





1. Message from the Chairman of the Board of Directors

Dear Shareholders, Customers, Employees and Stakeholders in general,

2024 was marked by weak economic growth, reflecting the challenges faced in various sectors of the Mozambican economy. Gross Domestic Product (GDP) grew by 1.85 per cent, representing a slowdown compared to the previous year, which had seen an expansion of 5.3 per cent, influenced by the performance of the manufacturing and mining industries.

Internationally, the world economy is expected to grow by 3.2 per cent in 2024, in an environment still characterised by geopolitical tensions, namely the prolongation of the conflict in Ukraine, trade relations between China and the West and instability in the Middle East. These factors have driven reconfigurations in the global economy, with increased trade restrictions and customs duties, as well as the emergence of new economic incentives. At the same time, there has been a structural change in consumer behaviour, with a shift from the consumption of goods to the consumption of services.

In Mozambique, inflation recorded a downward trajectory over the first nine months of the year, reaching 2.45% in September, its lowest level since November 2019. This performance was driven by exchange rate stability and the impact of the monetary policy measures adopted, contributing to the moderation of prices. Nevertheless, in the last quarter of the year, inflation reversed this trend, accelerating to 4.15% in December, influenced by the seasonal behaviour of food prices and the post-election context. Even so, average annual inflation stood at 3.20 per cent, below the target of 7.0 per cent set in the Economic and Social Plan and State Budget (PESOE) for 2024.

Underpinned by the stability of the general price level, the Central Bank of Mozambique (BM) made four cuts to the MIMO (monetary policy rate) in 2024, from 17.25 per cent to 12.75 per cent. In line with this trend, the Prime Rate of the Financial System (PRSF) followed suit, falling from 24.10 per cent to 19.70 per cent over the course of the year. The Mandatory Reserve Requirement in 2024 remained at 39 per cent for domestic currency liabilities and 39.5 per cent for foreign currency liabilities. These cuts stimulated and boosted the increase in Credit to the Economy, albeit timidly (+1.2% compared to the same period in 2023), with a particular focus on Credit to Individuals and the private sector in the Extractive Industry.

2024 was a year of intense work and consolidation of the achievements from recent years, reaffirming Moza Banco's solid and sustainable growth trajectory. In a macroeconomic context characterised by post-election challenges and tensions, the Bank maintained its commitment to being close to its customers and the market, strengthening trust and consolidating its position in the financial sector.

In 2024, the Bank continued to record a considerable increase in the level of confidence from Customers and the Market in general. In terms of customer funds, we recorded growth of MZN 6.8 billion compared to the same period last year, equivalent to an annual variation of 17%, which enabled the Bank to reach the highest level in its history. This resulted in a market share of 6.69%, up from 6.50% at the end of 2023, reaffirming the institution's growth trajectory.

In terms of risk management, the Bank reinforced its credit risk coverage, ensuring a prudent approach that is adjusted to the dynamics of the current economic and political-social context. The regulatory guidance, combined with a challenging macroeconomic environment, resulted in an increase in the regulatory non-performing loan (NPL) ratio to 34.24% compared to 31.24% last year. However, observing the NPL calculation guidelines according to the European Banking Authority (EBA), this indicator fell by 1.76 pp to 11.79% in 2024, demonstrating the Bank's focus on effective credit risk management and continuous improvement in asset quality.

In response and in line with its strategy, the Bank reinforced impairments as well as credit recovery measures, ensuring careful portfolio management and preserving the institution's financial stability.

In addition, the loan portfolio fell by 4% compared to the previous year, essentially reflecting settlements and payments, in a context of optimising risk exposure and careful asset management.

At the same time, the Bank maintained its role of boosting the economy, guaranteeing a credit disbursement of MZN 3.8 billion, in line with our mission to support companies and individuals, driving growth and creating value for our stakeholders.

The prudential ratios continue to demonstrate the Bank's financial strength. On 31 December 2024, the Solvency Ratio stood at 15.81% and the Liquidity Ratio at 37.14%, both above the requirements imposed by the regulator, guaranteeing the robustness needed to continue banking in a sustainable manner.

As far as its customer base is concerned, the Bank maintained its growth trajectory, achieving positive results in terms of attracting new customers, thus demonstrating a clear strengthening of confidence. The number of customers banking with the Bank rose from 242 565 to 261 864, corresponding to an annual increase of 8%.

We also grew in the digitalisation of banking services, consolidating the role of digital channels as the main points of contact with customers. The number of users of digital platforms rose by 7.6 per cent, accompanied by a 33.3 per cent increase in the volume of transactions, demonstrating the growing adoption of digital solutions by its customers.

International business recorded a positive performance, reflecting the growth in transactions carried out with customers and the strengthening of commercial relations in foreign markets. The volume of transactions increased by MZN 15.3 billion compared to the previous year, driven by the optimisation of international trade support strategies and the strengthening of strategic partnerships that boosted operations.

We remained faithful to our commitment to sustainable growth, based on the rigour and prudence that have characterised our management, consolidating the Bank's position in the market. Thus, in 2024 the Bank's performance was evident in the evolution of Gross Income from Banking Activities, which grew by 27% compared to the previous year, reaching 1.178 Billion Meticais compared to 932 Million Meticais in 2023.

In line with its Strategic Plan, the Bank continued with its innovation and digital transformation strategy, implementing initiatives aimed at modernising the technological infrastructure, strengthening cyber security and optimising operational efficiency.

Among the initiatives implemented are the modernisation of the digital ecosystem, guaranteeing greater availability of systems and a more fluid experience for customers, ensuring greater efficiency and alignment with international security standards.

In the field of cybersecurity, the Bank strengthened its policies, aligning them with best practices in international information security, increasing data protection and operational resilience. At the same time, it made progress with the digitalisation of financial services, developing solutions to optimise Core Banking and digital channels, promoting greater efficiency and responsiveness to market needs.

Consolidating a culture geared towards the efficient use of data was also a priority, and advanced analytical solutions were implemented, making it possible to optimise data management and better identify risks and opportunities in the financial sector.





In terms of data protection and compliance with best international practices, new policies were adopted to underline respect for privacy, information quality and data security. Similarly, process automation was boosted through robotised solutions, contributing to operational efficiency and streamlining internal procedures.

Likewise, in line with the Strategic Plan, and reaffirming our commitment to Profitability and Sustainability, in 2024 Moza Banco took another significant step in its data-based management strategy, consolidating the analytical culture and strengthening strategic decision-making capacity. In this context, we implemented the Business Unit Profitability Model (RUN), developed internally as an essential tool for monitoring and optimising operational efficiency.

The RUN Model provides a detailed overview of the financial and operational performance of the Business Units, allowing opportunities for improvement to be identified and strategic measures to be implemented to boost the profitability and sustainability of the business. As well as an analysis mechanism, it is a strategic management tool, providing greater precision, speed and agility in decision-making, bringing the Bank into line with the best efficiency and performance practices in the financial sector.

In addition to technological progress, Moza Banco has consolidated a profound cultural transformation, underpinned by the "Mozificar" programme, which symbolises the fusion between innovation and the essence of relational banking, promoting an organisational mindset based on a more agile, human and innovative approach. Through "Mozificar", the Bank has sought to balance modernisation and identity, ensuring that the adoption of new technologies preserves its culture of excellence in service and personalisation of the banking experience.

Our efforts to build a solid, innovative and socially responsible institution have once again been recognised, consolidating our leading position in the financial sector. Moza Banco was once again honoured as one of the best institutions to work for in Mozambique, a recognition that reflects our ongoing commitment to developing human capital, creating an inclusive working environment and valuing our employees.

Recognising its role as an agent of social transformation, the Bank reaffirmed its commitment to social responsibility and sustainability, promoting initiatives with a positive impact on Mozambican communities. The actions carried out covered a number of strategic areas, particularly sport, volunteering, environmental sustainability, culture, entrepreneurship, education and financial literacy. Among the various actions carried out, we can highlight the expansion of the "Conta com o Moza" radio programme, bringing financial knowledge to thousands of citizens in rural areas and the launch of the "Sonhar o Amanhã" project, an initiative that promotes access to education and encourages best practices in savings and financial management among children and young people.

The Bank also maintained its commitment to promoting culture, sport and heritage preservation, supporting athletes in representing the country in global competitions and at the highest level in the Olympic Games, as well as various cultural and literary initiatives.

In 2024, Moza Banco, through Clube Moza, its social arm, consolidated its role as a promoter of initiatives with a social and environmental impact, reinforcing the Bank's commitment to social responsibility, financial inclusion and sustainability. As part of the "Ciclo Solidário Project", actions were promoted to ensure that girls in vulnerable situations had access to hygiene products and education on menstrual health. At the same time, the Bank launched the Campaign Against Gender-Based Violence, reaffirming its commitment to equality and the protection of fundamental rights. Also noteworthy were actions to support children and the elderly in vulnerable situations, as well as the celebration of Make a Difference Day, mobilising employees and partners to support communities in need.

Looking to the future, Moza Banco has strengthened its commitment to Environment, Social and Governance (ESG), promoting the integration of ESG best practices into its corporate strategy. Within the scope of responsible financing management, the Bank has moved forward with the categorisation of credit transactions based on ESG impact, the implementation of criteria for selecting suppliers aligned with sustainability principles and the strengthening of sustainable credit lines, ensuring customer compliance with environmental and social requirements.

In addition, measures were adopted to optimise energy efficiency, digitise processes and phase out single-use plastics, contributing to more efficient and sustainable operations. Within the scope of its ESG strategy, the Bank also stepped up its support for heritage and environmental conservation actions, in particular the rehabilitation of Mozambique Island, following the damage caused by tropical cyclone Gombe, underlining its commitment to preserving the country's cultural and environmental heritage.

During 2024, we emphasized our commitment to the well-being and social development of employees, consolidating an integrated approach that goes beyond traditional human resources management. By strengthening strategic partnerships, we have ensured preferential conditions for access to health services, medical consultations and treatments, promoting quality of life in the workplace.

At the same time, awareness-raising activities and educational campaigns on health, financial literacy and professional development were organised, encouraging the adoption of healthy and responsible practices. The Bank also implemented social support mechanisms for employees facing health or personal challenges, ensuring close and appropriate monitoring.

In order to make life easier for its employees, partnerships were established to issue and renew identification documents, ensuring greater convenience and efficiency in access to essential services. In addition, within the scope of its benefits policy, the Bank maintained incentives that favour the reconciliation of professional and personal life, reinforcing the culture of proximity and support for parenthood, through the allocation of additional days to manage personal matters and leave policies adjusted to employees' needs.

In conclusion, on behalf of myself and the Board of Directors, I would like to express my deepest gratitude to all those who, with dedication and commitment, have contributed to the Bank's strengthening and sustainable growth.

I would like to thank the Executive Committee and all our employees most sincerely for their endeavour, commitment and professionalism throughout the year, which have been essential factors in strengthening our position in the financial sector. To our valued customers, we reaffirm our gratitude for their trust, a fundamental pillar of our close relationship and partnership. To our shareholders, we recognise their support and commitment to the Bank's growth strategy. Finally, special thanks to the Supervisory and Governmental Authorities for their support and collaboration, which is essential for the stability of the financial sector.

As members of the Moza family, we remain firmly committed to our mission of Making It Happen, guiding our actions by the values of Ambition, Resilience, Integrity and Collaboration, guaranteeing a sustainable future and creating value for all stakeholders.

Yours sincerely,

João Figueiredo Chairman of the Board of Directors

João figueiredo



2. Key Highlights

2.1. Main indicators

(in thousands of Meticais)

Key Indicators	2023	2024	% change 2024-2023
BALANCE SHEET			
Total Assets	58 971 811	64 767 413	9.83%
Loans and advances to customers (net) ¹	21 934 189	20 871 681	-4.84%
Customer deposits	43 347 567	50 196 217	15.80%
Loan-to-Deposit ratio ³	58.03%	45.34%	12.68 pp
COMPETITIVE POSITIONING			
Market share in Customer Loans	8.39%	7.76%	-0.62 pp
Market share in deposits	5.65%	6.69%	1.03 pp
Market share in Assets	5.56%	6.39%	0.82 pp
PROFITABILITY			
Profit Before Tax	326 015	289 955	-11.06%
Net Profit	101 855	(103 821)	-201.93%
Operating income	3 883 940	4 195 987	8.03%
Net interest margin ⁵	7.77%	8.22%	0.44 рр
Return on Equity (ROE)	1.11%	-1.06%	-2.17 pp
Return on Average Productive Assets (ROA)	0.19%	-0.17%	-0.35 pp
PRUDENTIAL LIMITS			
Tier I	22.64%	18.22%	-4.42 pp
Solvency Ratio	19.92%	15.81%	-4.11 pp
Liquidity ratio	38.86%	37.14%	-1.72 pp
ASSET QUALITY			
Credit Impairment	1847 925	1889 283	2.24%
Non-performing Loans >90 days/Customer Loans ⁷	11.15%	12.76%	1.60 pp
Non-performing Loans/Total credit	25.98%	28.10%	2.12 pp
Non-performing loans ratio (NPL - BdM) ⁸	31.24%	34.24%	3.00 рр
NPL ratio -EBA ⁹	14.26%	12.50%	-1.76 pp
NPL Coverage Ratio	93.17%	78.79%	-14.38 pp
Loan Impairment / Non-performing Loans> 90 days	72.77%	79.27%	6.50 pp
Loan Impairment / Non-performing Loans Total	69.29%	64.85%	-4.44 pp
Impairment of loans and advances to customers	7.77%	8.30%	0.53 рр
EFFICIENCY			
Operating Costs	3 683 453	3 715 315	0.87%
Other operating costs	1184185	1276 092	7.76%
Staff costs	2 084 834	2 029 393	-2.66%
Depreciation	414 434	409 830	-1.11%
Costs/Total Assets (%)	6.25%	5.74%	-0.50 pp
Cost-to-Income ⁶	66.77%	82.86%	16.08 pp
Other operating expenses/Operating income	30.49%	30.41%	-0.07 pp
Staff costs/Operating income	53.68%	48.37%	-5.31 pp
BUSINESS INDICATORS Dusiness United			0.0004
Business Units ⁴	63	63	0.00%
No. of ATMs	103	103	0.00%
No. of POS	3 272	3 001	-8.28%
No. of employees at the end of the period	943	971	2.97%
No. of Customers	242 565	261 894	7.97%
No. of cards in the network	106 596	139 829	31.18%

Source: Bank of Mozambique statistical information

Mozambique regulations (overdue loans, including instalments falling due). During the fourth quarter of 2024, the BM recommended not cancelling days in arrears on the date the loans were restructured (it also implies stopping adding days in arrears in cases where they are not), until the "cure" is confirmed, which occurs after 12 months of quarantine, even if the customer has complied with the criteria for paying the interest and charges due or has adequately reinforced the guarantees. This methodology assumes that all non-performing loans $% \left(1\right) =\left(1\right) \left(1\right) \left($ restructured under Notice 16/GBM/2013 of 31 December must be included in the NPL calculation until their cure is confirmed.



¹Loan portfolio minus impairments

² Statistical information from Central Bank of Mozambique, December 2023 and 2024

³ Customer funds = Customer deposits + corporate bonds

⁴ Includes Private, Corporate and Institutional business centres

⁵ Net interest income ratio = net interest income/average productive assets Productive assets= Loans and advances to credit institutions + Credit + Securities pp = percentage pointsCost-to-income = Operating costs/income

⁷Overdue loans correspond to instalments due

⁸ Non-performing loans (NPL - BM): calculated on the basis of Central Bank of

⁹ NPL - EBA ratio: www.eba.europa.eu



2024

2.2. Main highlights

SOLIDITY



The Bank's equity totalled MZN 9 855.4 million, up 0.5% on the MZN 9 810.8 million recorded in 2023. This growth was largely driven by the revaluation of assets, which had a positive impact on net equity.

Solvency Ratio (in %) 19.92% -4.1pp

The Bank's Solvency Ratio stood at 15.8 per cent, remaining above the minimum regulatory limit of 13 per cent, reaffirming its ability to sustain the growth of its business and reinforcing the confidence of its stakeholders in the financial market.

2024

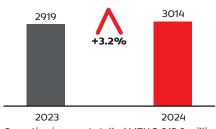
2023

38.86% 37.14%

The Bank's Liquidity Ratio stood at 37.1 per cent, remaining above the minimum regulatory limit of 25 per cent, ensuring a solid liquidity position, reflecting the institution's ability to meet its commitments and guarantee the stability of its business in a challenging macroeconomic context.

PROFITABILITY

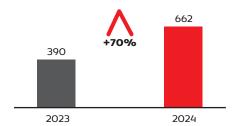
Operating income (Million MZN)



Operating income totalled MZN 3 013.9 million in December 2024, up 3.2% year-on-year, driven by the increase in income from investment in alternative financial market instruments. This performance reinforces the Bank's resilience in optimising its financial assets, even in a context of a sharp reduction in key rates and the PRSF.

Return on Equity (in %)

2023



Net financial transactions totalled MZN 662.1 million, an increase of +70% on the same period last year, driven by the increase in transactions with customers and the strengthening of commercial relations in the domestic and foreign markets, reinforcing the Bank's position in supporting international trade.



3. Moza Banco

Short Description

Moza Banco is a leading banking institution in the Mozambican financial system, operating as a universal retail bank with the highest representation of Mozambican capital. Since it was founded in 2008, it has played a decisive role in the development of the domestic banking sector, offering a wide range of financial and banking solutions aimed at Individuals, SMEs, Institutional and Corporate clients.

With the third largest branch network in the country, Moza Banco maintains a solid commitment to sustainable growth, innovation and customer proximity. Its actions are based on its mission to make a difference every day and contribute to Mozambique's success, promoting its core values of ambition, integrity, resilience and collaboration, which are reflected in its motto: "Make it Happen".

Our values

At Moza Banco, institutional values are the basis of our identity and guide our actions, ensuring excellent service and a relationship of trust with our customers, employees and other stakeholders.

- > Ambition drives you with the proactivity of someone who wants to grow, exceed expectations and constantly innovate for an ever-better future
- > Resilience defined by the ability to act with unquestioning commitment, ready to overcome challenges and solve problems with focus and
- > Integrity Transparency, respect and absolute rigour are fundamental pillars of our culture, ensuring that all our actions follow the highest unwavering ethical standards.
- > Collaboration We believe in the power of empathy and solidarity, the main driving forces behind Winning Together, looking after each other and establishing close relationships that build collective results.

Organisational Transformation and Strengthening the Moza Culture

As part of the 2022-2026 Strategic Plan, Moza Banco embarked on a significant organisational transformation journey in 2023, with a special focus on the Bank's Digital Transformation.

This programme is a fundamental strategic vector for strengthening the Bank's competitiveness, enriching customer experience and satisfaction, and establishing a robust technological base that will support the Bank's stable and sustainable growth. In addition, it will promote operational efficiency, optimising internal processes and systems to improve employee productivity and the Bank's overall efficiency to better serve the market. With this transformation, Moza Banco aspires to consolidate its position as an innovative benchmark of excellence in the banking sector.

A crucial element in the backbone of this transformation is 'People & Culture'. To this end, a project was set up to strengthen the internal culture and employee training. During 2024, significant and decisive steps were taken towards the intended transformation, which resulted in the successful implementation of initiatives to involve, inspire and align employees.

Moza brand

In 2024, Moza Banco marked its 16th anniversary, consolidating a journey characterised by commitment and dedication to the development of the Mozambican market. Since its foundation, the Bank has maintained its aim of establishing itself as the financial institution of choice, reflecting the aspirations and needs of its customers in its values and actions.

Over the years, Moza Banco has distinguished itself by its closeness to and appreciation of its customers' achievements, accompanying their challenges and successes. This commitment translates into a continuous quest for excellence, reinforcing the relationships of trust established with its customers and partners.

Under the motto "Make it Happen", Moza Banco positions itself not just as a financial institution, but as a source of motivation and a partner for growth, promoting resilience and dynamism. Its message is intended to inspire personal and professional progress, by encouraging an entrepreneurial spirit that doesn't just wait for opportunities, but acts to turn goals and ambitions into reality.

The Bank has associated its brand with initiatives that have a positive impact on Mozambican society, in particular its partnership with the Clarisse Machanguana Foundation, which aims to transform the lives of teenagers and young people throughout the country.

As a leading institution in the financial sector, Moza Banco remains committed to providing the best relational banking experience, leading by example in innovation and excellent service. The path it has travelled over the years reaffirms its commitment to sustainable development and community progress, consolidating its position as a trusted bank for the future of Mozambique.

Main Events in 2024

- > Launch of the "Moza Women" project
- > Participation in the Economic Forum organised by the international magazine "The Business Year"
- > Participation in the Finance Executive Summit
- > 16th anniversary of Moza Banco
- > Launch of the "Academia PraFrente"
- > Financial Inclusion Fairs in the Districts
- Reissue of the financial education programme "Conta com o Moza" (Count on Moza) on community radio and in local languages
- > Roadshows as part of the Organisational Transformation and Strengthening Moza Culture programme
- > Launch of Mia Couto's work "Cequeira do Rio"
- > Project Launch "Pensar Moçambique"

- > Participation in the 2nd edition of what is considered the largest conference in the banking, financial services and insurance sector.
- > Debate on the "Challenges of the World Economy and their Impact on Mozambique" in partnership with the Dom Cabral Foundation;
- > Launch of the institutional campaign "Faz Acontecer" (Make it happen) version 2.0.
- > Cocktail event with the Mozambique-Portugal Chamber of Commerce
- > Workshops with Exporters
- Financing for the construction of the municipal parking silo at the Central Market in Maputo
- The "Reading is a Party" Book Fair
- > Charity Christmas



Lourenço Joaquim da Costa Rosário

Awards/Distinctions

One of the best institutions to work for in Mozambique

For the third time in a row, Moza was voted one of the best institutions to work for in Mozambique in 2024. In this way, Moza has positioned itself among the institutions with the greatest capacity to retain and attract the best professionals in the sector in which it operates. Based on the results obtained, Tempus Global awards the "Elite Employer" certification to organisations after evaluating four basic aspects of the survey, namely: Compensation and Benefits; Work Environment; Career and Culture.

4. Shareholder Structure and Governing Bodies

4.1 Shareholder Structure

On 31 December 2024, Moza Banco's share capital remained at $7\,020\,750\,000.00\,MT$ (seven billion and twenty million, seven hundred and fifty thousand Meticais).

The Ordinary General Meeting of 16 April 2024 decided to transfer the shares of shareholder António de Almeida Matos in favour of Moçambique Capitais, thus changing the structure of Moza Banco, in terms of shareholder participation in the company, as shown in the table below:

Shareholders	Number of Shares	Share Capital (In Meticais)	Percentage of Capital
Kuhanha S.A	927 822	4 639 110 000	66.0771%
Arise B.V.	431 296	2 156 480 000	30.7158%
Moçambique Capitais, S.A	45 032	225 145 000	3.2069%
Moza Banco	1 404 150	7 020 75 000	100%

In 2024, the geographical distribution of shareholders maintained the predominance of Mozambican shareholders, who represent 69.2842% of the total number of shares. This distribution emphasises Moza Banco as a financial entity with strong national roots, consolidating its position as a benchmark national financial institution.

Origin	Percentage of Capital
Mozambique	69.2842%
The Netherlands	30.7158%
Total	100.0000%

4.2 Governing Bodies and Governance Model

Moza Banco has a governance structure made up of the following bodies: the General Meeting, the Board of Directors, the Supervisory Board and the Executive Committee. These bodies are essential for supervising and guiding the Bank's strategy, ensuring compliance with regulations and promoting the best interests of stakeholders.

At the General Meeting of 16 April 2024, Carmen Patrícia Varinde Gomes Moreira Gonçalves was appointed Secretary of the General Meeting, succeeding Sara Mondego Marques. Additionally, by decision of the Board of Directors of 30 July 2024, Mr. Pedro Miguel de Matos Nunes Correia was appointed Non-Executive Director, by co-option, with effect from 1 August 2024, replacing Mr. Manuel Jorge Aranda da Silva.

General Assembly

Chairperson

Vice-Chairperson of the Bureau	Maria Violante Jeremias Manuel
Secretary of the Bureau	Carmen Patrícia Varinde G. Moreira Gonçalves
Supervisory Board	
Chairperson	Irene Luzidia Maurício
Vice-Chairperson	Anastácia Sebastião Chamusse Cuna
Member	Nuno Gonçalo Gomes Domingues
Replacement member	Isaltina José Franco Mahumane Nhabinde

Board of Directors

Board of Directors	
Chairperson	João Filipe de Figueiredo Júnior
Director	Adérito José Manso de Sousa
Director	Angélica Macave
Director	Devan Hassad Bai Manmoandas
Director	Gomes do Rosário Zita
Director	Pedro Manuel Maldonado de Matos N.
Director	Manuel Jorge Mendes Soares
Director	Ruth Moisés da Pátria
Director	Sérgio Eduardo Ribeiro
Director	Wilfred Jeroen Scheelbeek

Governance Model

The General Meeting is the company's highest body, representing all shareholders, and its resolutions are binding on all shareholders and the company in general, when taken in accordance with the law and the articles of association.

Moza Banco adopts a governance model in which responsibility for running the company is assigned to the Board of Directors, which delegates the day-to-day management of the business to the Executive Committee, with the Supervisory Board responsible for oversight.

In line with the Bank's commitment to robust corporate governance in line with the challenges of the financial sector, the structure of the Executive Committee was maintained in 2024, the composition, appointment and duties of which were decided by the Board of Directors at the meeting held on 28 April 2023:

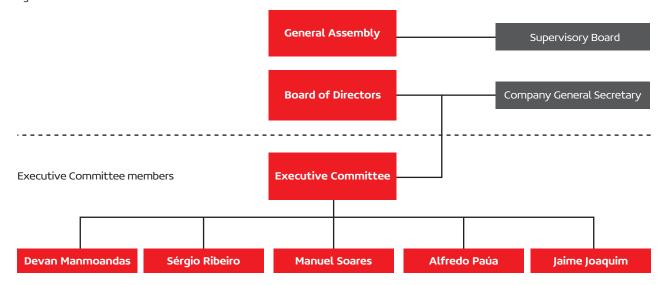
Executive Committee

Chairperson	Manuel Jorge Mendes Soares
Member	Sérgio Eduardo Ribeiro
Member	Devan Hassad Bai Manmoandas
Member	Alfredo José Paúa
Member	Jaime de Jesus Joaquim

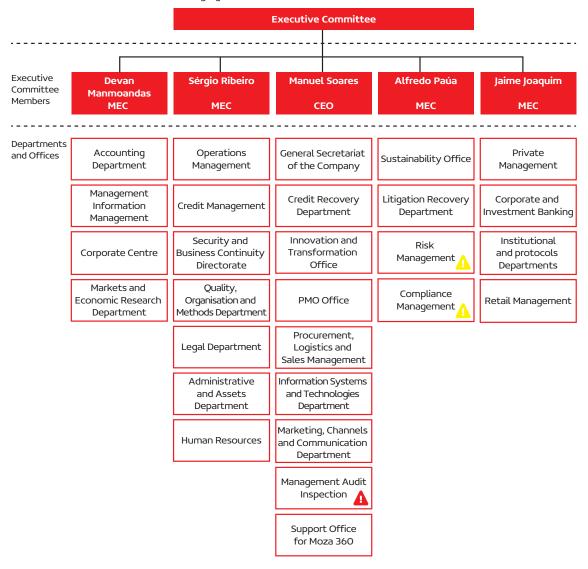
The Company Secretary, whose appointment is the responsibility of the Board of Directors, is responsible, among other activities, for guiding and supporting the Bank's Governing Bodies in matters of corporate governance, legality and administration, as well as supporting meetings of the Board of Directors and other Governing Bodies.



The organisational structure of Moza Banco at the end of 2024 was as follows:



With regard to the distribution of powers and responsibilities between the members of the Executive Committee and the Bank's various Departments, as at 31 December 2024, these were segregated as follows:





The Audit and Inspection Department, in terms of the Bank's Risk Management Governance Model, reports hierarchically to the Audit Committee, and its dependence on the Executive Committee is purely administrative.



The head of the Risk Management Department and the head of the Compliance Department have access to the Bank's Board of Directors via the Risk Assessment Committee (chaired by a Non-Executive Director).



5. Social Responsibility and Sustainability

5.1 Social Responsibility

Social responsibility is one of the fundamental principles that guide Moza Banco's actions and positioning in the market. Through an active commitment to sustainability and social development, the Bank has been supporting initiatives that promote education, financial literacy, entrepreneurship, culture, sport and social inclusion. In 2024, we have reinforced the impact of these actions, working closely with strategic partners to create value for Mozambican society.

5.1.1. Education and Financial Literacy

The Bank's strategy to promote education and financial literacy was centred on 2 structuring projects: "Conta com o Moza" (Count on Moza) and "Sonhar o amanhã" (Dreaming of tomorrow).

> Expansion of the "Conta com o Moza" programme to include new regions.

Following the success of the inaugural edition in 2023, with more than 500,000 listeners in the central and northern areas of the country, which culminated in international recognition from the Lusophone Creativity Awards in the Branded Content on Radio category, the radio programme "Conta com o Moza" (Count on Moza) returned to the air in 2024 to train even more people in rural areas in financial education. The 2024 edition covered 5 Districts in the Central region: Gondola, Machaze and Vanduzi in Manica province, and Tsangano and Zumbu in Tete province. This imminently educational programme is broadcast in prime time on community radio stations and in the most widely spoken national languages. It is a programme that values our culture and contributes to the education and development of our country. With this initiative, the people of these communities now have an important vehicle for raising their level of financial literacy, so that they can make responsible and conscious use of financial services and products, resulting in an improvement in the quality of their personal, family and professional lives.

> "Sonhar o amanhã" project

In 2024, the Bank launched the "Sonhar o amanhã" ("Dreaming of Tomorrow") project, a strategic initiative geared towards education, human development and sustainability, with the aim of promoting access to knowledge and making essential resources available to children and young people in various regions of the country. As part of this initiative, around 5 000 kits will be distributed with school and teaching materials, as well as educational talks focussing on fundamental concepts of saving, budgeting and financial management. In the year it was launched, more than 1000 kits were distributed in Sofala and Nampula provinces. Also, in the field of financial education, the Bank continued with the theatre play "Saber Sonhar o Amanhã" ("Knowing how to dream of tomorrow"), launched in 2023 and aimed at children and young people. This initiative aims to raise awareness of the importance of saving and adopting sustainable financial practices, reinforcing the Bank's commitment to financial literacy and the development of future generations.

> Creation of the Mozicast Channel

In 2024, Moza Banco strengthened its internal communication strategy with the launch of Mozicast, an innovative channel that aims to strengthen the connection with employees, ensuring more dynamic and interactive communication. Through regular episodes, the platform has made it possible to disseminate institutional information, training content and debates on strategic issues for the Bank and society. Mozicast has established itself as an essential tool for organisational alignment, enabling greater proximity to employees through a modern and accessible format.

5.1.2. Entrepreneurship and business development

> Partnership with the Dom Cabral Foundation in the "Academia Pra Frente", training SMEs throughout the country.

In June 2024, coinciding with its 16th anniversary, Moza Bancolaunched "Academia Pra Frente", a programme developed in partnership with

the Dom Cabral Foundation, one of the top ten business schools in the world. This initiative, made available through an easily accessible online platform, allows micro, small, medium and large companies throughout the country to have access to specialised business management content, promoting the sustainability and growth of the Mozambican business fabric.

Academia "Pra Frente" ("Moving forwards") reinforces the Bank's commitment to the development of the business sector, providing tools and knowledge to optimise management and strengthen companies, thus helping to boost the national economy.

> Supporting the growth and economic sustainability of SMEs
Recognising the role of the Association of Small and Mediumsized Enterprises (APME) as a body that brings together and
represents the interests of SMEs operating in the country, in 2024
Moza continued the institutional partnership with this entity
and granted monetary support to ensure the implementation of
APME's annual activity plan. The planned activities included fairs
and conferences with the main aim of connecting companies,
discussing mechanisms for overcoming the obstacles they face, as

In the same vein, and coupling business development with female entrepreneurship, we have strengthened our collaboration with the MUVA Association, focusing on the implementation of the PROMOVER programme. The programme's main objective is to support SME business development, with a focus on developing growth strategies and generating employment in Maputo city. In addition, and in the context of the partnership, Moza took part in

business fairs aimed at connecting women entrepreneurs and other

well as exploring business opportunities between them and ways of

integrating them into the supply chain of "mega-projects".

5.1.3. Culture, Literature and Sport

> Launch of the "Think Mozambique" project.

members of the national business ecosystem.

In 2024, as part of its commitment to valorising and preserving Mozambique's socio-cultural heritage, Moza Banco launched the "Think Mozambique" project, an initiative that promotes reflection on national identity and the construction of Mozambicanness.

Under the motto "Uniting Generations - Building and Rebuilding Mozambicanness", the Bank organised a series of debate sessions attended by academics, intellectuals and opinion leaders, encouraging a comprehensive approach to the country's social, cultural and economic dynamics.

This initiative reinforces Moza Banco's commitment to promoting cultural diversity, strengthening Mozambique's intangible heritage and sustainable development, helping to build a more informed and cohesive society.

> Sports: Sponsorship of elite athletes such as Jacira Ferreira and Yara Salvador.

In 2024, Moza Banco reinforced its commitment to national sport by supporting high-performance Mozambican athletes in international competitions.

The Bank renewed its support for Mozambican judoka Jacira Ferreira, ensuring the necessary conditions for her preparation and participation in international competitions, contributing to her qualification for the Paris 2024 Olympic Games. Her commitment, combined with Moza Banco's institutional support, resulted in this historic qualification and participation for Mozambique, reinforcing the country's pride and recognition on the global sports scene.

In addition, Moza Banco supported athlete Yara Salvador, a member of the national Tang Soo Do team, who represented Mozambique at the World Championships in the sport, held in North Carolina, United States of America. Her performance, together with that of the Mozambican team, culminated in her winning the title of World Champion in two categories, an achievement that consolidates the country's presence on the international sporting scene.

Management Report 2024



> Walk for Gratitude.

With the aim of encouraging physical activity and reinforcing values such as recognition and gratitude, Moza Banco, through Clube Moza, held the Walk for Gratitude, an event that promoted unity between employees and partners, encouraging a healthy and collaborative organisational environment.

> Promotion of corporate sport.

Promoting corporate sport continues to be a priority for Moza Banco, helping to improve the health and well-being of its employees. In 2024, the Bank's teams took part in Futsal, Basketball and Volleyball tournaments in the cities of Maputo, Chimoio, Tsangano, Tete, Quelimane and Nampula.

> Culture and Literature.

In 2024 we continued our institutional partnership with the Fernando Leite Couto Foundation, which enabled us to organise a wide range of cultural and literary activities, including the 6th edition of the Fernando Leite Couto Literary Prize, writing workshops, tertulia, soirees and poetry recitals, a book fair, as well as the publication of literary works by new and established Mozambican authors, thus promoting culture and literature in the country.

In addition, Moza Banco, through its Clube Moza, promoted initiatives aimed at the emotional well-being and strengthening of interpersonal relationships among employees. Of particular note were the "My Love Story" competition, which encouraged the sharing of inspiring stories of love and resilience, and the "No Passa Tempo" campaign, designed to encourage relaxation and motivation during challenging times. These initiatives strengthened team spirit, empathy and internal cohesion, promoting a more balanced and positive working environment.

5.1.4. Sustainability

> Support for the restoration of Ilha de Moçambique.

Moza Banco maintains an active commitment to sustainability and the conservation of Mozambique's historical and cultural heritage. In 2024, it reaffirmed this mission by supporting the restoration of Ilha de Moçambique, an action realised in partnership with the MAKOBO platform, following the damage caused by tropical cyclone Gombe, contributing to the rehabilitation of the island's historic infrastructure, a UNESCO World Heritage Site, reinforcing the Bank's role in preserving Mozambique's cultural legacy.

> Solidarity Cycle Project.

With the aim of promoting menstrual dignity and sustainability, Moza Banco, through Clube Moza, its social arm, implemented the Ciclo Solidário Project in the district of Guijá, Gaza province. The initiative made it possible to distribute reusable menstrual hygiene kits and hold educational sessions for public school pupils, ensuring that the lack of access to hygiene products is not an obstacle to their education. The project relies on strategic partnerships to expand its impact.

5.1.5. Solidarity

At Moza we believe in the power of solidarity and in growing together. Solidarity and empathy are therefore fundamental characteristics of Moza Banco's institutional identity. In 2024, the Bank emphasised these values through various actions to support communities and social institutions across the country.

> Children's Day and Family Day.

Among the main initiatives, we would highlight the donation of school kits to children in vulnerable situations, as well as the celebration of Children's Day and Family Day, through support actions in hospital units, providing assistance to hospitalised patients, and in foster care institutions, providing moments of conviviality and reinforcing the well-being of the children supported.

> Make a Difference Day.

In addition, Moza Banco, through Clube Moza, promoted Make a Difference Day, a global volunteering initiative that mobilises employees, partners and communities for actions with a social impact, such as supporting the Magoanine Home for the Elderly, painting the fence and donating essential goods, reinforcing the Bank's culture of social responsibility.

> Campaign Against Gender-Based Violence.

As part of the promotion of gender equality and the protection of fundamental rights, Moza Banco, through Clube Moza, launched the Campaign Against Gender-Based Violence, with the aim of raising awareness in society about the eradication of all forms of violence against women and girls. The initiative included talks and debates with experts, raising awareness of victims' rights and the reporting mechanisms available. The campaign reinforced the Bank's commitment to building a fairer and safer society for all.

5.2. Sustainability

In 2024, Moza Banco reinforced its commitment to Sustainability, Governance and Social Responsibility, continuing to develop and implement initiatives in line with ESG (Environmental, Social and Governance) best practices.

5.2.1 Main actions carried out

- > Introduction of an exclusion list of operations that cannot be financed by the Bank, in accordance with environmental and social criteria.
- Categorisation of financing operations based on their ESG impact, promoting sustainable practices.
- > Definition of criteria for selecting suppliers in line with the Bank's sustainable practices.
- > Development of internal tools and procedures to strengthen the integration of the ESG agenda.
- > Promoting awareness of sustainability through training initiatives.
- Participation in the development of regulatory guidelines for a prudential framework for climate risk and sustainability.
- Management of sustainable credit lines, ensuring that beneficiary clients fulfil the ESG requirements associated with the financing.

5.2.1 Environmental Impact Reduction Objectives

As part of its commitment to sustainability, the Bank has defined and implemented strategic measures to mitigate the environmental impact of its activity. Among the main actions carried out are:

- Reducing the carbon footprint by optimising processes and energy efficiency;
- Phasing out the use of disposable plastics, promoting sustainable alternatives;
- > Digitisation of processes, minimising paper consumption;
- Implementation of water efficiency measures, reducing water consumption at the Bank's facilities.

5.3. Sponsorship and support

- 1. 2nd International Conference of the Banking, Finance and Insurance Sector: The sponsorship of this forum highlights Moza Banco's active involvement in the debate and evolution of the financial sector, with a focus on the integration of national companies in megaprojects and the promotion of local content as a vector for sustainable growth.
- 2. 2nd Edition of the Marine Conference: This support reflects Moza Banco's commitment to the conservation of biodiversity, in this case marine biodiversity, by encouraging the production and sharing of scientific knowledge in this area.
- 3. Sponsorship of the Moz USA Chamber of Commerce: Moza Banco supported the event to present the new governing bodies of CCMUSA, an organisation that encourages the strengthening of economic and commercial relations between Mozambique and the United States of America, boosting the development of bilateral business and investment.
- 4. CEO Business Lunch and CEO Summit: The Bank was present at these strategic forums, which bring together top business leaders, promoting the sharing of practical tools for business development and investment, as well as strengthening institutional and business relations in the Mozambican market.



- 5. Sponsorship of Instituto Politécnico do Índico and Escola Privada dos Bons Sonhos - This support reaffirms the Bank's commitment to education and human development by encouraging academic excellence.
- 6. Partnership with RM to broadcast reports of CAN-2024 matches: To ensure that lovers of the sport of kings and of Mozambicans in general could follow the African Nations Championship (CAN) on the radio, which featured the national team "the Mambas", we supported Rádio Moçambique (RM) to make it possible to broadcast reports of the national team's matches.
- 7. Donation of computers to "ADE" and "NÓS SAUDE": In order to strengthen their capacity to intervene in the spheres in which they operate, we offered computer equipment to national associations committed to promoting the well-being and socio-economic development of Mozambicans, namely the NÓS SAUDE Association and the Development and Entrepreneurship Agency (ADE).
- 8. Support for the Mozambican Association for the Support of People with Down's Syndrome: Moza's contribution to this cause aims to facilitate the social and economic integration of people with Down's syndrome by supporting their psycho-motor development and ensuring that they have the practical skills to take up the job opportunities that are emerging on the market.
- **9. Sponsorship for musician Arnaldo Manhice:** We are supporting the release of the first album of originals by rising Mozambican musician Arnaldo Manhice.
- 10. Support for the Gwaza Muthini festivities: The aim of the support was to valorise the achievements of the Mozambican heroes who fell on the various battlefronts for the "liberation of the land and of men and women".6. Macroeconomic Framework

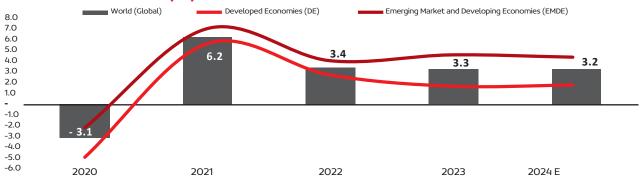
6. Macroeconomic Framework

6.1 International Economy

Economic Growth

Following the post-pandemic recovery period, GDP growth is expected to hover around 3 per cent in the short and medium term. In 2024, the global economy is estimated to have grown by 3.2 per cent, despite geopolitical tensions such as the war in Ukraine, trade relations between China and the West, and the conflict in the Middle East. These factors have driven reconfigurations in the global economy, with increased trade restrictions and customs duties, as well as the emergence of new economic incentives. In addition, there has been a structural change in consumer behaviour, with a transition from the consumption of goods to the consumption of services.

Global Economic Growth (%)



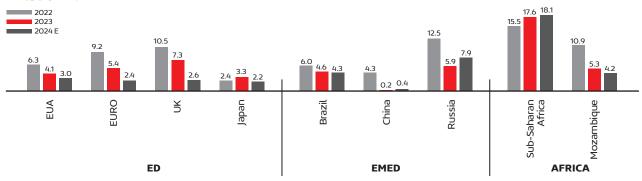
Note: E - Estimate

Source: IMF - World Economic Outlook, October 2024

Inflation trends

Inflation in 2024 is estimated to have fallen below 5 per cent, a significant reduction from the peak of 9 per cent in 2022. The normalisation of supply chains and the stabilisation of consumer demand were key to this downward trend. However, price levels remain high compared to the prepandemic period, reflecting the impact of greater trade protectionism, robust wage growth, low unemployment and a less restrictive fiscal policy.

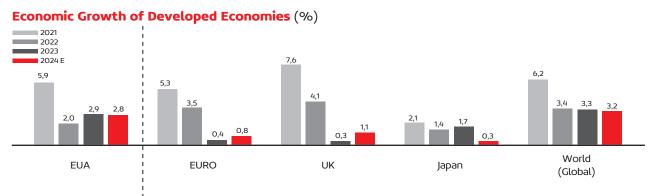
Inflation %





Developed Economies

Economic growth in the advanced economies slowed sharply in 2023 and 2024. The apparent stability observed does not reflect the different national dynamics, as various cyclical forces are dispelled and economic activity returns to being in line with its potential. In the United States (US), growth is estimated to have slowed in 2024. On the other hand, in the United Kingdom (UK) and the Eurozone (EU), activity is expected to accelerate, correcting the output gap. Japan, after growth in line with its potential in 2023, is estimated to contract in 2024, reflecting the longer closure of car factories and weak consumer confidence.

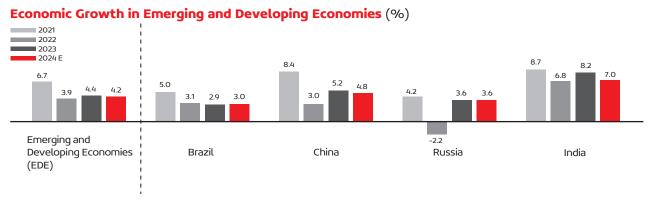


Note: INE - Consumer Price Index, December 2023, E-Estimate

Source: FMI - World Economic Outlook, October 2024

Emerging and Developing Economies

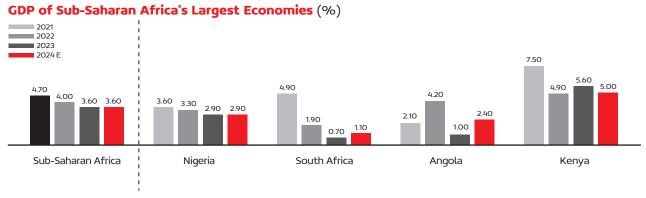
Emerging markets and developing economies are expected to grow by approximately 4.2 per cent, compared to 4.4 per cent in 2023. This shift reflects the performance of some Asian countries (China and India), which more than offset the weak performance of the economies of sub-Saharan Africa, the Middle East and Central Asia. It is expected that the consolidation of investment and solid growth in consumption will boost this rate of growth, largely supported by continued monetary easing.



Note: EDE - Emerging and Developing Economies, E - Estimate **Source:** FMI - World Economic Outlook, October 2024

6.2 Regional Economy - Sub-Saharan Africa

In sub-Saharan Africa, economic growth is expected to be higher than in 2023, and could reach around 4.2 per cent in 2024, compared to 3.6 per cent in 2023, as the adverse impacts of previous climate shocks subside and supply constraints gradually improve. However, challenges remain, particularly in Nigeria, where economic growth is expected to slow due to the expectation of less dynamism in productive activity. In addition, South Sudan's economy is expected to contract by approximately 26 per cent.



Source: FMI - World Economic Outlook, October 2024



Commodities

Following three years of volatility, commodity prices showed signs of stabilising over the course of 2024, despite the various geopolitical conditions that occurred over the course of the year (Russia's invasion of Ukraine, China's relations with the West and the conflict in the Middle East). The World Bank estimates that the slowdown in prices will reach 3 per cent in 2024, leading to aggregate commodity prices returning to their lowest level since 2020, partly in response to improved supply conditions.

Oil demand growth in 2024 is expected to be close to the 21st century average, but this forecast is surrounded by uncertainties influenced by the production cuts that OPEC+ has made, totalling around 5.86 million barrels per day (mb/d). In addition, fears of a wider regional escalation of tensions in the Middle East have added a volatile risk premium to oil prices, although there have been no major supply disruptions to date.

Up to December 2024, the metals index recorded an annual/accumulated increase of approximately 9.1%. Gold - considered a safe haven asset - ended 2024 with a slight monthly devaluation of 0.12%, pressured by the strengthening of the dollar and high US Treasury yields. Despite the slight fall, in accumulated terms gold appreciated by approximately 30.60 per cent, demonstrating its resilience.

In terms of food, according to data released by the FAO in its Food Price Index, prices increased by around 6.7 per cent over the course of 2024, influenced by increases in the prices of vegetable oils, meat and dairy products. This trend can be explained by tight and prolonged supplies of palm oil, as well as strong global demand, coupled with production restrictions due to routine maintenance at the end of the year in beef processing in the main exporting countries.

Main commodity Prices

Commodity Price Developments (2020 - 2024)

			Real			Anual (%)
Commodities	Dez-20	Dez-21	Dez-22	Dez-23	Dez-24	Dez-23	Dez-24
Brent Crude Oil (USD/Barrel)	49.9	74.3	80.9	77.9	73.8	-4%	-5%
WTI Crude Oil (USD/Barrel)	47.1	71.5	76.5	72.1	69.8	-6%	-3%
Aluminium (USD/MT)	2 014.7	2 695.5	2 401.7	2 182.4	2 541.0	-9%	16%
Gold (USD/Ounce)	1858.4	1790.4	1797.6	2 026.2	2 648.0	13%	31%
Gas (USD/Million BTU)	2.5	3.7	5.5	2.5	3.0	-54%	20%
Thermal Coal (USD/MT)	85.2	142.5	215.0	108.8	105.5	-49%	-3%
Corn (USD/MT)	198.8	264.5	302.3	206.5	202.6	-32%	-2%
Wheat (USD/MT)	251.2	327.8	386.3	291.1	252.2	-25%	-13%
Rice (USD/MT)	520.0	400.0	467.0	644.0	527.0	38%	-18%
Sugar (USD/Kg)	0.6	0.8	0.8	0.9	0.8	10%	-8%
Cotton (USD/Kg)	1.8	2.6	2.2	2.0	1.8	-10%	-12%
Tobacco (USD/MT)	4 446.8	4 213.3	4 399.3	5 461.8	5 091.5	24%	-7%

Note: Prices based on annual averages

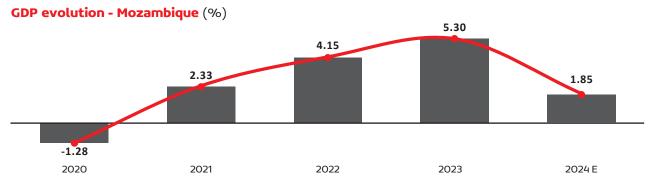
Source: World Bank - Commodity Price Data, January 2024

6.3 National Economy

GDP trends

In the last quarter of 2024, the domestic economy recorded negative growth of around 4.87%, as a result of the halting of economic activity due to the post-election demonstrations, which restricted the movement of people and goods. This growth reflects the weak performance of the secondary sector, which was influenced by the manufacturing industry, which recorded a negative variation of 11.14 per cent. It also reflects the poor performance of the Mining and quarrying industry with a negative variation of 10.06% (primary sector with -4.78%).

In cumulative terms, the economy grew by around 1.85 per cent in 2024, down from the growth seen in 2023 (5.30 per cent)



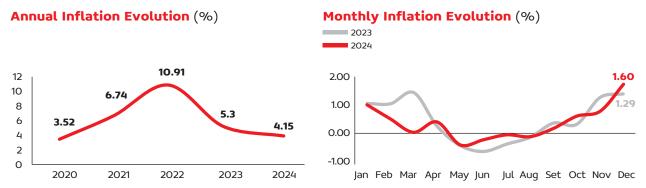
Source: INE - National Statistics Institute, National Accounts of Mozambique (Fourth Quarter 2024)



Inflation

Inflation slowed down over the first nine months of 2024, reaching 2.45% in September, the lowest level since November 2019. This movement in inflation reflects the impact of monetary policy measures, which partly translated into exchange rate stability, as well as low global inflation. However, the last 3 months of the year saw the opposite behaviour, with inflation accelerating and reaching 4.15% in December 2024, partly in response to the seasonal behaviour of some food products, as well as the impact of post-election tension.

The price levels reached in December 2024 are in line with the Central Bank of Mozambique's target (inflation levels below 10%). Average annual inflation stood at 3.20 per cent, below the target set by the government for 2024 (7.0 per cent) in its Economic and Social Plan and State Budget (PESOE) 2024.



Source: - INE - Consumer Price Index, December 2024

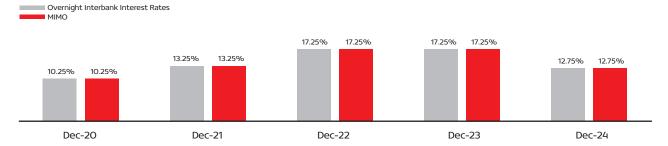
Monetary Market

An expansionary monetary policy was observed throughout 2024, with the Central Bank of Mozambique reducing the MIMO rate by 75bp in each Monetary Policy Committee, totalling an overall reduction of 450bp. The monetary policy interest rate (MIMO) was set at 12.75 per cent. This position is justified by the continued consolidation of the outlook for single-digit inflation in the medium term, in a context where the assessment of the risks and uncertainties associated with the projections remains favourable.

On the other hand, the Monetary Authority maintained the mandatory reserve ratios for domestic and foreign currency liabilities at 39 per cent and 39.5 per cent, respectively, throughout the year.

The Prime Rate of the Financial System (PRSF) also fell by 440pp in the period under review, standing at 19.70 per cent, in line with the MIMO movement, as well as the reduction in the Cost Premium at the start of the year, in response to the reduction in non-performing loans in the economy.

Rates - MIMO & Interbank Monetary Market



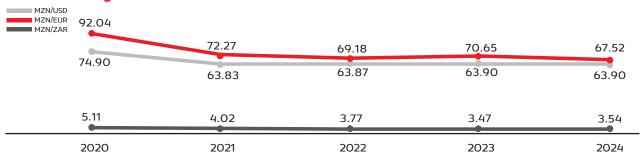
Source: Central Bank of Mozambique, December 2023

Foreign Exchange Market

Throughout the year, the USD/MZN pair remained stable, albeit with a slight depreciation at the end of the year of approximately 0.02%, with the pair settling at 63.91 USD/MZN. This stability can be explained by the current monetary stance, the increase in exports and favourable financing flows.

On the other hand, the ZAR/MZN pair appreciated (from 3.47 ZAR/MZN in 2023 to 3.54 ZAR/MZN in 2024).







6.4 Economic outlook for 2025

a) Global Economy

According to the International Monetary Fund, global economic growth is expected to remain at around 3.2 per cent in 2025, in line with the trajectory recorded in 2024. This reflects a cycle of moderate and sustained growth, with important sectoral and regional changes contributing to a stable economic outlook.

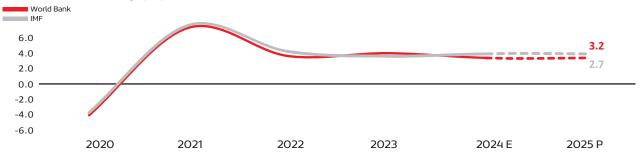
A gradual transition from the consumption of goods to the consumption of services is expected, a trend that could boost activity in the services sector in advanced and emerging markets, but which, on the other hand, could generate a slowdown in manufacturing industry. In addition, there is a growing shift in industrial production towards emerging market economies, namely China and India, while the advanced economies face competitiveness challenges.

With the deceleration in inflation since 2024, the path of the key monetary policy rates has been progressively adjusted in line with the new macroeconomic framework. This movement reflects the efforts of central banks to avoid an excessive tightening of financial conditions, mitigating risks to economic activity. This process of gradually reducing interest rates to levels considered more balanced, compatible with sustainable economic growth and keeping inflation within the defined targets, is expected to continue.

The main assumptions regarding the performance of economic activity stand out:

- **1. Commodities:** oil prices are expected to increase by 0.9 per cent in 2025, partly influenced by production cuts by OPEC+, sustained growth in global oil demand and geopolitical tensions in the Middle East that offset the strong growth in non-OPEC+ supply. Overall, however, basic fuel prices are expected to fall by an average of 3.8 per cent, due to reductions in natural gas and coal prices. On the other hand, food prices are expected to fall by 4.5 per cent in 2025, driven by world cereal production which is expected to reach historic highs between 2024 and 2025.
- **2. Monetary policy**: in the Eurozone, cuts of 50bp are expected in 2025, bringing the key interest rate to 2.5% by June 2025. On the other hand, the US federal funds rate is expected to reach its long-term equilibrium of 2.9 per cent in the third quarter of 2026, which will represent a cumulative reduction of around 135 basis points.
- **3. Fiscal policy:** the governments of advanced economies are expected to halve primary deficits by 2029, driven by fiscal reforms starting in 2025. In the US, public debt is expected to continue to rise, reaching 131.7% of GDP by 2029, while in the Eurozone, the debt/GDP ratio is expected to stabilise at around 88%. In the emerging markets, a greater fiscal balance is expected, while fiscal consolidation efforts are underway in the developing economies.

GDP Global Economy (%)



Source: World Bank - Global Economic Prospects, October 2024

IMF - World Economic Outlook, October 2024

Note: E - Estimate, P - Projection

b) National Economy

The year 2025 began in a context of economic slowdown, strongly conditioned by the halt of economic activities and vandalization of public and private property following demonstrations resulting from the electoral process. These events had a considerable impact on economic activity, particularly in the retail sector. According to the Confederation of Economic Associations of Mozambique (CTA), in its report Impact of the Demonstrations on the Business Sector and Mitigation Measures, it is estimated that the losses recorded by businesses totalled 8.4 billion meticais.

With this scenario, it is believed that the economy will grow slightly in the first quarter of 2025. However, real GDP growth at the end of the year is expected to accelerate as a result of a dynamic of economic and social leverage promoted by the government, which will tend to boost economic activity amid reforms aimed at ensuring greater confidence and social stability.

In addition, work on the Area 1 project, an increase in services and mining activity (coal and aluminium) are expected to influence the performance of economic activity throughout the year. Economic policy will tend to be dominated by the implementation of reforms under the IMF's three-year extended credit facility, which aims to restore macroeconomic stability and debt sustainability. Fixed investment growth could be boosted as the gas sector is developed.

The trend of controlled, single-digit price levels is expected to continue into 2025, reflecting the less restrictive monetary policy, the stability of the metical, the reduction in commodity prices on the international market, despite uncertainties about the duration of the tension post-election and its impact on the prices of goods and services. It is estimated that price levels will accelerate to 5.03 per cent in 2025.

In response to the evolution of price levels in the national economy and the prospect of them remaining below 5 per cent, the Monetary Authority is expected to maintain the stance observed throughout 2024, with further cuts in key rates in 2025. The estimate of the risks and uncertainties associated with long-term inflation projections remains favourable.

The expected monetary easing will lead to a reduction in the Prime Rate of the Financial System (PRSF), which is already below 20 per cent and is estimated to be close to 16 per cent by the end of 2025, with all other factors that determine this indicator remaining constant.

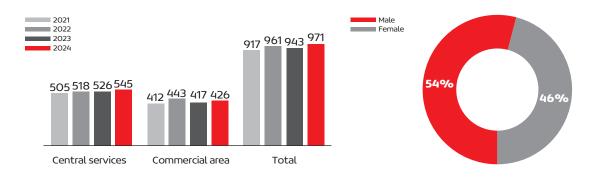
However, Fitch Ratings recently downgraded the Long-Term Foreign-Currency Issuer Default Rating (IDR) - "Issuer Default Rating", influenced by the high pressure on external financing, resulting from the country's weak capacity to service its commercial debt and insufficient access to external financing. In addition, the inability to consolidate public finances has aggravated financing needs, increasing liquidity tensions in foreign currency.



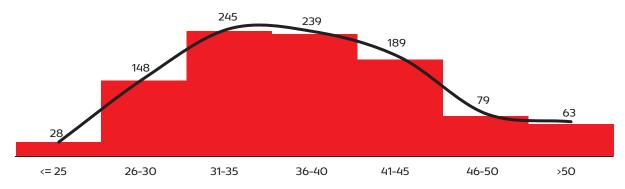
7. Business Support Activities

7.1 People management

In 2024, Moza Banco recorded moderate growth in its workforce, with the number of employees rising from 943 to 971, representing an increase of 3 per cent, reflecting its continued commitment to attracting and retaining talent.



The gender composition remained unchanged compared to the same period last year, respecting the principle of gender balance and equal opportunities in the policy of attracting and retaining people.



The Bank has a predominantly young workforce, with an average age of 37. The 31-35 and 36-40 age groups cumulatively account for 44 per cent of the total workforce, showing a balanced age structure.

Training

As part of its commitment to the continuous development and training of its employees, Moza Banco reinforced the inclusion of new topics in its training programme, favouring a digital and integrated approach. Through its in-house e-learning platform and access to external platforms, the Bank has ensured that its training programmes are more comprehensive and effective, promoting the continuous refresher training of its staff and adapting skills to the demands of the financial sector.

The institution continues to invest in its in-house trainers, who play an increasingly important role in organising training courses, guaranteeing the sharing of specialised knowledge tailored to the Bank's needs. In line with this strategy, the training of in-house trainers has also been strengthened, ensuring that they have the most effective tools and methodologies for passing on knowledge and developing employees' technical and behavioural skills.

In 2024, 251 training courses were held, totalling 22 121 hours of training and involving 4 001 participants. Highlights included training in the areas of regulatory compliance, operational risk management, preventing and combating money laundering and terrorist financing, ethics and conduct, conflicts of interest, whistleblowing management, as well as specialised technical and refresher training for various critical roles.

In addition, Moza Banco, through Clube Moza, its social arm, reinforced its commitment to valuing people by establishing partnerships with national and international universities to promote academic training in the areas of Business Management and Finance. This programme aims to boost the professional development of employees and contribute to the qualification of internal talent, strengthening the competitiveness of the financial sector.

These initiatives reinforce the Bank's commitment to training its employees, ensuring sustained performance in line with best practices in the sector and contributing to the excellence of the service provided to customers.

Revision of Regulations

In 2024, Moza Banco revised various internal policies and regulations, with the aim of ensuring alignment with best practices in people management and applicable regulatory requirements. As part of this process, policies on compensation and benefits, holiday and absence management, salary processing and medical assistance were updated. These updates are intended to reinforce the value placed on employees, ensuring a more attractive working environment in line with organisational needs..



Actions of a Social Nature

Recognising the importance of promoting the well-being and social development of its employees, Moza Banco has adopted an integrated approach that transcends the technical dimension of people management, covering areas such as health, well-being and citizenship.

Throughout 2024, a number of initiatives were implemented to promote employee health and quality of life, in particular:

- > Strengthening strategic partnerships with health service providers, offering preferential conditions for medical consultations and treatments:
- Awareness-raising actions on various health and well-being issues, promoting awareness of the importance of prevention and adopting healthy lifestyles;
- Remote support for employees facing health or social challenges, ensuring appropriate follow-up and guidance;
- Organisation of educational campaigns and talks on financial literacy, career management and other topics relevant to personal and professional development;
- Establishing partnerships to facilitate the issue and renewal of identification documents, ensuring greater convenience and efficiency for employees and their families in accessing essential services.

As part of its benefits policy, the Bank maintains a set of incentives designed to provide greater balance and flexibility for employees:

- > The allocation of additional days to manage personal matters;
- Leave policies adjusted to the needs of employees, promoting a culture of support for parenthood and reconciling work and family life.

7.2 Branch distribution network

At the end of 2024, Moza Banco's distribution network comprised a total of 63 Business Units, distributed as follows:

- > 60 Branches,
- > 1 Private Centre,
- > 1 Corporate Centre and
- > 1 Institutional Centre.

In this respect, the geographical coverage of Moza's Business Units was distributed as detailed below:



7.3 Commercial activity

In 2024, Moza's commercial activity was carried out within a challenging macroeconomic context, greatly influenced by the reduction in the reference rates for credit operations (Prime rate) and the reduction in the MIMO rate and the maintenance of restrictive monetary policy measures, with the coefficient of Mandatory Reserves in national and foreign currency remaining at levels of 39 per cent and 39.5 per cent, respectively.

In addition, the complex social situation in the aftermath of the October elections posed additional challenges for Moza Banco's strategy.

Despite the adversities imposed by the macroeconomic and social situation, the Bank once again demonstrated its ability to overcome and be resilient, keeping its focus on its customers and their needs. Beyond just a year of developing new products and solutions, it was a year dedicated to deepening and strengthening relationships with both corporate and individual customers in all segments: Retail (SMEs and Individuals), Private Banking, Corporate & Investment Banking, and Institutional. This close monitoring, with additional reinforcement at the end of the year, resulted in an increase in relationships and in-depth knowledge of the different types of clients and business sectors.

a) Customer rewards: During the year, for private customers, the Bank developed promotional campaigns and incentive programmes, offering benefits and prizes for customers with domicited salaries and for the reactivation of accounts.

All the campaigns were supported by a strategic, datadriven approach, based on the analysis of customer behaviour and trends.

b) Intensified customer relations: A more personalised service was implemented in the corporate segment, with talks and visits to clients across the country, aimed at gaining an in-depth knowledge of the companies and their businesses. We continued to focus on the agribusiness sector, revitalising and strengthening relationships with financial solutions adapted to each stage of the production cycle, thus contributing to their growth and sustainable development. In addition, reinforcing our commitment to this highly relevant sector, we carried out a global diagnosis of the market, with the aim of identifying opportunities and challenges, promoting a response that is more tailored to their needs.

In this way, the Bank reaffirmed its commitment to its customers, strengthening existing relationships and guaranteeing close and personalised support. Even in a challenging scenario, Moza Banco remained focussed on supporting families and companies, actively contributing to Mozambique's economic and social development.

7.3.1 Results obtained by Payment Methods and Channel

Payment Methods and Channels

In 2024, in a scenario characterised by political and economic uncertainties, such as the electoral protests that extended beyond October, Moza's channels and means of payment services stood out for their resilience and innovation. Despite external adversities, such as operational challenges that temporarily affected the payments ecosystem, the Bank achieved important milestones, consolidating its position in the market and strengthening its relationship with customers.

Initiatives such as the "beneficiary identification" feature in transfers to digital wallets, real-time transfers to accounts of other credit institutions (ICOs) via digital channels, a campaign to encourage the use of cards with attractive rewards and the stabilisation of systems, have contributed significantly to achieving these milestones and have strengthened customer confidence and satisfaction.

The results achieved in 2024 showed solid and consistent growth, reflecting Moza's commitment to adapting to challenges and continuing to offer solutions that promote a superior experience for its customers.



Cards

In 2024, the cards business recorded a solid performance, evidenced by growth of 62.0% in the volume transacted and 49.5% in the number of transactions. This growth reflects the growing take-up and use of electronic means of payment by customers, driven by the stabilisation of payment infrastructures and systems, as well as the campaign to encourage the use of cards. These initiatives reinforce Moza Banco's commitment to promoting the digitalisation of payments, providing customers with secure, innovative solutions tailored to their needs.

POSs

In 2024, POS recorded growth, with a 20.6% increase in transaction volume and a 21.8% increase in the number of transactions, driven by the strategy of optimising the stock of equipment, which included reallocating devices to merchants with greater potential, ensuring more efficient use and in line with market dynamic

ATMs

ATMs recorded a positive performance in 2024, with growth of 36.3% in the volume of transactions and 20.7% in the number of transactions, driven by the modernisation and optimisation of the equipment fleet, through the replacement of older ATMs with more technologically advanced models, reinforcing the reliability and efficiency of the service and providing a better customer experience.

Digital Channels

Moza Banco's digital channels maintained their upward trajectory in 2024, showing a significant recovery and continued growth in customer uptake and utilisation. The number of users with access to digital platforms totalled around 182 000, representing overall growth of 7.6%. In addition, there was an increase of 8.2% in the number of transactions and 33.3% in the volume transacted, driven by a series of strategic and technological initiatives, consolidating the importance of digital channels in the customer banking experience.

7.4 Innovation and Digital Transformation Strategies

In 2024, Moza Banco continued its innovation and digital transformation strategy, reinforcing the modernisation of its technological infrastructure and ensuring the evolution of its financial services. The initiatives developed throughout the year were geared towards optimising operational resilience, strengthening cyber security and improving the customer experience, consolidating the Bank's position as a leading institution in the digitalisation of financial services in Mozambique.

Internet penetration in the country reached 23.2 per cent of the population by January 2024, up 11.8 per cent on the previous year, despite persistent challenges such as high access costs and infrastructure limitations. At the same time, financial inclusion reached a historic milestone of 94.5% by June 2024, driven by the growth of Electronic Money Institutions (EMIs) and the digitalisation of payments, allowing almost 95 out of every 100 adults to have a digital account, in contrast to the 30% who hold traditional bank accounts. This trend reinforces the need for continuous innovation and adaptation of the financial sector to the new realities of consumption and digital access.

In this context, Moza Banco has intensified its investments in new technological solutions, ensuring greater availability of services and greater efficiency in operations management. In 2024, several strategic initiatives were implemented to consolidate the modernisation of the digital ecosystem, including:

- > Reinforcement of the Technological Infrastructure: Implementation of best international practices in the management and security of systems, ensuring greater operational resilience and protection of information.
- > Optimising System Stability and Performance: Improving service availability and reducing transaction processing times, providing a more efficient customer experience.
- > Automation and Data Management: Investment in advanced solutions to optimise data analysis, enabling greater support for decision-making and greater operational efficiency.

Restructuring and process mapping: Development of initiatives to increase agility in responding to customers, guaranteeing greater efficiency in operations and adapting to the new dynamics of the sector.

7.4.1 The Bank's Approach to Digitisation and Modernisation of Services

Moza Banco's digital transformation is not limited to the adoption of new technologies, but rather represents a comprehensive structural and cultural change, based on a change management approach and the adoption of an agile mindset. This process aims to guarantee the Bank's sustainability and competitiveness in an increasingly dynamic and digitalised financial ecosystem.

To ensure an efficient and sustainable transition, strategic initiatives have been developed to prepare employees for this new digital paradigm, promoting new ways of working based on collaboration, flexibility and continuous innovation.

In this context, awareness-raising and training activities were carried out, boosting a culture of innovation and strengthening adaptability to new technologies, guaranteeing alignment between processes, technology and the business model. The implementation of agile methodologies has made it possible to optimise operational efficiency, speed up the development of solutions and strengthen interdepartmental cooperation.

These initiatives consolidate the progress made in modernising the technological infrastructure, strengthening security, optimising the customer experience and organisational development, ensuring the continuity of the Bank's digital transformation strategy and promoting a culture of innovation, resilience and operational excellence.

7.4.1 Data strategies

In 2024, Moza Banco consolidated its data-based management strategy, reinforcing its analytical culture and improving its strategic decision-making capacity. As part of this commitment, the implementation of the Business Unit Profitability Model (RUN) was a significant milestone in optimising operational efficiency and assessing the profitability of bank branches.

The RUN Model was designed as a strategic management tool, enabling the Bank to monitor the financial and operational performance of its Business Units in an integrated manner. With an approach based on centralising information and automating processes, this model ensures a careful assessment of the profitability of operations, promoting efficient management of resources and greater agility in decision-making.

At the same time, the integration of business intelligence technologies increased the Bank's capacity to analyse critical information more quickly and accurately. In addition, the updating of data governance policies, in line with best international practices in the sector, ensured greater transparency, rigour and compliance in information management.

The implementation of the RUN Model and the ongoing commitment to strategic data management have strengthened Moza Banco's resilience and competitiveness. By providing a single source of reliable, centralised information, the Bank strengthens operational efficiency, data-driven decision-making and sustainable growth, consolidating its commitment to innovation and sustainability in the financial sector.



7.5 Compliance, Prevention and Combating of Money Laundering, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction

In 2024, the Bank's Compliance function was based on continuing to fulfil its main mission of promoting and ensuring that Moza complies with the applicable national and international legal, regulatory, statutory, normative, ethical, good conduct and best banking practice requirements, within the framework of the institutional control and supervision environment defined by the competent regulatory bodies and the legal regulations to which they are subject.

In addition, as part of the process of supporting the country with a view to removing Mozambique from the FATF's so-called grey list, in view of the new legislation, the Bank revised its internal regulations and published the new guidelines for the laws in question, with the aim of strengthening internal measures in the process of preventing and combating money laundering, terrorist financing and the financing of the proliferation of weapons of mass destruction.

> Strengthening Control and Compliance Processes: The Bank strengthened its compliance processes, ensuring the transparency and integrity of its operations. Strict measures were implemented when opening accounts, including the identification and monitoring of Effective Beneficiaries and Politically Exposed Persons (PEPs), in accordance with Law 14/2023. At the same time, actions were taken to ensuring data was reliable and updated, making certain that clients' documents were regularised and accounts without up-todate information were inactivated.

In the relationship with Correspondent Banks and Financial Institutions, the "Know Your Customer" (KYC) process was strengthened, ensuring that the Bank's information is updated on the Bankers Almanac platform. In addition, the mechanisms for filtering suppliers and transactional entities were improved, reinforcing the prevention of Money Laundering and Terrorist Financing (MLTF) and consolidating stakeholder confidence in the institution.

- Collaboration with External Entities: As a result of the commitment to collaboration, during 2024 the Bank continued to collaborate with the Attorney General's Office (PGR), and the Office for Combating Organised and Transnational Crime (GCCOT), in providing procedural and transactional information on customers.
- > Training in Prevention and Combating Money Laundering and Compliance: In 2024, Moza Banco reinforced its investment in employee training, in line with its strategy of excellence in customer service and the highest standards of ethics and compliance. In this context, training activities were organised to prevent and combat money laundering, terrorist financing and the proliferation of weapons of mass destruction, ensuring that employees act in accordance with legal and regulatory requirements.

These initiatives have strengthened the organisational culture of Compliance, covering topics such as the Code of Ethics and Conduct, the management of Conflicts of Interest, Whistleblowing mechanisms and the importance of strict compliance with applicable rules and regulations. The continuous strengthening of these competences contributes to risk mitigation, institutional integrity and customer and stakeholder confidence in the Bank.

Monitoring and Collaboration with Organisations

As part of consolidating the Compliance culture and strengthening the risk-based approach, improvements were made to internal processes and procedures, with a focus on Customer Due Diligence. These initiatives aim to optimise risk management, strengthen the effectiveness of control mechanisms and, at the same time, improve the customer experience, ensuring a balance between regulatory rigour and operational efficiency.

Transaction monitoring

The Bank strengthened its transaction monitoring procedures, allowing for the timely identification of transactions potentially suspected of money laundering, terrorist financing and the proliferation of weapons of mass destruction. Corrective measures were implemented to ensure compliance with applicable regulations and mitigate the associated operational and reputational risks.

Reporting and communication of suspicious transactions

The Bank worked closely with the regulatory bodies, ensuring regular and rigorous reporting to the Mozambican Financial Information Office (GIFiM) and the Attorney General's Office (PGR), fully complying with the obligations to report suspicious transactions and activities, in accordance with the applicable legislation.

Foreign transactions

On the other hand, the Compliance Department ensured the continuous analysis of transactions with foreign countries (OPE's - sent and OPR's - received), by evaluating the automatic filtering against international lists (with records of incidents of financial crime and/or countries sanctioned, in the context of transactions with foreign countries (via SWIFT), as well as analysing the documents supporting transactions.

Collaboration with Competent Authorities and other entities

Moza Banco has maintained its commitment to transparency and cooperation with the Central Bank of Mozambique and other supervisory bodies, ensuring that it provides information quickly and accurately, in accordance with the applicable regulatory requirements.

Regulatory Compliance

Legal Analysis

In order to ensure compliance with legal and regulatory requirements, the Bank has continuously monitored updates to legal provisions, implementing the necessary adjustments to its processes and policies. Particularly noteworthy are the updates in the areas of cyber risk, foreign exchange transactions, preventing and combating money laundering and terrorist financing and foreign transactions, contributing to proactive action in line with best practices in the sector.

Commercial and product advice

As part of issuing opinions and participating in the process of creating and reviewing products and services, Compliance has ensured that all the solutions provided by the Bank comply with the applicable legislation and are in line with best practices in the sector.

In this context, Compliance was actively involved in optimising products and services, collaborating closely with the commercial areas in analysing and reviewing new ranges, ensuring a balance between innovation, regulatory compliance and risk mitigation. This support helped to adapt products to market needs, while ensuring compliance with Central Bank regulations.

Preparation Review and Validation of Policies/Norms and Documents

In this context, as part of strengthening the Compliance culture, key documents were reviewed and updated, in particular the Policy for Preventing and Combating Money Laundering and Terrorist Financing, as well as the Consumer Protection Policy, guaranteeing compliance with regulatory requirements and best practices in the sector.

In addition, internal regulations were analysed and validated, ensuring their harmonisation with the applicable legal provisions. The Bank also strengthened internal communication on strategic matters, promoting transparency and rigour in its institutional performance.

The Bank has strengthened its mechanisms for managing conflicts of interest, ensuring the implementation of effective procedures for their identification, prevention and mitigation. These actions aim to promote an organisational culture based on integrity, rigour and compliance with applicable ethical and regulatory standards, consolidating stakeholder trust and institutional solidity.



8. Risk Management

8.1 Introduction

Risk Management at Moza Banco is considered a fundamental pillar to support the response to uncertainties in the market context in which the Bank operates in the most varied areas and which may jeopardise its activities and affect its risk profile. In this way, Moza Banco is constantly aware of the vulnerabilities that characterise its business activity, the economic context in which it operates and the potential losses in Capital, Profitability and Liquidity that may occur as a result of the impact of unexpected events on its activities or business. From this perspective, Risk Management takes on added importance, where the principles of good Corporate Governance are favoured through the implementation of policies, processes and procedures that respect best practices in Risk Management.

The definition, monitoring and implementation of Moza Banco's risk management policy involves the involvement of all areas in the management of materially relevant risks, in order to support the Bank's management bodies.

Moza Banco identifies, measures, controls and manages the main risks so that their mitigation is effective and in line with its risk appetite, creating parameters that allow a balance between the risk assumed and the expected return.

Aiming for a better combination of risk and results, Moza Banco acts prudently in the management of financial and non-financial risks, in line with the regulations imposed by the Regulator and in harmony with best international practices, resulting in the design of policies, principles, procedures, methodologies and the definition of risk limits, which guide the Bank's activity in the various business segments.

In order to ensure fulfilment of the defined strategic objectives and the risk profile to which the Bank is exposed, management is carried out in accordance with the Risk Management model approved by the Institution, based on which the inherent and potential risks are identified. This risk management process includes identifying, measuring, controlling and monitoring risks, as well as determining the impact (positive or negative) of these risks on results and/or capital.

Moza Banco's risk taxonomy includes 14 types of risk, namely: Credit Risk; Liquidity and Financing Risk; Market Risk, Real Estate Risk, Capital Risk, Operational Risk; Strategic Risk and Business Model; Reputational Risk; Compliance Risk; Conduct Risk, Model Risk, Internal Governance Risk; Environmental, Social and Governance Sustainability Risk and Information and Communication Technologies Risk.

This taxonomy of risks includes Concentration Risk, which is specifically regulated by Central Bank of Mozambique in Circular 3/SCO/2013 of 31 December.

In general, risk management is carried out on an ongoing basis through:

- Adoption of a governance model that allows the Board of Directors and Senior Management to be monitored through the Risk Assessment Committee and the Risk Control Committee;
- Continuous monitoring of compliance with the risk appetite approved by the Board of Directors;
- Defining and publishing policies, procedures and limits that are the result of best practices in banking and in accordance with the regulations issued by the Central Bank of Mozambique;
- Implementation of monitoring systems and regular follow-up of management information;
- Updating the taxonomy of risks and methodologies for evaluating critical processes.

Risk Management operating structure

The Risk Management Department (DGR) is responsible for coordinating the processes of identifying, measuring, controlling and monitoring the main risks inherent in the Bank's activity, as well as supporting the definition and implementation of controls to strengthen the internal control environment of the business areas or support areas.

In terms of reporting and communication lines, the DGR provides support and reporting to the Risk Assessment Committee, the Risk Control Committee and the Executive Committee, in line with the strategic guidelines defined by the Board of Directors.

The Risk Assessment Committee, which emanates from the Board of Directors, is chaired by a non-executive director, who pays special attention to the Bank's risk management, with a particular focus on monitoring the evolution of the different risks and compliance with the policies, regulations and risk appetite limits approved by the Board of Directors.

The Risk Control Committee, which emanates from the Executive Committee, meets monthly to monitor the main risk indicators and evaluate the action plans proposed or developed to guarantee the improvement of risk indicators.

8.2 The Bank's Risk Profile

Within the scope of monitoring the various risks, Moza Banco keeps in mind the risks considered materially relevant that make up its risk profile, the management of which is considered essential to guarantee the development, profitability and sustainability of the Bank's business as well as its activity, while at the same time ensuring compliance with regulatory and legal requirements.

Moza Banco continuously and prudently controls its risk profile, ensuring compliance with the limits set by the Board of Directors in relation to the material risks associated with its activity.

The evolution of the financial system and constant technological changes mean that more sophisticated risk mitigation techniques have to be adopted, based on best international practices and compliance with the principles issued by the Banking System Regulator. To this end, Moza Banco constantly endeavours to equip itself with tools and procedures adjusted to the risks to which the Bank's activity is potentially exposed.

Although the DGR is responsible for overall risk management and compliance with risk appetite limits, the Board of Directors has overall responsibility for risk management at the Bank, exercised through its supervisory role. The Board, in turn, delegates certain risk management responsibilities to the Risk Assessment Committee, as defined in the Bank's internal policies.

Risk Management's main activities and most relevant interventions

To respond to the increasingly challenging macroeconomic and regulatory environment and in order to be in line with best practices, in 2024 the Bank carried out a series of relevant actions in the field of risk management, of which the following stand out:

- > Implementation of a Risk Control Self-Assessment process for the Bank's critical processes;
- > Preparation of the Bank's Internal Control System Report, reinforcing the transparency and soundness of the risk management system, in accordance with regulatory requirements and international best practice;
- Improvement of credit scoring models for SMEs and private customers, ensuring a more efficient and structured assessment of the risk profile and enabling more agile decision-making on credit proposals;
- Automation of data collection and processing processes to improve the quality of information, optimise analyses and make decisionmaking more efficient;
- > Updating the risk factors (PDs, LGDs and BMs) applied to the Bank's Impairment Model, in line with best international practices in this area;
- Implementation of comprehensive training programmes in riskrelated subjects, covering essential topics such as credit risk management and operational risk;





 Revision of internal rules on risk management, as well as participation in strategic projects, which strengthen the organisational structure and the capacity to respond to risks;

Risk Management Governance and Lines of Defence

Moza Banco adopts the 3 (three) lines of defence model for managing the different risks, which guarantees segregation and transparency regarding the responsibilities attributed to each of the parties involved in risk management, thus ensuring that:

- In the first line of defence are the Business Units and the Units that generate risk exposures (risk takers), whose main responsibilities are to identify, monitor and mitigate business risks while maintaining efficient controls
- 2. In the second line of defence, the following directions are considered:

The main functions of the Risk Management Department (DGR) are to ensure the protection of the Bank's capital with regard to exposure to credit, market (interest rate and exchange rate), liquidity and operational risks, among others, checking at all times that the Bank's risk level remains within the appetite and limits defined by the Board of Directors. It collaborates with the different Business Units to ensure that the first line of defence (risk-taking areas) identifies, assesses and reports the risks of its activities in a timely and correct manner.

Compliance Department, whose main mission is to ensure that Moza Banco complies with its applicable national and international legal, regulatory, statutory, ethical, good conduct and best practice banking requirements, through institutional control and supervision defined by the regulator and internal regulations (including issues related to Preventing and Combating Money Laundering, Financing Terrorism and Financing the Proliferation of Weapons of Mass Destruction).

3. The third line of defence is the Audit Department, which is responsible for independently reviewing the internal controls in place through audits of business, support and/ or control processes, identifying the areas of greatest risk by assessing the effectiveness, efficiency and regularity of the procedures implemented in the Bank's various processes.

9. Financial Analysis

9.1 Introductory note

Economic activity in 2024 was marked by moderate growth, in a context of macroeconomic challenges and geopolitical tensions that impacted the global and national economy. Despite controlled inflation and the easing of monetary policy, the environment remained demanding. Even so, the Bank continued to consolidate its position, aligning its actions with the strategic objectives defined.

Despite the challenging context, in 2024 the Bank achieved the highest level in its history in Customer Deposits, which grew by 15.8 per cent to MZN 50 196.2 million, compared to MZN 43 347.6 million the previous year. This robust performance reflects sustained customer confidence and the Bank's ability to attract approximately MZN 21 209.7 million in new deposits, reinforcing its commitment to providing products and services adapted to market needs and strengthening its competitive position in the financial sector.

With regard to the Customer Credit Portfolio, the Bank adopted a more prudent approach to credit activity, adjusting to the dynamics of the current economic and political-social context. This has resulted in a 4.8% reduction in the net portfolio, which stood at MZN 20 871.1 million, compared to the MZN 21 934.2 million recorded in the previous year, essentially influenced by settlements and payments, reflecting a strategy of optimising exposure to risk and preserving the strength of the balance sheet.

At the same time, the Bank maintained its commitment to boosting the economy, granting MZN 3 827.2 million in new loans, in line with its mission to support companies and individuals, driving growth and strengthening the national economy.

The overall Cost-to-income ratio, measured by the ratio between the Gross Loan Portfolio and total Customer Funds, stood at 45.4% at the end of 2024, an improvement of 9.5 pp compared to the same period last year, explained by the increase in Customer Funds, which reached the highest level in the Bank's history, as well as a more prudent stance in granting loans, in line with the strategy of optimising risk exposure and strengthening the strength of the balance sheet.

Activity and Results

In 2024, the Bank maintained a positive performance in terms of gross operating income, reflecting the consolidation of its growth trajectory. This result was driven by the increase in transactions with customers, the strengthening of commercial relations in the domestic and foreign markets and the income generated by investing in alternative financial market instruments. At the same time, Moza Banco pursued a rigorous approach to controlling and rationalising operating costs, reinforcing efficiency and optimising the balance sheet.

Despite the challenges in the macroeconomic context, Moza continued to record an improvement in revenue generation, with Banking Income reaching MZN 4196.0 million, an increase of 8 per cent on the previous year (2023: MZN 3883.9 million).

However, Gross Operating Profit fell by 48 per cent compared to the previous year, standing at MZN1178.4 million, as a result of the impact of an extraordinary income recorded in 2023, related to the recovery of a credit operation worth MZN1315.6 million. Excluding this effect, Gross Operating Profit would have grown by 27 per cent, reflecting the improvement in revenue generation and adequate control of operating costs.

In addition, Moza Banco achieved positive milestones that reinforce the Bank's resilience. Income from foreign exchange operations grew significantly, up 69.9%, driven by the optimisation of strategies to support international trade and the strengthening of strategic partnerships that boosted operations.

As part of asset quality and credit risk management, impairments and provisions totalled MZN 478.6 million, representing a 66.0% reduction compared to the same period last year, explained by the strong reinforcement of impairments carried out in 2023, as well as the optimisation of credit recovery strategies and more efficient management of risk exposure, reflecting a prudent approach in line with best practices in risk management.



Additionally, within the scope of credit risk management, the NPL coverage ratio fell from 93.17 per cent to 78.79 per cent, as a result of the resolution of overdue credit operations with high levels of coverage, which remained in the portfolio until 2023, demonstrating the effectiveness of the credit recovery actions implemented.

The Bank's assets totalled MZN 64 767.4 million, reflecting a year-on-year increase of 10%, mainly due to the increase in cash and deposits at the Central Bank as a result of the significant increase in Customer Funds.

The Bank's liabilities also increased compared to the same period in 2023, from MZN 49 161 million to MZN 54 912 million, as a result of the significant increase in the deposit portfolio, showing the continued trust placed in the Bank by its customers.

In terms of prudential indicators, Moza Banco stood out for its prudence and solidity, with the Solvency Ratio standing at 15.8 per cent and the Liquidity Ratio at 37.1 per cent, both above the regulatory minimums. These indicators reflect the Bank's robustness and stability, reaffirming its commitment to prudent management and long-term sustainability.

9.2 Profitability Analysis

Net Profit for the Year

In 2024, Moza Banco recorded a net loss of MZN 103.8 million, reflecting a fall of 201.9 per cent compared to the MZN 101.9 million achieved the previous year. This negative performance was mainly influenced by the reduction in other operating gains.

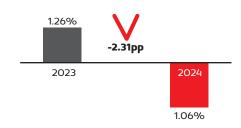
Despite the negative result, the positive performance of operating income stands out, with growth of 8.0 per cent, due to income from financial operations (+69.9 per cent) and the increase in net interest income (+3.2 per cent) influenced by the increase in other financial income (+31.3 per cent) as a result of the increase in interest received from financial institutions.

Return on equity (ROE) stood at -1.06%, a reduction of 2.31pp compared to the 1.11% recorded in the same period last year, impacted by the negative result for the year.

Net Profit (thousands MZN)



Return on Equity (in %)



(thousands MZN)

Income Statement	2023	2024	Var.
Interest and similar income	6 017 169	6 308 488	5%
Interest and similar expenses	-3 097 879	-3 294 561	6%
Financial Margin	2 919 290	3 013 927	3%
Services and net fees	575 017	519 962	-10%
Net financial operations	389 633	662 098	70%
Banking income	3 883 940	4 195 987	8,0%
Staff costs	-2 084 834	-2 029 393	-3%
Other operating costs	-1 184 185	-1 276 092	8%
Other operating gains	1632289	287 889	-82%
Gross Operating Profit	2 247 210	1 178 391	-48%
Depreciation and Amortisation	-414 434	-409 830	-1,1%
Impairment and Provisions for the year	-1 406 091	-478 606	-66,0%
Profit Before Tax	426 685	289 955	-32%
Tax	-324 830	-393 776	21%
Net Profit	101 855	-103 821	-202%

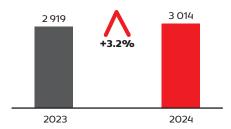


Financial Margin

The financial margin amounted to MZN 3,013.9 million in December 2024, registering an increase of MZN 94 million (+3.2%) compared to the same period in the previous year. This growth was driven by the increase in income resulting from investment in alternative financial market instruments.

This growth is particularly notable in a context of declining benchmark interest rates and the Prime Rate of the Financial System (PRSF), which fell from 24.1% in December 2023 to 19.7% in December 2024. It demonstrates the Bank's resilience in optimizing its financial assets and maintaining operational profitability.

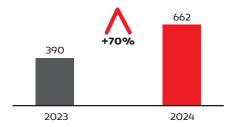
Financial Margin (MZN million)



Net Financial Operations

Net financial transactions totalled MZN 662.1 million, an increase of MZN 272.5 million (+70%) compared to the same period last year, driven by the increase in transactions with customers and the strengthening of commercial relations in the domestic and foreign markets, reinforcing the Bank's position in supporting international trade.

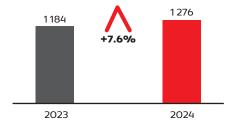
Net Financial Operations (MZN million)



Other Operating Expenses

Other operating expenses totalled MZN 1 276.1 million, reflecting increased investment in maintenance and related services, especially the modernisation of the technological infrastructure, guaranteeing greater efficiency and operational security. In addition, expenditure on training was stepped up, in line with the Bank's commitment to the continuous development of its employees, through strategic training programmes to strengthen skills.

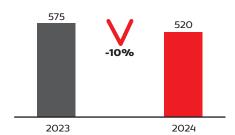
Other Operating Expenses (MZN million)



Net fees

Net fees totalled MZN 520.0 million, down 9.6% year on year, impacted by the increase in service and fee charges, reflecting the growth in intermediation costs and the charges associated with the Visa and MasterCard networks.

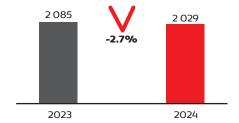
Net fees (MZN million)



Staff costs

Staff costs stood at MZN 2 029.4 million, down 2.7% on the MZN 2 084.8 million recorded the previous year, reflecting the optimisation of the organisational structure and the implementation of operational efficiency measures, ensuring balanced management of human resources and the sustainability of the business.

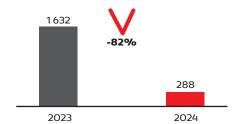
Staff costs (MZN million)



Other Operating Income

Other operating gains totalled MZN 287.9 million, down 82.4% year on year. This reduction is the result of the recovery of a credit operation in 2023 totalling MZN 1315.6 million. Excluding the effect of this recovery, the item fell by 9.1%.

Other Operating Income (MZN million)

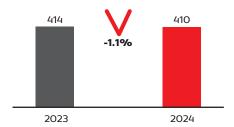




Depreciation and Amortisation

Depreciation and amortisation over the year fell by 1.1% compared to the previous year to MZN 409.8 million, compared to MZN 414.4 million in 2024. This reduction is due to the conclusion of the useful life cycle of certain assets in 2023, particularly fixed assets such as real estate under construction and in purchased equipment.

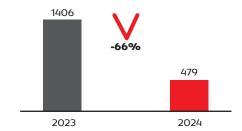
Depreciation and Amortisation (MZN million)



Impairments and provisions for the year

Impairments and provisions totalled MZN 478.6 million, representing a reduction of 66.0% compared to the same period last year. This decrease is mainly due to the significant reinforcement of impairments carried out in 2023, as well as the optimisation of credit recovery strategies and more efficient management of risk exposure, reflecting a prudent approach in line with best practices in risk management.

Impairments and provisions for the year (MZN million)



9.3 Analysing the Balance Sheet

Total Assets

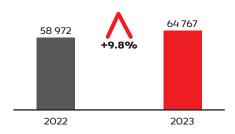
The Bank's total assets totalled MZN 64767.4 million in December 2024, up 9.8% year-on-year. This performance was driven by the increase in cash and deposits at the Central Bank, influenced by the increase in the deposit portfolio and the need to set aside mandatory reserves.

In addition, intangible assets grew by 168.5% as a result of initiatives to modernise the technological ecosystem, reinforcing the efficiency and resilience of the Bank's technological infrastructure.

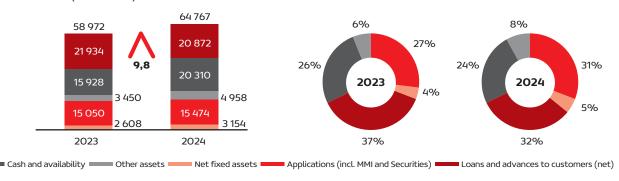
The maintenance of mandatory reserves in both domestic and foreign currency at 39% and 39.5% respectively, led the Bank to direct excess liquidity towards lower risk, higher return assets. As a result, investments in securities grew by 5 per cent to MZN 13 202.1 million.

With regard to the composition of assets in 2024, there was a change in their structure, with the portion corresponding to loans decreasing its proportion to 32 per cent of total assets, compared to 37 per cent in 2023. This evolution reflects the impact of maintaining the Mandatory Reserves coefficient, which resulted in an increase in the worth of the Cash and Deposits item, as well as the implementation of an asset portfolio diversification strategy, in line with the Bank's Risk Management objectives.

Total Assets (MZN million)



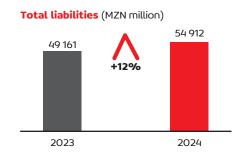
Asset Structure (MZN million)



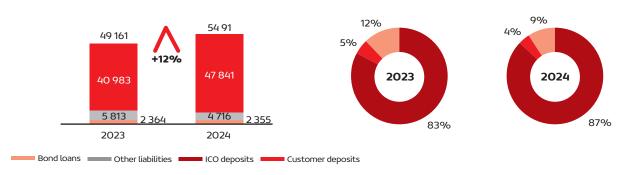


Total liabilities

In 2024, the Bank's total liabilities totalled MZN 54 912.0 million, representing an increase of 11.7% compared to 2023, largely reflecting the significant increase in the customer deposit portfolio (+16.7%), reflecting customers' continued confidence in the Bank.



Liability Structure (MZN million)



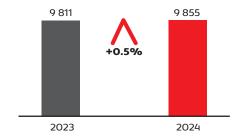
In the period under review, customer funds remained the main source of funding for the Bank's activity, accounting for 91.4 per cent of total liabilities and reaching MZN 50 196.2 million, which translates into an increase of 15.8 per cent compared to 2023. This result reflects the trust placed in the Bank by customers.

Other liabilities totalled MZN 4 715.8 million, a reduction of 18.9 percent compared to the MZN 5 813.45 million recorded in the previous period, which includes earmarked resources, lease liabilities, current and deferred taxes, as well as other liabilities.

Equity

Despite the Bank's negative result, equity increased by 0.5 per cent to a total of MZN 9 855.4 million as a result of the increase in the fair value reserve during 2024.

Equity (MZN million)





Capital Adequacy

During 2024, Moza Banco's regulatory own funds fell by 12.9 per cent compared to 2023, standing at MZN 4 833.8 million. This decrease is mainly due to the increase in intangible assets of MZN 534.5 million, reflecting the investment in modernising technological capacity, as well as the increase in the difference between impairments and regulatory provisions, under Central Bank of Mozambique Notice 16/GBM/2013 of 31 December, for the amount of MZN 285.0 million.

Nevertheless, the Bank maintained a solid solvency position, with a solvency ratio of 15.8 per cent, above the regulatory requirement of 13.0 per cent, which allows for the sustained development of the business.

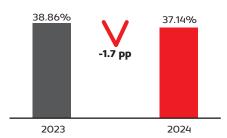
(Millions of Meticais)

	2023	2024	Var.
Total Regulatory Own Funds	5 549	4 834	-13%
Core Capital	6 306	5 634	-11%
Additional Own Funds	3	4	8%
Other deductions	-775	-804	4%
Risk Weighted Assets	27 851	30 574	10%
Core Capital Ratio (Tier I)	22,64%	18,43%	-4,2 pp
Solvency ratio	19,92%	15,81%	-4,1 pp

Liquidity

In 2024, Moza Banco continued to promote management measures aimed at maintaining a robust liquidity position, with the liquidity ratio standing at 37.14% (minimum: 25%). This shows that the Bank maintains an adequate liquidity position, in a context of maintaining mandatory reserve coefficients in both domestic and foreign currency at 39% and 39.5%, respectively.





10. Proposed application of results

Proposed Application of Results

The financial year ended 31 December 2024 resulted in negative results, after tax, of 103 820,634 (One hundred and three million, eight hundred and twenty thousand, six hundred and thirty-four meticais). Considering this fact, as well as the legal and statutory provisions in force, the Board of Directors of Moza Banco, SA hereby proposes, for approval by the General Meeting, the following appropriation of the profit for the year:

> 100 per cent of the negative result for the 2024 financial year, amounting to 103 820,634 (one hundred and three million, eight hundred and twenty thousand, six hundred and thirty-four meticais), be applied to retained earnings.

Thus, after applying the results proposed above, the equity structure will be as follows:

	Balance at		Proposal		Balance at
	31.12.2024 - Before application of net income	Legal reserve	Use of the share premium	Retained earnings	31.12.2024 following application of results
Capital	7 020 750 000	-	-	-	7 020 750 000
Legal reserve	4 719 441 040	-	-	-	4 719 441 040
Share premium	1 993 740 399	-	-	-	1993740399
Fair value reserve	144 910 778,37	-	-	-	144 910 778
Accumulated results from previous years	(3 919 617 717)	-	-	(103 820 634)	(4 023 438 351)
Profit for the year	(103 820 634)	-	-	103 820 634	<u>-</u>
	9 855 403 866				9 855 403 866





Directors' declaration of responsibility

The Directors are responsible for the preparation and fair presentation of the Financial Statements of Moza Banco, S.A., which comprise the statement of financial position as at 31 December 2024, the income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, as well as the notes to the Financial Statements, which include a summary of the main accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards.

The Directors are also responsible for the internal control system relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective risk management system.

The Directors carried out an assessment of the Bank's ability to continue operating with due observance of the going concern assumption and found no reason not to believe that the Bank will continue to operate under this assumption in the near future.

The auditor is responsible for reporting on whether the financial statements are properly presented in accordance with International Financial Reporting Standards.

Approval of the Financial Statements

The Financial Statements, as mentioned in the first paragraph, were approved by the Board of Directors on 14 March 2025 and have been signed on its behalf by:

Director of the Board of Directors

Chairman of the Board of Directors

Independent Auditors' Report

INCOME STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2023

(MZN million) 2023 2022 Interest and similar income 5 6 308 488 6 017 169 Interest and similar expenses 5 (3 294 561) (3 097 879) **Financial Margin** 3 013 927 2 919 290 5 Income from services and fees 891181 6 878 198 Service charges and fees 6 (371219)(303 181) Services and net fees 519 962 575 017 Net financial transactions 662 098 389 633 Operating income 4 195 987 3 883 940 Net impairment for the year (521 573) 8 (1172405) 3 674 414 2 711 535 Net operating income (2029393)(2084834)Depreciation and amortisation 22,23,24 (409830)(414434)(1276 092) (1184185)Other operating costs 10 11 287 889 1632289 Other operating gains Provisions 12 42 967 (233686)289 955 Profit before tax 426 685 Income tax IRPC- Rate of payment 13 (393 776) (324830)Profit/loss for the year (103 821) 101 855 Earnings per share 14 0.07 0,07 Diluted 14 0,07 0,07

Certified Accountant

Management

OCAM n° 888/CC/OCAM/2013



To be read in conjunction with the notes to the financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 31 DECEMBER 2024 Profit/loss for the year

		(MZN million)	
	2024	2023	
Profit for the year	(103 821)	101 855	
	(103 821)	101 855	
Items that can subsequently be reclassified to profit or loss			
Fair value reserve for financial assets	210 700	(5 111)	
Deferred taxes (32%)	(65 788)	1636	
	41 091	98 380	

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

			(MZN million)	
	Notes	2024	2023	
ASSETS				
Cash and deposits at the Central Bank	15	19 789 350	15 550 870	
Loans and advances to credit institutions	16	521 055	377 410	
Investments in credit institutions	17	2 271 529	2 457 392	
Financial assets	18	13 202 142	12 593 053	
Loans and advances to customers	19	20 871 681	21 934 189	
Other assets	20	3 157 204	1782 696	
Non-current assets held for sale	21	835 634	731 847	
Investment Property	22	227 096	232 279	
Tangible assets	23	2 301 509	2 291 031	
Intangible assets	24	852 469	317 468	
Current taxes	25	642 744	606 941	
Deferred taxes	26	95 000	96 635	
Total assets		64 767 413	58 971 811	
LIABILITIES				
Deposits from credit institutions	27	736 368	1568 698	
Deposits and current accounts	28	47 841 485	40 983 484	
Earmarked deposits	29	641 169	745 008	
Provisions	30	396 887	441 155	
Other liabilities	31	2 778 480	2 985 949	
Bond loans	32	2 354 732	2 364 083	
Current taxes	33	97 100	63 759	
Deferred taxes	26	65 788	8 839	
Total liabilities		54 912 009	49 160 975	
EQUITY				
Share capital	34	7 020 750	7 020 750	
Legal and other reserves	35	4 864 353	4 685 408	
Share premium	35	1993740	1993740	
Retained earnings	35	(3 919 618)	(3 990 917)	
Profit for the year	33	(103 821)	101 855	
Total equity		9 855 404	9 810 836	
Total equity and liabilities		64 767 413	58 971 811	



STATEMENT OF CHANGES IN EQUITY

	Share capital (note 34)	Legal reserve (note 35)	Other Reserves (note 35)	Issue premium (note 35)	Retained earnings (note 35)	Results for the year	Total Equity
Balance on 1st January 2023	5 896 250	4 661 843	(119 568)	1 993 740	(4 054 014)	90 138	8 468 389
Net profit for 2022		-	-	-	_	(90 138)	(90 138)
Appropriation of profit for 2022	-	27 041	-	-	63 097	-	90 138
Fair value reserve	-	-	114 457	-	-	-	114 457
Deferred tax	-	-	1 635	-	-	-	1 635
Share Capital Increase	1124 500	-	-	-	-	-	1124 500
Profit for the period	<u>-</u>					101 855	101 855
Balance on 31 December 2023	7 020 750	4 688 884	(3 476)	1 993 740	(3 990 917)	101 855	9 810 836
Net profit for 2023		-	-	-	_	(101 855)	(101 855)
Appropriation of profit for 2023	-	30 557	-	-	71 299	-	101 855
Fair value reserve	-	-	215 811	-	-	-	215 811
Deferred tax	-	-	(67 423)	-	-	-	(67 423)
Profit for the year				<u> </u>		(103 821)	(103 821)
Balance on 31 December 2024	7 020 750	4 719 441	144 912	1 993 740	(3 919 618)	(103 821)	9 855 404

CASH FLOW STATEMENT AS AT 31 DECEMBER 2024

	Note	2024	2023
Cash flow from operating activities			
Profit before tax		(103 821)	101 855
Adjustments to:			
Depreciation and amortisation	22,23,24	409 830	414 434
Loan impairment losses		521 573	1172 405
Provisions		(42 967)	233 686
Interest accrual and deferral		(132 323)	(222 937)
Fair value reserve through other comprehensive income		148 389	143 133
		800 682	1 842 576
Transactions in:			
Loans and advances		162 880	(945 171)
Financial assets		(720 010)	(2 325 223)
Other assets		(1 374 508)	(597 691)
Non-current assets available for sale		(103 787)	37 362
Deposits from credit institutions		(832 330)	1 451 066
Deposits and current accounts		7 180 057	5 215 877
Other liabilities		(238 510)	257 581
Tax payments		33 341	(32 940)
Net cash flow from operating activities		4 907 814	4 903 437
Cash flow from investing activities			
Acquisition of investment property		-	101 175
Acquisition of tangible assets	23	(372 034)	(205 403)
Acquisition of intangible assets	24	(578 092)	(125 342)
Net cash flow from investing activities		(950 126)	(330 745)
Cash flow from financing activities			
Earmarked deposits	29	(49 616)	128 357
Lease liabilities	31	254 989	(293 611)
Bond loans	32	33 201	2 312 180
Share capital increase	34	-	1 124 510
Net cash flow from financing activities		238 574	3 271 436
Increase in Cash and cash equivalents		4 196 262	7 844 128
Cash and cash equivalents at the beginning of the year		18 385 672	10 541 544
Cash and cash equivalents at the end of the year	15,16,17	22 581 934	18 385 672
Cash and Cash Equivalents are as follows:			
		2024	2023
Cash and deposits at the Central Bank	15	19 789 350	15 550 870
Loans and advances to credit institutions	16	521 055	377 410
Investments in credit institutions	17	2 271 529	2 457 392
		22 581 934	18 385 672

(Amounts expressed in thousands of Meticais)



1. Introduction

Moza Banco, S.A. (hereinafter referred to as Moza Banco) is a Universal Commercial Retail Bank, created in 2007, with its head office in Maputo and shareholders KUHANHA-Sociedade Gestora do Fundo de Pensões do Central Bank of Mozambique, ARISE B.V. and Moçambique Capitais, S.A.

The Bank provides financial services aimed at corporate and individual customers, with a particular focus on the Retail, Corporate and Institutional segments.

The year ended 31 December 2024 was characterised by significant challenges and monetary policy measures focused on stabilising the economy, in a context of global inflationary pressures and specific domestic conditions. Mandatory reserves remained unchanged at 39.5% for domestic currency and 39% for foreign currency, which had a direct impact on the Bank's ability to expand credit.

The Bank currently has 63 Business Units and 103 ATMs distributed throughout all of Mozambique's provinces (2023: 63 Business Units). It should also be noted that 17 of these branches are located in rural areas and the remainder in urban areas.

1.1. Presentation bases

The Financial Statements were prepared in accordance with the International Financial Reporting Standards (IFRS), adopting the principle of accrual accounting. According to this principle, the effects of transactions and other events are recognised when they occur, regardless of whether cash or cash equivalents are received or paid.

The Financial Statements of Moza Banco, SA for the year ending 31 December 2024 were approved at the Annual General Meeting held on 15 April 2025.

1.2. Functional and presentation currency

The Metical is the Bank's functional currency and the Financial Statements are prepared and presented in this currency, rounded to thousands of Meticais, unless otherwise stated.

1.3. Use of estimates and judgements

In preparing the Financial Statements, Management has used judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Calculated results may differ from actual results.

The underlying estimates and assumptions are reviewed on an ongoing basis and revisions to estimates are recognised prospectively. The main accounting estimates and judgements are analysed as follows:

i) Judgements

The Bank uses judgement in establishing the criteria for determining whether the credit risk on a financial asset has increased significantly since initial recognition, for determining the methodology to be incorporated into the forward-looking information for measuring the expected credit loss (ECL), and in selecting and approving the models used to measure the ECL.

- Note 2 (b) (ii) classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI (Solely Payments of Principal and Interest) on the outstanding principal amount.
- Note 4.1 establishes the criteria for determining whether the credit risk of a financial asset has increased significantly since initial recognition, determining the methodology

ii) Assumptions

Impairment of financial instruments - determined through inputs into the expected credit loss (ECL) measurement model, including the incorporation of forward-looking information;

Deferred tax assets - recognition of deferred tax assets through the availability of future taxable income against which tax losses carried forward can be utilised. During the 2024 financial year, the Bank recognised a deferred tax asset on the fair value reserve of financial assets.

Information on assumptions and estimation uncertainties at the date of the financial statements that have a significant risk of resulting in a material adjustment to the values of assets/liabilities is included in the following notes:

- > Note 2 (g) Impairment of financial instruments;
- > Note2 (f) Fair value measurement;
- > Note 2(s) (ii) Recognition of deferred tax;

2. Summary of the main accounting policies

The main accounting policies applied in the preparation of the Financial Statements have been consistent over the years and are described as follows:

a) Foreign currency transactions

Foreign currency transactions are recognised based on the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are converted at the exchange rate on the reporting date.

The exchange rates used to convert balances denominated in foreign currency were as follows:

	2024	2023
US Dollar	63.91	63.90
Euro	66.79	70.65
South African Rand	3.41	3.47

The exchange gain or loss on monetary items is the difference between the amortised cost of the functional currency at the start of the year, adjusted for interest, impairments and actual payments during the year and the amortised cost in foreign currency at the spot exchange rate at the end of the year. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate on the date the fair value is determined. Non-monetary items that are measured based on historical cost in foreign currency are translated using the spot exchange rate on the date of the transaction. Foreign currency differences resulting from translation are recognised in profit or loss.

b) Financial assets and liabilities

i) Initial recognition and measurement

The Bank initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities on the date they are originated. All other financial instruments (including regular purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Bank takes a stake in the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not recognised at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

The fair value of a financial instrument is generally the transaction price.

ii) Classification

Financial assets

On initial recognition, a financial asset is classified as: amortised cost, fair value through other comprehensive income or fair value through profit or loss.

A financial asset is measured at amortised cost if it simultaneously meets the following conditions and is not designated at fair value through profit or loss:

- he asset is held within a business model whose purpose is to hold assets to collect contractual cash flows; and
- > the contractual terms of the financial asset give rise, on specific dates, to cash flows that are SPPI.

A debt instrument is measured at fair value through other comprehensive income only if it fulfils both of the following conditions and is not designated at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and by selling financial assets; and
- > the contractual terms of the financial asset give rise, on specific dates, to cash flows that are SPPI.



(Amounts expressed in thousands of Meticais)



On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably choose to present subsequent changes in fair value in Other Comprehensive Income. This decision is made on an investment-by-investment basis.

All other financial assets that do not fall into the above classifications are measured at fair value through profit or loss.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or fair value through profit or loss if this eliminates or significantly reduces an accounting mismatch that would otherwise arise.

iii) Business valuation model

The Bank makes an assessment of the purpose of a business model in which an asset is held in the portfolio, considering that it best reflects the way the business is run and the information that is provided to management.

The information considered includes:

- > the stated policies and objectives for the portfolio and the operation of these policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a specific interest rate profile, matching the duration of financial assets with the duration of liabilities that are financing those assets or realising cash flows through the sale of assets;
- > how the performance of the portfolio is assessed and reported to the Bank's management;
- > the risks affecting the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how business managers are compensated (for example, whether remuneration is based on the fair value of assets managed or on contractual cash flows collected); and
- > the frequency, volume and timing of sales in previous periods, the reasons for such sales and its expectations about future sales activity. However, information on sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing financial assets is achieved and how cash flows are realised.

The Bank's Retail and Corporate banking activities mainly include loans to customers which are held to collect contractual cash flows. In retail banking, loans include those for housing, overdrafts, consumer loans without a mortgage and credit card facilities. Sales of loans from these portfolios are non-existent.

Debt securities are held by the Bank in a separate portfolio for cashflow income throughout their maturity. The Bank considers that these securities are held within a business model whose objective is:

- i) collect contractual cash flows until maturity Treasury Bills fall into this classification;
- ii) collect contractual cash flows and sell Treasury Bonds fall into this classification;
- iii) collecting contractual cash flows through sale this classification includes shares held by the Bank with a third party;

Financial assets that are held or managed for trading and whose performance is assessed based on fair value are measured at fair value through profit or loss, considering that they are not held to collect contractual cash flows.

iv) <u>Assessment of whether contractual cash flows are solely payments of principal and interest</u>

For the purposes of this assessment, "capital" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as the consideration for the time value of money and the credit risk associated with the amount of capital outstanding during a given period and other basic risks and costs of loans (e.g. liquidity risk and administrative costs), as well as the profit margin.

When assessing whether the contractual cash flows are SPPI (Solely payments of principal and interest), the Bank considers the contractual terms of the instrument. This includes assessing whether the financial

asset contains a contractual term that could alter the term or value of the contractual cash flows in such a way that it does not fulfil this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- > other deposits;
- > prepayment and extension conditions;
- > terms that limit the Bank's claim to cash flows from specific assets (e.g. non-recourse loans); and
- > deposits that modify the consideration of the value of money over time (for example, periodic resetting of interest rates).

The Bank holds a portfolio of variable rate loans for which it has the option of proposing a review of the interest rate on periodic reset dates. These reset rights are limited to the market rate at the time of the review

The Bank has determined that the contractual cash flows of these loans are SPPI (Solely payments of principal and interest), because the option can vary the interest rate considering that it is a form of remuneration for the time value of money, credit risk, other basic loan risks and costs associated with the amount of principal outstanding.

c) Reclassifications

After initial recognition, financial assets are not reclassified, except in the period after the Bank has changed its business model to financial asset management.

d) De-recognition

i) <u>Financial assets</u>

The Bank derecognises a financial asset when the contractual rights associated with the financial asset's cash flows expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the part of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that has been recognised in Other Comprehensive Income is recognised in Profit or Loss.

Any cumulative gain/loss recognised in Other Comprehensive Income in relation to equity investment securities designated at fair value through Other Comprehensive Income is not recognised in profit or loss on derecognition of those securities. Any interest in transferred financial assets that qualifies for derecognition created or retained by the Bank is recognised as a separate asset or liability.

The Bank carries out transactions whereby it transfers assets recognised in its statement of financial position, but retains all or substantially all of the risks and rewards of the transferred assets or part of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale and repurchase transactions.

When assets are sold to a third party with a competing total rate of return on the assets transferred, the transaction is accounted for as a secured financing transaction similar to sale and repurchase transactions, considering that the Bank retains all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which the Bank does not retain or transfer substantially all the risks and rewards of ownership of a financial asset and retains control over the asset, the Bank continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the asset transferred.

An asset or liability is recognised for the service contract if the service fee is more than adequate (asset) or less than adequate (liability) for the performance of the service.



(Amounts expressed in thousands of Meticais)



The Bank derecognises a financial liability when its contractual obligations are settled or cancelled, or when they expire.

e) Changes in financial assets and liabilities

i) Financial assets

If the terms of a financial asset are modified, the Bank assesses whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, the contractual rights to the cash flows of the original financial asset are considered to have expired. In that case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs.

Any fees paid as part of the modification are accounted for as follows:

- > costs that are considered in determining the fair value of the new asset and costs that represent the reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- > other costs are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulty, the objective of the modification is generally to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Bank intends to modify a financial asset in a way that would result in forgone cash flows, the Bank initially considers whether a portion of the asset should be written off before the modification takes place (see write-off policy below). This approach affects the outcome of the quantitative assessment and means that the derecognition criteria are generally not met in such cases.

If the modification of a financial asset measured at amortised cost or fair value through other comprehensive income does not result in derecognition of the financial asset, then the Bank initially recalculates the gross carrying amount of the financial asset using the asset's original effective interest rate and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is made due to the borrower's financial difficulties, the gain or cost is presented together with the impairment costs. In other cases, it is presented as interest income calculated using the effective interest rate method.

ii) Financial liabilities

The Bank derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the derecognised financial liability and the consideration paid is recognised in profit or loss. The consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating rate financial liabilities, the original effective interest rate used to calculate the gain or loss on the modification is adjusted to reflect current market conditions at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the financial liability modified by the recalculation of the effective interest rate on the instrument.

iii) Compensation

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Bank has a legal right to offset the amounts and intends to settle them on a net basis or realise the asset and settle the liability simultaneously.

Income and costs are presented net only when International Financial Reporting Standards (IFRS) allow it, or for income and costs arising from similar transactions of the Bank in its operating activity.

f) Fair value measurement

"Fair value" is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants on the principal measurement date or, in its absence, in the most favourable market to which the Bank has access on that date. The fair value of a liability reflects its risk of non-performance.

When an asset is available, the Bank measures the fair value of an instrument using the price quoted in an active market for that instrument. A market is considered "active" if transactions for the asset or liability occur with sufficient frequency and volume to provide price information on an ongoing basis.

If there is no quoted price in an active market, the Bank uses valuation techniques that maximise the use of relevant observable data and minimise the use of unobservable data. The valuation technique chosen incorporates all the factors that market participants would take into account when establishing the price of a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is usually the transaction price, i.e. the fair value of the consideration given or received. If the Bank determines that the fair value on initial recognition differs from the transaction price and the fair value is not evidenced by a quoted price in an active market for an identical asset or liability, nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, this difference is recognised in profit or loss on an appropriate basis over the life of the instrument, but not after the valuation is fully supported by observable market data or the transaction is closed.

If an asset or liability measured at fair value has a bid price and an ask price, then the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Bank on the basis of net exposure to market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio adjustments - for example bid adjustments or credit risk adjustments that reflect measurement based on net exposure - are allocated to individual assets and liabilities based on the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (for example, a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be demanded.

The Bank recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurred.

g) Impairment of financial instruments

The Bank recognises provisions for Expected Credit Losses on the following financial instruments that are not measured at Fair Value through Profit or Loss:

- > Financial assets that are debt instruments;
- > Leases receivable;
- > Financial guarantee contracts issued; and
- > Loan commitments issued.

The Bank measures loss provisions at an amount equal to the lifetime expected credit loss, for which they are measured as 12-month expected credit loss, as follows:



(Amounts expressed in thousands of Meticais)



- > debt investment guarantees that are determined to have a low credit risk at the reporting date; and
- other financial instruments (except leases receivable) on which the credit risk has not increased significantly since their initial recognition.

Provisions for losses on leases receivable are always measured at an amount equal to the expected credit loss over the life of the lease.

The Bank considers a debt investment security to have a low credit risk when its credit rating is equivalent to the globally understood definition of "investment grade". The Bank does not apply the low credit risk exemption to any other financial instruments.

The 12-month Expected Credit Loss is the portion of the Expected Credit Loss that results from default events on a financial instrument that are possible within 12 months of the reporting date. Financial instruments for which a 12-month Expected Credit Loss is recognised are referred to as "Stage 1 financial instruments". The financial instruments allocated to Phase 1 have not suffered a significant increase in credit risk since initial recognition and are not impaired.

Lifetime Expected Credit Loss is the Expected Credit Loss that results from all possible default events over the expected useful life of the financial instrument. Financial instruments for which an expected lifetime credit loss is recognised, but which are not credit impaired, are referred to as "Stage 2 financial instruments". Financial instruments allocated to Phase 2 are those that have suffered a significant increase in credit risk since initial recognition, but are impaired.

Financial instruments for which the lifetime Expected Credit Loss is recognised and which are impaired are designated "Stage 3 financial instruments".

i) Measurement of Expected Credit Loss

Expected Credit Loss is a probability-weighted estimate of credit losses which are measured as follows:

- > Financial assets that are not credit impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows owed to the entity under the contract and the cash flows the Bank expects to receive);
- > Financial assets with credit impairment at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- Unrealised loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- Financial quarantee contracts: the payments expected to be repaid to the holder minus the amounts the Bank expects to recover.

The following rates are used to discount future cash flows:

- Other financial assets that do not result or originate from impairment of loans, financial assets and lease receivables: the original effective interest rate or an approximate rate;
- Unused loan commitments: the effective interest rate, or an approximation thereof, that would be applied to the financial asset resulting from the loan commitment;
- > Financial guarantee contracts issued: the rate that reflects the current market assessment of the time value of money and the specific risks to cash flows; and
- > Assets (Credit Impairments): effective interest rate adjusted for credit.
 - ii) Restructured financial assets
- > If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced by a new one due to the borrower's financial difficulties, then an assessment is made as to whether the financial asset should be derecognised and the Expected Credit Loss is measured as follows:
- > If the expected restructuring does not result in the derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in the calculation of the cash deficiencies of the existing asset.

> If the expected restructuring results in the derecognition of the existing asset, then the expected fair value of the new asset is recognised as the final cash flow of the existing financial asset at the time of its derecognition. This amount is included in the calculation of the cash shortfalls of the existing financial asset which are discounted from the expected date of derecognition to the reporting date, using the original effective interest rate of the existing financial asset.

iii) Impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost, debt financial assets carried at fair value through other comprehensive income, and finance lease receivables are credit impaired (referred to as "Stage 3 financial assets").

A financial asset is "credit impaired" when one or more events that have a negative impact on the estimated future cash flows of the financial asset occur.

Evidence that a financial asset is credit impaired includes the following observable data:

- > significant financial difficulty of the borrower or issuer;
- > a breach of contract, such as an event of default or expiry;
- > the restructuring of a loan or advance on terms that the Bank would not otherwise consider;
- the borrower is likely to file for bankruptcy or financial reorganisation; or
- > the disappearance of an active market for a security due to financial difficulties.

A renegotiated loan resulting from the deterioration of the borrower's condition is normally considered impaired, unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is 90 days or more past due is considered to be credit impaired, even when the regulatory definition of default is different.

When assessing whether an investment in sovereign debt is impaired, the Bank considers the following factors:

- > The assessment of market risk, as reflected in the yield on securities.
- > Evaluations of the agencies' creditworthiness ratings.
- > The country's ability to access the capital markets for new debt issues.
- The likelihood of the debt being restructured, resulting in losses to holders through voluntary or compulsory debt forgiveness.
- > The international support mechanisms in place to provide the necessary support as a "lender of last resort" to that country, as well as the intention, reflected in public statements, of governments and agencies to use these mechanisms. This included an assessment of the depth of these mechanisms and, regardless of the political intention, whether there was the capacity to fulfil the required criteria.
 - iv) Presentation of the Provision for Expected Credit Loss in the Statement of Financial Position

Provisions for Expected Credit Loss are shown in the statement of financial position as follows:

- > Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- > Loan commitments and financial guarantee contracts: in general, as a
- When a financial instrument includes a disbursed and undisbursed instalment of principal, the Bank cannot identify the Expected Credit Loss on the loan commitment component separately from those on the disbursed instalment: the Bank presents a combined loss provision for both components. The combined amount is presented as a deduction from the carrying amount of the disbursed tranche. Any excess of the loss provision over the gross amount of the disbursed tranche is presented as a provision; and
- > Debt instruments measured at fair value through other comprehensive income: no provision for losses is recognised in the statement of financial position considering that the carrying amount of these assets is their fair value. The provision for losses is disclosed and recognised in the fair value reserve.

(Amounts expressed in thousands of Meticais)



Loans and debt securities are derecognised (partially or fully) when there is no reasonable expectation of recovering all or part of a financial asset. This is generally the case when the Bank determines that the borrower has no assets or sources of income that could generate sufficient cash flows to pay the amounts subject to write-off. This assessment is carried out at the level of the individual asset.

Recoveries of amounts previously written off are included in "impairment losses on financial instruments" in the income statement under other gains.

Financial assets that are written off are subject to monitoring activities to comply with the Bank's procedures for recovering amounts due.

vi) Financial guarantee contracts

The Bank assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract accounted for separately. The factors the Bank considers when making this assessment include:

- > the guarantee is implicitly part of the contractual terms of the debt instrument:
- the guarantee is required by the laws and regulations governing the debt instrument contract;
- > the guarantee is entered into at the same time as the contemplation of the debt instrument; and
- > the guarantee is granted by the borrower's parent company or another company within the borrower's group.

If the guarantee is an integral element of the financial asset, then any premium payable related to the initial recognition of the financial asset is recognised as a transaction cost to acquire it. The Bank considers the effect of the guarantee when measuring the fair value of the debt instrument and when measuring the Expected Credit Loss.

If the Bank determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure is neither in credit loss nor has suffered a significant increase in credit risk when the guarantee was acquired. Such assets are recognised under "other assets". The Bank presents gains or losses on an offsetting right in profit or loss under "impairment losses on financial instruments".

h) Recognition of revenue and expenses

Revenue is recognised when it is probable that future economic benefits will flow to the Bank and those benefits can be measured reliably. Revenue is recognised according to the following criteria per item.

i) Interest

Effective interest rate

Interest income and expenses are recognised in profit or loss using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future payments or receipts over the expected life of the financial instrument to:

- > the gross carrying amount of the financial asset; or
- > the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments that are not acquired or originated credit-loss assets, the Bank estimates future cash flows considering all the contractual terms of the financial instrument, but not the Expected Credit Loss. For financial assets with an acquired or originated credit loss, a credit-adjusted effective interest rate is calculated using estimated future cash flows including the Expected Credit Loss.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

j) Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or liability is measured on initial recognition less repayments of principal, plus or minus the accumulated amortisation using the effective interest rate method of any difference between that initial value and the value at maturity and, for financial assets, adjusted for any provision for Expected Credit Loss.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before the adjustment of any provision for Expected Credit Loss.

k) Calculation of interest income and expenses

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not impaired) or to the amortised cost of the liability. The effective interest rate is revised as a result of the periodic re-estimation of the cash flows of floating rate instruments to reflect movements in market interest rates.

However, for financial assets impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit impaired, the calculation of interest income reverts to the gross basis.

For financial assets impaired on initial recognition, interest income is calculated by applying the effective interest rate adjusted by the credit to the amortised cost of the asset. The calculation of interest income does not revert to the gross basis even if the asset's credit risk improves.

l) Presentation

Interest income calculated using the effective interest rate method presented in the income statement and other comprehensive income includes:

- > interest on financial assets and financial liabilities measured at amortised cost:
- interest on debt instruments measured at fair value through other comprehensive income.

Other interest income shown in the income statement and other comprehensive income includes interest income on finance leases

The interest expense shown in the income statement and other comprehensive income includes financial liabilities measured at amortised cost and interest on lease liabilities.

Interest income and expense on other financial assets and liabilities at fair value through profit or loss are shown under net income from other financial instruments at fair value through profit or loss.

m) Fees

- Income from services and fees The Bank earns income from services and fees through a diversified network of services it provides to its customers. Fees can be classified into two categories:
- > Fees that are charged for providing services over a certain period of time They are earned as the services are provided and recognised in the income statement over the period in which the services are provided. These fees include amounts charged for services such as issuing Bank Guarantees and Letters of Credit.
- > Fees charged for services rendered
 Revenue from fees and fees from contracts with customers is
 measured on the basis of the remuneration specified in a contract with
 a customer. The Bank recognises revenue when the service is provided
 Other fees and fees mainly refer to transaction and service fees,
 which are recognised as expenses when the services are received.
- Net income from financial operations Net income from financial operations includes gains and losses from transactions in foreign currency and conversion operations on monetary items denominated in foreign currency. The Bank also recognises fair value gains and losses.

(Amounts expressed in thousands of Meticais)



n) IRFS 16 - Leases

At the start of a lease, the Bank assesses whether the contract is or contains a lease on the basis of the definition set out in IFRS 16, which states that "a contract is or contains a lease if it involves the right to control the use of an identified asset for a certain period, in exchange for consideration". This policy is applied to contracts entered into (or updated) on or after 1 January 2019.

i) Bank from the Tenant's Perspective

At the start or update of a contract containing the lease component, the Bank allocates the contract consideration to each lease component on the basis of its relative autonomous price. However, for branch and office leases, the Bank has chosen not to separate the non-lease components and to account for the lease and non-lease components as a single lease component.

The Bank recognises a right-of-use asset and a lease liability on the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial value of the lease liability adjusted for any lease payments made prior to the commencement date, plus any initial direct costs incurred and an estimate of the costs to dismantle and remove any improvements made to the branches or office premises.

The right-of-use asset is subsequently depreciated using the straightline method from the start date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that have not yet been made at the commencement date, discounted by the implicit lease interest rate or, if this rate cannot be readily determined, by the Bank's incremental borrowing rate. The Bank generally uses the incremental borrowing rate as the discount rate.

The Bank determines the incremental loan rate by analysing loans from various external sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.

The lease payments included in the measurement of the lease liability comprise the following:

- > Fixed payments, including fixed in-substance payments;
- Variable rental payments that depend on an index or rate, initially measured using the index or rate on the start date;
- > Amounts expected to be paid under a residual value guarantee; and
- Exercise price of a call option that the Bank expects to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease, unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost, using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in the index or rate, if there is a change in the Bank's estimate of the amount expected to be paid under the residual value guarantee, if the Bank changes its assessment of whether it will make a purchase, extension or termination of the purchase, or if there is a revision of the fixed in-substance lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Bank presents right-of-use assets in the statement of financial position under 'tangible assets' and lease liabilities under 'other liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets $% \left\{ \left\{ 1\right\} \right\} =\left\{ 1\right\} =\left\{ 1\right\}$

The Bank has chosen not to recognise right-of-use assets and finance lease liabilities for leases of low-value assets and short-term leases, including leases of communications and information technology equipment. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii) Bank from the Landlord's Perspective

At the inception or revaluation of a contract containing a lease component, the Bank allocates the contract consideration to each lease component on the basis of their relative autonomous selling prices.

When the Bank acts as lessor, it determines at the start of the lease whether it is a finance or operating lease. To classify each lease, the Bank assesses whether or not all the risks and benefits inherent in ownership of the underlying asset are substantially transferred to Moza Banco. If this is the case, then the lease is a finance lease; if not, that lease is treated as an operating lease. As part of this assessment, the Bank considers certain indicators, such as whether the lease is intended for the majority of the asset's economic life.

o) Cash and cash equivalents

Cash and cash equivalents, as presented in the cash flow statement, comprise cash on hand, current accounts with the Central Bank and other credit institutions and highly liquid investments with maturities of up to three months from the date of acquisition, which are subject to an insignificant risk of changes in fair value and are used by the Bank to manage its short-term commitments, which are measured at amortised cost in the statement of financial position.

p) Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale whenever it is expected that their value in the financial position will essentially be recovered through their sale and this is considered highly probable. For an asset (or disposal group) to be classified under this heading it must fulfil the following requirements:

- 1) The probability of a sale is high;
- 2) The asset is available for sale in its current state; and
- 3) The sale is expected to materialise within one year of the asset being classified under this heading. However, events or circumstances may extend the period for finalising the sale beyond one year.

The assets recorded under this heading are not amortised, but are valued at the lower of acquisition cost and fair value, less the cost to be incurred on sale. The fair value of these assets is determined on the basis of valuations carried out by specialised entities.

The Board of Directors undertakes to make every effort to ensure that it is sold within one year of its classification in this category.

q) Tangible assets

> Property and equipment

Property and equipment are measured at acquisition cost less accumulated depreciation and impairment losses.

Maintenance, repair and other costs associated with their use are recognised in profit or loss in the period in which they are incurred. Acquired software that is an integral part of the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (main components) of the asset. Any gain or loss on the disposal of an item of property and equipment is recognised in other operating gains in the Income Statement.

Subsequent expenses are recognised as tangible assets only if it is probable that the future economic benefits associated with the expenses will flow to the Bank.



(Amounts expressed in thousands of Meticais)



Depreciation is calculated using the straight-line method, based on the estimated useful life of the assets, as well as their residual value. The residual values of the assets, as well as the useful lives of the assets and the amortisation criteria are adjusted, if necessary, at the reporting date. The estimated useful lives for tangible assets are as follows:

	2024	2023
Property	50	50
Work on rented buildings	10	10
Equipment	10	10
Right of use asset	10	10
Others	4_5	4_5

The Bank regularly analyses the adequacy of the estimated useful life of its tangible assets. Changes in the estimated useful life of assets are recognised by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

> Investment properties

Investment property is initially measured at cost and depreciated on a straight-line basis and the estimated useful life for assets classified as investment property is 50 years. Any gain or loss on the disposal of investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit or loss.

When the use of a property changes so that it is reclassified as a tangible asset, the net value of the asset on the reclassification date becomes its cost for subsequent accounting.

r) Intangible Assets

Intangible assets, which include the value of software (licences) acquired by the Bank, are recorded at amortised cost less accumulated amortisation and less any impairment losses.

Costs of internally developed software are recognised as an asset when the Bank can demonstrate that the product is technically and commercially viable, its ability and intention to generate future economic benefits, and the costs to complete the development can be reliably measured. The capitalisation of internally developed software costs includes all costs directly attributable to the development of the software, and are amortised over its useful life. Internally developed software is measured at capitalised cost less accumulated amortisation and less impairment losses.

Amortisation is recognised in the income statement on a straight-line basis over the useful life of the software, from the date it is available for use. The estimated useful life of the software is between 3 and 5 years.

s) Income tax

Income tax comprises current and deferred taxes. Taxes are recognised in profit or loss, except for the part relating to business combinations or items recognised directly in equity or other income.

The Bank determines the interest and penalties arising from the assessment of tax and any differences calculated, including uncertain tax treatment that does not meet the definition of income tax, are accounted for in accordance with IAS 37.

i) Current taxes

Current tax comprises tax payable or receivable on taxable profit or loss for the year and any adjustments to tax payable or receivable from previous years.

Current tax assets and liabilities are estimated based on the amount expected to be paid to or recovered from the tax authorities. The statutory tax rate used to calculate the amount is that in force at the reporting date.

Current tax is calculated on the basis of the taxable profit for the year, which differs from the accounting result due to adjustments to the tax base resulting from expenses or income that are not relevant for tax purposes, or which will only be taken into account in other accounting periods.

Current tax assets and liabilities can be offset if certain conditions are met.

ii) Deferred taxes

Deferred taxes are recognised on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their corresponding accounting base.

The carrying amount of the deferred tax asset is reviewed at the closing date of each financial year and reduced to the extent that it is no longer probable that taxable profits will be sufficient to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are revalued at the reporting date and are recognised to the extent that it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets or liabilities can be offset if certain conditions are met.

t) Employee benefits

i) Short-term benefits

Short-term benefits include salaries, accrued holiday pay, variable remuneration, bonuses and other non-monetary benefits such as healthcare contributions.

Obligations to pay short-term employee benefits are measured on an undiscounted basis and are accounted for as a cost when the respective service is rendered.

A liability is recognised for the amount that will have to be paid in the short term, under cash bonus plans or accrued leave, if the Bank has a present legal or constructive obligation to pay that amount, as a result of the employee's past service, and the obligation can be estimated reliably.

ii) Termination benefits

Termination benefits are recognised as an expense when the Bank commits itself, with no realistic possibility of withdrawal, to a formal detailed plan to terminate the employee's contract before their normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary resignation. If the benefits are not expected to be fully settled within 12 months of the reporting date, then they are discounted.

u) Provisions

A provision is recognised when the Bank has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of funds will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured based on the present value of the costs expected to be incurred to settle the obligation using a pre-tax rate that reflects the current valuation.

v) Deposits, debt securities issued and subordinated liabilities

Deposits, debt securities issued and subordinated liabilities are the Bank's sources of debt financing.

When the Bank sells a financial asset and simultaneously enters into an agreement to repurchase it (or a similar asset) at a fixed price on a future date (sale and repurchase agreement) the consideration received is accounted for as a deposit and the underlying asset continues to be recognised in the Bank's financial statements.

The Bank classifies equity instruments as financial liabilities or equity instruments, according to the substance of the contractual terms of the instruments. Deposits, debt securities issued and subordinated liabilities are initially measured at fair value less direct incremental transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, except when the Bank designates liabilities at fair value through profit or loss (FVTPL).

When the Bank designates a financial liability at fair value through profit or loss (FVTPL), the amount of the change in the fair value of the



(Amounts expressed in thousands of Meticais)



liability that is attributable to changes in its credit risk is presented in other comprehensive income (OCI) as a liability credit reserve.

On initial recognition of the financial liability, the Bank assesses whether presenting the amount of the change in the fair value of the liability that is attributable to credit risk in other comprehensive income (OCI) would create or enlarge an accounting mismatch in profit or loss. This assessment is made using a regression analysis to compare:

- > the expected changes in the fair value of the liability related to changes in credit risk; with
- > the impact on profit or loss of expected changes in the fair value of instruments whose characteristics are economically related to the characteristics of the liability

The amounts shown in the liability credit reserve are not subsequently transferred to profit or loss. When these instruments are derecognised, the accumulated amount recorded in the liability credit reserve is transferred to retained earnings.

w) Financial guarantees and loan commitments

"Financial guarantees" are contracts that require the Bank to make specific payments to reimburse the holder for losses it incurs because a specific debtor fails to make payment when it is required in accordance with the terms of the debt instrument. Loan commitments" are firm commitments to grant credit with pre-established terms and conditions.

Financial guarantees issued or commitments to grant loans at a below-market interest rate are initially measured at fair value. Subsequently, they are measured by the provision for the highest loss determined in accordance with IFRS 9 and the amount initially recognised, less the cumulative amount of the result recognised in accordance with the principles of IFRS 15.

Liabilities arising from financial guarantees and loan commitments are included in provisions.

x) Share capital and reserves

i. Other equity instruments

The Bank classifies instruments issued as financial liabilities or equity instruments, according to the nature of the contractual terms of the instruments.

ii. Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of equity instruments.

3. Accounting standards issued.

i. Standards and interpretations coming into force in 2024

- Amendments to IAS 7 and IFRS 7 Supplier financing arrangements (issued on 25 May 2023);
 Amendment to IAS 1 - Classification of liabilities as current or popular
- > Amendment to IAS 1 Classification of liabilities as current or noncurrent - Postponement of the date of entry into force (issued on 23 January 2020 and 15 July 2020):
- Amendment to IAS 1 Non-current liabilities with restrictive clauses (issued on 31 October 2022);
- > Amendment to IFRS 16 Lease liabilities on a sale and lease back (issued on 22 September 2022).

ii. Accounting standards issued but not implemented.

- > IFRS 19 Subsidiaries without public accountability: disclosures;
- > IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024);
- Amendments to IFRS 9 and IFRS 7 Changes in the classification and measurement of financial instruments (issued on 30 May 2024);
- > Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 Annual Improvements volume 11 (issued on 18 July 2024);
- Amendments to IAS 21 Lack of convertibility (issued on 15 August 2023);
- > IFRS 14 Regulatory deferral accounts (issued on 30 January 2014);

4. Risk management, objectives and policies

The risk management function at Moza Banco is an extremely important activity, supported by a governance model that aims to both comply with the best practices in this area, as established in the Risk Management Guidelines, and guarantee the solidity and effectiveness of the processes for Identifying, Measuring, Controlling and Monitoring the financial and non-financial risks to which Moza Banco is, or may be, exposed, namely:

a. Credit risk; f. Strategic Risk; k. Cyber Security Risk; b. Liquidity risk; g. Reputational risk; c. Interest Rate Risk; l. Data Risk; h. Compliance risk; d. Exchange Rate m. Property Risk: i.Information Technology (IT) risk; n. Legal risk. e. Operational Risk; j. Concentration Risk

Risk management is carried out across the board and coordinated by a dedicated structure, the Risk Management Department, which reports to a member of Moza Banco's Executive Committee.

In terms of risk management, Moza Banco takes into account the applicable regulatory framework issued by Central Bank of Mozambique (Supervisory Body of the Mozambican Banking System), as well as best banking practices (European Bank Authority or Banco de Portugal), as well as internationally accepted risk standards, such as the COSO Integrated Corporate Risk Management Framework and the ISO 31000 Risk Management Principles, as methodological references for Moza Banco's Risk Management Policy.

Moza Banco's Risk Management Conceptual Framework

Moza Banco's conceptual risk management framework includes the scope of the risks, the processes, systems, policies and procedures necessary for risk management, as well as the duties and responsibilities of the different Bank bodies involved in risk management. Moza Banco considers that the conceptual risk management framework implemented is appropriate to its size and complexity and is sufficiently comprehensive to identify the main risks to which it is exposed, with the necessary flexibility to accommodate any changes aimed at improving the Bank's activities.

It is in this context that Moza Banco's Board of Directors is responsible for the level of risks assumed by the Bank, approves the overall business strategies as well as the Bank's risk-taking and risk-management policies, providing clear guidance on risk exposure levels through the Bank's Risk Appetite Statement (RAS). In addition, the risk management policies and procedures, as well as the limits for controlling the Bank's exposure to the risks inherent in its activity, are designed to be consistent with the complexity and size of the Bank's business, objectives, targets and financial strength.

The Bank reviews and updates its risk management policies every year to reflect changes in the market, products and best practices in the banking sector in which it operates.

Moza Banco's Risk Management Governance Mode

Within the scope of risk control and management, Moza Banco has adopted a governance model that establishes the necessary balance for the Board of Directors to exercise its supervision effectively, by regularly monitoring overall risk levels. In addition, this model ensures compliance with the Law on Credit Institutions and Financial Companies (Law 20/20 of 31 December), in terms of governance, specifically in terms of mandatory committees, taking into account the size of Moza Banco. The monitoring and reporting process ensures that the Bank's risk levels are aligned with the objectives, the financial resources available and the approved strategic plan for the development and growth of the Bank's activity.

To this end, the Bank has defined a Risk Management Governance Model that incorporates two concepts: (i) the concept of "Committees" for the bodies that emanate from the General Meeting and the Board of Directors and (ii) the concept of "Committees" for the bodies that emanate from the Executive Committee, as shown in the

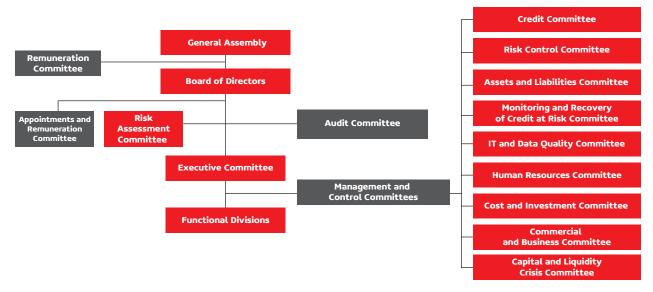




(Amounts expressed in thousands of Meticais)

organisational chart below. In addition, this model incorporates the concept of the 3 lines of defence, with the First Line of Defence being filled by the Risk Generating Units, namely the Commercial Network, Operations Department, Credit Department, among others, the Second Line by the Risk Management and Compliance Departments and the Third Line of Defence by Audit and Inspection.

The organisational chart below describes the Governance Model in force at Moza Banco, followed by the main functions/competences of the relevant bodies in this model, which are described in the management report.



Economic Capital

In accordance with the applicable regulations, Moza Banco carries out the ICAAP (Internal Capital Adequacy Assessment Process) by applying internal methodologies to calculate capital requirements to cover the risks of pillars I and II of the Basel II Accord. The main objective of the ICAAP exercise is to compare the economic capital requirements with the financial resources available, gauging the Bank's capacity to absorb the risks to which it is exposed, while also making it possible to identify activities and/or business lines that generate greater value.

The ICAAP process incorporates a number of preliminary activities, namely:

- i. The definition of the ICAAP Governance Model, adjusted to the size and reality of Moza Banco;
- ii. Defining the taxonomy of the risks inherent in the Bank's activity;
- iii. Definition of a base and adverse scenario, the latter characterised by a significant deterioration in some macroeconomic indicators (Inflation, Interest Rates, Devaluation of the Metical, GDP, among others). Although the adverse scenario is hypothetical, it is created in order to assess the Bank's solidity and resilience in an unfavourable economic environment;
- iv. The definition of specific methodologies for determining the materiality of risks.

Without prejudice to future changes, below are the risks considered materially relevant for the purposes of the ICAAP(Pillar I - Basel II & Pillar II) and for which capital requirements must be quantified to guarantee their coverage:



^{*} Accommodates the other material risks considered in the Bank's risk taxonomy and not quantified using a specific methodology for calculating the respective capital requirements.





(Amounts expressed in thousands of Meticais)

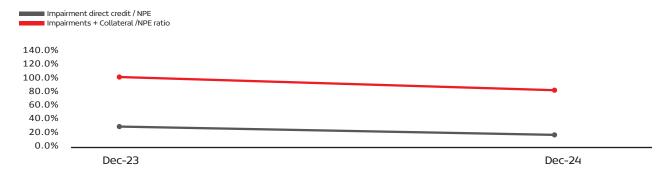
The qualitative analysis of Moza Banco's risk management is presented as follows:

4.1. Credit risk

Credit risk is the possibility of negative impacts on the Bank's economic and financial structure as a result of the inability of counterparties or respective guarantors to honour previously agreed payment commitments. The risk is associated with exposures to counterparties on loans, issuers of securities and other actual or potential commitments that place the institution in a situation of dependence.

Main Credit Risk Indicators

The table below shows the annual evolution of the main credit risk indicators and the coverage of credit exposure between December 2023 and 2024:



Maximum exposure to credit risk by class of financial assets

For financial assets recognised in the statement of financial position, the exposure to credit risk is equal to the carrying amount. For guarantees, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the guarantee were forfeited. For credit commitments and other related commitments that are irrevocable during the life cycle of the respective facilities, the maximum exposure to credit risk is the value of the undrawn facility.

The table below shows the maximum exposure as at 31 December 2024 in relation to credit risk in the financial position and off-balance sheet financial instruments, without taking into account the value of the guarantees held. The Bank only holds collateral for loans to customers (loans and advances to customers, guarantees provided and letters of credit), which are essentially mortgages on real estate, financial pledges, guarantees provided by the State (on demand and term) and equipment pledges:

Exposure to credit risk relating to balance sheet items

	2024	2023
Cash and deposits at the Central Bank	19 789 350	15 550 870
Loans and advances to credit institutions	521 055	377 410
Investments in credit institutions	2 271 529	2 457 392
Financial assets	13 202 142	12 593 053
Loans and advances to customers	20 871 681	21 934 189
Other assets	3 157 204	1782 696
	59 812 961	54 695 610
For a constant and the state of		
Exposure to credit risk relating to off-balance sheet items	9.047.122	7 514 527
Guarantees	8 947 132	7 516 527
Guarantees National currency	6 220 665	5 493 216
Guarantees		
Guarantees National currency	6 220 665	5 493 216
Guarantees National currency Foreign currency	6 220 665 2 726 467	5 493 216 2 023 311

Credit quality

The table below shows the quality of the Bank's loan portfolio from the point of view of the stages the operations/customers are at, taking into account the rules adopted by the Bank for classifying them under IFRS9.

2024	Stage 1	Stage 2	Stage 3	Total
Cash and deposits at the Central Bank	19 789 350	-	-	19 789 350
Loans and advances to credit institutions	521 055	-	-	521 055
Investments in credit institutions	2 271 529	-	-	2 271 529
Financial assets	13 202 142	-	-	13 202 142
Loans and advances to customers	9 612 835	2 284 454	8 974 392	20 871 681
Other assets	3 157 204	-	-	3 157 204
	48 554 115	2 284 454	8 974 392	59 812 961





(Amounts expressed in thousands of Meticais)

2023	Stage 1	Stage 2	Stage 3	Total
Cash and deposits at the Central Bank	15 550 870	_	-	15 550 870
Loans and advances to credit institutions	377 410	-	-	377 410
Investments in credit institutions	2 457 392	-	-	2 457 392
Financial assets	12 593 053	-	-	12 593 053
Loans and advances to customers	9 881 997	2 655 894	9 396 298	21 934 189
Other assets	1782 696	-	-	1782 696
	42 643 418	2 655 894	9 396 298	54 695 610

With regard to loans and advances to customers, the Bank's credit quality is presented as follows:

	2024	2023
Stage 1	9 612 835	9 881 997
Stage 2	2 284 454	2 655 894
Stage 3	8 974 392	9 396 298
	20 871 681	21 934 189

 $Overdue\ loans\ include\ the\ total\ exposure\ of\ customers\ with\ overdue\ instalments\ as\ well\ as\ the\ amounts\ of\ instalments\ falling\ due.$

Expected credit loss

New entries

Reductions

Write-offs

2024	Stage 1	Stage 2	Stage 3	Total
Balance at 01 January 2024	120 369	106 844	1 620 712	1 847 925
Transfer to Stage 1	(18 819)	12 471	6 348	-
Transfer to Stage 2	4 212	(45 594)	41 382	-
Transfer to Stage 3	300	2 526	(2 826)	-
Reinforcements	9 374	34 355	455 074	498 803
New entries	70 472	26 468	191 031	287 971
Reductions	(51 767)	(53 726)	(163 282)	(268 775)
Write-offs	-	-	(476 641)	(476 641)
Balance as at 31 December 2024	134 141	83 344	1 671 798	1 889 283
2023	Stage 1	Stage 2	Stage 3	Total
Balance at 01 January 2023	121 069	105 033	2 762 720	2 988 822
Transfer to Stage 1	18 508	(9 525)	(8 983)	-
Transfer to Stage 2	(4 049)	33 537	(29 488)	-
Transfer to Stage 3	(165)	(4 975)	1756 533	1751393
Reinforcements	16 480	51 773	547 433	615 686

Balance as at 31 December 2023 120 369 106 844 1 620 712

The following table shows the movement of impairments on loan commitments and financial guarantee contracts over the years:

Loan commitments and financial guarantee contracts

	2024	2023
Initial Balance	205 659	112 176
Reinforcement	88 888	250 921
Reversal	(159 131)	(157 438)
Final balance	135 416	205 659

49 842

(81 316)

27 541

(96 540)

76 528

(1725 927)

(1758 104)

153 911

(1903 783)

(1758 104)

1 847 925

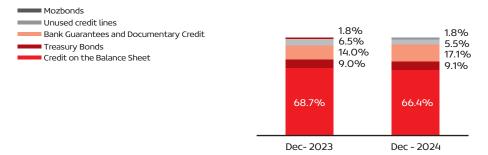




(Amounts expressed in thousands of Meticais)

Distribution of Exposures Subject to Impairment

Moza Banco's credit exposures subject to the calculation of impairment losses are distributed as shown in the chart below, in accordance with the internally approved strategies for dealing with each of the items that make up the Bank's credit portfolio:



Collateral and other credit guarantees

Guarantees or collateral are intended to ensure that, in the event of non-payment of the credit by the borrowers, credit institutions are still able to obtain reimbursement (total or partial) of the credit granted, through the execution or appropriation of the collateral or guarantee, with the aim of subsequently transforming it into liquidity, through alienation, sale or any other applicable options.

The list below describes the types of collateral accepted and eligible to cover credit risk:

- > Pledge of Deposits (DP Collateral and Surety Bond) at Moza Banco;
- > Pledge of shares;
- > Guarantees provided by the State in favour of Moza Banco;
- > Guarantees provided by other credit institutions;
- > Mortgages on property (housing, industrial and/or commercial property);
- > Mortgages on movable property;
- > Equipment pledge;

The analysis of credit exposure in relation to collateral and other credit guarantees in favour of the Bank is shown in the following table:

2024	Maximum exposure to credit risk	Deposits	Letters of credit/bank guarantees	Mortgages	State guarantee	Net guarantees	Net exposure
Cash and cash equivalents at the Central Bank	19 789 350	-	-	-	-	-	19 789 350
Cash equivalents at credit institutions	521 055	-	-	-	-	-	521 055
Investments in credit institutions	2 271 529	-	-	-	-	-	2 271 529
Financial assets	13 202 142	-	-	-	-	-	13 202 142
Loans and advances to customers	-	-	-	-	-	-	-
Large companies	8 424 095	168 722	-	2 342 719	2 304 110	4 815 551	3 608 544
Small businesses	6 663 181	419 166	-	4 083 484	-	4 502 650	2 160 531
Private individuals	7 393 322	189 452	-	1 214 227	-	1 403 679	5 989 643
Others	280 366	7 095	-	-	218 387,00	225 482	54 884
Other assets	3 157 204						3 157 204
	61 702 244	784 435		7 640 430	2 522 497	10 947 362	50 754 882

2023	Maximum exposure to credit risk	Deposits	Letters of credit/bank guarantees	Mortgages	State guarantee	Net guarantees	Net exposure
Cash and cash equivalents at the Central Bank	15 550 870	-	-	-	-	-	15 550 870
Cash equivalents at credit institutions	377 410	-	-	-	-	-	377 410
Investments in credit institutions	2 457 392	-	-	-	-	-	2 457 392
Financial assets	12 593 053	-	-	-	-	-	12 593 053
Loans and advances to customers	-	-	-	-	-	-	-
Large companies	8 691 322	72 600	660	1873 680	2 841 134	4 788 074	3 903 248
Small businesses	7 700 415	260 419	-	5 574 368	-	5 834 788	1865 627
Private individuals	7 134 771	202 437	-	1 229 881	-	1 432 318	5 702 453
Others	255 606	9 839	-	-	-	9 839,00	245 767
Other assets	1782 696	-					1782 696
	56 543 535	545 295	660	8 677 929	2 841 134	12 065 019	44 478 516







The table below shows the carrying amounts and value of identifiable guarantees (mainly mortgages on real estate) in favour of the Bank to cover the credit risk inherent in the loans and advances portfolio. For each loan, the value of the mortgaged property is limited to the nominal value against which it is held:

		2024			2023			
	Carrying amount	Property mortgages	TD guarantee	Carrying amount	Property mortgages	TD guarantee		
Stage 01 and 02	12 114 774	3 711 168	778 602	12 765 106	3 928 298	537 688		
Stage 03	10 646 190	3 929 262	5 833	11 017 008	4 791 191	7 607		
	22 760 964	7 640 430	784 435	23 782 114	8 719 489	545 295		

Assets obtained by taking possession of guarantees

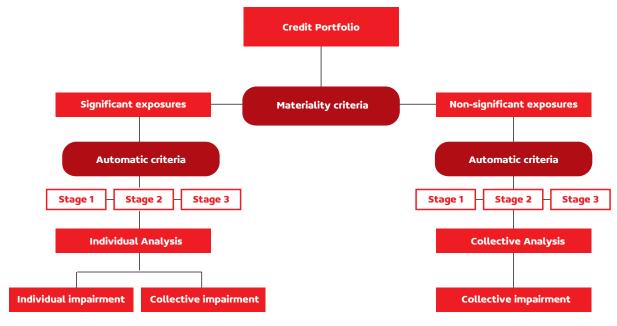
The details of the financial and non-financial assets obtained by Moza Banco during 2024 by taking possession of collateral held as guarantees on loans and advances are shown below:

	2024	2023
Property	2 907 204	995 911
	2 907 204	995 911

Credit Portfolio Impairment Calculation

The model for calculating impairment losses includes an individual analysis process for the Bank's significant customers, as well as a collective analysis component, in line with good banking practice.

The diagram below summarises the expected loss model implemented at Moza Banco, where it is possible to check whether the materiality criterion for determining an objective impairment loss exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.



In the individual impairment analysis, the expected loss is determined on the basis of an individual assessment of the customer, while in the collective impairment analysis the expected loss is determined taking into account groups of customers with similar credit risk characteristics.

The expected loss model implemented makes it possible to measure ECL (Expected Credit Loss) not only according to the classification of assets by Stage, but also by segment, guarantee coverage and materiality, as shown below:

- > **Stage 1** all financial assets in which there has been no significant increase in credit risk since their initial recognition (unless they are acquired or originated with objective evidence of loss);
- > **Stage 2** all financial assets that present a significant increase in credit risk;
- > Stage 3 all financial assets with objective evidence of impairment (default)





(Amounts expressed in thousands of Meticais)

Significant increase in credit risk (Stage 2)

In accordance with IFRS 9, in order to determine whether the risk of default of a financial instrument has increased significantly since its initial recognition, Moza Banco assesses the existence of additional information available as to its relevance, namely qualitative elements and/or quantitative analyses, based on the Bank's historical experience and/or with recourse to specific one-off assessments.

The aim of carrying out regular assessments is precisely to identify the occurrence of events that could represent a significant increase in credit risk for credit exposures, by comparing:

- > The probability of default (PD) during the remaining useful life of the financial asset on the reporting date; and
- > The probability of default over the remaining useful life of the financial asset, for the same period estimated at the time of initial recognition of the exposure.

Objective Evidence of Impairment (Stage 3)

At each reporting date, Moza Banco assesses whether there is objective evidence that the assets, not held at fair value through profit or loss, are impaired.

The concept of Stage 3 is aligned with the definition of default, and to this extent for the impairment model implemented, a customer is considered to be in default when it has at least one active default trigger or is still within the defined quarantine period.

For credit default triggers and/or litigation triggers, customers are quarantined once they no longer meet the trigger entry criteria and are less than 30 days overdue.

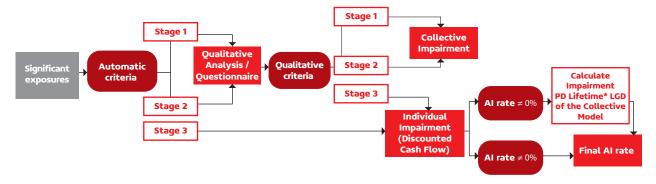
For loans and advances of held-to-maturity assets, the amount of the impairment loss is measured as the difference between the carrying amount and the present value of future cash flows, discounted at the asset's original effective interest rate.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from the execution of the collateral, less the costs of maintaining and selling the collateral.

Individual analysis

In order to carry out the individual impairment assessment, the materiality criteria must be met. However, Moza Banco considers in this process a combination of the selection stage, the customer's exposure and possible contamination from other customers in the same economic group, which fulfil the minimum materiality criteria.

The activity of the individual analysis can be summarised in the diagram below:



Depending on the classification by stage, exposures in stages 1 and 2 that fulfil the materiality criteria for individual analysis are subjected to a qualitative analysis questionnaire which, based on the answers and respective weights, will result in a stage classification that will override the initial stage.

After completing the qualitative analysis questionnaires, customers classified as stage 1 and 2 will be referred to Collective Analysis.

For customers initially classified as stage 3, or classified as stage 3 via the criteria in the qualitative analysis questionnaire, analysts must (i) complete a "customer situation questionnaire" to support the selection of the recovery scenario classifying the customer as "going concern" or "gone concern" and (ii) calculate the individual impairment charge, which must be based on a discounted cash flow methodology based on recovery scenarios (going concern or gone concern) as described below:

- > Going concern approach considers business continuity, where it is assumed that the debtor has the capacity to continue generating sufficient financial flows to service the debt
- > Gone concern approach considers that credit recovery is possible exclusively through the use of foreclosure/associated collateral, since the debtor has difficulties in generating cash to service the debt.

It should also be noted that the recovery approaches make it possible to consider prospective scenarios (base scenarios, optimistic scenarios and pessimistic scenarios) and their respective weights, taking into account the estimated probability of each scenario occurring.

Based on the recovery scenarios considered, the amount of impairment should be determined as the weighted average of the discounted cash flows of each scenario.

Collective analysis

For non-significant exposures, the expected loss (ECL) for financial assets results from the difference between the contractually stipulated cash flows and the cash flows the entity expects to receive, discounted to the reference date, considering risk parameters such as: Probability of Default (PD), Loss Given Default (LGD) and Behavioural Maturity (BM).

The Probabilities of Default (PDs) are grouped on the basis of homogeneous populations, which result from the combination of the client segment and the Risk Bucket, and the PD curves are estimated on the basis of historical behaviour and the projection of macroeconomic variables.









LGDs are calculated on the basis of a combination of the type of customer, type of credit product and age of default, with estimates based on the history of effective recovery rates after customers have entered default.

For products without a defined maturity, Moza Banco calculates behavioural maturities in order to identify the period in which the institution is exposed to credit risk and the expected repayment percentage for each period.

In addition, the risk factors in the Impairment Model are updated annually on the basis of forward-looking information, as recommended by good banking practice.

Incorporation of forward-looking information

IFRS 9 requires the consideration of reasonable and documented projections of future events and economic conditions at the reporting date of the financial statements when calculating expected credit impairment losses. This forward-looking macroeconomic information allows the Bank's credit impairment to be adjusted according to the economic moment the Bank is going through and the different possible trends, which should result in weights applied to the scenarios evaluated.

The scenario probability weightings applied in measuring the expected credit loss (ECL) are as follows:

	2024				2023	
	Base	Pessimistic	Optimistic	Base	Alternative	Challenging
Probability of scenarios	70%	20%	10%	70%	20%	10%

Impairment of Securities Portfolio

The methodology for calculating the impairment of the securities portfolio generally follows the methodology used in the process of calculating the impairment of the loan portfolio, although with some specificities. The exposure value for the securities portfolio is the amount on the balance sheet or, for securities recorded at FVOCI, the value they would have if they were recorded at amortised cost.

Thus, the calculation of impairment (i) for treasury bills, a rate of 0% is considered, (ii) for corporate bonds, the risk factors of the collective model applicable to Large Companies are considered, (iii) for treasury bonds in national currency, the PD of the Moody's rating immediately above/better than the country rating (Rating B) is considered, and the LGD also from Moody's for the country rating (Caa2), and in this case, impairment is only calculated for securities with a residual maturity of more than one year, (iv) for foreign currency securities, the PD and LGD from Moody's for the country rating are taken into account.

Write-offs

Loans and debt securities are written off (partially or totally) when there is no expectation of recovering a financial asset in its entirety. This is generally the case when Moza Banco considers that the borrower does not have assets or sources of income that could generate sufficient cash flow to settle the outstanding amounts, subjecting them to write-off or write-down.

Any amounts recovered from operations previously written off are recognised in the income statement, with a positive effect (reversal). Financial assets subject to write-off are recovered via debt confession and subject to specific enforcement/recovery activities. The analysis of impaired loans and advances to customers is as follows:

2024	C	Credit impairment	Net value
	Carrying amount		
Retail	5 274 805	737 414	4 537 391
Construction	1 428 631	227 663	1200 968
Energy	17 728	720	17 008
Tourism	514 874	32 513	482 361
Manufacturing industry	421 070	17 372	403 698
Private individuals	7 393 183	434 649	6 958 534
Services	3 504 234	363 467	3 140 767
Transport and Communications	3 023 211	34 916	2 988 295
Agriculture and Fisheries	460 717	21 922	438 795
Others	722 511	18 647	703 864
	22 760 964	1 889 283	20 871 681

¹The Bank opted to maintain a positive LGD for foreign currency defaults in 2017, even though Moody's latest report points to an LGD of O per cent, ² Ditto

2023		Credit	
	Carrying amount	impairment	Net value
Retail	5 167 392	781 434	4 385 958
Construction	1092032	170 125	921 907
Energy	183	175	8
Tourism	435 114	27 632	407 482
Manufacturing industry	1737 078	35 565	1 701 513
Private individuals	7 134 771	288 257	6 846 514
Services	3 994 626	483 773	3 510 853
Transport and Communications	3 628 655	36 476	3 592 179
Agriculture and Fisheries	207 188	14 204	192 984
Others	385 075	10 284	374 791
	23 782 114	1 847 925	21 934 189





(Amounts expressed in thousands of Meticais)

Concentration of Credit Risk

Credit concentration risk corresponds to the probability of negative impacts on results or capital arising from the concentration of exposures to individual clients, economic groups, aggregates of clients operating in the same economic sector or geographical region, or from concentration in the same activity or commodity, or in the guarantees accepted by the institution.

The concentration of the Bank's credit risk by industry net of expected credit losses is analysed as follows:

2024	Cash and cash equivalents at the Central Bank	Cash equivalents at credit institutions	Investments in credit institutions	Financial Assets	Loans and advances to customers	Other assets	Total
Government	-	-	-	12 993 671	218 387	-	13 212 058
Insurance	-	-	-	32 967	-	-	32 967
Finance	19 789 350	521 055	2 271 529	12 655	702 157	-	23 296 746
Retail	-	-	-	-	4 537 390	-	4 537 390
Construction	-	-	-	-	1200 969	-	1200 969
Energy	-	-	-	-	17 008	-	17 008
Tourism	-	-	-	-	482 360	-	482 360
Manufacturing industry	-	-	-	-	403 698	-	403 698
Private individuals	-	-	-	-	6 958 534	-	6 958 534
Services	-	-	-	-	2 922 381	-	2 922 381
Transport and communications	-	-	-	162 849	2 988 295	-	3 151 144
Agriculture and fishing	-	-	-	-	438 795	-	438 795
Others			_		1707	3 157 204	3 158 911
	19 789 350	521 055	2 271 529	13 202 142	20 871 681	3 157 204	59 812 961
2023	Cash and cash equivalents at the Central Bank	Cash equivalents at credit institutions	Investments in credit institutions	Financial Assets	Loans and advances to customers	Other assets	Total
Government				40.000.040			
Insurance				12 332 212	240 368	-	12 572 580
= :	-	-	-	12 332 212 32 783	240 368 19	-	12 572 580 32 802
Finance	- 15 550 870	- 377 410	- 2 457 392			- - -	
Retail	- 15 550 870 -	- 377 410 -	- 2 457 392 -	32 783	19	- - -	32 802
	- 15 550 870 - -	- 377 410 - -	- 2 457 392 - -	32 783	19 370 557	- - - -	32 802 18 871 511
Retail	15 550 870 - - -	- 377 410 - - -	- 2 457 392 - -	32 783	19 370 557 4 385 959	- - - -	32 802 18 871 511 4 385 959
Retail Construction	- 15 550 870 - - -	- 377 410 - - - -	- 2 457 392 - - - -	32 783	19 370 557 4 385 959 921 907	- - - - -	32 802 18 871 511 4 385 959 921 907
Retail Construction Energy	- 15 550 870 - - - -	- 377 410 - - - -	- 2 457 392 - - - -	32 783	19 370 557 4 385 959 921 907 8	- - - - - -	32 802 18 871 511 4 385 959 921 907 8
Retail Construction Energy Tourism	- 15 550 870 - - - - -	- 377 410 - - - - -	- 2 457 392 - - - - -	32 783	19 370 557 4 385 959 921 907 8 407 483	- - - - - -	32 802 18 871 511 4 385 959 921 907 8 407 483
Retail Construction Energy Tourism Manufacturing industry	- 15 550 870 - - - - -	- 377 410 - - - - - -	- 2 457 392 - - - - - -	32 783	19 370 557 4 385 959 921 907 8 407 483 1 701 513	- - - - - - -	32 802 18 871 511 4 385 959 921 907 8 407 483 1 701 513
Retail Construction Energy Tourism Manufacturing industry Private individuals	- 15 550 870 - - - - - -	- 377 410 - - - - - -	- 2 457 392 - - - - - -	32 783	19 370 557 4 385 959 921 907 8 407 483 1 701 513 6 846 513	- - - - - - - -	32 802 18 871 511 4 385 959 921 907 8 407 483 1 701 513 6 846 513
Retail Construction Energy Tourism Manufacturing industry Private individuals Services Transport and	- 15 550 870 - - - - - -	- 377 410 - - - - - - -	- 2 457 392 - - - - - - -	32 783 115 282 - - - - - -	19 370 557 4 385 959 921 907 8 407 483 1 701 513 6 846 513 3 270 486	- - - - - - - -	32 802 18 871 511 4 385 959 921 907 8 407 483 1 701 513 6 846 513 3 270 486
Retail Construction Energy Tourism Manufacturing industry Private individuals Services Transport and communications	- 15 550 870 - - - - - -	- 377 410 - - - - - - -	- 2 457 392 - - - - - - -	32 783 115 282 - - - - - -	19 370 557 4 385 959 921 907 8 407 483 1 701 513 6 846 513 3 270 486 3 592 179	- - - - - - - 1782 696	32 802 18 871 511 4 385 959 921 907 8 407 483 1 701 513 6 846 513 3 270 486 3 704 955

4.2. Liquidity risk

Liquidity risk is the likelihood of an institution facing difficulties in honouring its obligations as they fall due, in transforming its assets into cash, or in ensuring the refinancing of assets held on its balance sheet without incurring significant costs or losses (funding liquidity risk). When the market conditions in which the institution operates do not allow it to dispose of certain assets at market prices, but only below them, this is known as market liquidity risk.

The liquidity management and control process is carried out internally, in line with the metrics and limits defined by the Bank, which involve monitoring early warning indicators, measurement and evaluation instruments on a daily and monthly basis. This process is complemented by annual liquidity stress tests triggered by the Risk Management Department.

During 2023, the Mozambican Financial System (SFM) was faced with an increase in the mandatory reserve coefficients for liabilities in national and foreign currency (from 10% to 28% and then to 39% on 31 May and from 10.5% to 28.5% and then to 39.5%, respectively), with direct and severe impacts on the Bank's liquidity indicators and profitability. Meanwhile, this increase in RO rates was the monetary control instrument adopted by the Central Bank of Mozambique to absorb excess liquidity in the market in order to control inflation levels.

In 2024, in order to fulfil the Regulator's requirements and monitor the evolution of the indicators, the measures adopted in 2023 were maintained, with a view to repositioning Moza Banco's liquidity ratios.





(Amounts expressed in thousands of Meticais)

Undiscounted contractual maturities of liabilities

The table below summarises the maturity profile of the Bank's financial liabilities as at 31 December based on undiscounted contractual cash flows:

2024	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 3 years	Over 3 years old	Total
Cash and cash equivalents at the Central Bank	19 789 350	-	-	-	-	-	19 789 350
Cash equivalents at credit institutions	521 055	-	-	-	-	-	521 055
Investments in credit institutions	2 015 323	34 840	-	229 046	-	-	2 279 209
Financial assets	1 405 464	2 245 746	3 396 135	3 643 065	1 921 905	3 170 831	15 783 146
Loans and advances to customers	1765 258	1 637 454	2 262 359	3 581 142	7 903 659	6 353 803	23 503 675
Other assets	3 157 204					<u>-</u>	3 157 204
Total undiscounted assets	28 653 654	3 918 040	5 658 494	7 453 253	9 825 564	9 524 634	65 033 639
Financial liabilities							
Deposits from credit institutions	736 368	-	-	-	-	-	736 368
Deposits and current accounts	17 698 138	12 762 785	8 060 451	5 064 824	2 594 262	2 222 490	48 402 950
Earmarked deposits	277 590	-	-	-	121 763	242 428	641 781
Bond loans Other liabilities	34 062.00	56 608.00	90 670.00	1 449 173	1157 691	-	2 788 204
Total undiscounted	2 778 480 21 524 638	12 819 393	8 151 121	6 513 997	3 873 716		2 778 480 55 347 783
liabilities	7 129 016		(2 492 627)	939 256	5951 848	7 059 716	9 685 856
Liquidity gap Comulative liquidity gap	7 129 016	(8 901 353) (1 772 337)	(4 264 964)	(3 325 708)	2626 140	9 685 856	9 003 030
		((120110)	(======			
2023	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 3 years	Over 3 years old	Total
Cash and cash equivalents at the Central Bank	15 550 870	-	-		-	-	15 550 870
Cash equivalents at credit institutions	377 410	-	-	-	-	-	377 410
Investments in credit institutions	2 172 965	284 427	-	-	-	-	2 457 392
Financial assets	1 893 310	2 444 991	2 094 239	2 138 500	826 358	3 195 655	12 593 053
Loans and advances to customers	4 377 403	616 049	917 053	1849 397	2 718 836	11 455 451	21 934 189
Other assets	1782 696	 .					1782 696
Total undiscounted assets	26 154 654	3 345 467	3 011 292	3 987 897	3 545 194	14 651 106	54 695 610
Financial liabilities Deposits from credit							
institutions	1568 698	-	-	-	-	-	1568 698
Deposits and current accounts	24 660 681	5 626 841	6 703 146	3 992 560	174	82	40 983 484
Earmarked deposits	-	-	-	340 753	404 255	-	745 008
Bond loans	-	-	-	-	2 364 083	-	2 364 083
Other liabilities Total undiscounted	2 985 949				2760 512		2 985 949
liabilities	29 215 328	5 626 841	6 703 146	4 333 313	2 768 512	82	48 647 222
Liquidity gap	(3 060 674)	(2 281 374)	(3 691 854)	(345 416)	776 682	14 651 024	6 048 388
Liquidity gap Comulative liquidity gap	(3 060 674)	(2 281 374) (5 342 048)	(3 691 854) (9 033 902)	(345 416) (9 379 318)	776 682 (8 602 636)	14 651 024 6 048 388	6 048 388

Liabilities with maturities of one year or more are expected to be recovered or settled more than 12 months after the balance sheet date.





(Amounts expressed in thousands of Meticais)

4.3. Market risk

Market risk can be defined as the potential loss resulting from changes in the fair value of the future cash flows of financial instruments, due to fluctuations in the asset's market variables or even exogenous factors that may influence market prices. Examples of such risk factors are risks related to changes in exchange rates, interest rates, bond and share prices, commodities, among others.

4.3.1 Interest rate risk

Interest rate risk is the possibility of negative impacts on results or capital due to adverse movements in interest rates, due to maturity mismatches or interest rate reset periods, the lack of perfect correlation between the rates of asset and liability transactions in the different instruments, or the existence of options embedded in financial instruments on the balance sheet or off-balance sheet items.

The Bank controls its exposure by calculating the effects of fluctuations in market interest rates on the risk of its financial position and cash flows. Financial margins may increase or decrease as a result of such fluctuations and may generate losses in the event of unforeseen movements.

Financial instruments with interest rate risk comprise balances of investments in other credit institutions, financial assets, loans and advances to customers, customer deposits and current accounts and funds from other credit institutions and lease liabilities.

The following table shows the Bank's interest rate sensitive financial instruments by maturity:

2024	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Over 1 year	No interest rate risk	Total
Financial assets							
Cash and cash equivalents at the Central Bank	-	-	-	-	-	19 789 350	19 789 350
Cash equivalents at credit institutions	-	-	-	-	-	521 055	521 055
Investments in credit institutions	2 012 675	34 764	-	229 046	-	-	2 276 485
Financial assets	1 405 464	2 245 746	3 396 135	3 643 065	5 092 736	45 621	15 828 767
Loans and advances to customers	15 540 006	832 706	527 258	23 223	1115 932	2 832 556	20 871 681
Other assets	_	_	_		_	3 157 204	3 157 204
Total	18 958 145	3 113 216	3 923 393	3 895 334	6 208 668	26 345 786	62 444 542
Financial liabilities							
Deposits from credit institutions	8 851	-	-	-	-	727 517	736 368
Deposits and current accounts	14 411 142	8 613 577	6 012 945	2 810 176	100	15 993 545	47 841 485
Earmarked deposits	-	-	-	-	-	641 169	641 169
Bond loans	34 062	56 608	90 670	1 449 173	1157 691	-	2 788 204
Other liabilities	<u>-</u>					2 952 893	2 952 893
Total	14 454 055	8 670 185	6 103 615	4 259 349	1 157 791	20 315 124	54 960 119
Interest rate sensitivity in the financial position	4 504 090	(5 556 969)	(2 180 222)	(364 015)	5 050 877	6 030 662	7 484 423





(Amounts expressed in thousands of Meticais)

2023	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Over 1 year	No interest rate risk	Total
Financial assets							
Cash and cash equivalents at the Central Bank	-	-	-	-	-	15 550 870	15 550 870
Cash equivalents at credit institutions	-	-	-	-	-	377 410	377 410
Investments in credit institutions	2 172 965	284 427	-	-	-	-	2 457 392
Financial assets	1 893 310	2 444 991	2 094 239	2 138 500	3 976 173	45 840	12 593 053
Loans and advances to customers	17 311 681	941 619	149 012	800 146	-	2 731 731	21 934 189
Other assets	_	-	_	_		1782 696	1782 696
Total	21 377 956	3 671 037	2 243 251	2 938 646	3 976 173	20 488 547	54 695 610
Financial liabilities							
Deposits from credit institutions	-	-	-	-	-	1568 698	1568 698
Deposits and current accounts	10 944 174	5 299 344	6 481 096	2 985 875	172	15 272 823	40 983 484
Earmarked deposits	-	-	-	-	-	745 008	745 008
Bond loans	-	-	-	-	2 364 083	-	2 364 083
Other liabilities	<u>-</u>		_			2 985 949	2 985 949
Total	10 944 174	5 299 344	6 481 096	2 985 875	2 364 255	20 572 478	48 647 222
Interest rate sensitivity in the financial position	10 433 782	(1 628 307)	(4 237 845)	(47 229)	1 611 918	(83 931)	6 048 388

The sensitivity analysis in the table below is an integral part of the stress tests for Interest Rate Risk, and the Bank must, at any given time and depending on market conditions, change the risk factors to be considered in these stress tests, as well as defining the magnitude of the shocks to be considered, in light of the instructions issued in Circular O5/SCO/2013 of the Central Bank of Mozambique of 31 December:

	Increase/decrease in basis points	Impact on Interest Margin	Impact on Equity
2024	+200 bp	(161 979)	(325 418)
	-200 bp	161 979	325 418
2023	+200 bp	77 001	(2 573)
	-200 bp	(77 001)	2 573





4.3.2 Exchange rate risk

Exchange rate risk consists of the possibility of negative impacts on results or capital due to adverse movements in exchange rates, caused by changes in the price of instruments corresponding to open positions in foreign currency or by changes in the Institution's competitive position due to significant variations in exchange rates. This risk includes settlement risk, which arises when a counterparty is unable to fulfil the terms of the contract within the agreed timeframe.

Foreign exchange positions are monitored on a daily basis to ensure that they are kept within regulatory and/or internally defined limits.

To measure foreign exchange risk, the Bank collects accounting data on foreign exchange transactions in order to calculate its level of exposure to risk in the event of changes in market exchange rates, reporting this information to ALCO, the Risk Control Committee and the Risk Assessment Committee.

The following table summarises the Bank's exposure to exchange rate risk as at 31 December:

2024	MZN	USD	ZAR	EUR	Others	Total
Financial assets						
Cash and cash equivalents at the Central Bank	17 317 989	2 452 944	2 235	16 182	-	19 789 350
Cash equivalents at credit institutions	7 174	414 685	1460	92 578	5 158	521 055
Investments in credit institutions	600 774	1 548 214	2 729	98 882	20 930	2 271 529
Financial assets	12 684 367	517 775	-	-	-	13 202 142
Loans and advances to customers	19 670 570	1 201 111	-	-	-	20 871 681
Other assets	2 936 829	185 341	20 221	14 813	_	3 157 204
Total	53 217 703	6 320 070	26 645	222 455	26 088	59 812 961
Financial liabilities						
Deposits from credit institutions	736 201	71	-	-	96	736 368
Deposits and current accounts	41 263 933	6 420 346	7 853	127 003	22 350	47 841 485
Earmarked deposits	625 815	15 354	-	-	-	641 169
Bond loans	2 354 732	-	-	-	-	2 354 732
Other liabilities	2 629 907	35 273	18 870	94 430	-	2 778 480
Total	47 610 588	6 471 044	26 723	221 433	22 446	54 352 234
Net exposure	5 607 115	(150 974)	(78)	1 022	3 642	5 460 727
2023		ucn	740	EUR		
2023	MZN	USD	ZAR	EUR	Others	Total
Financial assets	MZN -		ZAR	EUR	Others -	Total
	13 634 726	1889 984	3 249	22 908	Others -	15 550 870
Financial assets Cash and cash equivalents at the						
Financial assets Cash and cash equivalents at the Central Bank	13 634 726	1889 984	3 249	22 908	3	15 550 870
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions	13 634 726 591	1889 984 349 675	3 249 5 534	22 908 16 370	3 5 240	15 550 870 377 410
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions	13 634 726 591 -	1889 984 349 675 2 363 881	3 249 5 534	22 908 16 370	3 5 240	15 550 870 377 410 2 457 392
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets	13 634 726 591 - 12 039 112	1 889 984 349 675 2 363 881 553 941	3 249 5 534	22 908 16 370	3 5 240	15 550 870 377 410 2 457 392 12 593 053
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers	13 634 726 591 - 12 039 112 20 827 485	1889 984 349 675 2 363 881 553 941 1106 704	3 249 5 534 8 745 - -	22 908 16 370 62 788 -	3 5 240	15 550 870 377 410 2 457 392 12 593 053 21 934 189
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers Other assets	13 634 726 591 - 12 039 112 20 827 485 1 724 694	1889 984 349 675 2 363 881 553 941 1106 704 22 611	3 249 5 534 8 745 - - 19 628	22 908 16 370 62 788 - - 15 763	3 5 240 21 978 - - -	15 550 870 377 410 2 457 392 12 593 053 21 934 189 1 782 696
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers Other assets Total	13 634 726 591 - 12 039 112 20 827 485 1 724 694	1889 984 349 675 2 363 881 553 941 1106 704 22 611	3 249 5 534 8 745 - - 19 628	22 908 16 370 62 788 - - 15 763	3 5 240 21 978 - - -	15 550 870 377 410 2 457 392 12 593 053 21 934 189 1 782 696
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers Other assets Total Financial liabilities	13 634 726 591 - 12 039 112 20 827 485 1724 694 48 226 608	1889 984 349 675 2 363 881 553 941 1106 704 22 611 6 286 796	3 249 5 534 8 745 - - 19 628	22 908 16 370 62 788 - - 15 763	3 5 240 21 978 - - - 27 221	15 550 870 377 410 2 457 392 12 593 053 21 934 189 1782 696 54 695 610
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers Other assets Total Financial liabilities Deposits from credit institutions	13 634 726 591 - 12 039 112 20 827 485 1724 694 48 226 608 1 568 761	1889 984 349 675 2 363 881 553 941 1106 704 22 611 6 286 796	3 249 5 534 8 745 - - 19 628 37 156	22 908 16 370 62 788 - - 15 763 117 829	3 5 240 21 978 - - - - 27 221	15 550 870 377 410 2 457 392 12 593 053 21 934 189 1782 696 54 695 610 1 568 698
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers Other assets Total Financial liabilities Deposits from credit institutions Deposits and current accounts	13 634 726 591 - 12 039 112 20 827 485 1724 694 48 226 608 1 568 761 35 324 897	1 889 984 349 675 2 363 881 553 941 1 106 704 22 611 6 286 796 -63 5 503 205	3 249 5 534 8 745 - - 19 628 37 156	22 908 16 370 62 788 - - 15 763 117 829	3 5 240 21 978 - - - - 27 221	15 550 870 377 410 2 457 392 12 593 053 21 934 189 1 782 696 54 695 610 1 568 698 40 983 484
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers Other assets Total Financial liabilities Deposits from credit institutions Deposits and current accounts Earmarked deposits	13 634 726 591 - 12 039 112 20 827 485 1724 694 48 226 608 1 568 761 35 324 897 407 624	1 889 984 349 675 2 363 881 553 941 1 106 704 22 611 6 286 796 -63 5 503 205	3 249 5 534 8 745 - - 19 628 37 156	22 908 16 370 62 788 - - 15 763 117 829	3 5 240 21 978 - - - - 27 221	15 550 870 377 410 2 457 392 12 593 053 21 934 189 1 782 696 54 695 610 1 568 698 40 983 484 745 008
Financial assets Cash and cash equivalents at the Central Bank Cash equivalents at credit institutions Investments in credit institutions Financial assets Loans and advances to customers Other assets Total Financial liabilities Deposits from credit institutions Deposits and current accounts Earmarked deposits Bond loans	13 634 726 591 - 12 039 112 20 827 485 1724 694 48 226 608 1 568 761 35 324 897 407 624 2 364 083	1889 984 349 675 2 363 881 553 941 1106 704 22 611 6 286 796 -63 5 503 205 337 384	3 249 5 534 8 745 - 19 628 37 156 - 14 727	22 908 16 370 62 788 - - 15 763 117 829 - 100 174 -	3 5 240 21 978 - - - - 27 221	15 550 870 377 410 2 457 392 12 593 053 21 934 189 1 782 696 54 695 610 1 568 698 40 983 484 745 008 2 364 083

The table below shows the sensitivity to possible changes in the USD exchange rate, keeping the other variables constant. The impact on the income statement (before tax) is the same as on equity:

	Increase/decrease in basis points	Impact on results before tax	Impact on equity
2024	+5%	(17 027)	(17 027)
	-5%	17 027	17 027
2023	+5%	(84 757)	(84 757)
	-5%	84 768	84 768

The effects per currency on results, as well as on equity, are determined independently, which means that there is no economic offset between them.





(Amounts expressed in thousands of Meticais)

4.4. Operational risk

Operational risk is defined as the likelihood of negative impacts on results or capital arising from errors and/or failures in analysing, processing or settling transactions, internal or external fraud, the activity being affected due to the use of outsourced resources, the existence of insufficient or inadequate human resources and the possible inoperability of support infrastructures.

It should be noted that mitigating operational risk is an activity that is tackled and exercised by all levels of the Bank, given that it cuts across all processes, products, activities and systems and is inherently present in all of the Bank's structural units. As such, its management is supported by a specific governance model, accompanied by key risk indicators and defined risk appetite levels.

As mitigation measures, the Bank remains committed to implementing robust and comprehensive internal control activities, complemented by awareness-raising and training activities that are periodically launched with a view to disseminating an ethically responsible risk culture where risk managers/focal points have the ability to identify and analyse improvements to be implemented, as well as recording and managing events that occur with a view to defining corrective actions to promote and strengthen the internal control environment.

To monitor the evolution of this risk, there are defined procedures for recording and reporting operational events, regardless of whether or not there are associated financial losses.

Meanwhile, the assessment of the internal control environment implemented is carried out through an annual risk and control self-assessment exercise (RCSA) at the level of the Bank's critical processes, the results, gaps and mitigation actions of which are assessed and approved by Senior Management, which is committed to improving and strengthening the internal control environment.

This exercise is based on mapping the macro-activities, risks and controls associated with critical processes and is carried out by answering Risk and Control Assessment Questionnaires (Self Assessment), with the aim of ascertaining the Bank's level of exposure to the various risks, taking into account the controls implemented (Residual Risk). This exercise results in the overall severity of the risk (probability and impact) for each process, which enables the Bank's overall risk matrix to be drawn up.

At Moza Banco the mitigation of Operational Risk and the strengthening of the Internal Control System, in line with the Strategic Plan, is carried out through the monitoring and implementation of Action Plans identified by any internal control deficiencies or arising from the Process Self-Assessment Exercise.

The Bank strives to mitigate risks with a higher level of exposure and/or which exceed the defined risk appetite level, through a strong governance structure as well as the implementation of a set of internal controls, which include adequate segregation of duties, access controls, authorisations and reconciliation and hierarchical review processes, staff training and continuous assessment processes, in addition to the IT controls implemented. In addition, a business continuity plan is in place to guarantee the ability to continue operating, limiting losses and/or negative impacts in the event of a crisis or serious business interruption.

Operational risk management is carried out at all levels of the Institution, and all the Bank's Organic Units are called upon to actively collaborate with the Risk Management Department in carrying out risk identification, analysis, monitoring and control activities.

The Board of Directors is responsible for approving and updating internal policies containing procedures to be adopted in the various processes, as well as ensuring that the conditions exist for an adequate internal control environment, adjusted to the size, complexity and risk appetite of the Bank.

4.5. Capital management and solvency risk

The Bank actively manages its capital to cover the risks inherent in its business. The adequacy of the Bank's capital is monitored using, among other measures, the ratios established by the Central Bank of Mozambique.

The main objectives of capital management at Moza Banco are as follows:

- > Comply with the capital requirements imposed by the Central Bank of Mozambique;
- > Maintaining a strong and healthy capital ratio, capable of supporting the growth of the business as well as the execution of the Strategic Plan; and
- > To present a policy of continuity, capable of providing the maximum return to shareholders.

Capital adequacy and the utilisation of regulatory capital are regularly monitored by the Bank's Board of Directors, which assesses the methodologies implemented and compliance with the regulations issued by the Central Bank of Mozambique. The required information is submitted monthly to the Central Bank of Mozambique, which requires each Bank to comply with a minimum capital solvency ratio of 12 per cent.

The Bank's regulatory capital is controlled by the Risk Management Department and is divided into two tiers:

- > Tier 1 capital: share capital (net of any book value of own shares), retained earnings and reserves; and
- > Tier 2 capital: subordinated debt, generic provisions and unrealised fair value gains on available-for-sale financial assets.

The risk weighting of assets is measured using a hierarchy of thirteen risks, categorised according to nature and reflecting an estimate of the credit, market and other risks associated with each asset or counterparty, taking into account eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet items, with some adjustments to reflect the more contingent nature of a potential loss.





(Amounts expressed in thousands of Meticais)

The table below summarises the calculation of Moza Banco's solvency ratio for the financial year ending 31 December 2024 and 2023, based on that recommended by the Central Bank of Mozambique, which is higher than the minimum required and proves the Bank's financial strength.

	2024	2023
Tier I Capital		
Share capital	7 020 750	7 020 750
Eligible reserves and retained earnings	2 689 742	2 691 707
Intangible assets	(850 546)	(317 468)
Credit impairments according to the BoM notice (*)	(3 370 920)	(3 085 138)
Fair value reserve	<u>-</u>	(3 475)
Tier I Capital	5 489 026	6 306 376
Total amount of the participation if it exceeds 10% of the share capital of the participated entity		
Tier I Capital - adjusted	5 489 026	6 306 376
Additional own funds		
Others	3 685	3 401
Other revaluation reserves, for the amounts resulting from Art. 5 and Art. 17(g) and (h)	144 911	_
Additional own funds	148 595	3 401
Other elements to deduct	(803 810)	(760 561)
Original and additional own funds	4 833 812	5 549 216
Risk-weighted assets		
On the financial position	24 090 438	22 660 351
Outside the financial position	5 385 591	4 549 908
Operational and market risk	1 098 125	640 885
Total weighted assets	30 574 154	27 851 144
Prudential ratios		
CORE TIER 1 CAPITAL	31.21%	34.38%
TIER 1 CAPITAL	17.95%	22.64%
OVERALL RATIO	15.81%	19.92%
Required solvency ratio	13.00%	12.00%

^(*) means the difference between the calculation of loan impairment based on the BoM notice and

5. Financial Margin

The net interest margin is as follows:

	2024	2023
Interest and similar income		
Interest on loans and advances to customers	4 160 942	4 201 075
Interest on cash and deposits with credit institutions	177 357	160 385
Interest on financial assets at amortised cost	1 321 562	1207 387
Interest on financial assets at fair value through other comprehensive income	648 627	448 322
	6 308 488	6 017 169
Interest and similar expenses		
Interest on customer funds	2 603 794	2 391 556
Interest on subordinated liabilities	423 667	113 670
Interest on funds from the Central Bank and credit institutions	64728	404 574
Rental interest	202 372	188 079
_	3 294 561	3 097 879
	3 013 927	2 919 290





6. Services and net fees

This item is presented as follows:

	2024	2023
Income from services and fees		
For guarantees given	192 801	164 233
For banking services performed	192 130	315 242
Other income from services and fees	506 250	318 775
	891 181	798 250
Service charges and commissions		
For guarantees received	8 381	4 458
For banking services provided by third parties	42 192	25 832
VISA and Mastercard	162 145	148 777
Other fees and commissions	158 501	124 114
	371 219	303 181
	519 962	575 017

Type of service

Nature and timing of performance obligations, including significant payment Recognition of revenue

accordance with IRFS 15

Retail and corporate banking services The Bank provides retail and corporate banking services, including account management, lending in the form of overdrafts, foreign currency transactions, credit cards and service fees.

Revenue from account services and service fees is recognised over time as the services are provided.

Fees for ongoing account management are charged monthly to the client's account. The Bank sets the fees separately each year for retail and corporate banking clients.

Revenue related to transactions is recognised when the transaction

Fees applied to interbank fee-based transactions, foreign currency transactions and overdrafts are charged to the customer's account when the transaction takes place.

Service fees are charged monthly and are based on fixed rates reviewed annually by the Bank.

Investment banking services The Bank's investment banking segment provides various finance-related services, including loan administration and agency services, syndicated loan administration, execution of transactions with exchange customers and securities underwriting.

Fees for ongoing services are charged annually at the end of each financial year to the client's account. However, if a client terminates the contract before 31 December, a fee will be charged for services performed up to that point.

Transaction-based fees for administering a syndicated loan, executing transactions and underwriting securities are charged when the transaction takes place.

administrative Revenue from agency services is recognised over time as the services are provided. The amounts to be collected from customers on 31 December are recognised as accounts receivable from customers.

Revenue related to transactions is recognised when the transaction

7. Net income from financial operations

Net financial operations is as follows:

Net income from financial transactions	2024	2023
Gains on financial operations		
Gains on foreign exchange transactions	5 729 509	2 852 060
Other gains on financial operations	5 621	167 094
	5 735 130	3 019 154
Losses on financial operations		
Losses on foreign exchange transactions	5 072 021	2 628 560
Other losses on financial operations	1 011	961
	5 073 032	2 629 521
Net financial operations	662 098	389 633







(Amounts expressed in thousands of Meticais)

8. Impairment for the year

	Note	2024	2023
Loans and advances to customers	20	518 000	1 133 148
Non-current assets held for sale	22	-	19 083
Financial assets	21	3 573	20 174
		521 573	1 172 405
		1 172 405	1 172 405

9. Staff costs

Staff costs are as follows:

	2024	2023
Salaries and wages	1955 539	2 018 109
Mandatory social charges	73 854	66 725
	2 029 393	2 084 834

Employees

On 31 December, the number of permanent employees was as follows:

	2024	2023
Central Services	526	526
Commercial Area	417	417
	943	943

10. Other operating costs

This item is presented as follows:

	2024	2023
Communications	117 343	117 789
Professional fees	308 574	299 421
Consumables	42 144	43 322
Maintenance and related services	319 026	295 732
Marketing expenses	29 776	25 670
Rents and leases	23 304	21 439
Water, energy and fuels	88 513	86 849
Travel and representation expenses	20 333	22 341
Training costs	21700	8 201
Reversal of income from previous years	173 862	135 192
Donations and contributions	21 668	19 091
Insurance	15 728	17 338
Fees	9 518	23 686
Others	84 601	68 114
	1 276 090	1 184 185

11. Other operating gains

This item is presented as follows:

	2024	2023
Services provided	50 428	55 630
Other earnings	237 461	1576 659
	287 889	1 632 289

During the 2024 financial year, Other operating gains showed a significant reduction of 1.344 billion meticals compared to the previous year, largely due to the recovery in 2023 of loans from an operation that was reorganised in the 2021 financial year.





12. Provisions for the year

Provisions are as follows:

	2024	2023
Provisions for Guarantees and Commitments Assumed	(70 243)	93 622
Compensation processes	(19 000)	130 621
Tax provision	34 949	-
Legal provisions	(1186)	(1996)
POS Transactional Provisions	-	2 386
Miscellaneous Provisions	12 513	9 053
	(42 967)	233 686

13. Income tax

	2024	2023
IRPC - Interest on Treasury Bills	246 112	235 803
IRPC - Interest on Treasury Bonds	142 320	85 834
IRPC - Interest on Liquidity Swaps and Others	5 344	3 193
	393 776	324 830

The IRPC figure refers to the tax that is definitively withheld source from interest on investments in Treasury Bills, Treasury Bonds and other investments in the Interbank Money Market.

The reconciliation of the effective tax rate for 31 December 2024 is as follows:

	2024	2023
Profit before tax	289 955	426 685
Tax corrections		
Reintegrations and amortisations not accepted	20 423	27 921
Non-deductible provisions or impairment losses	51 542	37 228
Donations not foreseen	19 080	34 918
Other additions	419 966	305 661
Reinstatement of tax provisions	(51 754)	(63 328)
Interest on BT, OT and liquidity swaps	(2 113 292)	(1820 095)
Other deductions	(46 079)	-
Tax losses	(1 410 159)	(1 051 010)
Current tax (32%)		
Tax loss carried forward	(1 410 159)	(1 051 010)
Withholding tax on BT interest, OT and liquidity swaps	393 776	324 830

The Bank has chosen not to recognise a deferred tax on the losses carried forward, however, in accordance with tax legislation, the tax loss can be used for 5 subsequent financial years. Below is a breakdown of the utilisation of tax losses over the years.

Description	2020	2021	2022	2023	2024
Tax loss for the period	736 178	2 191 816	1 015 535	1 051 010	1 410 159
Maturity dates of tax losses	2025	2026	2027	2028	2029







14. Earnings per share

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to the Bank's ordinary shareholders of negative 103,821 thousand Meticais (2023: Profit: 101,855 thousand Meticais), and the weighted average number of ordinary shares issued up to 31 December 2024 is 1,385,408, calculated as follows:

Profit attributable to ordinary shareholders	2024	2023
Net profit	(103 821)	101 855
Weighted average number of ordinary shares	1385 408	1385 408
Earnings per share		
Basic	(0.07)	0.07
Diluted	(0.07)	0.07

15. Cash and deposits at the Central Bank

Cash and deposits at the Central Bank are as follows:

	2024	2023
Cash	537 421	718 671
Deposits at the Central Bank	1128 534	788 656
Compulsory reserves	18 123 395	14 043 543
	19 789 350	15 550 870

16. Cash and cash equivalents at credit institutions

Cash and cash equivalents at credit institutions are as follows:

	2024	2023
Cash and cash equivalents at domestic banks	7 177	776
Cash and cash equivalents at foreign banks	513 878	376 634
	521 055	377 410

17. Investments in credit institutions

Investments in credit institutions are as follows:

	(00.440	
Central Bank Applications	600 419	-
Loans and advances to other credit institutions	1 671 110	2 457 392
	2 271 529	2 457 392
Investments in credit institutions by maturity are as follows:		
	2024	2023
Up to 3 months	2024 2 047 844	2023 2 457 392
Up to 3 months 3 months to 1 year		

2023

2024





18. Financial assets

This item is presented as follows:

	2024		2023			
,	Amortised cost	Through other comprehensive income	Through profit or loss	Amortised cost	Through other comprehensive income	Through profit or loss
Treasury Bills	9 002 311	-	-	8 571 040	-	-
Treasury Bonds	_	3 473 577	_	_	3 207 231	_
•		3 1,3 3,7			320, 231	
Corporate Bonds		42.427			440 777	
BAYPORT 2020-2025	-	43 497	-	-	112 776	-
BAYPORT 2021-2025	-	56 099	-	-	43 574	-
Visabeira 2020-2026	-	63 253	-	-	59 053	-
MOZ BOND	-	517 783	-	-	553 941	-
Shares						
Emose 2013 and Other shareholdings	-	-	32 967	-	-	32 783
SIMO	-	-	12 655	-	_	12 655
	9 002 311	4 154 209	45 622	8 571 040	3 976 575	45 438
Total			13 202 142			12 593 053
In terms of residual maturity o	on 31 December 202	4 the Treasury Rills	portfolio is as follow	۲۰		
in terms of residual maturity of	n 31 December 202	-, the fredsdry bitts	por crodio is as rodow	J.		
				20	024	202
1 month maturity		_	_	1 391	423	1 893 310
Maturity over 1 month < 6 mor	nths			4 854	459	4 539 230
Maturity over 6 months < 12 m	nonths			2 756	429	2 138 500
				9 002	311	8 571 040
In terms of residual maturity o	on 31 December 202	4. the Treasury Bond	l portfolio is as follov	vs:	<u> </u>	
cas or residual made nay o	5. 500050. 202	, and meessay 2011.	, por er ou o 15 05 1 0 110 1		226	2022
					D24 	2023
Maturity over 1 month < 6 mor				208		-
Maturity of more than 12 mont	tns			3 264		3 207 231
				3 473	5//	3 207 231
On 31 December 2023, the Trea	asury Bond portfol	o was as follows:				
				20	024	2023
Treasury Bonds			-			
Treasury Bonds 2021-3rd Serie	.s			93	945	94 620
Treasury Bonds 2021-3rd Serie				114	822	115 647
Treasury Bonds 2021 - 4th Seri				103	412	104 122
Treasury Bonds 2021-5th Serie					937	132 949
Treasury Bonds 2021-8th serie					294	163 617
Treasury Bonds 2021-11th serie	es			109	672	109 672
Treasury Bonds 2022-11th serie	es			848	605	784 54
Treasury Bonds 2023 - 2nd ser	ries			29	211	30 357
Treasury Bonds 2023 - 2nd ser	ries (*)			306	685	282 399
Treasury Bonds 2023 - 3rd seri	ies			10	004	1004
Treasury Bonds 2023 - 4th ser	ies			6	476	6 476
Treasury Bonds 2023 - 9th ser	ies			1549	248	1 381 827
Treasury Bonds 2024 - 4th ser	ies			14	266	
				3 473	577	3 207 231

^{(*) -} Reopening





(Amounts expressed in thousands of Meticais)

Transactions in financial assets on 31 December 2024 are as follows:

	2024	2023
Opening balance	8 571 040	9 779 840
Acquisitions	9 939 691	14 516 219
Interest accrual	2 460 309	958 387
Disposals/repayments	(11 968 729)	(16 683 406)
Final balance	9 002 311	8 571 040

Movements in impairments of financial assets as at 31 December 2024 are as follows:

	2024	2023
Opening balance	63 605	43 440
Reinforcement	7 641	20 474
Reversal	(4 068)	(300)
Regularisation	1	(9)
Final balance	67 179	63 605

On 31 December 2024, impairments for the year increased by 3,573 thousand Meticais (2023: increase of 20,174 thousand Meticais), as a result of the depreciation in the price of securities, especially Mozbond Bonds

18.1 Treasury bonds

Treasury Bonds 2021 - 3rd series

These Treasury Bonds have a maturity of four years and were issued on 23 March 2021 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 14.00% for the first two coupons and the remaining six coupons at the average rate weighted by the maturity and amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 1.25%. The net value on 31st December 2024 was 208 767 thousand Meticais.

Treasury Bonds 2021 - 4th series

These Treasury Bonds have a maturity of five years and were issued on 20 April 2021 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 14.00% for the first two coupons and the remaining eight coupons at the average rate weighted by the maturity and the amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 1.0%. The net value on 31st December 2024 was 103 412 thousand Meticais.

Treasury Bonds 2021 - 5th series

These Treasury Bonds have a maturity of five years and were issued on 08 June 2021 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 14.25 per cent for the first two coupons and the remaining eight coupons at the average rate weighted by the maturity and amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 0.75 per cent. The net value on 31st December 2024 was 131 937 thousand Meticais.

Treasury Bonds 2021 - 8th series

These Treasury Bonds have a maturity of four years and were issued on 21 September 2021 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 14.00% for the first two coupons and the remaining six coupons at the average rate weighted by the maturity and amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 0.75%. The net value on 31st December 2024 was 164 294 thousand Meticais.

Treasury Bonds 2021 - 11th series

These Treasury Bonds have a maturity of ten years and were issued on 30 December 2021 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 2.5625% for the first coupon only and the remaining nineteen coupons at the 12-month average inflation rate for Maputo, plus a percentage margin of 0.50%. The net value on 31 December 2024 was 109 672 thousand Meticais.

Treasury Bonds 2022 - 11th series

These Treasury Bonds have a maturity of five years and were issued on 28 December 2022 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 17.50% for the first four coupons and the remaining six coupons at the average rate weighted by the maturity and the amounts of the last

six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 1.00%. The net value on 31st December 2024 was 848 605 thousand Meticais.

Treasury Bonds 2023 - 2nd series

These Treasury Bonds have a maturity of five years and were issued on 08 March 2023 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 19.00% for the first four coupons and the remaining six coupons at the average rate weighted by the maturity and the amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 0.75%. The net value on 31 December 2024 was 335 896 thousand Meticais.

Treasury Bonds 2023 - 3rd series

These Treasury Bonds have a maturity of five years and were issued on 12 April 2023 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 19.00% for the first four coupons and the remaining six coupons at the average rate weighted by the maturity and amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 0.75%. The net value on 31st December 2024 was 1 004 thousand Meticais.

Treasury Bonds 2023 - 4th series

These Treasury Bonds have a maturity of five years and were issued on 10 May 2023 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 19.00% for the first four coupons and the remaining six coupons at the average rate weighted by the maturity and amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 0.75%. The net value on 31st December 2024 was 6 476 thousand Meticais.

Treasury Bonds 2023 - 9th series

These Treasury Bonds have a maturity of six years and were issued on 10 October 2023 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 18.00% for the first four coupons and the remaining eight coupons at the average rate weighted by the maturity and amounts of the last six issues of Treasury Bills with terms of 364 days, plus a percentage margin of 2.00% with repayment of the principal in four equal annual instalments from 2026 onwards. The net value on 31st December 2024 was 1549 248 thousand Meticais.

Treasury Bonds 2024 - 4th series

These Treasury Bonds have a maturity of five years and were issued on 03 April 2024 with a nominal value of 100 Meticais each. The coupons are paid on a six-monthly basis at an annual interest rate of 17.00% for the first four coupons and the remaining six coupons at the average rate weighted by the maturity and amounts of the last six issues of Treasury Bills with maturities of more than 63 days, plus a percentage margin of 0.25% with repayment of the principal in four equal annual instalments from 2029 onwards. The net value on 31st December 2024 was 14 266 thousand Meticais.





18.2 Corporate obligations

Visabeira 2020 - 2026

These bonds have a maturity of six years and were issued by Visabeira Moçambique on 23 March 2020, with a nominal amount of 100 Meticais per bond. The total amount of the bond loan was 250 000 000 Meticais, with Moza Banco being the only full and firm borrower of the loan, holding all of it in its own portfolio. This bond loan is subject to a twelve-month principal grace period, to be repaid in 20 equal quarterly instalments in arrears from the date after the grace period, and interest is also paid on a quarterly basis at a variable annual rate indexed to the PRSF - 2.00% (spread) for the remaining term of the loan. The net value on 31st December 2024 was 63 253 thousand Meticais.

Bayport 2020 - 2025 - 2nd series

These bonds have a maturity of five years and were issued by Bayport Financial Services Moçambique on 27th March 2020, with a nominal amount of 100 Meticais per bond. The total amount of the bond loan was 511 000 000 Meticais and Moza Banco acquired 40 199 400 Meticais for its own portfolio. The coupons are paid every six months at an annual interest rate of 18.00% on the first coupon and the remaining coupons at a variable rate indexed to the weighted average of the last six issues of treasury bills with maturities of over 360 days + 6.00% (spread). The net value on 31st December 2024 was 43 497 thousand Meticais.

Bayport 2021 - 2025 - 3rd series

These bonds have a maturity of four years and were issued by Bayport Financial Services Moçambique on 27th July 2021, with a nominal amount of 100 Meticais per bond. The total amount of the bond loan was 483 000 000 Meticais and Moza Banco acquired 52 035 000.00 Meticais for its own portfolio. The coupons are paid every six months at an annual interest rate of 18.00% on the first coupon and the remaining coupons at a variable rate indexed to the weighted average of the last six issues of treasury bills with maturities of over 360 days + 4.50% (spread). The net value on 31st December 2024 was 56 099 thousand Meticais.

Moz Bond 2019 - 2031

These bonds have a maturity of twelve years and new bonds were issued on 30 October 2019, with a nominal value of USD 1 000 per bond. This loan bears interest at a fixed annual rate of 5 per cent, with coupons paid every six months. The liability for this loan is fully covered by a guarantee issued by the Ministry of Finance of the Republic of Mozambique.

18.3 Shares and other variable-yield securities

Empresa Moçambicana de Seguros (EMOSE) and other holdings

The number of shares held in EMOSE (2 185 500) represents 0.74 per cent of the share capital and each share has a nominal value of 1 Metical and represents the same voting rights in relation to the rest of the share capital.

Mozambican Interbank Company (SIMO)

SIMO's balance relates to the value of the shares held by the Bank in Sociedade Interbancária de Moçambique, a financial institution majority owned by Central Bank of Mozambique and with a stake held by commercial banks. SIMO's mission as a financial organisation is to provide its members with access to banking services, namely through its own ATM and POS infrastructures.

20 871 681

21 934 189

19. Loans and advances to customers

Loans and advances to customers are as follows:

	2024	2023
Companies	15 054 113	16 434 341
Private individuals	7 325 223	6 979 247
	22 379 336	23 413 588
Specialised interest and commissions	381 628	368 526
	22 760 964	23 782 114
Expected credit losses	(1889 283)	(1847 925)
		24.024.400
Loans and advances by segment are analysed as follows:	20 871 681	21 934 189 2023
Loans and advances by segment are analysed as follows:		
Loans and advances by segment are analysed as follows: Corporate Retail - Companies	2024	2023
Corporate	2024 5 683 449	2023 5 692 655
Corporate Retail - Companies	2024 5 683 449 6 663 321	2023 5 692 655 7 700 415
Corporate Retail - Companies Private	2024 5 683 449 6 663 321 441 588	2023 5 692 655 7 700 415 411 788
Corporate Retail - Companies Private Institutional	2024 5 683 449 6 663 321 441 588 6 989	2023 5 692 655 7 700 415 411 788 15 237
Corporate Retail - Companies Private Institutional Public Institution	2024 5 683 449 6 663 321 441 588 6 989 3 014 022	2023 5 692 655 7 700 415 411 788 15 237 3 239 036







(Amounts expressed in thousands of Meticais)

The analysis of risk concentration by industry is as follows:

	2024	2023
Government	218 387	240 368
Retail	4 537 390	4 385 959
Construction	1200 969	921 907
Manufacturing industry	403 698	1 701 513
Private individuals	6 958 534	6 846 513
Services	2 922 381	3 270 486
Transport and communications	2 988 295	3 592 179
Others	1642 027	975 264
	20 871 681	21 934 189
Gross loans and advances by currency are analysed as follows:		
	2024	2023
National currency	21 469 577	22 557 929
Foreign currency	1 291 387	1 224 185
	22 760 964	23 782 114
Loans and advances by stage are analysed as follows:		
	2024	2023
Stage 1	9 612 835	9 881 997
Stage 2	2 284 454	2 655 894
Stage 3	8 974 392	9 396 298
	20 871 681	21 934 189
The maturity of gross loans and advances is as follows:		
	2024	2023
Up to 3 months	3 906 882	4 290 739
From 3 months to 1 year	2 179 428	2 631 576
From 1 year to 5 years	10 418 721	8 979 790
More than 5 years	6 255 933	7 880 009
	22 760 964	23 782 114

Credit impairment

The movement in impairment losses during the year is as follows:

2024	Stage 1	Stage 2	Stage 3	Value
Opening Balance	120 369	106 844	1 620 712	1 847 925
Reinforcement	79 846	60 823	646 106.00	786 775
Reversal	(51 767)	(53 726)	(163 282)	(268 775)
Transfer	(14 307)	(30 597)	44 904.00	-
Utilisation	-	-	(476 642)	(476 642)
	134 141	83 344	1 671 798	1 889 283

The utilisation of loan impairment in the 2024 financial year results from the write-off of impaired loans constituted at 100% of the loan exposure in line with article 11 of Notice 16/GBM/2023.

2023	Stage 1	Stage 2	Stage 3	Value
Opening Balance	121 069	105 033	2 762 720	2 988 822
Reinforcement	66 323	79 314	1 133 476	1 279 113
Reversal	(67 023)	(77 503)	(1 439)	(145 965)
Transfer	-	-	(515 940)	(515 940)
Utilisation	-	-	(1758 105)	(1758 105)
	120 369	106 844	1 620 712	1 847 925





(Amounts expressed in thousands of Meticais)

20. Other assets

Other assets are as follows:

	2024	2023
Other receivables	900 348	1 082 112
Accruals and deferrals	414 148	425 408
Inventories	9 584	19 180
Recoverable assets*	1 838 181	261 053
	3 162 261	1 787 753
Impairment of other assets	(5 057)	(5 057)
	3 157 204	1 782 696

The variation in the other assets heading is the result of the realisation of 8 (eight) pieces of real estate, especially factory real estate, in the amount of MZN 1,306 thousand meticais.

The breakdown of "Recoverable assets" is as follows:

	2024	2023
Factory Building	1367 067	97 929
Multifunctional Building	287 163	8 915
Housing	177 951	150 710
Commercial Building	6000	3 500
	1 838 181	261 053

21. Non-current assets held for sale

Transactions in non-current assets held for sale is as follows:

	2024	2023
Foreclosed properties	1069 023	995 911
Impairments	(233 389)	(264 064)
	835 634	731 847
Transactions in non-current assets held for sale during the year was as	follows:	

	2024	2023
Opening balance	995 911	1089 837
Increases	143 198	67 134
Decreases	(70 086)	(161 060)
Sub-Total	1 069 023	995 911
Impairments	(233 389)	(264 064)
Final balance	835 634	731 847

Transaction in impairment losses during the year is as follows:

	2024	2023
Opening Balance	(264 064)	(301 545)
Reinforcement	-	(19 083)
Utilisation	30 675	56 564
Final balance	(233 389)	(264 064)

 $The \ Bank\ utilised\ impairment\ to\ the\ amount\ of\ 30,675\ thousand\ Metica is\ in\ the\ process\ of\ selling\ real\ estate.$







Diable of the

(Amounts expressed in thousands of Meticais)

22. Investment Properties

The movement in this item is as follows:

Cost	Amount
01 January 2023	264 952
31 December 2023	264 952
31 December 2024	264 952
Amortisation	
01 January 2023	27 246
Increase	5 426
31 December 2023	32 673
Increase	5 183
31 December 2024	37 856
Carrying amount	
01 January 2023	237 706
31 December 2023	232 279
31 December 2024	227 096

On 31 December 2024, the fair value of Investment Properties was 260,039 thousand Meticais.

23. Tangible Assets

Transactions in tangible assets is as follows:

Cost	Leased buildings	Equipment	Investments in progress	Right of use asset	Others	Total
01 January 2023	1 095 504	1 452 187	454 962	2 541 399	2 597	5 546 649
Increase	-	48 760	81 985	74 795	-	205 540
Write-down	-	(10 098)	-	-	-	(10 098)
Transfers	43 053	52 815	(95 868)		_	
31 December 2023	1 138 557	1 543 664	441 079	2 616 194	2 597	5 742 091
Increase		35 278	140 845	215 146	-	391 269
Write-down	-	(154 864)	-	-	-	(154 864)
Transfers	-	60 633	(60 633)	-	-	-
31 December 2024	1 138 557	1 484 711	521 291	2 831 340	2 597	5 978 496
Amortisation						
01 January 2023	853 164	1 261 745	20	969 529	-	3 084 458
Increase	56 144	84 496	-	235 923	-	376 563
Write-down	-	(9 591)	-	-	-	(9 591)
Regularisations	(370)	-	-	-	-	(370)
31 December 2023	908 938	1 336 650	20	1 205 452		3 451 060
Increase	45 488	74 946	-	241 122	_	361 556
Write-down	-	(137 168)	-	-	-	(137 168)
Regularisations	-	-	-	1539	-	1 539
31 December 2024	954 426	1 274 428	20	1 448 113		3 676 987
Carrying amount						
01 January 2023	242 340	190 442	454 942	1 571 870	2 597	2 462 191
31 December 2023	229 619	207 014	441 059	1 410 742	2 597	2 291 031
31 December 2024	184 131	210 283	521 271	1 383 227	2 597	2 301 509

Of the total tangible assets heading, excluding right-of-use assets, the gross value of fully depreciated assets corresponds to 1,756,640 thousand meticais.





24. Intangible Assets

Transactions in intangible assets is as follows:

Cost	Software	Investments in progress	Total
01 January 2023	881 203	200 949	1 082 152
Increase	21 707	103 635	125 342
Transfer	94 097	(94 097)	-
Regularisation	49 873	(49 873)	-
31 December 2023	1 046 880	160 614	1 207 494
Increase	1183	576 909	578 092
Transfer	4 151	(4 151)	-
31 December 2024	1 052 214	733 372	1 785 586
Amortisation O1 January 2023 Increase	857 580 32 446	-	857 580 32 446
31 December 2023	890 026		890 026
Increase	43 091	_	43 091
31 December 2024	933 117	<u>-</u>	933 117
Carrying amount			
01 January 2023	23 623	200 949	224 572
31 December 2023	156 854	160 614	317 468
31 December 2024	119 097	733 372	852 469

Of the total intangible assets heading, excluding right-of-use assets, the gross value of fully depreciated assets is 846,675 thousand meticais.

25. Current taxes

Current tax assets are as follows:

	2024	2023
Payment on account of IRPC	38 465	38 365
IRPC withholding tax	604 279	568 576
	642 744	606 941





(Amounts expressed in thousands of Meticais)

26. Deferred tax assets and liabilities

Income taxes (current and deferred) are determined by the Bank on the basis of the rules defined by the tax framework. However, in some situations, tax legislation is not sufficiently clear and objective and may give rise to different interpretations. In these cases, the amounts recognised are the result of the Bank's best understanding of the appropriate framework for its operations, which may be questioned by the tax authorities.

The Tax Authorities have the right to review the Bank's tax position for a period of five (5) years, which may result in possible corrections to the taxable income due to different interpretations and/or non-compliance with tax legislation, particularly with regard to IRPS (Personal Income Tax), IRPC (Corporate Income Tax) and VAT (Value Added Tax).

The Bank has been making tax losses which, under the Income Tax Code, give rise to a right of deduction from future positive tax results up to a maximum of 5 years. In the light of International Accounting Standard 12, these losses give rise to the right to recognise Deferred Tax Assets against profits for the year, which can be used to meet the Bank's future tax obligations in the event of profits.

The Bank's business plan demonstrates the achievement of positive results in subsequent years, however, management has opted to partially recognise in the 2024 financial statements the right to recover them over the next five years by recording the deferred tax asset.

Management also believes that it has complied with all the tax obligations to which the Bank is subject.

The tax heading is as follows:

	2024	2023
Deferred Tax Assets		
Deferred Tax on Profits	95 000	95 000
Deferred Taxes on Fair Value Reserve		1635
	95 000	96 635
Deferred Tax Liabilities		
Deferred Taxes on Fair Value Reserve	65 788	-
Deferred Taxes on Tangible Assets		8 839
	65 788	8 839

Movements in the Bank's deferred taxes are as follows:

		Income st	etement	Equi	ty	
	01.01.2024	Expenses	Income	Increase	Decrease	31.12.2024
Deferred tax assets						
Tax losses	95 000	-	-	-	-	95 000
Deferred tax assets on fair value reserve	1635	-	_	_	(1 635)	_
-	96 635				(1 635)	95 000
Deferred tax liabilities						
Tangible assets	8 839	-	8 839	-	-	-
Deferred tax liability on fair value reserve			-	65 788		65 788
	8 839	-	8 839	65 788	-	65 788
		-			64 153	

		Income st	atement	Equ	uity	
	01.01.2023	Expenses	Income	Increase	Decrease	31.12.2023
Deferred tax assets			_	-		
Tax losses	95 000	-	-	-	-	95 000
Deferred tax assets on fair value reserve	56 267	-	-	-	(54 632)	1635
-	151 267		-		(54 632)	96 635
Deferred tax liabilities						
Tangible assets	8 839	<u>-</u>	_			8 839
	8 839	-	-	-	-	8 839
		-			(54 632)	







27. Deposits from credit institutions

Deposits from Credit Institutions including Central Bank of Mozambique are as follows:

	2024	2023
Current accounts	427 457	94 321
Term deposits	308 911	1 474 377
	736 368	1 568 698

The maturity of Credit Institution Deposits including the Central Bank of Mozambique is as follows:

	2024	2023
Up to 3 months	724 026	1 499 112
From 3 months to 1 year	12 342	69 586
	736 368	1 568 698

28. Deposits and current accounts

Deposits and current accounts are as follows:

	2024	2023
Current accounts	25 497 518	20 656 428
Term deposits	22 343 967	20 327 056
	47 841 485	40 983 484

The maturity of deposits and current accounts is as follows:

	2024	2023
Demand	25 497 518	20 656 428
Up to 3 months	13 511 608	16 357 787
From 3 months to 1 year	8 832 359	3 969 269
	47 841 485	40 983 484

29. Earmarked deposits

The deposits earmarked are as follows:

	2024	2023
i) Ministry of Industry (PRSP)	1708	1708
ii) FSA - Kuwait Fund	216 487	240 332
iii) IFAD	269 826	343 913
iv) Agrarian Development Fund	97 199	110 000
v) FNDS	1 113	10 063
Interest	54 836	38 992
	641 169	745 008

- i) An agreement was signed with the Ministry of Industry and Trade for access to funds granted by the Italian government in the form of a guarantee fund (PRSP -Private Sector Recovery Programme) to support private sector activities directly affected by natural disasters that occurred in 2000/2001. The fund was made available on 31st March 2015, for the amount of 120 million Meticais, for a period of 5 years, and the operations covered have a fixed rate of 10.00% per year;
- ii) On 30 May 2012, the Bank initialled an agreement with the government of the Republic of Mozambique and the Kuwait Fund for Arab Economic Development, under which it takes over the management of a fund to finance agriculture and micro-businesses producing food and related services, with no defined repayment deadline.
- iii) In April 2022, a Fund Management Agreement was signed between Moza Banco and the Rural Enterprise Financing Project (REFP). These funds are part of the financing that the Government of Mozambique received from the International Fund for Agricultural Development (IFAD) to fund the implementation activities of the Rural Enterprise Financing Project (REFP), Component 1 (credit line and subsidy line). The value of this component was initially

set at approximately USD 30 million, with disbursements taking place at the request of Moza Banco in line with the existing Pipeline. The line was due to expire on 30 September 2024. However, the financing granted remains in force until maturity depending on the disbursement dates of each credit operation.

- iv) In April 2022, a Fund Management Contract was signed between Moza Banco and the Agrarian Development and Rural Extension Fund - FAR, Manica Provincial Delegation, with the aim of establishing a partnership to guarantee the strengthening of Value Chains with the participation of Men, Women and Youth through Subsidies in the provinces of Manica and Sofala. The initial value of the fund is MZN 204 480 thousand Meticais, intended exclusively for the Grants Component and with a contract valid until 31 December 2026. In July 2023, a fund management contract was signed between Moza Banco and the Fundo de Fomento Agrário e Extensão Rural, FP (FAR, FP) with the aim of establishing a partnership to guarantee the strengthening of the Cereal, Fruit and Vegetable Value Chains in Maputo, Gaza and Inhambane Provinces. The initial value of the fund is MZN 100 000 and it expires on 31 December 2028.
- v) In July 2020, a Financial Technical Partnership Protocol on the Promotion and Financing of Integrated Rural Development Projects in Mozambique was signed between the National Fund for Sustainable Development (FNDS) and Moza Banco. The aim of this agreement is for the Bank to manage a line of financing for the SUSTENTA programme, comprising a grant component worth 272 002 thousand Meticais and a credit component worth MZN 901 214 thousand Meticais.

The earmarked deposits according to the elements affecting monetary and non-monetary cash flow are as follows:

	2024	2023
Opening balance	745 008	577 659
Monetary changes	(49 616)	128 357
Non-monetary changes	(54 223)	38 992
Final balance	641 169	745 008

30. Provisions

This item is presented as follows:

	2024	2023
Provisions for guarantees and commitments	135 416	205 659
Legal provisions	34 301	37 171
Other provisions	227 170	198 325
	396 887	441 155

The movement in provisions for quarantees and commitments during the year is as follows:

Description	2024	2023
Off-balance sheet exposures		
Opening Balance	205 659	112 176
Reinforcement	88 888	250 921
Reversal	(159 131)	(157 299)
Regularisation	-	(139)
	135 416	205 659

During the 2024 financial year, the provisions for guarantees and commitments totalled 70,243 thousand Meticais, as a result of an increase of 88,888 thousand Meticais and a reversal of 159,131 thousand Meticais.







The movement in legal provisions and compensation processes is as follows:

Description		2024	2023
Compensation processes			
Opening Balance		195 621	65 000
Reinforcement		-	130 621
Reversal		(19 000)	-
	Sub-total	176 621	195 621
Court cases			
Opening Balance		37 171	41 630
Reinforcement		-	10 790
Reversal		(1186)	(3 733)
Regularisation		(1 684)	(11 516)
	Sub-total	34 301	37 171
Other provisions			
Opening Balance		2 704	318
Reinforcement		47 845	2 386
	Sub-total	50 549	2 704
	TOTAL	261 471	235 496

Provisions for lawsuits Compensation

The provisions for clearing processes reflect the coverage of the risks to which the Bank is exposed, arising from balances pending regularisation in these processes. In 2024, the Bank took a significant step towards implementing measures to strengthen the control of transactions related to the clearing of balances, which led to a downward revision of the provision initially set aside at 19,000 thousand Meticais. With the conclusion of this programme, the conditions will be in place for the use or reversal of the provisions set up.

Other provisions

Final balance

During the 2024 financial year, the Bank set up provisions to cover various risks, in particular tax contingencies totalling 34,950 thousand meticais and a provision to cover damage to branches as a result of the post-election demonstrations totalling 9,256 thousand meticais.

31. Other liabilities

This item is presented as follows::

	2024	2023
Accounts payable	658 652	765 784
Accrued expenses	153 621	329 399
Deferred income	63 109	40 285
Liabilities on right of use	1903 098	1 850 481
	2 778 480	2 985 949
The maturity of right-of-use liabilities is as follows:		
	2024	2023
Up to 3 months	173 746	105 282
Up to 1 year	59 010	17 756
Up to 5 years	61 624	135 241
5 more years	1 608 718	1592 202
	1 903 098	1 850 481
Right-of-use liabilities, according to the elements that affect the mo	netary and non-monetary cash flow, are presented as	follows:
	2024	2023
Opening balance	1 850 481	1 955 350
Opening balance	253 289	(293 611)
Non-monetary changes	(202 372)	188 742

1850481

1901398





(Amounts expressed in thousands of Meticais)

32. Bond loans

Bond loans are as follows:

	2024	2023
Moza Banco 2023 bond loan	2 312 180	2 312 180
Interest	42 552	51 903
	2 354 732	2 364 083
The maturity of loans and bonds is as follows:	2024	2023
From 1 year to 3 years	2 354 732	1338 284
From 3 years to 5 years	-	1 0 2 5 7 9 9
	2 354 732	2 364 083

Moza Banco Bonds 2023-2025 - 1st series

The bond loan has a maturity of 2 years, with Moza Banco having issued 8 675 000 (eight million, six hundred and seventy-five thousand) bonds and financial settlement taking place on 16 August 2023, with a nominal value of 100 (one hundred) Meticais each bond, with repayment of the principal on maturity. Interest is paid on a quarterly basis at a fixed rate of 18.75 per cent for the first two (2) coupons and a variable rate indexed to the average of treasury bills with maturities of more than 90 days plus a spread of 1 per cent for the remaining 6 coupons. The net value on 31st December 2024 was 883 796 thousand Meticais.

Moza Banco Bonds 2023-2025 - 2nd series

The bond loan has a maturity of 2 years, with Moza Banco having issued 4 502 000 (four million, five hundred and two thousand) bonds and financial settlement taking place on 27th September 2023, with a nominal value of 100 (one hundred) Meticais each bond, with repayment of the capital on maturity. Interest is paid quarterly at a fixed rate of 18.75 per cent on the first two (2) coupons and a variable rate indexed to the average of treasury bills with maturities of more than 90 days plus a spread of 1 per cent for the remaining 6 coupons. The net value on 31st December 2024 was 450 751 thousand Meticais.

Moza Banco Bonds 2023-2026 - 3rd series

The bond loan has a maturity of 3 years, with Moza Banco having issued 8 297 800 (eight million, two hundred and ninety-seven thousand and eight hundred) bonds and financial settlement taking place on 30th October 2023, with a nominal value of 100 (one hundred) Meticais each bond, with repayment of the capital on maturity. Interest is paid on a quarterly basis at a fixed rate of 20.00% for the first two (2) coupons and a variable rate indexed to the average of treasury bills with maturities of more than 90 days plus a spread of 2 % for the remaining 10 coupons. The net value on 31st December 2024 was 852 488 thousand Meticais.

Moza Banco Bonds 2023-2026 - 4th series

The bond loan has a maturity of 3 years, with 1 647 000 (one million, six hundred and forty-seven thousand) bonds issued by Moza Banco and financial settlement taking place on 20th November 2023, with a nominal value of 100 (one hundred) Meticais each, with repayment of the principal on maturity. Interest is paid on a quarterly basis at a fixed rate of 20.00% for the first two (2) coupons and a variable rate indexed to the average of treasury bills with maturities of more than 90 days plus a spread of 2% for the remaining 10 coupons. The net value on 31st December 2024 was 167 696 thousand Meticais.

Bond loans, according to the elements that affect monetary and non-monetary cash flow, are as follows:

	2024	2023
Opening balance	2 364 083	-
Monetary changes	33 201	2 312 180
Non-monetary changes	(42 552)	51 903
Final balance	2 354 732	2 364 083

33. Taxes payable

Taxes payable are as follows:

	2024	2023
VAT	1446	1390
IRPS	58 589	34 171
IRPC	28 290	14 781
Stamp Duty	8775	13 417
	97 100	63 759

The amount of tax payable was netted during the month of January 2025.







34. Share Capital

As at 31 December 2024, Moza Banco's share capital is fully subscribed and paid up, as follows:

	2024	2023
Share capital	7 020 750	7 020 750
	7 020 750	7 020 750

Distribution of share capital by shareholder:

2024	Number of shares	Nominal value	Share Capital	% Share Capital
Kuhanha	927 822	5	4 639 110	66. 077%
Arise	431 296	5	2 156 480	30.716%
Moçambique Capitais, S.A.	45 032	5	225 160	3.207%
	1 404 150		7 020 750	100%

2023	Number of shares	Nominal value	Share Capital	% Share Capital
Kuhanha	927 822	5	4 639 110	66.08%
Arise	431 296	5	2 156 480	30.72%
Moçambique Capitais	45 029	5	225 145	3.21%
Dr.António Matos	3	5	15	0.00%
	1 404 150		7 020 750	100%

In 2024, shareholder António Matos, who held 3 shares with a nominal value of 5,000 meticais, transferred his stake in Moza Banco's share capital to shareholder Moçambique Capitais.

35. Reserves, share premiums and retained earnings

The reserves are as follows:

Cost	2024	2023
Legal reserves	4 719 441	4 688 884
Reserves for the revaluation of financial assets	144 912	(3 476)
Share premium	1 993 740	1 993 740
Retained earnings	(3 919 618)	(3 990 917)
	2 938 475	2 688 231

Under legal and statutory provisions, the Bank is obliged to set aside reserves whenever it has a positive net profit. Since the net profit for 2023 is positive, the shareholders at the General Meeting approved the constitution of a legal reserve corresponding to 30 per cent of the net profit and the application of the remainder to retained earnings.

 $The share premium \ reflects \ the \ gains \ from \ the \ above-par \ realisation \ of \ the \ shares \ issued \ over \ several \ financial \ years.$





(Amounts expressed in thousands of Meticais)

36. Classification of financial instruments

The Bank's financial instruments are classified as follows:

2024	Financial assets through profit	Financial assets through other comprehensive		
	or loss	income	Amortised cost	Total
Assets				
Cash and deposits at the Central Bank	-	-	19 789 350	19 789 350
Loans and advances to credit institutions	-	-	521 055	521 055
Investments in credit institutions	-	-	2 271 529	2 271 529
Financial assets	45 622	4 154 209	9 002 311	13 202 142
Loans and advances to customers	-	-	20 871 681	20 871 681
Other assets			3 157 204	3 157 204
	45 622	4 154 209	55 613 130	59 812 961
Liabilities				
Deposits from credit institutions	-	-	736 368	736 368
Deposits and current accounts	-	-	47 841 485	47 841 485
Earmarked deposits	-	-	641 169	641 169
Other liabilities	-	-	2 778 480	2 778 480
Bond loans	-	-	2 354 732	2 354 732
	<u> </u>	<u> </u>	54 352 234	54 352 234
2023		Financial assets		
	Financial assets	through other		
	through profit or loss	comprehensive income	Amortised cost	Total
Assets	01 (033	medine	Amortisca cost	1000
Cash and deposits at the Central Bank	_	_	15 550 870	15 550 870
Loans and advances to credit institutions	_	_	377 410	377 410
Investments in credit institutions	_	_	2 457 392	2 457 392
Financial assets	45 438	3 976 575	8 571 040	12 593 053
Loans and advances to customers	-	-	21 934 189	21 934 189
Other assets	_	_	1782 696	1782 696
	45 438	3 976 575	50 673 597	54 695 610
Liabilities				
Deposits from credit institutions	_	_	1568 698	1568 698
Deposits and current accounts	-	-	40 983 484	40 983 484
Earmarked deposits	-	-	745 008	745 008
Other liabilities	-	-	2 985 949	2 985 949
Bond loans	-	-	2 364 083	2 364 083

36.1 Fair value of financial instruments

When the fair value of financial assets and liabilities recognised in the Financial Statements cannot be calculated based on active market prices, the fair value is determined using various valuation techniques, which include the use of the discounted cash flow method. The base data for these models is calculated based on the information available from the markets, however, whenever this is not feasible, it is necessary to resort to some extent to weightings to determine fair value.

 $Changes\ in\ assumptions\ about\ the\ following\ factors\ may\ affect\ the\ fair\ value\ recognised\ in\ the\ Financial\ Statements:$

Level 1 - Quoted market price (unadjusted) on an active market for an identical instrument;

Level 2 - Valuation techniques based on observable data, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using prices in quoted markets or in active markets for similar instruments; quoted prices for identical or similar instruments in markets considered less active, or other valuation techniques in which all elements are directly or indirectly observable from market data;

Level 3 - Valuation techniques using unobservable market inputs. This category includes financial instruments in which the valuation technique includes inputs not based on unobservable data and the unobservable inputs have a significant effect on the valuation of the instrument. This category includes instruments that are valued on the basis of similar quoted yields, whenever there is a need for significant unobservable adjustments or assumptions to reflect the differences between the instruments.







The fair value of financial assets and liabilities that are traded on active markets are based on quoted market prices or dealer price quotations. For all financial instruments, the Bank determines market values using valuation techniques.

Valuation techniques include net present value and discounted cash flow models and other valuation models. Assumptions and inputs used in risk assessment techniques include free and benchmark interest rates, credit spreads and other premiums used to estimate discount rates, bond prices, treasury bills and exchange rates. The aim of valuation techniques is to arrive at a determination of fair value that reflects the price of the financial instrument on the reporting date, which would have been determined by market participants acting on a commercial basis...

Fair value hierarchy of financial instruments

The Bank measures financial instruments at fair value on the statement of financial position date. Fair value assumes that the asset or liability is traded between market participants in an orderly transaction to sell the asset or transfer the liability at the measurement date under prevailing market conditions. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place:

- i) on the principal market for that asset or liability; or
- ii) If there is no main market, the most favourable market for that asset or liability.

The main or most advantageous market must be accessible to the Bank.

The fair value of the asset or liability is measured using the assumptions that the market participants used to carry out the transaction, assuming that the participants are acting in their best economic interests.

The fair value measurement of a non-financial asset takes into account the ability of a market participant to generate economic benefits by using the asset to its full and best use or by selling it to another market participant who will use it to its full or best use.

The Bank uses valuation techniques considered to be the most appropriate according to the circumstances and for which there is sufficient data to measure fair value, maximising the use of relevant information available based on observable variables and minimising the use of unobservable variables.

All assets and liabilities whose fair value is measured or disclosed in the financial statements are recognised in accordance with the fair value hierarchy described below, based on the lowest level of inputs for measuring fair value:

- > Level 1 Quoted prices (unadjusted) of assets or liabilities in active markets to which the entity has access at the measurement date;
- > Level 2 Fair value determined on the basis of market inputs not included in Level 1, but which are observable in the market for the asset or liability, either directly or indirectly;
- > Level 3 The fair value of assets and liabilities is determined based on inputs that are not based on observable market information.

For assets and liabilities that are recognised recurrently in the Financial Statements, the Bank determines whether transfers have occurred between levels of the hierarchy by reassessing the categorisation (based on the lowest input level for measuring fair value).

The fair value of quoted securities is based on price quotations on the statement of financial position date only when there is an active market. The fair value of unlisted instruments, loans from banks and other financial liabilities is estimated by discounting future cash flows using rates currently available for debts in similar conditions, the credit risk and remaining term.

The following table shows the analysis of the fair value of financial instruments according to the fair value hierarchy for the Bank:

2024	Level 1	Level 2	Level 3	Total
Assets				
Cash and deposits at the Central Bank	-	19 789 350	-	19 789 350
Loans and advances to credit institutions	-	521 055	-	521 055
Investments in credit institutions	-	2 271 529	-	2 271 529
Financial assets	4 187 176	9 014 966	-	13 202 142
Loans and advances to customers	-	20 871 681	-	20 871 681
Other assets	-	3 157 204	-	3 157 204
	4 187 176	55 625 785	-	59 812 961
Liabilities				
Deposits from credit institutions	-	736 368	-	736 368
Deposits and current accounts	-	47 841 485	-	47 841 485
Earmarked deposits	-	641 169	-	641 169
Other liabilities	-	2 778 480	-	2 778 480
Bond loans	-	2 354 732	-	2 354 732
		54 352 234		54 352 234







(Amounts expressed in thousands of Meticais)

2023	Level 1	Level 2	Level 3	Total
Assets				
Cash and deposits at the Central Bank	-	15 550 870	-	15 550 870
Loans and advances to credit institutions	-	377 410	-	377 410
Investments in credit institutions	-	2 457 392	-	2 457 392
Financial assets	4 009 358	8 583 695	-	12 593 053
Loans and advances to customers	-	21 934 189	-	21 934 189
Other assets		1782 696	_	1782 696
	4 009 358	50 686 252		54 695 610
Liabilities				
Deposits from credit institutions	-	1568 698	-	1568 698
Deposits and current accounts	-	40 983 484	-	40 983 484
Earmarked deposits	-	745 008	-	745 008
Other liabilities	-	2 985 949	-	2 985 949
Bond loans		2 364 083	<u>-</u>	2 364 083
	-	48 647 222	-	48 647 222

The following table shows, by class, the comparison of the fair value with the carrying amounts of the Bank's financial instruments that are not measured at fair value in the Financial Statements:

	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and deposits at the Central Bank	19 789 350	19 789 350	15 550 870	15 550 870
Loans and advances to credit institutions	521 055	521 055	377 410	377 410
Investments in credit institutions	2 271 529	2 271 529	2 457 392	2 457 392
Financial assets held for trading	13 202 142	13 202 142	12 593 053	12 593 053
Loans and advances to customers	20 871 681	20 871 681	21 934 189	21 934 189
Other assets	3 157 204	3 157 204	1782 696	1782 696
	59 812 961	59 812 961	54 695 610	54 695 610
Financial liabilities				
Deposits from credit institutions	736 368	736 368	1568 698	1568 698
Deposits and current accounts	47 841 485	47 841 485	40 983 484	40 983 484
Earmarked deposits	641 169	641 169	745 008	745 008
Bond loans	2 354 732	2 354 732	2 364 083	2 364 083
Other liabilities	2 778 480	2778 480	2 985 949	2 985 949
	54 352 234	54 352 234	48 647 222	48 647 222
	5 460 727	5 460 727	6 048 388	6 048 388

Management believes that Cash and Deposits at the Central Bank and Deposits at Credit Institutions are close to fair value, due to the short maturity of these instruments.

The fair value of financial assets and liabilities is included in the amount at the date of their transaction between interested parties, without there being a settlement requirement.

The following methods and assumptions were used in determining the fair value estimate:

- > The fair value of financial assets is obtained on the basis of the active market, as well as through the use of present value, based on observable market variables.
- > The Bank has derivative financial instruments, such as swaps.
- > The fair value of financial instruments measured at amortised cost, such as investments in credit institutions, loans and advances to customers, funds from credit institutions, deposits and current accounts and bond loans are obtained by calculating discounted cash flows.



37. Related Parties

Balances with related parties are as follows:

		Investments in credit institutions	Loans and advances to customers	Deposits from credit institutions	Deposits and current accounts	Obligations
Shareholders			_			
Kuhanha	2024	-	311	-	486 033	600 000
Kunanna	2023	-	-	-	968 200	-
Arise. B.V	2024	-	-	-	175	-
Alise. B.V	2023	-	-	-	175	-
Manashia ya Casitaia	2024	-	11	-	456	-
Moçambique Capitais	2023	-	11	-	371	-
Almeida Matos	2024	-	-	-	-	-
AUTIEIUa MatOS	2023	-	53	-	10 404	-

Transactions with related parties were carried out on the basis of market prices.

The balances with the Management Body staff are as follows:

		Loans and advances to customers	Deposits and current accounts	Obligations	Interest paid	Interest earned
Shareholders						
Management body	2024	55 944	61 443	207 000	38 807	5 233
	2023	54 059	33 418	-	16 652	5 118

Benefits to the Management Body

During 2024, the salaries of the Management Body totalled 188,725 thousand Meticais, compared to 170,848 thousand Meticais in 2023.

Transactions with related parties are as follows:

		Operating leases	Interest paid	Interest earned
Shareholders				
Kuhanha	2024	-	216 250	9
Kullalilla	2023	-	197 779	2
Managhiana Casitaia	2024	5 989	52	1
Moçambique Capitais	2023	6 008	2 483	5
Almeida Matos	2024	-	-	-
Authered Matos	2023	-	466	_



38. Contingencies and commitments

Contingencies

	2024	2023
Guarantees	8 947 132	7 516 527
National currency	6 220 665	5 493 216
Foreign currency	2 726 467	2 023 311
Letters of credit	297 576	321 529
	9 244 708	7 838 056

39. Subsequent events

The Central Bank, in its capacity as supervisor of the Mozambican financial system, reduced the mandatory reserve ratio by 10 percentage points, a situation that has led to an improvement in the Bank's liquidity levels

40. Assumption of continuity

Following the demonstrations that took place after the general elections on 9 October 2024, which affected various regions of the country, with a greater incidence in urban areas, the Bank carried out an exhaustive survey of the damage to its facilities. This process included a detailed assessment of the material and operational damage, as well as analysing the economic and financial impacts of the events. To this end, technical assessments were carried out at the affected branches to determine the extent of the physical damage and the need for possible structural repairs and replacement of equipment.

At the same time, a rigorous financial assessment was carried out to determine the associated direct and indirect costs, including the impacts on operational continuity and the provision of services to customers.

Based on the results of this assessment, a provision totalling 9 million meticais was set up and recorded in the 2024 accounts to cover the damage caused by vandalism at three of the Bank's branches. Despite the material damage and the impossibility of reopening one of the branches for an indefinite period, the events did not jeopardise the normal functioning of the Bank's activities. During this period, up to the date this report was issued, proactive measures were adopted to ensure operational continuity, in particular the active promotion of the use of digital and electronic channels, guaranteeing the uninterrupted provision of services to customers.



Annex to Circular no. 3/SHC/2007 - MODEL III **Balance Sheet - Individual Accounts (Assets)**

31 December 2024

		31 December 2024			
Items		Value before provisions, impairment and amortisation	Provisions, impairment and amortisation	Net Value	31 December 2023
	Active				
10 + 3300	Cash and deposits at central banks	19 789 342		19 789 342	15 550 867
11 + 3301	Loans and advances to other credit institutions	521 058		521 058	377 409
153 (1) + 158 (1) + 16	Financial assets held for trading	9 197 004		9 197 004	8 816 255
153 (1) + 158 (1) + 17	Other financial assets at fair value through profit or loss	0	0	0	0
154 + 158 (1) + 18 + 34888 (1) - 53888 (1)	Available-for-sale financial assets	3 885 135		3 885 135	3 652 850
13 + 150 + 158 (1) + 159 (1) + 3303 + 3310 (1) + 3408 (1) - 350 - 3520 - 5210 (1) - 5300	Investments in credit institutions	2 271 528		2 271 528	2 457 391
14 + 151 + 152 + 158 (1) + 3304 + 3310 (1) + 34000 + 34008 - 3510 - 3518 - 35210 - 35211 - 5210 (1) - 53010 - 53018	Customer loans	22 807 085	1889 284	20 917 801	21 979 522
156 + 158 (1) + 159 (1) + 22 + 3307 + 3310 (1) + 3402 - 355 - 3524 - 5210 (1) - 5303	Held-to-maturity investments	0	0	0	0
155 + 158 (1) + 159 (1) + 20 + 3306 + 3310 (1) + 3408 (1) - 354 - 3523 - 5210 (1) - 5308 (1)	Assets with repurchase agreements	0		0	0
21	Hedging derivatives	0		0	0
25 - 3580	Non-current assets held for sale	1069 023	233 389	835 634	731 847
26 - 3581 (1) - 360 (1)	Investment property	264 952	37 856	227 096	232 279
27 - 3581 (1) - 360 (1)	Other tangible assets	5 978 496	3 675 064	2 303 432	2 291 032
29 - 3583 - 361	Intangible assets	1785 587	935 041	850 546	317 468
24 - 357	Investments in subsidiaries, associates and joint ventures	12 655		12 655	12 655
300	Current tax assets	642 745		642 745	606 940
301	Deferred tax assets	95 000		95 000	96 635
12 + 157 + 158 (1) + 159(1) + 31 + 32 + 3302 + 3308 + 3310 (1) + 338 + 3408 (1) + 348 (1) - 3584 - 3525 + 50 (1) (2) - 5210 (1) - 5304 - 5308 (1) + 54 (1) (3)	Other Assets	3 330 583	82 652	3 247 931	2 519 737
	Total assets	71 650 193	6 853 286	64 796 907	59 642 888

⁽¹⁾ Applicable part of the balance of these items.(2) Item 50 should be entered on the assets side if it has a debit balance and on the liabilities side if it has a credit balance.

⁽³⁾ The debit balances of items 542 and 548 are entered on the assets side and the credit balances on the liabilities side.



Annex to Circular no. 3/SHC/2007 - MODEL III (LIABILITIES AND EQUITY) Balance Sheet - Individual Accounts

Items		31 December 2024	31 December 2023
	Liabilities		
38 - 3311 (1) - 3410 + 5200 + 5211 (1) + 5318 (1)	Central bank deposits	-	-
43 (1)	Financial liabilities held for trading	-	-
43 (1)	Other financial liabilities at fair value through profit or loss		
39 - 3311 (1) - 3411 + 5201 + 5211 (1) + 5318 (1)	Deposits from other credit institutions	736 367	1 568 861
40 + 41 - 3311 (1) - 3412 - 3413 + 5202 + 5203 + 5211 (1) + 5310 + 5311	Customer funds and other loans	47 841 465	40 983 318
42 - 3311 (1) - 3414 + 5204 + 5211 (1) + 5312	Liabilities represented by securities	-	-
44	Hedging derivatives	-	-
45	Non-current liabilities held for sale and discontinued operations	-	-
47	Provisions	396 886	441 155
490	Current tax liabilities	-	-
491	Deferred tax liabilities	65 788	8 839
481 +/- 489 (1) - 3311 (1) - 3416 (1) + 5206 (1) + 5211 (1) + 5314 (1)	Instruments representing capital	-	-
480 + 488 +/- 489 (1) - 3311 (1) - 3416 (1) + 5206 (1) + 5211 (1) + 5314 (1)	Other subordinated liabilities	2 354 732	2 344 184
51 - 3311 (1) - 3417 - 3418 + 50 (1) (2) + 5207 + 5208 + 5211 (1) + 528 + 538 - 5388 + 5318 (1) + 54 (1) (3)	Other liabilities	3 546 266	4 485 694
	Total Liabilities	54 941 504	49 832 051
	Capital		
55	Capital	7 020 750	7 020 750
602	Premiums	1993740	1993740
57	Other capital instruments	-	-
- 56	(Own shares)	-	-
58 + 59	Revaluation reserves	144 911	-3 475
60 - 602 + 61	Other reserves and retained earnings	799 822	697 967
64	Profit for the year	-103 821	101 855
- 63	(Advance dividends)		
	Total Capital	9 855 403	9 810 837
	Total Liabilities + Capital	64 796 907	59 642 888



Annex to Circular no. 3/SHC/2007 - MODEL IV Income Statement - Individual Accounts

Items		31 December 2024	31 December 2023
79 + 80	Interest and similar income	6 308 488	6 017 168
66 + 67	Interest and similar fees	3 294 562	3 098 005
	Financial margin	3 013 927	2 919 162
82	Income from equity instruments		
81	Income from services and fees	676 790	665 407
68	Service charges and fees	371 220	303 057
- 692 - 693 - 695 (1) - 696 (1) - 698 - 69900 - 69910 + 832 + 833 + 835 (1) + 836 (1) + 838 + 83900 + 83910	Income from assets and liabilities at fair value through profit or loss	4 610	3 905
- 694 + 834	Income from available-for-sale financial assets		883
- 690 + 830	Income from exchange rate revaluation	340 838	223 500
- 691 - 697 - 699 (1) - 725 (1) - 726 (1) + 831 + 837 + 839 (1) + 843 (1) + 844 (1)	Income from the sale of other assets	21729	42 962
- 695 (1) - 696 (1) - 69901 - 69911 - 75 - 720 - 721 - 725 (1) - 726 (1) - 728 + 835 (1) + 836 (1) + 83901 + 83911 + 840 + 843 (1) + 844 (1) + 848	Other operating income	118 932	1 400 616
	Banking income	3 805 606	4 953 379
70	Staff costs	2 029 390	2 084 834
71	General administrative expenses	991 599	946 166
77	Amortisation for the year	409 830	414 434
784 + 785 + 786 + 788 - 884 - 885 - 886 - 888	Provisions net of replacements and cancellations	27 276	140 064
760 + 7610 + 7618 + 7620 + 76210 + 76211 + 7623 + 7624 + 7625 + 7630 + 7631 + 765 + 766 - 870 - 8720 - 8710 - 8718 - 87210 - 87211 - 8723 - 8724 - 8726 - 8730 - 8731 - 875 - 876	Impairment of other financial assets net of reversals and recoveries	451 330	1246 943
768 + 769 (1) - 877 - 878	Impairment of other assets net of reversals and recoveries		19 083
	Profit before tax	(103 821)	101 855
	Taxes		
65	Current		
74 - 86	Deferred		
640	Profit after tax	(103 821)	101 855
- 72600 - 7280 + 8480 + 84400	Of which Net profit after tax from discontinued operations	(2 454)	11 853

⁽¹⁾ Applicable portion of the balance of these items.



Declaração de responsabilidade dos Administradores

Os Administradores são responsáveis pela preparação e apresentação adequada das Demonstrações Financeiras do Moza Banco, S.A, que compreendem a demonstração da posição financeira a 31 de Dezembro de 2024, a demonstração de resultados, a demonstração do resultado integral, a demonstração de alterações no capital próprio e demonstração de fluxos de caixa do exercício findo naquela data, assim como as notas às Demonstrações Financeiras, as quais incluem um sumário das principais políticas contabilísticas e outras notas explicativas, de acordo com as Normas Internacionais de Relato Financeiro.

Os Administradores são igualmente responsáveis pelo sistema de controlo interno relevante para a preparação e apresentação apropriada destas Demonstrações Financeiras que estão livres de distorções materiais devidas, quer a fraude, quer a erros, e por manter registos contabilísticos adequados e um sistema eficaz de gestão de risco.

Os Administradores procederam a uma avaliação da capacidade do Banco continuar a operar com a devida observância do pressuposto de continuidade, não tendo encontrado motivos para não acreditar que o Banco continuará a operar segundo esse pressuposto no futuro próximo.

O auditor é responsável por reportar se as Demonstrações Financeiras estão adequadamente apresentadas em conformidade com as Normas Internacionais de Relato Financeiro.

Aprovação das Demonstrações Financeiras

As Demonstrações Financeiras, conforme mencionado no primeiro parágrafo, foram aprovadas pelo Conselho de Administração em 14 de Março de 2025 e vão assinadas em seu nome, por:

Administrador do Conselho de Administração

1

esidente do donselho de Administração



MOZA BANCO

CONSELHO FISCAL

RELATÓRIO E PARECER SOBRE O RELATÓRIO E CONTAS DO EXERCÍCIO FINDO EM 31 DE DEZEMBRO DE 2024

Exmos. Senhores Accionistas do Moza Banco, S.A.,

Nos termos da lei e das disposições estatutárias, e em conformidade com o mandato que lhe foi conferido em Assembleia Geral a 28 de Abril de 2023, o Conselho Fiscal do Moza Banco, S.A. (doravante designado "Moza Banco" ou "Banco"), acompanhou a actividade do Banco, verificou a exactidão dos documentos de prestação de contas e o cumprimento das normas legais e contabilísticas aplicáveis à actividade do Moza Banco.

Nos termos da Lei, apresenta-se o relatório relativo à acção fiscalizadora efectuada pelo Conselho Fiscal no decurso do ano de 2024, bem como o parecer sobre as Demonstrações Financeiras, o Relatório de Gestão e a Proposta de Aplicação de Resultados apresentada pelo Conselho de Administração do Moza Banco.

Relatório

No âmbito da acção de fiscalização o Conselho Fiscal do Moza Banco acompanhou, com a periodicidade e extensão adequadas, a actividade do Banco, tendo efectuado as verificações julgadas convenientes, em conformidade com o disposto no Código Comercial, nomeadamente no que respeita a escrituração dos livros, registos contabilísticos e documentação de suporte, tendo obtido sempre, quer do Conselho de Administração, Comissão Executiva e dos demais serviços do Banco, os esclarecimentos solicitados.

Nos primeiros 3 trimestre de 2024, o Conselho Fiscal foi representado por dois dos seus membros nas reuniões das Comissões de Risco e *Compliance* e da Comissão de Auditoria respectivamente.

No que respeita ao resultado líquido do exercício, o mesmo apresenta um valor negativo no montante de 103,821 Milhões de Meticais, tendo o resultado integral apresentado um



valor positivo no montante de 41,091 Milhões de Meticais e os Capitais Próprios do Banco apresentam um valor de 9.855,404 Milhões de Meticais.

No que respeita aos indicadores prudenciais do Moza Banco, os Fundos Próprios Regulamentares, calculados de acordo com as regras do Banco de Moçambique, ascendem a 4.770 Milhões de Meticais (2023: 5.549 Milhões de Meticais) o que resulta num rácio de 18,22% (2023: 22,64 %), o rácio de liquidez apresenta um valor de 37,14% (2023: 38,86%) e o rácio de Solvabilidade um valor de 15,60% (2023: 19,92%).

O Conselho Fiscal reuniu no decurso dos trabalhos de auditoria com o Auditor Independente do Banco, a Mazars, tendo obtido os esclarecimentos necessários sobre o planeamento, execução e conclusões dos trabalhos efectuados, tendo sido apreciado o Relatório do Auditor Independente, datado de 14 de Março de 2025, relativo às Demonstrações Financeiras do Moza Banco referentes ao exercício de 2024, o qual apresenta uma opinião não modificada, e com o qual concordamos.

Foi examinado o Relatório de Gestão referente ao exercício de 2024, tendo sido concluído que o mesmo permite uma fácil e clara compreensão da situação económica, da evolução dos negócios e da rentabilidade obtida no exercício.

No que concerne a proposta de aplicação de resultados elaborada pelo Conselho de Administração, a qual contempla a transferência do resultado negativo do exercício, no montante de 103.820.640 (cento e três milhões, oitocentos e vinte mil seiscentos e quarenta Meticais), para a rubrica de Resultados Transitados, foi verificada a conformidade com os requisitos legais e regulamentares aplicáveis, com especial atenção ao disposto no artigo 89, n.ºs 1 a 3 do Código Comercial e no artigo 82, n.º 1 da Lei das Instituições de Crédito e Sociedades Financeiras.

Parecer

Face ao exposto, e não tendo tomado conhecimento de qualquer violação dos Estatutos, da Lei e dos Regulamentos emanados pelo Banco de Moçambique, enquanto entidade reguladora, o Conselho Fiscal é do parecer que a Assembleia Geral proceda nos termos seguintes:

- Aprove as contas referentes ao exercício de 2024;
- Aprove o Relatório de Gestão do Conselho de Administração;



 Aprove a proposta de aplicação de resultados apresentada pelo Conselho de Administração.

Como nota final, o Conselho Fiscal expressa, ao Conselho de Administração, à Comissão Executiva e aos trabalhadores do Moza Banco em geral, o seu profundo agradecimento pela colaboração prestada no exercício da sua acção de fiscalização.

Maputo, 27 de Março de 2025

O Conselho Fiscal

Irene Maurício – Presidente do CF	25 2 2 2 8
Anastácia C. Cuna – Vice-Presidente do CF	found fee
Nuno Domingues – Vogal	of Il bergs
	1.6
Isaltina Nhabinde – Suplente	Franco





RELATÓRIO DO AUDITOR INDEPENDENTE

Aos Accionistas do Moza Banco, S.A.

Relato sobre a Auditoria das Demonstrações Financeiras

Opinião

Auditámos as demonstrações financeiras anexas do **Moza Banco**, **S.A.** (de ora adiante também designado de "Banco" ou "Moza Banco"), que compreendem a Demonstração da posição financeira em 31 de Dezembro de 2024, a Demonstração de resultados, a Demonstração do resultado integral, a Demonstração das alterações no capital próprio e a Demonstração de fluxos de caixa relativas ao ano findo naquela data, e as notas às demonstrações financeiras, incluindo informações materiais sobre as políticas contabilísticas.

Em nossa opinião, as demonstrações financeiras anexas apresentam de forma verdadeira e apropriada, em todos os aspectos materiais, a posição financeira do Banco em 31 de Dezembro de 2024, o seu desempenho financeiro e os fluxos de caixa relativos ao ano findo naquela data, de acordo com as Normas Internacionais de Relato Financeiro (IFRS).

Bases para a opinião

A nossa auditoria foi efectuada de acordo com as Normas Internacionais de Auditoria (ISA). As nossas responsabilidades nos termos dessas normas estão descritas na secção *Responsabilidades do Auditor pela Auditoria das Demonstrações Financeiras* abaixo. Somos independentes do Banco de acordo com os requisitos do Código de Ética do IESBA (*International Ethics Standards Board for Accountants*) e com os requisitos éticos relevantes para a Auditoria de demonstrações financeiras em Moçambique, e cumprimos as restantes responsabilidades éticas previstas nesses requisitos.

Estamos convictos que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião.

Matérias relevantes de auditoria

As matérias relevantes de auditoria são as que, no nosso julgamento profissional, tiveram maior importância na Auditoria das demonstrações financeiras do ano corrente. Essas matérias foram consideradas no contexto da Auditoria das demonstrações financeiras como um todo, e na formação da opinião, e não emitimos uma opinião separada sobre essas matérias. Descrevemos de seguida as matérias relevantes de auditoria do ano corrente:

Edifício Maryah, Bairro Central, Rua 1.233, № 81, 5º Andar Maputo Moçambique

Tel: +258 842 211 232 www.forvismazars.com/mz





Perdas por imparidade da carteira de crédito concedido a clientes

Descrição da matéria relevante de auditoria

Abordagem e resposta de auditoria

Conforme divulgado na Nota 1.3 das notas anexas às demonstrações financeiras ("Uso de estimativas e julgamentos") e na Nota 2 das notas anexas às demonstrações financeiras ("Sumário das principais políticas contabilísticas"), as perdas por imparidade da carteira de crédito concedidos a clientes, registadas nas demonstrações financeiras, representam a melhor estimativa do Órgão de Gestão quanto às perdas implícitas na sua carteira de crédito.

Estas imparidades são determinadas através da análise individual para créditos com determinadas especificidades e através de análise colectiva para os restantes créditos que não sejam objecto de análise individual.

Nos créditos concedidos a grandes clientes, o valor das imparidades é maioritariamente calculado de forma individual.

As imparidades individuais, exigem um juízo de valor do Órgão de Gestão no apuramento da melhor estimativa dos fluxos de caixa futuros relacionados com esses créditos.

As imparidades calculadas com base na análise colectiva são determinadas considerando dados, pressupostos e estimativas, sujeitos a juízos de valor formados pelo Órgão de Gestão.

Considerando a materialidade e natureza subjectiva das imparidades da carteira de crédito concedido a clientes, esta matéria foi considerada como relevante no âmbito da nossa Auditoria. Por forma a darmos resposta aos riscos identificados, entre os procedimentos de Auditoria realizados, destacamos os seguintes:

- Avaliação e teste à concepção e eficácia operacional dos controlos instituídos processo no quantificação das imparidades sobre a carteira de crédito do Banco. Estes incluem aqueles controlos relacionados com a identificação dos créditos em imparidade, os níveis de registos tolerância e efectuados, contabilísticos imparidade à relativamente quantificada da carteira de crédito a clientes;
- Realização de testes substantivos ao modelo de imparidade do Banco, numa base de amostragem, com vista à revisão crítica do modelo instituído. Estes procedimentos de Auditoria incluíram a avaliação dos critérios e metodologia adoptados na determinação dos parâmetros de risco e da imparidade colectiva, extracção recorrendo à informações utilizadas no modelo (inputs), reexecução dos cálculos e revisão da análise de sensibilidade efectuada pelo Banco, relativamente críticos pressupostos aos Esta revisão teve subjacentes. também como objectivo garantir o alinhamento do modelo instituído





- com os requisitos da Norma Internacional de Relato Financeiro n.º 9 (IFRS 9);
- Para as imparidades apuradas de forma individual, foram efectuados testes aos controlos implementados pelo Banco sobre a identificação atempada de créditos potencialmente em imparidade e para uma amostra de créditos concedidos a clientes, analisadas as fichas individuais, preparadas pelo Banco, analisando criticamente os pressupostos assumidos e analisando se o evento de perda (ponto de reconhecimento da imparidade) foi identificado em momento apropriado, analisando as projecções de cash-flow estimadas e utilizadas no cálculo das imparidades respectivas, analisando respectivas garantias consideradas no cálculo da "LGD"; e
- Avaliação sobre a adequação das divulgações constantes nas notas anexas às demonstrações financeiras do Banco, relacionadas com esta matéria.





Activos por impostos diferidos

Descrição da matéria relevante de auditoria

Abordagem e resposta de auditoria

Conforme divulgado na Nota 1.3 das notas anexas às demonstrações financeiras ("Uso de estimativas e julgamentos") e na Nota 3 das notas anexas às demonstrações financeiras ("Sumário das principais políticas contabilísticas"), o reconhecimento dos Activos por impostos diferidos compreende a formação de juízos de valor por parte do Órgão de Gestão, nomeadamente quanto (i) à geração de lucros tributáveis, em montantes e momentos adequados à reversão futura das diferenças temporárias tributadas, existentes, e (ii) às estratégias de planeamento fiscal adoptadas.

Atendendo ao montante de Activos por impostos diferidos, reconhecidos pelo Banco, juntamente com as incertezas que a sua realização comporta - geração de lucros tributáveis em montantes e momentos adequados, assim como eventuais alterações futuras na legislação fiscal, esta matéria foi considerada como relevante na nossa Auditoria.

Por forma a darmos resposta aos riscos identificados, entre os procedimentos de Auditoria realizados, destacamos os seguintes:

- Avaliação crítica dos pressupostos utilizados na projecção dos lucros tributáveis futuros do Banco, constantes no seu último plano de negócios aprovado para os próximos anos:
- Revisão da base de apuramento dos impostos diferidos que originou a existência de diferenças temporárias;
- Revisão da correspondente taxa de imposto utilizada para efeitos de apuramento dos impostos diferidos, tendo em consideração a legislação em vigor e a taxa efectiva que tem vindo a ser verificada no Banco; e
- Avaliação sobre a adequação das divulgações constantes nas notas anexas às demonstrações financeiras do Banco, relacionadas com esta matéria.





Activos não correntes detidos para venda

Descrição da matéria relevante de auditoria

Abordagem e resposta de auditoria

Conforme divulgado na Nota 1.3 das notas anexas às demonstrações financeiras ("Uso de estimativas e julgamentos") e na Nota 2 das notas anexas às demonstrações financeiras ("Sumário das principais políticas contabilísticas"), os Activos não correntes são classificados como detidos para venda quando existe a intenção de alienar os referidos activos e estes estão disponíveis para venda imediata e a sua venda é muito provável.

A mensuração subsequente destes activos é efectuada ao menor entre o valor contabilístico e o correspondente justo valor, líquido de custos de venda. O justo valor é baseado no valor de mercado, sendo este determinado com base no preço expectável de venda, obtido através de avaliações periódicas, realizadas por peritos independentes.

As avaliações envolvem um elevado nível de julgamento, envolvendo diferentes pressupostos e metodologias.

Assim, a valorização dos activos não correntes detidos para venda foram considerados uma matéria relevante de Auditoria, dada a materialidade dos montantes envolvidos e o grau de julgamento subjacente ao método de avaliação adoptado, da qual poderão resultar variações nos montantes registados nas demonstrações financeiras do Banco.

Por forma a darmos resposta aos riscos identificados, entre os procedimentos de Auditoria realizados destacamos os seguintes:

- Avaliação e teste ao desenho e implementação dos controlos instituídos no processo de quantificação das imparidades sobre a carteira de activos não correntes detidos para venda do Banco;
- Verificação do correcto registo contabilístico decorrente das avaliações de imóveis, face aos montantes apresentados nas últimas avaliações obtidas;
- Análise crítica aos relatórios de avaliação elaborados por peritos avaliadores independentes, contratados pelo Banco, desafiando os pressupostos significativos e aferindo sobre a sua razoabilidade, tendo por base as condições de mercado;
- Avaliação sobre a adequação das divulgações efectuadas nas notas anexas às demonstrações financeiras do Banco, considerando o referencial contabilístico aplicável (IFRS).





Activos financeiros

Descrição da matéria relevante de auditoria

Abordagem e resposta de auditoria

Conforme divulgado na Nota 1.3 das notas anexas às demonstrações financeiras ("Uso de estimativas e julgamentos") e na Nota 2 das notas anexas às demonstrações financeiras ("Sumário das principais políticas contabilísticas"), as metodologias de valorização dos instrumentos financeiros requerem, por vezes, a utilização de pressupostos e julgamentos na determinação do seu justo valor.

Os instrumentos financeiros apresentados na Demonstração da posição financeira, na rubrica de "Activos financeiros", apresentam o montante global de 13.202.142 milhares de Meticais, representando aproximadamente 20% do total do Activo do Banco, em 31 de Dezembro de 2024.

Desta forma, esta matéria foi considerada uma matéria relevante de Auditoria face à materialidade dos montantes envolvidos e ao grau de julgamento subjacente à selecção da base de mensuração para cada natureza de investimentos, da qual poderão resultar variações nos montantes registados nas demonstrações financeiras.

Por forma a darmos resposta aos riscos identificados, entre os procedimentos de Auditoria realizados destacamos os seguintes:

- Identificação, compreensão e avaliação dos controlos-chave implementados no Banco, relativamente à mensuração dos instrumentos financeiros;
- Verificação dos preços provenientes de fontes externas para as posições detidas pelo Banco e sua comparação com os preços utilizados, analisando quaisquer diferenças significativas;
- Para posições menos líquidas, revisão, em base de amostragem, dos modelos e principais pressupostos (quando aplicável) e dos suportes adequados para a valorização adoptada pelo Banco; e
- Por fim, avaliação se as divulgações efectuadas pelo Banco, nas notas anexas às demonstrações financeiras, relativamente aos Activos Financeiros, estão em conformidade com o requerido pelo normativo contabilístico em vigor.





Continuidade das Operações

Descrição da matéria relevante de auditoria

Conforme divulgado na Nota 40 das notas anexas às demonstrações financeiras ("Pressuposto da continuidade"), a Administração do Banco avaliou a capacidade do Banco no que concerne à continuidade das suas operações.

Segundo o pressuposto da continuidade, uma entidade é geralmente vista como continuando a actividade no futuro previsível sem a intenção ou necessidade de liquidação, cessar operações, ou procurar protecção dos credores. Deste modo, os activos e passivos são registados no pressuposto de que a entidade será capaz de realizar os seus activos e liquidar os seus passivos no decurso normal da actividade.

Considerando a importância e a existência de alguma subjectividade na avaliação efectuada pelo Órgão de gestão, esta matéria foi considerada como relevante no âmbito da nossa Auditoria.

Abordagem e resposta de auditoria

Por forma a darmos resposta aos riscos identificados, entre os procedimentos de Auditoria realizados destacamos os seguintes:

- Discussão e indagação com o Órgão de Gestão sobre a avaliação efectuada pelo mesmo, quanto ao pressuposto da continuidade utilizado na preparação das demonstrações financeiras;
- Revisão e avaliação do Plano de Recuperação do Banco;
- Obtenção e análise de documentação de suporte adicional, nomeadamente o último Plano de negócios aprovado, por forma a concluir se o uso do pressuposto da continuidade das operações é apropriado; e
- Por fim, avaliação se as divulgações efectuadas pelo Banco, nas notas anexas às demonstrações financeiras, relativamente a este assunto, estão em conformidade com o requerido pelo normativo contabilístico em vigor.

Outra informação

O Órgão de Gestão é responsável pela outra informação. A outra informação compreende a informação incluída no documento intitulado "Relatório de Gestão 2024". A outra informação não inclui as demonstrações financeiras nem o relatório do auditor sobre as mesmas.

A nossa opinião sobre as demonstrações financeiras não abrange a outra informação e não expressamos uma opinião de Auditoria nem qualquer tipo de garantia de fiabilidade sobre essa outra informação.





No âmbito da auditoria das demonstrações financeiras, a nossa responsabilidade é fazer uma leitura da outra informação e, em consequência, considerar se essa outra informação é materialmente inconsistente com as demonstrações financeiras, com o conhecimento que obtivemos durante a auditoria ou se aparenta estar materialmente distorcida. Se, com base no trabalho efectuado, concluirmos que existe uma distorção material nesta outra informação, exige-se que relatemos sobre esse facto. Não temos nada a relatar a este respeito.

Responsabilidades do Órgão de Gestão e do Órgão de Fiscalização pelas Demonstrações Financeiras

O Órgão de Gestão é responsável pela preparação e apresentação apropriadas das demonstrações financeiras de acordo com as Normas Internacionais de Relato Financeiro (IFRS), e pelo controlo interno que ele determine ser necessário para permitir a preparação de demonstrações financeiras isentas de distorção material devido a fraude ou a erro.

Quando prepara demonstrações financeiras, o Órgão de Gestão é responsável por avaliar a capacidade de se manter em continuidade, divulgando, quando aplicável, as matérias relativas à continuidade e usando o pressuposto da continuidade a menos que o Órgão de Gestão tenha a intenção de liquidar o Banco ou cessar as operações, ou não tenha alternativa realista senão fazê-lo.

O Órgão de Fiscalização é responsável pela supervisão do processo de relato financeiro do Banco.

Responsabilidades do Auditor pela Auditoria das Demonstrações Financeiras

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras como um todo estão isentas de distorções materiais devido a fraude ou a erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança mas não é uma garantia de que uma auditoria executada de acordo com a ISA detectará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou em erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras.

Como parte de uma auditoria de acordo com a ISA, fazemos julgamentos profissionais e mantemos cepticismo profissional durante a auditoria e, também:

- Identificamos e avaliamos os riscos de distorção material das demonstrações financeiras, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detectar uma distorção material devido a fraude é maior do que o risco de não detectar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;
- Obtemos uma compreensão do controlo interno relevante para a auditoria com o objectivo de conceber procedimentos de auditoria que sejam apropriadas nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno do Banco;
- Avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respectivas divulgações feitas pelo Órgão de Gestão;
- Concluímos sobre a apropriação do uso, pelo Órgão de Gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade do Banco para dar continuidade às suas actividades. Se concluirmos que existe uma incerteza material, devemos chamar a atenção no





nosso relatório de Auditoria para as divulgações relacionadas incluídas nas demonstrações financeiras ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que o Banco descontinue as suas actividades;

- Avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras, incluindo as divulgações, e se essas demonstrações financeiras representam as transacções e os acontecimentos subjacentes de forma a atingir uma apresentação apropriada;
- Comunicamos com os encarregados da governação, incluindo o Órgão de Fiscalização, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria, incluindo qualquer deficiência significativa de controlo interno identificada durante a auditoria;
- Das matérias que comunicamos aos encarregados da governação, incluindo o Órgão de Fiscalização, determinamos as que foram as mais importantes na auditoria das demonstrações financeiras do ano corrente e que são as matérias relevantes de auditoria. Descrevemos essas matérias no nosso relatório, excepto quando a lei ou regulamento proibir a sua divulgação pública; e
- Declaramos ao Órgão de Fiscalização que cumprimos os requisitos éticos relevantes relativos à independência e comunicamos-lhe todos os relacionamentos e outras matérias que possam ser percepcionadas como ameaças à nossa independência e, quando aplicável, quais as medidas tomadas para eliminar as ameaças ou quais as salvaguardas aplicadas.

Forvis Mazars SCAC, Lda.

Sociedade de Auditores Certificados: 17/SCA/OCAM/2016

Representada por:

Dipak Lalgi

Auditor Certificado: 17/CA/OCAM/2012

Maputo, 14 de Março de 2025