



**BANCO COMERCIAL PORTUGUÊS, S. A.  
MACAU BRANCH**

**DISCLOSURE OF FINANCIAL INFORMATION**

**31 December 2025**

(Circular No. 004/B/2024-DSB/AMCM)

## Table of Contents

<b>1. BUSINESS DEVELOPMENT AND MANAGEMENT REPORT ON THE BRANCH'S ACTIVITIES IN MACAO .....</b>	<b>3</b>
<b>2. A SUMMARY OF THE EXTERNAL AUDITORS' REPORT .....</b>	<b>5</b>
<b>3. KEY FINANCIAL STATEMENTS.....</b>	<b>6</b>
Statement of profit or loss and other comprehensive income for the year ended 31 December 2025 .	6
Statement of financial position as at 31 December 2025 .....	7
Statement of changes in reserves and head office account for the year ended 31 December 2025 ...	8
Statement of cash flows for the year ended 31 December 2025 .....	9
<b>4. ACCOUNTING POLICIES.....</b>	<b>11</b>
<b>5. OFF-BALANCE SHEET EXPOSURES OTHER THAN DERIVATIVES TRANSACTIONS (MACAU BRANCH)</b>	<b>29</b>
<b>6. DERIVATIVE TRANSACTIONS (MACAU BRANCH) .....</b>	<b>29</b>
<b>7. RELATED PARTY TRANSACTIONS.....</b>	<b>30</b>
<b>9. MARKET RISK .....</b>	<b>40</b>
<b>10. INTEREST RATE RISK .....</b>	<b>40</b>
<b>11. OPERATIONAL RISK .....</b>	<b>41</b>
<b>12. FOREIGN CURRENCY RISK .....</b>	<b>42</b>
Foreign Exchange Positions as of 31 December, 2025 .....	42
Breakdown of Foreign Currencies which Net Position (In absolute Terms) Exceeds 10% of Total Foreign Currencies Net Position as of 31 December, 2025 .....	42
<b>13. LIQUIDITY RISK.....</b>	<b>43</b>
Maturity Analysis on assets and liabilities.....	43
<b>SELECTED LIQUIDITY INDICATORS DURING THE REPORTING PERIOD OF 2025 .....</b>	<b>44</b>
<b>14. DISCLOSURE of BANCO COMERCIAL PORTUGUÊS, S. A. ....</b>	<b>45</b>
<b>15. CONSOLIDATED INFORMATION AS OF 31 DECEMBER 2025 – KEY INDICATORS OF BANCO COMERCIAL PORTUGUES, S.A. GROUP .....</b>	<b>47</b>
<b>Other Information.....</b>	<b>47</b>

## **1. BUSINESS DEVELOPMENT AND MANAGEMENT REPORT ON THE BRANCH'S ACTIVITIES IN MACAO**

### **DISCLOSURE OF INFORMATION**

The information presented hereinafter concerning the Branch and its Banking Group to which it belongs is disclosed under and is in compliance with Circular No. 004/B/2024-DSB/AMCM of the Monetary Authority of Macau ('AMCM') (Guideline on Disclosure of Financial Information).

The Branch's policy on this matter is available and can also be consulted.

The information enclosed on pages 6 to 7 of this document hereby has been reviewed by the Branch's external auditors and is consistent with our audited "Report on the summarised financial statements for the year ended 31 December 2025" and the information set out on page 8 to 47 is consistent with the relative information otherwise published or in any way supplied to the AMCM and, in what concerns the Group information, to other relevant regulators.

The Financial Statements provided hereby has been reviewed by the Branch's external auditors.

The information or any other remarks belonging to the Branch's books or practices are duly marked along these pages with the tag 'Macau Branch'.

### **The Management of the Branch**

## Summary of the Activity Report for the year between 1 January 2025 and 31 December 2025

According to the International Monetary Fund (IMF), global economic growth remained robust in 2025 at circa 3.3%, in a context of diverging forces: a slowdown in trade and greater policy uncertainty on one hand, and strong investments in Artificial Intelligence (AI) and more accommodative financial conditions on the other. The United States (US) maintained robust growth despite the challenges posed by the adoption of a more demanding foreign policy, supported by investment in AI infrastructure and less restrictive financial conditions, which enabled GDP growth of 2.1% in 2025. In the euro area, growth remained moderate and is estimated to have reached 1.4% in 2025, benefiting from lower inflation and the adoption of a less restrictive monetary policy. China recorded a GDP growth rate of 5.0%, in line with domestic economic policy objectives. For 2026, the IMF projects growth to stabilize at 3.3%, signalling resilience but with downside risks associated with geopolitical tensions and financial markets reactions.

Macao recorded moderate GDP growth in 2025 (4.7%) mainly supported by the evolution of exports of services. For 2026, the IMF expects a GDP growth of 2.8%

In 2025, the branch worked primarily to increase the credit portfolio and build a platform to support the business of Portuguese companies in Macau and mainland China, namely through trade finance operations and the development of new relationships with trading companies, particularly those operating in the Portuguese-speaking countries.

In addition, we sought to identify Chinese clients, individuals, or companies, interested in investing in Portugal and to promote contacts between Millennium bcp's investment banking area and Chinese companies to identify investment opportunities in the Portuguese-speaking countries.

Net profit reached 76.5 million Patacas in 2025, showing an increase of 6.7% compared to the previous year, mainly due to the increase in income from net commissions, from net foreign exchange gains and the decrease in impairments for credit risk that more than offset the drop in net interest income, impacted from the lower average loan portfolio.

For 2026, BCP Macao Branch will continue its prudent growth strategy, focused on offering its customers superior products and services.

We would like to conclude by thanking all our customers, employees, Macao SAR Authorities and other stakeholders for their continued trust and confidence in our work.

The Management of  
Banco Comercial Português, Macao Branch

Constantino Mousinho  
General Manager

## 2. A SUMMARY OF THE EXTERNAL AUDITORS' REPORT

# Independent auditor's report on the summarised financial statements

**To Director-geral of Banco Comercial Português, S.A. Macau Branch (the "Branch"):**

*(Branch of a commercial bank with limited liability incorporated in The Portuguese Republic)*

The accompanying summarised financial statements of Banco Comercial Português, S.A. Macau Branch (the "Branch") which comprises the summarised statement of financial position as at 31 December 2025, and the summarised statement of profit or loss and other comprehensive income for the year then ended. The summarised financial statements are derived from the audited financial statements of the Branch for the year ended 31 December 2025. We expressed an unmodified opinion on those financial statements in our independent auditor's report dated 14 April 2026. Those financial statements, and the summarised financial statements, do not reflect the effects of events that occurred subsequent to the date of our report (14 April 2026) on those financial statements.

The summarised financial statements do not contain all the disclosures required by Financial Reporting Standards set out by the Macau Special Administrative Region. Reading the summarised financial statements, therefore, is not a substitute for reading the audited financial statements of the Branch.

### **Management's Responsibilities for the Summarised Financial Statements**

Management is responsible for the preparation of the summarised financial statements in accordance with Decree Law No. 13/2023.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the summarised financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing ("ISA") 810, "Engagements to Report on Summary Financial Statements" included in Macau Auditing Standards.

### **Opinion**

In our opinion, the summarised financial statements as derived from the audited financial statements of the Branch for the year ended 31 December 2025 are consistent, in all material respects, with the audited financial statements, in accordance with the Decree Law No. 13/2023.

leong Lai Kun, CPA  
KPMG  
Certified Public Accountants  
Unit B&C, 12th Floor  
Finance and IT Center of Macau  
320 Avenida Doutor Mario Soares  
Macau

14 April 2026

### 3. KEY FINANCIAL STATEMENTS

#### Statement of profit or loss and other comprehensive income for the year ended 31 December 2025

	2025 MOP	2024 MOP
Interest income	239,119,081	340,746,670
Interest expense	<u>(120,358,352)</u>	<u>(202,043,822)</u>
Net interest income	<u>118,760,729</u>	<u>138,702,848</u>
Net fee and commission income	6,545,557	4,679,322
Net foreign exchange gains	11,693,421	7,148,110
Other operating income	<u>1,136,353</u>	<u>1,095,292</u>
Total operating income	<u>138,136,060</u>	<u>151,625,572</u>
Staff costs	(24,367,538)	(22,311,038)
Other administrative costs	(10,816,933)	(10,536,760)
Depreciation and amortisation	(770,577)	(1,027,885)
Other operating expenses	<u>(631,818)</u>	<u>(621,870)</u>
Operating profit before impairment losses	<u>101,549,194</u>	<u>117,128,019</u>
Net charge for impairment losses on financial instruments	<u>(14,669,176)</u>	<u>(35,725,214)</u>
Profit before income tax	86,880,018	81,402,805
Income tax	<u>(10,353,603)</u>	<u>(9,696,337)</u>
Profit and total other comprehensive income for the year	<u><u>76,526,415</u></u>	<u><u>71,706,468</u></u>

**Statement of financial position as at 31 December 2025**

	2025	2024
	MOP	MOP
<b>ASSETS</b>		
Cash and balances with the Monetary Authority of Macau	74,052,950	91,433,781
Balances with credit institutions repayable on demand	179,706,675	118,733,238
Other loans and advances to credit institutions	1,124,274,600	1,510,566,430
Financial assets measured at fair value through profit or loss	13,115,130	-
Loans and advances to customers	4,894,615,650	4,197,815,449
Property and equipment	1,105,597	1,543,452
Intangible assets	768,479	726,790
Other assets	6,161,538	3,873,272
<b>Total assets</b>	<u>6,293,800,619</u>	<u>5,924,692,412</u>
<b>LIABILITIES</b>		
Financial liabilities measured at fair value through profit or loss	658,828	509,602
Deposits from credit institutions	3,088,469,729	1,730,834,975
Deposits from customers	2,929,850,534	3,895,612,447
Income tax liabilities	10,850,118	10,027,281
Other liabilities	17,225,579	45,782,223
<b>Total liabilities</b>	<u>6,047,054,788</u>	<u>5,682,766,528</u>
<b>EQUITY</b>		
Working Capital	150,000,000	150,000,000
Regulatory reserve		
- General	-	-
- Specific	-	167,406
Retained earnings	96,745,831	91,758,478
<b>Total equity</b>	<u>246,745,831</u>	<u>241,925,884</u>
<b>Total equity and liabilities</b>	<u>6,293,800,619</u>	<u>5,924,692,412</u>

Approved and authorised for issue by the management on 14 April 2026.

Timothy Leung  
DEPUTY GENERAL MANAGER

Constantino Mousinho  
GENERAL MANAGER

**Statement of changes in reserves and head office account for the year ended 31 December 2025**

	<i>Working Capital</i> MOP	<i>Retained earnings</i> MOP	<i>Regulatory reserves</i> MOP	<i>Total</i> MOP
At 1 January 2024	-	119,915,363	-	119,915,363
Working Capital Contribution	131,952,185	-	-	131,952,185
Transfer from retained earnings to Working Capital	18,047,815	(18,047,815)	-	-
Profit transferred to Head Office	-	(81,648,132)	-	(81,648,132)
Profit for the year	-	71,706,468	-	71,706,468
Transfer from retained earnings to regulatory reserves (Note)	-	(167,406)	167,406	-
At 31 December 2024 and 1 January 2025	150,000,000	91,758,478	167,406	241,925,884
Profit transferred to Head Office	-	(71,706,468)	-	(71,706,468)
Profit for the year	-	76,526,415	-	76,526,415
Transfer from retained earnings to regulatory reserves (Note)	-	167,406	(167,406)	-
At 31 December 2025	150,000,000	96,745,831	-	246,745,831

Note: The Branch follows the requirement of Monetary Authority of Macau (“AMCM”) to maintain regulatory reserve in excess of the Branch's impairment allowance for loans and advances to customers and financial guarantee contracts estimated through the transfer of retained profits to regulatory reserves. As at 31 December 2025, no amount (31 December 2024: MOP 167,406) was included in regulatory reserves which is not distributable under AMCM's requirement.

**Statement of cash flows for the year ended 31 December 2025**

	2025 MOP	2024 MOP
<b>Cash flows from operating activities</b>		
Profit before income tax	86,880,018	81,402,805
Adjustments for:		
Depreciation and amortisation	770,577	1,027,885
Net charge for impairment losses on financial instruments	14,669,176	35,725,214
Interest income	(239,119,081)	(340,746,670)
Interest expense	120,358,352	202,043,822
Net (gain) / loss on FVTPL	(2,029,224)	509,602
Loss on fixed assets disposal	-	5,603
	<u>(18,470,182)</u>	<u>(20,031,739)</u>
(Increase)/decrease in operating assets:		
Minimum statutory deposits with AMCM	13,592,000	(2,582,000)
Other loans and advances to credit institutions (more than 3 months)	(64,126,576)	(88,475,774)
Loans and advances to customers	(723,863,216)	30,983,448
Other assets	(2,725,284)	5,192,490
(Decrease)/increase in operating liabilities:		
Deposits from credit institutions	1,360,842,944	(577,918,133)
Deposits from customers	(952,636,593)	(229,024,470)
Other liabilities	(28,775,388)	(13,442,505)
	<u>(397,692,113)</u>	<u>(875,266,944)</u>
<b>Cash used in operations</b>	<b>(397,692,113)</b>	<b>(875,266,944)</b>
Interest paid	(136,691,861)	(209,859,448)
Interest received	241,077,147	357,492,747
Tax paid	(9,530,766)	(11,127,550)
	<u>(321,307,775)</u>	<u>(758,792,934)</u>
<b>Net cash used in operating activities</b>	<b>(321,307,775)</b>	<b>(758,792,934)</b>

**Statement of cash flows for the year ended 31 December 2025 (continued)**

	2025 MOP	2024 MOP
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(33,206)	(138,884)
Acquisition of intangible assets	(341,205)	-
<b>Net cash used in investing activities</b>	<u>(374,411)</u>	<u>(138,884)</u>
<b>Cash flows from financing activities</b>		
Working Capital Contribution	-	131,952,185
Distribution to the Head office	(71,706,468)	(81,648,132)
<b>Net cash (used in)/generated from financing activities</b>	<u>(71,706,468)</u>	<u>50,304,053</u>
<b>Net decrease in cash and cash equivalents</b>	(393,388,654)	(708,627,765)
<b>Cash and cash equivalents at 1 January</b>	<u>1,469,109,420</u>	<u>2,177,737,185</u>
<b>Cash and cash equivalents at 31 December</b>	<u>1,075,720,766</u>	<u>1,469,109,420</u>
<b>Components of cash and cash equivalents in the cash flow statement</b>		
Cash and balances with the Monetary Authority of Macau	74,052,950	91,433,781
Balances with credit institutions repayable on demand	179,706,675	118,733,238
Other loans and advances to credit institutions	861,394,141	1,311,967,401
Less: Minimum statutory deposits with the Monetary Authority of Macau	(39,433,000)	(53,025,000)
<b>Cash and cash equivalents at 31 December</b>	<u>1,075,720,766</u>	<u>1,469,109,420</u>

## **4. ACCOUNTING POLICIES**

### **4.1 Status of the branch**

Banco Comercial Português, S.A. Macau Branch (the “Branch”), is a branch of Banco Comercial Português, S.A. (the “Head Office”) established in Macau on 11 May 2010 and has its registered office and principal place of business at Avenida Comercial de Macau, FIT Centre, 19<sup>th</sup> Floor, G-I, Macau. The Head Office, Banco Comercial Português, S.A., is incorporated in Portugal.

The Branch provides banking and related financial services.

### **4.2 Significant accounting policies**

#### **4.2.1 Statement of compliance**

These financial statements have been prepared in accordance with the requirements as set out in the Law No.13/2023 “Macau Financial System Act” and the Financial Reporting Standards approved by the Dispatch No. 44/2020, (“FRSs”) issued by the Secretary of Economy and Finance of the Macao Special Administrative Region (“Macao SAR”). The FRSs are consistent with the suite of International Financial Reporting Standards, as issued by the International Accounting Standards Board and incorporated in its 2015 edition of the Bound Volume of International Financial Reporting Standards, which includes the individual International Financial Reporting Standards, International Accounting Standards and Interpretations. Significant accounting policies adopted by the Branch are disclosed below.

#### **4.2.2 Basis of preparation of the financial statements**

The Branch is part of the Banco Comercial Português, S.A.. It is registered as a branch under the Financial System Act under the Supervision of the Monetary Authority of Macau (“AMCM”), accordingly, it is not a separate legal entity. These financial statements have been prepared from the books and records of the Branch, which contain evidence of all transactions entered into locally.

The financial statements are prepared in Macau Patacas (“MOP”), which is the same as the functional currency of the Branch.

The measurement basis used in the preparation of the financial statements is historical cost, except for derivative and non-derivative financial instruments which have been measured at fair value.

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of FRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 4.

The Branch does not have changes in significant accounting policies in the current annual reporting period.

#### **4.3 Summary of significant accounting policies**

##### **4.3.1 Financial instruments**

###### **(i) Initial recognition**

The Branch initially recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. Regular way purchases or sales of financial instruments are classified as financial assets measured at fair value through profit or loss (FVTPL), amortised cost, debt investments measured at fair value through other comprehensive income (FVOCI), derivatives assets and derivatives liabilities at FVTPL or debts issued are recognised using trade date accounting. Other financial assets and financial liabilities are recognised using settlement date accounting.

Financial instruments are measured initially at fair value, which normally will be equal to the transaction price plus, in case of a financial asset or financial liability not held at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset or issue of the financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

From the date of initial recognition, any gains and losses arising from changes in fair value of the financial assets or financial liabilities measured at fair value are recorded.

Accrued contractual interests from financial assets and liabilities are presented as accrued interest receivables and payables separately in the financial statements.

###### **(ii) Classification**

##### **Financial assets and liabilities**

###### *Financial assets*

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Branch may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Branch may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### *Business model assessment*

The Branch makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Branch's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how management of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Branch's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

*Assessment whether contractual cash flows are solely payments of principal and interest*

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Branch considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Branch considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Branch's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

*Reclassifications*

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Branch changes its business model for managing financial assets. When (and only when) the Branch changes its business model for managing financial assets, it reclassifies all affected financial assets in accordance with the new business model. The reclassification should be applied prospectively from the 'reclassification date', which is defined as, 'the first day of the first reporting period following the change in business model that results in reclassifying financial assets'. Accordingly, any previously recognised gains, losses or interest will not be restated.

If a financial asset is reclassified out of the amortised cost measurement category and into the FVTPL or FVOCI measurement category, its fair value is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortised cost of the financial asset and fair value is recognised in profit or loss (if reclassification as FVTPL measurement category) or is recognised in other comprehensive income (if reclassification as FVOCI measurement category).

If a financial asset is reclassified out of the FVOCI measurement category and into the amortised cost measurement category, the financial asset is reclassified at its fair value at the reclassification date. However, the cumulative gain or loss previously recognised in other comprehensive income is removed from equity and adjusted against the fair value of the financial asset at the reclassification date. As a result, the financial asset is measured at the reclassification date as if it had always been measured at amortised cost.

If a financial asset is reclassified out of the FVOCI measurement category and into the FVTPL measurement category, the financial asset continues to be measured at fair value. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

If a financial asset is reclassified out of the FVTPL measurement category and into the amortised cost measurement category, its fair value at the reclassification date becomes its new gross carrying amount.

If an entity reclassifies a financial asset out of the FVTPL measurement category and into the FVOCI measurement category, the financial asset continues to be measured at fair value and subsequent changes in fair value will be recognised in other comprehensive income.

#### *Financial liabilities*

The Branch classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or FVTPL.

The Branch has designated certain financial liabilities as at FVTPL in either of the following circumstances:

- the liabilities are managed, evaluated and reported internally on a fair value basis; or
- the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### (iii) Fair value measurement principles

The fair value of financial instruments is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

If there is no publicly available latest traded price nor a quoted market price on a recognised stock exchange or a price from a broker/dealer for non-exchange-traded financial instruments or if the market for it is not active, the fair value of the instrument is estimated using valuation techniques that provide a reliable estimate of prices which could be obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the end of the reporting period.

(iv) Derecognition

The Branch derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any accumulated gain or loss recognised in other comprehensive income is recognised in the profit or loss.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

The Branch uses the weighted average method to determine realised gains and losses to be recognised in the profit and loss account on derecognition.

(v) Modifications of financial assets and financial liabilities

If the terms of a financial asset are modified, the Branch evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (Note 3.1(iv)) and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Branch recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the income statement. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

The Branch derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the income statement.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet only where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(vii) Derivative financial instrument

The Branch uses derivative financial instruments to hedge its exposure to currency risks arising from operational, financing and investment activities, or as part of the management of asset and liability portfolios.

Derivative financial instruments are recognised initially and are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. These amounts are included as net investment gain or loss.

The Branch does not have derivative financial instruments that qualify for hedge accounting.

(viii) Measurement of Expected Credit Loss (“ECL”)

The Branch recognises a loss allowance for ECL on financial assets which are subject to impairment under IFRS 9 – Financial Instruments (“IFRS 9”) (including loans and advances, loan commitments and financial guarantee contracts). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

The application of the ECL model will result in three stages of financial assets:

- Stage 1: the operations in which there is no significant increase in credit risk since its initial recognition are classified in this stage. Impairment losses associated with operations classified in this stage correspond to expected credit losses resulting from a default event that may occur within 12 months after the reporting date (12-month ECL);
- Stage 2: the operations in which there is a significant increase in credit risk since its initial recognition but are not impaired are classified in this stage.

Significant increase in credit risk (SICR) is determined according to a set of mostly quantitative, but also qualitative criteria. These criteria are mainly based on the risk grade of customers, according to the BCP Group's Rating Master Scale, and on its evolution in order to detect significant increases in credit risk/Probability of Default (PD), complemented by other information regarding the customers' behaviour towards the financial system.

Impairment losses associated with operations classified in this stage correspond to the expected credit losses resulting from default events that may occur over the expected residual life of the operations (lifetime ECL).

- Stage 3: impaired operations are classified in this stage. Impairment losses associated with operations classified in this stage correspond to lifetime ECL.

(ix) Definition of financial assets in default and impaired

All customers who meet at least one of the following conditions are marked as default and, consequently, as Non-performing (“NPE”):

a) Delay over 90 days of material payment:

Amounts of principal, interest or fees not paid on the due date that, cumulatively, represent:

- i) more than Euros 100 equivalent (retail) or more than Euros 500 equivalent (non-retail); and,
- ii) more than 1% of the total debt (direct liabilities).

After these two conditions are met, and if the client remains in this situation for more than 90 consecutive days, it is classified as default (or Risk Grade 15 (GR15)).

The existence of a material payment delay gives rise to a default classification (GR15) of all holders of the operation (or operations).

b) Signs of low probability of payment:

- i. Credit restructuring due to financial difficulties with loss of value;
- ii. Delay after restructuring due to financial difficulties;
- iii. Recurrence of restructuring due to financial difficulties;
- iv. Credit with signs of impairment (or stage 3 of IFRS 9);
- v. Insolvency or equivalent proceedings;
- vi. Litigation;
- vii. Obligors that are guarantors of a defaulted exposure
- viii. Credit sales with losses;
- ix. Credit fraud;
- x. Obligors under a non-accrual status;
- xi. Breach of covenants in a credit agreement;
- xii. Contagion of default in an economic group;
- xiii. Cross default in BCP Group.

Customers representing high risk and exposure for which objective signs of impairment exist (Stage 3) are submitted to an individual impairment analysis. That individual analysis is a regular process of assigning a recovery expectation concerning all the exposures, as well as of a term expected for the recovery. The impairment amount for each client is based, essentially, in the prospects of repayment and repayment term, concerning monetary, financial or physical assets.

This process is based on the elements that are relevant for the impairment assessment, namely:

- Financial and economic data based on the client’s most recent accounting statements.
- Qualitative data that characterizes the client’s situation in what concerns the economic viability of the business.
- Projected cash-flows for clients that are analysed in a ‘going concern’ perspective.
- Creditworthiness track-record of the client within the BCP Group and the financial system.

Collateral and guarantees data are of particular importance, especially in real estate companies and in cases for which economic viability is reduced (“gone concern” approach). The BCP Group has a conservative approach towards the treatment of collateral, materialized in the use of haircuts, aiming at incorporating the assets’ devaluation risk, the costs inherent to the disposal and the maintenance costs and term until the sale completion.

For each client, the impairment is calculated as the difference between the respective exposure and the sum of the expected cash-flows for the various operations, discounted at the effective interest rate of each operation.

The credits that are not subject to individual impairment analysis are grouped, taking into consideration their risk features and impairment assessment is based on homogeneous populations (collective analysis), defined in accordance with the client’s risk grade and segment.

Expected credit losses (ECL) are determined as follows:

- financial assets with no signs of impairment at the reporting date: the present value of the difference between the contractual cash flows and the cash flows that the BCP Group expects to receive;
- financial assets with impairment at the reporting date: the difference between the gross book value and the present value of the estimated cash flows;
- unused credit commitments: the present value of the difference between the resulting contractual cash flows if the commitment is made and the cash flows that the BCP Group expects to receive;
- financial guarantees: the current value of the expected repayments less the amounts that the BCP Group expects to recover.

The main inputs used to measure ECLs on a collective basis include the following variables:

- Probability of Default – PD;
- Loss Given Default – LGD; and,
- Exposure at Default – EAD.

These parameters are obtained through internal statistical models and other relevant historical data, similar to the data used in the exiting regulatory models but adapted according to the requirements of IFRS 9.

- PDs are estimated based on a certain historical period and are calculated based on statistical models. These models are based on the BCP Group’s internal data including both quantitative and qualitative factors. If there is a change in the risk of the counterparty or exposure, the associated PD will also vary.

The risk grades are a relevant input for determining the PD associated with each exposure.

The BCP Group collects performance and default indicators about their credit risk exposures by types of customers and products.

- LGD is the magnitude of the loss that is expected to occur if an exposure goes into default. The BCP Group estimates the LGD parameters based on the historical recovery rates after entry into default. The LGD models consider the associated collaterals, the counterparty activity sector, the time since default, as well as the recovery costs. In the case of contracts secured by real estate, it is expected that the LTV (loan-to-value) ratios are a parameter of high relevance in the determination of LGD.
- The EAD represents the expected exposure in case the customer defaults. The BCP Group obtains the EAD values from the counterparty's current exposure and potential changes to its current value as a result of the contractual conditions. For commitments and financial guarantees, the value of the EAD will consider both the amount of credit used and the expectation of future amounts that may be used in accordance with the agreement.

As described above, except for financial assets that consider a 12-month PD as a result of not presenting a significant increase in credit risk, the BCP Group will calculate the ECL value considering the risk of default during the maximum contractual maturity period of the contract, even if, for the purpose of risk management, it is considered to be a longer period. The maximum contractual period shall be considered as the period up to the date on which the BCP Group has the right to require payment or terminate the commitment or guarantee.

The BCP Group adopted as a residual term criterion for renewable operations, when in stage 2, a term of 5 years. This term was determined based on the behavioural models of this type of product. According to these models, the maximum period of repayment of these operations is the 5 years considered conservatively in the scope of the calculation of credit impairment.

The BCP Group uses models to forecast the evolution of the most relevant parameters for the expected credit losses, namely probability of default, which incorporate forward-looking information. The incorporation of forward-looking information is carried out in the relevant elements considered for the calculation of expected credit losses (ECL).

In particular, the PD point-in-time (PDpit) considered for the determination of the probability of performing exposures at the reference date becoming defaulted exposures considers the expected values for a set of macroeconomic variables.

(x) Write-off

Financial assets are written off with related impairment allowances (either partially or in full) when there is no realistic prospect of recovery. This is the case when the Branch determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Financial assets written off may still be subject to enforcement activities under the Branch's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(xi) Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

#### **4.3.2 Revenue recognition**

##### ***Income and Revenue***

Income is classified by the Branch as revenue when it arises from the provision of services in the ordinary course of the Branch's business. Revenue is recognised when service is provided to the customer at the amount of promised consideration to which the Branch is expected to be entitled, excluding those amounts collected on behalf of third parties.

##### **Interest income**

Interest income for all interest-bearing financial instruments are recognised in the income statement on an accruals basis using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

When calculating the effective interest rate for financial instruments other than credit impaired assets, the Branch estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses. For financial assets that were purchased or originated credit-impaired on initial recognition, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses (i.e. no expected credit loss provision is required at initial recognition).

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

##### ***Amortised cost and gross carrying amount***

The amortised cost of a financial asset is the amount at which the financial asset is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and adjusted for any expected credit loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

### *Calculation of interest income*

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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

For information on when financial assets are credit-impaired, please refer to Note 3.1 (viii).

### **Fee and commission income**

Fee and commission income that are integral to the effective interest rate on a financial asset are included in the effective interest rate calculation. Other fee and commission income is recognised in the income statement when the corresponding service is provided.

Origination or commitment fees received/ paid by the Branch which result in the creation or acquisition of a financial asset are deferred and recognised as an adjustment to the effective interest rate. If it is uncertain that a loan commitment will result in draw-down of a loan, then the related loan commitment fee is recognised as revenue on a straight-line basis over the commitment period.

Other fee and commission expenses relate mainly to transaction and service fees, which are expensed when the services are received.

### **Presentation of contract assets and liabilities**

When revenue is recognised by transferring goods or services to a customer before the consideration is received or before payment is due, the Branch presents the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is recognised in balance sheet when there is a right to consideration that is conditional on factors other than the passage of time. The contract asset is transferred to receivables when the right to consideration becomes unconditional. Impairment of a contract asset is measured on the same basis as a financial asset.

As a practical expedient, the Branch does not adjust the promised amount of consideration for the effects of a significant financing component if the Branch expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. The Branch may recognise the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the Branch otherwise would have recognised is one year or less.

Similarly, a contract liability, rather than a payable, is recognised when a customer pays non-refundable consideration, or is contractually required to pay non-refundable consideration and the amount is already due, before the Branch recognises the related revenue.

### **Net trading profit**

Net trading profit comprises all gains and losses from changes in fair value (net of accrued interests) of such financial assets and financial liabilities, together with foreign exchange differences and dividend income attributable to these financial instruments. Coupon interest from these financial assets and financial liabilities measured at FVTPL is accrued and presented as interest income or interest expense.

### **Other revenue**

Other revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that economic benefits will flow to the Branch and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the profit or loss.

#### **4.3.3 Property, plant and equipment**

Property and equipment are stated at acquisition cost net of the accumulated depreciation and impairment losses, if any.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Improvements to leasehold buildings	10 years
Equipment	4 to 10 years

The useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

#### **4.3.4 Intangible assets**

The Branch records the costs associated with software acquired from external entities as intangible assets. These assets are stated at cost less accumulated amortisation and impairment losses, if any. Amortisation is calculated on straight-line basis over an estimated useful life of three years. The Branch does not capitalise internal costs arising from software development.

#### **4.3.5 Impairment of non-financial assets**

At each reporting date, the Branch reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss.

For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **4.3.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and deposits with credit institutions having less than three months of maturity at acquisition.

Cash and cash equivalents include the Branch's deposit maintained in AMCM Fast Payment System (FPS) Platform, mandatory deposits and monetary bills with the AMCM having less than three months of maturity at acquisition.

Monetary bills are measured at amortised cost using the effective interest method.

#### **4.3.7 Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in the income statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment that has to be made to the lessor is recognised as an expense in the period the termination takes place.

#### **4.3.8 Foreign currency transactions**

Foreign currency transactions during the year are translated into Macau Patacas at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Macau Patacas at the foreign exchange rates ruling at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies measured at historical cost are translated into Macau Patacas at the foreign exchange rates ruling at the transaction dates, which are the dates when the Branch initially recognises such non-monetary assets and liabilities. Non-monetary assets and liabilities denominated in foreign currencies measured at fair value are translated into Macau Patacas at the foreign exchange rates ruling at the fair value measurement dates. Exchange gains and losses are recognised in profit or loss.

#### **4.3.9 Provisions and contingent liabilities**

Provisions are recognised when the Branch has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

#### **4.3.10 Off-balance sheet financial instruments**

Off-balance sheet financial instruments include mainly derivatives arising from forward, swap and option transactions undertaken by the Branch in the foreign exchange and interest rate markets. Realised gain or loss on derivatives is recognised as net foreign exchange gains or losses in the statement of profit or loss and other comprehensive income upon the settlement of forward, swap and option transactions.

#### **4.3.11 Employee benefits**

- (i) Defined contribution retirement plan

The Branch defines pension fund contribution plan to its employees. Each employee within the plan contributes 4% of salary, whereas the Branch contributes 6% contributions, according to the years of services of individual employee. The contribution made by the Branch is recorded in the income statement of the year of contribution.

(ii) Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are recognised in the period when the employees render the related service.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

**4.3.12 Related parties**

(a) A person, or a close member of that person's family, is related to the group if that person:

- (i) has control or joint control over the group;
- (ii) has significant influence over the group; or
- (iii) is a member of the key management personnel of the group or the group's parent.

(b) An entity is related to the group if any of the following conditions applies:

- (i) The entity and the group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to the group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

#### **4.4 Accounting estimates and judgments**

The preparation of the Branch's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

##### **a. Key sources of estimation uncertainty**

###### *Impairment losses - loans and advances to customers*

Loan portfolios are reviewed periodically to assess whether impairment losses exist. The Branch makes judgements as to whether there is any objective evidence that a loan portfolio is impaired, i.e. whether there is a decrease in estimated future cash flows. Objective evidence for impairment includes observable data that the payment status of borrowers in a Branch has adversely changed. It may also include observable data that correlate with defaults on the assets in the Branch. Impairment of financial instruments involves determining inputs into the ECL measurement model, including incorporation of forward-looking information. Management reviews the methodology and assumptions used in estimating future cash flows regularly to reduce any difference between loss estimates and actual loss experience.

###### *Impairment losses - financial assets at amortised cost.*

Investment portfolios are reviewed periodically to assess whether impairment losses exist.

Assessment includes the risk indicators and performance of the investments, such as external credit rating, market value etc. The Branch evaluates the possibility of impairment by taking into consideration the market performance, repayment behaviour of the bond issuers and related assets performance. Impairment of financial instruments involves determining inputs into the ECL measurement model, including incorporation of forward-looking information. Management reviews the methodology and assumptions used in estimating future cash flows regularly to reduce any difference between loss estimates and actual loss experience.

**b. Critical accounting judgements in applying the Branch's accounting policies**

*Classification of financial assets*

Assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding.

*Measurement of ECL*

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of ECL and selection of models used to measure ECL.

*Income taxes*

The Branch is subject to income tax in Macau. Significant judgement is required in determining the amount of the provision for taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provisions in the period in which such determination are made.

**5. OFF-BALANCE SHEET EXPOSURES OTHER THAN DERIVATIVES TRANSACTIONS (MACAU BRANCH)**

	2025 MOP	2024 MOP
Credit substitutes	4,709,701	118,199,200
Transaction-related contingencies	31,815,471	-
Acceptances and other trade-related contingencies	89,714,895	-
Note issuance facilities, revolving underwriting facilities and other similar facilities	-	-
Forward asset purchases	-	-
Unpaid portion of partly paid shares and other securities	-	-
Forward deposits	-	-
Asset sales with repurchase option	-	-
Undrawn credit facilities and other commitments to extend credit	3,504,368,345	2,483,839,023
Other off-balance sheet items	15,013,955,586	10,283,785,047
<b>TOTAL</b>	<b>18,644,563,998</b>	<b>12,885,823,270</b>

**6. DERIVATIVE TRANSACTIONS (MACAU BRANCH)**

	2025 MOP	2024 MOP
<b>Exchange rate contracts</b>		
Forward purchases	478,186,000	406,377,700
Forward sales	479,690,807	406,850,000
<b>Interest rate contracts</b>		
Purchases	79,931,193	-
Sales	76,881,000	-
Equities contracts	-	-
Commodities contracts	-	-
Others	-	-
<b>TOTAL</b>	<b>1,114,689,000</b>	<b>813,227,700</b>
<b>TOTAL OFF-BALANCE SHEET EXPOSURES</b>	<b>19,759,252,998</b>	<b>13,699,050,970</b>

**GEOGRAPHIC DISTRIBUTION OF FINANCIAL DERIVATIVES**

	2025 MOP	2024 MOP
Portugal	1,114,689,000	813,227,700
<b>TOTAL</b>	<b>1,114,689,000</b>	<b>813,277,700</b>

**CREDIT RISK WEIGHTED AMOUNTS OF THE DERIVATIVES TRANSACTIONS**

	2025 MOP	2024 MOP
Exchange rate contracts	4,781,860	4,063,777
Interest rate contracts	3,839,440	-
Equities contracts	-	-
Commodities contracts	-	-
Others	-	-
<b>TOTAL</b>	<b>8,621,300</b>	<b>4,063,777</b>

**NET FAIR VALUE OF THE DERIVATIVES TRANSACTIONS**

	2025 MOP	2024 MOP
Exchange rate contracts	(658,828)	(509,602)
Interest rate contracts	3,439,779	-
Equities contracts	-	-
Commodities contracts	-	-
Others	-	-
<b>TOTAL</b>	<b>2,780,951</b>	<b>(509,602)</b>

**7. RELATED PARTY TRANSACTIONS**

*Qualitative Disclosure*

A Related parties (non-exhaustive definition – see note 3.12 of Summary of significant accounting policies)

For the purpose for these financial statements, related parties also include any person or any close family member of that person if that person (i) holds a qualifying holding in the Branch; or (ii) is a member of board of directors or supervisory board of the group or of a parent of the Branch and any entity if that entity holds a qualifying holding in the Branch.

B BCP Group has internal regulations relating to transactions with related parties provide for specific procedures for processing proposals relating to related parties, which ensure that such transactions are carried out under market conditions and subject to additional controls. As a matter of fact, the regular procedure for the approval of transactions with related parties consists in the approval of the transaction by a majority of two thirds of the Board of Directors, following a proposal submitted by the Executive Committee, after the prior issuance of an opinion by the Audit Committee and the opinions of the Compliance Office and the Risk Office regarding the compliance of the proposed operations with the internal regulations, legal and regulatory provisions and other constraints that may apply to them, namely in terms of risk. There are still simplified procedures for transactions considered to be of lower

risk, which were defined considering the legal framework in force, especially the Notice 3/2020 of Banco de Portugal.

The Branch is required to follow the according control mechanisms and procedures implemented in BCP Group while dealing with the according transactions.

During the year, the Branch entered into transactions with its Head Office and other related parties in the ordinary course of its banking business. In the opinion of management, the transactions were conducted on an arm's length basis.

*Quantitative Disclosure*

The significant transactions and balances with the Head Office and parties stated in the corresponding notes, arising from the Branch's course of business, are disclosed as follows:

The amount of related-party transactions during the year and outstanding balances at the end of the year are set out below:

**a. Balances and transactions with Head Office**

Statement of financial position

	2025 MOP	2024 MOP
Assets		
Balances with credit institutions repayable on demand	153,524,108	80,630,659
Other loans and advances to credit institutions	999,703,926	1,423,872,630
Other assets	3,439,779	-
Total	<u>1,156,667,813</u>	<u>1,504,503,289</u>
Liabilities		
Deposits from credit institutions	2,733,389,490	1,730,834,975
Other liabilities	658,828	509,602
Total	<u>2,734,048,318</u>	<u>1,731,344,577</u>

Statement of profit or loss and other comprehensive income

	2025 MOP	2024 MOP
Interest income	<u>30,807,700</u>	<u>75,526,127</u>
Interest expense	<u>(50,269,854)</u>	<u>(81,509,479)</u>
Net foreign exchange gains	<u>3,524,929</u>	<u>3,234,063</u>
Other operating expense	<u>(1,075,316)</u>	<u>(1,214,895)</u>

**BANCO COMERCIAL PORTUGUÊS, S. A. – MACAU BRANCH**  
**DISCLOSURE OF INFORMATION** (Circular No. 004/B/2024-DSB/AMCM)

Off- Balance sheet exposures

	2025 MOP	2024 MOP
Exchange rate contracts		
Purchases	478,186,000	406,377,700
Sales	(479,690,807)	(406,850,000)
	2025 MOP	2024 MOP
Interest rate contracts		
Purchases	79,931,193	-
Sales	76,881,000	-

**b. Balances and transactions with other related parties**

Statement of financial position

	2025 MOP	2024 MOP
Assets		
Loans and advances to customers	<u>473,920,869</u>	<u>423,397,614</u>
Total	<u><u>473,920,869</u></u>	<u><u>423,397,614</u></u>
Liabilities		
Deposits from customers	<u>299,250,206</u>	<u>90,340,653</u>
Total	<u><u>299,250,206</u></u>	<u><u>90,340,653</u></u>

Note: Other related parties included qualified shareholders and its subsidiaries.

Statement of profit or loss and other comprehensive income

	2025 MOP	2024 MOP
Interest income	<u>20,895,820</u>	<u>25,948,225</u>
Interest expense	<u><u>(447,546)</u></u>	<u><u>(1,907,916)</u></u>

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Branch entered into the following material related party transactions.

**c. Key management personnel**

The remuneration of key management personnel, which is included in “staff costs”, is as follows:

	2025 MOP	2024 MOP
Remuneration	<u>7,434,471</u>	<u>9,524,994</u>

**8. CREDIT RISK**

*Qualitative disclosure of credit risk*

Credit risk arises from the possibility that a customer or counterparty in a transaction may default or fail to meet their contractual obligations

The Branch has established policies and procedures to identify, measure, monitor and control credit risk. In this connection, guidelines for management of credit risk have been laid down. These guidelines stipulate delegated lending authorities, credit extension criteria, credit monitoring process, loan classification system, credit recovery and provisioning policy. They are reviewed and enhanced on an on-going basis to cater for the market change, statutory requirement and best practice risk management processes.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance and adjustment of mark to market value if applicable.

The Branch's credit risk is primarily attributable to loans and advances to customers and financial instruments, respectively.

Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid at the year-end. Loans repayable by regular instalments are treated as overdue when an instalment payment is overdue and remains unpaid at year-end. Loans repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the demand notice, and/or when the loans have remained continuously outside the approved limit advised to the borrower for more than the overdue period in question.

Loans and advances are classified as impaired when the principal or interest is overdue for more than 90 days or if objective evidence of impairment exists.

*Credit risk management policy*

Credit granting is based on prior classification of the customers’ risk and on thorough assessment of the level of protection provided by the underlying collateral. In order to do so, a single risk-notation system has been introduced, the Rating Master Scale, based on the expected probability of default, allowing greater discrimination in the assessment of the customers and better establishment of the hierarchies of the associated risk.

The Rating Master Scale also identifies those customers showing worsening credit capacity and, in particular, those classified as being in default. All rating and scoring models used by the Branch have been duly calibrated for the Rating Master Scale. The protection-level concept has been introduced as a crucial element of evaluation of the effectiveness of the collateral in credit-risk mitigation, leading to more active collateralization of loans and more adequate pricing of the risk incurred.

The evaluation of the risk associated to the loan portfolio and quantification of the respective expected losses considers the following methodological approaches:

a) Collaterals and Guarantees

On the risk evaluation of an operation or of a group of operations, the mitigation elements associated to those operations are considered in accordance with the rules and internal procedures requirements, also reflecting the experience of the loan's recovery areas and the Legal Department opinions with respect to the entailment of the various mitigation instruments.

The collaterals and the relevant guarantees can be aggregated in the following categories:

- financial collaterals, real estate collaterals or other collaterals;
- receivables;
- first demand guarantees, issued by banks or other entities;
- personal or corporate guarantees;
- credit derivatives.

b) Risk grades

Aiming at an adequate assessment of credit risk, the BCP Group defined a set of macro segments and segments which are treated through different rating systems and models that relate the internal risk grades and the clients' PD, ensuring a risk assessment that considers the clients' specific features in terms of their respectively risk profiles.

The assessment made by these rating systems and models result in the assignment of a risk grade of the Master Scale to each client. The Master Scale has fifteen grades, where the last three correspond to relevant downgrades of the clients' credit quality and are referred to by "procedural risk grades": 13, 14 and 15, that correspond, in this order, to situations of increased severity in terms of probability of default and risk grade 15 to a Default situation.

The non-procedural risk grades are attributed by the rating systems through automatic decision models (retail clients) or by the Rating Division – a unit which is independent from the credit analysis and decision areas and bodies - and are reviewed/updated periodically or whenever this is justified by events.

The following table lists the equivalence between the internal rating levels (Rating Master Scale) and the external ratings of the international rating agencies:

Internal risk grade	External ratings			
	Fitch	S&P	Moody's	DBRS
1	AAA	AAA	Aaa	AAA
1	AA+	AA+	Aa1	AA (high)
2	AA	AA	Aa2	AA
2	AA-	AA-	Aa3	AA (low)
3	A+	A+	A1	A (high)
3	A	A	A2	A
4	A-	A-	A3	A (low)
4	BBB+	BBB+	Baa1	BBB (high)
5	BBB	BBB	Baa2	BBB
6	BBB-	BBB-	Baa3	BBB (low)
7	BB+	BB+	Ba1	BB (high)
8	BB	BB	Ba2	BB
9	BB-	BB-	Ba3	BB (low)
10	B+	B+	B1	B (high)
11	B	B	B2	B
12	≤ B-	≤ B-	≤ B3	≤ B-

### Management Overlays

In order to comply with the Supervisors' guidelines, namely regarding to the identification and measurement of credit risk in the context of uncertainty associated with the current geopolitical crises, the disruption in distribution chains, rising energy costs and inflationary pressures, the BCP Group proceeded to record additional impairments in relation to the current models of collective impairment calculation (overlays). The exercise carried out was based on an analysis of potential migrations from customers identified as having the highest risk for Stage 2 and Stage 3, with the greatest impact on the corporate segment. Since this is an amount that is calculated globally, recognition is made at the aggregate level in the financial statements of the Head-Office in Portugal.

The Branch also complies with AMCM requirement to maintain regulatory reserves in excess of the Branch's impairment allowance for loans and advances. When the minimum provision under the relevant AMCM rules is higher than the impairment allowance made under the Branch's accounting policy which is in accordance with IFRS 9, the Branch transfers the additionally required amount from retained profits to regulatory reserves.

### Quantitative disclosure on credit risk

#### (1) Geographic analysis of loans and advances

	2025		2025	
	Gross Amount		ECL	
	Stage1 & 2 MOP	Stage3 MOP	Stage1 & 2 MOP	Stage3 MOP
British Virgin Islands	-	-	-	-
Cayman Islands	82,414,302	-	4,881,292	-
Chinese Mainland	366,179,584	-	15,211,352	-
Hong Kong	2,261,418,545	120,542,047	39,625,187	120,566,417
Korea	248,606,688	-	4,967,580	-
Macau	386,968,669	-	5,166,225	-
Netherlands	1,585,353,749	-	2,528,140	-
Portugal	9,398,902	-	252,043	-
United States	27,092,581	-	161,181	-
<b>Total</b>	<b>4,967,433,020</b>	<b>120,542,047</b>	<b>72,793,000</b>	<b>120,566,417</b>

**BANCO COMERCIAL PORTUGUÊS, S. A. – MACAU BRANCH**  
**DISCLOSURE OF INFORMATION** (Circular No. 004/B/2024-DSB/AMCM)

	2024		2024	
	Gross Amount		ECL	
	Stage1 & 2 MOP	Stage3 MOP	Stage1 & 2 MOP	Stage3 MOP
British Virgin Islands	80,013,975	-	18,209	-
Cayman Islands	82,396,530	-	2,821,470	-
Chinese Mainland	320,955,819	-	6,779,462	-
Hong Kong	1,745,070,836	181,101,098	25,671,086	181,021,438
Korea	120,003,982	-	1,023,271	-
Macau	366,506,907	247,644	7,971,260	355,855
Netherlands	1,486,996,315	-	1,268,942	-
Portugal	10,375,918	-	592,036	-
United States	31,801,916	-	132,462	-
<b>Total</b>	<b>4,244,122,198</b>	<b>181,348,742</b>	<b>46,278,198</b>	<b>181,377,293</b>

**Geographic Distribution for Guarantees and undrawn commitments**

	2025		2025	
	Gross Amount		ECL	
	Stage1 & 2 MOP	Stage3 MOP	Stage1 & 2 MOP	Stage3 MOP
China	-	-	-	-
Hong Kong	549,992,443	-	705,245	-
Macau	338,391,393	-	819,223	-
Netherlands	2,387,854,158	-	558,127	-
Portugal	4,749,701	-	-	-
United States	133,564,147	-	102,675	-
SINGAPORE	55,746,570	-	12,056	-
KOREA	160,310,000	-	24,394	-
<b>Total</b>	<b>3,630,608,412</b>	<b>-</b>	<b>2,221,720</b>	<b>-</b>

	2024		2024	
	Gross Amount		ECL	
	Stage1 & 2 MOP	Stage3 MOP	Stage1 & 2 MOP	Stage3 MOP
China	86,740,800	-	58,792	-
Hong Kong	550,854,914	-	478,683	-
Macau	273,271,215	-	567,639	-
Netherlands	1,553,944,500	-	240,884	-
Portugal	9,112,658	-	-	-
United States	128,114,136	-	148,116	-
SINGAPORE	-	-	-	-
KOREA	-	-	-	-
<b>Total</b>	<b>2,602,038,223</b>	<b>-</b>	<b>1,494,114</b>	<b>-</b>

**BANCO COMERCIAL PORTUGUÊS, S. A. – MACAU BRANCH**  
**DISCLOSURE OF INFORMATION** (Circular No. 004/B/2024-DSB/AMCM)

**(2) Industry distribution of exposures**

	2025		2025	
	Gross Amount		ECL	
	Stage 1 & 2 MOP	Stage 3 MOP	Stage 1 & 2 MOP	Stage 3 MOP
Mining industries	83,754,471	-	137,836	-
Manufacturing industries	443,631,083	-	4,511,416	-
Electricity, gas and water	105,489,241	-	1,003,209	-
Construction and public works	299,690,776	120,542,047	4,932,622	120,566,417
Wholesale and retail trade	327,602,996	-	5,798,750	-
Transport, warehousing and communications	104,612,221	-	996,590	-
Non-monetary financial institutions	732,993,584	-	19,218,922	-
Gaming	48,206,872	-	756,070	-
Information technology	80,435,493	-	502,349	-
Other industries	2,725,974,525	-	34,365,184	-
Personal loans	15,041,758	-	570,052	-
<b>Total</b>	<b>4,967,433,020</b>	<b>120,542,047</b>	<b>72,793,000</b>	<b>120,566,417</b>

	2024		2024	
	Gross Amount		ECL	
	Stage 1 & 2 MOP	Stage 3 MOP	Stage 1 & 2 MOP	Stage 3 MOP
Manufacturing industries	292,640,817	-	3,069,614	-
Electricity, gas and water	121,045,781	-	370,754	-
Construction and public works	252,926,492	181,101,098	1,053,444	181,021,438
Wholesale and retail trade	439,910,584	-	7,458,186	-
Transport, warehousing and communications	64,100,024	-	14,614	-
Non-monetary financial institutions	531,712,362	-	7,005,686	-
Other industries	2,523,520,348	-	23,644,803	-
Personal loans	18,265,790	247,644	3,661,097	355,855
<b>Total</b>	<b>4,244,122,198</b>	<b>181,348,742</b>	<b>46,278,198</b>	<b>181,377,293</b>

**Gross amounts of the past due exposures to loans and advances to non-bank customers**

	2025 MOP	% *	2024 MOP	% *
More than 3 months but less than 6 months	-	-	247,644	0.00
More than 6 months but less than 1 year	-	-	-	-
More than 1 year	-	-	181,101,098	4.1
	-	-	181,348,742	4.1
Mitigation from collaterals **	-	-	(247,644)	-
Net past due exposures	-	-	181,101,098	-
Impairment allowances to past due exposures	-	-	(181,377,293)	-

\* % on total loans to customers (gross)

\*\* Mitigation is driven from a collateral item valued MOP 900,000 for one of the past due exposures.

Credit Quality Analysis Under Regulatory Asset Classification (Notice No. 12/2021-AMCM)

At 31 December 2025

MOP'000

Asset Class	Balance Sheet Item Type	Outstanding Balance	Real Guarantee Value	Net Exposure	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL
Pass	On Balance Sheet	4,940,378			44,951	28,886	-	73,837
	Off Balance Sheet	126,240			106	5	-	111
Special Mention	On Balance Sheet	45,193			1,067	-	-	1,067
	Off Balance Sheet	-			-	-	-	-
Substandard	On Balance Sheet	-	-	-	-	-	-	-
	Off Balance Sheet	-	-	-	-	-	-	-
Doubtful	On Balance Sheet	-	-	-	-	-	-	-
	Off Balance Sheet	-	-	-	-	-	-	-
Loss	On Balance Sheet	120,542	-	120,542	-	-	120,566	120,566
	Off Balance Sheet	-	-	-	-	-	-	-
<b>Total</b>		<b>5,232,353</b>	<b>-</b>	<b>120,542</b>	<b>46,124</b>	<b>28,891</b>	<b>120,566</b>	<b>195,581</b>

**BANCO COMERCIAL PORTUGUÊS, S. A. – MACAU BRANCH**  
**DISCLOSURE OF INFORMATION** (Circular No. 004/B/2024-DSB/AMCM)

**Credit Quality Analysis Under Regulatory Asset Classification (Notice No. 12/2021-AMCM) (Continued)**

At 31 December 2024

MOP'000

Asset Class	Balance Sheet Item Type	Outstanding Balance	Real Guarantee Value	Net Exposure	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL
Pass	On Balance Sheet	4,198,641			30,788	14,850	-	45,638
	Off Balance Sheet	118,199			94	2	-	96
Special Mention	On Balance Sheet	59,553			2,038	-	-	2,038
	Off Balance Sheet	-			-	-	-	-
Substandard	On Balance Sheet	248	900	-	-	-	356	356
	Off Balance Sheet	-	-	-	-	-	-	-
Doubtful	On Balance Sheet	-	-	-	-	-	-	-
	Off Balance Sheet	-	-	-	-	-	-	-
Loss	On Balance Sheet	181,189	-	181,189	-	-	181,021	181,021
	Off Balance Sheet	-	-	-	-	-	-	-
<b>Total</b>		<b>4,557,830</b>	<b>900</b>	<b>181,189</b>	<b>32,920</b>	<b>14,852</b>	<b>181,377</b>	<b>229,149</b>

## 9. MARKET RISK

### *Qualitative disclosure of market risk*

Market risks consist of the potential losses that might occur in a given portfolio as a result of changes in exchange rates and/or in the prices of the various financial instruments of portfolio, considering not only the correlations between those instruments but also their volatility.

### *Market risk assessment and management*

In the course of its operations, the Branch is primarily exposed to fluctuations in foreign exchange and interest rates.

Complementarily to the monitoring performed by the Head Office risk function on an integrated global basis, the Branch also monitors its market risk, including interest rate risk by using the banking returns related to risks submitted to the AMCM. Through this model, computed at least once every quarter, the Branch is able to determine the sensitivity of its positions to changes in interest rates as well as the amount of capital that would be necessary to cover such scope of risk.

At the Head Office level, BCP's market risk management policy establishes a framework for identifying, measuring, limiting, and monitoring market risks from both trading and non-trading activities. This includes clear segregation of risk functions, robust risk measurement systems, and alignment with the Group's Risk Appetite Statement.

New products and activities are submitted to and reviewed by Capital, Asset and Liabilities Management Commission (CALCO) of Head Office, with prudential limits set for various market conditions, and within the limits set in the Risk Appetite Statement of the Group.

At Group level, market risk is monitored using Value at Risk (VaR), calculated daily with a ten-day holding period, based on a one-tail confidence level of 99% and a minimum of one year of historical data.

## 10. INTEREST RATE RISK

### *Qualitative disclosure of interest rate risk*

At the Head Office, the operations of Macau branch are included in the Head Office's interest rate risk management framework: variations of market interest rates influence the net interest income (NII) and the economic value of the Group, both in the short term – affecting the Bank's NII – and in the medium/long term, affecting the balance sheet economic value (EVE).

The main risk factors arise from the repricing mismatch of the portfolio positions which may cause direct or indirect financial losses in the banking book, due to changes in interest rates that have different impacts over assets and liabilities' classes, making the Head Office vulnerable to variations of the yield curve. Also, in interest rates may alter the behavioural profile of clients, inducing pre-payments/withdrawals in assets and liabilities. Additionally, there is the risk of unequal variations in different reference rates with the same repricing period.

The Head Office's monitoring of the interest rate risk takes into consideration the financial characteristics of each of the relevant contracts, with the respective expected cash-flows being projected according to the repricing dates, thus calculating the impact on economic value resulting from alternative scenarios of change of market interest rate curves. For non-remunerated demand deposits the Bank assumes the following repricing profile: 30% in one month, 30% in three months and 40% in one year. For remunerated demand deposits the behavioural assumptions is the 50% repricing in one month and 50% in three months.

Complementarily to the monitoring performed by the Head Office risk function on an integrated global basis, the Branch also monitors its market risk, including interest rate risk by using the banking returns related to risks submitted to the AMCM. Through this model, computed at least once every quarter, the Branch is able to determine the sensitivity of its positions to changes in interest rates as well as the amount of capital that would be necessary to cover such scope of risk.

## **11. OPERATIONAL RISK**

### *Qualitative disclosure of operational risk*

Operational risk is understood to be the potential loss resulting from the failures or inadequacies in internal procedures, persons or systems and also the potential losses resulting from external events.

### *Operational risk assessment and management*

The approach to operational risk management is based on the business and support 'end-to-end' processes. Process management is the responsibility of the Process Owners, who are the first parties responsible for evaluation of the risks and for strengthening the performance within the scope of their processes. The Process Owners are responsible for keeping up to date all the relevant documentation concerning the processes, for ensuring the real adequacy of all the existing controls through direct supervision or by delegation on the departments responsible for the controls in question, for coordinating and taking part in the 'risk self-assessment' exercises, and for detecting and implementing improvement opportunities, including mitigating measures for the more significant exposures.

In the operational risk management implemented in the Head Office, there is a systematic process of gathering information on operational losses, which defines on a systematic form, the causes and the effects associated to an eventual detected loss. From the analysis of the historical information and its relationships, processes involving greater risk are identified and mitigation measures are launched to reduce the critical exposures.

The Bank has duly documented principles and practices, promoting the continued improvement of the operational risk control environment including: functions segregation, definitions for lines of responsibility and respective authorization levels, tolerance limits for exposure to risks, appropriate internal regulations' framework (including ethical codes and codes of conduct), risks self-assessment exercises, assessment and monitoring of the risks over technological assets, information security and outsourcing, key risk indicators (KRI), access controls (physical and logical), reconciliation activities, exception reports, loss events data capture, a structured process for new products and services approval, contingency plans, contracting of insurance (for the total or partial transfer of risk), follow-up of the Bank's outsourcing contracts and internal training on processes, products and systems.

## 12. FOREIGN CURRENCY RISK

*Quantitative disclosure of foreign currency risk*

### Foreign Exchange Positions as of 31 December, 2025

<b>SPOT POSITION [LONG (+); SHORT (-)]</b>	MOP'000
<b>CURRENCIES</b>	
Macau Pataca (MOP)	- 552,693
Australian Dollar (AUD)	- 476
Canadian Dollar (CAD)	- 1,198
Chinese Yuan (CNY)	- 91
Euro (EUR)	- 276,601
Hong Kong Dollar (HKD)	+ 336,102
Japanese Yen (JPY)	+ 79,374
South African Rand (ZAR)	- 137
Swiss Franc (CHF)	- 51
British Pound (GBP)	- 1,907
USA Dollar (USD)	+ 416,133
<b>FORWARD POSITION [LONG (+); SHORT (-)]</b>	
Macau Pataca (MOP)	-
Euro (EUR)	+ 282,486
Hong Kong Dollar (HKD)	+ 195,700
Japanese Yen (JPY)	- 76,881
USA Dollar (USD)	- 399,760
<b>NET POSITION (ALL CURRENCIES)</b>	-
<b>NET POSITION (ALL FOREIGN CURRENCIES)</b>	- 552,693

### Breakdown of Foreign Currencies which Net Position (In absolute Terms) Exceeds 10% of Total Foreign Currencies Net Position as of 31 December, 2025

	MOP'000
CURRENCIES	HKD
SPOT ASSETS	+ 1,056,480
SPOT LIABILITIES	- 720,378
Forward Purchase	+ 195,700
Forward Sale	-
<b>NET POSITION</b>	<b>+ 531,802</b>

### 13. LIQUIDITY RISK

#### *Qualitative disclosure of liquidity risk*

Liquidity risk reflects the Branch's inability to meet its obligations at maturity without incurring in significant losses resulting from the deterioration of the funding conditions (funding risk) and/or from the sale of its assets below market value (market liquidity risks).

#### *Liquidity risk assessment and management*

Evaluation of the Branch's liquidity risk is carried out using indicators defined by the supervisory authorities on a regular basis and other internal metrics for which exposure limits are also defined.

Aside from being monitored by the BCP Group risk function on an integrated global basis, and the support given by the Head-Office in this particular aspect by providing the liquidity as needed, the Branch has also its own liquidity risk management policy. Under this policy, the Branch manages its liquidity needs namely through maturity mismatch analysis over a series of time-bands as determined by the local regulator (AMCM).

#### *Quantitative disclosure of liquidity risk*

#### **Maturity Analysis on assets and liabilities**

The following maturity analysis on assets and liabilities is based on the remaining period at the statement of financial position date to the contractual maturity date.

At 31 December 2025

	<i>Repayable on demand</i> MOP'000	<i>Within 1 month</i> MOP'000	<i>1 months to 3 months</i> MOP'000	<i>3 months to 1 year</i> MOP'000	<i>1 year to 3 years</i> MOP'000	<i>Over 3 years</i> MOP'000	<i>Indefinite</i> MOP'000	<i>Total</i> MOP'000
<b>Assets</b>								
Cash and balances with the Monetary Authority of Macau	34,620	-	-	-	-	-	39,433	<b>74,053</b>
Balances with credit institutions repayable on demand	179,707	-	-	-	-	-	-	<b>179,707</b>
Other loans and advances to credit institutions	45	885,449	35,535	163,277	-	39,969	-	<b>1,124,275</b>
Loans and advances to customers	-	13,612	126,661	1,454,598	2,974,264	325,481	-	<b>4,894,616</b>
<b>Liabilities</b>								
Deposits from credit institutions	512	157,685	314,422	1,349,375	1,089,922	176,554	-	<b>3,088,470</b>
Deposits from non-bank customers	855,790	464,833	470,534	769,336	-	-	-	<b>2,560,493</b>
Deposits from public sector	-	369,358	-	-	-	-	-	<b>369,358</b>

**BANCO COMERCIAL PORTUGUÊS, S. A. – MACAU BRANCH**  
**DISCLOSURE OF INFORMATION (Circular No. 004/B/2024-DSB/AMCM)**

At 31 December 2024

	Repayable on demand MOP'000	Within 1 month MOP'000	1 months to 3 months MOP'000	3 months to 1 year MOP'000	1 year to 3 years MOP'000	Over 3 years MOP'000	Indefinite MOP'000	Total MOP'000
<b>Assets</b>								
Cash and balances with the Monetary Authority of Macau	38,409	-	-	-	-	-	53,025	<b>91,434</b>
Balances with credit institutions repayable on demand	118,733	-	-	-	-	-	-	<b>118,733</b>
Other loans and advances to credit institutions	16	467,716	913,379	129,455	-	-	-	<b>1,510,566</b>
Loans and advances to customers	-	31,669	312,977	353,958	2,892,650	606,481	80	<b>4,197,815</b>
<b>Liabilities</b>								
Deposits from credit institutions	4,748	71,052	11,216	207,008	1,436,811	-	-	<b>1,730,835</b>
Deposits from non-bank customers	849,767	496,275	896,980	1,299,236	-	-	-	<b>3,542,258</b>
Deposits from public sector	-	353,354	-	-	-	-	-	<b>353,354</b>

**Selected Liquidity Indicators During The Reporting Period Of 2025**

MOP'000

Arithmetic mean of the minimum weekly amount of cash in hand	64,602
Arithmetic mean of the average weekly amount of cash in hand	75,726
Arithmetic mean of the specified liquid assets at the end of each month	1,087,029
Average ratio of specified liquid asset to total basic liabilities at the end of each month	34%
Arithmetic mean of its one-month liquidity ratio in the last week of each month	67%
Arithmetic mean of its three-month liquidity ratio in the last week of each month	58%

#### 14. DISCLOSURE of BANCO COMERCIAL PORTUGUÊS, S. A.

##### LIST OF SHAREHOLDERS WITH QUALIFIED HOLDINGS IN BANCO COMERCIAL PORTUGUES, S.A.

NAME	% OF SHARE CAPITAL	% OF VOTING RIGHTS
<b>Fosun Group</b>		
Chiado (Luxembourg) S.a.r.l.	20.45%	20.45%
<b>Sonangol Group</b>		
Sonangol-Sociedade Nacional de Combustíveis de Angola, EP	19.90%	19.90%

**Note:**

According with the definition adopted by the Monetary Authority of Macau (AMCM), a qualifying holding is a holding which is owned directly or indirectly by the shareholder and which represents 10% or more of the share capital or voting rights of the credit institution or which confers, in any other form, the possibility to exercise a significant influence over the management of the credit institution.

##### NAMES OF MEMBERS OF BOARDS OF BANCO COMERCIAL PORTUGUES, S.A.

###### BOARD OF THE GENERAL MEETING

Pedro Rebelo de Sousa	Chairman
Octávio Castelo Paulo	Vice-Chairman
Ana Patrícia Moniz Macedo	Company Secretary

###### BOARD OF DIRECTORS

Nuno Manuel da Silva Amado	Chairman
Jorge Manuel Baptista Magalhães Correia	Vice-Chairman
Valter Rui Dias de Barros	Vice-Chairman
Miguel Maya Dias Pinheiro	Vice-Chairman
Altina de Fátima Sebastian Gonzalez Villamarin	Member
Ana Paula Alcobia Gray	Member
Cidália Maria da Mota Lopes	Member
Fernando da Costa Lima	Member
João Nuno de Oliveira Jorge Palma	Member
José Miguel Bensliman Schorcht da Silva Pessanha	Member
Lingzi Yuan (Smilla Yuan)	Member
Maria José Henriques Barreto de Matos de Campos	Member
Miguel de Campos Pereira de Bragança	Member
José Pedro Rivera Ferreira Malaquias	Member
Rui Manuel da Silva Teixeira	Member
Esmeralda da Silva Santos Dourado	Member
Tao Li (Vincent Li)	Member

#### **EXECUTIVE COMMITTEE**

Miguel Maya Dias Pinheiro	Chairman
Miguel de Campos Pereira de Bragança	Vice-Chairman
João Nuno de Oliveira Jorge Palma	Vice-Chairman
Rui Manuel da Silva Teixeira	Member
José Miguel Bensliman Schorcht da Silva Pessanha	Member
Maria José Henriques Barreto de Matos de Campos	Member

#### **REMUNERATIONS AND WELFARE BOARD**

José António Figueiredo Almaça	Chairman
Jorge Manuel Baptista Magalhães Correia	Member
Valter Rui Dias de Barros	Member

#### **STRATEGIC BOARD**

Nuno Manuel da Silva Amado	Members due to their functions
Jorge Manuel Baptista Magalhães Correia	Members due to their functions
Valter Rui Dias de Barros	Members due to their functions
Miguel Maya Dias Pinheiro	Members due to their functions

#### **AUDIT COMMITTEE**

Cidália Maria da Mota Lopes	Chairwoman
Fernando da Costa Lima	Member
Valter Rui Dias de Barros	Member
Altina de Fátima Sebastian Gonzalez Villamarin	Alternate member

#### **Members of the Management**

Constantino Alves Mousinho	General Manager
Leung Chi Wai	Deputy General Manager
Vong Sau Mui *	Deputy General Manager
Chan Fong Mei **	Deputy General Manager

\* resignation from her position with effect from 20 May, 2025.

\*\* resignation from her position with effect from 31 January 2025.

**15. CONSOLIDATED INFORMATION AS OF 31 DECEMBER 2025 – KEY INDICATORS OF BANCO COMERCIAL PORTUGUES, S.A. GROUP**

<b>At 31 December, 2025</b>	<b>IN MOP (MILLIONS) @9.5066</b>	<b>IN EURO (MILLIONS) OR %</b>
<b>BALANCE SHEET</b>		
Total assets	1,039,385	109,333
Loans to customers (net)	582,184	61,240
Balance sheet customer funds	867,829	91,287
Deposits and other resources from customers	853,208	89,749
Loans to customers (net)/Deposits and other resources from customers		68%
Total liabilities	953,246	100,272
Total equity	86,139	9,061
<b>PROFITABILITY</b>		
Net operating revenues	36,268	3,815
Operating costs	13,452	1,415
Impairment and provisions	7,843	825
Income before income tax	14,916	1,569
Income tax		
Current	979	103
Deferred	2,909	306
Non-controlling interests	1,350	142
Net income attributable to shareholders of the Bank	9,687	1,019
Return on average shareholders' equity (ROE)		14.1%
Return on average assets (ROA)		1.1%
Net interest margin		2.89%
Cost to income (Operating costs/Net operating revenues)		37.1%
Staff costs/Net operating revenues		20.8%
<b>CAPITAL – according to indicators published in BCP's 2025 Annual Report – Fully implemented</b>		
Own funds	82,308	8,658
Total risk weighted assets	413,242	43,469
<b>SOLVENCY RATIOS</b>		
CET I		15.9%
Tier I		17.1%
<b>Total</b>		<b>19.9%</b>

**Other Information**

None.