



Mozambican Banks

Healthy margins and lower provisions boost net profit

Research

June 2023

Improved economic environment, despite higher inflation

The Mozambican banking sector faced an improvement in domestic economic growth in 2022. However, a lot of uncertainties on the international front, namely related to geopolitical factors and persistently high inflation levels, also impacted the domestic economy and activity in the sector. Real GDP growth accelerated to 4.1% in the period from 2.3% in 2021 thanks to stronger growth in several key sectors of the economy, including agriculture and fishing, mining, transport and communication and retail. On the other hand, annual inflation in the country continued to rise, reaching double-digit figures in the second half of the year for the first time since the end of 2017. This led the Banco de Moçambique to continue to raise its benchmark interest rate on two occasions for a total of 400bps, with the MIMO rate currently standing at 17.25%. The reserve requirements at the central bank were left unchanged during 2022. However, already in 2023, they were significantly increased in order to try to absorb the excess liquidity in the banking system, which tends to generate some inflationary pressures.

Banking

Tiago Bossa Dionísio

(+351) 964 643 530

tiago.dionisio@eaglestone.eu

Revenues lifted by higher net interest income

The combined profit and loss account of the six largest banks in the country showed a strong improvement in net profit (44.6% YoY) in 2022, reaching MZM 23,404 million (US\$ 366 million). This net profit represents a ROE of 19.4% and a ROA of 3.36%. The evolution in net profit continued to reflect the favorable impact of higher interest rates on margins from customer loans and profitability from debt instruments. It also reflected a sharp fall in loan provisions (-61.9% YoY), especially from the reversal of impairments at BCI and the large drop in provisions at Moza. Overall, the combined operating income of these banks advanced 17.3% YoY, with revenues rising 11.5% YoY and costs 5.8% YoY, with the latter staying well below the average inflation rate of 10.91% recorded in the country in 2022. The cost performance of the sector largely reflected a higher increase in staff costs (roughly half of the total cost base) than in the previous year. This was due to the stabilization of the metical exchange rate, as an important part of these costs is linked to foreign currency. This meant that the combined cost-to-income ratio of the six largest banks improved to 47.7% from 50.3% in 2021.

The combined NPL ratio of the largest banks remains elevated

Balance sheet data showed that total net loans remained roughly unchanged from the previous year. In part, this reflects the higher interest rate environment in the country, which led to a lower demand for credit and a more prudent lending policy approach by the main players in the sector. On the other hand, deposits rose 7.5% YoY in the period and clearly remained the main funding source of these banks, as they accounted for 93.9% of their total liabilities. All in all, the loans-to-deposits ratio declined further and reached a level below 40% for the first time in 2022. Other data showed that the combined NPL ratio of these banks continued to deteriorate, increasing to 10.92% from 10.19% in the previous year. We note that the NPL ratio remains well above the 5% benchmark ratio and thus lowering this ratio remains a challenge for Mozambican banks, also when compared with the NPL ratios witnessed in other countries in Sub-Saharan Africa. Our estimates indicate that the combined solvency ratio of the six banks remained well above the required 14% after standing at 27.3% in 2022 (up from 25.6% in the previous year). Also, liquid assets (including cash and balances at the central bank and other credit institutions as well as financial assets) represented more than 63% of total assets.

ECONOMIC OVERVIEW

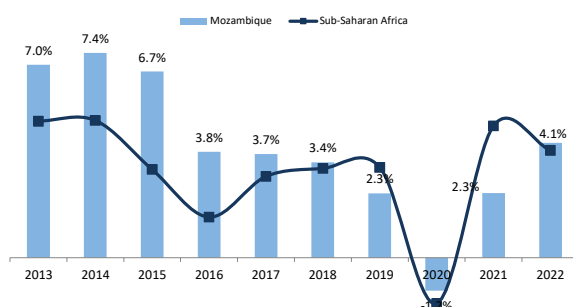
Economic activity in Mozambique accelerated to 4.1% in 2022, with real GDP growth in the country standing in line with the average growth recorded in Sub-Saharan Africa. This is an improvement from the 2.3% recovery witnessed in the previous year following a contraction of -1.2% in 2020. It is worth noting that the year 2020 marked the first recession that the country witnessed since 1992. Yet, the Mozambican economy was still able to perform relatively better than the average of Sub-Saharan Africa, as the region saw a contraction of -1.7% in the period.

The improved economic performance last year was mostly thanks to stronger growth in several key sectors of the economy. These sectors included agriculture and fishing (growth of 4.4%), mining (10.6%), transport and communication (9.4%) and retail (2.9%). These are the largest sectors of the Mozambican economy, as demonstrated in the chart below.

Real GDP growth accelerated to 4.1% in 2022 from an expansion of 2.3% in the previous year

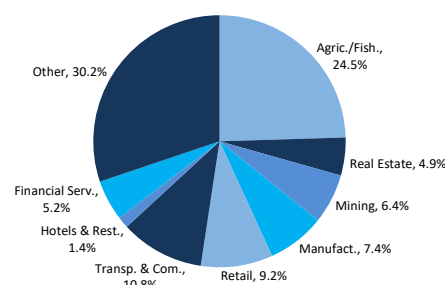
The improved economic performance was thanks to stronger growth in several key sectors of the economy

REAL GDP GROWTH (2013-22)



Sources: INE and IMF.

GDP STRUCTURE (2022)

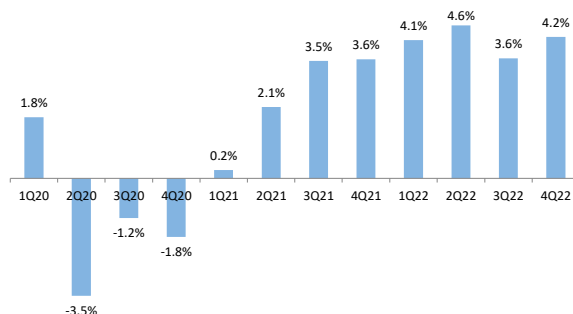


Source: INE.

Data from INE also showed that real GDP growth improved during all quarters of 2022 when compared with their homologous period. This was particularly felt in the first half of the year, as the Mozambican economy was still recovering in the early parts of 2021 from the recession of the previous year. As seen in the graph below, economic activity grew by 4.1%, 4.6%, 3.6% and 4.2% in homologous terms in each of the four quarters, respectively. We highlight the sharp improvement in the mining industry and the transport and communication sector.

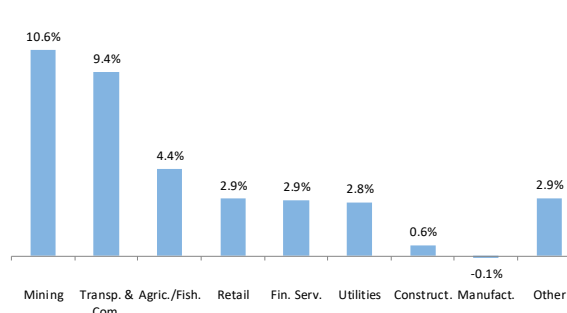
Economic growth improved during all quarters of 2022 when compared with their homologous period

REAL GDP GROWTH (1Q20 – 4Q22; YOY)



Source: INE.

REAL GDP GROWTH BY SECTOR (2022)



Source: INE.

Other data released by INE showed that annual inflation in the country continued to increase in 2022, reaching double-digit figures in the second half of the year for the first time since the end of 2017. Annual inflation reached a peak of practically 13% in August 2022 and eventually declined to 10.91% in December. This evolution reflected mostly the impact in domestic prices from the volatility in energy and food costs at the international level, considering the prolonged war in the Ukraine. The annual inflation figure at end-2022 compares with 7.15% in December 2021. Moreover, the 12-month average inflation rate reached 10.28% in December 2022, up from 6.41% in the previous year.

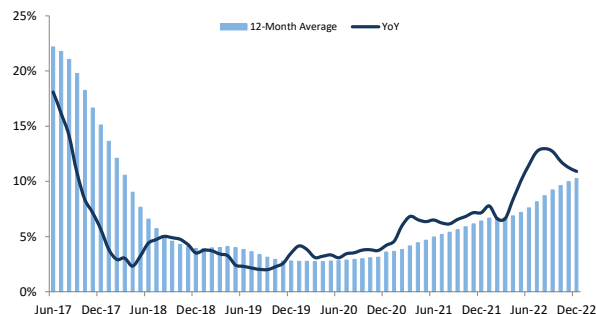
Annual inflation continued to increase in 2022, reaching double-digit figures for the first time since the end of 2017

In terms of components, the evolution of annual inflation continued to mostly reflect the increase in the prices of food and non-alcoholic beverages, with this accounting for by far the largest share

Apart from higher food costs, inflation also

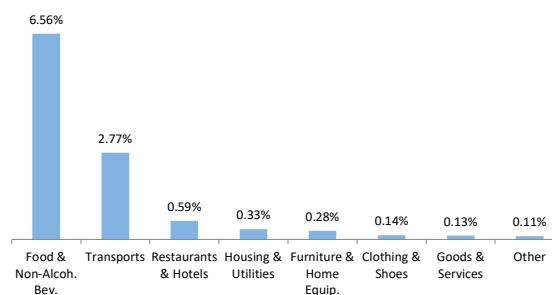
of the annual increase. Annual inflation was also impacted by the increase in the prices of administered goods, in particular some types of urban transportation. *increased on the back of higher transport costs*

CONSUMER PRICE INDEX – YOY AND 12M AVERAGE



Source: INE.

ANNUAL INFLATION – BIGGEST CONTRIBUTORS (2022)



Source: INE.

Meanwhile, the Banco de Moçambique continued to follow a more restrictive monetary policy in 2022 following the shift in policy that had already taken place in the previous year. In 2021, the central bank increased the interbank reference lending rate (MIMO) just once and by 300 basis points (bps) to 13.25% in January. This decision was based on the substantial revision in the medium-term inflation outlook, which resulted from the continued depreciation of the metical and its possible pass-through effect on domestic prices. The reference deposit rate (FPD) and the lending rate (FPC) were lifted by the same amount to 10.25% and 16.25%, respectively, and the mandatory reserves in local currency were kept at 11.50% and foreign currency at 34.50%.

The central bank shifted monetary policy and decided to increase interest rates at the beginning of 2021 after a significant revision in its inflation outlook

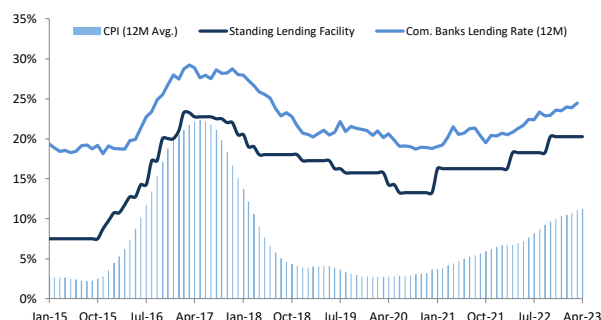
The central bank decided to raise interest rates on two occasions, and by 200bps each time, in 2022. In the March meeting, the Banco de Moçambique raised the MIMO rate to 15.25%, the FPD rate to 12.25% and the FPC to 18.25%. This decision resulted from the significant upward revision of the short and medium-term inflation outlook following the deterioration of some risks, in particular the escalation of the geopolitical conflict in Europe and the natural disasters in the center and northern parts of Mozambique. According to the central bank, the increase in interest rates aimed to contain inflation in the short and medium-term in order to allow the start of the gradual transition process to single-digit interest rates in the medium to long-term in the context of resuming an assistance program with the IMF and the execution of the natural gas projects in the country.

Interest rates were lifted on two different occasions in 2022 for a combined increase of 400bp

Then, in the September meeting, the Banco de Moçambique lifted the MIMO rate to 17.25%. The decision aimed to ensure the return of inflation to single digits in the medium-term in a backdrop where the volatility in energy and food prices at the international level was likely to persist and potentially impact and lead to a sustained increase in prices domestically. The other key interest rates were also increased by the same amount, with the FPD standing at 14.25% and the FPC at 20.25%, while the mandatory reserves were left unchanged.

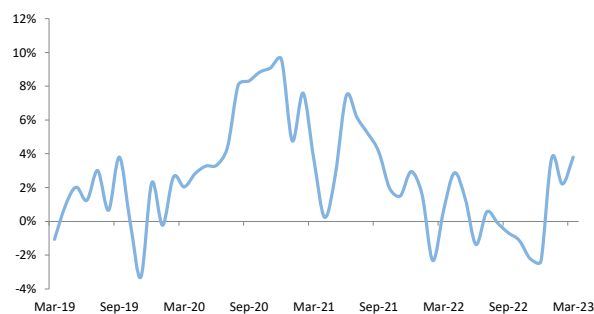
The MIMO rate was lifted to 17.25% in September 2022, the level that it currently stands at

INFLATION, CENTRAL AND COMMERCIAL BANKS RATES



Sources: INE and Banco de Moçambique.

CREDIT GROWTH (YOY CHANGE)



Source: Banco de Moçambique.

More recently, the Banco de Moçambique has decided to leave its key interest rates unchanged at the monetary policy meetings that have already taken place in 2023. However, in January, the

The Banco de Moçambique raised the mandatory

central bank decided to raise the mandatory reserves in local currency from 10.5% to 28.0% and the reserves in foreign currency from 11.5% to 28.5%. And, in May, these were raised to 39.0% and 39.5%, respectively. These decisions aimed to absorb the excess liquidity in the banking system, which tends to generate some inflationary pressures.

reserves in both local and foreign currency twice in 2023 to try to absorb the excess liquidity in the banking system

BANKING SECTOR OVERVIEW

The Mozambican banking sector included 15 banks operating in the country at the end of 2022. None of these banks is listed and most of them are units of foreign lenders or controlled by overseas investors, as described in the table below. The financial system also comprised 12 smaller lenders (micro-banks), four credit cooperative and five financing institutions, including two financing societies and three foreign exchange institutions.

The banking sector includes 15 banks

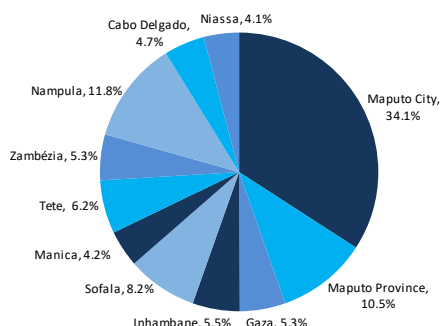
MOZAMBIKAN BANKING SYSTEM		
	Start of Operations	Majority Shareholder
Standard Bank Moçambique	1967	Standard Bank (South Africa)
Millennium bim	1995	Millenniumbcp (Portugal)
BCI - Fomento	1996	CGD Group (Portugal)
Société Générale Moçambique (1)	1999	Société Générale (France)
Ecobank Moçambique (2)	2000	Ecobank Group (Togo)
ABSA Bank Moçambique	2005	ABSA Group (South Africa)
FNB Moçambique	2007	First Rand Group (South Africa)
Moza Banco (3)	2008	Kuhanha (5) (Mozambique)
United Bank for Africa Moçambique	2010	UBA (Nigeria)
Banco Nacional de Investimento	2011	IGEPE (Mozambique)
Nedbank Moçambique (4)	2011	Nedbank (South Africa)
First Capital Bank	2013	FMB Capital Holdings (Mauritius)
Banco Letshego	2016	Letshego Holdings (Botswana)
BIG - Banco de Investimento Global	2016	Banco BIG (Portugal)
Access Bank Mozambique	2020	Access Bank plc (Nigeria)

(1) Previously Mauritius Commercial Bank (Moçambique); (2) Ecobank bought Banco ProCredit in June 2014; (3) Banco Terra merged with Moza Banco in August 2019; (4) Previously Banco Único.
Source: Annual Reports.

According to the latest available information disclosed by the central bank, the branch network of the banking sector consisted of 658 branches at the end of 2022. As expected, these branches were more concentrated around the city of Maputo (34.1% of the total), Nampula (11.8%), the province of Maputo (10.5%) and Sofala (8.2%). As for the banks themselves, Banco Comercial e de Investimento (BCI) led with a market share of 32.0% in terms of the total branches of the banking sector, followed by Millennium bim (29.9%), Moza Banco (9.6%), Absa Bank Moçambique (7.4%) and Standard Bank Moçambique (6.1%).

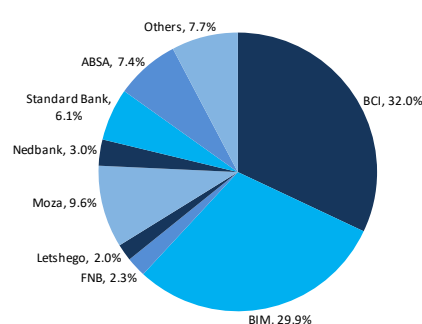
The branch network is more concentrated around Maputo, while BCI is the bank with the largest market share

BRANCH NETWORK BY PROVINCE (2022)



Source: Banco de Moçambique.

BRANCH NETWORK BY BANK (2022)



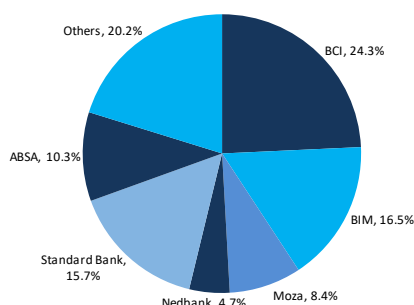
Source: Banco de Moçambique.

The three banks more systemically important for the country's financial system include BCI, Millennium bim and Standard Bank Moçambique, representing about 65%, 56% and 69% of the total assets, loans and deposits of the sector, respectively, at the end of 2022. Absa Bank Moçambique, Moza Banco and Nedbank Moçambique also stand out, but they are clearly smaller

The six largest banks represent about 80-85% of the total assets, loans and deposits of the sector

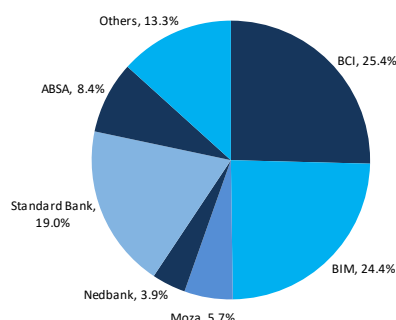
than the other three players. Overall, the six banks represent about 80-85% of the sector's total assets, loans and deposits.

MARKET SHARE IN LOANS (2022)



Source: Annual Reports.

MARKET SHARE IN DEPOSITS (2022)



Source: Annual Reports.

The Mozambican financial system has become increasingly more developed over the years, with a larger presence and a more relevant role of the banking sector in the domestic economy. That said, local banks still evidence a conservative approach, namely in terms of their lending policies, as demonstrated by the persistently low ratio of loans as a percentage of GDP detailed in the table below.

The banking sector has played a bigger role in the local economy

There has also been an increase in financial inclusion levels, reflected in a larger number of clients that now have access to a bank account, more available banking products, as well as a greater and wider presence of the branch network in the country. The latest available data provided by the central bank indicates that (1) more than 30% of the country's adult population had a bank account in 2022 (vs. 23.9% in 2013), (2) the number of branches per 100,000 adults stood at 4.3 in the period, with 79.4% of the districts of the country having at least one bank branch (vs. 49.2% in 2013) and (3) growth in the number of ATMs and POSs per 100,000 adults has slowed in the last 2-3 years following a significant increase in the previous years.

There has also been a clear increase in financial inclusion levels over the years

We detail in the table below some of the key financial inclusion indicators of the sector in the period 2013-22.

FINANCIAL INCLUSION INDICATORS										
Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bank accounts (per 10,000 Km2)	40 050	43 303	55 107	65 831	61 254	63 721	61 113	64 009	64 728	66 628
Bank cards (per 10,000 Km2)	39 853	42 712	37 553	43 228	40 969	41 687	36 600	39 958	41 380	38 148
Branches (per 10,000 Km2)	6,5	7,2	7,7	8,2	8,2	8,7	8,5	8,6	9,4	9,3
Urban areas	1 114	1 208	1 297	1 326	1 360	1 434	1 295	1 273	1 380	1 385
Rural areas	1,6	1,8	1,9	2,4	2,2	2,3	2,8	2,9	3,3	3,2
ATMs (per 10,000 km2)	13,5	16,3	19,7	21,0	21,8	25,6	22,0	21,4	20,5	19,6
POS (per 10,000 km2)	146,8	183,7	256,2	320,3	389,9	402,9	459,1	457,1	462,3	488,6
Bank accounts (per 100 adults)	23,9	25,1	31,1	36,0	32,5	32,7	30,5	31,0	30,4	30,6
Bank cards (per 100 adults)	23,8	24,8	21,2	23,7	21,8	21,4	18,3	19,3	19,4	17,5
Branches (per 100,000 adults)	3,9	4,2	4,3	4,5	4,4	4,5	4,2	4,1	4,4	4,3
Urban areas	10,4	10,8	11,1	10,8	10,6	10,7	9,2	7,4	7,7	7,5
Rural areas	1,4	1,6	1,7	2,0	1,8	1,9	2,2	2,2	2,5	2,3
ATMs (per 100,000 adults)	8,1	9,5	11,4	11,5	11,6	13,1	11,0	10,3	9,6	9,0
POS (per 100,000 adults)	87,8	106,7	144,5	175,3	207,0	207,0	229,2	221,1	216,8	224,4
Districts with bank branches (% of total)	49,2%	53,9%	68,0%	76,6%	59,7%	68,8%	72,7%	82,5%	82,6%	79,4%
Loans (% of GDP)	31,5%	36,6%	36,4%	34,7%	26,9%	25,8%	24,2%	27,2%	24,2%	28,0%
Loans (MZN million) per 1,000 adults	11,3	14,1	16,4	17,9	15,0	14,7	14,4	16,6	14,2	16,6
Deposits (% of GDP)	40,2%	44,6%	47,6%	44,0%	41,6%	41,6%	44,6%	54,2%	53,0%	53,0%
Deposits (MZN million) per 1,000 adults	14,5	17,2	21,4	22,7	23,2	23,7	26,6	33,0	31,0	31,5
Bank accounts (% of adult population)	23,9%	25,1%	31,1%	36,0%	32,5%	32,7%	30,5%	31,0%	30,4%	30,6%

Source: Banco de Moçambique.

OVERVIEW OF 2022 RESULTS

In this report, we look at the 2022 financial accounts of the six largest banks operating in the country and extrapolate these figures to try to analyze the main trends for the sector. We think the combined accounts of these banks provide a fairly accurate picture of the performance of the sector considering that they represent a significant share of the banking sector.

We analyze the 2022 results of the six largest banks operating in Mozambique

We break down our report into two sections. First, we look at the main balance sheet and profit and loss account numbers on a combined basis. We also present the key ratios for both financial statements. Second, we look at each of the six banks individually in more detail and analyze their 2021 accounts separately. In the annex, we provide several tables and graphs comparing the key figures and indicators for these banks.

We look at the figures both on a combined and individual basis

BALANCE SHEET

The combined net assets of the six banks reached MZM 697,497 million (US\$ 10,921 million) in 2022, rising 6.3% from the previous year. This evolution reflects a higher amount in terms of balances at other credit institutions (+36.1% YoY), which more than offset the 16.5% YoY decline in the amount of cash and balances at the central bank in the period. We also note that the total amount of financial assets in the balance sheet rose 2.6% from the previous year and accounted for 24.6% of total assets.

Total net assets for the six largest banks rose 6.3% YoY in 2022

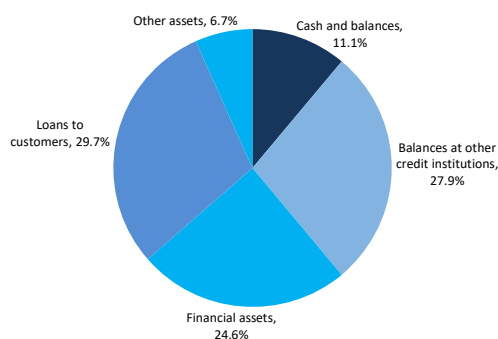
Moreover, total net loans stood practically unchanged at MZM 207,359 million (US\$ 3,247 million) and continued to represent the largest share of total assets (29.7%). This compares with about 32% of total assets in the previous two years and a markedly higher figure of 35-40% of total assets during the period 2017-19. This performance in recent years is justified by the current economic backdrop and higher interest rate environment in the country, which has affected customer demand for bank loans.

Net loans represented less than 30% of total assets in 2022

On the other hand, deposits increased 7.5% YoY to MZM 541,949 million (US\$ 8,485 million) and accounted for by far the largest share of the total liabilities and equity of the six banks at 77.7%. Total equity rose a modest 3.6% in the period and accounted for 17.2% of the total, as shown below.

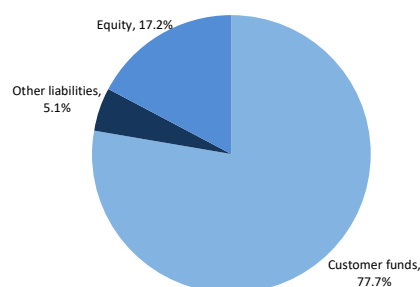
Customer deposits remained by far the largest funding source of the banking sector

BREAKDOWN OF TOTAL ASSETS (2022)



Sources: Annual Reports and Eaglestone Securities.

BREAKDOWN OF TOTAL LIABILITIES AND EQUITY (2022)

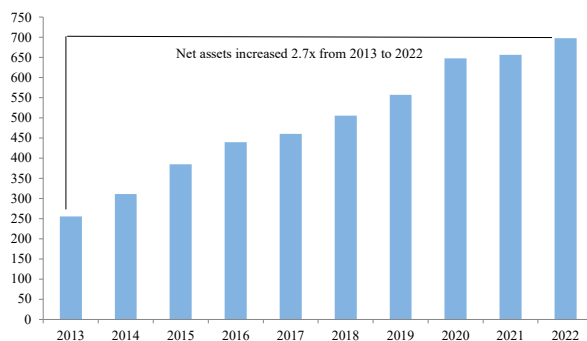


Sources: Annual Reports and Eaglestone Securities.

Overall, the combined net assets of the six banks have gradually increased in the last decade, reaching a level that is 2.7 times higher in 2022 than in 2013. As stated above, nearly a third of the assets of these banks are net loans, with the large majority being loans denominated in local currency. In 2022, the amount of loans denominated in meticaïs stood almost unchanged from the previous year and represented 78.6% of the total loan portfolio of these banks. Foreign currency loans recovered 4.7% YoY after a sharp decline in 2021 and represented 21.4% of total loans. This evolution partly reflects the fact that the metical remained stable against the dollar and appreciated against the rand and the euro in 2022 thanks to the restrictive monetary policy followed by the central bank.

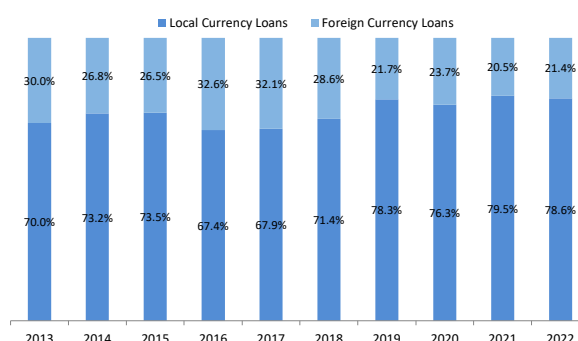
The combined net assets of the six banks were 2.7x larger in 2022 than in 2013

NET ASSETS (2013-22) – BILLION MZM



Sources: Annual Reports and Eaglestone Securities.

LOANS BY TYPE OF CURRENCY (2013-22)

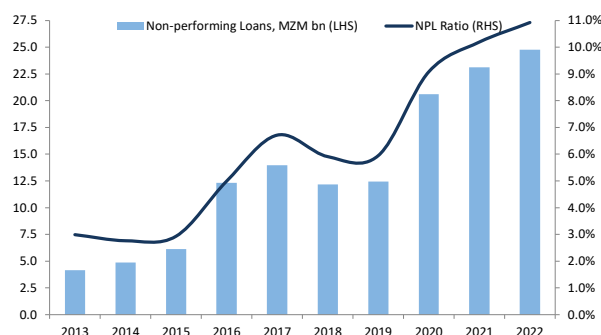


Sources: Annual Reports and Eaglestone Securities.

Other data suggest that loan loss provisions in the balance sheet remained at a more modest level than in the period 2016-18, as these represented 8.60% of total gross loans in 2022. This compares with 9.12% in 2021. The higher provisioning levels in recent years reflect the deterioration in asset quality ratios, particularly since 2016, and a more prudent approach from the banking sector in the current economic environment.

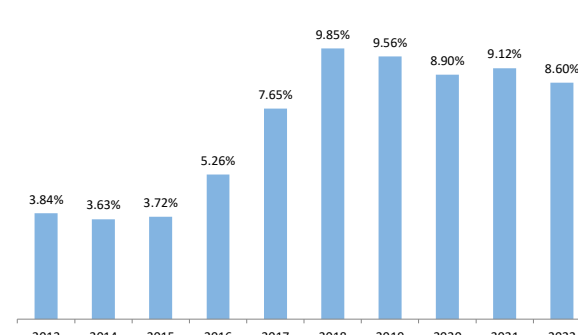
Provisions in the balance sheet remained at a more modest level after rising significantly during 2016-18

ASSET QUALITY INDICATORS (2013-22)



Sources: Annual Reports and Eaglestone Securities.

BAL. SHEET PROVISIONS (% OF GROSS LOANS) (2013-22)



Sources: Annual Reports and Eaglestone Securities.

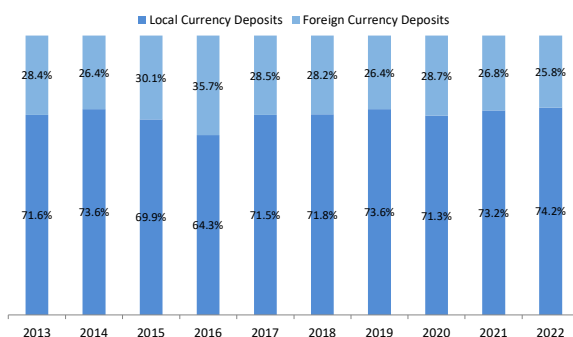
The combined NPL ratio of the six banks continued to deteriorate in 2022, reaching 10.92% in the period (from 10.19% in the previous year). NPLs rose 7.1% YoY in absolute terms after increasing 12.3% YoY in the previous year. The NPL coverage ratio (measured by provisions over NPLs) fell to 78.7% from 89.6% in 2021.

The NPL ratio deteriorated to 10.92%, while coverage fell to 78.7%

Meanwhile, the total deposits of these six banks reached MZM 541,949 million (US\$ 8,485 million) after rising 7.5% YoY in 2022. Deposits in meticaïs rose 9.0% YoY and accounted for 74.2% of the total deposit base, while deposits in foreign currency recovered 3.5% YoY after falling 5.9% YoY in the previous year largely as a result of the appreciation of the metical in the period. Sight deposits were up 7.0% YoY and represented 61.5% of total deposits, a figure that is in line with the one recorded in the previous year.

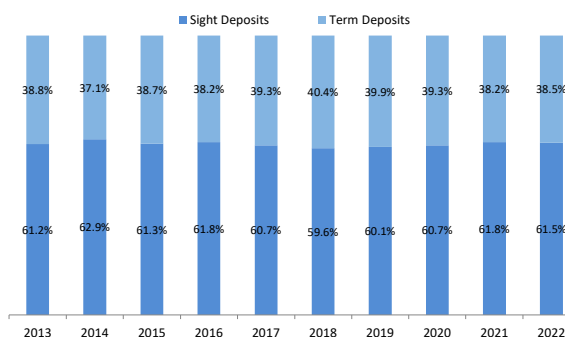
Deposits increased 7.5% YoY in 2022, with deposits in meticaïs rising 9.0% and deposits in foreign currency recovering 3.5% after the fall in the previous year

DEPOSITS BY TYPE OF CURRENCY (2013-22)



Sources: Annual Reports and Eaglestone Securities.

DEPOSITS BY MATURITY (2013-22)

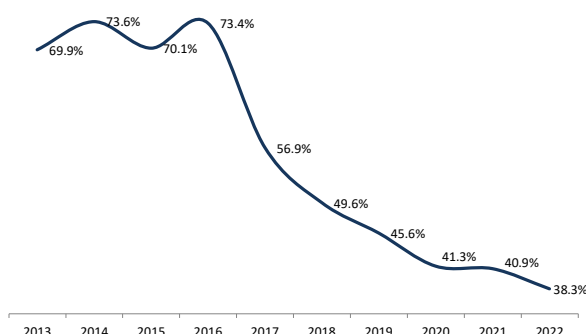


Sources: Annual Reports and Eaglestone Securities.

All in all, this means that the combined loans-to-deposits ratio stood at 38.3%, which compares with 40.9% in 2021. We note that this ratio has gradually declined in recent years, falling below the 50%-level for the first time in 2018. Also, according to our estimates, the combined solvency ratio of the six banks improved to 27.3% in 2022 (from 25.6% in the previous year), standing well above the regulatory requirement of 14% imposed by the Banco de Moçambique for banks operating in the country.

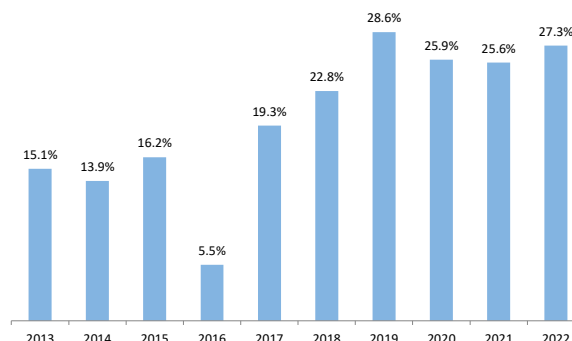
The loans-to-deposits ratio declined to 38.3%, while the solvency ratio improved to 27.3%, well above the regulatory requirement

LOANS TO DEPOSITS RATIO (2013-22)



Sources: Annual Reports and Eaglestone Securities.

SOLVENCY RATIO (2013-22)



Sources: Annual Reports and Eaglestone Securities.

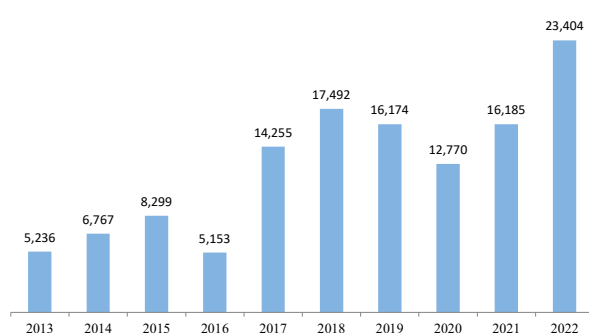
SIX MAJOR BANKS															
	Million MZM						Million US\$						% Change (MZM)		
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21	
BALANCE SHEET															
Net Assets	504,961	556,796	647,603	655,921	697,497	8,215	9,058	8,646	10,276	10,921	10.3%	16.3%	1.3%	6.3%	
Customer Loans (net)	183,983	189,555	206,601	206,328	207,359	3,026	3,084	2,758	3,232	3,247	1.9%	9.0%	-0.1%	0.5%	
Local Currency Loans	133,285	149,103	158,367	165,330	164,414	2,168	2,426	2,114	2,590	2,574	11.9%	6.2%	4.4%	-0.6%	
Foreign Currency Loans	52,698	40,452	48,234	40,998	42,945	857	658	644	642	672	-23.2%	19.2%	-15.0%	4.7%	
Loan Loss Provisions	20,315	20,029	20,172	20,717	19,505	330	326	269	325	305	-1.4%	0.7%	2.7%	-5.9%	
Non-Performing Loans	12,185	12,452	20,592	23,132	24,772	198	203	275	362	388	2.2%	65.4%	12.3%	7.1%	
Customer Deposits	374,629	415,250	500,730	504,169	541,949	6,095	6,755	6,685	7,899	8,485	10.8%	20.6%	0.7%	7.5%	
Local Currency Deposits	268,978	305,564	357,202	369,062	402,152	4,376	4,971	4,769	5,782	6,296	13.6%	16.9%	3.3%	9.0%	
Foreign Currency Deposits	105,652	109,686	143,528	135,107	139,797	1,719	1,784	1,916	2,117	2,189	3.8%	30.9%	-5.9%	3.5%	
Sight Deposits	223,162	249,485	304,015	311,534	333,386	3,630	4,059	4,059	4,881	5,220	11.8%	21.9%	2.5%	7.0%	
Term Deposits	151,468	165,764	196,714	192,636	208,563	2,464	2,697	2,626	3,018	3,265	9.4%	18.7%	-2.1%	8.3%	
Equity	90,738	100,457	105,354	116,142	120,333	1,476	1,634	1,407	1,820	1,884	10.7%	4.9%	10.2%	3.6%	
MAIN RATIOS															
Loans/Deposits	49.6%	45.6%	41.3%	40.9%	38.3%	49.6%	45.6%	41.3%	40.9%	38.3%	-4.0%	-4.4%	-0.3%	-2.7%	
Loans/Assets	36.8%	34.0%	31.9%	31.5%	29.7%	36.8%	34.0%	31.9%	31.5%	29.7%	-2.8%	-2.1%	-0.4%	-1.7%	
Deposits/Liabilities	90.4%	91.0%	92.3%	93.4%	93.9%	90.4%	91.0%	92.3%	93.4%	93.9%	0.6%	1.3%	1.1%	0.5%	
Loans in Local Currency (% of Total)	71.4%	78.3%	76.3%	79.5%	78.6%	71.4%	78.3%	76.3%	79.5%	78.6%	6.9%	-2.0%	3.2%	-0.9%	
Deposits in Local Currency (% of Total)	71.8%	73.6%	71.3%	73.2%	74.2%	71.8%	73.6%	71.3%	73.2%	74.2%	1.8%	-2.2%	1.9%	1.0%	
Sight Deposits (% of Total)	59.6%	60.1%	60.7%	61.8%	61.5%	59.6%	60.1%	60.7%	61.8%	61.5%	0.5%	0.6%	1.1%	-0.3%	
Loans per Branch ('000 MZM/US\$)	332,113	325,696	348,399	353,301	356,288	5,403	5,298	4,652	5,535	5,578	-1.9%	7.0%	1.4%	0.8%	
Deposits per Branch ('000 MZM/US\$)	668,981	713,488	844,401	863,304	931,183	10,883	11,607	11,274	13,525	14,579	6.7%	18.3%	2.2%	7.9%	
NPL Ratio	5.91%	5.94%	9.08%	10.19%	10.92%	5.91%	5.94%	9.08%	10.19%	10.92%	0.03%	3.14%	1.1%	0.73%	
NPL Coverage	166.7%	160.9%	98.0%	89.6%	78.7%	166.7%	160.9%	98.0%	89.6%	78.7%	-5.9%	-62.9%	-8.4%	-10.8%	
BS Provisions/Loans (gross)	9.85%	9.56%	8.90%	9.12%	8.60%	9.85%	9.56%	8.90%	9.12%	8.60%	-0.29%	-0.66%	0.23%	-0.53%	
Solvency Ratio	22.8%	28.6%	25.9%	25.6%	27.3%	22.8%	28.6%	25.9%	25.6%	27.3%	5.8%	-2.7%	-0.3%	1.7%	

PROFIT AND LOSS ACCOUNT

The combined profit and loss account of the six banks showed that their total net profit surged 44.6% YoY to MZM 23,404 million (US\$ 366 million) in 2022. This evolution was largely due to an improved operating performance in the period and a sharp drop in net loan impairments. Overall, this bottom-line figure represents a return-on-equity (ROE) of 19.4% and a return-on-assets (ROA) of 3.36%.

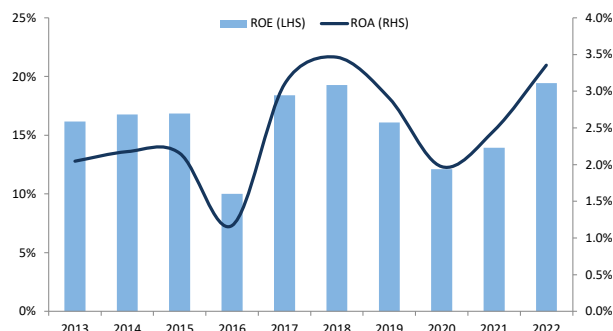
The combined net profit of the six banks surged 44.6% YoY in 2022

NET PROFIT (2013-22) – MILLION MZM



Sources: Annual Reports and Eaglestone Securities.

RETURN ON EQUITY AND RETURN ON ASSETS (2013-22)



Sources: Annual Reports and Eaglestone Securities.

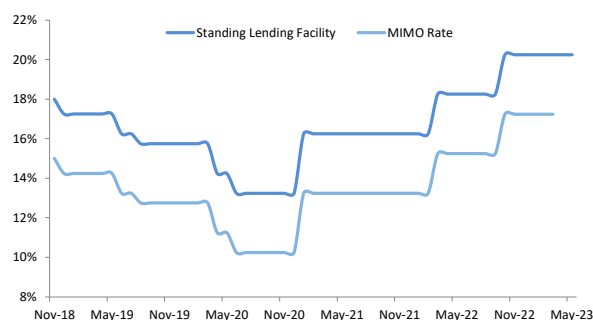
Total revenues for these banks stood at MZM 70,499 million (US\$ 1,104 million), representing an increase of 11.5% YoY. This evolution was thanks to another robust performance in net interest income (+17.2% YoY), which continued to benefit from the favorable impact on margins from a higher interest rate environment in the period and the improved profitability in financial assets held by the banking sector. Recall that the central bank increased its benchmark MIMO interest rate by a total of 400bps in the year to try to contain inflationary pressures.

Revenues benefited from higher interest rates and an improved economic environment

The higher interest rate environment was reflected in some banking sector indicators, including net interest margin, which is the ratio of net interest income over average total assets. According to our calculations, this ratio improved to 7.95% in 2022 from 7.05% in the previous year. The contribution of net interest income to total banking revenues reached 76.3% (vs. 72.7% in 2021).

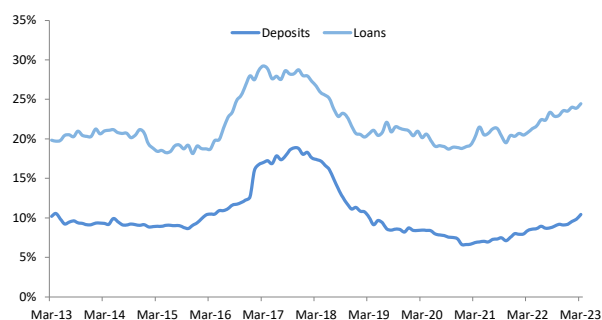
Net interest income accounted for 76.3% of total banking income

STANDING LENDING FACILITY AND MIMO RATES



Source: Banco de Moçambique.

AVERAGE INTEREST RATES (ONE YEAR)



Source: Banco de Moçambique.

Fees and commissions saw a mixed performance across these six banks. However, they remained unchanged on a combined basis from the previous year, representing less than 12% of their total revenues. Some banks mentioned that they continued to see greater utilization of their digital channels, while others benefited from an increase in their client base. Some players also said that their fee income was impacted by the persistently challenging macro environment in the country, some regulatory restrictions and the competitive backdrop in the market.

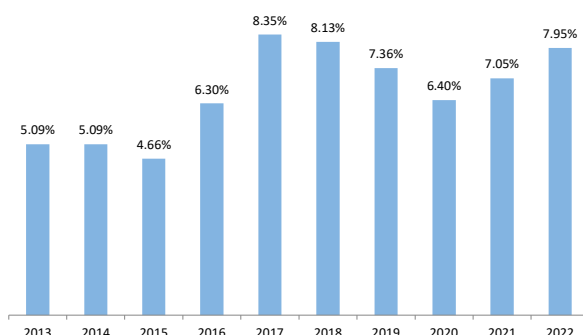
The combined amount of fees and commissions of the six banks remained unchanged from the previous year

Other banking income declined 6.6% YoY on a combined basis and represented 11.9% of total revenues. As explained below, this evolution was due to a sharp drop recorded by BCI as a result

Other banking income fell as a result of the sharp decline recorded by BCI

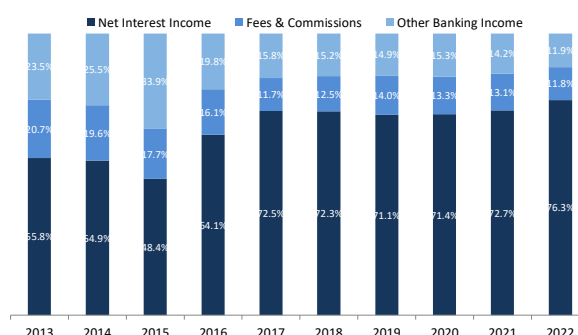
of extraordinary losses that the bank had following the demand from the central bank that it returned some commissions as well as some corrections in taxes from past years.

NET INTEREST MARGIN (NII/ATA) (2013-22)



Sources: Annual Reports and Eaglestone Securities.

REVENUE BREAKDOWN (2013-22)



Sources: Annual Reports and Eaglestone Securities.

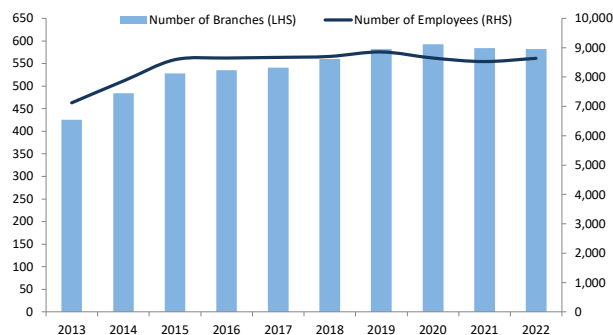
Meanwhile, total costs reached MZM 33,643 million (US\$ 527 million) in 2022, up 5.8% YoY. This compares with an average inflation rate of 10.91% recorded in the country last year. We note that the total number of branches and employees for the six banks stood almost unchanged from the previous year, standing at 582 branches (-2) and 8,530 employees (+114) at the end of 2022.

Total costs rose 5.8% YoY, significantly lower than the average inflation rate recorded in the year

The cost performance of the sector largely reflected a much faster increase in staff costs (7.0% YoY) than in the previous year (3.3% YoY). This evolution was due to the stabilization of the metical exchange rate in the period, as an important part of these costs is linked to foreign currency. We also note that staff costs continued to represent about half of the total costs of the six banks.

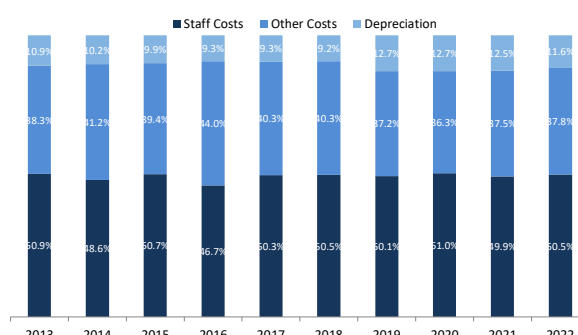
The cost performance of the sector reflected a much faster increase in staff costs than in the previous year

NUMBER OF BRANCHES AND EMPLOYEES (2013-22)



Sources: Annual Reports and Eaglestone Securities.

COST BREAKDOWN (2013-22)

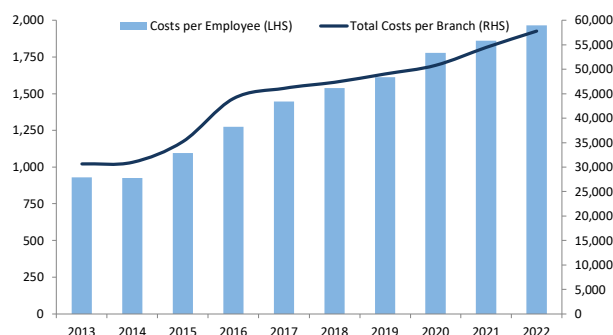


Sources: Annual Reports and Eaglestone Securities.

In terms of efficiency ratios, the improved revenue performance and the moderate cost increase in the period meant that the cost-to-income ratio continued to decline, reaching 47.7% (vs. 50.3% in 2021). Moreover, total costs per employee and total costs per branch increased 5.6% and 6.1%, respectively.

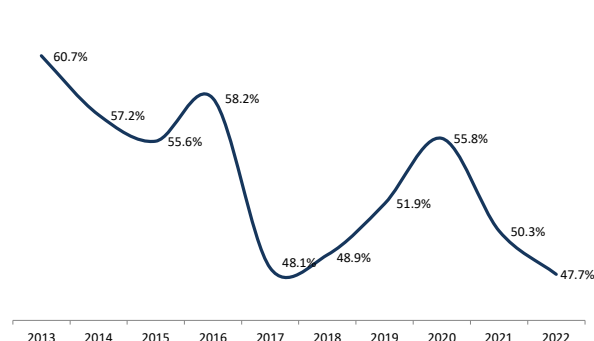
The cost-to-income ratio continued to improve, standing at 47.7% (from 50.3% in the previous year)

COSTS PER EMPLOYEE AND PER BRANCH (2013-22)



Sources: Annual Reports and Eaglestone Securities.

COST-TO-INCOME RATIO (2013-22)



Sources: Annual Reports and Eaglestone Securities.

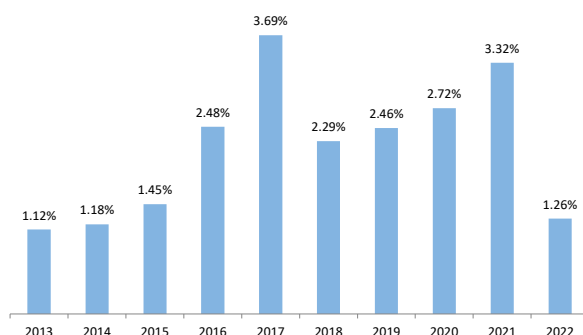
Below the operating income line, net loan loss provisions fell sharply in the period after the significant increases recorded in previous years. As explained below, this was due to a reversal in loan impairments at BCI as well as a sharp drop at Moza Banco. Overall, the total cost-of-risk (measured by the ratio of impairments over loans) declined to 126bps (from 332bps in 2021).

Loan impairments fell sharply by 61.9% YoY, with cost of risk standing at 126bps

Finally, the total effective tax rate for the six banks stood at 27.3% in the period, a level that has remained relatively stable in recent years, as demonstrated in the graph below.

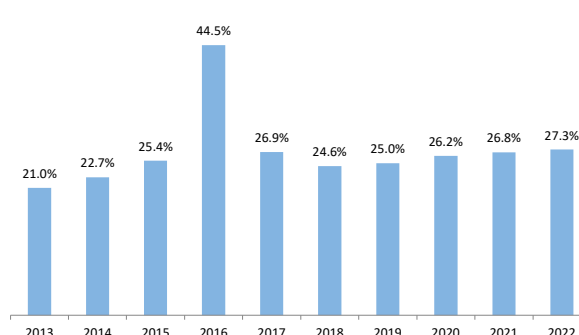
The effective tax rate has remained relatively stable in recent years

NET LOAN LOSS PROVISIONS (% OF LOANS) (2013-22)



Sources: Annual Reports and Eaglestone Securities.

TAX RATE (2013-22)



Sources: Annual Reports and Eaglestone Securities.

SIX MAJOR BANKS																			
					Million MZM					Million US\$					% Change (MZM)				
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21
P&L ACCOUNT																			
Net Interest Income	39,236	39,052	38,548	45,935	53,815	638	635	515	720	843	-0.5%	-1.3%	19.2%	17.2%					
Fees & Commissions	6,802	7,713	7,203	8,289	8,285	111	125	96	130	130	13.4%	-6.6%	15.1%	0.0%					
Other Banking Income	8,225	8,184	8,274	8,994	8,398	134	133	110	141	131	-0.5%	1.1%	8.7%	-6.6%					
Banking Income	54,264	54,949	54,025	63,218	70,499	883	894	721	990	1,104	1.3%	-1.7%	17.0%	11.5%					
Staff Costs	13,387	14,285	15,378	15,885	17,001	218	232	205	249	266	6.7%	7.7%	3.3%	7.0%					
Other Costs	10,694	10,622	10,940	11,939	12,722	174	173	146	187	199	-0.7%	3.0%	9.1%	6.6%					
Depreciation	2,443	3,621	3,817	3,980	3,919	40	59	51	62	61	48.2%	5.4%	4.3%	-1.5%					
Total Costs	26,523	28,528	30,135	31,804	33,643	431	464	402	498	527	7.6%	5.6%	5.5%	5.8%					
Operating Income	27,741	26,422	23,890	31,414	36,856	451	430	319	492	577	-4.8%	-9.6%	31.5%	17.3%					
Net Loan Loss Provisions (LLP)	4,253	4,658	5,625	6,857	2,614	69	76	75	107	41	9.5%	20.8%	21.9%	-61.9%					
Other	-301	-195	-953	-2,444	-2,048	-5	-3	-13	-38	-32	-35.2%	388.2%	156.4%	-16.2%					
Pre-Tax Profits	23,186	21,569	17,311	22,113	32,194	377	351	231	346	504	-7.0%	-19.7%	27.7%	45.6%					
Taxes	5,694	5,395	4,541	5,929	8,791	93	88	61	93	138	-5.3%	-15.8%	30.6%	48.3%					
Net Profit	17,492	16,174	12,770	16,185	23,404	285	263	170	254	366	-7.5%	-21.0%	26.7%	44.6%					
MAIN RATIOS																			
Net Interest Margin (NII/ATA)	8.13%	7.36%	6.40%	7.05%	7.95%	8.13%	7.36%	6.40%	7.05%	7.95%	-0.78%	-0.96%	0.65%	0.90%					
Net Interest Income (% of Revenues)	72.3%	71.1%	71.4%	72.7%	76.3%	72.3%	71.1%	71.4%	72.7%	76.3%	-1.2%	0.3%	1.3%	3.7%					
Fees (% of Banking Income)	12.5%	14.0%	13.3%	13.1%	11.8%	12.5%	14.0%	13.3%	13.1%	11.8%	1.5%	-0.7%	-0.2%	-1.4%					
Staff Costs (% of Total Costs)	50.5%	50.1%	51.0%	49.9%	50.5%	50.5%	50.1%	51.0%	49.9%	50.5%	-0.4%	1.0%	-1.1%	0.6%					
Costs per Employee ('000 MZM/US\$)	1,537.8	1,612.6	1,777.9	1,862.2	1,966.8	25.0	26.2	23.7	29.2	30.8	4.9%	10.2%	4.7%	5.6%					
Total Costs per Branch ('000 MZM/US\$)	47,363	49,016	50,818	54,458	57,806	771	797	678	853	905	3.5%	3.7%	7.2%	6.1%					
Cost-to-Income (incl. Depreciation)	48.9%	51.9%	55.8%	50.3%	47.7%	48.9%	51.9%	55.8%	50.3%	47.7%	3.0%	3.9%	-5.5%	-2.6%					
Net LLP (% of Net Loans)	2.29%	2.46%	2.72%	3.32%	1.26%	2.29%	2.46%	2.72%	3.32%	1.26%	0.17%	0.27%	0.60%	-2.06%					
Tax Rate	24.6%	25.0%	26.2%	26.8%	27.3%	24.6%	25.0%	26.2%	26.8%	27.3%	0.5%	1.2%	0.6%	0.5%					
ROE	19.3%	16.1%	12.1%	13.9%	19.4%	19.3%	16.1%	12.1%	13.9%	19.4%	-3.2%	-4.0%	1.8%	5.5%					
ROA	3.46%	2.90%	1.97%	2.47%	3.36%	3.46%	2.90%	1.97%	2.47%	3.36%	-0.56%	-0.93%	0.50%	0.89%					

Sources: Annual Reports and Eaglestone Securities.

BANCO COMERCIAL E DE INVESTIMENTOS (BCI)

BCI disclosed a net profit of MZM 8,122 million (US\$ 127.2 million) in 2022, rising 55.7% from the previous year. This evolution was largely due to a reversal in provisions in the period and a nearly double-digit increase in the bank's operating performance. Overall, this meant that BCI reported a ROE of 28.9% and a ROA of 4.01%, which compares with 22.2% and 2.78%, respectively, in 2021.

The operating income performance reflected a relatively more favorable evolution in terms of revenues (+7.7% YoY) than costs (+5.0% YoY) in the period. Net interest income saw another strong increase thanks to the favorable impact of higher interest rates on margins in a backdrop of lower loan growth. Income from financial assets also saw a sharp improvement on the back of the increase in this portfolio, namely in treasury bills and notes, which also benefited from higher interest rates. Commissions fell in the period while other banking income also declined sharply. The latter was due to extraordinary losses following the demand from the central bank that BCI returned some commissions from the period April 2018 through end-2021 as well as some corrections in taxes from past years. Meanwhile, total costs were up a modest 5.0% YoY, significantly lower than the average inflation rate (10.91%) in the year. This allowed for an improvement in the cost-to-income ratio to 42.3% (from 43.4% in 2021). In 2022, BCI booked a total of MZM 778.3 million in loan impairments and other net provisions, which corresponds to a reduction of 80.1% YoY. This sharp decline was due to (1) the anticipation of some provisions in 2021 to consider a more challenging macro environment, (2) the reversal of impairments in a specific large loan and (3) the reversal of provisions for other assets.

Net loans declined by -4.4% YoY, reflecting the more prudent approach of the banking sector and the higher interest rate environment. Deposits recovered 8.4% YoY after falling in the previous year, which means that the loans-to-deposits ratio fell for the first time below 40%. The NPL ratio continued to deteriorate and reached 14.43% while NPL coverage stood at 74.3%. Finally, BCI reported a solvency ratio of 27.4% (vs. 23.1% in 2021).

BCI's net profit showed a strong increase as a result of a reversal in provisions and an improved operating performance

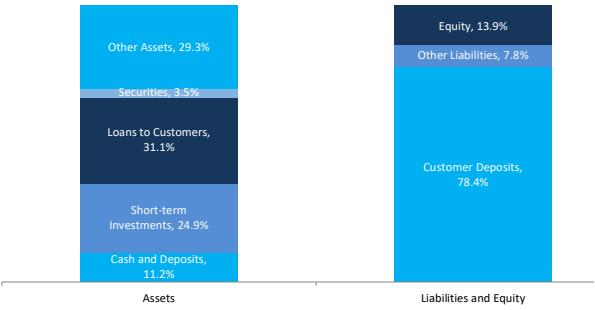
Revenues benefitted from a larger contribution from net interest income while costs advanced at a pace below the inflation rate

The loans-to-deposits ratio fell for the first time below 40%

B. COM. E DE INVESTIM. (BCI)	MZM Million					US\$ Million					% Change (MZM)			
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21
BALANCE SHEET														
Net Assets	153,808	163,391	191,300	187,502	202,686	2,502	2,658	2,554	2,938	3,173	6.2%	17.1%	-2.0%	8.1%
Customer Loans (net)	65,375	66,190	67,091	65,899	63,005	1,064	1,077	896	1,032	986	1.2%	1.4%	-1.8%	-4.4%
Local Currency Loans	39,550	47,537	49,488	50,843	50,584	643	773	661	797	792	20.2%	4.1%	2.7%	-0.5%
Loan Loss Provisions	6,433	5,966	8,387	9,392	7,569	105	97	112	147	119	-7.3%	40.6%	12.0%	-19.4%
Non-Performing Loans	4,064	3,269	9,805	10,699	10,184	66	53	131	168	159	-19.6%	200.0%	9.1%	-4.8%
Customer Deposits	115,737	125,345	151,823	146,531	158,816	1,883	2,039	2,027	2,296	2,487	8.3%	21.1%	-3.5%	8.4%
Local Currency Deposits	89,047	95,787	111,611	111,514	126,463	1,449	1,558	1,490	1,747	1,980	7.6%	16.5%	-0.1%	13.4%
Equity	16,621	18,914	20,170	23,549	28,136	270	308	269	369	441	13.8%	6.6%	16.8%	19.5%
P&L ACCOUNT														
Net Interest Income	9,832	10,266	10,877	13,438	15,690	159.9	167.0	145.2	210.5	245.7	4.4%	5.9%	23.5%	16.8%
Fees & Commissions	1,849	2,094	1,848	2,450	2,342	30.1	34.1	24.7	38.4	36.7	13.3%	-11.7%	32.6%	-4.4%
Other Banking Income	2,444	2,306	2,560	3,024	2,331	39.8	37.5	34.2	47.4	36.5	-5.7%	11.0%	18.1%	-22.9%
Banking Income	14,125	14,666	15,285	18,911	20,364	229.8	238.6	204.1	296.3	318.8	3.8%	4.2%	23.7%	7.7%
Staff Costs	3,782	4,096	4,328	4,348	4,583	61.5	66.6	57.8	68.1	71.8	8.3%	5.7%	0.5%	5.4%
Other Costs	2,484	2,564	2,701	2,905	3,102	40.4	41.7	36.1	45.5	48.6	3.2%	5.3%	7.6%	6.8%
Depreciation	682	826	809	949	924	11.1	13.4	10.8	14.9	14.5	21.2%	-2.1%	17.3%	-2.7%
Total Costs	6,949	7,486	7,837	8,202	8,609	113.0	121.8	104.6	128.5	134.8	7.7%	4.7%	4.7%	5.0%
Operating Income	7,176	7,180	7,448	10,709	11,755	116.7	116.8	99.4	167.8	184.0	0.1%	3.7%	43.8%	9.8%
Net Loan Loss Provisions (LLP)	1,218	2,353	2,824	2,233	-405	19.8	38.3	37.7	35.0	-6.3	93.2%	20.0%	-20.9%	n.m.
Other	-303	-183	-777	-1,679	-1,184	-4.9	-3.0	-10.4	-26.3	-18.5	-39.7%	324.9%	116.1%	-29.5%
Pre-Tax Profits	5,655	4,644	3,847	6,797	10,977	92.0	75.5	51.4	106.5	171.9	-17.9%	-17.2%	76.7%	61.5%
Taxes	1,608	1,212	1,163	1,580	2,855	26.2	19.7	15.5	24.8	44.7	-24.7%	-4.0%	35.9%	80.6%
Net Profit	4,047	3,432	2,684	5,217	8,122	65.8	55.8	35.8	81.7	127.2	-15.2%	-21.8%	94.4%	55.7%
RATIOS														
Net Interest Margin (NII/ATA)	6.38%	6.47%	6.13%	7.09%	8.04%	6.38%	6.47%	6.13%	7.09%	8.04%	0.10%	-0.34%	0.96%	0.95%
Net Interest Income (% of Revenue)	69.6%	70.0%	71.2%	71.1%	77.1%	69.6%	70.0%	71.2%	71.1%	77.1%	0.4%	1.2%	-0.1%	6.0%
Fees (% of Banking Income)	13.1%	14.3%	12.1%	13.0%	11.5%	13.1%	14.3%	12.1%	13.0%	11.5%	1.2%	-2.2%	0.9%	-1.5%
Staff Costs (% of Total Costs)	54.4%	54.7%	55.2%	53.0%	53.2%	54.4%	54.7%	55.2%	53.0%	53.2%	0.3%	0.5%	-2.2%	0.2%
Costs per Employee ('000)	1,309	1,442	1,562	1,603	1,690	21.3	23.5	20.9	25.1	26.5	10.1%	8.4%	2.6%	5.4%
Cost-to-Income (incl. Depreciation)	49.2%	51.0%	51.3%	43.4%	42.3%	49.2%	51.0%	51.3%	43.4%	42.3%	1.8%	0.2%	-7.9%	-1.1%
Net LLP (% of Net Loans)	1.86%	3.56%	4.21%	3.39%	-0.64%	1.86%	3.56%	4.21%	3.39%	-0.64%	1.69%	0.65%	-0.82%	-4.03%
Tax Rate	28.4%	26.1%	30.2%	23.3%	26.0%	28.4%	26.1%	30.2%	23.3%	26.0%	-2.3%	4.1%	-7.0%	2.8%
ROE	24.3%	18.1%	13.3%	22.2%	28.9%	24.3%	18.1%	13.3%	22.2%	28.9%	-6.2%	-4.8%	8.8%	6.7%
ROA	2.63%	2.10%	1.40%	2.78%	4.01%	2.63%	2.10%	1.40%	2.78%	4.01%	-0.53%	-0.70%	1.38%	1.22%
Loans/Deposits	56.5%	52.8%	44.2%	45.0%	39.7%	56.5%	52.8%	44.2%	45.0%	39.7%	-3.7%	-8.6%	0.8%	-5.3%
Loans/Assets	42.5%	40.5%	35.1%	35.1%	31.1%	42.5%	40.5%	35.1%	35.1%	31.1%	-2.0%	-5.4%	0.1%	-4.1%
Deposits/Liabilities	84.4%	86.8%	88.7%	89.4%	91.0%	84.4%	86.8%	88.7%	89.4%	91.0%	2.4%	2.0%	0.7%	1.6%
Loans in Local Currency (% Total)	60.5%	71.8%	73.8%	77.2%	80.3%	60.5%	71.8%	73.8%	77.2%	80.3%	11.3%	1.9%	3.4%	3.1%
Deposits in Local Currency (% Total)	76.9%	76.4%	73.5%	76.1%	79.6%	76.9%	76.4%	73.5%	76.1%	79.6%	-0.5%	-2.9%	2.6%	3.5%
Loans per Branch ('000)	326,874	318,220	317,968	313,806	298,601	5,318	5,177	4,245	4,916	4,675	-2.6%	-0.1%	-1.3%	-4.8%
Deposits per Branch ('000)	578,686	602,622	719,540	697,768	752,683	9,414	9,804	9,607	10,932	11,785	4.1%	19.4%	-3.0%	7.9%
Solvency Ratio	17.0%	25.0%	24.5%	23.1%	27.4%	17.0%	25.0%	24.5%	23.1%	27.4%	8.0%	-0.4%	-1.4%	4.3%
NPL Ratio	5.66%	4.53%	12.99%	14.21%	14.43%	5.66%	4.53%	12.99%	14.21%	14.43%	-1.13%	8.46%	1.22%	0.22%
NPL Coverage	158.3%	182.5%	85.5%	87.8%	74.3%	158.3%	182.5%	85.5%	87.8%	74.3%	24.2%	-97.0%	2.2%	-13.5%
BS Provisions/Loans (gross)	8.96%	8.27%	11.11%	12.47%	10.72%	8.96%	8.27%	11.11%	12.47%	10.72%	-0.69%	2.84%	1.36%	-1.75%

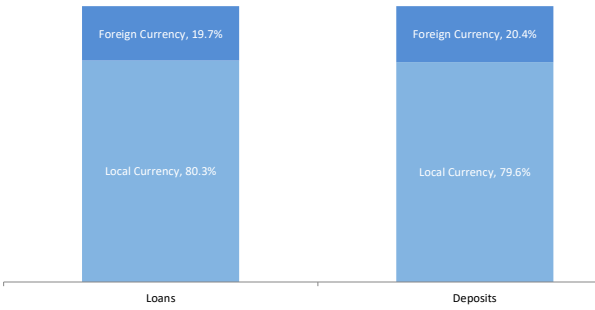
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2022



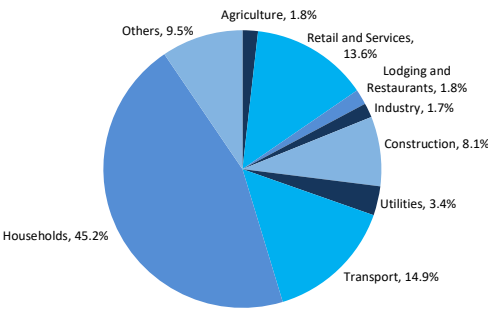
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2022



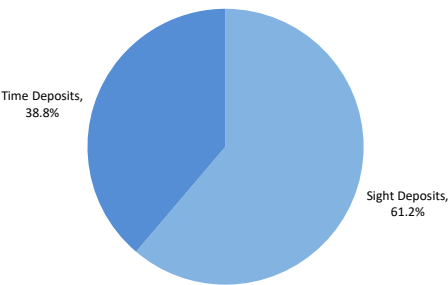
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2022



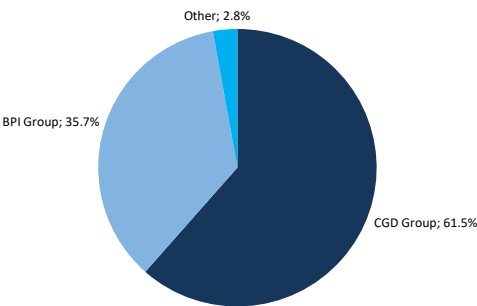
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2022



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2022



Sources: Annual Reports and Eaglestone Securities.

MILLENNIUM BIM (BIM)

Millennium bim (BIM) reported a net profit of MZM6,646 million (US\$104.1 million) in 2022, a slight improvement of 2.9% YoY. This reflects another double-digit increase in operating income (10.1%), which more than offset higher loan impairments (67.7%) made considering the persistently complex economic environment and taxes (42.0%). Overall, this means that ROE and ROA reached 18.8% and 3.45%, respectively.

BIM saw an improvement in revenues across the board. Net interest income was up 9.9% YoY thanks to the favorable impact of higher interest rates on income from loans to customers and from financial assets. Fee income rose 7.1% YoY on the back of the higher contribution from digital channels that saw an increase in new customers and the number of transactions. Other banking income increased 2.8% YoY due to the stronger results from financial operations, namely the larger volume of FX transactions. Meanwhile, total costs increased 7.2% YoY, still below the inflation rate for the year, with staff rising only 5.2% and accounting for 41.6% of the total cost base. The increase in other costs and depreciation is related to the investments in the IT platform that the bank has done in recent years to improve digitalization levels. All in all, this means that the cost-to-income ratio improved slightly to 42.9% (from 43.5% in 2021).

As for the balance sheet, net loans recovered slightly (2.3% YoY) from the fall recorded in the previous year, as the increase in loans in meticals more than offset another sharp fall in foreign currency denominated loans. Deposits increased 10.2% YoY thanks to the recovery in sight deposits, which means that the loans-to-deposits ratio fell below the 30% level (28.1% vs. 30.3% in 2021). Most of the loans (94.6%) and deposits (80.6%) were denominated in local currency while 49.5% were sight deposits. Meanwhile, the NPL ratio stood almost unchanged at 7.78%, with coverage standing at 104.2% (vs. 7.96% and 104.8%, respectively, in 2021). Finally, the bank's solvency ratio stood at a comfortable 36.4% (vs. 44.8% in 2021).

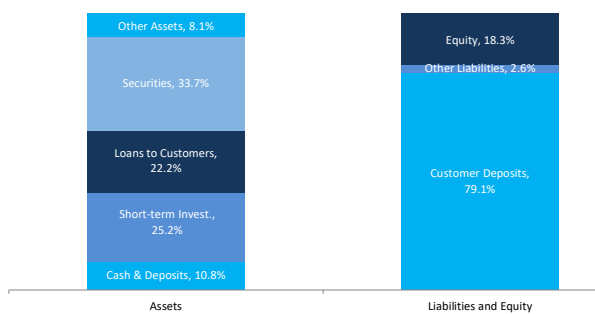
BIM's net profit increased 2.9% YoY thanks to another double-digit improvement in the bank's operating performance

Revenues improved across the board while total costs increased 7.2% YoY, below the inflation rate

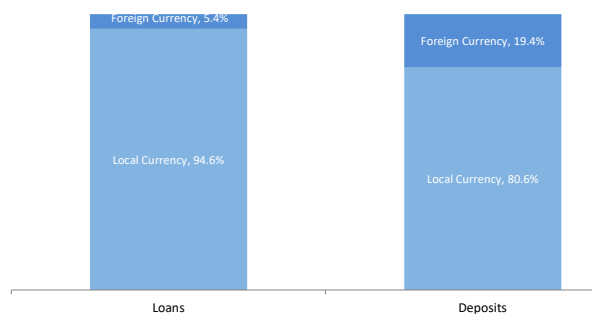
Net loans recovered slightly after the fall in the previous year while deposits rose more than 10% YoY, leading the transformation ratio to stand below 30% for the period

MILLENNIUM BIM (BIM)	MZM Million					US\$ Million					% Change (MZM)			
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21
BALANCE SHEET														
Net Assets	150,808	163,389	185,351	184,138	192,430	2,453	2,658	2,475	2,885	3,013	8.3%	13.4%	-0.7%	4.5%
Customer Loans (net)	50,165	44,293	44,506	41,830	42,801	816	721	594	655	670	-11.7%	0.5%	-6.0%	2.3%
Local Currency Loans	41,375	38,563	40,042	38,405	40,485	673	627	535	602	634	-6.8%	3.8%	-4.1%	5.4%
Loan Loss Provisions	6,384	5,965	3,547	3,808	3,774	104	97	47	60	59	-6.6%	-40.5%	7.3%	-0.9%
Non-Performing Loans	3,013	3,316	2,982	3,634	3,622	49	54	40	57	57	10.1%	-10.1%	21.9%	-0.3%
Customer Deposits	110,727	118,056	138,990	138,085	152,176	1,801	1,921	1,856	2,163	2,383	6.6%	17.7%	-0.7%	10.2%
Local Currency Deposits	85,687	93,459	111,274	112,628	122,643	1,394	1,520	1,486	1,765	1,920	9.1%	19.1%	1.2%	8.9%
Sight Deposits	55,964	57,741	68,546	65,430	75,317	910	939	915	1,025	1,179	3.2%	18.7%	-4.5%	15.1%
Equity	33,566	37,304	37,579	40,744	35,302	546	607	502	638	553	11.1%	0.7%	8.4%	-13.4%
P&L ACCOUNT														
Net Interest Income	13,148	12,757	11,391	12,429	13,664	213.9	207.5	152.1	194.7	213.9	-3.0%	-10.7%	9.1%	9.9%
Fees & Commissions	2,144	2,244	2,192	2,440	2,614	34.9	36.5	29.3	38.2	40.9	4.6%	-2.3%	11.3%	7.1%
Other Banking Income	2,135	2,176	1,286	1,529	1,573	34.7	35.4	17.2	24.0	24.6	1.9%	-40.9%	18.9%	2.8%
Banking Income	17,427	17,176	14,870	16,398	17,851	283.5	279.4	198.5	256.9	279.5	-1.4%	-13.4%	10.3%	8.9%
Staff Costs	2,822	2,949	2,897	3,026	3,183	45.9	48.0	38.7	47.4	49.8	4.5%	-1.7%	4.5%	5.2%
Other Costs	3,117	3,023	3,007	3,122	3,418	50.7	49.2	40.1	48.9	53.5	-3.0%	-0.5%	3.9%	9.5%
Depreciation	605	870	968	989	1,051	9.8	14.2	12.9	15.5	16.4	43.8%	11.3%	2.1%	6.3%
Total Costs	6,545	6,841	6,872	7,137	7,651	106.5	111.3	91.8	111.8	119.8	4.5%	0.5%	3.9%	7.2%
Operating Income	10,882	10,335	7,997	9,261	10,200	177.0	168.1	106.8	145.1	159.7	-5.0%	-22.6%	15.8%	10.1%
Net Loan Loss Provisions (LLP)	2,437	1,390	2,419	328	550	39.6	22.6	32.3	5.1	8.6	-42.9%	73.9%	-86.4%	67.7%
Other	-48	43	-128	-759	-563	-0.8	0.7	-1.7	-11.9	-8.8	n.m.	n.m.	490.6%	-25.8%
Pre-Tax Profits	8,397	8,988	5,450	8,174	9,087	136.6	146.2	72.8	128.1	142.3	7.0%	-39.4%	50.0%	11.2%
Taxes	1,588	1,965	763	1,718	2,441	25.8	32.0	10.2	26.9	38.2	23.8%	-61.2%	125.1%	42.0%
Net Profit	6,809	7,023	4,687	6,456	6,646	110.8	114.2	62.6	101.1	104.1	3.1%	-33.3%	37.7%	2.9%
RATIOS														
Net Interest Margin (NII/ATA)	9.13%	8.12%	6.53%	6.73%	7.26%	9.13%	8.12%	6.53%	6.73%	7.26%	-1.01%	-1.59%	0.19%	0.53%
Net Interest Income (% of Revenue)	75.4%	74.3%	76.6%	75.8%	76.5%	75.4%	74.3%	76.6%	75.8%	76.5%	-1.2%	2.3%	-0.8%	0.8%
Fees (% of Banking Income)	12.3%	13.1%	14.7%	14.9%	14.6%	12.3%	13.1%	14.7%	14.9%	14.6%	0.8%	1.7%	0.1%	-0.2%
Staff Costs (% of Total Costs)	43.1%	43.1%	42.2%	42.4%	41.6%	43.1%	43.1%	42.2%	42.4%	41.6%	0.0%	-0.9%	0.2%	-0.8%
Costs per Employee ('000)	1,147	1,168	1,188	1,213	1,271	18.7	19.0	15.9	19.0	19.9	1.9%	1.7%	2.1%	4.8%
Cost-to-Income (incl. Depreciation)	37.6%	39.8%	46.2%	43.5%	42.9%	37.6%	39.8%	46.2%	43.5%	42.9%	2.3%	6.4%	-2.7%	-0.7%
Net LLP (% of Net Loans)	4.86%	3.14%	5.43%	0.78%	1.29%	4.86%	3.14%	5.43%	0.78%	1.29%	-1.72%	2.29%	-4.65%	0.50%
Tax Rate	18.9%	21.9%	14.0%	21.0%	26.9%	18.9%	21.9%	14.0%	21.0%	26.9%	3.0%	-7.9%	7.0%	5.8%
ROE	20.3%	18.8%	12.5%	15.8%	18.8%	20.3%	18.8%	12.5%	15.8%	18.8%	-1.5%	-6.4%	3.4%	3.0%
ROA	4.51%	4.30%	2.53%	3.51%	3.45%	4.51%	4.30%	2.53%	3.51%	3.45%	-0.22%	-1.77%	0.98%	-0.05%
Loans/Deposits	45.3%	37.5%	32.0%	30.3%	28.1%	45.3%	37.5%	32.0%	30.3%	28.1%	-7.8%	-5.5%	-1.7%	-2.2%
Loans/Assets	33.3%	27.1%	24.0%	22.7%	22.2%	33.3%	27.1%	24.0%	22.7%	22.2%	-6.2%	-3.1%	-1.3%	-0.5%
Deposits/Liabilities	94.4%	93.6%	94.1%	96.3%	96.8%	94.4%	93.6%	94.1%	96.3%	96.8%	-0.8%	0.4%	2.2%	0.6%
Loans in Local Currency (% Total)	82.5%	87.1%	90.0%	91.8%	94.6%	82.5%	87.1%	90.0%	91.8%	94.6%	4.6%	2.9%	1.8%	2.8%
Deposits in Local Currency (% Total)	77.4%	79.2%	80.1%	81.6%	80.6%	77.4%	79.2%	80.1%	81.6%	80.6%	1.8%	0.9%	1.5%	-1.0%
Loans per Branch ('000)	259,923	221,463	223,650	210,202	217,263	4,228	3,603	2,986	3,293	3,402	-14.8%	1.0%	-6.0%	3.4%
Deposits per Branch ('000)	573,716	590,279	698,444	693,895	772,468	9,333	9,603	9,325	10,871	12,094	2.9%	18.3%	-0.7%	11.3%
Solvency Ratio	39.0%	45.8%	43.9%	44.8%	36.4%	39.0%	45.8%	43.9%	44.8%	36.4%	6.8%	-1.9%	0.9%	-8.4%
NPL Ratio	5.33%	6.60%	6.21%	7.96%	7.78%	5.33%	6.60%	6.21%	7.96%	7.78%	1.27%	-0.39%	1.76%	-0.19%
NPL Coverage	211.9%	179.9%	118.9%	104.8%	104.2%	211.9%	179.9%	118.9%	104.8%	104.2%	-32.0%	-60.9%	-14.2%	-0.6%
BS Provisions/Loans (gross)	11.29%	11.87%	7.38%	8.34%	8.10%	11.29%	11.87%	7.38%	8.34%	8.10%	0.58%	-4.49%	0.96%	-0.24%

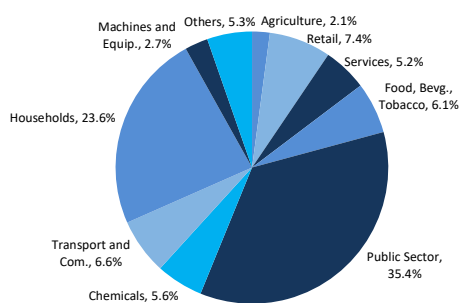
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2022

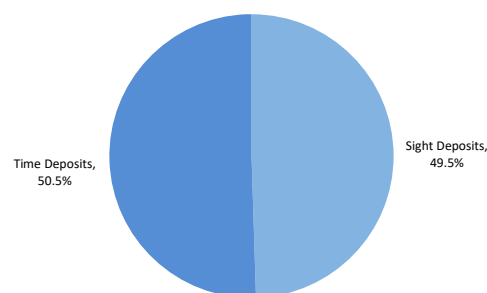
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2022

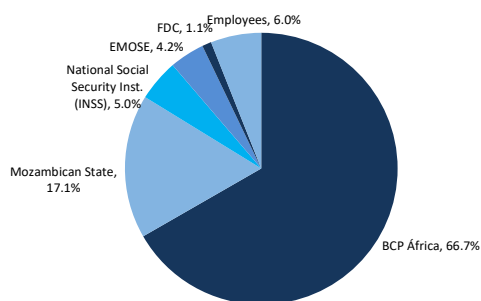
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2022

Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2022

Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2022

Sources: Annual Reports and Eaglestone Securities.

STANDARD BANK MOÇAMBIQUE

Standard Bank Moçambique's net profit jumped 38.4% YoY to MZM 6,846 million (US\$ 107 million) in 2022 after a 9.0% YoY decline recorded in the previous year. This recovery in the bottom line resulted mostly from a strong revenue performance (21.1% YoY), especially in net interest income. Overall, ROE reached 19.6% and ROA stood at 4.34% (vs. 15.7% and 3.44%, respectively, in 2021).

Net interest income rose 27.7% YoY thanks to the higher interest rate environment, as stronger income from loans more than offset higher costs from deposits. This strong improvement in net interest income meant that it represented 74.3% of total revenues in the period. Commissions were up a modest 4.9% YoY while other banking income (+5.5% YoY) was impacted by the slower activity in terms of FX transactions. Meanwhile, costs were up 8.4% YoY, with this increase representing the large investments that the bank is currently undertaking in its digital platforms as well as its employees. Indeed, staff costs rose 13.8% YoY and represented 55.6% of the total cost base. Following this healthy revenue performance, this means that the cost-to-income ratio improved to 46.0% (from 51.4% in 2021).

In terms of the balance sheet, net loans stood flat in the period after the healthy growth in the previous two years. The bank stated that there was an increase in the number of early loan reimbursements since several of its clients looked to reposition their balance sheets in order to take advantage of a stable exchange rate and opted for relatively cheaper loans in foreign currency. This explains why the bank's portfolio in local currency recorded a sharp decline of 23.6% YoY. On the other hand, deposits recovered 8.6% YoY after the decline in the previous year. This means that the loans-to-deposits ratio fell to 34.5% (from 37.3% in 2021). Moreover, the NPL ratio saw another sharp increase, reaching 6.02%, while NPL coverage fell sharply to 98.3%. Finally, the solvency ratio improved to 26.2%, which compares with 22.2% in 2021.

Net profit jumped 38.4% YoY following a strong revenue performance in the period

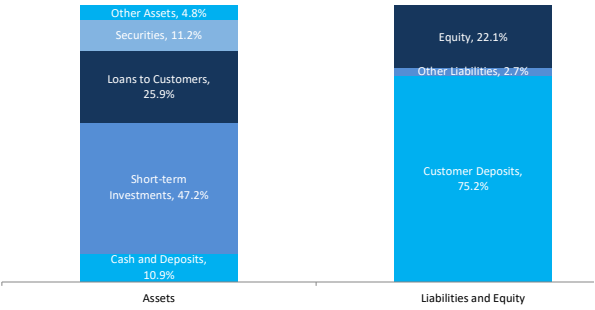
Net interest income rose 27.7% YoY thanks to the higher interest rate environment

The NPL ratio rose to 4.85% (from 2.62% in the previous year)

STANDARD BANK MOÇAMBIQUE	MZM Million					US\$ Million					% Change (MZM)			
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21
BALANCE SHEET														
Net Assets	99,928	119,286	143,387	143,815	157,609	1,626	1,941	1,914	2,253	2,468	19.4%	20.2%	0.3%	9.6%
Customer Loans (net)	28,296	28,447	37,864	40,633	40,813	460	463	506	637	639	0.5%	33.1%	7.3%	0.4%
Local Currency Loans	19,092	21,181	24,889	27,975	21,362	311	345	332	438	334	10.9%	17.5%	12.4%	-23.6%
Loan Loss Provisions	1,905	1,680	2,094	2,474	2,568	31	27	28	39	40	-11.8%	24.7%	18.1%	3.8%
Non-Performing Loans	787	444	1,046	2,090	2,611	13	7	14	33	41	-43.5%	135.5%	99.8%	25.0%
Customer Deposits	73,940	88,479	111,664	109,046	118,463	1,203	1,439	1,491	1,708	1,855	19.7%	26.2%	-2.3%	8.6%
Local Currency Deposits	39,274	51,938	61,126	65,381	68,332	639	845	816	1,024	1,070	32.2%	17.7%	7.0%	4.5%
Sight Deposits	64,406	74,779	95,513	86,952	90,329	1,048	1,217	1,275	1,362	1,414	16.1%	27.7%	-9.0%	3.9%
Equity	21,114	24,916	28,402	31,447	34,845	343	405	379	493	546	18.0%	14.0%	10.7%	10.8%
P&L ACCOUNT														
Net Interest Income	9,249	8,681	8,917	10,678	13,637	150.5	141.2	119.0	167.3	213.5	-6.1%	2.7%	19.8%	27.7%
Fees & Commissions	1,542	1,933	1,806	1,872	1,964	25.1	31.4	24.1	29.3	30.7	25.3%	-6.6%	3.7%	4.9%
Other Banking Income	2,596	2,430	3,256	2,617	2,761	42.2	39.5	43.5	41.0	43.2	-6.4%	34.0%	-19.6%	5.5%
Banking Income	13,387	13,043	13,979	15,167	18,362	217.8	212.2	186.6	237.6	287.5	-2.6%	7.2%	8.5%	21.1%
Staff Costs	3,391	3,514	3,699	4,133	4,702	55.2	57.2	49.4	64.8	73.6	3.6%	5.3%	11.7%	13.8%
Other Costs	1,972	2,004	2,179	2,908	3,005	32.1	32.6	29.1	45.6	47.0	1.6%	8.7%	33.5%	3.3%
Depreciation	436	659	760	752	744	7.1	10.7	10.2	11.8	11.7	50.9%	15.4%	-1.1%	-1.1%
Total Costs	5,799	6,177	6,639	7,793	8,451	94.3	100.5	88.6	122.1	132.3	6.5%	7.5%	17.4%	8.4%
Operating Income	7,588	6,867	7,340	7,374	9,911	123.4	111.7	98.0	115.5	155.2	-9.5%	6.9%	0.5%	34.4%
Net Loan Loss Provisions (LLP)	213	106	-166	583	769	3.5	1.7	-2.2	9.1	12.0	-50.5%	n.m.	n.m.	31.9%
Pre-Tax Profits	7,374	6,761	7,506	6,790	9,142	120.0	110.0	100.2	106.4	143.1	-8.3%	11.0%	-9.5%	34.6%
Taxes	1,788	1,821	2,068	1,843	2,296	29.1	29.6	27.6	28.9	35.9	1.8%	13.6%	-10.9%	24.6%
Net Profit	5,587	4,941	5,439	4,948	6,846	90.9	80.4	72.6	77.5	107.2	-11.6%	10.1%	-9.0%	38.4%
RATIOS														
Net Interest Margin (NII/ATA)	9.87%	7.92%	6.79%	7.44%	9.05%	9.87%	7.92%	6.79%	7.44%	9.05%	-1.95%	-1.13%	0.65%	1.61%
Net Interest Income (% of Revenue)	69.1%	66.6%	63.8%	70.4%	74.3%	69.1%	66.6%	63.8%	70.4%	74.3%	-2.5%	-2.8%	6.6%	3.9%
Fees (% of Banking Income)	11.5%	14.8%	12.9%	12.3%	10.7%	11.5%	14.8%	12.9%	12.3%	10.7%	3.3%	-1.9%	-0.6%	-1.6%
Staff Costs (% of Total Costs)	58.5%	56.9%	55.7%	53.0%	55.6%	58.5%	56.9%	55.7%	53.0%	55.6%	-1.6%	-1.2%	-2.7%	2.6%
Costs per Employee ('000)	2,847	2,933	3,093	3,485	3,743	46.3	47.7	41.3	54.6	58.6	3.0%	5.5%	12.7%	7.4%
Cost-to-Income (incl. Depreciation)	43.3%	47.4%	47.5%	51.4%	46.0%	43.3%	47.4%	47.5%	51.4%	46.0%	4.0%	0.1%	3.9%	-5.4%
Net LLP (% of Net Loans)	0.75%	0.37%	-0.44%	1.44%	1.89%	0.75%	0.37%	-0.44%	1.44%	1.89%	-0.38%	-0.81%	1.87%	0.45%
Tax Rate	24.2%	26.9%	27.5%	27.1%	25.1%	24.2%	26.9%	27.5%	27.1%	25.1%	2.7%	0.6%	-0.4%	-2.0%
ROE	26.5%	19.8%	19.1%	15.7%	19.6%	26.5%	19.8%	19.1%	15.7%	19.6%	-6.6%	-0.7%	-3.4%	3.9%
ROA	5.59%	4.14%	3.79%	3.44%	4.34%	5.59%	4.14%	3.79%	3.44%	4.34%	-1.45%	-0.35%	-0.35%	0.90%
Loans/Deposits	38.3%	32.2%	33.9%	37.3%	34.5%	38.3%	32.2%	33.9%	37.3%	34.5%	-6.1%	1.8%	3.4%	-2.8%
Loans/Assets	28.3%	23.8%	26.4%	28.3%	25.9%	28.3%	23.8%	26.4%	28.3%	25.9%	-4.5%	2.6%	1.8%	-2.4%
Deposits/Liabilities	93.8%	93.8%	97.1%	97.0%	96.5%	93.8%	93.8%	97.1%	97.0%	96.5%	-0.1%	3.4%	-0.1%	-0.5%
Loans in Local Currency (% Total)	67.5%	74.5%	65.7%	68.8%	52.3%	67.5%	74.5%	65.7%	68.8%	52.3%	7.0%	-8.7%	3.1%	-16.5%
Deposits in Local Currency (% Total)	53.1%	58.7%	54.7%	60.0%	57.7%	53.1%	58.7%	54.7%	60.0%	57.7%	5.6%	-4.0%	5.2%	-2.3%
Loans per Branch ('000)	707.395	711.180	946.608	1,015.822	1,020.336	11,508	11,570	12,638	15,914	15,975	0.5%	33.1%	7.3%	0.4%
Deposits per Branch ('000)	1,848.488	2,211.982	2,791.588	2,726.157	2,961.566	30,071	35,985	37,271	42,710	46,369	19.7%	26.2%	-2.3%	8.6%
Solvency Ratio	19.4%	29.3%	24.8%	22.2%	26.2%	19.4%	29.3%	24.8%	22.2%	26.2%	9.9%	-4.5%	-2.6%	4.0%
NPL Ratio	2.60%	1.47%	2.62%	4.85%	6.02%	2.60%	1.47%	2.62%	4.85%	6.02%	-1.13%	1.14%	2.23%	1.17%
NPL Coverage	242.2%	378.2%	200.2%	118.4%	98.3%	242.2%	378.2%	200.2%	118.4%	98.3%	136.0%	-178.0%	-81.8%	-20.0%
BS Provisions/Loans (gross)	6.31%	5.58%	5.24%	5.74%	5.92%	6.31%	5.58%	5.24%	5.74%	5.92%	-0.73%	-0.34%	0.50%	0.18%

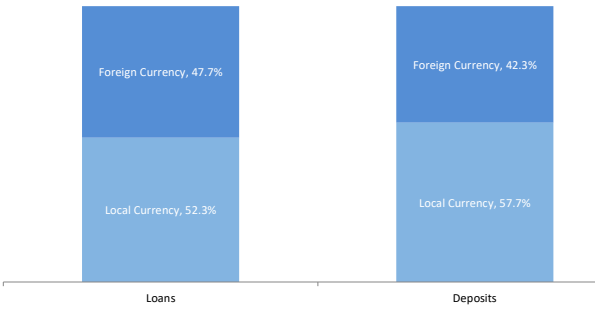
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2022



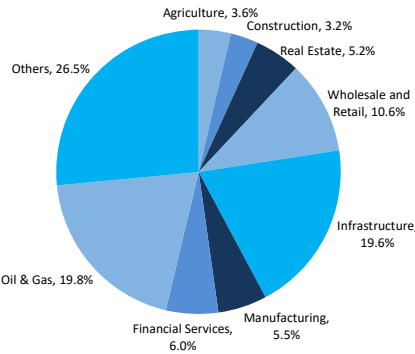
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2022



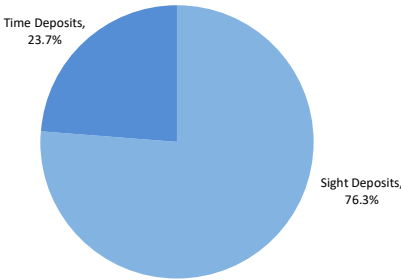
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2022



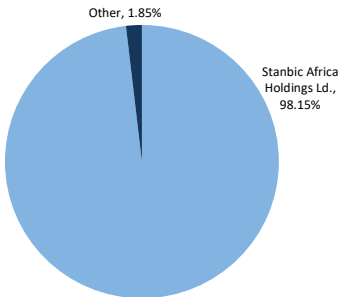
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2022



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2022



Sources: Annual Reports and Eaglestone Securities.

ABSA BANK MOÇAMBIQUE

Absa Bank Moçambique's net profit saw another strong improvement (61.4% YoY), reaching MZM 1,023 million (US\$ 16.0 million) in 2022 after the bank more than doubled its bottom line in the previous year. This evolution was thanks to a strong operating performance (44.9% YoY) that more than offset the impact from higher loan provisions and taxes. ROE reached only 11.3% and ROA 1.55%, which is relatively low when compared with the other larger banks.

Total revenues rose 17.7% YoY after a robust increase of 29.0% YoY in net interest income in the period. This evolution was thanks to a sharp increase of 74.4% in revenues from interest on other assets. The bank said that net income from loans fell 2.7% since deposits are structurally aligned with the central bank's key interest rate and are subject to a quicker repricing than the loan portfolio. Net interest income was also impacted by the fact that customers changed their current accounts toward time deposits in the expectation of a change in the economic cycle. In terms of other revenues, fee income fell 34.2% partly as a result of accounting reclassifications in some income classes and the slower activity observed in the financing of commerce activity. Other banking income increased moderately (6.7%) and reflected the contribution of trading income. Total costs rose 5.4% YoY, with staff costs advancing 10.4% and representing 40.5% of the total cost base of the bank. This means that the efficiency ratio improved to 61.8% (from 68.9% in the previous year). Below the operating income line, we note that the bank saw another sharp increase in loan impairments (25.4%). This was mostly due to the continued increase in the bank's loan portfolio and the impact that higher interest rates are having on the ability of clients to pay their loans.

Net loans continued to advance at a healthy pace and allowed ABSA to continue to gain market share (10.3% vs. 9.4% in 2020). Deposits stayed flat in the period after surging 43.9% YoY in the previous year. This means the Loans/Deposits ratio increased to 51.0% (vs. 47.6% in 2021). We also note that the NPL ratio increased markedly from 10.83% in 2021 to 14.78% last year, with coverage falling to 42.1%. Finally, the solvency ratio stood at 20.0% (vs. 19.2% in 2021).

The bank's net profit saw another strong increase in 2022

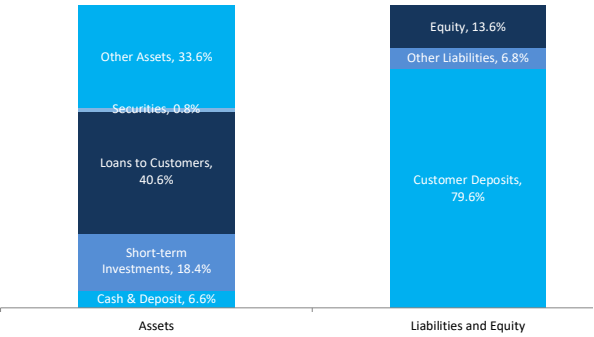
Net profit benefited from a rather strong operating performance that more than offset higher loan impairments and taxes

Absa continued to gain market share in loans

ABSA BANK MOÇAMBIQUE	MZM Million					US\$ Million					% Change (MZM)			
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21
BALANCE SHEET														
Net Assets	38,053	41,167	47,991	64,226	66,077	619	670	641	1,006	1,035	8.2%	16.6%	33.8%	2.9%
Customer Loans (net)	12,284	16,273	22,949	24,894	26,835	200	265	306	390	420	32.5%	41.0%	8.5%	7.8%
Local Currency Loans	9,140	13,150	16,985	18,693	21,272	149	214	227	293	333	43.9%	29.2%	10.1%	13.8%
Loan Loss Provisions	650	769	867	1,528	1,781	11	13	12	24	28	18.4%	12.7%	76.3%	16.5%
Non-Performing Loans	994	1,212	1,940	2,862	4,229	16	20	26	45	66	22.0%	60.1%	47.5%	47.8%
Customer Deposits	27,478	31,508	36,370	52,347	52,572	447	513	486	820	823	14.7%	15.4%	43.9%	0.4%
Local Currency Deposits	17,876	21,741	25,244	33,740	34,957	291	354	337	529	547	21.6%	16.1%	33.7%	3.6%
Sight Deposits	11,746	15,652	20,041	43,030	40,585	191	255	268	674	635	33.2%	28.0%	114.7%	-5.7%
Equity	6,742	7,434	7,681	8,012	9,011	110	121	103	126	141	10.3%	3.3%	4.3%	12.5%
P&L ACCOUNT														
Net Interest Income	3,391	3,294	3,453	4,037	5,206	55.2	53.6	46.1	63.2	81.5	-2.8%	4.8%	16.9%	29.0%
Fees & Commissions	454	561	530	668	439	7.4	9.1	7.1	10.5	6.9	23.6%	-5.4%	26.0%	-34.2%
Other Banking Income	646	730	761	993	1,059	10.5	11.9	10.2	15.6	16.6	12.9%	4.3%	30.4%	6.7%
Banking Income	4,491	4,585	4,745	5,698	6,705	73.1	74.6	63.3	89.3	105.0	2.1%	3.5%	20.1%	17.7%
Staff Costs	1,440	1,571	1,749	1,519	1,677	23.4	25.6	23.3	23.8	26.3	9.1%	11.3%	-13.1%	10.4%
Other Costs	1,388	1,504	1,970	1,972	2,007	22.6	24.5	26.3	30.9	31.4	8.3%	31.0%	0.1%	1.8%
Depreciation	215	365	397	437	458	3.5	5.9	5.3	6.8	7.2	70.0%	8.8%	10.0%	4.8%
Total Costs	3,042	3,440	4,116	3,928	4,142	49.5	56.0	55.0	61.5	64.9	13.1%	19.7%	-4.6%	5.4%
Operating Income	1,448	1,145	629	1,769	2,563	23.6	18.6	8.4	27.7	40.1	-21.0%	-45.1%	181.4%	44.9%
Net Loan Loss Provisions (LLP)	-301	7	263	599	751	-4.9	0.1	3.5	9.4	11.8	n.m.	3764.3%	128.0%	25.4%
Pre-Tax Profits	1,749	1,138	366	1,171	1,812	28.5	18.5	4.9	18.3	28.4	-34.9%	-67.8%	219.7%	54.8%
Taxes	369	90	72	537	790	6.0	1.5	1.0	8.4	12.4	-75.6%	-20.5%	650.3%	47.1%
Net Profit	1,380	1,048	295	634	1,023	22.5	17.1	3.9	9.9	16.0	-24.1%	-71.9%	115.1%	61.4%
RATIOS														
Net Interest Margin (NII/ATA)	9.98%	8.32%	7.75%	7.19%	7.99%	9.98%	8.32%	7.75%	7.19%	7.99%	-1.66%	-0.57%	-0.55%	0.80%
Net Interest Income (% of Revenue)	75.5%	71.8%	72.8%	70.8%	77.7%	75.5%	71.8%	72.8%	70.8%	77.7%	-3.7%	0.9%	-1.9%	6.8%
Fees (% of Banking Income)	10.1%	12.2%	11.2%	11.7%	6.6%	10.1%	12.2%	11.2%	11.7%	6.6%	2.1%	-1.0%	0.5%	-5.2%
Staff Costs (% of Total Costs)	47.3%	45.7%	42.5%	38.7%	40.5%	47.3%	45.7%	42.5%	38.7%	40.5%	-1.6%	-3.2%	-3.8%	1.8%
Costs per Employee ('000)	1,813	2,078	2,480	2,393	2,529	29.5	33.8	33.1	37.5	39.6	14.6%	19.4%	-3.5%	5.7%
Cost-to-Income (incl. Depreciation)	67.7%	75.0%	86.7%	68.9%	61.8%	67.7%	75.0%	86.7%	68.9%	61.8%	7.3%	11.7%	-17.8%	-7.2%
Net LLP (% of Net Loans)	-2.45%	0.04%	1.14%	2.40%	2.80%	-2.45%	0.04%	1.14%	2.40%	2.80%	2.49%	1.10%	1.26%	0.39%
Tax Rate	21.1%	7.9%	19.5%	45.9%	43.6%	21.1%	7.9%	19.5%	45.9%	43.6%	-13.2%	11.6%	26.3%	-2.3%
ROE	20.5%	14.1%	3.8%	7.9%	11.3%	20.5%	14.1%	3.8%	7.9%	11.3%	-6.4%	-10.3%	4.1%	3.4%
ROA	3.63%	2.55%	0.61%	0.99%	1.55%	3.63%	2.55%	0.61%	0.99%	1.55%	-1.08%	-1.93%	0.37%	0.56%
Loans/Deposits	44.7%	51.6%	63.1%	47.6%	51.0%	44.7%	51.6%	63.1%	47.6%	51.0%	6.9%	11.5%	-15.5%	3.5%
Loans/Assets	32.3%	39.5%	47.8%	38.8%	40.6%	32.3%	39.5%	47.8%	38.8%	40.6%	7.2%	8.3%	-9.1%	1.9%
Deposits/Liabilities	87.8%	93.4%	90.2%	93.1%	92.1%	87.8%	93.4%	90.2%	93.1%	92.1%	5.6%	-3.2%	2.9%	-1.0%
Loans in Local Currency (% Total)	74.4%	80.8%	74.0%	75.1%	79.3%	70.7%	77.2%	71.3%	70.7%	74.3%	6.4%	-6.8%	1.1%	4.2%
Deposits in Local Currency (% Total)	65.1%	69.0%	69.4%	64.5%	66.5%	65.1%	69.0%	69.4%	64.5%	66.5%	3.9%	0.4%	-5.0%	2.0%
Loans per Branch ('000)	250,699	332,109	458,987	497,888	547,657	4,078	5,403	6,128	7,800	8,575	32.5%	38.2%	8.5%	10.0%
Deposits per Branch ('000)	560,768	643,019	727,409	1,046,949	1,072,895	9,123	10,461	9,712	16,402	16,798	14.7%	13.1%	43.9%	2.5%
Solvency Ratio	23.1%	20.0%	18.7%	19.2%	20.0%	23.1%	20.0%	18.7%	19.2%	20.0%	-3.0%	-1.3%	0.5%	0.8%
NPL Ratio	7.68%	7.11%	8.15%	10.83%	14.78%	7.68%	7.11%	8.15%	10.83%	14.78%	-0.57%	1.03%	2.69%	3.95%
NPL Coverage	65.4%	63.5%	44.7%	53.4%	42.1%	65.4%	63.5%	44.7%	53.4%	42.1%	-1.9%	-18.8%	8.7%	-11.3%
BS Provisions/Loans (gross)	5.02%	4.51%	3.64%	5.78%	6.22%	5.02%	4.51%	3.64%	5.78%	6.22%	-0.51%	-0.87%	2.14%	0.44%

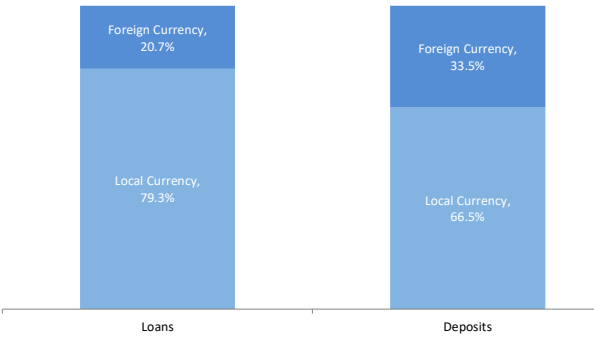
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2022



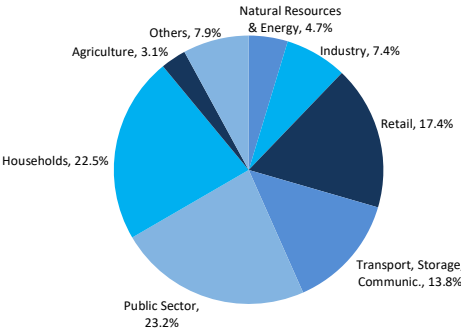
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2022



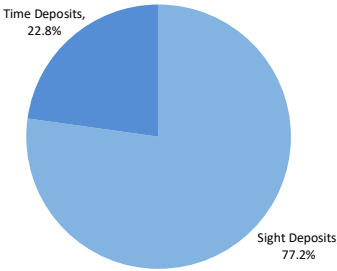
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2022



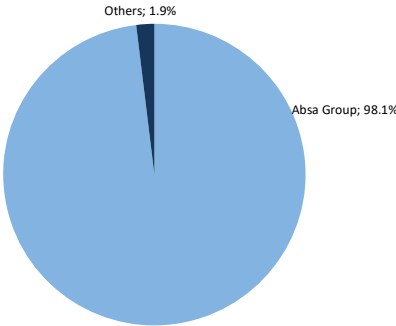
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2022



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2022



Sources: Annual Reports and Eaglestone Securities.

MOZA BANCO

Moza Banco reported a net profit of MZM 90 million (US\$ 1.4 million) in 2022. This compares with a net loss of MZM -1,381 million (US\$ -21.6 million) in the previous year. The bottom-line performance reflected a sharp fall of 72.1% YoY in loan impairments after the bank booked MZM 2,933 million of loan provisions in the previous year. The bank stated then that these were due to the need to cover the risk exposure of some loans, including from the potential impact from Covid-19 related risks, and for already overdue loans. Moza Banco also saw a significant decline of 29.5% YoY in its operating performance in 2022.

Moza Banco recorded a small net profit in 2022 after a sharp fall in loan impairments in the period

Revenues declined 8.8% YoY with net interest income falling 7.0% because of higher financing costs that resulted from the increase in the MIMO rate by the central bank in the period. The higher interest rate environment also led to slower loan growth, with customer loans falling 1.4% YoY. Fees saw another healthy performance (rising 10.4% YoY) thanks to the improved activity in volumes and transactions in the channels and services provided by the bank. On the other hand, other banking income recorded a fall of nearly 42% YoY as a result of the reversal of MZM 306 million of the gains obtained in 2021 from the FX repricing of leasing liabilities in foreign currency. In terms of costs, these were up by a modest 3.2% YoY, with staff costs rising 2.3% and accounting for 60.1% of the total cost base. Overall, Moza Banco's cost-to-income ratio deteriorated to 71.7% (vs. 63.3% in 2021), remaining the highest amongst the largest banks operating in the country.

The bank saw a decline of 29.5% YoY in its operating income

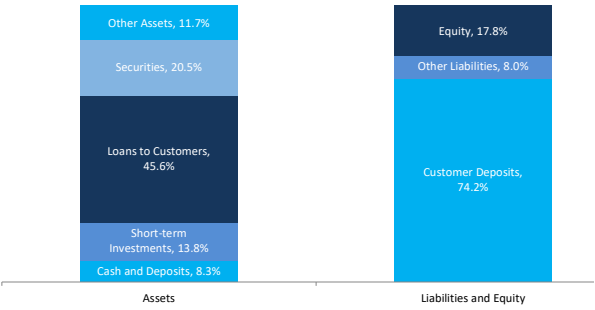
Balance sheet data also showed a recovery in deposits in the period, with these remaining by far the largest funding source of the bank as deposits accounted for 90.3% of total liabilities. This meant that the loans-to-deposits ratio of the bank fell to 61.5% (from 67.4% in the previous year). Also worth noting is the deterioration in the NPL ratio (from 14.4% to 15.5% in 2022), with NPL coverage standing at 77.2% (vs. 74.3% in 2021). Finally, the solvency ratio reached 22.6%, down from 23.2% in the previous year.

Moza's NPL ratio remains the highest amongst the largest banks operating in the country

MOZA BANCO	MZM Million					US\$ Million					% Change (MZM)			
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21
BALANCE SHEET														
Net Assets	36,411	41,817	47,534	45,108	47,676	592	680	635	707	746	14.8%	13.7%	-5.1%	5.7%
Customer Loans (net)	17,986	23,875	24,411	22,071	21,754	293	388	326	346	341	32.7%	2.2%	-9.6%	-1.4%
Local Currency Loans	14,993	20,294	20,107	21,146	20,746	244	330	268	331	325	35.4%	-0.9%	5.2%	-1.9%
Loan Loss Provisions	3,873	4,721	4,530	2,655	2,961	63	77	60	42	46	21.9%	-4.1%	-41.4%	11.5%
Non-Performing Loans	2,163	3,406	4,386	3,572	3,838	35	55	59	56	60	57.5%	28.8%	-18.6%	7.5%
Customer Deposits	24,893	29,346	35,150	32,753	35,397	405	477	469	513	554	17.9%	19.8%	-6.8%	8.1%
Local Currency Deposits	21,539	26,339	29,772	29,269	30,616	350	428	397	459	479	22.3%	13.0%	-1.7%	4.6%
Sight Deposits	8,002	10,681	12,924	13,524	15,883	130	174	173	212	249	33.5%	21.0%	4.6%	17.4%
Equity	9,093	7,780	7,926	8,498	8,468	148	127	106	133	133	-14.4%	1.9%	7.2%	-0.3%
P&L ACCOUNT														
Net Interest Income	1,858	2,327	2,354	3,505	3,261	30.2	37.9	31.4	54.9	51.0	25.3%	1.2%	48.9%	-7.0%
Fees & Commissions	461	501	475	520	574	7.5	8.1	6.3	8.1	9.0	8.6%	-5.1%	9.4%	10.4%
Other Banking Income	173	308	160	491	286	2.8	5.0	2.1	7.7	4.5	78.0%	-47.9%	206.3%	-41.8%
Banking Income	2,491	3,135	2,990	4,516	4,120	40.5	51.0	39.9	70.7	64.5	25.9%	-4.6%	51.0%	-8.8%
Staff Costs	1,138	1,296	1,716	1,734	1,773	18.5	21.1	22.9	27.2	27.8	13.9%	32.4%	1.0%	2.3%
Other Costs	1,263	1,121	713	621	733	20.6	18.2	9.5	9.7	11.5	-11.2%	-36.4%	-12.8%	18.0%
Depreciation	381	655	576	505	447	6.2	10.7	7.7	7.9	7.0	71.9%	-12.0%	-12.3%	-11.6%
Total Costs	2,783	3,072	3,005	2,860	2,953	45.3	50.0	40.1	44.8	46.2	10.4%	-2.2%	-4.8%	3.2%
Operating Income	-291	63	-15	1,655	1,167	-4.7	1.0	-0.2	25.9	18.3	n.m.	n.m.	n.m.	-29.5%
Net Loan Loss Provisions (LLP)	254	607	-247	2,933	819	4.1	9.9	-3.3	46.0	12.8	139.1%	n.m.	n.m.	-72.1%
Other	-1	-26	-7	28	-22	0.0	-0.4	-0.1	0.4	-0.3	3325.3%	-74.5%	n.m.	n.m.
Pre-Tax Profits	-546	-570	225	-1,250	326	-8.9	-9.3	3.0	-19.6	5.1	4.5%	n.m.	n.m.	n.m.
Taxes	222	205	80	132	236	3.6	3.3	1.1	2.1	3.7	-7.7%	-61.2%	65.1%	79.4%
Net Profit	-768	-776	146	-1,381	90	-12.5	-12.6	1.9	-21.6	1.4	0.9%	n.m.	n.m.	n.m.
RATIOS														
Net Interest Margin (NII/ATA)	5.89%	5.95%	5.27%	7.57%	7.03%	5.89%	5.95%	5.27%	7.57%	7.03%	0.06%	-0.68%	2.30%	-0.54%
Net Interest Income (% of Revenue)	74.6%	74.2%	78.7%	77.6%	79.1%	74.6%	74.2%	78.7%	77.6%	79.1%	-0.3%	4.5%	-1.1%	1.5%
Fees (% of Banking Income)	18.5%	16.0%	15.9%	11.5%	13.9%	18.5%	16.0%	15.9%	11.5%	13.9%	-2.5%	-0.1%	-4.4%	2.4%
Staff Costs (% of Total Costs)	40.9%	42.2%	57.1%	60.6%	60.1%	40.9%	42.2%	57.1%	60.6%	60.1%	1.3%	14.9%	3.5%	-0.6%
Costs per Employee ('000)	1,511	1,410	1,855	1,890	1,845	25	23	25	30	29	-6.7%	31.6%	1.9%	-2.4%
Cost-to-Income (incl. Depreciation)	111.7%	98.0%	100.5%	63.3%	71.7%	111.7%	98.0%	100.5%	63.3%	71.7%	-13.7%	2.5%	-37.2%	8.3%
Net LLP (% of Net Loans)	1.41%	2.54%	-1.01%	13.29%	3.77%	1.41%	2.54%	-1.01%	13.29%	3.77%	1.13%	-3.56%	14.30%	-9.52%
Tax Rate	-40.7%	-36.0%	35.4%	-10.5%	72.4%	-40.7%	-36.0%	35.4%	-10.5%	72.4%	4.7%	71.4%	-45.9%	82.9%
ROE	-8.5%	-10.0%	1.8%	-16.3%	1.1%	-8.5%	-10.0%	1.8%	-16.3%	1.1%	-1.5%	11.8%	-18.1%	17.3%
ROA	-2.11%	-1.85%	0.31%	-3.06%	0.19%	-2.11%	-1.85%	0.31%	-3.06%	0.19%	0.26%	2.16%	-3.37%	3.25%
Loans/Deposits	72.3%	81.4%	69.4%	67.4%	61.5%	72.3%	81.4%	69.4%	67.4%	61.5%	9.1%	-11.9%	-2.1%	-5.9%
Loans/Assets	49.4%	57.1%	51.4%	48.9%	45.6%	49.4%	57.1%	51.4%	48.9%	45.6%	7.7%	-5.7%	-2.4%	-3.3%
Deposits/Liabilities	91.1%	86.2%	88.7%	89.5%	90.3%	91.1%	86.2%	88.7%	89.5%	90.3%	-4.9%	2.5%	0.7%	0.8%
Loans in Local Currency (% Total)	83.4%	85.0%	82.4%	95.8%	95.4%	83.4%	85.0%	82.4%	95.8%	95.4%	1.6%	-2.6%	13.4%	-0.4%
Deposits in Local Currency (% Total)	86.5%	89.8%	84.7%	89.4%	86.5%	86.5%	89.8%	84.7%	89.4%	86.5%	3.2%	-5.1%	4.7%	-2.9%
Loans per Branch ('000)	327,011	385,085	348,724	350,330	334,671	5,320	6,265	4,656	5,488	5,240	17.8%	-9.4%	0.5%	-4.5%
Deposits per Branch ('000)	452,604	473,325	502,145	519,891	544,576	7,363	7,700	6,704	8,145	8,526	4.6%	6.1%	3.5%	4.7%
Solvency Ratio	21.7%	23.8%	14.8%	23.2%	22.6%	21.7%	23.8%	14.8%	23.2%	22.6%	2.1%	-9.0%	8.4%	-0.6%
NPL Ratio	9.9%	11.9%	15.2%	14.4%	15.5%	9.89%	11.91%	15.15%	14.45%	15.53%	2.02%	3.24%	-0.71%	1.08%
NPL Coverage	179.1%	138.6%	103.3%	74.3%	77.2%	179.1%	138.6%	103.3%	74.3%	77.2%	-40.5%	-35.3%	-28.9%	2.8%
BS Provisions/Loans (gross)	17.72%	16.51%	15.65%	10.74%	11.98%	17.72%	16.51%	15.65%	10.74%	11.98%	-1.21%	-0.86%	-4.91%	1.24%

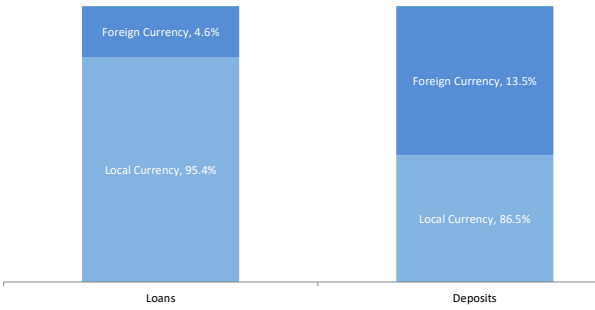
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2022



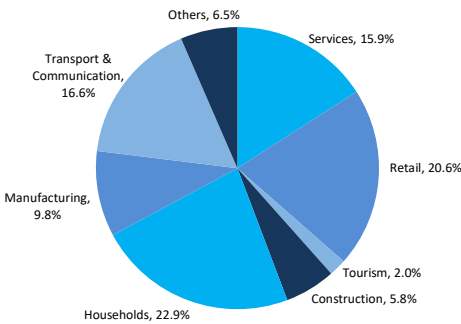
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2022



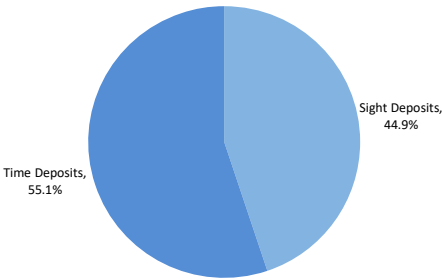
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2022



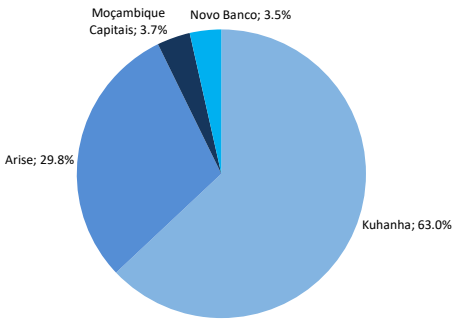
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2022



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2022



Sources: Annual Reports and Eaglestone Securities.

NEDBANK MOÇAMBIQUE

Nedbank Moçambique disclosed a net profit of MZM 677 million (US\$ 10.6 million) in 2022, more than doubling its bottom-line figure from the previous year. This sharp improvement was due to the bank's strong operating performance, which rose 95.4% YoY. This more than offset the impact of higher loan impairments and other provisions, as they combined rose more than 90% from the previous year. Overall, this means that ROE reached 14.8% and ROA 2.18%. This compares with 8.0% and 1.00%, respectively, in 2021.

Revenues (22.5% YoY) improved across the board, especially net interest income (27.5% YoY) that benefited from the growth in the bank's loan portfolio (10.5% YoY) and the increase in interest rates in the year. Commissions were up 4.1% YoY, despite the persistently challenging macro environment in the country and some regulatory restrictions, which combined with a competitive backdrop in the market, has put great pressure on the fee income. Other banking income advanced 13.9% YoY thanks to the favorable impacts from the greater commercial dynamism of the bank and the stability of the metical. Meanwhile, total costs fell 2.4% YoY, with an important part of this decline being justified by the investment that the bank made in 2021 with its rebranding and the update of part of its IT structure. Staff costs declined 3.6% YoY as a result of the continued exit of several employees during the year (-6.2%). All in all, this meant that the cost-to-income ratio saw a sharp improvement to 59.3% (from 74.5% in 2021).

In terms of the balance sheet, the bank continued to see a decline in deposits (-3.5% YoY), which combined with the double-digit growth in loans led the loans-to-deposits ratio to increase to 49.5% (vs. 43.3% in the previous year). Also worth noting is that the bank's NPL ratio remained at an impressive 2.21%, while NPL coverage reached 296%. These figures compare with 2.32% and 312%, respectively, in the previous year. This means that Nedbank's asset quality ratios remain by far the best amongst the largest banks operating in the country. Finally, the bank's solvency ratio increased from 14.9% to 21.5% in the period.

Nedbank Moçambique reported a net profit of MZM 677 million in 2022, more than double the figure recorded in the previous year

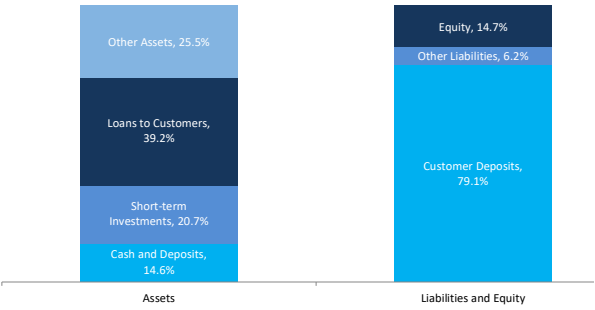
The bank saw a significant improvement in its operating performance

Nedbank's asset quality ratios remain the best in terms of the largest banks operating in the country

NEDBANK MOÇAMBIQUE	MZM Million					US\$ Million					% Change (MZM)			
Year	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	19/18	20/19	21/20	22/21
BALANCE SHEET														
Net Assets	25,953	27,746	32,040	31,131	31,018	422	451	428	488	486	6.9%	15.5%	-2.8%	-0.4%
Customer Loans (net)	11,878	10,477	9,779	11,000	12,151	193	170	131	172	190	-11.8%	-6.7%	12.5%	10.5%
Local Currency Loans	9,135	8,378	6,856	8,268	9,965	149	136	92	130	156	-8.3%	-18.2%	20.6%	20.5%
Loan Loss Provisions	1,070	927	746	860	852	17	15	10	13	13	-13.3%	-19.5%	15.2%	-0.9%
Non-Performing Loans	1,165	805	433	275	287	19	13	6	4	4	-30.9%	-46.1%	-36.5%	4.3%
Customer Deposits	21,855	22,515	26,732	25,406	24,524	356	366	357	398	384	3.0%	18.7%	-5.0%	-3.5%
Local Currency Deposits	15,554	16,300	18,175	16,529	19,141	253	265	243	259	300	4.8%	11.5%	-9.1%	15.8%
Sight Deposits	11,219	11,344	13,462	16,842	14,021	183	185	180	264	220	1.1%	18.7%	25.1%	-16.8%
Equity	3,603	4,109	3,595	3,891	4,570	59	67	48	61	72	14.0%	-12.5%	8.2%	17.4%
P&L ACCOUNT														
Net Interest Income	1,760	1,727	1,556	1,849	2,357	28.6	28.1	20.8	29.0	36.9	-1.9%	-10.0%	18.8%	27.5%
Fees & Commissions	353	381	351	339	353	5.7	6.2	4.7	5.3	5.5	8.2%	-7.9%	-3.5%	4.1%
Other Banking Income	231	235	250	340	387	3.8	3.8	3.3	5.3	6.1	1.5%	6.7%	35.8%	13.9%
Banking Income	2,344	2,344	2,157	2,527	3,097	38.1	38.1	28.8	39.6	48.5	0.0%	-8.0%	17.2%	22.5%
Staff Costs	813	859	989	1,125	1,084	13.2	14.0	13.2	17.6	17.0	5.7%	15.1%	13.7%	-3.6%
Other Costs	469	406	371	410	457	7.6	6.6	4.9	6.4	7.2	-13.4%	-8.8%	10.7%	11.4%
Depreciation	124	246	306	348	297	2.0	4.0	4.1	5.4	4.6	97.9%	24.6%	13.7%	-14.7%
Total Costs	1,406	1,511	1,666	1,883	1,837	22.9	24.6	22.2	29.5	28.8	7.5%	10.2%	13.0%	-2.4%
Operating Income	938	833	491	645	1,260	15.3	13.5	6.6	10.1	19.7	-11.2%	-41.0%	31.3%	95.4%
Net Loan Loss Provisions (LLP)	433	195	534	181	129	7.0	3.2	7.1	2.8	2.0	-54.9%	173.4%	-66.0%	-28.6%
Other	51	-29	-41	-34	-280	0.8	-0.5	-0.5	-0.5	-4.4	n.m.	40.6%	-17.4%	725.3%
Pre-Tax Profits	557	608	-84	430	851	9.1	9.9	-1.1	6.7	13.3	9.2%	n.m.	n.m.	98.0%
Taxes	119	102	396	119	174	1.9	1.7	5.3	1.9	2.7	-14.1%	286.9%	-70.0%	46.3%
Net Profit	437	506	-480	311	677	7.1	8.2	-6.4	4.9	10.6	15.6%	n.m.	n.m.	117.7%
RATIOS														
Net Interest Margin (NII/ATA)	7.03%	6.43%	5.20%	5.85%	7.58%	7.03%	6.43%	5.20%	5.85%	7.58%	-0.59%	-1.23%	0.65%	1.73%
Net Interest Income (% of Revenue)	75.1%	73.7%	72.1%	73.1%	76.1%	75.1%	73.7%	72.1%	73.1%	76.1%	-1.4%	-1.6%	1.0%	3.0%
Fees (% of Banking Income)	15.0%	16.3%	16.3%	13.4%	11.4%	15.0%	16.3%	16.3%	13.4%	11.4%	1.2%	0.0%	-2.9%	-2.0%
Staff Costs (% of Total Costs)	57.8%	56.9%	59.4%	59.7%	59.0%	57.8%	56.9%	59.4%	59.7%	59.0%	-1.0%	2.5%	0.3%	-0.7%
Costs per Employee ('000)	1,320	1,386	1,609	1,926	1,978	21.5	22.5	21.5	30.2	31.0	5.0%	16.1%	19.7%	2.7%
Cost-to-Income (incl. Depreciation)	60.0%	64.5%	77.2%	74.5%	59.3%	60.0%	64.5%	77.2%	74.5%	59.3%	4.5%	12.8%	-2.7%	-15.2%
Net LLP (% of Net Loans)	3.64%	1.86%	5.46%	1.65%	1.07%	3.64%	1.86%	5.46%	1.65%	1.07%	-1.78%	3.59%	-3.81%	-0.58%
Tax Rate	21.4%	16.8%	-474.5%	27.7%	20.4%	21.4%	16.8%	-474.5%	27.7%	20.4%	-4.6%	-491.4%	502.2%	-7.2%
ROE	12.1%	12.3%	-13.3%	8.0%	14.8%	12.1%	12.3%	-13.3%	8.0%	14.8%	0.2%	-25.7%	21.3%	6.8%
ROA	1.69%	1.82%	-1.50%	1.00%	2.18%	1.69%	1.82%	-1.50%	1.00%	2.18%	0.14%	-3.32%	2.50%	1.18%
Loans/Deposits	54.3%	46.5%	36.6%	43.3%	49.5%	54.3%	46.5%	36.6%	43.3%	49.5%	-7.8%	-10.0%	6.7%	6.2%
Loans/Assets	45.8%	37.8%	30.5%	35.3%	39.2%	45.8%	37.8%	30.5%	35.3%	39.2%	-8.0%	-7.2%	4.8%	3.8%
Deposits/Liabilities	97.8%	95.3%	94.0%	93.3%	92.7%	97.8%	95.3%	94.0%	93.3%	92.7%	-2.5%	-1.3%	-0.7%	-0.5%
Loans in Local Currency (% Total)	76.9%	80.0%	70.1%	75.2%	82.0%	76.9%	80.0%	70.1%	75.2%	82.0%	3.1%	-9.9%	5.0%	6.8%
Deposits in Local Currency (% Total)	71.2%	72.4%	68.0%	65.1%	78.0%	71.2%	72.4%	68.0%	65.1%	78.0%	1.2%	-4.4%	-2.9%	13.0%
Loans per Branch ('000)	516,415	455,514	425,175	500,016	607,570	8,401	7,410	5,677	7,834	9,513	-11.8%	-6.7%	17.6%	21.5%
Deposits per Branch ('000)	950,202	978,933	1,162,282	1,154,814	1,226,225	15,458	15,925	15,518	18,092	19,199	3.0%	18.7%	-0.6%	6.2%
Solvency Ratio	15.8%	16.7%	14.9%	14.9%	21.5%	15.8%	16.7%	14.9%	14.9%	21.5%	0.9%	-1.8%	0.0%	6.5%
NPL Ratio	9.00%	7.06%	4.12%	2.32%	2.21%	9.00%	7.06%	4.12%	2.32%	2.21%	-1.94%	-2.94%	-1.80%	-0.11%
NPL Coverage	91.8%	115.2%	172.2%	312.3%	296.5%	91.8%	115.2%	172.2%	312.3%	296.5%	23.4%	57.0%	140.0%	-15.8%
BS Provisions/Loans (gross)	8.26%	8.13%	7.09%	7.25%	6.55%	8.26%	8.13%	7.09%	7.25%	6.55%	-0.13%	-1.04%	0.16%	-0.70%

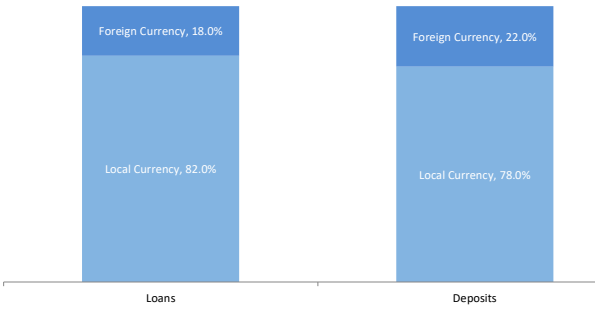
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2022



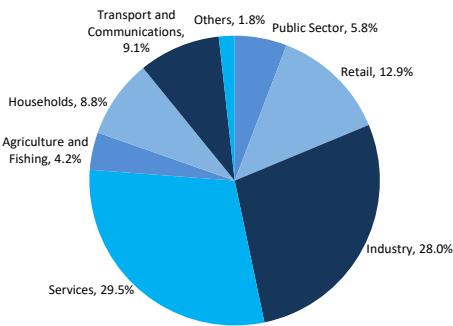
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2022



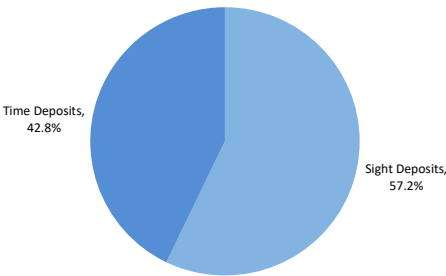
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2022



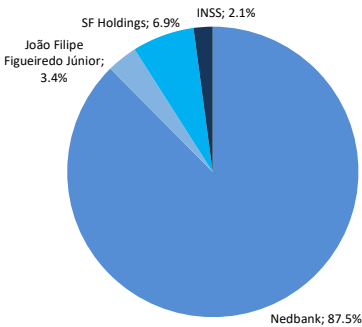
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2022



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2022



Sources: Annual Reports and Eaglestone Securities.

ANNEX I – SIX MAJOR BANKS COMPARISON (TABLES)

SIX MAJOR BANKS - MAIN INDICATORS									
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Interest Margin (NII/ATA)									
Banco Comercial e de Investimentos	4.02%	3.63%	4.55%	5.37%	6.38%	6.47%	6.13%	7.09%	8.04%
Millennium bim	6.09%	5.48%	7.50%	9.00%	9.13%	8.12%	6.53%	6.73%	7.26%
Standard Bank Moçambique	5.51%	4.96%	7.20%	11.20%	9.87%	7.92%	6.79%	7.44%	9.05%
ABSA Bank Moçambique	4.77%	6.58%	10.44%	14.15%	9.98%	8.32%	7.75%	7.19%	7.99%
Moza Banco	4.11%	2.66%	3.20%	7.24%	5.89%	5.95%	5.27%	7.57%	7.03%
Nedbank Moçambique	5.68%	5.74%	6.27%	7.55%	7.03%	6.43%	5.20%	5.85%	7.58%
Net Interest Income (% of Banking Revenue)									
Banco Comercial e de Investimentos	53.8%	48.0%	61.4%	61.8%	69.6%	70.0%	71.2%	71.1%	77.1%
Millennium bim	61.0%	55.9%	66.8%	77.2%	75.4%	74.3%	76.6%	75.8%	76.5%
Standard Bank Moçambique	48.1%	39.5%	54.3%	71.5%	69.1%	66.6%	63.8%	70.4%	74.3%
ABSA Bank Moçambique	55.3%	54.9%	71.0%	84.7%	75.5%	71.8%	72.8%	70.8%	77.7%
Moza Banco	43.5%	28.9%	180.4%	79.8%	74.6%	74.2%	78.7%	77.6%	79.1%
Nedbank Moçambique	61.4%	61.6%	62.0%	71.9%	75.1%	73.7%	72.1%	73.1%	76.1%
Fees (% of Banking Income)									
Banco Comercial e de Investimentos	21.3%	20.5%	21.0%	12.4%	13.1%	14.3%	12.1%	13.0%	11.5%
Millennium bim	19.6%	17.9%	14.6%	13.6%	12.3%	13.1%	14.7%	14.9%	14.6%
Standard Bank Moçambique	16.5%	14.7%	12.5%	9.6%	11.5%	14.8%	12.9%	12.3%	10.7%
ABSA Bank Moçambique	22.8%	17.6%	10.6%	7.4%	10.1%	12.2%	11.2%	11.7%	6.6%
Moza Banco	19.1%	17.2%	73.6%	13.1%	18.5%	16.0%	15.9%	11.5%	13.9%
Nedbank Moçambique	19.0%	15.8%	15.2%	14.5%	15.0%	16.3%	16.3%	13.4%	11.4%
Staff Costs (% of Total Costs)									
Banco Comercial e de Investimentos	47.0%	50.8%	52.1%	53.1%	54.4%	54.7%	55.2%	53.0%	53.2%
Millennium bim	47.1%	45.2%	44.8%	43.6%	43.1%	43.1%	42.2%	42.4%	41.6%
Standard Bank Moçambique	55.2%	58.5%	56.9%	58.3%	58.5%	56.9%	55.7%	53.0%	55.6%
ABSA Bank Moçambique	46.0%	53.8%	45.3%	48.3%	47.3%	45.7%	42.5%	38.7%	40.5%
Moza Banco	42.4%	41.4%	26.3%	38.8%	40.9%	42.2%	57.1%	60.6%	60.1%
Nedbank Moçambique	56.8%	62.7%	60.4%	60.1%	57.8%	56.9%	59.4%	59.7%	59.0%
Costs per Employee ('000 MZM)									
Banco Comercial e de Investimentos	808	883	1,076	1,227	1,309	1,442	1,562	1,603	1,690
Millennium bim	817	892	1,039	1,073	1,147	1,168	1,188	1,213	1,271
Standard Bank Moçambique	1,490	1,732	2,067	2,688	2,847	2,933	3,093	3,485	3,743
ABSA Bank Moçambique	740	1,475	1,370	1,805	1,813	2,078	2,480	2,393	2,529
Moza Banco	977	1,109	1,375	1,288	1,511	1,410	1,855	1,890	1,845
Nedbank Moçambique	1,135	1,257	1,379	1,344	1,320	1,386	1,609	1,926	1,978
Total Costs per Branch ('000 MZM)									
Banco Comercial e de Investimentos	25,128	27,419	31,969	34,702	34,743	35,992	37,143	39,057	40,799
Millennium bim	24,772	27,455	31,684	32,738	33,911	34,206	34,534	35,867	38,839
Standard Bank Moçambique	71,195	85,336	107,732	135,753	144,970	154,417	165,966	194,829	211,269
ABSA Bank Moçambique	31,962	44,753	49,095	63,161	62,085	70,196	82,316	78,567	84,530
Moza Banco	32,548	36,278	69,435	45,802	50,592	49,556	42,931	45,399	45,430
Nedbank Moçambique	45,797	49,439	58,612	62,798	61,147	65,703	72,434	85,576	91,860
Cost-to-Income (incl. Depreciation)									
Banco Comercial e de Investimentos	62.2%	61.9%	61.9%	52.2%	49.2%	51.0%	51.3%	43.4%	42.3%
Millennium bim	42.9%	42.1%	38.3%	37.9%	37.6%	39.8%	46.2%	43.5%	42.9%
Standard Bank Moçambique	54.6%	46.8%	44.4%	41.5%	43.3%	47.4%	47.5%	51.4%	46.0%
ABSA Bank Moçambique	87.2%	82.3%	67.0%	62.0%	67.7%	75.0%	86.7%	68.9%	61.8%
Moza Banco	81.8%	85.4%	728.4%	98.4%	111.7%	98.0%	100.5%	63.3%	71.7%
Nedbank Moçambique	78.2%	64.5%	58.3%	51.0%	60.0%	64.5%	77.2%	74.5%	59.3%
Net LLP (% of Loans)									
Banco Comercial e de Investimentos	1.30%	1.05%	1.25%	3.71%	1.86%	3.56%	4.21%	3.39%	-0.64%
Millennium bim	0.88%	1.65%	2.10%	3.26%	4.86%	3.14%	5.43%	0.78%	1.29%
Standard Bank Moçambique	0.84%	1.21%	3.81%	1.34%	0.75%	0.37%	-0.44%	1.44%	1.89%
ABSA Bank Moçambique	2.40%	1.62%	3.47%	2.71%	-2.45%	0.04%	1.14%	2.40%	2.80%
Moza Banco	1.07%	1.54%	7.52%	9.20%	1.41%	2.54%	-1.01%	13.29%	3.77%
Nedbank Moçambique	2.17%	3.40%	1.69%	3.89%	3.64%	1.86%	5.46%	1.65%	1.07%
Tax Rate									
Banco Comercial e de Investimentos	25.2%	28.7%	25.3%	27.1%	28.4%	26.1%	30.2%	23.3%	26.0%
Millennium bim	18.5%	19.3%	28.1%	23.6%	18.9%	21.9%	14.0%	21.0%	26.9%
Standard Bank Moçambique	29.4%	33.8%	35.1%	24.1%	24.2%	26.9%	27.5%	27.1%	25.1%
ABSA Bank Moçambique	0.0%	0.0%	22.3%	28.3%	21.1%	7.9%	19.5%	45.9%	43.6%
Moza Banco	14.7%	9.9%	3.3%	-0.1%	-40.7%	-36.0%	35.4%	-10.5%	72.4%
Nedbank Moçambique	42.0%	23.8%	29.2%	32.2%	21.4%	16.8%	-474.5%	27.7%	20.4%
ROE									
Banco Comercial e de Investimentos	17.6%	16.5%	12.6%	15.1%	24.3%	18.1%	13.3%	22.2%	28.9%
Millennium bim	20.7%	18.3%	21.3%	21.5%	20.3%	18.8%	12.5%	15.8%	18.8%
Standard Bank Moçambique	19.8%	23.0%	22.1%	32.0%	26.5%	19.8%	19.1%	15.7%	19.6%
ABSA Bank Moçambique	-0.5%	8.1%	13.4%	20.4%	20.5%	14.1%	3.8%	7.9%	11.3%
Moza Banco	7.3%	3.3%	183.5%	-20.3%	-8.5%	-10.0%	1.8%	-16.3%	1.1%
Nedbank Moçambique	1.6%	5.9%	18.1%	16.3%	12.1%	12.3%	-13.3%	8.0%	14.8%
ROA									
Banco Comercial e de Investimentos	1.32%	1.36%	1.00%	1.51%	2.63%	2.10%	1.40%	2.78%	4.01%
Millennium bim	3.57%	3.10%	3.62%	4.49%	4.51%	4.30%	2.53%	3.51%	3.45%
Standard Bank Moçambique	3.20%	3.52%	3.49%	6.40%	5.59%	4.14%	3.79%	3.44%	4.34%
ABSA Bank Moçambique	-0.07%	1.31%	2.10%	3.69%	3.63%	2.55%	0.61%	0.99%	1.55%
Moza Banco	0.66%	0.26%	-18.40%	-5.47%	-2.11%	-1.85%	0.31%	-3.06%	0.19%
Nedbank Moçambique	0.16%	0.69%	1.94%	2.16%	1.69%	1.82%	-1.50%	1.00%	2.18%

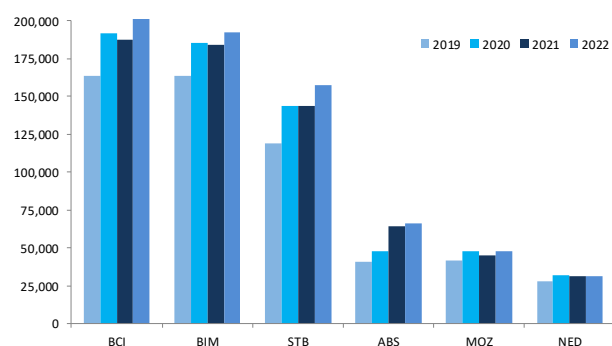
Sources: Annual Reports and Eaglestone Securities.

SIX MAJOR BANKS - MAIN INDICATORS (CONT.)									
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022
Loans/Deposits									
Banco Comercial e de Investimentos	80.0%	75.5%	80.4%	64.1%	56.5%	52.8%	44.2%	45.0%	39.7%
Millennium bim	73.6%	74.4%	80.0%	61.6%	45.3%	37.5%	32.0%	30.3%	28.1%
Standard Bank Moçambique	59.6%	53.9%	47.9%	33.5%	38.3%	32.2%	33.9%	37.3%	34.5%
ABSA Bank Moçambique	70.3%	67.3%	70.1%	48.1%	44.7%	51.6%	63.1%	47.6%	51.0%
Moza Banco	80.7%	72.5%	106.8%	85.1%	72.3%	81.4%	69.4%	67.4%	61.5%
Nedbank Moçambique	72.8%	64.2%	59.4%	54.0%	54.3%	46.5%	36.6%	43.3%	49.5%
Loans/Assets									
Banco Comercial e de Investimentos	59.1%	55.4%	57.7%	46.9%	42.5%	40.5%	35.1%	35.1%	31.1%
Millennium bim	54.5%	55.1%	56.5%	44.7%	33.3%	27.1%	24.0%	22.7%	22.2%
Standard Bank Moçambique	46.5%	40.1%	37.0%	25.2%	28.3%	23.8%	26.4%	28.3%	25.9%
ABSA Bank Moçambique	43.4%	48.6%	52.1%	34.4%	32.3%	39.5%	47.8%	38.8%	40.6%
Moza Banco	59.1%	57.2%	62.0%	57.3%	49.4%	57.1%	51.4%	48.9%	45.6%
Nedbank Moçambique	60.1%	54.0%	50.2%	44.6%	45.8%	37.8%	30.5%	35.3%	39.2%
Deposits/Liabilities									
Banco Comercial e de Investimentos	79.8%	79.9%	78.0%	81.2%	84.4%	86.8%	88.7%	89.4%	91.0%
Millennium bim	89.5%	89.2%	85.1%	91.7%	94.4%	93.6%	94.1%	96.3%	96.8%
Standard Bank Moçambique	92.9%	88.0%	91.8%	94.0%	93.8%	93.8%	97.1%	97.0%	96.5%
ABSA Bank Moçambique	73.5%	86.0%	88.3%	87.3%	87.8%	93.4%	90.2%	93.1%	92.1%
Moza Banco	80.5%	85.5%	52.7%	92.2%	91.1%	86.2%	88.7%	89.5%	90.3%
Nedbank Moçambique	91.3%	95.3%	94.6%	95.1%	97.8%	95.3%	94.0%	93.3%	92.7%
Loans in Local Currency (% of Total)									
Banco Comercial e de Investimentos	63.4%	65.0%	56.2%	57.5%	60.5%	71.8%	73.8%	77.2%	80.3%
Millennium bim	79.0%	78.5%	74.9%	76.5%	82.5%	87.1%	90.0%	91.8%	94.6%
Standard Bank Moçambique	66.6%	64.9%	62.0%	56.3%	67.5%	74.5%	65.7%	68.8%	52.3%
ABSA Bank Moçambique	87.9%	86.2%	78.9%	83.3%	74.4%	80.8%	74.0%	75.1%	79.3%
Moza Banco	88.7%	88.8%	81.9%	87.1%	83.4%	85.0%	82.4%	95.8%	95.4%
Nedbank Moçambique	86.8%	88.4%	80.0%	75.5%	76.9%	80.0%	70.1%	75.2%	82.0%
Deposits in Local Currency (% of Total)									
Banco Comercial e de Investimentos	77.1%	75.2%	68.2%	76.2%	76.9%	76.4%	73.5%	76.1%	79.6%
Millennium bim	79.1%	75.0%	70.6%	75.6%	77.4%	79.2%	80.1%	81.6%	80.6%
Standard Bank Moçambique	49.8%	45.0%	45.3%	56.0%	53.1%	58.7%	54.7%	60.0%	57.7%
ABSA Bank Moçambique	71.0%	70.3%	62.8%	66.8%	65.1%	69.0%	69.4%	64.5%	66.5%
Moza Banco	88.5%	82.3%	79.4%	84.8%	86.5%	89.8%	84.7%	89.4%	86.5%
Nedbank Moçambique	75.2%	67.9%	60.7%	69.4%	71.2%	72.4%	68.0%	65.1%	78.0%
Loans per Branch ('000 MZM)									
Banco Comercial e de Investimentos	347,709	363,257	429,523	371,338	326,874	318,220	317,968	313,806	298,601
Millennium bim	342,137	392,491	444,790	330,178	259,923	221,463	223,650	210,202	217,263
Standard Bank Moçambique	558,809	671,831	737,206	550,330	707,395	711,180	946,608	1,015,822	1,020,336
ABSA Bank Moçambique	210,167	223,784	279,525	218,893	250,699	332,109	458,987	497,888	547,657
Moza Banco	303,330	304,025	311,746	288,321	327,011	385,085	348,724	350,330	334,671
Nedbank Moçambique	444,916	510,284	570,223	538,468	516,415	455,514	425,175	500,016	607,570
Deposits per Branch ('000 MZM)									
Banco Comercial e de Investimentos	434,556	481,154	534,275	579,496	578,686	602,622	719,540	697,768	752,683
Millennium bim	464,721	527,838	555,789	535,600	573,716	590,279	698,444	693,895	772,468
Standard Bank Moçambique	937,161	1,246,781	1,539,928	1,643,227	1,848,488	2,211,982	2,791,588	2,726,157	2,961,566
ABSA Bank Moçambique	298,754	332,412	399,006	455,321	560,768	643,019	727,409	1,046,949	1,072,895
Moza Banco	375,877	419,232	291,969	338,870	452,604	473,325	502,145	519,891	544,576
Nedbank Moçambique	610,869	794,546	960,296	996,717	950,202	978,933	1,162,282	1,154,814	1,226,225
Solvency Ratio									
Banco Comercial e de Investimentos	8.6%	12.7%	14.0%	17.1%	17.0%	25.0%	24.5%	23.1%	27.4%
Millennium bim	19.0%	19.8%	18.8%	17.1%	39.0%	45.8%	43.9%	44.8%	36.4%
Standard Bank Moçambique	9.7%	15.3%	17.0%	20.4%	19.4%	29.3%	24.8%	22.2%	26.2%
ABSA Bank Moçambique	27.3%	24.7%	19.7%	24.8%	23.1%	20.0%	18.7%	19.2%	20.0%
Moza Banco	10.5%	9.9%	-98.9%	23.5%	21.7%	23.8%	14.8%	23.2%	22.6%
Nedbank Moçambique	10.0%	16.4%	12.4%	17.7%	15.8%	16.7%	14.9%	14.9%	21.5%
NPL Ratio									
Banco Comercial e de Investimentos	1.93%	1.21%	3.58%	8.40%	5.66%	4.53%	12.99%	14.21%	14.43%
Millennium bim	2.17%	4.18%	3.54%	5.05%	5.33%	6.60%	6.21%	7.96%	7.78%
Standard Bank Moçambique	2.03%	1.57%	7.93%	4.78%	2.60%	1.47%	2.62%	4.85%	6.02%
ABSA Bank Moçambique	13.93%	9.44%	17.82%	9.50%	7.68%	7.11%	8.15%	10.83%	14.78%
Moza Banco	2.22%	2.27%	4.58%	8.74%	9.89%	11.91%	15.15%	14.45%	15.53%
Nedbank Moçambique	1.78%	3.33%	2.12%	3.63%	9.00%	7.06%	4.12%	2.32%	2.21%
NPL Coverage									
Banco Comercial e de Investimentos	122.7%	155.9%	66.1%	50.0%	158.3%	182.5%	85.5%	87.8%	74.3%
Millennium bim	241.3%	141.7%	205.4%	191.5%	211.9%	179.9%	118.9%	104.8%	104.2%
Standard Bank Moçambique	88.8%	130.2%	62.0%	149.1%	242.2%	378.2%	200.2%	118.4%	98.3%
ABSA Bank Moçambique	52.8%	64.8%	31.6%	76.4%	65.4%	63.5%	44.7%	53.4%	42.1%
Moza Banco	118.6%	122.6%	226.1%	185.0%	179.1%	138.6%	103.3%	74.3%	77.2%
Nedbank Moçambique	175.9%	135.8%	179.4%	177.4%	91.8%	115.2%	172.2%	312.3%	296.5%
BS Provisions/Loans (gross)									
Banco Comercial e de Investimentos	2.37%	1.89%	2.37%	4.20%	8.96%	8.27%	11.11%	12.47%	10.72%
Millennium bim	5.23%	5.92%	7.28%	9.67%	11.29%	11.87%	7.38%	8.34%	8.10%
Standard Bank Moçambique	1.80%	2.05%	4.92%	7.13%	6.31%	5.58%	5.24%	5.74%	5.92%
ABSA Bank Moçambique	7.35%	6.12%	5.64%	7.26%	5.02%	4.51%	3.64%	5.78%	6.22%
Moza Banco	2.63%	2.79%	10.35%	16.17%	17.72%	16.51%	15.65%	10.74%	11.98%
Nedbank Moçambique	3.14%	4.52%	3.80%	6.44%	8.26%	8.13%	7.09%	7.25%	6.55%

Sources: Annual Reports and Eaglestone Securities.

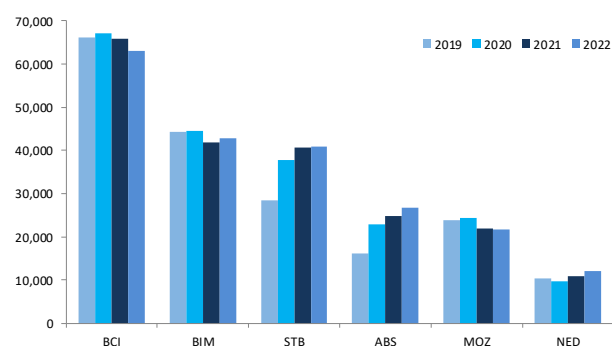
ANNEX II – SIX MAJOR BANKS COMPARISON (GRAPHS)

ASSETS (MZM MILLION)



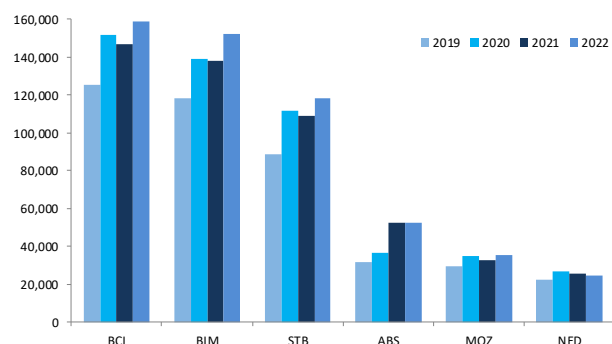
Sources: Annual Reports and Eaglestone Securities.

NET LOANS (MZM MILLION)



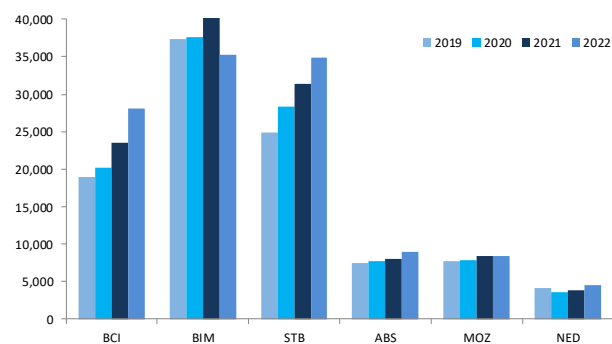
Sources: Annual Reports and Eaglestone Securities.

DEPOSITS (MZM MILLION)



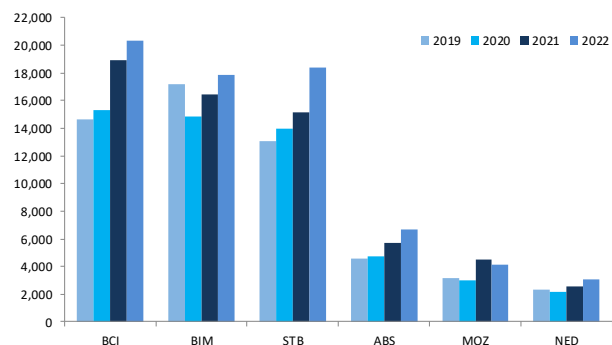
Sources: Annual Reports and Eaglestone Securities.

EQUITY (MZM MILLION)



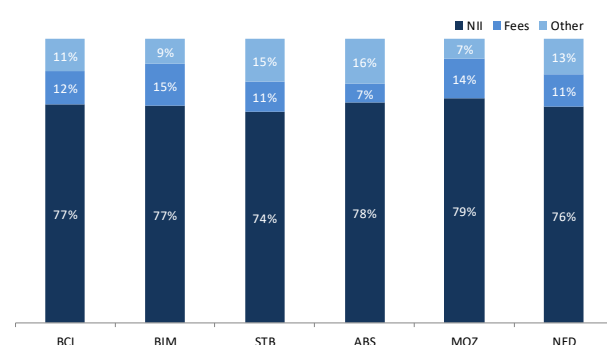
Sources: Annual Reports and Eaglestone Securities.

REVENUES (MZM MILLION)



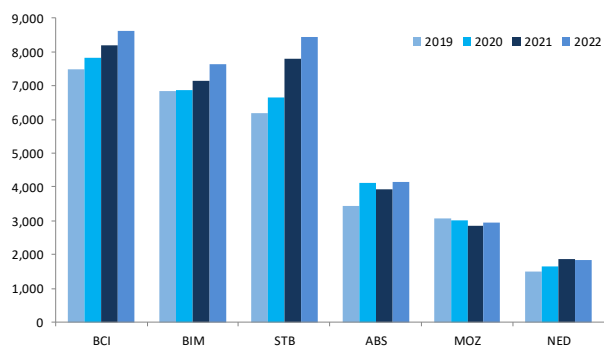
Sources: Annual Reports and Eaglestone Securities.

REVENUE BREAKDOWN - 2022



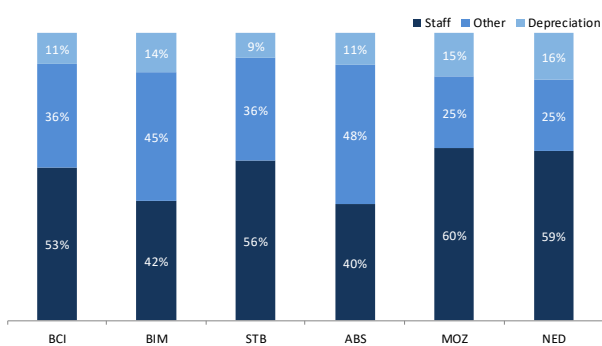
Sources: Annual Reports and Eaglestone Securities.

COSTS (MZM MILLION)



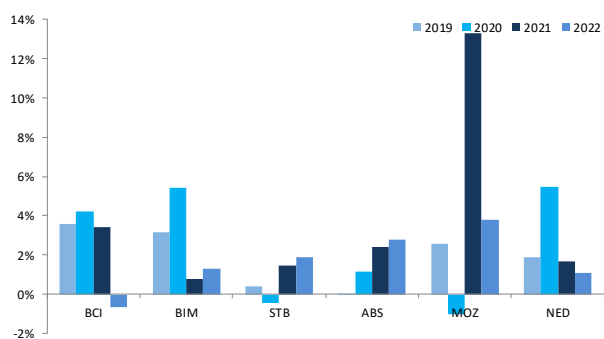
Sources: Annual Reports and Eaglestone Securities.

COSTS BREAKDOWN - 2022



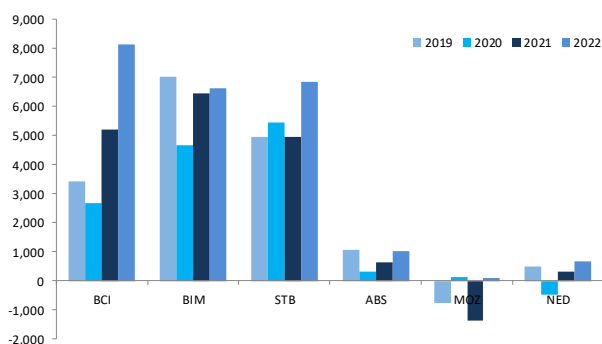
Sources: Annual Reports and Eaglestone Securities.

COST OF RISK (NET LOAN LOSS PROVISIONS / LOANS)



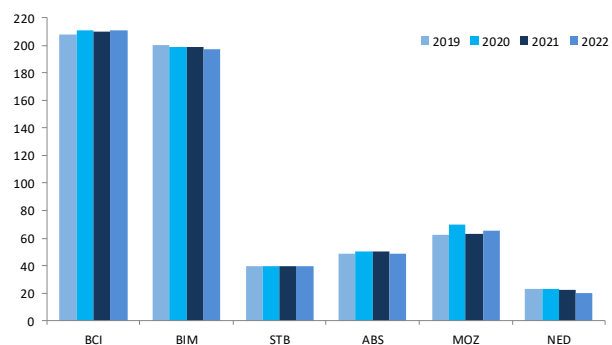
Sources: Annual Reports and Eaglestone Securities.

NET PROFIT (MZM MILLION)



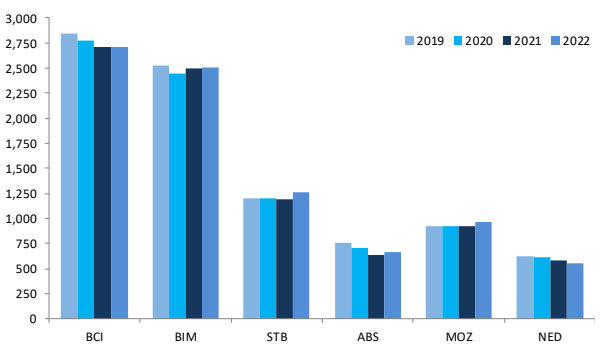
Sources: Annual Reports and Eaglestone Securities.

NUMBER OF BRANCHES



Sources: Annual Reports and Eaglestone Securities.

NUMBER OF EMPLOYEES



Sources: Annual Reports and Eaglestone Securities.

Disclaimer

This document has been prepared by Eaglestone Advisory Limited which is authorised and regulated by the Financial Conduct Authority of the United Kingdom and its affiliates ("Eaglestone"), and is provided for information purposes only.

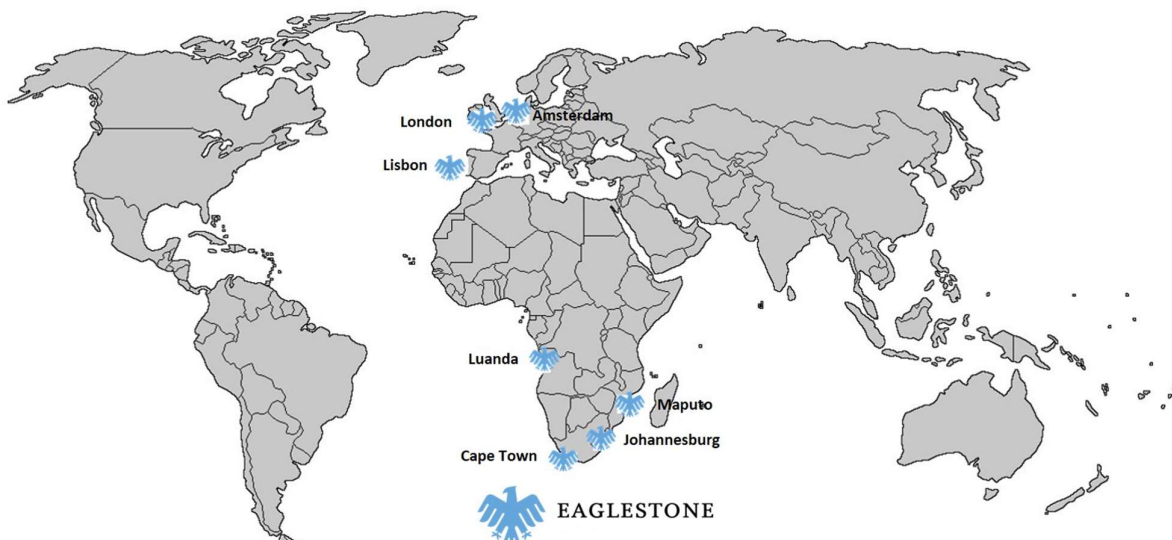
The information and opinions in this document are published for the assistance of the recipients, are for information purposes only, and have been compiled by Eaglestone in good faith using sources of public information considered reliable. Although all reasonable care has been taken to ensure that the information contained herein is not untrue or misleading we make no representation regarding its accuracy or completeness, it should not be relied upon as authoritative or definitive, and should not be taken into account in the exercise of judgments by any recipient. Accordingly, with the exception of information about Eaglestone, Eaglestone makes no representation as to the accuracy or completeness of such information.

This document does not have regard to specific investment objectives, financial situation and the particular needs of any specific recipient. Recipients should seek financial advice regarding the appropriateness of investment strategies discussed or recommended in this document and should understand that the statements regarding future prospects may not be realised. Unless otherwise stated, all views (including estimates, forecasts, assumptions or perspectives) herein contained are solely expression Eaglestone's research department.

This document must not be considered as an offer to sell or a solicitation to buy any investment instrument and distribution of this document does not oblige Eaglestone to enter into any transaction. Nothing in this document constitutes investment, legal, tax or accounting advice. The opinions expressed herein reflect Eaglestone's point of view as of the date of its publication and may be subject to change without prior notice

This document is intended for is made to and directed at (i) existing clients of Eaglestone and/or (ii) persons who would be classified as a professional client or eligible counterparty under the FCA Handbook of Rules and Guidance if taken on as clients by Eaglestone and/or (iii) persons who would come within Article 19 (investment professionals) or Article 49 (high net worth companies, trusts and associations) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2001 and/or (iv) persons to whom this communication could otherwise be lawfully made in the United Kingdom or by respective home jurisdictions regulators for non UK countries. None of the investments or investment services mentioned or described herein are available to "private customers" as defined by the rules of the Financial Conduct Authority ("FCA"). It should not be disclosed to retail clients (or equivalent) and should not be distributed to others or replicated without the consent of Eaglestone. Eaglestone name and the eagle logo are registered trademarks.

Additional information is available upon request.



AMSTERDAM - Herengracht 450-454 1017 CA - T: +31 20 240 31 60

CAPE TOWN - 22 Kildare Road Newlands 7700 - T: +27 21 674 0304

JOHANNESBURG - Unit 4, Upper Ground, Katherine & West 114 West Street, Sandton – T: +27 11 326 6644

LISBON - Av. da Liberdade, 105, 3rd Floor - T: +351 21 121 44 00

LONDON - 2 Portman Street T: +44 20 7038 6200

LUANDA - Rua Gamal Abdel Nasser, Loanda Towers, Torre B 20º Escritório 1, Ingombotas - T: +244 222 441 362

MAPUTO – Rua Lucas Elias Kumato No. 283 - T: +258 21 342 811

Disclosures

Eaglestone was founded in December 2011 with the aim to be a committed partner for the development of businesses located primarily in Sub-Saharan Africa and to support the development of renewable energy projects on a global basis.

The company has three business activities - financial advisory services, asset management and brokerage - and currently has offices in Amsterdam, Cape Town London, Lisbon, Luanda and Maputo

Eaglestone is committed to operating and behaving according to the highest standards of corporate governance. Its subsidiary in the United Kingdom is authorized and regulated by the Financial Conduct Authority.

Eaglestone operates with a clear vision and mission to act on behalf of and in the best interests of all its stakeholders, whether they are investors, employees or users of its services.

EAGLESTONE SECURITIES

Research
Tiago Bossa Dionísio
(+351) 964 643 530
tiago.dionisio@eaglestone.eu