

Consolidated Report & Accounts



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The timeless nature of art, memory and heritage

In its Annual Report and Accounts, Banco Carregosa continues to promote art and painting by showcasing the work of Helena Magalhães. Originally from Porto, she has developed a distinctive artistic style characterised by delicate lines, subtle use of colour and profound narrative depth.

Helena Magalhães was born in Porto in 1946. After graduating from the Porto School of Fine Arts, she enjoyed a unique artistic career spanning various disciplines, including painting and illustration. Her work is recognised for its unique visual identity and ability to create worlds where memory, time and imagination coexist, standing as a testament to her profoundly human artistic vision. Throughout her career, she has participated in numerous solo and group exhibitions, developing a distinctive style characterised by her approach to drawing and composition. Her work incorporates figurative elements that transcend the present moment, drawing on memory and imagination.

Her compositions feature silent characters and suspended spaces, capturing moments of contemplation. The figures she portrays seem to exist in a liminal space between the past and the future. They encourage viewers to interpret them in their own way. Every detail in these works has meaning. Beneath their apparent simplicity, they reveal a depth that transforms time from a mere passing phase into a permanent state of memory and promise.

The selection of works by Helena Magalhães for the 2025 Annual Report and Accounts does more than simply pay tribute to the artist. It also embodies Banco Carregosa's vision, which has been upheld throughout its history: recognising, protecting and cherishing unique heritage. This conviction is rooted in the belief that a legacy only realises its full potential when it is nurtured in the present and secured for the future.

Almost two centuries have passed since the establishment of Casa Carregosa, from which Banco Carregosa originated. The Bank recognises that true value is built up over time. As with a work of art, building a relationship of trust, creating a family legacy, and devising a wealth management strategy requires knowledge, sensitivity, rigour and a vision focused on future generations. Preservation is not just about conserving what already exists; it's about creating conditions that enable valuable things to stand the test of time, adapt, and take on a new lease of life, so they can continue to be shared.

Thanks to the support and collaboration of the artists and private collectors associated with Banco Carregosa, these works have been included in this report. This gives the valuable art collection renewed visibility, helping to preserve and share the legacy of an artist with strong ties to Porto.

Preserving heritage means preserving culture, stories, and the remnants of the past. This ensures that future generations can inherit a living legacy from the things we look after today.



Helena Magalhães

Title: Salomé

Technique: mixed media on paper

38 cm high x 38 cm wide

Year: 2016

Title: "A Hora do Recreio" (Playtime) Technique:

mixed media on paper

Dimensions: 29 cm high x 28 cm wide

Year: 2011

Title: untitled

Technique: mixed media on paper

Dimensions: 37 cm high x 52 cm wide

Year: 2025

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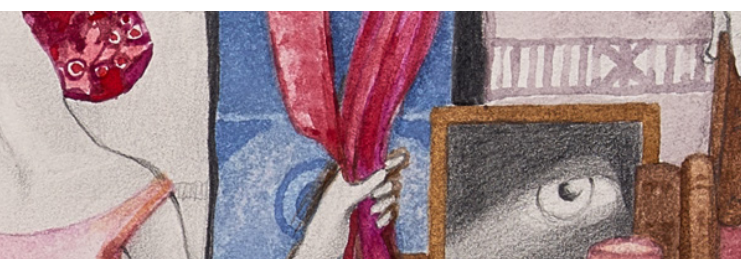
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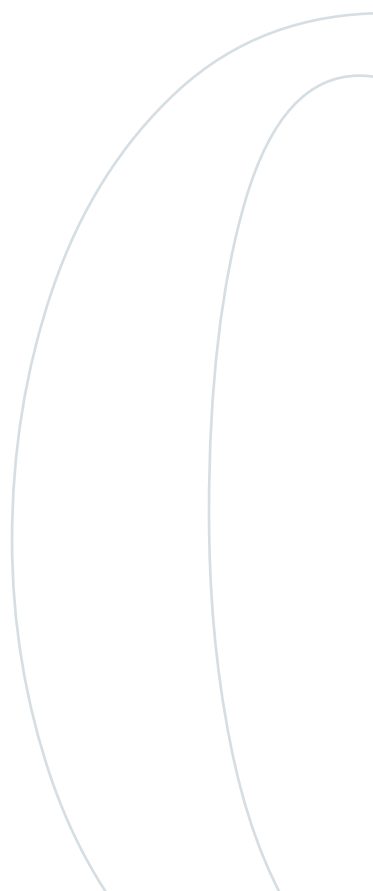
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01



Management Report





1. Message from the Chair of the Board of Directors

Dear Shareholders,

Banco Carregosa has brought another financial year to a close and is reporting on it with its usual satisfaction, knowing that a job well done brings joy to people's hearts. We have done our best – of that we are certain – but we are equally certain that there is always room for improvement.

In 2025, we continued to grow our business, with assets under supervision exceeding €6.4 billion. Since 2022, our average annual growth rate has been 31.8%. We also continued to refine our services, improve organisational efficiency, and strengthen our culture of risk awareness and compliance with regulations when serving our clients. This approach has also earned external recognition, with Banco Carregosa being awarded an international distinction by Euromoney for the second consecutive year. We regard this as a sign of the consistency, independence, and quality of our work.

Ultimately, we achieved results that enable us to propose a dividend distribution in line with that of 2024. This strikes a balance between the prudence that must guide our management, the consideration we owe to our shareholders, and our ambition to continue creating the conditions for sustainable future returns.

We continue to value our 128 staff members. Most importantly, we remain a small Bank that can swiftly turn its clients' wishes into reality while bearing in mind the regulatory principles that guide us. Our motto is to do our very best to ensure that you continue to honour us with your trust. You can expect nothing less than the best from us because the capital you entrust to us is the foundation of our work.

We hope to continue earning the trust of our clients, without whom our work would never be possible. They enable us to see the results of our efforts. We want you to continue experiencing our professionalism and integrity as our greatest strengths. We have proudly offered these strengths to you under the name Carregosa for many years.

Please accept our heartfelt thanks for all of this.

Maria Cândida Rocha e Silva
Chair of the Board of Directors

2. Summary of Indicators

Consolidated amounts

Statement of profit and loss	2025	2024
Financial margin	8 446 492	9 972 320
Income from equity instruments	287 462	336 996
Net commissions	6 943 233	6 349 422
Gains from financial transactions	1 280 911	4 411 131
Other net operational income - Exchange	2 651 192	(790 790)
Other net operational income	(598 465)	(1 369 618)
Net operational revenue	19 010 825	18 909 461
Staff costs	(8 121 876)	(7 895 866)
Other administrative costs	(5 395 834)	(5 359 180)
Overheads	(13 517 710)	(13 255 046)
Amortisations	(2 095 122)	(1 920 038)
Provisions	(54)	(9 310)
Impairments	(71 183)	1 273 837
Pre-tax profit	3 326 756	4 998 905
Taxes	(570 951)	(879 724)
Consolidated net profit and loss for the year	2 755 805	4 119 181
Minority interests	9 010	3 081
Net income attributable to the owners of the parent company	2 746 796	4 116 100

Balance sheet	2025	2024
Total net assets	566 219 611	528 883 636
Own funds	44 238 460	42 174 379
Equity	49 177 056	47 683 069
Client deposits	496 792 142	463 040 473
Loans granted	58 158 684	52 029 790
Client deposits (eligible for calculating the transformation ratio)	498 807 976	466 977 007
Transformation ratio	11.7%	11.1%
Overdue loans / Loans granted	0.3%	0.3%
Loans granted / Net assets	10.3%	9.8%
Assets under supervision: (Assets under management, custody, depositary services and client deposits)	6 451 801 373	5 293 160 169

Other indicators	2025	2024
Liquidity coverage ratio (LCR)	129.8%	139.8%
Financial margin (in % of the net operational revenue)	44.4%	52.7%
Provisions and impairments (in % of the net operational revenue)	-0.4%	6.7%
Common Equity Tier 1 ratio (CET1)	21.0%	19.5%
Risk weighted assets (RWAs)	210 511 548	216 478 308
Return on assets (ROA)	0.5%	0.8%
Return on equity (ROE)	5.6%	8.6%
Financial margin / Interest-bearing asset	1.5	2.0%
Overheads / Net operational revenue	71.1%	70.1%

(*) Other indicators are not based on audited information



3. Corporate Bodies

3.1. Governance Model

When deciding on the organisation and composition of its management and supervisory bodies, the Bank opted for a Board of Directors, a Supervisory Committee and a Statutory Auditor.

The Board of Directors delegates extensive management responsibilities to the Executive Committee.

In addition to the management structure coordinated by the Board of Directors, the Bank has a Remuneration and Assessment Committee (CRAV), which is appointed directly

by the General Meeting of Shareholders. The CRAV is responsible for assessing the suitability of Board members, supervisory members, and key function holders, as well as determining their remuneration.

All these bodies serve three-year terms of office, which do not necessarily coincide. The management and supervisory bodies must be authorised and registered with Banco de Portugal in order to carry out their duties.

3.2.

Composition of the Management and Supervisory Bodies

Presiding General Board Members	Luís Manuel de Faria Neiva dos Santos	Chair
	Maria Manuela Pereira Antunes Matias	Secretary
	Ana Mafalda Mateus Freitas Gonçalves Malafaya	Secretary
Board of directors	Maria Cândida Cadeco da Rocha e Silva	Chair
	Jorge Manuel da Conceição Freitas Gonçalves	Vice-Chair
	António Cândido Baldaque Sousa Soares da Silva	Voting member
	Homero José de Pinho Coutinho	Voting member
	Francisco Miguel Melhorado de Oliveira Fernandes	Voting member and Chair of the Executive Committee
	David Alberto Morais Sousa Ribeiro	Voting member and Member of the Executive Committee
	Fernando Miguel Costa Ramalho	Voting member and Member of the Executive Committee
	Mariana Mendes Baptista Lopes	Voting member and Member of the Executive Committee
	Mário Oldemiro Carvalho Fernandes	Voting member and Member of the Executive Committee
	Rodrigo de Melo Neiva Santos	Chair
Supervisory Committee	António Fernando dos Reis Magalhães Pinto	Voting member
	Cristina Maria da Costa Pinto	Voting member
	Rodrigo Maria de Azevedo Soares Cordeiro da Silveira	Alternate
Statutory Auditor (SROC)	Pricewaterhousecoopers & Associados – Sociedades de Revisores Oficiais de Contas Lda., representada por Aurélio Adriano Rangel Amado	Full member (SROC)
	Carlos Manuel Sim Sim Maia	Alternate (SROC)

The election of the members of the governing bodies for the 2024-2026 term was decided at the General Meetings of Shareholders held on 29 May and 29 October 2024, with the majority of members being reappointed. The exceptions were Professor António Cândido Baldaque Sousa Soares da Silva and Dr David Alberto Morais Sousa Ribeiro, who were elected as new members of the Board of Directors. The latter will also serve on the Executive Committee.

Following Banco de Portugal's authorisation for the new members to take up their posts on 31 March 2025, Drs Rogério Francisco Montenegro do Couto and José Nuno de Campos Alves stepped down from their positions on the Board of Directors.

As set out above, the new Board of Directors took office on 1 April 2025, and the current Executive Committee was appointed on that same date.

Dr António José Paixão Pinto Marante also stepped down from his position as a member of the Board of Directors on 14 May 2025.



4. Shareholding Structure

Shareholders holding more than 5% equity

Maria Cândida Cadeco da Rocha e Silva
 Jorge Manuel da Conceição Freitas Gonçalves
 Projeto Inverso, SGPS, S.A.
 Ashley Grove & Company Ltd.
 Planalto Capital – Fundo de Capital de Risco

On 9 March 2026, the shareholding structure changed when Imocarregosa, S.A. acquired 53.1772% of the Bank's share capital. As a result, Maria Cândida Cadeco da Rocha e Silva and Jorge Manuel da Conceição Freitas Gonçalves ceased to be direct shareholders.

On 27 April 2026, the shares previously registered in the name of Ashley Grove & Company Ltd were transferred to Mauricio Zlatkin Zlatkin.

5. Introduction

Overall, 2025 was another positive year for Banco Carregosa, despite a challenging macroeconomic and financial backdrop marked by the gradual normalisation of monetary policy, ongoing geopolitical tensions, and a more volatile market environment. Against this backdrop, the Bank continued to grow consistently. It strengthened its position in wealth management and consolidated its value proposition based on independence, proximity to clients and specialisation. This was achieved through an open-platform model and a comprehensive range of services.

The fall in benchmark interest rates during the second half of the year affected net interest income since the change in interest received was quicker than the change in funding costs. Nevertheless, net banking income remained high, driven by growth in net fees and commissions. Significant contributions came from wealth management, investment advisory services, brokerage and custody services, including depositary activities. This trend confirms the ongoing growth in the importance of recurring revenues and off-balance-sheet activities within the Bank's business model.

As part of its efforts to strengthen its value proposition, the Bank has developed digital and investment solutions to support consistent offerings for younger, tech-savvy clients. These include the launch of the GoBulling Investor platform and the sale of PPR funds, which reinforce the long-term savings component.

The Bank's core business once again demonstrated strong momentum, as reflected in the growth of assets under supervision. These exceeded €6.4 billion by the end of 2025, i.e. up by more than 20% compared to the previous financial year. This performance was driven by growth in assets under custody, an expansion of custodian services in terms of both funds and volume, and the strengthening of investment activity with Private Banking and Savings and Investment clients.

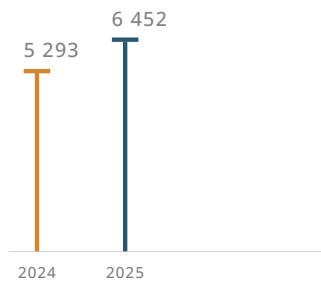
The loan portfolio also performed well, returning to a

growth trajectory after a period of adjustment following the review of the Credit Risk Management Policy. Although still moderate, this growth reflects a shift towards lower-risk segments, highlighting the role of specialised lending in strengthening client relationships and generating new business.

Also of note is the development of the Wealth Management and Corporate Advisory areas. In a year marked by the strengthening of expertise and the repositioning of our offering, we have prepared a more integrated, multidisciplinary approach to clients' wealth. This approach focuses particularly on long-term planning, succession and wealth structuring.

Figure 1

Assets under supervision



Amounts in EUR million

At the same time, the year was characterised by improved operational efficiency and ongoing efforts to digitise processes. In this regard, the redesign of the account opening process is of particular note. It is now fully digital, offering clients a more streamlined experience and significantly simplifying internal procedures. Another priority was improving the mechanisms associated with receiving, validating and executing client instructions, with a particular focus on ensuring these workflows were secure and traceable.

In terms of corporate governance, internal control, compliance, and risk management, the year was characterised by an intensification of control measures. Of particular note were the strengthening and digitisation of mechanisms to prevent money laundering and the financing of terrorism, as well as developments in the information governance and data quality framework. The control mechanisms for climate, environmental, technological and operational risks were strengthened, as were organisational resilience practices. In this area, the following were developed: capabilities for the prevention, detection and response to incidents; monitoring of critical service providers; and regular testing of the technological infrastructure.

Overall, net banking income totalled €19.0M, while net profit for the financial year stood at €2.8M. Compared with 2024, a financial year which had benefited from non-recurring effects associated with the reversal of impairment losses, this performance partly reflected the normalisation of risk management. Nevertheless, the bank maintained adequate levels of profitability while strengthening its financial soundness, with equity of €49.2M and a CET1 ratio of 21.0%. This performance enabled the Bank to continue its capital

remuneration policy by distributing dividends for the financial year. This balanced value creation for shareholders with preserving capitalisation levels that are appropriate for the Bank's sustainable development

In 2025, the Bank reviewed its strategic framework and set out the Strategic Plan for the period 2026–2028, along with the corresponding 'Impulso 2028' operational plan. This exercise re-emphasises the Bank's ongoing commitment to wealth management and establishes clear priorities regarding growth, efficiency, digital transformation and staff development, translated into specific, practical initiatives.

For this new cycle, the vision of consolidating the Bank's position as an independent leader in Portugal, supporting clients in preserving and growing their wealth, has been reaffirmed. This will be achieved whilst ensuring risk levels are compatible with private banking activities and the relevant prudential framework. This ambition is rooted in the Values that guide the Bank's actions: Independence, Innovation, Personalisation, Transparency, and Sustainability, and is realised through four strategic pillars: Growth and Strengthening of the Value Proposition; Organisation and Operational Efficiency; Technology and Digital Transformation; and People and Culture, all of which translate into concrete, execution-oriented initiatives. In line with this, the Bank also reaffirms its Mission to support its clients throughout the different stages of their financial

1. Management Report

lives, helping to protect, enhance and transfer their wealth from an intergenerational perspective.

It is also worth noting the disposal of the stake in Carregosa SGOIC, completed in November 2025. This decision enabled the Group to simplify its corporate structure, strengthen its focus on its core business, and create conditions that allow the management company to develop independently. It also enables the Bank to expand its relationships with various management entities, which benefits the services offered to clients.

In summary, the results for 2025 confirm the consistency of Banco Carregosa's trajectory, as well as the strength of its specialised and resilient business model. This model has evolved to reinforce its relevance to clients and in the market. The growth in assets under supervision, the strengthening of recurring revenue, and the evolution of the value proposition all demonstrate that the project is clearly on a path towards consolidation and establishment in Portugal.

Finally, it is worth noting that Banco Carregosa has received international recognition from Euromoney for the second consecutive year. These results reflect the quality of our work and would not have been possible without the dedication and professionalism of our staff, or the continued trust of our clients, partners and shareholders.



6. Future Outlook

Although it was anticipated to be more stable, the year 2026 is expected to unfold against a backdrop that remains challenging and is marked by uncertainty. The risk factors associated with geopolitical tensions persist and have been exacerbated by recent developments in the Middle East, including the conflict surrounding Iran. These factors could potentially affect financial market volatility, energy prices and inflationary pressures. These factors may influence the actions of central banks and interest rate trends.

Against this backdrop, Banco Carregosa is entering a new phase of development, guided by the 2026-2028 Strategic Plan and the 'Impulso 2028' operational plan. The priority in 2026 will be the disciplined implementation of this plan. This will involve strengthening commercial capacity, consolidating digital platforms, and improving operational efficiency, while ensuring rigorous risk management and appropriate alignment with the regulatory framework.

The Bank's activities will focus on strengthening its value proposition to clients by integrating its business areas more closely and developing specialised services, in particular in Investment Advisory, Wealth Management, and Institutional Custody. Digitising services in the latter area will enhance efficiency, improve the quality of information, and increase responsiveness in this growing sector.

The Bank will also continue to develop solutions for new generations of investors. This will involve further developing the Carregosa NextGen channel to enhance convenience and the digital experience. A key part of this will be the GoBulling Investor platform, which provides simplified access to markets alongside decision-support information and a clear product offering tailored to different profiles.

The Bank will implement a plan to develop a framework for information governance and data quality. This will ensure that the information used in decision-making, correction and reporting processes is controlled, accurate, complete and timely. It will also strengthen the alignment between information systems, the needs of business areas and prudential and supervisory requirements.

In a context characterised by cyber threats and the accelerated digitalisation of financial services, alongside increased regulatory requirements – particularly with regard to digital operational resilience – the Bank will continue to prioritise information security, cybersecurity and data protection. This will ensure that the Bank's resilience levels are commensurate with the critical nature of its business and the trust placed in it by its clients.

The Bank operates within the 'People and Culture' pillar with the aim of continuing to attract, develop and retain talent. It maintains a confident and determined outlook, as well as a commitment to pursuing a path of sustainable growth, strengthening its position as an independent leader in wealth management in Portugal.

7. Banco Carregosa

In 2025, Casa Carregosa celebrated 192 years in the financial sector. It started out as a foreign exchange house in 1833 on Rua das Flores in Porto, making it the oldest financial institution operating on the Iberian Peninsula. Throughout the 20th century, Casa Carregosa grew, innovated and developed, adapting to an increasingly sophisticated and demanding world.

L. J. Carregosa – Sociedade Financeira de Corretagem became known as Banco Carregosa after obtaining a banking licence in 2008.

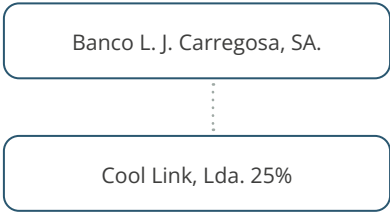
Banco Carregosa was created to fill a specific gap in the market by specialising in private banking. The Bank's strategy is based on an independent relationship manager acting as a trusted advisor and a holistic approach to clients' wealth, known as private wealth management.

As shown in Figure 2, the Bank's corporate structure is very straightforward.

As at 31 December 2025, the Group's scope of consolidation included only a 25% stake in Coolink, a company specialising in IT solution development and consultancy services.

On 28 November 2025, the Bank sold its entire stake in Carregosa – Sociedade Gestora de Organismos de Investimento Coletivo, S.A. ('Carregosa SGOIC'). This company manages open-ended or closed-ended property investment funds (OIIFs) and was incorporated on 23 November 2020. It began operating on 9 December of the same year, with a share capital of €600 000, of which the Bank held 96%.

Figure 2
Corporate Structure



8. Strategic Focus Areas

The new Strategic Plan was approved in 2025. Building on the key objectives that had guided the Bank's operations in previous financial years, it set out the targets and priority areas for development for the three-year period from 2026 to 2028.

The Bank continues to focus on strategic differentiation in wealth management, based on the role of the independent relationship manager and a holistic approach to clients' assets. The Bank's vision is to consolidate its position as the leading independent player in Portugal by supporting clients in preserving and growing their wealth, while ensuring that risk levels are consistent with private banking activities and the relevant prudential framework.

The Bank's Mission is to support clients throughout the different stages of their financial lives. To this end, we provide independent advice and personalised, flexible solutions ensuring security, and providing access to a wide range of investment and credit products and services. The Bank's ultimate goal is to protect, grow and transfer wealth to future generations.

The Strategic Plan is consistently aligned with the Bank's Values, which are intended to guide its operations, organisational culture, and relationships with clients, employees, and other stakeholders. These values are reaffirmed as part of the Plan and underpin the definition of strategy, decision-making, and risk management. They are particularly reflected in the following commitments: total independence; the capacity for innovation; personalised services and products; transparency; and an ongoing commitment to sustainability. We promote responsible conduct in environmental, economic and social terms, integrating it into a prudent risk policy. This contributes to the creation of sustainable value for the Bank, its shareholders, employees, clients and the community.

As part of the Strategic Plan, the Bank also defined an Operational Plan known as '**Impulso 2028**'. This plan sets out the four strategic pillars that will guide the Bank's activities until 2028:

Strengthening and growing the value proposition

Scaling up the Bank's activity by broadening the client base, revitalising commercial areas, expanding its regional presence, strengthening offerings aimed at institutional and corporate clients, and developing distinctive services such as Investment Advisory services.

Organisation and operational efficiency

Optimising key macro processes, promoting continuous management tool improvement, and managing treasury and the Own Portfolio more efficiently by exploring automation opportunities and synergies with client-focused products and services.

Technology and digital transformation

Review and update the technological development model to ensure the Bank remains competitive in terms of agility and alignment with market trends. This involves developing solutions that improve the digital client experience, empower managers, and boost operational efficiency.

People and culture

recognizing the strategic importance of investing in human capital. This investment is essential not only for attracting and retaining talent, but also for disseminating and reinforcing the Bank's culture and values. These values are fundamental to fulfilling the Bank's mission and strategy.

The following initiatives are set to be developed in 2026 under this Operational Plan: the implementation of an action plan for information flows; the digital transformation of client relationship processes and management information systems that support the markets department and managers; the definition of a broad set of performance indicators to monitor and evaluate departments and teams; and the creation of incentives to boost commercial activity.

9. Functional Organisation

The Bank has more than a hundred members of staff and has a functional organisational structure with simple reporting lines, as shown in **Figure 3 | Banco Carregosa’s Organisational Chart**

Given its characteristics and classification as a public-interest entity, the Bank has opted for the structure set out in Article 278(1)(a) of the Commercial Companies Code. This comprises a Board of Directors (BoD) and a Supervisory Committee (SC), as well as the involvement of a firm or statutory auditor, in accordance with applicable legal provisions.

In addition to the management structure coordinated by the Board of Directors (BoD), the Bank has a Remuneration, Assessment and Remuneration Committee (CRAV). This committee is elected directly by the shareholders at the General Meeting and is responsible for assessing the appropriateness of, and determining, the remuneration of

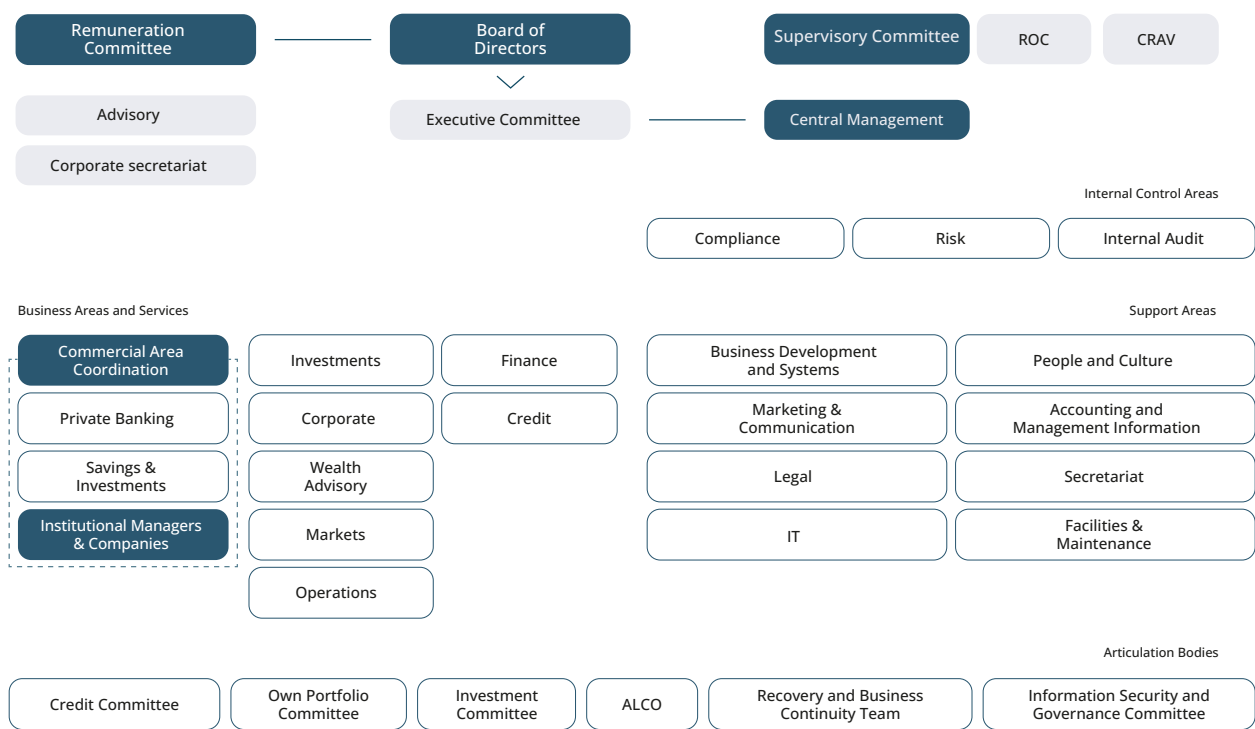
members of the Management and Supervisory Bodies, as well as key function holders.

The standard term of office for all bodies is three years, which does not necessarily coincide. They are also subject to authorisation and registration with Banco de Portugal, which also registers the Board of the General Meeting.

The Board of Directors has also established a Remuneration Committee. This committee comprises three non-executive directors, most of whom are independent. The committee’s role is to make informed and independent assessments of remuneration policies.

To support and strengthen value creation for its clients, the Bank’s organisation is structured around three main pillars: business and service areas, support areas, and internal control areas. These three pillars are described below.

Figure 3
Banco Carregosa’s Organisational Chart



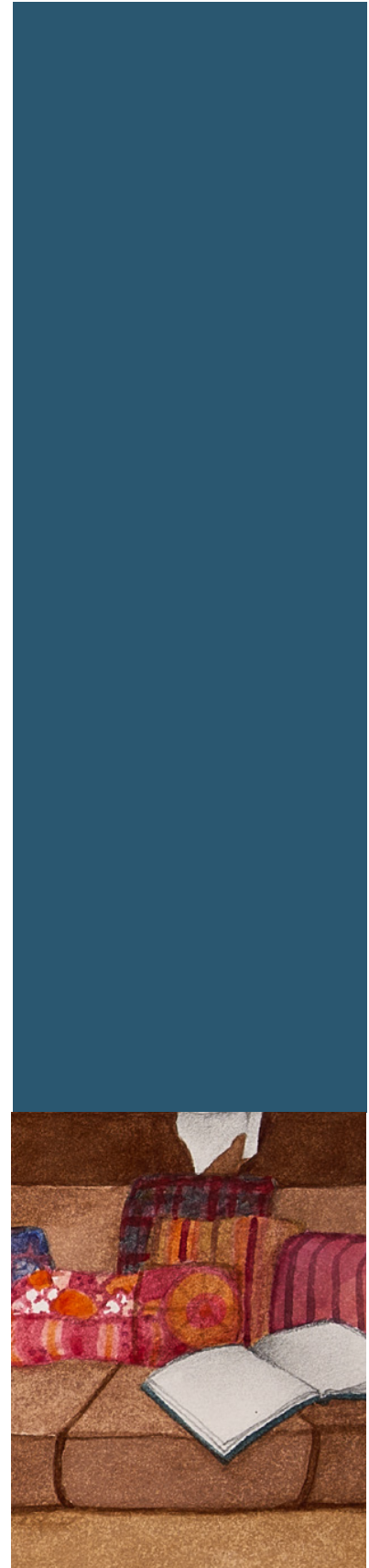
9.1. Business Areas

The first core area comprises the Business Areas, which are defined by the relationship model that the Bank wishes to establish with its clients.

Two of these areas – **Private Banking and Savings and Investment** – are commercial by nature. They embody the way the Bank provides services to target clients, ensuring a consistent portfolio of offers for clients with different needs. The Coordinating Director of Commercial Areas is responsible for coordinating the commercial activities of these areas and encouraging cross-functional collaboration.

Due to the specific nature of certain services, such as depositary and credit services, managers will be appointed to oversee institutional and corporate clients. These managers will report to said Coordinating Director. These managers usually take the lead in managing business relationships with institutional clients and similar collective entities. They may also assist Private Banking and Savings and Investment managers in their dealings with these clients.

This group also includes **Cash and Portfolio Management**, provided by the Finance Department, which is responsible for managing the Bank's liquidity and its positions in its Own Portfolio, in line with the guidelines issued by the Executive Committee and the Own Portfolio Committee, as well as the recommendations of the Asset-Liability Committee (ALCO). It is also responsible for managing the Bank's accounts with other credit institutions and the Central Bank, and for processing all payments to external entities. The Bank's own portfolio, along with its deposits with other credit institutions and the Central Bank, constitutes a significant portion of its balance sheet. The results of these make an important contribution to operating income.



9.2. Services

The second group consists of activities that are aligned with the organisation's core competencies, which embody its core private banking services, such as asset management and investment advisory (Investments), specialised order execution on financial markets, either on the trading floor or via e-platforms (Markets), and clearing, settlement, and custody services, including depositary services for collecting investment undertaking (Transactions). The group also includes lending operations (Loans), and various advisory services in corporate finance, capital markets and asset structuring (Corporate and Wealth Advisory). These areas therefore generate products or services for clients.

The Services support the commercial teams in each Business Area – defined by the characteristics of their target segment – in offering commercial propositions that are consistent with, and adapted to, the needs of their target clients. They also help the teams explore niche markets that value the proximity, quality and flexibility of their solutions. These areas may comprise both internal and external clients.



9.3. Support Areas

The third core area encompasses all the support functions for activities that neither create nor generate trade relations or products. However, these activities play an important role in their implementation.

Departments within the Business Areas primarily serve external clients and various internal suppliers. The Services departments, on the other hand, serve both internal clients, typically the Business Areas, and external clients. Departments within the Support Areas serve only internal clients.

Its activities include legal, accounting and administrative support, as well as the definition and functional specification of systems and processes. Other activities include information technology, people and culture functions, marketing and communication, facilities management, and other general support services.

9.4. Internal Control Areas

Finally, the fourth core area encompasses internal control functions that independently ensure risk management, compliance monitoring, and internal auditing. The first two correspond to the second line of defence, while internal audit constitutes the third line of defence in accordance with applicable standards.

Each of these functions reports directly to the Board of Directors, ensuring independence and direct access for reporting on the status of the internal control system. At the same time, they also report hierarchically to members of the Executive Committee, in accordance with the terms set out in the relevant regulations.

To ensure greater coordination and consistency in its operations, the Bank has set up several cross-functional bodies comprising employees from different areas. These include a Credit Committee, an Own Portfolio Committee, an Investment Committee, an Asset-Liability Committee (ALCO), a Recovery and Business Continuity Team, and an Information Security and Governance Committee.

10. Organisational Culture and Internal Governance

Organisational culture and internal governance are fundamental pillars that underpin Banco Carregosa's efforts to promote sound and prudent management, and to appropriately identify, monitor, and manage the risks inherent in its activities.

These issues are therefore addressed in a continuous and integrated manner, both in structural projects and in the Bank's day-to-day operations.

The management and supervisory bodies set the "tone from the top", fostering a culture based on prudent risk management, regulatory compliance, and a client-centric approach, in line with the institution's long-established values. The effectiveness with which the organisational culture is disseminated is facilitated by the relatively flat organisational structure, which enables all employees to engage with the values internalised by senior and middle management when carrying out the institution's activities.

To implement the high ethical standards of responsible, upstanding and prudent conduct expected of all employees and members of the management and supervisory bodies, in the performance of their duties, the Bank has established a Code of Conduct. This contributes to enhancing the Bank's levels of trust and reputation, both internally and in its relations with clients, business partners and supervisory authorities.

Internal governance is a constantly evolving model that incorporates a set of criteria and principles:

- I. the definition of the institution's strategic objectives and risk management system;
- II. the organisation and structure of activities;
- III. the definition of responsibilities and lines of authority, and their allocation;
- IV. the configuration of reporting lines; and
- V. the organisation and implementation of the internal control system.

In 2025, the institution continued to enhance the quality, consistency and robustness of its internal regulatory framework. During the financial year, the new CRR3 regulatory package was introduced, impacting the calculation of capital requirements. The quality of the COREP and FINREP prudential reports was also assessed, as was the second phase of the review of processes for obtaining, producing and processing information.

In addition, the conduct and values of the board of directors, its respective committees and the supervisory board were independently assessed. A gap assessment was also conducted within the scope of DORA.

These initiatives formed the basis for the publication of the Annual Self-Assessment Report (RAA) as at 30 September 2025, in accordance with Banco de Portugal's Notice 3/2020.

11. Information Systems and Technologies

In 2025, the digitalisation strategy, framed by the Bank's Information and Communication Technology (ICT) and Information Systems plans, aimed to strengthen operational resilience and information security, improve the ability to respond to regulatory and business challenges, and accelerate the digitalisation of processes. This was done in a context characterised by increasing technological dependence, heightened cyber risk, and growing demands from supervisory authorities. These plans promote the progressive evolution of support systems and processes based on a modular, integrated architecture. They have clear risk mitigation, operational efficiency and value creation objectives and are supported by an appropriate governance model, a dedicated budget and measures to control and monitor reputational, operational, cyber security and compliance risks.

Throughout the financial year, the ICT function played a clearly strategic role. It ensured the continuity and stability of critical systems, as well as the sustained evolution of technological architecture. It also ensured alignment between technology, processes, and the Bank's objectives. This work was informed by a structured approach based on clearly defined priority areas and disciplined execution, designed to mitigate structural risks and create value for the business, as set out in the Information and Communication Technology Plan for 2025–2027.

The Information Systems component was implemented through the 2025 Information Systems Plan (PSI 2025). This plan set out the framework for developing, maintaining and evolving systems throughout the year. It continued the major initiatives launched in previous financial years and built on the progress that had been made. Implementing it required a high level of coordination between departments, due to the increasing interdependence of systems and the need to align with internal and external regulatory frameworks.

In terms of operational continuity, resilience and information security, the Bank significantly strengthened the mechanisms for protecting its systems and data. Throughout 2025, improvements were made to data backup and recovery processes, which were periodically tested. Business continuity and disaster recovery plans were also reviewed and updated. The capacity to monitor and respond to incidents, as well as access controls and identity management, were also strengthened. This was done with the aim of reducing the likelihood and impact of service disruptions, data loss and cybersecurity incidents. In this context, a key development was the update to the Annual Testing Plan for the Information Technology Business Continuity Plan. This update broadened the scope of the tests carried out and provided a more rigorous identification of critical areas, thereby contributing to a more robust continuity and recovery framework.

In terms of technological infrastructure, significant measures were implemented to strengthen data resilience. These included the provision of additional mirrored storage, improvements to performance, and the standardisation of environments. There was also an increase in the capacity of key core services. In terms of technological modernisation, critical components, including load balancers and SAN switches, were replaced to mitigate obsolescence risks and deliver further performance and reliability gains. Replacing physical WAFs with virtual appliances simplified the technological architecture while maintaining high performance and protection levels.





In terms of information security, audits, penetration tests and ongoing vulnerability management activities were carried out to promote the hardening of systems and sustained improvement in protection against cyber threats. Additionally, the storage capacity of the pre-production infrastructure was increased to ensure greater flexibility and responsiveness to development and testing cycles. The process of technological modernisation continued with the migration of servers to Windows 2025. This reduced the risks associated with using obsolete versions and strengthened alignment with market security and support standards.

The initiatives, when considered as a whole, demonstrate a coherent strategy for developing and reinforcing the technological infrastructure. This strategy aims to reduce operational and technological risks, enhance resilience, and establish a solid foundation for the Bank's critical operations.

This strategy has been realised through the implementation of PSI 2025, which has enabled a series of strategic projects to be carried out that have a direct impact on revenue generation, operational efficiency and risk management.

In terms of strengthening the digital value proposition, the developments associated with the NextGen segment were particularly notable. These included the launch of the Investor platform as part of the partnership with Saxo Bank, which was aimed at creating dedicated channels and integration with investment platforms. Thanks to these initiatives, the Bank was able to expand its range of products and services, strengthen its digital value proposition, and attract new client profiles.

In terms of operational efficiency and process automation, the new Account Opening Process (PAC) was implemented. This involved a comprehensive redesign of both online and offline workflows, incorporating authentication via the Digital Mobile Key, validation workflows, and traceability within the core system. This project reduced approval times, minimised operational errors, and increased the proportion of accounts opened via digital channels. This had a positive impact on both client experience and internal productivity. In this area, too, the Client Instructions project was completed as part of the Fraud Risk Prevention Action Plan. This introduced new validation mechanisms, automated workflows, and a dedicated mobile app for authenticating and validating instructions. These developments have strengthened internal controls, reduced operational risk, and decreased reliance on manual validations. This has had a direct impact on efficiency and operational costs.

In terms of compliance and risk management, the Enhanced Due Diligence Form (FDR) automation project was implemented to enable the digitisation and systematisation of the process for monitoring accounts and entities subject to enhanced due diligence. The solution has strengthened the responsiveness of the Compliance function, ensuring greater consistency, traceability, and alignment with applicable regulatory requirements. At the same time, adjustments were made to the functionality and usability as part of the adaptation to the European Accessibility Act, ensuring adequate levels of accessibility and inclusion.

Work continued on the Data Model project, including Data Ownership & Stewardship initiatives, in the area of data, information and decision support. The aim was to strengthen information governance and quality. We also developed glossaries of concepts and defined data domains. This established the main foundations of a more robust information governance model, directly impacting the quality, consistency and traceability of management and regulatory reporting, as well as the reliability of information used in decision-making processes. At the same time, work continued on implementing the Information Flows Action Plan, which aimed to improve processes for obtaining, producing, processing and controlling critical information. This helped mitigate operational and reputational risk. At the end of the financial year, this set of initiatives underwent a structural overhaul with the support of an external consultancy firm. This laid the foundations for a phased implementation plan tailored to the size and complexity of the Bank, which will be carried out throughout 2026.

Alongside these structural projects, significant efforts were made to enhance the ability to produce and analyse management information, particularly in the commercial area. The development and implementation of the commercial analysis dashboard is of particular note. It is designed to standardise and streamline queries relating to commercial activity, allowing for greater flexibility in the configuration of items and more consistent monitoring of commercial objectives. It also provides an appropriate level of detail for internal reporting and decision-making purposes. The success of this initiative will depend on the length of time it is used for, with consolidation expected in the first quarter of 2026.

A significant part of the Information Systems department's efforts was devoted to regular maintenance and support. This ensured the stable operation of critical systems, rectified deficiencies, and implemented changes arising from legal and regulatory requirements. In 2025, these activities accounted for a significant proportion of the total operational effort. This reflects the priority given to ensuring the stability, reliability and continuity of the services provided, particularly with regard to payment systems such as TIPS and VOP.

In terms of ICT governance and internal control, discipline in the management of information technologies and systems was strengthened, including a review and an update of the Information Systems Change Management Procedure. This review made it possible to address shortcomings identified by the internal control functions, clarify the handling of urgent changes and strengthen validation, documentation and reporting mechanisms, thereby helping to reduce the operational risk associated with changes in the production environment.

In short, the ICT strategy and the implementation of the Information Systems Plan helped strengthen the Bank's operational stability, technological robustness, and adaptability throughout 2025. Integrating strategy, planning and execution ensured consistency, control and alignment with the Bank's overall strategic objectives, enabling it to

12. Internal Control System

Banco Carregosa's internal control system is one of the pillars of internal governance, comprising a number of strategies, policies, systems, processes and procedures. These are implemented by the Bank's management and supervisory bodies, as well as its employees, with the aim of providing reasonable assurance in pursuit of the following objectives:

- I. prudent risk management to ensure the sustainability of the business in the medium and long term (performance objectives);
- II. timely, comprehensive and reliable financial and management information, and mechanisms for reporting this information to management and supervisory bodies and internal control functions (information objectives); and
- III. compliance with legal and regulatory requirements, whether of a prudential or behavioural nature, with the Code of Conduct, and with other internal rules (compliance objectives).

The internal control system comprises four components:

- I. Control environment – this reflects the attitudes and actions regarding the internal control system resulting from the beliefs, preferences and value judgements of management and other Bank staff, as well as the emphasis placed on internal control, the actions taken, the policies and procedures adopted, and the definition and implementation of the organisational structure. The control environment is influenced by the following:
 - a. the standard of ethical values followed by the institution;
 - b. the availability of sufficient and appropriate material, technical, and human resources;
 - c. the degree of transparency of the organisational structure, and whether it is suitable given the complexity, size and type of the institution's activities;
 - d. the clarity of the hierarchy, responsibilities, and duties assigned to each function;
 - e. the quality of the strategic planning process; and
 - f. the degree to which the management body is involved in the activities carried out.
- II. Risk management system – this consists of the a set of strategies, policies, processes, systems and procedures designed to identify, assess, monitor and control all the risks to which the Bank is or may be

exposed, whether internal or external, to ensure that these risks remain at levels previously defined by the Board of Directors and do not materially affect the Bank's financial position.

- III. Information and communication systems – this is an essential component for ensuring that controls are understood and implemented by the organisation. In addition, reliable and timely management information is essential for decision-making regarding the development of the activity, as well as for ensuring compliance with the strategy and objectives set by the management body.
- IV. Monitoring process – this includes ongoing and one-off control procedures, actions and effectiveness tests carried out by the Risk and Compliance departments, as well as an independent assessment performed by the Internal Audit Department. The main objectives of this component are to assess compliance with defined risk tolerance levels, and to identify any flaws in processes or controls, enabling timely corrective action.

Throughout 2025, efforts were made to reinforce the four pillars of the internal control system.

The following initiatives are particularly noteworthy:

- I. maintain a high level of detail in planning the three internal control functions, providing more specific information on the tasks performed and the material and human resources allocated to them;
- II. continue to use the tool to record and monitor deficiencies and register non-compliances. In addition to quarterly monitoring of all deficiencies and non-compliances, the Board of Directors monitors the expansion of deficiencies falling within the remit of the internal control functions monthly, as well as the extension of the scope to Group deficiencies and those of individual subsidiaries. To improve tracking of deficiencies, the Executive Committee started to monitor deficiencies in categories F3 and F4 on a monthly basis, while also adopting a project-based approach. This change enabled a more integrated and planned approach, resulting in positive outcomes throughout the year;
- III. significant and continuous improvement of the information system supporting the activity, with the aim of aligning with best practice in information management. In particular, the focus will be on improving information regarding risk management;
- IV. continue developing a project that describes the data structure of the central information repository, as well as the business concepts used in the Bank's operations and reporting processes;
- V. reinforced commitment to the protection of personal data, including commissioning a consultancy project to improve procedures for collecting and processing personal data; and
- VI. continued commitment to digitising processes, resulting in an increase in integrated workflows.



1. Management Report

Banco Carregosa's organisational structure is based on The Institute of Internal Auditors' three-line model, ensuring robust governance and an effective internal control framework. The Bank also follows the recommendations set out in Banco de Portugal Notice No.2/2025 and Instruction 4/2025, thereby ensuring compliance with national prudential and supervisory requirements.

Broadly speaking, the three-line model allocates different governance and risk management responsibilities to the various functions within each line. These can be briefly characterised as follows:

- I. first line: the business-generating units and related areas that generate risks for the institution, and that are primarily responsible for identifying, assessing, monitoring and controlling these risks;
- II. second line: the support and control functions, particularly the risk management and compliance functions, interact with the first-line functions to identify, assess, monitor and control the risks inherent in their activities; and
- III. third line: the internal audit function performs independent, risk-oriented analyses.



12.1. Internal Audit

As part of its remit, which was approved by the Board of Directors (BoD), Banco Carregosa's Internal Control Function (ICF) is responsible for strengthening the institution's ability to create and protect value. The ICF also provides the corporate and supervisory bodies with independent and objective risk-based assessments, recommendations and opinions.

To this end, the following principles are set out in the ICF regulations:

- I. the ICF is established as an autonomous and independent unit, organisationally separate from the activities it monitors and assesses;
- II. the head of the ICF and the internal auditors have no direct operational responsibility for any areas or processes subject to the ICF's assessment. They do not implement internal controls or develop procedures, nor do they participate in activities that could compromise the impartiality of their professional judgement;

- III. the results of the ICF's assessments must not be constrained or limited by internal provisions or guidelines regarding the maximum number of identified deficiencies, nor by any link, whether implicit or explicit, between these deficiencies and the performance appraisal of internal auditors;
- IV. the Board of Directors approves the proposed remuneration of the ICF head, after consulting the Supervisory Committee (SC) and the Remuneration Committee (RC);
- V. the remuneration of internal auditors is not linked to the outcomes of the activities they evaluate; and
- VI. in accordance with the preceding two sub-paragraphs and with a view to maintaining objectivity, remuneration essentially consists of a fixed component. However, a variable component is permissible under the terms set out in the Employee Remuneration Policy. This component is approved by the Board of Directors after consultation with the Supervisory Board and the Remuneration

Committee.

In addition, the person in charge ensures that the ICF remains free from any constraints that could affect the objectivity of the internal auditors.

The Head of the Internal Control Function report any situations or constraints that compromise, or may materially compromise, the independence of the Function to the Management and Supervisory Bodies. In accordance with Article 14 of Banco de Portugal Notice No. 3/2020, they also report to the relevant supervisory authority.

As part of the Annual Self-Assessment Report, the Head of the ICF confirms the organisational independence of the function to the management and supervisory bodies each year.

The Function's activities generally include independent assessments of the efficiency and adequacy of Banco Carregosa's Governance, Risk Management, and Internal Control systems.

The Head of the Internal Control Function (ICF) regularly reports to the Supervisory Body and the Board of Directors on the conclusions of the audits carried out, and to the Supervisory Authorities and the Statutory Auditor when requested.

To achieve its objectives, the ICF adheres to the Global Standards of Internal Auditing established by the IIA – The Institute of Internal Auditors and has implemented the Quality Assurance and Improvement Programme (QAIP).

12.2. Compliance

The Compliance Department ensures that Banco Carregosa's practices, conduct and procedures comply with all legal and regulatory obligations. To this end, the department regularly monitors changes in legislation in order to reduce the risk of non-compliance. This department is particularly responsible for ensuring the legal and regulatory compliance of all financial intermediation services provided or developed by the Bank. The Compliance Department plays a key role in defining the mechanisms for monitoring and detecting suspicious transactions in order to prevent money laundering and terrorist financing.

In 2025, the department's work focused primarily on strengthening the monitoring of subcontracting matters, particularly with regard to contractual reviews and risk assessments of subcontractors. Work also continued on projects relating to the management of corruption and fraud risks. These projects covered risk assessment, the formalisation and review of internal policies, training, and the establishment of new controls.

12.3. Risk Management

At Banco Carregosa, overall risk management is based on an integrated set of policies, regulations, procedures, limits and control mechanisms. These enable risks inherent in activities across various business lines to be identified, measured, assessed, monitored, mitigated and communicated appropriately and consistently. The approach is guided by the following principles:

- I. alignment between business strategy, risk appetite and risk management;
- II. assessment of risk-adjusted return; and
- III. promotion, communication, and dissemination of a risk management culture.

The risk appetite framework is supported by a Risk Appetite Vision (RAV) and a Risk Appetite Statement (RAS), which ensure consistency at all times between the Bank's business strategy and its risk profile, enabling the Bank to prudently manage and preserve capital and liquidity. In this context, the RAV and the RAS are the key building blocks of the Bank's risk management system. This system consists of a general approach through which risk appetite and strategy are defined, communicated, and monitored.

The Bank's risk appetite is defined, communicated and monitored through the Risk Warning Framework (RWF), which consists of a structure for monitoring, reporting and regularly reviewing all material risks. The framework includes a comprehensive set of Key Risk Indicators (KRIs), for which limits and tolerance levels are set to enable the systematic and detailed monitoring of compliance with the Risk Appetite Statement (RAS).

The Risk Management Function's (RMF) mission is to monitor, control and report on risks, and to develop and implement methodologies and solutions for measuring and mitigating them. This applies to all risks to which the Bank is, or may in future be, exposed. The RMF actively and continuously promotes and consolidates a risk culture across the entire organisation.

Overall, the RMF aims to maintain a balance between:

- I. an adequate level of capital (the solvency principle, in accordance with the principle of solvency;
- II. remuneration for the risks assumed, in accordance with the principle of profitability; and
- III. the maintenance of a stable funding structure.

The Risk Department is also responsible for advising and assisting the management and supervisory bodies in defining and monitoring the Bank's overall risk profile. The department also provides these bodies with all the relevant and reliable information on the various risks to which the institution is exposed. In this context, the Risk Department is responsible for preparing and publishing periodic reports focusing on risk management matters and the identification and monitoring of materially significant risks.



The Bank has developed an internal taxonomy of the risks relevant to its activities. This has resulted in the drafting of a Risk Catalogue designed to support the internal control system, in so far as it:

- I. provides for a common understanding of the risks to which the Bank is exposed;
- II. facilitates the definition of homogeneous functional concepts, thereby improving risk aggregation and consolidation of risk;
- III. enables better coordination between the first and second lines of business;
- IV. improves the effectiveness of risk communication; and
- V. helps to promote and consolidate a culture of risk across the entire organisation.

The Risk Identification and Assessment (RIA) exercise carried out in 2025 identified the following categories of material risk: Business Model Risk; Credit Spread Risk in the Banking Book; Operational Risk; Internal Governance Risk; Credit Risk; Interest Rate Risk in the Banking Book; and Compliance Risk.

In addition to monitoring each risk individually, an integrated assessment is also carried out as part of the ICAAP (Internal Capital Adequacy Assessment Process), ILAAP (Internal Liquidity Adequacy Assessment Process), F&CP (Funding and Capital Plan) and Stress Testing Programme.

As part of the activities carried out by the Risk Management Function (FGR), the 2025 financial year saw the Bank's risk management framework strengthened and consolidated, particularly in the following areas:

- I. ensuring the analysis, interpretation and phased implementation of the new regulatory requirements resulting from the entry into force of Regulation (EU) 2024/1623 (CRR3) and adapting to the new prudential framework. This process focused particularly on assessing the impact on the calculation of capital requirements, the risk weighting of assets and the application of the output floor. It also involved reviewing the related processes, methodologies, and reporting systems;
- II. implementing measures relating to environmental, social and governance (ESG) risks with a view to gradually integrating them into the Bank's risk management framework, in line with applicable regulatory and supervisory expectations;
- III. continuing the update and harmonisation of FGR regulations, ensuring regulatory compliance and consistency with the Bank's risk profile;
- IV. strengthening the framework of indicators relating to institutional brokerage activities; and
- V. strengthening the focus on risks associated with Information and Communication Technologies (ICT), through the implementation of a Governance, Risk & Compliance (GRC) tool. This tool enables the continuous monitoring, systematic tracking, and integrated management of ICT risks, in accordance with the requirements of the applicable framework, and in particular the DORA Regulation.

The following are some of the risks included in the Bank's Risk Catalogue.



12.3.1. Credit Risk

Credit risk refers to the possibility that the Bank's earnings or capital will be adversely affected by a counterparty's inability to fulfil its financial obligations to the Bank. It arises mainly from credit exposures, such as secured loans, credit lines, guarantees, derivatives, and deposits with other credit institutions.

Various techniques are used to mitigate this risk, including good collateral and cash guarantees, and the use of contractual netting arrangements.

The Credit Risk, Compliance and, where appropriate, the Legal departments give their opinion on the approval of credit transactions, ensuring not only the assessment of the client's ability to repay, but also that the transaction aligns with the Bank's defined policies and procedures.

Recognition and calculation of impairments are based on the IFRS 9 requirements and Banco de Portugal's reference criteria, as set out in Banco de Portugal Circular Letter CC/2018/00000062.

In 2025, a comprehensive analysis of the Bank's loan portfolio was carried out. This involved preparing Individual Impairment Files for each transaction in order to document clients' repayment capacity. Two alternative approaches to cash-flow analysis were used for the staging assessment: the Two-Step Approach and the Steady State Approach.



12.3.2 Own Portfolio Interest Rate Risk

Interest rate risk in the Bank's own portfolio refers to the probability of a negative impact on the Bank's equity or earnings due to adverse changes in Interest rates. This can be caused by mismatches in maturities or interest rate reset periods, imperfect correlations between the rates received and paid on various instruments, or the presence of embedded options in on-balance-sheet financial instruments or off-balance-sheet items not recorded in the trading book. This risk arises from a combination of the following risks:

- I. Gap risk – also known as repricing risk, is the risk arising from different assets and liabilities being repriced at different times and rates;
- II. Basis risk – is the risk arising from assets being remunerated at different interest rates to liabilities; and
- III. Option risk – is the risk arising from the options inherent in certain assets and liabilities. It is the risk that arises from embedded options in both balance sheet and off-balance sheet items.

In the context of implementation, it should be noted that the Bank falls within the scope of the Simplified Model for Small and Non-Complex Institutions (SNCI) in accordance with the new regulatory requirements relating to IRRBB (Interest Rate Risk in the Banking Book), specifically Guidelines EBA/GL/2022/14, EBA/RTS/2022/09, EBA/RIS/2022/10 and EBA/ITS/2023/03..

12.3.3 Own Portfolio Credit Spread Risk

In the Banking Book, credit spread risk refers to the risk arising from changes in market perceptions of the price of credit risk and the liquidity premium. Where applicable, it also refers to the risk arising from changes in the price of credit risk instruments, the liquidity premium and other potential components that are not explained by the IRRBB or expected credit/default risk.

In 2025, the focus remained on monitoring the applicable Credit Spread Risk in the Banking Book (CSRBB) regulations, specifically those under EBA/GL/2022/14. Specific internal guidelines were also drawn up: the CSRBB Methodological Manual and the CSRBB Technical Manual. In addition, indicators for monitoring Credit Spread Risk were defined and tracked regularly, with the aim of ensuring an observation period long enough to enable limits to be adjusted to the Bank's risk profile.

Systematic monitoring throughout 2025 was a key step in preparing the Bank for future regulatory reporting requirements in this area.

12.3.4. Operational Risk

Operational risk refers to the probability of negative impacts on the Bank's results or capital arising from failures in the analysis, processing, or settlement of transactions; fraud; or the Bank's operations being affected by external factors.

The operational risk category has had a material impact on the Risk Identification and Assessment Exercises carried out by the Bank. In terms of both the range of risk factors identified and their relevance in terms of the probability of occurrence and the magnitude of their potential impact, it is one of the most significant sources of risk.

The importance of the different sub-categories of operational risk has resulted in specific policies and procedures being established for each area.

The Bank has adopted a set of operational risk management principles to define the standards to be observed in operational risk management processes. This ensures a structured, ethical, effective, and consistent approach to prevent the assumption of unforeseen or undesirable risks.

The risk management strategy aims to foster a culture of operational risk, encouraging staff to play an active role throughout the operational risk management cycle (identification, assessment, monitoring, control, and reporting).

From a cross-functional perspective, and with the aim of promoting more objective, quantified monitoring of this risk, the Bank maintains a database for systematically recording relevant operational risk events.

12.3.5. Liquidity and Financing Risk

Liquidity and financial risk reflect the Bank's inability to meet its payment obligations in a timely and cost-effective manner due to its inability to raise funds.

In light of its mission, strategic vision and scale, the Bank has adopted a Liquidity Risk Management Model that prioritises off-balance-sheet operations. This model places particular emphasis on client asset management and the provision of other financial services, such as Corporate and Wealth Management services. To complement this approach, the Bank offers a comprehensive range of essential banking services, including lending, portfolio management, and market services. These contribute to an integrated and competitive value proposition. The continued growth and consolidation of the OIC Custodian service is also noteworthy, as it has become one of the Bank's key liquidity-enhancing services.

The Risk Management Function plays a central role in the process of managing liquidity risk and is responsible for a number of things, including:

- I. monitoring the alignment between exposure to liquidity risks and the relevant strategic guidelines;
- II. monitoring changes in the liquidity risk profile and the defined risk limits on a daily basis;
- III. reporting periodically to the management and supervisory bodies on the structure and risk profile of liquidity;
- IV. monitoring and controlling risks associated with liquidity risk, such as concentration or reputational risk, addressing these risks in an integrated manner; and
- V. conducting the liquidity stress testing programme, analysing a range of possible scenarios to assess how the Bank's liquidity would react to external and/or internal events.

Monitoring of liquidity risk is also incorporated into periodic exercises, such as the ILAAP and Recovery Plan.

The Bank has maintained a conservative risk profile while operating in an environment of excess liquidity. Consequently, this risk category was deemed immaterial in the 2025 annual report.

12.4. Equity Management

In terms of equity management, the Bank seeks to ensure an appropriate level of solvency and profitability in accordance with its internal policies and the risk appetite policy defined by the Board of Directors. This is a critical aspect of the Bank's approach to achieving stable and sustainable management.

The Bank carries out a half-yearly internal and prospective self-assessment of all current or potential material risks to which the institution is exposed, the Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP is an essential tool for defining the Bank's strategy and for monitoring of the consequences of its implementation.

The ICAAP provides a systematic way of analysing capital adequacy in relation to the risk appetite outlined in the Risk Appetite Statement (RAS), as well as the availability of economic capital. This process has two complementary dimensions:

- I. regulatory, based on regulatory and prudential reports, which provide important data for the quantitative and qualitative analysis of equity and risk;
- II. economic capital and its requirements quantify risk according to the confidence level set out in the Risk Appetite Statement (RAS). The qualitative analysis completes this systemic approach.

In recent years, the Bank has strengthened and refined its ICAAP process, establishing it as a strategic tool that supports management and contributes to more informed decision-making aligned with medium- and long-term objectives.



13. Overview of Activities

13.1. Macroeconomic Environment

In its January 2026 update to the World Economic Outlook, the International Monetary Fund estimated that the global economy had grown by 3.3% in 2025. This reflected resilient consumption in major economies and the gradual normalisation of inflationary pressures. Advanced economies are estimated to have grown by 1.7%, held back by tight financial conditions, while emerging and developing economies are estimated to have grown by 4.4%, driven by momentum in Asia. Growth in the United States over this period is estimated at 2.1%, which outpaces that of other advanced economies. Meanwhile, the eurozone is expected to post more modest growth of 1.4 per cent, which is being held back by weakness in the manufacturing sector. China is expected to maintain growth of 5.0%, still supported by stimulus measures. However, the property sector continues to have a negative impact on the economy.

In 2025, the German economy avoided a third consecutive recession following two years of contraction in 2023 and 2024. This period of weakness had only been matched since the Second World War during the tech crash of the early 2000s, highlighting the structural weaknesses of a model heavily dependent on industry and exports. Nevertheless, despite the difficulties throughout the year, figures released by Destatis on 15 January suggest that Germany achieved modest growth of 0.2% in 2025. This modest improvement was mainly driven by household consumption and increased public spending, largely thanks to the fiscal stimulus introduced by the German government. On the downside, investment in machinery and equipment continued to fall, and exports declined for the third consecutive year due to US tariffs, the appreciation of the euro, and competition from China. The outlook for 2026 remains subdued, with the Bundesbank forecasting growth of around 0.6%. This signals a slow recovery following a prolonged period of stagnation.

The ongoing fragility of the German economy, coupled with budgetary and political tensions in France, is undermining

the Franco-German axis – a cornerstone of European economic integration. While this fragility is detrimental to the cohesion of the eurozone, it increases the likelihood that the ECB will adopt a less restrictive monetary policy against a backdrop of slowing inflation and structurally weak economic growth.

The US economy remains resilient, as evidenced by the Atlanta Federal Reserve's GDPNow indicator, which suggests that GDP will grow by 4.2% annually in the fourth quarter of 2025. This follows growth of 4.3% and 3.8% in the previous quarters. Although claims for unemployment benefits remain at historically low levels, there are signs of greater caution on the part of firms when it comes to hiring. This is evidenced by the decline in job vacancies, as measured by the Job Openings and Labour Turnover Survey (JOLTS). Therefore, fragility in the labour market has primarily manifested as a slowdown in new hires rather than an increase in redundancies. The decline in job vacancies may be partly offset by the growing adoption of artificial intelligence in certain sectors of the labour market. This helps to explain why the US economy is growing so strongly, despite budget deficits.

In response to the lower job supply in 2025 and to fulfil its triple mandate of price stability, full employment and moderate long-term interest rates, the US Federal Reserve cut its key interest rate by 0.25 percentage points in December, bringing it down to a range of 3.50% to 3.75%. Although core inflation remains above the target level, the US Federal Reserve anticipates only one further interest rate cut in 2026. According to its latest projections, the Fed is forecasting growth of 2.3% and inflation of 2.4%, which is consistent with a soft-landing scenario.

In 2025, the Chinese economy was mainly supported by public investment, exports, and stimulus measures. This was against a backdrop that was still marked by persistent weaknesses in the property sector and domestic demand. Inflation remains close to zero, reflecting weak demand and the isolated risk of deflation. The outlook for 2026 points to a gradual slowdown in growth, with estimates of around 4.5%, which is in line with the strategy outlined by

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the Chinese Central Committee, which prioritises more balanced and sustainable growth. It is expected that economic policy will continue to support strategic sectors such as technology, advanced industries, and renewable energy. Meanwhile, inflation is expected to remain low and under control, in line with the objective of achieving macroeconomic stability.



13.2. Portuguese Economy

The Portuguese economy continued to perform well. This was underpinned by the dynamism of the tourism sector and foreign investment, particularly in property, as well as an increase in employment. However, there has been a gradual slowdown in job creation, reflecting the normalisation of the labour market following the strong gains recorded in previous years.

According to the flash estimate by the National Statistics Institute dated 30 January 2026, the volume of Portuguese GDP is estimated to have grown by 1.9% in 2025, following an increase of 2.1% in 2024. Domestic demand continued to contribute positively to annual growth, driven by private consumption and investment. Meanwhile, net external demand contributed negatively, reflecting a sharper slowdown in exports than in imports. In the fourth quarter of 2025, GDP recorded year-on-year growth of 1.9% and quarter-on-quarter growth of 0.8%. This signals some resilience in economic activity despite the slowdown in investment and moderation in consumption.

The Economic Sentiment Indicator (ESI) is compiled by the European Commission based on business and consumer surveys. With an historical average of 100 points, figures above this level indicate that the overall level of economic sentiment is above the long-term average. At the end of December 2025, the ESI stood at 107.2 points in Portugal, which was one of the highest readings across the European Union and was clearly above the historical average. This corroborates the resilience of the national economy.

In the European context, Portugal continues to perform relatively favourably, in line with other Mediterranean economies such as Spain, Italy and Greece. These countries' indicators remain above average, in contrast to the persistent fragility of core economies such as France and, above all, Germany, which continue to register levels below 100 points. According to the confidence indicators compiled by the European Commission, recent developments in Portugal have reflected a slowdown in sentiment in the services, industry, and retail sectors, partially offset by an improvement in construction and a slight recovery in consumer confidence. This suggests a moderation in activity, which is nonetheless consistent with relatively favourable economic performance compared to the European Union average.

In its latest report dated 17 November 2025, the European Commission forecasts an acceleration in Portuguese GDP growth to 2.2% in 2026, up from the estimated 1.9% in 2025. This is driven mainly by strong domestic demand, growth in private consumption, and increased investment, supported by the implementation of European funds. Inflation is expected to slow to 2.0%, in line with the stabilisation of energy and industrial goods prices. Meanwhile, the labour market is expected to remain resilient, with the unemployment rate falling to 6.2%. In terms of fiscal policy, a gradual deterioration in the general government balance is forecast, with a deficit of 0.3% of GDP. Meanwhile, public debt is expected to continue its downward trajectory, falling to 89.2% of GDP. Growth is expected to moderate slightly to 2.1% in 2027, reflecting a generally favourable macroeconomic environment characterised by stable inflation, a further fall in unemployment and a continued reduction in the debt-to-GDP ratio.

Furthermore, the Portuguese government presents a slightly more favourable outlook in the 2026 State Budget, forecasting GDP growth of 2.3%. This is supported by buoyant domestic demand, rising private consumption, and an acceleration in investment, particularly from the implementation of European funds. The Portuguese government also forecasts inflation of 2.1% and a fall in the unemployment rate to 6.0%. This is based on the technical assumption of a stable average exchange rate and a Brent crude oil price of \$65.4 per barrel. These factors contribute to an environment of moderate inflationary pressures and macroeconomic stability.

14. Financial Markets in 2025

It was a positive year for the equity markets, albeit with variations across regions and investment styles. Bonds played a stabilising and consistent role in investors' portfolios once again, while the value of commodities such as gold and copper rose and the price of oil fell sharply, contributing to a disinflationary environment. For investors with a euro-denominated portfolio, the sharp depreciation of the US dollar against the euro (-13.44%) was a key factor, as it limited the conversion of returns on US investments without currency hedging.

In terms of equity classes, the MSCI World Index (in euros) increased by around 6.8%. In the US, the S&P 500 increased by 16.4%, which continues the trend of high concentration in mega-caps and strong performance from the 'Magnificent 7', as reflected by the 9.34% performance gap compared with the equal-weight index. Furthermore, it is worth noting that, in the United States, 2025 did not see an increase in valuations, but rather a year of price appreciation underpinned by earnings. In Europe, the STOXX 600 increased by 19.8% over the year, driven by relatively low valuations and the anticipation of more favourable financial conditions. This performance also reflected a greater weighting of value and/or cyclical sectors.

However, the year's trajectory was not linear. Volatility resurfaced amid political and trade risks, resulting in sharp corrections in late March and April, around "Liberation Day". Nevertheless, the backtracking of the Donald Trump administration on certain measures, coupled with the persistence of the AI narrative, favoured a 'V'-shaped recovery. This illustrates a recurring pattern of shock, repricing, and normalisation, with markets absorbing risks thanks to disinflation and resilient earnings.

In the bond market, 2025 was a positive year in the US and worldwide. The Bloomberg Global Aggregate (8.2% in US dollars) and the US Aggregate (7.3%) both benefited from higher coupons and movements in yields. In the eurozone,

the Euro Aggregate posted a lower return of 1.3%. The main reason for this was the 'long duration' segment, where the value of Eurozone government bonds with maturities over 10 years fell, reflecting rising yields on longer maturities, an increase in the term premium, the supply of new debt and concerns over fiscal balances. In contrast, credit and emerging market debt saw the carry trade emerge as the largest positive contributor during the year, driven by attractive yields and narrowing spreads, which drove returns above global averages.

Against a backdrop of successive all-time highs in commodities, gold was the standout performer, rising by nearly 64.6%. This was supported by central bank purchases, trade, and tariff risks, growing speculative interest, and a weaker US dollar.

In short, 2025 was a year of normalisation, with rate cuts, consistent bond returns, and rising share prices supported by earnings. However, the performance of gold served as a reminder that such periods do not eliminate concerns about risk.



15. Outlook for 2026

Throughout 2026, the global macroeconomic landscape was reshaped by worsening geopolitical instability and revised growth trajectories. According to the International Monetary Fund's (IMF) World Economic Outlook report for April 2026, the global growth forecast has been revised downwards to 3.1%, reflecting the impact of supply shocks and the deterioration of global financial conditions. Although there had been gradual signs of moderation in global inflation, it is now experiencing pockets of resistance due to volatile energy prices, with an estimated end-of-year figure of around 4.0%.

This scenario is heavily influenced by the ongoing armed conflict between the United States, Israel, and Iran. This conflict has introduced a new wave of uncertainty into international markets. The escalation of tensions in the Middle East has put additional pressure on global supply chains and commodity prices. This has forced a re-evaluation of stability prospects in the short and medium term. Meanwhile, the technology investment cycle remains robust, and stricter scrutiny is expected regarding the productivity gains and real returns associated with Artificial Intelligence (AI)

For the 2026-2027 two-year period, the IMF's updated April projections point to the following performance:

- I. United States: growth of 2.1% in 2026 and 1.9% in 2027. This is being held back by uncertainty in foreign policy and persistently high financing costs;
- II. Eurozone: modest growth of 0.9% in 2026 is expected, reflecting fragile confidence among economic agents and the indirect impact of energy costs.
- III. China: a slowdown to 4.4% is expected in 2026, with economic activity continuing to be constrained by adjustments in the property sector and weaker external demand.

In terms of monetary policy, central banks are adopting a watchful approach in response to the latest geopolitical developments. In the United States, for example, the Federal Reserve (Fed) kept its key interest rate in the 3.50–3.75% range in April 2026, despite facing persistent inflation and external instability. The Fed emphasised that convergence towards the inflation target may be slower than anticipated by the end of 2025.

In the euro area, the Eurosystem's projections for April

indicate GDP growth of 1.0% in 2026. Meanwhile, HICP inflation stands at 2.1%, and the European Central Bank is closely monitoring the impact of energy price volatility on private consumption and production costs.

Regarding Portugal, the most recent projections from both the European Commission and the Bank of Portugal suggest that the country's GDP will grow by 2.0% in 2026. This trend is underpinned by the implementation of Recovery and Resilience Plan (RRP) funds and the resilience of the labour market, where the unemployment rate has stabilised at 6.3%. Nevertheless, the national economy remains vulnerable to a slowdown in demand from its main European trading partners.

The risks to the economic outlook are significant and take various forms. In terms of politics, potential sources of instability include the possibility of escalating geopolitical tensions, the fragmentation of trade relations, and regulatory uncertainty. In the macroeconomic sphere, changes in expectations regarding the productivity gains that artificial intelligence could deliver could lead to adjustments in financial markets, impacting valuations and financing conditions. In terms of public finances, the combination of high financing requirements and increasing term premiums in certain jurisdictions continues to be a major concern, especially given the high level of public debt in many economies. Price volatility in the energy sector persists, despite signs of a more favourable balance between supply and demand.

On the other hand, sustained relief from trade and geopolitical tensions, alongside broader investment in digitalisation and the energy transition, could strengthen the baseline scenario. This would mitigate some of these risks and foster a more stable and predictable economic environment.

In short, the outlook for 2026 requires prudent management and constant monitoring. Although growth is expected to continue, the potential for adverse deviations has increased, so operational agility is essential to navigate the volatile international environment.

16. Regulatory Framework

In 2025, legislative and regulatory activity remained intense at both the national and European levels. Although Regulation (EU) 2022/2554 of the European Parliament and of the Council was published in 2022, it did not come into force until January 2023 and did not become applicable until 17 January 2025. The Regulation in question, also known as the Digital Operational Resilience Act (DORA), aims to regulate the operational risk of financial institutions operating in the European Union. Law 73/2025 of 23 December implements the said Regulation within the domestic legal order with regard to the digital operational resilience of the financial sector, and transposes Directive (EU) 2022/2556 of the European Parliament and of the Council. This Directive amends various European Union legislative acts in the financial sector with regard to digital operational resilience. To this end, the aforementioned law amends the national legal regimes applicable to credit institutions, investment firms, the capital markets sector, the insurance sector, payment services, electronic money, pension funds, and asset management. This ensures that the domestic legal system aligns with the European framework on digital operational resilience in the financial sector.

Please note that Banco de Portugal Notice No. 2/2025 came into force on 21 March 2025. This notice amends Notice No. 3/2020 with regard to the organisational culture, governance systems, and internal control systems of supervised institutions. The amendments introduced stricter governance standards, requiring management and supervisory bodies to exercise greater oversight of risk and compliance functions, and to ensure these

functions have the necessary resources and autonomy to perform their duties effectively. The new Notice allows for greater organisational flexibility. This includes the possibility of combining risk and compliance functions or outsourcing certain internal control functions. However, mechanisms must be in place to ensure oversight and independence. The ongoing training requirements for management body members have also been strengthened to ensure they remain up to date with emerging risks, supervisory practices, and applicable regulations. In terms of transparency and reporting, the Notice introduced adjustments to the reporting obligations of supervised institutions to their supervisors, as well as to the management of conflicts of interest, the treatment of related parties, and remuneration practices. These adjustments were made in order to align supervised institutions with international best practices and ensure that a risk culture permeates all strategic and operational decisions.

Furthermore, the CMVM published Regulation No. 5/2025 in August 2025, amending Regulation No. 2/2020 on the prevention of money laundering and terrorist financing. The new regulation, which came into force on 7 September 2025, strengthens the CMVM's supervisory role, particularly with regard to the quality and level of detail in reports submitted by supervised entities. One of the main changes is that the scope of reporting has been extended to include providers of collaborative financing services, who are now required to submit periodic information to the CMVM. Amongst other elements, annual reports must detail suspicious transactions, the number of active contracts, identified risks, and internal mechanisms for monitoring and classifying clients.



Finally, we draw attention to Banco de Portugal Circular Letter No. CC/2025/00000003 of 24 January 2025. This letter outlines the interpretations and best practices that credit institutions, financial companies, payment institutions, and electronic money institutions must adhere to when applying the regulatory framework for terminating account and payment card contracts, providing the account switching service, and following the death of a joint account holder. This letter is in response to a high volume of complaints, as well as to the observation by Banco de Portugal of differing market practices that hinder compliance with applicable rules and may undermine clients' rights. The document interprets the current regulatory framework and recommends a set of best practices to strengthen the protection of bank clients. It also sets deadlines for implementing these practices and submitting compliance reports to the authorities. The letter emphasises that these guidelines must be incorporated into internal procedures and that compliance with them will be considered in future supervisory processes, making it particularly relevant to the compliance and internal governance functions of institutions.

In terms of the Bank's internal regulatory framework, 106 regulations were created or revised in 2025. The most significant of these were the updates related to risk management.

17. Overall Activities

17.1. Private Banking

In 2025, the Private Banking segment once again recorded significant growth in assets under supervision, with notable contributions from assets under management (AUM), which increased by 17%, Client Deposits, which grew by 26%, and unit-linked life insurance subscriptions, which grew by around 76%. The latter shows the expansion of Banco Carregosa's savings product range, strengthening its relationship of trust with clients.

The strong growth recorded was largely due to the attraction of new ultra-high-net-worth individual (UHNWI) clients and the strengthening of relationships with existing clients through the use of the Bank's various solutions. In this context, the services that complement the traditional private banking offering are of particular note. These services are part of a holistic approach to Global Wealth Management and include institutional custody, corporate and wealth advisory solutions, the GoBulling trading platform and the development of propositions aimed at younger generations via the GoBulling Investor platform.

Accordingly, while continuing to focus on clients' investment needs and objectives, we have progressively expanded our range of products and services to include venture capital, private equity and property funds, public bond offerings, and thematic and opportunistic proposals designed to capitalise on the best market opportunities. As in previous years, a key highlight in 2025 was the launch of a new unit-linked life insurance product in the bond segment: Global Bonds. This product was aimed at clients with a more conservative profile.

The GoBulling platform continued to grow in 2025, strengthening its position in the market. This performance was driven not only by the positive performance of financial markets, particularly North American markets denominated in local currency – with a focus on shares linked to Artificial Intelligence (AI) – but also by demand for assets associated with precious metals such as gold, silver, and copper.

This demand was driven by geopolitical instability and energy transition. The quality of the service provided to investors wishing to trade directly on the markets has also contributed to this service and the platform being positioned within the premium segment.

Investments in Term Deposits remained the most popular choice for clients, although demand fell over the past two years. This trend is also visible in Institutional Client Deposits and reflects interest rate cuts by the central bank.

To set the company apart from its competitors, a number of events were organised as part of its commercial activities. These events were aimed at clients, potential clients, and business partners. These cross-cutting initiatives included 'Outlooks: Prospects for the Financial Markets', sports and cultural events, client lunches, and charity events, reflecting a growing focus on ESG principles. These initiatives contributed to fostering loyalty and reinforcing trusting relationships with the Bank.

The year 2025 also saw the launch of the GoBulling Investor platform, which is tailored to the needs of younger generations. The platform aims to bring the Bank closer to this new generation of investors by promoting saving and investment management as tools for preserving and growing wealth in the medium and long term. It does this by providing a simple, agile, and informed experience, thereby helping to strengthen financial literacy. In this context, a dedicated channel for this segment, Carregosa NextGen, was created to ensure closer, more tailored communication.

As part of the Bank's commitment to digitalisation, a key development was the implementation of a fully online account opening process. This represents a significant step forward in terms of simplifying and streamlining procedures and will help to improve client experience and strengthen the Bank's position in an increasingly digital financial sector.

Meanwhile, the Private Banking division strengthened its team with two new staff members. A further nationwide expansion is planned for 2026 to keep pace with growth in assets and client numbers while maintaining high service standards based on specialisation, personalisation, and independence.



17.2. Savings and Investment

In 2025, the Savings and Investment Department was once again highlighted as one of Banco Carregosa's commercial pillars. This reflects the team's maturity, the consistency of the implemented strategies, and their ability to adapt to a highly competitive environment.

Assets under Supervision (AuS) grew by 14% compared to 2024, reaching over €1.1 billion. This consolidates the department's trajectory of sustained growth and commercial dynamism among savers and investors.

Growth of 20% was recorded in the custody segment, driven by the strong performance of the GoBulling Pro platform (+30%) and favourable asset performance under traditional custody (+14%). Significant increases in ETFs (+22%) and units in property funds (+11%) were also noteworthy, highlighting a growing diversification in clients' preferences.

The Wealth management business, including Unit-Linked Life Insurance, continued to make a robust contribution, with growth of 37% compared to 2024. This reflects the consistency of the range of solutions aligned with medium- and long-term wealth objectives.

The number of investment funds increased by 31% in the marketing of financial products, with ad hoc advisory services showing particular momentum.

Although not central to its value proposition, credit origination associated with the segment grew once again (+22%), reinforcing the ability to respond to clients' financing needs, particularly with regard to overdraft facilities.

In terms of transactional activity, net commissions increased by 6%, with significant growth in Wealth Management (+25%). Additionally, the number of new accounts opened increased by 11% compared to 2024.

Throughout the financial year, the team maintained high levels of productivity and adaptability, thereby strengthening the bank's position in offering savings and investment solutions. Key factors in this performance were the growth in AuS, the development of advisory and management activities, the deepening of relationships with different client segments, and the strengthening of digital capabilities.

17.3. Treasury and Own Portfolio

The Treasury function and management of the Bank's Own Portfolio aim to ensure balance sheet equilibrium in terms of liquidity, foreign exchange, and interest rate risks. Once this equilibrium has been secured, the aim is to promote an appropriate return on assets.

Against a backdrop of the gradual normalisation of monetary policy and the adjustment of market conditions, the European Central Bank reduced its key interest rates from 2.75% to 2% throughout 2025.

Against this backdrop, the portfolio management team prioritised investment in the 'Hold to Collect' (HTC) and 'Hold to Collect and Sell' (HTCS) categories of the income and treasury portfolios. The team focused on corporate issuers with around five-year maturities, offering yields in excess of 4% in the income portfolio and in excess of 2.5% in the treasury portfolio. This approach reflected the lower relative attractiveness of sovereign issuers, whose yields did not sufficiently offset interest rate risk.

Despite the narrowing of spreads, the strategy adopted enabled the fund to close the financial year with an average yield of 3.19% and a duration of 2.09. There was an increase of 0.2 percentage points in the average yield and 0.29 in duration compared with the previous period. The average investment in the portfolios was €196.1M, generating a

return of around €7.2M and a yield of 3.67%. This is higher than the ECB's average yield of 2.21% in 2025. Taking into account a further €0.9M arising from positive changes in hidden losses, the total annual return was 4.18%.

The trading portfolio recorded a profit of €67 000, not including the interest recognised in net interest income.

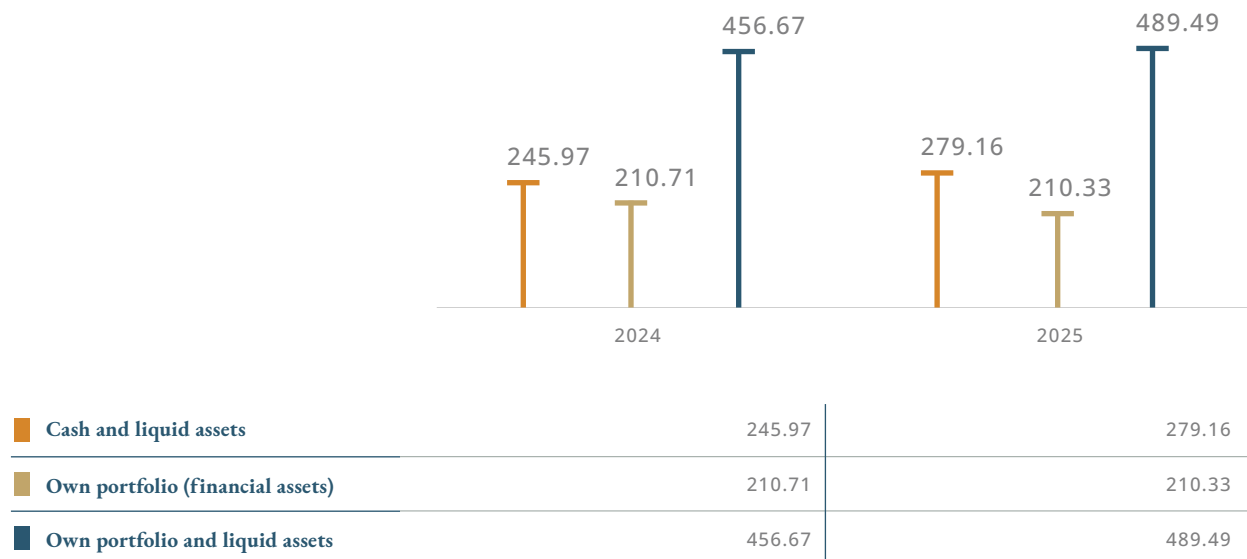
The custodian service for collective investment schemes continued to generate structural excess liquidity. The conservative management of this liquidity involved fully investing funds with the Central Bank.

The Bank's was positively impacted by its property fund investments, which were driven by the strong performance of certain assets. Despite the occasional adjustment to these positions, the total amount invested remained stable.

Overall, the portfolios' performance reflected active, prudent, and flexible management. This was based on tactical allocation decisions and anticipation of market movements, while maintaining a focus on optimising the risk-return trade-off and identifying investment opportunities.

Figure 4

Own Portfolio and Liquid Assets



Amounts in EUR million

In 2026, the management of the Own Portfolio will continue to adhere to the approach outlined in the Risk Management Policy introduced in 2023. This approach will remain subject to strict limits and indicators designed to preserve equity capital, ensure compliance with prudential requirements, and adhere to the assumptions defined in the RAS and RWF.

In a challenging environment marked by geopolitical instability, armed conflicts, and trade tensions, particularly with regard to US tariff policies, the main risks will stem from movements in interest rates and market volatility, as well as any further deterioration in the geopolitical situation.

In this context, the strategy will focus on active risk management and the selective pursuit of opportunities. This will ensure a balance between the profitability, liquidity, and financial stability of the portfolio, in line with the Bank's prudent and consistent approach.

17.4. Investments

As in previous year, 2025 began with expectations of stable global economic growth continuing. This would allow high levels of economic activity to be maintained, with unemployment approaching full employment without significant inflationary pressures.

Against this backdrop, the equity markets enjoyed favourable conditions, underpinned by resilient economic activity, an ongoing dynamic investment cycle, and an increasingly accommodative monetary policy stance.

In the bond market, the positive impact of falling interest rates continued amid solid corporate fundamentals in the investment-grade and high-yield segments, which experienced relatively low levels of default. Against this backdrop, significant demand was generated for the Unit-Linked Global Bonds product throughout the financial year.

An active approach to portfolio management involved continuously adapting allocations in response to changes in the macroeconomic environment. This proved challenging, particularly due to persistent geopolitical uncertainties and trade tensions. Nevertheless, this context enabled investment opportunities to be identified across different asset classes, notably cash, bonds, and equities.

Table 1

Changes in the performance of allocation strategies

Profiles	2024	2025	2020-2025
Preservation	+2.94%	+2.16%	+5.34%
Capitalisation	+7.23%	+5.50%	+12.80%
Appreciation	+9.72%	+7.41%	+21.10%

Table 2

Changes in the performance of thematic allocations

	2024	2025	2020-2025
Large Capitalisations	+15.98%	+3.47%	+47.24%
Active Value	+2.56%	+6.72%	+6.39%
Alpha Value	+9.37%	+6.32%	+29.29%

Table 3

Changes in the performance of Unit-Linked

	2024	2025
Adágio Preservation	+2.99%	+2.36%
Andante Capitalisation	+6.55%	+5.16%
<i>Allegro Appreciation</i>	+8.95%	+7.21%
Global Shares	+12.44%	+4.32%
<i>Alpha Value</i>	+0.61% [*]	+6.34% ¹
Global Bonds	n.a.	+4.64% ²

¹ 2024 returns for October to December only² Starting on 22/01/2025

In 2025, the unit-linked offering was consolidated through both the ongoing migration process and the acquisition of new clients. The product format continued to be well-received, thanks to its versatility – particularly the option to switch between strategies – and the associated tax efficiency.

The managed portfolios recorded positive growth in assets under management, reflecting the performance of the strategies, net inflows, and client confidence over the course of the year. Of these, the Alpha Value strategy was particularly notable, having almost doubled its assets under management. The performance of the Global Equities strategy is particularly notable, with growth of 55%. The Global Bonds strategy also performed well in its launch year, reaching around 12 million euros in assets under management. There was also a significant increase in institutional mandates, reflecting recognition of the service model provided.

Conversely, overall growth was partly limited by the closure of two strategies, one of which was the Appreciation allocation strategy. Growth was also limited by the return of 24.2% of the amount invested in fixed-maturity bond portfolios to clients, in line with the nature of these products.

A public offering of a structured product with 100% capital protection was also made at the end of the financial year, for which there was significant demand.

The investment advisory service saw an increase in activity once again. While the growth in allocation models based on investment profiles contributed to this performance, direct equity investment portfolios remained the main driver of this segment. These portfolios are constructed on the basis of the investment team’s key convictions and tailored to the specific needs of each client. By the end of 2025, the model equity portfolio had recorded a cumulative gross return of 112.64% since its launch in 2020.

Overall, assets associated with management mandates grew by 16.6% in 2025 compared with the previous year.

17.5. Markets

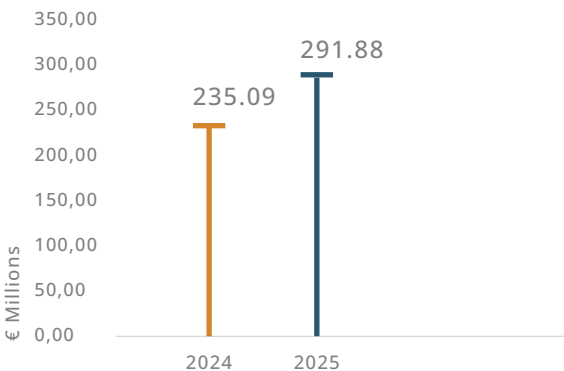
The Market Department oversees the Bank's brokerage activities and comprises two segments: Institutional and Retail, the latter including trading on digital platforms. The GoBulling Investor platform was launched in 2025, aimed at younger investors who prefer simple, non-leveraged products.

Overall, the financial markets performed positively in 2025, with the equity segment standing out. This was supported by increased investment in ETFs, strengthened positions in large-cap technology companies in the United States, and the dynamism associated with Artificial Intelligence and cryptoassets. This environment, coupled with greater volatility, led to an increase in trading activity, particularly within the Retail sector.

Against this backdrop, the Markets division recorded a 12% increase in banking revenue, driven by the Retail segment's strong performance, with revenue rising by more than 20%. Performance in the Institutional segment remained stable overall, with the decline in gross revenue offset by an increase in net margin.

Growth in assets under custody on digital platforms was also observed, alongside a moderate recovery in the number of new accounts. This highlights the strengthening of the client base and the digital component of the business.

Figure 5
GoBulling Pro Assets

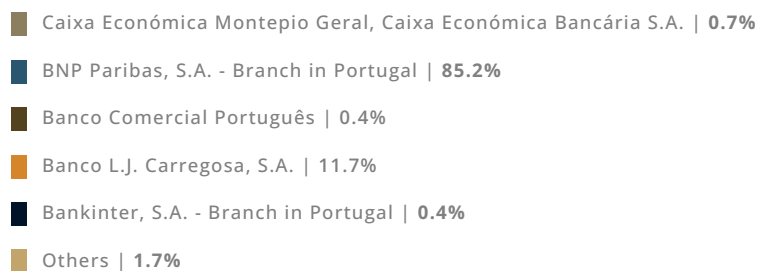


The Bank also maintained its leading position in debt trading, retaining second place in terms of its market share of bond orders received, at 11.7%.

Figure 6

Bond market share in trading

Financial intermediary / debt



Source: CMVM

17.6. Loans

Initially designed to support wealth management activities, the loan portfolio and range of specialised credit solutions have established themselves as an independent driver of business generation. They have strengthened their contribution to the balance sheet and the Bank's income.

The phased implementation of the Credit Risk Management Policy (CRMP) began in 2020 with the aim of improving portfolio quality and was completed by 2024. This involved making significant changes to the portfolio's composition, including restricting types of transactions, risk profiles, and exposure concentrations.

The effort to adapt to this framework, coupled with the impact of both the 2020-21 pandemic and the 2022 invasion of Ukraine, has constrained the portfolio's growth in recent years.

This period is now over. 2025 saw a return to growth, with on-balance-sheet lending increasing by around 12%. However, this was lower than the budget forecast.

Around €21M were generated from new transactions in 2025, of which €17.5M corresponded to on-balance-sheet loans at the end of the year. To this figure was added

around €3M from extensions to existing loans. The total value of on-balance-sheet lending was €58.5M, while the total value of off-balance-sheet lending was €19.5M.

The deviation from the budget was due to a lower volume of new transactions and higher-than-expected levels of early repayment. Additionally, the utilisation rate of the granted credit limits remained low, with around €17 million remaining unused.

Business continued to develop in lower-risk, more competitive segments, putting pressure on pricing. Against this backdrop, the Bank adopted a competitive approach, ensuring alignment with the PGRC criteria.

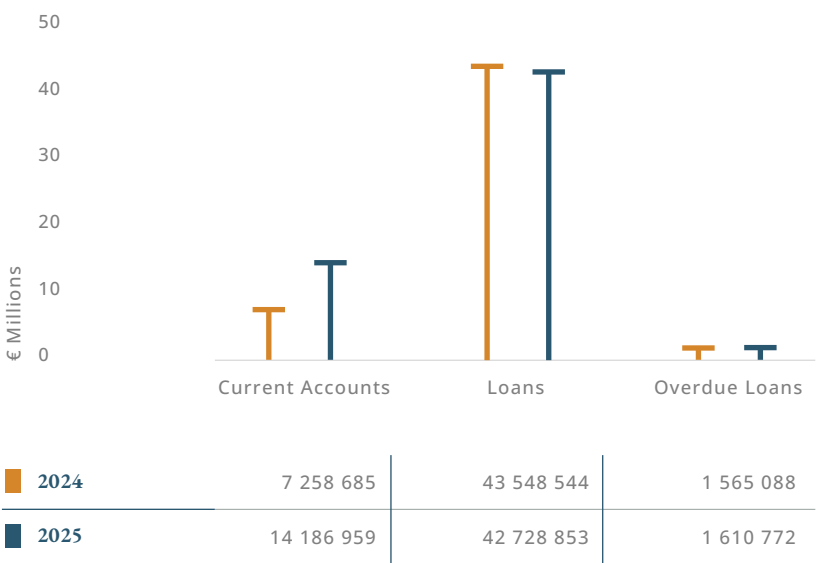
In terms of portfolio quality, the reduction in non-performing loans continued. Loans that were overdue by more than 90 days totalled €1.5M and were essentially concentrated in two legacy transactions that are currently in litigation.

In line with wealth management activity, financing for investment in income-generating property and financing for the acquisition of securities remained the main drivers of growth. In the property segment, activity centred on

retail, office space, and holiday accommodation, all of which experienced more subdued growth. Notable growth was seen in margin accounts (+€5M) and collateral-based loans (+€3M) in financial investment financing.

Finally, the commercial divisions were supported by a dedicated team responsible for monitoring credit clients. They maintained specific targets by product type and worked closely with the Credit Department to boost commercial activity and enhance the effectiveness of new business origination.

Figure 7
Changes and composition of the loan portfolio



17.7. Clearing, Settlement, and Custody

In 2025, Banco Carregosa recorded an average daily settlement volume of around €128M, primarily due to high brokerage activity with institutional clients. While the average value per transaction decreased compared to 2024, the number of transactions increased, reflecting greater transactional dynamism.

The aggregate value of assets under custody amounted to €4.404M at the close of the fiscal year, representing a surge of around 50% compared to the previous year. This growth reflects recognition of the quality of the services provided and increased confidence in Banco Carregosa, particularly among institutional clients. There has been an increase in trust in custody, depositary and associated services, including settlement, asset management, and support with tax and operational matters.

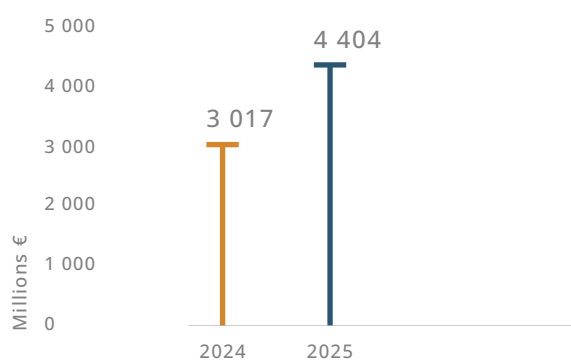
The Bank currently offers access to 26 markets for the execution and custody of securities. With the support of its global custodian, it ensures the implementation of efficient and competitive solutions, particularly with regard to tax matters, in the face of increasing regulatory and operational complexity.

The year was also marked by an expansion of the offer of products and services to clients, particularly evident in the continued sale of gold bars, for which demand remained high against a backdrop of rising asset prices, and in the launch of Pension Savings Plans (PPR), which had a significant operational and commercial impact.

In addition, the Bank continued to meet the needs of its institutional clients in terms of settlement and custody services. Particular emphasis was placed on its role as paying agent for bond issues registered with the central securities depository, thereby consolidating its position in this segment of services for institutional issuers and investors.

Figure 8

Value of client assets under custody



17.8. Depositary of Investment Funds

In 2025, Banco Carregosa consolidated its position as a custodian banking service provider. This was reflected in the strengthening of relationships with existing asset management companies and the ability to attract new entities, with five new asset management companies taking up the service.

The number of funds under custody increased from 90 in 2024 to 110 in 2025 (a rise of 22%), while the total net asset value grew from €3.5 billion to €4.4 billion (an increase of 27%). The number of fund management companies served by the Bank increased from 25 to 31, highlighting the institution's growing importance in this segment.

The breakdown of assets under custody confirms the Bank's position in higher-value segments, such as venture capital funds (€2.2 billion), SICs (€1.5 billion) and property investment funds (€468M). There was particularly significant growth in unit-linked products linked to life insurance policies in the securities funds segment.

At the same time, the Bank continued to invest in strengthening its internal capabilities. This included expanding the Custodian Service team to five members

of staff and maintaining a consistent focus on technical training, digitalisation, and process improvement. Notable developments in this regard include strengthening control mechanisms and enhancing management information tools. These are critical to supporting the business's sustained growth.

Looking ahead to 2026, the Bank plans to expand its range of custodian services to include new investment vehicles, such as credit funds and venture capital SICs. This sustained growth strategy is based on strengthening relationships with management companies, broadening the client base, and improving operational efficiency. These measures will further strengthen Banco Carregosa's position as a leading partner in the provision of custodian services in Portugal.

Table 4

Activity as depository of investment funds

	31/12/2024		31/12/2025	
	No. of funds	VLGF	No. of funds	VLGF
FCR's	35	1 503	50	2 244
SIC's	36	1 453	37	1 535
FII's	13	422	15	468
Property	6	77	8	135
Total	90	3 455	110	4 382

Amounts in EUR Million

17.9. Corporate and Wealth Advisory

During the financial year, Corporate and Wealth Advisory experienced significant developments, driven by team growth and adjustments to the market environment. Throughout this period, the division remained focused on integrating its services and creating added-value solutions for corporate and high-net-worth clients.

A new Head of Department joined the team in the fourth quarter of the year, playing a decisive role in continuing the integration process between Corporate and Wealth Advisory services. This involved ensuring strategic alignment, strengthening internal coordination, and preparing the repositioning of the service offering for the coming financial years.

In terms of capital market activity, the macroeconomic environment and financing conditions resulted in a decrease in the volume of debt issues. The number of transactions fell from eight to three, with a total placement of around €3.9M.

Conversely, placements in venture capital funds increased significantly, influenced by the fact that 2025 was the last year in which benefits associated with the indirect SIFIDE scheme were available. In this context, around €7.9M was invested across six different funds, compared to €5.25M in the previous financial year. This demonstrates the division's ability to capitalise on specific tax and investment opportunities.

In the area of issuer services, we secured four new transactions as paying agent relating to issues listed on the Portuguese Securities Market (Central de Valores

Mobiliários). These were mostly referred by partners who were satisfied with the quality of our service. In addition, the first transaction was structured as a collateral agent. This is a service with growth potential that complements the role of paying agent. This strengthens the bank's position in this type of structured transaction.

In terms of Wealth Advisory, the financial year was characterised by preparations for the relaunch of the service, which was based on a structured, multidisciplinary approach. This work included forming partnerships with leading law firms and asset management companies, improving the technical training of key Bank staff, holding strategic discussions with the relevant commercial departments, and participating in events dedicated to topics such as wealth succession and long-term planning.

These initiatives aimed to establish the basis for a comprehensive, robust, and distinctive offering that is aligned with the needs of clients and the Bank's medium-term strategy.

17.10. People and Culture

In 2025, the Carregosa Group continued to prioritise its growing team of employees by consolidating a comprehensive set of practices and policies designed to attract, develop, and retain the organisation's best talent.

Aspects such as well-being, commitment and engagement with the organisation continued to play a central role in promoting a strong organisational culture, underpinned by the values and principles that have guided the Bank's approach towards its employees.

The teams' skills were strengthened throughout the

year through a combination of external recruitment and continuous investment in training and professional qualifications, contributing to the sustainability of the Group's growth model.

In terms of talent attraction, the Bank continued to focus on attracting young people and offering curricular and professional internships across various departments. Some of these interns have joined the Carregosa Group as staff members, thereby strengthening the renewal and vitality of the organisational structure.

Table 5

Changes in staff

	Dec '24	Dec '25 ³
Porto	106	106
Lisbon	22	22
Total	128	128

To address the current challenges of talent retention and stay informed about labour market trends, Grupo Carregosa has adopted flexible working approaches. These include integrating part-time employees and embracing a more flexible working model that can adapt to the needs of people and the organisation.

Investment in staff training and development remains a strategic priority, with the aim of encouraging the ongoing development of essential skills and careers. Throughout the year, Training Plans for Employees and Members of the Management and Supervisory Bodies were approved. Monitoring now takes place every six months and various training initiatives were carried out. These included compulsory programmes aimed at the entire organisation, as well as a programme focused on developing critical thinking, decision-making skills, and a sense of individual responsibility in creating value, in which staff participated.

³ The figures presented do not include Carregosa SGOIC's employees following the disposal of the stake in Carregosa SGOIC in November 2025.

Regarding the composition of the workforce, a high proportion of employees remained highly qualified, reflecting the continued emphasis on such profiles. The commitment to promoting gender balance was also reinforced, particularly in leadership roles. Gradual progress has been made in this area, although men continue to be over-represented in the workforce as a whole, in line with the sector-wide trend.

The average age of employees remained stable at around 50 years, striking a balance between accumulated experience and generational renewal.

Figure 9
Characterisation of Banco Carregosa's employees



Distribution by Qualifications

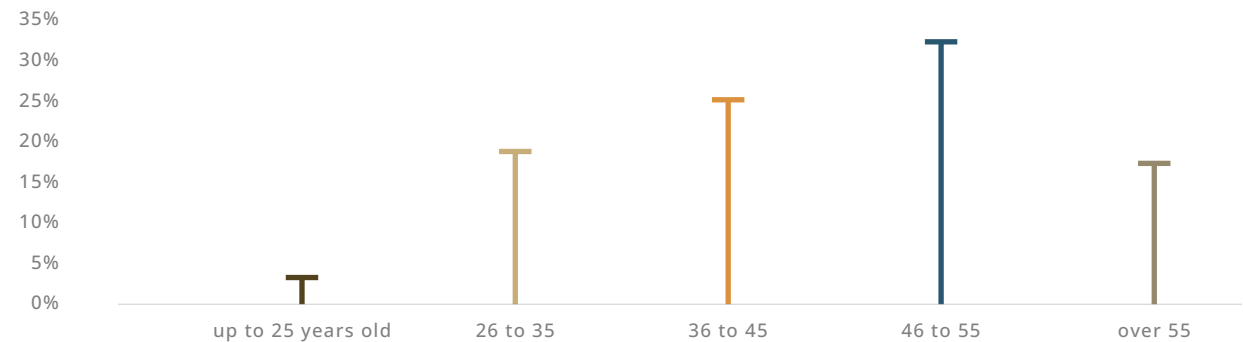
- Basic Education | 4%
- Secondary Education | 10%
- Higher Education | 86%



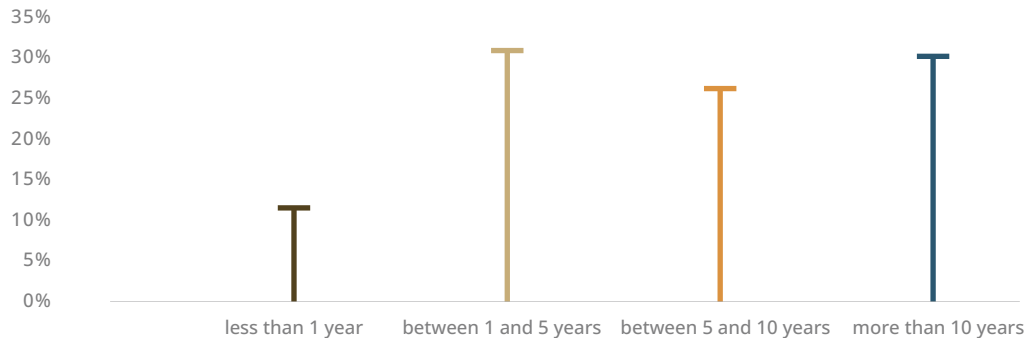
Distribution by Gender

- Female | 46%
- Male | 54%

Distribution by Age Bracket



Distribution by Seniority



17.11. Communication and Marketing

In 2025, Banco Carregosa consolidated its marketing and communications strategy, building on the decisions made in previous years. The rebranding process strengthened the Bank's reputation in the financial sector by establishing a solid, coherent identity that met the needs of existing clients.

In 2025, Banco Carregosa launched a range of Retirement Savings Plans (PPRs), strengthening its offering of savings and investment solutions. PPRs are long-term financial vehicles designed to supplement retirement through professional management, diversification, and significant tax benefits. This solution appeals to savers and investors seeking to grow and consolidate their wealth by combining the discipline of systematic saving with the flexibility to make additional contributions.

Throughout the year, the Bank demonstrated its ongoing commitment to digitalising its distribution channels by making continuous improvements to the home banking experience and the GoBulling Investor platform. These improvements were designed to appeal to both younger, tech-savvy investors and 'buy and hold' investors.

Banco Carregosa's premium pricing policy reflects its commitment to providing an exclusive, personalised service of the highest quality, offering unparalleled financial solutions and discretion. These characteristics position our institution as a benchmark in Portugal's Private Banking and Top Affluent segments.

The communication strategy, developed over the course of the year, aimed to reinforce the identity and values of the Carregosa brand across various market segments. Through an integrated, cross-cutting approach, the bank has increased its relevance among audiences such as private banking clients, savers, investors, and young people with a global outlook, all the while upholding the principles of proximity, trust, personalisation, and solidity that set it apart. This development further strengthened the Bank's position as a leading financial partner, contributing to sustained increases in recognition and recommendation levels. Net Promoter Score figures were significantly higher than the industry average throughout the year.

Satisfaction surveys carried out in 2025 revealed very high levels of client trust and loyalty. Clients particularly valued the security associated with the Bank's integrity, brand reputation, and financial soundness when it came to building relationships based on trust. They also valued the Bank's responsiveness, proximity, and expertise in asset management. Over 90% of Private Banking clients expressed satisfaction with the bank. Around 90% consider the Bank's products and services to be tailored to their current needs, and more than half of those surveyed identified the Bank as their main financial partner. Although a preference for personalised contact continues to be highly valued, the use of digital channels, particularly on trading platforms and in online banking, continues to show significant growth.

The year was also marked by significant external recognition, including the 'Best Pure-Play/Boutique Private Bank – Portugal 2025' award presented by Euromoney, an international marketing book case study awarded by Kotler Impact under the auspices of Philip Kotler, and several awards from DECO Proteste. These awards highlight not only the second-best client satisfaction rating in the market (8.2/10) but also an integrated value proposition that goes beyond price considerations. This establishes Banco Carregosa as a solid, specialised, and highly trustworthy alternative within the national financial system. The Bank's high level of efficiency in resolving complaints, as well as its absence of significant litigation, was recognised in reports by the national supervisory authorities.

The institutional communication policy maintained a strong media presence, achieving around 1,000 media references in media outlets and an estimated AVE of €10M. The positive sentiment rate of the news exceeded 90%. At the same time, the owned media strategy was reinforced through the launch of the Think Tank Carregosa podcast, and the regular production of specialised content, including newsletters, studies, and videos. There was also growth in social networks. The number of followers increased by around 16% compared to 2024.

In 2025, the Bank continued to commit to the NextGen project, which comprises various central initiatives: the NextGen Academy, aimed at the children of private banking clients, which focuses on financial literacy through educational and interactive experiences; and the NextGen channel, which is aimed at young investors and supported by the new GoBulling Investor platform. This strategic move combines technological innovation with accessible educational content and a fully digital experience, thereby reinforcing the Bank's value proposition for younger generations.

Direct communication and relationship-building (below-the-line) remained fundamental to the Bank's strategy. Throughout the year, we organised various face-to-face and digital events, including conferences, themed webinars, training sessions, and initiatives in partnership with prestigious international brands and institutions. These activities strengthened our relationship with clients and stakeholders and promoted financial literacy in the market.

In terms of internal communication, various initiatives were promoted to encourage knowledge sharing and employee engagement, with the aim of strengthening Banco Carregosa's strategic alignment and organisational culture.



18. Sustainability

At Banco Carregosa, we consider sustainability to be an essential pillar of economic and social development, ensuring a balanced future for current and future generations. The Bank approaches the issue of sustainability in an integrated way, reflecting its commitment to balancing financial activity with the promotion of the economy, society, and the protection of the environment.

Within this framework, the Bank has progressively incorporated environmental, social and governance (ESG) issues into its internal operations and commercial activities. This acknowledges the financial system's role in promoting a more sustainable economy, particularly with regard to transition risks.

Following the initial launch of internal reflection groups on sustainability, there has been an increasing formalisation of processes and monitoring mechanisms, alongside continuous investment in ESG training. The Bank intends to build on this strategy in 2026, continuing the growth recorded in 2025.

Environmental Commitment

Banco Carregosa has made monitoring supervisory expectations regarding climate and environmental risks a priority. The Bank is taking action to ensure compliance with regulatory guidelines and promote internal awareness of its role as an agent of change.

In 2025, the Bank assessed the materiality of climate and environmental risks, integrating relevant assessment and monitoring methodologies into its core business areas. At the same time, the focus within the scope of the products and services offered was on collecting and systematising information on clients' sustainability preferences, enabling a more tailored offering.

Environmental protection remains a key internal priority,

with ongoing efforts to minimise the ecological footprint of operations and promote sustainable behaviour among employees and partners. Notable initiatives in this area include the use of innovative, clean technologies in car fleet management; the adoption of energy efficiency measures; the development of the Bank's new LEED Gold-certified headquarters complex; and the intensification of the digitalisation strategy to reduce paper consumption.

Social Responsibility

Banco Carregosa aims to have a positive impact on society by promoting community well-being, social cohesion, and financial literacy.

Community support: Banco Carregosa has continued to invest in providing financial support to social organisations and strengthening social cohesion. Projects have included supporting the EPIS Social Scholarships, the Bagos d'Ouro initiative, the Acreditar Association, the School of Management at the University of Minho, and the Porto Food Bank against Hunger, among others.

Financial literacy: The Bank promotes projects such as the historic, award-winning 'Jogo de Bolsa', which has been running for 21 years. The Bank also partners with universities and investment clubs, and other entities, including the Católica Porto Investment Club, the FEP Finance Club, the Nova Investment Club, the Católica Lisbon Investment Partners, the ISCTE Trading & Investment Club,

the EEG Business Day, and the Summit Money LAB. These projects aim to train young investors and students in the financial markets. In 2025, it also supported the publication of works relevant to national financial literacy. Among these, Paulo Monteiro Rosa's book *Mercados e Economia nas mãos da IA* was of particular note.

Education, Arts, and Culture: The Bank has supported scholarships for young musicians in the Youth Symphony Orchestra, academic prizes in higher education, and cultural activities with institutions such as the Serralves Foundation, the Calouste Gulbenkian Foundation, the Music Series Festival, and Matriz Portuguesa, among other institutions, thereby promoting access to culture, education, and heritage.

Health and Scientific Research: The Bank has supported mental health projects, cancer research, and biomedical innovation. It has strengthened its backing for institutions such as ENCONTRAR+SE, the Porto Innovation Cancer Organisation (PICO), the Portuguese Alliance for the Promotion of Mental Health in the Workplace (AMS), which it founded, the Institute for Research and Innovation in Health (i3s), and the not-for-profit organisation Mama Help. Also noteworthy are the "Banco Carregosa / Secção Regional do Norte da Ordem dos Médicos" Prize, which is being awarded for the 7th consecutive year, and the "Prémio de Mérito Científico Dra. Maria Cândida Rocha e Silva", which was created in 2025. These prizes honour the best clinical research projects.

Sports and Well-being: Support was provided for sports training and high-performance projects, including those at the Miramar Golf Club, CDUP Rugby, the Porto and Matosinhos Equestrian Centre, and Futebol Clube da Foz. This has improved the organisation of sports training for young people and adults.

Support for the national economy: The Bank has renewed its membership of the 'Punctual Payment Commitment', reaffirming its dedication to the financial health of Portuguese businesses and its commitment to encouraging positive payment practices within the national business community.

Good Governance

Transparency, ethics, and responsibility lie at the heart of Banco Carregosa's management approach. The Bank has adopted an internal governance system that aligns with the best corporate governance practices and regulatory requirements. This system ensures the protection of the interests of clients, shareholders, and other stakeholders.

The internal control system comprises strategies, policies, systems, processes, and procedures overseen by management and supervisory bodies and implemented throughout the organisation. The organisational structure is based on the Three Lines model of the Institute of Internal Auditors, ensuring a clear separation of responsibilities with regard to risk management and control.

The Bank has a Board of Directors and a Supervisory Board, as well as an Audit Firm or a Statutory Auditor. It also has a Remuneration and Assessment Committee, directly elected by the Shareholders at the General Meeting.

In 2024, the Bank appointed a Chief Sustainability Officer to strengthen its commitment to sustainability. The role was given to an Executive Director to ensure the implementation of the Bank's various ESG matters in close collaboration with the Risk Department.

In addition, the Bank intends to strengthen the Board of Directors' expertise in this area by including members with relevant skills and improving training in ESG.

At the same time, responsibility for managing climate and environmental risks (CERs) was given to the Risk Department. This resulted in a materiality assessment being conducted for these risks, followed by a review of the regulatory framework for risk management. A framework was then developed for monitoring climate and environmental risks, which was integrated into specific policies and the Bank's RAS/RWF.

Specific policies are in place to address critical issues such as subcontracting, remuneration, professional ethics, conflict of interest management, mechanisms for reporting irregularities, business continuity, and transparency. These policies are implemented as required.

In line with the Bank's commitment to strengthening ethics and corporate responsibility, all employees are required to adhere to a Code of Conduct. This is supported by compulsory training programmes covering compliance, cybersecurity, and ESG.

Diversity and inclusion are fundamental to the Bank's governance structure. This is reflected in the composition of its governing bodies and their policies, which promote meritocracy, gender equality, and intergenerational experience.

The Bank adheres to the highest standards of cybersecurity and data protection, implementing strict policies and rapid incident response systems to ensure digital resilience and maintain client confidence.

Sustainable Finances

In line with its sustainability strategy, Banco Carregosa has incorporated sustainable finance principles into its product and service range. The Bank's investment approach considers environmental and social impact in accordance with ESG guidelines and the applicable European directives, in particular the SFDR and the EU Taxonomy.

In the field of asset management, the Bank has expanded its range of sustainable investment solutions to include thematic funds focusing on areas such as energy transition and clean technologies. Its partnership with Morningstar also allows the Bank to provide ESG filters for personalised investment selections.

The Bank gathers information on investors' sustainability preferences and improves the internal capacity of its teams by providing continuous training in ESG and sustainable finance.

Guided by this vision, Banco Carregosa is establishing itself as a leading partner in the transition to a greener, fairer, and more resilient economy. The Bank is also making a concrete contribution to the development of a sustainable financial system in Portugal.



19. Accounting Policies

19.1. Basis of Presentation

Banco L.J. Carregosa, S.A. is a private bank based in Portugal. It has been operating under authorisations granted by the relevant Portuguese authorities since November 2008. The Bank began operating in November 2008.

19.2. Comparability of Information

The Bank's separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, since 2015. The consolidated financial statements have been prepared in accordance with IFRS since 2016.

20. Declaration of Conformity with the Financial Statements

The members of the Board of Directors of Banco Carregosa declare that:

- I. to the best of their knowledge, the financial statements provide an accurate representation of Banco Carregosa's assets, liabilities, financial position, and results in accordance with the International Financial Reporting Standards (IFRS/IAS), as approved by the Board of Directors at their meeting on 8 May 2026.
- II. the Management Report provides an accurate overview of the development of the business, the performance, and the financial position of Banco Carregosa and the Group for the financial year of 2025.



21. Disclosure in Accordance with Article 66 of the Companies Code

The Company and its related entities have no outstanding debts to the State.

The Bank has not acquired, sold, or held any of its own shares. As at December 2025, the Bank had no active credit agreements or other types of liabilities with related parties.

In accordance with Article 66-A(1)b) of Chapter VI of the Companies Code, the Annex to the Consolidated and Separate Financial Statements includes under “General administrative expenses” the fees for the financial year charged by the Statutory Auditor in connection with the statutory audit of the annual accounts for the financial year, the total fees charged for other assurance and reliability services, and the total fees charged for services other than audit or review services.

The obligation to adopt the international accounting standards has been met.

22. Policy on the Remuneration of Management and Supervisory Members, and Employees

As the Bank operates in a constantly changing sector facing major competitive, technological, and social challenges, it is imperative to adopt remuneration policies and practices that promote appropriate knowledge management and encourage behaviour that is consistent with sound, prudent, and effective risk management. These policies and practices must not encourage excessive risk-taking or create conflicts of interest with clients.

The Remuneration Committee comprises non-executive directors and is responsible for making informed, independent judgements on remuneration policies and practices, as well as the incentives created for risk, capital, and liquidity management purposes. The Committee is also responsible for preparing remuneration decisions that take into account the long-term interests of the Bank's shareholders, investors, and other stakeholders, as well as the public interest.

22.1. Remuneration of the Members of the Management and Supervisory Bodies of Banco L. J. Carregosa, S.A.

The remuneration of Banco Carregosa's governing bodies is determined by the CRAV (Remuneration and Assessment Committee), which is elected by the General Meeting of Shareholders in accordance with the Bank's Articles of Association. The Committee's regulations, which set out its operational principles in accordance with current legislation, and the remuneration policy for members of the Board of Directors, Supervisory Bodies and Statutory Auditor are available on the Bank's website.

From 2020 onwards, CRAV members who do not hold another paid position within the company will receive attendance vouchers worth €1,000 to cover the cost of carrying out their duties.

This Committee is composed of Dr Luís Manuel de Faria Neiva Santos, the Chair of the Committee, Dr Maria Cândida Cadeco Rocha e Silva, a voting member. Dr Andreia Belisa Gomes Júnior de Araújo Lima, who also served as a member of the Committee and resigned from her post on 31 December 2025. The process of appointing her replacement is currently underway.

In 2025, the Remuneration and Assessment Committee (CRAV) met four times, in January, April, May, and August.

To monitor the impact of the remuneration policy and to ensure compliance with legal and regulatory requirements, the Bank has set up a Remuneration Committee, which is responsible, among other duties, for proposing to the General Meeting an annual review of the Remuneration Policy for the members of Management and Supervisory Bodies.

Since July 2024, the Chair of the Board of Directors and other non-executive directors who do not waive their remuneration have received fixed remuneration, paid in 12 monthly instalments. This is set by CRAV according to the required availability and organisational responsibilities undertaken. When determining their remuneration, it should be noted that they must be available for more than

15 hours per week and fulfil their duties on the committees. This remuneration does not include any variable components or components whose value is directly linked to individual or collective performance or the Bank's results.

The remuneration of Executive Committee members comprises a fixed component paid in 14 monthly instalments. This is determined by the CRAV in accordance with each member's organisational responsibilities (e.g. chairmanship of the Executive Committee), duties, availability, and relevant professional experience.

Members of the Executive Committee may be awarded variable remuneration. This does not constitute a commitment or an acquired right, as there is no guarantee of payment. Payment depends on the performance of the Bank's activities.

The members of the Executive Committee receive the same benefits as those defined for all employees at any given time in accordance with the Employee Remuneration Policy.

In principle, and without prejudice to compliance with applicable regulations, the pension and retirement conditions of executive directors are the same as those guaranteed to other Bank employees.

At the end of 2025, the monthly remuneration of the members of the Board of Directors, paid in euros, was as follows:

Maria Cândida Cadeco da Rocha e Silva (Chair of the Board of Directors – Non-executive)	8 000
Homero José de Pinho Coutinho (Board of Directors – Non-executive voting member)	6 000
António Cândido Baldaque Sousa Soares da Silva (Board of Directors – Non-executive voting member)	5 000
Francisco Miguel Melhorado de Oliveira Fernandes (Chair of the Executive Committee)	12 000
David Alberto Morais Sousa Ribeiro (Voting member of the Executive Committee)	9 250
Fernando Miguel da Costa Ramalho (Voting member of the Executive Committee)	9 250
Mariana Mendes Baptista Lopes (Voting member of the Executive Committee)	9 250
Mário Oldemiro Carvalho Fernandes (Voting member of the Executive Committee)	9 250

The Vice Chair of the Board of Directors did not receive any remuneration.

Members of the Bank's Executive Committee may only hold office in other companies on behalf of, or in the interests of, Banco Carregosa. Any remuneration they receive for these roles is included in the total individual remuneration determined by the CRAV.

The Remuneration Committee recommended the allocation of variable remuneration to the executive members of the Board of Directors. This possibility is set out in the Remuneration Policy for Members of the Management and Supervisory Bodies, which was approved by the General Meeting on 29 May 2024. This variable component was first processed in 2025, in reference to the 2024 financial year.

If a member of the Board of Directors leaves before the end of their term of office, the Bank will pay them compensation if and to the extent required by law.

22.2. Supervisory Committee

In accordance with Article 43 of Banco de Portugal Notice No.3/2020, the members of the Supervisory Committee receive a fixed remuneration only. This does not include any variable component or the amount of which is directly linked to their individual performance or collective performance and/or to the Bank's results. This ensures that any conflicts of interest are duly safeguarded and that their supervisory, monitoring and control functions are exercised impartially.

From April 2025, the Chair of the Supervisory Board and its voting members will receive a revised fixed monthly remuneration of €3,000 and €2 500, respectively.

22.3. Remuneration of other Banco L. J. Carregosa, S.A. Employee

The Bank structures its employee remuneration system to ensure an appropriate internal (functional) and external (market) balance. It implements a functional and performance assessment based on objective criteria aligned with its risk, capital, and liquidity management. It also recognises that remuneration is a key tool for attracting and retaining talent, fostering a proactive corporate culture, and improving organisational climate. It encourages competent, responsible, and independent behaviour and promotes productivity, as well as the fulfilment and professional satisfaction of those involved.

Employee remuneration is underpinned by policies and practices which consider the rights and interests of clients. This ensures that various forms of remuneration do not encourage employees to prioritise their own interests, or those of the Bank, over those of clients.

Employees do not receive any other form of remuneration, whether financial or otherwise, besides that resulting from the standard application of legal provisions relating to labour matters.

The Bank prioritises the payment of fixed remuneration. This is determined on objective grounds that take into account professional experience and the level of responsibility assumed when performing their duties, in line with average market standards for equivalent roles within companies of a similar size in the sector.

Fixed remuneration is processed and paid to employees in accordance with legal provisions relating to labour matters, particularly those governing monthly salary payments and any applicable allowances.

Depending on the Bank's sustainable performance, the structural unit to which they belong and/or their own performance, employees may also receive a variable remuneration in the form of an annual bonus.

The following internal regulations can be found on the Banco Carregosa website, under the 'Policies and Regulations of the Bank' tab:

- I. Policy for the Selection and Assessment of the Suitability of Members of the Management and Supervisory Bodies and Key Function Holders;
- II. Policy for the Selection of the ROC/SROC and the Contracting of Non-Audit Services;
- III. Remuneration Policy for Members of the Management and Supervisory Bodies;
- IV. Employee Remuneration Policy;
- V. Regulation of the Remuneration and Assessment Committee; and
- VI. Regulation of the Remuneration Committee.

22.4. Information Provided for in Article 450(g) to (j) of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June.

Bodies and Structure units	Total Remuneration in Euros*		
	Fixed	Variable	Number of beneficiaries
Management and Supervisory Bodies			
Board of Directors (Non-Executive)	227 321.33	0.00	5
Executive Committee	783 803.34	0.00	8
Supervisory Committee	93 750.00	0.00	6
Advisory			
Advisory	159 107.15	0.00	3
Central Management			
Central Management	62 446.41	0.00	2
Business Areas and Services			
Private Banking	602 590.21	0.00	13
Savings and Investment Department	412 218.10	1 840.00	14
Financial	179 586.80	0.00	5
Investments	261 412.62	0.00	7
Credits	86 218.67	0.00	2
Corporate and Wealth Advisory	56 180.11	0.00	4
Institutional and Corporate	93 934.64	0.00	2
Markets	416 942.64	0.00	10
Operations	463 349.80	0.00	17
Support and Internal Control areas			
Internal Audit	90 419.18	0.00	3
Compliance	243 847.86	0.00	9
Risk	232 142.13	0.00	8
Accounting and Management Information	205 498.79	0.00	6
Business Development and Systems	60 507.51	0.00	2
Asset Management	18 587.50	0.00	0
Facilities and Maintenance	166 322.87	5 860.00	8
Legal	108 411.62	0.00	3
Marketing and Communication	217 728.61	0.00	7
People and Culture	59 966.20	0.00	2
Secretariat	53 382.41	0.00	4
Corporate Secretariat	47 984.20	0.00	1
Information Technologies	136 655.05	0.00	3
Overall Total	5 521 728.25	7 700.00	153

* Consolidated amounts

The variable remuneration shown in the above table relates mainly to allowances (and extraordinary bonuses) for 2025.

1. Management Report

Variable remuneration that does not exceed €50,000 or one third of an employee's total remuneration is not deferred. If either limit is exceeded, 50% is paid in the year the variable remuneration is calculated, with the remainder deferred and paid in four equal instalments over the following four years. Consequently, no deferral was made in 2025.

In 2025, the Bank distributed **€395 000** of profit for the 2024 financial year to employees and members of the Executive Committee, as follows:

Structure Units	Amounts distributed in euros	Number of beneficiaries
Executive Committee	75 000.00	4
Business and Services Areas	202 687.50	55
Private Banking	49 487.50	8
Savings and Investment Department	31 900.00	11
Institutional and Corporate	4 000.00	1
Financial	16 000.00	3
Investments	21 550.00	6
Credit	7 000.00	1
Corporate	1 600.00	1
Markets	31 950.00	10
Operations	39 200.00	14
Support and Internal Control Areas	120 700.00	
Internal Audit	9 200.00	2
Compliance	21 762.50	7
Risk	7 100.00	3
Accounting and Management Information	17 750.00	6
Business Development and Systems	4 500.00	1
Facilities and Maintenance	7 900.00	7
Legal	6 300.00	2
Marketing and Communication	19 400.00	5
People and Culture	3 600.00	2
Secretariat	1 900.00	1
Corporate Secretariat	4 500.00	1
Information Technologies	13 400.00	3
Overall Total	395 000.00	99

22.5. Key Functional Holders

Employees with a material impact on the company's risk (Delegated Regulation (EU) No 604/2014)	Remunerations		
	Fixed	Variable	Total
Management and Supervisory Bodies Board of Directors and Supervisory Bodies	1 029 034.17	0.00	1 029 034.17
Central Management and Directors	1 015 612.99	1 000.00	1 016 612.99
Risk/Compliance and Audit Department	218 413.97	0.00	218 413.97
Advisors and others	497 944.59	0.00	497 944.59
Total	2 761 005.72	1 000.00	2 762 005.72
Number of employees			42

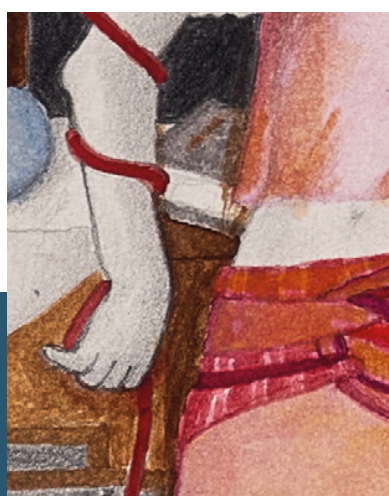
22.6. Additional Information

Employees who ceased their functions in 2025	
No. of employees	10
Compensation for non-renewal of contract	0
Employees receiving the highest compensation in 2025	
No. of employees	0
Total cash consideration (by mutual agreement)	0



22.7. Accumulation of Offices Held by the Members of the Board of Directors as at 30 April 2026

Director	Company	Office
Maria Cândida Cadeco da Rocha e Silva	IMOCARREGOSA, S.A.	Chair of the BoD
	GORDIO, S.A.	Chair of the BoD
	PARADIGMAXIS – Arquitetura e Engenharia de Software S.A.	Director
	HCBC SGPS, S.A.	Chair
Jorge Manuel da Conceição Freitas Gonçalves	IMOCARREGOSA, S.A.	Director
	GORDIO, S.A.	Director
	PARADIGMAXIS – Arquitetura e Engenharia de Software S.A.	Director
	HCBC SGPS, S.A.	Vice-Chair
António José Paixão Pinto Marante (ceased functions on 19/05/2025)	CHAMINÉ BRANCA – Sociedade Compra e Venda Propriedades, Lda.	Manager
	AUSCHILL & AUSCHILL, S.A.	Director
	ORCHARDLEIGH & BLUE – Soc. Investimentos Imobiliários, Lda.	Manager
	MARCEL & MARIA – Administração de Imóveis S.A.	Director
	GABILOURES – Investimentos Imobiliários, S.A.	Director
	PATUR – Construções e Hotelaria do Pátio, Lda.	Manager
	PORTO ANTIGO – Sociedade Turística, Lda.	Manager
	CONSNÓBA – Construção e Compra e Venda Imóveis, S.A.	Director
	OSSÓNOBA – Construções e Compra e Venda de Imóveis, S.A.	Director
	ATLANTIWHISPER GESTÃO E EXPLORAÇÃO DE EMPREENDIMENTOS TURÍSTICOS, LDA	Manager
	TURQUESA NÓMADA LDA	Manager
	ANTÓNIO MARANTE, MATILDE FERREIRA & ASSOCIADOS - SOCIEDADE DE ADVOGADOS, SP, RL	Partner
Homero José de Pinho Coutinho	HEFESTO – Sociedade de Titularização de Créditos, S.A.	Chair of the BoD
	HCAPITAL PARTNERS SCR, SA.	Director
	ATTICUS - STC, S.A.	Director
Fernando Miguel da Costa Ramalho	COOLINK – Serviços Informáticos e de Consultoria, Lda.	Manager
José Nuno de Campos Alves (ceased functions on 31/03/2025)	JOSÉ NUNO ALVES, Unipessoal, Lda.	Manager
Rogério Francisco Montenegro do Couto (ceased functions on 31/03/2025)	BELLWETHER CONSULTING, Unipessoal, Lda.	Manager
	CLÍNICA DE MEDICINA DENTÁRIA, DR. JORGE FERREIRA, Lda.	Manager
	MANUEL GUERRA - Indústria de Cunhos-Cortantes, LDA	Manager
António Cândido Baldaque Sousa Soares da Silva (began duties on 01/04/2025)	Sapiens Terra Douro, LDA	Manager



23. Proposed Appropriation of Profits

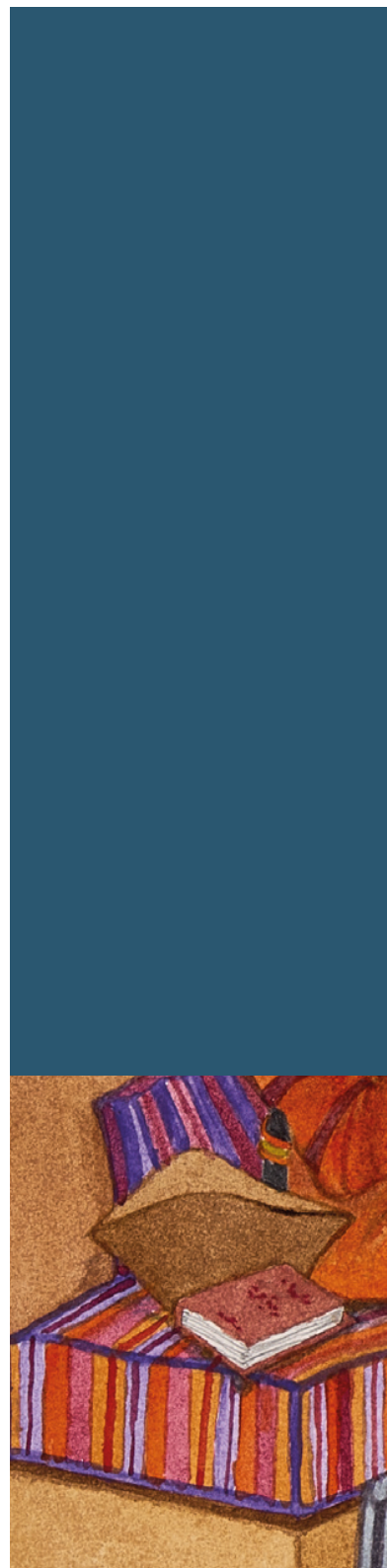
Under Article 66(5)(f) and for the purpose of Article 376(1)(b) of the Companies Code, and in accordance with Article 97 of the RGICSF and Article 25 of the Company's Articles of Association, it is hereby proposed that the net profit for the year of **€2 746 795.35** (positive), be appropriated as follows:

- I. payment of dividends: **€1 000 000.00**
- II. distribution of profits to employees: **€405 000.00**;
- III. legal reserve: **€274 679.54**; and
- IV. retained earnings: **€1 067 115.81**

24. Acknowledgements

The Board of Directors would like to thank the shareholders for their continued support and confidence in the company's management. The Board would also like to thank:

- Banco de Portugal and the Securities Market Commission (CMVM) for their understanding and the constant, fruitful dialogue maintained throughout this financial year;
- the corporate bodies, the Presiding General Board Members, the Supervisory Committee, and the Statutory Auditor for their cooperation; and
- the Bank's employees for their dedication and expertise, which are essential to the smooth running of the institution and to achieving its growth and affirmation objectives as a leading wealth management entity.



25. Review of the Financial Statements

25.1. Consolidated Accounts

The Bank ended the year with a net profit of €2 746 795.35, compared to a net profit of €4 116 099.91 in the previous year.

In 2025, net operational revenue totalled €19.0M, which is slightly higher than in 2024 by €101 400. The breakdown shows a negative variation of around €1.5M in “Financial margin” (down 15.3% compared to 2024), a decrease of €3.1M (-71.0% compared to 2024) in “Gains from financial transactions”, and an increase of €593 800 in “Net commissions” (up 9.4% compared to 2024). These were the most significant changes. The result of currency revaluation was positive by €2.6M in 2025, compared to a negative result of €790 800 in 2024. This gain was offset by the result of currency hedging operations, as reflected in “Gains from financial transactions”.

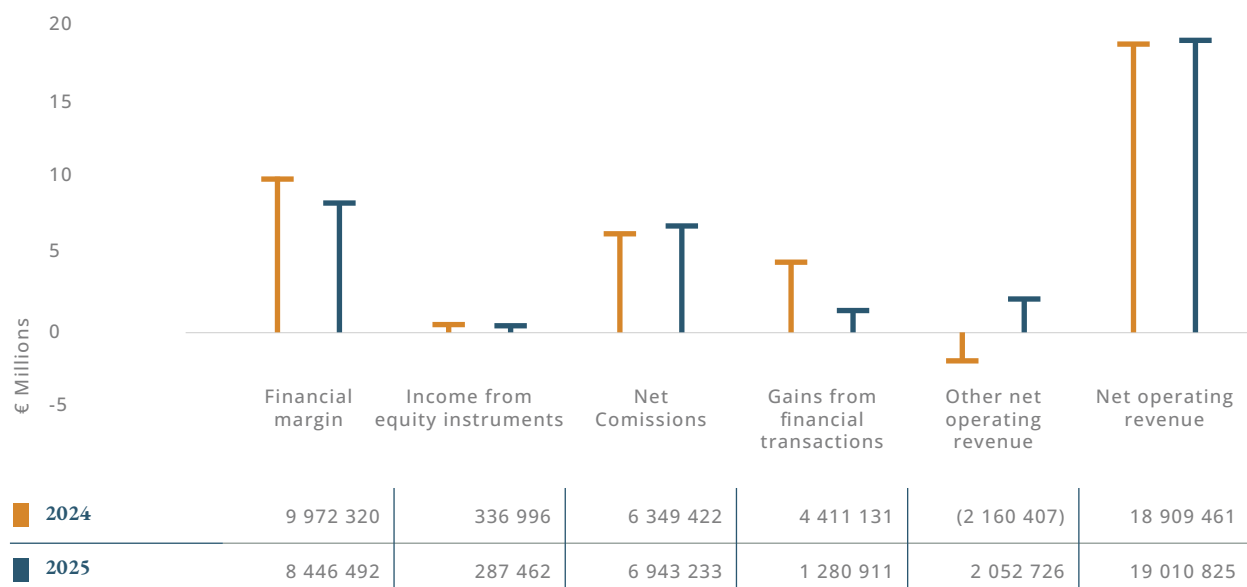
Table 6

Consolidated financial Information as at 31/12/2024 and 31/12/2025

	2024	2025
Financial margin	9 972 320 €	8 446 492 €
Income from equity instruments	336 996 €	287 462 €
Net commissions	6 349 422 €	6 943 233 €
Gains from financial transactions	4 411 131 €	1 280 911 €
Other net operational revenue – Foreign exchange	(790 790 €)	2 651 192 €
Other net operational revenue	(1 369 618 €)	(598 465 €)
Net operational revenue	18 909 461 €	19 010 825 €

Figure 10

Financial Information as at 31/12/2024 and 31/12/2025 (Consolidated)



The drop in the net interest margin compared to 2024 is primarily due to the uneven timing of interest rate cuts affecting various income- and cost-generating items on the balance sheet. Notably, the asset item 'placements with the Central Bank', which constitutes the main component of

assets, is affected almost immediately by the cut in rates. In contrast, the liability items 'term deposits' and 'own portfolio' reflect these falls with a time lag, only gradually mitigating their respective impact.

Table 7

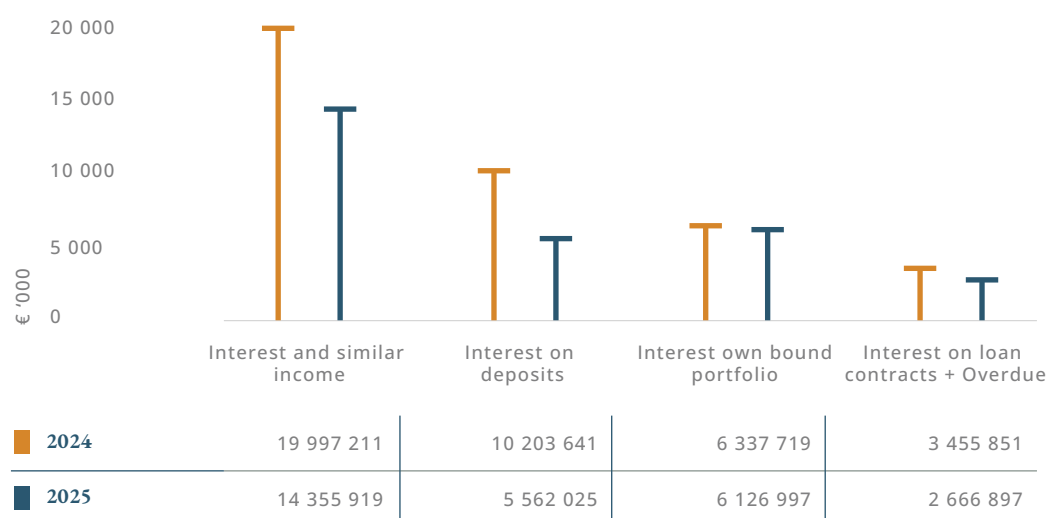
Financial Margin as at 31/12/2024 and 31/12/2025 (Consolidated)

Margem Financeira	2024	2025
Interest and similar income	19 997 211 €	14 355 919 €
Interest on deposits	10 203 641 €	5 562 025 €
Interest on own bond portfolio	6 337 719 €	6 126 997 €
Interest on loan contracts + Overdue	3 455 851 €	2 666 897 €
Interest and similar charges	10 024 891 €	5 909 427 €
Interest on deposits	10 017 416 €	5 905 173 €
Other interest	7 474 €	4 254 €

In 2025, interest and similar income decreased by €5.6M (a 28.2% year-on-year decrease). The main contributors to this were lower interest from the own bond portfolio, which amounted to € 210.7M (a decrease of 3.3% compared to the previous year), and a significant drop in interest on deposits with the Central Bank (a decrease of decrease of €4.6M compared to 2024).

Figure 11

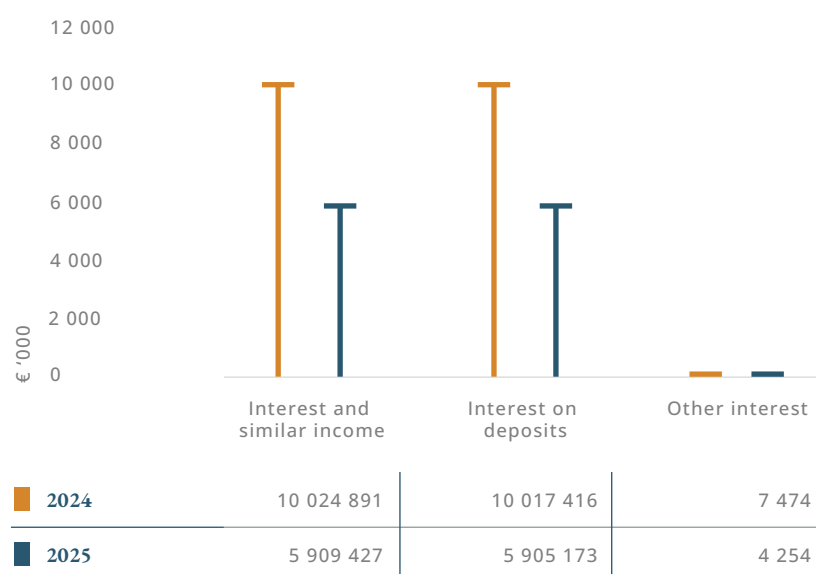
Interest and similar income as at 31/12/2024 and 31/12/2025 (Consolidated)



On the other hand, interest and similar charges decreased by €4.1M compared to 2024, largely due to the significant decrease in interest rates, which dropped by around 2% compared to 2024.

Figure 12

Interest and similar charges as at 31/12/2024 and 31/12/2025 (Consolidated)



Income from equity instruments decreased slightly by around €49 000 compared to 2024.

Net revenue from fees and commissions increased by €593 800

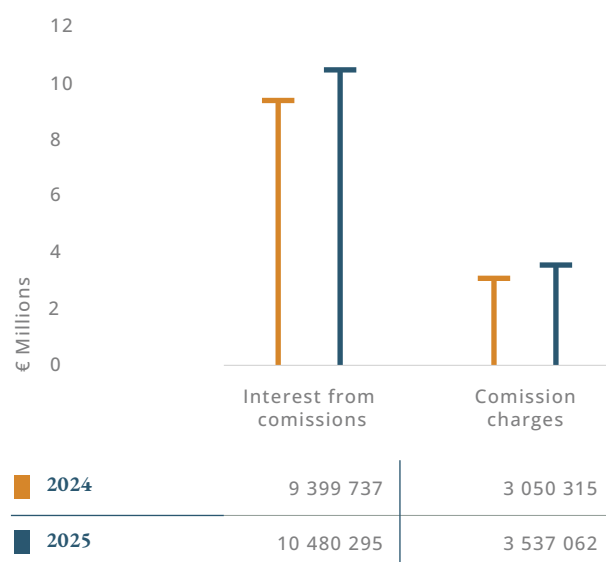
The breakdown showed an increase of €467 000 in commissions from electronic platforms compared to 2024, as well as an increase of €469 000 in other commissions compared to 2024.

When analysing the various components of other fees, the most notable increases were an increase of €711 000 in custody fees and an increase of around €11 000 in financial advisory fees. This growth was partially offset by a €212 500 decrease in placement transaction fees.

Commission expenses increased by 16.0% to €486 700, due to an increase in platform fees (+44.1%) and execution and settlement commissions (up 21.7%). It should be noted that Institutional Brokerage charges, which impact net commissions, are determined by reference to gains from the portfolio recorded under "Income from financial assets and liabilities at fair value through profit or loss".

Figure 13

Commissions as at 31/12/2024 and 31/12/2025 (Consolidated)

**Figure 14**

Net commissions by type as at 31/12/2024 and 31/12/2025 (Consolidated)

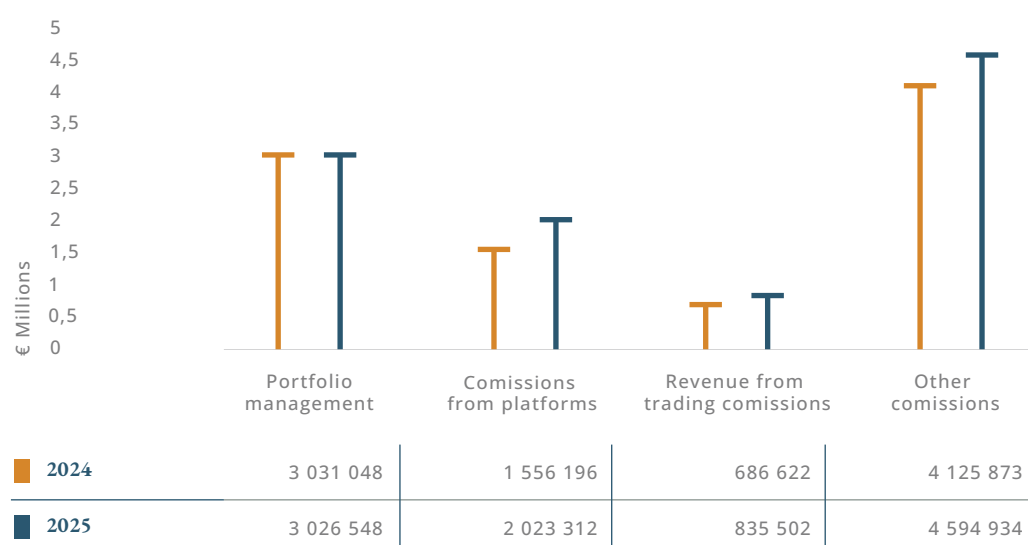
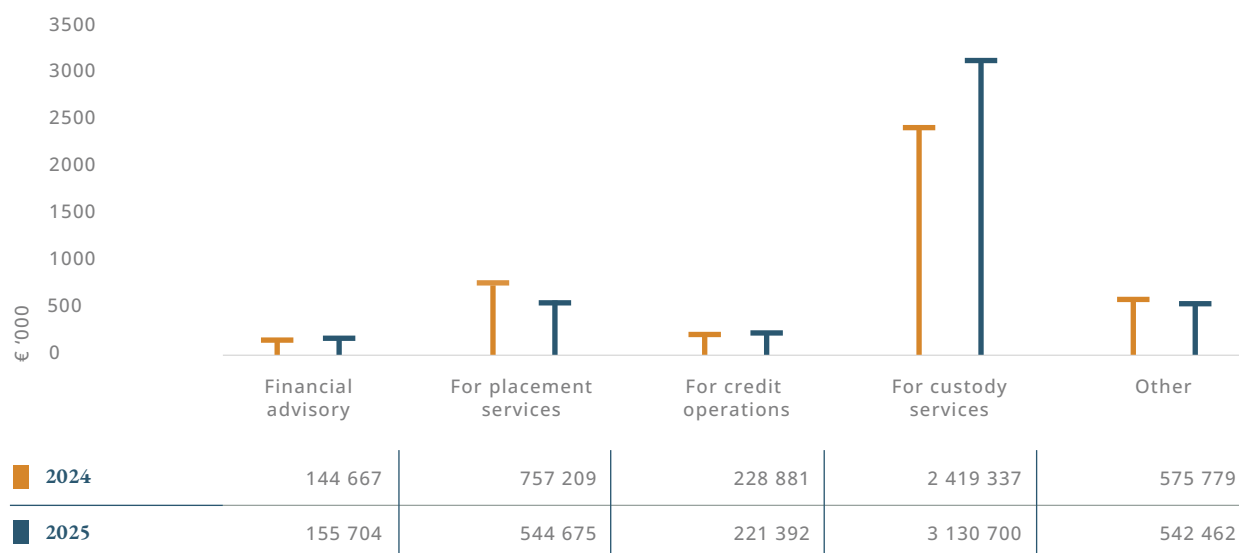
Revenue from commissions

Figure 15

Other net commissions by type as at 31/12/2024 and 31/12/2025 (Consolidated)

Other commissions**Figure 16**

Commission charges by type as at 31/12/2024 and 31/12/2025 (Consolidated)

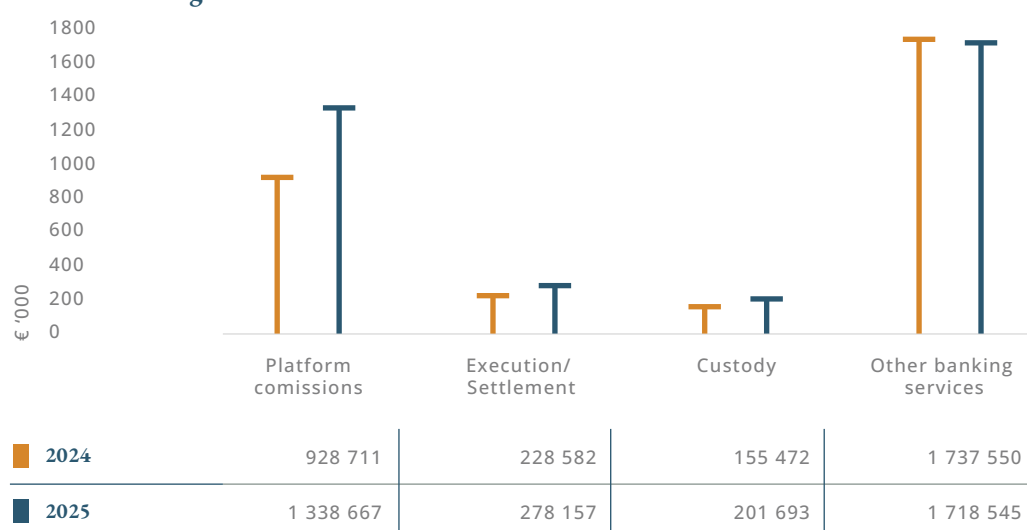
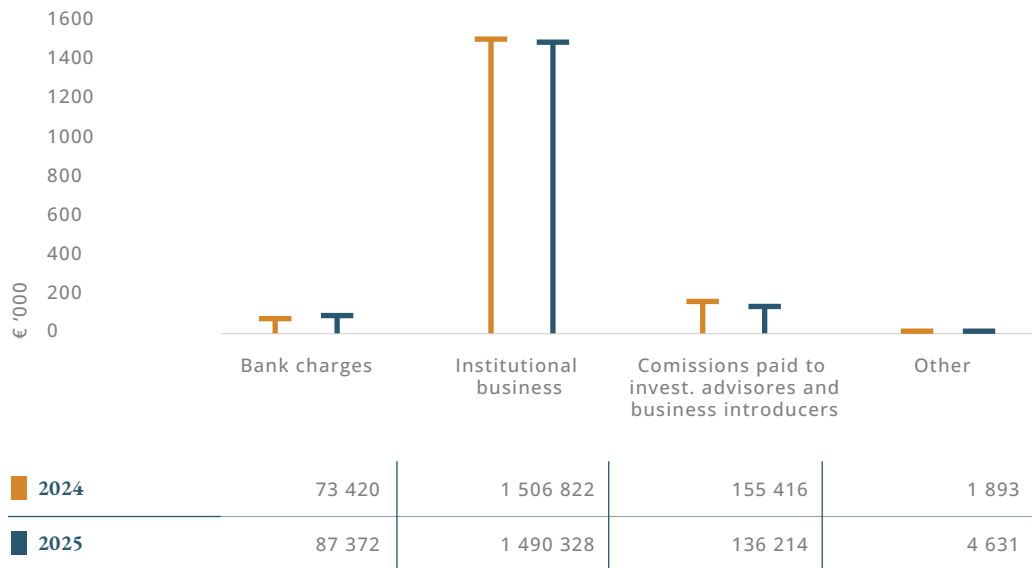
Commission charges

Figure 17
Other commission charges by type as at 31/12/2024 and 31/12/2025 (Consolidated)

Other banking service charges



Revenue from the Bank's securities portfolio, excluding income from equity instruments and currency revaluations, decreased by 71.0% compared to 2024. It should be noted that the total value of the portfolio remained consistent compared to 2024.



Revaluation of the foreign exchange position shows a positive result of €2.7M, compared to a negative result of €790 800 in 2024. This change is due to currency fluctuations throughout the year. It should be noted that this amount should be analysed alongside the results of the hedging instruments, which recorded losses of around € 1.9M.

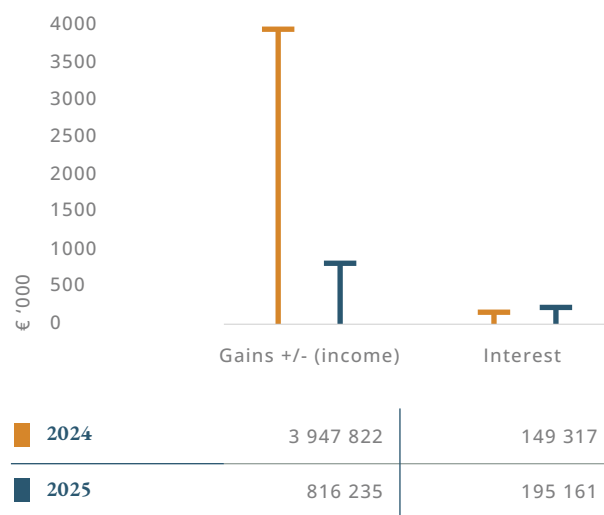
The results of financial assets and liabilities measured at fair value through profit or loss totalled €816 000, a drop of 79.3% compared to 2024. This was mainly driven by the losses in foreign exchange hedging instruments.

The interest related to these assets saw a rise compared to 2024, reaching around €45 800.

Figure 18

Income from financial assets and liabilities at fair value through profit or loss as at 31/12/2024 and 31/12/2025
(Consolidated)

Gains and losses - Financial assets and liabilities at fair value through profit or loss



Gains or losses on financial assets and liabilities at fair value through comprehensive income, recognised in reserves, amounted to a loss of €85 800 in 2025, compared to a profit of €1.4M in 2024. This outcome aligns with HTCS's investment strategy of holding securities with a maturity period of under 18 months, and with stable interest rates observed in 2025.

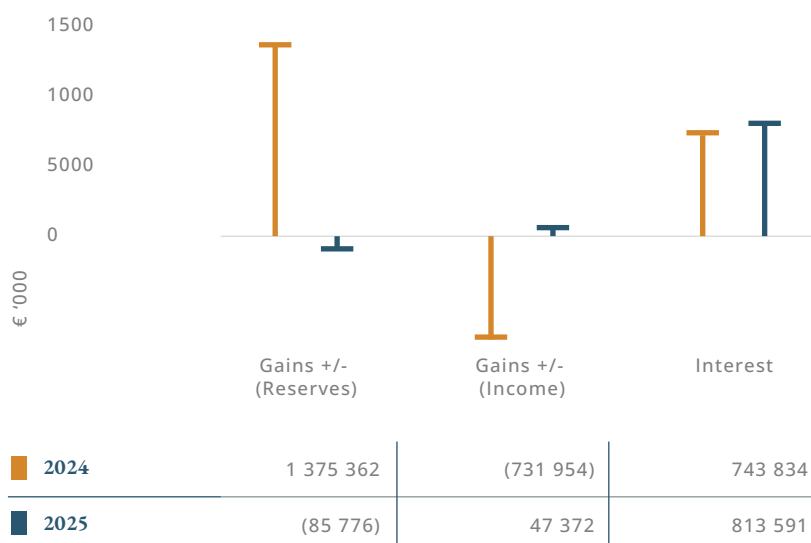
Gains and losses on financial assets and liabilities at fair value through comprehensive income recognised in the profit and loss account amounted to a positive €47 400 in 2025. This was an Improvement on the negative result of €813 600 recorded in 2024.

Interest increased by 9.4% under this heading compared to 2024, from €743 800 to €813 600 in 2025.

Figure 19

Income from assets and liabilities at fair value through comprehensive income as at 31/12/2024 and 31/12/2025
(Consolidated)

Gains and losses - Financial assets and liabilities at fair value through comprehensive income

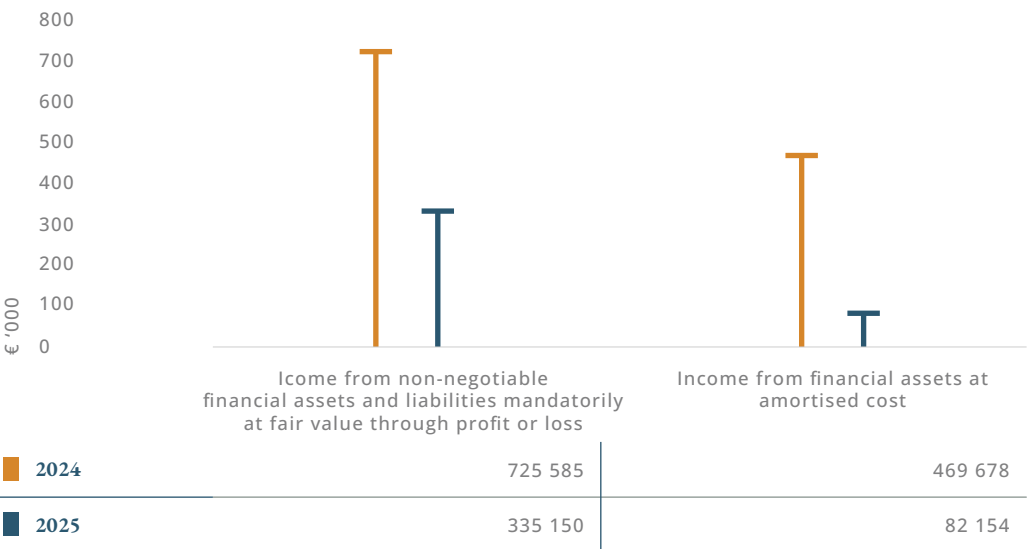


Income from non-negotiable financial assets mandatorily carried at fair value through profit or loss dropped by 53.8% compared to 2024, due to the lower investment fund performance.

By contrast, income from financial assets at amortised cost was positive by around €82 100 in 2025. This variation compared to the value recorded in 2024 of €469 700 is explained by one-off disposals in 2024, in line with the Bank’s own portfolio management policy.

Figure 20
Income from non-negotiable financial assets at fair value through profit or loss as at 31/12/2024 and 31/12/2025 (Consolidated)

Gains and losses - Non-negotiable financial assets mandatorily at fair value through profit or loss

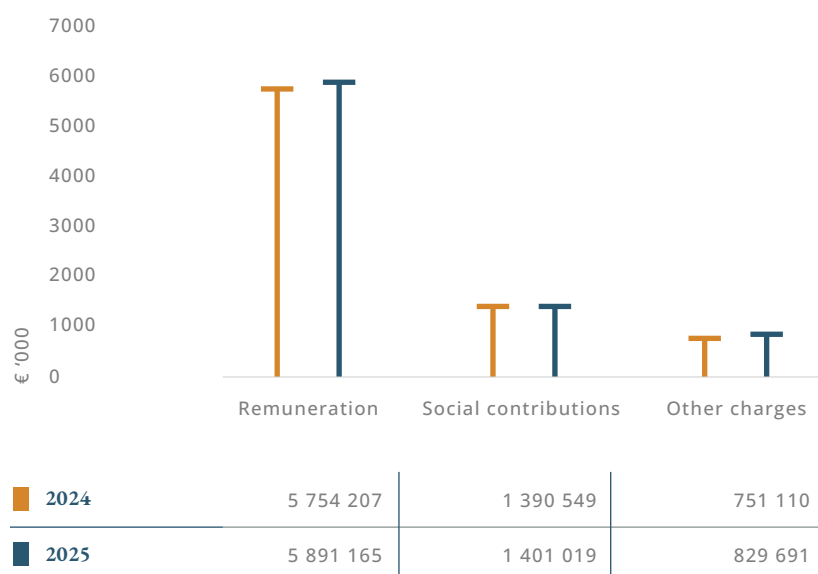


Staff costs increased by 2.9% in 2025, due to decisions to strengthen the teams and make salary adjustments. Despite this increase, salaries remained broadly in line with banking earnings.



Figure 21

Staff costs as at 31/12/2024 and 31/12/2025 (Consolidated)

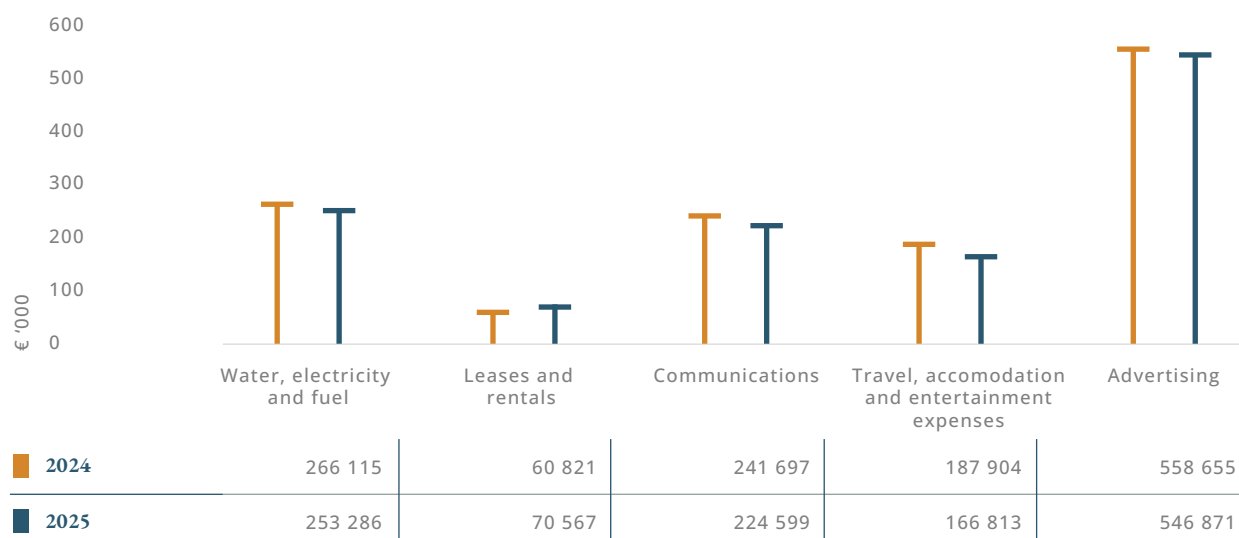


In 2025, general administrative expenses increased by 0.7%, i.e. €36 700. The largest reduction occurred in Advisory Services, with spending falling by around €201 000.

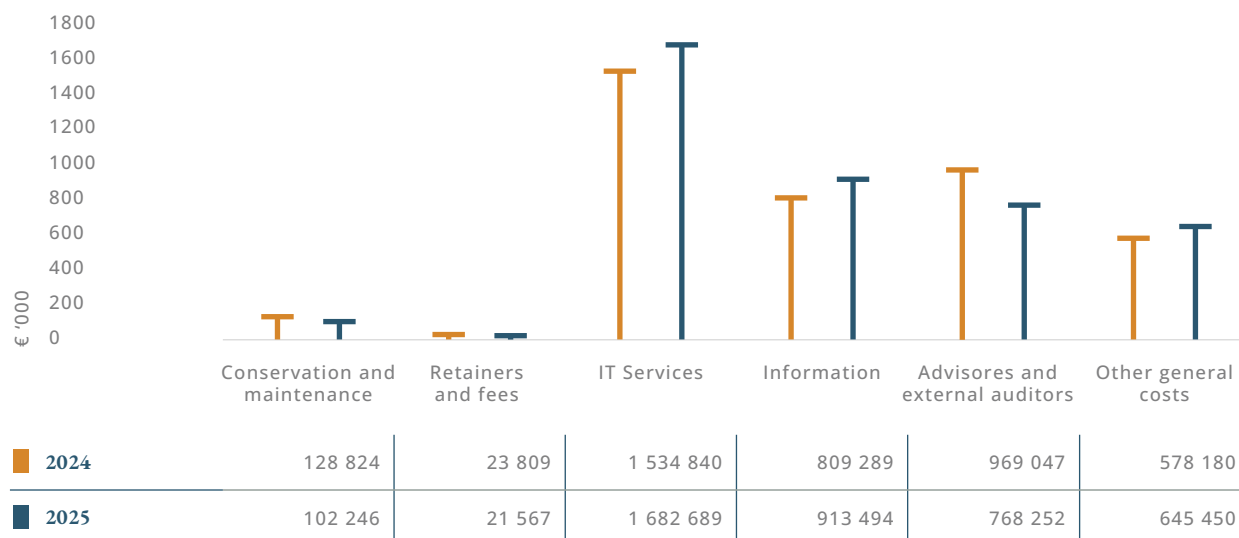
Reductions were also seen in the "Maintenance and Repairs" item by around €27 000. In contrast, the "Information" item increased by around €104 000, as did the "IT" item by €147 800.

Figure 22

General administrative expenses as at 31/12/2024 and 31/12/2025 (Consolidated)



1. Management Report



25.2. Balance Sheet

Compared to the 2024 financial year, net assets increased by 7.06%, reaching €566.2M in 2025. This was primarily due to a 13.5% increase in cash and cash equivalents, and a 11.8% increase in loans to Clients. This reflects the larger volumes of deposits from collective investment undertakings for which the Bank acts as depositary and the increase in loans to clients.

The Own Portfolio remained stable compared to 2024, while 'Other assets at amortised cost' increased by €351 000 compared to the previous financial year.

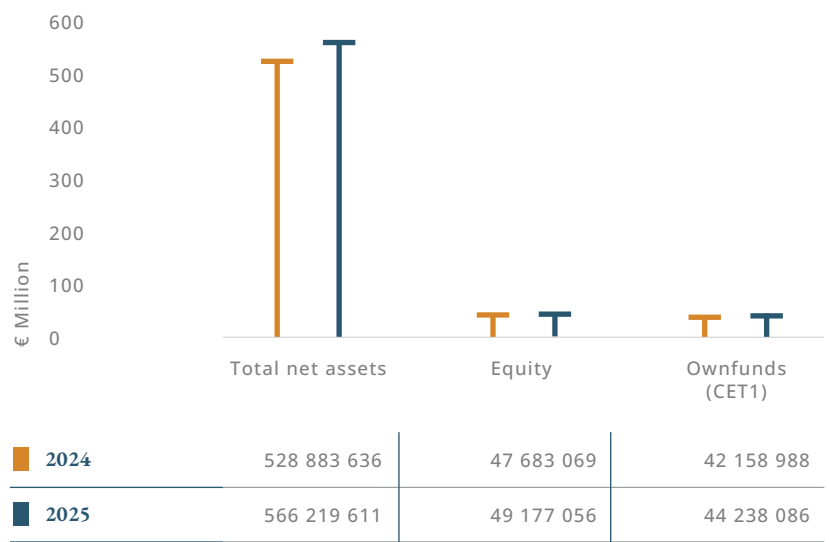
In terms of capital, equity increased by 3.1%, reaching €49.2M by the end of 2025, while Own Funds (CET1) grew by 4.93%, to €44.2M. This reflects the consolidation of the Bank's financial structure.

Table 8

Breakdown of the balance sheet as at 31/12/2024 and 31/12/2025 (Consolidated)

	2024	2025
Total net assets	528 883 636 €	566 219 611 €
Equity	47 683 069 €	49 177 056 €
Own funds (CET1)	42 158 988 €	44 238 086 €

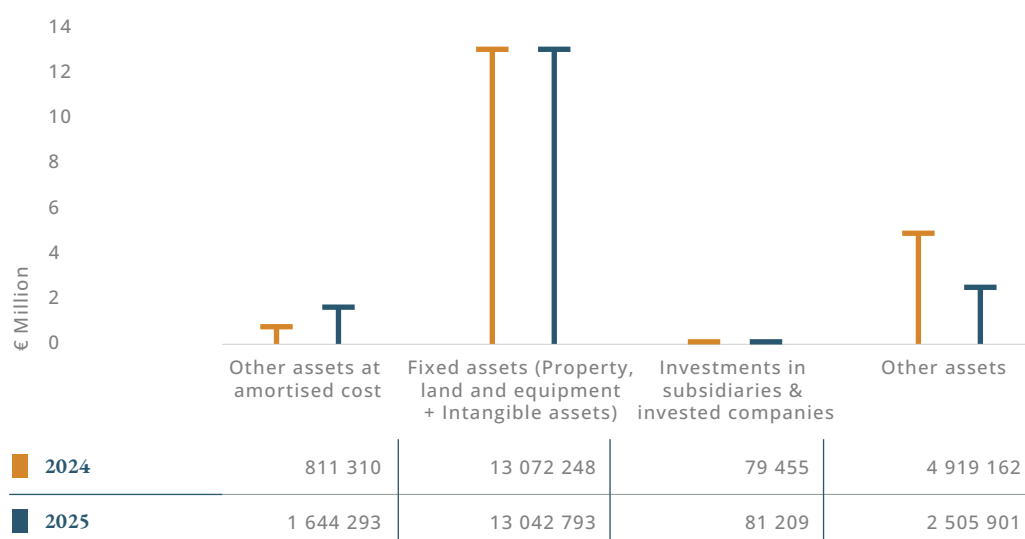
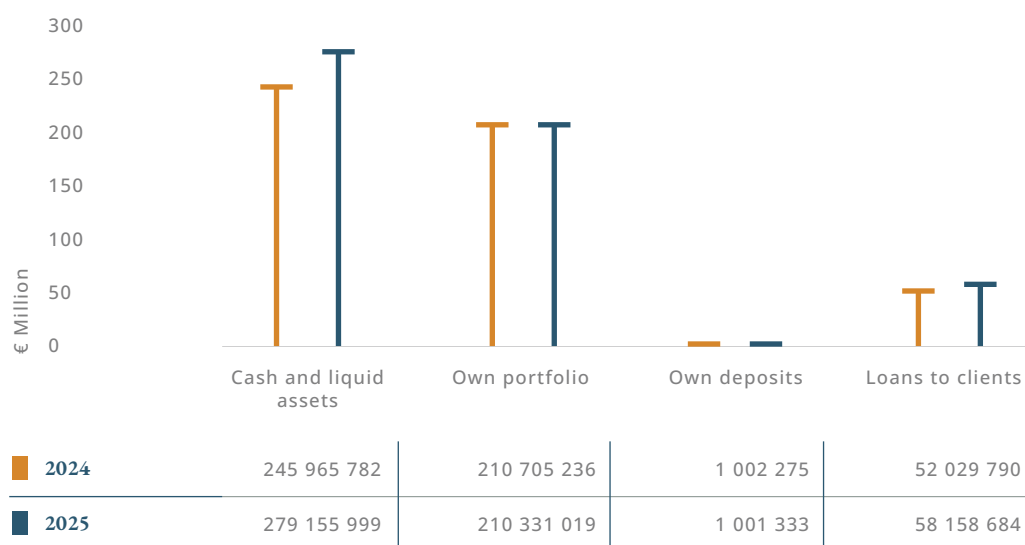
Figure 23
Balance sheet as at 31/12/2024 and 31/12/2025 (Consolidated)



25.3. Composition of Assets

Figure 24

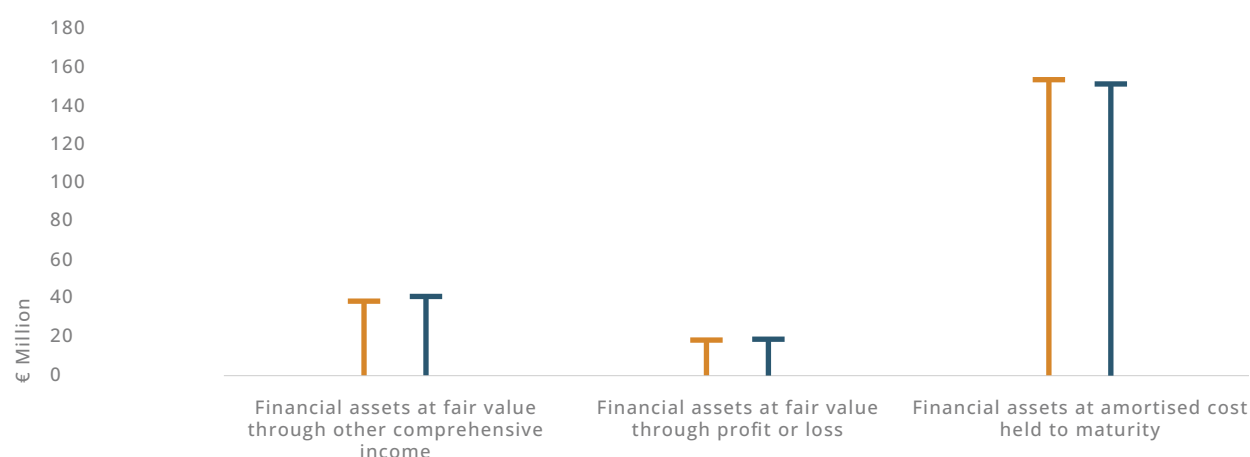
Composition of assets as at 31/12/2024 and 31/12/2025 (Consolidated)



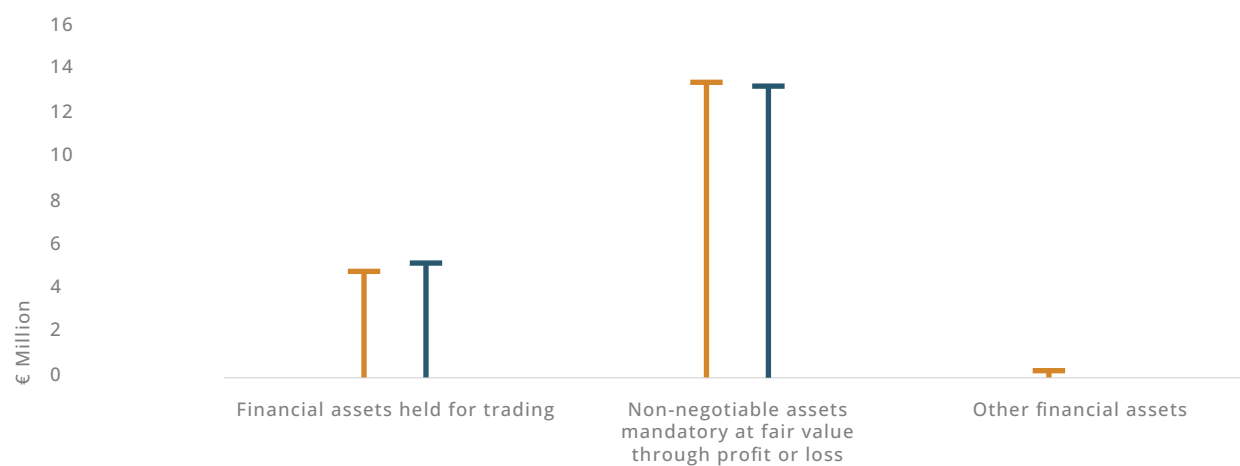
By the end of 2025, the Bank's financial instrument portfolio accounted for 37.1% of its net assets, down from 39.8% at the end of 2024. In absolute terms, this equates to around €210.3M in 2025, compared to €210.7M in 2024. Both figures exclude liabilities held for trading.

Figure 25

Financial instrument portfolio as at 31/12/2024 and 31/12/2025 (Consolidated)



2024	38 906 830	18 172 841	153 625 565
2025	40 949 846	18 400 281	150 980 893



2024	4 740 128	13 431 884	829
2025	5 112 394	13 287 887	0

1. Management Report

During 2025, the Bank generated around €21M in new lending. Of this, around €17.5M was generated through on-balance-sheet loans by the end of the year.

However, although total lending was lower than estimated, the total portfolio at the end of the financial year was €78M. On-balance-sheet lending amounted to €58.2M, which is approximately €6.1M higher than in 2024.

This is due to the low utilisation of the amounts granted, with a significant proportion of the total grant remaining unused, amounting to around €17 million.

Notably, the reduction in credit limit utilisation towards the end of the year was decisive in determining the year-end position, despite average utilisation throughout the financial

year being higher than in 2023 and in line with budget estimates.

The interest rate environment continued to discourage the use of credit, particularly for acquiring financial investments. It is anticipated that gradually reducing interest rate benchmarks will reverse this trend.

There was also a decrease in the early settlement of credit operations due to loss to competition. This indicates that the Bank's efforts in this regard are beginning to bear fruit, although this remains a significant factor.

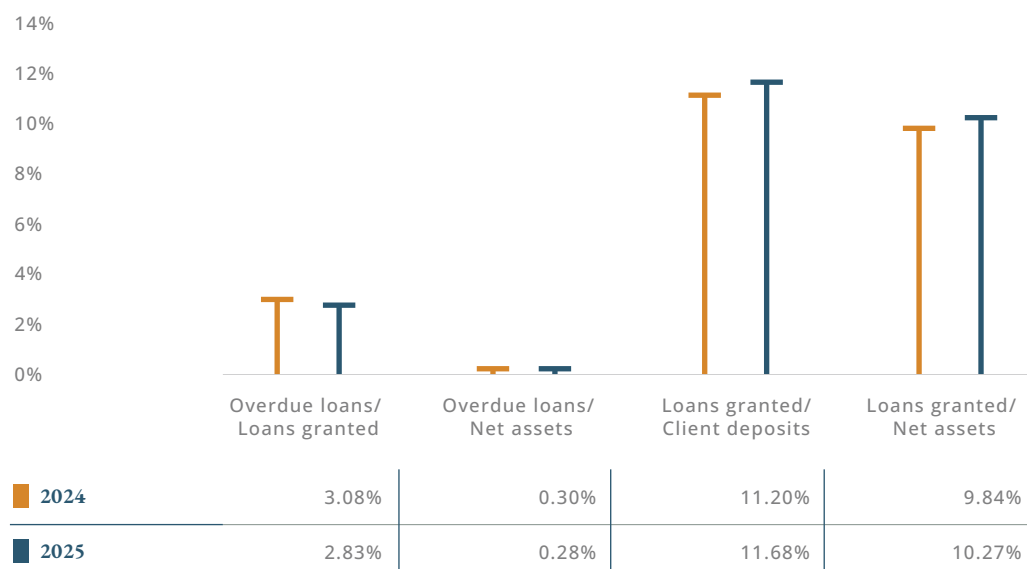
Table 9

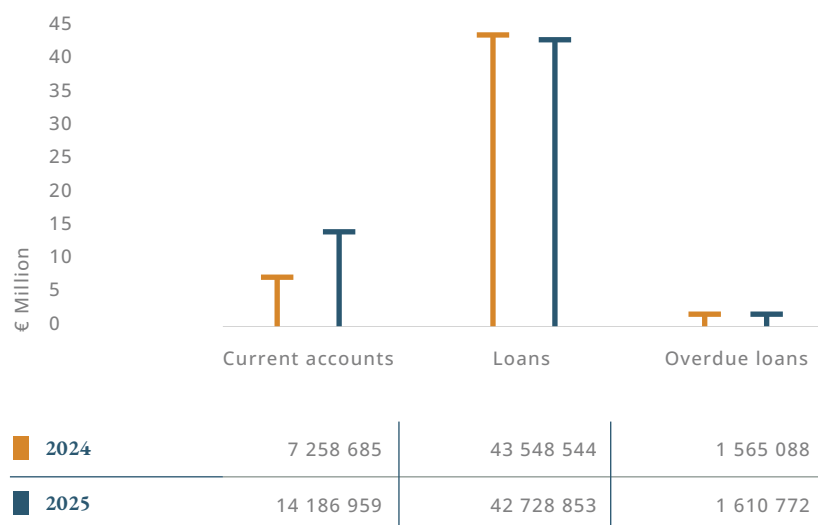
Loan to clients indicators as at 31/12/2024 and 31/12/2025 (Consolidated)

	2024	2025
Overdue loans / Loans granted	3.08%	2.83%
Overdue loans / Net assets	0.30%	0.28%
Loans granted / Client deposits	11.20%	11.68%
Loans granted / Net assets	9.84%	10.27%

Figure 26

Loans to clients indicators as at 31/12/2024 and 31/12/2025 (Consolidated)





The initial valuation and periodic reviews of real estate collateral are carried out by accredited and independent technical appraisers. These reviews are based on prudential criteria that reflect real estate market development, the nature of the properties, their potential use and liquidity. Other guarantees consist of pledges on financial investment portfolios. New loans were primarily offered to clients whose risk profile was below the portfolio average.

Overall, fixed assets (both tangible and intangible) remained stable compared to 2024.

Table 10

Property, plant and equipment and intangible assets at 31/12/2024 and 31/12/2025 (Consolidated)

	2024	2025
Fixed assets	13 072 248 €	13 042 793 €
Property, plant and equipment	11 596 580 €	11 419 945 €
Property, plant and equipment in progress	234 649 €	252 616 €
Sub-total	11 831 229 €	11 672 561 €
Intangible assets	1 241 019 €	1 370 232 €
Intangible assets in progress	0 €	0 €
Sub-total	1 241 019 €	1 370 232 €



25.4. Composition of Liabilities and Equity

In 2025, liabilities recorded a growth of 7.45%, i.e. an increase of €35.8M compared to 2024. This growth was primarily driven by an 8.05% increase in “Financial liabilities at amortised cost” (up €38.2M). Conversely, “Other

liabilities” fell by 36.3% (€2.1M) and “Tax liabilities” fell by 17.5%, from €1.5M in 2024 to €1.2M in 2025. In terms of net assets, “Equity” showed a positive development of 3.1% compared to the previous year.

Figure 27
Liabilities and net equity as at 31/12/2024 and 31/12/2025 (Consolidated)

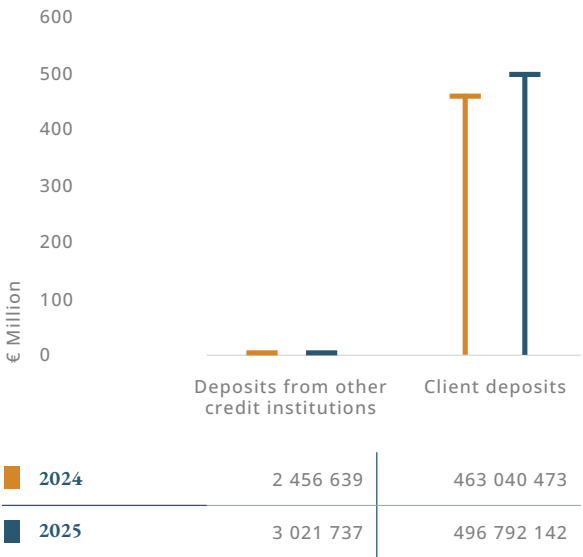
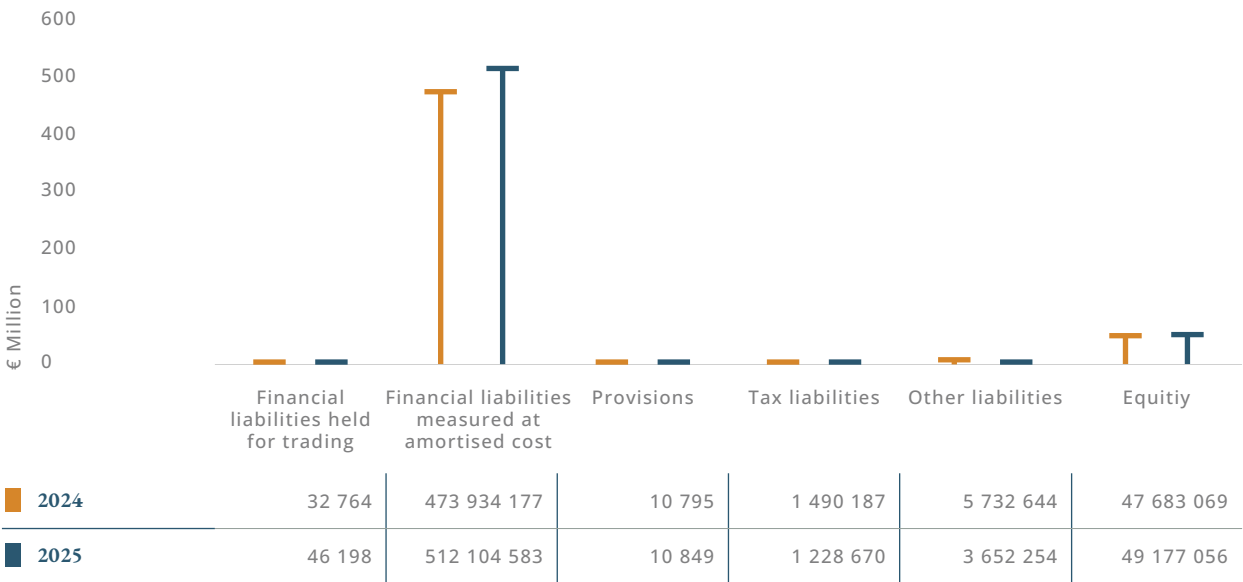
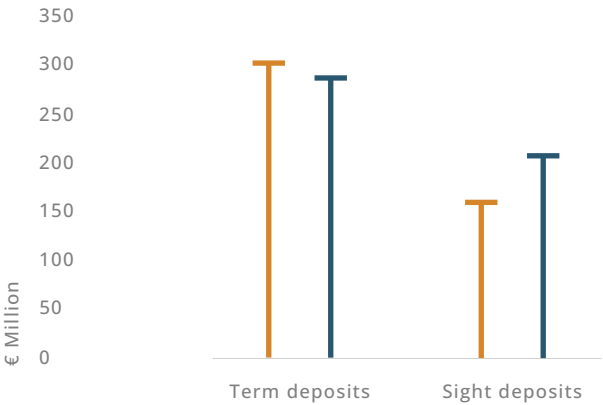


Figure 28
Other funds as at 31/12/2024 and 31/12/2025 (Consolidated)

In 2025, “Client funds” increased by 7.29% globally, driven by an increase in demand deposits at the expense of term deposits. Meanwhile, “Other funds” fell by 5.5%.

Figure 29
Client funds as at 31/12/2024 and 31/12/2025 (Consolidated)

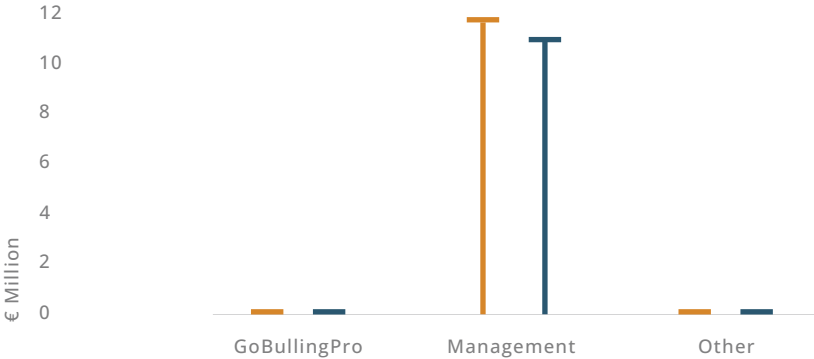
Client funds



2024	301 944 104	161 096 369
2025	287 832 454	208 959 688

Figure 30
Other funds as at 31/12/2024 and 31/12/2025 (Consolidated)

Other Funds



2024	95 963	11 720 635	126 707
2025	113 821	10 960 515	208 275

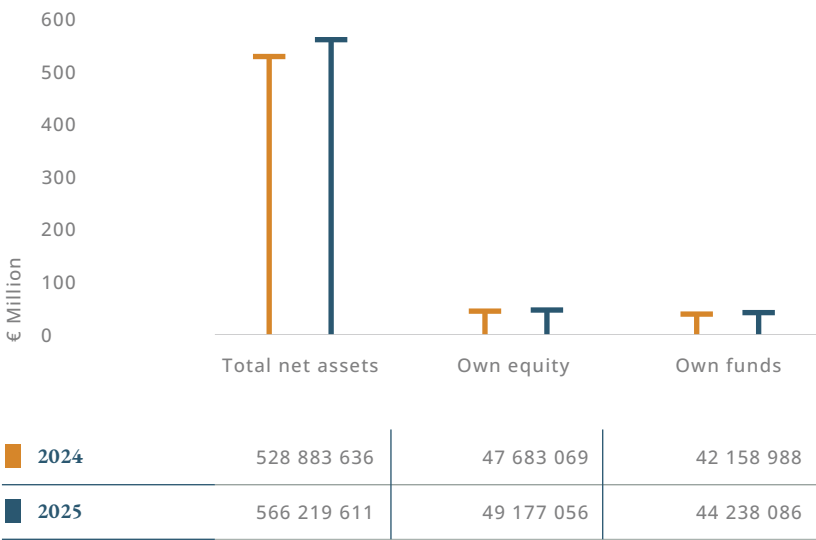
25.5. Equity Management

The Board of Directors defines capital management policies and practices in line with strategic business objectives and the level of risk appetite. To determine the appropriate quantity and quality of capital, Banco Carregosa has implemented a capital management model based on the following principles:

- I. ongoing monitoring of regulatory capital requirements;
- II. review of risk appetite; and
- III. setting appropriately measured business objectives in equity planning.

In addition to regulatory requirements, the Bank conducts an annual internal and prospective self-assessment of all material risks to which the institution is exposed (ICAAP assessment). As part of its equity management process, the Bank has drawn up a recovery plan which sets out the protocol for making decisions in a crisis and identifies the pre-defined actions and strategies for responding to events that could have an adverse impact on equity.

Figure 31
Equity management as at 31/12/2024 and 31/12/2025 (Consolidated)



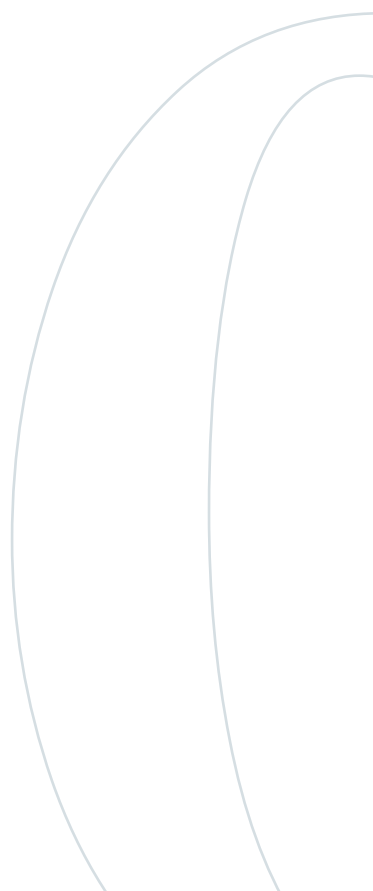
The Bank is financially strong, with a solvency ratio (CET1) of 21.01% at the end of the financial year.

The main performance indicators are shown in the “Summary of Indicators” below, which summarises the Bank’s development in 2025.





02



Consolidated and Separate Financial Statements as at 31 December 2025

Unless otherwise stated, the amounts given are in euros



Balanced sheet as at 31 December 2025

		Consolidated		Separate	
	Notes	31-12-2025	31-12-2024	31-12-2025	31-12-2024
ASSETS					
Cash and net assets in central banks and other demand deposits	1	279 155 999	245 965 782	279 155 999	245 930 050
Financial assets at fair value through profit or loss	2	18 400 281	18 172 841	18 400 281	18 172 012
Financial assets held for trading	2.1	5 112 394	4 740 128	5 112 394	4 740 128
Non-trading financial assets mandatorily at fair value through profit or loss	2.2	13 287 887	13 431 884	13 287 887	13 431 884
Other financial assets	2.3	0	829	0	0
Financial assets at fair value through other comprehensive income	3	40 949 846	38 906 830	40 949 846	38 906 830
Financial assets at amortised cost	4	211 274 028	207 439 812	211 274 028	207 439 812
Of which:					
Loans to clients	4.1	58 158 684	52 029 790	58 158 684	52 029 790
Investments in associated and subsidiary companies excluded from consolidation	5	81 209	79 455	81 209	591 105
Property, plant and equipment	6	11 672 561	11 831 229	11 672 561	11 810 579
Intangible assets	7	1 370 232	1 241 019	1 370 232	1 212 752
Tax assets	8	511 176	29 128	511 176	29 128
Other assets	9	2 505 900	4 919 162	2 505 900	4 719 797
Non-current assets and disposal groups classified as held for sale	10	298 379	298 379	298 379	298 379
Total Assets		566 219 611	528 883 636	566 219 611	529 110 443
LIABILITIES					
Financial liabilities held for trading	11	46 198	32 764	46 198	32 764
Financial liabilities measured at amortised cost	12	512 104 583	473 934 177	512 104 583	474 287 295
Provisions	13	10 849	10 795	10 849	10 795
Tax liabilities	14	1 228 670	1 490 187	1 228 670	1 483 574
Other liabilities	15	3 652 255	5 732 644	3 652 255	5 634 266
Total liabilities		517 042 555	481 200 567	517 042 555	481 448 693
EQUITY	16				
Equity		20 000 000	20 000 000	20 000 000	20 000 000
Issue premiums		369 257	369 257	369 257	369 257
Other accumulated comprehensive income		2 734 416	2 583 861	2 734 416	2 583 861
Retained earnings		8 108 138	5 783 135	8 108 138	5 785 693
Other reserves		15 218 450	14 809 397	15 218 450	14 806 839
Profit for the year attributable to owners of the parent company		2 746 795	4 116 100	2 746 795	4 116 100
Minority interests	17	0	21 319	0	
Total own equity		49 177 056	47 683 069	49 177 056	47 661 750
Total liabilities and equity		566 219 611	528 883 636	566 219 611	529 110 443

The Certified Accountant

The Board of Directors

Statement of profit or loss as at 31 December 2025

	Notes	Consolidated		Separate	
		31-12-2025	31-12-2024	31-12-2025	31-12-2024
Interest and similar income		14 355 919	19 997 211	14 355 919	19 997 211
Interest and similar charges		(5 909 427)	(10 024 891)	(5 916 612)	(10 035 251)
Financial margin	18	8 446 492	9 972 320	8 439 307	9 961 960
Income from equity instruments	19	287 462	336 996	287 462	336 996
Income from services and commissions	20	10 480 295	9 399 737	9 576 931	8 610 184
Charges for services and commissions	20	(3 537 062)	(3 050 315)	(3 536 342)	(3 049 706)
Income from assets and liabilities at fair value through profit or loss (net)	21	816 235	3 947 822	816 235	3 947 822
Income from financial assets at fair value through other comprehensive income	22	47 372	(731 954)	47 372	(731 954)
Income from non-trading financial assets mandatorily carried at fair value through profit or loss	23	335 150	725 585	335 150	725 585
Income from financial assets at amortised cost	24	82 154	469 678	82 154	469 678
Income from foreign currency revaluation (net)	25	2 651 192	(790 790)	2 651 192	(790 790)
Income from the disposal of other assets	26	212 636	82 310	212 636	82 310
Other operational income	27	(811 101)	(1 451 928)	(565 765)	(1 373 311)
Net operational revenue		19 010 825	18 909 461	18 346 332	18 188 773
Staff costs	28	(8 121 876)	(7 895 866)	(7 651 832)	(7 361 681)
General administrative expenses	29	(5 395 834)	(5 359 180)	(5 264 172)	(5 205 044)
Amortisations in the year	30	(2 095 122)	(1 920 038)	(2 075 291)	(1 897 824)
Provisions net of reinstatements and write-offs	31	(54)	(9 310)	(54)	(9 310)
Impairment of financial assets at amortised cost	32	(72 549)	343 536	(72 549)	343 536
Impairments of financial assets at fair value through other comprehensive income	33	1 367	930 302	1 367	930 302
Pre-tax profit		3 326 756	4 998 905	3 283 801	4 988 753
Taxes					
Current	34	(576 863)	(686 984)	(542 918)	(679 913)
Deferred	34	5 912	(192 741)	5 912	(192 741)
Profit for the year		2 755 805	4 119 181	2 746 795	4 116 100
Minority interests	35	9 010	3 081	0	0
Profit for the year attributable to owners of the parent company		2 746 795	4 116 100	2 746 795	4 116 100

The Certified Accountant

The Board of Directors

Statement of comprehensive income as at 31 December 2025

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Result for the year	2 755 805	4 119 181	2 746 795	4 116 100
Items not to be restated into profit or loss:				
Property, plant and equipment	26 076	3 386	26 076	3 386
Actuarial gains or losses (-) with defined benefit pension plans	110 311	70 053	110 311	70 053
Items that may be restated into profit or loss:				
Financial assets at fair value through other comprehensive income	(85 776)	1 375 362	(85 776)	1 375 362
Income tax on items that may be restated into profit or loss	101 332	(94 177)	101 332	(94 177)
Other comprehensive income	151 943	1 354 624	151 943	1 354 624
Total comprehensive income for the year	2 907 748	5 473 805	2 898 738	5 470 724
Of which:				
Attributable to minority interests (non-controlling interests)	9 010	3 081	0	0
Attributable to owners of parent company	2 898 738	5 470 724	2 898 738	5 470 724

The Certified Accountant

The Board of Directors



Statement of cash flow

As at 31 December 2025

(Amounts stated in euros)

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Cash flows from operational activities:				
Interest and commissions received	23 573 184	29 280 582	23 573 184	28 321 812
Interest and commissions paid	(10 022 272)	(12 660 600)	(10 022 272)	(12 660 600)
Payments to employees and suppliers	(13 207 358)	(13 724 494)	(13 207 358)	(12 870 468)
Deposits from credit institutions	(1 358 544)	1 492 974	(1 358 544)	1 492 974
Other operational assets and liabilities	3 302 708	(13 419 716)	3 302 708	(13 163 242)
Other receipts from clients	31 326 090	(30 857 292)	31 326 090	(31 044 123)
Income taxes	(917 385)	(678 537)	(917 385)	(678 537)
Net cash from operational activities	32 696 423	(40 567 083)	32 696 422	(40 602 183)
Cash flows from investment activities:				
Acquisition of financial assets at fair value through other comprehensive income, net of disposals	(2 009 251)	(6 004 545)	(2 009 251)	(6 004 545)
Acquisition of financial assets at amortised cost, net of disposals	2 694 915	633 681	2 694 915	633 681
Acquisition of property, plant and equipment and intangible assets	(1 968 893)	(1 549 081)	(1 968 893)	(1 541 654)
Disposals of property, plant and equipment and intangible assets	118 172	220 779	118 172	220 779
Investments in subsidiaries and associated companies	770 000	80 884	770 000	80 884
Net deconsolidation cash flow	(35 733)	0	0	0
Net cash from investment activities	(430 790)	(6 618 281)	(395 057)	(6 610 854)
Cash flows from financing activities:				
Dividends paid	(1 000 000)	(1 000 000)	(1 000 000)	(1 000 000)
Net cash from financing activities	(1 000 000)	(1 000 000)	(1 000 000)	(1 000 000)
Increase (decrease) of cash and cash equivalents	31 265 633	(48 185 364)	31 301 365	(48 213 038)
Cash and cash equivalents at the start of the year	246 905 202	295 090 566	246 869 470	295 082 508
Cash and cash equivalents at the end of the year	278 170 835	246 905 202	278 170 835	246 869 470
Cash and cash equivalents (breakdown as at December 2025 and December 2024)	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Cash and cash equivalents in central banks	269 375 534	228 472 811	269 375 534	228 472 811
Net assets in other credit institutions	9 780 466	17 492 972	9 780 466	17 457 239
Investments in other credit institutions	1 001 333	1 002 275	1 001 333	1 002 275
Overdrafts in other credit institutions	(1 986 498)	(62 855)	(1 986 498)	(62 855)
Cash and cash equivalents at the end of the financial year	278 170 835	246 905 202	278 170 835	246 869 470

The Certified Accountant

The Board of Directors

Statement of changes in equity as at 31 December 2025

(Consolidated activity)

	Capital	Issue premiums	Other accumulated comprehensive income
Balances as at 31 December 2023	20 000 000	369 257	2 159 524
Changes in fair value reserves			1 378 748
Deferred tax			(94 177)
Actuarial gains or losses (-) with pension plans			70 053
Net result for 2024			
Comprehensive result for 2024			
Distribution of dividends			
Other changes in equity			(930 287)
Minority interests			
Balances as at 31 December 2024	20 000 000	369 257	2 583 861
Changes in fair value reserves			(59 701)
Deferred tax			101 332
Actuarial gains or losses (-) with pension plans			110 311
Net result for 2025			
Comprehensive result for 2025			
Distribution of dividends			
Other changes in equity			(1 387)
Minority interests			
Balances as at 31 December 2025	20 000 000	369 257	2 734 416

Legal reserves	Other reserves	Retained earnings	Result for the year	Minority Interests	Total own equity
2 797 532	11 669 492	4 020 191	3 405 957	18 238	44 440 190
					1 378 748
					(94 177)
					70 053
			4 116 100	3 081	4 119 181
					5 473 805
		(1 000 000)			(1 000 000)
342 373		2 762 945	(3 405 957)		(1 230 925)
					0
3 139 905	11 669 492	5 783 136	4 116 100	21 319	47 683 069
					(59 701)
					101 332
					110 311
			2 746 795		2 746 795
					2 898 738
		(1 000 000)			(1 000 000)
409 052		3 325 002	(4 116 100)		(383 432)
				(21 319)	(21 319)
3 548 958	11 669 492	8 108 138	2 746 795	0	49 177 056

Statement of changes in equity as at 31 December 2025

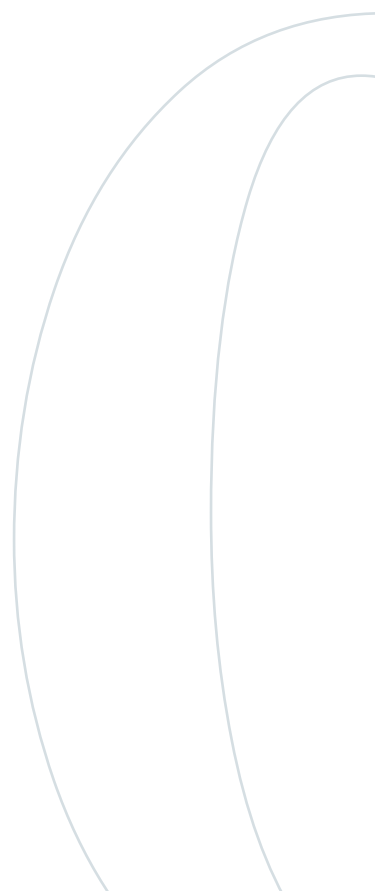
(Separate activity)

	Capital	Issue Premiums	Other accumulated comprehensive income
Balances as at 31 December 2023	20 000 000	369 257	2 159 524
Changes in fair value reserves			1 378 748
Deferred tax			(94 177)
Actuarial gains or losses (-) with pension plans			70 053
Net result for 2024			
Comprehensive result for 2024			
Distributuon of dividends			
Other changes in equity			(930 288)
Balances as at 31 December 2024	20 000 000	369 257	2 583 860
Changes in fair value reserves			(59 701)
Deferred tax			101 332
Actuarial gains or losses (-) with pension plans			110 312
Net result as at December 2025			
Comprehensive result as at December 2025			
Distribution of dividends			
Other changes in equity			(1 387)
Balances as at 31 December 2025	20 000 000	369 257	2 734 416

Legal reserves	Other reserves	Retained earnings	Result for the year	Total equity
2 796 752	11 669 492	4 020 970	3 405 957	44 421 953
				1 378 748
				(94 177)
				70 053
			4 116 100	4 116 100
				5 470 724
		(1 000 000)		(1 000 000)
340 595		2 764 723	(3 405 957)	(1 230 927)
3 137 347	11 669 492	5 785 693	4 116 100	47 661 750
				(59 701)
				101 332
				110 312
			2 746 795	2 746 795
				2 898 739
		(1 000 000)		(1 000 000)
411 610		3 322 445	(4 116 100)	(383 432)
3 548 957	11 669 492	8 108 138	2 746 795	49 177 056



03



Notes to the Consolidated and Separate Financial Statements as at 31 December 2025

Unless otherwise stated, the amounts given are in euros



1. Introduction

The 2025 financial year of Banco L. J. Carregosa, S.A., (hereinafter referred to as “Banco Carregosa”, “Company” or “Carregosa Group”, when on a consolidated basis), was the sixteenth financial year of its activity as a credit institution.

Following a change to the scope of its business in 2008, Banco Carregosa began operational in the banking sector and in all other activities expressly authorised by law, starting on 4 November of that year.

With regard to the IT services company Coollink – Serviços Informáticos, Lda (hereafter referred to as 'Coollink, Lda' or 'Coollink'), it has not been considered an ancillary services company since 2015, as reported to Banco de Portugal for registration purposes. In 2019, the bank reduced its stake in the company to 25%. As a result, this stake is now accounted for using the equity method.

In 2020, Banco L. J. Carregosa, S.A. held 96% of the capital of Carregosa – Sociedade Gestora de Organismos de Investimento Coletivo, S.A., which invests in real estate assets to manage open-ended and closed-ended investment vehicles.

In June 2022, the Bank sold its entire shareholdings in Circuitos e Traçados Sociedade Imobiliária, S.A.

In April 2024, the Bank decided to dissolve and liquidate Circuitos e Traçados 2, Sociedade Unipessoal, Lda.

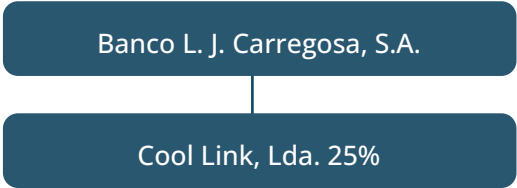
In November 2025, the Bank sold all of its shares in Carregosa – Sociedade Gestora de Organismos de Investimento Coletivo, S.A.

Table 11
Companies included in the Group’s scope of consolidation as at 31/12/2025

ACTIVITY	Registered office	Own equity	Assets	Profit/ Loss	Effective holding	Consolidation method
Banca						
Banking	Portugal	49 177 056	566 219 611	2 746 795	-	Comprehensive
Company						
Coollink	Portugal	324 836	476 524	7 016	25%	Equity method

Note: The amounts refer to accounting balances before consolidation adjustments.

Figure 32
The Group as at 31/12/2025



As a result of this scope, Banco Carregosa is responsible for consolidating accounts, occupying a leading position within the Group in terms of both the development of exclusive activities and the scale of its capital and risks.

The Group reported a net profit of €2 755 805.09, with shareholders' equity totalling €49 177 055.57.

The financial statements as at 31 December 2025 were approved by the Board of Directors on 8 May 2026.

The Bank's financial statements as at 31 December 2025 are pending approval by the General Meeting. However, the Board of Directors believes that they will be approved without significant changes.



2. Basis of Presentation and Significant Accounting Policies

2.1. Basis of Presentation and Comparability

The Bank's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July. This regulation has been transposed into national law by Banco de Portugal in Notice 5/2015 of 7 December.

The IFRS comprise the accounting standards issued by the International Accounting Standards Board (IASB), as well as the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and its predecessors. The Bank's financial statements, which cover the year ending 31 December 2025, have been prepared in accordance with the current IFRS adopted by the European Union.

The financial statements are presented in euros.

Consolidation of subsidiary and associate companies (IAS 28, IFRS 3 and IFRS 10)

In November 2025, Banco Carregosa sold its stake in Sociedade Carregosa – SGOIC, S.A., thereby ceasing to exercise control over, or influence the management of, that company's financial and operational policies.

Consolidated profit is calculated using the Bank's net profit as at 31 December 2025, and that of the subsidiary as at 31 October 2025 (the last available reference date prior to the disposal of the shareholding). This is done following consolidation adjustments, namely the elimination of costs and income arising from transactions between the two entities.

The Bank's financial statements have been prepared on a going concern basis, using the books and accounting records kept in accordance with the principles set out in IFRS – Presentation of Accounting Policies.

New standards and interpretations, revisions and amendments adopted by the European Union

The Bank observed and applied the following standards, interpretations, amendments and revisions adopted by the European Union in the financial year ending 31 December 2025, and their adoption had no impact.

Impact of adopting the new standards and changes to the standards that will become effective for financial years beginning on or after 1 January 2025

IAS 21 (amendment), 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability'

This amendment sets out the criteria for determining whether a currency can be exchanged for another currency (exchangeability) and explains how to calculate the spot exchange rate when a currency cannot be exchanged for an extended period. This amendment also requires the disclosure of information that enables an understanding of how non-exchangeable currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows beyond the spot exchange rate used on the reporting date, as well as how this rate was determined.

This amendment is applied retrospectively, with no need to restate comparative figures. The transposition of financial information must be recorded in retained earnings when converting from a foreign currency to a functional currency, or in exchange reserves when converting from a functional currency to a presentation currency. No significant impacts are expected.

Published standards (new and amendments) whose application is mandatory for reporting periods beginning on or after 1 January 2025, and which the European Union has endorsed:

IFRS 9 (amendment) and IFRS 7 (amendment), 'Amendments to the Classification and Measurement of Financial Instruments' (effective for reporting periods beginning on or after 1 January 2026).

This amendment outlines the criteria for establishing the exchangeability of a currency and details how to calculate the spot exchange rate when exchange is not possible over

a long period. It also requires the disclosure of information that explains how a non-exchangeable currency affects, or is expected to affect, an entity's financial performance, financial position and cash flows. This includes the spot exchange rate used on the reporting date and how it was calculated.

This amendment applies retrospectively and does not require the restatement of comparative figures. The restatement of financial information should be recognised in retained earnings if a conversion is from a foreign currency to the functional currency, or in the foreign exchange reserve if a conversion is from the functional currency to the presentation currency. No significant impact is anticipated.

Published standards (new and amendments) whose application is mandatory for reporting periods beginning on or after 1 January 2026, and which the European Union has endorsed

IFRS 9 (amendment) and IFRS 7 (amendment), 'Amendments to the Classification and Measurement of Financial Instruments'

The amendments refer to:

- I. clarification of the date of recognition and derecognition of certain financial assets and liabilities, and introduction of a new exception for financial liabilities settled through electronic payment system;
- II. clarification and examples of when a financial asset meets the criterion that its contractual cash flows correspond 'only to the payment of principal and interest' ('SPPI'), such as:
 - a. financial assets whose interest component corresponds to that of a base rate loan (contingent cash flows or those linked to ESG targets);
 - b. assets with non-recourse features; and
 - c. contractually linked financial assets;

- III. new disclosure requirements apply to instruments with contractual terms that could change the timing or amount of contractual cash flows; and
- IV. new disclosures required for equity instruments stated at fair value through other comprehensive income.

These amendments apply from the date on which they come into force, with no need to restate the comparative form.

IFRS 9 (amendment) and IFRS 7 (amendment), 'Contracts Referencing Nature-dependent Electricity'

These amendments aim to improve the reporting of the financial effects of negotiated contracts based on the generation of electricity from renewable sources, where the amount generated varies due to uncontrollable natural conditions. The amendments aim to:

- I. to clarify the application of the 'own use' exemption requirements under IFRS 9;
- II. to allow hedge accounting to be applied to weather-dependent electricity purchase contracts designated as hedging instruments; and
- III. add new disclosure requirements to IFRS 7 to improve understanding of the impact of these contracts on the entity's financial performance and cash flows.

The 'own use' exemption is applied retrospectively, without restating the comparative periods. Hedge designation can only be applied prospectively to new hedging relationships that are designated on or after the date of the initial application.

Annual improvements – 'Volume 11'

The annual improvement cycles to IFRS aim to clarify issues with the application of the standards or correct any inconsistencies. The following standards are affected by this volume of improvements: IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

Standards (new and amendments) published, the application of which is mandatory for annual periods beginning on or after 1 January 2027, and which the European Union has not yet endorsed

IAS 21 (amendment), Translation to a Hyperinflationary Presentation Currency

This new standards is still pending approval by the European Union.

It sets out the foreign currency translation procedures for entities whose presentation currency is that of a hyperinflationary economy. The entity applies the amendment if:

- I. its functional currency is that of a non-hyperinflationary economy, but it is presenting its results and financial position as if it were a hyperinflationary economy; or
- II. it converts the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy into the currency of a hyperinflationary economy.

In such cases, the results and financial position must be converted into the presentation currency. This involves converting all amounts (i.e. assets, liabilities, equity items, income and expenses) at the spot exchange rate applicable on the reporting date.

Comparative figures are also converted using the same exchange rate, except for the conversion of foreign operations, for which comparative figures must be restated using the general price index as set out in IAS 29.

IFRS 18 (new standard), 'Presentation and Disclosure in Financial Statements'

This new standard is still pending approval by the European Union.

IFRS 18 will replace the current IAS 1. While retaining many of the principles of IAS 1, IFRS 18 places greater emphasis on the presentation of profit or loss, specifying a structure consisting of mandatory categories and subtotals. It is essential to identify certain specific business activities. Specific sub-totals and totals will be required; the main change is that the subtotals "operating profit" and "profit before interest and tax" must now be included in the profit and loss account. This standard also includes requirements for the disclosure of management performance measures,

including reconciliation with the sub-totals defined in IFRS 18. This standard provides additional guidance on the principles of aggregation and disaggregation of Information in financial statements and accompanying notes, based on its shared characteristics.

This standard applies retrospectively.

The Bank is currently reviewing how to implement the changes resulting from the application of the standard.

IFRS 19 (new standard), 'Subsidiaries without Public Accountancy: Disclosures'

This new standards is still pending approval by the European Union.

IFRS 19 is a voluntary standard that permits eligible subsidiaries to apply IFRS with reduced disclosure requirements. IFRS 19 only covers disclosures, and must be used alongside the recognition, measurement and presentation requirements of other IFRSs. A subsidiary is considered to be eligible if:

- I. it does not have public accountability; and;
- II. The parent company produces consolidated financial statements available for public use that comply with IFRS.

Eligible subsidiaries may apply IFRS 19 when preparing their own consolidated, separate, or individual financial statements. Unless another IFRS Accounting Standard applies, an entity is required to provide comparative information

IFRS 19 (amendment), Amendment to disclosure requirements

This new standards is still pending approval by the European Union.

This amendment aims to reduce the disclosure requirements for amendments to, and new standards issued between February 2021 and May 2024. - IFRS 18: Presentation and Disclosure in Financial Statements; Amendments to IAS 7 – Supplier Financing Arrangements; IAS 12 – International Tax Reform – Pillar 2 Model Rules; Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates. Lack of Interchangeability'. Full comparative information must be presented unless an exemption applies.

2.2. Significant Accounting Policies

The accounting policies set out above apply to the financial statements of Banco Carregosa.

2.2.1. Transactions in foreign currency (IAS 21)

Transactions in foreign currencies (other than the Bank's functional currency) are translated at the exchange rates prevailing at the dates of the transactions.

Financial assets and liabilities denominated in foreign currencies are recorded in the currency in which they are denominated (multi-currency system).

At each balance sheet date, the carrying amounts of monetary items denominated in foreign currencies are restated at the exchange rates prevailing at that date. Favourable and unfavourable exchange differences arising from the differences between the exchange rates at the dates of the transactions and the exchange rates at the dates of the receipts, payments or at the balance sheet date are recognised in profit or loss for the period.

2.2.2. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the amounts recorded in the balance sheet with a maturity of three months or less as of their contract date, including cash and other net assets in other credit institutions.

The concepts used in the presentation of the cash flow statements are as follows:

- I. cash flows: cash and cash equivalents include cash on hand, deposits with central banks, deposits with other credit institutions, including short-term investments and bank overdrafts;
- II. operational activities: the indirect method is used to present cash flows from operational activities, which reflect the flow of the typical activities of credit institutions, as well as other activities not classified as investment or financing activities;
- III. investment activities: the acquisition, sale or other disposal of long-term assets, such as shares in subsidiaries and associated companies, the

acquisition of property, plant and equipment and intangible assets, and other strategic investments not included in operational activities;

- IV. financing activities: activities that result in changes in medium- and long-term financing operations that are not part of the operational activities, such as securitised and subordinated debt, capital increases and dividend payments;

2.2.3. Investments in domestic and foreign credit institutions

These instruments are measured at fair value, which is generally equivalent to the consideration paid, net of directly attributable transaction costs.

2.2.4. Financial instruments

The classification is determined at the acquisition date of the asset in accordance with IFRS 9 and in accordance with IFRS 13 for fair value measurement.

On initial recognition, assets are classified into one of the following categories:

- I. assets measured at amortised cost;
- II. assets measured at fair value through other comprehensive income;
- III. assets measured at fair value through profit or loss.

This classification is based on the Bank's business model for managing the financial asset, taking into account the characteristics of the contractual cash flows of the financial asset.

IFRS 13, adopted by Commission Regulation (EU) No 1255/2012 of 11 November 2012, defines fair value, sets out in a single IFRS a framework for measuring fair value, and requires disclosures about fair value measurements.

Paragraph 9 of IFRS 13 defines fair value as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The disclosures required by IFRS 13 are not required for the following (see paragraph 7):

- IV. plan assets measured at fair value in accordance with IAS 19 – ‘Employee Benefits’;
- V. retirement plan assets measured at fair value under IAS 26 – ‘Accounting and Reporting by Retirement Benefit Plans’; and
- VI. assets for which the recoverable amount is the fair value less costs to sell in accordance with IAS 36 – ‘Impairment of Assets’.

Under paragraph 8, the fair value measurement framework described in IFRS 13 applies to both initial and subsequent measurements when fair value is required or permitted by other IFRSs.

As of 1 January 2018, a specific balance sheet line is introduced – “Non-trading financial assets mandatorily at fair value through profit or loss”).

This presentation is supported by IFRS 7.8 (a)(ii) and IFRS 9.4.1.4 – see Commission Regulation (EU) No 2016/2067 of 22 November 2016.

The following classes of accounts are therefore taken into account:

- I. financial assets at amortised cost – HTM;
- II. financial assets at fair value through other comprehensive income – FVTOCI;
- III. financial assets at fair value through profit or loss – FVTPL;
- IV. other assets not held for trading, mandatorily recorded at fair value – (Not Held for Trading, PL).

Financial assets at amortised cost

An asset is carried at amortised cost when the following conditions are met:

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

Initial recognition and subsequent measurement

On initial recognition, assets are recognised at fair value, including any transaction costs or gains, and are subsequently measured at amortised cost. In addition, upon initial recognition, they are subject to the calculation of expected credit losses, reducing the carrying amount of these financial assets by a corresponding entry under “Impairment of financial losses at amortised cost”.

Interest on financial assets at amortised cost is recognised as “Interest and similar income”.

Gains or losses arising at the date of “derecognition” are included in “Gains/losses” and financial assets and liabilities are “derecognised” at amortised cost.

The term “derecognition” is used to refer to the following:

- I. a disposal;
- II. or an entity reclassifies an asset from the amortised cost measurement category to the fair value through profit or loss category (IRFS9 paragraph 5.6.2).

When an entity reclassifies a financial asset from the “at amortised cost” measurement category to the “at fair value through other comprehensive income” measurement category, any gain or loss arising from a difference between the previous amortised cost and fair value is recognised in “Other comprehensive income” (IFRS 9 paragraph 5.6.4).

Financial assets at fair value through other comprehensive income

An asset is carried at fair value through other comprehensive income when both of the following conditions are met:

- I. the financial asset is held as part of a business model whose objective is to collect the cash flows that are contractually due and to sell the financial assets;
- II. the contractual terms of the financial asset give rise to cash flows at specified dates that are solely payments of principal and interest on the principal amount outstanding.

This classification must consider the asset portfolio recorded at fair value through other comprehensive income (FVTOCI – Fair Value through Other Comprehensive Income), reasonably close to the so-designated prudential investment portfolio.

In addition, on initial recognition of an equity instrument

that is not held for trading, or in the case of a contingent consideration recognised by a buyer in a business combination to which IFRS 3 applies, the Bank may irrevocably elect to designate it as a financial asset at fair value through other comprehensive income.

Initial recognition and subsequent measurement

Debt instruments at fair value through other comprehensive income are initially recognised at fair value, plus transaction costs, and are subsequently remeasured at fair value.

Changes in the fair value of these assets are recognised through a corresponding entry in other comprehensive income and, at the time of their disposal, the accumulated gains or losses in other comprehensive income are restated into a specific profit and loss line entitled "Gains or losses on "derecognition" of financial assets at fair value through comprehensive income".

In addition, since their initial recognition these financial assets are subject to the calculation of impairment losses, which do not reduce the carrying amount of the financial asset in the balance sheet and are therefore recognised in profit or loss under "Impairment of assets at fair value through other comprehensive income" against other comprehensive income.

Interest on financial assets at fair value through other comprehensive income is recognised in "Interest and similar income (financial margin)" based on the interest rate of each issue.

Equity instruments at fair value through other comprehensive income are initially recognised at fair value, plus transaction costs, and are subsequently remeasured at fair value. Changes in the fair value of these financial assets are recognised in other comprehensive income. Dividends are recognised in profit or loss only when the entity's right to receive payment of the dividend is established.

When an entity restates a financial asset from the fair value through other comprehensive income measurement category to the amortised cost measurement category, the financial asset is restated to its fair value at the date of the restatement. The cumulative gain or loss previously recognised in other comprehensive income is removed from equity and adjusted against the fair value of the asset at the restatement date. As a result, the financial asset is measured at the date of the restatement as if it had always been measured at amortised cost. This adjustment is recognised in comprehensive income, but not in profit or loss (IFRS 9 paragraph 5.6.5).

When an entity restates a financial asset from the fair value through other comprehensive income measurement category to the fair value through profit or loss measurement category, the financial asset is still measured at fair value. The cumulative gain or loss previously recognised in other comprehensive income is restated from equity to profit or loss as a restatement adjustment.

Financial assets at fair value through profit or loss

A financial asset must be carried at fair value through profit or loss if the business model defined by the Bank for managing the financial asset or its cash flow characteristics **does not qualify it for measurement at amortised cost or at fair value through other comprehensive income.**

However, the Bank may irrevocably designate, on initial recognition, a financial asset that meets the criteria for measurement at amortised cost measurement or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them according to different bases.

The following must be taken into account in this classification:

- I. assets measured at fair value through profit and loss (FVTPL), which is broadly consistent with the designated prudential trading book;
- II. non-trading financial assets mandatorily measured at fair value through profit or loss or, separately, other assets not held for trading, mandatorily recorded at fair value (Not Held for Trading, PL).

Initial recognition and subsequent measurement

Financial assets at fair value through profit or loss are initially recognised at fair value, and any costs or income associated with the transactions are recognised in profit or loss at the time of initial recognition, with subsequent changes also recognised in profit or loss.

The periodic calculation of interest is recognised under "Interest and similar income" based on the interest rate of each issue (coupon rate).

2.2.5. Restatement

The restatement of financial assets is only permitted in strict accordance with the applicable regulatory and accounting standards.⁴

The restatement of a trading book position into a non-trading book position or, conversely, the restatement of a non-trading book position into a trading book position may only occur in specific circumstances and must comply with the policies and procedures set out in the EBA guidelines, in particular where there is:

- I. final delisting;
- II. the loss of public company status;
- III. issuer default.

The Bank restates its portfolio on the basis of assumptions in such a way that the exceptional nature of the circumstances and consistency with the defined policy are made absolutely clear.

Where the competent authorities allow the restatement:

- I. the restatement of this item cannot be changed;
- II. the Bank must publicly disclose at the first reporting date that it has restated its position;
- III. under the rules, if the net change in the Bank's own funds requirement at the first reporting date resulting from the restatement of the position is a net reduction, the Bank will henceforth set aside additional own funds equal to the net change and disclose the amount of such additional own funds;
- IV. the amount of additional own funds shall remain the same until the maturity date of the position unless the competent authorities allow the institution to gradually reduce this amount at an earlier date.

2.2.6. Fair value hierarchy of financial instruments (IFRS13)

The fair value of financial assets and liabilities is determined in accordance with IFRS 13.

Fair value is the price that would be received for the sale

of an asset at fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in a transaction made in the principal (or more favourable) market at measurement date, under prevailing market conditions (i.e. exit price), whether this price is directly observable or estimated using another valuation technique.

Financial instruments carried at fair value in the balance sheet have been classified into three tiers, in accordance with IFRS 13:

- I. Tier 1 – quoted in an active market;
- II. Tier 2 – indirect valuation techniques based on market data;
- III. Tier 3 – valuation techniques using mostly unobservable inputs.

2.2.7. Equity instruments

Transaction costs directly attributable to the equity issuance are recognised against equity as a deduction from equity. Amounts paid or received on the sale or purchase of equity instruments are recognised in equity, net of transaction costs. Distributions made on behalf of equity instruments are deducted from equity capital as dividends when stated.

2.2.8. Financial derivatives (IFRS 9)

Financial derivatives are recognised at fair value at the time the contracts are negotiated with the Bank and are subsequently measured at fair value. Fair values are obtained from quoted prices in active markets, including recent market transactions, and valuation models, namely discounted cash flow models and option valuation models. Derivatives are recognised as assets when their fair value is positive and as liabilities when their fair value is negative.

Some derivatives embedded in other financial instruments, such as the indexation of the return on debt instruments to equity or share indices, are separated and treated as separate derivatives when their risk and economic characteristics are not clearly related to those of the host contract and the latter is not carried at fair value with changes recognised through profit or loss. These embedded derivatives are measured at fair value, with subsequent changes recognised in the statement of profit and loss.

⁴ For this purpose, a correction of a classification error is not considered as a restatement.

2.2.9. Hedge accounting

As permitted by IFRS 9, the Bank has elected to continue to apply the hedge accounting requirements of IAS 39.

Principle: derivatives and other financial instruments used to hedge interest rate risk and exchange risk arising from financing and investing activities. Derivatives that do not qualify for hedge accounting are accounted for as trading derivatives.

Hedging derivatives are recognised at fair value and gains or losses arising from the remeasurement are recognised in accordance with the hedge accounting model. A hedging relationship exists when:

- I. at the inception of the hedge there is formal designation and documentation of the hedging relationship;
- II. the hedge is expected to be highly effective;
- III. the effectiveness of the hedge can be reliably measured;
- IV. the hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting period; and
- V. for cash flow hedging, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss.

When a derivative financial instrument is used to hedge the foreign exchange risk of a monetary asset or liability, no hedge accounting model is applied. Any gain or loss on the derivative is recognised in profit or loss, as is the foreign exchange gain or loss on the underlying monetary item.

(i) Fair value hedging

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss, together with any changes in the fair value of the asset or liability or groups of assets or liabilities attributable to the hedged risk.

If the hedging relationship no longer meets the criteria for hedge accounting, the cumulative gain or loss on the interest rate risk of the hedged item up to the date when the hedge is discontinued are amortised in profit or loss over the remaining period of the hedged item.

(ii) Cash flow hedging

Changes in the fair value of derivatives designated as effective cash flow hedges are recognised in profit or loss. The ineffective portion of the gain or loss on the hedging instrument is recognised in profit or loss.

Amounts recognised in equity are restated to profit or loss in the period in which the hedged item affects the results.

(iii) Hedge effectiveness

For a hedging relationship to be designated as such, its effectiveness must be demonstrated. This requires prospective testing at the inception of the hedge, where applicable, and retrospective testing at each balance sheet date to demonstrate that changes in the fair value of the hedging instrument are offset by changes in the hedged item that are attributable to the hedged risk. Any resulting ineffectiveness is recognised in profit or loss as and when it occurs.

2.2.10. Loans to clients and other receivables

Valuation, initial and subsequent recognition

Loans to clients and other receivables are the financial assets that correspond to the provision of cash, goods or other services by the institution to a certain entity. This concept covers the typical activity of granting loans to clients, as well as the creditor positions arising from transactions with third parties carried out in the course of the institution's activities.

Loans to clients and other receivables are valued as follows:

Loans and receivables are initially recognised at fair value. Fair value at initial recognition is generally equivalent to the transaction value and includes commissions, fees or other charges and income related to the loan transaction. Subsequently, loans and receivables are measured at amortised cost based on the effective interest rate and are subject to impairment tests.

Where applicable, interest, commissions and other fees and income related to loan transactions are accrued over the life of the transaction for transactions that generate residual cash flows over a period of more than one month, regardless of when they are collected or paid. Loan commitment fees are deferred and recognised on a

straight-line basis over the life of the commitment.

Impairment is assessed on the basis of the total amount of loans and advances, including other commitments entered into with third parties such as guarantees or other similar instruments.

Derecognition (IFRS 9)

Loans to clients are derecognised from the balance sheet when:

- I. the contractual rights to the cash flows expire;
- II. the Bank has transferred substantially all the risks and rewards of ownership;
- III. although some, but not substantially all, of the risks and rewards of ownership have been removed by the Bank, control of the assets has been transferred; and
- IV. changes in the contractual terms of a financial asset result in a significant change in the present value of cash flows, i.e. the new contractual terms, discounted at the original contract rate, result in a change of at least 10% in the present value of the remaining cash flows of the original financial asset.

Credit impairment loss (IFRS9)

Identified impairment losses are recognised in profit or loss and are subsequently reversed through profit or loss if there is a subsequent reduction in the amount of the estimated loss.

IFRS 9 is a forward-looking model for expected credit losses (ECL) that considers losses anticipated throughout the lifetime of financial instruments. Macroeconomic factors and other forward-looking information whose changes affect the expected loss are therefore taken into account in the ECL.

The impairment model currently in place analyses all positions on a case-by-case basis.

2.2.11. Assets received in exchange for loans

Assets received in exchange for loans, which may consist of property, equipment and other assets received as consideration, are stated as “non-current assets held for sale” and are initially measured at the lower of their fair value less costs to sell and the carrying amount of the loan receivable.

2.2.12. Non-current assets held for sale (IFRS 5)

Non-current assets are classified as 'held for sale' when it is determined that their carrying amount will be recovered through a sale rather than continued use, and when sale is expected within 12 months.

Assets recorded in this category are valued at the lower of the amount determined in accordance with applicable International Financial Reporting Standards (IFRS) and the fair value determined based on external expert appraisers, less cost to sell, and are not subject to depreciation.

2.2.13. Other property, plant and equipment and leases (IAS 16 and IFRS 16))

Other property, plant and equipment are stated at cost less depreciation and impairment losses and are depreciated on a straight-line basis over their expected useful life. This period is within the limits allowed by the Portuguese tax law as follows:

EQUIPAMENTO	
Anos	
Equipamento de transporte	4 – 8
Mobiliário e material	8 – 16
Equipamento informático	3 – 8
Outras imobilizações corpóreas	5 – 50

(*)Land is not amortised

Cost includes expenses directly attributable to the acquisition of the asset. Maintenance and repair costs are stated under "General administrative expenses" and recognised as incurred during the year.

In accordance with IAS 16, these assets are tested for impairment whenever there is an indication that their carrying amount exceeds their recoverable amount. The difference, if any, is recognised in profit or loss. The recoverable amount is the higher of the two values: the asset's market value less costs to sell, and its value in use. Impairment losses on property, plant and equipment are recognised in profit or loss.

Land and buildings were carried at cost until 31 December 2020, on which date they were revalued by professionally qualified and independent appraisers. Therefore, a revalued amount has been recorded for these classes of assets, which represents the fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

Increases in the carrying amount arising from revaluations are credited to property, plant and equipment revaluation reserves in equity.

When revalued assets are sold, the amount recognised in the revaluation reserve is transferred to retained earnings. In addition, the amount of the annual realisation of the surplus associated with depreciable assets is also transferred to retained earnings.

The Bank adopted IFRS 16 – 'Leases' as of 1 January 2019 to replace IAS 17 – 'Leases', which was applicable until 31 December 2018. As the adoption did not have a material impact on the financial statements, the Bank decided not to apply the standard retrospectively.

As a lessee, the Bank recognises a right-of-use asset as its rights to use the underlying leased asset, and a lease liability as its obligations to make lease payments.

The Bank recognises a right-of-use asset and a lease liability at the inception of the lease. The assets are initially recognised at cost and subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses, adjusted for any remuneration on the lease liability.

Right-of-use assets are recognised in "Right-of-use property, plant and equipment".

Lease liabilities are initially recognised at the present value of lease payments over the lease term, discounted at the implicit lease rate or, if such rate cannot be easily determined, at the Bank's borrowing rate.

Lease liabilities are subsequently increased by the interest cost of the lease liability and decreased by the lease payments made. Lease liabilities are included in "Other liabilities".

The Bank has not entered into any transactions where it is classified as a lessor.

2.2.14. Intangible assets (IAS 38)

The Bank recognises under this heading the costs associated with the development of projects implemented and to be implemented and the cost of software, in both cases where the expected impact extends beyond the period in which they are incurred.

Costs directly associated with the development of IT applications that are expected to generate future economic benefits beyond one financial year are recognised and recognised as intangible assets.

All other expenses associated with IT services are recognised as an expense in the period in which they are incurred.

Intangible assets are carried at acquisition cost less accumulated impairment losses and depreciations amortised on a straight-line basis and by twelfths over their estimated useful lives, which is generally three years.

2.2.15. Investments in associated companies (IAS 28)

Investments in associated companies (companies in which the Bank has a significant influence by participating in the financial and operational decisions of the company – usually investments representing between 20% and 50% of the share capital) are accounted for using the equity method.

Under this method, investments in associated companies are initially recognised at cost, plus or minus an amount equal to the companies' equity capital at the date of acquisition or when the equity method is first applied. The financial investments are then adjusted each year by the amount of the share of the associated companies through

profit or loss. In addition, dividends received from these companies are recognised as a reduction in the value of the investment and the share of changes in equity is recognised as a change in equity of the Group.

The difference between the cost of the investment and the associate's share of the fair value of the identifiable assets or liabilities, if positive, is recognised as goodwill and included in the carrying amount of the investment. If the difference is negative, it is recorded as profit in the period after the fair value is reconfirmed.

If there is any indication that an asset may be impaired, investments in associates are evaluated and any impairment loss, if any, is recognised as a cost and reversed when no longer justified.

2.2.16. Other financial liabilities – Deposits from other credit institutions, client deposits, other loans and Other (IFRS9)

Other financial liabilities, which mainly include deposits from clients and from central banks, are carried at amortised cost.

Financial liabilities held for trading, in particular those resulting from short selling, and their adjustments are recognised in profit or loss.

Under the fair value option, financial liabilities included in liabilities represented by securities and subordinated liabilities are designated as financial liabilities at fair value through profit or loss if they qualify for this category, in particular because they contain one or more embedded derivatives. These liabilities are initially recognised at fair value, with subsequent changes in fair value recognised in profit or loss.

2.2.17. Provisions and contingent liabilities (IAS 37)

A provision is recognised when:

- I. the Bank has a present obligation (legal or constructive) as a result of a past event;
- II. it is probable that the settlement thereof will be required in the future, and

- III. the amount of the obligation can be reliably estimated.

Where the effect of discounting is material, the provision is the present value of the expected future payments discounted at a rate that reflects the risk associated with the obligation. If it is not probable that an outflow of resources will be required in the future, it is a contingent liability. Contingent liabilities are disclosed unless the possibility of their being realised is remote. A provision for onerous contracts is recognised when the benefits expected to be received under a formal contract are less than the costs that the Bank will inevitably incur in order to meet its obligations under the contract. The provision is measured at the present value of the lower of the cost to terminate the contract and the estimated net cost of continuing the contract.

2.2.18. Tax on profit (IAS 12)

Banco Carregosa and its subsidiaries incorporated in Portugal are subject to the tax scheme established by the Corporate Tax Code and the Tax Benefits Charter (EBF – Estatuto dos Benefícios Fiscais).

Income tax is the sum of current tax and deferred tax. Both are recognised in profit or loss, except when they relate to items recognised directly in equity. In such cases, the deferred tax is also recognised in equity.

The current tax payable is based on the taxable profit for the period, determined in accordance with the tax criteria in force at the balance sheet date. Taxable profit differs from accounting profit in that it excludes various charges and income that will only be deductible or taxable in other accounting periods. Taxable profit excludes expenses and income that will never be deductible or taxable.

Under the Global Minimum Tax Regime (RIMG), which is set out in the Annex to Law No. 41/2024 of 8 November and will take effect for financial years beginning on or after 1 January 2024, a company may be liable for a supplementary tax if its group calculates an effective tax rate in Portugal that is lower than the minimum rate of 15% set out in the regime.

As the consolidated annual income of the Banco Carregosa Group does not exceed the €750M threshold set for applying the RIMG, the Group does not anticipate any financial impact arising from the application of this regime.

Deferred tax refers to the temporary differences between the tax bases of assets and liabilities and their carrying

amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences. However, deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which those deferred tax assets can be utilised, or when there are deferred tax liabilities that are expected to arise in the same period as the deferred tax assets can be utilised. These deferred tax assets are reviewed at each reporting date and adjusted based on expectations of future utilisation.

2.2.19. Gains from financial transactions

Financial results include gains and losses on financial assets and liabilities at fair value through profit or loss, i.e. changes in fair value and interest on trading derivatives and embedded derivatives, as well as the dividends received on these portfolios. It also includes gains or losses on sales of debt instruments of financial assets at fair value through other comprehensive income and other financial assets at amortised cost. Changes in the fair value of derivatives designated as hedging instruments and hedged items in fair value hedges are also included here, where applicable, are also included here.

2.2.20. Recognition of revenue and costs

Revenue and costs are recognised over the period of the transactions and on an accrual basis, i.e. when they are incurred. Revenue is recognised to the extent that it is likely that the economic benefits will flow to the company and the amount of the revenue can be measured. Accrued but uncollected interest is reversed in the balance sheet after three months and is only recognised as revenue when they are actually received.

2.2.21. Recognition of income from services and commissions (IFRS 15)

IFRS 15 redefines the principles for recognising revenue and applies to all contracts with clients that are not covered by other standards (e.g. taxes on instruments that would be covered by IFRS 9 and lease income).

IFRS 15 establishes a five-step model framework for

recognising revenue from contracts with clients, which represents the consideration to which the entity is entitled in exchange for the services provided to the client.

The Bank applies IFRS 15 to service and commission income which is recognised in accordance with the following criteria:

- I. when received at the time the services are rendered, they are recognised in profit or loss in the period to which they relate;
- II. when they arise from the rendering of services, they are recognised when the said service is rendered; and
- III. if fully included in the effective interest rate, they are recognised in the financial margin.

Many of the Bank's revenue streams (e.g. interest income, gains and losses on financial instruments) are outside the scope of IFRS 15 and therefore the accounting for these streams has not changed with the adoption of IFRS 15.

2.2.22. Recognition of interest

Interest on financial instruments carried at amortised cost and on financial assets at fair value through other comprehensive income is recognised in interest and similar income and interest and similar expenses, respectively. Interest on financial assets and liabilities at fair value through profit or loss is also included in interest and similar income and interest and similar expenses, respectively. The effective interest rate is the rate that exactly discounts estimated future cash payments or estimated future receipts over the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The effective interest rate is determined when the financial asset or liability is initially recognised and is not subsequently revised.

2.2.23. Commissions for services rendered

Banco Carregosa charges its clients commissions for a wide range of services rendered. Commissions are recognised immediately as revenue as they relate to specific or one-off services and are not associated with services provided over time.

2.2.24. Guarantees provided and irrevocable commitments

Liabilities for guarantees issued and irrevocable commitments issued are recognised in off-balance sheet items at their risk value, with interest, commission or other income flows recognised in profit or loss over the life of the transactions.

2.2.25. Employee benefits (IAS 19)

Employee benefits are recognised in accordance with IAS 19 – ‘Employee Benefits’ and include retirement pensions, health costs, other costs, and long-term and short-term benefits.

2.2.26. Retirement and survivor pensions

Banco Carregosa has decided, voluntarily and at its own discretion, to define the guaranteed benefits exclusively for its employees who are not covered by the National Pension Scheme, by referring to the ACTV – Collective Labour Agreement for the Banking Sector signed by the Central, Northern, and Southern and the Islands Banking Union, published in the Official Journal of Labour and Employment (BTE) no. 3, of 22 January 2009, which stipulates that the pension plan financed by these subscriptions guarantees the participants and beneficiaries a retirement pension or survivor’s pension in the event of presumed invalidity or death, in accordance with the terms and conditions defined therein. This Plan complies with the ACTV and is subject to the requirements of Banco de Portugal, in particular its Notice 12/2001 and any updates thereto.

In order to finance these obligations, Banco Carregosa joined the Pension Fund Horizonte – Valorização da Pensões in 2004. In 2010, in response to the evolution of its obligations and in line with a policy of rigour and good coverage of the liabilities undertaken, the Bank decided to transfer the pension fund to another management company, “REAL VIDA PENSÕES – Sociedade Gestora de Fundos de Pensões SA”, subscribing to three funds: the Aberto Optimize Capital Pensões Shares Pension Fund (30 %), the Aberto Optimize Capital Equilibrado Pension Fund (30 %), and the Aberto Optimize Capital Moderado Pension Fund (40%). Disability and survivors’ benefits are covered by a life insurance policy.

Liabilities for past services rendered by eligible employees are determined each year on the basis of the date on which the employee joined Banco Carregosa and not on the date on which the employee joined the banking sector. Consequently, the share of the liability for the period between the date of entry into the banking sector and the date of joining the company is charged to past employers, unless they have transferred the amount of their share of the liability.

The liability recognised is the difference between the present value of the defined benefit obligation and the fair value of plan assets, taking into account adjustments for deferred actuarial gains and losses. The value of the liabilities is determined annually by independent actuaries using the projected unit credit method and actuarial assumptions deemed appropriate. The liabilities are valued using a discount rate that reflects the market rate for medium- and long-term euro-denominated bonds issued by companies that are considered to be low risk.

In addition to pensions, the Bank has also assumed, as part of the fund’s liabilities and for this group of employees, a death grant in the event of death.

In addition to the Defined Benefit Pension Plan, which covers a specific group of employees, Banco Carregosa maintains a Defined Contribution Pension Plan. This plan covers all active employees with permanent contracts and is based on a rights acquisition mechanism linked to length of service at the Bank.

2.2.27. Variable remuneration paid to employees (IAS 19)

In accordance with IAS 19 – ‘Employee Benefits’, variable remuneration (profit-sharing, bonuses and other) paid to employees and, where applicable, to executive Board members) is recognised in profit or loss in the period to which it relates.

2.2.28. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders of Banco L. J. Carregosa, S.A. by the weighted average number of ordinary shares outstanding..

2.2.29. Subsequent events

The Bank analyses events after the balance sheet date, i.e. favourable and/or unfavourable events that occur between the balance sheet date and the date on which the financial statements are authorised for presentation. There are two types of events:

- I. those that indicate that conditions existed at the balance sheet date, or of adjusting events that occurred after the balance sheet date; and
- II. those that indicate that conditions arose after the balance sheet date (i.e. non-adjusting events that occurred after the balance sheet date).

Events occurring after the balance sheet date that cannot be adjusted, if material, are disclosed in the notes to the financial statements.

2.3. Critical Accounting Estimates and Judgements used in the Preparation of Financial Statements

The IFRS provide a range of accounting policies within which the Board of Directors must make the necessary judgements and estimates to determine the most appropriate accounting treatment.

Given that in many cases there are alternatives to the accounting treatment adopted by the Board of Directors, the results reported by the Bank could have been different if a different treatment had been applied. In the opinion of the Board of Directors, the judgements made are appropriate and the financial statements present fairly, in all material respects, the financial position of the Bank and the results of its operations.

2.3.1. Impairment on financial loans

The Bank recognises impairment losses relating to debt instruments measured at amortised cost or fair value through other comprehensive income. This also applies to other exposures subject to credit risk, including financial guarantees granted and commitments undertaken.

The requirements of IFRS 9 – 'Financial Instruments' aim to ensure the timely recognition of expected credit losses associated with the bank's exposures. These losses are determined based on an individual and/or collective assessment, taking into account all reasonable, reliable and supported information available on the reporting date, including historical information, current conditions and forward-looking information.

The measurement of expected credit losses takes into account various assumptions, estimates and judgements. These relate particularly to the evolution of credit risk, the probability of default, the loss given default, the exposure at default and the respective weightings of the macroeconomic scenarios.

Impairment losses on debt instruments measured at amortised cost during the period are recognised as an expense or reversal under the heading 'Impairment of financial assets at amortised cost' in the income statement. A corresponding entry for these impairments is made in the balance sheet under 'Accumulated impairment', which reduces the carrying amount of the asset.

Impairment losses on debt instruments measured at fair value through other comprehensive income are recognised under the heading 'Impairment of financial assets at fair value' in other comprehensive income, with a corresponding entry in equity under the relevant heading.

Impairment losses on exposures carrying credit risk that are not debt instruments are recognised as a provision under the heading 'Provisions' on the liabilities side of the balance sheet. Additions and reversals are recognised under the heading 'Provisions net of reversals and write-offs' in the income statement.

2.3.2. Impairment on loans to clients

The Bank regularly reviews its loan portfolios to determine potential expected losses.

The review of the loan portfolio to determine whether an impairment loss should be recognised is subject to various estimates and judgements, including on the existence of impairment indicators, the probability of default, credit ratings, estimated recoveries and the valuation of existing collateral. See note 3.4 for a detailed description of the process used to calculate credit impairment loss.

2.3.3. Tax on income

The determination of the total amount of income taxes requires certain judgements and estimates. There are various transactions and calculations for which the determination of the final amount of tax payable during the normal business cycle is uncertain.

Differences in interpretation and estimates could result in a different amount of current and deferred income tax being recognised in the period.

In addition, deferred taxes are recognised in accordance with the specific policy and only to the extent that it is probable that future taxable profit will be available against which the deductible temporary tax differences and the deductible tax loss can be utilised.

The Bank has assessed whether deferred tax assets can be recovered (including the rate of recovery) based on projections of its future taxable profits as set out in a business plan.

The tax authorities are responsible for reviewing the

calculation of the tax base for a period of four or six years where tax losses are reported. It is therefore possible that corrections may be made to the tax base, mainly as a result of differing interpretations of tax legislation. However, the Board of Directors does not believe that there will be any material corrections to the income taxes recognised in the financial statements.

2.3.4. Pensions and other employee benefitss

The determination of pension obligations requires the use of assumptions and estimates, including the use of actuarial projections, the liability discount rate and other factors that may affect the costs and liabilities of the plan.

Any change in any of these assumptions could have a material impact on these amounts.

2.3.5. Non-current assets held for sale

Non-current assets are classified as 'held for sale' when it is determined that their carrying amount will be recovered through a sale rather than continued use, and when sale is expected within 12 months.

Assets recorded in this category are valued at the lower of the amount determined in accordance with applicable International Financial Reporting Standards (IFRS) and the fair value determined based on external expert appraisers, less cost to sell, and are not subject to depreciation.

2.3.6. Tier 3 financial assets in the fair value hierarchy

Financial instruments are measured using inputs that are not observable in the market for the instrument. For fair value measurements using Tier 3 inputs, valuation techniques are used based on inputs that are not observable in the market and that do not qualify for Tier 1 or Tier 2 inputs.



3. Risk Management

3.1. Risk Management Function

The risk management function is responsible for the identification, valuation, measurement, monitoring and control of all material risks to which the Group is exposed, in order to bring the level of exposure into line with the limits set out in the Risk Appetite Statement (RAS).

The aim is for the Bank to operate within its limits without incurring in losses that materially affect its financial position. The risk management policy therefore aims to strike a balance between:

- I. adequate level of capital (the principle of solvency);
- II. remuneration for the risks taken (the principle of profitability);
- III. maintaining a financially stable structure.

It should be noted that, in 2025, the Bank's risk management framework was strengthened and consolidated. This took the form of various measures, such as adapting to the new prudential framework resulting from the entry into force of Regulation (EU) 2024/1623 (CRR3), implementing initiatives relating to environmental, social and governance (ESG) risks, and strengthening the framework of indicators relating to institutional brokerage activities.

Additionally, the increased focus on risks associated with information and communication technologies (ICT) is worth highlighting. This has taken the form of implementing a Governance, Risk and Compliance (GRC) tool, which enables continuous and systematic monitoring and integrated management of ICT risks in accordance with the applicable regulatory framework, particularly the DORA regulation.

Finally, the update to the risk identification and assessment process and the FGR's regulations is worth highlighting, as it ensures regulatory compliance and consistency with the Bank's risk profile.

3.2. Organic Structure of Risk Management

Notwithstanding the extensive management authority delegated by the Board of Directors to the Executive

Committee, including risk monitoring and management and capital allocation, the Board of Directors closely monitors the Bank's risks. It is responsible for analysing and approving, on an annual basis, the strategy to be followed and the policies to be adopted by the Bank in relation to the risks associated with its business, as generally provided for in Banco de Portugal's notices and regulations, in particular in relation to operational, reputational, legal, compliance and credit risks, and for defining the procedures to be implemented to assess, monitor and mitigate such risks. In this regard, the Board of Directors is responsible for approving the key regulatory documents relating to risk measurement and mitigation matters, in particular the Internal Capital Adequacy Assessment Process (ICAAP for short) and the Recovery Plan.

Given the importance of risk, the Executive Committee's first priority is to instil a culture of risk awareness in all departments and employees. Nevertheless, the Bank maintains a structure with specific risk management functions.

This financial risk control and monitoring function is supported by the Asset and Liability Committee (ALCO). This committee meets at least once a month and is composed of the Executive Committee, the heads of Private Banking, Finance, Risk, Sourcing and Management, as well as the heads of Credit and Portfolio Management. At these meetings, recommendations are made on the collection and use of funds, taking into account the risk/return balance.

The Compliance, Risk and Internal Audit functions, which together form the Internal Control Group, are responsible for the day-to-day monitoring of risks and for providing and collating information for the Executive Committee and other relevant bodies.

The Supervisory Committee performs functions complementary to those of Internal Control, but with a more general scope, in that they act as the Bank's Risk Committee.

The Credit Committee comprises the Chair of the Executive Committee, the Directors responsible for Commercial Areas and the Credit Department (CrD), the Director of the Risk Department (RD), the Coordinating Director of Commercial Areas, the Credit Director, the Compliance Director, the Risk Director, and the Legal Director. This committee decides on the credit operations, in a manner similar to the approval process for new operations.

As part of the Bank's Recovery Plan, the Recovery and Business Continuity Team is responsible for managing significant risk situations, whether potential or actual. The team meets at least quarterly, or whenever necessary, and is coordinated by the Executive Committee Chair. It comprises members of the Executive Committee, the Coordinating Director of Commercial Areas, the Head of Information Security, and the Finance, Risk, Compliance, Technology and Information, People and Culture, and Marketing Department directors.

Also note the responsibility of the Accounting and Management Information Department in providing vital information for internal governance.

3.3. Material Risks

The Risk Identification and Assessment (RIA) exercise carried out in 2025 identified the following categories of material risk: business model risk, credit spread risk in the banking book, operational risk, internal governance risk, credit risk, interest rate risk in the banking book, and compliance risk.

The Bank's Risk Catalogue includes the following risks:

3.4. Credit Risk

Credit risk refers to the likelihood of an adverse effect on the Bank's earnings or capital due to the inability of a counterpart to honour its financial obligations to the Bank, including limitations on the transfer of funds from abroad. Credit risk arises mainly from credit exposures, credit lines, guarantees, derivatives and the Bank's deposits with other credit institutions. Various methods are used to mitigate this risk, in particular the requirement to provide solid and net guarantees, the use of contractual netting arrangements and the identification and recognition of impairments. The identification of impairments results in a reduction in the value of a particular asset, thereby anticipating a potential or actual loss. The recognition of impairments can be seen as a way of taking into account the credit risk of the operation in question, promoting the adequacy of capital to meet credit risk requirements and the actual funding requirement.

Since the adoption of IFRS 9, the concept of impairment losses has shifted from incurred credit losses (underlying IAS 39) to expected credit losses.

The Bank analyses the sensitivity of expected credit losses to key assumptions, in order to assess the potential impact of plausible changes to risk parameters and macroeconomic scenarios. Where applicable, these include changes in the probabilities of default (PD) and loss given default (LGD), as well as changes in the macroeconomic scenarios.

The analysis also considers the potential impact on the staging of financial instruments, particularly transfers between Stage 1, Stage 2, and Stage 3. The variations presented reflect the most significant impact on each class of financial instrument, taking into account its respective credit risk profile, maturity, collateralisation, and exposure to macroeconomic factors.

The Bank bases its impairment projections on the macroeconomic scenarios published by the European Central Bank and Banco de Portugal within the Funding and Capital Plan (F&CP) framework, as a key element in determining expected credit losses, particularly with regard to their forward-looking component.

In essence, the F&CP is based on a scenario linking the projected evolution of key macroeconomic variables such as real GDP growth, inflation, short- and long-term interest rates, oil prices, and the exchange rate against the USD. These are then used to project time series of probabilities of default (PD), taking into account their respective effects and interactions.

From a methodological perspective, this fact, coupled with the adoption of the distance-to-default approach (also recommended by the regulator), ensures a process with very high levels of consistency and natural alignment with the supervisor's expectations regarding sensitivity to the main macroeconomic factors. This approach appropriately converts the evolution of this vector, adapting it to different initial PD levels.

Furthermore, this methodological alignment, embodied in the scenario itself, is reinforced by the need to justify any alternative scenarios used by institutions.

In the absence of a statistically relevant history of defaults, the Loss Given Default (LGD) is defined on the basis of an analysis of the recent economic situation and its expected evolution in the near future. It assumes discrete values between 40% and 60%, except in the case of non-performing exposures, where it may rise to 100%, depending on their age.

In terms of continuity, explaining the changes to impairment charges in the material at each monthly close, including additions and reversals, highlights how sensitive ECLs are to their main underlying parameters, such as staging.

Furthermore, the impacts of updates to PD and LGD are systematically highlighted in the regular reviews of the Impairment Manual.

The greater sensitivity of expected credit losses in the case of own-portfolio exposures compared to credit portfolio exposures is well known and always emphasised, given the latter's high degree of collateralisation.

Finally, the impact of staging, particularly the transition to and from stages 2 and 3, is evident in the transition matrices, which are also key determinants of the projected estimates for the F&CP horizon, both retrospectively and prospectively.

Maximum exposure

Banco Carregosa's maximum exposure to credit risk is as follows:

Client creditworthiness

The disclosures required by Banco de Portugal Circular Letter CC/2018/00000062, of November, are presented below:

Figure 33

Disclosure required by Banco de Portugal Circular Letter CC/2018/00000062 (Consolidated)

FINANCIAL ASSETS	31/12/2025	31/12/2024
Cash and cash balances in central banks and other demand deposits	279 155 999	245 965 782
Financial assets at fair value through profit or loss:		
Financial assets held for trading	5 112 394	4 740 128
Non-trading financial assets mandatorily at fair value through profit or loss	13 287 887	13 431 884
Other financial assets at fair value through profit or loss		829
Financial assets at fair value through other comprehensive income	40 949 846	38 906 830
Financial assets at amortised cost	211 274 028	207 439 812
	549 780 154	510 485 265
OTHER COMMITMENTS	31/12/2025	31/12/2024
Personal/institutional guarantees		
Guarantees and sureties	2 251 028	1 076 028
Other personal guarantees given and other contingent liabilities	27 938	27 938
Real guarantees (assets pledged as security)	24 706 383	33 845 226
Irrevocable commitments	2 584 736	1 989 046
Revocable commitments	17 293 684	17 826 922
	46 863 769	54 765 161
MAXIMUM EXPOSURE	596 643 923	565 250 427

Figure 34

Disclosure required by Banco de Portugal Circular Letter CC/2018/00000062 (Separate)

FINANCIAL ASSETS	31/12/2025	31/12/2024
Cash and cash balances in central banks and other demand deposits	279 155 999	245 930 050
Financial assets at fair value through profit or loss:		
Financial assets held for trading	5 112 394	4 740 128
Non-trading financial assets mandatorily at fair value through profit or loss	13 287 887	13 431 884
Other financial assets at fair value through profit or loss	40 949 846	38 906 830
Financial assets at fair value through other comprehensive income	211 274 028	207 439 812
Financial assets at amortised cost	549 780 154	510 448 704
OTHER COMMITMENTS	31/12/2025	31/12/2024
Personal/institutional guarantees		
Guarantees and sureties	2 251 028	1 103 967
Other personal guarantees given and other contingent liabilities	27 938	27 938
Real guarantees (assets pledged as security)	24 706 383	33 845 226
Irrevocable commitments	2 584 736	1 989 046
Revocable commitments	17 293 684	17 286 633
	46 863 769	54 252 811
MAXIMUM EXPOSURE	596 643 923	564 701 515

3.4.1. Credit risk management policy

The Bank lends exclusively to companies and investors in accordance with the following standard terms and conditions, which it adapts to the needs of each client and each transaction:

- I. loans;
- II. escrow accounts (CCC);
- III. margin accounts;
- IV. management model loans;
- V. authorised overdrafts;
- VI. technical overdrafts arising exclusively from value date differences between debit and credit transactions on the client's account;
- VII. bank guarantees, as an off-balance sheet form of potential credit; and
- VIII. other types of credit, exceptionally and on a case-by-case basis, subject to a specific and appropriate cost-benefit analysis.

Various methods are used to mitigate this risk, in particular the requirement to provide solid and net guarantees,

the use of contractual netting arrangements, and the calculation and recognition of impairments.

3.4.2. Granting of loans

The lending process is the first stage in the analysis of the client's risk profile and of the proposed transaction.

The approval of credit transactions is preceded by the opinions from the Credit, Risk, Compliance and, where appropriate, Legal Departments, which as part of the framework of the credit risk analysis ensure:

- I. an assessment of the client's ability to repay, based on a review of the client's activities, financial position (historical, current and prospective) and banking relationship;
- II. a thorough knowledge of the client (and, where appropriate, the relevant economic group), including, where applicable, experience of previous credit relationships;
- III. the consistent application of methodologies, criteria and practices in risk assessment, such as risk rating or scoring models;

- IV. that the risk assessment is independent, impartial, rigorous and in accordance with the ethical and professional criteria applicable to the Bank; and
- V. that it is in accordance with the policies and procedures established and complies with the regulatory requirements to which the Bank is subject.

3.4.3. Nature of principles, estimates and assumptions used in measuring impairment

IFRS 9 introduces a new concept of impairment called Expected Credit Loss (ECL), which focuses on the assumption of expected loss.

The scope of this new model applies to debt instruments carried at amortised cost or at fair value through comprehensive income, to most loan commitments, to financial guarantee contracts and contractual assets under IFRS 15.

The measurement of expected credit losses (ECL) now reflects:

- I. an objective amount calculated by evaluating a number of possible outcomes weighted by their probability of occurrence;
- II. the time value of money; and
- III. reasonable and supportable information that is readily available at the reporting date without undue cost or effort about past events, current conditions and projections of future economic conditions.

The measurement of ECL reflects the probability of default by the borrower, taking into account its temporary effect and the probability of default (referred to as Loss Given Default - LGD). In addition, this calculation must be based on reasonable and supportable information that is available without undue cost or effort.

It should be noted that the change in International Financial Reporting Standards with the introduction of IFRS 9 implies the measurement of expected losses, as mentioned above in relation to the determination of impairments.

Macroeconomic models are incorporated into the estimation of expected losses by weighting prospective scenarios in relation to key indicators.

It should be noted that the approach used to calculate the

ECL is at an individual level, as each position is analysed separately. This situation arises because the Bank does not have statistically relevant historical data that would allow the portfolio to be segregated into homogeneous risk classes in order to implement and develop a collective analysis.

The segregation of the loan portfolio and impairment by tiers is shown below, in accordance with the IFRS 9 classification. It should be noted that the Bank has a level of impairment coverage of around 1.7%, higher in Tier 3 (12.8%). This situation naturally affected the Bank's solvency ratio, but without any significant impact.

Figure 35
Loan portfolio segregation and Impairment by stages (Consolidated)

Stages	Loans	Impairment	Hedge
Stage 1	51 507 207	48 824	0.09%
Stage 2	3 747 218	6 098	0.16%
Stage 3	3 272 158	313 827	9.59%

Amounts exclude Other Debtors

3.4.4. Identification of low credit risk exposures

In accordance with BdP Circular 2018/00000062, in those cases (which are expected to be limited in number) where it is determined that the financial instrument has a low credit risk at the reporting date, the credit risk of a financial instrument is deemed not to have increased significantly since initial recognition. For this purpose, a financial instrument is considered to have low credit risk if its rating is equivalent to investment grade (i.e. NR5 or better in the Bank's internal rating). In addition, the credit risk development of these financial instruments must be monitored on an ongoing basis if they are classified as having low credit risk in order to determine whether there has been a significant increase in risk and to ensure that the same low credit risk assumptions are maintained in each reporting period.

Taking into account the requirements set out in IFRS 9 for the application of the low credit risk assumption, it is reasonable to assume that this assumption can be made for contractual exposures to the following counterparties, notwithstanding the provisions in the preceding paragraph:

- I. central administrations or central banks of Member States and other EEA countries;
- II. multilateral development banks;
- III. international organisations.

The calculation of zero expected credit losses for these exposures must be properly justified by applying the principle of materiality.

3.4.5. Evidence of impairment by unlikely to pay credit segments

Os indícios de imparidade estão relacionados com a reduzida probabilidade de pagamento:

Evidence of impairment is related to the reduced likelihood of payment:

- I. losses recognised in the profit and loss account on instruments measured at fair value that represent impairments arising from credit risk under the applicable accounting framework;
- II. losses arising from current or past events affecting

a particular significant exposure or exposures that, although not individually significant, are subject to individual or collective assessment. In accordance with Article 178 (3) of the CRR, factors indicating the reduced probability of payment include the following situations:

- a. the institution classifies the loan obligation as non-performing;
- b. the institution recognises a specific loan loss allowance based on the perception of a significant deterioration in credit quality from the time the institution assumed the risk position;
- c. the institution sells the credit obligation, thereby incurring a significant economic loss;
- d. the institution allows for urgent restructuring of the credit obligation where this would result in a lower financial obligation through significant forgiveness or deferral of principal, interest or, where applicable, fees. For equity exposures measured under the PD/LGD approach, this includes urgent restructuring of the equity exposure itself;
- e. the institution filed a petition for the debtor's bankruptcy or a similar order in respect of the debtor's credit obligations to the institution, its parent undertaking or any of its subsidiaries;
- f. the debtor applied for, or obtained, bankruptcy, liquidation, or similar relief in order to avoid or delay repayment of its credit obligation to the institution, the parent company or any of its subsidiaries.

In turn, the EBA provides additional indications of a debtor's reduced likelihood of payment, in addition to those listed in Article 178(3) of Regulation (EU) No 575/2013, such as:

- I. the borrower's regular sources of income are no longer available to pay the instalments;
- II. there are reasonable concerns about a borrower's future ability to generate stable and sufficient cash flows;
- III. the borrower's overall level of indebtedness has increased significantly or there is a reasonable expectation that such a change in indebtedness will occur;
- IV. the borrower has breached an obligation under a loan agreement;

- V. the institution has called on a guarantee;
- VI. in the case of exposures to a natural person, the default of a wholly-owned company where a single person has provided the institution with a personal guarantee for all of the company's obligations;
- VII. in the case of retail exposures, where the definition of default is applied at the level of an individual facility, the fact that a significant portion of the debtor's total obligation is in default;
- VIII. reporting an exposure as non-performing in accordance with Annex V of Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014, as amended by Commission Implementing Regulation (EU) No 2015/227, unless the competent authorities have replaced 90 days past due by 180 days past due, in accordance with Article 178(1)(b) of Regulation (EU) No 575/2013.

Under the last sub-paragraph, relating to non-performing loan status, institutions should consider that there is a reduced likelihood of payment from a debtor when interest on loan obligations is no longer recognised in the institution's consolidated statement of profit and loss due to deterioration in the credit quality of the obligation.

In addition, the following should be treated as an indication of a significant increase in credit risk:

- I. losses recognised in the profit and loss account in respect of instruments measured at fair value, arising from credit risk, as defined by the applicable accounting framework; and
- II. losses resulting from current or past events affecting a specific significant exposure or exposures, which, while not significant individually, are subject to an individual or collective assessment.

Finally, in accordance with the EBA/GL/2016/07 guidelines, identifying credit fraud is also considered an additional indication of a low probability of payment, provided it is identified before significant payment delays occur. If the fraud is identified after such delays have occurred, the exposure is considered to be in default, in accordance with the previous section.

3.4.6. Significant increase in credit risk

The transition from the first to the second stage under IFRS 9 is triggered by a significant increase in credit risk since

initial recognition. For this purpose, all reasonable and supportable information that is available without undue cost or effort that could identify the existence of a significant increase in credit risk shall be considered, in particular in the case of any of the following:

- I. a change in the credit spread resulting from a change in credit risk;
- II. other changes in the rates or terms of a financial instrument due to a change in credit risk;
- III. changes in external market indicators (credit spreads, credit default swap prices, the fair value of an asset being lower than its amortised cost, and other market information);
- IV. a significant actual or expected change in the external credit rating of the financial instrument;
- V. actual or expected deterioration in the borrower's internal credit rating;
- VI. actual or expected adverse changes in the borrower's ability to meet their debt obligations;
- VII. significant actual or anticipated changes to the borrower's operating results;
- VIII. significant increases in the credit risk of other financial instruments issued by the same borrower;
- IX. a significant adverse change, whether actual or expected, in the borrower's regulatory, economic or technological environment that results in a significant change to their ability to repay their debts;
- X. substantial changes in the value of the collateral securing the obligation;
- XI. a significant change in the quality of collateral provided by a shareholder;
- XII. significant changes, such as reductions in financial support from a parent company or another subsidiary;
- XIII. changes provided for in the loan documentation, including anticipated breaches of contract that could lead to amendments or waivers of certain clauses;
- XIV. significant changes in the expected performance and behaviour of borrowers within the group, including changes in their payment status;
- XV. changes to the entity's approach to credit management in relation to the financial instrument; and

XVI. information regarding past-due payments, including the rebuttable presumption of expected credit losses, is provided. It is presumed that the credit risk associated with a financial asset has increased significantly since initial recognition if contractual payments are more than 30 days overdue.

Without prejudice to the use of additional indicators, the following indicators are presumed to reflect situations in which the credit risk of a financial instrument is significantly increased, unless there is objective evidence to the contrary:

- I. loan restructured due to the borrower's financial difficulties;
- II. loans where the borrower meets at least two of the following criteria after the initial recognition of the transaction:
 - a. at least one record of default in the Central Credit Register;
 - b. the borrower's name appears on lists of cheque users who are a risk or whose cheques have been dishonoured/uncollected;
 - c. debts to the tax authorities, social security or employees, in a situation of default; and
 - d. other indications that trigger internal alert levels.

Deferred exposures may be considered to be unimpaired as a result of agreements between the debtor and its creditors to ensure the debt's sustainability and the debtor's viability if the agreements are based on an operational and financial viability plan of the entity that includes at least the following:

- I. feasibility assessment carried out by the institution, taking into account an operational and financial feasibility plan for the company drawn up by a qualified, independent external body with proven experience in this field;
- II. demonstration of the company's debt sustainability, taking into account the amounts that, according to the plan, are recoverable under the new conditions agreed, assuming a sufficiently conservative margin to absorb any deviations from the estimates made;
- III. analysis of the quality of the company's management and, where necessary, the measures taken to mitigate the problems identified;
- IV. analysis of possible unsustainable businesses and, where appropriate, plans for restructuring the business to retain only viable businesses; and

V. determining that there is no other factor reasonably likely to weaken the conclusion that the restructured company is able to meet its obligations under the previously identified conditions and the newly agreed conditions.

In the case of the above debt restructuring agreements, a probationary period of 24 months from the date of formalisation of the agreement is taken into account for financial instruments that no longer meet the criteria for a significant increase in credit risk.

During this probationary period, the debt sustainability resulting from the new agreement must be demonstrated through an analysis to verify the objective criteria that demonstrate a return to a credit risk profile close to that of the financial instrument at initial recognition.

An entity may assume that the credit risk of a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have a low credit risk at the reporting date, and the transaction is therefore classified in the first tier.

3.4.7. Objective evidence of impairment

The existence of objective evidence of impairment determines the classification of the operation in Tier 3.

Under IFRS 9, in Tier 3, in addition to considering the full life of the exposure, the entity must consider that interest income may be based on the net amount using an adjusted effective interest rate, with an allowance for losses recognised over the full life of the instrument.

Without prejudice to the possibility for companies to use other indicators, BdP Circular Letter CC/2018/00000062 states that the following indicators represent an impairment of a financial instrument, unless there is objective evidence to the contrary:

- I. loans more than 90 days past due for principal, interest, commissions or other charges;
- II. reduced likelihood that the borrower will meet its credit obligations in full, with recovery dependent on the activation of any guarantees received, i.e. unlikely to repay the loan. For example:
 - a. the institution has called on guarantees and collateral;

b. the institution has initiated legal proceedings to collect the debt;

c. the debtor's sources of recurring income are no longer available to make repayment instalments (e.g. loss of a client or major lessee, sustained losses or significant reduction in sales/operational cash flows);

d. the debtor's financial structure is significantly inadequate, or the debtor is unable to obtain additional financing;

e. the Bank suspends (partially or conditionally) the payment of interest;

f. the Bank directly cancels all or part of a debtor's debt (asset write-off/debt pardon) outside the context of a restructuring operation;

g. the Bank or institution leading the group of creditors, as the case may be, initiates bankruptcy/insolvency proceedings against the debtor;

h. ongoing out-of-court negotiations to settle or repay the debt (e.g., forbearance agreements);

i. the debtor has filed for bankruptcy or insolvency;

j. a third party has petitioned for the bankruptcy or insolvency of the Bank's debtor; and

k. debts to the tax authorities, social security or employees in a situation of litigation or pledge enforced by the state.

III. transactions restructured as a result of the debtor's financial difficulties in any of the following situations:

a. restructuring is supported by an inadequate payment schedule. An inadequate payment schedule exists, inter alia, when it is successively breached, when the operation has been restructured to avoid default, or when it is based on expectations that are not supported by macroeconomic forecasts;

b. restructured loans include contractual clauses that extend the repayment period, in particular by introducing a grace period of more than two years for the payment of the principal; and

c. loans restructured due to financial difficulties that are in a cure period, are restructured again due to financial difficulties, or are more than 30 days past due on principal or interest during that period.

A cure period is considered for financial instruments where the criteria that led to the impairment are no longer met. In particular, a 12-month cure period is applied to instruments in an impairment situation that have been subject to restructuring due to the debtor's financial difficulties.

3.4.8. Indication of the thresholds defined for separate analysis

Separate analysis applies to all credit operations.

3.4.9. Internal risk rating policy specifying the treatment of a borrower classified as being in default

Defaulting clients are analysed by the Credit Committee. A solution that best suits the client's interests is applied, taking into account the client's financial capacity.

3.4.10. General description of the calculation of the current value of future cash flows in determining Impairment losses

The following factors are taken into account in the calculation of specific impairment:

- I. exposure;
- II. estimated business cash flows or other client's cash flows;
- III. cash flow of real estate projects;
- IV. expected cash flows associated with the liquidation/pledging of collateral;
- V. estimated cash flows arising from personal guarantees;
- VI. cash flows arising from the enforcement of the debtor's financial assets with the bank to settle one-off authorised overdrafts and overdrafts up to 30 days and overdue loans arising from contractual loans or otherwise.

As per Banco de Portugal Circular Letter CC/2018/00000062, haircuts are applied when determining the cash flows generated by guarantees and any costs of forced sale are

excluded. If the bank considers that the adjusted market value does not reliably reflect the realisable value of the asset, an additional haircut is applied.

This value is remeasured at the contract discount rate plus any maintenance costs of the underlying asset.

If the transaction does not meet the conditions requiring a specific calculation, or if this results in a null impairment, a general calculation is used.

Description of the rescue time used for the different segments and reasons for its suitability

The rescue period is the time elapsed between the occurrence of the loss event and its detection, which can be divided into 2 moments:

- I. the first moment when the information becomes known; and
- II. the second moment, at a later date, when indicators are obtained that prove the existence of objective evidence of impairment.

Banco Carregosa uses indicators of potential impairment, allowing it to quickly anticipate any deterioration in the solvency of its clients, such as abnormal balances, difficulties in meeting obligations, changes in PDs, among others.

3.4.11. Monitoring of the loan portfolio

The monitoring of the loan portfolio is essential for anticipating pre-default situations, enabling the Bank to:

- I. identify the factors that indicate a deterioration in the client's creditworthiness;
- II. define solutions for renegotiating the debt.

3.4.12. Credit recovery

In the event of a loan default, measures are taken to recover the loan. In the case of private loans, the special PARI/PERSI schemes are activated in accordance with Decree-law 227/2012.

3.4.13. Risk concentration management

The Bank recognises that, due to its size, its performance in certain segments and the nature of its target clients, its loan portfolio is expected to have a small number of large and somewhat concentrated transactions. The Risk Department analyses the concentration of the loan portfolio in the following dimensions:

- I. significant exposures to a single counterparty or group of counterparties that are economically or risk related ("single name concentration risk" or "large exposures");
- II. significant exposures to groups of counterparties whose probability of default results from common underlying factors, namely:
- III. economic sector,
- IV. geographical area,
- V. currency; and
- VI. the nature of the activity or product, i.e. the dependence on the economic and financial performance of the same activity or product/service;
- VII. indirect credit exposures resulting from the application of risk mitigation techniques (excessive exposure to a type of collateral or to credit protection provided by a single counterparty).

The table below shows the distribution of net assets by sector concentration:

Figure 36

Distribution of net assets by sector concentration (Consolidated)

PRA Sectors	RWA by credit risk	
1 - Agriculture, forestry and fishing		0.0%
2 - Construction	402 968	0.5%
3 - Financial industry (bank and non-bank)	54 404 594	67.0%
4 - Real estate (commercial)	2 883 059	3.6%
5 - Manufacturing	11 970 776	14.7%
6 - Mining and quarrying		0.0%
7 - Wholesale and retail trade	4 037 961	5.0%
8 - Services and other	1 518 784	1.9%
9 - Transport, storage and utilities	5 980 258	7.4%
Total	81 198 400	100.0%

(Amount in Euros)

3.4.14. Policy on the write-off of loans (write-off of assets)

In accordance with EBA/GL/2017/06, a write-off of a loan occurs when all of the following conditions are met:

- I. the loan has been in arrears for more than 24 months; and
- II. loan for which an impairment loss has been recognised in full.

If the conditions for write-off are met, the Credit Department must prepare a proposal for write-off application, which must be submitted to the relevant authorities for approval. The final decision is taken by the Credit Committee. Non-performing loans that have been overdue for more than 24 months, for which an impairment loss of the same amount has been recognised and accepted for tax purposes, must be removed from the balance sheet if there are no tax consequences.

3.4.15. Impairment reversal policy

Impairment is reversed when there is:

- I. a significant improvement in the client's ability to pay that has a positive impact on their credit rating;
- II. increase in collateral.

Under these conditions, a new impairment is calculated which directly reverses the previous impairment.

3.4.16. Description of the restructuring measures applied and the associated risks, as well as the control and monitoring mechanisms

A loan is restructured when the terms of the contract are changed. For this purpose, a note must be added stating "loan restructured due to the client's financial difficulties".

Loans must be marked in the Bank's computer system as "restructured due to the client's financial difficulties".

Solutions for the recovery of the loan must take into account the current situation of the client and be in the best interest of Banco Carregosa, in accordance with the client's financial capacity.

3.4.17. Description of the valuation process and collateral management

Mortgage guarantees

Valuation

Mortgage guarantees are valued by an appraiser registered with the CMVM, who is responsible for drawing up a report on the property – the valuation report – in accordance with the CMVM's rules on valuation criteria and appraisers.

Revaluation and review

Mortgage guarantees are valued by independent and certified appraisers on a two-year basis, unless this is contrary to the provisions of Article 208 of the CRR, namely:

- I. frequent review of the value of the properties, at least once a year for commercial properties and once every three years for residential properties. More frequent reviews should be carried out in the event of significant changes in market conditions; and
- II. the valuation of the property shall be reviewed whenever the Bank has information indicating that the value of the property has declined significantly in relation to general market prices, and such review shall be carried out by an appraiser with the necessary qualifications, skills and experience and who is independent of the credit decision process. For loans exceeding €3M or 5% of the Bank's own funds, the property valuation shall be reviewed by such an appraiser at least every three years.

In the event of exceptional circumstances in the real estate market and in the presence of exposures considered significant (i.e. representing at least 5% of own funds) combined with an LTV of 80%, the Bank will revalue them annually.

3.4.18. Other guarantees

The models adopted for accepting financial instruments as collateral for exposures can vary considerably, with the Bank generally adopting, for legal entities, the legal regime for financial guarantee contracts set out in Decree-Law No 105/2004 of 8 May, which transposes into national law Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements. For natural persons, the Bank adopts mechanisms that lead to similar results.

Under IFRS 9, the recalculation of the ECL amount, excluding the underlying collateral, results in a total amount of €3 577 865 as at December 2025.

Quantitative disclosure

Information on loans and advances to clients at 31 December 2024 and 2025:

Figure 37

Breakdown of exposures and impairment as at 31/12/2024 and 31/12/2025 (Consolidated)

a) Breakdown of exposures and related impairments

a.1)

Segment	Exposure at 31.12.2025			
	Total Exposure	Compliant loans	Settled	Restructured
Construction & CRE	22 996 101	22 958 067	-	-
Corporate	27 014 464	24 644 622	-	-
Bank guarantees	-	-	-	-
Retail	8 449 003	7 647 056	-	-
Non-contractualised	67 016	4 070	-	-
Total	58 526 584	55 253 815	-	-

a.2)

		Total exposure as at 31.12.2025		
Segment	Total exposure 31.12.2025	Compliant loans		
		Days in arrears < 30		
		No evidence	With evidence	Sub-total
Construction & CRE	22 996 101	20 585 101	2 372 967	22 958 067
Corporate	27 014 464	23 445 118	1 199 504	24 644 622
Bank guarantees	-	-	-	-
Retail	8 449 003	7 472 309	174 747	7 647 056
Non-contractualised	67 016	4 070	-	4 070
Total	58 526 584	51 506 597	3 747 218	55 253 815

* Loan with instalments of principal or accrued interest for less than 90 days, but about which there is evidence justifying its classification as credit risk, including bankruptcy, liquidation of debtor, among others.



Impairment as at 31.12.2025				
Defaulting loans	Restructured	Total impairment	Compliant loans	Defaulting loans
38 034	38 034	12 658	12 455	203
2 369 842	2 180 557	242 344	32 028	210 316
-	-	683	683	-
801 947	801 947	50 378	9 403	40 975
62 946	-	62 687	49	62 638
3 272 769	3 020 537	368 749	54 617	314 132

Total impairment as at 31.12.2025				
Defaulting loans		Compliant loans	Defaulting loans	
Days in arrears <= 90*	Days in arrears > 90 dias	Days in arrears < 30	Days in arrears <= 90*	Days in arrears > 90 dias
38 034	-	12 455	203	-
877 269	1 492 573	32 028	61 482	148 835
-	-	683	-	-
801 947	-	9 403	40 975	-
1 846	61 100	49	1 846	60 791
1 719 096	1 553 673	54 617	104 506	209 626

a.1)

Segment	Exposure at 31.12.2024			
	Total Exposure	Compliant loans	Settled	Restructured
Construction & CRE	21 058 074	20 696 140	-	-
Corporate	24 073 586	21 583 213	-	-
Bank guarantees	-	-	-	-
Retail	7 183 522	4 062 664	-	-
Non-contractualised	57 134	1 681	-	-
Total	52 372 316	46 343 698	-	-

a.2)

Segment		Total exposure 31.12.2024	Total exposure as at 31.12.2024		
			Compliant loans		
			Days in arrears < 30		
			No evidence	With evidence	Sub-total
Construction & CRE	21 058 074	20 696 140	-	20 696 140	
Corporate	24 073 586	21 583 213	-	21 583 213	
Bank guarantees	-	-	-	-	
Retail	7 183 522	3 880 806	181 858	4 062 664	
Non-contractualised	57 134	1 681	-	1 681	
Total		52 372 316	46 161 840	181 858	46 343 698

* Loan with instalments of principal or accrued interest for less than 90 days, but about which there is evidence justifying its classification as credit risk, including bankruptcy, liquidation of debtor, among others.

Figure 38

Breakdown of the loan portfolio by segment and year of production 2024 and 2025 (Consolidated)

b) Breakdown of loan portfolio by segment and year of production

Year of production	Corporate			Construction & CRE	
	No. of transactions	Amount	Impairment	No.of transactions	
2024	9	6 238 943	3 377	5	
2025	7	8 362 662	12 774	8	
Total	16	14 601 605	16 151	13	

*Includes Bank Guarantees in the "Corporate" and "Construction & CRE" segments .

Impairment as at 31.12.2024				
Defaulting loans	Restructured	Total impairment	Compliant loans	Defaulting loans
361 934	-	22 137	9 656	12 481
2 490 373	2 490 373	191 323	34 808	156 515
-	-	398	398	-
3 120 858	-	74 019	3 817	70 203
55 453	19 272	55 444	23	55 421
6 028 618	2 509 645	343 321	48 701	294 620

Total impairment as at 31.12.2024				
Defaulting loans		Compliant loans	Defaulting loans	
Days in arrears <= 90*	Days in arrears > 90 dias	Days in arrears < 30	Days in arrears <= 90*	Days in arrears > 90 dias
361 934	-	9 656	12 481	-
997 800	1 492 573	34 808	41 923	114 592
-	-	398	-	-
3 120 858	-	3 817	70 203	-
-	55 453	23	-	55 421
4 480 592	1 548 026	48 701	124 607	170 013

Retail				
Amount	Impairment	No. of transactions	Amount	Impairment
6 270 452	4 369	3	454 944	170
4 702 010	4 941	10	5 312 698	7 001
10 972 462	9 311	13	5 767 642	7 171

Figure 39

Separate credit and Impairment valued by segment, sector, and geography as at 31/12/2024 and 31/12/2025
(Consolidated)

c) Breakdown of gross loan exposure and impairment valued specifically and in general , by segment, sector, and geographical area

c.1) by segment (2025)

31.12.2025	Construction & CRE		Corporate		Bank guarantees
	Exposure	Impairment	Exposure	Impairment	Exposure
Separate evaluation	22 996 101	12 658	27 014 464	242 344	-
Total	22 996 101	12 658	27 014 464	242 344	-

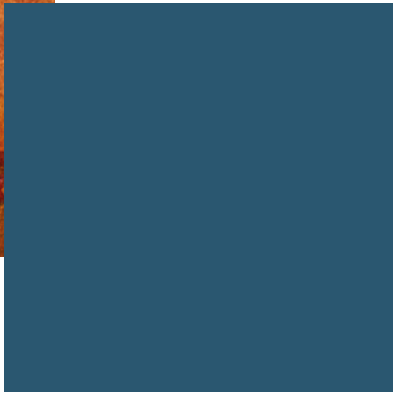
c.1) by segment (2024)

31.12.2024	Construction & CRE		Corporate		Bank guarantees
	Exposure	Impairment	Exposure	Impairment	Exposure
Separate evaluation	21 058 074	22 137	24 073 586	191 323	-
Total	21 058 074	22 137	24 073 586	191 323	-

⁵ In order to provide more disaggregated information, taking advantage of the structure defined in BdP Circular Letter 2/2014, it is assumed that all loan operations are subject to an individual impairment calculation. However, the tables below have adopted the parallelism between the terms individual > specific and collective > general, which was already adopted in previous years.

Impairment	Retail		Non-contractualised		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
683	8 449 003	50 378	67 016	62 687	58 526 584	368 749
683	8 449 003	50 378	67 016	62 687	58 526 584	368 749

Impairment	Retail		Non-contractualised		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
398	7 183 522	74 019	57 134	55 444	52 372 316	343 321
398	7 183 522	74 019	57 134	55 444	52 372 316	343 321



3. Notes to the Consolidated and Separate Financial Statements as at 31 December 2025

c.2) By sector of activity (2025)

31.12.2025		Separate evaluation	Total
Corporate office and management advisory activities	Exposure	3 816 833	3 816 833
	Impairment	2 283	2 283
Advisory, scientific, technical and related activities	Exposure	19	19
	Impairment	0	0
Real estate activities	Exposure	22 996 109	22 996 109
	Impairment	13 059	13 059
Public Administration and Defence; Compulsory Social Security	Exposure	2 944 665	2 944 665
	Impairment	12 792	12 792
Agriculture, livestock production, hunting, forestry, and fisheries	Exposure	180 547	180 547
	Impairment	20 527	20 527
Accommodation, catering and similar activities	Exposure	3 981 176	3 981 176
	Impairment	3 345	3 345
Wholesale and retail, repair of motor vehicles and motorcycles	Exposure	2 020 541	2 020 541
	Impairment	152 629	152 629
Construction	Exposure	556 585	556 585
	Impairment	119	119
Finance and insurance activities	Exposure	13 113 870	13 113 870
	Impairment	76 997	76 997
Information and communication activities	Exposure	426 772	426 772
	Impairment	56	56
Not applicable	Exposure	8 489 466	8 489 466
	Impairment	86 941	86 941
Total	Exposure	58 526 584	58 526 584
	Impairment	368 749	368 749

c.2) By sector of activity (2024)

31.12.2024		Separate evaluation	Total
Corporate office and management advisory activities	Exposure	1 894 530	1 894 530
	Impairment	3 737	3 737
Advisory, scientific, technical and related activities	Exposure	5	5
	Impairment	0	0
Real estate activities	Exposure	17 788 648	17 788 648
	Impairment	8 926	8 926
Public Administration and Defence; Compulsory Social Security	Exposure	3 598 212	3 598 212
	Impairment	16 931	16 931
Agriculture, livestock production, hunting, forestry, and fisheries	Exposure	179 458	179 458
	Impairment	8 637	8 637
Accommodation, catering and similar activities	Exposure	4 702 064	4 702 064
	Impairment	4 316	4 316
Wholesale and retail, repair of motor vehicles and motorcycles	Exposure	1 934 566	1 934 566
	Impairment	125 404	125 404
Construction	Exposure	3 269 427	3 269 427
	Impairment	13 307	13 307
Finance and insurance activities	Exposure	11 784 052	11 784 052
	Impairment	51 784	51 784
Information and communication activities	Exposure	6	6
	Impairment	0	0
Artistic, entertainment, sporting and recreational activities	Exposure	214 357	214 357
	Impairment	20	20
Not applicable	Exposure	7 006 991	7 006 991
	Impairment	110 259	110 259
Total	Exposure	52 372 316	52 372 316
	Impairment	343 321	343 321

c.3) By geographical area (2025)

31.12.2025		Separate evaluation	Total
Portugal	Exposure	50 935 100	50 935 100
	Impairment	354 003	354 003
Angola	Exposure	4 052 430	4 052 430
	Impairment	13 084	13 084
Brazil	Exposure	1 691 358	1 691 358
	Impairment	610	610
Luxembourg	Exposure	1 200 115	1 200 115
	Impairment	868	868
United Kingdom	Exposure	432 453	432 453
	Impairment	176	176
Philippines	Exposure	215 078	215 078
	Impairment	3	3
USA	Exposure	22	22
	Impairment	0	0
Turkey	Exposure	12	12
	Impairment	0	0
Gibraltar	Exposure	5	5
	Impairment	0	0
Mozambique	Exposure	5	5
	Impairment	0	0
Spain	Exposure	5	5
	Impairment	5	5
Total	Exposure	58 526 584	58 526 584
	Impairment	368 749	368 749

c.3) By geographical area (2024)

31.12.2024		Separate evaluation	Total
Portugal	Exposure	46 982 397	46 982 397
	Impairment	325 957	325 957
Angola	Exposure	4 489 457	4 489 457
	Impairment	17 075	17 075
Luxembourg	Exposure	900 444	900 444
	Impairment	289	289
USA	Exposure	15	15
	Impairment	0	0
Brazil	Exposure	3	3
	Impairment	0	0
Total	Exposure	52 372 316	52 372 316
	Impairment	343 321	343 321

Figure 40

Breakdown of the restructured loans portfolio by restructuring measure applied as at 31/12/2024 and 31/12/2025 (Consolidated)

d) Breakdown of the restructured loans portfolio by restructuring measure applied

2025

Measure	Compliant loans			Defaulting loans			Total		
	No. of transactions	Exposure	Impairment	No. of transactions	Exposure	Impairment	No. of transactions	Exposure	Impairment
Extension of deadline	-	-	-	6	3 020 537	250 304	6	3 020 537	250 304
Grace period									
Reduction of rate									

2024

Measure	Compliant loans			Defaulting loans			Total		
	No. of transactions	Exposure	Impairment	No. of transactions	Exposure	Impairment	No. of transactions	Exposure	Impairment
Extension of deadline	-	-	-	10	3 830 124	216 982	10	3 830 124	216 982
Grace period									
Reduction of rate									

Figure 41

Inflows and outflows in the restructured loan portfolio as at 31/12/2024 and 31/12/2025 (Consolidated)

e) Inflows and outflows in the restructured portfolio

2025	31.12.2025	2024	31.12.2024
Opening balance of the restructured loan portfolio (gross of impairment)	3 830 124	Opening balance of the restructured loan portfolio (gross of impairment)	10 021 266
Restructured loans in the period	38 034	Restructured loans in the period	1 128 357
Interest accrued on the restructured portfolio	- 245 162	Interest accrued on the restructured portfolio	- 254 365
Payment of restructured loans (partial or total)	- 357 862	Payment of restructured loans (partial or total)	- 7 065 134
Loans restated from "restructured" to "normal"	- 244 597	Loans restated from "restructured" to "normal"	-
Other	-	Other	-
Closing balance of the restructured loan portfolio (gross of impairment)	3 020 537	Closing balance of the restructured loan portfolio (gross of impairment)	3 830 124

Figure 42

Breakdown of the fair value of collateral as at 31/12/2024 and 31/12/2025 (Consolidated)

f) Breakdown of the fair value of collateral underlying the loan portfolio of the Corporate, Construction & CRE and Housing segments**2025**

31.12.2025	Construction & CRE				Corporate			
	Properties		Other real collateral*		Properties		Other real collateral	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<0,5M€	2	269 700	1	67 599	5	713 150	3	1 046 321
>=0,5M€ e <1M€	-	-	2	1 830 145	6	466 000	6	4 621 931
>=1M€ e <5M€	8	10 835 310	10	17 019 690	14	12 119 273	13	29 124 515
>=5M€ e <10M€	3	6 843 875	3	10 674 810	5	10 930 000	4	19 516 163
>=10M€ e <20M€	3	15 654 000	3	26 129 000	2	6 554 000	2	27 074 155
>=20M e <50M€	-	-	-	-	-	-	-	-
>=50M	-	-	-	-	-	-	-	-
Total	16	33 602 885	19	55 721 244	32	30 782 423	28	81 383 086

*Example: shares, bonds, deposits, material assets

2024

31.12.2024	Construction & CRE				Corporate			
	Properties		Other real collateral*		Properties		Other real collateral	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<0,5M€	3	596 500	3	67 599	7	788 625	7	1 591 675
>=0,5M€ e <1M€	2	490 000	2	1 423 654	5	767 777	5	3 417 887
>=1M€ e <5M€	10	10 003 036	10	16 382 030	11	11 410 150	11	22 546 195
>=5M€ e <10M€	4	5 251 100	4	21 782 321	3	11 154 000	3	6 170 771
>=10M€ e <20M€	3	12 854 000	3	26 129 000	3	11 339 657	3	34 777 148
>=20M e <50M€	-	-	-	0	-	-	-	-
>=50M	-	-	-	0	-	-	-	-
Total	16	29 194 636	19	65 784 604	17	35 460 209	25	68 503 676

*Example: shares, bonds, deposits, material assets

Figure 43

LTV ratio of segments as at 31/12/2024 e 31/12/2025 (Consolidated)

2025

Segment/Ratio	Compliant loans	Defaulting loans	Impairment
INDIVIDUAL			
With no associated collateral	76 316	-	344
<60%	1 832 964	801 947	41 324
>=60% and <80%	289 879	-	1 916
>=80% and <100%	1 759 589	-	443
>=100%	3 688 308	-	6 351
CONSTRUCTION & CRE			
With no associated collateral	-	-	-
<60%	16 686 453	38 034	5 125
>=60% and <80%	4 268 510	-	3 475
>=80% and <100%	-	-	-
>=100%	2 003 104	-	4 058
CORPORATE			
With no associated collateral	5 971 815	174 071	38 068
<60%	13 067 862	2 195 771	200 249
>=60% and <80%	3 266 810	-	1 229
>=80% and <100%	237 876	-	117
>=100%	2 100 259	-	2 680
NON-CONTRACTUALISED			
With no associated collateral	4 070	13 834	13 576
<60%	-	49 112	49 110
BANK GUARANTEES			
<60%	-	-	354
>=60% e <80%	-	-	77
>=80% e <100%	-	-	252
Total	55 253 815	3 272 769	368 749

2024

Segment/Ratio	Compliant loans	Defaulting loans	Impairment
INDIVIDUAL			
With no associated collateral	55 200	-	177
<60%	1 480 913	3 120 858	70 407
>=60% and <80%	586 875	-	2 390
>=80% and <100%	-	-	-
>=100%	1 939 676	-	1 044
CONSTRUCTION & CRE			
With no associated collateral	33 845	-	880
<60%	15 135 188	56 072	5 322
>=60% and <80%	5 128 587	305 862	15 431
>=80% and <100%	398 521	-	505
>=100%	-	-	-
CORPORATE			
With no associated collateral	6 277 790	174 071	28 344
<60%	11 340 452	2 316 302	157 212
>=60% and <80%	487 289	-	164
>=80% and <100%	799 379	-	300
>=100%	2 678 303	-	5 302
NON-CONTRACTUALISED			
With no associated collateral	1 681	11 877	11 869
<60%	-	43 576	43 575
BANK GUARANTEES			
<60%	-	-	264
>=60% e <80%	-	-	86
>=80% e <100%	-	-	48
Total	46 343 698	6 028 618	343 321

Figure 44

Breakdown of the fair value and book value of property received as consideration in kind as at 31/12/2024 and 31/12/2025 (Consolidated)

h) Breakdown of the fair and book values of the property received in exchange for the assets, by asset type and seniority

2025

Asset	31.12.2025		
	No. of properties	Asset fair value	Book value
LAND			
Urban	0	0	0
	0	0	0

2024

Asset	31.12.2024		
	No. of properties	Asset fair value	Book value
LAND			
Urban	0	0	0
	0	0	0

No properties were received in lieu of payment in the 2024 or 2025 accounts

Figure 45

Breakdown of the loan portfolio by internal risk grade as at 31/12/2023 e 31/12/2024 (Consolidated)

i) Breakdown of the loan portfolio by internal risk grade 2025

31.12.2025	Medium risk grade				High risk grade		
Segment	4	5	6	7	8	9	10
Construction & CRE	-	10 305 633	6 667 378	3 581 725	2 372 967	30 365	-
Corporate	9 877 019	5 069 120	3 295 647	1 747 627	4 655 209	-	-
Retail	456 451	2 655 249	4 360 416	193	-	-	174 747
Bank guarantees	-	-	-	-	-	-	-
Non-contractualised	-	-	-	-	-	4 070	-
Total	10 333 470	18 030 002	14 323 441	5 329 545	7 028 176	34 435	174 747

31.12.2025	Default			Total
Segment	11	12	13	
Construction & CRE	38 034	-	-	22 996 101
Corporate	877 269	1 492 573	-	27 014 464
Retail	801 947	-	-	8 449 003
Bank guarantees	-	-	-	-
Non-contractualised	1 846	31 409	29 690	67 016
Total	1 719 096	1 523 982	29 690	58 526 584

2024

31.12.2024	Medium risk grade				High risk grade		
Segment	4	5	6	7	8	9	10
Construction & CRE	-	4 262 126	7 711 784	4 420 703	4 267 682	33 845	-
Corporate	6 552 475	6 675 775	2 121 065	2 245 839	3 988 060	-	-
Retail	100 697	3 704 456	-	304	-	75 349	181 858
Bank guarantees	-	-	-	-	-	-	-
Non-contractualised	-	-	12	-	0	1 668	-
Total	6 653 172	14 642 357	9 832 862	6 666 846	8 255 741	110 862	181 858

31.12.2024	Default			Total
Segment	11	12	13	
Construction & CRE	361 934	-	-	21 058 074
Corporate	997 800	1 492 573	-	24 073 586
Retail	3 120 858	-	-	7 183 522
Bank guarantees	-	-	-	-
Non-contractualised	-	25 763	29 690	57 134
Total	4 480 592	1 518 336	29 690	52 372 316

Figure 46
Risk parameters related to the Impairment model by segment as at 31/12/2024 and 31/12/2025 (Consolidated)

j) Divulgação dos parâmetros de risco associados ao modelo de imparidades por segmento

2025

Segments	Performing loans	
	PD (%)	LGD (%)
Construction & CRE	1.96%	50%
Corporate	1.30%	50%
Guarantees	0.98%	50%
Retail	1.77%	50%

2024

Segments	Performing loans	
	PD (%)	LGD (%)
Construction & CRE	1.74%	50%
Corporate	1.33%	50%
Guarantees	1.07%	50%
Retail	2.92%	50%

3.5. Market Risk

Market risk is the likelihood that the Bank's earnings or capital will be adversely affected by adverse movements in the market prices of instruments in its portfolio, including movements in interest rates, foreign exchange rates, equity prices and commodity prices.

This risk is primarily associated with the trading portfolio, which consists of short-term positions held by the Bank on a speculative basis, although it also affects the Bank's other own portfolios.

Indirectly, this type of risk has an impact on assets held in custody, assets under management, and assets traded, and can lead to a reduction in the Bank's revenue. Combined with credit risk and liquidity risk, it can lead to losses on the execution of credit guarantees.

The Bank invests in the financial markets through its own portfolios of available-for-sale assets, assets measured at fair value and assets held to maturity, in accordance with EU Regulation No 575/2013. These portfolios are regularly valued by Coolbiz (the Bank's back-office application) according to market price updates. For accounting purposes, the held-to-maturity portfolio is carried at amortised cost and the rest at fair value. Unrealised gains or losses are recognised in reserves for available-for-sale assets and in profit or loss for other assets.

For regulatory purposes, market risk capital requirements apply to the trading portfolio assets.

The two-week historical VaR method, with a 99.9% confidence interval and a one-year time horizon, is used to determine the capital requirements for hedging the market risk of the trading book.

Table 12

Value at Risk of the trading book as at 31/12/2024 and 31/12/2025

	2024	2025
VaR trading book	113 932	334 652

Amounts in Euro

Foreign exchange risk is the likelihood of a negative impact on the Bank's results or equity due to adverse changes in the Bank's balance sheet caused by exchange rates used for translation into the functional currency or due to changes in the Bank's competitive position caused by significant changes in exchange rates. This risk is analysed for all positions denominated in currencies other than the euro.

The negative impact of short-term exchange rate fluctuations usually results from the institution's trading activities. Indirectly, this risk affects the guarantees received in foreign currencies and the portfolio management and financial intermediation activities.

For regulatory purposes, the Bank uses the general risk assessment method set out in Regulation (EU) No 575/2013. Whenever net positions exceed 2% of total own funds, the Bank assesses the capital requirements for foreign exchange risk.

The position at risk is the sum of the net positions in currencies other than the euro and in collective investment undertakings where the positions are not broken down. As at 31.12.2025, the prudential capital for foreign exchange risk in terms of risk-weighted assets amounts to €594 469.

Table 13

Prudential capital for foreign exchange (Consolidated)

Moedas	2025		2024	
	Short	Long	Short	Long
AUD		36 919		7 568
BRL	-	294	-	295
CAD	34 425	-	15 237	-
DKK	7 110	-	-	82 085
GBP	44 854	-	-	146 415
JPY	25 013	-	9 586	-
PLN	46 191	-	91	-
RUB	-	31	-	31
SEK	183 950	-	-	79 926
CHF	-	34 428	198 739	-
USD	-	211 349	-	139 256
NOK	52 553	-	-	1 362
HKD	-	34 260	-	45 566
NZD	454	-	499	-
SGD	-	2 888	-	3 080
Other	-	196 398	-	149 399

Amounts in Euro

3.6. Interest Rate Risk

Interest rate risk refers to the probability that adverse changes in interest rates will have a negative impact on the Bank's results or equity and relates to balance sheet items other than trading portfolios but includes off-balance sheet items. It results from the combination of basis risk, yield curve risk, repricing risk and option risk. The concepts underlying each subtype of interest rate risk are as follows:

- I. basis risk - the risk arising from interest rates on assets being linked to different indices than the interest rates on liabilities;
- II. yield curve risk - the risk arising from adverse movements in different segments of the yield curve, which can result in losses when assets and liabilities are located in different segments of the curve in different proportions;
- III. repricing risk - the risk arising from different assets and liabilities being re-indexed at different times and at different rates;
- IV. option risk - the risk arising from the option inherent in some assets and liabilities. Option risk is the risk arising from embedded options in balance sheet and off-balance sheet items.
- V. In accordance with regulatory requirements, the Bank regularly reports its exposure to interest rate risk in the bank book and the impact of sudden changes in interest rates on economic value and financial margin.
- VI. Banco de Portugal Instruction No. 10/2024 amended Banco de Portugal Instruction No. 34/2018 regarding the rules for standardised reporting of interest rate risk in the banking book (IRRBB), implementing a transition from national to European Union reporting.

As a result, the following rules will apply from the reporting date of 30 September 2024:

- Commission Implementing Regulation (EU) 2024/855 amending the technical implementation standards laid down in Implementing Regulation (EU) 2021/451 with regard to the reporting requirements for supervisory purposes on interest rate risk in the banking book;
- Commission Delegated Regulation (EU) 2024/856 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to

regulatory technical standards specifying the stress scenarios for supervisory purposes, the common modelling and parameter assumptions and what constitutes a significant reduction;

- Commission Delegated Regulation (EU) 2024/857 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying a standardised methodology and a simplified standardised methodology for assessing the risks arising from changes in interest rates affecting both the economic value of equity and the net interest income of activities not included in an institution's trading book.

Table 14
Change in economic value of the banking book as at 31/12/2024 and 31/12/2025 (Consolidated)

Interest Rate Risk of the Banking Book (IRRBB)	31-12-2024	31-12-2025
Change in the economic value of the banking portfolio following a supervisory shock (in this case, under the scenario of a parallel increase in the yield curve of 200 basis points)	(5 719 940)	(5 964 657)

Amounts in Euro

3.7. Operational Risk

Operational risk refers to the loss resulting from the inadequacy or failure of procedures, people, internal systems or external events, as well as legal risks, as defined in EU Regulation No 575/2013. Operational risk is assessed at two different levels: technical and organisational. At the technical level, Banco Carregosa has also chosen to invest heavily in IT. As a result of this strategy, the Bank has a solid computer system that is highly flexible and reliable for the Bank's operational processes. The Bank's information systems contain sensitive and confidential private financial and personal data. Access to these systems is exclusively limited to Banco Carregosa employees and subcontracted staff, within an appropriate framework, who are involved in the design or operation of the system, or whose work involves the recording, verification or consultation of this data. This privilege is based on trust and good faith and is protected by adequate security measures and is duly documented. At an organisational level, and in terms of the means and form of risk reporting and monitoring, as well as the related rules and policies, the Bank has had to strike a balance between commercial interests and the risks involved.

To monitor the risk, a model is in place that allows the Bank to:

- I. Identifies the risk inherent in processes without regard to existing controls (inherent risk);
- II. assess the risk exposure of different processes, taking into account the influence of existing controls (residual risk);
- III. identify the impact of opportunities for improvement in reducing the more significant risks (objective risk).

Other arrangements are in place to mitigate operational risk, in particular internal reporting, contingency plans, business continuity plan, internal audit activities and staff training plans. To date, the loss history is not significant in relation to the volume of transactions and/or the Bank's revenue.

3.8. Liquidity Risk

Liquidity risk reflects the Bank's potential inability to meet its obligations as they fall due without incurring significant losses as a result of a deterioration in funding conditions (funding risk) and/or the sale of its assets below market value (market liquidity risk).

The Basel Committee published the definition of the Liquidity Coverage Ratio (LCR) in 2014, and subsequently the Delegated Act of the European Commission was adopted, introducing new metrics and calculation criteria to be implemented in the European Union, in accordance with Directive No 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on the access to the activity of credit institutions and the supervision of credit institutions and investment firms (Capital Requirements Directive, or CRD IV) and EU Regulation No 575/2013 of the European Parliament and of the Council of 26 June 2013 on the prudential requirements for credit institutions and for investment companies (Capital Requirements Regulation or CRR).

Banco Carregosa favours deposits with the Central Bank, other credit institutions and tradable securities in order to avoid liquidity shortages.

Financial liabilities mainly consist of client deposits. In the case of term deposits, the average residual maturity was 70 days as at 31 December. Additionally, there are derivative financial liabilities with an average residual maturity of three months.

As part of the risk control processes, the Executive Committee and those involved in own portfolio management receive a daily report from the Risk Department, which includes:

Allocation of assets, liabilities and off-balance sheet items;

- I. estimates of minimum capital requirements;
- II. counterparty concentration;
- III. liquidity profile;
- IV. other prudential indicators.

ALCO analyses the mismatch between asset and liability transactions on a monthly basis and proposes changes/corrections to maturities.

Table 15
Liquidity gap as at 31/12/2025 (Consolidated)

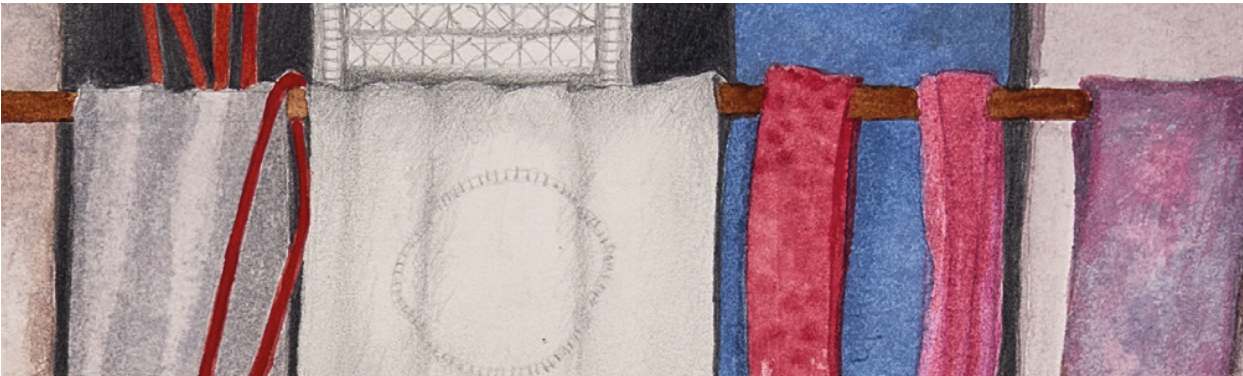
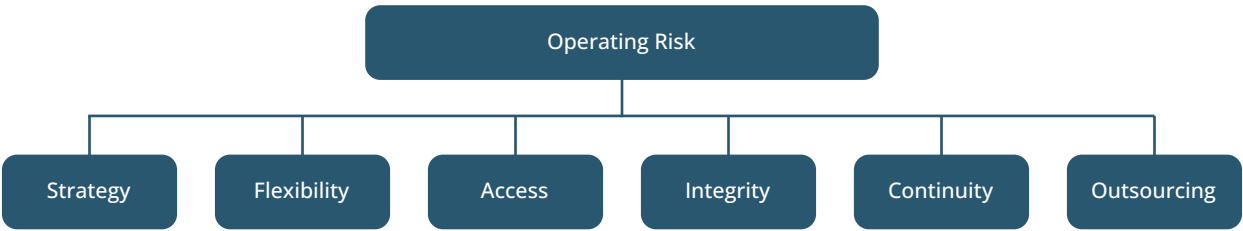
Liquidity as at 31-12-2025	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 12 to 36 months
Stock and Inflows	312,77	13,98	12,83	22,72	26,13
Outflows	(159,88)	(113,46)	(14,41)	(23,94)	(0,01)
Total net amount	152,89	(99,49)	(1,59)	(1,22)	26,12
Accumulated amount	152,89	53,4	51,82	50,6	76,72

(Amounts in EUR million)

3.9. Information System Risk

Information systems risk refer to the likelihood of a negative impact on the Bank's profit and loss or equity resulting from the inability of the information systems to prevent unauthorised access, to ensure data integrity or to continue operations in the event of failure, or from the pursuit of an inadequate strategy in this area, resulting, for example, in the inability of the information systems to meet new requirements. This is systematised in the table below, which also indicates the main factors affecting each of the risks identified.

Figure 47
Risk levels of Information systems (Consolidated)



Risk levels	Relevant factors
Strategy	- Consistency of the strategy defined for information systems with the (current and foreseeable) business needs of the Bank; - Soundness and effectiveness of the information systems policies; - Management and resource support for the strategy and information systems policies.
Flexibility	- Flexibility and upgradeability; - Time required for upgrades and maintenance.
Access	- Identification of functions and responsibilities as the basis for granting differentiated access; - Access to the record of the user who performed a particular process or task; - Efficiency and appropriateness of the authorisation process; - Robustness of protection and security mechanisms.v
Integrity	- Completeness, accuracy, consistency, relevance and timeliness of information; - Compliance with regulatory requirements and internally defined parameters; - Level and standardisation of manual intervention; - Level of virus infections.
Continuity	- Availability of information and information processing systems during business hours; - Delays in recovering information and resuming information processing after a failure; - Adequacy of the contingency plan to IT risks.
Outsourcing	- Existence and significance of outsourcing contracts; - Duration of relationship and credibility of outsourced companies; - Transparency of contractual relationships with outsourced companies; - Rotation and quality control of resources used by outsourced companies; - Confidentiality of information provided to or handled by outsourced companies; - Ease and cost of detecting errors or mistakes made; - Degree of the Bank's control over the quality of the outsourced companies' activities; - Level of completion of services and ease of replacement. - Existence and significance of outsourcing contracts; - Duration of relationship and credibility in the market of outsourced companies; - Transparency of contractual relationships with outsourced companies; - Confidentiality of information provided to or handled by outsourced companies; - Ease and cost of detecting errors or mistakes made; - Degree of the Bank's control over the quality of the outsourced companies' activities; - Level of completion of services and ease of replacement.

Information systems contain private and personal financial data that are considered sensitive and confidential. Access to these systems is restricted exclusively to the Bank's employees and to sub-contracted staff who are involved in the development or operation of the systems, or whose work involves the recording, verification or recovery of such data, in accordance with prior appropriate rules. Some one-off situations involving sub-contracted service providers (outsourcing) are subject to the same restrictions as those applicable to the Bank's employees.

Recognising that information is a valuable asset, the Bank has implemented sophisticated security and back-up systems at the communications level, including the necessary levels of redundancy of equipment and communication lines, inter alia.

To support the existing system, the Bank's IT structure and use is governed by a Computer Use Policy, which is known to all employees. The Bank also has sophisticated redundancy and contingency systems in place.

We have identified four main related risks, which are described below.

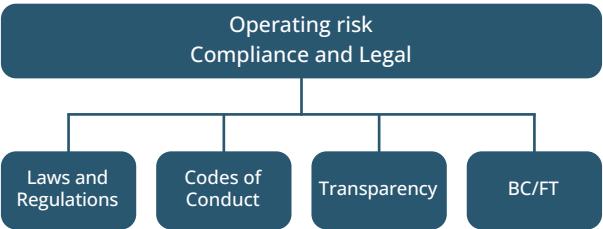
- I. first, those related to information system assets (hardware) and the corresponding physical response, which is addressed in the set of operational risks related to the Bank's assets. All other systems are the responsibility of the first line suppliers, and it is up to them to ensure continuity of operations.
- II. second, risks related to the security and integrity of information have been considered. These are subject to specific procedures, through the security infrastructure implemented and also through an insurance policy in operation, which mitigates the impact of any relevant risk.
- III. third, it is the Bank's responsibility to consider the risks related to business continuity, based on the availability and performance of its infrastructure and applications, with a particular impact on market activities, where the logic of availability and real-time response is crucial. For other activities, although of greater financial importance, such as lending or even securities management, this is less relevant.
 - a. On the one hand, the Bank has strengthened its infrastructure redundancy mechanisms by adopting a robust solution that significantly reduces periods of downtime. The effectiveness of these measures was demonstrated by the Bank's ability to avoid any disruption to its services during the nationwide power cut in April. This underlines the robustness of the redundancy solutions implemented;
 - b. on the other hand, service providers have diversified so that there are now redundant services that are used on a recurring basis, not just on an occasional basis, to provide effective back-up at very similar costs.
- IV. fourth, in the area of information systems, the question of outsourcing is of particular importance and, in the case of the Bank, the following options coexist:
 - a. on the one hand, it has strengthened its redundancy mechanisms at the level of infrastructures and now has a very comfortable solution that should allow it to reduce periods of unavailability;

- b. on the other hand, service providers have diversified so that there are now redundant services that are used on a recurring basis, not just on an occasional basis, to provide effective back-up at very similar costs.

3.10. Compliance Risk

Compliance risk refers to the likelihood of adverse impact on the Bank's results or capital resulting from breaches or non-compliance with laws, regulations, contracts, codes of conduct, established practices or ethical principles. They may result in legal or regulatory sanctions, reduced business opportunities, reduced potential for expansion or the inability to meet obligations. This risk arises from a variety of circumstances, listed in the table below, and has an impact on reputational risk, which is dealt with in a separate topic.

Figure 48
Levels of risk compliance (Consolidated)



Risk levels	Relevant factors
Compliance with laws and regulations	- Compliance with standards governing the activity, namely legal and regulatory requirements, including tax requirements; - Accuracy, rigour, completeness and compliance with reporting periods; - Truthfulness and accuracy of statements and tax calculations; - Ability to anticipate changes in tax regulations; - Enforcement of sanctions or legal proceedings for non-compliance, in particular by regulatory authorities, other activity regulators and tax authorities.
Information reporting	- Change in reporting obligations - Ability to monitor reporting obligations - Correct identification of information and form of reporting required - Ability to process information
Compliance with codes of conduct	- Respect for practices, procedures and policies through ethical principles and established practices; - The comprehensiveness of the Code of Conduct and of various principles and ethical rules, including precise and clear rules of conduct, in particular the duty of confidentiality, conflicts of interest, the use of privileged information and other rules related to organisational culture; - General knowledge and understanding of the Code of Conduct by employees and staff; - The Bank's appreciation of the integrity of its staff, as reflected in selection criteria and institutional training programmes; - Punishment of violations within the limits of the law.
Transparency	- Compliance with disclosure requirements; - Level of transparency, as evidenced by the voluntary availability of information, either on the website, at the Bank's premises, or to be sent to interested parties; - Willingness to provide information to the authorities, including on the basis of informal contacts; - Availability of the "right" information to clients and other counterparties, either at the outset of the relationship or subsequently
Money laundering and terrorist financing	- Failure to comply with anti-money laundering regulations and sanctions; - The development of business areas commonly associated with money laundering and their relevance to the institution's overall business; - The money laundering risk profile of clients and counterparties; - The geographical areas in which the institution operates

The Bank pays particular attention to compliance risk, not so much because of its financial impact, but because of its determination to comply with all legal requirements. For this reason, there is a constant effort to improve the skills of the Compliance Department staff and to strengthen the technical resources available to it, providing specific tools for searching for sanctioned entities or politically exposed persons, as well as resources for monitoring communications via Bloomberg. However, the Bank considers that the monitoring of this risk is not the sole responsibility of the Compliance Department.

The analysis of the adequacy and compliance of procedures depends on the contributions of all departments, which are responsible for identifying potential improvements and situations of non-compliance with previously established procedures.

The Compliance Department is responsible for the management of incidents (complaints, suggestions or requests for clarification from clients). On the basis of

its analysis, and whenever appropriate, this department verifies the adequacy of the procedures. If they are found to be inadequate, the internal control departments study the changes that need to be made.

In order to improve the procedures in force, it is also necessary to highlight the training measures proposed by the PCD (People and Culture Department).

All the Bank's contracts follow standardised models drawn up by the Legal Department, with the intervention and monitoring of the Compliance Department. In managing its responsibilities towards third parties, the Bank pays particular attention to the proper execution of contracts, especially in the account opening process, where clear verification and approval procedures have been defined. Whenever the Bank deems it necessary, due to the nature of the counterparties, to reinforce its identification and due diligence obligations, the files are subject to prior review by the Compliance Department.

3.11. Equity Management

With regard to equity management, the Bank seeks to ensure an appropriate level of solvency and profitability in accordance with the objectives and risk appetite policy defined by the Board of Directors and is therefore a critical aspect of the institution's approach to stable and sustainable management. Capital management is defined in the Bank's annual RAS, which sets a number of limits that allow the activity to be controlled.

Management practices

Capital management policies and practices are defined according to the strategic business objectives and the level of risk appetite set by the Board of Directors. In order to determine the appropriate level of capital, both in terms of quantity and quality, Banco Carregosa has implemented a capital management model based on the following principles:

- I. ongoing monitoring of regulatory capital requirements;
- II. annual review of risk appetite;
- III. setting appropriately measured business objectives in equity planning.

In addition to the regulatory requirements, the Bank has established a recovery plan as an integral part of its capital management process, which defines the decision-making protocol applicable to crisis management, as well as the pre-defined actions and strategies for responding to events, some of which in terms of capital.

Finally, but also in particular as regards equity management, the Bank performs an internal and prospective annual self-assessment of all material risks to which the institution is exposed, the ICAAP (Internal Capital Adequacy Assessment Process).

ICAAP

The ICAAP is an essential tool for defining the Bank's strategy and for monitoring the consequences of its implementation. This process allows the risk appetite to be regularly analysed and compared with the defined appetite and the availability of economic capital. The ICAAP is prepared along two dimensions:

- I. regulatory, based on regulatory reports, in particular prudential reports, which provide important data for quantitative and qualitative analysis of capital and risk;
- II. economic capital and its requirements, which quantify the risk according to the confidence level defined in the RAS (Risk Appetite Statement). The qualitative analysis completes the exercise in a systemic approach.

The Risk Department (RD) is responsible for proposing measures to assess the need for and availability of economic capital. The Risk Department is also responsible for the development of stress tests, scenario analyses, funding and capital plans, and most regulatory reporting related to risk and capital management.

Regulatory capital (unaudited information)

On the prudential side, regulatory capital requirements are related to credit, market and operational risks. The following table shows the risk-weighted assets (RWA) and corresponding capital requirements for the different types of regulatory risk as at 31 December 2024.

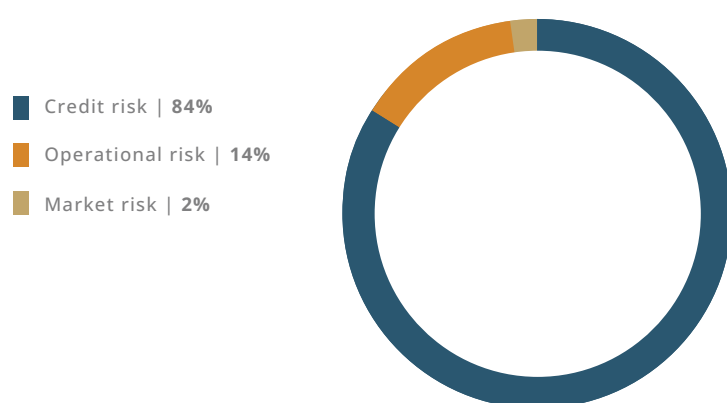
Table 16

RWA and capital requirements by risk type as at 31 December 2024 (Consolidated)

Types of risk	Own fund requirements	Risk-weighted assets
Credit risk	14 587 223	182 340 288
Market risk	286 331	3 579 135
Operational risk	2 440 491	30 506 139
Acumulado	17 314 045	216 425 563

*(Amounts in euros)***Figure 49**

Capital requirements by risk type as at 31 December 2024 (Consolidated)



The risk-weighted assets (RWA) as at December 2025 and the corresponding capital requirements for the different types of regulatory risk are as follows:

Table 17

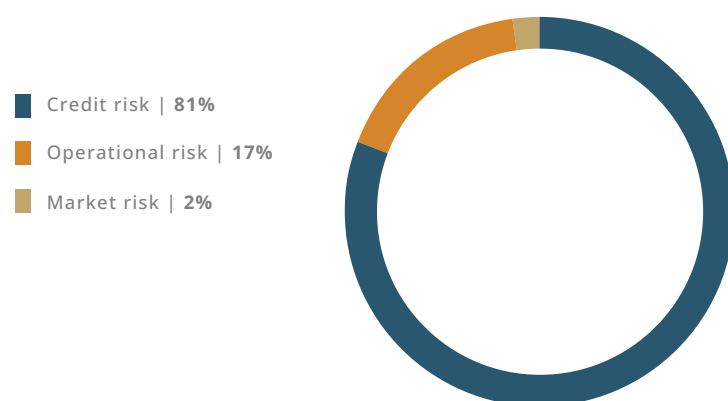
RWA and capital requirements by risk type as at 31 December 2025 (Consolidated)

Types of risk	Own fund requirements	Risk-weighted assets
Credit risk	13 636 315	170 453 938
Market risk	322 386	4 029 825
Operational risk	2 882 215	36 027 687
Total	16 840 916	210 511 450

(Amounts in euros)

Figure 50

Capital requirements by risk type as at 31 December 2025 (Consolidated)



It is worth noting the strong preponderance of credit risk, which accounts for 89% of regulatory requirements.

- I. with the CRR;
 - a. standard market price method for measuring counterparty risk;
 - b. comprehensive approach to financial collateral as a means of mitigating risk, where appropriate.

The Bank analyses the credit risk of all its assets, with the exception of those included in the securities portfolio measured at fair value and others deducted from own funds, as well as some off-balance sheet items potentially exposed to this type of risk. With regard to counterparty risk, assets, liabilities and off-balance-sheet items are included, irrespective of the portfolio to which they belong, always excluding those deducted from own funds or weighted at 1.250% for other risk types.

The Bank uses the following regulatory methods to calculate the capital requirements associated with other categories:

- I. market risk - for prudential purposes, the Bank uses the general or specific risk assessment method of the CRR. The capital requirement for the Bank's risk position is the sum of the specific and general risk capital requirements for positions in debt instruments and capital;
- II. operational risk - In order to determine the regulatory capital requirement for operational risk, the Bank follows the Basic Indicator Approach, according to which the requirement is 15% of the average of the previous three years for the Relevant Indicator. The relevant indicator is defined on the basis of the accounting categories of the Statement of Profit and Loss in accordance with Article 316 of the CRR.

Own funds (unaudited information)

Risk absorption capacity is determined by the level of own funds. The calculation of own funds must comply with the applicable regulatory standards, in particular the aforementioned CRR, based on the accounting information in the financial statements, in particular the capital items, and supplemented by non-accounting information.

Total own funds are the sum of basic own funds (Common Equity Tier 1) and ancillary own funds (Additional Tier 1 and Tier 2), after deductions for these items.

In the case of the Bank, total own funds equal basic own funds (CET1).

As at 31 December 2025, total Own funds amounted to €44 238 086, as follows:

- I. paid-up capital - the Bank's share capital is represented by 200 million registered book-entry shares with a nominal value of €0.10 each, fully subscribed and paid up;
- II. issue premiums – these represent the premiums paid by shareholders on capital increases, in this case €369 257;
- III. retained earnings – these relate to retained earnings in the amount of €8 108 138;
- IV. reserves – the amount of profits earned during the financial years but retained in the company as legal reserves, other reserves and/or retained earnings, excluding positive reserves arising from unrealised gains on government bonds. In this case they amount to €15 218 449;
- V. Net profit for the year: €2 746 795; this will be included in equity after certification; until then it is deducted for this purpose;
- VI. Deductions from the above items, from equity: a total of €4 938 969, in particular the adjustment of €2 746 795 for not taking into account the net profit for the financial year until the legal certification of the accounts and the deduction of €1 370 232 for intangible assets.

Capital indicators

As at 31 December 2025, risk-weighted assets (RWA) amounted to around €210.5M, resulting in a capital requirement of €16.8M, comfortably covered by own funds of around €44.2M.

Thus, on that date, the Bank's Tier 1 capital ratio equalled its total capital ratio of 21.01%.

Finally, it should be noted that the leverage ratio was 14,61%. ratio is calculated by dividing the measure of own funds by the measure of total exposure of the institution concerned, defined for this purpose in accordance with Article 429 of the CRR.



4. Notes to the Consolidated and Separate Financial Statements

Unless otherwise stated, the amounts given are in euros

The consolidated and separate balance sheets and statement of profit and loss as at 31 December 2025 and 31 December 2024 are presented in accordance with International Financial Reporting Standards and comprise the following headings:

Note 1. Cash and net assets in central banks and other sight deposits

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Cash	92 300	121 375	92 300	121 375
Net balances on demand at Banco de Portugal	269 283 233	228 351 436	269 283 233	228 351 436
Sight deposits with financial institutions				
Residents	897 352	1 442 199	897 352	1 406 466
Non-residents	8 883 114	16 050 773	8 883 114	16 050 773
Total	279 155 999	245 965 782	279 155 999	245 930 050

Sight deposits with Banco de Portugal include deposits intended to fulfil the legal minimum reserve requirement. Deposits with Banco de Portugal increased by around €33M compared to 2024.

Note 2. Financial assets at fair value through profit or loss

Note 2.1 Financial assets held for trading

	Consolidated 31-12-2025	Separate 31-12-2024
Trading securities		
Securities	5 001 392	3 945 352
Derivative instruments with positive fair value	111 002	794 776
Total	5 112 394	4 740 128

This portfolio increased by €372 000 compared to the previous year, maintaining a relatively marginal value in relation to the total value of the Bank's portfolio.

Table 18

Financial assets held for trading as at 31/12/2025 (Consolidated and Separate)

Financial assets held for trading

As at 31 December 2025, the breakdown of this heading is as follows:

Nature and type of securities	Acquisition value	Balance sheet value Fair value	Capital Gains	Losses	Accrued interest
Debt Instruments					
Issued by non-residents of other foreign public issuers					
Non-subordinated debt	4 503 659	4 512 538	2 135	60 006	66 750
Of other non-resident issuers					
Non-subordinated debt	54 389	54 389	0	0	0
Subordinated debt	232 380	268 214	17 630	0	18 204
	4 790 428	4 835 141	19 765	60 006	84 954
Issued by residents					
Of other resident issuers					
Investment units	135 299	156 662	21 363	0	0
Issued by non-residents of other non-resident issuers					
Shares	2 254	2 254	0	0	0
Investment units	7 273	7 336	62	0	0
TOTAL	4 935 254	5 001 392	41 190	60 006	84 954

Derivative instruments with positive fair values (Asset)

Other	Notional value	Balance sheet value
Unrealised gains on currency CDFs	16 290 172	111 002
	16 290 172	111 002

Table 19

Financial assets held for trading as at 31/12/2024 (Consolidated and Separate)

Financial assets held for trading

As at 31 December 2024, the breakdown of this heading is as follows:

Nature and type of securities	Acquisition value	Balance sheet value Fair value	Capital Gains	Losses	Accrued interest
Debt Instruments					
Of other resident issuers					
Subordinated	354 411	361 001	3 912	0	2 678
Issued by non-residents of other foreign public issuers					
Non-subordinated	3 075 570	3 067 917		28 060	20 407
Of other non-residents issuers					
Non-subordinated	36 759	36 759	0	0	0
Subordinated debt	214 595	221 111	0	11 745	18 261
	3 681 335	3 686 788	3 912	39 805	41 346
Equity Instruments					
Issued by residents					
Shares	38	39	1	0	0
Investment units	207 450	210 299	2 848	0	0
Issued by non-residents of other non-residents issuers					
Shares	52 531	48 226		4 304	0
	260 019	258 564	2 849	4 304	0
TOTAL	3 941 354	3 945 352	6 761	44 109	41 346

Derivative instruments at positive fair value (Assets)

Other	Notional value	Balance sheet value
Unrealised gains on currency CDFs	19 998 975	794 776
	19 998 975	794 776

Note 2.2 Financial assets not held for trading mandatorily at fair value through profit or loss

	Consolidated 31-12-2025	Separate 31-12-2024
Non-negotiable financial assets mandatorily at fair value through profit or loss	13 287 887	13 431 884
Total	13 287 887	13 431 884

Compared to 2024, there was a slight decrease of around €144,000, largely due to adjustments in the appreciation of respective assets.

The changes that took place during the year are set out in the table below:

	31-12-2025	31-12-2024
Opening balance	13 431 884	13 542 236
Acquisitions	1 148 715	1 407 809
Disposals	(1 355 667)	(505 164)
Amortisation/redemptions	(267 035)	(1 765 766)
Gains/losses recognised in profit or loss	335 150	725 585
Accrued interest and other items	(5 161)	27 184
Closing balance	13 287 887	13 431 884

Note 2.3 Other financial assets

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Other securities				
Issued by residents	0	829	0	0
Total	0	829	0	0

Amount related to the contribution to the Workers' Compensation Fund, recognised at fair value, for which a quote is obtained from the Workers' Compensation Fund.

Note 3. Financial assets at fair value through other comprehensive income

	Consolidated	Separate
	31-12-2025	31-12-2024
Issued by residents		
Debt instruments	300 001	503 641
Equity instruments	463 862	461 462
	763 863	965 103
Issued by non-residents		
Debt instruments	40 185 983	37 941 727
	40 185 983	37 941 727
	40 949 846	38 906 830
Total	40 949 846	38 906 830

3. Notes to the Consolidated and Separate Financial Statements as at 31 December 2025

Compared with the previous financial year, this portfolio showed a slight increase of 5.3%, reflecting a preference for retaining short-term assets.

The changes that took place during the year are set out in the table below:

	31-12-2025	31-12-2024
Opening balance	38 906 830	31 511 438
Acquisitions	52 032 596	36 257 433
Disposals	(6 745 609)	(1 824 901)
Amortisation/redemptions	(43 042 039)	(28 823 211)
Gains/losses recognised in profit or loss	47 372	(731 794)
Accrued interest and other items	133 148	2 107 156
Accumulated and other interest	(382 452)	410 709
Saldo no final do exercício	40 949 846	38 906 830

Table 20

Financial assets at fair value through other Comprehensive income as at 31/12/2025 (Consolidated and Separate)

Financial assets at fair value through other Comprehensive income

The breakdown of this heading as at 31 December 2025 is as follows:

Nature and type of securities	Acquisition value	Balance sheet value	Capital Gains	Losses	Impairment recognised in reserves	Accrued interest
Debt Instruments						
Issued by residents of Portuguese public debt						
Treasury bonds	1	1	0	0	0	0
Of other resident issuers						
Non-subordinated debt	300 000	300 000	0	0	1 448	0
Issued by non-residents of other foreign public issuers						
Non-subordinated debt	7 475 590	7 547 676	2 634	0	1 887	69 451
Of other non-resident issuers						
Non-subordinated	32 204 739	32 638 307	54 436	31 366	167 278	410 498
	39 980 330	40 485 984	57 070	31 366	170 613	479 949
Equity Instruments						
Issued by resident of other resident issuers						
Shares	452 822	463 862	11 040	0	0	0
	452 822	463 862	11 040	0	0	0
TOTAL	40 433 152	40 949 846	68 110	31 366	166 006	479 949

Table 21

Financial assets at fair value through Other Comprehensive income as at 31/12/2024 (Consolidated and Separate)

Financial assets at fair value through other comprehensive income

As at 31 December 202, the breakdown of this heading is as follows:

Nature and type of securities	Acquisition value	Balance sheet value	Capital		Impairment recognised in reserves	Accrued interest
			Gains	Losses		
Debt Instruments						
Issued by residents of Portuguese public debt						
Treasury bonds	1	1	0	0	0	0
Of other resident issuers						
Non-subordinated debt	492 495	503 604	1 410	0	1 383	9 699
Issued by non-residents of other foreign public issuers						
Non-subordinated debt	4 585 366	4 635 960	5 200	81	3 403	45 474
Of other non-resident issuers						
Non-subordinated debt	32 936 162	33 305 803	67 737	3 330	167 215	305 235
	38 014 024	38 445 368	74 347	3 411	172 001	360 408
Equity Instruments						
Issued by residents of other resident issuers						
Shares	644 855	461 462	0	183 393	0	0
	644 855	461 462	0	183 393	0	0
TOTAL	38 658 879	38 906 830	74 347	186 803	172 001	360 408

The changes in impairment losses on the portfolio of financial assets at fair value through comprehensive income are as follows:

	31-12-2025	31-12-2024
Balance as at 1 January	172 001	1 102 288
Appropriation	(1 367)	(930 302)
Reversal	0	0
Utilisation	(21)	14
Balance as at 31 December	170 613	172 001

Note 4. Financial assets at amortised cost

	Consolidated 31-12-2025	Separate 31-12-2024
Ativos		
Investments in credit institutions	1 001 333	1 002 275
Investments held to maturity	150 980 893	153 625 565
Debtors and other investments	1 133 117	782 182
Loans to clients	58 158 684	52 029 790
Investments in credit institutions	211 274 028	207 439 812

Impairment losses on loans and advances and other investments in Note 32. are as follows:

	Consolidated	Separate
Balance as at 1 January	579 438	243 838
Appropriation / reversal	0	335 600
Utilisation	0	0
Exchange and other differences	0	0
Balance as at 31 December	579 438	579 438



The breakdown of the held-to-maturity investment portfolio as at 31.12.2025 is as follows:

Table 22

Financial assets at amortised cost as at 31/12/2025 (Consolidated and Separate)

Financial assets at amortised cost

As at 31 December 2025, the breakdown of this heading is as follows:

Nature and type of securities	Nominal value	Acquisition value	Balance sheet value	Impairment recognised for the asset	Accrued interest
Debt Instruments					
Issued by residents					
Of Portuguese public debt					
Treasury bonds	7 000 000	7 046 660	7 033 182	3 870	17 291
Of other resident issuers					
Non-subordinated debt	6 700 000	5 531 525	5 654 723	27 310	61 221
Issued by non-residents of other foreign public issuers					
Non-subordinated debt	49 000 000	48 715 285	49 813 169	47 321	689 462
Of other issuers					
Non-subordinated debt	87 585 111	87 105 590	88 479 819	479 032	1 368 327
	150 285 111	148 399 061	150 980 893	557 533	2 136 301

Table 23

Financial assets at amortised cost as at 31/12/2024 (Consolidated and separate)

Financial assets at amortised cost

As at 31 December 2024, the breakdown of this heading is as follows:

Nature and type of securities	Acquisition value	Balance sheet value Amortised cost	Impairment recognised for the asset	Accrued interest
Debt Instruments				
Issued by residents of Portuguese public debt				
Treasury bonds	13 852 593	13 704 678	9 047	156 271
Of other resident issuers				
Non-subordinated debt	6 720 030	6 823 498	38 944	67 550
Of other resident issuers				
Subordinated debt	250 000	257 078	3 672	10 972
Issued by non-residents of other foreign public issuers				
Non-subordinated debt	59 518 710	58 643 528	49 807	842 595
Of other issuers				
Non-subordinated debt	73 446 629	74 196 783	408 888	1 043 649
	153 787 962	153 625 565	510 357	2 121 037

3. Notes to the Consolidated and Separate Financial Statements as at 31 December 2025

The changes in impairment losses on the held-to-maturity investments are as follows:

	31-12-2025	31-12-2024
Balance as at 1 January	510 357	990 262
Appropriation/Reversal	47 176	(479 905)
Utilisation	0	0
Exchange and other differences	0	0
Balance as at 31 December	557 533	510 357

Note 4.1 Loans to clients

	Consolidated & Separate	
	31-12-2025	31-12-2024
Domestic loans		
Loans	38 213 290	38 611 895
Current account loans	11 220 612	4 979 748
Foreign loans		
Loans	4 515 562	4 936 649
Current account loans	3 108 695	2 435 935
Overdue loans and interest	1 610 772	1 565 088
Income receivable		
Revenue with deferred income	(142 348)	(156 998)
	58 526 584	52 372 316
Provisions/ Impairments for overdue loans and interest	(367 900)	(342 526)
	58 158 684	52 029 790

The new Credit Risk Management Policy (PGRC) was implemented in phases between 2020 and 2024 with the aim of improving credit quality. This involved adjusting the composition of the Bank's portfolio by introducing restrictions on the type, risk and concentration of its exposure.

The effort to adapt to these changes disrupted the portfolio's growth. Furthermore, the portfolio has been significantly affected in recent years by the impact of the 2020-21 pandemic and the 2022 invasion of Ukraine.

Following the completion of the adjustment process, the portfolio returned to growth in 2025, with on-balance-sheet lending rising by around 12%.

The changes in impairment losses on the available-for-sale loan portfolio are as follows:

	31-12-2025	31-12-2024
Balance as at 1 January	342 526	601 421
Appropriation/Reversal	25 374	(199 231)
Utilisation	0	(59 678)
Exchange and other differences	(0)	14
Balance as at 31 December	367 900	342 526

Note 5. Investments in associated and subsidiary companies excluded from consolidation

	Consolidated		Separated	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Valued by Equity Method - in the country				
In the country				
CoolLink - Serviços de Informática e Consultadoria, Lda	81 209	79 455	81 209	79 455
Carregosa - SGOIC, SA	0	0	0	511 650
	81 209	79 455	81 209	591 105

The 25% investment in Coolink - Serviços de Informática e Consultadoria, Lda. is accounted for using the equity method. In November 2025, the Bank sold its stake in Carregosa SGOIC, S.A.

Note 6. Property, plant and equipment

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Other property, plant and equipment				
Own use assets	10 483 899	10 483 899	10 483 899	10 483 899
Right-of-use assets	364 187	364 187	364 187	364 187
Equipment	10 290 486	9 794 700	10 290 486	9 689 826
Right-of-use equipment – vehicles	136 713	18 514	136 713	0
Right-of-use equipment – other	29 353	29 353	29 353	29 353
Property, plant and equipment in progress	252 616	234 649	252 616	234 649
	21 557 254	20 895 949	21 557 254	20 801 915
Accumulated amortisations				
Own use assets	(1 160 167)	(1 029 882)	(1 160 167)	(1 029 882)
Right-of-use assets	(273 140)	(182 093)	(273 140)	(182 093)
Equipment	(8 435 372)	(7 842 895)	(8 435 372)	(7 773 978)
Right-of-use equipment – vehicles	(4 762)	(4 469)	(4 762)	0
Right-of-use equipment – other	(11 252)	(5 381)	(11 252)	(5 381)
	(9 884 694)	(9 064 720)	(9 884 694)	(8 991 335)
	11 672 561	11 831 229	11 672 561	11 810 579

2025 saw a slight negative variation of around 1%.

Note 7. Intangible assets

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Other intangible assets				
Automated data processing system (software)	7 897 456	6 976 373	7 897 456	6 891 373
Other Intangible assets in progress	0	6 695	0	6 695
Other	340 144	340 144	340 144	340 144
	8 237 600	7 323 212	8 237 600	7 238 212
Accumulated amortisations				
Automated data processing system (software)	(6 527 224)	(5 742 048)	(6 527 224)	(5 685 315)
Other	(340 144)	(340 144)	(340 144)	(340 144)
	(6 867 368)	(6 082 193)	(6 867 368)	(6 025 460)
	1 370 232	1 241 019	1 370 232	1 212 752

Changes and balances as at 31 December 2025 under “Other property, plant and equipment” and “Intangible assets”, including amortisations and impairment adjustments, are shown in the table below:



Figure 51Property, plant and equipment and intangible assets as at 31/12/2025 (consolidated and separate) ⁶**Property, plant and equipment and intangible assets as at 31 December 2025**
(Consolidated and separate activity)

Accounts	As at 31/12/2024		Increases due to acquisitions	Amortisations in the year	Write-offs	
	Gross value	Accrued amortisations				
Other intangible assets						
Data processing systems (software)	6 891 373	(5 685 314)	1 006 084	(841 910)	0	
Other intangible assets	340 144	(340 144)	0	0	0	
Intangible assets in progress	6 695	0	0	0	(6 695)	
	7 238 212	(6 025 459)	1 006 084	(841 910)	(6 695)	
Property, plant and equipment						
Property	10 483 899	(1 029 881)	0	(130 285)	0	
Equipment	9 689 826	(7 773 978)	930 226	(1 001 418)	(329 565)	
Right-of-use property, plant and equipment - IFRS 16	364 187	(182 094)	0	(91 047)	0	
Right-of-use renting (vehicles) - IFRS 16	0	0	136 713	(4 762)	0	
Right-of-use renting (other) - IFRS 16	29 353	(5 381)	0	(5 871)	0	
Property, plant and equipment in progress	234 649	0	17 967	0	0	
	20 801 915	(8 991 335)	1 084	(1 233 383)	(329 565)	
Total	28 040 126	(15 016 794)	2 090 989	(2 075 293)	(336 260)	

⁶ The amortisation amount for the financial year differs between the consolidated and separate accounts. However, as the Bank no longer held a stake in Carregosa SGOIC by 31 December, the figures are the same in both accounts.

Transfers	Regularisations			Adjusted acquisition value	Adjusted amortisations in the year	Adjusted accrued amortisations	Net value as at 31/12/2025
	Gross value	Amortisations in the year	Accrued amortisations				
0	0	0	0	7 897 456	(841 910)	(5 685 314)	1 370 232
0	0	0	0	340 144	0	(340 144)	0
0	0	0	0	6 695	0	0	0
0	0	0	0	8 244 295	(841 910)	(6 025 459)	1 370 232
0	0	0	0	10 483 899	(130 285)	(1 029 881)	9323 733
0	0	0	340 025	10 290 487	(1 001 418)	(7 433 953)	1 855 115
0	0	0	0	364 187	(91 047)	(182 094)	91 046
0	0	0	0	136 713	(4 762)	0	131 950
0	0	0	0	29 353	(5 871)	(5 381)	18 101
0	0	0	0	252 616	0	0	252 616
0	0	0	340 025	21 557 254	(1 233 383)	(8 651 310)	11 672 561
0	0	0	340 025	29 801 550	(2 075 293)	(14 676 769)	13 042 793

Figure 52

Property, plant and equipment and Intangible assets as at 31/12/2024 (Consolidated)

**Property, plant and equipment and intangible assets as at 31 December 2024
(Consolidated activity)**

Contas	As at 31/12/2023		Increases due to acquisitions	Amortisations in the year	Write-offs	
	Gross value	Accrued amortisations				
Other intangible assets						
Goodwill	6 500	0	-6 500	0	0	
Formation expenses	0	0	0	0	0	
Multiannual costs	0	0	0	0	0	
Data processing systems (software)	6 160 215	(5 037 512)	856 543	(725 357)	0	
Other intangible assets	340 144	(340 144)	0	0	0	
Intangible assets in progress	0	0	6 695	0	0	
6 506 859 (5 377 657) 856 738 (725 357) 0						
Property, plant and equipment						
Property	10 663 712	(933 572)	0	(132 326)	(179 813)	
Equipment	9 989 632	(7 772 219)	694 450	(963 379)	(900 586)	
Financial lease assets	0	0	0	0	0	
Right-of-use property, plant and equipment - IFRS 16	364 187	(91 047)	0	(91 047)	0	
Right-of-use renting (vehicles) - IFRS 16	24 458	(7 134)	0	(2 548)	(24 458)	
Right-of-use renting (other) - IFRS 16	0	0	29 353	(5 381)	0	
Property, plant and equipment in progress	224 741	0	9 908	0	0	
21 266 729 (8 803 971) 733 711 (1 194 681) (1 104 857)						
27 773 588 (14 181 628) 1 590 449 (1 920 038) (1 104 857)						

Transfers	Regularisations			Adjusted acquisition value	Adjusted amortisations in the year	Adjusted accrued amortisations	Net value as at 31/12/2024
	Gross value	Amortisations in the year	Accrued amortisations				
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	(39 715)	0	20 150	6 977 044	(725 357)	(5 017 362)	1 234 325
0	0	0	0	340 144	0	(340 144)	0
0	0	0	0	6 695	0	0	6 695
0	(39 715)	0	20 150	7 323 883	(725 357)	(5 357 507)	1 241 019
0	0	0	36 016	10 483 899	(132 326)	(897 556)	9 454 018
0	0	0	888 599	9 783 495	(963 379)	(6 883 619)	1 936 497
0	0	0	0	0	0	0	0
0	0	0	0	364 187	(91 047)	(91 047)	182 093
0	0	0	9 681	0	(2 548)	2 548	0
0	0	0	0	29 353	(5 381)	0	23 972
0	0	0	0	234 649	0	0	234 649
0	0	0	934 297	20 895 583	(1 194 681)	(7 869 674)	11 831 228
0	(39 715)	0	954 447	28 219 466	(1 920 038)	(13 227 181)	13 072 247

Figure 53

Property, plant and equipment and Intangible assets as at 31/12/2024 (Separate)

**Property, plant and equipment and intangible assets as at 31 December 2024
(Separate activity)**

Accounts	As at 31/12/2023		Increases due to acquisitions	Amortisations in the year	Write-offs	
	Gross value	Accrued amortisations				
Other intangible assets						
Data processing systems (software)	6 034 829	(4 974 119)	856 543	(711 196)	0	
Other intangible assets	340 144	(340 144)	-	0	0	
Intangible assets in progress	0	0	6 695	0	0	
	6 374 974	(5 314 263)	863 238	(711 196)	0	
Property, plant and equipment						
Property	10 663 712	(933 572)	0	(132 326)	(179 813)	
Equipment	9 921 065	(7 706 413)	668 509	(955 326)	(900 586)	
Financial lease assets	0	0	0	0	0	
Right-of-use property, plant and equipment - IFRS 16	364 187	(91 047)	0	(91 047)	0	
Right-of-use renting (vehicles) - IFRS 16	24 458	(7 134)	0	(2 548)	(24 458)	
Right-of-use renting (other) - IFRS 16	0	0	29 353	(5 381)	0	
Property, plant and equipment in progress	224 741	0	9 908	0	0	
	21 198 163	(8 738 166)	707 770	(1 186 628)	(1 104 857)	
	27 573 136	(14 052 429)	1 571 008	(1 897 824)	(1 104 857)	

Transfers	Regularisations			Adjusted acquisition value	Adjusted amortisations in the year	Adjusted accrued amortisations	Net value as at 31/12/2024
	Gross value	Amortisations in the year	Accrued amortisations				
0	0	0	0	6 891 373	(711 196)	(4 974 119)	1 206 058
0	0	0	0	340 144	0	(340 144)	(0)
0	0	0	0	6 695	0	0	6 695
0	0	0	0	7 238 212	(711 196)	(5 314 263)	1 212 753
0	0	0	36 016	10 483 899	(132 326)	(897 556)	9 454 018
0	0	0	888 599	9 689 826	(956 165)	(6 817 813)	1 915 848
0	0	0	0	0	0	0	0
0	0	0	0	364 187	(91 047)	(91 047)	182 093
0	0	0	9 681	0	(2 548)	2 548	0
0	0	0	0	29 353	(5 381)	0	23 972
0	0	0	0	234 649	0	0	234 649
0	0	0	934 297	20 801 076	(1 186 628)	(7 803 869)	11 810 579
0	0	0	934 297	28 039 287	(1 897 824)	(13 118 132)	13 023 332

Note 8. Tax assets

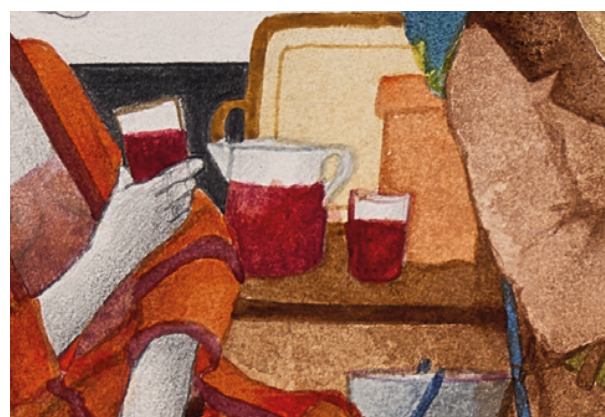
	Consolidated and Separate	
	31-12-2025	31-12-2024
Current tax assets		
Corporate tax receivable	314 506	0
Other	173 736	0
	488 242	0
Deferred tax assets		
Temporary differences		
Property, plant and equipment	4 705	5 340
Impairments	18 229	23 787
	22 934	29 128
	511 176	29 128

The €314 000 balance of corporate income tax to be refunded is the difference between the estimated tax liability and the payments made in advance during 2025.

The balance of €173 000 under the 'Other' heading relates to the ASSB contribution for the years 2022, 2023 and 2024. This contribution has been deemed unconstitutional, so the Tax Authority must refund it to the bank. A refund claim has been submitted to the Tax and Customs Authority.

Deferred tax assets include deductible temporary differences. In 2024 this item consists of temporary differences in amortisations and impairment losses that will be recognised for tax purposes in the future.

In the case of deferred tax on property revaluations, the corporate income tax rates approved for each of the next three years were taken into account in accordance with Law No. 64/2025, plus a 1.5% surcharge. For all other cases, the latest approved rate is used in line with the long-term investment policy (2028: 17% plus a 1.5% surcharge).



Note 9. Other assets

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Other assets	193 405	151 146	193 405	151 146
Other receivables				
Commissions for services rendered	786 875	760 013	786 875	616 776
Costs with deferred charges				
Insurance	229 377	243 702	229 377	243 702
Other costs with deferred charges	675 115	545 336	675 115	491 331
Other regularisation accounts	621 128	3 218 966	621 128	3 216 842
	2 505 900	4 919 162	2 505 900	4 719 797

"Other regularisation accounts" include securities transactions made at the end of the period, pending settlement at the beginning of the following year.

Note 10. Non-current assets and disposal groups classified as held for sale

	Consolidated and separate	
	31-12-2025	31-12-2024
Non-current asset classified as held for sale		
Property	298 379	298 379
	298 379	298 379

As at 31 December 2025, the properties are categorised at Tier 3 of the IFRS 13 fair value hierarchy.

Note 11. Financial liabilities held for trading

	Consolidated and separate	
	31-12-2025	31-12-2024
Financial liabilities held for trading		
Equity instruments	999	0
Derivative instruments at negative fair value	45 199	32 764
	46 198	32 764

Derivative instruments at fair value (liabilities) as at 31/12/2025

	Notional Value	Balance Sheet Value
Other		
Unrealised capital gains on currency CFDs	11 520 723	45 199
	11 520 723	45 199

Derivative instruments at negative fair value (liabilities) as at 31/12/2024

	Notional Value	Balance Sheet Value
Other		
Unrealised capital gains on currency CFDs	(348 184)	32 764
	(348 184)	32 764

Note 12. Financial liabilities measured at amortised cost

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Deposits from domestic credit institutions				
Deposits	1 275 682	3 326 596	1 275 682	3 327 228
Other deposits	749	7 523	748	7 523
	1 276 431	3 334 118	1 276 431	3 334 750
Deposits from foreign credit institutions				
Deposits	740 151	609 938	740 151	609 938
Loans	1 985 749	55 332	1 985 749	55 332
	2 725 901	665 270	2 725 901	665 270
Liabilities with pensions and other benefits	0	0	0	0
Other deposits	11 310 110	6 894 315	11 310 110	6 894 315
Client deposits				
Deposits				
Of residents				
Sight deposits	176 359 994	129 756 904	176 359 994	129 759 390
Term deposits	279 631 050	296 047 390	279 631 050	296 397 390
Of non-residents				
Sight deposits	32 599 694	31 339 465	32 599 694	31 339 465
Term deposits	8 201 404	5 896 714	8 201 404	5 896 714
	496 792 142	463 040 473	496 792 142	463 392 959
	512 104 583	473 934 177	512 104 583	474 287 295

This item increased by around 8% compared to 2024, primarily due to an increase in sight deposits held by institutional investors.

In the line "Other deposits", the amount shown relates to client financial balances arising from transactions in derivatives and deposits invested for the liquidity of portfolio management contracts.

Note 13. Provisions

	Consolidated and Separate	
	31-12-2025	31-12-2024
Other provisions		
For guarantees and other commitments	849	795
For tax contingencies	0	0
Other	10 000	10 000
	10 849	10 795

A provision amounting to €10M was set aside in compliance with a recommendation made by the CMVM.

Note 14. Tax liabilities

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Current tax liabilities				
Corporate income tax payable	0	151 628	0	145 015
	0	151 628	0	145 015
Deferred tax liabilities				
On revaluation of property	626 088	713 599	626 088	713 599
On investment units at fair value	569 586	578 143	569 586	578 143
On reserves at fair value	32 996	46 817	32 996	46 817
	1 228 670	1 338 559	1 228 670	1 338 559
	1 228 670	1 490 187	1 228 670	1 483 574

Note 15. Other liabilities

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
VAT payable	74 507	71 495	74 507	66 736
Withholdings and other taxes payable to the State	1 430 339	487 735	1 430 339	479 787
Payments to Social Security	128 655	130 531	128 655	127 248
Third party collections	7 264	41 428	7 264	41 428
Payments to other health systems	4 118	6 508	4 118	6 508
Charges payable – staff	1 152 537	883 298	1 152 537	799 127
Transactions to be regularised	54 464	2 994 994	54 464	2 994 994
Liabilities with pension fund and other benefits	28 085	72 305	28 085	72 305
Other charges payable	218 827	301 163	218 827	305 663
Outros creditors	553 459	743 187	553 459	740 470
	3 652 255	5 732 644	3 652 255	5 634 266

“Transactions to be regularised” include securities transactions made at the end of the period pending settlement at the beginning of the following financial year. Around 10% of the 2025 profit relating to variable remuneration payable in 2026 is accounted for by payroll liabilities.

Fair value of non-financial assets and liabilities

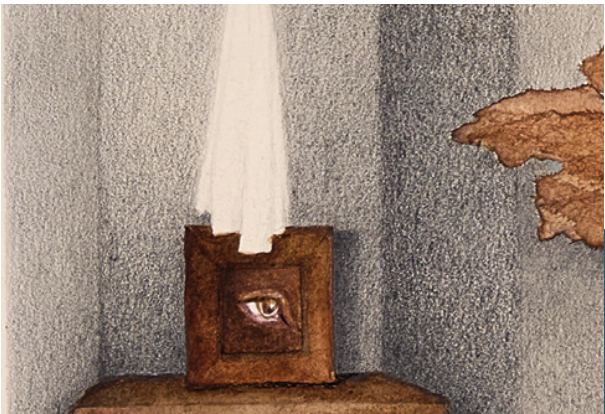
Non-financial assets and liabilities are classified as Level 3 in the fair value hierarchy:

Figure 54

Fair value of the Bank's financial assets and liabilities as at 31/12/2025 and 31/12/2024

2025	Carrying amount	Fair value hierarchy			
		Tier 1	Tier 2	Tier 3	Total
Fair value hierarchy					
Non-current assets held for sale	298 379	0	0	332 000	332 000
Other assets	2 505 901	0	0	2 505 901	2 505 901
	2 804 280			2 837 901	2 837 901
Non-financial liabilities					
Other liabilities	3 625 255			3 625 255	3 625 255
	3 625 255	0	0	3 625 255	3 625 255

2024	Carrying amount	Measured at fair value			
		Tier 1	Tier 2	Tier 3	Total
Non-financial assets					
Non-current assets held for sale	298 379	0	0	332 000	332 000
Other assets	4 719 797	0	0	4 719 797	4 719 797
				5 051 797	5 051 797
Financial liabilities					
Other liabilities	5 634 266			5 634 266	5 634 266
5 634 266		0	0	5 634 266	5 634 266



Note 16. Equity

The changes and balances in the equity accounts as at 31 December 2025 are presented in "Statement of changes in equity".

The table below shows the changes to other comprehensive income, as well as the details of retained earnings and other reserves, for the 2025 and 2024 financial years.

Figure 55

Changes in other comprehensive income as at 31/12/2025

Changes in other accumulated comprehensive income - 2025	31/12/2024	Increases / (decreases) due to revaluations	
Items that will not be reclassified to profit or loss:			
Tangible assets	2 667 353	(16 503)	
Other non-financial assets	81 607	42 579	
Actuarial gains or losses (-) on defined benefit pension schemes	(276 752)	110 311	
Items that may be reclassified to profit or loss:			
Debt securities at fair value through other comprehensive income	179 870	(135 548)	
Equity instruments at fair value through other comprehensive income	(68 218)	2 400	
	2 583 861	3 239	

Figure 56

Changes in other comprehensive income as at 31/12/2024

Changes in other accumulated comprehensive income - 2024	31/12/2023	Increases / (decreases) due to revaluations	
Items that will not be reclassified to profit or loss:			
Tangible assets	2 689 091	(21 027)	
Other non-financial assets	57 194	24 414	
Actuarial gains or losses (-) on defined benefit pension schemes	(346 805)	70 053	
Items that may be reclassified to profit or loss:			
Debt securities at fair value through other comprehensive income	(197 543)	1 856 147	
Equity instruments at fair value through other comprehensive income	(42 413)	251 008	
	2 159 524	2 180 595	

	Realised gains on equity instruments	Realised gains on debt instrument	Impairment on debt instruments	Taxes	31/12/2025
				81 673	2 732 523
					124 186
					(166 440)
		47 372	(1 388)		90 306
				19 659	(46 159)
		47 372	(1 388)	101 332	2 734 416

	Realised gains on equity instruments	Realised gains on debt instruments	Impairment on debt instruments	Taxes	31/12/2024
				(711)	2 667 353
					81 607
					(276 752)
		(548 446)	(930 288)		179 870
	(183 348)			(93 465)	(68 218)
	(183 348)	(548 446)	(930 288)	(94 177)	2 583 861

Breakdown of equity:

- I. paid-in capital: the Bank's share capital is represented by 200 million registered shares with a nominal value of €0.10 each, fully subscribed and paid up;
- II. issue premiums: these relate to premiums paid by shareholders on capital increases;
- III. reserves: the amount of profits earned during the financial years but retained in the company as legal reserve, other reserves and/or retained earnings, excluding positive reserves arising from unrealised gains on government bonds (retained earnings and other reserves).

In accordance with the decisions taken at the 2025 Annual General Meeting regarding the 2024 results, and as set out in Article 97 of the RGICSF concerning the allocation of 10% of profits to the legal reserve, a sum of €411 609 99 was allocated to the legal reserve in 2025.

Fair value of financial assets and liabilities

The fair value of financial assets and liabilities is estimated in accordance with IFRS 13.

Fair value refers to the price that would be received for the sale of an asset or paid for the transfer of a liability in a transaction made in the principal (or more favourable) market at measurement date, under prevailing market conditions (i.e. exit price), whether this price is directly observable or estimated using another valuation technique.

Financial instruments carried at fair value in the balance sheet have been classified into three tiers, in accordance with IFRS 13:

- I. Tier 1 – quoted in an active market;
- II. Tier 2 – indirect valuation techniques based on market data; and
- III. Tier 3 – valuation techniques using mostly unobservable inputs.

The fair values of the Bank's financial assets and liabilities as at 31 December 2025 and 31 December 2024 are as follows:

Figure 57

Fair value of the Bank's financial assets and liabilities as at 31/12/2025 (Consolidated and Separate)

2025	Carrying amount	Fair value hierarchy			
		Tier 1	Tier 2	Tier 3	Total
Financial assets					
Cash and liquid assets in central banks and other demand deposits	279 155 999	279 155 999	0	0	279 155 999
Financial assets at fair value through profit or loss:					
Financial assets held for trading	5 112 394	4 783 004	165 391	163 999	5 112 394
Financial assets not held for trading mandatorily at fair value through profit or loss	13 287 887	567 942	0	12 719 945	13 287 887
Financial assets at fair value through other comprehensive income	40 949 846	40 605 984	0	343 862	40 949 846
Financial assets at amortised cost	211 274 028	211 795 901	0	0	211 795 901
	549 780 154	536 908 831	165 391	13 227 806	550 302 027
Financial liabilities					
Financial liabilities held for trading	46 198	999	45 199	0	46 198
Financial liabilities measured at amortised cost	512 104 583	512 104 583	0	0	512 104 583
	512 150 781	512 105 582	45 199	0	512 150 781

Figure 58

Fair value of the Bank's financial assets and liabilities as at 31/12/2024 (Consolidated)

2024	Carrying amount	Measured at fair value			
		Tier 1	Tier 2	Tier 3	Total
Financial assets					
Cash and liquid assets in central banks and other demand deposits	245 965 782	245 965 782	0	0	245 965 782
Financial assets at fair value through profit or loss:					
Financial assets held for trading	4 740 128	3 735 053	794 776	210 299	4 740 128
Financial assets not held for trading mandatorily at fair value through profit or loss	13 431 884	1 337 319	0	12 094 565	13 431 884
Other financial assets	829	0	0	829	829
Financial assets at fair value through other comprehensive income	38 906 830	38 562 968	0	343 862	38 906 830
Financial assets at amortised cost	207 439 812	207 439 812	0	0	207 439 812
	510 485 265	497 040 934	794 776	12 649 554	510 485 265
Financial liabilities					
Financial liabilities held for trading	32 764	0	32 764	0	32 764
Financial liabilities measured at amortised cost	473 934 177	473 934 177	0	0	473 934 177
	473 966 940	473 934 177	32 764	0	473 966 940



Figure 59

Fair value of the Bank's financial assets and liabilities as at 31/12/2024 (Separate)

2024	Carrying amount	Measured at fair value			
		Tier 1	Tier 2	Tier 3	Total
Financial assets					
Cash and liquid assets in central banks and other demand deposits	245 930 050	245 930 050	0	0	245 930 050
Financial assets at fair value through profit or loss:					
Financial assets held for trading	4 740 128	3 735 053	794 776	210 299	4 740 128
Financial assets not held for trading mandatorily at fair value through profit or loss	13 431 884	1 337 319	0	12 094 565	13 431 884
Other financial assets at fair value through profit or loss		0	0	0	0
Financial assets at fair value through other comprehensive income	38 906 830	38 562 968	0	343 862	38 906 830
Financial assets at amortised cost	207 439 812	206 885 563		0	206 885 563
	510 448 704	496 450 953	794 776	12 648 726	509 894 455
Financial liabilities					
Financial liabilities held for trading	32 764	0	32 764	0	32 764
Financial assets measured at amortised cost	474 287 295	474 287 295	0	0	474 287 295
	474 320 058	474 287 295	32 764	0	474 320 058

Fair value hierarchy

IFRS 13 establishes a fair value hierarchy that categorises the inputs used to measure fair value into three tiers:

Tier 1 – Financial instruments are valued based on quoted prices (unadjusted) in active markets to which the Bank has access. This tier includes government bonds, corporate bonds, equities and derivatives listed and traded on regulated markets.

Tier 2 – Financial instruments are valued using inputs other than quoted prices included in Tier 1 that are observable, directly or indirectly, in the market for the instrument. In order to determine the fair value of Tier 2 inputs, the Bank uses valuation techniques based on inputs that are observable in the market (quoted prices in active markets for similar instruments and based on quoted prices that are not assets or liabilities, interest rates, exchange rates, risk ratings provided by external entities, other). This tier

includes bonds, non-complex OTC derivatives and gross equities.

Tier 3 – Financial instruments are valued using inputs that are not observable in the market for the instrument. For fair value measurements using Tier 3 inputs, valuation techniques are used based on inputs that are not observable in the market and that do not qualify for Tier 1 or Tier 2 inputs.

In the 2025 and 2024 financial years, there were no financial transfers between Tier 1 and Tier 2.

In the 2025 and 2024 financial years, the changes in financial instruments classified in Tier 3 of the fair value hierarchy were as follows:

Figure 60

Fair value hierarchy as at 31/12/2024 and 31/12/2025 (Consolidated)

	Financial assets held for trading	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income
Balance as at 1 January 2025	210 299	12 094 565	343 862
Gains/(losses) recognised through profit and loss			
Income from assets and liabilities measured at fair value through profit or loss	21 426	329 092	
Income from available for sale financial assets			
Impairment derecognised in the year			
Gains/(losses) recognised in fair value reserves			
Acquisitions	7 274	1 148 715	
Disposals	(75 000)	(836 221)	
Transfers from other levels			
Transfers to other levels			
Exchange differences			
Other		(17 035)	
Balance as at 31 December 2025	163 999	12 719 945	343 862

Balance as at 1 January 2024	231 753	13 010 445	527 251
Gains/(losses) recognised through profit and loss			
Income from assets and liabilities measured at fair value through profit or loss	8 545	655 181	(183 389)
Income from available for sale financial assets			
Impairment derecognised in the year			
Gains/(losses) recognised in fair value reserves			
Acquisitions		399 869	
Disposals	(30 000)	(1 944 490)	
Transfers from other levels			
Transfers to other levels			
Exchange differences			
Other		(26 440)	
Balance as at 31 December 2024	210 299	12 094 565	343 862

Figure 61

Fair value hierarchy as at 31/12/2024 and 31/12/2025 (Separate)

	Financial assets held for trading	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income
Balance as at 1 January 2025	210 299	12 095 394	343 862
Gains/(losses) recognised through profit and loss			
Income from assets and liabilities measured at fair value through profit or loss	21 426	329 092	
Income from available for sale financial assets			
Impairment derecognised in the year			
Gains/(losses) recognised in fair value reserves			
Acquisitions	7 274	1 148 715	
Disposals	(75 000)	(835 392)	
Transfers from other levels			
Transfers to other levels			
Exchange differences			
Other		(17 035)	
Balance as at 31 December 2025	163 999	12 719 945	343 862

Balance as at 1 January 2024	231 753	13 010 445	527 251
Gains/(losses) recognised through profit and loss			
Income from assets and liabilities measured at fair value through profit or loss	8 545	655 181	(183 389)
Income from available for sale financial assets			
Impairment derecognised in the year			
Gains/(losses) recognised in fair value reserves			
Acquisitions		399 869	
Disposals	(30 000)	(1 944 490)	
Transfers from other levels			
Transfers to other levels			
Exchange differences			
Other		(26 440)	
Balance as at 31 December 2024	210 299	12 095 394	343 862

As at the relevant date, assets classified as Level 3 consist almost entirely of units in open-ended and closed-ended property, and units in open-ended and closed-ended securities funds.

Consequently, as there is no market price for these units, their value is determined by the net asset value figures provided periodically by the management companies of these funds.

Figure 62

Short-term interest rate as at 31/12/2024 and 31/12/2025 (Consolidated and Separate)

Interest rates

The short-term rates shown reflect the indicative values of deposit rates and/or futures; for the long term, swap rates are used ⁷ :

	2025			2024	
	EUR	USD		EUR	USD
1 week	1,899	3,636	1 week	2.924	4.327
1 month	1,939	3,63	1 month	2,845	4.323
2 months		3,621	2 months		4.318
3 months	2,026	3,602	3 months	2.714	4.302
6 months	2,107	3,538	6 months	2.568	4.249
1 year	2,173	3,636	1 year	2.460	4.176
2 years	2,265	3,272	2 years	2.193	4.078
3 years	2,382	3,298	3 years	2.189	4.055
4 years	2,48	3,352	4 years	2.220	4.042
5 years	2,573	3,417	5 years	2.246	4.039
7 years	2,733	3,559	7 years	2.294	4.049
10 years	2,923	3,755	10 years	2.362	4.071
30 years	3,244	4,108	30 years	2.156	3.933

⁷ The above figures were obtained from Bloomberg.

Figure 63

Exchange rates as at 31/12/2024 and 31/12/2025 (Consolidated and Separate)

Exchange rates

Exchange rates are based on central bank fixings⁸. The table below shows the exchange rates for some of the relevant currency pairs as at 31 December 2025 and 2024:

31/12/2025

	EUR	USD	GBP	CHF
EUR		1,1750	0,8726	0,9314
USD	0,8511		0,7426	0,7927
GBP	1,1460	1,3466		1,0674
CHF	1,0737	1,2615	0,9369	
SEK	0,0924	0,1086	0,0806	0,0861
NOK	0,0844	0,0992	0,0737	0,0786
AUD	0,5688	0,6683	0,4963	0,5298
CAD	0,6216	0,7304	0,5424	0,5789
NZD	0,4907	0,5765	0,4282	0,4570
BRL	0,1554	0,1826	0,1356	0,1447

31/12/2024

	EUR	USD	GBP	CHF
EUR		1,0389	0,8292	0,9412
USD	0,9626		0,7981	0,9060
GBP	1,2060	1,2529		1,1351
CHF	1,0625	1,1038	0,8810	
SEK	0,0873	0,0907	0,0724	0,0821
NOK	0,0848	0,0881	0,0703	0,0798
AUD	0,5962	0,6194	0,4944	0,5612
CAD	0,6690	0,6950	0,5547	0,6296
NZD	0,5396	0,5606	0,4474	0,5079
BRL	0,1556	0,1617	0,1290	0,1465

⁸ Source of exchange rates: <https://www.bportugal.pt/taxas-cambio>.

	SEK	NOK	AUD	CAD	NZD	BRL
	10,8215	11,8430	1,7581	1,6088	2,0380	6,4364
	9,2098	10,0791	1,4963	1,3692	1,7345	5,4778
	12,4014	13,5721	2,0148	1,8437	2,3355	7,3761
	11,6185	12,7153	1,8876	1,7273	2,1881	6,9105
		1,0944	0,1625	0,1487	0,1883	0,5948
	0,9137		0,1485	0,1358	0,1721	0,5435
	6,1552	6,7362		0,9151	1,1592	3,6610
	6,7264	7,3614	1,0928		1,2668	4,0007
	5,3099	5,8111	0,8627	0,7894		3,1582
	1,6813	1,8400	0,2731	0,2500	0,3166	

	SEK	NOK	AUD	CAD	NZD	BRL
	11,4590	11,7950	1,6772	1,4948	1,8532	6,4253
	11,0299	11,3534	1,6144	1,4388	1,7838	6,1847
	13,8197	14,2249	2,0227	1,8027	2,2350	7,7490
	12,1749	12,5319	1,7820	1,5882	1,9690	6,8267
		1,0293	0,1464	0,1304	0,1617	0,5607
	0,9715		0,1422	0,1267	0,1571	0,5447
	6,8322	7,0326		0,8912	1,1049	3,8310
	7,6659	7,8907	1,1220		1,2398	4,2984
	6,1834	6,3647	0,9050	0,8066		3,4671
	1,7834	1,8357	0,2610	0,2326	0,2884	

Note 17. Minority interests

Following the disposal of the shareholding in Carregosa – Sociedade Gestora de Organismos de Investimento Coletivos, S.A., in 2025, no amount (€21 319 as at 31 December 2024) was recognised under minority interests.

Note 18. Financial margin

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Interest and similar income from:				
Interest on cash and cash equivalents in central banks	1 656	0	1 656	0
Interest on cash and cash equivalents in other credit institutions	242 122	509 019	242 122	509 019
Interest on investments in credit institutions	5 318 247	9 694 622	5 318 247	9 694 622
Interest on loans to clients	2 568 103	3 262 472	2 568 103	3 262 472
Interest on overdue loans	11 723	81 512	11 723	81 512
Interest and similar income from other financial assets	6 126 997	6 337 719	6 126 997	6 337 719
Commissions received associated to amortised cost	87 071	111 866	87 071	111 866
	14 355 919	19 997 211	14 355 919	19 997 211
Interest and similar charges on:				
Deposits from other credit institutions	(24 608)	(32 962)	(24 352)	(32 962)
Interest from creditors	(5 880 565)	(9 982 511)	(5 888 010)	(9 993 135)
Interest on trading liabilities	0	(1 944)	0	(1 944)
Other interest and similar charges	(4 254)	(7 474)	(4 250)	(7 211)
	(5 909 427)	(10 024 891)	(5 916 612)	(10 035 251)
	8 446 492	9 972 320	8 439 307	9 961 960

The financial margin decreased slightly compared to 2024, a change largely due to the decrease in the ECB reference rate.

Note 19. Income from equity instruments

	Consolidated and Separate	
	31-12-2025	31-12-2024
Available-for-sale financial assets		
Issued by residents		
Investment units	287 462	336 996
	287 462	336 996

These result from the payment of income from the Retail Properties real estate investment fund, of around €206 000 corresponding to two payments of €0.50 per investment unit, similar to 2024.

Note 20. Revenue and charges from and with commission services

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Income from services and commissions from:				
Guarantees and commitments	27 865	44 432	27 865	44 432
Deposit and custody of securities	326 444	233 405	326 444	233 405
Collection of securities	364 291	385 912	364 291	385 912
Management of securities	2 857 831	2 660 198	1 953 107	1 869 324
Collective investment undertakings	2 804 255	2 185 932	2 804 255	2 185 932
Other services rendered	701 643	926 346	701 643	926 346
Transactions carried out on behalf of third parties	2 858 813	2 242 817	2 858 813	2 242 817
Other commissions received	539 153	720 696	540 513	722 016
	10 480 295	9 399 737	9 576 931	8 610 184
Charges with services and commissions for:				
Deposit and custody of securities	(201 693)	(155 472)	(201 693)	(155 472)
Other banking services provided by third parties	(92 003)	(75 312)	(91 283)	(74 703)
Transactions carried out by third parties	(3 243 366)	(2 819 531)	(3 243 366)	(2 819 531)
	(3 537 062)	(3 050 315)	(3 536 342)	(3 049 706)
	6 943 233	6 349 422	6 040 590	5 560 478

In 2025, net fees increased by around 9% compared to 2024. The rise in fees relating to collective investment schemes, which increased by €618M compared to 2024, contributed significantly to this.

Note 21. Income from assets and liabilities at fair value through profit or loss (net)

	Consolidated and Separate	
	31-12-2025	31-12-2024
Gains from:		
Financial assets held for trading		
Securities	5 328 837	4 611 318
Derivative instruments	16 519 752	6 840 400
	21 848 589	11 451 718
Losses from:		
Financial assets held for trading		
Securities	(2 619 540)	(1 849 507)
Derivative instruments	(18 412 813)	(5 654 389)
	(21 032 353)	(7 503 896)
	816 235	3 947 822

In accordance with the applicable standards, in addition to the adjustments resulting from the application of fair value, this heading also includes the effects related to derecognition of financial assets, normally through their sale. In 2025, there is a decrease of 79% compared to 2024, with a negative contribution to this item arising from the results of currency hedging derivatives.

Note 22. Income from financial assets at fair value through other comprehensive income

	Consolidated and separate	
	31-12-2025	31-12-2024
Gains from:		
Available-for-sale financial assets		
Securities		
Issued by residents		
Debt instruments	3 234	0
Equity instruments	0	17 694
Issued by non-residents		
Debt instruments	1 004 391	15 462
	1 007 625	33 156
Losses from:		
Available-for-sale financial assets		
Securities		
Issued by residents		
Equity instruments	0	(201 202)
Issued by non-residents		
Debt instruments	(960 253)	(563 909)
	(960 253)	(765 111)
	47 372	(731 954)

In 2025, the net result from financial assets and liabilities at fair value through comprehensive income was a profit of €47M. The net loss of €732 000 in 2024 was largely due to the disposal of securities with exposure to Russia.

Note 23. Income from non-negotiable financial assets mandatorily at fair value through profit or loss

	Consolidated and separate	
	31-12-2025	31-12-2024
Gains from:		
Financial assets mandatorily at fair value through profit or loss		
Equity instruments	1 777 965	1 458 303
Losses from:		
Non-negotiable financial instruments mandatorily at fair value through profit or loss		
Instrumentos de capital	(1 442 815)	(732 719)
	335 150	725 585

Note 24. Income from assets at amortised cost

	Consolidated and separate	
	31-12-2025	31-12-2024
Gains from:		
Debt instruments	82 154	469 678
	82 154	469 678

This note reflects the results obtained from the disposal of debt instruments.

Note 25. Foreign exchange revaluation (net)

	Consolidated and separate	
	31-12-2025	31-12-2024
Gains from:		
Exchange differences		
Other items in foreign currency	3 698 366	863 990
Losses from:		
Exchange differences		
Other items in foreign currency	(1 047 174)	(1 654 780)
	2 651 192	(790 790)

The positive result in 2025 of €2.6M compared with the negative results of €791 000 in 2024 is due to the exchange rate variation, in particular the US dollar, due to the Bank's exposure to that currency. Note that this figure should be analysed together with the results of hedging instruments, which were negative by around €1.9M (Note 21).

Note 26. Income from the disposals of other assets

	Consolidated	
	31-12-2025	31-12-2024
Gains from:		
Non-financial assets	270 796	147 451
Losses from:		
Non-financial assetss	(58 160)	(65 141)
	212 636	82 310

Note 27. Other operational income

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Gains from:				
Gains from inv. in subsidiaries in the country	59 402	93 172	388 201	170 814
Other income and operating revenue	364 613	259 839	275 631	177 483
	424 015	353 011	663 832	348 296
Losses from:				
Losses from inv. in subsidiaries in the country	(15 526)	(33 626)	(15 526)	(43 997)
Other taxes	(898 074)	(775 914)	(894 992)	(771 924)
Donations and membership fees	(89 854)	(114 189)	(89 854)	(114 189)
Payments to the Deposit Guarantee Fund (FGD)	(859)	(781)	(859)	(781)
Payments to the Investor Compensation Scheme	(2 500)	(2 500)	(2 500)	(2 500)
Failure of computer systems or telecommunications	(2 138)	(6 023)	(2 138)	(6 023)
Other charges and operating expenses	(226 165)	(234 780)	(223 728)	(145 067)
Operational risks	0	(637 126)	0	(637 126)
	(1 235 116)	(1 804 939)	(1 229 597)	(1 721 607)
	(811 101)	(1 451 928)	(565 765)	(1 373 311)

The main change in this item relates to an operational risk event which resulted in a loss of around €637 000 in 2024. The €42,121.35 proceeds from the disposal of the shareholding in Carregosa SGOIC, S.A. are reflected in the gains and losses on investments in domestic subsidiaries.

Note 28. Staff costs

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Remunerations				
Management and supervisory bodies	(1 261 714)	(1 223 975)	(1 054 666)	(986 509)
Employees	(4 629 451)	(4 530 232)	(4 486 979)	(4 351 126)
Mandatory social security payments				
Remuneration-related charges	(1 340 630)	(1 326 286)	(1 270 218)	(1 235 145)
Other mandatory social security payments				
Pension fund	(35 327)	(38 624)	(35 327)	(38 624)
Insurance against accidents at work	(25 063)	(25 639)	(23 839)	(24 355)
Other staff costs	(829 691)	(751 110)	(780 803)	(725 922)
	(8 121 876)	(7 895 866)	(7 651 832)	(7 361 681)

Staff costs increased by 3% in 2025 due to the Remuneration adjustments, while maintaining a balanced salary structure in relation to the banking product. Note that the figures shown include data from Carregosa SGOIC up to 31 October, for which 15 employees were recorded.

As at December 2025, the Bank employed 128 people in Portugal, as shown in the job descriptions in the table below.

Distribution by professional category	31/12/2025	31/12/2024
Management Board	8	6
Management	30	29
Technical staff	57	51
Administrative staff	6	5
Sales/operations	20	19
Other	7	7
Banco Carregosa	128	117

Retirement and survivor pension liabilities

Banco Carregosa offers a defined benefit pension plan to a limited number of employees. For this purpose, the beneficiaries of this Pension Plan are current and former employees of the Bank who, having been admitted to the banking sector before 3 March 2009, were not registered with Social Security until that date.

Banco Carregosa has voluntarily and at its own discretion chosen to define the guaranteed benefits by reference to the ACTV for the banking sector and is subject to the requirements established by Banco de Portugal. Amounts paid depend on the number of years of service of the employee and the salary scales established in this agreement.

Benefits of the Banco Carregosa Pension Plan:

- I. old-age or presumed invalidity pension;
- II. deferred survivor pensions;
- III. immediate survivor pensions;
- IV. post-retirement contributions to SAMS (medical-social aid assistance for bank employees);
- V. death grant (*).

(*) In the event of the death of a participant or beneficiary (due to disability or presumed disability), a lump-sum death benefit will be paid, as defined in Article 102 of the ACTV. Responsibility for past services rendered by eligible employees is determined each year on the basis of the date of joining Banco Carregosa and not the date of entry into the banking sector. As a result, former employers are liable for the portion of the liability relating to the period between

the date of entry into the banking sector and the date of entry into the company, unless they have transferred the amount of their portion of the liability. The benefits relating to disability pensions and immediate survivor pensions are covered by a risk insurance policy.

In addition, the Bank shares the responsibility and cost of health care for its employees. Employees who were members of the CAFEB as at 31 December 2010 can benefit from the Medical and Social Assistance Services (SAMS) of their trade unions.

The liabilities for retirement and survivor pensions and their cost arising from the Bank's pension plan have been determined on the basis of an actuarial valuation carried out by an actuary. As at 31 December 2025, Banco Carregosa's pension plan included 11 active members, 47 with acquired rights, and 8 pensioners.

Decree-Law No 1-A/2011 of 3 January 2011 modified the calculation of pension fund responsibilities. From the date of transfer to the General Social Security Scheme on 31 December 2010 of bank employees integrated into CAFEB, the Fund will no longer be responsible for the full ACT pension; from that date, only the supplementary pension resulting from the difference between the ACT pension and the social security pension will be taken into account.

Number of participants in the plan

As at 31 December of every year, the participants in the pension plan are as follows:

	2025	2024
Active participants	11	12
Former participants with acquired rights	47	46
Pensioners	8	8
Total	66	66

Assumptions

The liabilities of the pension scheme were determined on the basis of the following assumptions:

	2025	2024
Actuarial valuation method	Project Unit Credit Method	Project Unit Credit Method
Demographic assumptions		
Mortality table	TV88/90	TV88/90
Invalidity table	SR88	SR88
Turnover tables	-	-
Financial assumptions		
Fund yield rate	4.25%	3.50%
Wage growth rate	1.50%	1.50%
Pension adjustment rate	4.25%	3.50%
Pension growth rate	1.50%	1.50%
General information		
Number of benefit payments	14	14

Pension obligations

As at 31 December, pension obligations were as follows:

	2025	2024
Defined pension obligations	1 000 114	1 076 205
Active participants' obligations	2 683 353	2 695 062
Total	3 683 467	3 771 266

Defined pension obligations

Defined pension obligations relate to the funding and minimum scenarios.

The current value of the defined benefit obligation at 31 December 2025 is as follows:

2025	Pensions	SAMS	Death grant	Total
Old-age pensions	540 885	46 204	1 551	588 640
Invalidity pensions	0	0	0	0
Survivors' pensions	402 171	9 303	0	411 475
Total	943 057	55 507	1 551	1 000 114

The current value of defined pension obligations as at 31 December 2024 is as follows:

2025	Pensions	SAMS	Death grant	Total
Old-age pensions	591 447	50 001	1 583	643 031
Invalidity pensions	0	0	0	0
Survivors' pensions	423 057	10 117	0	433 174
Total	1 014 504	60 118	1 583	1 076 205

Active participants' obligations

Active participants' obligations relate to funding and minimum scenarios

The current value of active participants' obligations as at 31 December 2025 is as follows:

2025	Active participants	Acquired rights	SAMS Active participants	Death grant active participants	Total
Current value of past service costs					
<65 years	1 217 916	1 065 847	158 910	5 178	2 447 850
≥ 65 years	128 424	97 858	9 221	0	235 503
Total	1 346 340	1 163 705	168 131	5 178	2 683 353

The current value of active participants' obligations as at 31 December 2024 is as follows:

2024	Active participants	Acquired rights	SAMS Active participants	Death grant active participants	Total
Valor atual das responsabilidades por serviços passados					
<65 years	1 481 073	779 797	182 001	6 351	2 449 222
≥ 65 years	136 882	99 013	9 945	0	245 840
Total	1 617 954	878 810	191 946	6 351	2 695 062

3. Notes to the Consolidated and Separate Financial Statements as at 31 December 2025

The application of the method recommended by the CNSF for calculating the present value of the past service cost for old-age pensions may result in liabilities for some participants that are higher than the current value of the total service cost, in which case the current value of the future service cost is zero.

Plan assets

Benefit obligations are financed by the Collective Subscription No. 1 to the Open-ended Funds Optimize Capital Equilibrado (FP OCP Balanced), Optimize Capital Moderado (FP OCP Moderate) and Optimize Capital Ações (FP OCP Shares) and the Collective Subscription No. 4 to the Real Reforma Garantida Pension Fund.

The pension funds mentioned above are open-ended funds whose risk profile varies according to their investment policy. The FP OCP Balanced is for participants who are 10 or more years away from retirement and have some room for manoeuvre in terms of investment values; the FP OCP Moderate is for participants who are risk-averse or less than 5 years away from retirement; and the FP OCP Shares is for long-term investments or for participants who are 15 or more years away from retirement. The FP Real Reforma Garantida Pension Fund is designed for risk-averse participants or those within 5 years of retirement age who prefer to sacrifice profitability in order to protect their capital.

The value of each fund as at 31 December is as follows:

	2025	2024
FP OCP Balanced	579 215	667 372
FP OCP Moderate	1 597 440	1 594 865
FP OCP Shares	1 478 727	1 436 725
Total	3 655 382	3 698 962

Fund performance

The following tables show the development of the Bank's pension plan income and expenses, allocated to each of the three funds. The expenses mentioned below include pensions, insurance premiums and other expenses.

Performance of the FP OCP Balanced fund in 2025:

	Investment unit value	Investment units	Fund value	Value date
Opening balance	8.1310	82 077.8231	667 372.16	31-12-2024
Pensões + encargos	0	-12 196.4378	-97 717.85	
Contribuições + outras	0	676.9520	5 490.33	
Total de movimentos	0	-11 519.4858	-92 227.52	
Rendimento do fundo	0.96%	0	4 070.40	
Saldo final	8.2090	70 558.3373	579 215.04	31-12-2025

Performance of the FP OCP Moderate fund in 2025:

	Investment unit value	Investment units	Fund value	Value date
Opening balance	7.3231	217 785.3545	1 594 864.77	31-12-2024
Pensions + charges	0	-3 377.8205	-24 771.52	
Contributions + other	0	1 625.0854	11 828.70	
Total transactions	0	-1 752.7351	-12 942.82	
Fund yield rate	0.97%	0	15 518.04	
Closing balance	7.3944	216 032.6194	1 597 439.99	31-12-2025

Performance of the FP OCP Shares in 2025:

	Investment unit value	Investment units	Fund value	Value date
Opening balance	8.9539	160 458.2494	1 436 724.65	31-12-2024
Pensions + charges	0	-2 352.2122	-21 320.40	
Contributions + other	0	1 157.5289	10 307.32	
Total transactions	0	-1 194.6833	-11 013.08	
Fund yield rate	3.70%	0	53 015.62	
Closing balance	8.9539	159 263.5661	1 478 727.19	31-12-2025

Performance of the three funds in the 2025 and 2024 financial years:

	Investment unit value	Investment units	Fund value	Value date
Opening balance	8.0356	460 321.4270	3 698 961.58	31-12-2024
Pensions + charges	0	-17 926.4705	-143 809.77	
Contributions + other	0	3 459.5663	27 626.35	
Total transactions	0	-14 466.9042	-116 183.42	
Fund yield rate	2.03%	0	72 604.06	
Closing balance	8.1986	445 854.5228	3 655 382.22	31-12-2025

Differences:

	Estimated	Real	Diff.	Value date
Opening balance	3 698 961.58	3 698 961.58	0.00	31-12-2024
Pensions + charges	-138 517.64	-143 809.77	-5 292.13	
Contributions + other	0.00	27 626.35	27 626.35	
Total transactions	-138 517.64	-116 183.42	22 334.22	
Fund yield rate	127 039.61	72 604.06	-54 435.55	
Closing balance	3 687 483.55	3 655 382.22	-32 101.33	31-12-2025

Estimated values are based on the pensions and income rates estimated in the previous year's actuarial report. The negative difference is due to the fact that the fund yield was lower than expected.

Duration of pension obligations

The fund has a residual maturity of 67 years, resulting from the technical threshold of the mortality table used compared to the estimated duration of the obligations:

Duration (interest rate sensitivity)

Macauly	13,2
Modified	12,7
Convexity	242

The portfolio of financial assets is common to participants and beneficiaries; however, if the analysis were performed separately, we would have a modified duration of 14.1 for participants, 16,3 for former participants, and 8 for beneficiaries.

Changes in past service obligations

	31/12/2024	31/12/2025	Variação
Current value of pensions in payment	1 076 205	1 001 114	-7.07%
Current value of past service obligations	2 695 062	2 683 353	-0.43%
Total	3 771 266	3 684 467	-2.33%

Compared with the previous year, liabilities fell by 2.33%, due to:

- I. a change in the discount rate, leading to a decrease in the value of liabilities of €408 881.80;
- II. changes in the number of participants, resulting to an increase of €321 082.71, primarily due to higher pensions and wages than assumed in the previous valuation.

Contributions and financing plans

The funding level of the pension payment liabilities at this date is as follows:

	Funding & Minimum Scenario
Liabilities (VAPP+VASP)	3 683 467.38
VAPP	1 000 114.40
VAPP funding level	100%
VABT (acquired rights)	1 163 704.65
VABT funding level	100%
VASP	1 519 648.33
VASP funding level	98.15%
Fund value	3 655 382.22
Global funding level	99.24%

The value of the fund used to determine the level of funding, and the corresponding net value is already net of costs and expenses incurred. As the funding of this pension plan is subject to the minimum funding requirements of the Banco de Portugal, i.e. full funding of the pension liabilities in payment and acquired rights and 95% of the liabilities for past services of the active population, it complies with the requirements. Therefore, there are no liabilities to be financed.

Taking into account the assumptions in accordance with the ASF solvency minimum (Regulatory Standard 8/2021-R of 16 November, amended by ASF Regulatory Standard 12/2023-R of 12 December), the past service cost at 31 December 2025 amounts to €3 034 927.49.

Note 29. General administrative costs

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Supplies				
Water, electricity , fuel	(253 286)	(266 115)	(249 633)	(264 223)
Consumables	(18 292)	(59 404)	(16 075)	(55 156)
Publications	(5 219)	(5 676)	(5 139)	(5 676)
Hygiene and cleaning products	(17 310)	(17 303)	(16 980)	(17 201)
Other third party supplies	(111 187)	(98 086)	(109 653)	(95 675)
	(405 293)	(446 585)	(397 480)	(437 932)
Services:				
Leases and rentals	(70 567)	(60 821)	(70 567)	(60 821)
Communications	(224 599)	(241 697)	(221 034)	(238 860)
Travel, hotel and entertainment expenses	(166 813)	(187 904)	(157 806)	(177 510)
Advertising and publishing	(546 871)	(558 655)	(546 871)	(558 655)
Repairs and maintenance	(102 246)	(128 824)	(101 019)	(128 020)
Insurance	(103 293)	(100 902)	(101 608)	(100 366)
Specialised services				
Retainers and fees	(21 567)	(23 809)	(21 567)	(21 656)
Legal, litigation and notaries	(3 602)	(3 217)	(3 452)	(2 893)
IT services	(1 682 689)	(1 534 840)	(1 639 886)	(1 487 573)
Security and surveillance	(9 337)	(10 069)	(9 337)	(10 069)
Cleaning services	(17 798)	(14 385)	(17 798)	(14 385)
Information	(913 494)	(809 289)	(910 352)	(805 589)
Databases	(108 954)	(82 791)	(108 954)	(82 791)
Other specialised services				
Analyses and consultations	(20 336)	(35 111)	(20 336)	(35 111)
Consultants and external auditors	(736 033)	(925 808)	(704 811)	(883 455)
External appraisers	(32 219)	(43 238)	(32 219)	(42 254)
Other third party services	(19 356)	(19 505)	0	0
Other third party services				
Advisory, communication and image	(95 321)	(71 260)	(95 321)	(71 260)
Banco de Portugal - BPnet service	0	1 280	0	1 280
Housekeeping services	(26 368)	(10 827)	(26 368)	(10 827)
Other	(89 078)	(50 922)	(77 385)	(36 295)
	(4 990 541)	(4 912 596)	(4 866 691)	(4 767 112)
	(5 395 834)	(5 359 180)	(5 264 172)	(5 205 044)

3. Notes to the Consolidated and Separate Financial Statements as at 31 December 2025

In 2025, general administrative expenditure increased by 0.7%, i.e. €36 700. The largest cut was in the Consultancy services' item, with expenditure falling by around €201 000.

It should be noted that only costs relating to a 10-month period associated with the holding in the holding company SGOIC (disposed of in November 2025) were taken into account.

The item "Consultants and external auditors" includes the fees charged by the Statutory Auditors, including the entities part of their network, as part of their statutory audit and other reliability assurance services (amounts exclude VAT):

	31-12-2025	31-12-2024
Statutory auditor (Banco Carregosa)		
Legal Certification of Accounts	100 850	110 200
Other assurance and reliability services	26 145	27 975
Other services other than assurance and reliability	57 525	22 220
Statutory auditor (Carregosa SGOIC)		
Legal Certification of Accounts	17 500	14 500
	202 020	174 895

Note 30. Amortisations in the year

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Property, plant and equipment				
Of property	(221 332)	(223 373)	(221 332)	(223 373)
Of equipment	(1 020 081)	(971 308)	(1 012 051)	(963 256)
Of financial lease assets	0	0	0	0
Of other intangible assets	0	0	0	0
	(1 241 413)	(1 194 681)	(1 233 383)	(1 186 628)
Intangible assets	(853 709)	(725 357)	(841 908)	(711 196)
	(2 095 122)	(1 920 038)	(2 075 291)	(1 897 824)

As mentioned in notes 6 and 7, the transactions and balances of the items "Other property, plant and equipment" and "Intangible assets", including amortisations and impairment adjustments, are shown in the table attached to these notes.

Note 31. Provisions net of write-offs

	Consolidated and separate	
	31-12-2025	31-12-2024
Gains from:		
Provisions for guarantees and commitments	1 594	15 170
Losses from:		
Provisions for guarantees and commitments	(1 648)	(14 480)
Other provisions	0	(10 000)
	(54)	(9 310)

Note 32. Impairments of financial assets at amortised cost

	Consolidated and separate	
	31-12-2025	31-12-2024
Investments held to maturity		
Debt instruments	(47 176)	479 905
Loans		
Regular loans	4 368 009	1 755 243
Overdue loans (includes other debtors)	(4 393 382)	(1 891 612)
	(25 373)	(136 369)
	(72 549)	343 536

Note 33. Impairments of financial assets at fair value through other comprehensive income

	Consolidated and Separate	
	31-12-2025	31-12-2024
Available-for-sale financial assets		
Debt instruments	1 367	930 302
	1 367	930 302

In 2025, there was a marginal gain of around €1.3M. The figure of €930 000 in 2024 stems from the reversal of impairment losses on debt instruments, which followed the disposal of securities with exposure to Russia.

Note 34. Taxes

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Current	(576 863)	(686 984)	(542 918)	(679 913)
Deferred	5 912	(192 741)	5 912	(192 741)
	(570 951)	(879 724)	(537 006)	(872 653)

The current tax (€576 863) recognised in 2025 is based on income tax calculated in accordance with the tax law applicable to the Group.

The current tax, recognised in 2025 and amounting to €542 918, arises from income tax at separate level. This is calculated in accordance with applicable legislation, as set out below:

	31-12-2025	31-12-2024
Pre-tax results	3 283 802	4 988 753
Legal tax rate (corporate income tax + municipal tax)	21,50%	22,50%
Normal tax load (1x2)	706 017	1 122 469
Tax effect of non-deductible expenses	1 013 233	677 012
Tax effect of non-taxable income	-1 390 505	-1 283 000
Variations in assets	0	0
Taxable income/Reportable losses (1+4+5+6)	2 906 530	4 382 765
Reportable tax loss	0	0
Tax (corporate income tax + municipal tax)	696 165	1 072 836
Autonomous taxation	90 503	92 539
Tax benefits	-243 750	-485 463
Total tax (9+10+11)	542 918	679 913
Effective rate (12/1)	16,53%	13,63%

Under current legislation, tax returns are subject to review and correction by the tax authorities for a period of four years (five years for Social Security).

In addition, in accordance with Article 63 of the Corporate Tax Code, the Tax and Customs Administration may make any corrections it deems necessary to the determination of taxable income if, as a result of special relations between the taxpayer and another person, whether or not subject to corporate tax, different terms are agreed to those normally agreed between independent persons, which lead to a different result from that which would have been calculated if such relations had not existed. However, in the opinion of the Board, any adjustments resulting from differing interpretations of the law by the tax authorities should not have a material effect on the accompanying financial statements.

Deferred tax in the amount of €5 912 and (€192 741) in the income statements for 2024 and 2025, respectively, results from the impact of temporary income tax differences, as shown below:

	Deferred tax assets	Deferred tax liabilities	Impact on profit or loss
As at 31/12/2025			
Credit impairment	18 229	0	(5 558)
Intangible assets	4 705	0	(636)
JV reserves	0	659 084	3 548
Fair value invest. units	0	569 586	8 557
	22 934	1 228 670	5 912
As at 31/12/2024			
Credit impairment	23 787	0	0
Intangible assets	5 340	0	(68 948)
JV reserves	0	(760 416)	4 416
Fair value invest. units	0	(578 143)	(128 209)
	29 128	(1 338 559)	(192 741)



Note 35. Minority interests

Following the holding of a 96% stake in the share capital of Carregosa – Sociedade Gestora de Organismos de Investimento Colectivo, S.A. until October 2025, an amount of €9 010 relating to minority interests was recognised in profit or loss for the financial year. The equivalent figure for 2024 was €3 081.

Note 36. Off-balance sheet accounts

	Consolidated		Separate	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
Commitments to third parties:				
Irrevocable commitments				
Potential commitments to SII	2 584 736	1 989 046	2 584 736	1 989 046
Revocable commitments				
Credit lines	17 293 684	17 286 633	17 293 684	17 286 633
	19 878 420	19 275 679	19 878 420	19 275 679
Liabilities for service provision:				
Of deposit and custody of securities	4 518 304 582	3 017 426 096	4 518 304 582	3 017 426 096
Amounts managed by the institution	320 751 000	444 809 111	320 751 000	275 255 344
	4 839 055 582	3 462 235 207	4 839 055 582	3 292 681 440
Services provided by third parties:				
For deposit and custody of securities	2 073 037 921	1 512 125 606	2 073 037 921	1 512 125 606
	2 073 037 921	1 512 125 606	2 073 037 921	1 512 125 606
Foreign exchange transactions and derivative instruments:				
Trading instruments				
Foreign exchange forward transactions	27 810 896	19 650 790	27 810 896	19 650 790
	27 810 896	19 650 790	27 810 896	19 650 790
Guarantees provided and any other services:				
Personal guarantees	2 278 967	1 103 967	2 278 967	1 103 967
Real guarantees	24 706 383	33 845 226	24 706 383	33 845 226
	26 985 350	34 949 193	26 985 350	34 949 193
Guarantees received:				
Personal guarantees	28 883 495	36 154 655	28 883 495	36 154 655
Real guarantees	204 167 306	183 739 888	204 167 306	183 739 888
	233 050 801	219 894 543	233 050 801	219 894 543
Other off-balance sheet items:				
Write-offs	5 798 544	5 837 220	5 798 544	5 837 220
Accrued interest	19 431	15 850	19 431	15 850
Miscellaneous accounts	(7 225 636 944)	(5 273 984 089)	(7 225 636 944)	(5 104 430 322)
	(7 219 818 969)	(5 268 131 019)	(7 219 818 969)	(5 098 577 252)

Note 37. Contingent liabilities arising from the Resolution Fund

In accordance with Decree-Law 24/2013 establishing the operation of the Resolution Fund (hereinafter referred to as the "RF"), the Bank has made an initial contribution since 2013, followed by the mandatory annual contributions provided for in Articles 3 and 4 of the said Diploma.

In a 2015 circular letter, Banco de Portugal explained that the regular contribution to the RF should be considered a cost in the year in which it is paid, i.e. at the end of April each year.

In a press release issued in 2015, the Resolution Fund made it clear that a special contribution to fund the resolution measure applicable to BES was unlikely. Therefore, as stated

in the press release, the possibility of a special contribution seems to be remote.

The contribution paid in 2025, of €155 644.75, compares with the €86 327.08 paid in 2024, as a result of the change in the rate applied. These contributions have been recognised as a cost in each financial year in accordance with IFRIC 21 – 'Levies'.

Note 38. Assets pledged as collateral

The breakdown of these assets is as follows:

	31-12-2025	31-12-2024
Financial assets at fair value through other comprehensive income		
Debt securities	23 209 495	21 359 041
Other assets		
Various investments - uncleared values	1 923 746	1 263 842
	25 133 241	22 622 883

Note 39. Changes in the scope of consolidation

On 28 November 2025, Banco L. J. Carregosa, S.A. sold its shareholding in Sociedade Carregosa SGOIC, S.A., generating a capital gain of €42 121.35 (see Note 27). This gain arose from the difference between the sale price and the value at which the holding had been recorded using the equity method as at 31 October 2025.

Note 40. Related parties

List of shareholders of the Bank with a holding of more than 2%, as at 31 December 2025 and 2024:

Table 24

Shareholding composition as at 31/12/2025 and 31/12/2024

Shareholding composition:

	No. of shares	%	31/12/2025 Voting rights
Maria Cândida Cadeco da Rocha e Silva	58 649 733	29.32	58 649
Jorge Manuel da Conceição Freitas Gonçalves	37 768 937	18.88	37 768
Projeto Inverso, SGPS, S.A.	15 880 743	7.94	15 880
Ashley Grove & Company Ltd	11 999 000	5.99	11 999
Planalto Capital – Fundo de Capital de Risco	11 095 000	5.55	11 095
Groupe Norwich S.A.	9 999 990	5.00	9 999
Imocarregosa-Gestão e Comercialização Imobiliária, S.A.	9 935 751	4.97	9 935
Sophia Capital - Fundo de Capital de Risco	4 810 000	2.41	4 810
Ruasgest, SGPS, S.A.	4 764 223	2.38	4 764

On 9 March 2026, the shareholding structure changed when Imocarregosa, S.A. acquired 53.1772% of the Bank's share capital. As a result, Maria Cândida Cadeco da Rocha e Silva and Jorge Manuel da Conceição Freitas Gonçalves ceased to be direct shareholders.

On 27 April 2026, the shares previously registered in the name of Ashley Grove & Company Ltd were transferred to Mauricio Zlatkin Zlatkin.

Shareholding composition:

	No. of shares	%	31/12/2024 Voting rights
Maria Cândida Cadeco da Rocha e Silva	58 649 733	29,32	58 649
Jorge Manuel da Conceição Freitas Gonçalves	37 768 937	18,88	37 768
Projeto Inverso, SGPS, S.A.	15 880 743	7,94	15 880
Ashley Grove & Company Ltd	11 999 000	5,99	11 999
Planalto Capital – Fundo de Capital de Risco	11 095 000	5,55	11 095
Groupe Norwich S.A.	9 999 990	5,00	9 999
Imocarregosa-Gestão e Comercialização Imobiliária, S.A.	9 935 751	4,97	9 935
Sophia Capital - Fundo de Capital de Risco	4 810 000	2,41	4 810
Ruasgest, SGPS, S.A.	4 764 223	2,38	4 764

Remuneration of the Board of Directors

The remuneration of the Board of Directors for the years ended 31 December 2025 and 2024 is disclosed in Note 28 to these financial statements.

In accordance with IAS 24, related parties of Banco Carregosa are:

- I. • those in which the Bank has, directly or indirectly, significant influence over the management and financial policy (subsidiaries);
- II. • key personnel, considering for this purpose the members of the Board of Directors (executive and non-executive) and the Supervisory Committee.

In accordance with these criteria, the entities listed below are considered to be related parties of Banco Carregosa as at 31 December 2025, as well as any legal entities related to them:

Name of related entity	Registered office	Effective shareholding	Direct shareholding
Board and supervisory members of Banco L. J. Carregosa, S.A.			
Maria Cândida Cadeco da Rocha e Silva			
Jorge Manuel da Conceição Freitas Gonçalves			
Homero José de Pinho Coutinho			
António Cândido Baldaque Sousa Soares da Silva			
Francisco Miguel Melhorado de Oliveira Fernandes			
Fernando Miguel da Costa Ramalho			
David Alberto Morais Sousa Ribeiro			
Mário Oldemiro Carvalho Fernandes			
Mariana Mendes Baptista Lopes			
Rodrigo de Melo Neiva Santos			
António Fernando dos Reis Magalhães Pinto			
Cristina Maria da Costa Pinto			

In accordance with these criteria, the entities listed below are considered to be related parties of Banco Carregosa as at 31 December 2024, as well as any legal entities related to them:

Name of related entity	Registered office	Effective shareholding	Direct shareholding
Subsidiaries			
Carregosa, SGOIC, S.A.	Portugal	96%	96%
Board and supervisory members of Banco L. J. Carregosa, S.A.			
Maria Cândida Cadeco da Rocha e Silva			
Jorge Manuel da Conceição Freitas Gonçalves			
António José Paixão Pinto Marante			
Homero José de Pinho Coutinho			
Rogério Francisco Montenegro do Couto			
Francisco Miguel Melhorado de Oliveira Fernandes			
Fernando Miguel da Costa Ramalho			
José Nuno de Campos Alves			
Mário Oldemiro Carvalho Fernandes			
Mariana Mendes Baptista Lopes			
Rodrigo de Melo Neiva Santos			
António Fernando dos Reis Magalhães Pinto			
Cristina Maria da Costa Pinto			

3. Notes to the Consolidated and Separate Financial Statements as at 31 December 2025

As at 31 December 2025, the total amount of assets, liabilities, equity and off-balance-sheet commitments related to transactions with subsidiaries, members of the Board of Directors and legal entities over which they have a significant influence is as follows:

Figure 64

Balances arising from transactions with related parties as at 31/12/2024 and 31/12/2025 (Consolidated)

2025

	Assets		Liabilities	
	Supplementary payments	Loans	Client deposits	
			Sight deposits	
Members of the Board of Directors and Supervisory Committee of Banco L. J. Carregosa, S.A.	0	0	307 421	
Companies in which the members of the Board of Directors and the Supervisory Committee have a material influence	0	3 899 645	332 826	
	0	3 899 645	640 247	

2024

	Assets		Liabilities	
	Supplementary payments	Loans	Client deposits	
			Sight deposits	
Subsidiaries	0	0	2 486	
Members of the Board of Directors and Supervisory Committee of Banco L. J. Carregosa, S.A.	0	0	150 260	
Companies in which the members of the Board of Directors and the Supervisory Committee have a material influence	0	1 495 209	2 227 839	
	0	1 495 209	2 380 585	

		Off-balance sheet				
Term deposits	Other supplies	Guarantees provided	Guarantees received	Credit lines	Deposit and custody of securities	
111 044	0	0	0	0	12 299 331	
209 451	0	0	13 255 000	643 162	16 607 784	
320 495	0	0	13 255 000	643 162	28 907 115	

		Off-balance sheet				
	Term deposits	Other supplies	Guarantees provided	Guarantees received	Credit lines	Deposit and custody of securities
	350 632	0	0	0	0	0
	200 916	0	0	0	0	32 713 821
	179 857	0	0	3 076 798	529 612	12 900 818
	731 405	0	0	3 076 798	529 612	45 614 639

Figure 65
Transactions between related partes as at 31/12/2024 and 31/12/2025 (Consolidated) ⁹

2025 (a)

Subsidiaries
Members of the Board of Directors and Supervisory Committee of Banco L. J. Carregosa, S.A.
Companies in which the members of the Board of Directors and the Supervisory Committee have a material influence

(a) Only transactions relating to the first 10 months of 2025 have been included.

2024

Subsidiaries
Members of the Board of Directors and Supervisory Committee of Banco L. J. Carregosa, S.A.
Companies in which the members of the Board of Directors and the Supervisory Committee have a material influence

To comply with Articles 85 and 109 of the RGICSF regarding credit utilised and guarantees provided by the Bank, we inform you that Emerge - Mota-Engil Real Estate Developers, S.A. and HCapital Partners SCR, S.A. are the entities to be taken into account as at 31 December 2025.

No other authorised transactions were made with MOAF (Members of the Management and Supervisory Bodies) or entities over which they have significant influence during the period under review.

⁹ The only transactions included were those from the first 10 months of 2025.

	Interest on term deposits	Commissions received	Income from equity instruments	Services rendered	Services received
	8 988	1 280	0	35 964	0
	3 184	7 905	0	0	0
	4 620	174 598	0	0	0
	16 792	183 783	0	35 964	0

	Interest on term deposits	Commissions received	Income from equity instruments	Services rendered	Services received
	10 644	1 359	0	36 090	0
	4 726	12 292	0	0	0
	42 985	165 214	0	0	0
	58 355	178 865	0	36 090	0

Nota 41. Subsequent events

Increased volatility in the financial markets was caused by the escalation of international geopolitical tensions linked to the conflict in the Middle East between the United States and Israel, on the one hand, and Iran, on the other, in late February 2026. The high level of uncertainty surrounding the development of these events could impact the Bank's operations, especially if there are widespread asset devaluations in international financial markets. The Bank will monitor developments in the geopolitical landscape and market conditions continuously, taking appropriate management measures in a timely manner to mitigate any potential adverse impacts.

Porto, 08 May 2026

The Certified Accountant

Pedro Manuel Ferreira da Rocha

The Board of Directors

The Chair: Maria Cândida Cadeco Rocha e Silva

Jorge Manuel Conceição Freitas Gonçalves

António Cândido Baldaque Sousa Soares da Silva

Homero José de Pinho Coutinho

Francisco Miguel Melhorado de Oliveira Fernandes

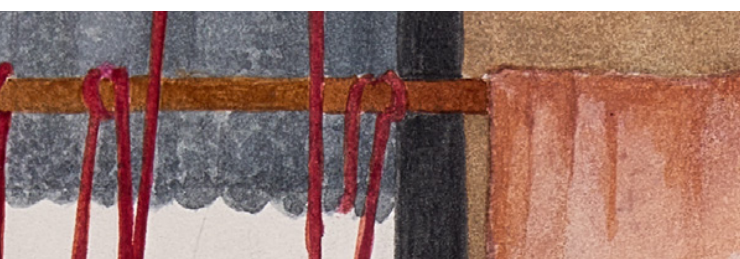
David Alberto Morais Sousa Ribeiro

Fernando Miguel Costa Ramalho

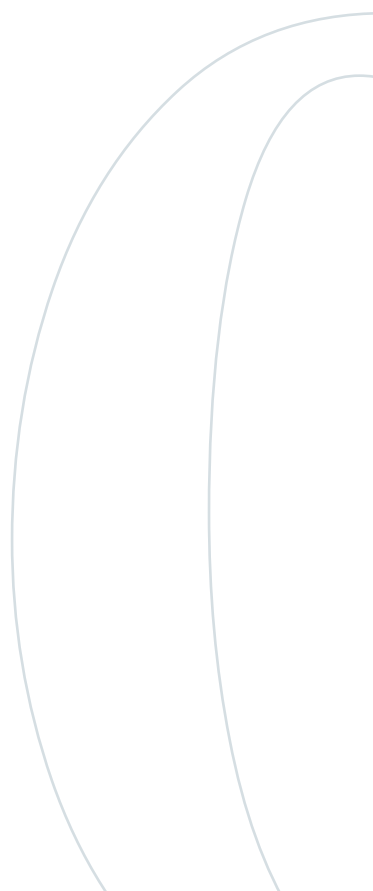
Mariana Mendes Baptista Lopes

Mário Oldemiro Carvalho Fernandes





04



Certifications and Opinions





Statutory Audit Report

(Free translation from the original in Portuguese)

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Banco L.J. Carregosa, S.A. (“Banco Carregosa”, “Bank” or “Group”), which comprise the consolidated balance sheet as at 31 December 2025 (which shows total assets of Euros 566.220 thousand and total shareholders' equity of Euros 49.177 thousand including a consolidated net profit of Euros 2.747 thousand), the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of Banco Carregosa as of 31 December 2025, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section below. In accordance with the law, we are independent of the entities that are included in the Group and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Sede: Palácio Sottomayor, Rua Sousa Martins, 1 - 3º, 1069-316 Lisboa, Portugal

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Receção: Palácio Sottomayor, Avenida Fontes Pereira de Melo, nº16, 1050-121 Lisboa, Portugal

Key Audit Matter	Summary of the Audit Approach
Impairment losses on loans and advances to customers <u>Measurement and disclosures related to impairment losses on loans and advances to customers presented in notes 2.2.10, 2.3.2, 3.4, 4.1 and 32 attached to the consolidated financial statements of the Bank</u> The significant relevance of loans and advances to customers, and the associated impairment losses, whose calculation requires the processing of a significant volume of data, a set of complex assumptions and judgements, in particular the adaptation to complex macroeconomic scenarios, from the Bank's management in relation to the identification of clients with a significant increase in credit risk or in default, as well as the determination of impairment losses amount, justify that this has been key matter for the purposes of our audit. As of 31 December 2025, the gross amount of loans and advances to customers amounts to Euros 58.527 thousand and the corresponding impairment losses recognized at that date amount to Euros 368 thousand. In accordance with IFRS 9 – Financial Instruments and the accounting policy disclosed in note 2.2.10 attached to the consolidated financial statements of the Bank as of 31 December 2025, for the most significant exposures, assessed in terms of the total amount of liabilities to the Bank and the possible existence of indications of default, the Bank develops a process for quantifying impairment losses that includes an individual analysis of (i) staging and (ii) impairment. In the latter case, the impairment amount is determined through a detailed analysis of each client's economic and financial position, taking as a reference (i) the estimate of future cash flows for the fulfillment of their liabilities (going concern approach); and/or (ii) the evaluation attributed to the collateral received for the loan granted, whenever its recovery is anticipated through the transfer, execution and/or sale of these same collateral (gone concern approach). For exposures not covered by individual analysis, the Bank develops a model ("automatic impairment model") to determine expected impairment losses, which includes, in particular, the classification of exposures into different stages according to the evolution of its credit risk since the date of its recognition and not according to the credit risk at the reporting date (stages 1, 2 or 3). Since the Bank does not have sufficient internal historical information about defaults and recoveries, its impairment losses	The audit procedures developed included the identification, understanding and evaluation of the policies and procedures established by the Bank for the purpose of measuring impairment losses on the loans and advances to customers portfolio determination process as well as its key controls relating to the approval, recording and monitoring of credit risk, and the timely identification, measurement and recording of impairment losses. On a sample basis, we have analyzed a group of clients within the Bank's individual analysis perimeter, based on the criteria defined in internal normative, with the objective of: (i) reviewing the conclusions and results obtained by the Bank in the staging analysis and in the impairment quantification; (ii) obtain our own judgment over the existence of situations of significant increase in credit risk or default; and (iii) assess how the impairment losses were timely identified, measured and recognized by management. In this process, it was also confirmed that the perimeter of individual analysis included all the exposures that met the criteria defined by the Bank in its internal regulations. For the portfolio whose impairment is determined through the automatic impairment model, and with the involvement of internal experts in the matters under review whenever deemed necessary, a set of specific procedures were developed with the aim of reviewing the application of the criteria used by the Bank in identifying situations of significant increase in credit risk or default. Our audit procedures also included the review of the disclosures regarding loans and advances to customers, as well as its respective impairment losses, presented in the Bank's accompanying notes to the financial statements, considering the applicable accounting standards.

Key Audit Matter	Summary of the Audit Approach
automatic model was developed based on regulatory information provided by the Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013, that combines information from credit rating and credit risk agencies with the macroeconomic scenarios provided annually by the Banco de Portugal in context of the Funding and Capital Plan (“FCP”) exercise, in order to represent the current economic context but also to embody the future economic perspectives. Considering these macroeconomic data, potential scenarios are developed to adjust the expected loss of the Bank’s loan portfolio, based on a probability of occurrence. Considering the above, changes in the assumptions or methodologies used by the Bank in the analysis and quantification of impairment losses of the customer loan portfolio, as well as different recovery strategies, condition the estimate of recovery flows and the timing of their receipt, and may have relevant impacts on the amount of impairment losses determined at any given time.	

Responsibilities of management and supervisory board for the consolidated financial statements

Management is responsible for:

- the preparation of the consolidated financial statements, which present fairly the consolidated financial position, the consolidated financial performance and the cash flows of the Group in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;
- the preparation of the Directors’ report and the non-financial statement in accordance with the applicable law and regulations;
- the creation and maintenance of an appropriate system of internal control to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of appropriate accounting policies and criteria; and
- the assessment of the Group’s ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Group’s ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure of the Bank’s financial information.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the 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 financial statements.

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

- a) identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d) 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 Group's 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 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 Group to cease to continue as a going concern;
- e) evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- f) plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion;
- g) communicate with those charged with governance, including the supervisory board, 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;
- h) of the matters we have communicated to those charged with governance, including the supervisory board, we determine which one's were the most important in the audit of the consolidated financial statements of the current year, these being the key audit matters. We describe these matters in our report, except when the law or regulation prohibits their public disclosure; and
- i) confirm to the supervisory board that we comply 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, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes verifying that the information included in the Directors' report is consistent with the consolidated financial statements.

Report on other legal and regulatory requirements

Directors' report

In compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that the Directors' report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the Directors' report is consistent with the audited consolidated financial statements and, taking into account the knowledge and assessment about the Group, no material misstatements were identified.

Additional information required in article No. 10 of the Regulation (EU) 537/2014

In accordance with article No. 10 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16 2014, and in addition to the key audit matters referred to above, we also provide the following information:

- a) We were first appointed auditors of Banco Carregosa in the Shareholders' General Meeting of 29 June 2021 for the period from 2021 to 2023 and have remained in office until the present period. Our latest appointment was in the Shareholders' General Meeting of 29 May 2024 for the period from 2024 to 2026;
- b) The management has confirmed to us it has no knowledge of any allegation of fraud or suspicions of fraud with material effect in the consolidated financial statements. We have maintained professional scepticism throughout the audit and determined overall responses to address the risk of material misstatement due to fraud in the consolidated financial statements. Based on the work performed, we have not identified any material misstatement in the consolidated financial statements due to fraud;
- c) We confirm that our audit opinion is consistent with the additional report that was prepared by us and issued to the Group's supervisory board as of the same date; and
- d) We declare that we did not provide any prohibited non-audit services referred to in paragraph 1 of article No. 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16, 2014 and that we remain independent of the Group in conducting our audit.

13 May 2026

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

[Original in Portuguese signed by]

Aurélio Adriano Rangel Amado, ROC no. 1074
Registered with the Portuguese Securities Market Commission under no. 20160686



Statutory Audit Report

(Free translation from the original in Portuguese)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Banco L. J. Carregosa, S.A. (“Banco Carregosa” or “Bank”), which comprise the balance sheet as at 31 December 2025 (which shows total assets of Euros 566.220 thousand and total shareholders' equity of Euros 49.177 thousand, including a net profit of Euros 2.747 thousand), the statement of income, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Banco Carregosa as of 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the “Auditor’s responsibilities for the audit of the financial statements” section below. In accordance with the law, we are independent of the Bank and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Sede: Palácio Sottomayor, Rua Sousa Martins, 1 - 3º, 1069-316 Lisboa, Portugal

Tel: +351 213 599 000 | Matriculada na CRC sob o NIPC 506 628 752, Capital Social 314.000 EUR

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Receção: Palácio Sottomayor, Avenida Fontes Pereira de Melo, nº16, 1050-121 Lisboa, Portugal

Key Audit Matter	Summary of the Audit Approach
Impairment losses on loans and advances to customers <u>Measurement and disclosures related to impairment losses on loans and advances to customers presented in notes 2.2.10, 2.3.2, 3.4, 4.1 and 32 attached to the consolidated financial statements of the Bank</u> The significant relevance of loans and advances to customers, and the associated impairment losses, whose calculation requires the processing of a significant volume of data, a set of complex assumptions and judgements, in particular the adaptation to complex macroeconomic scenarios, from the Bank's management in relation to the identification of clients with a significant increase in credit risk or in default, as well as the determination of impairment losses amount, justify that this has been key matter for the purposes of our audit. As of 31 December 2025, the gross amount of loans and advances to customers amounts to Euros 58.527 thousand and the corresponding impairment losses recognized at that date amount to Euros 368 thousand. In accordance with IFRS 9 – Financial Instruments and the accounting policy disclosed in note 2.2.10 attached to the consolidated financial statements of the Bank as of 31 December 2025, for the most significant exposures, assessed in terms of the total amount of liabilities to the Bank and the possible existence of indications of default, the Bank develops a process for quantifying impairment losses that includes an individual analysis of (i) staging and (ii) impairment. In the latter case, the impairment amount is determined through a detailed analysis of each client's economic and financial position, taking as a reference (i) the estimate of future cash flows for the fulfillment of their liabilities (going concern approach); and/or (ii) the evaluation attributed to the collateral received for the loan granted, whenever its recovery is anticipated through the transfer, execution and/or sale of these same collateral (gone concern approach). For exposures not covered by individual analysis, the Bank develops a model ("automatic impairment model") to determine expected impairment losses, which includes, in particular, the classification of exposures into different stages according to the evolution of its credit risk since the date of its recognition and not according to the credit risk at the reporting date (stages 1, 2 or 3). Since the Bank does not have sufficient internal historical information about defaults and recoveries, its impairment losses	The audit procedures developed included the identification, understanding and evaluation of the policies and procedures established by the Bank for the purpose of measuring impairment losses on the loans and advances to customers portfolio determination process as well as its key controls relating to the approval, recording and monitoring of credit risk, and the timely identification, measurement and recording of impairment losses. On a sample basis, we have analyzed a group of clients within the Bank's individual analysis perimeter, based on the criteria defined in internal normative, with the objective of: (i) reviewing the conclusions and results obtained by the Bank in the staging analysis and in the impairment quantification; (ii) obtain our own judgment over the existence of situations of significant increase in credit risk or default; and (iii) assess how the impairment losses were timely identified, measured and recognized by management. In this process, it was also confirmed that the perimeter of individual analysis included all the exposures that met the criteria defined by the Bank in its internal regulations. For the portfolio whose impairment is determined through the automatic impairment model, and with the involvement of internal experts in the matters under review whenever deemed necessary, a set of specific procedures were developed with the aim of reviewing the application of the criteria used by the Bank in identifying situations of significant increase in credit risk or default. Our audit procedures also included the review of the disclosures regarding loans and advances to customers, as well as its respective impairment losses, presented in the Bank's accompanying notes to the financial statements, considering the applicable accounting standards.

Key Audit Matter	Summary of the Audit Approach
automatic model was developed based on regulatory information provided by the Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013, that combines information from credit rating and credit risk agencies with the macroeconomic scenarios provided annually by the Banco de Portugal in context of the Funding and Capital Plan (“FCP”) exercise, in order to represent the current economic context but also to embody the future economic perspectives. Considering these macroeconomic data, potential scenarios are developed to adjust the expected loss of the Bank’s loan portfolio, based on a probability of occurrence. Considering the above, changes in the assumptions or methodologies used by the Bank in the analysis and quantification of impairment losses of the customer loan portfolio, as well as different recovery strategies, condition the estimate of recovery flows and the timing of their receipt, and may have relevant impacts on the amount of impairment losses determined at any given time.	

Responsibilities of management and supervisory board for the financial statements

Management is responsible for:

- a) the preparation of the financial statements, which present fairly the financial position, the financial performance and the cash flows of the Bank in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;
- b) the preparation of the Directors’ report and the non-financial statement in accordance with the applicable law and regulations;
- c) the creation and maintenance of an appropriate system of internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- d) the adoption of appropriate accounting policies and criteria; and
- e) the assessment of the Bank’s ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Bank’s ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure of the Bank’s financial information.

Auditor’s responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, 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

4. Certifications and Opinions

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 financial statements.

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

- a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement 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;
- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d) 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's 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 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 to cease to continue as a going concern;
- e) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- f) communicate with those charged with governance, including the supervisory board, 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;
- g) of the matters we have communicated to those charged with governance, including the supervisory board, we determine which one's were the most important in the audit of the financial statements of the current year, these being the key audit matters. We describe these matters in our report, except when the law or regulation prohibits their public disclosure; and
- h) confirm to the supervisory board that we comply 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, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes verifying that the information included in the Directors' report is consistent with the financial statements.

Report on other legal and regulatory requirements

Directors' report

In compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that the Directors' report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the Directors' report is consistent with the audited financial statements and, taking into account the knowledge and assessment about the Bank, no material misstatements were identified.

Additional information required in article No. 10 of the Regulation (EU) 537/2014

In accordance with article No. 10 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16 2014, and in addition to the key audit matters referred to above, we also provide the following information:

- a) We were first appointed auditors of Banco Carregosa in the Shareholders' General Meeting of 29 June 2021 for the period from 2021 to 2023 and have remained in office until the present period. Our latest appointment was in the Shareholders' General Meeting of 29 May 2024 for the period from 2024 to 2026;
- b) The management has confirmed to us it has no knowledge of any allegation of fraud or suspicions of fraud with material effect in the financial statements. We have maintained professional scepticism throughout the audit and determined overall responses to address the risk of material misstatement due to fraud in the financial statements. Based on the work performed, we have not identified any material misstatement in the financial statements due to fraud;
- c) We confirm that our audit opinion is consistent with the additional report that was prepared by us and issued to the Bank's supervisory board as of the same date; and
- d) We declare that we did not provide any prohibited non-audit services referred to in paragraph 1 of article No. 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of April 16 2014 and that we remain independent of the Bank in conducting our audit.

13 May 2026

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

[Original in Portuguese signed by]

Aurélio Adriano Rangel Amado, ROC no. 1074
Registered with the Portuguese Securities Market Commission under no. 20160686



REPORT AND OPINING OF THE SUPERVISORY COMMITTEE

To the Shareholders,

In accordance with the legal requirements set out in Articles 420(1)(g) and 508 of the Companies Code and the applicable legal provisions, the Supervisory Committee presents its report on the activities of the Board of Directors of Banco L.J. Carregosa, S.A. (hereinafter referred to as the 'Bank') and its opinion on the Bank's and the Group's financial statements for the year ended 31 December 2025.

1. Throughout the 2025 financial year, the Board of Directors monitored various aspects of the Bank's consolidated and separate activities. Particular emphasis was placed on monitoring internal governance and risk management systems, especially the organisation and effectiveness of the internal control system.

To this end, the Committee arranged all the necessary meetings with the Board of Directors, the Executive Committee, the Statutory Auditor, and the various Bank departments, particularly those that comprise the Internal Control System (Risk, Compliance, and Internal Audit). The purpose of these meetings was to gather and analyse information, and to make specific recommendations. As part of its duties, the Supervisory Committee met 27 times during the year. Most of these meetings were held remotely or at the Bank's premises.

2. The following activities are the responsibility of the Committee:

- a. to supervise the Bank's activities as part of its duty to ensure compliance with the law, supplementary regulations, and the Bank's Articles of Association. This can be achieved by attending meetings with representatives of the Board of Directors and the Executive Committee, as well as by other means of contact, such as with the Heads of Compliance, Risk, and Internal Audit, when necessary or appropriate. In carrying out its duties, the Committee has analysed the rules, standards, and internal procedures in force, as well as subsequent changes resulting from regulatory changes or recommendations by the supervisory authorities. The Committee has obtained the necessary information and further clarification and has identified no constraints on its work;
- b. relations with the financial supervisory authorities remained active. This included correspondence exchanged between the Bank and these authorities;
- c. monitoring the Bank's lending activity, particularly in cases where there is a potential conflict of Interest in approving loans, and providing the Board of Directors with opinions;
- d. overseeing the Bank's Internal Control System through continuous monitoring of the activities



of the Statutory Auditor and the internal departments responsible for Compliance, Risk Management, and Internal Audit:

- overseeing the Bank's participation in the 'Supervisory Review and Evaluation Process' (SREP), led by Banco de Portugal. This process aims to assess the Bank's business strategy, governance, and internal risk control systems, as well as its capital and liquidity levels, from a holistic perspective. This assessment considers the risks to which the Bank is or may be exposed. The process also involves monitoring the action plans set out by the Board of Directors in response to the Regulator's specific findings and recommendations;
- overseeing the preparation of the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP), both part of the above-mentioned SREP process, in accordance with the guidelines of the European Banking Authority. In this context, the evaluation by Banco de Portugal was also assessed, as were the actions taken to implement the regulator's recommendations;
- overseeing the implementation of the Annual Internal Audit Plan approved by the Board of Directors for the 2025 financial year, and assessing the drafting and adequacy of the Internal Audit Plan for the 2025-2027 period;
- analysing and issuing opinions and recommendations on a large number of internal regulations issued by the Board of Directors for approval or review. Particular emphasis was placed on the following regulations during the reporting period:

Internal rules created or revised in 2025

Code	Policy/Rules	Date
1.02	Internal Policy for the Selection and Assessment of the Suitability of the Members of the Management and Supervisory Bodies and Key Function Holders	30.05.2025
1.04	Regulations of the Board of Directors	30.06.2025
1.05	Regulations of the Executive Committee	29.07.2025
1.06	Strategic Plan	28.01.2025
1.07	Organisation and Internal Governance	18.12.2025
1.08	Regulations of the Assets and Liabilities Committee	01.09.2025
1.10	Regulations of the Investment Committee	01.09.2025
1.12	Outsourcing Policy	28.10.2025
1.15	Remuneration Policy of Members of Management and Supervisory Bodies	30.05.2025
1.16	Employee Remuneration Policy	18.12.2025
1.17	Banco Carregosa Code Management Policy	28.10.2025
1.19	Business Continuity Plan	25.11.2025
1.25	Pricing Manual	17.06.2025

4. Certifications and Opinions



1.27	Credit Manual	04.11.2025
1.28	Credit Committee Regulations	20.06.2025
1.29	Global Risk Management Policy	28.01.2025
1.30	Regulations of the Risk Management and Compliance Functions	30.06.2025
1.31	Regulations of the Internal Audit Function	30.09.2025
1.33	Regulations of the Business Recovery and Continuity Team	30.05.2025
1.34	Regulations of the Delegation of Operational, Commercial and Pricing Powers	18.11.2025
1.35	Risk Catalogue	04.11.2025
1.36	Credit Risk Management Policy	28.10.2025
1.37	Internal Audit Function Manual	30.09.2025
1.38	Proprietary Portfolio Risk Management Policy	28.10.2025
1.39	Liquidity Risk Management Policy	17.03.2025
1.40	Operational Risk Management Policy	28.01.2025
1.41	Information Governance Policy	30.06.2025
1.42	Regulations of the Governance and Information Security Committee	01.09.2025
1.43	Compliance Function Manual	31.03.2025
1.44	Information and Communication Technology Plan	28.01.2025
1.46	Risk Appetite Statement Risk Warning Framework	30.06.2025
1.47	Risk Communication Manual	26.09.2025
1.48	Information Systems Plan 2025	31.03.2025
1.50	Risk Concepts and Definitions	23.10.2025
1.51	Compliance Risk Management Policy	29.07.2025
1.52	Plan for the Prevention of Risks of Corruption and Related Offences	25.11.2025
1.53	Stress Testing Policy	31.03.2025
1.56	Bank Portfolio Interest Rate Risk Management Policy	28.01.2025
1.57	Liquidity Contingency Plan	17.03.2025
1.61	Risk Management Function Manual	25.02.2025
1.63	Portfolio Management Policy	30.09.2025
1.64	Credit Spread Risk Management Policy for the Banking Book	28.01.2025
1.65	Investment Advisory and Asset Management Sustainability Policy	25.02.2025
1.67	Training Plan	21.10.2025
1.68	Training Plan for Members of the Board of Directors	29.07.2025
1.69	Training Plan for the Audit Committee	28.07.2025
1.70	Fraud Risk Management Policy	01.09.2025
1.71	Carregosa Awards Regulations	30.09.2025
1.72	Regulations of the Programme to Attract New Clients	15.12.2025
1.73	Integrated Model for Performance Appraisal and the Allocation of Variable Remuneration to Employees	18.12.2025
2.01	Code of Conduct	01.09.2025
2.04	Conflict of Interest Policy	29.07.2025
2.06	Policy on the Execution and Transmission of Orders	22.08.2025



2.07	Policy on the Prevention of Money Laundering and Terrorist Financing	18.12.2025
2.09	Policy on the Reporting of Irregularities	01.09.2025
2.10	Policy on Product and Service Management	18.12.2025
2.13	Policy on the Principles and Rules of Conduct applicable to the Prevention and Combat against Discrimination and Harassment at Work	01.09.2025
2.16	Information Disclosure Policy	18.12.2025
2.17	Policy on the Prevention of Market Abuse	29.07.2025
3.01.01	Account Opening, Updating, and Closing Process	15.12.2025
3.01.04	Procedure for Opening, Updating and Closing Execution and Internal Zero-Balance Accounts	26.09.2025
3.05.07	Procedures for the Role of Investment Fund Depositary	04.11.2025
3.05.08	Procedure for Verifying Compliance of Orders for Financial Instruments Transmitted by Clients to the Markets Department	30.05.2025
3.05.09	Procedures for Managing Orders and Transactions in Financial Instruments	30.05.2025
3.05.12	Institutional Brokerage Manual	01.08.2025
4.03.02	Suitability and Adequacy Assessment Procedure (DMIF II)	26.09.2025
4.03.03	Procedures for the Prevention of Money Laundering and the Terrorism Financing	15.12.2025
4.03.04	Procedure for Identifying, Registering and Monitoring Deficiencies	15.12.2025
4.03.05	Investor Classification Procedure	26.09.2025
4.03.06	Procedure for Identifying, Registering and Monitoring of Compliance with Reporting Obligations to External Bodies	22.08.2025
4.03.10	Assessment Procedure of the Regulatory Compliance Plan	25.11.2025
4.03.11	Procedure for the Prevention of Market Abuse	25.07.2025
4.03.12	Subcontracting Life Cycle Manual	18.11.2025
4.03.13	Compliance Department Procedures for the Prevention of Money Laundering and Terrorist Financing	30.04.2025
4.03.14	Procedures for Detecting the Risk of Fraud	01.09.2025
4.03.15	Procedures for Providing Post-Contractual Information to Financial Intermediation Clients	22.08.2025
4.04.03	Procedures for Managing Physical Archives	05.03.2025
4.04.04	Procedures for Reporting Financial Information under FATCA	26.09.2025
4.04.05	Procedures for Reporting Financial Information under CRS and IFR	26.09.2025
4.06.01	Security Risk Assessment	23.10.2025
4.06.02	Impairment Manual	22.08.2025
4.06.03	Manual on the Internal Capital Adequacy Assessment Process (MICAAP)	18.03.2025
4.06.04	Scoring Manual	22.08.2025
4.06.05	Manual on the Valuation of Properties Acquired in the Settlement of Own Loans	17.06.2025
4.06.06	Methodological Manual on Stress Testing	18.03.2025
4.06.07	Procedures Manual for the Internal Liquidity Adequacy Assessment Process (ILAAP)	18.03.2025
4.06.08	Manual on the Setting of Exposure Limits for Credit Institutions	23.10.2025

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4.06.09	Conducting the ICAAP – Procedure	18.03.2025
4.06.10	Impairment Monitoring Procedure	04.02.2025
4.06.12	Procedure for Conducting the ILAAP	18.03.2025
4.06.13	Procedure for the Daily Reporting of Concentrations by Issuer in the Proprietary Portfolio	20.05.2025
4.06.14	Risk Assessment and Assessment Manual	06.05.2025
4.06.15	Procedure for the Registration, Risk Level Monitoring and Staging of Securities Held in the Proprietary Portfolio	17.06.2025
4.06.16	IRRBB Methodological Manual	02.12.2025
4.06.17	Risk Concepts Tagging Manual	02.12.2025
4.06.18	CSRBB Methodological Manual	21.01.2025
4.06.19	CSRBB Technical Manual	21.01.2025
4.06.20	IRRBB Technical Manual	21.01.2025
4.06.21	Manual on the Assignment of Ratings and Internal Risk Levels	23.10.2025
4.08.02	Access Management Procedure	26.09.2025
4.08.11	Security Operations Management	02.04.2025
4.09.01	Procedure for Managing Changes to Information Systems	20.05.2025
4.11.01	Procedure for Business Impact Analysis	02.12.2025

- As part of its activities, the Supervisory Committee was informed of the reports drawn up by the Internal Audit Function (IAF) in accordance with the activity plan approved by the Board of Directors and by the external auditors, namely:

Internal audits carried out in 2025

Description	Plan	Report Date	Report
Procedure for Monitoring the Activities of Tied Agents	Yes	17/03/2025	Audit Report 01/2025
Investment Fund Depositary Service	Yes	11/04/2025	Audit Report 02/2025
Funding and Capital Plan (FCP)	Yes	27/03/2025	Audit Report 03/2025
Internal Capital Adequacy Assessment Process (ICAAP)	Yes	27/03/2025	Audit Report 04/2025
Internal Liquidity Adequacy Assessment Process (ILAAP)	Yes	27/03/2025	Audit Report 05/2025
Alert Monitoring – Procedures for Reversing and Cancelling Transactions	Yes	23/05/2025	Audit Report 06/2025
Credit Granting Process – Relevant Exposures	Yes	24/07/2025	Audit Report 07/2025
Audit of the Compliance Function (AML/CFT and Sanctions)	Yes	24/07/2025	Audit Report 08/2025



Description	Plan	Report Date	Report
Residence Permit Scheme for Investment (ARI)	Yes	11/09/2025	Audit Report 09/2025
Ongoing Audit (Q1 of 2025)	Yes	16/09/2025	Audit Report 10/2025
System Access Management and ICT Change and ICT Projects	Yes	20/11/2025	Audit Report 11/2025
Assessment of ICT General Controls	Yes	20/11/2025	Audit Report 12/2025
Institutional Business	Yes	16/12/2025	Audit Report 13/2025
Remuneration Policy for Members of Management and Supervisory Bodies	Yes	30/12/2025	Audit Report 14/2025

Opinions of the IAF issued in 2025 for Banco de Portugal

Description	Plan	Opinion Date	Opinion
CEX/2024/0000108632 – Supervisory measures for identifying and managing climate and environment risks	Yes	30/01/2025	Audit Opinion 01/2025
CEX/2024/0000127253 - Assessment of the action plan for inspecting financial intermediation activities	Yes	14/02/2025	Audit Opinion 02/2025
CEX/2024/0000126043 - Monitoring the resolution of findings identified in the deep-dive into credit risk	Yes	28/02/2025	Audit Opinion 03/2025
CEX/2024/0000127246 - Shortcomings in the methodologies used	Yes	27/03/2025	Included in Audit Report 04/2025
CEX/2024/0000156015 – Assessment of the follow-up audit findings regarding the rectification of shortcomings in prudential reporting	Yes	28/03/2025	Audit Opinion 04/2025
CEX/2024/0000143748 – Assessment of the action plan relating to the supervisory measure concerning ICT risks within the SREP	Yes	04/04/2025	Progress Letter
CEX/2025/0000001529 - Monitoring the implementation of supervisory measures relating to cybersecurity risk controls	No	28/05/2025	Audit Opinion 05/2025
CEX/2025/0000027566 - Shortcomings in managing the risks associated with changes in information and communication technologies (ICT)	No	28/05/2025	Audit Opinion 06/2025

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CEX/2025/0000043290 - Assessment of the action plan relating to the supervisory measures issued under SREP 2024	No	28/05/2025	Audit Opinion 07/2025
CEX/2025/0000024764 - Shortcomings in the management of the risks associated with outsourcing arrangements	No	28/06/2025	Audit Opinion 08/2025
CEX/2025/0000045874 - Review of the current status of the implementation of the action plan for inspecting financial intermediation activities	No	07/08/2025	Audit Opinion 09/2025
CEX/2025/0000077891 - Self-assessment reports on the governance and internal control systems, in accordance with Banco de Portugal Notice No. 3/2020 and Instruction No. 18/2020	No	29/08/2025	Audit Report 10/2025
CEX/2025/0000108531 - Monitoring the rectification of shortcomings relating to prudential reporting	No	31/10/2025	Audit Opinion 11/2025
Validation of the implementation of the action plan of supervisory measures relating to cybersecurity risk controls	No	20/11/2025	Audit Opinion 12/2025
CEX/2025/0000108737 - Monitoring the implementation of supervisory measures relating to cybersecurity risk controls	No	20/11/2025	Audit Opinion 13/2025

External audits carried out in 2025

Audit	External Entity
External Assessment of the Bank's Conduct and Values, the Management Body, Committees, and Supervisory Body	Deloitte
Independent Assessment of the Processes for Collecting, Producing, and Processing Information, and Related Information Flows (Phase 2)	Deloitte
SWIFT - Customer Security Programme (CSP) ¹⁾	Deloitte
Process of quantifying impairment in the credit portfolio.	PWC
Report on the Assessment of General Information Technology Controls	PWC
Independent report on Reasonable Assurance of Reliability on the procedures and measures adopted by a financial intermediary in accordance with Articles 306 to 306-G of the Securities Code	PWC

- monitoring the performance and security of the information systems that support the Bank's activities, and liaising with regulators in this area;
- overseeing the technological development process aimed at improving the Bank's information systems, particularly with regard to the effectiveness of its internal mechanisms for combating money laundering and terrorist financing, as well as providing information support for its lending process;
- overseeing the quality and integrity of the Information in the financial statements, monitoring their preparation and disclosure, the application of applicable accounting policies and standards, and the monitoring



of relevant financial, operational, and regulatory indicators. To this end, the Committee met, as appropriate, with the Statutory Auditor to take note of the criteria, methods and other external audit procedures applied to the Bank's accounts.

- e. the Committee is not aware of any situation that does not comply with the Bank's Articles of Association or the applicable legal and regulatory requirements.

5. The Board of Directors, the services and departments, and the Statutory Auditor have all provided clarifications.

6. In accordance with Article 452 of the Portuguese Companies Code, the Supervisory Committee examined the Board of Directors' report and the Bank's separate and consolidated financial statements as at 31 December 2025, together with the Statutory Auditor's unqualified certification of the accounts, with which the Supervisory Committee agrees, having carried out such checks as it considered appropriate and sufficient for this purpose.

7. In view of the above, the Supervisory Board believes that the Annual General Meeting should:

- a. approve the Bank's consolidated and separate financial statements for the year ending 31 December 2025;
- b. approve, in accordance with Article 66(5)(f) and for the purposes of Article 376(1)(b) of the Companies Code, as well as Article 97 of the RGICSF and Article 25 of the Company's Articles of Association, the proposal for the appropriation of profits as presented in the Board of Director's Report;
- c. carry out a general evaluation of the management and supervision of Banco L. J. Carregosa, S.A., in accordance with Article 455 of the Companies Code

Porto, 13 May 2026.

Rodrigo de Melo Neiva Santos
(Chair)

Cristina Maria Costa Pinto
(Voting Member)

António Fernando Reis Magalhães Pinto
(Voting Member)



Summary of the report issued by the Supervisory Committee in accordance with Articles 54 et seq. of Banco de Portugal Notice 3/2020 and Instruction 18/2020. It is to be included in the annual financial statements for the 2025 financial year, in accordance with Article 60(1) of Notice 3/2020

To the Shareholders,

In accordance with Articles 54 et seq. of Banco de Portugal Notice 3/2020 (hereafter referred to as "Notice") and Instruction 18/2020 (hereafter referred to as "Instruction") of Banco de Portugal on 11 November 2025, the Supervisory Committee ("Committee") of Banco L. J. Carregosa, S.A. ("Bank" or "Institution") approved its Assessment Report ("RACF"), which is to be included in the Self-Assessment Report approved by the Bank on the 13 November 2025. The RACF refers to the period between 1 December 2024 and 30 September 2025, and concerns the Bank's organisational culture, governance, and internal control systems in relation to its separate and group activities.

In accordance with Article 60(1) of the Notice, the Supervisory Committee must prepare a summary of the RACF for publication in the institution's notes to the financial statements, in accordance with Articles 55 and 56 of the Notice. The Committee approved and published this "RACF" self-assessment on 11 November 2025 (for separate and consolidated activities).

We have carried out the following activities to meet our responsibilities in relation to organisational culture, governance, and internal control systems. These are described briefly below:

- We maintained regular contact with members of the Bank's Executive Committee and Board of Directors. To this end, we participated in meetings with the Board of Directors to clarify and elaborate on issues important to the Bank and the Group. In some cases, these issues coincided with internal control matters involving external bodies, such as the statutory auditors.
- We held regular meetings with the directors responsible for Risk Management, Compliance, and Internal Audit at Bank level, and analysed the annual activity reports. Regarding the annual report of the internal audit function, we considered the classification of shortcomings validated for each entity (the Bank and SGOIC);
- We also analysed the self-assessment reports of the control functions, assessed their statement of independence, and inquired as to whether there were any facts or circumstances that might compromise that independence, in particular by ensuring:



- i) the analysis of the potential impact of the identified deficiencies on each control function;
 - ii) that there are no conflicts of interest;
 - iii) that the remuneration policies and rules do not present a risk;
 - iv) the competence and preparation of the teams in each control function;
 - v) unfettered access to all relevant bodies; or
 - vi) that communication and reporting channels are in place.
- We analysed the 2025 audit plan and the results of the actions we took in the follow-up reports, mostly in the presence of the department head;
- We met with the Bank's Statutory Auditor and analysed the content of the latest Legal Certification of Accounts issued and the Impairment Report;
- We have analysed the separate and consolidated reports and accounts in their entirety, taking note of the proposed appropriation of profits;
- We have confirmed that SGOIC has implemented processes and controls to ensure the consolidation process obtains the relevant information, including accounting and other information;
- Following the divestment process in November 2025, SGOIC was removed from the scope of consolidation of Banco L.J. Carregosa, SA.
- Following the revision of its internal regulations, the Bank has consolidated its organisational culture model. Its activities are now based on a set of values and behaviours that ensure operational efficiency in light of its structural objectives and market position, both internally and in its relations with external stakeholders, including clients and potential clients;
- In its ongoing relationships with other corporate bodies, and particularly with the Bank's Risk, Compliance and Internal Audit departments, the Committee has observed that the Bank's organisational culture is reflected in its practices. This culture is clearly, consistently, and progressively embedded and implemented;
- When exercising its powers, whether through the information and documentation it receives spontaneously or at its request, or through its ongoing interaction with the Bank's various departments at Director level, the Supervisory Committee has noted that the Bank's internal governance guidelines have been uniformly implemented in all departments during the reporting period under review. During this period, the Committee did not identify any instances of non-compliance that required notification or reporting to the Board of Directors.
- It should also be noted that an additional member of staff joined the internal control functions, particularly the risk management function, during the period under review, bringing the total number of staff to 5. The Audit Department has 3 employees, while the Compliance Department has 9 employees.



- The Committee believes that the internal control system in place on the balance sheet date is adequate and effective in mitigating the risks to which the Bank is exposed when carrying out its activities, in accordance with the legal and regulatory standards in force and the guidelines issued by the European Banking Authority ("EBA").
- The Committee considers that the Bank's internal rules and regulations ensure that the Internal Control Functions ("ICFs") have sufficient autonomy and independence in accordance with EBA guidelines EBA/GL/2021/05 of 2 July 2021, and Banco de Portugal Notice 3/2020. Nevertheless, the Committee believes that the Bank should further strengthen the conditions for the ICFs' independence.
- The Supervisory Committee considers that the processes for preparing prudential and financial reports, including those under Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014, were reliable and adequate during the reporting period.
- With regard to monitoring financial reporting processes, the Committee is aware of the Statutory Auditor's reports on impairment recognition in the Bank's loan portfolio.
- The Committee is satisfied that the processes for preparing the Bank's public disclosures, as required by applicable laws and regulations (including those relating to financial and regulatory information), are adequate.
- In accordance with Article 4(1)(e) of Instruction 18/2020, the Supervisory Committee is responsible for issuing an explicit statement on the appropriateness of the classification assigned to shortcomings categorised as 'F3 - Major' or 'F4 - Serious' at the end of the reference period. This statement must take into account the methodology set out in Annex II to the aforementioned Instruction. Considering the consolidated activity, three shortcomings were identified as 'F3 - Major' and none as 'F4 - Severe'.
- The Supervisory Committee considers the classification of the identified shortcomings as 'F1 - Minor' and 'F2 - Moderate' to be appropriate, as none are likely to be classified as 'F3 - Major' or 'F4 - Serious' based on the above methodology. In the course of its duties, the Supervisory Committee has verified that the Bank's services are addressing the identified shortcomings effectively in order to remedy them fully.
- Any projections of the Bank's internal control system for future periods are subject to the risk that the effectiveness, adequacy, and security of internal control procedures may deteriorate over time due to various circumstances or changes. Additionally, given the inherent limitations of any internal control system, provision should be made for the possibility of failures, irregularities, fraud, or errors occurring and not being detected in a timely manner.

Porto, 13 May 2026.

Rodrigo de Melo Neiva Santos
(Chair)

Cristina Maria Costa Pinto
(Voting member)

António Fernando Reis Magalhães Pinto
(Voting Member)



I HEREBY CERTIFY, in view of the Minutes of the Annual General Meeting of Shareholders of “Banco L. J. Carregosa, S.A.”, held on **May 29, 2026**, that the following resolutions were adopted:

- 1) The Management Report and Accounts and the Consolidated Accounts for the 2025 financial year were approved by majority.
- 2) The proposal for the variable remuneration of the executive members of the Board of Directors was approved by majority, the amount of which is included in the proposal for the distribution of results to Employees, approved under item 3.
- 3) The proposal for the appropriation of results for the 2025 financial year was approved by majority, with the Net Income for the Year, in the amount of EUR 2,746,795.35 (positive), being transferred to:
 - Payment of Dividends: EUR 1,000,000.00;
 - Distribution of Results to Employees: EUR 405,000.00;
 - Legal Reserve: EUR 274,679.54;
 - Retained Earnings: EUR 1,067,115.81.
- 4) A vote of commendation and confidence in the Board of Directors, in the Supervisory Board, both collectively and individually, and in the Statutory Auditor, for the manner in which they performed their duties during the 2025 financial year, was approved by majority.
- 5) The proposal for the re-appointment and election of the members of the Remuneration and Evaluation Committee, identified below, was approved by majority:
 - Mr. Luís Manuel de Faria Neiva dos Santos;
 - Mrs. Maria Cândida Cadeco da Rocha e Silva; and
 - Mr. Rodrigo Maria de Azevedo Soares Cordeiro da Silveira.
- 6) The proposal for the revision of the Regulations of the Remuneration and Evaluation Committee was approved by majority.
- 7) The proposal for the revision of the Internal Policy for the Selection and Assessment of the Members of the Management and Supervisory Bodies and of the Holders of Key Functions was approved by majority.
- 8) The report of the Remuneration Committee on the remuneration policy was approved by majority.
- 9) The proposal for amendments to the Remuneration Policy for the Members of the Management and Supervisory Bodies was approved by majority.
- 10) The proposal for the disposal and acquisition of own shares, pursuant to the provisions of Articles 319 and 320 of the Commercial Companies Code, was approved by majority.

Porto, 29 May 2026.

Chairman of the General Meeting,

(Luís Neiva Santos)



BANCO L. J. CARREGOSA, S.A.

Av. da Boavista, 1083 · 4100-129 Porto
T. +351 226 086 460 · F. +351 226 086 490
www.bancocarregosa.com
info@bancocarregosa.com

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