

In accordance with the applicable legislation, tax losses carried forward can be used for a period of 5 years.

Income from public debt securities resulting from Treasury Bonds and Treasury Bills issued by the Angolan Government, whose issue is regulated by Presidential Decree No. 259/10, of 18 November and Presidential Decree No. 31/12, 30 of January, is exempted from all taxes.

In addition, Presidential Legislative Decree No. 5/11, of 30 December (revised and republished by Presidential Legislative Decree No. 2/14, of 20 October) implemented a rule subjecting income from public debt securities resulting from Treasury Bonds and Treasury Bills issued by the Angolan State to Capital Gains Tax.

Nevertheless, in accordance with the provisions of Article No. 47 of the Industrial Tax Code and the Law amending the Industrial Tax Code (Law No.19/14, of 22 October, in force since 1 January 2015, and Law No. 26/20, of 20 July, respectively), income subject to Capital Gains Tax will be deducted in the determination of the taxable amount.

Thus, to determine taxable profit for the periods ended on 31 December 2021 and 2020, such income was deducted from taxable profit.

Likewise, the expenditure calculated with the assessment of Capital Gains Tax is not accepted for tax purposes for the calculation of taxable profit, as provided for in Article No. 18(1)(a) of the Industrial Tax Code.

Notwithstanding the above, regarding income from public debt securities, in accordance with the latest understanding of Tax Authorities addressed to ABANC (letter with reference no. 196/DGC/AGT/2016, of 17 May 2016), only those arising from securities issued on or after 01 January 2013 are subject to this tax.

It should also be noted that, according to AGT's position, the exchange revaluations of public debt securities issued in national currency but indexed to foreign currency, issued since 1 January 2013, should be subject to Business Tax.

## NOTE 15 Other assets

This caption is analysed as follows:

	(Thousands of AOA)	
	31-12-2021	31-12-2020 (restated)
Debtors from promissory contracts of purchase and sale	74,753,903	87,945,114
Sundry debtors	17,611,864	33,189,965
Other assets		
Other pending transactions	11,366,590	12,530,587
Deferred expenses	5,167,035	5,956,602
Administrative public sector	6,437,765	4,138,160
Escrow accounts	3,337,469	3,849,569
Precious metals, coins, medals and other valuables	2,210	2,210
Other assets	840,795	596,417
	<b>27,151,863</b>	<b>27,073,545</b>
	<b>119,517,629</b>	<b>148,208,624</b>
Impairment losses (Note 31)	(26,203,982)	(22,208,616)
	<b>93,313,647</b>	<b>126,000,008</b>

As at 31 December 2021 and 2020, the caption Debtors from promissory contracts of purchase and sale refers to amounts receivable under real estate sale agreements, which are mostly booked in foreign currency, whose accounting

policy is described in Note 2.6. The real estate properties were previously recorded under Non-current assets held for sale (Note 13) and the capital gains and losses arising from their sale were recorded under Net gains/(losses) arising from the sale of other assets (Note 27), whose accounting policy is described in Note 2.11.

During the period ended 31 December 2021, the caption Debtors from promissory contracts of purchase and sale was impacted by the appreciation of the Kwana against the US Dollar, total and partial settlements of sale agreements, with greater seniority, and the triggering of a contractual clause of a sales agreement, resulting in the increase of the outstanding price against the caption Net gains/(losses) arising from foreign exchange differences, as described in Note 26.

As at 31 December 2021 and 2020, the caption Sundry debtors refers to other assets with credit risk, namely: (i) debt acknowledgement agreements through the assignment of the contractual position in loan agreements with Customers; (ii) agreements for the assignment of surface rights; and (iii) mandate agreements, which are contracts entered into by the Bank with third parties, accounted for in accordance with the accounting policy described in Note 2.6. The decrease in the balance of this caption, is justified by the conclusion of credit payment in kind processes, during the period ended at 31 December 2021, and the real estate received was recorded under Non-current assets available for sale (Note 13).

Changes occurred in impairment losses in Other assets are disclosed as follows:

	(Thousands of AOA)	
	31-12-2021	31-12-2020 (restated)
<b>Opening balance</b>	<b>22,208,616</b>	<b>7,351,564</b>
Charge for the period/(Reversals) (Note 31)	8,876,462	13,308,447
Foreign exchange and other differences (Note 26)	(4,881,096)	1,548,605
<b>Closing balance</b>	<b>26,203,982</b>	<b>22,208,616</b>

The methodology for calculating impairment loss is described in Note 2.6.

## NOTE 16 Deposits from central banks and other credit institutions

This caption is analysed as follows:

	(Thousands of AOA)	
	31-12-2021	31-12-2020 (restated)
<b>DEPOSITS FROM CREDIT INSTITUTIONS IN ANGOLA</b>		
Interbank market transactions	16,500,000	8,500,000
	<b>16,500,000</b>	<b>8,500,000</b>
<b>DEPOSITS FROM CREDIT INSTITUTIONS ABROAD</b>		
Interbank market transactions	64,085,091	-
	<b>64,085,091</b>	-
Other deposits	3,054,424	5,544,081
Interest payable	75,277	53,983
	<b>83,714,792</b>	<b>14,098,064</b>

As at 31 December 2021 and 2020, the caption Deposits from central banks and other credit institutions in Angola - Interbank market transactions refers to short-term liquidity funding.

As at 31 December 2021, Deposits from of credit institutions abroad - Interbank market transactions refers to an overdraft, in foreign currency, resulting from the settlement of payment orders abroad, which was settled in the following month.

As at 31 December 2021 and 2020, Other deposits refers to the amounts pending interbank clearing.

As at 31 December 2021 and 2020, the transactions are short term with a residual maturity below 3 months.

As at 31 December 2021 and 2020, transactions in local currency bear interest at the annual average rate of 19.15% and 12.28%, respectively.