



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 2022 and 2021, 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 1 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)	
	<b>31-12-2022</b>	<b>31-12-2021</b>
Debtors from promissory contracts	60,394,533	74,753,903
Sundry debtors	33,103,382	25,165,773
Other assets		
Other pending transactions	11,601,077	9,875,019
Deferred expenses	5,555,811	5,167,035
Escrow accounts	3,253,624	3,337,469
Administrative public sector	174,600	375,427
Precious metals, coins, medals and other valuables	2,210	2,210
Other assets	684,658	840,794
	<b>21,271,979</b>	<b>19,597,953</b>
	<b>114,769,895</b>	<b>119,517,629</b>
Impairment losses	(19,138,010)	(26,203,982)
	<b>95,631,885</b>	<b>93,313,647</b>

As at 31 December 2022 and 2021, the caption Debtors from promissory contracts refers to amounts receivable under real estate sale agreements, which are mostly recorded in foreign currency, whose accounting policy is described in Note 2.5. 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 Profit/(loss) from the sale of other assets (Note 27), whose accounting policy is described in Note 2.10.

During the period ended 31 December 2022, the decrease in the balance of Debtors from promissory contracts is mainly due to the termination and derecognition of a promissory contract (CPCV) signed between the Bank and a third party (Note 11). This event was prompted by a letter sent by the third party to the Bank in which it expressed its intention



to terminate the existing contract. The parties agreed that the contract would be terminated with immediate effect, that all risks and benefits associated with the properties would be transferred to the Bank with immediate effect and that the Bank would not return the deposit paid by the third party.

During the period ended 31 December 2022, the caption Debtors from promissory contracts was impacted by the appreciation of the Kwanza against the US Dollar, the signing of two new CPCV agreements, partial settlements of CPCV contracts and the triggering of a contractual clause of a CPCV contracts resulting in the increase of the outstanding price against the caption Profit/(loss) from foreign exchange differences, as described in Note 26.

As at 31 December 2022 and 2021, the caption Other assets – Sundry debtors refers to other assets with credit risk, namely: (i) amounts receivable under the "Angola Invest" Program of the Ministry of Economy and Planning, (ii) debt acknowledgement agreements through the assignment of the contractual position in loan agreements with customers; (iii) agreements for the assignment of surface rights; and (iv) 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 increase in the balance of this caption is mainly due to the recognition of amounts receivable relating to the execution of the capital component covered by the guarantee provided under the "Angola Invest" Program of loans and advances to customers, previously included in "Loans and advances to customers" (Note 9), for which the Bank has initiated the process of recovery from the competent entities.

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

(Thousands of AOA)

	31-12-2022	31-12-2021
<b>Opening balance</b>	<b>26,203,982</b>	<b>22,208,616</b>
Increases/(Reversals) (Note 31)	(4,235,113)	8,876,462
Foreign exchange differences and other (Note 26)	(2,830,859)	(4,881,096)
<b>CLOSING BALANCE</b>	<b>19,138,010</b>	<b>26,203,982</b>

The methodology for calculating impairment loss is described in Note 2.5.

## Nota 16

### Deposits from central banks and other credit institutions

This caption is analysed as follows:

(Thousands of AOA)

	31-12-2022	31-12-2021
<b>Deposits from credit institutions in Angola</b>		
Interbank market transactions	7,321,923	16,500,000
	<b>7,321,923</b>	<b>16,500,000</b>
<b>Deposits from credit institutions abroad</b>		
Interbank market transactions	-	64,085,091
	<b>-</b>	<b>64,085,091</b>
Other deposits	-	3,054,424
Interest payable	-	75,277
	<b>7,321,923</b>	<b>83,714,792</b>

As at 31 December 2022 and 2021, the caption Deposits from credit institutions in Angola – Interbank market transactions refers to short-term liquidity funding, respectively

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

As at 31 December 2022 and 2021, the transactions are short term with a residual maturity below 3 months.

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