



Intercontinental Investment Bank, S.A.



Annual Report 2024





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A. Principais Indicadores

Atividade (milhares de CVE)	Notes
Ativo Líquido	6(a)
Crédito a Clientes (bruto)	6(b)
Recursos ⁽¹⁾	7
Margem Financeira	8
Produto Bancário (PE)	9
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Funcionamento

Número de Empregados

Liquidez



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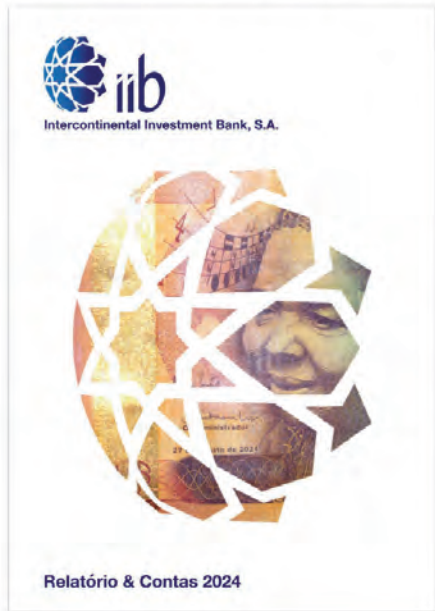
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Our Annual Reports

2024 Annual Report

Cover image: A coin that reflects our identity



Our 2024 Annual Report presents the institution's economic impact through an innovative, symbolic and visually striking approach.

At the centre of this representation is our distinctive logo, creatively filled with a local currency element, reflecting our identity, our local roots and our commitment to the national economy.

The integration of the Cape Verdean currency into the design symbolises the vitality of the market in which we operate, confidence in the financial system, and the active role of iib West Africa in promoting economic growth, financial stability and

the country's sustainable development. This visual choice conveys the strong connection between our banking activity and the economic reality of Cabo Verde.

This graphic presentation highlights not only iib's financial strength and resilience, but also its ability to generate positive impact, support trade, foster investment and contribute to national economic prosperity. The image clearly and consistently reinforces our strategic vision and our ongoing commitment to the progress of Cabo Verde and the West African region.

About this Annual Report

Scope and Contents

The iib West Africa 2024 Annual Report is the Bank's financial publication addressed to its clients, partners, potential investors and the general public.

This document brings together the communication of the Bank's financial and non-financial activities, presented in a detailed, quantitative and visual manner.

The Annual Report has been prepared to present a fair and transparent view of iib WA's position, also addressing other relevant topics, including governance

structure, stakeholders, organisational culture, gender equality, information technology and sustainability.

The purpose of this Report is to provide a comprehensive (360-degree) view of the Bank to clients, investors and analysts, with a view to strengthening their confidence. This is reflected in increased subscription to products and services, higher investment volumes and the expansion of business opportunities.

iib WA also contributes to the United Nations Sustainable Development Goals (SDGs),

ESG policies and green banking initiatives, aligning its operations with responsible and sustainable practices.



Annual Report 2023

Cover image: Flag symbolising national roots



Our 2023 Annual Report clearly and symbolically expresses the institution's identity, mission and impact in Cabo Verde. At the centre of the visual composition stands our logo, prominently displayed and fully filled with the Cape Verdean flag, an element that reflects our deep national roots and our commitment to the country's development.

The presence of the Cape Verdean flag within the logo symbolises iib's connection to the economy, society and national aspirations, reflecting the values of stability, trust and responsibility that guide our operations.

This graphic choice reinforces our institutional identity and highlights iib's active role in supporting economic growth, investment and

financial inclusion.

This cover image elegantly and coherently conveys iib's solidity and its contribution to the dynamisation of the Cape Verdean economy.

By placing the national symbol at the centre of its visual identity, iib reaffirms its ongoing commitment not only to the prosperity, sustainability and progress of Cabo Verde, but also to strengthening its position as a strategic financial platform linking West Africa, promoting regional integration, investment flows and sustainable economic development across the region.

Annual Report 2022

Cover image: Transforming Lives



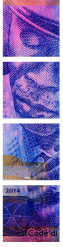
Our 2022 Annual Report celebrates the human capital at the core of our operations, which drives the institution's performance and strength on a daily basis.

The cover presents a distinctive and inspiring visual concept, in which our logo is brought to life through the faces of iib West Africa employees, reflecting the diversity, talent and professionalism of our team.

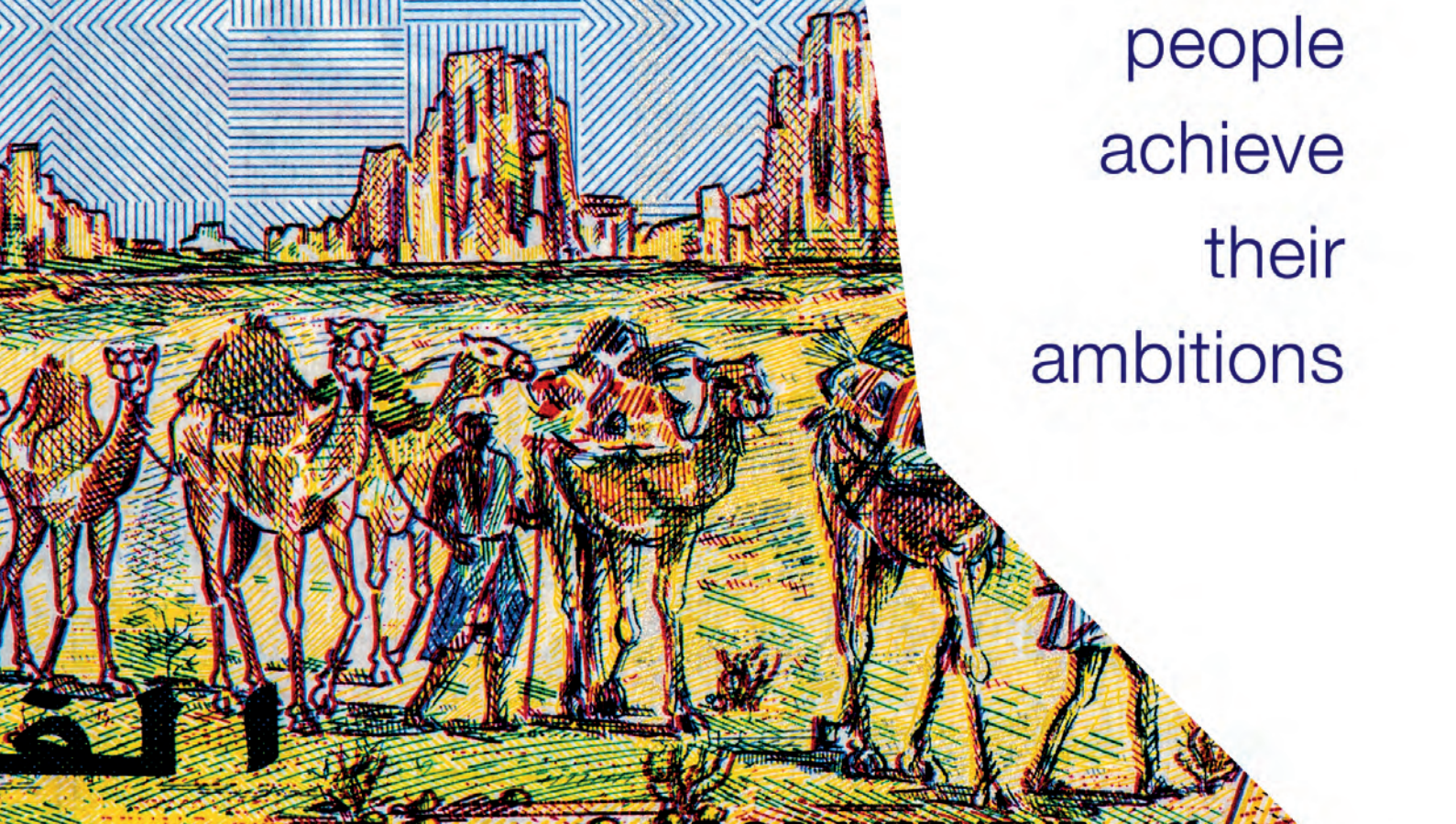
Each individual represented symbolises the spirit of unity, dedication and responsibility that characterises iib West Africa, as well as the ongoing commitment to excellence, innovation and

service to our clients and communities. This people-centric focus highlights the fundamental role of our employees in delivering our strategy and generating positive impact in the markets in which we operate.

By showcasing the stories, achievements and contributions of our team, this report reinforces the importance of a strong and inclusive organisational culture, demonstrating how iib West Africa continues to create sustainable value and make a difference across the West African region.



ATIONALE DE DJIBOUTI



To help
people
achieve
their
ambitions

FRANCS

LE GOUVERNEUR

Domina du bois



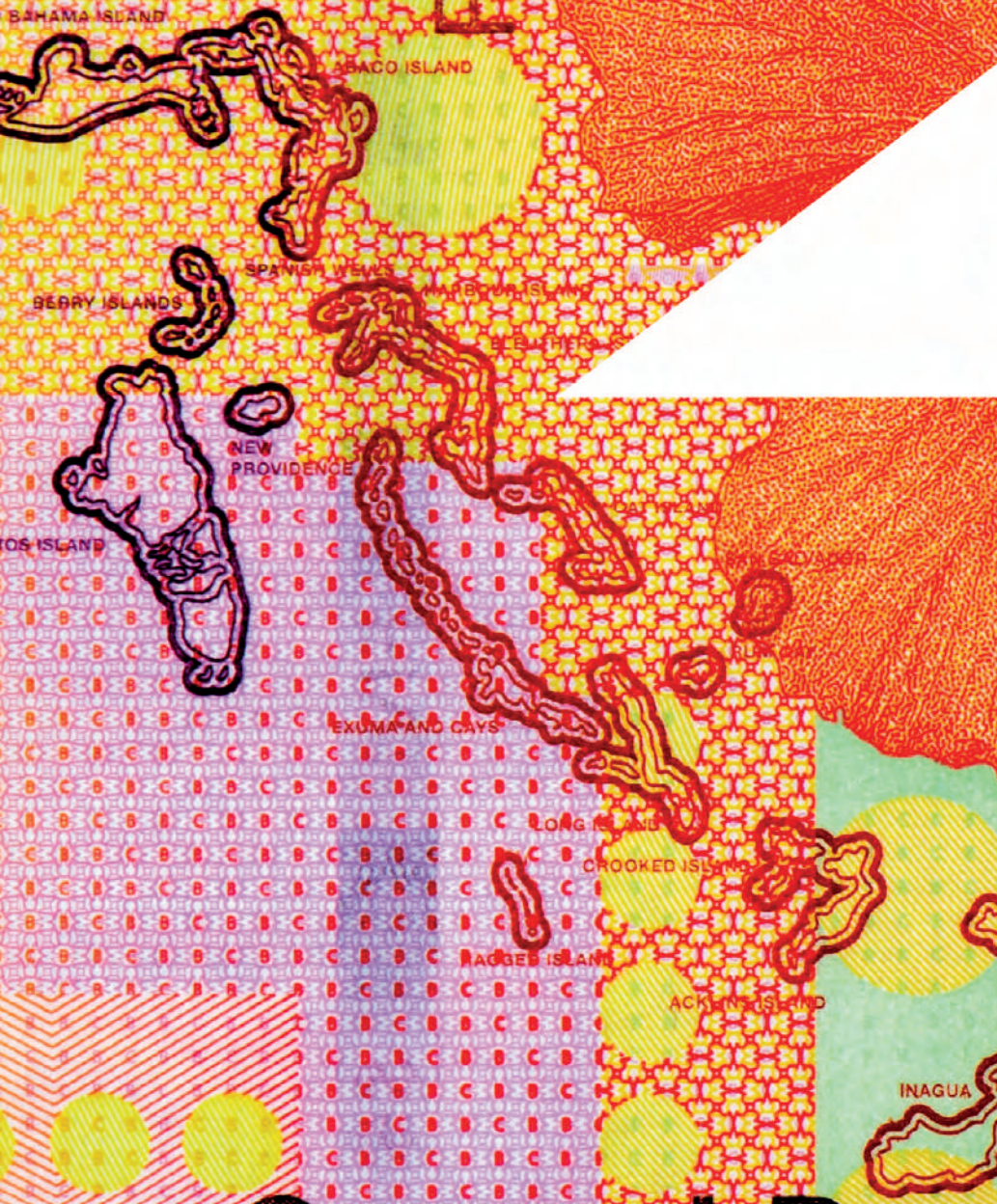


Purpose

Our Purpose is derived
from our Brand Essence.
It represents our
ambitions and
aspirations.

It inspires us to do what
we do and how we do it.

5
\$
Five Dollars



Brand
Essence

Central Bank of The



Transforming Lives

10000

Our
Values





Partnership

Partnership means we collaborate and with that comes success. All our relationships are mutually beneficial, giving a sense of ownership, responsibility and accountability to stand by what we do.



Innovation

With knowledge comes innovation. We believe that any problem has a solution and this can be reached through logic and reason. Our diverse workforce generates organic creativity, leading to innovation in our product and service offerings.



Commitment

We are bound to our employees, our customers and our stakeholders. We believe that with commitment comes excellence, steering us towards the best possible outcome in any scenario.



Our Presence



Caribbean

- iib (Bahamas) is a licensed bank that provides treasury, transactional, trade and wealth management services.

Europe

- Based in Portugal, providing connectivity to international financial markets.



West Africa

- iib (Cabo Verde) provides commercial and transactional banking services.
- iib's focus is on the Lusophone countries within Africa.

Mauritius

- A Mauritian holding and service company to hold Group assets and provide management services.

Middle East

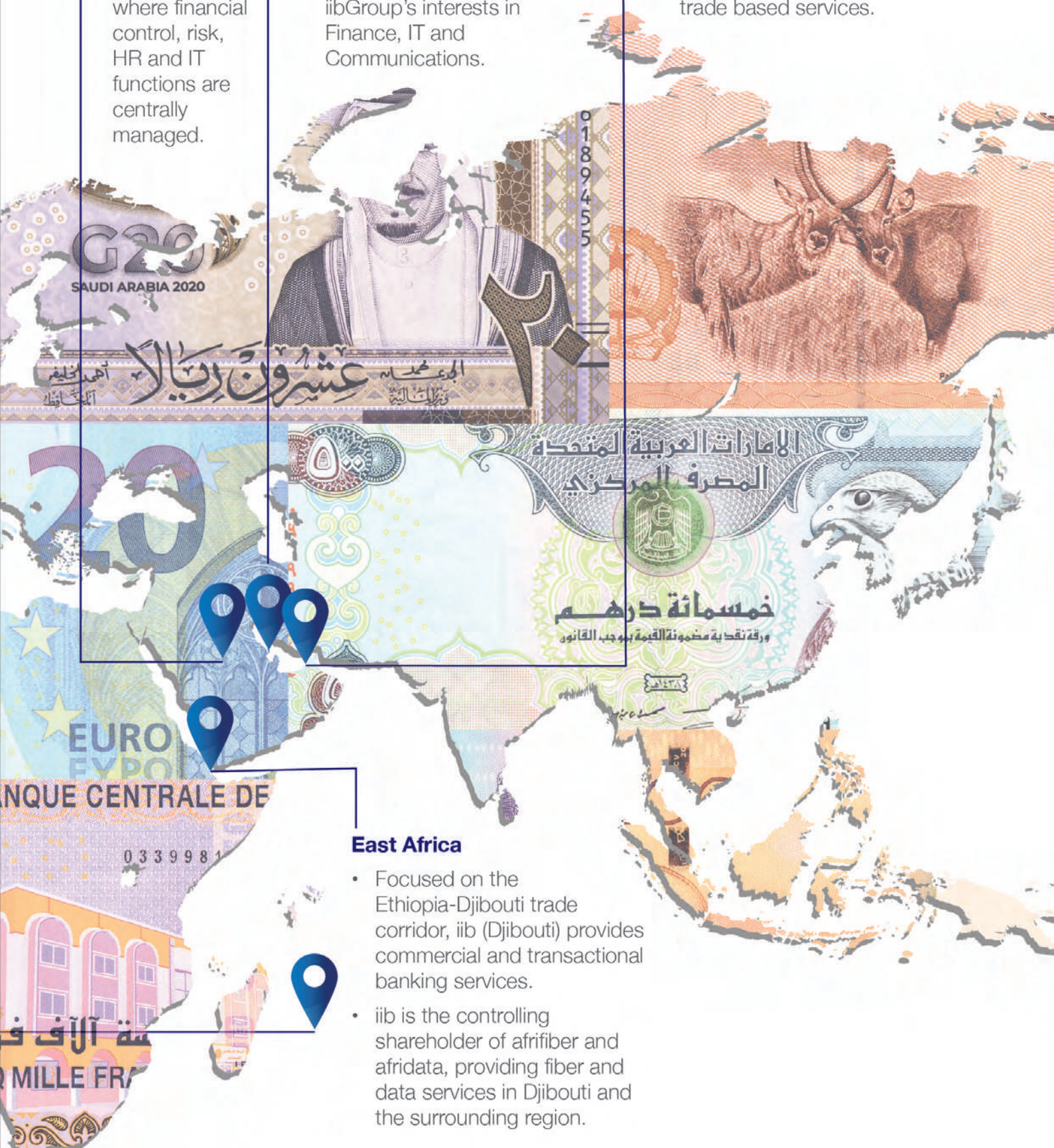
iibGroup is headquartered in Bahrain where financial control, risk, HR and IT functions are centrally managed.

KSA

- Based in Saudi Arabia, iibCap Advisory W.L.L. represents the iibGroup's interests in Finance, IT and Communications.

UAE

- A DIFC regulated arm of iib Caribbean providing wealth management and trade based services.



East Africa

- Focused on the Ethiopia-Djibouti trade corridor, iib (Djibouti) provides commercial and transactional banking services.
- iib is the controlling shareholder of afrifiber and afridata, providing fiber and data services in Djibouti and the surrounding region.



Company Information

Administrative and Contact Information as at 31 December 2024

Registada e Matriculada na Conservatória do Registo Comercial da Praia com nº 320100630



Board of Directors

- Joseph Carasso - CEO
- Aïcha Correia - CFO
- Manuel Fernandes - CBO

Registered Office

Av. Cidade de Lisboa, C.P. 35,
Praia - Santiago
Cabo Verde

Principal Bankers

- Citibank N.A.
- Kuwait Finance House
- Ithmaar Bank
- Al Baraka Islamic Bank
- International Investment Bank S.A (Djibouti)
- International Investment Bank S.A (Cape Verde)
- International Investment Bank Limited, Bahamas

Auditors

Ernst & Young Audit & Associados - SROC, S.A.
Sucursal em Cabo Verde
Edifício Santa Maria - Complexo Atlântico Apartamento
305 - 3º andar
Avenida Cidade de Lisboa - Praia - Santiago - Cabo Verde



Our Awards

Our ongoing commitment to excellence, innovation and sustainability continues to be reflected in the performance of iib West Africa, in alignment with the strategy and values of iibGroup. During the period under review, the Bank benefited from the recognition achieved by the Group at both global and regional levels, reflecting the robustness of its business model, the quality of its governance and its commitment to responsible banking practices.

iib was distinguished for the excellence of its executive leadership, the promotion of high-quality work environments, and its strong commitment to sustainability and corporate governance practices. These recognitions, awarded by leading global and regional platforms, reinforce the Group's institutional credibility and create a favourable environment for the sustainable development of its subsidiaries, including iib West Africa.

In the West African context, where iib operates, the Bank was recognised for its significant contributions to financial innovation, excellence in commercial banking, and leadership in the delivery of value-added financial services. These awards reaffirm iib's position as a benchmark in the regional financial sector and are positively reflected in the reputation, trust and competitive capacity of iib West Africa in the Cape Verdean market.

Collectively, these recognitions highlight the consistency of the strategic vision, the strength of leadership, and the culture of responsible performance that characterise iibGroup and iib West Africa. They serve as an additional source of confidence for shareholders, clients, employees, regulators and other stakeholders, while reinforcing the Bank's commitment to creating sustainable long-term value.





Year at a Glance

Opening of the Service Centre in Espargos – Expansion of the service network, strengthening our connection with customers in the region.



Recognition at the BVC Awards 2023 – Honoured in multiple categories, including Issuer of the Year, Innovation in the Capital Markets, Primary Market Operator (Corporate and Municipal), Gold Broker Operator, Blu-X Issuer and Blu-X Operator, reflecting the bank's excellence in the capital markets



Renewal of the Academic Excellence Incentive Programme – as part of its Sustainability and Social Responsibility Policy



Launch of the digital account opening platform – Implementation of a digital solution that simplifies and speeds up the onboarding of new customers





Great Place to Work Certification 2024 – iib West Africa has been recognised for the fourth consecutive year as an excellent workplace, reflecting its ongoing commitment to valuing and ensuring the well-being of its employees.

Memorandum of Understanding with the Professional Association of Microfinance Institutions of CV – Establishment of a strategic partnership to promote the development of the microfinance sector.

Support for Solidarity Initiatives – The bank’s contribution to social and community causes in Cape Verde.

Sohail Sultan was named CEO of the Year in the banking sector by the European CEO Awards.

20

EURO
ΕΥΡΩ





Board and Management



Board of Directors



Sohail Sultan
Chairman



S.K. Husain
Director



Khaldoon Bin Latif
Director



Mateen Beg
Director



Husain AlMusawi
Director



Faisal Basheer
Director



Erda Gercek
Director

In 2024, the Board of Directors of iib remained firmly committed to guiding the Bank's strategic direction, overseeing performance and proactively managing risks in a dynamic and evolving operating environment.

Our governance model enabled effective strategic dialogue and informed decision-making, allowing management to successfully implement our key priorities: delivering sustainable returns, strengthening digital capabilities, fostering

innovation and laying the foundations for future growth.

Throughout the year, Board discussions focused on monitoring performance against strategic objectives, responding to market developments and strengthening our competitive position in Cabo Verde and across the West African region.

Following the successful completion of the Group's transformation programme, the focus in 2024 shifted towards consolidating operational efficiencies

and optimising resource allocation.

These initiatives have positioned iib West Africa to capitalise on new opportunities, strengthen client confidence and create sustainable long-term value for all stakeholders, while reinforcing its strategic role as a leading financial platform in the region.





Management Team



Joseph Carasso
CEO



Aïcha Correia
CFO



Manuel Fernandes
CBO



Leida Semedo
Human Resource & Administrative



Elsa Almada
Global Risk



Lenira Monteiro
Accounting



Eder Monteiro
Institutional & Markets



Hermann Tavares
Management Control



Edson dos Reis
Internal Audit



Nelson Leocádio
Marketing



Leila Carvalho
Operations



Management Team (contd.)



Hugo Rocha
IT



Karin Barros
Compliance



Djasmin Ferreira
Legal



Félix Gomes
Private



Jailson Frederico
Retail



Giselle Tolentino
Corporate South



Naldina Lima
Corporate North



Management Team Bios



Joseph Carasso
CEO

Joseph has over 30 years of experience in the banking sector across emerging markets, gained through leadership roles in eight countries and within leading multinational and local institutions.

After three years working as a trader at a Brazilian brokerage firm, he joined Citibank in 1997, where he spent 23 years. His leadership roles at Citi included Director for Non-Presence Countries, Financial Institutions and Correspondent Banking for Africa, CEO in Tanzania and Ghana, and Head of Corporate and Investment Banking in Uganda.

Over the past five years, he has served as CEO of AIB. Throughout his career, he has

executed landmark transactions, delivered growth and value to businesses and shareholders, developed human capital, and made a meaningful humanitarian impact in the communities where he has worked.

Joseph served for 10 years on the Board of Directors of Citibank Uganda Limited, was a Board Member of the American Chamber of Commerce in Tanzania, and a Member of the Board of Trustees of Junior Achievement Tanzania.

Joseph holds an MBA in Finance and a Bachelor's degree in Business Administration. He is a former private pilot and has a passion for music, reading and sports.

Aïcha has 17 years of experience in the financial sector, distinguished by her career at the Central Bank of Cabo Verde, where she worked in the Banking Supervision Department, building a strong foundation before transitioning to commercial banking.

Since the establishment of iibCV in 2010, Aïcha has played a key role in the development of the financial markets department, which has become the Bank's core business focus. At iibCV, she is dedicated to developing relationships with financial institutions and corporate clients, driving business growth with these entities. In addition, she specialises in structuring products and services for both domestic and international financial markets.

With a diverse and solid professional background, Aïcha

makes a significant contribution to iibCV's business strategies.

Her technical expertise in banking supervision, experience in commercial banking, and strong academic background in Economics and Finance, combined with her involvement since the Bank's inception, demonstrate her commitment and in-depth understanding of iibCV's environment and operations.

Aïcha holds a degree in Economics from São Paulo State University (UNESP), an Executive MBA in Business Management from the Autonomous University of Lisbon, and a Master's degree in Finance from ISEG – Lisbon School of Economics and Management, University of Lisbon.



Aïcha Correia
CFO



Bios



Manuel Fernandes
CBO

Manuel has over 10 years of experience in the banking sector, with a strong specialisation in the corporate segment, particularly in international trade.

He began his career in Trade Finance, building his expertise across several financial institutions, including Banco do Brasil AG and Banc Sabadell-Portugal, where in recent years he served as a Manager in the Trade Finance & Working Capital Solutions area.

Manuel holds a Law degree from NOVA University Lisbon and has obtained Level 4 certifications as a Documentary Credit Specialist and in Trade Finance

Compliance from the London Institute of Banking & Finance and the Institute of International Banking Law & Practice.

In addition, he is a Certified Trade Finance Professional, accredited by the International Chamber of Commerce (ICC).

She holds a degree in Business Management and has over 20 years of experience in Human Capital Management, Administration and Sustainability.

She began her career at the Presidency of the Republic of Cabo Verde, where she held, among other roles, the position of Director of Administration and Resources.

She joined iibCV in 2019 as Director of Human Resources.

She currently also serves as Director of Human Capital, Administration & Logistics, and Sustainability.



Leida Semedo
Human Resource & Administrative



Elsa Almada
Global Risk

Elsa Almada has 15 years of experience in the financial sector, with specialisation in risk assessment and mitigation, as well as the strengthening of internal controls.

She worked as a consultant at Ernst & Young in Brazil, supporting financial institutions in risk advisory and internal control assessment projects.

In addition, she delivers training in the Basel framework, with a focus on financial calculations and the dimensions of credit risk, market risk and operational risk.

She holds a degree in Accounting, a Master's degree in

Finance, and specialisations in Financial Markets and Risk Management, as well as an international certification in Risk Management within the financial sector.

As Head of Risk at iibCV, she ensures the integrated management of risks, aligned with the Bank's risk appetite and regulatory requirements.

Lenira Monteiro holds a degree in Accounting and Auditing from the Polytechnic Institute of Porto, Portugal (2007), and has 18 years of professional experience in accounting, including six years in the banking sector.

She began her career in 2007 at Semedo & Brito, Lda., an electrical installations company, where she worked as an Accounting Technician until 2010.

She subsequently took on the role of Head of Accounting at Páginas Amarelas de Cabo Verde, a position she held for five years.

In 2016, she joined the accounting team of Unitel T+, where she remained until 2019.

Since then, she has served as Head of the Accounting Department at iib, contributing strategically to the institution's financial management and accounting accuracy.



Lenira Monteiro
Accounting



Bios (contd.)



Eder Monteiro
Institutional & Markets

With over a decade of experience in the financial and banking sector, Eder Ambrósio Rodrigues Monteiro has built a solid and consistent career, marked by continuous progression, technical rigour and a strong commitment to good governance and the sustainability of financial institutions.

His career has been primarily developed in the areas of risk management, internal control and financial management, where he has held both technical and leadership roles, actively participating in strategic committees and maintaining close engagement with auditors and supervisory authorities.

He currently serves as Director of Institutional and Markets, with responsibility for financial management, funding planning, liquidity management, financial markets activities, and the development of institutional and correspondent banking relationships.

His professional trajectory reflects the convergence of technical discipline, strategic vision and results orientation, grounded in an ethical, rigorous approach aligned with international best practices.

Hermann is a certified auditor with over seven years of experience in the industrial and financial sectors.

He began his career at PwC, where he served as a Senior Auditor. He currently holds the position of Head of Management Control and Planning at iibCV, a role he has held for over two years.

He is responsible for the analysis and interpretation of financial and market information, supporting the Executive Committee and management in making strategic decisions aligned with the Bank's vision and objectives.



Hermann Tavares
Management Control



Edson dos Reis
Internal Audit

Edson Reis is a senior executive with over 20 years of experience in the banking sector, covering Internal Audit, Internal Control, Risk Management and Commercial Banking.

He currently serves as Head of Internal Audit, responsible for the planning, execution and supervision of audit activities, ensuring practices aligned with the highest international standards.

Each recommendation is designed to create value and strengthen institutional resilience. For Edson, Internal Audit is a strategic lever: it anticipates risks, supports governing bodies

and reinforces corporate governance. His work ensures the integrity of the Bank and its stakeholders, promotes institutional trust and transforms risks into resilience, turning compliance into a competitive advantage.

Nelson José Leocadio is a senior banking professional with over 20 years of experience in banking and strategic marketing.

He holds a degree in Management Informatics from Portugal and a degree in Economics and Management from Jean Piaget University of Cabo Verde, combining a strong technical foundation with solid management expertise and strategic vision.

He began his career at Caixa Económica de Cabo Verde, later joining Banco Cabo-verdiano de Negócios (BCN) and holding management roles at Banco Espírito Santo de Cabo Verde,

accumulating extensive and consistent experience within the national financial system.

He currently serves as Head of Marketing at iib West Africa, a role he has held for approximately four years, where he is responsible for defining and implementing the Group's marketing and communication strategy across the sub-region.

He works in close coordination with the Group Marketing Division, overseeing brand management, corporate communications, strategic positioning and commercial campaigns.



Nelson Leocádio
Marketing



Bios (contd.)



Leila Carvalho
Operations

Leila is a senior Banking Operations professional with 19 years of experience in the banking sector.

Throughout her career, she has held operational coordination roles in centralised operations environments, gaining extensive experience in banking operations management and in the monitoring of critical banking processes.

She has been involved in key operational and technological transformation projects, with particular focus on the evolution of core systems and domestic and international payment systems, strengthening internal

controls, and enhancing coordination between business, technology and compliance areas. This has enabled her to develop a comprehensive understanding of banking infrastructure and key operational risks.

Hugo Rocha is a senior professional with 22 years of experience in the banking technology sector. He began his career in Portugal (2003–2010) as a core systems developer in leading banking institutions.

Since 2010, he has been based in Cabo Verde, where he has consolidated 15 years of strategic experience in the financial sector.

A specialist in software development, implementation and project management, he has played a central role in modernising the Bank's technological infrastructure. Throughout his career, he has

led and contributed to critical projects, including core system migrations, regulatory compliance-driven innovation and internal process optimisation, positioning himself as a key contributor to digital transformation, the evolution of digital channels and the enhancement of back-office processes.



Hugo Rocha
IT



Karin Barros
Compliance

Karin Barros holds a degree in Economics and has extensive experience in the banking sector, both in commercial banking and in the regulation and supervision of financial institutions, particularly in the areas of internal control, risk management and compliance (AML/CFT/CPF).

She is internationally certified as a Certified Anti-Money Laundering Specialist (CAMS) by ACAMS and as a Certified Global Sanctions Specialist (CGSS), with expertise in international sanctions.

Throughout her career, she has developed strong competencies

in leadership, critical analysis and decision-making, as well as planning, team management and institutional communication skills, always maintaining a focus on analytical rigour, proactivity and results orientation aligned with business strategy and vision.

She has been working at iibCV since 2021, serving as Head of Compliance, with responsibility for monitoring and assessing internal control procedures in the area of AML/CFT, as well as ensuring compliance with the legal and regulatory obligations applicable to the Bank.

Djasmin Ferreira is a banking professional with approximately 10 years of experience in financial institutions, with specialisation in compliance and legal advisory.

She has cross-functional legal experience gained through the practice of law, applied to the financial and regulatory context.

She holds a postgraduate qualification in Equality Law and is currently pursuing a Master's degree in Labour Law and Public Administration.

She previously held coordination roles in the Legal Department of Banco Interatlântico and, since

2021, has been part of iibCV as Head of Legal, where she is responsible for providing legal support to the institution's structured business activities.



Djasmin Ferreira
Legal



Bios (contd.)



Félix Gomes
Private

Félix Gomes holds a Postgraduate qualification in Management of Financial Institutions and a degree in Economics and Management, specialising in Financial Auditing.

He has additional training in Economic and Financial Analysis of Companies, Banking Accounting, Sales Techniques and Private Banking.

He has over 11 years of experience in the financial sector, with a consolidated background in commercial banking, investment banking and payment systems.

Throughout his career, he has developed strong competencies in strategic Private client management, as well as in the structuring, development and commercialisation of capital markets products.

He currently serves as Head of Private Banking. Previously, he held positions as Senior Officer in the Operations Department, Investment Banking Associate, and Board Member of a Microfinance Institution (MFI), where he actively contributed to policy definition, activity oversight and strategic decision-making.

Jailson Frederico is a senior banking professional with 6 years of experience in the financial sector and 12 years in commercial banking, with a focus on branch management and operations.

He has held roles as Commercial Officer and Branch Manager at BCN (Banco Cabo-verdiano de Negócios), overseeing the Maio and Palmarejo branches in Praia, as well as Head of Retail Banking at Intercontinental Investment Bank, S.A.

He currently serves as Operations Officer, contributing

to the strengthening of control mechanisms, compliance and the operational robustness of the institution.



Jailson Frederico
Retail



Giselle Tolentino
Corporate South

Giselle Tolentino has approximately two decades of experience in the banking sector in Cabo Verde, having primarily worked in commercial banking, managing retail and corporate clients, as well as monitoring credit operations.

She holds a degree in Management from the University of Minho and has additional technical training from the Banking Training Institute (IFB).

Throughout her career, she has held roles ranging from specialised customer service to the coordination of corporate portfolios, actively participating in the analysis, structuring and

monitoring of financial solutions tailored to clients' needs.

Her work is characterised by a pragmatic approach, focused on risk management, regulatory compliance and the sustainability of business relationships.

At iib West Africa, she contributes to the implementation of the Bank's commercial strategy, with a focus on planning, operational efficiency, prudent risk management and strengthening institutional relationships with clients and partners, thereby supporting the Bank's solidity and sustainable performance in the market.

Naldina Solange Ferreira Lima has been Corporate North Coordinator and Branch Manager of iib outlets in the islands of Sal and São Vicente since December 2022.

She has solid experience in the banking and financial sector in Cabo Verde, with a career focused on branch management, development and monitoring of corporate and retail portfolios, strategic planning and team coordination.

She holds a degree in Communication Sciences, with a specialisation in Advertising and

Public Relations, from the University of Beira Interior.

She also brings experience in communication, marketing and commercial management, contributing to a cross-functional perspective of the business and to the sustainable development of Corporate activity in the Northern region.



Naldina Lima
Corporate North



Cesária Évora

O Governador

António Lopes

O Administrador

27 de Agosto de 2024



Cesária Évora

GX5



Companies & Culture



iib West África



We offer every client a unique advantage: The combined expertise of a team working together to fulfil our Purpose: *To help people achieve their ambitions.*

Retail Banking

iib West Africa provides an integrated range of retail banking products and services, combining its branch network with digital banking solutions to meet the financial needs of clients in Cabo Verde and the diaspora.

During the period under review, the launch of the digital account opening platform stands out as a milestone in the Bank's digital transformation strategy, enabling clients to initiate their banking relationship in a simpler, faster and more secure manner, in compliance with best practices and regulatory requirements.

Additionally, the "Nôs Diáspora" Savings Account was launched, targeted at Cape Verdean citizens residing abroad, strengthening the Bank's connection with the diaspora, promoting financial inclusion and contributing to the expansion of the deposit base.

Retail Banking provides close and personalised support, assisting clients in managing their day-to-day financial needs with tailored solutions for individuals

and families. The Bank also offers a range of savings-oriented deposit products, including the Welcome Deposit, Super Deposit, Step-Up Rate Deposit, Junior Account and the "Nôs Diáspora" Migrant Savings Account.

With a strong focus on customer proximity and financial education, iib West Africa continues to drive sustainable growth, reinforcing its commitment to service quality, financial health and the economic mobility of its clients.

Private Banking

iib provides Private Banking services tailored to clients with more complex financial needs, through dedicated and experienced teams.

The offering includes bespoke wealth management solutions, financial planning, treasury management, banking and credit services, and investment solutions, adapted to each client's profile and objectives.

The Bank grows responsibly, continuously strengthening synergies

with other business areas of the Group in order to provide a comprehensive set of financial and brokerage solutions, ensuring an integrated and high value-added service.

As part of its service modernisation, iib continues to invest in technology and digitalisation, aiming to increase operational efficiency, strengthen transaction security, and facilitate client access to an expanding range of products and services through digital channels, including functionalities enabling increasingly seamless account opening and management.

Corporate Banking

iib remains committed to serving Large Corporates and Institutional Clients, offering strategic and tailored financial solutions aligned with the evolution of their businesses.

The Bank has strengthened its role in long-term partnerships, structuring complex financial transactions, including restructured loans, Negotiable Settlement Certificates



iib West África (contd.)



(NSCs), and other sophisticated corporate financing solutions.

Our approach focuses on providing advisory banking, supporting clients in managing financial challenges, optimising capital, and identifying market opportunities based on in-depth analysis and specialised guidance.

We recognise the importance of our role as a strategic partner, offering ongoing advisory in a constantly changing business environment.

This support enables clients to make informed

decisions, maximise financial efficiency, and build long-term trusted relationships with iibCV.

The Bank continues to strengthen its presence in the corporate segment, promoting integrated solutions combining credit, treasury, risk management and investment instruments, aligned with investment banking practices and ensuring robust support for clients' operations and growth.

Corporate and Investment Banking

The year 2024 presented challenges for the financial sector, in a context of rising interest rates and tighter market conditions. In this environment, iib remained a solid and trusted partner, adapting its approach to the needs of its clients.

Our thought leadership resources and global expertise enable us to help clients better understand the economic rationale behind sustainability and support them in their transition to a low-carbon economy.

The Bank continued to support Large Corporates and Institutional Clients, providing strategic advisory and structured financial solutions, including corporate financing and credit restructuring, thereby supporting decision-making and the day-to-day management of operations.

In an ever-evolving economic environment, clients turned to iib in search of partnerships, strengthening long-term relationships and consolidating the Bank's positioning, aligned with corporate and investment banking practices.

iib West Africa also remains committed to the development of its teams, investing in skills enhancement and talent development in order to meet market demands.

Looking ahead, the Bank will continue to focus on creating sustainable value, supporting client growth and contributing to the development of the Cape Verdean economy.

Global Markets
By providing a diversified business model to our clients globally, we offer services across debt, equities, commodities and foreign exchange markets.

Our broad client base enables synergies across our business lines.

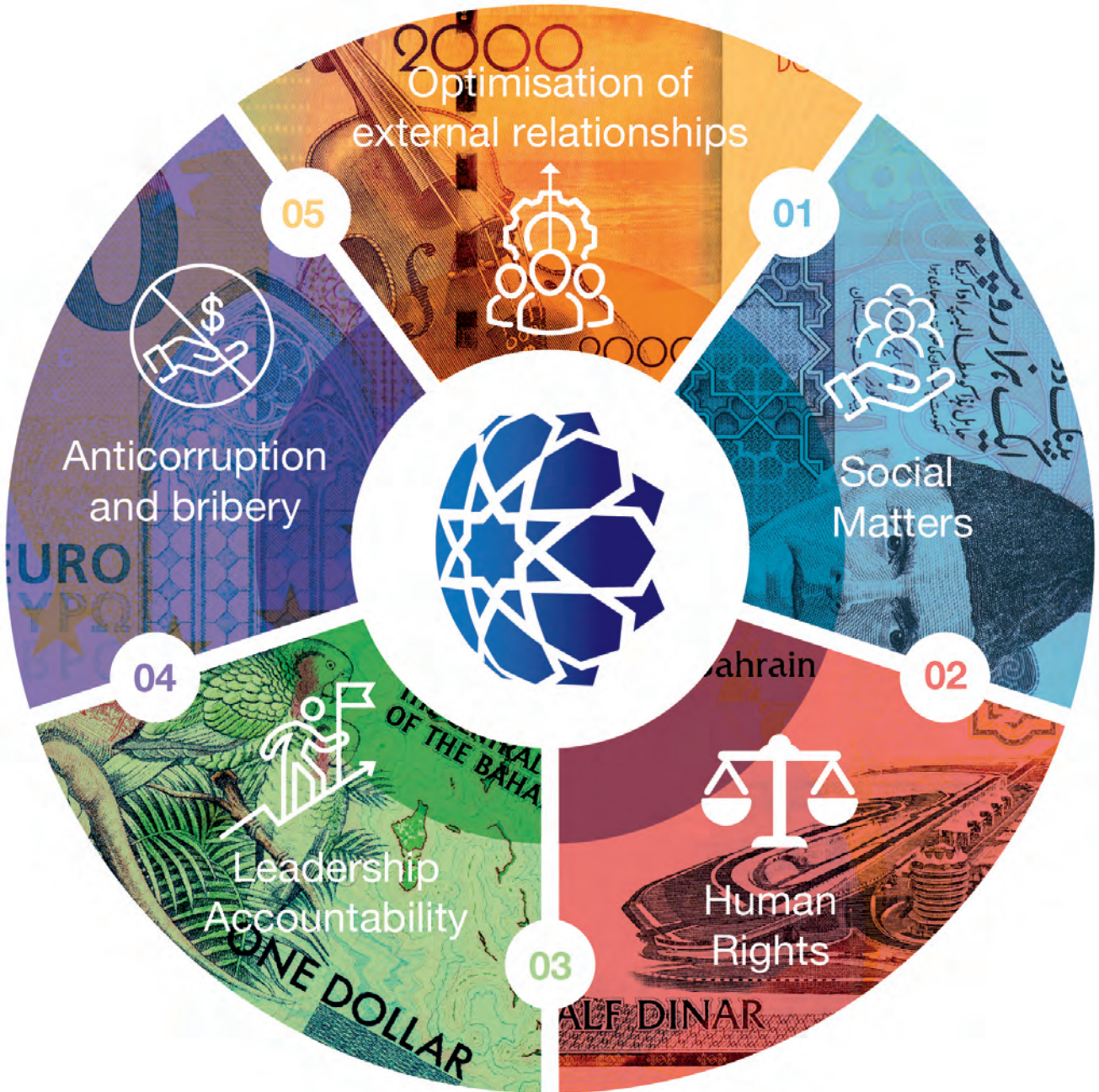
In partnership with teams across the organisation, we work with corporate, commercial, government and institutional investors, offering capital raising and risk management solutions.



Our focus remains on providing consistent and stable coverage, with world-class capabilities, to better serve our customers.

Our priority of investing in technology and data continues to drive our business forward.

Responsible Business Culture



Our most valuable assets are our people and our culture. At iib West Africa, we are committed to making the bank an exceptional place to work,

empowering our employees to achieve extraordinary results for our customers, for the communities and for themselves.

01 Social Matters



It is our duty to contribute to the long-term success of the markets in which we operate. Our mission is to equip people with the skills and information they need to thrive and transition towards a sustainable future.

We focus on initiatives that promote employment and financial literacy, encourage innovation and solutions to climate

change, and, where necessary, provide assistance in the event of disasters. Workforce engagement is promoted at all levels of the organisation, by both the Board of Directors and Senior Management, to ensure regular and meaningful dialogue with employees at all levels.

02 Human Rights



In line with our Purpose and Values, and to support our long-term success, our people policies are designed to attract the best candidates, offer fair opportunities and promote an inclusive culture.

We are committed to respecting human rights, particularly with regard to our employees, partners, suppliers and service providers.

03 Leadership Accountability



Leadership plays a key role in meeting the growing expectations of colleagues, customers and communities.

As part of their performance review, every employee is assessed against a mandatory inclusion performance target.

This target promotes inclusive and collaborative practices, recognising that each person's journey is a significant influence on our purpose, values and mindset.



Responsible Business Culture

(contd.)

04 Anti-corruption and bribery



We ensure compliance with all applicable anti-bribery and anti-corruption laws in all markets and jurisdictions where we operate.

Bribery and corruption include:

- obtaining or retaining business improperly;
 - improperly securing a business or personal advantage;
 - inducing another person to act in breach of an expectation of good faith, impartiality or trust
- The iib and its employees are

prohibited from engaging in or facilitating, directly or indirectly, in any form, the practice of bribery or acts of corruption.

Our policy is designed to ensure that all employees are able to identify and manage the regulatory, legal and reputational risks associated with all forms of bribery and corruption.

05 Optimisation of external relationships



To stimulate our thinking, access diverse talent and leverage best practices, we have developed relationships with external partners.

Our partnerships with hospitals, schools and other organisations help us make our workplace more inclusive.

We aim to expand these collaborations with multiple partners in the coming years, in order to advance our Sustainability agenda, which includes Health, Education and the Environment, across the markets in which we operate.



We support our employees in achieving their ambitions while safeguarding our clients, our communities and the integrity of the financial system.

We strongly believe in an inclusive and diverse culture in which individuals take ownership and value different perspectives, to the overall benefit of our clients.

We keep our employees informed about our strategy, performance and progress through a combination of leadership-led initiatives, digital and print communications, town halls and general meetings.

Our values are the driving force of our culture, and all employees are expected to align with them.

Regular roadshows are conducted to promote a holistic understanding of these values and to ensure that behaviours and competencies foster a positive working environment.




Responsible Business Culture

(contd.)




Partnership

Partnership means we collaborate and with that comes success. All our relationships are mutually beneficial, giving a sense of ownership, responsibility and accountability to stand by what we do.



Innovation

With knowledge comes innovation. We believe that any problem has a solution and this can be reached through logic and reason. Our diverse workforce generates organic creativity, leading to innovation in our product and service offerings.



Commitment

We are bound to our employees, our customers and our stakeholders. We believe that with commitment comes excellence, steering us towards the best possible outcome in any scenario.

We encourage colleagues to speak about behaviours in the workplace and ensure that the environment is one in which people feel safe and are treated with dignity and respect.

We aspire to be an organisation that is representative of the communities which we serve. To help achieve this, we have set commitments on the gender and ethnic

diversity of our senior leadership as well as female representation at all cadres of the organisation.

Gender Diversity

♂ 45% ♀ 55%

♂ 45%



♀ 55%



41% of employees have been with the company for more than five years



Great Place To Work®



Four consecutive years
of achievements!



iib West Africa has been awarded the Great Place To Work® certification for four consecutive years.

This recognition highlights our commitment to fostering

a culture of trust, collaboration and continuous growth, which are the pillars of our success.

For the Bank, this distinction not only

reinforces our reputation as an employer of choice, but also strengthens our core values of respect, integrity and collaboration.



Carla Amey

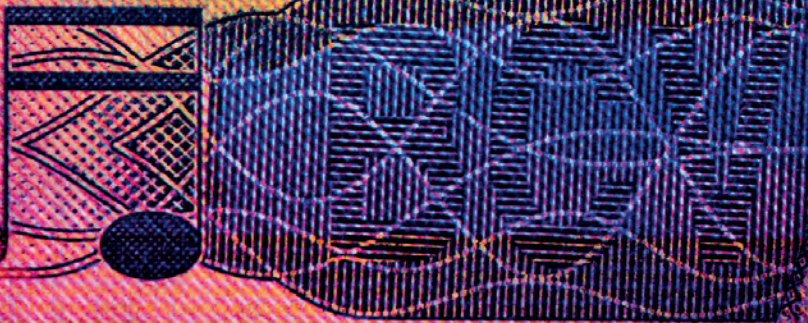
○ Governador

Paulo Frederico

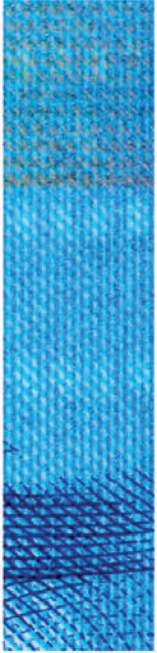
○ Administrador

5 de Julho de 2014

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Codé di Dona



IT Governance



Strategy



Our stakeholders are the cornerstone of our strategy.

Through effective stakeholder relationship management, we align our operations with their needs and expectations, safeguarding and promoting their interests while enhancing the value delivered to them. Stakeholders are directly linked to our performance, as illustrated in the adjacent diagram.

At iib, our mission is to redefine banking by offering advanced and innovative banking products and services designed to meet the diverse needs of all our clients. In today's constantly evolving digital landscape, we recognise that innovation is essential to delivering exceptional value.

Our specialised team is dedicated to leveraging cutting-edge techniques and tools that not only enhance our solutions but also ensure a simple and efficient banking experience for every user.

As a forward-looking institution, we are committed to remaining at the forefront of the financial sector. Our focus on the integration of

information technology (IT) into operations enables us to develop efficient, intuitive and user-friendly solutions.

We believe that banking should be accessible, practical and aligned with the fast-paced lifestyle of today's customers.

Our team is composed of specialists from various fields, bringing extensive knowledge and experience.

They are dedicated professionals committed to creating innovative financial products capable of meeting specific needs—whether for individuals seeking personal banking solutions or businesses requiring complex financial services.

We take pride in our ability to listen to clients and adapt our solutions according to their expectations.

At iib, we are more than a bank: we are your financial partner.

We are committed to helping you achieve your goals through personalised service and cutting-edge technology.

Join us on this journey and discover the future of banking—where creativity meets innovation and every client is valued.



Continuous Strategic Investment



01

Transformation

To deliver our transformation plan, we need to enhance skills and capabilities to meet the evolving needs of the business and adapt to digital requirements.



02

Digitisation

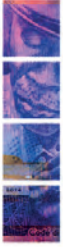
By digitising our IT architecture and processes, we are streamlining and transforming the customer experience, strengthening multi-channel engagement, and building a scalable and resilient infrastructure.



03

Customer Experience

To create a digitally active customer base, we must adapt to changes in customer behaviour, technology-driven competition and regulation.



Strategic Planning

IT strategic planning serves as the foundation for aligning our technology infrastructure with our business goals to ensure that technological investments support and drive corporate objectives.





Mapping - Four Pillars



We are dedicated to creating comprehensive IT solutions that empower our organisation.



Infrastructure & Communications

The first pillar, Infrastructure & Communications, focuses on establishing a solid foundation for seamless connectivity and collaboration. We understand that effective communication is crucial for any organisation, and we strive to enhance this through innovative technologies and reliable systems.



Channels & Applications

The second pillar, Channels & Applications, emphasises the importance of utilising the right tools and platforms for business success. Our expertise in this area enables us to design and implement customised applications that meet the unique needs of our clients, ensuring they can navigate their digital landscape with ease.



Central Information

Our third pillar, Central Information, highlights the significance of having access to reliable data. We ensure that all critical data is organised, accessible, and secure across the organisation. This allows for streamlined access, better decision-making, and increased collaboration between teams to support business intelligence and analytics, enabling us to derive meaningful insights, optimise processes, and drive innovation.



Security

The fourth pillar, Security, is paramount in today's digital age. We prioritise safeguarding our clients' data and systems against potential threats. Our robust security measures ensure that our clients can operate confidently and securely. This allows us to maintain customer trust, ensure regulatory compliance, and reduce the risk of financial and reputational harm.



We map our IT foundation on four essential pillars that ensure a robust and efficient digital infrastructure.



Compliance

We are committed to maintaining the highest standards of IT regulatory compliance, ensuring that all systems operate securely and within the boundaries of global regulations.

Our comprehensive IT regulatory compliance framework is designed to meet and exceed industry standards. Our measures and protocols are aligned with global regulations, ensuring that all IT systems operate within the legal and ethical boundaries set by governing bodies. This includes rigorous

data protection practices, adherence to privacy laws, and compliance with financial regulations across all jurisdictions in which we operate.

Regular audits, continuous monitoring, and employee training are key components of our strategy to

safeguard sensitive information and mitigate risks.

We also implement robust access controls, encryption, and incident response plans to ensure that our IT infrastructure remains secure and compliant at all times.

Automated real-time and scheduled compliance status reporting

Vulnerabilities (Intrusion Detection Systems (IDS) & Intrusion Prevention Systems (IPS))

Automated infrastructure configuration best practice checks

Integrity Monitoring, application control & log inspection

High risk violations to be instantly detected & auto-corrected

Malware & ransomware (with behavioural & machine learning)



Security

1 Identify and catalogue information assets

Classify data assets based on sensitivity level

1



5 Assess probability

Categorise vulnerabilities with risk prioritisation

5



2

2 Identify threats

Hackers, human error, natural disasters and power failures



6

6 Threat Impact

Impact analysis for mission, criticality and sensitivity of the system

3 Identify vulnerabilities

Audits, penetration testing, security analyses, scanning tools, NIST

3



7 Risk Matrix

Utilise cyber risk models for information security

7



4

4 Analyse internal controls

Implement controls to minimise or eliminate vulnerabilities and threats



8

8 Design controls

Address risks and align with business objectives

Our comprehensive approach to IT risk management includes a robust framework that identifies, assesses, and mitigates potential threats to our information systems. We employ industry-leading security measures, such as advanced encryption, multi-factor authentication, and regular vulnerability assessments, to protect sensitive data and

maintain the integrity of our IT infrastructure.

Our security protocols are designed to address both internal and external threats, incorporating continuous monitoring, incident response plans, and employee training programs to foster a culture of cyber security awareness. We also ensure compliance with relevant regulations and

standards, regularly updating our policies to adapt to the evolving cyber threat landscape.

By integrating IT risk management into our overall corporate strategy, we enhance our ability to respond to emerging risks and maintain the trust of our stakeholders, enabling the company to achieve its long-term goals securely.

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LAPOROSAS
HOMAS (C)
BAHAMAS
YDOR CARIN
WORLDWIDE
MAY (C)
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AMAS (C)
AMAS (C)
MAY (C)
LAPORAS
HOMAS (C)
BAHAMAS
YDOR CARIN



ESG & Sustainability



Our approach to ESG

Responsible banking means more than performance; it means serving communities and protecting the planet we share.

Since 2020, iib West Africa has been developing a structured Corporate Social Responsibility (CSR) framework, aligned with its mission to support clients, employees and communities in achieving their ambitions in an inclusive and sustainable manner. In the same year, iib announced its commitment to the United Nations Global Compact, a voluntary leadership platform dedicated to the promotion and implementation of responsible business practices.

Over the past years, significant progress has been made in embedding Environmental, Social and Governance (ESG) principles across all of the Bank's operations. Sustainability has evolved from a standalone initiative to becoming fully integrated into iib's mission and corporate strategy.

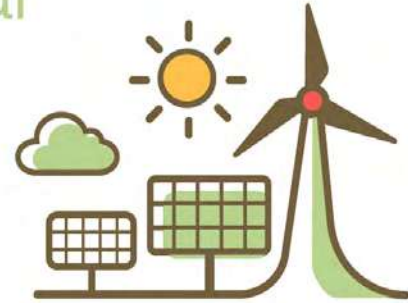
Guided by our values of Partnership, Innovation and Commitment, we continue to ensure that the Bank's growth remains responsible and inclusive. In 2024, we strengthened engagement with all stakeholders—including employees, clients, regulators and communities—with the aim of generating a positive, lasting and measurable impact.

iib's approach is based on the belief that responsible banking goes beyond financial performance: it is about serving society and protecting the planet we share.



Environmental

Climate stability



Social

Diversity & human capital management



Governance

Risk management and transparency





ESG Framework

Input

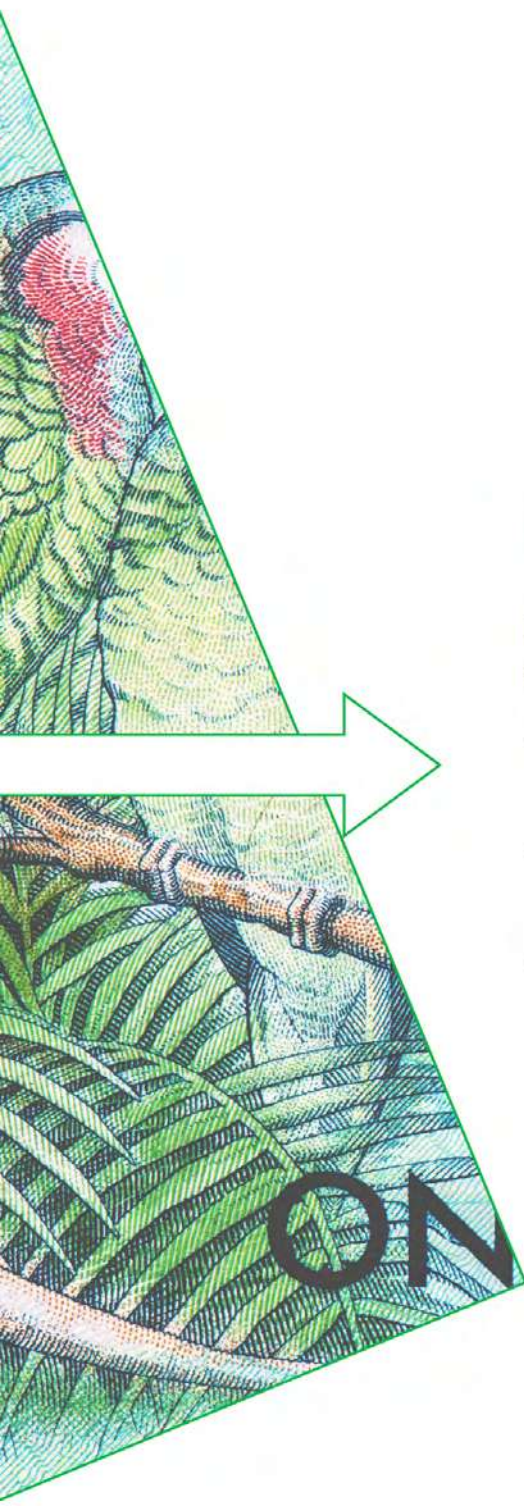
- Human
- Social
- Intellectual
- Financial

→ Capital

Output

- for People
- for Society
- for Stakeholders
- in Finance

→ Value



Environmental

Advancing local communities

Our Environmental criteria focuses on our impact on the planet. We finance projects that enhance renewable energy, reduce our carbon footprint and create sustainable living options for local communities.

Impact

iib is committed to achieving:

- Inclusive Economic Development
- Environmental Sustainability
- Inclusive Social Development

Social

Building inclusion and resilience

Our Social agenda encompasses all the relationships we have, both internal and external. We focus on diversity, equity, inclusion, health and safety, data privacy and community relations.

Governance

Acting responsibly

Aspects of Governance include financial performance, business ethics, audit, executive leadership and compensation, anti-bribery and corruption. Effective controls and procedures ensure we remain compliant and meet stakeholder demand.



ESG & Stakeholders



Being a responsible organisation requires interaction with all of our stakeholders. We engage in a variety of activities throughout the year to identify important subjects related to ESG which are relevant to our stakeholders.



Employees

Our colleagues are given training opportunities and increased employment engagement through social activities, roadshows and town halls.



Customers

The VOC (Voice of Customer) is of critical importance to us, through surveys, interactions and feedback. We respond through multiple communication channels, social media and increased data security.



Community

Keeping focus on financial inclusion, we welcome dialogue with external stakeholders including NGOs, hospitals and other groups working towards the social betterment of society.



Regulatory Bodies

Pro-actively engaging with regulators has led to innovation in our product offering as well as stringent adherence to anti-bribery and corruption.



Service Providers

Supply chain management and human rights issues are addressed through stringent criteria along with an ethical code of conduct.



Sustainability

At iib, we proactively integrate our Sustainability objectives into everything we do.

Aligned with the United Nations Sustainable Development Goals (SDGs), we understand that real and lasting change results from collective effort.

We recognise that the markets in which we operate naturally support the achievement of our SDGs, and we make every effort to leverage this opportunity.

Our employees, clients and stakeholders contribute to our Sustainability programmes throughout the year.

Our key focus areas are Health, Education and the Environment.

These objectives underpin a purpose-driven growth strategy, ensuring that both our people and our planet can thrive towards a better future, starting today.



Building a better world
through banking

2.5%

a certain percentage of net profit is dedicated to our Sustainability programme.





Being a responsible organisation requires interaction with all of our stakeholders. We engage in a variety of activities throughout the year to identify important subjects related to ESG which are relevant to our stakeholders.



Health



Education



Environment





Health

Throughout the year, we carry out various activities aligned with our Health focus area, in order to support our commitment to the United Nations Sustainable Development Goals (SDGs).

Basic Needs and Well-being

At iib, we believe that supporting communities means addressing both immediate needs and long-term well-being.

In 2024, our initiatives ranged from essential care to programmes that promote healthier and more inclusive futures.

We provided food donations and support to hospitals and underserved communities, helping to

ease the burden on vulnerable families and ensuring access to daily nutrition. Our blood donation campaigns contributed to community health and life-saving care.

Recognising the importance of physical activity in child development, we supported schools with sports equipment and sponsored youth tournaments, creating

opportunities for young people to develop teamwork, resilience and confidence.

Collectively, these initiatives reflect our belief that sustainability goes beyond financial services—it is about creating opportunities for people to lead healthier and more fulfilling lives, while strengthening the resilience of the communities we serve.



Food



Clothing



Wellness



Blood drive



Contributing to the community is at the core of our Sustainability efforts. Through regular blood donation campaigns, we help save lives and support individuals in need of transfusions. By mobilising our employees, partners and stakeholders to donate blood, we contribute to ensuring a stable supply of blood products for patients, while fostering a culture of altruism and solidarity within our organisation.



Education

Throughout the year, we carry out various activities aligned with our Education focus area, in order to support our commitment to the United Nations Sustainable Development Goals (SDGs).

 Education is how we create lasting impact: empowering ambition, enabling access, and building capacity for the future.

Inclusive learning

In 2024, we placed particular emphasis on enhancing digital learning environments to meet the evolving needs of students and educators.

Recognising the critical role of technology in modern education, iib supported schools and training institutes through the donation of IT equipment, digital infrastructure and multimedia tools.

These contributions help reduce the digital divide, ensuring that young people have access to

the resources needed to thrive in an increasingly digital world.

Beyond the provision of equipment, we also supported the creation of multimedia learning spaces designed to foster creativity, collaboration and interactive learning.

These spaces open up opportunities for vocational training in areas such as media, IT and communication—sectors that are vital to the future of our economies. Our approach to

supporting education goes beyond immediate needs; it is about building capabilities for the future.

By strengthening the digital infrastructure of schools and educational institutions, we contribute to the development of more inclusive and future-ready systems, empowering young people to succeed in a rapidly evolving global economy.



Financial Literacy

iib West Africa participates annually in financial literacy initiatives in partnership with the Cape Verde Stock Exchange, with the aim of raising awareness among children and young people about savings and responsible financial management. Among these initiatives are the “Creative Savings” Children’s Drawing Competition, which encourages primary school students to learn about financial education in an engaging and interactive way, and the Stock Market Tournament – Financial Education Olympics, held during Global Money Week, which involves students from across the country and offers internships and specialised training to top-performing participants.

Bursaries and Scholarships

We are committed to developing talent and empowering the next generation of leaders.

To this end, we offer a range of Scholarships and Educational Grants for

higher education to deserving students who demonstrate academic excellence, leadership potential and a commitment to making a positive impact in their communities.

Through this programme, we aim to provide deserving students with the resources they need to achieve their educational goals and realise their full potential.



Bursaries



Scholarships

In 2024, iib deepened its commitment to education by supporting the Chevening Scholarships programme, one of the world's most prestigious international scholarship initiatives.

Administered by the UK Government, Chevening offers outstanding students the opportunity to pursue postgraduate studies in the United Kingdom, equipping them with the skills, networks and perspectives needed to drive positive change in their home countries.

This year, iib was proud to sponsor a Chevening scholar in Cabo Verde.

By supporting their academic journey, iib is not only investing in the individual

future of these students, but also in the long-term capacity of the communities and economies they will serve upon their return.



CHEVENING

Through this initiative, iib reinforces its belief that education unlocks opportunities and that developing global leaders from our markets is essential for sustainable growth.

Supporting Chevening scholars is a way of ensuring that tomorrow's decision-makers, innovators and change-makers are empowered to transform their societies.



Scaling for Impact



Scaling for impact is about more than expanding reach — it is about deepening outcomes.

By leveraging our resources, partnerships, and innovation, we ensure that every initiative creates lasting value.

At iib, we continue to view sustainability not as a philanthropic afterthought, but as a strategic imperative woven into the fabric of our business model. In 2024, this conviction has grown stronger.

We recognise the responsibility and the opportunity to play a meaningful role in addressing pressing societal challenges across the markets where we operate.

Our approach to scaling for impact is grounded in the belief that banking, at its best, is a catalyst for positive change.

By combining financial resources, innovation, and strategic partnerships, we are able to extend the reach of our initiatives and maximise their effectiveness.

In practice, this means channeling support to non-profit organisations, educational institutes, hospitals, and charitable trusts across our geographies.

It also means designing solutions that are long-term in nature — initiatives that foster financial inclusion, food security, education, healthcare, and environmental resilience.

In 2024, we expanded our partnerships to include multilateral agencies and global sustainability networks, positioning iib as a responsible player in the global sustainability agenda.

By aligning with the UN Sustainable Development Goals, we are ensuring that our local actions

contribute to global progress.

Most importantly, scaling for impact reflects our ambition to create shared value: delivering benefits for communities, supporting national development priorities, and strengthening iib's own resilience and reputation.

Through this integrated approach, we are demonstrating that sustainable banking is the future of banking itself.



MINISTÉRIO DA
EDUCAÇÃO



BOLSA DE VALORES
CABO VERDE





Chairman's Message



On behalf of the Board of Directors, it is with great pleasure that I present the Annual Report and Accounts of Intercontinental Investment Bank S.A. – West Africa for the financial year ended 31 December 2024.

The year 2024 unfolded in a challenging global economic environment, characterised by persistent inflationary pressures, tighter global financial conditions and an uncertain geopolitical landscape.

Notwithstanding this context, the Cape Verdean economy showed signs of recovery and dynamism, driven primarily by the tourism, trade and services sectors. In this environment, Intercontinental Investment Bank S.A. – West Africa remained a solid and resilient financial institution, committed to the sustainable development of the national economy.

Financial Performance

In 2024, the Bank maintained a robust financial position, underpinned by prudent balance sheet management. Total net assets reached CVE 35.8 billion, reflecting a strategy focused on financial consolidation and optimisation of funding sources.

Customer deposits totalled CVE 13.9 billion, demonstrating continued client confidence. Loans and advances to customers stood at CVE 6.5 billion, remaining aligned with a prudent credit underwriting policy.

Shareholders' equity increased to CVE 3.33 billion and the solvency ratio reached 55.8%, significantly above regulatory requirements, highlighting the institution's strong financial soundness.

Asset quality also remained solid, with a non-performing loans (NPL) ratio of just 0.55%.

The Bank reported a net profit of CVE 402 million. Net interest income reached CVE 680 million and total banking income stood at CVE 736 million. The cost-to-income ratio was 45.48%, reflecting cost discipline and operational efficiency, while return on equity (ROE) was 13.56%.

Operational Highlights

During 2024, iib West Africa continued to invest in the modernisation of its technological infrastructure and in enhancing customer experience. Process digitalisation, the strengthening of electronic channels and the optimisation of service platforms contributed to greater operational efficiency

and closer engagement with both retail and corporate clients.

In parallel, the Bank reinforced its governance, risk management and compliance frameworks, maintaining alignment with the guidelines of the Central Bank of Cabo Verde and with international best practices in the financial sector.

Commitment to Our People and Community

The performance of iib West Africa reflects the commitment and professionalism of its employees. Throughout the year, the Bank continued to invest in training, skills development and talent enhancement, promoting an organisational culture based on excellence, responsibility and innovation.

At the same time, it maintained its commitment to Cape Verdean society by supporting initiatives in education, financial inclusion, entrepreneurship and community development, contributing to more inclusive and sustainable economic growth.

Future Outlook

For 2025, the Bank maintains a cautiously optimistic outlook. The positive trajectory of the national economy, coupled with the ongoing digitalisation of the financial sector and opportunities in corporate financing, creates favourable conditions for the development of banking activities.

Key strategic priorities include strengthening financing to the economy, continuing investment in digital transformation and technological innovation,

expanding the range of specialised products and services, and reinforcing risk management and sustainability frameworks. With a solid capital base, an experienced team and the support of its shareholders, iib West Africa is well positioned to continue growing sustainably and to generate value for clients, partners and the Cape Verdean economy.

Acknowledgements

On behalf of the Board of Directors, we express our sincere appreciation to the Central Bank of Cabo Verde, our clients, partners and employees for their trust, cooperation and dedication throughout 2024. Their contribution has been instrumental in strengthening iib as a leading financial institution in Cabo Verde.



Sohail Sultan
Chairman of the Board



CEO's Message



In a global context where capital flows, trade and technology continue to reshape economic dynamics, Cabo Verde is consolidating its position as a strategic platform linking Africa, Europe and its diaspora. In this environment, Intercontinental Investment Bank (iib West Africa) reinforces its role as a solid financial institution, committed to supporting national economic development.

iib West Africa goes beyond traditional banking activities, seeking to facilitate investment, support business growth and promote modern financial solutions that connect clients, markets and opportunities. Throughout 2024, we continued to strengthen this vision by maintaining prudent management, reinforcing our financial structure and investing in service modernisation.

Performance and Financial Strength

Despite a volatile international financial environment, iib West Africa maintained a solid and resilient financial position in 2024. Total net assets reached CVE 35.8 billion, reflecting balanced balance sheet management.

Client confidence remained a fundamental pillar, with customer deposits reaching CVE 13.9 billion.

Loans and advances to customers totalled CVE 6.5 billion, aligned with responsible lending policies and rigorous portfolio monitoring, resulting in excellent asset quality and a non-performing loans (NPL) ratio of just 0.55%.

The Bank's capital base strengthened to CVE 3.33 billion, translating into a solvency ratio of 55.8%, significantly above regulatory requirements and ensuring capacity to support future growth.

In terms of results, iib reported a net profit of CVE 402 million, with net interest income of CVE 680 million and total banking income of CVE 736 million. The cost-to-income ratio stood at 45.48%, reflecting operational discipline, while return on equity (ROE) demonstrated the Bank's ability to generate sustainable value.

A Bank at the Service of the Economy

iib West Africa maintains a strong commitment to the development of the Cape Verdean economy, financing companies, investors and projects that contribute to the country's sustainable growth.

The Bank remains focused on supporting strategic economic activities and strengthening financial linkages between Cabo Verde, its diaspora and international markets, creating new investment opportunities and fostering economic dynamism.

Digital Transformation and Operational Efficiency

Technological innovation continues to be a central pillar of the strategy. During 2024, we pursued investments in infrastructure modernisation, process digitalisation and the enhancement of electronic channels, making services more accessible, efficient and secure.

These initiatives improved operational efficiency, strengthened internal control systems, regulatory compliance and risk management, keeping the Bank aligned with international best practices.

Our People

The success of iib West Africa is built on the professionalism and dedication of its employees. Throughout the year, we continued to invest in training, skills development and talent enhancement, fostering a culture of excellence, responsibility and innovation.

A motivated and highly skilled team is essential to address the challenges of an evolving banking sector, ensuring that the Bank continues to create value for clients, partners and shareholders.

Looking Ahead

For 2025, the outlook for the financial sector in Cabo Verde remains positive. Economic growth, increasing digitalisation and the country's international integration create favourable conditions for banking development.

iib will continue to focus on strengthening financing to the economy, accelerating digital transformation, developing solutions that deepen connections with the diaspora and international markets, and reinforcing risk management, sustainability and governance practices.

With a solid financial base, a clear strategy and a dedicated team, the Bank is well positioned to consolidate its position within the Cape Verdean banking system.

Acknowledgements

We express our sincere appreciation to our clients, shareholders, regulators, partners and employees for their continued trust and support throughout 2024.

Their contribution is essential to the Bank's success and to the fulfilment of our mission to create sustainable value for the Cape Verdean economy.



Joseph Carasso
CEO

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FOR ALL DEBTS, PUBLIC AND PRIVATE

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Treasurer of the United States.

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Consolidated Financial Statements

A. Key Indicators

	31.12.2024	31.12.2023	31.12.2022
Activity (thousands of CVE)			
Net Assets	35 760 603	41 351 896	36 778 787
Customer Credit (gross)	6 468 106	7 378 477	7 317 373
Resources ⁽¹⁾	17 490 937	20 926 707	17 822 555
Financial Margin	674 651	954 677	637 827
Bank Product (BP)	730 432	1 098 676	786 299
Cash-Flow	433 548	827 638	492 675
Net Income	392 984	671 191	433 140
Operation			
Number of Employees	49	46	43
Liquidity			
Resources at the Central Bank (mCVE)	890 682	732 516	612 091
Deposit-to-Credit Ratio (%) ⁽²⁾	36,98	35,3	41
Asset Quality (%)			
Default rate = Non-performing Loans > 90 days / Customer Credit (gross)	0,55%	0,41	1,03
Provision/Non-performing Loans > 90 days	109,77%	173,99	122,01
Provision/Client Credit	0,60%	0,71	1,25
Cost of Credit Risk ⁽⁴⁾	0,21	0,43	0,30
Productivity / Efficiency			
Average Assets / Average Number of Employees (mCVE)	811 711	877 873	814 546
Cash Flow/Average Number of Employees (mCVE)	9 127	18 599	12 016
Overhead Costs/Average Assets (%)	0,01	0,01	0,88
Cost-to-Income (%)	45,85	28,24	42,39

(1) Customer resources include liabilities represented by securities.

(2) The turnover ratio is given by the relationship between accounts receivable and customer resources.

B. Income and Profitability

	31.12.2024	31.12.2023	31.12.2022
Balance Sheet (thousands of CVE)			
Net Assets (NA)	35 760 603	41 351 896	36 778 787
Financial Assets (FA)	23 804 690	24 554 070	27 380 446
Equity (KP)	3 316 814	2 966 157	2 243 531
Profit and Loss Statements (thousands of CVE)			
Net Interest Income	674 651	954 677	637 827
+ Non-interest Margin (NIM)	55 781	143 999	148 472
= Gross Income (GI)	730 432	1 098 676	786 299
- Operating Costs (OC)	334 888	310 319	333 276
=Gross Profit (GP)	395 544	788 357	453 023
- Net Provisions for Replacements (NPR)	(30 573)	20 138	(33 867)
= Profit Before Taxes (PBT)	426 117	768 219	486 890
- Taxes (T)	(33 133)	(97 028)	(53 750)
= Net Income (NI)	392 984	671 191	433 140
Profitability (%)			
Net Interest Margin (RF/AF)	2,83	3,89	2,33
Business Margin (PB/AF)	3,07	4,47	2,87
- Operating Costs Relevance (CO/AF)	1,41	1,26	1,22
- Provisions Relevance (PV/AF)	(0,13)	0,08	(0,12)
= Return on Financial Assets (RL/AF)	1,93	3,52	1,97
x Relevance of Financial Assets (AF/AL)	67%	59%	74%
= Return on Assets "ROA" (RL/AL)	1,10	1,62	1,18
x Asset Utilization Ratio (AL/KP)	1078%	1394%	1639%
= Return on Equity "ROE" (RL/KP)	13,25	29,92	24,20

I. Management Report

1. Message from the Board of Directors

Dear Customers, Employees and other Stakeholders,

The consolidation of the business model implemented between 2020-2023 was extended to 2024, resulting in unique results, with this year being the institution's third best.

As presented in the previous financial year, the strategy developed and subsequently implemented was based on a corporate identity and common work culture, reflected in a substantive change in the Governance model, adopting a fluid organizational structure that tends to be horizontal rather than traditional and hierarchical, based on open communication premises that support transparent and participatory management forums.

The sustainable results demonstrate the merits of the bank's positioning and business model, including high solvency levels, a high return on assets and equity, high liquidity levels and a low loss ratio in the loan portfolio.

Throughout 2024, the institution remained true to its ambition of being the international bank that knows Cabo Verde best. We began carrying out our activities adopting a “from where we are to the world” perspective, while remaining committed to the development of Human Capital as our main distinguishing factor.

We continue to see our People, predominantly young professionals, taking on Leadership roles and asserting themselves through the Value of their dedication and work, developing more skills, knowledge and experience, so that the team can continue to support the position of a major economic player, with the capacity to do “what hasn't been done yet” and thus be able to translate more and better value

- “Doing Things Differently, to Make a Difference.”

We've continued to grow, supported by an even more stable and diversified financing structure, which corresponds to an asset composition capable of offering a higher risk-adjusted return, both in absolute and relative terms in relation to comparables, reflected in a CVE 393 million net profit, translating into a Return on Assets and on Equity of 1.10% and 13.25%, respectively.

This result is particularly important because it is backed up by high solvency and liquidity levels, which stood at 55.6% (CET1) and 276% (LCR), extremely comfortable levels for continuing to develop the institution going forward, as well as a low loss ratio in the loan portfolio, which continues to grow steadily but prudently, reflected in the low loss ratio (0.55%), based on proactive portfolio management, which is expected to continue to ensure unique customer monitoring, a decisive factor in recovering non-performing loans.

In a bid to continuously improve, following the alignment of our Sustainability and Social Responsibility Policy with the United Nations (“UN”) Sustainable Development Goals, we were the first financial institution in Cabo Verde to join the UN Global Compact, and we are currently involved in the Fast Forward program to further accelerate our initiatives and their results.

In this 4-year period, through relevant cooperation with the most diverse and honorable institutions, which, with principles and values that are compatible with ours, dedicate themselves to such excellent causes, we have managed to touch approximately 70,000 lives.

We remain the most active and innovative player in the capital market, having been given the following distinctions by the Cabo Verde Stock Exchange: (i) Innovation in the Capital Market 2023, (ii) Issuer 2023, (iii) Gold Broker Operator 2023, Stock Operator 2023 - Primary Market (Corporate and Municipal), (iv) Blu-X Issuer 2023, Blu-X Operator 2023, with such awards resulting from the issue of the first public Blue and Green Bond in Cabo Verde, with the participation of the United Nations Development Program (“UNDP”) and the Joint SDG Fund, called “iib Marine and Ocean-based Blue Bond” and “iib Renewable and Energy-Efficiency Green Bond,” as well as the second series of “Credit Linked Notes - iib PRAE - Program for Restructuring and Supporting the Economy.”

I. Management Report (Contd.)

The results achieved over the last four years now offer a range of possibilities for shareholders and the most important stakeholders, with iibCV boasting a structure capable of seeking growth from asset origination given its extremely high liquidity and solvency position, going public with a view to joining forces with strategic shareholding partners who share the same vision, principles and values, to develop new projects relating to mergers and acquisitions and even potential geographical expansions, given the accommodating position of its structure and size of the capital accumulated in recent years, among other possibilities, which, based on the work of a focused and dedicated team, have been designed to allow for new possible horizons going forward.

These goals are to be pursued with a view to a new management approach, in order to lead the institution to the new challenges and opportunities that the future may bring.

Thank you very much!

The Board of Directors,



2. The Bank

Intercontinental Investment Bank, S.A. (iibCV) (formerly known as International Investment Bank) started operating in the Cabo Verdean market in July 2010, as a financial subsidiary fully owned by Novo Banco, in Portugal.

On July 11, 2018, as part of its acquisition strategy, iibGroup Holding WLL (“iibGroup”) acquired 90% of the Bank's capital, with Novo Banco remaining as a reference shareholder over the remaining capital, as well as a privileged institutional correspondent, a status it still holds today, despite having sold its stake to iibGroup, which now holds 100% of iibCV.

iibCV is made up of a dynamic and highly qualified team, committed to consolidating its position as a leading bank in attracting talent, developing human capital and creating value from economic and financial flows. With a strategic vision, the bank is strengthening its operations with Financial Institutions, Companies and Individuals, connecting Cabo Verde and the West African region to the global market.

2.1. Share Capital and Shareholder Structure

Intercontinental Investment Bank, S.A. (iibCV) has a share capital of CVE 1,433,000,000 (one billion, four hundred and thirty-three million escudos), represented by 1,433,000 shares, with a par value of CVE 1,000 (one thousand escudos) each.

The current composition of the institution's shareholder structure is as follows:

Shareholder Structure

(Amounts expressed in thousands of escudos)

Description	No. of Shares	Amount	%
IIB Mauritius Holdings	1 433 000	1 433 000 000	100%
Total	1 433 000	1 433 000 000	100%

2.2. Governing Bodies

The by-laws of Intercontinental Investment Bank (iibCV) provide for a corporate governance structure that includes a number of bodies with specific responsibilities, namely the General Meeting, Board of Directors, Executive Committee and Audit Committee. The composition of each body is, therefore, as follows:

General Meeting

Chairman

José Luís Andrade

Secretary

Dina Haikel

Board of Directors

The Board of Directors is composed of seven members, five permanent and two alternate members.

Chairman

Sohail Sultan

Members

Syed Khurshid Husain

Erda Gercek (Independent)

Francisco José Mairos Ferreira (until June 30th)

José Alberto Monteiro Soares (until April 30th)

2. The Bank (Contd.)

Joseph Carasso Júnior (as of July 1st)
Aïcha Paula Alfama Correia (as of May 1st)
Manuel António Gonçalves Fernandes (as of May 1st)
Elsa Almada (Alternate)
Dina Haikel (Alternate)

Executive Committee

The Executive Committee is composed of three members.

Chairman

Francisco José Mairos Ferreira (until June 30th)
Joseph Carasso Júnior (as of July 1st)

Members

José Alberto Monteiro Soares (until April 30th)
Aïcha Paula Alfama Correia (as of May 1st)
Manuel António Gonçalves Fernandes (as of May 1st)

Audit Committee

The Audit Committee is composed of five members, three permanent and two alternate members.

Chairman

Ildo Adalberto Lima – Chairman

Members

Eunéria Sousa Freitas
Nair Cecília Pereira da Silva

Alternates

Alexandre Elísio Moreno Ferreira Querido
Afrodite Leocádia de Sousa Reis Borges Monteiro

2.3. Organizational Structure

iibCV operates through thirteen (13) departments, including two business areas which, across the board, manage its day-to-day activities. It also has a Branch and two Customer Service Offices that are strategically located, offering continuous support to its network of customers, both nationally and internationally.

Departments and Central Services

Financial Institutions and Markets	Aïcha Correia(1) / Eder Monteiro(2)
Human Capital	Leida Semedo
Overall Risk	Elsa Almada
Information Technology	Hugo Rocha
Credit Recovery	Carla Melício
Accounting	Lenira Monteiro
Compliance	Karin Barros

2. The Bank (Contd.)

Operations	Leila Carvalho
Internal Audit	Edson Reis
Legal	Djasmin Ferreira
Management Control	Hermann Tavares
Marketing	Nelson Leocádio

(1) Until 30th April | (2) From 13th May onwards

Commercial Department

Corporate South	Giselle Tolentino
Corporate North	Naldina Lima
Private	Félix Gomes
Praia Branch	Karine Moreno
Espargos Service Station	Naldina Lima
Mindelo Service Station	Naldina Lima

2.4. Geographical Presence, Distribution Network and Facilities

Intercontinental Investment Bank, S.A. (iibCV) has its registered office at Av. Cidade de Lisboa, Praia (Santiago Island), where its central services and Head Office business unit are located.

The Bank also operates Customer Service Offices in Mindelo (S. Vicente Island) and Espargos (Sal Island), bringing it closer to the market and expanding its range of unique products and services throughout the country.



2. The Bank (Contd.)

2.5. Human Capital and Social Responsibility

2.5.1. Human Capital

Human capital has been one of the fundamental pillars of iibCV's continuous success, given its primary goal is to be the best bank for its people and to have professionals who are committed and capable of providing the best service to society, customers and shareholders.

For the fourth year running, iibCV's commitment to excellence in the workplace was recognized by its employees through an anonymous survey conducted by an independent company, having been distinguished as a Great Place to Work. The commitment to maintaining this certification is reflected in iibCV's constant dedication to its employees' well-being, inclusion and active participation.

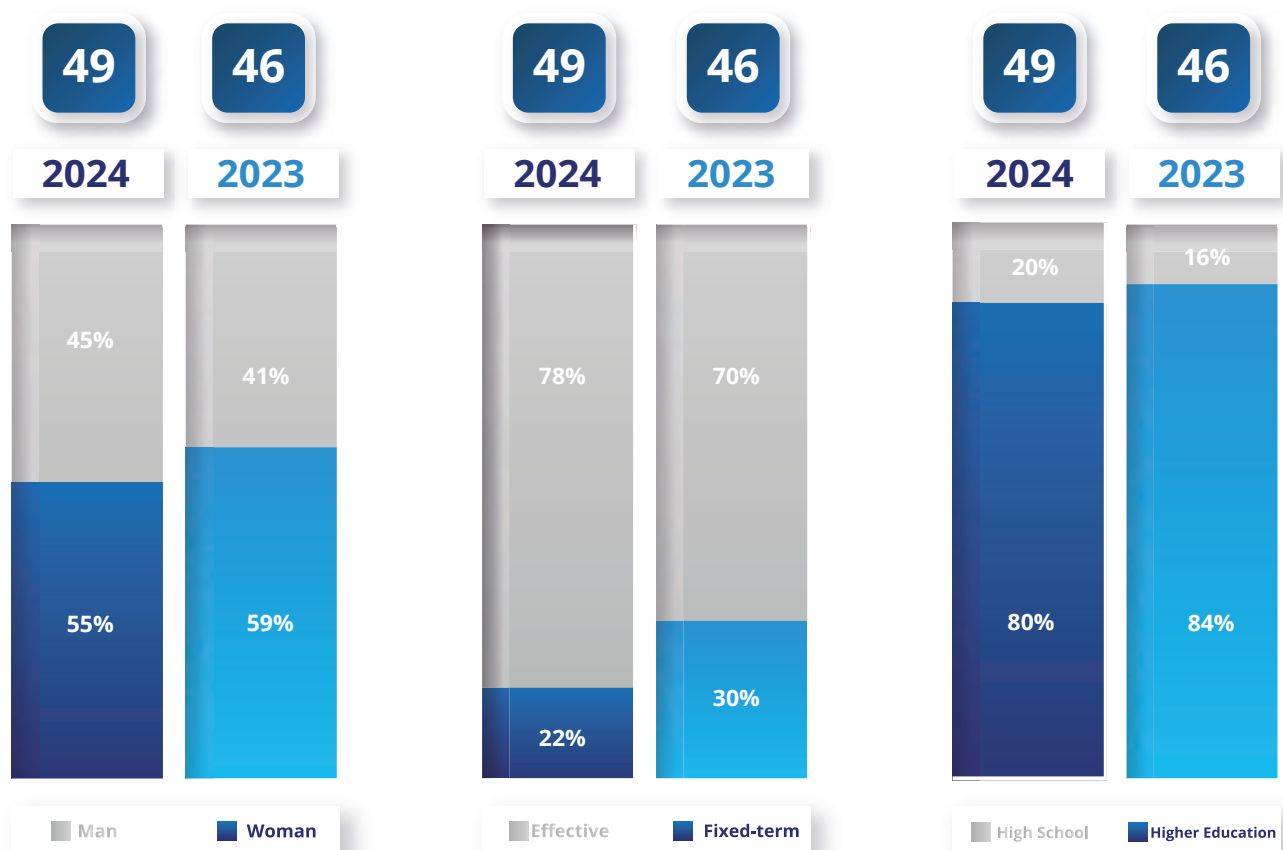
This proactive approach has resulted in the certification being renewed, reaching a remarkable 93% satisfaction rate in 2024, compared to 98% in 2023, 93% in 2022 and 85% in 2021.

In terms of Training and Development, more than 2,000 hours of training were provided in 2024 (2023: more than 1,000 hours), both online and in person, benefiting all Departments and contributing to better develop the individual and collective skills of the Bank's employees.

This investment in knowledge and qualifications not only contributes to the team's excellent performance, but also reinforces iibCV's commitment to creating opportunities for professional growth and advancement.

The Bank is committed to continuous training for its staff, with the aim of consolidating the foundations for a highly qualified team that is adaptable and ready to face the challenges of the banking sector with excellence.

Human Resources Structure as at 12-31-2024 and 12-31-2023



2. The Bank (Contd.)

2.5.2. Sustainability and Social Responsibility

The Sustainability and Social Responsibility Policy was initiated in 2020, under the motto "6 months, 6 causes," with the direct participation of employees in determining and indicating social projects to benefit.

In 2024, iibCV remained committed to Sustainability and Social Responsibility, attaching the same strategic importance to these areas as in previous years. iibCV believes that sustainability is an essential factor in creating long-term value, guiding decisions and initiatives with a focus on positively impacting the community, its customers and employees.

With an innovative and constantly evolving approach, iibCV has bolstered and expanded its actions, promoting projects and partnerships that contribute to a more sustainable future. In 2024, initiatives focused on three fundamental pillars:



Education, by supporting academic and professional development, promoting access to learning opportunities and training.



Health and Well-being, by ensuring access to healthcare, financial protection and quality of life for our employees and the community.



Environment, by investing in sustainable solutions and responsible practices that minimize the environmental impact of our operations and help preserve natural resources.

O iibCV is part of the United Nations Global Compact, an international initiative that urges companies to adopt universal principles in the areas of human rights, labor, the environment and anti-corruption. They commit to incorporating these principles into their daily operations, promoting responsible business practices and contributing to a more sustainable and equitable world.

As part of this engagement, the Bank participates in the SDG Ambition program, an initiative devoted to driving progress towards the United Nations Sustainable Development Goals (SDGs). This participation demonstrates the Bank's firm commitment to aligning its strategies with global efforts to address society's most pressing challenges.



It is important to note that iibCV aims to stand out as a sustainable financial institution, committed to all its stakeholders. This commitment is reflected not only in its actions, but also in its transparency and accountability, thus reinforcing its position as a socially responsible bank.

3. Economic Environment 2024

3.1. International Environment

As presented in the October 22, 2024 “World Economic Outlook” report, the International Monetary Fund (IMF) kept its global economic growth forecast at 3.2% for both 2024 and 2025. This growth level indicates a pattern of stability, albeit below the expansion rates seen in the previous decade.

One of the main highlights of the report is the slowdown in global inflation. According to IMF estimates, global inflation fell from 6.7% in 2023 to 5.7% in 2024, with a further drop to 4.3% in 2025. This trend reflects the effect of the restrictive monetary policies adopted by various central banks, which have sought to contain price rises over the last few years. Energy cost stabilization and global supply chain normalization have also helped to reduce inflationary pressures.

Despite the prospects for relatively stable growth and the downward trend in inflation, the IMF warns of structural challenges that could negatively impact the global economy in the medium term. Among the main risk factors are:

Increasing protectionism: The proliferation of restrictive trade measures by various countries could hinder the global flow of goods and services, jeopardizing international trade growth and reducing investment opportunities.

Population aging: Declining birth rates and aging populations in advanced and emerging economies impose significant challenges for labor markets and pension systems, reducing long-term growth potential.

Reduced investment: Economic uncertainty, coupled with higher financing costs due to restrictive interest rates, has led to less dynamism in productive investments, limiting the capacity for economic expansion.

Slowdown in the Chinese economy: China, which has been one of the engines of global growth in recent decades, is facing internal challenges, such as a crisis in the real estate sector and the transition to a growth model based more on domestic consumption, which could affect its economic performance and impact other emerging markets.

Geopolitical tensions: Regional conflicts, trade disputes and political instabilities continue to pose significant risks to the global economy. Uncertainty regarding supply chains and the possibility of new economic sanctions between major powers are factors that can introduce volatility into the markets.

Against this backdrop, the IMF reinforces the importance of balanced economic policies that reconcile the need to stimulate growth with maintaining financial stability. The institution also highlights the role of policymakers and investors in constantly monitoring economic and geopolitical developments, in order to adapt their strategies as necessary.

In conclusion, the economic projections for 2024 and 2025 indicate moderate growth and progressive disinflation. However, significant risks require increased attention from economic agents to mitigate adverse impacts and ensure a resilient global economy in the coming years.

3. Economic Environment 2024 (Contd.)

3.2. Domestic Environment

Cabo Verde's economy has shown resilience in the face of recent global challenges. In 2023, the country enjoyed a 5.1% economic growth, driven mainly by the tourism sector.

For 2024, projections point to a 6.1% growth, sustained by service exports and buoyant private consumption. In 2025, the forecast is for a 5.6% growth, reflecting a consolidated economic recovery and a slight moderation compared to the previous year. This growth will be supported by continued solid performance in tourism, investments in infrastructure and advances in economic diversification.

Inflation has been on a downward trend in Cabo Verde. In 2024, the average annual inflation rate was 1%, a significant reduction on previous years. For 2025, inflation is expected to continue to fall, standing at around 0.8%. This trend reflects the moderation of international food prices and the fall in oil prices.

The fiscal deficit has been on a downward trend. In 2023, the deficit was 2.7% of GDP, with expectations of a decrease to 2.1% in 2025, resulting from fiscal consolidation measures, an increase in tax revenue and the privatization of state-owned companies.

In the medium term, private consumption, tourism investment and the blue economy are expected to continue to be pillars of economic growth. Structural reforms, such as digitizing the economy, improving the business environment and economic diversification, will be crucial to ensuring a solid foundation for long-term sustainable growth.

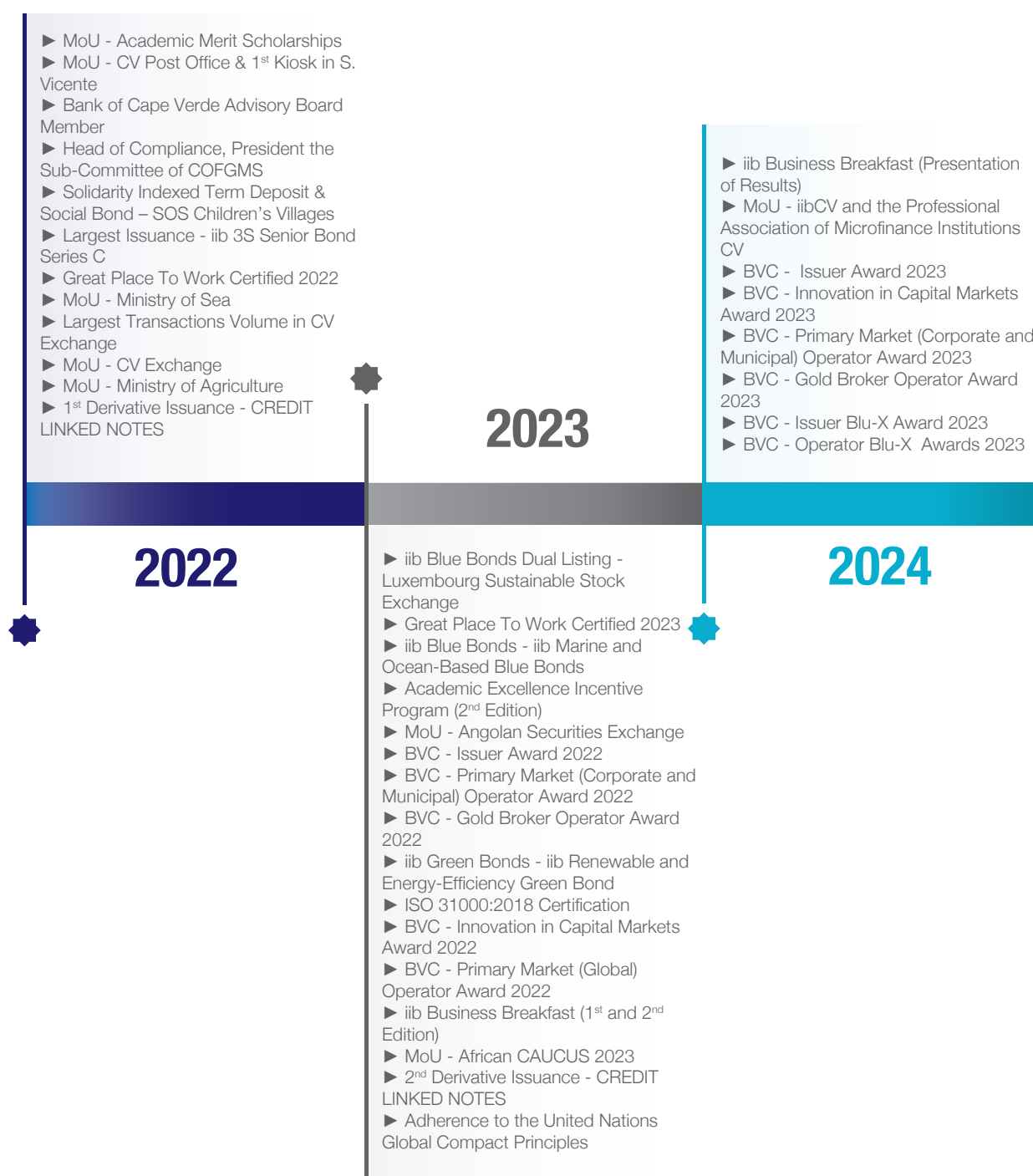


4. Summary of Activities

4.1. Business Strategy and Model

By implementing an organizational culture based on continuous development, iibCV saw an improvement in the vast majority of Key Activity Indicators, becoming a solid organization, one that is conveniently prepared to face the most demanding challenges, as well as economic, competitiveness and market constraints.

The implementation of the strategy undertaken will continue to aim at efficiently addressing the challenging limitations prevailing in the surrounding context, with emphasis on continuously strengthening organizational capabilities in terms of internal control and management; growing number of customers and resources in core business segments with the greatest competitive advantage; the quality of asset allocation with the Bank's consolidation as one of the economy's main incremental funders; continuing to make record investment in the training of our Human Capital; and, not least, continuing to contribute to the community we are a part of, through concrete actions that reflect our Sustainability and Social Responsibility Policy.



4. Summary of Activities (Contd.)

4.2. Summary of Activities

As expected, the 2024 financial year was a year of stabilisation for iibCV, with a reduction in its balance sheet (-14%), although this negative performance had no impact on the value of risk-weighted assets, while at the same time it was possible to maintain a good profitability level, reflecting an excellent net profit (CVE 393 million (2023: CVE 671 million)).

The efficiency (45.85%), profitability (13%), and solvency (55.4%) indicators reflect a meritoriously solid operating structure, which embodies comfort, especially appreciated by our stakeholders, given the uncertainty and high perceived risk in the market.

iibCV's performance included a 34% reduction in banking income, impacted by the average increase in funding costs, contrasted with efficient balance sheet management, with a holistic approach and focused on generating risk-adjusted returns at adequate levels, leading noninterest income to remain above the market average.

As a contributing variable, net interest income saw its share increase from 87% of banking income in 2023 to 92%, showing solid revenue sources.

The loan portfolio volume reached CVE 6.47 billion, with the non-performing loan (NPL) ratio increasing slightly to 0.55%, maintaining a continuous proximity and customer behaviour understanding approach, along with a comfortable recognition of the 109.77% expected loss (impairment) of NPLs, which provides an accommodative framework in view of a potential deterioration of future macroeconomic conditions.

Keeping the focus on people, iibCV remained strongly committed to employee training, with more than 2000 hours provided, while at the same time reiterating its commitment to the community, through actions resulting from its Sustainability and Social Responsibility Policy, which is a crucial component of an institutional identity that is now inseparable from it.

Thus, 2024 was a year of important achievements, reflecting the team's determination, motivation and dynamism in building an increasingly solid bank. Through processes supported by continuous improvement, we reinforced our ability to generate more and better value for our customers and other stakeholders.

5. Credit Risk Analysis

5.1. Loan Portfolio

In FY 2024, the Bank carried out its activities while rigorously controlling and monitoring credit risk appetite.

The Bank closed the year with a loan portfolio of CVE 6.58 billion, reflecting a 17.5% decrease, impacted by the termination of some loan operations and changes in operations.

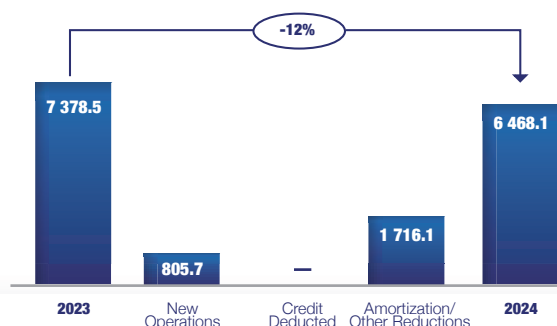
(Values expressed in thousands of escudos)

	31.12.2024	31.12.2023	Change
Customer Loans	6 468 107	7 378 477	-12,3%
<i>Corporate</i>	5 829 104	6 745 755	-13,6%
<i>Individuals</i>	639 003	632 722	1,0%
Off balance sheet	113 953	599 666	-81,0%
Total	6 582 060	7 978 143	-17,5%

The following graph shows the annual change in the loan portfolio, in terms of new agreements, amortizations and other changes that occurred during 2024, as well as total loans settled, and the amount written off from the loan portfolio. Note that no loans were written off during the year.

Developments in the loan portfolio, per disbursement, from 12-31-2023 to 12-31-2024

(Values expressed in thousands of escudos)

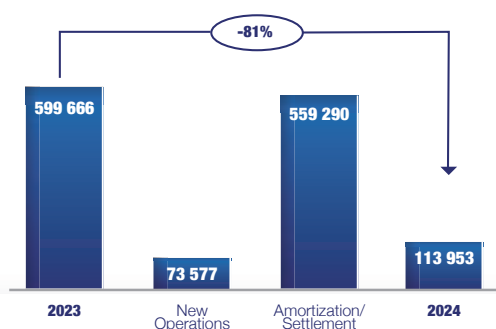


Credit

The amount indicated as a reduction in the loan portfolio was largely due to full payment of installments owed by customers and short-term loans which, due to their nature, fell due before the end of the year.

Developments in the loan portfolio, per subscription, from 12-31-2023 to 12-31-2024

(Values expressed in thousands of escudos)



Non-Patrimonial

5. Credit Risk Analysis (Contd.)

Off-balance sheet operations (bank guarantees and documentary credit) showed a decrease, due to the delivery and completion of works associated with bank guarantees, which led to a larger volume of settlements than new operations.

The table below shows the loan portfolio composition, by operation type and by customer type:

Portfolio distribution by operation type as at 12-31-2024 and as at 12-31-2023

(Values expressed in thousands of escudos)

	31.12.2024		31.12.2023		Change	
	Amount	%	Amount	%	Δ abs.	% Δ
Corporate	5 829 104	90,1%	6 745 755	91,4%	-916 651	-13,6%
Medium to long Term Financing	4 920 289	76,1%	5 280 057	71,6%	-359 768	-6,8%
Short Term Financing	622 984	9,6%	1 142 572	15,5%	-519 588	-45,5%
Pledged Current Account/Overdraft	285 615	4,4%	322 987	4,4%	-37 372	-11,6%
Other	216	0,0%	139	0,0%	77	54,9%
Individuals	639 003	9,9%	632 722	8,6%	6 281	1,0%
Mortgage Loans	550 209	8,5%	561 078	7,6%	-10 869	-1,9%
Consumer	88 794	1,4%	71 644	1,0%	17 150	23,9%
Loans	6 468 107	98,3%	7 378 477	92%	-910 370	-12,3%
Off-balance	113 953	1,7%	599 666	8%	-485 713	-81,0%
Bank Guarantees	45 718	0,7%	599 666	8%	-553 948	-92,4%
Documentary Credit	68 235	1,0%	-	0,0%	68 235	n/a
Total	6 582 060	100%	7 978 143	100%	-1 396 083	-17,5%

Overall, most of the loans were given to local economic agents, including state-owned companies, small, medium and large companies and individuals, accounting for a total of 90% of the portfolio. The main credit counterparties are companies in the Transportation and Communications sector, which account for 75% of the total loan portfolio. Exposure to credit concentration risk is mitigated by solid guarantee and collateral instruments.

Loan Portfolio Distribution as at 12-31-2024 and as at 12-31-2023

(Values expressed in thousands of escudos)

	31.12.2024		31.12.2023	
	Falling due	Overdue	Falling due	Overdue
By segment	6 426 093	42 013	4 591 970	2 786 507
Corporate	5 816 507	12 597	3 984 902	2 760 853
Individuals	609 586	29 416	607 069	25 654
By Activity Sector	6 426 093	42 013	4 591 970	2 786 507
Transportation and Communications	4 211 205	-	2 207 293	2 500 116
Trade and services	1 306 768	7 831	1 327 928	7 976
Hospitality and food service	177 494	327	258 817	252 761
Construction and Public Works	-	4 440	25 291	-
Industry	121 040	-	165 572	-
Housing	521 461	28 747	538 422	22 656
Consumption	88 125	669	68 647	2 997
By Maturity	6 426 093	42 013	4 591 970	2 786 507
Medium and long term	5 769 150	36 847	3 443 869	2 786 234
Short-term	656 943	5 166	1 148 101	273
loan impairment/portfolio coverage	39 050	93%	52 661	2%

5. Credit Risk Analysis (Contd.)

5.2. Credit Risk Analysis and Management

Credit Risk is the possibility of financial losses arising from default or deterioration in the credit quality of a customer or counterparty, in relation to contractual obligations established with the Bank as part of its lending activities.

Credit risk management is referenced in practices, processes and procedures to identify and measure the risks embedded in individual operations and based on the loan portfolio.

The Risk Management Department is responsible for the entire credit management cycle, including analysis of new operations, review of already granted loans, assessment of new products, monitoring of customers considered to be "high risk," timely identification of customers' financial difficulties, analysis of the impact of the economic environment on portfolio quality, and adequacy and control of guarantees received from customers, with a view to ensuring adequate and efficient decision-making and preserving loan portfolio quality.

In carrying out the risk control function, the Department ensures the operation of the following principles and determinations:

- Independence of the business areas and Board, especially with regard to analysis and issuance of risk opinions;
- Ensuring that all credit decisions follow a formal approval process;
- Ensuring compliance with Credit Policies and Powers;
- Ensuring that the Committees' structure and functioning are maintained;
- Enhancing and implementing actions to improve risk control;
- Ensuring a solid, consistent and integrated risk culture in view of all existing risks, in all the Bank's activities;
- Reporting information in a timely manner; and
- Providing training in order to disseminate a risk identification and prevention culture to all areas of the Bank.

The Bank's Risk Governance model involves the active participation of Board members in making decisions on credit operations. All credit operations must be previously approved by the Credit Committee, in which the Executive Committee participates, and assessed by the other Board members, when applicable:

Credit Committee: responsible for approving loans and monitoring overdue loans;

Executive Committee: periodically monitors credit management activities;

Executive Board: the highest credit decision-making body.

Decision-making on credit and maximum levels allowed for exposure to credit risk, including counterparty risk, for both the loan and trading/investment portfolios, are established in the credit powers and risk appetite policies.

Risk is measured through quarterly reports, monitoring of compliance with the limits set and the highest risk concentrations, stress tests, and assessment of the impacts of possible adverse scenarios.

Annually, the Audit and Banking Supervision entities (Banco de Cabo Verde) carry out independent verification of the Banks' credit processes and Risk Management System, in accordance with international practices and the regulatory body.

When assessing loan portfolio risk, iibCV analyses a number of essential factors to ensure their quality and sustainability. These include assessing counterparties' credit risk, the coverage and collateral of operations (ability to recover debts), compliance with credit approval and contracting policies and procedures, as well as the quality of credit information and reports.

5. Credit Risk Analysis (Contd.)

In addition, it considers customer exposure in the overall credit system, renegotiation conditions, impairment and capital costs, as well as qualitative information on customers and other indicators relevant to maintaining the portfolio's soundness.

The Bank recorded a total of CVE 35.58 million (2023: 30.27 million) in non-performing loans (more than 90 days in arrears), which resulted in a non-performing loan ratio of 0.55% (2023: 0.41%).

Age of non-performing loans

(Values expressed in thousands of escudos)

Year	Customer N°	Amount	% Accumulated
Until 2022	6	25 976	73%
2023	2	6 141	17%
2024	4	3 460	10%
Total	12	35 576	100%

Of the non-performing loans, the significant majority (73%) relates to the period impacted by the COVID-19 pandemic, namely between 2020 and mid-2022.

Time distribution of non-performing loans, per product as at 12-31-2024

(Values expressed in thousands of escudos)

	> 90 days <= 180 days		> 180 days <= 365		> 365 days		Total	
	Loans	Impairment	Loans	Impairment	Loans	Impairment	Loans	Impairment
Corporate	338	125	2 980	147	9 279	634	12 597	906
Mortgage	-	-	-	-	22 656	227	22 656	227
Consumer	157	52	33	11	133	1	323	64
Total	495	177	3 013	158	32 068	862	35 576	1 197

Mortgage loans account for 64% of total non-performing loans, with five customers in default. These loans are secured by property mortgages, with an average Loan-to-Value (LTV) ratio of 46%.

Time distribution of non-performing loans, per product as at 12-31-2023

(Values expressed in thousands of escudos)

	> 90 days <= 180 days		> 180 days <= 365		> 365 days		Total	
	Loans	Impairment	Loans	Impairment	Loans	Impairment	Loans	Impairment
Corporate	-	-	-	-	7 508	616	7 508	616
Mortgage	4 322	43	-	-	18 335	183	22 656	227
Consumer	-	-	-	-	103	1	103	1
Total	4 322	43	-	-	25 946	800	30 267	843

According to Banco de Cabo Verde's Circular Letter no. 195/2018, credit at risk includes loan agreements that are overdue for at least 30 days and restructured loans, which account for about 51% (2023: 49.98%) of the gross loan portfolio.

5. Credit Risk Analysis (Contd.)

Loan portfolio at risk as at 12-31-2024 and 12-31-2023

(Values expressed in thousands of escudos)

	Non-performing loans	Restructured loans	Credit at risk 2024	Credit at risk 2023	Change 2024/2023
Corporate	12 597	3 215 157	3 803 468	4 146 130	-8%
Mortgage	22 656	16 316	81 640	43 593	87%
Consumer	323	1 121	20 070	9 737	106%
Total	35 576	3 232 594	3 905 178	4 199 460	-7%
% Global Portfolio	0,55%	49,98%	60,38%	49,62%	22%

This increase in the credit at risk ratio essentially reflects the decrease in the loan portfolio, although restructured loans increased, causing a significant impact on the risk of overall exposure.

Loan portfolio quality indicators as at 12-31-2024 and 12-31-2023

(Values expressed in thousands of escudos)

	31.12.2024	31.12.2023	Δ abs.	Δ%
Customer loans (gross)	6 468 107	7 378 477	-910 370	-12,3%
Loans written off from assets	208 789	208 789	0	0,0%
Overdue loans	35 576	30 267	5 309	17,5%
Restructured loans	3 232 594	26 951	3 205 643	11894,4%
At risk loans	3 905 178	4 199 460	-294 282	-7,0%
Loan portfolio impairment	39 050	52 661	-13 611	-25,8%
written off loans/customer loans	3,23%	2,83%		14,07%
Overdue loans/customer loans	0,55%	0,41%		34,08%
At-risk loans/Customer loans	60,38%	56,91%		6,08%
Portfolio impairment / Overdue loans	109,77%	173,99%		-36,91%
Impairment of the portfolio/credit risk	1,00%	1,25%		-20,26%
Portfolio Coverage (Portfolio Impairment/Customer Credit)	0,60%	0,71%		-15,41%

Every year, the Bank reviews the parameters and variables of the Impairment calculation model, ensuring its compliance with IFRS 9 recommendations. The calculation is reflected in costs, on a monthly basis, and covers all credit and off-balance sheet operations, including bank guarantees and documentary credit.

Additionally, the Bank classifies credit operations based on default risk indicators, segmenting them into different risk categories (Stage 1, Stage 2 and Stage 3), according to the evolution of credit quality and level of risk exposure.

As a result of credit management processes and policies, the Bank has classified around 39.6% of the total gross loan portfolio in the Performing risk category (Stage 1), reflecting the portfolio's quality and continuous monitoring.

The loans classified as Stage 1 refer to customers in compliance with payment plans, with no signs of credit risk degradation compared to when they were initially granted.

5. Credit Risk Analysis (Contd.)

Loans with an installment in arrears (whether principal and/or interest) are classified in Stage 2, affecting the customer's entire exposure. However, once the installments have been settled, stage 2 and 3 customers go through a cure period before they can be reclassified into a lower risk category. As a result of this procedure, 7.3% of the portfolio remains in the medium risk class (Stage 2).

Assumptions for classification by Stages

(Values expressed in thousands of escudos)

	Stage 1	Stage 2	Stage 3
Assumptions	Regular loans	Restructured loans Overdue for more than 30 dias Blocked accounts Return/Check usage Blocked Other	Overdue for more than 90 days Bankruptcy/insolvency Collateral enforcement Other
Amount of loans →	2 562 929	471 248	3 433 931
% of portfolio →	39,6%	7,3%	53,1%

Breaking down loan portfolio impairment by risk class indicates that Stage 3 customers, accounting for 53% of gross loans, generate 54% of total impairments.

Impairment in the overall loan portfolio as at 12-31-2024

(Values expressed in thousands of escudos)

	Individual analysis			Collective analysis			Total		
	Credit	Impairment	Coverage	Credit	Impairment	Coverage	Credit	Impairment	Coverage
Credit operations	4 415 572	22 778	0,52%	2 052 535	16 272	0,79%	6 468 107	39 050	0,60%
Stage 1	1 025 112	3 752	0,4%	1 537 817	11 689	0,8%	2 562 929	15 441	0,6%
Stage 2	-	-	0,0%	471 248	2 498	0,5%	471 248	2 498	0,5%
Stage 3	3 390 460	19 026	0,6%	43 471	2 085	4,8%	3 433 931	21 111	0,6%
Off-balance	-	-	-	113 953	168	0,1%	113 953	168	0,1%
Stage 1	-	-	-	113 953	168	0,1%	113 953	168	0,1%
Stage 2	-	-	-	-	-	0,0%	-	-	0,0%
Stage 3	-	-	-	-	-	0,0%	-	-	0,0%
Total	4 415 572	22 778	0,5%	2 166 488	16 440	0,8%	6 582 060	39 218	0,6%

In contrast to the slight increase in the overdue loans and credit at risk ratios in relation to total loans, impairments decreased to CVE 39 million, substantially due to the improvement in customers' risk perception and the full amortization of some operations.

Changes in loan portfolio impairment as at 12-31-2024

(Values expressed in thousands of escudos)

Segment	Impairment as at 31.12.2023	Impairment as at 31.12.2024			Change
		Collective analysis	Individual analysis	Total	
Corporate	50 867	14 107	22 265	36 372	(14 495)
Individuals	1 794	2 165	513	2 678	884
	52 661	16 272	22 778	39 050	(13 611)

5. Credit Risk Analysis (Contd.)

Minimum regulatory provisions are determined in accordance with Banco de Cabo Verde's procedures, as expressed in Notice no. 4/2006, which establishes the parameters for determining the regulatory provision rates to be applied to each individual exposure.

m = month

Type of Guarantee ↓	Class →	A	B	C	D	E
	Weighting →	1%	5%	25%	50%	100%
Mortgages for Owner-occupied Housing		0-6m	6-24m	24-48m	48-78m	>78m
Mortgaged or Non-Mortgaged, for Investment		0-6m	6-15m	15-30m	30-60m	>60m
Real and personal		0-3m	3-6m	6-12m	12-24m	>24m
No guarantee		0-1m	1-3m	3-6m	6-12m	>12m

The equivalent of 10% of the loan portfolio is classified in the default risk class A and accounts for 38% of total regulatory provisions.

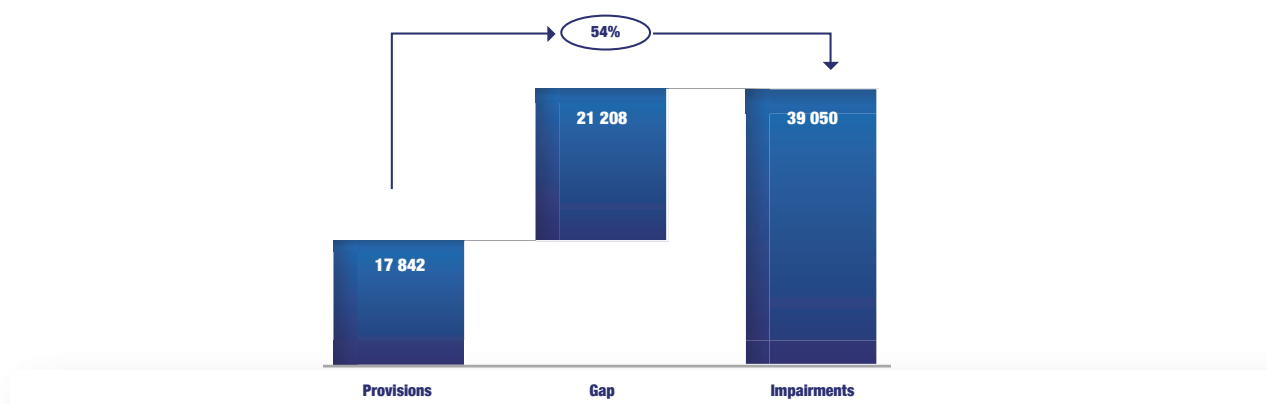
Loan Portfolio Distribution and provisions per risk class, as at 12-31-2024

(Values expressed in thousands of escudos)

Credit operations	Loan Amount	Risk class and % Provisions			Total Provisions	Total Impairment	Difference between impairment and provisions
		A 1%	B-C [5% -25%]	D-E [50% -100%]			
M/L Term Financing	4 920 289	1 056	1 739	1 502	4 297	25 127	20 830
Mortgage loans	550 209	386	2 004	5 592	7 982	622	(7 360)
Other loans	997 610	5 249	199	115	5 563	13 301	7 738
Total	6 468 107	6 691	3 941	7 209	17 842	39 050	21 208

Regulatory Provisions versus Impairment

(Values expressed in thousands of escudos)



6. Analysis of Developments in Activities

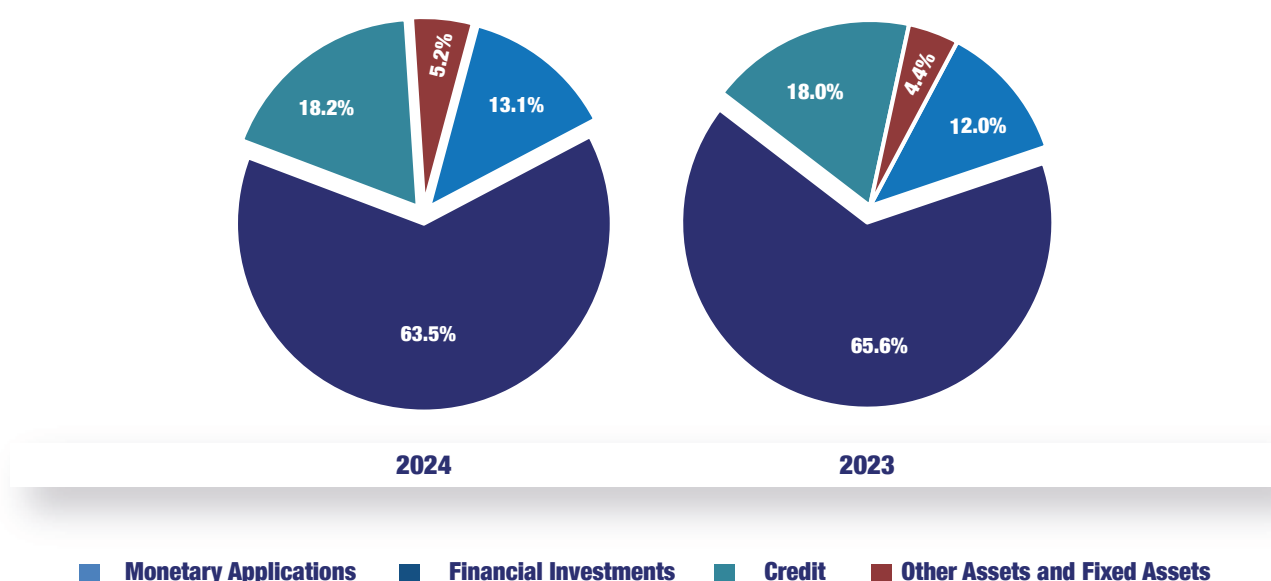
6.1. Balance Sheet

At the end of 2024, iibCV's balance sheet reached an overall amount of CVE 35.76 billion, which is 14% lower than the CVE 41.35 billion seen at the end of the previous year.

Financial assets and liabilities continue to be predominant in iibCV's balance sheet, with a weight of 84% (2023: 86%) and 90% (2023: 91%), respectively, in its composition at the end of 2024.

6.1.1. Assets

Asset Composition



As at December 31, 2024, gross investment in fixed assets amounted to CVE 645 million (2023: CVE 652 million), with accumulated amortization and impairments amounting to CVE 467 million, equivalent to approximately 72% of the value of those same assets.

Overall, the Bank's net fixed assets account for 0.5% of its total net assets, reflecting, in addition to regular amortizations, the effect of impairment recorded in intangible assets (CVE 4.8 million) to cover the risks associated with their valuation at market prices).

Investments in the domestic market, namely the acquisition of Treasury securities and Interbank Market operations, are combined with investments made in the international market, namely through investments in financial institutions, which helps to mitigate various types of risk (interest rate, foreign exchange and liquidity risks).

6. Analysis of Developments in Activities (Contd.)

Interest-bearing Assets

(Values expressed in thousands of escudos)

	31.12.2024	31.12.2023
Investments in Other Financial Institutions	8 088 727	7 067 795
Very Short-Term Investments at Banco of Cabo Verde	1 460 000	5 080 000
Short-Term Investments at Banco of Cabo Verde	-	99 384
Gross loans to Clients	6 468 106	7 378 477
Assets under repurchase agreement	1 128 533	1 040 499
Financial Assets at Fair Value through Profit or Loss	3 811 508	3 578 673
Financial Assets at Fair Value through Other Comprehensive Income	9 158 521	11 157 434
Total Remunerated Assets ⁽¹⁾	30 115 395	35 402 263
Net Assets	35 760 603	41 351 896
Remunerated Assets/Net Assets	84%	86%

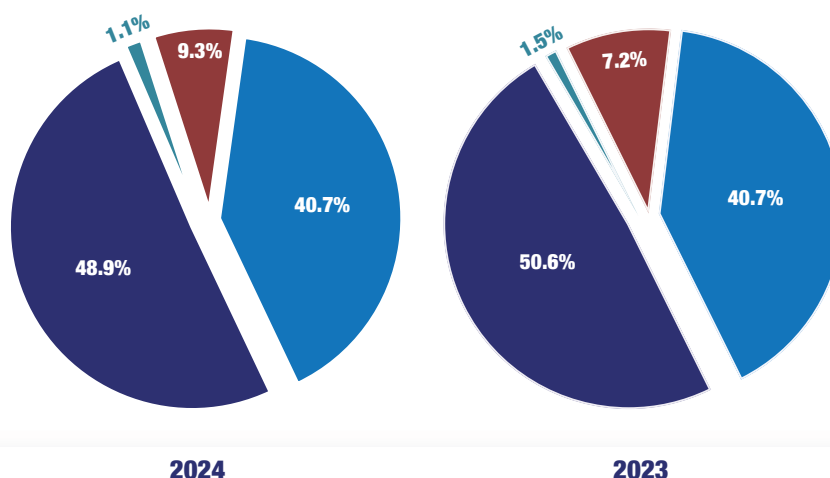
1) Excludes interest and impairments

The portfolio of interest-bearing assets, or those generating income that can be determined on their contract date (fixed or variable rates), saw a 14% reduction.

6.1.2. Liabilities

iibCV's liabilities are made up, for the most part, of customer funds, accounting for around 55% of the total, in line with the proportion seen at the end of 2023 (55%). This performance reflects the Bank's stability and diversification of funding sources.

Financing Structure



■ Market Resources ■ Customer Funds ■ Other Liabilities ■ Shareholders' Equity

6. Analysis of Developments in Activities (Contd.)

Market funds, made up of deposits of other financial institutions and central banks, fell by 14%, accounting for 45% of total liabilities.

In absolute terms, the funds in this segment totaled CVE 14.6 billion (2023: CVE 16,8 billion) at the end of 2024, representing a reduction in liabilities emphasized by the stabilization of the new business model being implemented.

With regard to own funds, the Bank closed the year with a net worth of CVE 3.33 billion, equivalent to 9.3% of its funding structure, which is CVE 35.8 billion (2023: 7.2% of CVE 41.4 billion).

Customer funds enjoyed a substantial reduction in 2024, totaling CVE 17.5 billion (2023: CVE 20.9 billion).

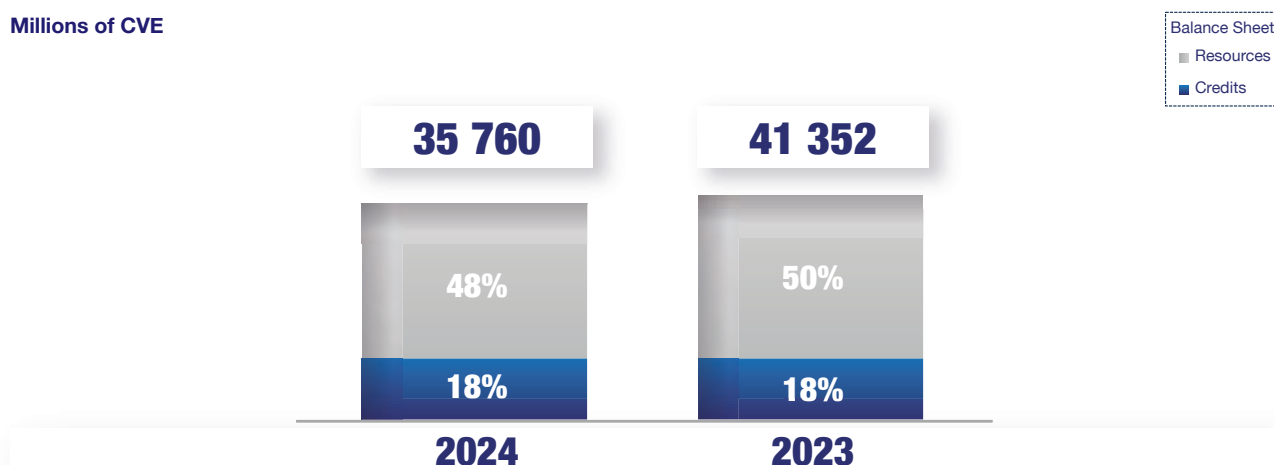
Time deposits fell by 12% in relation to 2023, accounting for 39% of the overall deposit portfolio, while the overall volume of demand deposits reduced by 21%.

Customer funds, in the form of liabilities represented by securities, amounted to CVE 3.64 billion (2023: CVE 3.98 billion), reflecting the maturity of securities in the portfolio.

Totalling CVE 2.58 billion, non-resident customers' funds fell by 70%, while residents' funds rose by 52%, with a balance of CVE 7.91 billion. Emigrant customers' funds, with a total value of CVE 135 million, increased by 3.85%.

Customer Activity: Loans and Deposits in the Balance Sheet Structure

Millions of CVE



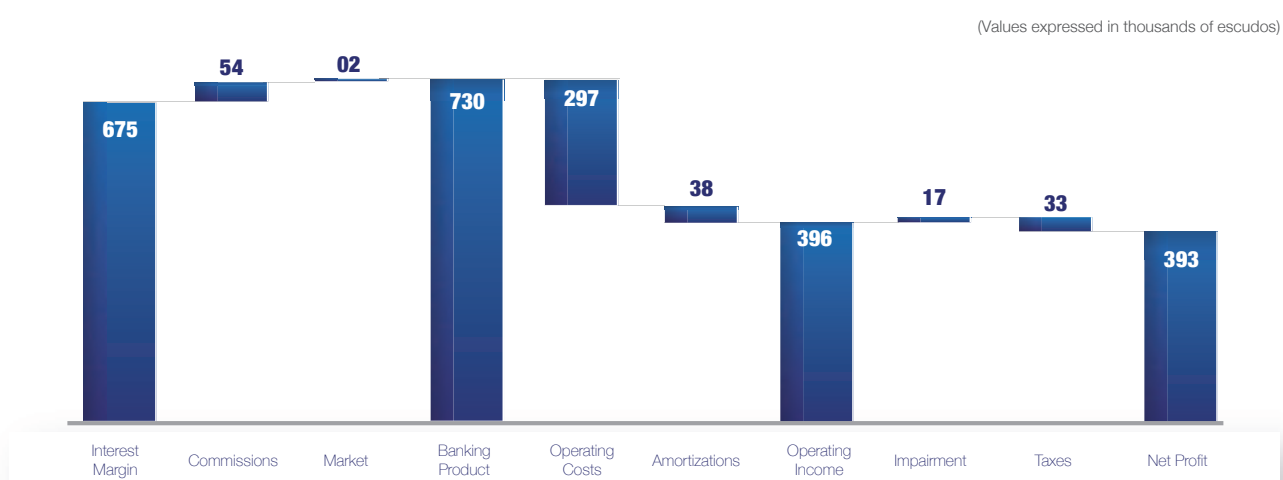
7. Income, Financial and Prudential Ratios

7.1. Income

In a global context marked by technological transition, high inflation and geopolitical tensions, emerging economies have faced additional challenges, adopting measures to mitigate the impacts on the local economy, such as inflation, increase in debt costs and living costs.

In this context, iibCV enhanced its strategy of proximity and support to the national economy, maintaining a balance between asset quality and meeting customer needs. As a result, the Bank stabilized its results and indicators compared to the same period in the previous year.

Income Statement as at 12-31-2024



The financial result fell over the course of the year and was 29% lower than in the previous year. This performance mainly reflects the average growth in financing costs which, in absolute terms, outstripped the pace of growth in interest income.

With an approach of proximity to the market, although fee and commission income rose by 216% in relation to 2023, Commercial Banking Income stood at CVE 729 million, reflecting a year-over-year reduction of 24% (2023: CVE 971 million).

Income from foreign currency transactions and other operating income decreased by 99% in relation to 2023. Banking Income amounted to CVE 730 million in 2024, reflecting a 34% decrease (2023: CVE 1.1 billion).

Operating Income amounted to CVE 396 million (2023: CVE 788 million), demonstrating the Bank's ability to be resilient and to generate revenue from its direct activities that is above its operating costs, consolidating its sustainability.

iibCV remains committed to investing in a qualified team of employees, reflected in the increase in the number and quality of professionals to support business growth. As a result, staff costs increased by 6%.

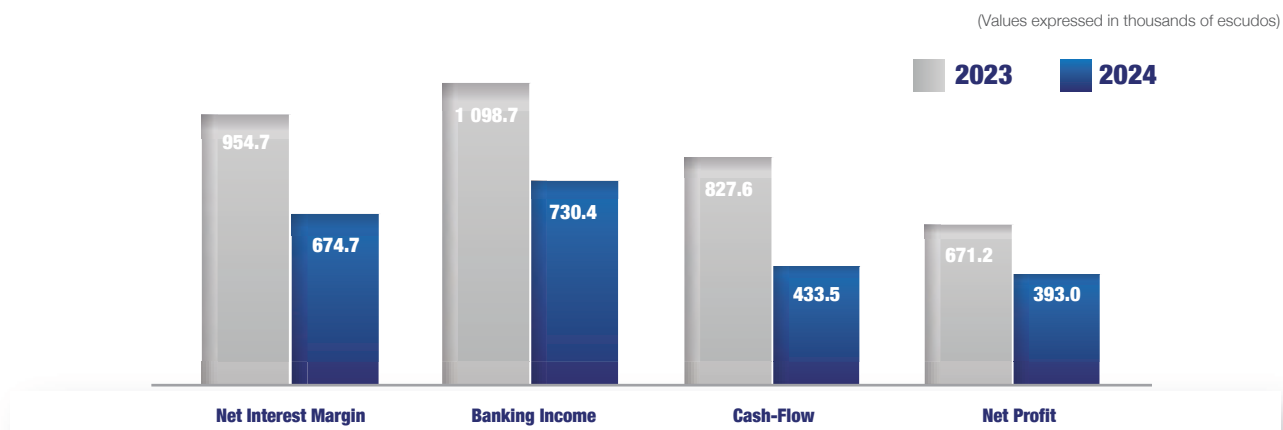
Along the same lines, administrative costs grew by around 13%, negatively impacting operating income.

Consequently, operating costs stood at CVE 335 million, which is 8% higher than in 2023, maintaining the overall structure, where staff costs account for 45% and administrative costs 43%. Depreciation and amortization for the year account for the remaining amount.

7. Income, Financial and Prudential Ratios (Contd.)

Net income for the year amounted to CVE 393 million (2023: CVE 671 million), having been directly impacted by the previously mentioned factors.

Income Indicators as at 12-31-2024



7.2. Financial Ratios

The financial ratios achieved in 2024 are the result of the implemented strategy, which translated into a mitigating effect on the bank's income, along with a higher risk-adjusted return.

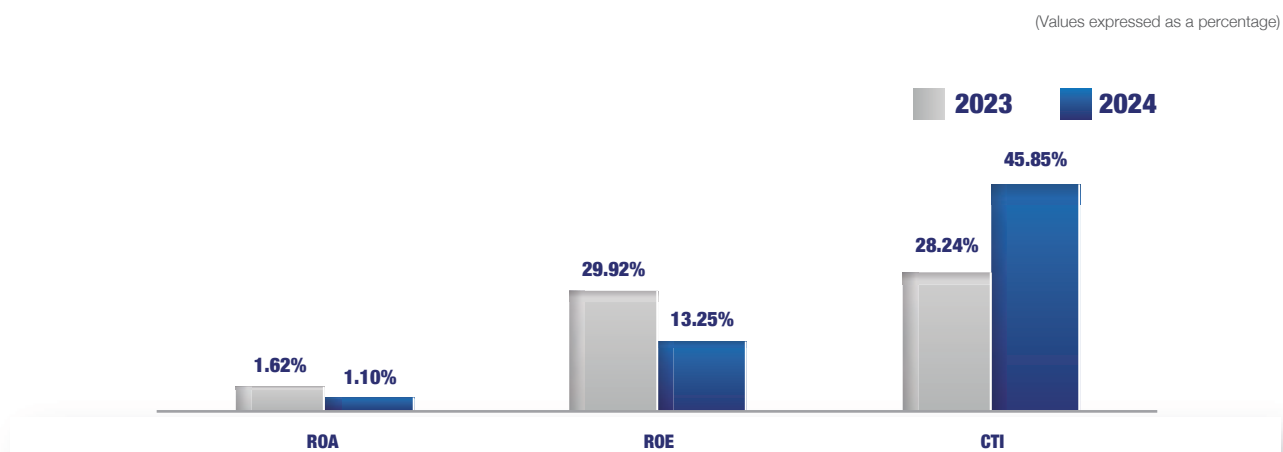
Loan-to-Deposit Ratio

The loan-to-deposit ratio (LtD) was higher than the figure for the previous year, standing at 37%, as a result of the fact that the reduction in the customer funds portfolio was higher than that in the loan portfolio.

Liquidity

The Bank's overall liquidity level is high, favoring the generation of short-term and lower credit risk exposures, especially with a view to supporting the specific needs of the stakeholders' value chain, contributing to the optimization of risk/return in the asset structure.

7.3. Performance Ratios



Financial ratio analysis reveals a generalized improvement.

7. Income, Financial and Prudential Ratios (Contd.)

Return on Equity (ROE)

Average annual return on equity was 13.25% (2023: 29.92%), reflecting a lower net income than in the previous year.

Return on Assets (ROA)

Average annual return on assets was 1.10% (2023: 1.62%).

Cost-to-Income (CtI)

The ratio that measures the Bank's efficiency showed an improvement over the previous year, decreasing 17.24 pp. to 45.85% (2023: 28.24%).

7.4. Prudential Ratios

As supervisor and regulator of the national financial system, one of the missions of Banco de Cabo Verde (BCV) is to control financial institutions' risks, regulated in prudential notices and technical instructions whose adoption and implementation are mandatory.

The Bank's primary goal is its economic and financial balance, achieving sustainable growth levels and contributing to financial system stability. In addition to complying with all regulatory requirements, the Bank has been adopting and implementing a number of complementary requirements, with higher levels of demand, based on the international financial system and in line with the best and most recent practices.

Main Prudential Ratios

(Values expressed in thousands of escudos)

	Mín. Limit	31/12/2024	31/12/2023	Change
Equity	800 000	3 484 144	3 089 839	13%
Fixed Asset Coverage Ratio	100%	900%	735%	164,50pp
Government Securities	5%	66%	65%	1,65pp
Solvency Ratio	12%	55,37%	49,20%	6,17pp

Thus, as at December 31, 2024, the Bank's Equity stood at CVE 3.5 billion (2023: CVE 3.1 billion), in compliance with Notice no. 03/2007, dated November 19, which establishes the criteria for its calculation.

This amount remains above the minimum required by Banco de Cabo Verde, acting as a buffer for possible banking risks.

In the same vein, Solvency risk was fully covered by Equity, with coverage above 55% (2023: 49%), significantly above the legal minimum required for commercial banks (12%), as stipulated by Notice no. 04/2007, dated February 25, 2008.

With Equity at a comfortable level and a portfolio of net investment in tangible fixed assets of CVE 178 million (2023: CVE 201 million), the Bank has a fixed asset coverage ratio of 900% (2023: 735%), in accordance with the technical instruction attached to BCV circular letter no. 238/2023.

Notice no. 11/98, dated December 28, which regulates the Equity to net fixed assets ratio, determines that a bank's fixed assets must not exceed its Equity, that is, that the ratio should not be less than 100%.

8. Final Notes

8.1. Statement of Compliance on the Financial Information presented

The members of the Executive Board of Intercontinental Investment Bank, S.A., declare that:

- The financial statements of Intercontinental Investment Bank, S.A. for the years ended December 31, 2024 and December 31, 2023 were prepared in accordance with International Financial Reporting Standards (IFRS), as set out by Banco de Cabo Verde (BCV) in Notice no. 2/2007, dated February 25, 2008;
- To the best of its knowledge, the financial statements referred to in the previous paragraph provide a true and fair view of the assets and liabilities, the financial situation and the results of Intercontinental Investment Bank S.A., in accordance with the aforementioned Standards, and were subject to approval at the Executive Board meeting held on April 17, 2025;
- The management report sets out the developments in the business, performance and financial position of Intercontinental Investment Bank, S.A. in FY 2024, and contains a description of the expected evolution of the company.

8.2. Proposed Appropriation of Profits

Pursuant to its statutory powers, the Executive Board of Intercontinental Investment Bank, S.A. proposes to the General Meeting that the Income for the Year, profit amounting to CVE 392,984,000 (Three hundred and ninety-two million, nine hundred and eighty-four thousand escudos), be allocated as follows:

(Values expressed in thousands of escudos)

	31.12.2024	31.12.2023
Legal Reserve (10%)	39 298	67 119
Other Reserves (90%)	353 686	604 072
Total Comprehensive Income for the Period	392 984	671 191

8.3. Acknowledgements

The Executive Board of Intercontinental Investment Bank, S.A. expresses its gratitude to its Customers, for the trust and loyalty shown over more than 14 years of operations.

In particular, it thanks the Regulator, the Authorities in general, and its suppliers, for their continuous support and collaboration.

To our Employees, a special thank you for your resilience, commitment, loyalty and dedication, which are essential to the growth and proper functioning of our institution.

Praia, April 17, 2025

The Executive Board of Intercontinental Investment Bank

II. Financial Statements and Notes to the Accounts

1. Financial Statements


Income Statement for the Years ended December 31, 2024 and 2023


(Values expressed in thousands of escudos)

	Notes	31.12.2024	31.12.2023
Interests and similar income	5	1 290 002	1 358 731
Interests and similar expenses	6	(615 351)	(404 053)
Financial Margin		954 677	954 677
Services and commissions income	7	113 606	173 467
Services and commissions expenses	7	(59 503)	(156 363)
Foreign exchange revaluation income	8	21 099	179 983
Other operational result	9	(19 421)	(53 088)
Banking Income		730 432	1 098 676
Costs with personnel	10	(151 919)	(143 167)
Administrative costs	11	(144 965)	(127 871)
Depreciation and amortisation	19 e 20	(38 004)	(39 282)
Provisions net of annulments	26	13 390	(74 946)
Loan Impairment net of reversals and recoveries	17	13 510	39 104
Other financial assets impairment net of reversals and recoveries	18	(267)	(1 946)
Other assets impairment net of reversals and recoveries	19, 20 e 22	3 940	17 650
Income before taxes		426 117	768 219
Taxes			
Current	21	(33 133)	(97 028)
Deferred	21	(28 098)	(88 271)
		(5 035)	(8 757)
Income after taxes		392 984	671 191
Net Income for the year		392 984	671 191

The notes are an integral part of these financial statements.

The Executive Committee





The Certified Accountant



II. Financial Statements and Notes to the Accounts (Contd.)


Statement of Comprehensive Income for the Years ended December 31, 2024 and 2023

(Values expressed in thousands of escudos)

	31.12.2024	31.12.2023
Net income for the year	392 984	671 191
Changes to fair value net of taxes ⁽¹⁾	(42 326)	51 435
Total of comprehensive income for the year	350 658	722 626

(1) The balance recorded under comprehensive income refers to items that may be reclassified to profit or loss. The notes are an integral part of these financial statements.

The Executive Committee


Richard Camp

The Certified Accountant



II. Financial Statements and Notes to the Accounts (Contd.)

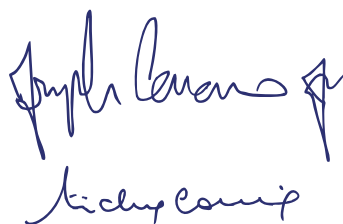
Balance sheet as at December 31, 2024 and 2023

(Values expressed in thousands of escudos)

	Notes	31.12.2024	31.12.2023
Assets			
Cash and deposits with central banks	12	1 005 316	817 943
Deposits with other credit institutions	13	3 684 967	4 160 069
Financial Assets held for trading		10 000	70 000
Financial Assets at fair value through profit or loss	14	3 865 307	3 608 086
Financial assets at fair value through other comprehensive income	15	9 227 060	11 167 887
Placements with credit institutions	16	9 569 714	12 272 993
Loan to customers (net)	17	6 514 236	7 431 368
Assets under repurchase agreement	18	1 132 609	1 043 190
Other tangible assets	19	166 665	198 718
Intangible assets	20	11 752	12 328
Current tax assets	21	90 491	68 102
Deferred tax assets	21	23 758	5 612
Other assets	22	458 728	495 600
Total of Assets		35 760 603	41 351 896
Liabilities			
Funds with central banks	23	6 306 645	10 110 108
Funds with other credit institutions	23	8 257 678	6 731 151
Customer funds and other borrowings	24	13 853 268	16 946 025
Liabilities represented by securities	25	3 637 669	3 980 682
Provisions	26	168	77 208
Current tax liabilities	21	28 098	120 425
Deferred tax liabilities	21	18 552	-
Subordinated liabilities	25	234 025	234 025
Other liabilities	27	107 686	186 115
Total of Liabilities		32 443 789	38 385 739
Share Capital	28	1 433 000	1 433 000
Revaluation reserves	29	39 892	82 218
Other reserves and retained earnings	30	1 450 939	779 749
Net Income		392 984	671 191
Total of Equity		3 316 814	2 966 157
Total of Equity and Liabilities		35 760 603	41 351 896

The notes are an integral part of these financial statements.

The Executive Committee



The Certified Accountant



II. Financial Statements and Notes to the Accounts (Contd.)



Statement of Changes in Equity for the Years ended December 31, 2024 and 2023

(Values expressed in thousands of escudos)

	Share Capital	Other Reserves and Retained Earnings	Fair value reserve	Net Income for the Year	Total of Equity
Balance on 1 January 2023	1 433 000	346 609	30 783	433 140	2 243 531
Transfer of Previous Net Income:	-	433 140	-	(433 140)	-
Legal reserve	-	43 314	-	(43 314)	-
Transited results	-	389 826	-	(389 826)	-
Comprehensive income	-	-	51 435	671 191	722 626
Fair value change	-	-	27 970	-	27 970
Taxes related to Fair Value Changes	-	-	23 465	-	23 465
Net Income for the Year	-	-	-	671 191	671 191
Balance on 31 December 2023	1 433 000	779 749	82 218	671 191	2 966 157
Balance on 1 January 2024	1 433 000	779 749	82 218	671 191	2 966 157
Transfer of Previous Net Income:	-	671 191	-	(671 191)	-
Legal reserve	-	67 119	-	(67 119)	-
Transited results	-	604 072	-	(604 072)	-
Comprehensive income	-	-	(42 326)	392 984	350 658
Fair value change	-	-	(55 711)	-	(55 711)
Taxes related to Fair Value Changes	-	-	13 385	-	13 385
Net Income for the Year	-	-	-	392 984	392 984
Balance on 31 December 2024	1 433 000	1 450 940	39 892	392 984	3 316 816

The notes are an integral part of these financial statements.

The Executive Committee

The Certified Accountant



II. Financial Statements and Notes to the Accounts (Contd.)

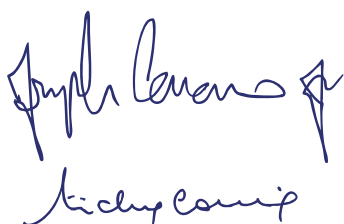
Statement of Cash Flows for the Years ended December 31, 2024 and 2023

(Values expressed in thousands of escudos)

	31.12.2024	31.12.2023
Operational Activities		
Interests, commissions and other earnings received	1 428 663	1 475 285
Interests, commissions and other costs paid	(724 227)	(451 998)
Other operational payments and receipts	(19 421)	(53 088)
Payments to employees and suppliers	(303 535)	(273 038)
Income tax payments	(134 057)	(27 906)
Net cash flow arising from operational result before change in operational funds	<u>247 424</u>	<u>669 254</u>
(Increases) Decrease of operational assets		
Financial assets at fair value through other comprehensive income	1 589 897	(4 045 370)
Placements with credit institutions	-	-
Loan to customers	907 624	(97 707)
Other assets	(23 652)	131 011
Increases (Decrease) of operational liabilities		
Funds of Central Banks and other credit institutions	(2 296 874)	959 176
Customer funds	(3 063 058)	1 928 280
Liabilities represented by securities	-341 800	1 063 670
Other liabilities	(29 607)	(349 466)
Net cash flow arising from operational activities	<u>(3 257 469)</u>	<u>(410 406)</u>
Investment Activities		
Acquisition of intangible assets	(2 084)	(11 348)
Acquisition of tangible assets	634	(9 823)
Cash flow arising from investment activities	<u>(1 450)</u>	<u>(21 170)</u>
Financing Activities		
Subscription of capital	-	-
Cash flow arising from financing activities	<u>-</u>	<u>-</u>
Net change of Cash and cash equivalents	(3 011 495)	237 678
Cash and cash equivalents at the start of the period	17 252 784	16 835 124
Effects of foreign exchange differences in cash and cash equivalents	21 099	179 983
Cash and cash equivalents at the end of the period	<u>14 262 388</u>	<u>17 252 784</u>
Cash and cash equivalents comprises:		
Cash	114 586	85 035
Deposits with Central Banks	890 682	732 516
Placements and Deposits with other credit institutions ⁽¹⁾	13 257 120	16 435 234
Total	<u>14 262 388</u>	<u>17 252 785</u>

The notes are an integral part of these financial statements.

The Executive Committee



The Certified Accountant



2. Notes to the Financial Statements for the year ended December 31, 2024

NOTE 1: Activities

Intercontinental Investment Bank, S.A. (iibCV) is a commercial bank with a registered office in Praia that was opened in July 2010, having started its operations in mid-August of the same year.

The Bank's activities cover most areas of the banking sector, with a special focus on the medium-sized and large companies segment.

The Bank, previously called Banco Internacional de Cabo Verde, was until July 10, 2018, part of the Novo Banco Group, which held 100% of its capital, and as of July 11, after completion of a sale process, it became 90% owned by the iib Group Holding WLL, with 10% remaining in the possession of the Novo Banco Group (through Novo Banco Africa SGPS, S.A.).

In July 2019, the Bank adopted its current name, becoming International Investment Bank, (iibCV), currently operating through its Head Office in Praia and Customer Service Offices in Sal and S. Vicente.

In 2024, iib group acquired the 10% stake held by Novo Banco Group (through Novo Banco Africa SGPS, S.A.) and changed its name to Intercontinental Investment Bank.

NOTE 2: Basis of Presentation and Significant Accounting Policies

2.1. Basis of Presentation

The Bank's financial statements, now presented, refer to December 31, 2024 and were prepared in accordance with the principles established in the International Financial Reporting Standards (IFRS) in force on December 31, 2024.

The IFRS include accounting standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and respective predecessor bodies.

The financial statements are stated in thousands of Cabo Verde Escudos, rounded to the nearest thousand. They were prepared in accordance with the historical cost principle, with the exception of assets and liabilities recorded at fair value, namely financial assets at fair value through other comprehensive income.

Preparing financial statements in accordance with IFRS requires the Bank to make judgments and estimates and use assumptions that affect the application of accounting policies and the amounts of income, costs, assets and liabilities.

Changes to such assumptions or differences between these assumptions and reality may have an impact on current estimates and judgments. The areas that involve a higher level of judgment or complexity, or where significant assumptions and estimates are used to prepare the financial statements, are analyzed in Note 3.

These financial statements were approved at the Executive Board April 17, 2025 meeting and are pending approval by the General Meeting of Shareholders. However, the Executive Board assumes that they will be approved without significant changes.

The accounting policies are consistent with those used in preparing the previous year's financial statements.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

2.2. Significant Accounting Policies

a) Financial assets and liabilities

(i) Classification of financial assets

The Bank classifies its financial assets in one of the following valuation categories:

- Investments at amortized cost;
- Financial assets at fair value through other comprehensive income; and
- Financial assets at fair value through profit or loss.

The classification requirements for debt and equity instruments are presented as follows:

Debit Instruments

Debt instruments are instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, public and private bonds and accounts receivable acquired from customers under non-recourse factoring agreements.

The classification and subsequent valuation of these instruments in the above categories is based on the following two elements:

- The Bank's business model for managing financial assets, and
- The contractual cash flow characteristics of financial assets.

A) Financial assets at amortized cost

A financial asset is classified under "Financial assets at amortized cost" when the following conditions are cumulatively met:

- It is managed as a business model whose goal is to hold financial assets in order to receive contractual cash flows; and
- Contractual conditions give rise to cash flows on specific dates, which are solely payments of principal and interest on the outstanding principal amount.

The financial assets at amortized cost category includes "Investments in other credit institutions" and "Customer loans."

B) Financial assets at fair value through other comprehensive income

A financial asset is classified under "Financial assets at fair value through other comprehensive income" when the following conditions are cumulatively met:

- It is managed as a business model whose goal combines the receipt of contractual cash flows from financial assets and their sale; and
- Contractual conditions give rise to cash flows on specific dates, which are solely payments of principal and interest on the outstanding principal amount.

C) Financial assets at fair value through profit or loss

A financial asset is classified under "Financial assets at fair value through profit or loss" where, due to the Bank's business model or due to its contractual cash flow characteristics, it is not appropriate to classify the financial asset in any of the previous categories. On the transition date, in order to classify financial assets in this category, the Bank also considered whether it expects to recover the book value of the asset through its sale to a third party.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

Also included in this portfolio are all instruments that meet any of the following characteristics:

- They originated or were acquired with the aim of transacting them in the short term;
- They are part of a group of identified and jointly managed financial instruments for which there is evidence of recent actions aimed at obtaining short-term gains;
- They are derivative instruments that do not comply with the definition of a financial guarantee contract nor have been designated as hedging instruments.

Business model assessment

The business model reflects the way the Bank manages its assets with a view to generating cash flows. Thus, it is important to understand whether the Bank's goal is only to receive the contractual cash flows from the assets ("Hold to collect") or if it intends to receive the contractual cash flows and the cash flows resulting from the sale of the assets ("Hold to collect and sell"). If none of these situations apply (e.g., the financial assets are held for trading), then the financial assets are classified as part of "another" business model and recognized at fair value through profit or loss.

Factors considered by the Bank when identifying the business model for a group of assets include past experience with respect to how cash flows are received, how asset performance is evaluated and reported to the Board, how risks are assessed and managed and how directors are paid.

Securities held for trading are held primarily for the purpose of being sold in the short term or form part of a portfolio of jointly managed financial instruments for which there is clear evidence of a recent pattern of short-term earnings. These securities are classified under "other" business models and recognized at fair value through profit or loss.

The business model assessment does not depend on the intentions for an individual instrument, but for a set of instruments, taking into account the frequency, value, sales schedule in previous years, the reasons for the said sales and the expectations regarding future sales. Infrequent or insignificant sales, or sales close to the asset's maturity, and those motivated by an increase in the credit risk of financial assets or to manage concentration risk, among others, may be compatible with the model of holding assets to receive contractual cash flows.

If a financial asset contains a contractual clause that may modify the schedule or amount of contractual cash flows (such as early amortization or extension of duration clauses), the Bank determines whether the cash flows that will be generated over the life of the instrument, due to the exercise of said contractual clause, are solely payments of principal and interest on the outstanding principal amount.

In the event that a financial asset envisages a periodic interest rate adjustment, but the frequency of this adjustment does not coincide with the term of the reference interest rate (for example, the interest rate is adjusted every three months), at the time of initial recognition, the Bank assesses that inconsistency in the interest component to determine whether the contractual cash flows represent solely payments of principal and interest on the outstanding principal amount.

Contractual conditions that, at the time of initial recognition, have a minimal effect on cash flows or depend on the occurrence of exceptional or highly unlikely events (such as settlement by the issuer) do not prevent their classification in the portfolios at amortized cost or at fair value through other comprehensive income.

SPPI assessment

When the business model involves holding assets in order to (i) receive contractual cash flows or (ii) receive contractual cash flows and sell these assets, the Bank assesses whether the cash flows from the financial instrument correspond solely to payments of principal and interest on outstanding principal (Solely Payments of Principal and Interest - "SPPI" - test). In this assessment, the Bank considers whether the contractual cash flows are consistent with a basic loan agreement. That is, interest includes only considerations relating to the time value of money, credit risk, other normal credit risks and a profit margin that is consistent with a basic loan agreement. When contractual terms introduce exposure to risk or variability in cash flows that are inconsistent with a simple loan agreement, the financial asset is classified and measured at fair value through profit or loss.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows correspond solely to payments of principal and interest on the outstanding principal ("SPPI" test).

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective. That is, they are instruments that do not contain a contractual obligation to pay and that show a residual interest in the issuer's net assets. An example of equity instruments is common stock.

Investments in equity instruments are an exception to the general valuation criteria described above. As a general rule, the Bank exercises the option to, on initial recognition, irrevocably designate under financial assets at fair value through other comprehensive income the investments in equity instruments which do not qualify as held for trading and which, in the event of not exercising the said option, would be classified as financial assets that must be accounted for at fair value through profit or loss. Impairment losses (and impairment reversals) are not recorded separately from other changes in fair value.

(ii) Classification of financial liabilities

An instrument is classified as a financial liability when there is a contractual obligation to settle it through the delivery of cash or another financial asset, regardless of its legal form. Financial liabilities are derecognized when the underlying obligation is settled, expires or is cancelled. Non-derivative financial liabilities include funds from central banks and other credit institutions, customer funds and other loans.

On their initial recognition, the Bank designates certain financial liabilities at fair value through profit or loss (Fair Value Option), provided that at least one of the following requirements is met:

- The financial liabilities are managed, assessed and analysed internally based on their fair value;
- Derivative transactions are contracted in order to hedge these assets or liabilities economically, thus ensuring consistency in the valuation of assets or liabilities and derivatives (accounting mismatch); or
- The financial liabilities contain embedded derivatives.

(iii) Initial recognition and valuation of financial instruments

Upon initial recognition, all financial instruments will be recorded at fair value. For financial instruments that are not recorded at fair value through profit or loss, fair value is adjusted by adding or subtracting transaction costs directly attributable to their acquisition or issue. For financial instruments at fair value through profit or loss, directly attributable transaction costs are recognized immediately in profit or loss.

Transaction costs are defined as expenses directly attributable to the acquisition or disposal of a financial asset, or to the issue or assumption of a financial liability, which would not have been incurred if the Bank had not made the transaction. They include, for example, commissions paid to intermediaries (such as developers) and mortgage formalization costs.

Financial assets are recognized in the balance sheet on the transaction date – the date on which the Bank commits to purchase the assets, unless there is a contractual stipulation or applicable legal concept that determines that the transfer of rights takes place at a later date.

On initial recognition, when the fair value of financial assets and liabilities differs from the transaction price, the entity shall recognize this difference as follows:

- When the fair value is evidenced by the quotation of an equivalent asset or liability in an active market (i.e., level 1 inputs) or based on a valuation technique that uses only observable market data, the difference is recognized as a gain or loss; and
- In other cases, the difference is deferred and the time of initial recognition of the gain or loss is determined individually. This difference can then be (i) amortized over the life of the instrument, (ii) deferred until the fair value of the instrument can be determined using observable market data, or (iii) recognized through the settlement of the asset or liability.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

(iv) Subsequent valuation of financial instruments

After their initial recognition, the Bank shall measure its financial assets at (i) amortized cost, at (ii) fair value through other comprehensive income or (iii) at fair value through profit or loss.

Trade receivables that do not have a significant financing component and commercial credits and short-term debt instruments that are initially valued at the transaction price or outstanding principal, respectively, are valued at the referred value less impairment losses.

Immediately after initial recognition, an impairment for expected credit losses (ECL) is also recognized for financial assets measured at amortized cost and investments in debt instruments measured at fair value through other comprehensive income, resulting in the recognition of a loss in profit or loss when the asset is originated.

Financial liabilities are initially recorded at fair value less transaction costs incurred and subsequently at amortized cost, based on the effective interest method, with the exception of financial liabilities designated at fair value through profit or loss, which are recorded at fair value.

(v) Income and expenses from financial instruments

Income and expenses from financial instruments at amortized cost are recognized according to the following criteria:

- i. Interest is recorded in profit or loss under "Interest and similar income" and "Interest and similar expense," using the effective interest rate of the transaction on the gross book value of the transaction (except for impaired assets where the interest rate is applied on the book value net of impairment).
- ii. The remaining changes in value will be recognized in profit or loss as income or expense when the financial instrument is derecognized from the balance sheet under "Investment income at amortized cost," when it is reclassified, and for financial assets, when there are impairment losses or recovery gains, which are recorded under "Impairment for loans to customers net of reversals and recoveries," for customer loans, or under "Impairment for other financial assets net of reversals and recoveries," for other financial assets.

Income and expenses from financial instruments at fair value through profit or loss are recognized in accordance with the following criteria:

- i. Changes in fair value are recorded directly in profit or loss, separating the part attributable to the instrument's income, which is recorded as interest or as dividends according to their nature under "Interest and similar income" and "Income from equity instruments," respectively, and the rest, which is recorded as income from financial transactions under "Income from financial assets and liabilities valued at fair value through profit or loss."
- ii. Interest on debt instruments is recorded in profit or loss under "Interest and similar income" and is calculated using the effective interest rate method.

Income and expenses from financial assets at fair value through other comprehensive income are recognized in accordance with the following criteria:

- i. Interest or, when applicable, dividends are recognized in profit or loss under "Interest and similar income" and "Income from equity instruments," respectively. For interest, the procedure is the same as for assets at amortized cost.
- ii. Exchange differences are recognized in profit or loss under "Foreign exchange gains and losses," for monetary financial assets, and in other comprehensive income, for non-monetary financial assets.
- iii. For debt instruments, impairment losses or their recovery gains are recognized in profit or loss under "Impairment for other financial assets net of reversals and recoveries."
- iv. The remaining changes in value are recognized in other comprehensive income.

Thus, when a debt instrument is measured at fair value through other comprehensive income, the amounts recognized in income for the year are the same as those that would be recognized if measured at amortized cost

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

When a debt instrument valued at fair value through other comprehensive income is derecognized from the balance sheet, the gain or loss recorded in other comprehensive income is reclassified to income for the period.

On the other hand, when an equity instrument valued at fair value through other comprehensive income is derecognized from the balance sheet, the gain or loss recorded in other comprehensive income is not reclassified to the profit and loss account, remaining in a reserve item.

(vi) Reclassifications between categories of financial instruments

Only if the Bank decided to change its business model for managing financial assets would it reclassify all affected financial assets in accordance with the IFRS 9 requirements. This reclassification would be done prospectively from the reclassification date. According to IFRS 9, changes in the business model are expected to occur infrequently. Financial liabilities cannot be reclassified between portfolios.

(vii) Fair value

The Bank uses the following methodology for determining the fair value of securities:

- Average trading price on the calculation day or, when not available, the average trading price on the previous business day;
- Probable net realizable value obtained through the adoption of an internal valuation technique or model;
- Price of a similar financial instrument, taking into account, at least, the payment and maturity terms, the credit risk and the currency or indexer.

(viii) Loan modification

Occasionally, the Bank renegotiates or modifies the contractual cash flows of customer loans. In this case, the Bank assesses whether the new contractual terms are substantially different from the original terms.

The Bank makes this analysis considering, among others, the following factors:

- Whether the debtor is in financial difficulty, whether the modification only reduces contractual cash flows to an amount that the debtor is expected to be able to pay;
- Whether any significant new term has been introduced, such as profit sharing or equity-based return, which substantially affects credit risk;
- Significant extension of contract maturity when the debtor is not in financial difficulty;
- Significant change in the interest rate;
- Change in the currency in which the loan was contracted; and
- Inclusion of collateral, guarantee or other credit enhancement that significantly affects the credit risk associated with the loan.

If the terms of the agreement are significantly different, the Bank derecognizes the original financial asset and recognizes the new asset at fair value, calculating its new effective interest rate. The renegotiation date is considered the initial recognition date for the purposes of calculating impairment, including for the purpose of assessing whether there has been a significant increase in credit risk. However, the Bank also assesses whether the newly recognized financial asset is impaired on initial recognition, especially when the renegotiation is related to the fact that the debtor has not made the originally agreed upon payments. Differences in the carrying amount are recognized in profit or loss, as a derecognition gain or loss.

If the terms of the agreement are not significantly different, the renegotiation or modification does not result in derecognition, and the Bank recalculates the gross carrying amount based on the revised cash flows from the financial asset and recognizes a gain or loss from this modification in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or adjusted effective interest rate for impaired, originated or acquired financial assets).

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

(ix) Derecognition not resulting from a modification

Granted financial assets are derecognized when the cash flows associated with them are extinguished, collected or sold to third parties and (i) the Bank transfers substantially all the risks and rewards associated with owning the asset or (ii) the Bank does not transfer, nor does it have substantially all of the risks and rewards associated with owning the asset and does not have control over the asset.

Gains and losses obtained on the final sale of Customer loans are recorded in Other operating income. These gains or losses correspond to the difference between the fixed sale value and the book value of these assets, net of impairment losses.

The Bank participates in transactions where it has the contractual right to receive cash flows from assets but undertakes a contractual obligation to pay these cash flows to other entities and transfers substantially all the risks and rewards.

These transactions result in the derecognition of the asset, if the Bank:

- Has no obligation to make payments, unless it receives equivalent amounts from the assets;
- Is prohibited from selling or pledging the assets; and
- Has an obligation to remit any cash flows it receives from assets without material delays.

The guarantees provided by the Bank (shares and bonds) through repurchase agreements and securities lending operations are not derecognized because the Bank substantially holds all the risks and rewards based on the pre-established repurchase price, thus the derecognition criteria do not apply.

Financial liabilities are derecognized when the underlying obligation is settled, expires or is cancelled.

(x) Write-off policy

The Bank writes off financial assets, in part or in full, when it concludes that there is no reasonable expectation of receipt, leading to an extreme scenario of total impairment.

The indicators that show that there is no reasonable expectation of receipt are (i) termination of operations and (ii) cases in which the recovery depends on the receipt of collateral, but in which the collateral value is so low that there is no reasonable expectation of recovering the asset in full.

The rules implemented for selecting loans that may be subject to write-offs are as follows:

- The loans cannot have an associated real guarantee;
- The loans must be fully closed (recorded in overdue loans in their entirety and with no outstanding debt);
- The loans cannot be branded as renegotiated overdue loans, or be involved in an active payment agreement.

(xi) Impairment of financial assets

Impairment losses are recognized for all financial assets, except for assets classified or designated at fair value through profit or loss and equity instruments designated at fair value through other comprehensive income.

Assets subject to impairment assessment include those belonging to the customer loan portfolio, debt instruments and investments and deposits in other credit institutions. Impairment losses are recorded in profit or loss and are subsequently reversed through income if there is a reduction in the amount of the estimated loss in a subsequent year.

Off-balance sheet items, such as financial guarantees and unused loan commitments, are also subject to impairment assessment.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

Impairment is measured at each reporting date in accordance with the three-stage model for expected credit losses:

Stage 1 – From initial recognition and until there is a significant increase in credit risk, impairment is recognized in the amount of expected credit losses if the default occurs within 12 months of the reporting date.

Stage 2 – After a significant increase in credit risk compared to the date of initial recognition of the financial asset, impairment is recognized in the amount of expected credit losses for the remaining period of the financial asset.

Stage 3 – For financial assets considered to be credit impaired, impairment is recognized in the amount of expected credit losses for the remaining period of the financial asset.

Impairment losses are a probability-weighted estimate of reductions in the cash flow value resulting from default over time. For loan commitments, the estimated expected credit losses consider a part of the limit that is expected to be used during the period. For financial guarantees, credit loss estimates are based on expected payments under the guarantee agreement.

Increases and decreases in the amount of impairment losses attributable to acquisitions and new originations, derecognition or maturity, and remeasurements due to changes in the expected loss or transfer between stages are recognized in profit or loss.

Impairment losses represent an unbiased estimate of expected credit losses on financial assets at the balance sheet date. Judgment is considered when setting assumptions and estimates to calculate impairment, which may result in changes in the amount of provision for impairment losses from period to period.

Measurement of expected credit losses

Expected credit losses are based on a set of possible outcomes and consider all reasonable and supportable information available, including historical credit loss experience and expected future cash flows. The measurement of expected credit losses is primarily the product of the instrument's probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted to the reporting date.

The main difference between the expected credit losses in Stage 1 and Stage 2 is the calculation timeframe.

The expected credit loss estimate is obtained for each specific exposure, with the relevant parameters being modelled on a collective basis considering a portfolio segmentation level that reflects the way the Bank manages its risks. The approaches were designed to maximize the use of available information that is reliable and supportable for each segment and that is collective in nature.

Expected credit losses are discounted to the reporting date using the effective interest rate.

Assessment of significant increase in credit risk

Identifying a significant increase in credit risk requires significant judgment. Movements between Stage 1 and Stage 2 are based, whenever possible, on comparing the instrument's credit risk at the reporting date with the credit risk at the time of origination.

The assessment generally covers the instrument, although it may consider information regarding the debtor.

This assessment is carried out at each reporting date, based on a set of qualitative and/or non-statistical quantitative indicators. Instruments that are overdue for more than 30 days are generally considered to have seen a significant increase in credit risk.

Preparing financial statements requires the Bank to make subjective estimates and judgments, and changes in these estimates may have an impact on the financial statements. These estimates are based on the best information available at the time the financial statements are prepared and take into account the uncertainties surrounding the impact of Covid-19 on the current economic environment.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

Definition of default

The definition of default was developed considering risk management processes, namely in the credit recovery component, as well as international best practice in this field. The definition of default may differ between segments and considers both qualitative and quantitative factors. Default criteria are applied to operations for individuals and to the debtor for corporate customers. Default will occur when there are more than 90 days of delay and/or when it is considered less likely that the debtor will fully comply with their obligations, for example due to capital being written off or multiple loan restructuring. The definition of default is applied consistently from period to period.

i) Individual Analysis

The individual analysis focuses on all significant customers. Significant customers are identified using one of the following criteria:

- Customers with exposure above CVE 25,000,000;
- Customers with exposure above CVE 10,000,000 and other indicators of credit risk deterioration.

The individual analysis follows the following methodologies to measure expected loss for significant customers:

- Going concern – recovery estimates consider operating cash flows and the enforcement of guarantees;
- Gone concern – recovery estimates consider only the enforcement of guarantees.

ii) Collective Analysis

Collective analysis focuses on the operations of non-significant customers.

For financial assets classified in Stage 1 and Stage 2, the measurement of expected losses is the result of the outcome between the financial instrument's probability of default (PD), loss given default (LGD) and exposure at default (EAD). For financial assets classified in Stage 3, the measurement of expected losses is the result of the outcome between LGD and EAD.

The PDs and LGDs used in the collective impairment model were obtained based on the Bank's knowledge of the Cabo Verdean financial sector, since the small number of operations does not allow the estimation of internal risk factors.

a. Accrual basis

The Bank follows the accrual principle for most items in the financial statements, namely with regard to interest on loan and deposit operations that are recorded as they are generated, regardless of the time of payment or collection.

b. Foreign currency transactions

Foreign currency transactions are recorded in accordance with the principles of the multi-currency system, with each transaction being recorded exclusively according to its currency.

Monetary assets and liabilities denominated in foreign currency are converted into escudos at the exchange rate prevailing on the balance sheet date. Exchange differences resulting from this conversion are recognized in profit or loss.

Non-monetary assets and liabilities recorded at historical cost and denominated in foreign currency are translated at the exchange rate on the transaction date. Non-monetary assets and liabilities denominated in foreign currency and recorded at fair value are translated at the exchange rate prevailing on the date on which the fair value was determined. Conversions or amounts in foreign currency are converted into Cabo Verde Escudos and exchange differences are recognized in profit or loss.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

On the date they are contracted, spot and forward foreign exchanges are immediately recorded in the foreign exchange position.

Whenever these transactions lead to changes in the net balances of different currencies, spot or forward exchange position accounts are moved, with the content and revaluation criteria being as follows:

i) Spot exchange position

The spot exchange position in each currency is given by the net balance of that currency's assets and liabilities, excluding the spot exchange position covered by forward currency swap transactions and adding the amounts of spot transactions awaiting settlement and forward transactions that mature in the two subsequent business days. The spot exchange position is revalued daily, based on the indicative exchange rates for the day published by Banco de Cabo Verde, giving rise to the movement of the exchange position account (domestic currency), against costs or income.

ii) Forward exchange position

The forward exchange position in each currency is given by the net balance of forward transactions awaiting settlement that are not hedging the spot exchange position, excluding those maturing within the two subsequent business days.

All agreements relating to these transactions are revalued at forward exchange rates or, in their absence, by calculating them based on the interest rates of the respective currencies for the residual term of each transaction.

The differences between the equivalents in escudos at the forward revaluation rates and the equivalents in escudos at the contracted rates represent the cost or reward of revaluating the forward exchange position, being recorded in a revaluation account of the exchange position against costs or income accounts.

c. Other tangible assets

Other tangible assets are valued at acquisition cost less their accumulated depreciation and impairment losses. Maintenance and repair expenses are recognized as a cost, in accordance with the accrual principle.

Depreciation is calculated using the straight-line method, at the following amortization rates that reflect the expected useful life of the assets:

	<u>Number of years</u>
Self-service properties	25
Furniture and supplies	4-8
IT equipment	4
Machinery and tools	5
Transportation and equipment	4
Interior facilities	8-10
Safety equipment	4-5

When there is an indication that an asset may be impaired, IAS 36 requires its recoverable amount to be estimated, and an impairment loss must be recognized whenever the net value of an asset exceeds its recoverable amount. Impairment losses are recognized in the income statement.

The recoverable amount is determined as the highest between its net selling price and its value in use, with the latter being calculated based on the present value of estimated future cash flows expected to be obtained from the continued use of the asset and its disposal at the end of its useful life.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

d. Intangible Assets

The costs incurred with the acquisition, production and development of software, as well as the additional expenses borne by the Bank for its implementation, are capitalized. These costs are amortized on a straight-line basis over the expected useful life of these assets, which is normally between 3 and 10 years.

All other charges related to IT services, which are not expected to generate future economic benefits beyond one year, are recorded as costs when incurred.

e. Employee Benefits

The Bank does not record any addition for vacation and vacation allowances in its financial statements since it adopted the procedure of paying vacations and vacation allowances in the year in which the employees are hired.

Thus, whenever an employee terminates his/her employment contract with the Bank, s/he is only paid the vacation and vacation allowance proportional to the months worked in the year in which s/he leaves.

f. Income Tax

The Bank is subject to the tax system established in the Corporate Income Tax Code (Law no. 82/VIII/2015, dated January 7), at the rate of 21%, and a fire protection fee of 2% on the calculated tax, for an overall rate of 21.42% (2023: 22.44%). Income taxes comprise current taxes and deferred taxes.

Current taxes are those that are expected to be paid based on the taxable amount determined in accordance with the tax rules in force.

Deferred tax liabilities are recognized for all taxable temporary differences. However, deferred tax assets are recognized only to the extent that one expects future taxable profits capable of absorbing the differences and tax losses to be used in the future.

Income taxes are recognized in profit or loss, except when they relate to items that are recognized directly in equity, in which case they are also recorded against equity.

Tax losses calculated in a year are deducted from taxable income for one or more of the following three years.

g. Recognition of Interest

Income relating to interest on financial instruments measured at amortized cost and on available-for-sale financial assets are recognized under interest and similar income or interest and similar expense, using the effective interest method. Interest on financial assets and liabilities at fair value through profit or loss is also included under interest and similar income or interest and similar expense, respectively.

The effective interest rate is the rate that exactly discounts estimated future payments or receipts over the expected life of the financial instrument or, where appropriate, a shorter period for the net present balance sheet value of the financial asset or financial liability. The effective interest rate is established on initial recognition of financial assets and liabilities and is not subsequently revised.

In order to calculate the effective interest rate, future cash flows are estimated considering all contractual terms of the financial instrument (e.g., advance payment options), while not considering any future credit losses.

The calculation includes fees that are an integral part of the effective interest rate, transaction costs and all premiums and discounts directly related to the transaction.

For similar financial assets or groups of financial assets for which impairment losses have been recognized, the interest recorded under interest and similar income is determined based on the interest rate used to measure the impairment loss.

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

h. Recognition of fee and commission

Fee and commission income is recognized as follows:

- Fee and commission income obtained in the performance of a significant act, such as commissions in loan syndication, is recognized in profit or loss when the significant act has been completed;
- Fee and commission income obtained as the services are provided is recognized in profit or loss in the year to which they refer;
- Fee and commission income that is an integral part of the effective interest rate of a financial instrument is recorded in profit or loss using the effective interest rate method. e

i. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include amounts recorded in the balance sheet with a maturity of less than three months from the date of acquisition/contracting, including cash and balances at central banks and other credit institutions.

j. Equity

An instrument is classified as an equity instrument when there is no contractual obligation to settle it through the delivery of cash or another financial asset, regardless of its legal form, showing a residual interest in the assets of an entity after deducting all its liabilities.

All costs directly attributable to equity issuance are recorded against equity as a deduction from the issue value. Distributions made on behalf of equity instruments are deducted from equity, as dividends, when declared.

k. Provisions

A provision is created when there is a present obligation (legal or constructive) resulting from past events, for which the future expenditure of funds is probable, and this can be reliably measured. The amount of the provision corresponds to the best estimate of the amount to be disbursed to settle the liability at the balance sheet date. Provisions are measured at the present value of the estimated costs to pay the obligation, using a pre-tax interest rate, which reflects the market assessment for the discount period and for the risk of the provision in question.

Whenever one of the criteria is not met, or the existence of the obligation depends on the occurrence (or non-occurrence) of some future event, the Bank discloses this fact as a contingent liability, unless the assessment of the outflow of funds to pay it is considered remote. If future expenditure of funds is not probable, it is a contingent liability. Contingent liabilities are only subject to disclosure, unless the possibility of their materialization is remote.

l. Foreclosed properties

In the course of its lending activities, the Bank runs the risk of not being able to have all its credit repaid. For loans with mortgage collateral, the Bank takes ownership of property and other assets to settle the loan.

Although it aims to immediately sell all foreclosed properties, the Bank records these properties in the balance sheet under "Other Assets" due to the fact that they remain in the portfolio for more than one year and consequently do not comply with the conditions laid down in IFRS 5 for recognition under "non-current assets held for sale." Upon initial recognition, these properties are recorded at the lower of their fair value, less expected sale costs, and the balance sheet value of the loan granted, subject to recovery.

Subsequently, these assets are measured at the lower between their initial recognition value and fair value, less sale costs, and are not amortized. Unrealized losses on these assets, once determined, are recorded in profit or loss.

These properties are valued in accordance with one of the following methodologies, which are applied according to the property's specific situation:

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

i) Market Approach

This approach is based on transaction values of properties similar and comparable to the property under study, obtained through market research carried out in the area.

ii) Income Approach

This approach aims to estimate the value of the property, based on the capitalization of its net income, updated to the present time, using the discounted cash flow method.

iii) Cost Approach

The Cost Approach is a criterion that breaks down the property value into its fundamental components: urban land value and urbanity value; construction value; and indirect cost value.

The appraisals are carried out by independent entities specialized in this type of service. The appraisal reports are analysed internally, with assessment of the adequacy of the processes, comparing the properties' sale values with their reappraised values.

For this category of assets, the precepts defined by Banco de Cabo Verde through Notice no. 7/2015, dated December 24, are also observed.

m. Leases

IFRS 16 sets out the following requirements regarding the scope, classification/recognition and measurement of leases:

- From the lessor's perspective, leases continue to be classified as finance leases or operating leases;
- From the lessee's perspective, the standard establishes a single model for accounting for lease agreements, which results in the recognition of a right-of-use asset and a lease liability for all lease agreements, with the exception of leases with a term of less than 12 months or for leases that affect low-value assets, where the lessee may opt for the recognition exemption provided for in IFRS 16, in which case it must recognize the lease payments associated with these agreements as expenses.

The Bank chose not to apply this standard to short-term lease agreements, less than or equal to one year, for which the economic loss due to non-renewal of the agreement is not significant, and to lease agreements where the underlying asset has low value.

Lease Definition

The new lease definition entails a focus on controlling the identified asset. That is, an agreement constitutes or contains a lease if it conveys the right to control the use of an identified asset, i.e., substantially obtaining all the economic benefits of using it and the right to direct the use of that identified asset over a certain period of time, in exchange for consideration.

Impacts from a lessee's perspective

For all leases, with the exception of leases with a term of less than 12 months, for which the economic loss due to non-renewal of the agreement is not significant, or for leases of assets with a low unit value, iibCV recognizes:

- A right-of-use asset, initially measured at cost, taking into account the Net Present Value (NPV) of the lease liability, plus payments made (fixed and/or variable), less lease incentives received, termination penalties (if reasonably certain), as well as any estimates of costs to be borne by the lessee for dismantling and removing the underlying asset and/or restoring the site on which it is located. Subsequently, it is measured according to the cost model (subject to depreciation/amortization, according to the lease term of each agreement and to impairment tests);

2. Notes to the Financial Statements for the year ended December 31, 2024 (Contd.)

- A lease liability, initially recorded at the net present value (NPV) of future lease cash flows, which includes:
 - Fixed payments, less lease incentives receivable;
 - Variable lease payments, which depend on an index or rate, measured initially and using the index or rate at the agreement start date;
 - The amounts to be paid by the lessee as residual value guarantees;
 - The price for exercising a purchase option, if the lessee is reasonably certain to exercise that option;

Lease termination penalty payments, if the lease term reflects the exercise of an option to terminate the lease by the lessee. Since the interest rate implicit in the lease cannot be easily determined (paragraph 26 of IFRS 16), lease payments are discounted at the lessee's incremental borrowing rate. For fixed-term agreements, this date is considered as the lease's end date, while for other open-ended agreements, the term in which it will be enforceable is assessed. When assessing enforceability, particular agreement clauses are considered, as well as the economic impacts resulting from non-renewal of agreements.

Subsequently, it is measured as follows:

- By increasing its carrying amount to reflect the interest thereon;
- By decreasing its carrying amount to reflect lease payments;
- The carrying amount is remeasured to reflect any revaluations or changes to the lease, as well as to incorporate the review of in-substance fixed lease payments and the review of the lease term.

The Bank reassesses a lease liability and calculates the corresponding adjustment related to the right-of-use asset whenever:

- There is a change in the lease term or in the valuation of an option to purchase the underlying asset, with the lease liability being remeasured, discounting the revised lease payments and using a revised discount rate;
- There is a change in the amounts payable under a residual value guarantee or future lease payments resulting from a change in an index or rate used to determine those payments, with the lease liability being remeasured by discounting the revised lease payments, using an unchanged discount rate (unless the change in lease payments results from a change in variable interest rates, in which case a revised discount rate must be used);
- A lease agreement is amended, but that amendment is not accounted for as a separate lease, with the lease liability being remeasured by discounting the revised lease payments using a revised discount rate.

libCV did not make any adjustments for the periods presented.

Right-of-use assets are depreciated/amortized from the effective date until the end of the useful life of the underlying asset or until the end of the lease term, whichever is earlier. If the lease transfers ownership of the underlying asset or if the cost of the right-of-use asset reflects the fact that the Bank will exercise a purchase option, the right-of-use asset must be depreciated/amortized from the effective date until the end of the useful life of the underlying asset. Depreciation/amortization begins on the effective date of the lease.

Adopting the standard implies changes in the Bank's financial statements, namely:

- In the Income Statement:

Recording interest expense related to lease liabilities in Net Interest Income;
Recording the amounts related to short-term lease agreements and lease agreements for low-value assets in Other administrative expenses; and
Recording the cost of depreciating right-of-use assets in Amortizations.

- In the balance sheet:

Recording in Other tangible assets, through recognition of right-of-use assets; and
Recording in Other liabilities, at the value of recognized lease liabilities.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements

IFRS establish a number of accounting treatments and require the Executive Board to make judgments and the necessary estimates to decide which accounting treatment is most appropriate. The main accounting estimates and judgments used by the Bank in applying accounting principles are discussed in this Note, with the objective of improving understanding of how their application affects the Bank's reported results and their disclosure.

A comprehensive description of the main accounting policies used by the Bank is presented in Note 2 to the financial statements.

Considering that in many situations there are alternatives to the accounting treatment adopted by the Executive Board, the results reported by the Bank could be different if a different treatment were chosen. The Executive Board believes that the choices made are appropriate and that the financial statements adequately present the Bank's financial position and the results of its operations in all materially relevant aspects.

3.1. Impairment losses on financial assets at amortized cost

Determining impairment losses for financial instruments involves judgments and estimates regarding the following aspects, among others:

a) Significant increase in credit risk:

Impairment losses correspond to expected losses in the event of a default within a 12-month period, for assets in Stage 1, and expected losses considering the probability of occurrence of a default event at some point up to the financial instrument's maturity date, for assets in Stage 2 and 3. An asset is classified in Stage 2 whenever there is a significant increase in its credit risk since its initial recognition.

When assessing the existence of a significant increase in credit risk, the Bank takes into account reasonable and sustainable qualitative and quantitative information.

b) Definition of asset groups with common credit risk characteristics:

When expected credit losses are measured on a collective basis, financial instruments are grouped based on common risk characteristics. The Bank monitors the adequacy of credit risk characteristics on a regular basis to assess whether they remain similar. This procedure is necessary to ensure that, in the event of a change in credit risk characteristics, asset segmentation is reviewed.

This review may result in the creation of new portfolios or transfer of assets to existing portfolios that better reflect their credit risk characteristics.

c) Probability of default:

The probability of default is a decisive factor in measuring expected credit losses. The probability of default corresponds to an estimate of the probability of default in a given time period, the calculation of which is based on historical data, assumptions and expectations about future conditions, based on a benchmark.

d) Loss given default:

It corresponds to an estimate of loss in a default scenario. It is based on the difference between the contractual cash flows and those that the Bank expects to receive, via cash flows generated by the customer's business or credit collateral. Loss given default is estimated based on, among other aspects, different recovery scenarios, historical information, the costs involved in the recovery process and the estimated valuation of collateral associated with credit operations.

Alternative methodologies and the use of other assumptions and estimates could result in different levels of impairment losses recognized and presented in Notes 14, 15 and 16, with a consequent impact on the Bank's results.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

3.2. Income Tax

The Bank is subject to Corporate Income Tax. Determining the overall amount of income tax (see Note 21) requires certain interpretations and estimates. There are a number of transactions and calculations for which determining the final amount of tax payable is uncertain during the normal business cycle.

Other interpretations and estimates could result in a different level of current and deferred income taxes recognized in the year.

The Tax Authorities have the power to review the Bank's calculation of taxable income, for a period of 3 years, in the event of tax losses carried forward. Thus, it is possible that there will be corrections to the taxable amount, mainly resulting from differences in the interpretation of tax legislation.

However, the Bank's Executive Board is convinced that there will be no significant corrections to the income taxes recorded in the financial statements.

3.3. Fair value of financial assets and liabilities valued at fair value

Fair value is based on market quotations, when available. Otherwise, it is determined based on the use of prices of recent, similar transactions made under market conditions or based on valuation methodologies, based on discounted future cash flow techniques considering market conditions, the effect of time, the yield curve and volatility factors.

These methodologies may require the use of assumptions or judgments in estimating fair value.

Consequently, the use of different methodologies or different assumptions or judgments in the application of a certain model could give rise to different financial results from those reported in Note 21.

NOTE 4: Segment Reporting

Considering that the Bank does not have equity or debt securities listed on the Stock Exchange, as part of paragraph 2 of IFRS 8 - Operating Segments, the Bank is exempt from presenting information on segments.

NOTE 5: Interest and Similar Income

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Interest on loans to customers	389 382	608 782
Interest on investments in financial institutions	299 845	378 638
Interest on securities	597 637	368 439
Interest on balances at OCI	497	409
Other	2 641	2 463
Total	1 290 002	1 358 731

The reduction in interest is due to a reduction in the volume of loans and, consequently, a greater diversification of income sources, essentially through investment in securities, which translates into a lower rate of return, and a slight reduction in the volume of investments in FIs.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 6: Interest and Similar Expenses

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Interest on central banks funds	79 680	73 951
Interest on funds from other financial institutions	216 662	108 317
Customer fund interest	176 875	106 02
Interest on liabilities represented by securities	131 524	106 251
Interest on subordinated liabilities	10 350	8 944
Other	259	570
Total	615 350	404 053

The increase in the volume of interest is basically due to the increase in funding costs.

NOTE 7: Fee and commission Income and Expense

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Income from services and commissions	113 606	173 467
Credit operations	9 375	22 654
Transfer of money	47 246	42 355
Miscellaneous commissions	43 061	87 428
Commission for setting up operations	2 907	1 720
Account management commission	3 122	3 119
Other commissions	37 032	82 590
Guarantees and securities	9 211	8 156
Card management	2 346	2 223
Documentary credits	2 366	10 651
Service charges and commissions	(59 503)	(156 363)
Commission on market operations	(7 444)	(5 958)
Commission on credit cards	(18 346)	(16 159)
Other commissions	(33 712)	(134 246)
Total	54 103	17 104

NOTE 8: Income from Foreign Currency Revaluation

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Gains on foreign currency transactions	23 957	183 471
Foreign currency	(2 858)	(3 488)
Losses on foreign currency transactions	(2 858)	(3 488)
Foreign currency	(2 858)	(3 488)
Total	21 099	179 983

This item includes income from currency revaluation of monetary assets and liabilities denominated in foreign currency, in accordance with the accounting policy described in Note 2.2 c).

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 9: Other Operating Income

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Other operating expenses	(20 116)	(53 948)
Fines and penalties	-	(5 965)
Contribution to the Guarantee Fund	(3 000)	(3 000)
Direct and indirect taxes	(1 255)	(2 748)
Trade Finance Stamp Duty	(14 607)	(11 865)
Other	(1 254)	(30 370)
Other operating income	696	859
Miscellaneous gains	86	-
Other	610	859
Total	(19 420)	(53 088)

NOTE 10: Staff Costs

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Compensation	112 143	93 645
Social charges	16 759	13 800
Other staff costs	23 017	35 722
Total	151 919	143 167

The costs related to the compensation and other benefits paid to the Bank's Executive Board and Audit Committee break down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Board of Directors	18 425	15 893
Fiscal Council	1 680	1 680
Total	20 105	17 573

During the year, four new people were hired, with a view to boosting key areas and implementing the Bank's strategy. The number of employees, by professional category, is presented as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Executive Committee	3	2
Advisory Office of the Executive Committee	1	0
Management	16	16
Professional Staff	26	25
Administrative Staff	3	3
Total	49	46

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 11: General and Administrative Expenses

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Fees ⁽¹⁾	45 600	40 910
Advertise	23 507	12 881
Other ⁽²⁾	17 858	10 256
Travel, accommodation and representation	15 746	12 483
Communications and forwarding charges	12 331	12 504
Miscellaneous services ⁽³⁾	10 077	10 545
Miscellaneous specialized services	7 603	6 570
Specialized IT Service	6 283	13 567
Rent from properties ⁽⁴⁾	3 650	2 220
Miscellaneous third-party supplies	1 647	3 355
Transportation of money	664	2 580
Total	144 966	127 871

1) This item includes fees paid to Consultants, amounting to CVE 31.92 million, Certified Auditors, amounting to CVE 11.88 million, and legal services, amounting to CVE 1.8 million.

2) This item includes legal, security and other costs (e.g. condominium-related services).

3) This item includes electricity and fuel services, publications, hygiene, maintenance and repairs, training and insurance.

4) Rent refers to the residences of Executive Committee members.

NOTE 12: Cash and Cash Equivalents at Central Banks

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Cash	114 586	85 035
Deposits at the Bank of Cabo Verde	890 682	732 516
Interest	48	392
Total	1 005 316	817 943

NOTE 13: Cash Equivalents at Other Credit Institutions

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Deposits at Foreign Credit Institutions		
Deposits	3 684 967	4 160 069
Total	3 684 967	4 160 069

Demand deposits with other credit institutions do not bear interest.

NOTE 14: Financial assets at fair value through profit or loss

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Corporate Bonds	3 811 508	3 578 672
Receivables	53 799	29 414
Total	3 865 307	3 608 086

The Treasury Bonds in the portfolio at the end of 2024 bore interest at an annual rate of 7.7%.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 15: Financial assets at fair value through other comprehensive income

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Cabo Verde Treasury Bonds	9 109 662	10 984 814
Fair Value Reserve	86 613	172620
Income receivable	68 540	78 504
Impairment	(37 754)	(68 051)
Total	9 227 060	11 167 887

Treasury Bonds in the portfolio at the end of 2024 had a residual maturity of less than 3 years (2.06 years) and bore interest at an annual rate of 3.053%. In 2023, the average residual maturity was lower than 3 years (2.4 years) and bore interest at the average annual rate of 3.070%.

As at December 31, 2024, the Bank had CVE 68.05 million in recognized impairment for financial assets at fair value through other comprehensive income.

This recognition is essentially associated with the item "Cabo Verde Treasury Bonds" resulting from the application of IFRS 9 relating to the recognition of the concept of Expected Credit Loss, whose measurement is based on the definition of country risk, assignable according to the international rating for Cabo Verde.

NOTE 16: Investments in Credit Institutions

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Placements with financial institutions abroad	6 997 437	5 990 933
Placements with Other Financial Institutions	6 986 077	5 965 145
Interest	13 799	27 960
Impairment	(2 439)	(2 172)
Placements in Financial Institutions in the country	2 572 279	6 282 060
Very Short-Term placements with Bank of Cabo Verde	1 460 000	5 080 000
Short term placements with Bank of Cabo Verde	-	99 384
Placements with other financial institutions	1 102 650	1 102 650
Interest	9 629	26
Total	9 569 714	12 272 993

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

The maturity schedule of investments in credit institutions, as at December 31, 2024 and 2023, is as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Placements with financial institutions abroad		
Up to 3 Months	5 990 717	4 145 719
More than 3 Months	1 006 719	1 845 215
Placements in Financial Institutions in the country		
Up to 3 Months	2 572 279	6 282 060
Total	9 569 714	12 272 993

As of December 31, 2024, applications to credit institutions accrued interest at an average annual rate of 3.15%. As of December 31, 2023, the applications in the portfolio accrued interest at an average annual rate of 3.61%.

NOTE 17: Customer Loans

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
<u>By Customer Type</u>		
Corporate	5 829 104	6 745 755
Individuals	639 003	632 722
	6 468 107	7 378 477
<u>By maturity</u>		
Medium and long term	5 805 997	6 230 103
Short term	662 109	1 148 374
	6 468 106	7 378 477
<u>By Product</u>		
Loans	5 543 489	6 422 768
Mortgage loans	550 209	561 078
Current account loans	285 615	322 987
Individual loans	64 373	43 804
Overdrafts on demand deposits	1 863	6 119
Individuals Other	22 558	21 721
	6 468 107	7 378 477
Interest receivable	89 377	105 552
Effect of Amortized Cost	(4 198)	-
Impairment	(39 050)	(52 661)
Loans Net of Impairment	6 514 236	7 431 368

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

The gross credit exposure amount and impairment amount, by segment, in accordance with IFRS 9, as at December 31, 2024, is as follows:

(Amounts expressed in thousands of escudos)

Segment	Stage 1		Stage 2		Stage 3		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Corporate	2 025 636	14 736	406 138	2 218	3 397 330	19 419	5 829 104	36 373
Individual - Housing	468 569	113	53 741	230	27 899	279	550 209	622
Consumer	68 723	592	11 369	50	8 702	1 413	88 794	2 055
	2 562 928	15 441	471 248	2 498	3 433 931	21 111	6 468 107	39 050

The credit exposure to companies classified as Stage 3 primarily represents a restructured operation with an unconditional guarantee from the State of Cabo Verde, currently in a 90-day cure period. Upon completion of this period, and assuming regularization conditions are maintained, it is expected to be reclassified back to Stage 2.

The gross credit exposure amount and impairment amount, by segment, in accordance with IFRS 9, as at December 31, 2023, is as follows:

(Amounts expressed in thousands of escudos)

Segment	Stage 1		Stage 2		Stage 3		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Corporate	2 599 625	18 159	4 137 669	31 900	8 461	807	6 745 755	50 866
Individual - Housing	517 485	217	20 936	33	22 656	227	561 077	477
Consumer	61 907	353	2 701	40	7 037	925	71 645	1 318
	3 179 017	18 729	4 161 306	31 973	38 154	1 959	7 378 477	52 661

Overdue loans included in the loan portfolio as at December 31, 2024 and 2023 were as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Loan default	35 576	30 267
Total	35 576	30 267

In compliance with current regulations, the Bank identifies and marks loan agreements that were restructured due to the customer's financial difficulty, whenever there are changes to the terms and conditions of an agreement where the customer has defaulted or is expected to default on their financial obligation.

The restructured loan amounts as at December 31, 2024 and 2023 are as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Corporate	3 215 157	8 019
Individual - Housing	16 316	17 397
Consumer	1 121	1 535
Total	3 232 594	26 951

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

As at 31.12.2024, restructured loans essentially correspond to state-backed loans which have been restructured thanks to a grace period.

Gross customer loans and interest receivable, by maturity, excluding the amortized cost effect, as at December 31, 2023 and 2024, break down as follows:

(Amounts expressed in thousands of euros)

	31.12.2024	31.12.2023
Up to 3 months	677 400	358 631
3 months to 1 year	377 735	1 770 374
From 1 to 5 years	4 891 893	4 839 974
More than 5 years	521 080	409 498
Total	6 468 107	7 378 477

As of December 31, 2024, the customer loan portfolio was contracted at an average annual interest rate of 7.88% (December 31, 2023: 7.9%).

Changes in loan impairment losses in 2024 are presented as follows:

(Amounts expressed in thousands of euros)

	Stage 1	Stage 2	Stage 3	Total
31.12.2023	18 730	31 973	1 959	52 661
Increase	1 628	574	19 733	21 935
Replacement/(Reversal)	(4 916)	(30 049)	(480)	(35 445)
Use	-	-	(101)	(101)
31.12.2024	15 442	2 498	21 111	39 050

Changes in loan impairment losses in 2023 are presented as follows:

(Amounts expressed in thousands of euros)

	Stage 1	Stage 2	Stage 3	Total
31.12.2022	57 721	1 051	32 805	91 576
Increase	1 506	31 615	2	33 123
Replacement/(Reversal)	(40 497)	(693)	(31 037)	(72 227)
Use	-	-	(173)	(173)
Other movements	-	-	362	362
31.12.2023	18 730	31 973	1 959	52 661

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

The gross credit exposure amount and impairment assessed individually and collectively, by sector and by segment, as at December 31, 2024, is broken down as follows:

(Amounts expressed in thousands of escudos)

Assessment	SECTOR											
	Construction		Industries		Trade		Services		Individual		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Individual	-	-	-	-	177 410	4 080	4 232 435	18 185	5 727	513	4 415 572	22 778
Collective	4 440	50	124 194	387	522 154	9 446	768 472	4 224	633 276	2 165	2 052 535	16 272
Total	4 440	50	124 194	387	699 564	13 526	5 000 907	22 409	639 003	2 678	6 468 107	39 050

(Amounts expressed in thousands of escudos)

Assessment	SEGMENT									
	Corporate		Construction and CRE		Mortgage		Individual		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Individual	4 409 845	22 266	-	-	-	-	5 727	513	4 415 572	22 778
Collective	1 414 820	14 057	4 440	50	550 209	622	83 067	1 543	2 052 535	16 272
Total	5 824 665	36 323	4 440	50	550 209	622	88 794	2 056	6 468 107	39 050

The gross credit exposure amount and impairment assessed individually and collectively, by sector and by segment, as at December 31, 2023, is broken down as follows:

(Amounts expressed in thousands of escudos)

Assessment	SECTOR											
	Construction		Industries		Trade		Services		Individual		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Individual	9 631	304	466	6	258 780	7 444	4 504 652	26 842	20 958	1 036	4 794 487	35 632
Collective	1 971	14	165 106	447	475 436	8 840	1 329 712	6 969	611 765	759	2 583 990	17 029
Total	11 602	318	165 572	453	734 216	16 284	5 834 364	33 811	632 723	1 795	7 378 477	52 661

(Amounts expressed in thousands of escudos)

Assessment	SEGMENT									
	Corporate		Construction and CRE		Mortgage		Individual		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Individual	4 763 899	34 293	9 631	304	14 024	111	6 933	924	4 794 487	35 632
Collective	1 970 254	16 257	1 971	14	547 054	366	64 711	392	2 583 990	17 029
Total	6 734 153	50 550	11 602	318	561 078	477	71 644	1 316	7 378 477	52 661

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Loan portfolio by segment and by year of production, as at December 31, 2024, is as follows:

(Amounts expressed in thousands of escudos)

Production Year	Corporate			Construction and CRE			Mortgage			Individual			Total		
	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted
2010	-	-	-	-	-	-	1	3 578	-	-	-	-	1	3 578	-
2011	-	-	-	-	-	-	4	23 168	64	-	-	-	4	23 168	64
2012	-	-	-	-	-	-	7	37 810	4	-	-	-	7	37 810	4
2013	-	-	-	-	-	-	5	20 109	97	-	-	-	5	20 109	97
2014	-	-	-	-	-	-	5	27 730	3	-	-	-	5	27 730	3
2015	-	-	-	-	-	-	60	163 286	201	-	-	-	60	163 286	201
2016	-	-	-	-	-	-	3	13 040	46	-	-	-	3	13 040	46
2017	-	-	-	-	-	-	1	3 375	5	-	-	-	1	3 375	5
2018	-	-	-	-	-	-	3	15 228	2	-	-	-	3	15 228	2
2019	1	570 362	2 566	1	2 653	27	2	11 619	3	1	5 727	512	4	19 999	542
2020	3	1 514 260	6 814	-	-	-	3	17 059	2	-	-	-	3	17 059	2
2021	7	1 144 104	6 044	-	-	-	10	65 775	109	4	2 928	19	20	90 105	1 118
2022	7	456 751	1 284	1	1 771	18	3	11 503	6	10	6 651	402	21	476 677	1 710
2023	7	1 562 599	16 783	-	-	-	14	65 466	32	24	38 181	170	45	1 666 247	16 986
2024	7	576 587	2 830	-	15	6	14	71 465	49	27	35 307	952	53	3 890 696	18 270
Total	32	5 824 663	36 321	2	4 439	51	135	550 211	623	66	88 794	2 055	235	6 468 107	39 050

Loan portfolio by segment and by year of production, as at December 31, 2023, is as follows:

(Amounts expressed in thousands of escudos)

Production Year	Corporate			Construction and CRE			Mortgage			Individual			Total		
	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted	Number of Transactions	Amount	Impairment Constituted
2010	-	-	-	-	-	-	2	5 531	1	-	-	-	2	5 531	1
2011	1	21 228	57	-	-	-	4	25 388	6	-	-	-	5	46 616	63
2012	-	-	-	-	-	-	7	41 787	4	-	-	-	7	41 787	4
2013	-	-	-	-	-	-	5	22 648	8	-	-	-	5	22 648	8
2014	-	-	-	-	-	-	5	28 799	3	-	-	-	5	28 799	3
2015	-	-	-	-	-	-	68	200 411	136	-	-	-	68	200 411	136
2016	-	-	-	-	-	-	3	13 811	47	-	-	-	3	13 811	47
2017	-	-	-	-	-	-	1	3 575	6	-	-	-	1	3 575	6
2018	-	-	-	-	-	-	4	23 480	2	-	-	-	4	23 480	2
2019	-	596 644	3 866	1	9 631	304	2	12 717	13	4	7 732	930	7	30 080	1 247
2020	3	1 883 506	12 945	-	-	-	3	21 176	2	1	455	7	7	339 271	2 807
2021	9	1 248 940	9 149	-	-	-	10	68 178	211	6	4 895	30	25	1 322 013	9 390
2022	16	1 216 787	4 455	1	1 801	8	4	16 939	8	17	14 460	141	38	3 412 497	18 625
2023	8	1 767 048	20 076	1	169	6	15	76 640	31	29	44 102	209	53	1 887 959	20 322
Total	37	6 734 153	50 548	3	11 601	318	133	561 080	478	57	71 644	1 317	230	7 378 478	52 661

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Loan portfolio by segment and by year of production, as at December 31, 2024, is as follows:

(Amounts expressed in thousands of escudos)

Segment	Total Exposure					Total impairment 31.12.2024				
	Total Exposure	Overdue Days < 90		Sub-total	Overdue Days > 90	Total Impairment	Overdue Days < 30	Overdue days between 30 - 90	Overdue Days <= 90*	Overdue Days > 90
		Low Credit Risk	Significant increase in credit risk							
	31.12.2024					31.12.2024				
Construction and CRE	4 440	-	-	-	4 440	50	-	-	-	50
Corporate	5 824 66	2 609 185	3 207 323	5 816 507	8 158	36 323	35 467	-	-	856
Mortgage	550 20	521 461	6 091	527 552	22 656	622	386	10	-	226
Individuals	88 794	88 125	346	88 471	323	2 055	1 988	3	-	64
Total	6 468 107	3 218 771	3 213 760	6 432 530	35 577	39 050	37 841	13	-	1 196

(Amounts expressed in thousands of escudos)

Segment	31-Dec								Impairment 31.12.2024			
	Total Exposure	Low Credit Risk	Of which Rural	Of with Restructured	Exposure with Significant increase in credit risk	Of with Restructured	Exposure when there's Impairment	Of with Restructured	Total Impairment	Exposure with low credit risk	Exposure with Significant increase in credit risk	Exposure when there's Impairment
Construction and CRE	4 440	-	-	-	-	-	4 440	-	50	-	-	50
Corporate	5 824 664	2 609 185	-	-	3 207 323	-	8 157	7 834	36 323	21 034	14 433	856
Mortgage	550 209	521 461	-	12 138	6 091	-	22 656	4 178	622	386	10	226
Individuals	88 794	86 714	-	1 120	346	-	1 734	-	2 055	1 988	3	64
Total	6 468 107	3 217 360	-	13 258	3 213 760	-	36 987	12 012	39 050	23 408	14 446	1 196

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Loan portfolio by segment and by year of production, as at December 31, 2023, is as follows:

(Amounts expressed in thousands of escudos)

Segment	Total Exposure					Total Impairment 31.12.2023				
	Total Exposure	Overdue Days < 90		Sub-total	Overdue Days > 90	Total Impairment	Overdue Days < 30	Overdue days between 30 - 90	Overdue Days <= 90*	Overdue Days > 90
		Low Credit Risk	Significant increase in credit risk							
	31.12.2023					31.12.2023				
Construction and CRE	11 602	9 631	1 971	11 602	-	318	304	14	-	-
Corporate	6 734 153	3 975 270	2 751 375	6 726 645	7 508	50 549	26 345	23 588	-	616
Mortgage	561 078	538 422	-	538 422	22 656	477	252	-	-	226
Individuals	71 644	68 647	2 894	71 541	103	1 317	1 285	30	-	1
Total	7 378 477	4 591 970	2 756 240	7 348 210	30 267	52 661	28 186	23 632	-	843

(Amounts expressed in thousands of escudos)

Segment	31-Dec								Impairment 31.12.2023			
	Total Exposure	Low Credit Risk	Of which Rural	Of with Restructured	Exposure with Significant increase in credit risk	Of with Restructured	Exposure when there's Impairment	Of with Restructured	Total Impairment	Exposure with low credit risk	Exposure with Significant increase in credit risk	Exposure when there's Impairment
Construction and CRE	11 602	9 631	-	-	1 971	-	-	-	318	304	14	-
Corporate	6 734 153	3 114 006	-	511	3 612 640	-	7 508	7 508	50 549	26 345	23 588	616
Mortgage	561 078	538 422	-	13 219	-	-	22 656	4 178	477	252	-	226
Individuals	71 644	68 647	-	-	2 894	1 535	103	-	1 317	1 285	30	1
Total	7 378 477	3 730 706	-	13 730	3 617 505	1 535	30 267	11 686	52 661	28 186	23 632	843

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

As at December 31, 2024, the fair value of collateral underlying the loan portfolio, namely in the Corporate, Construction, Commercial Real Estate (CRE) and Other Directly Related Activities (ORA) and housing segments are as follows:

(Amounts expressed in thousands of escudos)

Fair value	Corporate				Construction and CRE				Mortgage				Individual				Total			
	Real Estate		Other Real Collateral		Real Estate		Other Real Collateral		Real Estate		Other Real Collateral		Real Estate		Other Real Collateral		Real Estate		Other Real Collateral	
	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount
< 0.5 MCVE	-	-	2	1 000	-	-	-	-	-	-	1	500	-	-	16	5 412	-	-	19	6 912
>= 0.5 MCVE e < 1 MCVE	-	-	1	1 000	-	-	-	-	-	-	-	-	-	-	13	10 600	-	-	14	11 600
>= 1 MCVE e < 5 MCVE	-	-	2	3 000	-	-	-	-	19	91 917	4	15 003	-	-	9	20 842	19	91 917	15	38 845
>= 5 MCVE e < 10 MCVE	-	-	2	20 000	1	9 340	-	-	59	475 142	1	7 000	-	9 956	-	-	61	494 438	3	27 000
>= 10 MCVE e < 20 MCVE	-	-	2	28 000	-	-	-	-	28	381 826	-	-	-	36 364	1	17 852	30	418 190	3	45 852
>= 20 MCVE e < 50 MCVE	1	34 200	1	30 000	-	-	-	-	12	357 809	-	-	-	-	-	-	13	392 009	1	30 000
>= 50 MCVE	1	412 214	5	2 194 439	1	127 700	-	-	-	-	-	-	-	-	-	2	539 914	5	2 194 439	
Total	2	446 414	15	2 277 439	2	137 040	-	-	118	1 306 694	6	22 503	-	46 320	39	54 706	125	1 936 468	60	2 354 648

As at December 31, 2023, the fair value of collateral underlying the loan portfolio is as follows:

(Amounts expressed in thousands of escudos)

Fair value	Corporate				Construction and CRE				Mortgage				Individual				Total			
	Real Estate		Other Real Collateral		Real Estate		Other Real Collateral		Real Estate		Other Real Collateral		Real Estate		Other Real Collateral		Real Estate		Other Real Collateral	
	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount
< 0.5 MCVE	-	-	3	1 160	-	-	-	-	-	-	1	500	-	-	15	4 596	-	-	19	6 256
>= 0.5 MCVE e < 1 MCVE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11	9 700	-	-	11	9 700
>= 1 MCVE e < 5 MCVE	-	-	3	5 000	-	-	-	-	11	51 917	4	15 003	-	-	6	14 481	11	51 917	13	34 484
>= 5 MCVE e < 10 MCVE	-	-	-	-	1	9 340	-	-	67	542 610	1	7 000	-	-	-	-	68	551 950	1	7 000
>= 10 MCVE e < 20 MCVE	-	-	3	41 500	-	-	-	-	29	410 166	-	-	-	-	1	17 852	29	410 166	4	59 352
>= 20 MCVE e < 50 MCVE	1	34 200	1	30 000	-	-	-	-	12	338 220	-	-	-	-	-	-	13	372 420	1	30 000
>= 50 MCVE	2	469 674	6	1 784 620	1	127 700	-	-	-	-	-	-	-	-	-	3	597 374	6	1 784 620	
Total	3	503 874	16	1 862 280	2	137 040	-	-	119	1 342 912	6	22 503	-	-	33	46 629	124	1 983 825	55	1 931 412

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

The guarantee coverage ratio for operations in the Corporate, Construction, CRE and Housing segments, as at December 31, 2024 and 2023, is as follows:

(Amounts expressed in thousands of escudos)

31.12.2024					
Segment /Ratio	Number of Properties	Exposure with low credit risk	Exposures with significant increase in credit risk	Exposures when there's impairment	Impairment
Constructions and CRE					
< 100%	-	-	-	-	-
<= 125% e > 100%	-	-	-	-	-
<= 150% e > 125%	-	-	-	-	-
>= 150%	2	-	-	4 440	50
No associated collateral		-	-	-	-
Corporate					
< 100%	0	1 386 558	-	-	5 497
<= 125% e > 100%	0	30 616	3 207 323	-	14 433
<= 150% e > 125%	0	369	-	-	1
>= 150%	2	304 935	-	5 990	4 479
No associated collateral		886 706	-	2 167	11 913
Mortgage					
< 100%	5	63 315	-	-	221
<= 125% e > 100%	9	62 226	-	-	12
<= 150% e > 125%	4	21 217	-	-	4
>= 150%	101	374 704	6 091	22 656	384
No associated collateral		-	-	-	-
Individual					
< 100%	-	12 313	-	-	295
<= 125% e > 100%	-	5 649	-	-	10
<= 150% e > 125%	-	5 381	-	-	10
>= 150%	2	29 120	-	195	574
No associated collateral		34 251	346	1 539	1 167
Total	125	3 217 360	3 213 760	36 987	39 050

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

(Amounts expressed in thousands of escudos)

31.12.2023					
Segment /Ratio	Number of Properties	Exposure with low credit risk	Exposures with significant increase in credit risk	Exposures when there's impairment	Impairment
Constructions and CRE					
< 100%	0	-	-	-	-
<= 125% e > 100%	0	-	-	-	-
<= 150% e > 125%	0	-	-	-	-
>= 150%	2	9 631	1 801	-	313
No associated collateral		-	169	-	6
Corporate					
< 100%	0	1 898 053	-	-	7 324
<= 125% e > 100%	0	193 961	3 361 381	-	-
<= 150% e > 125%	1	165 000	251 258	-	7 832
>= 150%	2	40 212	-	6 006	183
No associated collateral		816 780	-	1 502	35 209
Mortgage					
< 100%	2	26 306	-	-	20
<= 125% e > 100%	9	62 750	-	-	40
<= 150% e > 125%	8	43 200	-	-	9
>= 150%	99	406 166	-	22 656	409
No associated collateral		-	-	-	-
Individual					
< 100%	-	11 137	-	-	0
<= 125% e > 100%	-	3 788	-	-	0
<= 150% e > 125%	-	4 755	-	-	0
>= 150%	2	20 620	-	-	935
No associated collateral		28 348	2 894	103	381
Total	125	3 217 360	3 617 504	30 267	52 661

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 18: Repurchase Agreement Assets

As at December 31, 2024, the Bank had CVE 1.13 million (2023: 1.04 million) in securities in its portfolio assigned with a repurchase agreement, classified as a money market instrument.

NOTE 19: Other Tangible Assets

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Real Estate		
Buildings	214 972	212 827
Works in rented properties	38 352	38 352
	253 324	251 178
Equipment		
Furniture and supplies	45 518	50 357
IT equipment	50 707	47 665
Interior installations	18 169	17 840
Safety equipment	12 446	12 446
Machinery and tools	11 922	10 358
Transportation equipment	6 737	6 737
	145 500	145 403
Assets under operating lease		
Equipment	18 190	11 861
Right-of-use assets	-	13 790
	18 190	25 650
Tangible assets in progress		
Equipment	4 290	5 854
Real state	451	451
	4 740	6 304
Depreciation	(255 089)	(229 819)
Impairment	-	-
Total	166 665	198 718

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	Balances at 31.12.23			Movements in 2024							Balances at 31.12.24		
	Gross Value	Accumulated amortization	Net value	Acquisitions/ Revaluations	Transfers	Adjustments		Abates		Depreciation for the period	Gross Value	Accumulated depreciation	Net value
						Valor Imob.	Deprec	Valor Imob.	Amortiz.				
Real Estate													
Buildings	212 827	94 578	118 249	2 145	-	-	-	-	-	10 979	214 972	105 557	109 415
Works in rented properties	38 352	29 360	8 992	-	-	-	-	-	-	1 571	38 352	30 931	7 421
	251 179	123 938	127 241	2 145	-	-	-	-	-	12 550	253 324	136 488	116 836
Equipment													
Transportation equipment	6 738	4 185	2 553	-	-	-	-	-	-	760	6 738	4 945	1 793
Furniture and supplies	50 357	36 827	13 530	319	-	(5 158)	86	-	-	3 602	45 518	40 343	5 175
IT equipment	47 665	30 729	16 935	3 042	-	-	-	-	-	5 255	50 707	35 984	14 723
Interior installations	17 840	14 255	3 585	329	-	-	-	-	-	827	18 169	15 082	3 087
Safety equipment	12 446	11 073	1 373	-	-	-	-	-	-	1 271	12 446	12 344	102
Machinery and tools	10 358	8 811	1 547	-	1 564	-	-	-	-	1 091	11 922	9 902	2 020
	145 404	105 881	39 523	3 691	1 564	(5 158)	86	-	-	12 806	145 500	118 601	26 899
Assets under operating lease													
Equipment	23 220	8 909	14 311	11 400	-	(2 450)	-	-	-	5 071	32 170	13 981	18 189
Right-of-use assets	16 068	4 728	11 340	-	-	2 450	-	18 518	4 728	-	-	-	-
	39 288	13 638	25 650	11 400	-	-	-	18 518	4 728	5 071	32 170	13 981	18 189
Tangible assets in progress													
Equipment	5 854	-	5 854	-	(1 564)	-	-	-	-	-	4 290	-	4 290
Works in rented properties	451	-	451	-	-	-	-	-	-	-	451	-	451
	6 304	-	6 304	-	(1 564)	-	-	-	-	-	4 740	-	4 740
	442 175	229 819	198 718	17 236	-	(5 158)	86	-	-	30 428	435 735	255 089	166 665

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	Balances at 31.12.22			Movements in 2023				Balances at 31.12.23		
	Gross Value	Accumulated amortization	Net value	Acquisitions/ Revaluations	Transfers	Adjustments to Property Value	Depreciation for the period	Gross Value	Accumulated depreciation	Net value
Real Estate										
Buildings	212 827	83 542	129 285	-	-	-	11 036	212 827	94 578	118 249
Works in rented properties	38 352	27 784	10 568	-	-	-	1 577	38 352	29 360	8 992
	251 178	111 325	139 853	-	-	-	12 612	251 179	123 938	127 241
Equipment										
Transportation equipment	6 738	3425	3 313	-	-	-	760	6 738	4 185	2 553
Furniture and supplies	44 726	33 103	11 623	5 631	-	-	3 724	50 357	36 827	13 530
IT equipment	31 895	24 775	7 120	4 568	11 201	-	5 954	47 665	30 729	16 935
Interior installations	17 061	13 394	3 667	390	390	-	861	17 840	14 255	3 585
Safety equipment	12 446	9 668	2 778	-	-	-	1 405	12 446	11 073	1 373
Machinery and tools	10227	7 681	2 546	131	-	-	1 130	10 358	8 811	1 547
	123 093	92 047	31 046	10 720	11 591	-	13 834	145 404	105 881	39 523
Assets under operating lease										
Equipment	23 220	4 629	18 591	-	-	-	4 280	23 220	8 909	14 311
Right-of-use assets	18 518	2 143	16 375	-	-	(2 450)	2 586	16 068	4 728	11 340
	41 738	6 772	34 966	-	-	(2 450)	6 866	39 288	13 638	25 651
Tangible assets in progress										
Equipment	15 828	-	15 828	1 756	(11 591)	(140)	-	5 854	-	5 854
Works in rented properties	515	-	515	-	-	(64)	-	451	-	451
	16 343	-	16 343	1 756	(11 591)	(204)	-	6 304	-	6 304
	432 353	210 144	222 208	12 476	-	(2 654)	33 312	442 175	229 819	198 718

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 20: Intangible Assets

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Automatic information processing systems (software)	222 620	220 536
Intangible assets in progress	700	700
Amortization	(211 079)	(204 579)
Impairment	(489)	(4 329)
Total	11 752	12 328

Intangible assets in progress represent the cost incurred with developments to improve the core system in use by the bank, in order to meet specific needs.

The change in this item, as at December 31, 2024, was as follows:

(Amounts expressed in thousands of escudos)

	Balances at 31.12.23			Moviments in 2024			Balances at 31.12.24				
	Gross Value	Accumulated amortization	Accumulated impairment	Net value	Acquisitions	Amortizações do exercício	Impairment	Gross Value	Accumulated amortization	Accumulated impairment	Net value
Software	220 536	204 583	4 325	11 628	2 084	6 500	(3 840)	222 620	211 083	485	11 052
Software (in progress)	700	-	-	700	-	-	-	700	-	-	700
	221 236	204 583	4 325	12 328	2 084	6 500	(3 840)	223 320	211 083	485	11 752

As at December 31, 2023, it was as follows:

(Amounts expressed in thousands of escudos)

	Balances at 31.12.22			Moviments in 2023			Balances at 31.12.23				
	Gross Value	Accumulated amortization	Accumulated impairment	Net value	Acquisitions	Amortizações do exercício	Impairment	Gross Value	Accumulated amortization	Accumulated impairment	Net value
Software	209 188	198 614	7 574	3 000	11 348	5 969	(3 249)	220 536	204 579	4 329	11 628
Software (in progress)	700	-	-	700	-	-	-	700	-	-	700
	209 888	198 614	7 574	3 700	11 348	5 969	(3 249)	221 236	204 579	4 329	12 328

NOTE 21: Current and Deferred Tax Assets and Liabilities

Current income tax is reflected in income for the year, except in cases where the transactions that gave rise to it have been reflected in other equity items. In these situations, the corresponding tax is also reflected against equity, not affecting the income for the year.

The current tax for the year ended December 31, 2024 was calculated based on a 21.42% rate (2023: 22.44%), comprising a nominal IRPC rate and Fire Protection Fee, in accordance with Law no. 82/ VIII/2014, dated January 8, 2015.

The Bank's IRPC self-assessment is subject to inspection and possible adjustment by the Tax Authorities, for a period of three years. Thus, possible additional tax assessments may take place, essentially due to different interpretations of tax legislation.

However, the Bank's Executive Board is convinced that, in the context of its financial statements, there will be no additional charges of significant value.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024		31.12.2023	
	Asset	Liability	Asset	Liability
Current Tax Assets and Liabilities	90 491	(28 098)	68 101	(120 425)
Income Tax (IRPC) - estimate	17 707	(28 098)	57 664	(120 425)
Payment on account	72 784	-	10 437	-

The tax rate reconciliation can be analyzed as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Income before tax	426 116	768 219
Tax Rate	21,42%	22,44%
Theoretical IRPC cost	91 274	172 388
Efeito dos custos não dedutíveis		
Other costs / deductions	(55 781)	(62 096)
Deductible tax losses	-	-
Tax benefits	(7 559)	(22 133)
Current income tax for the year	27 934	88 160
Autonomous taxation	163	111
Income tax	28 098	88 271
Effective tax rate	6,6%	11,5%

Deferred tax assets are recorded as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	Moviments in 2024		31.12.2023
		Recognized in Income	Recognized in Reserves	
Balance				
Deferred tax assets	30 076	-	24 464	5 612
Deferred tax liabilities	-	-	-	-
Reserves	10 080	-	(13 385)	23 465
Deferred Tax Expenses	5 035	5 035	-	26 349

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 22: Other Assets

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Miscellaneous debtors		
Receivables	278 831	231 455
Assets acquired in own credit recovery	73 572	130 311
Other cash equivalents	-	47 921
Others	880	890
Others administrative expenses	6 634	22 015
Other adjustment accounts	105 617	74 076
Impairment of Assets acquired in own credit recovery	(6 807)	(11 067)
Total	458 728	495 600

The value of Assets acquired in recovery of own credit corresponds to the balance relating to foreclosed properties from 2016 to 2022. The latter are valued in accordance with the accounting policy described in Note 2.2 m).

Changes in the impairment of assets acquired in recovery of own credit are presented as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Initial Balance	11 067	25 468
Reversals	(4 260)	(14 401)
Final Balance	6 807	11 067

The fair value and net book value of foreclosed properties, in 2024 and 2023, by asset type and by age, is presented in the following tables:

(Amounts expressed in thousands of escudos)

Assets	31.12.2024				
	Number of Properties	Fair value of the Asset	Book Value	Impairment	Valor Líquido contabilístico
Constructed building					
Housing	4	46 450	43 801	3 482	40 319
Land					
Rural	-	-	-	-	-
Urban	1	32 000	29 772	3 325	26 446
Total	5	78 450	73 573	6 807	66 765

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

(Amounts expressed in thousands of escudos)

Assets	31.12.2023				
	Number of Properties	Fair value of the Asset	Book Value	Impairment	Valor Líquido contabilístico
Constructed building					
Housing	5	101 340	100 540	7 741	92 798
Land					
Rural	-	-	-	-	-
Urban	1	32 000	29 772	3 325	26 446
Total	6	133 340	130 311	11 067	119 244

(Amounts expressed in thousands of escudos)

Time elapsed since the grant execution	31.12.2024									
	< 1 year		≥ 1 year and < 2.5 years		≥ 2.5 year and < 5 years		> 5 years		Total	
	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value
Constructed building										
Housing	-	-	25 850	22 942	15 600	17 000	5 000	3 859	46 450	43 801
Land										
Rural	-	-	-	-	-	-	-	-	-	-
Urban	-	-	-	-	32 000	29 772	-	-	32 000	29 772
Total	-	-	25 850	22 942	47 600	46 772	5 000	3 859	78 450	73 573

(Amounts expressed in thousands of escudos)

Time elapsed since the grant execution	31.12.2024									
	< 1 year		≥ 1 year and < 2.5 years		≥ 2.5 year and < 5 years		> 5 years		Total	
	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value	Fair value of the Asset	Book Value
Constructed building										
Housing	-	-	-	-	25 850	22 942	75 490	77 598	101 340	100 540
Land										
Rural	-	-	-	-	-	-	-	-	-	-
Urban	-	-	-	-	-	-	32 000	29 771	32 000	29 772
Total	-	-	-	-	25 850	22 942	107 490	107 369	133 340	130 311

NOTE 23: Funds of Central Banks and Other Financial Institutions

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Central Bank Resources	6 202 000	10 009 324
Resources from Other Credit Institutions	8 213 881	6 703 431
Interest	148 441	128 503
Total	14 564 322	16 841 259

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 24: Customer Funds and Other Loans

This item breaks down as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Deposits	13 778 777	16 841 835
Demand Deposit	8 463 662	10 775 582
Time Deposit	5 315 115	6 066 253
Interest	74 490	104 190
Total	13 853 267	16 946 025

Customer Funds by maturity, as at December 31, 2024 and December 31, 2023, are as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Payable on sight	8 463 662	10 775 582
Payable on due date	5 389 605	6 170 443
up to 3 months	1 146 418	1 629 592
3 month to 1 year	1 649 973	3 077 015
1 to 5 year	2 593 214	1 463 836
Total	13 853 267	16 946 025

Customer funds due at maturity were contracted at an average annual rate of 2.26% (December 31, 2024: 2.22%).

NOTE 25: Liabilities Represented by Securities and Subordinated Liabilities

From 2022 to 2024, as part of the national capital market development program, the Bank issued five debt securities, totalling CVE 3.89 billion, with one of the securities maturing in November 2022.

These issues included the first public offerings of Blue Bonds and Green Bonds in Cabo Verde, with an average maturity of 4 years, based on the Bank's sustainability and social responsibility policy, being segmented as follows:

	(Amounts expressed in thousands of escudos)	
	31.12.2024	31.12.2023
Liabilities represented by securities	3 637 669	3 980 682
Sustainable Bonds	960 470	1 260 470
Social bonds	-	300 000
Blue Bonds	350 000	350 000
Green Bonds	610 470	610 470
Senior Bonds	2 400 000	2 400 000
Credit Linked Note	270 400	312 200
Interest	6 799	8 012
Subordinated liabilities	234 025	234 025
Subordinated Bonds	230 000	230 000
Interest	4 025	4 025
Total	3 871 694	4 214 707

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

The Blue and Green Bonds were issued with the participation of the United Nations Development Program (“UNDP”) and the Joint SDG Fund, called the “iib Marine and Ocean-based Blue Bond” and the “iib Renewable and Energy-Efficiency Green Bond, respectively.” The purpose of the Blue Bonds is to enable the financing of structural projects, as well as the development and financial inclusion of small entrepreneurs in coastal communities, while the Green Bonds, which allocate part of the funds to support the Agostinho Neto University Hospital, aim to support energy transition-related projects.

(Amounts expressed in thousands of escudos)

Title	Description	Designation	Date of Issuance	Due Date	Amortization Type	Intereste Payment Frequency	Interest Rate	Balance Amount	Nominal Value
Subordinated Bonds	Bond Série A (TD + 3,25%)	iib Subordinated Participation Bond Série A (TD + 3,25%) - 2022 2032	10-ago-2022	10-ago-2032	At Maturity	Semi-annual	3,50%	234 025	230 000
Credit Linked Note	CLN Série A (5% TANB) - 2022 2027	iib PRAE - Programa de Apoio à Economia Série A (5% TANB) - 2022 2027	30-nov-2022	01-dez-2027	Quarterly	Quarterly	5,00%	125 940	209 000
Senior Unsecured Bonds	Bond Série C (3%) - 2022 2025	iib 3S Senior Bond Série C (3%) - 2022 2025	28-dez-2022	28-dez-2025	At Maturity	Annual	3,00%	2 400 600	2 400 000
Blue Bond	iib Blue Bond D - 4% - 2023 2028	iib Marine and ocean-based Blue Bond Série D - 4% 2023 2028	01-mar-2023	01-mar-2028	Maturity	Semi-annual	4,00%	354 706	350 000
Credit Linked Note	CLN - iib PRAE B - 2023 2027	iib PRAE - Programa de reestruturação e apoio à economia Série B (4% TANB) - 2023 2027	08-set-2023	08-set-2027	Maturity	Quarterly	4,00%	145 573	145 000
Green Bond	iib Green Bond E-3,5 - 2023 2026	iib Renewable and energy efficiency Green Bond Série E 3,5% 2023 2026	28-dez-2023	28-dez-2026	Maturity	Semi-annual	3,50%	610 651	610 470

NOTE 26: Provisions

(Amounts expressed in thousands of escudos)

Provisions for Assumed Commitments
Provisions for Tax Contingencies

Total

	31.12.2024	31.12.2023
Provisions for Assumed Commitments	168	1 872
Provisions for Tax Contingencies	-	75 337
Total	168	77 208

The changes in provisions are presented as follows:

(Amounts expressed in thousands of escudos)

Initial Balance
Reversals
Utilizations
Allocations
Final Balance

	31.12.2024	31.12.2023
Initial Balance	77 208	2 263
Reversals	(13 632)	(583)
Utilizations	(63 700)	-
Allocations	291	75 529
Final Balance	168	77 208

The portfolio guarantee coverage (see Note 31) is summarized as follows:

(Amounts expressed in thousands of escudos)

Guarantees Granted
Provisions

Coverage Ratio

	31.12.2024	31.12.2023
Guarantees Granted	45 718	599 666
Provisions	168	77 208
Coverage Ratio	0,37%	12,88%

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 27: Other Liabilities

This item breaks down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Costs payable		
Administrative costs	12 169	5 811
IT services	4	-
Audit and consulting services	5 749	4 597
Other Administrative costs	6 416	1 214
Staff costs	17 315	30 323
Lease liabilities	19 321	26 762
Miscellaneous creditors		
General Government sector	31 288	40 635
Other creditors	6 656	44 456
Transfers issued to offset	19 979	19 850
Other adjustment accounts	959	18 276
Total	107 686	186 115

Lease liabilities represent the recognition of lease liabilities related to lease agreements, as a result of the adoption of IFRS 16.

NOTE 28: Capital

The Bank's share capital amounts to CVE 1.433 billion (equivalent to 1,433,000 shares) and is fully paid-up, being 100% held by iib Group Holding WLL.

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Subscribed Capital	1 433 000	1 433 000
Of which common stock	1 433 000	1 433 000

NOTE 29: Revaluation Reserves

This item includes the revaluation of securities at fair value, as well as the revaluation of tangible assets, namely computer equipment, machines and tools. It also includes impairment of Securities, using the Other Comprehensive Income (OCI) method.

(Amounts expressed in thousands of escudos)

	31.12.2024	Movimientos 2024	31.12.2023
Fair value of securities	86 388	(86 233)	172 620
Impairment of securities - OCI	(37 529)	30 522	(68 05)
Revaluation of Non-Financial Assets	233		233
Other Revaluation Reserves	880		880
Deferred Taxes securities Impairment	23 897	(6 799)	30 696
Deferred Taxes Securities	(33 977)	20 184	(54 16)
Total	39 892	(42 326)	82 218

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

NOTE 30: Other Reserves and Retained Earnings

This item includes legal reserves (10%) and other reserves (90%), arising from the transfer of income from previous years, broken down as follows:

(Amounts expressed in thousands of escudos)

	Other Reserves and Retained Earnings			
	Legal Reserve	Other Reserves	Retained Earnings	Total
Balance as at December 2022	93 716	370 476	(117 583)	346 609
Transfer of Income to Reserves	43 314	389 826	-	433 140
Other movements	-	-	-	-
Balance as at December 2023	137 030	760 302	(117 583)	779 749
Transfer of Income to Reserves	67 119	604 072	-	671 191
Other movements	-	-	-	-
Balance as at December 2024	204 149	1 364 374	(117 583)	1 450 940

The legal reserve can only be used to cover accumulated losses or to increase capital. The legislation applicable to the banking sector requires that the legal reserve be credited annually with at least 10% of annual net profit, up to the amount of share capital.

NOTE 31: Contingent Liabilities and Commitments

Contingent liabilities and commitments related to the Bank's activities are recorded in off-balance sheet items and break down as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Guarantees provided	45 718	599 666
Total	45 718	599 666

NOTE 32: Related Party Transactions

The amount of the Bank's transactions with related parties in the years ended December 31, 2024 and 2023, as well as the respective costs and income recognized in the year, is summarized as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024				31.12.2023			
	Assets	Liabilities	Earnings	Costs	Assets	Liabilities	Earnings	Costs
Shareholder								
Novo Banco, S.A.	-	-	17 405	-	4 722 635	-	35 642	-
IIBG Holdings WLL	233 119	109 120	-	-	168 545	14 137	-	-
Other related parties								
IIB Djibouti	636 254	533 036	2 373	66	10	6 487	-	-
IIB Limited (Bahamas)	4 350 661	38	149 254	167 100	4 858 100	303	163 449	119 680
IIB System	-	-	-	-	14 215	-	-	1 594
Total	5 220 034	642 194	169 032	167 166	9 763 505	20 928	199 091	121 274

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

The assets on the balance sheet regarding related parties, included in the table above, essentially refer to deposits and investments in foreign currency in these entities, which bear interest at current market rates.

In addition, as at December 31, 2024, the Bank had a receivable of CVE 233 million, arising from payments on behalf of other entities of the group.

NOTE 33: Fair Value of Financial Assets and Liabilities

The fair value of financial assets and liabilities measured at the Balance Sheet's fair value, as at December 31, 2024 and 31 December 2023, is as follows:

(Amounts expressed in thousands of escudos)

31.12.2024			
Valued at Fair Value			
Market Quotes (Level 1)	Valuation models with observable market parameters/prices (Level 2)	Valuation models with non-observable market parameters (Nível 3)	Total Fair Value
Financial Assets at Fair Value through Other Comprehensive Income			
Cabo Verde Treasury Bonds	-	9 227 060	-
-	-	-	9 227 060
Other financial assets at fair value through profit or loss			
Corporate Bonds	-	3 865 307	-
-	-	-	3 865 307
-	9 227 060	3 865 307	13 092 367

(Amounts expressed in thousands of escudos)

31.12.2023			
Valued at Fair Value			
Market Quotes (Level 1)	Valuation models with observable market parameters/prices (Level 2)	Valuation models with non-observable market parameters (Nível 3)	Total Fair Value
Financial Assets at Fair Value through Other Comprehensive Income			
Cabo Verde Treasury Bonds	-	11 167 887	-
-	-	-	11 167 887
Other financial assets at fair value through profit or loss			
Corporate Bonds	-	3 608 086	-
-	-	-	3 608 086
-	11 167 887	3 608 086	14 775 973

The Bank's assets and liabilities at fair value are valued according to the following hierarchy, in accordance with IFRS 13 – Fair Value Measurement:

Market quote values (Level 1)

This category includes financial instruments with quotes available on official markets and those where there are entities that routinely disclose transaction prices for such instruments traded on liquid markets.

Valuation methods with observable market parameters/prices (Level 2)

This category includes financial instruments valued using internal models, namely discounted cash flow and option valuation models, which imply the use of estimates and require judgments that vary according to the complexity of the products being valued. Nevertheless, the Bank uses variables made available by the market as inputs in its models, such as interest rate curves, credit spreads, volatility and price indices. It also includes instruments whose valuation is obtained through quotes disclosed by independent entities, but whose markets have lower liquidity.

Additionally, the Bank uses as observable market variables, those that result from transactions with similar instruments and that are recurring in the market.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Valuation methods with non-observable market parameters (Level 3)

This level includes valuations determined using internal valuation models or quotes provided by third parties, but whose parameters are not observable in the market. The foundations and assumptions for calculating fair value are in accordance with the principles of IFRS 13.

Financial instruments at amortized cost

The following table presents an analysis of the categories of financial instruments recognized at amortized cost in the financial statements with reference to December 31, 2024 and December 31, 2023:

(Amounts expressed in thousands of escudos)

	31.12.2024				
	Assets/Liabilities recorded at amortized cost	Market Quotes (Level 1)	Valuation models with observable market parameters/prices (Level 2)	Valuation models with non-observable market parameters (Level 3)	Total Fair Value/Valor
Assets					
Cash and balances in central Banks	1 005 316	-	1 005 316	-	1 005 316
Cash equivalents at other credit institutions	3 684 967	-	3 684 967	-	3 684 967
Investments in credit institutions	9 569 714	-	9 569 714	-	9 569 714
Customer loans	6 514 236	-	-	6 514 236	6 514 236
	20 774 233	-	14 259 997	6 514 236	20 774 233
Liabilities					
Central banks' funds	6 306 645	-	-	6 306 645	6 306 645
Funds of other credit institutions	8 257 679	-	-	8 257 679	8 257 679
Customer funds and other loans	13 853 268	-	-	13 853 268	13 853 268
	28 417 592	-	-	28 417 592	28 417 592

(1) - Assets at acquisition cost, net of impairment. These assets refer to unquoted equity and debt instruments for which no recent market transactions have been identified, and their fair value cannot be reliably estimated.

(Amounts expressed in thousands of escudos)

	31.12.2023				
	Assets/Liabilities recorded at amortized cost	Market Quotes (Level 1)	Valuation models with observable market parameters/prices (Level 2)	Valuation models with non-observable market parameters (Level 3)	Total Fair Value
Assets					
Cash and balances in central Banks	817 943	-	817 943	-	817 943
Cash equivalents at other credit institutions	4 160 069	-	4 160 069	-	4 160 069
Investments in credit institutions	12 272 993	-	12 272 993	-	12 272 993
Customer loans	7 431 368	-	-	7 431 368	7 431 368
	24 682 373	-	17 251 005	7 431 368	24 682 373
Liabilities					
Central banks' funds	10 110 108	-	-	10 110 108	10 110 108
Funds of other credit institutions	6 731 151	-	-	6 731 151	6 731 151
Customer funds and other loans	16 946 025	-	-	16 946 025	16 946 025
	33 787 284	-	-	33 787 284	33 787 284

The main methodologies and assumptions used to estimate the fair value of financial assets and liabilities recorded in the balance sheet at amortized cost are analysed as follows:

Cash and Cash Equivalents at Central Banks, Cash Equivalents at Other Credit Institutions and Investments in Credit Institutions

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Customer Loans

The fair value of customer loans is estimated based on the updated expected cash flows from principal and interest, considering that the payments are made on the contractually stipulated dates. The expected future cash flows from homogeneous loan portfolios, such as mortgage loans, are estimated on a portfolio basis.

The discount rates used are the current rates for similar loans, which have not changed significantly since the time the current agreements were signed.

Central bank funds and Funds of other credit institutions

These are short-term liabilities, so the balance sheet value is a reasonable estimate of their fair value.

Customer Funds and Other Loans

The fair value of these financial instruments is estimated based on the updated expected cash flows from principal and interest. The discount rate used reflects the rates applied on deposits with similar characteristics at the balance sheet date. Considering that the applicable interest rates are renewed for periods of less than one year, there are no material differences in their fair value.

NOTE 34: Activity Risk Management

Given the uncertainties generated by the Covid-19 pandemic and the increased risks associated with banking, combined with the contraction of the economy, it has become challenging to effectively measure the Bank's risks, which directly impacted the granting of new loans, maintaining portfolio quality and, at the same time, managing to preserve the soundness and profitability of banking products.

The Risk Management Department, one of the Bank's main lines of defense, is responsible for identifying and monitoring the risks that threaten its activities, developing tools to measure them, establishing and monitoring exposure limits, in order to ensure adequate risk coverage and provide stakeholders with a comprehensive view of the institution's risk profile.

Risk Management activities are governed by principles aligned with the Bank's strategy and business model, namely the Department's independence from the Business Units, support for effective decision-making on the risks associated with activities and operations, always ensuring adequate risk control.

libCV's Risk Management model is in line with international best practice and in harmony with the Board's guidelines regarding exposure levels, taking into account the Regulator's requirements and recommendations, as set out in Notice no. 02/2013.

The Bank is exposed to various risks arising from the use of financial instruments, which are analyzed below:

Credit Risk

Credit risk results from the probability of financial losses resulting from total or partial default by a customer or counterparty with respect to contractual obligations established with the Bank, as part of its credit activity, and is controlled by the Overall Risk Department, which is responsible for systematically monitoring all contracted operations, in conjunction with the other units of the Bank and Group.

This method helps to identify the main default triggers in a timely manner, enabling an adequate monitoring of the risk in the loan portfolio, given that the credit risk management function intervenes in all processes that involve this risk, namely by analyzing, approving and contracting credit operations; accounting for operations; monitoring loan agreements; identifying customers at risk (default); controlling and updating the amount of guarantees received; designing risk models; calculating provisions and portfolio impairment; producing and reporting credit data and statistics, culminating in the process of recovering overdue loans.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

The loan portfolio is continuously monitored, emphasizing interaction between the teams involved throughout the successive stages of the credit process.

This approach is reinforced by the introduction of successive improvements, both in terms of risk assessment and control methodologies and tools and in terms of procedures and decision circuits, in partnership with the Group.

The Bank's credit risk profile, namely with regard to the evolution of credit exposures and possible losses, is monitored periodically by a committee.

Regarding the Bank's maximum exposure to credit risk, the table below shows the position at the end of the year:

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Cash equivalents and investments in credit institutions	14 259 999	17 251 006
Financial assets held for trading	10 000	70 000
Other financial assets at fair value through profit or loss	3 865 307	3 608 086
Financial Assets at Fair Value through Other Comprehensive Income	9 227 060	11 167 887
Assets with repurchase agreement	1 132 609	1 043 190
Customer loans	6 514 236	7 431 368
Other assets	73 572	130 311
Guarantees and sureties provided	45 718	599 666
Total	35 128 500	41 301 514

For financial assets recognized in the balance sheet, the maximum exposure to credit risk is represented by the book value net of impairment. For off-balance sheet items, the maximum exposure for guarantees is the maximum amount that the Bank would have to pay if the guarantees were called. For loan commitments and other irrevocable loan-related commitments, the maximum exposure is the total amount of commitments undertaken.

In 2024, impairment by asset class was as follows:

(Amounts expressed in thousands of escudos)

	31.12.2024				
	Corporate (Funding)	Mortgage loans	Consumer	Public Sector	Total
Impairment of initial loans	81 215	(29 922)	1 311	57	52 661
Addition/Reversal in the period	(14 494)	307	677	-	(13 510)
Use in the period	-	(101)	-	-	(101)
Final loan impairment	66 721	(29 716)	1 988	57	39 050

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

In 2023, impairment by asset class was as follows:

(Amounts expressed in thousands of escudos)

	31.12.2023				
	Corporate (Funding)	Mortgage loans	Consumer	Public Sector	Total
Impairment of initial loans	89 156	786	1 558	76	91 576
Addition/Reversal in the period	(7 941)	(30 897)	(247)	-	(39 104)
Use in the period	-	(173)	-	(19)	(173)
Other movements	-	362	-	-	362
Final loan impairment	81 215	(29 922)	1 311	57	52 661

As at December 31, 2024, the loan portfolio quality was as follows:

(Amounts expressed in thousands of escudos)

	Corporate	Individuals Mortgage	Consumer	Total
Not overdue with impairment	5 309 796	494 251	68 711	5 872 759
Overdue loans with impairment	519 308	55 958	20 083	595 348
Less than 30 days	506 711	27 210	19 414	553 335
30 to 90 days	-	6 091	346	6 437
91 to 180 days	338	-	157	495
181 to 360 days	2 980	-	33	3 012
Over 360 days	9 279	22656	133	32 069
Total	5 829 104	550 209	88 794	6 468 107

As at December 31, 2023, the loan portfolio quality was as follows:

(Amounts expressed in thousands of escudos)

	Corporate	Individuals Mortgage	Consumer	Total
Not overdue with impairment	1 727 770	493 220	66 723	2 287 713
Overdue loans with impairment	5 017 985	67 858	4 921	5 090 764
Less than 30 days	1 395 867	45 202	1 924	1 442 993
30 to 90 days	3 614 610	-	2 894	3 617 504
91 to 180 days	-	4 321	-	4 321
181 to 360 days	-	-	-	-
Over 360 days	7 508	18 335	103	25 946
Total	6 745 755	561 078	71 644	7 378 477

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Market Risk

Market risk encompasses three different risks (interest rate, liquidity and foreign exchange risk) and generally represents a possible loss resulting from an adverse change in the value of a financial instrument, such as changes in interest rates, exchange rates, share and commodity prices, volatility or credit spread.

Market risk management is integrated into balance sheet management, based on the risk appetite policy. This method is responsible for providing elements for setting balance sheet allocation and structuring policies, as well as for controlling liquidity and exposure to interest rate and foreign exchange risks.

Interest Rate Risk

Interest rate risk results from adverse changes in the interest rates of banking book items. Estimating exposure to interest rate risk implies the classification of all interest rate-sensitive asset, liability and off-balance sheet items, by repricing gap, in accordance with the Bank for International Settlements (BIS) methodology proposed by Banco de Cabo Verde. In addition to this calculation model, the Bank conducts a specific stress test, considering the assumption of massive mobilization of part of customer funds.

libCV's interest rate risk level is not very significant, so hedging operations are carried out with a view to mitigating and controlling liquidity risk.

The Bank has a positive overall repricing gap, a favourable position for income, indicating that a positive change in interest rates would lead to an increase in net interest income.

Foreign Exchange Risk

Foreign exchange risk arises from changes in the exchange rates used to convert banking book items in foreign currency to the base currency (CVE). That is, it is associated with currencies with exchange rate volatility against the Cabo Verde escudo (CVE), particularly the US dollar (USD), whose value is more volatile and in relation to which the Bank has a positive matching. In terms of foreign exchange position, this means that it has a higher volume of exchange rate-sensitive assets than liabilities, making it more capable of hedging this risk.

The risk that the US Dollar (USD) represents is 100% hedged by foreign exchange trading (buying/selling foreign currency) with other financial institutions, in order to keep the foreign exchange position in that currency balanced or at minimum and low risk levels, giving the Bank an overall low risk profile with regard to foreign exchange exposure.

Liquidity Risk

Liquidity risk results from the institution's potential inability to finance assets, when the required liabilities are fulfilled on the due dates, and from the existence of potential difficulties in settling positions in the portfolio without incurring significant losses. With regard to monitoring, deposit and loan concentration are continuously controlled and the loan-to-deposit (LtD) ratio is monitored, with the position of different currencies being calculated on a daily basis, which helps to permanently quantify and mitigate liquidity risk and foreign currency exposure.

The purpose of controlling liquidity levels is to maintain a level of available funds to meet short, medium and long-term financial needs, systematically seeking to assess overall exposure to liquidity risk, by preparing daily cash flow information which, in addition to identifying negative mismatches, helps to determine elements to hedge them in a timely manner.

The liquidity risk assessment revealed a high overall liquidity level (low risk), with a positive gap, which shows the Bank's solidity and ability to finance its activities. The overall 49% LtD confirms the Bank's level of available funds to fulfill its responsibilities.

The Bank currently has a significant portfolio of liquid or liquidable assets in the very short-term, essentially concentrated in Investments in credit institutions (see Note 13), to cover the nature and duration of its liabilities.

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

As at December 31, 2024, the contractual residual maturities of the financial instruments were as follows:

(Amounts expressed in thousands of escudos)

	Up to 3 months	3 months to 1 year	1 to 5 year	Over 5 years or indefinite	Total
Assets	14 234 846	4 009 342	13 091 981	4 131 768	35 467 937
Cash and balances in central banks	1 005 316	-	-	-	1 005 316
Cash equivalents at other credit institutions	3 684 967	-	-	-	3 684 967
Financial assets held for trading	-	-	10 000	-	10 000
Other financial assets at fair value through profit or loss	-	-	963 631	2 901 676	3 865 307
Financial Assets at Fair Value through Other Comprehensive Income	1 362 885	1 244 463	6 619 712	-	9 227 060
Assets with repurchase agreement	-	881 492	100 455	150 662	1 132 609
Investments in credit institutions	8 035 684	1 534 030	-	-	9 569 714
Customer loans	105 981	349 071	4 979 754	1 079 431	6 514 236
Other assets	40 013	285	418 429	-	458 728
Liabilities	17 836 021	8 822 968	5 503 957	234 025	32 396 971
Central banks' funds	1 543 489	3 108 803	1 654 354	-	6 306 645
Funds of other credit institutions	6 601 701	1 655 977	-	-	8 257 678
Customer funds and other loans	9 610 081	1 649 973	2 593 214	-	13 853 268
Liabilities represented by securities	-	2 400 600	1 237 069	-	3 637 669
Subordinated liabilities	-	-	-	234 025	234 025
Other liabilities	80 750	7 615	19 321	-	107 686
Off-balance guarantees	46 551	-	-	-	46 551
Spread / Gap	(3 647 726)	(4 813 626)	7 588 023	3 897 743	3 024 414
Spread / Cumulative Gap	(3 647 726)	(8 461 353)	(873 329)	3 024 414	-

Despite the negative Gap in intermediate intervals, based on historical performance, there is, on the one hand, an expectation of renewal of a significant part of liabilities, namely customers' demand deposits and, on the other hand, cancellation of liabilities represented by securities, namely the maturity of securities issued by the Bank.

As at December 31, 2023, the contractual residual maturities of the financial instruments were as follows:

(Amounts expressed in thousands of escudos)

	Up to 3 months	3 months to 1 year	1 to 5 year	Over 5 years or indefinite	Total
Assets	15 986 224	5 885 741	12 048 820	7 146 351	41 067 136
Cash and balances in central banks	817 943	-	-	-	817 943
Cash equivalents at other credit institutions	4 160 069	-	-	-	4 160 069
Financial assets held for trading	-	-	70 000	-	70 000
Other financial assets at fair value through profit or loss	-	-	843 218	2 764 868	3 608 086
Financial Assets at Fair Value through Other Comprehensive Income	-	2 554 457	6 733 859	1 879 571	11 167 887
Assets with repurchase agreement	-	441 510	601 680	-	1 043 190
Investments in credit institutions	10 427 779	1 845 214	-	-	12 272 993
Customer loans	580 433	911 706	3 800 062	2 139 167	7 431 368
Other assets	-	132 855	-	362 745	495 600
Liabilities	16 761 418	6 707 503	14 485 160	234 025	38 188 106
Central banks' funds	485 181	3 381 333	6 243 594	-	10 110 108
Funds of other credit institutions	6 731 151	-	-	-	6 731 151
Customer funds and other loans	9 358 971	3 025 059	4 561 995	-	16 946 025
Liabilities represented by securities	-	301 111	3 679 571	-	3 980 682
Subordinated liabilities	-	-	-	234 025	234 025
Other liabilities	186 115	-	-	-	186 115
Off-balance guarantees	46 551	487 520	65 595	-	599 666
Spread / Gap	(821 745)	(1 309 282)	(2 501 935)	6 912 326	2 279 364
Spread / Cumulative Gap	(821 745)	(2 131 027)	(4 632 961)	2 279 364	-

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Operational Risk

Operational risk is defined as the probability of events occurring, with negative impacts on income or capital, resulting from the inadequacy or deficiency of procedures, information systems, people's behavior or external events, falling into the following types: operational, information systems, compliance and reputational.

Operational risk management is based on principles and strategies established by the Bank, on a code of conduct and on operational risk policies and standards, through the analysis of a catalog of processes, timely communication of risk events and consequent development of measures to improve the deficiencies detected.

As operational risk manager, the Overall Risk Department is responsible for identifying, assessing and reporting risk events, whether of internal or external origin and, in collaboration with the heads of other organizational units, develop and implement measures to improve processes and mitigate risk.

The responsibility for controlling operational risk is shared among all the Bank's employees, so that they cooperate in monitoring and identifying risk factors and weaknesses in the processes of their respective units, reporting incidents to the Risk Department.

During the year just ended, there were few operational risk events, related to failures in the implementation of processes, with an immaterial financial impact on the Bank's income. Additionally, improvements were made to the design of processes and procedures, and the control of the main risk indicators became more efficient.

Equity Management and Solvency Ratio

The primary goal of the Bank's capital management is to ensure compliance with the institution's strategic capital adequacy objectives, respecting and enforcing the minimum capital requirements laid down by the supervisory authorities.

The Executive Board is responsible for defining the strategy to be adopted with regard to capital management, being part of the overall definition of the Bank's objectives.

In prudential terms, the Bank is subject to supervision by Banco de Cabo Verde, which establishes the rules to be observed by various institutions under its supervision. These rules determine a minimum equity ratio that institutions must comply with, in relation to the requirements demanded by the risks assumed, materialized through Notice no. 03/2007.

The Bank's capital elements are divided into Core Tier I, Tier II and Deductions, with the following composition:

- **Capital considered as Core Tier I:** This category essentially includes paid-up statutory capital, eligible reserves, retained earnings for the period, when certified, and non-controlling interests. Negative fair value reserves associated with shares or other equity instruments, the book value of amounts relating to intangible assets and, when applicable, insufficient provisions and negative income for the period are deducted.
- **Tier I Capital (FPB):** In addition to the amounts considered as Core Tier I, this category includes the amounts accepted by the transitional arrangements provided for in Notice no. 3/2007(5)(4) - not yet recognized impact on core capital subject to transitional arrangements.
- **Tier II Capital (FPC):** It essentially incorporates subordinated debt eligible for positive fair value reserves associated with shares or other equity instruments. Shareholdings in financial institutions and insurance entities are deducted, as is the amount of expected losses for exposures, less the sums of value adjustments and existing provisions, resulting from the application of the IRB method for credit risk.
- **Deductions (D):** They essentially comprise the prudential amortization of foreclosed properties and the part that exceeds the credit risk concentration limits, as provided for in Notice no. 3/2007(12)(d).

NOTE 3: Key Estimates and Judgments used in preparing Financial Statements (Contd.)

Additionally, the composition of the capital base is subject to a set of limits. Thus, prudential rules establish that Tier II capital cannot exceed Tier I capital. In addition, certain components of Tier II capital (called Lower Tier II) cannot exceed 50% of Tier I capital.

(Amounts expressed in thousands of escudos)

	31.12.2024	31.12.2023
Paid-in capital	1 433 000	1 433 000
Positive results carried forward from previous years	779 748	346 609
Positive results for the last fiscal year	671 191	433 140
Provisional positive results for the current fiscal year	392 983	671 191
Sum	3 276 922	2 883 940
Intangible Assets	(11 752)	(12 328)
Negative results carried forward from previous years	-	-
Sum	(11 752)	(12 328)
Core Capital before the Application of the Transitional Rules	3 265 170	2 871 612
Transitional rules set forth in paragraph 5 (4) of notice n° 3/2007 - still unrecognized impact on core capital,	-	-
Eligible Core Capital	3 265 170	2 871 612
Subordinated loans and redeemable preferred shares	230 000	230 000
Other revaluation reserves	38 266	74 577
Additional Equity	268 266	304 577
Equity Before Deductions	3 533 437	3 176 189
Fixed assets received as own credit reimbursement	(49 292)	(86 350)
Equity for Risk Concentration Calculation	3 484 144	3 089 839
Part exceeding the risk concentration limits, paragraph 12(d) of Notice n° 3/2007	-	-
Own Funds	3 484 144	3 089 839
Risk Weighted Assets (including off-balance sheet)	6 292 561	6 280 641
Solvency Ratio	55,4%	49,2%

The Bank calculates the Solvency Ratio in accordance with the Banco de Cabo Verde Notice no. 4/2007, which defines the Solvency Ratio as a function of the ratio between equity and market risks (foreign exchange risk, operational risk, credit risk), in order to monitor the adequacy between the amount of equity and the respective risks inherent to the Bank. Through this Notice, Banco de Cabo Verde establishes minimum solvency levels to be followed by the institutions subject to its supervision.

Thus, Financial Institutions must achieve a Core Tier I Ratio of not less than 12%, calculated as follows:

$$\text{Solvency Ratio} = \frac{\text{Own Funds}}{(\text{VAPRC} + \text{VAPRTC} + \text{VEAPRO})} \times 100$$

Where:

VAPRC – Value of credit risk-weighted assets, including off-balance sheet items, determined in accordance with Annex 1 of the Notice;

VAPRTC – Value of foreign exchange risk-weighted assets, calculated in accordance with Annex 2 of the Notice;

VEAPRO – Equivalent value in operational risk-weighted assets, calculated in accordance with Annex 3 of the Notice.

NOTE 35 – IFRS Disclosures - New Standards as at december 31, 2024

1. Standards, interpretations, amendments and revisions that came into effect during the year

The following standards, interpretations, amendments and revisions endorsed by the European Union were mandatory for the first time in the year beginning on January 1, 2024:

a) IAS 1 (amendment), 'Classification of liabilities as current and non-current' and 'Non-current liabilities with covenants'

These amendments clarify the existing guidelines in IAS 1 regarding the classification of financial liabilities as current or non-current, clarifying that the classification should be based on the entity's right to defer payment at the end of each reporting period.

In particular, the amendments (i) clarify the concept of 'settlement' by stating that if an entity's right to defer settlement of a liability is subject to compliance with future covenants, the entity has the right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period; and (ii) clarify that the classification of liabilities is not affected by the entity's expectation (based on the existence or non-existence of the right, disregarding any probability of exercising or not exercising that right), or by events occurring after the reporting date, such as non-compliance with a covenant.

If the right to defer settlement for at least twelve months is subject to certain conditions being met after the balance sheet date, these criteria do not affect the right to defer settlement for the purpose of classifying a liability as current or non-current.

This amendment is to be applied retrospectively.

b) IAS 7 and IFRS 7 (amendment), 'Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier finance arrangements'

These amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, aim to clarify the characteristics of a supplier finance arrangement and introduce additional disclosure requirements when such arrangements exist.

The disclosure requirements are intended to help financial statement users understand the effects of supplier finance arrangements on the entity's liabilities, cash flows and liquidity risk exposure.

Annual periods beginning on or after January 1, 2024.

c) IFRS 16 (amendment), 'Lease liabilities in sale and leaseback transactions'

This amendment to IFRS 16 - Leases introduces guidance on the subsequent measurement of lease liabilities related to sale and leaseback transactions that qualify as a "sale" in accordance with the principles of IFRS 15, with a greater impact when some or all of the lease payments are variable lease payments that do not depend on an index or a rate.

When subsequently measuring lease liabilities, seller-lessees should determine "lease payments" and "revised lease payments" in such a way that they do not recognize gains/(losses) with respect to the right of use they retain.

This amendment is to be applied retrospectively.

These standards and amendments had no material impact on the Bank's financial statements.

NOTE 35 – IFRS Disclosures - New Standards as at december 31, 2024 (Contd.)

2. Standards, interpretations, amendments and revisions that come into effect in future years

The following standards, interpretations, amendments and revisions, which are mandatory for future financial years, had been endorsed by the European Union by the date these financial statements were approved:

a), IAS 21 (amendment), 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability'

This amendment aims to clarify how to assess the exchangeability of a currency, and how the exchange rate should be determined when it is not exchangeable for a long period.

The amendment specifies that a currency should be considered exchangeable when an entity is able to obtain the other currency within a period that allows for normal administrative management, and through an exchange or market mechanism whereby an exchange transaction creates enforceable rights and obligations.

If a currency cannot be exchanged for another currency, an entity must estimate the exchange rate at the transaction's measurement date. The goal is to determine the exchange rate that would be applicable on the measurement date for a similar transaction between market participants.

The amendments also state that an entity may use an observable exchange rate without making any adjustment.

The amendments are effective for the period beginning on or after January 1, 2025. Early adoption is permitted, but the transition requirements applied must be disclosed.

The Bank did not early apply any of these standards in the financial statements for the twelve-month period ended December 31, 2024. No significant impacts are expected on the financial statements as a result of their adoption.

3. Standards, interpretations, amendments and revisions not yet adopted by the European Union:

The following standards, interpretations, amendments and revisions, which are mandatory for future financial years, had not been endorsed by the European Union by the date these financial statements were approved:

a), IFRS 9 e IFRS 7, 'Classification and Measurement of Financial Instruments'

These amendments result primarily from the IFRS 9 Financial Instruments review project (Post Implementation Review – PIR IFRS 9) and clarify the following aspects relating to financial instruments:

- It clarifies that a financial liability is derecognized on the "settlement date," i.e., when the related obligation is settled, cancelled, expires, or the liability otherwise qualifies for derecognition. However, the possibility is introduced for an entity to choose to adopt an accounting policy that allows it to derecognize a financial liability that is settled through an electronic payment system before the settlement date, provided that certain conditions are met.
- It clarifies how an entity should assess the contractual cash flow characteristics of financial assets that include variables related to environmental, social, and governance (ESG) factors and other similar contingent features.
- It requires additional disclosures for financial assets and liabilities subject to a contingent event (including ESG variables) and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for periods beginning on or after January 1, 2026. Early adoption is permitted.

This amendment is to be applied retrospectively. However, an entity is not required to restate the comparative period, with the potential impacts of applying this amendment recognized in retained earnings in the period in which the amendment is applicable.

NOTE 35 – IFRS Disclosures - New Standards as at december 31, 2024 (Contd.)

b) IFRS 9 e IFRS 7, 'Contracts referencing nature-dependent electricity'

The amendments refer specifically to agreements to purchase renewable energy whose production source is nature-dependent, so that supply cannot be guaranteed at specific times or volumes.

Accordingly, these amendments clarify the application of the 'own use' requirements in energy purchase agreements, as well as the fact that hedge accounting is permitted when such contracts are used as hedging instruments.

The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted, except for the guidance on hedge accounting, which shall be applied prospectively to new hedging relationships designated on or after the date of initial application.

c) Annual Improvements to IFRS (Volume 11)

Improvements are introduced cyclically to clarify and simplify the application of international standards through minor changes considered non-urgent.

The main improvements included in this volume relate to:

- **IFRS 1 (Hedge accounting on first-time adoption of IFRS):** This amendment aims to update the cross-references in paragraphs B5 and B6 of IFRS 1 First-time Adoption of International Financial Reporting Standards to the eligibility criteria for hedge accounting in IFRS 9 for paragraphs 6.4.1(a), (b) and (c).
- **IFRS 7 (Gain or loss on derecognition):** This amendment aims to update the language relating to unobservable market data included in paragraph B38 of IFRS 7 Financial Instruments: Disclosures, as well as to add references to paragraphs 72 and 73 of IFRS 13 - Fair Value Measurement.
- **IFRS 7 (Implementation guidelines):** Various paragraphs relating to the implementation guidelines for IFRS 7 have been amended for consistency and clarity.
- **IFRS 9 (Derecognition of lease liabilities):** This amendment clarifies that when a financial liability is extinguished in accordance with IFRS 9, the lessee shall apply paragraph 3.3.3 of IFRS 9 and recognize the gain or loss resulting from that derecognition.
- **IFRS 9 (Transaction price):** With this amendment, the reference to "transaction price" in paragraph 5.1.3 of IFRS 9 is replaced by "amount determined by applying IFRS 15."
- **IFRS 10 (Determination of a 'de facto' agent):** Amendment made to paragraph B74 of IFRS 10, which clarifies that the relationship described in that paragraph is only one example of several possible relationships between the investor and other parties acting as de facto agents.

The purpose of this amendment is to remove the inconsistency with the requirement in paragraph B73 that an entity should use its judgment in assessing whether other parties may act as 'de facto' agents.

- **IAS 7 (Cost Method):** Replacement of the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the elimination of the definition of "cost method."

The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted.

NOTE 35 – IFRS Disclosures - New Standards as at december 31, 2024 (Contd.)

d) IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18 replaces IAS 1 Presentation of Financial Statements and comes in response to requests from investors seeking information on financial performance.

With the introduction of the new IFRS 18 requirements, investors will have access to more transparent and comparable information on companies' financial performance, with the aim of improving investment decisions.

IFRS 18 essentially introduces three sets of new requirements to improve financial performance disclosure:

- **Comparability of income statements:** IFRS 18 introduces three defined categories for income and expenses – operating, investing, and financing – to improve the structure of income statements and requires all companies to provide new defined subtotals, including operating income. The new structure and subtotals will give investors a consistent starting point for analyzing companies' performance, making it easier to compare them.
- **Transparency in Management-defined performance measures:** IFRS 18 requires additional information to be disclosed on specific company performance indicators related to the income statement, known as Management-defined performance measures.
- **Aggregation and disaggregation of financial statement items:** IFRS 18 provides guidance on how items in the income statement should be aggregated.

IFRS 18 is effective for fiscal years beginning on or after January 1, 2027, and is to be applied retrospectively.

Early adoption is permitted provided that the option is disclosed.

e) IFRS 19, 'Subsidiaries not subject to public financial reporting: Disclosures'

IFRS 19 allows eligible entities to prepare financial statements in accordance with IFRS with fewer disclosure requirements than those required by IFRS, while maintaining the obligation to apply all IFRS measurement and recognition requirements.

The reduction in disclosures set out in IFRS 19 covers most IFRS standards. Entities are eligible if they:

(i) are subsidiaries of a group that prepares consolidated financial statements in accordance with IFRS for public disclosure; and (ii) are not subject to public financial reporting requirements because they do not have listed debt or equity securities, are not in the process of being listed, and their main business is not the holding of assets in trust.

IFRS 19 is effective for annual periods beginning on or after January 1, 2027, and its application is optional.

Early application is permitted. Entities that adopt it early must disclose and align the disclosures in the comparative period with those of the current period.

These standards have not yet been endorsed by the European Union and, as such, were not applied by the Group in the twelve-month period ended December 31, 2024. No significant impacts on the financial statements are expected to result from their endorsement.

NOTE 36 – Events Subsequent

As of the date these Financial Statements, for the year ended December 31, 2024, were approved, the Executive Board was not aware of any events that could materially impact the institution's financial position and business performance.

The Bank is in the process of changing its name to Intercontinental Investment Bank, S.A.

3. Report and Opinion of the Audit Committee

Relatório e Parecer do Conselho Fiscal

Exmos Senhores Acionistas,

1 Nos termos da lei e do mandato que nos conferiram, apresentamos o relatório sobre a atividade fiscalizadora desenvolvida pelo Conselho Fiscal e damos parecer sobre o Relatório de Gestão e as Demonstrações Financeiras apresentados pelo Conselho de Administração do International Investment Bank, SA relativamente ao exercício findo em 31 de dezembro de 2024.

2 Acompanhámos, com a profundidade e a extensão que considerámos adequada, a atividade do Banco. Tomámos conhecimento dos atos de gestão do Conselho de Administração do Banco. Verificámos a regularidade da escrituração contabilística e da respetiva documentação bem como a adequação e eficácia do sistema de controlo interno, do sistema de gestão de risco, da auditoria interna e *compliance*.

3 Acompanhámos igualmente os trabalhos desenvolvidos pela Ernst & Young Audit & Associados – SROC SA Sucursal de Cabo Verde.

4 No âmbito das nossas funções verificámos que:

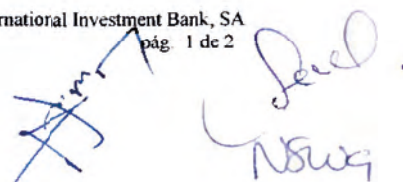
- i) o Balanço (que evidencia um total de ativo de CVE 35.760.603 milhares e um total de capital próprio de CVE 3.316.814 milhares, incluindo um resultado líquido de CVE 392.984 milhares) e as Demonstrações dos Resultados, do Rendimento Integral, das Alterações no Capital Próprio, de Fluxos de Caixa e o correspondente Anexo, permitem uma adequada compreensão da situação financeira do Banco, dos seus resultados, do rendimento integral, das alterações no capital próprio e dos fluxos de caixa;
- ii) as políticas contabilísticas e os critérios valorimétricos adotados são adequados;
- iii) o Relatório de Gestão é suficientemente esclarecedor da evolução dos negócios e da situação do Banco evidenciando os aspetos mais significativos, respeitando os requisitos legais e estatutários da Sociedade;
- iv) a Proposta de Aplicação de Resultados não contraria as disposições legais e estatutárias aplicáveis.

5 O Conselho Fiscal tomou conhecimento do Relatório de Auditoria, sobre as Demonstrações Financeiras do exercício de 2024, emitido sem reservas, com o qual concordamos.

6 De igual modo tomou conhecimento do relatório dos auditores externos sobre as provisões regulamentares mínimas.

Relatório e Parecer do Conselho Fiscal
31 de dezembro de 2024

International Investment Bank, SA
pág. 1 de 2



3. Report and Opinion of the Audit Committee (Contd.)

7 Nestes termos, tendo em consideração as informações recebidas do Conselho de Administração e Serviços e as conclusões constantes do Relatório de Auditoria, somos do parecer que a Assembleia Geral aprove:

- i) o Relatório de Gestão;
- ii) as demonstrações financeiras e respetivas notas anexas;
- iii) seja aprovada a Proposta de Aplicação de Resultado Líquido no exercício de 2024.

8 Finalmente, desejamos expressar o nosso agradecimento ao Conselho de Administração e a todos os colaboradores do Banco com quem contactámos, pela valiosa colabrcção recebida.

08 de Maio de 2025

Presidente do Conselho Fiscal

Ildo Adalberto Lima
Auditor Certificado
Céd.018 OIF: 106447688

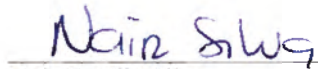
Ildo Adalberto Lima

Vogal



Eunéria Sousa Freitas

Vogal



Nair Cecília Silva

4. External Audit Report



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Relatório do Auditor Independente

RELATO SOBRE A AUDITORIA DAS DEMONSTRAÇÕES FINANCEIRAS

Opinião

Auditámos as demonstrações financeiras anexas do Intercontinental Investment Bank, S.A. (iibCV), que compreendem o Balanço em 31 de dezembro de 2024 (que evidencia um total de 35.760.603 milhares de escudos de Cabo Verde (CVE) e um total de capital próprio de 3.316.814 milhares de CVE, incluindo um resultado líquido de 392.984 milhares de CVE), a Demonstração dos Resultados, a Demonstração do Rendimento Integral, a Demonstração das Alterações nos Capitais Próprios e a Demonstração de Fluxos de Caixa relativas ao ano findo naquela data, e o Anexo às demonstrações financeiras que incluem um resumo das políticas contabilísticas significativas.

Em nossa opinião, as demonstrações financeiras anexas apresentam de forma verdadeira e apropriada, em todos os aspetos materiais, a posição financeira do Intercontinental Investment Bank, S.A. em 31 de dezembro de 2024, o seu desempenho financeiro e fluxos de caixa relativos ao ano findo naquela data, de acordo com os princípios contabilísticos geralmente aceites em Cabo Verde para o setor bancário.

Bases para a opinião

A nossa auditoria foi efetuada 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” deste relatório. Somos independentes do iibCV de acordo com os requisitos do Código de Ética da Ordem Profissional de Auditores e Contabilistas Certificados, o qual foi elaborado em respeito aos princípios e normas do Código de Ética para Contabilistas e Auditores, editada pela Comissão Internacional de Normas de Ética para Contabilistas e Auditores (IESBA), e cumprimos as restantes responsabilidades éticas previstas nesses requisitos.

Estamos convictos de 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 nossa 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 nossa opinião, e não emitimos uma opinião separada sobre essas matérias.

Descrevemos de seguida as matérias relevantes de auditoria do ano corrente:

1. Imparidade para crédito a clientes

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>Em 31 de dezembro de 2024, o iibCV tem registadas perdas acumuladas por imparidade sobre a carteira de crédito no montante de 39.050 milhares de CVE, representando 0,60% do valor do crédito.</p> <p>O detalhe da imparidade para crédito a clientes e as políticas contabilísticas, metodologias, conceitos e pressupostos utilizados são divulgados nas notas às demonstrações financeiras (Notas 2, 17 e 34).</p> <p>A imparidade representa a melhor estimativa do órgão de gestão do iibCV sobre a perda esperada nas exposições de crédito concedido a clientes com referência a 31 de</p>	<p>A nossa abordagem de auditoria para a imparidade para crédito a clientes incluiu uma resposta específica que se traduziu no desenho, e subseqüente execução, de procedimentos de auditoria que incluíram, designadamente:</p> <ul style="list-style-type: none">▶ Entendimento e avaliação do desenho dos procedimentos de controlo interno existentes no processo de quantificação das perdas por imparidade para crédito a clientes;▶ testes de revisão analítica sobre a evolução do saldo da imparidade para crédito a clientes, comparando-o com o período homólogo e com as expectativas formadas,

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4. External Audit Report (Contd.)



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Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>dezembro de 2024. Para o cálculo desta estimativa, o órgão de gestão estabeleceu pressupostos, recorreu a modelos matemáticos para calcular parâmetros, interpretou conceitos e dados históricos e concebeu um modelo de cálculo da perda esperada. Para exposições relevantes em base individual, a imparidade é determinada tendo por base julgamentos de especialistas do iibCV na avaliação de risco de crédito e o conhecimento da realidade e situação financeira dos clientes e das garantias associadas às operações em questão.</p> <p>Para além da complexidade dos modelos de quantificação de perdas por imparidade da carteira de crédito, a sua utilização requer o tratamento de um volume significativo de dados, cuja disponibilidade e qualidade podem estar condicionadas.</p> <p>Em face do grau de subjetividade e complexidade que a estimativa de imparidade envolve, a utilização de abordagens, modelos ou pressupostos alternativos pode ter um impacto material no valor da imparidade estimada, o que, juntamente com a materialidade do seu valor, faz com que consideremos este tema como matéria relevante de auditoria.</p>	<p>dos quais são de destacar o entendimento das variações ocorridas na carteira de crédito e alterações dos pressupostos e metodologias de imparidade;</p> <ul style="list-style-type: none"> ▶ seleção de uma amostra de clientes objeto de análise individual de imparidade para avaliação dos pressupostos utilizados pelo órgão de gestão na quantificação da imparidade. Esta análise incluiu a informação sobre a situação económico-financeira dos devedores e os relatórios de avaliação dos colaterais, assim como indagações aos especialistas do iibCV para entender a estratégia de recuperação definida e os pressupostos usados.; ▶ testámos a razoabilidade dos parâmetros utilizados no cálculo da imparidade coletiva, destacando-se: <ul style="list-style-type: none"> i) o entendimento da metodologia formalizada e aprovada pelo órgão de gestão e comparação com a efetivamente utilizada; ii) a apreciação das alterações aos modelos para determinar parâmetros para refletir a perda esperada; iii) a análise das alterações realizadas durante o exercício aos parâmetros de risco (PD, LGD e EAD); iv) o seguimento das medidas corretivas de deficiências anteriormente identificadas no modelo de imparidade coletiva; e v) o teste por amostragem à classificação das operações nos stages 1, 2 e 3; e vi) avaliação da razoabilidade dos ajustamentos realizados, em particular aqueles para responder às áreas de julgamento adicionais resultantes das moratórias e apreciação do processo de gestão associado a esses ajustamentos. ▶ análise das divulgações incluídas nas notas explicativas às demonstrações financeiras, tendo por base os requisitos das normas internacionais de relato financeiro e os registos contabilísticos.

4. External Audit Report (Contd.)



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Responsabilidades do órgão de gestão e do órgão de fiscalização pelas demonstrações financeiras

O órgão de gestão é responsável pela preparação de demonstrações financeiras que apresentem de forma verdadeira e apropriada a posição financeira, o desempenho financeiro e os fluxos de caixa do iibCV de acordo com os princípios geralmente aceites em Cabo Verde para o sector Bancário e pelo controlo interno que determine ser necessário para permitir a preparação de demonstrações financeiras isentas de distorção material devido a fraude ou erro.

Quando prepara demonstrações financeiras, o órgão de gestão é responsável por avaliar a capacidade do iibCV 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 intenção de liquidar o iibCV 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 iibCV.

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 em 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 as ISA detetará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou 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 as ISA, fazemos julgamentos profissionais e mantemos ceticismo 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 detetar uma distorção material devido a fraude é maior do que o risco de não detetar 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 objetivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno do iibCV;
- ▶ avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respetivas divulgações feitas pelo órgão de gestão;
- ▶ concluimos 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 iibCV para dar continuidade às suas atividades. Se concluímos que existe uma incerteza material, devemos chamar a atenção no nosso relatório 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 iibCV descontinue as suas atividades; e
- ▶ avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras, incluindo as divulgações, e se essas demonstrações financeiras representam as transações e os acontecimentos subjacentes de forma a atingir uma apresentação apropriada.

Comunicamos com os encarregados da governação, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as matérias significativas de auditoria incluindo qualquer deficiência significativa de controlo interno identificada durante a auditoria.

4. External Audit Report (Contd.)



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OUTRA INFORMAÇÃO

Sobre o relatório de gestão

O órgão de gestão é responsável pela preparação de outra informação. Esta outra informação compreende o Relatório de Gestão, que não inclui as demonstrações financeiras e o nosso relatório sobre as mesmas e que obtivemos antes da data do nosso relatório.

A nossa opinião sobre as demonstrações financeiras não cobre a informação constante no Relatório de Gestão e não expressamos qualquer tipo de garantia de fiabilidade sobre essa outra informação.

No âmbito da auditoria das demonstrações financeiras, a nossa responsabilidade é fazer uma leitura do Relatório de Gestão e, em consequência, considerar se a informação nele contida 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 efetuado sobre a outra informação que obtivemos antes da data do nosso relatório, concluirmos que existe uma distorção material no Relatório de Gestão, exige-se que relatemos sobre esse facto. Não temos nada a relatar a este respeito.

Praia, 8 de maio de 2025

EY Cabo Verde - Auditores e Consultores - Sociedade de Auditores Certificados, Lda.
Representada por:

Luis Alberto da Silva Aguiar
Auditor Certificado na OPACC com o n.º 41

António Filipe Dias da Fonseca Brás
Partner

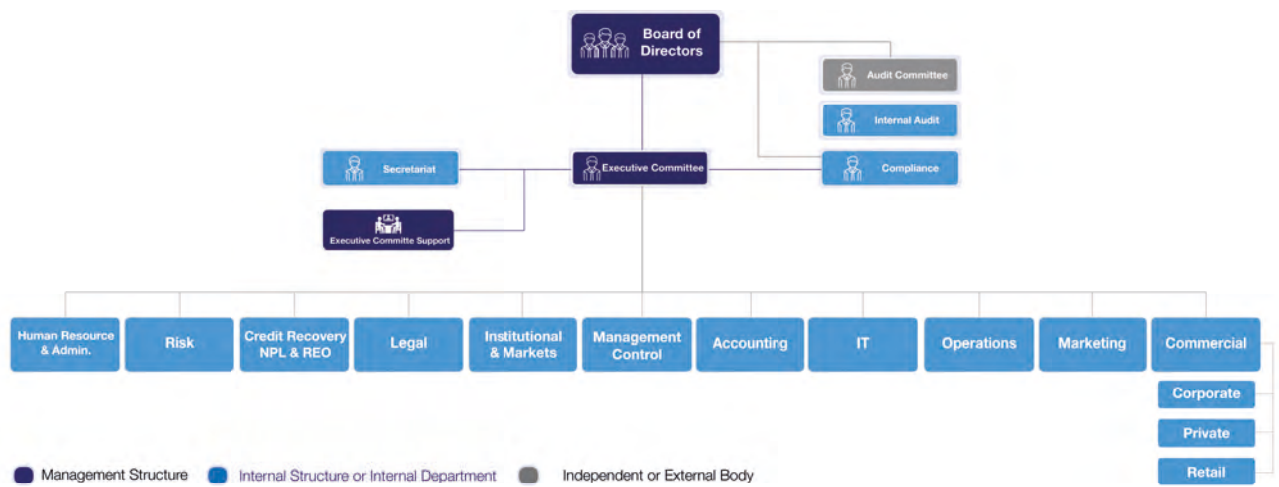
III. Information on Corporate Governance

1. Organizational and Governance Structure

The Bank's organizational structure is made up of a Executive Board, consisting of seven permanent directors and an alternate, and an Executive Committee with three Directors, advised by a solid Internal Control System comprising three key areas: Overall Risk, Compliance and Internal Audit, in addition to the Audit Committee, which supervises the Institution's activities.

The Bank is organized into thirteen areas, which ensure the institution's operation and compliance with the principles that prevail in the financial system, as shown in the figure below:

Organizational Chart 2024



III. Information on Corporate Governance

(Contd.)

2. Description of roles and responsibilities of each member of the institution's board

At iibCV, a set of standards that establish policies, rules and procedures must be applied across all its units, subject to the adaptations that are necessary in each case, in view of the legal or regulatory specificities of each area concerned.

In this context, responsibilities are established for a number of the Bank's departments to, as part of their duties, foster across-the-board application of Internal Regulations that are in force or that may be adopted, in direct functional coordination with all the departments. Accordingly, regulations that are deemed applicable to the national regulatory system are created and/or updated, all of which are ratified by the Bank's Executive Committee.

The Executive Committee has broad powers in the Bank's daily management, in accordance with the Company's by-laws. Therefore, it may exercise a broad range of powers in terms of management and representation and perform all acts necessary or convenient for pursuing the activities included in the Bank's corporate purpose, with strategic management decisions being discussed and approved in this Committee.

The Executive Committee has the authority to appoint representatives with the powers it deems appropriate, including to act as substitutes.

3. Business Units

O iibCV, à semelhança dos demais bancos do sistema financeiro nacional, opera, desde a sua criação, numa vertente puramente comercial, oferecendo produtos e serviços a clientes bancários, nomeadamente a particulares e empresas.

3.1. Commercial

The Commercial Department is responsible for promoting commercial activities aimed at private and corporate customers, both nationally and internationally.

Entrusted with ensuring the necessary conditions for commercial activity growth, this department bases its strategy on excellence in selection, pricing and risk management, with high efficiency, with monitoring being based on the specialization of various segments and on attracting and generating value, always aiming at full customer satisfaction, on the one hand, and resource optimization, on the other.

Excellence is a constantly pursued goal, by being close and offering personalized service, seeking to adapt its products and services to the needs of customers and the market.

3.2. Financial and Asset and Liability Management

The Finance & ALM Department is responsible for developing and monitoring the Bank's financial management, as well as executing its financing plan, with its duties also including liquidity management and market and liquidity risk management.

It aims to diversify the Bank's business and broaden the customer base and the range of products and services offered, being responsible for the Bank's institutional relations, through the management and maintenance of the Correspondents and Business Partners network.

It constantly monitors the market, creating and updating products and prices, in accordance with key market variables and the Bank's objectives.

III. Information on Corporate Governance

(Contd.)

4. Interno e de Internal Control and Risk Management System

The role of the Internal Control System (SCI) is to organize and coordinate methods and measures that safeguard the Bank's assets and interests, promoting operational efficiency and ensuring reliability of accounting and financial information. Its systematization is essentially based on the performance of the three areas that comprise it: Risk, Compliance and Internal Audit.

4.1. Overall Risk

The Overall Risk Department, one of the lines of defence and risk control, is responsible for monitoring the risks (credit, operational, market, liquidity and balance sheet interest rate) that threaten the Bank's activities, developing tools and methodologies to manage them, establishing and monitoring limits and issuing recommendations, with the aim of reducing the impact of risks on the Bank's income and capital.

In order to identify, assess and quantify the Bank's risk exposure and profile, qualitative and quantitative analyses are carried out, including performance indicators, loan portfolio quality metrics, identification of risk events, execution of stress test scenarios, capital consumption, overdue loan recovery actions, and identification of potential risks that may affect the Bank's business plan and objectives.

Risk Management activities are carried out independently of the other units responsible for controlling and supervising risks, in accordance with the Banco de Cabo Verde recommendations (Notice no. 02/2013) and with the best and most recent international practices.

4.2. Compliance

The Compliance Function is an independent, permanent and effective function whose mission is to promote compliance with legal, regulatory, operational, ethical and conduct obligations and duties that are applicable to credit institutions and its governing bodies, directors and employees, as part of the institutional control and supervision environment laid out by the relevant regulatory authorities.

Being responsible for one of the Bank's control functions, the Compliance Department cooperates with the other control functions (Overall Risk and Internal Audit) to monitor and evaluate the internal control procedures on anti-money laundering and counter financing of terrorism.

Thus, as regards prevention and risk-based approach, knowing the customer is one of the Bank's main concerns, given its importance in establishing their risk level, transaction profile, monitoring level and controls to be implemented, minimizing the likelihood of the Bank inadvertently entering into business relationships with people or entities known to be suspected of involvement in ML/TF crimes.

For iibCV, the existence of a framework of values, principles and rules that guide its actions and the standards that establish the way it conducts business and carries out its activities is crucial. To this end, the Bank has implemented a Code of Ethics and Conduct, a Conflict-of-Interest Management Policy and a Money Laundering and Terrorist Financing Risk Management Policy.

4.3. Internal Audit

The Internal Audit Function's mission is to contribute to the sustainable development of Intercontinental Investment Bank, S.A.'s (iibCV) activities by systematically, rigorously, independently and objectively assessing the risk-based internal governance structure and internal control system, with a view to ensuring their adequacy and effectiveness.

The Internal Audit function carries out its activities in accordance with internationally recognized and accepted Internal Audit standards and principles, especially the International Professional Practices Framework (IPPF), published by The Institute of Internal Auditors (IIA)

III. Information on Corporate Governance

(Contd.)

5. Business Support

All iibCV operations are supported by a range of integrated and cross-cutting functions and expertise whose mission is to ensure business execution, from upstream to downstream, ensuring the reliability of data and information.

Business Support is responsible for fulfilling customers' requests and for all interactions between customers and the Bank, unequivocally contributing to the pursuit of the Bank's results and, consequently, to its growth.

5.1. Information Technology

The Information Technology (IT) Department has the mission of ensuring the proper functioning of the institution's technological equipment, IT tools, resources and services, as well as meeting emerging needs in terms of organizational systems, whether required by the regulator or from the internal areas, and continuously improving the technological systems implemented, aiming at meeting the needs for the normal performance of iibCV's activities.

In 2024, the IT Department dedicated itself to continuous improvement of internal processes, both at departmental and interdepartmental levels, collaborating in the implementation of new solutions and improvement of internal technological tools, to better serve customers.

5.2. Operations

The Operations Department is responsible for the operational part of the Bank's activities, for opening accounts and managing cards, transfers and other means of payment. It is also in charge of preparing and processing financing agreements, in different aspects, as well as the operationalization of customer investments.

Also in the context of the duties established in the Bank's management model, this department functions as a back office, dealing with operational tasks related to transactions and customer relations, making all commercial activities faster and more secure.

The main goal of the Operations Department is to offer high excellence in operations execution, at the lowest cost, contributing to the overall growth of the Bank's business, its profitability and maintaining customer satisfaction and loyalty.

5.3. Accounting

The Accounting Department is responsible for preparing and disclosing iibCV's individual financial statements, namely regulatory reports and reports to the Group.

It is also charged with handling tax obligations, including compliance with reporting obligations to customers and tax authorities, as well as establishing and coordinating contacts with external auditors and tax consultants.

It is the department's job to prepare the reconciliation of the financial movements generated by the transactions made, value such transactions and report the positions and results of the Bank's various portfolios on a monthly basis.

III. Information on Corporate Governance

(Contd.)

5.4. Credit Recovery

The Credit Recovery Department's mission is to timely identify potential or actual defaults by customers to whom iibCV has credit exposure, with the aim of maximizing their recoverability by implementing both conventional and unconventional approaches. In addition, the Department is responsible for managing available-for-sale real estate assets.

The continuous and prudent management of the loan portfolio, combined with a strategy focused on diligent risk monitoring, helped reduce the annual percentage of non-performing loans (NPL) from 0.41% to 0.55%. This improvement reflects a more favourable condition, particularly in view of an adverse macroeconomic context that may manifest itself in the coming periods.

5.5. Legal

The Legal Department aims to support the technical-legal coordination of all activities related to the Bank and all the processes that support such activities.

It provides legal advice internally, by issuing opinions and drafting contracts and other legal documents that serve as working instruments and the basis for decision-making.

It also works in collaboration with the Credit Recovery Department, taking pre-litigation action and defining the criteria and general guidelines related to it, providing support in the litigation phase.

6. Human Capital

The Human Capital Department follows the guidelines in iibCV's strategy, with the core mission of defining, developing and implementing overall Human Capital strategies and policies, in order to contribute to the motivation and high-performance standards of the Bank's employees.

In view of the specific characteristics of Human Capital management, aiming to make the best use of skills and develop talent, and considering the need to ensure the consistency of policies and standards, the Department's role is to promote permanent interconnection with all the Bank's departments.

The Department's organization involves aligning the macro human resource processes (recruitment and selection, training and development, performance evaluation systems, remuneration and incentive systems, drafting employment contracts, controlling attendance and absenteeism, processing salaries and declaring associated tax obligations) with the Bank's core business, in order to maximize value creation.



Intercontinental Investment Bank, S.A.

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