

# Note 11 - Property, plant and equipment

The changes in this caption are detailed as follows:

AOA thousand													
Gross amount							Depreciation, amortisation and impairment losses					Net amount	
	Balance as at 12-31-2022	Acquisitions	Revaluation	Disposals/ Write-offs	Transfers	Balance as at 12-31-2023	Balance as at 12-31-2022	Amortization for the period	Disposals/ Write-offs	Transfers	Balance as at 12-31-2023	12-31-2022	12-31-2023
Real Estate													
For own use	50,836,997	1,843,425	13,000,000	-	568	65,680,990	(6,389,156)	(1,052,202)	-	(185)	(7,441,543)	44,447,841	58,239,447
Improvements to leased properties	14,625,833	649,813	-	-	(568)	15,275,078	(4,645,566)	(501,792)	-	185	(5,147,173)	9,980,267	10,127,905
Other	9,286,581	-	-	-	-	9,286,581	-	-	-	-	-	9,286,581	9,286,581
	74,749,411	2,493,238	13,000,000	-	-	90,242,649	(11,034,722)	(1,553,994)	-	-	(12,588,716)	63,714,689	77,653,933
Other assets under construction													
For own use	12,091,765	-	-	(11,817,825)	-	273,940	-	-	-	-	-	12,091,765	273,940
Advances	14,104,760	-	-	(14,104,760)	-	-	-	-	-	-	-	14,104,760	-
	26,196,525	-	-	(25,922,585)	-	273,940	-	-	-	-	-	26,196,525	273,940
Equipment													
IT equipment	19,376,154	2,278,789	-	(87,869)	-	21,567,073	(12,364,281)	(2,072,058)	84,944	-	(14,351,395)	7,011,873	7,215,678
Indoor facilities	2,558,652	152,809	-	-	-	2,711,461	(2,010,468)	(163,392)	-	-	(2,173,860)	548,184	537,601
Furniture and material	6,758,932	1,260	-	-	-	6,760,192	(6,044,447)	(400,183)	-	-	(6,444,630)	714,485	315,562
Security equipment	4,895,146	75,493	-	-	-	4,970,638	(4,314,508)	(258,118)	-	-	(4,572,626)	580,638	398,012
Machinery and tools	1,757,271	185,439	-	(14,259)	-	1,928,451	(1,588,509)	(79,605)	14,259	-	(1,653,856)	168,762	274,596
Transport equipment	2,205,145	1,548,280	-	(159,507)	-	3,593,917	(2,017,325)	(479,392)	159,597	(90)	(2,337,210)	187,820	1,256,707
Other	2,664,127	93,615	-	-	-	2,757,742	(2,562,569)	(52,718)	-	-	(2,615,287)	101,558	142,455
	40,215,426	4,335,683	-	(261,635)	-	44,289,474	(30,902,107)	(3,505,467)	258,800	(90)	(34,148,864)	9,313,320	10,140,611
Other property, plant and equipment													
Other	2,705	-	-	-	-	2,705	(2,702)	(3)	-	-	(2,705)	3	-
	2,705	-	-	-	-	2,705	(2,702)	(3)	-	-	(2,705)	3	-
Right-of-use assets													
Real Estate	5,976,506	70,178	-	-	-	6,046,684	(1,341,348)	(401,344)	-	-	(1,742,692)	4,635,158	4,303,992
	5,976,506	70,178	-	-	-	6,046,684	(1,341,348)	(401,344)	-	-	(1,742,692)	4,635,158	4,303,992
	147,140,573	6,899,099	13,000,000	(26,184,220)	-	140,855,452	(43,280,879)	(5,460,807)	258,800		(48,482,977)	103,859,695	92,372,476

AOA thousand												
	Gross amount					Depreciation, amortisation and impairment losses					Net amount	
	Balance as at 12-31-2021	Acquisitions	Disposals/Write-offs	Transfers	Balance as at 12-31-2022	Balance as at 12-31-2021	Amortization for the period	Disposals/Write-offs	Transfers	Balance as at 12-31-2022	12-31-2021	12-31-2022
Real Estate												
For own use	35,767,695	14,595,655	473,647	-	50,836,997	(5,480,329)	(817,569)	(91,258)	-	(6,389,156)	30,287,366	44,447,841
Improvements to leased properties	13,260,294	2,240,556	(875,017)	-	14,625,833	(4,228,347)	(450,501)	33,282	-	(4,645,566)	9,031,947	9,980,267
Other	6,442,531	2,706,656	137,394	-	9,286,581	-	-	-	-	-	6,442,531	9,286,581
	55,470,520	19,542,867	(263,975)	-	74,749,411	(9,708,676)	(1,268,071)	(57,976)	-	(11,034,722)	45,761,844	63,714,689
Other assets under construction												
Balance as at December 31, 2023	12,824,846	-	-	(733,081)	12,091,765	-	-	-	-	-	12,824,846	12,091,765
Advances	13,500,079	-	(128,400)	733,081	14,104,760	-	-	-	-	-	13,500,079	14,104,760
	26,324,925	-	(128,400)	-	26,196,525	-	-	-	-	-	26,324,925	26,196,525
Equipment												
IT equipment	18,938,468	4,265,351	(3,827,665)	-	19,376,154	(14,463,583)	(1,675,380)	3,774,682	-	(12,364,281)	4,474,885	7,011,873
Indoor facilities	3,079,322	99,213	(619,883)	-	2,558,652	(2,432,999)	(194,326)	616,857	-	(2,010,468)	646,323	548,183
Furniture and material	7,074,203	-	(315,271)	-	6,758,932	(5,872,307)	(486,846)	314,707	-	(6,044,447)	1,201,896	714,485
Security equipment	5,057,647	14,459	(176,961)	-	4,895,146	(4,157,258)	(334,016)	176,766	-	(4,314,508)	900,389	580,638
Machinery and tools	2,240,656	45,646	(529,031)	-	1,757,271	(2,040,844)	(79,679)	532,015	-	(1,588,509)	199,812	168,762
Transport equipment	3,708,352	65,593	(1,568,801)	-	2,205,145	(3,349,753)	(197,372)	1,529,800	-	(2,017,325)	358,599	187,820
Other	3,132,103	7,224	(475,201)	-	2,664,126	(2,956,497)	(81,270)	475,199	-	(2,562,568)	175,606	101,558
	43,230,751	4,497,486	(7,512,812)	-	40,215,426	(35,273,241)	(3,048,889)	7,420,025	-	(30,902,105)	7,957,510	9,313,320
Other property, plant and equipment												
Other	2,709	-	(4)	-	2,705	(2,692)	(10)	-	-	(2,702)	17	3
	2,709	-	(4)	-	2,705	(2,692)	(10)	-	-	(2,702)	17	3
Right-of-use assets												
Real Estate	10,792,390	-	(4,815,884)	-	5,976,506	(2,954,039)	(1,158,113)	2,770,804	-	(1,341,348)	7,838,351	4,635,158
	10,792,390	-	(4,815,884)	-	5,976,506	(2,954,039)	(1,158,113)	2,770,804	-	(1,341,348)	7,838,351	4,635,158
	135,821,295	24,040,353	(12,721,075)		147,140,573	(47,938,648)	(5,475,083)	10,132,853		(43,280,878)	87,882,647	103,859,695

As described in Note 2.7., during the 2023 financial year the Bank changed its accounting policy regarding the measurement of the properties recorded under this caption, subsequently changing their measurement from acquisition cost to fair value. As part of this, the properties recorded under “Properties – For own use” were revalued by appraisers registered with the CMC of Angola. As at December 31, 2023, the effect resulting from the fair value update, amounting to AOA 13,000,000 thousand, was recorded against “Revaluation reserves and other reserves and retained earnings” (Note 21), net of tax calculated at the rate in force (Note 14).

As at December 31, 2023 and 2022, the caption “Property – For own use” includes two office units located on floors 5 and 6 of buildings 7 and 8 of the Cidade Financeira condominium, located in Luanda – Talatona, which were received as a result of the “Agreement for the termination of the promissory contract” of the contract entered into between the Bank and a third party entity. The parties agreed that all risks and benefits associated with the properties would be transferred to the Bank with immediate effect. The termination of this contract was carried out through the derecognition of the properties previously included in the caption “Other assets” (Note 15) for their respective appraised value of AOA 12,688,209 thousand, calculated by an independent real estate appraiser. As these fractions were leased to the Bank, in 2022, the effect recorded under the caption “Right-of-use assets – Real Estate” corresponds to the cancellation of the lease in accordance with the requirements of IFRS 16.

As at December 31, 2023 and 2022, the increase in the “Real Estate – Works on leased properties” corresponds mainly to works to adapt the branch network.

As at December 31, 2023 and 2022, the amount recorded under “Properties – Other” corresponds mainly to land and other similar non-amortizable properties.

As at December 31, 2022, the caption “Assets under construction” includes the amount of AOA 25,922,585 related to the construction of the Bank’s new head office building in Luanda Bay. During 2023, the balance of disposals/write-offs is the result of the signing of a payment in kind loan agreement between the Bank and the project developer, as a customer, as disclosed in Note 13. Through this agreement, the parties agreed to cancel the aforementioned contract and to clear the accounts under that promissory contract, with immediate effect, and to immediately transfer all the risks and benefits inherent in the property covered by the contract in its current state to the Bank. The promissory contract was cancelled by derecognizing the amount relating to the construction of the property, against its recognition under “Non-current assets held for sale” (Note 13) at book value.

As at December 31, 2023 and 2022, the increase in “Equipment – IT equipment” mainly corresponds to investments related to the purchase of equipment and materials for cyber risk management, ATM machines and Cash Deposit Machines.

As at December 31, 2023 and 2022, the caption Right-of-use assets – Real Estate corresponds to assets under lease, in accordance with the requirements of IFRS 16, adopted on January 1, 2019, as described in Note 2.11.