

Alternative methodologies and the use of different assumptions and risk criteria could result in a different level of impairment losses recognised with a consequent impact in the profit or loss of the Bank.

Additionally, the measurements and impairment tests on the CPCV (Notes 15) are based, among other factors, on valuations made by independent experts registered with the Capital Market Commission of Angola, which have implied a set of assumptions whose verification is subject to uncertainty in view of the current circumstances of the real estate market.

NOTE 4

Cash and deposits at central banks

This caption is analysed as follows:

| | (Thousands of AOA) | |
|---|--------------------|--------------------------|
| | 31-12-2021 | 31-12-2020 (restated) |
| CASH | | |
| In national currency | 16,333,740 | 18,255,642 |
| In foreign currency | 4,768,772 | 5,313,044 |
| | 21,102,512 | 23,568,686 |
| DEMANDS DEPOSITS AT THE BANCO NACIONAL DE ANGOLA | | |
| In national currency | 112,764,101 | 79,334,412 |
| In foreign currency | 211,104,784 | 119,208,215 |
| | 323,868,885 | 198,542,627 |
| | 344,971,397 | 222,111,313 |

The caption Demand deposits at the Banco Nacional de Angola includes mandatory deposits whose purpose is to satisfy legal reserve requirements. These deposits do not bear interest.

As at 31 December 2021, reserve requirements were calculated in accordance with the provisions of Instruction No. 02/2021, of 10 February, Instruction No. 08/2021, of 14 May, Directive No. 05/DMA/2021, of 5 May, Directive No. 06/DMA/DSP/2021, of 21 May and Directive No. 07/DMA/2021, of 6 July.

As at 31 December 2020, reserve requirements were determined in accordance with the provisions of Instruction No. 16/2020, of 2 October and Directive No. 04/DMA/2020, of 6 October.

Reserve requirements are established in national and foreign currency according to the respective denomination of the liabilities that form their reserve base.

As at 31 December 2021 and 2020, the minimum reserve requirements for demand deposits with the BNA were calculated by applying the ratios summarised in the following table:

| | | 31-12-2021 | | 31-12-2020 (restated) | |
|---|-----------------------|----------------------|---------------------|-----------------------|---------------------|
| | | National currency | Foreign currency | National currency | Foreign currency |
| RATE ON TAX BASE | | | | | |
| Central Government | Daily Calculation | 100% | 100% | 22% | 100% |
| Local Governments and Local Administrations | Daily Calculation | 22% | 100% | 22% | 100% |
| Other sectors | Weekly Calculation | 22% | 22% | 22% | 17% |

As at 31 December 2021 and 2020, the amount of up to 80% of the assets representing the value of disbursements of loans in national currency granted to projects in the agriculture, livestock, forestry and fisheries sectors may be deducted from the requirement in national currency, provided they have a residual maturity greater than or equal to 24 months. The same applies to the total amount of loans granted for the production of essential goods that show a deficit in national production supply, raw materials and the investment required for their production, including in investment for the acquisition of technology, machinery and equipment under the terms of Notice No. 10/2020, of 01 April, on granting credit to the real sector of the economy, whatever the residual maturity.

During 2015, the Banco Nacional de Angola converted part of ATLANTICO's cash requirements in USD, into securities denominated in the same currency, whose amount at 31 December 2021 and 2020, amounted to AOA 108,015,851 thousand and AOA 126,432,308 thousand, respectively (Note 8). These debt securities were accounted at their acquisition cost and subsequently measured as described in Note 2.6.

As at 31 December 2021, the minimum reserve requirements in foreign currency may be made up 20% with the amounts deposited with the BNA and 50% in Treasury Bonds in foreign currency, belonging to the own portfolio and relating to the issue of 10 December 2015. As at 31 December 2020, the minimum reserve requirements in foreign currency may be made up 20% with the amounts deposited with the BNA and 80% in Treasury Bonds in foreign currency, belonging to the own portfolio and issued from 2015.

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

NOTE 5

Loans and advances to credit institutions repayable on demand

This caption is analysed as follows:

| | (Thousands of AOA) | |
|--|--------------------|--------------------------|
| | 31-12-2021 | 31-12-2020 (restated) |
| LOANS AND ADVANCES TO CREDIT INSTITUTIONS REPAYABLE ON DEMAND IN ANGOLA | | |
| Demand deposits | 156,499 | 176,109 |
| Cheques receivable | 6,173,041 | 4,193,671 |
| | 6,329,540 | 4,369,780 |
| LOANS AND ADVANCES TO CREDIT INSTITUTIONS REPAYABLE ON DEMAND ABROAD | | |
| Demand deposits | 44,824,814 | 106,036,402 |
| | 44,824,814 | 106,036,402 |
| Impairment losses (Note 32) | (11,006) | (24,290) |
| | 51,143,348 | 110,381,892 |

As at 31 December 2021 and 2020, the balance of Cheques receivable relates to cheques submitted for settlement in the business day sessions following the reference date of the financial statements.

As at 31 December 2021 and 2020, Loans and advances to credit institutions repayable on demand abroad shows (i) amounts of AOA 157,528 thousand and AOA 552,485 thousand, respectively, which aim to ensure the provisioning in the corresponding Bank for the daily settlement of the use of VISA cards and (ii) amounts of AOA 3,070,173 thousand and AOA 2,161,235 thousand which aim to ensure the provisioning in the Bank for the fulfilment of signed agreements related to import documentary credit facilities, for later settlement with the customer.

As at 31 December 2021 and 2020, Loans and advances to credit institutions repayable on demand, in Angola and abroad, do not bear interest.

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