

# Notes to the financial statements

## NOTE 1. Introduction

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

The Bank is dedicated to obtaining resources from third-parties in the form of deposits or other, which applies, together with its own resources, in the granting of loans, in deposits at BNA, in investments in credit institutions, in the acquisition of securities and other assets, for which it is duly authorized. The Bank also provides other bank services and performs various types of transactions in foreign currency through a network, as at 31 December 2018, of 109 branches and 27 customer service centers (31 December 2017: 111 branches and 28 customer service centers).

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

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

## NOTE 2. Accounting policies

### 2.1. Basis of presentation

In accordance with the provisions of Notice No. 6/2016 of 22 June, from Angola Central Bank, the financial statements of Banco Millennium Atlântico, S.A., (Bank or ATLANTICO) are prepared in accordance with the International Financial Reporting Standards (“IFRS”).

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

Angola Central Bank (“BNA”) expressed an interpretation referring that not all the requirements of IAS 29 – Financial Reporting in Hyperinflationary Economies (“IAS 29”) have been fulfilled in order for the Angolan economy to be considered hyperinflationary in the period ended 31 December 2018, and, accordingly, the Board of Directors of the Bank decided not to apply the provisions of that Standard to its financial statements as of that date.

The individual financial statements of Banco Millennium Atlântico, S.A, now presented, relate to the period ended as at 31 December 2018.

The accounting policies presented in this note were applied consistently with those used in the financial statements as of 31 December 2017, except for the changes resulting from the adoption of IFRS 9 – Financial instruments and IFRS 15 – Revenue from contracts with customers. IFRS 9 has replaced IAS 39 Financial instruments – Recognition and Measurement