

ANNUAL REPORT 2021

FINANCIAL STATEMENTS

volume 30





ANNUAL REPORT 2021

BANCO DE MOÇAMBIQUE

ANNUAL REPORT

FINANCIAL STATEMENTS

Av. 25 de Setembro - BM - Sede

Landline: (+258) 21354600/359700

Fax: 258-21-321363 P.O. BOX: 423

Website: <http://www.bancomoc.mz>

Maputo, Moçambique

Coordination, editing and graphic design:

Communications Office

BOARD OF DIRECTORS



Governor **Rogério Lucas Zandamela** (center)

LEFT

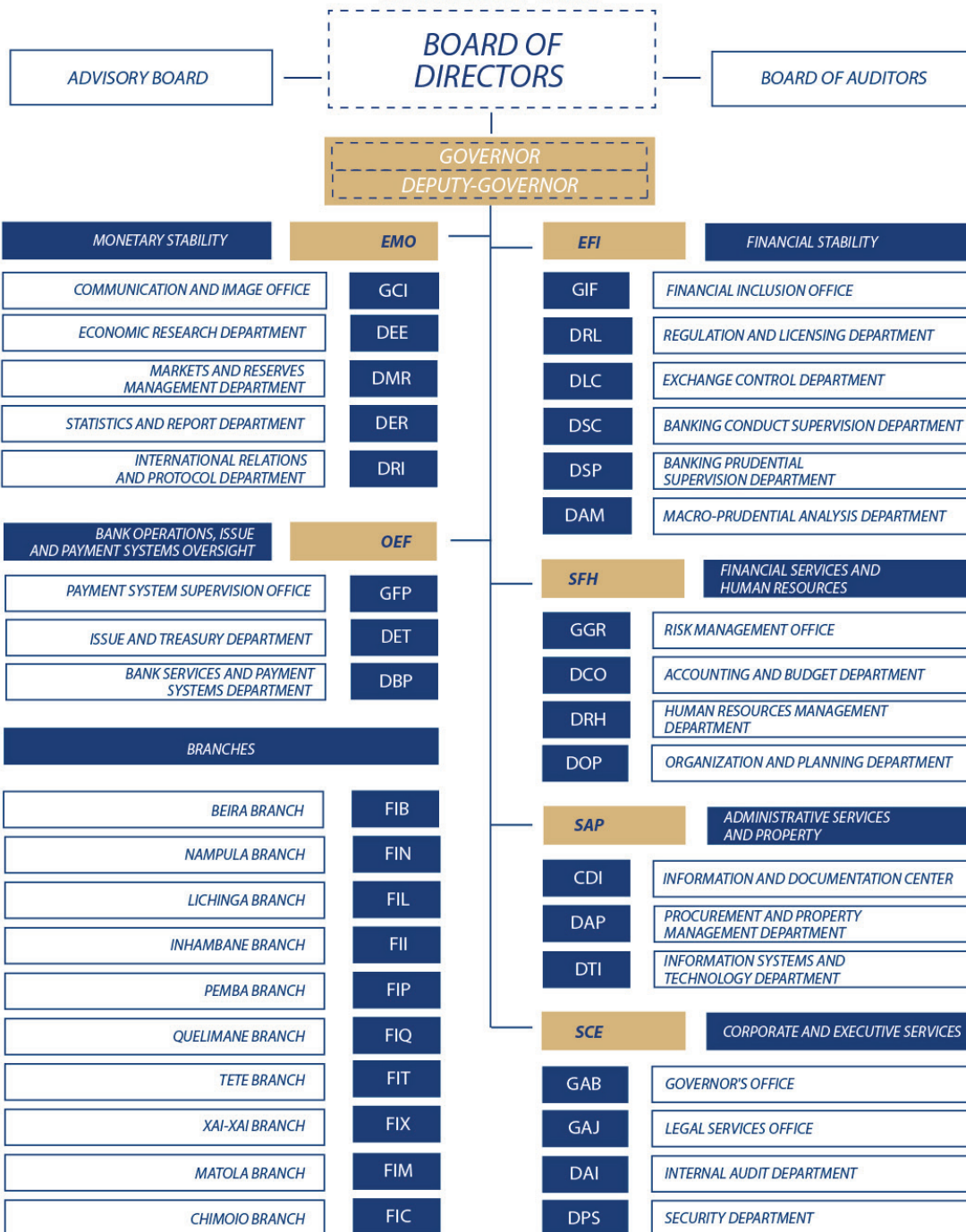
Deputy Governor **Victor Pedro Gomes**
Board Member **Felisberto Dinis Navalha**
Board Member **Benedita Maria Guimino**

RIGHT

Board Member **Gertrudes Adolfo Macueve Tovela**
Board Member **Jamal Omar**
Board Member **Silvina de Abreu**



ORGANIZATION CHART



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BANCO DE MOÇAMBIQUE
INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS
FINANCIAL YEAR ENDED 31 DECEMBER 2021

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FOREWORD



FINANCIAL STATEMENTS



1



BANCO DE MOÇAMBIQUE
INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS
FINANCIAL YEAR ENDED 31 DECEMBER 2021

STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for the due preparation and presentation of the individual and consolidated financial statements of the Banco de Moçambique, comprising the financial position statement, profit or loss statement, comprehensive income statement, statement of changes in equity and cash flow statement for the financial year in question, as well as notes to the financial statements, which include a summary of key accounting policies and other explanatory notes, in accordance with the Organic Law of the Banco de Moçambique and International Financial Reporting Standards.

The Board of Directors is also responsible for the development, implementation, and maintenance of an internal control system relevant to the preparation and appropriate presentation of consolidated and separate financial statements that are free from material distortion, due to both fraud and error, and for keeping adequate accounting records and an effective risk management system.

APPROVAL OF THE FINANCIAL STATEMENTS

Pursuant to articles 64 and 65 of Law 1/92 of 3 January, Organic Law of the Banco de Moçambique, the financial statements for the financial year ended 31 December 2021, referred to in the first paragraph, have been approved by the Board of Directors on 11 August 2022, and, on their behalf, shall be signed by:


Benedita Maria Guimino
Board Member for

Financial Services and Human Resources





Tel: 258 21 300720
Fax: 258 21325091
Email: bdo@bdo.co.mz
www.bdo.co.mz

Av. 25 de Setembro
nº 1230, 3º andar Bloco 5
Maputo-Moçambique
CP 4200

TO THE
BOARD OF DIRECTORS OF BANCO DE MOÇAMBIQUE
MAPUTO

INDEPENDENT AUDITOR'S REPORT

Qualified opinion

We have audited the individual and consolidated financial statements of BANCO DE MOÇAMBIQUE (the Bank and Group), set out on pages 8 to 86, which comprise the individual and consolidated statements of financial position as at 31 December 2021, the individual and consolidated income statements, the individual and consolidated statements of comprehensive income, the individual and consolidated statements of changes in equity, and the individual and consolidated statements of cash flows for the year then ended; and notes to the individual and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the paragraphs 1 to 3 in the *Basis for Qualified Opinion* section of our report, the accompanying individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of BANCO DE MOÇAMBIQUE as at 31 December 2021, and its financial performance and its individual and consolidated cash flows for the year then ended in accordance with the accounting policies described in note 1.2 to the consolidated and individual financial statements.

Basis for qualified opinion

1 Although the article 14 of Law 01/92 of 3 January (organic law) defines that the debit balances of exchange rate fluctuations must be recognised by the Government of Mozambique, which will issue public debt securities in favour of the Central Bank, we noted that the Government of Mozambique has not assumed its responsibility since 2005 in the approximate amount of 73 028 773 thousand Meticaís, nor has the Bank recognised the accumulated income associated with this State debt in the approximate amount of 13 708 900 thousand Meticaís.

2 We noted that the Banco de Moçambique did record its 2020 liabilities related to the changes in actuarial assumptions, in accordance with IAS 19, in the amount of 10 709 192 thousand Meticaís, only in 2021, thus affecting the opening balances of pension fund assets and equity in the same amount.

3 As a result of the appreciation of the Metical, and in order to maintain the average results from previous years transactions (in USD and Euros), the Bank made an adjustment on the net average costs of foreign currency reserves, in the amount of 20 154 116 thousand Meticaís, crediting the heading foreign exchange fluctuations. Therefore, the headings foreign exchange fluctuations and net gain from foreign currency operations are overstated by an amount that we were unable to quantify.

BDO Lda., uma empresa de responsabilidade limitada Moçambicana, e membro da BDO International Limited, uma empresa Inglesa limitada por garantia, e faz parte da rede internacional de firmas independentes BDO. BDO é a marca da rede BDO e de cada uma das suas firmas membros.
NÚT 400068038, Sociedade por quotas, Capital social USD 70000 Matrícula 12019 na Conservatória do Registo Comercial de Maputo Autorização para actividades de Auditoria e Certificação de Contas por despacho de 27/10/99 de Vice-Ministro de Plano e Finanças. Inscrita na OCAM com nº 02/SAC/OCAM/2012.

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical recommendations from Board of Accountants and Auditors of Mozambique (OCAM). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements* section of our report.

We are independent of the Bank and Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Mozambique, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis

We draw attention to the following situations:

Basis of accounting

Note 1.2 of the individual and consolidated financial statements which describes the basis of accounting. The individual and consolidated financial statements are prepared for the purpose of complying with the financial reporting provisions described in that note and, accordingly, the financial statements may not be suitable for any other purpose.

Contingent assets relating to monetary policy cost

Note 33.1 of the individual and consolidated financial statements which discloses contingent assets relating to monetary policy costs, whose effects are reflected in the Bank's liquidity, as can be seen in note 5.3.


Our opinion is not modified in respect of these matters.

Information other than the individual and consolidated financial statements and auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the individual and consolidated financial statements and our auditor's report thereon.

Our opinion on the individual and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the individual and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there



is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements with the accounting policies described in note 2.1 to the individual and consolidated financial statements, 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.

In preparing the financial statements, management is responsible for assessing the Bank and Group ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank and/or Group financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether 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 is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these individual and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank and Group internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank and Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and Group to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the individual and consolidated financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the individual and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO (MOZAMBIQUE), LDA

Registered Audit Firm No 02/SAC/OCAM/2012, represented by:

Engagement Partner: Abdul Satar A. Hamid

Registered Auditor: 01/CA/OCAM/2012

Maputo, 12 August 2022



BANCO DE MOÇAMBIQUE
INDIVIDUAL AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FINANCIAL YEAR ENDED 31 DECEMBER 2021
 (Amounts expressed in thousands of Meticaís)

		INDIVIDUAL		CONSOLIDATED	
		2021	2020	2021	2020
Assets					
Foreign currency	6	2.422.238	2.856.885	2.422.238	2.856.885
Deposit with other financial institutions	7	30.282.494	8.450.327	30.990.561	9.290.882
Gold	8	14.688.297	17.958.167	14.688.297	17.958.167
Financial assets at fair value through profit or loss	9	32.232.777	37.648.336	32.232.777	37.648.336
Financial assets at fair value through other comprehensive income	10	139.630.116	235.139.298	139.630.116	235.139.298
Financial assets at amortized cost	11	152.743.961	161.453.738	152.800.370	161.530.589
Financial investments	12	660.410	660.410	-	-
Other tangible assets	13	46.312.812	42.887.550	46.943.919	43.581.441
Intangible assets	14	60.704	83.980	204.810	283.350
Other financial assets	15	60.643.824	64.412.017	60.267.526	63.784.088
Foreign exchange	16	73.026.947	9.234.760	73.026.947	9.234.760
Employee benefits assets	21	9.641.470	2.474.732	9.641.470	2.474.732
Total Assets		562.346.050	583.260.200	562.849.031	583.782.528
Liabilities					
Banknotes and coins in circulation	17	72.748.402	68.673.677	72.748.402	68.673.677
Deposits from other institutions	18	142.947.486	187.857.429	142.947.486	187.857.429
Mozambique Government Treasury bills issued and other monetary instruments	19	300.594.236	306.026.766	300.594.236	306.026.766
Foreign Loans	20	33.405.798	17.868.780	33.405.798	17.868.780
Other liabilities	22	8.522.135	1.133.656	9.010.254	1.616.024
Total Liabilities		558.218.057	581.560.308	558.706.176	582.042.676
Equity					
Capital	23	2.596.721	2.596.721	2.596.721	2.596.721
Legal reserve	24	488.412	488.412	546.611	543.215
Non-distributable reserves	24	13.831.374	13.831.374	13.379.307	13.082.773
Employee benefits reserve	24	(7.312.116)	(7.199.763)	(7.312.116)	(7.199.763)
Fair value revaluation reserve – available for sale	24	(25.017)	392.035	(25.017)	392.035
Fixed asset revaluation reserves	24	10.391.392	10.391.392	10.391.392	10.391.392
Retained earnings		(16.443.596)	(17.283.964)	(16.298.525)	(17.283.964)
Net profit/(loss) of the year		600.823	(1.516.315)	575.725	(1.371.165)
		4.127.993	1.699.892	3.854.098	1.151.244
Non-controlling interest	24	-	-	288.757	588.608
Total Equity		4.127.993	1.699.892	4.142.855	1.739.852
Total Liabilities and Equity		562.346.050	583.260.200	562.849.031	583.782.528

ACCOUNTING DEPARTMENT

Alexandre Fumo

Head of the Accounting and Budget
Department

BOARD OF DIRECTORS

Benedita Maria Guimino

Board Member for
Financial Services and Human Resources



BANCO DE MOÇAMBIQUE
INDIVIDUAL AND CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FINANCIAL YEAR ENDED 31 DECEMBER 2021
(Amounts expressed in thousands of Meticaís)

	Notes	INDIVIDUAL		CONSOLIDATED	
		2021	2020	2021	2020
Interest and similar income	26.1	8.135.769	8.298.194	8.197.501	8.357.449
Interest and similar expenses	26.2	(18.955.692)	(15.886.922)	(19.018.950)	(15.963.943)
Net interest income		(10.819.923)	(7.588.728)	(10.821.449)	(7.606.494)
Fees and commission income	27.1	-	-	1.637.532	1.442.367
Fees and commission expense	27.2	-	-	(925.852)	(709.392)
Net fees and commission income		-	-	711.680	732.975
Net gains from foreign currency operations and revaluation of gold	28	23.693.796	15.428.650	23.725.307	15.377.485
Other operating income	29	360.707	3.764.840	414.671	3.816.503
Total income		13.234.580	11.604.762	14.030.209	12.320.469
Staff costs	30	(7.480.593)	(9.441.344)	(7.719.937)	(9.608.717)
Depreciation	13	(1.773.745)	(645.750)	(1.883.201)	(698.625)
Amortization	14	(35.391)	(18.427)	(108.890)	(32.301)
Other operating expenses	31	(3.344.028)	(3.015.556)	(3.726.732)	(3.351.991)
Impairment losses on tangible assets		-	-	(8.587)	-
Provisions		-	-	(7.137)	-
Total operating expenses		(12.633.757)	(13.121.077)	(13.454.484)	(13.691.634)
Net profit/(loss) of the year		600.823	(1.516.315)	575.725	(1.371.165)
Net realized income		600.823	(1.516.315)	575.725	(1.371.165)
Consolidated net profit attributable to:					
Banco de Moçambique		-	-	589.312	(1.441.519)
Non-controlling interest		-	-	(13.587)	70.354

ACCOUNTING DEPARTMENT

Alexandre Fumo

Head of the Accounting and Budget
Department

BOARD OF DIRECTORS

Benedita Maria Guimino

Board Member for
Financial Services and Human Resources



BANCO DE MOÇAMBIQUE
INDIVIDUAL AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FINANCIAL YEAR ENDED 31 DECEMBER 2021
 (Amounts expressed in thousands of Meticals)

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Net profit/(loss) of the year	600.823	(1.516.315)	575.725	(1.371.165)
Other comprehensive income				
Prior period adjustments	2.356.683	-	296.534	-
Actuarial study adjustment	(112.353)	(478.498)	(112.353)	(373.706)
Changes in fair value - financial assets available-for-sale	(417.052)	12.180	(417.052)	12.180
Total comprehensive income	2.428.101	(1.982.633)	342.854	(1.732.691)

ACCOUNTING DEPARTMENT

Alexandre Fumo

Head of the Accounting and Budget
Department

BOARD OF DIRECTORS

Benedita Maria Guimino

Board Member for
Financial Services and Human Resources



BANCO DE MOÇAMBIQUE
INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
FINANCIAL YEAR ENDED 31 DECEMBER 2021
(Amounts expressed in thousands of Meticals)

	Notes	Capital	Fair value revaluation reserve	Fixed assets revaluation reserve	Non-distributable reserve	Employee benefits reserve	Legal reserve	Retained earnings	Profit for the year	Total equity
Balance at 1 January 2020		2.596.721	379.855	10.391.442	11.835.090	(6.100.773)	488.412	(12.483.431)	(4.800.533)	2.306.783
Net results transfer for 2019		-	-	-	-	-	-	(4.800.533)	4.800.533	-
Total comprehensive income for 2020		-	-	-	-	-	-	-	(1.516.315)	(1.516.315)
Total actuarial statement adjustment for 2020		-	-	-	-	(1.098.990)	-	-	-	(1.098.990)
Total prior period adjustments		-	-	(50)	1.996.284	-	-	-	-	1.996.234
Adjustment - fair value of financial assets	24	-	12.180	-	-	-	-	-	-	12.180
Balance at 31 December 2020		2.596.721	392.035	10.391.392	13.831.374	(7.199.763)	488.412	(17.283.964)	(1.516.315)	1.699.892
Net results transfer for 2020		-	-	-	-	-	-	(1.516.315)	1.516.315	-
Total comprehensive income for 2021		-	-	-	-	-	-	-	600.823	600.823
Total actuarial statement adjustment for 2021		-	-	-	-	(112.353)	-	-	-	(112.353)
Total prior period adjustments		-	-	-	-	-	-	2.356.683	-	2.356.683
Adjustment - fair value of financial assets	24	-	(417.052)	-	-	-	-	-	-	(417.052)
Balance at 31 December 2021		2.596.721	(25.017)	10.391.392	13.831.374	(7.312.116)	488.412	(16.443.596)	600.823	4.127.993

ACCOUNTING DEPARTMENT

Alexandre Fumo

Head of the Accounting and Budget Department

BOARD OF DIRECTORS

Benedita Maria Guimino

Board Member for
Financial Services and Human Resources



BANCO DE MOÇAMBIQUE
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FINANCIAL YEAR ENDED 31 DECEMBER 2021
(Amounts expressed in thousands of Meticaís)

	Notes	Capital	Fair value revaluation reserve	Fixed assets revaluation reserve	Non-distributable reserve	Employee benefits reserve	Legal reserve	Retained earnings	Profit for the year	Total equity	Non- controlling interest	Total equity
Balance at 1 January 2020		2.596.721	379.854	10.391.442	10.981.747	(6.100.773)	543.215	(12.484.220)	(4.648.310)	1.659.676	588.608	2.248.284
Total comprehensive income for 2019		-	-	-	-	-	-	(4.656.954)	4.655.442	(1.512)	-	(1.512)
Total comprehensive income for 2020		-	-	-	-	-	-	-	(1.371.165)	(1.371.165)	-	(1.371.165)
Total actuarial statement adjustment for 2019		-	-	-	-	(1.098.990)	-	-	-	(1.098.990)	-	(1.098.990)
Total prior period adjustments		-	-	-	2.101.026	-	-	(142.790)	(7.131)	1.951.105	-	1.951.105
Adjustment - Revaluation of tangible fixed assets		-	-	(50)	-	-	-	-	-	(50)	-	(50)
Adjustment - fair value of financial assets	24	-	12.180	-	-	-	-	-	-	12.180	-	12.180
Balance at 31 December 2020		2.596.721	392.034	10.391.392	13.082.773	(7.199.763)	543.215	(17.283.964)	(1.371.164)	1.151.244	588.608	1.739.852
Incorporation into reserves of net income for 2020		-	-	-	-	-	79	(1.371.244)	1.371.164	(1)	-	(1)
Total comprehensive income for 2021		-	-	-	-	-	-	-	575.725	575.725	(13.587)	562.138
Total actuarial statement adjustment for 2021		-	-	-	-	(112.353)	-	-	-	(112.353)	-	(112.353)
Total prior period adjustments		-	-	-	296.534	-	3.317	2.356.683	-	2.656.534	(286.264)	2.370.270
Adjustment - fair value of financial assets	24	-	(417.051)	-	-	-	-	-	-	(417.051)	-	(417.051)
Balance at 31 December 2021		2.596.721	(25.017)	10.391.392	13.379.307	(7.312.116)	546.611	(16.298.525)	575.725	3.854.098	288.757	4.142.855

ACCOUNTING DEPARTMENT

Alexandre Fumo
Head of the Accounting and Budget Department

BOARD OF DIRECTORS

Benedita Maria Guimino
Board Member for
Financial Services and Human Resources



BANCO DE MOÇAMBIQUE

INDIVIDUAL AND CONSOLIDATED STATEMENT OF CASH FLOWS

FINANCIAL YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in thousands of Meticals)

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Cash flows from operating activities				
Net profit/(loss) of the year	600.823	(1.516.315)	575.725	(1.371.165)
Adjustments for:				
Depreciation and amortization	1.809.136	664.687	1.992.091	730.926
Fixed assets revaluation	-	-	-	50
Impairment losses on tangible assets	-	-	8.587	2.694.944
Tangible and intangible assets	-	1.590.241	(4)	1.714.203
Net interest and similares	10.819.923	7.588.728	10.821.449	7.606.494
Prior period adjustments	2.356.683	-	2.349.623	-
Cash flows from operating activities	15.586.565	8.327.341	15.747.471	11.375.452
Changes in:				
Financial assets at fair value through other comprehensive income	5.415.559	(13.410.128)	5.415.559	(13.410.128)
Other financial assets	3.768.193	(6.198.789)	3.516.562	(6.183.807)
Financial assets at amortized cost	8.709.777	(79.264.347)	8.730.219	(79.277.672)
Deposits from other institutions	(44.909.943)	22.476.442	(44.909.943)	22.476.442
Pension fund assets	(7.166.738)	(4.955.896)	(7.166.738)	(4.955.896)
Other liabilities	7.388.479	(828.723)	7.394.230	(764.947)
Treasury bills issued on behalf of the Government and other monetary instruments	(5.432.529)	93.937.527	(5.432.530)	93.937.527
Foreign exchange repayable by the Government	(63.792.187)	29.026.854	(63.792.187)	29.026.854
Net cash flow from changes in working capital	(96.019.389)	40.782.940	(96.244.828)	40.848.373
Net cash from operating activities	(80.432.824)	49.110.281	(80.497.357)	52.223.825
Cash flow from investing activities				
Acquisition of property, plant and equipment	(5.199.008)	(5.647.524)	(5.199.008)	(5.803.672)
Acquisition of intangible assets	(12.115)	(53.255)	(78.544)	(87.909)
Changes in cash and cash equivalents and investments in credit institutions and foreign	(18.127.650)	(13.352.077)	(17.995.162)	(13.530.719)
Changes in financial assets available-for-sale	95.509.182	(38.736.829)	95.509.182	(38.736.829)
Interest and similar income	8.135.769	8.298.194	8.197.501	8.357.449
Net cash from investing activities	80.306.178	(49.491.491)	80.433.969	(49.801.680)
Cash flow from financing activities				
Increase in banknotes and coins in circulation	4.074.725	14.101.302	4.074.725	11.270.226
Changes in external financing	15.537.018	1.257.406	15.537.018	1.257.406
Changes in reserves	(529.405)	909.424	(529.405)	1.014.166
Interest and similar expenses	(18.955.692)	(15.886.922)	(19.018.950)	(15.963.943)
Net cash flow from financing activities	126.646	381.210	63.388	(2.422.145)
Cash and cash equivalents at the beginning of the year	-	-	255.555	266.913
Cash and cash equivalents at the end of the year	-	-	219.629	255.555

ACCOUNTING DEPARTMENT

Alexandre Fumo

Head of the Accounting and Budget
Department

BOARD OF DIRECTORS

Benedita Maria Guimino

Board Member for
Financial Services and Human Resources



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NOTE 1 – BASIS OF PREPARATION

1.1. Introduction

The Banco de Moçambique (Bank) is the central bank of the Republic of Mozambique and has its head office at Av. 25 de Setembro, 1695, Maputo. Its capital is fully subscribed and paid up by the State of the Republic of Mozambique.

The main objective of the Bank is to preserve the value of the national currency.

To this end, the Bank shall also undertake the following goals:

- a) promoting better monetary policy;
- b) steering credit policy with a view to promoting the economic and social growth and development of the country;
- c) Managing external cash and cash equivalents in order to maintain an adequate volume of means of payment necessary for international trade; and
- d) Disciplining banking.

The financial statements for the financial year ended 31 December 2021 have been approved by the Board of Directors of the Bank on 11 August 2022.

The accompanying financial statements are expressed in thousands of Meticaís and have been prepared in accordance with the fundamental principles of business continuity, substance over form, materiality and historical cost, with the exception of assets and liabilities accounted at fair value, namely financial assets at fair value through profit or loss and financial assets at fair value through comprehensive income.



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1.2. Structure of the financial statements

The financial statements herein have been prepared as per the Organic Law of the Banco de Moçambique and International Financial Reporting Standards (IAS/IFRS), as decided by the Board of Directors on 2 August 2019, with the derogations described in point 2.2.

In cases where International Financial Reporting Standards contravene the Organic Law and other instruments approved by the Bank, The Organic Law of the Bank or other policies related to the nature of activities carried out by the central bank shall prevail.

The Organic Law lays down rules for the recognition and classification of assets and liabilities in foreign currency when there are fluctuations in values, but is not prescriptive relating to the other accounting principles to be adopted by the Bank. It is in this context that the Bank's Board, supported by article 61 of the Organic Law, which confers the prerogative to adopt its own rules for accounting and presentation of its accounts, decided to partially adopt IAS/IFRS.

The Bank has subsidiaries and associates operating in different branches of activity, so each of them has a different impact on the financial statements, which affects the Bank's decision regarding the implementation of accounting policies that best reflect the nature of a central bank.

Thus, considering the nature of the activities of the subsidiaries and associates and taking into account the right conferred by Law to adopt own rules for the accounting of their operations, the Bank has made adjustments to its financial reporting structure, and not all the subsidiaries were consolidated.

Preparing financial statements in accordance with Organic Law and the IAS/IFRS requires the Bank to make judgments and estimates and use assumptions that may affect the implementation of accounting policies and the amounts of income, expenses, assets, and liabilities. Changes in such assumptions, or their differences from reality, may have an impact on estimates and judgments.

The areas that involve a higher level of judgment or complexity, or where significant assumptions and estimates are used in preparing the financial statements, are analysed in Note 3.



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NOTE 2 – KEY ACCOUNTING POLICIES

2.1. Key accounting policies

The key accounting policies adopted by the Bank are described below.

2.1.1. Foreign currency transactions

The Bank's accounting records are processed and held in Meticals. Foreign currency transactions are converted to Meticals using the exchange rate in effect at the date of the transactions. Monetary assets and liabilities denominated in foreign currency are converted into currencies using the exchange rate in force at the reporting date.

Non-monetary assets in foreign currency that are valued at historical cost are converted at the exchange rate in force on the date of the transaction. Non-monetary assets in foreign currency that are valued at fair value shall be converted at the exchange rate in force on the date on which the fair value is determined.

During the financial year, the aggregation of gains or losses on foreign currency transactions is made currency by currency, by the difference between the value of transactions and the weighted average cost of the day, calculated based on the "daily net cost method".

The daily net cost method is the method for calculating the weighted average cost, according to which the weighted average cost of each currency is only changed when the quantity bought on the day is greater than the quantity sold. When the quantity bought on the day is less than the quantity sold, the weighted average cost does not change.

With regard to gains and losses arising from the foreign exchange revaluation of active and passive positions in foreign currency, the Bank applies the provisions of Article 14 of the Organic Law - No. 1/92 of 3 January, which determines that these gains and losses are attributable to the State and, for this reason, must be presented in an account of the financial position (special account for unrealized foreign exchange movements).

The following are the exchange rates used for foreign currency conversion, reported on 31 December 2021.



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Countries	Currency	Average exchange rate	
		2021	2020
Meticaís per currency units			
USA	USD	63,83	74,90
South Africa	ZAR	4,02	5,11
Australia	AUD	46,36	57,68
European Union	EUR	72,27	92,04
England	GBP	86,20	102,17
IMF	SDR	89,34	107,88

2.1.2 Financial assets and liabilities

Financial assets and liabilities are recognized on the trading date. As of 1 January 2018, the Bank has applied IFRS 9 and moved to classify its financial assets into the following categories:

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

The classification and measurement provided for in IFRS 9 differs from IAS 39 in the following aspects:

- Classification and measurement are no longer based on rules, but on the valuation of the business model, carried out by the Board, which is based on how financial assets are actually managed. The objective is to align the classification of financial assets with the Bank's business;
- A specific valuation of the existence of embedded derivatives is not necessary, since solely payments of principal and interest ("SPPI") are applied.

Classification according to IFRS 9 for investments in debt instruments is carried out by the Board, considering the business model and the characteristics of contractual cash flows. In the test to the business model, the Bank determines the purpose for which it holds the financial assets, that is, whether (i) to receive cash flows; (ii) to receive cash flows and sell; or (iii) to sell. When determining the business model of a group of assets the following factors are considered:

- History of cash flow receipts;



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- Valuation of asset performance and reporting to the Board;
- Risk assessment and management; and
- Compensation of Administrators.

In the solely payments of principal and interest test, the Bank determines whether the receipts of contractual cash flows represent solely payments of principal and interest on specific dates. In making this valuation, the Bank considers whether the contractual cash flows are consistent with a loan agreement, that is, whether the interest includes only remuneration on the time value of the money, credit risk, other loan risks and a profit margin consistent with the type of loan. A financial asset is measured at amortized cost if the following criteria are met:

- The asset is held for the purpose of receiving contractual cash flows; and
- The contractual cash flows of the assets represent solely payments of principal and interest ("SPPI").

Financial assets included in this category are initially recognized at fair value and subsequently measured at amortized cost.

A financial asset is measured at fair value through comprehensive income, if the following criteria are met:

- The asset is held for the purpose of receiving contractual cash flows or for a future sale; and
- The contractual cash flows of the assets represent solely payments of principal and interest ("SPPI").

Financial assets included in the fair value category through comprehensive income category are initially recognized and subsequently measured at fair value. Changes in fair value are recognized in comprehensive income, with the exception of recognition of interest revenue and foreign exchange gains and losses, which are recognized under net income.

When the financial asset is derecognized, the previously accumulated gain or loss in comprehensive income is reclassified to net profit or loss.



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According to the new model, the fair value category through profit or loss is the residual category. Financial assets must be classified at fair value through profit or loss, if they do not meet the criteria for classification at fair value, through comprehensive income or amortized cost. Financial assets included in the fair value category through profit or loss shall be measured at fair value with all changes recognized in net profit or loss.

Regardless of the assessment of the business model, the Bank may classify an asset at fair value through profit or loss, if it prevents any eventual accounting mismatch.

Investments in equity instruments are always measured at fair value. Capital instruments are those that meet the definition of “equity” from the perspective of the issuer, as defined in IAS 32. Capital instruments that are held for trading shall be classified at fair value through profit or loss. For all other shares, the Board has the possibility to make an irrevocable election in the initial recognition, instrument by instrument, to present changes in fair value in comprehensive income rather than profit or loss. If this election is made, all changes to fair value, excluding dividends that are a return on investment, will be included in comprehensive income. There is no recycling of comprehensive income values for profit or loss (for example, on the sale of a capital investment), nor are there any impairment requirements. However, the Bank may transfer the accumulated gain or loss on net equity.

Fair value means the price that would be received for the sale of an asset, or that would be paid for the transfer of a liability, in an orderly transaction between market participants at the measurement date.

Fair value is determined based on:

- Prices of an active market;
- Recent sales prices of similar assets; or
- Valuation methods and techniques, where there is no active market, which have underlying the following criteria:
 - Level 1: Financial instruments measured according to market prices or *providers*; or



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- Level 2: Financial instruments measured according to internal measurement methodologies, mostly considering observable market data; and/or
- Level 3: Financial instruments measured according to internal valuation methodologies, essentially considering assumptions or adjustments not observable in the market and with significant impact on the measurement of the instrument.

A market is considered to be active and therefore liquid if it trades regularly. In general, there are market prices for securities and derivatives (futures and options) traded on the exchange.

Financial assets are derecognized when: (i) the Bank's contractual rights to receiving cash flows expire, and (ii) the Bank has substantially transferred all the risks and benefits associated to their holding, or (iii) despite holding a part but not substantially all the risks and benefits associated to their holding, the Bank has transferred control over the asset.

Amortized cost

Financial assets at amortized cost are assets held for the purpose of receiving contractual cash flows representing solely payments of principal and interest (SPPI) and are not classified at fair value through profit or loss. The net value of these assets is adjusted considering accumulated impairment losses and interest income is calculated based on the effective interest rate. Both interest and any dividends are taken into account in the profit or loss statement.

Fair value through comprehensive income

Financial assets measured at fair value through comprehensive income are assets held for receiving contractual cash flows and/or sale, where cash flows represent solely payments of principal and interest (SPPI) and are not classified at fair value through profit or loss. Changes in the net value are recognized in comprehensive income, except for impairment losses and reversals and interest income on the amortized cost of the financial asset that are recognized in the profit or loss statement. When the financial asset is unrecognized, the previously accumulated gain or loss in comprehensive income is reclassified to net profit or loss. Dividends received on assets classified in this category are recognized in net income.



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If a capital instrument is not held for trading, the Bank may make the irrevocable decision, on initial recognition, to classify it at fair value through comprehensive income, excluding dividends to be recognized in net income.

Fair value through profit or loss

Financial assets shall be classified at fair value through profit or loss, if they do not meet the criteria of fair value through comprehensive income or amortized cost, this being the residual category of IFRS 9.

In addition, financial assets may, at initial recognition, be classified at fair value through profit or loss, if this classification removes or significantly reduces a measurement or recognition inconsistency, or if the financial asset is part of a portfolio of financial assets held for trading managed and measured as to daily performance based on fair value. A gain or loss on a debt instrument subsequently measured at fair value through profit or loss, other than hedging, is recognized in net income. Interest income is calculated based on the effective interest rate. Both interest and any dividends are taken into account in the profit or loss statement.

Financial liabilities

Financial liabilities include banknotes and coins in circulation, deposits from other institutions, Treasury securities issued on behalf of the State, other instruments arising from monetary policy and financing obtained from the International Monetary Fund (IMF).

Financial liabilities are initially recognized at fair value, including expenses and commissions considered incremental to the transaction, and are subsequently measured at amortized cost.

Any difference between the net received amount of transaction costs and the amount payable at maturity is recognized in the comprehensive income statement over the life of the liability using the effective interest method.



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2.1.3. Cash and cash equivalents

The banknotes and coins comprising the Bank's cash balance at the end of the financial year have been deducted from the value of the banknotes and coins in circulation because they do not represent currency in circulation.

2.1.4. Impairment of financial assets

As of 1 January 2020, the Bank has not applied IFRS 9. However, impairment losses are recognized in the Bank's financial position, when there is objective evidence of a loss event affecting the estimated future cash flow of the financial asset and such loss can be estimated with reasonable confidence.

2.1.5. Gold

Gold is measured at the average price of gold quoted in US dollars at the end of the year on the London gold market. Changes in the fair value of gold, resulting from changes in price, are recognized under profit or loss.

Foreign exchange gains and losses on gold transactions are recognized in the special account for unrealized foreign exchange movements.

2.1.6. Other tangible assets

The Bank's other tangible assets are measured at historical cost with the exception of buildings that are at revalued cost, less accumulated depreciation and accumulated impairment losses. The cost of acquisition includes expenses that are directly attributable to the procurement of the goods.

The latest property revaluation was carried out on 31 December 2019 by an independent company and recorded at fair value.

The fair value of the properties has been determined as laid down in the IFRS 13 (fair value measurement), which defines fair value as the amount receivable for the sale of an asset or payable for the transfer of a financial liability in a current transaction between market participants, at the date of valuation.



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Subsequent costs of property, plant and equipment are recognized as an asset only if they are likely to result in future economic benefits for the Bank. When incurred, all maintenance and repair expenses are recognized as expenses.

The property revaluation gains have been recognized in the respective Property Revaluation Reserves. On the other hand, impairment losses have been recorded under the Profit or Loss Statement for the financial year at the revaluation date.

Depreciation of property, plant, and equipment is calculated using the straight-line basis to depreciate their cost to their residual value, based on the following depreciation rates reflecting the expected useful life of the assets:

	Number of years
Buildings	50
Computer equipment	4
Cars	4 - 5
Other assets	10

The residual values, useful lives and depreciation methods of assets shall be reviewed at the end of each financial year and prospectively adjusted, where appropriate. Where there is an indication that an asset may be impaired, the Bank estimates its recoverable value and recognizes an impairment loss where the net value exceeds the recoverable value of those assets.

The recoverable amount is determined by the greatest of its fair value less costs of sale and its use value, the latter being calculated on the basis of the present value of the estimated future cash flows expected to be derived from the continued use of the asset and its disposal at the end of its useful life.

Other tangible assets are derecognized when they are sold or when future economic benefits from their use or sale are no longer expected. The gains and losses generated in the derecognition of these assets are recognized in the profit or loss for the period.



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2.1.7. Intangible assets

Under this item, the Bank mainly records the costs of acquiring software when it is expected that the economic benefits will be passed on beyond the financial year in which the expenditure is incurred.

Intangible assets are amortized using the straight-line basis over the estimated useful life of the asset, which generally stands for three years.

The depreciation method, useful life and residual value of each item of intangible assets are revised at each reporting date.

2.1.8. Transactions with the Government

The Bank takes on its behalf several transactions on behalf of the government, including the opening and maintenance of accounts for sponsored projects. Transactions in which the Bank acts only as an agent and does not assume any risks and benefits, as well as the assets and liabilities arising from these transactions, are not reflected in the financial statements.

2.1.9. Costs of the production of banknotes and coins

The costs of producing banknotes and coins are recognized under Other Assets. At the time of issue, they are amortized against profit or loss for a period of 3 to 5 years, respectively, from the date of the respective issue.

2.1.10. Retirement pension obligations

As of 1 January 1993, the Bank has set up a separate pension fund to meet employee pension liabilities. This fund was set up upon the decision of the Board of the Directors. The pension fund is managed by Kuhanha - Sociedade Gestora do Fundo de Pensões, S.A.

The policy adopted by the Bank sets out to assume full responsibility for the payment of employee retirement pensions, including the allocation of benefits to widows, minor orphans and disabled employees.



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The existing pension plan corresponds to a defined benefit plan, since it defines the criteria for determining the amount of pension an employee will receive during retirement, usually dependent on one or more factors such as age, years of service and contribution.

The obligations of the Bank with retirement pensions shall be calculated annually, at the accounts closing date, by an independent actuary, based on the Projected Unit Credit Method. The discount rate used in this calculation was determined on the basis of the increase in the interest rates of investments made in the bond markets; the prime rate of the Mozambican Financial System; resumption of financing to the economy by the International Monetary Fund (IMF) and other cooperation partners; Post-COVID-19 macroeconomic recovery; and financial system stability.

Remeasuring gains and losses, including (i) actuarial gains and losses arising from differences between the actuarial assumptions used, and the amounts actually recorded (experience gains and losses) and changes in actuarial assumptions and (ii) gains and losses arising from the difference between the expected return on assets and the amounts obtained, are recognized against equity under Other Comprehensive Income.

Each year, the Bank recognizes, as a cost, the total net value of the following: (i) the cost of the current service; (ii) the cost of interest, less the expected return on the fund's assets; (iii) the effect of any early retirement, which includes the early amortization of associated actuarial gains and losses; and (iv) gains and losses resulting from changes in assumptions or changes in the conditions of benefits. The components listed above are recognized under “staff expenses”.

2.1.11. Seniority Bonus

In accordance with the Collective Labor Agreement (CLT) for the Mozambican banking sector, the Bank has undertaken to award active employees who complete fifteen, twenty and thirty years of good and effective service a seniority bonus equal respectively to one, two and three months of their current monthly remuneration (in the year of assignment).

The Bank determines annually the present value of benefits with seniority bonuses through actuarial calculations. Actuarial assumptions (financial and demographic) are based on reporting-date expectations for salary growth and are based on mortality tables adapted to the Bank’s population.



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The discount rate used in this calculation is determined based on market rates associated with Mozambican treasury bonds.

2.1.12. Interest recognition

Income on interest on financial instruments measured at amortized cost and on financial assets at fair value through comprehensive income is recognized under interest and similar income items, using the effective interest rate method. Interest on financial assets at fair value through profit or loss is also included under interest and similar income. Interest on financial liabilities is recognized under interest and similar expenses

The effective interest rate is the rate that accurately discounts estimated future payments or receipts over the expected life of the financial instrument or, where appropriate, a shorter period, for the carrying amount of the financial asset or liability. The effective interest rate is established in the initial recognition of financial assets and liabilities and is not subsequently revised.

For the calculation of the effective interest rate, future cash flows are estimated considering all the contractual terms of the financial instrument, disregarding any future credit losses. The calculation includes commissions that are an integral part of the effective interest rate, transaction costs and all bonuses and discounts directly related to the transaction.

2.1.13. Recognition of income from services and commissions

Income from services and commissions is recognized as follows:

- Income from services and commissions obtained in the undertaking of a significant act is recognized when the significant act has been completed;
- Income from services and commissions earned as services are provided are recognized under profit or loss in the period to which they relate; and
- Income from services and commissions that form an integral part of the effective interest of a financial instrument is recorded under profit or loss using the effective interest rate method.



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2.2. Exemptions

Regarding the specifics of its activity as financial system regulator and responsibility for implementing monetary and foreign exchange policies in the country, and managing international reserves, the Bank has decided not to adopt the following standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and its predecessor bodies:

- **IAS 21 – the effects of exchange rate changes:** Gains and losses from unrealized foreign exchange differences as foreign currency claims and liabilities are recognized under a financial position account (special account for unrealized foreign exchange movements), under Article 14 (2) of Law No. 1/92 of 3 January – Organic Law of the Banco de Moçambique, which states that “if, at the end of the financial year, the special account for unrealized foreign exchange movements shows an outstanding balance, the State shall settle this balance by issuing public debt securities in favour of the Bank or any other manner proposed by the Board of Directors of the Bank”; and (3) of the same article, which states that “any credit balance in the special account for unrealized foreign exchange movements at the end of each financial year shall be credited to an account held on behalf of the State, where the Bank shall pay interest at a rate to be determined by the Board of Directors”.
- **IFRS 9 - Financial Instruments:** with the exception of the methodology for the calculation of expected credit losses (impairments) provided for in paragraph 5.5, the Bank moved to classify its other financial assets, at the time of initial recognition, in accordance with the requirements introduced by IFRS 9 in the category of:
 - Financial assets measured at amortized cost;
 - Financial assets measured at fair value through comprehensive income; and
 - Financial assets measured at fair value.



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The impact of derogations from IAS 21 and IFRS 9 is presented in the following table:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Net profit/(loss) of the year with derogation	600.823	(1.516.315)	575.725	(1.371.165)
Unrealized foreign exchange loss (IAS 21)	(63.792.187)	29.026.854	(63.792.187)	29.026.854
Financial instruments impairments (IFRS 9)	1.071.300	(1.126.578)	1.071.300	(1.126.578)
Net profit/(loss) of the year without derogation	(62.120.064)	26.383.961	(62.145.162)	26.529.111
Equity with derogation	4.127.993	1.699.892	4.142.855	1.739.852
Value exchange account	(73.026.947)	(9.234.760)	(73.026.947)	(9.234.760)
Financial instruments impairments (IFRS 9)	(8.101.566)	(9.172.866)	(8.101.566)	(9.172.866)
Equity without derogation	(77.000.520)	(16.707.734)	(76.985.658)	(16.667.774)

2.3. Scope of consolidation

The Bank upholds and applies the comprehensive consolidation method in its financial statements and those of the following subsidiaries:

	Share capital	% Participation	Assets		Liabilities		Equity	
			2021	2020	2021	2020	2021	2020
SIMO	1.265.510	51%	1.706.277	1.868.888	1.116.976	1.251.857	589.301	617.031
Kuhanha	15.000	100%	91.142	92.093	5.170	8.752	85.972	83.341

- Sociedade Interbancária de Moçambique, S.A., based in Mozambique, 51% owned, whose main objective is the management of electronic card and payment systems;
- Kuhanha - Sociedade Gestora do Fundo de Pensões of the Banco de Moçambique, S.A., based in Mozambique, 100% owned, whose primary objective is the management of the pension fund of the Banco de Moçambique.

Transactions, balances, revenues and expenses in operations between the Group's companies are eliminated. Profits and losses resulting from transactions between Group companies, recognized in assets, are also eliminated. Associates' accounting policies are changed as necessary to ensure consistency with Group policies.

When the Group ceases to have control of a subsidiary, the share's book value is revalued at fair value on the date of the sale. The carrying value is recognized under gains or losses.



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In the Bank's separate financial statements, subsidiaries are valued at historical cost and recognized as financial investments.

2.4. Changes in international standards and interpretations

2.4.1. The following rules and interpretations became effective on 1 January 2021 and, where applicable, have been adopted by the Bank accordingly:

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Benchmark interest rate reform – phase 2". These changes concern matters arising during the benchmark interest rate reform, including the replacement of a benchmark interest rate for an alternative, so as to allow for the application of exemptions such as i) changes in hedge designation and documentation; ii) amounts accumulated on the reserve of cash flow hedges; iii) retrospective assessment of the effectiveness of a hedging relationship under IAS 39; iv) changes in hedging relationships for groups of items; v) assumption that an alternate benchmark rate designated as a non-contractually specified risk component is separately identifiable and qualifies as a hedged risk; and vi) updating the effective interest rate, without recognizing gains or losses, for financial instruments measured at amortized cost with changes in contractual cash flows as a result of the IBOR reform, including leases indexed to an IBOR.

2.4.2. Standards (new and amended) and published interpretations, the application of which is mandatory for annual periods as of 1 January 2022:

IFRS 1 – The amendment allows a subsidiary, applying paragraph D16(a) of IFRS 1, to measure the cumulative exchange conversion differences using amounts reported by the parent company, based on the date of the parent company's transition to IFRS. Effective date: annual periods starting on or after 1 January 2022. This amendment has no material impact on the Bank's financial statements.

IFRS 9 – The amendment clarifies the commissions included by the entity when applying the "10 percent" test of paragraph B3.3.6 of IFRS 9 when assessing whether a financial liability should be recognized. An entity shall only include the commissions paid or received between the entity (the debtor) and the creditor, including commissions paid or received by the entity or the creditor on



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behalf of the other party. Effective date: annual periods starting on or after 1 January 2022. This amendment has no material impact on the Bank's financial statements.

IFRS 16 – Amendment of illustrative example 13 accompanying IFRS 16. The aim is to remedy an inconsistency in the accounting treatment of incentives assigned by the lessor to the lessee. This improvement is of prospective application. Effective date: annual periods starting on or after 1 June 2022. This amendment has no material impact on the Bank's financial statements.

IFRS 17 – Insurance contracts. IFRS 17 replaces IFRS 4 – insurance contracts, the interim standard that has been in force since 2004. IFRS 17 applies to all entities issuing insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. Entities can account for fixed-rate service contracts mainly for service provision in accordance with IFRS 17 or IFRS 15. As provided for in IFRS, financial guarantee contracts are allowed to be included in light of IFRS 17, provided that the entity has explicitly classified them as insurance contracts. Insurance contracts wherein the entity is the holder of the insurance policy are not within the scope of IFRS (exception to reinsurance ceded). IFRS 17 is based on the current measurement of technical liabilities at each reporting date. Current measurement may be grounded on a complete (building-block approach) or simplified (premium allocation approach) model. The recognition of the technical margin shall vary depending on whether it is positive or negative. IFRS 17 is of retrospective application. Effective date: annual periods starting on or after 1 January 2023. This amendment has no material impact on the Bank's financial statements.

IAS 1 – Classifying liabilities as current or non-current – Amendments to help companies determine whether the debt and other liabilities with an uncertain settlement date should be classified as current (settlement due or potentially due within one year) or non-current in the financial position statement. Amendments include the clarification of classification requirements for debt that a company can settle through own funds conversion. Effective date: annual periods starting on or after 1 January 2023. This amendment has no material impact on the Bank's financial statements.

IAS 37 – Contracts for consideration – The amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets clarify what “contract performance costs” represent when assessing



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whether a contract is for consideration. Some entities apply that apply the “incremental cost” approach may see the value of their provisions increase, or new provisions recognized for contracts for consideration, as a result of the new definition. This amendment has no material impact on the Bank’s financial statements.

IAS 41 – Lifting of the requirement to exclude tax cash flows from fair measurement of biological assets, ensuring their consistency with the principles of IFRS 3 – Fair Value. This improvement is of prospective application. Effective date: annual periods starting on or after 1 June 2022. This amendment has no material impact on the Bank’s financial statements.

NOTE 3 – USE OF ESTIMATES AND JUDGMENTS

Preparing financial statements requires the Board of Directors to make certain judgments and estimates based on historical experience and other factors considered relevant.

Estimates and associated judgments are reviewed on an ongoing basis. Revisions of accounting estimates shall be recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and in subsequent periods if the revision affects both the current and future periods.

The main estimates focus on the following areas:

Employee benefits

Liabilities for retirement and survivors’ pensions and other post-employment or short-term benefits are estimated on the basis of assumptions and estimates, including the use of actuarial projections, estimated fund profitability and other factors that may impact on expenses and liabilities for pensions and other post-employment benefits.

The Board of Directors considers that the estimates and judgments made are appropriate and that the financial statements present the Bank’s financial position, financial performance and cash flows, in all material respects, in a true and appropriate manner.



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Impairment

As of 1 January 2018, the Bank has not fully adopted IFRS, i.e., a partial adoption, as referred to in point 2.2. However, impairment losses are recognized in the Bank's financial position, when there is objective evidence of a loss event affecting the estimated future cash flow of the financial asset and such loss can be estimated with reasonable confidence.

Periodically, the Bank analyses the balance of tangible assets to check for indications of impairment in order to determine the need to recognize impairment losses or not.

The Bank's tangible assets are measured at historical cost with the exception of buildings, which are at revalued cost, less accumulated depreciation. The cost of acquisition includes expenses that are directly attributable to the procurement of the goods.

With reference to 31 December 2019, the properties were revaluated by an independent company and accounted at their fair value.

The Board of Directors considers that the estimates and judgments made are appropriate and that the financial statements adequately present the Bank's financial position and the result of its operations in all materially relevant aspects.

Note 4 – CHANGES IN POLICIES, ESTIMATES AND ERRORS

For the years ended 31 December 2021 and 31 December 2020, there were no changes in accounting policies that had an effect on the comparability of those years or, requiring additional disclosures.

NOTE 5 – FINANCIAL RISK MANAGEMENT

The Banco de Moçambique is exposed to a number of financial risks, including: market risk, which includes foreign exchange and interest rate risks, liquidity risk, credit risk and operational risk.

Risk management focuses on the unpredictability of financial markets and seeks to minimize the adverse effects of such unpredictability on the Bank's financial performance and capital.



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Financial risk management related to the management of international reserves is undertaken by the Risk Management Department under the supervision of the International Reserves Management Committee and the Board of Directors. This department is responsible for identifying, valuing and hedging financial risks, following the guidelines laid down by the Board of Directors.

5.1. Strategy for using financial instruments

In light of its nature, the activities of the Bank are mainly centred on managing international reserves, in accordance with the powers conferred by Law No. 1/92 of 3 January, Organic Law of the Banco de Moçambique. In accordance with the International Reserves Management Policy, the Bank manages international reserves in order to meet the following needs:

- Ensuring that the country is able to absorb shocks from the Balance of Payments;
- Maintaining the confidence of economic actors in the country's monetary and exchange rate policies; and
- Protecting the national economy in the event of disasters or external shocks.

The international reserves portfolio may consist of the following financial assets:

- Precious metals;
- Special Drawing Rights;
- Marketable currencies in the international financial market; and
- Other assets in assured convertible currency.

In the management of international reserves, the Bank shall ensure the observance of good practices relating to Prudential and operational principles as regards the choice of portfolio structure, composition of the portfolio by currency, maturity, benchmarks to be taken into account, instruments to be traded, markets where to apply its assets and external partners to be contracted.

The Board of Directors approves: (i) the sources and use of reserves; (ii) the composition of the global portfolio and the criteria for its division into tranches; (iii) the average maturity of the global portfolio (duration); (iv) the eligible financial instruments; (v) the minimum credit quality of financial products and counterparties; and (vi) the decision-making and responsibility levels for reserve management.



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The Bank subdivides its global international reserves portfolio into three tranches, defined on the basis of the reasons justifying the maintenance of international reserves and their potential demand, namely:

- **Working capital tranche** - intended to meet estimated monthly liquidity needs for current transactions and potential foreign exchange market interventions;
- **Liquidity tranche** - intended to meet the estimated liquidity needs for covering 1 to 3 months of imports of goods and services and of the government debt service budgeted for the year concerned (maturity up to 1 year); and
- **Investment tranche** - intended to meet medium and long-term needs and contingencies in times of crisis, consists of any excess of reserves on working capital and liquidity tranches as a whole.

The working capital tranche sets out to preserve the value of the capital, i.e., the security of the invested value. Asset investments shall be carried out in such a way as to ensure the integrity of the capital allocated to each portfolio within the established investment horizon. In this sense, the financial assets in the working capital tranche were classified as financial assets at amortized cost.

The purpose of the liquidity tranche is to make the funds available to meet liquidity needs. Investment management should be carried out so as to ensure an adequate level of funds to fulfil obligations, as they mature. In order to maintain sufficient liquidity, the majority of reserve assets should be invested in assets with a strong secondary market. In this sense, financial assets in the liquidity tranche were classified as financial assets at fair value through comprehensive income.

The objective of the investment tranche is to maximize returns on capital, subject to capital preservation and liquidity constraints. Reserve assets are invested with the aim of achieving a competitive rate of return while respecting prudential levels of risk. In this sense, the financial assets in the investment tranche were classified as financial assets at fair value.

The Bank manages a part of the portfolio internally and hires external managers to manage its reserves, taking into account the ratings of the managers and legal regulations in force. A



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benchmark is defined for the management of the global international reserves portfolio, as is a specific benchmark for the internally managed portfolio and for each portfolio under external management. Limits are set for deviations from the benchmark. The Bank receives a monthly report from the custodian, with the violations of the rules set for external managers. Regarding the internally managed portfolio, a daily comparison between the portfolio and the benchmarks is carried out by the department responsible for the management of international reserves. A balance of the portfolio is carried out monthly.

Notwithstanding the matter of the Bank taking as reference the data in the reports received by the custodian, the Bank ensures that the recognized fair value of the securities is determined in accordance with Note 25 – fair value.

In the context of the Bank's strategy for using financial instruments, the following table shows the Bank's various financial assets and liabilities as of 31 December 2021, broken down by different categories according to IFRS 9 – Financial Instruments: recognition and measurement.

The following tables show the Bank's various financial assets and liabilities as of 31 December 2021, broken down by the different categories of IFRS 9 – Financial Instruments: recognition and measurement.



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31-12-2021	Financial assets at fair value through profit or loss	Credits and receivables	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Other financial liabilities	Total
Financial assets						
Foreign currency	-	2.422.238	-	-	-	2.422.238
Deposit with other financial institutions	-	30.282.494	-	-	-	30.282.494
Fair value through profit or loss	32.232.777	-	-	-	-	32.232.777
Fair value through other comprehensive income	-	-	-	139.630.116	-	139.630.116
Treasury bills	-	-	152.743.961	-	-	152.743.961
Other financial assets	-	60.643.824	-	-	-	60.643.824
Total financial assets	32.232.777	93.348.556	152.743.961	139.630.116	-	417.955.410
Financial liabilities						
Banknotes and coins in circulation	-	-	-	-	72.748.402	72.748.402
Deposits from other institutions	-	-	-	-	142.947.486	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	-	-	-	-	300.594.236	300.594.236
Foreign loans	-	-	-	-	33.405.798	33.405.798
Other liabilities	-	-	-	-	8.522.135	8.522.135
Total financial liabilities	-	-	-	-	558.218.057	558.218.057



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31-12-2020	Financial assets at fair value through profit or loss	Credits and receivables	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Other financial liabilities	Total
Financial assets						
Foreign currency	-	2.856.885	-	-	-	2.856.885
Deposit with other financial institutions	-	8.450.327	-	-	-	8.450.327
Fair value through profit or loss	37.648.336	-	-	-	-	37.648.336
Fair value through other comprehensive income	-	-	-	235.139.298	-	235.139.298
Treasury bills	-	-	161.453.738	-	-	161.453.738
Other financial assets	-	64.412.017	-	-	-	64.412.017
Total financial assets	37.648.336	75.719.229	161.453.738	235.139.298	-	509.960.601
Financial liabilities						
Banknotes and coins in circulation	-	-	-	-	68.673.677	68.673.677
Deposits from other institutions	-	-	-	-	187.857.429	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	-	-	-	-	306.026.766	306.026.766
Foreign loans	-	-	-	-	17.868.780	17.868.780
Other liabilities	-	-	-	-	1.133.656	1.133.656
Total financial liabilities	-	-	-	-	581.560.308	581.560.308



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The following tables show the Bank's various financial assets and liabilities as of 31 December 2021, broken down into various IFRS 9 categories – Financial Instruments: recognition and measurement.

31-12-2021	Financial assets at fair value through profit or loss	Credits and receivables	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Other financial liabilities	Total
Financial assets						
Foreign currency	-	2.422.238	-	-	-	2.422.238
Deposit with other financial institutions	-	30.990.561	-	-	-	30.990.561
Fair value through profit or loss	32.232.777	-	-	-	-	32.232.777
Fair value through other comprehensive income	-	-	-	139.630.116	-	139.630.116
Treasury bills	-	-	152.800.370	-	-	152.800.370
Other financial assets	-	60.267.526	-	-	-	60.267.526
Total financial assets	32.232.777	93.680.325	152.800.370	139.630.116	-	418.343.588
Financial liabilities						
Banknotes and coins in circulation	-	-	-	-	72.748.402	72.748.402
Deposits from other institutions	-	-	-	-	142.947.486	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	-	-	-	-	300.594.236	300.594.236
Foreign loans	-	-	-	-	33.405.798	33.405.798
Other liabilities	-	-	-	-	9.010.254	9.010.254
Total financial liabilities	-	-	-	-	558.706.176	558.706.176



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31-12-2020	Financial assets at fair value through profit or loss	Credits and receivables	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Other financial liabilities	Total
Financial assets						
Foreign currency	-	2.856.885	-	-	-	2.856.885
Deposit with other financial institutions	-	9.290.882	-	-	-	9.290.882
Fair value through profit or loss	37.648.336	-	-	-	-	37.648.336
Fair value through other comprehensive income	-	-	-	235.139.298	-	235.139.298
Treasury bills	-	-	161.530.589	-	-	161.530.589
Other financial assets	-	63.784.088	-	-	-	63.784.088
Total financial assets	37.648.336	75.931.855	161.530.589	235.139.298	-	510.250.078
Financial liabilities						
Banknotes and coins in circulation	-	-	-	-	68.673.677	68.673.677
Deposits from other institutions	-	-	-	-	187.857.429	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	-	-	-	-	306.026.766	306.026.766
Foreign loans	-	-	-	-	17.868.780	17.868.780
Other liabilities	-	-	-	-	1.616.024	1.616.024
Total financial liabilities	-	-	-	-	582.042.676	582.042.676



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5.2. Credit risk

5.2.1. Risk control and mitigation policies

The Bank assumes a certain level of exposure in its business to credit risk, i.e., to the risk of actual default by the counterparty. The Board carefully regulates the Bank's exposure to credit risk and country risk by establishing: (i) the minimum credit ratings for each type of eligible instrument, (ii) the maximum terms per rating for term deposits, (iii) the concentration limits per rating of counterparties, (iv) the concentration limits per country and (v) the risk limits per issuer. These risks are reviewed annually.

The Markets and Reserves Management Department verifies compliance with the limits on a daily basis. For the management and investments of international reserves, the Board shall also define the external entities empowered to provide these services.

The financial assets that potentially expose the Bank to credit concentration risk consist mainly of cash and cash equivalents and investments in other credit institutions, bonds, and other fixed-income securities.

5.2.2. Maximum exposure to credit risk

The maximum exposure to credit risk as of 31 December 2021 was as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Deposit with other financial institutions	30.282.494	8.450.327	30.990.561	9.290.882
Financial assets at fair value through profit or loss	32.232.777	37.648.336	32.232.777	37.648.336
Financial assets at fair value through other comprehensive income	139.630.116	235.139.298	139.630.116	235.139.298
Financial assets at amortized cost	152.743.961	161.453.738	152.800.370	161.530.589
Other financial assets	60.643.824	64.412.017	60.267.526	63.784.088
Total at 31 December	415.533.172	507.103.716	415.921.350	507.393.193



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5.2.3. Quality of financial assets

The following table provides a summary of the Bank's credit quality of financial assets as of 31 December 2021:

31.12.2021

	Deposit with other financial institutions	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total
AAA	224.192	19.607.049	45.594.867	-	-	65.426.108
AA - to AA+	3.691.672	8.592.834	18.639.319	-	-	30.923.825
A- to A+	4.662.908	3.824.550	66.069.268	-	-	74.556.726
Below A -	21.703.712	206.658	501.398	-	-	22.411.768
Unrated	10	1.686	8.825.264	152.743.961	60.643.824	222.214.745
Total	30.282.494	32.232.777	139.630.116	152.743.961	60.643.824	415.533.172

31.12.2020

	Deposit with other financial institutions	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total
AAA	362.184	21.456.891	42.012.910	-	-	63.831.984
AA - to AA+	4.578.494	11.147.889	95.000.796	-	-	110.727.179
A- to A+	111.152	4.856.404	91.892.807	-	-	96.860.364
Below A -	3.398.485	185.005	4.295.476	-	-	7.878.967
Unrated	12	2.147	1.937.309	161.453.738	64.412.017	227.805.223
Total	8.450.327	37.648.336	235.139.298	161.453.738	64.412.017	507.103.716

The following table provides a Group summary of the credit quality of financial assets as of 31 December 2021:

31.12.2021

	Deposit with other financial institutions	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total
AAA	224.192	19.607.049	45.594.867	-	-	65.426.107
AA - to AA+	3.691.672	8.592.834	18.639.319	-	-	30.923.825
A- to A+	4.662.908	3.824.551	66.069.268	-	-	74.556.727
Below A -	21.703.712	206.658	501.398	-	-	22.411.768
Unrated	708.076	1.686	8.825.264	152.800.370	60.267.526	222.602.922
Total	30.990.561	32.232.777	139.630.116	152.800.370	60.267.526	415.921.351



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31.12.2020

	Deposit with other financial institutions	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total
AAA	362.183	21.456.891	42.012.910	-	-	63.831.983
AA - to AA+	4.578.494	11.147.889	95.000.796	-	-	110.727.179
A- to A+	111.152	4.856.404	91.892.807	-	-	96.860.364
Below A -	3.398.485	185.005	4.295.476	-	-	7.878.967
Unrated	840.568	2.147	1.937.308	161.530.589	63.784.088	228.094.700
Total	9.290.882	37.648.336	235.139.298	161.530.589	63.784.088	507.393.194

5.2.4. Impairment of financial assets

The Bank shall regularly assess whether there is objective evidence that a financial asset, or group of financial assets, shows signs of impairment.

For financial assets showing signs of impairment, their recoverable value shall be determined, with impairment losses recorded against profit or loss.

A financial asset or group of financial assets is impaired when there is objective evidence of a loss from one or more events that occurred after the initial recognition, such as (i) the securities listed, an extended or significant depreciation in its price, and (ii) unlisted equity investments, loans granted, and other financial assets measured at amortized cost when the event impacted the estimated future cash flows of the financial asset, or groups of financial assets that can be estimated reasonably.

If, in a subsequent period, the amount of the impairment loss decreases, the previously recognized impairment loss is reversed against the profit or loss for the financial year, until the replacement of the acquisition cost, if the increase is objectively related to an event that took place after the recognition of impairment loss, except when addressing shares or other capital instruments, where the subsequent added value is recognized under reserves.

In the case of impairment of assets measured at amortized cost, the loss corresponding to the difference between the carrying amount and the recoverable amount is recognized under profit or loss for the period. Recoverable value is determined as the value of expected future cash flows discounted at the original effective rate of the asset.



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5.3. Liquidity risk

Liquidity risk is the risk that an institution does not have the necessary funds to meet its payment obligations at all times.

The Board sets concentration limits by maturity dates, which are revised annually. The Markets and Reserves Management Department verifies compliance with the limits on a daily basis.

As referred to in note - 5.1. "Strategy for using financial instruments" means the Bank subdivides its global portfolio of international reserves into three tranches: working capital tranche, liquidity tranche and investment tranche, according to the reasons justifying the maintenance of international reserves and their potential demand.

Minimum and maximum limits are set for the working capital and liquidity tranches.

Liquidity risk management shall be developed on the basis of cash flow projections and by checking compliance with limits.

The average maturity of all the assets in the portfolio, weighted by their market value (duration) of the international reserves portfolio, may not, on average, exceed 1 year.

As of 31 December 2021, the liquidity tranche presents a concentration of investments in institutions rated AAA, AA -, AA+, A - and A+.

The following tables analyse the Bank's financial assets and liabilities and gold (individual) by maturity, the amounts being composed of the value of financial assets and liabilities taking into account the date on which payment, receipt, or maturity of the transactions will take place.



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	MZN	USD	EUR	GBP	ZAR	SDR	CNY	Others	Total
Financial assets and Gold									
Foreign currency	-	1.024.717	1.345.736	394	51.352	-	-	39	2.422.238
Cash and claims in credit institutions	-	6.210.662	3.845.069	95.071	37.661	19.816.791	63.228	214.012	30.282.494
Gold	-	-	-	-	-	-	-	14.688.297	14.688.297
Financial assets held-for-trading	128.640	32.102.450	1.687	-	-	-	-	-	32.232.777
Financial assets available-for-sale	-	93.925.391	-	2.586.013	12.506.809	-	30.611.903	-	139.630.116
Financial assets at amortized cost	152.743.961	-	-	-	-	-	-	-	152.743.961
Other financial assets	30.013.657	10.735.434	1.201.634	196.029	98.305	5.224.811	-	13.173.954	60.643.825
Total	182.886.258	143.998.654	6.394.126	2.877.507	12.694.127	25.041.602	30.675.131	28.076.302	432.643.707
Financial liabilities									
Banknotes and coins in circulation	72.748.402	-	-	-	-	-	-	-	72.748.402
Deposits from other credit institutions	93.729.923	42.204.779	6.024.941	1.053	315.127	-	-	671.663	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	300.594.236	-	-	-	-	-	-	-	300.594.236
Foreign loans	-	-	-	-	-	33.405.798	-	-	33.405.798
Other liabilities	397.656	3.002.711	16.010	2.362	40.775	5.043.296	-	19.325	8.522.135
Total	467.470.217	45.207.490	6.040.951	3.415	355.902	38.449.094	-	690.988	558.218.057
Overall operating position	(284.583.959)	98.791.164	353.175	2.874.092	12.338.225	(13.407.492)	30.675.131	27.385.314	(125.574.350)



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At 31 December 2020

	MZN	USD	EUR	GBP	ZAR	SDR	CNY	Others	Total
Financial assets and Gold									
Foreign currency	-	954.001	1.825.957	467	76.414	-	-	46	2.856.885
Cash and claims in credit institutions	-	6.156.817	1.079.157	264.851	35.234	443.783	66.699	403.786	8.450.327
Gold	-	-	-	-	-	-	-	17.958.167	17.958.167
Financial assets at fair value through profit or loss	93.458	37.552.731	2.147	-	-	-	-	-	37.648.336
Financial assets at fair value through other comprehensive income	-	178.064.896	-	2.960.195	28.112.034	-	26.002.173	-	235.139.298
Activos financeiros ao custo amortizado	161.453.738	-	-	-	-	-	-	-	161.453.738
Other financial assets	10.799.331	13.207.392	8.317.224	19.085	23.146.351	4.091.522	-	4.831.112	64.412.017
Total	172.346.527	235.935.837	11.224.485	3.244.598	51.370.033	4.535.305	26.068.872	23.193.111	527.918.768
Financial liabilities									
Banknotes and coins in circulation	68.673.677	-	-	-	-	-	-	-	68.673.677
Deposits from other credit institutions	111.416.573	71.457.634	3.839.115	1.470	542.088	-	-	600.549	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	306.026.766	-	-	-	-	-	-	-	306.026.766
Foreign loans	-	-	-	-	-	17.868.780	-	-	17.868.780
Other liabilities	80.384	440.757	22.253	53.789	515.341	11.892	-	9.240	1.133.656
Total	486.197.400	71.898.391	3.861.368	55.259	1.057.429	17.880.672	-	609.789	581.560.308
Overall operating position	(313.850.873)	164.037.446	7.363.117	3.189.339	50.312.604	(13.345.367)	26.068.872	22.583.322	(53.641.540)



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The following analyses the Group's financial and gold assets and liabilities.

At 31 December 2021

	MZN	USD	EUR	GBP	ZAR	SDR	CNY	Others	Total
Financial assets and Gold									
Foreign currency	-	1.024.717	1.345.736	394	51.352	-	-	39	2.422.238
Cash and claims in credit institutions	-	6.918.729	3.845.069	95.071	37.661	19.816.791	63.228	214.012	30.990.561
Gold	-	-	-	-	-	-	-	14.688.297	14.688.297
Financial assets at fair value through profit or loss	128.640	32.102.450	1.687	-	-	-	-	-	32.232.777
Financial assets at fair value through other comprehensive income	-	93.925.391	-	2.586.013	12.506.809	-	30.611.903	-	139.630.116
Financial assets at amortized cost	152.800.370	-	-	-	-	-	-	-	152.800.370
Other financial assets	29.637.359	10.735.434	1.201.634	196.029	98.305	5.224.811	-	13.173.954	60.267.526
Total	182.566.369	144.706.721	6.394.126	2.877.507	12.694.127	25.041.602	30.675.131	28.076.302	433.031.885
Financial liabilities									
Banknotes and coins in circulation	72.748.402	-	-	-	-	-	-	-	72.748.402
Deposits from other credit institutions	93.729.923	42.204.779	6.024.941	1.053	315.127	-	-	671.663	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	300.594.236	-	-	-	-	-	-	-	300.594.236
Foreign loans	-	-	-	-	-	33.405.798	-	-	33.405.798
Other liabilities	885.776	3.002.711	16.010	2.362	40.775	5.043.296	-	19.325	9.010.254
Total	467.958.336	45.207.490	6.040.951	3.415	355.902	38.449.094	-	690.988	558.706.176
Overall operating position	(285.391.967)	99.499.231	353.175	2.874.092	12.338.225	(13.407.492)	30.675.131	27.385.314	(125.674.291)



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	MZN	USD	EUR	GBP	ZAR	SDR	CNY	Others	Total
Financial assets and Gold									
Foreign currency	-	954.001	1.825.957	467	76.414	-	-	46	2.856.885
Cash and claims in credit institutions	840.555	6.156.817	1.079.157	264.851	35.234	443.783	66.699	403.786	9.290.882
Gold	-	-	-	-	-	-	-	17.958.167	17.958.167
Financial assets at fair value through profit or loss	93.458	37.552.731	2.147	-	-	-	-	-	37.648.336
Financial assets at fair value through other comprehensive income	-	178.064.896	-	2.960.195	28.112.034	-	26.002.173	-	235.139.298
Financial assets at amortized cost	161.530.589	-	-	-	-	-	-	-	161.530.589
Other financial assets	10.171.402	13.207.392	8.317.224	19.085	23.146.351	4.091.522	-	4.831.112	63.784.088
Total	172.636.004	235.935.837	11.224.485	3.244.598	51.370.033	4.535.305	26.068.872	23.193.111	528.208.245
Financial liabilities									
Banknotes and coins in circulation	68.673.677	-	-	-	-	-	-	-	68.673.677
Deposits from other credit institutions	111.416.573	71.457.634	3.839.115	1.470	542.088	-	-	600.549	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	306.026.766	-	-	-	-	-	-	-	306.026.766
Foreign loans	-	-	-	-	-	17.868.780	-	-	17.868.780
Other liabilities	562.752	440.757	22.253	53.789	515.341	11.892	-	9.240	1.616.024
Total	486.679.768	71.898.391	3.861.368	55.259	1.057.429	17.880.672	-	609.789	582.042.676
Overall operating position	(314.043.764)	164.037.446	7.363.117	3.189.339	50.312.604	(13.345.367)	26.068.872	22.583.322	(53.834.431)



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5.4. Market risk

Market risk corresponds to the prospects of negative impact on income or capital due to unfavourable movements in the market price of the financial instruments held by the Bank, such as the risk of fluctuations in interest and exchange rates.

The Bank assumes exposure to market risks, i.e., risks arising from open positions in interest rates, foreign currency and other products exposed to market movements.

Market risk consists of interest rate risk, foreign exchange risk and price risk.

5.4.1. Interest rate risk

Interest rate risk is the risk of fluctuation to which the cash flows of a financial instrument are subject due to changes in market interest rates.

Investments in credit institutions, bonds and other fixed income securities and financial liabilities are subject to interest rate risk.

The following tables summarize the Bank's (individual) exposure to interest rate risk.



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	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial assets								
Foreign currency	-	-	-	-	-	-	2.422.238	2.422.238
Deposit with other financial institutions	-	-	-	-	-	-	30.282.494	30.282.494
Financial assets at fair value through profit or loss	497.047	1.093.753	5.787.869	23.264.620	1.381.145	-	208.343	32.232.777
Financial assets at fair value through other comprehensive income	70.240.542	33.497.964	10.334.734	23.046.544	2.510.332	-	-	139.630.116
Financial assets at amortized cost	88.606.041	21.180.934	42.956.986	-	-	-	-	152.743.961
Other financial assets	-	-	-	-	-	-	60.643.824	60.643.824
Total financial assets	159.343.630	55.772.651	59.079.589	46.311.164	3.891.477	-	93.556.899	417.955.410
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	72.748.402	72.748.402
Deposits from other credit institutions	142.947.486	-	-	-	-	-	-	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	171.129.283	44.166.980	85.297.973	-	-	-	-	300.594.236
Foreign loans	-	-	-	-	-	33.405.798	-	33.405.798
Other liabilities	-	-	-	-	-	-	8.522.135	8.522.135
Total financial liabilities	314.076.769	44.166.980	85.297.973	-	-	33.405.798	81.270.537	558.218.057
Net position	(154.733.139)	11.605.671	(26.218.384)	46.311.164	3.891.477	(33.405.798)	12.286.362	(140.262.647)



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At 31 December 2020

	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial assets								
Foreign currency	-	-	-	-	-	-	2.856.885	2.856.885
Deposit with other financial institutions	-	-	-	-	-	-	8.450.327	8.450.327
Financial assets held-for-trading	859.123	1.280.657	5.099.654	28.049.505	2.172.245	-	187.152	37.648.336
Financial assets available-for-sale	99.103.100	96.678.878	12.357.265	21.367.340	5.632.715	-	-	235.139.298
Financial assets at amortized cost	123.818.086	9.809.595	27.651.811	-	-	-	174.246	161.453.738
Financial investment	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	64.412.017	64.412.017
Total financial assets	223.780.309	107.769.131	45.108.730	49.416.845	7.804.960	-	76.080.626	509.960.601
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	68.673.677	68.673.677
Deposits from other credit institutions	187.857.429	-	-	-	-	-	-	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	239.738.009	23.147.755	42.841.755	-	-	125.001	174.246	306.026.766
Foreign loans	-	-	-	-	-	17.868.780	-	17.868.780
Other liabilities	-	-	-	-	-	-	1.133.656	1.133.656
Total financial liabilities	427.595.438	23.147.755	42.841.755	-	-	17.993.781	69.981.579	581.560.308
Net position	(203.815.129)	84.621.376	2.266.975	49.416.845	7.804.959	(17.993.781)	6.099.048	(71.599.707)



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The following tables summarize the Bank's exposure to interest rate risk.

At 31 December 2021

	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial assets								
Foreign currency	-	-	-	-	-	-	2.422.238	2.422.238
Deposit with other financial institutions	-	-	-	-	-	-	30.990.561	30.990.561
Financial assets at fair value through profit or loss	497.047	1.093.753	5.787.869	23.264.620	1.381.145	-	208.343	32.232.777
Financial assets at fair value through other comprehensive income	70.240.542	33.497.964	10.334.734	23.046.544	2.510.332	-	-	139.630.116
Financial assets at amortized cost	88.606.041	21.180.934	43.013.395	-	-	-	-	152.800.370
Other financial assets	-	-	-	-	-	-	60.267.526	60.267.526
Total financial assets	159.343.630	55.772.651	59.135.998	46.311.164	3.891.477	-	93.888.668	418.343.588
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	72.748.402	72.748.402
Deposits from other credit institutions	142.947.486	-	-	-	-	-	-	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	171.129.283	44.166.980	85.297.973	-	-	-	-	300.594.236
Foreign loans	-	-	-	-	-	33.405.798	-	33.405.798
Other liabilities	-	-	-	-	-	-	9.010.254	9.010.254
Total financial liabilities	314.076.769	44.166.980	85.297.973	-	-	33.405.798	81.758.656	558.706.176
Net position	(154.733.139)	11.605.671	(26.161.975)	46.311.164	3.891.477	(33.405.798)	12.130.012	(140.362.587)



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At 31 December 2020

	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial Assets								
Foreign currency	-	-	-	-	-	-	2.856.885	2.856.885
Deposit with other financial institutions	-	-	-	-	-	-	9.290.882	9.290.882
Financial assets at fair value through profit or loss	859.123	1.280.657	5.099.654	28.049.505	2.172.245	-	187.152	37.648.336
Financial assets at fair value through other comprehensive income	99.103.101	96.678.878	12.357.265	21.367.340	5.632.714	-	-	235.139.298
Financial assets at amortized cost	123.818.086	9.809.595	27.728.662	-	-	-	174.246	161.530.589
Other financial assets	-	-	-	-	-	-	63.784.088	63.784.088
Total financial assets	223.780.310	107.769.130	45.185.581	49.416.845	7.804.959	-	76.293.253	510.250.078
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	68.673.677	68.673.677
Deposits from other credit institutions	187.857.429	-	-	-	-	-	-	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	239.738.009	23.147.755	42.841.755	-	-	125.001	174.246	306.026.766
Foreign loans	-	-	-	-	-	17.868.780	-	17.868.780
Other liabilities	-	-	-	-	-	-	1.616.024	1.616.024
Total financial liabilities	427.595.438	23.147.755	42.841.755	-	-	17.993.781	70.463.947	582.042.676
Net position	(203.815.128)	84.621.375	2.343.826	49.416.845	7.804.959	(17.993.781)	5.829.306	(71.792.598)



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The Bank manages interest rate risk by establishing benchmarks for externally and internally managed portfolios, including a definition of duration for each tranche of the international reserves portfolio.

For external managers, the Bank also established instrument exposure and duration deviation limits on the benchmark, as well as stop loss limits regarding the benchmark.

As of 31 December 2021, the effect on the Bank's profit or loss and equity resulting from a +/- 25 basis point change in the interest rate is 381.373 thousand Meticaís (2020: 194.247 thousand Meticaís) and 810.996 thousand Meticaís (2020: 1.084.700 thousand Meticaís), respectively.

5.4.2. Foreign exchange risk

Foreign exchange risk arises from transactions in assets and liabilities denominated in foreign currency. Cash and cash equivalents, investments and resources of credit institutions, gold, securities, external financing and other foreign currency balances expose the Bank to foreign exchange risk, even if ultimately the risk falls under the State, as explained in the following paragraph. The Bank manages this risk by limiting the currency composition of the international reserves portfolio. The Board shall approve the limits of exposure to foreign exchange risk.

As a result of the provisions of Article 14 of the Organic Law, gains and losses arising from the foreign exchange revaluation of active and passive positions in foreign currency shall fall under a value fluctuation account, under asset or liability, as per the case.



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As of 31 December 2021, the Bank's financial and gold assets and liabilities, denominated in national and foreign currencies, are presented as follows:

At 31 December 2021

	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial assets and gold								
Foreign currency	-	-	-	-	-	-	2.422.238	2.422.238
Deposit with other financial institutions	-	-	-	-	-	-	30.282.494	30.282.494
Gold	-	-	-	-	-	-	14.688.297	14.688.297
Financial assets at fair value through profit or loss	497.047	1.093.753	5.787.869	23.264.620	1.381.145	-	208.343	32.232.777
Financial assets at fair value through other comprehensive income	70.240.542	33.497.964	10.334.734	23.046.544	2.510.332	-	-	139.630.116
Financial assets at amortized cost	88.606.041	21.180.934	42.956.986	-	-	-	-	152.743.961
Other financial assets	-	-	-	-	-	-	60.643.824	60.643.824
Total financial assets and gold	159.343.630	55.772.651	59.079.589	46.311.164	3.891.477	-	108.245.196	432.643.707
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	72.748.402	72.748.402
Deposits from other institutions	142.947.486	-	-	-	-	-	-	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	171.129.283	44.166.980	85.297.973	-	-	-	-	300.594.236
Foreign loans	-	-	-	-	-	33.405.798	-	33.405.798
Other liabilities	-	-	-	-	-	-	8.522.135	8.522.135
Total financial liabilities	314.076.769	44.166.980	85.297.973	-	-	33.405.798	81.270.537	558.218.057
Net position	(154.733.139)	11.605.671	(26.218.384)	46.311.164	3.891.477	(33.405.798)	26.974.659	(125.574.350)



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At 31 December 2020

	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial assets and gold								
Foreign currency	-	-	-	-	-	-	2.856.885	2.856.885
Deposit with other financial institutions	-	-	-	-	-	-	8.450.327	8.450.327
Gold	-	-	-	-	-	-	17.958.167	17.958.167
Financial assets at fair value through profit or loss	859.123	1.280.657	5.099.654	28.049.505	2.172.245	-	187.152	37.648.336
Financial assets at fair value through other comprehensive income	99.103.100	96.678.879	12.357.265	21.367.340	5.632.714	-	-	235.139.298
Activos financeiros ao custo amortizado	123.818.086	9.809.595	27.651.811	-	-	-	174.246	161.453.738
Other financial assets	-	-	-	-	-	-	64.412.017	64.412.017
Total financial assets and gold	223.780.309	107.769.131	45.108.730	49.416.845	7.804.959	-	94.038.794	527.918.768
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	68.673.677	68.673.677
Deposits from other institutions	187.857.429	-	-	-	-	-	-	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	239.738.009	23.147.755	42.841.755	-	-	125.001	174.246	306.026.766
Foreign loans	-	-	-	-	-	17.868.780	-	17.868.780
Other liabilities	-	-	-	-	-	-	1.133.656	1.133.656
Total financial liabilities	427.595.438	23.147.755	42.841.755	-	-	17.993.781	69.981.579	581.560.308
Net position	(203.815.129)	84.621.376	2.266.975	49.416.845	7.804.959	(17.993.781)	24.057.215	(53.641.540)



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The following tables summarize the Group's financial assets and liabilities and gold denominated in national and foreign currency and are presented as follows:

At 31 December 2021

	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial assets and gold								
Foreign currency	-	-	-	-	-	-	2.422.238	2.422.238
Deposit with other financial institutions	690.270	-	-	-	-	-	30.300.291	30.990.561
Gold	-	-	-	-	-	-	14.688.297	14.688.297
Financial assets at fair value through profit or loss	497.047	1.093.753	5.787.869	23.264.620	1.381.145	-	208.343	32.232.777
Financial assets at fair value through other comprehensive income	70.240.542	33.497.964	10.334.734	23.046.544	2.510.332	-	-	139.630.116
Financial assets at amortized cost	88.606.041	21.180.934	43.013.395	-	-	-	-	152.800.370
Other financial assets	-	-	-	-	-	-	60.267.526	60.267.526
Total financial assets and gold	160.033.900	55.772.651	59.135.998	46.311.164	3.891.477	-	107.886.695	433.031.885
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	72.748.402	72.748.402
Deposits from other institutions	142.947.486	-	-	-	-	-	-	142.947.486
Treasury bills issued on behalf of the State and other monetary instruments	171.129.283	44.166.980	85.297.973	-	-	-	-	300.594.236
Foreign loans	-	-	-	-	-	33.405.798	-	33.405.798
Other liabilities	-	-	-	-	-	-	9.010.254	9.010.254
Total financial liabilities	314.076.769	44.166.980	85.297.973	-	-	33.405.798	81.758.656	558.706.176
Net position	(154.042.869)	11.605.671	(26.161.975)	46.311.164	3.891.477	(33.405.798)	26.128.039	(125.674.291)



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At 31 December 2020

	1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Without a fixed term	Total
Financial assets and gold								
Foreign currency	-	-	-	-	-	-	2.856.885	2.856.885
Deposit with other financial institutions	838.923	-	-	-	-	-	8.451.959	9.290.882
Gold	-	-	-	-	-	-	17.958.167	17.958.167
Financial assets at fair value through profit or loss	859.123	1.280.657	5.099.654	28.049.505	2.172.245	-	187.152	37.648.336
Financial assets at fair value through other comprehensive income	99.103.101	96.678.878	12.357.265	21.367.340	5.632.714	-	-	235.139.298
Financial assets at amortized cost	123.818.086	9.809.595	27.728.662	-	-	-	174.246	161.530.589
Other financial assets	-	-	-	-	-	-	63.784.088	63.784.088
Total financial assets and gold	224.619.233	107.769.130	45.185.581	49.416.845	7.804.959	-	93.412.497	528.208.245
Financial liabilities								
Banknotes and coins in circulation	-	-	-	-	-	-	68.673.677	68.673.677
Deposits from other institutions	187.857.429	-	-	-	-	-	-	187.857.429
Treasury bills issued on behalf of the State and other monetary instruments	239.738.009	23.147.755	42.841.755	-	-	125.001	174.246	306.026.766
Foreign loans	-	-	-	-	-	17.868.780	-	17.868.780
Other liabilities	-	-	-	-	-	-	1.616.024	1.616.024
Total financial liabilities	427.595.438	23.147.755	42.841.755	-	-	17.993.781	70.463.947	582.042.676
Net position	(202.976.205)	84.621.375	2.343.826	49.416.845	7.804.959	(17.993.781)	22.948.550	(53.834.431)



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As of 31 December 2021, the effect on profits or losses and equity of the Bank in the face of an appreciation or depreciation of the Metical by about 10% versus the total in foreign currency is 39.128.837 thousand Meticaïs (2020: 7.048.206 thousand Meticaïs) and 7.970 thousand Meticaïs (2020: 9.369 thousand Meticaïs), respectively.

5.5. Operational risk

Operational risk can be defined as the possibility of losses arising from the malfunction of computer systems, conveyance systems and the inadequacy or failures of internal processes, people or as a result of exogenous events. For the prevention and control of operational risk, the Bank has implemented several internal control systems. Compliance with internal regulations and procedures is guaranteed by the Internal Audit Department, which is responsible for ensuring the regularity of their observance. However, the departments separately ensure compliance with the established regulations regarding the operations under their purview.

NOTE 6 – FOREIGN CURRENCY

This item is broken down as follows:

Currency	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
CAD	34	40	34	40
CHF	5	6	5	6
EUR	1.345.736	1.825.957	1.345.736	1.825.957
GBP	394	467	394	467
USD	1.024.717	954.001	1.024.717	954.001
ZAR	51.352	76.414	51.352	76.414
	2.422.238	2.856.885	2.422.238	2.856.885

NOTE 7 – CASH AND CASH EQUIVALENTS IN CREDIT INSTITUTIONS

As to their nature, cash and cash equivalents and investments on credit institutions are analysed as follows:



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	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Cash in credit institutions				
Demand deposits	30.282.494	8.450.327	30.502.122	8.705.882
Advances to credit institutions				
Term deposit	-	-	488.439	585.000
Interest receivable	-	-	-	-
	30.282.494	8.450.327	30.990.561	9.290.882

As of 31 December 2021, the maximum and minimum interest rates for these foreign currency investments were as follows:

	2021		2020	
	Minimum rate	Maximum rate	Minimum rate	Maximum rate
Up to 1 month	0,080%	7,000%	0,150%	7,000%
1 to 3 months	0,080%	5,600%	0,050%	4,250%
3 to 12 months	0,100%	5,000%	0,003%	4,250%
1 to 3 years	0,100%	4,970%	0,006%	4,590%
3 to 5 years	0,125%	4,370%	0,046%	2,913%
More than 5 years	2,050%	2,550%	2,050%	2,550%

Cash and cash equivalents and investments in credit institutions are mainly composed of short-term financial assets, and, for this reason, their carrying amount at the reporting date is considered to be close to fair value.

NOTE 8 – GOLD

This section is analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Gold in coins and bars				
Held outside the country	14.688.297	17.958.167	14.688.297	17.958.167
	14.688.297	17.958.167	14.688.297	17.958.167

As of 31 December 2021, gold reserves of approximately 126.530 ounces (2020: 126.530 ounces) were valued at USD 230.115.888 (2020: USD 239.761.911), based on the average price of gold quoted in US dollars at the reporting date on the London gold market.



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NOTE 9 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

They refer to investments under the custody of asset managers appointed by the Bank. Managers invest the funds made available in assets, specifically stipulated in the agreement, through separate agreements signed by them. Fees range from 0.10% to 0.30% of the portfolio market value.

This section is analysed as follows:

31.12.2021

	INDIVIDUAL		CONSOLIDATED	
	Acquisition cost	Fair value	Acquisition cost	Fair value
Shares	97.600	208.343	97.600	208.343
Treasury bills	17.184.599	25.468.614	17.184.599	25.468.614
Bonds of other issuers	2.447.593	4.669.147	2.447.593	4.669.147
Others	797.348	1.886.673	797.348	1.886.673
Total	20.527.140	32.232.777	20.527.140	32.232.777

31.12.2020

	INDIVIDUAL		CONSOLIDATED	
	Acquisition cost	Fair value	Acquisition cost	Fair value
Shares	97.600	187.152	97.600	187.152
Treasury bills	27.684.693	28.388.967	27.684.693	28.388.967
Bonds of other issuers	5.269.000	5.463.731	5.269.000	5.463.731
Others	4.273.852	3.608.486	4.273.852	3.608.486
Total	37.325.145	37.648.336	37.325.145	37.648.336

NOTE 10 – FINANCIAL ASSETS AT FAIR VALUE THROUGH COMPREHENSIVE INCOME

This section is analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Debt instruments				
Unlisted securities				
From non-resident issuers				
U.S. Treasury bonds	38.705.682	45.208.896	38.705.682	45.208.896
Investments in credit institutions				
Term deposits	100.924.434	189.930.402	100.924.434	189.930.402
Financial assets at fair value through other comprehensive income	139.630.116	235.139.298	139.630.116	235.139.298



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The detail of financial assets at fair value through comprehensive income is presented as follows:

31.12.2021	Nominal value	Fair value	Acquisition cost	Capital gains
Debt instruments				
U.S. Treasury bonds	-	38.705.682	31.598.589	7.107.093
Investments in credit institutions				
Term deposits	100.924.434	100.924.434	100.721.194	203.241
Financial assets at fair value through other comprehensive income	100.924.434	139.630.116	132.319.783	7.310.333

31.12.2020	Valor nominal	Justo valor	Valor de aquisição	Mais valias
Debt instruments				
U.S. Treasury bonds	-	45.208.896	44.256.395	952.501
Investments in credit institutions				
Term deposits	189.930.402	189.930.402	189.679.103	251.300
Financial assets at fair value through other comprehensive income	189.930.402	235.139.298	233.935.498	1.203.801

NOTE 11 – FINANCIAL ASSETS AT AMORTIZED COST

As of 31 December 2021, financial assets at amortized cost were as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Treasury bonds	4.545.335	4.545.335	4.545.335	4.545.335
Special issue treasury bills	88.799.642	112.688.640	88.856.051	112.765.491
Use of Treasury Bills	59.398.984	44.219.763	59.398.984	44.219.763
	152.743.961	161.453.738	152.800.370	161.530.589

Financial assets at amortized cost incorporate the values of the Mozambican State Treasury Bonds and Treasury Bills, making up 4.545.335 thousand Meticaís and 148.198.626 thousand Meticaís, respectively.

The Mozambican State Treasury Bonds represent securities issued by the State in favour of the Bank for the settlement of state debt under Article 14 of Law No. 1/92 of 3 January, Organic Law of the Banco de Moçambique.

Since 2008, due to the revision of the contractual terms, securities now have a maturity period of one year, tacitly renewable and remunerated at an interest rate of 8%. The fair value of these bonds is close to the carrying amount as of 31 December 2021.



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NOTE 12 – FINANCIAL INVESTMENTS

The financial investments contain the Bank's subsidiaries already identified in note 2.3. In the separate financial statements, the subsidiaries are valued at historical cost. In the consolidated financial statements, Sociedade Interbancária de Moçambique, S. A. and Kuhanha - Sociedade Gestora do Fundo de Pensões do Banco de Moçambique, S. A. are consolidated using the full consolidation method.

NOTE 13 – OTHER TANGIBLE ASSETS

The movements in the financial year ended 31 December 2021 were as follows:

	Land and buildings	Equipment	Artistic heritage	Ongoing investments	Total
At 31 December 2021					
Carrying amount at the beginning of the year	25.153.601	804.155	8.468	16.921.325	42.887.549
Additions	660.422	307.740	2.269	4.228.577	5.199.008
Depreciation for the year	(1.510.408)	(262.623)	(714)	-	(1.773.745)
Impairment for the year	-	-	-	-	-
Carrying amount at end of year	24.303.615	849.272	10.023	21.149.902	46.312.812
At 31 December 2021					
Cost	27.676.170	2.805.083	22.332	21.149.902	51.653.487
Accumulated depreciation	(2.446.608)	(1.955.811)	(12.309)	-	(4.414.728)
Accumulated impairments	(925.947)	-	-	-	(925.947)
Carrying amount	24.303.615	849.272	10.023	21.149.902	46.312.812

The movement under the item of ongoing transfer of asset values for land and buildings refers to the costs of the Bank's buildings in use.

	Land and buildings	Equipment	Artistic heritage	Ongoing investments	Total
At 31 December 2020					
Carrying amount at the beginning of the year	24.785.414	647.257	9.098	14.034.670	39.476.439
Additions	816.541	354.087	-	4.476.897	5.647.525
Regularizations	-	(423)	-	(1.590.241)	(1.590.664)
Depreciation for the year	(448.354)	(196.766)	(631)	-	(645.750)
Impairment for the year	-	-	-	-	-
Carrying amount at end of year	25.153.601	804.155	8.468	16.921.325	42.887.550
Cost					
Accumulated depreciation					
Cost	27.645.114	2.751.139	19.582	16.921.325	47.337.160
Accumulated depreciation	(1.565.565)	(1.946.984)	(11.113)	-	(3.523.663)
Accumulated impairments	(925.947)	-	-	-	(925.947)
Carrying amount	25.153.601	804.155	8.468	16.921.325	42.887.550



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The movement in the Group for the year ended 31 December 2021 was as follows:

	Land and buildings	Equipment	Artistic heritage	Ongoing investments	Total
At 31 December 2021					
Carrying amount at the beginning of the year	25.309.621	982.076	8.553	17.281.190	43.581.440
Additions	660.422	331.245	2.184	3.959.663	4.953.514
Regularizations	(6.669)	298.835	-	-	292.166
Depreciation for the year	(1.513.805)	(368.682)	(714)	-	(1.883.201)
Impairment for the year	-	-	-	-	-
Carrying amount at end of year	24.449.569	1.243.474	10.023	21.240.853	46.943.919
At 31 December 2021					
Cost	27.867.350	3.467.174	22.332	21.240.853	52.597.709
Accumulated depreciation	(2.491.834)	(2.223.700)	(12.309)	-	(4.727.843)
Accumulated impairments	(925.947)	-	-	-	(925.947)
Carrying amount	24.449.569	1.243.474	10.023	21.240.853	46.943.919
	Land and buildings	Equipment	Artistic heritage	Ongoing investments	Total
At 31 December 2020					
Carrying amount at the beginning of the year	24.941.221	654.303	9.184	14.462.278	40.066.986
Additions	817.296	492.288	0	4.494.088	5.803.672
Regularizations	3.527	81.056	-	(1.675.176)	(1.590.593)
Depreciation for the year	(452.423)	(245.571)	(631)	-	(698.625)
Impairment for the year	-	-	-	-	-
Carrying amount at end of year	25.309.621	982.076	8.553	17.281.190	43.581.441
At 31 December 2020					
Cost	27.835.538	3.359.905	19.667	17.281.190	48.496.298
Accumulated depreciation	(1.599.969)	(2.377.828)	(11.113)	-	(3.988.911)
Accumulated impairments	(925.947)	-	-	-	(925.947)
Carrying amount	25.309.621	982.076	8.553	17.281.190	43.581.441

The Bank's other tangible assets are measured at historical cost, with the exception of buildings that are at revalued cost, less accumulated depreciation and accumulated impairment losses. The cost of acquisition includes expenses that are directly attributable to the procurement of the goods.

The latest revaluation of properties was carried out on 31 December 2019, by an independent company and recorded at fair value, resulting in a revaluation of 6.774.283 thousand Meticaís, after deducting impairments and amortization of 2.694.944 thousand Meticaís and 626.993 thousand Meticaís, respectively.



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The result of the revaluation can be analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Revaluation reserve	10.096.220	10.096.220	10.096.220	10.096.220
Accumulated impairment	(2.694.944)	(2.694.944)	(2.694.944)	(2.694.944)
Adjustment for amortization	(626.993)	(626.993)	(626.993)	(626.993)
Revaluation result	6.774.283	6.774.283	6.774.283	6.774.283

The fair value of the properties has been determined as per the IFRS 13 (fair value measurement), which defines fair value as the amount receivable for the sale of an asset or payable for the transfer of a financial liability in a current transaction between market participants, at the date of valuation.

Subsequent costs of property, plant and equipment are recognized as an asset only if they are likely to result in future economic benefits for the Bank. When incurred, all maintenance and repair expenses are recognized as expenses.

The property revaluation gains have been recognized in the respective Property Revaluation Reserves. On the other hand, impairment losses have been recorded under the profit or loss account for the financial year.

For valuing land and buildings, when there is a comparable market for similar properties, the Market Comparison Method and/or Market Rent Method were considered.

When there is scarce evidence of property purchase and sale and rental market information prevails, the method of income by “direct capitalization” and other was considered. Given its size and use complexity, the “discounted cash flow” income method was also considered, always based on market information.

For valuing the new headquarters facilities in Maputo, Xai-Xai, Beira, Chimoio and Nampula, due to their specific construction and technology, and because there are no similar properties comparable to the properties under evaluation, the depreciated replacement cost method was considered, regarding the construction costs for properties similar to the evaluated properties.

For valuing properties located in areas where market information is insufficient, and predominates a self-construction market, the depreciated replacement cost was considered, regarding construction costs for properties similar to the evaluated properties.



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In the depreciated replacement cost method, the evaluation considers the physical, economic and functional depreciation of assets as per the on-site inspection.

It should be noted that the equipment and machinery have been valued and consist of air conditioners, generators, fuel tanks, water reservoirs and other special structures, which are considered integral parts of the buildings. It should also be noted that, in the case of new provincial headquarters, all components and equipment related to special electrical installation, electronic security, information technology and telecommunications were also valued.

NOTE 14 – INTANGIBLE ASSETS

The movement in intangible assets during the financial year 2021 was as follows:

At 31 December 2021	INDIVIDUAL	CONSOLIDATED
Carrying amount at the beginning of the year	83.980	283.350
Additions	12.115	30.346
Regularizations	-	4
Amortization for the year	(35.391)	(108.890)
Carrying amount at the end of the year	60.704	204.810
At 31 December 2021		
Cost	353.985	848.858
Accumulated amortization	(293.281)	(644.048)
Carrying amount	60.704	204.810



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The movement in intangible assets during the financial year 2020 was as follows:

At 31 December 2020	INDIVIDUAL	CONSOLIDATED
Carrying amount at the beginning of the year	49.153	351.704
Additions	53.255	87.909
Regularizations	-	(123.962)
Amortization for the year	(18.427)	(32.301)
Carrying amount at the end of the year	83.980	283.350

At 31 December 2020		
Cost	341.871	818.509
Accumulated amortization	(257.890)	(535.158)
Carrying amount	83.980	283.350

NOTE 15 – OTHER FINANCIAL ASSETS

The balance of this item is broken down as follows:

	Notes	INDIVIDUAL		CONSOLIDATED	
		2021	2020	2021	2020
Foreign debtors		-	528.213	-	528.213
Staff loans	15.1	6.012.411	4.963.487	6.012.411	4.963.487
Clearing accounts		(6.712)	202.105	(6.712)	202.105
Production costs of banknotes and coins	15.2	3.264.312	4.387.306	3.264.312	4.387.306
Stationery		29.597	25.697	29.597	25.697
Loans and advances granted to the Government	15.3	52.347.007	49.807.137	52.347.007	49.807.137
Other receivables	15.4	(993.250)	4.507.615	(1.369.547)	3.879.686
Gross amount of other assets		60.653.366	64.421.560	60.277.069	63.793.631
Impairment losses		(9.543)	(9.543)	(9.543)	(9.543)
Carrying amount		60.643.824	64.412.017	60.267.526	63.784.088

Impairment losses refer to “other debtors”:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Carrying amount at 01 January	9.543	9.543	9.543	9.543
Increases	-	-	-	-
Decreases	-	-	-	-
Carrying amount at 31 December	9.543	9.543	9.543	9.543



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With the exception of loans to staff members, the financial assets included in this item are mainly composed of short-term financial assets and therefore their carrying amount is close to their fair value.

15.1. Loans to staff members

According to the Collective Labour Agreement (CLA), the Bank grants loans for housing, cars, education and other purposes to its employees.

15.2. Costs of the production of banknotes and coins

This item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Banknotes and coins issued	1.004.770	940.138	1.004.770	940.138
Banknotes and coins not issued	2.259.542	3.447.169	2.259.542	3.447.169
	3.264.312	4.387.306	3.264.312	4.387.306
Banknote and coin depreciation				
	2021	2020	2021	2020
Banknotes	500.877	447.703	500.877	447.703
Coins	64.956	61.076	64.956	61.076
	565.833	508.779	565.833	508.779

15.3. Loans and advances to the government

During the financial year 2021, the Bank granted loans to the State in a total of 52.347.007 thousand Meticaís, of which 15.023.239 thousand Meticaís at an annual interest rate of 3%; the amount of 32.968.897 thousand Meticaís was granted under the conditions established by Article 18 of Law No. 1/92 of 3 January, Organic Law of the Banco de Moçambique, noting that 4.354.871 thousand Meticaís concerns interest.

It should be noted that Article 18 (1) establishes that the Bank "... may grant annually to the state, interest-free credit in the form of a current account, in national currency, up to the maximum amount of ten percent of the ordinary earnings of the General State Budget for the penultimate financial year". Number 2 of the same article states that "the withdrawals of the State from the same account will be made only in representation of the budget revenues of the respective financial



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year and the credit must be settled until the last day of the financial year, in which it has been opened, and if not the balance will accrue interest at the Bank's rediscount rate".

15.4. Other debtors

The balance of this item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
SIMO	630.518	778.152	630.518	778.152
Creditors - banknote and coin production	225.962	-	225.962	-
MEF - PTA - Bank	176.781	259.599	176.781	259.599
MEF - MEFMI	23.177	13.905	23.177	13.905
Kuhanha	-	4.035.464	-	4.035.464
MEF-AFRITAC	9.575	11.235	9.575	11.235
Other active operations (accrued amounts)	(2.143.390)	(956.547)	(2.143.390)	(956.548)
Others	84.127	365.805	(292.171)	(262.123)
	(993.250)	4.507.615	(1.369.547)	3.879.686

NOTE 16 – FOREIGN EXCHANGES

Gains and losses from unrealized foreign exchange differences as foreign currency claims and liabilities are recognized under a financial position account (special account for unrealized foreign exchange movements), under Article 14 (2) of Law No. 1/92 of 3 January – Organic Law, which states that "if, at the end of the financial year, the special account for unrealized foreign exchange movements shows an outstanding balance, the State shall settle this balance by issuing public debt securities in favour of the Bank or any other manner proposed by the Board of Directors of the Bank"; and (3) of the same Article, which states that "any credit balance in the special account for unrealized foreign exchange movements at the end of each financial year shall be credited to an account held on behalf of the State, where the Bank shall pay interest at a rate to be determined by the Board of Directors".

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Fluctuation in the value - Opening Balance	9.234.760	38.261.614	9.234.760	38.261.614
Unrealized foreign exchange loss for the year	63.792.187	(29.026.854)	63.792.187	(29.026.854)
Fluctuation in the value - Closing Balance	73.026.947	9.234.760	73.026.947	9.234.760



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Moreover, we present below the impact of the Bank adopting the Organic Law to the detriment of IFRS/IFRS, with regard to this matter.

Accounts in accordance with IFRS

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Net profit/(loss) of the year with derogation	600.823	(1.516.315)	575.725	(1.371.165)
Changes unrealized foreign exchange in profit / loss for the year	63.792.187	29.026.854	63.792.187	(29.026.854)
Equity	(77.000.520)	(16.667.774)	(76.985.658)	(16.667.774)
Accumulated amounts due to the government	-	-	-	-

Accounts in accordance with the Organic Law

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Net profit/(loss) of the year	600.823	(1.516.315)	575.725	(1.371.165)
Changes unrealized foreign exchange in profit / loss for the year	-	-	-	-
Equity	4.127.993	1.699.892	4.142.855	1.739.852
Accumulated amounts due to the government	73.026.947	9.234.760	73.026.947	9.234.760

Impact	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Net profit/(loss) of the year with derogation	600.823	(1.516.315)	575.725	(1.371.165)
Unrealized foreign exchange loss (IAS 21)	(63.792.187)	29.026.854	(63.792.187)	29.026.854
Financial instruments impairments (IFRS 9)	1.071.300	(1.126.578)	1.071.300	(1.126.578)
Net profit/(loss) of the year without derogation	(62.120.064)	26.383.961	(62.145.162)	26.529.111
Equity with derogation	4.127.993	1.699.892	4.142.855	1.739.852
Value exchange account	(73.026.947)	(9.234.760)	(73.026.947)	(9.234.760)
Financial instruments impairments (IFRS 9)	(8.101.566)	(9.172.866)	(8.101.566)	(9.172.866)
Equity without derogation	(77.000.520)	(16.707.734)	(76.985.658)	(16.667.774)

NOTE 17 – BANKNOTES AND COINS IN CIRCULATION

As of 31 December 2021, the balance of this item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Banknotes	92.200.340	82.930.901	92.200.340	82.930.901
Coins	1.534.243	1.396.833	1.534.243	1.396.833
Banknotes and coins held by the Bank	(12.060.365)	(8.738.796)	(12.060.365)	(8.738.796)
Banknotes and coins no longer in use	(8.925.816)	(6.915.260)	(8.925.816)	(6.915.260)
	72.748.402	68.673.677	72.748.402	68.673.677



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The banknotes and coins that comprised the Bank's cash balance at the reporting date were deducted from the value of banknotes and coins in circulation for, due to their condition, they do not represent currency in circulation.

The following table shows the value of banknotes and coins in circulation as of 31 December 2021:

Banknotes and coins in circulation (outside the Bank)	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Banknotes	71.236.064	67.302.472	71.236.064	67.302.472
Coins	1.512.338	1.371.205	1.512.338	1.371.205
	72.748.402	68.673.677	72.748.402	68.673.677

Monetary Reserve

In accordance with Article 15 of Law No. 1/92, regarding the Bank's issue of money, where it exceeds the level of foreign exchange reserves, it shall have full coverage, consisting of:

- Claims on the State;
- Securities comprising the Bank's commercial portfolio;
- Loans granted to credit institutions as a result of gold-backed credit transactions; and
- Claims arising from transactions in loans secured by gold, treasury securities and foreign state securities granted to credit institutions under Article 41.

Article 12 of Law No. 1/92 defines that foreign exchange reserves consist of gold, bar or ingot, fine silver and platinum, special drawing rights, foreign currency and other assets expressed in foreign currency of assured convertibility.

As of 31 December 2021, foreign exchange reserves amounted to 219.052.680 thousand Meticaís (2020: 301.946.646 thousand Meticaís).

NOTE 18 – DEPOSITS FROM OTHER INSTITUTIONS

As of 31 December 2021, the balance of this item is broken down as follows:



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	Notes	INDIVIDUAL		CONSOLIDATED	
		2021	2020	2021	2020
Deposits in national currency:					
Government		45.841.912	64.864.076	45.841.912	64.864.076
Financial institutions	18.1	45.321.901	45.373.903	45.321.901	45.373.903
Consignment liabilities	18.2	2.113.519	436.133	2.113.519	436.133
Others		746.099	575.327	746.099	575.327
Deposits in foreign currency:					
Government		21.059.610	20.935.504	21.059.610	20.935.504
Financial institutions	18.1	24.402.058	52.225.110	24.402.058	52.225.110
Consignment liabilities	18.3	3.461.910	3.446.241	3.461.910	3.446.241
Collateral		33	33	33	33
Others		443	1.101	443	1.101
		142.947.486	187.857.429	142.947.486	187.857.429

Pursuant to Article 6 (1), Law No. 1/92 of 3 January, Organic Law of the Bank, deposits from financial institutions, even if they refer to mandatory deposits, may be remunerated. Deposits are mainly composed of short-term investments, and for this reason, their carrying amount is close to fair value.

18.1 This balance represents the deposits of local commercial entities with the Bank.

18.2 This balance represents the equivalent in national currency of loans received from the World Bank and other financial institutions for lending to beneficiaries of financing programs.

18.3 This balance covers special project accounts held in the name of the Treasury and other resident entities.



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NOTE 19 – TREASURY BILLS ISSUED ON BEHALF OF THE STATE AND OTHER MONETARY INSTRUMENTS

This item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Treasury bills issued to finance the State	116.310.502	76.861.727	116.310.502	76.861.727
Treasury bills for Monetary Policy	93.998.262	120.357.069	93.998.262	120.357.069
Marginal lending facilities	86.108.389	104.877.028	86.108.389	104.877.028
Interest payable	4.177.084	3.930.942	4.177.084	3.930.942
	300.594.236	306.026.766	300.594.236	306.026.766

Treasury bills represent debt securities issued by the Bank for periods of three months, six months and one year. Treasury bills are issued in order to serve as instruments for managing money market liquidity through open market operations in the local financial market and to provide the Mozambican state with short-term funds.

The funds obtained by issuing the Treasury Bills shall be transferred to the State, at its request, at the same interest rate charged in the market, and for the period agreed with the State. For this reason, its carrying amount at the reporting date is considered close to fair value. The interest rate on Treasury bills varied throughout the year between 7.00% and 13.45%.

NOTE 20 – EXTERNAL FINANCING

The balance of this item is broken down as follows:

Liabilities	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Special drawing rights	30.022.924	11.741.283	30.022.924	11.741.283
Extended credit facility (ESF)	3.382.874	6.127.497	3.382.874	6.127.497
Total	33.405.798	17.868.780	33.405.798	17.868.780

This is the credit extension facility under the financing for Poverty Reduction and Growth Program and under the international financial crisis, respectively. The loans are denominated in Special Drawing Rights (SDR) and their terms and conditions will be honoured by the Bank. The potential interest has been duly recognized.



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The allocation of Special Drawing Rights (amount payable to the IMF) stands for SDR 326.599.038 equivalent to 29.177.205 thousand Meticaís, (2020: SDR 108.838.056, equivalent to 11.741.283 thousand Meticaís).

In net terms, the position with the IMF is as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Foreign loans	33.405.798	17.868.780	33.405.798	17.868.780
Assets				
Special drawing rights	19.816.791	443.783	19.816.791	443.783
Total	13.589.007	17.424.997	13.589.007	17.424.997

The Special Drawing Rights asset represents Mozambique's share in the IMF. The carrying amount at the reporting date is considered close to fair value. This amount is included in Note 7 – Cash and cash equivalents and investments in other credit institutions.

NOTE 21 – EMPLOYEE BENEFIT LIABILITIES

The main actuarial assumptions used in the calculation of pension obligations are:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Financial assumptions				
Discount rate	20,00%	10,58%	20,00%	10,58%
Salary increase rate	4,71%	3,50%	4,71%	3,50%
Pension fund increase rate	4,71%	3,50%	4,71%	3,50%
Rate of Return	20,00%	10,58%	20,00%	10,58%
Demographic assumptions				
Mortality table	PF 60/64	PF 60/64	PF 60/64	PF 60/64
Retirement date	at retirement age	at retirement age	at retirement age	at retirement age
% of married employees	70%	70%	70%	70%

The calculation of the retirement pension obligations of employees was made on the assumption that the time of early retirement pension award would be at the earliest opportunity, i.e., the transition to retirement on the date on which the 35 years of service are reached, recognizing the increases in service where applicable.

The allocation of retirement pension for old age used the assumption that women retire on the date on which they turn 55 years of age and men on the date on which they turn 60 years of age.



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Participants in the pension plan are broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Assets	973	862	973	862
Retired persons and pensioners	789	782	789	782
	1.762	1.564	1.762	1.564

As of 31 December 2021, the Fund's financing was as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Current liabilities for past services	(17.060.780)	(18.239.584)	(17.060.780)	(18.239.584)
Amount of pension fund assets	26.702.250	20.714.316	26.702.250	20.714.316
Net assets/liabilities	9.641.470	2.474.732	9.641.470	2.474.732

The assets of the employee pension fund of the Banco de Moçambique can be analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Demand deposits	1.278	1.554	1.278	1.554
Term deposits	4.912.700	5.358.000	4.912.700	5.358.000
Private bonds	4.411.687	3.875.515	4.411.687	3.875.515
Treasury bonds	6.222.534	5.826.559	6.222.534	5.826.559
Investment properties	1.449.180	1.449.180	1.449.180	1.449.180
Financial investments	6.349.640	5.751.722	6.349.640	5.751.722
Others	3.356.786	2.500.323	3.356.786	2.500.323
Payable	(1.555)	(4.048.537)	(1.555)	(4.048.537)
	26.702.250	20.714.316	26.702.250	20.714.316

Investment properties are mainly composed of investments in properties and financial holdings. The profitability of these assets depends on the future cash flows that these entities can generate.

The developments in the value of pension fund assets throughout the year can be analysed as follows:



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	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Fund Balance on 1 January	20.714.316	19.306.464	20.714.316	19.306.464
Contributions of Current Services Costs	691.816	757.701	691.816	757.701
additional contributions	6.724.609	285.083	6.724.609	285.083
Paid Pensions	(2.049.079)	(1.713.314)	(2.049.079)	(1.713.314)
system costs	(10.986)	(10.091)	(10.986)	(10.091)
Other expenses	(61.230)	(74.662)	(61.230)	(74.662)
Estimated return on plan assets	2.455.353	3.262.125	2.455.353	3.262.125
Difference between estimated and actual return	(717.193)	(1.052.539)	(717.193)	(1.052.539)
Health care	(57.080)	(46.451)	(57.080)	(46.451)
Re-measurement of the asset	(988.276)	-	(988.276)	-
Fund Balance on 31 December	26.702.250	20.714.316	26.702.250	20.714.316

The developments in obligations regarding retirement pensions and health benefits can be analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Responsibilities as at 1 January	18.239.584	16.825.300	18.239.584	16.825.300
Pensions paid by the fund	(2.049.079)	(1.713.314)	(2.049.079)	(1.713.314)
system costs	(10.986)	(10.091)	(10.986)	(10.091)
Other expenses	(61.232)	(74.662)	(61.232)	(74.662)
Estimated financial cost	3.013.795	2.840.026	3.013.795	2.840.026
Current services cost	671.451	372.325	671.451	372.325
Re-measurement of liabilities (liabilities) for 2020	(13.803.818)	-	(13.803.818)	-
Re-measurement of liabilities (liabilities) for 2021	10.709.192	-	10.709.192	-
Adjustment of responsibilities (scenario change)	351.872	-	351.872	-
Responsibilities as at 31 December	17.060.780	18.239.584	17.060.780	18.239.584

NOTE 22 – OTHER LIABILITIES

This item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Foreign creditors	(239.398)	(13.437)	(239.398)	(13.437)
Domestic creditors	528.078	309.585	528.078	309.585
Clearing accounts	(9.544)	(9.543)	(9.544)	(9.543)
Employee remuneration	0	0	0	0
Other trade payables	8.243.000	847.050	8.731.119	1.329.418
	8.522.135	1.133.656	9.010.254	1.616.024

These financial instruments are mainly composed of short-term financial liabilities and for this reason the carrying amount at the reporting date is considered close to fair value.



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The value of the other charges payable reflects the change in the maturity procedure for special issue treasury bills, which were carried over to the following financial year. Previously, the maturities of treasury bills issued in a given financial year matured in the same financial year.

NOTE 23 – CAPITAL

The capital of the Bank is fully subscribed and realized by the Government of the Republic of Mozambique in a total of 2.596.721 thousand Meticaís.

NOTE 24 – RESERVATIONS

LEGAL RESERVES

The amount recorded under this item is intended to ensure the integrity of the share capital.

NON-DISTRIBUTABLE RESERVES

Pursuant to Article 65, Law No. 1/92 of 3 January, Organic Law of the Bank, the investment of profits obtained must be submitted by the Board of Directors and approved by the Government.

With regard to 2020, given the negative net income of 1.371.165 thousand Meticaís, the unrealized gains, associated with gold investments, financial instruments and post-employment benefits are considered non-distributable in the process of application of results, thus preventing the distribution of unrealized results as dividends.

RESERVES OF POST-EMPLOYMENT BENEFITS

The balance of this item can be analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Balance at 1 January	(7.199.763)	(7.199.763)	(7.199.763)	(7.199.763)
Changes during the year	(112.353)	-	(112.353)	-
Balance at 31 December	(7.312.116)	(7.199.763)	(7.312.116)	(7.199.763)



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FAIR VALUE REVALUATION RESERVES

This item shows the change in debt instruments and shares for the year, which is analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
At 1 January	392.035	379.855	392.035	379.855
Shares	(417.052)	12.180	(417.052)	12.180
Total change for the year	(417.052)	12.180	(417.052)	12.180
At 31 December	(25.017)	392.035	(25.017)	392.035

FIXED ASSET REVALUATION RESERVES

The balance of this item can be analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Balance at 1 January	10.391.392	10.391.442	10.391.392	10.391.442
Changes during the year	-	(50)	-	(50)
Balance at 31 December	10.391.392	10.391.392	10.391.392	10.391.392

NON-CONTROLLING INTERESTS

The following table shows the analysis of the Group's minority interests.

	Equity	Banco de Moçambique share		Non-controlling interest	
	2021	%	2021	%	2021
SIMO	589.301	51%	300.544	49%	288.757
Kuhanha	85.972	100%	85.972	0%	-
	675.273	-	386.516	-	288.757

NOTE 25 – FAIR VALUE

For the determination of the fair value of financial assets and liabilities, the Bank uses the following measurement levels:



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- Level 1: Financial Instruments and buildings measured according to market prices or providers;
- Level 2: Financial Instruments and buildings measured according to internal valuation methodologies, mostly considering observable market data; and
- Level 3: Financial Instruments and buildings measured according to internal valuation methodologies, essentially considering non-observable assumptions or adjustments in the market and having a significant impact on the measurement of the instrument.

This hierarchy requires the use of observable market data, when available. Where possible, the Bank considers relevant and observable market prices in its measurement of the fair value of financial instruments and buildings.

The following tables show the analysis of financial instruments and buildings measured at fair value by hierarchical level of fair value.

At 31 December 2021

	INDIVIDUAL			CONSOLIDATED		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets and gold						
Gold	14.688.297	-	14.688.297	14.688.297	-	14.688.297
	<u>14.688.297</u>	<u>-</u>	<u>14.688.297</u>	<u>14.688.297</u>	<u>-</u>	<u>14.688.297</u>
Fair value through profit or loss						
Shares	-	208.343	208.343	-	208.343	208.343
Treasury bonds	25.468.614	-	25.468.614	25.468.614	-	25.468.614
Bonds of other issuers	4.669.147	-	4.669.147	4.669.147	-	4.669.147
Others	1.886.673	-	1.886.673	1.886.673	-	1.886.673
	<u>32.024.434</u>	<u>208.343</u>	<u>32.232.777</u>	<u>32.024.434</u>	<u>208.343</u>	<u>32.232.777</u>
Fair value through other comprehensive income						
Obrigações do Tesouro do Estado moçambicano	-	-	-	-	-	-
U.S. treasury bonds	38.705.682	-	38.705.682	38.705.682	-	38.705.682
Term deposits	-	100.924.434	100.924.434	-	100.924.434	100.924.434
	<u>38.705.682</u>	<u>100.924.434</u>	<u>139.630.116</u>	<u>38.705.682</u>	<u>100.924.434</u>	<u>139.630.116</u>
Other tangible assets						
Buildings	24.303.615	-	24.303.615	24.303.615	-	24.303.615
	<u>24.303.615</u>	<u>-</u>	<u>24.303.615</u>	<u>24.303.615</u>	<u>-</u>	<u>24.303.615</u>
	<u>109.722.028</u>	<u>101.132.777</u>	<u>210.854.805</u>	<u>109.722.027</u>	<u>101.132.777</u>	<u>210.854.806</u>
Financial liabilities						
Treasury bills issued on behalf of the Mozambican Government and other monetary instruments	-	300.594.236	300.594.236	-	300.594.236	300.594.236
	<u>-</u>	<u>300.594.236</u>	<u>300.594.236</u>	<u>-</u>	<u>300.594.236</u>	<u>300.594.236</u>



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At 31 December 2020	INDIVIDUAL			CONSOLIDATED		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets and gold						
Gold	17.958.167	-	17.958.167	17.958.167	-	17.958.167
	<u>17.958.167</u>	<u>-</u>	<u>17.958.167</u>	<u>17.958.167</u>	<u>-</u>	<u>17.958.167</u>
Fair value through profit or loss						
Shares	-	187.152	187.152	-	187.152	187.152
Treasury bonds	28.388.967	-	28.388.967	28.388.967	-	28.388.967
Bonds of other issuers	5.463.731	-	5.463.731	5.463.731	-	5.463.731
Others	3.608.486	-	3.608.486	3.608.486	-	3.608.486
	<u>37.461.184</u>	<u>187.152</u>	<u>37.648.336</u>	<u>37.461.185</u>	<u>187.152</u>	<u>37.648.336</u>
Fair value through other comprehensive income						
Obrigações do Tesouro do Estado moçambicano	-	-	-	-	-	-
U.S. treasury bonds	45.208.896	-	45.208.896	45.208.896	-	45.208.896
Term deposits	-	189.930.403	189.930.403	-	189.930.403	189.930.403
	<u>45.208.896</u>	<u>189.930.403</u>	<u>235.139.298</u>	<u>45.208.896</u>	<u>189.930.403</u>	<u>235.139.298</u>
Other tangible assets						
Buildings	25.153.602	-	25.153.602	25.153.602	-	25.153.602
	<u>25.153.602</u>	<u>-</u>	<u>25.153.602</u>	<u>25.153.602</u>	<u>-</u>	<u>25.153.602</u>
	<u>125.781.849</u>	<u>190.117.555</u>	<u>315.899.403</u>	<u>125.781.848</u>	<u>190.117.555</u>	<u>315.899.404</u>
Financial liabilities						
Treasury bills issued on behalf of the Mozambican Government and other monetary instruments	-	306.026.766	306.026.766	-	306.026.766	306.026.766
	<u>-</u>	<u>306.026.766</u>	<u>306.026.766</u>	<u>-</u>	<u>306.026.766</u>	<u>306.026.766</u>

The following tables show the analysis of financial instruments and buildings recorded at fair value and their comparison with their acquisition cost.

At 31 December 2021	INDIVIDUAL			CONSOLIDATED		
	Cost	Fair-value	Difference	Cost	Fair-value	Difference
Financial assets and gold						
Gold	14.688.297	14.688.297	-	14.688.297	14.688.297	-
	<u>14.688.297</u>	<u>14.688.297</u>	<u>-</u>	<u>14.688.297</u>	<u>14.688.297</u>	<u>-</u>
Fair value through profit or loss						
Shares	97.600	208.343	110.743	97.600	208.343	110.743
Treasury bonds	17.184.599	25.468.614	8.284.016	17.184.599	25.468.614	8.284.016
Bonds of other issuers	2.447.593	4.669.147	2.221.553	2.447.593	4.669.147	2.221.553
Others	797.348	1.886.673	1.089.324	797.348	1.886.673	1.089.324
	<u>20.527.140</u>	<u>32.232.777</u>	<u>11.705.636</u>	<u>20.527.141</u>	<u>32.232.777</u>	<u>11.705.636</u>
Fair value through other comprehensive income						
U.S. treasury bonds	38.705.682	38.705.682	-	38.705.682	38.705.682	-
Term deposits	163.315.993	100.924.434	(62.391.559)	163.315.993	100.924.434	(62.391.559)
	<u>202.021.675</u>	<u>139.630.116</u>	<u>(62.391.559)</u>	<u>202.021.675</u>	<u>139.630.116</u>	<u>(62.391.559)</u>
Other tangible assets						
Buildings	18.011.131	24.303.615	6.292.485	18.011.131	24.303.615	6.292.485
	<u>18.011.131</u>	<u>24.303.615</u>	<u>6.292.485</u>	<u>18.011.131</u>	<u>24.303.615</u>	<u>6.292.485</u>
Total financial assets	<u>255.248.243</u>	<u>210.854.805</u>	<u>(44.393.438)</u>	<u>255.248.243</u>	<u>210.854.805</u>	<u>(44.393.438)</u>
Financial liabilities						
Treasury bills issued on behalf of the Mozambican Government and other monetary instruments	300.594.236	300.594.236	-	300.594.236	300.594.236	-
	<u>300.594.236</u>	<u>300.594.236</u>	<u>-</u>	<u>300.594.236</u>	<u>300.594.236</u>	<u>-</u>
Total financial liabilities	<u>300.594.236</u>	<u>300.594.236</u>	<u>-</u>	<u>300.594.236</u>	<u>300.594.236</u>	<u>-</u>



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At 31 December 2020	INDIVIDUAL			CONSOLIDATED		
	Cost	Fair-value	Difference	Cost	Fair-value	Difference
Financial assets and gold						
Gold	17.958.167	17.958.167	-	17.958.167	17.958.167	-
	<u>17.958.167</u>	<u>17.958.167</u>	<u>-</u>	<u>17.958.167</u>	<u>17.958.167</u>	<u>-</u>
Fair value through profit or loss						
Shares	97.600	187.152	89.552	97.600	187.152	89.552
Treasury bonds	27.684.693	28.388.967	704.274	27.684.693	28.388.967	704.274
Bonds of other issuers	5.269.000	5.463.731	194.731	5.269.000	5.463.731	194.731
Others	4.273.852	3.608.486	(665.366)	4.273.852	3.608.486	(665.366)
	<u>37.325.145</u>	<u>37.648.336</u>	<u>323.191</u>	<u>37.325.145</u>	<u>37.648.336</u>	<u>323.191</u>
Fair value through other comprehensive income						
U.S. treasury bonds	45.208.896	45.208.896	-	45.208.896	45.208.896	-
Term deposits	163.315.993	189.930.403	26.614.410	163.315.993	189.930.403	26.614.410
	<u>208.524.889</u>	<u>235.139.298</u>	<u>26.614.410</u>	<u>208.524.889</u>	<u>235.139.298</u>	<u>26.614.410</u>
Other tangible assets						
Buldings	18.011.131	25.153.602	7.142.471	18.011.131	25.153.602	7.142.471
	<u>18.011.131</u>	<u>25.153.602</u>	<u>7.142.471</u>	<u>18.011.131</u>	<u>25.153.602</u>	<u>7.142.471</u>
Total financial assets	<u>281.819.332</u>	<u>315.899.404</u>	<u>34.080.072</u>	<u>281.819.332</u>	<u>315.899.404</u>	<u>34.080.072</u>
Financial liabilities						
Treasury bills issued on behalf of the Mozambican Government and other monetary instruments	306.026.766	306.026.766	-	306.026.766	306.026.766	-
	<u>306.026.766</u>	<u>306.026.766</u>	<u>-</u>	<u>306.026.766</u>	<u>306.026.766</u>	<u>-</u>
Total financial liabilities	<u>306.026.766</u>	<u>306.026.766</u>	<u>-</u>	<u>306.026.766</u>	<u>306.026.766</u>	<u>-</u>

NOTE 26 – FINANCIAL MARGIN

This item is broken down as follows:

26.1. Interest and similar income

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Interest on term deposits	1.601.181	2.471.574	1.601.181	2.471.574
Interest on securities available-for-sale	1.328.234	1.548.540	1.328.234	1.548.540
Interest on securities held-for-trading	343.887	446.743	343.887	446.743
Interest on demand deposits	101	6.409	61.833	65.664
Interest on loans and advances granted	4.858.839	3.816.210	4.858.839	3.816.210
Other interest	3.527	8.718	3.527	8.718
	<u>8.135.769</u>	<u>8.298.194</u>	<u>8.197.501</u>	<u>8.357.449</u>

The total interest income from assets measured and classified at fair value through comprehensive income in 2021 was 1.601.181 thousand Meticaís (2020: 2.471.574 thousand Meticaís) and 540.614 thousand Meticaís (2020: 753.209 thousand Meticaís), for term deposits and internal securities portfolio, respectively.



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26.2. Interest and similar expenses

This item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Interest on Treasury Bills issued on behalf of the Mozambican Government and Monetary Securities	18.287.159	15.759.012	18.287.159	15.759.012
Interest on liquidity investments	660.010	96.489	660.010	96.489
Other interest and similar expenses	8.522	31.420	71.780	108.441
	18.955.692	15.886.922	19.018.950	15.963.943

NOTE 27 – FEE AND COMMISSION INCOME

This item is broken down as follows:

27.1. Fee and commission income

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Services provided	-	-	1.333.662	1.175.452
Transactions made	-	-	303.423	266.915
Other income from fees and commissions	-	-	447	-
	-	-	1.637.532	1.442.367

27.2. Fee and commission expenses

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Services provided	-	-	898.242	160.987
Transactions made	-	-	-	-
Other income from fees and commissions	-	-	27.610	548.405
	-	-	925.852	709.392

NOTE 28 – NET GAINS FROM FOREIGN CURRENCY AND REVALUATION OF GOLD

This item is analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Profit from sale of foreign currency				
On operations in gold	-	-	-	-
On operations in foreign currency	23.693.796	15.428.650	23.725.307	15.377.485
	23.693.796	15.428.650	23.725.307	15.377.485

With regard to the unrealized foreign exchange revaluation income, see Note 16.



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NOTE 29 – OTHER OPERATING INCOME

This item is analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Collection costs	17.668	2.064	17.668	2.064
Transfer charges	128	87	128	87
Other services	3.582	3.133	3.582	3.133
Other operating profit	312.428	3.723.423	366.392	3.775.086
Other gains	26.901	36.133	26.901	36.133
	360.707	3.764.840	414.671	3.816.503

NOTE 30 – STAFF COSTS

This item is analysed as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Management remuneration	242.543	238.693	263.044	258.840
Employee remuneration	5.077.376	4.976.112	5.282.362	5.115.254
Costs with employee benefits	1.761.916	3.832.087	1.761.916	3.832.087
Social charges	187.074	191.807	188.107	192.613
Other staff costs	211.684	202.645	224.508	209.923
	7.480.593	9.441.344	7.719.937	9.608.717

As of 31 December 2021, the number of employees of the Bank stood at 973 (2020: 862).

Top management consists of members of the Board of Directors and the Audit Board of the Bank.

NOTE 31 – OTHER OPERATING EXPENSES

This item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Third-party supplies	406.242	401.990	418.488	414.146
Third-party services	1.875.711	1.461.745	2.246.169	1.786.024
Production costs of banknotes and coins	575.373	517.946	575.373	517.946
Other expenses	401.752	546.450	401.752	546.450
Other losses	84.950	87.425	84.950	87.425
	3.344.028	3.015.556	3.726.732	3.351.991

Other expenses mainly concern direct taxes in the amount of 72.000 thousand Meticaís in 2021 (2020: 72.000 thousand Meticaís) and commissions paid in respect of portfolios under external management in the amount of 55.303 thousand Meticaís in 2021 (2020: 60.262 thousand Meticaís).



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Third-party services comprise rental costs, in the amount of 22.971 thousand Meticaís (2020: 19.585 thousand Meticaís). These short-term contracts, less than 12 months, do not meet the requirements of IFRS 16, so they were considered expenses for the financial year.

NOTE 32 – RELATED PARTIES

The following related parties have been identified:

	2021	2020
Government	Shareholder	Shareholder
Kuhanha	Controlled company	Controlled company
SIMO	Controlled company	Controlled company
Afreximbank	Participated company	Participated company
Swift	Participated company	Participated company
Controlled and participated companies	Members of the board of directors and audit board	Members of the board of directors and audit board

Balances with related parties are as follows:

At 31 December 2021

	Government	Key management	Controlled and participated companies	Total
Assets				
Financial assets at amortized cost	59.398.984	-	-	59.398.984
Financial assets at fair value through profit or loss	-	-	868.753	868.753
Credits and advances granted	52.556.540	122.778	630.518	53.309.836
Total	111.955.524	122.778	1.499.271	113.577.574
Liabilities				
Government deposits	66.901.522	-	-	66.901.522
Treasury bills issued on behalf of the State and other monetary instruments	116.310.502	-	-	116.310.502
Total	183.212.025	-	-	183.212.025

At 31 December 2020

	Government	Key management	Controlled and participated companies	Total
Assets				
Financial assets at amortized cost	29.671.977	-	-	29.671.977
Financial assets at fair value through profit or loss	-	-	841.562	841.562
Credits and advances granted	49.807.137	133.388	4.813.616	54.754.141
Total	79.479.114	133.388	5.655.178	85.267.680
Liabilities				
Government deposits	85.799.580	-	-	85.799.580
Treasury bills issued on behalf of the State and other monetary instruments	76.861.727	-	-	76.861.727
Total	162.661.307	-	-	162.661.307

The flow for the period of transactions carried out by entities related to the Bank, with whom it held balances or made transactions in the year ended 31 December 2021, is as follows:



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At 31 December 2021

	Loans	Treasury Tickets	Contributions to the Pension Fund	Pension Fund Management Committee	Total
Government	50.092	59.398.984	-	-	59.449.076
Kuhanha	-	-	2.689.145	64.350	2.753.495
SIMO	-	-	-	-	-
Afreximbank	-	-	-	-	-
Swift	-	-	-	-	-
Key management	97	-	-	-	97
	50.189	59.398.984	2.689.145	64.350	62.202.668

At 31 December 2020

	Loans	Treasury Tickets	Contributions to the Pension Fund	Pension Fund Management Committee	Total
Government	39.629	44.219.763	-	-	44.259.392
Kuhanha	-	-	1.998.397	60.846	2.059.243
SIMO	-	-	-	-	-
Afreximbank	-	-	-	-	-
Swift	-	-	-	-	-
Key management	7.094	-	-	-	7.094
	46.723	44.219.763	1.998.397	60.846	46.325.729

The remuneration of the key management and supervision staff members of the Bank is as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Short-term employee benefits	242.543	238.693	263.044	258.840
	242.543	238.693	263.044	258.840

NOTE 33 – COMMITMENTS AND CONTINGENCIES

Pursuant to Article 69, Law No. 1/92 of 3 January, the Bank enjoys, in the same terms as the State, exemption from all contributions, taxes, fees, administrative licenses, justice tax, stamp tax and other general and special provisions.

However, that exemption does not cover the obligation to retain withholding tax, which is required by law.

In this regard, tax authorities may review the Bank's outlook for ten years, which, on account of different interpretations and/or non-compliance with the tax legislation regarding withholding tax, may result in possible corrections. However, the Board of Directors of the Bank considers that any corrections resulting from reviews as to withholding tax (IRPC and IRPS) will not have a material effect on the financial statements.



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As of 31 December 2021, the Bank has several lawsuits, making up 2.537.493 thousand Meticaïs (2020: 2.483.792 thousand Meticaïs), without expected cash flow, and hence no provision has been created.

The guarantees and sureties, as well as the other liabilities, are disclosed in note 34.

33.1 Contingent assets

Paragraph 3 of Article 3 of the Organic Law states that when implementing economic policy, the Bank observes the policies of the Mozambican State, that is, it exercises this function on behalf of the Mozambican State. To date, spending on monetary policy has always been borne by the Bank. Thus, costs have to be transferred to the government, in the amount of approximately 105.200.144 thousand Meticaïs (2020: 87.787.167 thousand Meticaïs), recognized by the Bank in its financial statements.

NOTE 34 – OFF-BALANCE SHEET ITEMS

This item is broken down as follows:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Guarantees and sureties	180.113	180.113	180.113	180.113
Open documentary credits	1.213.027	742.517	1.213.027	742.517
Transactions on behalf of the Mozambican Government	1.393.140	922.630	1.393.140	922.630
	2.786.281	1.845.261	2.786.281	1.845.261

Transactions carried out on behalf of the state, in which the Bank does not hold any risk inherent in the transaction, were accounted for in off-balance sheet accounts. The Bank only acts as an intermediary in these transactions. The balance of transactions carried out on behalf of the state mainly includes the nominal value of Treasury Bills, manufactured notes and coins that have not yet been released on the market and promissory notes in favour of the IMF.

NOTE 35 – SUBSEQUENT EVENTS

On 11 March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic, prompting many governments to take stringent measures to curb the spread of the disease-causing virus.



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The COVID-19 pandemic is an unprecedented challenge for humanity and the world economy, and the Bank is currently assessing its impact on the economy, as a whole, and on the Bank, particularly, as its effects are subject to significant levels of uncertainty.

Meanwhile, in order to mitigate the negative impact of the COVID-19 pandemic on the financial system and the economy, the bank has taken the following measures:

- Introducing a USD 500 million foreign currency funding line for commercial banks authorized to trade foreign currency;
- Reduction of the reserve requirements on deposits of customers of commercial banks in national and foreign currency;
- Non-obligation of constituting provisions for doubtful claims by commercial banks, in the event of debt renegotiation with customers affected by the COVID-19 pandemic;
- Within the payment system, commercial banks and e-money institutions no longer charge commissions on transactions up to a certain limit, and the per-transaction, daily and annual limits have been revised upwards; and
- Regarding specific provisions, credit institutions were exempted from the requirement of providing for claims in foreign currency.

On the other hand, the Board of the Bank finds that, even with the uncertainties arising on account of COVID-19, the budget approved for the year 2022 shall be sufficient to keep operations ongoing, as the contingency plan has been enacted and covers operating activities and reserve management.

The Bank will continue to monitor the economic and financial indicators and macroeconomic impacts of COVID-19, and will take additional corrective action where necessary.

ACCOUNTING DEPARTMENT

Alexandre Fumo

Head of the Accounting and Budget
Department

BOARD OF DIRECTORS

Benedita Maria Guimino

Board Member for
Financial Services and Human Resources

