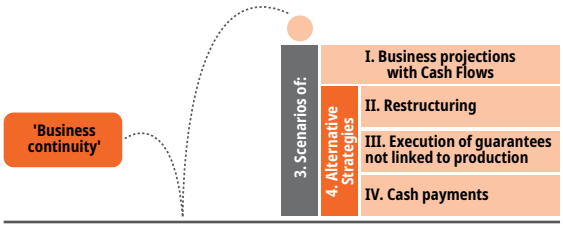
Individual Analysis

The Bank determines the appropriate individual impairment for each loan with significant exposure on an individual basis by assessing various factors, such as the counterparty's historical financial evolution, its future business plan, the ability to improve its economic performance after the emergence of some economic difficulty, the existence of other sources of financial support and the realisable value of guarantees/collateral received.

In terms of individual impairment analysis methodology, BCI observes the following dimensions:

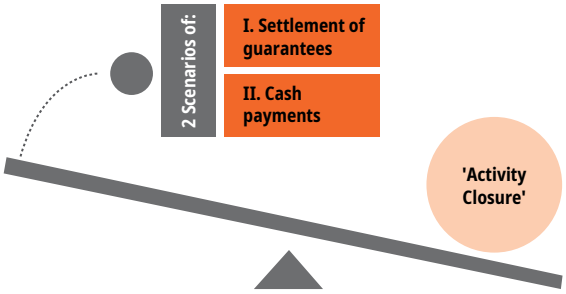
- **Going Concern Approach** (company operating with no foreseeable liquidation) - the debtor will continue to generate operational cash flows which can be used to repay the debt to all creditors. Additionally, collateral can be considered to the extent that it does not influence operating cash flows. This approach is considered more likely if the debtor's future cash flows are material and can be reliably estimated and/or if the level of collaterisation of the exposure is limited.

The image below summarises the four possible strategies in this approach:



- **Gone Concern Approach** (company in liquidation or at risk of liquidation) - the collateral is forfeited and the entity's operating cash flows cease.

The image below summarises the possible strategies:



In the collateral enforcement scenario, the analyst responsible for the individual analysis must estimate the following parameters to determine the cash flows that will cover the outstanding amount:

- Replacement time;
- Expected future value;
- Extra time to sell;
- Sale discount; and
- Incurred costs.

Individual analysis sheets have an annual validity for exposures classified in Stage 1 and quarterly for exposures classified in Stages 2 and 3; however, an extraordinary update maybe made, provided there are events of loss or significant changes in the customer's surroundings that so determine.

In the context of individual impairment evaluation of clients with broad exposure, the analysis is essentially centred on the following dimensions:

- Compliance with the contractual conditions agreed upon with the Bank;
- Assessment of the current and prospective economic and financial situation;
- Perspectives on the development of the customer's activity;
- Verification of the existence of credit and overdue interest transactions in the financial system;
- Adequacy of guarantees and collateral to mitigate credit granted;
- Analysis of historical information on the behaviour of client good pay.

For significant individually evaluated exposure in which objective situations of impairment were not identified, we proceed to investigate collective impairment in compliance with determined risk factors for credit with similar characteristics.
Collective analysis

The Bank assesses collective impairment for all loans that do not have individually significant exposure, as well as for loans with significant exposure for which there is no objective proof of individual impairment.

The valuation is carried out by the breakdown of loans into homogeneous risk segments. The calculation of Expected Credit Loss (ECL) through collective analysis is based on risk parameters such as Credit Conversion Factor (CCF), Probability of Default (PD), Loss Given Default (LGD) and Behavioural Maturity (BM) and entails a projection of cash flows associated with the contract to calculate exposure in a certain period..

Probability of default

The Probability of Default (PD) is the probability of a loan going into default within a given time horizon (or at a given point in time) based on the state of the loan at the time of analysis. According to the methodology developed for calculating ECL, the probability of default associated with an operation must be estimated using two different approaches: estimate of the PD Lifetime considering the operation service life, and the estimate of the PD at 12 months. Both PD estimates represent the probability of the credit operation defaulting by the time the operation matures or the period of time considered for calculation. The Lifetime PD, estimated over maturity, is only applicable to operations where there has been a significant deterioration in the associated credit risk (and considered at Stage 2), while the 12-month PD is applied to operations identified at Stage 1.

The PD curves are calculated based on historical information on the Bank's credit operations (7.5 years).

The behaviour of past credits and the Observed Default Rates (ODRs), adjusted based on macroeconomic forecasts (forward looking), are aspects used to estimate the future performance of operations with similar characteristics, i.e. in the same risk segment.

The Bank has currently established the following segments:

- Financial Institutions, Public Sector, Group and Institutional Companies
- Large and medium-sized companies
- Small businesses
- Consumption
- Housing
- Credit Cards
- Overdraft facilities
- Other loans

The characteristics of the contracts are configured by the Bank and serve as parameters for segmenting the credit portfolio. Using statistical methods, the Bank calculates PD curves for each segment and level of impairment.

Loss Given default

Loss Given Default (LGD) represents the percentage of a loan's value that the Bank expects to lose when that loan goes into default. The LGD is dependent on the number of years for which the borrower of the operation is in default, the existence of collateral for the operation, the value of the collateral, the value of the legal right to that collateral, the likelihood of the collateral being foreclosed and the costs incurred in recovery proceedings.

All loans with at least one observed default within the selected historical period are used for the statistical calculation of the LGD. In the case of LGDs, the object of the statistical study is not the credit itself, but each state of default, which means that each 'new' entry in the state of default is considered a new observation. Thus, the observations taken into account for calculating LGDs will be the number of defaults and re-defaults for each loan in the entire portfolio. It should be noted that this estimation is subject to the incorporation of the forward-looking component and is subject to a backtesting exercise. .

The methodology for calculating LGDs is based on identifying recovery strategies after observing non-compliance. An LGD will be calculated for each of the recovery strategies and for each segment, based on the following parameters:

- Probability of the strategy - represents the probability of a defaulted loan achieving a certain recovery profile. Historical data on observed defaults (7.5 years) weighted by exposure in the event of default is used to calculate the probability;
- Loss per strategy - represents the expected loss for a specific strategy. Historical data on observed recoveries (7.5 years) weighted by exposure in the event of default is used to calculate the probability.

In addition, the current LGD methodology can be divided into two types of LGD:

- Cash LGD- corresponds to the LGD based on the loss probabilities observed for that segment, since losses are calculated based on the difference between the amount owed each month after the date of default;
- Collateral LGD - LGD calculated based on the future amount expected to be recovered through the collateral, updated to the present time.

Credit Conversion Factor

The Credit Conversion Factor (CCF) represents the percentage of off-balance sheet exposure that can be converted into on-balance sheet exposure until default. The methodology developed by the Bank is applied to operations with revolving credit utilisation limits, such as Credit Cards, Overdrafts and Current Accounts. Regulatory CCFs are used for Bank Guarantees and Documentary Credits.

Behavioural Maturity

Behavioural Maturity (BM) aims to identify the period during which the institution is exposed to credit risk. This parameter is typically calculated for operations in which the operation expiration date is undefined (e.g. Revolving Credit). Thus, the methodology established assumes that behavioural maturity is estimated for the following types of credit: Overdrafts, Current Accounts and Credit Cards. Risk factors are updated annually based on historical information.

The impairment according to the model can be seen below.

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Asset impairment				
- Individual Impairment	2 108 856 295	1 741 993 186	2 108 856 295	1 741 993 186
- Collective Impairment	4 680 661 297	4 785 683 790	4 680 661 297	4 785 683 790
	6 789 517 592	**6 527 676 976**	**6 789 517 592**	**6 527 676 976**
Off-balance-sheet impairment	54 402 681	107 429 883	54 402 681	107 429 883
	54 402 681	**107 429 883**	**54 402 681**	**107 429 883**

Collective impairment as at 31 December 2024 includes the Overlay balance of MT 2,317,548,757.00 (2023: MT 1,376,409,779.00).

The Bank maintains an Overlay balance in its accounts to address the potential deterioration in the credit risk of its loan portfolio in the current economic context. This is based on a sensitivity analysis of the potential migration to Stage 2 for loans with ratings between 1/10 and 4/10, and to Stage 3 for loans with ratings between 5/10 and 10/10, classified under sectors of activity most severely affected by the events related to post-electoral tensions. The overlay also includes an additional coverage for Sovereign Debt Securities and both Direct and State-Guaranteed Loans, as a result of the potential 3-notch downgrade of the country's rating by Moody's, following the downgrade to 'Selective Default' for local currency Sovereign Debt by Standard & Poor's on 21 March 2025, as detailed in the 'Sovereign Debt Exposure' section below.



The analysis of gross loans to customers by class is as follows, for the Bank:

Loans and advances as at 31 December 2024

	Total	Stage 1	Stage 2	Stage 3
Mortgage credits	1 623 665 028	1 499 297 127	24 072 905	100 294 997
Of which restructured	41 890 847	-	-	41 890 847
Consumer credit	42 969 292 923	40 341 323 504	1 509 711 658	1 118 257 761
Of which restructured	300 840 000	-	42 858 927	257 981 074
Other loans to individuals	759 235 198	551 830 685	89 219 577	118 184 937
Of which restructured	68 646 285	-	24 972 422	43 673 863
Total loans to individuals	**45 352 193 149**	**42 392 451 315**	**1 623 004 139**	**1 336 737 695**
Credit to large and medium-sized companies	24 298 471 626	14 863 259 734	6 092 230 568	3 342 981 323
Of which restructured	5 988 401 011	-	5 381 000 304	607 400 706
Loans for small businesses	411 154 733	198 861 118	124 380 483	87 913 132
Of which restructured	47 817 450	-	6 157 774	41 659 676
Loans and advances to institutions	8 195 117 025	381 862 305	7 813 254 720	-
Of which restructured	-	-	-	-
Total loans to companies	**32 904 743 384**	**15 443 983 157**	**14 029 865 771**	**3 430 894 456**
Total	**78 256 936 533**	**57 836 434 472**	**15 652 869 911**	**4 767 632 150**

Loans and advances as at 31 December 2023

	Total	Stage 1	Stage 2	Stage 3
Mortgage credits	1 740 686 475	1 590 130 786	37 757 075	112 798 613
Of which restructured:	52 813 520	-	4 208 480	48 605 040
Consumer credit	36 952 928 453	33 459 294 989	2 426 838 929	1 066 794 536
Of which restructured:	580 931 705	-	294 006 555	286 925 150
Other loans to individuals	1 022 740 581	722 470 171	109 960 146	190 310 264
Of which restructured:	110 662 621	-	27 520 289	83 142 331
Total loans to individuals	**39 716 355 509**	**35 771 895 946**	**2 574 556 151**	**1 369 903 413**
Credit to large and medium-sized companies	24 699 155 395	14 125 320 005	6 232 175 882	4 341 659 508
Of which restructured:	6 776 774 094	-	5 685 179 770	1 091 594 324
Loans for small businesses	466 057 785	265 405 764	71 543 184	129 108 836
Of which restructured:	75 392 190	-	22 936 714	52 455 476
Loans and advances to institutions	8 933 844 077	6 961 889 002	1 958 681 642	13 273 434
Of which restructured	-	-	-	-
Total loans to companies	**34 099 057 258**	**21 352 614 771**	**8 262 400 708**	**4 484 041 779**
Total	**73 815 412 767**	**57 124 510 717**	**10 836 956 858**	**5 853 945 192**

Impairments by class are as follows:

Impairment of loans and advances as at 31 December 2024

	Total	Stage 1	Stage 2	Stage 3
Mortgage credits	92 845 647	4 857 020	2 720 629	85 267 998
Of which restructured	41 885 690	-	-	41 885 690
Consumer credit	1 473 129 154	637 230 739	49 343 607	786 554 808
Of which restructured	209 307 096	-	1 709 252	207 597 844
Other loans to individuals	122 013 090	6 597 163	12 025 801	103 390 126
Of which restructured	41 465 837	-	4 231 114	37 234 722
Total loans to individuals	**1 687 987 891**	**648 684 922**	**64 090 037**	**975 212 932**
Credit to large and medium-sized companies	4 127 595 978	97 225 236	1 744 183 901	2 286 186 841
Of which restructured	715 390 802	-	128 474 895	586 915 907
Loans for small businesses	85 981 390	3 241 037	4 011 696	78 728 657
Of which restructured	41 079 447	-	583 631	40 495 816
Loans and advances to institutions	887 952 333	2 364 492	885 587 841	-
Of which restructured	-	-	-	-
Total loans to companies	**5 101 529 701**	**102 830 765**	**2 633 783 438**	**2 364 915 499**
Total	**6 789 517 592**	**751 515 687**	**2 697 873 475**	**3 340 128 431**

Impairment of loans and advances as at 31 December 2023

	Total	Stage 1	Stage 2	Stage 3
Mortgage credits	71 157 634	10 205 760	4 257 435	56 694 439
Of which restructured:	27 301 700	-	620 130	26 681 569
Consumer credit	1 454 055 396	680 263 852	83 573 687	690 217 857
Of which restructured:	216 896 200	-	11 545 996	205 350 204
Other loans to individuals	172 672 858	11 094 671	14 318 924	147 259 263
Of which restructured:	74 536 305	-	3 966 877	70 569 428
Total loans to individuals	**1 697 885 887**	**701 564 283**	**102 150 045**	**894 171 559**
Credit to large and medium-sized companies	4 614 495 308	134 840 891	2 382 748 603	2 096 905 814
Of which restructured:	1 940 256 650	-	964 105 680	976 150 970
Loans for small businesses	121 915 866	3 346 318	9 067 758	109 501 790
Of which restructured:	48 199 538	-	2 818 197	45 381 341
Loans and advances to institutions	93 379 914	32 797 295	60 435 799	146 819
Of which restructured:	-	-	-	-
Total loans to companies	**4 829 791 088**	**170 984 504**	**2 452 252 161**	**2 206 554 423**
Total	**6 527 676 976**	**872 548 787**	**2 554 402 206**	**3 100 725 983**

Loans and advances to customers by sector, in stage 3, are as follows:

Sector	Dec-24		Dec-23	
	Stage 3 Loans and advances	Stage 3 Impairments	Stage 3 Loans and advances	Stage 3 Impairments
Agriculture	21 331 942	18 731 815	410 232 114	116 557 698
Trade and services	2 165 024 751	1 213 065 941	2 465 207 161	804 410 113
Construction	25 495 555	19 561 610	61 125 238	48 023 000
Teaching and education	412 934 288	351 759 069	459 626 845	281 112 854
Hospitality and Tourism	151 099 380	145 683 237	318 891 065	287 054 517
Industry	321 675 446	301 384 183	234 552 178	212 009 514
Other business sectors	292 313 328	276 768 893	518 267 158	444 326 490
Individuals	1 336 166 565	974 906 190	1 369 304 721	893 949 583
Transportation	41 590 896	38 267 493	16 738 711	13 282 215
Total	**4 767 632 150**	**3 340 128 431**	**5 853 945 192**	**3 100 725 983**

Loans and advances to customers by product, in stage 3, are as follows:

Sector	Dec-24		Dec-23	
	Loan - Stage 3	Stage 3 Impairments	Loan - Stage 3	Stage 3 Impairments
Credit cards	29 435 926	23 469 857	34 923 403	26 923 623
Pledged Current Accounts	272 521 992	269 469 807	322 050 177	263 224 362
General Loans/Financing	1 817 288 204	898 562 845	2 392 145 393	540 343 479
Rent credit	2 438 986 074	1 984 412 761	2 992 039 048	2 204 635 135
Overdraft facilities	86 464 326	60 162 804	61 122 345	42 819 963
Promissory Notes	1 204 062	819 695	25 632 759	15 499 162
Leasing	121 731 567	103 230 661	26 032 066	7 280 258
Total	**4 767 632 150**	**3 340 128 431**	**5 853 945 192**	**3 100 725 983**

Loans and advances to customers by collateral, in stage 3, are as follows:

Sector	Dec-24			Dec-23		
	Loan - Stage 3	Colateral	Stage 3 Impairments	Loan - Stage 3	Colateral	Stage 3 Impairments
Sureties (other)	131 731 620	167 116 983	124 472 747	168 474 463	293 129 135	147 578 902
State Guarantee	1 607 416 902	3 868 744 346	690 923 427	1 737 016 961	3 932 038 958	198 724 355
Property Mortgages	1 518 168 589	1 420 735 257	1 384 058 327	2 159 707 411	2 535 774 010	1 440 275 926
Other Guarantees	1 025 838 513	1 303 528 121	707 437 495	1 038 646 487	1 513 325 785	673 092 539
Deposit pledge at BCI	5 090 674	4 560 625	564 763	2 478 028	4 222 105	81 836
Equipment Pledge	-	-	-	201 611 460	14 656 028	200 872 364
Without guarantee	479 385 852	38 456 099	432 671 671	546 010 383	70 653 907	440 100 061
Total	**4 767 632 150**	**6 803 141 431**	**3 340 128 431**	**5 853 945 192**	**8 363 799 928**	**3 100 725 983**

Amounts recovered by Collateral

Type of Collateral	Dec-24	Dec-23
Property Mortgages	37 009 428	3 500 000
Deposit pledge at BCI	94 875 000	39 051 057

The transfer between stages is as follows:

	Total	Stage 1	Stage 2	Stage 3
Balance at the beginning of the period	**6 527 676 976**	**872 548 787**	**2 554 402 206**	**3 100 725 983**
Stage 1				
Transfer from Stage 2 to 1	(48 109 975)	14 571 278	(62 681 253)	-
Transfer from Stage 3 to 1	(131 734 069)	2 439 548	-	(134 173 616)
Stage 2				
Transfer from Stage 1 to 2	55 563 905	(47 635 293)	103 199 198	-
Transfer from Stage 3 to 2	(99 929 832)	-	13 807 609	(113 737 442)
Stage 3				
Transfer from Stage 1 to 3	317 665 176	(9 230 318)	-	326 895 494
Transfer from Stage 2 to 3	150 093 118	-	(16 769 280)	166 862 398
Written-off loans	(1 040 529 282)			(1 040 529 282)
Increase and decrease in impairments	1 058 821 575	(81 178 314)	105 914 993	1 034 084 896
Balance at the end of the period	**6 789 517 592**	**751 515 687**	**2 697 873 475**	**3 340 128 431**

Impairment of loans and advances as at 31 December 2023

	Total	Stage 1	Stage 2	Stage 3
Balance at the beginning of the period	**7 568 598 045**	**1 054 842 844**	**2 014 797 539**	**4 498 957 661**
Stage 1				
Transfer from Stage 2 to 1	(137 153 076)	12 730 878	(149 883 955)	-
Transfer from Stage 3 to 1	(17 945 473)	327 472	-	(18 272 945)
Stage 2				
Transfer from Stage 1 to 2	8 431 219	(135 058 879)	143 490 098	-
Transfer from Stage 3 to 2	(47 948 777)	-	10 367 590	(58 316 367)
Stage 3				
Transfer from Stage 1 to 3	491 477 887	(9 210 877)	-	500 688 765
Transfer from Stage 2 to 3	322 488 967	-	(59 740 710)	382 229 678
Written-off loans	(3 095 860 059)	-	-	(3 095 860 059)
Increase and decrease in impairments	1 435 588 242	(51 082 652)	595 371 644	891 299 250
Balance at the end of the period	**6 527 676 976**	**872 548 787**	**2 554 402 206**	**3 100 725 983**

Sensitivity Analysis

In order to promote the reliability of the estimates obtained in the impairment calculation, the following sensitivity analyses are carried out in relation to Collective Impairment:

- 5% increase in PD curves;
- 5% increase in LGD curves.

	Approved Scenario	Increased PD Scenario	Scenario Increase in LGD
Consolidated Impairment	6 843 920 258	6 884 280 561	6 966 305 234
Impacts	-	40 360 303	82 024 673
Total impact		**122 384 975**	

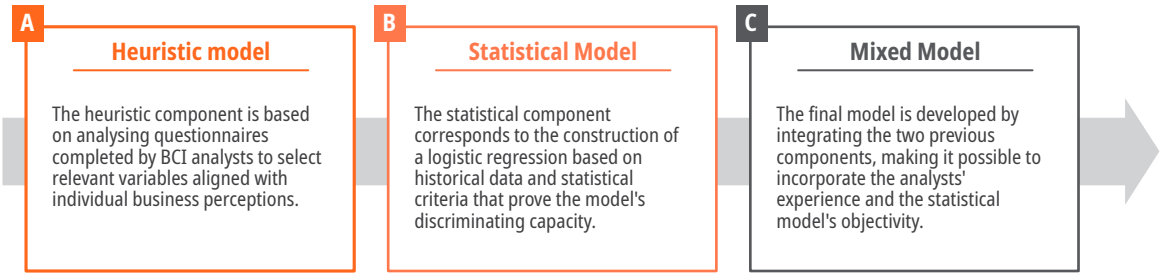
There is credit impairment in the following classes of loans and advances to customers at the Bank:

	Bank					
	Mortgage credits	Sales on instalments and finance leases	Cards loans	Other loans and advances	Loans to large companies	Total
Overdue Loan						
Balance at the beginning of the year	47 303 796	584 272 306	16 921 971	243 364 384	2 564 019 441	**3 455 881 898**
Closed impaired accounts	-	-	-	-	1 429 770 315	**1 429 770 315**
Net impairment for the year	28 250 001	72 499 315	(1 028 095)	(77 753 417)	(1 902 608 515)	**(1 880 640 711)**
As at 31 December 2024	**75 553 797**	**656 771 621**	**15 893 876**	**165 610 967**	**2 091 181 241**	**3 005 011 502**
Outstanding loans						
Balance at the beginning of the year	23 509 987	869 669 193	14 646 234	19 656 135	2 144 313 529	**3 071 795 078**
Net impairment for the year	(6 218 138)	(53 311 659)	(3 440 718)	(4 372 028)	780 053 555	**712 711 012**
As at 31 December 2024	**17 291 850**	**816 357 533**	**11 205 516**	**15 284 107**	**2 924 367 085**	**3 784 506 090**
	92 845 647	**1 473 129 154**	**27 099 392**	**180 895 074**	**5 015 548 326**	**6 789 517 592**

Rating Models

The Bank has risk rating models in place for the non-financial corporate segment, aimed at assessing a customer's creditworthiness by assigning a risk grade associated with the probability of default within a 12-month time horizon.

Accordingly, and taking into account the available financial information, the model is hybrid, incorporating the development and integration of two individual components - heuristic and statistical.



Additionally, there is a complementary qualitative component based on the completion of a qualitative assessment questionnaire which, although not integrated into the final rating assigned by the model, is applied as supporting information for the final decision on the rating assigned by the hybrid model.

To this end, the customer portfolio of non-financial companies is broken down into 3 segments:

- ✓ Large Companies,
- ✓ Medium-sized Companies, and
- ✓ Small Businesses.

Exposure (on- and off-balance sheet credit) by rating notation:

Rating (Mscale)	PD (Mscale)	31 December 2024				
		Segment (MZN)			Total	%
		GE	ME	PN		
1	0,54%	9 733 787 144	228 823 932	117 727 670	**10 080 338 746**	**25,01%**
2	1,12%	12 558 854 062	556 153 185	-	**13 115 007 247**	**32,53%**
3	2,30%	-	-	44 544 482	**44 544 482**	**0,11%**
4	4,67%	3 460 932 705	779 746 681	-	**4 240 679 386**	**10,52%**
5	9,24%	2 486 236 221	335 666 376	236 965 773	**3 058 868 370**	**7,59%**
6	17,48%	906 286 156	155 251 726	34 820 702	**1 096 358 584**	**2,72%**
7	30,60%	-	42 267 875	10 604 820	**52 872 695**	**0,13%**
8	47,85%	4 799 358 500	338 529 366	-	**5 137 887 866**	**12,75%**
9	65,62%	-	-	10 259 137	**10 259 137**	**0,03%**
10	79,89%	-	-	8 426 089	**8 426 089**	**0,02%**
D	N/A	2 688 695 241	671 470 930	105 115 737	**3 465 281 908**	**8,60%**
Total		**36 634 150 029**	**3 107 910 071**	**568 464 410**	**40 310 524 510**	**100,0%**

Rating (Mscale)	PD (Mscale)	31 December 2023				
		Segment (MZN)			Total	%
		GE	ME	PN		
1	0,54%	12 099 298 736,00	588 501 278,00	80 436 408,00	**12 768 236 421,00**	**30,40%**
2	1,12%	6 106 703 770,00	564 841 591,00	-	**6 671 545 361,00**	**15,90%**
3	2,30%	-	-	36 755 774,00	**36 755 774,00**	**0,10%**
4	4,67%	8 794 947 532,00	858 989 704,00	-	**9 653 937 236,00**	**23,00%**
5	9,24%	868 486 733,00	223 439 686,00	44 447 407,00	**1 136 373 826,00**	**2,70%**
6	17,48%	566 814 504,00	556 703 955,00	26 375 638,00	**1 149 894 097,00**	**2,70%**
7	30,60%	445 603 477,00	137 220 366,00	213 463 213,00	**796 287 056,00**	**1,90%**
8	47,85%	5 068 938 627,00	136 678 562,00	-	**5 205 617 189,00**	**12,40%**
9	65,62%	-	-	12 117 922,00	**12 117 922,00**	**0,00%**
10	79,89%	-	-	2 154 585,00	**2 154 585,00**	**0,00%**
D	N/A	3 571 225 014,00	880 168 738,00	145 210 398,00	**4 596 604 150,00**	**10,90%**
Total		**37 522 018 392,00**	**3 946 543 880,00**	**560 961 345,00**	**42 029 523 618,00**	**100,00%**

Sovereign Debt Exposure

Framework

The post-electoral unrest negatively affected tax collection and, consequently, the liquidity available to the Government of Mozambique. Indeed, the interruption of economic activity and constraints in tax collection further exacerbated the fiscal situation and contributed to delays in sovereign debt payments.

As a consequence, some of the rating agencies covering the Mozambican market have downgraded the local currency sovereign credit rating of Mozambique and revised its outlook. Notably, Standard & Poor's (S&P) downgraded the country's local currency rating to Selective Default (SD) and revised the outlook to negative.

An SD rating is assigned when S&P determines that the debtor has defaulted on a specific issue or class of obligations but will continue to meet its payment obligations on other issues or classes of obligations in a timely manner.

This context led the Bank to adopt a more conservative approach to sovereign credit risk compared to previous years.

Composition of sovereign exposure:

As at 31 December 2024, the Bank's (on-balance and/or off-balance sheet) exposure to the Mozambican State was as follows:

- ✓ Direct loans to the State;
- ✓ State-backed Loans;
- ✓ Treasury Bonds; and
- ✓ Treasury Bills.

Classification of financial instruments:

The majority of the sovereign exposure is based on the Bank's business model classified under IFRS 9 as hold to collect and is therefore measured at amortised cost, representing 88% of the total exposure. The remaining 12% of treasury bonds and bills are managed under the hold to collect and sell business model and are accordingly measured at fair value, with changes recognised in other comprehensive income.

Assessment of significant increase in credit risk (staging):

To assess the potential significant increase in credit risk of this exposure, the Bank applies the same criteria used for the rest of the financial asset portfolio.

In general terms, the significant increase in credit risk for this portfolio takes into account risk events associated with the counterparty and/or the transaction, both quantitative and qualitative, such as:

- ✓ Transactions restructured due to financial difficulties that do not meet the criteria for stage 3;
- ✓ Transactions with payment delays of more than 30 days;
- ✓ Transactions with an active insolvency indicator that do not meet stage 3 criteria;
- ✓ Delays in the payment of taxes and social security contributions;
- ✓ Customers potentially requiring contractual amendments due to financial difficulties resulting from rising energy prices;
- ✓ Customers showing a significant deterioration in credit risk, assessed by comparing the forward-looking lifetime probability of default (PD) at the reporting date with the forward-looking lifetime PD at initial recognition.

Notwithstanding the absence of the aforementioned events for the majority of the sovereign portfolio, the S&P downgrade to SD prompted the Bank to adopt a more conservative stance as at 31 December 2024. Using Moody's as the reference, the Bank applied the following approach

a) to BCI's exposure:
   a.1) OTs were classified as stage 3;
   a.2) BTs were classified as stage 2;
   a.3) Direct loans to the State or State-backed loans were fully migrated to Stage 2 if previously classified in a lower stage;

b) For all exposures classified in Stage 2, the expected credit loss was calculated using a lifetime probability of default (PD) associated with the country's credit rating.

c) For exposures in Stage 3, the expected credit loss was determined based on the recoverable amount, considering different recovery scenarios.

Of the exposure classified in Stage 3, a significant portion (92%) corresponded to the Treasury Bond portfolio -securities affected by the event that contributed to the SD rating assigned by S&P.

As a result of the downgrade by S&P, the Bank implemented, as a conservative measure, the classification of the remaining sovereign portfolio under stage 2, of which 81% corresponds to Treasury Bills.

Calculation of expected credit losses:

As previously mentioned, the calculation of expected credit losses on sovereign exposure as at 31 December 2024 followed a methodology distinct from that applied to the rest of the portfolio, taking into account, among other factors, Moody's rating as aligned with the rating assigned by S&P, and adopting a lifetime probability of default (PD).

Summary of sovereign exposure and breakdown of total impairment recognised by stage for the reporting periods presented:

Type of exposure	Stage	Dec.23			Dec.24			Variation	
		Exposure	Impairment	Hedging	Exposure	Impairment	Hedging	Exposure	Impairment
Direct Loans	1	2 361 101 380	27 203 536	1,2%	0	0	0,0%	-2 361 101 380	-27 203 536
	2	1 006 750 130	11 691 421	1,2%	3 649 927 351	285 563 973	7,8%	2 643 177 221	273 872 552
	3	13 268 761	146 109	1,1%	0	0	0,0%	-13 268 761	-146 109
	Subtotal	**3 381 120 271**	**39 041 066**	**1,2%**	**3 649 927 351**	**285 563 973**	**7,8%**	**268 807 080**	**246 522 907**
State-backed Loans	1	12 276 616	1 701 730	13,9%	0	0	0,0%	-12 276 616	-1 701 730
	2	5 025 168 951	907 431 854	18,1%	4 604 513 555	801 638 627	17,4%	-420 655 396	-105 793 227
	3	1 737 016 961	198 724 355	11,4%	1 607 416 902	690 923 427	43,0%	-129 600 059	492 199 072
	Subtotal	**6 774 462 528**	**1 107 857 938**	**16,4%**	**6 211 930 457**	**1 492 562 054**	**24,0%**	**-562 532 071**	**384 704 115**
Loans + Guarantor (State)		**10 155 582 799**	**1 146 899 004**	**11,3%**	**9 861 857 808**	**1 778 126 027**	**18,0%**	**-293 724 991**	**631 227 022**
Treasury Bonds	1	19 510 144 768	229 070 613	1,2%	0	0	0,0%	-19 510 144 768	-229 070 613
	2	0	0	0,0%	0	0	0,0%	0	0
	3	0	0	0,0%	19 319 194 275	1 982 673 439	10,3%	19 319 194 275	1 982 673 439
	Subtotal	**19 510 144 768**	**229 070 613**	**1,2%**	**19 319 194 275**	**1 982 673 439**	**10,3%**	**-190 950 493**	**1 753 602 826**
Treasury Bills	1	24 329 329 167	1 584 704	0,0%	0	0	0,0%	-24 329 329 167	-1 584 704
	2	0	0	0,0%	34 697 720 000	1 159 875 236	3,3%	34 697 720 000	1 159 875 236
	3	0	0	0,0%	0	0	0,0%	0	0
	Subtotal	**24 329 329 167**	**1 584 704**	**0,0%**	**34 697 720 000**	**1 159 875 236**	**3,3%**	**10 368 390 833**	**1 158 290 532**
Securitised Credit		**43 839 473 936**	**230 655 317**	**0,5%**	**54 016 914 275**	**3 142 548 675**	**5,8%**	**10 177 440 339**	**2 911 893 358**
Total (State)		**53 995 056 734**	**1 377 554 321**	**2,6%**	**63 878 772 083**	**4 920 674 702**	**7,7%**	**9 883 715 348**	**3 543 120 380**

Sensitivity Analysis:
The analyses carried out involved applying a 10% variation range to the PDs and LGDs used for sovereign risk exposures, which would result in the following changes to the impairment amount in the event of:

- An increase of approximately MZN 889 million and a corresponding rise in the coverage ratio of 1.4%;
- A decrease of approximately MZN 803 million and a corresponding reduction in the coverage ratio of 1.3%.

b. Liquidity Risk

Liquidity risk is the possibility of an institution facing difficulties in meeting its obligations (especially short-term ones) as they fall due, or in securing the refinancing of assets held on its balance sheet, without incurring significant costs or losses. This risk is mitigated through asset management, based on their liquidity and the periodic monitoring of future cash flows.

Liquidity risk is managed and controlled by analysing the residual maturities of the different assets and liabilities on the balance sheet to show, at each of the various intervals considered, the difference between the volumes of cash inflow and outflow, as well as the magnitude of the respective liquidity gaps. The DD account balances are allocated across maturity buckets based on a replication key, which was defined following a study of the historical stability of these balances. International practices support this type of treatment in order to reflect the nature and structure of the balance sheet in the management of gaps.

Additionally, the degree to which short-term liabilities are covered by the net assets reserve is used as the foundation for liquidity management and control, as a way of showing how easy it is to meet obligations when they mature, without incurring additional costs by turning to the market. The liquidity risk management policy and strategy is set out by the Board of Directors and monitored by the Capital, Assets and Liabilities Committee (CALCO), implemented by the Financial Markets Division (DMF) and controlled by the Risk Management Division (DGR). Liquidity risk analyses are carried out at weekly liquidity and market risk meetings, as well as in CALCO on a monthly basis.

In managing excess liquidity, the Bank has participated in Treasury Bill purchase auctions with repurchase agreements (Reverse Repo) with the Bank of Mozambique (BdM), targeting maturities that offer higher returns, as well as engaging in liquidity placements with Other Credit Institutions (OCIs).

It is worth noting that throughout the year, and up to 31 December 2024, the BdM intervened regularly in the market through the sale of Treasury Bills under repurchase agreements or the purchase of Treasury Bills under reverse repurchase agreements, depending on prevailing market liquidity needs.

Additionally, the Bank has also invested in Treasury Bill and Treasury Bond auctions, which provide access to the Permanent Liquidity Provision Facility (FPC), available for commercial banks to borrow funds from BdM. These funds are made available up to the discounted value of the eligible securities portfolio and for one (1) day.

Summary of the Group's balance sheet items by maturity date as at 31 December 2024 and 2023:

31 December 2024	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year
Cash and cash equivalents at central banks	80 779 080 185	-	-
Cash and cash equivalents at credit institutions	532 069 542	-	-
Investments in credit institutions	16 264 393 298	-	-
Financial assets	2 158 703 766	14 452 001 585	23 215 035 695
Loans and advances to customers	8 542 196 371	5 864 633 943	21 807 772 333
Total assets	108 276 443 162	20 316 635 528	45 022 808 028
Deposits from Central Banks	-	-	34 066 584
Deposits from other credit institutions	1 062 273 586	285 565 500	1 430 891
Customer deposits	78 110 316 054	29 122 641 229	19 368 947 923
Consigned funds	10 045 146	245 828 047	1 219 229 320
Total liabilities	79 182 634 786	29 654 034 776	20 623 674 718
Liquidity GAP in MZN	29 093 808 376	(9 337 399 248)	24 399 133 310
Accumulated Liquidity GAP	29 093 808 376	19 756 409 128	44 155 542 438

31 December 2023	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year
Total assets	**100 090 417 510**	**13 058 075 042**	**40 219 584 994**
Total liabilities	**68 318 223 884**	**20 062 364 136**	**24 781 663 002**
Liquidity GAP in MZN	**31 772 193 626**	**(7 004 289 094)**	**15 437 921 992**
Accumulated Liquidity GAP	**31 772 193 626**	**24 767 904 532**	**40 205 826 524**

31 December 2024	Between 1 and 3 years	More than 3 years	Book Value
Cash and cash equivalents at central banks	-	-	80 779 080 185
Cash and cash equivalents at credit institutions	-	-	532 069 542
Investments in credit institutions	-	-	16 264 393 298
Financial assets	16 368 681 181	7 669 392 812	63 863 815 039
Loans and advances to customers	43 385 883 104	33 082 438 601	112 682 924 352
Total assets	59 754 564 285	40 751 831 413	274 122 282 416
Deposits from Central Banks	-	-	34 066 584
Deposits from other credit institutions	-	-	1 349 269 977
Customer deposits	24 389 141 286	36 024 895 260	187 015 941 752
Consigned funds	1 932 396 237	11 207 707	3 418 706 457
Total liabilities	26 321 537 523	36 036 102 967	191 817 984 770
Liquidity GAP in MZN	33 433 026 762	4 715 728 446	82 304 297 646
Accumulated Liquidity GAP	77 588 569 200	82 304 297 646	-

31 December 2023	Between 1 and 3 years	More than 3 years	Book Value
Total assets	**45 295 067 705**	**29 873 331 304**	**228 536 476 555**
Total liabilities	**24 781 976 712**	**34 039 209 823**	**171 983 437 557**
Liquidity GAP in MZN	**20 513 090 993**	**(4 165 878 519)**	**56 553 038 998**
Accumulated Liquidity GAP	**60 718 917 517**	**56 553 038 998**	**-**

Summary of items on the Bank's balance sheet by maturity as at 31 December 2024 and 2023:

31 December 2024	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year
Cash and cash equivalents at central banks	80 779 079 379	-	-
Cash and cash equivalents at credit institutions	532 066 144	-	-
Investments in credit institutions	16 264 393 298	-	-
Financial assets	2 158 703 766	14 452 001 585	23 215 035 695
Loans and advances to customers	8 648 697 895	5 864 633 943	21 807 772 333
Total assets	**108 382 940 482**	**20 316 635 528**	**45 022 808 028**
Deposits from Central Banks	-	-	34 066 584
Deposits from other credit institutions	1 062 273 586	285 565 500	1 430 891
Customer deposits	78 142 322 393	29 122 641 229	19 368 947 923
Consigned funds	10 045 146	245 828 047	1 219 229 320
Total liabilities	**79 214 641 125**	**29 654 034 776**	**20 623 674 718**
Liquidity GAP in MZN	**29 168 299 357**	**(9 337 399 248)**	**24 399 133 310**
Accumulated Liquidity GAP	**29 168 299 357**	**19 830 900 109**	**44 230 033 419**

31 de Dezembro de 2023	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year
Total assets	**100 213 256 306**	**13 058 075 042**	**40 219 584 994**
Total liabilities	**68 350 230 223**	**20 062 364 136**	**24 781 663 002**
Liquidity GAP in MZN	**31 863 026 083**	**(7 004 289 094)**	**15 437 921 992**
Accumulated Liquidity GAP	**31 863 026 083**	**24 858 736 989**	**40 296 658 981**

31 December 2024	Between 1 and 3 years	More than 3 years	Book Value
Cash and cash equivalents at central banks	-	-	80 779 079 379
Cash and cash equivalents at credit institutions	-	-	532 066 144
Investments in credit institutions	-	-	16 264 393 298
Financial assets	16 368 681 181	7 669 392 812	63 863 815 039
Loans and advances to customers	43 385 883 104	33 082 438 601	112 789 425 876
Total assets	**59 754 564 285**	**40 751 831 413**	**274 228 779 736**
Deposits from Central Banks	-	-	34 066 584
Deposits from other credit institutions	-	-	1 349 269 977
Customer deposits	24 389 141 286	36 024 895 260	187 047 948 091
Consigned funds	1 932 396 237	11 207 707	3 418 706 457
Total liabilities	**26 321 537 523**	**36 036 102 967**	**191 849 991 109**
Liquidity GAP in MZN	**33 433 026 762**	**4 715 728 446**	**82 378 788 627**
Accumulated Liquidity GAP	**77 663 060 181**	**82 378 788 627**	**-**

31 de Dezembro de 2023	Between 1 and 3 years	More than 3 years	Book Value
Total assets	**45 295 067 705**	**29 873 331 304**	**228 659 315 351**
Total liabilities	**24 781 976 712**	**34 039 209 823**	**172 015 443 896**
Liquidity GAP in MZN	**20 513 090 993**	**(4 165 878 519)**	**56 643 871 455**
Accumulated Liquidity GAP	**60 809 749 974**	**56 643 871 455**	**-**

The contractual cash flows from lease liabilities are as follows:

	Group		Bank	
	Dec-24	Dec-23	Dec-24	Dec-23
Up to 1 year	72.199.326	201.352.138	76.474.777	241.416.372
1 to 5 years	136.122.968	168.454.233	144.306.309	168.454.233
More than 5 years	1.876.058	5.437.579	1.876.058	5.437.579
	210.198.352	**375.243.950**	**222.657.144**	**415.308.184**

c. Interest Rate Risk

Interest rate risk is the possibility of negative impacts on results or capital due to adverse movements in interest rates, due to maturity mismatches or interest rate reset periods, the lack of perfect correlation between the rates of asset and liability transactions in the different instruments, or the existence of embedded options in financial instruments on the balance sheet or off-balance sheet items. This risk occurs whenever, in the course of its business, the Bank contracts transactions with future financial flows that are sensitive to possible interest rate variations.

Balance sheet and banking book risk management and control are supported by a series of guidelines which include fixed limits for variables considered to be at a significant exposure level to this type of risk. The aim of complying with these guidelines is to ensure that the Bank is, at all times, in a position to manage the profitability-risk trade-off in terms of balance management, and that it is simultaneously in a position to set the most appropriate level of exposure and control the results of the different policies and risk positions taken on.

The management and control of interest rate risk makes use of simplified gap models (aggregation into residual interest rate review intervals of all assets and liabilities sensitive to its variation, thus obtaining the corresponding mismatches) or robust simulation technique models, including the Economic Value of Equity at Risk (impact on the economic value of capital of adverse variations in interest rates).

The management policy and strategy relating to interest rate risk is outlined by the Board of Directors and monitored by the Risk Committee and the Capital, Assets and Liabilities Committee (CALCO), implemented by the Financial Markets Division (DMF) and controlled by the Risk Management Division (DGR).

Summary of the items on the Group's balance sheet sensitive to interest rate changes, as at 31 December 2024 and 2023:

31 December 2024	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 3 years
Cash and cash equivalents at central banks	-	-	-	-
Cash and cash equivalents at credit institutions	-	-	-	-
Investments in credit institutions	16.174.129.752	-	-	-
Financial assets	3.842.151.094	16.533.596.040	25.170.326.653	3.216.266.769
Loans and advances to customers	18.304.152.509	8.687.801.127	11.820.842.921	16.279.172.588
Total assets	**38.320.433.356**	**25.221.397.167**	**36.991.169.574**	**19.495.439.357**
Deposits from Central Banks	-	-	32.822.081	-
Deposits from other credit institutions	925.345.763	284.767.504	1.397.761	-
Customer deposits	30.692.205.926	26.554.442.992	10.005.524.471	1.718.291
Consigned funds	101.248.989	70.436.739	2.855.773.225	-
Total liabilities	**31.718.800.678**	**26.909.647.235**	**12.895.517.538**	**1.718.291**
Interest Rate GAP	**6.601.632.678**	**(1.688.250.068)**	**24.095.652.036**	**19.493.721.066**
Accumulated interest rate GAP	**6.601.632.678**	**4.913.382.610**	**29.009.034.646**	**48.502.755.712**

31 December 2023	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 3 years
Total assets	**33.649.862.790**	**10.163.025.189**	**30.471.972.947**	**34.163.528.220**
Total liabilities	**27.238.559.703**	**17.514.656.803**	**15.576.613.603**	**2.259.495.300**
Interest Rate GAP	**6.411.303.087**	**(7.351.631.614)**	**14.895.359.344**	**31.904.032.920**
Accumulated Interest Rate GAP	**6.411.303.087**	**(940.328.527)**	**13.955.030.817**	**45.859.063.737**

31 December 2024	More than 3 years	Not sensitive to interest rate	Book Value
Cash and cash equivalents at central banks	-	80.779.080.185	80.779.080.185
Cash and cash equivalents at credit institutions	-	532.069.542	532.069.542
Investments in credit institutions	-	90.263.546	16.264.393.298
Financial assets	1.511.814.679	-	50.274.155.236
Loans and advances to customers	16.219.218.476	-	71.311.187.621
Total assets	**17.731.033.155**	**81.401.413.273**	**219.160.885.882**
Deposits from Central Banks	-	82.055	32.904.136
Deposits from other credit institutions	-	-	1.211.511.028
Customer deposits	-	116.197.181.397	183.451.073.077
Consigned funds	-	391.247.504	3.418.706.457
Total liabilities	**-**	**116.588.510.956**	**188.114.194.698**
Interest Rate GAP	**17.731.033.155**	**35.187.097.683)**	**31.046.691.184**
Accumulated interest rate GAP	**66.233.788.867**	**31.046.691.184**	**-**

31 December 2023	More than 3 yea	Not sensitive to interest rate	Book Value
Total assets	**25.180.569.746**	**64.633.644.328**	**198.262.603.220**
Total liabilities	**891.744.492**	**101.488.050.673**	**164.969.120.574**
Interest Rate GAP	**24.288.825.254**	**(36.854.406.345)**	**33.293.482.646**
Accumulated Interest Rate GAP	**70.147.888.991**	**33.293.482.646**	**-**

Summary of the items on the Bank's balance sheet sensitive to interest rate changes, as at 31 December 2024 and 2023:

31 December 2024	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 3 years
Cash and cash equivalents at central banks	-	-	-	-
Cash and cash equivalents at credit institutions	-	-	-	-
Investments in credit institutions	16.174.129.752	-	-	-
Financial assets	3.842.151.094	16.533.596.040	25.170.326.653	3.216.266.769
Loans and advances to customers	18.410.654.033	8.687.801.127	11.820.842.921	16.279.172.588
Total assets	**38.426.934.880**	**25.221.397.167**	**36.991.169.574**	**19.495.439.357**
Deposits from Central Banks	-	-	32.822.081	-
Deposits from other credit institutions	925.345.763	284.767.504	1.397.761	-
Customer deposits	30.724.212.265	26.554.442.992	10.005.524.471	1.718.291
Consigned funds	101.248.989	70.436.739	2.855.773.225	-
Total liabilities	**31.750.807.017**	**26.909.647.235**	**12.895.517.538**	**1.718.291**
Interest Rate GAP	**6.676.127.863**	**(1.688.250.068)**	**24.095.652.036**	**19.493.721.066**
Accumulated interest rate GAP	**6.676.127.863**	**4.987.877.795**	**29.083.529.831**	**48.577.250.897**

31 December 2023	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 3 years
Total assets	**33.772.705.790**	**10.163.025.189**	**30.471.972.947**	**34.163.528.220**
Total liabilities	**27.270.566.042**	**17.514.656.803**	**15.576.613.603**	**2.259.495.300**
Interest Rate GAP	**6.502.139.748**	**(7.351.631.614)**	**14.895.359.344**	**31.904.032.920**
Accumulated Interest Rate GAP	**6.502.139.748**	**(849.491.866)**	**14.045.867.478**	**45.949.900.398**

31 December 2024	More than 3 years	Not sensitive to interest rate	Book Value
Cash and cash equivalents at central banks	-	80.779.079.379	80.779.079.379
Cash and cash equivalents at credit institutions	-	532.066.144	532.066.144
Investments in credit institutions	-	90.263.546	16.264.393.298
Financial assets	1.511.814.679	-	50.274.155.236
Loans and advances to customers	16.219.218.476	-	71.417.689.145
Total assets	**17.731.033.155**	**81.401.409.069**	**219.267.383.202**
Deposits from Central Banks	-	82.055	32.904.136
Deposits from other credit institutions	-	-	1.211.511.028
Customer deposits	-	116.197.181.397	183.483.079.416
Consigned funds	-	391.247.504	3.418.706.457
Total liabilities	**-**	**116.588.510.956**	**188.146.201.037**
Interest Rate GAP	**17.731.033.155**	**(35.187.101.887)**	**31.121.182.165**
Accumulated interest rate GAP	**66.308.284.052**	**31.121.182.165**	**-**

31 December 2023	More than 3 yea	Not sensitive to interest rate	Book Value
Total assets	**25.180.569.746**	**64.633.640.124**	**198.385.442.016**
Total liabilities	**891.744.492**	**101.488.050.673**	**165.001.126.913**
Interest Rate GAP	**24.288.825.254**	**(36.854.410.549)**	**33.384.315.103**
Accumulated Interest Rate GAP	**70.238.725.652**	**33.384.315.103**	**-**

The sensitivity of net interest income and the economic value of equity at risk are complementary measures that provide a comprehensive view of structural interest rate risk, in the short and medium to long term, respectively.

The following table shows the sensitivity of net interest income and the economic value of sensitive assets and liabilities to interest rate risk as at 31 December 2024, for an instantaneous change in rates of 50 bps:

Values as a % of base scenario	Impact of Δ -50bps	Limit established in the RAS
Impact of the Repricing Gap on Earnings (Δ 50bps)	154,36	<350
Economic Value of Capital at Risk as a % of FP	0,23%	<5,00%

d. Foreign Exchange Risk

Foreign Exchange Rate Risk is the potential for negative impacts on earnings or capital resulting from adverse movements in exchange rates, arising from gaps between the value of assets and liabilities held in a given currency.

The management policy and strategy relating to exchange rate risk is outlined by the Board of Directors and monitored by the Capital, Assets and Liabilities Committee (CALCO), implemented by the Financial Markets Division (DMF) and controlled by the Risk Management Division (DGR).

Foreign exchange positions are controlled on a daily basis based on the internal limits set out by CALCO and the ratios and prudential limits set by the Bank of Mozambique.

The DMF makes daily efforts to close foreign exchange positions denominated in EUR and ZAR, as well as in other less frequently traded currencies, while more regularly maintaining open positions in USD, in line with the authorised limit. These positions are monitored on a daily basis by both the Bank's Risk Management Division and CGD's Risk Management Division. The latter calculates VaR and market value on a daily basis according to the following methodology:

VaR (Value-at-Risk): estimate of the maximum loss for a given holding period and a given confidence level, assuming normal market behaviour. The methodology used is historical simulation (future events are fully explained by past events). The model parameters are:

- ✓ Holding period: n days (n=10);
- ✓ Confidence level: 99% (n=10).

As at 31 December 2024 and 2023, the Group's exposure to currency risk is as follows:

31 December 2024	USD	EUR	ZAR	Other currencies	Operations not sensitive to foreign exchange variation	Book Value
Cash and cash equivalents at central banks	16 997 511 642	190 738 316	450 462 533	-	63 140 367 694	80 779 080 185
Cash and cash equivalents at credit institutions	420 095 708	6 618 892	20 923 037	52 382 122	32 049 783	532 069 542
Investments in credit institutions	14 040 472 314	1 002 085 584	1 034 634 909	79 022 653	108 177 838	16 264 393 298
Financial assets	-	-	-	-	50 274 155 236	50 274 155 236
Loans and advances to customers	8 859 817 006	3 605 371 045	146 781 716	-	58 699 217 854	71 311 187 621
Other assets	57 040 431	163 152 797	59 635 779	-	12 240 839 559	12 520 668 566
Total assets	**40 374 937 101**	**4 967 966 634**	**1 712 437 974**	**131 404 775**	**184 494 807 964**	**231 681 554 448**
Deposits from Central Banks	-	-	-	-	32 904 136	32 904 136
Deposits from other credit institutions	2 185 061	35 031	151	-	1 209 290 785	1 211 511 028
Customer deposits	36 932 155 643	1 220 555 195	1 542 313 941	119 986 914	143 636 061 384	183 451 073 077
Consigned funds	1 652 803	3 377 186 994	10 663 696	-	29 202 964	3 418 706 457
Other Liabilities	3 438 943 594	370 189 414	159 460 186	11 417 861	7 353 228 409	11 333 239 464
Total liabilities	**40 374 937 101**	**4 967 966 634**	**1 712 437 974**	**131 404 775**	**152 260 687 678**	**199 447 434 162**
Total own funds	**-**	**-**	**-**	**-**	**32 234 120 286**	**32 234 120 286**
Total liabilities and own funds	**40 374 937 101**	**4 967 966 634**	**1 712 437 974**	**131 404 775**	**184 494 807 964**	**231 681 554 448**
Currency spread	**-**	**-**	**-**	**-**	**-**	**-**

31 December 2023	USD	EUR	ZAR	Other currencies	Operations not sensitive to foreign exchange variation	Book Value
Total assets	**28 997 678 270**	**5 893 457 798**	**1 251 578 244**	**115 156 779**	**173 610 058 769**	**209 867 929 860**
Total liabilities	**28 878 002 500**	**5 823 250 044**	**1 234 694 447**	**104 556 939**	**142 911 278 714**	**178 951 782 644**
Total own funds	**-**	**-**	**-**	**-**	**30 916 147 216**	**30 916 147 216**
Total liabilities and own funds	**28 878 002 500**	**5 823 250 044**	**1 234 694 447**	**104 556 939**	**173 827 425 930**	**209 867 929 860**
Currency spread	**119 675 770**	**70 207 754**	**16 883 797**	**10 599 840**	**(217 367 160)**	**-**

As at 31 December 2024 and 2023, the Bank's exposure to currency risk is as follows:

31 December 2024	USD	EUR	ZAR	Other currencies	Operations not sensitive to foreign exchange variation	Book Value
Cash and cash equivalents at central banks	16 997 511 642	190 738 316	450 462 533	-	63 140 366 888	80 779 079 379
Cash and cash equivalents at credit institutions	420 095 708	6 618 892	20 923 037	52 382 122	32 046 385	532 066 144
Investments in credit institutions	14 040 472 314	1 002 085 584	1 034 634 909	79 022 653	108 177 838	16 264 393 298
Financial assets	-	-	-	-	50 274 155 236	50 274 155 236
Loans and advances to customers	8 859 817 006	3 605 371 045	146 781 716	-	58 805 719 378	71 417 689 145
Other assets	57 040 431	163 152 797	59 635 779	-	12 094 138 945	12 373 967 952
Total assets	**40 374 937 101**	**4 967 966 634**	**1 712 437 974**	**131 404 775**	**184 454 604 670**	**231 641 351 154**
Deposits from Central Banks	-	-	-	-	32 904 136	32 904 136
Deposits from other credit institutions	2 185 061	35 031	151	-	1 209 290 785	1 211 511 028
Customer deposits	36 932 155 643	1 220 555 195	1 542 313 941	119 986 914	143 668 067 723	183 483 079 416
Consigned funds	1 652 803	3 377 186 994	10 663 696	-	29 202 964	3 418 706 457
Other Liabilities	3 438 943 594	370 189 414	159 460 186	11 417 861	7 361 306 582	11 341 317 637
Total liabilities	**40 374 937 101**	**4 967 966 634**	**1 712 437 974**	**131 404 775**	**152 300 772 190**	**199 487 518 674**
Total own funds	**-**	**-**	**-**	**-**	**32 153 832 480**	**32 153 832 480**
Total liabilities and own funds	**40 374 937 101**	**4 967 966 634**	**1 712 437 974**	**131 404 775**	**184 454 604 670**	**231 641 351 154**
Currency spread	**-**	**-**	**-**	**-**	**-**	**-**

31 December 2023	USD	EUR	ZAR	Other currencies	Operations not sensitive to foreign exchange variation	Book Value
Total assets	**28 997 678 270**	**5 893 457 798**	**1 251 578 244**	**115 156 779**	**173 598 365 430**	**209 856 236 521**
Total liabilities	**28 878 002 500**	**5 823 250 044**	**1 234 694 447**	**104 556 939**	**142 978 368 178**	**179 018 872 108**
Total own funds	**-**	**-**	**-**	**-**	**30 837 364 413**	**30 837 364 413**
Total Liabilities and Own Funds	**28 878 002 500**	**5 823 250 044**	**1 234 694 447**	**104 556 939**	**173 815 732 591**	**209 856 236 521**
Currency spread	**119 675 770**	**70 207 754**	**16 883 797**	**10 599 840**	**(217 367 160)**	**-**

Exchange rate risk is mitigated and/or controlled by setting exposure limits, which take the form of VaR and Own Funds consumption limits.

In December 2024, the size of the exposure to exchange rate risk remained in line with the respective level of risk appetite established in BCI's Risk Appetite Statement, in accordance with corporate policies, making it possible to ensure a level of exchange rate risk that is controlled and aligned with the focus of commercial banking.

The table below shows the values of the exchange rate metrics as at 31 December 2024:

Metrics	Unit	Dec-24
Total Absolute Net Exposure to Foreign Exchange Risk - Global Regulatory Currency Position VaR	%	7,1
	M MZN	11,61

e. Risk of environmental impacts

The Bank considers the risk of environmental impacts to be the risk of negative impacts on results or capital arising from climate change and affecting systems (natural and human) and regions.

Mozambique is prone to climate change (droughts, cyclones and floods) which could impact economic activity and human resources. Depending on the type of climate change, this could lead to a reduction in the Bank's business and results, which is why there is a risk.

The Bank is committed to ensuring Business Continuity in the event of anomalous events that could jeopardise the normal operation of its business by implementing a Business Continuity Management System (SGCN). In addition, the Bank conducts a stress test programme supported by its own regulations, whose objectives include: informing the identification of new or emerging risks, assessing exposure to material risks under specific conditions and supporting the assessment of the adequacy of internal capital.

9.38 Equity

BCI actively manages its capital to cover the risks inherent in its business. The Bank's capital is managed using the rules and in accordance with the ratios and prudential limits established by the Bank of Mozambique, fully complying with the minimum requirements imposed.

Equity Management

The main objective of capital management is to ensure that minimum requirements are met and that healthy ratios are maintained to ensure the continuity and sustainability of the business and maximise shareholder value.

As economic conditions and the risk characteristics of the Bank's business change, the capital structure may be adjusted to better suit the new situation. The Bank's capital management objectives, policies and processes have been significantly strengthened, particularly in calculating internal capital adequacy under the ICAAP and Stress Testing.

	Dec-24	Dec-23
Share Capital	10 000 000 000	10 000 000 000
Own shares	(278 060 200)	(278 060 200)
	9 721 939 800	**9 721 939 800**
Fair-value Reserves	423 109 515	17 523 797
Other Reserves and Retained Earnings	18 983 272 203	15 930 682 940
IFRS 9 transition reserves	(3 014 216 213)	(3 014 216 213)
	16 392 165 505	**12 933 990 524**
Net income for the year	**6 039 727 175**	**8 181 434 089**
	32 153 832 480	**30 837 364 413**

Solvency Risk

The unimpaired capital and reserves are evidence of the shareholders' commitment to guaranteeing the continuity of the Bank's operations and solvency. The risk of insolvency is measured by the solvency ratio. The Bank and its shareholders are committed to maintaining sufficient capital to keep the solvency ratio comfortably above the minimum required by the Bank of Mozambique. As at 31 December 2024, the solvency ratio was 23.33% (2023: 24.34%). It remained above the requirement set by the Bank of Mozambique (14%), which demonstrates the financial soundness of BCI.

A key aspect of the Bank's capital strength management strategy is its ability to generate own funds internally, derived from the Bank's operating profits and the significant increase in reserves.

	Dec-24	Dec-23
Core Equity		
Paid-in Capital	10 000 000 000	10 000 000 000
Share Premiums	864 265 127	864 265 127
Reserves, Retained Earnings	17 895 498 575	14 986 098 921
Negative Revaluation Reserves, Intangible Assets, and Other Deductible Items	(3 485 559 175)	(3 528 833 891)
Tier I Total Capital	**25 274 204 527**	**22 321 530 156**
Others	203 035 495	17 511 386
Tier II Total Capital	**203 035 495**	**17 511 386**
Deduction from Total Equity	(673 320 786)	(542 480 346)
Eligible Equity	**24 803 919 235**	**21 796 561 197**
Credit Risk-Weighted Assets		
On-Balance Sheet	92 547 713 736	77 925 989 453
Off-Balance Sheet	8 541 988 359	8 776 566 373
Operational Risk	3 145 251 635	2 728 190 276
Market Risk	2 084 370 484	120 327 967
Core Capital Adequacy Ratio (Tier I)	23,77%	24,93%
Core Capital Adequacy Ratio (Tier II)	0,19%	0,02%
Solvency Ratio	**23,33%**	**24,34%**

Market Risk

	Dec-24		Dec-23	
	Net Positions		Net Positions	
	Long	Short	Long	Short
DIVISAS:				
USD	2 066 873 584	-	38 211 963	-
EUR	-	1 547 320	52 445 471	-
ZAR	9 692 528	-	19 099 453	-
GBP	2 202 188	-	3 615 564	-
DKK	711 908	-	527 643	-
JPY	86 277	-	32 880	-
NOK	448 316	-	559 659	-
SEK	536 471	-	492 332	-
CHF	227 133	-	1 190 597	-
AUD	555 557	-	285 249	-
CNY	3 036 522	-	3 867 157	-
Total	**2 084 370 484**	**1 547 320**	**120 327 967**	-
Foreign Exchange Risk Hedging		**2 084 370 484**		**120 327 967**

Operational risk

	Dec-24			Dec-23		
	Year n-2	Year n-1	Year n	Year n-2	Year n-1	Year n
Interest and Similar Income (+)	18 667 861 609	21 924 211 703	23 905 263 286	16 235 989 064	18 667 861 609	21 924 211 703
Interest and Similar Costs (-)	5 344 321 899	6 306 616 072	8 422 830 148	5 473 067 720	5 344 321 899	6 306 616 072
Income from Equity Instruments (+)	-	12 645 387	2 963 353	1 839 450	-	12 645 387
Fees Received (+)	3 471 160 044	3 471 709 672	3 368 983 664	2 686 557 999	3 471 160 044	3 471 709 672
Fees Paid (-)	897 296 003	1 042 356 420	1 547 859 874	711 018 231	897 296 003	1 042 356 420
Income from Financial transactions (+)	1 662 062 614	2 161 734 047	2 604 635 734	1 545 917 706	1 662 062 614	2 161 734 047
Other Operating Results (+)	1 349 714 556	107 936 264	3 755 431 176	1 039 141 747	1 349 714 556	107 936 264
Total Basic Indicator Method Activities	**18 909 180 922**	**20 329 264 582**	**23 666 587 189**	**15 325 360 015**	**18 909 180 922**	**20 329 264 582**
Average for Calculating Minimum Capital Requirements			**20 968 344 231**			**18 187 935 173**
Weighting rate			**15%**			**15%**
Operational risk			**3 145 251 635**			**2 728 190 276**

9.39 Accounting classification and fair value of financial assets and liabilities

When the fair value of financial assets and liabilities recognised in the balance sheet cannot be determined based on quoted prices in an active market, it is determined using valuation techniques that include the use of mathematical models. The inputs used in these models are based on information available on the market; however, whenever this is not practicable, judgements are made in determining the fair values of financial instruments.

The fair value of financial assets and liabilities that are traded on asset markets are based on quoted market prices or dealer price quotations. For other financial instruments, the Bank determines market values using valuation techniques.

Valuation techniques include net present value, discounted cash flow models and other valuation models. The assumptions and inputs used in risk assessment techniques include benchmark interest rates, credit spreads and other premiums used to estimate discount rates, bond and treasury bill prices and exchange rates. The objective of assessment techniques is to determine the fair value that reflects the price of the financial instrument on the reporting date, i.e. what would have been determined by market participants acting on a commercial basis.

As at 31 December 2024, the financial instruments measured at fair value, using the fair value hierarchy, are as follows:

	Level 1	Level 2	Level 3
Bonds and other securities			
Treasury Bills	-	2 466 605 228	-
Treasury bonds	-	4 790 999 030	-
Other securities	-	177 310 656	97 164 366
	-	**7 434 914 914**	**97 164 366**

As at 31 December 2023, the financial instruments measured at fair value, using the fair value hierarchy, were as follows:

	Level 1	Level 2	Level 3
Bonds and other securities			
Treasury Bills	-	1 867 476 079	-
Treasury bonds	-	2 095 486 424	-
Other securities	-	147 259 815	97 164 366
	-	**4 110 222 318**	**97 164 366**

The shares held by the Bank in SIMO are classified under Level 3 of the fair value hierarchy, and their fair value is determined using unobservable inputs, as it is not possible to apply Level 1 or Level 2 measurement techniques. This is due to the fact that the entity is not listed, there are no comparable entities in Mozambique, and there are no capital transactions that can be used as reference points. As such, a Level 3 valuation approach is applied. In order to assess this metric, SIMO's most up-to-date annual report and accounts are obtained and the total equity is determined in order to calculate the value of the percentage held by the Bank in SIMO.

As at 31 December 2024 and 2023, the accounting classification and fair value of the Group's financial assets and liabilities are as follows:

31 December 2024	Value at Amortised Cost	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and Cash Equivalents at central banks	80 779 080 185	-	-	80 779 080 185	80 779 080 185
Cash and cash equivalents at credit institutions	532 069 542	-	-	532 069 542	532 069 542
Investments in credit institutions	16 264 393 298	-	-	16 264 393 298	16 264 393 298
Financial assets at amortised cost					
Treasury bonds	16 445 097 611	-	17 821 368 512	-	17 821 368 512
Treasury bills	26 296 978 345	-	30 150 900 404	-	30 150 900 404
	42 742 075 956	-	47 972 268 916	-	47 972 268 916
Loans and advances to customers	71 311 187 621	-	-	71 311 187 621	71 .311 187 621
Total financial assets at amortised cost	**211 628 806 602**	-	**47 972 268 916**	**168 886 730 646**	**216 858 999 562**
Financial liabilities					
Deposits from central banks	32 904 136	-	-	32 904 136	32 904 136
Deposits from credit institutions	1 211 511 028	-	-	1 211 511 028	1 211 511 028
Customer deposits	183 451 073 077	-	-	183 451 073 077	183 451 073 077
Consigned Funds	3 418 706 457	-	-	3 418 706 457	3 418 706 457
Total financial liabilities at amortised cost	**188 114 194 698**	-	-	**188 114 194 698**	**188 114 194 698**
Off-balance sheet items					
Financial Guarantees	12 467 484 103	-	-	12 467 484 103	12 467 484 103
Letters of credit	2 121 281 310	-	-	2 121 281 310	2 121 281 310
Unused credit lines	7 416 286 138	-	-	7 416 286 138	7 416 286 138
Total off-balance sheet items	**22 005 051 551**	-	-	**22 005 051 551**	**22 005 051 551**



31 December 2023	Value at Amortised Cost	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and Cash Equivalents at central banks	61 667 286 526	-	-	61 667 286 526	61 667 286 526
Cash and cash equivalents at credit institutions	2 966 357 802	-	-	2 966 357 802	2 966 357 802
Investments in credit institutions	22 661 869 264	-	-	22 661 869 264	22 661 869 264
Financial assets at amortised cost					
Treasury bonds	17 439 323 061	-	18 168 321 498	-	18 168 321 498
Treasury bills	22 232 258 039	-	22 225 222 612	-	22 225 222 612
	39 671 581 100	-	40 393 544 110	-	40 393 544 110
Loans and advances to customers	67 088 121 844	-	-	67 088 121 844	67 088 121 844
Total financial assets at amortised cost	**194 055 216 536**	-	**40 393 544 110**	**154 383 635 436**	**194 777 179 546**
Financial liabilities					
Deposits from central banks	89 143 689	-	-	89 143 689	89 143 689
Deposits from credit institutions	1 131 611 516	-	-	1 131 611 516	1 131 611 516
Customer deposits	159 498 656 217	-	-	159 498 656 217	159 498 656 217
Consigned Funds	4 249 709 152	-	-	4 249 709 152	4 249 709 152
Total financial liabilities at amortised cost	**164 969 120 574**	-	-	**164 969 120 574**	**164 969 120 574**
Off-balance sheet items					
Financial Guarantees	12 912 437 453	-	-	12 912 437 453	12 912 437 453
Letters of credit	1 661 689 845	-	-	1 661 689 845	1 661 689 845
Unused credit lines	8 165 670 340	-	-	8 165 670 340	8 165 670 340
Total off-balance sheet items	**22 739 797 638**	-	-	**22 739 797 638**	**22 739 797 638**

The Bank assumes that the fair value of financial instruments approximates the value at which they are recognised in the financial statements.



As at 31 December 2024 and 2023, the accounting classification and fair value of the Bank's financial assets and liabilities are as follows:

31 December 2024	Value at Amortised Cost	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and Cash Equivalents at central banks	80 779 079 379	-	-	80 779 079 379	80 779 079 379
Cash and cash equivalents at credit institutions	532 066 144	-	-	532 066 144	532 066 144
Investments in credit institutions	16 264 393 298	-	-	16 264 393 298	16 264 393 298
Financial assets at amortised cost					
Treasury bonds	16 445 097 611	-	17 821 368 512	-	17 821 368 512
Treasury bills	26 296 978 345	-	30 150 900 404	-	30 150 900 404
	42 742 075 956	-	47 972 268 916	-	47 972 268 916
Loans and advances to customers	71 417 689 145	-	-	71 417 689 145	71 417 689 145
Total financial assets at amortised cost	**211 735 303 922**	**-**	**47 972 268 916**	**168 993 227 966**	**216 965 496 882**
Financial liabilities					
Deposits from central banks	32 904 136	-	-	32 904 136	32 904 136
Deposits from credit institutions	1 211 511 028	-	-	1 211 511 028	1 211 511 028
Customer deposits	183 483 079 416	-	-	183 483 079 416	183 483 079 416
Consigned Funds	3 418 706 457	-	-	3 418 706 457	3 418 706 457
Total financial liabilities at amortised cost	**188 146 201 037**	**-**	**-**	**188 146 201 037**	**188 146 201 037**
Off-balance sheet items					
Financial Guarantees	12 549 587 615	-	-	12 549 587 615	12 549 587 615
Letters of credit	2 121 281 310	-	-	2 121 281 310	2 121 281 310
Unused credit lines	7 416 286 138	-	-	7 416 286 138	7 416 286 138
Total off-balance sheet items	**22 087 155 063**	**-**	**-**	**22 087 155 063**	**22 087 155 063**

31 December 2023	Value at Amortised Cost	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and Cash Equivalents at central banks	61 667 285 720	-	-	61 667 285 720	61 667 285 720
Cash and cash equivalents at credit institutions	2 966 354 404	-	-	2 966 354 404	2 966 354 404
Investments in credit institutions	22 661 869 264	-	-	22 661 869 264	22 661 869 264
Financial assets at amortised cost					
Treasury bonds	17 439 323 061	-	18 168 321 498	-	18 168 321 498
Treasury bills	22 232 258 039	-	22 225 222 612	-	22 225 222 612
	39 671 581 100	-	40 393 544 110	-	40 393 544 110
Loans and advances to customers	67 210 964 844	-			-
Total financial assets at amortised cost	**194 178 055 332**	**-**	**40 393 544 110**	**87 295 509 388**	**127 689 053 498**
Financial liabilities					
Deposits from central banks	89 143 689	-	-	89 143 689	89 143 689
Deposits from credit institutions	1 131 611 516	-	-	1 131 611 516	1 131 611 516
Customer deposits	159 530 662 556	-	-	159 530 662 556	159 530 662 556
Consigned Funds	4 249 709 152	-	-	4 249 709 152	4 249 709 152
Total financial liabilities at amortised cost	**165 001 126 913**	**-**	-	**165 001 126 913**	**165 001 126 913**
Off-balance sheet items					
Financial Guarantees	12 994 540 965	-	-	12 994 540 965	12 994 540 965
Letters of credit	1 661 689 845	-	-	1 661 689 845	1 661 689 845
Unused credit lines	8 165 670 340	-	-	8 165 670 340	8 165 670 340
Total off-balance sheet items	**22 821 901 150**	**-**	**-**	**22 821 901 150**	**22 821 901 150**

The Bank assumes that the fair value of financial instruments approximates the value at which they are recognised in the financial statements.

9.40 Events after the balance sheet date

On 19 February 2025, S&P Global Ratings downgraded Mozambique's long-term local currency sovereign credit rating from 'CCC' to 'CCC-', and also revised the rating outlook from stable to negative. Subsequently, on 21 March 2025, Standard & Poor's issued a new statement downgrading the long-term local currency sovereign credit rating to 'Selective Default.' The Bank categorises both events as adjustable subsequent events within the scope of IAS 10.

In terms of post-balance sheet adjustments arising from this event, management reports that the impairment model used by the Bank is based on Moody's rating, in alignment with the CGD Group. Although Moody's had not issued a statement regarding the country's rating during the reporting period, the Bank conducted a review of its credit risk, sovereign risk, and country risk analysis, as well as of the risk factors within the Impairment Model, in light of the potential for a downgrade by Moody's comparable to the rating assigned by Standard & Poor's. The Financial Statements as at 31 December 2024 fully reflect the impacts of this possibility.



OPINION OF THE ADVICE SUPERVISOR



SUPERVISORY BOARD

Report and Opinion of the Supervisory Board on the 2024 Management Report and Financial Statements

To the Shareholders of BCI - Banco Comercial e de Investimentos, SA, Mozambique

As part of its competences and the mandate it has been given, BCI's Supervisory Board (CF) monitored the Bank's activity throughout the 2024 financial year, verified the accuracy of the accounting documents and the strict fulfilment of the accounting policies and practices pursued.

Pursuant to the law, we submit the Report on the Supervisory Board's supervisory work during 2024 and issue an opinion on the Management Report and Financial Statements for the year ending 31 December 2024.

The Supervisory Board's opinion on the Bank's Board of Directors' Proposal for the Appropriation of Profits for the financial year 2024 is presented in a separate document.

Report

BCI's Supervisory Board monitored the Bank's progress, the regularity of its accounting records and compliance with the applicable rules and regulations at the intervals and to the extent deemed appropriate, based on the information provided by the Board of Directors, of an accounting, financial, risk management, compliance and internal auditing nature, as well as that provided by the External Auditors - PricewaterhouseCoopers (PwC).

BCI's Supervisory Board obtained the information and clarifications it requested from the Board of Directors and the Bank's various Divisions and Services.

During the course of the 2024 financial year, the Supervisory Board met several times with PwC to analyse information that it wished to clarify.

BCI's Supervisory Board carried out the necessary procedures to verify, in materially relevant aspects, the adequacy and effectiveness of the organisational culture in force at the institution and of its Governance and Internal Control Systems.

With the collaboration of the Auditors (PwC), the Supervisory Board submitted the Self-Assessment Report on the Governance and Internal Control Systems in due course.

Also as part of the Bank's Internal Control System, the Supervisory Board monitored the activities of the Risk Management Division, the Audit and Inspection Division, the Internal Monitoring Division and the Compliance Division, and held the meetings and contacts that were necessary to properly assess the activities carried out and to discuss the information produced by these structural bodies.

The Supervisory Board regularly monitored the implementation of the 2024 Annual Activity Plans of the Audit and Inspection Division and the Compliance Division.

It further noted that open recommendations from Bank of Mozambique inspections have been addressed by the Bank's responsible Divisions and are in the process of being resolved. It should also be emphasised that the Supervisory Board paid special attention to monitoring the resolution of Internal Control Deficiencies.

We should also note the negative impact on the Mozambican economy, and on the world in general, of the war in Ukraine, which began at the end of February 2022 and is still ongoing, which has caused various constraints in terms of logistical supply chains and a substantial rise in the prices of many raw materials, and which has had a negative impact on investment. The Middle East conflict has also disrupted the normal functioning of economies in various countries, including Mozambique.

The Supervisory Board took part in all the meetings of the Board of Directors and maintained constant contact with the members of the Executive Committee, as well as meeting with various Divisions of the Bank in order to be able to monitor and scrutinise their activities and ensure compliance with the management strategy, financial discipline and risk control policy, assessing the effectiveness of the Bank's Internal Control System in the way it deems appropriate.

The Executive Committee's members and some of BCI's main Directors took part, whenever necessary, in the Supervisory Board's meetings, as recorded in the respective minutes.

During 2024, the Supervisory Board interacted with the Audit Committee of Caixa Geral de Depósitos and also with the Audit Committee of BCI, and attended most of their meetings.



The Supervisory Board analysed the consolidated and individual financial statements as at 31 December 2024, prepared in accordance with the Bank of Mozambique rules and the International Financial Reporting Standards (IFRS).
The Bank's total net assets increased by 10.4% compared to the previous year, totalling MT 231,641.4 million.

Of positive note in 2024 is the increase in (net) Loans and Advances to Customers (+63% compared to 2023; MT 71,417.7 million) and the significant increase in Customer Deposits of 15.0%, to MT 183,483.1 million.

The increase in Loans and Advances to Customers was very favourably impacted by the increase in the portfolio of loans to individuals, especially to public sector employees (CEDSIF loans).

Customer deposits grew both in domestic currency (+93%; + MT 12,479.6 million) and, to a higher percentage, in foreign currency (+40.3%; + MT 11,472.3 million).

As a result of the above, the total transformation ratio fell from 45.35% in 2023 to 42.36% at the end of 2024.

It should be noted that in 2023 the Bank of Mozambique changed its policy of making foreign currency available to settle oil imports, which reduced the banking system's availability of foreign currency for imports.

As a result of the Bank's favourable commercial performance in 2024, BCI continues to be the market leader in Mozambique, having strengthened its position, with a market share of 25.8% in deposits and 26.9% in loans. In terms of assets, the market share is 22.7%. It serves around 2.4 million customers in the domestic market.

In 2024, net income fell by 26.2%, from MT 8,181.4 to MT 6,039.7 million compared to the previous year.

This result derives, especially, from the substantial increase in impairment recorded in the 2024 financial year, arising from the classification by Standard & Poor's, on 21 March 2025, of the long-term sovereign credit in national currency as 'Selective Default', which led the bank to make an adjustment for the expected credit losses on Sovereign Debt, fully reflected in the accounts as at December 2024.

It should be noted that the net income for 2023 included several extraordinary events with a positive impact on that year's income, particularly related to credit recoveries, which did not occur in the 2024 fiscal year.

Also noteworthy is the maintenance throughout 2024 of Mandatory Reserves in national currency and foreign currency of 39% and 39.3%, respectively, which reduced the volume of cash available for margin-generating investments.

Also noteworthy is the operational challenge that the Bank faced in 2023 and 2024 in terms of migrating to the new payment method platform (EURONET), due to its market leadership in payment methods, number of customers, and high transactionality. This challenge has been significantly overcome as of the reporting date, with the conclusion of the migration and the stabilisation of the various processes.

In 2024, greatly influenced by the above, BCI significantly increased impairments and provisions by 127.1%, compared to the previous year, with a total amount of MT 4,280.3 million. This level of impairment reflects management's prudence in the context of the deteriorating economic environment and country risk.

The cost of credit risk in 2024 was 1.01%, which compares unfavourably to 0.18% in 2023, due to the above.

Own Funds, calculated on the basis established by the Bank of Mozambique, which reflects the Basel II rules, totalled MT 21,796.6 million, 13.9% more than the previous year.

Despite the substantial increase in impairments, BCI continues to demonstrate an adequate solvency ratio - 23.33% at the end of 2024, compared to 24.34% at the end of 2023. The prudential liquidity ratio, calculated according to the Bank of Mozambique's methodology, stood at 41.03%, compared to 43.09% in 2023. Both were significantly above the regulatory minimum.

The Supervisory Board considered also the Report of the External Auditors (PwC) on BCI's Financial Statements as at 31 December 2024.

The Supervisory Board paid particular attention to monitoring BCI's impairments, having analysed and discussed their adequacy and sufficiency with both the Board of Directors and the External Auditors.



Opinion

It should be noted that as at 31 December 2024, BCI's solvency ratio was 23.33% and the Tier I Core ratio was 23.95%, both indicators showing a comfortable position.

Return on equity was 19.26% at the end of the 2024 fiscal year.

There was a slight deterioration in the operating cost to income ratio.

In view of the above, the Supervisory Board is of the opinion that, for the 2024 financial year, the individual and consolidated Financial Statements, the Management Report and the Proposal for the Appropriation of Profits expressed therein, are in accordance with the applicable accounting, legal and statutory provisions, and therefore recommends their approval at the General Shareholders' Meeting.

A final note to express our thanks to the Board of Directors, the senior management and all Bank employees with whom the Supervisory Board had contact in 2024 for all their cooperation in carrying out its supervisory duties.

27 March 2025
The Supervisory Board

Frederico Silva Pinto
(Chair)

José Manuel Nunes Liberato
(Voting Member)

Mário Vicente Sitoe
(Voting Member)


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INDEPENDENT AUDITOR'S REPORT

Independent auditor's report

To the Shareholders of Banco Comercial e de Investimentos, S.A.

Our opinion

In our opinion, the consolidated and individual financial statements present fairly, in all material aspects, the consolidated and individual financial position of Banco Comercial e de Investimentos, S.A. (respectively 'the Group' and 'the Bank') as at 31 December 2024, as well as its consolidated and individual financial performance and its consolidated and individual cash flows for the year then ended, in accordance with International Financial Reporting Standards.

What we audited

The consolidated and individual financial statements of Banco Comercial e de Investimentos, S.A., are presented on pages 130 to 235, which comprise:

- the consolidated and individual balance sheet as at 31 December 2024;
- the consolidated and individual income statement for the year ending 31 December 2024;
- the consolidated and individual statement of comprehensive net income for the year ending 31 December 2024;
- the consolidated statement of changes in equity for the year ending 31 December 2024;
- the individual statement of changes in equity for the year ending 31 December 2024;
- the consolidated and individual cash flow statement for the year ending 31 December 2024; and
- the notes to the consolidated and individual financial statements, including material information on the accounting policy and other explanatory information.

Basis for the opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA). Our responsibilities under these standards are outlined in the *Auditor's responsibility for auditing the consolidated and individual financial statements section of this report*.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

We are independent from the Group in compliance with the Code of Ethics (including international independence standards) of the *International Ethics Standards Board for Accountants* (IESBA) and other relevant independence requirements for auditing financial statement in Mozambique. We comply with the remaining ethical responsibilities in accordance with the IESBA Code of Ethics and the other ethical requirements applicable to audits in Mozambique.

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www.pwc.com

PricewaterhouseCoopers - Sociedade de Auditores e Contabilistas Certificados, Lda.
Registration number: 101181995 · TIN: 400005516 · Share Capital : MZN 58,000.00

Other information

The Board of Directors is responsible for other information. Other information covers the information included in the document entitled 'Annual Report 2024'.

Other information does not include the consolidated and individual financial statements or our auditor's report on the consolidated and individual financial statements. Our opinion on the consolidated and individual financial statements does not cover other information, and we do not express an audit opinion or any other form of assurance on it.

Our responsibility in connection with our audit to the consolidated and individual financial statements is to read the other information identified above and, in doing so, assess whether that other information is materially inconsistent with the consolidated and individual financial statements, based on our understanding during the audit, or whether it appears to be materially misstated.

If, based on the work we carried out, we conclude that there is a material misstatement in other information, we are required to report it. We have nothing to report on this subject.

Responsibilities of the Board of Directors and those charged with governance regarding the consolidated and individual financial statements

The Board of Directors is responsible for the preparation and appropriate presentation of these financial statements in accordance with the International Financial Reporting Standards, and for the internal control the Board of Directors deems necessary to make it possible to prepare consolidated and individual financial statements free from material misstatement, whether due to fraud or error.

When preparing the consolidated and individual financial statements, the Board of Directors is responsible for assessing the Group and the Bank's ability to maintain a going concern, disclosing, where applicable, matters relating to going concern, and applying the going concern assumption, unless the Board of Directors intends to wind up the Group or the Bank, or to cease operations, or has no realistic alternative but to do so.

Those in charge of governance are responsible for supervising the financial reporting process of the Group and the Bank.

Responsibilities of the auditor for auditing the consolidated and individual financial statements

Our responsibility is to achieve reasonable assurance that the consolidated and individual financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report stating our opinion. Reasonable assurance is a high level of reliability, but it is not a guarantee that an audit carried out in accordance with the ISA will always detect a material misstatement when one exists. Misstatements may be a result of fraud or error and are considered material if, either individually or jointly, they can reasonably be expected to influence economic decisions made by users on the basis of such consolidated and individual financial statements.

As part of an audit in line with the ISA, we render professional judgements, maintain professional scepticism, and also:

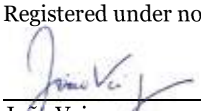
- Identify and assess the risks of material misstatement of the consolidated and individual financial statements, whether due to fraud or error, and design and perform audit procedures

to address those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our qualified opinion. The risk of not detecting a material misstatement due to fraud is greater than that arising from error, as fraud may involve collusion, falsification, intentional omissions, false statements, or overlap to internal control.

- We gather an understanding of internal control relevant to the audit with the aim of designing audit procedures that are appropriate considering the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- We evaluate the adequacy of the accounting policies adopted and the reasonableness of the accounting estimates and related disclosures made by the Board of Directors.
- We reach a conclusion on the Board of Directors' use of the going concern assumption and, on the basis of the audit evidence gathered, whether there is material uncertainty related to events or conditions that may call into question the ability of the Group and of the Bank to continue their operations. If we conclude that there is material uncertainty, we shall draw attention in our auditor's report to the related disclosures contained in the consolidated and individual financial statements or revise our opinion if such disclosures are not appropriate. Our conclusions are based on the audit evidence obtained up to the date of our audit report; however, future events or conditions may cause the Group or the Bank to cease operations.
- We evaluate the overall presentation, structure and content of the consolidated and individual financial statements, including the disclosures, and whether they reproduce the underlying transactions and events in a manner that provides a fair presentation.
- We gather sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group so as to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and execution of the Group's audit, as well as ultimately responsible for our audit opinion.

We communicate to those charged with governance, among other matters, the plan, scope and timing of the audit, the relevant audit findings including any significant internal control deficiencies identified during our audit.

PricewaterhouseCoopers - Sociedade de Auditores e Contabilistas Certificados, Lda.
Registered under no. 11/SAC/OCAM/2014, represented by:



João Veiga
Certified Auditor 70/CA/OCAM/2014
Maputo, 28 March 2025



APPENDIX TO CIRCULAR NO. 3/SHC/2007



Appendix to Circular no. 3/SHC/2007

Items	Assets	A. IAS/IFRS consolidation perimeter			B. Adjustments
		1 Amount before impairment and amortisation	2 Impairment and amortisation	3 = 1 - 2 Net amount	B=A-(C+D+E)
10 + 3300	Cash and cash equivalents at central banks	80 779 055 226	-	80 779 055 226	-
11 + 3301	Cash equivalents at other credit institutions	532 069 548	-	532 069 548	(32 006 339)
153 (1) + 158 (1) + 16	Assets held for trading	-	-	-	-
153 (1) + 158 (1) + 17	Other financial assets at fair value through profit or loss	-	-	-	-
154 + 158 (1) + 18 + 34888 (1) - 53888 (1	Financial assets available for sale	7 532 079 290	-	7 532 079 290	-
13 + 150 + 158 (1) + 159 (1) + 3303 + 3310 (1) + 3408 (1) - 350 - 3520 - 5210 (1) - 5300	Investments in credit institutions	16 264 467 760	74 450	16 264 393 310	-
14 + 151 + 152 + 158 (1) + 3304 + 3310 (1) + 34000 + 34008 - 3510 - 3518 - 35210 - 35211 - 5210 (1) - 53010 - 53018	Loans and Advances to Customers	78 150 435 026	6 789 517 590	71 360 917 436	(106 501 524)
156 + 158 (1) + 159 (1) + 22 + 3307 + 3310 (1) + 3402 - 355 - 3524 - 5210 (1) - 5303	Investments held to maturity	42 742 075 960	-	42 742 075 960	-
155 + 158 (1) + 159 (1) + 20 + 3306 + 3310 (1) + 3408 (1) - 354 - 3523 - 5210 (1) - 5308 (1)	Assets with repurchase agreements	-	-	-	-
21	Hedging derivatives	-	-	-	-
25 - 3580	Non-current assets held for sale	2 657 837 950	1 532 678 120	1 125 159 830	-
26 - 3581 (1) - 360 (1)	Investment properties	785 953 625	-	785 953 625	-
27 - 3581 (1) - 360 (1)	Other tangible assets	12 726 919 810	6 382 149 860	6 344 769 950	-
29 - 3583 - 361	Intangible Assets	1 395 305 160	1 227 735 110	167 570 050	-
24 - 357	Investments in subsidiaries, associates and joint ventures	-	-	-	(460 059)
300	Current tax assets	1 206 803 130	-	1 206 803 130	-
301	Deferred tax assets	2 488 755 567	-	2 488 755 567	-
12 + 157 + 158 (1) + 159(1) + 31 + 32 + 3302 + 3308 + 3310 (1) + 338 + 3408 (1) + 348 (1) - 3584 - 3525 + 50 (1) (2) - 5210 (1) - 5304 - 5308 (1) + 54 (1) (3)	Other Assets	2 085 860 305	1 557 391 330	528 468 975	(372 338 132)
	Total Assets	**249 347 618 357**	**17 489 546 460**	**231 858 071 897**	**(511 306 054)**

(1) Applicable portion of the balance of these items.
(2) Item 50 must be recorded under assets if it has a debit balance, and under liabilities if it has a credit balance.
(3) Debit balances of items 542 and 548 are recorded under assets, and credit balances under liabilities.

MODEL I
Balance Sheet - Consolidated Accounts (Assets)

31-Dec-24						31-Dec-23
C. Banking activity			D. Other activities			IAS/IFRS consolidation perimeter
1 Amount before impairment and amortisation	2 Impairment and amortisation	3 = 1 - 2 Net amount	1 Amount before impairment and amortisation	2 Impairment and amortisation	3 = 1 - 2 Net amount	
80 779 054 420	-	80 779 054 420	806	-	806	61 667 286 526
532 066 150	-	532 066 150	32 009 737	-	32 009 737	2 966 357 798
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7 532 079 290	-	7 532 079 290	-	-	-	4 229 367 770
16 264 467 760	74 450	16 264 393 310	-	-	-	22 661 869 260
78 256 936 550	6 789 517 590	71 467 418 960	-	-	-	67 088 760 191
42 742 075 960	-	42 742 075 960	-	-	-	39 649 600 020
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2 657 837 950	1 532 678 120	1 125 159 830	-	-	-	1 082 141 780
301 694 550	-	301 694 550	484 259 075	-	484 259 075	805 054 822
12 703 529 890	6 382 149 860	6 321 380 030	23 389 920	-	23 389 920	6 393 073 486
1 395 305 160	1 227 735 110	167 570 050	-	-	-	219 191 570
460 059	-	460 059				
			-	-	-	-
1 195 910 000	-	1 195 910 000	10 893 130	-	10 893 130	1 330 363 234
2 487 606 920	-	2 487 606 920	1 148 647	-	1 148 647	1 146 221 375
2 446 188 916	1 557 391 330	888 797 586	12 009 521	-	12 009 521	856 970 187
249 295 213 575	**17 489 546 460**	**231 805 667 115**	**563 710 836**	**-**	**563 710 836**	**210 096 258 019**

Appendix to Circular no. 3/SHC/2007

Items (Indicative References for the Banking Activity Column)	Liabilities
38 - 3311 (1) - 3410 + 5200 + 5211 (1) + 5318 (1)	Deposits from Central Banks
43 (1)	Financial liabilities held for trading
43 (1)	Other financial liabilities at fair value through profit or loss
39 - 3311 (1) - 3411 + 5201 + 5211 (1) + 5318 (1)	Deposits from other credit institutions
40 + 41 - 3311 (1) - 3412 - 3413 + 5202 + 5203 + 5211 (1) + 5310 + 5311	Deposits from customers and other loans
42 - 3311 (1) - 3414 + 5204 + 5211 (1) + 5312	Debt securities
44	Hedging derivatives
45	Non-current liabilities held for sale and discontinued operations
47	Provisions
490	Current tax liabilities
491	Deferred tax liabilities
481 +/- 489 (1) - 3311 (1) - 3416 (1) + 5206 (1) + 5211 (1) + 5314 (1)	Equity capital Instruments
480 + 488 +/- 489 (1) - 3311 (1) - 3416 (1) + 5206 (1) + 5211 (1) + 5314 (1)	Other subordinated liabilities
51 - 3311 (1) - 3417 - 3418 + 50 (1) (2) + 5207 + 5208 + 5211 (1) + 528 + 538 - 5388 + 5318 (1) + 54 (1) (3)	Other Liabilities
	Total Liabilities
55	Equity
602	Share premiums
57	Other equity instruments
-56	Own shares
58 + 59	Revaluation reserves
60 - 602 + 61	Other reserves and retained earnings
64	Net income for the year
-63	(Interim dividends)
62	Minority Interests
	Total Equity
	Total Liabilities + Equity



MODEL I (LIABILITIES)
Balance Sheet - Consolidated Accounts (Liabilities)

A. IAS/IFRS Consolidation Perimeter	31-Dec-24			31-Dec-23
	B. Adjustments B=A-(C+D+E	C. Banking Activity	E. Other Activities	
32 904 140	-	32 904 140	-	89 143 690
-	-	-	-	-
-	-	-	-	-
1 211 499 370	(106 501 524)	1 211 499 370	106 501 524	1 131 599 630
183 451 073 061	(32 006 339)	183 483 079 400	-	159 498 656 181
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1 258 329 270	-	1 258 329 270	-	1 409 938 370
618 619 760	-	618 619 760	-	651 680 920
244 809 280	-	244 809 280	-	62 433 670
-	-	-	-	-
-	-	-	-	-
12 814 175 835	(372 338 132)	12 802 593 410	383 920 557	16 345 068 625
199 631 410 716	**(510 845 995)**	**199 651 834 630**	**490 422 081**	**179 188 521 086**
10 000 000 000	(142 276 500)	10 000 000 000	142 276 500	10 000 000 000
864 265 130	-	864 265 130	-	864 265 130
-	-	-	-	-
(278 060 200)	-	(278 060 200)	-	(278 060 200)
423 109 510	-	423 109 510	-	17 523 800
15 086 320 353	53 795 148	15 104 790 870	(72 265 665)	12 033 529 232
6 043 005 095		6 039 727 175	3 277 920	8 193 866 421
-	-	-	-	-
88 021 293	88 021 293	-	-	76 612 550
32 226 661 181	**(460 059)**	**32 153 832 485**	**73 288 755**	**30 907 736 933**
231 858 071 897	**(511 306 054)**	**231 805 667 115**	**563 710 836**	**210 096 258 019**



Appendix to Circular no. 3/SHC/2007

Items
79 + 80 66 + 67
82 81 68 - 692 - 693 - 695 (1) - 696 (1) - 698 - 69900 - 69910 + 832 + 833 + 835 (1) + 836 (1) + 838 + 83900 + 83910 - 694 + 834 - 690 + 830 - 691 - 697 - 699 (1) - 725 (1) - 726 (1) + 831 + 837 + 839 (1) + 843 (1) + 844 (1) - 695 (1) - 696 (1) - 69901 - 69911 - 75 - 720 - 721 - 725 (1) - 726 (1) - 728 + 835 (1) + 836 (1) + 83901 + 83911 + 840 + 843 (1) + 844 (1) + 848
70 71 77 784 + 785 + 786 + 788 - 884 - 885 - 886 - 888 760 + 7610 + 7618 + 7620 + 76210 + 76211 + 7623 + 7624 + 7625 + 7630 + 7631 + 765 + 766 - 870 - 8720 - 8710 - 8718 - 87210 - 87211 - 8723 - 8724 - 8726 - 8730 - 8731 - 875 - 876 768 + 769 (1) - 877 - 878
650 651 74 - 86
640
- 72600 - 7280 + 8480 + 84400 641

(1) Applicable portion of the balance of these items.

MODEL II
Income Statement - Consolidated Accounts

	31-Dec-24				31-Dec-23
	A. IAS/IFRS consolidation perimeter	B. Adjustments B=A-(C+D+E)	C. Banking activity	D. Other activities	IAS/IFRS consolidation perimeter
Interest and similar income	24 640 240 128	(15 394 625)	24 655 634 753	-	23 985 910 602
Interest and similar costs	(8 384 296 755)	18 777 626	(8 381 859 969)	(21 214 412)	(8 475 531 109)
Net interest income	**16 255 943 373**	**3 383 001**	**16 273 774 784**	**(21 214 412)**	**15 510 379 493**
Income from equity instruments	1 684 685	-	1 684 685	-	2 963 350
Income from services and fees	2 589 636 390	-	2 589 636 390	-	3 263 998 940
Expenses with services and fees	(1 104 021 849)	-	(1 103 479 890)	(541 959)	(1 488 256 476)
Income from assets and liabilities measured at fair value through profit or loss	4 819 390	-	4 819 390	-	-
Income from financial assets available for sale	38 296 470	-	38 296 470	-	9 546 170
Income from exchange revaluation	2 511 239 690	-	2 511 239 690	-	2 497 494 986
Income from the disposal of other assets	151 769 220	-	151 769 220	-	72 394 290
Other operating income	1 150 410 611	(28 879 261)	1 134 234 155	45 055 717	2 522 432 924
Net operating income	**21 599 777 980**	**(25 496 260)**	**21 601 974 894**	**23 299 346**	**22 390 953 677**
Staff Costs	(5 381 235 965)	-	(5 376 689 988)	(4 545 977)	(4 944 059 983)
General administrative expenditure	(3 495 636 755)	-	(3 492 865 906)	(2 770 849)	(3 027 757 303)
Amortisation for the financial year	(828 994 876)	32 955 370	(850 885 310)	(11 064 936)	(835 168 066)
Provisions net of write-backs and cancellations	(62 951 335)	-	(62 951 335)	-	(605 640 840)
Impairment of other financial assets, net of reversals and recoveries	(4 018 378 250)	-	(4 018 378 250)	-	(1 825 478 890)
Impairment of other assets, net of reversals and recoveries	(535 451 780)	-	(535 451 780)	-	(1 088 790 130)
Income before tax	**7 277 129 019**	**7 459 110**	**7 264 752 325**	**4 917 584**	**10 064 058 465**
Taxes					
Current	(2 520 888 194)	-	(2 519 152 530)	(1 735 664)	(2 668 896 253)
Adjustments of tax for previous years	-		-	-	(293 076 520)
Deferred	1 294 223 380	-	1 294 127 380	96 000	1 100 191 027
Income after taxes	**6 050 464 205**	**7 459 110**	**6 039 727 175**	**3 277 920**	**8 202 276 719**
Of which: Net income after tax on discontinued operations	-	-	-	-	-
Minority Interests	-	-	-	-	-
Consolidated net income for the year	**6 050 464 205**	**7 459 110**	**6 039 727 175**	**3 277 920**	**8 202 276 719**

Appendix to Circular no. 3/SHC/2007

Items
10 + 3300 11 + 3301 153 (1) + 158 (1) + 16 153 (1) + 158 (1) + 17 154 + 158 (1) + 18 + 34888 (1) - 53888 (1) 13 + 150 + 158 (1) + 159 (1) + 3303 + 3310 (1) + 3408 (1) - 350 - 3520 - 5210 (1) - 5300 14 + 151 + 152 + 158 (1) + 3304 + 3310 (1) + 34000 + 34008 - 3510 - 3518 - 35210 - 35211 - 5210 (1) - 53010 - 53018 156 + 158 (1) + 159 (1) + 22 + 3307 + 3310 (1) + 3402 - 355 - 3524 - 5210 (1) - 5303 155 + 158 (1) + 159 (1) + 20 + 3306 + 3310 (1) + 3408 (1) - 354 - 3523 - 5210 (1) - 5308 (1) 21 25 - 3580 26 - 3581 (1) - 3602 (1) 27 - 3581 (1) - 360 (1) 29 - 3583 - 361 24 - 357 300 301 12 + 157 + 158 (1) + 159(1) + 31 + 32 + 3302 + 3308 + 3310 (1) + 338 + 3408 (1) + 348 (1) - 3584 - 3525 + 50 (1) (2) - 5210 (1) - 5304 - 5308 (1) + 54 (1) (3)

(1) Applicable portion of the balance of these items.
(2) Item 50 must be recorded under assets if it has a debit balance, and under liabilities if it has a credit balance.
(3) Debit balances of items 542 and 548 are recorded under assets, and credit balances under liabilities.

Appendix to Circular no. 3/SHC/2007

Items
38 - 3311 (1) - 3410 + 5200 + 5211 (1) + 5318 (1) 43 (1) 43 (1) 39 - 3311 (1) - 3411 + 5201 + 5211 (1) + 5318 (1) 40 + 41 - 3311 (1) - 3412 - 3413 + 5202 + 5203 + 5211 (1) + 5310 + 5311 42 - 3311 (1) - 3414 + 5204 + 5211 (1) + 5312 44 45 47 490 491 481 +/- 489 (1) - 3311 (1) - 3416 (1) + 5206 (1) + 5211 (1) + 5314 (1) 480 + 488 +/- 489 (1) - 3311 (1) - 3416 (1) + 5206 (1) + 5211 (1) + 5314 (1) 51 - 3311 (1) - 3417 - 3418 + 50 (1) (2) + 5207 + 5208 + 5211 (1) + 528 + 538 - 5388 + 5318 (1) + 54 (1) (3)
55 602 57 -56 58 + 59 60 - 602 + 61 64 -63 62

MODEL III
Balance Sheet - Individual Accounts (Assets)

Assets	31-Dec-24			31-Dec-23
	Amount before provisions, impairment and amortisation	Provisions, impairment and amortisation	Net amount	
Cash and cash equivalents at central banks	80 779 054 420	-	80 779 054 420	61 667 285 720
Cash equivalents at other credit institutions	532 066 150	-	532 066 150	2 966 354 400
Assets held for trading	-	-	-	-
Other financial assets at fair value through profit or loss	-	-	-	-
Financial assets available for sale	7 532 079 290	-	7 532 079 290	4 229 367 770
Investments in credit institutions	16 264 467 760	74 450	16 264 393 310	22 661 869 260
Loans and advances to customers	78 256 936 550	6 789 517 590	71 467 418 960	67 211 603 191
Investments held to maturity	42 742 075 960	-	42 742 075 960	39 649 600 020
Assets with repurchase agreements	-	-	-	-
Hedging derivatives	-	-	-	-
Non-current assets held for sale	2 657 837 950	1 532 678 120	1 125 159 830	1 082 141 780
Investment properties	301 694 550	-	301 694 550	309 826 350
Other tangible assets	12 703 529 890	6 382 149 860	6 321 380 030	6 330 298 820
Intangible assets	1 395 305 160	1 227 735 110	167 570 050	219 191 570
Investments in subsidiaries, associates and joint ventures	460 059	-	460 059	460 060
Current tax assets	1 195 910 000	-	1 195 910 000	1 322 795 440
Deferred tax assets	2 487 606 920	-	2 487 606 920	1 144 347 000
Other Assets	2 446 188 916	1 557 391 330	888 797 586	1 259 991 100
Total assets	**249 295 213 575**	**17 489 546 460**	**231 805 667 115**	**210 055 132 481**

MODEL III (LIABILITIES)
Balance Sheet - Individual Accounts (Liabilities)

Liabilities	31-Dec-24	31-Dec-23
Deposits from Central Banks	32 904 140	89 143 690
Financial liabilities held for trading	-	-
Other financial liabilities at fair value through profit or loss	-	-
Deposits from other credit institutions	1 211 499 370	1 131 599 630
Deposits from customers and other loans	183 483 079 400	159 530 662 520
Debt securities	-	-
Hedging derivatives	-	-
Non-current liabilities held for sale and discontinued operations	-	-
Provisions	1 258 329 270	1 409 938 370
Current tax liabilities	618 619 760	651 680 920,00
Deferred tax liabilities	244 809 280	62 433 670
Equity capital Instruments	-	-
Other subordinated liabilities	-	-
Other Liabilities	12 802 593 410	16 342 309 253
Total Liabilities	**199 651 834 630**	**179 217 768 053**
Equity		
Equity	10 000 000 000	10 000 000 000
Share premiums	864 265 130	864 265 130
Other equity instruments	-	-
Own shares	(278 060 200)	(278 060 200)
Revaluation reserves	423 109 510	17 523 800
Other reserves and retained earnings	15 104 790 870	12 052 201 610
Net income for the year	6 039 727 175	8 181 434 088
(Interim dividends)	-	-
Minority Interests	-	-
Total Equity	**32 153 832 485**	**30 837 364 428**
Total Liabilities + Equity	**231 805 667 115**	**210 055 132 481**

Appendix to Circular no. 3/SHC/2007

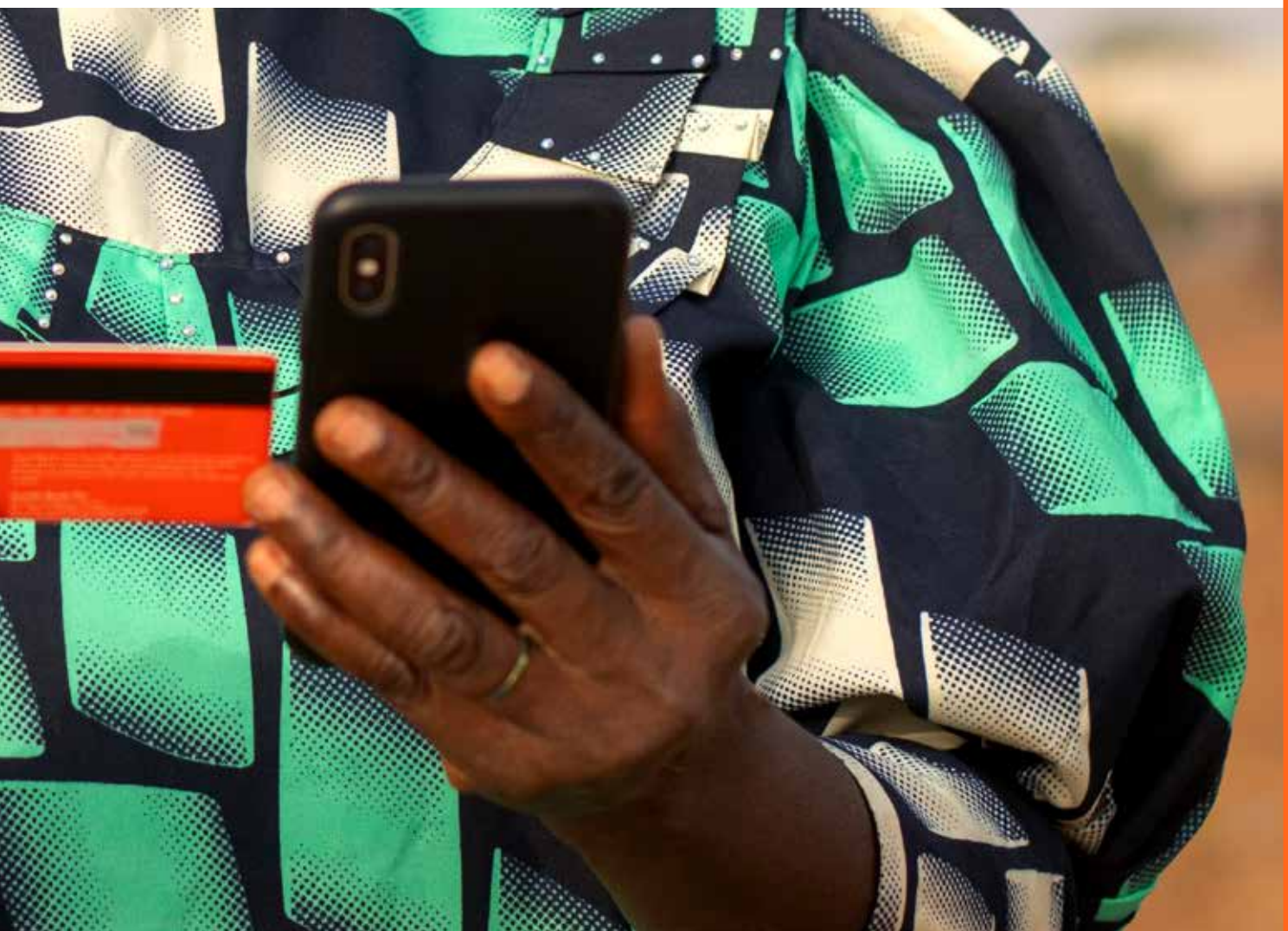
Items
79 + 80 66 + 67
82 81 68 - 692 - 693 - 695 (1) - 696 (1) - 698 - 69900 - 69910 + 832 + 833 + 835 (1) + 836 (1) + 838 + 83900 + 83910 - 694 + 834+832 - 690 + 830 - 691 - 697 - 699 (1) - 725 (1) - 726 (1) + 831 + 837 + 839 (1) + 843 (1) + 844 (1) - 695 (1) - 696 (1) - 69901 - 69911 - 75 - 720 - 721 - 725 (1) - 726 (1) - 728 + 835 (1) + 836 (1) + 83901 + 83911 + 840 + 843 (1) + 844 (1) + 848
70 71 77 784 + 785 + 786 + 788 - 884 - 885 - 886 - 888 760 + 7610 + 7618 + 7620 + 76210 + 76211 + 7623 + 7624 + 7625 + 7630 + 7631 + 765 + 766 - 870 - 8720 - 8710 - 8718 - 87210 - 87211 - 8723 - 8724 - 8726 - 8730 - 8731 - 875 - 876
768 + 769 (1) - 877 - 878
650 651 74 - 86
640
- 72600 - 7280 + 8480 + 84400

(1) Applicable portion of the balance of these items.



MODEL IV
Income Statement - Individual Accounts

	31-Dec-24	31-Dec-23
Interest and similar income	24 655 634 753	24 010 248 030
Interest and similar costs	(8 381 859 969)	(8 482 446 090)
Net interest income	**16 273 774 784**	**15 527 801 940**
Income from equity instruments	1 684 685	2 963 350
Income from services and fees	2 589 636 390	3 263 998 940
Expenses with services and fees	(1 103 479 890)	(1 488 243 940)
Income from assets and liabilities measured at fair value through profit or loss	4 819 390	-
Income from financial assets available for sale	38 296 470	9 546 170
Income from exchange revaluation	2 511 239 690	2 497 495 310
Income from the disposal of other assets	151 769 220	72 394 290
Other operating income	1 134 234 155	2 489 252 258
Net operating income	**21 601 974 894**	**22 375 208 318**
Staff Costs	(5 376 689 988)	(4 940 059 870)
General administrative expenditure	(3 492 865 906)	(3 025 794 930)
Amortisation for the financial year	(850 885 310)	(852 660 950)
Provisions net of write-backs and cancellations	(62 951 335)	(605 640 840)
Impairment of other financial assets, net of reversals and recoveries	(4 018 378 250)	(1 825 478 890)
Impairment of other assets, net of reversals and recoveries	(535 451 780)	(1 088 790 130)
Income before tax	**7 264 752 325**	**10 036 782 708**
Taxes		
Current	(2 519 152 530)	(2 662 392 550)
Adjustments of tax for previous years	-	(293 046 520)
Deferred	1 294 127 380	1 100 090 450
Income after taxes	**6 039 727 175**	**8 181 434 088**
Of which: Net income after tax on discontinued operations	-	-



APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

These annual financial statements of Banco Comercial e de Investimentos, S.A. were approved by the Board of Directors on 27 March 2025 and will be signed on its behalf by:



Francisco Pinto Machado Costa
(Chief Executive Officer)



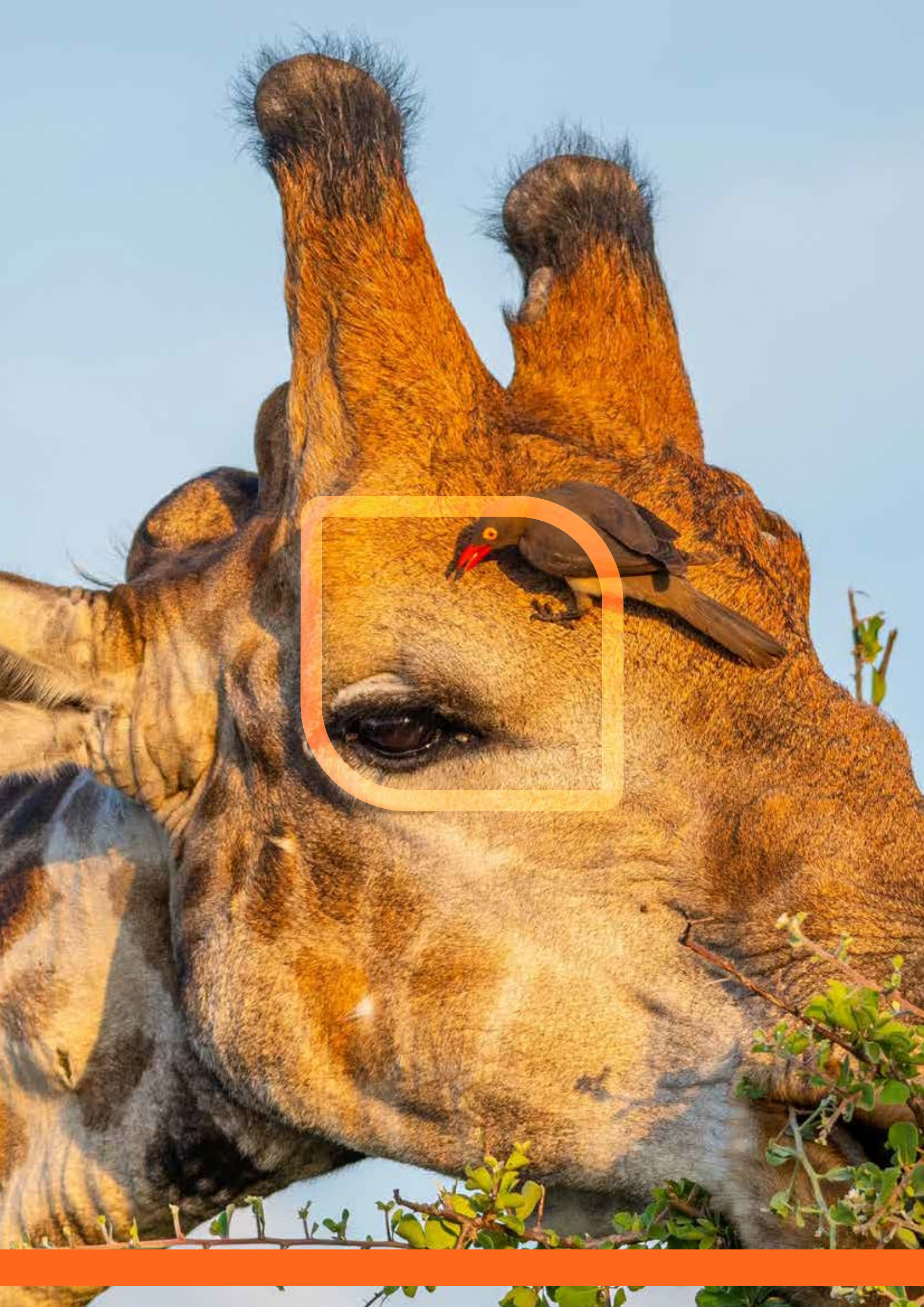
Pedro Ferraz Correia dos Reis
(Director responsible for Finance)

GENERAL ASSEMBLY DECISION ON THE APPLICATION OF THE 2024 NET INCOME

The General Shareholders' Meeting of BCI, held on April 29, 2025, decided not to distribute dividends relating to the Net Income for 2024. Therefore, in accordance with Decree-Law No. 01/2022 – Commercial Code, Law No. 20/2020 of December 31, 2020, and other applicable legislation, it resolved to apply the Net Income for 2024, in the amount of MT 6,039,727,174.76 (six billion and thirty-nine million, seven hundred and twenty-seven thousand, one hundred and seventy-four meticais and seventy-six centavos) under the following terms:

	%	Value
Legal Reserves	15%	905 959 076.21
Free Reserves	85%	5 133 768 098.55

This decision aims to strengthen the balance sheet's solidity and increase its resilience to potential risk aggravations, given the uncertainties associated with the current national and international context. It also reveals the Shareholders' prudence and commitment to the solidity of BCI's balance sheet, despite the Bank presenting very comfortable capital and liquidity adequacy ratios, even after fully reflecting in its December 2024 Financial Statements the impacts of the country's rating downgrades that occurred in the first quarter of 2025.









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