

37. Share capital and Other equity instruments

The Bank's share capital, as at 31 December 2020, amounts to Euros 4,725,000,000 and is represented by 15,113,989,952 nominative book-entry without nominal value, fully subscribed and paid up.

Pursuant the resolutions of the General Meeting of the Bank of 5 November 2018, the share capital of the Bank was reduced from Euros 5,600,738,053.72 to Euros 4,725,000,000 maintaining the number of shares. The reduction in share capital of Euros 875,738,053.72 was made by incorporation of reserves including actuarial differences.

As at 31 December 2020, the share premium amounts to Euros 16,470,667.11, corresponding to the difference between the issue price (Euros 0.0834 per share) and the issue value (Euros 0.08 per share) determined under the scope of the Exchange Offer occurred in June 2015.

As at 31 December 2020, the balance Other equity instruments, in the amount of Euros 400,000,000 (31 December 2019: Euros 400,000,000) corresponds to 2,000 subordinated perpetual bonds (Additional Tier 1), issued on 31 January 2019, with a nominal value of Euros 200,000 each.

In December 2019, the Bank reimbursed 2,922 perpetual subordinated debt securities with conditional coupons, issued on 29 June 2009, with a nominal value of Euros 1,000 each, in the amount of Euros 2,922,000.

Banco Comercial Português, S.A. proceeded, on 31 January 2019, to an issue of perpetual bonds, representing subordinated debt, classified as Additional Tier 1 core capital instrument, in the amount of Euros 400,000,000. This issue was classified as a equity instrument in accordance with the specific rules of IAS 32 and accounting policy 1D.

The operation, in the amount of Euros 400 million and with no fixed term, has the option of early repayment by the Bank as of the end of the 5th year, and an interest rate of 9.25% per annum during the first 5 years. As an instrument classified as AT1, the corresponding interest payment is decided by the Bank at its discretion and is still subject to compliance with a set of conditions, including compliance with the combined requirement of capital reserve and the existence of Distributable Funds in sufficient amount. The payment of interest may also be cancelled by imposition of the competent authorities.

As at 31 December 2020, the shareholders who individually or jointly hold 2% or more of the capital of the Bank, are the following:

Shareholder	Number of shares	% share capital	% voting rights
Grupo Fosun - Chiado (Luxembourg) S.a.r.l. detida pela Fosun International Holdings Ltd	4,523,384,503	29.93%	29.93%
Sonangol - Sociedade Nacional de Combustíveis de Angola, EP, diretamente	2,946,353,914	19.49%	19.49%
BlackRock, Inc. (*)	423,574,988	2.80%	2.80%
Fundo de Pensões EDP (**)	311,616,144	2.06%	2.06%
Total Qualified Shareholdings	8,204,929,549	54.28%	54.28%

(*) In accordance with the announcement on 26 November 2020 (last information available).

(**) Allocation in accordance with Art. 20 (1.f) of the Portuguese Securities Code.

38. Legal and statutory reserves

Under the Portuguese legislation, the Bank is required to annually set-up a legal reserve equal to a minimum of 10% of annual profits until the reserve equals the share capital, or until the sum of the free reserves constituted and the retained earnings, if higher. Such reserve is not normally distributable. In accordance with the proposal for the appropriation of net income for the 2019 financial year approved at the General Shareholders' Meeting held on 20 May 2020, the Bank increased its legal reserve in the amount of Euros 13,929,000. Thus, as at 31 December 2020, the Legal reserves amount to Euros 254,464,000 (31 December 2019: Euros 240,535,000).

Under the appropriation of net income for the 2018 financial year, in 2019 the Bank distributed the Statutory reserves in the amount of Euros 30,000,000.