

MANAGEMENT AND ACCOUNTS REPORT 2023

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SUMMARY

Executive Summary	04
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1. A ENDIAMA-E.P.	07
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1.1. Opening Note	07
-------------------	----

1.2. ENDIAMA-E.P. Profile	12
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1.3. Social Bodies	16
--------------------	----

1.4. Strategic Pillars	18
------------------------	----

2. FRAMEWORK	20
---------------------	-----------

2.1. Global Economic Context	20
------------------------------	----

2.2. National Economic Context	26
--------------------------------	----

2.3. International Diamond Market	30
-----------------------------------	----

3. BALANCE SHEET OF MAIN ACTIONS	33
---	-----------

3.1. Political-Institutional	34
------------------------------	----

3.2. Diversification of the Economic Base and Infra-	35
--	----

3.3. Geological-Mining Activities of the Subsector	36
--	----

3.3.1. Geology (Prospecting Projects)	36
3.3.2. Semi-Industrial Projects	37
3.3.3. Exploration (Projects in Production)	38
3.3.4. Commercialization 2023 vs 2022	42
<hr/>	
4. NON-MINING COMPANIES	43
4.1. Increased performance in the Value chain	44
4.2. Divestment in Non-Nuclear Businesses	44
<hr/>	
5. WORKFORCE	45
<hr/>	
6. ECONOMIC AND FINANCIAL PERFORMANCE	47
6.1. Main Indicators	48
6.2. Economic and Financial Situation of ENDIAMA-E.P.	52
6.2.1. Results Analysis	53
6.2.2. Capital Structure Analysis	55
6.3. ENDIAMA-E.P. Tax and Social Contributions	57
<hr/>	
7. SOCIAL ACTIONS	58
<hr/>	
8. OUTLOOK FOR 2024	60
<hr/>	
ANNEXES	62
Balance	67
Income Statement	68
Cash Flow Statement	69

Executive Summary

Throughout the 2023 fiscal year, ENDIAMA-E.P. kept its main focus on implementing the restructuring process, developing and operating its own mines, and preparing to go public on the stock exchange. This period was marked by the approval of the new Macro-Organizational Structure and the respective assignment of responsibilities to the Members of the Board of Directors, as well as the appointment of management positions (Directors, Department Heads, and/or Area Managers), in order to address the challenges associated with the Mining Sector Governance Model and the imperative of positioning itself as a Mining Operator.

Considering the termination of the Concessionaire function under the Mining Sector Governance Model, it is crucial to strengthen the pillars that support a Mining Operator in its core business areas. To resume its own production, the company continued to invest in geological and mining activities, aiming to increase geological knowledge and consolidate its operations across the entire diamond value chain—from exploration to cutting, and, in the near future, jewelry. Beyond the diamond value chain and grounded in its strategy to diversify its business portfolio, through its subsidiary GEOANGOL, the company continued the work related to the implementation of a Gold Refinery, which is expected to open by the end of 2024.

With the company's transformation into a Mining Operator, operational results for some projects have already shown positive signs, including the start of production at the Luele and Yetwene Mining Companies and the restructuring of the Tchegi Mining Company to increase production levels.

In 2023, the exploration segment included 54 projects (10 primary deposits and 44 secondary deposits) located in the provinces of Lunda Norte, Lunda Sul, Malanje, Cuanza Sul, Bié, Moxico, and Huambo, of which 34 were operational and 20 were undergoing restructuring.

Production came from 20 projects, consisting of 4 primary deposits (Catoca, Luele, Lunhinga, and Kaixepa) and 16 secondary deposits, located in Lunda Norte and Lunda Sul provinces.

Regarding semi-industrial operations—given their weak development due to insufficient geological knowledge and the lack of technical and financial capacity among operators—a restructuring process was carried out, known as “cooperative groupings.” This involved combining small concessions in a single area and identifying an investor partner with proven technical and financial capacity, with the aim of increasing diamond recovery and, consequently, revenues. As a result, the number of Licensed Cooperatives was reduced from 264 to 68 cooperative groupings

(Projects), of which 44 are in production and 24 are in exploration, located in the provinces of Lunda Norte, Lunda Sul, Malanje, Cuanza Sul, Uíge, and Bié.

With regard to the expansion and implementation of new Diamond Cutting Factories—whether owned or in partnership with private entities—one (1) new Factory was opened in Saurimo, bringing the total number of Diamond Cutting Factories in which ENDIAMA-E.P. holds a stake to two (2).

During the reporting period, 9,772,338 carats were recovered out of a planned 12,408,000 carats, achieving a 78.76% completion rate. Of the total recovered, 9,754,310 carats resulted from industrial operations and 18,028 carats came from semi-industrial operations, creating a shortfall of 2.65 million carats compared to the target.

Over the course of the year, 9,396,335 carats were sold at an average price of USD 163.04, generating gross revenue of USD 1,531,977,106. In fiscal terms, the subsector contributed USD 277.83 million.

These overall results for the diamond subsector were achieved by a workforce of 23,945 employees (23,237 nationals and 708 expatriates), of whom 17,310 were direct employees and 6,635 were indirect. They all demonstrated a high level of commitment and a sense of belonging. The subsector has been working on policies to attract new partnerships and human capital, as well as the

adoption of technological innovation.

For 2024, the subsector is expected to produce 14.6 million carats, corresponding to an estimated gross revenue of USD 2.49 billion. However, we recognize that market constraints may affect this goal.

Market challenges demand continuous adaptation, which is why the ENDIAMA Group revitalization process continues—aiming to maximize the performance of its Mining Operations and align its organizational culture and management with best practices, in line with the principles of the Extractive Industries Transparency Initiative (EITI). To this end, the premises for restructuring and compliance with internal control standards remain in place, and the company is preparing for certification under ISO (9001, 14001, and 37001). Meeting these challenges requires a robust information management structure (collecting, classifying, recording, extracting, and reporting raw data as dynamic visuals or relevant metrics for thorough analysis and decision-making). Therefore, the Business Blue Print for implementing the SAP ERP Integrated Management System has been approved, with a Go Live date set for January 2024.

In an increasingly globalized world, the social aspect is of fundamental importance for organizations, and ENDIAMA-E.P. is no exception. The company continues to reaffirm its commitment to the sustainable

development of communities in its main mining areas, following modern ESG (Environmental, Social & Governance) guidelines and focusing on some of the pillars of the United Nations Sustainable Development Goals (SDGs).



Opening Note

The Board of Directors is pleased to present its Management and Accounts Report for the 2023 financial year, which includes the main activities carried out during the period under review, highlighting the most significant aspects of its operational and internal organizational performance, as well as the economic and financial results for the year in question.

It is important to provide accountability to the Shareholder (State) through this reporting instrument, in accordance with Law No. 11/13, of September 3 (Framework Law for the Public Business Sector), and also to other interested parties (Stakeholders), underscoring our commitment to good management practices and the duty to disclose information, in an increasingly demanding world.

The cohesion and dynamism we seek must be in line with our Mission, Vision, and Values, with comprehensive management strengthening, the optimization of processes, and the seizing of opportunities without underestimating threats. Only in this way can we achieve our goals.

ENDIAMA-E.P. remains focused on its core businesses, having continued its prospecting efforts at the Luachimba and Xamacanda Projects and accelerated the commissioning of Luele's kimberlite production, moving ever closer to the goal of resuming our own production. This is key to creating value for the company and contributing to the development and wellbeing of future generations.

In addition, within the diamond value chain and in keeping with the goal of generating value for the company, actions were taken to strengthen ENDIAMA's role in cutting and jewelry.

The company continues to foster a high level of commitment and sense of belonging among its employees—our most important asset—in order to meet the targets laid out in our Strategic Plan. Various initiatives have been taken to improve working and social conditions, which are increasingly evident:

Workplace and meals: We reopened our headquarters building after renovation, making it more suitable for work and providing cafeteria services offering breakfast and lunch for employees.

Transport: We renewed the fleet of staff buses to ensure dignified travel for our employees.

Profit sharing: For the second consecutive time in our history, we shared the company's profits with all employees.

Housing: We currently have credit agreements in place with three banking institutions, partly subsidized by the company, and are building 66 social housing units for low-income employees.

Social security: The ENDIAMA-E.P. Employee Pension Fund is now fully operational, with the company also making contributions to ensure more dignified retirement conditions for its staff.

The social component is of paramount importance for ENDIAMA-E.P., and we have reaffirmed our commitment to the sustainable development of communities in the main mining areas by following modern ESG principles, which also incorporate some United Nations Sustainable Development Goals (SDGs). Of particular note this year is the ongoing construction from the ground up of the Lueji A Nkonde University Campus in the city of Dundo, scheduled for completion and handover in the second half of 2024. Through the Social Development Program of the Mining Zone (PDSZM) and the Endiama Professional Training Center (CEFOPE), the Brilhante Foundation has been instrumental in training young people in eastern Angola. We also updated our social partners that the preliminary evaluation phase for the social investment in constructing the Regional Center for Agro-Ecological Practices (CERPA) under the auspices of the Lubango Archdiocese has been completed. This initiative aims to support underserved communities in the provinces of Huila, Namibe, Cunene, and Cuando Cubango. As is publicly known, these provinces contain some of Angola's municipalities with the highest incidence and severity of multi-dimensional poverty (particularly Gambos, Curoca, Cuanhama, and Virei), according to a publication by the National Statistics Institute (INE) in June 2020.

As part of efforts to diversify our economic base, actions were taken to implement a structured program to promote agro-industry, especially in diamond mining areas. This initiative will be coordinated by a business unit to be established in 2024.

In an effort to mitigate the economic and social impacts of halting several mining projects due to systemic shocks affecting the diamond subsector, ENDIAMA-E.P. signed multiple Debt Settlement Agreements with the

National Social Security Institute (INSS) out of social responsibility and fairness. These agreements aim to facilitate dignified retirement for former employees of paralyzed Mining Projects, involving a cumulative financial outlay of USD 16 million to date. Additionally, in partnership with various specialized departments of the Provincial Government of Lunda Norte, we worked to compensate former employees from five mining entities (Sociedade Mineira do Lucapa, Associação em Participação do Luarica, Luxinge, Associação em Participação do Fucaúma, and Projecto Yetwene). In 2023, 2,513 people benefited from direct financial support exceeding USD 4.21 million.

This is no easy task and carries risks, but our team has remained united and motivated to achieve our objectives. Each member continues to work with an eye on the company's IPO, despite the market's complexity. Given this challenging environment, we see greater engagement from all our staff as we consider the present and plan for the future, aiming to overcome any barriers or constraints and keep our focus on achieving success.

ENDIAMA-E.P. has benefited from the collaboration and institutional support of its overseeing bodies, both the Ministry responsible for the industry (MIREMPET) and the Shareholder Ministry (MINFIN/IGAPE). With an inclusive policy and strong interaction with our main stakeholders, we have carried out initiatives that allowed us, with discipline and consistency, to achieve the results recorded in 2023, despite the adversity in the Diamond Market. Net profit for the year (RLE) stood at USD 35.25 million, 66% lower than in the same period last year, mainly due to two factors: the sharp drop in international diamond prices and the impairment of assets (loans to subsidiaries).

Despite the lower net income in 2023, the company remains committed to distributing dividends to the Shareholder (the State)—a process initiated based on the 2021 results—and reaffirms its commitment to achieving planned targets and advancing the structural reforms it has been undertaking to drive substantial improvements in the entire mining system.

I would like to express my gratitude to our Human Capital and commend the dedication and high level of commitment everyone has shown in pursuing our mission and objectives, continually creating value and wealth while improving the wellbeing of our employees and the communities located in our main mining areas. I have no doubt that our staff is the foundation of trust in meeting the company's goals and the driving force

that will soon place Angola among the world's top three diamond producers.

On behalf of the Board of Directors, we reaffirm our determination to join forces and work as a cohesive unit, so that we may extract diamonds from the earth and transform them into shining values that help build a better future for present and future generations.

Thank you,

Ganga Júnior





Endiama-EP Profile

ENDIAMA-EP Foundation

Founded on January 15, 1981, as the exclusive concessionaire of mining rights, it succeeded DIAMANG, a mixed-capital company that operated from 1917 to 1986.

On February 17, 1988, by public deed recorded at the 1st Notary Office of the Luanda District, ENDIAMA-E.P. inherited the entire estate of that diamond company, giving it renewed momentum.

Under Presidential Decree No. 143/20, dated May 26, the company ceased to serve as Angola's National Diamond Concessionaire. In line with the Mining

Sector Governance Model, it now fulfills only the role of a Mining Operator.

In its capacity as a Mining Operator, ENDIAMA-E.P. has focused on resuming its own production, aimed at strengthening geological and mining activities, increasing output, and reaffirming its commitment to sustainable development.



Timeline

1

1981

Founded on January 15, 1981, as the exclusive concessionaire of mining rights, ENDIAMA E.P. specializes in the prospecting, exploration, cutting, and marketing of diamonds. It succeeded DIAMANG, a mixed-capital company that operated from 1917 to 1986.

2

1988

On February 17, 1988, by a public deed executed at the 1st Notary Office of the Luanda District, ENDIAMA E.P. inherited the entire estate of that diamond company, giving it renewed impetus.

As the exclusive concessionaire of mining rights, its activities are aligned with the Government's strategic policies for the diamond subsector, carrying out actions focused on its corporate purpose, either independently or through the establishment of strategic partnerships.

Values and culture from Endiama-EP

Organizacional Culture

Our corporate culture is defined by a commitment to excellence, innovation, and social responsibility. The company values respect for employees, communities, and the environment, reflecting an ethical and sustainable approach in its operations.

Moreover, ENDIAMA invests in social and cultural initiatives, demonstrating its dedication to community development and the preservation of Angola's cultural heritage.

We also promote transparency and reform in Angola's diamond sector, directing our efforts toward the launch of new exploration projects, the implementation of new diamond marketing policies, and the development of infrastructure projects.

1

Mission

Sustainable management of the diamond sector, making a decisive contribution to Angola's development.

2

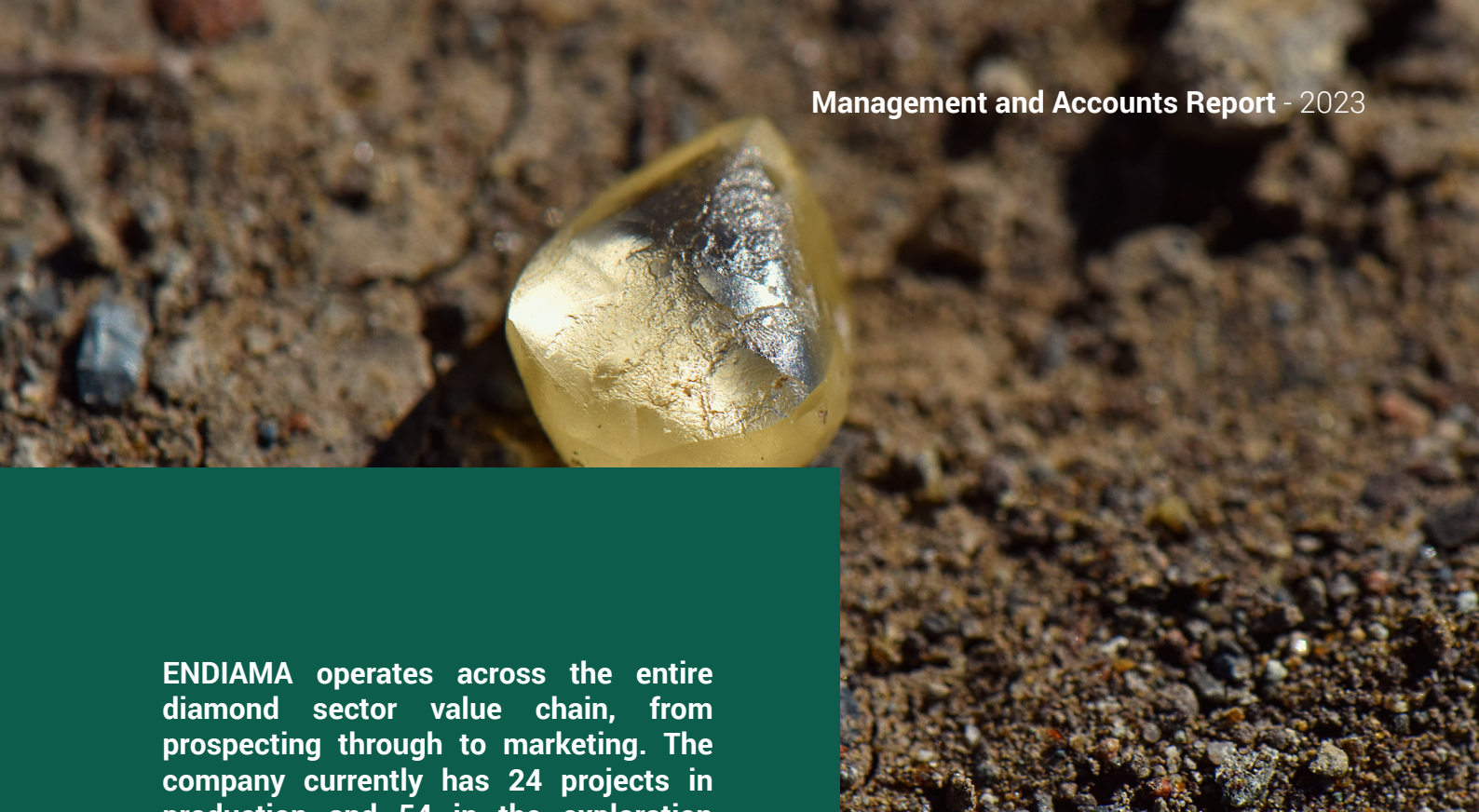
Vision

Reposition ENDIAMA-E.P. as a leading public-interest company in the prospecting, exploration, and marketing of diamonds, thereby contributing to the added value of the national diamond subsector and positioning Angola as the world's third-largest diamond producer.

3

Values

Striving for excellence, innovation, and respect for employees, communities, and the environment.



ENDIAMA operates across the entire diamond sector value chain, from prospecting through to marketing. The company currently has 24 projects in production and 54 in the exploration phase, establishing itself as a leader in Angola's diamond mining sector.

Social Responsibility and Sustainability

ENDIAMA demonstrates a solid commitment to social responsibility, implementing programs aimed at the well-being of local communities and environmental protection. The company invests in community development, health, and education projects, contributing to better living conditions in the regions where it operates.

+14M

Carats in 2024

+20M

Carats by 2027

Future Outlook

Aligned with its strategic vision, ENDIAMA seeks to reposition itself as a leading company in the diamond sector, with the goal of making Angola the world's third-largest diamond producer. The company plans to expand its operations and boost output in the coming years, aiming to produce 14.5 million carats in 2024 and reach 20 million carats by 2027.

Corporate Bodies

In accordance with Presidential Decree No. 271/22, dated December 6, the Board of Directors of ENDIAMA-E.P. is composed of the following members:



JOSÉ MANUEL A. GANGA JÚNIOR
President



DOMINGOS MATEUS DOS SANTOS
Administrator



The organizational structure of ENDIAMA is designed to ensure efficient and transparent management, in line with the principles of good corporate governance. The corporate bodies play key roles in setting strategic guidelines, supervising operations, and ensuring compliance with legal and ethical standards, thereby contributing to the company's mission and vision.



TEÓFILO A. R. TCHIFUNGA

Geology and Mine
Development



ANA MARIA FEIJÓ

Geology and Mine
Development



LAUREANO R. PAULO

Strategic Planning and Mining
Operations

+300

Engaged Employees

We rely on a team of skilled professionals who are both engaged and committed to performing their duties with rigor and excellence.

+430

Engaged Employees

We rely on a team of skilled professionals who are both engaged and committed to performing their duties with rigor and excellence.

ENDIAMA-E.P. has an organizational structure made up of various corporate bodies responsible for its administration and oversight.

1. Board of Directors
2. Audit Committee
3. General Assembly

ENDIAMA's organizational structure is designed to ensure efficient and transparent management, in line with the principles of good corporate governance. These corporate bodies play key roles in setting strategic guidelines, overseeing operations, and ensuring compliance with legal and ethical standards, thereby contributing to the fulfillment of the company's mission and vision.

Destques de 2023



+9 Million

ENDIAMA produced about 9.8 million carats of diamonds in 2023.

+1,5 Mm

The commercialization of this production resulted in an estimated gross revenue of USD 1.5 billion.



Operational Challenges

Infrastructure Modernization: The need to modernize treatment plants and the lack of earth removal equipment resulted in a production deficit of approximately 1.2 million carats.

+42 Million

The company invested around USD 42.3 million in geological and mining research activities, with 54 projects in the exploration phase, nine of which are in an advanced stage of evaluation.

Responsibility & Impact

+24

Proyectos in production

Social Responsibility

The company remains committed to social responsibility, investing in projects that benefit local communities and promote sustainable development in its areas of operation.



Investimentos e Expansão

Exploration and Research

An investment of USD 42.3 million was made in geological and mining research activities, with 54 projects in the exploration phase, nine of which are in an advanced stage.

Infrastructure Modernization

An investment of USD 42.3 million was allocated to geological and mining research activities, covering 54 exploration projects, nine of which are at an advanced stage.

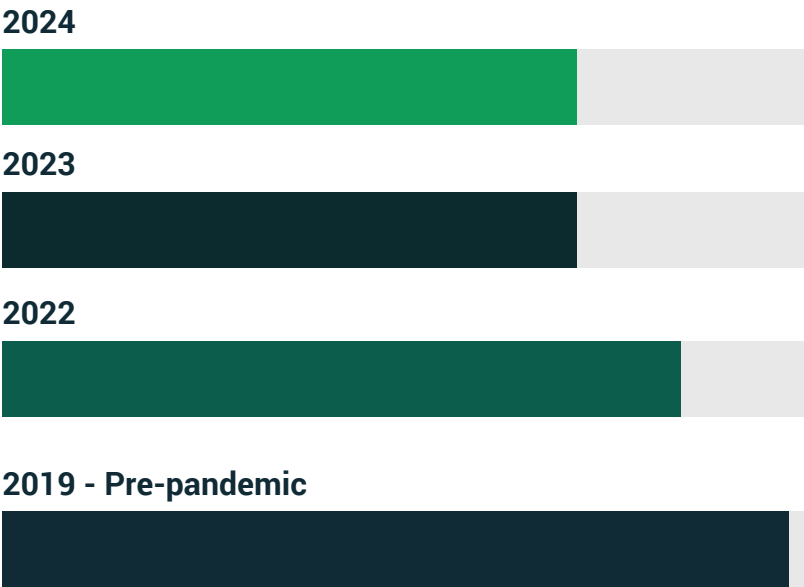
International Market

ENDIAMA faced a challenging period due to falling diamond prices and competition from synthetic diamonds. In response, the company focused on cost optimization and improving legal and contractual aspects to maintain competitiveness.

Framework

Global Economic Context

Global economic growth experienced a sharp slowdown due to the effects of restrictive monetary policies and weak global trade growth. Following a significant deceleration in 2022 and another decline this year, global production growth is expected to slow further in 2024, marking the third consecutive year of deceleration, from 2.6% last year to 2.4% in 2024. This performance will remain below the pre-pandemic growth rate of 3.0%.



Global Economic Growth Deceleration (2019 - 2024)

2,6% ▲
Decelation 2024

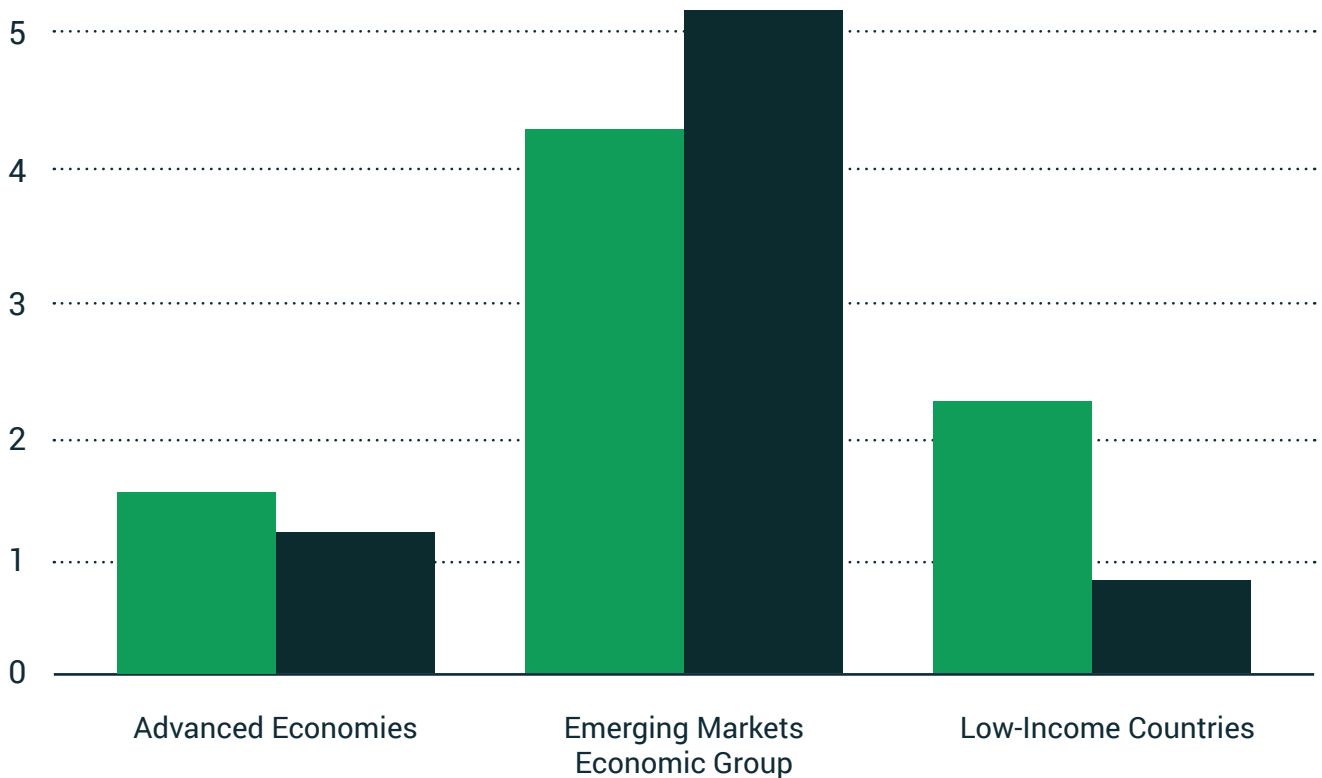
2,4% ▲
Decelation 2023

3,0% ▲
Decelation 2022



2019 - Pre-pandemic

Global economic growth has experienced a sharp slowdown due to the effects of restrictive monetary policies and weak global trade growth.



Growth Projections by Economic Group (2023 - 2024)

Despite the slowdown, the global economy has demonstrated resilience. However, in most countries, short- and medium-term growth prospects remain moderate, with significant risks of worsening conditions. In the context of tightened monetary policies aimed at reducing inflation, successive shocks have placed pressure on the economy and macro-financial stability, causing stress in the financial sector.

Fiscal Deficits and Debt

Fiscal deficits and public debt levels remain above pre-pandemic levels. Debt servicing costs and the debt-to-GDP ratio are high for developing countries and are expected to rise in advanced and middle-income economies.



COUNTRIES
DEVELOPED

1,4%

LESS COUNTRIES
DEVELOPED

5,2%

UNITED
STATES

0,8%



CHINA

4,5%

EURO ZONE

1,2%

GLOBAL GDP

3,0%

Emerging Markets and Developing Economies

In emerging markets and developing economies, appropriate macroeconomic and structural policies and well-functioning institutions are essential to boost investments and long-term prospects.

Amid increasingly restrictive global credit conditions, one in four emerging markets and developing economies has effectively lost access to international bond markets. Growth projections for these economies in 2023 were less than half of those made a year ago, leaving them highly vulnerable.

Debt vulnerabilities and risks remain elevated, particularly in emerging markets and low-income countries:

Among emerging markets, 25% are at high risk, with sovereign debt spreads resembling default scenarios.

In low-income countries, 15% are already in debt distress, and another 45% are at high risk of over-indebtedness.

By 2024, low-income populations are expected to be poorer than they were in 2019, before the COVID-19 pandemic. Debt pressures in emerging markets and developing economies are intensifying due to higher interest rates, further worsening fiscal positions over the last decade. Overlapping shocks from the pandemic, the Russia-Ukraine military conflict, and a sharp slowdown amid restrictive global financial conditions have caused significant setbacks in the development of these economies, which will persist in the near future. By the end of 2024, economic activity in these economies is expected to remain about 5% below pre-pandemic projections.

Advanced Economies

Growth in advanced economies is projected to slow to 1.4% in 2024, compared to 1.5% in 2023.

United States: With a growth rate of 2.1% in 2023, the U.S. economy is expected to slow to 0.8% in 2024, primarily due to the lingering effects of sharp interest rate hikes over the past year and a half.

China: Growth projections for China, the world's second-largest economy, remain unchanged at 5% in 2023 and 4.5% in 2024. However, recovery is underperforming due to risks of a deepening real estate sector crisis.

Eurozone: Growth in the Eurozone reached 0.7% in 2023 and is projected to rise to 1.2% in 2024, reflecting modest improvements of 0.1 percentage points.

Japan: All projections for Japan have been revised upwards, with expectations that its economy will maintain post-pandemic momentum and benefit from the recent easing of yield curve control.

Less Developed Countries

Less developed countries grew by 4.1% in 2023, with a projected growth of 5.2% for 2024, far below the 7% target set in the 2030 Agenda for Sustainable Development.

Geopolitical Risks and Commodity Markets

The recent conflict in the Middle East has exacerbated geopolitical risks and increased uncertainty in commodity markets, potentially having adverse implications for global growth.

Global GDP Projections

Global real GDP growth was 3.0% in 2023, an increase of 0.2 percentage points. For 2024, growth is expected to remain steady at 3.0%.

Conclusion

Despite some recovery in certain regions, the global economic outlook is fraught with challenges, including rising debt vulnerabilities, geopolitical risks, and uneven recovery across economies. Addressing these issues will require coordinated policy responses, fiscal discipline, and structural reforms.

Designation	Growth Rate		
	Real 2022	2023	Projection 2024
World	3	2,6	2,4
Advanced Economies	2,6	1,5	1,4
Emergents Ecomies	4.1	4	4
Sub-Saharan Africa	4	3,3	4

Global GDP Growth Rate



2

National Context

2.2 National Economic Context

Angola's economic situation has been closely tied to global oil demand, resulting in volatile growth and leaving the country with high levels of poverty and inequality. Reforms implemented over the past five years have improved macroeconomic management and public sector governance. Macroeconomic stability has been strengthened through a more flexible exchange rate regime, central bank autonomy, robust monetary policy, and fiscal consolidation.

Laws have been introduced to enable greater private sector participation in the economy, increasing the stability of the financial sector and reducing the impact of oil revenue volatility on public finances.



Oil

In the second quarter of the year, the Angolan economy faced an adverse scenario, influenced by an unfavorable international landscape. The decline in oil prices, combined with rising international interest rates, lower-than-expected national oil production, and high external public debt service, negatively impacted the Balance of Payments and the foreign exchange market, leading to unfavorable macroeconomic repercussions.

Economic growth in 2023 was revised downward to 0.8%. Oil production fell short of expectations due to a major maintenance shutdown in the first half of the year. Oil exports were lower than forecast, and high debt service payments reduced foreign currency availability, causing a 40% depreciation of the national currency, particularly in May and June 2023. The non-oil sector slowed following cost shocks in key production factors, leading to stagnating revenues, while the depreciation of the kwanza inflated interest payments and fossil fuel subsidies.

Year-on-year inflation reached 24% in February 2024, compared to 11.5% in February 2023, driven mainly by rising food prices.

Growth is expected to recover in 2024, driven by the non-oil sectors. While new oil projects may boost production in the coming years, the sector will find it challenging to avoid a long-term decline due to reduced proven reserves and low investment levels. Inflation is also expected to ease by mid-2024, supported by strengthened monetary policy, a conservative fiscal stance, and sufficient international reserves to alleviate exchange rate pressures.

Angola's reliance on the oil sector has increased its vulnerability to external shocks, hindering macroeconomic stability. The strong appreciation of the real exchange rate has adversely affected the non-oil economy, limiting economic diversification and job creation. While economic recovery is forecast for 2024, the excessive dependence on oil poses significant risks to achieving the targeted metrics.

In 2023, Angola's GDP grew by 0.9% year-on-year, reflecting economic stagnation. The gross value added by oil exploration and refining activities increased by 3.22

percentage points, positively contributing to GDP variation. This growth was attributed to an increase in the quantities of oil extracted compared to the same period in the previous year.

In the non-oil sector, mining contributed positively, adding 0.68 percentage points to overall GDP growth. This increase was driven by higher production volumes compared to the same period in the previous year.

GDP Growth

Designation	2022	2022
Agriculture	4,90	2,7
Fishing and Derivatives	10,00	2,8
Oil Extraction and Refining	2,01	-2,4
Diamond, Metallic Minerals, and Other Mineral Extraction	10,00	12,2
Manufacturing Industry	5,00	1,4
Electricity and Water	8,33	5,3
Construction	0,39	-1,5
Trade	2,80	2,4
Transport and Storage	8,00	0,8
Post and Telecommunications	3,24	1,4
Public Administration	1,50	-0,2
Real Estate and Leasing Services	1,48	2,8
GDP	3,20	0,9

2.3 International Diamond Market

The year 2023 was atypical for the international diamond market due to factors such as sanctions on Russia, inflation in the United States, the impact of COVID-19 in China, and the development of lab-grown diamonds (synthetic diamonds). These events continue to influence the market's economic growth.

According to seasonal trends, the diamond sales market remains at very low levels, with major players in the midstream sector adopting a cautious approach in light of ongoing macroeconomic challenges. With China's economy slowing, there has been a drastic reduction in the volume of diamond imports into the country, impacting the sales margins and profits of large companies.

The reduced demand for natural diamond industries and declining prices have put the market's largest producers on high alert and in a state of emergency. More broadly, this situation could entirely eliminate intermediary agents in this trade.

As the strength of the largest market stakeholders weakens, there is a growing need for these industry giants to narrow profit margins to sustain sales, which, despite their efforts, continue to decline. In their attempts to respond and survive the crisis, these measures provoke a rebalancing of market prices, drawing the attention of consumers.

The natural diamond industry is experiencing challenging times, with major producers facing an unprecedented crisis in sales and business operations due to significant economic shifts in their operating environment.



International market indicators suggest that the diamond sector remains atypical, despite an increase in Angola's fiscal revenue in U.S. dollars. The international market has refocused its attention on Angola, with SODIAM E.P., the public company responsible for organizing auctions, launching a digital platform auction featuring 36 special stones produced by the Angolan diamond industry.





3

Summary of Key Actions

3.1 Political-Institutional

LUELE MINING COMPANY

The year 2023 was marked by the inauguration of the Luaxe Project by His Excellency, the President of the Republic, leading to the establishment of the Luele Mining Company.

During the year, one of the company's objectives was to increase its participation in the diamond value chain, by increasing the diamond cutting volume to 20% of the country's production;

Implementation of a set of provisional measures to encourage diamond cutting activities;

The IGAPE Board of Directors visited the ENDIAMA-E.P. Headquarters to monitor the operational activity of the Public Business Sector;

Participation in the VIIIIR MIREMPET Advisory Council held in the province of Uíge, under the motto "Mineral Resources, Oil and Gas: Growth, Diversification";

Development and organisation of the Workshop on the Half-Yearly Balance of Diamond Production of Mining Companies, held in the province of Lunda Norte in the municipality of Dundo;

Participation in the International Diamond Conference on Mining in Africa (Mining INDABA 2023), held in Cape Town, South Africa;

Working visit to Hong Kong and Macau, where a Memorandum of Understanding was signed with the Macau Stock Exchange with a view to, among other things, diversifying the client portfolio for national production, attracting investment and financing for mines in prospecting and production;

Participation in the PDAC 2023 International Conference, held in Toronto, Canada;

Participation in the Workshop on Capital Markets, Insurance and Pension Funds;

Participation in the preparation of the document on the indicators of the diamond subsector to be included in the National Development Plan (PDN);

Validation of the Business Blue Print for the implementation of the SAP ERP Integrated Management System and the supply and logistics structure.

3.2 Diversification of the Economic Base and Infrastructure

In the current context of the New Governance Model for the Mining Sector, ENDIAMA-E.P. is focused on its core activities.

Nevertheless, intervention in the Agribusiness sector, as a driving force for business growth, brings with it enormous benefits and synergies in terms of reducing mining, in addition to creating wealth through investment in this activity in the eastern region of the country, as well as increasing the logistical supply chain for Mining Companies of domestically produced food products, contributing to reducing imports.

In the context referred to above, the company is continuing to identify and survey free agricultural areas for the implementation of Agribusiness-related Projects, within the scope of the Eastern Agroindustrial Development Program, which will be managed by

the ENDIAGRO Subsidiary.

Another segment has been the promotion of diamond cutting activities, with preventive measures to encourage the industry, thus making the value chain of the subsector more attractive.

It is also worth noting that the mining sector has been considered insufficient to absorb the region's unemployed workforce, regardless of the efforts made in this regard, given its limitations in terms of size and resources. It is therefore urgent to take other parallel measures to remedy, as far as possible, the resulting socio-economic consequences.

3.3 Geological-Mineral Activities of the subsector

3.3.1 Geology (Prospecting Projects)

- A total of 54 projects are currently in the prospecting phase, 34 of which are in operation and undergoing restructuring, 20 of which are primary and 44 secondary;

-
- The projects in prospecting are located in the provinces of Lunda-Norte, Lunda-Sul, Malanje, Huambo, Cuanza Sul, Bié, Huíla and Moxico;

-
- The prospecting manual for all projects is currently being prepared in order to standardize the work methodology;

-
- Ensure the sustainability of the diamond subsector by intensifying prospecting to increase geological knowledge;

-
- Definition of strategies in the field of geology for technical support in the scope of recognition, prospecting, research and evaluation of diamond deposits;

-
- Safeguard, enhance and promote knowledge of diamond deposits;

-
- Permanent updating of the database of diamond concessions;

- Aero-geophysical surveys along the areas of the Muconda and Lumboma Projects and detection of kimberlite anomalies in the Lumboma concession;

- The 1st phase of prospecting and evaluation of the Luaxe concession has been completed;

- As part of the resumption of own production, the Xamacanda and Luachimba Projects, operated by ENDIAMA-E.P., are in the prospecting phase.

3.3.2 Semi-Industrial Projects

- The restructuring process of semi-industrial activity is underway with the creation of groupings of areas with a view to accelerating the evolution towards industrial activity;

- 187 cooperatives grouped into 44 new concessions;

- Evolution of 9 cooperatives towards industrial projects:

Cooperatives that evolved into Industrial Projects

1. Chitembo Tchalaza
2. Cuilo Kwenda Kuiyuka
3. Musende Cuanza Mining
4. Future Prosperity
5. Moquita
6. Kabuto
7. Luesse
8. Nharea Diamond
9. Kabuto (Kamaconde Project)

- Monitoring of 68 semi-industrial exploration projects in operation, which allows the employment of more than 3,802 workers, of which 3,754 are nationals and 48 are expatriates, distributed across the provinces of Bié, Cuanza-Norte, Cuanza-Sul, Lunda-Norte, Lunda-Sul, Malanje and Uíge;
-
- During 2023, 18,066 thousand carats were recovered and marketed, at an average price of USD 367.77 per carat, having raised revenue of USD 6,632,150.98.

3.3.3 Exploration (Projects in Production)

A total of 9.75 million carats were recovered during the period, corresponding to a 21% increase compared to the annual plan.

There are 20 mining projects in production, 4 of which are primary and 16 secondary:

Primary Deposits

1. Catoca
2. Kaixepa
3. Luele
4. Lunhinga



Secondary Deposits

1. Calonda
2. Cassanguidi
3. Chinguvo
4. Chissema
5. Chitotolo
6. Cuango
7. Furi
8. Luachimo
9. Luembe
10. Lulo
11. Luminas
12. Mucuanza
13. Somiluana
14. Tchegi
15. Uari-Cambange
16. Yetwewne

In 2023, there was a deficit of 2.65 million carats compared to the planned amount. The deficit was particularly pronounced in the 3rd quarter, namely:

- Constraints in the start-up of the Luele Mining Company's Treatment Plant, as well as the reduction in production levels of some Projects;
- Constraints in the supply of specialized resources and services locally to support mining activities, which conditioned the mechanical availability and efficiency of production equipment;
- Reduction in production levels in the Calonda, Mucuanza, Luminas and Cassanguidi projects;

- Limitations on the acquisition of foreign exchange resources for the import of equipment and the influence of the price effect.

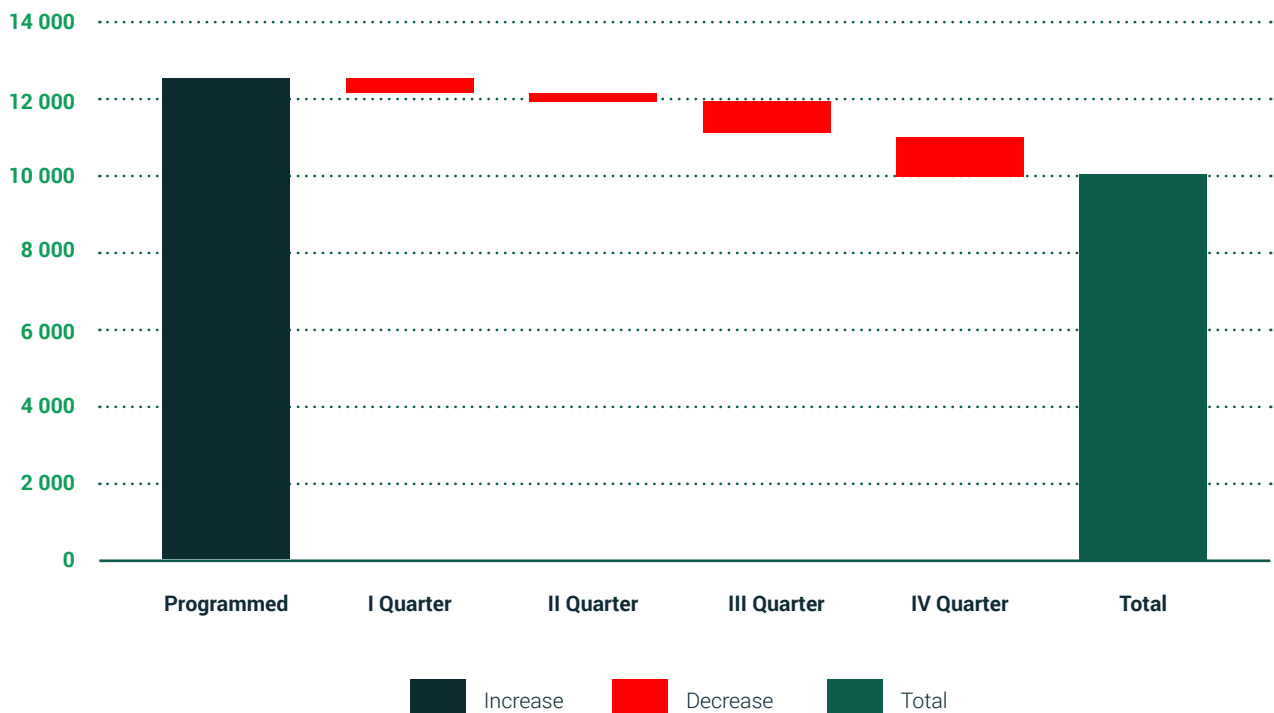
Scheduled vs Actual Production in 2023

Deposits	I Quarter	II Quarter	III Quarter	IV Quarter	Production Year 2023		
	Real	Real	Real	Real	Prog.	Real	Var.(%)
Primary	1 930 318	1 735 627	2 372 043	2 481 267	10 499 574	8 519 255	-19
Secondary	274 091	292 984	331 841	336 139	1 908 426	1 235 055	-35
Total Industrial	2 204 409	2 028 611	2 703 884	2 817 406	12 408 000	9 754 310	-21

Industrial vs Semi-Industrial Production 2023

No.	Headings	Production (Cts)		Variation (%)
		Prog.	Real	
1	Industrial production	12 408 000	9 754 310	-21
2	Semi-Industrial Production	0	18 006	N/a
Total (1+2)		12 408 000	9 772 316	-21

Production variation (Thousands of carats)



3.3.4 Commercialization 2023 vs 2022

During 2023, 9,396,335 carats were sold, at an average price of USD 163.04 per carat, generating gross revenue of USD 1,531,977,106.

Variation of Scheduled vs. Commercialized 2023

Production	II Quarter		Production Year 2023	
	Plan	Real	(%)	Absolute
Total Carats (Ct.)	12 408 000	9 396 335	-24,27	-3 011 665
Average price (USD/Ct)	170	163	-4,09	-7
Average revenue (USD)	2 109 360 000	1 531 977 106	-27,37	-577 382 894

Variation of Scheduled vs. Commercialized 2023

Production	Indicators	Done		Variation	
		2022	2023	(%)	Absolute
Industrial	Recovered production (qits)	8 716 998	9 754 310	11,90	1037 312
	Production Sold (Ct)	9 152 250	9 378 307	2,47	226 057
	Average Price (USD/Ct)	213,57	162,65	-23,85	-50,93
	Revenue (USD)	1954 670	1525 344	-21,96	-429 325
	Recovered production	46 311	18 006	-61,12	-28 305
	Production Sold (Ct)	46 311	18 028	-61,07	-28 283
	Average Price (USD/Ct)	232,56	367,88	58,19	135,32
	Revenue (USD)	10 770 191	6 632 151	-38,42	-4 138 040
Total	Recovered production (Ct)	8763 309	9 772 316	12	1009 007
	Production Sold (Ct)	9 198 561	9 396 335	2	197 774
	Average Price (USD/Ct)	213,67	163,04	-24	-50,63
	Global Revenue (USD)	1965 440	1 531 977	-22	-433 463

4

Non-Mining Companies

4.1 Increased performance in the Value chain

- Creation of a Diamond Cutting Factory in partnership with ROBUST DIASTAR DMCC, with ENDIAMA-E.P. holding 49% of the share capital;
- Negotiations with Kapu Gems to acquire part of the share capital of the Kapu Gems Angola Diamond Cutting Factory;
- Approval of the internationalisation strategy of ENDIAMA-E.P., including the establishment of ENDIAMA International Services abroad;
- Co-operation in the implementation process of the Gold Refinery;
- Maintenance of the policy of interaction and attraction of specialist companies for the development of new concessions and transfer of know-how to the national diamond subsector.

4.2 Divestment in Non-Nuclear Businesses

- The negotiation process for the settlement of ENDIAMA-E.P.'s indirect credit liabilities with the Banking Financial Institutions has been concluded;
- The terms of reference for the hiring of a specialized company to support the partial privatization process have been defined;
- Preparation for the creation of conditions for hiring a specialized company to determine the nominal value of 40% of the shares to be sold, of the share capital of ALFA 5.

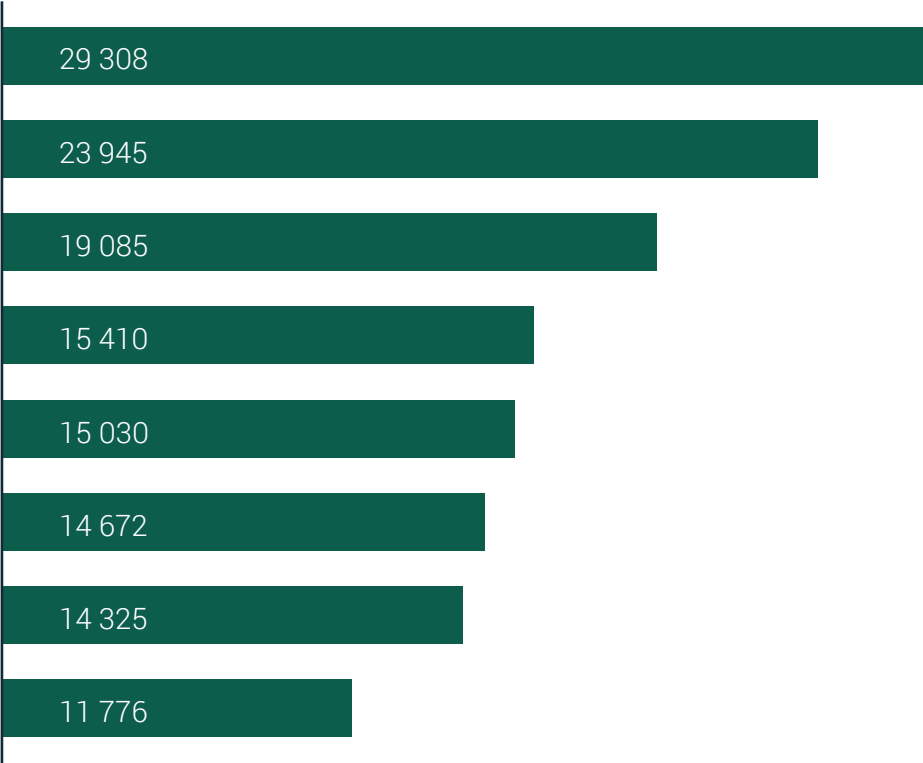
5 Workforce

Management and Accounts Report - 2023

- In 2023, the diamond subsector had 23,945 jobs. In absolute terms, 4,342 more jobs were created compared to 2022, representing an increase of 22%.
- For the five-year period [2024 - 2028] the workforce is expected to increase to 29,308 employees.



Trend + 5 Years





Economic and Financial Performance

6.1 Main indicators

The economic and financial analysis presented below summarizes the results achieved by the company, as well as its equity and financial situation, as of December 31, 2023.

Recovered Production of the subsector (Cts)

Year	Production		Total
	Industrial	Semi-industrial	
2021	8 670 733	50 750	8 721 483
2022	8 716 998	46 311	8 763 309
2023	9 754 310	18 006	9 772 316

Subsector Production Sold (Cts)

Year	Production		Total
	Industrial	Semi-industrial	
2021	8 845 1.54	50 750	8 895 904
2022	9 152 250	46 311	9 198 561
2023	9 378 307	18 028	9 396 335

Marketing of Diamonds in the subsector

Designation	2021	2022	2023
Sales (Cts '000)	8895	9 198	9 396
Gross Revenue (USD '000)	1 625 879	1965 440	1531 977
Average Price (USD/Cts)	183	214	163
Taxes and Fees (USD '000 COO)	359	166	115

Financial and Economic Indicators of Endiama-E.P.

Evolution of Large Asset Masses (2021-2023)

Headings	2021	2022	2023
Operating Income	9908	9 902	21 394
Operating Costs	27 463	-43 688	46 059
Operating Result	-17 555	-33 786	-28 013
Financial Results	2 489	12 113	18 654
Results of Branches and Associates	63 920	72 563	81 291
Non-Operating Results	-5 353	-14 991	-42 717
Net income	44 163	52 629	29 215
Amortizations	1969	-8 053	3721
Equity	76 912	145 230	136 265
Total Liabilities	93 570	62 346	173 022
Permanent Capitals	92 389	153 397	187 920
Non-Current Assets	125 497	145 020	213 374
Current Assets	44 985	62 556	95 913
Current Liabilities	78 097	54 179	121 367
Total Assets	170 482	207 576	309 287
Total Fixed Assets	76 465	76 359	91 218
Net Working Capital	-33 112	13 756	-25 454
Availability	28 650	22 858	36 813
Non-Current Liabilities	15 473	8 166	51 655

Financial and Economic Indicators of Endiama-E.P.

Evolution of Large Asset Masses (2021-2023)

Headings	2021	2022	2023
Operating Income	17,85	19,66	25,81
Operating Costs	49,48	-86,74	55,57
Operating Result	-31,63	-67,08	33,80
Financial Results	4,48	24,05	22,51
Results of Branches and Associates	115,18	144,06	98,08
Non-Operating Results	-9,64	-29,76	-51,54
Net income	79,58	104,49	35,25
Amortizations	3,55	-16,01	4,49
Equity	138,59	288,33	164,41
Total Liabilities	168,60	123,78	208,76
Permanent Capitals	166,47	304,545	226,74
Non-Current Assets	226,13	287,91	257,45
Current Assets	81,06	124,20	115,73
Current Liabilities	140,72	107,565	146,44
Total Assets	307,19	412,11	373,18
Total Fixed Assets	137,78	151,60	110,06
Net Working Capital	-59,66	27,31	-30,71
Availability	51,62	45,38	44,42
Non-Current Liabilities	27,88	16,21	62,33

Evolution of Economic Indicators (2021-2023)

Headings	2021	2022	2023
Economic Profitability			
Return on Total Assets	25,9%	25,4%	9,45%
Return on Equity	57,4%	36,2%	21,44%
Operating Results/Operating Profits	4,48	24,05	22,51
Net Profit/Operating Revenue	446%	532%	136,55%
Non-Operating Results			
Financial Autonomy	45%	70%	44,06%
Solvency	82%	233%	78,76%
Indebtedness	55%	30%	55,94%
Medium and long-term debt capacity	83%	95%	72,51%
Debt structure	83%	87%	70,15%
Liquidity			
Reduced Liquidity	0,58	1,15	0,79
General Liquidity	0,58	1,15	0,79
Immediate Liquidity	0,37	0,42	0,30
Working Capital	-60	17	-30,71

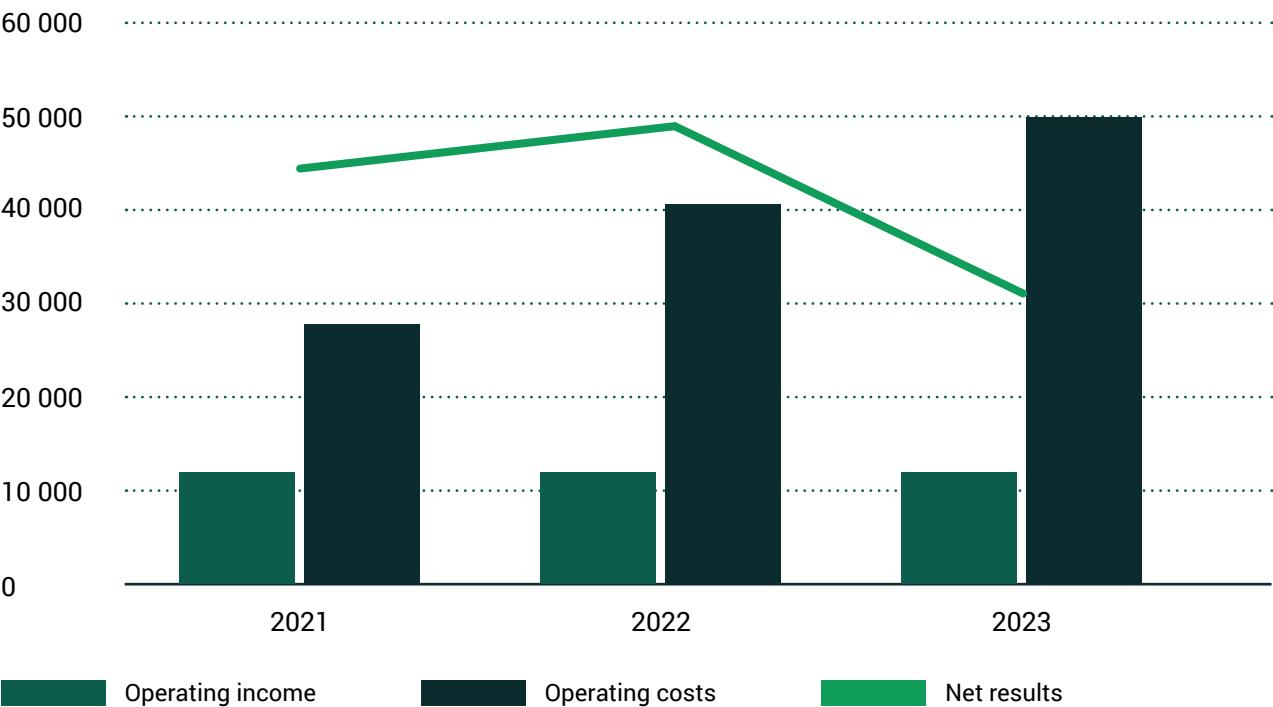
6.2 Economic and Financial Situation of ENDIAMA-E.P.

ENDIAMA-E.P. ended the 2023 fiscal year with a positive Net Income of Kz 29.21 billion (USD 35.25 million, in the 2023 exchange rate reference or USD 57.99 million, if the 2022 exchange rate reference is adopted), lower by Kz 23.42 billion (USD 28.30 million, in the 2023 exchange rate reference or USD 46.49 million, if the 2022 exchange rate reference is adopted) compared to the same period last year. The 44% reduction in the Kz reference (66% in the USD reference), in relation to the same period last year, is explained by the impact of the sharp drop in

diamond prices on the international market and the recording of asset impairments (Supplies to Participated) because they are in the nature of doubtful debts.

Despite the reduction in the average price per carat, from USD 214 in 2022 to USD 163 in 2023, the variation in the USD/ Kz exchange rate had an impact on the increase in Operating Income by 116% in the Kz reference (31% in the USD reference).).

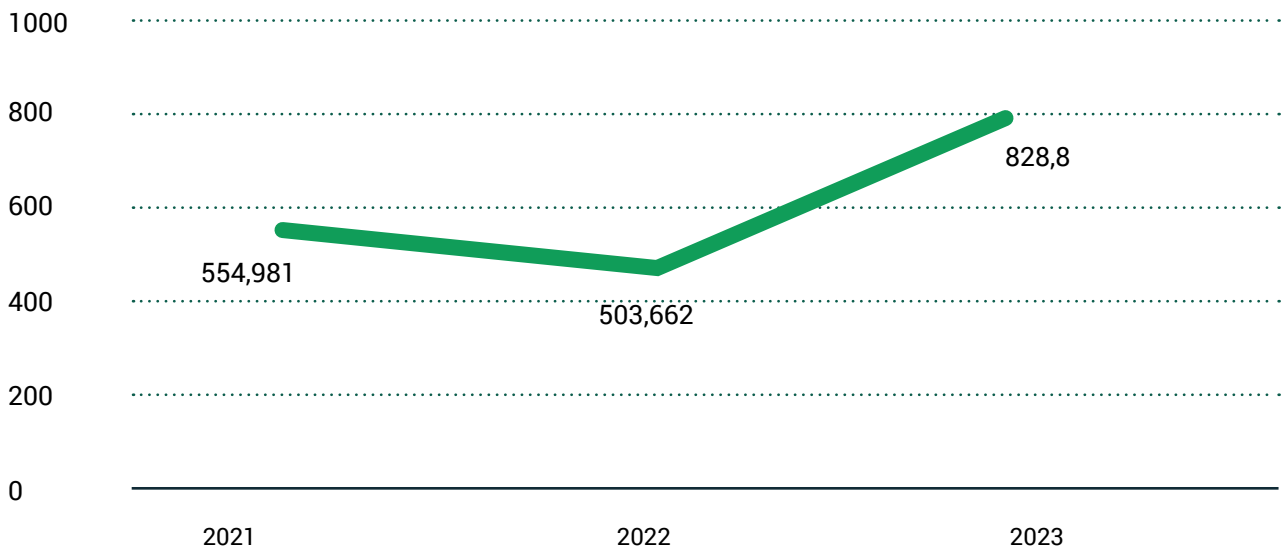
Evolution of the Company's Economic Indicators (Kz Million 2021 – 2023)



The difference observed in the variation rates, obtained in the analysis of the Company's economic and financial situation, between the reference in kwanzas and the reference in US Dollars, was due to a significant devaluation of the national currency in the period from 2021 to 2023.

For this Management and Accounts Report, relevance is given to the rates presented in the variations of the indicators calculated on the basis of the national currency.

USD vs Kz Exchange Rate Evolution (2021 – 2023)



6.2.1 Analysis of results

Operating Income in 2023 amounted to Kz 21.39 billion (USD 25.81 million), corresponding to an increase of 116% (USD 6.15 million) compared to the previous fiscal year.

The income now earned was essentially derived from marketing fees.

Operating income	2022		2023	
	Kz 000	USD 000	Kz 000	USD 000
Other operating income	21 394 102	25 810	9 901 588	19 658
Total	21 394 102	25 810	9 901 588	19 658

Operating Costs amounted to Kz 49.41 billion (USD 59.61 million) in 2023, with a 13% increase in the Kz benchmark (a 31% decrease in the USD benchmark), compared to the previous fiscal year.

Personnel Costs, which as a rule have a decisive weight in the structure of Operating Costs, corresponded to around 49% for this item and had an increase of 24% in the reference in Kz (a reduction of 25% in the reference in USD), compared to at the same period.

Operating income	2022		2023	
	Kz 000	USD 000	Kz 000	USD 000
Personnel costs	24 142 141	29 129	19 506 548	38 727
Amortizations	3 720 666	4.489	8 063 496	16 009
Other operating costs and losses	21 544 614	25 995	16 117 722	31 999
Total	49 407 421	56 613	43 687 766	86 735

The Operating Result is negative, due to the nature of the activity developed by the Company, embodied in the management of financial holdings, fundamentally in Mining Companies, not yet reflecting the results of the actions to return to own production.

The Financial Result had a positive record of Kz 18.65 billion (USD 22.51 million). Compared to the previous year, it recorded a 54% increase in the Kz benchmark (a 6% reduction in the USD benchmark).

The favorable and unfavorable exchange differences resulted, essentially, from the exchange rate adjustment of accounts receivable and payable recorded in foreign currency, with Subsidiary and Associated Companies, as well as Bank Deposits in foreign currency, having the favorable impact of Kz 37.06 billion (USD 44.72 million), a 210% increase on the Kz benchmark (88% increase on the USD benchmark) and the unfavorable impact recorded at Kz 19.06 billion (USD 22.99 million), translating into a 229% increase in the Kz reference (100% increase in the USD reference).

The Result of Branches and Associates was recorded at Kz 81.29 billion (USD 98.08 million), with an increase of 12% in the reference in Kz (a reduction of 32% in the

reference in USD), in relation to the fiscal year previous financial, positively influenced by the dividends generated by the Subsidiary and Associated Companies, notably, Clínica Sagrada Esperança, Sociedade Mineira do Catoca, Sociedade Mineira do Cuango, Sociedade Mineira do Chitotolo, Somilwana and Sociedade Mineira do Lulo.

Non-Operating Result had a negative record of Kz 42.72 billion (USD 51.54 million), an increase of 185% in the benchmark in Kz (an increase of 73% in the benchmark in USD), compared to the same period of the year. past.

Net Profit was Kz 29.21 billion (USD 35.25 million, in the 2023 exchange rate reference or USD 57.99 million, if the 2022 exchange rate reference is adopted), whose considerations were preliminarily presented.

Results	2022		2023	
	Kz 000	USD 000	Kz 000	USD 000
Operating Result	-28 013 319	-33 800	-33 786 178	-67 077
Financial Result	18 653 586	22 507	12 113 270	24 049
Result of Branches and Associates	81 291 220	98 083	72 562 760	144 062
Non-Operating Result	-42 716 940	-51541	-14 990 559	-29 761
Net Result from Current Activities	29 214 547	35 249	35 899 293	71 272
Result Before Cleansing	29 214 547	35 249	35 899 293	71 272
Extraordinary Result				
Net Income for the Year	29 214 547	35 249	52 629 012	104 487

6.2.2 Capital Structure Analysis

The company's assets at the end of 2023 totaled Kz 309.29 billion (USD 373.18 million), against Kz 207.58 billion (USD 412.11 million) in 2022, verifying an increase of 49% in the reference in Kz (a 9% reduction in the USD benchmark).

Total Liabilities amounted to Kz 173.02 billion (USD 208.76 million) against Kz 62.35 billion (USD 123.79 million) recorded in 2022, verifying an increase of 178% in the reference in Kz (an increase of 69% in the USD benchmark).

CHANGES IN THE COMPANY'S EQUITY SITUATION

- Intangible Assets: Increase of 291%, in the Kz reference, considering the impact of the implementation of ERP SAP, SIGIRMA (Mining Registration System) and ISO9001, 14001 37001 standards.
- Other Financial Assets: Increase of 8% (non-current), in the Kz reference, in relation to Treasury Bonds (OT), resulting from the full payment of Share Capital by the shareholder (State); a decrease of 28% (current), compared to the maturity of the OTs acquired in 2016, resulting from the State's compensation to the company for the shares subscribed in BODIVA.
- Non-Current Assets: Increase of 47%, in the Kz reference, compared to Additional Supplies and Loans to Subsidiaries and Associates.
- Accounts Receivable: 40% increase in the reference in Kz, compared to overdue rents and the current part of Supplies and Loans, respectively to Subsidiaries and Associates.

- Other Current Assets: Increase of 441%, in the Kz reference, compared to the provisions for marketing fees relating to the Trading Certificates of the latest diamond sales in the year.
- Net Equity: Decrease of 6%, in the Kz reference, due to the impact of fundamental regularizations. by mistakes
- Accumulated Profits or Losses: Decrease of 139%, in the Kz reference, due to the impact of the application of Profits from the years 2021 and 2022 and the correction of fundamental errors.
- Amortizations: Decrease of 54%, in the Kz reference, in relation to the registration of the reversal of accumulated amortizations related to buildings and other constructions.
- Operating Costs and Losses: Increase of 13%, in the Kz reference, in view of the IAC provision on dividends, as well as rents and leases, fees and agreements.
- Operating Results: Increase of 17%, in the Kz reference, taking into account the impact of the Operational increase. of the Profits
- Financial Results: Increase of 54%, in the Kz reference, in view of the impact of the exchange rate update of accounts receivable and payable with the Subsidiaries and Associates.
- Non-Operating Results: Decrease of 185%, in the Kz reference, due to the impact of provisions for doubtful debts and sponsorships granted.

	2022		2023	
	Kz 000	USD 000	Kz 000	USD 000
Non-Current Assets	213 374 439	257 450	145 019 988	287 915
Current Assets	95 912 725	115 725	62 555 986	124 195
Total Assets	309 287 165	373 175	207 575 974	412 110
Permanent Capitals	187 920 403	226 738	153 396 604	304 545
Current Liabilities	121 366 761	146 437	54 179 369	107 565
Equity + Total Liabilities	309 287 165	373 175	207 575 972	412 110

6.3 Tax and Social Contributions of ENDIAMA-E.P.

- In the fiscal year 2023, ENDIAMA-E.P. proceeded with the settlement of tax and parafiscal obligations totaling Kz 9.45 billion (USD 11.40 million), as illustrated in the table below.
- The payment of Employment Income Tax was USD 4.69 million and Industrial Tax (withholding tax) was USD 1.65 million.

Consolidation of Taxes and Fees paid by ENDIAMA-E.P. in 2023

Tax Contributions	2022			2023		
	Kz 000	USD 000	%	Kz 000	USD 000	%
INSS (Law No. 227/18)	1 402 300,60	2 784,00	19,96%	2 130 334,89	2 570,38	22,54%
Industrial Tax (Law No. 26/20)	2 037 675,90	4 045,49	29,01%	1 370 829,73	1 653,99	14,50%
Industrial Tax	2 015 504,07	4 001,47	28,69%	1 235 972,21	1 488,87	13,06%
IRT by Corita itself	22 171,84	44,02	0,32%	136 857,52	165,13	1,45%
IRT (Law no. 28/20)	2 735 439,52	5 430,78	38,94%	3 886 990,08	4 689,90	41,12%
Property Tax (Law No. 20/20)	91 650,25	181,96	1,30%	74 156,99	89,48	0,78%
Others	758 070,74	1 505,03	10,79%	1 989 790,46	2 400,81	21,05%
Total	7 025 137,04	13 947,26	100,00%	9 452 102,15	11 404,56	100,00%





Social Actions

Within the scope of Corporate Social Responsibility, the following actions were developed:

- Signing of the ENDIAMA-E.P. Collective Labor Agreement;
- Implementation of the ENDIAMA-E.P. Workers' Pension Fund;
- Conclusion of the dispute between ENDIAMA-E.P. and workers from the former Paralyzed Mining Projects: Fucaúma, Luarica, Luxinge, SML and Yetwene involving 2,513 people, with direct financial expenditure above Kz 3.49 billion;
- Approval of the strategy for establishing ENDIAGRO to promote Agribusiness, especially in Lunda Norte, Lunda Sul and Moxico;
- Creation of productive inclusion programs: Agribusiness;
- Consolidation of the Single Social Responsibility System, through the Brilhante Foundation;
- Implementation and monitoring of environmental sustainability programs;
- Massification and promotion of culture and arts in the eastern region (Sona vilage, traditions festival, etc.);
- Increased support for the practice of professional and amateur sports activities;
- Construction of community infrastructure in mining areas, i.e. schools, medical centers, water catchment structures;
- Offer of school kits for 3000 elementary school students;
- Continuation of the construction of the Lueji A'Nkonde University Center in Dundo, designed to accommodate 3,000 students and with 27% physical completion;
- Completed the first and second cycles of technical training and improvement at the ENDIAMA-E.P. Professional Training Center. (CEFOPE) with a total of 194 trainees;
- The curricular phase of the third training cycle was completed and the practical/applied phase of training began, with 129 trainees.





Perspectives for 2024

8.1 Outlook for 2024

- Consolidate ENDIAMA-E.P. the position of the Mining Company as a reference in the field of diamonds at national and international level;
- Update mining projects, reserves, and boost prospecting work to increase reserves and restart IGM activities in the Mulepe Sangamina kimberlites; and
- Implement new operating models with a view to leveraging the Calonda, Cas-sanguidi, Luminas, Mucuanza, Lunhinga and Tchegi projects;
- Complete the process of creating Pros-pecting Brigades;
- Systematize and implement continuous improvement processes in all Projects in production;
- Increase production to 14.6 million car-ats in 2024;
- Complete the process of grouping semi-industrial cooperatives;
- Implementation of the Mining Abandon-ment Fund for environmental recovery, as provided for in the Mining Code;
- Complete the restructuring of ENDIAMA Mining and its respective training with technical means and human resources;
- Construction of a Lapidary Factory whol-ly owned by ENDIAMA-E.P.;
- Acquisition of shares in the KAPU GEMS Lapidary Factory;
- Completion of the construction of the Gold Refinery;
- Acquisition of concession for investi-gation of occurrence of gold and other minerals;
- Creation of International Services; ENDI-AMA
- Consolidation of the Sustainable Devel-opment Program for Mining Areas.
- Implementation of ENDIAGRO;
- Continue work towards the company's certification in ISO 9001, 14001 and 37001;
- SAP S/4HANA ERP goes live;
- Consolidate internal Compliance and Reporting processes, with a view to or-ganizational improvement and financial robustness.

ENDIAMA E.P.

Attachments

PARECER DO CONSELHO FISCAL SOBRE O RELATÓRIO E CONTAS DA ENDIAMA, E.P.

A 31 DE DEZEMBRO DE 2023

Dear Sirs, Dear Shareholders of ENDIAMA, E.P.,

1. In compliance with the legal and statutory provisions, in particular paragraphs 1 and 2 of article 441 of Law No. 1/04, of February 13, Commercial Companies Law and the entity's Articles of Association, we submit for Your Excellencies' consideration, the Opinion of the Supervisory Board on the Financial Statements for the fiscal year ended December 31, 2023.

Introduction

2. Within the scope of the functions of the Fiscal Council, actions were developed throughout the fiscal year that led to the monitoring of the evolution of the entity's activity, in the various aspects of its management, especially with regard to the regularity of its accounting records, based on sample, compliance with current legal and statutory standards, as well as compliance with the actions defined in the Activity Plan for the referred period.
3. In the exercise of our functions and with the depth and scope possible, we proceed, through the accounting and financial information consulted, to the analysis of the Company's operations, we verify and examine, based on the periodic sample, the regularity of the accounting records and we assess the accounting statements. , including balance sheet, income statement, cash flow statement and related notes.
4. The Fiscal Council interacted with the External Auditor to assess his opinion on the quality and reliability of the accounting records, internal control system, accounting policies and valuation criteria and, in order to assess, based on the work carried out by the External Auditor, whether the financial statements presented accurately and truthfully reflect the company's financial and equity situation.

Responsibilities of the Administration and the Supervisory Board

5. Responsibilities of the Board of Directors and the Fiscal Council It is the responsibility of the Board of Directors to prepare and present the Entity's financial statements, and to ensure that they present, in a true and appropriate manner, the entity's financial position, as well as the result of its operations and cash flows. box.
6. It is the responsibility of the Fiscal Council to issue an independent and impartial opinion on the financial statements presented by the Board of Directors, in order to ensure

the appropriate adoption of accounting policies and criteria aligned with the accounting principles and standards contained in the General Angolan Accounting Plan, as well as ensuring the maintenance of appropriate internal control systems, with the depth and scope possible, on a sample basis.

About the Financial Statements and Annexes

7. The Supervisory Board analyzed the Entity's financial statements, referring to, for the fiscal year 2023, which showed assets of around 309.29 billion kwanzas (+49%), liabilities of around 173.02 billion (+178%), and a positive net result for the fiscal year of around 29,22 billion kwanzas (-44%).
8. The increase in assets is essentially justified by the increase in the headings of (i) other current assets (+441%), due to the significant increase in the recording of income from diamond marketing fees; (ii) intangible assets (+291%), justified by the developments made in the SAP System and implementation in the Mining Registration System; (iii) other non-current assets (+166%), essentially justified by the amounts of dividends receivable from Sociedade Mineira do Catoca, Cuango and Lulo, as well as the amounts of loans receivable from Geoangol, Endiama Mining and Sociedade Mineira do Luembe.
9. The increase in liabilities is essentially justified by the increase in the headings of (i) medium and long-term loans (+1111%), due to the increase in loans with Banco BAI and Caixa Angola; (ii) other current liabilities (+278%) due, essentially, to the specialization of the IAC associated with dividends attributed by subsidiaries and associates; (iii) accounts payable (+93%) mainly due to the incorporation of Sociedade Mineira do Luele, corresponding to the subscribed and unpaid capital on December 31, 2023, as well as accounts payable to the State due to dividends distributed and unpaid.
10. Regarding the Sector's performance, the following aspects are worth highlighting:
 - The recovered production of diamonds amounted to 9,772,338 carats, while the production actually sold was 9,396,335 carats, registering a slight increase of 2%;
 - On the other hand, gross revenue totaled US\$ 1.53 billion, having registered a decrease of 23% compared to the previous period. Despite the efforts undertaken, gross revenue reduced due to the reduction in the average price of carats that were traded in 2023 at US\$/Qlts. 163, while last year it was traded at a value of US\$ Qlts. 214;
11. Regarding Endiama's financial performance, the following aspects are worth highlighting:

- In terms of economic profitability, it can be seen that the profitability of total assets was 9.45%, and the profitability of equity was 21%, demonstrating that the results have been capable of generating returns for shareholders, although there was a reduction in relation to the same period last year, which recorded a return on equity of around 36%;
- A financial autonomy ratio of around 44% can be seen, demonstrating that the entity has, in a balanced manner, the capacity to finance its activities with its own resources, although 56% of its assets must be financed by third-party capital. .
- In terms of total debt, there is an index of around 0.56 (56%), demonstrating a reduced financial risk, as the capital is sufficient to meet its financial obligations;
- The solvency ratio was 79%, indicating that Endiama's net equity is sufficient to cover its liabilities;
- In terms of general liquidity, there is an index of 0.79, demonstrating that the entity's current assets are insufficient to cover all short-term obligations. Additionally, working capital in 2023 was negative, thus concluding that current liabilities are greater than current assets, contrary to the same period, which recorded positive working capital.

Main Findings and Recommendations

12. Among the various findings and recommendations that were detected throughout the work that culminated in this opinion, the following aspects stand out:

- The Supervisory Board assessed the content of the Independent Auditor's Report (Deloitte Auditores, Lda.) on the Financial Statements, which, within the scope of its work and scope, issued a qualified opinion on several items of the Financial Statements.
- The Fiscal Council urges the Board of Directors to seek mechanisms and make urgent efforts to resolve the reserve under the heading of Investments in subsidiaries and associates, given that considering the magnitude of the value and risk of the investments not bringing the due return to the State. , the intervention of the CA in this matter is imperative.
- On the other hand, it is a concern of this Fiscal Council that a revaluation of land, buildings and other constructions was carried out, and that there was no in-depth and detailed analysis that is sufficient and appropriate to justify the registration made that reduced the value of the Retained earnings, as these are fundamental errors. Therefore, the

Fiscal Council recommends that concrete measures and actions be taken to mitigate such reserve and safeguard the correct registration of State assets held by the entity.

- It is imperative that the Board of Directors continues to make efforts to improve Endiama's internal control environment, and that such controls allow all operations to be captured and reported for due accounting registration and adequate tax treatment.
- In addition to the internal control environment, it is imperative to implement reconciliation procedures on a periodic basis to ensure that all information existing in the entity is reconciled with the accounting records and that all accounting records entered into the System are current and comparable.
- The Fiscal Council monitored the relationship between Endiama and its related parties, and recommends that

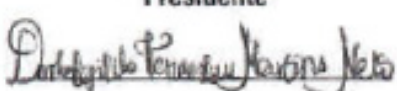
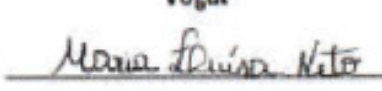
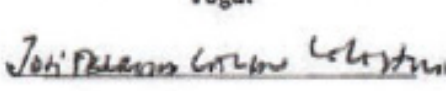
concrete and sanctioning measures be implemented against those who, in disobedience to the principle of good faith, do not collaborate to improve the entity's procedures, given that the controlled entities must, whenever requested, provide information in a timely manner.

- Endiama has numerous open bank accounts in its accounting records, and within the scope of balance circularization, some existing bank accounts are not included in the accounting records. To this end, the Fiscal Council recommends that the Board of Directors carry out a thorough assessment of the number of bank accounts opened, the benefits and losses that these may cause to good management and governance, and carry out the sanitation of bank accounts, as well as the due accounting record.

Opinion

13. In view of the facts presented, considering the information provided by the Board of Directors, the Fiscal Council is of a favorable opinion to the approval of Endiama's Accounts for the period ending December 31, 2023.
14. Finally, the Fiscal Council expresses its gratitude to the Board of Directors of Endiama, E.P., as well as to all employees and Independent Auditors, for all the collaboration and attention provided during the work that culminated in the preparation of this opinion.

FISCAL COUNCIL OF ENDIAMA, E.P., in Luanda, June 26, 2024

Presidente	Vogal	Vogal
		
Dorbelgildo Venceslau M. Neto	Maria Luisa António Neto	José Gallano Celestino

Balanço

ENDIAMA - EMPRESA NACIONAL DE DIAMANTES, E.P.
BALANÇO EM 31 DE DEZEMBRO 2023 E 2022
(Montantes expressos em milhares de Kwanzas - mkz)

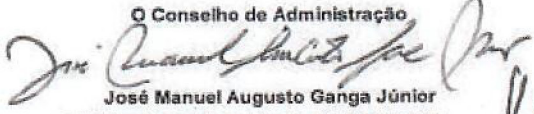

Designação	Notas	Exercícios	
		2023	2022
ACTIVO			
ACTIVO NÃO CORRENTE			
Imobilizações corpóreas	4	88 607 804	75 691 827
Imobilizações incorpóreas	5	2 609 957	667 602
Investimentos em subsidiárias e associadas	6	89 213 811	45 977 975
Outros activos financeiros	7	18 627 743	17 302 845
Outros activos não correntes	9	14 315 324	5 379 738
Total do activo não corrente		213 374 439	145 019 988
ACTIVO CORRENTE			
Contas a receber	9	48 065 607	34 359 997
Disponibilidades	10	36 813 391	22 857 841
Outros activos financeiros	7	2 750 585	3 806 332
Outros activos correntes	11	8 283 143	1 531 816
Total do activo corrente		95 912 725	62 555 986
Total do activo		309 287 164	207 575 974
CAPITAL PRÓPRIO E PASSIVO			
CAPITAL PRÓPRIO			
Capital	12	20 000 000	20 000 000
Reservas	13	90 757 913	63 213 931
Resultados transitados	14	(3 707 478)	9 387 461
Resultados do exercício		29 214 548	52 629 011
Total do capital próprio		136 264 983	145 230 403
PASSIVO			
PASSIVO NÃO CORRENTE:			
Empréstimos de médio e longo prazo	15	48 815 040	4 029 528
Provisões para pensões	17	899 330	578 867
Provisões para outros riscos e encargos	18	1 941 050	3 557 806
Total do passivo não corrente		51 655 420	8 166 201
PASSIVO CORRENTE			
Contas a pagar	19	88 069 953	45 592 515
Parte corrente dos empréstimos a médio e longo prazo	15	8 453 760	2 014 764
Outros passivos correntes	21	24 843 048	6 572 090
Total do passivo corrente		121 366 761	54 179 369
Total do passivo		173 022 181	62 345 570
Total do capital próprio e do passivo		309 287 164	207 575 974

As notas anexas são parte integrante do balanço em 31 de Dezembro de 2023.

O Contabilista

António M. Ventura
 (Membro OCPCA N.º 20130097)

Azevedo Artur
 (Membro OCPCA N.º 20151573)

O Conselho de Administração

José Manuel Augusto Ganga Júnior
 (Presidente Conselho de Administração)

Teófilo Assunção Rodrigues Chifunga
 (Administrador)

RELATÓRIO DE GESTÃO E CONTAS DO EXERCÍCIO ECONÓMICO DE 2023

Demonstração de Resultados

ENDIAMA - EMPRESA NACIONAL DE DIAMANTES, E.P.
DEMONSTRAÇÃO DE RESULTADOS POR NATUREZA PARA OS EXERCÍCIOS FINDOS EM 31 DE DEZEMBRO
DE 2023 E 2022

(Montantes expressos em milhares de Kwanzas - mKz)

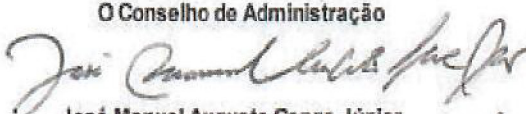
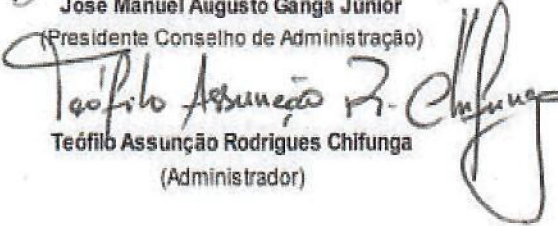
Designação	Notas	Exercícios	
		2023	2022
Outros proveitos operacionais	24	21.394.102	9.901.588
Custos com o pessoal	28	(24.142.141)	(19.506.548)
Amortizações	29	(3.720.666)	(8.063.496)
Outros custos e perdas operacionais	30	(21.544.614)	(16.117.722)
Resultados operacionais		(28.013.319)	(33.786.179)
Resultados financeiros	31	18.653.586	12.113.270
Resultados de filiais e associadas	32	81.291.220	72.562.760
Resultados não operacionais	33	(42.716.940)	(14.990.559)
Resultados antes de impostos		29.214.548	35.899.292
Resultados extraordinários	34	-	16.729.719
Imposto sobre o rendimento	35	-	-
Resultado líquido do período		29.214.548	52.629.011

As notas anexas são parte integrante da demonstração dos resultados por naturezas do exercício findo em 31 de Dezembro de 2023.

O Contabilista

António M. Ventura
 Membro OCPCA (20130097)

Azevedo Artur
 Membro OCPCA (20151573)

O Conselho de Administração

José Manuel Augusto Ganga Júnior
 (Presidente Conselho de Administração)

Teófilo Assunção Rodrigues Chifunga
 (Administrador)

Demonstração de Fluxos de Caixa

ENDIAMA - EMPRESA NACIONAL DE DIAMANTES, E.P.
 DEMONSTRAÇÕES DE FLUXOS DE CAIXA
 (Método indirecto)
 PARA OS EXERCÍCIOS FINDOS EM 31 DE DEZEMBRO DE 2023 E 2022
 (Montantes expressos em milhares de Kwanzas - mKz)

Designação	Notas	Exercícios	
		2022	2022
Fluxo de caixa das actividades operacionais			
Resultado líquido antes dos impostos e das rubricas extraordinárias		29.214.548	35.889.292
Ajustamentos:			
Depreciações e amortizações	26	3.720.666	5.063.498
Perdas em imobilizações	33	21.010.139	218.400
Provisões	31	(18.653.586)	314.183
Resultados financeiros	34	-	(12.113.270)
Resultados extraordinários e não operacionais	32	-	(1.739.180)
Resultados de filiais e associadas	9	(81.291.220)	(72.582.760)
Utilização de provisões de contas a receber		(31.327)	(160.001)
Resultados operacionais antes das alterações do capital circulante		(46.030.781)	(23.268.849)
(Aumento)/Diminuição das dívidas de terceiros (excluindo empréstimos concedidos a entidades relacionadas e dividendos)	9	6.156.336	(5.428.403)
(Aumento)/Diminuição de outros activos	11	(6.751.327)	(1.477.080)
Aumento/(Diminuição) das dívidas a terceiros	19	1.521.194	(5.030.991)
Aumento/(Diminuição) de outros passivos	21	18.270.958	2.388.592
Aumento de caixa não imediatamente convertível em dinheiro	47	-	-
		(26.833.620)	(54.329.750)
Impostos sobre os lucros pagos		(26.833.620)	(54.329.750)
Fluxo de caixa das actividades de investimento			
Recebimentos provenientes de:			
Juros e proveitos similares	31	4.328.133	945.174
Alienação de investimentos financeiros	31	-	5.781.453
Dividendos recebidos		45.293.843	59.338.208
Depósitos a médio longo prazo		4.181.850	15.778.123
Empréstimos concedidos	9	16.574.788	146.083
Activos financeiros - Obrigações do tesouro	7	177.670	-
		70.556.296	82.969.020
Pagamentos respeitantes a:			
Imobilizações corpóreas	4	(13.397.192)	(5.314.463)
Imobilizações incorpóreas	5	(2.139.235)	(605.231)
Investimentos financeiros	6	(11.064.242)	(279)
Depósitos a médio longo prazo		(19.153.610)	(40.872)
Empréstimos concedidos	9	(27.425.669)	(7.791.960)
		(73.169.946)	(37.208.999)
		(2.613.650)	44.513.937
Fluxos de caixa das actividades de financiamento			
Recebimentos provenientes de:			
Empréstimos obtidos	15	36.996.878	-
		36.996.878	-
Pagamentos respeitantes a:			
Dividendos ou lucros pagos	14	(5.833.350)	-
Empréstimos obtidos	15	-	(7.014.764)
Juros e custos similares pagos	31	(2.833.527)	(420.486)
		(8.666.877)	(2.435.250)
Caixa líquida usada nas actividades de financiamento		28.330.001	(2.435.250)
Aumento/(Diminuição) líquido de caixa e seus equivalentes		(1.117.272)	37.367
Caixa e seus equivalentes no início do período	47	22.770.126	11.826.386
Ganhos / (perdas) cambiais	47	141.933	(226.415)
Caixa e seus equivalentes no fim do período	47	21.794.787	22.770.126

O Conselho Bilateral
António M. Ventura
 António M. Ventura
 (Membro OCPCAN.º 20130097)
Azevedo Artur
 Azevedo Artur
 (Membro OCPCAN.º 20151573)

O Conselho de Administração
José Manuel Augusto Ganga Júnior
 José Manuel Augusto Ganga Júnior
 Presidente Conselho de Administração
Teófilo Assunção R. Chifunga
 Teófilo Assunção Rodrigues Chifunga
 (Administrador)

Luanda, 18 de Julho de 2024.

O CONSELHO DE ADMINISTRAÇÃO DA ENDIAMA-E.P.

José Manuel Augusto Ganga Júnior
 José Manuel Augusto Ganga Júnior
 Presidente do Conselho de Administração

Teófilo Assunção R. Chifunga
 Teófilo Assunção R. Chifunga
 Administrador Executivo

Domingos M. dos Santos N. Margarida
 Domingos M. dos Santos N. Margarida
 Administrador Executivo

Laureano Receado Paulo
 Laureano Receado Paulo
 Administrador Executivo

Ana Maria Feijó
 Ana Maria Feijó
 Administradora Executiva

RELATÓRIO DE GESTÃO E CONTAS DO EXERCÍCIO ECONÓMICO DE 2023



MANAGEMENT AND ACCOUNTS REPORT

2023