

### Note 13. Non-current assets held for sale

As at 31 December 2019 and 2018, this balance is analysed as follows:

(AOA thousand)

	31.12.2019	31.12.2018
<b>Non-current assets held for sale</b>		
Real estate	92,303,461	67,768,063
	<b>92,303,461</b>	<b>67,768,063</b>
Impairment losses	(3,674,682)	(1,977,402)
<b>Total</b>	<b>88,628,779</b>	<b>65,790,661</b>

The amounts presented relate to real estate and similar properties received in donation and facilities that are not in use, available for immediate sale. As at 31 December 2019, the value of real estate and similar properties amounted to AOA 90,246,647 thousand (2018: AOA 64,784,882 thousand) and the value of facilities that are not in use amounted to AOA 2,056,854 thousand (2018: AOA 2,983,181 thousand) and the Bank recorded an impairment for these assets in the total amount of AOA 3,674,682 thousand (2018: AOA 1,977,402 thousand).

Changes occurred in impairment losses were as follows:

(AOA thousand)

	31.12.2019	31.12.2018
<b>Opening balance</b>	<b>1,977,402</b>	<b>707,322</b>
Charge for the period/(Reversals)	1,697,280	1,201,429
Charge off	-	-
Exchange differences and other	-	68,651
<b>Closing balance</b>	<b>3,674,682</b>	<b>1,977,402</b>

Changes in non-current assets held for sale during 2019 and 2018 were as follows:

(AOA thousand)

	31.12.2019	31.12.2018
<b>Opening balance</b>	<b>67,768,063</b>	<b>44,251,822</b>
Increases	56,792,066	29,114,740
Disposals	(36,399,943)	(6,163,080)
Reclassifications/transfers	4,143,275	564,581
<b>Closing balance</b>	<b>92,303,461</b>	<b>67,768,063</b>

In 2019 and 2018, inflows relate to land received as recovery in compliance with the restructuring of a set of loans related with a real estate project.

Where the asset is not disposed of within two years, the Bank assesses whether the requirements continue to be met, in particular if the sale has not taken place for reasons other than the Bank. The Bank shall ensure that all necessary actions have been taken to enable the sale and that the asset continues to be actively marketed and at reasonable selling prices given the market circumstances. As a result of the efforts made, disposals of a pool of assets amounting to AOA 36,399,943 thousand were made.

### Note 14. Taxes

The Bank is subject to Industrial Tax, and is considered a Group A tax payer.

Income taxes (current or deferred) are recognised in profit and loss for the year, except where transactions giving rise to it have been carried in other equity items. In such situations, the corresponding tax is also carried against equity, and does not affect profit and loss for the year.

The current tax for the years ended on 31 December 2019 and 2018 was calculated in accordance with article 64, paragraph 1 of Law No. 19/14, of 22 October, using the applicable tax rate of 30%.

Tax returns are subject to review and correction by tax authorities for a 5-year period. This could result in different interpretations of tax law, resulting in corrections to taxable profit for the last five years. However, no significant correction is to be expected in respect to those years and, if it occurs, no significant impacts on the financial statements are expected.

Taxes losses generated in each year, as set out in article 48 (paragraph 1) of the Industrial Tax Code, can be deducted from taxable income for 3 subsequent years.

Deferred taxes are calculated using the tax rates expected to be in force when the temporary differences are reversed, which correspond to the rates enacted or substantively enacted at the balance sheet date. Thus, for the periods ended 31 December 2019 and 2018, deferred tax was generally calculated based on a 30% rate.