



**BANCO INTERNACIONAL
DE S. TOMÉ E PRÍNCIPE**

DESDE SEMPRE · PARA SEMPRE



2025
**ANNUAL REPORT
AND ACCOUNTS**

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MAIN INDICATORS

1. MAIN INDICATORS

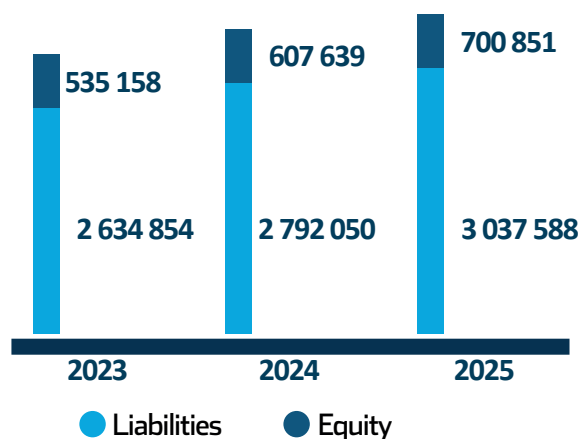
BANKING BUSINESS DEVELOPMENT

AMOUNTS IN DOBRAS	2023	2024	2025	YEAR-ON-YEAR CHANGE	
				2024 Vs. 2023	2025 Vs. 2024
Business Turnover	3.375.318.625	3 558 134 812	3 978 073 277	5,42%	11,80%
Loans and Advances to Customers	769.945.957	791 614 107	804 342 465	2,81%	1,61%
Deposits from Customers	2.510.025.112	2 505 131 199	2 831 946 436	-0,19%	13,05%
Documentary Credit	66.603.756	231 449 024	314 118 640	247,50%	35,72%
Bank Guarantees Issued	28.743.800	29 940 482	27 665 735	4,16%	-7,60%
Balance sheet					
Net Assets	3.170.011.805	3 399 689 002	3 738 439 603	7,25%	9,96%
Net Loans	705.066.020	724 189 594	757 916 698	2,71%	4,66%
Deposits from Customers	2.510.025.112	2 505 131 199	2 831 946 436	-0,15%	13,05%
Equity	535.158.104	607 638 519	700 851 175	13,54%	15,34%
Results					
Net Interest Income	143.754.275	157 335 777	161 804 131	9,45%	2,84%
Complementary Margin	150.523.415	192 279 940	145 001 623	27,74%	-24,59%
Net Operating Income	294.277.690	349 615 717	306 805 754	18,80%	-12,24%
Operating Income	140.814.342	198 373 732	141 863 403	40,88%	-28,49%
Income before taxes	70.094.092	93 841 887	114 589 031	33,88%	22,11%
Net Income	44.342.424	55 747 181	78 697 045	25,72%	41,17%
Ratios					
ROE	8,29%	9,17%	11,23%	+0,89 p.p	+2,05 p.p
ROA	1,40%	1,64%	2,11%	+0,24 p.p	+0,47 p.p
Net Interest Income/Assets	4,53%	4,63%	4,33%	+0,09 p.p	-0,30 p.p
Complementary Margin/Net Operating Income	51,15%	55,00%	47,26%	+3,85 p.p	-7,74 p.p
Efficiency Ratio (Cost-to-Income)	59,86%	49,19%	61,51%	-10,67 p.p	+12,32 p.p
Equity / Assets	16,88%	17,87%	18,75%	+0,99 p.p	+0,87 p.p
Transformation Ratio:					
Net Loans/Deposits	28,09%	28,91%	26,76%	+0,82 p.p	-2,15 p.p
Government Debt Securities/Equity	114,10%	93,65%	86,28%	-20,45 p.p	-7,36 p.p
Overdue Loans/Loans and Advances to Customers	12,04%	13,01%	8,48%	+0,97 p.p	-4,53 p.p
Provision for Overdue Loans/Overdue Loans	70,01%	65,47%	68,10%	-4,54 p.p	+2,63 p.p
Solvency	37,06%	33,22%	38,04%	+3,84 p.p	+4,82 p.p
Liquidity	61,73%	67,45%	71,89%	+5,72 p.p	+4,44 p.p
No. of Employees	138	137	136	-0,72%	-0,73%
No. of Branches	10	10	11	0,00%	10,00%
(Loans + Deposits) / Branch	321.509.113	322 932 079	326 351 194	0,48%	1,06%
(Loans + Deposits) / Employee	23.297.762	23 571 685	26 396 052	1,21%	11,98%

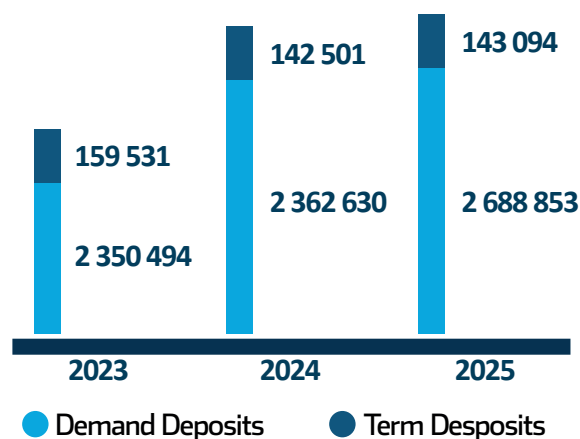
BUSINESS PERFORMANCE SUMMARY

(Values in thousands of dobras)

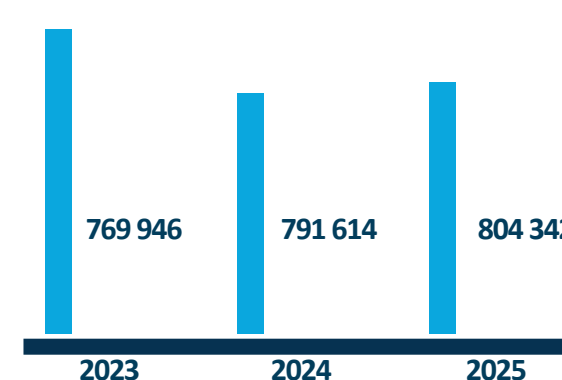
BALANCE SHEET



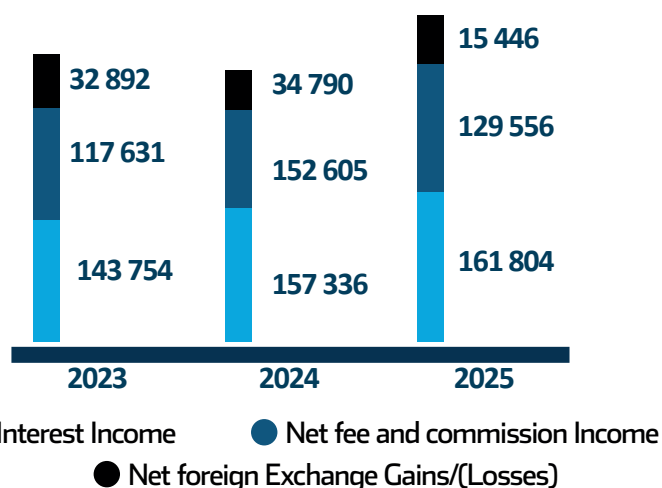
TOTAL DEPOSITS



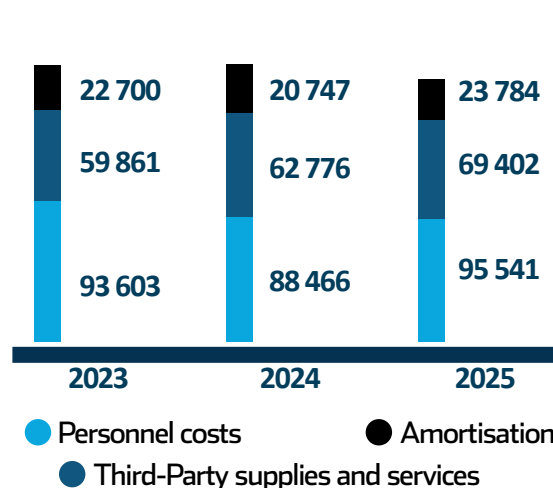
GROSS CREDIT



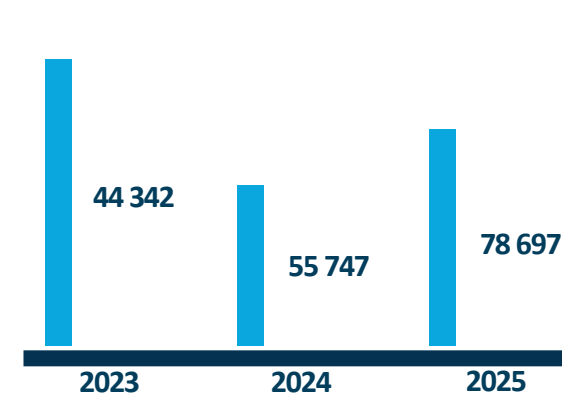
OPERATING INCOME



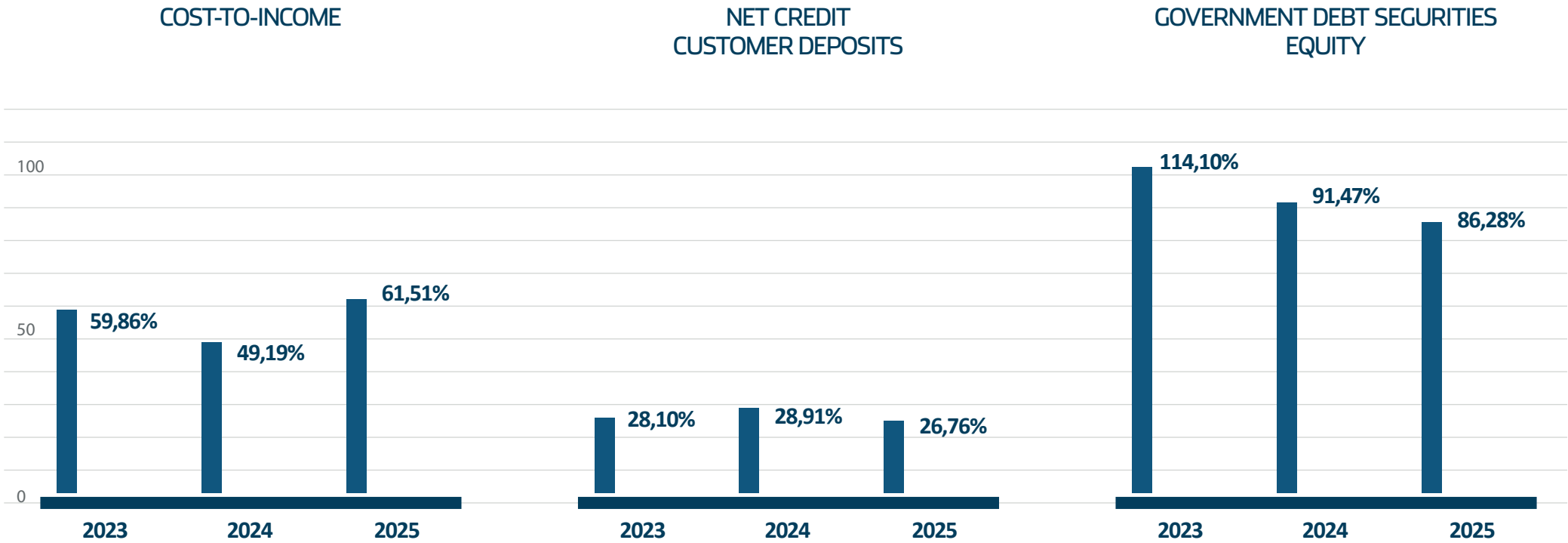
STRUCTURAL COSTS



NET INCOME



BUSINESS PERFORMANCE SUMMARY



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02

**MESSAGE FROM
THE CHIEF EXECUTIVE
OFFICER**

2. MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

The year 2025 was marked by a global environment that remained challenging, with moderate and uneven economic growth across regions. The world's major economies experienced a slowdown, while some emerging markets demonstrated greater resilience. Inflation continued to ease, allowing for a gradual normalisation of monetary policy, albeit with a cautious approach.

The geopolitical climate remained tense, with protracted conflicts and strategic rivalries affecting supply chains and energy prices. The fragmentation of global trade became more apparent, while an increasingly adversarial trade environment led to the strengthening of new economic blocs and protectionist trends. Technology, particularly artificial intelligence, established itself as a driver of economic transformation and productivity gains, attracting increasing financial flows and generating growing energy consumption requirements.

Domestically, the energy crisis worsened, placing significant constraints on economic activity and citizens' quality of life. The country continued to record a limited capacity to attract foreign direct investment, as well as weak capacity to foster public and private investment. The structural fiscal imbalance, resulting from a level of tax revenue collection insufficient to fully cover current and investment expenditure, once again proved challenging, forcing the Government to resort to borrowing from the domestic banking sector.

Despite the Government's financial constraints, GDP is expected to record growth, supported primarily by cocoa exports, which benefited from higher

prices on the international market. The international reserves of the Central Bank of São Tomé and Príncipe showed signs of improvement, driven not only by the increase in the value of cocoa exports but also, and above all, by the change in foreign exchange policy introduced by NAP 06/2024, which came into force at the end of 2024 and requires commercial banks to remit 25% of foreign currency inflows received from abroad to the Central Bank. This change in foreign exchange policy resulted in a reduction in the foreign currency available at commercial banks, making it more difficult for them to meet corporate demand for foreign currency to import goods and services from abroad.

The challenges posed by the economic environment and the regulatory changes affecting the financial sector were therefore significant in 2025, adversely impacting both the Bank's operating costs and revenues.

The energy crisis, which required increased fuel consumption and stockpiling, higher energy costs, and increased expenditure on IT services and improvements to the internal control system, contributed to a rise in the Bank's operating costs. On the revenue side, the shortage of foreign currency led to a decline in income from one of the key services within the Bank's revenue structure. Thus, despite the internal and external shocks that affected the Bank's activity in 2025, BISTP continued to pursue its ambitious investment plan, strengthening its ability to support and serve households, companies and institutions in meeting their credit and financial services needs.

In March, we opened the Cidade de Neves branch, in the district of Lembá, the only bank branch in that district, and laid the foundations for our next expansion, this time in the south. This reinforces our commitment to presence, proximity and financial inclusion, as part of our mission to expand access to financial services for the benefit of all and to contribute to the country's more inclusive development.

We do not lose sight of the fact that the future is digital, but we are fully aware that many of our customers still prefer, and need, proximity and human contact. For customers who are more familiar with digital channels and prefer the convenience and remote access to our products and services, we offer our digital channels (Internet and Mobile Banking), and are preparing to upgrade them with new features, aware that the country is evolving at different speeds, but that BISTP remains an essential bank for all.

2025 was a year marked by significant internal and external challenges, which the Bank managed to overcome, further strengthening its position within the financial sector. We remain fully aware of the considerable social responsibility that accompanies this position. Accordingly, we further strengthened our commitment to corporate social responsibility in 2025, an area we have always approached with a strong sense of institutional responsibility, by supporting a wide range of social, cultural, sporting and artistic organisations and initiatives. During the year, we went a step further by contributing to the improvement of patient care facilities and comfort for mothers in the maternity unit of Dr. Ayres de Menezes Hospital.

Against this backdrop, we are pleased to report that, despite the many challenges and adverse circumstances encountered throughout 2025, BISTP has remained true to its mission of contributing to the development of individuals and businesses while generating sustainable, long-term value for society.

The results achieved, together with the fact that we emerged from 2025 with a stronger financial position – underpinned by improved profitability, a sound balance sheet and capital base, as well as a portfolio of high-quality assets – does not mean that challenges ahead have diminished. The most important of these is to continue our digital and commercial transformation, while further strengthening our customer-centric approach in order to enhance and consolidate the trust and satisfaction of our customers. It is this balance that will enable us to enhance the customer experience, reduce costs and strengthen our capacity to adapt.

With a highly experienced and committed team of professionals, and with the institutional support of our shareholders, we will be well placed to address the various challenges ahead and continue BISTP's transformation process, with a view to better serving and increasingly valuing our customers, while generating greater value for all stakeholders.

**BISTP
AT A GLANCE**

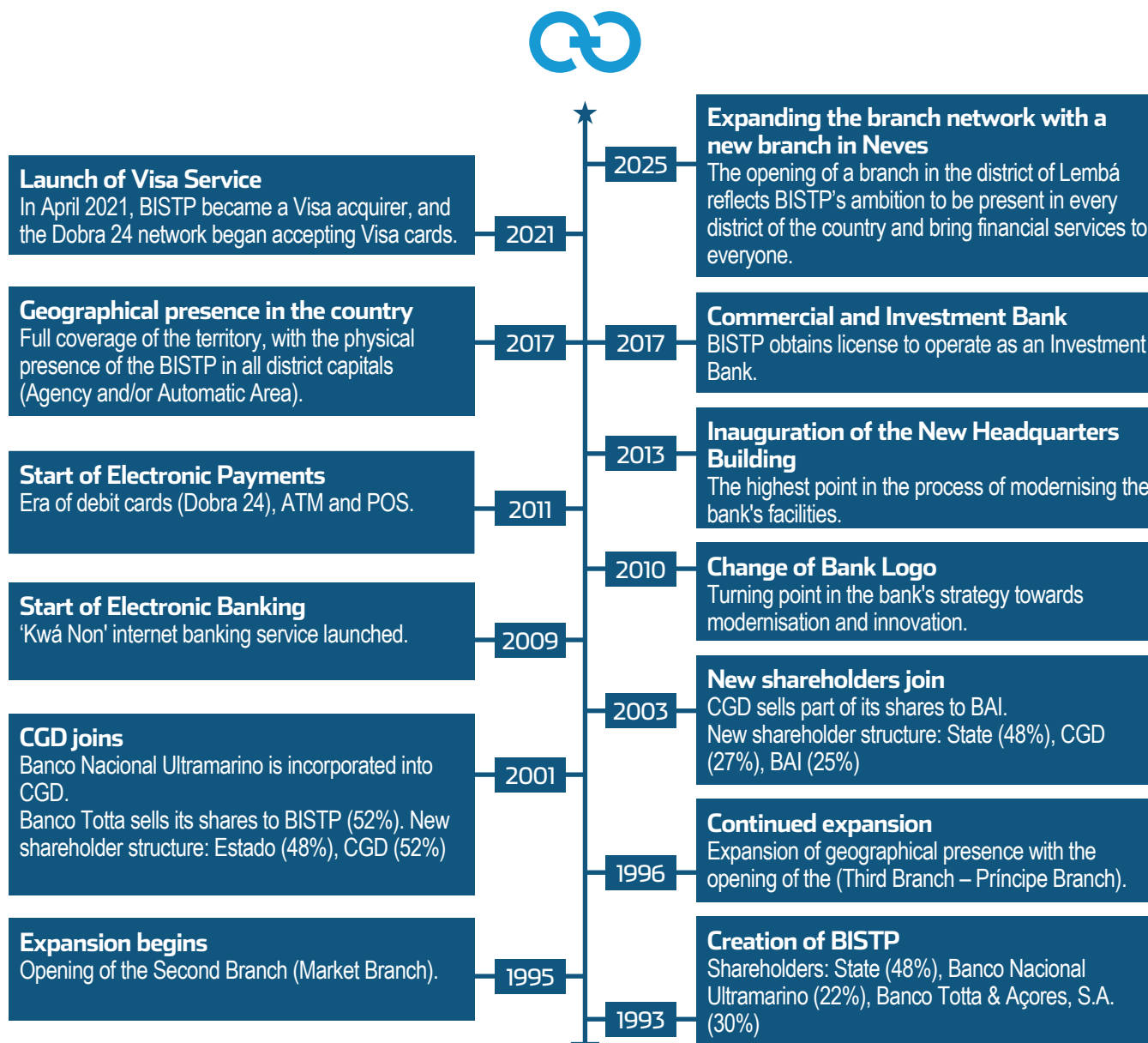
03

3. BISTP AT A GLANCE

3.1 VISION, MISSION AND VALUES

BISTP is the first commercial bank in the domestic market and, in 2017, became a universal bank (Commercial and Investment Bank). BISTP's history is closely intertwined with the modern history of São Tomé and Príncipe's financial system. BISTP remains a fundamental pillar of the national financial system and, year after year, has renewed its commitment to continuing to serve as a benchmark for solidity, transparency, integrity, professionalism, innovation and inclusion, guided by its Mission and Values.

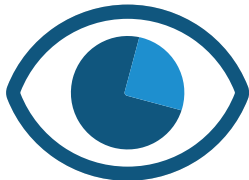
Over 30 years of helping to build a sound, innovative and more inclusive financial system, bringing financial services to everyone.





MISSION

To make a decisive contribution to national economic and social development by bringing financial services ever closer to the population.



VISION

BISTP aims to be a benchmark for financial strength, rigour, transparency, operational efficiency and social responsibility in the domestic market. To be the best universal bank, building and consolidating relationships of trust and loyalty with employees, customers, shareholders and society.



VALORES

Ethics	Integrity
Competence and Excellence	Organisational, Social and Environmental Responsibility

3.2 SHAREHOLDER STRUCTURE





3.3 GOVERNING BODIES

Board of the General Meeting:

Nuno Ricardo dos Santos Jorge da Pena – Chairman
 Danilo Guadalupe Pereira de Lima – Secretary
 Ebb Rosa Conde Lopes Col soul – Secretary

Board of Directors:

Orlando da Mata – Chairman
 Francisco José Pinguínha da Piedade – Board Member
 Afonso da Graça Varela da Silva – Board Member
 Lucamba Magalhães – Board Member
 Vasco António de Almeida Alves Ribeiro – Board Member
 Zembo Rafael da Silva Rebelo e Macedo – Board Member

Executive Committee:

Francisco José Pinguínha Piedade – Chairman
 Afonso da Graça Varela da Silva – Executive Director
 Lucamba Magalhães – Executive Director

Supervisory Board:

João Miguel Pacheco de Sales Luis – Chairman
 João Cândido Soares de Moura Oliveira Fonseca – Board Member
 Arlindo Ramos – Board Member

3.4 BUSINESS HIGHLIGHTS

February 2025

- Sponsorship of the Traditional Costume and Women's Fashion Show to celebrate International Women's Day by the renowned São Toméan fashion designer Antonieta Almeida.
- Sponsorship of Prof. Dr. CRISTINA AMADO FRANCA E ALMEIDA CASTELO DAVID, PhD in Portuguese Language, for the publication of her thesis entitled 'A Língua Portuguesa e as Línguas de Contacto – O impacto da Política Linguística em São Tomé e Príncipe'.

March 2025

- Day 3, BISTP's 32nd anniversary, marked by a social gathering and the distribution of gifts to customers at all branches.
- On the 3rd, Opening of the Neves Branch and Unveiling of the Commemorative Plaque by the Minister of State for the Economy and Finance – Dr. Gareth Guadalupe
- EXPO-JAPAN – Sponsorship of the participation of the São Tomé and Príncipe delegation in EXPO 2025.
- An agreement was established with the MOVE NGO for sponsorship, as Silver Sponsor of the 27th (in June) and 28th (in December) editions of the MOVE Entrepreneurship Fair, in which BISTP participated in panel discussions, seeking to motivate participants and provide information to those in attendance.

April 2025

- Sponsorship of the MEDICINA MAIS PERTO project – an international volunteering initiative promoted by the Student Association of the Faculty

of Medicine of Lisbon (AEFML). The project's main objective is to provide medical and social support to the most vulnerable communities, and this year the initiative took place in São Tomé and Príncipe.

- Sponsorship of the SCHOOL GAMES, through the Office of the School Sports Coordinator of the MINISTRY OF EDUCATION, CULTURE, SCIENCE AND HIGHER EDUCATION, supporting the travel and participation of students from the RAP and the logistics of the event.

June 2025

- Day 1: Sponsorship of the Caué District Education Delegation for the Celebration of 1 June – World Children's Day, for the purchase of snacks for the festivities held on this special day for children from all primary schools and kindergartens in the district.
- Support for the NATIONAL CIVIL PROTECTION AND FIRE SERVICE of São Tomé and Príncipe, in partnership with Caixa Geral de Depósitos and the Lisbon Firefighters Regiment, through the provision of uniforms and IT equipment.
- Support for the EMBASSY OF CAPE VERDE IN SÃO TOMÉ AND PRÍNCIPE for the celebration of the 50th anniversary of Cape Verde's independence at the plantations and settlements where communities of Cabo Verdeans and their descendants live, across the country's seven districts.

July

- Support for the MINISTRY OF ECONOMY AND FINANCE for the festivities marking the 50th anniversary of the Independence of São Tomé and Príncipe, on 12 July.
- Sponsorship of the 3rd STP ECONOMISTS' FORUM, whose theme was inspired by the commemoration of the 50th anniversary of the

Independence of São Tomé and Príncipe: '50 Years of Public Policies and Impact Assessment, Constraints, Challenges and Outlook'.

- Sponsorship of the 2nd Edition of the SÃO TOMÉ FILM LAB, aimed at training new talent in the film and audiovisual industry from CPLP countries, promoting documentaries and short fiction films.

August

- On the 27th, support for the GENERAL COMMAND OF THE NATIONAL POLICE for the celebration of the 50th anniversary of the institutionalisation of this institution.

September

- Sponsorship of the renowned São Toméan writer Dr. ALBERTINO HOMEM DOS SANTOS SEQUEIRA BRAGANÇA, for the publication of his latest literary work entitled 'PROVÉRBIOS SANTOMENSES (Véssu)'.

December

- On the 7th, Sponsorship of the 28th edition of the MOVE Entrepreneurship Fair, at which BISTP was represented with a stand to promote products/services and took part in a Round-table discussion (with the participation of the CEO and AMK as speakers), interviews with success stories, entrepreneurship workshops, student pitch presentations and an Awards ceremony..
- Rehabilitation of the maternity ward of Dr. Ayres de Menezes Hospital.

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04

**MACROECONOMIC
AND FINANCIAL
ENVIRONMENT**

4. MACROECONOMIC AND FINANCIAL ENVIRONMENT

4.1 INTERNATIONAL CONTEXT

The year 2025 was another year marked by rising geopolitical tensions, with an increase in armed conflicts, trade wars and protectionism. It was also a year in which the race to develop artificial intelligence became more visible, alongside a new series of extreme weather events in different regions of the world.

The widespread increase in US tariffs and the threatening rhetoric of US foreign policy triggered an unprecedented market reaction, creating instability, heightening uncertainty and dragging down the markets.

The European Union increased defence spending, while Member States such as Germany eased fiscal austerity measures to stimulate the economy.

China remained a major export hub and reached the unprecedented mark of US\$1 trillion in trade surplus, managing to partially deflect the trade attacks from the Trump administration.

Despite the complex and difficult global context in 2025, falling inflation and a less restrictive monetary policy, which led to lower interest rates, enabled the global economy to show some resilience. The shocks did not disappear, but the

2025 scenario showed that the global economic system began to absorb them differently, more gradually.

EURO AREA

According to data released by Eurostat, the European Statistical Office, based on data from 15 Member States, the euro area economy grew by 1.5% in 2025, accelerating from the 0.9% recorded in the previous year.

Despite the considerable uncertainty and economic tension caused by the trade tariffs imposed by the US administration, euro area growth held up in the fourth quarter and came in slightly above expectations. The acceleration in Germany, Spain and, to a lesser extent, Italy offset the slowdown in France.

Lithuania recorded the strongest quarter-on-quarter growth, at 1.7%, driven by the strong performance of industry, trade, transport and storage sectors. It was followed by Spain and Portugal, both at 0.8%, albeit driven by different factors: Spain benefited from robust domestic consumption and a strong tourism boom, with GDP reaching 2.8%, while Portugal was supported by an

improvement in the trade balance, with a significant contribution from domestic demand, controlled inflation and a robust labour market, recording growth of 1.9% in 2025.

Germany, Europe's largest economy, recorded a slight recovery, with GDP growing by 0.2%, ending two consecutive years of contraction (in 2023 and 2024). This modest growth was driven by household consumption and government spending, while the industrial sector continued to face difficulties, due to structural challenges, high energy costs and weak export levels.

The French economy grew by 0.9%, a modest pace and below the 1.1% recorded in 2024. Despite this slowdown in the fourth quarter and political uncertainties, the result slightly exceeded the government's initial expectations. Growth was driven by domestic demand, while external trade had a negative impact.

The European Central Bank (ECB) kept interest rates stable, following successive previous cuts. The euro area year-on-year inflation rate ended 2025 at 1.9%, revised down from the previous estimate of 2.0% and slightly below the ECB's 2% target.

With euro area economic growth of 1.5%, the euro showed resilient performance. The currency faced volatility due to trade tensions with the US, but appreciated against currencies such as the yen, sterling and the dollar.

UNITED STATES OF AMERICA

The economy of the United States of America expanded in the third quarter, slightly more than initially expected, supported by stronger exports as a result

of currency depreciation. Inflation-adjusted GDP grew at an annualised rate of 4.4%, the fastest pace in two years, according to data from the Bureau of Economic Analysis (BEA).

The report pointed to one of the strongest sustained periods of economic growth since 2021, when the economy was still recovering from the pandemic. Companies slowed the pace of goods imports following a surge earlier in the year, as businesses sought to bring forward purchases ahead of the wide-ranging tariffs introduced by President Donald Trump. Consumer and business spending also remained robust despite the impact of trade policies.

Against a backdrop of solid economic growth, a more stable labour market and inflation remaining above the Federal Reserve's (Fed) target, the Fed is expected to keep interest rates unchanged.

Consumer spending, the principal driver of the US economy, increased at an annualised rate of 3.5% in the final quarter, reflecting the fastest growth in services expenditure in three years. Spending on goods also accelerated compared with the previous quarter.

Business investment increased by 3.2%, driven by continued expenditure on technology-related equipment. Investment in data centres supporting artificial intelligence infrastructure reached a new record high, highlighting businesses' continued commitment to the development of this technology.

EMERGING COUNTRIES

BRAZIL

The Brazilian economy remained resilient in 2025, with growth estimated at

around 2.5%, supported by the services sector and agribusiness. The country continued to outperform the Latin American average. Although lower than the 3.4% recorded in 2024, GDP growth exceeded the initial forecast of 2.02%. Inflation stood at 4.3%, remaining within the target range. However, in an effort to contain inflation, the Central Bank maintained interest rates at elevated levels, reaching 15% in June, thereby increasing borrowing costs.

Unemployment fell to a historic low of 5.2% in the third quarter — the lowest level since 2012 — reflecting positive labour market dynamics driven by productivity gains and demographic factors.

CHINA

China's economy grew by 5% in 2025, supported by strong export performance despite the tariffs imposed by the US administration. However, the Chinese Government reported that growth slowed to 4.5% in the final quarter, representing the slowest pace of expansion since the end of 2022, during the COVID-19 pandemic.

Strong export performance helped offset weak household consumption and subdued business investment, resulting in a record trade surplus of US\$1.2 trillion.

Weak domestic demand remained one of the country's principal economic challenges. Consumption and investment lost momentum as a result of the prolonged downturn in the property sector and persistently weak business and consumer confidence. In 2025, investment in fixed assets declined by 3.8%, marking the first annual contraction since records began in 1996. To support economic growth, the People's Bank of China initiated targeted interest rate

cuts and indicated that further reductions in banks' reserve requirements may follow.

INDIA

The world's fifth-largest economy, India, continued to expand at a robust pace. According to official government data, the economy grew by 8.2% in the third quarter, exceeding both the 7.3% forecast and the 7.8% recorded in the previous quarter. The Government reduced taxes on hundreds of products and introduced labour market reforms in recent months in an effort to maintain the strength of the domestic economy amid continuing global uncertainty.

SOUTH AFRICA

South Africa's economy recorded a moderate recovery and, according to IMF estimates, expanded by around 1.1%, exceeding initial expectations. Following a cautious start to the year, the economy gradually recovered, supported by structural reforms and the strong performance of the tourism sector, which welcomed a record number of more than 10 million visitors, aided by improved air connectivity.

Consumer price inflation remained subdued, ending the year at an average rate of 3.2%, the lowest level recorded in two decades. This enabled the South African Reserve Bank to begin a cycle of interest rate cuts, with the policy rate reduced from 7% in September in order to support economic activity.

Despite this improvement, economic growth remained modest and lagged behind that of several other African economies, reflecting continued challenges affecting exports and infrastructure development. South Africa also assumed the G20 Presidency, placing particular emphasis on investment in energy and critical minerals.

SUB-SAHARAN AFRICA

Sub-Saharan Africa's economy remained resilient in 2025, with the IMF forecasting regional GDP growth of 4.1%, above the projected global average of 3.3%. This improvement was largely driven by lower inflation and higher commodity prices, particularly for gold. However, the IMF noted that this regional average masks significant differences across countries, with growth accelerating in some economies while moderating in others.

Economic growth was led by countries undertaking substantial infrastructure investment and structural reforms, including Ethiopia, Côte d'Ivoire and Rwanda, all of which recorded growth rates exceeding 6%. Per capita income growth remained modest, averaging around 2% per year, insufficient to bring about a meaningful reduction in extreme poverty or to keep pace with labour force growth.

The region continued to face significant challenges, including armed conflicts, adverse climate events such as droughts and floods, rising food insecurity, increasing debt burdens and persistently high levels of poverty.

Forecasts pointed to continued growth in Guinea-Bissau (5%), Cape Verde (4.9%), Mozambique (4%), São Tomé and Príncipe (3.3%) and Angola (revised to 2.9%), although inflation remained persistently high.

Overall, 2025 confirmed Sub-Saharan Africa's resilience as a growth region while highlighting the urgent need to translate economic growth into productive employment opportunities and tangible improvements in living standards.

OUTLOOK FOR 2026

The economy is expected to record moderate growth in 2026, constrained by protectionist policies, inflation, armed conflicts and geopolitical tensions, as well as trade tensions between the world's major economic blocs. The situation will undoubtedly remain highly volatile.

Multiple structural factors continue to weigh on the macroeconomic environment: tighter financing conditions, weakening business confidence, and a geopolitical landscape marked by persistent conflicts. Accordingly, the outlook is expected to remain fragile, with compounding risks that could constrain productive investment and delay a sustained recovery in global economic growth.

According to the World Bank, the Organisation for Economic Co-operation and Development (OECD) and the IMF, global economic growth is expected to remain below its potential. This largely reflects the cumulative impact of new trade barriers and tighter financial conditions.

The IMF points to global growth of 3.3% in 2026, below the historical average of 3.7% recorded between 2000 and 2019. Projections also indicate a sharp slowdown in the volume of world trade, which is expected to decline from growth of 4.1% in 2025 to 2.6% in 2026. Experts explain that these dynamics reflect patterns of front-loaded purchases and adjustments in trade flows to

new trade policies worldwide. In the medium term, expansionary fiscal packages in economies with current account surpluses are expected to contribute to reducing global imbalances.

The euro area is expected to maintain modest but relatively stable growth, underpinned by a resilient labour market and public investment policies focused on the digital and green transitions. Growth of 1.3% is projected, supported by the momentum of the Recovery and Resilience Plan funds and by still favourable financing conditions. As regards prices, inflation is expected to ease to levels close to the European Central Bank's target, settling at around 2%. Among the strongest-performing economies, Spain is expected to lead with projected growth of 2.3%, benefiting from the strong contribution of tourism and robust domestic demand. Portugal, Italy and Greece are expected to follow a similar trajectory, likewise supported by the significant contribution of the services sector to their respective economies.

The United States will continue to play a central role in the global economy in 2026, not only because of its domestic market but also owing to the decisive impact of its tariff policies on the configuration of global value chains. The IMF projects GDP growth of 2.4% for the United States in 2026. Although the resilience of the technology sector and investment in artificial intelligence are expected to continue making a positive contribution, these factors are unlikely to fully offset the contractionary effects of new trade barriers and tighter immigration policies.

In China, the IMF forecasts economic growth of 4.5%. Tariff developments have led to fluctuations in the outlook for the Chinese economy, although the front-loading of international trade flows and relatively resilient domestic

consumption, supported by fiscal expansion, have helped offset the headwinds arising from heightened uncertainty.

The economic outlook for emerging markets in 2026 points to stable growth of around 4.2%, supported by more accommodative monetary policies, easing inflation and continued foreign capital inflows. Within this group, India is expected to stand out, with projected growth of 6.4%, underpinned by robust domestic demand, supportive macroeconomic policies and strengthened cooperation with the United States in strategic sectors such as semiconductors, cybersecurity, critical minerals and the defence industry.

Sub-Saharan Africa is expected to deliver resilient growth despite an adverse external environment characterised by uneven commodity price developments, still restrictive financing conditions, and a deterioration in the global trade and international aid landscape. Economic growth in Sub-Saharan Africa is projected to remain stable at 4.6%, supported by macroeconomic stabilisation and ongoing reform efforts in several key economies. However, this resilience cannot be taken for granted, as most countries in the region continue to face monetary, financial, external and fiscal vulnerabilities, while uncertainty and downside risks remain elevated.

World Economic Outlook Growth Projections

(Real GDP, annual percent change)	ESTIMATE	PROJECTIONS	
	2025	2026	2027
World Output	3.3	3.3	3.2
Advanced Economies	1.7	1.8	1.7
United States	2.1	2.4	2.0
Euro Area	1.4	1.3	1.4
Germany	0.2	1.1	1.5
France	0.8	1.0	1.2
Italy	0.5	0.7	0.7
Spain	2.9	2.3	1.9
Japan	1.1	0.7	0.6
United Kingdom	1.4	1.3	1.5
Canada	1.6	1.6	1.9
Other Advanced Economies	1.8	2.0	2.1
Emerging Market and Developing Economies	4.4	4.2	4.1
Emerging and Developing Asia	5.4	5.0	4.8
China	5.0	4.5	4.0
India	7.3	6.4	6.4
Emerging and Developing Europe	2.0	2.3	2.4
Russia	0.6	0.8	1.0
Latin America and the Caribbean	2.4	2.2	2.7
Brazil	2.5	1.6	2.3
Mexico	0.6	1.5	2.1
Middle East and Central Asia	3.7	3.9	4.0
Saudi Arabia	4.3	4.5	3.6
Sub-Saharan Africa	4.4	4.6	4.6
Nigeria	4.2	4.4	4.1
South Africa	1.3	1.4	1.5
Memorandum			
Emerging Market and Middle-Income Economies	4.3	4.1	4.1
Low-Income Developing Countries	4.6	5.1	5.1

Source: IMF, World Economic Outlook Update, January 2026

Note: For India, data and projections are presented on a fiscal year (FY) basis, with FY 2025/26 (starting in April 2025) shown in the 2025 column. India's growth projections are 6.3 percent for 2026 and 6.5 percent for 2027 based on calendar year.

4.2 DOMESTIC CONTEXT

In São Tomé and Príncipe, 2025 was marked by the 50th anniversary of independence, celebrated on 12 July with a series of events that raised the country's international profile. The theme '50 Years of Independence, Identity and the Future' dominated the national agenda, culminating in official ceremonies that reinforced national identity and solidarity within the Portuguese-speaking community.

However, 2025 was also characterised by heightened uncertainty surrounding the risks facing the economy, driven by factors including international geopolitical tensions, low international reserve levels, inflation remaining in double digits, a persistent fiscal deficit, insufficient mobilisation of external assistance and the ongoing energy crisis. Once again, the country faced significant challenges in preserving macro-financial stability.

According to the 2025 economic assessment presented by the Governor of the Central Bank of São Tomé and Príncipe, economic growth remained modest, with real GDP estimated to have grown by 2.1% during the year, exceeding the level recorded in 2024 but still falling short of the expectations set at the beginning of 2025. This improvement compared with the previous year mainly reflects the recovery in tourism and stronger performance in the export sector, particularly cocoa, which has benefited from higher international market prices and investment aimed at expanding production capacity.

Cocoa prices reached their highest levels in the past two decades, benefiting exporting countries such as São Tomé and Príncipe. São Tomé and Príncipe's designation in 2025 as the first country in the world to have its entire territory

recognised as a UNESCO World Biosphere Reserve could bring significant benefits and act as a catalyst for more sustainable, higher value-added tourism.

Nevertheless, growth remained below the level required to address persistent structural vulnerabilities, including dependence on food imports, low productivity and the fragility of the external balance.

Inflation, which had reached historically high levels in previous years, slowed but remained in double digits, standing at 10.5% in 2025. Although this represents an important step towards price stabilisation, domestic inflation remains vulnerable to supply-side shocks, particularly in food products, where production continues to face structural constraints.

Despite some isolated improvements, the country ended another year with net international reserves (NIR) remaining below the level considered adequate, reflecting the prolonged impact of global energy shocks and the country's heavy dependence on imported goods.

The outlook for 2026 points to an economic recovery, with GDP expected to grow by around 3.9%, driven by structural reforms, increased domestic production and investment in the energy sector. Addressing the energy deficit through increased generation from renewable sources, together with the stabilisation of the electricity grid, remains critical to the country's macroeconomic stabilisation process and to reducing the balance of payments deficit. It will also be a year of presidential and legislative elections, and further reforms in the justice and security sectors are expected.

POLITICS

In January 2025, the President of the Republic dismissed the Government led by Prime Minister Patrice Emery Trovoada and invited the party that had won the most votes in the previous elections, the Independent Democratic Action (ADI), to nominate another candidate to form a new Government. Carlos Vila Nova justified the decision in light of São Tomé and Príncipe's domestic situation, characterised by numerous challenges, particularly in the economic and financial spheres, and their social repercussions. In the President's view, the Government had failed to deliver adequate solutions commensurate with the scale and urgency of the country's challenges.

Américo d'Oliveira Ramos, former Secretary of the ADI, former Minister of Finance and, at the time, Governor of the Central Bank of São Tomé and Príncipe, was subsequently appointed by presidential decree as Prime Minister and Head of the 19th Constitutional Government. The new government, comprising ten ministers, was distinguished by a streamlined ministerial structure, seeking to strike a balance between continuity and renewal. Américo Ramos pledged to govern with a focus on the well-being of the population, prioritising healthcare and education.

The National Assembly approved, in principle, the 2025 State Budget, amounting to €265 million. Américo Ramos emphasised that, of the total budget, €104 million would be invested directly in the country's development, strengthening key sectors such as healthcare, education, agriculture, infrastructure, the environment, tourism and justice.

SOCIETY

The majority of the population is employed in low-productivity sectors, such as agriculture and small-scale retail trade. The public sector remains the largest employer, while the private sector is unable to generate sufficient employment opportunities for the growing number of young people entering the labour market each year. As a result, around half of the country's working-age young people, faced with limited prospects, ultimately emigrate, with more than 18% of the population now living abroad.

MACROECONOMIC DEVELOPMENTS

AThe severe energy crisis that affected the country from the second half of the year onwards, following the cessation of electricity generation by the Turkish-owned company Tesla, significantly constrained economic activity in 2025. The Government responded by procuring new generators, which will maintain the country's dependence on diesel for electricity generation in the short term. The various energy transition projects, which are expected to reduce the need for electricity generation from fossil fuels, are likely to take some time to materialise. Consequently, in the short to medium term, the country's dependence on diesel imports is expected to persist, as will the pressure on its international reserves.

Preliminary data indicate that exports performed strongly during the first half of 2025. Cocoa exports, in particular, benefited from both higher production volumes and favourable international prices. Tourism also strengthened, with an increase in both visitor numbers and expenditure per visitor. These developments are expected to help contain the projected current account

deficit in 2025, following the improvement already recorded in 2024.

At the end of June, gross international reserves reached US\$59.1 million (nominal value, excluding commercial banks' reserves), up from US\$38.9 million recorded at the end of 2024. Net international reserves increased to US\$4.3 million, representing a significant improvement from the negative US\$20.4 million recorded at the end of 2024. This sharp increase was driven primarily by budget support disbursements from the World Bank and the African Development Bank, as well as the positive impact of the regulation introduced by the Central Bank at the end of 2024, requiring the repatriation and surrender to the Central Bank of 25% of the foreign currency proceeds generated from exports.

In May 2025, the IMF reached a staff-level agreement with the country on the first review of the Extended Credit Facility under the US\$25 million programme. The arrangement had been approved by the IMF Executive Board on 19 December 2024.

The African Development Bank (AfDB) provided US\$7.5 million in support to São Tomé and Príncipe, primarily for the agriculture, infrastructure and financial sectors. Samson Oyibode Oyetunde, Executive Director of the African Development Bank (AfDB), explained that this funding results from a joint effort between the Bank and African countries such as Nigeria, reflecting a spirit of regional solidarity at a time when traditional Western donors have been scaling back their support.

The Arab Bank for Economic Development in Africa (BADEA) announced a financial package of more than US\$8 million to be invested over the next five

years in the ecotourism, infrastructure and renewable energy sectors in São Tomé and Príncipe.

The United Nations system allocated US\$26 million this year to support transformative projects in São Tomé and Príncipe, representing an increase of US\$5 million compared with the previous year. For the first time, the Government and the United Nations system developed joint work plans tailored to each ministry. The initiative aims to strengthen coordination, enhance transparency and optimise the resources allocated to the implementation of transformative projects.

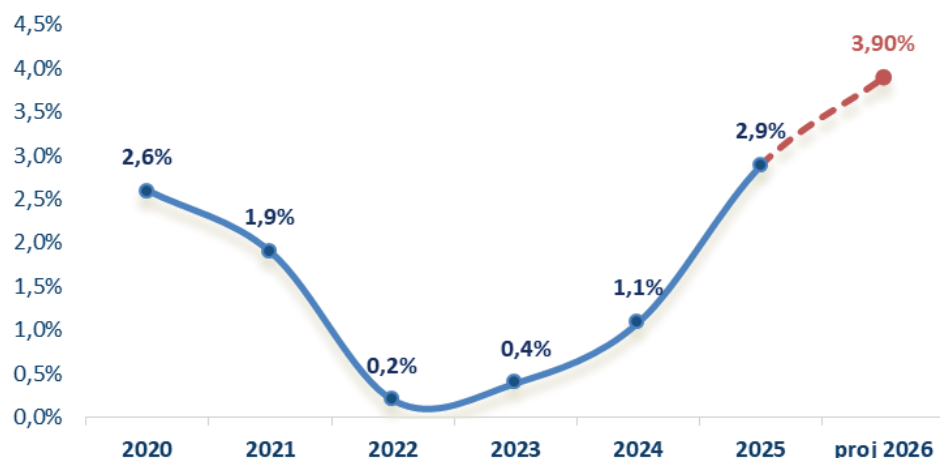
Block 4 of the Exclusive Economic Zone (EEZ), owned by Shell (85%) and the Government of São Tomé and Príncipe (15%), has new partners. Shell has decided to share its interests with Petrobras and Galp. According to Álvaro Silva, Executive Director of the National Petroleum Agency, Shell sold a 27.5% stake to each of the two oil companies, reducing its own interest to 30%. Although São Tomé and Príncipe did not benefit financially from the transaction, it nevertheless demonstrates the growing interest of international oil companies in exploring for hydrocarbons in the country's territorial waters.

The Government of São Tomé and Príncipe hosted the 'São Tomé and Príncipe 2040' Investment Forum in Brussels. The event focused on attracting international partnerships and showcasing investment opportunities in the renewable energy, tourism, blue economy and agriculture sectors, in line with the National Sustainable Development Strategy. The forum was chaired by Prime Minister Américo Ramos and attended by other members of the Government, as well as prospective international partners.

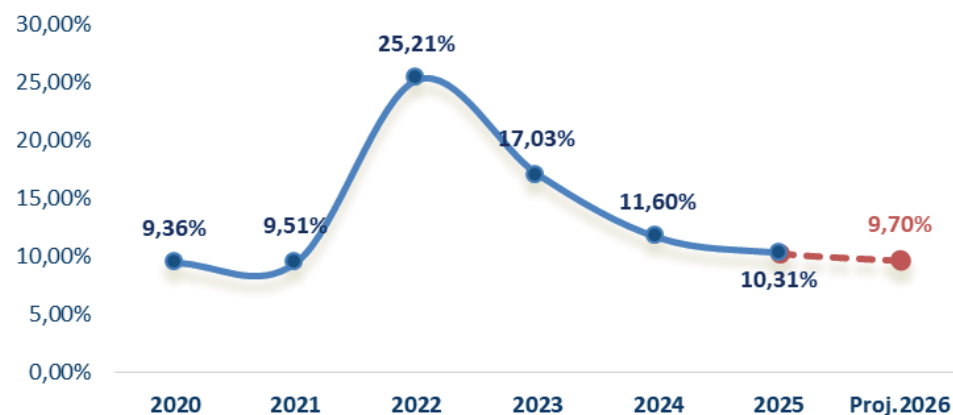
The Government of São Tomé and Príncipe reduced fuel prices for the fourth consecutive time in 2025, following the procurement of petroleum products at more competitive prices on the international market. The government expects the price reduction to have an immediate impact on transport costs across the archipelago, one of the sectors most exposed to energy price volatility. At the beginning of the year, petrol was sold at 37 dobras per litre, diesel at 35 dobras per litre, and kerosene at 21 dobras per litre. Following the latest revision, prices fell to 28 dobras per litre for petrol, 27 dobras per litre for diesel and 18 dobras per litre for kerosene.

Inflation in São Tomé and Príncipe continued to show signs of persistence in 2025, with the cumulative inflation rate reaching 10.31% in December, according to data from the BCSTP. Nevertheless, this represented a decrease of 1.3 percentage points compared with 2024, when inflation stood at 11.6%. The following categories were the main contributors to this year-on-year change: food and non-alcoholic beverages (9.3%); clothing and alcoholic beverages (0.3%); and education and restaurants and hotels (0.1%). By contrast, fuels and related products made the smallest contribution to the index. The official forecast for 2026 points to a further decline in inflation to 9.7%. This projection, announced by the Government in the context of the 2026 State Budget, indicates a gradual easing of price pressures, which have remained elevated over recent years.

GDP growth rate



Evolution of Inflation



Key Economic Indicators

Table 3: Real GDP projection (annual growth rate)

Economic Sectors	2020	2021	2022*	2023**	2024**	2025**	2026**
GROSS DOMESTIC PRODUCT	2.6	1.9	0.1	-0.3	2.9	4.1	3.2
VALUE ADDED	1.3	2.6	1.5	-2.3	1.8	3.6	3.1
Agriculture, Livestock and Fisheries Sector	0.7	-0.3	-13.6	-12.4	-7.8	0.0	0.8
Agriculture. Animal Production. Hunting and Forestry	10.8	6.5	-11.5	-5.8	-3.0	5.5	4.7
Fishing	-7.0	-	-16.0	-19.2	-14.0	-7.8	-5.3
Extractive Activities	10.3	5.	-0.6	-21.9	0.9	3.7	3.0
Industrial Sector	-7.0	-6.4	6.4	6.4	21.2	16.7	8.6
Manufacturing Industries	-53.8	-3.0	-0.5	-6.2	64.5	57.3	7.7
Electricity Generation and Distribution Gas and Water	5.3	-0.6	6.9	31.5	25.9	9.9	13.7
Construction	16.5	-11.9	8.9	-7.4	3.5	3.5	4.7
Services Sector	-6.5	3.3	3.7	-1.7	2.6	3.2	2.9
Commerce	-2.5	24.9	7.4	3.6	-3.0	19	0.9
Hospitality and Food Services (Restaurants and Similar Establishments)	-26.4	1.3	16.1	19.4	12.6	7.1	7.7
Transport, Warehousing and Communications	23.5	-3.4	3.2	4.0	6.8	5.6	2.3
Financial Activities	-26.2	-10.7	2.1	-13.3	0.9	15	1.4
Real Estate, Rental and Business Services	-26.4	1.3	16.1	-11.0	2.2	0.2	0.8
Public Administration, Defence and Compulsory Social Security	6.1	0.6	-15.5	-12.9	0.5	2.8	4.1
Education	24.1	6.	7.3	16.3	4.5	6.1	5.6
Health and Welfare	-1.4	7.8	5.1	2.6	4.2	8.3	8.4
Other Community, Social and Personal Service Activities	2.0	2.0	2.0	2.1	2.2	2.0	2.1
SIRM	-62.4	-	-10.8	-19.6	15.2	0.8	0.2
Taxes on Products	17.3	-5.8	-16.3	22.0	40.3	9.9	9.2
Import Duties	17.3	-	-16.3	31.2	6.0	8.9	0.4

Source: * INE and 'UMF Projection'

IMF Macroeconomic Outlook (GDP, Inflation and International Reserves)

Indicators	2021	2022	2023	2024	2025	2026	2027	2028	2029
			Est.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
GDP at constant prices (%)	1.9	0.2	0.4	0.9	3.1	4.8	4.1	3.5	3.5
Consumer prices (%)	9.5	25.2	17.1	10.9	6.9	5	5	5	5
International Reserves in months of imports of goods and services and services	2.9	2.7	1.7	2	2.9	2.9	3.1	3.1	3.1

Source: IMF Press Release of 19 December 2024.

MONEY MARKET

At the end of 2025, the Government of São Tomé and Príncipe appointed Agostinho Fernandes as Governor of the Central Bank of São Tomé and Príncipe. Agostinho Fernandes succeeded the current Prime Minister, Américo Ramos, who stepped down from the post in January.

Earlier this year, the Central Bank's Monetary Policy Committee (MPC) reported that inflation stood at 10.3% in 2025, compared with 11.6% in 2024, representing a disinflation of 1.3 percentage points and confirming a continued downward trend.

Nevertheless, core inflation stood at 5.9%, highlighting persistent underlying domestic price pressures. In this context, the Monetary Policy Committee (MPC) continues to pursue a prudent monetary policy stance, with a view to ensuring the gradual convergence of inflation towards the 3.1% target, in line with its primary objective of maintaining price stability.

The MPC also identified structural constraints affecting the financing of the economy, both in the private and public sectors. In the private sector, limitations related to the expansion of productive lending, risk management and financial intermediation conditions continue to constrain investment and the diversification of the productive base. As regards public financing, challenges remain in relation to the sustainable mobilisation of resources, debt management and dependence on external financing, all of which influence the macroeconomic environment and constrain the scope for economic policy action. The MPC emphasises that these challenges extend beyond the remit of monetary policy alone and require close coordination with fiscal policy.

In this context, the Monetary Policy Committee resolved to:

- Maintain the policy interest rate at 10%;
- Maintain the standing lending facility rate at 10.5%;
- Maintain the reserve requirement ratios at 21% for foreign currency deposits and 28% for domestic currency deposits;
- Continue issuing Certificates of Deposit in line with the assessment of liquidity conditions in the banking system;
- Increase the standing deposit facility rate from 1% to 3%, with the aim of strengthening the operational framework for monetary policy and improving banking liquidity management.

The Central Bank also intends to strengthen the effectiveness of the monetary policy transmission mechanism by enhancing the Interbank Money Market (IMM), encouraging the redistribution of liquidity among financial institutions through a more proactive approach by the BCSTP.

Central Bank Certificates of Deposit have been one of the monetary policy instruments most widely used to manage market liquidity in support of inflation control. In 2025, the BCSTP issued these instruments on 22 occasions, with maturities of 1, 3, 6 and 9 months.

On the fiscal policy front, difficulties in revenue collection have led the Government to continue issuing debt on the domestic market. The Treasury carried out new issues of Treasury Bills in September and October, with maturities of nine and twelve months, at fixed annual interest rates of 6.5% and 3.5%, respectively.

BANKING SECTOR

From the end of the first quarter of 2025, São Tomé and Príncipe's financial sector welcomed a new private commercial bank, GTI Bank, backed by Ghanaian capital. GTI Bank's Chairman, Kwame Amankwah-Twum, emphasised that São Tomé and Príncipe is an entrepreneurial country with a growing business community that deserves access to high-quality banking solutions. At the inauguration ceremony, Prime Minister Américo Ramos expressed his hope that GTI Bank would bring a new dimension to São Tomé and Príncipe's financial system, noting that the country already has four well-established banks.

Our small and fragile economy, which remains structurally vulnerable, experienced extraordinary challenges over the 2022–2024 period, arising primarily from the direct impact of the global energy crisis on net international reserves and, indirectly, on domestic inflationary pressures.

The high degree of uncertainty surrounding developments in the external economic environment, which continues to shape the outlook for the domestic economy, has also affected businesses and households. Nevertheless, the continuing decline in non-performing loans to the corporate sector points to a solid and gradual recovery in financial intermediation, reflecting greater resilience within the banking sector and an improvement in asset quality.

The concentration of lending in economically sensitive sectors (such as construction), together with significant exposure to public debt, nevertheless remains a concern for the stability of the banking sector, as it increases the financial system's vulnerability to cyclical and external shocks, making

continuous and rigorous supervision essential.

To mitigate systemic risks and preserve medium-term financial stability, it is essential to combine sound prudential policies with strengthened provisioning, close monitoring of corporate indebtedness, and ongoing assessment of sectoral exposures and liquidity risk. Against this backdrop, the Central Bank issued Prudential Notice (NAP) 05/2024 on macroprudential policy, establishing capital buffer requirements to address systemic risks.

The domestic banking sector has continued to perform steadily, helping to ensure the regular financing of the economy through its ongoing improvement in performance, characterised by progressively stronger capital, liquidity and profitability levels.

It should, however, be noted that although the overall non-performing loan ratio has declined, concerns remain regarding the continued high levels of emigration, which could lead to higher levels of loan default. Climate-related financial risks are also emerging as a growing source of concern for financial stability. Financial institutions may face both direct and indirect balance sheet losses arising from the deterioration in the financial position of customers that are more exposed to such risks. Furthermore, climate change may adversely affect price stability, undermining monetary policy objectives and macroeconomic fundamentals.

Complementary margin continues to be an important source of revenue in the banking sector's earnings, against a backdrop of declining interest rates in international markets, subdued domestic lending activity and a downward trend in interest rates. The decline in lending activity has led to an increase in

excess liquidity within the banking system, challenging banks to identify alternative ways of generating returns on surplus liquidity.

Liquidity levels remain well above the regulatory minimum (around 68% in 2025, compared with a minimum regulatory requirement of 20%), which, while enhancing banks' resilience to potential shocks, also raises efficiency challenges in deploying these excess funds profitably.

In this context, the Central Bank of São Tomé and Príncipe considers it necessary to continue mitigating a number of risks, including sovereign risk and the level of non-performing loans, while remaining mindful of emerging risks such as cyberattacks and risks associated with the impacts of climate change.

Although the banking system continues to show signs of improvement in terms of profitability and resilience, it remains highly concentrated, with two banks accounting for approximately 80% of the system's total deposits and assets.

Key Financial Sector Indicators

Regulatory framework	2023	2024	Until Sept. 2025	(BISTP – until Sept. 2025)	Regulatory Requirements
Solvency	36.5%	37.0%	35.0%	41.4%	≥ 12%
Liquidity	65.0%	67.6%	70.0%	74.8%	≥ 20%
Sector Overview	2023	2024	Until Sept. 2025	(BISTP – until Sept. 2025)	
Number of Banks	4	4	5	1	
Assets as a percentage of GDP*	34.7%	30.6%	28.0%	17.9%	
Net Loans as a percentage of GDP*	8.4%	8.2%	6.5%	3.1%	
Deposits as a percentage of GDP*	25.7%	22.0%	20.1%	13.7%	
Transformation (Net Loans / Deposits) Ratio	33.0%	37.0%	32.5%	22.8%	
Non-Performing Loan Ratio (> 90 days)	11.9%	10.0%	8.7%	12.2%	
Cost-to-Income	62.1%	57.7%	67.7%	49.2%	
ROE	10.7%	14.5%	7.7%	8.5%	
ROA	2.0%	2.9%	1.5%	1.5%	

Source: BCSTP *BISTP calculations

Note: BISTP's solvency and liquidity ratios were calculated in accordance with NAP 12/2021 and NAP 04/2007, respectively.

BISTP Market Share

	2023	2024	2025	Var.2025 vs 2024
Total Assets	61.14%	63.51%	63.89%	0.4 p.p
Equity	55.72%	56.87%	58.22%	1.4 p.p
Deposits	65.41%	68.50%	71.40%	2.9 p.p
Loans and Advances to Customers	58.25%	53.49%	49.70%	-3.8 p.p
Net Operating Income	59.31%	62.96%	59.39%	3.6 p.p
Branches	66.67%	66.67%	68.80%	2.1 p.p
ATM	73.33%	71.74%	70.80%	-0.9 p.p.
POS	71.47%	71.11%	67.30%	-3.8 p.p

Fonte: GPC



05

**BISTP'S BUSINESS
STRATEGY AND
GEOGRAPHICAL PRESENCE**

5. BISTP'S BUSINESS STRATEGY AND GEOGRAPHICAL PRESENCE

5.1 BUSINESS STRATEGY AND BUSINESS MODEL

BISTP is the leading bank in São Tomé and Príncipe's financial system. Its mission is to contribute to the development of the country's business sector and to improving the socio-economic well-being of families. Serving more than 60,000 active customers (retail and corporate customers), and offering a comprehensive range of financial products and services through multiple access channels (physical, electronic and digital), BISTP places its customers at the heart of its operations and business model.

With a diverse customer base and a wide range of financial needs, BISTP has continued to invest in the expansion and diversification of its delivery channels by extending its banking infrastructure (branches, ATMs, POS terminals and e-banking services) throughout the country. This enables customers to choose the channel that best suits their preferences and needs, while demonstrating the Bank's firm commitment to making financial services accessible to all.

Guided by a customer-focused business strategy that is attentive to customers' specific needs, while recognising the inherent risks of the banking business and the market, BISTP has conducted its operations responsibly, with rigour and integrity over the years. This approach has earned the trust of its customers

through its demonstrated financial strength, the loyalty and commitment of its employees, the institutional support of its shareholders, and recognition by national and international authorities and institutions of BISTP as a value-generating asset for society and the country.

The perception of BISTP as a value-generating asset for society stems from its continuous pursuit of excellence across its strategic pillars, with the ultimate objective of serving its customers ever more effectively. Progress across the four strategic pillars **(Customers, Human Capital, Processes and Results)** continues to serve as the Bank's guiding principle when making decisions and taking action.

With regard to the Customers pillar, the Bank remains committed to bringing its services ever closer to its customers.

In 2025, a new branch was opened in the town of Neves, in the District of Lembá, marking another step in the Bank's nationwide branch expansion programme. This initiative reflects BISTP's commitment to extending its reach, strengthening its proximity to local communities, and providing customers with a choice of banking channels tailored to their preferences and needs. Currently operating physical branches in five of the country's seven districts, BISTP plans

to commence the construction of a new branch in Angolares, in the District of Caué, in 2026, thereby further expanding its physical presence, enabling it to provide better banking services to the population living in the southern region of the country.

In terms of human capital, the Bank continues to place particular emphasis on the ongoing training and professional development of our staff.

The low staff turnover rate, with approximately 74% of employees having more than ten years of service, reflects the dedication and loyalty of its workforce. This track record also demonstrates that the team is made up of professionals with the expertise and capability required to operate successfully in the domestic market.

In order to maintain competitiveness and ensure high levels of employee performance in an increasingly dynamic environment characterised by new market entrants, growing regulatory requirements, emerging risks, and the increasing complexity and sophistication of banking activities, the Bank continued, as in previous years, to implement the training and development initiatives set out in its staff training and capacity-building policy.

With regard to improvements in internal processes and risk management, particular emphasis should be placed on the investments made in a new workflow and business process management system.

To support the digitalisation of critical processes and enhance operational efficiency and processing times, the Bank made significant investments in upgrading its technology infrastructure and implementing an integrated business process management system. Particular emphasis was placed on the

credit process, international payments, fixed asset management and human resources management. These investments will not only enable a greater degree of process digitalisation but will also improve the efficiency of critical process management, thereby contributing to higher levels of customer satisfaction.

In terms of results, it is worth noting that the Bank continues to post consistently satisfactory results, despite the macroeconomic and regulatory constraints, which have had a negative impact on the bank's revenues and increased its operating costs. With a customer-centric business model, underpinned by the pivotal role of its people and the institutional support of its shareholders, the Bank has successfully expanded its banking network, increased its business volumes and created value for its customers, employees, shareholders and society as a whole. The Bank's strong and sustained performance is reflected in its key business indicators, particularly its financial strength, liquidity position and continued growth in shareholders' equity. The Bank continues to play a leading role in the national economy, contributing to improving the quality of life of its retail customers through its products and services, while supporting the commercial and investment activities of businesses. The consistency of its financial performance also enables the Bank to continue fulfilling its corporate social responsibility, providing support across a wide range of initiatives in areas such as culture, community development and sport.

5.2 GEOGRAPHICAL PRESENCE AND DISTRIBUTION CHANNELS

BISTP defines itself above all as a relationship bank, committed to serving all

segments of society. As a bank of São Toméan origin, BISTP proudly and responsibly embraces the important challenge of extending access to financial services to all, while helping to improve financial literacy so that the population can make better use of the benefits offered by banking services.

The opening of the Neves Branch, in the District of Lembá, on 3 March 2025 (the only banking facility in that district), increased BISTP's physical branch presence to five of the country's seven districts, confirming the Bank's determination to extend its reach while remaining physically closer to the communities it serves.

In addition to expanding its physical branch network, BISTP's geographic presence across the country is also ensured through its electronic channels. At the end of 2025, in terms of banking network presence, BISTP held a market share of 69% in physical branches, 72% in ATMs and 67% in POS terminals.

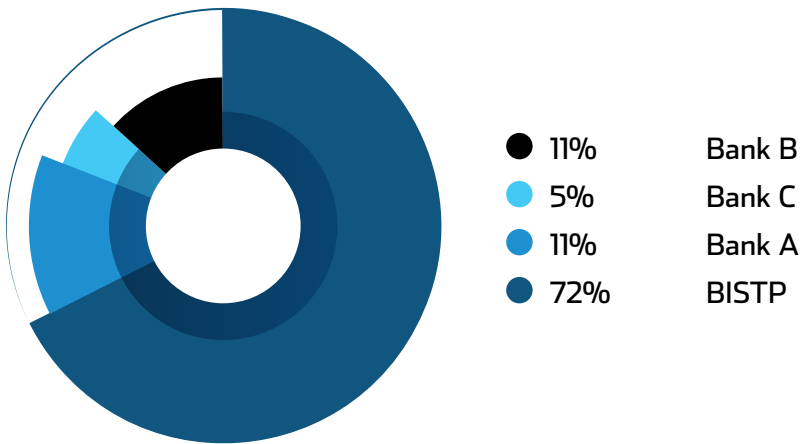
As part of its strategy to expand its banking infrastructure and establish a physical presence in all districts of the country, BISTP will continue to invest in the expansion of its branch network, with the construction of a new branch in Angolares.

With the opening of this new branch, scheduled for 2027, the Bank will have at least one branch in five of the six districts on the island of São Tomé, as well as in the Autonomous Region of Príncipe (RAP), while, in terms of electronic channels, BISTP already has nationwide coverage.

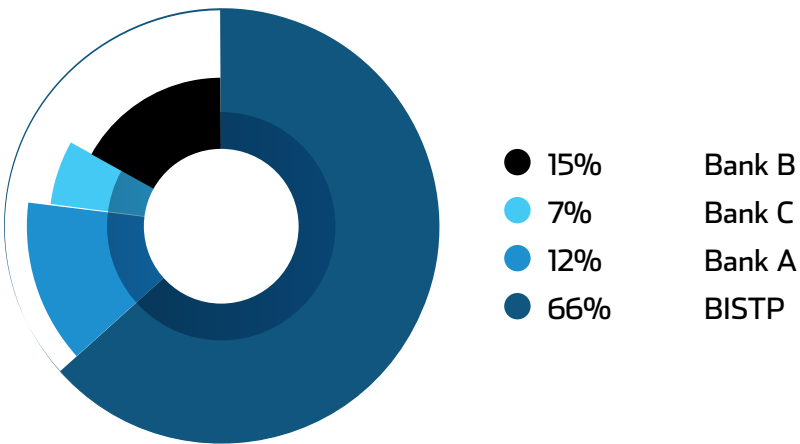
BISTP's extensive branch and ATM network across the country, representing a 72% market share in terms of physical presence through branches and ATMs, clearly demonstrates that BISTP is by definition a relationship bank, dedicated

to serving the entire population.

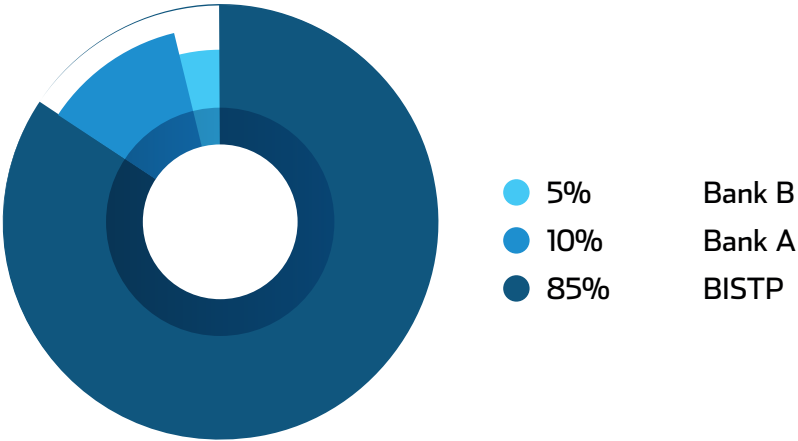
Physical presence through Branches AND ATMs across the Country



Physical presence through Branches and ATM in Água-Grande, the country's capital district



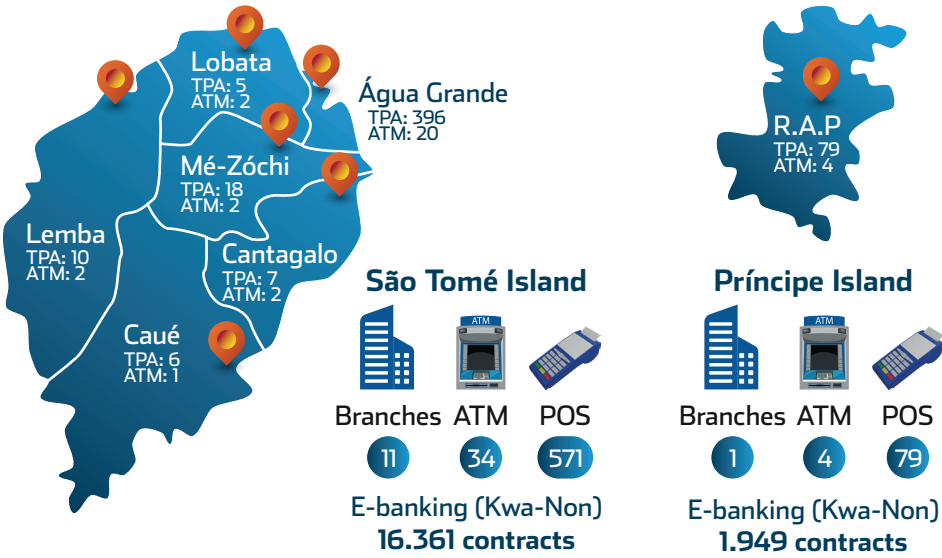
Physical presence through Branches and ATMs
in Other Districts



BISTP therefore remains focused on its commitment to being the ‘Bank for Everyone’, extending its reach while remaining ever closer to all. Being physically present in every district of the country is therefore more than a symbolic objective: it is a mission rooted in the very essence of the Bank’s creation, based on extending financial services ever further for the benefit of all and promoting more balanced and inclusive economic and social growth.

WE ARE PRESENT THROUGHOUT THE COUNTRY. WE GO FURTHER,
AND WE ARE EVER CLOSER.

BISTP: Presence in the country



**BISTP'S MAIN
BUSINESS AREAS IN 2025**

6. BISTP'S MAIN BUSINESS AREAS IN 2025

6.1 RETAIL BANKING: RETAIL CUSTOMERS

The year 2025 was marked by a prolonged energy crisis in the second half of the year, which further worsened an already challenging macroeconomic environment, which, in itself, was already adverse, characterised by low levels of public and private investment and a deterioration in the State's economic and financial position, with reduced availability of foreign currency to meet the market's import requirements.

In addition to the adverse economic environment, the continued emigration of the population should also be highlighted, as it continues to have a negative impact on the economy through lower consumption, labour shortages and increased credit risk.

In this economic context, dominated by uncertainty and risk factors, promoting growth in the loan portfolio remains a challenge.

The marginal expansion of the loan portfolio – amounting to around 1.8% in value, but with a reduction of around 12.4% in the number of loans on the books – compared with 2024, reflects the trend towards a slowdown in economic activity.

As a result of this slight expansion, the share of this segment's lending volume remained virtually unchanged, accounting for 50.9% of the Bank's total lending, compared with 50.8% in 2024.

The retail segment continues to account for a significant proportion of the Bank's loan portfolio, providing a degree of stability owing to its greater diversification and wider dispersion of credit risk, as well as its lower volatility compared with the corporate segment. Thanks to this lower concentration and volatility, the Retail Banking segment continues to play a key role in strengthening the resilience of the Bank's overall business model.

The deposit portfolio for this segment grew by around 9.6% year-on-year, bringing its share of the total deposit portfolio – demand and term deposits – to approximately 38.5%, compared with 39.8% in 2024, due to the higher growth rate recorded in deposits from companies and institutions.

The share of individual customers in total combined loans and deposits stood at 41.2%, compared with 42.4% in 2024. This segment remains highly important to the Bank's risk diversification strategy and to strengthening the resilience of its activity, due to the greater heterogeneity of the retail customer

segment.

DEPOSITS

Deposits in this segment increased by around 9.6%, driven by an 11.3% rise in demand deposits, while term deposits recorded a slight contraction of around 0.86%.

Retail Customers (Customer Deposit Portfolio)

				Change	
Customer Deposits (excluding interest payable)	2023	2024	2025	24.vs.23	25.vs.24
Demand Deposits	810.384.744	856.548.535	953 178 045	5,70%	11,28%
Term Deposits	155.118.221	138.679.430	137 480 587	-10,60%	-0,86%
Total Customer Deposit Portfolio	965.502.966	995.227.965	1 090 658 632	3,08%	9,59%

Amount in STN

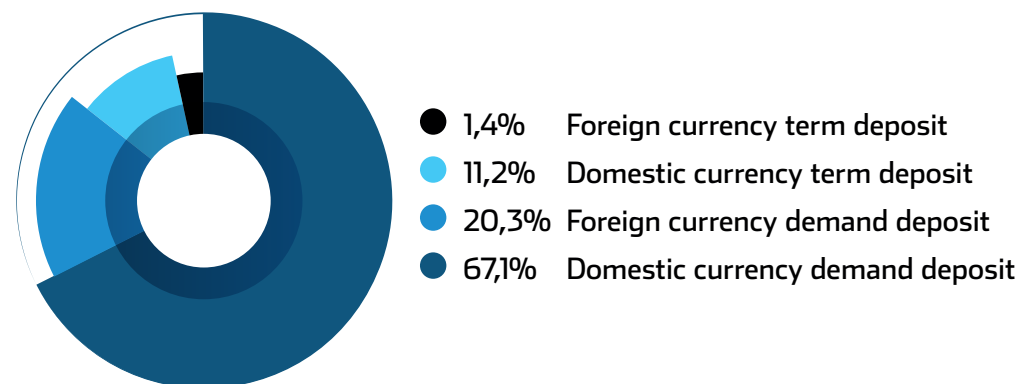
Deposits in this segment stood at mSTN 1,090,659, representing an increase of mSTN 95,431 compared with 2024, or 9.6%.

Fixed-term deposits recorded a decline of around 10.6% compared with 2024. This contraction may be explained by average remuneration rates, which remained below inflation, reflecting excess liquidity in the financial market. The issue of surplus funds not being allocated to productive lending is further aggravated by an economic environment that does not support growth in bank lending.

With regard to the currency composition of customer deposits, deposits

denominated in the domestic currency accounted for the majority of the portfolio, representing 78.3% of total deposits, while deposits denominated in foreign currencies accounted for the remaining 21.7%.

Distribution of Deposits by Currency



LOANS

The loan portfolio in this segment recorded a modest increase of 1.8% in 2025 compared with 2024, representing an increase of mSTN 7,169 in absolute terms

Loan Portfolio	2022		2023		2024		Change			
	Nº	Amount	Nº	Amount	Nº	Amount	24 Vs. 23		25 Vs. 24	
Performing Loans	4.375	356.268.490	3.625	320.022.164	3 351	352 358 116	-17,1%	-10,2%	-7,6%	10,1%
Non-performing Loans	332	73.880.518	421	80.540.558	248	55 179 751	26,8%	8,7%	-41,1%	-31,3%
Overdraft facilities	930	414.960	631	598.987	499	597 395	-32,2%	44,3%	-20,9%	-0,3%
Total Loans and Advances Portfolio	5.637	430.563.968	4.677	400.966.155	4 098	408 135 262	-17,0%	-6,9%	-12,4%	1,8%
<i>Amounts in STN</i>										

The volume of performing loans increased by 10.1%, while the non-performing loan portfolio contracted by 31.3%, reflecting an improvement in the perceived risk profile of the portfolio within this segment. This improvement in the credit portfolio risk profile is attributable to the sustained compliance with repayment plans for facilities in which customers had previously experienced financial difficulties and defaulted. Following restructuring, these repayment plans have been consistently honoured, leading to the downward reclassification of the risk associated with those exposures.

Loan Portfolio – Performing							Change			
Loan Portfolio	2023		2024		2025		24 Vs. 23		25 Vs. 24	
Performing Loans	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount
Residential Mortgages	111	57.326.839	103	59.693.012	111	64 864 060	-7,2%	4,1%	7,8%	8,7%
Consumption	1.612	117.975.345	1.576	124.802.821	1 637	149 195 652	-2,2%	5,8%	3,9%	19,5%
Vehicles	5	957.562	3	896.924	4	961 397	-40,0%	-6,3%	33,3%	7,2%
Health	8	1.195.127	8	737.379	7	382 369	0,0%	-38,3%	-12,5%	-48,1%
Other loans to retail customers	2.639	178.813.617	1.935	133.892.028	1 592	136 954 638	-26,7%	-25,1%	-17,7%	2,3%
Total Performing Loans (1)	4.375	356.268.490	3.625	320.022.164	3 351	352 358 116	-17,1%	-10,2%	-7,6%	10,1%
Montantes em STN										

Within the performing loan portfolio, residential mortgages, consumer loans and motor vehicle loans increased by 8.7%, 19.5% and 7.2%, respectively. Healthcare loans declined by 48.1% in volume. 'Other loans to retail customers', which generally include loans for home improvements (without mortgage security) and

investment in small businesses run by private individuals, backed by personal loans, recorded a slight increase of around 2.3%.

Non-performing loans contracted both in volume and in the number of operations, by 41% and 31%, respectively, compared with 2024. This trend was largely due to the reduction in the portfolio's risk profile, as many loans previously classified as high-risk recorded regular instalment payments over a 12-month period, effectively demonstrating an improvement in their individual risk profile.

With regard to defaulted loans subject to judicial recovery proceedings, the significant delays in the courts' handling of litigation cases remain one of the most critical obstacles to the recovery of loans in default. As a result of this inefficiency in the judicial system, credit recovery in this market remains particularly difficult and challenging.

Loan Portfolio – Non-performing							Change			
Loan Portfolio	2023		2024		2025		24 Vs. 23		25 Vs. 24	
Non-performing Loans (Loan Risk)	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount
Residential Mortgages	34	40.970.323	33	37.799.356	19	28 130 419	-2,9%	-7,7%	-42,4%	-25,6%
Consumption	104	6.738.365	136	9.248.905	107	6 556 264	30,8%	37,3%	-21,3%	-29,1%
Vehicles	4	1.212.707	3	774.576	2	673 706	-25,0%	-36,1%	-33,3%	-13,0%
Total Non-performing Loans (2)	332	73.880.518	421	80.345.004	248	55 179 751	26,8%	8,7%	-41,1%	-31,3%

Montante em STN

With regard to credit quality, the following developments should be highlighted:

- The share of non-performing loans in this segment's total loan portfolio declined from 20.0% in 2024 to 13.5% in 2025. This improvement was largely driven by the reclassification of loans to the performing category after borrowers who had previously experienced financial difficulties successfully renegotiated their obligations with the Bank and subsequently complied consistently with the revised repayment schedule (for a period of at least 12 months).
- The coverage ratio of the total loan portfolio (performing and non-performing) in this segment by impairment provisions stood at 11.3%, compared with 14.1% in 2024. This reduction was primarily attributable to the reclassification of loan facilities that met the sustained repayment criterion, resulting in a lower level

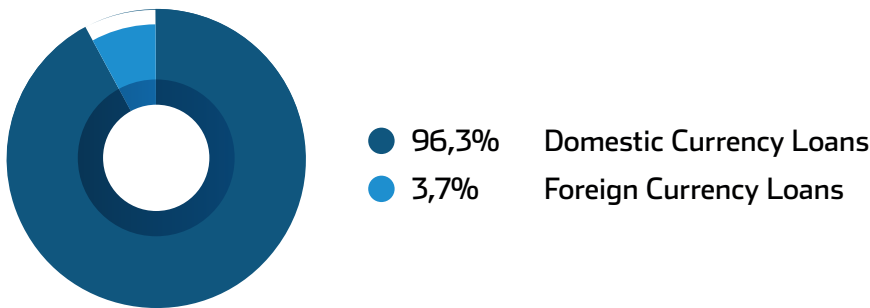
of impairment provisions being required.

- The provision coverage ratio for loan risk in the portfolio remains high, standing at 69% in 2025, representing an increase of 6 percentage points compared with 2024, reflecting the continued adoption of a prudent approach to credit risk assessment.

Generally speaking, despite the reduction in the volume of the non-performing loan portfolio, the Bank maintained its prudence and rigour in the assessment and granting of credit, as well as its conservative and rigorous provisioning policy.

With regard to the evolution of lending by currency, the strategy remains focused on granting loans in the currency in which customers receive their income. As the majority of customers’ income is denominated in the local currency (Dobra), there has been a greater weighting of loans denominated in national currency compared with foreign currency.

Breakdown of loans by currency



6.2 CORPORATE BANKING: BUSINESSES AND INSTITUTIONS

Against a macroeconomic backdrop characterised by weak economic activity, resulting from low levels of public investment and exacerbated by the energy crisis in the second half of the year and the shortage of foreign exchange, private sector demand for credit remained subdued, as uncertainty mainly constrained productive investment decisions.

In 2025, companies and institutions accounted for 49.1% and 61.5%, respectively, of the total corporate segment’s loan and deposit portfolio.

DEPOSITS

The volume of deposits in this segment grew by 15.3% in 2025, as a result of growth in demand deposits and term deposits of 15.2% and 72%, respectively.

Breakdown of deposits by type

Company (Customer Deposit Portfolio)				Change	
Types of Deposits (Portfolio)	2023	2024	2025	24.vs.23	25.vs.24
Demand Deposits	1.539.393.445	1.506.081.133	1.735.674.662	-2,16%	15,24%
Term Deposits	3.951.453	2.664.933	4.582.510	-32,56%	71,96%
Total Customer Deposit	1.543.344.897	1.508.746.066	1.740.257.172	-2,24%	15,34%

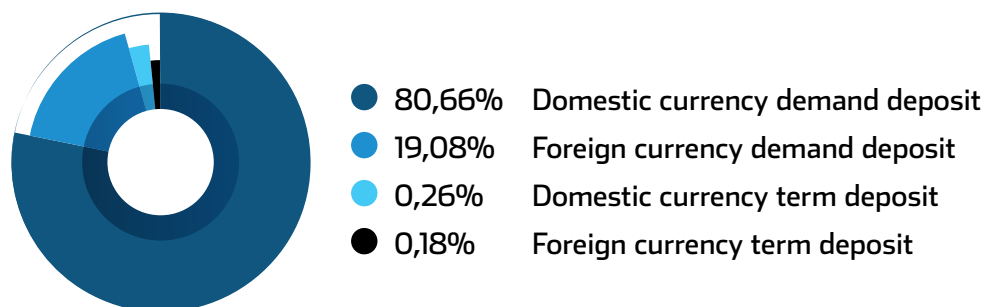
Montante em STN

The growth in deposits in this segment is mainly related to the requirement for exporting companies to channel 25% of the foreign exchange received to the Central Bank in exchange for local currency, as well as to the increasing delays by importers in making foreign currency payments due to the shortage of foreign exchange, which resulted in higher balances in accounts pending transfer.

In addition to the growth in the customer deposit portfolio, demand deposits, which are non-interest-bearing, showed significant stability, also reflecting the confidence that customers place in the Bank.

With regard to the composition of deposits by currency, deposits in national currency continue to represent the majority of deposits in this segment, accounting for 80.8%, compared with 19.2% in foreign currency.

Distribution of Deposits by Currency



LOANS

The loan portfolio for the corporate and institutional segment saw a slight increase (+1.44%), driven primarily by the government's increased use of the overdraft facility for the payment of public sector wages, which contributed to a rise in overdrafts of around 44.7%, whilst the volume of performing and non-performing loans fell by 7.2% and 43.1%, respectively.

BISTP remains focused on identifying, assessing and supporting sound business opportunities emerging in the market, offering financing solutions best suited to each company's circumstances and objectives.

Loan Portfolio	2023		2024		2025		Change			
	Nº	Amount	Nº	Amount	Nº	Amount	24Vs. 23		25 Vs. 24	
							Nº	Amount	Nº	Amount
Performing Loans	56	213.831.683	40	285.871.865	46	265.332.059	-28,6%	33,7%	15,0%	-7,2%
Non-performing Loans	16	18.530.447	24	22.468.619	11	12.780.272	50,0%	21,3%	-54,2%	-43,1%
Overdraft facilities	23	108.184.746	32	80.070.112	25	115.880.216	39,1%	-26,0%	-21,9%	44,7%
Total Loans and Advances Portfolio	95	340.546.876	96	388.410.596	82	393.992.547	1,1%	14,05%	-14,6%	1,44%

Amounts in STN

Performing loans decreased by around 7.2%, with this reduction resulting from the gradual decrease in the outstanding balances of fixed-income loans granted to public entities (the Treasury and Public Enterprises).

Carteira de Crédito - Regular							Change			
Loan Portfolio	2023		2024		2025		24Vs. 23		25 Vs. 24	
	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount
Performing Loans										
Trade	20	28 225 951	18	25 709 401	21	31 024 788	-10,0%	-8,9%	16,7%	20,7%
Construction	6	33 918 542	4	21 124 189	5	30 022 833	-33,3%	-37,7%	25,0%	42,1%
Services	16	10 569 331	5	1 762 008	5	5 950 602	-68,8%	-83,3%	0,0%	237,7%
Tourism	6	3 552 108	7	5 889 980	9	6 571 121	16,7%	65,8%	28,6%	11,6%
Companies and Public Institutions	3	136 441 521	3	231 386 287	4	183 470 208	0,0%	69,6%	33,3%	-20,7%
Other private sectors	3	788 343	-	-	2	8 292 508	-100,0%	-100,0%	-	-
Total Performing Loans	54	213 495 795	37	285 871 865	46	265 332 059	-31,5%	33,9%	24,3%	-7,2%

Amounts in STN

Loans to private companies increased in the services sector (+237.7%), the construction sector (+42%) and the tourism sector (+11.6%). There was also an increase in funding for other 'private sectors' amounting to STN 8,292,508, with particular emphasis on funding for a local manufacturing company.

Growth in these sectors partially offset the contraction in loans to 'Companies and Public Institutions', which declined by 20.7%, resulting in an overall contraction of around 7.2% in the performing loan portfolio in 2025.

Non-performing loans declined by around 43.1%. This reduction in non-performing loans reflects, to some extent, an improvement in the risk profile of BISTP's loan portfolio.

Non-performing Loan Portfolio (Loan Risk)							Change			
Loan Portfolio	2023		2024		2025		24 Vs. 23		25 Vs. 24	
Non-performing Loans (Loan risk)	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount	Nº	Amount
> 90 days past due										
Trade	9	12 804 137	14	10 046 188	6	6 737 506	55,6%	-21,5%	-57,1%	-32,9%
Construction	3	3 483 566	4	3 643 947	2	1 332 967	33,3%	4,6%	-50,0%	-63,4%
Services	2	1 334 338	4	8 280 038	2	4 412 236	100,0%	520,5%	-50,0%	-46,7%
Tourism	-		1	441 752	1	297 563	#DIV/0!	#DIV/0!	0,0%	-32,6%
Other	2	908 407	1	56 694	-	-	-50,0%	-93,8%	-100,0%	-100,0%
TTotal loans > 90 days past due	16	18 530 447	24	22 468 619	11	12 780 271	50,0%	21,3%	-54,2%	-43,1%
Total Non-performing Loans (2)	16	18 530 447	24	22 468 619	11	12 780 271	50,0%	21,3%	-54,2%	-43,1%

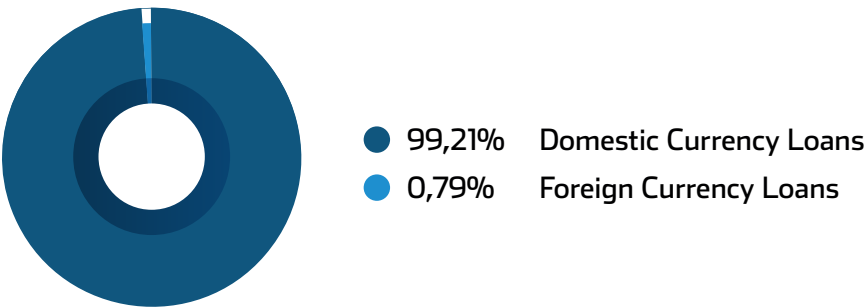
Montante em STN

It should be noted, however, that despite the positive evolution of the high-risk loan portfolio in 2025, economic conditions, the worsening energy crisis in the second half of the year, and delays and inefficiencies within the judicial system continue to constrain the achievement of better results in the recovery of non-performing loans.

Despite the reduction in the volume of the high-risk loan portfolio, the Bank maintained its prudent policy regarding impairment provisions for high-risk loans. Total impairment provisions recognised for loans cover around 66% of this portfolio, which, in many cases, is also backed by additional collateral.

With regard to the breakdown of loans by currency, it is noted that in 2025, loans in the national currency accounted for approximately 99.2%, which stems from BISTP's policy of strengthening economic agents' confidence in the domestic currency, aligning the currency in which loans are granted with the currency of customers' income, and also reducing the Bank's and its customers' exposure to fluctuations in benchmark rates (Euribor and Libor).

Breakdown of total loans by currency



6.3 ELECTRONIC AND DIGITAL BANKING (DEBIT CARDS AND E-BANKING)

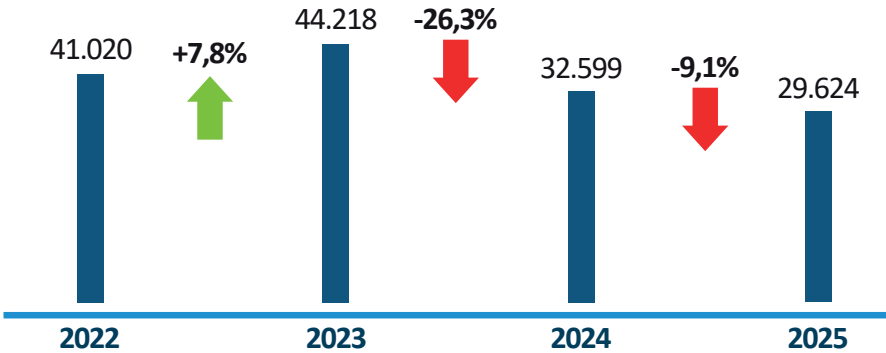
The use of digital and electronic channels has been gaining increasing traction and popularity amongst customers, who are beginning to change the way they make payments, favouring electronic or digital payments over cash payments. This trend results from commercial and marketing initiatives developed with customers to encourage the wider adoption and use of electronic and digital channels as more convenient, secure and faster alternatives for making payments and accessing financial services.

DEBIT CARDS AND POS TERMINALS – ‘DOBRA 24’

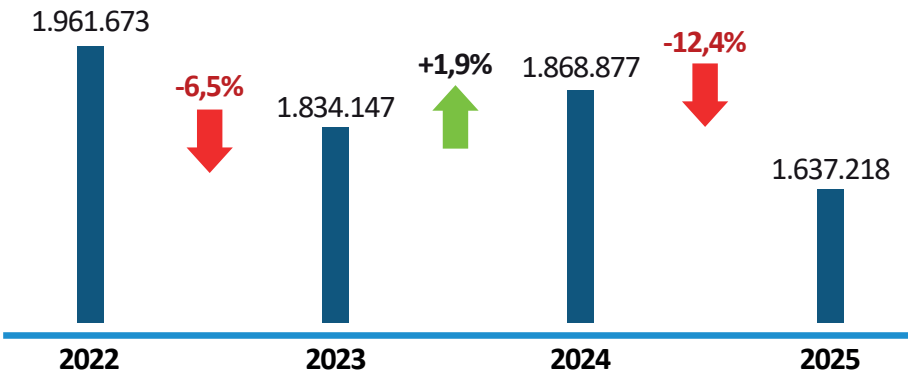
The number of debit cards has been declining, with a 9.1% decrease recorded in 2025 compared with 2024, largely due to the non-renewal of some cards upon expiry by customers who had emigrated abroad and ceased using their accounts.

Despite this negative trend in the number of cards, BISTP continues to pursue its commercial strategy of issuing debit cards and promoting mobile banking and internet banking services among customers at the time of account opening, as well as through cross-selling initiatives, particularly in connection with credit operations, while also expanding the network of ATMs and POS terminals among merchants.

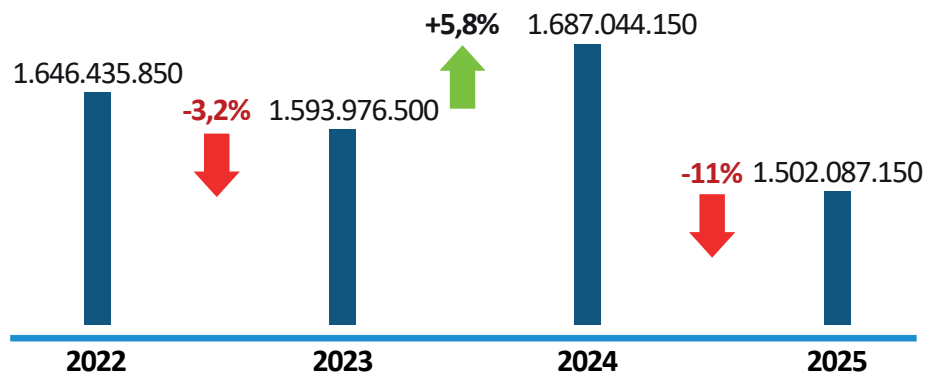
Debit Cards (Number)



Number of Debit Card Transactions (ATM)

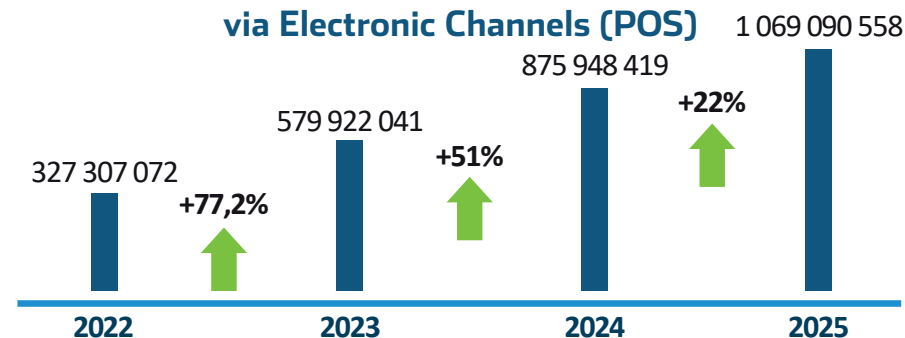


Volume (STN) of Debit Card Transactions via Electronic Channels (ATM)

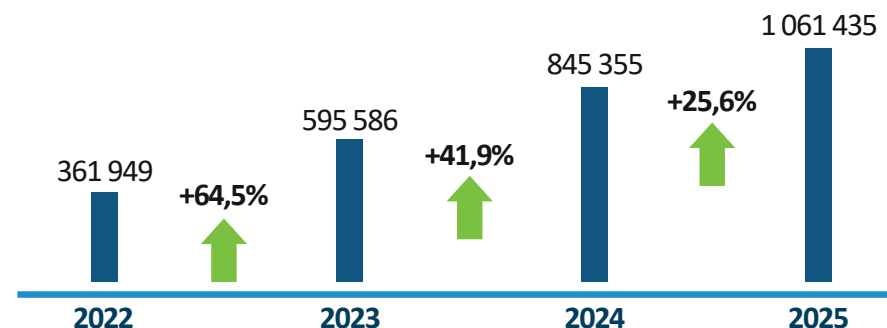


The number and value of ATM transactions fell by 12.4% and 11% respectively, whilst POS transactions rose by 22% and 25.6% in terms of number and value. This trend highlights customers' increasing preference for using debit cards to make payments rather than withdrawing cash.

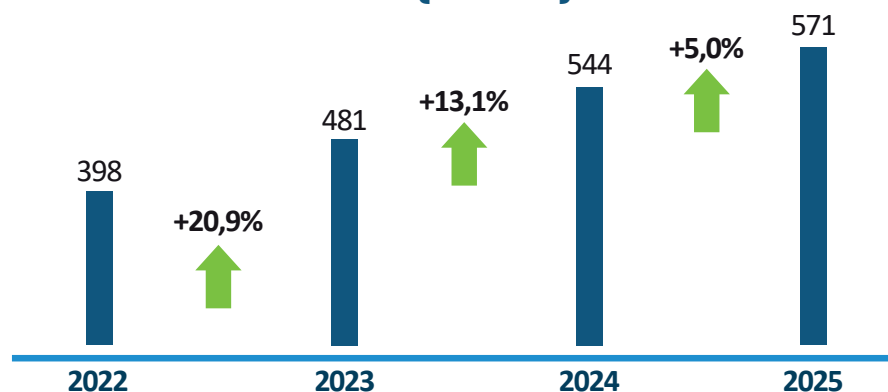
Volume (STN) of Debit Card Transactions via Electronic Channels (POS)



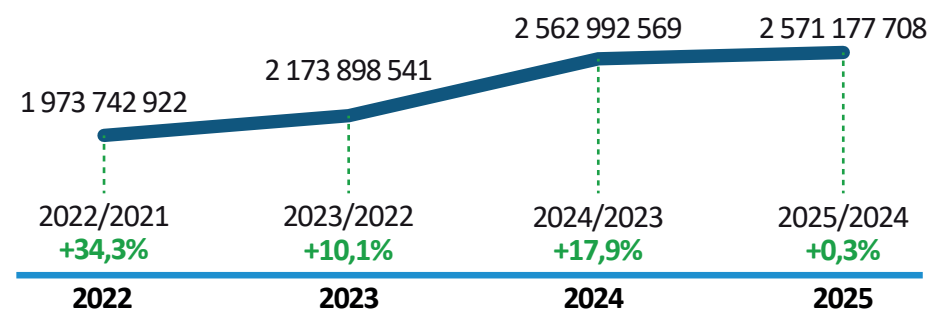
Number of Debit Card Transactions (POS)



POS (Number)



Volume (STN) of Debit Card Transactions via Electronic Channels (ATM and POS)



Looking at the combined volume of ATM (withdrawals) and POS (payments) transactions, this remained virtually unchanged in 2025, which nonetheless provides an indication of the flow of money in circulation within the economy. BISTP continued its policy of deploying POS terminals in the market, with the aim of making payments more convenient for its customers, both individuals and businesses, reducing the need for physical cash circulation and thereby enhancing overall security for economic agents.

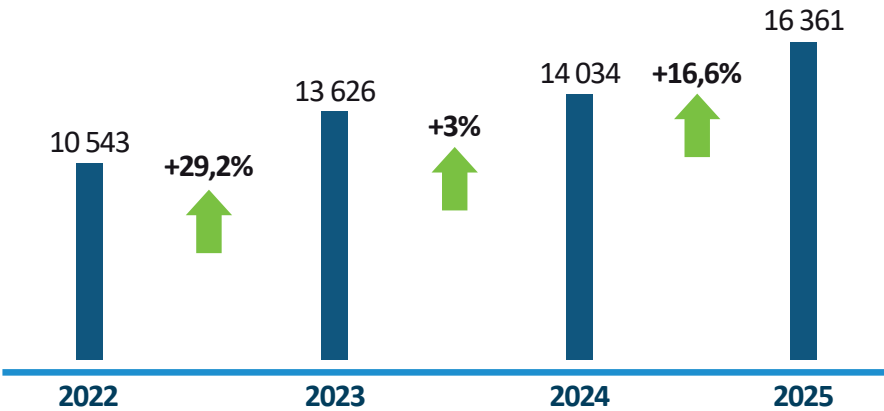
E-BANKING (KWA-NON)

The number of subscribers to the Internet banking has continued to grow, as has the volume of transactions processed via the platform.

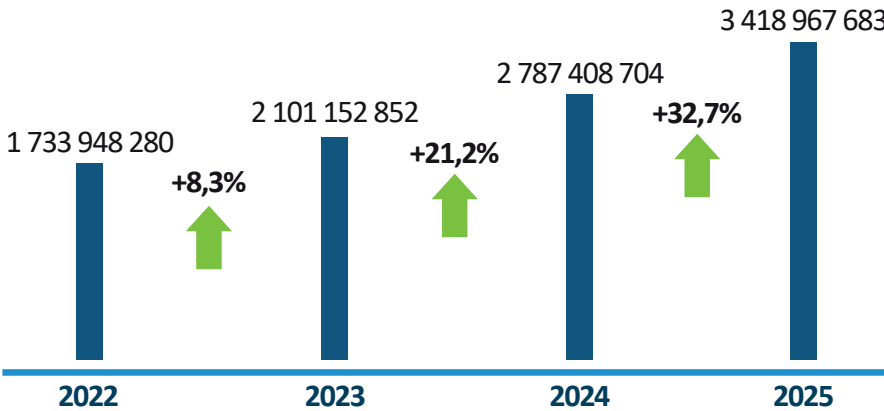
The wider adoption and increased use of internet banking services by customers remain among the Bank’s key objectives. The mobile application enables customers to easily use Kwa-Non via their mobile phones, which is contributing to increased adoption and usage of this service.

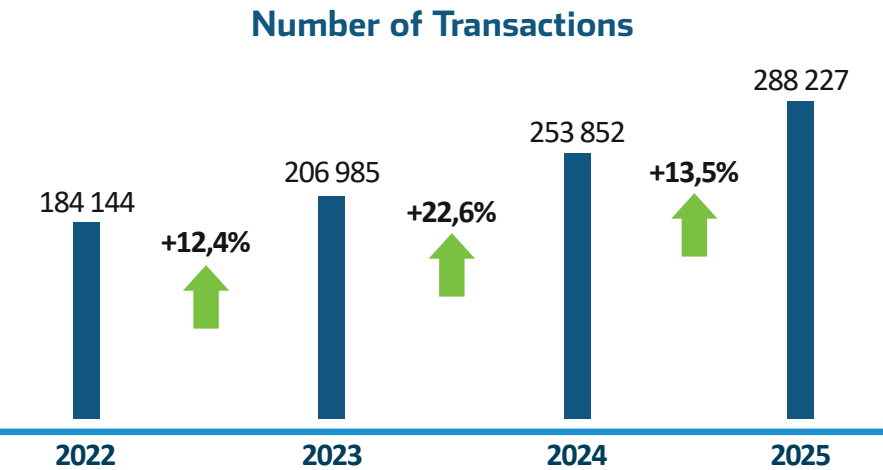
The number of internet banking service contracts (KWA-NON) rose by around 16.6% in 2025 compared with 2024. Similarly, the volume and number of transactions increased by 32.7% and 13.5%, respectively.

e-Banking Agreements



Volume of Transactions (STN)





In addition to providing greater convenience to customers, electronic services (ATMs and POS terminals) and digital services (e-banking and mobile banking) have significant potential to enable the Bank to reduce the current high volume of customers visiting branches to carry out transactions such as cash withdrawals, transfers, balance enquiries and other account-related operations. Consequently, they allow the Bank to free up space and time to enhance its personalised customer service offering and provide closer support to customers and their financial needs.

INTERNAL CONTROL

07

7. INTERNAL CONTROL

In 2025, a large-scale fraud was detected at BISTP. The matter was immediately reported to the relevant authorities, leading to an investigation by the Attorney General's Office under the name 'Operation Pensioner'. This was an unprecedented event in BISTP's history, both due to its duration and the amounts involved, and it had a significant impact on the Bank's internal structure. Supported by a solid financial position, the Bank's financial stability was never at risk. However, its reputation and, above all, the morale of its employees were put to the test.

The fraud was made possible because the perpetrator exploited internal and external weaknesses, taking advantage of the trust and good faith that should underpin relationships between individuals and institutions. When such trust is misused, it challenges the values and the personal and professional relationships built over many years.

However, what defines those who overcome adversity is not the circumstances of their setback, but rather how they respond to what has happened, face challenges and rise again to continue moving forward. Accordingly, following the completion of a thorough investigation and internal reflection process, a wide-ranging action plan was launched, comprising improvement measures across several areas of the Bank, with the aim of ensuring that situations of this nature do not occur again.

As a result, 2025 proved to be a year of significant improvements in the internal

control functions, with enhanced operational effectiveness and strengthened capabilities across several areas, many of which have already been implemented and others currently under implementation:

- Review and improvement of processes and controls, with particular emphasis on:
 - Greater staff rotation between tasks;
 - Review of the AML alert process for customer accounts, aimed at improving accuracy and timeliness;
 - Strengthening of the four-eyes principle in the control and execution of tasks;
 - Strengthening of the customer deposit alert system;
- Review and enhancement of internal policies and procedures;
- Strengthening of staffing levels, operational changes, training and capacity-building;
 - Improvements to IT systems, both operational systems and those supporting the detection of potential irregularities, as well as the implementation of a modular IT solution for document digitisation and process management and control;
- Review of the Bank's processes, with a focus on fraud prevention and operational risk.

HUMAN RESOURCES

08

8. HUMAN RESOURCES

The year 2025 was marked by BISTP's strong commitment to training initiatives covering all areas of the Bank (business and support). More than 23 training sessions were delivered to staff in the various departments that benefited from the programme.

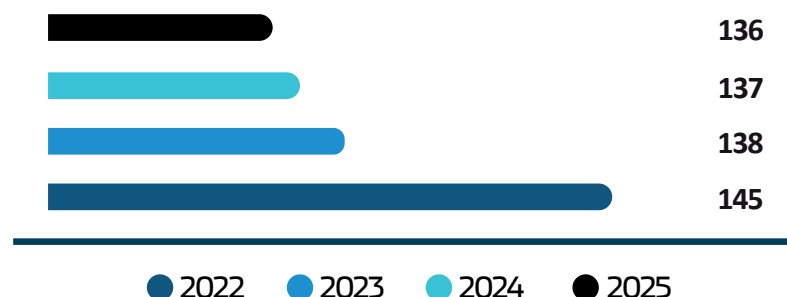
BREAKDOWN OF STAFF BY EMPLOYMENT STATUS

In 2025, BISTP's workforce comprised 136 employees, of whom four were on secondment, eight were trainees and 124 were permanent staff.

EMPLOYMENT STATUS OF THE STAFF IN 2025



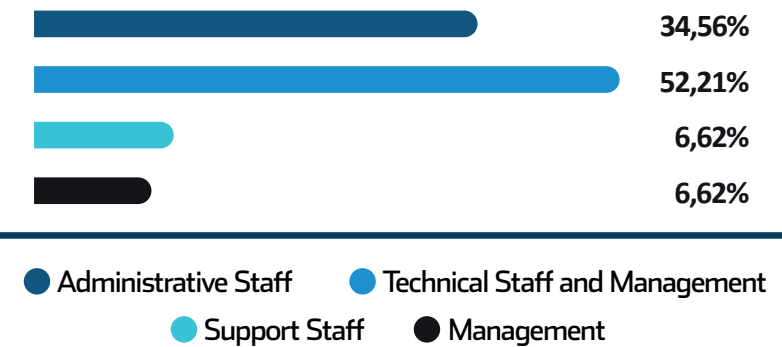
EVOLUTION OF STAFF NUMBERS OVER THE LAST 4 YEARS



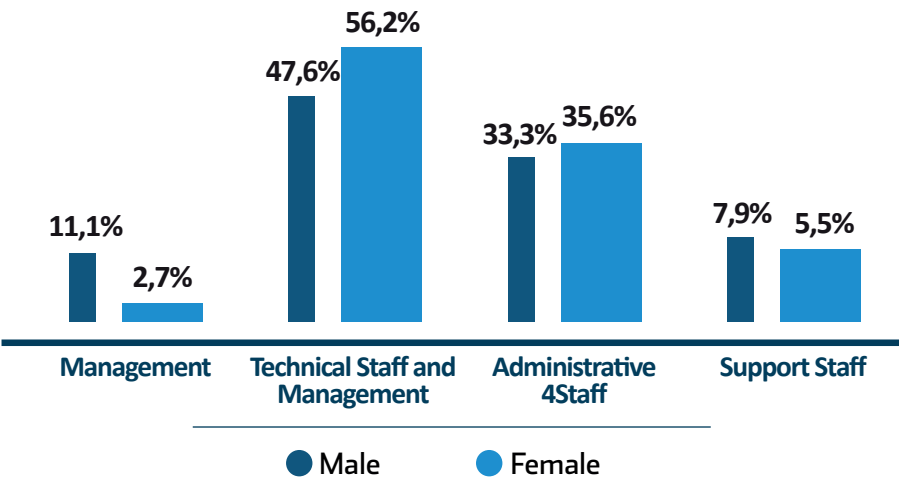
FUNCTIONAL BREAKDOWN OF WORKFORCE

Under the new Career Plan, technical and managerial staff constitute the largest professional group, with 71 employees, representing 52.21% of the total workforce. Staff in the administrative functional group accounted for around 34.56% of the total workforce. The professional group with management responsibilities (9 members) accounts for approximately 6.62% of the total workforce.

STAFF BY PROFESSIONAL GROUP



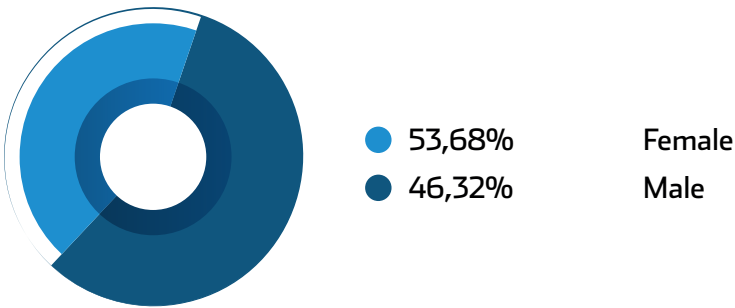
PROFESSIONAL GROUP BY GENDER



BREAKDOWN BY GENDER

In terms of gender breakdown, the percentage trend from the previous year continues, with the number of female employees (53.68%) exceeding that of male employees (46.32%).

EMPLOYEES BY GENDER

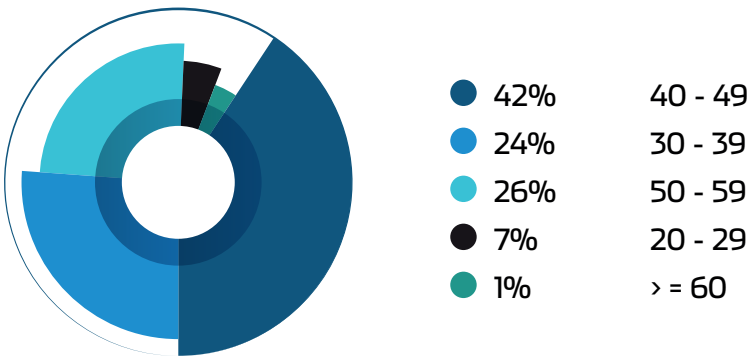


As illustrated in the chart below, there is a marked gender imbalance within the technical and managerial staff group.

DISTRIBUTION BY AGE GROUP

In 2025, the 40–49 age group represented the largest segment of the workforce, accounting for 42% of BISTP’s total workforce. The 30–39 age group currently accounts for 24% of the total workforce.

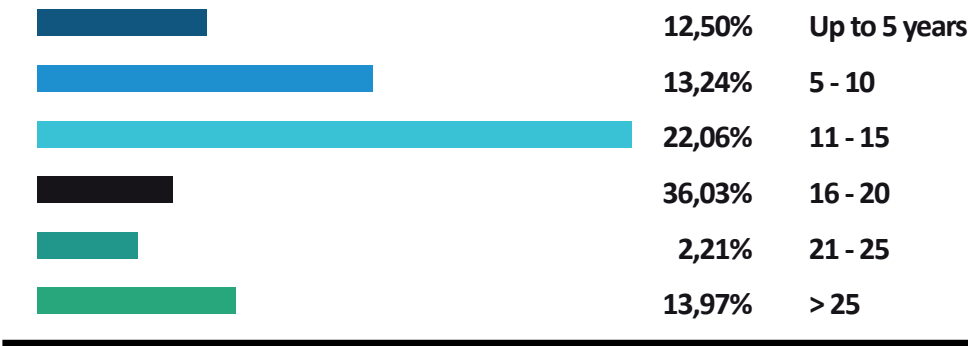
EMPLOYEES BY AGE GROUP



DISTRIBUTION BY SENIORITY

At BISTP, around 36.03% of staff have been with the company for between '16 and 20 years'. Despite the extensive experience of its workforce, BISTP launched a recruitment programme in 2025 to attract new employees as part of its succession planning, given that a significant proportion of its workforce is approaching retirement age.

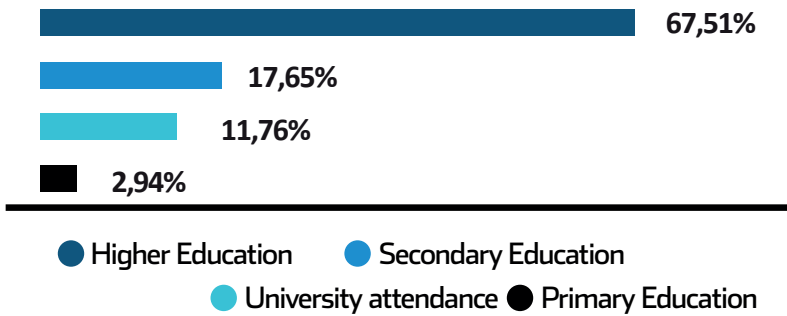
LENGTH OF SERVICE DISTRIBUTION



DISTRIBUTION BY EDUCATIONAL LEVEL

BISTP’s strong focus on recruiting young graduates in recent years has contributed to raising the educational qualifications of its workforce. Consequently, in 2025, employees holding higher education qualifications accounted for 67.65% of the Bank’s total workforce (employees performing banking functions). When employees currently attending university are also included, this proportion rises to 86.40% of the total workforce.

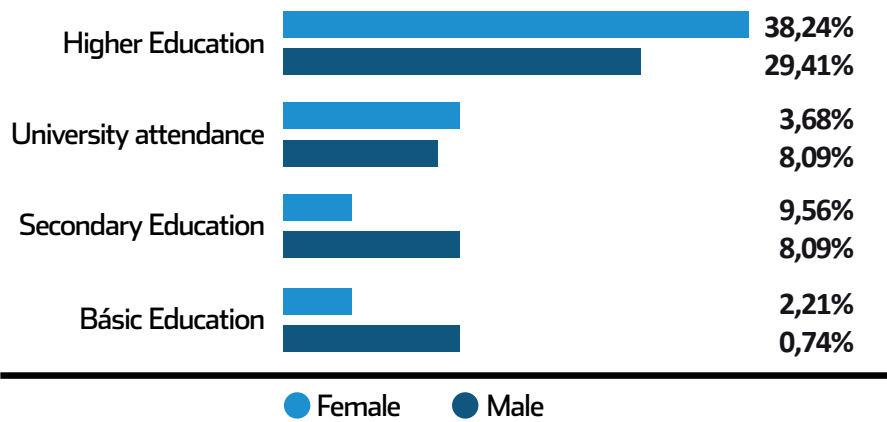
BREAKDOWN BY EDUCATIONAL QUALIFICATIONS



EDUCATIONAL QUALIFICATIONS – GROUP I (BANKING STAFF) – 2025



BREAKDOWN OF EDUCATIONAL QUALIFICATIONS BY GENDER



**SOCIAL
RESPONSIBILITY**

09

9. SOCIAL RESPONSIBILITY

Social responsibility (SR) refers to the commitment of organisations, institutions and individuals to act ethically and responsibly towards society. It goes beyond mere compliance with legal requirements that promote social well-being, sustainable economic development and environmental protection. In an organisational context, social responsibility requires companies to consider the impact of their activities on the community, their employees, their customers and the environment. This can take the form of initiatives such as supporting community projects, promoting decent working conditions, responsible environmental practices, and investment in education, culture or health.

By adopting social responsibility policies, BISTP demonstrates to the market and to all stakeholders its commitment to contributing to more harmonious and sustainable social development and growth, ensuring that the Bank is recognised not only for the economic value it creates but also for the environmental and social causes it supports.

Throughout its history, BISTP has based its management approach on principles that go beyond the sole pursuit of financial results. In addition to creating economic value, the institution has sought to give balanced consideration to the interests of the various stakeholders with whom it engages, namely its employees, local communities, non-governmental

organisations committed to the social reintegration of vulnerable children and young people, as well as customers, suppliers, public authorities, competitors and society at large. In this context, social responsibility is a fundamental pillar of BISTP's activities, consistently contributing to its growth and consolidation over more than 33 years of activity, as well as to the sustainable development of São Toméan society.

INCLUSION

In 2025, BISTP continued its support for the Association of the Blind and Visually Impaired of São Tomé and Príncipe (ACASTEP) and the Association of People with Disabilities of São Tomé and Príncipe (ADSTP), which have been carrying out highly commendable work in supporting people with physical disabilities. BISTP also continued its support for the Novo Futuro Foundation children's home, helping it to carry out initiatives that support the protection and care of disadvantaged children and young people in the social, civic, cultural, educational, recreational and material spheres.

EDUCATION

Education is the process through which learning and the acquisition of

knowledge, skills, values and attitudes essential to human development are fostered. Its primary purpose is to contribute to individuals' intellectual, social and emotional development, preparing them to participate in society in a responsible, ethical and productive manner. Furthermore, education is a key factor in empowering people, driving economic development and helping to build fairer and more inclusive societies. For this reason, the right to education is recognised and upheld by various governments and by the United Nations.

As has been consistently emphasised over the years, education is one of the essential pillars of society and one of the key instruments for the development of São Tomé and Príncipe. In 2025, BISTP maintained its cooperation agreements with the universities of São Tomé and Príncipe, namely the University of São Tomé and Príncipe and Lusíada University STP/ATENA Foundation – Culture, Teaching and Education, awarding prizes to the best final-year students, scholarships to the most disadvantaged students with a grade average of at least 14, and contributions towards investment in laboratories.

SPORT

Sport is a physical activity requiring skill, effort and, when practised competitively, considerable talent and ability. Sport plays a significant role in social integration, serving as an important means of fostering interaction and bringing together people from different backgrounds and cultures.

In this area, in 2025, BISTP provided financial support to the Ministry of Education, Culture, Science and Higher Education, through the Office of the School Sports Coordinator, for the School Games, thereby ensuring travel for

students from the Autonomous Region of Príncipe.

CULTURE

Culture may be understood as the set of values, beliefs, traditions, customs, knowledge, practices and forms of expression shared by a community or society. It reflects the ways of life and patterns of social organisation that characterise a particular group, being passed down from generation to generation and expressed in various fields, such as art, language, the economy, politics and education. Culture is not a static phenomenon; on the contrary, it is constantly evolving, influenced by historical, social and technological factors. Although every society has its own cultural characteristics, cultures are in constant contact and interaction, particularly in a context of increasing global interconnection.

Throughout 2025, the Bank funded several cultural activities that helped promote São Toméan culture, the most significant of which were: Sponsorship of the fashion show held to mark International Women's Day, organised by renowned São Toméan fashion designer Antonieta Almeida; sponsorship of Prof. Dr Cristina Amado Franca e Almeida Castelo David for the publication of her thesis entitled 'The Portuguese Language and Contact Languages – The Impact of Language Policy in São Tomé and Príncipe'; and sponsorship of renowned São Toméan writer Dr Albertino Home dos Santos Sequeira Bragança for the publication of his latest literary work entitled 'PROVÉRBIOS SANTOMENSES (Véssu)'.

It should be noted that BISTP has had a partnership agreement with the Portuguese Cultural Centre – Camões Institute STP for over 17 years, aimed at

promoting joint activities, sharing resources and supporting the organisation of events in the fields of culture, the economy, civil society, science, education and health.

Other significant support provided in 2025:

- Sponsorship of the **GENERAL COMMAND OF THE NATIONAL POLICE** to mark the 50th anniversary of the establishment of this institution;
- Refurbishment of the maternity ward at the country's only hospital, Dr. Ayeres de Menezes Hospital.

FINANCIAL ANALYSIS



10

10. FINANCIAL ANALYSIS

10.1 BALANCE SHEET COMPONENTS

In recent years, the economic environment has remained challenging, characterised by low levels of public and private investment, a shortage of foreign currency, recurring energy crises, and a continuing outward migration of families, all of which have adversely affected domestic consumption and increased credit risk. This challenging environment has been compounded by increased regulation within the financial system, which has had a significant adverse impact on banks' revenues while increasing their operating costs.

Against this backdrop of persistent crises, limited economic and market attractiveness, increasing regulatory requirements and heightened uncertainty, BISTP has continued to pursue a prudent approach to its operations, seeking to maintain an appropriate balance between risk and operating profitability while preserving the strength of its balance sheet.

Maintaining a prudent approach to risk assessment and recognising appropriate impairment allowances has enabled the Bank to maintain a sound balance sheet, characterised by strong liquidity and robust solvency.

Despite the challenging macroeconomic and regulatory environment, BISTP continued to deliver positive results and maintain a strong balance sheet, once again demonstrating its resilience and its ability to create value for its shareholders.

BISTP's total assets in 2025 stood at mSTN 3,738,440, representing an increase of around 9.96% compared with 2024, driven primarily by a 28.5% rise in cash and cash equivalents and a 5.4% increase in financial investments. Liabilities also increased by (8.8%) compared with 2024, driven by a rise in customer deposits.

Equity increased by 15.3%, driven mainly by the growth in net profit (41%) and a 10% increase in general risk provisions.

Gross loans and advances increased by 1.8%, representing an absolute increase of mSTN 12,728 compared with 2024.

The loan portfolio quality ratio, calculated as the ratio of non-performing loans to the total loan portfolio, improved to 8.5%, compared with 13.0% in the previous year. Non-performing loans decreased by mSTN 34,807 compared with 2024. This reduction reflects an improvement in the risk profile of the loan portfolio.

'Deposits with credit institutions' grew by 5.4% (+mSTN 41,064). This growth in investments is due to an increase in investments in Central Bank Certificates of Deposit (+45%), driven by a rise in available liquidity in local currency. Conversely, term deposits placed with foreign banks declined by 7.7%.

primarily reflecting the increased use of these funds to finance imports of goods and services, together with the growing shortage of foreign currency.

‘Investment securities’ increased by a moderate 3.9%, representing an absolute increase of mSTN 20,000, following the subscription of a Treasury Bill issue.

Customer funds increased by 13%, driven primarily by demand deposits, which grew by 13.8%, while term deposits recorded only marginal growth (0.4%). The fluctuation in term deposits is partly attributable to the relatively low interest rates offered by the Bank on these deposits. Despite the limited growth in term deposits, customer deposits have remained consistently stable over the years, reflecting the confidence inspired by the Bank’s financial strength, prudence and reliability. This stability is evidenced by the Bank’s strong liquidity position.

10.2 COMPONENTS OF THE INCOME STATEMENT

The regulatory changes introduced in late 2024, together with the challenging economic and social environment, had an adverse impact on the Bank’s operations. BISTP’s financial performance was adversely affected by these regulatory changes, which had a direct impact on the Bank’s business and operations, particularly the foreign exchange regulation introduced in late 2024 under NAP No. 06/2024.

Operating income declined by 12.2%, reflecting a 2.8% increase in net interest income, offset by a 24.6% decline in complementary margin.

Net interest income increased, driven primarily by interest earned on Deposits with credit institutions, which rose by 15%, reflecting the higher volume of

investments in Central Bank Certificates of Deposit.

Interest rates on investments in government debt securities increased by 12%, reflecting the higher interest rates applied to government debt issued as part of the conversion of short-term securities (Treasury Bills) into long-term securities (Treasury Bonds) completed in September 2024.

Interest expense on customers’ term deposits decreased slightly by 3%.

Complementary margin declined by 24.6%, reflecting lower foreign exchange income, lower net fee and commission income, and lower other operating income.

The reduced availability of foreign currency for commercial banks, as a direct consequence of the Central Bank’s change in foreign exchange policy, resulted in lower income from foreign exchange transactions. The depreciation of the US dollar also contributed to the 56% decline in foreign exchange income, which amounted to mSTN 15,446 in 2025, compared with mSTN 34,790 in 2024.

Net commissions decreased by approximately 6.7%, mainly due to the reduction in income received from external payment services, as a result of the lower availability of foreign currency to carry out these operations.

Other Operating Income fell by around 65.3%, mainly reflecting a lower volume of recoveries on written-off loans (-48%), lower income from the sale of debit cards (-62%), and the absence of income from property sales.

As a result of the Net Interest Income increasing by only 2.8% and

complementary income contracting by 24.6%, banking income declined by 12.2%.

Operating costs increased by 9.1%, mainly driven by a 10.6% increase in expenditure on 'Third-party supplies and services', particularly energy and fuel costs (+19%), IT services (+17%), and audit and consultancy services (+22.7%). Staff costs increased by 8%, mainly as a result of the recognition of a provision for the 2025 productivity bonus.

Net impairment charges amounted to mSTN 3,490 in 2025. This reflected, on the one hand, the recognition of impairment provisions totalling mSTN 14,805 to cover various banking risks, including mSTN 12,500 relating to a fraud committed by an employee, and, on the other hand, the reversal of impairment provisions on loans and advances amounting to mSTN 11,315.

Net profit amounted to mSTN 78,697, representing an increase of 41% compared with 2024, despite the challenges that affected the Bank's business during 2025.

**PROPOSED
APPROPRIATION OF
PROFIT**

11

11. PROPOSED APPROPRIATION OF PROFIT

In view of the legal requirement that the legal reserve must amount to at least one-fifth of the Bank's share capital, and given that BISTP has already satisfied this requirement, the Board of Directors proposes that the net profit for the year ended 31 December 2025, amounting to STN 78,697,045 (Seventy-eight million, six hundred and ninety-seven thousand and forty-five dobras), be appropriated as follows:

- 60% for distribution to shareholders in the form of dividends, to be distributed in proportion to their shareholdings;
- 40% to bolster free reserves and thereby strengthen the Bank's equity.

Items	Percentage	Amount (STN)
Free Reserves	40%	31.478.818
Shareholders	60%	47.218.227
Net Income	100%	78.697.045



**EXTERNAL
AUDIT REPORT**



Audit Report

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Banco Internacional de São Tomé e Príncipe, S.A. (the Bank), which comprise the statement of financial position as at 31 December 2025 (showing total assets of 3,738,439,603 São Tomé and Príncipe dobras and total equity of 700,851,175 São Tomé and Príncipe dobras, including a net profit for the year of 78,697,045 São Tomé and Príncipe dobras), the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and the accompanying notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Banco Internacional de São Tomé e Príncipe, S.A. as at 31 December 2025, and its financial performance and cash flows for the year then ended, in accordance with the generally accepted accounting principles applicable to the banking sector in São Tomé and Príncipe.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under these standards are described in the section 'Auditor's responsibilities for the audit of the financial statements'.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Bank in accordance with the requirements of the Code of Ethics (including the International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the ethical requirements of the Code of Ethics of the Portuguese Institute of Statutory Auditors, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA code of ethics.

Other information – Management report

Management is responsible for the preparation of the management report. The other information comprises the management report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the information contained in the management report, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management report and, in doing so, consider whether the other information therein is materially inconsistent with the financial statements or with our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work carried out, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on this subject.

Responsibilities of the management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the generally accepted accounting principles applicable to the banking sector in São Tomé and Príncipe, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

When preparing financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, where applicable, matters related to going concern and using the going concern assumption unless the management body intends to liquidate the Bank or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for supervising the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it is not a guarantee that an audit carried out in accordance with ISAs will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or collectively, they can reasonably be expected to influence the economic decisions made by users based on these financial statements.

As part of an audit in line with the ISAs, we exercise professional judgement and maintain professional scepticism during the audit, and also:

- a) identify and assess the risks of material misstatement of the 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 due to fraud is higher than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control;
- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda.

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Audit Report
31 December 2025

Banco Internacional de São Tomé e Príncipe, S.A.
PwC 2 of 3

c) evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the management body;

d) conclude on the appropriateness of management body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether there is material uncertainty 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 exists, we must draw attention in our report to the related disclosures included in the financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence gathered up to the date of our report. However, future events or conditions may cause the Bank to cease operations; and

e) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in order to achieve a fair presentation.

We communicate with those charged with governance, including the supervisory body, among other matters, on the scope and planned timing of the audit, and the significant audit findings including any significant deficiencies in internal control identified during the audit.

31 March 2026

PricewaterhouseCoopers & Associados

- Sociedade de Revisores Oficiais de Contas, Lda.

represented by:

Assinado por:


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Aurélio Adriano Rangel Amado, Statutory Auditor No. 1074

Registered with the CMVM under No. 20160686

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13

FINANCIAL STATEMENTS

13. FINANCIAL STATEMENTS

BANCO INTERNACIONAL DE SÃO TOMÉ E PRÍNCIPE, S.A

Balance Sheet for the year ended 31 December 2025

Amounts in São Tomé and Príncipe Dobras (STN)

ASSETS	Notes	2025			2024		LIABILITIES AND EQUITY	Notes	2025	2024
		Gross assets	Depreciations and provisions	Net assets	Net assets	Net assets				
Cash and cash equivalents with Central Bank	3	1 140 941 469	-	1 140 941 469	887 615 463	887 615 463	Deposits:			
Loans and advances to credit institutions	4	249 823 398	-	249 823 398	250 670 597	250 670 597	On demand	11	2 688 852 707	2 362 629 668
Other loans and advances to credit institutions	5	802 424 458	-	802 424 458	761 360 592	761 360 592	Term or notice deposits	11	143 093 730	142 501 531
Loans and Advances to Customers	6	804 342 465	(46 425 767)	757 916 698	724 189 594	724 189 594	Funds from other entities	12	9 081 978	12 207 015
Investment securities	7	536 818 756	-	536 818 756	516 818 756	516 818 756	Other liabilities	13	134 316 096	218 214 118
Tangible fixed assets	8	472 061 091	(261 357 561)	210 703 530	221 746 685	221 746 685	Accruals and deferrals	14	62 243 917	56 498 151
Intangible fixed assets	8	58 470 120	(49 645 661)	8 824 459	6 403 825	6 403 825	Total Liabilities		3 037 588 428	2 792 050 484
Fixed assets under construction	8	6 182 414	-	6 182 414	4 824 451	4 824 451	Capital	16	166 600 000	166 600 000
Fixed financial assets	8	2 940 000	(2 940 000)	-	-	-	Reserves	16	103 206 990	103 206 990
Other assets	9	67 881 116	(51 522 714)	16 358 402	19 246 153	19 246 153	Retained earnings	16	192 730 111	136 982 929
Accruals and deferrals	10	8 446 019	-	8 446 019	6 812 887	6 812 887	Other provisions	16	159 617 029	145 101 418
							Income for the year	16	78 697 045	55 747 181
							Total Equity		700 851 175	607 638 518
Total Assets		4 150 331 306	(411 891 703)	3 738 439 603	3 399 689 002	3 399 689 002	Total Liabilities and Equity		3 738 439 603	3 399 689 002

The accompanying notes form an integral part of these financial statements

The Accountant

The Board of Directors

BANCO INTERNACIONAL DE SÃO TOMÉ E PRÍNCIPE, S.A.R.L
Income Statement for the year ended 31 December 2025

	NOTES	2025	2024
Interest and Similar Income	20	167,248,654	162,960,108
Interest and Similar Costs	20	(5,444,523)	(5,624,331)
NET INTEREST INCOME		161,804,131	157,335,776
Income from Services and Fees	21	146,162,457	152,573,242
Costs of services and Fees	21	(26,923,325)	(24,789,502)
Net Foreign Exchange Income	22	15,445,842	34,790,488
Other Operating Income	23	10,316,649	29,705,712
NET OPERATING INCOME		306,805,754	349,615,717
Staff Costs	24	(95,540,715)	(88,465,691)
General Administrative Expenditure	25	(69,401,636)	(62,776,294)
Depreciations in the Year	8	(23,784,496)	(20,746,974)
Provisions for loans and advances, net of reversals and	15	11,314,746	(5,396,214)
Other provisions, net of reversals and write-backs	15	(14,804,622)	(78,388,656)
INCOME BEFORE TAXES		114,589,031	93,841,887
Income taxes	19	(35,891,986)	(38,094,706)
NET INCOME FOR THE YEAR		78,697,045	55,747,181

The accompanying notes form an integral part of these financial statements

The Accountant

The Board of Directors

BANCO INTERNACIONAL DE SÃO TOMÉ E PRÍNCIPE, S.A.R.L

Statement of Changes in Equity for the year ended 31 December 2025.

	Reserves					Results Retained	Other Provisions	Net income for the year	Total
	Capital	Legal	Revaluation	Foreign exchange revaluation	Total				
Balances as at 31 December 2023 (Restated)	166,600,000	63,914,980	892,214	31,139,164	95,946,358	143,464,927	84,804,393	44,342,424	535,158,103
Allocation of net profit for the 2023 financial year	-	-	-	-	-	-	-	-	-
Transfer to reserves	-	7,260,632	-	-	7,260,632	(6,481,998)	-	(778,634)	-
Dividend distribution	-	-	-	-	-	-	-	(43,563,790)	(43,563,790)
Other provisions (Note 15)	-	-	-	-	-	-	60,297,024	-	60,297,024
Net income for the year	-	-	-	-	-	-	-	55,747,181	55,747,181
Balances as at 31-12-2024	166,600,000	71,175,612	892,214	31,139,164	103,206,990	136,982,929	145,101,418	55,747,181	607,638,518
Allocation of net profit for the 2024 financial year	-	-	-	-	-	-	-	-	-
Incorporation into reserves	-	-	-	-	-	55,747,181	-	(55,747,181)	-
Dividend distribution	-	-	-	-	-	-	-	-	-
Other provisions (Note 15)	-	-	-	-	-	-	14,515,612	-	14,515,612
Net profit for the financial year	-	-	-	-	-	-	-	78,697,045	78,697,045
Balances as at 31-12-2025	166,600,000	71,175,612	892,214	31,139,164	103,206,990	192,730,111	159,617,029	78,697,044	700,851,175

The accompanying notes form an integral part of these financial statements

The Accountant

The Board of Directors

BANCO INTERNACIONAL DE SÃO TOMÉ E PRÍNCIPE, S.A.R.L

Cash Flow Statement for the financial year ended 31 December 2025

Cash Flow	Note	2025	2024
Operating Activities			
Net Income for the year		78,697,045	55,747,181
Adjustments:			
Depreciations in the Year	8	23,784,496	20,746,974
Provisions and impairment		3,489,876	83,784,870
(Increase) / Decrease in deposits with credit	5	(37,854,447)	121,371,978
(Increase) / Decrease in loans and advances to	6	(12,014,032)	(48,543,330)
(Increase) / Decrease in other assets	9	190,073	3,373,412
(Increase) / Decrease in customer funds and other	11	326,815,237	(4,893,912)
(Increase) / Decrease in other liabilities	13	(84,192,330)	175,953,915
Corporate income tax instalments paid	19	(10,481,281)	(19,313,751)
Cash Flows from Operating Activities		288,434,637	388,227,337
Investment activities			
(Payments) / Receipts relating to:			
Bonds and other securities	7	(19,435,891)	62,277,054
Tangible Fixed Assets	8	(10,626,401)	(18,367,347)
Intangible Fixed Assets	8	(5,893,537)	(5,873,946)
Cash Flow from Investing Activities		(35,955,829)	38,035,761
Financing Activities			
Payments relating to:			
Dividends paid	16	-	(43,563,790)
Cash Flows from Financing Activities		-	(43,563,790)
Net increase/(decrease) of cash and cash equivalents		252,478,808	382,699,308
Cash and cash equivalents at the beginning of the year		1,138,286,060	755,586,75
Cash and cash equivalents at the end of the year		1,390,764,867	1,138,286,060

The accompanying notes form an integral part of these financial statements.

The Accountant

The Board of Directors



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**NOTES TO THE
FINANCIAL STATEMENTS**

14. NOTES TO THE FINANCIAL STATEMENTS

Amounts in São Tomé and Príncipe Dobras (STN)

1. INTRODUCTION

Banco Internacional de São Tomé e Príncipe, S.A. (hereinafter also referred to as the 'Bank' or 'BISTP'), whose registered office is in São Tomé, was incorporated by public deed on 3 March 1993.

The Bank is engaged in raising funds from third parties in the form of deposits or other. The Bank's principal activity is to raise funds from third parties in the form of deposits and other funding instruments, which, together with its own funds, are used to grant loans and advances to customers, maintain deposits with the Central Bank of São Tomé and Príncipe, place funds with credit institutions, and invest in securities and other assets, for which it is duly authorised. The Bank also provides a range of other banking services and, as at 31 December 2025, operated a nationwide network of eleven branches located in the city of São Tomé (7), Trindade (1), Santana (1), Lembá (1) and on the Island of Príncipe (1), in addition to two self-service ATM facilities located in the district capitals of Lobata and Caué.

2. BASES OF PRESENTATION AND SUMMARY OF THE MAIN ACCOUNTING POLICIES

The accompanying Financial Statements have been prepared in accordance with the applicable statutory and regulatory requirements.

2.1. BASES OF PRESENTATION

The accompanying financial statements have been prepared on a going concern basis from the accounting records maintained by the Bank in accordance with the accounting principles set out in the Chart of Accounts for Financial Institutions (PCIF), established under Prudential Standard (NAP) No. 05/2009 of 9 July, issued by the Central Bank of São Tomé and Príncipe.

The Board of Directors made an assessment of the Bank's ability to continue as a going concern, based on all relevant information, facts and circumstances, of a financial, commercial or other nature available about the future. Following its assessment, the Board of Directors concluded that the Bank has adequate capital and liquidity levels and that the shareholders have no intention of discontinuing the Bank's operations. Accordingly, the going concern basis of

accounting was considered appropriate in the preparation of these financial statements.

The PCIF, which came into effect on 1 January 2010, represents a convergence towards the International Financial Reporting Standards (IFRS), incorporating a number of adaptations to the São Toméan environment.

Pursuant to a communication issued by the Central Bank of São Tomé and Príncipe dated 3 December 2010, subsequently extended by further communications dated 24 April 2015, 8 December 2015, 10 March 2017 and 26 March 2018, the following exceptions to the requirements of the PCIF were authorised for the banking sector:

- The deferral of fees associated with credit operations is carried out using the straight-line method rather than the effective interest rate method;
- Investment securities are recognised at nominal value, with the fair value measurement basis not being applied;
- Provisions for loans and advances are determined in accordance with Prudential Standard (NAP) No. 13/2021, rather than being measured under IFRS 9;
- The presentation of disclosures in accordance with IFRS 7 – 'Financial Instruments: Disclosures' are only mandatory following the implementation of the above requirements.

On 5 March 2019 and 21 January 2020, the Central Bank of São Tomé and Príncipe issued further communications extending all the exceptions referred

to above, except for those relating to the recognition of investment securities. Under these communications, institutions are required, on initial recognition, to determine whether investment securities are to be measured at fair value or classified as held for investment (Chapter III, paragraph 6). **SPECIFIC ACCOUNTING STANDARDS'** of the PCIF).

It was further clarified that IFRS requirements not incorporated into the PCIF are not mandatory. Nevertheless, the Central Bank permits the Bank to adopt IFRS in full, provided that the accounting policies adopted are disclosed in the notes to the financial statements and duly approved by the Banking Supervisory Authority.

In January 2022 and February 2023, the Central Bank of São Tomé and Príncipe issued further communications extending all the conditions set out in the communications of 5 March 2019 and 21 January 2020, reaffirming in its February 2023 communication that these conditions would remain in force until further official notice.

The financial statements are presented in *dobras* (STN), rounded to the nearest unit.

The accounting policies adopted in preparing the financial statements as at 31 December 2025 have been applied consistently with those used in the preparation of the financial statements as at 31 December 2024.

These financial statements were authorised for issue by the Board of Directors of BISTP at its meeting held on 30 March 2026 and remain subject to approval by the General Meeting of Shareholders. The Board of Directors expects that

these financial statements will be approved without material amendment.

2.2. ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of these financial statements are set out below:

a) Accrual basis

Income and expenses are recognised on an accrual basis over the period to which the underlying transactions relate, in accordance with the accrual principle, and are recognised when earned or incurred, irrespective of when they are received or paid.

b) Conversion of balances and transactions in foreign currency

The Bank’s financial statements as at 31 December 2025 and 2024 are presented in its functional currency, the São Tomé and Príncipe dobra (STN). Assets and liabilities denominated in foreign currencies have been translated into the functional currency using the indicative buying exchange rates published by the Central Bank of São Tomé and Príncipe at those dates, in accordance with Prudential Standard No. 05/2009 of 9 July.

Following the entry into force of Permanent Implementing Regulation No. 17/09, dated 31 December, issued by the Central Bank of São Tomé and Príncipe, the exchange rate against the euro (EUR) was set with effect from 1 January 2010, with the exchange rate set at 1 Euro to 24.5 São Tomé and Príncipe Dobras (STN). As at 31 December 2025 and 2024, the exchange rate against the United States dollar (USD) was as follows:

	2025	2024
1USD	20,8386 STN	23,4584 STN

Foreign currency transactions are accounted for in accordance with the ‘multi-currency’ accounting system, whereby each transaction is recorded in its respective currency of denomination. Monetary assets and liabilities denominated in foreign currencies are translated into STN using the indicative buying exchange rates published daily by the Central Bank of São Tomé and Príncipe. Non-monetary assets and liabilities are translated into the functional currency using the exchange rate prevailing at the close of business on the transaction date.

Realised and unrealised foreign exchange gains and losses arising from such translations are recognised in the income statement for the year in which they arise, under the line item ‘Net foreign exchange income’.

Income and expenses denominated in foreign currencies are translated on a daily basis using the exchange rate prevailing at the close of business.

c) Credit risk provisions

As defined in the PCIF, credit risk provisions must, on a transitional basis, correspond to the higher of regulatory provisions and impairment. As described in Note 2.1, for the years 2025 and 2024, the Central Bank of São Tomé and Príncipe authorised the Bank not to calculate impairment in accordance with IFRS 9.

Under Chapter III, paragraph 7 of the PCIF, the Bank performed an individual

impairment assessment of individually significant economic groups in order to assess the sufficiency of regulatory provisions against the estimated recoverable amount of the loans. For these exposures, the Bank recognised the higher of the impairment amount (economic provisions) and the regulatory provisions.

For non-significant exposures, the Bank calculated credit risk provisions in accordance with NAP No. 13/2021.

For off-balance sheet exposures, the Bank recognises impairment allowances based on the exposure amount determined in accordance with Official Gazette No. 25/1992, Instruction No. 2, Regulations 2.2 and 2.3, as well as Prudential Standard (NAP) No. 13/2021.

Under the terms of this Standard, the Bank classifies lending operations in ascending order of risk, in accordance with the following categories:

- a) Normal
- b) Under supervision
- c) Substandard
- d) Doubtful debt
- e) Loss

For the purpose of determining impairment allowances, all lending operations granted to the same customer are classified in the highest risk category applicable to that customer, irrespective of the collateral provided for each individual facility.

Non-performing loans are classified into risk categories according to the time elapsed since the facilities became past due, with the minimum provisioning

levels calculated in accordance with the following table:

Category	Normal	Under supervision	Substandard	Doubtful debt	Loss
% of provision	2%	10%	25%	50%	100%
Time elapsed since the loan entered default	up to 30 days	30 to 89 days	90 to 180 days	180 to 360 days	more than 360 days

Accrued interest, as well as loans subject to legal recovery proceedings, are fully provided for. In addition, as previously mentioned, the Bank recognises economic provisions for certain customers where significant difficulties in recovering outstanding amounts are expected, including loans restructured due to the borrowers' financial difficulties. These provisions may be revised or reversed if the underlying risk factors change or, in the case of restructured loans, where the borrower has complied with the terms of the restructured facility for a minimum period of 12 consecutive months.

Different risk classifications may be assigned to separate exposures relating to the same borrower where the exposure classified in the highest risk category represents less than 10% of the borrower's total exposure.

The Bank's Board of Directors considers that economic provisions are fully deductible for corporate income tax purposes, as they are considered necessary for the generation of taxable income.

In accordance with paragraph 8 of NAP No. 05/2009, economic provisions and provisions relating to loans classified as 'Substandard', 'Doubtful' and 'Loss' are recognised as a credit adjustment to the 'Loans and advances to customers'

line item within assets.

Provisions for loans classified as 'Normal' and 'Under supervision' and for off-balance-sheet exposures are recognised under 'Other provisions' within equity.

Pursuant to Article 5 of NAP No. 13/2021, exposures to the Government of São Tomé and Príncipe and the Central Bank of São Tomé and Príncipe, as well as assets guaranteed by either of these entities and off-balance sheet exposures entered into on their behalf or under their guarantee, must be classified in the 'Normal' risk category. The special provisions set out in paragraph 2 of Article 5 apply as follows:

- The Bank is exempt from the requirement to maintain the minimum provisions prescribed by the NAP;
- Delays in the payment of principal or interest shall not result in the reclassification of such exposures to a higher risk category;
- Where principal and/or interest payments are overdue, the Bank shall recognise a provision equivalent to the minimum amount prescribed by the NAP for the risk category into which the overdue amount would otherwise be classified based on the period of delinquency; such provision shall apply exclusively to the overdue amount and not to the total outstanding exposure; and
- Where interest payments are overdue, the Bank shall suspend the recognition of the corresponding income, recognising it only when the overdue interest is effectively received.

In accordance with Article 5 of NAP No. 13/2021, the Bank did not recognise any provisions for such exposures as at 31 December 2025 and 2024.

d) Assets acquired in settlement of debt

Properties and other assets acquired in settlement of non-performing loans are recognised under the line item 'Other assets' (Note 9), in accordance with Article 8 of NAP No. 07/2007 of 6 August.

Assets received in settlement of non-performing loans are initially recognised at the lower of the carrying amount of the loan or asset to be recovered, including any legal costs incurred, and the fair value determined by independent valuers.

Until 2022, the Bank recognised additional specific provisions for such properties over a period of eight years, at an annual rate of 12.5% of their carrying amount.

In 2023, the Administration amended the criteria for calculating provisions for properties received in lieu of payment and began to apply a six-year period for setting aside provisions for such properties, at a rate of 16.6667%. This policy reflected the low turnover of properties held in the Bank's portfolio, their generally advanced state of deterioration and the weak economic conditions experienced in the country in recent years. In addition, the Bank increases these provisions whenever considered necessary, taking into account the condition of the properties.

Provisions relating to assets acquired in settlement of debt are presented under the line item 'Other assets' (Note 9).

e) Tangible and intangible fixed assets

Tangible fixed assets acquired up to 1998 are carried at acquisition cost, as revalued in accordance with the legislation then in force, less accumulated depreciation. Subsequent additions to property and equipment are recognised at acquisition cost less accumulated depreciation. Depreciation is calculated on a straight-line basis, by monthly apportionment, using the depreciation rates established by Law No. 5/93 of 10 August, which correspond to the following estimated useful lives:

	Useful life (years)
Own service properties	50
Equipment:	
Furniture and materials	8
Machinery and tools	2 - 10
IT Equipment	3 - 4
Interior facilities	8 - 20
Transport material	4

Acquisition cost includes expenditure directly attributable to the acquisition of the assets. Maintenance and repair costs are recognised as an expense in the period in which they are incurred under the line item 'General and administrative expenses'

Intangible assets mainly comprise costs incurred in the acquisition, development or implementation of software used in the Bank's operations. These fixed assets are depreciated on a straight-line basis, by monthly apportionment, over a period of three years.

Software maintenance costs are recognised as an expense in the period in which they are incurred.

f) Securities portfolio

In accordance with the PCIF, upon initial recognition the Bank is required to determine whether securities are to be measured at fair value or classified as held for investment. Securities measured at fair value are those designated by the Board of Directors for trading purposes. Investment securities comprise fixed-income securities with predetermined interest rates and maturities, which the Bank acquires with the intention of holding them until maturity or redemption.

All securities held by the Bank are classified as investment securities.

Treasury Bills are recognised at nominal value under the line item 'Investment securities', with the discount between acquisition cost and nominal value recognised on a straight-line basis as interest income over the remaining term to maturity. The amount of the discount is recognised under the liability line

item 'Accruals and deferrals – Deferred income – Bonds and other securities' (Note 14).

Treasury Bonds issued by the Government of São Tomé and Príncipe are recognised at nominal value under the line item 'Investment securities', with interest income accrued on a straight-line basis over their remaining term to maturity.

In September 2024, the Treasury Bills held by the Bank were converted into three Treasury Bonds bearing semi-annual interest, with maturities in 2027, 2029 and 2031, respectively.

g) Fixed financial assets

As at 31 December 2025 and 2024, the line item 'Fixed financial assets' represents the Bank's investment in Sociedade Gestora de Pagamentos Automáticos de São Tomé e Príncipe (SPAUT). Fixed financial assets are carried at acquisition cost and are subject to impairment testing

h) Taxes

The Bank is subject to corporate income tax at the standard rate of 25%, as provided for in Article 81 of the Tax Code enacted by Law No. 16/2008 of 31 December.

Following the entry into force of Value Added Tax (VAT) Law No. 13/2019 on 1 June 2023, which repealed all previous consumption tax legislation, the Bank became liable to charge VAT at the rate of 15%.

Furthermore, the entry into force of Stamp Duty Law 14/2022, with effect from

1 June 2023, reduced the stamp duty rate from 6% to 3.5%. The amount of stamp duty collected is recognised under the line item 'Other operating income' in the income statement.

Interest earned on Treasury Bills and Treasury Bonds issued by the Government of São Tomé and Príncipe is subject to withholding tax at the rate of 20% on investment income.

As at 31 December 2025 and 2024, there were no taxable or deductible temporary differences. The PCIF does not provide for the recognition of deferred tax assets and deferred tax liabilities.

i) Retirement pensions

Law No. 1/90 of 8 May, governing the Social Security system in São Tomé and Príncipe, provides for the payment of retirement and disability pensions to all employees registered with the Social Security system who reach the statutory retirement age (57 for women and 62 for men).

Decree-Law No. 01/2025 of 7 January introduced amendments to the basis for calculating pensions under Articles 57 and 80. The same Decree-Law also amended the Social Security contribution rates, which are now 7% for employers and 5% for employees, in accordance with Article 101.

j) Seniority bonuses

Until 2021, the Bank had undertaken to pay a Seniority bonus, equivalent to one or two months' salary to employees upon completing 15 and 30 years of service, respectively. In 2022, following the entry into force of the new Staff Regulations pursuant to Service Order No. 23/2022, the Bank undertook to pay

seniority bonuses equivalent to one, two or three months' salary to employees upon completion of 10, 20 and 30 years of service, respectively. Seniority bonuses are recognised on a straight-line basis over the course of employees' service under the item 'Accruals – Accrued expenses' (Note 14) and presented in the profit and loss account under 'Staff costs'.

k) Productivity bonus

The Executive Committee awards annual productivity bonuses (profit-sharing awards) to employees based on their individual contribution to BISTP's results and to safeguarding its interests.

The following eligibility criteria have been defined:

- Employees on the Bank's permanent staff, under permanent, fixed-term, service or expatriate contracts, who are in the Bank's employment as at 31 December;
- Employees who, although not in the Bank's employment on that date, worked for all or part of the year and who, in the meantime:
 - Have retired;
 - They have left the Bank in accordance with the contract or agreement entered into with the Bank, excluding fixed-term employees whose contracts were terminated due to unsuitability.

Productivity bonuses are recognised under 'Staff costs' in the financial year to which they relate, in accordance with the accrual principle.

The remuneration of the governing bodies comprises two components: a fixed

component, awarded to all members of the Board of Directors, and a variable component, awarded exclusively to the executive members of the Board of Directors, with the purpose of encouraging the performance of that body and rewarding the results achieved. The variable remuneration of the executive members of the Board of Directors is paid on a discretionary basis, depending on the Bank's sustained performance and following a resolution of the General Meeting after approval of the financial statements.

l) Fees

As described in Note 2.1, the Bank defers the fees charged on loans and advances to customers over the life of the respective facilities using the straight-line method.

Fees associated with guarantees provided, documentary credits and card annual fees are also deferred on a straight-line basis over the corresponding period.

Fees for services provided are recognised as income over the period in which the service is rendered or, in a single amount, if they correspond to compensation for the performance of one-off acts.

Fees relating to credit transactions and other financial instruments, in particular fees and commissions relating to loan transactions and other financial instruments, namely fees directly attributable to their origination that are charged or paid, are recognised over the term of those transactions under 'Interest and Similar Income' and 'Interest and Similar Costs'.

m) Loans and advances to customers and accounts receivable

Loans and advances to customers and other receivables comprise all financial assets arising from the provision of cash, goods or services to a debtor. This definition includes the Bank's core lending activities, as well as receivable balances arising from transactions with third parties conducted in the ordinary course of the Bank's business, but excludes transactions with credit institutions. These financial assets are initially recognised at their contractual amount when originated by the Bank, or at the consideration paid when acquired from third parties.

Interest, fees and other costs and income associated with credit transactions are accrued. Interest, fees and other costs and income associated with lending operations are accrued over the life of the respective facilities, with the corresponding entries recognised in profit or loss, irrespective of when they are received or paid.

Under Article 6 of NAP 13/2021, exposures classified in the 'Loss' category must be written off (written off) after they have remained in that category for 12 months, or earlier if there is no reasonable expectation of recovery.

Loans and advances are subject to provisions as described in Note 2.2(c).

n) Guarantees given and irrevocable commitments

Liabilities arising from guarantees issued and irrevocable commitments are recognised in off-balance sheet accounts at the amount at risk, while the related interest, fee and other income is recognised in the income statement over the life of the underlying transactions.

These exposures are subject to the credit risk provisioning requirements

established by NAP No. 13/2021 and by Official Gazette No. 25/1992, Instruction No. 2, Regulations 2.2 and 2.3, as described in Note 2.2(c).

o) Other financial liabilities

This category includes funding from central banks, other credit institutions and customer deposits.

These financial liabilities are measured at their nominal amount, plus any fees and all incremental costs directly attributable to the transaction.

p) Provisions and contingent liabilities

A provision shall be recognised when there is a present obligation (legal or constructive) arising from a past event and (i) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (ii) the amount of the obligation can be measured reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the best estimate, and are reversed through profit or loss to the extent that an outflow of resources is no longer probable.

Provisions are derecognised through their use for the obligations for which they were initially constituted or in cases where they are no longer observed.

A contingent liability is a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Bank's control, or a present obligation arising from past events that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be

required to settle the obligation, or because the amount of the obligation cannot be measured with sufficient reliability. Accordingly, the Bank discloses a contingent liability where it is more likely than not that no present obligation exists at the reporting date, unless the possibility of an outflow of resources embodying economic benefits is remote.

q) Recognition of interest

Interest income and expense relating to financial assets and financial liabilities are recognised under 'Interest and Similar Income' and 'Interest and Similar Costs' (net interest income) using the straight-line interest method, which does not differ materially from the effective interest method.

The calculation of interest includes fees paid or received that are considered an integral part of the effective interest rate, transaction costs and all premiums or discounts relating to the transaction.

NAP 05/2009 – 'Chart of Accounts for Financial Institutions' – provides that institutions must cease recognising interest income (through accrual) once a loan is more than 90 days past due (i.e. loans classified as 'Substandard', 'Doubtful' or 'Loss').

r) Cash and cash equivalents

For the purposes of preparing the cash flow statement, the Bank considers 'Cash and cash equivalents' to comprise highly liquid short-term investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. These include cash and balances with the Central Bank and balances with credit institutions repayable on demand.

2.3. KEY ESTIMATES AND JUDGEMENTS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

The main accounting estimates and judgements used in the application of the accounting principles by the Bank are presented in this Note, with the purpose of improving the understanding of how their application affects the reported results of the Bank and its disclosure. A detailed description of the Bank's principal accounting policies is set out in Note 2.2 to the financial statements.

Given that in many situations there are alternatives to the accounting treatment adopted by the Board of Directors, the results reported by the Bank could be different if a different treatment were chosen. The Board of Directors believes that the choices made are appropriate and that the financial statements provide a true and fair view of the financial position of the Bank and the results of its operations in all material respects.

a) Provisions for loans granted

Provisions for loans and advances are determined in accordance with the methodology described in Note 2.2(c), based on a periodic review of the loan portfolio to assess the existence of impairment losses (economic provisions). This assessment is based on a range of factors reflecting the Bank's knowledge of its customers, their repayment behaviour and historical performance, the value of the collateral securing the relevant facilities, among other considerations, and therefore involves a significant degree of judgement.

Alternative methodologies and the use of different assumptions and estimates could result in a higher level of impairment losses recognised with a subsequent impact in the income statement of the Bank.

b) Provisions and contingent liabilities

As referred to in Note 2.2(p) above, provisions are recognised whenever a present obligation exists, it is probable that an outflow of resources will be required to settle that obligation, and the amount can be measured reliably.

The decision to recognise and measure provisions takes into account the assessment performed by the Board of Directors, based on the opinions of the Bank's legal advisers, regarding the risks and uncertainties associated with ongoing legal proceedings and the expected future cash outflows, using the best information available at the reporting date.

During the first quarter of 2025, the Bank identified a fraud perpetrated by an employee since 2018, involving the repeated alteration of the ultimate beneficiary of payment orders received by the Bank from the Treasury Directorate. The Bank's Board of Directors recognised provisions in respect of this contingency, which is subject to a high degree of uncertainty regarding the amount ultimately payable, taking into account the information available to date, the opinions of legal advisers, the judicial proceedings, which have not yet commenced, and the requirements of NAP No. 05/2009 of 9 July.

Contingent liabilities are not recognised in the financial statements but are disclosed where the possibility of an outflow of resources embodying economic benefits is not considered remote. The assessment of contingent liabilities is based on the progress of ongoing legal proceedings, the outcome of which may differ from previous expectations

c) Income taxes

The Bank is subject to corporate income tax at the standard rate of 25%, as provided for in Article 81 of the Tax Code enacted by Law No. 16/2008 of 31 December.

Income taxes are recognised in profit or loss for the period.

Tax returns are subject to review and adjustment by the tax authorities for a period of five years from the date to which the taxable income relates. As a result of differing interpretations of tax legislation, adjustments to taxable profit for the financial years 2021 to 2025 may arise. However, the Bank does not expect any such adjustments to arise and, should they occur, they are not expected to have a material impact on the accompanying financial statements.

To determine the overall amount of income taxes, it was necessary to make certain interpretations and estimates.

3. CASH AND CASH EQUIVALENTS WITH THE CENTRAL BANK

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Cash		
Domestic notes and coins	64,373,603	66,821,892
Foreign notes and coins:		
In Euros	21,850,876	23,783,191
In U.S. Dollars	7,246,957	10,212,685
In other currencies	2,878,723	1,923,634
	96,350,159	102,741,402
Demand deposits at Banco Central de São Tomé e Príncipe (BCSTP)		
In domestic currency	999,021,770	748,746,394
In foreign currency:		
In Euros	18,906,495	24,852,815
In U.S. Dollars	26,663,045	11,274,852
	1,044,591,310	784,874,061
	1,140,941,469	887,615,463

Demand deposits held with the BCSTP in local currency are maintained in order to comply with the statutory minimum reserve requirements.

As at 31 December 2025 and 2024, the minimum reserve requirement (MRR) ratios were 28% of eligible liabilities denominated in local currency and 21% of eligible liabilities denominated in foreign currencies, respectively. These ratios were calculated based on the eligible liabilities recorded in the month falling two months before the beginning of the maintenance period, in accordance with NAP No. 18/2011 of 17 August, issued by the Central Bank of São Tomé and Príncipe. These deposits do not bear interest.

As at 31 December 2025 and 2024, total eligible liabilities amounted to STN 791,527,797 and STN 703,151,359, respectively.

4. LOANS AND ADVANCES TO CREDIT INSTITUTIONS

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Cheques for collection – Domestic	2,281,688	2,366,228
	2,281,688	2,366,228
Items for collection – Domestic	1,755,175	483,802
Demand deposits held abroad		
Caixa Geral de Depósitos:		
Head Office (Lisbon)	163,214,174	195,179,286
France Branch	3,445,450	3,251,532
Banco Comercial Português	11,320,462	28,398,687
Banco Santander Totta	3,652,092	2,916,352
Banco BAI Europa	63,969,779	17,890,114
Other Credit Institutions	184,362	184,362
	245,786,319	247,820,333
Other Loans and advances	216	234
	249,823,398	250,670,597

The line item 'Cheques for collection' comprises cheques drawn on customers of other banks, which are generally collected during the first few business days following deposit.

As at 31 December 2025 and 2024, the line item 'Items for collection – Domestic' comprised instruments representing 'bank payment orders' issued by the Treasury Directorate for the settlement of the State's current expenditure. These instruments are deposited with the Bank for settlement and have maturities of less than 10 days.

The reduction in foreign currency balances held with correspondent banks reflects the increased scarcity of foreign currency, resulting from the requirement introduced under NAP No. 06/2024 for banks to transfer 25% of foreign currency proceeds received from abroad to the Central Bank. It also reflects a change implemented by the Government in 2025, whereby a significant proportion of institutional foreign currency receipts began to be channelled directly to the Central Bank of São Tomé and Príncipe rather than through commercial banks.

The Bank's foreign currency balance is also used to ensure that it can meet its obligations to customers in respect of the balances and assets they hold with the Bank in foreign currency.

5. LOANS AND ADVANCES TO CREDIT INSTITUTIONS

As at 31 December 2025 and 2024, this line item comprised term deposits and certificates of deposit, with the following breakdown by currency and interest rate:

2025						
	Currency	Interest Rate	Foreign Currency Amount	Amount in STN	Interest Receivable	Total
Deposits with domestic credit institutions						
Certificates of Deposit:						
Central Bank Certificates of Deposit	STN	5.00%	48,780,488	48,780,488	1,097,561	49,878,049
Central Bank Certificates of Deposit	STN	5.50%	220,888,355	220,888,355	2,632,253	223,520,609
				269,668,843	3,729,814	273,398,658
Deposits with foreign credit institutions						
Demand deposits:						
CGD – Portugal	EUR	1.70%	8,534,000	209,083,000	661,632	209,744,632
BAI Europa	EUR	1.35%	500,000	12,250,000	90,497	12,340,497
BAI Europa	EUR	2.53%	500,000	12,250,000	308,203	12,558,203
BAI Europa	EUR	2.42%	885,000	21,682,500	467,872	22,150,372
BAI Europa	EUR	2.33%	623,333	15,271,659	282,687	15,554,345
BAI Europa	EUR	2.03%	300,000	7,350,000	90,766	7,440,766
BAI Europa	EUR	1.95%	209,333	5,128,659	51,116	5,179,774
BAI Europa	EUR	2.05%	400,000	9,800,000	70,873	9,870,873
BAI Europa	EUR	2.11%	400,000	9,800,000	72,947	9,872,947
BAI Europa	EUR	2.10%	210,000	(5,145)	29,412	5,174,412
BAI Europa	EUR	2.17%	210,000	5,145,000	30,393	5,175,393
BAI Europa	EUR	2.03%	215,000	5,267,500	21,089	5,288,589
BAI Europa	EUR	2.05%	235,000	5,757,500	4,918	5,762,418
BAI Europa	EUR	2.16%	235,000	5,757,500	5,182	5,762,682
BAI Europa	EUR	2.31%	235,000	5,757,500	5,542	5,763,042
BAI Europa	USD	4.24%	600,000	12,503,160	527,189	13,030,349
BAI Europa	USD	4.20%	650,000	13,545,090	543,610	14,088,700
BAI Europa	USD	4.11%	1,920,000	40,010,112	1,306,397	41,316,509
BAI Europa	USD	4.00%	407,000	8,481,310	232,765	8,714,075
BAI Europa	USD	3.99%	209,333	4,362,207	88,960	4,451,167
BAI Europa	USD	3.99%	609,000	12,690,707	258,806	12,949,513
BAI Europa	USD	4.13%	390,000	8,127,054	118,409	8,245,463
BAI Europa	USD	3.91%	390,000	8,127,054	112,101	8,239,155
BAI Europa	USD	3.93%	1,115,000	23,235,039	248,576	23,483,615
BAI Europa	USD	3.87%	1,115,000	23,235,039	244,781	23,479,820
BAI Europa	USD	3.87%	275,000	5,730,615	43,739	5,774,354
BAI Europa	USD	3.74%	275,000	5,730,615	42,270	5,772,885
BAI Europa	USD	3.59%	275,000	5,730,615	40,574	5,771,189
BAI Europa	USD	3.70%	256,666	5,348,560	8,246	5,356,806
BAI Europa	USD	3.66%	256,666	5,348,560	8,157	5,356,717
BAI Europa	USD	3.58%	256,666	5,348,560	7,978	5,356,538
				523,000,115	6,025,685	529,025,800
				792,668,958	9,755,500	802,424,458

		2024				
	Currency	Interest Rate	Foreign Currency	Amount in STN	Interest Receivable	Total
Deposits with domestic credit institutions						
Deposit Certificates:						
Central Bank Certificates of Deposit	STN	4.56%	79,110,012	79,110,01	316,479	79,426,492
Central Bank Certificates of Deposit	STN	4.50%	108,776,267	108,776,267	203,956	108,980,223
				187,886,279	520,435	188,406,714
Deposits with foreign credit institutions						
Term deposits :						
CGD – Portugal	EUR	2.83%	660,923	16,192,62	16,548	16,209,172
CGD-Portugal	EUR	2.82%	440,000	10,780,00	844	10,780,844
CGD - Portugal	EUR	2.70%	500,000	12,250,00	919	12,250,919
BAI Europa	EUR	3.64%	2,550,000	62,475,00	2,118,167	64,591,167
BAI Europa	EUR	3.87%	3,050,000	74,725,00	2,466,112	77,191,112
BAI Europa	EUR	3.80%	1,250,000	30,625,00	956,861	31,581,861
BAI Europa	EUR	3.35%	500,000	12,250,00	224,566	12,474,566
CGD – Portugal	USD	4.25%	422,502	9,911,22	15,211	9,926,435
BAI Europa	USD	5.30%	1,690,000	39,644,69	2,118,679	41,763,375
BAI Europa	USD	5.15%	1,850,000	43,398,04	2,172,916	45,570,956
BAI Europa	USD	5.30%	3,700,000	86,796,08	3,982,156	90,778,236
BAI Europa	USD	4.74%	1,326,667	31,121,47	483,524	31,605,001
BAI Europa	USD	4.30%	1,326,667	(121,477)	438,640	31,560,117
BAI Europa	USD	4.68%	406,000	9,524,11	84,193	9,608,304
BAI Europa	USD	4.57%	406,000	9,524,11	82,214	9,606,325
BAI Europa	USD	4.44%	408,000	9,571,02	80,269	9,651,296
BAI Europa	USD	4.33%	500,000	11,729,20	18,340	11,747,540
BAI Europa	USD	4.30%	500,000	11,729,20	18,213	11,747,413
BAI Europa	USD	4.28%	500,000	11,729,20	18,128	11,747,328
CGD – Portugal	GBP	4.70%	420,000	12,405,07	559,078	12,964,156
CGD - Portugal	GBP	4.35%	200,000	5,907,18	704	5,907,884
CGD – Portugal	GBP	4.35%	200,000	5,907,18	704	5,907,884
CGD – Portugal	GBP	4.35%	200,000	5,907,18	704	5,907,884
CGD – Portugal	CAD	2.75%	115,000	1,873,960,	143	1,874,103
				557,098,045	15,855,833	572,953,878
				744,984,324	16,376,268	761,360,592

As at 31 December 2025 and 2024, certificates of deposit and term deposits had the following residual maturity profile:

	2025			2024		
	Amount in STN	Interest receivable	Total Amount	Amount in STN	Interest receivable	Total Amount
Up to three months	11,106,060	13,164	11,119,224	254,656,508	573,001	255,229,509
Between three months and one year	781,562,898	9,742,336	791,305,234	490,327,816	15,803,267	506,131,084
	792,668,958	9,755,500	802,424,458	744,984,324	16,376,268	761,360,593

6. LOANS AND ADVANCES TO CUSTOMERS

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Performing Loans:		
- Domestic Currency:		
Commercial discounts	-	170,000
Loans	587,047,409	587,714,893
Loan on current account	24,382,299	10,480,256
Overdrafts on current accounts	113,147,084	80,497,541
	<u>724,576,792</u>	<u>678,862,690</u>
- Foreign Currency:		
Trade discounts		
Loans	6,260,467	7,528,880
Loan on current account	-	-
Overdrafts on demand deposits	3,117,987	5,576
Other Loans	-	-
	<u>9,378,454</u>	<u>7,534,456</u>
	<u>733,955,246</u>	<u>686,397,146</u>
Total Performing Loans (I)		
Irregular Credit:		
- National Currency:		
Capital	59,140,323	84,469,690
Interest	192,169	467,258
	<u>59,332,492</u>	<u>84,936,948</u>
- Foreign Currency:		
Capital	8,840,071	17,772,900
Interest	-	269,757
	<u>8,840,071</u>	<u>18,042,657</u>
	<u>68,172,563</u>	<u>102,979,605</u>
Total non-performing loans {2}		
Total loans and advances to customers (3) = (1) + (2)	<u>802,127,809</u>	<u>789,376,751</u>
Interest receivable on loans and advances (4)	<u>2,214,656</u>	<u>2,237,356</u>
Gross loans and advances (5) = (3) + (4)	<u>804,342,465</u>	<u>791,614,107</u>
Provisions for loans granted (Note 15) (6)	<u>(46,425,767)</u>	<u>(67,424,513)</u>
Total net loans and advances (7) = (5) – (6)	<u>757,916,698</u>	<u>724,189,594</u>

Under the PCIF, loans with instalments overdue by up to 89 days and classified in Categories 1 and 2 of the loan portfolio ('Normal' and 'Under supervision', respectively) are regarded as performing loans. Loans with instalments overdue by more than 90 days and classified in Categories 3, 4 and 5 of the loan portfolio ('Substandard', 'Doubtful' and 'Loss', respectively) are regarded as non-performing or adversely classified loans. Loans subject to legal recovery proceedings are included in Category 5 of the loan portfolio and comprise loan agreements that are subject to legal proceedings.

As at 31 December 2025 and 2024, provisions recognised for customers classified in the non-performing categories amounted to STN 46,425,767 and STN 67,424,513, respectively, and are deducted from the gross carrying amount of loans and advances under the line item 'Loans and advances to customers' in the statement of financial position.

The reduction in provisions for loans classified in the non-performing categories is largely attributable to an improvement in their risk profile, as certain loans previously classified as high risk recorded uninterrupted repayment of their scheduled instalments for a period of twelve months. In accordance with NAP No. 13/2021, the Bank consequently reclassified those loans to the 'Normal' category and reversed the related economic provisions. The write-off of certain loans that had remained in a non-performing status for a prolonged period also contributed to the reduction in the volume of non-performing loans within the portfolio and, consequently, to the utilisation of the related economic provisions.

In 2025 and 2024, the Bank wrote off loans that had been classified as 'Loss' for more than 12 months, as required by NAP No. 13/2021, in the amounts of STN

8,559,943 and STN 4,724,746 (includes, in addition to the outstanding principal, default interest, processing fees and legal costs), respectively.

In 2025 and 2024, provisions amounting to STN 12,129,604 and STN 9,294,999, respectively, were recognised for customers classified in the 'Normal' category (Note 15), reflecting the increase in the volume of loans classified in that category.

As at 31 December 2025 and 2024, the breakdown of the loan portfolio and the related provisions by risk category, excluding interest not yet due, was as follows:

Class	2025							
	Overdue				Economic			
	Performing	Capital	Interest	Total	Total Loans	Regulatory	Provisions	Total
Normal	723,364,605	-	336,041	336,041	723,700,646	8,579,876	2,292,857	10,872,733
Under supervision	9,662,885	549,460	42,256	591,716	10,254,600	250,073	1,006,798	1,256,871
Total Performing	733,027,489	549,460	378,297	927,757	.	8,829,949	3,299,656	12,129,604
Substandard	4,608,025	5,235,099	20,280	5,255,378	9,863,403	619,001	1,846,849	2,465,851
Doubtful Debt	34,317,417	7,553,761	162,473	7,716,234	42,033,651	2,780,443	24,903,965	27,684,408
Loss	5,696,001	10,565,906	13,602	10,579,50	16,275,508	8,020,698	8,254,811	16,275,508
Total non-performing	44,621,443	23,354,765	196,355	23,551,12	68,172,563	11,420,142	35,005,625	46,425,767
	777,648,932	23,904,225	574,652	24,478,877	802,127,809	20,250,091	38,305,280	58,555,371

Class	2024							
	Overdue				Economic			
	Performing	Capital	Interest	Total	Total Loans	Regulatory	Provisions	Total
Normal	684,106,262		263,574	263,574	684,369,83	7,498,261	1,593,304	9,091,565
Under supervision	1,189,934	817,529	19,847	837,376	2,027,31	108,239	95,195	203,434
Total Performing	685,296,196	817,529	283,421	1,100,950	686,397,146	7,606,500	1,688,499	9,294,999
Substandard	12,339,820	177,102	32,700	209,802	12,549,621	481,280	2,675,677	3,156,957
Doubtful Debt	58,929,528	11,982,985	276,434	12,259,419	71,188,948	6,176,132	38,849,996	45,026,128
Loss	285,020	18,528,134	427,881	18,956,016	19,241,035	13,965,728	5,275,700	19,241,428
Total non-performing	71,554,368	30,688,221	737,015	31,425,237	102,979,604	20,623,140	46,801,373	67,424,513
	756,850,564	31,505,750	1,020,436	32,526,187	789,376,750	28,229,640	48,489,872	76,719,512

For the purposes of presenting the above tables, the distinction between performing loans and past due loans is based on whether each loan agreement is classified as a performing exposure (with no days past due) or a past due exposure (in default).

As at 31 December 2025 and 2024, the coverage ratio of non-performing loans by provisions was 68.1% and 65.5%, respectively.

As at 31 December 2025 and 2024, the composition of the loan portfolio by purpose, excluding interest receivable, was as follows:

2025			2024			Unid: mSTN
	Performing loans	Non-performing loans	Loans and advances granted	Performing loans	Non-performing loans	Loans and advances granted
Companies						
Agriculture	-	-	-	-	-	-
Vehicles	101,745	-	101,745	352,291	-	352,291
Commerce	280,000	-	280,000	558,139	-	558,139
Construction	12,937,452	4,498,614	17,436,066	3,024,877	8,473,528	11,498,405
Consumption	5,680,987	34,203	5,724,170	2,098,602	1,746,704	3,845,306
Housing	-	-	-	-	-	-
Import	3,161,989	-	3,161,989	908,585	-	908,585
Investment:	44,301,639	8,297,810	52,599,449	30,249,274	12,286,228	42,535,502
-Agriculture and Livestock	-	-	-	-	-	-
-Trade	8,130,931	6,753,659	14,884,590	13,374,070	10,049,293	23,423,363
-	17,773,875	1,215,142	18,988,017	13,008,241	1,749,594	14,757,835
-Education	-	-	-	136,877	-	136,877
-Services	8,228,455	31,447	8,259,902	702,608	45,589	748,197
-Tourism	4,229,916	297,563	4,527,479	3,027,479	441,752	3,469,231
-Industry	5,939,462	-	-	-	-	-
Other Types	19,982,258	-	19,982,258	17,475,884	-	17,475,884
Central Government	294,706,870	-	294,706,870	311,236,485	-	311,236,485
	381,161,919	12,830,628	393,992,547	365,904,136	22,506,480	388,410,596
Retail Customers						
Agriculture	303,949	-	303,949	264,447	-	264,447
Vehicles	961,398	673,706	1,635,103	896,924	774,576	1,671,501
Commerce	547,427	-	547,427	435,726	42,629	478,356
Construction	65,804,601	2,047,579	67,852,180	60,446,502	10,919,709	71,366,211
Consumption	149,630,864	6,718,449	156,349,313	125,273,667	9,377,045	134,650,713
Education	22,488	-	22,488	199,202	-	199,202
Housing	120,830,623	36,112,857	156,943,480	118,641,942	42,799,288	161,441,229
Import	428,759	390,621	817,380	-	418,836	418,836
Investment	13,491,807	8,818,555	22,310,361	13,177,496	16,141,081	29,318,557
Other Types	391,042	580,169	971,211	419,724	-	419,724
Health	382,369	-	382,369	737,379	-	737,379
	352,793,327	55,341,935	408,135,262	320,493,010	80,473,145	400,966,155
	733,955,246	68,172,583	802,127,809	686,397,146	102,979,605	789,376,751

As at 31 December 2025 and 2024, the performing loan portfolio (excluding interest receivable) was structured by currency and weighted average interest rate as follows:

	2025		2024	
	Interest rate	Performing loans	Interest rate	Performing loans
In Dobras, São Tomé and Príncipe	10.02%	724,576,792	11.05%	678,667,136
In U.S. Dollars	30.75%	3,749,832	10.35%	5,888,316
In Euros	9.50%	5,628,622	11.25%	1,646,140
		733,955,246		686,201,592

increased to STN 109,484,733 and was reclassified to the 'Up to 3 months' maturity band.

As at 31 December 2025 and 2024, the loan portfolio was structured by residual maturity as follows:

	2025	2024
<i>Unid: mSTN</i>	Total	Total
Up to 3 months	141,023,451	13,684,747
3 months to 1 year	30,704,555	33,687,752
From 1 year to 5 years	492,399,802	519,727,767
Over 5 years	137,011,191	140,755,379
Not set	988,809	81,521,106
	802,127,809	789,376,751

Loans with no fixed maturity include loans subject to legal recovery proceedings and loan agreements for which the contractual maturity date has passed. The changes in the 'Up to 3 months' and 'No fixed maturity' bands in 2025 are mainly attributable to an overdraft facility which, in 2024, was classified under the 'No fixed maturity' category in the amount of STN 79,850,198, but which, following the renegotiation of its terms in 2025,

7. INVESTMENT SECURITIES

On 31 December 2025 and 2024, this item is broken down as follows:

Unid: mSTN							
2025							
	Currency	Acquisition cost	Rate of Interest	Date of maturity	Amount in STN	Coupon Amount	Total
Treasury Bond (STPOTTES2027)	STN	124,593,141	6.69%	01/09/2027	124,593,141	2,778,427	127,371,569
Treasury Bond (STPOTTES2029)	STN	124,593,141	7.07%	01/09/2029	124,593,141	2,936,245	127,529,386
Treasury Bond (STPOTTES2031)	STN	255,612,688	7.40%	01/09/2031	255,612,688	6,305,113	261,917,801
Treasury Bills (STPBTTES0031)	STN	19,082,473	6.50%	15/06/2026	19,082,473	917,527	20,000,000
					523,881,443	12,937,313	536,818,756
2024							
	Currency	Acquisition cost	Interest Rate	Maturity date	Amount in STN	Coupon Amount	Total
Treasury Bond (STPOTTES2027)	STN	124,593,141	6.69%	01/09/2027	124,593,141	2,778,427	127,371,569
Treasury Bond (STPOTTES2029)	STN	124,593,141	7.07%	01/09/2029	124,593,141	2,936,245	127,529,386
Treasury Bond (STPOTTES2031))	STN	255,612,688	7.40%	01/09/2031	255,612,688	6,305,113	261,917,801
					504,798,971	12,019,785	516,818,756

On 1 September 2024, the Treasury Bills were converted into Treasury Bonds (STPOTTES2027, STPOTTES2029 and STPOTTES2031), with a total value of STN 504,798,971, as detailed below:

	Currency	Acquisition cost	Discount rate
Treasury Bill (STPBTTE0025)	STN	188,969,601	5.84%
Treasury Bill (STPBTTE0026)	STN	37,735,849	6.00%
Treasury Bill (STPBTTE0027)	STN	94,339,623	6.00%
Treasury Bill (STPBTTE0029)	STN	160,279,719	6.06%
Treasury Bill (STPBTTE0030)	STN	23,474,178	6.50%
		504,798,971	

As at 31 December 2025 and 2024, the Bank's investment portfolio consisted exclusively of securities issued by the Government of São Tomé and Príncipe.

As at 31 December 2025, the discount on Treasury Bills, amounting to STN 564,109, is recorded under the item 'Deferred income – Bonds and other securities' (Note 14).

8. FIXED ASSETS

The movements in these line items for the years ended 31 December 2025 and 2024 were as follows:

	31/12/2024				Acquisitions	Write-offs Depreciations for the year			Transfers	31/12/2025			
	Gross Assets	Accumulated depreciations	Impairment	Net assets			Gross Assets	Accumulated depreciations		Gross assets	Accumulated depreciations	Impairment	Net assets
Tangible fixed assets													
Own service properties	291,723,535	(105,419,601)		186,303,985	963,837	(8,181,053)				292,687,423	(113,600,653)		179,086,770
Furniture and materials	42,367,339	(38,078,100)		4,289,239	8,543	(458,975)				42,375,882	(38,537,075)		3,838,807
Machines and tools	44,021,195	(36,397,011)		7,624,184	629,818	(3,597,518)				44,651,012	(39,994,529)		4,656,483
IT Equip.-hardware	44,034,896	(32,349,718)		11,735,178	4,254,077	(4,370,705)				48,338,973	(36,720,423)		11,618,550
Interior facilities	16,936,612	(13,309,690)		3,626,922	945,848	(779,098)				17,882,460	(14,088,788)		3,793,672
Transport material	14,011,809	(8,541,708)		5,470,101	1,396,025	(2,403,840)				15,407,834	(10,945,548)		4,462,286
Security Equipment	5,686,639	(4,274,415)		1,412,224	1,070,289	(321,301)				6,756,928	(4,595,715)	-	2,161,213
Other Equipment	2,876,573	(2,675,726)		200,847		(199,103)				2,876,573	(2,874,829)		1,744
Artistic heritage	1,034,005			1,084,005						1,084,005			1,004,005
	462,792,653	(241,045,967)		221,746,685	9,268,439	(20,311,594)				472,061,091	(261,357,561)		210,703,530
Intangible fixed assets													
IT Equip.-software	52,521,427	(46,117,602)		6,403,825	5,893,537	(3,472,902)				58,414,964	(49,590,505)		8,824,459
Other	55,156	(55,156)								55,156	(55,156)		
	52,576,583	(46,172,759)		6,403,825	5,893,537	(3,472,902)			-	58,470,120	(49,645,661)		8,824,459
Fixed assets under													
Intangible fixed assets	3,531,074			3,531,074	1,394,240				(2,195,777)	2,729,538			2,729,538
Own service properties					118,443					118,443			118,443
IT Equip.-hardware									(149,234)	(149,234)			(149,234)
Interior facilities	-				1,621,270				(848,103)	773,167			773,167
Transport material					888,169					888,169			888,169
Furniture and materials					119,659					119,659			119,659
Machinery and tools	1,293,377			1,293,377	705,336				(296,040)	1,702,673			1,702,673
Security Equipment	-									-			
	4,824,451			4,824,451	4,847,117		-		(3,489,154)	6,182,414			6,182,414
Fixed financial assets													
SPAJJT	2,940,000		(2,940,000)							2,940,000		(2,940,000)	
	2,940,000		(2,940,000)				-			2,940,000		(2,940,000)	
	523,133,687	(287,218,726)	(2,940,000)	232,974,961	20,009,092	(23,784,496)			(3,489,154)	539,653,625	(311,003,222)	(2,940,000)	225,710,483

	31/12/2023 restated				Acquisitions	Accumulated for the year	Write-offs		Transfers	31/12/2024			
	Gross assets	Accumulated depreciations	Impairment	Net assets			Gross assets	Accumulated depreciations		Gross assets	Accumulated depreciations	Impairment	Net assets
Tangible fixed assets													
Own service properties	283,677,871	(96,839,702)		186,838,169	2,631,580	(8,080,894)			5,414,135	291,723,585	(104,920,596)		186,802,989
Furniture and materials	41,269,297	(37,975,428)		3,293,869	1,098,042	(605,566)				42,367,339	(38,580,994)	-	3,786,345
Machines and tools	41,800,262	(32,797,371)		9,002,890	2,141,749	(3,599,272)			79,184	44,021,195	(36,396,644)	-	7,624,551
IT Equip.-hardware	36,597,106	(29,617,352)		6,979,753	7,487,791	(2,731,235)				44,084,896	(32,348,587)	-	11,736,309
Interior facilities	15,183,530	(12,557,844)		2,625,686	1,753,082	(750,717)				16,936,612	(13,308,561)	-	3,628,051
Transport material	13,698,183	(7,886,541)	-	5,811,642	2,377,589	(2,718,000)	2,063,903	(2,063,963)		14,011,809	(8,540,578)	-	5,471,231
Security Equipment	5,014,629	(3,959,062)	-	1,055,568	672,010	(315,219)				5,686,639	(4,274,281)	-	1,412,358
Other Equipment	2,876,573	(2,459,451)	-	417,122		(216,275)				2,876,573	(2,675,726)		200,847
Artistic heritage	1,084,005			1,084,005						1,084,005			1,084,005
	441,201,455	(224,092,751)		217,108,704	18,161,842	(19,017,179)	2,063,963	(2,063,963)	5,493,319	462,792,652	(241,045,967)		221,746,685
Intangible fixed assets													
IT Equip.-software	46,647,481	(44,387,807)		2,259,674	4,467,410	(1,729,795)			1,416,536	52,521,427	(46,117,602)		6,403,825
Other	55,157	(55,157)								55,157	(55,157)		
	46,702,637	(44,442,964)		2,259,674	4,467,410	(1,729,795)			1,416,536	52,576,584	(46,172,759)		6,403,825
Fixed assets under													
Intangible fixed assets	2,554,984		-	2,554,984	2,392,626				(1,416,536)	3,531,074	-	-	3,531,074
Own service properties	5,414,135			5,414,135					(5,414,135)		-	-	
Machinery and tools	79,184			79,184	1,293,377				(79,184)	1,293,377	-		1,293,377
Security Equipment													
	8,048,302			8,048,302	3,686,804				(6,909,855)	4,824,451			4,824,451
Fixed financial assets													
SPAUT	2,940,000		(2,940,000)							2,940,000		(2,940,000)	
	2,940,000		(2,940,000)							2,940,000		(2,940,000)	
	498,892,395	(268,535,715)	(2,940,800)	227,416,680	26,305,256	(20,746,974)	2,063,963	(2,063,963)		523,133,687	(287,218,726)	(2,940,000)	232,974,961

As at 31 December 2025 and 2024, the item 'Financial Fixed Assets – SPAUT' refers to a 5.364% stake, corresponding to 120 shares, in the São Tomé and Príncipe Automatic Payments Management Company (SPAUT), whose share capital amounts to STN 54,806,500.

In 2017, the Bank recognised a 100% impairment allowance against this investment due to the absence of audited financial information and the consequent low expectation, on the part of the Bank's Board of Directors, of any future recoverability. Although SPAUT reported a positive net profit in 2024, the accumulated net losses from previous years eroded shareholders' equity, resulting in a negative equity balance of STN 3,756,626. Accordingly, and as a matter of prudence, BISTP continues to maintain this investment fully impaired.

In 2025, the gross carrying amount of property and equipment increased by STN 4,254,077 under the computer hardware category, reflecting higher investment in systems security and data processing and storage.

Motor vehicles were also acquired to support the logistics and central treasury functions, resulting in an increase of STN 1,396,025 in the gross carrying amount of motor vehicles.

The Bank also invested in upgrading its intrusion and fire alarm systems, resulting in an increase of STN 1,070,289 in the gross carrying amount of security equipment.

9. OTHER ASSETS

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Properties acquired through debt recovery	56,948,706	55,374,688
Cash advances	332,073	401,776
Western Union	2,190,648	4,331,198
Corporate income tax receivable	3,160,324	-
VISA cards	-	592,055
Receivables – Recovery of stamp duty	-	1,259,735
Properties held for sale	1,221,620	1,221,620
Other	4,027,745	5,290,383
	67,881,116	68,471,455
Provisions for assets acquired through debt recovery and other receivables (Note 15)	(51,522,714)	(49,225,302)
	16,358,402	19,246,153

The 'Western Union' line item relates to amounts pending settlement by Western Union, which are settled during the first few days of the following year.

The corporate income tax receivable, amounting to STN 3,160,324, arose from an overpayment of corporate income tax instalments made during 2025.

As at 31 December 2025, the 'Other' line item mainly comprises amounts relating to fraud committed by employees and losses arising from the duplicate processing of overseas payments, amounting to STN 1,591,125 and STN 1,224,071, respectively.

As at 31 December 2025 and 2024, provisions for other assets are detailed as follows:

Breakdown of the provision for other assets	2025	2024
Properties received in settlement of loans	47,720,567	45,193,279
Properties held for sale	245,000	245,000
Advances – Cash advances	332,073	355,226
Other	3,225,074	3,431,798
	51,522,714	49,225,303

As at 31 December 2025 and 2024, the gross carrying amount and the provisions recognised for properties received in settlement of loans are summarised as follows:

Movements in 2025						
Year of Acquisition	Balance as 31/12/2024	Acquisitions	Associated Expenses	Disposals	Foreign Exchange Revaluation	Balance as at 31/12/2025
Before 2019	7,997,898	-	-	-	-	7,997,898
2019	19,038,000	-	-	-	-	19,038,000
2020	4,140,805	-	-	-	-	4,140,805
2021	15,925,000	-	-	-	-	15,925,000
2022	7,292,984	-	-	-	-	7,292,984
2023	980,000	-	-	980,000	-	-
2025	-	2,554,018	-	-	-	2,554,018
Total	55,374,688	2,554,018	-	980,000	-	56,948,706

2025				2024		
Year of Acquisition	Gross Amount	Provisions	Net Amount	Gross Amount	Provisions	Net Amount
Before 2019	7,997,898	(7,997,898)	-	7,997,898	(7,997,898)	-
2019	19,038,000	(19,038,000)	-	19,038,000	(19,038,000)	-
2020	4,140,805	(690,131)	3,450,674	4,140,805	(690,131)	3,450,673
2021	15,925,000	(12,828,421)	3,096,579	15,925,000	(10,174,265)	5,750,735
2022	7,292,984	(7,292,984)	-	7,292,984	(7,292,984)	-
2023	-	-	-	980,000	(245,000)	735,000
2025	2,554,018	(118,132)	2,435,886	-	-	-
Total	56,948,706	(47,965,566)	8,983,139	55,374,687	(45,438,279)	9,936,408

Provisions for properties received in settlement of loans are calculated in accordance with the policy disclosed in Note 2.2(d).

In 2021, two promissory sale and purchase agreements were entered into for two properties acquired in 2015 and 2020, respectively. The corresponding deeds

of sale will only be executed on 10 January 2034 and 1 August 2041, respectively, upon settlement of the related loans granted by the Bank. Accordingly, the provisions recognised for these properties were not reversed (nor increased, in the case of the property acquired in 2020). The sale proceeds relating to these two properties are recorded under 'Other liabilities', in the amounts of STN 1,592,500 and STN 4,165,000, respectively (Note 13).

In 2025, the Bank executed a deed of sale for a property received through the enforcement of a mortgage guarantee, amounting to STN 754,551. This property had been recognised on the balance sheet in 2023 at STN 980,000 and was subject to provisions amounting to STN 225,449. The sale took into account the condition of the property at the date of the transaction and the costs associated with keeping it recognised on the balance sheet.

The increase in the gross amount of properties received in settlement of loans in 2025 resulted from the recognition of two properties with a total value of STN 2,554,019, received in settlement of two loan operations.

The Board of Directors confirms that it continues to intend to dispose of the properties received in settlement of loans.

10. ASSET ACCRUALS AND DEFERRALS

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Income receivable:		
Other Fees	724,188	672,790
Deferred expenses:		
Software licences	3,402,643	1,792,002
Insurance	2,110,746	1,805,210
Rents	96,775	95,550
Other expenses	1,704,863	2,046,837
	7,315,027	5,739,599
Other asset accruals and		
Other	406,804	400,498
	8,446,019	6,812,887

As at 31 December 2025, the 'Income receivable – Other commissions' line item mainly relates to commissions receivable on life insurance premiums, income from customs revenue collection services and income from the lease of space to an external entity, amounting to STN 112,734, STN 291,113 and STN 320,341, respectively.

The 'Deferred expenses' line item corresponds to advance payments for third-party supplies and services which, under the respective contracts, will be provided in future periods. These services mainly relate to software licences and insurance.

As at 31 December 2025, the 'Deferred expenses' line item mainly comprises the deferred cost of the annual core banking system licence acquired from ASSECO, life insurance costs for employees and conservation and repair works costs, amounting to STN 369,523, STN 197,633 and STN 1,900,843, respectively. The increase in this caption is mainly attributable to maintenance and repair costs relating to the Head Office building.

II. CUSTOMER DEPOSITS

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Demand deposits:		
Resident in domestic currency:		
Autonomous bodies and private companies	1,194,832,370	899,373,486
Retail customers	731,818,175	633,541,894
State bodies and public enterprises	208,772,616	193,997,918
	2,135,423,161	1,726,913,298
Residents in foreign currency:		
Autonomous bodies and private companies	289,538,052	346,348,874
Retail customers	205,460,520	206,194,948
State bodies and public enterprises	42,531,624	66,360,855
	537,530,196	618,904,677
Non-residents in foreign currency:		
Retail customers	15,899,350	16,811,693
Total demand deposits (1)	2,688,852,707	2,362,629,668
Term deposits:		
Residents in domestic currency		
Retail customers	121,752,623	117,552,750
Autonomous bodies and private companies	3,125,892	2,430,348
	124,878,515	119,983,098
Residents in foreign currency		
Autonomous bodies and private companies	208,386	234,584
Retail customers	15,640,989	21,126,680
	15,849,375	21,361,264
Non-residents in foreign currency:		
Retail customers	86,975	-
Autonomous bodies and private companies	1,248,232	-
	1,335,207	-
Interest payable on customers' term deposits	1,030,633	1,157,169
Total term deposits (2)	143,093,730	142,501,532
Total customer deposits (3) = (1) + (2)	2,831,946,436	2,505,131,200

As at 31 December 2025 and 2024, customers' term deposits (excluding interest payable) were denominated in the following currencies and carried the following weighted average interest rates:

	2025		2024	
	Interest Rate	Amount	Interest Rate	Amount
In São Tomé and	4.18%	124,878,482	4.26%	119,983,099
In U.S. Dollars	1.53%	12,196,047	1.52%	16,447,229
In Euros	0.57%	4,510,458	0.96%	4,367,621
In Pounds Sterling	0.68%	478,075	0.25%	546,414
		142,063,064		141,344,363

Customers' current accounts do not bear interest.

As at 31 December 2025 and 2024, customers' term deposits (excluding interest payable) had the following maturity profile based on their remaining contractual maturities:

	2025	2024
	Capital	Capital
Up to three months	13,767,530	11,716,851
From three to one	67,323,252	69,685,204
From 1 year to 5	35,317,282	34,287,275
Over 5 years	25,655,000	25,655,000
	142,063,064	141,344,330

12. FUNDS FROM OTHER ORGANISATIONS

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Domestic currency		
Cheques pending collection	9,063,885	12,188,922
	<u>9,063,885</u>	<u>12,188,922</u>
Foreign currency		
Other funds from	18,093	18,093
Retail customers		
	<u>18,093</u>	<u>18,093</u>
	<u>9,081,978</u>	<u>12,207,015</u>

As at 31 December 2025 and 2024, the balance of the caption 'Cheques for collection' relates to the amount of certified cheques awaiting collection by their beneficiaries.

13. OTHER LIABILITIES

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Creditors:		
Collateral for lending operations	26,646,643	19,196,972
Collateral for the opening of documentary cred	94,623,487	183,273,859
Suppliers	6,062,278	10,221,795
Shareholders	936,139	632,444
Other creditors	521,047	233,756
Stamp duty on banking transactions	2,600,989	1,468,616
Withholding tax on investment income	155,837	153,811
Other taxes and duties	651,896	672,309
Withholding tax on self-employment income	1,536,991	1,735,327
Value Added Tax (VAT)	580,789	625,228
	<u>134,316,096</u>	<u>218,214,118</u>

As at 31 December 2025 and 2024, the 'Collateral for lending operations' line item is broken down as follows:

	2025	2024
Collateral for lending operations		
Compran credit facility	7,350,000	7,350,000
Disposal of properties acquired through debt recovery (see Note 9)	5,757,500	5,757,500
Other collateral	1,194,700	1,526,879
Disposal of properties held for sale (see Note 9)	2,450,000	2,450,000
Other collateral for lending operations	9,894,443	2,112,593
	<u>26,646,643</u>	<u>19,196,972</u>

As at 31 December 2025 and 2024, the 'Compran credit facility' line item represents the amount received by the Bank under the partnership agreement entered into with the Commercialisation, Agricultural Productivity and Nutrition Support Project (Compran), as a guarantee fund for the credit facilities to be granted by the Bank under that agreement.

As at 31 December 2025, the 'Other collateral' line item included amounts of STN 735,000 and STN 459,700 relating to funds pledged as collateral for a

lending operation and funds pledged in connection with the sale of a property to a third party, respectively.

As at 31 December 2025 and 2024, the 'Disposal of properties held for sale' line item represents the sale proceeds of a property recognised under 'Other assets' at STN 1,221,620 (Note 9). The deed of sale and the transfer of legal title to the purchaser will take place on 10 June 2026, when the loan associated with this transaction reaches maturity.

As at 31 December 2025, the balance of the 'Other collateral for lending operations' line item mainly relates to funds amounting to STN 9,300,000 that were placed on hold at the customer's instruction. These funds correspond to part of the loan granted to the customer and have been earmarked for future use.

As at 31 December 2025 and 2024, the balance of the 'Collateral for the opening of documentary credits' line item relates to collateral provided to secure the documentary credit facilities outstanding at the reporting date. As at 31 December 2025, the balance of this line item includes a documentary credit amounting to STN 94,623,487 (STN 143,225,925 as at 31 December 2023) relating to the import of materials for investment in the energy sector under the Energy Sector Restructuring Project, financed by São Tomé and Príncipe's international development partners (the European Investment Bank and the World Bank). These transactions are authorised by the Executive Committee (EC).

14. LIABILITY ACCRUALS AND DEFERRALS

On 31 December 2025 and 2024, this item is broken down as follows:

	2025	2024
Accrued expenses:		
Holiday and holiday subsidies	10,655,178	10,950,282
Productivity bonus	10,866,456	-
Seniority bonus	11,828,756)	11,734,392
Other accrued expenses	9,012,383	4,418,015
Deferred income:	42,362,773	27,102,689
Loans and current account advances	9,486,159	8,396,894
Bonds and other securities (Note 7)	564,109	-
Guarantees and sureties provided	37,140	412,079
Other income	-	41,125
Other accruals and deferrals accounts:	10,087,408	8,850,098
Payment system settlement	9,793,736	8,985,328
	-	11,560,036
Income tax payable (Note 19)		
	62,243,917	56,498,151

As at 31 December 2025, a productivity bonus amounting to STN 10,866,456 was recognised, in accordance with the policy described in Note 2.2(k). In 2025, as a result of the fraud and its impact on the Bank's profitability, the Board of Directors decided not to pay the productivity bonus in respect of the 2024 financial year.

As at 31 December 2025 and 2024, the Seniority bonus was measured in accordance with the accounting policy described in Note 2.2(j).

As at 31 December 2025, the 'Other accrued expenses' line item mainly comprises accruals for external audit fees amounting to STN 4,477,755, consultancy fees amounting to STN 899,150, and building maintenance and repair costs relating to the Bank's Head Office amounting to STN 1,900,843.

As at 31 December 2025 and 2024, the balance of the 'Loans and current account advances' line item relates to the deferral of fees associated with loans and advances. The increase in the balance of this line item is attributable to the growth of the loan portfolio and the maturity profile of the underlying lending operations.

As at 31 December 2025 and 2024, the balance of the 'Other accruals and deferrals – Payment system settlement' line item relates to the amount payable in respect of the settlement of the automated payment system. The related settlements are processed automatically through the Dobra 24 network IT system.

15. PROVISIONS

The movement in provisions for the years ended 31 December 2025 and 2024 was as follows:

	2025				Balance as at 31/12/2025
	Balance as at 31/12/2024	Net appropriations	Uses	Foreign exchange differences and other movements	
Deducted from assets					
Provisions for loans granted (Note 6)	67,424,513	(13,589,525)	(7,416,577)	7,358	46,425,767
Provisions for financial investments (Note 8)	2,940,000	-	-	-	2,940,000
Provisions for assets acquired through debt recovery and other receivables (Note 9)	49,225,302	2,522,861	(225,449)	-	51,522,714
	119,589,815	(11,066,664)	(7,642,026)	7,358	100,888,481
Recognised within equity					
Provision for general credit risks (Notes 6 and 16)	9,294,999	2,842,785	-	(8,180)	12,129,604
Provisions for off-balance-sheet exposures (Note 18)	1,082,529	(568,005)	-	(950)	513,574
Provisions for other assets (Notes 9 and 16)	-	-	-	-	-
Other provisions (Note 16)	5,114,057	2,100	(31,800)	-	5,084,357
Other provisions for fraud (Note 29)	129,609,833	12,279,662	-	-	141,889,494
	145,101,418	14,556,542	(31,800)	(9,130)	159,617,029
	264,691,233	3,489,878	(7,673,826)	(1,772)	260,505,510
	2024				Balance at 31/12/2024
	Balance at 31/12/2023	Net appropriations	Uses	Foreign exchange differences and other movements	
Deducted from assets					
Provisions for loans granted (Note 6)	64,879,937	5,464,261	(3,102,772)	183,087	67,424,513
Provisions for financial investments (Note 8)	2,940,000	-	-	-	2,940,000
Provisions for assets acquired through debt recovery and other receivables (Note 9)	33,649,222	17,787,644	(2,211,563)	-	49,225,302
	101,469,159	23,251,905	(5,314,335)	183,087	119,589,815
Recognised within equity					
Provision for general credit risks (Notes 6 and 16)	9,849,268	(558,557)	-	4,287	9,294,999
Provisions for off-balance-sheet exposures (Note 18)	586,517	490,509	-	5,503	1,082,529
Provisions for other assets (Notes 9 and 16)	738,569	(738,569)	-	-	-
Other provisions (Note 16)	5,125,787	234,000	(245,730)	-	5,114,057
Other provisions for fraud (Note 29)	68,504,251	61,105,581	-	-	129,609,833
	84,804,393	60,532,965	(245,730)	9,790	145,101,418
	186,273,552	83,784,870	(5,560,065)	192,877	264,691,233

As at 31 December 2025 and 2024, the balance of the 'Other provisions – Fraud' line item relates to the provision recognised to cover the fraud identified by the Bank during the first quarter of 2025. The Bank recognised a provision to cover the amounts misappropriated, together with any associated costs, as detailed below:

	31/12/2025	Appropriations	31/12/2024	Appropriations	31/12/2023	Appropriations	Until 31/12/2022
Amounts misappropriated	105,625,304	7,119,745	98,505,559	46,765,965	51,739,594	20,469,181	31,270,413
Other charges	36,264,190	5,159,916	31,104,274	14,339,616	16,764,658	7,794,713	8,969,945
	141,889,494	12,279,661	129,609,833	61,105,581	68,504,252	28,263,894	40,240,358

As at 31 December 2025 and 2024, the balance of the 'Other provisions – Other' line item primarily relates to provisions recognised for contingencies arising from the following legal and administrative proceedings:

- In 2018, the Bank was notified of legal proceedings brought by a borrower in connection with a loan facility, amounting to STN 1,715,000. By judgement delivered on 24 August 2020, the Bank was acquitted of all claims. However, the claimant appealed to the Supreme Court of Justice, and judgement is still pending. As a matter of prudence, the Bank recognised a provision for the full amount of the claim
- In 2019, the Bank was notified of legal proceedings brought by a customer in the amount of STN 1,193,004. As a matter of prudence, the Bank recognised a provision for the full amount of the claim.
- In 2022, the Bank was notified of administrative offence proceedings initiated by the Central Bank of São Tomé and Príncipe, following which a fine of STN 2,000,000 was imposed. As the Bank disputed the decision, it lodged an appeal with the Court of First Instance and is awaiting

judgement. As a matter of prudence, the Bank recognised a provision for the full amount of the claim.

16. CAPITAL FAIR VALUE

As at 31 December 2016, the Bank's share capital was represented by 150,000,000 shares with a nominal value of one thousand São Tomé and Príncipe Dobras each, fully subscribed and paid up.

In 2017, the Bank increased its share capital by STN 16,600,000 through the capitalisation of the foreign exchange revaluation reserve accumulated in previous financial years. As a result, the number of shares representing the Bank's share capital increased from 150,000,000 as at 31 December 2016 to 166,600,000 as at 31 December 2017. The nominal value of each share remained at STD 1,000.

As at 31 December 2025 and 2024, the Bank's shareholding structure, detailed by number of shares, was as follows:

	Number of transactions	%
State of São Tomé and Príncipe	79,968,000	48%
Caixa Geral de Depósitos	44,982,000	27%
Banco Angolano de Investimento - Angola	41,650,000	25%
	166,600,000	100%

LEGAL RESERVE

In accordance with Article 23(a) of the BISTP Articles of Association, the Bank is required to appropriate at least 10% of its profit to the legal reserve until the statutory minimum has been reached. Accordingly, at least 10% of the net profit for the previous financial year has been transferred annually to this reserve. The legal reserve may only be used to cover accumulated losses after all other reserves have been exhausted or to increase share capital.

The legal reserve currently exceeds the statutory minimum requirement of one-fifth of the Bank's share capital.

REVALUATION RESERVES

This reserve arises from revaluations of property and equipment carried out in previous years under the legislation then in force, which provided for the revaluation of fixed assets through the application of exchange depreciation coefficients. The balance of the revaluation reserve as at 31 December 2025 and 2024, amounting to STN 892,214, relates to revaluations carried out by the Bank up to the 1998 financial year.

With the entry into force of the Chart of Accounts for Financial Institutions (PCIF), pursuant to Permanent Application Standard No. 5/09 of 9 July, issued

by the Central Bank of São Tomé and Príncipe, such revaluation became optional and may only be used for the purpose of increasing share capital (Note 2.2(b)).

FOREIGN EXCHANGE REVALUATION RESERVE

Pursuant to Permanent Application Standard (NAP) No. 1/02 of 10 January, subsequently repealed by NAP No. 28/11 of 30 December, and with a view to retaining part of the profits generated in local currency as a result of exchange rate depreciation, the Bank revalued its net foreign currency assets. The effects of this foreign exchange revaluation were recognised in a special foreign exchange revaluation reserve included within the Bank's equity. From March 2008, following the entry into force of NAP No. 11/07 of 26 November, the revaluation of foreign currency positions began to be recognised in profit or loss for the year.

In addition, in 2014 the Bank incorporated into this reserve the provision for the exchange rate depreciation of its share capital against the euro, established in 2008 in respect of the period from 1 March to 31 December 2008, together with the impact of the revaluation of the share capital against the euro in the 2009 financial year, amounting in total to STN 1,904,626.

During the 2017 financial year, the revaluation reserve was reduced by STN 16,600,000 following the share capital increase approved by the Bank through the capitalisation of reserves.

In accordance with NAP No. 5/09, this reserve is non-distributable and may only be used for the purpose of increasing share capital.

17. BALANCES AND TRANSACTIONS WITH SHAREHOLDERS

As at 31 December 2025 and 2024, the principal balances and transactions with the Bank's shareholders were as follows:

	2025	2024
Loans and advances to credit institutions (Note 4)		
Caixa Geral de Depósitos	166,659,624	198,430,819
	166,659,624	198,430,819
Loans and Other amounts due from credit institutions		
Caixa Geral de Depósitos (Note 5)	209,744,632	81,729,281
State of São Tomé and Príncipe (Note 6)	294,706,870	311,236,485
	504,451,502	392,965,766
Bonds and other securities (Note 7)		
State of São Tomé and Príncipe	536,818,756	516,818,756
	536,818,756	516,818,756
Customer Funds (Note 11)		
State of São Tomé and Príncipe	251,304,240	260,358,773
Other Liabilities (Note 13)	251,304,240	260,358,773
Caixa Geral de Depósitos	936,139	632,444
	936,139	632,444
Off-balance-sheet items (Note 18)		
Caixa Geral de Depósitos	314,118,640	229,259,336
	314,118,640	229,259,336
Net Interest Income (Note 20)		
Caixa Geral de Depósitos	1,448,044	5,600,545
State of São Tomé and Príncipe	55,313,540	50,719,105
	56,761,584	56,319,651

Transactions with shareholders are carried out at market prices.

18. OFF-BALANCE SHEET ITEMS

As at 31 December 2024 and 2023, these items are composed as follows:

	2025	2024
Guarantees given and other contingent liabilities:		
Guarantees and sureties provided	27,665,735	29,940,482
Open documentary credits	314,118,640	231,449,024
	341,784,375	261,389,506
Liabilities from services provided:		
Collection of funds from abroad	547,573	3,452,345
Collection of funds within the country	5,284,839	-
Custodied securities (Treasury Bills and Treasury Bonds)	40,747,343	-
Deposit and safeguard of assets	1,080,000	1,080,000
	47,659,755	4,532,345
Third-party liabilities:		
Collateral	1,406,597,176	1,360,079,442
Other off-balance-sheet accounts:		
Payroll deductions	19,506,356	176,060
Other accounts	383,898,989	164,450,914
	403,405,345	164,626,975

As at 31 December 2025 and 2024, the Bank had provisions for guarantees and sureties provided amounting to STN 513,574 and STN 1,082,529, respectively (Note 15).

Provisions for guarantees and sureties provided are presented under the item of 'Other provisions' included in the Bank's equity, as defined in the PCIF.

As described in Note 2.2(c), the provisions recognised are equivalent to 2% of the total off-balance-sheet exposures, as determined in accordance with Official Gazette No. 25/1992, Instruction No. 2, Regulations 2.2 and 2.3.

19. TAXES

In 2025 and 2024, the balances relating to income tax were determined as follows:

	2025	2024
Income before taxes		
Adjustments:		
Taxes paid on behalf of third parties (Article 30(1)(d))	114,589,031	93,841,887
Salaries and other remuneration payable (Article 30(3)(c))	288,31	631,459
Performance bonus payable (Article 30(3)(c))	10,866,456	(11,324,688)
Seniority bonus payable (Article 30(3)(c))	94,364	1,456,423
Fines and other penalties (Art. ^o 30.1(e))	-	435,000
Life Insurance (Article 30(3)(a))	-	-
Non-deductible depreciations (Article 40(1)(e))	2,143,284	2,436,750
Insurance, repairs and maintenance of passenger vehicles (Article 30(2))	376,305	523,455
Fuel for passenger vehicles (Article 30(2))	659,164	708,875
Representation expenses (Article 31(3))	67,065	48,832
Taxes paid on behalf of third parties (Article 30(1)(d))	2,780,946	2,515,249
Provision for fraud	12,279,662	61,105,582
Taxable income	143,567,944	152,378,824
Income tax (25% rate)	35,891,986	38,094,706
Current income tax for the year (1)	35,891,986	38,094,706
Payments on account (2)	28,571,030	19,313,751
Withholding tax (3)	10,481,281	7,220,919
Income tax payable/(recoverable) (4) = (1) - (2) - (3)	(3,160,324)	11,560,036

The tax authorities may review the Bank's tax affairs for a period of five years. As a result of differing interpretations of tax legislation, such reviews may give rise to adjustments to the taxable profit reported for the financial years 2020 to 2024. Given the nature of any potential adjustments, it is not possible to quantify them at this stage. However, the Bank's Board of Directors considers that any additional tax assessments arising from such reviews would not have a material impact on the accompanying financial statements.

The balance of the 'Withholding tax' line item mainly relates to withholding tax levied at the rate of 20% on interest earned on Treasury Bills issued by the Government of São Tomé and Príncipe, as referred to in Note 2.2(h).

20. NET INTEREST INCOME

For the years ended 31 December 2025 and 2024, these line items comprised the following:

	2025	2024
Interest and Similar Income:		
From loans granted	89,063,214	93,393,870
From bonds and other securities	36,505,945	32,218,051
Fees associated with credit operations	6,650,867	7,734,045
From investments in certificates of deposit in the country	19,142,407	602,309
From deposits with foreign credit institutions	15,886,221	29,011,832
	167,248,654	162,960,108
Interest and Similar Costs:		
From customer deposits	5,444,523	5,624,331
	5,444,523	5,624,331

Interest from deposits with foreign credit institutions arises from interest generated by foreign investments, particularly in US dollars. Its decrease is explained, on the one hand, by the reduction in the average volume of investments held throughout the year and, on the other hand, by the decline in interest rates in the international EUR and USD markets.

Interest from investments in certificates of deposit relates to interest earned on the subscription of certificates issued by the Central Bank of São Tomé and Príncipe. The increase in interest recorded in 2025 resulted from the higher average volume of investments made during that year.

Interest from bonds and other securities relates to interest earned on Public Treasury Bonds and Treasury Bills.

21. INCOME AND COSTS RELATED TO SERVICES AND FEES

For the years ended 31 December 2025 and 2024, these items are composed as follows:

	2025	2024
Income from services and fees:		
Transfer fees	64,791,775	70,941,409
Guarantees and sureties provided	1,307,556	1,091,238
Import documentary credit fees	2,757,320	7,861,135
Intervention Committee	1,334,381	1,359,412
Risk Committee	82,206	72,876
Other fees	28,294,257	27,337,063
Income from Foreign Exchange Transactions	33,653,558	29,305,023
Account maintenance fee	10,402,562	10,252,569
Account hold fee	3,538,842	4,352,517
Costs of services and fees:	146,162,457	152,573,242
Card maintenance	7,771,300	9,515,380
Banking services provided on behalf of third parties	9,568,144	5,222,366
Service charge	4,608,814	4,104,301
Other fees	4,975,067	5,947,454
	26,923,325	24,789,502
	119,239,132	127,783,740

The 'Income from Services and Fees – Other Fees' item mainly relates to commissions from foreign currency sales, current account maintenance and fund transfers.

The 'Income from Foreign Exchange Transactions' item relates to commissions earned from euro sales transactions. This fee was set at 2% by the Central Bank,

following the establishment of the exchange rate parity between the euro and the local currency as from January 2018.

22. NET INCOME FROM FOREIGN EXCHANGE TRANSACTIONS

For the financial years ended 31 December 2025 and 2024, this line item comprises the following:

	2025			2024		
	Losses	Profits	Net	Losses	Profits	Net
Net Results from Banknotes and Coins	(4,107,354)	3,353,337	(754,017)	(6,962,026)	7,829,279	867,252
Income in currencies	(2,336,598,991)	2,352,798,85	16,199,859	(1,804,623,139)	1,838,546,375	33,923,236
	(2,340,706,345)	2,356,152,187	15,445,842	(1,811,585,166)	1,846,375,654	34,790,488

The 'Net Results from Banknotes and Coins' line item represents the foreign exchange gains and losses arising from the remeasurement of monetary assets and liabilities denominated in foreign currencies.

The 'Foreign Exchange Results' line item represents the foreign exchange gains and losses arising from the purchase and sale of foreign currencies.

23. OTHER OPERATING INCOME

For the financial years ended 31 December 2025 and 2024, this line item comprises the following:

	2025	2024
Other operating income		
Various banking services	12,554,801	16,633,457
Reimbursement of bank expenses	2,968,515	3,364,401
Recovery of uncollectable debts	10,251,434	19,349,837
Gains on the disposal of fixed assets	-	1,385,975
Other	2,016,162	7,388,275
Other operating costs		
	27,790,912	48,121,945
Levies and donations	1,907,075	702,380
Taxes and charges	11,844,253	11,135,179
Other	3,722,935	6,578,674
	17,474,263	18,416,233
	10,316,649	29,705,712

In 2025, the balance of 'Various banking services' line item mainly comprises income from the issuance of debit cards and cheque books, amounting to STN 1,886,081 and STN 6,610,326, respectively (STN 4,950,725 and STN 7,462,326, respectively, in 2024).

In 2025 and 2024, the 'Taxes and charges' line item mainly comprises VAT incurred by the Bank, amounting to STN 11,282,907 and STN 10,891,375, respectively.

In 2025, the balance of STN 2,016,162 under 'Other Operating Income' mainly

comprises income from the lease of premises owned by the Bank to third parties. In 2024, the balance under 'Other Operating Income' included the reversal of an excess accrual for the 2023 productivity bonus, amounting to STN 4,884,080.

24. STAFF COSTS

For the financial years ended 31 December 2025 and 2024, this line item comprises the following:

	2025	2024
Remuneration of management and supervisory bodies	13,006,382	13,006,582
Remuneration of employees	66,450,474	67,815,024
Productivity bonus	8,818,784	-
Mandatory social charges	4,315,538	3,674,597
Optional social charges	2,373,468	1,966,669
Seniority bonuses (Note 2.2(j))	369,437	1,956,220
Other	206,632	46,600
	95,540,715	88,465,692

In 2025 and 2024, the total remuneration paid to members of the management, executive and supervisory bodies was as follows:

	2025	2024
Board of Directors	11 361 914	13 651 498
Supervisory Board	569 380	561 999
Management Body (Directors and equivalent positions)	5 856 014	6 316 295
Control Functions (Risk, Compliance, Internal Audit and Permanent Control Function)	6 292 096	6 219 756
Total	24 079 404	26 749 549

As at 31 December 2025 and 2024, the amount of loans granted by the Bank to members of the management, executive and supervisory bodies amounted to STN 2,855,445 and STN 3,397,464, respectively.

As at 31 December 2025 and 2024, the Bank had 136 and 137 permanent employees, respectively. However, the average number of employees during the year was 136, as shown in the table below.

Average number of employees during the year.	2025	2024
Management	9	9
Technical staff	58	68
Administrative staff	60	48
Assistants	9	12
Total	136	137

The 'compulsory social security contributions' line item comprises contributions to the Social Security scheme and death benefit contributions. The voluntary social welfare contributions line item comprises occupational health services, hospitalisation cover, medical assistance and medicines.

For the years ended 31 December 2025 and 2024, the 'Staff costs – Other' line item includes STN 142,913 and STN 41,300, respectively, relating to expenditure on employee vouchers and staff social events.

25. GENERAL ADMINISTRATIVE EXPENDITURE

For the financial years ended 31 December 2025 and 2024, this item comprises the following:

	2025	2024
Water, power and fuel	8,963,199	7,530,959
Communications	8,104,583	8,558,745
Maintenance and repair	4,717,232	3,061,777
Printing and consumables	2,125,720	2,855,582
IT services	10,047,123	8,347,977
Rents and leases	1,878,735	1,916,075
Security and surveillance	3,593,655	3,222,183
Consulting and Auditing	4,414,423	3,411,994
Travel and representation expenses	2,080,434	1,879,394
Advertising	2,537,095	1,556,038
Retainers, professional fees and other independent	2,358,023	2,110,965
Insurance	1,789,525	1,898,609
Carrying Amounts	2,064,721	1,960,396
Other	14,727,168	14,465,601
	69,401,636	62,776,294

In 2025, the increase in 'Water, Energy and Fuel' expenses was mainly due to higher fuel consumption for backup power generation, as a result of the insufficient and irregular supply of electricity by EMAE, as well as the increase in EMAE's electricity tariff recorded during the year.

The acquisition of new software licences, combined with investment in new technological infrastructure, drove the increase in IT services costs.

The increase in maintenance and repair costs is due to the repair, maintenance and conservation works being carried out at the Head Office building and at

some branches.

The 'Audits and Consultancy' item includes the amount of STN 2,866,500 corresponding to the fees charged by the External Auditor for the external audit services contracted by the Bank, in accordance with Article 8 of NAP 11/2007.

The above fees are subject to the addition of expenses incurred in connection with the services provided, such as travel and accommodation expenses, borne by the Bank, as well as specialised consultancy work in the area of internal control.

In 2025 and 2024, the 'Other' item mainly includes expenses related to the Visa service, amounting to STN 6,857,042 and STN 8,932,696, respectively.

26. BALANCE SHEET BY CURRENCY

As at 31 December 2025 and 2024, the Bank's balance sheet by currency, expressed in the equivalent amount in local currency, was as follows:

	2025					Total
	Domestic currency	EUR	USD	Other	Total Foreign Currency	
Loans and advances at the Central Bank	1,063,395,373	40,757,371	33,910,002	2,878,723	77,546,096	1,140,941,468
Loans and advances to credit institutions	3,901,917	162,017,254	72,145,890	11,758,337	245,921,481	249,823,398
Other loans from credit institutions	273,398,657	337,638,947	191,386,854		529,025,801	802,424,458
Loans and Advances to Customers	745,716,246	8,447,405	3,753,047		12,200,452	757,916,698
Bonds and other securities	536,818,755	-			-	536,818,755
Tangible fixed assets	210,703,530	-			-	210,703,530
Intangible fixed assets	8,824,459	-			-	8,824,459
Fixed assets under construction	6,182,414	-			-	6,182,414
Financial assets		-			-	-
Other assets	9,278,505	4,889,249	2,190,648		7,079,897	16,358,402
Accruals and deferrals	3,578,941	4,001,460	865,618		4,867,078	8,446,019
Total Assets	2,861,798,798	557,751,686	304,252,059	14,637,060	876,640,805	3,738,439,603
Deposits:						
On demand	2,135,423,173	299,772,252	240,884,644	12,772,637	553,429,533	2,688,852,707
Term or deposits with notice	125,855,081	4,519,230	12,241,048	478,371	17,238,649	143,093,730
Funds from other entities	9,063,884	18,093			18,093	9,081,978
Other liabilities	30,909,860	102,614,106	792,130		103,406,236	134,316,096
Accruals and deferrals	52,492,017	9,750,099		1,802	9,751,901	62,243,917
Total Liabilities	2,353,744,015	416,673,780	253,917,822	13,252,810	683,844,412	3,037,588,428
Net assets (Liabilities)	508,054,783	141,077,906	50,334,237	1,384,250	192,796,393	700,851,175

Tabela continua...

	2024					
	Domestic	Foreign currency				
	currency	EUR	USD	Other	Total ME	Total
Loans and advances at the Central Bank	815,568,287	48,636,006	21,487,537	1,923,634	72,047,176	887,615,463
Loans and advances to credit institutions	2,788,647	226,154,573	20,046,524	1,680,852	247,881,949	250,670,597
Other loans from credit institutions	188,968,009	225,079,642	315,312,363	32,000,578	572,392,583	761,360,592
Loans and Advances to Customers	709,896,196	12,590,746	1,702,652		14,293,397	724,189,594
Bonds and other securities	516,818,756	-			-	516,818,756
Tangible fixed assets	221,746,685	-			-	221,746,685
Intangible fixed assets	6,403,825	-			-	6,403,825
Fixed assets under construction	4,824,451	-			-	4,824,451
Fixed financial assets		-			-	-
Other assets	6,160,911	8,754,044	4,331,198		13,085,243	19,246,153
Accruals and deferrals	6,812,887					6,812,887
Total Assets	2,479,988,653	521,215,011	362,880,274	35,605,063	919,700,349	3,399,689,002
Deposits:		-			-	-
On demand	1,726,908,512	330,390,390	291,165,458	14,165,308	635,721,156	2,362,629,668
Term or deposits with notice	121,046,739	4,392,672	16,520,180	541,940	21,454,792	142,501,531
Funds from other entities	12,188,922	18,093			18,093	12,207,015
Other liabilities	54,418,230	161,345,455	2,450,432		163,795,888	218,214,118
Accruals and deferrals	50,817,479	4,841,709	838,963		5,680,673	56,498,151
Total Liabilities	1,965,379,882	500,988,320	310,975,034	14,707,248	826,670,602	2,792,050,484
Net Assets (Liabilities)	514,608,772	28,226,691	51,905,240	20,897,815	93,029,747	607,638,518

27. CONTINGENT LIABILITIES

In accordance with the accounting policy disclosed in Note 2.2(p), the main contingent liabilities and other commitments within the scope of IAS 37 are as follows:

In 2018, Banco Internacional de São Tomé e Príncipe was notified of legal proceedings brought by a borrower in connection with a loan facility, involving an amount of STN1,715,000. By judgement issued on 24 August 2020, BISTP was acquitted of the claim. However, the claimant appealed to the Supreme Court of Justice, and the final judgement is still pending. As a matter of prudence, the Bank recognised a provision for the full amount of the claim (Note 15).

In 2019, Banco Internacional de São Tomé e Príncipe was notified of legal proceedings brought by a customer involving an amount of STN 1,193,004. As a matter of prudence, the Bank recognised a provision for the full amount of the claim (Note 15).

In 2022, Banco Internacional de São Tomé e Príncipe was notified of administrative offence proceedings initiated by the Central Bank of São Tomé and Príncipe, following which a fine of STN 2,000,000 was imposed. BISTP subsequently appealed the decision before the Court of First Instance and is awaiting judgement. As a matter of prudence, the Bank recognised a provision for the full amount of the claim (Note 15).

28. CONFLICTS IN UKRAINE, IRAN AND THE 'TRADE WAR'

Although BISTP has no direct business relationships or commercial interests in the regions currently experiencing heightened tension and conflict arising from geopolitical issues (Russia's war against Ukraine and the war involving Israel and the United States against Iran) and trade issues (the United States against Europe, China, Canada and countries in Latin America), it is recognised that the outbreak of these disputes, in regions and between countries that play a significant role in the production and transport of raw materials, particularly oil, and in global trade, may lead to a deterioration in the global economic environment, notably through a possible increase in protectionism, higher raw material prices and rising transport costs.

Concerns over border security and trade issues have come to dominate the agenda of key world leaders, which may affect the agenda for technical and financial assistance to less developed countries that are more dependent on international support and vulnerable to climate change.

São Tomé and Príncipe, which is highly dependent on imports of essential goods, such as food and fuel, and on external financial assistance to support investment and development, may see its economy adversely affected by this global context, particularly in terms of rising prices for products and services worldwide, driven by some production shortages and supply chain delays, which may consequently also affect the Bank's activity.

In the environment in which BISTP operates, it is expected that some of the Bank's and its customers' projects or activities that depend on the purchase of goods and services from abroad may experience delays.

Notwithstanding the country's vulnerability to external economic shocks – and, consequently, that of the Bank – it is difficult to define precisely the risk to which the country is exposed in view of this international environment, as well as the potential impacts that this situation may have on its business and activity.

Accordingly, based on all the information available as at the date of approval of these financial statements, the Bank's Board of Directors considers that the going concern assumption used in the preparation of the financial statements as at 31 December 2025 remains appropriate.

29. SUBSEQUENT EVENTS

There were no events or circumstances occurring after the reporting date that require recognition or disclosure in the financial statements as at 31 December 2025.



**REPORT AND
OPINION OF THE
SUPERVISORY BOARD**



REPORT AND OPINION OF THE SUPERVISORY BOARD

Financial year 2025

Dear Shareholders,

1 – REPORT

1.1 - Introduction

Pursuant to the applicable legal and statutory provisions, the Supervisory Board hereby issues this report on its supervisory activities, and presents its opinion on the Management Report, the Financial Statements and the Proposal for the Appropriation of Profit submitted by the Board of Directors of Banco Internacional de São Tomé e Príncipe, S.A.R.L. (BISTP), for the year ended 31 December 2025.

1.2 - Supervisory activities

In the performance of its supervisory duties, the Supervisory Board:

1. Monitored the management of the Bank's activities, in particular through the regular review of the information provided by the Board of Directors;
2. Reviewed matters relating to the internal control, risk management, compliance and internal audit systems, as well as the follow-up of the recommendations issued;
3. Monitored the preparation of the financial information and reviewed the key accounting estimates and judgements adopted;
4. Performed such review and verification procedures as it deemed appropriate, monitored the work of the external auditor, met with the external auditor to discuss the audit plan and the key audit findings, and satisfied itself as to the auditor's independence;
5. Reviewed, in particular, the management of the Bank's exposure to the Republic of São Tomé and Príncipe, taking into consideration:
 - a) The macroeconomic environment, which remained characterised by high inflation, persistent budget deficits, dependence on external financing, and pressures on international reserves, exacerbated by the energy crisis, as well as by the structural vulnerabilities of the economy of São Tomé and Príncipe;
 - b) The Bank's significant exposure to debt securities issued by the Government of São Tomé and Príncipe, with the Public Debt Securities to Equity Ratio standing at 86%, albeit on a downward trend compared with previous financial years;

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c) The measures adopted by the Bank to continuously monitor and mitigate this risk, including compliance with the applicable regulatory requirements (NAP No. 13/2021 on asset classification and provisioning), the macroprudential guidelines issued by the Central Bank of São Tomé and Príncipe, and the maintenance of robust capital and liquidity levels.

6. It also monitored other matters warranting particular attention, including the accounting recognition and disclosure of the provisions established following a fraud identified in 2025, as well as the implementation of the Internal Control Enhancement and Fraud Prevention Action Plan, approved by the Board of Directors.

1.3 - Review of the information provided

The Supervisory Board has examined, in respect of the year ended 31 December 2025:

1. The Management Report, which describes the macroeconomic environment, corporate governance, the activities carried out and the Bank's future outlook;
2. The Financial Statements, including the Balance Sheet, Income Statement, Cash Flow Statement, Statement of Changes in Equity and the related Notes, confirming that they are consistent with the accounting records and the accounting policies adopted;
3. The External Auditor's Report, with which it concurs, and the additional information made available.
4. The Proposal for the Appropriation of Profit, which reflects an appropriate balance between shareholder remuneration and the strengthening of the Bank's financial position.

2 - OPINION

In light of the foregoing, the Supervisory Board is of the opinion that the General Meeting of Banco Internacional de São Tomé e Príncipe, S.A.R.L. should approve:

- a) the Management Report and the Financial Statements for the year ended 31 December 2025; and
- b) the Proposal for the Appropriation of Profit for the 2025 financial year.

Without altering its opinion, the Supervisory Board draws attention to the Bank's material exposure to debt securities issued by the Government of São Tomé and Príncipe, as appropriately disclosed in the Management Report and the Notes to the Financial Statements. This exposure arises in a macroeconomic environment that continues to be characterised by structural vulnerabilities, particularly in relation to the public finances. The Supervisory Board notes that these exposures are covered by the applicable regulatory framework and that the Bank maintains adequate levels of capital and liquidity, with no implications for the Bank's ability to continue as a going concern.

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Finally, the Supervisory Board wishes to express its appreciation to the Board of Directors and to the Bank's staff for their cooperation and continued support throughout the performance of its duties.

São Tomé, 31 March 2026

THE SUPERVISORY BOARD



Chairman - João Sales Luís



Board Member - João Fonseca



Board Member - Arlindo Ramos