



2024

REPORT & ACCOUNTS



Bison Bank



2024

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Index

Message from the Chairman of the Board of Directors
and the Executive Committee

6

01

Macroeconomic
Framework

10

02

Business Activity

18

2.1 Execution and Wealth
Management Services

19

2.2 Depositary Bank and
Custody Services

20

2.3 Investment Banking
Services

21

2.4 Treasury

22

03

Support Areas

24

3.1 Customer Support and Service

25

3.2 Human Resources

28

3.3 Information Systems

31

3.4 Other Support Activities

32

04

Control Activity

34

4.1 Risk

35

4.2 Compliance

36

4.3 Internal Audit

37

05

Analysis of Individual
Accounts

38

5.1 Analysis of Individual Accounts

39

5.1.1 Main Highlights

40

5.1.2 Main Indicators of the
Financial Statements

40

5.1.3 Main Solvency
Indicators

40

5.2 Analysis of the Consolidated
Accounts

41

5.2.1 Perimeter of Consolidation

41

5.2.2 Main Highlights

41

06

Future Prospects

42

07

Proposed Application
of Results

44

08

Final Note

46

09

Consolidated and
Individual Financial
Statements

50

10

Corporate
Governance Report

154

11

Other Information

188

12

Legal Certification
of Accounts

192

13

Audit Committee's
Assessment of
the Adequacy and
Effectiveness of the
Organisational Culture,
governance, and Internal
Control Systems

206

14

Report and Opinion
of the Audit Committee

212

Message from the Chairmen of the Board of Directors and the Executive Committee



Bian Fang
Chairman of the
Board of Directors



António Henriques
Chief Executive
Officer

The performance of Bison Bank continued to evolve positively, consistently exceeding the projections outlined in the Strategic Plan, despite significant challenges posed by geopolitical uncertainties and an adverse macroeconomic environment.

In 2023, the Bank achieved positive results for the first time, surpassing its Business Plan targets a year ahead of schedule. This positive trajectory continued throughout 2024, with net earnings reaching approximately €2.5 million.

Simultaneously, the Bank grew its balance sheet while maintaining strong solvency levels. As of December 31st 2024, total assets and customer deposits amounted to €406 million and €352 million, respectively. The Common Equity Tier 1 ratio stood at 37.4%, amongst the highest of the European banking sector.

We remain confident that Bison Bank will continue its path of sustained growth in business volume and profitability, driven by its distinctive business model.

Business growth has been robust and promising, with revenues increasing by approximately 42%. The Bank also continued its digital transformation journey, enhancing its market presence and interactions with clients and partners.

Innovation is deeply embedded in the Bank's DNA. We continued to advance our digital asset trading and custody business through our subsidiary, Bison Digital Assets, a 100%-owned entity operating since early 2023. Given its innovative nature and the global market's interest in digital assets, this business is particularly strategic.

Furthermore, the Bank pursued partnerships with external entities to launch a debit card and a mortgage product. These initiatives have not only strengthened our market position but also enhanced our ability to serve clients in an increasingly digital environment.

Understanding the ongoing evolution of the banking industry, our Depositary Banking and Custody & Banking Services continued their growth trajectory in 2024, with mandated assets under management (AUM) increasing by approximately €800 million, reaching a record €3.3 billion by year-end.

As a Depositary Bank, we currently work with approximately 130 funds from more than 30 management companies, including private equity funds, SICAFIs and real estate investment funds.

Within Custody & Banking Services, combined with Depositary Banking, the Bank acquired in 2024 over 1,200 new clients closing the year with a client base of more than 4,300. Our clients primarily consist of institutional investors and high-net-worth individuals (HNWIs) from over 100 countries, many of whom seek to establish long-term relationships with Europe, particularly Portugal. A significant portion of our

individual clients begin their relationship with us by investing in the Portuguese economy through venture capital and private equity funds under the Residence Permit for Investment Activity program.

Our Investment Advisory service experienced remarkable growth in both client numbers and assets under management, benefiting from the expansion of Wealth Management services to Custody & Banking Services clients.

The Investment Banking division secured more than a dozen cross-border advisory mandates in M&A and DCM, leveraging synergies across the Bank's various business areas.

Bison Digital Assets achieved positive results for the first time in 2024, just two years after commencing operations, with approximately 160 clients and €130 million in transaction volume, establishing a solid foundation for future growth.

Additionally, our strategic focus on developing the B2B model yielded positive results. We established over 60 strategic partnerships with institutions worldwide, spanning both financial and non-financial sectors. These collaborations have laid the groundwork for expanding our client base and business operations internationally, positioning Bison Bank as a prominent global player in the financial sector.

Our strategic approach—focused, innovative, digital, and streamlined—combining traditional banking services with digital asset solutions, will enable us to continue expanding and consolidating our client base and business volume, stabilizing operations, and promoting consistent, long-term growth.

Looking ahead to 2025, we acknowledge the challenges posed by geopolitical uncertainties and an adverse macroeconomic environment. However, we remain confident in Bison Bank's ability to overcome these challenges and maintain its growth trajectory. With a differentiated business model and a commitment to excellence, we are well-positioned to drive business volume growth and strengthen profitability in the coming year.

Macroeconomic Framework

01.

MACROECONOMIC CONTEXT

2024 was a year that will be missed in many ways. After the start of the pandemic in early 2020, the topic of inflation quickly spread globally.

2024 was the year in which inflation was assumed to be under control, allowing central banks to signal expansion and investment, with significant cuts in reference rates.

With four interest rate cuts, the ECB not only managed to prepare for an increase in stimulus for lending, which will be so necessary for the revitalization of the European economy in 2025/2026 but also kept inflation under control in a (difficult) attempt to increase the low forecasts for GDP growth in the Eurozone.

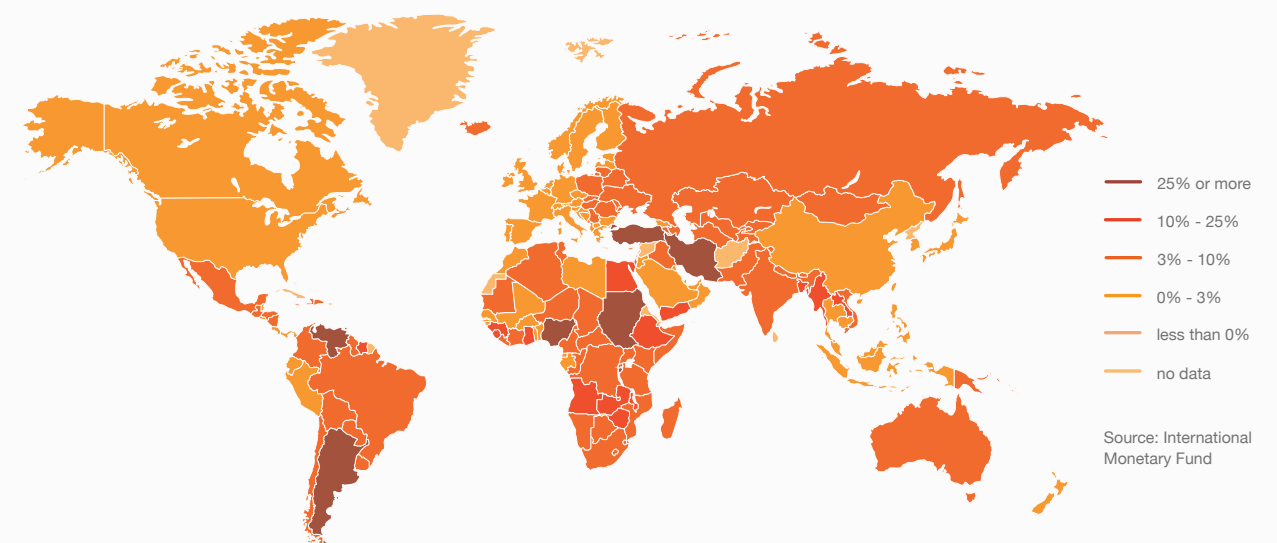
On the other side of the Atlantic, the USA maintains a highly resilient economy, with low unemployment,

growth of 2.8% and the Federal Reserve not using up all its “cartridges” by avoiding unnecessary interest rate cuts (with 3 cuts in 2024, setting the target rate between 4.25% and 4.50%).

Meanwhile, Donal Trump, elected the 47th president of the United States, immediately announced several measures: tax cuts, deregulation, cheaper energy, which could once again boost inflationary stimuli. The Federal Reserve continues to be able to control interest rates through its “vehicle”.

Finally, the Soft/Hard landing theme ends in the “softest” and most pleasant way for everyone.

Inflation rate, average consumer prices - Annual percentage change



2024 was the year that the topic of inflation was replaced by Artificial Intelligence.

The average investor only needs to be minimally attentive to recent developments in the world in general and they will see that evolution has been too fast and that certain movements are here to stay, because we don't see the next 20 to 30 years passing without a strong impact of artificial intelligence on everyday life.

We are witnessing a transformation that may require investments equivalent to those of the industrial revolution.

Markets interested in AI's energy needs triggered a surge in AI-related stocks last year, pushing the usually sober utilities sector higher.

In Europe, we continued to see a fierce front in Eastern Europe, with Trump promising that in his view the war will soon be over.

In the Middle East, the escalation of the conflict had more of a geopolitical impact than an economic one, because with the United States autonomous in terms of oil extraction, the price of the raw material itself didn't suffer a direct impact on the price of the commodity, remaining below \$80.

Finally, we need to mention Japan. The world's second largest economy in the 1990s, after having been plunged into a deflationary scenario ever since, took the decision to raise its key rate after nearly two decades.

Japan has benefited greatly from the post-pandemic inflationary scenario, achieving YoY GDP growth of 2.3%, reflected in a rise in its stock market of approximately 25% in mid-July.

Developed markets grew by more than 22% YTD, showing that the stock markets were not solely dependent on the US (Japan +15% and Dax +22%).

2024 was another impressive year for risk assets. The continued strength of the US helped developed market equities record a total return of 19.2%, and a late recovery in Chinese equities, along with good results from India and Taiwan, contributed to emerging market equities gaining 8.1%.

While the performance of US tech mega-caps ensured the dominance of global growth stocks for the second year running, the prospects of deregulation following the US elections boosted financial stocks helping global value stocks rise 12.3% in 2024.

Commodities were held back by weak demand in China and the overall raw materials index fell by 5.4%.

Concern about the US fiscal direction led to a strong performance by gold, which ended the year with a return of 27.1%.

Central banks in developed markets began to normalize policy in 2024, but resilient growth and rigid inflation meant that markets lowered expectations about the speed of interest rate cuts, particularly in the US.

The combination of the strengthening dollar and rising yields meant that global investment-grade bonds recorded a negative return of -1.7% over the year.

The strong performance of risk assets was transferred to the fixed income markets. High yield bonds were the best performing sector for the fourth consecutive year with a return of over 8%. Long-duration Investment Grade credit underperformed in the context of rising government bond yields. European sovereign bonds outperformed US Treasuries, as the weaker economic outlook translated into greater confidence in the downward direction of interest rates, although the high initial yield partially dampened US Treasuries, which still posted a positive return of 0.6% over the year.

FINANCIAL MARKETS

The stock market was a winner across the board, with the S&P500 rising by more than 28%, stock growth rising by more than 25% and technology stocks rising

by more than 30% (Nvidia outperformed by more than 180%).

iSTOXX AI Global Artificial Intelligence Large 100 Index



Source: Stoxx Ltd

DIGITAL ASSETS

The year 2024 will forever be remembered as the year of Exchange Traded Funds (ETFs). At the beginning of January, eleven Bitcoin Spot ETFs were launched in the United States of America (USA) and, by the end of the year, total assets under management (AUM) reached \$102 billion, making it the most successful ETF launch in history in terms of speed of asset accumulation. During the second half of the year, in July, nine Ethereum Spot ETFs were also launched, ending the year with a total of \$12 billion in AUM.

The introduction of ETFs signals acceptance and legitimacy on the part of regulators and financial institutions and has led to an increase in institutional investment in cryptocurrencies. ETFs provide a way for investors, including those who may not want to deal directly with cryptocurrency exchanges or portfolios, to gain exposure to cryptocurrencies through traditional

instruments. Investors can thus diversify their portfolios by including crypto assets without having to understand the complexities of managing cryptocurrencies directly.

The ETFs thus marked the confirmation of a cycle of substantial gains in digital assets, with Bitcoin and Ethereum registering gains of over 119% and 47% respectively. Bitcoin has indisputably established itself as the ruler of cryptocurrencies, reaching an impressive milestone by surpassing a market capitalization of \$2 trillion. This achievement underlines its dominance and the deep trust and investment it commands in the global financial landscape. Although Ethereum posted solid gains, its performance was overshadowed by the broader industry's growth, particularly when compared to Solana, which rose by an impressive 88%, capturing significant market attention and affirming its position as a leading contender in the blockchain sector.

Evolution Bitcoin (BTC-USD) 2024



Source: Coingecko

Evolution Ethereum (ETH-USD) 2024



Source: Coingecko

Evolution Solana (SOL-USD) 2024



Source: Coingecko

Bitcoin surpassed \$100,000 for the first time, far surpassing gold in 2024, which rose by more than 20%, and its market capitalization reached 14% of gold’s market capitalization, which is also a new all-time high compared to this asset. This is especially significant given that it was a very good year for gold investment products in general, given the macroeconomic conditions and political instability worldwide.

In March 2024, Ethereum had a major update, Ethereum Improvement Proposal (EIP) 4844, also known as the Dencun update, which significantly reduced Layer 2 (L2) transaction fees, thus improving Ethereum’s scalability, efficiency and cost-effectiveness. The number of Ethereum L2 blockchains continued to proliferate and grow throughout 2024, totaling more than ten active networks to date. L2s are vital to Ethereum’s growth, making it a more practical choice for widespread adoption, thus benefiting Ethereum in the long term. However, critics argue that L2s generate revenue from transaction fees that would otherwise go to Ethereum’s validators. This perspective considers that L2s redirect potential revenue from Ethereum’s Layer 1 (L1), particularly when L2s scale transactions off the main net, so this issue has become a major topic of debate in the Ethereum community.

On April 19, 2024, Bitcoin had its fourth halving, reducing the reward per block for miners from 6.25 BTC to 3.125 BTC per block. The halving occurs every four years and is intended to control the supply of Bitcoin, making it scarcer over time. This is part of Bitcoin’s protocol to ensure that it has a maximum supply of 21 million coins, with the aim of mimicking the scarcity of commodities, such as gold. However, this halving was special as it triggered the most expensive block in Bitcoin’s history in terms of transaction fees (Block 840,000), driven

by unprecedented demand due to the launch of the Runes Protocol, a new native token standard designed to create and manage native fungible tokens on Bitcoin’s blockchain, leading to a significant increase in transaction fees. Users paid approximately \$2.4 million in fees for this block.

Solana ended the year with more than 2,500 developers in the community, an average of more than 30 million daily user transactions and mature tools, surpassing Ethereum in 2024 in number of new developers, marking the first time any ecosystem has surpassed Ethereum in this metric since 2016. The highest number of daily transactions on Solana was 66.9 million, which occurred in December, and the decentralized trading volume on Solana exceeded \$626 billion, very close to Ethereum (over \$670 billion) in Decentralized Finance (DeFi) activities. Meme coins were a major contributor to these figures, being one of the strong narratives of the year, namely with the pump.fun platform which accumulated more than \$500 million in fees, establishing itself as one of the most profitable platforms of the year.

Solana also announced Seeker, Solana’s new native cell phone that succeeds the previous version called Saga, with pre-orders exceeding \$70 million. Solana has also been a leader in the decentralized physical infrastructure networks (DePIN) trend, with significant developments in projects such as Helium and Grass.

In addition, Donald Trump’s victory in the USA presidential elections has significantly influenced the cryptocurrency landscape, both nationally and internationally. Trump has shifted to a more pro-cryptocurrency stance, promising to actively support the sector, intends to create a government-owned Bitcoin reserve and establish an overall digital asset advisory board to remove the current regulatory hurdles in the country.

Finally, the regulation on crypto asset markets (MiCA) has had a significant impact on the European cryptocurrency landscape. The regulation had an immediate impact on stablecoins, with rules on ARTs and EMTs coming into force in June 2024. This has led to some stablecoins, such as Tether USDT, facing potential bans or restrictions as they do not comply with the new regulations, leading exchanges to adjust their offerings or limit services for certain stablecoins in the European Economic Area (EEA). MiCA also introduced a comprehensive regulatory framework aimed at standardizing crypto asset rules across the European Union for crypto asset service providers (CASPs), with a focus on consumer protection and market integrity, but not all EU member states were ready by the deadline of December 2024, with some, including Portugal, still requiring MiCA to be transposed into local law.

Overall, the cryptocurrency market celebrated 2024 as a fantastic year of significant growth, regulatory milestones and technological advances.

Business Activity

02.

This was a year marked by adaptation to a new business framework for Bison Bank, S.A. (“the Bank” or “Bison Bank”), with the Bank refocusing its approach, which is now more geared towards working on a business-to-business basis, and towards institutional and high-income customer segments (High Net Worth Individuals or simply HNWI). The Bank has also taken on a business origination base from international clients, as well as the synergies for traditional business that can be derived from its new subsidiary Bison Digital Assets, S.A. (“Bison Digital Assets” or “BDA”), 100% owned by the Bank.

In the year of 2024, commercial activity focused on consolidating the business of expanding the existing customer base through a series of initiatives linked mainly to depositary bank and custody services, as well as Bison Bank’s strong vocation for opening accounts for international customers, based on the added value that the Bank continues to present to its partners for Golden Visa processes.

2.1. EXECUTION AND ASSET MANAGEMENT SERVICES

Investment Consulting

The Wealth Management team ended 2024 with an increase of 20% in the number of investment advisory service accounts compared to 2023. In terms of volume under management, the Bank recorded an increase of 100.09%, exponentially above market variation, both in the equity and debt markets. Revenues generated by the Advisory service grew by 51.7% compared to 2023.

The focus of this team for 2025 will be to continue to focus on investment advisory service in each client’s integrated financial situation, prevailing with the vision of a Tailor Made service, i.e. allowing the clients to select the products that best meet their needs, in terms of risk profile, investment horizon, objectives and return expectations.

Order execution services

In 2024, regarding financial execution and intermediation, namely the acceptance and execution of orders on behalf of third parties, Bison Bank saw a 9% year-on-year increase in net revenue. Turnover in this area was €16.6 million, with a net margin still growing by 12%, standing at 14bps during the 2024 financial year.

Among the most traded assets, public and private debt securities, in the investment grade category, and shares represent around half of the assets traded. ETFs are the other asset class, which are an increasingly popular option with Bison Bank’s advisory clients, accounting for more than 10% of the total trading volume. Of the assets traded, 60% are in Euro-denominated securities, specifically in the European markets, followed by the US dollar and the American market as the second most active market.

In terms of client categorization, institutional clients were responsible for 2/3 of the business carried out, with the number of new active accounts growing by around 10% compared to 2023.

The various monetary policies adopted over the course of 2024 have led clients towards investment options more geared towards returns with variable rates and risk-taking, which became more evident in the last quarter of the year, with a greater number of deals being carried out by both individual and institutional clients.

2.2. DEPOSITARY BANK AND CUSTODY SERVICES

Bison Bank has strengthened its commitment in recent years and has solidified its position in the Custodian Banking segment, turning this service into a sustainable competitive advantage and a fundamental pillar of its long-term growth. Through an integrated approach, it has been possible to take advantage of synergies with other areas of the bank, which it intends to intensify, particularly with the services provided by the investment banking area.

The Bank has been providing a service in the domestic market that is structured to meet and accommodate the nature, scale and specificities of the various types of investment vehicles, independently and without conflicts of interest.

With more than 20 years' accumulated experience, and providing depositary services to more than 120 Funds, it focuses on rigor, exclusivity and personalized support for Management Companies, with whom it aims to be a reference partner for receiving Investors and Participants in the Funds they manage.

The 2024 financial year reinforced the growth trend in this line of business, which has become increasingly

important and has boosted the Bank's commercial activity. This growth is reflected both in the increase in the volume of Institutional Clients and in the expansion in the number of Investment Funds and their Participants, with special emphasis on international investors interested in joining the Residence Permit for Investment Activity Program (ARI).

In carrying out its role of protecting investors and supervising Management Companies, the Bank has ensured strict compliance with regulatory standards. In 2024, we strengthened our monitoring and supervision processes by defining a new relationship model with these entities.

The digitalization of the periodic and regular monitoring processes has enabled the Bank to prepare for a faster analysis of operations, guaranteeing strict and detailed monitoring of financial transactions and the obligation to provide information on the part of the Management Entities.

In addition, the categorization of funds and the attribution of a risk rating allowed the Depositary to define differentiated work cycles adapted to each

type and to set up a new supervision model, capable of ensuring the growth in the number of funds to be monitored, with adequate resources.

In carrying out its duties, the Custodian has ensured:

- Safekeeping investment fund assets, ensuring security and compliance with regulations;
- Checking the compliance of the operations carried out;
- Monitoring compliance with investment policies;
- Periodic reconciliation of assets, minimizing operational risks and increasing transparency.

The continued commitment to this line of business enabled Bison Bank to receive the "Best Custodian & Depositary Bank Portugal 2024" award from the prestigious World Economic Magazine. For 2025, Bison Bank will continue to focus on this area and will invest in strengthening the team and monitoring and inspection processes, ensuring greater operational efficiency, asset security and protection of investors' interests.

2.3. INVESTMENT BANKING SERVICES

Bison Bank's investment banking services offer a range of solutions to meet the needs of those looking to raise capital, sell or buy businesses and/or assess the commercial value of a company. Bison Bank's investment banking services focus mainly on transactions taking place in Portugal, but can also serve as a link to Asia, given the Bank's natural connection to this region. Through its network of international partners, Bison Bank also supports its clients in identifying investors and investment opportunities internationally.

Financial advisory services also include financial intermediation in public offerings, the structuring of payment solutions and the development of business plans.

Throughout 2024, the investment banking unit maintained its activity, namely in the origination and execution of M&A and financial advisory operations (raising debt and equity funds), having supported a growing number of clients and partners, covering various sectors such as distribution, stationery industry, real estate, financial services and nautical tourism, amongst others.

Investment banking services continue to develop a consistent portfolio of mandates and projects under management.

2.4. TREASURY

Within the overall framework of the financial markets, 2024 was characterized by the consolidation of the readjustment of the monetary policies of the main Central Banks towards lowering their key rates. The European Central Bank changed its key rates on four occasions, with the reference rate for the deposit facility ending the year at 3%, 1% below the 4% at the end of 2023.

The global context of falling inflation in the world's main economies, despite the continued uncertainty of a geopolitical nature, namely the continuation of the war conflict in Ukraine, as well as the conflict in the Middle East, allowed monetary conditions to ease, leading to a generalized fall in interest rates, with a particular focus on short-term Euro rates.



However, this change in cycle did not have the desired effect on economic conditions in the Eurozone, particularly in terms of growth levels, which remained lower than desired, especially in Germany and France, which means that monetary stimulus will need to be maintained until 2025.

This drop in rates on the financial markets was reflected in the passive and active rates on the domestic market in Portugal, which were progressively adjusted by the banks throughout the year.

Despite this context, Bison Bank maintained its objective of increasing its customer deposit base through a strategic approach to attracting new customers, allowing it to increase the stability of its resource base in this area, while always seeking to maintain a balance in terms of net interest income.

The customer deposit base saw a very significant increase of around 77% from €199 million at the end of 2023 to €352 million at the end of 2024.

This objective was achieved while maintaining a conservative strategic approach to the profitability of the Bank's own asset portfolio and its liquidity management policy, based on a liquidity structure with a profile in line with the parameters established by the Bank in its Risk Appetite Statement and in the Liquidity Management Policy in force, which allowed it to maintain high levels of available liquidity.

On the investment side, the increase in the Bank's securities portfolio on an individual basis was more moderate, rising from around €127 million at the end of 2023 to €132 million at the end of 2024.

As before, in terms of the Funding base, the Bank did not use the Capital Markets as a source of funding, and therefore maintained this base grounded exclusively on its own resources and customer deposits, and in the latter area having an increase in the degree of diversification and stability of resources, ensuring a greater degree of stability in liquidity ratios.

In this regard, on December 31st, 2024, the LCR (Liquidity Coverage Ratio) stood at 219% (179% in the same period of the previous year) and the NSFR (Net Stable Funding Ratio) at 259% (162% at the end of 2023), substantially higher than the levels required by the applicable regulations, in line with the risk profile.

Despite the increased stability of the customer funds base through diversification, the Bank maintained a conservative and robust policy in terms of liquidity

and risk exposure, investing a substantial part of the available liquidity in central banks, thus guaranteeing the central objective of providing the necessary support for the development of the lines of action established in its business model, balanced with the risk appetite policies.

Support Areas

03.

3.1. CUSTOMER SUPPORT AND SERVICE

Over the past year, the Bank has sought to improve customer experience to ensure an increasingly efficient, personalized service in line with the growing demands of the banking sector.

The Customer Support and Service area sought to support the business areas in assisting customers in opening, maintaining and validating bank accounts and in answering questions and requests through the Bank's channels, i.e. secure messages via Bison Mobile, e-mail and telephone. It was also fundamental in implementing automatic processes and digital journeys, ensuring greater operational efficiency and security.

With a view to improving service on our channels, ensuring greater speed and effectiveness in resolving requests, systems were created to monitor processes and communication templates were drawn up to deal with frequent issues. At the same time, investment was made in developing and training the team, ensuring greater alignment with internal rules and regulatory requirements.

In view of the evolution of business processes and customer relations, a comprehensive review of internal regulations related to the business areas was also started, ensuring greater alignment with regulatory requirements and best practices in the financial sector. Various initiatives were implemented to optimize processes, increase operational efficiency and strengthen internal compliance.

For 2025, we will continue to evolve with a focus on our customers' needs. Mechanisms will be put in place to systematically collect feedback and create a knowledge base in order to optimize our internal processes and consolidate the relationship of trust and proximity with our customers. Monitoring satisfaction indicators and ensuring high levels of service will be a priority, especially considering the geographical and cultural diversity of our customer base.

The future will see greater integration of the Bank's digital channels and systems, allowing for more sophisticated service customization and efficiency gains for the Bank. The focus will remain on improving customer experience, operational efficiency and technological innovation, guaranteeing a service of excellence.

Marketing and Communication

In 2024, the Bank's marketing strategy was focused on strengthening its offer of innovative products through strategic partnerships and on growing its customer and resource base through high-profile, high-impact actions.

Launch of New Products

During the year, we introduced differentiating financial solutions to strengthen our value proposition for High Net Worth Customers:

- The Bison Card®: In February 2024, Bison Bank launched a debit card in partnership with Visa, the world leader in digital payments, and developed in collaboration with Spanish fintech Pecunpay / Minsait. This product is designed to simplify everyday spending for Bison Bank customers by offering a fast, easy and convenient payment experience. Accepted in millions of locations around the world, it allows contactless payments and can be added to digital wallets for greater convenience. One of its main advantages is its instant issuance: after registering online, the digital card is available in a few minutes, ready for immediate use, with no need for a physical version. In addition, the Bison Card allows centralized management of the account and payments, enabling funds to be received in minutes and easy deactivation in a few steps, guaranteeing an additional layer of security.
- Home Loan Solutions: In April 2024, Bison Bank established a partnership with UCI (Unión de Créditos Inmobiliários, S.A. – Establecimiento Financiero de Crédito, Sucursal em Portugal S.A.), to offer home loan (mortgages) solutions to its customers. This collaboration aims to provide competitive real estate financing options tailored to the specific needs of customers. The specific loan conditions, including

interest rates and payment terms, are defined by UCI, while Bison Bank is responsible for intermediating and assisting customers during the contracting process. With this partnership, the Bank is able to offer a competitive housing finance solution, with conditions tailored to the needs of this customer segment.

- Bison Mobile: A home banking solution for web and app, it was developed to offer intuitive, secure and efficient experience to our customers, allowing them to access and manage their accounts with total convenience from anywhere in the world. In 2024, improvements were made to the interface and navigation, making use even more fluid and personalized. Enhanced security, with advanced authentication processes, guarantees the protection of transactions and sensitive data. In addition, new features have been added to optimize the user experience, including:
- SPIN, a feature that allows Customers to initiate immediate transfers by indicating their cell phone number — in the case of the beneficiary being a natural person - or their legal person identification number (NIPC) - in the case of the beneficiary being a legal person;
- In-App Provisioning for Apple Pay, a solution that allows the card to be added to the digital wallet via Bison Mobile, making it easier for customers with an iOS operating system to use the Bison Card.

The launch campaigns for these products included email marketing to the customer base, digital marketing with dedicated landing pages and social networks, and it was also important to prepare the sales teams with sales arguments for direct presentation to customers.

Boosting the Bank's offer

In 2024, Bison Bank stepped up its promotion of the Bison Rendimento Premium Term Deposit, highlighting it as an attractive and secure savings solution for customers with Portuguese ID cards, residing in Portugal and the European Economic Area. The investment in digital marketing campaigns sought to highlight competitive interest rates compared to the market, for terms of 6, 12 and 24 months, in the context of falling interest rates. To increase the capacity to attract and retain resources, the maximum limit of the product was increased to €250,000, with the minimum remaining at €25,000. We also sought to emphasize and guarantee the ease of underwriting, through a completely online process free of membership costs or commissions. This approach meant that in one year the number of average monthly subscriptions grew 6 times and the average monthly volume by around 8 times, reflecting the increasing confidence of investors in the bank's offer.

At the same time, we sought to strengthen our commercial efforts to attract new funds from the High Net Worth customer base by promoting the Bison Growth Term Deposit, with campaign rates throughout the year for 6 and 12 months and limits of between €25,000 and €500,000.

Our efforts were reflected in a solid growth in the Bank's reputation and in boosting the product offer to the customer base, with a positive impact on customer satisfaction. For 2025, we will continue to invest in innovation and strategic partnerships, exploring new opportunities for growth and customer loyalty.

Internal and External Events

In 2024, Bison Bank's communication strategy focused on strengthening proximity to customers, partners and stakeholders through active participation in external events and exclusive initiatives. With an integrated approach, it was possible to consolidate Bison Bank's reputation, strengthen strategic relationships and reinforce confidence in its commitment to excellence and innovation.

The Bank was present at prestigious national and international conferences such as the World Banking Forum, Investment Migration Council, Crypto Valley Conference, JE Advisory Summit, Women Leading the Web3, Web Summit, Global Citizen Conference, Global Wealth Management Summit 2024 - Financial Times, among many others, strengthening its position in the financial and digital sector.

At the same time, it promoted internal events dedicated to clients and partners, providing important networking moments and sharing experiences and business opportunities.

An example of this was the "Portugal: Investment by Global Citizens Conference", an event organized entirely by Bison Bank that brought together 300 participants around a key theme: Portugal - strategies to attract and retain international investment. Opinion leaders, investors and professionals from various fields came together to discuss the opportunities and challenges of investing in Portugal in an increasingly globalized world. This was the first major event in Portugal that really showed the importance of the 'Portugal brand' and where Bison Bank reiterated its commitment to connecting all the pieces that support investment in Portugal.

On a more institutional level, Bison Bank, in partnership with Doutor Finanças, took part in an innovative initiative that aims to offer personal finance training to a diverse audience, in order to increase citizens' financial literacy. 100 hours of financial literacy training were offered in higher education institutions from the north to the south of the country.

3.2. HUMAN RESOURCES

Our Employees

As part of its corporate human capital management strategy, Bison Bank advocates actively promoting the development of all employees, thus contributing to their motivation and commitment and also to the Bank's sustainability.

The year 2024 continued the internal transformation of the Bank's macrostructure, focusing on communicating the strategy, developing transformational leadership and investing in the technical training of employees for present and future challenges.

Bison Bank promoted a wide range of content to support its teams in person and remotely on various subjects, always with a focus on the regulatory component, namely the Markets and Financial Instruments Directive - MiFID II, Prevention of Money Laundering and Terrorist Financing, IC Regulatory Framework - BoP Notice 3/2020, Fraud Prevention, Foreign Account Tax Compliance Act (FATCA), Code of Conduct, Conflict of Interest, Related Parties and Reporting Irregularities, Risk Culture Assessment and Data Security (IT Security and SWIFT Payments). As part of our commitment to developing leaders and teams, we continued to provide training in leadership skills for senior managers and commercial training for business areas.

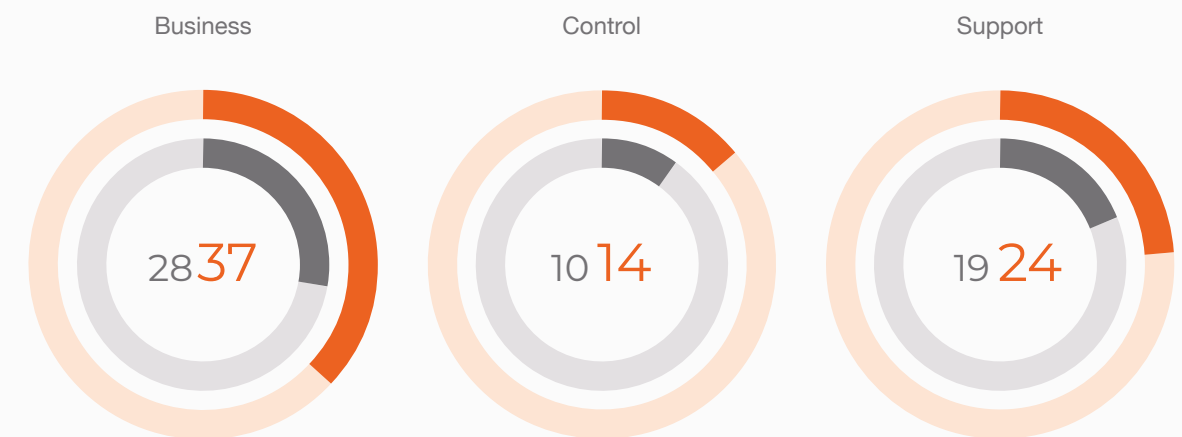
The performance management process aims to align individual performance with the Bank's strategy, defining clear objectives for all employees, always with a focus on developing skills and fostering a culture based on meritocracy and recognition.

Employee Overview

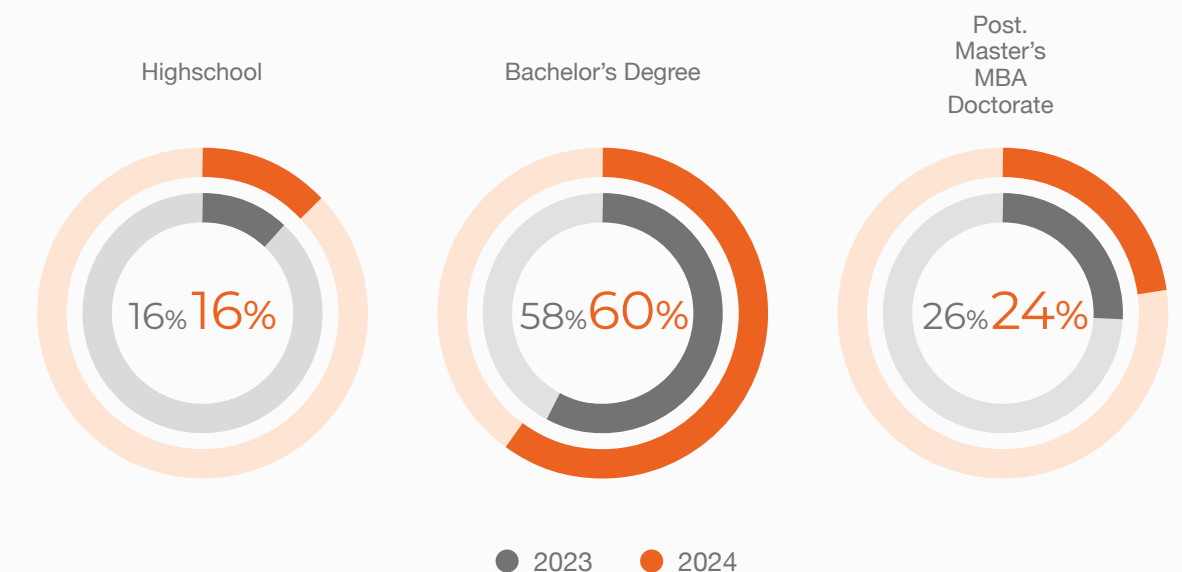
The employee figures presented refer to the universe of full-time employees, with open-ended and fixed-term contracts.

On December 31, 2024, Bison Bank employed 75 people, compared to 57 on December 31, 2023.

Distribution of employees by area of activity (as of December 31, 2024)



Distribution of employees by educational qualifications (as of December 31, 2024)

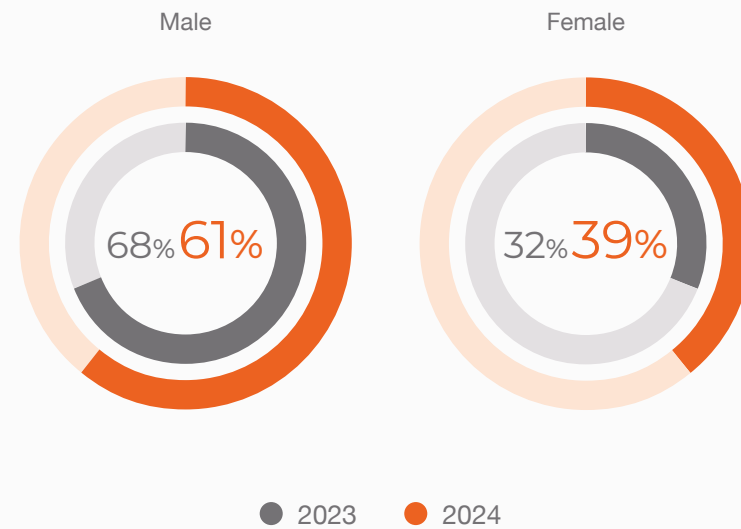


Diversity and Inclusion

Bison Bank's objective is to promote a diverse workforce and an atmosphere that fosters inclusion, respect and support for all employees and helps to improve the performance of the activities carried out, providing equal opportunities for recruitment, promotion and training for all employees.

The focus is on progressively reducing the gender gap in the Bank's universe and creating a diverse environment.

Distribution of employees by gender (as of december 31, 2024)



3.3. INFORMATION SYSTEMS

In 2024, the Information Systems area of Bison Bank's Technology and Operations Department (TOD) contributed to the pursuit of some of Bison Bank's main strategic initiatives, of which we highlight:

- **Increasing the level of internal customer satisfaction. During 2024, TOD's Information Systems area focused on continuously increasing user productivity through various improvement projects in this area, namely:**

- Optimization of Microsoft Office 365 cloud-based collaborative tools and security solutions based on multi-factor authentication, VPN and other enhanced protections in 2024 for access to the Bank's systems, along with mobile hardware, to continue to guarantee the possibility of teleworking in hybrid mode for all employees, without any loss of productivity;
- Implementation of additional improvements to the management information system to better support commercial activity;
- Optimization of internal operational processes through workflow automation tools.

- **Ensuring a robust and compliant internal control environment. In this area, steps continued to be taken to strengthen the performance, flexibility, resilience and security of Bison Bank's hardware, software and communications:**

- Following the migration of Bison Bank's infrastructure to a hybrid cloud (with advantages in terms of agility, scalability and mobility, as well as in terms of security and resilience, as well as reducing operational risk and optimizing costs), the Security Operations Centre (SOC) continued to be strengthened, available 24x7, for monitoring and immediate reaction to security incidents, including real-time analysis of the logs of all systems under surveillance;

- Continuation of external security audits, both in terms of assessing the Bank's security processes and conducting regular intrusion and vulnerability detection tests;

- Implementation of various new general security improvements, as well as internal initiatives to raise user awareness of security and cybersecurity.

- Following the hiring of an external consultant to carry out a "gap analysis" and assess the institution's compliance and maturity in relation to the Digital Operational Resilience Regulation (DORA), a project was launched in 2024 to implement improvements in relation to the new regulation, helping to strengthen Bison Bank's operational resilience and digital security;

- **Improving client experience through online banking services:**

- Consolidation of the digital account opening process, with important gains in terms of administrative efficiency, reduction of operational risk and increased customer convenience;
- Various measures to strengthen the security, monitoring and user-friendliness of the Bank's online platforms, including the launch of an improved user interface and a new image on these platforms.

- **Improving client experience through AML/CTF processes and other control functions:**

- Implementation of various improvements to the legal reporting structure;
- Increased level of automation in AML/CTF processes;
- Implementation of improvements in the management information made available to the control functions.

- **Improving client experience in the Wealth Management and Payments areas:**
 - i. Increased automation of flows related to payment systems, supporting the continuous increase in transactions in the period as a result of the Bank’s activity.
 - ii. Implementation of the new SPIN services (transfers by telephone number or companies’ Tax Identification Number) and confirmation of the beneficiary of a transfer;

iii. Continued development of the migration of the Eurozone (Target) and SWIFT payment systems to the new ISO 20022 standard, while preparations for the acceptance of instant transfers, to be launched in January 2025, advanced.

increase in the number of account openings and entities covered and a 71% increase in the number of transfers and payments executed.

There continued to be a consistent increase in the number of investment funds under a Depositary Bank contract, as well as great diversification in the type of funds and the number of management companies involved in these processes.

The Bank’s Centralized Securities Registration System, where 8 investment funds are centralized, continued its activity successfully.

with several of the Target platform’s components already migrated and the retail transfer and financial markets capabilities currently being tested;

- Participation in the European Instant Transfer System.

TOD’s Operations area was also actively involved in the development of new commercial products and services, namely in defining operational and regulatory requirements.

Legal and Governance

The Legal and Governance Department (LGD) is a high-level structure in the Bank’s organisational hierarchy, reporting hierarchically to the Executive Committee through the Head in charge.

The LGD is responsible for providing legal support, in all its aspects, to the Bank’s banking and financial activity, particularly in the structuring, design and monitoring of the products and services provided. LGD is also responsible for providing support to the Board of Directors, Executive Committee, Governance Committees, Company Secretary and other statutory bodies, with regard to meetings held, their minutes and documentation, as well as various corporate and internal governance matters.

During 2024, LGD focused much of its activity on the following themes:

- New legal framework for depositary banks;
- Future regulations applicable to the activity of the Bank’s subsidiary, Bison Digital Assets;
- ESG.

3.4. OTHER SUPPORT ACTIVITIES

Accounting and Planning

In the Accounting and Planning area, we would highlight the following projects and initiatives:

- Monitoring the tax inspections carried out by the Tax Authority for the financial years 2021 and 2022;
- Reviewing the controls associated with tax reporting and compliance mechanisms;
- Preparation and completion of the review of Bison Bank’s strategy and budget for the three-year period 2025-2027, interacting with all business, support and control areas, comprehensively assessed and approved by the Board of Directors;
- Development and implementation of new reports, not previously required of the Bank, of a broad and relevant scope and scope in the context of the activity carried out by the Bank;
- Formalization and revision of detailed procedures

for the area, aimed at improving the internal control system.

The secretarial team continued to support the management and supervisory bodies and the Company Secretary throughout 2024, ensuring, among other activities, the meetings held and their scheduling, the Bank’s correspondence (received and sent), ensuring its registration, the Bank’s reception service, telephone calls and other administrative services.

Operations

The activity of the Operations area of the Technology and Operations Department (TOD) continued to grow significantly in 2024, as a result of the significant increase in the customer base and associated operations, which corresponded to what was established in the Business Plan.

Thus, the Bank’s Operations saw a 37% increase in the number of securities transactions, a 63%

In this context, intense efforts were made to adapt the resources available and the associated tools, which proved to be resilient and capable of sustainably addressing the growth that occurred.

This endeavor was accompanied by the continued implementation of new projects and adaptation of processes, namely:

- Continued and audited reinforcement of the safeguarding of customer assets;
- Monitoring financial variations in order to maintain low levels of operational risk;
- Implementation of a HUB tool for managing and controlling payments, integrated with the Bank’s systems and national and international payment platforms. This tool made it possible to automatically manage and execute a large part of the increase in volume, with corresponding gains in efficiency and security;
- Intense participation in the mandatory migration processes of the national community to the new Eurozone (Target) and Swift payment platforms, which will be integrated into a new architecture coordinated by the Eurosystem. This new reality will be fully certified by the ISO 20022 International Standard. This migration will be completed by 2025,

Control Activities

04.

4.1. RISK

The Global Risk and Reporting Department (RRD) is a top-line structure in Bison Bank's organisational hierarchy, that reports directly to the Executive Committee, through the Board member responsible for this area.

In addition, it maintains a permanent communication line with the Audit Committee, namely through specific meetings. Together with the Compliance Department and Internal Audit Department, it ensures an adequate internal control environment for the Bank.

Throughout the year 2024, in coordination with the Board Member responsible for this area, RRD focused on the following activities:

- Implementation of the 2024 Risk Activity Plan;
- Updated risk management policies, to be aligned with the Bank's strategy and business objectives, namely the Risk Appetite Statement, Limit Policies, etc.;
- Implemented additional improvements to reinforce the Bank's Risk Management Information, based on complete and regular data, to timely access the risks and act accordingly.
- Elaborated and reported the prudential reports for which it is responsible, within its scope of action, namely within Common Reporting (COREP OF; COREP LE, COREP LR, FRTB, LCR, NSFR, ALMM and IRRBB), ICAAP, ILAAP, etc.;

- Contributed to other external reports, such as, Internal Control Report, Recovery Plan (contribution on the definition of the stress scenarios and recovery measures, and computation of impacts on ratios and recovery indicators), Funding and Capital Plan and Resolution Plan of Less Significant Institutions;
- Issued opinions and participated in several work groups to develop new business activities/products;
- Regular monitoring of the implementation of mitigation measures identified within the scope of Risk Control Self-Assessment and Operational Risk;
- Implementation of mitigation measures related to internal control points under its responsibility;
- Strengthening the governance and management framework for climate and environmental risks;
- Promoted risk awareness campaigns (carried out by email), addressing various risk issues.

The RRD has been actively working, in coordination with the Board of Directors, to implement a risk management system for the Bank that is appropriate to the business strategy, while also ensuring that it is aligned with regulatory requirements.

4.2. COMPLIANCE

The Compliance Department (COD) is a high-level structure in Bison Bank’s organisational hierarchy, reporting hierarchically to the Executive Committee through the Head in charge.

In addition, it liaises very closely with the Audit Committee, through meetings held at most every two months, and with the Internal Control and Compliance Committee, through quarterly meetings. Together with the Global Risk and Reporting Department and the Internal Audit Department, it establishes the Bank’s Internal Control System.

The Bank has an independent, permanent and effective Compliance Function responsible for monitoring compliance with the legal, regulatory, operational, ethical and conduct obligations and duties incumbent on the Bank and its employees, including members of the Management and Supervisory Bodies.

During 2024, the COD focused essentially on the following main activities:

- Implementation of the 2024 Compliance Plan;
- Activities carried out within the scope of the internal control system;
- Activities carried out in the area of preventing money laundering, combating the financing of terrorism and restrictive measures;

- Activities carried out within the scope of financial intermediation operations, combating market abuse and insider trading;
- Activities within the scope of controlling actual or potential situations of Conflicts of Interest and operations with Related Parties;
- Activities under the Irregularities Reporting Policy, supporting the Audit Committee;
- Activities to implement the Bank’s transversal projects in matters of:
 - i. Opening Digital Accounts, of an individual and collective nature;
 - ii. Maintaining/updating customer information/ documentation based on risk;
 - iii. Reviewing the Bank’s portfolio of regulations.
- Activities carried out in the field of complaints handling and management;
- Activities within the scope of compliance with the delivery of Mandatory Reports to the authorities / regulators

The COD has been actively working, in coordination with the Board of Directors, to adapt the Bank’s compliance risk governance environment to the business strategy, while ensuring its alignment with the new regulatory requirements.

4.3. INTERNAL AUDIT

The Internal Audit Department (IAD) is a high-level structure in Bison Bank’s organisational hierarchy, with a hierarchical reporting line to the Chairman of the Executive Committee (purely administrative reporting) and a functional reporting line to the Board of Directors and the Audit Committee.

Together with the Global Risk and Reporting Department and the Compliance Department, it ensures the Bank’s Internal Control System. The Internal Audit function is established in a structural unit that is organically segregated from the activities it monitors and controls.

During 2024, IAD carried out its activities in accordance with the Multi-Annual Audit Plan, which was approved by the Board of Directors (with the prior opinion of the Audit Committee), with a view to ensuring a comprehensive, risk-oriented examination of the Bank’s activities, systems and processes, focusing essentially on the following activities.

- Preparation of the Multi-Annual Audit Plan (aligned with the business strategy and objectives, in order to ensure that the relevant risks are monitored);
- Carrying out audit work in accordance with the Multi-Annual Audit Plan approved by the Board of Directors;

- Issuing recommendations based on the results of the audit work carried out and as a result of the internal control deficiencies identified;
- Promoting continuous monitoring of identified internal control deficiencies;
- Maintenance of existing IT tools to support the activity related to monitoring internal control points;
- Monitoring the progress of the implementation of the Bank’s Business Plan;
- Updating / reviewing the organic statutes, internal documents, strategies and methodologies and risk classification models;
- Reporting relevant information on the activity carried out and on the implementation of the Multi-Annual Audit Plan to the Board of Directors and the Audit Committee.

The IAD has been actively working on assessing the adequacy and effectiveness of the internal control system, monitoring the internal control deficiencies identified and implementing measures to correct them, in order to achieve improvements in the Bank’s internal control culture.

Analysis of Individual Accounts

05.

5.1. ANALYSIS OF INDIVIDUAL ACCOUNTS

5.1.1. Main Highlights

During 2024, performance was much better than initially expected and the result for the year is frankly positive, representing a profit of €2.5 million against a budgeted profit of €31,000, projected in the 2024-2026 Business Plan.

The strength of the Bank's financial performance was substantially underpinned by the effective stabilization of its business model. This model, predominantly geared towards the business market (B2B), continued to prove sustainable throughout the period under review. Strategic diversification into four distinct lines of activity, which encompass not only recurring services but also digital assets, was decisive for the business's resilience and adaptability to market dynamics. On the other hand, the implementation of a solid digital promotion strategy has strengthened the Bank's online presence, contributing significantly to overall financial performance and a sustainable projection in the digital environment.

This strategic alignment has provided a solid basis for financial performance, solidifying the Bank's position in the markets in which it operates.

A new business plan was finalized and approved in November 2024, reflecting the above-mentioned considerations, as well as continued investment in the operationalization and development of Bison Digital Assets, with the aim of achieving growth objectives for the next three years.

The Bank posted a positive result of €2.5 million (2023: €0.6 million positive result), with operating income growing by €3.5 million and structural costs increasing in line with the increase in activity and growth in the business (€2.0 million in staff costs and other administrative expenses).

The main strategy guidelines have been reinforced, and this will continue to be the case in the future, with greater intensity - focus on a B2B model supported by a selected set of financial services in which the Bank has a clear competitive advantage, use of digital media as the preferred channel, use of a simple structure, and preservation of high levels of capital and liquidity.

5.1.2. Main Indicators of the Financial Staments

As of December 31, 2024, the Bank has a balance sheet total of €406.4 million (2023: €250.2 million), which represents an increase of around €156.2 million compared to December 31st, 2023, an increase essentially related to deposit-taking.

In addition to the “Cash, cash balances at central banks and other demand deposits” item, the “Financial assets at fair value through comprehensive income” portfolio is the largest component of balance sheet assets, representing around 27% of total assets (46% of total assets in 2023).

The Bank’s total operating income amounted to €12.1 million, higher than the Bank’s operating activity in 2023, when operating income amounted to €8.6 million, essentially due to:

(i) an increase of €2.1 million in net interest income, (ii) an increase of €1.4 million in income from services and commissions; (iii) an increase of €28,000 in charges for services and commissions; (iv) an increase of €158,000 in other operating income and losses.

Finally, personnel costs amounted to €5.8 million, representing an increase of 31% compared to 2023 (€1.4 million), which is essentially due to the process of adjustments and new hires that took place since late 2023, and other administrative expenses amounted to €3.2 million, an increase of around 27% compared to 2023 (€2.5 million), reflecting the context of pursuing the strategic plan regarding the need for continuous investment in innovation, scalability and security.

As the Bank advances in its vision of growth and digital transformation, these costs range from modernizing infrastructures and adopting new technologies to optimizing processes. The remaining costs, related to amortization, provisions and depreciation, remained at €0.8 million, in line with that recorded during 2023 (€0.8 million).

As a result of these developments, the Bank posted a profit of €2.5 million in 2024, 283% higher than in 2023 (€640,000).

The off-balance sheet items mainly depend on 2 services:

- Fund Custodian services, the value of which amounts to €1,640 million on December 31, 2024 (2023: €743 million),
- Securities Custody Services, amounting to €1,346 million on December 31, 2024 (2023: €998 million), on behalf of the Bank’s customers.

5.1.3. Main Solvency Indicators

In 2024, the Bank maintained a solid level of capitalization, with a Tier 1 Common equity ratio of 37.4% at the end of the year. This ratio resulted from the combination of a high Tier 1 Capital of €45.6 million and the Bank’s conservative risk-taking profile - average risk-weighted asset ratio (RWA) of 30.0%. In addition, on December 31, 2024, the liquidity ratios remained robust - LCR of 219.0% and NSFR of 261.7% - and substantially above the regulatory minimums.

5.2. ANALYSIS OF THE CONSOLIDATED ACCOUNTS

5.2.1. Consolidated Perimeter

On May 20, 2022, it was decided to develop the Bank’s subsidiary, Bison Digital Assets, S.A. (“Bison Digital Assets”, or “BDA”), which was effectively set up on July 15, 2022, making it the only entity over which Bison Bank exercises control.

In order to comply with international financial reporting standards (IFRS), at the level of consolidated financial statements (IFRS 10), the Bank presents consolidated financial statements as at December 31, 2024, considering the consolidation by the full consolidation method of Bison Digital Assets.

5.2.2. Main Highlights

On December 31, 2024, Bison Bank’s consolidated balance sheet is almost entirely the same as its individual balance sheet, given the reduced materiality of Bison Digital Assets’s activity, despite its positive trend and break-even results in 2024. For this reason, there are no additional relevant comments to add to the above comments regarding the balance sheet on an individual basis, and the same applies to the income statement.

Future Prospects

06.

For 2025, given the current context of high geopolitical uncertainty, it is expected that, similar to most banks globally, Bison Bank will face complex challenges, particularly in the business development process.

Nevertheless, Bison Bank intends to continue the gradual process of stabilizing operations and enhancing commercial activity to consolidate and develop its profitability.

In this way, the Bank will continue to progress in consolidating its B2B model by establishing additional partnerships, building on the more than 60 Partners currently in place. The Bank also intends to proceed with the implementation of its digital transformation plan, as a means of expanding its customer base and business volume. In particular, the Bank aims to consolidate the digitalization process of its commercial channels, namely the Bison Mobile app and Home banking, by improving current functionalities and providing new ones to enhance the banking experience for its customers, both during onboarding and throughout the life of the commercial relationship.

In terms of business, in 2025 the Bank aims to have a more focused approach, particularly in the areas of custodian banking for domestic institutional clients, and custody and execution for individual and institutional clients, primarily with an international base. Additionally, the Bank will provide services in investment consulting and investment banking, in a cross-border logic.

Additionally, the Bank seeks to be the top choice for foreign individuals looking to reside in Portugal. With specialized financial solutions and personalized support, it aims to solidify its leadership in this segment, catering to expatriates and international investors with tailored banking services.

The Bank is also enhancing its advisory services for high-net-worth individuals, offering sophisticated wealth management solutions. By expanding its expertise and leveraging advanced financial tools, it strives to be a trusted partner in preserving and growing client wealth.

At the same time, the subsidiary Bison Digital Assets should continue the development of its trading and digital asset custody activity, offering an expanded range of services to current clients and contributing to the growth of the customer base.

The Bank remains committed to bridging traditional banking and the digital assets market, ensuring clients a secure transition into this evolving space. By investing in technology and strategic partnerships, the Bank aims to provide innovative, compliant solutions that meet the growing demand for digital financial services.

Lastly, it is important to emphasize that, despite the geopolitical and macroeconomic context, Bison Bank, owing to the structure of its balance sheet, with its assets primarily consisting of a portfolio of investment-grade, highly liquid bonds and liquidity held with top-tier financial institutions, does not anticipate any significant impacts arising from this.

Proposed Application of Results

07.

From the development of its commercial activity in 2024, Bison Bank generated a profit of €2,453,406.46 (two million, four hundred and fifty-three thousand, four hundred and six euros and forty-six cents).

The Board of Directors proposes, under the terms and for the purposes of Article 376(1)(b) and (2) of the Companies Code (Decree-Law 262/86, of September 2, the Companies Code), that this profit of €2,453,406.46 be transferred to Retained Earnings.

Final Note

08.

At the General Meeting held on **April 11th, 2024**, all the documents corresponding to the Bank's annual accounts for the financial year 2023 were submitted and approved, namely the Management Report, including the Corporate Governance Report, the individual and consolidated financial statements and respective notes for the financial year ended December 31, 2023, as well as the corresponding Legal Certifications of the individual and consolidated accounts issued by the Statutory Auditor, the Report and Opinion of the Audit Committee for the financial year 2023, as well as the report provided for in article 60 of Bank of Portugal Notice no. 3/2020.º of Bank of Portugal Notice no. 3/2020, also issued by the Audit Committee.

The Board of Directors' proposal for the appropriation of the year's results was also approved and the sole shareholder approved a vote of praise and confidence in the Board of Directors and the Audit Committee, in recognition of their work.

At this meeting it was also decided to approve, as proposed by the Audit Committee:

- i) the revised and updated version of the remuneration policy for members of the management and supervisory bodies and the new report on the implementation of the remuneration policy;
- ii) the revised and updated version of the policy for selecting and assessing the suitability of members of the management and supervisory bodies and key functions.

At this meeting it was also decided to approve the selection and appointment of the Statutory Auditor for the years 2024 and 2025, based on the proposal from the Audit Committee following the selection process,

and considering that the statutory auditor in office until 2023 reached the maximum limit of 10 years of service, and that although the Audit Committee consulted the CMVM, an exceptional extension was not advisable. The sole shareholder, based on the opinion presented by the Audit Committee, decided to appoint "Deloitte & Associados - SROC, S.A.", registered with the Portuguese Institute of Statutory Auditors under number 43 and with the CMVM under number 20161389, as the Bank's Statutory Auditor for the 2024 to 2025 term of office.

On **July 18, 2024**, Bison Capital Financial Holdings (Hong Kong) Limited, in its capacity as sole shareholder of Bison Bank, S.A., decided to approve, at the proposal of the Audit Committee, the new revised version of the Policy for the Selection and Appointment of Statutory Auditors.

At the General Meeting held on **July 15, 2024**, all the documents corresponding to Bison Digital Assets' annual accounts for the 2023 financial year were submitted and approved, namely the Management Report, as well as the corresponding Legal Certifications of the accounts issued by the Statutory Auditor, and the Report and Opinion of the Supervisory Board.

The Board of Directors' proposal for the appropriation of the year's results was also approved and the sole shareholder approved a vote of praise and confidence in the Board of Directors and the Supervisory Board, in recognition of their work.

At the meeting, the loss of half of Bison Digital Assets' share capital was also discussed, and the sole shareholder decided not to take any further action in this regard.

Each of the members of the Board of Directors, signatories to this document, identified below, declares, under their own individual responsibility, that, to the best of their knowledge, the management report, the annual accounts, the legal certification of accounts and other accounting documents required by law or regulation, have been drawn up in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Bank and that the management report faithfully describes the development of the Bank’s business, performance and position and contains a description of the main risks and uncertainties it faces.

In concluding its report on the activities carried out during the 2024 financial year, the Board of Directors would like to thank the members of the Audit Committee, the Statutory Auditor, its employees and the supervisory authorities for their support and cooperation.

Lisbon, 28 of March 2025

The Board of Directors

Bian Fang
(Chairman of the Board of Directors and Non-Executive Director)

António Manuel Gouveia Ribeiro Henriques
(CEO of the Executive Board)

André Filipe Ventura Rendeiro
(Executive Director)

Eduardo Nuno de Sousa Feijóo Moradas
(Executive Director)

Issuf Ahmad
(Non-Executive Director and Chairman of the Audit Committee)

Wang Ting
(Non-Executive Director and Member of the Audit Committee)

Luis Miguel Gonçalves Folhadela de Oliveira
(Non-Executive Director and Member of the Audit Committee)

Bison Bank, S. A.

Consolidated and Individual Balance Sheet as at 31 December 2024 and 2023

(Amounts expressed in thousands euros)

	Notes	Consolidated				Individual			
		31-12-2024		31-12-2023		31-12-2024		31-12-2023	
		Gross Amount	Provisions, impairment and depreciations	Net Amount	Net Amount	Gross Amount	Provisions, impairment and depreciations	Net Amount	Net Amount
Cash, Cash Balances at Central Banks and other Demand Deposits	5	261.448	-	261.448	113.161	261.122	-	261.122	112.143
Financial Assets held for Trading	6	29	-	29	24	29	-	29	24
Non-Trading Financial Assets Mandatorily at Fair Value Through Profit or Loss	7	10.429	-	10.429	10.685	10.429	-	10.429	10.685
Financial Assets at Fair Value Through other Comprehensive Income	8	111.161	434	110.727	116.180	111.161	434	110.727	116.180
Financial Assets at Amortised Cost	9	12.115	34	12.081	95	12.115	34	12.081	95
Property, Plant and Equipment	10	2.577	888	1.689	1.211	2.577	888	1.689	1.211
Intangible Assets	11	10.670	9.813	857	812	10.360	9.707	653	585
Investments in Subsidiaries, joint Ventures and Associates	3	-	-	-	-	50	-	50	50
Current Tax Assets	12	68	-	68	68	68	-	68	68
Deferred Tax Assets	13	464	-	464	93	464	-	464	93
Other Assets	14	7.073	397	6.676	6.201	9.523	397	9.126	9.086
Total Assets		416.035	11.566	404.470	248.529	417.900	11.460	406.440	250.220
Deposits and Liabilities from other Credit Institutions	15			8.994	2.479			8.994	2.479
Deposits from other Clients	15			341.700	195.470			343.188	196.529
Provisions	16			1.198	2.174			1.198	2.174
Current Tax Liabilities	12			89	73			84	73
Deferred Tax Liabilities	13			213	118			213	118
Other Liabilities	17			6.689	5.680			6.528	5.584
Total Liabilities				358.883	205.994			360.204	206.957
Share Capital	18			195.198	195.198			195.198	195.198
Revaluation Reserves	18			(386)	(1.575)			(386)	(1.575)
Other Reserves	18			(151.759)	(151.259)			(151.030)	(151.000)
Profit (Loss) for the Year	18			2.533	170			2.453	641
Total Equity				45.586	42.535			46.235	43.263
Total Equity and Total Liabilities				404.470	248.529			406.440	250.220

The Certified Accountant

The Board of Directors

Bison Bank, S. A.

Consolidated and Individual Income Statement
as at 31 December 2024 and 2023

(Amounts expressed in thousands euros)

	Notes	Consolidated		Individual	
		31-12-2024	31-12-2023	31-12-2024	31-12-2023
Interest Income	19	10.821	6.389	10.821	6.389
Interest Expenses	19	(3.187)	(843)	(3.187)	(843)
Net interest income		7.634	5.546	7.634	5.546
Fee and Commission Income	20	5.577	3.535	4.642	3.207
(Fee and Commission Expense)	20	(380)	(440)	(324)	(295)
Gains or Losses on Financial Assets and Liabilities Designated at Fair Value Through Profit or Loss, Net	21	(319)	(111)	(319)	(111)
Gains or Losses on Derecognition of Financial Assets and Liabilities not Measured at fair Value Through Profit or Loss, Net	21	91	4	91	4
Exchange Differences, Net	21	244	251	236	207
Other Operating Income, Net	22	126	(77)	167	10
Total Operating Income, Net		12.972	8.707	12.128	8.567
Staff Expenses	23	(6.242)	(4.773)	(5.767)	(4.392)
Other Administrative Expenses	24	(3.420)	(2.729)	(3.212)	(2.530)
Depreciation	10,11	(831)	(809)	(754)	(779)
Provisions or Reversal of Provisions	16	(216)	(144)	(216)	(144)
Impairment or Reversal of Impairment on Financial Assets	16	14	127	14	127
Impairment or Reversal of Impairment on Non-Financial Assets	16	(29)	(151)	(29)	(151)
Profit or Loss Before Tax from Continuing Operations		2.250	228	2.165	698
Taxes					
Current Taxes	12	(89)	(58)	(84)	(58)
Deferred Taxes	13	372	-	372	-
Profit (Loss) for the Year		2 533	170	2 453	641
Average Weighted Number of Ordinary Issued Shares	26	39.039.674	39.039.674	39.039.674	39.039.674
Earnings per Share (Euro per Share)		(0,06)	(0,00)	(0,06)	(0,02)

The Certified Accountant

The Board of Directors

Bison Bank, S. A.

Consolidated and Individual Income Statement
as at 31 December 2024 and 2023

(Amounts expressed in thousands euros)

	Notes	Consolidated		Individual	
		2024	2023	2024	2023
Profit (Loss) for the Year	18	2.533	170	2.453	641
Items that Will not be Reclassified to Profit or Loss					
Gains/ (Losses) at Fair Value on Financial Assets Through Other Comprehensive Income	18	-	-	-	
Deferred Taxes		-	-	-	
Items That May be Reclassified to Profit or Loss					
Gains/ (losses) at Fair Value on Financial Assets Through Other Comprehensive Income	18	1.285	2.753	1.285	2.753
Deferred Taxes	18	(95)	(103)	(95)	(103)
Total Comprehensive Income, Net of Tax	18	3.722	2.820	3.643	3.290

The Certified Accountant

The Board of Directors

Bison Bank, S. A.

Consolidated Statement of Changes in Equity
as at 31 December 2024 and 2023

(Amounts expressed in thousands euros)

	Notes	Share Capital	Revaluation reserves (net of deferred taxes)	Other reserves and retained earnings	Net Profit / (Loss) for the period	Total Equity
31-12-2022	18	195.198	(4.225)	(144.462)	(6.538)	39.715
Application of Net Profit / (Loss) from the Previous Period						
Transfer to Other Reserves and Retained Earnings	18	-	-	(6.798)	6.798	-
Comprehensive income	18	-	2.650	-	170	2.820
31-12-2023		195.198	(1.575)	(151.260)	170	42.535
Application of Net Profit / (Loss) from the Previous Period						
Acquisition of Conversion Rights 2015-2019		-	-	(671)	-	(671)
Transfer to Other Reserves and Retained Earnings		-	-	170	(170)	-
Comprehensive Income	18	-	1.189	-	2.533	3.722
31-12-2024		195.198	(386)	(151.758)	2.533	45.586

The Certified Accountant

The Board of Directors

Bison Bank, S. A.

Individual Statement of Changes in Equity
as at 31 December 2024 and 2023

(Amounts expressed in thousands euros)

	Notes	Share Capital	Revaluation reserves (net of deferred taxes)	Other reserves and retained earnings	Net Profit / (Loss) for the period	Total Equity
31-12-2022	18	195.198	(4.225)	(144.462)	(6.798)	39.715
Application of Net Profit / (Loss) from the Previous Period						
Transfer to Other Reserves and Retained Earnings	18	-	-	(6.538)	6.538	-
Comprehensive income	18	-	2.650	-	641	3.291
31-12-2023		195.198	(1.575)	(151.000)	641	43.263
Application of Net Profit / (Loss) from the Previous Period						
Acquisition of Conversion Rights 2015-2019	18	-	-	(671)	-	(671)
Transfer to Other Reserves and Retained Earnings		-	-	641	(641)	-
Comprehensive Income	18	-	1.189	-	2.453	3.643
31-12-2024		195.198	(386)	(151.030)	2.453	46.235

The Certified Accountant

The Board of Directors

Bison Bank, S. A.

Consolidated and Individual Statement of Cash Flows
as at 31 December 2024 and 2023

(Amounts expressed in thousands euros)

	Consolidated		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
Operating Activity				
Operating Income:				
Net Profit/(Loss) for the Period	2.533	170	2.453	641
Credit Impairment	28	2	28	2
Impairment Losses	(13)	22	(13)	22
Provisions for the Period	216	(17)	216	(17)
Depreciations for the Period	831	809	754	779
Tax Appropriation for the Period	-	-	-	-
Interests	(280)	(282)	(280)	(282)
Net Exchange	(244)	(251)	(236)	(207)
	3.070	452	2.922	937
Changes to Operating Assets and Liabilities:				
Increase/(Decrease) in Financial Assets held for Trading	(6)	145	(6)	145
Non-Trading Financial Assets Mandatorily at fair Value Through Profit or Loss	255	48	255	48
Financial Assets at fair Value Through other Comprehensive Income	6.642	(15.861)	6.642	(15.861)
Increase/(Decrease) in Available-for-sale Financial Assets	-	-	-	-
Financial Assets at Amortised Cost	(11.986)	55	(11.986)	55
Other Assets	(475)	(213)	(39)	(2.837)
Increase/(Decrease) in Investment Properties	152.745	56.419	153.174	57.438
Increase/(Decrease) in Other Financial Liabilities at fair Value Through Profit or Loss	-	-	-	-
Increase/(Decrease) in Other Subordinated Liabilities	-	-	-	-
Increase/(Decrease) in Other Assets	(1.022)	659	(1.023)	634
Increase/(Decrease) in Deposits	(372)	121	(372)	121
Others	-	-	-	-
	145.780	41.373	146.644	39.743
Operating Cash Flows	148.850	41.825	149.566	40.681
Investing Activity				
Acquisition / Disposal of Tangible Assets	(50)	(24)	(50)	(24)
Acquisition / Disposal of Intangible Assets	(514)	(573)	(537)	(442)
Acquisition / Disposal of Investment Properties	-	-	-	-
Acquisition / Disposal of Financial Investments	-	-	-	-
Dividends Received	-	-	-	-
Others	(671)	-	(671)	-
Cash Flows from Investing Activity	(1.235)	(597)	(1.258)	(466)

The Certified Accountant

The Board of Directors

(Amounts expressed in thousands euros)

	Consolidado		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
Financing Activity				
Share Capital Increase	-	-	-	-
Cash Flows from Financing Activity	-	-	-	-
Financing Activity				
Receipts Relating to:				
Share Issue	-	-	-	-
Issue of other Equity Instruments	-	-	-	-
Issue of Subordinated Liabilities	-	-	-	-
Sale of own Shares	-	-	-	-
Others	671	-	671	-
Receipts Relating to:	-	-	-	-
Dividends Distributed During the Year	-	-	-	-
Interest Paid on Subordinated Liabilities	-	-	-	-
Acquisition of Issued Liabilities	-	-	-	-
Capital Reductions	-	-	-	-
Supplementary Benefits	-	-	-	-
Others	-	-	-	-
Cash Flows from Financing Activity	-	-	-	-
TOTAL	148.287	41.228	148.979	40.215
Changes in Cash and Cash Equivalents				
Cash and Cash Equivalents at the Beginning of the Period	113.161	71.933	112.143	71.929
Effect of Exchange rate Differences on Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents at the End of the Period	261.448	113.161	261.122	112.143
	148.287	41.228	148.979	40.214
Balance Sheet Value of Cash and Cash Equivalents items as at 31 December				
Cash	0	0	0	0
On-Demand Deposits at Central Banks	232.029	98.365	232.029	98.365
On-Demand Deposits at Other Credit Institutions	29.419	14.796	29.093	13.778
	261.448	113.161	261.122	112.143

The Certified Accountant

The Board of Directors

1. GENERAL INFORMATION

Bison Bank, SA (“Bank” or “Bison Bank”), formerly known, until November 23, 2018, as Banif - Banco de Investimento, S.A. (“BBI”), resulted from the spin-off, on December 15, 2000, of Ascor Dealer - Sociedade Financeira de Corretagem, S.A., which also resulted in the incorporation of a new brokerage company called Banif Ascor - Sociedade Corretora, S.A..

On July 9, 2018, Bison Capital Financial Holdings (Hong Kong) Limited (“Bison Financial”) acquired the entire capital of the Bank, in the amount of €135,198,000, from its previous shareholder, Oitante, S.A. (“Oitante”), a vehicle set up under the resolution measure decided by the Bank of Portugal against Banif - Banco Internacional do Funchal, S.A.

Bison Financial is a financial holding company based in Hong Kong, wholly owned by Bison Capital Holding Company Limited.

On July 20, 2018, Bison Financial completed a capital increase of €41,000,000 to €176,198,000.

On July 29, 2020, a new capital increase was decided in the amount of €19,000,000, bringing the total to €195,198,000, which is the Bank’s share capital as of December 31, 2022. Bison Financial holds all the Bank’s shares.

The Bank’s head office is at Rua Barata Salgueiro, 33, R/C, in Lisbon, Portugal.

In November 2024, Bison Bank’s Board of Directors approved a revision of its business plan, spanning over the period from 2025 to 2027.

The Board of Directors believes that the Bank has a solid basis for a sustained growth plan over the next three years, with the aim of keeping the Bank profitable.

On May 20, 2022, at a meeting of the Board of Directors, it was decided to set up the Bank’s subsidiary, Bison Digital Assets, S.A. (“Bison Digital Assets”, or “BDA”), which was effectively incorporated on July 15, 2022, becoming the only entity over which Bison Bank exercises control and which is measured at acquisition cost for the purposes of individual accounts, and consolidated by the full consolidation method for the purposes of consolidated accounts, being classified under the heading “Investments in subsidiaries, associates and joint ventures” (Note 3).

Considering compliance with the International Financial Reporting Standards (IFRS), in terms of consolidated financial statements (IFRS 10), the Bank presents consolidated financial statements as at December 31, 2024.

On March 28, 2025, the Bank’s Board of Directors reviewed and approved the Individual and Consolidated Financial Statements and the Notes to the Financial Statements as of December 31, 2024, and globally approved the Management Report which, together with the Financial Statements, will be submitted to the Annual General Meeting of Shareholders for approval.

2. SUMMARY OF THE MAIN ACCOUNTING POLICIES

2.1. Basis for Presenting Accounts

The Bank’s financial statements were prepared in accordance with the IFRS, as adopted by the European Union and in force on January 1, 2019, as established by Regulation (EC) No. 1606/02 of the European Parliament and of the Council of July 19, 2002, transposed into national law by Decree-Law No. 35/2005 of February 17 and Notice No. 1/2005 of February 21 of the Bank of Portugal (“BoP”), which has since been revoked by Notice No. 5/2015 of December 30, 2015 of the BoP.

The Bank has prepared its financial statements in accordance with the IFRS since January 1, 2016, as determined by the Bank of Portugal, through the provisions of Notice no. 5/2015, which established that, as of January 1, 2016, all institutions under its supervision had to prepare their financial statements on a consolidated basis and on an individual basis in accordance with the International Financial Reporting Standards (“IAS/IFRS”) adopted by the European Union, replacing the Adjusted Accounting Standards established by the Bank of Portugal.

The financial statements are expressed in thousands of euros, rounded to the nearest thousand. These financial statements have been prepared under the historical cost convention, except for financial assets and liabilities which are recorded at fair value, namely assets and liabilities held for trading (including derivatives), assets and liabilities at fair value through profit or loss or through other comprehensive income.

The main accounting policies used by the Bank are presented below.

2.2. Comparative Information

The accounting policies are consistent with those used to prepare the financial statements for the previous year.

2.3. New Standards and Interpretations Applicable for the 2024 Financial Year

Summary of new standards, amendments, improvements published by the IASB and interpretations published by the IFRIC, according to the period in which they become effective, the nature of the changes and the potential impacts for the Bank.

i. Impact of the adoption of the amendments to the standards that became effective on January 1, 2024:

Description	Amendment	Effective date
Amendments to IAS 1 Presentation of financial statements - Classification of liabilities as current and non-current; Deferral of the date of application; Non-current liabilities with covenants	These amendments published by the IASB clarify the classification of liabilities as current and non-current by analyzing the contractual conditions existing at the reporting date. The amendment on non-current liabilities with covenants clarified that only the conditions that must be met before or on the reference date of the financial statements are relevant for the purposes of classification as current/non-current. The date of application of the amendments was postponed to January 1, 2024.	January 1st, 2024
Amendment to IFRS 16 - Leases - Lease liabilities in a sale and leaseback transaction	This amendment published by the IASB clarifies how a lessee seller accounts for a sale and leaseback transaction that meets the criteria of IFRS 15 to be classified as a sale.	January 1st, 2024
Amendment to IAS 7 - Cash Flow Statements - and IFRS 7 - Financial Instruments: Disclosures – <i>Supplier Finance Arrangements</i>	These amendments published by the IASB in May 2023 include additional disclosure requirements for qualitative and quantitative information on supplier financing arrangements.	January 1st, 2024

a. IAS 1 (amendment), ‘Disclosure of accounting policies’- Classification of liabilities as current and non-current; Deferral of the application date; non-current liabilities with covenants -
These changes clarify that liabilities are classified as current or non-current balances depending on the entity’s right to defer payment beyond 12 months after the reporting date. They also clarify that covenants, which an entity is obliged to meet on or before the reporting date, affect the classification of a liability as current or non-current even if their verification only occurs after the reporting date. When an entity classifies liabilities resulting from financing contracts as non-current and these liabilities are subject to covenants, it

is required to disclose information that allows investors to assess the risk of these liabilities becoming repayable within 12 months, such as: a) the book value of the liabilities; b) the nature of the covenants and the compliance dates; and c) the facts and circumstances that indicate that the entity may have difficulties in complying with the covenants on the due dates. These changes are retrospective.

b. IAS 16 (amendment), Leases - Lease liabilities in a sale and leaseback transaction -
This amendment introduces guidance on the subsequent measurement of lease liabilities for sale and leaseback transactions that qualify as “sales”

under IFRS 15, with greater impact when some or all of the lease payments are variable lease payments that do not depend on an index or a rate. When subsequently measuring lease liabilities, seller-lessees should determine “lease payments” and “revised lease payments” in such a way that they do not recognize gains/(losses) in relation to the right of use they retain. This amendment is retrospective.

c. IFRS 7 (amendment), Cash Flow Statements - and IFRS 7 - Financial Instruments: Disclosures - Supplier Finance Arrangements - These amendments require an entity to make additional disclosures about negotiated vendor financing arrangements to enable: i) an assessment of how vendor financing arrangements affect the entity’s liabilities and cash flows; and ii) an understanding of the impact of vendor financing arrangements on an entity’s exposure to liquidity risk, and how the entity would be affected if the arrangements were no longer available. The additional requirements complement the presentation and disclosure requirements that already exist in IFRS, as established by IFRS IC in the Agenda Decision of December 2020.

The adoption of these changes, improvements and interpretations did not have any impact on the Bank or on disclosures.

ii. **Published standards (new and amendments) whose application is mandatory for annual periods beginning on or after January 1, 2025, already endorsed by the European Union:**

Description	Amendment	Effective date
Amendment to IAS 21 - The effects of changes in exchange rates - Lack of exchangeability	This amendment published by the IASB in August 2023 defines the approach to assessing whether a currency can be exchanged for another currency. If it is concluded that the currency cannot be exchanged for another currency, it indicates how the rate of exchange is determined.	January 1st, 2025

a. a) IAS 21 (amendment) - The effects of changes in exchange rates - Lack of exchangeability This amendment adds to the requirements to determine whether a currency can be exchanged for another currency (exchangeability) and to define how to determine the spot exchange rate to be used when it is not possible to exchange a currency over a long period. This amendment also requires the disclosure of information that makes it possible to understand how the currency that cannot be exchanged for another currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows, in addition to the spot exchange rate used on the reporting date and how it was determined.

These amendments, although approved by the European Union, were not adopted by the Bank in 2024, as their application is not yet mandatory. It is not expected that the future adoption of these amendments will have a significant impact on the financial statements.

iii. Published standards (new and amendments) whose application is mandatory for annual periods beginning on or after January 1, 2024, which the European Union has not yet endorsed:

Description	Amendment	Effective date
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	These amendments published by the IASB in May 2024 include changes arising from the results of the post-implementation review process of IFRS 9 carried out by the IASB.	January 1st, 2026
Amendment to IFRS 9 and IFRS 7 - Contracts related to nature-dependent electricity	This amendment published by the IASB in December 2024 includes additional guidance and disclosures related to contracts for the supply of electricity from renewable energies, as well as the possibility of designating these contracts as hedging instruments if they meet certain requirements.	January 1st, 2026
Annual Improvements to International Financial Reporting Standards (Volume 11)	It essentially corresponds to amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.	January 1st, 2026
IFRS 18 - Presentation and Disclosure of Financial Statements	This standard replaces IAS 1 and includes presentation and disclosure requirements in the financial statements for entities that report in accordance with IFRS.	January 1st, 2027
IFRS 19 - Subsidiaries without public accountability: disclosures	This standard allows an eligible subsidiary to opt for reduced disclosures in its IFRS financial statements.	January 1st, 2027

a. Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments The changes made refer to: i) clarification of the concept of the date of recognition and derecognition of some financial assets and liabilities, introducing a new exception for financial liabilities settled through an electronic payment system; ii) clarification and examples of when a financial asset meets the criterion of contractual cash flows corresponding “only to the payment of principal and interest” (“SPPI”),

such as: 1) non-recourse assets; 2) contractually linked instruments; and 3) instruments with features linked to the fulfillment of environmental, social and governance (“ESG”) targets; iii) new disclosure requirements for instruments with contractual terms that may alter cash flows in terms of period and value; and iv) new disclosures required for equity instruments designated at fair value through other comprehensive income. These changes apply on the date they become effective without restatement of the comparative.

b. Amendment to IFRS 9 and IFRS 7 - Contracts related to nature-dependent electricity

Concerning the accounting of power purchase agreements for electricity generated from renewable sources from renewable sources with regard to i) clarification of the application of the ‘own use’ requirements ii) the permission to apply hedge accounting if renewable energy contracts are designated as contracts are designated as hedging instruments; and iii) the addition of new disclosure requirements on the entity’s financial performance and cash flows entity.

c. Annual Improvements to International Financial Reporting Standards (volume 11) - Various clarifications to: IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

d. IFRS 18 – Presentation and Disclosure of Financial Statements - While maintaining many of the existing principles of IAS 1, IFRS 18 places greater focus on specifying a structure for the income statement, made up of mandatory categories and subtotals. Income statement items will be classified into one of three categories: operating, investment, or financing. Specified subtotals and totals will be required, the main change being the mandatory inclusion of the subtotal “Operating income”. This standard also includes improvements in the disclosure of management performance measures, including reconciliation with the closest subtotal required by IFRS. This standard also reinforces the guidance on the principles of aggregation and disaggregation of the information contained in the financial statements and respective notes, based on their shared characteristics. This standard applies retrospectively.

e. IFRS 19 – Subsidiaries without public accountability: disclosures - IFRS 19 is a voluntary standard that allows eligible subsidiaries to use IFRS with reduced disclosure requirements. IFRS 19 is a standard that only deals with disclosures and is applied in conjunction with the requirements of the other IFRS for the purposes of recognition, measurement and presentation. A subsidiary is considered eligible if (i) it is not subject to the obligation to publicly report financial information; and (ii) the parent entity prepares consolidated financial statements for public reporting, in accordance with IFRS. IFRS 19 may be applied by eligible subsidiaries in preparing their own consolidated, separate or individual financial statements. The presentation of full comparative information is mandatory unless any exemption applies.

These amendments and standards have not yet been adopted by the European Union and, as such, were not applied by the Bank in the year ended December 31, 2024.

Regarding these standards and interpretations, issued by the IASB but not yet approved by the European Union, it is not expected that their future adoption will have a significant impact on the financial statements.

2.4. Use of estimates in the preparation of financial statements

The preparation of the financial statements requires the preparation of estimates and the adoption of assumptions by the Bank’s Management, which affect the value of the assets and liabilities, revenues and costs, as well as the contingent liabilities disclosed. In making these estimates, Management used its judgment, as well as the information available on the date of preparation of the financial statements. Consequently, the future values realized may differ from the estimates made.

The situations where the use of estimates is most significant are as follows:

Continuity of operations

The Bank’s financial statements have been prepared on a going concern basis, based on the arguments described in Chapter 06 - Future Prospects of the Management Report and other notes in this Appendix.

Fair value of financial instruments not listed on active markets

When the fair value of financial instruments cannot be determined through prices (marked to market) on active markets, it is determined through the use of valuation techniques that include mathematical models (marked to model). The input data in these models is, whenever possible, observable market data, but when this is not possible a degree of judgment is required to establish fair values, namely in terms of liquidity, correlation and volatility.

In the specific case of investment fund units held by the Bank, these are classified in level 3 of the fair value hierarchy and valued based on the NAV (“Net Asset Value”) disclosed by the respective management companies.

Impairment losses on financial assets at amortized cost and debt instruments at fair value through other comprehensive income

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

Significant increase in credit risk

Impairment losses correspond to expected losses in the event of default over a 12-month time horizon for stage 1 assets and expected losses considering the probability of a default event occurring at some point up to the maturity date of the financial instrument for stage 2 and 3 assets. An asset is classified as stage 2 whenever there has been a significant increase in its credit risk since its initial recognition. In assessing the existence of a significant increase in credit risk, the Bank considers qualitative and quantitative information that is reasonable and sustainable.

Definition of asset groups with common credit risk characteristics

When expected credit losses are measured on a collective basis, financial instruments are grouped based on common risk characteristics. The Bank monitors the adequacy of the credit risk characteristics on a regular basis to assess whether they remain similar. This procedure is necessary to ensure that, in the event of a change in credit risk characteristics, the segmentation of assets is reviewed. This review may result in the creation of new portfolios or the transfer of assets to existing portfolios that better reflect their credit risk characteristics.

Probability of default

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

In estimating expected credit losses, the Bank uses forward-looking information based on market data from issuers or similar instruments, credit default swaps (CDS) and market yields, which include this information.

Loss due to non-compliance

The loss given default rate (LGD) corresponds to the percentage of debt that will not be recovered in the event of customer default. The LGD is calculated on the basis of market information, taking into account the cash flows associated with operations from the moment of default until they are settled or until there are no relevant expectations of recovery.

Tax on profits

The Bank is subject to income tax in Portugal. Determining the overall amount of income tax requires certain interpretations and estimates. There are various transactions and calculations for which the determination of the final amount of tax payable is uncertain during the normal business cycle.

Other interpretations and estimates could result in a different level of tax on current profits recognized in the period. The Portuguese tax authorities are responsible for reviewing the Bank’s calculation of its taxable income over a four-year period. As such, it is possible that there may be corrections to the tax base, mainly because of differences in the interpretation of tax legislation. However, the Board of Directors is confident that there will be no significant corrections to the taxes on profits recorded in the financial statements.

The Bank assesses on each financial year the possibility of recognizing deferred tax assets arising from temporary differences, and deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available to allow their utilization.

Rentals

In determining the lease term, the Board of Directors considers all the facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if it is reasonably certain that the lease will be extended (or not terminated).

2.5. Foreign currency transactions

Transactions in foreign currency are recorded based on the exchange rates contracted on the date of the transaction. Monetary assets and liabilities expressed in foreign currency are converted into Euro, which is the Bank’s functional currency, at the exchange rate in force on the balance sheet date. Non-monetary items that are valued at fair value are converted at the exchange rate in force on the date of the last valuation. Non-monetary items held at historical cost are held at the original exchange rate.

Exchange differences arising on translation are recognized as gains or losses for the period in the income statement, apart from those arising on non-monetary financial instruments classified as at fair value through profit or loss, which are recorded against a specific equity item until the asset is sold.

2.6. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include domestic and foreign currency, cash on hand, demand deposits with central banks, demand deposits with other banks in Portugal and abroad, and checks drawn on other banks. Cash and cash equivalents include amounts with maturities of up to 3 months and with a low risk of fluctuation in fair value.

2.7. Financial instruments

2.7.1. Initial recognition and measurement of financial instruments

Purchases of financial assets and financial liabilities that involve the delivery of assets in accordance with the deadlines established by regulation or market convention are recognized on the transaction date, i.e. the date on which the purchase or sale commitment is made.

The classification of financial instruments on the initial recognition date depends on their characteristics and business model. All financial instruments are initially measured at fair value plus the costs directly attributable to the purchase or issue, except in the case of assets and liabilities at fair value through profit or loss where such costs are recognized directly in profit or loss.

2.7.2. Subsequent measurement of financial assets

The Bank classifies financial assets in accordance with the classification and measurement requirements of IFRS 9, in which financial instruments are classified based on the business models used to manage the respective financial instrument and the contractual characteristics of the respective cash flows (through a test called “SPPI - *Solely Payments of Principal and Interest*”). There are three alternative business models:

- A debt financial instrument that (i) is managed under a business model whose objective is to hold the financial assets in portfolio and receive all their contractual cash flows and (ii) has contractual cash flows on specific dates that correspond exclusively to the payment of principal and interest on the outstanding principal - must be measured at amortized cost, unless it is designated at fair value through profit or loss under the “Hold to Collect” fair value option.

- A debt financial instrument that (i) is managed under a business model whose objective is achieved either through the receipt of contractual cash flows or through the sale of the financial assets and (ii) contains contractual clauses that give rise to cash flows that correspond exclusively to the payment of principal and interest on the outstanding principal - must be measured at fair value through other comprehensive income (“FVTOCI”), unless it is designated at fair value through profit or loss under the fair value option - “Hold to Collect & Sale”.
- All other financial instruments that do not meet the “Hold to Collect” or “Hold to Collect and Sell” criteria must be measured at fair value through profit or loss (“FVPL”).

The assessment of the business model to be considered requires judgment at the initial measurement date. As part of this assessment, the Bank considers quantitative factors (for example, the expected frequency and volume of sales) and qualitative factors, such as how the performance of the business model and the financial assets held within that business model are assessed and reported to the Bank’s management bodies.

In addition to taking into account the risks that affect the performance of the business model and the financial assets held within that business model, in particular, the way in which these market and credit risks are managed, and how the business managers are compensated (for example, whether remuneration is based on the fair value of the assets managed or based on the contractual cash flows obtained), this assessment may result in the reclassification of assets to a “Hold to Collect” or “Hold to Collect and Sell” model or another business model.

If the Bank holds a financial asset classified under the “Hold to Collect” or “Hold to Collect and Sell” business model, an assessment is required at initial recognition to determine whether the contractual cash flows of the

financial asset meet the SPPI criteria on the recorded balance. The contractual cash flows that meet the SPPI criteria in relation to the recorded balance must be consistent with a basic loan agreement.

The interest in a basic loan agreement corresponds to the time value of money and the credit risk associated with the value of the balance recorded over a given period. It may also include consideration of other basic loan risks (e.g. liquidity risk) and costs (e.g. administrative costs) associated with maintaining the financial asset for a given period of time, and a profit margin consistent with a basic loan agreement.

Financial assets at fair value through profit or loss — Financial assets are classified at fair value through profit or loss if they are held under the “Held for Trading” business model or if they do not meet the criteria for classification under the “Hold to Collect” or “Hold to Collect and Sell” model. In addition, this category may include financial assets that meet the criteria for classification in a “Hold to Collect” or “Hold to Collect and Sell” model, but where the financial asset does not meet the SPPI criteria, or where the Bank has determined specific classification in this category.

Financial assets classified as financial assets at fair value through profit or loss are measured at fair value with realized and unrealized gains and losses recorded under net gains/losses on financial assets/liabilities at fair value through profit or loss. Interest in interest-bearing assets, such as commercial loans and debt securities, is shown under interest and similar income.

Financial assets measured at fair value through profit or loss are recognized or derecognized on the trade date, under the headings specified below, the trade date being the date on which the Bank undertakes to buy or sell the asset:

Financial assets held for trading — Financial assets are classified as held for trading if they were originated, acquired, or obtained primarily for the purpose of sale or repurchase in the near future, or are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Trading assets include debt and equity securities, derivatives held for trading purposes and commercial loans.

Non-trading financial assets mandatorily accounted for at fair value through profit or loss — The Bank considers any financial asset that is not held for trading and does not meet the criteria for classification in a “Hold to Collect” or “Hold to Collect and Sell” model in the “Other” business model and classifies it as a non-trading financial asset mandatorily accounted for at fair value through profit or loss. This predominantly includes shares in companies that are held and managed based on fair value criteria. In addition, any financial asset that meets the criteria for classification in a “*Hold to Collect*” or “*Hold to Collect and Sell*” model but whose contractual cash flows do not meet the SPPI criteria is classified by the Bank as a Non-trading financial asset mandatorily accounted for at fair value through profit or loss.

Financial assets accounted for using the fair value through profit or loss option — Certain financial assets, which would subsequently be measured at amortized cost or at fair value through other comprehensive income, may be recorded at fair value through profit or loss if this recording eliminates or significantly reduces a measurement or recognition inconsistency. The possibility of using this option under IFRS 9 is limited.

Financial assets at fair value through other comprehensive income — A financial asset is classified and measured at fair value through other comprehensive income (“FVOCI”), if the financial asset is held in a “Hold to Collect” or “Hold to Collect and Sell”

model, and if the contractual cash flows meet the SPPI criteria, unless it is designated at fair value through profit or loss under the fair value option.

Under the FVOCI criterion, a financial asset is measured at fair value, with any changes recognized in Other Comprehensive Income (OCI) and assessed for impairment in accordance with the credit loss model set out in IFRS 9 in the case of debt instruments. The currency translation effect for assets recorded under the FVOCI criterion is recognized in profit or loss, as is the interest component, using the effective interest method. The amortization of premiums and the accrual of discounts are recorded under interest income and expenses. Realized gains and losses are recorded in net gains/losses on financial assets in FVOCI. Generally, the weighted average cost method is used to determine the cost of FVOCI financial assets.

Financial assets classified as *FVOCI* are recognized or derecognized on the trade date, the trade date being the date on which the Bank commits to buy or sell the asset.

Financial assets at amortized cost — A financial asset is classified and subsequently measured at amortized cost if the financial asset is held in a “Hold to Collect” model and the contractual cash flows comply with the SPPI criteria.

Under this measurement category, the financial asset is measured at fair value on initial recognition. Subsequently, the carrying amount is reduced for principal payments, plus or minus accumulated amortization using the effective interest method. The financial asset is assessed for impairment in accordance with the expected credit loss model under IFRS 9. Financial assets measured at amortized cost are recognized on the settlement date.

Financial assets at amortized cost predominantly include loans at amortized cost and other receivables presented under Other Assets.

2.7.3. Modification of financial assets

Whenever the terms of a financial asset are renegotiated or modified and the modification does not result in derecognition, a gain or loss is recognized in the income statement, corresponding to the difference between the original contractual cash flows and the modified cash flows discounted at the original effective rate. The modified financial asset will continue to accrue interest in the original registration account.

Commercial or non-credit related renegotiations, where there is no significant increase in the debtor’s credit risk since the origin of the contract and there is a readily exercisable right to terminate the financial asset early, result in the derecognition of the original contract and recognition of a new financial asset based on the negotiated commercial terms.

For credit-related modifications (modifications due to a significant increase in credit risk since the origin of the contract) or where the debtor does not have the right of early termination, the Bank assesses whether the modified terms result in a significantly modified and, consequently, derecognized financial asset.

This assessment includes a quantitative assessment of the impact of the change in cash flows from the modification of the contractual terms and, additionally and whenever necessary, a qualitative assessment of the impact of the change in the contractual terms. Whenever it is concluded that these modifications are not significant, the financial asset is not derecognized and is recorded as a modification, as described above.

If it is concluded that the changes are significant, the previous financial asset is derecognized and a new financial asset is recognized. Whenever a change results in the recognition of a new financial asset, the date of the change is the date of initial recognition of the new financial asset. The Bank recognizes a provision for losses based on expected credit losses for 12 months at each date of preparation of the financial statements.

However, if after a modification that results in the derecognition of the original financial asset, there is evidence that the new financial asset is credit-impaired at initial recognition, the new financial asset should be recognized as a credit-impaired financial asset, originated, and initially classified in stage 3.

2.7.4. Impairment of financial assets

The impairment requirements of IFRS 9 apply to all credit exposures that are measured at amortized cost or FVOCI, to off-balance loan commitments, such as loan commitments and bank guarantees, and other assets. For the purposes of the impairment policy described below, these instruments are referred to as “financial assets”.

Impairment is determined based on the expected credit loss model, whereby impairment is recorded on the date of initial recognition of the financial asset, based on expectations of potential credit losses at the time of initial recognition.

— Step-by-step approach to determining expected credit impairment losses

IFRS 9 introduces a three-stage approach to determining impairment for financial assets that do not show credit losses at the date of origination or purchase. This approach can be summarized as follows:

Stage 1: financial assets are classified as stage 1 whenever there is no significant increase in credit risk from the date of their initial recognition. For these assets, the expected credit impairment loss resulting from default events occurring during the 12 months after the reporting date must be recognized in the income statement;

Stage 2: incorporates financial assets in which there has been a significant increase in credit risk since the date of their initial recognition. For these financial assets, an expected credit loss (“ECL”) is calculated

and expected credit impairment losses are recognized over the life of the assets (“lifetime”). However, interest will continue to be calculated on the gross amount of the asset. Impairment for credit losses is higher in this stage due to the increased credit risk and the impact of considering a longer time period, compared to the 12 months considered in stage 1;

Stage 3: assets classified in this stage present objective evidence of impairment on the reporting date, because of one or more events that have already occurred and resulted in a loss. In this case, the expected credit impairment loss will be recognized in the income statement over the expected residual life of the financial assets. Interest is calculated on the net book value of the assets.

— Significant increase in credit risk

In accordance with IFRS 9, for the purposes of monitoring and determining the significant increase in the credit risk of a financial asset since initial recognition, the Bank considers reasonable and supports information that is relevant and available without excessive cost or effort.

This includes quantitative and qualitative information based on the Bank’s historical experience, credit risk assessment and forward-looking information (including macroeconomic factors). The assessment of significant credit deterioration is key to determining when to move from measuring a loss based on 12-month ECLs to a measurement based on ECLs over the life of the assets (i.e. transferring from stage 1 to stage 2).

The Bank’s framework for determining whether there has been a significant increase in credit risk is aligned with the internal Credit Risk Management (“CRM”) process and covers indicators related to the process and rating (Note 27).

— Financial assets with credit impairment at stage 3

The Bank has aligned its definition of credit impairment under IFRS 9 to when a financial asset goes into default for regulatory purposes.

The determination of whether a financial asset is in default, and therefore *stage 3*, focuses exclusively on the risk of default, without considering the effects of credit risk mitigants such as guarantees or collateral. Specifically, a financial asset is stage 3 credit impaired when:

- The Bank considers that the debtor is unlikely to pay its credit obligations to the Bank; or
- Contractual payments of principal or interest by the debtor are more than 90 days overdue.

For financial assets classified as *stage 3*, the *ECL* value contemplates the amount of loss that the Bank estimates it will incur, and *ECLs* are *estimated* on a case-by-case basis. This estimate includes the use of discounted cash flows that are adjusted for the different recovery scenarios.

Forecasts of forward-looking information and future economic conditions are also considered when calculating *ECLs*. Expected lifetime losses are estimated based on the probability-weighted present value of the difference between the contractual cash flows due to the Bank under the terms of the contract and the cash flows the Bank expects to receive.

— Guarantee and collateral for financial assets considered in the impairment analysis

IFRS 9 requires that the expected cash flows of the guarantee, collateral and other credit risk mitigants be reflected in the *ECL* calculation. The main aspects to consider in relation to guarantees and collateral in this context are:

- Eligibility of guarantees, i.e. which guarantees should be taken into account when calculating the *ECL*;
- Collateral valuation, i.e. what collateral value (settlement) should be used; and

- Projection of the amount of collateral available over the life of a transaction.

2.7.5. Subsequent measurement of financial liabilities

An instrument is classified as a financial liability when there is a contractual obligation for it to be settled by the delivery of cash or another financial asset, regardless of its legal form.

At the time of their initial recognition, financial liabilities are classified in one of the following categories: i) Financial liabilities held for trading or ii) Financial liabilities at amortized cost.

— Financial liabilities held for trading

This heading includes liabilities issued for the purpose of repurchase in the short term, those which form part of a portfolio of identified financial instruments and for which there is evidence of a recent pattern of short-term profit-taking, or which fall within the definition of a derivative (except in the case of a derivative classified as a hedge).

Derivative financial liabilities and short sales are recognized at fair value in the balance sheet. Gains and losses resulting from changes in the fair value of these instruments are recognized directly in the income statement.

— Financial liabilities at amortized cost

This heading includes non-derivative financial liabilities, which include deposits and resources from other credit institutions, deposits from other customers and other liabilities.

These liabilities are recorded (i) initially at fair value, plus transaction costs incurred and (ii) subsequently measured at amortized cost, based on the effective interest rate method.

Interest on financial liabilities at amortized cost is recognized under “Interest and costs paid”, based on the effective interest rate method.

2.7.6. Derecognition of financial assets and liabilities

— Financial assets

A financial asset (or when applicable a part of a financial asset or part of a group of financial assets) is derecognized when:

- The rights to receive cash flows from the asset expire; or
- The rights to receive the cash flows have been transferred, or an obligation has been assumed to pay the cash flows receivable in full without significant delay to a third party under a pass-through arrangement; and
- The risks and rewards of the asset have been substantially transferred, or the risks and rewards have not been transferred or retained, but control over the asset has been transferred.

If the rights to receive the cash flows are transferred or a pass-through agreement has been entered into, and substantially all the risks and rewards of the asset have not been transferred or retained, nor has control over it been transferred, the financial asset is recognized to the extent of the continuing involvement, which is measured at the lower of the asset’s original value and the maximum amount of payment that the Bank can be required to make.

When the continuing involvement takes the form of a call option on the transferred asset, the extent of the continuing involvement is the amount of the asset that can be repurchased, except in the case of a put option measurable at fair value, where the value of the continuing involvement is limited to the lower of the fair value of the asset and the exercise price of the option.

— Financial liabilities

Financial liability is derecognized when the underlying obligation expires or is cancelled. When an existing financial liability is replaced by another with the same counterparty on terms substantially different from those initially established, or the initial terms are substantially altered, this replacement or alteration is treated as a derecognition of the original liability and the recognition of a new liability and any difference between the respective amounts is recognized in the income statement. Reclassification of financial liabilities are not permitted.

2.8. Fair value of assets and liabilities

Financial instruments carried on the balance sheet at fair value are measured according to valuation techniques and assumptions, which correspond to different levels of fair value, according to the fair value hierarchy defined by IFRS 13 - Fair value.

Level 1: This category includes, in addition to those admitted to trading on a regulated market, financial instruments valued based on prices/quotations on active markets.

Level 2: Financial instruments that are not traded on an active market or that are valued using valuation methodologies based on observable market data for financial instruments with identical or similar characteristics are considered level 2.

Level 3: Financial instruments are classified as level 3 whenever they do not meet the criteria to be classified as level 1 or level 2, or their value results from the use of information that is not observable in the market, namely:

- a. financial instruments not admitted to trading on a regulated market, which are valued using valuation models and there is no generally accepted consensus in the market on the criteria to be used, namely:

 - valuation based on the “*Net Asset Value*” of non-harmonized funds, updated and disclosed by the respective management companies;
 - valuation made based on indicative prices disclosed by the entities that participated in the issue of certain financial instruments, without an active market; or,
 - assessment based on impairment tests, using performance indicators of the underlying operations (e.g. degree of protection by subordination to the tranches held, delinquency rates of the underlying assets, ratings evolution, etc.)
- b. financial instruments valued using indicative purchase prices based on theoretical valuation models published by specialized third parties.

2.9. Non-current assets held for sale

Non-current assets are classified as held for sale whenever it is determined that their book value will be recovered through sale. This condition only applies when the sale is highly probable, and the asset is available for immediate sale in its current state. The sale must take place no later than one year after classification under this heading. An extension of the period during which the sale is required to be completed does not exclude an asset (or Bank for sale) from being classified as being held for sale if the delay is caused by events or circumstances beyond the Bank’s control and the commitment to sell the asset is maintained.

The Bank records as non-current assets held for sale financial holdings which it intends and expects to sell in the short term (1 year). The Bank also records real estate received in repayment of own loans under this heading.

Assets recorded in this category are valued at the lower of acquisition cost and fair value, determined based on independent expert valuations, less costs to be incurred on sale, or on the basis of their sale price already agreed with a third party. These assets are not depreciated.

In cases where assets classified in this category no longer meet the conditions for immediate sale, these assets are reclassified to the headings applicable to their nature.

2.10. Tangible fixed assets

The tangible fixed assets heading includes real estate for own use, vehicles and other equipment.

Properties used by the Bank to carry out its activities are classified as own-service properties. Own-service properties are valued at historical cost, less subsequent depreciation.

The remaining tangible fixed assets are recorded at cost, less subsequent depreciation and impairment losses. Repair and maintenance costs and other expenses associated with their use are recognized as costs when they occur.

Tangible fixed assets are depreciated on a straight-line basis, according to their expected useful life, which is:

Real Estate	[10 – 50] years
Vehicles	[3 – 4] years
Other Equipment	[2 – 15] years

Depreciation of improvements built on third-party property is depreciated at the lower of its useful life and the contractual occupation period estimated by the Board of Directors.

A tangible asset is derecognized when it is sold or when no future economic benefits are expected from its use or sale. On the date of derecognition, the gain or loss calculated by the difference between the net sale value and the net book value is recognized in the income statement under “Other operating income”.

2.11. Intangible assets

Intangible assets, which essentially correspond to software, are recorded at acquisition cost, less accumulated amortization, and impairment losses. Amortization is recorded on a straight-line basis over the estimated useful life of the assets, which is currently between 3 and 8 years.

Intangible assets may include amounts of capitalized internal expenses, namely for the internal development of software. For this purpose, expenses are only capitalized from the moment the conditions set out in IAS 38 are met, namely the requirements inherent in the development phase.

Investment properties are derecognized when they are sold or when future economic benefits are no longer expected from holding them. On disposal, the difference between the net disposal value and the amount of the asset recorded is recognized in the income statement in the period of disposal.

2.12. Leases

On the start date of each contract, the Bank assesses whether the scope of the contract corresponds to a lease or whether it contains a lease. A lease is defined as a contract, or part of a contract, through which the right to control the use of an identifiable asset is assigned, for a certain period, in exchange for consideration.

To determine whether a contract grants the right to control the use of an identifiable asset for a certain period, the Bank assesses whether, during the period of use of the asset, it cumulatively has: i) the right to obtain substantially all the economic benefits derived from the use of the identifiable asset; and ii) the right to control the use of the identifiable asset.

Recognition

The Bank recognizes a right-of-use asset and a lease liability on the effective date of the lease contract.

The asset under the right of use is initially measured at cost, which comprises the initial value of the lease liability adjusted by any lease payments made on or before the effective date of the lease, in addition to any initial direct costs incurred, as well as an estimate of the costs of dismantling and removing the underlying asset (if applicable), less any incentive obtained.

Lease contracts may contain lease and non-lease components. The Bank separates the service components from the lease components, accounting for them as a single lease component when determining the lease liability.

Lease liabilities are initially recognized at the present value of the lease components of the rents not yet paid on the date the lease contract enters into force, discounted at the implicit interest rate, or if this rate cannot be easily determined, using the Bank’s incremental interest rate.

The lease payments included in the measurement of the lease liability correspond to the fixed payments less any incentives receivable.

To determine the lease term, the Board of Directors considers all the facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Most extension options are not included in the lease liability. The term is revised only if a significant event or a significant

change in circumstances occurs which affects this assessment and which is under the control of the lessee.

The Bank opted to record low-value, short-term leases as expenses for the year when incurred, for the entire term of the lease, as provided for in the IFRS 16 application regime.

Subsequent measurement

Right-of-use assets are measured according to the cost model with depreciation calculated on a straight-line basis until the end of the lease term, adjusted by remeasurements of the lease liability.

Assets under right of use are tested for impairment whenever there are indicators of impairment, in accordance with IAS 36 - Impairment of assets.

The lease liability is measured at amortized cost, using the effective interest method, and is remeasured when there are changes in future payments resulting from a change in the rate or index, as well as when there are changes in the lease contracts.

Modifications to the contract are considered to occur when the Bank negotiates new conditions with the lessor regarding the scope and/or payments of the lease.

2.13. Income tax

The income or expense recognized with income taxes corresponds to the sum of the income or expense recognized with current tax and the income or expense recognized with deferred tax.

Current tax is calculated based on the tax rate in force.

The Bank records as deferred tax liabilities or assets the amounts relating to the recognition of taxes payable/recoverable in the future, arising from unused tax losses and taxable/deductible temporary differences.

Deferred tax assets and liabilities are calculated and valued on an annual basis, using the tax rates expected to be in force on the date of the reversal of the temporary differences, which correspond to the rates approved or substantially approved on the balance sheet date. Deferred tax liabilities are always recorded, except for those related to line i) the initial recognition of goodwill; or ii) the initial recognition of assets and liabilities which do not result from a business combination, and which on the date of the transaction do not affect the accounting or tax result.

Deferred tax assets are only recorded to the extent that it is probable that future taxable profits will be available to allow them to be used.

Income taxes (current or deferred) are reflected in the results for the year, except in cases where the transactions that gave rise to them have been reflected in other equity items. In these situations, the corresponding tax is also reflected against equity and does not affect the result for the year.

It should be noted that the Bank complied with the requirements for adherence to the Special Regime applicable to Deferred Tax Assets (“REAID” or “special regime”), provided for in Law 61/2014 of August 26, having recorded, as a result of this adherence, a Deferred Tax Asset (“AID”) eligible for the purposes of the regime in the total amount of €755,000, which was accounted for by reference to December 31, 2015.

Following this adhesion and the calculation of a negative net result in 2015, the Bank partially converted the aforementioned AID into a tax credit under the terms of article 6 of the special regime, in the amount of €442,000, maintaining the amount of €313,000 in deferred tax assets and, simultaneously, constituted a special reserve in favor of the State in the amount of the tax credit, increased by 10%, in the amount of €486,000 (Note 18).

As a result of the negative net income for 2016, in 2017 the Bank partially converted the AID into a tax credit,

in the amount of €65,000, maintaining the amount of €248,000 in deferred tax assets and, at the same time, set up a special reserve in favor of the State in the amount of the tax credit, increased by 10%, in the amount of €71,000 (Note 18).

As a result of the net loss for 2017, in 2018 the Bank partially converted the AID into a tax credit, in the amount of €55,000, maintaining the amount of €193,000 in deferred tax assets and, at the same time, set up a special reserve in favor of the State in the amount of the tax credit, increased by 10%, in the amount of €60,000 (Note 18).

As a result of the negative net result for 2018, in 2019 the Bank partially converted the AID into a tax credit, in the amount of €28,000, maintaining the value of €166,000 in deferred tax assets and, at the same time, set up a special reserve in favor of the State in the amount of the tax credit, increased by 10%, in the amount of €30,000 (Note 18).

As a result of the negative net result for 2019, in 2020 the Bank partially converted the AID into a tax credit, in the amount of €20,000, maintaining the amount of €145,000 in deferred tax assets and, at the same time, set up a special reserve in favor of the State in the amount of the tax credit increased by 10%, in the amount of €23,000 (Note 18).

As a result of the negative net income for 2020, in 2021 the Bank partially converted the AID into a tax credit, in the amount of €15,000, maintaining the value of €130,000 in deferred tax assets and, at the same time, set up a special reserve in favor of the State in the amount of a tax credit increased by 10%, in the amount of €16,000 (Note 18).

As a result of the net loss for 2021, in 2022 the Bank partially converted the AID into a tax credit, in the amount of €23,000, maintaining the amount of €108,000 in deferred tax assets as of December 31, 2022, and simultaneously set up a special reserve in favor of the State in the amount of the tax credit increased by 10%, in the amount of €25,000 (Note 18).

As a result of the negative net income for 2022, in 2023 the Bank partially converted the AID into a tax credit, in the amount of €15,000, maintaining the value of €93,000 in deferred tax assets, and simultaneously set up a special reserve in favor of the State in the amount of the tax credit increased by 10%, in the amount of €17,000 (Note 18).

As part of the process of continuous monitoring of the application of the REAID, namely from an economic, fiscal, legal and regulatory point of view, the Bank considered that, with reference to December 2022, the positive impacts resulting from the regime would be marginal, not justifying the context costs underlying its monitoring and control.

In this sense, and considering that the REAID is an optional regime, the Bank took the considered option of renouncing it with reference to the tax period starting on January 1, 2023.

To this end, and in compliance with the requirements of Law no. 61/2014, of August 26, the Bank submitted an application for authorization to the Bank of Portugal on November 14, 2022 (which was duly granted) and subsequently, on December 29, 2022, submitted a communication addressed to the Minister of Finance, which formalized the process of renouncing the special regime, ensuring the cessation of its application with reference to the tax period starting on January 1, 2023.

The renunciation of the REAID with reference to the 2023 tax period implied the full derecognition of the AID recorded in the accounts, in the amount of €93,000, and the respective tax base (in the amount of €412,000) was deducted from the tax result calculated in 2023, in compliance with the provisions of article 2(7) of Law 61/2024 of August 26.

Without prejudice to the above, in view of the operations to convert AID into tax credits carried out within the scope of the application of the regime, with reference to December 31, 2023, the Bank maintains a special reserve in favor of the State in its accounts for a total amount of €58,000 (Note 18).

In accordance with Article 9 of Law 61/2014 of August 26, the registration of special reserves under the REAID implies the simultaneous constitution of conversion rights attributed to the State.

In effect, and taking into account the special reserves set up under the regime, between 2015 and 2022, the Bank issued and assigned to the Portuguese State a total of 639,658 conversion rights, with a total value of €728,000, which were duly registered with Interbolsa - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A - “Interbolsa”, as detailed below:

- 404,669 conversion rights relating to the 2015 financial year, with a unit value of €1.2013 (these rights were registered with Interbolsa on December 11, 2017);
- 83,109 conversion rights for 2016, with a unit value of €0.8570 (these rights were registered with Interbolsa on December 11, 2017);
- 70,162 conversion rights for 2017, with a unit value of €0.8601 (these rights were registered with Interbolsa on October 19, 2018);
- 19,134 conversion rights for 2018, with a unit value of €1.5860 (these rights were registered with Interbolsa on July 15, 2020);
- 16,232 conversion rights for 2019, with a unit value of €1.3891 (these rights were registered with Interbolsa on March 19, 2021);
- 10,339 conversion rights for 2020, with a unit value of €1.5648 (these rights were registered with Interbolsa on February 22, 2022);
- 19,429 conversion rights for 2021, with a unit value of €1.2794 (these rights were registered with Interbolsa on February 28, 2023);

- 16,584 conversion rights for 2022, with a unit value of €1.0053 (these rights were registered with Interbolsa on March 6, 2024).

Under the REAID, the conversion rights referred to above correspond to securities that give the State the right to demand that the Bank issue and deliver ordinary shares free of charge, following the share capital increase through the incorporation of the reserve amount. However, the Bank’s shareholder has the right to acquire the conversion rights from the State, under the terms defined in Ministerial Order no. 293-A/2016, of November 18, amended by Ministerial Order no. 272/2017, of September 13 and Ministerial Order no. 60/2020, of March 5.

In the applicable cases, in which the shareholder does not exercise the potestative right to acquire the conversion rights issued and assigned to the Portuguese State within the period established for this purpose, the State may then exercise these rights and require the Bank to increase its capital by incorporating the amount of the special reserve.

In any case, in this scenario (i.e., where the shareholder does not exercise the right to purchase), the Portuguese State will be free to dispose of the conversion rights as an alternative to exercising them and carrying out the capital increase operation.

In 2024, the Bank acquired five batches of conversion rights, corresponding to the financial years 2015 to 2019 (593,306 rights - see paragraphs a) to e) above), held by the Directorate-General for Treasury and Finance (“DGTF”) on behalf of the Portuguese State, for a total price of €671,000, corresponding to the respective reference value, determined in accordance with the legal formula set out in Article 9(5) of the REAID. These rights were annulled following the acquisition.

As of December 31, 2024, the DGTF still holds on behalf of the Portuguese State, three batches of conversion

rights, corresponding to the financial years 2020 to 2022 (46,352 rights - see points f) to h) above), with an accumulated reference value of €58,000.

The Bank, in agreement with the sole shareholder, has been in regular contact with the Directorate-General for the Treasury and Finance (“DGTF”), with a view to acquiring the 3 lots of conversion rights referred to above from this entity on its own behalf, and it is therefore not expected that the State will, through the exercise of these conversion rights, carry out any capital increase in the Bank.

2.14. Provisions and contingent liabilities

A provision is set up when there is a present obligation (legal or constructive) resulting from past events where the future outflow of resources is probable and can be reliably determined. The provision corresponds to the Bank’s best estimate of any amounts that would have to be disbursed to settle the liability on the balance sheet date. If the time effect of the cost of money is significant, provisions are discounted using a pre-tax interest rate that reflects the specific risk of liability. In these cases, the increase in the provision due to the passage of time is recognized in finance costs.

If the future expenditure of resources is not probable, this is a contingent liability. Contingent liabilities are only disclosed unless the possibility of their realization is remote, except for contingent liabilities associated with the acquisition of businesses, which are recognized in accordance with IFRS 3.

As part of the Bank’s business activity, financial guarantees are provided and credit commitments made to third parties, which, being off-balance sheet items (see Note 25), and therefore contingent liabilities, can become credit exposures to be recorded on the Bank’s balance sheet. At each reporting date, the Bank assesses the potential credit risk involved in these contracts in accordance with the ECL model (see Note 2.7.4) and

whenever it estimates credit risk losses, it records the respective provision in the balance sheet.

Provisions for legal proceedings in progress, except for tax proceedings in progress with the Tax Authority in the field of income tax, are recognized when the Bank estimates that it is more likely than not that it will have to pay the amounts in dispute.

2.15. Recognition of income and costs

In general, income and costs are recognized according to the duration of the transactions, in accordance with the accrual accounting principle, i.e. they are recorded as they are generated, regardless of when they are collected or paid. Income is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Bank and the amount of revenue can be reliably measured.

For financial instruments measured at amortized cost and for debt financial instruments classified as “Financial assets at fair value through other comprehensive income”, interest is recognized using the effective interest rate method, which corresponds to the rate that exactly discounts the set of future cash receipts or payments until maturity, or until the next repricing date, to the net amount currently recorded for the financial asset or liability. When calculating the effective interest rate, future cash flows are estimated considering the contractual terms and considering all other income or charges directly attributable to the contracts.

2.16. Recognition of dividends

Dividends are recognized when their receipt by the Bank is virtually certain, to the extent that they have already been duly and formally approved by the competent bodies of the subsidiaries for distribution.

2.17. Income and charges for services and commissions

The Bank charges its customers fees for providing a wide range of services. These include commissions for the continuous provision of services, for which customers are usually charged on a periodic basis, or commissions charged for carrying out a certain significant act.

Commissions charged for services rendered during a given period are recognized over the duration of the service. Commissions related to the performance of a significant act are recognized when that act occurs.

Commissions and charges associated with financial instruments are included in their effective interest rate.

2.18. Specialization of exercises

The Bank follows the accrual accounting principle for most of the items in the financial statements. Thus, costs and income are recognized as they are generated, regardless of when they are paid or received.

2.19. Consolidation principles

The consolidated financial statements now presented reflect the assets, liabilities, income and expenses of Bison Bank and its subsidiary (Group or Bison Bank Group). The accounting policies have been applied consistently by all Group companies for the years covered by these consolidated financial statements. Subsidiaries are entities controlled by the Group.

The Group controls an entity when it has the power to direct the relevant activities of the entity, and is exposed, or has rights, to variability in the returns arising from its involvement with that entity and can seize them through the power it holds over the relevant activities

of that entity (de facto control). The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Group acquires control until the date on which control ends. The accounting policies of subsidiaries are adjusted whenever necessary to ensure that they are applied consistently by all Group companies. The accumulated losses of a subsidiary are attributed to non-controlling interests in the proportions held, which may imply the recognition of negative non-controlling interests.

There are currently no restrictions on control of the subsidiary.

Balances and transactions eliminated in consolidation

Balances and transactions between Group companies, including any unrealized gains or losses resulting from intra-group operations, are eliminated in the consolidation process, except in cases where the unrealized losses indicate the existence of impairment that should be recognized in the consolidated accounts.

2.20. Investments in subsidiaries

The consolidated financial statements include Bison Digital Assets accounts as an entity directly or indirectly controlled by Bison Bank.

In accordance with IFRS 10 – Consolidated Financial Statements, Bison Bank consider it has the rights over Bison Digital Assets returns, and ability to influence its operational activity, stablishing a *de facto* control.

The accounts of Bison Digital Assets have been consolidated using the full integration method and it's significant intragroup transactions and balances have been eliminated.

Impairment

The recoverable value of investments in subsidiaries is assessed whenever there are indicators of impairment. Impairment losses are calculated based on the difference between the recoverable value of investments in subsidiaries and their book value and are calculated using valuation methodologies based on discounted cash flow techniques, considering market conditions, time value and business risks.

Impairment losses are recorded against profit or loss and subsequently reversed through profit or loss if there is a reduction in the amount of the estimated loss in a subsequent period.

3. CONSOLIDATION PERIMETER

The entities that make up the consolidated information as of December 31, 2024, and 2023 are as follows:

31-12-2024					
Entity	Consolidation %	Consolidation Method	Net Assets	Equity	Profit (Loss) for the year
Bison Bank, S. A.	100,00%	Integral	406.440	46.235	2.453
Bison Digital Assets, S. A.	100,00%	Integral	2.468	(599)	80
31-12-2023					
Entity	Consolidation %	Consolidation Method	Net Assets	Equity	Profit (Loss) for the year
Bison Bank, S. A.	100,00%	Integral	250.220	43.263	640
Bison Digital Assets, S. A.	100,00%	Integral	2.319	(679)	(470)

On May 20th, 2022, at a meeting of the Board of Directors, it was decided to set up the Bank’s subsidiary, Bison Digital Assets, which was effectively set up on July 15, 2022, making it the only entity over which Bison Bank exercises control, and which is measured at cost and classified under “Investments in subsidiaries, associates and joint ventures” in the Bank’s individual statements.

Considering compliance with international financial reporting standards (IFRS), in terms of consolidated financial statements (IFRS 10), the Bank presents consolidated financial statements as of December 31, 2024, including the results of Bison Digital Assets.

4. SEGMENT REPORTING

Bison Bank is not an issuer of equity or debt securities that are traded on a public market, which is why it chose not to present information on business segments, as allowed by IFRS 8.

5. CASH, CASH BALANCES AT CENTRAL BANKS AND OTHER DEMAND DEPOSITS

The item is detailed as follows:

	Consolidated		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
Cash	0	0	0	0
On-Demand Deposits with Bank of Portugal	232.029	98.365	232.029	98.365
	232.029	98.365	232.029	98.365
Other Demand Deposits				
In Portugal				
Currency EUR	2.666	2.543	2.666	2.543
Currency USD	19.360	8.814	19.360	8.814
Other Currencies	442	73	442	73
Abroad				
Currency EUR	2.852	1.662	2.611	817
Currency USD	2.429	409	2.343	236
Currency GBP	3	1	3	1
Currency CHF	1	1	1	1
Other Currencies	1 668	1.293	1 668	1.294
	29.419	14.796	29.093	13.778
	261.448	113.161	261.122	112.143

Cash balances at central banks include deposits made with the Bank of Portugal to meet the requirements of the Eurosystem’s minimum reserve system. The minimum reserve is 1 % of deposits and debt securities issued with a maturity of up to 2 years, excluding

liabilities to other institutions subject to and not exempt from the same minimum reserve system and liabilities to the European Central Bank and National Central Banks participating in the euro.

The increase in cash balances at central banks is directly related to the increase in customer deposits and the reallocation of resources considering compensatory returns and risk in view of the current interest rate situation in the markets.

The amounts recorded under this heading are available for movement, except for the amounts pledged as shown below:

	31-12-2024	31-12-2023
Deposit with Millennium BCP	1.500	1.500
Deposit with Banco de Portugal	500	500
	2.000	2.000

6. FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

This item is made up of debt instruments and equity instruments, all of which are classified as held for trading, as shown below (Consolidated and Individual).

	Consolidated / Individual	
	31-12-2024	31-12-2023
Financial Assets Held for Trading		
Debt Instruments		
Issued by Residents	0	0
Issued by Non-Residents	29	24
	29	24
Financial Liabiities Held for Trading		
Exchange Rates Contracts	-	-
	-	-

7. NON-TRADING FINANCIAL ASSETS MANDATORILY ACCOUNTED FOR AT FAIR VALUE THROUGH PROFIT OR LOSS

The movements in the balance of this item in 2024 and 2023 (consolidated and individual) are as follows:

	Consolidated / Individual
	Book Value
On 1st January 2024	10.685
Acquisitions	-
Sales	-
Fair Value Variation	(323)
Exchange difference	68
On 31st December 2024	10.429
On 1st January 2023	10.733
Acquisitions	-
Sales	(12)
Fair Value Variation	(5)
Exchange difference	(32)
On 31st December 2023	10.685

The main assumptions used in the valuation of instruments representing unlisted capital are:

- Shares in Funds - quotation based on the latest NAV provided by the respective management company for the units acquired up to the date of that quotation, which may be subject to analysis and the application of a haircut.
- Securities received in lieu of payment - 100% impairment recorded on the balance sheet value if there is no prospect of recoverability. The prospects of recoverability are determined based on individual analyses carried out internally.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The operations in the balance of this item in 2024 and 2023, are as follows:

	Consolidated / Individual
	Book Value
On 1st January 2024	116.180
Acquisitions	133.699
Alienation - Sale Instruments	-
Alienation/reimbursement - Debt Instruments	(141.145)
Debt Instruments fair Value Variation	1.285
Equity Instruments fair Value Variation	-
Accrued Interest Variation	679
Exchange Difference	30
On 31st December 2024	110.727
On 1st January 2023	98.362
Acquisitions	236.239
Alienation - Sale Instruments	-
Alienation/reimbursement - Debt Instruments	(221.563)
Debt Instruments fair Value Variation	2.860
Equity Instruments fair Value Variation	-
Accrued Interest Variation	282
Exchange Difference	-
On 31st December 2023	116.180

The changes in acquisitions and disposals maintained the underlying rationale of the portfolio in terms of liquidity reserves, mostly made up of highly liquid and rated securities. In this sense, the transactions were intended to take advantage of market opportunities, promoting investment under more favorable conditions, while maintaining the portfolio's overall profile.

As of December 31st, 2024 and 2023, the breakdown of this item is as follows:

	Consolidated / Individual	
	31-12-2024	31-12-2023
Debt Instruments		
Issued by Residents	56.589	59.331
Issued by Non-Residents	54.138	56.849
	110.727	116.180

The acquisitions recorded in 2024 refer to the subscription of bonds issued by government and private entities, both domestic and foreign, with a rating between BBB- and AA, and the fixed and variable remuneration rates range from 2.86% to 5.99%.

The purchases registered in 2023 refer to the subscription of bonds issued by domestic and foreign private entities, with a rating between BB and BBB, and the fixed and variable remuneration rates range from 0.67% to 7.25%.

9. FINANCIAL ASSETS AT AMORTIZED COST

As of December 31st, 2024, and 2023, this item is broken down as follows at consolidated and individual level:

	31-12-2024	31-12-2023
Internal Credit		
Corporate		
Other loans	-	-
Overdrafts and demand deposits	81	101
Private		
Overdrafts and demand deposits	-	-
Foreign Loans		
Private	-	-
Others	-	-
	81	101
Overdue Loans and Interest	-	1
	81	102
Debt Instruments	12.034	1
	12.115	102
Impairment	(34)	(7)
	12.081	95

	31-12-2024	31-12-2023
Internal Credit		
Overdrafts and on demand deposits	81	101
Overdue loans and interest	-	1
Debt Instrument	12.034	-
	12.115	102
Impairment	(34)	(7)
	12.081	95

On December 31st, 2024, there was a portfolio of €81,000,000 of overdue loans and interest, maturing in between 36 and 48 months.

On December 31st, 2023, there was a portfolio of €101,000 of overdue loans and interest maturing between 24 and 30 months.

	Amount	
Period (months)	31-12-2024	31-12-2023
<= a 3m	-	-
> 03m <= 06m	-	-
> 06m <= 09m	-	-
> 09m <= 12m	-	-
> 12m <= 15m	-	-
> 15m <= 18m	-	-
> 18m <= 24m	-	-
> 24m <= 30m	-	101
> 30m <= 36m	-	-
> 36m <= 48m	81	-
> 48m <= 60m	-	-
> 60m	-	-
Without Maturity	-	1
TOTAL	81	102

10. TANGIBLE FIXED ASSETS

The Group’s tangible fixed assets as of December 31st, 2024, and 2023 are summarized as the tangible fixed assets of Bison Bank, as shown in the following table its breakdown and movement during the year:

	Consolidated / Individual									
	31-12-2023			Movements occurred in 2024				31-12-2024		
Description	Gross Amount	Amortization	Net Amount	Acquisitions	Write-offs Gross Amount	Amortization for the year		Gross Amount	Amortization	Net Amount
Other Tangible Assets										
Real Estate Properties										
Assets under Financial Lease	1.289	(188)	1.101	1.368	(1.280)	405	(455)	1.377	(238)	1.139
	1.289	(188)	1.101	1.368	(1.280)	405	(455)	1.377	(238)	1.139
Equipment										
Office Furniture and Material	280	(268)	12	-	-	-	-	280	(268)	12
Machinery and Tools	20	(17)	3	10	-	-	(2)	30	(19)	11
IT Equipment	239	(216)	23	24	-	-	(18)	263	(233)	30
Inner Facilities	18	(6)	12	16	-	-	(3)	34	(9)	25
Transport Equipment	-	-	-	-	-	-	-	-	-	-
Assets Under Financial Lease - Cars	254	(204)	50	492	(202)	197	(72)	544	(79)	465
Security Equipment	25	(15)	10	-	-	-	(3)	24	(18)	7
Other Equipment	24	(24)	-	-	-	-	-	24	(24)	-
	859	(750)	110	542	(202)	197	(97)	1.200	(650)	549
	2.148	(937)	1.211	1.910	(1.482)	602	(553)	2.577	(888)	1.689

The movement in the previous period was as follows:

	Consolidated / Individual									
	31-12-2022			Movements occurred in 2023				31-12-2023		
Description	Gross Amount	Amortization	Net Amount	Acquisitions	Write-offs Gross Amount	Amortization for the year		Gross Amount	Amortization	Net Amount
Other Tangible Assets										
Real Estate Properties										
Assets under Financial Lease	2.011	(1.678)	333	1.279	(2.002)	1.932	(440)	1.289	(188)	1.101
	2.011	(1.678)	333	1.279	(2.002)	1.932	(440)	1.289	(188)	1.101
Equipment										
Office Furniture and Material	280	(268)	12	-	-	-	-	280	(268)	12
Machinery and Tools	20	(17)	3	-	-	-	-	20	(17)	3
IT Equipment	221	(202)	19	18	-	-	(14)	239	(216)	23
Inner Facilities	12	(5)	7	6	-	-	(1)	18	(6)	12
Transport Equipment	-	-	-	-	-	-	-	-	-	-
Assets Under Financial Lease - Cars	239	(180)	59	42	(27)	27	(52)	254	(204)	50
Security Equipment	25	(11)	14	-	-	-	(3)	25	(15)	10
Other Equipment	24	(24)	-	-	-	-	-	24	(24)	-
	821	(707)	114	66	(27)	27	(71)	859	(750)	110
	2.832	(2.385)	447	1.345	(2.029)	1.959	(511)	2.148	(937)	1.211

The acquisitions relating to 2024, recorded under “Assets under right of use”, relate to renewals of the Bank’s real estate and motor vehicle leasing contracts.

11. INTANGIBLE ASSETS

The movements in intangible assets in the years ended December 31, 2024, and 2023 were as follows:

Description	Consolidated								
	31-12-2023			Movements occurred in 2024			31-12-2024		
	Gross Amount	Amortization	Net Amount	Acquisitions	Transfers	Amortization	Gross Amount	Amortization	Net Amount
Intangible Assets									
Software	10.067	(9.535)	532	105	37	(278)	10.209	(9.813)	395
IT Projects in Development	279	-	279	220	(37)	-	462	-	462
	10.347	(9.535)	812	325	(1)	(278)	10.670	(9.813)	857
Intangible assets	31-12-2022			Movements occurred in 2023			31-12-2023		
	Gross Amount	Amortization	Net Amount	Acquisitions	Transfers	Amortization	Gross Amount	Amortization	Net Amount
Software	9.648	(9.238)	410	419	59	(297)	10.067	(9.535)	532
IT Projects in Development	82	-	82	198	(59)	-	279	-	279
	9.730	(9.238)	492	617	-	(297)	10.347	(9.535)	812

Description	Individual								
	31-12-2023			Movements occurred in 2024		31-12-2024			
	Gross Amount	Amortization	Net Amount	Acquisitions	Amortization	Gross Amount	Amortization	Net Amount	
Intangible Assets									
Software	9.927	(9.506)	421	106	(202)	10.033	(9.707)	326	
IT Projects in Development	164	-	164	163	-	327	-	327	
	10.091	(9.506)	585	269	(202)	10.360	(9.707)	653	
Intangible assets	31-12-2022			Movements occurred in 2023		31-12-2023			
	Gross Amount	Amortization	Net Amount	Acquisitions	Amortization	Gross Amount	Amortization	Net Amount	
Software	9.648	(9.238)	410	278	(268)	9.927	(9.506)	421	
IT Projects in Development	-	-	-	164	-	164	-	164	
	9.648	(9.238)	410	442	(268)	10.091	(9.506)	585	

The acquisitions for 2024 and 2023 refer essentially to the investment made in the Bank’s operational software, upgrading payment systems and developing the mobile homebanking application.

12. CURRENT TAX ASSETS AND LIABILITIES

As of December 31st, 2024, and 2023, current tax assets and liabilities are exclusively related to Bison Bank and are detailed as follows:

	Consolidated / Individual	
	31-12-2024	31-12-2023
Current Tax Assets		
Special Account Payment (“Pagamento Especial por Conta”)	68	68
	68	68
Current Tax Liabilities		
Estimated Income Tax	(89)	(73)
	(89)	(73)
	(20)	(5)

Current taxes recorded in the income statement are explained in the following table:

	Consolidated		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
Profit / (Losses) before Income Tax	2.250	229	2.165	699
Corporate Income Tax and other Income Taxes	83	55	78	55
Statutory Income Tax Rate	21,00%	21,00%	21,00%	21,00%
Additional Over Statutory Income Tax Rate	1,50%	1,50%	1,50%	1,50%
Autonomous Taxation	6	3	6	3
Deferred Taxes	372	-	372	-
Total Current Income Tax	283	58	288	58

The reconciliation of the tax rate, regarding the amount recognized in the results, can be analyzed as follows:

	Individual	31-12-2024
Profit and Loss Before Taxes	%	2.165.320
Bison Bank Tax Rate	21	-
Tax AmountBbased on Bison Bank Tax Rate	-	454.717
Non-Deductible Impairment & Provisions Losses	8	173.493
Reversion of Taxed Impairment & Provisions	(22)	(465.986)
Other Additions to the Tax Assessment	7	159.400
Other Deductions from the Tax Assessment	(4)	(78.709)
Deferred Taxes	(11)	(78.071)
Other Adjustments on Tax Estimate	12	83.249
Tax Loss Deduction	(9)	(186.071)
Withholding Taxes and other Adjustments	(0)	(2.161)
State Surcharge	1	17.721
Autonomous Taxation	0	6.095
TOTAL	4	83.679

	Individual	31-12-2023
Profit and Loss Before Taxes	%	698.819
Bison Bank Tax Rate	21	-
Tax AmountBbased on Bison Bank Tax Rate	-	146.752
Non-Deductible Impairment & Provisions Losses	43	302.434
Reversion of Taxed Impairment & Provisions	(38)	(268.837)
Other Additions to the Tax Assessment	9	63.986
Other Deductions from the Tax Assessment	(18)	(128.848)
Deferred Taxes	-	-
Other Adjustments on Tax Estimate	-	-
Tax Loss Deduction	(12)	(86.615)
Withholding Taxes and other Adjustments	(7)	(49.721)
State Surcharge	-	-
Autonomous Taxation	1	3.680
TOTAL	(2)	(17.169)

13. DEFERRED TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities recorded by the Group on December 31st, 2024, and 2023 refer exclusively to Bison Bank and are summarized as follows:

	Consolidated / Individual	
	31-12-2024	31-12-2023
Deferred Tax Assets	464	93
Deferred Tax Liabilities	(213)	(118)
	252	(25)

Deferred tax assets

As of December 31st, 2024, for deductible temporary differences recorded in previous years, the Bank has recorded Deferred Tax Assets in the amount of €464,000.

The amount of deferred tax assets on December 31st, 2023 refers to the amount of deferred tax assets covered by the REAID which, at that date, had not yet been converted into a tax credit. This amount was written off in 2024 following the waiver of this special regime, as described below.

As part of the process of continuous monitoring of the application of the REAID, namely from an economic, fiscal, legal and regulatory point of view, the Bank understood that, with reference to December 2022, the positive impacts resulting from the regime would be marginal, not justifying the context costs underlying its monitoring and control.

In this sense, and considering that the REAID is an optional regime, the Bank took the option of renouncing it with reference to the tax period starting on January 1st, 2023.

To this end, and in compliance with the requirements of Law no. 61/2014, of August 26, the Bank submitted an application for authorization to the Bank of Portugal on November 14, 2022 (which was duly granted) and subsequently, on December 29, 2022, submitted a communication to the Minister of Finance, which formalized the process of renouncing the special regime, ensuring that it would cease to apply with reference to the tax period beginning on January 1, 2023.

To this end, and following the termination of the REAID, and as provided for in that same regime, the amount of deferred tax assets that is still recorded, amounting to €93,000, was then written off.

As of December 31, 2024, the Bank has recorded €464,000 in deferred tax assets for deductible temporary differences recorded in previous years.

Tax losses

Until December 31, 2022, article 52, no. 8 of the IRC code established that an entity could lose the right to deduct tax losses calculated in previous years if there was a change in the ownership of more than 50% of its share capital or the majority of voting rights and prior authorization was not obtained from the Minister of Finance.

With the resolution measure imposed on Banif, the entity that owned the Bank 100% until December 20, 2015, there was a change of more than 50% of the Bank’s share capital.

The Bank therefore submitted an application to maintain the tax losses calculated between 2012 and 2014 within the legal deadline, under the terms of article 52(12) of the Corporate Income Tax Code, which was granted.

In addition, following the acquisition of the Bank by Bison Financial, completed on July 9, 2018, and relating to the Bank’s entire share capital, there was a further change of more than 50% of the Bank’s share capital.

Once again, and in this way, the Bank submitted an application to maintain the tax losses calculated for the eligible reporting periods up to 2017, under the terms of article 52(12) of the IRC Code.

The table below details the tax losses and the associated potential deferred tax asset, which the Bank did not record, out of prudence, in its financial statements as at December 31, 2024:

Year	Reportable Tax Losses	Potential Deferred Taxes
2014	59.710	12.539
2015	17.085	3.588
2016	8.906	1.870
2017	4.216	949
2018	10.390	2.182
2019	5.395	1.133
2020	9.941	1.469
2021	6.308	1.325
2022	4.850	1.018
	123.800	26.073

14. OTHER ASSETS

As of December 31st, 2024 and 2023, this item is broken down as follows:

	Consolidated		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
Sundry Debtors				
Debtors	1.478	1.395	4.311	4.293
Margin Account	1.418	1.375	1.418	1.375
Tax Credit	20	63	20	63
Securities Pledged	351	-	-	-
Expenses with Deferred Charges	529	455	497	443
Other Active Transactions Pending Regularisation	3.277	3.281	3.277	3.281
	7.073	6.569	9.523	9.455
Impairment Losses on other Assets	(397)	(369)	(397)	(369)
	6.676	6.201	9.126	9.086

- On December 31, 2024, the following balances stand out under “Sundry Debtors”:
- i. under the heading “Debtors” in the amount of €4,311,000, the following amounts were included on December 31, 2024: i) loans provided by the bank to the subsidiary Bison Digital Assets in the amount of €2,900,000; ii) commissions for providing the service of depositary bank for investment funds, in the amount of €250,000.
 - ii. under “Margin account”, which refers to amounts with Clearnet in the amount of €1,418,000, compared to €1,375,000 recorded on December 31, 2023;
 - iii. under the heading “Sundry debtors - Tax credits”, the amount of €20,000 originates from, i) the recognition of the amount of tax credit under REAID, of which €15,000 were recognized in 2023, with the respective special reserve in favor of the state having been set up in the amount of €17,000 (see Note 18).

As of December 31st, 2024 and 2023, the amount of €3,145,000 (€3,145,000 in 2023) is recorded under “Other assets to be settled”, as a result of the sale of the Turirent Fund, the final installment of which is expected to be settled by the first half of 2025.

Impairment losses on other assets are essentially related to commissions, which have already fallen due, relating to the provision of the investment fund depositary bank service, balances of other debtors and balances of other active operations to be settled whose expected receipt is measured in accordance with the debtor’s risk assessment (Note 16).

15. DEPOSITS AND RESOURCES FROM OTHER CREDIT INSTITUTIONS AND OTHER CUSTOMERS

This item is detailed as follows:

	Consolidated		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
From Credit Institutions in Portugal				
Short Term Deposits	8.938	2.131	8.938	2.131
Term Deposits	-	-	-	-
	8.938	2.131	8.938	2.131
From Credit Institutions Abroad				
Deposits	55	348	55	348
	8.994	2.479	8.994	2.479
Deposits				
Short Term Deposits	229.472	123.921	230 960	124 980
Term Deposits	112.229	71.549	112.229	71.549
	341.700	195.470	343.188	196.529
	350.694	197.949	352.182	199.008

Time deposits on December 31, 2024, have maturities between 1 and 24 months (31.12.2023: maturities between 3 and 24 months) and a weighted average rate of return of 2.92% (31.12.2023: 3.05%).

The increase between December 31st, 2024, and 2023 mainly concerns demand deposits from investment funds, securities and real estate, and deposits from private individuals.

16. IMPAIRMENT, PROVISIONS AND CONTINGENT LIABILITIES

The movement during the year was as follows:

Description	Consolidated / Individual					
	Balance as of 31-12-2023	Reinforcements	Applications and Others	Reinstatements	Exchange Rate Differences	Balance as of 31-12-2024
Assets						
Financial Assets at fair Value Through other Comprehensive Income	475	796	0	(838)	0	434
Financial Assets at Amortised Cost	7	0	32	(5)	-	34
Other Assets	369	613	(1)	(584)	-	397
	852	1.409	31	(1.428)	0	864
Liability						
Guarantees Given and other Commitments made	2.093	-	(1.183)	-	-	910
Tax Continprovisionsgencies and other	81	241	(8)	(25)	-	289
	2.174	241	(1.191)	(25)	-	1.198
	3.026	1.650	(1.160)	(1.453)	0	2.063

The movement in the previous year was:

Description	Consolidated / Individual					
	Balance as of 31-12-2022	Reinforcements	Applications and Others	Reinstatements	Exchange Rate Differences	Balance as of 31-12-2023
Assets						
Financial Assets at Fair Value Through other Comprehensive Income	605	1.067	-	(1.195)	(1)	475
Financial Assets at Amortised Cost	1.070	8	(1 065)	(7)	-	7
Other Assets	362	198	(144)	(47)	-	369
	2.037	1.273	(1.209)	(1.249)	(1)	852
Liability						
Guarantees Given and other Commitments made	2.093	-	-	-	-	2.093
Tax Continprovisionsgencies and other	98	174	(161)	(30)	-	81
	2.191	174	(161)	(30)	-	2.174
	4.228	1.447	(1.370)	(1.279)	(1)	3.026

The verified utilization in the 2024 exercise, in the amount of €1,183,000, pertains to the legal enforcement of a guarantee provided.

The increase in tax contingencies and other provisions essentially relates to amounts associated with ongoing legal proceedings.

On December 31st, 2024, and 2023, impairments for guarantees provided correspond to the following nominal amounts recorded in off-balance sheet accounts (Note 25):

	Consolidated / Individual	
	31-12-2024	31-12-2023
Guarantees Provided (of Which)		
Financial Guarantees	1.051	1.051
Performance Guarantees	539	1.722
	1.590	2.773

Contingent liabilities arising from the Resolution Fund

The Resolution Fund is a legal person governed by public law with administrative and financial autonomy, created by Decree-Law no. 31-A/2012, of February 10, which is governed by the General Regime for Credit Institutions and Financial Companies (“RGICSF”) and its regulations and whose mission is to provide financial support for the resolution measures applied by the Bank of Portugal, in its capacity as national resolution authority, and to carry out all other duties conferred by law in the implementation of such measures.

The Bank, like most financial institutions operating in Portugal, is one of the institutions participating in the Resolution Fund, making contributions which result from the application of a rate set annually by the Bank of Portugal based essentially on the amount of its liabilities.

In 2024, the periodic contribution made by the Bank amounted to €32,000 (in 2023: €31,000), calculated based on a contribution rate of 0.032% (in 2023: 0.029%).

Resolution of Banco Espírito Santo, S.A. (BES)

As part of its responsibility as the supervisory and resolution authority for the Portuguese financial sector, on August 3rd, 2014, the Bank of Portugal decided to apply a resolution measure to Banco Espírito Santo, S.A. (“BES”), in accordance with paragraph 5 and article 145-G of the RGICSF, which consisted of transferring most of its activity to a transition bank, called Novo Banco, S.A. (“Novo Banco”), created especially for this purpose.

To pay up Novo Banco’s share capital, the Resolution Fund, as sole shareholder, provided €4.9 billion, of which €365 million corresponded to its own financial resources. A loan of €635 million was also granted by a banking syndicate to the Resolution Fund, with each credit institution’s participation weighted according to various factors, including its size. The remaining amount (€3.9 billion) came from a repayable loan granted by the Portuguese State.

Following the application of the aforementioned resolution measure, on July 7th, 2016, the Resolution Fund stated that it would analyze and evaluate the

steps to be taken following the publication of the report on the results of the independent evaluation exercise carried out to estimate the level of credit recovery for each class of creditors in the hypothetical scenario of a normal insolvency process for BES on August 3rd, 2014. Under the terms of the applicable law, if it turns out that creditors whose claims have not been transferred to Novo Banco have a higher loss than if BES had gone into liquidation immediately prior to the application of the resolution measure, these creditors are entitled to receive the difference from the Resolution Fund.

On March 31st, 2017, the Bank of Portugal announced that it had selected the Lone Star Fund for the purchase of Novo Banco, which was completed on October 17th, 2017, through the injection of €750 million by the new shareholder, to be followed by a further capital injection of €250 million, to be completed within a period of up to three years. With this operation, Novo Banco’s status as a bridge bank ended, with the Lone Star Fund now holding 75% of Novo Banco’s share capital and the Resolution Fund the remaining 25%, although without the corresponding voting rights.

On February 26th, 2018, the European Commission released the non-confidential version of the decision to approve the state aid underlying the sale of Novo Banco, which includes a contingent capitalization mechanism, under which the Resolution Fund may be called upon to make capital injections in the event of certain conditions materializing related to the performance of a restricted set of Novo Banco’s assets and the evolution of the bank’s capital levels.

This mechanism is activated on an annual basis, based on Novo Banco’s annual accounts certified by the respective auditors, with the possibility of intra-annual assessments only in the event of non-compliance by Novo Banco with prudential requirements. For the

purposes of this mechanism, the differences in the valuation of assets (positive or negative) compared to their book value, net of impairments, recorded on June 30th, 2016 (around €7.9 billion according to the information provided by Novo Banco) are considered. This includes economic losses or gains resulting, for example, from the sale of assets or the restructuring of loans, but also impairments, or their reversal, recorded by Novo Banco, in accordance with accounting standards, as well as the financing costs associated with keeping the assets on Novo Banco’s balance sheet.

Under this mechanism, own financial resources resulting from contributions paid directly or indirectly by the banking sector were used, complemented by a State loan of €430 million under the framework agreement between the Portuguese State and the Resolution Fund. According to the information provided by Novo Banco, as at 31st December 2017, the net value of the assets covered by the perimeter of the contingent capitalization mechanism amounted to around €5.4 billion.

On May 6th, 2019, the Resolution Fund made a payment of €1,149 million to Novo Banco with reference to the 2018 accounts, having used its own resources, resulting from contributions owed directly and indirectly by the banking sector, and resorted to a loan from the State in the amount of €850 million, which corresponds to the maximum annual financing limit agreed between the Resolution Fund and the State in October 2017.

In May 2020, the Resolution Fund made a payment of €1,035 million to Novo Banco with reference to the 2019 accounts, which resulted from the execution of the agreements signed in 2017, in the context of the sale of 75% of the Resolution Fund’s stake in Novo Banco and respected all the procedures and limits

defined therein, and resorted to a loan from the State in the amount of €850 million.

On May 31st, 2021, the Resolution Fund signed a new loan agreement for €475 million with a group of banks to meet the Fund’s financing needs arising from the commitments made to Novo Banco under the Contingent Capital Agreement.

This facility runs until December 31st, 2025 (and can be extended until December 31, 2026) and is limited to an absolute maximum of €3,890 million.

Banif - Banco Internacional do Funchal, S.A. (Banif) resolution measure

On December 19th, 2015, the Board of Directors of the Bank of Portugal decided to declare that Banif - Banco Internacional do Funchal, S.A. (“Banif”) was “at risk or insolvent” and to initiate an urgent resolution process of the institution in the form of partial or total sale of its activity, which materialized in the sale on December 20, 2015 to Banco Santander Totta S. A. (“Santander Totta”) of Banif’s rights and obligations, assets, liabilities, off-balance sheet items and assets under management for €150 million.

Most of the assets that were not sold were then transferred to an asset management vehicle called Oitante, S.A. (“Oitante”), created specifically for this purpose, whose sole shareholder is the Resolution Fund. Oitante issued bonds representing debt in the amount of €746 million, with a guarantee provided by the Resolution Fund and a counter-guarantee by the Portuguese State.

This operation involved public support estimated at €2.255 billion to cover future contingencies and was financed to the tune of €489 million by the Resolution Fund and €1.766 billion directly by the Portuguese State.

On July 21st, 2016, the Resolution Fund made a payment of €163,120,000 to the State as a partial early repayment of the resolution measure applied to Banif, allowing the outstanding amount to fall from €489 million to €353 million.

As of this date, the conclusions of the independent evaluation exercise carried out to estimate the level of credit recovery for each class of creditors in the hypothetical scenario of a normal Banif insolvency process on December 20th, 2015, are not yet known.

As mentioned above for BES, if it turns out that the creditors take on a greater loss than they hypothetically would have if Banif had gone into liquidation immediately before the resolution measure was applied, these creditors are entitled to receive the difference from the Resolution Fund.

Responsibilities and financing of the Resolution Fund

Following the resolution measures applied to BES and Banif and the agreement to sell Novo Banco to Lone Star, the Resolution Fund took out the loans referred to above and assumed responsibilities and contingent liabilities resulting from:

- effects of the application of the principle that no creditor of a credit institution under resolution can assume a greater loss than it would have done if the institution had gone into liquidation;
- negative effects arising from the resolution process resulting in additional liabilities or contingencies for Novo Banco that have to be neutralized by the Resolution Fund;
- lawsuits against the Resolution Fund;
- guarantee given to the bonds issued by the Issuer. This guarantee is counter-guaranteed by the Portuguese State;
- contingent capitalization mechanism associated with the sale of Novo Banco to Lone Star.

To preserve financial stability by promoting the conditions that give predictability and stability to the contribution to the Resolution Fund, the Portuguese government reached an agreement with the European Commission to change the conditions

of the loans granted by the Portuguese state and the participating banks to the Resolution Fund. To this end, an addendum to the financing contracts for the Resolution Fund was formalized, which introduced a series of changes to the repayment plans, remuneration rates and other terms and conditions associated with these loans, so that they are adjusted to the Resolution Fund’s ability to fully meet its obligations based on its regular income, i.e. without the need for special contributions or any other type of extraordinary contribution to be levied on the banks participating in the Resolution Fund.

According to the Resolution Fund’s statement of March 31, 2017, the review of the conditions of the financing granted by the Portuguese State and the participating banks aimed to ensure the sustainability and financial balance of the Resolution Fund, based on a stable, predictable and affordable burden for the banking sector. Based on this review, the Resolution Fund considered that full payment of its liabilities was assured, as well as the respective remuneration, without the need for special contributions or any other type of extraordinary contributions from the banking sector.

Notwithstanding the possibility provided for in the applicable legislation of charging special contributions, given the renegotiation of the conditions of the loans granted to the Resolution Fund by the Portuguese State and a banking syndicate, and the public announcements made by the Resolution Fund and the Office of the Minister of Finance, these financial statements reflect the Board of Directors’ expectation that the Bank will not be required to make special contributions or any other type of extraordinary contributions to finance the Resolution Fund.

Any significant changes in this regard may have significant implications for these financial statements.

17. OTHER LIABILITIES

As of December 31st, 2024 and 2023, this item details as follows:

	Consolidated		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
Creditors and other Resources	2.460	2.165	2.429	2.165
Financial Leases	1.613	1.154	1.613	1.154
Public Sector	326	207	308	207
Revenues with Deferred Income	26	0	0	0
Other Liabilities Transactions Pending Regularisation	2.265	2.154	2.177	2.058
	6.689	5.680	6.528	5.584

As of December 31st, 2024, creditors and other resources amounted to €2,429,000, of which €870,000 are related to the former Liability Management Fund, €736,000 to personnel expenses, €823,000 to accrued costs for services rendered and suppliers.

The Financial Leases heading shows the balances resulting from the application of IFRS 16 and the corresponding accounting of lease contracts by the Bank, as lessee, with the residual maturities shown in Note 27. The increase on December 31st, 2024, refers to the renewal of car leasing contracts during the 2024 financial year.

The Public Sector heading essentially includes deductions made from income, stamp duty and social security contributions.

Other liabilities to be settled in the amount of €2,177,000 (€2,058,000 as of December 31st, 2023) refer to transactions with customers, of which €1,199,000 refer to transactions pending settlement of which around €850,000 were settled in January 2025.

18. EQUITY

On December 31st, 2024, and 2023, the breakdown of Equity is as follows:

	Consolidated	
	31-12-2024	31-12-2023
Share Capital	195 198	195.198
Securities Revaluation Reserves	(386)	(1.575)
Reserves and Retained Earnings		
Legal Reserve	3 300	3.300
Other Reserves	14 115	14.115
Rights issued and Attributable to the Portuguese Government 2015 (REIAD) (Note 13)	-	486
Rights issued and Attributable to the Portuguese Government 2016 (REIAD) (Note 13)	-	71
Rights issued and Attributable to the Portuguese Government 2017 (REIAD) (Note 13)	-	60
Rights issued and Attributable to the Portuguese Government 2018 (REIAD) (Note 13)	-	30
Rights issued and Attributable to the Portuguese Government 2019 (REIAD) (Note 13)	-	23
Rights issued and Attributable to the Portuguese Government 2020 (REIAD) (Note 13)	16	16
Rights issued and Attributable to the Portuguese Government 2021 (REIAD) (Note 13)	25	25
Rights issued and Attributable to the Portuguese Government 2022 (REIAD) (Note 13)	17	17
Other Transactions - IFRS 9 Adjustment	1.161	1.161
Retained Earnings	(170.394)	(170.564)
Net Profit / (Loss) for the Year	2.533	170
	45.586	42.535

	Individual	
	31-12-2024	31-12-2023
Share Capital	195.198	195.198
Securities Revaluation Reserves	(386)	(1 575)
Reserves and Retained Earnings		
Legal Reserve	3.300	3.300
Other Reserves	14.115	14.115
Rights issued and Attributable to the Portuguese Government 2015 (REIAD) (Note 13)	-	486
Rights issued and Attributable to the Portuguese Government 2016 (REIAD) (Note 13)	-	71
Rights issued and Attributable to the Portuguese Government 2017 (REIAD) (Note 13)	-	60
Rights issued and Attributable to the Portuguese Government 2018 (REIAD) (Note 13)	-	30
Rights issued and Attributable to the Portuguese Government 2019 (REIAD) (Note 13)	-	23
Rights issued and Attributable to the Portuguese Government 2020 (REIAD) (Note 13)	16	16
Rights issued and Attributable to the Portuguese Government 2021 (REIAD) (Note 13)	25	25
Rights issued and Attributable to the Portuguese Government 2022 (REIAD) (Note 13)	17	17
Other Transactions - IFRS 9 Adjustment	1.161	1.161
Retained Earnings	(169.665)	(170.306)
Net Profit / (Loss) for the Year	2.453	641
	46.235	43.263

The value of the rights issued in favor of the State with reference to 2020 and 2022 corresponds to the value of the special reserve in favor of the State within the scope of the application of the REAID, totaling €58,000 (see note 2.14).

In 2024, the Bank acquired five batches of conversion rights identified in the table above (corresponding to the financial years 2015 to 2019 and held by the DGTF on behalf of the Portuguese State), for a total price of €671,000 - the respective reference value, determined in accordance with the legal formula set out in Article 9(5) of the REAID. These rights were annulled following the acquisition, resulting in the derecognition of the underlying reserve.

The Bank meets the minimum capital requirements with a Core Tier 1 ratio of 37.4% and a Core Total ratio of 37.4% (in 2023, the Core Tier 1 ratio was 35.3% and the Core Total ratio was 35.3%).

The revaluation reserves relate entirely to the portfolio of securities classified as financial assets at fair value through other comprehensive income.

Revaluation Reserves	
Balance at 31-12-2022	(4.225)
Reserves Emerging from the Valuation at Fair Value of the Financial Assets	2.860
Reserves Recognised in the Profit and Loss Account from the Disposal of Assets	4
Reserves Recognised in Retained Earnings from the Disposal of Assets	0
Reserves Recognised Through Deferred Taxes	(103)
Reserves Recognised in the Profit and Loss Account Through Impairment and Effective Rate Adjustment	(111)
Balance at 31-12-2023	(1.575)
Reserves Emerging from the Valuation at Fair Value of the Financial Assets	1.307
Reserves Recognised in the Profit and Loss Account from the Disposal of Assets	(22)
Reserves Recognised in Retained Earnings from the Disposal of Assets	-
Reserves Recognised Through Deferred Taxes	(95)
Reserves Recognised in the Profit and Loss Account Through Impairment and Effective Rate Adjustment	-
Balance at 31-12-2024	(386)

19. INTEREST INCOME AND EXPENDITURE

This item details as follows:

	Consolidated / Individual	
	2024	2023
Interest and Similar Income		
Interests on Financial Assets at Amortised Cost	5.799	2.630
Interests on Financial Assets held for Trading	0	8
Interests on Financial Assets Mandatorily at Fair Value Through Profit or Loss and Through other Comprehensive Income	5.022	3.751
	10.821	6.389
Interests and Similar Charges		
IFRS 16 Interests	53	23
Interests on Deposits from other Clients	3.133	818
Interests on Deposits and Liabilities from Other Credit Institutions	2	2
	3.187	843

20. INCOME FROM SERVICES AND COMMISSIONS

This item details as follows:

	Consolidated		Individual	
	2024	2023	2024	2023
Fee and Commission Income				
Rendered Services of Administration, Custodian and Securities Deposit	739	621	739	621
Securities Transactions	299	295	299	295
Cryptocurrencies Transactions	935	329	-	-
Guarantees Provided	-	-	-	-
Other Rendered Services	1.514	933	1.514	934
Marketing Commissions	732	518	732	518
Deposit Commissions	1.357	839	1.357	839
	5.577	3.535	4.642	3.207
Comission Expenses				
Banking Services Provided by Third Parties	97	122	97	122
Securities Transactions	226	173	226	173
Cryptocurrencies Transactions	57	145	-	-
Other Comission Expenses	-	-	-	-
	380	440	324	295
	5.196	3.095	4.318	2.911

21. RESULTS OF FINANCIAL OPERATIONS

This item details as follows:

	Consolidated		Individual	
	2024	2023	2024	2023
Gains on Financial Transactions				
Gains on other Financial Assets Valued at Fair Value Trough Profit and Loss	-	0	-	0
Gains on Financial Assets and Liabilities held for Trading	0	27	0	27
Gains on Financial Assets Through other Comprehensive Income	130	4	130	4
Gains on Foreign Exchange Differences	4.505	8.198	4.498	8.154
	4.635	8.228	4.627	8.185
Losses on Financial Transactions				
Losses on other Financial Assets Valued at Fair Value Trough Profit and Loss	323	(4)	323	(4)
Losses on Financial Assets and Liabilities held for Trading	(4)	142	(4)	142
Losses on Financial Assets Through other Comprehensive Income	38	-	38	-
Losses on Foreign Exchange Differences	4.261	7.947	4.261	7.947
	4.619	8.084	4.619	8.085
Profit / (Loss) from Assets and Liabilities Valued at Fair Value Through Profit and Loss	(319)	(111)	(319)	(111)
Profit / (Loss) from Derecognition of Financial Assets and Liabilities Not Measured at Fair Value	91	4	91	4
Profit / (Loss) from Foreign Exchange Differences	244	251	236	207

22. OTHER OPERATING INCOME AND EXPENSES

This item details as follows:

	Consolidated		Individual	
	2024	2023	2024	2023
Other Operating Income and Revenue	658	468	689	555
Other Operating Charges ans Expenses	(244)	(302)	(233)	(302)
Other Charges	(289)	(243)	(289)	(243)
	126	(77)	167	10

23. PERSONNEL COSTS

This item details as follows:

	Consolidated	
	2024	2023
Remuneration of Management and Supervisory Board Members	1.100	998
Remuneration of Employees		
Basic Remuneration of Employees	2.466	2.017
Holiday and Christmas	575	438
Lunch Allowance	147	101
Other Additional Remunerations	631	90
	3.819	2.646
Compulsory Social Security Charges:		
Charges Relating to Remuneration	1.037	829
Charges with Pension Funds	89	93
Other Social Security Charges	84	85
	1.209	1.007
Other Personnel Costs	114	122
	6.242	4.773

24. OTHER ADMINISTRATIVE EXPENSES

This item details as follows:

	Consolidated		Individual	
	2024	2023	2024	2023
IT	1.307	1.075	1.252	1.026
Consulting and External Auditors	461	420	416	346
Information Services	326	323	326	323
Advertising and Publications	301	191	261	160
Rentals and Leases	168	161	159	154
Retainers and Fees	319	144	319	124
Travel, Accommodation and Representation	95	122	87	115
Communications	95	74	95	74
Other Specialised Services	33	69	33	69
Personnel Training	83	39	83	39
Cleaning	37	30	37	30
Water, Energy and Fuel	30	29	28	24
Consumables	9	19	9	19
Other Administratives Costs	99	12	88	10
Maintenance and Repair	13	12	11	10
Legal, Litigation and Notary Expenses	42	5	6	5
Insurance	2	3	1	1
	3.420	2.729	3.212	2.530

	Individual	
	2024	2023
Remuneration of Management and Supervisory Board Members	1.100	998
Remuneration of Employees		
Basic Remuneration of Employees	2.198	1.776
Holiday and Christmas	522	399
Lunch Allowance	134	91
Other Additional Remunerations	596	78
	3.450	2.344
Compulsory Social Security Charges:		
Charges relating to Remuneration	945	762
Charges with Pension Funds	81	86
Other Social Security Charges	77	80
	1.103	928
Other Personnel Costs	114	122
	5.767	4.392

The increase in personnel expenses is essentially due to the effect of new hires in the Bank’s staff in 2024.

Pension fund costs correspond to the Bank’s contributions to its employees to a defined contribution pension fund managed by Real Vida Pensões, granting its members individualized vested rights.

On December 31st, 2024, Bison Bank employed 75 employees, compared to 57 on December 31, 2023.

The total fees invoiced by the Bank’s Statutory Auditor and companies belonging to the Statutory Auditor’s network for the years ended December 31, 2024, and 2023, included under the heading of External consultants and auditors, are as follows, by type of service provided:

(Values in thousands of euros)

	Consolidated	
	31-12-2024	31-12-2023
Statutory Audit	97	120
Other Assurance Sevices, Including Audit-Related Sevices	9	50
Other Services	22	3
	128	173
	Individual	
	31-12-2024	31-12-2023
Statutory Audit	85	108
Other Assurance Sevices, Including Audit-Related Sevices	9	50
Other Services	22	3
	116	162

(Values do not include VAT)

“Other reliability assurance services” include fees related to: (i) the review of the Bank’s internal control system, including that underlying the prevention of money laundering and terrorist financing; (ii) the review of procedures and measures relating to the safeguarding of client assets; (iii) certification under the special regime applicable to deferred tax assets; and (iv) the review of the impairment, and respective process, of the Bank’s securities portfolio.

25. OFF-BALANCE SHEET LIABILITIES

The breakdown of off-balance sheet liabilities at December 31st, 2024 and 2023 are as follows:

	Consolidated		Individual	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023
Guarantees Provided	1.590	2.773	1.590	2.773
Commitments to Third Parties (of Which)				
Irrevocable Commitments	473	442	473	442
Criptoassets	5.327	816	-	-
	7.390	4.031	2.063	3.215
Deposit Millennium BCP	1.500	1.500	1.500	1.500
Deposit Banco de Portugal	500	500	500	500
Deposit Clearnet	1.418	1.375	1.418	1.375
Portuguese Republic Bonds	473	442	473	442
	3.891	3.817	3.891	3.817

The assets pledged as collateral as of December 31st, 2024 and 2023 relate to Portuguese Republic bonds.

About the valuation of crypto-assets, due to the nature of digital asset markets, there is no concept of market close for the purposes of daily quotation. The daily valuation used for the accounting and processing of assets under custody at BDA is based exclusively on the daily quotation file received by Sygnum Bank. This daily quotation value from Sygnum Bank reflects the best price obtained from its liquidity providers at the end of the day of its banking operation.

26. EARNINGS PER SHARE

At December 31, 2024 and 2023, basic and diluted earnings per share are as follows:

	Consolidated		Individual	
	2024	2023	2024	2023
Net Profit / (Loss) for the Year Expressed in Euros	2.533.058	170.448	2.453.406	640.580
Weighted Average Number of Issued Ordinary Shares	39.039.674	39.039.674	39.039.674	39.039.674
Basic Earning per Share (Expressed in Euro per Share)	0,0649	0,0044	0,0628	0,0164

27. RISKS OF FINANCIAL AND NON-FINANCIAL INSTRUMENTS

27.1. Risks oof Financial and Non-Financial Intruments

This note presents the risks of Bison Bank’s financial and non-financial instruments at an individual level. In addition, Bison Digital Assets. is not included in the consolidation perimeter in prudential terms.

Risk management is conducted in accordance with strategies and policies defined by the Board of Directors (“BoD”), and by the Board Member responsible for risk management (“CRO”). Day-to-day risk management is delegated to the Head of RRD.

The risk management structure at Bison Bank considers the active involvement of the entire Bank, in particular:

- Board of Directors (BoD);
- The Executive Committee (EC) is responsible for implementing and maintaining a risk management system based on the governance, strategy and risk policies approved by the Board of Directors, following the prior opinion of the Audit Committee;
- Functional Committees, such as the Asset and Liability (ALCO) and Risk Management Committee, the Internal Control and Compliance Committee; and
- The Global Risk and Reporting Department (RRD), the Compliance Department (COD), the Internal Audit Department (IAD) and the Audit Committee (AC)

The BoD is the body responsible for defining risk management policy. The EC, made up of the executive

members of the board of directors, is responsible for conducting risk policies and making executive decisions on risk management measures and actions.

In functional terms, Bison Bank’s risk management and monitoring function is centralized in the Global Risk and Reporting Department (“RRD”), a unit independent from the risk origination departments, enjoying the necessary organic and functional autonomy, with access to all the activities and information necessary for the performance of its duties. Its main function is to implement an integrated risk management system appropriate to the nature and risk profile of the Bank, through the development of practices that enable the identification, assessment, monitoring and control of the different types of risk assumed and underlying the Bank’s activity.

The RRD plays an active role in terms of influencing the decision-making process, issuing analyses, opinions, guidelines and recommendations on operations involving risk-taking, related parties, etc., ensuring regular reporting of information to the BoD and Audit Committee with a view to understanding and monitoring the Bank’s main risks.

The risk management system is supported by a set of principles indicated below and is aligned with the strategy, business model, risk appetite and supervisory guidelines, and complies with the principle of proportionality:

- Direct involvement of the Board of Directors;
- Permanent promotion of a strong risk culture, which should be present in all processes, particularly those involving strategic and business decision-making;

- Permanent adjustments to good practices and regulatory requirements;
- Implementation of comprehensive risk management that incorporates all of the Bank’s current or potential risks.

Risk management is carried out through three lines of defense in the Bank’s organisational structure:

1st Line of Defense:
Business Departments (risk-takers);

2nd Line of Defense:
Independent Control Functions (Risk and Compliance);

3rd Line of Defense:
Internal Audit.

For more effective risk monitoring and decision-making by the BoD, two functional committees (advisory bodies) have been established:

- **Asset and Liability (ALCO) and Risk Management Committee** — held quarterly under the supervision of the RRD. In general terms, it is responsible for analyzing the different risk exposures (early warning signs) and their adequacy in light of the risk framework, such as the RAS KRI (Key Risk Indicators), proposing the adoption of mitigation/corrective measures, monitoring and controlling all matters related to liquidity risk; and
- **Internal Control and Compliance Committee** — held quarterly under the supervision of COD. Its duties include assessing and monitoring the effectiveness of the Bank’s internal control systems and analyzing and evaluating proposals/measures (internal and external) aimed at strengthening the internal control environment, as well as analyzing

and evaluating situations related to money laundering and terrorist financing, whenever their relevance or associated risk is significant.

In addition, the Bank has other specialized committees that also involve risk management issues, such as:

- **Planning and Control Committee** — Planning and Control Committee - meets monthly under the aegis of the People and Accounting Department (PAD). Its main duties include monitoring and controlling the implementation of the budget and the degree of compliance with the objectives set, as well as analyzing the respective deviations in conjunction with the areas responsible.

Bison Bank has implemented an Internal Control System (ICS) that allows the Bank to adequately manage the risks arising from its business, considering its risk profile, risk appetite and risk tolerance.

The Bank has implemented processes to identify internal and external risks which, in relation to each risk category, could affect its ability to achieve its strategic objectives. In addition to the risks arising from its exposure on the Balance Sheet, as well as guarantees and commitments assumed (financial risks), the system allows for the identification of non-financial risks.

The identification of non-financial risks is based, among other things, on the Risk Control Self-Assessment Process (RCSA) through which the Bank’s units/departments assess the risks to which they are exposed in carrying out their activities. The main objective of the RCSA exercise, carried out annually, is to assess the Bank’s risks (inherent and residual) in carrying out its business, as well as the quality of the related controls.

In carrying out its business, the Bank seeks to mitigate the associated risks through specific policies aimed at limiting exposure to the various risks, through continuous monitoring and controls, as well as using risk protection instruments. In terms of the loan portfolio (inactive activity), the Bank only has real collateral (mortgages on real estate), which is registered in the computer system. The Bank has made provisions for the use of other risk mitigation/protection measures, specifically in the area of foreign exchange risk and interest rate risk. The Bank has a dedicated IT platform for these instruments, and exposures, where they exist, are valued, and controlled on a regular basis.

The Bank has opted for a conservative and holistic approach to risks, treating all the risks to which it is exposed, as well as the risks outlined in BoP Notice 3/2020 and Instruction 18/2020 as material/relevant to the Bank.

Financial activity is carried out in a complex context, with significant and interconnected risks. In this sense and using a number of definitions provided by the BoP, the main risks to which the Bank is exposed are identified and characterized.

The Bank ensures that its management is carried out with solid and strong risk control. To this end, the Bank establishes regular reviews (periodic revisions of its risk management policies and procedures to reflect changes in regulations, markets, products and best practices) and monitors the procedures for its activities, as well as prudent risk exposure limits, defining the Risk Appetite Statement (RAS).

Given this framework, Bison Bank has implemented a risk management system, as well as processes and measures to ensure that the defined risk limits are met, which is adequate to ensure the correct development of the business strategy, considering the Bank's profile and size.

The Bank's risk management policies are based on a conservative approach, resulting in robust capital ratios and liquidity positions. A fundamental principle underlying the management and formulation of risk strategies is an understanding of the risks to which the Bank is exposed, and the implementation of a comprehensive risk appetite structure for the Bank.

	Ratios	Internal Objective	31-12-2024	31-12-2023
Capital Liquidity Leverage	Total Capital Ratio — Regulatory (Pillar I)	>= 25%	37.4%	35.8%
	Total Own Funds	>= €20 M	45.6	42.6
	NSFR	>= 115%	261.7%	163.7%
	LCR	>= 125%	219.0%	178.9%
	Leverage Ratio	>= 12,5%	11.2%	16.9%

Note: Unaudited information. Individual.Net profit for the year included.

To this end, the Bank has defined the following principles in its RAS as the most relevant for its risk strategy:

- Ensuring adequate levels of solvency and liquidity by:
 - a) Maintaining the level of capital above regulatory requirements, in both normal and adverse scenarios;
 - b) Guaranteeing a stable, solid and secure liquidity position capable of withstanding adverse events; and
 - c) Maintaining a stable financing capacity and levels of liquidity ranges that allow the Balance Sheet structure to adapt to existing circumstances;
- Ensuring the adoption of good risk management practices: a) Operating in accordance with sound risk management principles, with an effective risk governance model and policies that cover all the risks to which it is exposed, ensuring compliance with laws and regulations; b) Developing a strong risk management culture focused on preserving the Bank's solvency and its financing capacity.

The RRD is responsible for monitoring the Bank's risk profile through defined metrics and timely communication to the BoD. Compliance with the RAS KRI, as well as regulatory ratios and internal limits, is carried out monthly in the "Finance & Risk Report", prepared by the RRD and sent to the EC and the BoD for monitoring.

The Bank has established a reporting structure that ensures exhaustive monitoring of the various risks by the relevant areas and management bodies. This monitoring follows a specific schedule:

- Monthly report to the Board of Directors ("Finance & Risk Report") which assesses, reviews and discusses the current risk situation, cases of limits/tolerances reached and updates of individual metrics;
- Quarterly presentation to the Asset and Liability (ALCO) and Risk Management Committee to review and discuss overall risk performance, assess the status of metrics achieved, discuss individual metrics and continuously check the effectiveness and adequacy of the RAS.

The risk management system in place, including the risk reduction and hedging policies and the strategies and processes for controlling their effectiveness, aim to ensure that the risks to which the Bank is exposed remain at the level defined by the Board of Directors and that they do not significantly affect the Bank's financial situation, thus enabling the proper implementation of the strategy, the fulfillment of objectives and the taking of the necessary measures.

As part of its risk management system, the Bank's actions are aimed at ensuring the timely prevention of situations of default or potential default and the detection of these situations if they occur, so that corrective risk mitigation measures can be taken immediately.

In this context, the Bank approved the RAS, through which it defined the overall and specific objectives with

regard to the risk profile and the degree of tolerance for risk, covering the risk categories to which it is exposed, as well as the governance process in the event of limits or tolerance being exceeded.

In short, the RAS provides for the permanent monitoring of risks, through all the indicators and respective limits established in the RAS framework. Regular monitoring of compliance with the RAS metrics and tolerance limits allows the BoD to control and proactively manage current or potential breaches of risk appetite.

The monitoring of compliance with the KRI established in the RAS is updated monthly and is included in the "Finance & Risk Report", prepared by the RRD and sent to the EC and the BoD for monitoring. In short, the RRD, as part of its regular duties, is responsible for monitoring the Bank's risk profile through the defined metrics and timely communication to the BoD, as well as to the Risk Committees.

Regulatory context - main highlights

At the regulatory level, during 2024, the supervisory authorities took a series of measures.

Amongst them, we highlight the following:

- Commission Delegated Regulation (EU) 2024/1502 of 22 February 2024 supplementing Regulation (EU) 2022/2554 of the European Parliament and of the Council by specifying the criteria for the designation of critical ICT third-party service providers to financial entities.
- Commission Delegated Regulation (EU) 2024/1505 of 22 February 2024 supplementing Regulation (EU) 2022/2554 of the European Parliament and of the Council by determining the amount of oversight fees to be charged by the lead supervisory authority to critical ICT third-party service providers and the method of payment of those fees.

3. Commission Delegated Regulation (EU) 2024/886 of 13 March 2024 amending Regulation (EU) No 260/2012 of the European Parliament and of the Council of 14 March, Regulation (EU) 2021/1230, Directive 98/26/EC of the European Parliament and of the Council of 19 May and Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 as regards instant credit transfers in euro.

4. Also in March 2024, the legislation that makes up the new MiFID Package, also known as MiFID II Quick Fix or MiFID III, was published. These include: (i) Directive (EU) 2024/790 of the European Parliament and of the Council of 28 February 2024 amending Directive 2014/65/EU on markets in financial instruments (MiFID II); and (ii) Regulation (EU) 2024/791 of the European Parliament and of the Council of 28 February 2024 amending Regulation (EU) No 600/2014 as regards enhancing data transparency, removing obstacles to the emergence of consolidated information systems, optimizing trading obligations and prohibiting the receipt of payments for order flows.

5. In April 2024, Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and sanctions for infringement of Union restrictive measures and amending Directive (EU) 2018/1673 was published. That directive aims to ensure the effective enforcement of Union restrictive measures. It is therefore necessary for Member States to have effective, proportionate and dissuasive criminal and non-criminal sanctions for infringements of Union restrictive measures, including obligations, such as reporting, laid down therein, and for those sanctions to target evasion of Union restrictive measures.

6. In the same month, Regulation (EU) 2024/1183 of the European Parliament and of the Council of 11 April 2024 amending Regulation (EU) No 910/2014 as regards the establishment of a European Digital Identity Framework (e-IDAS) was also published: this Regulation aims to ensure the transition from exclusive reliance on national digital identity solutions to the

provision and use of electronic certificates of valid and legally recognised attributes throughout the Union.

7. In May, a set of regulations were published concerning the AML/CFT Package. Regulation (EU) 2024/1620 of the Parliament and of the Council of 31 May 2024 establishing the Anti-Money Laundering and Countering the Financing of Terrorism Authority and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010. Directive (EU) 2024/1640 of the Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States to prevent the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849. Regulation (EU) 2024/1624 of the European Parliament and of the Council of 31 May 2024 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing.

8. Commission Implementing Regulation (EU) 2024/1618 of 6 June 2024 amending Commission Implementing Regulation (EU) 2021/763 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council and Directive 2014/59/EU of the European Parliament and of the Council as regards supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities

9. In June 2024, the legislation that makes up the 2021 EU Banking Package was published, namely: i) Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks (Capital Requirements Directive or CRD VI); and (ii) Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the aggregate exposure amount floor (Capital Requirements Regulation or CRR III).

10. In June 2024, Commission Delegated Regulation (EU) 2024/1728 of 6 December 2023 was published, supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards specifying under which circumstances the conditions for identifying groups of connected customers are met.

11. Also in the same month, Directive (EU) 2024/1654 of the European Parliament and of the Council of 31 May 2024 was published, amending Directive (EU) 2019/1153 as regards access by competent authorities to centralised bank account registers through the interconnection system and technical measures to facilitate the use of transaction registers.

12. Commission Implementing Regulation (EU) 2024/1820 of 1 July 2024 amending the implementing technical standards laid down in Commission Implementing Regulation (EU) 2016/1800 as regards mapping tables specifying the classification of credit ratings from external rating agencies according to an objective scale of credit quality steps in accordance with Directive 2019/138/EC of the European Parliament and of the Council.

13. Commission Implementing Regulation (EU) 2024/1872 of 1 July 2024 amending the implementing technical standards laid down in Implementing Regulation (EU) 2016/1799 as regards mapping tables specifying the correspondence between credit risk assessments issued by external credit assessment institutions and credit quality steps set out in Regulation (EU) No 575/2013 of the European Parliament and of the Council.

14. Commission Implementing Regulation (EU) 2024/2494 of 24 September 2024. It lays down implementing technical standards for the application of Regulation (EU) 2023/1114 of the European Parliament and of the Council with regard to standard forms, templates and procedures for cooperation and exchange of information between competent authorities and EBA and ESMA.

15. Commission Implementing Regulation (EU) 2024/2883 of 18 November 2024 laying down the technical information for the calculation of technical provisions and basic own funds for reporting purposes with a reference date between 30 September 2024 and 30 December 2024 in accordance with Directive 2009/138/EC on the taking-up and pursuit of the business of Insurance and Reinsurance.

16. Directive (EU) 2024/2994 of the European Parliament and of the Council of 27 November 2024. It amends Directives 2009/65/EC, 2013/36/EU and (EU) 2019/2034 as regards the treatment of concentration risk arising from exposures to central counterparties and counterparty risk in centrally cleared derivatives transactions.

17. Regulation (EU) 2024/3005 of the European Parliament and of the Council of 27 November 2024 on the transparency and integrity of environmental, social and governance (ESG) rating activities, and amending Regulations (EU) 2019/2088 and (EU) 2023/2859.

18. Commission Implementing Regulation (EU) 2024/3117 of 29 November 2024. It lays down implementing technical standards for the application of Regulation (EU) No 575/2013 as regards supervisory reporting of institutions and repeals Implementing Regulation (EU) 2021/451.

19. Commission Implementing Regulation (EU) 2024/3172 of 29 November 2024 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 as regards public disclosure by institutions of the information referred to in Titles II and III of Part Eight of that Regulation and repealing Commission Implementing Regulation (EU) 2021/637.

European Banking Authority (EBA):

1. EBA report of 16 January 2024 focusing on some specific aspects of the net stable funding ratio (NSFR) framework under Article 510(4), (6) and (9) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013.
- 114
- Bison Bank Annual Report 2024 115

<p>2. Joint report of 1 February 2024 by the European Supervisory Authorities (EBA, EIOPA and ESMA) on the cross-sector survey of BigTech companies providing financial services in the European Union.</p> <p>3. EBA report of 12 February 2024, which follows up on the peer review report (EBA/REP/2021/24) on the application of the Joint Guidelines on the prudential assessment of the acquisition of qualifying holdings in credit institutions.</p> <p>4. EBA Guidelines of 5 March 2024 on the establishment and maintenance of national lists or registers of credit services pursuant to Directive (EU) 2021/2167 of the European Parliament and of the Council of 24 November 2021.</p> <p>5. At the end of June 2024, the EBA and ESMA published joint Guidelines on the suitability of management body members and on the assessment of shareholders and members with qualifying holdings for issuers of asset-referenced tokens (ARTs) and crypto-asset service providers (CASPs) under the MiCA Regulation. These two sets of Guidelines are part of the EBA and ESMA's ongoing efforts to promote a transparent, safe and well-regulated crypto-asset market, and complement the recently published governance package.</p> <p>6. EBA Guidelines of 17 July 2024 clarifying the operational application of CRR III in the area of credit risk modelling.</p> <p>7. In July 2024, the three European Supervisory Authorities (EBA, EIOPA and ESMA) published the second batch of deliverables under the Digital Operational Resilience Regulation (DORA). This batch consists of four final draft regulatory technical standards (RTS), one set of Implementing Technical Standards (ITS) and two guidelines, all aimed at improving the digital operational resilience of the EU financial sector.</p> <p>8. EBA Guidelines of 26 August 2024 amending EBA Guidelines 2021 02 on Money Laundering and Terrorist Financing (MLTF) Risk Factors – (EBA GL 2024 01).</p>	<p>9. EBA proposes criteria for appointing a central contact point for crypto-asset service providers to strengthen the fight against money laundering and terrorist financing in host Member States on 4 December 2024. Public consultation on draft Regulatory Technical Standards (RTS) specifying the criteria according to which crypto-asset service providers (CASPs) should appoint a central contact point to ensure compliance with the host Member State's local anti-money laundering and countering the financing of terrorism (AML/CFT) obligations.</p> <p>10. EBA to publish final rules on specification of long and short positions under market and counterparty risk derogations on 6 December 2024</p> <p>11. The EBA will provide further guidance on reporting requirements under the Markets in Crypto-Assets Regulation on 18 December 2024.</p> <p>Still at the national level, the following Circular Letters/ Notices/Instructions/Decree-Laws stand out from the following institutions:</p> <p>The Bank of Portugal (BoP)</p> <p>1. Notice No. 1/2024, of February 6, 2024 -DR No. 26/2024, Series II, Part E, of 6 February of 2024. Regulates the application, by payment service providers established in Portugal, of amount limits to electronic payment transactions in which the Tax and Customs Authority and the Public Debt and Treasury Management Agency - IGCP, EPE are beneficiaries</p> <p>2. Notice No. 2/2024, of March 15, 2024 -DR No. 54/2024, Series II, Part E, of March 15, 2024. Repeals and replaces Banco de Portugal Notice No. 3/2015, of 2 November, taking into account regulatory developments in recent years and the experience gained in the meantime with the development, implementation and evaluation of recovery plans.</p>	<p>3. Instructions No. 1/2024, of February 1, 2024 and No. 2/2024, of February 8, 2024, which amend Instruction No. 8/2018, which regulates the Interbank Clearing System (SICOL).</p> <p>4. Circular Letter No. CC/2024/00000004, of February 15, 2024. Discloses, in accordance with No. 9 of Instruction No. 18/2015, of January 15, the reporting models for the Financing and Capital Plans, the description of the macroeconomic and financial scenario and other guidelines necessary for carrying out the exercise of provision of information by institutions.</p> <p>5. Instruction no. 3/2024, of March 6, 2024, which publishes, for the 2nd quarter of 2024, the maximum rates to be applied in consumer credit agreements under Decree-Law no. 133/2009, of June 2.</p> <p>6. Instruction no. 4/2024, of March 15, 2024, which amends Instruction no. 27/2012, which regulates the communication of statistical information to the Bank of Portugal.</p> <p>7. Instruction No. 5/2024, of April 4, 2024. Amends Instruction No. 11/2023, which regulates the conditions for joining and using the SIREs service - Relevant Information System for Supervised Entities.</p> <p>8. Instruction No. 6/2024 of 2 May 2024 amending Instruction No. 7/2012 establishing temporary measures relating to the eligibility criteria of collateral for Eurosystem credit operations.</p> <p>9. Instruction No. 7/2024 of 2 May 2024 amending Instruction No. 3/2015, which establishes uniform rules for the implementation of the single monetary policy by the Eurosystem.</p> <p>10. Notice No. 3/2024, of June 5, 2024 - DR No. 108/2024, Series II, Part E, of June 5, 2024. Amends Banco de Portugal Notice No. 1/2022, of June 6, regarding the maximum deadline for submitting the annual report on the internal control system and other information for the prevention of ML/TF.</p>	<p>11. Instruction No. 8/2024 of 5 June 2024. Defines the information elements to be reported annually to Banco de Portugal by financial entities subject to its supervision in terms of the prevention of money laundering and terrorist financing, the respective model and other submission terms. Repeals Instructions No. 5/2019 and No. 6/2020.</p> <p>12. Instruction No. 9/2024 of 6 June 2024, which publishes, for the third quarter of 2024, the maximum rates to be applied in consumer credit agreements under Decree-Law No. 133/2009 of 2 June.</p> <p>13. Instruction No. 10/2024, of June 6, 2024. Repeals Instruction No. 34/2018, which establishes the reporting of exposure to interest rate risk resulting from activities not included in the trading portfolio and the results of the standard shock assessed by the supervisor.</p> <p>14. Instruction No. 11/2024, of June 17, 2024, which amends Instruction No. 17/2018, which regulates the communication to the Bank of Portugal of actual or potential liabilities arising from credit operations.</p> <p>15. Instruction no. 12/2024, of June 18, 2024. Repeals Instruction no. 33/2018, which establishes that credit institutions and financial companies must communicate to the Bank of Portugal information regarding the characteristics of credit agreements regulated by Decree-Law no. 74-A/2017, of June 23, the respective collateral and income of the borrower(s), as well as information on early repayments, in full and in part, and on renegotiations that occurred in these credit agreements.</p> <p>16. Circular Letter No. CC/2024/00000026 of 8 August 2024, which informs, following the publication of FATF statements (plenary meeting of June 2024), on the adoption of countermeasures proportionate to the very high risk of money laundering and terrorist financing, in relation to the Democratic People's Republic of Korea (North Korea) and the Islamic Republic of Iran. It also highlights the maintenance of the suspension of the membership status of the Russian Federation.</p>
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<p>17. Circular Letter No. CC/2024/00000025, of 2 September 2024. It concentrates information on the use of the services made available in the “ML/FT Prevention” area of the BPnet system, for the pursuit of specific purposes related to the prevention of money laundering and terrorist financing (“ML/FT”). It replaces, among other communications, Circular Letter No. CC/2021/00000015.</p> <p>18. Instruction No. 13/2024, of September 5, 2024, which publishes, for the 4th quarter of 2024, the maximum rates to be applied in consumer credit agreements within the scope of DL No. 133/2009, of 2-6.</p> <p>19. Circular Letter No. CC/2024/00000032, of October 15, 2024, Clarifies the monitoring, by the Bank of Portugal, of housing loans with a personal guarantee from the State, granted under Decree-Law No. 44/2024, of July 10.</p> <p>20. Circular Letter No. CC/2024/00000033, of October 17, 2024. Discloses the understandings and good practices to be observed in the prevention and regularization of non-compliance with credit agreements.</p> <p>21. Circular Letter No. CC/2024/00000051, of 28 November 2024, which discloses the obligations related to the provision of immediate transfers in euros.</p> <p>22. Notice No. 4/2024, of November 19, 2024, which establishes the obligation to identify the final beneficiary in transactions using payment references and direct debits.</p> <p>23. Notice No. 5/2024 of 4 December 2024. Establishes the principles and rules to be observed in advertising financial products and services subject to the supervision of the Bank of Portugal, in advertising the activity and in institutional advertising. Repeals Notice No. 10/2008 of 22 December of the Bank of Portugal.</p> <p>24. Instruction no. 16/2024, of December 5, 2024. Discloses, for the 1st quarter of 2025, the maximum</p>	<p>rates to be applied in consumer credit agreements within the scope of DL no. 133/2009, of 02-06.</p> <p>25. Circular Letter No. CC/2024/00000052, of December 11, 2024. Recalls the requirements applicable within the scope of the update procedures provided for in Article 40 of Law No. 83/2017, of August 18, and disseminates other aspects that assist supervised entities for the purposes of preventing money laundering and terrorist financing in defining the conduct to be adopted in this context, including in cases where it is impossible to update the identification data of customers, their representatives and beneficial owners.</p> <p>26. Instruction No. 17/2024, of December 16, 2024. Sets the base contribution rate for determining each institution’s rate at 0.0009%, as well as the value of the minimum contribution to the Deposit Guarantee Fund to be made by participating institutions (€600) in 2025. Determines that participating credit institutions cannot replace their annual contribution with irrevocable payment commitments.</p> <p>27. Instruction No. 18/2024, of December 16, 2024. Sets the base rate for determining periodic contributions to the Resolution Fund in 2025 at 0.049%.</p> <p>28. Notice No. 6/2024 of 28 December 2024, which regulates the provision of information to bank customers on the State’s personal guarantee scheme for the granting of permanent housing loans to young people up to 35 years of age, provided for in Decree-Law No. 44/2024 of 10 July and regulated by Order No. 236-A/2024/1 of 27 September.</p> <p>29. Notice No. 7/2024 of 31 December 2024. Sets the countercyclical capital buffer percentage at 0.75% of the total amount of risk exposures in Portugal, calculated in accordance with Article 92.3 of Regulation (EU) No. 575/2013, excluding the risk classes excepted in Article 138.º-L.5 of the General Framework for Credit Institutions and Financial Companies, approved by Decree-Law No. 298/92 of 31 December.</p>	<p>The Securities Market Commission (CMVM):</p> <ol style="list-style-type: none"> 1. Circular No. 001/2024 of 7 February 2024, which publishes recommendations on the assessment procedures for participating companies that are part of the portfolios of alternative venture capital investment schemes. These circular issues recommendations to be taken into consideration by management entities, depositary entities and auditors in the assessment process of participating companies that are part of the portfolios of venture capital AIOs. 2. Circular No. 002/2024, of February 19, 2024. Obligations arising from the CSRD to which Auditors are subject. This circular aims to inform statutory auditors and statutory audit firms about any obligations that arise for them from the provision of sustainability reporting assurance services. 3. Circular No. 003/2024, of February 20, 2024. This is the annual Asset Management Circular 2024 relating to initiatives for 2024 related to asset management. 4. Circular No. 004/2024, of February 20, 2024. Annual circular on financial intermediation 2024 concerning initiatives for 2024 related to financial intermediation. 5. Circular No. 006/2024, of April 4, 2024. FATF Statement on preventing and combating money laundering and terrorist financing. 6. Circular No. 007/2024, of May 15, 2024, relating to the costs and charges applicable to collective investment undertakings in transferable securities. 7. Circular No. 009/2024, of August 8, on the FATF – Prevention and Combating of Money Laundering and the Financing of Terrorism. 8. Circular Letter No. 012/2024 - FATF - Prevention and Combating of Money Laundering and the Financing of Terrorism, of November 28, 2024. FATF released the result of the plenary session, 	<p>specifically on the High-Risk Jurisdictions subject to a Call for Action and Jurisdictions subject to Increased Monitoring.</p> <p>Other Publications:</p> <ol style="list-style-type: none"> 1. The new National Anti-Corruption Mechanism (MENAC) has published Recommendations to promote and monitor the implementation of the General Regime for the Prevention of Corruption, such as: (i) Recommendation No. 1/2024, of February 26, which makes public the Recommendation to the Government to adopt instruments to prevent the risks of corruption and related offences; and (ii) Recommendation No. 7/2024, of May 28, which publishes the Recommendation to those responsible for regulatory compliance under MENAC. 2. Rectification Statement No. 176/2024/2, of March 8. Rectifies CMVM Regulation No. 7/2023, published in the Official Gazette, 2nd series, No. 250, 2nd supplement, of December 29, 2023, which regulates the Asset Management Regime (RGA). 3. Law no. 31/2024, of June 28. Approves tax measures to boost the capital market, amending the Personal Income Tax Code, the Stamp Duty Code and the Tax Benefits Statute. 4. Decree-Law No. 59/2024 of September 25, which makes the second amendment to the legal regime of Central Securities Depository, approved by Law No. 35/2018 of July 20, adapting the internal legal order to Regulation (EU) 2023/2845. 5. Decree-Law No. 72/2024, of October 16, 2024, which makes the third amendment to Decree-Law No. 3/2010, of January 5, which enshrines the prohibition of charging fees for the provision of payment services and for carrying out transactions at ATMs. 6. Decree-Law No. 79/2024 of 30 October 2024, which revises the legal framework for savings certificates, with a view to their dematerialization, the elimination of the figure of the mover and the review of the limitation period for series A and B securities.
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7. Decree-Law No. 82/2024 of 31 October 2024. Ensures the implementation of Regulation (EU) 2018/1672 on the control of amounts of cash entering or leaving the EU through national territory.
8. Decree-Law No. 89/2024, of November 18, 2024, which makes the first amendment to the asset management regime.
9. Decree-Law No. 106/2024, of December 13, 2024, which amends the operating rules of Banco Português de Fomento, SA
10. Order No. 14916/2024, of December 18, 2024, which authorizes the granting of portfolio guarantees to credit institutions adhering to the protocol on the State’s personal guarantee to credit institutions with a view to enabling the granting of credit for permanent home ownership.

Financial Risks

Credit risk

Credit risk consists of the probability of negative impacts on results or capital due to the inability of a counterparty to meet its financial commitments to the Bank, including possible restrictions on the transfer of payments from abroad. Credit risk manifests itself in the possibility of a negative change in the economic value of a given instrument as a result of a deterioration in the credit risk quality of the counterparty (e.g. external ratings). Credit risk is therefore Bison Bank’s main financial risk.

The Bank’s underlying credit risk is essentially the result of its securities portfolio, which is mostly made up of bonds, liquidity exposure to financial institutions and, to a small extent, loans granted and guarantees given to customers.

During the year, the Bank had no credit activity (on December 31st, 2024, the net customer loan portfolio, as a % of total assets, was 0.02% compared to 0.04% on December 31st, 2023).

Impairment

Credit risk is ultimately materialized in the impairment losses made by the Bank. These are the best estimates of losses on the reference date and may or may not become actual losses.

The Bank recognizes impairment losses for financial assets measured at amortized cost and at fair value through other comprehensive income, as well as for other exposures with associated credit risk, such as balances of other debtors and off-balance sheet exposures.

IFRS 9 stipulates that the concept of impairment is determined on the basis of expected losses, designating a set of classification and measurement criteria for expected losses arising from impairment of financial assets. Financial assets subject to impairment losses must be classified in different stages, which depend on the change in credit risk from the date of initial recognition and not on the credit risk at the reporting date:

Stage 1: financial assets should be classified in stage 1 whenever there has been no significant increase in credit risk since the date of their initial recognition;

Stage 2: includes financial assets where there has been a significant increase in credit risk since the date of their initial recognition;

Stage 3: assets classified in this stage at the balance sheet date present objective evidence of impairment as a result of one or more events that have already occurred, resulting in a loss.

The measurement of expected losses is the result of the product between (i) the probability of default (PD) of the financial instrument, (ii) the loss given default (LGD) and (iii) the exposure on the standard date (EAD), discounted at the balance sheet date using the effective interest rate of the contract.

As mentioned above, the main difference between impairment measured for financial assets classified as stage 1 or 2 is the respective time horizon in

calculating the PD. Expected losses for financial assets in stage 1 are calculated using a 12-month PD, while expected losses in stage 2 use a permanent PD. The calculation of the expected loss for financial assets in stage 3 is carried out based on the procedures for estimating impairment developed by management.

For externally rated exposures, the Bank uses external information published by Moody’s rating agency and other market data to determine impairment losses on debt instruments, such as credit default swap spreads or bond yields.

For the small number of segments for which there is no historical data and/or loss experience, the Bank adopts a simplified measurement approach that may differ from the one described above. More specifically, and in relation to the item “Other assets” (derived from invoiced amounts), which in the case of Bison Bank are mainly commission income from the depositary banking service, a simplified measurement approach has been chosen, and a historical analysis has been conducted over the last 6 years to calculate the PD.

— Impairment of loans to customers

Given the size and nature of the exposures to loans to customers (most with 100% impairment - stage 3 - Individual analysis), the calculation of impairment losses is essentially carried out on an individual basis, case by case, taking into account the specificities of each operation and the best estimate of the recoverable amount (loans and guarantees) on the valuation date, taking into account the guidelines of BoP Circular Letter no. 62/2018.

The individual impairment level stipulated for any one-off analysis of a transaction is calculated prudently. This approach takes into account the contract, the customer’s economic and financial situation and the collateral received as security. The present value of the cash flows incorporated in the estimate of future

recoverability resulting from the application of these factors is updated at the contracted effective interest rate.

The best estimate of recoverable amounts is supported by observable and documented data, at the date of measurement of the recoverable amount, relating to the customer’s ability to make payments or the need to resort to enforcement or receive payment in kind in the form of a guarantee. The present value of cash flows is updated based on the estimate of future recoverability resulting from the application of these factors.

The balance sheet value to be considered covers all the amounts recorded in the balance sheet of the loan in question, namely the principal outstanding, the principal overdue, accrued interest and accrued interest. The estimated future cash flows included in the calculation refer to the contractual amounts of the loans, adjusted for any amounts that are not expected to be recovered and for the period of time during which it is foreseeable that such cash flows will occur.

The Bank classifies as overdue loans the overdue installments of principal and accrued interest that remain due after their maturity date. Despite the immateriality of the customer loan portfolio, the Bank regularly assesses the evolution of impairment in its loan portfolio.

Given the current size and characteristics of the portfolio of loans and advances to customers and off-balance sheet exposures, impairment losses are determined fundamentally on an individual or case-by-case basis, considering the specifics of the operation and the best estimate of the recoverable amount (loans and guarantees) at the date of the analysis.

The following indicators reflect situations where the credit risk is significantly increased: (1) Credit with a delay in the payment of principal, interest, commissions or other expenses of more than 30 days; (2) Credit restructured due to the debtor’s financial difficulties; (3) Credit where the debtor meets at least two of the following criteria,

when they occur after the initial recognition of the transaction: (a) a record of at least one defaulted credit in the CRC; (b) presence on lists of risk-taking check users; (c) defaulted debts to the tax authorities, social security or employees.

The objective impairment criteria are as follows: a) Loans more than 90 days overdue at the Bank in the payment of principal or interest, regardless of the amount owed; b) Loans in litigation; c) Customers in insolvency; d) Loans restructured due to deterioration in the borrower’s capacity less than 1 year ago, whose restructured operation or operations, which at the time of the restructuring, presented one of the events listed above. Loans with the above characteristics are referred to as loans in *default*.

The Bank does not consider a minimum materiality threshold, i.e. as long as they are more than 90 days overdue, all operations are classified as in default, subject to an individual analysis procedure. In addition, if a customer in default belongs to an economic group, all the customers in that group will be classified as impaired.

Subjective indicators of impairment are a set of indicators which, when analyzed as a whole or in subsets, may give rise to evidence of impairment. These indicators can be signs of impairment or risk indicators.

— **Impairment of other financial assets (bonds) and other assets**

The IFRS 9 concept of expected losses also covers debt instruments measured at amortized cost and at fair value through other comprehensive income, off-balance sheet exposures, other assets, financial guarantees and loan commitments not measured at fair value.

With regard to debt instruments measured at fair value through other comprehensive income, the identification and measurement of a significant increase in credit risk is based, among other criteria, on the analysis of the following variables: 1) Evolution of the rating (or loss thereof) of the security in relation to the date of acquisition and the period elapsed; 2) Variation of the market price in relation to the amortized cost; 3) Debt restructuring due to the issuer’s financial difficulties; 3) Delays in interest and/or principal payments of more than 30 days. Default triggers include the following: 1) Delays in principal and/or interest payments of more than 90 days; 2) Securities with a rating equal to or lower than CCC+ (not POCI - Purchased Originated Credit Impaired); 3) Bankruptcy/ insolvency of the issuer; 4) Issuer debt restructured due to financial difficulties.

Changes in the level of credit risk of debt instruments must be based on the date of origination (initial recognition vs. reporting date). Thus, migrations between the 3 levels are triggered by relative changes in credit risk and not by credit risk at the reporting date.

The rating of issuers, as well as other relevant information for calculating impairment, is monitored on a regular basis (monthly), based mainly on information published by Bloomberg.

Financial assets by accounting heading

For the purposes of analyzing Bison Bank’s credit risk, we considered the securities portfolio, loans and advances to customers (including off-balance sheet liabilities), cash and cash equivalents and loans and advances to credit institutions.

Financial assets, by balance sheet item, show the following exposure to credit risk as of December 31st, 2024 and 2023;

Consolidated:	31-12-2024				31-12-2023			
	Gross Exposure ¹	Impairment	Collateral ²	Effective Exposure ³	Gross Exposure ¹	Impairment	Collateral ²	Effective Exposure ³
Cash, Cash Balances at Central Banks and other Demand Deposits	261.448	0	0	261.448	113.161	0	0	113.161
Financial Assets held for Trading	29	0	0	29	24	0	0	24
Financial Assets at Fair Value Through other Comprehensive Income ⁴	111.161	434	0	110.726	116.655	475	0	116.179
Debt Instruments	111.161	434	0	110.726	116.655	475	0	116.179
Financial Assets at Amortised Cost	12.115	34	231	11.850	102	7	231	(136)
Loans and Advances	81	1	231	-151	102	7	231	(136)
Debt Instruments	12.034	33	0	12.001	0	0	0	0
Other Assets	7.073	397	0	6.676	6.569	368	0	6.201
Sub-Total	391.826	864	231	390 730	236.511	851	231	235.429
Guarantees Provided and Commitments	1.590	910	0	680	2.773	2.093	0	680
Irrevocable Credit Lines	473	0	0	473	442	0	0	442
Sub-Total	2.063	910	0	1.153	3.215	2.093	0	1.122
Total Credit Risk Exposure	393.888	1.774	231	391.883	239.726	2.944	231	236.551

(1) Gross Exposure: Refers to the value before provisions, impairment and amortization.
(2) Collateral: Value of the collateral associated with an operation limited to its net value.
(3) Effective Exposure: Refers to the gross exposure less impairment and the mitigation effect that is deemed as a reducer of the credit risk. It does not include sureties or other low value collateral.
(4) Excludes equity instruments. Gross dxposure equates to fair value plus impairment.

(values expressed in thousand Euros)

On an individual level:

	31-12-2024				31-12-2023			
	Gross Exposure ¹	Impairment	Collateral ²	Effective Exposure ³	Gross Exposure ¹	Impairment	Collateral ²	Effective Exposure ³
Cash, Cash Balances at Central Banks and other Demand Deposits	261.122	0	0	261.122	112.143	0	0	112.143
Financial Assets held for Trading	29	0	0	29	24	0	0	24
Financial Assets at Fair Value Through other Comprehensive Income ⁴	111.161	434	0	110.727	116.656	475	0	116.181
Debt Instruments	111.161	434	0	110.727	116.656	475	0	116.181
Financial Assets at Amortised Cost	12.115	34	231	11.850	102	7	231	(136)
Loans and Advances	81	1	231	-151	102	7	231	(136)
Debt Instruments	12.034	33	0	12.001	0	0	0	0
Other Assets	9.523	397	0	9.126	9.455	368	0	9.086
Sub-Total	393.950	864	231	392.854	238.379	851	231	237.298
Guarantees Provided and Commitments	1.590	910	0	680	2.773	2.093	0	680
Irrevocable Credit Lines	473	0	0	473	442	0	0	442
Sub-Total	2.063	910	0	1.153	3.215	2.093	0	1.122
Total Credit Risk Exposure	396.013	1.774	231	394.008	241.594	2.944	231	238.420

(1) Gross Exposure: Refers to the value before provisions, impairment and amortization.

(2) Collateral: Value of the collateral associated with an operation limited to its net value.

(3) Effective Exposure: Refers to the gross exposure less impairment and the mitigation effect that is deemed as a reducer of the credit risk. It does not include sureties or other low value collateral.

(4) Excludes equity instruments. Gross dxposure equates to fair value plus impairment.

(values expressed in thousand Euros)

As of December 31st, 2024, the value of loans and advances to customers (legacy credit portfolio), net of impairment, amounted to around €80,000 (€95,000 in 2023), remaining immaterial (0.02% of total net assets versus 0.04% in 2023) and was 0.7% covered by impairment. At that date, the collateral coverage ratio stood at around 288.9% (real collateral - Mortgages).

With regard to off-balance sheet liabilities, at December 31st, 2024 the total amount of €2,063,000 relates to guarantees provided by the Bank and other irrevocable commitments (at December 2023: €3,215,000). At December 31st, 2024, off-balance sheet liabilities also included assets (debt securities) pledged as collateral in the amount of €473,000 (at December 2023: €442,000).

The credit risk underlying the Bank’s activity also derives from investments in real estate assets (market risk, albeit indirect) through fund participation units (which also include a significant concentration risk). These assets are measured under “financial assets at fair value through profit or loss - equity securities”, subject to mark-to-market valuation.

Details of debt instruments — Impairment

Fair value through other comprehensive income

	31-12-2024				
	Stage 1	Stage 2	Stage 3	POCI(*)	Total
Financial Assets at Fair Value Through other Comprehensive Incomel - Debt Instruments					
Gross Exposure ¹	108.282	2.879	-	-	111.161
Investment Grade (IG)	73.541	2.879	0	0	76.420
Non Investment Grade (NIG)	6.234	0	0	0	6.234
Not Rated	28.506	0	0	0	28.506
Impaired	0	0	0	0	-
Impairment	415	18	-	-	434
Net Exposure	107.866	2.861	-	-	110.727
	31-12-2023				
	Stage 1	Stage 2	Stage 3	POCI(*)	Total
Financial Assets at Fair Value Through other Comprehensive Incomel - Debt Instruments					
Gross Exposure ¹	116.656	-	-	-	116.656
Investment Grade (IG)	68.461	0	0	0	68.461
Non Investment Grade (NIG)	5.337	0	0	0	5.337
Not Rated	42.859	0	0	0	42.859
Impaired	0	0	0	0	-
Impairment	475	-	-	-	475
Net Exposure	116.181	-	-	-	116.181

(*) Purchased or originated credit-impairment (“POCI”) form financial assets

¹ Gross exposure to fair value plus impairment

(values expressed in thousand Euros)

It should be noted that on December 31st, 2024, public debt securities accounted for 20.5% (vs. 15.1% on December 31, 2023) of the total portfolio and 68.7% of it was made up of investment grade securities (vs. 58.7% on December 31, 2023).

In the ICAAP exercise, the Bank considers an approximate analysis of the IRB method (internal ratings-based approach), recalculating the 12-month PDs for debt securities. In the base scenario, the one-year cumulative default rates of issuers obtained from Moody’s Investors Service tables in the document “Sovereign Default

and Recovery Rates” are used to estimate the PD. The cumulative default rates of sovereign entities were used for sovereign debt securities, while the cumulative default rates of corporate issuers were used for non-sovereign debt securities.

In the adverse scenario, the methodology used follows that described above for the base scenario, however, considering a conservative outlook and a worsening macroeconomic scenario, a downgrade of all debt securities is assumed.

Amortized cost

	31-12-2024				
Financial Assets Measured at Amortized Cost	Stage 1	Stage 2	Stage 3	POCI(*)	Total
Gross Exposure	12,115	-	-	-	12,115
Not Impaired	-	-	-	-	-
Impaired	12,115	-	-	-	12,115
Impairment	34	-	-	-	34
Net Exposure	12,081	-	-	-	12,081

	31-12-2023				
Financial Assets Measured at Amortized Cost	Stage 1	Stage 2	Stage 3	POCI(*)	Total
Gross Exposure	-	-	102	-	102
Not Impaired	-	-	-	-	-
Impaired	-	-	102	-	102
Impairment	-	-	7	-	7
Net Exposure	-	-	95	-	95

(*) Purchased or orinated credit-impairment ("POCI") from financial assets

(values expressed in thousand Euros)

With regards to credit quality, the table below indicates the main ratios for Bison Bank, with reference to December 31st, 2024, and 2023:

	31-12-2024	31-12-2023
Credit Quality		
Total Impairment / Loans to Customers	0,7%	7,1%
Credit / Loans to Customers	100,0%	98,7%
NPL > 90 Days / Loans to Customers	0,0%	1,3%

With regard to credit concentration risk, in addition to complying with the regulatory limit in terms of Large Risks (on December 31, 2023, the Bank complied with the limit for large exposures set out in Article 395 of Regulation (EC) No. 575/2013 - CRR), the Bank sets specific objectives for controlling credit concentration risk, which are reflected in the limit management policy, namely in the banking book (Treasury Book) and Money Market counterparties, and materialized in metrics included in the RAS. In addition, other metrics relating to various types of credit concentration are regularly

monitored, namely exposures to single-name entities, exposures by sector of activity, exposures by country (country risk) and exposures to credit institutions.

With regard to single-name concentration, monitoring is carried out on the basis of the concept of “economic group” and “client group”, which are groups of related entities/counterparties that represent a single entity from a credit risk perspective, as defined in Article 4 of the CRR.

Concentration of credit risk by sector of activity

On December 31st, 2024, at the Individual level:

	31-12-2024					
	Net Balance Sheet Exposure		Collateral		Effective Exposure ¹	
Services	14.137	4%	0	0	14.137	4%
Construction	0	0%	0	0	0	0%
Industry	32.541	8%	0	0	32.541	8%
Public Sector	24.540	6%	0	0	24.540	6%
Other Sectors	22.667	6%	231	100%	2.436	7%
Financial Institutions and Insurance Companies	300.460	76%	0	0%	300.460	76%
Private Clients	0	0%	0	0%	0	0%
Total	394.390	100%	231	100%	394.158	100%

Notes:

(1) Effective Exposure: Referss to the Balance Sheet Net Exposure less the mitigation effect that is deemed an actual reducer of the credit risk.

It does not include sureties or other low value collateral.

If does not include the item “Other Assets”.

(values expressed in thousand Euros)

The “Other sectors” item is mostly (99.6%) made up of securities items.

On December 31st, 2023:

	31-12-2023					
	Net Balance Sheet Exposure		Collateral		Effective Exposure ¹	
Services	15.311	6%	0	0	15.311	6%
Construction	0	0%	0	0	0	0%
Industry	21.696	9%	0	0	21.696	9%
Public Sector	19.412	8%	0	0	19.412	8%
Other Sectors	37.517	16%	231	100%	37.286	17%
Financial Institutions and Insurance Companies	0	0	0	0	0	0%
Private Clients	145.192	61%	0	0%	145.192	61%
Particulares	0	0%	0	0%	0	0%
Total	239.128	100%	231	100%	238.896	100%

Notes:

(1) Effective Exposure: Referss to the Balance Sheet Net Exposure less the mitigation effect that is deemed an actual reducer of the credit risk.

It does not include sureties or other low value collateral.

If does not include the item “Other Assets”.

(values expressed in thousand Euros)

Concentration of credit risk by geographical region:

On December 31st, 2024, at the Individual level:

	31-12-2024					
	Net Balance Sheet Exposure		Collateral		Effective Exposure ¹	
Mainland Portugal	323.959	82%	231	100%	323.728	82%
European Union	51.374	13%	0	0%	51.374	13%
Latin America	0	0%	0	0%	0	0%
North America	9.479	2%	0	0%	9.479	2%
Rest of the World	9.533	2%	0	0%	9.533	2%
Rest of Europe	0	0%	0	0%	0	0%
Total	394.390	100%	231	100%	394.158	100%

Notes:
(1) Efective Exposure: Refers to the Net Balance Exposure less the mitigation effect that is deemed an actual reducer of the credit risk.
If does not include sureties or other low value collateral.
If does not include the item “Other Assets”.

(values expressed in thousand Euros)

On December 31st, 2023:

	31-12-2023					
	Net Balance Sheet Exposure		Collateral		Effective Exposure ¹	
Mainland Portugal	174.886	73%	231	100%	174.655	73%
European Union	44.311	19%	0	0%	44.311	19%
Latin America	0	0%	0	0%	0	0%
North America	12.112	5%	0	0%	12.112	5%
Rest of the World	7.818	3%	0	0%	7.818	3%
Rest of Europe	0	0%	0	0%	0	0%
Total	239.127	100%	231	100%	238.896	100%

Notes:
(1) Efective Exposure: Refers to the Net Balance Exposure less the mitigation effect that is deemed an actual reducer of the credit risk.
If does not include sureties or other low value collateral.
If does not include the item “Other Assets”.

(values expressed in thousand Euros)

The following tables show the breakdown of all financial assets by credit quality, whose ratings are based on the mapping of external ratings assigned by the main international agencies Moody’s, Fitch and S&P. The rating metric followed the standard methodology of the Basel agreement, choosing the worst of the two best ratings in the event of different

ratings for the same asset. Credit positions or securities that do not have an external rating from any of the three main international agencies are classified as “Not Rated”.

Among the exposures without an external rating, totaling €283.4 million as of December 31, 2024 (€154.4 million in December 2023), the main component is “Cash and cash equivalents”, which amounted to around €234.8 millions as of that date (€98.5 million in 2023), made up essentially of amounts deposited with the Bank of Portugal.

Breakdown of financial assets by credit quality, by balance sheet item, as of December 31st, 2024, at the Individual level:

	31-12-2024				
	High Grade	Standard Grade	Sub-Standard Grade	Not Rated	Total
Deposits and Applications with Credit Institutions	2.322	23.915	96	234.790	261.122
Financial Assets held for Trading	0	0	0	29	29
Other Financial Assets at Fair Value Through Profit or Loss	0	0	0	10.429	10.429
Financial Assets Available for Sale	39.149	36.731	8.769	26.079	110.727
Financial Assets at Amortised Cost	0	0	0	12.081	12.081
Loans and Advances	0	0	0	80	80
Debt Instruments	0	0	0	12.001	12.001
Total	41.471	60.646	8.864	283.409	394.390
In %	10,5%	15,4%	2,2%	71,9%	100%

Note:
Net balance sheet exposure.
If does not include the item “Other Assets”.

(values expressed in thousand Euros)

As of December 31st, 2023, it was as follows:

	31-12-2023				
	High Grade	Standard Grade	Sub-Standard Grade	Not Rated	Total
Deposits and Applications with Credit Institutions	1.823	9.493	2.354	98.474	112.144
Financial Assets held for Trading	0	0	24	0	24
Other Financial Assets at Fair Value Through Profit or Loss	0	0	0	10.685	10.685
Financial Assets Available for Sale	29.073	36.669	5.285	45.153	116.180
Financial Assets at Amortised Cost	0	0	0	95	95
Loans and Advances	0	0	0	95	95
Debt Instruments	0	0	0	0	0
Held-to-Maturity Investments	0	0	0	0	0
Derivatives	0	0	0	0	0
Total	30.896	46.163	7.662	154.407	239.128
In %	12,9%	19,3%	3,2%	64,6%	100%

Note:
Net balance sheet exposure.
If does not include the item “Other Assets”.

(values expressed in thousand Euros)

Market Risk

Market risk is defined as the probability of negative impacts on earnings or capital due to unfavorable movements in the market price of instruments in the trading portfolio, caused in particular by fluctuations in interest rates, exchange rates, share prices or commodity prices. Market risk arises mainly from taking short-term positions in debt and equity securities, currencies, commodities and derivatives.

Considering the business areas in which it operates, the main market risks to which Bison Bank is subject are those resulting from variations in interest rates, exchange rates and the market prices underlying securities.

At Bison Bank, market risk arises essentially from exposures to securities held in the trading portfolio (“Financial assets held for trading”), as well as equity instruments - namely funds - accounted for under “Non-trading financial assets mandatorily carried at fair value through profit or loss”.

In 2024, the Bank did not have an active trading portfolio (a portfolio essentially made up of one security worth €29,000 (€24,000 in 2023), so it did not seem necessary to monitor risk by calculating the portfolio’s VaR on a daily basis.

	Portfolio Value		
	Total	Long Pos.	Short Pos.
31-12-2023	24	24	-
31-12-2024	29	29	-

(values expressed in thousand Euros)

The Bank has a market risk reduction policy, based on various measures to mitigate this risk to reduce its potential negative impact from a residual risk perspective, in particular the definition of aggregate exposure and holding period limits.

The Bank’s securities portfolio held for liquidity management purposes (banking debt securities portfolio) is exposed to interest rate risk and spread (credit) risk, i.e. potential decrease in market value due to perceived changes in the credit quality of the issuers of the securities held in the portfolio. The portfolio’s position is managed independently by the Treasury Department (TED), in accordance with defined limits, and monitoring is carried out on a regular basis by the RRD.

The Bank uses the Value-at-Risk (VaR) methodology as its main market risk indicator, estimating potential losses under adverse market conditions. The system chosen for this purpose, Bloomberg, makes it possible to analyze the risk of portfolios broken down by various explanatory factors, and to measure the correlation between assets, both at the top level and at the various levels of risk breakdown. The RRD is responsible for monitoring the limits set by the Board of Directors for the VaR of the portfolios, as well as calculating them using the historical model.

To calculate this risk metric, the Bank used Bloomberg’s specialized software, and *VaR* was calculated according to the historical model, for a 10-day and 1-day horizon, with a 99% confidence interval, based on an observation period of 2 years, in line with good international practice.

Foreign Exchange Rate Risk

Foreign Exchange Risk (FX) represents the fluctuations in value that assets denominated in foreign currency may suffer as a result of changes in exchange rates.

Limits are set to restrict overnight open positions, i.e. the net nominal value of assets and liabilities in each foreign currency. Maximum exposure per currency is defined, as well as an overall exposure limit. TED is responsible for designing and implementing financial policies and managing structural risks on the Balance Sheet, such as exchange rate risk.

The following table shows the exchange position, by currency, as of December 31, 2024

31-12-2024		
Currency	Long Position	Short Position
USD	678	0
GBP	22	0
CHF	79	0
BRL	0	0
SEK	4	0
NOK	2	0
AUD	0	0
JPY	0	0
HKD	3	0
CNY	0	(37)
Others	0	0
CAD	19	0
PLN	0	0
Total	807	(37)

Note: Net Position, (values expressed in thousand Euros)

On December 31st, 2023, it was as follows:

31-12-2023		
Currency	Long Position	Short Position
USD	1.500	0
GBP	3	0
CHF	6	0
BRL	0	0
SEK	4	0
NOK	2	0
AUD	0	0
JPY	0	0
HKD	3	0
CNY	134	0
Others	0	0
CAD	14	0
PLN	0	0
Total	1.664	0

Note: Net Position. (values expressed in thousand Euros)

On December 31st, 2024, the largest exposure corresponded to the USD currency with long positions of around €678,000 (84% of the total), followed by CHF (9.8% of the total), with €79,000, with the remaining currencies being insignificant.

It should be noted that the existing exchange rate risk comes mainly from positions in foreign currency resulting from current activity.

Interest Rate Risk

Interest rate risk is defined as the probability of financial losses, in income or capital, arising from adverse movements in interest rates, considering the structure of the institution’s balance sheet. This type of risk is assessed systematically and over the long term. The assessment treats banking portfolio exposures according to reset periods, in line with best market practices and following Basel and BoP recommendations (Instruction 3/2020 - IRRBB).

The interest rate risk of the banking book is measured using various measurement techniques that make it possible to analyze the Bank’s positioning and risk situation and by analyzing the cumulative impacts of the interest rate of sensitive instruments on net income and net interest income, including:

i. **Static gap:** presents the contractual distribution of maturities and interest rate revaluation differences for the applicable balance sheet and/or off-balance sheet items, aggregated on a specific date, for overall and monetary values (EUR and USD). The gap analysis is based on comparing the values of assets and liabilities that are revalued or mature in the same period;

ii. **Economic value of the balance sheet:** is calculated as the sum of the net fair value of interest rate sensitive assets and liabilities on the Balance Sheet, the fair value of off-balance sheet items, and the net values of non-interest rate sensitive assets and liabilities;

iii. **Sensitivity of economic value:** the economic value of balance sheet and off-balance sheet items is calculated by applying shocks to the interest rate curve. The supervisory shocks for assessing interest rate risk on the economic value of equity are defined

in Delegated Regulation (EU) 2024/856 and the EBA Guidelines (EBA/GL/2022/14). The six shock scenarios are:

a. Parallel shock up, where there is a parallel upward shift of the yield curve with the same positive interest rate shock for all maturities;

b. Parallel shock down, where there is a parallel downward shift of the yield curve with the same negative interest rate shock for all maturities;

c. Steepener shock, where there is a steepening shift of the yield curve, with negative interest rate shocks for shorter maturities and positive interest rate shocks for longer maturities;

d. Flatteners shock, where there is a flattening shift of the yield curve, with positive interest rate shocks for shorter maturities and negative interest rate shocks for longer maturities;

e. Short rates shock up, with larger positive interest rate shocks for shorter maturities to converge with the baseline for longer maturities;

f. Short rates shock down, with larger negative interest rate shocks for shorter maturities to converge with the baseline for longer maturities.

vii. **Large reduction:** A reduction in the one-year net interest margin of more than 5% of Tier 1 Capital for the parallel up and down shock scenarios is subject to supervision in accordance with Article 98(5)(b) of Directive 2013/36/EU (CRD IV).

Article 98(5a) of Directive 2013/36/EU (CRD IV) states that an institution is considered to be excessively exposed to interest rate risk if:

- i. the application of any of the shocks results in a reduction of more than 15% of Tier 1 capital in the economic value of equity; and
- i. the application of the two shock scenarios defined would result in a large reduction as a consequence of a sudden and unexpected change in interest rates.

Monitoring compliance with the limits defined in the regulations for the various scenarios is carried out in the RAS on a monthly basis, where metrics are defined to monitor the evolution of these indicators.

TED is responsible for implementing financial policies and managing structural risks on the balance sheet, such as interest rate risk. Interest rate risk is hedged by contracting interest rate derivatives. The Bank does not have hedge accounting, so the instruments contracted only allow for interest rate risk management, without a perfect match between assets and liabilities.

The Bank does not have hedge accounting, so the instruments contracted only allow for interest rate risk management, without a perfect match between assets and liabilities.

The breakdown of financial assets and liabilities by interest rate reset periods on December 31st, 2024, is as follows, at the Individual level:

31-12-2024		Residual Maturities							Total Sensitive	Total
	Non Sensitive	Até 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	5-10 Years	>10 Years		
Assets										
Money Market / Liquidity	0	254.124	0	0	0	0	0	0	254.124	254.124
Reverse Repos	0	0	0	0	0	0	0	0	0	0
Loans	0	80	0	0	0	0	0	0	80	80
Debt Securities & Derivatives MtM	29	34.385	22.373	10.966	30.397	23.097	9.354	0	130.572	130.602
Shares & Funds	0	0	0	0	0	0	0	0	0	0
Leased Assets	0	0	0	0	0	0	0	0	0	0
Other Assets	22.391	7.049	0	0	0	0	0	0	7.049	29.439
Total Assets	22.420	295.638	22.373	10.966	30.397	23.097	9.354	0	391.825	414.246
Liabilities										
Money market / Loro Accounts	0	0	0	0	0	0	0	0	0	0
Term Deposits	0	62.883	32.778	14.219	3.461	0	0	0	113.341	113.341
On-demand Deposits	0	197.783	2.571	5.143	20.592	13.599	0	0	239.688	239.688
Subordinated Debt	0	0	0	0	0	0	0	0	0	0
Lease Liabilities	0	0	0	0	0	0	0	0	0	0
Other Liabilities	9.287	0	0	0	0	0	0	0	0	9.287
Equity	46.235	0	0	0	0	0	0	0	0	46.235
Total Liabilities + Equity	9.287	260.666	35.349	19.362	24.052	13.599	0	0	353.029	408.551
GAP	13.134	34.972	(12.976)	(8.396)	6.344	9.498	9.354	-	38.797	5.695
Acumulative GAP	-	34.972	21.996	13.600	19.944	29.442	38.797	38.797	-	-

Note: Net of impairment.

(values expressed in thousand Euros)

On December 31st, 2024, 96.4% of Bison Bank’s assets and 86.9% of its liabilities and equity were sensitive to interest rate risk, being affected by interest rate fluctuations, by re-setting levels, which represents a significant change compared to 2023, particularly with regard to liabilities (on December 31st, 2023, 94.6% of assets and 59.8% of liabilities and equity were sensitive

to interest rate risk). On the asset side, the increase in sensitive assets was due to the amount invested with the Bank of Portugal, as well as the increase in the investment portfolio. As far as liabilities are concerned, there was an increase in the amount allocated to term deposits, as well as the implementation of a model that better captures the behavior of demand deposits.

On December 31st, 2023, it was as follows:

31-12-2023		Residual Maturities							Total Sensitive	Total
	Non Sensitive	Até 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	5-10 Years	>10 Years		
Assets										
Money Market / Liquidity	0	254.124	0	0	0	0	0	0	254.124	254.124
Reverse Repos	0	0	0	0	0	0	0	0	0	0
Loans	0	80	0	0	0	0	0	0	80	80
Debt Securities & Derivatives MtM	29	39.454	23.304	31.667	25.297	16.355	8.304	0	144.382	144.412
Shares & Funds	0	0	0	0	0	0	0	0	0	0
Leased Assets	0	0	0	0	0	0	0	0	0	0
Other Assets	22.391	7.049	0	0	0	0	0	0	7.049	29.439
Total Assets	22.420	300.707	23.304	31.667	25.297	16.355	8.304	0	405.635	428.056
Liabilities										
Money market / Loro Accounts	0	0	0	0	0	0	0	0	0	0
Term Deposits	0	62.883	32.778	14.219	3.461	0	0	0	113.341	113.341
On-demand Deposits	0	197.785	2.571	5.143	20.592	13.599	0	0	239.688	239.688
Subordinated Debt	0	0	0	0	0	0	0	0	0	0
Lease Liabilities	0	0	0	0	0	0	0	0	0	0
Other Liabilities	9.287	0	0	0	0	0	0	0	0	9.287
Equity	46.235	0	0	0	0	0	0	0	0	46.235
Total Liabilities + Equity	9.287	260.666	35.349	19.362	24.052	13.599	0	0	353.029	408.551
GAP	13.134	40.041	(12.045)	12.305	1.245	2.756	8.304	-	52.607	19.505
Acumulative GAP	-	40.041	27.996	40.301	41.546	44.302	52.607	52.607	-	-

Note: Net of impairment.

(values expressed in thousand Euros)

Sensitivity analysis of the impact of an increase of 200 basis points in the interest rate curve by relevant currencies, on December 31st, 2024, and 2023, at the Individual level:

		31-12-2024	31-12-2023
EUR	Impact on Net Worth	(1.996)	(2.539)
	Own Funds	45.608	41.969
	Impact on Own Funds, in %	(4%)	(6%)
	Impact on Net Interest Income, at 12 Months	51	2.205
	Net Interest Income	852	4.887
	Impact on Net Interest Income Annual, in %	6%	45%
USD	Impact on Net Worth	(346)	(292)
	Own Funds	45.608	45.612
	Impact on Own Funds, in %	(1%)	(1%)
	Impact on Net Interest Income, at 12 Months	(112)	122
	Net Interest Income	(139)	587
	Impact on Net Interest Income Annual, in %	81%	21%
TOTAL	Impact on Net Worth	(2.080)	(2.835)
	Own Funds	45.608	41.969
	Impact on Own Funds, in %	(5%)	(7%)
	Impact on Net Interest Income, at 12 Months	76	2.347
	Net Interest Income	(5.954)	5.504
	Impact on Net Interest Income Annual, in %	(1%)	43%

Note: Equity includes the net result for the period(values expressed in thousand Euros)

Interest rate risk is continuously monitored and controlled, and some mitigation measures are in place to reduce the potential negative impact, including contracting interest rate futures within defined limits.

Liquidity risk

Liquidity risk is defined as the probability of negative impacts arising from the institution’s inability to immediately have liquid funds to meet its financial obligations in a timely manner and whether these are secured under reasonable conditions. At the Bank, liquidity levels are adapted according to the amounts and terms of the commitments made and the resources obtained, based on the identification of gaps.

Liquidity and funding management, together with capital management, is a crucial pillar in ensuring Bison Bank’s robustness and resilience. As such, the Bank has defined as one of the general principles of the RAS that it intends to continue to ensure a solid, stable and secure liquidity position, capable of withstanding adverse events and maintaining a stable funding capacity and adequate levels of liquidity reserves that allow it to have a balance sheet structure that is adaptable to existing circumstances.

Liquidity management is the responsibility of the TED, which must ensure a stable and robust liquidity position by controlling any liquidity deficits and holding liquid assets, ensuring compliance with the specific indicators, limits and tolerances approved by the Board of Directors and monitoring/anticipating possible changes that could affect the basic premises of the approved Liquidity Management Policy.

The RRD acts as a joint body and supervisor of liquidity risk, contributing to the definition of the strategy and implementation of policies and procedures for liquidity risk management, within a framework of compliance with the applicable legal and regulatory standards, while ensuring consistency between the Liquidity Management Policy and the Bank’s risk management exercises, such as the FCP (Funding and Capital Plan), Recovery Plan, ICAAP (Internal Capital Adequacy Self-Assessment Process) and ILAAP (Internal Liquidity Adequacy Self-Assessment Process), as well as monitoring and assessing the effectiveness of the associated controls.

Within the scope of liquidity management and its control, various mitigation measures are defined to reduce the potential impact of liquidity risk, including the definition of tolerances and limits in accordance with the RAS, liquidity contingency measures, recovery plan and other regulatory requirements. To this end, the Bank establishes various internal metrics which are defined in the Liquidity Management Policy, such as:

- Minimum liquidity reserves that establish a minimum ratio based on the volume of deposits calculated on the basis of the monthly average;
- Compliance with the limits established for the LCR (regulatory and internal) - the aim of which is to promote short-term liquidity by ensuring that unencumbered, high-quality liquid assets are held to withstand a 30-day stress period;
- Compliance with the limits established for the NSFR (regulatory and internal) - which promotes the sustainability of the institution’s financial structure over a longer time horizon, considering medium- to long-term liquidity coverage.

In addition to the aforementioned metrics, other metrics resulting from internal assumptions and requirements are considered within the scope of the Liquidity Management Policy, in line with the appetite limits established in the RAS, namely with regard to primary liquidity and structural liquidity.

As of December 31, 2024, the Bank had a robust liquidity position, which is reflected in the high liquidity ratios, LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio).

At the end of 2024, the available liquidity was mostly invested in an investment portfolio, in the Bank of Portugal (liquidity transfers) and in other credit institutions.

The following table details the composition of liquid assets according to the criteria established for determining high-quality liquid assets used to calculate the LCR ratio:

	Individual				
	31-12-2024		31-12-2023		Δ
	Market Value	Eligible Value	Market Value	Eligible Value	
Level 1 Assets	253.478	253.478	114.655	114.655	138.823
Level 2A Assets	3.557	2.627	3.551	2.636	(9)
Level 2B Assets	15.504	7.752	11.261	5.630	2.122
Total of High Quality Liquid Assets (HQLA) ¹	272.539	263.857	129.467	122.921	140.936

(1) HQLA (High Quality Liquid Assents) according to the criteria and calculation of the LCR ratio.
Note: Unaudited information. Prudential information.

(values expressed in thousand Euros)

The Bank maintained a robust liquidity structure throughout the year, ending the year with liquidity ratios, the LCR and the NSFR, substantially above the regulatory minimums.

	31-12-2024	31-12-2023
LCR	219,0%	178,9%
Liquidity Buffer	263.857	122.921
Net Liquidity Outflow	120.506	68.699
NSFR	258,9%	162,1%

Note: Unaudited information. Prudential information.

(values expressed in thousand Euros)

In addition to the regulatory and internal ratios, the Bank periodically carries out an internal and prospective liquidity assessment, namely the preparation of the ILAAP exercise.

Asset encumbrance

Assets	31-12-2024			
	Carrying Amount of Encumbered Assets	Fair Value of Encumbered Assets	Carrying Amount of Unencumbered Assets	Fair Value of Unencumbered Assets
Assets of the Reporting Institution	2.432	2.432	404.008	
Deposits and Applications with Credit Institutions	500	500	260.702	
Equity Instruments			10.429	10.429
Debt Securities	473	473	122.285	122.285
Other Assets	1.459	1.459	10.591	

Collateral Received	Fair Value of Encumbered Collateral Received or Own Debt Securities Issued	Fair Value of Collateral Received or Own Debt Securities Issued Available for Encumbrance
Collateral Received by the Reporting Institution	-	-
Equity Instruments	-	-
Debt Securities	-	-
Other Collateral Received	-	-
Own Debt Securities Issued other than own Covered Bonds or ABS	-	-

Encumbered Assets, Encumbered Collateral Received and Matching Liabilities	Matching Liabilities, Contingent Liabilities and Securities Lent	Assets, Collateral Received and Own Debt Securities Issued than Covered Bonds and ABSs Encumbered
Carrying amount of selected financial liabilities	-	-

Note: Unaudited information. Prudential information.

(values expressed in thousand Euros)

	31-12-2023			
Assets	Carrying Amount of Encumbered Assets	Fair Value of Encumbered Assets	Carrying Amount of Unencumbered Assets	Fair Value of Unencumbered Assets
Assets of the Reporting Institution	3.004	3.004	247.148	-
Deposits and Applications with Credit Institutions	500	500	111.738	-
Equity Instruments	-	-	10.685	10.685
Debt Securities	442	442	115.762	115.762
Other Assets	2.062	2.062	8.963	-

Collateral Received	Fair Value of Encumbered Collateral Received or Own Debt Securities Issued	Fair Value of Collateral Received or Own Debt Securities Issued Available for Encumbrance
Collateral Received by the Reporting Institution	-	-
Equity Instruments	-	-
Debt Securities	-	-
Other Collateral Received	-	-
Own Debt Securities Issued other than own Covered Bonds or ABS	-	-

Encumbered Assets, Encumbered Collateral Received and Matching Liabilities	Matching Liabilities, Contingent Liabilities and Securities Lent	Assets, Collateral Received and Own Debt Securities Issued than Covered Bonds and ABSs Encumbered
Carrying amount of selected financial liabilities	-	-

Nota: Informação não auditada. Informação prudencial.

(values expressed in thousand Euros)

The Bank’s encumbered assets relate to regulatory/prudential requirements, namely intra-day credit and the investor compensation scheme. Total encumbered assets represent only 0.6% of total assets.

Non-Financial Risks

Non-financial risks are essentially associated with failures of various kinds, namely of an operational nature (operational risk), inadequacy of information and technology systems (information technology risk, cybersecurity risk), misconduct, non-compliance with regulations (compliance risk), inadequate definition or implementation of strategic decisions (strategy risk), negative perception of public image (reputational risk), which may arise in the course of its business.

The measurement of non-financial risks is essentially based on the risk self-assessment exercise (Risk Control Self-Assessment - RCSA) through which the Bank’s various units/directorates assess the risks to which they are exposed in carrying out their activities.

Aware of their importance, the Bank has defined in its RAS a set of KPIs whose evolution is monitored regularly and disclosed to the Board of Directors, namely in the monthly “Finance & Risk Report”.

With regard to operational risk, the Bank maintained its Contingency Plan for business continuity, thus guaranteeing the safety of employees and customers, while maintaining the Bank’s operational capacity. The Bank continued to use teleworking on a partial basis, with an impact on infrastructure and increased measures in the area of systems security.

Over the course of the year, various training courses were held in the area of non-financial risks, including the following specific courses: Prevention of Money Laundering and

Terrorist Financing, Code of Conduct, Conflict of Interest, Related Parties and Reporting Irregularities, Cybersecurity, Climate Risks, Security Policies applied to SWIFT Payments, DORA Regulation (Digital Operational Resilience Act) and IBM Fundamentals.

27.2. Capital Risk

Capital risk is the risk of lacking sufficient capital, either quantitatively or qualitatively, to meet its business objectives and regulatory requirements. Bison Bank has defined as one of its general RAS principles that it aims to maintain a level of capital above regulatory requirements, both in normal and adverse scenarios. The Bank has set targets for the total capital ratio (Pillar I) and the total economic capital ratio (Pillar 2), for the Base and Adverse scenarios, to be maintained on a permanent basis.

Capital risk control is part of the Bank’s risk monitoring structure, which involves a series of exercises, such as the annual budgeting exercise, the financing and capital plan, capital adequacy, the resolution plan, as well as monitoring, reporting and disclosure of capital data.

The Bank maintains adequate and robust capital levels, both in terms of regulatory capital and economic capital, and has internal management and control mechanisms that allow it to maintain a solid capital structure.

27.2.1. Own Funds and Capital and Leverage Ratios

Prudential ratios as of December 31st, 2024, and 2023, at the Individual level:

	31-12-2024	31-12-2023
As per the rules CRD IV / CRR phasing in		
Common Equity Tier 1 capital	43.155	42.610
Total Own Funds	43.155	41.610
Risk Weighted Assets (RWAs)	122.035	118.971
Common Equity Tier 1 Ratio	35,4%	35,3%
Total Ratio	35,4%	35,3%
Leverage Ratio	10,6%	16,9%
As per rules CRD IV / CRR fully implemented		
Common Equity Tier 1 capital	43.155	42.610
Total Own Funds	43.155	42.610
Risk Weighted Assets (RWAs)	122.035	118.971
Common Equity Tier 1 Ratio	35,4%	35,3%
Total Ratio	35,4%	35,3%
Leverage Ratio	10,6%	16,9%

Notes:

(1) Unaudited information. Prudential information.

(2) The Bank has not adopted the possibility of phasing the implementation impact and IFRS9 over own funds in accordance with the provisions of article 473-A of the CRR. The implementation of CRR 2.5 (reducing the weighting of loans to SMEs and infrastructure) had no impact on the ratio. The transitional prudential filter provided for in article 468 is not being applied for unrealized gains and losses on sovereign debt exposures value at fair through other comprehensive income (JVOCI), excluding financial assets in credit impairment;

(3) The leverage ratio is calculated between Tier 1 capital and the total value of the balance sheet assets and off-balance sheet items, not being subject to weighting coefficients as occurs in the calculation of risk-weighted assets.

Source: COREP. Positive net result for 2024 not included.

The minimum own funds requirements (“Pillar 1 requirements”), as provided for in Article 92 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26 (“CRR”), include a core tier 1 capital ratio (“CET 1”) of 4.5%, a tier 1 capital ratio (“Tier 1”) of 6% and a total capital ratio (“Total capital”) of 8%. In addition, and in accordance with Bank of Portugal Notice 6/2016, a capital conservation buffer of 2.5% was established.

As of July 2021, Bison Bank is subject to a specific complementary requirement determined within the scope of the annual Supervisory Review and Evaluation Process (SREP) conducted by the Bank of Portugal.

During the year, the Bank complied with the capital ratios to which it is subject.

As of December 31, 2024, Common Equity Tier 1 (CET 1) capital calculated in accordance with the applicable CRD IV / CRR rules totaled €43.16 million, corresponding to a CET 1 ratio of 35.4%. The decrease in the ratio compared to 2023 resulted from the increase in Total Risk Weighted Assets.

Bison Bank does not disclose capital ratios calculated on a basis other than that provided for in Regulation (EU) No. 575/2013 (CRR) and there are no differences between the accounting basis and the prudential basis for calculating the respective ratios.

As of December 2024, the leverage ratio determined in the CRR/CRD regulations stood at 10.6% (vs. 16.9% in 2023), well above the regulatory minimum of 3%.

Accounting detail of Own Funds as of December 31, 2024, and 2023, at the Individual level:

	31-12-2024	31-12-2023
Own Funds		
Share Capital	195.198	195.198
Reserves and Retained Earnings	(151.030)	(151.000)
Net Income	-	641
Securities Revaluation Reserves	(386)	(1.575)
Deductions		
Intangible Assets	(506)	(454)
Other Deductions: Prudent valuation on the Regulation 2016/101 of 26 October 2015	(127)	(127)
Other Deductions: Deposit Guarantee Fund	-	(73)
Fundos próprios totais e Common Tier 1	43.155	42.610

Note: Unaudited information. Prudential information.

Source: COREP_OF. Positive net result for 2024 not included.

Breakdown of Own Funds as at December 31, 2024 and 2023, at Individual level

	31-12-2024	31-12-2023
Own Funds	43.155	42.610
Tier 1 Capital	43.155	42.610
Common Equity Tier 1 Capital	43.155	42.610
Capital Instruments eligible as CET1 Capital	195.198	195.198
Paid up capital instruments	195.198	195.198
-) Own CET1 instruments	-	73
Retained earnings	(151.030)	(151.360)
Previous years retained earnings	(151.030)	(151.000)
Profit or loss eligible	-	641
Accumulated other comprehensive income	(386)	(1.575)
Other reserves	-	-
Minority interest given recognition in CET1 capital	-	-
Transitional adjustments due to additional minority interests	-	-
(-) Value adjustments due to the requirements for prudent valuation	(121)	(127)
(-) Other intangible assets	(506)	(454)
-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-	-
(-) Defined benefit pension fund assets	-	-
(-) CET1 instruments of financial sector entities where the institution has a significant investment	-	-
(-) Amount exceeding the 15% threshold	-	-
Other transitional adjustments to CET1 Capital	-	(73)
Additional Tier 1 Capital	-	-
Instruments issued by subsidiaries that are given recognition in AT1 Capital	-	-
Transitional adjustments due to additional recognition in AT1 Capital of instruments issued by subsidiaries	-	-
Tier 2 Capital	-	-
Capital instruments and subordinated loans eligible as T2 Capital	-	-
Paid up capital instruments and subordinated loans	-	-
Instruments issued by subsidiaries that are given recognition in T2 Capital	-	-
Transitional adjustments due to additional recognition in T2 Capital of instruments issued by subsidiaries	-	-
(-) T2 instruments of financial sector entities where the institution has a significant investment	-	-
Other transitional adjustment to T2 Capital	-	-

Note: Unaudited information. Prudential information.
Fonte: COREP_OF. Positive net result for 2024 not included.

(values expressed in thousand Euros)

Evaluation and Adequacy of Internal Capital

In compliance with the prudential requirements currently in force, the Bank carries out an internal capital adequacy self-assessment exercise (ICAAP), as provided for in Pillar 2 of Basel III and Instruction 3/2019 of the Bank of Portugal. The ICAAP is a fundamental part of Bison Bank’s risk management, as it allows a direct assessment and determination of the internal capital levels underlying the institution’s risk profile, in the development of its business strategy (current and projected).

The purpose of the ICAAP exercise is to contribute to the Bank’s continuity from a capital perspective (going concern), ensuring that it has sufficient capital to face its risks, absorb losses and continue, even during a prolonged adverse period - to define the levels of capital required to capture unexpected losses, considering a certain confidence interval and time horizon. This exercise ensures that the risks to which the institutions are exposed (Pillar I and Pillar II risks) are properly assessed and that the institution’s internal capital is in line with the risk profile established in the Bank’s RAS.

The Bank takes a conservative view of economic capital requirements, defining them as the maximum between regulatory and internal capital requirements, by risk category.

In order to quantify risks, the Bank has developed various methodologies for calculating internal capital requirements which estimate the maximum potential loss over a one-year period. Risks are quantified in terms of impact on the level of requirements, or on results according to a set of methodologies developed.

As a result of this process, the Bank is provided with an overview of the evolution of its own funds and internal Pillar II requirements. Its resilience in the Base and Adverse scenarios is also assessed, thus fulfilling one of the main purposes of this process.

The ICAAP is the responsibility of the Board of Directors, but it delegates the obligation to carry out this process to the DRR. The DRR is therefore responsible for preparing and coordinating the ICAAP report. The Bank has internally defined

- DRR;
- Comité ALCO & *Risk Management* — coordinated by DRR
- People and Accounting Department (PAD);
- Audit Department (IAD);
- Executive Committee (EC).

The main objective of the ICAAP process is todetermine the capital requirements for all the risks to which the institution is, or may be, subject in the course of its business. This includes Pillar I risks (Credit Risk, Market Risk and Operational Risk) and, additionally, Concentration Risk, Interest Rate Risk, Reputational Risk, Compliance Risk, Strategy Risk, etc.

RRD is responsible for risk management, which includes the calculation and permanent monitoring of the institution’s capital consumption, namely: a) defining the levels of risk that Bison Bank is willing to assume; identifying, quantifying and monitoring the various risks assumed: b) calculating the capital consumption of the different risks to which the Bank is exposed in Pillar I; c) ensuring the development and regulatory reporting of the ICAAP exercise.

The ALCO & Risk Management Committee, coordinated by RRD, is responsible for monitoring overall risk levels. In terms of ICAAP, it is responsible for presenting and analyzing the current and prospective capital position and proposing mitigation measures when necessary.

Recovery Plan

In addition, as an integral part of the capital management process, the Bank annually updates the Recovery Plan for its business and activities, through which a wide range of key indicators are defined, which are monitored permanently (on a monthly basis), allowing for timely action whenever deviations exceed certain thresholds (defined in the Plan), and are reported in accordance with the defined governance. Specific responsibilities and measures to be taken are defined, particularly in the event of capital and/or liquidity contingencies, with the aim of anticipating the occurrence of any crisis.

The Recovery Plan thus establishes a decision-making protocol for crisis management, identifying predefined actions and strategies for responding to adverse events.

Limit to Major Risks

On December 31st, 2024, the Bank complied with the limit for large exposures set out in Article 395 of Regulation (EC) no. 575/2013, of June 26, 2013 (CRR).

28. FAIR VALUE OF SECURITIES PORTFOLIO AND OTHER FINANCIAL INSTRUMENTS

The fair value of financial instruments is estimated whenever possible using active market prices. A market is considered active and liquid when there are equally knowledgeable counterparties and regular transactions take place. For financial instruments in which there is no active market, due to lack of liquidity and absence of regular transactions, valuation methods and techniques are used to estimate fair value. Financial instruments have been classified by level in accordance with the hierarchy set out in IFRS 13.

Financial instruments carried on the balance sheet at fair value

As of December 31st, 2024 and 2023, the breakdown of this item is as follows:

Consolidated/Individual	Valuation Techniques			
	Market Value or Market Price			
	Level 1	Level 2	Level 3	Level 4
Assets				
Financial Assets held for Trading	29	-	-	29
Non-Trading Financial Mandatorily at Fair Value Through Profit or Loss	-	-	10.429	10.429
Financial Assets at Fair Value Through Other Comprehensive Income	79.678	31.049	-	110.727

Consolidated/Individual	Valuation Techniques			
	Market Value or Market Price			
	Level 1	Level 2	Level 3	Level 4
Assets				
Financial Assets held for Trading	24	-	-	24
Non-Trading Financial Mandatorily at Fair Value Through Profit or Loss	-	5	10.679	10.685
Financial Assets at Fair Value Through Other Comprehensive Income	51.772	64.408	-	116.180

In constructing the above table, fair value levels were used in accordance with the fair value hierarchy provided for in IFRS 13 (see Note 2.8).

In the internal valuation models for trading financial instruments and at fair value through profit or loss, market interest rates are calculated based on information published by Bloomberg. Maturities of up to one year are based on interbank money market rates, while maturities of over one year are based on interest rate swap quotes. The interest rate curve obtained is also adjusted against the values of short-term interest rate futures. Interest rates for specific maturities are determined by interpolation methods. The same interest rate curves are also used in the projection of non-deterministic cash flows, such as indexation.

The interest rates used to calculate the interest rate curve with reference to December 31st, 2024 and 2023, for the EUR and USD currencies are as follows:

	EUR			USD		
Maturity	31-12-2024	31-12-2023	31-12-2022	31-12-2024	31-12-2023	31-12-2022
1 Day	2,905%	n.a.	1,885%	4.350%	n.a.	4,318%
7 Days	2,924%	3,900%	1,872%	4.380%	5,373%	4,400%
1 Months	2,845%	3,845%	1,884%	4.330%	5,469%	4,392%
2 Months	2,760%	n.a.	n.a.	4.330%	n.a.	n.a.
3 Months	2,711%	3,909%	2,132%	4.310%	5,593%	4,767%
6 Months	2,568%	3,861%	2,693%	4.250%	5,586%	5,139%
1 Year	2,460%	3,513%	3,291%	4.170%	n.a.	5,482%
2 Years	2,193%	2,797%	3,395%	4.078%	4,066%	4,446%
3 Years	2,189%	2,550%	3,311%	4.055%	3,748%	4,069%
4 Years	2,220%	2,459%	3,258%	4.042%	3,601%	3,862%
5 Years	2,246%	2,431%	3,239%	4.039%	3,529%	3,746%
6 Years	2,271%	2,428%	3,218%	4.044%	3,496%	3,673%
7 Years	2,294%	2,437%	3,202%	4.049%	3,478%	3,624%
8 Years	2,318%	2,453%	3,197%	4.055%	3,471%	3,588%
9 Years	2,340%	2,470%	3,198%	4.062%	3,471%	3,567%
10 Years	2,362%	2,492%	3,203%	4.071%	3,474%	3,558%
20 Years	2,363%	2,522%	2,931%	4.102%	3,480%	3,551%
30 Years	2,156%	2,340%	2,533%	3.934%	3,316%	3,209%

In the specific case of investment fund units held by the Bank, these are classified in level 3 of the fair value hierarchy and valued based on the NAV (“Net Asset Value”) disclosed by the respective management companies.

Financial instruments at cost or amortized cost

As of December 31st, 2024 and 2023, the breakdown of this item is as follows:

	Consolidated	
31-12-2024	Value	Fair Value
Cash, Cash Balances at Central Bank and Other Demand Deposits	261.448	261.448
Financial Assets at Amortised Cost	12.081	12.081
Other Assets	6.676	6.676
Deposits	(350.694)	(350.694)
Other Liabilities	(6 689)	(6 689)
31-12-2023	Value	Fair Value
Cash, Cash	113.161	113.161
Financial Assets at Amortised Cost	95	95
Other Assets	6.201	6.201
Deposits	(197.949)	(197.949)
Other Liabilities	(5.680)	(5.680)

	Individual	
31-12-2024	Value	Fair Value
Cash, Cash Balances at Central Bank and Other Demand Deposits	261.122	261.122
Financial Assets at Amortised Cost	12.081	12.081
Other Assets	9.126	9.126
Deposits	(352.182)	(352.182)
Other Liabilities	(6.528)	(6.528)
31-12-2023	Value	Fair Value
Cash, Cash Balances at Central Bank and Other Demand Deposits	112.143	112.143
Financial Assets at Amortised Cost	95	95
Other Assets	9.086	9.086
Deposits	(199.008)	(199.008)
Other Liabilities	(5.584)	(5.584)

For financial instruments recorded in the balance sheet at amortized cost, the Bank calculates their fair value using valuation techniques.

The fair value shown may not correspond to the realization value of these financial instruments in a sale or liquidation scenario and was not determined for this purpose. The values presented basically represent highly liquid cash and cash equivalents with short residual maturities, and do not differ substantially from the values recorded in the balance sheet.

The valuation techniques used by the Bank are based on the market conditions applicable to similar operations on the reference date of the financial statements, namely the value of the respective discounted cash flows based on the interest rates considered most appropriate.

For variable-rate, very short-term non-performing loans, the balance sheet value was the best approximation of fair value.

29. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are analyzed in accordance with the criteria applicable to third-party transactions and are conducted under normal market conditions. These transactions are subject to approval by the Board of Directors.

The figures presented below are based on the following criteria:

The balances on December 31, 2024, and 2023 and the transactions that took place in the years ending on those dates, regarding Key Management Personnel, refer to all the “Members of the Board of Directors and Supervisory Body” disclosed below, whether or not in office on December 31, 2024 and 2023:

	31-12-2024	31-12-2023	31-12-2024	31-12-2023
	Key Management Personnel		Shareholders	
Deposits	132	81	-	-
Interests	3	1	-	-
Commission Income	-	0	-	-
Staff Expenses	1.370	1.249	-	-

The related parties are as follows:

Key management and supervisory body members	Bank Entities
• André Filipe Ventura Rendeiro	• Bison Capital Holding Company Limited
• António Manuel Gouveia Ribeiro Henriques	• Bison Capital Financial Holdings (Hong Kong) Limited
• Bian Fang	• Bison Digital Assets
• Eduardo Nuno de Sousa Feijóo Moradas	
• Issuf Ahmad	
• Luís Miguel Gonçalves Folhadela de Oliveira	
• Ting Wang	

30. EVENTS AFTER THE BALANCE SHEET DATE

According to the latest update of the International Monetary Fund’s (IMF) World Economic Outlook, published in January 2025, global growth is expected to be 3.3% in 2025 and 2026, below the historical average (2000-19) of 3.7%.

The forecast for 2025 remains practically unchanged from the end of 2024, mainly due to an upward revision in the United States that offsets downward revisions in other major economies. Global inflation is expected to fall to 4.2% in 2025 and to 3.5% in 2026, converging on the target sooner in advanced economies than in emerging market and developing economies.

The medium-term risks to the baseline projection are tilted to the downside, while the short-term outlook is characterized by diverging risks.

The upside risks could boost the already robust growth of the United States in the short term, while the risks in other countries are on the downside, in a context of high political uncertainty.

Policy disruptions in the ongoing disinflation process could interrupt the shift towards a less restrictive monetary policy, with implications for fiscal sustainability and financial stability. Managing these risks requires a strong policy focus on balancing the trade-offs between inflation and real activity, rebuilding reserves and strengthening medium-term growth prospects by intensifying structural reforms and strengthening multilateral rules and cooperation.

In view of Bison Bank’s balance sheet structure, and with its assets consisting essentially of a portfolio of investment grade and highly liquid bonds and liquidity

with first-tier financial institutions, no significant impacts are anticipated or have occurred for the Bank at an individual or consolidated level as a result of the permanence and possible uncertainties associated with these risks.

There were no other events that required adjustments and/or disclosures in these financial statements.

Corporate Governance Report

10.

This report forms an integral part of the Report of the Board of Directors for the financial year 2024 of Bison Bank, S.A. (hereinafter referred to as “Bison Bank”, “Bank” or “Company”) and aims to disclose the corporate governance structure and practices adopted by Bison Bank.

This Corporate Governance Report has been prepared in accordance with the following provisions:

- Article 70(2)(b) of the Companies Code (“CSC”).
- European Banking Authority (EBA) guidelines on internal governance and remuneration policy (EBA/GL/2021/05 and EBA/GL/2021/04, both of July 2, 2021).
- General Regime for Credit Institutions and Financial Companies (“RGICSF”) approved by Decree-Law no. 298/92, of December 31, as successively amended to date.
- Notice no. 03/2020 of the Bank of Portugal, of July 1, 2020, which regulates the organisational culture, internal governance, internal control system and remuneration policies and practices of credit institutions and financial companies (namely article 47).
- Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013 (“CRR 2”), as successively amended to date (namely Article 450).
- Directive 2013/36/EU of the European Parliament and of the Council of June 26, 2013 (“CRD 5”), as successively amended to date.

I. Corporate Governance Structure and Practices

I.1. Governance structure

The governance structure adopted by the Company, recently amended in 2022, corresponds to the Anglo-Saxon Model, under the terms of Article 278(1) (b) of the CSC, comprising a General Meeting, a Board of Directors (with powers delegated to an Executive Committee), which includes an Audit Committee, made up of non-executive members of the Board of Directors, and a Statutory Auditor.

In accordance with Article 25 of the Articles of Association, the Company also has a Company Secretary and an Alternate Company Secretary.

This governance model is intended to ensure effective and prudent management of the Company and holistic supervision of all applicable risks, while also ensuring greater efficiency and cohesion in management, as a result of the presence of the supervisory body within the Board of Directors.

I.2. General Shareholder Meeting, Composition and Applicable Rules

I.2.1. Identification of the members of the Board of the General Meeting of Shareholders and indication of the start and end dates of their terms of office

The Board of the General Meeting is made up of a Chairman and one or two Secretaries, in accordance with Article 12.1 of the Company’s Articles of Association,

The members of the Board of the General Meeting listed below were elected at the General Meeting of July 7, 2022, for the four-year term 2022-2025:

Chairman: Paulo Herberto da Costa Ramos Martins
Secretary: Afonso Maria Pita Negrão Cardoso de Menezes

On March 23, 2023, the Secretary of the Bank’s General Meeting tendered his resignation and the position remained vacant until the appointment of the current Secretary on November 7, 2023.

In view of the above, the Board of the General Assembly, for the four-year term 2022-2025, is currently composed of the following members:

Chairman: Paulo Herberto da Costa Ramos Martins
Secretary: Marta dos Santos Maques Franco

I.2.2. Requirements to be met in order to participate in the General Meeting and exercise the right to vote:

Dn accordance with Article 15 of the Company’s Articles of Association, shareholders who, in accordance with the law and the Articles of Association, have the right to at least one vote, are entitled to attend the General Meeting and discuss and vote thereon, with each 100 (one hundred) shares corresponding to 1 (one) vote.

Shareholders’ participation in and exercise of their voting rights at General Meetings depends on confirmation of the registration in their name of shares entitling them to at least one vote, no later than 6 (six) days before the date set for the respective meeting.

Shareholders must keep the shares they hold registered in their name at least until the end of the General Meeting.

Transfers of Company shares made in the five (5) days preceding the meeting of each General Meeting, on first call, shall not be considered for the purposes of participation in the General Meeting.

I.2.3. Indication of shareholders with special rights and description of these rights

As of December 31, 2024, there are no shareholders with special rights.

Without prejudice to the above, it should be noted that the Bank’s adherence to the special regime applicable to deferred tax assets, approved in the annex to Law no. 61/2014, of August 26, implied the constitution of special reserves in the amount of the tax credits calculated under the regime and the constitution of conversion rights freely assigned to the Portuguese State.

These conversion rights are registered and book-entry securities that confer the right to request the Bank to increase its share capital by incorporating the aforementioned special reserve and, consequently, to issue and deliver ordinary shares representing its share capital free of charge, in the percentage of the right exercised.

In this context, the Bank, in concert with the sole shareholder, has been carrying out a process of acquiring the aforementioned conversion rights from the DGTF, followed by their cancellation. Of the 8 batches of conversion rights issued (relating to the financial years 2015 to 2022), the Bank has already acquired 5 batches (relating to the financial years 2015 to 2019 - 593,306 rights acquired for €671,000 and already annulled), with 3 batches remaining in the possession of the DGTF (relating to the financial years 2020 to 2022 - 46,352 rights with a reference value of €58,000).

The Bank has been in regular contact with the DGTF with a view to acquiring the remaining 3 batches of conversion rights from it in its own name, and it is therefore not expected that the State will carry out any capital increase in the Bank through the exercise of these conversion rights.

I.2.4. Indication of other statutory rules on the exercise of voting rights at General Meetings, including the exercise of postal voting rights

The statutory rules on the exercise of voting rights, particularly with regard to constitutive and deliberative quorums, are in line with the legal regime of the CSC, and there is an identity between the statutory regime (set out in Articles 10 et seq. of the Company’s Articles of Association) and the legal regime (set out, for example, in Articles 383 and 386 of the CSC). There are no statutory rules on systems for highlighting rights with an equity content.

Article 4.2 of the Articles of Association establishes that the Company may issue any class of shares, namely preference shares, whether or not redeemable, which may be redeemed at par value plus a premium, by resolution of the competent body.

There are no statutory rules limiting the counting of voting rights.

Article 17(5) of the Articles of Association provides for and regulates the possibility of shareholders exercising their voting rights by correspondence.

I.2.5. Exercising the right to vote by electronic means

There is no provision for exercising the right to vote by electronic means.

I.2.6. Any restrictions on voting rights

Without prejudice to the above, there are no restrictions on voting rights.

I.2.7. Rules applicable to amending the Company’s articles of association

There are no specific rules, particularly of a statutory nature, applicable to the amendment of the Company’s Articles of Association, and the legal framework is fully applicable, particularly in the CSC and the RGICSF, which, in certain circumstances, requires prior authorization from the Bank of Portugal.

I.2.8. Qualifying holdings in the Company’s capital

On December 31, 2024, Bison Bank shares, totaling 39,039,674 shares, with a nominal value of €5 each, representing 100% of the Company’s share capital, in the total amount of €195,198,370.00, were held by the sole shareholder, Bison Capital Financial Holdings (Hong Kong) Limited.

At the date of this Report, Bison Capital Financial Holdings (Hong Kong) Limited remains the sole shareholder of Bison Bank.

I.3. Board of Directors

I.3.1 Definition, composition and designation

The Company’s management is entrusted to a Board of Directors, made up of a minimum of six and a maximum of fifteen members, elected by the General Meeting, as provided for in Article 18 of the Company’s Articles of Association and Article 391(1) of the Companies Code.

I.3.2. Identification of the members of the Board of Directors and indication of the start and end dates of their terms of office

All the members of the Board of Directors appointed for the 2022 to 2025 term are still in office as of the date of this Report.

The composition of the Board of Directors of Bison Bank that held office during 2024 is described below, with an indication of the date on which each of the respective members took office during each of their terms:

- Bian Fang, who also uses Fang Bian - Appointed by the sole shareholder on April 26th, 2019 as a member of the Board of Directors, for the 2018 to 2021 term, having taken up office on that date. On May 3rd, 2019, he was appointed by the Board of Directors as Chairman of the Executive Committee. On July 7th, 2022, he was reappointed by the sole shareholder as a member of the Company’s Board of Directors for the 2022 to 2025 term. On July 11th, 2022, he was appointed by the Board of Directors as its Chairman.

- António Manuel Gouveia Ribeiro Henriques – Appointed by the sole shareholder on December 5th, 2018 as a member of the Board of Directors for the 2018 to 2021 term, and took up office on that date. On March 31st, 2021, he was appointed by the Board of Directors as Vice-Chairman of the Executive Committee. On July 7th, 2022, he was reappointed by the sole shareholder as a member of the Company’s Board of Directors for the 2022 to 2025 term. On July 11th, 2022, he was appointed by the Board of Directors as Chairman of the Executive Committee.
- André Filipe Ventura Rendeiro – Appointed by the sole shareholder on October 30th, 2018, as a member of the Board of Directors for the 2018 to 2021 term, having taken up office on November 19th, 2018. On July 7th, 2022, he was reappointed by the sole shareholder as a member of the Company’s Board of Directors for the 2022 to 2025 term.
- Eduardo Nuno de Sousa Feijóo Moradas – appointed by the sole shareholder on July 7th, 2022, as a member of the Board of Directors for the term from 2022 to 2025, having taken up office on September 1st, 2022.
- Issuf Ahmad – appointed by the sole shareholder on July 7th, 2022, as a member of the Board of Directors (and chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee) for the 2022 to 2025 term, having taken up office on July 7th, 2022.
- Ting Wang – appointed by the sole shareholder on July 7th, 2022, as a member of the Board of Directors (and member of the Audit Committee) for the term from 2022 to 2025, having taken office on July 7th, 2022.
- Luís Miguel Gonçalves Folhadela de Oliveira who uses Luis Gonçalves Folhadela - appointed by the sole shareholder on July 7, 2022, as a member of the Board of Directors (and member of the Audit Committee and of the Nomination and Remuneration Committee) for the term of office from 2022 to 2025, having taken up office on July 7, 2022.

I.3.3. Powers and responsibilities of the Board of Directors, particularly with regard to resolutions to increase capital

The powers of the Board of Directors are set out in Article 20 of the Articles of Association.

In accordance with the aforementioned articles of association, the Board of Directors is responsible for managing the Company’s affairs and has exclusive and full powers to represent the Company. To this end, it has the power to decide on any company matter that is not, under the law or the Company’s articles of association, the exclusive responsibility of another body.

The Articles of Association do not provide for the possibility of increasing the Company’s share capital by resolution of the Board of Directors (namely under the terms of Article 456 of the CSC).

The Board of Directors has a set of Regulations which establish the guiding principles underpinning the work of this body, its powers, the basic rules governing the way it is organized and operates and the standards of conduct expected of its members.

The Regulations of the Board of Directors complement the relevant legal and statutory provisions and are available for consultation on the Company’s website.

I.3.4. Information on the rules applicable to the appointment and replacement of members of the Board of Directors

In accordance with the articles of association, the Board of Directors is made up of a minimum of six and a maximum of fifteen directors, depending on what is decided at the General Meeting, and substitute directors may be elected up to a number equal to one third of the number of effective directors that may be elected (Article 18(1) and (2) of the Articles of Association).

Also in accordance with the articles of association (Article 19(1)), at the first meeting of each term of office, the Board of Directors shall appoint its Chairman from among its members.

The selection and assessment of members to be proposed to join the management body is regulated by the “Policy for the Selection and Assessment of the Suitability of Members of the Management and Supervisory Bodies and Key Function Holders of Bison Bank S.A.”.

The Bank does not have a separate policy for recruiting members of the management body or a diversification policy in relation to their selection, although these matters are generally covered by the aforementioned Policy for Selecting and Assessing the Suitability of Members of the Management and Supervisory Bodies and Key Function Holders. In fact, the Selection and Assessment Policy refers to the individual and collective criteria for assessing the suitability of the members of the governing bodies, as well as to the fact that, in the selection and assessment of the members of the management and supervisory bodies, the diversity of personalities, qualifications and technical and sectoral skills required to carry out the duties of the Bank’s directors is actively promoted, as well as the diversity of gender, age and geographical origin.

The Company’s articles of association do not provide for any specific rules on the replacement of members of the Board of Directors, so this is carried out under the terms of Article 393(3) of the Companies Code. There is no formalized policy for the rotation of positions on the Board of Directors.

I.3.5. Indication of other companies in which members of the management body hold corporate positions

Bian Fang (Chairman of the Board of Directors) – With reference to December 31th, 2024, in addition to his position at Bison Bank, he held 1 other corporate position:

- Vice-Chairman (Non-Executive Member) of the Board of Directors of Banco Moçambicano de Apoio aos Investimentos, S.A..

António Manuel Gouveia Ribeiro Henriques (Presidente da Comissão Executiva) – With reference to December 31, 2024, in addition to his position at Bison Bank, he held 1 other corporate position:

- Chairman of the Board of Directors (Executive Member) of Bison Digital Assets, S.A. (an entity 100% owned by Bison Bank).

André Filipe Ventura Rendeiro (Executive Director) - With reference to December 31, 2024, in addition to his position at Bison Bank, he held 2 other corporate positions:

- Member of the Board of Directors (Executive Member) of Bison Digital Assets, S.A. (entity 100% owned by Bison Bank).
- Co-partner and Co-Manager of HORIZONFUSE, Lda.

Eduardo Nuno de Sousa Feijóo Moradas (Executive Director) - With reference to December 31, 2024, in addition to his position at Bison Bank, he held 4 other corporate position:

- Member of the Board of Directors (Executive Member) of Bison Digital Assets, S.A. (entity 100% owned by Bison Bank).
- Member of the Board of Directors of the American Club Lisbon.
- Member of the Board of Directors and Sole Manager of Luso Lake SGPS, S.A..
- Member of the Board of Directors and Sole Manager of Somerset Hills - Sociedade de Gestão de Imóveis próprios.

Issuf Ahmad (Non-Executive Director and Chairman of the Audit Committee, and Chairman of the Nomination and Remuneration Committee) - As of December 31, 2024, in addition to his position at Bison Bank, he held 1 other corporate position:

- Chairman of the Supervisory Board of Bison Digital Assets, S.A. (an entity 100% owned by Bison Bank).

Ting Wang (Non-executive Director and member of the Audit Committee) - As of December 31, 2024, in addition to his position at Bison Bank, she held 1 other corporate position:

- Member of the Supervisory Board of Bison Digital Assets, S.A. (an entity 100% owned by Bison Bank).

Luís Miguel Gonçalves Folhadela de Oliveira (Non-executive member and member of the Audit Committee and the Nomination and Remuneration Committee) - With reference to December 31, 2024, in addition to his position at Bison Bank, he held 1 other corporate position:

- Member of the Supervisory Board of Bison Digital Assets, S.A. (an entity 100% owned by Bison Bank).

I.3.6. Number of meetings held and attendance of each member of the Board of Directors at meetings held

In 2024, a total of 18 meetings of the Company’s Board of Directors were held, and minutes of each of these meetings were drawn up. The attendance of each member of the Board of Directors at the meetings was as follows:

Member	Nº of Attendees	Representation
Bian Fang (Chairman)	18	-
António Manuel Gouveia Ribeiro Henriques (Member and Chairman of the Executive Committe)	18	-
André Filipe Ventura Rendeiro (Executive Director)	18	-
Eduardo Nuno de Sousa Feijóo Moradas (Executive Director)	18	-
Issuf Ahmad (Non-Executive Director and Chairman of the Audit Committee)	18	-
Ting Wang (Non-Executive Director)	18	-
Luís Miguel Gonçalves Folhadela de Oliveira (Non-Executive Director)	18	-

I.4. Executive Board and Committees

I.4.1. Executive Committee

The day-to-day management of the Company is delegated to an Executive Committee set up within the Board of Directors, as provided for in Article 22(1) of the Articles of Association and Article 407(3) of the Companies Code.

Bison Bank’s Executive Committee for the 2022 to 2025 term of office was set up by resolution of the Board of Directors on July 11, 2022.

I.4.1.1. Composition and rules applicable to the Executive Committee

On July 11, 2022, when the Executive Committee was set up, it was decided by the Board of Directors that it would be made up of 3 members, the executive members of the Board of Directors, all of whom were in office on the date of this Report, as indicated below:

- António Manuel Gouveia Ribeiro Henriques (appointed Chairman of the Executive Committee).
- André Filipe Ventura Rendeiro (Executive Director).
- Eduardo Nuno de Sousa Feijóo Moradas (Executive Director) - took office on September 1, 2022.

There are no specific provisions in the Articles of Association regarding the appointment or replacement of members of the Executive Committee.

The Regulations of the Executive Committee, which establish how this body acts and operates, are available for consultation on the Company’s website.

I.4.1.2. Number of meetings held and level of attendance of each member of the Executive Committee at meetings held

In 2024, 35 meetings of the Executive Committee were held, and minutes were taken of each of these meetings. The attendance of each member of the Executive Board at meetings was as follows:

Member	Nº of Attendees	Representation
António Manuel Gouveia Ribeiro Henriques (CEO)	35	-
André Filipe Ventura Rendeiro	35	-
Eduardo Nuno de Sousa Feijóo Moradas	33	-

I.4.2. Existing committees and meetings held

a. Governance Committees

Considering the EBA guidelines on internal governance, the aim of aligning with best governance practices and the objective of strengthening the organisational and governance structure of the Company, the Bank opted in July 2022 to have only the Nomination and Remuneration Committee.

The Governance Committees are specialized supervisory committees made up of non-executive members of the board of directors and members of the supervisory body, with objectives and methods of operation duly regulated in the respective regulations.

i. Nomination and Remuneration Committee

The mission of the Appointments and Remuneration Committee is to advise and support the Board of Directors and the General Meeting on matters of appointments, appraisals and remuneration of (i) members of the Board of Directors and the Supervisory Board, (ii) senior management, (iii) those responsible for the Bank’s risk-taking and control functions, as well as (iv) other employees with essential functions or whose total remuneration places them in the same remuneration bracket as their predecessors (namely referred to in (i)), as defined by the Board of Directors.

The Nomination and Remuneration Committee also has the task of reviewing and monitoring internal policies relating to: i) Remuneration of members of the management and supervisory bodies; ii) Selection and Assessment of the Suitability of Members of the

Board of Directors and the Supervisory Board and of the Bank’s Key Function Holders and ensuring their complete effectiveness; iii) Prevention, Communication and Resolution of Conflicts of Interest, including transactions with related parties of the Bank.

These policies are available for consultation on the Bank’s website.

On July 11th, 2022, the Board of Directors appointed the following members to the Nomination and Remuneration Committee:

- Issuf Ahmad (Chairman)
- Fang Bian
- Luís Miguel Gonçalves Folhadela de Oliveira

The Committee shall meet as often as its members deem necessary and at least once a quarter.

In 2024, 7 meetings of the Nomination and Remuneration Committee were held and minutes of each of these meetings were drawn up.

The Regulations of the Nomination and Remuneration Committee are available for consultation on the Bank’s website.

b. Functional Committees

The Bank, as established in its internal procedures, has functional committees which have specific objectives to support the management body and are subject to different operating rules, as defined in the respective internal regulations.

Under the governance structure in force, the Bank has 4 functional committees, which are listed below:

- Asset and Liability (ALCO) and Risk Management Committee (maintained) - An advisory committee, which meets at least quarterly, essentially focused on issues relating to the Bank’s liquidity and risk management.

- Asset and Liability (ALCO) and Risk Management Committee (maintained) - An advisory committee, which meets at least quarterly, essentially focused on issues relating to the Bank’s liquidity and risk management.
- Business Development Committee — An advisory committee that meets at least once a month and is essentially geared towards monitoring the Bank’s commercial activity.
- Financial Planning and Control Committee — An advisory committee, which meets at least once a month, mainly to monitor monthly and annual financial information and the implementation of the Bank’s budget.
- Internal Control and Compliance Committee — An advisory committee, which meets at least quarterly, mainly to monitor the activity of the Bank’s compliance and internal control areas.

The following meetings were held in 2024:

Committees	Number of Meetings
Asset and Liability and Risk Management Committee	4
Business Development Committee	12
Financial Planning and Control Committee	12
Internal Control and Compliance Committee	4

I.5. Company supervisory body

I.5.1. Audit Committee

The supervisory function of the Company is currently entrusted, since the change in the governance model on July 7, 2022, to an Audit Committee, composed of a minimum of three effective members, one of whom is its Chairman, elected at the General Meeting from amongst the non-executive members of the Board of Directors, as provided for in Article 23 of the Company’s Articles of Association and Article 423-B of the CSC.

I.5.2.1 Identification of the members of the Audit Committee and the start and end dates of their terms of office

The members of the Audit Committee listed below were appointed by resolution of the sole shareholder on July 7, 2022, for the period from 2022 to 2025, in the light of the individual and collective assessment reports provided by the Company and following authorization previously granted by the Bank of Portugal:

- Issuf Ahmad (Chairman)
- Ting Wang
- Luís Miguel Gonçalves Folhadela de Oliveira

The aforementioned members took office on July 7th, 2022.

I.5.2.2 Information on the rules applicable to the appointment and replacement of members of the Audit Committee

Under the terms of Article 23(1) of the Articles of Association, the Audit Committee must be made up of a minimum of three members, in compliance with the incompatibility regime laid down by law, and its members must have the appropriate training and experience for the sector in which the Company operates.

The majority of its members, including its president, must be considered independent.

The independence requirement is designed to avoid the risk of members of the supervisory body being subject to undue influence from other people or entities, thus ensuring that these members can carry out their duties impartially.

The Chairman of the Audit Committee is appointed by the General Meeting or nominated by the members of the Audit Committee themselves (article 423-C of the CSC).

The Articles of Association do not specify the means for replacing the members of the Audit Committee, so such replacement will take place under the terms of article 393, ex vi article 423-H, of the CSC.

The Audit Committee has a Regulation that establishes the guiding principles of this body and the basic rules governing the way it is organized and operates. These Audit Committee Regulations are available for consultation on the Bison Bank website.

I.5.2.3 Reference to the fact that the Audit Committee evaluates the external auditor on an annual basis and the possibility of proposing to the general meeting its appointment and possible dismissal with just cause

The Audit Committee assesses the external auditor on an annual basis and it is also the Audit Committee’s responsibility to select and recommend the appointment of the Bank’s external auditor, i.e. the Chartered Accountants Firm, and possibly its dismissal at the General Meeting.

The Bank has a policy for selecting and appointing statutory auditors and audit firms, and for contracting different audit services that are not prohibited to statutory auditors and audit firms, and the latest revision of this policy was approved at the General Meeting of July 18, 2024.

I.5.2.4 Reference to the fact that the annual reports on the activity carried out by the Audit Committee include a description of the supervisory activity carried out, referring to any constraints detected, and are published on the Company’s website, together with the financial statements.

The Annual Reports of the Audit Committee include a description of the supervisory activity carried out, mentioning any constraints detected (if any) and are published on the Company’s website, together with the financial statements.

I.5.2.5 Number of meetings held and degree of attendance at meetings held by each member of the Audit Committee

During 2024, 50 meetings of the Company’s Audit Committee were held. Minutes were drawn up for each of these meetings.

The attendance of each member of the Audit Committee at the meetings was as follows:

Audit Committee – Total of 50 meetings held in 2024

Member	Attendance	Representation
Issuf Ahmad	50	-
Ting Wang	50	-
Luís Miguel Gonçalves Folhadela de Oliveira	50	-

I.5.3 Positions held by members of the Supervisory Body in other companies

Issuf Ahmad (Chairman of the Audit Committee) — As of December 31, 2024, in addition to his position at Bison Bank, he held 1 other corporate position:

- Chairman of the Supervisory Board of Bison Digital Assets, S.A. (an entity 100% owned by Bison Bank).

Ting Wang (Member of the Audit Committee) — As of December 31, 2024, in addition to his position at Bison Bank, she held 1 other corporate position:

- Member of the Supervisory Board of Bison Digital Assets, S.A. (an entity 100% owned by Bison Bank).

Luís Miguel Gonçalves Folhadela de Oliveira (Member of the Audit Committee) — With reference to December 31, 2024, in addition to his position at Bison Bank, he held 1 other corporate position:

- Member of the Supervisory Board of Bison Digital Assets, S.A. (an entity 100% owned by Bison Bank).

I.6. Statutory Auditor of the Company

The Company has a firm of statutory auditors, under the terms of Article 446(1) of the Companies Code, appointed by the General Meeting, on a proposal from the Audit Committee, in accordance with Article 24(1) of the Articles of Association and Article 446(1) of the Companies Code.

With reference to December 31st, 2023, the Company’s Statutory Auditor is Pricewaterhouse Coopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda, registered with the Portuguese Institute of Statutory Auditors under number 183 and with the CMVM under number 20161485.

The Company’s Statutory Auditor, identified above, reached the maximum limit of 10 years of service allowed by law in the fiscal year 2023, and although the Audit Committee consulted the CMVM, an exceptional extension was not advisable. Taking into account all the proposals submitted, the Audit Committee considered that Deloitte & Associados - SROC, S.A. was the best candidate for the position.

The sole shareholder, based on the opinion presented by the Audit Committee, decided to appoint “Deloitte & Associados - SROC, S.A.”, registered with the Portuguese Institute of Statutory Auditors under number 43 and registered with the CMVM under number 20161389, as the Company’s Statutory Auditor for the 2024 to 2025 term of office.

I.7. Company Secretary

I.7.1 Identification and indication of the start and end date of the respective mandates

In accordance with Article 25 of its Articles of Association, and with reference to 2023, the Company has a Company Secretary and an Alternate, identified below:

- Company Secretary: Afonso Maria Pita Negrão Cardoso de Menezes - Appointed by resolution of the Board of Directors on August 10, 2018, for the

four-year term of office 2018-2021. On July 11, 2022, he was reappointed by resolution of the Board of Directors for the four-year term of office 2022-2025, having held office until March 23, 2023.

- Alternate Company Secretary: Ricardo Mateus Mimoso - Appointed by resolution of the Board of Directors on July 11, 2022, for the four-year term of office 2022-2025, having served until March 23, 2023.
- Company Secretary: Ricardo Mateus Mimoso - held office from March 23, 2023 until October 27, 2023, due to the vacancy of the position of Secretary.
- Company Secretary: Marta dos Santos Marques Franco - Appointed by resolution of the Board of Directors on October 27, 2023, for the four-year term of 2022-2025.
- Alternate Company Secretary: Marta Castel-Branco – Appointed by resolution of the Board of Directors on July 26, 2024 for the four-year term of office of 2022-2025.

I.7.2. Framework, indication of appointment rules and powers

The Company Secretary is a statutory body that supports the Board of Directors, other governing bodies and shareholders. The Company Secretary and the Alternate Company Secretary are appointed by resolution of the Board of Directors for a term of office coinciding with their own, which may be renewed one or more times.

In general, they are responsible for the duties arising from article 446-B of the CSC and, in particular, for secretarial duties at meetings of the governing bodies, namely the Board of Directors and the Executive Committee, drawing up the respective minutes and signing them jointly with the respective members.

The Company Secretary’s Regulations are available for consultation on Bison Bank’s website.

I.8. Internal Control

I.8.1 Description of the internal control and risk management systems implemented by the Company, particularly with regard to the financial information disclosure process

The Bank’s management body establishes and maintains an internal control system, reflected in a set of strategies, policies, processes, systems and procedures with the aim of guaranteeing the Bank’s sustainability in the medium and long term and the prudent conduct of its business, through:

- The fulfillment of the objectives established in strategic planning, based on the efficient performance of operations, the efficient use of the Bank’s resources and the safeguarding of its assets;
- Proper identification, assessment, monitoring and control of the risks to which the Bank is or may be exposed;
- The existence of complete, relevant, reliable and timely financial and non-financial information;
- The adoption of sound accounting procedures;
- Compliance with the legislation, regulations and guidelines applicable to the Bank’s activity, issued by the competent authorities, compliance with internal regulations, as well as professional and ethical standards and uses and rules of conduct and customer relations.

The internal control system encompasses the entire structure of Bison Bank, including the responsibilities and functions of the Board of Directors and the Supervisory Body, all its business segments, structural units, and in particular the internal control functions.

At Bison Bank, the Board of Directors has established the internal control system in accordance with the EBA guidelines on internal governance (EBA/GL/2021/05), which is based on the three lines of defense model, ensuring the distribution of different responsibilities in

terms of governance and risk management among the different functions that make up each of the lines, in detail:

- First line: business generating units and related areas, which generate risk for the Bank and which are primarily responsible for identifying, assessing, monitoring and controlling the risks they incur;
- Second line: the support and control functions which include, in particular, the risk management (Global Risk and Reporting Department) and compliance (Compliance Department) functions, which interact with the first line functions in order to properly identify, assess, monitor and control the risks inherent in the activity carried out by the first line functions;
- Third line: the internal audit function (Internal Audit Department), which carries out independent, risk-oriented analyses.

In order to effectively achieve the defined objectives, the Bank’s Board of Directors has established its internal control system based on the following organisational principles:

- **Adequate control environment** that includes permanent and effective internal control functions, with a status, authority and independence in the organisational structure aimed at verifying, in their respective areas of competence, that the established strategies, policies, processes, systems and procedures are adequate, duly updated, correctly applied and effectively complied with.
- The Board of Directors ensures that measures are adopted to value behavior in line with the organisational culture based on high standards of ethical demand and to promote a control environment that adequately promotes the Company’s internal control. In this respect, the Board of Directors ensures that internal procedures are in place so that periodic and independent assessments are carried out and promoted in relation to the Bank’s conduct and values,

- which also cover the conduct and values of the management body itself and its committees.
- **A solid risk management system** that identifies, assesses, monitors and controls all the risks that may influence the strategy and objectives defined for the Bank, ensures their effective fulfillment and allows the necessary actions to be taken to respond adequately and in a timely manner to unintended or expected deviations.
 - **Efficient information and communication** system that ensures the collection, processing, archiving and exchange of relevant, comprehensive and consistent data, in a timely manner and in such a way as to enable the effective and timely performance of management and control of the activity and risks to which the Bank is or may be exposed.
 - **An effective monitoring process**, which ensures the adequacy and effectiveness of the internal control system over time and which guarantees, in particular, that any deficiencies are identified and corrected in good time.

— Production and processing of information and information flows

The Bank’s Board of Directors ensures that the Bank has adequate processes for obtaining, producing and processing information to support decision-making by management and other members of senior management and the exercise of the functions of the supervisory body. To ensure that the information available has the characteristics described, the Bank has various mechanisms in place, including the following:

- The existence of computer systems that ensure systematic recording, accounting and archiving of all operations carried out throughout the life cycle of products.
- Policies and rules for managing the database, backing up information and controlling access to information in terms of information systems and access to the Bank’s premises.

- Policies and processes for information quality management, with information reconciliation processes and minimum tolerance limits for deviations.
- Policies in the event of events with disruptive effects on the business, such as business continuity plans and recovery plans;
- Transversal and continuous action by the Internal Control Functions (Global Risk and Reporting Department, Compliance Department and Internal Audit Department), within the scope of their competencies in the Bank’s other processes, in order to ensure the adequacy of the information produced;
- Formalization of the procedures, systems and controls of the Bank’s Internal Control System in internal rules and policies, in presentations supporting the main committees involved in risk management, in reports from the control functions and in the internal control report itself;
- Permanent updating of the Bank’s Internal Control System, with all published documents showing the date of publication;
- Approval of all Internal Control policies and regulations by the Board of Directors after the prior opinion of the Supervisory Body.

In compliance with Article 29(7) and Article 30(4) of Notice 3/2020, in order to ensure the adequacy of the processes for obtaining, producing and processing information implemented at the Bank and the conformity of the information flows established, the Board of Directors ensures the formalization of internal procedures that enshrine periodic independent assessments to be carried out by an entity external to the Bank.

I.8.1.1. Internal Control Deficiencies

The process of monitoring and following up internal control deficiencies, in addition to the ongoing objective of having as few deficiencies as possible in the light

of the activity carried out by the Bank at any given time, has been focused on the swift resolution of deficiencies with a higher risk classification and on the implementation of action plans to close deficiencies within the established deadlines, while at the same time consolidating the central role of the Internal Control Functions in its management. To this end, the Board of Directors ensures that the Internal Control Functions are endowed with the autonomy and independence, freedom and powers necessary for the correct performance of their duties, namely access to all the information necessary for the performance of their duties.

To this end, it turns out that these functions:

- They are established in structural units that are separate from the units that carry out the activities they are supposed to monitor and control;
- Organically, they have autonomous and independent structural units;
- Those responsible for the internal control functions belong to the Bank’s senior management and do not perform any other duties at the Bank, exercising their functions independently. They are not subordinate to the executive member of the Board of Directors who is responsible for managing the activities that each internal control function monitors and controls;
- They have their own regulations and activity plans approved by the Board of Directors, after obtaining the prior opinion of the Supervisory Body;
- They have direct access to the Board of Directors and the Supervisory Body and to the committees supporting those bodies;
- They carry out their responsibilities independently and the results of their assessments are not conditioned or limited;
- They have adequate human, material and technical resources to carry out their responsibilities effectively;

- They have adequate information systems with access to the internal and external information needed to fulfill their responsibilities;
- They have full, free and unconditional access to all the Bank’s functions, activities and information.
- **I.8.2. Responsibility of the management body and the supervisory body for setting up and running the Company’s internal control and risk management systems, as well as for assessing their operation and adjusting them to the Company’s needs.**

The Board of Directors and the Supervisory Body of the Bank both recognize the importance of Risk Management and Internal Control Systems for the organization, promoting the human and technological conditions that result in a control environment that is proportional and appropriate to the risks of the activity.

The management bodies maintain regular and periodic monitoring of the evolution and mitigation of the deficiencies identified in the Company’s Internal Control System, monitoring and organizing regular meetings with the Company’s Departments to identify, monitor, quantify and manage the risks, enabling them to take the corrective measures necessary for the proper functioning of the Company. In this regard, the Bank’s Board of Directors ensures the implementation of a monitoring process, as described in article 31 of Banco de Portugal Notice 3/2020, in particular:

- Continuous action by the Global Risk and Reporting and Compliance Departments, through control actions and assessments within the scope of their competencies, as detailed in the Function Regulations and Organic and Functional Structure of the Departments. This action is duly approved in the respective activity plans of each Department, duly presented and approved by the Board of Directors, after the prior opinion of the Supervisory Body;

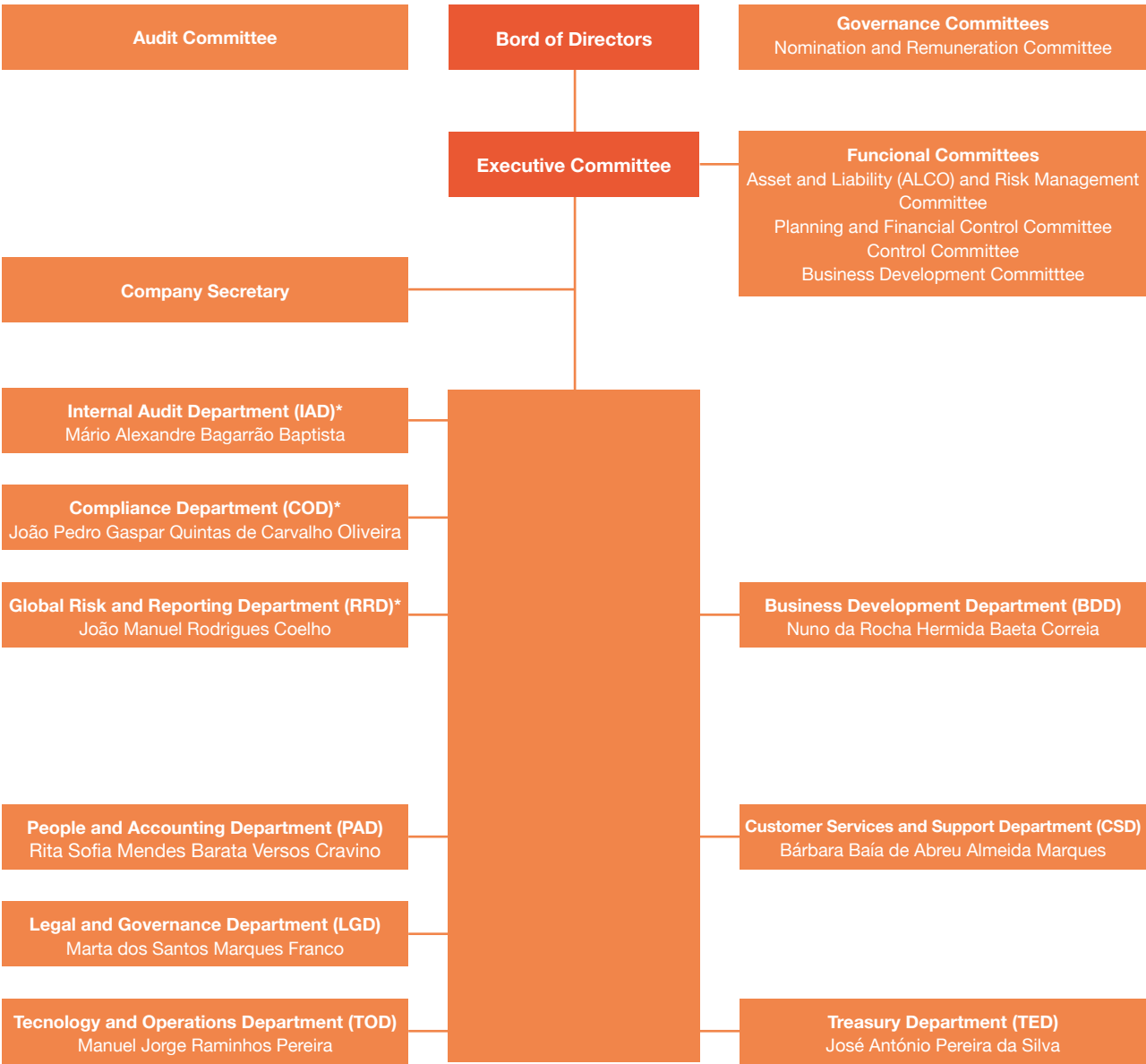
- Permanent communication of assessments and immediate reporting of identified breaches of the risk tolerance limits defined by the Control Functions to the Board of Directors and the Supervisory Body;
- Carrying out autonomous, specific, periodic or extraordinary assessments, carried out by the Internal Audit Department within the framework of a Multi-Annual Audit Plan duly presented and approved by the Board of Directors and the Supervisory Body;
- Existence of the Internal Control and Compliance Committee, in order to support the Management Body in exercising its supervisory function in decision-making processes related to risk management, compliance and internal control;
- The existence of the Nomination and Remuneration Committee to advise and support the Board of Directors on matters of appointments, appraisals and remuneration;

In compliance with the provisions of article 55 of Bank of Portugal Notice 3/2020, the Board of Directors and the Supervisory Body issued their respective annual assessment reports, ensuring the assessment of the adequacy and effectiveness of the organisational culture in force at the Bank and its governance and internal control systems, including remuneration practices and policies and the other matters dealt with in this Notice, having concluded that they are adequate and effective based on sound and prudent management.

I.8.3. Responsibility of the management body and the supervisory body in terms of internal governance

The management and supervisory bodies are globally responsible for ensuring that there is an appropriate governance framework for the Company’s structure, activities and risks, regularly assessing the efficiency and effectiveness, at an individual and collective level, of their activities and their governance practices and procedures, as well as the functioning of the Committees.

The internal governance framework and its implementation are reviewed periodically, at least once a year, paying special attention to any changes in internal and external factors affecting the Bank. This monitoring has resulted in several changes to the administrative and operational structures that make up the Bank’s macrostructure, resulting in the structure shown below:



*The specifics of the reporting lines are included in the standard - NOR_EOF_103 -- NOR_EOF_103

I.8.4. Key Function Holders

Under the terms of Article 33-A of the General Regime for Credit Institutions and Financial Companies, credit institutions are obliged to identify the positions whose holders, not being members of the management or supervisory bodies, are involved in functions that result in significant influence over the management of the credit institution.

The functions referred to in the previous point include, as a minimum, those responsible for the credit institution’s compliance, internal audit and risk management.

At Bison Bank, these functions are as follows:

I.8.4.1. Compliance function

The Compliance Department (“COD”) is a high-level structure in Bison Bank’s organisational hierarchy.

The Bank’s Compliance Function is characterized by being an independent, permanent and consultative function whose mission is to promote compliance with the legal, regulatory, operational, ethical and conduct obligations and duties which, at any given time, apply to credit institutions, as well as to their governing bodies, directors and employees, within the framework of the institutional control and supervision environment defined by the competent regulatory bodies and by the legal regulations to which it is subject.

This function is carried out by the Compliance Department, which is an autonomous organic unit that reports hierarchically to the Executive Committee through its Head of Department.

In addition, it maintains a permanent line of communication with the Supervisory Body and the Internal Control and Compliance Committee, namely through bimonthly meetings with the aim of ensuring adequate dissemination of information and discussion of relevant issues in the exercise of the Compliance Function’s activity.

The Head of COD is responsible for the compliance control function, coordinating the internal procedures for:

- prevention, detection and reporting of financial crimes;
- coordination of the Bank’s internal control system;
- management of Conflicts of Interest and Related Parties;
- compliance with the Code of Conduct;
- analysis of new legislation and regulations, assessment of their impact and promotion of compliance;
- analysis of situations and indications of violation or risk of non-compliance with legal obligations;
- complaint management and handling;
- compliance with the general data protection regulation.
- prevention and detection of market abuse and insider trading;
- responsible for regulatory compliance.

In order to achieve its objectives, the COD operates independently of the Board of Directors and other Organic Units and cannot be denied access to information relevant to the proper performance of its duties.

The Compliance function is a governance function responsible for:

- Promoting an ethical culture: Compliance’s role is to help management promote an ethical corporate culture;
- Providing compliance solutions: Compliance is responsible for providing knowledge for the management and maintenance of policies, practical guidance, training, controls and processes related to compliance risks;

- Providing security: Compliance’s role, as part of the second line of defense, encompasses assessing the impact of legal developments, as well as ensuring that compliance risks within the scope of the function are properly identified, assessed and managed.

The ecosystem based on the Compliance Risk Universe defines a clear vision of the scope of the compliance function and increases the robustness of the internal control system.

Identification of the person in charge and professional background

Name: João Pedro Gaspar Quintas de Carvalho Oliveira

Position: Head of Compliance / Money Laundering Report Officer / Regulatory Compliance Officer

Education and Professional Background: He holds a degree in Engineering from Instituto Superior Técnico and a postgraduate degree in Management for Executives from Universidade Católica Portuguesa. In terms of professional experience, he has worked for more than 17 years in Compliance and Internal Control matters in the financial sector and has been the Bank’s Compliance Officer since August 20, 2019.

I.8.4.2. Risk Management Function

The Global Risk and Reporting Department (“RRD”) is responsible for the risk management function. Its main function is to develop and implement an integrated risk monitoring system appropriate to the nature of the risks faced by the Institution, ensuring that risk-taking remains within previously established risk tolerance ranges. The function’s main duties are as follows:

- Supporting the Board of Directors (BoD) in outlining the Bank’s risk policies / risk strategy, ensuring their consistency and alignment with its strategic and business objectives, namely: a) Develop the Risk Appetite Statement in a prudent manner, in conjunction with the Member of the Board of Directors responsible for risk, ensuring its coherence and alignment with the established strategic risk objectives, for subsequent

approval by the Board of Directors; b) Proposing and participating in the definition/implementation of risk management policies, namely the Risk Management Policy and respective regulations, in close coordination with the other Bodies involved (management or business), and ensuring that the various risks are mapped out.

- Developing practices that enable identification, assessment, monitoring and control of the different types of risk assumed and underlying the Bank’s activity;
- Analyzing and advising the management and supervisory bodies on decisions involving the assumption of relevant risks and operations with a high risk profile;
- Participating in the approval process for new products and services, giving opinions with the aim of ensuring that the associated risks are adequately taken into account (more detail in the Sign off on products and services standard);
- Analyze operations with related parties and conflicts of interest in advance, identifying and adequately assessing the inherent risks, whether real or potential, for the Bank;
- Monitoring the Bank’s risk profile, checking that it remains aligned with the risk profile defined in the Appetite Statement and with the various limits defined in the other policies, making it possible to reinforce knowledge and management of overall risk exposure, by drawing up periodic and timely reports with clear and comprehensive information;
- Ensuring that the management and supervisory bodies receive regular reports on risk management (quantitative and qualitative information on overall exposure and the evolution of the main risk categories), actual or potential breaches and the main deficiencies detected, assessing the impact and making recommendations.

- Preparing risk exercises (namely the Internal Capital Adequacy Self-Assessment Process - ICAAP and the Internal Liquidity Adequacy Self-Assessment - ILAAP), and collaborating in the preparation of the Bank's various risk management exercises (Funding and Capital Plan, Recovery Plan and Resolution Plan), with the aim of assessing the Bank's capital and liquidity levels under different scenarios in order to support the planning and appropriate management of capital and liquidity;
- Ensuring that risks are managed in accordance with the RAS defined and approved by the Board of Directors and promoting, in particular with the Compliance Department, a strong risk culture throughout the Bank;
- Participating in the implementation of internal control measures that guarantee compliance with the requirements and recommendations of the supervisory bodies with regard to risk management and reporting;
- Develop the Risk and Control Self-Assessment Process on a regular basis to assess the risk to which the Bank is exposed in the course of its business;
- Drawing up and submitting the Regulatory Reports for which it is responsible (particularly within the scope of Common Reporting - COREP);

In functional terms, Bison Bank's risk management and monitoring is the responsibility of the RRD, a body that reports to the Board of Directors through its Board Member with the respective function (CRO), while also maintaining a reporting line to the Audit Committee. The Department works independently of the functional areas that are subject to its assessment and has all the hierarchical and functional autonomy necessary to carry out its duties.

Identification of the person in charge and professional background:

Name: João Manuel Rodrigues Coelho

Position: Head of the Global Risk and Reporting Department / Head of Risk

Education and Career: Graduated in Management from Instituto Superior de Gestão in 2011. He has a post-graduate degree in Information Systems and Technologies for Organizations from the Instituto Superior de Economia e Gestão da Universidade de Lisboa (2012) and a certificate issued by the Global Association of Risk Professionals® in Financial Risk and Regulation.

He began his professional career in 2011 at the Caixa Geral de Depósitos, S.A. Group, as a risk analyst in the Risk Management Department until 2023. Between October 2023 and June 2024, he worked as Senior Risk Officer and Deputy Head of RRD at Bison Bank S.A., and was appointed Head of RRD there in July 2024.

I.8.4.3. Internal Audit Function

The Internal Audit Department ("IAD") plays the role of third line of defense for the Bank's internal control bodies, whose mission is to assess, as a whole, and report in particular to the Board of Directors and the Audit Committee, the adequacy and effectiveness of the Bank's organisational culture, risk management process, internal control system and internal governance model.

The Internal Audit function is permanent and independent, whose mission is carried out by adopting the guidelines and principles of the Institute of Internal Auditors (IIA), resulting in the issuing of recommendations focused on strengthening the internal control system and achieving the Bank's strategic objectives, ensuring that risks are properly identified and managed, and that the controls implemented are correct, adequate and proportionate to their materiality.

The activity of the Internal Audit Department contributes to the fulfillment of the objectives defined by Notice no. 3/2020 of the Bank of Portugal, ensuring compliance with the functions of the control system internal, guaranteeing the existence of one:

- i. adequate internal control environment.
- ii. a suitable environment for the culture, conduct and values of the management body itself and its committees.
- iii. solid risk management system.
- iv. efficient information and communication system;
- v. effective monitoring process.

As part of the Internal Audit function report, the Head of the Internal Audit Department regularly reports to the Audit Committee and the Board of Directors on the audits carried out, the main risks and recommendations to the Bank.

The Head of the Internal Audit Department is appointed by the Board of Directors, following prior advice from the Audit Committee. The Head of the Internal Audit function reports hierarchically to the Chief Executive Officer for administrative purposes only and functionally to both the Board of Directors and the Audit Committee as a whole.

The appointment, replacement and dismissal of the Director of the Internal Audit Department is the sole responsibility of the Board of Directors, following the prior opinion of the Audit Committee.

As part of the report to the Board of Directors, the Internal Audit Department presents directly at Board meetings, among other information, the conclusions of the audits carried out, as well as the level of execution of the approved Audit Plan and the state of implementation of the recommendations issued.

The performance assessment of the person responsible for the Internal Audit Department is carried out by the Board of Directors with the participation of the Audit Committee.

The Internal Audit Department's Multiannual Audit Plan is approved by the Board of Directors, following a prior opinion from the Audit Committee.

The Internal Audit Department submits quarterly reports to the Board of Directors and the Audit Committee on the monitoring of its activity, containing information on the execution of the approved audit plan and on the general assessment of the deficiencies identified and the respective recommendations, as well as on the status of the recommendations to be implemented and the respective implementation plans.

Identification of the person in charge and professional background

Name: Mário Alexandre Bagarrão Baptista

Position: Head of Internal Audit / Head of Audit

Education and Career: Degree in Accounting from Luzwell University (São Paulo - Brazil), MBA in Corporate Finance from the University of São Paulo (2004) and Executive MBA from AESE/IESE (2007-2009). He began his professional career in external auditing in Brazil in 1991, remaining until 2005 as Senior Manager (BDO and Nexia International). In Portugal, in 2005 he joined the Pestana Group as Assistant to the Board of Directors, overseeing investments in Africa. In May 2006 he joined the Bank with the mission of leading the internal audit functions, remaining until 2012. From 2013 to 2015 he joined Profile - SGFIM SA (formerly "Banif Gestão de Activos - SGFIM SA") as Financial Controller of real estate investment funds. In July 2015 he moved to Banif Imobiliária, S.A., working in the area of real estate portfolio control. In March 2017, he returned to the Bank to work as Head of the Compliance Department until August 2018, when he resumed his role as Head of Internal Audit.

I.9. Conflict of Interest Policy applicable to the Bank and its management and supervisory bodies

The bank has formalized a Conflict of Interest Policy in order to take into account the new requirements on the matter, particularly with regard to related parties, considering that the current policy also covers matters of financial intermediation, as well as operations with related parties.

In this way, the Company’s interest is safeguarded in situations of potential conflict of interest in relation to the interests of persons or entities with the possibility of directly or indirectly influencing its management or benefiting from specific acts of that management and determining that the financial statements and documents providing information to the market show the impacts that the existence of transactions with related parties have on the Company’s financial position and results.

The Bank therefore maintains in force the rules applicable to i) the identification, handling and internal reporting of transactions with related parties and ii) the action required of the Bank’s Relevant Persons who may be in a situation of conflict of interest.

The Bank’s Policy for the Prevention and Management of Conflicts of Interest is essentially aimed at:

- Define rules and procedures to identify, prevent, manage and/or disclose Conflicts of Interest;
- Ensuring compliance with the legal and regulatory rules in force regarding the prevention and management of Conflicts of Interest;
- Strengthen the level of knowledge and raise awareness among Relevant Persons and Employees of Conflicts of Interest issues; and
- Promote the fair treatment, in accordance with legal and regulatory criteria, of situations of Conflicts of Interest that may arise

The Bank’s Conflicts of Interest Prevention and Management Policy is available for consultation on the Bank’s *website*.

I.10. Business Continuity Plan

Bison Bank implements and maintains a business continuity management process to maximize its ability to provide services continuously and to limit losses in the event of a severe interruption of activity.

Within this framework, the Bank has established a specific independent business continuity function, appointing: i) Business Continuity Management System (BCMS) Coordinator (1 employee from the Technology and Operations Department), ii) Security Officer (1 employee from the People and Accounting Department) and iii) Security Delegate (1 employee from the People and Accounting Department).

Bison Bank uses two disaster recovery centers (dedicated to the recovery of the central system and the recovery of distributed systems), employing state-of-the-art data replication technologies.

Bison Bank carries out regular disaster simulation exercises, activating the disaster recovery procedure and the aforementioned alternative centers, with the most recent exercise taking place on November 16, 2024, with broad participation from the Bank’s Directorates. All improvements resulting from points identified in the test reports carried out as part of this exercise were duly and timely implemented.

I.11. Training activities

Bison Bank maintains its strategic initiative for the professional development of its human resources, taking into account required training and also the possibility of an attractive training offer in line with the best market practices.

The total number of training hours in 2024 was 5.521 hours, whose courses covered a range of different topics, promoted by external entities or through internal training, for example:

Regulatory Training

- Prevention of money laundering and terrorist financing
- Markets and Financial Instruments Directive (MiFID II)
- IC Regulatory Framework - BoP Notice 3/2020
- FATCA (Foreign Account Tax Compliance Act)
- Code of Conduct, Conflict of Interest, Related Parties and Reporting Irregularities
- Cybersecurity, Occupational Health and Safety Training, as well as specialized training for the emergency team in firefighting, first aid and evacuation procedures in the event of an emergency.
- Risk Culture Assessment

Technical Training

- ACI Dealing Certificate New Version
- Accounts, Payment Systems and Digital Banking
- AI and Global Strategy in Banking
- Digital Transformation - Training for Executives
- IC Regulatory Framework - BoP Notice 3/2020
- Corporate Governance Audit
- Climate Risks
- ICAAP and ILAAP
- IRRBB interest rate risk in the banking book
- IFR9 and IFRS16 standards
- Credit Intermediation

- Power of attorney and legalization of documents
- Banking Accounting I and II
- Complete Digital Marketing Course
- Internal and External Fraud
- Security Policies applied to SWIFT Payments
- Instant payments
- D.O.R.A. Regulation (Digital Operational Resilience Act)
- IBM Fundamentals
- Programming in Visual Basic for Applications and Database and SQL Language
- Excel and VBA training
- Portuguese lessons

Behavioral Training

- Leadership program for senior management and second lines
- High Impact Sales Training for sales teams

II. Remuneration

II.1. Information on the intervention of the General Meeting with regard to the Company’s remuneration policy, namely with regard to the Remuneration Policy for members of the management and supervisory bodies

Under the terms of Article 26.1 of the Articles of Association, the remuneration of the members of the governing bodies, with the exception of the fees of the Statutory Auditor, is set by the General Meeting, based on the proposals and recommendations presented by the Appointments and Remuneration Committee, set up under the terms of Article 115-H of the RGICSF.

The remuneration policy for the members of the Bank’s management and supervisory bodies is reviewed annually by the General Meeting, at the proposal of the Board of Directors, based on the recommendations of the aforementioned Nomination and Remuneration Committee.

It should also be noted that, on a proposal from the Board of Directors, the General Meeting may decide on the distribution of profits to the Company’s employees, in accordance with Article 26(4) of the Articles of Association.

It should be noted that, during 2024, the only General Meeting resolution on remuneration matters took place at the General Meeting held on April 11, 2024, at which the sole shareholder approved the revised and updated version of the remuneration policy for members of the management and supervisory bodies, as proposed by the Nomination & Remuneration Committee. This review was carried out under the terms of Articles 115-C, no. 4, and 115-D of the RGICSF.

The Policy in question has been published on the Company’s website and can be found in the “Corporate Governance” area, under “Regulations and Policies”.

II.2. Information on the intervention of the General Meeting in approving the main characteristics of the retirement benefits system enjoyed by members of the management and supervisory bodies and other senior managers

The General Meeting may, at any time, grant the right to retirement and survivor’s pensions or supplementary retirement and survivor’s pensions, establishing the corresponding system or delegating its powers to an Nomination and Remuneration Committee, as provided for in Article 26.6 of the Company’s Articles of Association. This did not happen in 2024.

II.3. Information in compliance with Article 450 of Regulation (EU) no. 575/2013 - Remuneration of employees referred to in Article 115-C no. 2 a) b) c) d) and e) of the General Regime for Credit Institutions and Financial Companies:

The members of the management and supervisory bodies are considered to be covered, as well as those responsible for first-line bodies in the Company’s structure, including employees who carry out a professional activity that has an impact on the Bank’s risk profile, those who, as part of the Bank’s management, perform duties in the areas of auditing, compliance and risk, and employees whose total remuneration places them in the same remuneration bracket as the above.

a. Decision-making process used to define the remuneration policy, as well as the number of meetings held by the main body that controls remuneration during the year, including, if applicable, information on the remuneration committee and identification of the external consultants whose services were used to determine the remuneration policy

In the decision-making process used to define the remuneration policies for (i) the Members of the Management and Supervisory Bodies and (ii) the Bank’s Employees, which includes staff whose professional activities have a significant impact on the Bank’s risk profile, the services of any experts, consultants or external entities were not used, taking into account the practice followed by the Bank and the practices followed in the financial sector and by other Portuguese banks operating in the domestic and international markets.

In accordance with article 44 of Bank of Portugal Notice 03/2020 and article 115-C(6) of the RGICSF, these Remuneration Policies are subject to an internal, centralized and independent assessment, at least once a year, carried out by the Nomination and Remuneration Committee.

With regard to the Remuneration Policy for Members of the Bank’s Management and Supervisory Bodies, it is defined bearing in mind the rules applicable to credit institutions in this area, with the aim of creating incentives that ensure risk-taking that is compatible with the Bank’s strategy, objectives, values and long-term interests, tolerance and risk culture, including measures to avoid conflicts of interest, as well as ensuring sound, prudent and effective risk management, not encouraging risk-taking at levels higher than the level of risk tolerated by the Bank.

This Remuneration Policy is implemented taking into account the Bank’s activity, risk appetite, structure and size, as well as market practices, and is based on objective, transparent, coherent criteria that are compatible with the hierarchy of responsibilities and skills of those remunerated, as well as ensuring the application of the principles and rules set out in the Bank’s Conflict of Interest Prevention and Management Policy.

The Nomination and Remuneration Committee is responsible for making informed and independent judgments on the remuneration policy and practices and on the incentives created for the purposes of risk, capital and liquidity management, and is responsible for drawing up, monitoring and periodically reviewing the Remuneration Policy on an annual basis and submitting it to the General Meeting for approval.

Information on the intervention of the General Meeting with regard to the remuneration policy for members of the management and supervisory bodies can be found above in II.1.

With regard to the Bank’s Employee Remuneration Policy, it is drawn up by the People and Accounting Department and approved by the Board of Directors, which periodically reviews the general principles of the policy and is responsible for monitoring its implementation.

This Policy is based on the remuneration practiced in the sector for similar functions, the system of objectives and incentives, annual performance evaluation, career progression elements and employee conduct reported by hierarchies or formal records.

b. Information on how the remuneration policy in place adequately achieves the objectives of aligning the interests of members of the management body and employees with the long-term interests of the institution and discouraging excessive risk-taking. Relationship between staff remuneration and performance

With regard to the Remuneration Policy for members of the Bank’s management and supervisory bodies, its main objectives are to enable the Bank to attract, motivate and retain high-level professionals with high potential, to align the interests of the members of the governing bodies with those of the Company, shareholders and other stakeholders, to encourage and reward relevant individual contributions and good collective performance, to promote sound and prudent risk management and not to encourage risk-taking in excess of the level of risk tolerated by the Bank, namely in accordance with the Risk Appetite Statement.

In accordance with the aforementioned Remuneration Policy for members of the Bank’s management and supervisory bodies, the process of assessing the performance of the executive members of the management body must be carried out by the Nomination and Remuneration Committee and will be carried out within a multi-annual framework, based on long-term performance measurable through simple and objective indicators related to the Bank’s sustained growth, added value for stakeholders, business risks (current and future), solvency, cost of capital, liquidity and efficiency. In these terms, the performance measurement used to calculate the variable component of remuneration must provide for adjustments taking into account the various types of current and future risks, as well as the cost of own funds and liquidity required by the institution.

The Bank’s Employee Remuneration Policy considers the following guiding principles, among others:

- Consistency and alignment with the Bank’s risk management and control, in order to avoid excessive exposure to risks and potential conflicts of interest;
- Consistency with the objectives, values and interests of the Bank and its Employees, as well as the interests of its clients and investors;
- Competitiveness, taking into account market practices and fairness, and remuneration practices must be based on uniform, consistent, fair and balanced criteria, with the aim of contributing to internal and external fairness;

- Alignment with best practices and recent trends in the financial sector, both nationally and internationally, with the ultimate aim of discouraging exposure to excessive risks and promoting the continuity and sustainability of positive performance and results;

As far as the Bank’s employees are concerned, the body responsible for evaluating those in charge of the 1st line bodies in the Company’s structure is the management body itself, in the person of those responsible for the respective areas. With regard to employees who are not part of the above group, their evaluation is carried out under the terms of the normal performance evaluation process in force at the Company, by the respective hierarchies.

The variable component of remuneration aims to compensate performance for achieving the objectives set by the Bank and is based on the performance assessment system. This process is based on clear objectives and quantitative and qualitative criteria applied in proportion to each employee’s role.

c. The most important structural features of the remuneration system, including information on the criteria used to assess performance and risk adjustment, the deferral policy and the vesting criteria

Predetermined criteria for the assessment of individual performance on which the right to a variable component of remuneration is based

In accordance with the Remuneration Policy for the Bank’s management and supervisory bodies, the total value of the variable component of remuneration must be defined in accordance with the law by combining the assessment of the executive director’s performance, which must take into account financial and non-financial, quantitative and qualitative criteria, and the performance of the executive director’s structural unit with the institution’s overall results, which express the Bank’s sustained growth and added value for stakeholders.

If awarded, the variable component of the remuneration will be paid once a year, without prejudice to any deferral of payment of part of the amount.

The variable component of the remuneration aims to recognize and reward the contribution of the executive members of the management body, as well as their performance as a collective, to the pursuit of predetermined qualitative and quantitative objectives (and defined annually by the General Meeting, based on the proposals and recommendations of the Nomination and Remuneration Committee), in line with the overall strategy of the Bank and the group of companies in which it operates, as well as the sustainable and risk-adapted performance of the Bank.

The Bank must ensure that the variable component to be awarded does not limit its ability to strengthen its capital base and that all types of current and future risks are taken into account when awarding it.

Under the terms of the law, no guaranteed variable remuneration may be granted, except when a new member is appointed, and in any case such guaranteed variable remuneration may only apply to the first year of office and will only be due if there is a solid and strong capital base at the Bank.

In accordance with the Bank’s Employee Remuneration Policy, the attribution of a variable remuneration component to an employee is always the result of an eventual and discretionary decision by the Board of Directors and is based on an individual performance assessment process with pre-defined objective criteria. This does not confer or constitute any acquired right, and it is up to the Board of Directors to decide whether to award variable remuneration and to determine the amount allocated to the process.

Information on the deferral of payment of the variable component of remuneration, mentioning the deferral period;

In accordance with the Remuneration Policy for the Bank’s management and supervisory bodies, it is considered important that, as a principle, an alignment is established between the variable component and the long-term performance of the Company, in accordance with the law. To this end, a deferral mechanism of at least 40% of the variable component of the remuneration (or 60% when the variable component of the remuneration is of a particularly high value) will be applied, as provided for in article 115-E of the RGICSF, for a minimum period of 4 to 5 years from the date established for the payment of the non-deferred part of the variable component of the remuneration, and which should be duly aligned with the economic cycle, the nature of the Company’s business, its risks and the activity carried out by the executive member in question. The variable component of the remuneration subject to deferral must be awarded on a proportional basis over the deferral period.

In accordance with the Bank’s Employee Remuneration Policy, 60% of the variable component of the remuneration awarded will be paid in the current calendar year and 40% deferred for 2 years, to be paid in the following financial years in two equal parts.

How the payment of variable remuneration is subject to the continued positive performance of the institution throughout the deferral period;

The Remuneration Policy for the Bank’s management and supervisory bodies establishes that, prior to the payment of the deferred part or the acquisition of the right to deferred payment instruments, a reassessment of performance must be carried out and, if necessary, an ex ante risk adjustment, i.e. an adjustment of remuneration to possible adverse events in the future, in order to align the variable remuneration with the additional risks identified or materialized after the award,

The Bank’s Employee Remuneration Policy stipulates that variable remuneration must be paid using a model aligned with the performance assessment system and based on clear objectives and quantitative and qualitative criteria applied in proportion to each employee’s role. According to this Policy, the payment of the amount corresponding to the variable component of remuneration will take into account restrictions associated with the Bank’s results and budget and is subject to the following conditions:

- Condition of maintenance/permanence at the Bank;
- Non-application of reduction (“*malus*”) and reversal (“*clawback*”) mechanisms;
- Other conditions deemed appropriate.

d. Relative importance of the variable and fixed components of remuneration, as well as the maximum limits for each component; Ratios between fixed and variable remuneration

In accordance with the Remuneration Policy for the Bank’s management and supervisory bodies, the fixed component of the remuneration must constitute a sufficiently high proportion of the overall remuneration of the executive members of the management body, thus allowing adequate flexibility in setting the variable component, in strict compliance with the provisions of article 115-F of the RGICSF. The fixed component of the remuneration may never exceed €250,000.00.

The variable component of the remuneration shall not be contractually stipulated and shall, as a general rule, constitute the smallest part of the overall remuneration and may reach a maximum of 100% of the fixed component of the remuneration, unless otherwise approved by the General Meeting, on the proposal of the Nomination and Remuneration Committee in accordance with article 115-F of the RGICSF.

The Bank’s employee policy establishes the concept of global remuneration, made up of fixed and variable remuneration.

Fixed remuneration makes up a significant part of employees’ overall remuneration. Variable remuneration is aimed at rewarding performance and the achievement of specific objectives by each employee. Fixed and variable remuneration represent >75% and <25% of overall remuneration, respectively.

The definition of the annual amount of variable remuneration, made at the beginning of each year by the Board of Directors, will vary according to the degree of compliance with the individual and collective objectives of the unit in which the employee is integrated, in accordance with the system of objectives and approved performance evaluation model, the overall results of the Company and the prospects for future development.

Variable remuneration is calculated on the basis of predetermined criteria and there is no incentive for excessive risk-taking on the part of employees. Its attribution depends on the discretionary decision of the Bank’s management body, ensuring that the fixed remuneration remains the most relevant part of the overall remuneration.

For Employees who perform control functions, the variable component of the remuneration takes into account the specific objectives related to the functions they perform, and is not directly dependent on the performance of the business areas.

e. Information on the performance criteria on which the rights to shares, options or variable components of remuneration are based.

Given the lack of variable remuneration for the 2024 financial year, the Bank did not have, nor did it plan to have, any share distribution plan for the members of the Bank’s management body or employees in 2024.

The Remuneration Policy for the Bank’s management and supervisory bodies states that the variable component of the remuneration may include a portion in equity (share or stock option plans) or other

equivalent financial instruments. However, given the reality of the Portuguese capital market, the Bank’s organisational model and its current situation, the remuneration policy for the executive members of the board of directors was not to include the payment of part of the variable component of the remuneration in equity or other equivalent financial instruments, namely in the form of a system of options on shares representing the Company’s capital.

The Bank’s Employee Remuneration Policy does not provide for variable remuneration in the form of shares or options. The Bank’s Employee Remuneration Policy stipulates that the variable component of the remuneration will be paid in cash, with the Bank having the autonomy to decide to allocate part of this amount (maximum 50%) to other benefits for employees and integrated into the tax regime permitted by the regulatory authorities.

f. Main parameters and fundamentals of variable component systems and other non-cash benefits

Taking into account the practice followed by other credit institutions of equivalent size, the executive members of the management body and the Bank’s employees are granted benefits relating to health systems specific to the banking sector and the use of communications, IT and other equipment associated with the performance of their duties.

The directors and members of the management bodies are entitled to a car for their personal use.

The executive members of the management bodies also benefit from the pension scheme applicable to most of the Company’s employees under the same circumstances.

As far as the Bank’s employees are concerned, in addition to the performance bonus, the terms of which have been described in previous sections, there are benefits provided to the Company’s employees under the Bank’s Employee Remuneration Policy, which are as follows:

- i. Medical Assistance Services (Health Insurance);
- ii. Work accident insurance, under the terms of the law;
- iii. Pension Fund, under the terms defined in the Articles of Association.

As mentioned above, the Bank’s Employee Remuneration Policy also provides that the Bank may allocate part of the value of the variable component of remuneration (maximum 50%) to other benefits for employees and included in the tax regime permitted by the regulatory authorities.

Main characteristics of supplementary pension or early retirement schemes, indicating whether they have been subject to review by the General Meeting:

Three of the Bank’s BoD members are or have been covered by pension funds complementary to Social Security (António Manuel Gouveia Ribeiro Henriques, André Filipe Ventura Rendeiro and Eduardo Nuno de Sousa Feijóo Moradas). These directors are members of the Defined Contribution Plan of the Bank’s Pension Fund, managed by Real Vida Pensões - Sociedade Gestora de Fundos de Pensões, SA. This fund is complementary to Social Security. As their holdings in the Fund are identical to those of the other employees participating in the Fund, this matter was not put to the General Meeting.

Estimate of the value of the relevant non-cash benefits considered as remuneration not covered in the previous situations:

In 2024, the value of relevant non-cash benefits considered as remuneration was €36,769, referring to remuneration in kind for the use of a car for personal use and housing allowance.

Existence of mechanisms that prevent the use by members of the management body of remuneration or liability insurance, or any other risk coverage mechanisms aimed at mitigating the effects of risk alignment inherent in their remuneration arrangements:

No mechanisms have been defined for this purpose. However, in the Remuneration Policy for members of the management and supervisory bodies, it is stated that the members of the Executive Committee have not entered into, nor should they enter into, hedging or risk transfer contracts in relation to any deferred or non-deferred component which could minimize the effects resulting from the alignment with the risk inherent in the established remuneration system, nor should they resort to paying the variable component of the remuneration through special purpose vehicles or other methods with an equivalent effect.

Remuneration of Non-Executive Directors and Members of the Supervisory Body - Reference to the inclusion of some variable component:

The remuneration paid to non-executive directors and members of the Audit Committee did not include any variable component (understood as a component dependent on the Company’s performance).

In accordance with the Bank’s Remuneration Policy for Members of the Management and Supervisory Bodies, the remuneration of non-executive members of the Board of Directors and members of the Supervisory Body may not include any component of a variable nature or whose value depends on or is in any way related to the Company’s performance.

II.4. Disclosure of quantitative information in compliance with Article 450 of Regulation (EU) No 575/2013

- i. Amounts of remuneration awarded during the financial year, divided between fixed remuneration, including a description of the fixed components, and variable remuneration, and the number of beneficiaries;

a. Annual amount of gross remuneration earned in 2024 by the members of the Company’s management and supervisory bodies:

Board Administration		Total Remuneration EUR	
Name	RF (1)	RE (2)	RV (3)
António Henriques	252.198	3.205	0
André Rendeiro	202.198	4.516	0
Eduardo Moradas	202.198	4.097	0
Fang Bian	152.198	24.951	0
Sub-Total	808.792	36.769	0
Audit Administration			
Name	RF (1)	RE (2)	RV (3)
Issuf Ahmad	112.000	0	0
Luís Oliveira	87.500	0	0
Ting Wang	75.000	0	0
Sub-Total	274.500	0	0
Total	1.083.292	36.769	0

(1) Fixed Remuneration including Meal Allowance
Non-Cash Remuneration (Car and Housing) Variable Remuneration including Bonuses or Incentives

Amounts paid by other companies in a control or group relationship in 2024

There is no remuneration paid by other companies to members of the management or supervisory bodies in 2024.

b. Aggregate annual gross remuneration earned by employees, broken down by area of activity

Other Employees	Total
Total Remuneration 2024	2.928.702€

(Amounts in Euros)

Note: The total number of beneficiaries in 2024 who received fixed remuneration is 74, corresponding to the total number of employees in the Bank’s structure in that year, excluding corporate bodies and unpaid long-term leave. The above figure includes income from dependent work subject to taxation.

Other Employees			
Annual Overall Figures	Fixed Remuneration*	Variable Remuneration	Beneficiaries
Control Functions (Compliance)	339.518€	0.00	6
Control Functions (Risk Management)	155.431€	0.00	5
Control Functions (Internal Audit)	174.838€	0.00	3
Business Areas	1.275.251€	25.695€	37
Support Areas	983.664€	0.00	23

*Gross Fixed Salary including Meal Allowance and Remuneration in Kind (Car) when applicable

(Amounts Euros)

c. Aggregate quantitative data on gross remuneration, broken down by top management and staff members whose professional activities have a significant impact on the risk profile of the institutions, excluding governing bodies

Employees with a significant impact on the institution's risk profile Other employees			
Annual Overall Figures	Fixed Remuneration*	Variable Remuneration	Beneficiaries
Control Areas (1)	260.259€	0.00	3
Business Areas (2)	320.248€	0.00	3
Support Areas (3)	337.162€	0.00	4

*Fixed Remuneration including Meal Allowance, Remuneration in Kind (Car)

(Montante em Euros)

(1) Includes top management of the Compliance, Audit and Risk departments
(2) Includes senior management in the Business Development, Customer Service & Support and Treasury departments
(3) Includes senior management and other responsible members of the People and Accounting, Technology and Operations and Legal and Governance departments.

ii. Individuals earning EUR 1 million or more per financial year

There are no individuals in the Bank with remuneration of €1 million or more per financial year.

iii. Amounts and forms of variable remuneration awarded, divided between cash remuneration, shares, share-indexed instruments and other forms of remuneration, separating the part paid in advance and the part deferred

A unitary payment of €25,695 in pecuniary remuneration was made.

iv. Amount of deferred remuneration awarded in relation to previous performance periods, divided between the amount to be earned during the financial year and the amount to be earned in subsequent years

Answer prejudiced by the lack of deferred variable remuneration.

v. Amounts of deferred remuneration to be acquired during the financial year, paid during the financial year and subject to reductions resulting from adjustments based on performance

Answer prejudiced by the lack of deferred variable remuneration.

vi. Bonuses under the variable remuneration guaranteed during the financial year and number of beneficiaries of these bonuses

Answer prejudiced by the lack of guaranteed variable remuneration.

vii. Severance pay awarded in previous periods, which was paid during the financial year

There were no severance payments granted in previous periods that were paid during the 2024 financial year.

viii.Amounts of severance payments awarded during the financial year, divided between those paid in advance and those deferred, the number of beneficiaries of these payments and the highest amount paid to a single beneficiary

No compensation was paid or is owed to members of the governing bodies or employees as a result of the termination of their duties during the year.

ix. Number of new hires made

There were 26 new hires in 2024, which includes contracts without a fixed term, fixed-term contracts and internship contracts.

x. Number of Employees

The table below shows the total number of Bison Bank employees as of December 31, 2024, by department:

Department	Number
People and Accounting	9
Legal e Governance	2
Business Development	19
Compliance	6
Internal Audit	3
Technology and Operations	13
Treasury	3
Customer Service e Support	15
Global Risk and Reporting	5

Total number of employees on 31/12/2024: 75 (includes unpaid long-term leave).

xi. Information on how the institution benefits from the derogation set out in Article 94(3) of Directive 2013/36/EU.

The Bank does not benefit from the derogation set out in Article 94(3) of Directive 2013/36/EU.

II.5. Remuneration of the Statutory Auditor

In relation to the Company’s supervisory structure, the total fees billed by the Statutory Auditor for the years ended December 31, 2024 and 2023, are detailed as follows, by type of service provided:

	Consolidated	
	31-12-2024	31-12-2023
Statutory Audit	97	120
Other Assurance Services, Including Audit-Related Services	9	50
Other Services	22	3
	128	173

(Values do not include VAT)(values in thousands of Euros)

	Individual	
	31-12-2024	31-12-2023
Statutory Audit	85	108
Other Assurance Services, Including Audit-Related Services	9	50
Other Services	22	3
	116	162

(Values do not include VAT)(values in thousands of Euros)

The item “Other reliability assurance services” includes fees related to the review of the Bank’s internal control system, including the one underlying the prevention of money laundering and terrorist financing, the review of procedures and measures for safeguarding customer assets and certification under the special regime applicable to deferred tax assets.

The turnover of Deloitte & Asociados, SROC, S.A., the Company’s statutory auditor in 2024 amounted to €128,050, of which €9,250 relates to audit-related services and €21,800 to other services.

The item “Other reliability assurance services” includes fees related to the review of the Bank’s internal control system, including the one underlying the prevention of money laundering and terrorist financing, the review of procedures and measures for safeguarding customer assets and certification under the special regime applicable to deferred tax assets.

Other Information

11.

Information on shares and bonds provided for in Article 447 of the Companies Code, with reference to December 31, 2024, including the movement of shares and bonds during the respective fiscal year.

BOARD OF DIRECTORS

Bian Fang (President) <p>As of December 31, 2024, he did not hold, directly or through related entity(ies), any securities issued by the Bank (including shares and/or related financial instruments) and/or by companies in a controlling or group relationship with it.</p>	André Filipe Ventura Rendeiro (Executive Director) <p>As of December 31, 2024, he did not hold, directly or through related entity(ies), any securities issued by the Bank (including shares and/or related financial instruments) and/or by companies in a controlling or group relationship with it.</p>
António Manuel Gouveia Ribeiro Henriques (Chief Executive Officer) <p>As of December 31, 2024, he did not hold, directly or through related entity(ies), any securities issued by the Bank (including shares and/or related financial instruments) and/or by companies in a controlling or group relationship with it.</p>	Eduardo Nuno de Sousa Feijóo Moradas (Executive Director) <p>As of December 31, 2024, he did not hold, directly or through related entity(ies), any securities issued by the Bank (including shares and/or related financial instruments) and/or by companies in a controlling or group relationship with it.</p>

SUPERVISORY BODY

Issuf Ahmad (Chairman of the Audit Committee)

As of December 31, 2024, he did not hold, directly or through related entity(ies), any securities issued by the Bank (including shares and/or related financial instruments) and/or by companies in a controlling or group relationship with it.

Ting Wang (Member of the Audit Committee)

As of December 31, 2024, she did not hold, directly or through related entity(ies), any securities issued by the Bank (including shares and/or related financial instruments) and/or by companies in a controlling or group relationship with it.

Shareholders List

List of Shareholders as of December 31, 2024

Shareholder	%
Bison Capital Financial Holdings (Hong Kong) Limited,	100%

Information on own shares pursuant to Article 324 of the Portuguese Companies Code

In the terms of paragraph 2 of Article 324 of the Commercial Companies Code, it is reported that there was no movement of treasury stock during the year, and the Company does not hold any treasury stock as of December 31, 2024.

Luís Miguel Gonçalves Folhadela de Oliveira (Member of the Audit Committee)

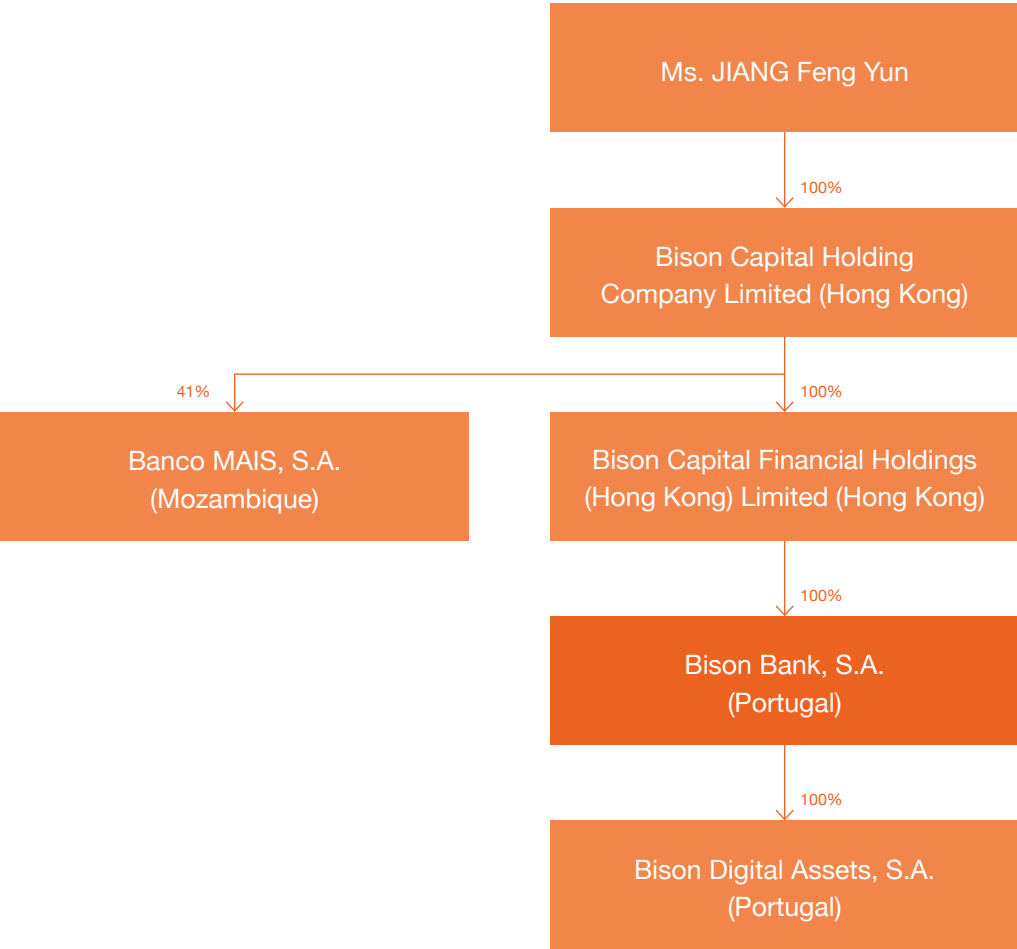
As of December 31, 2024, he did not hold, directly or through related entity(ies), any securities issued by the Bank (including shares and/or related financial instruments) and/or by companies in a controlling or group relationship with it.

Information on shares and bonds of companie in the Bison Holding Group perimeter transacted and/or held during the 2024 fiscal year, by companies in the same perimeter.

The following is information about the shares and bonds of companies in the Bison Holding Group perimeter traded and/or held during the year under review, by companies in the same Group.

	31-12-2023	Transitions occurred in the period			31-12-2024
	Quantity	Operation	Date	Quantity	Quantity
Bison Capital Financial Holdings S.A.					
Stocks Bison Bank S.A.	39.039.674	-	-	-	39.039.674

Bison Bank, S.A. shareholding structure



Legal Certification of Accounts

12.

STATUTORY AUDIT CERTIFICATION

(Amounts expressed in thousands of euros – t.euros)

(Translation of a report originally issued in Portuguese – in the case of discrepancies, the original version in Portuguese prevails)

REPORT ON THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying separate financial statements of Bison Bank, S.A. (“Bank”), which comprise the separate balance sheet as at 31 December 2024 (that presents a total of 406,440 t.euros and total equity of 46,235 t.euros, including a net profit of 2,453 t.euros), the separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and the accompanying notes to the separate financial statements, including material information about the accounting policy.

In our opinion, the accompanying separate financial statements present true and fairly, in all material respects, the separate financial position of Bison Bank, S.A. as at 31 December 2024 and its separate financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as endorsed by the European Union (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further standards and technical and ethical directives of the Portuguese Institute of Statutory Auditors (“Ordem dos Revisores Oficiais de Contas”). Our responsibilities under those standards are described in the “Auditor’s responsibilities for the audit of the separate financial statements” section. We are independent from the Bank in the terms of the law and we have fulfilled the other ethical requirements under the ethical code of the Portuguese Institute of Statutory Auditors (“Ordem dos Revisores Oficiais de Contas”).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. Those matters were addressed in the context of the audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

Description of the most significant risks of material misstatement identified	Summary of the auditor's response to the most significant risks of material misstatement identified
<i>Impairment for debt instruments recorded in financial assets at fair value through other comprehensive income and amortised cost (Notes 2.4, 2.7.4, 8, 9, 16 and 27)</i>	
<p>As at 31 December 2024, the Bank's separate balance sheet included debt instruments recorded in financial assets at fair value through other comprehensive income and amortised cost in the amount of 123.276 t.Euros, for which the respective accumulated impairment ("impairment losses for debt instruments") amounted to 468 t.Euros.</p> <p>Impairment losses for debt instruments represent management's best estimate at the reference date of the financial statements of expected credit losses, taking into account the provisions of IFRS 9 – Financial Instruments ("IFRS 9"), as described in Notes 2.4 and 2.7.4 of the Annex to the separate financial statements.</p> <p>The impairment losses for debt instruments calculated by the Bank take into account the characteristics of the debt instruments and a set of assumptions defined by the management body, namely for the purposes of classifying exposures into stages, including the assessment of a significant increase in credit risk since initial recognition, based on quantitative and qualitative information, and in determining risk parameters, such as the probability of default and loss given default.</p>	<p>We have analysed the relevant internal control procedures implemented by the Bank in terms of the impairment loss quantification process for debt instruments.</p> <p>We reviewed the Bank's documentation on the methodology for determining impairment losses, and analysed its reasonableness in relation to the requirements of IFRS 9.</p> <p>We selected a sample of debt instruments recorded at fair value through other comprehensive income and at amortised cost, for which we analysed the reasonableness of the estimate of impairment losses recorded in the separate financial statements, focusing on the following aspects:</p> <ul style="list-style-type: none">the review of the Bank's judgments on the assumptions used in the determination of impairment, namely in terms of the classification of exposures into stages and in the determination of risk parameters, such as the probability of default and loss given default; andin determining impairment in view of the characteristics of the financial assets and the assumptions defined by the Bank. <p>We have reviewed the disclosures contained in the separate financial statements in relation to these matters, taking into account the applicable accounting standards.</p>

Description of the most significant risks of material misstatement identified	Summary of the auditor's response to the most significant risks of material misstatement identified
<i>Impairment for debt instruments recorded in financial assets at fair value through other comprehensive income and amortised cost (Notes 2.4, 2.7.4, 8, 9, 16 and 27)</i>	
<p>In view of the above, given the significant weight of these financial assets in the Bank's separate balance sheet, the adoption of different methodologies, judgments or assumptions by the management body in the process of quantifying impairments for debt instruments recorded in financial assets at fair value through other comprehensive income and at amortised cost may have a material impact on the impairment amounts calculated in each financial year.</p>	

Other matters

The comparative separate financial statements for the year ended 31 December 2023 are adopted by the Bank in order to meet the accounting publication requirements. These separate financial statements were audited by another Statutory Auditors' Company and the Legal Certification of Accounts, dated 9 April 2024, did not contain any qualifications or emphasis of matter.

The accompanying separate financial statements refer to the activity of Bison Bank, S.A. at the separate level and have been prepared for approval and publication in accordance with the legislation in force. As indicated in Note 3, financial investments in subsidiaries are recorded at acquisition cost less impairment losses. The accompanying separate financial statements do not include the effect of full consolidation, which will be done in consolidated financial statements to be approved and published separately.

Responsibilities of Management and Supervisory Body for the separate financial statements

The Management is responsible for:

- the preparation of separate financial statements that present true and fairly the financial position, financial performance and cash flows of the Bank in accordance with the International Financial Reporting Standards as endorsed by the European Union (IFRS);
- the preparation of the Management report under the applicable legal and regulatory terms;
- the implementation and maintenance of an appropriate internal control system to allow the preparation of separate financial statements that are free from material misstatements due to fraud or error;
- the adoption of accounting principles and criteria appropriate in the circumstances; and
- the evaluation of the Bank's ability to continue as a going concern, disclosing, whenever applicable, the matters that may cast significant doubt on the continuity of its operations.

The Supervisory Body of the Bank is responsible for overseeing the Bank's financial closing and reporting process.

Auditor's responsibilities for the audit of the separate financial statements

Our responsibility consists in obtaining reasonable assurance on whether the separate financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of those separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit and we also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management;
- conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exist, we should draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Bank to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether those separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- communicate with those charged with governance, including the Supervisory Body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiency in internal control identified during the audit;
- from the matters we communicate with those charged with governance, including the Supervisory Body, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and which are the key audit matters. We describe these matters in our report unless law or regulation precludes its public disclosure;
- declare to the Supervisory Body that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may be perceived to threaten our independence, and where applicable, the actions taken to eliminate the threats or the applicable safeguards applied.

Our responsibility includes also the verification of the consistency of the information included in the Management report with the separate financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

About the Management report

In compliance with article 451, number 3, item e) of the Portuguese Commercial Code ("Código das Sociedades Comerciais"), we conclude that, for the material respects, the Management report was prepared in accordance with the current applicable law and regulations, and the financial information included therein is in agreement with the audited separate financial statements, and considering our knowledge of the Bank, we did not identify material misstatements.

About the additional elements provided for in article 10 of Regulation (UE) nº 537/2014

In compliance with article 10 of Regulation (UE) nº 537/2014 of the European Parliament and of the Council of 16 April 2014, and beyond the key audit matters mentioned above, we further report the following:

- We have been appointed auditors of Bison Bank, S.A. for the first time in the Shareholders' General Meeting that took place on 11 April 2024, for a mandate covering the period between 2024 and 2025.
- Management confirmed to us that is unaware of the occurrence of any fraud or suspected fraud with a material effect in the separate financial statements. As part of the planning and execution of our audit in accordance with ISAs, we kept professional scepticism and designed audit procedures to respond to the risk of material misstatements in the separate financial statements due to fraud. As a result of our work, we have not identified any material misstatement in the separate financial statements due to fraud.
- We confirm that the audit opinion issued is consistent with the additional report that we have prepared and delivered to the Supervisory Body of the Bank on this same date.
- We declare that we have not rendered any prohibited services under the terms of article 5, number 1, of Regulation (UE) nº 537/2014, and that we kept our independence from the Bank during the execution of the audit.

Lisbon, 31 March 2025

Deloitte & Associados, SROC S.A.
Represented by Luís Eduardo Marques dos Santos, ROC
Registration in OROC n.º 1684
Registration in CMVM n.º 20161294

EXPLANATION ADDED FOR TRANSLATION

(This report is a translation of a report originally issued in Portuguese. Therefore according to Deloitte & Associados, SROC S.A. internal procedures, the report is not to be signed. In the event of discrepancies, the Portuguese language version prevails.)

STATUTORY AUDITOR’S REPORT

(Amounts expressed in thousands of euros – t.euros)

(Translation of a report originally issued in Portuguese – in the case of discrepancies, the original version in Portuguese prevails)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Bison Bank, S.A. (“Bank”) and its subsidiary (“Group”), which comprise the consolidated balance sheet as at 31 December 2024 (that presents a total of 404,470 t.euros and a total consolidated equity of 45,586 t.euros, including a consolidated net profit of 2,533 t.euros), the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and the accompanying notes to the consolidated financial statements, including material information about the accounting policy.

In our opinion, the accompanying consolidated financial statements present true and fairly, in all material respects, the consolidated financial position of Bison Bank, S.A. and its subsidiary as at 31 December 2024 and its consolidated financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as endorsed by the European Union (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further standards and technical and ethical directives of the Portuguese Institute of Statutory Auditors (“Ordem dos Revisores Oficiais de Contas”). Our responsibilities under those standards are described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section. We are independent from the entities that constitute the Group in the terms of the law and we have fulfilled the other ethical requirements under the ethical code of the Portuguese Institute of Statutory Auditors (“Ordem dos Revisores Oficiais de Contas”).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Those matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

Description of the most significant risks of material misstatement identified	Summary of the auditor’s response to the most significant risks of material misstatement identified
<i>Impairment for debt instruments recorded in financial assets at fair value through other comprehensive income and amortised cost (Notes 2.4, 2.7.4, 8, 9, 16 and 27)</i>	
As at 31 December 2024, the Group's consolidated balance sheet included debt instruments recorded in financial assets at fair value through other comprehensive income and amortised cost in the amount of 123.276 t.Euros, for which the respective accumulated impairment ("impairment losses for debt instruments") amounted to 468 t.Euros. Impairment losses for debt instruments represent management's best estimate at the reference date of the financial statements of expected credit losses, taking into account the provisions of IFRS 9 – Financial Instruments ("IFRS 9"), as described in Notes 2.4 and 2.7.4 of the Annex to the consolidated financial statements. The impairment losses for debt instruments calculated by the Group take into account the characteristics of the debt instruments and a set of assumptions defined by the management body, namely for the purposes of classifying exposures into stages, including the assessment of a significant increase in credit risk since initial recognition, based on quantitative and qualitative information, and in determining risk parameters, such as the probability of default and loss given default.	We have analysed the relevant internal control procedures implemented by the Group in terms of the impairment loss quantification process for debt instruments. We reviewed the Group's documentation on the methodology for determining impairment losses, and analysed its reasonableness in relation to the requirements of IFRS 9. We selected a sample of debt instruments recorded at fair value through other comprehensive income and at amortised cost, for which we analysed the reasonableness of the estimate of impairment losses recorded in the consolidated financial statements, focusing on the following aspects: <ul style="list-style-type: none">the review of the Group's judgments on the assumptions used in the determination of impairment, namely in terms of the classification of exposures into stages and in the determination of risk parameters, such as the probability of default and loss given default; andin determining impairment in view of the characteristics of the financial assets and the assumptions defined by the Group. We have reviewed the disclosures contained in the consolidated financial statements in relation to these matters, taking into account the applicable accounting standards.

Description of the most significant risks of material misstatement identified	Summary of the auditor’s response to the most significant risks of material misstatement identified
<i>Impairment for debt instruments recorded in financial assets at fair value through other comprehensive income and amortised cost (Notes 2.4, 2.7.4, 8, 9, 16 and 27)</i>	
In view of the above, given the significant weight of these financial assets in the Group’s consolidated balance sheet, the adoption of different methodologies, judgments or assumptions by the management body in the process of quantifying impairments for debt instruments recorded in financial assets at fair value through other comprehensive income and at amortised cost may have a material impact on the impairment amounts calculated in each financial year.	

Other matters

The comparative consolidated financial statements for the year ended 31 December 2023 are adopted by the Group in order to meet the accounting publication requirements. These consolidated financial statements were audited by another Statutory Auditors’ Company and the Legal Certification of Accounts, dated 9 April 2024, did not contain any qualifications or emphasis of matter.

Responsibilities of Management and Supervisory Body for the consolidated financial statements

The Management of the Bank is responsible for:

- the preparation of consolidated financial statements that present true and fairly the consolidated financial position, financial performance and cash flows of the Group in accordance with the International Financial Reporting Standards as endorsed by the European Union (IFRS);
- the preparation of the Management report under the applicable legal and regulatory terms;
- the implementation and maintenance of an appropriate internal control system to allow the preparation of consolidated financial statements that are free from material misstatements due to fraud or error;
- the adoption of accounting principles and criteria appropriate in the circumstances; and
- the evaluation of the Group’s ability to continue as a going concern, disclosing, whenever applicable, the matters that may cast significant doubt on the continuity of its operations.

The Supervisory Body of the Bank is responsible for overseeing the Group’s financial closing and reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our responsibility consists in obtaining reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of those consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit and we also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management;
- conclude on the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exist, we should draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether those consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit and we are the ultimate responsables for our audit opinion;
- communicate with those charged with governance, including the Supervisory Body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiency in internal control identified during the audit;

- from the matters we communicate with those charged with governance, including the Supervisory Body, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and which are the key audit matters. We describe these matters in our report unless law or regulation precludes its public disclosure; and
- declare to the Supervisory Body that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may be perceived to threaten our independence, and where applicable, the actions taken to eliminate the threats or the applicable safeguards applied.

Our responsibility includes also the verification of the consistency of the information included in the Management report with the consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

About the Management report

In compliance with article 451, number 3, item e) of the Portuguese Commercial Code (“Código das Sociedades Comerciais”), we conclude that, for the material respects, the Management report was prepared in accordance with the current applicable law and regulations, the financial information included therein is in agreement with the audited consolidated financial statements, and considering our knowledge of the Group, we did not identify material misstatements.

About the additional elements provided for in article 10 of Regulation (UE) nº 537/2014

In compliance with article 10 of Regulation (UE) nº 537/2014 of the European Parliament and of the Council of 16 April 2014, and beyond the key audit matters mentioned above, we further report the following:

- We have been appointed auditors of the Bank in the Shareholders’ General Meeting that took place on 11 2024, for a mandate covering the period between 2024 and 2025.
- Management has confirmed to us that they are unaware of the occurrence of any fraud or suspected fraud with a material effect in the consolidated financial statements. As part of the planning and execution of our audit in accordance with ISAs, we kept professional scepticism and designed audit procedures to respond to the risk of material misstatements in the consolidated financial statements due to fraud. As a result of our work, we have not identified any material misstatement in the consolidated financial statements due to fraud.
- We confirm that the audit opinion issued is consistent with the additional report that we have prepared and delivered to the Supervisory Body of the Bank on this same date.

- We declare that we have not rendered any prohibited services under the terms of article 5, number 1, of Regulation (UE) nº 537/2014, and that we kept our independence from the Group during the execution of the audit.

Lisbon, 31 March 2025

Deloitte & Associados, SROC S.A.
Represented by Luís Eduardo Marques dos Santos, ROC
Registration in OROC n.º 1684
Registration in CMVM n.º 20161294

EXPLANATION ADDED FOR TRANSLATION

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Audit Committee's Assessment of the Adequacy and Effectiveness of the Organisational Culture, Governance, and Internal Control Systems

13.

Bison Bank, S.A. Audit Committee's assessment of the adequacy and effectiveness of the Bank's organisational culture and governance and internal control systems

INTRODUCTION

This document is presented for the purposes set out in Article 60(1) of Notice no. 3/2020 of Banco de Portugal ("Notice") and is part of the annual self-assessment process of the adequacy and effectiveness of the organisational culture of Bison Bank, S.A. ("Bank") and its governance and internal control systems, in accordance with the Notice.

SUMMARY OF THE SELF-ASSESSMENT REPORT

The following is a summary of the self-assessment report required by article 55 of the Notice, which contains the assessment of the adequacy and effectiveness of the organisational culture in place at the Bank and of its governance and internal control systems, with reference to the period from 1st of December 2023 to the 30th of November 2024 (“reference period”):

- The Audit Committee (“AC”) monitored, during the respective periods in office, the management, operations and evolution of the Bank’s business over the reference period, in the course of their meetings, through participation in the Board of Directors (“BoD”) meetings, access to documentation produced by this body and by the Committees to which it delegated powers as well as via access to management and prudential information on the Bank’s activity and results and other relevant documentation and through contacts maintained with its officers, having obtained all the clarifications requested.
- The Audit Committee analysed and discussed the work performed by the Control Functions (Risk, Compliance, and Internal Audit), in accordance with the responsibilities assigned to it by the Bank’s statutes and the Notice, namely:
 - Monitored the work of the Risk Management Function, having analysed the aspects related to the Bank’s internal control and risk management system, in particular, and as part of the monitoring of the function, the half-yearly reports on the activity carried out, as well as the respective activity plan, and other topics with a possible impact on the Bank’s internal control system;

- Analyzed and discussed the work performed by the Compliance Function, including obtaining appropriate information on the deficiencies detected in the Bank’s internal control and risk management system, the assessment and classification of the respective risks, the measures adopted to resolve them and their status of implementation.
- Monitored and supervised the planning of activities and the work carried out by the Internal Audit Function, ensuring the safeguarding of its independence and effectiveness, being informed of the reports issued by the function, and ensuring compliance with the recommendations.
- With regards to the quality of performance and adequate independence of the Bank’s internal control functions, the AC has undertaken the following procedures:
 - Analyzing the activity reports prepared by the Bank’s internal control functions under the terms of Article 55(c) of the Notice, particularly with regard to assessing the independence of the functions;
 - Analysing the reports and recommendations issued and the interaction with the Bank’s other operational areas; and
 - Monitoring the work carried out by the Bank’s internal control functions, namely through interactions with the Audit Committee (meetings every two months and whenever justified) in the normal course of its activities.
- During the reference period, the AC analysed the progress reports on the actions to mitigate deficiencies and the implementation of identified recommendations, and assessed the deficiencies

identified by the Bank’s internal control functions (Compliance, Risk Management and Internal Audit) during the aforementioned reference period, as well as their classification and the action plans defined for their resolution, including the deadlines defined for the implementation of these plans.

- As a result of the work carried out by the Bank’s internal control functions, by the Statutory Auditor and the supervisory process, a series of deficiencies were identified and expressed in the Bank’s self-assessment report, prepared pursuant to Article 55 of the Notice and Article 2 of Bank of Portugal Instruction no. 18/2020. There are no deficiencies classified with risk grade F4 - Severe and, of the identified deficiencies, 25 classified as F3 - High, while the others are classified as F2 - Moderate and F1 - Reduced.
- The Audit Committee concludes that the identified deficiencies were adequately classified as F3 – High and as F4 - Severe and that their impacts are not likely to damage the organisational culture, governance, and internal control systems of the Bank, considering that:
 - the deficiencies identified have measures, deadlines and those responsible for their implementation;
 - the follow-up of open deficiencies is based on a process of continuous monitoring by the Board of Directors, on a quarterly basis, to ensure the timely correction of situations identified in accordance with the Bank’s internal governance policy;
 - there is a methodology for classifying deficiencies, defining criteria for classifying deficiencies in the Bank’s self-assessment report;
 - validation of the appropriate use of the criteria and classification of deficiencies by the Internal Audit Function, contained in the Risk Reassessment Report drawn up by the Internal Audit Department.;

- the deficiency, classified as F4-Severe, stems from the Bank of Portugal’s recommendation relating to climate and environmental risk management, which was assessed as non-existent.
- As a result of the work carried out by the Bank’s internal control functions, the Statutory Auditor and the supervisory process, a number of deficiencies were identified in the Bank’s self-assessment report, prepared under the terms of Article 55 of the Notice and Article 2 of Instruction no. 18/2020 of the Bank of Portugal (‘Instruction’). There were 1 deficiency classified with risk grade F4 – Severe, 25 were classified as F3 - High, 53 as F2 - Moderate and 27 as low risk.
- The Audit Committee considers that, notwithstanding the deficiencies identified, the alternative control mechanisms or initiatives in progress guarantee adequate mitigation of the risks arising from such deficiencies.
- The Audit Committee also closely monitored the legislation and other national and community (EU) regulations on the internal control system and mechanisms, as well as the entire process of preparing the Bank’s self-assessment report, which included:
 - Analysis and assessment of the risk grading model defined under the provisions of the Notice;
 - Analysis of the action plans determined for the resolution of the gaps identified and respective prioritization, proposed actions and associated timings; and
 - Grading process of the open recommendations from previous periods, as well as the recommendations identified in the period of reference.

MAIN CONCLUSIONS

- Based on the activities carried out and the evidence obtained, the Audit Committee has assessed, within the scope of the responsibilities attributed by law to the supervisory bodies and considering the current and potential impacts of the deficiencies that remain open, the adequacy and effectiveness of the organisational culture in place in the Bank and of its governance and internal control systems.
- Notwithstanding the aspects mentioned in the “Deficiencies” chapter, where an effort was made to reduce the oldest and highest risk deficiencies, and the need to develop an additional set of procedures to fully adopt the provisions of the Notice, the AC unanimously concluded that it was positive about the adequacy and effectiveness of the Bank’s organisational culture and its governance and internal control systems, in all materially relevant aspects, in terms of the requirements defined in the Notice.
- Except for the aspects mentioned with respect to “Deficiencies”, we unanimously concluded positively on the status of implementation of the measures defined in the reporting period to correct the detected deficiencies, including the deficiencies in the Bank’s internal control system and accounting system reported by the statutory auditor or in the scope of other activities carried out by the statutory auditor, or identified by other external entities, including supervisory authorities.
- We concluded on the quality of performance and adequate independence of the Bank’s internal control functions, which have permanent and effective internal control functions, with a status, authority, and independence in the organisational structure, aimed at verifying, in their respective areas of competence, if the established strategies, policies, processes, systems and procedures are adequate, duly updated, correctly applied and effectively complied with.
- The internal control functions have direct access to the Audit Committee and the Board of Directors and to the respective support committees, thus ensuring the possibility of direct and immediate transmission of any information to these bodies without the prior intervention of third parties and, on the other hand, that these may request such information directly from the internal control functions. During the reference period, the internal control functions also provided those bodies with all the information they requested.
- Additionally, we also concluded unanimously and positively on:
 - The reliability, in the reference period, of the processes of preparation of prudential and financial reports, including those carried out by the Bank under the Implementing Regulation (EU) No 680/2014 of the Commission of 16 April 2014;
 - The reliability of the processes for preparing information disclosed to the public by the Bank under applicable laws and regulations, including financial and prudential information; and
 - Adequate compliance, in the reference period, with all the duties of disclosure to the public arising from applicable laws and regulations and concerning the matters set out in the Notice.

Lisbon, 28 March 2025

The Audit Committee

Luis Gonçalves Folhadela

Wang Ting

Issuf Ahmad

Report and Opinion of the Audit Committee

14.

REPORT AND OPINION OF THE AUDIT COMMITTEE — 2024 FISCAL YEAR

Introduction

1. In compliance, in particular, with the provisions of article 423.º-F, no. 1, paragraph g), of the Portuguese Companies Code (“CSC”), the Audit Committee (“AC”) of Bison Bank, SA (“Bank”) prepared this report and opinion on the Management Report, Financial Statements and proposals presented by the Board of Directors (“BoD”) of the Bank for the financial year ended on December 31st, 2024, including on the supervisory activity carried out by the AC during the same financial year.

accounts, issuing of opinions on control instruments, regulations, plans and higher risk operations and other functions of greater risk for the Bank. In other meetings, the AC met amongst itself to discuss, evaluate and address several other matters, namely pertaining to regulatory and banking legislations; regulator correspondence and meetings; internal controls; ESG related matters, etc. The AC members work permanently as an ongoing whole body with regular interactions oftentimes on a daily basis

Activity performed

2. The AC, in its supervisory role of the Bank, supervised the activities related to auditing, internal control, risk management, business development, compliance, as well as the processes of preparation and disclosure of financial information and prudential key indicators and the independence of the Statutory Auditor of the Bank (“SROC”).

The members of the AC met several times throughout the year in order to perform their functions, having officially held fifty meetings, in the period from January to December 2024, to deal with issues related to supervision of the independent exercises of control functions and statutory audit of

Executive directors of the BoD, representatives of the Auditor and those responsible for risk and control functions and other areas of the Bank also have participated in many of these AC meetings, upon invitation and depending on the matters under discussion. The AC maintained permanent communication with the members of the Bank’s Executive Committee (“EC”) and with those holding control functions, and also attended all the BoD meetings. On performing the supervision of the control functions and of the statutory audit of the accounts, the AC has met regularly with the heads of the risk, compliance and internal audit functions and with representatives of the statutory Auditor.

3. The Chairman of the AC also chairs the Nomination and Remuneration Committee, which also includes two non-executive members of the Board of Directors, including the Chairman of the Board of Directors and a Member of the AC, who is independent under legal and regulatory terms.

4. On April 10th, 2024, the AC issued a report on its supervisory activity during the 2023 financial year and an opinion on the management report, accounts and proposals presented by the Bank's BoD for that financial year.

The AC also assessed the adequacy and effectiveness of the Bank's internal control system, specifically within the scope of preventing money laundering and terrorist financing, with reference to the period between the 1st of January and the 31st of December 2023, having issued its opinion on the 18th of September 2024.

The AC issued opinions on topics related to the review of internal policies and regulations, accumulation of functions, conflicts of interest and related parties.

5. With reference to the period between December 1st, 2023 and November 30th, 2024, the AC issued a report assessing the adequacy and effectiveness of the Bank's organisational culture, its governance and internal control systems, in accordance with the provisions of Notice No. 3/2020 of the Bank of Portugal and for the purposes set out in paragraph a) in article 55 of the said Notice.

Also, within the scope of the same Notice, the AC prepared a summary of the assessment report on the adequacy and effectiveness of the organisational culture in force at the Bank and its governance and internal control systems, which is attached to the annual financial report, in accordance with the provisions of article 60 of the aforementioned Notice.

6. The AC also performed its role of supervising the Bank's management, monitoring and constructively challenging the Bank's executive management, particularly in matters related to the Bank's strategy, risk management, internal control, compliance, internal governance, accountability and internal audit, in coordination with the non-executive member of the BoD who is not a member of the AC, in accordance with the law and the regulatory standards and guidelines applicable to the banking sector.

7. The AC received, from those responsible for control functions at the Bank, each respective activity plan and reports, as well as periodic reports on risk management, compliance activity and internal audit reports. The AC supervised the performance of control functions, assessing and discussing with the heads of the risk and control functions and their officers the plans and periodic reports on the performance of risk management and compliance, as well as the independent performance of internal audit, making observations and recommendations considered appropriate at the circumstances.

8. The Bank has in place a system to report irregularities, as per the document published on its website entitled "Policy for Reporting Irregularities or Concerns (Whistleblowing)". The AC monitored the development and the operation of this system, involving the control functions. Detailed information on reporting irregularities and concerns that may penalize the Bank is contained in a separate report, issued in accordance with the provisions of paragraph 7 of article 116.º-AA of the RGICSF.

Assessment of the independence of the statutory auditor - Deloitte

9. In 2023, the AC initiated a competitive selection process for the Bank's new statutory auditor, following the procedures set out in Article 16 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 (European Auditing Regulation), considering that the auditor in office – PwC, SROC had reached the maximum term of office (ten years), which culminated in the election, by the General Assembly, of Deloitte & Associados, SROC, S.A. ("Deloitte"), for the initial term of office of 2024-2025.
10. In accordance with the provisions of the internal regulations and national and EU legislation regulating the performance of the statutory audit of the accounts of Public Interest Entities, the supervisory body supervised the independence of Deloitte, which was subject to an internal assessment of the risk of conflict of interest and respective monitoring during the course of the work. At the end of the work, it submitted to the AC a statement confirming its independence and that of the members of the audit team involved in the statutory audit of the accounts in relation to the entity being audited – the Bank.
11. The supervisory body previously approved non-audit services performed by Deloitte, with the exception of the service required by law (on asset safeguarding – a requirement of the Securities Market Commission – "CMVM"), upon a duly substantiated proposal and subsequent assessment of the threats to independence arising from the performance of such services, taking into consideration the restrictive measures to safeguard independence under the provision of the Statute of the Association of (Portuguese) Statutory Auditors (EOROC), approved by Law no. 140/2015, of September 7th (with the amendments introduced by Law no. 99-A/2021, of December 31st), and in the European Auditing Regulation.

Assessment of the report and accounts

12. The AC has assessed the Report and Accounts presented by the Board of Directors for the annual financial year ended December 31, 2024, which include the Management Report, Financial Statements and corresponding Annex, as well as the Proposal for the application of results and Report on corporate governance. The 2024 accounts are presented on an individual and consolidated basis, integrating the subsidiary Bison Digital Asset, S.A. ("BDA"), under the full control of the Bank since the date of its incorporation, on July 15th, 2022, with the members of the BDA Board of Directors being simultaneously the members of the Bank's Executive Committee.

The AC assessed the main accounting policies and changes made within the scope of IAS/IFRS, as well as the records and disclosures made in the preparation of individual and consolidated financial statements and other documents of accountability for the annual period ending on December 31st, 2024.

13. In the year ended December 31st, 2024, the Bank recorded a consolidated net profit of 2,533 thousand euros (2,453 thousand euros on an individual basis), which compares with the value of 170 thousand euros recorded in 2023, mainly due to the significant increase in the net interest income (+2.1 million euros), in fee and commission income (+2.0 million euros), driving a significant increase of the net operating income of around 4.3 million euros (+49%), combined with the increase in administrative expenses of 2.2 million euros. There is also the positive effect on deferred tax results, in the amount of 372 thousand euros (versus zero in 2023). In equity, there was also a net gain of around 1.2 million euros (2.7 million euros in 2023), resulting from the positive variation in the fair value of financial assets, which, together with the profit recorded in that year, gave rise to a

consolidated comprehensive income, net of taxes, of around 3.7 million euros (3.6 million euros on an individual basis). The Bank maintains the capitalization levels balanced, with Tier 1 Common equity ratios at the end of the year of around 37.4% (35.8% in 2023), and robust liquidity levels, with LCR and NSFR of 219.0% and 261.7% respectively (191.4% and 162.9% in 2023).

Assessment of the statutory audit of accounts

14. The AC monitored the statutory audit of the Bank’s accounts for the financial year ending on December 31st, 2024 and assessed the respective outcomes, the matters that required greater attention from Deloitte, as well as the statutory auditing of the accounts, also paying attention to safeguarding the independence of the statutory auditor.
15. The AC also assessed the additional report addressed to the Audit Committee, issued by Deloitte, on March 31st, 2025, which explains the results of the statutory audit of the accounts, in accordance with the provisions of Article 11 of the European Auditing Regulation. The aforementioned Report arises from the audit by Deloitte of the Bank’s accounts for the financial year ending on December 31st, 2024, which covers a set of relevant topics and information within the scope of the audit of said accounts, which were generally discussed in meetings with the AC and in other documents assessed by the AC, namely, accounting and financial matters within the scope of the statutory audit of the accounts, relevant audit matters, among the matters that required greater attention from Deloitte, materiality, internal financial

control system, continuity, compliance, assessment methods, provision of non-audit services by Deloitte and verification of its independence in the statutory audit of the accounts.

16. 16. For the purposes of the provisions of article 452, no. 2, of the CSC, the AC states that it agrees with the statutory audit reports concerning the Bank’s individual and consolidated accounts for the financial year ending on December 31st, 2024, issued on March 31, 2025, which express unqualified opinions on the individual and consolidated financial statements, and describes the most significant risks of material misstatement identified and the summary of the response to it.

Proposal for the Application of Results

17. The Board of Directors proposes, under the terms and for the purposes of the provisions subparagraph b) of paragraph 1 and paragraph 2 of article 376 of the CSC, that the Profit of the 2024 financial year, in the amount of €2,453,406.46 (two million, four hundred and fifty-three thousand, four hundred and six euros and forty-six cents), be transferred to the Retained Earnings.

Opinion on the Report and Accounts

18. As a result of the work carried out, the AC gives its favorable opinion on the approval of the Report and Accounts 2024, which includes the Management Report, individual and consolidated Financial Statements and respective attached Notes, as well as the Report on Corporate Governance, relating to the financial year ended on December 31st, 2024, confirmed by the BoD at the meeting held on March 28th, 2025.

These financial documents were assessed by the BoD at the aforementioned meeting, which was attended by all members of the BoD, including members of the AC, as well as representatives of Deloitte who are part of the Bank’s statutory audit team, and at the occasion the AC presented the outcomes of the statutory audit of the accounts and explained how it contributed to the integrity of the process of preparation and disclosure of financial information, as well as the role that the AC had in this process.

19. In these terms, considering the information received from the Board of Directors and other bodies and departments of the Bank, and the conclusions contained in the statutory audit of the accounts concerning the individual and consolidated Financial Information, issued on March 31st, 2025, the AC is of the opinion that the Bank’s General Assembly should approve:
- b. The 2024 Annual Report and Accounts, for the annual financial year ended on December 31, 2024, which includes the management report, the individual and consolidated financial statements and respective accompanying notes and the Corporate Governance Report, as well as the Audit Committee’s Report and Opinion and the corresponding statutory audit of the accounts; and
- b. The Proposal for application of results.

The General Assembly must also carry out a general assessment of the Bank’s management and supervision, in accordance with the provisions of article 376, paragraph 1, paragraph c) of the CSC, and deliberate on the proposals presented by the Nomination and Remuneration Committee.

The AC expresses its gratitude to the Bank’s employees, the members of the Board of Directors, the Deloitte team, for all the collaboration provided on the performance of their functions, as well as for the attention provided by Bank of Portugal in the exercise of its supervisory function.

Lisbon, March 31st, 2025

Issuf Ahmad, Chairman of the Audit Committee

Ting Wang, Member of the Audit Committee

Luis Gonçalves Folhadela, Member of the Audit Committee



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